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PROCEEDINGS AND DEBATES OF THE 102d CONGRESS, SECOND SESSION

SENATE—*Wednesday, February 5, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the Honorable WENDELL H. FORD, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

To every thing there is a season, and a time to every purpose under the heaven * * *.—Ecclesiastes 3:1.

Eternal Father, help us appreciate the invaluable resource of time—a Senator has no more time than a child—to waste time is murder, and the only way to save time is to spend it wisely. Delay for its own sake is not virtuous, but dilatory, "Haste makes waste." Forgive us for complaining that we do not have enough time; forgive us for killing time. Save us from the abuse of this precious commodity.

God of eternity, recalling the story of the Vermont farmer who, when asked why he did not hurry, said, "I figure that I pass up more than I catch up with." Or the cliche, "The hurrier I go, the behinder I get"; help us make time our servant rather than our master.

In the name of Jesus who was never in a hurry, yet finished the work he had entered history to do. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 5, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WENDELL H. FORD, a Senator from the State of Kentucky, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. FORD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The distinguished majority leader.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning the time for morning business will run until 11 a.m., during which time a number of Senators will be recognized to speak for specific time periods. When morning business closes at 11, there will then be 1 hour of debate remaining on the motion to proceed to the energy bill with that time equally controlled between Senators JOHNSTON and MURKOWSKI. Once the hour is used or yielded back, the Senate, by prior order, is scheduled to vote on the motion to proceed to the bill.

Late last evening, the distinguished Republican leader offered to vitiate the vote and proceed to the bill, and I indicated that I would review that with Senator JOHNSTON and our colleagues before making a decision on that, and I will do that at the earliest opportunity this morning, and prior to the time when the vote would otherwise occur and will make an announcement in that regard at that time.

Once the Senate gets to the bill, Senator JEFFORDS is to be recognized to offer an amendment regarding alternative fuels. There is expected to be debate and a vote on that amendment today. I am advised by staff that the managers have been working with several Senators who have amendments which will be offered and debated, with possible rollcall votes occurring during the day to dispose of those amendments.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I reserve all the leader time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein.

The Senator from Pennsylvania is recognized for up to 10 minutes.

Mr. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 2188 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SPECTER. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. Four minutes and seventeen seconds.

EXTRADITION OF JOSEPH PATRICK DOHERTY

Mr. SPECTER. Mr. President, I now wish to utilize the remainder of my time to talk about the proposed extradition of Joseph Patrick Doherty, which I think is fundamentally unfair. In May 1980, Joseph Patrick Doherty, a member of the provisional Irish Republican Army, and others were charged with ambushing a car carrying members of the English Army which resulted in a killing.

Before the court returned a verdict, Mr. Doherty fled, and he was convicted in absentia for murder and sentenced to life in prison. He entered this country in 1982 and was found by INS in June 1983 and arrested, and INS commenced deportation proceedings.

He petitioned for political asylum under the Refugee Act of 1980. That petition started a very long proceeding, Mr. President, where at this juncture Mr. Doherty has been ordered deported

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• This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

after a complex series of litigation proceedings resulting in a decision by the U.S. Supreme Court. But as of this time he has never received a hearing on his request for political asylum, and he has been imprisoned in this country since 1983.

Mr. President, the intricacies of this matter are not such that anyone can speak with absolute authority on what has happened, but I think it is plain on this state of the record that he is entitled to a hearing which he has never had. I have written to the Attorney General on January 29 and to the President on February 4 urging that as a matter of executive discretion, a hearing be held.

I ask unanimous consent that the text of those letters be printed in the RECORD at the conclusion of this statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPECTER. Mr. President, the fact that there is substantial merit in Mr. Doherty's position is illustrated by the fact that a Federal judge at one stage denied extradition, holding that Joseph Patrick Doherty was not extraditable because his crime fell within the political crimes exception to the extradition treaty.

At another stage in these complex proceedings, the Board of Immigration Appeals granted Joseph Patrick Doherty's request to withhold deportation and to reopen his asylum petition. The Immigration and Naturalization Service appealed this decision, and the Attorney General reversed, and then the Court of Appeals for the Second Circuit in a 2-to-1 decision reversed the Attorney General's order and permitted Joseph Patrick Doherty to have his deportation proceedings reopened.

The Supreme Court then took jurisdiction of the case, granting a petition for writ of certiorari. It attracted enormous attention, with 132 Members of Congress joining in a brief amicus curiae in support of Joseph Patrick Doherty's position.

A few weeks ago, on January 15, 1992, the Supreme Court, in a split 5-to-3 decision, reversed the Second Circuit and upheld the deportation without a hearing and declined to reopen the asylum proceedings in an opinion where there was no majority rationale.

Mr. President, we cannot decide in a congressional context the intricacies of this kind of a case, but I submit that it is just fundamentally unfair for a man to be deported in the context of this case without having a hearing, and I urge my colleagues to join me and the other 141 Members of Congress who have spoken out on the subject to carry this message to the President—I know it is not easy to ask the President to overrule his Attorney General—to direct the Attorney General to reconsider this matter. I know it is not easy for him to do so in the context of the Supreme Court decision. But fundamental fairness and plain justice cry out, Mr. President, that there should be a hearing in this matter.

I see the gavel poised. I know my time has expired. I thank the Chair for its indulgence and yield the floor.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, January 29, 1992.

Hon. WILLIAM P. BARR,
Attorney General, Department of Justice, Washington, DC.

DEAR BILL: As you know, the Supreme Court recently upheld the authority of the Department of Justice to deport Joseph Patrick Doherty to the United Kingdom. *Immigration and Naturalization Service* v. *Doherty*, No. 90-925. The Court, in a decision that failed to garner a majority rationale, upheld the exercise of discretion by your predecessors in office to refuse to reopen Mr. Doherty's withdrawn petition for withholding deportation and asylum. As you may be aware, I was one of the Members of Congress who filed an amicus curiae brief in support of Mr. Doherty.

While the federal government now holds the legal authority to deport Mr. Doherty without a hearing, I hope that you will withhold deportation and grant Mr. Doherty's request to reopen his asylum petition. While I take no position on the merits of Mr. Doherty's claim, I believe that he is entitled to present his evidence and attempt to make his case in the manner prescribed for the adjudication of asylum claims. To deny Mr. Doherty the opportunity to make out his case in a hearing is to deny one of the pillars of American justice: that no one may be harmed through official process without an opportunity to be heard.

Although the Constitution does not require a hearing for Mr. Doherty, and the Court has now decided that the Refugee Act of 1980 and applicable regulations do not mandate a hearing, I hope that you will invoke the spirit of justice behind the due process clause and grant Mr. Doherty a withholding of deportation and an opportunity to present evidence in support of his asylum claim.

Thank you for your consideration of this important matter.

My best.

Sincerely,

ARLEN SPECTER.

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, February 4, 1992.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I write about a matter of great urgency. The Supreme Court recently upheld the authority of the Attorney General to deport Joseph Patrick Doherty without a hearing. Mr. Doherty is now subject to deportation to the United Kingdom. I urge you to intercede with Attorney General Barr on this matter to direct that Mr. Doherty receive a hearing on his petition for asylum.

Mr. Doherty was convicted in absentia before a British court of the murder of an English Army captain. He was arrested in this country and has spent over eight years in prison here without a hearing. Mr. Doherty petitioned for political asylum, but withdrew his petition. He then sought to reopen his petition for asylum. Although the immigration judge approved the reopening, previous Attorneys General, exercising their statutory discretion, refused to permit the reopening. The federal courts reversed the refusal to reopen, but the Supreme Court upheld the Attorney General's exercise of discretion.

I believe that Mr. Doherty should be granted an opportunity to present evidence to the Immigration and Naturalization Service that would enable it to render a considered adjudication of his petition for political asylum. Anything short of a hearing would be an unwarranted compromise of the requirements of due process and would improperly allow foreign policy considerations to impinge on a political asylum decision.

Therefore, I urge you to direct General Barr to grant a withholding of deportation to Mr. Doherty and to reopen his asylum petition to allow him to present evidence in support of his claim for asylum.

Thank you for attention to this important matter.

Respectfully,

ARLEN SPECTER.

The ACTING PRESIDENT pro tempore. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I thank the distinguished Chair for recognizing me.

Mr. President, how much time am I allowed?

The ACTING PRESIDENT pro tempore. The Senator from Arkansas [Mr. PRYOR] is recognized to speak for up to 15 minutes.

Mr. PRYOR. Mr. President, I thank the Chair very much.

SKYROCKETING COST OF HEALTH CARE

Mr. PRYOR. Mr. President, our health care system is hemorrhaging from out-of-control costs. These costs are driving the ever-increasing calls for health care reform. It is driving the demand that we do something about these costs and access to the system, which is not present for some 34 million Americans.

Mr. President, it remains very unclear whether we are going to adequately and comprehensively respond to these calls this year. We can take an important step by enacting legislation that will bring down the costs of pharmaceuticals or prescription drugs.

Mr. President, legislation of this type is long overdue. The prescription drug pricing problem has reached a crisis proportion in America today. For the 12th year in a row, prescription drug price inflation has been the leader of the pack in pushing up the cost of medical care in our country. New data released recently by the Bureau of Labor Statistics shows that prescription drug manufacturers continue to dangerously ignore bipartisan calls to show pricing restraint.

Mr. President, in my opinion, this is raw arrogance on the part of the pharmaceutical manufacturers. While the Consumer Price Index increased just 3.1 percent in 1991, Mr. President, the drug manufacturers' inflation was three times this at 9.4 percent—these figures are just in from 1991.

According to the Congressional Research Service, during the 10-year period between January 1982 and December 1991, while the overall general inflation rate increased by 46 percent, the prescription drug inflation index increased 3 times that amount—143 percent.

These data, while stark, eye opening, and pretty awesome, also fail to tell the whole story. Recent studies and surveys of elderly Americans in our country put the impact of these shameful and unrelenting price increases into human terms.

One, prescription drugs represent the highest out-of-pocket medical expenditure for three out of four elderly people. According to an August 1991 CBO study, 60 percent of the elderly people in America are today at risk for catastrophic out-of-pocket prescription drug prices.

Two, because of skyrocketing prescription drug inflation, many private health insurance plans for the elderly today offer absolutely no prescription drug coverage. Today, over one-half of all Americans over the age of 65—16 million elderly people—have no insurance protection whatsoever against the cost of and the inflation on their prescription drugs.

Three, over 5 million people over 55 now say they are having to make choices between food and their prescription drugs—between fuel for their home for heat or paying for prescription drugs. If that is the case, what kind of a country have we become?

After almost 3 years of continuous congressional pressure on the drug industry to be responsible players in the health care system, one manufacturer has said, and a few have implied, that each year they will keep their prescription drug price increases on drugs to the general inflation rate.

I applaud this. While there is a step forward in this, Mr. President, this policy absolutely does nothing to assure us that new drugs coming into the market for which research and development grants are given, and the taxpayers are paying for, will be priced responsibly. Earlier this month two drug companies announced a voluntary program to lower their drug prices to certain Federal Government drug purchases. These voluntary efforts are welcome, and they are long overdue. But, unfortunately, it is unlikely that other drug manufacturers will voluntarily follow suit.

In that case, we have no guarantee whatsoever that the drug companies making these voluntary gestures or any other drug company whatsoever, that comes forward in the future, will continue to moderate their pricing policies.

For these reasons, Mr. President, I believe that it will take nothing short of Federal legislation in this session of Congress, this session of Congress this year, 1992, to ensure that all Federal purchasers have protection against skyrocketing pharmaceutical prices. While the American public is staggering under the weight of triple-digit restriction drug price inflation, the pharmaceutical manufacturers continue to give us plenty of examples of why they have earned the distinct honor today of being America's most recession-proof industry.

For example, in the first quarter of 1991, Mr. President, American Home Products, the parent company of A.H. Robins, and Wyeth-Ayerst, posted a 14-percent increase in its profits. Johnson & Johnson, which is the parent company of Ortho and Janssen Pharmaceuticals, boasted an 18-percent increase in its profits in the last quarter of 1991. Bristol-Myers Squibb posted a 20-percent increase in profits, setting records for both the quarter and the entire year.

One drug industry analyst has predicted that, in 1992, drug companies will increase their profits by 17 percent over 1991.

There is little doubt today why drug stocks remain the little darlings of investors even in times of economic doom and gloom. In fact, Mr. President, given the current situation and the current conditions, if I were an investor today, I would look very carefully at some of these drug companies because they have made such a tremendous profit in the past several years.

I think that we should examine these prices to see why they are so high. For the third quarter of 1991, while average Americans just tried to keep their heads above water and pay the bills for health care, education, and rent, the pharmaceutical industry's skyrocketing price increases helped to give the shareholders a 32.4-percent return on equity, more than 3 times the Fortune 500 industry average of 9.8 percent.

So what is the most profitable industry in America, Mr. President? Without question, it is the manufacturing of pharmaceuticals. And who pays the most for those drugs, Mr. President? Those who can least afford to do so.

The drug companies CEO's do not appear to be feeling the effects of the recession. While the median income of the average elderly household in America was $8,781 in 1990, the median salary of the Nation's top 14 drug companies was $1.56 million in 1990. That was not all. This figure pales in comparison to the median value of their long-term golden parachutes of stocks, bonds, and stock options, which for these 14 CEO's, is an average of $3.65 million.

The drug companies have responded to these well-established facts by saying that their exorbitant drug price increases are needed for research; and that any cost control measures will kill research and development, that goose that laid the golden egg.

I say this argument amounts to nothing more than a big goose egg. They are spending more money today on marketing, they are spending more money today on advertising, than they are on research to find the cure for cancer, AIDS, Parkinson's disease, Alzheimer's, and those diseases of our time and generation for which we must find a cure.

Recently, Mr. President, a physician in Texas sent me a cardboard box full of drug manufacturing promotional gimmicks that this doctor had received over the past several months.

As I went through this box recently, I examined more and more of these useless gimmicks. You think about the number of hard-earned American health dollars that went to pay for this incredible waste and extravagance in their promotion and advertising schemes, all to promote drugs already on the market, and not to research and find a cure for the diseases of our times.

To add insult to injury, the Pharmaceutical Manufacturers Association, the PMA, recently announced than it found another way to convince us that it has more money than it knows what to do with. It has just hired a major public relations firm to help it improve its image among the general public. The reports are that this campaign will cost the pharmaceutical manufacturers $7 million in 1992.

Expenditures like this are a mere drop in the bucket for the most profitable industry in the United States. Makes no mistake that the drug industry is not going to pay for this slick PR campaign, but it will be the sick, it will be the poor, the elderly, and the taxpayers of this country who are footing the bill.

Mr. President, I ask unanimous consent to proceed for 2 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, in this upcoming session of Congress, I want to renew my commitment to ensuring that all Federal Government health care programs pay fair and uniform prices for pharmaceuticals.

In addition, let me say that the disturbing 1991 prescription drug inflation data, the continued posting of record profits by the drug industry, and the continuing evidence of the excessive and unnecessary promotional activities renews my commitment to enacting S. 2000, the Prescription Drug Inflation Containment Act of 1991.

I am proud to have the cosponsorship of the distinguished Senator from Maine, Senator BILL COHEN, and many others of my colleagues.

This Congress can no longer ignore the burden that prescription drugs are placing on Americans of all ages. I encourage my colleagues to join with me in being a cosponsor of this legislation.

Finally, Mr. President, if we are going to allow prescription drug costs to go at the rate they have been going in the past decade, where we are spending $67 billion in 1990, we are going to be spending $145 billion for prescription drugs in the year 2000, just 8 years from now.

Finally, Mr. President, on tomorrow at noon our President is going to unveil his long-awaited health care reform legislation. I am willing to bet, Mr. President, and I am not Jeane Dixon. I am going to make a prediction. You just watch and see. He is not going to talk about the cost of prescription drugs. He is going to ignore the fastest rising component in the health care system that we have today, the cost of prescription drugs, the cost of pharmaceuticals.

Why? I think that we will find out eventually. But I do know this: prescription drug costs is the No. 1 health care cost for three out of four elderly. And I am hopeful that our President will change his mind and talk tomorrow about what this administration plans to do in containing the exorbitant prices and the unwarranted, unjustified profits of the pharmaceutical manufacturers of America.

Mr. President, I thank the Chair.

I yield the floor.

Mr. BROWN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Colorado.

EXTENSION OF MORNING BUSINESS

Mr. BROWN. Mr. President, I ask unanimous consent to extend morning business for 10 minutes, such time to be equally divided between the distinguished Senator from Rhode Island and myself.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

WELFARE REFORM

Mr. BROWN. Mr. President, one of the things that was included in President Bush's plan that did not receive a great deal of attention, but has a great deal of importance for every American, I believe, is reform with regard to the welfare system.

The President has pledged to help States get waivers to experiment with welfare reform initiatives. This is critical, because our States have proven their ability to develop positive proposals that can turn people's lives around. There is nothing sadder in our society than those who are truly in need and receive public assistance and, yet, find that public assistance, rather than enriching their lives, sentences them to a lifetime of poverty.

The facts are these: We spend an enormous amount of money as a nation and as a people both at the Federal and the State level to assist those in need and, yet, all too often the programs that we have allowed to go forward have not truly helped people out of poverty. As a matter of fact, there is mounting evidence that indicates that the very programs themselves keep people in poverty.

The answer is pretty simple and straightforward: We need to design assistance programs, welfare programs, to help people out of poverty, to find a way up and out, not to keep them in it.

One such idea will be included in the Economic Opportunity Act of 1992, which I will introduce tomorrow. The bill is focused on the Work Supplement Program. I believe it is a positive program. It is a positive bill that will help all involved. It will help the welfare recipient, because it will give them an ability to increase their take-home income. It will help the Federal Government, because it will provide additional funding for them.

How is this possible? Well, from some simple basic reforms. First of all, the bill speaks to the reason why only 17 States use this program, why it is underutilized.

Right now, the Work Supplement Program is restricted so that an employer may not hire a welfare recipient unless he can show they will be put into a brandnew job. This bill would allow work supplement programs to use jobs that are vacant. In other words, you cannot take away someone's job to provide it, but you can give a welfare recipient a job that comes open. That makes a big difference, because it provides opportunity for welfare recipients.

Second, this bill would allow States to use food stamps as part of the Work Supplement Program. This will significantly expand the benefits available to provide incentive in this area. It will open up a whole range of new jobs, because you can only get a part-time job sometimes with the AFDC money that is involved. If food stamp money is involved as well, not only is more money coming to the welfare recipient, but far more jobs are opened up.

The third basic reform involves an incentive program for the States. As they experience savings from the Federal share, from the reduction of people on welfare, part of that money is shared with the State, so they have an incentive to participate. The savings help reduce the higher costs, because it takes workers to place people in these jobs.

Fourth, and I think importantly, this guarantees that the welfare recipient is better off. The bill requires that they have to get at least 125 percent or more when they work than they did when they were on welfare.

Let's face it, if we want people to work, we have to reward them for doing it. This bill can make a positive difference, because it not only gets more money to the welfare recipients at a lower cost, but more important, it prepares them for a meaningful job. It gives them the skills that will help them earn their own way. It is a start in changing our welfare program from one that has kept people in poverty to one that provides a way out.

Mr. President, I yield the floor.

ORDER OF PROCEDURE

Mr. FORD. Mr. President, on behalf of the majority leader, I ask unanimous consent that the Senate proceed to the consideration of S. 2166, the energy bill, no later than 12 noon today.

The PRESIDING OFFICER (Mr. WELLSTONE). Is there objection?

Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I ask unanimous consent that I might have 7 minutes to proceed in lieu of the 5 that I believe I now have.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOUR CHEERS FOR ENVIRONMENTALISTS

Mr. CHAFEE. Mr. President, there is a strange and dangerous phenomenon sweeping across this country. During hard economic times such as those we are facing today, it seems to make some people feel good to berate, belittle, and ridicule those who are urging action to protect the environment. Phrases like "regulatory zealots" and "no growth advocates" are used with greater and greater frequency.

The danger—and the folly—of such an attitude can be found in the page 1 headline of yesterday's Washington Post: "Ozone-Hole Conditions Spreading; High Concentrations of Key Pollutants Discovered Over U.S." I ask unanimous consent that a copy of the article be printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CHAFEE. Mr. President, it appears that the annual hole in the sky over Antarctica may soon have a companion. Not the hole over the Arctic that we heard about last year but a hole over the United States—over heavily populated areas of the entire Northern Hemisphere.

Manmade chemicals such as chlorofluorocarbons [CFC's] are destroying the fragile stratospheric ozone layer—the atmospheric shield that protects us from the Sun's harmful ultraviolet radiation. A damaged ozone layer means increased ultraviolet radiation. Increased ultraviolet radiation means more cases of skin cancer and cataracts as well as damage to plant life, including the crops we grow to feed people all over the world.

Mr. President, since 1974, scientists and environmentalists have been warning us that chemicals such as CFC's would destroy the ozone layer.

What was the response? Proponents of the status quo argued about the scientific uncertainties. They spoke about the lack of proof. They told us how these chemicals were indispensible to our way of life.

Those who ridiculed the environmentalists' warnings managed to hold the line for a few years but finally, in 1987, thanks to the extraordinary efforts to the U.N. Environment Programme [UNEP], under the leadership of UNEP's Executive Director, Dr. Mostafa Tolba, multinational negotiations produced the historic Montreal protocol—an international agreement to reduce CFC production by 50 percent over the ensuing 10 years.

Fortunately for all of us, the Senate Committee on Environment and Public Works—that well-known bastion of tree hugging liberals and source of crazed, extremist environmental proposals—recognized that a 50-percent cut in CFC's was not enough. During consideration of the Clean Air Act amendments, the committee accepted my proposal to phase out—to ban—CFC's and related ozone destroying chemicals. Included in my amendment, which is now part of the law, was a directive that EPA accelerate the phaseout schedule when data such as that reported yesterday suggests the need to do so.

Mr. President, there is a point to this brief historical review. In fact, there are at least three points.

First, the next time anyone starts to berate environmentalists for sounding the alarm, stop and think about the ozone layer. This latest news is serious but stop and think about how much worse it would be if we did not respond when we did with the Montreal protocol and the Clean Air Act.

Second, what about the predictions of economic hardship and technical barriers to a CFC phaseout?

When I first introduced my bill to ban ozone destroying chemicals in 1987, it was criticized by Members of this body as excessively oppressive and regulatory in nature. In 1990, against some opposition, the Senate approved an amendment to strengthen the ozone protection portion of the Clean Air Act. Opponents argued that the amendment "threatens American jobs and American competitiveness." It was said that the amendment would "greatly impact the competitiveness of American industry."

What has happened? Lo and behold, some of our most innovative companies are finding that eliminating ozone destructive chemicals is far easier than predicted and, rather than being an economic burden, is turning out to be an economic boon. By eliminating CFC's and methyl chloroform, a number of industries are actually saving money. One company has reported that for every dollar they spent to eliminate these chemicals they will save four times that amount in future costs avoided. I say four cheers for companies like Northern Telecom, IBM, Hewlett Packard, AT&T.

Finally, Mr. President, there is an important lesson here that can and should be applied to the threat of global climate change. All of the arguments we heard against proposals to protect the ozone layer are being used again. Cries of "scientific uncertainty," "economic burdens," and "technical barriers" ring through these Halls. Sure, we need to be cognizant of these factors but we must not be paralyzed by them.

These environmental challenges are not burdens that undermine American competitiveness. They are opportunities. The future of American industry is in new, clean technologies. When countries such as India, China, or Brazil go shopping for industrial processes, what are they going to buy? Old, worn out, polluting technologies or new, clean, state-of-the-art technologies? Our chief competitors in the world market, Japan and Germany, have already figured this out. It doesn't take a rocket scientist to see that we are about to miss the boat.

Later this month, in New York City, there will be a crucial meeting of governments that have been negotiating a climate convention. For months, the United States has been an obstacle to progress at these negotiating sessions. That is most unfortunate and it is unnecessary. It is my understanding that the administration is trying to decide whether and when to make a constructive offer at these negotiations. My advice, Mr. President, is do it and do it now. The sooner the better.

To those who like to kick around environmentalists, those who like to ridicule our environmental laws, I say "remember the ozone hole." To those who continue to sound the alarm and warn us of environmental problems, I say "keep up the good work." And finally, to those who develop the solutions to these problems, those who find better, cleaner ways to make things, I say "four cheers."

EXHIBIT 1

[From the Washington Post, Feb. 4, 1992]

OZONE-HOLE CONDITIONS SPREADING

(By Kathy Sawyer)

The danger that a new ozone "hole" could open over densely settled areas of the Northern Hemisphere, exposing the population to increased amounts of harmful radiation, is greater than previously suspected, scientists reported yesterday.

New indications of ozone depletion by NASA satellite and multiagency airborne instruments are so alarming, the scientists said, that they decided to release them before completion of the data analysis in late March.

Two weeks ago, detectors aboard a converted spy plane flying over New England and eastern Canada recorded the highest level of the ozone-destroying chemical chlorine monoxide ever measured anywhere around the globe. The level—1.5 parts per billion—was approximately 50 percent greater than any previously seen over Antarctica, the site of the infamous ozone hole first discovered in the early 1980s.

Chlorine monoxide, which results from the presence of man-made chlorofluorocarbons (CFCs), is a potent ozone-destroyer by itself. And when combined with small amounts of its chemical cousin, bromine monoxide—which the NASA researchers also found at elevated levels—the effect is enough to destroy ozone at a rate of about 1 or 2 percent per day for brief periods in late winter, said Michael Kurylo, NASA's program manager for the airborne studies.

Ozone in the stratosphere protects the Earth's surface by absorbing much of the ultraviolet radiation that causes skin cancer, cataracts and immune-system damage in humans and devastates many microscopic marine organisms.

Weather conditions permitting, ozone over parts of the Northern Hemisphere could be depleted by 30 to 40 percent, the scientists said. By comparison, about 50 percent of the ozone has been depleted from the ozone hole over Antarctica.

To emphasize how ozone-destroying chemicals have become widespread over populated areas, Kurylo described the experience of the science investigators' flights out of Maine. "There were some flights directly out of Bangor where the aircraft encouraged these parcels [of chlorine gas] before it ever got to operating altitudes."

In addition, researchers found evidence of reduced concentrations of nitrogen oxides in the lower stratosphere. Nitrogen oxides help preserve ozone by reacting with chlorine and bromine compounds before they can damage the ozone layer.

"Our conclusion is that the 'immune system' of the atmosphere"—its nitrogen-mediated ability to fight ozone-destroying chemicals—"is weaker than we had suspected before," said James G. Anderson of Harvard University, lead scientist for the airborne observations program. "None of the news is good."

Ozone-depleting compounds in the stratosphere from the Arctic as far south as the central Caribbean were found to be much more abundant than computer analyses had predicted. Part of this is a result of the eruption of Mount Pinatubo in the Philippines last June, the scientists said.

The new observations, including some from NASA's new Upper Atmosphere Research Satellite (UARS), suggest that the chemical processes that apparently work to deplete ozone throughout the atmosphere are not confined to the polar areas, where conditions are more conducive to ozone destruction.

The Antarctic hole was discovered in 1985. Concern has grown since then that Earth's ozone shield is being destroyed by human industry, primarily by the release into the atmosphere of CFCs used as refrigerants, thermal insulators and in cleaning solvents. These break down into chlorine atoms or compounds, which interact with and destroy ozone.

Ozone is a form of oxygen whose molecules contain three oxygen atoms instead of the usual two—a configuration that gives ozone its peculiar ability to filter ultraviolet rays from sunlight. But highly reactive chlorine or bromine compounds, atmospheric scientists believe, snatch one of the oxygen atoms away. The remaining two-atom molecules of ordinary oxygen cannot block ultraviolet radiation.

How severely the ozone is depleted depends on weather conditions, especially the size and duration of the so-called polar vortex—a supercold mass of air penned in by high winds swirling around it. When the air is cold enough inside the vortex, ice particles form. These, along with liquid droplets, provide platforms for the ozone-destroying chemical reactions, which are triggered by sunlight.

The vortex over the Arctic is more broken, because of turbulence caused by surrounding mountains, than is the one over Antarctica, scientists noted. The greatest danger of high ozone loss—a "hole"—over the Arctic will occur when the vortex there remains intact until late February, according to Kurylo.

Based on an estimated 10 percent ozone loss in mid-latitudes during the 1990s, a panel of the United Nations Environment Program reported in November that increased ultraviolet radiation leaking through the ozone layer by the turn of the century could cause 1.6 million additional cases of cataracts and 300,000 additional skin cancers a year worldwide.

Most nations have agreed to phase out CFCs by the year 2000, but some potential replacements also involve ozone destroyers.

The new findings yesterday moved Sen. Albert Gore Jr. (D-Tenn.) to introduce new legislation that would speed the phase-out of ozone-depleting chemicals.

A NASA official compared the decades of buildup of ozone-destroying chemicals to the way a head of foam forms on a glass of beer. The chemicals rise through the lower atmosphere and bubble into the stratosphere.

Scientists noted that, once in the atmosphere, the ozone destroyers are very persistent. Even if CFCs were phased out at once, said Kurylo, to restore the ozone layer to its former health "would take until 2060 or 2070. . . . This legacy will be with us for a long time."

TRIBUTE TO BEATRICE LERNER

Mr. LAUTENBERG. Mr. President, last week the State of New Jersey lost one of our most devoted public persons, Beatrice Lerner of South Orange. She was a dear friend and it is an honor for me to place in the RECORD the life and activities of this remarkable woman.

A native New Jerseyan, Beatrice Hirshman was born and raised in Newark. Upon her graduation from Barringer High School, Bea went on to New York University where she studied under noted playwright Morton Wishengrad.

After her marriage to Joseph H. Lerner, the couple settled in New Jersey and began their lives together. Joe Lerner's own impressive record of public service includes service as a Newark Municipal Court judge and a New Jersey State Alcoholic Control director.

Bea's devotion to her faith and to Jewish life was always in evidence. Her religion served Bea as both a source of strength and a call to service. She believed that people have an obligation to one another. To serve cheerfully when called upon was always a personal hallmark of Bea Lerner.

An active member of the Zionist Organization of America, Bea served as that group's New Jersey chapter president for 16 years and was a member of its national executive committee.

She and Joe chaired for many years the organization's annual Justice Louis D. Brandeis Awards dinner which recognized outstanding political, educational, religious, and communications leaders for their work and humanism. Among those honored was Nobel Peace Prize winner, Elie Wiesel.

In the early 1980's, Bea herself was recognized by the Zionist organization with a Brandeis Award which recognized her for her "love and sympathetic understanding of all people, her dynamic personality and her creative gifts of heart and mind."

Bea was also a life member of Hadassah and served as its Newark chapter president. She was the author of a number of plays, including "Ticket to Israel" which is used by Hadassah organizations throughout the Nation.

However, Bea's dedication to the community was not restricted to her dedication to her religion or Jewish heritage. Bea Lerner was, in all things, a multifaceted personality and a humanist.

She served as president of the Garden State Ballet for 10 years and as president of the New Jersey Ballet for 1. She was intimately involved in the Northern New Jersey Multiple Sclerosis Society and active in Democratic politics on both a State and national level.

As John F. Kennedy's New Jersey special events chairwoman during the 1960 campaign, and later as assistant campaign chairwoman to former New Jersey Gov. Richard Hughes, Bea organized numerous events at the old Newark Armory drawing performers such as Frank Sinatra and Nat King Cole.

And Bea's political house parties were legend in the State. Her guests included: Israeli Prime Minister David Ben Gurion, United States Supreme Court Justice Byron White, President Harry Truman, Adlai Stevenson, BILL BRADLEY, Mrs. Walter Mondale, and members of the families of John F. Kennedy and Vice President Hubert Humphrey. I, myself, am proud to say that I was often a guest of Bea's and was always grateful to her for her friendship and support. She actively worked on behalf of candidates for office in whom she believed and I was privileged to enjoy her considerable skill and effort in my quest for the Senate.

She also served as an administrative assistant to former New Jersey Govs. Robert Meyner and Brendan Byrne.

Mr. President, Bea was a woman who sought to highlight not the differences that separate people, but the common bonds that unite us all. She believed in the inherent goodness of people and strove to be a catalyst for understanding in an often intolerant world.

Community leader, social and political activist, devoted wife, mother of Trish Vradenburg and Michael Lerner, grandmother to Akiba, Alissa, and Tyler Vradenburg, sister to Irving Hirshman, Bea Lerner will be missed by many. Her passing leaves a void that will not easily be filled. And to her family, I express my deepest sympathy.

I hope they will derive some comfort from knowing that our world is a better place for having had Bea Lerner in it.

RURAL HEALTH CARE

Mr. CONRAD. Mr. President, I would like to draw the attention of the Senate to an article in this week's People magazine entitled "Too Tough to Die."

This article describes the ordeal of North Dakota high school student John Thompson, whose arms were severed in a farm accident. This is a heart-wrenching story about a young man with more courage and stamina that anyone I know.

John Thompson was able to run 400 yards to the house, call for help, assist the volunteer ambulance crew in locating materials in which to pack his arms for surgery, and keep everyone calm through it all. John's story has captured the heart of anyone who hears it. His courage is an example to all of us.

I recommend this article to my colleagues and will ask unanimous consent that the article be printed in full.

But Mr. President, there is another lesson to be learned from John's ordeal. His story demonstrates the critical need for a network of quality health care in rural America. At each and every step of John's terrible journey, trained health volunteers and professionals made it possible for him to survive—the volunteer ambulance crew first on the scene, the rural emergency room 20 minutes away, the air-ambulance plane that took John to Minneapolis for his surgery and the surgeon who reattached his arms.

Mr. President, I would draw the Senate's attention to another story. This is the story of the health care providers involved in John Thompson's case, and the role of the University of North Dakota in training and establishing a health network across my State. I ask unanimous consent that the article from the January 1992 issue of the Review, "Alumni Play Critical Roles, Brighten Health Prospects, Rural to Urban," be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From People magazine, Feb. 3, 1992]

TOO TOUGH TO DIE

(By Margaret Nelson)

The morning was cold and bright as John Thompson, an 18-year-old high school senior, went about his chores on his family's 1,600-acre farm near Hurdsfield, N. Dak. After a leisurely breakfast alone that Saturday, Jan. 11, John went out to use an auger powered by a tractor to move barley into the pigfeeding bins. And then it happened. John remembers a slip on the ice, a tug on his shirt—and in a terrifying split second, both of his arms were ripped off by the spinning machinery.

Now, propped up in bed at North Memorial Medical Center near Minneapolis a week after microsurgery to reattach his arms, John may be the only person who doesn't marvel at the courage and coolness he showed in the aftermath of the terrible accident. Though wincing at pain that "feels like a nail's being pounded into me," he seems almost matter-of-fact in describing for the first time the ordeal that made news around the nation. "I'm grateful for everyone's prayers and everything, but anyone would have done what I did," he says with a shy smile and easy good manners. "You do what you have to do."

But what John Thompson did was nothing less than incredible. Like keeping his wits and running 400 feet uphill to his house with blood oozing from the stumps of his arms; like using the bone that dangled from his left shoulder to open the door; like phoning for help by using a pen clenched in his teeth to peck out the number on the touch-tone dial; like waiting for some 30 minutes alone, huddled in the bathtub so he wouldn't get blood on his mother's carpet; like helping the volunteer ambulance crew locate plastic garbage bags and ice to pack his severed arms; and finally, enduring six hours of surgery, which required 30 units of blood, making his one of a few successful double-arm reattachments ever performed in the U.S. For John's surgeon Dr. Allen Van Beek, 48 a Vietnam veteran and microsurgery specialist, it is hard to talk of the episode without voicing a sense of awe—or without tearing up when he thinks of John waiting alone for help. "John is the epitome of courage," says Van Beek. "The only other place I saw courage like this was in war. At first he thought he was going to die. That's when supernatural strength comes in. It's there in everybody. But he used it when it was needed."

Perhaps the hardships of growing up on a farm had toughened John more than most. In recent years his parents, Larry, 45, and Karen, 44, have suffered the financial difficulties of many farmers, forcing them to sell 600 acres of their land. A music enthusiast whose favorite performers are Whitney Houston, Bette Midler and Guns N' Roses, John hoped to go to college and possibly become a professional singer. One of three children—his sister, Kim Blotter, 23, lives in Fargo, and his brother, Mick, 22, is a truck driver living at home—John took special pride in handling things when his folks were away. "He's always been a quiet kid, never said much, but now you see what he's got," says Larry. "He's really something."

Still piecing together the events of that Saturday, John says it helps to talk about what happened. His parents were visiting a relative at a hospital in Bismarck, 90 miles away, leaving John home alone. It was about 11:30 A.M. when John went to unload barley from a Ford two-ton truck. He turned on the device known as a power takeoff (PTO), a small but powerful spinning shaft that in turn operates the auger, a common farm implement used to move grain. He remembers jumping down from the truck, but not much more of the actual accident. "I must have slipped," he says. "The front of my shirt got caught in the PTO. I pulled the shirt out, but my arm got caught." As best he can figure, the PTO, which was mounted on the tractor about two feet off the ground, spun him around about five times. "I was lying on the ground," he says. "I couldn't feel my left arm. "I couldn't see my right arm. I thought it was bent back, but I went to pick myself up, and my arms were gone. I thought I was going to die."

In that sickening instant, he doesn't remember feeling pain or panic. "I got up, I don't know how, and sort of ran to the house," he says. "I had a bone sticking out of my left arm, and I was gonna try and open the sliding door. I got the bone into the lock, but I couldn't get it open. I went to the front, used my bone to open the screen door, then my mouth to turn the knob." Rushing into the office, he jostled the phone off the hook and tried to dial the first number that came to mind—that of his uncle, Lynn Thompson, who lives a few miles away. Three times he attempted to punch the seven digits out by using his nose, without success.

Finally he got hold of a pen with his mouth and used that to dial. On the other end, his cousin Tammy, 17, picked up. "When Tammy answered, I spit out the pen. I told her, 'This is John. Call an ambulance immediately because I'm bleeding very bad and I don't have any arms.' I kept saying that. Then I pushed the button down until I heard a dial tone. I knew Tammy wouldn't be able to call an ambulance unless I broke the connection." With the family's toy poodle, Tinker, barking all around him, John went to the bathroom, kicked open the shower curtain, crouched down in the tub to avoid staining his mom's carpet and waited for help.

Meanwhile, Tammy, panicked and in tears, first called her stepmother, Sharon Thompson, a waitress at Hurdsfield's only restaurant, and told her to call an ambulance. Next she phoned her mother, Renee Thompson, who runs a nearby gas station, and pleaded with her to come quick. "I raced out of the station and jumped into the car," says Renee. After picking up Tammy, she arrived at the Thompson farm in about five minutes. Inside the simple, ranch-style house they were greeted by splattered blood and the sound of John crying in the bathroom. As Renee hustled in to comfort him, he implored her to keep Tammy away. "It's real bad, Aunt Renee," he said.

It took a moment for Renee to realize how bad. "He was in the bathtub with the shower curtain covering most of him. I could just see his head," Renee recalls. "He kept repeating, 'I have no arms. I have no arms.'" For the next 20 or 30 minutes, she tried to keep his spirits up by holding and talking to him. John appeared oddly concerned with how others in his family would react to his accident. "He'd say, 'I know Dad's gonna blame himself for leaving me alone,'" says Renee. "He was very rational, very alert, didn't seem to be in pain." Nor had he lost his sense of humor. After Renee told him the ambulance would be there in a second, he promptly counted "1,001" and announced, "Well, it's not here."

When the ambulance got to the house, the crew of two women and a man had trouble concealing their shock at what they saw. "They walked into the bathroom, and their eyes kind of rolled back in their heads—just for a second," says Renee. "They were stunned. They're farm people, volunteers." John reminded the crew to retrieve his arms and directed them to the garbage bags in the kitchen, so the limbs could be packed in ice. "Mostly we get heart attacks, stroke victims," says Joan Rodacker, a four-year veteran of the Bowdon ambulance service. "If John hadn't kept his head, the outcome would have been different."

After strapping John to the stretcher and packing his arms in ice, the crew sped to St. Aloisius Medical Center, about 20 minutes away, in the town of Harvey. In the ambulance, John began complaining that his now severed hands were hurting. "It was real weird,' he says. "The doctors say it was phantom pain."

By that time John had lost roughly half his blood. What apparently prevented him from bleeding to death was the fact that the arteries had quickly closed off naturally, as if a tourniquet had been applied. The attending physician, Dr. Curt Nyhus, immediately phoned Van Beek, who was on call at North Memorial hospital, a regional trauma center that has six microsurgeons skilled in limb reattachment. at 3:30 p.m. John, accompanied by a doctor, lifted off from Harvey aboard an air-ambulance plane for the two-hour flight to Minneapolis.

As in all limb-reattachment procedures, speed was critical to repairing the damage. Soon after John arrived at North Memorial, he was prepared for the operation, and then a surgical team led by Van Beek began working on his left arm, which had been severed above the elbow, while another worked simultaneously on the right, which had been torn off at the shoulder. Experts say that while the operation is not technically difficult, it is a major trauma for the body. "Fortunately, John is tremendously healthy—his lungs, kidneys, heart," says Van Beek. Since the initial operation, John has been in surgery three more times to remove dead skin and check the reattached blood vessels.

Back at home, John's medical progress is, not surprisingly, the principal topic of conversation. "In a small town," says John's friend LeAnna Opp, 17, "you get really close to your classmates." An average student, John is the photographer for the school yearbook and a star singer of the school's music program. "John's gotten more outgoing in the last few years," says LeAnna. "It's real hard to have him gone. We're making him a video and writing him letters.

At this point John's prognosis is still unclear, though every day Dr. Van Beek is more optimistic that the reattachment will be permanent. "I'll consider it a home run if he gets use of his elbows," says Van Beek. "If he gets some hand function, I'll be elated." Whatever the case, John faces another month in the hospital and at least five years of grueling physical therapy. Given what he's already experienced, it seems a safe bet that John will be up to the task. "I'm trying to figure out what I'll be able to do with my hands, how I'll finish high school, if I can drive again," says John. Himself a former North Dakota farm boy, Van Beek can especially empathize. "He's going to need a lot of support," says Van Beek. "Fortunately he has the whole world pulling for him."

[From the Review, January 1992]

ALUMNI PLAY CRITICAL ROLES, BRIGHTEN HEALTH PROSPECTS, RURAL TO URBAN

The case of the young man from rural Hurdsfield, N.D., who tragically lost his arms in an accident on his parents' farm earlier this month, has struck a sensitive chord with people throughout the nation. John Thompson, a high school senior, was working alone the day of the tragedy but managed to keep control and call for help that ultimately lead to his survival and, possibly, restoration of some use of his arms.

Almost daily, some note of update on the progress of this courageous teenager has been reported through various media. What hasn't been highlighted in this dramatic story of rescue, emergency treatment and subsequent surgeries is the role of the UND School of Medicine through members of our alumni family who helped to assure that this young man will attain the highest possible level of recovery and restoration of physical ability.

The team of surgeons who reattached Thompsons' arms was led by a graduate of the UND School of Medicine, Allen Van Beck, M.D. (88 Med. '66), at North Memorial Hospital in Minneapolis, Dr. Van Beck, who has returned on occasion to share his work and ideas with other alumni and faculty at the annual UND Homecoming scientific session hosted by the School of Medicine, completed the first half of his medical education at a time when UNDSM only offered a two-year, bachelor of science in medicine degree. He then completed his medical degree at the University of Minneapolis Medical School.

The weekend of the accident, another physician alumnus of the UND School of Medicine, Curtis Nyhus, M.D. '77, a family physician in Jamestown, was covering the emergency room at St. Aloisius Hospital in his hometown of Harvey. He and his team of professionals provided Thompson with the care he needed for the next step in his journey to recovery, air transport to Minneapolis. Nyhus was late to learn, from a follow-up conversation, that his health care team's work in preparing the extremities was the best Van Beck had ever seen.

It is important to note that the potentially optimistic surgical outcome is linked to the care and treatment this young patient was given shortly after his accident. The emergency medical technicians who first arrived on the accident scene Jan. 11 had received an instructional session, only a couple of weeks before, on appropriate measures of care for victims of this type of trauma. Without this kind of knowledge, provided to volunteer workers on the front line in the most rural setting, the chances are remote that this incident would evolve to what some describe as a series of miracles.

The instruction noted above was provided by Cory Jones, a 1979 graduate of the UNDSM Family Nurse Practitioner Program who has worked at Harvey, N.D., since his graduation from the FNP Program. In a broadcast news segment aired the day after the accident, he said he felt he hadn't done "anything so extraordinary," emphasizing that teamwork of many people was critical to what is now viewed as a most extraordinary medical accomplishment.

The Family Nurse Practitioner (FNP) Program, featured in this issue of The Review, has at its very core the belief that rural health care need not be inferior health care, and that rural residents deserve levels of care comparable to that provided to city dwellers. In North Dakota, around the region and, indeed, the nation, this program is held in high regard because it reaches out to rural citizens and underprivileged citizens with an improved quality of health care delivery.

The FNP Program, which this month granted certificates to its 20th—and largest—class, educates nurses to assume some of the responsibilities for health care usually provided by the physician. These students are dedicated to provision of primary health care in areas, in many cases, where care has been substandard both in access and quality; they serve the rural, the indigent, those with low incomes, and those who need it on an emergency basis.

Co-director of the FNP Program, Mickey Knutson, says, "In the case of John Thompson, one of our FNP graduates had an important impact on a very emotional case. It is gratifying to see how everything came together."

There are many inspiring and thought-provoking aspects to this event, but perhaps one of the most gripping is the evidence of this young man's desire to live and his demand for life. By all accounts, he has to possess the psychological stamina required to maximize the effects of those health professionals who have brought him this far.

Those who are connected to the UND School of medicine, and the mission to which we are committed, can take pride in the fact that the people we have trained have gone on, and will continue to go on, to assume greater roles of service—often in routine, less publicized but no less meaningful ways.

EXTENSION OF UNEMPLOYMENT BENEFITS

Mr. BENTSEN. Mr. President, I am pleased that yesterday the Senate was able to pass an additional extension of unemployment benefits in this Chamber by an overwhelming vote of 94 to 4.

I want to recognize at this time Senators BREAUX, CHAFEE, and MITCHELL who have been diligent in bringing to the attention of the Senate the devastating impact on middle income workers—those that work in the boat building industry—of the luxury tax on boats. Last week, Senators BREAUX and CHAFEE had planned to offer an amendment to repeal this tax during the committee markup of this bill, but have agreed to withhold for now and offer it on the next appropriate tax bill so that we can get this unemployment bill passed today.

Let me repeat again what I stated during full committee markup of this bill last Thursday, January 30. I stated then that I cannot commit as to what the Congress as a whole will do, or what the Senate is going to do. But I can tell you what the chairman of the Finance Committee will do. I stated then that I will support January 1, 1992, as a retroactive date for repeal of the luxury tax on boats and airplanes when we have a tax bill.

Mr. MITCHELL. I would like to express my thanks to the Senator from Texas for his support of repealing the luxury tax on boats. As the Senators from Louisiana and Rhode Island are aware, I am a cosponsor of their legislation and strongly support repeal of this tax on boats. In addition, I would like to add my support for repealing the boat luxury tax retroactive to January 1, 1992, in order to provide the American boat manufacturers with a better opportunity to sell boats during this important boat show season.

Mr. BREAUX. I thank the chairman and the Senate majority leader for their support for the January 1, 1992, effective date for repeal of the tax. The luxury tax on boats has been devastating to the boat building industry. The President's announcement that he will support the effective date of the boat tax repeal of February 1, 1992, is simply not adequate. Since that announcement, many individuals that ordered boats during the New York boat show a couple of weeks ago have threatened to cancel their orders. Your announcement will help bolster the sales of boats in the coming months and will hopefully reassure those that ordered boats in January.

Mr. CHAFEE. I, too, would like to thank the Senator from Texas and the Senator from Maine for their support of efforts to remove the onerous tax. The luxury tax was enacted by Congress as a symbolic tax the rich gesture. Unfortunately it has turned out to be a policy disaster—instead of soaking the rich, it is devastating the workers who build these boats. I am hopeful that their support will encourage the Senate to repeal this tax as of January 1, 1992, thereby salvaging the boat show selling season for those American boat manufacturers who are still in business.

Mr. BENTSEN. I thank my distinguished colleagues for their cooperation on this issue.

THE NAFTA AND THE ENVIRONMENT

Mr. BAUCUS. Mr. President, I rise today to discuss the environmental implications of the proposed North American Free-Trade Agreement or NAFTA.

The NAFTA talks—which are aimed at creating a free trade area between the United States, Mexico, and Canada—are moving along at a fast pace.

The negotiations began formally in June of 1991. But a preliminary draft of the agreement has already been completed. Next week, the United States, Canada, and Mexico have scheduled high-level meetings to discuss remaining issues.

The final agreement could be completed as early as March. This means that the NAFTA could be sent to Congress for approval under the fast track process as early as this spring.

THE ENVIRONMENT AND THE FAST TRACK

I am concerned about the pace of the NAFTA talks. The administration has spent several years discussing the key issues in the Uruguay round of GATT negotiations with the Congress and the private sector.

But many of the issues in the NAFTA talks are just now emerging. And, because the administration has closely controlled the flow of information on the talks, much of the needed public discussion on the NAFTA has simply not occurred. From the beginning, the administration and Congress have both recognized that negotiating the NAFTA is an enormous task. A free trade agreement has never before been negotiated between a developing country and a developed country. The wide development gap complicates traditional trade issues like tariffs, quotas, and import licenses, and raises a whole new set of issues that must be addressed.

In the NAFTA talks, it is simply not possible to confine the negotiations to traditional trade issues. To ensure a truly level playing field between the United States and Mexico, a much broader range of issues must be considered.

For example, Mexico does not enforce environmental standards as vigorously as the United States. Thus, in a free trade agreement, an economic incentive could be created for United States businesses to move to Mexico to take advantage of the lax environmental standards.

Obviously, both in the interest of creating a level playing field and in protecting the environment, environmental issues must be addressed in the NAFTA.

Unfortunately, both the United States and Mexico have been slow to address environmental issues. Unless action is taken, Congress could turn down the NAFTA because of its inattention to environmental concerns.

Environmental concerns were greatly heightened recently when Mexico successfully challenged United States dolphin protection laws as a violation of an international trade treaty. This challenge created the strong impression that Mexico was quite willing to sacrifice the environment to make trade gains—setting a disturbing precedent for the NAFTA.

AN ENVIRONMENTAL PLAN FOR THE NAFTA

In fairness to the administrations in the United States and Mexico, all news on environmental issues is not bad.

Mexico has made plans to step up enforcement of environmental laws. Though I am not satisfied with the current document, progress has been made toward developing a border environmental protection plan.

Further, the Bush administration did include funds in its recent budget to address border environmental concerns. And leading environmentalists have been appointed to the President's trade advisory panels.

But much more remains to be done. Before a NAFTA is sent to Congress for approval, three additional steps must be taken.

First, the United States and Mexico must agree to an explicit linkage between trade and environmental issues in the NAFTA. The Bush administration has agreed to complete understandings with Mexico on the environment before submitting a NAFTA. But it has refused to include any linkage in the agreement that would allow the United States to enforce those environmental commitments once the NAFTA is approved.

This is simply inadequate. Commitments on the environment are meaningless if they cannot be enforced. I have argued that the United States should retain the right to place duties on products that are produced in an environmentally unsound way. At a minimum, the United States must retain the right of withdrawing trade benefits if environmental commitments are not fulfilled.

Second, the NAFTA must in no way undermine U.S. environmental or consumer protection laws. The Bush administration made a strong commitment on this issue before the NAFTA talks began. But Mexico's challenge of United States dolphin protection laws has called this commitment into question.

The United States must retain the right to protect the environment. Trade negotiations cannot be allowed to become a back-door approach to diluting environmental protections.

Third, both the United States and Mexico must make an adequate financial commitment to addressing the pollution problems that may result from free trade. As I said, both governments have promised funds and resources. But it is not clear that the commitments made thus far are sufficient to address the problem.

The $201 million that the Bush administration included in its budget for pollution control on the border is a first step. But the administration must work with Congress and the environmental community to ensure that funds are available to completely address environmental clean up needs in the border area.

CONCLUSION

Both the Salinas administration and the Bush administration have made a rhetorical commitment to addressing the environment in the NAFTA.

But the words must be backed with deeds if the NAFTA is to become a reality.

I hope that both administration will follow up on the initial steps they have made. I stand ready to work with them to address environmental issues in the NAFTA.

We must ensure that the NAFTA is a positive force for the North American environment as well as for the North American economy.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL ENERGY SECURITY ACT

MOTION TO PROCEED

The PRESIDING OFFICER (Mr. FORD). Under the previous order, the debate on the motion to proceed to S. 2166 is to be equally divided and controlled by the Senator from Louisiana [Mr. JOHNSTON] and the Senator from Alaska [Mr. MURKOWSKI].

The Senate resumed consideration of the motion to proceed.

The PRESIDING OFFICER. The pending question is the motion to proceed on S. 2166.

Who yields time on the motion?

The Senator from Alaska is recognized.

Mr. MURKOWSKI. Mr. President, I have conferred with the manager of the bill, Senator JOHNSTON, and I am led to believe that he is not requesting time. So I ask unanimous consent that I may yield as much time as I may need prior to the 12 o'clock commitment to take up the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I thank the Chair. I wish the Presiding Officer a good morning.

Last week a decision was made to remove the ANWR and CAFE titles from S. 1220 creating a narrow national energy strategy. That is the bill we have before us today.

I compliment my friend and colleague, the senior Senator from Louisiana and chairman of the Energy Committee, who has continually advocated that a balanced energy strategy for this Nation include ANWR. He has been steadfast in that regard. Unfortunately, there has not been enough support in this body to maintain ANWR in the bill.

I further compliment the ranking Republican Member from Wyoming, Senator MALCOLM WALLOP, for his steadfast commitment toward ANWR.

I strenuously objected to taking ANWR out of the energy bill because I think it undermined the committee process and basically gutted the heart out of a bill that was reported from the Energy Committee by a vote of 17 to 3.

Mr. President, this issue is not new before this body. It has been around a long time. As a matter of fact, it has been around for at least 7 years. And the question is what is the right time to have an up-or-down vote on ANWR. Clearly the effort yesterday, which was objected to by Members on the other side, indicates that we are to lose the opportunity for an up-or-down vote.

Now, as the junior Senator from Alaska, we obviously have an interest to protect our State and to bring this issue before this body for a clean vote. We offered a time agreement yesterday that proposed 4 hours equally divided by both sides. We felt this was reasonable, to debate ANWR on its merits—followed by an up-or-down vote. As I indicated we did not have an objection in proceeding from our side. But, unfortunately, the Senator from Montana felt otherwise and decided that the Senate should not have a fair up-or-down vote on ANWR.

Now, make no mistake about it, Mr. President. ANWR has become a very partisan political issue and, of course, in the Presidential year that is not necessarily a surprise.

We maintain that ANWR is the largest single jobs issue, identifiable, before the Nation today.

The Wharton econometric model study indicated there would be some

755,000 jobs created in 47 States if there is oil under the coastal plain of ANWR. However, the only way we are going to know, Mr. President, is to initiate a responsible exploration program, and to suggest that we cannot do it safely I think belittles American ingenuity and technology.

Mr. President, as we look at the Presidential candidates we find the five identified major candidates on the other side have indicated that ANWR is too hot to handle. I think it is fair to say that we can expect them to be in opposition to developing the coastal plain of ANWR, and I would suspect that the Democratic platform will also oppose ANWR development.

Mr. President, jobs are very important to the men and women of our Nation.

At this time, I ask unanimous consent to print in the RECORD a specific ranking of jobs that are anticipated to be created by opening the coastal plain of Alaska's North Slope.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

States ranked by jobs created by opening the coastal plain of Alaska's North Slope

State:	*Jobs*[1]
1. California	80,000
2. Texas	60,000
3. New York	48,000
4. Alaska	38,300
5. Pennsylvania	34,300
6. Florida	34,000
7. Illinois	33,000
8. Ohio	31,900
9. Michigan	25,000
10. New Jersey	22,000
11. Massachusetts	20,000
12. North Carolina	19,300
13. Virginia	19,000
14. Georgia	18,000
15. Indiana	15,500
16. Louisiana	14,800
17. Missouri	14,100
18. Maryland	14,000
19. Wisconsin	14,000
20. Minnesota	13,400
21. Tennessee	13,000
22. Kentucky	12,200
23. Washington	12,000
24. Oklahoma	11,300
25. Connecticut	11,000
26. Alabama	10,000
27. Arizona	10,000
28. Colorado	10,000
29. South Carolina	9,400
30. Kansas	7,100
31. Oregon	7,000
32. West Virginia	7,000
33. Iowa	6,600
34. Mississippi	6,000
35. Arkansas	5,500
36. New Mexico	5,000
37. Nevada	5,000
38. Utah	4,600
39. Nebraska	4,000
40. New Hampshire	4,000
41. Maine	3,400
42. Rhode Island	3,000
43. Wyoming	3,000
44. Hawaii	2,700
45. District of Columbia	2,500
46. Idaho	2,400
47. Montana	2,100
48. Delaware	2,000
49. North Dakota	1,800
50. South Dakota	1,800
51. Vermont	1,700
Total	755,700

[1] Job numbers come from a study prepared in May 1990 by Wharton Econometrics Forecasting Associates entitled "The Economic Impact of ANWR Development." The Wharton study is based upon the Department of the Interior's high estimate of 9.2 billion barrels of oil being produced on the Coastal Plain area of the Arctic National Wildlife Refuge.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, to give you some idea, in the State of Montana, we are talking about an estimate of 2,100 jobs; State of California, 80,000; State of Texas, 60,000; State of Pennsylvania, 34,000; Virginia, 19,000; Maryland, 14,000.

I could go on and on here, Mr. President, but I think it is self-evident. Looking at the historical contribution of Prudhoe Bay, we recognize that there has been employment throughout all States, whether you are making valves, pipe, insulation, or what have you, that affects the national economy.

So as a consequence, Mr. President, we feel that this in itself constitutes a very, very major jobs issue. And I ask my colleagues from time to time how they would feel about 20,000 new jobs being created in Ohio. I happen to think the voters of Ohio would feel very, very strongly that that is in their interests.

The legitimate question that comes to mind is can the coastal plain be opened up safely? A sound way to answer this question is to examine the arguments that were used 20 years ago on whether Prudhoe Bay could be opened up safely. In spite of its critics Prudhoe Bay has been found to be one of the best oil fields in the world.

As we address the issues even further—the question of jobs, the economy, the balance of payments, concerns of the average working men and women—that is a challenge before this body, and it is a challenge that should be examined by each Member.

We talk a lot around here about the balance of payments. If you look at the balance of payments, one half is the cost of imported oil. In the United States today, we are importing about 8 million barrels a day out of the 16 million that we consume. Where do we import most of it from? The Middle East. What is the Middle East doing? They are keeping the price of oil low, so it would be very difficult economically to bring on alternative sources. This is not by accident. This is by design. They specifically want us to become more and more beholden.

One of these days, Mr. President, they are going to raise the price, maybe when we are 70 percent dependent on imported oil, and my colleagues and the American public are going to be saying: Where was our energy policy; where was our domestic planning?

The facts are that we have lost more jobs in the domestic energy industry than we have in the automobile industry or the steel industry. We are exporting jobs. We are exporting our dollars that could go into stimulating the economy, stimulating domestic exploration. And where is the most logical place to look for oil in the United States? Where the geologists tell us we are most likely to find a major discovery, and that is, of course, in the ANWR area.

We are talking about a contribution to the gross national product of this country of about $50.4 billion. Imported oil is over 50 percent of our trade deficit. With $54.7 billion in 1990, we are spending twice as much on imported oil as we are on importing Japanese cars into the United States. Yet, this body is prepared to take up an energy bill without the largest single contributor to reducing our dependence on imported oil and stimulating our economy.

Well, from the standpoint of the Senator from Alaska and several other Senators, that simply does not make sense. As I have said before, in the comparison of States, of the 755,000 jobs, which has been entered into the RECORD, direct purchases of supplies and services are estimated to be at $47 billion, and the total contribution over the life of the field to the gross national product is $300 billion.

We have people in this country unemployed, factories shutting down. ANWR should be a jobs issue, unfortunately it has become a political issue.

The administration supports exploration and development of the Coastal Plain. I have a letter from President Bush, dated February 3, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, February 3, 1992.

Hon. FRANK H. MURKOWSKI,
U.S. Senate, Washington, DC.

DEAR FRANK: As I stated in my State of the Union address, I am continuing to call on Congress to act on my National Energy Strategy. Opening access to a discrete portion of the Arctic National Wildlife Refuge coastal plain, with environmental safeguards, to oil development is a critical component of my energy strategy. Congress' failure to act on this vital legislation, thus far, is at the expense of the American jobs and energy security. This is why I have repeatedly called on Congress to take action.

ANWR development will provide additional domestic oil resources to reduce our dangerous dependence on imported oil. The coastal plain offers our best prospect for a major oil discovery. It will provide hundreds of thousands of desperately needed jobs spread throughout nearly every State in the Nation. It will add $50 billion to our gross national product. The environmentally responsible development of this area potentially could save $250 billion in payments to foreign oil producers and governments while providing $125 billion in revenues for Federal and State governments.

When the Senate once again deliberates legislation to implement the National Energy Strategy, it is my strong hope that the ANWR provision will be included in the final bill. The development of a small portion of ANWR as a potential source for oil is simply too important to leave out of any comprehensive energy plan.

Sincerely,

GEORGE BUSH.

Mr. MURKOWSKI. Mr. President, this letter specifically states:

> The development of a small portion of ANWR as a potential source for oil is simply too important to leave out of any comprehensive energy plan.

Mr. President, other matters that I think bear consideration are the manner in which this body has treated this issue from the standpoint of procedure. I recall it was not too long ago there was an extended debate on the merits of taking up and proceeding to the bill.

There was a cloture vote on a motion to proceed. Imagine that set of circumstances, Mr. President. We have an energy bill; we have CAFE; we have ANWR. And we are debating in this body, at a time when unemployment is higher than ever before, the question of a motion to proceed to debate.

Well, you and I, Mr. President, know the result of that vote. We needed 60 votes in order to bring cloture to a close and proceed to debate the energy bill. Because of opposition by the environmental community—we got 50 votes. We needed 60 votes. So, as a consequence, we could not proceed to the bill. And that is the background on where the particular status of Senate bill 1220 rested until it was reintroduced as a separate bill by the chairman.

I might add that there is much in that energy bill that is worthwhile. But the underpinnings, the revenue to do all the things that were going to be done—reclamation projects, new technology, alternative energy—the funding was going to come from ANWR. No ANWR, no funding.

Everybody wants to save energy in this country. They want new technology. How are you going to pay for it? That was in this bill. It is gone.

Further, Mr. President, the position of the Secretary of Energy regarding ANWR has been brought up from time to time. I ask unanimous consent that a letter dated February 4 be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF ENERGY,
Washington, DC, February 4, 1992.

Hon. MALCOLM WALLOP,
Ranking Minority Member, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR SENATOR WALLOP: As the Senate moves toward floor consideration of S. 2166, I would like to take the opportunity to share with you the Administration's position on several key issues, including oil and gas development in the Arctic National Wildlife Refuge (ANWR), global climate change, alternative fuels (the Jeffords amendment), nuclear licensing reform and reform of the Public Utility Holding Company Act (PUHCA).

ARCTIC NATIONAL WILDLIFE REFUGE (ANWR)

The Administration remains committed to the environmentally responsible development of a small portion of the Arctic National Wildlife Refuge (ANWR). We vigorously support efforts to add to S. 2166 the ANWR provisions in S. 1220.

GLOBAL CLIMATE CHANGE

S. 2166 addresses issues related to possible global climate change in a manner consistent with S. 324, which the Senate passed unanimously in the last Congress. Events since passage of S. 324 would not justify a radical departure in approach. In fact, the 1992 Update of the 1990 IPCC Scientific Assessment notes that baseline climate model projections of potential future Northern Hemisphere warming have been significantly reduced.

I understand that climate change language from a House energy subcommittee bill that would establish a voluntary certification and registry scheme for greenhouse gas reductions may be offered as an amendment to S. 2166. We strongly oppose these provisions for several reasons. First and foremost, such a program would work directly against our economic interests by rewarding firms that reduce production or shift to foreign sources of supply with potentially valuable "credits". Second, the House subcommittee language would enshrine outdated science in certified credits. The 1992 IPCC update, for example, reflects a changing understanding of the relative role of CFCs, sulfur dioxide, nitrous oxides and carbon dioxide as influences on the climate system. Third, the system itself would be an administrative nightmare and a target for extensive litigation.

Basic and energy industries (and regions where they are concentrated) would be particularly hard hit by policies spurred by this program. For example, in the "climate policy scenario" in America's Energy Choices issued last year by a coalition of environmental and other groups, coal use (and presumably coal employment) in 2030 is reduced to only 15 percent of its projected level under Administration policies. On a more general level, the same analysis suggests that limiting carbon emissions is easy—if a scenario combining slow economic growth and a continuing shift away from manufacturing is assumed. This is certainly not the policy of the Administration for the U.S. economy.

For these reasons, the House subcommittee approach is not an appropriate way to reflect concerns over the need to reduce greenhouse emissions. A far more effective approach to reducing greenhouse gas emissions in the energy sector is to support the current provisions of S. 2166 related to climate, nuclear licensing and other related subjects.

ALTERNATIVE FUELS

We strongly oppose the Jeffords amendment. This amendment would *mandate* that 10% of America's fuel supply be alternative or replacement fuels, and would require that DOE establish an extensive regulatory apparatus to enforce this requirement. This burdensome apparatus is counterproductive to meeting alternative fuel use objectives that are almost certain to be achieved given other provisions of S. 2166 and the Clean Air Act Amendments of 1990.

We are especially concerned that, by establishing an artificial distinction between oil from stripper operations and oil from other sources, the amendment will require allocation regulations reminiscent of the costly and disruptive price and allocation controls used during the 1970s. In addition, artificial distinctions based on the origin of fungible products, such as oil and MTBE, mean that refiners would be required to track both the sources and the makeup of refinery feedstocks, increasing consumer cost and reducing consumer choice. This provision will also establish massive and unproductive new paperwork requirements.

This amendment will increase gasoline prices, increase unemployment, and retard economic growth. The Administration strongly opposes it.

NUCLEAR LICENSING REFORM

The Administration believes that the provisions of Title IX are essential to inspire investment in new nuclear powerplants. The provisions of title IX fully protect the public's interest and the Nuclear Regulatory Commission's authority to make safety determinations, but have also been carefully selected to provide prospective nuclear plant owners and investors with definition of the new licensing process to make it sufficiently predictable.

The Administration will oppose any changes in the language of Title IX that might lessen the predictability of the new process, particularly any changes in the post-construction safety determination and hearing provisions that are of fundamental importance in reducing the uncertainty associated with 10 CFR Part 52.

PUBLIC UTILITY HOLDING COMPANY ACT REFORM

I would urge you to support the S. 2166 title amending the Public Utility Holding Company Act (PUHCA). PUHCA reform is a vital part of the President's National Energy Strategy. It will stimulate economic growth, create jobs, encourage innovation, and save consumers billions of dollars.

It is good for the economy and good for consumers because it permits utilities to buy electricity from the lowest cost suppliers. Twenty six out of fifty states now encourage competition in electric power generation, but PUHCA discourages the most promising companies from competing. S. 2166 would end these restrictions and allow the most competitive suppliers to build and operate power plants in as many service areas as state utility commissions permit. The net result of PUHCA reform will be lower cost power and stronger incentives for innovation in the multibillion dollar electric power industry.

PUHCA reform, as proposed in S. 2166, does not force anyone to do anything. It does not deregulate the electric utility business and it does not restructure the industry. It merely permits utilities and state regulators to invite the best builders of power plants to do business in a new area without running afoul of a 57-year old law whose framers did not foresee today's competitive opportunities. It also would allow American power suppliers to compete in a huge electric power market around the globe.

Opponents of competition in electric generation argue that, if there must be PUHCA reform, the bill should be amended to include provisions such as a restriction on debt of competing power producers. You should see opposition to PUHCA reform for what it is—an attempt to straightjacket competitors if they cannot be kept out of the market altogether. The Administration will likewise oppose other PUHCA amendments which would seriously weaken the PUHCA title in S. 2166.

We appreciate your consideration of the concerns outlined above and look forward to working with you to enact comprehensive energy legislation.

Sincerely,

JAMES D. WATKINS,
Admiral, U.S. Navy (Retired).

Mr. MURKOWSKI. Mr. President, the specifics relative to that are here, and I will just give this one sentence:

> The administration remains committed to the environmentally responsible development of a small portion of the Arctic National Wildlife Refuge (ANWR). We vigorously support efforts to add to S. 2166 the ANWR provisions in S. 1220.

So that is the official position of the Department of Energy. Clearly, I am inclined to believe they support the current pending bill, as well; but not by any means to suggest that ANWR should not be a part of that bill.

In the few remaining minutes I have, I think it is important to reflect on why this body did not consider an ANWR leasing proposal.

The difficulty with Alaska today is that what we are attempting to do was done by all the other States 100 to 110 years ago.

We are reaching out, trying to learn from the mistakes made in the lower 48, we are trying to set a responsible economy so that our people can have jobs. We are trying to develop our natural resources in an environmentally responsible and sensitive manner. We set aside 56 million acres in wilderness in our State in perpetuity; 56 million acres is equal to the 11th largest State in the Union. We have State parks and National Wildlife Refuges. We have the best public lands in the United States. But to suggest we cannot open up ANWR safely has no foundation whatsoever.

I will tell you why, Mr. President, this body refused to consider ANWR leasing. It is because the American elite, extreme environmentalist groups, want ANWR as their exclusive playground. Last year 154 affluent visitors make a trip to ANWR. Does that outweight 755,000 jobs in this country?

Who can afford to go to ANWR? It is about a $5,000 ticket. You have to fly to Fairbanks, charter out of there, go up in a small plane. It is an extraordinary experience. But what the setting does not describe is the magnitude of the area. We have 19 million acres in ANWR—that is bigger than the State of Massachusetts.

What have we done with that 19 million acres, Mr. President? We have been responsible. We set aside 8 million acres in wilderness and put the rest in a refuge. So we have 1.5 million acres that we are proposing to lease, on a competitive lease sale. We do not know if the oil is there. If the oil is there and produced, when it is gone, everything will be removed.

The point I want to make is let us take that 1.5 million acres, that is less than 8 percent of the area, and lease it. The footprint will be about 12,500 acres, or about the size of the Dulles International Airport complex.

What we are proposing here is leasing 1.5 million acres out of 19 million acres, and because of technology, the footprint will be very small.

And the proof—just like the proof of the caribou—is very real. We opened up, approximately 2 years ago, a field called Endicott. It came on as an extension of Prudhoe Bay, the 10th largest producing field in the United States, about 100,000 barrels a day. Today it is the sixth largest producing field in the United States. The footprint is only 24 acres.

So this is the setting that is not portrayed by those who are in opposition to us, that we can meet the technology. Good heavens, if we can put a man on the Moon, we ought to be able to open up ANWR safely. It is a challenge to technology. It is a challenge to the American spirit.

Another topic I would like to address is the distortions of the truth and in some cases outright lies. Let me give a few specific examples that strike close to home.

The propaganda pictures of the Arctic wilderness, the exact location, very seldom identifies what the coastal plain really looks like.

We all look at this tabloid called Roll Call. Here it is, this picture accompanying a supposedly nonbiased article on ANWR. Roll Call requested my views on the coastal plain, then topped off the editorial, my comments, with a picture of the Grand Tetons. There it is. That is not a picture of the coastal plain.

Where is the connection? We called Roll Call, and their response: "Well, we did not print a picture of the ANWR coastal plain because the picture is too boring." Mr. President, the picture is too boring, so she featured a photo of a drill rig in the Grand Tetons National Park. Mr. President, the American people deserve the truth. I would like to submit the picture for the RECORD; the problem is the RECORD cannot print it.

I wonder if this reflects a bias.

What does the coastal plain of ANWR look like? That is it, Mr. President. That is the coastal plain of ANWR. I agree with the editor, it is a boring picture. It is ANWR in the wintertime. It is a harsh, hostile environment. It has a unique beauty, but it is a tough piece of real estate. If you showed that, they would say, "Wow, maybe that is not too bad a place. It all looks the same."

I had one of my colleagues up on the North Slope—I will not mention who it was—who got off the airplane, looked around, and his first question was, "Where is the wilderness?" I said, "This is all we have." The person expected something, a big sign "wilderness, this way" or "this is the real wilderness." I think there was a tremendous disappointment on behalf of my colleague.

This is not the only distortion, Mr. President. We have another distortion, and it is concerning our native people. There is a group on both the Canadian side and Alaska side called the Gwich'in, and they are very responsible citizens. They have a unique sensitivity to the land because they depend on a subsistence lifestyle. To a large degree, out of choice and necessity, that is the porcupine caribou herd.

The slick PR folks, working with them on behalf of the extreme environmental community, are portraying that this society is in jeopardy caused by drilling, which would take place some 150 miles to the north of their general area on the coastal plain. But the question is, What is the truth? The truth is that the Gwich'in have actually already proposed for lease or offered for lease much of their land for oil and gas exploration. This display is dated March 21, 1984. The native village of Venetie, sovereign entity, federally chartered for the Venetie Indian Reservation.

This letter authorizes one person to act as consultant:

> to negative with any interested persons or company for the purpose of oil or gas exploration and production of the Venetie Indian Reservation.

Nothing wrong with that.

But let us not be two-faced about it. The only thing wrong with it was there was not any oil there and the oil companies were not interested in buying the leases. The proposed lease sale covered 1.8 million acres in the caribou migratory route.

In the two-page lease documents the Gwich'in devoted only two sentences to the protection of the caribou. Now the preservation advocates claim the caribou will be destroyed.

Mr. President, that simply is not the case.

I think it is important to make no mistake about the fact that Canada is a competitor for energy with the United States. The Canadians are very much opposed to exploration in ANWR. The reason is, Canada sells oil, Canada sells gas to the United States, and they look on us as simply that—a competitor. It is unfortunate, Mr. President, but we have a chart which shows a very interesting reality, and that is in an area just over the Canadian border of Alaska in the area of the Gwich'in Nation as it encompasses both sides of the border, there were over 80 wells drilled over a 10-year period, by Canada, right in the migratory path of the porcupine caribou herd. The only difference is the wells, for the most part, were dry so after that they decided to make a park out of it.

Neither do they acknowledge that the porcupine caribou herd crosses a highway, the Dempster Highway. It is a north-south highway. They do not close the highway when the caribou cross. There is no need to. The caribou simply cross going over and cross going back and they get along fine.

To suggest that the caribou somehow are threatened or endangered, there is no scientific evidence whatsoever to suggest that is a reality. What endangers the caribou is the Gwich'ins, as they appropriately should; they take 7,000 of them for their subsistence. How do they take them? They get on a snow machine that is gas fired and go up and shoot them. That is a traditional lifestyle I respect. That is the danger of the caribou.

Mr. President, for what it is worth, there are more caribou in Alaska than there are people.

To suggest that this herd is threatened, that ANWR should not be opened because of it. It is interesting, because the environmental community is not willing to compromise and say let us tell you how we can do it better; we will not allow any exploration during caribou calving season; we will not do this, do that; we can work together and do this responsibly. But I tell you, Mr. President, they are not taking any prisoners on this one. They know they have a national issue 5,000 miles away that the American public cannot look at, cannot reason with it, cannot understand. They use it for generating membership, for revenues and for lobbying you and me. And that is a reality because they do not address a fair evaluation that America needs domestic energy production as domestic energy production declines.

I remind the Chair one more time that we are currently experiencing more unemployment in the energy industry than any other industry in the United States, yet we have tremendous reserves of energy in this country. Make no mistake about it, Mr. President, OPEC is sitting there watching us become more and more dependent on their cheap oil.

The reality of opening ANWR up safely, the consequences of the jobs are very real. While we are certainly sensitive to the caribou, there is no evidence to suggest that this could not be accommodated in a responsible manner as it has been in Prudhoe Bay.

I think, Mr. President, if the concept of drilling in a wildlife refuge is troublesome in its general terms, think about a reality, and this is not something that is very often brought out. There is already environmentally sound petroleum drilling in several national wildlife refuges.

There is even oil drilling on the national Audubon Society wildlife sanctuaries in Louisiana, Florida, and Michigan. These are Audubon Society wildlife sanctuaries. They took these areas, put them in a sanctuary, gave them to the Audubon Society with the provision they be allowed to drill. But no, the Audubon Society won't allow exploration on the coastal plain of ANWR.

Mr. President, the hardworking men and women of our Nation deserve more and they deserve the truth. That is why the Senator from Alaska has been on the floor. They deserve a Congress that will make some tough decisions for tough times and not been to the self-serving interests of a few affluent who do not care to even fairly evaluate the record. They distort the record, as I have indicated today.

I think Mr. President, we deserve the benefits of this employment, stimulation of our economy, balance of trade, national debt and to our Nation's energy security that opening the potential vast oil reserves on the ANWR coastal plain could provide, if this body would give it the opportunity.

Last, Mr. President, I was terribly troubled by an article in the New York Times. It appeared in the February 4 edition. It is entitled "Japan Premier Joins Critics of Americans' Work Habits."

We do not like to hear this, Mr. President. It bothers us. This is Prime Minister Kiichi Miyazawa, who I know. He is quoted as saying that America "may lack a work ethic" and that some of the country's economic ills came about because too many American college graduates headed to Wall Street in the 1980's rather than "producing things of value."

That leaves us with a little food for thought, Mr. President, but let us go one step further.

In the same article:

> As if in summary, Mr. Miyazawa paused and said, "I have thought for some time that they may lack a work ethic," and obliquely suggested that some Americans had forgotten how "to live by the sweat of their brow."

I think that applies to the U.S. Senate. We have forgotten how to live by the sweat of our brow. We have forgotten the reality that what made this country great was our resources and the responsible manner to provide jobs, and the challenge to America's ingenuity and technology to be able to open up an ANWR safely. We are casting it aside and saying no.

I just hope some of the folks out there are reviewing it, responding and listening to the facts. I challenge my colleagues, I challenge the press, I challenge our critics to dispute the facts that I have submitted for the RECORD today.

Finally, Mr. President, I would like to put my colleagues on notice that the Senators from Alaska have every intention of pursuing ANWR on legislation at a time that is most advantageous. Opponents of ANWR should not underestimate our resolve. We are no strangers to adversity. We fought a long, hard battle before to protect what belongs to us. Our statehood, Mr. President, was a terrible battle. I was a young man not involved in it at the time, not involved in the political structure, but I was involved as a citizen.

It did not come the first time, the second time, the third time, the fourth time, but it finally came. What we had was taxation without representation. We paid a Federal income tax, and we had no representation in this body. We were treated like second or third-class citizens, which is not much different than where we are today.

It was a long, hard battle, and ANWR will be a long, hard battle. But make no mistake about it, Mr. President, exploration and development of ANWR will happen. Congress cannot turn its back on the largest single potential onshore field in North America, the largest single jobs project identified in America and the largest single challenge to American ingenuity to do it safely.

We put a man on the Moon. We can open up ANWR safely. Whether it happens on this bill, on an economic growth bill or another bill, the Senate will have to give the people of Alaska what they demand and that is a clean up-or-down vote on ANWR. I thank the Chair, and I thank my colleague who has been patiently waiting.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, the manager of the bill, Senator JOHNSTON of Louisiana, asked me to control the time for him. May I ask the Chair how much time does the Senator from Louisiana have remaining?

The PRESIDING OFFICER. The Senator has 11 minutes and 3 seconds remaining.

Mr. DECONCINI. Mr. President, I ask unanimous consent that as much time as needed between the Senator from Arizona and the Senator from Florida be yielded out of that 11 minutes, as in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I yield to the Senator from Florida for a statement he cares to make on an introduction of a bill.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. I thank the Chair.

(The remarks of Mr. DECONCINI pertaining to the introduction of S. 2189 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

PRIVILEGE OF THE FLOOR

Mr. DECONCINI. Mr. President, I ask unanimous consent that John Shay, a legislative fellow working in my office be allowed privileges of the floor during the session today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there any further debate on the motion? If not, the question is on agreeing to the motion.

The motion was agreed to.

NATIONAL ENERGY SECURITY ACT

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, I would like to suppose that the absence of Senators means we could go directly to third reading, but I know that that is not so. I see my friend from Vermont here to offer his amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

AMENDMENT NO. 1530

(Purpose: To establish supply requirements for replacement and alternative fuels)

Mr. JEFFORDS. Mr. President, I have an amendment at the desk and I ask it be offered at this time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS] for himself, Mr. GRASSLEY, Mr. GLENN, and Mr. EXON, proposes an amendment numbered 1530.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

The amendment is as follows:

On page 57, line 11, strike "and".

On page 57, line 14, strike the period and insert "; and".

On page 57, between lines 14 and 15, insert the following new paragraph:

(7) such program should provide long-term stability to industries producing replacement and alternative fuels.

On page 57, line 18, insert "and improve environmental quality" after "pollution".

On page 58, line 13, strike "including stripper wells" and insert "excluding domestic petroleum recovered from stripper wells".

On page 58, line 16, strike "or Canada" and insert "Canada, or any country in the Western Hemisphere with which the United States has a free trade agreement".

On page 59, line 2, after "gasoline," insert the following: "not manufactured from conventional petroleum,".

On page 59, line 3, before the semicolon, insert the following: ", liquid fuels derived from coal, oil shale, tar sands, natural gas (including natural gas liquids), and biomass and waste products".

On page 59, line 11, strike "and".

On page 59, strike lines 12 through 23 and insert the following new paragraphs:

(9) the term "provider" means—

(A) a person engaged in the production of replacement or alternative fuels, for sale and use as a motor fuel; or

(B) a person who recovers domestic petroleum from stripper wells;

(10) the term "refiner" means a person engaged in the refining of crude oil to produce motor fuel, an importer of motor fuel, or an affiliate of the person or importer;

(11) the term "prohibitive cost" means an expense that would result in a refiner's product being economically nonviable; and

(12) the term "stripper well" has the same meaning as is provided for "stripper well property" in section 613A(c)(6)(E) of the Internal Revenue Code of 1986.

On page 60, line 11, insert "(1) IN GENERAL.—" before "Under".

On page 60, line 17, strike "(1)" and insert "(A)".

On page 60, line 21, strike "(2)" and insert "(B)".

On page 61, line 3, strike "(3)" and insert "(C)".

On page 61, strike line 7 and insert the following: "(D) assess the suitability, cost-effectiveness, and environmental impact".

On page 61, line 10, strike "; and" and insert a semicolon.

On page 61, line 11, strike "(5)" and insert "(E)".

On page 61, line 15, strike the period and insert "; and".

On page 61, between lines 15 and 16, insert the following new subparagraph:

(F) establish a goal of achieving, by the year 2000, utilization of domestic renewable resources for at least 5 percent of annual gasoline consumption.

(2) SUBSTITUTE PERCENTAGE GOAL.—The Secretary shall prescribe, by rule, a substitute percentage goal for the purpose of paragraph (1)(B), if the Secretary determines that 30 percent is unachievable because of technological or cost constraints, or because of environmental considerations analyzed in the report required under section 4307(b)(5)(B).

Beginning on page 62, strike line 11, and all that follows through page 64, line 2, and insert the following new sections:

Sec. 4307. REPLACEMENT AND ALTERNATIVE FUELS SUPPLY.—(a) TIMETABLE FOR REFINERS.—(1) IN GENERAL.—Of the total quantity of gasoline, alternative fuels, and replacement fuels sold in commerce during each of the 1996 and subsequent calendar years by a refiner (including sales to the Federal Government), domestic-produced replacement and alternative fuels shall constitute, at a minimum, the percentages as determined in accordance with the following table:

In each of the calendar years:	**The minimum percentage that replacement fuels and alternative fuels constitute, shall be—**
1996 through 2000	Determined by the Secretary under paragraph (2)(A).
2001 through 2009	10 percent, subject to paragraph (2)(B).
2010 and each year thereafter.	The percentage determined feasible under paragraph (2)(B).

(2) ESTABLISHMENT OF PERCENTAGES BY SECRETARY.—

(A) CALENDAR YEARS 1996 THROUGH 2000.—

(i) IN GENERAL.—Not later than October 1, 1994, the Secretary shall, by rule, prescribe the minimum percentage (on an energy equivalent basis) of the total quantity of gasoline, alternative fuels, and replacement fuels sold in commerce during each of the 1996 through 2000 calendar years by a refiner for use as motor fuel (including sales to the Federal Government), that must be domestic-produced replacement and alternative fuels.

(ii) FACTORS.—In establishing the percentages, the Secretary shall—

(I) take into account the demand for and the availability of reliable sources of replacement and alternative fuels; and

(II) establish the percentages at a level that is consistent with a goal for domestic production of replacement and alternative fuels for calendar year 2001 and thereafter of not less than 10 percent on an energy equivalent basis of the projected consumption of gasoline, alternative fuels, and replacement fuels in the United States for each year.

(B) CALENDAR YEARS 2001 AND THEREAFTER.—

(i) IN GENERAL.—Subject to clauses (ii) and (iii) and the development plan required under section 4305(b), the Secretary shall, by rule, prescribe the minimum percentage (on an energy equivalent basis) of the total quantity of gasoline, alternative fuels, and replacement fuels sold in commerce during calendar year 2001 and each of the subsequent calendar years by a refiner for use as motor fuel (including sales to the Federal Government), that must be domestic-produced replacement and alternative fuels.

(ii) MINIMUM PERCENTAGE.—Subject to clause (iii), the minimum percentage established under this subparagraph shall be 10 percent.

(iii) INCREASED PERCENTAGE.—In the case of calendar year 2001 and each of the subsequent calendar years, the Secretary may increase the minimum percentage established under this subparagraph if the Secretary determines that the increase is feasible based on findings made under sections 4305, 4306, and subsection (b)(5).

(3) CREDITS.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations allowing the sale, other exchange, banking, carry-forward, and carry-back of marketable credits, in order to satisfy the requirements of this section, among—

(i) refiners;

(ii) providers;

(iii) manufacturers of dedicated alternative-fuel vehicles; and

(iv) owners of public and private refueling stations (who may obtain credits for the installation of the equipment and facilities needed to sell or dispense alternative fuels).

(B) DEDICATED ALTERNATIVE-FUEL VEHICLES.—The Secretary shall determine the value of credits for dedicated alternative-fuel vehicles that shall be available to manufacturers of the vehicles based on a reasonable estimate of the quantity of gasoline or diesel motor fuel that would otherwise be consumed, over the life cycle of each dedicated alternative-fuel vehicle, in a comparable conventionally fueled vehicle achieving the average fuel economy for the current model year for vehicles in the conventionally fueled vehicle's size and utility class.

(C) PUBLIC AND PRIVATE REFUELING STATIONS.—

(i) IN GENERAL.—Subject to clause (ii), the Secretary shall determine the value of credits for alternative fuel refueling facilities at public and private refueling stations that shall be available to owners of the facilities based on a reasonable estimate of the quantity of gasoline or diesel motor fuel that would have been sold at a similar gasoline or diesel motor fuel refueling facility in a calendar year.

(ii) Limitation.—Credits under this subparagraph shall be available only for the installation of the facilities described in clause (i) and shall not be available on a continuing basis.

(4) Exemptions.—

(A) Small refiners.—In the case of a domestic refiner of domestic crude oil that (on the date of enactment of this Act) has a capacity per calendar day of less than 20,000 barrels, the requirements of this subsection shall become effective 3 years after the date of enactment of this Act.

(B) Hardship.—On the application of a person and based on prohibitive costs or an inability to obtain raw materials, sufficient replacement or alternative fuels, or marketable credits, the Secretary may make an adjustment to reduce the minimum percentage requirement as it applies to that person.

(b) Reporting Requirements.—(1) Refiners.—Each refiner shall report annually to the Secretary on—

(A) the percentage of domestic-produced replacement fuels, on an energy equivalent basis, contained in the total quantity of gasoline that the refiner sold during the preceding calendar year; and

(B) the quantity of replacement and alternative fuels sold by or credited to the refiner during the year.

(2) Distributors.—Each distributor of alternative fuels, and each manufacturer of dedicated alternative fuel vehicles, shall report annually to the Secretary on—

(A) the quantity of alternative fuels or the number of dedicated alternative fuel vehicles sold into commerce for transportation purposes; and

(B) the quantity of credits that the distributor or manufacturer sold to refiners during the year.

(3) Public and private refueling stations.—Each owner of a public or private refueling station who sells credits for the installation of equipment and facilities needed to sell or dispense alternative fuels shall report annually to the Secretary on the quantity of credits sold to refiners during the year.

(4) Secretary of transportation.—The Secretary of Transportation shall cooperate with the Secretary on developing a reporting system for the number of dual fuel and dedicated alternative fuel vehicles manufactured and sold into commerce by each manufacturer during the year.

(5) Administrator.—

(A) In general.—The Administrator shall report to Congress not later than 2 years after the date of enactment of this Act, and at least every 4 years thereafter, on the potential environmental impact of developing replacement and alternative fuels.

(B) Analysis.—The report shall analyze the existing and potential—

(i) benefits and detriments to air and water quality (including climate change);

(ii) ramifications for solid and hazardous waste management;

(iii) implications for public land management; and

(iv) other environmental effects as identified by the Administrator.

(c) Coordination with Other Acts.—This section shall be administered and enforced in coordination with the administration and enforcement of the Energy Security Act (42 U.S.C. 8701 et seq.) and the Clean Air Act (42 U.S.C. 7401 et seq.).

Sec. 4308. Enforcement by the Secretary.—(a) Violation.—(1) In general.—

(A) In general.—A person who violates a requirement imposed under section 4307(a) shall be subject to a civil penalty, assessed by the Secretary, which shall be based on the product obtained by multiplying—

(i) a monetary per gallon penalty determined in accordance with subparagraph (B); by

(ii) the difference between—

(I) the number of gallons of alternative and replacement fuels required under section 4307(a); and

(II) the number of gallons of replacement and alternative fuels sold and credited.

(B) Determination of monetary penalty.—

(i) In general.—The Secretary shall issue regulations establishing a monetary per gallon penalty system that—

(I) encourages compliance with this Act;

(II) provides stability and growth in the production of replacement and alternative fuels; and

(III) allows for the recovery of administrative costs incurred by the Secretary in enforcing the requirements of this Act.

(ii) Amount of penalty.—The Secretary shall—

(I) consider linking the penalty system to the market price of nonqualifying petroleum or motor vehicle fuels; and

(II) ensure that the penalty system establishes a penalty for each violation calculated to—

(aa) approximate the minimum monetary expenditure that the violator would have made to obtain sufficient credits to comply with the requirements of section 4307; and

(bb) include the administrative costs incurred by the Secretary in enforcing the requirements of this Act.

(iii) Revisions.—The Secretary may revise the penalty system, by rule, as is necessary to reflect changing market conditions.

(2) Failure to Report.—Failure to meet the reporting requirements of section 4307(b) shall be punishable by a civil penalty of not more than $25,000 per day.

(b) Audits.—The Secretary, and authorized representatives of the Department of Energy, shall have access for the purpose of audit and examination to any books, documents, papers, and records, of refiners, providers, manufacturers of dedicated alternative-fuel vehicles, and owners of public and private refueling stations, that are pertinent to the requirements of section 4307.

(c) Judicial Review.—(1) In general.—A person against whom a penalty is assessed under this section may, not later than 60 days after the date of the order of the Secretary assessing the penalty, institute an action in the United States Court of Appeals for the appropriate judicial circuit for review of the order in accordance with chapter 7 of title 5, United States Code.

(2) Jurisdiction.—The court shall have jurisdiction to—

(A) enter a judgment affirming, modifying, or setting aside in whole or in part, the order of the Secretary; or

(B) remand the proceeding to the Secretary for such further action as the court may direct.

Sec. 4309. Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this subtitle.

Mr. JEFFORDS. Mr. President, I am offering an amendment which is a very serious one. It is one to which I hope and I know the Members will pay very careful attention. I offer this in hopes that this energy bill, which I happen to believe does make some important improvements in our system, can be improved upon.

What it tries to do—and it is important to keep in mind the critical question here is with this bill, with our country—and, that is, should we design a program that will place us in the position where we will have the option of becoming energy independent?

I have spent the last couple of days defining the bill in some respects. However, I think it is important to review where we are and what we are doing at this time.

First of all, the question again as to whether or not we should place ourselves in the position of being energy independent is a critical one.

In a moment, I will be referring to many charts which will try to make it very clear to our Members exactly what the bill and what my amendment is about, and I would say that the critical aspect of the situation is basically this: The energy program that we have before us—I do not think that there is anyone who will say otherwise—leads us to more energy dependence rather than energy independence. This is especially true now that we have the situation where ANWR has been eliminated.

But I would point out that my amendment would place us in the position of being energy independent, with or without ANWR with or without CAFE standards, and with or without any other provisions of the bill. It does not interfere with anybody. It does not interfere with anything that is in this bill. It helps. It gives the bill some substance to reach independent energy. It helps and assists the Clean Air Act to be brought to fruition quicker. It will extend and expand the ability, for instance, of natural gas to be able to go across this country rather than just in certain clean air areas.

We do a multitude of things to bring this country into a position where it can protect itself from OPEC. That is the basic question we have here; that is, How do we protect ourselves from OPEC?

Where is the basic problem that is created? Why are alternative fuels not coming along rapidly or replacement fuels, as we refer to them? It is because, very simply, OPEC controls the market. It is a monopoly. It has in the areas where it is dominant, the Middle East, two-thirds of the oil in this world.

We have seen most recently in the desert war experience the impact that the problems in the Middle East can have and how they can put us in the position where the price of oil jumps up. It is something to keep in mind as we go through the bill; that is, that for every penny that a gallon of oil goes up, that is $1 billion on our economy.

So it is very critical that we get ourselves in the position where we are not dominated by OPEC.

The ramifications of someone who says let us try to provide an alternative fuel so that our country will be able to use something other than what comes from OPEC is that you cannot get any banker or any financing or something where OPEC can immediately cut the price and drop the price so that you do not have any ability to be able to compete.

We saw that during the energy problems of the seventies. The price of oil jumped radically from some $8 a barrel, up to $50 a barrel. At that time, we came forward with all sorts of programs. We were roaring to a solution by developing alternative fuels.

Then what happened, of course, when it peaked at $50 a barrel, and OPEC looked at this Nation, and they said, "Wow, they are getting ready to do something, to build an alternative fuel supply." So what they did was they dropped it from $50 a barrel to less than $20 a barrel.

At that time, I remember very well, I was in the House. I looked at the synfuels bill at that time, the program that the administration at that time was outlining. I raised concerns about it. I said there are better ways to do it; that you are going to get killed if they reduced the price.

Sure enough, when OPEC cut the price of oil from $50 down to $15, what happened is we had placed ourselves in a situation where we were trying to subsidize the differential between the price of producing a gasoline substitute from coal, and all of a sudden, something which looked like it would be cost effective turned out to be a boondoggle.

At that time, I offered an amendment and had some success in developing a program at that time in the House which said let us go at it the other way. Let us see if we can build a system which will keep the pressures of OPEC away from our market, build a free market free from OPEC control.

At that time—this was in 1979—I did not have a lot of support. I was able to get it through two committees, Agriculture, based upon what it would do for agriculture—and the same is true now, today—and also the Education and Labor Committee. Why? Because it would create jobs, and this bill will do the same thing today. I had a lot of support.

We were able to also convince the Energy Committee to make it a part of the omnibus energy bill that was coming forth. However, at that time, of course, right after that, OPEC cut the price, dropped the floor, and everybody lost interest in trying to develop an energy strategy that would place us in the position where we would be energy independent.

So I would like to now turn to some charts to better explain where we are. I know some of those that will be assisting me—Senator GRASSLEY, in particular—will be here shortly.

Before I do that, I would like to point out for those that always wonder about these things, and I think it dramatizes parts and aspects of the bill and amendment, that is, we are cleared by CBO. This amendment is dramatic and expansive as it has no adverse effect on the budget.

So we are not in any kind of a budget problem.

I would point out the significance of that, as we will demonstrate later on, is this bill will not only not have a cost to the Federal Government, but actually will put us in the position where we can substantially reduce the drain on our Treasury from tax expenditures in respect to oil interests later on; second, more immediately, by the increase in the use of ethanol in the shortrun from corn, that it will also reduce the cost on the Treasury with respect to our farm programs.

Let me take a look now to show exactly where the bill is and where our problems are.

First of all, the first chart I will show you is where the bill was with respect to the energy as it came out of committee. What this shows is where we will be under current policy. That is where we will go in the sense of becoming energy dependent, increasing dependence.

This bill which the committee has approved will result in a savings. There is no question about that. But you will see, this is at the time when ANWR was in, that we have a blip here, going down somewhat—and leveling off, very substantially, of the curves, but it ends up by shooting back up again to become more energy dependent.

This lower part, the green part, as you look at it, called RAFA—that is, the Replacement and Alternate Fuels Act, as we refer to it—that is what this amendment will do out to the year just 2010; that is, it will decrease our oil usage by 2.7 million barrels a day. You will notice that, therefore, we start on a downward trend, and thus have less energy dependence.

If you have to take a look, as we should at this point, at where the bill is now without ANWR, you will see that we had a situation where the benefits of the bill are reduced. But our bill actually has a more dramatic effect on decreasing the consumption of imported oil.

So I think it is important to keep that in mind throughout the debate that this is the only way we are going to effectively put the Nation in a position to become energy independent in the future.

It is hard, I know, for Members to get their attention on things that are going to take effect 10 or 20 years away. But if this body does not act, then we are all going to have to explain to the public later on as to why we did not pass something which would place us in a position of being not dependent on imported oil.

I want to go through a bit of the history about how we got to where we are today. I thank the committee for the attention they gave to the proposal. At one point early last year, we had a majority of the members of the Energy Committee as consponsors of this legislation, and they worked hard in the committee. The battle was a rather lengthy one. And a substantial part of the words of the amendment that I had, or the proposal we had at that time, were and are in the bill. I would say that they have adopted the skeleton of this proposal, but they removed the heart and the muscle of it. In other words, they converted what was a well-designed program—we believe with some problems, which I will mention later—from an action program to reduce our dependence upon oil to a program where it says here are the goals; the goals are right; we should be 30 percent less dependent upon imported oil in the year 2010. However, we will try to see if we can get people to volunteer to do it.

So it changed it basically from a plan of action to a voluntary plan to see if people would voluntarily do what is really impossible, because of the fact that OPEC can cut the price lower. How low can they go? Well, the cost of production right now in Saudi Arabia and those areas is anywhere from $2 to $10 a barrel. So, at $20 a barrel, they can go down a long way before they have a problem of losing money. Of course, we are dependent upon it, and that reduces that influence somewhat.

At that time and earlier into 1990 and through the middle of January 1991, the Department of Energy was preparing a similar program to mine. It was a program which DOE felt would also bring us into the position of being energy independent. And it, too, relied upon the fact that we had to create a market separate from OPEC in order to attract the capital necessary, and to bring on board the private enterprise system, which I fully support, to be able to bring forth the alternatives that we need in order to make this program work.

So I remind people that until that proposal was shot down in January of 1991 by the White House, that said, in their mind—this is the most ridiculous explanation I can understand—it interferes too much with the free market system. How you can have a free market with a monopoly like OPEC and say you are interfering with that by saying you shield yourself off from the monopoly, that does not make any sense at all. I am sure the opponents of my amendment will explain the rational of that one, because I cannot.

So the aftermath of that is that by working with DOE, the facts and figures I used to basically support the amendment and to demonstrate its effectiveness are those of DOE. Thus, many of the charts that I use will be

DOE charts. Many of the facts that I will give you will be DOE facts. Thus, I would hope you would understand that this is not just JIM JEFFORDS off on some wild scheme here making up facts. They came from the Department of Energy.

So let us again take a look at where we are. Incidentally, if anybody would like to know about the dispute that went on in the administration, a new fuel report of January 1991 refers to it and lets it be known that it was a program which unfortunately did not get consideration.

I want to go on and take a little time. First of all, I want to go on further with the amendment. What happened in the committee is they took the amendment up, and the oil companies came stampeding in and basically said this is worse than ANWR and CAFE put together; you have to kill this.

To the credit of the committee, they left a substantial part of the amendment in—the words, anyway. In fact, we probably got half of the words in our amendment adopted. But it is the impact that counts.

Some problems were raised with the amendment. So, at this point, I perhaps would like to alert you, as we will do later on, to the various changes that were made in order for us to take care of the problems that were created in the amendment, according to the administration and according to the committee.

One of those changes we have made was—although I think it probably was a defensive one, defensible from our perspective—with respect to the penalties that would fail to apply. We modified that and adjusted it to make it an economic base penalty, in a sense, so that it would just be a little bit more than you would have paid if you had complied, except in the exceptionally bad situations. So we think we have effectively taken care of that.

This is the most important one, and we believe with some merit, because we have changed it. In fact, after the motion to proceed failed previously, we met with the President, and he talked with us and then suggested that DOE ought to meet with me and try to reach a compromise in order to get the motion to proceed passed. I had a suggestion from DOE, one of the higher-ups, that in order to make our amendment acceptable, we ought to take into consideration domestic oil production.

Thus, as a result of that, we did add to our bill the stripper well provision. This is a substantial change, one which I first was adverse to; but in examining the facts, I recognized that it would help our bill, both from the perspective of imported oil, and more essentially upon the fact that it would decrease the amount of oil which we would have to import.

How does it work? It places stripper oil in competition with alternative sources and replacement sources. What will the impact of this be? First of all, with respect to the goals, obviously, since it is about 10 percent of our production right up at the goal.

Second, and more importantly, for the stripper well owners, what it does is puts a floor under the price where you will not be competing with OPEC, but you will be competing with those that would replace OPEC, and thus, as time goes by, you would be competing with higher priced options, and also you would be above the OPEC price.

What this does, of course, is increase, obviously, the revenues to the people owning stripper wells. But more importantly, it will allow them to continue into production, for with a stripper well, once you cap it, it is gone. It is too expensive to ever bring it back in, so if you keep the price up, you will find that that stripper well production will increase. And we will go into that a little bit more later. So those were the basic changes that we made in the bill in order to accommodate the serious concerns.

Also, another change. I am sorry; I did leave a couple out. First of all, we reduced the impact of the bill only to motor fuels for cars; that is, gasoline, rather than all motor fuels. This, of course, makes it, in a sense, easier for the goals, because it is harder to change the engines and the use of fuels in trucks, et cetera.

We also expanded the market credits—and I will get into more detail in the market credit provisions later—for vehicles, electric vehicles in particular. And Senator GLENN will be over supporting the bill and letting you know how important this one is to bringing along electric cars.

And also, a very important one for better utilization of alternative fuels nationwide, and bringing on the Clean Air Act provisions, and that is allowing a market credit with respect to infrastructure, and that is fuel stations that want to sell alternative fuels.

In addition, service stations, where they were affected in the original bill, are no longer affected. No demands or anything are put upon them. And also we had some changes with respect to the Sharp-Rockefeller provisions and CAFE provisions, which we left out in view of that. Primarily, CAFE is no longer in the bill.

So I am hopeful that the committee will recognize that these changes have pretty much met their opposition, and hopefully they may even support my amendment at some time in the future.

All right. Now let me proceed further, and take a look at some of the problems with respect to why we are here, seriously recognizing and hoping you will recognize that the chances for interference in our oil supply is dramatic because of where the oil is located.

Let me just give you a couple of discussions that I have had with people who are concerned about this, and from reading some literature. And you will see from this chart where the oil will come from for our children and ourselves in the future. The red is the cumulative production, which has gone—that is in billions of barrels; where it used to be and where it has gone.

And you will notice that we have almost drained ourself dry by our policy, and we will also talk a little about that later.

This black here is what is left. And you will notice on the chart that there is not much left in our country, very little. If you will take a look, though, over in the Middle East, where oil is, right here, and you will see that they have two-thirds of the remaining oil in this country. And it is allocated in those very sensitive areas involving Iraq, Iran, Kuwait, the Emirates, and Saudi Arabia, with most of it being in Saudi Arabia.

So that is where it is now. The question we have to ask ourselves, especially in view of what happened in Desert Storm, is, Is it a good idea to put ourself in the hands of the sheiks and the leaders of the Middle East?

I would suggest that it probably is not. And let me just, for you, go through some of the trouble that we have had in those areas, and just first of all start with the comments made by some of the people that we worked with. For instance, I know some of us had a meeting with Admiral Crowe, former Chairman of the Joint Chiefs of Staff, and he said to us: It is so critical for us to become energy independent that it would be wise even if it required us substantial cost and even reduction in our own standard of living.

I would also bring up an answer to a question you may have, and that is, well, if you are going to bring alternatives along, as we will point out later, why coal and natural gas, which would be winners under this bill, are not here supporting it.

I remember we had former General Lawson who came in, head of the Oil-Coal Association, and when he met with us, he said: Yes, we have to do this. It is important. However, when we later found out, of course, that coal is controlled by oil and foreign corporations, thus that support, which we had anticipated, turned into nonopposition.

The same was true from the natural gas industry. American Gas Association was very enthusiastic at the start. However, of course, they are also owned by oil, and they moved into a neutral position.

So again—I point also back to our chart—this is a list right here for the world's supply, disruption from world consumption, from 1951 through 1989. It shows you all of the various disruptions, primarily over in the Middle East.

But if you look toward the future, also, and recognize that the population—and, according to President Nixon's latest book, for my Republican colleagues, he said that since the population is going to double in the Middle East by the year 2010, that the opportunity and the expectation for wars and problems in the Middle East is going to intensify dramatically. Because if you will remember the previous chart, you saw that all that oil is located in that little area, basically, around Saudi Arabia. And you have the rest of the Arab and Muslim nations in poverty. And if they have doubled, then, the opportunities and the expectation for disruptions in the Middle East has and will increase dramatically.

So, I think it is important that you keep that in mind, because it may not be years away; it may be very quickly. As you know, Saddam Hussein is still there, and we have not cured those problems. So not only are we going to get it from two ways: one is fights among the various nations there, and more importantly, probably, in the long run, fights among the haves and have nots for control of the oil and what price they would charge; but if it got suddenly in hands different from where they are now, if we have no ability and no option to put ourselves in a position to protect ourselves from that, I do not think we want to be in that place.

Next, I think we would like to take a look at the trends in the oil import bill.

This is what we will see if we do not do anything along those lines; what we are trying to impress upon you is that the billions of dollars—and these are in 1988 dollars—that we will be spending for imported oil will be up to around $170 billion, where as right now, it is down at about $50 billion. So it is going to be triple or more than that we are going to be spending if we do not do something about getting our production in this Nation going with respect to replacement and alternative fuels.

So I would hope that, really, all of my colleagues will very seriously look at our provisions in our bill and understands that what we are trying to do is to put ourselves in a position where we will not face these very serious economic problems of the future.

Now, let me also go and take a look and demonstrate again, and remind those that may have forgotten, about what happened during the period of the 1970's. Many of my colleagues were here; some were not. But let us go back and take a look over here. In 1970, we had, in effect—and this is important to remember as we go forward—we had, in effect, a program which in the sense of design is very similar to what I am offering, but for a different purpose. We had in effect at that time a program which ensured our domestic oil producers that they could get at least $8 and $10 a barrel.

I come from New England, and we in New England, without that provision, which was in effect in the late thirties, could be buying $2 oil from the Saudis; $2 instead of $8. So we had to pay, in our area of the country, 4 times what we might have had to pay had the Nation not had a policy to protect the domestic supply of oil. That worked very well for the domestic oil interests.

It also—if you remember the previous chart—helped drain us down so that almost all of our oil is now gone, whereas if we had imported it at that time, we would have much, much left. We did not do that. But we did protect our domestic oil interests from the lower price of OPEC oil.

When did we do away with that? We did away with it when OPEC began, and OPEC took care of the problems of our domestic oil industry. Because what they did was to raise the price such that it was no longer necessary.

And here is what you saw with respect from 1949 right on through, on this chart, which shows you where the price controls were, in effect. And then, of course, OPEC took over at that point.

Then the price controls by OPEC, you will see, ended up here, and then we had the collapse, and it bounced off, and they settled out at a price. But compare that to where it is now with respect to the cost of production, and that is with OPEC right now, the Saudis, for instance, their cost of production is $2 to $10 a barrel, so they are well above that. And what does that mean? That means that we are so vulnerable for them to cut it if they want to do that.

All right, let us take a look now at what the impact was with respect to the loss of American jobs with respect to when OPEC got in the business here and then cut the oil prices. Because one of the big issues here is jobs, and I think that, at least, ought to get Members' attention. They know that is what is on everybody's mind right now.

But I am looking toward the future. I think one of the greatest problems we are having right now with this recession and with appealing to people is that now is bad, but what about the future? Things do not seem to be going well. Our standard of living does not seem to be increasing; we do not seem to be doing as well. And that is as much a problem of concern to the people of this Nation as the normal sort of things we have in recessions. So when you compare it with the 1982 recession, we are not near as bad, but the concern of people is much worse because they have not seen their standard of living rising.

Well, what is going to happen? Look at the jobs we lost just by the impact of OPEC increasing the prices and then dropping them. So we have lost hundreds of thousands of jobs by OPEC's impact at this time.

We have sort of gone through the preliminaries here, and now I would like to explicitly explain the program that we are talking about. But I hope that the attention of my colleagues has been gained by the potential of loss of jobs in the future as our oil industry goes down and winds down as we are running out of oil, the impact it could have on our economy by price increases, whether designed or by problems in the Middle East and all of those matters. Keep that in mind and take a look at what our program would do and would accomplish.

First of all, it targets a 10-percent replacement or alternative fuel replacement of imported oil by the year 2001. I also point out, so people do not think we are jumping off into something which is going to immediately pounce on the industry, it is several years, under our provision, before the impact would occur and several years, therefore, for the industry to be able to get its act together to be able to comply.

The important goal, though, is the 30-percent goal by the year 2010. We have every reason to believe from studies—I have traveled around the country visiting options, coal and ethanol and others—that by the year 2010, if our program is put in, it would be possible to attract the capital necessary to build the kinds of plants that are necessary in order to produce the kind of fuels that are necessary to put us in that position where we become energy independent.

Second, credit trading. This is a controversial part and one that the oil companies will pick up on and say, "Hey, this is going to be very cumbersome. We cannot do it." On the other hand, if we are going to attract options, if we are going to open it up to a free market with a level playing field for all of those that want to come in and say, "We can help, we can help you become energy independent," we have to create a market credit system.

Well, what is a market credit system? Nothing alien to my colleagues. We developed a market credit system in the clean air bill. It is being implemented. We had a market credit system when we phased out lead in gasoline where the companies could trade around. If you had more than your share out, then you could trade that in terms of money or whatever with another refinery. So we had those programs. That is another one. Right now, one that is going on with the trading credits is in the oxygenation aspects of the clean air bill. That is, if the total increase in oxygen in an area comes about, some high some low, they could trade among themselves in order to ensure that things work flexibly and no greater onus is put on one refiner than is necessary with the capacities that they could shift it around.

There are also market trading concepts being discussed now among utilities for trading various aspects, especially in the clean air bill, where there are trading credits for reduction in sulfur dioxide. And, also, I have talked and met with experts in the market credit aspects, and they are pretty enthusiastic about the possibility for using market credits here as long as we establish that the price of oil would be at a definable value so that everything would revolve around the cost, basically, of imported oil.

OK, now let us look at the various options you would have for credit trading.

First, let me discuss what the replacement fuels are and alternative fuels at this point. We can do the other later on. In the replacement fuels, basically we recognize that automobiles are going to be around here for a long time, that we are not going to have a plan that is going to run existing gasoline engines off the road. Our cars, depending on the area of the country in which you live, in my area they do not last very long, other areas they last 10, 20 years. In fact, I even just this year junked a 1974 Skylark that I used on my property. So, this also makes it very flexible for refiners to be able to comply because we are talking about things in replacement fuels that can be mixed with gasoline. The most obvious one right now is ethanol. That is being used, and quite successfully, and, in fact, 8 percent right now of the U.S. gasoline sales are of a gasohol nature. So they are well on their way to be available to the refiner to be able to comply. If you add to that also that stripper oil wells would be a replacement fuel, then there is no question but the goal can be reached easily by refiners.

In fact, I would point out that the small refiners that primarily refine stripper oil will be in a better economic position because they can have trading credits with those that utilize imported oil. So it would be an economic advantage to the small refiner.

And I hope that is an important message for those who come from States that have small refineries, because, generally, all they have to have by the year 2001 is 10 percent and they are in compliance. Well, most of them are probably 40, 50, or maybe 100 percent right now. Then they would be able to trade those credits with those that are importing oil. So it should be a very, very helpful provision for the small refiners in this country, and, in fact, we have already had contact from some independents in some areas in support of our bill. The alternative fuels, basically, are those that are designed not to be used in a gasoline car, but, rather, dedicated fuels include everything from electricity to a methanol car to an ethanol car or hydrogen or natural gas and propane.

I again underline, there is a lot of misinformation provided. In fairness, a lot of that was based upon our old bill. But one of them is that we have not mandated anywhere as to what is going to be the winner here, what fuels must be used or what cars must be used.

We believe—I believe—in a free market system to do those things. That is why I am supporting a free market for alternative or replacement fuels to be compared with the OPEC-dominated market is prevalent in our society now. Also, we use market credits to take care of the chicken and egg problem.

The problem we have right now, especially with the clean air bill, is that you can tell the automobile makers to make all the cars you want, flexifuel vehicles in particular. But if nobody puts flexifuel in them, methanol or whatever it is, what good does it do? There is no infrastructure out there to deliver the fuel, so if you do not get the infrastructure out there to deliver the fuels, how can you expect them to buy the fuel? It is a chicken or egg problem.

We go after that by allowing, on the initial time when the infrastructure is built, to sell a market credit equal to the amount of displacement which would occur from the utilization of that when it goes into effect.

Another argument that has been used against us by the refiners and the big oil companies is that the burden that will be placed upon refiners is too difficult, that their options are bad and you are going to force them to do things. We give them options. Let us take a look very carefully at what options a refiner of oil would have.

First of all, is the option of blending in a replacement fuel. Let us take a look at those things that would qualify: Reformulated gasoline, ethanol, gasohol, gasoline from natural gas liquids, tar sands, oil shale, coal, domestic oils and, of course, as I mentioned earlier, stripper well oil. There are all sorts of options just on the replacement fuel side itself. But it goes beyond that.

It says that perhaps as the clean air bill goes, there will be demands and needs for ethanol in particular and others. We allow them through the competitive market system to get credit for the alternative fuels that are sold. Thus, this puts in the hands of the alternative fuel producer an economic advantage where they can go to the refiner and say you do not have to put anything in your fuel, we will give you credit for what you are selling on the market.

The same would be true of electric cars, for instance. The electric car could get a credit for the amount of gasoline that it would displace, by operating upon electricity over the reasonable life of the car. This should be a substantial benefit, as the program unfolds, to the manufacturers of electric cars, trying to even out that additional cost and inconvenience that may be in the electric cars.

Also, they can themselves produce or sell alternative fuels. In other words, if they opened up pumps at their stations, they can get credit if they are a vertically integrated business in particular. They could get credit for what they sell in natural gas or neat alcohols or electric vehicles with hydrogen and others.

So they have a choice in meeting the demands. But this bill is going to take several years to go into effect and so during that time these things can be worked out.

Another thing which we will mention a little bit later, all the arguments about all the paperwork and all this stuff—there is no change in the present situation. The clean air bill took care of all that. They are all there. Stripper well legislation, or provisions under the tax laws, make all of that information available. Every stripper well because it has various advantages, tax advantages and royalty advantages and all that, they are all required to file all the information necessary for compliance with the bill. Reformulated gasoline, they have to trace what they have in, where it went and all that. That is all taken care of.

Those arguments that we have created this horrendous bureaucracy and problems is really—I remind you again—they had market credits with lead and now with oxygen. So that is a real bogus argument.

Now the big one. OK, OK, Jeffords, that is fine. But what is it going to cost? What is it going to cost me as a consumer?

First of all, there are so many hidden costs right now on our dependence upon foreign oil. The real cost of a barrel of oil is $200 a barrel. If you want to compare alternatives at $25 or $30 a barrel with $200 a barrel, you will see that, obviously, if we can get out from under the hammer of OPEC we can save a lot of bucks in this country.

Getting away from that, let us take the situation as it is. I remind my colleagues, the Department of Energy was working on a similar program. The figures we are using now on what it will cost the consumer are the figures from the Department of Energy. This is their analysis which we agree with. That is what we are using.

So when we run into the arguments which have all been distributed to our offices by the oil companies about the horrendous impact of the prices, keep in mind what happened last time with Desert Storm, how much the gallon of oil went up—how much the cost of gasoline went up. Take a look at what the DOE would say would happen on worst-case/best-case scenarios here. Basically the worst case scenario is—how much? Two point five cents a gallon, that is the worst case scenario.

What is the best case scenario? Maybe a half a cent a gallon. But in all likehood, a decrease in the price. There will be a decrease in the price to consumers.

At this point, in order to relax my voice a little bit and because I have been joined on the floor by a supporter and friend, I yield the floor.

VISIT TO THE SENATE BY MEMBERS OF THE GLOBE GENERAL ASSEMBLY

Mr. GORE. Mr. President, I appreciate my colleague from Vermont yielding.

Mr. President, I would like to introduce some visiting parliamentarians. For the last 3 days the members of an organization called Globe International have had intensive meetings here in Washington. Most of the members left on a plane this morning. But the hard core is still here.

I would like to introduce to my colleagues members of the Globe organization from the European Parliament: Hemmo Muntingh, Carlos Pimenta, Jan Bertens, and Maria Santos. Member of Globe from the Japanese Diet: Senator Wakako Hironaka. Members from the former Soviet Union: from Russia, Alexy Yablokov and Valery Menshikov; from the Ukraine, Yuriy Kostenko; and from Moldova, Pavel Gusac.

These discussions, along with Members from the U.S. Senate and the U.S. Congress, have been focusing on issues relating to the global environment.

A number of action agenda items were raised, and I will provide a summary of these items in the weeks and months following to my colleagues here. But I wish to take advantage of the provision in our Constitution which allows the courtesy of floor privileges to visiting parliamentarians. I appreciate my colleagues' indulgence in allowing me to introduce them.

For purposes of welcoming them, Mr. President, I suggest the absence of a quorum and then my colleague will take the floor as he wishes.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. JOHNSTON. Mr. President, has the Senator from Vermont finished his presentation in chief?

Mr. JEFFORDS. I have not at this point. I am trying to notify those who desire to speak that I am available for them to do so. I intend to go forward myself in a moment and finish my presentation, but at this point I am waiting just to hear their intentions. I expect Senator GRASSLEY will be here shortly, and Senator GLENN is tied up until after 1 o'clock. I hope it will be sometime after that.

Mr. JOHNSTON. Mr. President, I say to my friend that when he has finished his presentation in chief, I would like to ask him some questions and make a brief presentation in chief myself. So perhaps we can speed it along. If the Senator will go ahead then I will be in a position to ask him some questions.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I would like to continue with my presentation. I would like to commence by talking a little bit more about some of the aspects of the bill and where there are problems.

First of all, I think that we have so many things that we agree upon. But there are really not many facts to dispute, I hope Members will recognize. There is only very little, if anything, to dispute as to the facts and as to the effectiveness of the program.

I stopped on consumer cost, but let me point out and explain in a little bit more detail how those consumer cost details come into effect.

First of all, I do not think there is any disagreement on the facts that if you did decrease your demand that you are going to get a decrease in the price. That is a pretty clear observation. I do not think anyone will disagree with it. So one of the reasons you get this kind of a consumer price scenario is the fact that if we decrease, according to the Department of Energy, by 1 million barrels a day the amount that we import, that you will have somewhere around a $2 drop because the United States is such a huge consumer that when we drop our consumption by 1 million barrels a day, which is a little over 10 percent in the motor fuels area, then you will see somewhere around a $2 drop in the price of oil.

This chart demonstrates that; that the more you buy the more it costs, the less you buy the less it costs. So one of the reasons the additional cost of oil can be taken care of is by the fact that we will force a decrease in the OPEC oil.

This is a little bit complicated in the sense that we have to keep a few things in mind with this chart. First of all, this one represents 90 percent and this represents 10 percent of the amount of oil that is in the mix. What it does demonstrate is that this differential part, that is additional marginal cost, when you take into consideration the decrease of $2 a barrel, that alone, we spread the whole thing over your market and we end up with a net benefit of about $10 billion a year just from the impact of being able to displace that million barrels a day. I hope that puts it somewhat in context.

Again, the information to use here and the basics of it are from the Department of Energy. Thus, the benefits we would get by reaching our goal of displacing 30 percent of the oil would be hopefully three times that and, thus, eventually as their charts would show, the actual impact ought to be such that there is a real decrease as to what it would have been with the current policy in effect.

I would also point out that when we increase that production of the alternatives, of course, we are at the same time creating jobs. The estimates of the jobs that we would create by going to 30 percent are in the hundreds of thousands in this country. In addition to that, you would not lose as many from the impact.

So I think if you are thinking about jobs, as all of us must this year, this is a program which is going to help us out of that problem of a reduction in our standard of living by huge trade deficits and all of that, and that the actual impact to the consumer is going to be in the end result, we would believe, positive rather than negative.

Again, this chart is another demonstration of the net savings you get. These are new fuel costs. These are the old savings. But that is 90 percent, which is 10 percent, and you end up with about 1.24 billion per year.

So, overall, this is a no-lose amendment for you. Putting it in sort of a summary form, if you want to really place us in a position where we can be energy independent, where we can make ourselves much less vulnerable to interruptions in the world situation, if you want to decrease the impact upon the deficit, if you want to cut our trade deficit, if you want to create hundreds of thousands of jobs at perhaps even a savings to the consumer, it is an amendment you ought to think very hard about before you defeat.

Now, this is a change we made especially for the committee members because I know many of the supports on the committee were deeply concerned about the impact upon small refiners and stripper wells.

This chart demonstrates how we helped the stripper well. The refiner again buys oil on the market, and at, say, $20 a barrel. Then in order to be able to utilize credit from the stripper well, in order to comply, he buys the market credit from the well owner, and thus a benefit to the well owner is there as well as, of course, the refiner, who would then again be able to sell those credits off or to trade them with refiners that do not have them.

So it is a real help to your stripper wells.

When you consider some of the States, especially those oil States where they have thousands of stripper wells, you want to think carefully about voting against this amendment because the stripper well people know what this amendment will do for them, and we have heard from some.

I do not want to have my colleagues not aware of that, especially in those many States—I think there are 26—that have stripper wells.

Also, to dramatically show you what the impact would be on keeping the oil production up in the stripper well areas, this chart shows what would happen at $25 a barrel. And we could get up there later on because they would be competing maybe with $30 or $40 options. We would have a zero abandonment of stripper wells for many years. On the other hand, if it drops down to in these areas, you will see at even $23 a barrel you are getting a dropoff in the number of wells that would be abandoned annually. It would be like 22,000. If you get down to $20, it is 45; $18, 70; $15, down to 101; and OPEC's top production would be putting out 184,000 stripper wells a year.

So I would hope those that have stripper wells would be very careful about voting against this amendment.

Another argument that is made is one that says, yes, but how are you going to make the goal? And there was some reason to question that before we put in stripper wells.

Our argument—and I think a very sound one was—that the Clean Air Act itself would pull along something like 7 or 8 percent of the 10 percent goal by the year 2001. However, by adding stripper wells, we are already at the goal.

Keep in mind, though, stripper wells are a declining resource and, therefore, what will most likely happen is that after a certain period of time the number of wells will drop off because they have become nonproductive, and then you will find that the competition for the sources will increase. In addition to that, the Secretary has the authority to increase that goal.

Thus, we would expect that if the bill is implemented, there might be an increase. In fact, we would want to see an increase in that goal. We did not do it at this point because we wanted first to explain why it would come about and the fact that the authority is there.

So I hope you can see that the goals we have here are very attainable and probably should be strengthening rather than being troublesome.

Now, where will we be at the year 2010? Near 2010, we will be on our way to energy independence. We will have developed that commercialization—and the emphasis is on commercialization. You cannot attract capital into the market now to produce replacement or alternative fuels as long as OPEC has the ability to reduce that price, and as we have shown, it can go all the way down to $10 a barrel without losing money on their production—in fact, on most of it making money.

Second, and this is an important one about which I have not talked much, we will reduce the greenhouse emissions and improve the environment. Why do we say that?

I have not talked about that aspect. But it is important to remember, for instance, the Sierra Club and other environmental groups see this advantage and back us. That is, that we do have now the technology, for instance, to produce ethanol from cellulose.

Now, what does that mean? Ethanol from cellulose means that waste paper can be converted into ethanol. What we have not developed is the commercial technology for doing that. What we do have in the interim for ethanol, though, is the ability to produce ethanol from corn and other sugar types.

So in the short run, we will have that ethanol. In the long run, in the outyears, we will have ethanol from biomass, and the important thing about that is that the kinds of products you would use to convert to ethanol at that point would be those which would leave you in a situation where you are carbon neutral.

We are worried about the problems of global warming. The problems of global warming are because we are bringing carbon from under the Earth and putting it above the Earth. If you get into ethanol production, from the kinds of techniques that they have for the conversion of cellulose, you are using techniques which do not require other fuels to the greatest extent or if you did, they could be dissimilar fuels, which means you are recycling the carbon above the ground, which means you would have an option at the year 2010 which we estimate from talking to DOE that commercialization is available, you have an ethanol option which would not in any way have an impact upon global warming with additional carbon above the ground.

Third, the Department of Agriculture is excited about the ability of our farmers to increase their options in farming. Thus, they have a joint program going on right now with the Department of Energy which will allow them, hopefully, to build up the kinds of options we would like to have with respect to the production of ethanol.

And finally—and this is an important one—the impact could be dramatic; it will lower the Federal deficit.

Let me run though just a few of the things before I yield to my good friend from Iowa.

First of all, eventually, you would not need all of the tax expenditures we have to assist in many of the areas that we do now assist with respect to oil in particular, and to some extent—probably later on—in the ethanol area.

Second, all that money is going overseas; all the jobs that will be leaving to go overseas will remain in this country and thus we will be creating jobs, creating income, and reducing our trade deficit but, more importantly, increasing our gross national product.

So I say to my colleagues who examine very closely this amendment, I expect in the normal course of business we will probably get a motion to table at some point, and I hope you keep in mind you want to vote no if you support me.

I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Senator from Iowa [Mr. GRASSLEY].

Mr. GRASSLEY. Thank you, Mr. President.

Mr. President, I rise because I want to make some comments on some things that are said about this issue, not necessarily things that have been said here on the Senate floor. I rise to set the record straight on a lot of the propaganda that is going on in this city about this issue that is before us and specifically statements that are said against the Jeffords amendment.

While the big oil companies are sending out their huge armies of lobbyists to attack and destroy the Jeffords amendment, our colleagues should recognize a very important point. As startling as it may sound, in view of all the big oil rhetoric, the Jeffords amendment is really a chip off the old block of big oil legislation which was pushed through Congress in the 1950's.

This is an old skeleton out of big oil's closet that they would obviously like us to conveniently forget. But like they say, what is good for the goose is good for the gander, and I would explain and expound upon that after I have covered some other material.

The oil companies are now mounting one of the most shameful propaganda campaigns against the Jeffords amendment that I have ever seen. The old Soviet Pravda could have only hoped to mount such a barrage of misinformation and distortion.

The oil companies seem to think that if they use all the right buzz words and push all the right hot buttons that they can get enough knee-jerk reaction from Members of this body to kill this very good piece of legislation, the Jeffords amendment.

Unfortunately, I am afraid that a lot of well-meaning colleagues are buying this nonsense that is being spit out by oil company lobbyists.

Mr. President, the oil companies want us to dismiss the Jeffords amendment and dismiss it just right out of hand without giving it any serious attention or consideration.

So I come to the floor in hopes to cut through the buzz words and to keep hands off the hot buttons for a little period of time to get legitimate consideration of this amendment, an amendment that is finally going to have this Senate say to the people of this country we have finally put this country on a road to less dependence on foreign sources of energy.

Oil companies are using buzz words such as "dangerous," such as "ill-conceived," the words "Government mandate"—and I like this one that I have heard an awful lot. They say the Jeffords amendment is "injecting command and control techniques." That ought to just scare, and it is meant to, the wits out of all us free marketers.

I daresay, however, that there is no one in this body who is more respected for his expertise and understanding of energy policy and the energy industry than the former chairman of the Senate Energy Committee, our former colleague, Senator James McClure of Idaho, now retired.

Senator McClure was the cosponsor of the Jeffords amendment legislation last Congress. If the Jeffords proposal is so outrageous and so radical as the oil companies want us to believe, why do you suppose that the Jeffords amendment drew the support and cosponsorship from the top energy expert in the U.S. Senate, and one, let me tell you, who is respected for the free-market philosophy that he not only spoke for a decade and a half on the floor of the Senate, but voted for as well.

Mr. President, our colleagues have to recognize that big oil is willing to do and to say just about anything to kill the Jeffords amendment. In fact, they have declared all-out war on it. Can you believe it? The oil companies wanted to kill the Jeffords amendment so much that they have said they would rather not have any energy bill at all and that they would rather not drill for oil in ANWR than to have the Jeffords amendment passed.

When you think of the importance to them of ANWR, and they are lobbying on that part of this legislation. Although ANWR is no longer part of this legislation—then that is a pretty far-reaching statement for the oil companies to make about another amendment to this bill, the Jeffords amendment.

The oil companies so much oppose fencing in a small niche in our domestic market to foster the development of domestically produced alternative fuels—and let me emphasize these are domestically produced, not foreign produced—that they are willing to derail the entire National Energy Security Act of 1992.

So to support what I have just said in summarizing the whole campaign of the oil industry against the Jeffords amendment, I want to quote from the September 25, 1991, Journal of Commerce:

> The oil industry claims it would forego Alaskan refuge exploration if it could squelch a proposal that would require it to increase sales of alternative fuels such as compressed natural gas, corn-based ethanol or methanol made from gas. "If the (Jeffords measure) is included in the overall energy bill, we will oppose the bill" said Earl Ross, a spokesman for the American Petroleum Institute.

Then I think it is pretty clear. So much for big oil's concern about something called a national energy strategy or national energy security.

Mr. President, let me take a moment to draw the big picture regarding the Jeffords proposal and describe point by point how big oil is trying to get away with a double standard.

In the broadcast sense, the Jeffords proposal fences in, so to speak, a small market niche in order to foster the development and marketing of alternative fuels, not just any alternative fuels, but all possible alternative fuels produced in the United States.

The Jeffords amendment is based upon the assumption that the primary purpose and justification of the National Security Act should be to take dramatic steps away from our dependency on foreign sources of energy—not just foreign oil, but dependency on all sources of foreign energy.

That does not surprise anybody, whether you are in this body or anywhere in grassroots America; if you are talking about a national energy strategy, it is implicit in that statement that the purpose is to have us less dependent on foreign sources of oil and other foreign sources of energy. One, and most importantly, for our national security; second, because of the economy of America and less unfavorable balance of trade.

So the purpose of this bill, at least implicit in title, is more independence.

The Jeffords amendment is based upon this assumption that that is the primary purpose of this legislation, that we should take very dramatic steps to cut down on our dependency on energy coming into this country, oil or otherwise, from a foreign source that can have an economic grip on America and an economic stranglehold upon jobs in America, and also on our national security, so that we can direct our own future without that consideration.

It is becoming more and more apparent that not everyone embraces that objective, and would rather have us issue hollow declarations of victory, if we do anything at all to expand the use of alternative fuels, even if those alternative fuels are controlled by OPEC.

If our objective here today is to become anything less than energy independent, and not just oil independent, then I say let us just forget it and move on to more important, more meaningful legislation that will revive our economy and produce jobs in America.

In any event, the Jeffords proposal recognizes that unless we fence in a small niche of our motor fuel market, our domestic alternative fuels industry will likely never get off the ground. As long as OPEC, in conjunction with other oil interests, can cut the legs out from under our alternative fuels competition, our efforts seeking independence from foreign sources of energy will be in vain.

The Jeffords amendment does not pick winners, and it does not pick losers, among the many various alternative fuels. Competition will run free. We just say that for the small, fenced-in area, it will be domestic alternative fuel producers and not foreign producers.

What the oil companies do not want us to remember is that in the 1950's, they spearheaded legislation that fenced in the entire United States. America's big oil companies were crying in the 1950's, because we were importing a little over 1 million barrels of foreign oil, which was generally cheaper than our domestically produced oil. These oil companies cried that these imports were jeopardizing our national security, and that Congress and the President should mandate import quotas. Ultimately, they succeeded in passing this mandatory controls legislation, which led to President Eisenhower imposing import quotas in 1959.

I want to compare for my colleagues what the oil companies are saying today with what was said in the 1950's about their mandatory controls. I want to share with my colleagues some excerpts of the CONGRESSIONAL RECORDS of the 1950's. Let us scrutinize those hot buttons and those buzz words that are being used today, because they have been used before, but from a little different perspective.

Let us start with the words "mandates" and "quotas." Today, oil companies attack the Jeffords amendment as a mandate and as a quota bill. In the 1950's, the Independent Petroleum Association of America spearheaded the drive of domestic producers for legislation restricting oil imports, followed by a successful effort to pressure the President to exercise his new powers to impose mandatory import quotas. That is a fact.

Let us look at the second set of buzz words used by the oil companies against the Jeffords amendment. "Dangerous, unprecedented power," they say. Today, oil companies attack the Jeffords amendment because they say it "sets a dangerous precedent" by providing the administration an "unprecedented sweeping grant of power without adequate congressional control and guidance."

In the 1950's, as reported by then-Senator Lyndon Johnson, in an article that he shared with Congress, the oil companies' mandatory import quota legislation granted the President "the authority to take whatever action he deems necessary to adjust imports." Whatever action necessary, the President could take under that legislation proposed by the oil companies in the late 1950's.

The third set of words that I want to call your attention to is "cost to consumers." Today, oil companies attack the Jeffords amendment as costly to consumers. In the 1950's, the consumer was the last thing on big oil's mind. Congressman McDowell, in the 1959 debate, attacked the mandatory oil import program. This is when President Eisenhower followed the mandate of Congress and set up mandatory import controls.

> Politics can be the only reason for the President's order. It looks as if there is collusion between certain people in both political parties to protect the oil producers in exchange for their political support.
>
> I, for one, however, will voice my disgust when I see politics played to this extent.
>
> This decision, by annihilating a major source of oil, the lifeblood of our Nation, can do nothing but cause unjust hardship to the consumer, weaken our defenses, and decrease our stature in the field of international relations.

So much for the consumer. So much for the national defense of our country.

The fourth set of words that I want to have my colleagues look at carefully: "command and control techniques." Today, big oil conjures up in our minds all sorts of evils with their "command and control techniques" rhetoric. But in the late 1950's, Government "command and control techniques" is precisely what big oil demanded, precisely what big oil got from the Congress, and precisely what big oil got from the President of the United States.

In a 1959 letter to shareholders, the president of American Petrofina boasted of the great increase in profits that will be derived from "the mandatory import program approved by President Eisenhower," and how the "controls established under mandatory programs should now prevent many of the costly abuses of the past."

Mr. President, I think our colleagues should have a clear picture by now of what the oil companies are trying to pull here. Here is the message from big oil.

Simply put, mandates and quotas are good, if they benefit big oil, but bad if they encourage competition. Granting unlimited authority to the President is good, as long as it is aimed to protect big oil from competition, but granting limited, reasonable, flexible authority, as the Jeffords amendment does, is bad because it might foster competition for big oil or it might foster competition for oil generally as we seek other sources of energy to become independent.

Oil companies think increasing consumer cost is good, as they did in 1958, as long as it is big oil pockets that are being filled, but increased consumer costs are bad if it fosters development of competition against big oil from other sources of energy.

Finally—and this is my favorite—oil companies want us to believe that "command and control" techniques are good, only when it is big oil that "commands and controls."

Mr. President, these characterizations of the Jeffords amendment by big oil are outrageous, but most importantly they are misleading. And I believe that our colleague, the sponsor of this legislation, the sponsor of the Jeffords amendment, Mr. JEFFORDS himself, is prepared to expose the fraud in more detail.

But it is simply and truly ironic that the U.S. Senate is being subjected to such incredible pontification from the oil industry, which hopes for some knee-jerk reaction to all their clever use of buzz words when the oil industry itself, thinks that all these alleged horrors, such as "mandates," "quotas," "command and control" are quite fine, if they benefit the big oil industry.

Unlike the mandatory oil import quotas and controls of the 1950's, promoted by big oil, which it got through Congress and got the President's support, with the imposition of all those mandatory controls, the Jeffords amendment is proposed for no special interest except the interest of the American people.

It is proposed to help all Americans, once and for all, take a serious step toward that energy independence. This is a worthy amendment. I am glad to be a cosponsor, and I strongly urge my colleagues to ignore the shallow attacks from big oil, listen carefully to this thoughtful proposal, and then vote in favor of the Jeffords amendment.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana [Mr. JOHNSTON].

Mr. JOHNSTON. Mr. President, I would like to direct a few questions to the distinguished Senator from Vermont if I may.

Mr. JEFFORDS. I am most happy to answer the questions as best I can.

Mr. JOHNSTON. I thank the Senator. First of all, with respect to the definition of "stripper" contained in the IRS Code, does the Senator recall—I do not—what the qualifications of a stripper well are?

Mr. JEFFORDS. The definition is 15 barrels or less of oil production per day.

Mr. JOHNSTON. Can that be adjusted by the IRS or by the DOE, or is that fixed in law, do you recall?

Mr. JEFFORDS. Fixed in the data. That 15 barrels a day was put in to make sure that it would preclude fooling around with the numbers that were being proposed.

Mr. JOHNSTON. Would the Senator agree with me that the latest figure I have from DOE is 1.05 million barrels a day of stripper oil produced pursuant to that definition?

Mr. JEFFORDS. That is correct. That is our understanding of the production at the present time.

Mr. JOHNSTON. That is up 14 percent, roughly, of total crude oil produced.

Mr. JEFFORDS. Somewhere in that area. I am not sure of the exact figure. I know 12 or 14. I will accept the 14.

Mr. JOHNSTON. All right. Let me get one thing straight from the bill. The amendment states on page 4, subparagraph (f), on lines 11 through 13, that they shall establish a goal of achieving, by the year 2000, utilization of domestic renewable resources for at least 5 percent of annual gasoline consumption.

Mr. JEFFORDS. That is correct I think 2001 now, but that is correct.

Mr. JOHNSTON. Over on page 5, it states that the minimum percentage that replacement fuels and alternative fuels constitute shall be—and it says 2001 through 2009—10 percent.

Mr. JEFFORDS. That is the minimum percentage. The authority is in the Secretary to raise that level, that is correct.

Mr. JOHNSTON. In other words, it is 5 percent by the year 2000 and goes to 10 percent in the year 2001.

Mr. JEFFORDS. No; that is not correct. The 5 percent of renewables carries forward. The 10 percent is the total for replacement and alternative fuels for the year 2001 through the year 2010. That is the minimum percentage for the totality of replacement of alternative fuels.

Mr. JOHNSTON. I see. So the 5 percent relates only to domestic renewable resources.

Mr. JEFFORDS. That is correct, and it is a goal not being mandated.

Mr. JOHNSTON. I see. That is a goal and that is not a mandate. But the 10 percent of replacement and alternatives is a mandate.

Mr. JEFFORDS. Yes. It is a mandate because you have to have such a mandate in order to attract the capital necessary to build additional——

Mr. JOHNSTON. Yes; I understand. I wanted to be sure whether you meant to change the 10 percent to 5 percent.

Would the Senator agree with me that his goal of 10 percent would be met by what is already required in the law plus the 10 percent stripper by the year 2001?

Mr. JEFFORDS. It is our belief that the present would indicate that we have about 7, maybe 8, percent from the Clean Air Act, and that would also presume that the methanol and other elements that will result in the Clean Air Act compliance would be domesticly produced. The difference is basically that right now we are seeing that the methanol production is going offshore, and the money that is being utilized for that, up to $80 a barrel, is now being shipped offshore, and, therefore, there would be changes required in order to make the goal of the Clean Air Act in compliance with the bill here. But, generally speaking, what the Senator is saying is correct, that assuming at least all or some of the methanol production which is presently being sold or contracts are being let to make overseas are even with that in the stripper well, you would be in compliance with the year 2001 with the stripper well plus what would be coming from the Clean Air Act; that is correct.

Mr. JOHNSTON. Actually, as I understand it, the gasoline alone produced from the stripper well would more than exceed the 10 percent even without respect to methanol, ethanol, MTBE, and butane.

Mr. JEFFORDS. That is correct, if it was credited toward gasoline rather than home heating oil or other products from the stripper well. That may or may not be true because, generally, how I designate it is 50 percent motor fuels and 50 percent other domestic use. Presume it was all—and probably that is a shell game in that regard and you probably could end up with that. We added the stripper oil provisions there because we felt it was important to protect the oil producers. My understanding and hope with that conclusion is we would be able to get agreement from the administration and commitment. I also point out that there is authority, though, in the Secretary to increase that 10 percent goal. We are hearing from the domestic oil industry saying, "We wish you would raise the goal in it because then it will help our stripper oil wells more."

Mr. JOHNSTON. Is the Senator aware that the Department of Energy stated that when his amendment had the requirement of 10 percent and did not contain the stripper well exemption, that the Department of Energy said that, if you met our goals with electricals, it would cost $269 billion or, if you used depressed natural gas, $37 billion, or if you used methanol, it would cost $21.4 billion. The Senator has seen those figures?

Mr. JEFFORDS. I have seen those figures. Let me explain, nothing is required. There is no mandate on any usages.

Mr. JOHNSTON. I am not arguing whether correct or not, but if you have seen those figures.

Mr. JEFFORDS. I do not disagree with that, but if you divide that by the number of gallons that are required by gasoline reduction in order to get that, you come out with pennies a gallon, not those huge figures which are used to distort.

Mr. JOHNSTON. I am not arguing that at this point. But if the Department of Energy is correct, you could have avoided that by buying the stripper well oil and do so for the next decade, at least, perhaps for the next two decades.

Mr. JEFFORDS. If you did not increase the goals; that could be correct. But I suggest as the administration ordered DOE probably to do it—I give you the worse case scenario—presumably that you use only these options. We do not require any options, so that is a very distorting look at that they give you. They say use all electric cars. What would it cost if you use all this? What would be its cost—there are other options, which you point out.

Mr. JOHNSTON. Does the Senator have any idea what the cost of that stripper oil would be? Or, stated separately, what the subsidy for stripper oil would be?

Mr. JEFFORDS. Again, of course, it would not be a tax subsidy or Federal subsidy. If anything, it would be a consumer subsidy, if you want to put it that way.

Mr. JOHNSTON. The refiners would have to buy the credits by buying the stripper oil, and, assuming that they wanted to avoid spending all this other money, they could do so by buying the stripper oil. That would increase the cost of stripper oil. It is like the old entitlement programs where you had oil which was cheap and oil which was more expensive. The fact of the matter is you do not know how much that subsidy might be.

Mr. JEFFORDS. That is correct. I point out there are now present subsidies in the law for stripper wells which would be made unnecessary if the system works such that you would have a decrease in the drain on the revenue to the Treasury if our program works, but you might, might, have a slight increase to the consumer.

But you remember that if we reduce, which we would not from stripper oil, but if we reduce the oil imports, then we should, according to DOE, get a downward push on the price of oil.

Mr. JOHNSTON. Mr. President, first of all, I want to congratulate the distinguished Senator from Vermont for making a very strong case for the need for a national energy policy, for the need to avoid massive imports, for doing everything we can to go to alternative fuels to get this country off the tremendous dependency which we have on foreign oil. He has made that case very well and I endorse everything he said in making that case because it is right on point.

Second, I endorse what he has said about the need to promote, as quickly as possible in this country, an alternative fuels business in which we have not only vehicles available to burn the fuel, but the fuel available for the vehicles. And indeed, in designing a program in the Energy Committee, we drew heavily upon the work of the Senator from Vermont and incorporated a modified form of his idea in our bill.

What we do is direct the Department of Energy to make studies so as to determine what projected amount of fuel will be needed and to recommend to the Congress the amount of particular kinds of fuels that will be needed. In other words, we do not want to have a lot of methanol vehicles out there without the methanol to run the vehicles, or ethanol vehicles without the ethanol to run them, MTBE or ETBE or electric vehicles without the ability to charge those vehicles. We have incorporated that in our bill.

If I might digress just a moment to tell the Senate and our colleagues what we have done in this bill, I think Senators will begin to understand how massive is our program, what an ambitious program it is, what a tremendous requirement it puts on not only public fleets, but private fleets as well.

Our program in this bill is designed to produce 4 million alternatively fueled vehicles on America's roads by the year 2000. We do that by requiring a phase in of the purchase of alternatively fueled vehicles. We define alternatively fueled vehicles as those capable of using electricity, natural gas, ethanol with at least 85 percent ethanol, methanol, liquefied petroleum gas, hydrogen, and coal-derived fuels.

So we begin to phase in a requirement first for Federal fleets by the year 1995, requiring that 30 percent of their purchases in the year 1995, which is virtually tomorrow when you are talking about massive purchases and when you are talking about manufacturing lead times. But beginning in 1995 for Federal fleets, we will require 10-percent purchases. By 1996, 15 percent; 1997, 25 percent; 1998, 50 percent; 1999, 75 percent and by the year 2000, 90 percent of all Federal fleet purchases must be on alternatively fueled vehicles.

When you go out there to the parking lot at the Pentagon, just picture that 90 percent of those vehicles will be required to be purchased as alternatively fueled vehicles. If you look at all of these fleets throughout the Federal Government, the Post Office, all the rest, and just picture that requirement beginning in 1995 of purchases, you begin to get the idea of the scope of our bill.

With State fleets, we require them to begin phasing in in 1995 with 10 percent, and we go up with the same increase in percentages to 90 percent by the year 2000. I am sure we are going to hear from Governors and State legislators when they realize how strict this requirement is, how ambitious it is to require the States in effect to shoulder the cost of this program. But we made that judgment, argued it out a great deal in our committee, and made the judgment, that, yes, they ought to be part of the program.

And with respect to municipal and private fleets, we begin to phase those in in 1998 requiring 30 percent purchases; 50 percent in 1999; and 70 percent in the year 2000, a private fleet being, qualifying, if you have 50 vehicles anywhere in the United States, at least 20 percent of which are centrally garaged, you have to meet these requirements.

You know 50 vehicles is not very much on a nationwide basis, and 20 vehicles is very little. Most law firms, at least big law firms today, would be required to have these kinds of purchase requirements, not to mention virtually every small business around will have 50 vehicles somewhere in the country.

They will also be required to make the purchases. And, in order to fuel those vehicles, we require DOE to make the findings about what fuel is going to be available.

Now, why, Mr. President, did we make this requirement on fleets? Well, because in order to get this, what the Senator from Vermont properly shows is a problem here, the chicken and the egg problem, the place to begin is with fleets because the fueling capacity—our emphasis on centrally garaged is you can have the fueling capacity as the central garage. For example, a cab fleet. You always come back into where the cabs are located, the Yellow Cab Co. or whatever. And they could have there the quick fill for natural gas or the methanol pumps, or the ethanol pumps, or the hydrogen pumps, or whatever it takes. They can have those there on an economical basis at a place which requires central fueling.

We believe that to require an immediate system nationwide, so that people who are going coast to coast would have to be required to have these kinds of vehicles, it would not be practical, not for a number of years. But this is a very far-reaching program.

Mr. President, we believe that 4 million vehicles by the year 2000 is a very ambitious program because in the first place, if you look at the planning horizons of automobile companies, when we held our hearings on CAFE standards, we got all the information that shows that for the first new model to come out of an automobile, it takes over 4 years in planning. So that, if General Motors today decided to build a methanol automobile, and if it was a separate model, the chances are it would take over 4 years in just the planning process.

Some of these vehicles can undoubtedly be reconfigured. Natural gas tanks can be fairly simply, as I understand it, installed in existing automobiles without a huge amount of reconfiguration except a bit in the carburetor. Some others will take more engineering. In any event, it takes a period of years to put on the road a new automobile.

So we believe that this is going about as fast as you can go. Some would say faster than you can go. But it is about as fast as you can go to produce 4 million automobiles.

So, we think it is an ambitious program. Four million will give us a tremendous start on alternative vehicles. It will also give us experience. What works best?

People in the natural gas business believe it is the natural fuel of choice in a free market competition for the best technology. People, certainly in the Los Angeles basin, believe that the only answer to their clean air problems is the electric cars. I had the opportunity to drive an electric car at a White House demonstration not too long ago. I can tell you, the feel of that car, the power of it, top speed, the motorability of it, all of those things were very, very desirable. I think the electric car is going to be very much in this competition.

People from the methanol industry came by to see me and described their case, and theirs is a very strong case. As is the case of other fuels. I do not mean to just mention those three except to say that the proponents of every fuel have a story to tell. I can see that their ads out there to the public when they try to sell these things are going to try to make these things look good and wonderful and the market is going to decide which fuel is best. So we will be well on the way by the year 2000, if this bill passes in the form it is now, toward a good alternatively fueled industry. We think we are going as fast as you can go.

Mr. President, compare that to what the Senator from Vermont would require. He would require, in lieu of 4 million vehicles—were it not for the stripper well exemption—you would have to have 10 percent of the fleet with alternatively fueled vehicles by the year 2001. There are now projected to be 180 million vehicles on the road by the year 2000; 10 percent of that would be 18 million. So you would have to produce another 14 million over and above what we have here.

How would he require that those be produced? The refiners here would have the primary responsibility. The refiners would either have to make 10 percent of their fuel as alternative fuel and sell that fuel or, if they failed to sell it, they would have to go to this trading bank and buy the credits. Are refiners going to reconfigure their refineries by the year 2000 to make methanol before they know whether there is a market for methanol, before they know whether they can sell it? Are they going to spend those billions of dollars in those years for construction before they know whether they can sell it? I think not. I think not, Mr. President. It would not be a very prudent thing to do.

So, if they cannot sell the methanol, or they did not reconfigure their refineries, how can they then avoid the $25,000-a-day fine that they would have by not complying with this?

They go to this trading bank. The trading bank has credits either for automobiles which are manufactured, which are measured by the amount of alternative fuels they would burn in the lifetime of the car—or you can get credits by, in effect, filling stations that would either be configured to dispense the methanol or the alternative fuels, whatever they happen to be; or you can go and buy the credits from the stripper wells.

As I illustrated, if you had to buy the automobiles, the number of automobiles it would take: fourteen million. Figure what the cost of that would be. The gross cost would exceed $200 billion. If the average automobile is, say, $20,000, and you have to build 14 million of them for the year 2000, that is $280 billion. Indeed, the Department of Energy said with electric cars it would be $269.7 billion. So it is very easy to see how they came up with those figures.

Where is this $269 billion going to come from? It is going to come from the American public. But how would you avoid the $269 billion? Well, you could do so by buying stripper oil. The Senator from Vermont says, if you buy the stripper oil—you can avoid that obligation of $269 billion by buying stripper oil. Keep in mind, 10 percent stripper oil constitutes 10 percent of the total fuel—so therefore you can avoid this obligation of building the first alternatively fueled car; or you do not have to build any filling stations for alternatively fueled up through 2001, simply by buying stripper oil.

What is that going to do to the price of stripper oil? Mr. President, it is going to be expensive. Remember the old entitlements program, where we had two and three tiers of oil. We had new oil, we had old oil. Remember natural gas, we had new gas and old gas? We got to the point sometime where new gas was selling as high, at least that below 20,000 feet, I think it was sold for $9/Mcf, where you had other gas selling at 20 cents; $9 and 20 cents? You might have that with stripper oil.

Why? Because it is the only way to avoid paying what might be, according to the Department of Energy, $269 billion. So you avoid that by buying stripper oil. You do not have to do a thing, and this bill does not produce the first electric car, or the first gallon of methanol or ethanol, or the first kilowatt for an electric car. Because you can avoid it all with strippers.

Mr. President, being from an oil-producing State, I like to see stripper wells do well. Yes, we ought to have a modest program, one that the country can afford, one that is predictable so we know how much we are paying the stripper well owners to produce this oil. But we should not be buying a pig in a poke where stripper oil owners might be getting $100 a barrel—that is very conceivable—while everybody else is getting $15 or $18 a barrel. They might get $100 a barrel, or maybe more than that, if that is the only way to avoid these obligations.

These obligations are immense. The Department of Energy says it could be as much as $269.7 billion, if satisfied with electric cars. Less than that, depending on the other technologies.

There are other ways you can avoid the obligation. You can avoid the obligation by building the service stations that sell the alternative fuels. If they were going to use that, and if this were in effect, enacted into law, then starting in 2010 the obligation jumps from a minimum of 10 percent to a minimum of 30 percent. And if it were still the law by that time, and I feel pretty confident that the folly of this kind of enterprise would be discovered by that time and it would no longer be the law. But if it were still the law, then you would have to find other ways to avoid the obligation, and one would be to have service stations that would dispense the alternative fuels.

And what would people do? They would find the cheapest way to have a service station that dispenses the alternative fuels. I have not thought about this very long, but I can tell you how I would do it if I wanted to do it the cheapest way. It would buy up a series of old and closed service stations and we have them by the thousands, I guess by the tens of thousands across the countryside.

We have a lot fewer service stations now than we used to have. Now you have the big self-serves and there are all these—some of them are 7-Eleven's, some of them are bait and tackle stores. They replaced the old service stations. I would buy up a lot of those, and I would change them from gasoline to ethanol.

Why is that? Because the reconfiguration for ethanol is a lot less than it is for anything else. Ethanol is less toxic than gasoline. It does not corrode the pumps as methanol might. Methanol is very toxic and you cannot use rubber hoses. You have to use something else because of the toxicity of methanol. But not so with ethanol.

So you build it for ethanol, which might mean that all you have to do is take the old service station and change the sign from gasoline to ethanol.

Under his bill, the requirement for this service station, you do not have to actually sell the fuel through the service station. All you have to do is be ready to sell.

Let me see if I have the language.

> * * * refueling facilities at public and private refueling stations that shall be available to owners of the facilities based on a reasonable estimate of the quantity of gasoline or diesel motor fuel that would have been sold at a similar gasoline or diesel motor fuel refueling facility in a calendar year.

So you do not have to sell it. You simply have to satisfy the Secretary that it would be available to sell a similar amount.

So you say, that is really not what we intended here.

Mr. President, if you think this is the stuff of lawsuits and the stuff of bureaucratic regulations, you are right. On the Energy Committee, we dealt with that entitlements program for two decades. It was the most gosh awful set of regulations I think this country ever saw, probably even worse than the old OPA, the Office of Price Administration, back in World War II.

We had these tiers of regulation. It cost a tremendous amount. It kept regulators by the thousands employed all over this country, and it was hard to shut them down. They are still in operation. We still have cases going on from the early 1970's. I mean today in Washington, almost 20 years after the supposed violation of the regulation took place, we still have enforcement actions winding their way through the courts, over 20 years after the supposed violation started.

This is even more complicated than that, Mr. President, because you have more parties involved. You have refiners and importers, vehicle manufacturers and service station owners, providers, and all these are dealing with all these credits and they are trying to trace through fuels that become combined—they are not crude oil anymore. They have some ETBE, methanol, oxygenated fuel, they are mixed together and you are trying to keep track of all those.

Back in the old entitlement days, they talked about the daisy chain and resellers. It was hard to tell what a reseller was reselling, whether it was old oil and new oil and at what price it was supposed to be sold.

Mr. President, if you think that was complicated—and it was—and if you think the enforcement of that was unfair, and it was causing howls all across this country—Ronald Reagan was almost elected President on the unfairness of those regulations. He wanted to shut down the Department of Energy. That was mainly because of that regulation which was so unfair.

Mr. WALLOP. Will the Senator yield for a question and observation?

Mr. JOHNSTON. Indeed.

Mr. WALLOP. The observation is that that office shut down in 1981. The question is, Why are we still in court with some of the people who were viewed as being in violation, or other things, of requirements in these days? You cannot even kill it after it is dead.

Mr. JOHNSTON. You cannot do that because so many of these people make their living out of that and they keep doing something to justify their salaries. It is the most amazing that I have ever seen, how this thing has a life of its own.

Mr. WALLOP. Eleven years.

Mr. JOHNSTON. And defies the ability to shut it down.

Mr. President, we have had experience with that kind of price regulation. We have had experience with that kind of bureaucracy. Believe me, it did not work. It certainly did not work well, and it did not work inexpensively.

Mr. President, if this country's energy policy and independence on energy depended on doing what, you might say, let us do it. It is going to be expensive, it is going to be unfair. We are going to have to hire tens of thousands of bureaucrats around the country and it is going to be awful, but it is going to achieve our goal.

If that were so, maybe I would say, let us do it if it would otherwise work. But, Mr. President, we have heard it out of the mouth of the author of this amendment that all of the requirements for new cars, all of the requirements for refining new fuels, new alternative fuels, all of the requirements of building new service stations can be avoided at least through the year 2001 and perhaps through the year 2010 simply by purchasing stripper oil.

Mr. JEFFORDS. Will the Senator yield for an explanation?

Mr. JOHNSTON. I yield.

Mr. JEFFORDS. Mr. President, I know the Senator has not had an opportunity to read my amendment. A number of the things he was stating are relative to the previous amendment. Some things are relevant to neither amendment. So I want to make sure that he understands that the relationship—for instance, the service station's relationship with respect to electric cars has nothing to do and is not in any way interfered with by stripper wells. So I want to clear that up.

Mr. JOHNSTON. If I may answer on that. Mr. President, can you not purchase stripper well oil and satisfy the requirements here?

Mr. JEFFORDS. There are a number of options which a refiner can use. One of those can be stripper oil unless members of the oil industry say you should raise the percentage goal. The Secretary has the authority to do that after the initial years. All the other options are out there. The goal can be fulfilled in many ways.

Mr. JOHNSTON. What I am getting at, though, is you do not have to do any of these things so long as your goal is 10 percent and your 10-percent goal does not come in at 2001 and it is still in minimum through 2010.

Mr. JEFFORDS. You cannot have it both ways. You cannot say the price for stripper oil is going to go up so high it is going to be terrible and at the same time none of the alternatives are going to be used here because stripper oil is going to be too low. You cannot have it both ways.

There are a bunch of options here. We do not mandate anything, which is the ironic part of the situation. Here we are saying we want a free market, and you are saying no mandates, and then you are mandating.

Mr. JOHNSTON. Am I incorrect in saying that the requirements of 10 percent—first of all, that is a minimum number in 2001 and still a minimum up until 2010. Are we correct so far?

Mr. JEFFORDS. That is correct. That is a misunderstanding the Senator must have. He said there is a 30-percent mandate in here. There is no 30-percent mandate. There is a 30-percent goal.

If I may clear up another point, the Senator said there is a $25,000-a-day penalty for not complying. That is the penalty for not reporting. There is a big difference. The penalty for inability to comply is based on what you should have spent but did not spend, so that we do not undo anything as far as making it burdensome.

Mr. JOHNSTON. If the Senator will look on page 5 and follow me, I thought I had cleared this up earlier. The minimum percentage that replacement fuels and alternative fuels constitute shall be—up and through 2,000, it is determined by the Secretary. And 2001 through 2009 it is 10 percent, subject to the ability of the Secretary to raise that, and 2010 and each year thereafter, determined to be feasible under paragraph 2(B). But I am correct that 10 percent is a mandate through 2009?

Mr. JEFFORDS. The Senator is correct.

Mr. JOHNSTON. That was my point. What I am saying is that all of these possibilities of buying vehicles or refining fuel and selling it or building service stations can be avoided by buying stripper oil.

Mr. JEFFORDS. Unless the Secretary increases the goal. That may be correct. But if the stripper oils were to get together and say, Hey, we are going to sell it at a certain price, all these other options would be there. That is why we like the free market. That is why we are opening this up to all these options, so the free enterprise system will find the proper way for these to be priced. That is what we like. We like the free market. It confuses me when I see the administration saying we want the free market, comes in with mandates, and they say we have mandates when we have the free market.

Mr. JOHNSTON. The point is this. If the Secretary of Energy is correct in saying that the obligations, if satisfied by buying automobiles, are of the size about which we are talking, $20, $30, $40, $269 billion, then if that cost were shifted to stripper oil, it would be through the roof.

Mr. JEFFORDS. The free market system would not let that happen.

Mr. JOHNSTON. Where would it stop? I think what people would do would be to say, is it cheaper to buy stripper oil at $200 a barrel or to buy an automobile alternatively fueled that I might not be able to sell. I think they may go with the stripper oils. My point is we do not have any idea what the stripper oil would sell for. All we know is it would be very expensive. And it does not get you any new stripper oil.

We are not talking about new oil. We are not talking about new energy supplies. We are talking about keeping what we have; a worthy goal to be sure. But if you are talking energy independence and you are going to put all that money on existing supplies—I heard the Senator from Iowa talk as if it was some kind of scandal that the oil companies were opposing this great amendment. This would be the oil company amendment, I can tell you, because at least through 2009 they can avoid all this by just pricing an existing commodity up.

Now, if it gets so high that they would want to build these alternatively fueled vehicles, maybe they would do that. The free market might work that way. But of one thing you can be sure, this is a very expensive proposition and somebody profits. And I can tell you that the owners of the stripper oil would get rich, rich, rich, and do so not by producing new energy, not by making electric cars, but just by doing what they are doing today, just keeping on keeping on.

Stripper oil is great oil, but it is no better than an oil well drilled in some other area.

I am just saying that this amendment does not get you anything for sure except to pay existing owners of stripper oil more than they are getting today and probably a whole lot more and maybe in the hundreds of dollars a barrel a day.

Mr. JEFFORDS. Will the Senator yield on that point?

Mr. JOHNSTON. Yes.

Mr. JEFFORDS. Let us take an alternative that the Senator is quite interested in, natural gas. Natural gas right now is priced under the cost of gasoline; is that correct?

Mr. JOHNSTON. Natural gas today is less than half of the Btu value of No. 2 fuel oil, diesel fuel delivered to New York. That is correct.

Mr. JEFFORDS. So another option which would be very attractive which would certainly hedge—and I do not believe you would get the problem of the stripper oils that the Senator says—would be natural gas. And we allow for natural gas to expand nationwide if that is the option that the free market dictates by helping the service stations for 1 year.

Now, the Senator says forever, and it makes it sound ridiculous. It is for 1 year that you get that. And that is just to make sure that you get them to do it, so they will get the credits, but after that they are on their own.

Mr. JOHNSTON. What would you have to do to an existing gasoline station to refigure it to ethanol? What do you have to do to qualify? Strike "gasoline" and put in "ethanol"?

Mr. JEFFORDS. There has to be new tanks is the answer on the bill.

Mr. JOHNSTON. The bill does not say that.

Mr. JEFFORDS. I believe it does in that sense.

Mr. JOHNSTON. The bill says—Can I read the Senator what it says?

Mr. JEFFORDS. Maybe not. Even if it does, if they shifted over, I do not have a problem in that sense. But I would expect that the price of the credits would be a lot less valuable.

Mr. JOHNSTON. It does not say that and I do not know what they would require. Here it says, "Subject to*** the Secretary shall determine the value of credits for alternative fuel refueling facilities at public and private refueling stations that shall be available to owners of the facilities based on a reasonable estimate of the quantity of gasoline or diesel motor fuel that would have been sold at a similar gasoline or diesel motor fuel refueling facility in a calendar year."

Mr JEFFORDS. I do not want to argue that. But that does not answer the question. The question is, For what can you sell it? It establishes a size of the credit. And what you can sell it for will depend upon what will be paid for it under the free market system. And if a refiner wants to pay a lot of money for it, he can to help the system go. If you modify the bill to say only new tanks or pumps, fine. That is a minuscule difference.

Mr. JOHNSTON. What I am saying is that you have this old closed gasoline station out there; they closed it because the traffic passed them by and it was not very economical. So he changes the sign and puts "ethanol" up there, uses the same tanks, the same pumps, everything, and he says look, this is capable of selling so much a year and therefore I am entitled to that credit. And please give it to me. He does not sell ethanol, you understand, because there are no ethanol cars, let us assume, but he is entitled to the credit under this. Or at least he goes to court, or he has some bureaucrat making the determination.

That may be an unreasonable conclusion, but it does not jump off the page of the Senate's amendment as being unreasonable. To the contrary, all the amendment speaks of is the ability to sell this alternate fuel.

What it brings to mind is all the game plans that took place under the old petroleum allocation fueling system. I remember there was an amendment for small refiners. It sounded so good. I think the Senator from Wyoming was here at that time; I think the Senator from Oklahoma was in the Senate at that time.

But we had so-called small refineries, and the idea was to help the little mom-and-pops. There is a small refiner exemption, in part, here as well, as if somehow the small refiners were morally more upright, were composed of little struggling people against the big giants in the oil companies. So we helped the small refiners.

Mr. President, the billions of dollars that went through the small refineries and gave these huge windfalls—I mean, we are not talking about mom-and-pop windfalls. We are talking about tens of millions of dollars per refiner that went through these small refineries and avoided the regulations and charged it to the American public, all because we could tinker with this extreme market thing and have this exception.

That is what this bill would cause in spades. I mean, you would have more lawsuits determining how you trace the fuel through, and who is the reseller and who is the alternative fuels. There is one thing for certain. It would keep the courts busy; it would employ lots of bureaucrats. And it would not, at least through the year 2009, in my judgment, get you anything in terms of alternate fuel produced by the refineries, or alternate-fuel vehicles produced by the manufacturers, or any new filling stations, other than those which would come forward under the legislation as we have it.

Mr. President, it is no wonder that the administration has submitted a letter on this which says very succinctly:

> We strongly oppose the Jeffords amendment. It would require that DOE establish an extensive regulatory apparatus to enforce this requirement. This burdensome apparatus is counterproductive to meet alternative fuel use objectives.

It further says:

> The amendment will require allocation and regulation reminiscent of the costly and disruptive price and allocation controls used during the 1970's.
>
> In addition, artificial distinctions based on the origin of fungible products such as oil and MTBE mean that refiners would be required to track both the sources and the makeup of refinery feedstocks, increasing consumer costs and reducing consumer choice.
>
> The provision would also establish massive and unproductive new paperwork requirements. This amendment will increase gasoline prices, increase unemployment, and retard economic growth. The administration strongly opposes it.

Mr. President, we certainly endorse the goals of the Senator from Vermont. As I say, we have accepted, we think, the central purpose of his amendment in the Energy Committee, which now is part of our legislation. He wanted to ensure, citing the chicken and egg argument, that the fuel will be there when the vehicles are manufactured. And we have language that will effectuate that purpose, borrowed from or taken from the Senator from Vermont.

But to go further than that and to establish this massive bureaucracy would, as the administration says, run up the price of gasoline, impose burdensome and huge bureaucratic additional costs and delays, and be counterproductive to the goal of alternative fuel.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER (Mr. BRYAN). The Senator from Oklahoma [Mr. NICKLES] is recognized.

Mr. NICKLES. Mr. President, I rise in opposition to the amendment of my friend, Mr. JEFFORDS.

I first would like to mention, though, I listened to part of his debate, and part of his debate was correct when he said we are too dependent on foreign sources of oil. We are. We are spending too much money on imported oil. He is exactly right. Ten years from now, we will probably be spending much more on imported oil, and that is going to be too much.

It means our national security is somewhat in jeopardy when we are exporting billions of dollars, $54 billion, I might mention, in 1990. We do not have the figures yet for 1991, but we spent $54 billion for imported oil in 1990 alone, over half of our trade deficit. I expect it to be well over half our trade deficit for 1991. And I will project by the year 2000, probably be two-thirds, if not three-fourths, of our trade deficit will be imported oil.

I happen to share many of the statements made by my friend and colleague from Vermont. I think we are too dependent on foreign sources. We found in 1973 and we found in 1979 that those foreign sources can be curtailed, shut off. And the net result is it can really put this entire country in an economic collapse. It can cause rampant inflation, as we had when the Middle East curtailed our oil supplies. That could happen again; it could happen tomorrow. It could make a difference. It could jeopardize the economic health and security of our country. We should reduce that dependency.

So I agree with the overall goal. I just totally disagree with my friend and his amendment because it will not work. It has a good stated, lofty objective: Let us try to become more dependent on domestic resources. I agree with that. But this amendment will not work.

I do not know how many refineries my good friend from Vermont has in Vermont, but we happen to have quite a few—at least still a few in Oklahoma. This amendment will not work. His amendment will mandate that refineries sell 10 percent of their production, and it has to be nonoil, or it has to be alternative fuels, by the year 2000 or 2001.

You cannot really mandate that a cow produce orange juice. They produce milk; they do not produce orange juice. This is almost analogous. It makes no sense. I know my colleague came up with an exemption. He said we are not going to count stripper oil. That does not really work. Maybe it will try to get votes.

We happen to have more stripper production than almost any State other than Texas. We have 73,000 stripper wells in my State of Oklahoma. But, still, I think this is a ridiculous amendment. It will not work.

I look at the alternative fuels. I happen to be a supporter of alternative fuels. I really want to see more vehicles driven by compressed natural gas or by propane, or maybe it would be by ethanol or maybe it will be methanol; or even some combination of these fuels. Maybe it will be hydrogen, or electric. I want to encourage all of those.

But my friend from Vermont, when he said his amendment is a free market solution, is totally wrong. This is not a free market solution. This is a mandate. His bill mandates 10 percent of the output of refineries must be these alternative fuels. Refineries would have to sell 10 percent alternative fuels, as he would define them today.

That definition today is changed from what it was some time ago. Today it includes oil produced in stripper wells, which is really not an alternative fuel in most people's definition. But he threw it in, maybe thinking it would enhance his amendment. It confuses the amendment. But it does not make the amendment work. The amendment will not work. You cannot mandate to an apple tree that it produce oranges. It will not work. An apple tree is not going to produce oranges. They do not do it.

These refineries do not really produce compressed natural gas. I want to see more compressed natural gas. I want more vehicles to run on compressed natural gas. But passing this amendment is not going to make it work.

It will not work.

I expect that we will see some vehicles in a few years that will be running on methanol or fuel cells from natural gas. I think we will see some vehicles running on all electric, cars, and that is kind of exciting. But frankly, refineries are not in that business. They do not make electric cars. They do not make electricity.

Again, this idea of saying this is a free market solution; this is not a free market solution. This is a Government mandate that will be very expensive; that will cost consumers a lot of money. It will cost jobs. It will not create jobs. Frankly, I do not think it would reduce dependency on imported oil.

I do not think I disagree with my friend and colleague from Louisiana: I do not think it would be the boon to the stripper wells, as was discussed. Maybe stripper wells would be the exception or the exemption, and a lot of refiners might say, "Well, this is the way to stay away from this alternative fuel mandate; we will get more stripper well production."

Frankly, that is easy to do in my State. But it really does not make sense. It would not help solve the problem for my friend and colleague. If you want to reduce imported oil by putting stripper well production in this equation, it would not help in that in any way. Nationally, there simply is not enough stripper oil available to meet the 10-percent requirement in this amendment.

This amendment would increase costs to consumers. But you know, if you mandate that refiners have to produce 10 percent of alternative fuels, however Congress would define that, how do we mandate that the consumer will buy it?

In the bill, we have an alternative fuels section, and we put in some incentives and, basically, we tell the Government they are going to have to buy more alternative-fuel cars. They have to. We go up to 90 percent. I say to my friend from Louisiana, I think 90 percent is too high. I support alternative-fuel vehicles and the idea of using the Federal Government to kind of jump start it. So we tell GSA they have to buy a certain percentage of their cars that use alternative fuels. Ninety percent is a mistake. In remote areas a mandate of 90 percent will not work. We have a requirement for private fleets in this bill that says that, if you have a private fleet of over 20 cars, then you have to be up to 30 percent by the year 1998, and by the year 2000, I think it is up to 70 percent. I think that is too onerous on the private sector, I tell you. I happened to have been a business person before coming to the Senate. We owned several cars. We traveled all across the United States and into remote places in Louisiana and remote places in Wyoming. Our salesmen were out all over the country. They would not find access to alternative fuels in some of these more remote places in the country. If they tell us we have to have 70 percent of our fleet of automobiles, it is not workable. It is not workable. So I think we will be looking at this again. If we do not amend it today, or in conference, we may have to make adjustments in the future.

The point is that we have things that are going to be difficult for the Government and for the private sector to live with regarding alternative fuels. We put a lot of encouragement into moving toward alternative fuels to try to accomplish some of the goals my colleague from Vermont is trying to accomplish, but to mandate to oil refiners that a certain percentage of their product—not only a certain percentage of their product, but a certain percentage of their sales—10 percent, by the year 2001, has to be in something they do not presently make, is ludicrous. It will not work. That is like trying to mandate to the cow, "You produce orange juice." That is like trying to mandate the apple tree, "We want you to produce 10 percent oranges by 2001." That will not work. It does not mix. Compressed natural gas does not come out of a refinery. Frankly, methanol does not come out of a refinery. Most methanol is going to be imported. So that is not going to solve the problem. It will not advance the goals of the Senator's amendment or get us on alternative fuels. It certainly will not reduce our dependency on imported fuels, because most of that will be imported.

I think my colleague from Vermont has a good idea for encouraging alternative fuels, but the mandates in this bill will not work. I will say that there is strong opposition to this amendment from independents—I happen to be from a State of predominantly independent producers. People who actually own and run those refineries say it will not work. I am amused when people say we need to be competitive in the United States, and we need to be creating jobs; yet, we are always passing legislation, and a lot of times we do not know what we are doing. And we are putting a lot of onerous, burdensome requirements on businesses, making it impossible for them to survive and compete worldwide. The net result is that we lose jobs. The net result is that we increase prices for consumers, and we are less competitive internationally.

Congress made several mistakes during the Carter administration's energy policy. They passed legislation like the Fuel Use Act and said, "you cannot burn natural gas in certain industrial plants and utilities." That did not work. We have repealed that law. Then Congress passed the Synthetic Fuels Corporation. That did not work, and we wasted billions of dollars in the process of repealing it, but we did it. In the Natural Gas Policy Act of 1978, Congress was going to go in and set 28 different price categories for natural gas, deregulate one little category of gas, but keep price controls on all the other categories of gas. In that one little category that is deregulated, deep gas, the prices skyrocketed until supply met demand, and then the prices collapsed. When those deep gas prices collapsed, a few financial institutions collapsed as well, including Penn Square Bank and Continental Illinois, about a $1 billion loss. Seattle First and other major banks, including Chase Manhattan, took billions of dollars of losses. Penn Square was making loans on deep gas, exaggerated in price, only because Congress made serious mistakes when it passed the Natural Gas Policy Act. Congress helped lay the foundation for many of the financial problems that we had throughout this country, as well as the cost to taxpayers that have to pay FDIC billions of dollars in bailout funds. Congress laid and planted many of the seeds back in 1978 when they passed the Natural Gas Policy Act. It did not make sense.

Congress also passed the windfall profit tax in 1980. Another idea. We are going to take this money—these oil companies were making too much money. It was only a tax on domestic production. It was not on imports. So we basically discouraged domestic production and encouraged imports, and we took about $79 billion from a few domestic States like Texas and Oklahoma, Louisiana, New Mexico, and spent it for other purposes, and we increased our dependency on imported oil in the process. It was a stupid, ridiculous policy. We have repealed that law as well. We finally repealed many of the mistakes that were made 12, 13 years ago during the Carter administration. We should not repeat those.

But I will tell you that if we pass this amendment, the so-called Jeffords amendment, one, the President will veto the bill, it will not become law. The President will be exactly right in vetoing this bill. So this amendment is a killer amendment. But, more important, it just should not be on this bill. It is a serious, serious mistake for Congress to think we have the wisdom to come in and micromanage and tell refiners that, well 10 percent of your production by 2001 has to be in alternative fuels, and even though that is not your business, you do not make alternative fuels and even though it is an oil refinery and you refine oil products, and you do not make alternative fuels like compressed natural gas and you do not make methanol or ethanol and some of these other derivatives.

I think we want to encourage alternative fuels. We do that in the bill before us. But this amendment we have pending, in my opinion, would be a serious mistake, and would not enhance alternative fuel development. It would be exceedingly expensive for consumers; it would be very detrimental to the economy; it would cost a lot of jobs. I hope that my colleagues will vote against this amendment.

The PRESIDING OFFICER. Who seeks recognition?

Mr. JEFFORDS. Mr. President, I would like to respond briefly and perhaps ask the Senator from Oklahoma—and I know that the President is urging jobs in Oklahoma. I am a little confused as to why the Senator would call this such a mandate when we open it up to many options, not the least of which is natural gas, as well as to help distributor wells. We do not create any mandates in our bill, other than to do exactly what was done with the accolades from the oil industry in the 1930's through the 1970's that said, "create a market free of OPEC domination," or the oil domination of the lower price back in the 1930's up through the 1970's and said, "protect us from having been undercut." Nobody called that a mandate at the time. That was a rescue.

What we are trying to do here is to rescue the American energy situation. You do not talk about what the solutions to energy are in the bill you have now with respect to methanol. That is going to come from overseas. Ours provides domestic production. We cannot lose sight of what the purpose of this bill is, and what the goal of the country ought to be, and what the President himself said ought to be our goal, which is to become energy independent.

We are talking about all sorts of regulations and all sorts of this and that kind of a problem, but what is the goal of this bill and what should the national policy be?

It should be to put us on a path to have the option to become energy independent. And there is absolutely nothing, and there is no one here who is going to disagree with the projections of the Department of Energy that without my bill you are going to become more and more dependent on OPEC oil; that our trade imbalance is going to skyrocket up to $170 billion a year or more instead of $50 billion now; that we are going to lose more and more jobs in your State and others; and that instead we could pass an amendment which opens a free market walled off from OPEC to create hundreds of thousands of jobs in this Nation from energy resources which we have, which are there, and which are available.

So when I hear people raising all these straw men and knocking them down, I want to remind you that DOE had a similar program. They went forward with it. They provided me with the facts and figures that indicate we can do it, that this Nation just lacks the will.

There is no one who is going to disagree with these facts either, that we do have the resources in this Nation to become energy independent. I do not believe, and I would ask anybody to dispute me, that there is any dispute on these basic facts: Does OPEC have the ability to undercut the world price of oil? When they have a cost of production of $2 to $10 nobody is going to disagree with that. Will a decrease in demand for imports tend to lower prices? Does anybody disagree with that?

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. JEFFORDS. Sure.

Mr. JOHNSTON. The distinguished majority leader has been inquiring whether we could have a vote at 3 o'clock. I told him I think Senator GLENN wants to speak.

Mr. JEFFORDS. Senator GLENN is tied up to 3 o'clock. That is the problem. He asked very strongly to be able to talk on the bill. So I have no problem with the vote, say, at 3:30.

Mr. JOHNSTON. How about 3:15?

Mr. JEFFORDS. I want to make sure I accommodate Senator GLENN. I do not know where he is. He may be here at 3, but that is my problem.

Mr. MITCHELL. Mr. President, if the Senator will yield, we are trying to get the bill moving. We have now been nearly 3 hours on this amendment. Obviously we want to accommodate each Senator to the maximum extent possible, but we would also like to try to get votes and get the thing moving. Does the Senator know how much time Senator GLENN will require?

Mr. JEFFORDS. I do not. We can find that out. I do not want to prolong the debate any longer than we have to.

Mr. MITCHELL. I understand that.

Mr. JEFFORDS. But I point out this is obviously the most controversial and probably the most important amendment we will have on this bill. We are nearing a time to complete, and the energy future and the health of this Nation is at stake on this amendment. So I would hope that perhaps at 3:30 we could have a vote.

Mr. MITCHELL. Would it then be agreeable to the managers to a have a vote at 3:30 and divide the time between now and then equally, if that would be agreeable to both sides, because I believe Senator WALLOP wants to speak and he wants to reserve the time for others in opposition to the amendment? Would that be agreeable to the managers?

Mr. WALLOP. Either. The Republican leader wants some time to speak in opposition to it as do I.

Mr. MITCHELL. I am sorry. I was distracted.

Mr. WALLOP. No problem. I say the Republican leader, Mr. DOLE, wants some time to speak in opposition to it, as do I. That would give approximately 45 to 47 minutes equally divided, so it would be about a little less than 5 minutes on each side.

Mr. MITCHELL. That suits me fine.

Mr. JEFFORDS. That certainly is acceptable to me.

Mr. NICKLES. Would the Senator from Vermont yield for just a response to his comment?

Mr. JEFFORDS. Your time is my time.

The PRESIDING OFFICER. May the Chair inquire, is the intent of the majority leader to propound the unanimous consent?

Mr. MITCHELL. That is correct. I wonder if the Senator will yield so I may do that?

Mr. WALLOP. Mr. President, I have a problem that has been expressed to me by the Republican leader.

Mr. MITCHELL. Mr. President, I am advised that the Republican leader has at least momentarily a reservation about our proceeding in this form, and we are going to check that right now. So I withhold it. But it is my expectation that I will shortly propound a request for a time certain on this vote in a way that permits every Senator who wants to be heard to do so, and yet let us complete action.

Mr. WALLOP. Mr. President, as as I understand the reservation, we could, nonetheless, conclude debate on this amendment by the hour of 3:30 and we will still withhold the rights of the Republican leader to contact the majority leader as with regards to action subsequent to the debate.

Mr. MITCHELL. That will be fine. I have just now been advised the Republican leader will be communicating to me shortly. So why do I not withhold that and permit the debate to continue and propound the request as soon as I hear from him?

The PRESIDING OFFICER. The Chair will inform Members that the Senator from Vermont technically retains the floor and he yielded to the majority leader for a colloquy that just proceeded. Let me inquire if he is yielding the floor now? There is another Senator who seeks recognition.

Mr. JEFFORDS. I seek recognition and yield to the Senator from Oklahoma.

Mr. NICKLES. I thank my colleague from Vermont.

If I understood him directly he said the bill was not a mandate. I am reading the bill, section 4307, and it says the minimum percentage that replacement fuels and alternative fuels constitute shall be—and it basically says 10 percent by the year 2000. And then by 2010, the percentage is to be determined by the Secretary. It says "shall be." In other words, the refineries have to come up with 10 percent in alternative fuels. However we define it here, that sounds like a mandate to me, and many alternative fuels are not made by refineries. I do not see how they could do it.

Mr. JEFFORDS. I would be happy to respond. It all depends. It is typical. If you are for something, it is not a mandate, if you are against it, it is mandate. I am for it, it is not a mandate. The Senator is against it, it is a mandate. I assume there is not a mandate on natural gas, and because the Senator is against mandates. So, let us not worry about that.

The question is, what does it do? It does the same thing that was done for the oil companies in the 1930's through the 1970's, and that is to say that we will protect you from the low price of OPEC, which was not in existence but the Mideast oil, but we will let you get that price up to about $8 instead of $10 over the Middle East oil, so you can build the industry in this Nation so you can have domestic oil. The result of that, of course, was that we drained our country much faster than we would if we had imported at that time from the Middle East and those of us who lived in the areas that had to pay that additional cost suffered. We suffered.

But on the other hand, we were happy to develop in a way—I do not know if I should use the word "happy," but we developed the industry. What we are doing is the reverse side. We are saying, establish a protection around the alternative and replacement fuels industry so that it can develop, so that it can attract the capital necessary in order to bring on the alternative fuels and replacement fuels from the domestic sources.

What the chairman of the committee did not mention was that, yes, they do that, and why they do that. But where does it come from? Right now we have magazine articles and everything I can show Senators that say, hey, it is going to come from overseas. That the money is going over there to develop the methanol industries. The money is going somewhere else. So it is not going to help this Nation. No one debated with me that there is a way this bill, as presently drafted, is going to get you anywhere near the position to be able to be energy independent.

Let me continue to go through the list.

Mr. WALLOP. Mr. President, will the Senator yield for a question on that?

Mr. JEFFORDS. On the Senator's time I am happy to.

Mr. WALLOP. I am happy to do it on my time. What refiner does the Senator——

Mr. JEFFORDS. Does he have time?

The PRESIDING OFFICER. The Chair will inform the Senator there is no time agreement.

Mr. JEFFORDS. All right. I am sorry.

Mr. MITCHELL. Will the Senator yield to permit me to put the request now? I just discussed the matter with the distinguished Republican leader staff and I think we can put the request in the form suggested earlier.

Mr. JEFFORDS. I am happy to yield to the leader.

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 3:30 p.m. this afternoon there be a vote on or in relation to the Jeffords amendment, and that the time between then be equally divided for debate on that amendment between Senators JOHNSTON and JEFFORDS.

Mr. JOHNSTON. Mr. President, reserving the right to object, and I understand that Senator DOLE does not wish time, do I understand the same thing about Senator GLENN?

Mr. MITCHELL. I believe Senator GLENN's message was he did not want it held up for him. This will not be holding it up.

Mr. JOHNSTON. I wonder if we can accelerate it in view of that fact.

Mr. MITCHELL. OK. Mr. President, I add to my request that there be no second-degree amendment to the amendment.

The PRESIDING OFFICER. With that understanding is there objection? The Chair hears none. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, reserving the right to object, this does not preclude motion to table?

Mr. MITCHELL. It does not.

Mr. NICKLES. It does have a time agreement on the Jeffords amendment if the motion to table is not acceptable?

Mr. MITCHELL. No.

Mr. NICKLES. No time agreement on the Jeffords amendment itself?

Mr. MITCHELL. Mr. President, I misspoke in my response. I am advised under the terms of this agreement there will be a tabling motion if an opponent chooses. That is not required, but permitted under this agreement. If the tabling motion fails, then there will be a vote immediately on the amendment.

Mr. President, reserving the right to object, I would like to have a time agreement on the motion to table but not a time agreement on the Jeffords amendment itself.

Mr. MITCHELL. Mr. President, in light of this objection, I modify my request in a manner to accommodate the concern expressed by the Senator from Oklahoma so that the time between now and 3:30 would be for debate on a motion to table the Jeffords amendment, and that if the motion to table does not prevail, there would still then be debate and second-degree amendments permitted on the Jeffords amendment.

Mr. JEFFORDS. Reserving the right to object, I assume that means that my amendment could be filibustered at that point and would require a cloture vote.

Mr. MITCHELL. That would depend on the opponents' decision and I am not able to speak for them.

Mr. NICKLES. It would also reserve our right to amend the Senator's amendment.

Mr. MITCHELL. I think in fairness, though, it reserves the right to second-degree amendments and to filibuster the amendment if they so choose.

Mr. NICKLES. That is right.

Mr. MITCHELL. No decision would have been made with respect to the amendment beyond the refusal of the Senate to table it.

The PRESIDING OFFICER. The majority leader has proposed a unanimous-consent agreement. Is there objection?

The Chair hearing none, the consent agreement as proposed is agreed to.

Mr. MITCHELL. Mr. President, I thank my colleagues.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, I will continue then going down the list where I think we have no disagreement so that we can get the focus back upon the intent and purpose of this bill.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. I have read off about four factual situations in which I think there is no disagreement and I would await someone to say otherwise after I complete it.

Have market or trading credits been used successfully by the oil industry? And I have listed those.

Will a floor and likely higher prices for stripper wells reduce oil imports and the life of stripper wells? I do not think there is a disagreement on that.

If the goal of 30 percent use of replacement or alternative fuels is reached, imports will be reduced. There is no disagreement on that fact.

Will the cost of replacement or alternative fuels be less——

Mr. NICKLES. Will the Senator yield?

Mr. JEFFORDS. I am happy to yield.

Mr. NICKLES. I would like to mention I would disagree with that. I think saying this amendment would reduce imports, I have expressed it once and I will be happy to repeat that. But there is disagreement. I do not think the Senator's amendment reduces imports.

Mr. JEFFORDS. I do not think there is any disagreement that the 10-percent goal set in the bill will be reached.

Mr. NICKLES. I happen to disagree with that as well. I just want the Senator to know there is a difference of opinion on several of his statements, so he will be aware of that.

Mr. JEFFORDS. That this approach is similar to the one which benefited the oil companies in 1930's to 1973. Would the distinguished Senator disagree with that?

Mr. NICKLES. I think I probably would. So the Senator will know I have been consistent on this.

Mr. JEFFORDS. That there is no specific fuel mandated in our agreement other than there is only a goal of 5 percent renewables. Does anybody disagree with that?

And that, has technology been developed to produce carbon neutral fuels with the potential of reasonable prices from cellulose? Is there any disagreement on that?

OK, so before I rest momentarily, there is only a disagreement with the three that the Senator from Oklahoma referred to.

Mr. NICKLES. Will the Senator yield? I thought I heard him say there was a 5-percent requirement. I am reading his amendment which says 10 percent.

Mr. JEFFORDS. There is a 5-percent goal for renewables. The 10 percent is on replacement and alternative fuels including such things as electric cars and with respect to fueling stations and all of those aspects under the matter.

Mr. President, I yield the floor.

Mr. NICKLES. If the Senator will yield just for a second.

The PRESIDING OFFICER. The Chair has an inquiry. Is time being charged to the Senator from Vermont?

Mr. NICKLES. Mr. President, I seek the floor in my own right.

The PRESIDING OFFICER. Who yields time to the Senator from Oklahoma?

Mr. JOHNSTON. Mr. President, I yield 4 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, just so my colleague from Vermont will know, I think I disagree with almost everything that he said as far as the specifics of this amendment and what it will do. It will not reduce imports. And I do not think it will work.

Here is how a refiner could meet the goal. It is on the amendment sponsor's chart. A refiner could meet the goal by electric vehicles. A refiner does not make electric vehicles. They are not in that business. It says a refiner can meet the 10-percent goal by selling hydrogen. They are not in that business. They are not in the compressed natural gas business. That is a different business. We have gas companies, we have refineries, we have oil companies. We have companies that produce methanol and ethanol, but those are not oil refiners, by and large.

So my friend's amendment is telling oil refiners that they have to sell alternative fuels. I have heard him say four or five times, this bill is not a mandate. This bill mandates that refiners produce and sell, not only produce. They could produce it and if they cannot sell it they do not get credit for it. They have to sell 10 percent of their output in these alternative fuel sources that they do not make as defined by my colleague from Vermont. How in the world can we pass legislation to mandate producers make something that they do not make, or buy something they do not make and then sell it? It makes no sense.

So I think the net result is they would end up buying little companies maybe that are in the alternative fuel business so maybe they could gobble up the compressed natural gas companies or do other little schemes to meet the mandates of this amendment. It would not work and I think the immediate result is, no, it would not reduce imports.

I want to reduce imports probably more than the Senator from Vermont. I happened to have grown up in this industry. I happened to have been in this industry for many years before coming to the Senate. It happens to be part of my lifeblood. I am really almost offended by the fact that we have legislation that, really, is so inconsistent with the free marketplace and people say: Oh, this is a free market alternative. It is not. I do not think it would work. I think it would be devastating to the oil and gas industry, but I also think it would be devastating to the consumer as well.

The PRESIDING OFFICER. Who yields time?

Mr. WALLOP. Mr. President, will the Senator from Louisiana yield me 5 minutes?

Mr. JOHNSTON. Yes.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 5 minutes.

Mr. DOLE. Mr. President, I want to commend the distinguished Senator from Vermont [Mr. JEFFORDS] on his leadership in the area of alternative fuels, particularly that of ethanol and other domestically produced fuels. I know he shares my view that it is critical that our Nation develop ways to increase our domestic energy security and promote other important policy goals.

As my colleagues in the Senate know, I have been a leader in the effort to develop this industry through the years and have led the fight in the Senate on many occasions to preserve important provisions in Federal law that are vital to this industry.

In fact, as my colleagues know, the ethanol program already in place, including the extended blenders tax credit through the year 2000 and incentives to bring small producers into the marketplace, will go a long way toward realizing important policy goals of increasing domestic energy security, environmental protection, increasing farm income, and decreasing farm program costs.

Last year's Clean Air Act amendments will also increase ethanol's market share by requiring that America's future supplies of gasoline be reformulated with cleaner alternative blends including ethanol. Senator JEFFORDS has been a tireless leader in this effort and I commend him for it.

However, Mr. President, I regret I cannot support the Jeffords amendment and must support the language that is included in the bill before the Senate.

I fully support the intent of the Jeffords amendment, because it is clear that those domestic policy goals I have long supported are at the heart of the effort behind this amendment. However, I do find that the policy goals of the bill itself are quite similar and believe that the approach contained within the committee bill is less restrictive than the mandated approach of the Jeffords amendment. I believe the policy goal of the bill to determine the technical and economic feasibility of replacing 30 percent or more of the projected consumption of U.S. motor fuel by the year 2010 must be adopted. This policy that directs the Secretary of Energy, in consultation with the Secretaries of Agriculture, Transportation, and Commerce, as well as the heads of appropriate agencies, including the EPA, to find ways to meet this goal, in my view, is the appropriate way to go. Although I have heard this described as a mandate in its own right—because of the provision that gives the Secretary the authority to require motor fuel providers to supply alternative fuels—I believe that this approach is preferable to giving the Federal Government too much control over the day-to-day details of the free enterprise system. The committee approach is a measured approach that seeks to determine costs, technical feasibility, voluntary commitments, and then as a last resort, provides for a supply requirement if we fall short of the 30-percent goal.

I also appreciate Senator JEFFORDS desire to include domestic stripper oil wells under the definition of alternative fuels in his amendment. I may be offering an amendment myself affecting stripper wells later in this debate with the same goal in mind of promoting and preserving this important, but vanishing domestic fuel source.

Mr. President, Senator JEFFORDS and I agree that the cost of importing our energy supplies is greater than simply the shortfall to our balance of trade. This Nation's national security is at stake. We can no longer rely on foreign sources—including the volatile Middle East—for critical energy supplies. The committee bill seeks these goals and in my view should be adopted.

Mr. WALLOP. Mr. President, I ask unanimous consent that a statement from the Independent Petroleum Association of America, otherwise known as IPAA, which strongly opposes the Jeffords amendment, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Independent Petroleum Association of America, Washington, DC, Feb. 5, 1992]

INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA OPPOSES JEFFORDS AMENDMENT ON ALTERNATIVE FUELS

Increased use of alternative fuels is laudable from both an environmental and energy security perspective. However, the alternative fuels proposal by Senator Jeffords, requiring mandated production of such fuels, is not the most economically efficient approach and could raise consumer costs.

STRIPPER WELL AND ENHANCED RECOVERY PRODUCTION EXEMPTION IS SUBJECT TO ABUSE, COULD BE COSTLY TO PRODUCERS

The Jeffords Amendment's special exemption for oil-based fuels that use crude oil production from stripper wells and enhanced oil recovery techniques, while it recognizes the significant contribution these sources of domestic oil make to America's energy security, would require a burdensome administrative tracking system in order to prevent abuse. These crude oils are, for the most part, indistinguishable from other domestic crudes.

We are unable to determine if enactment of the Jeffords amendment would create sufficient demand for stripper and EOR oil to offset the costs the additional administrative costs domestic producers would have to shoulder under an enforceable program. Our guess is that it would not.

JOHNSTON/WALLOP IS PREFERABLE

The Johnston/Wallop legislation contains provisions mandating the use of alternative fuels in fleet vehicles. In IPAA's view, the alternative fuels provisions in this legislation are preferable to the Jeffords' amendment. By encouraging demand and relaying to the marketplace to provide sufficient supplies of alternative fuels, the Johnston/Wallop provisions avoid the potential for economic waste and abuse that could result from the approach used by the Jeffords amendment.

Mr. WALLOP. Mr. President, I really am sort of startled by the debate that has been here. The Senator from Iowa got the debate by bringing in the specter of big oil as though somehow or another that this was all us little people against big oil, which is utter nonsense. It is an easy way to avoid any arguments on the substance.

I will say to the Senator from Vermont, he has not indulged in that. But the Senator from Vermont has played around with a lot of sort of spectacular scare tactics—imports eats us up alive and they have the shark of imported oil. And it is not demonstrable that his bill would do that. It is a sort of "mother made me do it" kind of bill, brings on the specter of special interests. But it is proposed in principal as a special interest by agriculture interests as a way to get corn and soybeans off the ground again.

This is not the way to do it because it will distort their markets, just as much as it distorts the energy market.

The Clean Air Act is, today, running American refineries offshore. We have shut down two in my State, and I expect before many years are out, there will be none left. This act will accelerate that process because people cannot comply with it.

As the Senator from Oklahoma pointed out, they do not make nor do they have retail outlets for electric cars. And I do not know what the local distributing companies are going to think when we say that refiners must sell natural gas, or must produce natural gas. They are going into the drilling business. They do not know how hard it is to get on the public lands.

This thing is a sort of presumption attack. It presumes it is an efficient use of capital for Congress to mandate where it goes. And that has never been proven to be the case. It presumes that more costly fuel would not diminish the competitiveness of America in the world. And that is a wrong assumption.

Everybody is saying we ought to be more competitive with the Japanese, with the Germans, with the French, with the Indians, no matter who it is. And all we do is put rules and regulations and requirements and competing and distorting behavior requirements on the people who are trying to make this country competitive again. It presumes that two-tier pricing is not a market disruption, and it presumes that producers with wells that are above stripper, producing 26 barrels a day, 30 barrels a day, would not simply stop the production of them down to the 16 barrels a day so they could qualify for the new subsidized price that goes in under this. And that is why IPAA is understanding that this amendment is nothing but a hole into which they have already been allocated.

It presumes a production requirement produces a retail response. This production requirement of the refiner is supposed to be responded to by America's consumers, whether or not they have the automobile, whether or not they have the desire to use it, whether or not they think it is competitive. And it presumes, worst of all, that paper is good for the economy.

Lord, think of the requirements and the regulations that are going to be in the paper trail that has to go through the certain percentages that are required to meet the goals and mandates of this act. Think of it, and tell me and tell the Senate if it is a good idea to have yet another bureaucracy created, yet another entitlement program that the Senator from Louisiana was talking about. Eleven years ago we put that down and it is still operating. The Senator is going to establish one that is far worse than that.

The PRESIDING OFFICER (Mr. LIEBERMAN). The time of the Senator has expired.

Who yields time?

If no one yields time—the Senator from Vermont.

Mr. JEFFORDS. Mr. President, I will speak if no one is seeking the floor.

I would point out, I do not believe the Senator from Wyoming is suggesting that a tax subsidized industry is a free market as he would indicate. I hope he would not do that because I would certainly be surprised if he is in any way indicating that the oil situation right now is a free market in this country, especially with the tax subsidies which are occurring. I fact, I ask him if it is not correct, he may be in the process of asking for tax subsidies for his uranium industry? If that is not a breach of the kind of philosophy which he is attempting to use against me now on our program?

Mr. WALLOP. I am presuming the Senator is asking on his time?

Mr. JEFFORDS. I will ask on my time.

Mr. WALLOP. I do not control time so I will respond on my colleague's time. The response is no.

The PRESIDING OFFICER. The Senator from Vermont retains the floor.

Mr. WALLOP. I do not know what subsidies the oil industry has today that the Senator is talking about. They were taken care of in 1986 and that is why you have the lowest rig count in this half century operating in America today. That is why the industry is going down. And that is why this not only kills the rest of the oil industry but the refining industry that goes with it—and American competitiveness in jobs.

Mr. JEFFORDS. I point out you still have depreciation allowances which are very substantial tax subsidies. But anyway, let that be as it may. I hope, again, we can concentrate on the purposes here.

I would like to read from a CRS report:

> It is widely agreed upon among petroleum economists that virtually all or any decrease in refinery input of crude oil or petroleum products comes at the expense of imported petroleum. Replacement of oil with alternatives will ultimately result in a barrel-for-barrel decrease in imports of crude oil or gasoline.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Louisiana has 11 minutes and 9 seconds; the Senator from Vermont has 13 minutes and 23 seconds.

Mr. JOHNSTON. Mr. President, I yield 3 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming [Mr. WALLOP].

Mr. WALLOP. Mr. President, there are mandates in this bill. The Senator from Louisiana would tell you the Senator from Wyoming resisted them. But that is what the committee had decided to do, mandating alternative fuel vehicles and other things which came, I might say—I would hope the Senator would admit—from the Senator's ideas. They were the certain portions of this idea of his that we thought would fit in with the American economy and within the availability of equipment and other kinds of things.

But I must say one of the things that is most difficult, really, apparently for people from Vermont and apparently for people from other parts of the country, is the presumption that every other State is precisely like theirs.

A little gas station in Shoshone, WY, which is almost the center of Wyoming, a town and population of a couple of hundred folks that is pretty far from anywhere else—maybe 35 miles, 40 miles from the nearest other town—would have sufficient business in a day to be able to afford the kind of capital establishment that this amendment envisages?

It is a mandate. I do not care how many times the Senator from Vermont will deny it. He has a timetable for refiners and certain minimum requirements. I do not know how that can be described as anything but a mandate.

But we go on. We have all kinds of interesting others.

He insists:

> The Secretary shall issue regulations allowing the sale, other exchange, banking, carry-forward, and carry-back of marketable credits, in order to satisfy the requirements of this section, among—refiners; providers; manufacturers * * * and owners of public and private refueling stations.

It mandates the Secretary to determine the market value, not the market. The Secretary goes and does it. And he satisfies the requirement of the section by parceling it out amongst refiners and providers and manufacturers and owners of public and private refueling stations.

Then it goes on that:

> The Secretary shall determine the value of the credits for alternative fuel refueling facilities at public and private refueling stations that shall be available to owners of the facilities based on a reasonable estimate of the quantity of gasoline or diesel motor fuel * * *.

The Secretary is mandated to insert himself smack dab in the middle of the marketplace and say from the Secretary's perspective what the value of these credits are.

If these are not mandates, then the world is coming to a strange definition of them.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. To answer, briefly, the Senator from Wyoming, we do not require the Secretary to establish the value, just the number of the credits. And that is a simple mathematic calculation which is different, obviously, from establishing the value. The free market would establish the value.

I yield the floor.

Mr. WALLOP. I say to my friend, I read from your bill.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum and ask unanimous consent that it be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. I yield 1 minute to the distinguished Senator.

Mr. WALLOP. Mr. President, the distinguished Republican leader, Mr. DOLE, has just sent his statement over with regard to the Jeffords amendment. Some of us on this side are wondering what his position is. It is in strong opposition to this amendment.

I yield the floor and suggest the absence of a quorum and ask unanimous consent that it be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I will use some of my remaining time. How much time do I have?

The PRESIDING OFFICER. The Senator from Vermont has remaining 10 minutes and 50 seconds.

Mr. JEFFORDS. Mr. President, first of all, I know this sheet has been distributed. I point out this is from an oil industry establishment in Dallas, TX, I believe. It was not something we prepared but what came to us from people in the oil industry who are concerned about the loss of jobs.

I just want to straighten that out so people know where it came from. It came from the Energy Research Association in Dallas, TX. Just to let you know there are those concerned in the oil industry about the loss of jobs and essentially support our proposal to try and rescue the jobs in America.

In addition to that, I want to talk again about the free market that we are faced with in the sense of what is the cost of oil. This is from the chairman's speech given some time ago where he indicated and analyzed what the actual cost of a barrel of oil is in this country due to subsidies direct and subsidies through military, et cetera.

It indicates that the cost of an OPEC barrel of oil, as delivered, is $200 a barrel. What we want to do is to provide an option to place us in a position where it is no longer necessary to have those costs, and we want to do that with the production of domestic energy. I think that certainly can be done.

An important thing not mentioned about the present bill is the fact that there is no requirement in the bill at present that the fuels they are trying to bring on to try to enhance, to try to move forward, be domestic fuels. In fact, right now, the reformulated gas mandate, if you want to call it that—and I will certainly go along with it there—of the Clean Air Act, be coming almost all from overseas. I just wanted to straighten that out.

I also point out that what we have done in this bill—and again I want to remind my colleagues that our facts came from DOE. It was a proposal similar to this proposed by DOE to get us out of this mess we are in, and it is the only thing that will put us on a path toward being in a position to have the option of becoming energy independent.

My colleagues have heard a lot of smokescreens and straw men raised here. But the final analysis is that what we have done here is to give this country an option. It is true that we became a little mousetrapped by listening to the administration and others by saying get oil in. We brought the stripper wells in and they turned around and said, now that you put those in, which helps the domestic oil industry, maybe it makes your bill too easy and, therefore, we do not want it.

At this time, Mr. President, I will be happy to yield 5 minutes to the Senator from Ohio.

Mr. GLENN. I thank my distinguished colleague.

The PRESIDING OFFICER. The Senator from Ohio [Mr. GLENN].

Mr. GLENN. Mr. President, I rise today to join my distinguished colleague, Senator JEFFORDS, and others in sponsoring this amendment that will, I feel, have the potential for greatly reducing our Nation's dependence on imported oil. The purpose of this amendment is to require that by the year 2001, 10 percent, just 10 percent of our Nation's motor fuel must be derived from alternative sources.

We do not specify this percent of one type and another percent of another type. It is just that we want to see 10 percent of our Nation's motor fuel come from alternative sources.

Each year we have seen our dependency on foreign oil grow and grow, and this growing dependency threatens our national security. It adversely affects the balance of trade and literally depresses economic growth at home. We send that much money out abroad.

In 1990, Americans spent $200 billion on transportation fuels, accounting for two-thirds of petroleum use and one-fourth of total energy consumption. I believe it is critical that we move forward with a systematic and efficient alternative fuels program. This amendment is exactly that. It is a straightforward and practical way, we believe, to lead the diversification of our country's transportation fuels.

This amendment will lessen our vulnerability to future oil shocks, shortages, and price disruptions. It will help put America in control of its own energy future. In addition, this amendment will foster the development and utilization of domestic resources, including natural gas, coal, and agriculture commodities, and others. The development and growth of these industries will create new jobs here at home. We must stop sending U.S. jobs and U.S. dollars abroad to oil-producing countries. We have the resources, and we have the technology to develop a better domestic energy program.

Setting an ambitious goal for gasoline displacement will accelerate progress toward energy security.

I believe that new industrial uses for agricultural commodities can not only be a partial solution to the clean air problems for the country but can also increase farm income.

Let me give you an example of what we have going on in Ohio right now. I was privileged some years ago to visit a plant down at South Point, OH, the southernmost point in Ohio, down along the Ohio River. At South Point, we have a 68-million-gallon South Point ethanol plant which uses 25 million bushels of Ohio corn per year—25 million bushels.

This has a major impact on one of Ohio's higher unemployment areas by providing jobs, directly and indirectly. According to a national advisory panel on ethanol's cost effectiveness, the production of 1 billion gallons of ethanol increases employment by more than 4,400 farm jobs and 3,700 industrial jobs. The plant at South Point is now evaluating ways to expand. They are presently operating at peak capacity, and they want to increase production since the market for corn-based ethanol looks very bright to them.

Production of the additional ethanol that could be used to meet the alternative fuels requirement would result in significant expansion of rural economies throughout the United States. Almost 1.2 billion bushels of corn—that is

1.2 billion, B, billion bushels of corn—will be required to produce 3 billion gallons of ethanol by 2001.

Right now, the ethanol industry consumes more than 400 million bushels of corn per year. I am confident that the farmers in Ohio and throughout this country can meet the challenge and produce enough corn to supply increased demand for ethanol if use is phased in over several years.

Mr. President, let me give you an example of what I am talking about and why I think we need the infrastructure in the eastern part of this country. Just a couple years ago, my wife and I had the opportunity to take a car to the west coast during one of our nonlegislative periods. We drove all the way through from Washington to San Francisco. As we came into the area about western Indiana and into Illinois, from there on clear to the west coast, at almost every service station at which we stopped there was a pump that had an ethanol-gasoline mix, 10 percent ethanol.

Now, in the Eastern part of the country, you do not see that. In Ohio, we do not have very many stations like that. In fact, they are very rare. But in the Western part of this country, out across the great Farm Belt, we are using ethanol and using it now. And people are becoming accustomed to that.

West of the Mississippi, this ethanol-gasoline mix was offered at virtually every stop. It is clear that these guys are already playing a significant role in utilizing our abundant agricultural commodities and in substituting other nonpetroleum-based fuels for gasoline in some parts of the country. I believe it is imperative for our Nation's future that these alternative fuels and others be made available nationwide.

Mr. President, this amendment will spur development of a domestic energy market free from the influence of OPEC, and it will create jobs and improve competitiveness. I urge my colleagues to join me in voting for passage of this amendment.

I thank my distinguished colleague, Senator JEFFORDS, for his initiative in proposing this legislation. I am glad to join him in it and appreciate his yielding me time to take my remarks.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Vermont has 1 minute 20 seconds; the senior Senator from Louisiana has 5 minutes.

Who yields time?

Mr. JOHNSTON. Mr. President, how much time do I have?

The PRESIDING OFFICER. Five minutes.

Mr. JOHNSTON. Mr. President, I yield myself 4 minutes.

Mr. President, under the bill as reported by the Energy Committee, we do permit ethanol to be part of our program. But, Mr. President, before we get too enthusiastic about ethanol, let us remember that there has been a subsidy of 60 cents a gallon up until the last year for ethanol; that the subsidy is now 54 cents a gallon for ethanol; that it takes about as much energy to produce a gallon of ethanol as it yields.

Moreover, Mr. President, in spite of this tremendous subsidy, of 13 separate loan guarantees—some as high as $126 million, $64 million, $78 million—of 13 such loans, 10 of those loans have defaulted, including all of the biggest ones. There are only three of those that are operating. I am glad to say one is in Ohio, of the 13.

I am sorry to say, one of those which defaulted was in my State—$78.9 million. Agrifuels Refining Corp., in my State, received that much of a loan and never opened their doors. Not only did they have the 60 cent Federal guarantee, but we had a total, I think, including the State, of something like a $1.60 a gallon subsidy, and they still could not open the door.

So, Mr. President, when we speak of ethanol and gasohol, let us be enthusiastic but not too enthusiastic, because I submit if you are going to try to solve this whole problem with massive subsidies for ethanol or gasohol, it is not going to work. It has not worked in the past. We have spent a lot of money, and it has gone down the drain.

Back to the point, Mr. President. According to the Jeffords amendment, between now and the year 2009, we need, in order to satisfy his amendment, only to have 10 percent alternate fuels. What are alternate fuels? They include stripper wells. Not only stripper wells in the United States but stripper wells in Canada. And if we get a free trade agreement with Mexico, it will include stripper wells in Mexico as well.

Those stripper wells in the United States alone are already more than 10 percent of what you would need, so this amendment, Mr. President, will not produce a single automobile, a single filling station, or a single gallon of some alternative fuel. It will only be a subsidy to stripper well owners, and it will include subsidies to stripper well owners in Canada, according to the way it is right now, and in Mexico in the event we get a free-trade agreement.

The price you will pay under the Jeffords amendment for not getting these automobiles, filling stations, or refining capacity is a huge bureaucracy and a bunch of redtape that will make the old entitlement programs under the crude oil pricing program look like a simple, easy, and cheap solution to a difficult problem.

Mr. President, under our bill, we will have 4 million alternatively fueled vehicles on the road. That is the answer, not the Jeffords amendment. We agree with the administration, which says this is counterproductive.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, how much time does the Senator from Vermont have?

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute remaining, and the Senator from Vermont has 1 minute 14 seconds.

Mr. JEFFORDS. Mr. President, I will take my minute and 14 seconds right now. I will be very brief.

First of all, let us compare the cost of ethanol, which was mentioned with the chairman's admission, with the cost of our present OPEC oil—$200 a barrel versus the ethanol, which is much, much less, at about $60 a barrel.

Second, let us go back to the original big differences in these bills.

This amendment is the only one that will get us toward energy independence, and a downward slope on the DOE chart; no question about that.

Let me now also thank the chairman, certainly, for his help. I want to thank the original cosponsors on the committee, Senators AKAKA, BINGAMAN, CONRAD, FOWLER, SHELBY, WIRTH, BURNS, CRAIG, DOMENICI, SEYMOUR, BURDICK, DASCHLE, REID, WARNER, and EXON. I appreciate very much their assistance.

Let me sum it up very briefly by stating the best way to get people's attention and understand what you are running against, by voting against this amendment, is to take it in a 30-second bite:

> In February of 1992, your Senator had a chance to vote to keep hundreds of thousands of jobs at home and to create hundreds of thousands more, to build a plan to be independent, to fight domination by OPEC and higher and higher oil prices, to cut the trade deficit, reduce the Federal deficit, to keep clean air and to fight global warming all for 1 or 2 cents a gallon.

If you want to vote against that, because that is what you will be hearing if you do.

I yield the floor.

Mr. JOHNSTON. Mr. President, the case against this amendment is well summed up in the letter of yesterday from the Secretary of Energy in which he says:

> We strongly oppose the Jeffords amendment. It would require the DOE to establish an extensive regulatory apparatus to enforce this amendment. This burdensome apparatus is counterproductive to meeting alternative fuel use objectives. The amendment will require allocation regulation reminiscent of the costly and disruptive price and allocation controls used during the 1970's. This amendment will increase gasoline prices, increase unemployment, and retard economic growth.

Mr. President, the case against this amendment is overwhelming.

Mr. WALLOP. Will the Senator yield me 30 seconds?

Mr. JOHNSTON. Yes.

Mr. WALLOP. I just make the observation that the Senator from Ohio said that South Point Ethanol supported this. We have received a telephone call from them. They do not support this bill.

Mr. DASCHLE. Mr. President, I rise today to express my support for the amendment being proposed by my friend from Vermont, Senator JEFFORDS.

From our days in the House together, there has been no greater advocate of alternative fuels and the environment than Senator JEFFORDS. I commend him for offering his amendment today.

Senator JEFFORDS is exactly right. As long as we avoid making the hard choices necessary to get away from imported oil—and, more generally, all oil—we only exacerbate the future costs of our current dependency. We will pay the price in terms of our environment, our energy security, and in the fact that we will have lost the opportunity to become the world leader in alternative energy technology. If Congress does not send the signal that it is serious about diversifying our energy sources—especially in our transportation sector, which is 90 percent dependent on oil—there is little to indicate that the administration or the oil companies will take us where we need to go.

Listening to Senator JEFFORDS recite all the arguments raised against his amendment, "it's deja vu all over again," as the saying goes.

Two years ago I came to the floor to offer the reformulated gasoline amendment to the Clean Air Act. I heard all the same comments about unreasonable costs, impractical deadlines and technical infeasibility. I also heard the familiar refrain from the oil industry that "we are already doing this and Congress shouldn't meddle."

Well, I am pleased to say Congress did meddle, and, as a result, the fuel provisions of the Clean Air Act are some of the strongest provisions of the act.

History has also shown that the dire predictions of the opponents of these provisions were wrong. A recent study on implementation of the Clean Air Act prepared for the Department of Energy reports an ample supply of oxygenates. It also reports that because reformulated gasoline is such a cost-effective means of coming into ozone compliance, whole States are choosing to opt in to the program voluntarily.

Some argue that the Clean Air Act will bring us to the 10-percent level called for in the Jeffords amendment, and, therefore, the amendment is unnecessary. There is no doubt that alternative fuels will be in far greater supply due to the act. But where will these fuels come from? The simple fact is that much of the demand for alternative fuels generated by the Clean Air Act will not be met by domestic sources unless we do something.

Let us look at the situation of MTBE, the methanol-based oxygenate that will be one of the additives of choice in reformulated gasoline and oxygenated fuels. Currently, the United States imports about 30 percent of its methanol, and the rest is produced domestically. This is good for American industry and for the domestic natural gas industry, as methanol is made from natural gas. But analysts predict that by the end of the decade, 70 percent of the methanol consumed in this country will be imported.

In the year 2000, in the absence of some very clear policy signals, three-quarters of the MTBE capacity will be located abroad, largely in the Middle East. We will have merely traded one dependency for another, and, what's worse, all the value adding will be done abroad rather than at home. Unless Congress sends the signal that the alternative energy industry is a vital domestic resource, worth building here at home, it will go elsewhere.

Look at the solar industry. Where the United States was once the clear leader in solar energy technology, Germany and Japan have now surpassed us. This development is part of the legacy of the Reagan administration's disinterest in, and discouragement of, the development of the domestic industry. In considering S. 2166, the Jeffords amendment, and several other provisions currently before Congress, we have the opportunity to set a new course for the domestic alternative energy industry. America has the raw materials, the technical expertise, and the demand for the product. Now we need the will.

In summary, I commend Senator JEFFORDS for raising these issues on the floor today. He has America's interest at heart, and I hope my colleagues will support his amendment.

Mr. SIMON. Mr. President, I support the alternative fuels amendment offered by my colleague from Vermont, Senator JEFFORDS.

The Jeffords amendment would help our Nation to decrease its dependence on imported oil. This proposal sets production goals for domestically produced alternative fuels. Under this proposal, by 2001, 10 percent of our Nation's gasoline would be domestically produced replacement or alternative fuels. By 2010, the goal would be 30 percent.

I think this amendment could really give a shot in the arm to our Nation's alternative fuels industry. We need to be doing more in this area. Our Nation has been moving too slowly toward a viable alternative energy market.

My colleague from Vermont makes an important point that we need to recognize—there is no free market for energy operating in our country today. OPEC is a cartel which can produce oil at very little cost. Some estimates are as low as $2 or $3 a barrel. Because of the abundant supply of the world's oil reserves which are located in the Middle East, the cartel will always be able to undercut what we try to do in this country. We'll never free ourselves from dependence on Mideast oil unless we can find a way to undercut OPEC's ability to manipulate the price of oil.

Another problem is that we lack the infrastructure to encourage motorists to consider alternatively fueled vehicles. I know that the alternative fuels title of S. 2166 takes some steps in the right direction. But we need to be doing more.

The Jeffords proposal will also help to create jobs here in this country. And that's something we desperately need to be doing. If we can encourage U.S. auto manufacturers to produce affordable alternatively fueled vehicles, like electric vehicles and vehicles that run on natural gas, we'll be doing our Nation a great service.

I urge my colleagues to join me in supporting Senator JEFFORDS' amendment.

Mr. GRASSLEY. Mr. President, I rise in strong support of the alternative fuels proposal offered by our good colleague from Vermont, Senator JEFFORDS.

I am proud to be a cosponsor. The Jeffords proposal is the one thing that we can support and return to our constituents and be able to say with all honesty and sincerity that we supported legislation that we know with certainty will head us down the road toward energy independence.

Mr. President, there are good proposals in S. 2166 but at best they buy us time.

They encourage conservation and production but none have teeth like the Jeffords amendment which guarantees significant gains toward energy independence.

The Jeffords amendment is far-sighted, not shortsighted. It represents a long-term energy independence strategy, not a short-term, stop-gap policy.

Americans want a real national energy security policy, not one that merely buys time but one that buys America a future, a future no longer held hostage to OPEC.

Unfortunately, we are heading toward increased foreign energy dependency.

On October 29 of last year the Office of Technology Assessment to which I serve as a congressional board member issued a report entitled "U.S. Oil Import Vulnerability: The Technical Replacement Capability."

OTA predicted that within 20 years, "America could be dependent on foreign sources for almost 75 percent of its oil."

Now, Mr. President, we have heard our colleagues cite this OTA report as an argument in favor of oil drilling and development of the Arctic National Wildlife Refuge but the OTA report went far beyond the issue of increasing domestic oil production.

Let me quote:

> The growth of non-oil based liquid fuels is an important adjunct to increased fuel economy and increased domestic oil production (in reducing U.S. dependence on imported oil). A recent OTA analysis of several alternatives to gasoline found that alternative fuels present a key opportunity to reduce U.S. oil dependence.

The OTA report proposes as part of a long-term national energy policy and I quote:

> Initiating a move toward a postfossil economy in the long term by reducing carbon intensity by 10 percent in each of the next two decades.

Mr. President, we have to ask ourselves, do we want to become energy independent or not?

If the purpose of this so-called National Energy Security Act is anything less than becoming energy independent, why take up the Senate's time?

Some may be surprised by my question, but I ask my colleagues to listen very carefully to the debate.

Some will argue forcefully about freeing ourselves from dependence upon foreign oil—oil, not energy—and will point to the alleged strides the oil industry is taking to utilize clean alternative fuels to meet the Clean Air Act.

Regrettably, some of these people seem comfortable drawing distinctions between dangerous dependency upon foreign oil and dangerous dependency upon foreign energy.

Mr. President, this is critical for our colleagues to understand. What good does it do America if all we accomplish is exchanging reliance on foreign oil with reliance upon foreign alternative fuels? The Jeffords amendment guarantees against this problem by fencing in a percentage of our domestic fuel market and reserving that small percentage for domestically produced alternative fuels.

But when you inject into the discussion the word "domestic" and argue that billions of dollars of investment in alternative fuels produced in Saudi Arabia does nothing for America's energy independence, you quickly find that some proponents of this legislation have quite a different notion of energy independence.

The amendment offered by Senator JEFFORDS interjects that key word "domestic."

If our alternative fuels are not domestically produced, how does the development of alternative fuels foster energy independence?

I predict that if the oil companies succeed in defeating the Jeffords amendment, that in the years ahead as we shift from petroleum to alternative fuels such as MTBE's, most of that product will have come from overseas production.

Our vulnerability to foreign sources of energy will be no less than it is today, and in fact, we will be far worse off.

Our growing dependency on foreign alternative fuels is already well underway.

Let me share with my colleagues part of a report by Eric Vaughn, the president of the Renewable Fuels Association, which was submitted just yesterday to the Governors' Ethanol Coalition.

He reported:

> As the octane and oxygen needs of the major petroleum refiners grow, so too does their reliance on imported methanol and methyl tertiary butyl ether [MTBE] to satisfy that demand.
>
> Because oil companies control the large foreign reserves of oil and natural gas from which methanol is derived, their proclivity will always be toward utilizing those foreign feedstocks for their octane and oxygen needs, regardless of the public policy consequences for the Nation.
>
> Published reports indicate that more than 70 percent of the planned MTBE production expansion is sited overseas, including construction of the world's single largest MTBE facility with a daily production capacity of 33,000 barrels to be built in Kazikstan of the former Soviet Union.
>
> In fact, more than 288,000 barrels per day of MTBE is currently under construction or in engineering and anticipated to be on stream before the Clean Air Act requirements are fully implemented.
>
> In fact, industry analysts have stated that Saudi Arabia will provide one-fourth of the entire world's supply of MTBE by 1995.
>
> Facilities operated by the Saudi Government and several major United States oil companies are expected to increase the Saudi MTBE capacity to more than 70,000 barrels per day. By 1995, foreign MTBE capacity is expected to exceed 4.5 billion gallons annually. That is three times current U.S. capacity.
>
> It is important to note that this rapid expansion of MTBE capacity will be financed largely by the investment of major United States and international oil companies. Using a conservative investment cost estimate of $1.30 per gallon of MTBE capacity, the total investment in non-U.S. MTBE production facilities will exceed 5.7 billion dollars.
>
> While U.S. domestic MTBE capacity is also expected to grow, it is important to note that it will be sustained by increasing levels of imported methanol as the feedstock.
>
> MTBE production is the largest consumer of methanol today, using more than 31 percent of total U.S. methanol supplies. In fact, total U.S. methanol production amounted to 1.1 billion gallons in 1988, with imports of 670 million gallons. These imports represented 40 percent of total U.S. methanol supplies.
>
> Imports of methanol in 1988 were up 71 percent from the 400 million gallons imported the previous year. Industry analysts indicate that the level of imported methanol for MTBE production is likely to continue to grow—to as much as 1.3 billion gallons by 1995, or more than three times the level of just 4 years ago.
>
> Furthermore, if neat methanol fuel markets develop on a large scale, as proposed by the national energy security bill, the demand for imported methanol will explode.

Mr. President, the bottom line is this: While we are maintaining a business as usual dangerous dependency upon OPEC oil, we are at the same time developing an equally dangerous dependence upon foreign methanol and MTBE for our motor fuel and fuel additive needs of the future.

In fact, it was reported in the recent edition of Fuel Reformulation magazine that—

> 85 percent of the known world scale [MTBE] plant capacity will be located in areas which are already exporting petroleum products to the North American market.

Mr. President, let me take a moment to underscore the importance of what this all means in relation to our energy future.

MTBE is the favored alternative fuel by most oil companies and petroleum interests. This should be of no surprise. MTBE's, afterall, were invented and developed in the 1970's with the aim of maximizing the economic return of isobutylenes coming from refineries and petrochemical plants. Initially, it served as a powerful octane enhancer and was useful in replacing lead as it was being phased out of gasoline.

But then, along came the passage of the Clean Air Act in 1990, which called for certain levels of oxygen for fuels used in the CO and ozone nonattainment areas. Suddenly, MTBE became a product that could provide the required oxygen levels in the United States. A huge market opened up not only for MTBE's but also methanol. Remember the big fight the oil companies mounted during the Clean Air Act debate for weakened oxygen standards? It was to make certain MTBE could fall within these standards, and so the oil companies would maintain an upper hand in controlling our fuel supplies.

So what has happened since then?

The oil industry has socked well over $5.7 billion in foreign MTBE plants. Consequently, 70 percent of all new MTBE plant capacity has been sited outside of the United States.

Ultimately, 85 percent of MTBE production will be located on foreign soil in nations already exporting petroleum products to the United States.

It is time for this Congress to wake up and smell the coffee. We are being duped once again into complacency.

We pass the alternative Motor Fuels Act of 1988 in the name of the national energy security in hopes of promoting and developing alternative fuels.

We pass the Clean Air Act thinking just maybe America has some clean alternative fuels that can suffice. And now, we are debating S. 2166, the so-called National Energy Security Act. This bill professes to increase the production and use of alternative fuels, for instance, by increasing biofuels research funding, and that's fine.

But the most aggressive alternative fuels provision is the requirement for public and private fleets to begin phasing in the use of alternative-fueled vehicles. It is estimated that this could eventually result in about 5 million alternative fueled vehicles.

This sounds great. But what good is it if all of them are fueled with methanol and MTBE from Saudi Arabia.

There is absolutely nothing with teeth in the National Energy Security Act to protect us from this dangerous dependency upon foreign sources of alternative fuels.

The only game in town. The only way of assuring the development of domestic markets for alternative fuels is the passage of the Jeffords amendment.

If we want to control our new energy destiny, we vote for the Jeffords amendment. If we are happy to continue being held hostage by OPEC, then vote against Jeffords.

Mr. BIDEN. Mr. President, throughout my Senate career, I have supported efforts to develop and expand the use of alternative fuels. When I first heard of Senator JEFFORD's amendment, my initial inclination was to back it. Years of experience with alternative fuels have convinced me that progress in this area will only come about under an aggressive program. A hope-and-wait approach yields nothing. The outline of Senator JEFFORDS' amendment certainly fits the description of an aggressive approach.

But as I looked into the details of the amendment, I grew increasingly concerned about whether this was the direction we should go in alternative fuels. The goal is one I certainly support, assuring the supply of these fuels, but the specifics of the amendment left me wondering about its ultimate effectiveness.

For example, the amendment included output from stripper wells, or those that produce less than 10 barrels of oil per day, under the umbrella of alternative fuels. I do not understand why we are proposing to include oil in a program to support alternative fuels. This seemed to be a rather serious loophole that could undermine the effectiveness of the program.

I was also concerned about whether other portions of the amendment would work as predicted. The sum of these concerns led me to vote to table the amendment. While I am willing to back aggressive efforts on alternative fuels, and I believe that with respect to many environmental issues we must push into the unknown, there were too many unresolved difficulties in this proposal for me to support its passage at this time.

But it must be emphasized that the tabling of this amendment does not leave this bill blank on alternative fuels. Requirements to increase use of alternatively fueled fleet vehicles remain in this bill. We will have a solid base in place for expanded use of alternative fuels in the years ahead. Those efforts are sure to need revision and expansion in the years ahead, and I expect that I will support many of them. But in this case, I think it is best that we understand its terms better before moving forward.

Mr. JOHNSTON. Mr. President, I yield the remainder of the time.

I move to table the amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Louisiana to lay on the table the amendment of the Senator from Vermont.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 39, as follows:

[Rollcall Vote No. 18 Leg.]

YEAS—57

Akaka
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bumpers
Burdick
Burns
Byrd
Coats
Cochran
Conrad
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Ford
Garn
Gorton
Gramm
Hatch
Hatfield
Heflin
Helms
Hollings
Johnston
Kassebaum
Kohl
Levin
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Pryor
Riegle
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Symms
Thurmond
Wallop
Warner
Wofford

NAYS—39

Adams
Baucus
Bryan
Chafee
Cohen
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Fowler
Glenn
Gore
Graham
Grassley
Jeffords
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Lieberman
Metzenbaum
Mikulski
Mitchell
Nunn
Packwood
Pell
Pressler
Reid
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth

NOT VOTING—4

Harkin
Inouye
Kerrey
Stevens

So the motion to lay on the table the amendment (No. 1530) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois [Mr. DIXON].

AMENDMENT NO. 1531

(Purpose: To express the sense of the Senate in support of U.S. workers, and for other purposes)

Mr. DIXON. Mr. President, I send an amendment to the desk that has been cleared on both sides and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for himself, Mr. RIEGLE, Mr. GORE, Mr. DECONCINI, Mr. LEVIN, Mr. DASCHLE, Mr. BURDICK, Mr. GLENN, Mr. HARKIN, and Mr. D'AMATO, proposes an amendment numbered 1531.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . SUPPORT FOR UNITED STATES WORKERS.

(a) FINDINGS.—The Senate finds that—

(1) the United States worker is one of the most productive in the world;

(2) based on gross domestic product produced per employed person, the United States is rated number one in productivity compared to Canada, Japan, Korea, Germany, and Britain;

(3) according to a study (based on statistics from the Organization for Economic Cooperation and Development) during the mid-1980's, America produced almost twice as much as Japan for every man-hour worked;

(4) it was the hard work, dedication, and efficiency of United States workers that made the United States the number one industrial power in the world;

(5) the quality of United States products is one of the best in the world;

(6) the United States leads in many areas including computer software and hardware technology, pharmaceuticals, biotechnology, construction engineering, entertainment, Agriculture and energy and environmental control;

(7) the United States has been able to successfully export to other areas of the world;

(8) the trade deficit with Japan for 1991 is approximately $42 billion;

(9) United States and other foreign auto makers attempting to sell in Japan have less than 3 percent of the Japanese market;

(10) Japan's structural impediments, such as restrictive distribution system, exclusionary business practices, keiretsu relationships, regulatory system, land policy, and predatory pricing practices, prevent United States companies from fairly competing in Japan;

(11) Japan's tariffs and quotas on foreign agricultural goods restrict the import of United States agricultural products into Japan;

(12) Japan continues to violate United States copyright, patent, and trademark protection laws; and

(13) Japan continues to restrict foreign direct investment in certain industries, while the United States permits unrestricted foreign investment.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate objects to—

(1) the comments made by Japan's Speaker of the House, Yoshio Sakurauchi, regarding American workers, and

(2) the statements made by Prime Minister Kiichi Miyazawa disparaging the American work ethic and undermining the commitment that was made with President Bush.

Mr. DIXON. Mr. President, I rise today to offer an amendment to S. 2166. This amendment in support of American workers is very similar to Senate Resolution 245, which was introduced by me on January 21, 1992.

On January 19, Japan's Speaker of the House Yoshio Sakurauchi said, "American workers don't work hard enough." He added that our workers were lazy and illiterate. Later we get an apology. On the same day, Prime Minister Kiichi Miyazawa said that Japan did not actually have a firm commitment to buy more American cars. Later they apologized for that, too. On Monday, Prime Minister Miyazawa said that America's work ethic is lacking. They have apologized for that statement, too. These comments are a series of statements made by Japanese officials regarding the American work ethic, American workers, and American products. What should we believe—the statements or the apologies?

A couple of weeks ago in Chicago, 3,000 people lined up outside in subzero temperatures for 1,000 job openings in a new Sheraton Hotel. One man had a baby wrapped inside his coat. He did not have enough money for a babysitter, so he stood outside in the freezing cold with a baby in his coat. He did this because he wanted to work.

Americans want to work and they work hard. I have met workers in shoe factories, steel plants, and candy companies. All of these workers produce quality work, so before Japan's officials make any more comments about our work ethic, they should come and meet some of our workers.

This very simple Senate resolution that I am offering objects to the comments made by Japanese officials disparaging U.S. workers and their attempts to undermine the commitment that was made with President Bush regarding autos and auto parts. Contained in the resolution are studies done by the U.S. Department of Labor and the Organization for Economic Cooperation and Development. These studies refute the Japanese officials' statements about our workers' performance.

The United States is ranked No. 1 in productivity compared to Japan Canada, Korea, Germany, Britain in terms of gross domestic product produced per employed person, the international measure of productivity levels. I have the chart here if anyone wishes to inspect it. I will put it in the RECORD.

According to a study by the Organization for Economic Cooperation and Development, during the mid-1980's, America produced almost twice as much as Japan for every man-hour worked. We also work more hours per week than German workers.

Even in documents produced by Japan, the United States does well. In a Japanese economic planning survey on 110 critical technologies in 1991, it concluded that the United States dominated 43 of them, Japanese firms 33, with European and others dominating the remaining 34. Our workers and industries must be doing something right.

The Senate resolution also lists the structural barriers that restrict our products from being sold in Japan. Since 1963, the entire world has had a trade deficit with Japan. This means 29 years that other countries like us have had a trade deficit with Japan. Obviously, it is not only America that has trouble selling in Japan.

Japan needs to look seriously at their trade practices instead of putting the blame on our workers. Mr. President, I urge my colleagues to adopt this Senate resolution.

Mr. DIXON. I thank the managers for their support

The PRESIDING OFFICER (Mr. GRAHAM). Has the Senator from Illinois submitted the resolution?

Mr. DIXON. I have submitted the resolution.

I ask unanimous consent that the productivity records be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RELATIVE LEVELS: PURCHASING-POWER-PARITY EXCHANGE RATES—REAL GROSS DOMESTIC PRODUCT, REAL GDP PER CAPITA, AND REAL GDP PER EMPLOYED PERSON OUTPUT BASED ON OECD PRICE WEIGHTS

[United States = 100]

Year	United States	Canada	Japan	Korea	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Sweden	United Kingdom
Gross domestic product per employed person:														
1950	100.0	76.1	15.7	NA	30.9	47.2	NA	38.1	34.3	29.6	49.7	43.3	NA	54.4
1955	100.0	78.0	18.8	NA	34.0	47.2	44.8	41.0	40.7	34.4	52.4	44.7	NA	52.4
1960	100.0	79.0	24.1	NA	39.2	50.7	53.1	47.7	49.5	42.1	57.5	50.5	52.4	54.7
1961	100.0	78.2	26.6	NA	40.0	51.5	54.0	49.0	49.7	44.1	56.9	51.4	53.6	54.5
1962	100.0	78.9	27.2	NA	39.7	51.6	54.3	50.6	50.1	45.4	56.3	50.8	53.8	53.0
1963	100.0	79.0	29.0	13.0	40.5	52.1	52.5	51.5	50.1	47.5	55.9	51.1	54.9	53.7
1964	100.0	79.0	31.4	13.6	41.7	53.3	54.3	52.7	51.8	47.6	57.9	51.9	56.1	54.1
1965	100.0	78.7	31.5	13.2	41.8	53.2	54.2	53.3	52.5	48.8	58.5	52.5	56.0	53.0
1966	100.0	78.5	33.2	14.1	43.4	53.2	53.0	54.1	52.7	51.1	58.0	52.8	55.5	52.6
1967	100.0	78.2	35.8	14.3	45.3	55.3	54.9	56.2	54.1	53.9	61.0	55.4	57.8	54.4
1968	100.0	79.3	38.9	14.9	47.0	56.5	55.4	57.7	55.9	56.3	63.3	55.5	58.1	55.8
1969	100.0	81.1	43.2	16.5	50.0	59.3	58.3	60.8	59.1	60.2	66.4	57.5	59.9	56.6
1970	100.0	83.0	47.3	17.5	53.8	63.5	59.6	63.9	61.9	63.6	70.0	58.2	63.0	58.6
1971	100.0	83.9	47.9	18.2	54.6	63.9	59.5	65.2	62.1	63.2	70.9	59.0	62.3	59.7
1972	100.0	84.6	50.8	17.9	56.5	66.2	60.2	66.4	63.2	64.9	72.5	60.2	62.4	59.7
1973	100.0	85.5	52.5	19.1	57.4	68.4	60.6	68.0	64.6	67.8	74.7	61.3	63.6	62.2
1974	100.0	88.0	53.7	20.5	60.7	71.9	61.8	71.3	67.2	72.0	78.9	65.3	66.0	63.1
1975	100.0	88.7	55.4	21.6	60.7	71.9	62.1	71.7	68.1	69.6	79.3	66.7	66.3	62.9
1976	100.0	90.9	56.3	22.7	62.2	75.2	64.0	73.1	71.0	72.6	81.5	67.9	65.8	64.8
1977	100.0	91.7	57.6	24.2	63.8	75.1	63.9	74.1	72.2	73.6	81.1	67.9	64.0	64.8
1978	100.0	91.8	59.2	25.5	63.1	76.4	63.6	75.6	73.2	75.6	81.6	69.1	64.3	66.0
1979	100.0	92.3	62.1	27.2	66.1	77.9	65.6	78.6	75.4	79.8	82.6	72.0	66.3	67.1
1980	100.0	91.6	64.1	26.5	68.3	81.8	66.0	80.3	75.6	82.5	81.3	73.9	67.1	66.9
1981	100.0	91.6	65.3	27.6	67.4	82.0	65.7	81.1	75.2	82.0	79.6	73.2	66.5	68.0
1982	100.0	93.4	67.8	28.9	70.1	85.7	68.6	84.4	76.6	83.7	80.2	74.6	68.5	70.8
1983	100.0	93.6	66.9	31.0	70.4	84.9	68.4	83.3	77.1	82.4	81.0	76.5	67.9	72.2
1984	100.0	94.5	67.5	33.2	69.3	84.4	68.3	82.9	76.9	81.8	79.6	78.2	68.1	70.2
1985	100.0	95.0	69.3	33.7	69.8	83.4	68.4	83.4	76.6	82.3	78.1	78.9	67.9	70.8
1986	100.0	94.9	70.0	36.3	69.8	83.6	68.7	84.8	76.7	83.5	77.9	79.2	68.5	72.6
1987	100.0	95.0	71.5	38.2	70.5	84.2	67.6	85.6	76.5	85.4	76.5	78.4	69.2	73.6
1988	100.0	94.0	73.1	40.4	70.6	85.0	66.5	86.6	77.0	85.7	76.2	76.9	68.3	72.2
1989	100.0	94.6	74.6	41.1	72.2	86.9	67.4	88.7	78.0	88.4	77.3	78.9	68.4	71.5
1990	100.0	93.0	76.9	43.3	74.4	88.7	68.6	89.7	79.1	88.4	77.7	80.4	67.7	71.2

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, we have discussed this matter with the distinguished Senator from Illinois and are willing to accept the amendment.

The PRESIDING OFFICER. Is there further debate?

If not, without objection the amendment is agreed to.

So the amendment (No. 1531) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider.

The PRESIDING OFFICER. The motion to table the motion to reconsider is laid upon the table.

ALTERNATIVE FUELS

Mr. BURNS. Mr. President, I want to take a moment to discuss the alternative fuels provisions of S. 2166. In committee I offered language to include alternative fuels as broadly defined. I did it because I feel that we need to wean ourselves off foreign oil.

My amendment requires the Secretary of Energy to assess the economic situation regarding the supply and demand of oil and gasoline. If the supply of oil is disrupted, then the Secretary could turn to alternative fuels as a way of keeping the economy in balance.

I want alternative fuels to succeed. But I do not want the oil industry to destroy a small industry because it is being forced upon them. The amendment was all that we could get at the time. It moves in the right direction, and it is doable.

ELECTRIC POWERED VEHICLES

Mr. DECONCINI. Mr. President, as we consider S. 2166, the National Energy Security Act of 1992, I thought I would take a moment of the Senate's time to recognize the Arizona Public Service [APS], the largest electric utility in my State, for their innovative and forward-looking support of electric powered vehicles.

We in Arizona will never admit to anything except crystal blue skies and golden sunshine. Unfortunately, Phoenix and Tucson, as with many of our Nation's cities, increasingly report noncompliance with Federal and State air quality regulations. Frankly, too many of our cities have days when the air quality is unhealthy for many of our citizens.

Also, Mr. President, as you know, we have spent hours and days debating energy issues. Today, we continue discussion of those needs in the context of the National Energy Security Act of 1992. The future of our country is one of increasing energy needs, decreasing known energy sources, and heightened environmental and public health concerns. We have discussed many ways to resolve our energy problems, and yet we are not agreed on any one course of action. One of the solutions proposed has been requiring increased vehicle fleet use of alternative energy sources.

While we in Congress have worked toward legislative solutions for the air quality and energy issue facing our Nation, APS has had a history of action in the development of electric vehicles. The work that this corporation has undertaken in this field demonstrates that it can be both economical and practical to use electric powered vehicles to improve air quality while reducing our reliance on foreign energy resources.

The Arizona Department of Environmental Quality performed a study on urban haze in Phoenix, and concluded that 50-90 percent of the Phoenix and Tucson haze is caused by motor vehicular activities, specifically tailpipe emissions. While much work still needs to be done, many contend that electric vehicles could reduce much of these harmful consequences without compromising our society's need for readily available personal transportation.

When automobiles were still relatively new machines, many of them were electric. As early as 1966, APS bought and restored a 1915 Detroit electric car for display at the Arizona State Fair. This car is still around and may be seen at special events and celebrations in Arizona.

In 1967, APS began its research in practical electrically powered modern vehicles when it purchased a converted sedan for $5,000, the Mars II. APS employees made the first successful cross-country trip by electric car—from Detroit to Phoenix in 17 days. The Mars II cruised at speeds of 45–55 mph, covering 2,226 miles while consuming 1,074 kilowatts of energy. The cost was $27.17 or 1.2 cents per mile.

According to the Electric Power Research Institute, even when powerplant emissions to support increased electric generation for the vehicles are factored in, electrically powered vehicles are still 90 percent cleaner than internal combustion engines. Electrically powered cars have the ability to reduce major pollutant emissions by 97 percent over traditional gasoline powered vehicles. These emissions include volatile organic compounds and carbon monoxide. Also, electric vehicles do not use engine oil or antifreeze, and the batteries are 97 percent recyclable.

The United States is today largely self-sufficient in our ability to produce electricity. Our present electric generation base has ample capacity already on line to fuel many millions of electric vehicles. APS has used our self-sufficiency in electrical generation to foster research into the electric car.

They hosted the International Electric Vehicle Symposium in Phoenix in 1968. In the 1970's, APS obtained and used two electric vans as part of the National Electric Vehicle Council research program. In fact, Mr. President, their research on electronic control systems technology is used in many of today's electric cars.

In the eighties, APS in cooperation with the Department of Energy, began evaluating 22 electric pickup trucks, cars, and cargo vans. In 1989, 3 converted 1988 Ford Escort station wagons were added to the APS fleet and initiated a new phase of research testing sealed, lead-acid batteries.

In February 1991, they purchased two more vans which were the first commercially available electric-powered vehicles. Electric vehicles are used by APS for routine company business and research purposes. They have one of the largest electric commuter car fleets in the Nation.

APS and Southern California Edison have joined together in a joint research program to develop a new battery which will allow electric vehicles to perform comparably to gasoline-powered vehicles. In March of last year, a test of the new battery developed by this partnership set a new performance standard for electric vehicles on a single charge. The car developed by APS and Southern California Edison continues to set new records for speed and distance.

Mr. President, the efforts of APS in the field of electric vehicles have been the subject of comment and praise in such diverse publications as Automotive News, Popular Science, Electric Light and Power, and Environment Week, as well as by many commentators, including Paul Harvey. I ask unanimous consent that articles from the Arizona Republic, Arizona Daily Star, Tempe Daily News Tribune, Phoenix El Sol, and Chino Valley Review appear in the RECORD at the conclusion of my remarks.

While I sometimes find myself in disagreement with positions taken by the utility industry on other energy issues, I believe that credit must be given when credit is due. Electric cars may not be for everyone or for every use, but they represent a challenge and a partial answer for some of our problems created by our energy consumptive society while protecting our environment. APS deserves recognition and our support for its efforts to meet the challenge of cleaner air, while conserving energy in exploring new applications of old technologies. This will create a healthier environment for future generations, and I applaud their efforts.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Arizona Republic, Oct. 27, 1991]

CAR OF FUTURE ALMOST HERE TODAY

(By Bob Golfen)

Just imagine, a city filled with cars, trucks and buses that emit no exhaust and make no noise as they coast along. They would need minimal maintenance and never have to stop for gas.

Instead, we have the brown cloud of pollution hovering over Phoenix. We also have just one choice, the internal-combustion engine, for propelling our private vehicles.

More and more, people are hoping that modern technology will provide a non-polluting alternative vehicle, and are asking the question:

If they can put a man on the moon, why can't they make a good electric car?

So far, the only electric vehicles available to the average motorist have been too small, too slow, too impractical or simply not up to vehicles power by fossil fuels.

But since last year, when California set a 1998 deadline for having a significant number of "zero emission" vehicles on the road, corporate and private researchers have been working feverishly to overcome the technical obstacles that have kept electric vehicles out of private garages.

"This is all brand-new technology, all extremely sophisticated," said Ray Hobbs, leader of an electric-vehicle project for Arizona Public Service.

* * * * *

Basically, an electric car has three components that make it go: an electric motor, sometimes several; an electric-power source, usually rechargeable batteries; and an electronics system that controls the driver's input and the motor's power draw.

All three components are under study, but the power source has proven most difficult. If cars could go with an outside electrical source, as do subway trains and toy slot cars on electric tracks, the technology would be simple.

But because an automobile must carry its own source of power, the proposition is much harder. There is an inevitable trade-off between range—the distance that can be traveled before needing a recharge—and available power.

Traditional lead-acid batteries can power an electric car, but there are critical problems. The range is fairly limited under current technology. Also, the required multiple batteries weight 1,000 pounds or more, and there are environmental concerns about the batteries' sulfuric acid and lead plates.

ZERO EXHAUST EMISSIONS

Some other rechargeable systems being explored include nickel cadmium, which also contains hazardous materials; zinc-air, which has great range but technical problems plus high cost; and sodium sulfate, which requires prohibitively high operating temperatures.

The biggest advantage of electric vehicles is zero exhaust emissions, although some critics point out that increased loads on electric-company power plants might increase pollutants that they emit.

Arizona has become something of a focal point for electric-vehicle research. Virtually every major automaker has a vehicle testing facility in Arizona, and most are involved in some form of electric-vehicle development. Notable is General Motors, which set imaginations soaring last year with its electric sports-car prototype, the Impact.

APS and Motorola are cooperating in electric-vehicle research. APS has had experimental vehicles in its fleet for about a decade. It even has a working survivor from the early days of electric cars, a 1910 Detroit Electric.

A LITTLE MARVEL

Of the electric vehicles that APS uses, Hobbs is most enthusiastic about the EVcorts, made by the Chicago company from converted Ford Escort station wagons.

"That EVcort is a little marvel," he said. "The EVcort is the best vehicle in the country that you can get right now."

But, he added, there are serious limitations. The EVcort is heavy and not as easy to drive as a gas-powered model, and it has a range of only 50 or 60 miles before needing a recharge. Also, there are no support services such as trained mechanics or public electrical outlets for recharging.

In recent years, electric-car proponents have set out on a course begun nearly a century ago when the first automobiles competed in road races and endurance events to improve the breed and erase public skepticism.

The Phoenix area is home of the visionary Solar and Electric 500, a contest of speed and endurance for automobiles powered by batteries or solar rays. Promoter Ernie Holden said that the second running, in April, promises to be a showcase of recent advancements.

In 1992 race will be more competitive than the 1991 meet, he said, in which a Honda CRX powered by an experimental zinc-air battery far outclassed its less-sophisticated competition. The CRX, backed by APS and developed by Dreisbach Electro-Motive Inc. of California, had been predicted as the winner.

BREAKTHROUGHS, ENTHUSIASM

But this year, Holden said, it will be impossible to pick the outcome of the race.

Holden said he is excited about breakthroughs and public enthusiasm for electric vehicles.

"This is like Sputnik and the Oklahoma land rush both happening at the same time," he said.

The local race isn't the only 500 being targeted by electric-vehicle pioneers. A Scottsdale firm is attempting to build two electric race cars for next year's Indianapolis 500.

Leading that program is Larry Burton, a former chief mechanic for many years on Indy teams, and an experienced builder of race cars and aircraft.

Burton aid the technology going into the two groundbreaking Indy cars includes newly developed motors and battery systems.

Indy officials have been responsive, he said, but they will need to analyze the cars before allowing them to run against conventional races.

"Cars with experimental engines are not excluded but must be demonstrated," Burton said. "The Speedway has always sought after different technology."

The entire Indy-car effort, he said, is geared toward advancing the development of electric vehicles.

"It's going to take $10 million to build the two cars," said Burton, adding that he has financial backers and is trying to line up sponsors.

"But that's cheap when you consider what it will do for public opinion of electric cars."

PROMOTING A PROTOTYPE

Rodger Ward, twice winner of the Indy in the 1960s, has been in Phoenix to promote an electric-car prototype that is wrapped in a beautiful Italian body.

Ward is trying to drum up interest in the EXAR–1 from investors so production can begin on the sporty four-seater, which has a lightweight acrylic body, performs as well as gas-powered cars and will sell for about $14,000.

There are many other innovators in the Phoenix area, such as engineer Howard Greene and businessman Dick Clark, who have worked together 15 years to develop what they say is a revolutionary vehicle that includes circuitry to cut in half the power used by its electric motor.

[From the Arizona Daily Star]

ELECTRIC CAR FROM HONDA A PACESETTER

Arizona companies, just like everyone else, are in the hunt to develop a marketable electric car.

Wednesday, Arizona Public Service Co. held a press and public review of its electric vehicle project in Phoenix.

The presentation was to highlight the Zinc-Air Electric Honda CRX, which in late August traveled 251 miles on a single battery charge on public roads in the Santa Barbara, Calif., area. That was a new distance-per-charge record for an electric passenger car.

The electric Honda also won an electric stock car race held earlier this year at Phoenix International Raceway, and holds the national 1-mile closed course speed record for an electric car, 69.44 miles an hour, according to APS spokeswoman Maria Arellano.

The car is sponsored by APS and Southern California Edison. From the exterior it looks no different from any other Honda, but under the hood. It's an entirely new game.

The car is powered by zinc-air batteries developed by Dreisbach ElectroMotive Inc., a research and development firm in Santa Barbara.

Driesbach, known as DEMI within the renewable energy industry, developed the zinc-air battery to "have about eight times the energy content by weight of conventional lead-acid or nickel-cadmium batteries," said DEMI engineer Len Danczyk.

Danczyk said that under optimal conditions the electric Honda could go as far as 400 miles without a charge.

Distance is the barrier holding back commercial production of an electric car say officials in the automotive, electronic and energy fields.

General Motors plans to introduce its impact electric car by the late 1990s. The impact is a two-passenger compact commuter car.

Among the imports, Driesbach already offers a small electric car in Japan, and Nissan has a four-passenger, two-door concept car which has done 250 kilometers (155 miles) on a charge.

Ross Roberts, vice president of the Ford Division of Ford Motor Co., said during a recent Tucson visit that all the major U.S. automakers have electric cars at some stage of development, and they're all stymied by the same problem.

"There are going to be electric cars, and we're going to be in the business. The problem is how are you going to build a better battery to power it," Roberts said.

In January, Ford, General Motors and Chrysler formed the United States Advanced Battery Consortium. The Battery Consortium works to "develop advanced energy systems capable of providing future generations of electric vehicles with significantly increased range and performance," according to a release from the consortium.

Along with the Big Three, the U.S. Department of Energy and the Electric Power Research Institute are involved in the consortium's research, said a consortium spokesman.

The consortium "is not a joint vehicle research program and doesn't involve joint battery production," said the spokesman, a Ford engineer who asked not to be identified.

Rather, the program is looking to identify the best options for development of an increased range battery system by the end of the 1990s, when California will be the first state to demand that a percentage of its vehicles be non-polluting.

"We're all working toward the California mandate in 1988," he said.

Danczyk, the DEMI engineer, said small research and development firms like his will not be able to meet that short deadline alone, and look to the automobile manufacturers to pick up on their research when it looks promising enough.

[From the Tempe Daily News Tribune]

NEW, IMPROVED ELECTRIC CARS MAKING RETURN, FAIR SHOWS

(By Janie Magruder)

The Detroit Electric was a handsome, clean-running automobile, first built in 1907.

No crank to turn, no rumbles, rattles or terrifying explosions, no gas fumes, oil or grease, the Detroit carried turn-of-the-century ladies around town in splendor at a top speed of 30 mph.

About 1,000 of these electric cars were sold before World War I, before Henry Ford began mass producing automobiles with internal combustion engines and before electric-car owners tired of recharging batteries every 40 to 60 miles.

But the electric car made its return on Tuesday, highlighting a "How to Clean the Air Fair" in downtown Phoenix.

The new models appear to be a vast improvement over the Detroit—a sporty Honda CRX can travel 87 mph-plus and up to 251 miles without needing a recharge.

Today's electric car is an urban machine with the mission of stamping out dirty tailpipe emissions, said Ray Hobbs, a research engineer for Arizona Public Service, which sponsored the fair.

"It's zero-emissions vehicle and more energy efficient," Hobbs said. "Major metro areas are just becoming too polluted."

But until there are service stations for electric cars and stores that carry electric auto parts, the average motorist won't want to buy an electric car, he said.

That's why electric-vehicle makers spent part of Tuesday selling their product to representatives of city and state governments that may purchase large fleets and pave the way for such a service infrastructure, he said.

The electric car has fewer moving parts, and thus requires far less maintenance than its gas-powered counterpart, Hobbs said. To recharge the battery, the owner simply connects a cable from a recharger inside the car to an electric outlet in the garage.

GMC plans to market in the mid 1990s an electric sports car that is comparable in price to its current models, Hobbs said.

In the meantime, the city of Phoenix has purchased an electric shuttle bus for $188,000 to supplement its gas-driven downtown shuttles, which sell for $147,000. The new bus will arrive in April but until then, the city has borrowed an electric shuttle from the city of Santa Barbara. Free rides are available from 11 a.m. to 2 p.m. daily on the downtown shuttle route.

Driver Cyndi Garrett said the electric model steers easily, belches no fumes and makes little noise.

[From the Phoenix El Sol, Sept. 27, 1991]

APS and Motorola Jointly Develop Exciting Electric Vehicle Project

Representatives from APS, Motorola and Dreisbach ElectroMotive Inc. joined Governor Fife Symington and U.S. Environmental Protection Agency Administrator William K. Reilly in Phoenix to discuss new technology in electric car technology. The event hosted by APS and Motorola included the exhibition of the Zinc-Air Electric Honda CRX that holds the world record of 251 miles on a single charge.

APS and Southern California Edison cosponsor the CRX experiment which started a year ago. The Zinc-Air powered Honda CRX is a joint research and development project between APS and Southern California Edison (SCE). The purpose is to develop a high performance Zinc-Air powered electric vehicle.

Honda of North America joined the project in April of this year and the project if contracted through ElectroMotive Inc., who developed the Zinc-Air battery. DEMI Zinc-Air technology is a wall-plug rechargeable gelled electrolyte (and hence maintenance-free) variant of the Zinc-Oxygen battery couple commonly used in Hearing Aids. DEMI has made major breakthroughs in making the battery rechargeable and in increasing the battery's power density while maintaining mechanical simplicity, a very low raw material cost and a very high energy density of up to 200 Wh/kg. or about 8 times that of a conventional lead-acid or Nickel-cadmium batteries.

This new technology for the first time allows electric vehicle performance to approach that of gasoline-powered vehicles. The principle limitation of DEMI Zinc-Air technology is its rather short one to two years service life. However, Zinc-Air used extremely low cost materials so that total operating costs per mile appear competitive with other advanced vehicle economics with additional development.

Laboratory tests of DEMI Zinc-Air cells have yielded up to 75 over 20,000 miles in a properly designed 300-mile range electric vehicle. Testing has demonstrated comparable performance to laboratory systems.

Mid-term goals appear to be a 2-year 35,000 mile battery life which in turn could be economically competitive with $1.25 per gallon gasoline. Electric vehicles (EV's) offer the promise of zero emissions when recharged by solar, wind, hydro or nuclear power plants. Even when recharged by coal or natural gas fired power plants, EV's allow independence from foreign oil and dramatically better energy efficient than conveniently fueled vehicles, yielding energy usages equivalent to 100 mpg or better. California has mandated that 2% of all new vehicles sold in the state by 1988 must be electric, with that percentage rising to 10% by 2003.

[From the Chino Valley Review, Apr. 24, 1991]

Electric Vehicle Wins First Electric Race in Phoenix

PHOENIX.—A specially designed electric vehicle which set new records with sustained speeds of 62 miles per hour and traveled 108 miles in two hours won the first-ever electric vehicle race, held in Phoenix recently.

The vehicle, a Honda CRX, was sponsored by Southern California Edison Company (SCE) and Arizona Public Service Company (APS), and was designed by Dreisbach ElectroMotive, Inc. (DEMI) of Santa Barbara, California.

"We're extremely pleased with the performance of this vehicle," said Joseph Reeves, research manager at SCE. "This win clearly shows that the future of electric vehicles is quite bright."

"This win means that, for the first time, electric vehicles have approached the performance of gasoline-powered vehicles," said Joe McGuirk, APS manager of research. "The new zinc-air battery is a major step toward putting non-polluting electric vehicles on the road."

The Honda, which utilizes a new, bipolar zinc-air-battery, carries up to eight times the energy of other batteries of comparable weight. These new batteries are "environmentally friendly," using only benign materials in their construction. Oxygen from the air combines with a unique zinc paste and a specially formulated catalyst to produce electricity to power the vehicle.

The Honda CRX was chosen by DEMI for its aerodynamic design and structural suitability. "We had high hopes for this vehicle, and they were all realized," said Michael Cheiky, director of research for DEMI. "This car didn't even exist seven weeks ago, and today it set new records for speed and distance. To say we're pleased is an understatement!"

The Honda CRX was one of the 13 electric cars entered in the Solar and Electric 500 stock car race held at Phoenix International Raceway. The closed-circuit track provided SCE and APS an opportunity to test the vehicle under controlled conditions. In qualifying runs, the Honda CRX set fast time and a new national record, averaging 69.436 miles per hour on the one-mile paved oval.

The $20,000 first prize was awarded to SCE, APS and DEMI immediately following the conclusion of the race. The winning driver was Chris Smith, SCAA Formula Atlantic champion, who is used to driving much faster vehicles.

"This was a different experience for me," he said, "but I really enjoyed the opportunity to demonstrate what electric vehicles can do."

The Honda still had a projected 100 miles left on its charge when the race concluded. DEMI will continue to pursue development of the zinc-air battery for use in other electric vehicles.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, was leader time reserved?

The PRESIDING OFFICER. Leader time has been reserved.

Mr. DOLE. Mr. President, in addition to the leader's time, I ask for 10 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC GROWTH ACCELERATION ACT OF 1992

Mr. DOLE. Mr. President, at the request of President Bush, I am today officially introducing the administration's Economic Growth Acceleration Act of 1992.

This legislation, combined with the President's entire budget proposal, represents an ambitious plan, with real substance, real vision and real solutions for real people. The President's program features much-needed tax incentives for working and earning America to help get the economy moving again—and just as important, it does so without busting congressional spending caps; without jacking up the Federal deficit; and without putting our Nation's security at risk.

Is it a perfect plan? It may not be, but the President's plan is light years ahead of Congress, despite all the criticism we have been hearing from some of the grumps on Capitol Hill. The President has a plan.

So why don't the partisan critics in Congress just level with the American people: Congress does not have a plan. Let me repeat, the President's critics—House and Senate Democrats—do not have a plan. And if you ask the American people these days, they will tell you most Members of Congress do not have a clue.

So let us follow the leadership of the man with the plan, President Bush. He has proposed a comprehensive plan that responsibly targets tax relief and spending priorities.

The President's Economic Growth Acceleration Act I am introducing today contains seven key elements.

And I have listed those seven key elements on the chart. We also have 44 days until the March 20 deadline. We will be speaking every day and ripping off one of these and pretty soon we will be down to zero. Maybe by then we will have enacted this package.

But let me just briefly explain the seven problems.

A new $5,000 tax credit for first-time home buyers; penalty-free IRA withdrawals; real estate investment by pension funds; and passive loss relief—four incentives that will help spark the sluggish real estate market, and help bring the dream of homeownership within the reach of more Americans;

Job-creating growth incentives such as a reduction in the capital gains tax rate—we believe that is very, very important—and as President Bush said in his State of the Union Message, 60 percent of the people who will benefit from the lower rate have incomes under $50,000. So it is not something for the rich.

Mr. SASSER. Will the minority leader yield for a question on that?

Mr. DOLE. I would like to complete my statement. I know the Senator from Tennessee has all kinds of charts. I only have one.

An investment tax allowance to help businesses purchase new equipment—and create jobs;

And permanent simplification of the alternative minimum tax depreciation rules, a measure to curb administrative costs—and headaches—for many taxpayers.

The second phase of the President's package, which I will introduce later this week, proposes additional measures that also mean real money for working Americans. The President's plan reduces taxes on working families by increasing the personal exemption for dependent children by $500 from the current level of $2,300.

The President is also seeking repeal of the so-called luxury tax, a phony soak-the-rich scheme that pushed American workers off the aviation and boat production lines and right onto the unemployment lines. The President has also called for an extension of the targeted jobs tax credit, and a permanent research and development tax credit.

The President has already initiated an automatic change to the income tax withholding schedule that will put dollars directly into the hands of hard-working middle-income taxpayers instead of into the pockets of Uncle Sam.

This is no gimmick, as one member of the President's Cabinet incorrectly stated.

In my own home State of Kansas, the Federal Government over-withholds more than a half billion dollars. This is in Kansas, every year from more than 700,000 hard-working Kansans. If you ask me, the American people have no interest in making any more interest-free loans to Washington.

Above all, the President's program is responsible, and pays for the growth initiatives—within the budget agreement—with tough proposals on Government spending. The remainder of the President's package—to be introduced later this week—contains his initiatives to contain the explosive growth of the Federal budget.

I invite every Democrat—every critic—to study this legislation along with the President's entire package. Again, no one, including myself, will support every item in the President's budget plan. But taken as a whole, President Bush's package provides just what the doctor ordered for our economy: tax relief, economic growth, and jobs.

So, let us roll up our sleeves and get to work. The President was right to give Congress a deadline for action—by March 20, the President and the American people will expect us to get the job done. President Bush delivered, now it is up to Congress to do the same.

The American people will be watching. It is 44 days and counting; 44 days to make a difference for every man, woman, and child in America; 44 more days to decide if Congress will be part of the solution, or part of the problem.

I yield the remainder of my time equally divided between the Senator from New Mexico and the Senator from Pennsylvania.

Mr. President, I ask unanimous consent that the Economic Growth Acceleration Act of 1992 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2195

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—ACCELERATED GROWTH

SEC. 101. SHORT TITLE, ETC.

(a) SHORT TITLE.—This title may be cited as the "Economic Growth Acceleration Act of 1992".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Rvenue Code of 1986.

(c) SECTION 15 SHALL NOT APPLY.—Except as otherwise expressly provided, no amendment made by this title shall be treated as a change in rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

(d) TABLE OF CONTENTS.—

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Sec. 141. Credit for first-time homebuyers.

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Subtitle A—Provisions Relating to Capital Gains

SEC. 111. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by adding at the end thereof the following new section:

"SEC. 1202. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAINS.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under section 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by income beneficiaries (other than corporations) as gain derived from the sale or exchange of capital assets.

"(b) APPLICATION PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

"In the case of:	The applicable percentage is:
1-year gain	15
2-year gain	30
3-year gain	45

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) APPLICABLE CAPITAL GAIN.—The term 'applicable capital gain' means 1-year gain, 2-year gain, or 3-year gain determined by taking into account only gain which is properly taken into account on or after February 1, 1992.

"(2) 3-YEAR GAIN.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of qualified assets held more than 3 years.

"(3) 2-YEAR GAIN.—The term '2-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 3-year gain, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of qualified assets held more than 2 years but not more than 3 years.

"(4) 1-YEAR GAIN. The term '1-year gain' means the net capital gain for the taxable year determined by taking into account only—

"(A) gain from the sale or exchange of assets held more than 1 year but not more than 2 years, and

"(B) losses from the sale or exchange of assets held more than 1 year.

"(5) SPECIAL RULES FOR GAIN ALLOCABLE TO PERIODS BEFORE 1994.—For purposes of this section—

"(A) GAIN ALLOCABLE TO PERIODS BEGINNING ON OR AFTER FEBRUARY 1, 1992 AND BEFORE 1993.—In the case of any gain from any sale or exchange which is properly taken into account for the period beginning on February 1, 1992 and ending on December 31, 1992, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 3-year gain.

"(B) GAIN ALLOCABLE TO 1993.—In the case of any gain from any sale or exchange which is properly taken into account for periods during 1993, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 2-year gain and 3-year gain, respectively.

"(6) SPECIAL RULES FOR PASS-THROUGH ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-throgh entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THROUGH ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-through entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(7) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

"(A) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(B) the amount so allocated to any such gain shall reduce the amount of such gain."

(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b)(1) is amended by adding at the end thereof the following new subparagraph:

"(F) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed."

(d) CONFORMING AMENDMENTS.—

(1) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(2) Clause (ii) of section 163(d)(4)(B) is amended by inserting", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(3)(A) Subparagraph (B) of section 170(e)(1) is amended by inserting "the nondeductible percentage" before "the amount of gain".

(B) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b), or, in the case of a corporation, 100 percent."

(4)(A) Paragraph (2) of section 172(d) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(5)(A) Section 221 (as redesignated by section 224(a) of this Act) is amended to read as follows:

"SEC. 221. CROSS REFERENCES.

"(1) For deductions for net capital gains in the case of a taxpayer other than a corporation, see section 1202.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 (as amended by section 224(c) of this Act) is amended by striking "reference" in the item relating to section 221 and inserting "references".

(6) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income."

(7) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

"(8) Subparagraph (C) of section 643(a)(6) is amended—

(A) by inserting "(i)" before "there", and

(B) by inserting ", and (ii) the deduction under section 1202 (relating to deduction of excess of capital gains over capital losses) shall not be taken into account" before the period at the end thereof.

(9) Paragraph (4) of section 691(c) is amended by striking "1202, and 1211" and inserting "1201, 1202, and 1211".

(10) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(11) Paragraph (1) of section 1402(i) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(12)(A) Subparagraph (A) of section 7518(g)(6) is amended by striking the last sentence.

(B) Subparagraph (A) of section 607(h)(6) of the Merchant Marine Act of 1936, is amended by striking the last sentence.

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Reduction in capital gains tax for noncorporate taxpayers."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending on or after February 1, 1992.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning on or after February 1, 1993.

(B) SPECIAL RULE FOR 1992 TAXABLE YEAR.—In the case of any taxable year which includes February 1, 1992, for purposes of section 1202 of the Internal Revenue Code of 1986 and section 1(g) of such Code, any gain or loss from the sale or exchange of a collectible (within the meaning of section 1222(12) of such Code) shall be treated as gain or loss from a sale of exchange occurring before such date.

SEC. 112. RECAPTURE UNDER SECTION 1250 OF TOTAL AMOUNT OF DEPRECIATION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect to such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property, shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) Depreciation Adjustment.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect to the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) Limitation in Case of Installment Sales.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of enactment of the Economic Growth Acceleration Act of 1992)", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) Conforming Amendments.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) Depreciation Adjustments.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subsection (d) of section 1250 is amended by striking paragraph (10).

(4) Section 1250 is amended by striking subsections (e) and (f) and by redesignating subsections (g) and (h) as subsections (e) and (f), respectively.

(5) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) Recapture of Reduction.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(6) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of enactment of the Economic Growth Acceleration Act of 1992)".

(7)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) Special Rule for Pollution Control Facilities.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) Recapture of Deductions.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of enactment of the Economic Growth Acceleration Act of 1992)".

(d) Effective Date.—The amendments made by this section shall apply to dispositions made on or after February 1, 1992, in taxable years ending on or after such date.

Subtitle B—Provisions Relating to Passive Losses and Depreciation

SEC. 121. PASSIVE LOSS RELIEF FOR REAL ESTATE DEVELOPERS.

(a) Treatment of Real Estate Development Activities.—Subsection (c) of section 469 (relating to the limitation on passive activity losses and credits) is amended by adding at the end the following new paragraph:

"(7) Real Estate Development Activity.—The real estate development activity of a taxpayer shall be treated as a single trade or business activity that is not a rental activity."

(b) Definition.—Subsection (j) of section 469 is amended by adding at the end thereof the following new paragraph:

"(13) Real Estate Development Activity.—

"(A) In General.—The real estate development activity of a taxpayer shall include all activities of the taxpayer (determined without regard to subsection (c)(7) and this paragraph) in which the taxpayer actively participates and that consist of the performance of real estate development services and the rental of any qualified real property.

"(B) Real Estate Development Services.—For purposes of this paragraph, real estate development services include only the construction, substantial renovation, and management of real property and the lease-up and sale of real property in which the taxpayer holds an interest of not less than 10 percent.

"(C) Qualified Real Property.—For purposes of this paragraph, real property is qualified real property if the taxpayer materially participated in the construction or substantial renovation of such property."

(c) Effective Date.—The amendments made by this section are effective for taxable years ending on or after December 31, 1992.

SEC. 122. SPECIAL ALLOWANCE FOR EQUIPMENT ACQUIRED IN 1992.

(a) In General.—Section 168 is amended by adding at the end thereof the following new subsection:

"(j) Special Rule for Equipment Acquired in 1992.—

"(1) Additional Allowance.—There shall be allowed, in addition to the reasonable allowance provided for by section 167(a), a depreciation deduction determined under paragraph (2) with respect to qualified equipment.

"(2) Determination of Additional Allowance.—

"(A) In General.—The additional allowance shall equal 15 percent of the purchase price of the qualified equipment.

"(B) Purchase Price.—For purposes of paragraph (A), the purchase price of qualified equipment under paragraph (4)(D), cost is determined on the date the property is placed in service.

"(3) When Additional Allowance May Be Claimed.—The additional allowance may be claimed in the tax year in which the qualified equipment is placed in service.

"(4) Definitions and Special Rules.—

"(A) Qualified Equipment.—For purposes of this subsection, the term 'qualified equipment' means property that—

"(i) is new property,

"(ii) is section 1245 property (within the meaning of section 1245(a)(3)),

"(iii) is—

"(I) acquired on or after February 1, 1992, but only if no binding contract for the acquisition was in effect before that date, or

"(II) acquired pursuant to a binding contract entered into on or after February 1, 1992, and before January 1, 1993,

"(iv) is placed in service before July 1, 1993, and

"(v) is not defined as disqualified property in regulations prescribed by the Secretary.

"(B) New Property.—For purposes of this paragraph, property is new property if the original use of the property commences with the taxpayer and commences on or after February 1, 1992. Except as otherwise provided in regulations, repaired or reconstructed property is not new property, regardless of the extent of the repairs or reconstruction.

"(C) Acquire.—For purposes of this paragraph, a taxpayer is considered to 'acquire' property on the date the taxpayer obtains physical control or possession of the property, or on such other date as the Secretary may prescribe by regulations.

"(D) Special Rule for Self-Constructed Property.—If a taxpayer manufactures, constructs, or produces property for the taxpayer's own use, the property shall be treated as 'qualified equipment' only if—

"(i) the property meets the requirements of clauses (i), (ii), (iv), and (v) of paragraph (4)(A), and

"(ii) the taxpayer begins manufacturing, constructing, or producing the property on or after February 1, 1992, and before January 1, 1993.

"(5) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection."

(b) Basis Adjustments.—Subsection (c) of section 167 is amended by adding at the end thereof the following new sentence: "If a taxpayer claims the additional allowance provided by section 168(j) with respect to qualified equipment in a taxable year, the basis of the qualified equipment is reduced under section 1016 by the amount of the additional allowance before the depreciation deduction under paragraph (a) is determined for that taxable year."

(c) Alternative Minimum Tax.—Paragraph (1) of section 56(a) is amended—

(1) by inserting "or (iii)" after "(ii)" in subparagraph (A)(i), and

(2) by adding at the end thereof the following new clause:

"(iii) The additional allowance provided by section 168(j) for certain equipment shall apply in determining the amount of alternative minimum taxable income. The basis adjustment required for the additional allowance provided by section 168(j) shall be made before the depreciation deduction allowable in determining alternative minimum taxable income under this paragraph is determined."

(d) Cross Reference.—Subsection (e) of section 1016 is amended by adding at the end thereof the following new paragraph:

"(3) For the order in which basis adjustments should be made for depreciation in the case of property with respect to which the special additional allowance is claimed under section 168(j), see section 167(c)."

(e) Effective Date.—The amendments made by this section are effective February 1, 1992.

SEC. 123. ELIMINATION OF ACE DEPRECIATION ADJUSTMENT.

(a) General Rule.—Clause (i) of section 56(g)(4)(A) is amended to read as follows:

"(i) Property placed in service after 1989 and prior to February 1, 1992. The depreciation deduction with respect to any property placed in service—

"(I) in a taxable year beginning after 1989, and

"(II) prior to February 1, 1992, shall be determined under the alternative system of section 168(g).

(b) Effective Date.—The amendment made by this section shall apply for property placed in service on or after February 1, 1992.

Subtitle C—Provisions Relating to Real Estate Investments by Pension Funds

SEC. 131. REAL PROPERTY ACQUIRED BY A QUALIFIED ORGANIZATION.

(a) Interests in Mortgages.—The last sentence of subparagraph (B) of section 514(c)(9) is hereby transferred to subparagraph (A) of section 514(c)(9) and added at the end thereof.

(b) Modifications of Exceptions.—Paragraph (9) of section 514(c) is amended by adding at the end thereof the following new subparagraph:

"(G) Special rules for purposes of the exceptions.—For purposes of section 514(c)(9)(B), except as otherwise provided by regulations, the following additional rules apply—

"(i) In general.—

"(I) For purposes of clauses (iii) and (iv) of subparagraph (B), a lease to a person described in clause (iii) or (iv) shall be disregarded if no more than 10 percent of the leasable floor space in a building is covered by the lease and if the lease is on commercially reasonable terms.

"(II) Clause (v) of subparagraph (B) shall not apply to the extent the financing is commercially reasonable and is on substantially the same terms as loans involving unrelated persons; for this purpose, standards for determining a commercially reasonable interest rate shall be provided by the Secretary.

"(ii) Qualifying sales out of foreclosure by financial institutions.—In the case of a qualifying sale out of foreclosure by a financial institution, clauses (i) and (ii) of subparagraph (B) shall not apply. For this purpose, a 'qualifying sale out of foreclosure by a financial institution' exists where—

"(I) a qualified organization acquires real property from a person (a 'financial institution') described in sections 581 or 591(a) (including a person in receivership) and the financial institution acquired the property pursuant to a bid at foreclosure or by operation of an agreement or of process of law after a default on indebtedness which the property secured ('foreclosure'), and the financial institution treats any income realized from the sale or exchange of the property as ordinary income,

"(II) the amount of the financing provided by the financial institution does not exceed the amount of the financial institution's outstanding indebtedness (determined without regard to accrued but unpaid interest) with respect to the property at the time of foreclosure,

"(III) the financing provided by the financial institution is commercially reasonable and is on substantially the same terms as loans between unrelated persons for sales of foreclosed property (for this purpose, standards for determining a commercially reasonable interest rate shall be provided by the Secretary), and

"(VI) the amount payable pursuant to the financing that is determined by reference to the revenue, income, or profits derived from the property ('participation feature') does not exceed 25 percent of the principal amount of the financing provided by the financial institution, and the participation feature is payable no later than the earlier of satisfaction of the financing or disposition of the property."

(c) Effective Date.—The amendments made by this section shall apply to debt-financed acquisitions of real estate made on or after February 1, 1992.

SEC. 132. SPECIAL RULES FOR INVESTMENTS IN PARTNERSHIPS.

(a) Modification to Anti-Abuse Rules.—Paragraph (9) of section 514(c) (as amended by section 131 of this Act) is amended by adding at the end thereof the following new subparagraph:

"(H) Partnerships not involving tax avoidance.—

"(i) De minimis rule for certain large partnerships.—The provisions of subparagraph (B) shall not apply to an investment in a partnership having at least 250 partners if—

"(I) investments in the partnership are organized into units that are marketed primarily to individuals expected to be taxed at the maximum rate prescribed for individuals under section 1,

"(II) at least 50 percent of each class of interests is owned by such individuals,

"(III) the partners that are qualified organizations owning interests in a class participate on substantially the same terms as other partners owning interests in that class, and

"(IV) the principal purpose of partnership allocations is not tax avoidance.

"(ii) Exception where taxable persons own a significant percentage.—In the case of any partnership, other than a partnership to which clause (i) applies, in which persons who are expected (under the regulations to be prescribed by the Secretary), at the time the partnership is formed, to pay tax at the maximum rate prescribed in section 1 or 11 (whichever is applicable) throughout the term of the partnership own at least a 25 percent interest, the provisions of subparagraph (B) shall not apply if the partnership satisfies the requirements of subparagraph (E)."

(b) Publicly Traded Partnerships; Unrelated Business Income From Partnerships.—Subsection (c) of section 512 is amended by striking paragraph (2) (relating to publicly traded partnerships), by redesignating paragraph (3) as paragraph (2), and by striking "paragraph (1) or (2)" in paragraph (2) (as so redesignated) and inserting "paragraph (1)".

(c) Effective Date.—The amendments made by this section shall apply to partnership interests acquired on or after February 1, 1992.

Subtitle D—Provisions Affecting Homebuyers

SEC. 141. CREDIT FOR FIRST-TIME HOMEBUYERS.

(a) In General.—Subpart A of part IV of chapter 1 is amended by inserting after section 22 the following new section:

"SEC. 23. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) Allowance of Credit.—If an individual who is a first-time homebuyer purchases a principal residence (within the meaning of section 1034), there shall be allowed to such individual as a credit against the tax imposed by this subtitle an amount equal to 10 percent of the purchase price of the principal residence.

"(b) Limitations.—

"(1) Maximum credit.—The credit allowed under subsection (a) shall not exceed $5,000.

"(2) Limitation to one residence.—The credit under this section shall be allowed with respect to only one residence of the taxpayer.

"(3) Married individuals filing jointly.—In the case of a husband and wife who file a joint return under section 6013, the credit under this section is allowable only if both the husband and wife are first-time homebuyers, and the amount specified under paragraph (1) shall apply to the joint return.

"(4) Other taxpayers.—In the case of individuals to whom paragraph (3) does not apply who together purchase the same new principal residence for use as their principal residence, the credit under this section is allowable only if each of the individuals is a first-time homebuyer, and the sum of the amount of credit allowed to such individuals shall not exceed the lesser of $5,000 or 10 percent of the total purchase price of the residence. The amount of any credit allowable under this section shall be apportioned among such individuals under regulations to be prescribed by the Secretary.

"(5) Application with other credits.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year, reduced by the sum of any other credits allowable under this chapter.

"(c) Definitions and Special Rules.—For purposes of this section—

"(1) Purchase price.—The term 'purchase price' means the adjusted basis of the principal residence on the date of the acquisition thereof.

"(2) First-time homebuyer.—

"(A) In general.—The term 'first-time homebuyer' means any individual is such individual has not had a present ownership interest in any residence (including an interest in a housing cooperative) at any time within the 36-month period ending on the date of acquisition of the residence on which the credit allowed under subsection (a) is to be claimed. An interest in a partnership, S corporation, or trust that owns an interest in a residence is not considered an interest in a residence for purposes of this paragraph except as may be provided in regulations.

"(B) Certain Individuals.—Notwithstanding subparagraph (A), an individual is not a first-time homebuyer on the date of purchase of a residence if on that date the running of any period of time specified in section 1034 is suspended under subsection (h) or (k) of section 1034 with respect to that individual.

"(3) Special rules for certain acquisitions.—No credit is allowable under this section if—

"(A) the residence is acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under section 267 or 707 (b), or

"(B) the basis of the residence in the hands of the person acquiring it is determined—

"(i) in whole or in part of reference to the adjusted basis of such residence in the hands of the person from whom it is acquired, or

"(ii) under section 1014(a) (relating to property acquired from a decedent).

"(d) RECAPTURE FOR CERTAIN DISPOSITIONS.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), if the taxpayer disposes of property with respect to the purchase of which a credit was allowed under subsection (a) at any time within 36 months after the date the taxpayer acquired the property as his principal residence, then the tax imposed under this chapter for the taxable year in which the disposition occurs is increased by an amount equal to the amount allowed as a credit for the purchase of such property.

"(2) ACQUISITION OF NEW RESIDENCE.—If, in connection with a disposition described in paragraph (1) and within the applicable period prescribed in section 1034, the taxpayer purchases a new principal residence, then the provisions of paragraph (1) shall not apply and the tax imposed by this chapter for the taxable year in which the new principal residence is purchased is increased to the extent the amount of the credit that could be claimed under this section on the purchase of the new residence (determined without regard to subsection (e)) is less than the amount of credit claimed by the taxpayer under this section.

"(3) DEATH OF OWNER; CASUALTY LOSS; INVOLUNTARY CONVERSION; ETC.—The provisions of paragraph (1) do not apply to—

"(A) a disposition of a residence made on account of the death of any individual having a legal or equitable interest therein occurring during the 36-month period to which reference is made under paragraph (1),

"(B) a disposition of the old residence if it is substantially or completely destroyed by a casualty described in section 165(c)(3) or compulsorily or involuntarily converted (within the meaning of section 1033(a)), or

"(C) a disposition pursuant to a settlement in a divorce or legal separation proceeding where the residence is sold or the other spouse retains the residence as a principal residence.

"(e) PROPERTY TO WHICH SECTION APPLIES.—

"(1) IN GENERAL.—The provisions of this section apply to a principal residence if—

"(A) the taxpayer acquires the residence on or after February 1, 1992, and before January 1, 1993, or

"(B) the taxpayer enters into, on or after February 1, 1992, and before January 1, 1993, a binding contract to acquire the residence, and acquires and occupies the residence before July 1, 1993."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of chapter 1 is amended by inserting after section 22 the following new item:

"Sec. 23. Purchase of principal residence by first-time homebuyer."

(c) EFFECTIVE DATE.—The amendments made by this section are effective on February 1, 1992.

SEC. 142. PENALTY-FREE WITHDRAWALS FOR FIRST HOME PURCHASE.

(a) IN GENERAL.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans), as amended by section 213 of this Act, is further amended by adding at the end thereof the following new subparagraph:

"(E) DISTRIBUTION FROM INDIVIDUAL RETIREMENT PLAN FOR FIRST HOME PURCHASE.—A distribution to an individual from an individual retirement plan with respect to which the requirements of paragraph (7) are met."

(b) DEFINITIONS.—Subsection (t) of section 72 is amended by adding at the end thereof the following new paragraph:

"(6) REQUIREMENTS APPLICABLE TO FIRST HOME PURCHASE DISTRIBUTION.—For purposes of paragraph (2)(E)—

"(A) IN GENERAL.—The requirements of this paragraph are met with respect to a distribution if—

"(i) DOLLAR LIMIT.—The amount of the distribution does not exceed the excess (if any) of—

"(I) $10,000, over

"(II) the sum of the distributions to which paragraph (2)(E) previously applied with respect to the individual who is the owner of the individual retirement plan.

"(ii) USE OF DISTRIBUTION.—The distribution—

"(I) is made to or on behalf of a qualified first home purchaser, and

"(II) is applied within 60 days of the date of distribution to the purchase or construction of a principal residence of such purchaser.

"(iii) ELIGIBLE PLANS.—The distribution is not made from an individual retirement plan which—

"(I) is an inherited individual retirement plan (within the meaning of section 408(d)(3)(C)(ii)), or

"(II) any part of the contributions to which were excludable from income under section 402(c), 402(a)(7), 403(a)(4), or 403(b)(8).

"(B) QUALIFIED FIRST HOME PURCHASER.—For purposes of this paragraph, the term 'qualified first home purchaser' means the individual who is the owner of the individual retirement plan, but only if—

"(i) such individual (and, if married, such individual's spouse) had not present ownership interest in a residence at any time within the 36-month period ending on the date for which the distribution is applied pursuant to subparagraph (A)(ii), and

"(ii) subsection (h) or (k) of section 1034 did not suspend the running of any period of time specified in section 1034 with respect to such individual on the day before the date the distribution is applied pursuant to subparagraph (A)(ii).

"(C) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If any distribution from an individual retirement plan fails to meet the requirements of subparagraph (A) solely by reason of a delay or cancellation of the purchase or construction of the residence, the amount of the distribution may be contributed to an individual retirement plan as provided in section 408(d)(3)(A)(i), except that—

"(i) section 408(d)(3)(B) shall not be applied to such contribution, and

"(ii) such amount shall not be taken into account—

"(I) in determining whether section 408(d)(3)(A)(i) applies to any other amount, or

"(II) for purposes of subclause (II) of subparagraph (A)(i).

"(D) PRINCIPAL RESIDENCE.—For purposes of this paragraph, the term 'principal residence' has the meaning given such term by section 1034.

"(E) OWNER.—For purposes of this paragraph, the term 'owner' means, with respect to any individual retirement plan, the individual with respect to whom such plan was established."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions on or after February 1, 1992.[S05FE2-X1]{S987}1, 1992.

Mr. SPECTER. Mr. President, I support the President's legislative package and I urge my colleagues to turn to consideration of this important measure at the earliest possible moment. There is no doubt that the United States is suffering from very serious economic problems.

Mr. President, my last statement is worth repeating. The United States has very, very serious economic problems and these are problems which ought to be addressed by Congress.

The President has shown leadership by coming forward with this package and, while I do not agree with all parts of the President's package, I am an original cosponsor because I think that there are very important provisions in the package and, more important, it provides a vehicle for us to move ahead.

Last Friday, I urged my colleagues to stay in session during the full February session and the full March session. I urge that the scheduled recess now planned from February 7 to February 18 be canceled and the recess scheduled for March 6 to March 16 be canceled. I repeated that comment on Monday of this week. I understand that plans may be underway to cancel the March recess. But I believe that we ought to be in session during February as well. When you talk about a recess, even from February 7 to February 18, 11 days, 6 working days, what we ought to be talking about are plans to move ahead with this President's program right now.

The March 20 date is the outside limit. However, there is no reason why we should not complete action earlier, if that is possible. Some consideration has been raised that there is nothing that the Senate can do next week because, constitutionally, tax packages must originate in the House. I would differ, Mr. President, with those who say there is nothing we can do next week. We could take up the legislative proposal; we could debate it; we could adopt amendments; we could come all the way up until third reading without violating any constitutional restraint, without subjecting the work which we have done to a blue slip.

I know the Finance Committees are scheduled to work next week. I submit to you, Mr. President, we do not need any more hearings on capital gains reduction. We do not need any more hearings on first-time home buyer tax credit. We do not need any more hearings on IRA's. There have been hearings on many of these matters. We have the super IRA bill which has had 74 cosponsors, for a year. We do not need hearings on the investment tax allowance or the pension fund real estate investment or passive loss relief—we know all about passive loss relief—or to simplify the AMT depreciation.

What we need to do is to vote, and that is why I think we ought to be in session next Monday instead of in recess, and we ought to be tackling these important problems at the earliest moment.

Those who disagree with the President's plan, let them step forward and offer amendments; let them step forward and offer deletions; let them step forward and offer expansions.

Mr. President, Senator DOMENICI and I proposed, on November 19, legislation which would stimulate consumer purchasing power, Senate bill 1984. We have since received a letter from Intergroup Companies, Inc., which outlines a research proposal which shows that the proposal Senator DOMENICI and I introduced would be very substantially stimulative of consumer purchasing power.

I am going to yield at this point to my distinguished colleague from New Mexico. I do not want to use too much time, if some remains.

In fact, when Senator DOMENICI finishes, I will ask for a few more minutes even if it takes a little extension of time.

I thank the Chair and yield the floor to my colleague.

Mr. DOMENICI. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from New Mexico has 7 minutes and 28 seconds.

Mr. DOMENICI. Might I say to my friend from Pennsylvania I will use 5 minutes and yield the balance to him. I yield myself 5 minutes.

WILL THE BILL WORK?

Mr. DOMENICI. Mr. President, let me first address the issue my friend from Pennsylvania raised last. Will the bill that we introduced with reference to using IRA savings and 401(k) savings, within limits, to buy homes or automobiles—will it work? Actually, I was amazed to see the results of a very large survey of American households. They have been asked questions which relate to whether or not they would take advantage of this, short-lived permission to use IRA's without tax penalties and defer the regular income taxes over a 4-year period of time.

The group that did the survey suggested that the cars might very well be mostly American. They suggested they did not think our international trading partners would object to us limiting the use of withdrawn funds to buying American cars because they, too—the Japanese and the Germans—want an American economy that recovers.

But the numbers that would take advantage of the plan, if this survey is correct, are startling. It should be looked at carefully. I believe the leadership here in the Senate should look at it carefully, because it will work.

Now, Mr. President, the President's package: 44 days remain for the U.S. Congress to pass a bill that will cause Americans to be put back to work, that will create jobs, that will cause growth, that will enhance and increase our productivity, and ultimately the standards of living of Americans.

President Bush's economic growth plan, an agenda for growth, is rather simple. We can take a long time studying all kinds of proposals. We can even listen to those who say we ought to cut taxes across the board in the United States, or those who say the middle-income people of America ought to get a tax cut. The truth of the matter is the American people are not dumb. They understand that we have an enormous deficit and they want some real, permanent fixes to this economy. They are not looking for any quick fixes. And I am very hopeful they are going to distinguish between economic stimulus, job creating stimulus, and political stimulus.

I think there is a lot of the latter around, and some would like to use it to overshadow the real stimulus, which is jobs, economic growth. And how do you do it?

I submit 44 days is long enough for us to get the job done. We on this side are going to be ready. We think the President has an exciting plan. It will get the American economy going and give the American economic machine the kind of boost it needs. We do not believe we need a myriad of solutions. We do not think we have to spend untold numbers of billions of dollars.

We think there is a pending stimulus being built up because of interest rates, oil prices, the fact that all of these things are working in the economy right now. The new withholding schedule will put another $25 billion into this economy. Add those up, and the economy is going to recover. We need to push it in the right direction, not send the wrong signals.

I close this discussion by saying sometime tomorrow, I will put some numbers up on this plan as to how many jobs it is going to create, how it is going to affect the American standard of living, and then I will supply the Senate with some information about what has happened to the long-term interest rate since we have been busy talking about tax cuts. I believe it has gone up substantially.

I will try to convert that increase into the damage it does to the American economy. If it goes up much more, we probably cannot even make up for it with a politically stimulated tax cut.

I yield the floor to my friend from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, at the conclusion of my remarks, I ask unanimous consent that the full text of a letter from the chairman and chief executive officer, Philip H. Geier, Jr., of the Interpublic Group of Companies, Inc., to the Secretary of the Treasury, Nicholas Brady, dated December 24, 1991, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

FINDINGS IN A SURVEY OF 1,000 PEOPLE

Mr. SPECTER. Mr. President, briefly, the essence of a finding on a survey of 1,000 people, which is a large sampling that we are all familiar with here, using polls as much as we do, has these essential findings: The proposed use of IRA and 401(k) funds would increase intentions to buy or improve a home or buy a car from 26 million to 44 million families, a gain of 18 million families.

Of those surveyed, over 10,000,300 families say they are very likely to take positive action. Another 20,700,000 households say that they are somewhat likely to act on this proposal. Of the 31 million households, 65 percent say they will use the maximum of $10,000; 18 percent report they would use more than $5,000 but less than $10,000. This proposed legislation would motivate 26 million American families to spend more than $5,000 on housing and autos, with another 5 million families spending less than $5,000.

If they do as they say, these 31 million families would theoretically transfer over $224 billion from existing IRA and 401(k) funds to the housing and auto industries.

Mr. President, the balance of the letter spells out in some greater detail what the impact would be, and it is obvious that there is a tradeoff in terms of savings being used. But these savings are really for a rainy day, and the realities are that we have a cloudburst out there. The $800 billion in IRA's and 401(k)'s are in addition to approximately $3 trillion in other retirement funds, and only a portion of the 401(k)'s and IRA's would be used because of the limitation of the proposals which Senator DOMENICI and I have advanced.

Mr. President, the nub of the situation is that leadership is urgently required from the Federal Government today to deal with the economic recession. The President has provided the leadership from the executive branch and now it is up to the Congress to act.

There is no reason, Mr. President, why we cannot do better than the President's deadline of March 20. Let some leadership come from the Congress, Mr. President. Let it come from this body. Let it originate here. Beyond the possible cancellation of the March recess, let us move to work next week to start with this legislative proposal, to make amendments, to make additions, to vote on it, to be in the position to deal with the very serious economic problems which confront America today.

Mr. President, I am joining the distinguished Republican leader, Senator DOLE, in cosponsoring the President's legislative proposals for economic recovery because it is urgent that the Congress move forward expeditiously to legislate on this important subject. In joining as an original cosponsor, I wish to make it clear that I do not agree with all aspects of the proposed legislation but do believe it is a starting point for action at this time.

I agree with some of the President's proposals; I disagree with some of the President's proposals; I believe there should be significant additions to the President's proposals. Most fundamentally, however, I am convinced that action should be taken promptly because of the Nation's serious economic downturn, and this legislative package will provide a vehicle for immediate congressional action on this subject.

On November 19, 1991, Senator DOMENICI and I introduced S. 1984 which would allow Americans to withdraw penalty-free up to $10,000 from their IRA, 401(k) and Keogh retirement plans to stimulate consumer purchasing power on major items such as home purchases, college tuition, medical expenses, new cars and home improvements. There are more than $800 billion in assets currently existing in IRA's, 401(k)s and Keogh plans. Our bill would permit individuals with incomes under $75,000—$100,000 for married couples filing jointly—to withdraw a small portion of these assets and put them into our economy by spending them on the items I have mentioned. In addition, the tax on such withdrawals would be payable over a 4-year period. I am considering, however, making the withdrawal tax-free so long as Americans recontributed to their IRA's the amount that was withdrawn.

This idea has been broadly discussed with the Secretary of the Treasury, Nicholas Brady; the Chairman of the Federal Reserve Board, Alan Greenspan; and the Chairman of the President's Council of Economic Advisers, Michael Boskin. All have been receptive and believe the idea is worth exploring, although no final comments have been given. Presently, my staff is working with the staff of Messrs. Brady, Greenspan, and Boskin to determine the stimulative effect on consumer spending as a result of our bill. I might add that we have received correspondence from interested individuals suggesting that a significant number of Americans would take advantage of our proposal.

On November 14, 1991, I urged that the Congress stay in session during December/January because of the seriousness of the economic downturn. During my travels through Pennsylvania from Thanksgiving until we reconvened on January 21, I found serious problems in my State.

Following the President's State of the Union speech on January 28, I made floor statements on January 31 and February 3 urging that the Congress stay in session without recess in February or March in order to meet the President's deadline of March 20 to act on a legislative program for economic recovery.

The President's legislative proposals will provide the starting point for prompt congressional action to stimulate an economic recovery.

I thank the Chair and yield the floor.

EXHIBIT 1

THE INTERPUBLIC GROUP
OF COMPANIES, INC.,
New York, NY, December 24, 1991.

Mr. NICHOLAS F. BRADY,
Secretary of the Treasury, Department of the Treasury, Washington, DC.

DEAR NICK: I recently reviewed the Specter/Domenici Bill (S#1984) which has the possibility of stimulating the economy in two key sectors—housing and automobiles—major indicators of economic vitality both with the so-called experts on the economy, but more importantly, with the consumer (not to mention the impact this would have on unemployment).

We amended some of the aspects of the Bill (see attachment) and put it into national consumer research; I found the results more than interesting, and I believe you and the White House should review the data and the approach as a possible major element in a package of measures for stimulating an economic recovery.

With due respect, I point out that the consumer confidence level, which is a major problem and has been so for many months, was not addressed. The past is the past but if scenarios had been worked out in advance (what if the economy did not respond, etc.), the Administration might be in a better position to be on the attack with Congress. Of course, the media has not helped the situation at all. If you consider that the 1981–82 recession which had almost 10% unemployment and interest rates in the high teens (but a solid banking system and reasonable ability to lend), versus what we have today where the primary problems of the lending institutions require not only larger downpayments but a stronger consumer creditworthiness as well, we can understand one of the major problems we face.

Because I share this concern and was intrigued by the Specter/Domenici approach, my company commissioned a study through a leading research company to estimate the number of American families who would make use of their IRA and 401K savings for housing and automobiles on a one-time basis, and to estimate the amount of money these families would invest above the levels they would spend without the use of these funds. Please note that the proposal provides that the IRA and 401K monies used would be tax free for five years, whereupon the consumer could put this money back into those retirement funds on a tax free basis (see attachment). Therefore, the program would be revenue neutral.

We have amended the Specter/Domenici Bill as follows:

A. We limited the use of IRA and 401K funds to housing and autos. These industries are the key industries for economic resurgence, and new vigor here would have a huge effect on the overall economy.

B. We suggested that autos purchased have at least 75% of content made in the USA. I recognize the GATT issue, but I believe our trading partners could be persuaded that a non-deficit 6 month domestic program that lifts the US economy would be to their own benefit over time as well. Additionally, this provision certainly would shake up the Japanese which the President politically must consider.

The research, a national probability sample of 1,000 households, was conducted in the middle of December, and is representative of U.S.A. demographics by age, sex, religion and race. Let me summarize the findings on this basis:

1. This proposed use of IRA and 401K funds would increase intentions to buy or improve a home or to buy a car from 26 to 44 million families—a gain of 18 million families.

2. One in three (33.5%) American families claim they would use some of their IRA and/or 401K funds to buy a new home, improve their home or buy a car under this proposal. Of these, over 10,300,000 families say they are "very" likely to take positive action.

3. Another 20,700,000 households say they are "somewhat" likely to act per this proposal.

4. Of these 31,000,000 households, fully 65% say they would use the maximum $10,000. Another 18% report they would use more than $5,000 but less than $10,000. This proposed legislation would motivate 26,000,000 American families to spend more than $5,000 on housing and autos, with another 5,000,000 families spending less than $5,000.

5. If they do as they say, these 31 million families would theoretically transfer over $224 billion dollars from existing IRA and 401K funds to the housing and auto industries. According to the BEA, American families spent $647 billion in these two sectors in 1990—not including maintenance and operations. At a very minimum, the proposed action would produce impactful double-digit gains in both industries.

6. Over half (55%) of the 31 million families who say they would make use of IRA and/or 401K funds for housing and autos, report they do not intend to invest at this time in new or improved housing or buy a new car without this proposal. In other words, the Specter/Domenici proposal motivates many more people to act now. Using just this 55% figure, the impact would be over $120 billion in incremental spending coming into these two industries at this critical time.

I am very enthused about these findings. Although the sample size is not large, the responses are statistically reliable within 3%. Even if one applies a conservative adjustment to these stated consumer actions, the numbers are still very impressive.

I have heard a lot of qualitative research recently which suggests the President should adopt a more pro-American business stance. While we are all believers in free trade, there is a deep seated popular concern that the Japanese are receiving special treatment with respect to their markets versus ours. This viewpoint is being strengthened by the current U.S. auto industry problems and the attendant negative publicity. I believe this proposal is an appropriate response.

I do hope this study might be of help to you and the President. We would be happy to have our research analyst come to Washington to go over the detailed results with your staff or whomever you wish.

On a related note, a lot of us believe that a cut in the capital gains tax rate would be revenue positive and is the right thing to do. However, I believe the average American family is much more concerned with holding onto or getting jobs, and unless this tax change can be explained simply and succinctly and backed up with facts on how it creates jobs, we really should let it pass. Our indications are that this will be a detriment with the average person in getting a tax stimulus approved.

In my view, the direction proposed in the Specter/Domenici Bill is exactly right for this time and these conditions.

I hope you and your family have a very happy holiday, and I look forward to seeing you soon in the New Year.

Sincerely,

PHILIP H. GREIR, Jr.

AMENDED STATEMENT OF SENATOR SPECTER'S PROPOSAL AS USED IN RESEARCH

As you may know, recently the US economy has been stagnant. A proposal is before the US Senate to help get things moving again. It is intended to provide the economy with needed stimulation from consumers such as yourself. This Senate proposal would allow consumers to withdraw up to $10,000 from their own individual IRA or 401K accounts penalty free and without tax consequences.

The funds may be used within six months either, for purchase of a home, for improvements to a home or for purchase of an automobile having at least 75% of its content made in the USA.

If consumers choose to eliminate the tax consequence, they only need to return the withdrawal to their IRA or 401K account within the next five tax years.

If consumers choose not to return the funds withdrawn, they can still reduce the tax consequences by paying tax on only ⅕ of the amount in each of the next five years.

How Congress can help Detroit sell a million more new cars, help American builders sell 500,000 more new homes, and American tradesmen improve millions of old homes in the next 6 months.

Without costing the taxpayers a penny.

It's remarkable. It's immediate. And it's a conservative estimate based on an independent market research response to a more effective and more powerful approach to the Specter/Domenici Bill S-1984.

Americans, when recently asked if they could use up to $10,000 of their money currently locked into IRA's and 401K's without penalty to purchase a new home, improve their current home, or buy an automobile or truck that is American-made, overwhelmingly answered "yes."

Indeed, 38% more people than are currently in the auto market said this would turn them from being bystanders into buyers. That's 4.8 million *more* people spending 65 billion new dollars. Out of a projected total of over $200 billion in purchasing power that this bill could unleash.

Additionally, they understood the only time qualification was that they do this in the next six months, and return the money to their accounts within five years to reinstate tax-free benefits without a taxable event taking place.

There are no adverse trade implications on the buying or improving of homes. And to those who question the trade implications on automobiles, the answer is that this is short term and should be seen in tandem with negotiating a voluntary Japanese auto import trade policy based on the Japanese-European quota model.

Support An Amended Senate Bill S-1984.

Americans Using American Money to Invest In Themselves And The Nation.

Mr. RIEGLE. Mr. President, I ask unanimous consent to proceed for a period of time as in the morning business period, as the Republican leader.

Mr. JOHNSTON. Mr. President, reserving the right to object, we have been on this bill for 3 days now. We have disposed of one amendment. I do not want to object, but we have that 44 days up there. That is the clock ticking. Unless we can get to this bill, we are not going to make the 44 days.

I am not going to object, but I am a little frustrated because the rope-a-dope is going on; everything else comes in here ahead of this bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. JOHNSTON. How much time was requested?

Mr. RIEGLE. A period of time equal to that used in morning business by the minority leader.

Mr. JOHNSTON. How much time?

The PRESIDING OFFICER. The minority leader used or yielded 20 minutes.

Mr. RIEGLE. I was going to ask for 30, but I think I can live with 20, because the Senator from Tennessee also wants to speak.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. RIEGLE. I thank the Chair and thank my colleagues, Mr. President. I think it very important that the remarks just made be responded to.

A MORE BASIC FACT

Mr. RIEGLE. Mr. President, the indication that we have 44 days to act on the plan, if you can call it a plan, that was put forward the other day, really overlooks a more basic fact. And that is this administration, first Reagan-Bush, and now Bush-Quayle, has been in office now 11 years. That is over 4,000 days. They have had 4,000 days to construct an economic growth plan for America, and they have not done it. They have not done it in health care either, or in a host of other areas.

If you look back over that 11-year period of time, it was morning in America for part of it. Then in 1988, it was don't worry, be happy. And now we find ourselves in 1992 with a massive economic problem on our hands, very widespread unemployment in America, and no real answers from this administration that has been in charge as to what to do about it.

The Swiss-cheese plan that was offered the other day is not an answer. In fact, a member of the President's own Cabinet, and I am thinking of Secretary Kemp, was so troubled about it that he felt compelled in a moment of candor to label many of the proposals in that plan as gimmicks.

That is the conclusion that the American people themselves have reached. There have been a number of public opinion polls done just since the State of the Union Message, and by overwhelming numbers—and I will cite them in a moment. I have asked for one of the polls to be brought to the floor. In overwhelming numbers, including, I might say, those persons in the President's own political party, citizens across the country do not feel it is a plausible plan, do not think it will make a major difference. And they see it as something that is being tossed out there on the eve of a national election because there are major economic problems in the country and there is no real plan to deal with them.

Yesterday, on the evening news, there was a scene out in Los Angeles, CA. They were in that community sponsoring a job fair, and there were a few hundred jobs available that were being presented in that job fair. Several thousands of people showed up and were lined up for blocks trying to get into that job fair to compete for one or another of those jobs. Obviously, several thousand of those people are not going to get jobs, and they are desperate. They need work.

It is not just true in California. We saw it the other day in Chicago. In subzero temperatures, the snow blowing, a hotel opening in downtown Chicago offering a handful of jobs, there were several thousand people there standing out in the bitter cold, shifting from one foot to the other, desperate to try to find work—part of the 16 million-plus people of this country today who want full-time work and cannot find it.

We need a real plan, a comprehensive plan. What needs to happen is that the President needs to call together the business and labor leadership of this country to sit down around a table with Government leadership and fashion a plan that can put people to work in large numbers now.

We passed yesterday an unemployment compensation bill, desperately needed, but the people who are going to get those benefits, what they want is a job. They want to go back to work. They do not want to be unemployed, collecting unemployment benefits. They want to be able to work to support themselves and to support their families.

I read today an article from Investor's Daily. The headline on this particular article today says: "Poll Says Most Expect Few Gains From Bush's 1993 Budget Proposals." It goes on to say, "A full 74 percent of the people polled in this national poll said adoption of Bush's proposals will not make a difference in terms of helping the economy. Among Republicans it was 69 percent." That is published today in Investor's Daily. It is an AP story, and I think it speaks for itself in that respect.

We need an economic strategy for America, and it cannot be a Swiss-cheese strategy that helps those up at the top. We have tried that for 11 years, the whole supply-side concept, Reagonomics, send the money up to the top of the income scale and let it trickle back down; maybe somebody else further down the ladder would get some of it. It was a massive failure. It did not work. It was unfair. It was bad economics.

The country is in trouble today. All across America we see major companies announcing permanent job reductions: IBM one day, Sears Roebuck the next day, GM the next day. Last week it was United Technologies—virtually every company in America laying off, eliminating jobs by the multiples of thousands. So you have engineers now, if they can find work, driving taxicabs. You are finding teachers working in hamburger stands because they cannot get work in teaching where they ought to be applying their skills because America is in serious economic trouble.

The elitists in this administration, some of the economic advisers around the President living off family trust fund income, say, "What's the problem?" The investment advisers that are managing those family trust funds, they invest in all kinds of things. It may be German currency today or Mexican stocks tomorrow, and the money rolls in and the trust fund checks come in every 30 days. They say, "What's the problem?" because they do not have a problem. The problem does not hit them, nor does it hit their children. Their children are not standing in unemployment lines like the sons and daughters of most of the rest of the people of this country, and it is not right.

Mr. SASSER. Will the Senator from Michigan yield on that point right there?

Mr. RIEGLE. Yes, I yield.

Mr. SASSER. I am interested that the Senator from Michigan should refer to the unemployment lines and what is happening with regard to economic growth. We have had a statement made in favor of the so-called Bush economic growth plan. We had Bush, the education President, earlier, and we know now what condition the education system is in this country.

I saw my friend and fellow Tennessean, the Secretary of Education, Lamar Alexander, I say to my friend from Michigan, on television just last evening addressing the National Governors Conference, and he was indicating that the education system in the United States and the performance of American students was some of the worst seen in the industrialized world.

Then we had the environmental President. We were going to have an environmental President on the part of this administration. I do not need to tell my colleagues that the United States has failed to take the lead in cleaning up the environment. My friend and colleague from Tennessee, Senator ALBERT GORE, has expressed his frustration many times about this administration's failure to abide by the environmental rules that other nations are abiding by and failing to take the leadership role in trying to do something about the environmental problems.

Mr. SARBANES. Will the Senator yield on that very point?

Mr. SASSER. Let me make this point, and then I will yield. Now we have, I say to my friend from Maryland, the economic growth President, and we have the economic growth plan there for all to see. Well, here are the results. I say to my friend from Maryland, the President says he wants us to act within 44 days on this economic growth plan. It took him 548 days in this 18-month recession, the longest recession since the Second World War, to come forward and even propose some sort of fig-leaf economic growth plan to this Congress. He wants us to act on it within 44 days.

Just let me show to my distinguished friend from Michigan, who yielded to me, let us look at what has happened with regard to real disposable income of the average citizen in this country over the past 45 years. Let us look at the record of the various Presidents with regard to real disposable income.

This administration, the Bush administration, is the first administration since the Second World War, Mr. President, to preside over a decline in the real disposable income of the American people. Look at it. During the administration of President Truman, real disposable income went up almost 3 percent. Even under President Eisenhower, who experienced a deep recession in 1956, 1957, 1958, we still increased our average real disposable per capital income by 1.2 percent. President Johnson pushed it up by 3.5 percent in real disposable per capita income.

But look, look at what has happened under the Bush administration, a decline of six-tenths of 1 percent in real disposable income of the American people. I say to my friend from Michigan what we have seen over the past 12 years is a decline in the real disposable income of the average American worker of 3 percent.

But, on the other hand, what about the wealthy? How have they fared over the past 12 years. The top 1 percent in this country have seen their real disposable income increase by 65 percent while the average worker saw his going down by 3 percent. And what do we see in this so-called economic growth plan? Well, guess what, another reduction in the capital gains tax for the fat cats. We now know that 65 percent of that capital gains tax will go to those making over $200,000 a year. Is that the recipe for putting the American people back to work? More trickle down? Do we have to make the wealthier even wealthier just to get a little crumb to drop for the average American citizen?

Mr. SARBANES. Will the Senator yield for a question on this chart?

Mr. SASSER. I will be pleased to yield.

Mr. SARBANES. For just one moment.

Mr. RIEGLE. Yes. In doing so, I hope we can get to the question of the number of jobs that have been created in the last 3 years because I think it is very important. There have been no jobs created.

Mr. SARBANES. Do I understand this chart to mean that under the Bush administration, in other words, there has been a drop in real disposable income per capita; is that correct?

Mr. SASSER. That is correct.

Mr. SARBANES. And this is the only administration in the entire postwar period—in other words, under Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter, Reagan, all positive in varying amounts, varying percentages, but all positive. In other words, real disposable income per capita grew in every one of those administrations, and it has fallen in the administration of George Bush; is that correct?

Mr. SASSER. That is correct. The Senator from Maryland is correct. This is the only administration since the administration of Herbert Hoover in the Great Depression in which we have seen the real disposable income on a per capita basis decline; the first administration since Herbert Hoover.

Mr. RIEGLE. Will the Senator take a minute on that pledge on jobs and go over what the data shows there because I think it tells the whole story.

Mr. SASSER. We are talking about—I thank my friend from Michigan—an economic growth package and how we are going to get the American people back to work. We can look here at the promised performance of this administration represented by the blue line here, and the actual performance represented by the yellow line.

President Bush, at the beginning of his administration, promised to create some 15 million jobs during the first 4 years of his administration.

When we look here, we find that there has been almost no performance in that regard. We find out here, in 1992, there have been no net new jobs created whatsoever. So there is the promise in the blue, I say to my friend from Michigan, and the yellow represents the performance.

You see how it started off with a modest sort of trying to inch up and finally ran out of gas altogether and collapsed down where you have a loss of jobs.

Mr. SARBANES. Will the Senator yield?

Mr. RIEGLE. I yield.

Mr. SARBANES. Just this afternoon the administration issued their economic report. We will hold a hearing on that tomorrow morning at 11 o'clock in the Joint Economic Committee on the economic report of the President.

In that report they forecast that the unemployment rate for this year, for 1992, will average 6.9 percent. That is what they expect. That is what they are forecasting—the unemployment rate will average for 1992, 6.9 percent. It was 7.1 percent last month.

So they expect hardly any improvement. The 6.9 percent is the administration's forecast—this is not my forecast or someone else's forecast, who obviously may take a more realistic or a harder look at economic circumstances—because they obviously are trying to see everything through rose-colored glasses as much as they possibly can. Even under their forecast, they are forecasting an average unemployment rate for 1992 of 6.9 percent.

That is a grim prospect for the economy. That unemployment rate, the official rate of 6.9 percent, states only those that are out of work and looking for work. It does not count people who became so discouraged by the economic prospects they have dropped out of the labor force. I started to say jumped out of the labor force. Fortunately, we have not yet reached the point we had in the Great Depression where they were jumping out of the buildings. But that is 1.1 million. There are another 6.3 million who want to work full time, and they can only find part-time work.

If you factor all of that in, we have an unemployment rate now of over 10 percent, 10.4 percent. The administration in their own economic forecast, making all of the most positive assumptions that they can about the future, says the average rate is going to be at 6.9 percent.

It really takes a certain amount of chutzpah all of a sudden for the administration now, the President, to discover that there is an economic problem in the country. We tried all of 1991 to get the President and the administration to recognize that there was an economic problem. Back in July of last year, the President—first of all, back in February of last year, a year ago—said that the current recession is expected to be mild and brief by historical standards.

Do you remember that, February of 1991: Expected to be mild and brief by historical standards? Of course, it has been the longest recession now since the Great Depression.

Marlin Fitzwater, when the unemployment rate went to 6.9 percent, last May, said we still believe that the recession is ending, and we are on the road to recovery.

Mr. SASSER. Marlin Fitzwater is the President's press spokesman, I believe.

Mr. SARBANES. That is correct.

In July, Michael Boskin, Chairman of the Council of Economic Advisers—there was an unemployment rate of 7 percent—said we would like to see people have an understanding that this turnaround is coming. We believe the recovery has begun.

Mr. SASSER. July 1991?

Mr. SARBANES. That is right, just last summer, when we were pressing to extend the unemployment benefits.

Mr. RIEGLE. The President was refusing to allow them to go into effect.

Mr. SARBANES. That is right. Michael Boskin later in July said the recession would have been considerably shorter and shallower than the average postwar recession. But this goes on and on.

It carries right into November. We go right into November and the President himself is denying that there is a recession. They are still talking about it being shallow, that we have no problem ahead of us.

For most of 1991 the President kept saying no problem. There is no problem. We knew there was a problem.

The President now wants action. We want action. There is going to be action. In fact the Congress has already passed the extension of the unemployment insurance benefits bill and the committees are now working on some of the tax proposals. But three times we had to go to the President in order to get the President to extend the unemployment benefits. He rejected it in August, and he rejected it in October. Millions of people across the country were then confronted with how to provide for their families.

This administration has been a day late and many dollars short in trying to address this economic situation which we find ourselves in.

Mr. SASSER. If the Senator will yield on that point, I ask unanimous consent we be allowed to continue for another 5 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. SPECTER. Reserving the right to object, I will not object, conditional on availability of time, 5 minutes on this time for a rejoinder.

The PRESIDING OFFICER. Does the ask unanimous consent include equal time for the Senator from Pennsylvania?

Mr. SASSER. Certainly, we will be pleased to enter into an agreement to extend an additional 5 minutes to the Senator from Pennsylvania.

Mr. SPECTER. I thank my colleague from Tennessee. With that agreement, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Just on the point that the distinguished Senator from Maryland raised, I just happen to have a chart here which outlines the length of the post World War II recession.

We see here in 1948, we had one that went for 11 months; 1954, one that went for 10 months; we even had one in the Reagan years, 1982, that went for 16 months. But look at the recession of the Bush administration here. President Bush has presided over 18 months, the longest recession since World War II.

Mr. SARBANES. Will the Senator yield?

Mr. SASSER. I am pleased to yield.

Mr. SARBANES. The other thing that the administration itself is forecasting is that we will come out of this recession. We will just have to see.

I am skeptical. But even on their forecast they are predicting very low, anemic, weak growth for the economy. Ordinarily, in these other recessions when we have come out of them, the economy has grown at a 5- to 6-percent rate.

So you are really starting to come out of the recession with some thrust to get the economy back up to its capabilities.

The administration, by its own predictions released just this afternoon—the most they can muster is about a 2-percent growth from the last quarter of last year to the last quarter of this year, and a 6.9-percent average unemployment rate.

So the point that needs to be understood is that even if technically you should get out of the recession, even by their own forecast, they foresee a very weak and anemic economy which will leave us with all of the economic ills that we are trying to confront.

And that is assuming, by their own forecast, that they get every bit of the program that they put in. It has to be understood about this program. It is not as though the administration was saying we have this program that is going to get this economy moving. Even by their own forecast, we are going to have weak, anemic growth that will leave us with these very serious economic problems, including a 6.9-percent average unemployment rate.

Mr. SASSER. The distinguished Senator from Maryland is correct in that. Usually coming out of recession, you get what the economists might call a slingshot approach. You get a burst of economic growth, a lunge up as high as 4, 5, 6 percent, a robust economic growth. But assuming the passage of this so-called economic growth plan, with its tax bonanza for the wealthy and the capital gains tax rate, the passive loss relief, the pension fund real estate investment, I do not see much on there for the average middle-income American. But assuming the passage of that, you still have this anemic, weak economic growth, even under the administration's own projections. So, clearly, if we are going to jump start this economy, we are going to have to have something better than this thing they offered us now.

Mr. SARBANES. The administration's own projection is that the economy will grow 1.6 percent without their program. It will grow 2.2 percent with their program. Even if you accept all of their assumptions—which obviously one has to have some skepticism—they are talking about a six-tenths of 1 percent contribution to growth, and we are coming out of the longest recession in the postwar period, with the weakest growth that we have experienced coming out of any recession, and an unemployment rate predicted to average at 6.9 percent.

Mr. SASSER. The Senator from Maryland is quite right, and I am reminded that just the other day—and the distinguished chairman of the Senate Banking Committee is on the floor—the Chairman of the Federal Reserve Board, Alan Greenspan, appeared before the Banking Committee, and he reiterated what he said before the Banking Committee in the House of Representatives, and he said and I quote him: "I have never seen so much fear and anxiety about the long-term economic prospects of this country in my lifetime." That is what the Chairman of the Federal Reserve Board said.

What is the reason for this anxiety and fear? The average middle-income American has seen——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SASSER. Mr. President, I ask for an additional 30 seconds.

The PRESIDING OFFICER. Is there objection?

Mr. SPECTER. I have no objection, providing we get the same amount of time.

The PRESIDING OFFICER. The Senator is recognized for an additional 30 seconds.

Mr. SASSER. The average middle-income American, over the past 12 years, has seen real disposable income shrink by 3 percent. The average middle-income American has been in a recession or a depression for the past 12 years. And the reason there is such widespread fear and anxiety is that this 18-month recession we are in now is simply the straw that broke the camel's back. The average Americans out there cannot see their way out of this. And that is why you have this terrible plunge in consumer confidence. That is why you have this widespread fear across this land.

Why should it not be? As we speak on the floor of the Senate this afternoon, 1 out of every 10 of our fellow countrymen are on food stamps—people who never in their lives contemplated accessing food stamps.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania holds 6 minutes, 2 seconds.

Mr. SPECTER. Mr. President, during the course of the past hour, I believe we have finally begun discussion of the No. 1 problem facing America, which is, how we move to stimulate an economic recovery.

I disagree with just about everything which has been said by my three distinguished colleagues on the Democratic side of the aisle, but without taking those issues up one by one—although we shall in due course, but not in 6½ minutes—I would ask the question: Where do we go from here?

There has been a very extensive statement of blame and responsibility, which I think is not well founded, but even if it is well founded, what do we do next?

My distinguished colleague from Michigan talks about a "swiss cheese plan." Let us have an "American cheese plan." American cheese does not have holes in it. If there is a better plan, let us hear about it.

I believe that when the American people who are watching C-SPAN II hear what has been going on in the course of the past hour, they are going to say what are those Senators arguing about? A plague on both their houses. But a plague on both their houses would be insufficient, because there are more than two houses. There is a House of Representatives. There is the Senate, a separate House, separate body, and then there is the White House. There are three houses. Within the Congress there are two parties.

I believe that the American people are tired of hearing blame attached and want to hear answers presented. Where do we go from here? Let us argue the issue of blame in the Presidential election, or in the congressional—the Senate and House—elections.

I suggest that the most constructive thing we can do now is to say where do we go from here? If all this is true, so what? What is next?

I ask the distinguished chairman of the Budget Committee who has perhaps the most generalized responsibility in this field, why not start Monday morning? Instead of being on recess, let us not leave from the 7th of February until the 18th of February, but let us come in Monday morning and take up the details of the President's plan, and vote, or amend and vote?

Senator DOMENICI and I have made a very material suggestion on the IRA's, and I do not ask for a response in a few moments, but I say to my colleague from Tennessee, the distinguished chairman of the Budget Committee, the Senator has presided over hearings to a substantial extent, as has the distinguished Senator from Michigan on the Banking Committee, as has the distinguished Senator from Maryland on the Joint Economic Committee. Why do we need more hearings? Why not come in, take this proposal up, debate it, amend it, and move ahead with a plan of action?

Mr. SASSER. Does the Senator wish a response, or is that a rhetorical question?

Mr. SPECTER. I do not ask rhetorical questions.

Mr. SASSER. As far as this Senator is concerned, we can take up this so-called plan tomorrow. The Senator from Maryland and I have advanced what we perceive to be a genuine economic stimulus plan that would put some money, some funds, back into the hands of the mayors of this country, and in the hands of the Governors of this country, and would provide some genuine economic stimulus.

I say to my friend from Pennsylvania that I am discouraged when I look at this proposed plan here, and learn that even if we accept it at face value, it is only going to add a quarter of 1 percent of GNP of growth, if we pass it in its entirety.

I simply say that this plan, it appears to me—using the administration's own figures, and their own judgments of this program—simply is not going to get this economy moving.

Mr. SPECTER. The Senator from Louisiana may object if we start tomorrow. He wants to move ahead with his bill, but there is nothing on the Senate docket for Monday.

Would the Senator from Tennessee be agreeable on Monday morning to start with the President's legislative proposal, with the first amendment being in order, the proposals advanced by the Senator from Tennessee and the Senator from Maryland?

Mr. SASSER. Of course, as the Senator knows, there is no way that I can. I could simply agree to do that, but it would have no effect whatsoever because the way this body has been constituted now for almost 200 years, as the Senator knows, those various tax proposals have to originate in the House of Representatives, and we simply do not have the constitutional power to entertain the revenue proposals that are in the so-called economic growth plan that is being advanced here.

The Ways and Means Committee, I am advised, will be meeting all next week in the House of Representatives. They will be staying there to put forward a revenue proposal that will address the economic recovery needs of the country. But it would simply be a waste of time for this body to try to move into the area of developing revenue policy because we simply cannot do it under the Constitution.

Mr. SPECTER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SPECTER. Mr. President, is it not possible for the Senate to debate issues such as contemplated by the President's proposal as long as we do not move to a third reading?

Mr. President, let me refine my parliamentary inquiry if I may and ask to what extent may there be discussions, debate, consideration by the U.S. Senate on at least some part of the President's proposal as introduced by Senator DOLE?

The PRESIDING OFFICER. The period of time in which germaneness is a requirement for Senate debate, the Pastore rule, has expired for today. Therefore, debate for today is not governed by an obligation of germaneness.

Mr. SPECTER. Is that a yes or no, Mr. President?

The PRESIDING OFFICER. The Senators may discuss any subject that they desire.

Mr. SPECTER. That is what I thought.

So that we could take up this issue—and I know the Senator from Tennessee does not control the calendar. But might I ask my colleague from Tennessee, having started the discussion with him, if he at least personally thinks it is a good idea to move ahead on Monday and go as far as we can.

(Mr. BINGAMAN assumed the chair.)

Mr. SARBANES. If the Senator will yield, where is it we are going, where is it we are going? the revenue measure has to originate in the House. The House Ways and Means Committee has announced that they are going to stay in session all of next week to work on a tax bill. A tax bill may or may not encompass those items. But those items that the Senator has listed, they would certainly be on the agenda to be considered by the tax-writing committee in the House of Representatives which must act first and sent the matter over to the Senate.

So Congress is moving expeditiously. We had an administration here that would not recognize a recession until December of last year and who twice turned down the extension of unemployment insurance.

I will say to the credit of the Senator from Pennsylvania, he perceived the need, as I recall—I think I am correct in the position he took—for those benefits from the very beginning and supported the effort to provide extended benefits. But, unfortunately, the President did not share that perception and, in fact, he vetoed the bill, and we failed to override it here, as the Senator will recall, on a 65-to-35 vote with the Senator, I believe I am correct, joining in the effort to override the veto, and, of course, it was not until Thanksgiving that we got an extension.

Then the President in his State of the Union Message came out in favor of a further extension. It is wonderful the way the election year will focus the mind on the issues that are before the country. It is almost miraculous. Of course, I welcomed the President coming out for it because I think we needed it and we moved very quickly on that. As a matter of fact, we acted just yesterday in this body, and the matter has been taken care of this week.

But my understanding is that the House Ways and Means Committee is going to address that, and they have to address it first, obviously, under the Constitution under their jurisdiction and is going to address marking up a tax measure next week.

Mr. SPECTER. I would be glad to respond to my colleague from Maryland recognizing that we can come back to the question which I have asked my friend from Tennessee as to whether he would be willing to move ahead on Monday and take the lead on that.

But let me respond. What the distinguished Senator from Maryland has asked is a relevant question. He asked, where are we going on Monday? And my direct response to that is we are going to take up these measures which we can debate and move forward on as long as we do not come to a final resolution. And when the issue is before the House of Representatives Ways and Means Committee, let them proceed to do their work.

But there is a great deal of work and a great deal of discussion and a great deal of debate which has already been framed by many of the points which have been made here today even before we start to take up this list.

I would say further to my distinguished colleague from Maryland that to talk about the President's failure to recognize the recession, to talk about the failure to give unemployment compensation, or to talk about the politics of the State of the Union speech is more focused on the fixing of blame for which we have plenty of time.

On Monday, I would like to see this body address these specific proposals. I would like to see this body address the suggestion that the distinguished chairman of the Budget Committee has articulated as I reviewed it in the media sometime ago, a $55 billion expenditure which would move in the direction of the cities, or whatever the specifics may be, and we have to consider the Budget Act, we have to consider waivers. But we could spend our time very usefully dealing with those specific issues and could make a lot of progress.

Mr. RIEGLE. Will the Senator yield on that point?

Mr. SPECTER. As soon as I finish my sentence.

When the House has acted, we are in a position to go to final passage.

I am glad to yield to the Senator from Michigan.

Mr. RIEGLE. I appreciate the Senator's yielding.

Let me just say looking at that list, put me down for the investment tax credit. The Senator and I years ago fought for that as members of the Northeast-Midwest Coalition and fought for it year after year, trying to get more investment in the industrial base to bring our industries back, and so forth.

Let me say this: As members of the Budget Committee, we met today on this very subject. There was a presentation made by the chairman of the Appropriations Committee, Senator BYRD—I think one of the finest presentations I have heard in the time I have been here. And we met today for about 3½ hours in the Budget Committee on precisely these questions and issues.

The chairman of the Budget Committee may be too modest to point that out because he was presiding today.

But I want to assure the Senator from Pennsylvania that these issues are not only under active review and work within the Budget Committee but as recently as this morning we were meeting in public session on these very matters.

Mr. SPECTER. I thank my colleague from Michigan and would acknowledge the very laborious efforts which we undertook for 4 years as cochairmen of the Northeast-Midwest Coalition. And the work of the Budget Committee is very important.

But my view is that we ought to focus on the specifics and to the extent we need debate, let us debate and then let us vote, withholding the ultimate action which would run afoul of the constitutional prohibition.

But we have had many, many committee hearings, and I am told the Finance Committee is going to meet next week.

I am ready to vote, as is the distinguished Senator from Michigan, in favor of the investment tax credit. We have debated capital gains again and again and again. I think we are ready to vote.

I think we ought to take up the suggestions that the distinguished Senator from Tennessee has made about help for the cities, and it may be as the Senator from Maryland has said. I will be in support of many, many of those provisions. Surely we will need to consider the matters on both sides of the aisle and then come to a conclusion.

Mr. President, I think Americans are crying out for action. Americans want us to decide these issues. They do not want us to take a recess.

I remember one of the most telling speeches was made at the beginning of the August recess by the distinguished Senator from Michigan on the Social Security issue. Check the CONGRESSIONAL RECORD. It was the last day. He said, "Why are we taking a recess? Why don't we decide this issue? Why can't we come to grips with it and not take a recess?" The problem of the recession today is much more serious than that one was in 1981. The problem of the recession today is the most serious problem the Senate must face in decades. And that is why I think we ought to take up the specifics, debate, and move ahead.

Mr. SARBANES. Will the Senator yield?

Mr. SPECTER. Yes.

Mr. SARBANES. That is exactly what is going to happen. I am informed that the Senate Finance Committee is also going to be holding hearings next week to consider what ought to compose a tax package. That is exactly the kind of work that has to be done. So they are going ahead with their work and the House Ways and Means Committee is going ahead with its work.

I just want to make this point to the Senator because he said, well, you know, we should not be trying to fix blame. I agree with that. We have important problems ahead of us and the country is feeling the pain of this recession and this economic downturn.

The only thing I am addressing is the reasonableness of the President—because the 44 days the Senator is using are the President's deadline. The Senator did not evolve it himself. It was not as though the Senator had figured out a deadline that was reasonable under the circumstances. The Senator took the President's, who made his State of the Union Message and laid out this deadline.

We may beat the deadline, as a matter of fact, on some of these issues. We have already beaten it on extending the unemployment insurance benefits, I want to notice, an issue on which the President was very laggard through all of last year.

But you know the reasonableness of this deadline is suspect when it is coming from someone who as late as December of last year was telling us that there was really no problem. That is the problem. In November, the President said, "I don't believe this country is in a recession." All of last year, we tried to get the President to recognize the problem. He said, "No problem." Finally, it got so bad, the reality gap between what the President was saying and what the people were feeling across the country became so great that the administration finally had to admit it.

Marlin Fitzwater said, "Well, we have to utter the 'R' word—recession." And so they began to come to grips with the thing, which is obviously what needs to be done. Then the President shows up, having delayed submitting a package. We urged the President back in November to submit an economic package then. The President says no; he delays it, delays it, all of December, and all of January, let alone the failure to come to grips with it earlier in 1991. He puts it off to the State of the Union Message and then comes in and says, "Well, now, this is the proposal and I am putting this deadline on it." That is all.

It just goes to the reasonableness of this course coming from an administration which has denied the existence of a recession and, once they admitted the recession, then said, well, we are not going to submit our proposal for at least another couple of months, at least another couple of months, and at that period of time the unemployment rate went to the highest it has been. We have gone 18 months with no major proposal.

Mr. RIEGLE. Will the Senator yield?

Mr. SPECTER. Let me reply, then I would be glad to yield to the distinguished Senator from Michigan.

The Senator from Maryland says he does not want to assess blame, or words to that effect, and then he does precisely that. "The President was very laggardly on unemployment compensation," "the deadline was suspect," "there was a delay in submitting the package."

In November, Mr. President, this Senator took the floor and said we ought not even to be in recess in December and January.

When you talk about an economic package, Mr. President, I do believe that the best procedure is for it to come from the President. But if some Senators feel that the President has not acted reasonably in submitting an economic package, the economic package can come from the Senate. Leadership can originate in this body as well as in the White House. Leadership can originate in the House of Representatives as well as in the White House.

When the Senator from Maryland says that the deadline is suspect, I frankly do not know what he is talking about. If you do not like the March 20 deadline, what deadline would be suggested? I believe we ought to move in advance of a March 20 deadline. We know how to act with dispatch when we want to. And that is why I say, let us move ahead next Monday.

Mr. RIEGLE. Will the Senator yield?

Mr. SPECTER. I yield to the Senator.

Mr. RIEGLE. I think if the Senator from Pennsylvania and I would go off in a room somewhere and work out an economic growth plan for America, we might be able to get one hammered out within a fairly short period of time and it would be big and it would have muscle in it and put an awful lot of people to work in a hurry.

Mr. SPECTER. Let us go.

Mr. RIEGLE. That is an assumption on my part. With respect to your idea about putting the recess aside, let me just take that another step.

Years ago, as the Senator knows, I used to serve in the other party on that side of the aisle. And I know we are in the month of February; we are into the Lincoln Day dinner period and I know a lot of colleagues have plans to go out during this recess for that purpose.

I think that if the minority leader wants to aggressively pursue the Senator's idea and send a letter, formalize a request to the majority leader, I think the majority leader would entertain that. That probably would be the way to proceed if the idea is a serious one to set the recess aside.

I am quite prepared to do it. I am one Senator. You are another. But I think in terms of moving ahead, to get it done other than rhetorically, but to really try to set it aside, I think you would have to have a procedure like that taken.

I do not know whether the minority leader would be prepared to formally put such a suggestion or not. I have no way of knowing one way or the other. Obviously, the Senator has stated his views and I have stated mine. I do feel very strongly this way, that we have to get an economic growth plan in place for this country. It has to be big enough to do the job because we have a very serious problem out there. We have it in real facts in terms of the unemployment, as we see it, all of these job reductions and the confidence of people with respect to a lack of confidence in the economic future. So we have to have a plan that is big enough and strong enough and put it in place as promptly as possible that can really make a big difference.

I would love it if tomorrow morning the President would invite the top business and labor leaders and the key leaders here in the Congress down to the White House to meet in the Cabinet Room and in adjacent rooms tomorrow, the next day, the next day, on into next week, on into next month.

We spend plenty of time on foreign policy issues. Our Government today, the executive branch, has an economic plan for every country in the world, literally. I would assert that we do not really have one yet for America.

I realize this has been rolled out just a week ago. But in terms of our real needs, we do not have a plan yet, and we desperately need one.

I would happily attend such a meeting. I do not presume to feel that I would necessarily be invited to that meeting, but as chairman of the Banking, Housing, and Urban Affairs Committee, I certainly would be prepared to participate nonstop—I do not care how long it takes—because it is the most urgent item.

I notice the majority leader is on the floor and I think he wishes to be recognized.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I am advised that the Senator from Pennsylvania has just asked if I, the majority leader, would entertain a request from the Republican leader to cancel the Lincoln Day recess scheduled for next week. And if that in fact was the question, I would like to respond to it.

Mr. SPECTER. If I may interrupt.

Mr. MITCHELL. Yes.

Mr. SPECTER. The Senator has been incorrectly advised. I have not—I have made my suggestion that the February recess be canceled, very much as I did last Friday and on Tuesday, Monday, and in a private conversation which I had with the distinguished majority leader.

What I asked of the Senator from Tennessee was whether he would be willing to work next Monday and cancel the recess. I have not involved either the Republican leader or the majority leader, but I am not reluctant to do so.

The majority leader is on the floor, I would ask the majority leader publicly, as I discussed with the majority leader yesterday, why not cancel the February recess and go to work on the President's economic plan?

Mr. MITCHELL. Mr. President, I will be pleased to respond.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Last Tuesday at my request, Republican Senators at their caucus discussed the question of whether or not the February recess should be canceled. The Republican leader reported to me after that meeting that the Republican Senators unanimously supported having the recess; that not a single Republican Senator at that caucus asked that the recess be canceled.

Three days later, the Senator from Pennsylvania took the Senate floor and publicly asked that the recess be canceled. He has advised me privately, since then, that he missed that part of the Republican caucus. So he was not present when the vote was taken.

Therefore, we can now assume that among Republican Senators, the votes now are 42 in favor of having the recess and 1 against it.

I will say to the Senator from Pennsylvania, I suggest that you talk with your colleagues. And if the Republican leader, on behalf of Republican Senators, asks me to cancel next week's recess, I will give that request the serious consideration that I give to every request made of me by the Republican leader.

But as of now, the information available to me is that, of the 43 Republican Senators, the only one who wants to cancel next week's recess is the Senator from Pennsylvania. And that is the information upon which I must now act to make my decision.

If the Senator discusses it with his Republican colleagues, and if there is a request by more than the Senator from Pennsylvania, then I will certainly consider it. I will consider it, even he making the request.

But I merely want to point out one other fact. The Constitution prohibits the Senate from enacting tax legislation initiated in this body. It requires that it be initiated in the House. The House Ways and Means Committee is going to mark up the tax bill next week. The Senate Finance Committee, the counterpart committee of jurisdiction in the Senate, is going to hold hearings on it.

The House is expected to act on a tax bill the following week, and I hope we can get to it and act on it promptly thereafter. So the schedule is underway for prompt action on these measures.

The reality is that the Senate remaining in session next week would be as symbolic and meaningless a gesture as that chart up there right next to the Senator from Pennsylvania. It would be a phony gesture, as phony as that chart is, up there by the Senator from Pennsylvania. It would not contribute anything to moving forward on this legislation. And everybody knows that.

We would do other business. We would continue on the energy bill, which we hope sometime today to get back to.

So I am prepared to entertain any request. The information I have as of this moment is that there is only one Republican Senator who wants to cancel next week's recess, and that is the Senator from Pennsylvania. If he has information to the contrary, then I urge him to develop it—or if he has support to the contrary—and bring it to my attention.

Mr. JOHNSTON. Will the Senator yield at that point for an inquiry?

Mr. MITCHELL. Yes, sir.

Mr. JOHNSTON. When once we do get back on this bill, and that will be sometime today, will we not stay on this bill through Friday and work Friday?

Mr. MICTHELL. Yes.

Mr. JOHNSTON. Because I understand some people are trying to get out of town tonight, tomorrow morning, whatever. We are going to stay here and work on the energy bill through Friday?

Mr. MITCHELL. We are going to work on this bill, right. I hope, frankly, that we could finish Thursday night—all but the ANWR provision—and work it out the way that has been discussed by the Senator from Louisiana to accommodate Senators.

But if need be, if we are not at that point, we will stay in Friday, and we will just stay right here and move this bill forward. I hope we can get back to it soon, so that we can get another amendment up and consider it.

Mr. JOHNSTON. I thank the leader.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, by way of relatively brief reply to the distinguished majority leader, it is true that I was not present during most of the Republican caucus on Tuesday, January 28, because I appeared in the third circuit court of appeals arguing the navy yard case. We can try to keep open Senator MITCHELL'S air force base and Pennsylvania's navy yard.

When I returned to the Republican caucus at the tail end, there was no discussion of this issue about canceling the February or the March recess. But I think the majority leader is incorrect if he assumes that there was any 42-to-nothing vote. There are not 42 Republican Senators there, at any time.

When the majority leader suggests or requests that come from the Republican leader, the thought that crossed my mind at the time was that it is the majority leader's responsibility to make the judgment as to when this body is in session. The Republican leader did that when he was the majority leader.

But then I was pleased to hear the distinguished majority leader say that he would entertain the request from this Senator, as well as from the Republican leader.

Mr. President, I disagree categorically with the distinguished majority leader's comment that a session next week would be symbolic and meaningless and phony. Perhaps, if it is as phony as Senator DOLE'S chart, then it is not phony at all. But the distinguished majority leader and I had a discussion yesterday as to whether anything could be done, meaningfully, in this body, constitutionally, before there had been action by the House of Representatives. When we talked yesterday, I did not know that the President's package was going to be submitted today; that there would be a vehicle which would provide the opportunity for us to take up the issue of an economic recovery.

The distinguished majority leader said on the floor a few moments ago that the Senate cannot enact legislation. That is correct. I agree with that statement which he made—cannot enact legislation.

But earlier in this proceeding, I asked a parliamentary inquiry as to what the Senate could do; and as best as I understood the recitation, it was that the Senate could take up these issues, and there is considerable that we could accomplish by way of debate and discussion and, as I understand the rules, have amendments and votes, and do a great deal.

So that my request, my position, is that we ought to be in session. The distinguished Senator from Michigan started off this debate talking about the unemployment lines and the pain and suffering across America in every State—not just my State, which I know in detail because I spent virtually the entire recess from Thanksgiving until we returned here on January 21 in my State. I think the American people want action, and I think there is a lot we can accomplish next week.

I do not think we ought to be bound by a March 20 date. If we could finish by February 20, so much the better.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, every Senator has a public responsibility to act in the manner consistent with the interests of this country. Any Senator can come out here and make statements for public consumption, to create an impression of action. But it would be the height of irresponsibility for the U.S. Senate to begin debate and voting on an economic program on which the future of our economy and Nation may rest, of that magnitude and complexity, without a single moment's hearings; without a single effort of anyone to evaluate the program; without the kind of thoughtful legislative consideration that the legislative process demands of all legislation, and especially of legislation of that magnitude.

It is irresponsible to suggest that the Senate should commence on Monday to debate and vote on a measure of that magnitude.

This requires, at the least, hearings to give the President's representatives the opportunity to explain and seek to gain support for the package; to give those who disagree the opportunity to seek to explain the reasons for their opposition and to suggest alternatives; to give the members of the committee the opportunity to study and evaluate the legislation. That is the legislative process.

To suggest that it should be avoided in this case; that we should commence debate on the floor of the Senate before there are any hearings that have been held, before any evaluation has been made, is irresponsible. We will deal with that legislation promptly, but consistently with fair and thorough and responsible consideration. And the schedule setup permits that. The plan was just announced today.

Has the Senator from Pennsylvania read the entire plan of the President?

Mr. SPECTER. No.

Mr. MITCHELL. Then, I submit that, before the Senate begins debating it and before the Senate starts demanding votes on it, the Senator ought to read the plan, he ought to evaluate it, he ought to make a judgment whether it is in the best interest of the country and let other Senators do the same.

I want to respond to the Senator's comment about the Republican leader. It is my responsibility to make the decision on the schedule. I have made that decision, I will make that decision, but I have also told the Republican leader on the day I was elected majority leader that I would not ever make such a decision without prior consultation and discussion with him. I have given him, in every instance, the courtesy of requesting his advice and his recommendation as the representative of all Republican Senators before I make such decisions. That is what I have done in this case and that is what I will do in every other case. I do not believe that I should, although I represent the majority of Senators, disregard or not take into account the views of Republican Senators.

So I accept full responsibility for the decision, but I also make clear that I do solicit the Republican leader's advice and recommendation, and I trust him completely and often accept his advice and recommendations. There have been many cases in which I thought I would take a course of action and discussed it with Senator DOLE and found that he suggested some alternative, which I then accepted.

So I want to make clear that I am responsible for this decision. I will make this decision, but as in every case in the past and so long as I am majority leader, I solicit and give great weight to the views of the Republican leader. And when he tells me that he believes we should continue with the recess and that it was unanimous in the Republican caucus that there should be a recess, that has weight in my making my decision and it did have weight in making my decision, although the responsibility and decision were mine.

Mr. SASSER. Will the Senator yield?

Mr. SPECTER addressed the Chair.

Mr. MITCHELL. Mr. President, I still have the floor. I yield to the Senator from Tennessee.

The PRESIDING OFFICER. The majority leader.

Mr. SPECTER. Parliamentary inquiry, Mr. President. Does any Senator have the right to yield to any other Senator?

The PRESIDING OFFICER. Senators may yield for a question, and that is what has happened.

Mr. MITCHELL. Does the Senator have a question?

Mr. SASSER. Yes, I do.

Mr. MITCHELL. I yield for a question.

Mr. SPECTER. Parliamentary inquiry. Did the Senator from Tennessee ask for the floor for the purpose of asking a question, or is this something which is coming up now?

Mr. SASSER. Mr. President, I intended to, although I was interrupted. I asked if the majority leader would yield and then I was interrupted. I meant to say would the majority leader yield for a question.

The PRESIDING OFFICER. The Senator from Tennessee is recognized to ask a question.

Mr. SASSER. On the point of the majority leader's statement here about the necessity for hearings and a calm and careful evaluation of the proposal that has been made, I must say I could not agree with the majority leader more on that point. It is my understanding—the majority leader will correct me if I am wrong—but it is my understanding that the Finance Committee, which has primary responsibility of jurisdiction over all revenue matters, which is, I think, the significant portion of this package, will be meeting all of next week; is that correct?

Mr. MITCHELL. That is correct. The committee has public hearings scheduled for next Wednesday and Thursday.

Mr. SASSER. I will further ask the majority leader, I was advised that there is an article in the Washington Post just today in which the distinguished chairman of the Finance Committee indicates that following the conclusion of these hearings which will be held next week when the Senate is in recess, if we go forward with the planned recess, that he will begin assembling the committee for a markup of a tax bill on February 19. Does the majority leader understand that to be the case?

Mr. MITCHELL. I do not know whether or not the chairman has made a decision on when markup may begin. He may have. It has not been communicated to me.

Mr. SASSER. But it is fair to say we could not act on a revenue measure next week in this body until first it comes from the House of Representatives, and certainly it would be imprudent to try to do so unless we had some hearings in the Finance Committee and some dispassionate view or analysis of the tax proposals.

Mr. MITCHELL. That is correct.

Mr. SASSER. I thank the majority leader.

Mr. MITCHELL. Mr. President, I will be glad to yield to the Senator from Pennsylvania if he has a question now or, if he does not, I will just yield the floor.

Mr. SPECTER. Mr. President, I seek recognition in my own right.

Mr. MITCHELL. I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I answered the question of the majority leader candidly that I had not read the President's proposals. There has not been time to do that. When the majority leader says that the bill ought to be read before we start debating it, I quite agree with him about that, and that poses no problem to read that bill and analyze it in advance of a Monday session.

When the majority leader goes into some detail about his consultation with the Republican leader, I understand all of that, but I believe a fair interpretation of what the majority leader was saying earlier was not about consultation at all; it was about a consensus of the Republican caucus that we ought to have the February recess and that the Republican leader had told him that no one in the caucus, myself being absent, had asked that the recess be canceled.

When the majority leader asked this Senator to consult with the Republican leader to see if the Republican leader would make the request, it had nothing to do with the majority leader's characteristic practice of consulting with the Republican leader. It was an effort to see if I could persuade Senator DOLE or a majority of the Republican Senators to state that they wanted to cancel the recess.

I understand the practicalities of canceling a February recess. I have a lot of plans myself at that time, and I am prepared to stay here and work on this legislation. But what I had commented about had nothing to do with the majority leader's customary practice of consulting with the Republican leader.

When the majority leader makes the characterization of height of irresponsibility, I will not return that comment in kind. I will simply say that the items on that list have been considered in detail, not the precise formulation of language but, if you take up the capital gains rate reduction, that has had hearings and hearings and hearings, passed the House of Representatives in the 101st Congress. We had 56, 57 votes here and could not get it up in the 101st Congress, and I submit that we could use next week very responsibly on the capital gains issue. It might well take up the full week, judging from the length of time this little colloquy has taken.

We have the issue of the IRA's. There is a super IRA bill which is pending now and has 74 cosponsors in the U.S. Senate. We have the issue of the investment tax allowance, which is about the same thing as matters which we have considered before. Senator RIEGLE and I were discussing that a few moments ago. And you could go over that list of items and find on virtually all, if not all, that there have been hearings and hearings and hearings and hearings. So that when the majority leader talks about the height of irresponsibility, Mr. President, I think that Senators are prepared to debate these issues and vote. When the Senator from Tennessee asks about legislation constitutionally, we come back to the point that I had quoted the majority leader on, that we could not enact legislation.

I ask that the American people, Mr. President, judge responsibility or irresponsibility based on what has happened in Washington, DC, for the past days and weeks and months.

Now we have a proposal which can be held at the desk as many measures are held at the desk in this body and are acted on in accordance with established legislative procedures without having committee hearings.

I believe the American people are sick and tired and disgusted with the inaction out of Washington, DC, and it is laid right here today in the Senate. I will not characterize the majority leader on the question of responsibility or irresponsibility. I will let the American people judge that.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield the floor?

Mr. SPECTER. I do.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, for 18 months President Bush denied there was a recession. Then when he finally admitted what was obvious to all Americans, he asked the American people to wait 3 months until he figured out what to say and propose.

I do not recall in that 3 month period a single public statement by the Senator from Pennsylvania criticizing the President for delaying action. He said the Congress ought to stay in session and deal with it. He criticized the Congress but not once the President.

Now, the American people do know certain things, and the one thing they know is that there are a lot of people in public office who will stand up and say something, make a proposal for the sake of making a proposal, which they know is not going to occur.

That is what we have seen today. The Senator from Pennsylvania knows the Senate is not going to be in session next week. He is confident of that. He is secure in that. He probably already has a lot of plans to be in Pennsylvania next week. He knows that his colleagues on the Republican side of the aisle want the recess to go forward and communicated it to me. He knows that the same is true here. He knows that acting next week in the manner he suggested will not advance the Senate or the country one whit toward achieving the objective of getting a meaningful economic plan.

So he is free, of course, to get up and make this speech about we ought to stay in session next week, secure in the knowledge that it is not going to happen.

It is commonplace in American politics. It happens a lot in the Senate. It is happening here today. We understand it. I hear it a lot as a Senator. With respect to the schedule, I hear it almost everyday and everybody should understand that.

I hope we can now proceed to get to the energy bill because at the rate we are going, we are going to be on the energy bill into the weekend. I know the Senator from Louisiana has been sitting here patiently trying to proceed on his bill, and I hope that we can now do so.

Mr. JOHNSTON. Mr. President, will the leader yield?

Mr. MITCHELL. Yes.

Mr. JOHNSTON. I wonder if we could change that 44 up there to 44½, since about half the day has been taken up out of the energy bill. Does the Senator think it would be proper for me to put one-half next to it?

Mr. MITCHELL. Mr. President, I hope the Senator from Louisiana will proceed now with the bill.

Mr. SPECTER. Mr. President, I ask for 2 minutes.

Mr. JOHNSTON. Mr. President, reserving the right to object, and I shall not, is time all gone except for that 2 minutes?

The PRESIDING OFFICER. Does the leader still retain the floor?

Mr. MITCHELL. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition at this point?

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. JOHNSTON. I will not object to the 2-minute request.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, when the majority leader says this Senator knows that action by the Senate next week will not advance the interests of the country, I say he is categorically wrong. How he can say what this Senator knows is a little surprising. I think there is a great deal that could be accomplished next week and I have specified the reasons why I say that.

When the majority leaders talks about an 18-month recession which the President denied, we have been over the issue of blame and I think the time has come for what ought to be done at this stage.

When he says that there was not a single statement by the Senator from Pennsylvania criticizing the President, he is wrong. This Senator made a comment publicly that was aired on national television categorically disagreeing with the President, when this Senator said there was a recession. And the President took note of that and was expressive of a number of objections to what this Senator said. I have not hesitated to criticize the President of my party where I thought it was warranted.

When the majority leader says the Senator from Pennsylvania has plans next week, you bet I have plans. I have a 20-county tour planned to move through the State. But I am very serious in saying that my plans do not amount to a whit when it comes to the issue of what the Senate ought to be doing.

I am not confident or secure at all as to what will happen next week. If I were majority leader, the Senate would be in session.

THE ECONOMIC GROWTH ACCELERATION ACT OF 1992

Mr. CHAFEE. Mr. President, I am pleased to join my colleagues in introducing this bill containing the President's short-term agenda to improve our economy.

I believe the proposals in this bill will help to address two out of the three main concerns of the American people. Reducing the cost of capital and encouraging new investment in plant and equipment will help to alleviate their concern about retaining their job or finding a new one. By stimulating growth in America's small businesses, the real engine of job creation in this country, these proposals will help to put hundreds of thousands of unemployed Americans back to work.

Four of the proposals will address the second concern of the American people—to maintain the value of their home. These proposals are designed to restore confidence in the real estate industry by eliminating some of the penalties that were enacted in 1986. They will also assist Americans who were not able to purchase a first home as a result of the skyrocketing prices of the 1980's.

I believe Americans have a third main concern that is not addressed by this package—keeping their health insurance and controlling rising health care costs. The President is preparing his health care reform proposals that will address that concern, and I look forward to reviewing those proposals.

Our goal should be to improve America's economic health and international competitiveness; boost the value of real estate; and control the costs of our health care system. The President and the Congress must work together to develop a legislative package to address these real concerns of the American people. We must not compound our current economic problems by seeking quick fixes which have no lasting effect and which may greatly add to the Federal budget deficit.

While I support the efforts of the President to put together a short-term growth package, I believe we must also repeal the so-called luxury tax on boats. This tax has devastated the boatbuilding industry in Rhode Island and must be repealed as part of any job creation package.

I look forward to working with my colleagues on a short-term growth package that repeals the luxury tax on boats and addresses the first two concerns of the American people—retaining their jobs or finding new ones and maintaining the value of their homes. Thank you, Mr. President.

THE PRESIDENT'S ECONOMIC GROWTH PROPOSAL

• Mr. STEVENS. Mr. President, I am pleased to join as an original cosponsor of the economic growth legislation our Republican leader has introduced today on behalf of the President.

The President strongly supports legislation to permit environmentally sensitive exploration of the vast oil and gas potential of the Arctic National Wildlife Refuge.

If enacted, it would create 735,000 jobs in 47 States in every sector of our economy. It would add a whopping $50 billion to our gross national product. It would save this country a staggering $250 billion in payments to foreign governments and oil producers. And at a time when the Federal deficit is spinning out of control because of a tax-and-spend Congress, it would provide $125 billion in revenues for Federal and State governments.

But the party which controls the Congress has objected to that provision—and in doing so has objected to the jobs it would create, the reduction in the trade deficit it would produce, and the revenues it would generate.

I am supporting the President's economic growth package because we need a plan to deal with the economic crisis we face—a plan supported by the President and acceptable to the Congress. The President's plan would create as many jobs as developing the Arctic coastal plain. The Congress has turned its back on the hundreds of thousands of Americans who could have filled the jobs ANWR would create. It is my hope that it will not turn its back on our President as he works to restore and revitalize our economy.

There are portions of this package that I would not support standing alone and reserve the right to vote against such provisions if they remain in the proposal. But I applaud the President for his leadership and his initiative. His approach would create 12,795 jobs in Alaska. At a time when our unemployment rate hovers around 10 percent, I am confident that Alaskans will join me in supporting this package.

I will do all I can to meet the March 20 deadline for approving this legislation which the President has asked us to meet. If Congress can approve aid to the Kurdish people in 19 days, surely the American people deserve the same consideration.•

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, are we back on the bill at this time?

The PRESIDING OFFICER. The bill is the pending business.

AMENDMENTS NO. 1532–1542

Mr. JOHNSTON. Mr. President, I have a series of 11 amendments which have been cleared on both sides which I will shortly send to the desk. I will briefly describe these amendments. These have been very thoroughly negotiated with all the parties at interest.

The first is on behalf of myself, Senators WIRTH and WALLOP. Section 1201(c) currently sets forth guidelines for the reduction of chlorofluorocarbons in accordance with the Montreal protocol. The amendment deletes section 1201(c). This provision was previously included in S. 324, the National Energy Strategy Act of 1991. However, the subsequent passage of title VI of the Clean Air Act makes inclusion of the CFC phaseout guidelines in S. 2166 unnecessary.

The second amendment, on behalf of myself and Senator WIRTH, clarifies the selection of joint venture projects under Public Law 101-218 and adds a provision to the Renewable Energy and Energy Efficiency Technology Competitiveness Act to expand the authority of the Secretary to fund joint venture projects as required under the act.

Public Law 101-218 provides DOE with authority to accelerate the commercialization of renewable energy and energy efficiency technologies.

This amendment: Clarifies the process by which joint ventures within a given technology area are chosen; adds to the criteria for the selection and funding of renewable energy joint ventures; promotes strategies for attracting investment funds for high risk renewable energy projects; and identifies impediments to non-Federal participation in the commercialization of renewable energy technologies.

Renewable energy is an important component of a comprehensive national energy strategy based on domestic production, alternative fuels, and energy efficiency. According to figures supplied by Department of Energy and industry sources, nonhydro renewable energy resources currently comprise approximately 1 percent of the Nation's total energy use—or an estimated 394,000 barrels of oil equivalent a day.

The renewable provisions in the National Energy Security Act are designed to promote the development of commercially sound renewable energy systems in order to overcome the artificial economic and regulatory barriers that have prevented wide-scale adoption. S. 1220 promotes the most promising renewable technologies, helping U.S. manufacturers to maintain their leadership role in renewable technology.

The third amendment, on behalf of myself and Senator WIRTH, provides for an energy efficient mortgage pilot program. It directs the Department of Housing and Urban Development and the VA to develop and implement a pilot program to help prospective home buyers and existing home owners finance energy-efficient improvements.

The amendment provides the following measures to help overcome the major obstacles to obtaining financing for energy efficient mortgages:

First, allows borrowers to exceed the normal FHA and VA loan limits by the amount of the cost-effective energy efficiency improvements;

Second, provides timely information to both borrowers and lending agencies on availability and benefit of efficient mortgage programs; and

Third, establishes a training program for personnel at relevant lending agencies, real estate companies, and other organizations regarding the benefits of these energy efficient mortgages.

Currently 90 percent of the Nation's 94 million homes use 50 to 100 percent more energy than they would if homeowners and builders installed cost-effective energy efficiency measures.

Energy efficient mortgages have been in existence for over a decade, however, many of these programs are difficult to understand, poorly advertised, and not widely used. To date, only 20,000 home applicants—out of the last 70 million—have been able to use existing energy efficient mortgage guidelines to add the cost of needed energy improvements to their first mortgage.

The fourth amendment, on behalf of myself, Senators FOWLER and WIRTH, is a second-degree amendment to that amendment to establish an energy-efficient mortgage pilot program and clarifies a definition in that energy-efficient mortgage pilot program by adding solar technologies to the list of eligible energy efficiency technologies. That is a second-degree amendment to the described third amendment.

This amendment recognizes the effectiveness of solar technologies—such as solar water heaters, photovoltaic assisted ventilation and cooling, and insulating glass and film—to conserve energy in buildings.

The Environmental Protection Agency has recently recognized solar energy technologies as demand-side management measures. An amendment by my distinguished colleague from Hawaii also seeks to recognize the importance of solar technologies in energy conservation by including solar-water heaters as eligible under DOE's Weatherization Assistance Program.

The five States chosen to participate in the energy efficient mortgage pilot program will serve as a model for other States seeking to provide energy efficient mortgages. I hope by expanding the provision to include solar technologies, even more homeowners will be able to take advantage of the financial and environmental benefits of energy efficient mortgages.

The next amendment, on behalf of myself, Senators WIRTH and WALLOP, assures competition in demand side management programs. Section 6301 currently requires State regulatory authorities to consider new standards to encourage utilities to undertake energy efficiency programs. This amendment would modify section 6301 so that the implementation of such new standards would assure that utility actions would not provide utilities with unfair competitive advantages over small businesses.

The amendment would also expand the report under subsection (b) to include an analysis by the Federal Trade Commission of the competitive impact of implementation of energy efficiency programs on small businesses engaged in similar lines of work.

Utility energy efficiency or demand-side management programs can have a very detrimental impact on small businesses engaged in similar lines of work. For example, utilities may initiate subsidized weatherization programs to supply and install insulation and storm windows. Such a utility program could push private-sector insulation and window small businesses out of business.

This amendment responds to this problem by requiring regulatory authorities to implement new standards to encourage utility energy efficiency programs in such a way as to assure that utilities don't unfairly compete with small businesses. For example, utilities can contract with small businesses to supply, install and service energy efficiency equipment instead of competing directly with small businesses.

In many areas where utilities have aggressive energy efficiency programs they have developed a mutually beneficial relationship with small businesses. The utilities provide the advertising and financing for energy efficiency programs, but contract the supply, installation and servicing of equipment with small businesses. It is a "win-win" situation because the potential energy efficiency market in this Nation is so large that it can provide plenty of work for both utilities and small businesses working in partnership.

This amendment was developed in cooperation with the Alliance for Fair Competition, a collection of national heating, plumbing, air-conditioning and electrical design, supply and installation contractor associations. The Alliance supports the amendment and supports title VI of S. 1220 as strong energy efficiency legislation.

Mr. President, title VI of S. 2166 would further develop this Nation's energy efficiency potential through enactment of a range of policies and programs. Subtitle C would promote energy efficiency by requiring State utility regulatory authorities to consider setting new utility standards that would encourage aggressive utility energy conservation programs.

However, whenever there are efforts to promote utility involvement in energy conservation there is one problem that arises—potential unfair competition between utilities and small businesses. Many small businesses are engaged in selling or servicing energy equipment such as furnaces, waterheaters or other residential appliances. Others are in the energy efficiency business, installing storm windows or thermal insulation. The problem arises if the local utility is authorized or directed by a State regulatory authority to enter these energy related markets. The effects on such small businesses can be devastating. A utility, afterall, is a regulated monopoly which has tremendous opportunities and resources with which to exploit such a market. While utilities can substantially increase energy efficiency in this Nation, care must be taken to assure that their programs are implemented in a way that supports, not destroys, small businesses.

Fortunately, utility energy efficiency programs don't have to be unfair to small businesses. The energy efficiency market potential in this Nation is large enough that utilities and small businesses need not be in competition, they can work together. In many jurisdictions where utilities have been authorized or directed to implement demand-side management programs, small businesses are protected from unfair utility competition by requiring those utilities to subcontract with small businesses whenever possible. For example, small businesses are usually available to supply, install and service energy efficient equipment. Utilities need not develop these businesses "in-house" and compete with existing small businesses. Such an arrangement creates new work for small businesses, and it allows utilities to concentrate on the marketing and financing of energy efficiency—these are areas in which small businesses are less effective than utilities.

Mr. President, this amendment to section 6301 of S. 2166 is designed and intended to protect small businesses from the kind of potential unfair competition I have described, and to encourage utilities to work in partnership with small businesses in developing the energy efficiency potential of this Nation.

This amendment would require that if a State utility regulatory authority implements a new standard to promote energy efficiency, as proposed under section 6301, then that authority is required to consider the impact of the implementation of that standard on small businesses which are engaged in similar lines of work. The amendment would further require that authority to implement such standard so as to assure that utility actions would not provide utilities with unfair competitive advantages over small businesses.

The implementation of a new standard consistent with this amendment is not intended to require the creation of any new administrative or regulatory process or procedure beyond those that currently exist. Instead, State regulatory authorities are encouraged to utilize their authority through existing processes and procedures, such as compliance procedures, competitive bidding for demand-side management resource procedures, and program design and review procedures, to ensure that demand-side management or other energy efficiency or energy conservation programs do not foster situations which result in unfair competition.

Finally, Mr. President, this amendment would require the Federal Trade Commission to conduct an analysis of the competitive impact of implementation of energy conservation, energy efficiency and other utility demand-side management programs on small businesses engaged in similar lines of work. The results of this analysis are to be reported to Congress as a part of the report made pursuant to subsection 6301(b).

It is intended that the term "competitive impact," as used in this amendment be construed broadly to mean overall, long-term impacts. There are examples of utility programs that may be construed as being anticompetitive but which, in fact, have a positive long-term impact on small business. For example, some utilities have energy audit programs or limited high efficiency light bulb give-away programs. While these programs offer services or products that small businesses could conceivably also provide, the long-term effect of these programs, and their intent, is to develop consumer awareness and to develop the energy efficiency market. Small businesses gain in the long run from this increased awareness as customers follow-up on the energy audits by undertaking the improvements identified in the audit, or as customers decide to purchase additional energy saving light bulbs or products. Again, the intent is to achieve the most effective energy efficiency programs through a partnership between utilities and small businesses—to expand the market so that small businesses can grow. Utility programs that promote long-term expansion of the energy efficiency market for small businesses are to be encouraged.

Mr. President, I am very pleased that the committee has been able to resolve this matter with the Alliance for Fair Competition, and I would particularly like to thank Mr. Anthony Ponticelli, Mr. Stanley Kolbe and Ms. Christy Day of the alliance for their contributions. The alliance is an association of several national associations representing businesses that supply, install and service, energy and energy efficiency equipment. Improving the Nation's energy efficiency represents a tremendous potential market to the members of the Alliance and I appreciate their recognition and support for S. 2166 as a strong energy efficiency bill. I ask unanimous consent that a copy of their letter of support for S. 2166 be placed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ALLIANCE FOR FAIR COMPETITION,
Bethesda, MD, October 14, 1991.

Mr. BEN COOPER,
Majority Staff Director, Senate Energy and Natural Resources Committee, Dirksen Senate Office Building, Washington, DC.

DEAR BEN: On behalf of the members of Alliance for Fair Competition (AFC), I wish to convey our most sincere gratitude for the timely response and diligent efforts of your staff, especially those of Allen Stayman, in resolving our problems with those portions of Title VI of S. 1220 dealing with PURPA reform and demand side management (DSM).

Because of the diligence of the staff, language has been devised which will accord small businesses in the energy contracting, servicing, and supply fields an opportunity, at the state level, to discuss and devise methods of implementing energy conservation plans which can avoid the harsh consequences of unfair competition.

With the changes agreed upon, AFC and its members believe that S. 1220 deserves consideration by the full Senate as soon as possible and we shall support those efforts designed to achieve that objective.

We recognize that The National Energy Security Act contains several highly controversial provisions. While AFC has no position on those sections of this legislation outside of those on which we have already commented, we can see no reason why resolution of the disputed sections of S. 1220 cannot be resolved on the Senate floor by amendment and compromise. Whatever the outcome might be with regard to the controversial portions, there is much that remains in the bill which should be enacted.

A comprehensive national energy policy is essential for the continuing security and economic future of America. Senators Johnston and Wallop are to be commended for their initiation and pursuit of legislation designed to achieve a balanced and comprehensive approach to our energy needs. We believe that the National Energy Security Act merits consideration now and that the American people deserve to have the full Senate debate and vote upon this proposal in the remaining weeks of this Session.

Sincerely,

TONY PONTICELLI,
Executive Director, AFC.

Mr. JOHNSTON. Mr. President, the next amendment, by myself, Senators WIRTH and WALLOP, provides for the periodic review of the Federal Building Energy Code.

The current provision of section 6101 of our bill regarding energy efficiency standards requires the Department of Energy to develop energy efficiency standards for Federal buildings that are technologically feasible and economically justified.

This clarifying amendment would require the Department to review these standards at least every 5 years and if significant national energy savings would result to upgrade the standards to include all new energy efficiency measures that are technologically feasible and economically justified.

This is a clarifying amendment. It is consistent with the intent of section 6101, which is to establish a Federal building energy code. The amendment would strengthen the current provision by assuring that the Department of Energy will regularly review, and if appropriate, update the Federal building energy code.

This amendment was suggested by the Alliance to Save Energy and the American Council for an Energy Efficient Economy and I am unaware of any opposition.

Mr. President, the next amendment on behalf of myself, and Senator AKAKA would add solar water heaters as an authorized low-income weatherization measure.

The amendment would add a new section to title VI of S. 2166. This section would amend the existing Low-Income Weatherization Program to authorize solar thermal water heaters as a weatherization measure which may be installed in a low-income household using a weatherization program grant.

In 1976, Congress established the Low-Income Weatherization Program which provides block grants to States which, in turn, provide grants to low-income households to install weatherization measures—insulation, caulking, storm windows, etc. These measures generally reduce energy consumption, and they also reduce the cost of energy in households where scarce money is needed for higher priorities.

This amendment was developed by the Senator from Hawaii, DANIEL AKAKA, because in the moderate climate of Hawaii, the traditional weatherization measures authorized under the program are inappropriate. An alternative use of these funds in moderate climates would be for the installation of solar thermal water heaters. Such heaters significantly reduce the demand for purchased energy, and thus meet the original program objectives of reducing energy demand and reducing utility costs.

ALLOWING THE USE OF SOLAR THERMAL WATER HEATERS UNDER THE LOW-INCOME WEATHERIZATION PROGRAM

Mr. AKAKA. Mr. President, under the Department of Energy's Weatherization Assistance Program, low-income households that face difficulty meeting high energy costs can receive assistance to improve the energy efficiency of their homes. Special emphasis is given to weatherizing the homes of the elderly and the handicapped under this program.

The amendment I have offered would add solar thermal water heaters to the list of weatherization technologies that can be funded under the Weatherization Program. Examples of the technologies currently funded under this program include furnace efficiency modifications, installation of energy efficient heat exchangers, replacement of leaky windows and doors, and water heater insulation. My amendment simply adds solar water heaters to this list.

Solar water heaters are not new technology. In fact, the effectiveness of solar water heaters was first demonstrated as early as the 18th century.

Nor are solar water heaters experimental. Over 30 companies manufacture solar water heating devices or their components. This activity is responsible for $65 million in sales annually.

Today, over 1 million American homes use solar equipment to heat water for household use. This is a technology with worldwide acceptance. In many Third World countries, solar collectors are the primary source of hot water.

As I have explained, solar water heaters are neither new, nor experimental. Years of experience has demonstrated they are an energy efficient and economical means of generating hot water for residential use.

About 25 percent of the energy used in homes each year is consumed by water heaters. This percentage varies from region to region throughout the country and tends to be considerably higher in the Sun Belt States. In Hawaii, for example, water heaters consume over 40 percent of the household energy budget.

Although the initial price of a solar hot water system is somewhat higher than conventional systems, life-cycle costs make solar systems very competitive. Typically, solar water heaters will pay for themselves within 6 to 8 years.

One of the most important concerns about potential weatherization technologies is the reliability of these energy systems; namely, will the proposed technology yield the energy savings promised and will the system have a useful life that allows the technology to pay for itself. These are valid considerations, since under the low-income weatherization program we want to encourage a wise investment of Federal dollars.

The Department of Energy should have no fears about the reliability of solar thermal water heater technology. A comprehensive certification process for these systems has been established by a consortium of organizations representing solar equipment manufacturers, State governments and utilities. With the assistance of the Department of Energy, the nonprofit Solar Ratings and Certification Corporation, or SRCC, was established to certify and rate the installation and performance of solar technology.

Fortunately, solar water heaters are among the systems that have been tested and certified by the SRCC. This certification process gives the Department of Energy an easily verifiable means of determining the reliability and performance characteristics of the equipment produced by the various manufacturers. The Department of energy and low-income households can rely on the certification process to accurately determine which solar water heating systems would yield meaningful energy savings and therefore should be utilized in the weatherization program.

Mr. President, given the many years of experience with this technology, and the high reliability of systems that have been certified by SRCC, their inclusion in the low-income weatherization program is long overdue. I urge the adoption of this amendment.

Mr. JOHNSTON. Mr. President, the next amendment on behalf of myself and Senator WIRTH would authorize the States to use Federal assistance for the development of building retrofit standards.

This amendment would add a new section to subtitle E of title VI of S. 2166. The new section would amend the existing State Energy Conservation Program [SECP].

First, it would authorize States to use Federal funds currently received through their SECP Program for the establishment and operation of State programs for the development of building retrofit—energy renovation—standards and regulations.

Second, the amendment would authorize the Department of Energy to provide technical assistance to the States to develop and implement such programs, including reports on programs in other States and model State laws and regulations.

In 1975, Congress established the State Energy Conservation Program [SECP] to provide grants to each of the States to develop and operate an energy office. Since that time, Congress has consistently increased the scope of activities which States may undertake using these funds. This increased flexibility was granted to accommodate changing energy policy opportunities, and to accommodate the diversity among the States in the needs and opportunities which they each face.

Any meaningful energy policy must address the building sector where roughly one-quarter of the Nation's energy is used. However, it is difficult to improve the efficiency of the building sector because of the slow rate of turnover in the Nation's building stock. The useful life of a building is measured in decades. Therefore, to compliment this bill's provisions to promote energy efficiency standards for new buildings, this amendment would encourage States to develop energy efficiency standards to apply during building renovations.

This program is voluntary. The amendment simply authorizes States to use Federal funds provided under the SECP Program to develop and implement an energy retrofit standards program, if the State wishes, and it authorizes DOE to provide technical assistance to the States.

This amendment was proposed by the American Council for an Energy Efficient Economy and the Alliance to Save Energy. I am unaware of any opposition.

Mr. President, the next amendment on behalf of myself, Senators MIKULSKI and SARBANES would study the energy efficiency potential of vibration reduction technologies.

This amendment would require the Secretary of Energy to study and submit a report to Congress on the energy efficiency potential and other benefits of certain noise and vibration technology.

Recent studies suggest that vibration-reduction technologies, based on the use of advanced microprocessors to cancel machinery vibrations, have substantial energy efficiency benefits. A study by DOE validating such savings would help to promote the commercialization of such technologies, and would therefore increase the Nation's overall energy efficiency.

Mr. President, the next amendment on behalf of myself and Senator WALLOP would provide for low-income participation in the development of State utility integrated resource plans.

This amendment would amend section 6302 to provide that the funds made available in grants to State regulatory authorities may be used to provide financial assistance to Low-Income Weatherization Program subgrantees in order to facilitate their participation in integrated resource planning proceedings.

The DOE Weatherization Program is the largest single direct Federal investment in residential energy conservation.

However, the State weatherization programs do not have the resources to participate in State regulatory commission proceedings to develop integrated resource planning.

In California, Montana, Wisconsin, and in the Pacific Northwest planning partnerships between regulatory commissions and weatherization programs have resulted in major utility investment in low-income residential energy efficiency improvements.

This amendment would promote such planning partnerships by authorizing State commissions to use funds received under these section 6302 grants for DOE program participation in the planning process.

Mr. President, I will offer these amendments en bloc, keeping in mind that the fourth discussed amendment was a second-degree amendment to the third discussed amendment, and if there is any confusion about that, I will further clarify it.

Mr. President, I submit those amendments and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. WALLOP. Mr. President, reserving the right to object, as I walk down through these things I did not hear but I am certain he did offer the Fowler second-degree to title VI, the energy efficiency. Was that a part of it?

Mr. JOHNSTON. Yes.

Mr. WALLOP. Mr. President, I shall not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question occurs on the amendments en bloc. Is there debate?

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. WIRTH. Mr. President, I want to take a moment to thank the Senator and the distinguished ranking minority member of the committee. This package represents, along with the other amendments that we will do later and what is in the bill, a sweeping energy efficiency commitment. I think it is enormously important.

We have all talked about this. Now we are getting down to it.

This is one of the major pieces of the bill, and Senator JOHNSTON has done a brilliant job in my opinion of working its way thorugh all of the thickets and land mines that are out there. I want to thank the Senator from Louisiana for doing such a good job. This really launches us into the 21st century in energy.

I thank the Chair.

Mr. JOHNSTON. Mr. President, I would be remiss if I did not denote the dominant role that the Senator from Colorado has played in this bill in effecting the energy efficiency and conservation provisions.

We discussed these provisions very quickly because now they have been agreed to after months, and months, and months of deep and efficient and very skilled work of the staff of the Energy Committee, and Senator WIRTH, and of others involved, but in particular Senator WIRTH who has led in this area.

It is safe to say, Mr. President, we would not have the very strong, farreaching, and effective provisions of this bill with respect to energy efficiency and conservation were it not for the energy of the Senator from Colorado.

In this area, the devil is in the details. The conservation and the efficiency are in the details because you do not paint with a broad brush for the most part when you are dealing with these provisions. But you have to deal with a mass of things which collectively are very effective, and collectively these provisions are very effective. But there sure is a lot of detail, and there sure was a lot of work. The Senator from Colorado deserves the substantial part of the credit, and I thank him for it.

The PRESIDING OFFICER. Is there further debate on the amendments? If not, without objection, amendments 1532 through 1542 are considered en bloc and agreed to.

The amendments (Nos. 1532 through 1542) were agreed to, as follows:

AMENDMENT NO. 1532

(Purpose: To conform title I with Clean Air Act language regarding phaseouts of chlorofluorocarbons)

On page 12, lines 9 through 14, delete subsection (c) and designate subsection (d) as subsection (c).

AMENDMENT NO. 1533

(Purpose: To clarify selection of joint venture projects under Public Law 101-218)

On page 83, line 24, amend section 5201 by inserting a new subsection (b) as follows, and redesignating subsections (b) and (c) as subsections (c) and (d) accordingly:

"(b) Section 6(d)(1) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (Public Law 101-218) is amended as follows:

(1) after the semicolon by deleting the word "or"; and

(2) by inserting after paragraph (B) a new paragraph (C) as follows: "; or (C) there is insufficient Federal funding to adequately fund each of the joint venture technologies as required under subsection (b)(1),"."

Amend page 84, line 19, by inserting a new paragraph (4) to read as follows:

"(4) By inserting after the word "shall" in paragraph (b)(5), the word "not"."

Amend page 87, line 22 by inserting a new subsection (d) as follows:

"(d) ADDITIONAL DUTIES OF JOINT VENTURE ADVISORY COMMITTEE.—Section (b)(3) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (Public Law 101-218) is amended by adding a new subparagraph as follows:

"(C) Not later than 18 months after the date of the enactment of the National Energy Security Act of 1991, the Advisory Committee shall provide the Secretary with a report assessing the implementation of the joint venture program under this section including specific recommendations for improvements or changes to the program and solicitation process."."

AMENDMENT NO. 1534

(Purpose: To provide for an energy efficient mortgage pilot program)

On page 117, after line 14, amend Section 6102 by adding the following new subsection (d):

"(d) ENERGY EFFICIENT MORTGAGE PILOT PROGRAM.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development and the Secretary of Veterans Affairs shall, within six months after the date of enactment of this Act, jointly establish an energy efficient mortgage pilot program in five States, to promote the purchase of new and existing energy efficient residential buildings and the installation of cost-effective improvements in existing residential buildings.

"(2) PILOT PROGRAM.—The pilot program established under this subsection shall include the following criteria, where applicable:

"(A) the lender shall originate an otherwise normal VA or FHA home loan;

"(B) the mortgagor's income and credit record is found to be satisfactory and his base loan application is approved; and

"(C) the cost of cost-effective energy efficiency improvements do not exceed five percent of the property value (not to exceed $8,000) or $4,000, whichever is greater.

"(3) ADDITIONAL.—When granting mortgages under the pilot program established pursuant to this subsection, the Secretary shall grant mortgagees the authority to:

"(A) permit the final loan amount to exceed the normal VA, FHA, loan limits by an amount not to exceed 100 percent of the cost of the cost-effective energy efficiency improvements, provided that the mortgagors request to add the cost of such improvements is received by the mortgagee prior to funding of the base loan;

"(B) hold in escrow all funds provided to the mortgagor to undertake the energy efficiency improvements until the efficiency improvements are actually installed; and

"(C) transfer or sell the energy efficient mortgage to the appropriate secondary market agency, after the mortgage is issued, but before the energy efficiency improvements are actually installed.

"(4) PROMOTION OF PILOT PROGRAM.—The Secretary of Housing and Urban Development and the Secretary of Veteran's Affairs shall encourage participation in the energy efficient mortgage pilot program by:

"(A) making available information to lending agencies and other appropriate authorities regarding the availability and benefits of energy efficient mortgages;

"(B) requiring mortgagees and designated lending authorities to provide written notice of the availability and benefits of the pilot program to mortgagors applying for financing in those States designated by the Secretary as participating under the pilot program; and

"(C) requiring all applicants for VA and FHA mortgages in those States participating under this pilot program to sign a statement stating that they have been informed of the program and understand the benefits of energy efficient mortgages.

"(5) TRAINING PROGRAM.—Not later than nine months after the enactment of this Act, the Secretary of Housing and Urban Development, in consultation with the Secretary of Veteran's Affairs and the Secretary of Energy, shall establish and implement a program for training personnel at relevant lending agencies, real estate companies, and other appropriate organizations regarding the benefits of energy efficient mortgages and the operation of the pilot program under this subsection.

"(6) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Housing and Urban Affairs and the Secretary of Veteran's Affairs shall prepare a report to the Congress describing the effectiveness and implementation of the energy efficient mortgage pilot program as described under this subsection, as well as an assessment of the potential for expanding the pilot program nationwide.

"(7) EXTENSION OF PROGRAM.—Not later than two years after the date of the implementation of the Energy Efficient Mortgage Pilot Program, the Secretary of Housing and Urban Development and the Secretary of Veteran's Affairs shall extend the pilot program nationwide unless the Secretaries can demonstrate to Congress that such an extension would not be practicable.

"(8) DEFINITIONS.—As used in this subsection the term—

"(1) 'energy efficient mortgage' means a mortgage on a residential property that recognizes the energy savings of a home that has cost-effective energy saving construction or improvements and that has the effect of not disqualifying a borrower who, but for the expenditures on energy saving construction or improvements, would otherwise have qualified for a base loan;

"(2) 'cost-effective' means those energy efficiency improvements to an attached or unattached single family residence that will produce an immediate and quantifiable positive cash flow and will result in monthly energy savings greater than the resulting increase in the monthly loan payment when 100 percent of the cost of improvements is added to the base loan;

"(3) 'base loan' means any FHA or VA loan that does not include the cost of cost-effective energy improvements; and

"(4) 'residential buildings' means any attached or unattached single family residence.".

AMENDMENT NO. 1535

(Purpose: To amend the amendment which provides for an energy efficient mortgage program to include solar technologies)

Amend the amendment which provides for an energy efficient mortgage program by inserting the following text in the first definition, in subparagraph (d)(8)(1), after the phrase, "recognizes the energy savings of a home that has cost-effective energy saving construction or improvements": "(including solar water heaters, solar-assisted air conditioners and ventilators, super-insulation, and insulating glass and film)"

AMENDMENT NO. 1536

(Purpose: To assure competition in demand side management programs)

On page 159, after line 9, redesignate subsections (b) and (c) as subsections (c) and (d), respectively, and add the following new subsection:

"(b) The Public Utility Regulatory Policies Act of 1978 is further amended by inserting the following new paragraph at the end of subsection 111(c):

"'(3) If a State regulatory authority implements a standard established by subsection (d)(7), such authority shall (A) consider the impact that implementation of such standard would have on small businesses engaged in the design, sale, supply, installation or servicing of energy conservation, energy efficiency or other demand side management measures, and (B) implement such standard so as to assure that utility actions would not provide such utilities with unfair competitive advantages over such small businesses.'"; and

On page 160, after line 8, insert the following new paragraph:

"(4) an analysis by the Federal Trade Commission of the competitive impact of implementation of energy conservation, energy efficiency and other demand side management programs by utilities on small businesses engaged in the design, sale, supply, installation or servicing of similar energy conservation, energy efficiency or other demand side management measures and whether any unfair, deceptive or predatory acts or practices exist, or are likely to exist, from implementation of such programs.".

AMENDMENT NO. 1537

(Purpose: To provide for periodic review of the Federal building energy code)

On page 109, after line 2, insert the following new subsection (d) and reletter the existing subsection (d) as (e).

"(d) The Secretary shall periodically, but no less than once every five years, review the Federal building energy code and shall, if significant energy savings would result, upgrade such code to include all new energy efficiency measures that are technologically feasible and economically justified."

AMENDMENT NO. 1538

(Purpose: To add solar water heaters to the list of authorized Low Income Weatherization measures)

On page 176, lines 22, insert the following new section:

"SEC. 6508. USE OF SOLAR THERMAL WATER HEATERS FOR LOW INCOME WEATHERIZATION.—Section 412(9)(e) of the Energy Conservation and Production Act (42 U.S.C. 6862(9)(E)) is amended by inserting a new clause as follows and relettering accordingly: 'solar thermal water heaters'."

AMENDMENT NO. 1539

(Purpose: To authorize States to the Federal assistance for the development of building retrofit standards)

Amend subtitle E of title VI by adding a new section as follows:

"SEC. 6508. BUILDING RETROFIT STANDARDS.—(a) Section 462(d) of the Energy Policy and Conservation Act (42 U.S.C. 6322) is amended by renumbering paragraph (13) as paragraph (14) and inserting before the "; and" in paragraph (12) a new paragraph (13) as follows:

"(13) programs for the development of building retrofit standards and regulations, including retrofit ordinances enforced at the time of the sale of the building;"

"(b) Section 363 of the Energy Policy and Conservation Act (42 U.S.C. 6323) is amended by adding a new subsection (f) as follows:

"(f) Technical assistance pursuant to subsection (a) may include: (i) reports on experience with existing retrofit programs; and (ii) model State laws and proposed regulations relating to the development of building retrofit standards and regulations, including retrofit ordinances."

AMENDMENT NO. 1540

(Purpose: To study the energy efficiency potential of vibration reduction technologies)

On page 144, after line 17, add the following new section:

"SEC. . VIBRATION TECHNOLOGY STUDY.—(a) The Secretary of Energy shall, in consultation with the appropriate industry representatives, conduct a study to assess the cost-effectiveness, technical performance, energy efficiency, and environmental impacts of active noise and vibration cancellation technologies that use fast adapting algorithms.

(b) In carrying out such study, the Secretary shall—

(1) estimate the potential for conserving energy and the economic and environmental benefits that may result from implementing active noise and vibration abatement technologies in demand-side management; and

(2) evaluate the cost effectiveness of active noise and vibration cancellation technologies as compared to other alternatives for reducing noise and vibration.

(c) The Secretary shall transmit to the Congress, within 12 months after the date of the enactment of this Act, a report containing the findings and conclusions of the study carried out under this subsection.

(d) The Secretary may, based on the findings and conclusions of such study, carry out at least one project designed to demonstrate the commercial application of active noise and vibration cancellation technologies using fast adapting algorithms in products or equipment with a significant potential for increased energy efficiency.

AMENDMENT NO. 1541

(Purpose: To provide for low-income participation in the development of State utility integrated resource plans (IRP's)

Amend section 6302 on page 161,

(1) by adding at the end of line 5, "Such grants may be utilized by a State regulatory authority to provide financial assistance to subgrantees of the Department of Energy's Weatherization Assistance Program to facilitate participation by such subgrantees in proceedings of such regulatory authority to examine least-cost planning."; and

(2) by adding at the end of line 10, "Such actions—

"(1) shall include procedures to facilitate the participation of subgrantees of the Department of Energy's Weatherization Assistance Program in proceedings of such regulatory authority to examine least-cost planning, and

"(2) may include provision for utility coverage of the costs of such subgrantees participation in such proceedings.".

AMENDMENT NO. 1542

(Purpose: To strike the section exempting Federal Energy Regulatory Commission meetings from the Government in the Sunshine Act)

On page 303, strike line 15 and all that follows through line 21.

Mr. WIRTH. Mr. President, I move to reconsider the vote by which the amendments en bloc were agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NUMBERED 1543, 1544, 1545, AND 1548 EN BLOC

Mr. JOHNSTON. Mr. President, next I want to submit a package of four amendments by Senator GLENN which I ask to consider en bloc along with cosponsors, Senators KOHL, FOWLER, LAUTENBERG, COHEN, SEYMOUR, GRASSLEY, LEVIN, DODD, WIRTH, and myself. These have been discussed on yesterday.

The first Glenn amendment would expand the management plan under Public Law 101-218.

The second amendment by Senator GLENN would amend title 4(a) regarding Federal fleets.

The third amendment, to improve Federal Government energy efficiency, contains a second-degree amendment by Senator KOHL, also discussed yesterday, to increase the authorization of the Federal energy management fund; a second-degree amendment by Senator KASTEN to encourage Federal agency participation in the Green Lights Program; a third second-degree amendment on behalf of Senators GLENN and WIRTH would facilitate the use of shared energy savings contracts by Federal agencies. This was also discussed at length yesterday.

The fourth Glenn amendment would allow the GSA into refueling agreements with private refueling facilities.

As I say, Mr. President, these amendments were submitted and held at the desk yesterday and discussed.

Mr. President, I have copies of these four amendments, and I now submit them and ask unanimous consent that these amendments along with the second-degree amendments as described be considered en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. WALLOP. Mr. President, I will not object, but I will observe that the chairman and the ranking member have worked pretty hard, with the Senator from Colorado in particular, on numbers of his conservation procedures.

I would also observe that the cooperation has been not so forthcoming in the other direction. I hope maybe as we go on through these things that we might find that there is a little work coming in this direction as well.

But I will not stand in the way of these four amendments.

Mr. WIRTH. Mr. President, reserving the right to object, and I shall not object, I have two questions that I would want to propound as part of my reservation, if I might.

First, it is my understanding that included in the four amendments offered by the Senator from Louisiana is the amendment that we have worked out on energy performance contracts as a result of a colloquy of the day before yesterday with Senator GLENN to make sure that we are dealing with all of the various contractual requirements with GSA.

Mr. JOHNSTON. That is correct. There is a Glenn-Wirth second-degree amendment to facilitate the use of shared energy savings contracts by Federal agencies.

Mr. WIRTH. If I might ask unanimous consent that Senator DURENBERGER be added as a cosponsor of that amendment, and that a statement by Senator DURENBERGER be included in the RECORD at the appropriate point.

The PRESIDING OFFICER. Before acting on that——

Mr. WIRTH. Further reserving the right to object, if I might.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that is pending as stated by the Senator from Louisiana?

The Senator from Colorado is recognized.

Mr. WIRTH. Parliamentary inquiry, Mr. President.

Is it appropriate now to ask unanimous consent that Senator DURENBERGER be included as a cosponsor and a statement be included in the RECORD at the appropriate point?

The PRESIDING OFFICER. The Chair advises the Senator that the correct procedure is to complete action on the pending unanimous-consent request, and then we can entertain additional unanimous-consent requests.

Mr. WIRTH. If I might then, Mr. President, I would like to make sure I understand the statement made by the Senator from Wyoming. I had thanked the distinguished chairman of the committee and the distinguished ranking Republican member for their cooperation. I was not quite sure what the Senator from Wyoming was referring to. I wanted to, if I might, get an understanding of that. Maybe I missed the point made by the Senator from Wyoming.

Mr. WALLOP. Mr. President, I would be happy to explain the details to the Senator. I appreciated his thanks to both me and the Senator from Louisiana on the other thing.

I am simply saying that there are lots of what we have already done on this bill, speaking in particular reference to the amendment upon which we voted today, in which it seems that all the give is in the direction of the Senator from Colorado, and I am trying to urge him to give in our direction a little bit on some other things, and I will explain the details.

Mr. WIRTH. I look forward to hearing about that. This has been a cooperative venture, and I appreciate the help of the leadership of the committee on both sides.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the four amendments, with the three second-degree amendments, that were sent to the desk.

The amendments (Nos. 1543, 1544, 1545, 1546, 1547, 1548, and 1549) were agreed to en bloc.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The amendments, agreed to en bloc, are as follows:

AMENDMENT NO. 1543

(Purpose: Expand the Management Plan required under P.L. 101-218)

On page 87, line 22, amend section 5201 of subtitle B of title V by inserting at the end thereof the following new subsection (d):

"(d) NATIONAL RENEWABLE ENERGY AND ENERGY EFFICIENCY MANAGEMENT PLAN.—Section 9(b) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (Public Law 101-218) is amended:

"(A) in paragraph (1) by inserting "three-year" before "management plan"; and

"(B) by deleting paragraph (5) and inserting the following new paragraphs (5) and (6) in lieu thereof:

"(5) In addition, the Plan shall—

"(A) contain a detailed assessment of program needs, objectives, and priorities for each of the programs authorized under sections 4, 5, and 6 of this Act;

"(B) use a uniform prioritization methodology to facilitate cost-benefit analyses of proposals in various program areas;

"(C) establish milestones for setting forth specific technology transfer activities under each program area;

"(D) include annual and five-year cost estimates for individual programs under this Act;

"(E) identify program areas for which funding levels have been changed from the previous year's Plan.

"(6) Within one year after the date of the enactment of this paragraph, the Secretary shall submit a revised management plan under this section to Congress. Thereafter, the Secretary shall submit a management plan every three years at the time of submittal of the President's annual budget submission to the Congress.".

Mr. JOHNSTON. Mr. President, this amendment expands the requirements of the Department of Energy in their development of a management plan for renewable energy and energy efficiency technologies to include detailed program review, annual 5-year cost-benefit analyses, and the establishment of technology transfer milestones.

This amendment is based on language in S. 1040 as introduced by Senator GLENN and provides directions to the Department in carrying out the provisions of the renewable energy and energy efficiency management plan. The management plan is an important indicator of what is expected from private sector parties who wish to become participants in the Department's joint venture program.

The Department is currently engaged in various types of collaborative research and development efforts under the Federal Nonnuclear Research and Development Policy Act of 1974 and other existing laws. This amendment further clarifies the duties and purposes of these efforts as well as develop specific timetables for review of the programs under the act.

AMENDMENT NO. 1544

(Purpose: Amendments to title IV Subtitle A)

Amend page 9, line 23, by deleting the word "and", and on line 25 by inserting a new subsection (16) before the period as follows: "; and (16) encourage the Federal government to play a lead role in the widespread commercialization of alternative fuel vehicles.".

Amend page 18, section 4101 by adding the following new definitions (1) and (4) and renumbering the existing definitions accordingly:

"(1) "Administrator" means the Administrator of the General Services Administration;

"(4) "comparable conventionally fueled vehicle" means a commercially available vehicle powered by an internal combustion engine that utilizes gasoline or diesel fuel as its fuel source and provides passenger capacity or payload capacity comparable or similar to an alternative fuel vehicle as determined by the Secretary.".

Amend page 21, line 15, by inserting the following new subsection (b) and redesignating subsequent subsections accordingly:

"(b) PROGRAM CRITERIA.—The Secretary, the Administrator, in consultation with the head of each Federal agency, shall consider the following criteria in the procurement and placement of alternative fuel vehicles:

"(1) the procurement plans of State and local governments and other public and private institutions;

"(2) the current and future availability of refueling and repair facilities;

"(3) the reduction in emissions of the Federal motor vehicle fleet;

"(4) whether the vehicle is to be used in a nonattainment area as specified in the Clean Air Act of 1990;

"(5) the needs of Federal, State, and local agencies; and

"(6) the contribution to the reduction in the consumption of oil in the transportation sector.

Amend page 46, line 21, by inserting the following new subsection (g) and redesignating subsequent subsections accordingly:

"(g) ACQUISITION REQUIREMENT.—Federal agencies, to the extent practicable, shall obtain alternative fuel vehicles form original equipment manufacturers.".

Amend page 26, line 17, by deleting "4102, 4103," and inserting in lieu thereof "4103".

Amend page 29, by redesignating sections 4110 and 4111 as sections 4118 and 4119 respectively and inserting on page 29, after line 19, the following new sections 4110, 4111, 4112, 4113, 4114, 4115, 4116, and 4117:

"SEC. 4110. RESALE OF ALTERNATIVE FUEL VEHICLES.

(a) Not less than three years from the date of purchase, the Administrator may resell any alternative fuel passenger automobile purchased pursuant to this subtitle. For purposes of this subsection, a "passenger automobile" means any passenger automobile as defined in section 501(2) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001(2).

"(b) Not less than six years, or 60,000 miles from the date of purchase, the Administrator may resell any alternative fuel light truck purchased pursuant to this subtitle. For purposes of this subsection, a "light truck" means any light truck as defined in section 501(15) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001(15).

"(c) The Administrator may resell or dispose of an alternative fuel passenger automobile or light truck at an earlier date if such vehicle is damaged in an accident, or if the Administrator determines selling such alternative fuel passenger automobile or light truck is in the best interests of the Federal alternative fuel vehicle program.

"(d) The Administrator shall take all feasible steps to ensure that all alternative fuel vehicles sold under the provisions in (a) and (b) of this section shall remain alternative vehicles at time of sale.

"SEC. 4111. FEDERAL AGENCY PROMOTION, EDUCATION, AND COORDINATION.

(a) Promotion and Education.—The Administrator shall institute a program to promote programs and educate officials and employees of Federal agencies on the merits of alternative fuel vehicles. The Administrator shall provide and disseminate information to Federal agencies on the:

"(1) location of refueling and maintenance facilities available to alternative fuel vehicles in the Federal fleet;

"(2) range and performance capabilities of alternative fuel vehicles;

"(3) State and local government and commercial alternative fuel vehicle programs;

"(4) Federal alternative fuel vehicle purchases and placements;

"(5) operation and maintenance of alternative fuel vehicles in accordance with the manufacturer's standards and recommendations; and

"(6) incentive programs established pursuant to sections 4112 and 4113 of this Act.

"(b) Assistance in Procurement and Placement.—The Administrator shall provide guidance, coordination and technical assistance to Federal agencies in the procurement and geographic location of alternative fuel vehicles purchased through the Administrator. The procurement and geographic location of such vehicles shall comply with the purchase requirements under section 4102 of this Act.

"(c) Intergovernmental Coordination.—The Administrator shall identify other Federal, State, and local effort to promote and use alternative fuel vehicles. To the maximum extent practicable, the Administrator shall coordinate Federal alternative fuel vehicle procurement, placement, refueling and maintenance programs with those at the State and local level.

"SEC. 4112. AGENCY INCENTIVES PROGRAM.

"(a) Reduction in Rates.—To encourage and promote use of alternative fuel vehicles in Federal agencies, the Administrator may offer a five percent reduction in fees charged to agencies for the lease of alternative fuel vehicles below those fees charged for the lease of comparable conventionally fueled vehicles.

"(b) Federal Employee Pooling and Driver Program.—Notwithstanding the provisions of section 1344(a) of title 31, United States Code, Federal agencies may authorize Federal employees to use alternative fuel vehicles from their residence to their place of employment for purposes of:

"(1) Federal employee carpooling of not less than four Federal employees for each trip; and

"(2) refueling and maintenance, if the Federal agency head, or the designee of the agency head, determines that such services are not convenient to the location of place of employment.

"SEC. 4113. RECOGNITION AND INCENTIVE AWARDS PROGRAM.

"(a) Awards Program.—The Administrator shall establish an annual cash awards program to recognize those employees of the General Services Administration and other Federal agencies who demonstrate the strongest commitment to the use of alternative fuels and fuel conservation in Federal motor vehicles.

"(b) Criteria for General Services Administration Employees.—The Administrator shall provide annual cash awards of not more than $2,000 each to three General Services Administration employees who best demonstrate a commitment:

"(1) to the success of the Federal alternative fuels vehicle program through—

"(A) exemplary promotion of alternative fuel vehicle use within the General Services Administration and other Federal agencies;

"(B) proper alternative fuel vehicle care and maintenance;

"(C) coordination with Federal, State, and local efforts;

"(D) innovative alternative fuel vehicle procurement, refueling and maintenance arrangements with commercial entities; and

"(2) to fuel efficiency in Federal motor vehicle use through the promotion of such measures as increased use of fuel-efficient vehicles, carpooling, ride-sharing, regular maintenance and other conservation and awareness measures.

"(c) Limitations on Awards.—The three awards under paragraph (b) shall be awarded to three different employees each year. No employee may win a cash award in more than two consecutive years.

"(d) Award to Regional General Services Administration Employees.—(1) In each standard Federal region where the General Services Administration operates alternative fuel vehicles, the Administrator shall offer two annual cash awards of not more than $1,000 to the regional General Services Administration employees who meet the criteria under paragraph (b).

"(2) Employees who receive an award under section (b) may not receive an award under this section in the same fiscal year. No more than two awards shall be awarded under this subsection in each region in any fiscal year.

"(e) Award to Federal Agency Employees.—In each region where the General Services Administration operates alternative fuel vehicles, the Administrator shall provide one annual $2,000 cash award to the Federal employee (other than an employee of the General Services Administration) who demonstrates the greatest interest and commitment to alternative fuel vehicles by—

"(1) making regular requests for alternative fuel vehicles for agency use;

"(2) maintaining a high number of alternative fuel vehicles used relative to comparable conventionally fueled vehicles used;

"(3) promoting alternative fuel vehicle use by agency personnel; and

"(4) demonstrating care and attention to alternative fuel vehicles.

"(f) Authorization of Appropriations.—There are authorized to be appropriated $25,000 in fiscal year 1992, $35,000 in fiscal year 1993, and $45,000 in fiscal year 1994 to carry out the purposes of this section.

"SEC. 4114. MEASUREMENT OF ALTERNATIVE FUEL USE.

The Administrator shall use such means as may be necessary to measure the percentage of alternative fuel use in flexi-fueled vehicles procured by the Administrator.

"SEC. 4115. INFORMATION COLLECTION.

The Secretary, in consultation with the Administrator, shall determine a representative sample of alternative fuel vehicles in the Federal fleet. Such a sample shall be sufficient to address at a minimum—

"(1) the performance of such vehicles, including performance in cold weather and at high altitudes;

"(2) the fuel economy, safety, and emissions of such vehicles; and

"(3) a comparison of the operation and maintenance costs of such vehicles to the operation and maintenance costs of other passenger vehicles and light duty trucks.

"SEC. 4116. GENERAL SERVICES ADMINISTRATION REPORT.

Not later than one year after the date of the enactment of this Act, and annually thereafter, the Administrator shall report to the Congress on the General Services Administration's alternative fuel vehicle program under this Act. The report shall contain information on—

"(1) the number and type of alternative fuel vehicles procured;

"(2) the location of alternative fuel vehicles by standard Federal region;

"(3) the total number of alternative fuel vehicles used by each Federal agency;

"(4) arrangements with commercial entities for refueling and maintenance of alternative fuel vehicles;

"(5) future alternative fuel vehicle procurement and placement strategy;

"(6) the difference in cost between the purchase, maintenance and operation of alternative fuel vehicles and the purchase, maintenance, and operation of comparable conventionally fueled vehicles;

"(7) coordination among Federal, State, and local governments for alternative fuel vehicle procurement and placement;

"(8) the percentage of alternative fuel use in flexi-fueled vehicles procured by the Administrator as measured under section 4114;

"(9) a description of the representative sample of alternative fuel vehicles as determined under section 4115; and

"(10) award recipients under this subtitle.

"SEC. 4117. UNITED STATES POSTAL SERVICE REPORT.

Not later than one year after the date of the enactment of this Act, and annually thereafter, the Postmaster General shall submit a report to the Congress on the Postal Service's alternative fuel vehicle program. The report shall contain information on—

"(1) the total number and type of alternative fuel vehicles procured prior to the date of the enactment of this Act (first report only);

"(2) the number and type of alternative fuel vehicles procured in the preceding year;

"(3) the location of alternative fuel vehicles by region;

"(4) arrangements with commercial entities for purposes of refueling and maintenance;

"(5) future alternative fuel procurement and placement strategy;

"(6) the difference in cost between the purchase, maintenance and operation of alternative fuel vehicles and the purchase, maintenance, and operation of comparable conventionally fueled vehicles;

"(7) the percentage of alternative fuel use in flexi-fueled vehicles procured by the Postmaster General;

"(8) promotions and incentives to encourage the use of alternative fuels in flexi-fueled vehicles; and

"(9) an assessment of the program's relative success and policy recommendations for strengthening the program.".

TECHNICAL AND CONFORMING AMENDMENT.—On page 2, delete items 4110 and 4111, and add the following items in lieu thereof:

"Sec. 4110. Resale of Alternative Fuel Vehicles.
"Sec. 4111. Federal Agency Promotion, Education, and Coordination.
"Sec. 4112. Agency Incentives Program.
"Sec. 4113. Recognition and Incentive Awards Program.
"Sec. 4114. Measurement of Alternative Fuel Use.
"Sec. 4115. Information Collection.
"Sec. 4116. General Services Administration Report.
"Sec. 4117. United States Postal Service Report.
"Sec. 4118. Enforcement.
"Sec. 4119. Implementation.".

Mr. JOHNSTON. Mr. President, this amendment:

Establishes program criteria for the procurement and placement of alternative fuel vehicles;

Directs Federal agencies to obtain alternative fuel vehicles from original equipment manufacturers, whenever practical;

Provides guidelines for the resale of alternative fuel vehicles and light trucks;

Establishes educational and incentive programs for officials and employees of Federal agencies to promote the merits and procurement of alternative fuel vehicles; and

Requires reports from GSA and the Postal Service as to the rate of participation in the Federal fleet program and the costs of maintaining such a fleet.

AMENDMENT NO. 1545

(Purpose: To improve Federal Government energy efficiency)

Beginning on page 144, line 19, strike the text of subtitle B of Title VI, and insert the following in lieu thereof.

SEC. 6201. DEFINITIONS.

For purpose of this subtitle—

(1) the term "agency" means an Executive agency as defined under section 105 of title 5, United States Code, any agency of the judicial branch of Government;

(2) the term "facility energy supervisor" means the employee with responsibility for the daily operations of a Federal facility, including the management, installation, operation and maintenance of energy systems in Federal facilities which may include more than one building;

(3) the term "trained energy manager" means a person who has demonstrated proficiency, or who has completed a course of study in the areas of the fundamentals of building energy systems; building energy costs and applicable professionals standards; energy accounting and analysis; life-cycle cost methodology; fuel supply and pricing; and instrumentation for energy surveys and audits; and

(4) the term "Task Force" means the Interagency Energy Management Task Force established under section 547 of the National Energy Conservation Policy Act (42 U.S.C. 8257).

SEC. 6202. FEDERAL ENERGY COST ACCOUNTING AND MANAGEMENT.

(a) GUIDELINES.—Not later than 120 days after the date of the enactment of this Act, the Office of Management and Budget, in cooperation with the Secretary, the General Services Administration, and the Department of Defense, shall establish guidelines to be employed by each Federal agency to assess accurate energy consumption for all buildings or facilities which the agency owns, operates, manages or leases, where the Government pays utilities separate from the lease and the Government operates the leased space. Such guidelines are to be used in reporting quarterly and annual energy consumption and energy cost figures as required under section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253). Each agency shall implement such guidelines no later than 120 days after their establishment. Each facility energy manager shall maintain energy consumption and energy cost records for review by the Inspector General, Congress and the general public.

(b) CONTENTS OF GUILDELINES.—Such guidelines shall include the establishment of a monitoring system to determine—

(1) which facilities are the most costly to operate when measured on an energy consumption per square foot basis or other relevant analytical basis;

(2) unusual or abnormal changes in energy consumption; and

(3) the accuracy of utility charges for electric and gas consumption.

(c) FEDERALLY LEASED SPACE ENERGY REPORTING REQUIREMENT.—Not later than December 31, 1992, and on each December 31 thereafter, the Administrator of General Services shall report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate and the House of Representatives on the estimated energy cost of leased buildings or space in which the Federal Government does not directly pay the utility bills.

(d) POSTAL SERVICE.—The United States Postal Service shall adopt regulations to ensure the reliable and accurate accounting of energy consumption costs for all buildings or facilities which it owns, leases, operates or manages. The regulations shall include establishing a monitoring system to determine which facilities are the most costly to operate; identify unusual or abnormal changes in energy consumption; and check the accuracy of utility charges for electricity and gas consumption.

SEC. 6203. FEDERAL ENERGY COST BUDGETING.

The President shall include in each budget submitted to the Congress under section 1105 of title 31, United States Code, a separate statement of the amount of appropriations requested, on an agency basis, for—

(1) energy costs to be incurred in operating and maintaining agency facilities; and

(2) compliance with the provisions of part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.), the Energy Policy and Conservation Act, and applicable Executive orders, including Executive Orders No. 12003 and No. 12579.

SEC. 6204. INSPECTOR GENERAL REVIEW AND AGENCY ACCOUNTABILITY.

(a) AUDIT SURVEY.—Not later than 120 days after the date of the enactment of this Act, each Inspector General created to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed in section 11(2) of the Inspector General Act of 1978 (5. U.S.C. App.) as amended, and the Chief Postal Inspector of the United States Postal Service, in accordance with section 8E(f)(1) as established by section 8E.(a)(2) of the Inspector General Act Amendments of 1988 (PL 100-504) shall—

(1) identify agency compliance activities to meet the requirements of such section and any other matters relevant to implementing the goals of the National Energy Conservation Policy Act; and

(2) assess the accuracy and reliability of energy consumption and energy cost figures required under section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) PRESIDENT'S COUNCIL ON INTEGRITY AND EFFICIENCY REPORT TO CONGRESS.—Not later than 150 days after the date of the enactment of this Act, the President's Council on Integrity and Efficiency shall submit a report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate, and the House of Representatives, on the review conducted by each Inspector General of each agency carried out under this section.

(c) INSPECTOR GENERAL REVIEW.—Each Inspector General established under section 2 of the Inspector General Act of 1978 (5 U.S.C. App.) is encouraged to conduct periodic reviews of agency compliance with the National Energy Conservation Policy Act, the provisions of this subtitle, and other laws relating to energy consumption. Such reviews shall not be inconsistent with the performance of the required duties of the Inspector General's office.

SEC. 6205. INTERGOVERNMENTAL ENERGY MANAGEMENT PLANNING AND COORDINATION.

(a) CONFERENCE WORKSHOPS.—The General Services Administration, in consultation with the Secretary and the Task Force, shall hold regular, biennial conference workshops in each of the 10 standard Federal regions on energy management, conservation, efficiency, and planning strategy. The General Service Administration shall work and consult with other Federal agencies to plan for particular regional conferences. The General Services Administration shall invite State, local, and county public officials who have responsibilities for energy management or may have an interest in such conferences and shall seek the input of, and be responsive to, the views of such State, local and county officials in the planning and organization of such workshops.

(b) FOCUS OF WORKSHOPS.—Such workshops and conferences shall focus on the following, but may include other topics:

(1) developing strategies among Federal, State, and local governments to coordinate energy management policies and to maximize available intergovernmental energy management resources within the region;

(2) the design, construction, maintenance, and retrofitting of Federal facilities to incorporate energy efficient techniques;

(3) procurement and use of energy efficient products;

(4) alternative fuel vehicle procurement, placement, and usage;

(5) coordinated development with the private sector for the servicing, refueling, and maintenance of alternative fuel vehicles;

(6) dissemination of information on innovative programs, technologies, and methods which have proven successful in government; and

(7) technical assistance to design and incorporate effective energy management strategies.

(c) ESTABLISHMENT OF WORKSHOP TIMETABLE.—As a part of the first report to be submitted pursuant to section 6214 of this Act, the Administrator shall set forth the schedule for the Regional Energy Management Workshops. Not less than five workshops shall be held by September 30, 1993, and at least one such workshop shall be held in each of the 10 Federal regions every two years beginning on September 30, 1993.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $300,000 for each of fiscal years 1993, 1994, and 1995 to carry out the purpose of this section.

SEC. 6206. PROCUREMENT AND IDENTIFICATION OF ENERGY EFFICIENT PRODUCTS.

(a) PROCUREMENT.—The General Services Administration, in consultation with the Department of Defense and the Defense Logistics Agency, shall undertake a program to include energy efficient products on the Federal Supply Schedule and the New Item Introductory Schedule.

(b) IDENTIFICATION PROGRAM.—The General Services Administration, in consultation with the Department of Energy and the Defense Logistics Agency, shall implement a program to identify and designate on its respective Supply Schedules those energy efficient products which offer significant potential savings, as calculated using the life cycle cost methods and procedures developed under section 544 of the National Energy Conservation Policy Act (42 U.S.C. 8254), unless such life cycle cost information is not readily available.

(c) GUIDELINES.—The Office of Federal Procurement Policy, in consultation with the General Services Administration, the Department of Energy, and the Department of Defense, shall issue guidelines to encourage the acquisition and use by all Federal agencies of products identified pursuant to this section. The Department of Defense and the Defense Logistics Agency shall consider, and place emphasis on, the acquisition of such products as part of the Agency's ongoing review of military specifications.

(d) UNITED STATES POSTAL SERVICE GUIDANCE.—The USPS shall undertake a program to identify and procure energy efficient products for use in its facilities. The USPS shall, to the maximum extent practicable, incorporate energy efficient information available on Federal Supply Schedules maintained by GSA and DLA to carry out the purpose of this section.

(e) REPORT TO CONGRESS.—As a part of the report to be submitted pursuant to Section 6214 of this Act, the Administrator of General Services, in consultation with the Defense Logistics Agency and the Department of Energy, shall report on the progress, status, activities, and results of the programs under subsections (b) and (c) of this section. The report shall include, but not be limited to—

(1) the number, types, and functions of each new product under subsection (a) added to the Federal Supply Schedule and the New Item Introductory Schedule during the previous fiscal year, and the name of the product manufacturer;

(2) the number, types, and functions of each product identified under subsection (b), and efforts undertaken by the General Services Administration and the Defense Logistics Agency to encourage the acquisition and use of such products;

(3) the actions taken by the General Services Administration and the Defense Logistics Agency to identify products under subsection (b), the barriers which inhibit implementation of identification of such products, and recommendations for legislative action, if necessary;

(4) whether energy cost savings technologies identified by the Advanced Building Technology Council, under section 809(h) of the National Housing Act (12 U.S.C. 1701j-2), have been added to the Federal Supply Schedule or New Item Introductory Schedule;

(5) an estimate of the potential cost savings to agencies and the Federal Government, taking into account the quantity of energy efficient products which could be utilized throughout the Government, that would be realized through implementation or installation of products identified in this section; and

(6) the actual quantity of such products acquired and an estimate of the energy savings achieved by the use of such products.

SEC. 6207. GENERAL SERVICES ADMINISTRATION FEDERAL BUILDINGS FUND.

Section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), is amended—

(1) in paragraph (1), by inserting "(to be known as the Federal Buildings Fund)" after "a fund"; and

(2) by adding at the end thereof the following new paragraphs:

"(7)(A) The Administrator is authorized to receive amounts from rebates or other cash incentives related to energy savings and shall deposit such amounts in the Federal Buildings Fund for use as provided in subparagraph (D). Amounts deposited in the Federal Buildings Funds under this subparagraph shall be used to implement energy efficiency programs.

"(B) The Administrator may accept such goods or services, consistent with approved Federal energy management objectives, provided in lieu of any rebates or other cash incentives for energy savings under subparagraph (A).

"(C) In the administration of any real property for which the Administrator leases and pays utility costs, the Administrator may assign all or a portion of energy rebates to the lessor to underwrite the costs incurred in undertaking energy efficiency improvements in such real property.

"(D) The Administrator may, in addition to amounts appropriated for such purposes and without regard to paragraph (2), obligate for energy management improvement programs—

"(i) amounts received and deposited in the Federal Buildings Fund under subparagraph (A);

"(ii) goods and services received under subparagraph (B); and

"(iii) amounts the Administrator determines are not needed for other authorized projects and are otherwise available to implement energy efficiency programs.

"(8)(A) The Administrator is authorized to receive amounts from the sale of recycled materials and shall deposit such amounts in the Federal Buildings Fund for use as provided in subparagraph (B).

"(B) The Administrator may, in addition to amounts appropriated for such purposes and without regard to paragraph (2), obligate amounts received and deposited in the Federal Buildings Fund under subparagraph (A) for programs which—

"(i) promote further source reduction and recycling programs; and

"(ii) encourage employees to participate in recycling programs by providing funding for child care, fitness, or other employee benefit programs.".

SEC. 6208. FEDERAL ENERGY MANAGEMENT TRAINING.

(a) ENERGY MANAGEMENT TRAINING.—(1) Each executive department described under section 101 of title 5, United States Code, the Environmental Protection Agency, the National Aeronautics and Space Administration, the General Services Administration, and the United States Postal Service shall establish and maintain a program to ensure that facility energy managers are trained energy managers as defined under section 6201(3). Such programs shall be managed—

(A) by the agency representative on the Task Force; or

(B) if an agency is not represented on the Task Force, by the designee of the head of the agency.

(2) Agencies shall encourage appropriate employees to participate in energy manager training courses. Employees may enroll in courses of study covering the areas described under section 6201(3) including, but not limited to courses offered by:

(A) a private or public educational institution;

(B) a Federal agency; or

(C) a professional association.

(b) AGENCY REPORT.—(1) Each agency listed in 6208(a) shall, no later than 60 days following the enactment of this Act, report to the Task Force the following information:

(A) those individuals employed by the agency on the date of the passage of this Act who qualify as trained energy managers as defined under section 6201(3);

(B) the General Schedule (GS) or grade level at which each of these individuals are employed; and

(C) the facility or facilities for which these employees are responsible or otherwise stationed.

The Task Force shall provide a summary of these agency reports to the Committee on Governmental Affairs of the U.S. Senate and the Committee on Energy and Natural Resources of the U.S. Senate.

(c) REQUIREMENTS AT FEDERAL FACILITIES.—(1)(A) Not later than September 30, 1992, the departments and agencies described under subsection (a)(1) shall upgrade their energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201 (2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201 (3); and

(3) increasing the overall number of trained energy managers within the agency.

(B) Agencies described under subsection (a)(1) shall ensure that, no later than September 30, 1992, no fewer than two trained energy managers are employed by each such department and agency.

(C) Federal employees designated for energy training and counted under (c)(1)(B) shall not include those employees listed in the report in 6208(b).

(2)(A) Not later than September 30, 1993, the departments and agencies described under subsection (a)(1) shall further upgrade their energy management capabilities by ensuring that no fewer than five trained energy managers are employed by each such department or agency.

(B) Federal employees designated for energy training and counted under (c)(2)(A) shall not include those employees listed in the report in 6208(b).

(3) Agencies may hire trained energy managers to be facility energy supervisors and count those new personnel toward the goals established in (c)(1)(B) and (c)(2)(A). Trained energy managers, including those who are facility supervisors as well as other trained personnel, shall focus their efforts on improving energy efficiency in the following facilities:

(i) agency facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the agency head as having significant energy savings potential.

(d) Department of Defense Requirements.—(1)(A) Not later than September 30, 1992, the Department of Defense shall upgrade its energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201(2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201(3); and

(3) increasing the overall number of trained energy managers within the Department.

(B) The Department shall insure that, no later than September 30, 1992, no fewer than twenty trained energy managers are employed by the Department.

(C) Federal employees designated for energy training and counted under (d)(1)(B) shall not include those employees listed in the report in 6208(b).

(2)(A) Not later than September 30, 1993, the Department shall further upgrade its energy management capabilities by ensuring that no fewer than forty trained energy managers are employed by the Department.

(B) Federal employees designated for energy training and counted under (2)(A) shall not include those employees listed in the report in 6208(b).

(3) The Department may hire trained energy managers to be facility energy supervisors and count these new personnel toward the goal established in (d)(1)(B) and (d)(2)(A). Trained energy managers shall focus their efforts on improving energy efficiency in the following facilities:

(i) Department facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the Secretary of Defense as having significant energy savings potential.

(e) Specified Agency Requirements.—(1)(A) Not later than September 30, 1992, the General Services Administration, the Department of Veterans Affairs, the Department of Energy, and the United States Postal Service shall upgrade their energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201(2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201(3); and

(3) increasing the overall number of trained energy managers within the agency.

(B) Agencies identified in (e)(1)(A) shall insure that, no later than September 30, 1992, no fewer than ten trained energy managers are employed by each such department and agency.

(C) Federal employees designated for energy training and counted under (e)(1)(B) shall not include those employees listed in the report 6208(b).

(2)(A) Not later than September 30, 1993, the General Services Administration, Department of Veterans Affairs, the Department of Energy, and the United States Postal Service shall further upgrade their energy management capabilities by ensuring that no fewer than twenty trained energy managers are employed by each such department or agency.

(B) Federal employees designated for energy training and counted under (e)(2)(A) shall not include those employees listed in the report in 6208(b).

(3) Agencies may hire trained energy managers to be facility energy supervisors and count these new personnel toward the goals established in (e)(1)(B) and (e)(2)(A). Trained energy managers, including those who are facility supervisors as well as other trained personnel, shall focus their efforts on improving energy efficiency in the following facilities:

(i) agency facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the agency head as having significant energy savings potential.

(e) Reports of Agencies.—Each agency shall report to the Secretary on the status and implementation of the requirements of this section. The Secretary shall include a summary of each agency's report in the annual report to Congress as required under section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258).

SEC. 6209. FEDERAL FACILITY ENERGY MANAGER RECOGNITION AND INCENTIVES AWARD PROGRAM.

(a) Establishment.—The Secretary shall, in consultation with the Office of Personnel Management and the Task Force, establish a financial award program to reward outstanding facility energy managers in Federal agencies, including the United States Postal Service, and other individuals making outstanding contributions toward the reduction of energy consumption or costs in Federal facilities.

(b) Selection Criteria.—Not later than June 1, 1992, the Secretary shall issue procedures for implementing and conducting the award program, including the criteria to be used in selecting outstanding energy managers and contributors. Such criteria shall include—

(1) improved energy performance through increased energy efficiency;

(2) implementation of proven energy efficiency and energy conservation techniques, devices, equipment, or procedures;

(3) effective training programs for facility energy managers, operators, and maintenance personnel;

(4) employee awareness programs;

(5) success in generating utility incentives, shared energy savings contracts, and other federally approved performance based energy savings contracts;

(6) successful efforts to fulfill compliance with energy reduction mandates, including the provisions of section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253); and

(7) success in the implementation of the guidelines under section 6202 of this Act.

(c) Award Limit.—No single award shall be greater than $2,500.

(d) Report.—Each year the Secretary shall publish and disseminate to Federal agencies, and to Congress as a part of the report required under Section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258) a report of highlight and recognize the achievements of bonus award winners.

(e) Authorization of Appropriations.—There are authorized to be appropriated $250,000 for each of fiscal years 1993, 1994, and 1995 to carry out the purposes of this section.

SEC. 6210. IDENTIFICATION AND ATTAINMENT OF AGENCY ENERGY REDUCTION AND MANAGEMENT GOALS.

Section 3 of the Federal Energy Management Improvement Act of 1988 (42 U.S.C. 8253 note; Public Law 100-615 is amended—

(1) in subsection (a)—

(A) by striking out "using funds appropriated to carry out this section," and inserting in lieu thereof "in consultation with the Task Force.";

(B) in paragraph (1) by striking out "and" after the semicolon;

(C) in paragraph (2) by striking out the period and inserting in lieu thereof a semicolon and "and"; and

(D) by adding at the end thereof the following new paragraph:

"(3) determining barriers which may prevent an agency's ability to comply with section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) and other energy management goals.";

(2) in subsection (b)—

(A) in paragraph (1) by striking out "Congress, within 180 days after the date on which funds are appropriated to carry out this section," and inserting in lieu thereof "Senate Committee on Energy and Natural Resources, the Senate Committee on Governmental Affairs, and the House of Representatives, within 180 days after the date of the enactment of the National Energy Security Act of 1992,"; and

(B) by adding at the end thereof the following new paragraph:

"(4) For the purpose of this section, a representative sample shall include, where appropriate, the following types of Federal facility space:

"(A) Housing;

"(B) Storage;

"(C) Office;

"(D) Services;

"(E) Schools;

"(G) Research and Development;

"(F) Industrial;

"(H) Prisons; and

"(I) Hospitals.";

"(3) in subsection (d)—

(A) by striking out "Congress" and inserting in lieu thereof "Senate Committee on Energy and Natural Resources, the Senate Committee on Governmental Affairs, the Committee on Energy and Commerce of the House of Representatives, the Committee on Government Operations of the House of Representatives,"; and

(B) by adding at the end thereof "The report shall include an analysis of the probability of each agency achieving the 20 percent reduction goal by January 1, 2000 established under Executive Order No. 12759.".

SEC. 6211. UNITED STATES POSTAL SERVICE BUILDING ENERGY SURVEY AND REPORT.

(a) In General.—The USPS shall conduct an energy survey, as defined in section 549(5) of the National Energy Conservation Policy Act, for the purposes of—

(1) determining the maximum potential cost effective energy savings that may be achieved in a representative sample of buildings owned or leased by the USPS in different areas of the country;

(2) making recommendations to the Postmaster General for cost effective energy efficiency and renewable energy improvements in those buildings and in other similar USPS buildings; and

(3) determining barriers which may prevent USPS compliance with energy reduction goals, including Executive Orders No. 12003 and 12579.

(b) Implementation.—(1) The Postmaster General shall transmit to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Post Office and Civil Service Committee, within 180 days of enactment of this Act, a plan for implementing this section.

(2) The Postmaster General shall designate buildings to be surveyed in the project so as to obtain a sample of Postal facilities of the types and in the climates that consume the major portion of the energy consumed by the Postal Service.

(3) For the purposes of this section, an improvement shall be considered cost effective if the cost of the energy saved or displaced by the improvement exceeds the cost of the improvement over the remaining life of the Postal facility or the remaining term of a lease of a building leased by the Postal Service.

(c) REPORT.—As soon as practicable after the completion of the project carried out under this section, the Postmaster General shall transmit a report of the findings and conclusions of the project to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Committee on Post Office and Civil Service.

SEC. 6212. FEDERAL BUILDING ENERGY CONSUMPTION TARGETS.

Not later than two years after the date of the enactment of this Act, the Secretary shall consider, in consultation with the Administrator of General Services and the Task Force, establishing energy consumption targets for January 1, 2000, for each Federal agency to reduce energy consumption per square foot in Federal buildings based upon the information provided in the report under section 6210 of this Act. The United States Postal Service shall independently consider establishing its own energy consumption targets for January 1, 2000 based upon the information provide in the report under section 6211.

SEC. 6213. UTILITY INCENTIVE PROGRAMS.

(a) IN GENERAL.—Federal agencies are authorized and encouraged to participate in programs for energy conservation or the management of electricity demand conducted by gas or electric utilities and generally available to customers of such utilities.

(b) ACCEPTANCE OF FINANCIAL INCENTIVES.—Federal agencies may accept any financial incentive, generally available from any such utility, to adopt energy efficiency technologies and practices that the Secretary determines are cost effective for the Federal Government.

(c) NEGOTIATIONS.—Each Federal agency is encouraged to enter into negotiations with electric and gas utilities to design special demand management and conservation incentive programs to address the unique needs of facilities used by such agency.

(d) USE OF CERTAIN FUNDS.—(1) Fifty percent of funds from utility energy efficiency rebates shall, subject to appropriation, remain available for expenditure by the agency for additional energy efficiency measures which may include related employee incentive programs, particularly at those facilities at which energy savings were achieved.

(2)(A) Agencies shall maintain strict financial accounting and controls for savings realized and all expenditures made under this section.

(B) Records maintained under subparagraph (A) shall be made available for public inspection upon request.

SEC. 6214. REPORT BY GENERAL SERVICES ADMINISTRATION.

Not later than six months after the date of enactment of this Act, and on each December 31, at least six months thereafter, the Administrator of General Services shall report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate, and the House of Representatives on the activities of the General Services Administration conducted pursuant to this subtitle. Such reports shall include, but not be limited to, the information requested under sections 6205(c) and 6206(d).

SEC. 6215. UNITED STATES POSTAL SERVICE ENERGY MANAGEMENT REPORT.

Not later than one year after the date of the enactment of this Act, and on each January 1 thereafter, the Postmaster General shall submit a report to the Committee on Governmental Affairs of the Senate, the Committee on Post Office and Civil Service of the House of Representatives, and the Committee on Energy and Natural Resources of the Senate on the Postal Service's building management program as it relates to energy efficiency. The report shall include, but not be limited to, the following:

(1) actions taken to reduce energy consumption;

(2) future plans to reduce energy consumption;

(3) an assessment of the success of the energy conservation programs;

(4) energy costs incurred in operating and maintaining all postal facilities; and

(5) the status of the energy efficient procurement program established under section 6206(e).

SEC. 6216. AMENDMENTS TO PART 3, TITLE V OF NECPA.

Part 3 of Title V of the National Energy Conservation Policy Act (NECPA) (Public Law 95-619), as amended, is further amended as follows:

(a) In section 543—(1) Strike subsection (a) and insert the following new text in lieu thereof:

"(a) ENERGY MANAGEMENT REQUIREMENT FOR FEDERAL BUILDINGS.—(1) Not later than January 1, 2000, each Federal agency shall, to the maximum extent practicable, install in Federal buildings under the control of such agency in the United States, all energy conservation measures with payback periods of less than ten years as calculated using the methods and procedures developed pursuant to section 544. Within two years after the date of enactment of the National Energy Security Act of 1991, each agency shall submit to the Secretary a list of projects meeting the ten-year payback criterion, the energy that each project will save and total energy and cost savings involved.

"(2) An agency may exclude from the requirements of paragraph (1) any Federal building or collection of Federal buildings, and the associated energy consumption and gross square footage, if the head of such agency finds that compliance with the requirements of paragraph (1) would be impracticable. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such Federal buildings or collection of Federal buildings, the type and amount of energy consumed, the technical feasibility of making the desired changes, or the unique character of many facilities operated by the Departments of Defense and Energy. Each agency shall identify and list in each report made under section 548, the Federal buildings designated by it for such exclusion. The Secretary shall review such findings for consistency with the impracticability standards set forth herein, and may within 90 days after receipt of the findings, reverse a finding of impracticability, in which case the agency shall comply with the requirements of paragraph (1). This section shall not apply to an agency's facilities that generate or transmit electric energy, nor to the uranium enrichment facilities operated by the Department of Energy."; (2) In subsection (b):

(A) after the words "subsection (a)," insert the following: "The Secretary of Energy shall consult with the Secretary of Defense and the Administrator of the General Services Administration in developing guidelines for the implementation of this Part, and";

(B) strike the phrase "Federal Energy Management Improvement Act of 1988," in paragraph (1) and insert in lieu thereof "National Energy Security Act of 1992, and submit to the Secretary of Energy";

(C) after the words "high priority projects;" insert the following: "and such plan shall include steps to take maximum advantage of contracts authorized under title VII of this Act (42 U.S.C. 8287 et seq.), financial incentives, and other services provided by utilities for efficiency investment and other forms of financing to reduce the direct costs to the government;";

(D) at the end of paragraph (2), strike the semicolon and insert the following:

", and update such surveys periodically, but not less than every three years;";

(E) replace paragraph (3) with the following new paragraph:

"(3) using such surveys, determine the cost and payback period of energy conservation measures likely to achieve the goals of this section;"; and

(F) insert a new paragraph (4) as follows, and renumber paragraph (4) as "(5)":

"(4) install those energy conservation measures that will attain the requirements of this section in a cost-effective manner as defined in section 544, and".

(b) In section 544—

(1) strike "National Bureau of Standards," in subsection (a) and insert in lieu thereof "National Institute of Standards and Technology,"; and

(2) strike all after the word "each", in paragraph (b)(2) and insert in lieu thereof:

"agency shall, after January 1, 1994, fully consider the energy efficiency of all potential building space at the time of renewing or entering into a new lease. Further, all government leased space constructed after January 1, 1994, shall meet model Federal energy conservation performance standards for new commercial buildings and promulgated pursuant to Section 304 of the Energy Conservation and Production Act (Public Law 94-385).".

(c) In section 545 add after the word "measures" the following: "as needed to meet the requirements of section 543.".

(d) In section 548—

(1) strike the word "Each" in subsection (a) and insert in lieu thereof the following: "In addition to the plan required to be submitted to the Secretary pursuant to section 543(b)(1), each";

(2) insert the phrase "by April 2 of each year," after the word "annually" in subsection (b); and

(3) insert the words "by each agency", after the words "under this part" in subsection (b)(1).

(e) Renumber section 549 as section 551 and insert the following two new sections:

"SEC. 549. DEMONSTRATION OF NEW TECHNOLOGY.

"(a) DEMONSTRATION PROGRAM.—Not later than January 1, 1993, the Secretary, in cooperation with the Administrator of the General Services Administration, shall establish a demonstration program to install, in Federally owned facilities, energy efficiency technologies which the Secretary has determined are ready for commercial demonstration and which were developed by entities that have received or are receiving Federal financial assistance for energy conservation research and development.

"(b) EVALUATION.—The Secretary and the Administrator shall evaluate the commercial viability of each type of energy efficiency technology so installed, including its technical feasibility, operational feasibility, and economic effectiveness. Installations of each technology shall include a sufficient number of applications to produce statistically reliable evaluation results based on the technologies' application in various climates and building situations.

"(c) AUTHORIZATION.—There are authorized to be appropriated to carry out this section no more than $2,000,000 for fiscal year 1993, $3,000,000 for fiscal year 1994, and $4,000,000 for fiscal year 1995.".

"SEC. 550. FEDERAL ENERGY EFFICIENCY PROJECTS FUNDING.

(a) IN GENERAL.—

Not later than one year after the date of enactment of the National Energy Security Act of 1992, the Secretary shall establish guidelines for the transfer of up to $1,000,000 per project to encourage any Federal agency to undertake energy efficiency projects in Federally owned facilities.

"(b) PROJECT SELECTION.—The Secretary shall establish procedures for the receipt of proposals under this section. The Secretary shall consider the following factors in determining whether to provide funding under subsection (a):

"(1) the cost-effectiveness of the project;

"(2) the proportion of energy and cost savings anticipated to the Federal Government;

"(3) the amount of funding committed to the project by the agency requesting financial assistance;

"(4) the extent that a proposal leverages financing from other non-Federal sources; and

"(5) any other factor which the Secretary determines will result in the greatest amount of energy and cost savings to the Federal Government.

"(c) REPORTS.—The Secretary shall report annually to Congress, in the supporting documents accompanying the President's budget, on the activities under this section. The report shall include the projects funded and the projected energy and cost savings from installed measures.

"(d) AUTHORIZATION.—For purposes of this subsection, there is authorized to be appropriated, and to remain available until expended, not more than $50,000,000.".

(f) TECHNICAL AND CONFORMING AMENDMENT.—The table of contents for the National Energy Conservation Policy Act is amended to read as follows:

"SEC. 549. DEMONSTRATION OF NEW TECHNOLOGY.
"SEC. 550. FEDERAL ENERGY EFFICIENCY PROJECTS FUNDING.
"SEC. 551. DEFINITIONS."."

"SEC. 6217. CONGRESSIONAL OFFICE BUILDING ENERGY IMPROVEMENT ASSESSMENT.

The Architect of the Capitol shall undertake a study to determine the feasibility and costs associated with compliance with part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq), and Executive Orders No. 12003 and No. 12579 for all facilities under the Architect's jurisdiction, taking into account particular needs with respect to the security and physical operation of the legislative branch of the Government. The Architect shall report the results of such study to the appropriate committees of Congress.

SEC. 6218. STUDY OF FEDERAL PURCHASING POWER.

(a) STUDY.—The Secretary shall conduct a study to evaluate the potential use of the purchasing power of the Federal Government to promote the development and commercialization of energy efficient products. The study shall identify products for which there is a high potential for Federal purchasing power to substantially promote their development and commercialization, and shall include a plan to develop such potential. The study shall be conducted in consultation with utilities, manufacturers, and appropriate nonprofit organizations concerned with energy efficiency.

(b) REPORT.—The Secretary shall report to Congress on the results of the study within two years of the date of the enactment of this Act.

(c) AUTHORIZATION.—There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 6219. ENERGY MANAGEMENT GOALS FOR THE UNITED STATES POSTAL SERVICE.

(a) ENERGY PERFORMANCE GOAL FOR POSTAL FACILITIES.—(1) Not later than January 1, 2000, the United States Postal Service shall, to the maximum extent practicable, install in all facilities under its control, energy conservation measures with payback periods of less than ten years as calculated using methods and procedures developed pursuant to section 544 of the National Energy Conservation Policy Act. Within two years after the date of enactment of the National Energy Security Act of 1992, the USPS shall submit to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Committee on the Post Office and Civil Services a list of projects meeting the ten-year payback criterion, the energy that each project will save and total energy and cost savings involved.

(2) The USPS may exclude from the requirements of paragraph (1) any facility or collection of facilities, and the associated energy consumption and gross square footage, if the Postmaster General finds that compliance with the requirements of paragraph (1) would be impracticable. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such facility or collection of facilities, the type and amount of energy consumed, or the technical feasibility of making the desired changes. The USPS shall identify and list in the report made under sec 6215 the facilities designated by it for such exclusion. This section shall not apply to the USPS facilities that generate or transmit electric energy.

(b) IMPLEMENTATION STEPS.—To achieve the goal established in subsection (a), the USPS shall—

(1) prepare or update, within 1 year after the date of the enactment of this Act, a plan describing how the USPS intends to meet such goal. The plan may be submitted as part of the report under section 6215. The plan shall include how the USPS will implement this part, designate personnel primarily responsible for achieving such goal, and identify high priority projects;

(2) perform energy surveys of USPS facilities and update such surveys periodically, but not less than every three years;

(3) using such surveys, determine the cost and payback period of energy conservation measures likely to achieve the goals of this section;

(4) install those energy conservation measures that will attain the requirements of this section in a cost-effective manner as defined in section 544 of the National Energy Conservation Policy Act; and

(5) ensure that the operation and maintenance procedures applied under this section are continued.

Mr. JOHNSTON. Mr. President, this amendment is a substitute text for subtitle B which improves Federal Government energy efficiency. It combines the original provisions of S. 1220, subtitle VI–B, with the Federal energy management provisions of S. 1040, the Government Energy Efficiency Act of 1991, as reported by the Committee on Government Affairs on August 2, 1991.

More specifically, this amendment updates the original sections of subtitle B and adds the following new provisions:

Requiring OMB to establish energy cost accounting guidelines;

Requiring the President to include energy costs and energy savings information in the annual budget;

Requiring each agency's inspector general to review energy efficiency goal compliance;

Requiring GSA to hold regular regional workshops on energy management;

Clarifies the operation of the GSA Federal Buildings Fund, to receive funds and to implement energy efficiency programs;

Requires agencies to upgrade their energy management capabilities by training or hiring trained energy managers;

Requires the establishment of energy consumption targets for Federal agencies;

Requires the Architect of the Capitol to study the feasibility and costs of Capitol Hill compliance with Federal energy goals; and

Clarifies and strengthens procedures under which Federal agencies shall use energy savings performance contracts.

Both the Office of Technology Assessment and the Alliance to Save Energy have completed reports identifying the substantial opportunity that exits to improve the Federal Government's energy efficiency.

OTA estimates that the Federal Government spent nearly $4 billion in fiscal year 1989 for energy in Federal facilities. OTA further estimates that cost-effective improvement could save 25 percent of that cost without any sacrifice in comfort or productivity.

This amendment will reinvigorate the Federal Government's efforts to achieve this energy efficiency potential. I know of no objection, and thank Chairman GLENN for his commitment to developing this amendment.

AMENDMENT NO. 1546

(Purpose: Second degree amendment to the Glenn amendment, to improve Federal government efficiency)

On page 30 amend Subsection 6216(e) by inserting after the word "transfer", the words "or loan"; and

On page 31, strike the amount "$50,000,000" and insert in lieu thereof "$200,000,000".

AMENDMENT NO. 1547

(Purpose: To Assist Federal Agencies in Promoting the Green Lights Program)

Amend section 6216 of the Glenn amendment on Federal Energy Management Programs by inserting the following sentence after "pursuant to section 544" on page 25:

"Federal agencies may participate in the Environmental Protection Agency's 'Green Lights' program for purposes of technical assistance in complying with the requirements of this section.".

Mr. KASTEN. Mr. President, this amendment is quite simple, it provides that one of the tools Federal agencies may use in implementing the energy conservation provisions required in this bill is to utilize the Green Lights Program.

The Green Lights Program is already in widespread use in the private sector. It is a program where the Environmental Protection Agency [EPA] provides technical expertise on energy conservation.

Over 300 organizations are already participating in this program. These include 5 State governments and 15 percent of the Forbes 500 list of Nation's largest companies. However, the Federal Government is not yet pursuing this initiative.

The Green Lights Program uses minimum life-cycle cost analysis to determine where investments in energy efficiency should be made. What that means, is that the savings from energy conservation must exceed the costs of investments in efficiency for those investments to be made.

This is a provision that will reduce energy consumption, reduce pollution, and reduce Federal spending.

Mr. JOHNSTON. Mr. President, this amendment provides an option to Federal agencies in their implementation of the energy conservation provisions required under this bill.

This amendment is designed to encourage Federal agencies to share in the enormous energy and financial savings currently being enjoyed by the private sector, including hundreds of major corporations and State and municipal agencies.

The Green Lights Program uses minimum life-cycle cost analysis to determine where investments in energy efficient lighting systems should best be made.

Federal participation in this very successful program will provide national and even international visibility for the enormous environmental, pollution, and fiscal benefits of the Green Lights Program.

AMENDMENT NO. 1548

(Purpose: To amend the Glenn amendment in the nature of a substitute to Title VI–B, to facilitate private sector financing of Federal government energy efficiency projects)

Amend the Glenn amendment in the nature of a substitute to Subtitle VI–B, by inserting at the end the following new section:

"SEC. 6220. ENERGY PERFORMANCE CONTRACTS."

(a) Title VIII of the National Energy Conservation Policy Act (Public Law No. 99-412) is amended by striking "TITLE VIII—SHARED ENERGY SAVINGS" and inserting in lieu thereof "TITLE VIII—ENERGY SAVINGS PERFORMANCE CONTRACTS".

(b) Section 801 of such Act (42 U.S.C. 8287) is amended by striking the word "may" the first place it appears and inserting "shall, to the extent practicable," in lieu thereof; and by redesignating such section as subsection 801(a)(1) and adding the following new text:

"(2)(A) Contracts under this title shall be energy savings performance contracts and shall require an annual energy audit and specify the terms and conditions of any government payments and performance guarantees. Such performance guarantee shall provide that the contractor is responsible for maintenance and repair services for any energy related equipment, including computer software systems.

"(B) Aggregate annual payments by the government may not exceed the guaranteed energy savings during each contract year.

"(C) Federal agencies may incur obligations to finance a project provided guaranteed savings exceed the debt service requirements.

"(b) IMPLEMENTATION.—(1)(A) The Secretary, in consultation with the Secretary of Defense, the Administrator of the General Services Administration, and the Administrator of NASA, within 90 days after the date of the enactment of the National Energy Security Act of 1992, shall develop appropriate procedures and methods for use by Federal agencies to select energy savings service contractors that will achieve the intent of this section in a cost-effective manner. The procedures and methods used for the calculation of energy savings shall be based on sound engineering practices, consideration of relevant variables such as applicable utility rate schedules, and fuel and utility billing cycles.

"(B) Notwithstanding any other procurement laws and regulations, such procedures and methods shall apply to the selection by each Federal agency of a contractor to provide energy savings services.

"(C) The process developed pursuant to this section may constitute adequate price competition, no cost justification shall be required.

"(2) In carrying out paragraph (1), the Secretary may:

"(A) request statements of qualifications, including financial and performance information, from firms engaged in providing energy saving services;

"(B) designate from the statements received, with an update at least annually, those firms that are qualified to provide energy savings services;

"(C) select at least three firms from the list of qualified contractors to conduct discussions concerning a particular proposed energy savings project, including requesting a technical and price proposal from such selected firms for such project; and

"(D) select from such firms the most qualified firm to provide energy savings services pursuant to such energy savings contractual arrangement that the Secretary determines is fair and reasonable, taking into account—

"(i) the qualifications, prior experience and capabilities of a contractor to perform the proposed type of energy savings services; and

"(ii) the estimated value of the energy savings services to be rendered and the scope and nature of the project.

"(3) In carrying out paragraph (1), the Secretary also may provide for direct negotiations by Federal agencies for energy savings services with contractors that have been selected competitively and approved by any gas or electric utility serving the agency involved.

"(c) DEFINITION.—For the purpose of this title, the terms 'energy savings contract' or 'energy savings performance contract' means a contract which provides for the performance of services for the design, acquisition, installation, testing, operation and, where appropriate, maintenance and repair, of an identified energy savings measure. Such contracts may provide for appropriate software licensing agreements.

"(d) SUNSET AND REPORTING REQUIREMENTS.—

"(A) The authority to enter into new contracts under this provision shall cease to be effective three years from date of enactment of this Act.

"(B) Beginning six months after the date of enactment of this Act, and every six months thereafter, for a period of three years from enactment of this Act, the General Accounting Office shall report on the implementation of this section to the Senate Committee on Governmental Affairs and the Senate Committee on Energy and Natural Resources. These reports shall include, but not be limited to, an assessment of the following issues:

"(i) the quality of the energy audits conducted for the Agencies.

"(ii) the government's ability to maximize energy savings.

"(iii) the total energy cost savings accrued by the agencies that have entered into such contracts.

"(iv) the total costs associated with entering into such contracts and having them performed.

"(v) a comparison of the total costs incurred by agencies under such contracts and the total costs incurred under similar contracts performed in the private sector.

"(vi) the number of firms selected as qualified firms under this section and their respective shares of awarded contracts.

"(vii) the number of firms engaged in similar activity in the private sector and their respective market shares.

"(viii) the number of applicant firms not selected as qualified firms under this section and the reason for their non-selection.

"(ix) the frequency with which agencies have utilized the services of government labs to perform any of the functions specified in this section.

"(C) Two years from enactment of this Act, the General Accounting Office shall provide a summary report to the Committee on Governmental Affairs and the Senate Committee on Energy and Natural Resources on the efficacy of this section. In addition, the General Accounting Office shall provide recommendations for statutory or regulatory changes that may be necessary. In making such recommendations, the General Accounting Office shall consider whether the contracting procedures utilized under this section by agencies have been effective and whether continued use of those procedures, as opposed to the procedures provided by existing public contract law, is necessary for implementation of successful energy performance contracts."

Mr. GLENN. Mr. President, the amendment offered by Senator WIRTH contains a provision which will help enable Federal facility managers take advantage of energy savings performance contracts. These innovative contracts, widely used in the private sector, allow an energy service contractor to analyze and retrofit a given facility in order to reduce its energy use. The contractor is reimbursed based on the energy savings that actually occur as a result of the efficiency improvements.

Due to the unique nature of these type of contracts, it is necessary to waive several aspects of Federal procurement law, including cost and price justification and some competitive bidding procedures. It is my hope that such a waiver will benefit the Federal Government by reducing the Government's energy consumption. However I am also very concerned that waiving such provisions could also leave the Federal Government open to abuse and fraud. Due to these concerns, I have added strict reporting and review requirements to be performed by the General Accounting Office as well as a 3-year sunset provision on authorization of such contracts. I believe that these oversight measures will help protect the Federal Government's interest, while at the same time allowing adequate time for energy savings performance contracts to be implemented. I can also assure my colleagues that these provisions will allow thorough congressional review of the implementation of such contracts and ensure that they are properly managed.

Mr. President, I would also like to make clear that I believe that options are available to Federal managers to improve energy consumption in facilities for which they are responsible. In particular, I believe that the personnel and technical capabilities available in our national laboratories should be utilized by facility managers for energy auditing purposes, and to make recommendations for energy improvements. I intend to pursue this idea and hopefully expand the ability of the labs to advise and assist Federal agencies in their energy reduction efforts.

Finally, Mr. President, I would like to thank my colleague, Senator WIRTH and his staff for their work in this matter.

Mr. JOHNSTON. Mr. President, this amendment would provide greater flexibility for the Federal Government to negotiate such contracts for a limited 3-year trial period, and it would require the General Accounting Office to report to Congress on the results of such activities.

Mr. President, current efforts by the administration to promote the use of so-called shared savings contracts has been hampered by Federal procurement procedures. These contracts are extremely important to our efforts to improve Federal energy efficiency because they would allow private sector parties to finance Federal Government energy efficiency projects. Such parties would then be repaid from a portion of future energy cost savings. Given current Federal fiscal limitations, the opportunity to use private sector funds to meet our efficiency objectives is an opportunity we cannot afford to miss.

This amendment would provide greater flexibility in Federal procurement procedures for a 3-year trial period in an effort to determine how to overcome the regulatory barriers to implementing these contracts. The amendment would also require a GSA report to Congress on the results of this effort.

AMENDMENT NO. 1549

(Purpose: To authorize the Administrator of the General Services Administration to enter into commercial arrangements for fueling alternative fuel vehicles if publicly available fueling facilities are not convenient or accessible)

On page 22, line 2, add after the period "If publicly available fueling facilities are not convenient or accessible to the location of Federal alternative fuel vehicles purchased under this title, the Administrator is authorized to enter into commercial arrangements with commercial fueling operators for the purpose of fueling Federal alternative fuel vehicles.".

Mr. JOHNSTON. Mr. President, this amendment authorizes the Administrator of GSA to enter into commercial arrangements for fueling alternative fueled vehicles if publicly available fueling facilities are not convenient or accessible.

This important amendment adds a provision to the refueling language in S. 2166 to allow the GSA to enter into agreements with private commercial fueling facilities if publicly accessible facilities are not geographically convenient.

This provision will provide the General Services Administration with expanded flexibility in expanding the refueling options of Federal alternative fuel fleet program.

If refueling facilities are not readily available or convenient for Federal fleet vehicles, employees may be unwilling to use these vehicles, opting instead for traditionally fueled or flexi-fueled vehicles.

This provision is in no way intended to compromise the security or safe operation of military installations or other private refueling facilities whereby access by GSA or other Federal agency alternative fuel vehicles may prove a problem. Rather, the amendment is designed to increase the refueling options available to dedicated alternative fuel vehicles under the Federal fleet.

Mr. President, I yield the floor.

ADDITIONAL COSPONSOR

Mr. WIRTH. Mr. President, I ask unanimous consent that the Senator from Minnesota [Mr. DURENBERGER] be included as a cosponsor to the Wirth-Glenn amendment.

Mr. DURENBERGER. Mr. President, today I join my colleagues in adding provisions to S. 2166, the National Energy Security Act of 1992, that outline initiatives for Federal agencies to conserve energy in their own facilities. In other words, Mr. President, the amendment that we are offering will make the very buildings that you and I use every day more energy efficient. Indeed, many States have already experienced significant cost savings as a result of the utilization of these energy performance service contracts in schools and other public buildings within their communities, and I am glad that today the Federal Government will finally join them.

Mr. President, I want to commend my colleagues from Ohio and Colorado, Senators GLENN and WIRTH, for their vision in presenting the Senate with the opportunity to support a mechanism for Federal agencies to benefit from savings guaranteed by those commercial companies with expertise in the field of energy efficiency. I want to especially commend my friend from Ohio [Mr. GLENN] for his willingness to support a competitive acquisition process that is not constrained artificially by rules and regulations that currently prohibit the Federal Government to take advantage of the combined technological advances and engineering systems that enhance energy conservation in the commercial world.

Mr. President, because of our amendment, the Secretary of Energy will consult with the three agencies who head the Federal Acquisition Regulation Council—the Secretary of Defense, the Administrator of the National Aeronautics and Space Administration and the Administrator of the General Services Administration—in developing qualifications-based selection procedures for Federal agencies to utilize in obtaining these long-term energy performance services. The language in our amendment also authorizes the Secretary to waive, change and/or override any existing procurement laws and regulations that impede the ability of commercial companies to provide their performance based services to the Federal marketplace, including those procedures related to the submission of cost and pricing data, and to the cost accounting standards requirements. It is appropriate that these provisions be excluded from the contracts as there are no net out-of-pocket costs to the Government, and significant custom design work is necessary for each building.

In addition, our amendment assures that Federal agencies can enter into these long-term service agreements and make payments from annual appropriations for these ongoing services. It is anticipated that the contract will guarantee that the energy savings generated by the system will exceed the payments; otherwise the contractor will pay the difference to the Federal agency. Once the contract term is completed, all savings thereafter would be available to the agency. Further, under our amendment, contractors would finance their investment in the energy efficient systems through a financial institution. The debt service amounts would not exceed the amount of the savings to the agencies. It is essential that agencies understand that utilization of this approach had no net cost to them and indeed guarantee them savings compared to level of energy costs.

Wisely, Mr. President, our amendment provides for monitoring of these special procedures by the General Accounting Office and requires regular reports to the Congress on the costs related to this program, the energy savings accounting, and the impact of the new acquisition procedures as compared to existing law. These oversight protections will allow the 3-year test period to proceed in order to provide maximum energy savings to the Federal Government.

Mr. President, with the adoption of our amendment, the people of Minnesota, as well as all American taxpayers benefit. I look forward to the reports of progress on this program and again thank my colleagues for their cooperation in bringing this matter to the Senate floor.

AMENDMENT NO. 1550

(Purpose: To establish energy efficiency standards for certain lamps)

AMENDMENT NO. 1551

(Purpose: To establish energy efficiency standards for certain electric motors)

Mr. WIRTH. Mr. President, I send to the desk two amendments and ask that they be considered en bloc.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH], for himself, Mr. METZENBAUM, and Mr. DODD, proposes amendments, en bloc, numbered 1550 and 1551.

Mr. WIRTH. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 1550

(a) On page 126, lines 4, 11 and 13, strike "lamps and";

(b) On page 126, lines 15, and 22, and on page 127, lines 1 and 9, strike "lamps and";

(c) On page 127, line 6, strike "lamps or";

(d) On page 127, line 23, strike paragraph (1) and renumber the following paragraphs accordingly;

(e) On page 128, line 24, strike the word "lamps,";

(f) On page 129, line 18, strike the word "lamps,";

(g) On page 131, line 9, strike the word "lamps,"; and

(h) On page 144, after line 17 insert the following two new sections:

SEC 6112. ENERGY CONSERVATION STANDARDS FOR CERTAIN LAMPS.

(a) DEFINITIONS.—Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a)) is amended—

(1)(A) by striking the designation subsection "(a)"; and

(B) in the material following subparagraph (B), by striking out "ballasts distributed in commerce for personal or commercial use or consumption" and inserting in lieu thereof the following: "ballasts, general service fluorescent lamps, and incandescent reflector lamps distributed in commerce for personal or commercial use.";

(2) by adding at the end the following new paragraphs:

"(30)(A) Except as provided in subparagraph (E), the term 'fluorescent lamp' means a low pressure mercury electric discharge source in which a fluorescing coating transforms some of the ultraviolet energy generated by the mercury discharge into light, including only the following:

"(i) Any straight shaped rapid start lamp (commonly referred to as four foot medium bi-pin lamps) with medium bi-pin bases of nominal overall length of 48 inches and rated wattage of 28 or more.

"(ii) Any U-shaped lamp (commonly referred to as two foot U-shaped lamps) with medium bi-pin bases of nominal overall length between 22 and 25 inches and rated wattage of 28 or more.

"(iii) Any rapid start lamp (commonly referred to as eight foot high output lamps) with recessed double contact bases of nominal overall length of 96 inches and 0.800 nominal amperes, as defined in ANSI C78.1–1978 and related supplements.

"(iv) Any instant start lamp (commonly referred to as eight foot slimline lamps) with single pin bases of nominal overall length of 96 inches and rated wattage of 52 or more, as defined in ANSI C78.3–1978 (R1984) and related supplement ANSI C78.3a–1985.

"(B) the term 'general service fluorescent lamp' means fluorescent lamps which can be used to satisfy the majority of fluorescent applications, but excluding any lamp described in subsection (E) and any lamp designed and marketed for non-general lighting applications as follows—

"(i) fluorescent lamps designated to promote plant growth;

"(ii) fluorescent lamps specifically designed for cold-temperature installations;

"(iii) colored fluorescent lamps;

"(iv) impact-resistant fluorescent lamps;

"(v) reflectorized or aperture lamps;

"(vi) fluorescent lamps designed for use in reprographic equipment;

"(vii) lamps primarily designed to produce radiation in the ultra-violet region of the spectrum, and

"(viii) lamps with a color rendering index of 82 or greater.

"(C) Except as provided in subparagraph (E), the term 'incandescent lamp' means a lamp in which a light is produced by a filament heated to incandescence by an electric current, including only the following:

"(i) Any lamp (commonly referred to as lower wattage nonreflector general service lamps, including any tungsten-halogen lamp) that has a rated wattage between 30 and 199 watts, has an E26 medium screw base, has rated voltage or voltage range that lies at least partially within 115 and 130 volts, and is not a reflector lamp.

"(ii) Any lamp (commonly referred to as reflector lamp), which is not colored or designed for rough or vibration service applications, that contains an inner reflective coating on the outer bulb to direct the light, an R, PAR, or similar bulb shapes (excluding "ER" or "BR") with E26 medium screw bases, a rated voltage or voltage range that lies at least partially within 115 and 130 volts, a diameter which exceeds 2.75 inches, and is either—

"(I) a low(er) wattage reflector lamp which has a rated wattage between 40 and 205 watts; or

"(II) a high(er) wattage reflector lamp which has a rated wattage above 205 watts; and

"(III) any general service incandescent lamp (commonly referred to as a high- or higher wattage lamp) that has a rated wattage above 199 watts (above 205 watts for a high wattage reflector lamp).

"(D) the term 'general service incandescent lamp' means incandescent lamps (other than miniature or photographic lamps) which can be used to satisfy the majority of lighting applications, but excluding any lamp described in subparagraph (E) and any lamp specifically designed for—

"(i) traffic signal or street light service;

"(ii) airway, airport, aircraft, or other aviation service;

"(iii) marine or marine signal service;

"(iv) photo, projection, sound reproduction, or film viewer service;

"(v) stage, studio, or television service;

"(vi) mill, saw mill, or other industrial process service;

"(vii) mine service;

"(viii) headlight, locomotive, street railway, or other transportation service;

"(ix) heating service;

"(x) code beacon, marine signal, lighthouse, reprographic, or other communication service;

"(xi) medical or dental service;

"(xii) microscope, map, microfilm, or other specialized equipment service;

"(xiii) swimming pool or other underwater service;

"(xiv) decorative or showcase service;

"(xv) producing colored light;

"(xvi) shatter resistance which has an external protective coating; or

"(xvii) appliance service.

"(E) The term 'lamp' does not include any lamp manufactured or assembled in the United States for export and use outside the United States, or any lamp excluded by the Secretary, by rule, as a result of a determination that standards for such lamp would not result in significant energy savings because such lamp is designed for special applications or special characteristics not available in reasonably substitutable lamp types.

"(F) The term 'average lamp efficacy' means the lamp efficacy readings taken over a twelve-month period of manufacture with the readings averaged over that period.

"(G) The term 'base' means the portion of the lamp which connects with the socket described in ANSI C81.61–1990.

"(H) The term 'bulb shape' means the shape of the lamp, especially the glass bulb with designations for bulb shapes found in ANSI C79.1–1980(R1984).

"(I) The term 'color rendering index' or 'CRI' means the measure of the degree of color shift objects undergo when illuminated by a light source as compared with the color of those same objects when illuminated by a reference source of comparable color temperature.

"(J) The term 'correlated color temperature' means the absolute temperature of a black body whose chromaticity most nearly resembles that of the light source.

"(K) The term 'IES' means the Illuminating Engineering Society of North America.

"(L) The term 'lamp efficacy' means the lumen output of a lamp divided by its wattage, expressed in lumens per watt (LPW).

"(M) The term 'lamp type' means all lamps designated as having the same electrical and lighting characteristics and made by one manufacturer.

"(N) The term 'lamp wattage' means the total electrical power consumed by the lamp in watts, after the initial seasoning period referenced in the appropriate IES standard test procedure and including, for fluorescent, arc watts plus cathode watts.

"(O) The term 'life' and 'lifetime' mean length of operating time of a statistically large group of lamps between first use and failure of 50 percent of the group in accordance with test procedures as described in the IES Lighting Handbood—Reference Volume.

"(P) The term 'lumen output' means total luminous flux (power) of a lamp in lumens, as measured in accordance with applicable IES standards as determined by the Secretary.

"(Q) The term 'tungsten-halogen lamp' means a gas-filled tungsten filament incandescent lamp containing a certain proportion of halogens in an inert gas.

"(R) The term 'manufacturer' means anyone who makes, assembles or imports any covered product.

"(S) The term 'medium base compact fluorescent' means an integrally ballasted fluorescent lamp with a medium screw base and a rated input voltage of 115 to 130 volts and which is designed as a direct replacement for general service incandescent lamps.

"(T) The term 'transition period' means the period of time between the enactment of the National Energy Security Act of 1991 and the date on which the standard shall take effect."

(b) COVERAGE.—Section 322(a) of such Act (42 U.S.C. 6292(a)) is amended—

(1) by redesignating paragraph (14) as paragraph (15); and

(2) by inserting after paragraph (13) the following new paragraph:

"(14) General service fluorescent lamps and incandescent reflector lamps.

(c) TEST PROCEDURES.—Section 323 of such Act (42 U.S.C. 6293) is amended by adding the following new paragraph at the end of subsection (b):

"(6) With respect to fluorescent lamps and incandescent lamps to which standards are applicable under subsection (i) of section 325, the Secretary shall prescribe test procedures, to be implemented by accredited test laboratories, that take into consideration the applicable IES or ANSI standard.

(d) LABELING.—Section 324 of such Act (42 U.S.C. 6294) is amended—

(1) in subsection (a)(2), by adding at the end the following new subparagraph:

"(C) The Commission shall prescribe labeling rules under this section applicable to general service fluorescent lamps, medium base compact fluorescent lamps, and general service incandescent lamps. Such rules shall provide that the labeling of any general service fluorescent lamps, medium base compact fluorescent lamps and general service incandescent lamp manufactured, assembled or imported after the 18-month period beginning on the date of the publication of such labeling rule will include conspicuously on the packaging of the lamp in a manner prescribed by the Commission under subsection (b), such information as the Commission deems necessary for the consumers to select the most energy efficient lamps to meet their requirements. Labeling information for incandescent lamps will be based upon performance when operated at 120 volts input, regardless of the rated lamp voltage.

(2) in subsection (a)(3), by striking out "(14)" and inserting in lieu thereof "(15)";

(3) in paragraphs (1)(B), (3), and (5) of subsection (b), by striking out "(14)" and inserting in lieu thereof "(15)"; and

(4) in subsection (c)(7), by striking out "paragraph (13) of section 322" and inserting in lieu thereof "paragraphs (13) and (14) of section 322(a).".

(e) STANDARDS.—Section 325 of such Act (42 U.S.C. 6295) is amended—

(1) by redesignating clauses (i) through (q) as clauses (k) through (s); and

(2) by inserting after clause (h) the following:

"(i) GENERAL SERVICE FLUORESCENT AND INCANDESCENT REFLECTOR LAMPS.—(1) Each of the following general service fluorescent lamps and incandescent reflector lamps manufactured, assembled or imported after the transition period for each category of lamps beginning on the date of the enactment of this subsection shall meet or exceed the following lamp efficacy and CRI standards. Beginning twelve months after the expiration of the transition period for each of the listed categories of lamps, no lamp in such category may be sold which does not meet or exceed the following lamp efficacy and color rendition index standards:

"FLUORESCENT LAMPS

"Lamp type	Nominal lamp wattage	Minimum average CRI	Minimum average lamp efficacy (LPW)	Transition period (months)
4 foot Medium bi-pin	>35W	69	75.0	36
	≤35W	45	75.0	36
2 foot "U" shaped	>35W	69	68.0	36
	≤35W	45	64.0	36
8 foot Slimline	65W	69	80.0	18
	≤65W	45	80.0	18
8 foot High Output	>100W	69	80.0	18
	≤100W	45	80.0	18

"INCANDESCENT REFLECTOR LAMPS

"Nominal lamp wattage	Minimum average lamp efficacy (LPW)	Transition period (month)
40–50	10.5	36
51–66	11.0	36
67–85	12.5	36
86–115	14.0	36
116–155	14.5	36
156–205	15.0	36

"(2) Not less than 36 months after the date of enactment of the National Energy Security Act of 1991, the Secretary shall initiate a rulemaking proceeding and shall publish a final rule no later than 54 months after this section is enacted to determine if the standards established under paragraph (1) should be amended. Such rule shall contain such amendment, if warranted, and provide that the amendment shall apply to products manufactured on or after the 36-month period beginning on the date such final rule is published.

"(3) Not less than eight years after the date of enactment of the National Energy Security Act of 1991, the Secretary shall initiate a rulemaking proceeding and shall publish a final rule no later than nine and one-half years after this section is enacted to determine if the standards established under paragraph (1) should be amended. Such rule shall contain such amendment, if warranted, and provide that the amendment shall apply to products manufactured on or after the 36-month period beginning on the date such final rule is published.

"(4) Twenty-four months after any labeling required by subsection (d) shall have taken effect, the Secretary shall initiate a rulemaking to determine if additional fluorescent and incandescent lamps should be subject to standards, and to publish, within 18 months of initiating such a rulemaking, a final rule including such standards, if warranted.

"(5) Any amendment prescribed under paragraph (4) shall apply only to products manufactured, assembled or imported after a date which is 36 months after the date the final rule is published.

"(6) In establishing or modifying any standard under this subsection, the Secretary shall use the criteria contained in section 325(n) of the Energy Policy and Conservation Act, as redesignated by the National Energy Security Act of 1991.

"(7) With regard to any lamp covered by this subsection or section 6113 of the National Energy Security Act of 1991, it shall be the responsibility of the Secretary to inform any Federal entity proposing actions which would adversely impact the energy consumption or energy efficiency of any covered product of the energy conservation consequences of such action. It shall be the responsibility of such Federal entity to carefully consider the Secretary's comments.

Any other provision of Federal law or regulation to the contrary notwithstanding, the Secretary shall not be prohibited from modifying any standard, by rule, to permit increased energy use or to decrease the minimum required energy efficiency of any covered product if such action is warranted as the result of other federal action, such as but not limited to restrictions on materials or processes, which would have the effect of either increasing energy use or decreasing energy efficiency.

"(8) Concurrent with the effective date of lamp standards established pursuant to this subsection or section 6113 of the National Energy Security Act of 1991, a manufacturer shall file with the Secretary the report of the laboratory certifying compliance with the standard for each lamp. Such report shall include the lumen output and wattage consumption as an average of measurements taken over the preceding 12 month period.

SEC. 6113. ENERGY CONSERVATION STANDARDS FOR HIGH-INTENSITY DISCHARGE LAMPS.

Title III, part C, of the Energy Policy and Conservation Act (42 U.S.C. 6310) is amended by adding the following new section 346, and renumbering section 346 as 347.

"SEC. 346. ENERGY CONSERVATION STANDARDS FOR HIGH-INTENSITY DISCHARGE LAMPS.—

"(a) IN GENERAL.—(1)(A) The Secretary of Energy shall—

"(i) within 18 months after the date of the enactment of this Act, prescribe testing requirements for those high-intensity discharge lamps for which the Secretary makes a determination that energy conservation standards would result in significant energy savings; and

"(ii) within 18 months after the date on which testing requirements are prescribed by the Secretary pursuant to clause (i), prescribe energy conservation standards for those high-intensity discharge lamps for which the Secretary prescribed testing requirements under clause (i).

"(iii) Any standard prescribed under clause (ii) shall apply to products manufactured, assembled or imported 36 months after the date on which the final rule is published.

(B) For purposes of subparagraph (A), the term "energy conservation standard" means—

"(i) a performance standard that prescribed a minimum level of energy efficiency or a maximum quantity of energy use for a product; or

"(ii) a design requirement for a product.

"(2) In establishing any standard under this section, the Secretary shall use the criteria contained in section 325(n) of the Energy Policy and Conservation Act, as redesignated by the National Energy Security Act of 1991.

"(3) The Federal Trade Commission shall, within six months after the date on which energy conservation standards are prescribed by the Secretary of Energy pursuant to paragraph (1)(A)(ii) for high-intensity discharge lamps, prescribe labeling requirements for such lamps.

"(b) REQUIREMENT OF MANUFACTURERS.—Beginning on the date which occurs six months after the date on which a labeling rule is prescribed for a product under subsection (a)(3), each manufacturer or importer of the product shall begin to label newly manufactured products with a label which meets, and is displayed in accordance with, the requirements of such rule.

"(c) ENFORCEMENT.—(1) After the date on which a manufacturer must begin to label newly manufactured products with a label for a product pursuant to subsection (b), each such product shall be considered, for purposes of paragraph (1) and (2) of section 322(a) of the Energy Policy and Conservation Act, a new covered product to which a rule under section 324 of such Act applies.

"(2) Twelve months after the date on which a nmanufacturer must begin to label newly manufactured products with a label for a product pursuant to subsection (b), it shall be unlawful for any manufacturer or private labeler to distribute in commerce any new high intensity discharge lamps which is not in conformity with the applicable labeling requirement and energy conservation standard prescribed under subsection (a)(1)(A)(ii).

"(3) For purposes of section 333(a) of the Energy Policy and Conservation Act, paragraph (1) of this subsection shall be considered to be a part of section 332 of such Act.".

AMENDMENT NO. 1551

On page 144, after line 17, insert the following two new sections:

"SEC. 6114. ENERGY CONSERVATION STANDARDS FOR COMMERCIAL AND INDUSTRIAL ELECTRIC MOTORS.

(a) DEFINITIONS.—Section 340 of the Energy Policy and Conservation Act (42 U.S.C. 6311) is amended—

(1) in paragraph (2)(A)(iii), by striking out "as defined in section 321(a)(2)" and inserting in lieu thereof "to which standards are applicable under section 325";

(2) in paragraph (3) by striking "the" and inserting "The" in lieu thereof; and

(3) by adding at the end thereof the following new paragraphs:

"(8)(A) Except as provided in subparagraph (B), the term 'electric motor' means any motor which is a general-purpose T-frame, single-speed, foot-mounting, polyphase squirrel-cage induction motor of the National Electrical Manufacturers Association (NEMA), Design A and B, continuous rated, operating on 230/460 volts and constant 60 Hertz line power as defined in NEMA Standards Publication MG1-1987.

"(B) The term 'electric motor' does not include any motor excluded by the Secretary, by rule, as a result of a determination that standards for such motor would not result in significant energy savings or that efficiency standards for such motor would not be technically feasible or economically justified.

"(C) The term 'definite-purpose motor' means any motor designed in standard ratings with standard operating characteristics or mechanical construction for use under service conditions other than usual or for use on a particular type of application and which cannot be used in most general purpose applications.

"(D) The term 'special-purpose motor' means any motor with special operating characteristics or special mechanical construction, or both, designed for a particular application and not falling within the definition of general-purpose or definite-purpose motor.

"(E) The term 'open motor' means a motor having ventilating openings which permit passage of external cooling air over and around the windings of the motor.

"(F) The term 'enclosed motor' means a motor so enclosed as to prevent the free exchange of air between the inside and outside of the case but not sufficiently enclosed to be termed air-tight.

"(G) The term 'small electric motor' means a NEMA general-purpose alternating current single-speed induction motor, built in a two-digit frame number series in accordance with NEMA Standards Publication MG1-1987.

"(H) The term 'efficiency' means the ratio of an electric motor's useful power output to its total power input, expressed in percentage.

"(I) The term 'nominal efficiency' means the average efficiency of a large population of motors of duplicate design as determined in accordance with National Electric Manufacturers Association Standards Publication MG1-1987.

"(9) The term 'NEMA' means the National Electrical Manufacturers Association."

"(10) The term 'IEEE' means Institute of Electrical and Electronics Engineers."

"(11) The term 'energy conservation standard' means—

"(A) a performance standard that prescribes a minimum level of energy efficiency or a maximum quantity of energy use for a product; or

"(B) a design requirement for a product."

(b) TEST PROCEDURES.—Section 343 of such Act (42 U.S.C. 6314) is amended—

(1) by striking paragraph (a)(1) and inserting in lieu thereof the following:

"(a)(1) The Secretary may conduct an evaluation of a class of covered equipment and may prescribe test procedures for such class in accordance with the provisions of this section.";

(2) by adding at the end of subsection (a), the following new paragraph:

"(4) With respect to electric motors that are manufactured after the end of the 24-month period beginning on the date of the enactment of this paragraph and to which standards are applicable under section 342, the Secretary shall prescribe test procedures that take into consideration NEMA Standards Publication MG1-1987 and IEEE Standard 112 Test Method B for motor efficiency."; and

(3) redesignate the first subsection 343(d) as 343(c).

(c) LABELING.—Section 344 of such Act (42 U.S.C. 6315) is amended by redesignating subsections (d), (e), (f), (g), (h), and (i) as subsections (e), (f), (g), (h), (i) and (j) respectively, and by inserting a new subsection (d) as follows:

"(d) In the case of electric motors, within 12 months after the Secretary establishes test procedures (as required in Section 343 (a)), manufacturers and importers of covered motors shall establish efficiency ratings for each type of motor in accordance with the applicable test procedures, and—

"(1) include the efficiency rating of the equipment on the permanent nameplate attached to each piece of equipment.

"(2) prominently display the efficiency rating of the equipment in equipment catalogs and other materials used to market the equipment.

"(3) such other markings that the Secretary may determine are needed solely to facilitate enforcement of the efficiency standards established in Section 342(a).

"In developing these labeling requirements for electric motors, the Secretary shall take into consideration NEMA Standards Publication MG1-1987.

(d) STANDARDS.—Section 342 of such Act (42 U.S.C. 6313) is amended to read as follows:

"STANDARDS

"SEC. 342. (a) ELECTRIC MOTORS.—(1) Except for definite-purpose motors, special-purpose motors, and those motors exempted by the Secretary under the provisions of paragraph (2) of this section, any general-purpose electric motor manufactured or imported (alone or as part of another piece of equipment) after the 60-month period beginning on the date of enactment of the Energy Efficiency Standards Act of 1991, or 84-month period in the case of general-purpose motors which require listing or certification by a nationally recognized safety testing laboratory, shall have a nominal full-load efficiency of not less than the following:

"NOMINAL FULL-LOAD EFFICIENCY

"Number of poles	Open motors			Enclosed motors		
	6	4	2	6	4	2
Motor h.p.						
1	80.0	82.5	....	80.0	82.5	75.5
1.5	84.0	84.0	82.5	85.5	84.0	82.5
2	85.5	84.0	84.0	86.5	84.0	84.0
3	86.5	86.5	84.0	87.5	87.5	85.5
5	87.5	87.5	85.5	87.5	87.5	87.5
7.5	88.5	88.5	87.5	89.5	89.5	88.5
10	90.2	89.5	88.5	89.5	89.5	89.5
15	90.2	91.0	89.5	90.2	91.0	90.2
20	91.0	91.0	90.2	90.2	91.0	90.2
25	91.7	91.7	91.0	91.7	92.4	91.0
30	92.4	92.4	91.0	91.7	92.4	91.0
40	93.0	93.0	91.7	93.0	93.0	91.7
50	93.0	93.0	92.4	93.0	93.0	92.4
60	93.6	93.6	93.0	93.6	93.6	93.0
75	93.6	94.1	93.0	93.6	94.1	93.0
100	94.1	94.1	93.0	94.1	94.5	93.6
125	94.1	94.5	93.6	94.1	94.5	94.5
150	94.5	95.0	93.6	95.0	95.0	94.5
200	94.5	95.0	94.5	95.0	95.0	95.0

"(2)(A) The Secretary may, by rulemaking, exempt certain types or classes of motors from the standards specified in paragraph (b) of this section if the following apply—

"(i) efficiency standards for such motors would not result in significant energy savings because such motors either cannot be used in most general-purpose applications or are very unlikely to be used in most general-purpose applications; and

"(ii) efficiency standards for such motors would not be technically feasible or economically justified;

"(B) Within one year of the passage of this Act, motor manufacturers and importers shall petition the Secretary to request exemptions for motors that meet the criteria specified in paragraph (2)(A) of this section. Each request shall provide evidence that the motor meets the criteria for exemption.

"(C) Within two years of the passage of this Act, the Secretary shall rule on each request for exemption. In reaching his decision, the Secretary shall afford an opportunity for public comment.

"(D) for new motors developed after the date of enactment of this Act, manufacturers may petition the Secretary for exemptions from the standards established under this Act based on the criteria specified in paragraph (2)(A) of this section.

"(3)(A) The Secretary shall publish a final rule no later than the end of the 24-month period beginning on the effective date of the standards established under paragraph

(1) to determine if such standards should be amended. Such rule shall provide that any amendment shall apply to electric motors

manufactured on or after a date which is 5 years after the effective date of the standards established under paragraph (1).

"(B) The Secretary shall publish a final rule no later than 24 months after the effective date of the previous final rule to determine whether to amend the standards in effect for such product. Any such amendment shall apply to electric motors manufactured after a date which is 5 years after—

"(i) the effective date of the previous amendment; or

"(ii) if the previous final rule did not amend the standards, the earliest date by which a previous amendment could have been effective.

(e) ADMINISTRATION, PENALTIES, ENFORCEMENT AND PREEMPTION.—Section 345 of such Act (42 U.S.C. 6316) is amended by—

(1) striking the designation "(a)";

(2) in the material preceding paragraph (1), by striking "sections 328" and inserting in lieu thereof ", the provisions of subsections (1) through (q) of section 325, and section 327";

(3) in paragraph (1) by—

(i) striking the words "and 324" and inserting in lieu thereof ", 324, and 325";

(ii) striking the words "343 and 344, respectively" and inserting in lieu thereof "343, 344, and 342, respectively";

(4) in paragraph (3), by striking the word "and" at the end thereof;

(5) in paragraph (4), by striking the period and inserting in lieu thereof a semicolon; and

(6) by adding after paragraph (4) the following new paragraphs (5) through (8):

"(5) As of the date of enactment of the National Energy Security Act of 1991, no State or its subdivisions may enact, prescribe, or revise efficiency standards for any equipment for which efficiency standards are established under this Act.

"(6) As of the date of enactment of the National Energy Security Act, no State or its subdivisions may enact, prescribe, or revise labeling requirements for any equipment for which labeling requirements are established under this Act.

"(7) Notwithstanding paragraphs (5) and (6) of this section, States and their subdivisions may adopt efficiency requirements for new construction provided that such requirements are identical to standards established under this Act.

"(8) With respect to electric motors, the Secretary shall establish a technical performance audit program to ensure compliance with the prescribed testing and labeling standards; and

(7) by striking out the title and inserting in lieu thereof "Administration, Penalties, Enforcement, and Preemption".

(f) AUTHORIZATION FOR APPROPRIATIONS.—Section 346 is amended by striking the existing text and inserting in lieu thereof the following: "There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this part."

"SEC. 6115. ENERGY CONSERVATION STANDARDS FOR SMALL ELECTRIC MOTORS.

Title III, part C, of the Energy Policy and Conservation Act (42 U.S.C. 6310) is amended by adding the following new section 346, and renumbering section 346 as 347.

"SEC. 346. ENERGY CONSERVATION STANDARDS FOR SMALL ELECTRIC MOTORS.

"(a) IN GENERAL.—(1)(A) The Secretary shall—

"(i) within 24 months after the date of the enactment of this Act, prescribe testing requirements for those small electric motors for which the Secretary makes a determination that energy conservation standards would be technically feasible and economically justified, and would result in significant energy savings; and

"(ii) within 24 months after the date on which testing requirements are prescribed by the Secretary pursuant to clause (i), prescribe energy conservation standards for those small electric motors for which the Secretary prescribed testing requirements under clause (i). Standards shall not apply to any small electric motor which is a component part of a product or equipment subject to the energy efficiency standards under this title.

"(iii) any standard prescribed under (ii) of this Act shall apply to small electric motors manufactured, assembled or imported, 60 months after the date the final rule is published, or 84 months in the case of small electric motors which require listing or certification by a nationally recognized testing laboratory.

"(B) For purposes of subparagraph (A):

"(i) the term "energy conservation standard" means—

"(aa) a performance standard that prescribes a minimum level of energy efficiency or a maximum quantity of energy use for a product; or

"(bb) a design requirement for a product; and

"(ii) the term "small electric motor" is as defined under section 340(8) of the Energy Policy and Conservation Act (42 U.S.C. 6311), as amended.

"(2) In establishing any standard under this section, the Secretary shall use the criteria contained in section 325(1) of the Energy Policy and Conservation Act.

"(3) The Federal Trade Commission shall, within six months after the date on which energy conservation standards for small electric motors are prescribed by the Secretary pursuant to paragraph (1)(A)(ii), prescribe labeling requirements for such electric motors.

"(b) REQUIREMENT OF MANUFACTURERS.—Beginning on the date which occurs six months after the date on which a labeling rule is prescribed for a product under subsection (a)(3), each manufacturer of the product shall provide a label which meets, and is displayed in accordance with, the requirements of such rule.

"(c) ENFORCEMENT.—(1) After the date on which a manufacturer must provide a label for a product pursuant to subsection (b)—

"(A) each such product shall be considered, for purposes of paragraphs (1) and (2) of section 332(a) of the Energy Policy and Conservation Act, a new covered product to which a rule under section 324 of such Act applies; and

"(B) it shall be unlawful for any manufacturer, importer or private labeler to distribute in commerce any new small electric motors for which an energy conservation standard is prescribed under subsection (a)(1)(A)(ii) which is not in conformity with the applicable labeling requirement and energy conservation standard.

"(2) For purposes of section 333(a) of the Energy Policy and Conservation Act, paragraph (1) of this subsection shall be considered to be a part of section 332 of such Act.".

Mr. WIRTH. Mr. President, if I might, I will take a moment to explain these amendments which have gone through a long process of negotiation. These relate to the lamp and electric motor standards which we discussed at great length last fall during the markup of the bill, and which we have been working with the industry and the energy efficiency community on where we have reached agreement.

I thank both of those industry groups. They had significant misgivings on both sides about what could and should be done. We brought everybody together, and I think we now have two very good workable amendments.

The energy legislation before the Senate requires the Secretary of Energy to examine a variety of lamps, and here we are talking about light bulbs to determine what group of lamps are appropriate for energy efficiency.

Mr. President, the energy legislation before the Senate requires the Secretary of Energy to examine a variety of lamps—and here we are talking about light bulbs—to determine those groups of lamps that are appropriate for minimum energy efficiency standards. Originally, the amendment I offered in the Energy Committee would have required the Secretary to undertake a similar proceeding with respect to electric motors. Unfortunately, the motor provision was deleted from the bill by the committee.

In the time since the Energy Committee marked up this legislation, representatives of the lighting and motor industries have been meeting with staff and energy efficiency experts to work out standards for these products. Happily, agreement has been reached and accepted by all sides. I want to commend all of the individuals who worked so hard on this agreement—in particular the representatives of industry, who were very forthcoming and helpful in this process.

Let me say at the outset that those are not technology forcing standards. Instead, the lamp and motor amendments I am submitting will ensure that the least efficient products are gradually removed from the marketplace. Manufacturers produce a wide range of products—some very efficient, some very inefficient. What we are trying to do with these amendments, is move the curve upward by eliminating the least efficient products.

In the area of lamp standards, we have reached a compromise that sets standards for the primary commercial fluorescent lighting tubes and reflector incandescent lamps commencing in 1995. These are the fluorescent tubes typically used in commercial office buildings, as well as incandescent lamps surrounded by a reflective housing to concentrate light—which are typically used in commercial applications.

Further, the compromise allows the Secretary of Energy to set standards for High Intensity Discharge lamps and standard incandescent lamps in the 1998–99 timeframe. Standard incandescents are the normal lightbulbs used in our homes. High Intensity Discharge, or HID lamps, the lights typically used in gymnasiums and streetlights.

In summary, the language only includes the most widely used lamps, not speciality products such as grow lights or decorative bulbs; the compromise gives industry the necessary lead-time to make adjustments; and the compromise preempts State standards, which have been set in Massachusetts and New York and are pending in Vermont.

In terms of energy, lamps account for approximately 16 percent of national electricity use. The most energy efficient lamps pay for themselves in less than 2 years. Under the proposed compromise, 6.1 quads of energy will be saved between now and 2010—an amount of energy equivalent to 1 year's use of oil at the rate of 3 million barrels of oil per day. Put another way, this agreement will prevent the need for 17 very large powerplants between now and 2010. Most significantly, it is estimated that these standards will save consumers $25 billion cumulatively through 2010 in saved energy costs.

MOTORS

On electric motors, the compromise language calls for initial standards on multiphase motors of 1 to 200 horsepower—commonly used by industry to run equipment such as conveyor belts and fans—in 1997. Motors of less than one horsepower will receive standards in the 2001–2003 timeframe.

Let me just briefly describe the highlights of the motor standards agreement. First, the standards apply only to the most common types of motors; second, the standards will simply prohibit the manufacturer of the least-efficient motors—again, this provision is intended to get inefficient motors off the market, rather than to push the industry toward producing much more efficient motors; and finally the standards allow plenty of lead-time for industry to adjust.

And like lamp standards, this amendment will save a significant amount of energy. Motors account for 55 percent of national electricity use. Many motors are used by consumers to run appliances and are covered by appliance standards. However, many motors are used in industry to power assembly line functions and small equipment. Higher-efficiency motors are cost effective for applications where they are run more than 500 hours per year. The motors covered by this compromise will result in a savings of about 1.2 quads of energy through 2010—eliminating the need for six very large power plants by 2010. Economic savings over this time period are estimated to be $5 billion.

Taken together, these standards will eliminate the need for 23 large powerplants and save our economy $30 billion—an average of almost $2 billion every year between now and 2010. That is literally money that we would have been throwing away.

I hope this amendment will be supported by all Senators and again, let me thank the industry and their trade association—the National Electrical Manufacturers Association, the efficiency advocates—the Alliance to Save Energy and the American Council for an Energy Efficient Economy and staff for the remarkable job they have all done.

Mr. President, these two amendments have the effect of saving, between now and the year 2010, by industry group estimates, some $3 billion for the American economy. They have the effect of saving the equivalent of building 23 large powerplants or some 23,000 megawatts of electricity.

These are very significant amendments. We are talking about standards for lighting, lamps, and standards for electric motors. Both of these are very significant consumers of electricity. In both areas, we know that significant efficiencies can be built in.

As I pointed out, we have worked with the industry. There had originally been some significant confusion about what could be done and what we might do. That has all come together.

I had the privilege of meeting, shortly before the new year, at the annual convention of all of the electric motor manufacturers, and at that point, everbody came to an agreement on the motor standards legislation.

So I want to make a particular point of thanking them and thanking the lamp industry for their good work.

I hope that my colleagues will agree and we can adopt these two amendments which I believe have been agreed to.

Mr. JOHNSTON. Mr. President, these are not merely amendments. These are very far-reaching, very important and at one time very controversial amendments. Indeed, the amendment on electric motors in a previous reiteration was brought up and debated very heatedly at some length in the Energy Committee and defeated in the Energy Committee on its first vote, and it is only because of, first, his determination, and, second, his reasonableness in working out objections to that, as well as the lighting amendment that we are able to get those two.

They do save an enormous amount of energy over time. They provide standards for many types of commonly used lights—incandescent, as well as fluorescent—standards for all these electric motors. As I say, it is very far-reaching and it has now been worked out.

Mr. President, again, my hat is off to the Senator from Colorado for doing an excellent job in getting this agreed to. They are very important amendments, and from the majority side, we very enthusiastically support the amendments.

Mr. WALLOP. Mr. President, from the minority side, I say that we do, too. And our enthusiasm is based on and limited by the words that are contained within the amendments as they now stand. It has been the understanding of the Senator from Wyoming that the Senator from Colorado has given his assurances that he would stand by the Senate's position right on through conference, and that he is not inclined to support vast new additions to the requirement under these amendments; is that correct?

Mr. WIRTH. The Senator from Wyoming is correct. I think we have come a long way to where we started in our original debates on the Energy Committee. I say that the agreement that we have reached with both industries, with the Senator from Wyoming and through the good work of all of our staffs, I think presents a very good and doable package, and it would be my hope that we can stick with this and not go beyond it—it was hard enough to get here—and raise a whole series of other controversy, and if we can, we can come back in another year and do that. I think this is a good package, and I look forward to working with the Senator from Wyoming in assuring that this is the package we end up with.

Mr. WALLOP. I particularly thank the Senator from Colorado and assure him of my enthusiasm for the package as it now stands and, in particular, my enthusiasm for the assurances he has given us that he would stand by the Senate's position, in trying to hold it, because these are doable.

And beyond this, I think that we begin to have vast effects that are unknown. This is pushing technology, and it is certainly pushing the industry as far as is reasonable at this time, so far as we know. I think that is the position of the Senator from Colorado and certainly the one that we have.

So from the minority standpoint, we support this amendment.

Mr. WIRTH. If the Senator might yield briefly, it was in a thorough spirit of cooperation that we were also in contact with colleagues on the House side and worked with them in an attempt to persuade them of the virtue of these amendments.

Mr. WALLOP. Temper their enthusiasm.

Mr. WIRTH. In a spirit of cooperation, I assure the distinguished Senator from Wyoming, we are doing everything we can.

The PRESIDING OFFICER. Is there further debate?

Without objection, the amendments are agreed to.

So, the amendments (No. 1550 and No. 1551) were agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1552

(Purpose: To amend section 11104 to strike subsection regarding Federal Energy Regulatory Commission authority to allow recovery of Gas Research Institute surcharge)

AMENDMENT NO. 1553

(Purpose: To amend the Powerplant and Industrial Fuel Use Act of 1978 to repeal the requirement that the President report to the Congress)

Mr. JOHNSTON. Mr. President, I have two natural gas amendments which I would like to submit en bloc. The first strikes in its entirety section 11104(c) of S. 2166, which authorized FERC to allow recovery by interstate natural gas pipelines of expenditures for the Gas Research Institute's natural gas vehicle and emissions control program. We now propose to strike that because it has been made unnecessary by events that occurred subsequent to its adoption by the committee.

The second amendment, on behalf of Senator WALLOP and myself—both of these are on behalf of Senator WALLOP and myself—amends title XI of S. 166. It would repeal the requirement under section 403(c) of the Power Plant and Industrial Fuel Use Act of 1978, that the President report annually to the Congress regarding actions taken by Federal agencies under the FUA, and in its 1991 annual report to the Congress pursuant to section 403(c) of FUA the Department of Energy requested that the Congress amend the act to provide to remove the reporting requirement; according to DOE the 1987 amendments that narrowed the Fuel Use Act narrowed the statute to baseload electric powerplants that generate electricity for resale and have rendered section 403(c) report moot.

So, Mr. President, I submit those two amendments en bloc along with the statement's report describing more fully those amendments and ask unanimous consent that they be considered en bloc, and that the statements in support thereof be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report the amendments.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for himself and Mr. WALLOP, proposes en bloc amendments numbered 1552 and 1553.

AMENDMENT No. 1552

On page 285, strike lines 6 through 24 and, on page 286, lines 1 and 2.

AMENDMENT No. 1553

On page 303, after line 21, insert the following:

"SEC. 11113. FUEL USE ACT AMENDMENT.

Section 403 of the Powerplant and Industrial Fuel Use Act of 1978 as amended (42 U.S.C. 8373) is amended by striking subsection (c) in its entirety."

REGARDING AMENDMENT TO STRIKE GAS RESEARCH INSTITUTE SURCHARGE AUTHORIZATION

Mr. JOHNSTON. Mr. President, this amendment strikes in its entirety section 11104(c) of S. 2166. Section 11104(c) authorized the Federal Energy Regulatory Commission [FERC] to allow recovery by interstate natural gas pipelines of expenditures for the Gas Research Institute's [GRI] natural gas vehicle and emissions control projects, provided that FERC found that the benefits, including environmental benefits, from such activities to both existing and future ratepayers exceeded all direct cost to both existing and future ratepayers. We now propose to strike 11104(c), because it has been made unnecessary by events that occurred subsequent to its adoption by the Committee on Energy and Natural Resources. In a letter to Senator WALLOP and myself, GRI acknowledged that the provision was no longer necessary and asked that we delete it from the legislation.

GRI is a collaborative organization of the natural gas industry which performs extensive research, development, and demonstration [RD&D] activities. GRI's projects are financed almost exclusively by direct FERC-approved surcharges on the jurisdictional throughput of interstate natural gas pipelines. On April 19, 1991, the U.S. Court of Appeals for the District of Columbia Circuit in Process Gas Consumers Group versus FERC held that FERC could not consider general, unquantified environmental benefits in evaluating GRI's natural gas vehicle and emissions control research and development programs. The Committee on Energy and Natural Resources strongly supports RD&D in these areas and in section 11104(c) affirmed FERC's authority to permit the surcharge recovery of expenses for such activities.

Section 11104(c) has been made unnecessary by Public Law 102–104, the enacted energy and water appropriations bill for fiscal year 1992, signed into law by the President on August 17, 1991. Public Law 102–104 included language authorizing FERC to consider environmental benefits when evaluating GRI's natural gas vehicle and emissions control RD&D programs. Since then, FERC in opinion No. 365 used the authority granted in Public Law 102–104 to approve GRI's 1992 natural gas vehicle and emissions control RD&D programs. In opinion No. 365 FERC concluded that, with respect to the natural gas vehicle and emissions control projects, the Congress in Public Law 102–104 enacted a permanent change in the law that is not limited to GRI's 1992 programs. In view of these developments section 11104(c) is now redundant and should be deleted.

REGARDING FUEL USE ACT AMENDMENT

Mr. JOHNSTON. Mr. President, on behalf of Senator WALLOP and myself, I sent to the desk an amendment to title XI of S. 2166. This amendment would repeal the requirement under section 403(c) of the Powerplant and Industrial Fuel Use Act of 1978 [FUA] that the President report annually to the Congress regarding actions taken by Federal agencies under FUA.

In its 1991 annual report to the Congress pursuant to section 403(c) of FUA, the Department of Energy requested that the Congress amend FUA to remove the reporting requirement. According to DOE, the 1987 FUA amendments that narrowed the statute to baseload electric powerplants that generate electricity for resale have rendered the section 403(c) report moot.

Mr. President, I ask unanimous consent that a copy of DOE's 1991 annual report to the Congress pursuant to section 403(c) of FUA be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JOHNSTON. Senator WALLOP and I concur in the Secretary of Energy's recommendation that section 403(c) be repealed. The section 403(c) reporting requirement is a leftover administrative provision that, in hindsight, should have been repealed when the Congress, in 1987, narrowed the scope of FUA. Simply put, the American taxpayer receives no benefit from the continued dedication of Department of Energy resources to the preparation of a meaningless report to the Congress.

EXHIBIT 1

THE SECRETARY OF ENERGY,
Washington, DC, August 27, 1991.

Hon. J. BENNETT JOHNSTON,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As required by section 403(c) of the Powerplant and Industrial Fuel Use Act of 1978, submitted herewith is the Annual Report of the actions taken by Federal agencies under the Act during calendar year 1990. The May 21, 1987, amendment to the Fuel Use Act has narrowed its jurisdiction to cover only baseload electric powerplants. This narrowed jurisdiction has effectively rendered this report moot. The amendment, however, did not remove the requirement for the annual submission of this Report to Congress. Therefore, it is recommended that Congress remove this reporting requirement by deleting section 403(c) of FUA at its earliest opportunity.

Sincerely,

JAMES D. WATKINS,
Admiral, U.S. Navy (Retired).

POWERPLANT AND INDUSTRIAL FUEL USE ACT ANNUAL REPORT—FEDERAL FACILITIES

EXECUTIVE SUMMARY

This Annual Report has been prepared for the President's presentation to the Congress as required by section 403(c) of the Powerplant and Industrial Fuel Use Act of 1978 (FUA), Public Law 95-620, enacted November 9, 1978. The Report summarizes activities of the Administration to implement the section 403 requirement to conserve petroleum and natural gas in federally owned or operated baseload electric powerplants.

The May 21, 1987, amendment to the Fuel Use Act has narrowed its jurisdiction to cover only baseload electric powerplants. This narrowed jurisdiction has effectively rendered this report moot. The amendment, however, did not remove the requirement for the annual submission of this Report to Congress. Therefore, it is recommended that Congress remove this reporting requirement by deleting section 403(c) of FUA at its earliest opportunity.

This Annual Report is required by section 403 of the Powerplant and Industrial Fuel Use Act of 1978, Public Law 95-620, enacted November 9, 1978. It discusses activities of the Federal Government during calendar year 1990 to comply with requirements of the Act relating to Federal facilities.

BACKGROUND

The Powerplant and Industrial Fuel Use Act (FUA or the Act), as originally enacted in 1978, provided in section 403 that each Federal agency owning or operating any electric powerplant, major fuel-burning installation, or other unit shall comply with any prohibition, term, condition, or other substantial or procedural requirement under this Act, to the same extent as would be the case if such powerplant, installation, or unit were privately owned or operated.

On May 21, 1987, FUA was amended (Pub. L. 100-42) to limit FUA application for new facilities to baseload powerplants that generate electricity for resale. Under the revision, no new electric powerplants may be constructed or operated as a baseload powerplant without the capability to use coal or another alternate fuel as a primary energy source. An electric powerplant has the capability to use coal or another alternate fuel if: (1) the powerplant has sufficient inherent design characteristics to permit the addition of equipment necessary to render the powerplant capable of using coal or another alternate fuel as its primary energy source; and (2) the powerplant is not physically, structurally, or technologically precluded from using coal or another alternate fuel as its primary energy source. The capability to use coal or another alternate fuel does not require any powerplant to be immediately able to use coal or another alternate fuel on its initial day of operation.

The FUA amendment greatly reduced the application of FUA for Federal facilities since Federal agencies do not normally construct or operate baseload powerplants that generate electricity for resale. Further, since the enactment of FUA in 1978, the Department of Energy (DOE) has received no request from any of the Federal Power Marketing Administrations for relief from the Act's prohibitions. In addition, the armed services in recent years have adopted a policy of supplying needed steam and electricity through third-party contracts which leave the construction and operation of the new facility in the hands of non-Federal entities. As such, it is the responsibility of the facility's owner, not the Federal Government, to seek exemptions from the FUA, if necessary.

Pursuant to section 403(b) of FUA, the President issued Executive Order No. 12185 on December 19, 1979, directing Federal agencies to establish rules to achieve conservation of oil and natural gas by recipients of Federal grants, loans, contracts, or other forms of financial assistance. The rules require Federal assistance programs to include energy efficiency standards which offer opportunities for significant conservation of oil and natural gas.

Executive Order No. 12217 (issued June 18, 1980) required that the head of each Executive Agency formally consult with DOE in complying with the purposes of FUA. This requirement was revoked by Executive Order No. 12437, issued August 11, 1983.

Since the issuance of Executive order No. 12437, the DOE has continued to consult with the Department of Defense (DoD) on an informal basis. No Government-owned baseload powerplants were constructed by DoD in 1990.

The May 21, 1987, amendment to the Fuel Use Act has narrowed its jurisdiction to cover only baseload electric powerplants. This narrowed jurisdiction has effectively rendered this report moot. The amendment, however, did not remove the requirement for the annual submission of this Report to Congress. Therefore, it is recommended that Congress remove this reporting requirement by deleting section 403(c) of FUA at its earliest opportunity.

The PRESIDING OFFICER. Is there debate on the amendments?

If not, without objection, the amendments are agreed to.

The amendments (No. 1552 and No. 1553) were agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 1554

(Purpose: To eliminate Federal preemption of manufactured housing energy efficiency standards)

Mr. WIRTH. Mr. President, I have an amendment related to manufactured housing and I would ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH] proposes an amendment numbered 1554.

Mr. WIRTH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 118, line 16, add the following new subsection 6103(c):

"(c) ELIMINATION OF FEDERAL PREEMPTION.—Notwithstanding the provisions of section 943 of the Cranston Gonzalez National Affordable Housing Act (P.L. 101-625), if the Department of Housing and Urban Development has not issued, within one year of the date of enactment of this Act, regulations establishing thermal insulation and energy efficiency standards for manufactured housing promulgated (and effective before 1995) pursuant to section 304 of the Energy Conservation and Production Act (42 U.S.C. 6833) then States shall have the authorization to set such thermal insulation and energy efficiency standards for manufactured housing at levels at least as stringent as the thermal performance standards under ASHRAE 90-2.

Mr. WIRTH. Mr. President, I am offering this amendment in hopes of encouraging HUD to issue new energy efficiency standards for manufactured housing.

Energy efficiency standards for manufactured housing have remained virtually unchanged since 1976—more than 15 years ago—despite enormous improvements in technology.

HUD was instructed to revise those standards by the Congress in 1987. HUD has been dragging its feet ever since. HUD's revisions were finally submitted in November 1990, only to languish over at OMB for 13 months. This is absured. As has happened so many times over the past 12 years, the Federal Government has imposed a burden on States.

A number of States are anxious to set their own standards, but the law prevents them from doing so. That is what we often do in the area of national standards—we preempt States from setting standards in exchange for a national standard. However, with manufactured housing standards unchanged for 15 years, the States are getting restless.

What my amendment does is to require the issuance of manufactured housing standards within 1 year. If the standards are not issued, this amendment would authorize States to set their own standards to a level at least as stringent as those promulgated by the industry as a voluntary guide.

This amendment is supported by the National Association of State Energy Officials, who are meeting here in Washington this week, and the National Rural Electric Cooperative Association. I urge my colleagues to support this amendment and to join me in urging HUD to issue new energy efficiency standards for manufactured housing.

Mr. President, the purpose of this amendment is to encourage the Department of Housing and Urban Development, this administration, to issue new energy efficiency standards for manufactured housing. We have for 15 years run under the same standards. We all know that those standards have to be updated. In 1987, the Congress, in legislation, asked the Department of Housing and Urban Development to issue these after 15 years. Finally, in November 1990, the Department sent to OMB these regulations where they have now set for 13 months.

The purpose of this is to urge the administration to issue these regulations and to suggest that if this is not done the States may then go on and set their own standards.

We have always preempted, we hope, to have national standards on this. But if this administration is not going to act, the States certainly know that they must and should act. That is the purpose of this resolution. I believe this has been agreed to on both sides. I hope the amendment will be accepted.

The PRESIDING OFFICER. Is there any further debate?

Mr. JOHNSTON. Mr. President, the Senator correctly described the amendment and we accept it.

The PRESIDING OFFICER. Is there any further debate of the amendment?

If not, without objection, the amendment is agreed to.

So, the amendment (No. 1554) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1555

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1555.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 21, strike lines 1 through 14 and insert the following:

"SEC. 4102. FEDERAL FLEETS.

"(a) PURCHASE REQUIREMENTS.—

"(1) The Federal Government shall purchase, lease, or otherwise acquire at least—

"(A) 5,000 alternative fuel vehicles in 1993;

"(B) 7,500 alternative fuel vehicles in 1994; and

"(C) 10,000 alternative fuel vehicles in 1995.

"(2) When any Federal agency purchases, leases, or otherwise acquires vehicles for a Federal fleet, in the years specified in this paragraph, at least the following percentage of the vehicles purchased, leased, or otherwise acquired shall be alternative fuel vehicles in the respective years—

"(A) in 1996, 25 percent;

"(B) in 1997, 33 percent;

"(C) in 1998, 50 percent;

"(D) in 1999, 75 percent; and

"(E) in 2000 and each year thereafter, 90 percent."

Mr. JOHNSTON. Mr. President, this amendment accelerates the schedule under which the Federal Government must acquire alternatively fueled vehicles as follows: We accelerate to 1993, 5,000 vehicles, or 10 percent; by 1994, 7,500 vehicles, or 15 percent; by 1995, 10 percent, or 10,000 vehicles.

Mr. President, earlier this afternoon I described what I considered to be a very tough requirement of Federal purchase of Federal fleets for alternatively fueled vehicles. We pointed out that purchase obligation begins in 1995.

After a great deal of work, with Mr. Sam Skinner and with others at GSA wanting to do the maximum amount in the quickest time we could, we were able to get this agreement that we will accelerate that purchase in accordance with the schedule just described.

Mr. JOHNSTON. Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, without objection, the amendment is agreed to.

So, the amendment (No. 1555) was agreed to.

AMENDMENT NO. 1556

Mr. JOHNSTON. Mr. President, I send another amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1556.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 32, following line 8, insert the following new subsection:

"(d) STATE INCENTIVES.—Within 18 months after the date of enactment of this title, the Governor of each State in which there is located a fleet subject to the alternative fuel vehicle purchase requirements of section 4103 or 4104, shall submit to the Secretary a report concerning the incentives for alternative fuel vehicles considered or approved by the State. Each State subject to the requirements of this section shall consider:

"(1) allowing public utilities to include in rates costs associated with the development and installation of alternative fuel facilities to the extent that such inclusion would not create competitive disadvantages for other market participants;

"(2) exempting alternative fuel vehicles that operate only on alternative fuel from high occupancy vehicle and other such highway vehicle restrictions;

"(3) exempting alternative fuel vehicles from state highway taxes, road tolls, vehicle and fuel sales taxes, and other state taxes or charges otherwise applicable to motor vehicles; and

"(4) providing alternative fuel vehicles special parking at public buildings, airports, and transportation facilities."

EXPLANATION

This amendment, modeled after Title I of the Public Utility Regulatory Policies Act of 1978 (Public Law 95-617), requires States to consider various incentives to promote use of alternative fuel vehicles and to report to the Secretary of Energy the results of their consideration. The amendment is limited to States in which State, municipal, or private fleets subject to bill's purchase requirements are located.

Mr. JOHNSTON. Mr. President, this amendment, modeled after title I of the Public Utility Regulatory Policies Act of 1978, called PURPA, requires States to consider various incentives to promote use of alternative fuel vehicles and to report to the Secretary of Energy the results of their consideration. The amendment is limited to States in which State municipal or private fleets subject to the bill's purchase requirements are located.

Mr. WALLOP. I have a question for the Senator from Louisiana. My question is directed to the State incentives position of the amendment.

If a State were to allow its utilities to include in the utilities' general or overall rate base the costs associated with the installation of alternative fuel fueling facilities, would this not result in a unit cost advantage to the utility that would adversely affect the establishment and proper functioning of competitive markets? In other words, would not the utility thereby enjoy a cross-subsidy that would tend to discourage competition from other alternative fuel providers?

Mr. JOHNSTON. I thank the Senator for his question. First, it should be noted that the amendment requires submission of a study only, but does not require implementation of the several items suggested. It is the intent of the amendment that the States study very carefully the potential effects of its regulatory actions upon competition in this emergency industry, and to religiously avoid providing any competitive advantage to traditional regulated utilities. If rate base treatment of such costs are maintained on a separate or incremental basis, presumably no such advantage would insure to the utility. On the other hand, if such costs are rolled into the utilities general or overall customer rate base, it should be at a minimum, required to provide its potential competitors equal access to its services at comparable rates.

Mr. WALLOP. I thank the Senator for that clarification.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, without objection, the amendment is agreed to.

So, the amendment (No. 1556) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1557

(Purpose: To include as eligible expenses in the Surface Transportation Program capital costs related to the purchase of alternative fuel school buses)

Mr. JOHNSTON. Mr. President, the next amendment which I will shortly send to the desk includes as eligible expenses in the Surface Transportation Program capital costs related to the purchase of alternative fuel school buses and it authorizes $10 million for each of the fiscal years 1993, 1994, and 1995, for the purpose of providing financial assistance to States or subdivisions thereof to meet incremental costs attributable to use by school buses of alternative fuels.

Mr. President, I now send that amendment to the desk on behalf of Senator NICKLES.

The PRESIDING OFFICER. The clerk will report.

The bill clerk legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. NICKLES, proposes an amendment numbered 1557.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(a) On page 32, after line 8, insert the following new section:

SEC. 4112. SCHOOL BUS FLEET FINANCIAL ASSISTANCE PROGRAM.—There is authorized to be appropriated to the Secretary not more than $10,000,000 for each of the fiscal years 1993, 1994, and 1995 to remain available until expended for purposes of providing financial assistance to any State, including any agency, municipality or political subdivision of a State or the District of Columbia, to meet incremental costs attributable to the use by school buses of alternative fuels, as that term is defined in section 4101(1) of this subtitle, including purchase and installation of alternative fuel refueling facilities to be used primarily for school bus refueling and conversion of school buses to make them capable of using only an alternative fuel (except that diesel school buses may be converted to run on a combination of diesel and natural gas), provided that, any conversion using funds authorized by this section must comply with the warranty and safety requirements for alternative fuel conversions contained in section 247 of the Clean Air Act Amendments of 1990.

(b) In the Table of Contents, on page 2, under Title VI, Subtitle A, list "Sec. 4112. School Bus Fleet Financial Assistance Program."

Mr. NICKLES. Mr. President, I am offering an amendment to the National Energy Security Act of 1992, to establish a program within the Department of Energy to provide financial assistance to States, municipalities, and school districts for grants or loan guarantees for the incremental purchase costs of alternative fuel schoolbuses, the conversion of schoolbuses to dedicated alternative fuels or natural gas with diesel combination bus conversions, and for purchase and installation of the refueling equipment. The funding authorized by this amendment will be subject to appropriations.

It is my intention that the DOE program would respond to applications by the States, municipalities, or school districts for this assistance, and fairly allocate the limited funds that may be appropriated for this program to all deserving applicants, whether or not they may be required purchase or convert alternative-fueled vehicles under the alternative fuel fleets provisions of this bill. The DOE should give an equitable portion of the funding under this program to those school districts that wish to further the goals of this bill, even if they are not within metropolitan areas of over 250,000 persons.

Any schoolbuses that are converted to use alternative fuels using funding provided by this amendment would have to meet the requirements for warranty and safety for alternative fuel conversions established under the Clean Air Act Amendments of 1990.

Specific eligibility is given to conversions to dual fueling with diesel and natural gas to permit conversions of the current, and in many cases relatively new, diesel schoolbuses with clean burning natural gas. The definition of qualifying alternative fuels is taken from subsection 4101(e) of the bill, and includes the entire range of eligible alternative fuels under the bill's fleet program, including natural gas, liquefied petroleum gases, and alcohol fuels.

This program will assist States in meeting their environmental goals as well as national energy security goals. In addition, the program will permit the States to assist school districts in complying with the mandate in S. 1220, the National Energy Security Act of 1991, as reported by the Committee on Energy and Natural Resources, that all school districts in metropolitan areas of 250,000 or more that have a fleet of 20 or more vehicles must purchase increasing percentages of alternative fueled vehicles beginning in 1995, 10 percent escalating to 90 percent for 2000 and thereafter.

The program will also assist school districts that wish to begin converting or purchasing vehicles in the 1993 fiscal year, rather than wait for Clean Air Act and the energy bill's alternative fuel conversion mandates beginning in 1996. Early conversions will not only reduce air pollution and petroleum imports immediately, but will also provide funding and planning flexibility to the school districts during the transition to the 1996 mandate for purchases of new vehicles.

School districts throughout the country are financially strapped. At the same time, schoolbus fleets present one of the best opportunities for alternative fuel fleet programs: Generally centrally fueled, usually short range, parked overnight in central location, large vehicles without heavy-duty load requirements. These school districts need additional resources to finance the relatively high up-front capital costs of refueling pumps, conversion costs, and incremental purchase price of buses. Without the funding this amendment would give the State to assist the school districts in overcoming the high initial costs, the school districts may not be able to take advantage of the long-term cost savings that could be realized by using compressed natural gas or liquefied petroleum gases in their schoolbuses. The program also will help ensure that school districts will have adequate funding to avoid safety shortcuts that might be forced on them under the mandatory purchase program if adequate funding were not available.

The Oklahoma Conservation Commission, in its third year of managing a natural gas conversion program for the Tulsa school district. The Tulsa district has become a national leader in pursuing natural gas schoolbuses, with over 120 schoolbuses in action or on order. The buses generally are a balance between original equipment manufacturer natural gas fueled and conversions from diesel buses. The Tulsa district has calculated the annual fuel savings from the conversions to about $1,000 per bus per year. The conversions are $3,000 per bus, and special arrangements were made to acquire refueling systems. AGA estimates that, excluding land acquisition costs, high-speed natural gas refueling facilities now cost about $3,000 per vehicle. With a useful life for schoolbuses of at least 10 years, the long-term paybacks are excellent. However, assistance is needed for the up-front capital costs, particularly for the refueling systems.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The amendment is considered and agreed to, without objection.

So the amendment (No. 1557) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1558

Mr. JOHNSTON. Mr. President, I will shortly send to the desk an amendment on behalf of Senator SYMMS which clarifies that fuels derived from vegetable oils or other biomass sources to replace gasoline or diesel fuels are not precluded by definition from being considered alternative fuels under the act.

Mr. President, I send that amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. SYMMS proposes an amendment numbered 1558.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

Section 1. In Title IV of the bill, Section 4101, page 18, delete "and" on line 6, and at the end of line 6 add the following: "and any other fuel that is substantially nonpetroleum, including fuels other than alcohol that are derived from biological materials;"

Section 2. In Title IV of the bill, Section 4304, page 58, delete "and" on line 24, and at the end of line 25 add the following: "and any other fuel that is substantially nonpetroleum, including fuels other than alcohol that are derived from biological materials;"

Section 3. In Title IV of the bill, Section 4304, page 59, following "gasoline" on line 2, delete the comma and insert: "or diesel,"

Mr. SYMMS. Mr. President, high erucic acid oil crops, such as rapeseed and crambe, have been shown to be a renewable source of alternate diesel fuel. This oil can be processed into a fuel grade product using very simple technology and relatively inexpensive equipment.

Tests have been done at the University of Idaho, North Dakota State University, University of Illinois, and the USDA research station at Peoria, IL, on winter rapeseed, sunflower, and soybean oils and their ability to replace or be mixed with diesel. The tests have shown that winter rapeseed from the Pacific Northwest has had the best energy budget and best engine performance of any oilseed crop yet evaluated. Initial engine tests indicate that the alcohol ester of high erucic acid derived from rapeseed oil could be directly substituted for diesel fuel in unmodified engines. This particular biodiesel fuel would also significantly reduce the air-polluting emissions of diesel engines.

During consideration of the Clean Air Act Amendments of 1990, I sponsored an amendment, which later became law, requiring the Environmental Protection Agency to evaluate the feasibility of using ethanol and high erucic acid rapeseed oil as an alternative to diesel fuel. This amendment has led to the establishment of a National Biodiesel Program. Development of this alternative diesel fuel is progressing.

To my surprise, when I studied S. 1220 and now S. 2166, there was no provision including nonpetroleum components of alternative diesel fuels in the definition of alternative fuels. The amendment I am sponsoring today corrects this omission.

My amendment moves this bill's definition of alternative fuels from simply listing known alternative fuels to a broader, more inclusive definition. Any fuel that is substantially nonpetroleum will be included as an alternative fuel with my amendment.

This amendment also amends the section of the bill defining replacement fuels to include diesel. The committee bill provided only that gasoline was to be defined as a replacement fuel.

There are many reasons to include alternative diesel fuels in the definition of alternative fuels. Diesel is actually more fuel efficient than gasoline, but per engine emissions of SO_x, NO_x, and CO_2, tend to be higher with diesel engines. And, the U.S. Alternative Fuels Council, in their resolution to Congress of December 12, 1990, included "non-petroleum components of reformulated diesel" in their list of alternative fuels. We should take that advice here in the U.S. Senate.

Like most alternative fuels, alternative diesel fuel can help reduce our dependence on foreign oil, can clean the air, and can give American farmers a new cash crop. In fact, some farmers in Idaho are running their tractors on the fuel growing in their fields.

Although I've focused on alternative diesel fuels derived from alcohol esters of vegetable oil, my amendment is not prescriptive. Any fuel that is substantially nonpetroleum will be included as an alternative fuel.

The benefit of this language is that research may discover other fuels which we do not know about or can even imagine today. This amendment provides a level playing field for these newly discovered fuels.

I believe the amendment improves this bill considerably. However, I want to take a moment to complement the managers on the alternative fuels title of S. 2166. The provisions giving the Secretary of Energy flexibility in selecting alternative fuels for different regions of the country is very rational.

I also want to thank Senator JOHNSTON'S and Senator WALLOP'S committee staff who gave my staff help and advice on the drafting of this language.

The PRESIDING OFFICER. Is there further debate? Without objection, the amendment is agreed to.

So the amendment (No. 1558) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Mr. President, I do have an amendment. We have been running a lot of amendments over here.

Does the Senator from Wyoming have any amendments?

Mr. WALLOP. I have an amendment that has also been agreed to.

Mr. WIRTH. Please go ahead.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENT NO. 1559

(Purpose: Off-road vehicles)

Mr. WALLOP. Mr. President, I shall shortly send an amendment to the desk and ask that it be stated. It basically includes off-road vehicles in the alternative fuels section.

Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 1559.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In section 4302(4) on page 57, line 6, before "capable" insert "and off-road vehicles".

Mr. WALLOP. Mr. President, I have explained the amendment and it is agreeable, to my knowledge, with the majority.

Mr. JOHNSTON. The Senator is correct.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is agreed to.

So the amendment (No. 1559) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 1560

Mr. WIRTH. Mr. President, I have an amendment and I ask for its immediate consideration.

Mr. WALLOP. Could I inquire of the Senator from Wyoming what the amendment relates to.

Mr. WIRTH. I have two amendments. They have both been cleared. One is on the Western Hemisphere Consultative Commission.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH] for himself and Mr. LIEBERMAN proposes an amendment numbered 1560.

Mr. WIRTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of Title VI, add the following new subtitle:

CONSULTATIVE COMMISSION ON WESTERN HEMISPHERE ENERGY AND ENVIRONMENT

SEC. . FINDINGS.—The Congress finds that—

(1) there is a growing mutual economic interdependence among the countries of North America and the Western Hemisphere;

(2) energy and environmental issues are intrinsically linked and must be considered together when formulating policy on the broader issue of sustainable economic development for each of these countries and for the Western Hemisphere as a whole;

(3) when developing their respective energy infrastructures, countries in the Western Hemisphere must account for existing and emerging environmental constraints, and do so in a way that results in sustainable long-term economic growth;

(4) the coordination of respective national energy and environmental policies of the governments of Canada, Mexico, Venezuela, the United States and, as appropriate, other countries in the Western Hemisphere could be substantially improved through regular consultation among these countries;

(5) the development, production and consumption of energy can affect environmental quality, and the environmental consequences of energy-related activities are not confined within national boundaries, but are regional and global in scope;

(6) although the Western Hemisphere is richly endowed with indigenous energy re-

sources, an insufficient energy supply would severely constrain future opportunities for sustainable economic development and growth in each of these countries;

(7) the energy sectors of the economies of Canada, Mexico, Venezuela, the United States and other energy producing countries of the Western Hemisphere are interdependent;

(8) the energy markets of the United States are linked with those in other countries of the Western Hemisphere and the world.

SEC. . CONSULTATIVE COMMISSION ON WESTERN HEMISPHERE ENERGY AND ENVIRONMENT.

(a) DEFINITIONS.—For purpose of this subtitle—

(1) "Commission" means the Consultative Commission on Western Hemisphere Energy and Environment; and

(2) "participating governments" refers to the governments of Canada, Mexico, Venezuela, the United States of America, and, as deemed appropriate by the President, other Western Hemisphere countries.

(b) NEGOTIATIONS.—The President is authorized and directed to initiate negotiations with the participating governments for the establishment of a multinational Consultative Commission on Western Hemisphere Energy and Environment.

(c) OBJECTIVES OF NEGOTIATIONS.—In the course of the negotiations, the President is encouraged to meet the following purposes—

(1) the objectives of the Commission shall be—

(A) to evaluate from the viewpoint of North America and the Western Hemisphere as a whole, the energy and environmental situations, trends and policies of the countries of the participating governments necessary to support sustainable economic development;

(B) to recommend to the participating governments actions, policies and institutional arrangements that will enhance cooperation and policy coordination among their respective countries in the future development and use of indigenous energy resources and technologies, and in the future development and implementation of measures to protect the environment of the Western Hemisphere; and

(C) to recommend to the participating governments actions and policies that will enhance energy and environmental cooperation and coordination among the countries of the Western Hemisphere and the world;

(2) the Commission shall include representatives of—

(A) the respective energy and environmental ministries or departments of the participating governments;

(B) the parliamentary or legislative bodies with legislative responsibilities for energy and environmental matters;

(C) other governmental and non-governmental observers appointed by the heads of each participating government on the basis of their experience and expertise; and

(D) a small secretariat chosen by the participating governments for their expertise in the areas of energy and the environment; and

(3) the Commission's authority—

(A) shall terminate five years from the date of the agreement under which it was created; and

(B) may be extended for a five-year term at the expiration of the previous term by agreement of the participating governments.

(d) REPORT.—The President shall, within one year of the enactment of this legislation, report to the Congress on the progress toward the establishment of the Commission and achievement of the purposes of this section."

Mr. WIRTH. Mr. President, I am offering this amendment on behalf of myself and Senator LIEBERMAN. This relates to the development of the North American Energy and Environmental Planning Commission. Increasingly, we are working in the United States with Canada and with Mexico. What this amendment does is to authorize and direct the President of the United States to initiate negotiations for the establishment of such a consultative commission on Western Hemisphere environment and energy issues.

Mr. President, this has been cleared on both sides.

Mr. JOHNSTON. Mr. President, this amendment authorizes and directs the President to initiate negotiations with the Governments of Canada, Mexico, Venezuela, and other Western Hemisphere countries, as appropriate, to establish a multinational Consultative Commission on Western Hemisphere Energy and Environment.

This is a worthwhile amendment that recognizes that there is growing interdependence among the countries of North America and the Western Hemisphere as a whole within the spheres of energy and the environment.

The amendment would enhance cooperation and coordination of energy and environmental policies.

The amendment provides that, in the negotiations to establish the Commission, the President is encouraged to meet certain objectives, including: that the purpose of the Commission be to evaluate the energy and environmental situations, trends and policies of the participating countries from the viewpoint of North America and the Western Hemisphere as a whole; and that the Commission recommend to the participating governments actions and policies to enhance cooperation in the development and use of indigenous energy resources and technologies and in the development and implementation of measures to protect the environment of the Western Hemisphere.

Energy and environmental issues figure prominently in ongoing discussions on a North America Free Trade Agreement. Senator WIRTH's amendment will complement these talks, as well as other ongoing initiatives in the Western Hemisphere.

I urge the adoption of the amendment.

Mr. WALLOP. Mr. President, the United States could ease pressure on world oil supplies by encouraging oil exploration and development in areas outside the Middle East. This objective was recognized by President Bush's national energy strategy which also recognized that efforts must also be undertaken to diversify sources of oil supply outside that region.

The amendment of the Senator from Colorado encourages cooperation between the United States and nations in the Western Hemisphere in the development of their energy sources. The OTA report entitled "U.S. Oil Import Vulnerability" discussed the opportunity that exists for U.S. industry to participate in joint ventures to assist "sister nations in the Western Hemisphere in petroleum development." On October 28, 1991, a Forbes article entitled "A Saudi Arabia in our own backyard?", said "one of the largest petroleum reserves in the world, on a par with Saudi Arabia's, the heavy oils in the Orinoco Basin alone could supply the entire world with oil for 10 years at current consumption rates—if researchers could figure out how to efficiently commercialize these tarlike bitumen reserves."

The Government of Venezuela has announced a massive $48 billion, 6-year program designed to increase production by 57 percent—to 3.3 million barrels [MMBD] a day by 1996, and between 4 million to 5 MMBD by the year 2000. Their plan also calls for a fivefold increase in petrochemical refining, a $3 billion liquefied natural gas project, in partnership with Exxon, Shell, and Mitsubishi; and a major push to commercialize the vast reserves of very heavy oil and bitumen in the Orinoco Basin.

Through enhanced cooperation between the United States and Venezuela, this expansion program can provide opportunities for United States service, drilling, and engineering companies. Companies in my own State of Wyoming have expressed interest in working with Venezuela to develop their energy resources.

A report entitled the "Venezuelan-U.S. petroleum Relationship Past, Present, and Future" by G. Henry M. Schuler of the Center for Strategic and International Studies summarizes the relationship in the following manner:

> The close geographic proximity of Venezuela's huge resource base to the gigantic U.S. market has long provided a natural foundation for a mutually rewarding relationship. In building a commercial framework upon that foundation, individuals and corporations have developed extensive links based upon professional associations, university ties, international employment, capital investment, technology exchange, and market interdependence. Shared democratic and human rights values as well as cooperative international and hemispheric policies provide a strategic and political roof over that structure.

We need more than just rhetoric regarding the development of a Western Hemisphere energy policy. This effort supports on-going initiatives by the administration to work with countries of the Western Hemisphere in the development of their energy sources.

Among the benefits of Western Hemisphere economic cooperation is enhanced energy security for the United States. This will lead to enhanced markets for U.S. goods and services and an enlargement of our export markets.

Mr. LIEBERMAN. Mr. President, I rise to support the amendment of senior Senator from Colorado to create a Consultative Commission on Western Hemisphere Energy and Environment. There is, as the amendment indicates, a "growing mutual economic interdependence among the countries of North America and the Western Hemisphere."

This amendment is similar in intent to legislation that I introduced last November, the Western Hemisphere Energy Security Promotion Act. Both the Wirth amendment and my bill strive to increase cooperation between the United States and its neighbors in this hemisphere—North and South—on environmentally sound energy policy.

Senator GLENN and I requested the GAO to do a study on Venezuelan energy early last year which was completed and released by GAO in December. That report highlights the potential for investment by American companies in the Venezuelan oil industry. Private sector investment must be an integral part of such a policy. I hope and believe that we can cooperate not only with Venezuela, but with all with all of our neighbors, on developing an environmentally sound energy policy. The Wirth Commission is a positive first step in achieving this goal.

I was concerned to hear that there was an attempted military coup in Venezuela today, but very pleased that President Carlos Andres Perez was able to defeat the attempt. This action underscores the need for enhanced cooperation between the United States, Venezuela, and the other nations of the hemisphere. By helping Venezuela develop its energy sector, we are, at the same time, helping them develop their economy. A stable economy, in turn, helps create a stable political environment, and that is in all of our best interest.

The Europeans have wisely developed an Energy Charter to help the nations of the former Eastern bloc with energy problems, including such nations as Russia and Kazakhstan. I have advocated United States participation in the development and implementation of the European Energy Charter, and I also strongly advocate United States support for cooperation among the nations of this hemisphere on energy issues. We need both.

Again, I commend the Senator from Colorado for introducing this amendment, and I am proud to cosponsor it. I ask unanimous consent that excerpts from the GAO study on Venezuelan energy be included in the RECORD as part of my statement.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Venezuelan Petroleum Industry and Conditions Affecting Potential Future United States Investment

Many factors have made Venezuela attractive to the United States as an alternative oil source to the Persian Gulf. During 1990, Venezuela provided about 13 percent of the crude oil and petroleum products imported by the United States. Venezuela plans to steadily increase its oil production through 1996.

Since 1976, when Venezuela nationalized its oil and gas industry, U.S. petroleum companies have not invested in oil exploration, production, or refining in Venezuela. While Venezuela adopted reforms in 1991 intended to encourage joint venture participation in these areas, impediments to investment exist, and the 1991 reforms have not been sufficient to bring about U.S. investment. Nevertheless, should the existing investment impediments be removed, Venezuela offers several conditions that are attractive for U.S. investment. Through a variety of efforts, the U.S. government has already lent support to Venezuela's energy sector.

FACTORS AFFECTING CONTINUED INCREASES IN VENEZUELAN OIL PRODUCTION

Venezuelan oil production peaked at 3.7 million barrels per day in 1970 and then gradually declined until 1985. This trend has been reversed in recent years. Production increased gradually from approximately 1.7 million barrels per day in 1985 to approximately 2.1 million barrels per day in 1990. By 1996, PDVSA plans to have increased production to approximately 3.3 million barrels per day. Production rates for 1980 through 1990, along with PDVSA's planned increases in production through 1996, are shown in table I.1.

TABLE I.1.—VENEZUELAN OIL PRODUCTION (1980–96)

[Barrels in millions]

	Average number of barrels per day	Percent change from previous year
Year-		
1980	2.2	([1])
1981	2.1	−5
1982	1.9	−10
1983	1.8	−5
1984	1.8	0
1985	1.7	−6
1986	1.8	6
1987	1.8	0
1988	1.9	6
1989	1.9	0
1990	2.1	11
1991 planned	2.5	19
1992 planned	2.7	8
1993 planned	2.9	7
1994 planned	3.0	3
1995 planned	3.1	3
1996 planned	3.3	7

[1] Not applicable.

Sources: The U.S. Department of Energy and PDVSA.

Our review indicates that Venezuela's success in meeting its 1996 production goal will be primarily affected by its ability to obtain investment capital, the cost of producing and refining heavy and extra-heavy crude oil, and the level of production quotas imposed by the Organization of Petroleum Exporting Countries (OPEC).[1]

CAPITAL INVESTMENT

PDVSA stated that it would require about $36 billion to expand its oil production, refining, exploration, and transportation capabilities.[2] As shown in table I.2, most of this investment capital is needed in Venezuela's production and refining sectors.

TABLE I.2—VENEZUELA'S OIL INVESTMENT NEEDS FOR 1991–96

[Dollars in billions]

Investment area	Cost	Percent of total
Production	$16.7	47
Domestic refining	10.1	28
International refining	4.2	12
Exploration	1.7	5
Tanker fleet	1.2	3
Domestic market	.9	3
Other	.7	2
Total	35.5	100

Source: PDVSA.

As shown in this table, PDVSA plans to use about one-half of the required $36 billion to maintain and increase overall production. PDVSA plans to increase its overall production by about 52 percent to meet its 1996 production goal of 3.3 million barrels per day. Most of this production expansion would be directed toward heavy and extra-heavy crude oil: PDVSA plans to increase production in these areas by over 140 percent (to approximately 1 million barrels per day).

PDVSA budgets 40 percent of its oil investment capital to increase domestic and international refining for all crude oil. Its goal is to increase refining by about 34 percent. Most of the capital would be used to expand heavy and extra-heavy crude oil refining by over 380 percent.

PDVSA also intends to expand its exploration activities to add approximately 5 billion barrels of lighter crude oils to its proven reserves.[3] Further, the company intends to purchase 22 new oil tankers to increase its earnings by transporting its own crude oil and petroleum products.

PDVSA plans to finance its investment needs through internal cash flow, international borrowing, and investment capital obtained from foreign or Venezuelan private investors. For part of its investment needs, PDVSA will assume direct international debt for the first time since the company was founded in 1975. PDVSA would also like foreign and private investors to provide about 5 percent of its oil investment needs through joint ventures.

COST OF PRODUCING AND REFINING HEAVY AND EXTRA-HEAVY CRUDE

To meet its 1996 production target, PDVSA will have to more than double its 1990 output of heavy and extra-heavy crude oil. PDVSA officials stated that achievement of this goal depended on the company's ability to develop and secure additional domestic and international refining capacity; there is a shortage of worldwide refining capacity for these crude oils. Achievement of this goal is also contingent upon PDVSA's ability to cover the higher costs of producing and refining heavy and extra-heavy oil. PDVSA pointed out that it was more expensive to produce and refine heavy and extra-heavy oil than lighter crude oils.

The differential in the cost of producing and refining heavy and lighter crude oils is due to the costly and sophisticated technologies needed to (1) pump heavy crude oil out of the ground (2) remove heavy oil's high sulfur and metal content, and (3) perform the special processes required to convert heavy oils into conventional petroleum products, such as gasoline. PDVSA's 1990 average production costs for heavy crude oil were $2.07 per barrel, compared with $1.40 per barrel of light crude oil and $1.05 per barrel for medium crude oil.[4]

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[1] OPEC was established in 1960 to negotiate with oil companies on matters of oil production, price, and future concession rights. It is made up of oil producing and exporting countries including Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

[2] This figure is included in PDVSA's overall capital needs of $48 billion for its 6-year investment plan involving oil, petrochemicals, bitumen, coal, and liquid natural gas activities. PDVSA's 1991–96 investment plan was approved at its shareholders' meeting in December 1990. The 1992–97 investment plan will be decided on at the December 1991 shareholders' meeting.

[3] PDVSA plans to increase reserves by a total of 9 billion barrels: 5 billion barrels through exploration activities and 4 billion barrels through secondary recovery and extension of existing fields.

It is even more expensive to produce and refine extra-heavy crude oil than heavy crude oil. PDVSA officials stated that they had produced extra-heavy crude oil (in 1990, extra-heavy crude oil production represented less than 1 percent of PDVSA's total production) and estimated production costs for extra-heavy crude oil at about $2.80 per barrel. Unlike heavy crude oil, the extra-heavy crude must be upgraded before it can be refined. PDVSA estimates the cost to upgrade the extra-heavy crude into a synthetic and lighter crude oil to be about $6 to $8 per barrel. PDVSA officials project that it will cost about $2.5 billion to construct a 100,000 barrel-per-day upgrading facility to process extra-heavy crude oil into a lighter oil. This lighter oil, in turn, can be refined into petroleum products such as gasoline, jet fuel, and diesel fuel. PDVSA officials stated that, on the basis of current world petroleum prices and its estimated production and upgrading costs, extra-heavy crude oil production and upgrading would be profitable. However, the economic viability of extra-heavy crude oil would be very sensitive to changes in world oil prices and processing costs.

OPEC PRODUCTION QUOTAS

At quarterly meetings, OPEC members establish production quota levels for each of the member countries. According to Venezuelan government officials, as a cofounding OPEC member, Venezuela supports adherence to established OPEC production quotas. If crude oil production projections for OPEC members in the year 1996 are met and Venezuela obtains its traditional share of OPEC production, Venezuela's OPEC quota will be lower than its targeted production level. Consequently, Venezuela might have to negotiate for production quota levels that are higher than the country's traditional percentage of OPEC quotas. Venezuelan government officials expect that OPEC, in responses to changes in world oil demand and supply, might increase Venezuela's quota levels or even eliminate the quota system sometime in the future. According to the U.S. Embassy in Caracas, as of September 1991, OPEC was operating, at least temporarily, without individual country quotas; however, this status could change in the future.

VENEZUELA'S RECENT PETROLEUM-RELATED INVESTMENT REFORMS

Under the administration of President Carlos Andres Perez, who took office in February 1989, Venezuela has undertaken significant measures to liberalize foreign investment. According to the Department of Commerce, because of these changes, in most sectors foreign investors are (1) allowed to hold 100 percent equity and (2) freed from government authorization requirements. However, these reforms do not extend to the petroleum industry. According to the Venezuelan Embassy in Washington, DC, this industry is regulated by Venezuela's "Organic Law That Reserves to the State the Industry and Commerce of Hydrocarbons,"[7] commonly known as the "Nationalization Law of 1975." According to the Venezuelan Embassy, the Nationalization Law of 1975 permits foreign participation in a joint venture in the hydrocarbons sector if the joint venture is (1) found to be in the public interest, (2) controlled by the state, (3) limited in duration, and (4) authorized by the Venezuelan congress. Since Venezuela nationalized the petroleum industry in 1976 and up until 1991, PDVSA had not sought foreign investment in an oil exploration, production, or refining joint venture in Venezuela.

In 1991, the Venezuelan government instituted two reforms to encourage some foreign investment in petroleum-related joint ventures. First, PDVSA created the Office of Strategic Associations to negotiate joint ventures. The Office seeks to (1) obtain access to foreign markets and (2) attract private or foreign investment to construct and upgrade refineries for processing Venezuela's heavy and extra-heavy crude oil. In exchange for foreign market access and capital funds, PDVSA indicated that it would be willing to participate as a minority shareholder in any joint venture. PDVSA also suggested that foreign companies could possibly have the opportunity to explore for light and medium crude oil. According to PDVSA officials, Venezuelan law allows such joint ventures on a case-by-case basis if certain requirements are met and congressional authorization is granted.

The Venezuelan congress's willingness to allow foreign investments in petroleum-related joint ventures is still unproven. In June 1991, the Venezuelan government submitted a proposal to its congress that would give Shell Oil (30 percent), Exxon (29 percent), and Mitsubishi (8 percent) equity ownership in a joint venture. This venture would be a $3 billion liquefied natural gas export project called Cristobal Colon. PDVSA's subsidiary, Lagoven, S.A., would have 33 percent equity ownership in the project. However, according to Lagoven officials, under the terms of the joint venture Lagoven would have to consent to all key decisions before they were implemented. Such consent would satisfy Venezuelan law that the state maintain control of joint ventures in the hydrocarbons sector.

According to U.S. and Venezuelan government officials and industry representatives, the Cristobal Colon project would be significant for two reasons. First, it would mark the first direct foreign investment in the production and export of Venezuela's hydrocarbons since the government nationalized the oil and gas industry in 1976. Second, it is expected that the project would pave the way for similar joint ventures in the oil sector. As of November 1991, six foreign companies, including two U.S. firms, had signed letters of intent to study the feasibility of participating in joint ventures for, among other things, the marketing and refining of heavy and extra-heavy oil.

The second of the 1991 reforms was made by the Venezuelan congress. It reduced the tax rate from 67.7 to 30 percent on joint ventures between PDVSA and foreign companies for producing and refining heavy and extra-heavy crude oil.

We interviewed 22 U.S. petroleum companies that stated they would consider investing in Venezuela's petroleum industry; we sought their response to Venezuela's petroleum investment reforms. None of these companies had made investments in oil exploration, production, or refining in Venezuela since the recent reforms.

MAJOR IMPEDIMENTS TO U.S. INVESTMENT

The 22 petroleum companies told us that although they would consider investing in Venezuela's petroleum industry, they were hesitant to do so. They cited several reasons. One concern was that Venezuela lacked clear guidelines on what petroleum-related activities foreign companies would be allowed to perform and under what contractual terms. For example, according to U.S. company representatives we spoke with, PDVSA is offering joint venture opportunities to produce and refine heavy and extra-heavy crude oil. However, it is not clear whether PDVSA will offer joint venture opportunities to explore and produce light and medium crude oils.

A number of the companies we interviewed said that they were not interested in producing and refining heavy and extra-heavy crude oil because they (1) believed heavy oil activities were economically marginal, (2) lacked experience producing heavy and extra-heavy crude oil, and/or (3) considered the technology for refining extra-heavy crude oil to be commercially unproven. In addition, a number of U.S. company representatives stated that they would not be interested in investing in heavy and extra-heavy crude oil joint ventures that linked production and refining activities because they did not perform refining activities. However, other companies stated that they might be interested in such ventures if PDVSA provided an incentive: the additional opportunity to explore and produce light and medium crude oils, for example.

Company representatives also stated that the Venezuelan government had not clarified the contractual terms of foreign companies' participation in joint ventures. For example, terms were vague with respect to ownership rights to oil production and reserves, repatriation of profits, and tax and accounting rules. A number of companies suggested that the Venezuelan government clarify the rules of investing in the petroleum sector. Specifically, they cited a need for legislation that specified (1) the parameters under which the Venezuelan congress would allow foreign investment and (2) the tax and investment rules applicable to foreign petroleum investors.

Companies also cited Venezuela's congressional authorization requirement as an impediment to joint venture arrangements with PDVSA. U.S. company representatives stated that this requirement delayed the implementation of a project and added the risk that the project might be rejected for political rather than economic reasons or the agreement might be changed in a way that could make the project uneconomical.

All the companies that we spoke with identified Venezuela's high taxes on petroleum-related activities as one of the most significant factors discouraging them from investing in Venezuela. According to U.S. and Venezuelan government officials, the tax rate is 67.7 percent on all petroleum-related activities, except for the production and refining of heavy and extra-heavy crude oil and natural gas performed by joint ventures. For these areas, the Venezuelan congress recently lowered the tax rate to 30 percent.[6]

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[4] According to PDVSA's, its 1990 production costs for light crude oil were higher than for the medium crude because the company had to drill deeper wells, which increased its operating costs.

[5] For the purposes of this law, "hydrocarbons" include only oil and natural gas.

[6] According to PDVSA and Department of Energy officials, the effective tax rate for oil-related activities is actually higher than the 67.7 and 30 percent rates because, for taxation purposes, the income derived from crude oil and petroleum product exports is valued at 120 percent of its actual value.

The lack of a U.S.-Venezuela tax treaty that would eliminate double taxation concerns most U.S. companies we interviewed. According to the Department of the Treasury, the United States and Venezuela are currently negotiating a tax treaty.

Concerns over the security of foreign assets in Venezuela's petroleum sector were cited as a deterrent to U.S. investment. According to U.S. company representatives that we spoke with, Venezuela nationalized petroleum assets in the past and they believed that the government of Venezuela could take future actions or decisions that could adversely affect foreign investments. For example, a number of U.S. company representatives were concerned that Venezuela might undertake a de facto nationalization by drastically increasing taxes in the future. According to the U.S. Embassy in Caracas, Venezuela's tax law differentiates activities performed in the petroleum industry from all other corporate activities. To prevent being subject to future discriminatory tax hikes applied solely to the petroleum sector, U.S. company representatives suggested that the Venezuelan government alter its tax laws so that petroleum joint ventures were taxed at the general corporate tax rate and not at the special petroleum tax rate.

PDVSA officials stated that they were aware of foreign investors' concerns stemming from Venezuela's 1976 nationalization of the petroleum industry. According to an official of PDVSA's subsidiary, Lagoven S.A., PDVSA agreed to add a clause in the Cristobal Colon project agreement that would protect the foreign partners against any discriminatory governmental actions, decisions, or legal or regulatory changes that would have an adverse economic impact on the joint venture or any of its partners. According to this official, this clause must still be accepted in principle by the Venezuelan congress. However, even if this condition were accepted by the Venezuelan congress, the Lagoven official stated that he did not think the clause would necessarily be included in every joint venture and, if it were, it would still need authorization on a case-by-case basis from the Venezuelan congress.

The majority of U.S. company representatives that we spoke with noted that a bilateral investment treaty would help provide increased investment protection. According to an official from the Office of the U.S. Trade Representative, the United States and Venezuela have discussed the benefits of a possible bilateral investment treaty, but they have not yet agreed to begin negotiations. Venezuela must agree to standards set out in a model U.S. bilateral investment treaty in order for negotiations to be successful. The United States has negotiated such treaties with other countries to help protect U.S. investors.

Of the 22 companies we spoke with, 19 cited a need for more effective judicial protection against actions taken by the Venezuelan government. Company representatives stated that the unavailability of international arbitration for U.S. investors making claims against the Venezuelan government was a barrier to U.S. investment in Venezuela.

FACTORS THAT ENCOURAGE U.S. INVESTMENT

U.S. and Venezuelan government and private officials stated that several factors provided strong incentives for U.S. investment in Venezuela's petroleum industry, should the investment impediments identified by U.S. companies be removed. These factors include the following:

Venezuela's abundant crude oil reserves make investment attractive to U.S. oil companies. Venezuela ranks sixth in world oil reserves, with about 60 billion barrels of proven reserves (more than twice the amount of U.S. oil reserves).

Venezuela has an established infrastructure to support its petroleum industry. This industry has 300 active oil fields, 27,465 miles of pipelines, and 6 domestic and 12 overseas refineries (4 of which are located in the United States). Furthermore, the Venezuelan petroleum industry uses up-to-date technology equivalent to that used by the U.S. petroleum industry and is considered by U.S. industry representatives to be an efficient oil company with skilled managers.

Venezuela's proximity to the United States makes it economical for U.S. companies to transport and distribute crude oil and other products to North America.

Venezuela has been a reliable source of oil for the United States. Venezuela has never participated in embargoes against the United States, and during the oil supply disruption resulting from Iraq's invasion of Kuwait, Venezuela increased oil production.

Venezuela has had a stable democratic political system since 1958.

U.S. EFFORTS TO SUPPORT VENEZUELA'S ENERGY SECTOR

The U.S. government has undertaken a variety of efforts to support Venezuela's energy sector:

To date, the U.S. Export-Import Bank has extended about $380 million in credit guarantees to PDVSA for imports of U.S. capital goods and services required for its various operating companies. An additional $315 million in credit guarantees to PDVSA for oil- and gas-related projects is currently pending congressional review.

In 1991, the Trade and Development Program financed $400,000 of a $1 million feasibility study that was carried out by a U.S. company for the construction of up to two oil refineries in Venezuela.[7]

In 1990, the U.S. Department of Commerce sponsored and the Department of Energy participated in trade seminars and shows to inform U.S. oil companies about PDVSA's petroleum expansion plans and to promote U.S. petroleum equipment and services.

Since the beginning of the Persian Gulf crisis, a number of high-level U.S. government officials have visited Venezuela; the topic of oil has been raised in their meetings with Venezuelan officials. For example, during the Gulf crisis, the President of the United States and the Deputy Secretary of the Department of Energy visited Venezuela. In 1991, the Deputy Secretary of the Energy Department along with the President of the Overseas Private Investment Corporation, the Chairman of the U.S. Export-Import Bank, the Director of the U.S. Trade and Development Program, and the presidents of a number of U.S. companies including energy companies, accompanied the Secretary of Commerce on a Business Development Mission to Venezuela. According to the Commerce Department, the primary purpose of this mission was to promote greater bilateral trade and investment, including energy trade and investment. In addition, the Secretary of Commerce accompanied the Vice President of the United States on a separate visit to Venezuela, during which they discussed trade and investment issues with high-level Venezuelan government officials. The U.S. Trade Representative also visited Venezuela in 1991; she discussed a variety of trade and investment issues that could affect the petroleum sector with Venezuelan government officials.

In 1991, the United States and Venezuela signed a bilateral Framework Agreement on Trade and Investment, under the Enterprise for the Americas Initiative.[8] This agreement formalized cooperation between the United States and Venezuela and established a Council to improve, and make more routine, consultations on trade and investment issues. Among other things, the agreement may promote Council discussions of trade- and investment-related energy issues and lend support to the efforts of the U.S. Department of Energy and the Venezuelan government to consult on energy matters. Since 1985, a U.S. interagency delegation chaired by the Department of Energy and officials from the Venezuelan government have met informally approximately every 6 months to discuss energy issues. For example, during the April 1991 bilateral energy meeting the issues discussed included international oil markets, each country's petroleum strategies, and bilateral concerns such as oil investment opportunities in the two countries. In addition, the Department of Energy and its Venezuelan counterpart have been jointly performing energy research and development since 1980.

The PRESIDING OFFICER. Is there further debate? If not, without objection, the amendment is agreed to.

So the amendment (No. 1560) was agreed to.

AMENDMENT NO. 1561

Mr. WIRTH. Mr. President, I have an amendment regarding the Alternative Fuels Fleet Program, which has also been cleared, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Colorado [Mr. WIRTH] proposes an amendment numbered 1561.

Mr. WIRTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 27, line 17, strike the words "Nothing in this subtitle shall" and lines 18–21, and insert the following:

"However, if alternative fuel vehicles are not available from original equipment manufacturers, nothing in this section shall be construed to require any Federal agency, state or covered person subject to the fleet vehicle acquisition requirements under this title to convert existing or new gasoline or diesel-powered vehicles to alternative fuels vehicles or to purchase converted vehicles."

Mr. WIRTH. Mr. President, this amendment is intended to clarify an important point in the bill's Alternative Fuels Program for vehicle fleets. That program works by creating a market for alternative fuel vehicles.

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[7] The U.S. Trade and Development Program, an independent U.S. government agency, funds feasibility studies for major projects in middle income and developing countries where there is potential for exporting U.S. goods and services.

[8] In June 1990, the President proposed the Enterprise for the Americas Initiative to increase the potential for trade and domestic and foreign investment in Latin America. The Initiative called for the development of a bilateral framework agreement as a stepping stone toward a free trade agreement.

If that market is to function, the fleets that will be using these vehicles need to be assured that they will, in fact, have access to vehicles that meet their needs. And those needs, in practical terms, include not only the function of the vehicle—that it is the right size and is a real equivalent of the gasoline vehicles it displaces—but that it is practical in other ways, as well.

What this amendment does is clarify that under no circumstances will this program require that fleets have to buy vehicles that have been converted to alternative fuels by someone other than the original manufacturer. What we are trying to do in this program is provide an incentive to vehicle manufacturers to manufacture alternative fuel vehicles. That is essential to the success of the program from the vehicle users' point of view, because they need warranteed vehicles that the manufacturers will stand behind. It is essential to the success of the program from the point of view of putting alternative fuels into use because we need to put the enormous marketing and distribution power of the manufacturers to work if we are to succeed in getting these vehicles into widespread use.

There are some very good vehicle conversions available today, and the bill, and this amendment, would allow them to count toward meeting the goals of the bill. But the availability of those conversions would not trigger the requirement that fleets purchase alternative fuel vehicles. That would happen only if vehicle manufacturers make these vehicles available.

I urge my colleagues to support this clarification.

Mr. President, I think we have cleared this amendment on both sides.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, without objection, the amendment is agreed to.

So the amendment (No. 1561) was agreed to.

Mr. WALLOP. Mr. President, was the amendment agreed to?

The PRESIDING OFFICER. The amendment was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WIRTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1562

Mr. WALLOP. Mr. President, I send an amendment to the desk on behalf of Senator SEYMOUR, together with a statement of his with regard to that amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] for Mr. SEYMOUR, proposes an amendment numbered 1562.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, Section 4101(5)(H), insert after "(H)" the following: "Except for vehicles covered by Section 4102 and Section 4103,".

Mr. SEYMOUR. Mr. President, this is a simple but important amendment. My amendment will remove the current exclusion of home garaged vehicles from the definition of fleet vehicles for State and Federal Government fleets. Under the current language in S. 2166, Federal and State vehicles which meet all the necessary criteria to be considered fleet vehicles, are exempted from the alternative fuel fleet provisions of the act if they are garaged at home.

Excluding home garaged fleet vehicles runs directly counter to the current trend in my State of California. Currently, the State of California has fleets of alternative- and flexi-fueled vehicles. These vehicles are often garaged in private homes at night, and then driven to work. Without the inclusion of my language, S. 2166's definition of fleets would not cover many of the alternative fueled fleet vehicles currently used by the State of California. Such an exclusion would create a prejudice against alternative fuel vehicles which are used primarily to transport workers to and from work.

I have been a strong supporter of stringent timetables for the purchase of State and Federal alternative fuel vehicles. During consideration of the National Energy Security Act in the Energy Committee, I sponsored an amendment to speed the timetable for the purchase of alternative fuel vehicles by States. My amendment required States to meet the same stringent timetables as the National Energy Security Act set out for the Federal Government. The amendment passed by a large margin, and is incorporated into S. 2166.

I believe that speeding the purchase of alternative fuel vehicles by both Federal and State governments will help create viable markets for both alternative fuels and the vehicles that run on them. Once markets are established alternative fuel vehicles will become accessible to the general public. My amendment will ensure S. 2166 does not prejudice Federal and State fleet managers from investing in vehicles that can be garaged at home. After all, the public at large is unlikely to buy any vehicle that cannot be garaged at home.

I want to thank Senator WALLOP and Chairman JOHNSTON and their staffs for their assistance on this issue, and commend them for the excellent job they have done in bringing a comprehensive energy strategy to the Senate floor.

Mr. WALLOP. Mr. President, this is a cleared amendment. It simply includes vehicles that are home ported, reside at home, in the Federal and State provisions.

Mr. JOHNSTON. The amendment has been cleared.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 1562) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1563

Mr. JOHNSTON. Mr. President, I send an amendment to the desk on behalf of Senator MCCONNELL and Senator FORD.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. MCCONNELL (for himself and Mr. FORD) proposes an amendment numbered 1563.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the end of subtitle A of Title XIV, add the following new section:

SECTION . ASSISTANCE TO SMALL COAL OPERATORS.

(a) Section 507(c) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1257(c)) is amended to read as follows:

"(c)(1) If the regulatory authority finds that the probable total annual production at all locations of a coal surface mining operator will not exceed 300,000 tons, the cost of the following activities, which shall be performed by a qualified public or private laboratory designated by the regulatory authority, shall be assumed by the regulatory authority upon the written request of the operator in connection with a permit application:

"(A) The determination of probable hydrologic consequences required by subsection (b)(11), including the engineering analyses and designs necessary for the determination.

"(B) The development of cross-section maps and plans required by subsection (b)(14).

"(C) the geologic drilling and statement of results of test borings and core samplings required by subsection (b)(15).

"(D) The collection of archaeological information required by subsection (b)(13) and any other archeological and historical information required by the regulatory authority, and the preparation of plans necessitated thereby.

"(E) Pre-blast surveys required by section 515(b)(15)(E).

"(F) The collection of site-specific resource information and production of protection and enhancement plans for fish and wildlife habitats and other environmental values required by the regulatory authority under this Act.

"(2) The Secretary shall provide or assume the cost of training coal operators that meet the qualifications stated in paragraph (1) concerning the preparation of permit applications and compliance with the regulatory program, and shall ensure that qualified coal operators are aware of the assistance available under this subsection.".

(b) REIMBURSEMENT OF COSTS.—

Section 507 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1257) is amended by adding at the end thereof the following new subsection:

"(h) A coal operator that has received assistance pursuant to subsection (c) (1) or (2) shall reimburse the regulatory authority for the cost of the services rendered if the program administrator finds that the operator's actual and attributed annual production of coal for all locations exceeds 300,000 tons during the 12 months immediately following the date on which the operator is issued the surface coal mining and reclamation permit.".

Mr. McCONNELL. Mr. President, this amendment improves the competitiveness of the Nation's small coal operators. My amendment is designed to expand, update, and significantly improve the Small Operators Assistance Program, known in the coal industry as the SOAP Program.

Over the years, coal has fueled this Nation's industrial development. Coal is currently—and without a doubt must remain—a key part of America's energy policy. In Kentucky, coal production contributes greatly to the economic base of the State. Kentucky has produced more coal than any other State in the Union for 14 of the last 17 years. In 1990, the State produced a record 179 million tons.

An integral part of this important industry is the small coal operator. This is particularly true in the Appalachian region of eastern Kentucky, where the coal industry is characterized by mid- and small-sized coal companies.

However, changes in the structure of the industry and the operation of coal markets have made it increasingly difficult for today's small operator to remain competitive. Lacking the financial resources of the larger, diversified energy companies, the small coal operator must struggle daily to keep up and comply with an ever increasing web of permitting requirements and regulations.

The Small Operators Assistance Program was originally designed to help smaller coal operators participate in and comply with the surface mine permitting process. However, the program has not kept up with changes in the industry, and simply does not work anymore.

This must change, Mr. President, and my amendment initiates that change.

Until recently, the program's qualification requirements were a severe disincentive to participate and caused the SOAP Program to be grossly underutilized by those most in need of assistance. For those operators who do participate, the list of items for which assistance is available simply does not cover all of the requirements which must be met under today's coal mine permitting process.

On October 1 of last year, the definition of a small operator was recently changed from one who mines less than 100,000 tons per year to one who mines less than 300,000 tons. That's a step in the right direction. The 100,000-ton limit was unrealistic and set a level that was entirely too low. The new 300,000-ton limit will make the program available to many more operators. My original bill called for this change, and I'm pleased that it was made.

However, other problems still exist. Once an operator is deemed eligible for assistance under the program, he cannot succeed. Should the program actually help him increase production to a level above 300,000 tons, the operator must reimburse the Federal Government for services he received.

As a result, many operators are forced to cut production in order to remain under the prescribed limit. Obviously, this runs counter to the intention of the SOAP Program. The goal of the program is to help the small operator increase production.

These and other problems have led to a steady decline in the utilization of the SOAP Program. For the 6-year period ending 1990, annual expenditures averaged only $1.6 million, even though under the statute $10 million could be available annually. In Kentucky, applications for the assistance under the program have dropped to an average of 10 per year.

My amendment addresses these problems. Primarily, the bill expands the list of services which the program will provide to the small operator.

Under my amendment, qualifying operators receive assistance with, among other things, the determination of probable hydrologic consequences, the development of cross section maps and plans, the geologic drilling and statement of results of test borings and core samplings, and the performance of preblast surveys and archaeological and environmental studies. Also, funding will be made available to train small surface coal operators in the preparation of permit applications and regulatory compliance.

Mr. President, a healthy U.S. coal industry is key to a healthy U.S. energy policy. And a viable Small Operator Assistance Program is key to a sound coal industry. Passage of my amendment will move us in this direction.

Mr. President, it is my understanding that this amendment has been cleared by both sides, I ask now that it be adopted.

Mr. JOHNSTON. Mr. President, this amendment would amend title V of the Surface Mining and Reclamation Act of 1977 to provide additional assistance to small surface coal mine operators in meeting permit application requirements. It has been cleared on both sides.

Mr. WALLOP. Mr. President, I commend Senator McCONNELL for this amendment to assist small surface coal mine operators in dealing with requirements in the Federal coal permitting process.

While larger, more diversified companies can easily meet Federal permitting and reclamation requirements, smaller operators are at a disadvantage in just wading through the redtape. This amendment would allow companies producing less than 300,000 tons of coal per year to better compete by providing assistance in meeting such Federal requirements as determining probable hydrologic consequences, the development of cross-section maps and plans and the collection of archeological information, among other things.

Operators eligible for assistance are located across the Nation from Maryland to Utah, including States such as Pennsylvania, West Virginia, Colorado, and Wyoming.

The Office of Surface Management estimates that with this amendment, total costs for the small operators program will not exceed the current cap of $10 million.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 1563) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1564

Mr. JOHNSTON. Mr. President, I send an amendment to the desk on behalf of Senator FORD and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. FORD, proposes an amendment numbered 1564.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 249, after line 24, add the following new subsection:

"(g) AVLIS LICENSING.—The last sentence of section 11v. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(v)) is amended to read as follows: 'Except with respect to the export of a uranium enrichment production facility or the construction and operation of a uranium enrichment production facility using Atomic Vapor Laser Isotope Separation technology, such term as used in chapters 10 and 16 shall not include any equipment or device (or important component part especially designed for such equipment or device) capable of separating the isotopes of uranium or enriching uranium in the isotope 235.'."

Mr. JOHNSTON. Mr. President, this amendment restores the law governing the licensing of uranium enrichment plants using atomic vapor laser isotope separation [AVLIS] technology to what it was prior to enactment of the Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990 (Public Law 101-575).

Until recently, nuclear power plants were licensed under a two-step licensing process. The two-step process was useful for licensing power reactors when the technology was new and still being perfected. It allowed the utility to get a construction permit on the basis of preliminary design information. A second permit was then needed, once the plant was built, before it would be allowed to operate.

Today, after more than 100 nuclear power plants have been built and reactor designs have become well established, design work can be completed before a license is issued and construction begins. Thus, in 1989, under existing statutory flexibility, the Nuclear Regulatory Commission adopted a rule allowing the Commission to license nuclear power plants in a one-step process under which the design is finalized before construction begins. The rule does not apply to uranium enrichment plants, however.

In 1990, Congress directed the Nuclear Regulatory Commission to license uranium enrichment plants under the one-step process. This action makes sense for uranium enrichment plants using the same technology as other plants that already have been built, where extensive construction and operating experience exists. It makes less sense for a new technology like AVLIS, where neither a commercial plant nor a prototype plant has yet been built.

Accordingly, this amendment exempts uranium enrichment plants using AVLIS technology from application of the one-step licensing process required by the Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990 and instead allows the Nuclear Regulatory Commission to use the pre-1990 two-step process. The amendment does not affect uranium enrichment facilities using existing gaseous diffusion or gas centrifuge technologies or nuclear powerplants.

Mr. President, I engaged in a more lengthy explanation here knowing of the sensitivity of the uranium enrichment licensing process, simply to make clear that, in effect, this amendment allows the two-step process, for the AVLIS technology. In effect, it makes the process more lengthy and provides more opportunity for hearings and that sort of thing under this amendment than it would before.

So, I yield the floor.

Mr. WALLOP. Mr. President, I have considered and agreed to the amendment.

The PRESIDING OFFICER. Is there further debate? If not, without objection the amendment is agreed to.

So, the amendment (No. 1564) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 1565 AND 1566

Mr. JOHNSTON. Mr. President, I send to the desk two amendments which have been cleared and ask unanimous consent they be considered en bloc, and I ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes amendments numbered 1565 and 1566.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no further debate, the question is on agreeing to the amendments.

The amendments (Nos. 1565 and 1566) were considered and agreed to en bloc, as follows:

AMENDMENT NO. 1565

(Purpose: To modify the definition of "State" in Public Law 97-425 to exclude U.S. territories and freely associated States from those with whom the Nuclear Waste Negotiator may negotiate to find a willing host for a nuclear waste facility)

On page 344, after line 18, add the following new section:

"SEC. . Section 401 of the Nuclear Waste Policy Act of 1982 (Pub. L. 97-425) is amended by inserting "and" after "States,", inserting a period after "District of Columbia", and striking the remainder of the sentence.

AMENDMENT NO. 1566

(Purpose: To extend the term of the Nuclear Waste Negotiator established by section 402 of the Nuclear Waste Policy Act of 1982 (Pub. L. 97-425) by one year, until January 22, 1994)

On page 344, after line 18, add the following new section:

"SEC. . Section 410 of the Nuclear Waste Policy Act of 1982 (Pub. L. 97-425) is amended by striking "5 years" and inserting "6 years".

Mr. JOHNSTON. Mr. President, these two amendments relate to the nuclear waste negotiator provisions of the Nuclear Waste Policy Act of 1982.

The first amendment would modify the definition of "State" contained in the portion of the act to exclude the U.S. territories and freely associated States from those with whom the nuclear waste negotiator may consult to find a willing host for a nuclear waste facility.

The second amendment would extend the term of the negotiator for 1 additional year, until January 1994.

The PRESIDING OFFICER. Is there further debate?

Mr. WALLOP. Mr. President, the minority has considered and agrees with these amendments.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1567

Mr. JOHNSTON. Mr. President, the next amendment will be submitted on behalf of Senator DOMENICI, and it would assure that neither FERC nor the State of New Mexico would have authority to license a private hydro facility at a dam located on the lands of the Pueblo de Cochiti tribe without the tribe's consent. It is supported by both New Mexico Senators and is noncontroversial.

Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. DOMENICI, proposes an amendment numbered 1567.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On Page 100, at the end of line 4, insert the following new sentence: "No development of hydroelectric power at Cochiti Dam in New Mexico may be authorized by any Federal or State official or agency unless specific authorization for such development has been enacted by the Congress and the express consent of the Pueblo de Cochiti has been obtained."

Mr. DOMENICI. Mr. President, at the close of the 101st Congress, Congress enacted Public Law 101-644 which, among other things, provided that no license would be issued for the development of hydroelectric power at Cochiti Dam in New Mexico without further action by the Congress. The dam is located on the lands of the Pueblo de Cochiti, and is operated by the Army Corps of Engineers.

When Congress enacted this provision it was responding to the urgent request of the Pueblo de Cochiti, which was and is strongly opposed to the development of hydropower facilities at the Cochiti Dam on religious grounds.

In the years since Cochiti Dam was completed in 1975, the pueblo has suffered greatly from its presence. A natural shrine, sacred to the Cochiti traditional religion, and that of other pueblos, was defaced during construction. Water seepage from under the dam flooded all the pueblo crop lands, making traditional farming impossible. Recurring proposals for an unwanted hydropower facility have caused further disruption of life. Any feasible development of the dam for hydroelectric power would involve further desecration of the sacred natural shrine located near the outlet works of the dam.

When Congress passed Public Law 101-644 all believed that the legislation would prevent the objectionable hydropower development. The amendment I now offer is necessary to continue this protection of the pueblo. S. 2166 exempts Indian reservations from the transfer of licensing authority for small hydropower facilities to the States. However, through a quirk of law, protection for reservation lands is possible only if those lands satisfy a technical definition of "reservation" under the Federal Power Act. Because the pueblo's land interest derives from an 18th century land grant from the King of Spain, rather from the more familiar process of setting aside land by treaty or by executive action, Cochiti lands might not be protected under this definition.

As Congress has previously recognized, the pueblo has already been egregiously harmed by hardships resulting from the dam. Relief in the form of this technical amendment, to preserve the protection enacted in Public Law 101-644 is immediately appropriate. My amendment would not affect any hydropower development outside of the Pueblo de Cochiti.

Mr. WALLOP. Mr. President, the minority has no objection.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1567) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1568

(Purpose: To amend the National Energy Security Act of 1992 to protect the interests of Native Americans in the licensing of hydropower facilities on Indian lands)

Mr. JOHNSTON. Mr. President, I have an amendment which I will describe. I believe it is cleared, but let me take this opportunity to inquire of my colleague if it has. It is an amendment on behalf of Senator DECONCINI to clarify and protect native American interests affected by hydropower facilities. In an attempt to streamline the Federal Power Act regulation, we must not do so at the expense of the indigenous people of this country, that is Indian tribes.

The amendment requires that when a Federal license is sought for the purpose of constructing, operating and maintaining dams, reservoirs, transmission lines, and other project works necessary for hydropower, then the Federal licensing agency must consult with the Secretary of the Interior and the tribal government before the license can be issued.

Has that been cleared?

Mr. WALLOP. Mr. President, I would say to my friend this is the first I have heard it, but I checked with all three members of my staff who would help me render judgment and they are in agreement with it.

So it can be considered cleared.

Mr. JOHNSTON. Mr. President, I now send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. DECONCINI, for himself and Mr. DOMENICI, proposes an amendment numbered 1568.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

on page 94, line 18, after the word "Interior", insert "after consultation with and consideration of the recomendations from the affected Indian tribe".

On page 94, line 20, after the word "reservation", insert "consistent with the federal government's trust responsibility for the Indian interests;".

Mr. DECONCINI. Mr. President, My amendment to subtitle C clarifies the intent of S. 2166 and protects the interests of native American people whose lands and water interests may be affected by hydropower facilities licensed under provisions of the Federal Power Act, as amended.

In the attempt to streamline Federal Power Act regulation and the licensing of hydropower projects, we must not forget that the Federal Government has a special relationship with native Americans. As we seek to expand the nonpolluting energy capacities of the Nation, we must not do so at the expense of the indigenous people of this country. Indian tribal governments have the right to participate in discussing and deciding the disposition of the land and water resources of their respective tribes.

To make it clear that it is the right of the tribal governments to participate fully in the decisionmaking process concerning the use of their lands for the location and operation of hydropower facilities, I offer my amendment.

My amendment requires that when a Federal license is sought for the purpose of constructing, operating, and maintaining dams, reservoirs, transmission lines or other project works necessary for hydropower, and the affected lands and waters are within the lands of an Indian tribe, then the Federal licensing agency must consult both the Secretary of the Interior and the tribal government before the license can be issued. Both the tribal government on its own behalf and the Secretary of the Interior representing the Federal Government's trustee responsibility for native American interests shall review the license. My amendment also enables tribal governments to make recommendations to the Secretary of the Interior on conditions for the Federal license for hydropower development or generation to ensure that their interests are fully protected and properly utilized. My amendment simply codifies existing practice.

Native American people have been overlooked too often. Tribal resources have too often been disposed of without tribal advice or direction. My amendment is intended to make it clear that if hydropower is to be generated on Indian land, then the tribal government has the right and the duty to participate in the licensing process.

The PRESIDING OFFICER. Without objection, the amendment is considered and agreed to.

So, the amendment (No. 1568) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1569

(Purpose: Clarification of section 10243)

Mr. WALLOP. Mr. President, I have one more amendment that has been cleared, an amendment of my own with regard to Russian uranium. I shall shortly send it to the desk.

It would conform section 10243 to reflect that the committee's July 25, 1991, request that the U.S. International Trade Commission conduct an investigation under section 332(g) of the Tariff Act of 1930, for the purpose of assessing the impact on the domestic industry of imports into the United States of uranium from nonmarket economies. I further ask unanimous consent that the Finance Committee's letter to the ITC be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC, July 25, 1991.

Hon. ANNE E. BRUNSDALE,
Acting Chairman, U.S. International Trade Commission, Washington, DC.

DEAR MADAM CHAIRMAN: The Committee on Finance requests that the U.S. International Trade Commission conduct an investigation under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)), for the purpose of providing a report assessing the impact on the domestic industry of imports into the United States of enriched and non-enriched uranium and uranium enrichment services from the Union of Soviet Socialist Republics (USSR), the People's Republic of China (PRC), and other non-market economy countries, as appropriate. No classified or business confidential information should be included in, or released in connection with, the report.

In its report, the Commission should, to the extent feasible in light of the difficulties in obtaining information, provide information regarding the uranium enrichment industry in the United States, the USSR, the PRC, and other non-market economy countries, as appropriate, including but not limited to the following:

(1) The uranium enrichment industry in the United States (the Department of Energy (DOE)).—The history, technological trends, number of operations, production and sales of enriched uranium and uranium enrichment services, employment and wages, capacity, major markets, inventories, costs, productivity, financial experience, DOE prices, market prices for enriched and non-enriched uranium and uranium enrichment services, changes in industry structure such as ownership changes, influence of middlemen and brokerage firms, projections of the amount of enriched uranium that U.S. utilities will be able to purchase from sources other than the DOE, and steps the U.S. enrichment industry is taking to adjust to foreign competition.

(2) The uranium enrichment industries in the USSR, the PRC, and other non-market economy countries, as appropriate.—The history, technological trends, number of operations, production and sales of enriched uranium and uranium enrichment services, export capacity, major markets, industry structure, marketing strategy, prices, and projected short- and long-term trends for these industries.

(3) The impact of sales of enriched and non-enriched uranium and uranium enrichment services to the United States from the USSR, the PRC, and other non-market economy countries, as appropriate, on the domestic industry.—A listing of imports of uranium from the USSR, the PRC, and other non-market economy countries, as appropriate, a listing of long- and short-term contracts for enriched and non-enriched uranium secured in the United States by the USSR, the PRC, and other non-market economy countries, as appropriate, market strategies used by these countries to export enriched and non-enriched uranium or uranium enrichment services to the United States, strategies adopted by the DOE to adjust to and limit the impact of these imports, projected penetrations of the U.S. market by the USSR, the PRC, and other non-market economy countries, as appropriate, a comparison of prices charged by these countries with prices charged by the DOE, the quality of uranium enrichment services offered by the DOE compared with uranium enrichment services offered by the USSR, the PRC, and other non-market economy countries, as appropriate, and an overview of the impact of imports of enriched and non-enriched uranium from the USSR, the PRC, and other non-market economy countries, as appropriate, on the domestic enrichment industry (the DOE) and on other uranium producers, including the U.S. uranium mining and milling industry.

The Commission is requested to furnish its report no later than one year after the Commission's receipt of this letter. In preparing its report, the Commission should seek views and input from the private sector. The Commission should utilize existing information available from U.S. Government agencies to the extent practicable.

Thank you for your cooperation in this important matter.

Sincerely,

LLOYD BENTSEN,
Chairman.
BOB PACKWOOD,
Ranking Member.

Mr. JOHNSTON. Mr. President, we have cleared the amendment.

Mr. WALLOP. Mr. President, I now send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 1569.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 266, amend from line 13, through page 268, line 9, to read as follows:

"SEC. 10243. UNITED STATES INTERNATIONAL TRADE COMMISSION INVESTIGATION.

"(a) REPORT.—(1) Within 120 days of his receipt from the United States International Trade Commission of its report under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) assessing the impact on the domestic uranium enrichment industry of imports into the United States of enriched and non-enriched uranium and uranium enrichment services from the Union of Soviet Socialist Republics, the People's Republic of China, and, as appropriate, other nonmarket economy countries, the President, or his designee, shall transmit to the Congress a report that includes—

"(A) the views of the executive branch on the Commission's report; and

"(B) what action, if any, the President plans to take in response to the Commission's report concerning the impact of transactions in enriched and non-enriched uranium and the provision of uranium enrichment services by the Union of Soviet Socialist Republics, the People's Republic of China, and, as appropriate, other nonmarket economy countries, on the domestic uranium enrichment industry, including but not limited to the status of any negotiations with such countries in regard to such transactions and provision of services.

"(2) Should the President determine that no action by the executive branch is necessary in response to the Commission's report, his report to the Congress shall include a detailed statement of the reasons for such determination, including an explanation of why the absence of action by the executive branch will not adversely affect the economic well-being of the domestic uranium enrichment industry.

"(b) COOPERATION.—The Secretary, the Administrator, and the Secretary of Commerce shall cooperate fully with the United States International Trade Commission in its investigation under section 332(g).".

Mr. WALLOP. Mr. President, the United States confronts a number of serious trade problems throughout the world. The future health of the American economy depends on our ability to resolve these problems in accordance with principles of free and fair trade.

No current trade problem is more serious than the influx of imports of uranium and enriched uranium from the former Soviet Union. It has been clear for some time that these imports pose a major threat to the Federal enrichment enterprise and the domestic uranium industry.

Imports of uranium from the Soviet Union have increased dramatically in recent years. In 1989, these imports totaled 500,000 pounds. In 1990, however, Soviet imports soared to more than 6 million pounds, a figure equal to two-thirds of United States uranium production for that year. Preliminary figures indicate that this figure will be surpassed for 1991.

The Soviet share of United States uranium imports rose from less than 2 percent in 1988 to 25 percent in 1990. As a result of drastic cutbacks in their civilian nuclear program and nuclear weapons production, the Soviets have substantial excess capacity to enrich uranium. DOE estimates that the Soviets may have as much as 10 million separative work units [SWU's] available for export. This is the equivalent of 40 million pounds of natural uranium, about equal to the projected yearly demand for uranium by U.S. utilities for the next few years. In addition, the Soviets plan to export at least 13 million pounds of natural uranium each year until 1995.

There is every reason to believe that the Soviets will continue to target the United States market because it is the world's largest. In a UPI report from Moscow dated January 14, 1991, the chief of the uranium export division of the former Soviet Atomic Energy Ministry, a Mr. Albert Shiskin, boasted that the Ministry made $500 million from uranium exports in 1991 and intends to make $1.5 billion from exports in 1992.

The Soviets have been able to penetrate the United States market because sales from their production and stockpiles are being made at prices which bear no relation to real production costs. They are selling enrichment services at less than half the DOE price. Uranium spot market prices dropped last fall to the lowest level in history, largely because of Soviet marketing practices.

Both the Department of Energy and domestic uranium producers have testified before the Energy Committee that they believe Soviet uranium is being dumped in this country.

On November 8, a coalition for United States uranium producers and the Oil, Chemical & Atomic Workers Union, which represents workers in DOE's enrichment facilities, filed a petition with the Department of Commerce and the United States International Trade Commission seeking relief from the dumping of uranium and enriched uranium by the Soviet Union.

DOE filed a notice of appearance in this proceeding and a DOE representative testified at an ITC staff hearing on December 3. Subsequent to this hearing, a brief was filed with the ITC on DOE's behalf.

On December 18, the ITC voted 3–0 that there is a reasonable indication that the domestic uranium industry is materially injured by reason of imports from the Soviet Union. The Commission also concluded that the uranium enrichment operations of DOE should be treated as part of the domestic uranium industry for the purposes of the proceeding.

Although it is obvious that DOE has been directly affected by Soviet uranium marketing activities, it appears that DOE has been criticized by some administration officials for its participation in the antidumping case. Earlier this week, 12 Members of the Senate wrote Secretary of State Baker and other Cabinet officers supporting the participation of DOE and asserting our belief that any trade with the Soviet Republics must be free and fair trade.

The outcome of the pending trade action against Soviet uranium remains to be seen. The Department of Commerce is now investigating whether Soviet imports are being sold or offered at less than fair value. As might be expected, the Soviets deny the dumping charges. Furthermore, the UPI quotes Mr. Shiskin in its January 14 story as suggesting that United States action against Soviet exports could lead the Atomic Energy Ministry to seek other markets where controls over the distribution of the uranium would be less certain.

In the meantime, United States utilities are rushing to buy Soviet uranium in large volumes. DOE told the ITC that it believes the Soviets will have 65 percent of all new uranium sales this year.

In the 1996–98 timeframe, utilities representing half of the available sales volume have already told DOE they plan to buy from the Soviets and others are moving in that direction. Beginning in 1996, after existing DOE contracts expire, Soviet deliveries will climb dramatically and, according to DOE, Soviet imports will have a larger market share than DOE.

It is ironic that United States nuclear utilities, which have long decried our reliance on oil imports, are on the verge of becoming massively dependent on Soviet Republics to fuel their nuclear reactors. Clearly, the Government's enrichment enterprise and the domestic uranium industry have been put at risk by this development. At the very least, the pending trade action and this section 332 investigation can provide Congress with valuable information on the dimensions of this problem and suggest what actions may be necessary to resolve.

Mr. President, I urge adoption of my amendment. To my knowledge the amendment has been cleared.

The PRESIDING OFFICER. Without objection the amendment is agreed to.

So the amendment (No. 1569) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I know the Senator from Tennessee wants to lay down his amendment and perhaps discuss it for a short time. It has to do with the CFC's and accelerating the phaseout of the CFC's. I think it is a sense of the Senate. He wants to lay it down and have a period of debate tomorrow followed by a vote.

I wonder if the Senator from Wyoming has a view as to how long he thinks that debate should take, from his standpoint?

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, in my opinion, it would honestly save us time this evening for me not to enter into a time agreement so I may find out what is going on on our side with the amendment. It could be that we will agree to a great deal more time than we need. I do not know. I hope the Senator understands.

AMENDMENT NO. 1570

(Purpose: To urge the President of the United States to take the appropriate actions to combat Stratospheric Ozone Depletion)

Mr. GORE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Tennessee [Mr. GORE], for himself and Mr. CHAFEE, proposes an amendment numbered 1570.

Mr. GORE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 401 after line 4, add the following new title:

TITLE XVII—STRATOSPHERIC OZONE DEPLETION

SEC. 17101. FINDINGS.

The Senate finds that:

(1) The Stratospheric ozone layer, which protects all living things from harmful ultraviolet radiation from the sun, has been severely depleted in many areas of the globe.

(2) Recent scientific data show that the ozone layer over densely populated areas of the United States and other countries in the northern midlatitudes has thinned twice as fast as had previously been measured and as had been projected by theoretical models and the depletion is persisting into the warmer months of the year, and has reached significant levels even in summer.

(3) Ozone depletion in the Southern Hemisphere is proceeding even more rapidly than in the Northern Hemisphere.

(4) The incidence of skin cancer and cataracts is expected to rise significantly and the human immune system may be suppressed due to increased exposure to ultraviolet radiation.

(5) Increased exposure to ultraviolet radiation threatens food crops and some wild plants, and interferes with the ability of phytoplankton, the microscopic organisms that are at the base of the oceanic food chain, to photosynthesize and to reproduce.

(6) The scientific evidence shows that chlorofluorocarbons, hydrochlorofluorocarbons, and other halogenated chemicals undergo reactions in the stratosphere that lead to the rapid destruction of the ozone layer.

(7) The Administrator of the Environmental Protection Agency is required under the Clean Air Act Amendments of 1990 to accelerate the schedule phaseout of ozone-destroying substances if it is determined in the light of scientific evidence that a more stringent schedule is necessary to protect human health and the environment.

(8) The recent scientific findings make necessary a reappraisal of both domestic and international policy on the control of ozone-destroying chemicals.

SEC. 17102. SENSE OF THE SENATE.

It is the Sense of the Senate that:

(1) The Administrator of the Environmental Protection Agency should accelerate the interim phaseout schedules and the final phaseout date of chlorofluorocarbons, carbon tetrachloride, methyl chloroform, and halons as required pursuant to section 606 of the Clean Air Act Amendments of 1990, and shall provide for complete phaseout as early as possible, taking into account Section 604 of the Act.

(2) The Administrator of the Environmental Protection Agency should accelerate the interim phaseout schedule and the final phaseout date of those hydrochlorofluorocarbons that have relatively long atmospheric lifetimes or high ozone depletion potentials.

(3) The Administrator of the Environmental Protection Agency should prioritize efforts to issue regulations, as required pursuant to Title VI of the Clean Air Act Amendments of 1990, providing for the recapture and recycling of ozone-destroying substances as used in appliances and motor vehicle air conditioners, and for the elimination of such substances as used in non-essential consumer products.

(4) The President of the United States should urge the Contracting Parties to the Montreal Protocol to accelerate the interim phaseout schedules and the final phaseout date of ozone-destroying chemicals currently covered by the Protocol.

(5) The President should urge the Contracting Parties to include hydrochlorofluorocarbons within the terms of the Montreal Protocol, and to provide for the most rapid phaseout of those hydrochlorofluorocarbons with relatively long atmospheric lifetimes, or high ozone depletion potentials.

(6) The President should urge the Contracting Parties to amend the Protocol to include recapture and recycling provisions and to prohibit the venting or releasing of ozone-destroying chemicals from refrigeration and air conditioning units into the atmosphere by date certain.

(7) The President should urge the Contracting Parties to accelerate the compliance of developing countries with the terms of the Montreal Protocol.

Mr. GORE. Mr. President, I ask unanimous consent that I may be allowed to add original cosponsors prior to the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. Mr. President, I also ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

At the moment there is not.

Mr. GORE. May I have the attention of the chairman of the committee? I again request the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GORE. Mr. President, it is not my intention to debate this amendment at length tonight. I will briefly describe it. I will also say to the distinguished managers of the bill, I am most grateful for the dialog I have been able to have with them prior to the offering of this amendment.

I also would like to make it clear I am introducing this amendment on behalf of myself and the distinguished Senator from Rhode Island [Mr. CHAFEE] who has been a preeminent leader in the area of eliminating chlorofluorocarbons. I am also introducing this amendment in behalf of my colleague from Colorado, Senator WIRTH, who has been my partner in many efforts related to the protection of the global environment.

There is a long list of other cosponsors of the resolution upon which this amendment is based from which the amendment is drawn. But when the committee called and asked if it would be convenient for me to come over this evening and lay the amendment down, I did not have an opportunity to clear the precise language of the amendment with all of the cosponsors of the resolution. So my apologies to them. It was for that reason that I requested unanimous consent to be able to add their names as original cosponsors tomorrow after my staff has had an opportunity to clear it with them.

Mr. President, earlier this week, as all of my colleagues are quite well aware, new scientific findings were announced showing that the depletion of the stratospheric ozone layer above populated areas in the United States, Europe, and Asia is now much higher than was previously thought. Even more disturbing was the announcement that if atmospheric conditions persist in their present pattern for another 3 weeks or so, we could well see the beginning of an ozone hole above populated areas of the Northern Hemisphere, including the United States of America.

The news did not get any better as the scientists continued their explanation, because they said even if an ozone hole does not appear this year, they are relatively certain that one now will appear during this decade. The atmospheric conditions which lead to the emergence of an ozone hole include what the scientists call a vortex, a circular pattern that resembles the way water runs down the drain in a bathtub.

Such a vortex above Antarctica appears virtually every year just before the Sun comes up on the South Pole in the middle of September. Before the Sun comes up, the temperatures are coldest and because the air is very thin there, the clouds rise high into the stratosphere, putting ice crystals at altitudes where CFC's are depleting the ozone, and when the chemicals come into proximity with one another on the surface, or in the presence of these ice crystals, the rate of depletion is speeded up dramatically compared to what happens in the free-floating atmosphere.

In Antarctica when the Sun's rays strike continuously for 2½ to 3 months, the air warms up enough so that the vortex weakens and air from the rest of the world comes in and fills the hole, but in the process thinning out the ozone layer in the rest of the world.

In the Northern Hemisphere, all these conditions are present. There is very cold air; clouds high in the stratosphere; ice crystals capable of speeding up the already serious depletion rate and a vortex.

Normally, the vortex in the Northern Hemisphere falls apart before the Sun's rays touch off the process of destruction, the process of ozone depletion at very rapid rates, because the North Pole is ocean surrounded by land, whereas the South Pole is land surrounded by ocean. And as the Sun's rays work their way northward in the Arctic, they heat up the land mass surrounding the Arctic Ocean. In most years, that results in the breaking up of this vortex before the ultraviolet rays kick off the chain reaction.

Some years that is not the case and the vortex remains in place. This appears to be one of those years, especially because the vortex has floated southward along a latitude that roughly corresponds to the location of Bangor, ME, and across the Atlantic and much of Eastern Europe. It is not located always in one place. It moves. It does not move with the rotation of the Earth but rather at a slower, less predictable pace. But if that vortex remains in place at that latitude for another 3 weeks, then we will see the loss of ozone within the emerging hole at the rate of 1 to 2 percent per year.

What does this mean to us? What does this mean to our constituents? It means that a lot more ultraviolet radiation comes through the ozone layer, particularly in the place where the hole is located, and that does a lot of damage in several ways. For each 1-percent reduction of the ozone layer, there is a 2-percent increase in skin cancer. Even before this new condition was found, the scientists predicted more than 300,000 extra deaths from skin cancer in the United States alone during the next few decades. That number, frankly, will have to be recalculated now.

Second, there is damage to eyesight and the incidence of cataracts increases, the number of cases of blindness as a result of cataracts increases.

In the southern ozone hole, which has now grown to a size three times as large as the continental United States, the edges of that ozone hole now lap over the southern tip of South America. As I have said on this floor on previous occasions, there are now a number of anecdotal reports from a variety of different observers coming back from the southern tip of South America reporting the finding of hunters who have come back with stories of blind rabbits found in the field, blind fish reported by the fishermen, blind salmon, particularly, and blind sheep reported by the farmers. Also tree buds in their springtime now, damaged by the extra ultraviolet radiation to the point where they do not burst forth.

That is what life is like, reportedly, in the edges of the ozone hole in the Southern Hemisphere. But that is just in the edge. If the epicenter of an ozone hole in the Northern Hemisphere is above populated areas, and is repeated a number of times throughout this decade and beyond, then what are we talking about?

We are talking about a redefinition of our relationship to the sky. We are talking about parents sitting down with children at the breakfast table and saying, You have to understand, our civilization has made a big mistake. We have put these terrible chemicals into the sky and it has changed the nature of the sky and it no longer protects you from the deadly radiation from the Sun that we never used to worry about in the same way before because the sky was sufficient to protect us. You have to change your way of thinking about the sky.

No other human being who has ever lived on the face of this Earth before this generation of children now in school has had to contemplate such a horrible thought, but because we have put these chemicals up there, now we have to have that conversation with our children.

Do you know what else we have to tell them? We have to tell them we are still putting those chemicals up there. We cannot stop yet. We want to continue putting more and more and more of them in there for another 8½ years before we can bring ourselves to stop doing this damage to the sky.

How would you like to have that conversation with your child, with your children? I am not looking forward to it. But all of us are going to have to contemplate delivering that kind of message to future generations.

Now, as we contemplate that conversation, should we not also think about stopping the process of adding more of these harmful chemicals into the sky? It seems to make sense. The law, incidentally, requires the President of the United States to accelerate the phase-out schedule as soon as new evidence is available showing that the problem was worse than previously thought.

There were two findings last year which most people felt filled that bill.

In fact, the head of the Environmental Protection Agency said as much. I really should put his exact words in because he might not want them interpreted so precisely, but that was the clear intent of what he said, and many others said the same thing. The President did not accelerate the phase-out schedule. Now he should. He should have then. Certainly now.

What this resolution says, and we will debate it tomorrow—I will say to my colleagues that I am perfectly amenable to any reasonable time agreement tomorrow. I believe my colleague from Wyoming is correct; it would be easier to talk about it tomorrow rather than to try to get any agreement tonight. It is not my intention to delay this.

Mr. WALLOP. Will the Senator yield?

Mr. GORE. I will be happy to yield.

Mr. WALLOP. It would be helpful to print and distribute that amendment as well so that Members might have a copy of it.

Mr. GORE. I will be happy to. It has already been proposed.

Mr. WALLOP. It has been proposed, but some of us do not have it.

Mr. GORE. In addition to including it in the RECORD, I will print the amendment and make sure that a copy of it is delivered to every desk tomorrow. Would that be sufficient?

Mr. WALLOP. Absolutely. I think colleagues are entitled to know what is in it.

Mr. GORE. Absolutely. May I say, Mr. President, just as a shorthand description, the resolution from which the amendment is drawn passed the Foreign Relations Committee unanimously last year, and frankly I considered toughening the language. I think the language should be toughened.

I will have another measure later on, not to interfere with this bill, but another measure later on to propose even tougher measures. These are very tough, make no mistake about it, but I did not want to change the text with which Members are already familiar. I do not want to delay or slow it down. I want to send a powerful message right now not only to the President of the United States but to other countries that are preparing for a meeting on April 6 to plan international action to speed up the phaseout schedule.

Mr. President, I do not know of another thing that we can do this year that will have longer range importance than bending our efforts to try to stop the process of devastation now underway in the global environment.

In any event, this is the same as the language that was passed unanimously out of the Senate Foreign Relations Committee at the end of the year. It could not be brought up because there was kind of—well, what do we call it in our jargon, a rolling hold. Somebody would object, and I would go to them and he would say: Oh, it is not me, and somebody else would object. It was the White House who objected. My colleagues were honorably trying to serve their obligations to work with the White House. I understand that.

I do not understand why the White House objects to it and wants to hold it up. But in the current circumstances, I certainly hope that the White House will not object. We will have a recorded vote on this measure hopefully tomorrow. Again, I have no intention of dragging it out or belaboring it. I am amenable to any reasonable time agreement. That is all I will have to say about it this evening.

Mr. President, as I understand, it will be the pending order of business tomorrow. I will be here ready, willing, and eager to debate it. I sincerely urge my colleagues on both sides of the aisle, even if they have been skeptical about this kind of measure in the past, to seriously look at this latest set of findings and let us try to make this unanimous. I think we have a possibility of doing that. You go into any elementary school in this country and ask kids what they think about this problem, they will say: "Why aren't the Senators doing something about it?" And they are right. The scientists are saying exactly the same thing.

I have no wish to make this a partisan issue. In fact, Senator CHAFEE, as I acknowledged, has been a tremendous leader on this issue, as has Senator BAUCUS of Montana. Everybody knows that. This has been a bipartisan concern for many years now. We want to send a message to the White House. We want to get this phaseout speeded up. We want to send a message to the other countries that our Nation has been working with over the years.

Mr. President, I will look forward to continuing this debate tomorrow, and I appreciate the courtesy shown to me by my colleagues, and I yield the floor.

I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming is recognized.

Mr. SIMPSON. I thank the Chair.

(The remarks of Mr. SIMPSON pertaining to the introduction of S. 2199 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

MORNING BUSINESS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR KERRY'S LEADERSHIP ON BCCI AND ITS LARGER LESSONS FOR THE NATION

Mr. KENNEDY. Mr. President, I want to take this opportunity to commend my colleague from Massachusetts, Senator JOHN KERRY, for his outstanding leadership in uncovering the massive financial and governmental corruption scandal involving the Bank of Credit and Commerce International, known as BCCI.

Senator KERRY's extraordinary diligence in carrying out his 4-year investigation to get to the bottom of this corrupt financial octopus—and reveal the failings in Government agencies which allowed the criminal activity to escape detection for so long—has received well-deserved accolades in this country and abroad. But what is equally impressive about Senator KERRY's work is the way he sees BCCI as a warning sign of what has gone wrong with Government and the Nation over the past decade, and as an example of the need for far-reaching change.

In an address at American University last October, Senator KERRY analyzed the BCCI scandal and eloquently discussed its larger lessons for our country and our future. I believe that his address will be of interest to all of us concerned about these issues, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF SENATOR JOHN F. KERRY: THE BCCI SCANDAL AND ITS LESSONS

(American University, Washington, DC, October 15, 1991)

I see the words "Political Union" behind me here, and I have to tell you, there's a soft spot in my heart for that. Because when I was an undergraduate at Yale, I served as president of the Yale Political Union, and was extremely active in political union activities.

And I'm an enormous believer in the value of the debate, and the exchange of information, which goes on at political unions or various political entities and debate societies around the country. And I will tell you that while somehow sitting here at midterm time and thinking about exams, there's an inevitability to feeling a little bit distant from political reality, though here in Washington that's not as true as it is elsewhere. It really does have an extraordinary relevance and faster than you'd think, you can be and will be, and many of you maybe are, in the middle of the maelstrom, having an enormous impact on events, and that's valuable, it really is.

Just a quick aside. I'll tell you that when I was at Yale in 1962 and '63, a young congressman came to talk to us. His name was Allard Lowenstein. And he was my first sort of introduction to the connection between verbal passion and actions that you take as a consequence of that. And it was about the civil rights movement. And many of us became very much activated and interested in the civil rights movement as a consequence of what he and others were doing then. And we began to raise money, as students, to put people on the freedom rides, the buses, that went south in order to break the back of desegregation—of segregation. And it was the first lesson to me about the power of students and the ability of young people to make a difference.

And that was carried on many, many different ways, when I came back from Vietnam, through various efforts to try to impact this country and change things.

That's not what I'm initially here to talk about something called BCCI. But I do want to invite questions on a number of different topics if you want. I just want to suggest to you that I'm willing to tackle any subject that you would like to raise, because this is an important time in this country.

BCCI is an important symbol, not only a symbol, because there is a reality of criminal activity that is attached to it, but it is an important symbol, a symbol of what government sometimes fails to do, which is part of our times, and a symbol of a pervasive spreading kind of criminality that knows no boundaries, crosses borders, is willing to play by its own rules, and which furthers other criminal activity in the world.

Now BCCI means different things to different people right now in the country, different things to politicians, to journalists, to bankers, certainly, to cartoonists, and others, all of whom have tried to find a way to express what it really is all about.

Some people look at the financial scandal, and they see 1.3 million depositors scattered around the world who have lost savings, or lost their whole businesses, as a result of the bank's collapse. Others focus on the bank's collapse. Others focus on the bank's ties to political leaders, to its purported payoffs to heads of state, and the implication for people like Peru's former president, Alan Garcia, or for Argentina's President Carlos Menem, on the allegations that have been made regarding their links to this bank.

Still others focus on the political influence that may or may not—and I emphasize, may not—have been wielded on behalf of this bank, either in Washington, D.C., or in Atlanta, Georgia, or in Miami, or in other parts of this country—California, New York—or in many other capitals across this globe.

Some portray it as just a sort of spider web that attaches anybody who touches it and sucks them in and devours them. What I've tried to do in the 3 years that we have now been tangentially and directly looking at BCCI is to place it in its proper perspective and understand the full implications of what this banking scandal really means, and to reveal how these kinds of operations of foreign financial institutions or foreign governments themselves can have a major impact on foreign policy, and indeed, on our relationships with other countries on whom we rely for information, for a cursory relationship, for an intelligence relationship, and sometimes even for a much deeper relationship which might involve a treaty, and a larger relationship in a hemisphere such as the drug-fighting efforts that we have in the Western hemisphere, and our reliance with other nations in Latin America, and the effort to stamp out drugs.

Now, BCCI's founder and chief, a fellow by the name of Aga Hasan Abedi, a Pakistani, very systematically and deliberately set out to create a set of relationships around the world with world leaders by providing favors that ranged from creating charities to strengthening those leaders politically to helping arranging arms deals to creating slush funds of the kind that General Noriega had, to straightforward political payoffs.

BCCI used these ties in order to obtain control of many banks around the world, and to obtain secret control of other banks such as a bank right here in Washington, D.C., called First American Bank. In turn, foreign and domestic intelligence agencies developed close ties to BCCI, knowing of BCCI's basic criminal activities, and notwithstanding that, the CIA and other intelligence agencies nevertheless made use of BCCI for a variety of purposes.

We will be having a hearing next week which will begin to explore some of the purposes for which BCCI was used. We will have a major insider of the BCCI bank itself testifying next week. We will have some of those who understood what happened in Georgia with the National Bank of Georgia testify. And finally, we will have both Messrs. Clifford and Altman, who were the management of the First American Bank and the lawyers for BCCI in Washington, testify next week with respect to their knowledge and their activities about the bank.

What is important to focus on is the fact that law enforcement in the United States of America had substantial information regarding BCCI in the early 1980s—and they did nothing about that. That is a fact. They ultimately, in 1988 or so I believe, '87 or '88, wound up prosecuting a handful of BCCI executives in Florida as part of a sting operation, but as part of the plea that went along with that sting operation, they agreed not to pursue other activities of the bank in that region and in fact basically turned away from the larger criminality that many of us were then alleging the bank was involved in.

All this while, from 1980 through the current moment until the Bank of England shut down BCCI in April of this particular year, BCCI as an institution lost billions of dollars around the world. Those billions were systematically concealed by a rather loose and ineffective auditing process conducted by some of the major auditing firms of the nation and the world, and ultimately, principally, by Price Waterhouse. And that is an area, also, of inquiry that our committee intends to look at.

But concealing those losses was accomplished principally by their extraordinarily adroit use of lawyers and accountants, and fictitious entities—a bank within the bank, a movement of stock which people really weren't able to keep track of, and large movements of capital that they also lost sight of.

They also were very successful at making personal representations to government officials about what they were doing and weren't doing, and for one reason or another, government officials took them at face value.

Now, I can't tell you today who did what. I don't know the answer to that. I have been very careful in the course of this investigation to leave as allegations those things that are allegations and to try to state as fact those things that I know to be fact. I do not know what Mr. Clifford and Mr. Altman knew. And it is fair, in keeping with our judicial system, particularly if we are willing to overlook evidence such as we overlooked in the course of the Thomas nomination, it is particularly fitting to have a presumption with respect to innocence and to guarantee that this process plays out and that questions are asked before people draw conclusions or make assumptions.

And I refuse to do either—no assumptions and no conclusions. There are some very legitimate questions, significant questions and questions which they have voluntarily agreed to come and appear before our committee and answer, and I respect them for that. What is clear to me is that despite the fact that our government knew about the existence of this illegal agreement, because we have CIA memos that show that they knew it, we have communications between agencies that prove that in the early '80s they knew it, despite that, nobody was willing to proceed against BCCI until the heat began to show what was happening in Miami and we got the money laundering indictments that came out of that.

But I personally criticized those conclusions that were drawn in those money laundering indictments because I thought it was a weak plea which basically only asked for half the money that had been the fruits of the crime and allowed the bank to walk away with a slap on the wrist when it should have fundamentally been shut down at that time, and that is what I said.

Now, where does this leave us at this point? What is the next extension of significance beyond the little person and the accountability of government that I just talked about? There's another very serious implication in all of this, and that is that if you are serious about a drug war, if you are really intent on establishing an international cooperative effort to try to prevent the flow of drugs, then you cannot simply focus on the growth in the forest or focus on the pusher in the street. You've got to focus across the board and particularly on those people who most facilitate the flow of these drugs. There is a rule by which most banks are supposed to regulate themselves. It's called the know-your-customer rule. And bankers are expected to know their customer and not deal with people that they know to be crooks. That's what the Basel Convention says and that's what bankers will quickly tell you whenever they make their high-sounding pronouncements. The reality is that they ignore their customer when they know the customer has a lot of cash, and the only time they really care about their customer—many of them, mostly offshore banks—is when that customer is borrowing money. Then they really care about it. But if the customer is depositing or using the bank as a pass-through, they're quick to take the money.

Greed—greed is at the center of BCCI, and you had competition in order to reach out to any nefarious activity whatsoever and grab the money and bring it in. And indeed, one insider has told us that the opening of branches was not per se to make money, because after profits and taxes and start-up costs and everything, they don't think they made a lot of money. It was to gain a foothold to gain these major deposits in order to use that as part of their growth.

Indeed, the bank bought five branches in Medellin, Colombia. And there was a debate inside the bank as to whether or not this was a good idea, because they knew damn well that Medellin, Colombia bank branches had one significant source of income, and that was drug money. And indeed, that's one of the ways in which the bank became a major money-laundering entity, not to mention Noriega and other pass-throughs in the Cayman Islands that it became involved in. So that's a second major thing.

If you are serious about stopping drugs, serious about accountability between nations on the flow of illegal money, serious about having accountability in your own financial system, it is imperative that you have oversight of that system, and that means an agreement among nations as to how you will record cash that comes into these banks.

In America, every single bank in America has to record $10,000 of cash or less when it comes into the bank. The minute that American branch goes offshore, it doesn't have to do that any more. We have a loophole a mile wide, an incentive for people to set up an offshore account and take in cash because there's no record-keeping whatsoever on that.

And in fact, BCCI was set up in a way to take advantage of that, set up in Luxembourg, and in the Cayman Islands and elsewhere, where there was very little regulatory oversight, and no one regulator who had the responsibility for the entire bank. Sort of a potpourri of regulators, each of whom had a little piece, but none of whom could see the whole picture of what was happening.

Final reason that I think BCCI is so critical beyond the little person in the street and the accountability of government and making it work, beyond money laundering and the fight on drugs, is foreign policy itself and the interests of this nation. If banks can illegally buy banks in the United States, and foreigners own our banking institutions, then we don't own ourselves. And we don't know what's happening to us, and we don't know what interest they might have in any investment that they make in this country. And if foreigners can break our banking laws that way, and illegal criminal activity can gain a foothold in banks and in influence in this country, then you run the risk of ultimately seeing the kind of confrontation that you see today in a place like Colombia, where the government is at war with criminal activity, and almost had to surrender recently. Or a place like Italy where the southern portion of the country is increasingly taken over by Mafia, by organized crime, and every politician in Italy will tell you that's true and admit it, but there's not very much they can do about it.

Money does speak. Money has the terrible ability to be able to intrude on the normal standards of behavior that people expect to see from people in public life and in private life. And if banks can get that kind of foothold, then, who knows, whether they can grab hold of judges or police departments or so forth.

Now you may smirk and say, gee, is this Senator really coming off the wall. Let me tell you something. A year or so ago 10 percent of the Miami police department was forced to resign because they were involved in drug dealing and in drug use; 10 percent, folks. That's a foothold. You can go to any department, and you can talk to people in major positions throughout the country in law enforcement. And they'll tell you about bribes, and they'll tell you about protection money. And they'll tell you about the capacity of people with an awful lot of money to make things happen the way they want.

If you want this country to maintain its integrity and its sanctity and its security and its capacity to stand for values and to implement those values, you have to fight crime. You cannot look the other way on something like a BCCI for 8–10 years. You cannot allow it to undermine your war on drugs.

And finally, you cannot allow it to put you in the precarious position where you are making those agreements with governments like Colombia or Panama, and the very people you are making those agreements with are engaged in a criminal enterprise against your nation itself. I think that's an extraordinary blindness on our part. It is one that undermines the capacity of those nations to fulfill its obligations, as well as undermines our own faith in ourselves.

So those are some of the things that BCCI means to me. I think it's important, finally, on a personal level, because I really am concerned about the track that this country is on today and its relationship with politicians, those of us in public life. I would caution my colleagues that the lesson we saw in Massachusetts not so long ago of a government that became so complacent and so arrogant in some ways that it literally lost touch with the concerns of people, that you had a ballot box revolution, is absolutely possible at the national level.

And I said a year ago, and I repeat today: the principal reason that is not effective at the national level in this country is because Washington can fake it so effectively; fake it on the budget, and fake it in a lot of other ways, but principally on the budget. Because Washington doesn't have to pay the bills. Because it's borrowing, borrowing, borrowing. Because it's able to steal from the Social Security trust fund, steal from the Highway Trust Fund, steal from the airport construction trust fund, promise people asset sales that are never made. You cook the books, and you just get in a worse-off predicament in terms of international competition in our future. But you get by for that year. And it is that fakery that is finally catching up, not only to Washington, and to the American people, but to the Congress itself.

And I think people better wake up to it fast. They better wake up to the degree to which Americans perceive that this city and all who run it as being somehow distant from and out of touch with the rest of the people in this country. And the only way to do it is to produce—not talk. There's no way to talk yourself out of this one. You've got to produce. You've got to address the real economic concerns of the country. You've got to address the real education concerns of the country. You've got to put people back to work. You've got to harness the extraordinary entrepreneurial creative skill of this nation, go back to the basics that we know created the jobs in the past, and build for a future that takes us into the next century. And I hate to be stretching, because I don't feel like I am, but BCCI is really sort of a small part of all of that. It's a way of saying to people that there is a recognition by some that this accountability is critical, and it is absolutely vital for us to get a handle on what we are doing and not doing, and not deny ourselves a whole generation of the opportunity of being a part of the future, and instead, being part of the problem.

I don't think we have to be. I really don't believe it. As I mentioned to you at the outset of my comments, I come to this business with an inherent faith in the ability of each and every one of us to make a difference and to change things. We changed them remarkably in the 1960s and '70s, not all of it good; not all of it good. But we did create the EPA, the Clean Water Act, the Clean Air Act, the housing act, the voting rights act, the civil rights act, and there was a movement toward consciousness about women and environment and other issues.

And suddenly everybody pulled back and went to sleep. And the question I ask is, as we go into this last decade of the last century of this millennium, is whether or not we're going to have the gumption and the common sense to appeal to our own best instincts and go out there and end the travesty of S&Ls, of BCCIs, of a government that doesn't want to pay attention, and harness the extraordinary good will and good faith and good values and common sense of this great country of ours.

If we do that, no question about our capacity to move into the next century as the world's leaders. If we don't do that, then it's our own fault, nobody else's. So the bottom line, that's part of what BCCI means to all of us.

THE CRISIS WON'T WAIT

Mr. MOYNIHAN. Mr. President, in his State of the Union Address President Bush observed that "in the past 12 months the world has known changes of almost biblical proportions." That he borrowed the phrase from Charles Krauthammer merely adds to the force of the observation. It is true and we all know it: even if it takes a person of special gifts to find the right term.

The joint statement issued this weekend by Presidents Bush and Yeltsin at Camp David extends and expands—if such be possible—this period of epic change. Our two nations declare that henceforth ours will be a "relationship * * * characterized by friendship and partnership founded on mutual trust and a common commitment to democracy and economic freedom."

In this setting I would draw the Senate's attention to a compelling analysis of this relationship presented by Jim Hoagland in the Washington Post of January 23. It is entitled: "The Crisis Won't Wait." The subtitle reads "The West must not underestimate the gravity of the danger the ex-Soviet population faces." He cites Murray Feshbach's judgment that "1.5 million people are likely to die this year in the former Soviet Union because hospitals and doctors lack the most rudimentary medicines and other medical supplies." Food shortages could be just as devastating.

Mr. Hoagland goes on to note that "Feshbach is no stranger to controversy. While the Central Intelligence Agency, the Pentagon and others were predicting, in the early 1980's, continued and menacing growth for the Soviet economy, Feshbach was discovering and calling attention to an alarming drop in Soviet life expectancy. His assessments of the spreading rot in Soviet society were dismissed by hawks and doves alike—though for differing reasons—as too gloomy."

"We know now," writes Mr. Hoagland, "that they were understated." He goes on to note that Feshbach is worried that once again the West is missing the gravity of events in the former Soviet Union. Mr. Hoagland worries that despite the President's commitment of $600 million in technical and emergency aid, for some reason things don't move.

Let me offer a theory of this case. I speak as one whose views were also dismissed, albeit I could hardly lay claim to Dr. Feshbach's genius as demographer. My claim is merely that I read him when he began writing on this subject. It is important to the argument I present that Feshbach's findings were first published in the mid-1970's. Specifically in "The Soviet Economy in New Perspective," Joint Economic Committee, 1976. In essence he had spotted a rise in infant mortality and a decline in life expectancy for males in the Soviet Union. I believe there is only one other instance of such a decline in the annals of 20th century demography. So much was summed up in that single fact. That and the confirming fact that the Soviets thereupon stopped publishing their data. Demography, as the saying goes, is destiny. For some of us—I was one—it was the datum that fleshed out the theoretical case that far from descending on us from the mountains of Central America, the Soviet Union was infact about to break up.

In 1979 Newsweek had a forum on the eighties. What would happen. Large thoughts only, if you please. I wrote a brief essay. In the 1980's the Soviet Union would blow up, and if we didn't watch where those nuclear warheads went, the world could very well blow up with it. Now obviously I was both right and wrong. The Soviet Union did not "blow up." It broke up. And there are good signs that they understand the problems of nuclear proliferation. Even so, the more important point is that nowhere in the U.S. Government was there anyone who could conceive of anything like that happening.

I was then a member of the Intelligence Committee; soon to be vice chairman, in our nonpolitical way. The intelligence "community" just couldn't follow the argument even when I persisted. Here are other examples.

SENATE FLOOR, JANUARY 10, 1980

> * * * the Soviet Union is a seriously troubled, even sick society. The indices of economic stagnation and even decline are extraordinary. The indices of social disorder—social pathology is not too strong a term—are even more so. The defining event of the decade might well be the break-up of the Soviet empire. But that * * * could also be the defining danger of the decade.

NEW YORK UNIVERSITY COMMENCEMENT ADDRESS, MAY 24, 1984

> The truth is that the Soviet idea is spent. It commands some influence in the world; and fear. But it summons no loyalty. History is moving away from it with astounding speed. I would not press the image, but it is as if the whole Marxist-Leninist ethos is hurtling off into a black hole in the Universe. * * *
>
> If we must learn to live with military parity, let us keep all the more in mind that we have consolidated an overwhelming economic advantage. * * *
>
> Our grand strategy should be to wait out the Soviet Union; its time is passing. * * * It will be clear that in the end, freedom did prevail.

ADDRESS TO THE COALITION FOR A DEMOCRATIC MAJORITY, NOVEMBER 28, 1984

> The United States is not, and has never been militarily inferior to the Soviets. [Thinking this was] bad enough a mistake. But vastly more important is the underlying, pervasive mistake of not perceiving that the Soviet Union is a declining power.
>
> First, that the Marxist-Leninist ideology is now largely a spent force in the world. * * *
>
> And second, Soviet society just isn't working. What was to have been a transformation in personal and social relations has simply turned into a mess.

SENATE FLOOR, AUGUST 9, 1986

> Let us be clear. We are dealing with a doctrinal adversary. There is a real sense in which it must be said of the leaders of the Soviet Union, and some of their satellites, that they are a People of the Book. They have texts which prophesy the ultimate triumph of their system through the collapse of ours, not through its overthrow from outside but from its collapse from within. * * * [I]t was confidently expected that the Socialist mode of production * * * would be superior in its productive capacity, and that Russians * * * would be richer than the West because their system would work better. That expectation soon disappeared. * * * All those prophecies are gone.

There was one exception to the general obtuseness. In July 1985 I visited Geneva as a member of the Senate Arms Control Observers Group. Our chief negotiator was the Honorable Max M. Kampelman who promptly and graciously had us over to lunch. Just as promptly he turned the conversation to my argument and asked if I would elaborate. But Ambassador Kampelman is that celebrated exception that proves the rule. He was not a member of the intelligence community; not a defense analyst; not a policy planning staff director. He is a man of politics in the large and best sense of that term; he would not mind being called a Hubert Humphrey loyalist. He comes out of tradition that takes political ideas seriously and can conceive what it might mean when ideas such as those of the Marxist-Leninist regime in Moscow turn out to be utterly without predictive power.

And so to my theory of the case. The institutions of American defense and foreign policy having failed so utterly to foresee the collapse of the Soviet regime are having huge institutional difficulties responding that this "Crisis [That] Won't Wait" for the simple reason that to do so would implicitly acknowledge that earlier failure.

Do not doubt the depth of this institutional dilemma. Writing in the fall 1991 issue of Foreign Affairs, Adm. Stansfield Turner spoke of the "enormity of this failure to forecast the magnitude of the Soviet crisis." The current issue of the Foreign Service Journal speaks of the CIA's "gargantuan failure to understand the problems of Communist economies." But it is not just the CIA. The failure was systemwide.

This morning, our distinguished Secretary of State James A. Baker III appeared before the Committee on Foreign Relations to present his Department's budget for the coming fiscal year. I asked him if he could possibly tell the committee just how much larger the budget of the intelligence community was than that of the State Department. Five times? Ten times? Fifteen? He, of course, would not respond, nor ought he have done. I simply wanted to make the obvious point. Although when I read him the Foreign Service Journal on the subject of the gargantuan failure of the CIA to understand the problems of Communist economies, he need not have disagreed with that assessment. As he did. One of the problems of having served on the Intelligence Committee is that you are thereafter bound by its confidentialities. Without breaking any such, I believe I can say that the American people would be baffled if they knew the true size and extent of the intelligence budget. Boggled. I recommend that they read Elaine Sciolino's article "CIA Casting About for New Missions" in yesterday's New York Times. Would it not be possible to take just a small portion of this budget and devote it to emergency aid to the Soviet Union? It would.

In any event, I had begun my questioning of the Secretary by citing Mr. Hoagland's compelling article. I asked the Secretary if he did not think that given the record the intelligence budgets might chip in a bit to help with what the Secretary properly described as the effort "to forge * * * an enduring peace" by aiding the former Soviet Union at this point. The Secretary suggested I refer my question to the Budget Committee. Which I hereby do, whilst asking unanimous consent that Mr. Hoagland's article be reprinted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 23, 1992]

THE CRISIS WON'T WAIT

(By Jim Hoagland)

The Great and the Good, in the form of 45 or so foreign ministers from around the world, have descended on Washington this week to talk about the immense human disaster spreading through the ruins of the Soviet empire. That disaster is worse than anything the foreign ministers and their governments have admitted until now.

Worse: It has been exacerbated by the hesitant, ineffectual international response seen thus far, another reality not likely to be dealt with openly at the two-day State Department conference, due to end today.

This is the view of Murray Feshbach, a man with the credentials to make strong judgments and the boldness to state them publicly. If the Great and the Good tire of hearing their own voices (an unlikely event) they should walk a few blocks to Georgetown University and ask Feshbach to describe the trip he made to Russia last month.

They would hear detailed accounts of why 1.5 million people are likely to die this year in the former Soviet Union because hospitals and doctors lack the most rudimentary medicines and other medical supplies. They would hear of a food distribution system that contaminates 42 percent of all baby food sold to consumers. They would hear of pollution so severe that a health ministry official says seriously: "To live longer, breathe less."

But there is also an element of hope they could grasp in Feshbach's account of the successful distribution of 200 tons of emergency food and medicine in Russia last month by a private U.S. group he works with, the Russian Winter Campaign.

The results achieved by this citizens' effort stand in sharp contrast to the failure of the United States to deliver any food under the $165 million emergency program announced two months ago by the Bush administration. That's right: Two months after Washington said it was sending free food to help starving Russians, none of that food has been shipped.

The U.S. effort, and much of the rest of the international governmental response to the humanitarian crisis, is "bogged down by Western red tape and Soviet corruption," the New York Times reported in its news columns, on Tuesday.

But Russian Winter Campaign got its food distributed without such problems. Former foreign minister Eduard Shevardnadze helped organize Interior Ministry and KGB troops to guard the emergency supplies and to make sure they were delivered to the intended recipients, Feshbach noted.

Feshbach is no stranger to controversy. His battles with more conventional bureaucrats when he was in the Department of Commerce, working as chief of the Soviet branch in the Foreign Demographic Analysis Division, earned him a reputation in parts of the foreign policy establishment as being a touchy, difficult person.

While the Central Intelligence Agency, the Pentagon and others were predicting, in the early '80s, continued and menacing growth for the Soviet economy, Feshbach was discovering and calling attention to an alarming drop in Soviet life expectancy. His assessments of the spreading rot in Soviet society were dismissed by hawks and doves alike (though for differing reasons) as too gloomy.

We know now that they were understated. And Feshbach, currently professor of demography at Georgetown, worries that once again the West is underestimating the gravity of the danger the ex-Soviet population faces, and ultimately poses to the rest of the world.

"The spread of malnutrition will lead to disease, in a country that has no aspirin, let alone more sophisticated medicines." Feshbach told a seminar at Georgetown's Institute for the Study of Diplomacy last week. "The spread of disease will lead to lower production and much less efficiency * * * in a country that has 50 Chernobyl-type atomic reactors in operation." Many of those are already leaking radioactivity, Feshbach believes.

These are urgent matters. But it remains business as usual for much of the bureaucracy. Although two Japanese officials came from Tokyo recently to talk to Feshbach about his new research, no one from the U.S. Agency for International Development has traveled the few blocks to his office to discuss his trip.

The impulse of getting the foreign ministers and other officials from 54 countries together was a well-intentioned effort by Secretary of State Jim Baker to focus attention on the problem. President Bush's announcement of a new commitment of $600 million in technical and emergency aid at the conference's opening yesterday was also a helpful gesture.

But in its closing statements, the Washington aid conference needs to show that these talks were not scheduled as a substitute for action, as the Europeans and Japanese suspected when Baker muscled them into coming here.

This is the risk in conducting high-profile diplomacy on such an urgent problem. Unless the conference ends up adopting an immediate and credible action program of emergency aid, its effect will be to call attention to how little the world, led by the United States, is prepared to do even at this late date, even when the evidence of the need is so clear.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT—PM 106

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Joint Economic Committee:

ECONOMIC REPORT OF THE PRESIDENT

To the Congress of the United States:

1991 was a challenging year for the American economy. Output was stagnant and unemployment rose. The recession, which began in the third quarter of 1990, following the longest peacetime expansion in the Nation's history, continued into 1991. The high oil prices and the uncertainty occasioned by events in the Persian Gulf were quickly resolved with the successful completion of Operation Desert Storm early in the year. Most analysts expected a sustained recovery to follow. Indeed, signs of a moderate expansion began to appear in the spring. Industrial production and consumer spending rose for several months. By the late summer, however, the economy flattened out and was sluggish through the rest of the year.

Our recent economic problems are a reminder that even a well-functioning economy faces the risk of temporary setbacks from external shocks or other disturbances. Market economies, such as the United States, are continually restructuring in response to technological changes and external events. Occasionally, structural imbalances develop that can interrupt economic growth. The American economy experienced an unusual confluence of such imbalances in recent years, for example in the financial and real estate sectors, and in household, corporate, and governmental debt. At the same time, a major reallocation of resources from defense to other sectors has been under way. Not least, the lagged effects of a relatively tight monetary policy coupled with problems in the availability of credit, especially for small and medium-sized businesses, dampened economic growth.

The U.S. economy, however, remains the largest and strongest in the world. The American people enjoy the highest standard of living on earth. American productivity is second to none. With less than 5 percent of the world's population, America produces a quarter of the world's output.

As we move into 1992, the fundamental conditions to generate economic growth are falling into place. Interest rates are at their lowest levels in decades and should help boost investment and consumer spending. Inflation is down and expected to remain relatively low. Generally lean inventories imply that increases in demand will be met mainly from new production, which will generate gains in employment and income. America's international competitive position has improved, as evidenced by record levels of exports.

Nevertheless, the United States faces serious economic challenges: to speed, strengthen, and sustain economic recovery; and, simultaneously, to provide a firmer basis for long-term growth in productivity, income, and employment opportunities. In both my State of the Union address and my fiscal 1993 Budget, I presented a comprehensive program to encourage short-term recovery and long-term growth. I have already taken steps to accelerate job-creating Federal spending, to adjust income tax withholding that will add about $25 billion to the economy over the next year, and to renew the attack on excessive regulation and red tape that hamper business formation and expansion and job creation. I will also continue to support a monetary policy that keeps inflation and interest rates low while providing adequate growth of money and credit to support a healthy economic expansion.

Most of my program will require congressional action. In addition to the executive actions I have already announced, my immediate agenda includes:

—Investment incentives to promote economic growth: a reduction in capital gains tax rates; a 15-percent investment tax allowance; and an improved alternative minimum tax.

—Incentives to help revive real estate: a $5,000 tax credit for first-time homebuyers; penalty-free withdrawals from individual retirement accounts for first-time homebuyers; low-income housing credits; tax preferences for mortgage revenue bonds; a modified passive loss tax rule; and a tax deduction for losses on the sale of personal residence.

My intermediate and longer term agenda includes:

—Investment in the future: record levels of spending for Head Start and for anti-crime and drug abuse programs; a comprehensive Job Training 2000 initiative, which will enhance the skills and flexibility of our work force; record levels of spending for research and development and infrastructure; record spending on math and science education; and Enterprise Zones.

—Pro-family initiatives: an increase in the personal tax exemption for families with children; new flexible individual retirement accounts for health, education, and first home purchases; and tax deductibility of interest paid on student loans.

—Comprehensive health reform: vital cost containment measures and tax credits for the purchase of health insurance.

Also before the Congress is an urgent unfinished agenda that I proposed earlier, including financial sector reform to make our banking system safer, sounder, and more internationally competitive; the America 2000 education reforms necessary to meet the national education goals, produce a new generation of American schools, and provide the choice and competition that will promote better performance and strengthen accountability; the National Energy Strategy to meet our Nation's energy needs through a combination of enhanced production, diversification of sources, and conservation, thereby enhancing our energy security; and legal reforms to reduce the litigiousness that unnecessarily adds to costs and stifles innovation and productivity.

Successful completion of the Uruguay Round of the General Agreement on Tariffs and Trade and a North American free-trade agreement remain major priorities. I also urge congressional action on the Enterprise for the Americas Initiative. These market-opening initiatives will spur growth and create jobs.

My program can be accommodated within the limits established in the budget agreement of 1990. I am also asking the Congress for budget process reforms: a line-item veto and caps on so-called mandatory programs to control the growth of government spending. Maintaining fiscal discipline is essential to reallocating resources toward investment in the future.

These proposals are described in detail in the fiscal 1993 Budget, and in legislative proposals I am forwarding to the Congress. *The Annual Report of the Council of Economic Advisers*, which accompanies this *Report*, discusses the strengths of the U.S. economy and the challenges it faces in the short run and the long run. It also explains how my comprehensive economic growth proposals are designed to move us toward a more prosperous America.

GEORGE BUSH.

THE WHITE HOUSE, *February 5, 1992*.

MESSAGES FROM THE HOUSE

At 11:25 a.m., a message from the House of Representatives, delivered by Mr. Hays, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3749. An act to reauthorize title I of the Marine Protection, Research, and Sanctuaries Act of 1972.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 206. Concurrent resolution providing for the printing of a revised edition of the pamphlet entitled "The Constitution of the United States of America" as a House document.

ENROLLED BILLS SIGNED

At 5:09 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 1415. An act to provide additional membership on the Library of Congress Trust Fund Board, and for other purposes; and

H.R. 4095. An act to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

The enrolled bills were subsequently signed by President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3749. An act to reauthorize title I of the Marine Protection, Research, and Sanctuaries Act of 1972; to the Committee on Environment and Public Works.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2548. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan entitled the "Child Nutrition Amendments", the "Food Stamp Amendments", legislation to reduce certain Commodity Credit Corporation subsidies to those with off-farm income of $100,000 or more, and legislation to recover costs of carrying out Federal marketing agreements and orders; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2549. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a portion of the President's Economic Recovery plan to amend the Act of August 30, 1890 and the Act of March 4, 1907 to eliminate the provisions for permanent annual appropriations to support land grant university instruction in food and agricultural sciences; to the Committee on Appropriations.

EC-2550. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan to amend the United States Housing Act of 1937 to provide incentives for families with absent parents to cooperate with State agencies under the Social Security Act in securing support for dependents, and for other purposes, and the "Financial Institutions Safety and Consumer Choice Act of 1992"; to the Committee on Banking, Housing, and Urban Affairs.

EC-2551. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a portion of the President's Economic Recovery Plan entitled the "Federal Insurance Accounting Act of 1992"; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

EC-2552. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan to establish procedures to improve the allocation and assignment to the electromagnetic spectrum, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-2553. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan to amend the Surface Mining Control and Reclamation Act of 1977, as amended, to extend authority to collect abandoned mine reclamation fees, the "Arctic Coastal Plain Competitive Oil and Gas Leasing Act", the "Coastal Communities Impact Assistance Act", the Alaska Power Administration Sale Authorization Act", and the "Power Marketing Administration Timely Payment Act"; to the Committee on Energy and Natural Resources.

EC-2554. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan to authorize the imposition of recreation user fees at water resources development areas administered by the Department of the Army, and to eliminate the requirement to provide one free campground where camping is permitted at water resources development areas administered by the Department of the Army; to the Committee on Environment and Public Works.

EC-2555. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan entitled the "Economic Growth Tax Act", the "Pension Protection Funding Improvement and Bankruptcy Act", the "Medicare Premium Equity Amendments", the "Medicare Budget Amendments", a bill to amend title XIX of the Social Security Act to add requirements concerning health insurance coverage of children by absent parents, the "AFDC Resource Set-Aside Amendments", the "Child Support Enforcement Amendments", a bill to amend the Social Security Act to specify the purposes and duration of emergency assistance under part A of title IV, the "Social Security Act Cross Program Recovery Amendments", a bill to repeal the Trade Adjustment Assistance Program, and for other purposes, a bill to amend the Railroad Retirement Tax Act and the Railroad Retirement Act to ease administration of those Acts, and for other purposes, and a bill to provide for uniform application to all taxpayers of the 45 day processing rule, and for other purposes; to the Committee on Finance.

EC–2556. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan entitled the "Civil Liberties Act Amendments", the "Federal Credit and Debt Management Act", and the "Retirement Modification Act"; to the Committee on Governmental Affairs.

EC–2557. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan to extend the duration of the Patent and Trademark Office user fee surcharge through 1997; to the Committee on the Judiciary.

EC–2558. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a portion of the President's Economic Recovery Plan to amend the Higher Education Act of 1965 to constrain costs affecting the guaranteed student loan entitlement programs, to promote greater accountability, to reduce waste and abuse in the use of public funds, and for other purposes; to the Committee on Labor and Human Resources.

EC–2559. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting portions of the President's Economic Recovery Plan entitled the "Medical Care Cost Recovery Amendment", the "Veterans' Home Loan Improvement Act", a bill to amend title 38, United States Code, to make permanent certain income verification and pension provisions of the Omnibus Budget Reconciliation Act of 1990, and a bill to amend title 38, United States Code to target entitlement for vocational rehabilitation benefits under chapter 31 to veterans with service-connected disabilities rated 30 percent or more; to adjust the basic military pay reduction for chapter 30 Montgomery GI Bill participants in proportion to the increased amount of assistance provided under such chapter; and for other purposes; to the Committee on Veterans' Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted;

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

G.O. Griffith, Jr., of Mississippi, to be Assistant Secretary for Intergovernmental and Interagency Affairs, Department of Education.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER:

S. 2188. A bill to prohibit the Secretary of Veterans Affairs from obligating funds available to the Department of Veterans Affairs to furnish health care in Department of Veterans Affairs facilities under a rural health care sharing program to persons not eligible for such care under chapter 17 of title 38, United States Code; to the Committee on Veterans Affairs.

By Mr. DECONCINI:

S. 2189. A bill to amend the Internal Revenue Code of 1986 to provide a simplified tax on all income, and for other purposes; to the Committee on Finance.

By Mr. HOLLINGS:

S. 2190. A bill to improve the enforcement of the trade laws of the United States, and for other purposes; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. COHEN, Mr. LEVIN, Mr. DODD, Mr. BURDICK, Mr. AKAKA, Mr. JOHNSTON, Mr. WIRTH, and Mr. WELLSTONE):

S. 2191. A bill to create "Healthy American Schools," where children will learn the lifelong health and fitness skills vital to developing a smart body and smart mind and to empower every school with the ability to become a healthy school, built on a firm foundation of "healthy mind and healthy body" curricula; to the Committee on Labor and Human Resources.

By Mr. ADAMS:

S. 2192. A bill to authorize services for the prevention, intervention, treatment and aftercare of American Indian and Alaskan Native children and their families at risk for Fetal Alcohol Syndrome (FAS) and Fetal Alcohol Effect (FAE), and for other purposes; to the Select Committee on Indian Affairs.

S. 2193. A bill to amend title XVIII of the Social Security Act to provide protection against expenses of long-term home care under the medicare program; to the Committee on Finance.

By Mr. BURDICK (for himself and Mr. INOUYE):

S. 2194. A bill to assure a priority to Indian lands in the location of certain facilities; to the Select Committee on Indian Affairs.

By Mr. DOLE (for himself, Mr. BOND, Mr. BROWN, Mr. BURNS, Mr. CHAFEE, Mr. COATS, Mr. COCHRAN, Mr. CRAIG, Mr. D'AMATO, Mr. DANFORTH, Mr. DOMENICI, Mr. GARN, Mr. GORTON, Mr. GRAMM, Mr. GRASSLEY, Mr. HATCH, Mr. HATFIELD, Mr. HELMS, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LOTT, Mr. LUGAR, Mr. MACK, Mr. McCAIN, Mr. McCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. PRESSLER, Mr. ROTH, Mr. RUDMAN, Mr. SEYMOUR, Mr. SIMPSON, Mr. SMITH, Mr. SPECTER, Mr. STEVENS, Mr. SYMMS, Mr. THURMOND, Mr. WALLOP, and Mr. WARNER):

S. 2195. A bill entitled the "Economic Growth Acceleration Act of 1992"; to the Committee on Finance.

By Mr. ROTH:

S. 2196. A bill to establish a Teacher Job Bank Program; to the Committee on Labor and Human Resources.

By Mr. GRAHAM (for himself, Mr. LIEBERMAN, Mr. MACK, Mr. LAUTENBERG, Mr. McCAIN, and Mr. KASTEN):

S. 2197. A bill to promote a peaceful transition to democracy in Cuba through the application of appropriate pressures on the Cuban Government and support for the Cuban people; to the Committee on Foreign Relations.

By Mr. BOREN:

S. 2198. A bill to amend the National Security Act of 1947 to reorganize the United States Intelligence Community to provide for the improved management and execution of United States Intelligence activities, and for other purposes; to the Select Committee on Intelligence.

By Mr. SIMPSON (for himself and Mr. SHELBY):

S. 2199. A bill to provide for the protection of Haitian nationals with a well-founded fear of persecution, to provide for the orderly return of those Haitian nationals without such a fear, and to discourage the departure by boat of those Haitians who are unlikely to qualify for refugee status; ordered to lie on the table

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 2188. A bill to prohibit the Secretary of Veterans Affairs from obligating funds available to the Department of Veterans Affairs to furnish health care in Department of Veterans Affairs facilities under a rural health care sharing program to persons not eligible for such care under chapter 17 of title 38, United States Code; to the Committee on Veterans' Affairs.

PROHIBITION ON USE OF FUNDS FOR HEALTH CARE UNDER CERTAIN SHARING PROGRAMS

Mr. SPECTER. Mr. President, I have reserved time yesterday for the purpose of introducing legislation to prohibit the Secretary for Veterans Affairs from carrying out its rural health care initiative in conjunction with the Department of Health and Human Services. I have found in the interim that my distinguished colleague from Alabama, Senator SHELBY, introduced similar legislation yesterday. So, in seeking the floor today, I am gong to supplement what Senator SHELBY has done by introducing a bill which would cut off funding on the funds now allocated to the Department of Veterans Affairs. I am approaching the issue from an appropriations aspect; that is, to cut off funding as a supplement to what Senator SHELBY has done on eliminating the authorization for the plan. I also ask unanimous consent that I be added as a cosponsor of Senator SHELBY's bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SPECTER. The merits, Mr. President, of this issue involve the utilization of veterans' hospital facilities or personnel in certain areas of the

United States for medical services for nonveterans. That is a proposition that I strenuously oppose because the veteran health care program in the United States today is inadequate.

During my tenure in the Senate, I have served on the Veterans' Affairs Committee and am now the ranking Republican on that committee. In connection with those duties, I have had occasion to visit veterans' facilities across the country. I know firsthand that the facilities in my home State of Pennsylvania are insufficient. VA hospitals in Philadelphia, Pittsburgh, Wilkes Barre, Lebanon, Altoona, and Erie simply do not have enough resources to carry on the needs of veterans.

Last February, I visited veterans' facilities in Miami, Houston, Dallas, and Wichita at a time when I was looking at the adequacy of such facilities to treat wounded veterans coming from the Persian Gulf war. Fortunately, that need did not materialize. But in my travels and in the hearings which we have had in the Veterans' Affairs Committee, I am convinced that we need more, not less, vet care available for America's veterans.

This is a subject, Mr. President, which is very near and dear to my heart because the first veteran that I knew was my father, Harry Specter. My father served as a doughboy in World War I. He came to this country from foreign shores in 1911, and 6 years later answered the call of his new country to help make the world safe for democracy.

There was nothing my father was more proud of than his service in the American Expeditionary Force. My father was wounded on the battlefields of France in the Argonne Forest and carried shrapnel in his legs until the day he died. I recall as a youngster visiting him in the veterans' hospital in Wichita where he received medical care. I regret to say that medical care was better than I believe is available for the veterans today.

My father had a serious accident in 1937 when he was a passenger in a brand new pickup truck which he had purchased; my older sister, Hilda, was driving. A spindle bolt broke and my father, who was on the passenger side with his arm on the window ledge, was seriously injured when the truck turned over and crushed his right arm. He received his medical care at the veterans' hospital in Wichita; where his arm was fixed with wires in it. His medical treatment, in my view, was very warranted and very justified even though it was not a service-connected injury for which veterans have a priority.

There are simply insufficient resources available in America today for all veterans, which is why I am strongly opposing the effort to divert such resources for non-veterans. It is also why I am joining with Senator SHELBY in his legislation to prohibit the authorization for such resources and why I am introducing legislation to prohibit the use of appropriated funds. The incursion on needed veterans' health care must be stopped.

Mr. President, this program has been put into effect with memoranda of understanding executed between the Secretary of Veterans' Affairs and the Secretary of Health and Human Services without hearings in the Senate. This legislation, at a minimum, would provide a vehicle for hearings and I think, ultimately, a prohibition on the diversion.

I believe that Secretary Derwinski's and Secretary Sullivan's motives are of the highest order. I think that they are sincere in their view that this initiative would expand availability of medical care in rural areas without diminishing services to veterans. Secretary Derwinski, in particular, has fought hard and well within the administration to secure more funds for veterans' health care during his tenure as Secretary of Veterans Affairs. However, until we are able to replace veterans' health care resources lost over the past decade through inflation and other pressing priorities, we should not be indulging in new initiatives at the expense of veterans.

Therefore, in all good conscience, I cannot support Secretary Derwinski on this critical issue. I have heard from thousands of veterans, from Pennsylvania and from around the country. I believe—as they do—that opening the veterans' health care system in this way is simply the wrong idea at the wrong time.

For these reasons, I am introducing legislation today to stop all funding for the Rural Health Care Initiative and ask my colleagues to join in support.

Mr. President, I ask unanimous consent that the full text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2188

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled,

SECTION 1. PROHIBITION ON USE OF FUNDS FOR THE PROVISION OF CERTAIN HEALTH CARE UNDER SHARING PROGRAM.

(a) PROHIBITION.—No funds appropriated or otherwise made available to the Department of Veterans Affairs (including funds paid to the Department by the Department of Health and Human Services) may be used by the Secretary of Veterans Affairs to furnish hospital care or medical services in facilities of the Department of Veterans Affairs under the program referred to in subsection (b) to any person who is not eligible to be furnished such care or services under chapter 17 of title 38, United States Code.

(b) COVERED PROGRAM.—The prohibition referred to in subsection (a) applies to the demonstration project for the furnishing of health care in certain rural facilities of the Department entered into between the Secretary and the Secretary of Health and Human Services that is commonly known as the Rural Health Care Initiative.

By Mr. DECONCINI:

S. 2189. A bill to amend the Internal Revenue Code of 1986 to provide a simplified tax on all income; to the Committee on Finance.

SIMPLIFIED TAX ON ALL INCOME

Mr. DECONCINI. Mr. President, one of the most consistent complaints I hear from my constituents in Arizona and when I visit other States is that the tax system we have in this country to collect revenue to run our Federal Government is too complicated, too confusing, and more than anything else they tell me it is unfair. Today I am introducing, Mr. President, legislation which would solve this problem.

The tax bill I am advocating would have no deductions, no credits, no depreciation, no confusing calculations. In fact, under my tax bill, you could file your tax return on a postcard. That is right, on a postcard, whether you make $1 million or you make $20,000, or you do not make anything.

Think of the money that is saved, Mr. President, with this simple approach in just preparing returns. Think of the taxpayer money saved on the IRS budget. Think of the time spent filling out these forms that would be saved.

Personal income taxes would be subject to two rates. A couple filing jointly would pay 15 percent on the first $100,000 of taxable income and 25 percent on all amounts above that. A single filer would pay 15 percent on the first $50,000 and 25 percent in excess of $50,000.

Taxable income would be very easily determined. First, you would add up your wages, your salaries, your pensions, your interest, your dividends, and any capital gains that you might have received—I would call your attention to this enlarged version of the postcard tax return. The first line of this chart is where your income would be entered. Then you would subtract from that total $4,000 times the number of dependents including the taxpayer and his spouse. So you take the personal deduction of $4,000 out here. If it is four people, that would be $16,000 off your income. If you are a single person, this would be $4,000 off your income. And you enter that in this space. A family of four would be allowed to subtract $16,000 from whatever their income would be, after that the tax figuring would be very easy.

No figuring out a complicated Tax Code, a formula, nobody saving receipts and being required to substantiate them later, by mail request, or some other request from the IRS—just one simple, easy, fair, flat tax.

I have included a large personal exemption of $4,000 per person because I believe that a family of four can hardly survive on $16,000 a year. If a working family is only making that much, they should not pay any taxes, and I do not think anybody will argue with that. Likewise, the exemption helps middle-income families by only taxing them on the amount of their total income over, in the case of a family of four, this would be $16,000.

My bill is also fair because it eliminates the loopholes of the Tax Code, which are rampant, as we know so well. When this bill becomes law, you can be assured that the millionaire will pay more than the working family proportionately in this country of ours. We will be assured under this proposal that no wealthy tycoon will evade taxes by utilizing tax shelters and other unfair, albeit legal, means.

Like most Americans, I am tired of hearing stories of corporations and individuals that pay no tax, or the huge multinational companies that pay less than a schoolteacher, and therefore this bill will reverse this corporate inequity.

Our system of taxing corporations encourages nonproductive investments, as we have seen, tax-driven business decisions and too much time for accountants and lawyers whose aim is not how to produce a better car or refrigerator or widget or what have you, but whose entire job is focused on avoiding taxes, and properly so. If you can use these gimmicks, why not. There is nothing wrong with it, except it is not fair.

We need to return American business to concentrating on business and jobs; my bill creates a simple corporate tax as well. This is the totality of my tax bill. It revises the entire Tax Code down to nine pages, which I will introduce shortly.

By way of comparison, I might add, the 1986 Tax Reform Act that was sold to the public in this body as being fair and simple and eliminating all of these particular exemptions has over 600 specific rules and regulations that are exemptions for special interests. Nothing illegal, and it is wonderful if you fall into that category, but if you do not you are cut out of it.

The tax bill that we passed in 1986, of which I do not have a copy, is very thick, over 900 pages, 925 pages to be exact. Attorneys and accountants are still trying to figure it out.

I ask unanimous consent that examples of what the family of four will pay on different income rates, the single filer, what the example is, and of course the corporate filing be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXAMPLES

FAMILY EXAMPLES

Family of four—Income: $35,000, taxable income: $19,000, effective tax rate: 8.1 percent.

Family of four—Income: $55,000, taxable income: $39,000, effective tax rate: 11 percent.

Family of four—Income: $75,000, taxable income: $59,000, effective tax rate: 12 percent.

Family of two—Income: $85,000, taxable income: $77,000, effective tax rate: 13.5 percent.

Family of four—Income: $105,000, taxable income: $89,000, effective tax rate: 12 percent.

Family of four—Income: $205,000, taxable income: $189,000, effective tax rate: 18 percent.

SINGLE FILER EXAMPLES

Single person—Income: $25,000, taxable income: $21,000, effective tax rate: 12.6 percent.

Single person—Income: $37,000, taxable income: $33,000, effective tax rate: 13 percent.

Single person—Income: $48,000, taxable income: $44,000, effective tax rate: 13.7 percent.

Single person—Income: $165,000, taxable income: $161,000, effective tax rate: 21.3 percent.

CORPORATE FILERS

Company A—Income from all sources: $635,000, expenses related to income: $456,000, taxable income: $179,000, tax due: $26,850, net profit/revenue: $152,150.

Company B—Income from all sources: $5,325,000, expenses related to income: $3,255,345, taxable income: $2,069,655, tax due: $393,234, net profit/revenue: $1,676,420.

Mr. DECONCINI. I thank the Chair.

To return to the business example, this would be the corporation tax, whether it is Exxon, or Apple Computer, or a small business in the State of Arizona or anyplace else. You put down the gross revenues, you put down what it actually costs to purchase the goods and services, the materials, and the real investment that you have to make in producing it. Then you list the wages and the pensions that you pay for that work to produce and bring your product on line. You would add the purchases of capital equipment to this line. So if you buy a piece of land for your factory, or you invest in a machine, you get to write the purchase off 100 percent the year you make it. No depreciation on it; you get to write it all off the first year. Add the total allowable costs. Subtract it from gross revenues and the taxable income you put down right here, against which you would apply a 19-percent flat rate for corporations.

Mr. President, I know some will say: Oh, well, too simple, can't work. We just could not do anything this simple.

Mr. President, every time the subject of taxes comes up, the American public should shudder. It scares us because we do not simplify and make the tax process easier. This would be an approach to do just that, and I hope my colleagues will consider it in the appropriate committee.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SIMPLIFIED TAX.

(a) IN GENERAL.—Subtitle A of the Internal Revenue Code of 1986 is amended to read as follows:

"Subtitle A—Income Taxes

"Chapter 1. Computation of taxable income.
"Chapter 2. Determination of tax liability.
"Chapter 3. Exempt organizations.
"Chapter 4. Withholding.

"CHAPTER 1—COMPUTATION OF TAXABLE INCOME

"Sec. 101. Nonbusiness taxable income defined.
"Sec. 102. Business receipts defined.
"Sec. 103. Cost of business inputs defined.
"Sec. 104. Cost of capital equipment, structures, and land defined.
"Sec. 105. Business taxable income defined.

"SEC. 101. NONBUSINESS TAXABLE INCOME DEFINED.

"(a) IN GENERAL.—For purposes of this title, the term 'nonbusiness taxable income' means—

"(1) all compensation, and

"(2) any income other than compensation from whatever source derived.

"(b) COMPENSATION.—Compensation means all cash amounts paid by an employer or received by an employee, including wages, salaries, pensions, bonuses, prizes, and awards.

"(c) CERTAIN ITEMS INCLUDED.—Compensation includes—

"(1) the cash equivalent of any financial instrument conveyed to an employee, measured as market value at the time of conveyance; and

"(2) workman's compensation and other payments for injuries or other compensation for damages.

"(d) CERTAIN ITEMS EXCLUDED.—

"(1) COMPENSATION.—Compensation excludes—

"(A) reimbursements to a taxpayer by an employer for business expenses paid by the taxpayer in connection with performance of services as an employee;

"(B) goods and services provided to employees by employers, including but not limited to medical benefits, insurance, meals, housing, recreational facilities, and other fringe benefits; and

"(C) wages, salaries, and other payments for services performed outside the United States.

"(2) OTHER INCOME.—No gain from the sale or exchange of the principal residence of a taxpayer shall be included in income described in subsection (a)(2).

"SEC. 102. BUSINESS RECEIPTS DEFINED.

"Business receipts are the receipts of a business from the sale or exchange of products or services produced in or passing through the United States. Business receipts include—

"(1) gross revenue, excluding sales and excise taxes, from the sale or exchange of goods and services;

"(2) fees, commissions, and similar receipts, if not reported as compensation;

"(3) gross rents;

"(4) royalties;

"(5) gross receipts from the sale of plant, equipment, and land;

"(6) the market value of goods, services, plant, equipment, or land provided to its owners or employees;

"(7) the market value of goods, services, and equipment delivered from the United States to points outside the United States, if not included in sales; and

"(8) the market value of goods and services provided to depositors, insurance policyholders, and others with a financial claim upon the business, if not included in sales.

"SEC. 103. COST OF BUSINESS INPUTS DEFINED.

"(a) IN GENERAL.—The cost of business inputs is the cost of purchases of goods, services, and materials required for business purposes.

"(b) CERTAIN ITEMS INCLUDED.—The cost of business inputs includes—

"(1) the actual amount paid for goods, services, and materials, whether or not resold during the year;

"(2) the market value of business inputs brought into the United States; and

"(3) the actual cost, if reasonable, of travel and entertainment expenses for business purposes.

"(c) CERTAIN ITEMS EXCLUDED.—The cost of business inputs excludes purchases of goods and services provided to employees or owners, unless these are included in business receipts.

"SEC. 104. COST OF CAPITAL EQUIPMENT, STRUCTURES, AND LAND DEFINED.

"The cost of capital equipment, structures, and land includes any purchases of these items for business purposes. In the case of equipment brought into the United States, the cost is the market value at time of entry into the United States.

"SEC. 105. BUSINESS TAXABLE INCOME DEFINED.

"Business taxable income is business receipts less the cost of business inputs, less compensation paid to employees, and less the cost of capital equipment, structures, and land.

"CHAPTER 2—DETERMINATION OF TAX LIABILITY

"Sec. 201. Personal allowance.
"Sec. 202. Nonbusiness tax.
"Sec. 203. Business tax.

"SEC. 201. PERSONAL ALLOWANCE.

"(a) IN GENERAL.—The personal allowance of a taxpayer for any taxable year is an amount equal to the sum of the allowance amounts for the taxpayer, the spouse of the taxpayer if filing jointly, and each dependent of the taxpayer.

"(b) ALLOWANCE AMOUNT.—The allowance amount for any individual is $4,000. Each year the allowance amount for taxable years beginning in such year shall be the amount in effect for the preceding year, increased by the proportional increase during the preceding year in the Consumer Price Index.

"(c) SPECIAL RULES.—For purposes of this chapter—

"(1) a taxpayer is considered married if he was married at the end of the year or if the taxpayer's spouse died during the year,

"(2) a taxpayer is a head of a household if the taxpayer is not married at the end of the year, and maintains as the taxpayer's home a household which is the principal home of a dependent of the taxpayer, and

"(3) a dependent is a son, stepson, daughter, stepdaughter, mother, or father of the taxpayer, for whom the taxpayer provides more than half support for a taxable year.

"SEC. 202. NONBUSINESS TAX.

"(a) IN GENERAL.—There is hereby imposed a tax on the nonbusiness taxable income of every person for each taxable year (reduced by the amount of the personal allowance under section 201) a tax equal to—

"(1) 15 percent of so much of such income as does not exceed the limit, plus

"(2) 25 percent of so much of such income as exceeds the limit.

"(b) LIMIT.—For purposes of subsection (a)—

"(1) the limit for married taxpayers filing jointly, heads of household, and surviving spouses is $100,000, and

"(2) the limit for any other taxpayer is $50,000.

"SEC. 203. BUSINESS TAX.

"(a) BUSINESS DEFINED.—Each sole proprietorship, partnership, and corporation constitutes a business. Any organization or individual not specifically exempt under chapter 3, with business receipts, is a business.

"(b) COMPUTATION OF TAX.—Each business will pay a tax of 19 percent of its business taxable income, or zero if business taxable income is negative.

"(c) FILING UNITS.—A business may file any number of business tax returns for its various subsidiaries or other units, provided that all business receipts are reported in the aggregate, and provided that each expenditure for business inputs is reported on no more than one return.

"(d) CARRYFORWARD OF LOSSES.—When business taxable income is negative, the negative amount may be used to offset positive taxes in future years. The amount carried forward from one year to the next is augmented according to an interest rate equal to the average daily yield on 3-month Treasury Bills during the first year. There is no limit to the amount or the duration of the carryforward.

"CHAPTER 3—EXEMPT ORGANIZATIONS

"Sec. 301. Exempt organizations.

"SEC. 301. EXEMPT ORGANIZATIONS.

"Organizations exempt from the business tax are—

"(1) State and local governments, and their subsidiary units; and

"(2) educational, religious, charitable, philanthropic, cultural, and community service organizations that do not return income to individual or corporate owners.

"CHAPTER 4—WITHHOLDING

"SEC. 401. Withholding.

"SEC. 401. WITHHOLDING.

"Each employer, including exempt organizations, will withhold from the wages, salaries, and pensions of its employees, and remit to the Internal Revenue Service, an amount computed in the manner prescribed in tables published by the Secretary. Every employee will receive a credit against tax for the amount withheld.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1992.

By Mr. HOLLINGS:

S. 2190. A bill to improve the enforcement of the trade laws of the United States, and for other purposes; to the Committee on Finance.

TRADE ENFORCEMENT ACT OF 1992

Mr. HOLLINGS. Mr. President, today, I am introducing legislation to stem the export of U.S. jobs. The Trade Enforcement Act of 1992 strengthens U.S. trade laws, repeals the fast-track treatment of trade agreements, establishes a National Trade Council, and increases the ability of U.S. consumers to buy made-in-the-U.S.A. products. Many of the proposals contained in this bill, if not all of them, would be unnecessary if the President would use authority already given to him by Congress to combat predatory trade practices. Unfortunately for the workers of America, this administration cares more about the theories of Adam Smith and David Ricardo than protecting American jobs.

Their blind commitment to free trade has resulted in the erosion of the U.S. industrial base. The figures are startling—foreign manufactures have made major inroads in the United States market.

Import penetration figures

	Percent
Semiconductors	49.0
Apparel	65.0
Footwear	83.0
Telephone equipment	83.0
Machine tools	39.3
Automobiles	[1]26.4
Motorcycles	70.0
Black and white TV's	100.0
Consumer radios	100.0
Steel	19.9
Ferroalloys	53.0
Copper	12.0
Oil	48.5
Lumber	28.5
Musical instruments	56.0
Toys and games	73.0
Sporting goods	26.0
Power tools	26.2
35mm cameras	90.0
Photo-finishing equipment	60.0
Textiles	37.5
Watches	99.0
Construction machinery	25.0
Farm machinery	26.0
Tires	39.0
Lawn and garden equipment	51.0
Logging	34.0
Electric parts	47.0
Aircraft parts	37.0

[1] Japanese nameplate cars control over 35 percent of United States market.

As I told the President last week, we need an economic growth package by March 20, but we also need a trade policy by March 20. We cannot afford to wait. We must act now. We are losing high-paying jobs to our competitors, while 9 million Americans are out of work.

We politicians are constantly intervening in the free market to raise the standard of living in this country. We tell business that it must provide clean air, clean water, safe working place, Social Security, unemployment compensation, and on and on. Then we tell these same businessmen, go out there and compete and do not expect any help from the U.S. Government because we do not want to manage trade. That is ridiculous. If it is important to have a high standard of living and it is, it is important that we fight to preserve it. But we do not. That is why the U.S. worker is the most productive in the world, but his wages have slipped to 10. We are not fighting for our workers, we are not fighting for jobs, we are shipping our standard of living to Tokyo, Paris, and Berlin.

We must change course, we must work with business and provide them with the tools they need to keep good jobs here, and the kind of jobs that allow you to buy a home and send your kids to college. If we do not act now, those jobs will continue to disappear. We will be a nation of consumers without the means to consume.

By Mr. BINGAMAN (for himself, Mr. COHEN, Mr. LEVIN, Mr.

DODD, Mr. BURDICK, Mr. AKAKA, Mr. JOHNSTON, Mr. WIRTH, and Mr. WELLSTONE):

S. 2191. A bill to create healthy American schools, where children will learn the lifelong health and fitness skills vital to developing a smart body and a smart mind and to empower every school with the ability to become a healthy school, built on a firm foundation of healthy mind and healthy body curricula; to the Committee on Labor and Human Resources.

HEALTHY STUDENTS-HEALTHY SCHOOLS ACT

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation that will help us address a critically needed, though often overlooked, component of our education system: healthy education. I am pleased that the distinguished Senator from Maine, Senator COHEN, is joining me in sponsoring the Healthy Students-Healthy Schools Act, along with our good friends and colleagues, Senators LEVIN, DODD, and BURDICK.

Mr. President, I believe it is our responsibility to ensure a firm foundation is in place from which our children can begin to build their future. We must empower our schools to become healthy, wealthy, and wise, in that order. Only healthy children can maximize their learning potential, so we need to give healthy first priority.

We all have seen the studies and read the reports: It is a well-known fact that half the deaths in this country are related to lifestyle. Heart disease, obesity, drug abuse, alcoholism, and poor nutrition are results of the way we live. Even worse, the AIDS epidemic preading though the adult community today is filtering down to our young people. Soon, the rate of HIV infection will be as high among youth as it is among adults, unless our children are properly educated about this disease. Our children are learning all too well the bad health habits of adults.

I strongly believe our best weapon against these unfortunate lifestyle trends is to institute comprehensive, high quality health education programs in all schools, from kindergarten through 12th grade. It is for this reason Senator COHEN and I, along with our colleagues, are introducing the Healthy Students-Healthy Schools Act.

Currently, health education in most of our high schools is a one semester elective that does not count toward graduation. And although some States mandate a health education curriculum, there is little enforcement or financial support to implement this mandate. I believe health education must be a long-term core study, not just an isolated or single-topic course crammed into a high school senior's last semester. That is too late—health education must begin early and last a lifetime.

Our bill would first establish a Healthy Students-Healthy Schools Office within the Department of Health and Human Services—putting oversight of our children's health concerns where it belongs, in the Department of Health, and establishing a focal point within the Federal Government for coordinating and carrying out health education programs among States and schools.

The office would encourage and support programs that stress physical health, well being, and disease prevention as regular parts of the school day. This office will expedite the use of Federal health research information and promotion; stimulate quality health education programs; encourage community involvement in health education curriculum design; and buttress States and local educational agencies with technical support.

Also, and more important, the office will work with other Federal agencies to coordinate school health and physical education programs and provide these programs with up-to-date Federal information.

Second, the President and the Congress will establish a national Healthy Students-Healthy Schools Advisory Council of experts to establish realistic goals for the Nation and develop a model framework and standards for comprehensive sequential school health education programs.

Third, an interagency task force will be officially established, made up of representatives from all the Federal departments and agencies responsible for school health and education. This task force will provide and disseminate scientific and technical advice on school health programs, curricula, and technologies to departments, agencies, States, local educational agencies, and teachers. The task force will also develop a consolidated governmentwide school health grant application form.

Fourth, the Secretary of Health and Human Services will be authorized to award incentive grants to local educational agencies to encourage all schools throughout the United States to grow into healthy American schools. The Secretary will annually recognize schools that epitomize the Healthy Students-Healthy Schools goals.

Finally, this bill will ensure that the Department of Education's drug-free school money can be used in conjunction with comprehensive school health education programs. After all, substance abuse prevention is health education.

It is time once again to invest in the health and future of our country. The Department of Health and Human Services recognizes this need. It's "Healthy People 2000" report, which set specific health goals for the Nation, states that one of our goals should be to "increase to at least 75 percent the proportion of the Nation's elementary and secondary schools that provide planned and sequential" kindergarten through 12th grade quality school health education.

We, as a country, can no longer wait to take action. Suicide and homicide rates are rising among our young people; teen pregnancies and drug use have reached alarming rates. We are experiencing a resurgence of previously eradicated preventable disease such as measles and polio.

We, as a country, need to pull together the resources that we have already allocated, in a uniform and coordinated manner.

We, as a country, need to invest in our schools, providing them with the assistance to make healthy students a top priority.

We, as a country, must invest in our children and our future.

I hope we can work together to make this investment and create healthy American schools for our country. I urge my colleagues to support the Healthy Students-Healthy Schools Act.

There is an old saying about the success of societies that look toward the future:

> Societies grow great when men and women plant trees under whose shade they will never sit.

Please join me in this effort to help our children grow into healthy adults.

Mr. President, I ask unanimous consent that a summary of the bill and a list of organizations supporting the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE HEALTHY STUDENTS-HEALTHY SCHOOLS ACT

The Healthy Students-Healthy Schools Act establishes a central office in the Department of Health and Human Services to help coordinate and assist states and local educational agencies in their efforts to equip all school-age children with the intellectual and physical skills needed to stay healthy and compete successfully in our new and rapidly changing global marketplace.

I. HEALTHY STUDENTS-HEALTHY SCHOOLS OFFICE

The Secretary of DHHS will designate an office within the Centers for Disease Control to:

Assist states and local educational agencies to develop and maintain comprehensive school health education programs;

Develop and help states implement a national system for monitoring progress toward relevant Healthy People 2000 Objectives and the Healthy Students-Healthy Schools Goals; and

Disseminate information to school and teachers using advanced technologies that allows widespread, easy access.

II. NATIONAL HEALTHY STUDENTS-HEALTHY SCHOOLS ADVISORY COUNCIL

The President and the Congress will establish a national "Healthy Students-Healthy Schools Advisory Council" of experts that will:

Review existing comprehensive school health education programs and curricula; and

Establish realistic, achievable "Healthy Students-Healthy Schools Goals" for the nation consistent with the Healthy People 2000 goals and develop a model framework and standards for sequential comprehensive school health education programs.

III. HEALTHY STUDENTS-HEALTHY SCHOOLS INTERAGENCY TASK FORCE

A "Healthy Students-Healthy Schools Interagency Task Force," made up of representatives from all the federal departments and agencies responsible for school health and education will:

Review and coordinate federal health education efforts;

Provide and disseminate scientific and technical advice on school health programs, curricula, and technologies to departments, agencies, states, local educational agencies and teachers; and

Develop a consolidated grant application form and procedure to be used for all federal school health-related programs.

IV. HEALTHY AMERICAN SCHOOLS GRANT PROGRAM

The Secretary will be authorized to award incentive grants to local educational agencies to encourage all schools throughout the U.S. to grow into "Healthy American Schools" and make a firm comprehensive commitment to improving the health of our children—from their lunchroom food, to their classroom instruction, and their playground activities. The Secretary will also:

Annually recognize schools that epitomize the Healthy Students-Healthy School Goals; and

Compile yearly data on existing programs and publish an annual report that evaluates the status of school health education in the U.S.

MEMBER ORGANIZATIONS SUPPORTING THE HEALTHY STUDENTS-HEALTHY SCHOOLS ACT

Association for the Advancement of Health Education.

American Cancer Society.

American College of Preventive Medicine.

American Health Foundation.

March of Dimes.

National Education Association.

National School Health Education Coalition (Legislative Action Group).

National Association of State Boards of Education.

Mr. COHEN. Mr. President, I am pleased to join with my colleague from New Mexico in introducing the Healthy Students-Healthy Schools Act to strengthen the Federal Government's leadership role in promoting child health education and prevention efforts through our Nation's schools.

The health issues facing American children have changed dramatically in recent years. Thirty years ago, child and adolescent health was threatened predominantly by contagious disease. Today, children and adolescents are endangered primarily by their own behavior.

Drinking and driving, tobacco, and other drug use, poor nutrition, inadequate physical activity, unintended pregnancy and sexually transmitted disease all take a major toll on young people and place them at increased risk of chronic disease and disability as adults.

There is a general recognition that people who learn healthy habits early in life are more likely to practice them as adults. Conversely, poor habits—tobacco and other substance abuse, poor nutrition, and lack of exercise—may also have their roots in childhood.

Because these risks do not respond to traditional kinds of medical treatment, effective health education programs in schools can be invaluable in helping to avoid high-risk behavior and develop healthy habits that will carry over into adulthood.

The Senate Subcommittee on Oversight of Government Management, of which I am the ranking Republican, recently held a hearing at my request on the Federal Government's role in promoting child health education efforts through the schools. The statistics cited at the subcommittee hearing were alarming:

Forty percent of American children aged 5 to 8 are obese, inactive, or have elevated blood pressure or cholesterol, all risk factors associated with cardiovascular disease.

Fifty percent of our elementary school students have tried smoking—the No. 1 preventable cause of death in the United States. What is particularly alarming is that children, especially girls, are smoking at younger and younger ages. Ninety percent of all smokers start before they are 21, 60 percent before they are 14, and 22 percent before they are 9.

Thirty-nine percent of our high school seniors reported that they had gotten drunk—meaning they had consumed five or more drinks in a row—within the previous week. In my home State of Maine, an alarming 54 percent of our high school seniors reported getting drunk regularly, and 41 percent reported having driven a car while drinking alcohol or using marijuana.

Drinking and driving remains the No. 1 killer of our Nation's adolescents: Ten American teenagers are killed every day in alcohol-related traffic accidents.

At the same time that our adolescent health problems have multiplied, student academic performance has declined. An unacceptable proportion of adolescents fail to complete high school, and even more young people are unable to achieve the high level of math, science, and communication skills they will need to function productively in the 21st century.

In the recent report "Code Blue," the American Medical Association declared an "adolescent health crisis," proclaiming that:

> For the first time in the history of this country, young people are less healthy and less prepared to take their places in society than were their parents. And this is happening at a time when our society is more complex, more challenging, and more competitive than ever before.

Witness after witness at the oversight subcommittee hearing emphasized the direct link between health and academic performance. A student who is sick, who is inadequately nourished, who abuses drugs or alcohol, who is pregnant, or who has an unintended child to raise is not in a good position to learn.

It is clear that children must be healthy to be educated and that they must also be educated to be healthy.

The oversight subcommittee's hearing revealed that there is much that the Federal Government can do to improve its efforts to promote child health through the schools. The Healthy Students-Healthy Schools Act we are introducing today will not only strengthen Federal efforts to promote child health education, but it will also provide the coordination necessary to avoid unnecessary fragmentation and duplication.

A recent survey identified almost 100 separate school health promotion and education programs administered by seven different Federal departments and two independent agencies. Unfortunately, there currently is little or no coordination among these programs. Among other provisions, the Healthy Students-Healthy Schools Act sets up a Healthy Students-Healthy Schools Interagency Task Force, to review and coordinate these Federal efforts.

In addition, the legislation establishes a central office within the Department of Health and Human Services to help coordinate and assist States and local educational agencies to develop and maintain comprehensive school health education programs. It also establishes a Healthy Students-Healthy Schools Advisory Council of experts to review existing programs and curricula and establish realistic, achievable Healthy Students-Healthy Schools goals for the Nation that are consistent with the Healthy People 2000 goals established by the Public Health Service.

Finally, the legislation authorizes the Secretary of Health and Human Services to award incentive grants to local educational agencies to encourage schools throughout the United States to grow into healthy American schools.

Mr. President, the Healthy Students-Healthy Schools Act has the strong support of numerous organizations which have long been committed to youth health and fitness: The Association for the Advancement of Health Education; the American Alliance for Health, Physical Education, Recreation and Dance; the American Cancer Society; the American College of Preventive Medicine; the March of Dimes; the National Education Association; the National School Health Education Coalition; the National Association of State Boards of Education; and the National School Boards Association.

I join the members of these organizations in urging my colleagues to cosponsor this important piece of legislation.

Mr. LEVIN. Mr. President, I am pleased that today my friend from New Mexico, Senator BINGAMAN, is introducing the Healthy Students-Healthy Schools Act which seeks to improve the effectiveness of the Federal Government's role in promoting comprehensive child health education through our Nation's local school systems. This legislation builds on the Senator's previous work in this area and is an important step in the effort to teach our children how to be healthy kids and become healthy adults.

It also builds on a hearing we held last year in the Subcommittee on Oversight of Government Management [OGM] which I chair, and that is why I am pleased to be an original cosponsor of this legislation. Last November, at the request of Senator COHEN, our ranking minority member, the Oversight of Government Management Subcommittee of the Governmental Affairs Committee held a hearing looking at the role of the Federal Government in this area. What we found was both promising and troubling. Many agencies within the Federal Government, particularly the Department of Health and Human Services and the Centers for Disease Control, have been very active in working with State and local governments to promote child health education through the schools. And, many States, such as my own State of Michigan, have developed innovative programs working with local governments and communities to make our children ready to learn and ready to face the world. The existence of these Federal and State efforts is very promising.

What we found troubling was that the Federal Government has over 100 different programs with over 30 related clearing houses and information centers to go along with these agency efforts. There is evidence that the way Federal activities to promote child health education through schools is currently organized, results in programs which are sometimes overlapping and contradictory in their efforts. This can be, at the least, frustrating and may sometimes deter State and local governments from initiating school-based child health education plans.

Schools have traditionally played a role in teaching our children about the benefits of nutrition and exercise in staying healthy. However, nowadays, parents need to worry not only if their children are eating right and getting enough exercise, but also about such complex issues as substance abuse, school yard violence, teenage pregnancy, and the possibility of sexually transmitted disease. Schools can also play a role in teaching our children about these more complex issues. In fact, part of the Public Health Service's broad-based national health objectives Healthy People 2000 states:

> Health education in the school setting is especially important for helping children and youth develop the increasingly complex knowledge and skills they will need to avoid health risks and maintain good health for life. Quality school health education that is planned and sequential for students in kindergarten through the 12th grade, and taught by educators trained to teach the subject has been shown to be effective in preventing risk behaviors.

Educating our children in good nutrition, responsible behavior, and the discipline of physical exercise is a sound investment with an invaluable payoff—kids who can say "no" to junk food, drugs, and other high-risk behaviors. Schools, working closely with the local community, can play a significant role in this important effort.

The legislation introduced today establishes a centralized, sound framework for the Federal Government's efforts in this area. It requires the Secretary of Health and Human Services to designate an office within the Centers for Disease Control specifically charged with coordinating Federal programs, resources, and information in the area of school health education. To assist in this effort, the legislation sets up an advisory commission which will draw on a diverse body of outside experts and a Federal interagency task force to provide input and guidance on the Federal Government's role in promoting child health education. The bill also sets up a specific grant program to assist State and local governments in their efforts.

I believe this bill provides the proper framework and emphasis within the Federal Government to effectively promote child health education through local schools to help our children learn health habits that will serve them now and into the future.

Once again, I thank Senator BINGAMAN for introducing the Healthy Students-Healthy Schools Act and Senator COHEN for his work in this area.

By Mr. ADAMS:

S. 2192. A bill to authorize services for the prevention, intervention, treatment, and aftercare of American Indian and Alaskan Native children and their families at risk for fetal alcohol syndrome [FAS] and fetal alcohol effect [FAE], and for other purposes; to the Select Committee on Indian Affairs.

COMPREHENSIVE INDIAN FETAL ALCOHOL SYNDROME PREVENTION AND TREATMENT ACT

• Mr. ADAMS. Mr. President, today I am introducing a bill to call attention to the national problem of fetal alcohol syndrome and fetal alcohol effect, also known as FAS and FAE. It is a problem which affects 1 out of every 600 to 700 infants born in America today. Fetal alcohol syndrome, or FAS, is the name of a combination of physical and mental birth defects that may develop when an expectant mother drinks during pregnancy. Babies born with FAS are abnormally small at birth and rarely catch up as they grow older. They can also suffer a variety of organ malformations, mental disabilities, and physical deformities. Earlier this year in its April 17, 1991, issue, the Journal of the American Medical Association identified FAS as the leading cause of mental retardation in America, surpassing Down's syndrome and spina bifida.

Scientists at the University of Washington were the first to identify the pattern and constellation of birth defects today known as fetal alcohol syndrome. Dr. Ann Streissguth and her colleagues at the University of Washington School of Medicine have been leaders in the effort to identify the problem and develop appropriate prevention efforts. Originally working with American Indian populations, Dr. Streissguth has expanded her research to the larger U.S. population, and has found that FAS and FAE is a problem about which all Americans should be concerned.

The real tragedy is that FAS is entirely and totally preventable. If a woman abstains from alcohol during pregnancy, she eliminates any chance of fetal alcohol syndrome for her unborn baby. While the answer appears simple, the reality of the situation is complex. There are still no adequate prevention and education materials available for women and their health care providers to understand the risks of drinking during pregnancy. Alcoholism treatment services, necessary to intervene and support addicted women during their pregnancy, simply are not available proportionate to the need. Educational and vocational support for children, adolescents, and adults already suffering from FAS and FAE are not available.

I watched this week on ABC television network "The Broken Cord," a TV movie starring Jimmy Smits about a young adoptive father concerned about the slow development of his FAS son. Based on a book by American Indian, award winning author, Michael Dorris, this movie has opened the door on the topic of FAS to households around the country. It is a heart-wrenching story about the tragedy of the lives of children born drunk and the tremendous social, health, and mental hurdles which face them and their caretakers every day for the rest of their lives. I strongly encourage all of my colleagues to watch this movie or read this moving book.

The problem of FAS and FAE has been identified as particularly acute in some American Indian communities. While some American Indian communities have less of a problem, others have FAS rates many times higher than the U.S. all-races rates. One organization which has stepped forward to develop a national education, prevention, and policy campaign against fetal alcohol syndrome is the National Organization on Fetal Alcohol Syndrome [NOFAS] located here in Washington, DC. I am pleased with the efforts of NOFAS, and their work with my staff to develop a bill which will focus much-needed attention on this serious topic.

Mr. President, it is my pleasure to join with efforts already underway in the U.S. House of Representatives, under the leadership of Congressman BEN NIGHTHORSE CAMPBELL. This legislation will provide American Indian communities with education, prevention, and treatment support and resources to effectively prevent more children from being born with FAS or FAE and to help those children and adults already suffering from FAS. It is my hope that the positive results seen in American Indian communities will help the rest of America to better understand and prevent FAS and FAE nationwide.

Fetal alcohol syndrome is the only known cause of mental retardation which is 100 percent preventable. I urge my colleagues in the Senate to join with me in this effort to prevent the continuing waste of human lives to fetal alcohol syndrome.•

By Mr. ADAMS:

S. 2193. A bill to amend title XVIII of the Social Security Act to provide protection against expenses of long-term home care under the Medicare Program; to the Committee on Finance.

LONG-TERM HOME CARE ACT

• Mr. ADAMS. Mr. President, I rise today to introduce legislation to provide what all Americans want for themselves and their loved ones if they become chronically ill or disabled: To be able to stay at home as long as possible and receive the care they need. My Long-Term Home Care Act does just that.

I personally know the difficulty of providing long-term home care for a loved one. My aunt required long-term care at home for the last 5 years of her life. My family and I were fortunate to be able to provide her with the services she needed so she could remain at home where she wanted to be. But many families are not so fortunate. The fact is that there are not adequate services for chronically ill or disabled Americans who want to remain at home.

My bill provides essential home-care services such as nursing, social services, respite care, adult day care, medical equipment, and home health and personal care aides. It also provides a comprehensive system of quality assurance for these services.

My bill proposes financing that is realistic for its coverage. It is financed by removing the caps on wages subject to the Medicare and Social Security portions of the payroll tax. Only the top 6 percent of working Americans would be affected. Additional financing is provided through modest copayments that do not apply to low-income individuals.

As chairman of the Subcommittee on Aging and as a member of the majority leader's working group on long-term care, I am committed to finding a comprehensive solution to our Nation's long-term care crisis. But we must start somewhere. And my bill is a good start. The Long-Term Home Care Act tackles first what the American public wants most: The ability to stay home for as long as possible.

It is important that we act soon on long-term home care legislation. This bill, which is based on the outstanding work of the late Claude Pepper, provides an opportunity to take a giant step forward.

I ask my colleagues to join me in cosponsoring this legislation; and I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2193

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Long-Term Home Care Act".

(b) AMENDMENTS TO THE SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Section 1. Short title; references in Act; table of contents.
Sec. 2. Coverage of long-term home care for chronically ill individuals and children under medicare.
Sec. 3. Assuring self-financing of benefits under this Act.
Sec. 4. Assuring quality of long-term home care.
Sec. 5. Determination and use of medicaid savings.
Sec. 6. Demonstration projects.
Sec. 7. Permitting disabled individuals to purchase medicare coverage during the 24-month waiting period for medicare entitlement; permitting disabled individuals not entitled to long-term home care benefits to buy-in to medicare to obtain such benefits.
Sec. 8. Financing by repealing dollar limitation on amount of wages subject to hospital insurance and disability insurance taxes.

SEC. 2. COVERAGE OF LONG-TERM HOME CARE FOR CHRONICALLY ILL INDIVIDUALS AND CHILDREN UNDER MEDICARE.

(a) COVERAGE OF LONG-TERM HOME CARE.—

(1) FOR CHRONICALLY ILL INDIVIDUALS GENERALLY.—Section 1812(a) (42 U.S.C. 1395d(a)) is amended—

(A) by striking "and" at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting "; and", and

(C) by adding at the end the following:

"(5) long-term home care for a chronically ill individual;

except that an individual who is entitled to benefits under this part only because of section 226(h) is only entitled to benefits with respect to long-term home care.".

(2) FOR CHRONICALLY ILL CHILDREN AND OTHER INDIVIDUALS 65 YEARS OF AGE OR OLDER.—

(A) Section 226 (42 U.S.C. 426) is amended—

(i) by redesignating subsection (h) as subsection (j), and

(ii) by inserting after subsection (g) the following new subsections:

"(h) Every individual who—

"(1)(A) is under 19 years of age and (B) is (i) a citizen of the United States, or (ii) an alien lawfully admitted for permanent residence who has resided in the United States continuously during the 5 years immediately preceding the month involved,

"(2) has been certified by a case manager of a long-term care management agency in consultation with the individual's attending physician (or, in the absence of such a physician, any physician)—

"(A) to be chronically ill or disabled and to be unable to perform (without human assistance or supervision) due to the individual's chronic illness or disability at least 2 age-appropriate activities of daily living (as defined in section 1861(kk)(4)), or

"(B) to require both a medical device to compensate for the loss of a vital body function necessary to avert death or major loss of bodily functional capacity and substantial and ongoing nursing care to avert death or further disability,

"(3) has filed an application for benefits under this subsection, and

"(4) is not otherwise eligible for home care benefits under part A of title XVIII,

shall be entitled to benefits for long-term home care under part A of title XVIII for each month beginning with the first month the individual meets the requirements of this subsection and ending with the month following the month in which the individual no longer meets such requirements.

"(i) Every individual who—

"(1)(A) is 65 years of age or older and (B) is (i) a citizen of the United States, or (ii) an alien lawfully admitted for permanent residence who has resided in the United States continuously during the 5 years immediately preceding the month involved,

"(2) has been certified by a case manager of a long-term care management agency in consultation with the individual's attending physician (or, in the absence of such a physician, any physician)—

"(A) to be chronically ill or disabled and to be unable to perform (without human assistance or supervision) at least 2 activities of daily living (as defined in section 1861(kk)(4)), or

"(B) to require supervision, due to cognitive or other mental impairments, because the individual behaves in a manner that poses health or safety hazards to the individual or others,

"(3) has filed an application for benefits under this subsection, and

"(4) is not otherwise eligible for benefits under part A of title XVIII,

shall be entitled to benefits for long-term home care under part A of title XVIII for each month beginning with the first month the individual meets the requirements of this subsection and ending with the month following the month in which the individual no longer meets such requirements.".

(B) Section 1811 (42 U.S.C. 1395c) is amended by adding at the end the following new sentence: "The program also provides protection for long-term home care for certain chronically ill or disabled children and certain chronically ill or disabled elderly individuals.".

(C) Section 1836(a)(1) (42 U.S.C. 1395o(a)(1)) is amended by inserting "(other than as an individual described in section 226(h) or 226(i))" after "benefits under part A".

(D) Section 1902(p)(1)(A) (42 U.S.C. 1396a(p)(1)(A)) is amended by inserting ", but excluding an individual who is entitled to benefits under such part only because of section 226(h) or 226(i)" after "section 1818".

(b) DEFINITIONS.—Section 1861 (42 U.S.C. 1395x) is amended by inserting after subsection (jj) the following new subsection:

"Definitions for Long-Term Home Care

"(kk)(1) The term 'long-term home care' means the case management services furnished by a long-term care management agency and the following items and services furnished to an individual, who is under the care of a physician, by a qualified home care agency under arrangements with it made by the long-term care management agency, under a written plan of care (for furnishing such items and services and other related items and services to such individual) established and periodically reviewed by a case manager of a long-term care management agency in consultation with the individual's attending physician (or, in the absence of an attending physician, any physician) and the individual or the individual's representative, which items and services are, except as provided in subparagraph (F), provided in a place of residence (other than a nursing facility) used as such individual's home (including, for a chronically ill individual described in paragraph (3)(B), a foster home):

"(A) Nursing care provided by or under the supervision of a registered professional nurse.

"(B) Services of a homemaker/home health or personal care aide who has successfully met the training requirements of section 1893(b)(1)(C), including such services provided as a limited respite for family caregivers.

"(C) Respite care, which may include home or community-based services, not to exceed 480 hours in a calendar year.

"(D) Adult day care.

"(E) Medical social services.

"(F) Physical, occupational, respiratory, corrective, or speech-language therapy.

"(G) Medical supplies (other than drugs and biologicals) and durable medical equipment, while under such a plan.

"(H) Patient and caregiver (including family caregiver) education, training, and counseling aimed at continuing and enhancing the care and assistance provided to the patient by the patient or caregiver, respectively.

"(I) Meals as included in the written plan of care and provided by public or nonprofit meals programs.

"(K) In the case of an individual described in section 226(h)(2)(B) or section 226(i)(2)(B), any of the foregoing items and service which are provided on an outpatient basis, under arrangements made by the qualified home care agency, at a hospital or skilled nursing facility, or at a rehabilitation center which meets such standards as may be prescribed in regulations, and—

"(i) the furnishing of which involves the use of equipment of such a nature that the items and services cannot readily be made available to the individual in such place of residence, or

"(ii) which are furnished at such facility while the individual is there to receive any such item or service described in clause (i).

"(2) The term 'case management services' means on-going services provided to ensure effective, efficient, and coordinated delivery of long-term home care, including—

"(A) making initial and periodic certifications under section 1814(a)(8)(A) respecting whether an individual is eligible to receive long-term home care services;

"(B) for individuals certified as so eligible, developing individual plans of care which—

"(i) are based on an in-person assessment of the individual's health status, functional capacity, and social and family support system (including the need for limited respite for family caregivers) and on a review of home health services and extended care services provided to the individual under this title,

"(ii) provide the most comprehensive services, as necessary to the needs of the individual, as is feasible taking into account payment limits established under section 1814(m),

"(iii) identify the specific amount, duration, and scope of services, consistent with the limitations on payment established under section 1814(m), to be provided,

"(iv) do not include services or care to which the individual has objected, and

"(v) identify and coordinate existing services that are available without charge to the individual;

"(C) periodic review and revision of such plans, in accordance with regulations promulgated under section 1893(c)(7)(C);

"(D) making (in consultation with the individual or individual's representative) arrangements with one or more qualified home care agencies for the provision of care and services prescribed under the individual's plan of care;

"(E) promptly providing the fiscal intermediary with a copy of the plan of care developed under subparagraph (B) and appropriate identifying information for each qualified home care agency with which arrangements have been made for providing the long-term home care under the plan of care; and

"(F) follow-up and on-going monitoring of patient and services delivery in accordance with regulations promulgated under section 1893(c)(7)(D).

The certifications under subparagraph (A) and the assessments under subparagraph (B)(i) shall follow national standard protocols established by the Secretary in consultation with the Long-Term Care Advisory Council. Such protocols shall include a standard, reproducible assessment instrument and methodology. The Secretary shall develop such protocol by not later than 9 months after the date of the enactment of this section, but the failure of the Secretary to do so shall not relieve any long-term home care management agency of its responsibilities under this section.

"(3) The term 'chronically ill individual' means an individual who—

"(A) has been certified by a case manager of a long-term care management agency, in consultation with the individual's attending physician (or, in the absence of such a physician, any physician), as (i) being unable to perform (without human assistance or supervision) at least 2 activities of daily living or (ii) having a similar level of disability due to cognitive impairment, as prescribed in regulations by the Secretary (in consultation with experts in the field of geriatric psychiatry and other appropriate health professionals and representatives of individuals afflicted with brain disorders including Alzheimer's disease and Parkinson's disease);

"(B) is described in section 226(h); or

"(C) is described in section 226(i).

"(4) For purposes of paragraph (3), each of the following is an activity of daily living:

"(A) BATHING.—The overall complex behavior of getting water and cleansing the whole body, including turning on the water for a bath, shower, or sponge bath, getting to, in, and out of a tub or shower, and washing and drying oneself.

"(B) DRESSING.—The overall complex behavior of getting clothes from closets and drawers and then getting dressed.

"(C) TOILETING.—The act of going to the toilet room for bowel and bladder function, transferring on and off the toilet, cleaning after elimination, and arranging clothes.

"(D) TRANSFER.—The process of getting in and out of bed or in and out of a chair or wheelchair.

"(E) EATING.—The process of getting food from a plate or its equivalent into the mouth.

"(5)(A) The term 'case manager' means a registered professional nurse or a qualified social worker who—

"(i) is employed by a long-term care management agency to provide case management services under this title, and

"(ii) has completed a training program approved by the Secretary under this title.

"(B) The term 'qualified social worker' means an individual who is a graduate of a school of social work and licensed in social work, if applicable in the State in which the individual is providing social services.

"(6) The term 'long-term care management agency' means a public or nonprofit agency or organization, or a subdivision of such an agency or organization, which—

"(A) is designated by the Secretary as a long-term care management agency, after the Secretary has received recommendations from one or more State and area agencies designated by the Governor;

"(B) demonstrates expertise in managing health and social services for chronically ill individuals and is capable of completing the assessment and plan of care and arranging for services under paragraph (2) within a reasonable time period following referral to the agency or organization;

"(C) provides only case management services under this title and makes arrangements with qualified home care agencies (with which it does not have a direct or indirect ownership or control interest) to provide long-term home care the agency or organization prescribes;

"(D) has policies, established by a group of professionals (associated with the agency or organization) including one or more registered nurses, one or more physicians, and one or more social workers, to govern the services described in subparagraph (B) which it provides;

"(E) maintains a sufficient number of registered professional nurses and qualified social workers as case managers who are trained in the process of determining eligibility for long-term home care and in assessing the needs of chronically ill individuals;

"(F) provides coordination with the State agency on aging and other appropriate State agencies;

"(G) in the case of an agency or organization in any State in which State or applicable local law provides for the licensing of agencies or organization of this nature, (i) is licensed pursuant to such law, or (ii) is approved, by the agency of such State or locality responsible for licensing agencies or organizations of this nature, as meeting the standards established for such licensing;

"(H) has in effect an overall plan and budget that meets the requirements of subsection (z) (other than paragraph (2) thereof);

"(I) has been designated by the Secretary to perform the functions of such an agency with respect to residents of a State or specified subdivision thereof; and

"(J) meets the additional conditions of participation specified in section 1893(c) and such other conditions of participation as the Secretary, in consultation with the Long-Term Care Advisory Council (established under section 1893(i)), may find necessary in the interest of the health and safety of individuals who are furnished services by such agency or organization and for the effective and efficient operation of the program. The Secretary may provide for a temporary waiver of any of the requirements of any subparagraph (other than subparagraph (A) or (B)) of this paragraph for such period (not to exceed one year, but subject to renewal) as the Secretary deems appropriate in the case of an agency or organization serving an area that is a rural area or that is designated as a health manpower shortage area under section 332 of the Public Health Service Act if (i) failure to waive such requirements would significantly limit access to long-term home care services to beneficiaries residing in the area, (ii) the agency or organization has made and continues to make good faith efforts to meet such requirements, and (iii) waiver of such requirements does not jeopardize the health, safety, or well-being of beneficiaries receiving long-term home care services.

"(7)(A) The term 'qualified home care agency' means—

"(i) a home health agency (as defined in subsection (o)), or

"(ii) a home care provider agency,

which provides directly or has made arrangements for providing the items and services described in paragraph (1).

"(B) The term 'home care provider agency' means a public agency or private organization, or a subdivision of such an agency or organization, which—

"(i) is primarily engaged in providing long-term home care services which may not include home health services;

"(ii) maintains client records;

"(iii) in the case of an agency or organization in any State in which State or applicable local law provides for the licensing of agencies or organizations of this nature, (I) is licensed pursuant to such law, (II) is approved, by the agency of such State or locality responsible for licensing agencies or organizations of this nature, as meeting the standards established for such licensing, or (III) if licensing is not applicable, is subject to a State-approved quality assurance mechanism;

"(iv) notifies the State or local agency responsible for such licensing, certification, or quality assurance of a change in (I) the persons with an ownership or control interest (as defined in section 1124(a)(3)) in the agency or organization, (II) the persons who are officers, directors, agents, or managing employees (as defined in section 1126(b)) of such agency or organization, and (III) the corporation, association, or other company responsible for the management of the agency or organization (such notice to be given at the time of the change and to include the identity of each new person or company);

"(v) has in effect an overall plan and budget that meets the requirements of subsection (z) (other than paragraph (2) thereof);

"(vi) if such agency or organization provides home health aide services, meets the requirements described in subparagraphs (A) through (D) of section 1891(a)(3); and

"(vii) meets such additional requirements (including conditions relating to bonding or establishing of escrow accounts as the Secretary finds necessary for the effective and efficient operation and the financial security of the program.".

(c) CERTIFICATION OF NEED AND STANDARD FOR COVERAGE.—

(1) CERTIFICATION OF NEED.—Section 1814(a) (42 U.S.C. 1395f(a)) is amended—

(A) by striking "and" at the end of paragraph (6),

(B) by striking the period at the end of paragraph (7) and inserting "; and", and

(C) by inserting after paragraph (7) the following new paragraph:

"(8) in the case of long-term home care provided to an individual—

"(A) a long-term care management agency certifies (and recertifies, where such care is furnished over a period of time, such frequency as may be provided in regulations) that the individual is a chronically ill individual, and

"(B) with respect to other than case management services, the care is approved by the agency furnishing case management services to the individual.".

(2) STANDARD OF COVERAGE.—Section 1862(a) (42 U.S.C. 1395y(a)) is amended—

(A) in paragraph (1)—

(i) by striking "and" at the end of subparagraph (E),

(ii) by adding "and" at the end of subparagraph (F), and

(iii) by adding at the end the following new subparagraph:

"(G) in the case of long-term home care, which is not reasonable and necessary (i) for the care and management of chronic illness, (ii) to assist with activities of daily living, or (iii) to prevent institutionalization;"; and

(B) in paragraph (6), by inserting "and except, in the case of long-term home care, as is otherwise permitted under paragraph (1)(H)" after "paragraph (1)(C)".

(d) PAYMENT BASIS AND LIMIT FOR LONG-TERM HOME CARE; COINSURANCE.—

(1) PAYMENT BASIS AND LIMIT.—Section 1814 (42 U.S.C. 1395f) is amended by adding at the end the following new subsection:

"Payment for Long-Term Home Care

"(m)(1) PAYMENT BASIS.—

"(A) IN GENERAL.—Subject to the succeeding provisions of this subsection, there shall be paid from the Federal Hospital Insurance Trust Fund, in the case of expenses determined payable under this part for long-term home care, amounts determined under a fee schedule (or other prospectively determined reimbursement mechanism) established and annually adjusted by the Secretary under subparagraph (B).

"(B) PROSPECTIVE PAYMENT METHODOLOGY.—The Secretary shall establish a fee schedule (or other prospectively determined reimbursement mechanism) consistent with the following:

"(i) NATIONAL SCHEDULE.—Except as adjusted under clause (iii), the schedule or mechanism shall provide for uniform national payment rates.

"(ii) ANNUAL ADJUSTMENT.—The Secretary shall provide for an annual adjustment in the rates under such schedule or mechanism based on the Secretary's estimate, before the beginning of the year involved, of the percentage by which the cost of the mix of goods and services comprising long-term home care (based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of goods and services included in long-term home care) for the year will exceed the cost of such mix of goods and services for the preceding year.

"(iii) AREA WAGE ADJUSTMENT.—The Secretary shall adjust the proportion (as estimated by the Secretary from time to time) of payment amounts which are attributable to wages and wage-related costs of long-term home care for area differences in wage levels by a factor (established by the Secretary) reflecting the relative wage level for such care in the geographic area in which the care is provided compared to the national average wage level for such care. At least every 36 months, the Secretary shall update the factor under the preceding sentence on the basis of a survey conducted by the Secretary (and updated as appropriate) of the wages and wage-related costs for long-term home care in the United States. To the extent determined feasible by the Secretary, such survey shall measure the earnings and paid hours of employment by occupational category.

"(2) LIMITATION ON PAYMENT.—The maximum amount of payment that may be made with respect to long-term home care provided—

"(A) a chronically ill individual (other than one described in section 226(h)(2)(B)) residing in a State in a month is an amount that the Secretary estimates is equal to the product of—

"(i) 50 percent of the average per diem payment rate for skilled nursing facility care in the State on a full-time basis (determined under paragraph (3)) for days in the month, in the case of an individual determined by a long-term care management agency to have a moderate impairment (as established by the Secretary), or

"(ii) 65 percent of the average per diem payment rate for skilled nursing facility care in the State on a full-time basis (determined under paragraph (3)) for days in the month, in the case of an individual determined by a long-term care management agency to have a severe impairment (as established by the Secretary),

and the number of days in the month over which the individual is provided such care; or

"(B) a chronically ill individual described in section 226(h)(2)(B) residing in a State in a month is an amount that the Secretary estimates is equal to the product of (i) 100 percent of the per diem amount that would be payable, under the plan of the State approved under title XIX, during the month if the individual were provided appropriate care in an appropriate institutional setting if no limit on amount, duration, or scope of covered institutional services applied other than medical necessity, and (ii) the number of days in the month over which the individual is provided such care.

The monthly payment limitations established under the previous sentence shall be applied on an average basis with respect to long-term home care furnished over any period of 4 consecutive months.

"(3) DETERMINATION OF AVERAGE PER DIEM PAYMENT RATE FOR NURSING FACILITY CARE IN DIFFERENT STATES.—Before the beginning of each calendar year, the Secretary shall estimate, for skilled nursing facilities located in each State, the State average per diem payment rates that would apply (under paragraph (1)) for nursing facility care in the

State on a full-time basis in the year if there were no reduction for coinsurance under this part.”.

(2) COINSURANCE.—Section 1813(a) (42 U.S.C. 1395c(a)) is amended by adding at the end the following new paragraph:

“(5) The amount payable for long-term care for a chronically ill individual shall be reduced by a coinsurance amount equal to—

“(A) 10 percent of the cost of such care in the case of an individual whose family income exceeds 200 percent, but does not exceed 400 percent, of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget and Reconciliation Act of 1981) applicable to a family of the size involved, and

“(B) 20 percent of the cost of such care in the case of an individual whose family income exceeds 400 percent of such income official poverty line.”.

(3) ASSURING SELF-FINANCING.—For additional amendments assuring self-financing of this Act, see section 3(c).

(e) ADJUSTMENTS OF AAPCC'S AND CONTRACTS FOR RISK-BASED ELIGIBLE ORGANIZATIONS.—The Secretary of Health and Human Services shall—

(1) take into account the amendments made by this Act in estimating the adjusted average per capita cost under section 1876(a) of the Social Security Act for eligible organizations with risk-sharing contracts under that section for portions of contract years occurring after the effective date provided under subsection (h);

(2) modify such contracts, for such portions of contract years, to reflect any adjustments made under paragraph (1); and

(3) require such organizations to make appropriate adjustments (including adjustments in premiums and benefits) in the terms of their agreements with Medicare beneficiaries to take into account the amendments made by this Act.

(f) CONFORMING AMENDMENTS.—(1) Section 1861(o)(1) (42 U.S.C. 1395x(o)(1)) is amended by inserting “and provides long-term home care” before the semicolon.

(2) Section 1861(u) (42 U.S.C. 1395x(u)) is amended by inserting “long-term care management agency, qualified home care agency” after “home health agency,”.

(3) Section 1121(a) (42 U.S.C. 1320a(a)) is amended by inserting “long-term care management agencies, qualified home care agencies” after “home health agencies,”.

(g) COORDINATION OF LONG-TERM HOME CARE AND HOME HEALTH SERVICES.—The Secretary of Health and Human Services, in consultation with the Long-Term Care Advisory Council, shall develop policies and protocols to assure the appropriate coordination in payments, and identification of benefits, for long-term home care and home health services under title XVIII of the Social Security Act. Such coordination shall assure that long-term home care benefits supplement, and not replace, home health service benefits and that receipt of long-term home care, by itself, is not taken into account in determining coverage and benefits for home health services under such title.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to long-term home care furnished on and after the first day of the first month beginning one year after the date of the enactment of this Act, and the amendment made by subsection (f)(1) shall apply to home health agencies as of such date.

SEC. 3. ASSURING SELF-FINANCING OF BENEFITS UNDER THIS ACT.

(a) STATEMENT OF PURPOSE.—The purpose of this section is to assure that all the additional costs to the Federal Government resulting from the enactment of this Act do not exceed the additional revenues derived from the amendments made by this Act.

(b) STRUCTURE OF LIMITATION ON EXCESS EXPENDITURES.—In order to carry out subsection (a), the amendment made by subsection (c) provides for the following:

(1) Each year the Secretary of Health and Human Services will estimate whether additional anticipated revenues for the succeeding period exceed, or are less than, additional expenditures under this Act for the period involved.

(2) If there is a deficit estimated for a year, the following adjustments will be made to eliminate any such deficit:

(A) If a deficit was projected for the second previous year, any surplus resulting for that second previous year is applied against the deficit.

(B) Next, up to 10 percent of any previous accumulated surplus, plus the annual interest on the previous accumulated surplus, is applied against the deficit.

(C) Lastly, any remaining deficit is eliminated by proportional reductions in the limits on payments for long-term home care.

(c) ASSURING SELF-FINANCING OF BENEFITS.—Section 1813 (42 U.S.C. 1395c) is amended by adding at the end the following new subsection:

“(c)(1) Not later than 3 months before the effective date for 1992 and not later than October 1 of 1993 (and of each succeeding year), the Secretary shall, in close consultation with the Director of the Congressional Budget Office, estimate the amount (if any) for the transition period or for the succeeding year, respectively, by which—

“(A) the additional amounts of revenues to be transferable into the Federal Hospital Insurance Trust Fund in that period or succeeding year because of the amendments made by section 8 of the Long-Term Home Care Act,

exceeds or is less than—

“(B) the sum of—

“(i) the amount to be expended during that period or succeeding year under section 1893,

“(ii) the amount of claims expected to be received during that period or succeeding year under this part because of the amendments made by section 2 of the Long-Term Home Care Act,

“(iii) any additional administrative costs to be expended during that period or succeeding year under this title, or under part B of title XI, as a result of the enactment of such Act, and

“(iv) any expenditures to be made during that period or succeeding year under section 6 of such Act (relating to demonstration projects).

In this paragraph, the term ‘effective date’ means the first day of the first month beginning 1 year after the date of the enactment of this subsection and the term ‘transition period’ means the period beginning on the effective date and ending with the last day of the calendar year in which the effective date occurs.

“(2)(A) Before each October 1 following a transition period or year the Secretary shall estimate, the amount (if any) by which—

“(i) the additional amount of revenues actually transferable into the Federal Hospital Insurance Trust Fund in the period or year involved because of the amendments made by section 8 of the Long-Term Home Care Act,

exceeds or is less than—

“(ii) the sum of—

“(I) the amount actually expended under section 1893 during that period or year,

“(II) the amount of claims actually received during the period or year under this part because of the amendments made by section 2 of the Long-Term Home Care Act,

“(III) any additional administrative costs actually paid during the period or year under this title, or under part B of title XI, as a result of the enactment of such Act, and

“(IV) any expenditures made during the period or year under section 6 of such Act (relating to demonstration projects).

Such estimate shall be subject to adjustment from time to time to take into account the best available data.

“(B) There shall be established and maintained in the Federal Hospital Insurance Trust Fund a separate cumulative account of the amount of surpluses and deficits estimated under this paragraph. The amount in the account shall be increased in any period or year by the amount of any surplus estimated under subparagraph (A) for the period or year and shall be decreased in any period or year by the amount of any deficit estimated under subparagraph (A) for the period or year and by the amount of any reduction effected under paragraph (3). The Board of Trustees of the Trust Fund shall provide for the imputation of annual interest each period or year to the balance in the account at a rate that reflects the rate of interest received on funds in the Trust Fund during the period or year involved.

“(3) If the Secretary estimates under paragraph (1), with respect to a period or year, that a deficit exists, then such deficit shall be reduced or eliminated, to the extent necessary—

“(A) first, by the amount of any surplus added to the cumulative account established and maintained under paragraph (2)(B) for the second previous year if, for that year, there was any adjustment made for that year under this paragraph,

“(B) next, by applying up to 10 percent of any remaining surplus accumulated in the cumulative account, plus the amount of any interest imputed (under the last sentence of paragraph (2)(B)) to the account during the year, and

“(C) by proportionally reducing the payment limits established under section 1814(m) for months in such period or year by such percentage as the Secretary estimates to be necessary (in conjunction with the application of any such surplus) to eliminate any remaining deficit.

“(4) For purposes of this subsection, revenues to be transferable or actually transferable in 1992 because of the amendments made by section 8 of the Long-Term Home Care Act shall be deemed to be transferable in the transition period.”.

SEC. 4. ASSURING QUALITY OF LONG-TERM HOME CARE.

(a) IN GENERAL.—Title XVIII is amended by adding at the end the following new section:

“LONG-TERM HOME CARE QUALITY ASSURANCE

“SEC. 1893. (a) LONG-TERM HOME CARE CONSUMERS' BILL OF RIGHTS.—The Secretary shall promulgate, by regulation, a long-term home care consumers' bill of rights, which shall recognize the following as rights of long-term home care consumers which may be asserted by the home care consumer or the consumer's representative or guardian:

“(1) To be treated with courtesy, respect, and full recognition of one's dignity, individuality, and right to control one's own household and lifestyle.

“(2) To be fully and promptly informed orally and in writing—

“(A) of services to be provided and any limits regarding availability of services from the qualified home care agency or home care provider;

"(B) of whether services may be provided under this title or are covered by other sources, and whether uncompensated care may be available;

"(C) of charges for services and billing procedures, including an itemized copy of each bill submitted to any payer;

"(D) of changes in services or charges; and

"(E) of the procedures to follow if rights are violated or services are not satisfactory, including the right to a hearing before an entity other than a qualified home care agency or a long-term care management agency.

"(3) To take an active part in creating and changing the plan of care.

"(4) To take an active part in selecting and evaluating the qualified home care agency and the home care provider, and in selecting and evaluating treatment, care, and services.

"(5) To be served by individuals who are properly trained and competent to perform their duties.

"(6) To be fully informed by a home care provider of the provider's assessment of the home care consumer's condition, unless contraindicated by documentation provided by a professional practitioner in the home care consumer's record.

"(7) To refuse all or part of any treatment, care, or service, and to be informed of the likely consequences of such refusal.

"(8) To receive treatment, care, and services in compliance with all State and local laws and regulations without discrimination in the provision or quality of services based on race, religion, gender, age, or creed (except as provided under the Age Discrimination Act of 1975 (Public Law 94-135; 42 U.S.C. 6101 et seq.)), or because of a change in the source of payment.

"(9) To be free from mental and physical abuse, neglect, and exploitation, and to be free from chemical and physical restraints.

"(10) To receive respect and privacy in the home care consumer's treatment, care, and services in caring for personal needs, in communications, and in all daily activities.

"(11) To be assured respect for the home care consumer's property rights.

"(12) To be assured confidential treatment of personal, financial, and medical records and to approve or refuse their release to any individuals outside the agency except as otherwise required by law or third-party payment contract.

"(13) To voice grievances and recommend changes in policies and services to staff or outside representatives of the consumer's choice and to be assisted in doing so when assistance is needed, free from restraint, interference, coercion, discrimination, or reprisal by the long-term care management agency, by the qualified home care agency, or by the home care provider.

"(14) To be free to fully exercise the consumer's civil rights and to be assisted in doing so when assistance is needed.

"(15) To receive promptly written notice from the long-term care management agency if treatment, care or services are to be reduced or terminated, and assistance to assure a smooth transition in services consistent with the welfare of the home care consumer.

"(16) To be promptly notified by the long-term care management agency of acceptance or denial of services and the reasons for such denial.

"(b) QUALIFIED HOME CARE AGENCY QUALITY ASSURANCE REQUIREMENTS.—(1) In addition to such other requirements as may apply, the Secretary shall promulgate regulations requiring that to receive funding for the provision of long-term home care services under this title, a qualified home care agency must within 6 months after the date of the publication of such regulations—

"(A)(i) comply with the home care consumer's bill of rights promulgated under subsection (a); and

"(ii) provide a written copy of such bill of rights to each long-term home care consumer (or the consumer's representative or guardian) who receives long-term home care services from the qualified home care agency or other providers under this title;

"(B)(i) implement procedures for promptly reviewing and resolving grievances of long-term home care consumers regarding the provision of long-term home care services; and

"(ii) provide a written copy of such procedures to each long-term home care consumer (or the consumer's representative or guardian) who receives long-term home care services from the qualified home care agency;

"(C) ensure that each long-term home care provider employed by or under contract with the qualified home care agency receives training—

"(i) sufficient to meet a level of proficiency established by the Secretary in regulations (in consultation with representatives of the elderly, disabled, and children, qualified home care agencies, and experts in the fields of geriatric nursing, pediatric nursing, geriatric social work, pediatric social work, mental health, rehabilitation, and other appropriate health care professionals) to be appropriate in content and amount;

"(ii) which develops separate levels of proficiency in and is reflective of the range of skills required of long-term home care providers providing different levels of long-term home care services; and

"(iii) the extent of which shall be made available on request to each long-term home care consumer with respect to the amount of training or level of certification achieved by each long-term home care provider;

"(D) supervise all long-term home care providers employed by or under contract to the qualified home care agency in accordance with regulations promulgated by the Secretary (including regular random on site supervisory visits by registered nurses or other appropriate health care professionals); and

"(E) perform annual evaluations of quality of services rendered by long-term home care providers employed by or under contract to the qualified home care agency which includes and documents long-term home care consumer involvement.

"(2) In addition to such other requirements as may apply, to receive funding for the provision of durable medical equipment services under this title, a qualified home care agency or long-term home care provider shall in each case of a long-term home care consumer to which such services are provided—

"(A) issue written instructions for the operation of such equipment;

"(B) provide sufficient training to the long-term home care consumer, the long-term home care consumer's family, and staff to allow correct, safe operation of all such equipment; and

"(C) formulate an emergency plan regarding access to and maintenance of equipment appropriate to the services provided to the long-term home care consumer.

In the previous sentence, the term 'durable medical equipment services' means supply, maintenance, or training in the operation of durable medical equipment.

"(c) LONG-TERM CARE MANAGEMENT AGENCY QUALITY ASSURANCE REQUIREMENTS.—In addition to such other requirements as may apply, the Secretary shall promulgate regulations requiring that to receive funding for the provision of case management services (as defined in section 1861(kk)(2)) under this title, a long-term care management agency must within 6 months after the date of the publication of such regulations—

"(1)(A) comply with the long-term home care consumers' bill of rights promulgated under subsection (a); and

"(B) provide a written copy of such bill of rights to each long-term home care consumer (or the consumer's representative or guardian) who receives long-term home care services from the qualified home care agency under this title;

"(2)(A) implement procedures for promptly reviewing and resolving grievances of long-term home care consumers; and

"(B) provide a written copy of such procedures to each long-term home care consumer (or the consumer's representative or guardian) who receives long-term home care services from the qualified home care agency;

"(3) provide to each long-term home care consumer (or the consumer's representative or guardian) a written statement of the services to be provided to the long-term home care consumer and the schedule for provision of such services, as agreed upon by the long-term home care consumer;

"(4) provide to each long-term home care consumer a clear written statement as to how the consumer, or the consumer's representative or guardian, may appeal benefit and level decisions made by the agency;

"(5) maintain procedures that assure prompt access to long-term home care services for eligible long-term home care consumers;

"(6) ensure that personnel providing case management services to long-term home care consumer have received adequate training as prescribed in regulations by the Secretary, in consultation with the Long-Term Care Advisory Council; and

"(7) establish and implement care management processes which include—

"(A) a plan of care which states reasonable and measurable client objectives and long-term home care services to be provided to meet the objectives;

"(B) a plan of care that employs outcome measures care insofar as they are appropriate and available for each long-term home care consumer served;

"(C) methods for periodic review of—

"(i) a long-term home care consumer's needs; and

"(ii) the plan of care for a long-term home care consumer;

"(D) methods for follow-up and on-going monitoring of patient and services delivery; and

"(E) a statement of criteria and procedures for discharge or transfer to another agency, program, or service.

"(d) SURVEY REQUIREMENTS.—(1) The Secretary shall, in consultation with the Long-Term Care Advisory Council, promulgate regulations which establish procedures for surveying long-term care management agencies regarding compliance with conditions of participation established by this section.

"(2) Regulations promulgated under paragraph (1) shall include—

"(A) survey methodologies which include—

"(i) patient-oriented assessment techniques;

"(ii) process and outcome criteria for measuring the compliance of long-term care management agencies with conditions of participation under this title; and

"(iii) randomized, on site review of a representative sample of long-term home care consumers to evaluate compliance with applicable conditions of participation;

"(B) a graduated schedule of unannounced surveys that provides surveys—

"(i) not less than every 9 months for long-term care management agencies that are determined by the Secretary to have a substandard record of compliance with applicable conditions of participation;

"(ii) not less than every 15 months for long-term care management agencies that are determined by the Secretary to have consistently satisfactory records of compliance with the applicable conditions of participation; and

"(iii) not less than every 12 months for other such agencies.

"(3) The results of surveys performed under this subsection shall be provided to the Long-Term Care Advisory Council and community advisory boards established under subsection (f)(1) and shall be made available to others in accordance with this title.

"(4)(A) The Secretary may enter into a contract with a State under which a State, which has survey and enforcement procedures which are determined by the Secretary to be at least equivalent to the survey and enforcement procedures which the Secretary would otherwise apply under this section, shall conduct surveys of compliance of long-term care management agencies (other than those owned or operated by a State) with the requirements of this section and provide for the annual transmittal to the Secretary of the results of such State surveys.

"(B) The Secretary shall develop and implement procedures for annually validating a representative sample of surveys of long-term care management agencies performed by States under subparagraph (A).

"(C) Procedures developed under subparagraph (B) shall provide for review of such surveys within 1 month after the performance of such a survey.

"(e) QUALITY ASSURANCE SYSTEM THROUGH PEER REVIEW ORGANIZATIONS.—(1)(A) The Secretary shall promulgate regulations under which peer review organizations shall monitor the provision of home health services and long-term home care.

"(B) In awarding, administering, and evaluating contracts entered into with peer review organizations of the performance of monitoring under this subsection, the Secretary shall—

"(i) take into consideration information contained in reports issued by Consumer Boards under paragraph (2)(C)(iii);

"(ii) require that at least ¾ of the level of effort of a peer review organization shall be for the purpose of monitoring the quality of home health services and long-term home care provided;

"(iii) require that the remainder of the effort of a peer review organization shall be for the purpose of review, on the basis of exceptional circumstances and on the health and safety of the home care consumer, of the appropriateness and necessity of care denied under this title;

"(iv) require that any review by a peer review organization of a qualified home care agency or a home care management agency include a representative sample of documentary reviews and personal interviews of home care consumers and home care providers;

"(v) require that if any portion of a peer review organization's responsibilities are provided by a third party under contract with the peer review organization the fulfillment of such responsibilities are fully integrated with other functions of such peer review organization; and

"(vi) require that the membership of a peer review organization board include representatives of all types of home care providers reviewed by the peer review organization and consumers under section 9353(b) of the Omnibus Budget Reconciliation Act of 1986.

"(C) A peer review organization performing monitoring functions under this subsection may not be—

"(i) a qualified home care agency;

"(ii) a long-term care management agency; or

"(iii) a fiscal intermediary.

"(D) The Secretary shall make available to a peer review organization such information as may be necessary for it to carry out its responsibilities under this paragraph.

"(E) A peer review organization may recommend to the Secretary sanctions to be applied to qualified home care agencies and to home care management agencies who have been found to have not met professionally recognized standards of care.

"(2)(A) The Secretary shall establish a Consumer Board in each State within 1 year after the date of the enactment of this section.

"(B)(i) A Consumer Board shall be composed of at least 5 and not more than 7 members appointed by the Governor of the State based on recommendations from organizations in such State representing home care consumers who are entitled to benefits under this title. Members must be entitled to benefits under this title or be representatives of organizations which represent home care consumers who are entitled to such benefits.

"(ii) Limited staff support and training shall be provided to a Consumer Board by the Secretary as is necessary to carry out its functions.

"(C) A Consumer Board shall—

"(i) monitor the review activities of peer review organizations by—

"(I) providing input into the awarding of contracts to peer review organizations; and

"(II) evaluating the contracts of peer review organizations and the mechanisms established to monitor qualified home care agencies and home care management agencies;

"(ii) have access to—

"(I) information of peer review organizations,

"(II) results of State surveys conducted under subsection (d)(4)(A), and

"(III) information from toll-free hotlines (established under paragraph (4)), after protection of the identities of individual health care providers and consumers; and

"(iii) file an annual report with the Secretary and the chief executive officer of the State on October 1 of each year regarding the performance during the previous year of peer review organizations.

"(D) A Consumer Board shall not be involved in the day-to-day operation of peer review organizations.

"(3)(A) The Secretary shall develop methods for monitoring the continuity of care provided to home care consumers throughout episodes of illness and across care settings.

"(B) The Secretary shall develop outcome-oriented criteria for use in determining quality assurance in home care.

"(4) Peer review organizations shall establish and operate statewide toll-free hot-lines for receiving questions and complaints from home care consumers, home care providers, and other interested persons concerning home care quality issues.

"(5) The Secretary shall require peer review organizations to assist home care consumers in the resolution of problems related to the quality of home care services and case management services.

"(6) Consumer Boards established under paragraph (2) and peer review organizations shall coordinate with State and local government officials to educate home care consumers regarding quality assurance programs and the various forms of assistance available to home care consumers with quality assurance problems under this title.

"(f) COMMUNITY ADVISORY BOARDS AND ADDITIONAL QUALITY ASSURANCE.—(1) Each State shall establish and appoint (based on the recommendations of long-term home care consumers, their representatives, and organizations representing these individuals and pursuant to regulations of the Secretary) members to a community advisory board (in this subsection referred to as the 'board') for each long-term care management agency. Each board shall be composed of long-term home care consumers and their families, representatives of agencies and organizations representing long-term home care consumers and professionals providing services to chronically ill individuals. Long-term home care consumers, their families, or their representatives shall form a majority of the members of each board.

"(2) Each board shall—

"(A) monitor the activities of the long-term care management agencies,

"(B) provide input in the selection of long-term care management agencies,

"(C) file a report with the Secretary on the findings of its monitoring not less frequently than annually, and

"(D) have prompt access to results of surveys and of investigations of complaints of the long-term care management agency with respect to which it was established and qualified home care agencies providing long-term home care services to individuals in the area served by the agency.

Each report under subparagraph (C) shall be reviewed and its findings incorporated into the survey of long-term care management agencies under subsection (d).

"(3)(A) The Secretary shall develop and implement methods for monitoring the continuity of care provided to long-term home care consumers throughout episodes of illness and across care settings.

"(B) The Secretary shall develop and implement outcome-oriented criteria for use in determining quality assurance in long-term home care services.

"(g) SANCTIONS.—(1) The Secretary shall develop and implement a range of intermediate sanctions and procedures implementing such sanctions to be applied to long-term care management agencies providing case management services under this title for failing to comply with this section.

"(2) Sanctions and procedures established under paragraph (1) shall—

"(A) include civil monetary penalties (under the procedures described in section 1128A), a ban on admissions, receivership, and emergency authority to decertify qualified home care agencies and long-term care management agencies;

"(B) include specific criteria as to when and how each sanction is to be applied and the amounts of any fines and penalties;

"(C) be designed so as to minimize the time between the identification of violations and final imposition of the sanctions;

"(D) provide for a plan and schedule for corrective action by qualified home care agencies found to be out of compliance with conditions of participation; and

"(E) require public disclosure of failures of qualified home care agencies and long-term care management agencies to meet professionally recognized standards of care, and the sanctions imposed for such failures.

"(3) The Secretary shall file an annual report with the Congress on January 1 of each year regarding the availability, adequacy, and use of sanctions to correct failures of long-term care management agencies to meet the requirements of this title.

"(h) Development of Licensing Policies.—The Secretary shall—

"(1) encourage States to develop policies and procedures for the licensing of qualified home care agencies;

"(2) gather information relating to activities of States in implementing licensing policies and procedures; and

"(3) issue a biannual report which summarizes information gathered under paragraph (2).

"(i) Long-Term Care Advisory Council.—(1)(A) There shall be established, no later than 60 days after the date of the enactment of this section, an independent body to be known as the Long-Term Care Advisory Council (in this subsection referred to as the 'Council').

"(B) The Council shall be composed of 13 individuals appointed by the Director of the Office of Technology Assessment and shall include, to the greatest extent possible, individuals with expertise in pediatrics, geriatrics, gerontology, disability, case management of home and community-based services and payment for such services, home and community-based care consumers and their representatives, home and community-based care providers and their representatives, professionals with expertise in long-term care (including nurses, social workers, and discharge planners and physicians), third-party payers, long-term care ombudsmen, peer review organizations, and State and local health and social service agency representatives. Appointments to the Council shall be for a term of not to exceed 4 years.

"(2) The purposes of the Council are—

"(A) to assist the Secretary in assuring the prompt and efficient implementation of the provisions of the Long-Term Home Care Act,

"(B) to review regularly the implementation of such provisions, and

"(C) to recommend to the Secretary and the Congress any needed changes or refinements to such provisions or regulations promulgated to implement such provisions.

The Secretary shall regularly and closely consult with the Council in the implementation and administration of the provisions of such Act, including the issuance of regulations to carry out such provisions. The Secretary (or the Secretary's designee) shall meet with the Council at least once every month during the 24-month period beginning 2 months after the date of the enactment of this section, and at least quarterly thereafter, for these purposes.

"(j) Training Grants.—(1) The Secretary shall issue guidelines and provide funding for grants for training programs for qualified home care agencies, long-term care management agencies, and long-term home care providers.

"(2) In awarding grants under paragraph (1), the Secretary shall give special consideration to—

"(A) the training of paraprofessionals (including homemakers, home health aides, and family care givers) and professionals providing case management services;

"(B) the training of long-term home care providers who are members of minorities and ethnic groups;

"(C) training programs for high technology long-term home care services (as defined by the Secretary) that assist professional health care providers in adapting their services to high technology therapies to be provided as long-term home care services; and

"(D) training of long-term home care providers who will provide long-term home care services to chronically ill or disabled children.

"(3) Training materials shall be provided by the Secretary to States and qualified home care agencies, long-term care management agencies, and home care providers.

"(4) The Secretary shall encourage States to work with qualified home care agencies, long-term home care providers, and educational institutions, especially those with a demonstrated expertise in geriatrics, pediatrics, gerontology, and disability to provide training to long-term home care providers.

"(k) Studies.—(1)(A) The Secretary shall conduct studies on quality assurance measures for long-term home care services provided under this title.

"(B) Studies referred to in subparagraph (A) shall include examination of—

"(i) methodologies which develop and evaluate outcome standards in the provision of long-term home care services;

"(ii) mechanisms for ensuring and monitoring long-term home care quality by episode of care;

"(iii) the role of case management for ensuring quality in provision of long-term home care services;

"(iv) the differing approaches to and responsibility for the development of a plan of long-term home care services; and

"(v) the impact on quality of care of—

"(I) the separate reimbursement for supply of durable medical equipment to long-term home care consumers; and

"(II) the training of long-term home care consumers and their families in the operation of such equipment.

"(2) The Secretary shall report to Congress, by not later than 2 years after the date of the enactment of this section, on the findings of studies funded under paragraph (1).

"(l) Reports on Quality Assurance System.—(1) The Secretary shall prepare (in consultation with the Long-Term Care Advisory Council) and file an annual report with the Congress on January 1 of each year regarding the nature and performance during the preceding fiscal year of the home care quality assurance system established under subsection (e).

"(2) Each report required by paragraph (1) shall include information regarding—

"(A) the number of individuals served by long-term home care providers subject to the provisions of this section;

"(B) the amount of Federal funds expended for long-term home care services under this title;

"(C) examination of noncompliance with the provisions of this section by long-term home care providers who received funds under this title and the sanctions imposed;

"(D) the economic impact on qualified home care agencies of requiring them to comply with the requirements of this section;

"(E) the impact of the requirements of this section on availability of long-term home care services in rural areas and to members of minority and ethnic groups;

"(F) the concerns and recommendations of community advisory boards and Consumer Boards;

"(G) training and grants awarded under subsection (j); and

"(H) the status of studies undertaken under subsection (k).

"(m) Definitions.—For purposes of this section:

"(1) The term 'long-term home care consumer' means a chronically ill individual who is provided long-term home care services.

"(2) The term 'long-term home care provider' means an individual who provides long-term home care services directly to a home care consumer.

"(3) The term 'long-term home care services' means home health services and long-term home care.

"(4) The term 'Consumer Board' means a Consumer Board established under subsection (e)(2).

"(n) Authorization of Appropriations.—There are authorized to be appropriated from the Federal Hospital Insurance Trust Fund $100,000,000 for each of fiscal years 1993 and 1994 and $15,000,000 for each succeeding fiscal year to carry out subsection (j) (at least two-thirds of which is made available for training related to the provision of long-term home care and case management services) and such sums as may be necessary in each fiscal year to carry out the remaining provisions of this section.".

(b) Surveys of Qualified Home Care Agencies Providing Long-Term Home Care Services to Include Review of Additional Requirements.—Section 1891(c)(1) (42 U.S.C. 13995bbb(c)(1)) is amended by adding at the end the following new subparagraph:

"(F) A standard survey conducted under this paragraph with respect to a qualified home care agency that provides long-term home care services (as defined in section 1893(m)(3)) shall include review of whether the agency meets the requirements imposed under section 1893(c) with respect to the provision of such services.".

(c) Promulgation of Regulations.—The Secretary of Health and Human Services, after consultation with the Administration on Aging, shall promulgate regulations by not later than 6 months after the date of the enactment of this Act, to implement section 1893 of the Social Security Act, to be effective for home care services furnished on or after 12 months after the date of the enactment of this Act.

(d) Appointment of Long-Term Care Advisory Council.—The Director of the Office of Technology Assessment shall complete appointments to the Long-Term Care Advisory Council under section 1893(i) of the Social Security Act within 1 month after the date of the enactment of this Act.

SEC. 5. DETERMINATION AND USE OF MEDICAID SAVINGS.

(a) In General.—Title XIX is amended by adding at the end the following new section:

"DETERMINATION AND USE OF MEDICAID SAVINGS FROM PROVISION OF LONG-TERM CARE UNDER THE MEDICARE PROGRAM

"Sec. 1931. (a) Before the beginning of each calendar year to begin on or after January 1, 1993, the Secretary shall—

"(1) estimate and determine the amount of excess savings with respect to each State with a plan approved under section 1902(a), and

"(2) notify each such State of such amount.

"(b)(1) With respect to any State for which the Secretary determines (under paragraph (1)) there is excess savings for a calendar year, the Secretary shall reduce (for quarters in such year) the amount of the Federal matching share applied to expenditures for medical assistance in the State by an amount necessary to increase the amount of the State's expenditure for such assistance with respect to the items and services described in paragraph (2) by an amount equal to the amount of such excess savings.

"(2) The items and services described in this paragraph are items and services furnished to the disabled and children (as defined by the Secretary).

"(c) For purposes of this section, the term 'excess savings' means with respect to a calendar year the amount (if any) by which—

"(1) the total amount that would have been expended from State funds under such plan but for the amendments made by section 2 of the Long-Term Home Care Act, exceeds

"(2) the total amount that is expended from State funds under such plan.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective on the date of enactment of this Act.

SEC. 6. DEMONSTRATION PROJECTS.

(a) CASE MANAGEMENT DEMONSTRATION PROJECTS.—

(1) The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall conduct at least 5 (but not more than 10) demonstration projects to determine the relative effectiveness, cost, and impact on quality of long-term home care of using different models of providing and reimbursing of case management services under title XVIII of the Social Security Act.

(2) Demonstration projects under this subsection shall—

(A) each be conducted over a period of 3 years;

(B) be conducted in sites which are chosen to be geographically diverse and include at least one rural site;

(C) include testing methods of improving the delivery case management services by long-term care management agencies;

(D) include case management services provided to the elderly, the disabled, and children;

(E) include testing payment for case management services on a capitated basis; and

(F) include testing methods of minimizing variation among case managers and long-term care management agencies in eligibility and coverage determinations under title XVIII of the Social Security Act.

(3) The Secretary shall provide for the evaluation of the projects on a concurrent basis and shall submit to the Congress, not later than 18 months after the initiation of the projects and upon the completion of the projects, a report on the findings of the evaluation. The Secretary shall include in such reports recommendations for appropriate legislative changes.

(4) There are authorized to be appropriated from the Federal Hospital Insurance Trust Fund for the 3-fiscal year period beginning with fiscal year 1993, not to exceed $10,000,000 to carry out demonstration projects under this subsection and not to exceed $1,000,000 to carry out the evaluation of such projects under this subsection.

(b) DEMONSTRATION PROJECTS FOR CERTAIN INDIVIDUALS WITH SEVERE FUNCTIONAL LIMITATIONS NOT OTHERWISE COVERED.—

(1)(A) The Secretary shall conduct at least 5 (and no more than 10) demonstration projects to determine the feasibility of providing long-term home care benefits under the medicare program for certain individuals with severe functional limitations not otherwise covered.

(B) In this subsection, the term "individual with severe functional limitations not otherwise covered" means an individual over 18 years of age, but under 65 years of age, who is not entitled to benefits under title XVIII of the Social Security Act but is a chronically ill individual, within the meaning of section 1861(kk)(3)(A)(i) of such Act.

(2) Demonstration projects under this subsection—

(A) shall include, in the items and services covered under long-term home care, personal care services, short-term respite, and emergency assistance and shall permit coverage of items and services provided either by qualified home care agencies or by other qualified persons;

(B) may provide for limited cost-sharing for long-term home care;

(C) shall provide that payment rates for long-term home care provided by persons other than qualified home care agencies shall be comparable to the payment rates for such care provided by qualified home care agencies;

(D) shall provide that each individual's plan of care shall take into account the individual's capability to direct the individual's own long-term home care and to train persons in providing that care;

(E) shall test the effectiveness of consumer-directed living centers that are primarily engaged in assisting working age individuals with severe functional limitations in maximizing their independence;

(F) shall, to the maximum extent practicable, cover working age individuals with severe functional limitations who (i) are at imminent risk of institutionalization within 30 days without long-term home care, (ii) are institutionalized but who, if provided long-term home care, could be discharged from the institution, or (iii) need long-term home care to secure or continue employment, to increase independence, to enable present caregivers to secure or continue employment, or to stabilize families;

(G) shall include projects under which personal care services are made available away from an individual's primary residence, as well as at that residence; and

(H) shall include projects under which family members may be employed as caregivers if the family members would be employed if not providing such care or if the individual requires more than 20 hours a week of long-term home care.

(3)(A) In designing and evaluating the projects, the Secretary shall consult with experts in the field of disability policy and independent living and with groups representing working age individuals with severe functional limitations.

(B) The Secretary shall provide for the evaluation of the projects on a concurrent basis. Such evaluation shall include an evaluation of the size of the demand, cost, relative effectiveness, and impact on quality of life, of providing long-term home care to working age individuals with severe functional limitations.

(C) The Secretary shall submit to the Congress, not later than 18 months after the initiation of the projects and upon the completion of the projects, a report on the findings of the evaluation under subparagraph (B). The Secretary shall include in such reports recommendations for appropriate legislative changes.

(4) There are authorized to be appropriated from the Federal Hospital Insurance Trust Fund—

(A) for each of fiscal years 1993, 1994, and 1995 not to exceed $10,000,000 to carry out demonstration projects under this subsection, and

(B) for the 3-fiscal-year period beginning with fiscal year 1993 not to exceed $1,000,000 to carry out the evaluation of such projects under this subsection.

(c) GENERAL AUTHORITY.—

(1) Payments under demonstration projects under this section may be made in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made in such installments and on such conditions as the Secretary finds necessary to carry out the purpose of this section.

(2) The Secretary may waive such requirements of title XVIII of the Social Security Act as may be required to carry out demonstration projects under this section.

SEC. 7. PERMITTING DISABLED INDIVIDUALS TO PURCHASE MEDICARE COVERAGE DURING THE 24-MONTH WAITING PERIOD FOR MEDICARE ENTITLEMENT; PERMITTING DISABLED INDIVIDUALS NOT ENTITLED TO LONG-TERM HOME CARE BENEFITS TO BUY-IN TO MEDICARE TO OBTAIN SUCH BENEFITS.

(a) DISABLED BUY-IN.—Section 1818(a) (42 U.S.C. 1395i–2(a)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) has not attained the age of 65 and would be described in section 226(b)(2) if the phrases ', and has for 24 calendar months been entitled to,' ', and has been for not less than 24 months,' and 'including the requirement that he has been entitled to the specified benefits for 24 months,' were deleted from subparagraphs (A), (B), and (C)(ii), respectively, of such section,";

(2) by striking paragraph (2), and

(3) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) LIMITED BUY-IN FOR LONG-TERM HOME CARE BENEFITS.—Section 1818(a) (42 U.S.C. 1395i–2(a)) is amended by adding at the end the following: "In enrolling under this section, for months beginning with the first month that begins 1 year after the date of the enactment of this sentence, an individual has the option of enrolling for all benefits under this part (other than long-term home care benefits described in section 1812(a)(2)), for long-term home care benefits described in section 1812(a)(2), or for both.".

(c) PREMIUMS.—Section 1818(d) (42 U.S.C. 1395i–2(d)) is amended—

(1) in the first sentence of paragraph (2), by striking "for months occurring in the following calendar year" and inserting before the period the following: "for benefits (other than for long-term home care benefits described in section 1812(a)(2)) for months occurring in the following calendar year for individuals described in subsection (a)(1)(A)", and

(2) by adding at the end the following new paragraphs:

"(4) The Secretary shall, during the next to last calendar quarter of each year, determine and promulgate the dollar amount which shall be applicable for premiums (other than for long-term home care benefits described in section 1812(a)(2)) for months occurring in the following year for individuals described in subsection (a)(1)(B). Such amount shall be equal to the amount the Secretary estimates to be necessary so that the aggregate amount for such calendar year with respect to such individuals will equal 100 percent of the total of the benefits and administrative costs which he estimates will be payable from the Federal Hospital Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such individuals (other than with respect to long-term home care benefits). In calculating such amount the Secretary shall include an appropriate amount for a contingency margin. Any amount determined under the preceding sentence which is not a multiple of $1 shall be rounded to the nearest multiple of $1, or, if a multiple of 50 cents but not a multiple of $1, to the next higher multiple of $1.

"(5) The Secretary shall, during the first calendar quarter of 1993 and during the next to last calendar quarter of each year (beginning with 1993), determine and promulgate the dollar amount which shall be applicable for premiums for individuals enrolled for long-term home care benefits under this section for months occurring in 1993 or in the following year, respectively. Such amount shall be equal to the amount the Secretary estimates to be necessary so that the aggregate amount for such period or calendar year with respect to individuals so enrolled will equal 100 percent of the benefits and administrative costs which will be payable from the Federal Hospital Insurance Trust Fund for long-term home care benefits provided and related administrative costs incurred in the period or year with respect to individuals so enrolled under this section. In calculating such amount the Secretary shall include an appropriate amount for a contingency margin. Any amount determined under the preceding sentence which is not a multiple of $1 shall be rounded to the nearest multiple of $1 (or, if it is a multiple of 50 cents but not a multiple of $1, to the next higher multiple of $1).".

(d) Effective Date.—The amendments made by this section shall apply to months beginning with January 1, 1993.

SEC. 8. FINANCING BY REPEALING DOLLAR LIMITATION ON AMOUNT OF WAGES SUBJECT TO HOSPITAL INSURANCE AND DISABILITY INSURANCE TAXES.

(a) Employment Taxes.—

(1) In general.—Paragraph (1) of section 3121(a) of the Internal Revenue Code of 1986 (defining wages) is amended—

(A) by inserting "in the case of OASI taxes (as defined in subsection (x))," after "(1)",

(B) by striking "applicable contribution base (as determined under subsection (x))" and inserting "contribution and benefit base (as determined under section 230 of the Social Security Act)" each place it appears, and

(C) by striking "such applicable contribution base" and inserting "such contribution and benefit base".

(2) OASI taxes.—Subsection (x) of section 3121 of such Code is amended to read as follows:

"(x) OASI Taxes.—For purposes of subsection (a)(1), the term 'OASI taxes' means the taxes imposed by sections 3101(a) and 3111(a) to the extent such taxes are determined at a rate in excess of the applicable rate specified in section 201(b)(1)(A) of the Social Security Act."

(b) Self-Employment Tax.—

(1) In general.—Paragraph (1) of section 1402(b) of such Code is amended—

(A) by inserting "in the case of the OASI tax (as defined in subsection (k))," after "(1)", and

(B) by striking "applicable contribution base (as determined under subsection (k))" and inserting "contribution and benefit base (as determined under section 230 of the Social Security Act)".

(2) OASI tax.—Subsection (k) of section 1402 of such Code is amended to read as follows:

"(k) OASI Tax.—For purposes of subsection (b)(1), the term 'OASI tax' means the tax imposed by section 1401(a) to the extent such tax is determined at a rate in excess of the applicable rate specified in section 201(b)(1)(B) of the Social Security Act."

(c) Railroad Retirement Taxes.—

(1) In general.—Subparagraph (A) of section 3231(e)(2) of such Code is amended by adding at the end thereof the following new clause:

"(iii) Limitation not to apply to taxes equivalent to hospital insurance and disability insurance taxes.—Clause (i) shall not apply to—

"(I) so much of the rate applicable under section 3201(a) or 3221(a) (as the case may be) as exceeds the rate of the OASI tax (as determined under section 3121(x)) in effect, and

"(II) so much of the rate of tax applicable under section 3211(a)(1) as exceeds the rate of the OASI tax (as determined under section 1401(k)) in effect."

(2) Technical amendment.—Clause (i) of section 3231(e)(2)(B) of such Code is amended to read as follows:

"(i) Tier 1 taxes.—Except as provided in clause (ii), the term 'applicable base' means for any calendar year the contribution and benefit base determined under section 230 of the Social Security Act for such calendar year."

(d) Deposits Into Trust Funds Reduced By Decreases in Income Tax Revenues.—

(1) Federal disability insurance trust fund.—Subsection (b) of section 201 is amended by adding at the end thereof the following new sentence:

"The amounts determined under paragraphs (1) and (2) shall be reduced by the decrease in the tax imposed by chapter 1 of the Internal Revenue Code of 1986 resulting from the amendments made by section 8 of the Long-Term Home Care Act."

(2) Hospital insurance trust fund.—Subsection (a) of section 1817 is amended by adding at the end thereof the following new sentence:

"The amounts determined under paragraphs (1) and (2) shall be reduced by the decrease in the tax imposed by chapter 1 of the Internal Revenue Code of 1986 resulting from the amendments made by section 8 of the Long-Term Home Care Act."

(e) Other Technical Amendments.—

(1) Paragraph (3) of section 6413(c) of such Code is amended to read as follows:

"(3) Refunds not allowed for hospital insurance and disability taxes.—Paragraphs (1) and (2) shall apply only to so much of the taxes imposed by sections 3101(a) (or any amount equivalent to such tax) and 3201(a) which do not apply to remuneration in excess of the contribution and benefit base (as determined under section 230 of the Social Security Act)."

(2) Sections 3122 and 3125 of such Code are each amended—

(A) by striking "section 3111" each place it appears and inserting "section 3111(a)", and

(B) by striking "applicable contribution base limitation" and inserting "contribution and benefit base limitation."

(f) Effective Date.—The amendments made by this section shall apply to 1992 and later calendar years.•

By Mr. BURDICK (for himself and Mr. INOUYE):

S. 2194. A bill to assure a priority to Indian lands in the location of certain facilities; to the Select Committee on Indian Affairs.

LOCATION OF CERTAIN FACILITIES ON INDIAN LANDS

• Mr. BURDICK. Mr. President, I rise today to propose legislation to give a priority to Indian reservation lands for the location of projects of the Indian Health Service and the Bureau of Indian Affairs.

Mr. President, the Nation's Indian reservations suffer from unemployment rates between 30 and 85 percent. American Indians have the lowest standard of living and the most severe social problems of any people in the United States. Numerous hearings and reports concerning American Indians conclude that unemployment is the primary factor contributing to the economic distress on Indian reservations.

Recently, the Indian Health Service has reorganized its central distribution of pharmaceutical supplies into regional centers and has not given fair hearings to a recent proposal by one tribe to locate a pharmaceutical center on its reservation that would create 40 new jobs on that reservation—a reservation which suffers from a 50-percent unemployment rate.

The Priority to Indian Reservation Lands bill would require the Indian Health Service [IHS] and Bureau of Lands Affairs [BIA] to give priority to Indian reservation lands when these agencies are planning service facilities or employment projects. The legislation would require IHS and BIA to take into consideration the impact of employment opportunities on Indian reservations. Ultimately this will result in the reduction of health care costs to IHS and BIA through improved social and economic conditions for American Indians residing on Indian reservation lands.•

By Mr. DOLE (for himself, Mr. BOND, Mr. BROWN, Mr. BURNS, Mr. CHAFEE, Mr. COATS, Mr. COCHRAN, Mr. CRAIG, Mr. D'AMATO, Mr. DANFORTH, Mr. DOMENICI, Mr. GARN, Mr. GORTON, Mr. GRAMM, Mr. GRASSLEY, Mr. HATCH, Mr. HATFIELD, Mr. HELMS, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LOTT, Mr. LUGAR, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. PRESSLER, Mr. ROTH, Mr. RUDMAN, Mr. SEYMOUR, Mr. SIMPSON, Mr. SMITH, Mr. SPECTER, Mr. STEVENS, Mr. SYMMS, Mr. THURMOND, Mr. WALLOP, and Mr. WARNER):

S. 2195. A bill entitled the "Economic Growth Acceleration Act of 1992"; to the Committee on Finance.

(The remarks of Mr. DOLE and others, and the text of the legislation, appear earlier in today's RECORD.)

By Mr. ROTH:

S. 2196. A bill to establish a Teacher Job Bank Program; to the Committee on Labor and Human Resources.

TEACHER JOB BANK PROGRAM

• Mr. ROTH. Mr. President, this fall the Office of Educational Research and Improvement released the most detailed analysis of teacher employment to date. The report is entitled "Characteristics of Stayers, Movers and Leavers: Results From the Teachers Follow-up Survey 1988-89." This report in conjunction with the report entitled "Aspects of Teacher Supply and Demand in Public School Districts and Private Schools: 1987-88" provide some insight on who does and does not leave the teaching profession and on how many new teachers and teacher vacancies there were at the beginning of the school year.

The data gathered in the reports indicate that over 130,000 public school teachers and nearly 40,000 private school teachers left the teaching profession at the end of the 1987-88 school year. The National Center for Educational Statistics estimates that 2.8 million teachers were on the job this fall. The school and staffing survey found that 8 percent of the full-time equivalent public school teachers and 17 percent of the private school teachers were newly hired in the 1987-88.

As in any profession, teachers may choose to leave for a variety of reasons; retirement, career changes, or child rearing and homemaking. In other words, there is and will be, a regular need to fill teaching jobs and to find qualified teachers for these positions.

We all know and agree that good teachers are viewed as critical to our objective of educational improvement and achievement. The Federal Government and some States have established programs to encourage people to enter or remain in the teaching profession. Concerns have also been raised with respect to teacher shortages either by geographic areas or in certain subject areas such as math and science.

Now I would imagine that most people like myself, have not previously considered how available teaching positions are matched with individuals who wish to teach in our over 15,000 public school districts.

Mr. President, there is currently no uniform computerized system to match available positions with would-be applicants. Incredibly, if a student were graduating from college today with a teaching degree, the student would have to contact individual school districts—and remember there are 15,559 of them—to inquire as to the availability of a position.

Last year in Delaware, the State instituted an early retirement program as a means to respond to the increasing fiscal pressures brought on by the downturn in the economy. As a result of this initiative 1,607 teachers and other school employees left the system. Fortunately, the State was able to fill these positions. When I was contacted by a individual interested in moving to Delaware to teach, I called a State office to inquire where an application could be sent. At that time, I learned that there was no centralized or computerized system, and the individual would need to contact every district directly.

Now in a small State like my own that is not necessarily a problem—we have 19 school districts; but what if an individual was interested in California, or Texas, or moving from one region of the country to another? I was advised that virtually every State operates in a fashion similar to Delaware. This indeed must be a daunting prospect for a new college graduate eager to start a teaching career. It would be similarly difficult for existing teachers who might wish to change districts, schools, or move to another State.

Mr. President, the legislation I am introducing today is aimed at addressing this problem. The purpose of my bill is to facilitate the match between available teaching positions and qualified applicants. I am proposing that the Office of Educational Research and Improvement undertake the development of a software system which could be adopted by every State. In undertaking the design of the system it is the intent that OERI develop the program with the input of the potential users of the system. Such groups would include, but not be limited to, teachers, school administrators, governors, school board members, and colleges and universities interested in the placement of graduates. The system should be designed so that access by computer could call up characteristics of the school system in each State, the number of districts, the positions which are open, and the subject area and grade level for which there is an opening. The objective of this legislation, is to develop this software within 1 year after the date of enactment.

Following the development of this system, my bill provides seed money for States to make the system operational. States would be required to match the Federal funds they received with $1 for every $2 of assistance.

Mr. President, I think it is time to apply our available technology to facilitate the hiring of teachers and to encourage talented people to enter this vital profession. I would add, as a strong proponent of State and local control over education, that this measure in no way affects hiring decisions which remain in place as they currently operate. The goal, as I stated earlier, is to reduce paperwork burdens, provide greater efficiency, and information to all who are interested in the teaching profession. I hope my colleagues will join me in enacting this legislation.

Mr. President, I ask unanimous consent that the text of my bill be inserted at the end of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2196

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) nearly 2,800,000 individuals are engaged in teaching at the elementary and secondary level;

(2) it is necessary to fill teaching positions with qualified individuals;

(3) there is no readily available means of matching available teaching positions with applicants for teaching positions;

(4) there may be teacher shortages by geographic area or subject matter;

(5) it will be necessary to fill teaching positions on an annual basis;

(6) there are over 15,000 school districts, and there is no readily available means to identify available teaching positions in such districts;

(7) many new college graduates may wish to enter the teaching profession but are unable to match their interests with available teaching jobs; and

(8) individuals employed as teachers may wish to remain in the teaching profession but desire to change their teaching position.

SEC. 2. PURPOSE.

It is the purpose of this Act to—

(1) match available teaching positions with applicants for teaching positions;

(2) facilitate the hiring of teachers;

(3) make information on job openings for teachers widely available;

(4) assist individuals seeking to enter the teaching profession; and

(5) help school districts recruit the best qualified applicants for teaching positions.

SEC. 3. TEACHER JOB BANK.

(a) PROGRAM ESTABLISHED.—The Assistant Secretary of the Office of Educational Research and Improvement is authorized to develop a program to be known as the Teacher Job Bank Program.

(b) PROGRAM REQUIREMENTS.—

(1) IN GENERAL.—The program described in subsection (a) shall include—

(A) the development of a model computer program to link available teaching positions with applicants for teaching positions; and

(B) the awarding of grants to States in accordance with section 4 to enable such States to utilize the model program developed under subparagraph (A) to establish in the State a teacher job bank.

(2) CONSULTATION.—In carrying out paragraph (1), the Office of Educational Research and Improvement shall consult with the potential beneficiaries and users of the model program described in paragraph (1)(A), including teachers, school administrators, Governors, colleges and universities, and local educational agencies.

(c) STATE ADOPTION.—The Assistant Secretary of the Office of Educational Research and Improvement shall attempt to ensure that the model program described in subsection (b)(1)(A) is readily adopted by every State.

(d) SYSTEM CONTENTS.—The model program described in subsection (a)(1)(A) shall have the capability to provide to users with—

(1) the characteristics of the school system in a State;

(2) the number of school districts in a State;

(3) the teaching positions which are available in a State;

(4) the subject area and grade level for which there is an available teaching position; and

(5) any other information which is deemed by the Assistant Secretary of the Office of Educational Research and Improvement to be appropriate to facilitate the matching of available teaching positions with applicants for teaching positions.

(e) DATE.—The Office of Educational Research and Improvement shall have the model program described in subsection (b)(1)(A) available for implementation 1 year after the date of enactment of this Act.

SEC. 4. STATE IMPLEMENTATION; GRANTS

(a) IN GENERAL.—After the development of the model program described in section 3(b)(1)(A), the Assistant Secretary of the Office of Educational Research and Improvement shall notify the Governors of each State of the availability of such model program for implementation in the State.

(b) GRANTS.—

(1) GRANTS AUTHORIZED.—The Assistant Secretary of the Office of Educational Research and Improvement shall award grants to States to enable such States to utilize the model program described in section 3(b)(1)(A) to establish in the State a teacher job bank.

(2) MATCHING REQUIREMENTS.—Grants awarded under this section shall be matched from non-Federal sources on a dollar-for-dollar basis.

(c) APPLICATION.—In order to receive a grant under this title, a State shall submit an application to the Assistant Secretary for the Office of Educational Research and Improvement at such time, in such manner, and containing such information as the Assistant Secretary may require.

(d) LEAD AGENCY.—The Governor of each State desiring to participate in the program assisted under this Act shall specify in the application submitted under this section an appropriate State agency to act as the lead State agency for the purposes of administering the funds provided to the State under this Act and to establish and maintain a teacher job bank for such State.

(e) USE OF FUNDS.—

(1) IN GENERAL.—Grant funds under this section shall be used to establish in the State a teacher job bank and may be used for the purchase of the necessary equipment and hardware to make the teacher job bank operational.

(2) LIMITATION.—Grant funds under this section may not be used for ongoing maintenance and operation of a teacher job bank in a State.

SEC. 5. DEFINITIONS.

For the purpose of this section—

(1) the term "local educational agency" has the same meaning given to such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(2) the term "State" means each of the 50 States and the District of Columbia; and

(3) the term "teacher job bank" means a system, developed pursuant to a model computer program described in section 3(b)(1)(A), of matching available teaching positions with applicants for teaching positions.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There authorized to be appropriated such sums as may be necessary in each of the fiscal years 1993, 1994, 1995, and 1996 to carry out the provisions of this Act.●

By Mr. GRAHAM (for himself, Mr. MCCAIN, Mr. KASTEN, Mr. LIEBERMAN, Mr. MACK, and Mr. LAUTENBERG):

S. 2197. A bill to promote a peaceful transition to democracy in Cuba through the application of appropriate pressures on the Cuban Government and support for the Cuban people; to the Committee on Foreign Relations.

CUBAN DEMOCRACY ACT OF 1992

Mr. GRAHAM. Mr. President, Fidel Castro is as isolated and repressive as he has ever been during his 33 years in power. He is on the ropes. The end of his tyrannical rule is thankfully in sight.

We all share in the hope of the Cuban people for a peaceful transition to democracy. This must be our goal. To achieve it, our Government must have a policy that will encourage peaceful change.

I am introducing legislation today that provides a blueprint for action. Joining me as original cosponsors are Senators LIEBERMAN, MACK, LAUTENBERG, MCCAIN, and KASTEN.

The bill we are sponsoring today is based upon several fundamental premises.

First, Castro is as weak as he has ever been. This is no time to take steps, even inadvertent ones, that might strengthen his hand. Rather, we continue to hear from dissidents inside Cuba to keep the pressure on, to take all peaceful steps to end the repression and violence once and for all.

Second, we should do all that we can to increase the flow of information to the Cuban people. That is the idea behind Radio and TV Marti. Expanding mail and telephone service, as called for under our bill, will have a similar impact.

It will increase pressure on Castro, while humanely expanding the means for the tens of thousands of families on the island to remain in touch with their loved ones who have fled.

Third, we should call on our allies to support our efforts. By no means do we try to punish countries doing business with Castro. Instead, we simply state that countries conducting subsidized trade with Cuba should expect no help from us. After all, if we wanted to subsidize Cuba, we could more effectively do so directly.

Fourth, our Government's policy toward Cuba seems to be one of letting events run their natural course. I am not sure what the natural course is in this case. What I do know is this. If we are to achieve a peaceful transition to democracy, we must have in place a coherent and comprehensive policy that will help achieve that goal.

Mr. President, let me briefly review the bill's major points.

This legislation represents the first significant change in the U.S. embargo since it was established in 1963 and altered in 1975.

That year, a provision prohibiting trade with Cuba by foreign subsidiaries was removed because of strong diplomatic pressures by foreign governments wishing to allow United States subsidiaries operating in their countries to trade with Cuba.

We would reinstate that provision. In 1990, applications by U.S. firms for sales by their foreign subsidiaries totaled more than $500 million, up from only $189 million in 1990. That is an unacceptable loophole, and we must close it.

For the first time, we establish civil penalties for organizations engaging in illegal trade with Cuba. Currently only criminal penalties are provided for, making it unnecessarily difficult to punish violators.

We authorize United States funding for nongovernmental organizations in Cuba. We want to accomplish in Cuba what we achieved in Eastern Europe, the Soviet Union, and Nicaragua. We want to support labor leaders and human rights activists. Some will suggest that United States support will compromise Cuban dissidents.

That is what they argued in the case of Vaclav Havel and Lech Walesa. We should let Cuba's Havels and Walesas decide that for themselves.

We require our Government to establish strict limits on remittances to Cuba by United States citizens financing the travel of Cubans to the United States. The Treasury recently placed a $500 ceiling on travel remittances to Cuba. We support that level, but we believe it is important to have this provision in law.

We expand phone service between Cuba and the United States. Existing service is of poor quality, and Cuban-American families pay 5 to 10 times the normal rate to place calls through Canada or other countries which do not limit phone service to Cuba.

Although a telephone cable agreement is being hammered out between the governments, our bill would include satellite and data transmission.

We also direct the United States postal service to provide direct mail service to and from Cuba. Although Cuba now opposes direct mail service, our Postal Service has never been encouraged to aggressively try to negotiate an agreement.

Lack of service causes great hardship for divided families. We hope that those in power in Cuba begin to finally acknowledge the interests of the Cuban people, at least in this instance.

Finally, the bill outlines a policy toward a post-Castro government. If that government is freely and fairly elected, the United States would grant full diplomatic recognition, provide emergency relief during Cuba's transition to a viable economic system, encourage debt rescheduling or cancellation, and end the embargo.

These steps will be taken only after the fall of communism. Any shipments of food and medicine in the meantime will be granted only for humanitarian reasons and will benefit only the Cuban people, not the Cuban authorities.

Mr. President, Fidel Castro's days are numbered. His economy is imploding, his leadership evaporating. Milk and bread deliveries are being made by oxcart, according to a January 27, 1992, Miami Herald article. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Miami Herald, Jan. 27, 1992]

ENERGY DIET LEAVES CUBA RUN-DOWN

(By Mimi Whitefield)

Towns in Cuba's Villa Clara province got zapped recently. They exceeded their daily power limit, electricity was turned off several times the next day to make up their energy-gobbling.

Milk and bread deliveries being made by ox cart, and oxen being used once again to plow fields.

Just getting across town Havana has become a major headache because many bus routes have been axed and people with their cars can buy only about a gallon of gas per week.

Traffic lights no longer function in a number of intersections. With few cars, there is no need for them.

Housewives can no longer do their ironing while watching daytime television, because week TV is now limited to evening. And their irons go on the blink, clothes stay wrinkled. Newlyweds are the only ones eligible to buy rationed irons.

At the office, secretaries had been asked to use manual instead of electric typewriters, and air conditioners are supposed to be turned off.

A television newscast exhorted: "An extraordinary effort is needed from the people. Only in this way will we be able to avoid power cuts."

Since the year began, Cubans have been on a drastic energy-reducing diet. There is virtually no chance the economy will perk up soon, according to economists, and Cuban officials themselves have warned that 1992 will be a most difficult year.

What impact all this austerity will have on internal politics is difficult to predict.

Some argue that this is the very time to make the U.S. trade embargo against Cuba even more stringent. The economy is already sinking, they say, and to pursue any other policy would help maintain Cuban President Fidel Castro in power and delay change.

That is the intent behind Florida Republican Sen. Connie Mack's legislation to limit the ability of foreign subsidiaries of U.S. companies to trade with Cuba.

However, Jorge Dominguez, a Cuba specialist at Harvard University, disagrees. "The effects of increasing economic hardship may be the opposite of what you might think," he said. "At least for the time being * * * increasing economic hardship makes the politics of opposition more difficult."

To organize and build political organizations, he said, Cubans need free time, and free time is a precious commodity these days.

If a Cuban has to rise at 5 a.m. to get food, ride a bicycle to work, perhaps arrive late and therefore angry, then ride the bike home and wait in line again for food for dinner, "he may not have the energy or the desire to assume the risks associated with attending a political meeting," Dominguez said.

"The main effect of economic hardship to date is to consolidate the current political regime," he said.

Castro has said that the island will probably have to get by with about one-third of the petroleum that it has traditionally used. About 80 percent of that oil was imported from the old Soviet Union, which delivered less than promised last year. Cuba is now trying to negotiate with Russia and other oil producers, but chances for sufficient supplies this year are bleak.

"This is why I consider the worst * * * is still to come, in 1992," Castro said.

The Committees for the Defense of the Revolution, the neighborhood watchdog groups that keep an eye out for counterrevolutionary activity, have been given an additional job: visiting families to explain the need to conserve.

The energy cutbacks have touched all aspects of Cuban life.

With the reduced bus routes, getting to work can be a major headache (only 113 routes will remain in Havana after Feb. 9, down from 161).

Many people now use bicycles, but some women whose families can scrape by without their income have quit working, both because getting to their jobs is so difficult, and because they need more time to hunt for food.

The energy shortage also has touched Cubans' favorite leisure activities. Television programming has been reduced from 129 to 81 hours weekly. Movie theater hours have been reduced, and most nighttime baseball games have been switched to days.

Cubans also are coping with worse-than-ever food shortages caused by large shortfalls in deliveries of food and raw materials from the old Soviet Union, plus disappointing results from the island's own production.

Food availability news has now become a feature of Cuban radio broadcasts. Often, the news is that a food item that should have been distributed weeks before has finally arrived.

Delays in delivery of chicken have become so common that the government has begun distributing live chicks and encouraging people to raise their own.

Just Wednesday, the government announced that the ration of a liter of milk every other day allotted to families with more than five members would be suspended immediately. Milk is still distributed to children under 7.

The colas (lines) where people wait to buy rum and beer in bottles, jars and pails have become unruly, so each person has been limited to two bottles. The move is also intended to end speculation; because many people sell the beverages on the black market for profit.

The new year also brought changes to newspapers. TeleRebelde recently reported that shipments of newsprint were minimal during 1991 and that Cuba hasn't been able to contract for any shipments for this year.

Granma, the Communist Party newspaper, has been cut back to six pages twice a week and four pages three times a week.

Hours at the post office have been reduced, too.

Because products to make soap and detergent haven't arrived from the Soviet Union, the Cubans are groping for alternatives. A small factory in Trinidad, for example, has developed a detergent from the maguey plant that is now being sold and used for dry cleaning in Cuba.

Radio Rebelde recently reported that 22 Havana hospitals are using sap from the hemp plant as a detergent to wash bed clothes.

Mr. GRAHAM. Mr. President, Castro has no one to blame but himself. He is reaping the whirlwind of his megalomaniacal revolution. He has brought this sad state of affairs on himself. Unfortunately, the Cuban people are suffering for his mistakes.

The Cuban people have about had enough. The day when we will be dealing with a post-Castro government is fast approaching. We must adopt a policy that hastens that day and prepares for the day after. This bill advances us toward that goal.

In conclusion, this legislation, Mr. President, has as its original cosponsors, Senators LIEBERMAN, MACK, LAUTENBERG, MCCAIN, and KASTEN. It is submitted in hopes that it will speed the day when there is a democracy in Cuba and when the United States will be able to demonstrate its good neighbor policy in rebuilding a free Cuba.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2197

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cuban Democracy Act of 1992".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The government of Fidel Castro has demonstrated consistent disregard for internationally accepted standards of human rights and for democratic values. It restricts the Cuban people's exercise of freedom of speech, press, assembly, and other rights recognized by the Universal Declaration of Human Rights adopted by the General Assembly of the United Nations on December 10, 1948. It has refused to admit into Cuba the United Nations human rights representative appointed to investigate human rights violations on the island.

(2) The Cuban people have demonstrated their yearning for freedom and their increasing opposition to the Castro government by risking their lives in organizing dissident activities on the island and by undertaking hazardous flights for freedom to the United States and other countries.

(3) The Castro government maintains a military-dominated economy that has decreased the well-being of the Cuban people in order to enable the government to engage in military interventions and subversive activities throughout the world and, especially, in the Western Hemisphere. These have included involvement in narcotics trafficking and support for the FMLN guerrillas in El Salvador.

(4) There is no sign that the Castro regime is prepared to make any significant concessions to democracy or to undertake any form of democratic opening. Efforts to suppress dissent through intimidation, imprisonment, and exile have accelerated since the political changes that have occurred in the former Soviet Union and Eastern Europe.

(5) Events in the former Soviet Union and Eastern Europe have dramatically reduced Cuba's external support and threaten Cuba's food and oil supplies.

(6) The fall of communism in the former Soviet Union and Eastern Europe, the now

universal recognition in Latin America and the Caribbean that Cuba provides a failed model of government and development, and the evident inability of Cuba's economy to survive current trends, provide the United States and the democratic community with an unprecedented opportunity to promote a peaceful transition to democracy in Cuba.

(7) However, Castro's intransigence increases the likelihood that there could be a collapse of the Cuban economy, social upheaval, or widespread suffering. The recently concluded Cuban Communist Party Congress has underscored Castro's unwillingness to respond positively to increasing pressures for reform either from within the party or without.

(8) The United States cooperated with its European and other allies to assist the difficult transitions from Communist regimes in Eastern Europe. Therefore, it is appropriate for those allies to cooperate with United States policy to promote a peaceful transition in Cuba.

SEC. 3. STATEMENT OF POLICY.

It should be the policy of the United States—

(1) to seek a peaceful transition to democracy and economic prosperity in Cuba through the careful and sophisticated application of sanctions directed at the Castro government and support for the Cuban people;

(2) to seek the cooperation of other democratic countries in this policy;

(3) to make clear to other countries that, in determining its relations with them, the United States will take into account their willingness to cooperate in such a policy;

(4) to make assistance to the Commonwealth of Independent States or any of its republics conditional on the termination of military and technical assistance, subsidies, and other forms of assistance to Cuba from such Commonwealth or such republic, as the case may be;

(5) to continue vigorously to oppose the human rights violations of the Castro regime;

(6) to maintain sanctions on the Castro regime so long as it continues to refuse to move toward democratization and greater respect for human rights;

(7) to be prepared to reduce the sanctions in carefully calibrated ways in response to positive developments in Cuba;

(8) to encourage free and fair elections to determine Cuba's political future;

(9) to prevent Cuba from evading the United States embargo of that country through a North American Free Trade Agreement;

(10) to withhold nondiscriminatory (most-favored-nation) treatment from the People's Republic of China until the President has certified that the government of that country has made significant progress in reducing that country's assistance to Cuba, whether such assistance is provided in the form of subsidized trade, management of trade balances, or in any other form; and

(11) to initiate immediately the development of a comprehensive United States policy toward Cuba in a post-Castro era.

SEC. 4. INTERNATIONAL COOPERATION.

(a) MAJOR CUBAN TRADING PARTNERS.—The President shall direct the United States Trade Representative to enter into negotiations with the governments of countries that conduct trade with Cuba for the purpose of securing the agreement of such countries to restrict their trade and credit relations with Cuba in a manner consistent with United States policy and the purposes of this Act.

(b) SANCTIONS AGAINST COUNTRIES ASSISTING CUBA.—

(1) SANCTIONS.—In the case of any country that provides assistance to Cuba—

(A) the government of such country shall not receive assistance under the Foreign Assistance Act of 1961 or assistance under the Arms Export Control Act;

(B) the United States shall not enter into any agreement with such country to establish free trade areas;

(C) such country shall not be an eligible country under the Enterprise for the Americas Initiative; and

(D) such country shall not be eligible, under any other program, for forgiveness or reduction of debt owed to the United States Government.

(2) DEFINITION OF ASSISTANCE.—For purposes of paragraph (1), "assistance to Cuba"—

(A) means assistance to or for the benefit of the Government of Cuba that is provided by grant, concessional sale, guaranty, or insurance, or by any other means on terms more favorable than that generally available in the applicable market, whether in the form of a loan, lease, credit, or otherwise, and such term includes subsidies for exports to Cuba and favorable tariff treatment of articles that are the growth, product, or manufacture of Cuba; and

(B) does not include—

(i) donations of food to Cuba through international organizations, or

(ii) exports to Cuba of medicines that would be permitted under section 5(c) of this Act.

(3) APPLICABILITY OF SECTION.—This section, and any sanctions imposed pursuant to this section, shall cease to apply at such time as the president makes and reports to the Congress a determination under section 8.

SEC. 5. SUPPORT FOR THE CUBAN PEOPLE.

(a) PROVISIONS OF LAW AFFECTED.—The provisions of this section apply notwithstanding any other provision of law, including section 620(a) of the Foreign Assistance Act of 1961, and notwithstanding the exercise of authorities, before the enactment of this Act, under section 5(b) of the Trading With the Enemy Act, the International Emergency Economic Powers Act, or the Export Administration Act of 1979.

(b) DONATIONS OF FOOD.—Nothing in this or any other Act shall prohibit donations of food to Cuba through international organizations.

(c) EXPORT OF MEDICINES.—The export to Cuba of medicines for humanitarian purposes and only for the use and benefit of the Cuban people shall not be restricted except to the extent authorized by section 5(m) of the Export Administration Act of 1979.

(d) TELECOMMUNICATIONS SERVICES AND FACILITIES.—

(1) TELECOMMUNICATIONS SERVICES.—Telecommunications services between the United States and Cuba shall be permitted.

(2) TELECOMMUNICATIONS FACILITIES.—Telecommunications facilities, including cable and satellite facilities, are authorized in such quantity and of such quality as may be necessary to provide the services permitted under paragraph (1).

(3) LICENSING OF PAYMENTS TO CUBA.—(A) The President shall provide for the issuance of licenses for the full or partial payment to Cuba of amounts due Cuba as a result of the provision of telecommunications services authorized by this subsection, taking into account the United States public interest and the purposes of this Act.

(B) If only partial payments are made to Cuba under subparagraph (A), the amounts withheld from Cuba shall be deposited in an account in a banking institution in the United States. Such account shall be blocked in the same manner as any other account containing funds in which Cuba has any interest, pursuant to regulations issued under section 5(b) of the Trading With the Enemy Act.

(4) AUTHORITY OF FEDERAL COMMUNICATIONS COMMISSION.—Nothing in this subsection shall be construed to supersede the authority of the Federal Communications Commission to issue such licenses and authorizations for the provision of services or acquisition of facilities as may be required under the Communications Act of 1934.

(e) DIRECT MAIL DELIVERY TO CUBA.—The United States Postal Service shall take such actions as are necessary to provide direct mail service to and from Cuba, including, in the absence of common carrier service between the 2 countries, the use of charter service providers.

(f) ASSISTANCE TO SUPPORT DEMOCRACY IN CUBA.—The President may provide assistance, through appropriate nongovernmental organizations, for the support of individuals and organizations to promote nonviolent democratic change in Cuba.

SEC. 6. SANCTIONS.

(a) PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.—

(1) PROHIBITION.—Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989.

(2) APPLICABILITY TO EXISTING CONTRACTS.—Paragraph (1) shall not affect any contract entered into before the date of the enactment of this Act.

(b) PROHIBITION RELATING TO TAX DEDUCTIONS.—

(1) PROHIBITION.—A domestic concern may not receive a tax deduction for that portion of the otherwise deductible expenses of such domestic concern, or of a foreign subsidiary or affiliate of such domestic concern, which is allocated or apportioned to income derived from Cuba. For purposes of this subsection, income paid through one or more entities shall be treated as derived from Cuba if such income was, without regard to such entities, derived from Cuba.

(2) DEFINITION.—For purposes of this subsection, a "foreign subsidiary or affiliate" of a domestic concern is a partnership, corporation, or other enterprise organized under the laws of a foreign country which is controlled in fact by such domestic concern (as determined under regulations of the President).

(c) PROHIBITION ON VESSELS THAT ENTER CUBAN PORTS TO ENGAGE IN TRADE.—

(1) IN GENERAL.—Beginning on the 61st day after the date of the enactment of this Act, a vessel which enters a port or place in Cuba to engage in the trade of goods or services may not, within 180 days after departure from such port or place in Cuba, load or unload any freight at any place in the United States.

(2) DEFINITIONS.—As used in this subsection—

(A) the term "vessel" includes every description of water craft or other contrivance used, or capable of being used, as a means of transportation in water, but does not include aircraft; and

(B) the term "United States" includes the territories and possessions of the United States and the customs waters of the United States (as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401)).

(d) RESTRICTIONS ON REMITTANCES TO CUBA.—The President shall establish strict limits on remittances to Cuba by United States persons for the purpose of financing the travel of Cubans to the United States, in order to ensure that such remittances reflect only the reasonable costs associated with such travel, and are not used by the Castro regime as a means of gaining access to United States currency.

(e) CLARIFICATION OF APPLICABILITY OF SANCTIONS.—The prohibitions contained in subsections (a), (b), and (c) shall not apply with respect to any activity otherwise permitted by section 5 or section 7.

SEC. 7. POLICY TOWARD A TRANSITIONAL CUBAN GOVERNMENT.

Food, medicine, and medical supplies for humanitarian purposes may be made available for Cuba under the Foreign Assistance Act of 1961 and the Agricultural Trade Development and Assistance Act of 1954 if the President determines and certifies to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate that the government in power in Cuba—

(1) has made a public commitment to hold free and fair elections for a new government within 6 months and is proceeding to implement that decision;

(2) has made a public commitment to respect, and is respecting, internationally recognized human rights and basic democratic freedoms; and

(3) is not providing weapons or funds to any group, in any other country, that seeks the violent overthrow of the government of that country.

SEC. 8. POLICY TOWARD A DEMOCRATIC CUBAN GOVERNMENT.

(a) WAIVER OF RESTRICTIONS.—The President may waive the requirements of section 6 if the President determines and reports to the Congress that Cuba has established democratic institutions through free, fair, and open elections, under international supervision, that represent the will of the majority of the Cuban people.

(b) POLICIES.—If the President makes a determination under subsection (a), it shall be the policy of the United States to take the following actions with respect to a Cuban Government elected pursuant to elections described in subsection (a):

(1) To grant full diplomatic recognition to such government, and to encourage the admission of such government to international organizations and international financial institutions.

(2) To provide emergency relief during Cuba's transition to a viable economic system.

(3) To encourage rescheduling or cancellation of Cuba's external debt.

(4) To end the United States trade embargo of Cuba.

(5) To enter into negotiations for a framework agreement providing for trade with Cuba.

SEC. 9. EXISTING CLAIMS NOT AFFECTED.

Except as provided in section 5(a), nothing in this Act affects the provisions of section 620(a)(2) of the Foreign Assistance Act of 1961.

SEC. 10. ENFORCEMENT.

(a) ENFORCEMENT AUTHORITY.—The authority to enforce this Act shall be carried out by the Secretary of the Treasury. The Secretary of the Treasury shall exercise the authorities of the Trading With the Enemy Act in enforcing this Act. In carrying out this subsection, the Secretary of the Treasury shall take the necessary steps to ensure that activities permitted under this Act are carried out for the purposes set forth in this Act and not for purposes of the accumulation by the Cuban Government of excessive amounts of United States currency or the accumulation of excessive profits by any person or entity.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Treasury such sums as may be necessary to carry out this Act.

(c) PENALTIES UNDER THE TRADING WITH THE ENEMY ACT.—Section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16) is amended—

(1) by inserting "(a)" before "Whoever"; and

(2) by adding at the end the following:

"(b) The Secretary of the Treasury may impose a civil penalty of not more than $100,000 on any person who violates any license, order, rule, or regulation issued under this Act.".

(d) APPLICABILITY OF PENALTIES.—The penalties set forth in section 16 of the Trading With the Enemy Act shall apply to violations of this Act to the same extent as such penalties apply to violations under that Act.

(e) OFFICE OF FOREIGN ASSETS CONTROL.—The Department of the Treasury shall establish and maintain a branch of the Office of Foreign Assets Control in Miami, Florida, in order to strengthen the enforcement of this Act.

SEC. 11. DEFINITION.

As used in this Act, the term "United States person" means any United States citizen or alien admitted for permanent residence in the United States, and any corporation, partnership, or other organization organized under the laws of the United States.

SEC. 12. EFFECTIVE DATE.

This Act shall take effect on the date of the enactment of this Act.

CUBAN DEMOCRACY ACT OF 1992—SECTION-BY-SECTION SUMMARY

Section 1. Short title.

Section 1 provides that the Act may be cited as the "Cuban Democracy Act of 1992."

Section 2. Findings.

Section 2 provides findings with respect to Cuba.

Section 3. Statement of Policy.

Section 3 provides a statement of policy with respect to Cuba.

Section 4. International Cooperation.

(a) Major Cuban Trading Partners.

Section 4(a) provides that the President shall direct the United States Trade Representative to enter into negotiations with countries that conduct trade with Cuba for the purpose of securing their agreement to restrict their trade and credit relations in a manner consistent with U.S. policy and with this Act.

(b) Sanctions Against Countries Assisting Cuba.

Section 4(b) states that countries that provide assistance to Cuba are ineligible for U.S. assistance, for free trade agreements with the United States, for benefits under the Enterprise for the Americas Initiative, and for any other form of forgiveness of U.S. government debt, unless the President makes a determination under section 8.

Section 5. Support for the Cuban People.

(a) Provisions of Law Affected.

Section 5(a) is a technical provision.

(b) Donations of Food.

Section 5(b) provides that nothing in this or any other Act shall prohibit donations of food to Cuba through international organizations.

(c) Export of Medicines.

Section 5(c) permits the export to Cuba of medicines for humanitarian purposes and only for the use and benefits of the Cuban people.

(d) Telecommunications Services and Facilities.

Section 5(d): Permits the establishment of telecommunications services between the United States and Cuba; authorizes such telecommunications facilities as may be necessary to provide such services; directs the President to permit appropriate payments to Cuba of amounts due it for the provision of such services; directs that any portion of such payments that is withheld from Cuba shall be deposited in blocked accounts; and provides that this section does not supersede the authority of the FCC under the Communications Act of 1934.

(e) Direct Mail Delivery to Cuba.

Section 5(e) directs the U.S. Postal Service to provide direct mail service to and from Cuba.

(f) Assistance to Support Democracy in Cuba.

Section 5(f) authorizes the President to provide assistance to individuals and organizations to promote nonviolent democratic change in Cuba, through appropriate nongovernmental organizations.

Section 6. Sanctions.

(a) Prohibition of Certain Transactions.

Section 6(a) prohibits exports to Cuba by foreign subsidiaries of United States firms, except that existing contracts may be fulfilled.

(b) Prohibition Relating to Tax Deductions.

Section 6(b) prohibits a domestic concern from receiving a tax deduction for that portion of otherwise deductible expenses which is allocated or apportioned to income derived from China.

(c) Prohibition on Vessels That Enter Cuban Ports.

Section 6(c) provides that a vessel that enters a port in Cuba to engage in trade may not within the ensuing 180 days engage in trade in a United States port.

(d) Restrictions on Remittances to Cuba.

Section 6(d) directs the President to establish strict limits on remittances to Cuba for the purpose of financing the travel of Cubans to the United States.

Section 7. Policy Toward a Transitional Cuban Government.

Section 7 provides that food, medicine, and medical supplies for humanitarian purposes may be made available to Cuba if the President determines that the government in power in Cuba has made and is implementing a public commitment to hold free and fair elections within six months and to respect human rights and democratic freedoms, and is no longer supporting the violent overthrow of other governments.

Section 8. Policy Toward a Democratic Cuban Government.

(a) Waiver of Restrictions.

Section 8(a) provides that the President may waive the requirements of section 6 if he determines that Cuba has a democratic government.

(b) Policies.

Section 8(b) provides that, if the President makes a determination under subsection (a), the following shall be U.S. policy with respect to Cuba: to grant full diplomatic recognition, to provide emergency relief, to encourage debt relief, to end the trade embargo, and to enter into negotiations for a free trade agreement.

Section 9. Existing Claims Not Affected.

Section 9 states that nothing in this Act affects the provisions of section 620(a)(2) of the Foreign Assistance Act of 1961.

Section 10. Enforcement.

(a) Enforcement Authority.

Section 10(a) provides that the authority to enforce this Act shall be carried out by the Secretary of the Treasury, and directs the Secretary to ensure that activities permitted under this Act are carried out for the purposes set forth in this Act and not for purposes of accumulation by the Cuban Government of excessive amounts of U.S. currency or the accumulation of excessive profits by any person or entity.

(b) Authorization of Appropriations.

Section 10(b) authorizes the appropriation of such sums as may be necessary to carry out this Act.

(c) Penalties Under the Trading With the Enemy Act.

Section 10(c) amends section 16 of the Trading With the Enemy Act to provide civil penalties of up to $100,000 for violations of the Act.

(d) Applicability of Penalties.

Section 10(d) provides that the penalties of section 16 of the Trading With the Enemy Act shall apply to violations of this Act.

(e) Office of Foreign Assets Control.

Section 10(e) directs the Department of the Treasury to establish a branch of the Office of Foreign Assets Control in Miami in order to strengthen enforcement of this Act.

Section 11. Definitions.

Section 11 provides definitions.

Section 12. Effective Date.

Section 12 provides that this Act shall become effective upon enactment.

Mr. McCAIN. Mr. President, I am very pleased to be an original cosponsor of the Cuban Democracy Act of 1992, and I commend the bill's sponsors, Senators GRAHAM and LIEBERMAN, and the other cosponsors of this legislation for their dedication to the peaceful democratization of Cuba.

This is the age of democracy. The clash of ideas and civilizations that have defined this century through cold war and armed conflict is nearly over. The advocates of freedom have defeated the architects of totalitarianism for leadership of human history.

Successive generations of Americans have given generously of our resources—including our most precious resources—to the cause of human freedom. The values which we have defended from our Declaration of Independence to the present are ascendant in nearly all societies on Earth, and we are justifiably proud of this historic accomplishment.

However, Mr. President, even as we celebrate our victory we must remain mindful that there remain exceptions—important exceptions—to the global progress of democracy. And we must persevere in our determination to see that all peoples everywhere share in the blessings of liberty.

Nowhere are the remnants of Communist tyranny more disturbing to Americans than here in our own hemisphere. While virtually all the nations of the Americas are now united in our allegiance to democratic principles and free market economies, Fidel Castro stands alone and defiant.

While nearly all the countries of the Americas are joined in building the institutions of democracy and free markets, Castro hopes to perpetuate his tyranny on the crumbling foundation of a politically and economically bankrupt regime.

While nearly all the countries of the Americas pursue the creation of a hemispheric free trade regime, Castro instructs his people to ride bicycles.

While nearly all the countries of the Americas have emptied their jails of political prisoners, Castro counters dissent with the firing squad.

Castro is blinded by his nostalgia for a time when the world was vastly different than it is today. He longs for the return of a time when the emerging nations of the Third World were attracted to young revolutionaries who disguised dictatorship as social justice.

But as we all know, the inhumanity of Marxist-Leninists has isolated them from their people and from contemporary mass movements. For the purpose of contemporary mass movements is the establishment of democratic government. The historical antecedents to recent events in Prague and Gdansk and Managua and Moscow did not occur in La Sierra Maestra. They occurred in Boston, in Philadelphia, in Williamsburg.

Thus, Mr. President, the United States has a special obligation as leader and principal architect of the age of democracy to sustain our advocacy of freedom until the moment when no regime on earth stands as an impediment to any societies' transition to democracy.

The Cuban Democracy Act exemplifies our determination not to relinquish our leadership of this just cause. It seeks to firmly establish our support for the oppressed people of Cuba by shaping the united opposition of the ever expanding free world to the maintenance of Castro's rule.

Mr. President, this legislation calls for the employment of strong measures to compel concerted international action to hasten the liberation of Cuba. I do not agree with every provision of this bill, but, on balance, this bill recommends a necessary program of action to accomplish our goal.

There is one provision with which I take strong exception. Among the sanctions we intend to impose against countries assisting Cuba is the United States refusal to "enter into any agreement with—a country that assists Cuba—to establish free trade areas." This provision would directly affect the conclusion of a free trade agreement with Mexico.

While no sponsor of this bill is pleased with Mexico's lingering support for Castro, I fear that by rejecting the development of a hemispheric free trade market, for which the North American Free Trade Agreement would serve as a cornerstone, the United States would unintentionally jeopardize the democratic and economic development of many other nascent democracies in North and South America. It would constitute a severe setback to the political reformers in Mexico, led by President Salinas, who have made such great strides in bringing Mexico into the fold of modern, democratic nations.

The United States is right to express our dissatisfaction with the remnants of a Mexican foreign policy which sought to appease local tyrants. But our dissatisfaction should not move us to put at risk the future political and economic progress of the Americas.

Accordingly, I hope that in consultations with the sponsors of this bill, and with members of the committees with jurisdiction over it, we can modify the language of this provision in recognition of these concerns. If we are unable to affect this change, I would be obliged to regretfully withdraw my support of the bill. I wish to be perfectly clear on this point, Mr. President. If the provision that would prevent the United States from entering into a free-trade agreement with Mexico remains in the bill I would be compelled to oppose adoption of the Cuban Democracy Act.

Having said this, Mr. President, let me stress that I am confident that we can reach a resolution of this question. As I have said, the Cuban Democracy Act, is an excellent expression of United States support for the struggle for freedom. It is vitally important that Americans sustain our fidelity to the cause in these last hours of freedom's conflict with tyranny. It is important not only to the welfare of the Cuban people, but to our own welfare as well.

For, as a nation founded to serve a democratic ideal, we are reaffirmed by every instance where a people free themselves from subjugation to the State or from the ambitions of a ruling elite. And our contribution to their triumph constitutes our finest hour. The Cuban Democracy Act is the most recent example of America's proud legacy to the world. I am proud to be a cosponsor, and, assuming that my reservations concerning the bill's impact on the North American Free-Trade Agreement are satisfactorily addressed I would urge all my colleagues to join with us in helping Cuba enter the community of free nations.

Mr. LAUTENBERG. Mr. President, I am glad to join as an original cosponsor of the Cuba Democracy Act to support freedom for the people of Cuba.

This bill will tighten the screws on the embargo against Cuba and help bring about a democratic end to Castro's regime. Democracy and freedom have spread like wildfire over Eastern Europe and the Soviet Union. Cuba cannot be far behind.

It may not be today. It may not even be tomorrow. But just as surely as

Honnecker, Zhivkov, and Ceausescu fell to the sweep of history, Castro will one day be a man of the past.

Democracy is infectious, and the ideals and freedoms we hold dear have taken root in formerly Communist countries at an astonishing pace. Eastern Europeans and the Soviets have affirmed what Americans knew all along: Freedom is a basic right that people will die for. Ultimately, it cannot be denied in Cuba either. We know that the Cuban people want it, yearn for it, and are willing to fight for it.

Americans are a fortunate people. We have the ultimate freedoms. But those in Cuba have not been so lucky. Fidel Castro has denied them the freedoms we enjoy every day. As Americans, we have a special obligation to help bring democracy to that island.

This bill well help accomplish that goal by tightening the embargo against Cuba. The bill directs the United States Trade Representative to negotiate with countries that conduct trade with Cuba to secure restrictions on that trade. It puts on notice any country contemplating providing grants, subsidies, or credits to Cuba that there will be a price to pay in terms of United States assistance and benefits. It would extend the United States embargo of Cuba to subsidiaries of United States owned or controlled subsidiaries overseas. It would prohibit ships from stopping in the United States for 6 months if they've stopped in Cuba for the purposes of trade.

The bill would also directly help the people of Cuba in their quest for freedom. Supporting the free flow of information from democratic countries into Cuba is critical to spreading democracy in that nation. To that end, the bill would provide for direct mail service to and from Cuba. It would authorize assistance to support individuals and organizations in Cuba that promote democracy. And it would support telecommunication services between the United States and Cuba.

Mr. President, I am proud to be an original cosponsor of this legislation and I urge my colleagues to support it as well.

By Mr. BOREN:

S. 2198. A bill to amend the National Security Act of 1947 to reorganize the U.S. intelligence community to provide for the improved management and execution of U.S. intelligence activities, and for other purposes; to the Select Committee on Intelligence.

INTELLIGENCE REORGANIZATION ACT OF 1992

• Mr. BOREN. Mr. President, last year the Select Committee on Intelligence embarked on a review of the organization of the U.S. intelligence community, focusing particularly on its management structure. We held two hearings on the subject early in the session, and the staff of the committee conducted interviews with over 130 current and former officials to obtain their views. We had planned to issue a report which incorporated the results of our inquiry, and have hearings on that report.

Unfortunately, this effort was sidetracked by the Gates' nomination and by the complications which developed on last year's intelligence authorization bill, and we were unable to carry through on our plans where reorganization is concerned.

This delay may, however, prove somewhat fortuitous. In the intervening period, we have had momentous developments in what had been the Soviet Union, and the future, while far from certain, appears to be a bit clearer at least where the former Soviet Union is concerned. We have also had an opportunity to digest the results of the Persian Gulf war from an intelligence standpoint. The passage of time has, in my view, improved our perspective on this event.

It is my hope that in this session of Congress, which will be my last as chairman of the Select Committee on Intelligence, the committee will be able to devote its attention to rethinking the management structure of the intelligence community.

The time could not be more ripe for such a review. The concerns which motivated the creation of the intelligence community after the Second World War have now dramatically changed, but have been replaced by new challenges and new uncertainties. Indeed, it is difficult to recall any point in the last 40 years where such uncertainty exists with respect to the international situation. Far from being a period where we can do without intelligence, the need for intelligence has never been greater.

We have an intelligence structure, however, that evolved over the last 40 years to cope with a world which is now past, and that structure is in need of considerable recalibration and streamlining. At the same time, funding for intelligence must inevitably decline, and, indeed, can decline, in my view, without damaging our national security interests.

President Bush, as we know, has already set in motion a comprehensive review of the intelligence structure within the executive branch. The administration's goal is to have specific legislative proposals to the Congress in time to be considered in this year's budget cycle. I applaud this initiative, and look forward to working with the administration in a spirit of cooperation and common purpose to craft changes which will lead to a stronger intelligence capability, albeit in a time of shrinking resources. I am convinced this can and should be done.

At the same time, I think our process will be better served by several reform proposals being offered, rather than our simply reacting to a single proposal offered by the administration.

I am, therefore, Mr. President, today introducing a bill to restructure the U.S. intelligence community, the Intelligence Reorganization Act of 1992. This bill was developed as a result of, and reflects, the work done last year by the committee and its staff.

Before highlighting its key provisions, I want to make several preliminary points.

First, I am introducing this legislation now to prompt discussion of the issues involved. I am not wedded to any particular proposal at this stage, and will await the results of the legislative process before making up my mind as to their desirability.

Second, I realize that several provisions of this bill could be implemented by the executive branch without enabling legislation. We may ultimately wish to leave them to the Executive without making them law, but I think it is useful to have them as part of this proposal in order to spark discussion of the issues which they pose.

Third, I recognize that some areas of the bill overlap the jurisdiction of the Committee on Armed Services. I look forward to working with that committee and its distinguished chairman, Senator NUNN, to arrive at something that ultimately makes sense to both committees.

Finally, in introducing this bill now, I have no intent to preempt other reorganization proposals, either from Members of this body, from the House of Representatives, or the administration itself. Indeed, the distinguished chairman of the House Permanent Select Committee on Intelligence, Mr. MCCURDY, is today introducing similar legislation today in the House of Representatives. While it differs in some respects from the bill I am introducing, it deals with most of the same issues. I see it as a welcome contribution to the debate, providing us with a number of additional ideas to consider in the course of our hearings on this subject.

The bill I am introducing today, Mr. President, represents a comprehensive restructuring of the U.S. intelligence community. It has several broad purposes.

The first and most important is to strengthen the management of the intelligence community at all levels. In the past, where there was a clear target for most intelligence collection and analysis, and in an era of rising resources, the need for effective, streamlined management was less critical. Now we need to get the most out of shrinking resources, concentrating them where we need them. We also need better integration of national and tactical intelligence activities. We can no longer afford to manage these areas independent of one another.

A second purpose is to make existing institutions work more effectively. We need to create a structure that elevates and institutionalizes the analytical function. We need a structure that attracts the brightest and the best and ensures they have a part in the policy process.

A third purpose is to clarify by law the responsibilities of agencies within the intelligence community and to create new management structures where they are needed. In some cases, notably, with respect to the Defense Intelligence Agency, the lack of clear statutory authority has impeded the ability of intelligence agencies to get the job done. In areas such as imagery, the lack of unified management structure has led to duplication, lack of uniformity, and less than an optimum use of resources.

A fourth purpose is to institutionalize certain relationships within the intelligence community. I am particularly concerned that the organizational links between the intelligence community and the White House be stronger. While I share the view that the head of the intelligence community should not be a policy advocate, the intelligence community must be a player in the policy debates at the White House—not simply within the National Security Council apparatus, but also in support of other offices within the Executive Office of the President which have responsibilities with international implications. And while the intelligence community is not in the business of making policy, it cannot be isolated from the policy community it was established to serve.

A fifth purpose is to improve the congressional oversight of these activities. This bill would provide for the confirmation of additional key officials within the intelligence community, and would give the two intelligence committees similar ability to oversee both national and tactical intelligence activities.

Again, Mr. President, I do not pretend that this bill has all the answers. Nor do I pretend that it is free of problems. Few would accept it as written. But I think it poses the issues involved reasonably well and is a credible beginning point for discussion.

Let me now highlight the key features of this proposal, starting with proposals for change at the top.

The bill would create a new director of national intelligence to coordinate U.S. intelligence activities, to serve as the President's principal intelligence adviser, and to provide operational supervision of the Central Intelligence Agency.

The bill would make the Director of National Intelligence a nonvoting participant in the National Security Council. Existing law does not provide any such role for the DCI.

The bill would also create as a committee of the National Security Council a Committee on Foreign Intelligence, chaired by the President's National Security Adviser, with membership composed of the DNI, the Secretaries of State, Defense, and Commerce, and such other officials as the President may designate. It would be the responsibility of this NSC Committee to set the overall course for the intelligence community; to ensure that the overall goals, policies, and resource decisions of a particular administration are translated into goals, priorities, and resource allocations for the intelligence community; and to assess, on behalf of the President, how the intelligence community performs. Although there have been such mechanisms attempted in previous administrations, none is provided for in existing law, and none exists today. I believe it is essential that this type of mechanism exist, otherwise the intelligence community may find itself on its own, out of touch with what it is particular administrations expect of it.

The bill would restate the existing duties and authorities of the Director of Central Intelligence, and transfer them to the new Director of National Intelligence. It also calls for the appointment of two new Deputy Directors, confirmed by the Senate, to assist the Director in carrying out these responsibilities.

The bill would create two Deputy Directors of National Intelligence to assist the DNI in carrying out both of his coordinating roles. Thus, the bill provides for a Deputy Director for Estimates and Analysis, to carry out the DNI's responsibilities to provide intelligence to the President and other senior officials of the Government; and a Deputy Director of National Intelligence for the intelligence community, to carry out the DNI's community coordination role.

The bill goes on to elaborate the Director's responsibilities in each of these areas. While generally these provisions reflect the DCI's existing responsibilities as assigned by Executive order, there are important differences to be noted. The bill also expressly provides for a number of mechanisms under the two Deputy Directors to address particular areas of responsibility.

The Deputy DNI for estimates and analysis, for example, is given responsibility for producing estimates, current intelligence, and other national level analysis. Provision is made for analysts from CIA and other agencies in the intelligence community to be transferred to this office. Indeed, it is contemplated that most analysts currently assigned to the CIA's Directorate for Intelligence would be shifted to the new Deputy DNI, leaving a much reduced analytical capability to support the operations of the CIA itself. This arrangement may also make similar reductions possible in the analytical components of other agencies.

The DNI's responsibilities for the intelligence community itself remain similar to those under the existing executive order, but with a few significant additions. For example, the bill would make the DNI expressly responsible for approving the acquisition of overhead reconnaissance systems to support both signals intelligence and imagery collection. The bill would also require the DNI to establish an independent office to evaluate the performance of the intelligence community, as well as require him to establish a permanent office to provide warning to policymakers and support in crises. Under this bill, the existing intelligence community staff would be formally abolished and its functions assumed by the new deputy or otherwise be apportioned pursuant to the bill.

The bill also provides for the appointment of a separate Director for the Central Intelligence Agency, who will report directly to the DNI, and be subject to his supervision and operational control. While this would create a measure of separation for CIA from the DNI himself, it would leave the DNI with direct responsibility for agency operations.

The bill also contemplates new functions for the CIA. For the first time, CIA would be made responsible for coordinating all intelligence collection by human agents, both overt and clandestine, to ensure that all U.S. requirements for this type of collection are being satisfied in the most efficacious, risk-free manner. No agency performs this function under existing operational arrangements. This is not intended to mean that the CIA will take over the humint operations of other agencies. We are talking here only of making the overall system more effective.

The bill also would considerably enhance the DNI's authorities with respect to the intelligence community, particularly in terms of giving him authority to make overall policy and resource decisions, and to shift personnel and resources to deal with crises.

Under the bill, the National Foreign Intelligence Program would become a separate line item in the President's budget, rather than being a part of the Defense Department budget. It would be appropriated to the DNI, who would allocate funds to recipients within the intelligence community, rather than having these funds come through the Department of Defense or be appropriated to other departments or agencies within the intelligence community.

The bill also provides for streamlining and strengthening the organizational arrangements for intelligence within the Department of Defense. It calls for the designation of an Assistant Secretary of Defense for Intelligence, consolidating the functions currently carried out by five separate offices within the office of the Secretary of Defense. It also would clarify the role of the Secretary of Defense vis-a-vis the DCI, and provide for DOD management of a new tactical intelligence program, consolidating, for purposes of policy and resource management, the tactical intelligence activities of the military departments. This is key, I believe, to getting control of tactical intelligence activities and making them consistent and complementary of national intelligence activities.

The bill would also provide statutory authority for several intelligence components within DOD.

The National Security Agency, created by order of President Truman in 1952, would be established pursuant to law. Its functions would be similar to those under existing arrangements, with the exception that it would have sole responsibility within the intelligence community, subject to the approval of the DNI, for the procurement and operation of overhead reconnaissance systems to support signals intelligence collection. Under existing arrangements, this function is performed by a separate office within the intelligence community.

There would be a new defense agency created under the bill, called the National Imagery Agency. The bill contemplates the new agency performing for imagery collection and analysis, a role similar to that which NSA plays for signals intelligence. While it is not contemplated that the new agency will itself carry out all such activities, it would be responsible for coordinating and synchronizing such activities in satisfaction of the requirements of the Government as a whole for imagery collection. It, too, would have sole responsibility within the intelligence community, subject to the approval of the DNI, for the procurement and operation of overhead reconnaissance systems to support imagery collection. The bill leaves it to the DCI and Secretary of Defense jointly to determine precisely which elements of the Intelligence community will be transferred to the new agency.

The Defense Intelligence Agency is also given a statutory charter by the bill. While its principal responsibilities under the bill are similar to its existing responsibilities, the bill gives DIA new authorities to carry out these functions within DOD and the intelligence community.

The bill also mandates that the military departments themselves continue to maintain sufficient collection and analytical capabilities to satisfy national and departmental requirements. It is abundantly clear that the intelligence community depends heavily upon the military services to carry out its mission. Indeed, it could not be done without them. Thus, in streamlining and enhancing the authorities of the management structure above the military departments, it is absolutely essential that each of them continue to provide sufficient manpower and resources to the intelligence business, not only to satisfy their own service-unique requirements, but those of the entire government.

Finally, Mr. President, the bill would amend the Senate Resolution establishing the Select Committee on Intelligence to give it jurisdiction over tactical intelligence activities. Our House counterpart committee has had this jurisdiction since its inception while the Senate Intelligence Committee has not. As a practical matter, it is simply impossible for us to carry out our responsibilities for national intelligence programs without considering how tactical intelligence programs interact with and complement national programs. I think it is time that the jurisdictions of the two intelligence committees be made consistent on this point.

In conclusion, I recognize that this bill deals with an area where there is necessarily little public awareness. There is relatively little appreciation of the existing framework for intelligence activities among the American people, much less an appreciation of where the problem areas are, and which solutions should be adopted to fix them. And yet we have to legislate in public and can do so only if we are able to achieve a consensus within the two Houses of Congress and with the administration.

This bill is an attempt to provide a focus for this public debate. It is a starting point for discussion. It raises a number of serious, complicated issues; indeed, some are far more complicated than my statement today suggests. I recognize that. There will be opportunities in the months ahead to discuss them in the depth, and with the seriousness they deserve. We are not going to act precipitously, and we are going to keep an open mind.

Before I yield the floor, Mr. President, I ask unanimous consent that the text of the bill and a section-by-section explanation of the bill's provisions be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2198

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Intelligence Reorganization Act of 1992".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.

TITLE I—THE NATIONAL SECURITY COUNCIL

Sec. 101. Participation of the Director of National Intelligence in the National Security Council.
Sec. 102. Establishment of a Committee on Foreign Intelligence.

TITLE II—THE DIRECTOR OF NATIONAL INTELLIGENCE

Sec. 201. Appointment of Director and Deputy Directors of National Intelligence.
Sec. 202. Responsibilities and authorities of the Director of National Intelligence.
Sec. 203. Submission of a separate budget for the National Foreign Intelligence Program.

TITLE III—THE INTELLIGENCE ACTIVITIES OF THE DEPARTMENT OF DEFENSE

Subtitle A—Office of the Secretary of Defense

Sec. 301. Assistant Secretary of Defense for Intelligence.
Sec. 302. Responsibilities of the Secretary of Defense pertaining to the National Foreign Intelligence Program.
Sec. 303. Resource management for Defense intelligence programs.

Subtitle B—The National Security Agency

Sec. 311. Establishment of National Security Agency.

Subtitle C—The National Imagery Agency

Sec. 321. Establishment of National Imagery Agency.

Subtitle D—The Defense Intelligence Agency

Sec. 331. Establishment of the Defense Intelligence Agency.
Sec. 332. Responsibilities of the Agency.
Sec. 333. Authorities of the Director, Defense Intelligence Agency.

Subtitle E—The Military Departments

Sec. 341. Intelligence capabilities of the military departments.

TITLE IV—CONGRESSIONAL OVERSIGHT

Sec. 401. Inclusion of tactical military intelligence activities within jurisdiction of Select Committee on Intelligence.

TITLE V—TRANSFER OF FUNCTIONS AND SAVINGS PROVISIONS

Sec. 501. Definitions.
Sec. 502. Transfer of functions.
Sec. 503. Determinations of certain functions by the Office of Management and Budget.
Sec. 504. Personnel provisions.
Sec. 505. Delegation and assignment.
Sec. 506. Reorganization.
Sec. 507. Rules.
Sec. 508. Transfer and allocations of appropriations and personnel.
Sec. 509. Incidental transfers.
Sec. 510. Effect on personnel.
Sec. 511. Savings provisions.
Sec. 512. Separability.
Sec. 513. Transition.
Sec. 514. References.

TITLE VI—EFFECTIVE DATE

Sec. 601. Effective date.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) The principal threat to the United States which prompted the Congress to establish a permanent, peacetime intelligence capability at the end of World War II, namely the threat posed to the United States and its allies by the hostile actions of the Soviet Union and other Communist States, has now considerably diminished.

(2) At the same time it is clear that the United States must maintain an intelligence

capability, in its own national interests, to collect and analyze information concerning world events which may threaten its security, to be in a position to anticipate and respond to such events in an effective and timely manner.

(3) The existing framework for the conduct of United States intelligence activities, established by the National Security Act of 1947, has evolved largely without changes to the original statutory framework, but rather as a matter of Executive order or directive. In large part, this evolution has been prompted by advances in technology or by ad hoc developments in mission and circumstance, rather than reflecting an overall scheme, design, or purpose.

(4) While the Director of Central Intelligence has had an overall, coordinating role for United States intelligence activities, under existing law and by Executive order, in fact, the Director has lacked sufficient authorities to exercise this responsibility effectively, leaving control largely decentralized within elements of the Intelligence Community. Similarly, the Secretary of Defense has historically played a relatively weak role in coordinating intelligence activities within the Department of Defense.

(5) While a decentralized management system may have served United States interests during a period of rising resources, and where the principal targets for United States intelligence gathering and analysis were clear, the need of strengthened centralized management is greater in a period of declining resources and where United States interests around the world are less clear.

(6) It is also apparent that while, on balance, the Intelligence Community has well served United States security interests over the four decades of its existence, it has not, for various reasons, performed as well as it might. Civilian and military intelligence are not well integrated; unwarranted duplication remains a problem; and intelligence remains too isolated from the governmental process it was created to serve.

(b) PURPOSES.—The purposes of this Act are—

(1) to provide a framework for the improved management of United States intelligence activities at all levels and within all intelligence disciplines;

(2) to provide an institutional structure that will better ensure that the Intelligence Community serves the needs of the Government as a whole in an effective and timely manner;

(3) to clarify by law the responsibilities of United States intelligence agencies; and

(4) to improve the congressional oversight of intelligence activities.

SEC. 3. DEFINITIONS.

The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by inserting after section 2 the following new section:

"SEC. 3. DEFINITIONS.

"As used in this Act—

"(1) the term 'commissioned officer of the Armed Forces' does not include a commissioned warrant officer;

"(2) the term 'Intelligence Community' includes—

"(A) the Office of the Director of National Intelligence, the Office of the Deputy Director of National Intelligence for the Intelligence Community, and the Office of the Deputy Director of National Intelligence for Estimates and Analysis (as established under section 102);

"(B) the Central Intelligence Agency (as established by section 102 of this Act);

"(C) the National Security Agency (as established by section 208 of this Act);

"(D) the Defense Intelligence Agency;

"(E) the National Imagery Agency (as established by section 209 of this Act);

"(F) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

"(G) the intelligence elements of the Army, the Navy, the Air Force, the Marine Corps, the Federal Bureau of Investigation, the Department of the Treasury, the Department of Energy and the Drug Enforcement Administration; and

"(H) the Bureau of Intelligence and Research of the Department of State;

"(3) the term 'intelligence' means information relating to the capabilities, intentions, or activities of foreign powers, organizations, or persons;

"(4) the terms 'national intelligence' and 'intelligence related to the national security'—

"(A) each refer to intelligence which pertains to the interests of the Government generally, rather than to the interests of a single department or agency of Government, or to a component of such department or agency; and

"(B) do not refer to intelligence necessary to plan or conduct tactical military operations by United States armed forces; and

"(5) the term 'National Foreign Intelligence Program' refers to all programs, projects, and activities of the Intelligence Community which are intended to produce national intelligence; and

"(6) the term 'overhead reconnaissance systems' includes satellite and airborne reconnaissance systems.".

TITLE I—THE NATIONAL SECURITY COUNCIL

SEC. 101. PARTICIPATION OF THE DIRECTOR OF NATIONAL INTELLIGENCE IN THE NATIONAL SECURITY COUNCIL.

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended by adding at the end thereof the following new subsection:

"(h) The Director of National Intelligence (or, in his absence, a Deputy Director of National Intelligence) may, in his role as principal intelligence adviser to the National Security Council and subject to the direction of the President, attend and participate in meetings of the National Security Council. The Director (or, in his absence, the Deputy Director) shall not be entitled to vote on any policy matter before the National Security Council.".

SEC. 102. ESTABLISHMENT OF A COMMITTEE ON FOREIGN INTELLIGENCE.

Section 101 of the National Security Act of 1947 (50 U.S.C. 402), as amended by section 101 of this Act, is further amended by adding at the end thereof the following new subsection:

"(i)(1)(A) There is established within the National Security Council the Committee on Foreign Intelligence (hereafter in this subsection referred to as the 'Committee') which shall be composed of the Director of National Intelligence, the Secretary of State, the Secretary of Defense, the Secretary of Commerce, or their respective deputies, the Assistant to the President for National Security Affairs, and such other members as the President may designate.

"(B) The Assistant to the President for National Security Affairs shall serve as chairman of the Committee.

"(2) The function of the Committee shall be to establish, consistent with the policy and objectives of the President, the overall requirements and priorities for the Intelligence Community and, regularly, to assess, on behalf of the President, how effectively the Intelligence Community has performed its responsibilities under this Act.".

TITLE II—THE DIRECTOR OF NATIONAL INTELLIGENCE

SEC. 201. APPOINTMENT OF DIRECTOR AND DEPUTY DIRECTORS OF NATIONAL INTELLIGENCE.

(a) IN GENERAL.—Section 102(a) of the National Security Act of 1947 (50 U.S.C. 403(a)) is amended—

(1) by inserting "(1)" immediately after "(a)";

(2) in the first sentence—

(A) by striking "under the National Security Council"; and

(B) by striking "with a Director" and all that follows through "disability"; and

(3) by striking the second sentence and subsections (b) through (f) and inserting in lieu thereof the following:

"(2)(A) There shall be a Director of National Intelligence who shall be appointed by the President, by and with the advice and consent of the Senate—

"(i) who shall serve as head of the United States Intelligence Community and shall act as the principal intelligence adviser to the President; and

"(ii) who shall exercise authority, direction, and control over the Central Intelligence Agency.

"(B) The Director of National Intelligence shall be subject to the policy directives of the President and the National Security Council.

"(b) To assist the Director of National Intelligence in carrying out his responsibilities under this Act, there shall be—

"(1) a Deputy Director of National Intelligence for the Intelligence Community, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall carry out such duties as the Director may assign with respect to the administration of the United States Intelligence Community; and

"(2) a Deputy Director of National Intelligence for Estimates and Analysis, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall carry out such duties as the Director may assign with respect to his responsibilities as described in section 103(a).

"(c) At any one time, either the Director of National Intelligence or the Deputy Director of National Intelligence for the Intelligence Community, but not both, shall be drawn from among the commissioned officers of the Armed Forces, whether in an active or retired status. The Director of the Central Intelligence Agency and the Deputy Director of National Intelligence for Estimates and Analysis shall be individuals who are not such officers. An individual appointed from among the commissioned officers of the Armed Forces shall be a general or flag officer in the grade of General or Admiral, or shall be promoted into such grade upon appointment, or shall, if retired, have previously attained such grade.

"(d)(1) A commissioned officer of the Armed Forces appointed pursuant to subsection (c), while serving in such position—

"(A) shall not be subject to supervision or control by the Secretary of Defense or by any officer or employee of the Department of Defense;

"(B) shall not exercise, by reason of his or her status as a commissioned officer, any supervision or control with respect to any of the military or civilian personnel of the Department of Defense except as authorized by this title; and

"(C) shall not be counted against the numbers and percentages of commissioned officers of the rank and grade of such officer authorized for the military department of which he is a member.

"(2) Except as provided in subparagraph (A) or (B) of paragraph (1), the appointment of a commissioned officer of the Armed Forces pursuant to subsection (c) shall in no way affect the status, position, rank, or grade of such officer in the Armed Forces, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, position, rank, or grade.

"(3) Such commissioned officer of the Armed Forces appointed pursuant to subsection (c), while serving in such position, shall continue to receive military pay and allowances (including retired or retainer pay) payable to a commissioned officer of his grade and length of service for which the appropriate military department shall be reimbursed from funds available to the Director of National Intelligence. In addition to any pay or allowance payable under this subsection, such officer shall also receive, out of funds available to the Director of National Intelligence, annual compensation in an amount by which the annual rate of compensation payable for such position exceeds the total of his annual rate of military pay (including retired and retainer pay) and allowances.

"(e) The offices of the Deputy Directors of National Intelligence shall constitute a National Intelligence Center which shall be located in the same office building as that of the Director of National Intelligence.".

(b) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—(1) Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following new undesignated paragraph:

"Director of National Intelligence.".

(2) Section 5314 of such title is amended by adding at the end thereof the following new undesignated paragraphs:

"Director of the Central Intelligence Agency.

"Deputy Director of National Intelligence for the Intelligence Community.

"Deputy Director of National Intelligence for Estimates and Analysis.".

SEC. 202. RESPONSIBILITIES AND AUTHORITIES OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

(a) IN GENERAL.—The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended—

(1) by redesignating section 103 as section 106; and

(2) by striking section 102a and inserting in lieu thereof the following new sections:

"SEC. 103. RESPONSIBILITIES OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

"(a) PROVISION OF INTELLIGENCE.—Under the direction of the National Security Council, the Director of National Intelligence shall be responsible for providing timely, objective intelligence, independent of political considerations or bias and based upon all sources available to the United States Intelligence Community—

"(1) to the President; and

"(2) where appropriate—

"(A) to the heads of departments and agencies of the executive branch;

"(B) to the Chairman of the Joint Chiefs of Staff and senior military commanders; and

"(C) to the Senate and House of Representatives and the appropriate committees thereof.

"(b) ESTABLISHMENT OF COUNCIL AND OFFICE.—(1)(A) There is established the National Intelligence Council (hereafter in this section referred to as the 'Council'), composed of senior analysts within the Intelligence Community, who shall be appointed by, and serve at the pleasure of, the Director of National Intelligence.

"(B) The Council shall be responsible for—

"(i) the production of national intelligence estimates for the Government, which shall, among other things, convey, as appropriate, alternative views held by elements of the Intelligence Community; and

"(ii) otherwise assisting the Director in carrying out the responsibilities described in subsection (a).

"(C) Within their respective areas of expertise and under the direction of the Director, the members of the Council shall constitute the senior intelligence advisers of the Intelligence Community for purposes of representing the views of the Intelligence Community within the Government.

"(D) The Director shall make available to the Council such number of staff as may be necessary to permit the Council to carry out its responsibilities under this paragraph.

"(2) There is established under the Deputy Director of National Intelligence for Estimates and Analysis an Office of Intelligence Analysis that shall be headed by a director appointed by, and serving at the pleasure of, the Director of National Intelligence. The Office shall be composed of analysts assigned to agencies within the Intelligence Community and shall be responsible for preparing all current intelligence and other analysis that is intended to be disseminated within the Government as a whole.

"(c) AS HEAD OF THE INTELLIGENCE COMMUNITY.—In his capacity as head of the Intelligence Community, the Director shall, at a minimum, be responsible for—

"(1) developing and presenting to the President and the Congress an annual budget for the National Foreign Intelligence Program of the United States;

"(2) managing the collection capabilities of the Intelligence Community to ensure the satisfaction of national requirements;

"(3) promoting and evaluating the utility of national intelligence to consumers within the Government;

"(4) eliminating waste and unnecessary duplication within the Intelligence Community;

"(5) providing guidance, direction, and approval for the procurement and operation of overhead reconnaissance systems pursuant to sections 208 and 209 of this Act, to ensure appropriate compatibility and integration of such systems; and

"(6) protecting intelligence sources and methods from unauthorized disclosure.

"(d) ESTABLISHMENT OF OFFICE AND BOARD.—(1) There is established under the Deputy Director of National Intelligence for the Intelligence Community an Office for Warning and Crisis Support that shall be composed of full-time senior representatives of the Intelligence Community appointed by the Director of National Intelligence. The Office shall be headed by a director appointed by, and serving at the pleasure of, the Director of National Intelligence. The Office shall be responsible for—

"(A) identifying on a regular, continuing basis, using all available intelligence, any immediate threat to the national security of the United States, or any area or circumstance where United States intervention or involvement is, or may become, necessary or desirable;

"(B) providing to the President and other senior officials options pertaining to such intervention or involvement;

"(C) providing intelligence support during periods of crisis to the President and other senior officials, as appropriate; and

"(D) otherwise assisting the Director of National Intelligence in carrying out the responsibilities described in subsection (c).

"(2) The Director shall establish a board, under his control, composed of experienced current or former Government officials, without conflicting allegiances to particular elements of the Intelligence Community—

"(A) to provide a full-time capability to evaluate objectively the quality and timeliness of intelligence support provided the Government; and

"(B) otherwise to assist the Director of National Intelligence in carrying out the responsibilities described in subsection (c).

"SEC. 104. STRUCTURE OF THE CENTRAL INTELLIGENCE AGENCY.

"(a) APPOINTMENT OF DIRECTOR, CENTRAL INTELLIGENCE AGENCY.—There shall be a Director of the Central Intelligence Agency, who shall be appointed by the President, by and with the advice and consent of the Senate. Subject to the authority, direction, and control of the Director of National Intelligence, the Director shall be responsible for—

"(1) collecting intelligence through human sources and by other appropriate means, except that the Agency shall have no police, subpoena, or law enforcement powers, or internal security functions;

"(2) providing overall direction for the collection of intelligence through human sources by elements of the Intelligence Community to make the most effective use of resources and to minimize the risks to the United States and those involved in such collection, except that responsibility for carrying out such collection shall remain in the existing elements of the Intelligence Community which perform such functions;

"(3) performing such additional services of common concern to the Intelligence Community as the Director of National Intelligence determines can be more efficiently accomplished centrally; and

"(4) performing such other functions and duties related to intelligence affecting the national security as the President or the National Security Council may direct, including the carrying out of such covert actions as are authorized by the President under title V of this Act.

"(b) ESTABLISHMENT OF ASSISTANT DEPUTY DIRECTOR FOR OPERATIONS.—(1) There shall be within the Central Intelligence Agency an Assistant Deputy Director for Operations (Military Support), who shall be appointed by the Director of the Central Intelligence Agency, after consultation with the Chairman of the Joint Chiefs of Staff, from among the general or flag officers of the Armed Services and shall carry the grade of Major General or Rear Admiral.

"(2) The Assistant Deputy Director for Operations (Military Support) shall—

"(A) serve as the principal liaison of the Central Intelligence Agency with the Department of Defense to facilitate the collection of intelligence through the use of human sources; and

"(B) otherwise assist the Director of the Central Intelligence Agency with the responsibilities described in subsection (a)(2).

"SEC. 105. AUTHORITIES OF THE DIRECTOR OF NATIONAL INTELLIGENCE.

"(a) ACCESS TO INTELLIGENCE.—Each component of the Intelligence Community shall provide access to the Director of National Intelligence to any intelligence related to the national security collected by that component.

"(b) USE OF FUNDS.—The Director of National Intelligence shall be responsible for the allocation, obligation, and expenditure of funds within the National Foreign Intelligence Program budget for the purpose of achieving national objectives.

"(c) ROLE OF DNI IN REPROGRAMMING.—No funds made available under the National Foreign Intelligence Program may be reprogrammed by any component of the Intelligence Community without the prior approval of the Director of National Intelligence.

"(d) REPROGRAMMING PROCEDURES.—The Director of National Intelligence may reprogram funds within the National Foreign Intelligence Program in accordance with established reprogramming procedures in order to satisfy national requirements of a higher priority if prior notice is given to the head of the component of the Intelligence Community whose funds would be reprogrammed and a reasonable opportunity is provided for such head to appeal such action to the President.

"(e) USE OF RESERVE FOR CONTINGENCIES.—The Director of National Intelligence shall have authority to obligate or expend funds from the Reserve for Contingencies of the National Intelligence Agency for any intelligence or intelligence-related activity of the Intelligence Community in accordance with section 502 of this Act.

"(f) TEMPORARY REASSIGNMENT OF PERSONNEL.—Notwithstanding any other provisions of law, the Director of National Intelligence may temporarily reassign, for any period or periods totaling not more than 180 days, any individual assigned to a particular program within the National Foreign Intelligence Program to any other program within the National Foreign Intelligence Program in order to satisfy national requirements of a higher priority if, before such reassignment, the Director of National Intelligence—

"(1) notifies the head of the component of the Intelligence Community to which the individual is currently assigned;

"(2) provides a reasonable opportunity for such head to appeal such action to the President; and

"(3) notifies the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate of the proposed reassignment.

"(g) INTELLIGENCE PRIORITIES.—Under the direction of the National Security Council, the Director of National Intelligence is authorized to direct the use of any collection capability within the Intelligence Community in order to satisfy a priority intelligence requirement of the United States.

"(h) COORDINATION WITH FOREIGN GOVERNMENTS.—Under the direction of the National Security Council, the Director of National Intelligence shall coordinate the relationships between elements of the Intelligence Community and the intelligence or security services of foreign governments.

"(i) PREPARATION OF NATIONAL INTELLIGENCE ANALYSES.—The Director of National Intelligence may direct the preparation of intelligence analyses to satisfy national requirements by any element or elements of the Intelligence Community after appropriate consultation with the head or heads of the department or agency concerned.

"(j) USE OF PERSONNEL.—The Director of National Intelligence shall institute policies and programs within the Intelligence Community to provide for the rotation of personnel between components of the Intelligence Community, and to consolidate, wherever possible, personnel, administrative, and security programs to reduce the overall costs of these activities within the Intelligence Community.".

(b) AMENDMENTS TO EXISTING LAW.—(1) Section 1(b) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a(b)) is amended by striking "Director of Central Intelligence" and inserting "Director of the Central Intelligence Agency".

(2) Section 111(2) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended by striking "Director of Central Intelligence" and inserting "Director of the Central Intelligence Agency".

(3) Any reference in any provision of law before the date of enactment of this Act to the Director of Central Intelligence with respect to his duties as head of the Central Intelligence Agency shall, on and after such date, be deemed to refer to the Director of the Central Intelligence Agency.

(c) AMENDMENTS TO THE TABLE OF CONTENTS.—The table of contents of the National Security Act of 1947 is amended by striking out the items relating to sections 102a and 103 and inserting in lieu thereof the following new items:

"Sec. 103. Responsibilities of the Director of National Intelligence.
"Sec. 104. Structure of the Central Intelligence Agency.
"Sec. 105. Authorities of the Director of National Intelligence.
"Sec. 106. National Security Resources Board.".

SEC. 203. SUBMISSION OF A SEPARATE BUDGET FOR THE NATIONAL FOREIGN INTELLIGENCE PROGRAM.

(a) SUBMISSION OF BUDGET REQUESTS.—Beginning with fiscal year 1994, and for each fiscal year thereafter, the President shall include in any budget request for that fiscal year submitted to the Congress an aggregate amount for the National Foreign Intelligence Program.

(b) ROLE OF THE DIRECTOR OF NATIONAL INTELLIGENCE.—Any amount authorized to be appropriated, or appropriated, for the National Foreign Intelligence Program shall be considered to be authorized to be appropriated, or appropriated, as the case may be, to the Director of National Intelligence, who shall obligate, expend, and allocate such funds within the Intelligence Community in accordance with the appropriate authorization or appropriation Act.

TITLE III—THE INTELLIGENCE ACTIVITIES OF THE DEPARTMENT OF DEFENSE

Subtitle A—Office of the Secretary of Defense

SEC. 301. ASSISTANT SECRETARY OF DEFENSE FOR INTELLIGENCE.

(a) IN GENERAL.—Section 136(b)(3) of title 10, United States Code, is amended to read as follows:

"(3)(A) One of the Assistant Secretaries shall be Assistant Secretary of Defense for Intelligence, who shall—

"(i) have responsibility for the development of policy, resource allocation, and oversight for all intelligence and intelligence-related activities of the Department of Defense;

"(ii) ensure that the Secretary of Defense and his staff receive appropriate and timely intelligence support from the Intelligence Community; and

"(iii) have principal responsibility for integrating the tactical intelligence programs of the Department of Defense with the National Foreign Intelligence Program, as defined in section 3 of the National Security Act of 1947.

"(B) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Command, Control, and Communications, who shall have as his principal duty the overall supervision of command, control, and communications affairs of the Department of Defense.".

(b) DEFINITION.—Section 101 of such title is amended by adding at the end the following new paragraph:

"(48) The term 'Intelligence Community' has the meaning given such term in section 3 of the National Security Act of 1947.".

(c) CONFORMING AMENDMENT.—Section 921(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 is amended by striking out "section 136(b)(3)" and inserting in lieu thereof "section 136(b)(3)(A)".

SEC. 302. RESPONSIBILITIES OF THE SECRETARY OF DEFENSE PERTAINING TO THE NATIONAL FOREIGN INTELLIGENCE PROGRAM.

The Secretary of Defense shall be responsible for—

(1) ensuring the implementation of the policies and resource decisions of the Director of National Intelligence by elements of the Department of Defense within the National Foreign Intelligence Program; and

(2) ensuring that the tactical intelligence activities of the Department of Defense complement and are compatible with intelligence activities funded within the National Foreign Intelligence Program.

SEC. 303. RESOURCE MANAGEMENT FOR DEFENSE INTELLIGENCE PROGRAMS.

(a) BUDGET SUBMISSIONS REGARDING TACTICAL INTELLIGENCE MATTERS.—As part of the budget submission made to the Congress for fiscal year 1994, and for each fiscal year thereafter, the Secretary of Defense, in consultation with the Director of National Intelligence, shall identify to the Select Committee on Intelligence of the Senate, the Permanent Select Committee on Intelligence of the House of Representatives, and the Committees on Armed Services of the Senate and House of Representatives those intelligence activities of the Department of Defense currently listed as the Tactical Intelligence and Related Activities (TIARA) which—

(1) produce positive intelligence in peacetime;

(2) interface or interoperate directly with national intelligence systems; or

(3) satisfy the intelligence requirements of Department of Defense elements generally rather than the requirements of a single element.

(b) TACTICAL INTELLIGENCE PROGRAM.—Beginning with fiscal year 1995, and each fiscal year thereafter, the intelligence activities of the Department of Defense which were identified by the Secretary of Defense pursuant to subsection (a), shall be funded as elements of a Tactical Intelligence Program within the budget of the Department of Defense, and shall be managed as a separate program by the Secretary of Defense. Elements of existing Tactical Intelligence and Related Activities (TIARA) not identified by the Secretary under subsection (a) as intelligence activities shall be designated for program management under existing arrangements within the Department of Defense.

Subtitle B—The National Security Agency

SEC. 311. ESTABLISHMENT OF NATIONAL SECURITY AGENCY.

(a) IN GENERAL.—Title II of the National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 208. ESTABLISHMENT OF NATIONAL SECURITY AGENCY.

"(a) ESTABLISHMENT.—There is established within the Department of Defense a National Security Agency which shall be headed by a Director. The Director shall be appointed by the Secretary of Defense, after consultation with the Director of National Intelligence, from among the active component commissioned officers of the Armed Forces. The term of appointment is four years. The position of the Director shall be a position of importance and responsibility carrying the grade of lieutenant general or admiral. During the period of service as Director, a commissioned officer shall not be counted against the number and percentage of commissioned officers of the grade of such officer authorized for the Director's armed force.

"(b) RESPONSIBILITIES.—The Agency, under the direction of the Secretary of Defense, shall—

"(1) establish and operate, subject to the authorities and guidance of the Director of National Intelligence, an effective unified organization within the Intelligence Community for the conduct of signals intelligence activities and shall ensure that the product of such activities is disseminated in a timely manner to authorized recipients within the Government;

"(2) subject to the authorities and guidance of the Director of National Intelligence, serve as the sole agent within the Intelligence Community for the procurement and operation of such overhead reconnaissance systems as may be required to satisfy the signals intelligence collection requirements of the Intelligence Community; and

"(3) provide for the communications security needs of the Government.".

(b) TABLE OF CONTENTS.—The item relating to section 208 in the table of contents of such Act is amended to read as follows:

"Sec. 208. Establishment of National Security Agency.".

Subtitle C—The National Imagery Agency

SEC. 321. ESTABLISHMENT OF NATIONAL IMAGERY AGENCY.

(a) IN GENERAL.—Title II of the National Security Act of 1947, as amended by section 311, is further amended by adding at the end thereof the following new section:

"SEC. 209. ESTABLISHMENT OF NATIONAL IMAGERY AGENCY.

"(a) ESTABLISHMENT.—There is established within the Department of Defense a National Imagery Agency which shall be headed by a Director appointed by the Secretary of Defense, after consultation with the Director of National Intelligence.

"(b) RESPONSIBILITIES.—Subject to the authorities and guidance of the Director of National Intelligence, the Agency shall—

"(1) establish and operate an effective unified organization within the Intelligence Community for the tasking of imagery collectors, for the exploitation and analysis of the results of such collection, and for the dissemination of the product of such collection in a timely manner to authorized recipients within the Government; and

"(2) serve as the sole agent within the Intelligence Community for the procurement and operation of such overhead reconnaissance systems as may be required to satisfy the imagery collection requirements of the Intelligence Community.

"(c) DEFINITION.—As used in this section, the term 'imagery' refers to the results of photographic reconnaissance undertaken from any type of collection platform.".

(b) TABLE OF CONTENTS.—The item relating to section 209 in the table of contents of such Act is amended to read as follows:

"Sec. 209. Establishment of National Imagery Agency.".

Subtitle D—The Defense Intelligence Agency

SEC. 331. ESTABLISHMENT OF THE DEFENSE INTELLIGENCE AGENCY.

(a) ESTABLISHMENT.—There is established within the Department of Defense a Defense Intelligence Agency which shall be headed by a Director.

(b) DIRECTOR.—The Director shall be appointed by the Secretary of Defense, after consultation with the Director of National Intelligence, from among the active component commissioned officers of the Armed Forces. The term of appointment is four years. The position of the Director shall be a position of importance and responsibility carrying the grade of lieutenant general or admiral. During the period of service as Director, a commissioned officer shall not be counted against the number and percentage of commissioned officers of the grade of such officer authorized for the Director's armed force.

SEC. 332. RESPONSIBILITIES OF THE AGENCY.

(a) IN GENERAL.—Subject to the direction of the Secretary of Defense, the Defense Intelligence Agency shall—

(1) produce timely, objective military and military-related intelligence, independent of political considerations or bias and based upon all sources available to the United States Intelligence Community, and disseminate such intelligence—

(A) to the Secretary of Defense;

(B) to the Joint Chiefs of Staff and senior military commanders, as appropriate;

(C) to other elements of the Department of Defense, as appropriate; and

(D) to other agencies and elements of the Federal Government, as appropriate;

(2) coordinate the production of all military and military-related intelligence by intelligence elements of the Department of Defense to ensure adequacy and objectivity and to avoid unnecessary duplication;

(3) manage the Defense Attache system;

(4) validate, in accordance with applicable guidance, the intelligence collection requirements of intelligence elements within the Department of Defense; and

(5) perform such additional services of common concern to the intelligence elements of the Department of Defense as the Secretary of Defense determines can be more efficiently accomplished centrally.

(b) EFFECTIVE DATE.—This section shall take effect upon the expiration of the period described in section 921(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1452, 10 U.S.C. 201 note).

SEC. 333. AUTHORITIES OF THE DIRECTOR, DEFENSE INTELLIGENCE AGENCY.

To carry out the responsibilities set forth in section 332, the Director of the Defense Intelligence Agency—

(1) shall have access to all intelligence collected by any intelligence element of the Department of Defense, or any component of the Intelligence Community, which bears upon a matter within his area of responsibility;

(2) may evaluate any military and military-related intelligence produced by any component of the Department of Defense for use or dissemination outside the component concerned, to ensure its accuracy, completeness, objectivity, or timeliness;

(3) in order to avoid unnecessary duplication, may evaluate the production of military and military-related intelligence by intelligence elements of the Department of Defense, or within an element of the Department of Defense, and may direct the consolidation or elimination of existing capabilities, or direct that the requirements of a particular element or elements be satisfied by alternative means, except that independent intelligence production capabilities shall be maintained, as required by each of the military departments, pursuant to section 425 of title 10, United States Code; and

(4) shall require the military departments to assign qualified active duty officers of the Armed Forces to the Defense Attache System.

Subtitle E—The Military Departments

SEC. 341. INTELLIGENCE CAPABILITIES OF THE MILITARY DEPARTMENTS.

(a) MAINTENANCE AND CONSOLIDATION.—Chapter 21 of title 10, United States Code, is amended by inserting at the end of subchapter I the following new section:

"§ 425. Intelligence capabilities of the military departments

"(a) REQUIREMENT FOR MAINTENANCE OF CAPABILITIES.—Under the direction of the Secretary of Defense, the Secretaries of the military departments shall maintain sufficient capabilities to collect and produce intelligence in satisfaction of—

"(1) any requirements of the Director of National Intelligence;

"(2) the requirements of the Secretary of Defense or the Chairman of the Joint Chiefs of Staff; and

"(3) the requirements of the military department concerned, including the provision of intelligence support to—

"(A) military planners;

"(B) tactical commanders;

"(C) the process for the acquisition of military equipment;

"(D) training and doctrine; and

"(E) the research and development process.

"(b) LEVEL AND FORM OF CAPABILITIES TO BE MAINTAINED.—The Secretaries of the military departments shall ensure that the capabilities maintained pursuant to subsection (a) do not exceed that which is necessary to satisfy the requirements of their respective departments. To the extent feasible, the Secretaries shall provide for such capabilities to be maintained jointly and in the most efficient and cost-effective form.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of such chapter is amended by inserting after the item relating to section 424 the following new item:

"425. Intelligence capabilities of the military departments.".

TITLE IV—CONGRESSIONAL OVERSIGHT

SEC. 401. INCLUSION OF TACTICAL MILITARY INTELLIGENCE ACTIVITIES WITHIN JURISDICTION OF SELECT COMMITTEE ON INTELLIGENCE.

(a) AMENDMENT TO S. RES. 400 (94th CONGRESS).—Section 14(a) of Senate Resolution 400 (94th Congress) is amended by striking the last sentence in its entirety.

(b) EFFECTIVE DATE.—This section shall take effect October 1, 1993.

TITLE V—TRANSFER OF FUNCTIONS AND SAVINGS PROVISIONS

SEC. 501. DEFINITIONS.

For purposes of this title, unless otherwise provided or indicated by the context—

(1) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(2) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program;

(3) the term "transferee agency" means the National Security Agency established under section 208 of the National Security Act of 1947, the National Imagery Agency established under section 209 of that Act, or the Defense Intelligence Agency established under section 331, whenever the transferor agency is an agency by the same name; and

(4) the term "transferor agency", with respect to a transferee agency by the same name, means the Defense Intelligence Agency established pursuant to Department of Defense Directive 5105.21 (effective October 1, 1961, the National Security Agency established pursuant to classified Presidential directive of October 24, 1952, or any component of the Intelligence Community which may be performing functions described in section 209 of the National Security Act of 1947, as jointly determined by the Director of National Intelligence and the Secretary of Defense.

SEC. 502. TRANSFER OF FUNCTIONS.

There are transferred to the transferee agency all functions which the head of the transferor agency exercised before the date of the enactment of this title (including all related functions of any officer or employee of the transferor agency).

SEC. 503. DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.

If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under section 502.

SEC. 504. PERSONNEL PROVISIONS.

(a) APPOINTMENTS.—The head of the transferee agency may appoint and fix the compensation of such officers and employees as may be necessary to carry out the respective functions transferred under this title. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(b) EXPERTS AND CONSULTANTS.—The head of the transferee agency may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including traveltime) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The head of the transferee agency may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

SEC. 505. DELEGATION AND ASSIGNMENT.

Except where otherwise expressly prohibited by law or otherwise provided by this title, the head of the transferee agency may delegate any of the functions transferred to the head of the transferee agency by this title and any function transferred or granted to such head of the transferee agency after the effective date of this title to such officers and employees of the transferee agency as the head of the transferee agency may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the head of the transferee agency under this section or under any other provision of this title shall relieve such head of the transferee agency of responsibility for the administration of such functions.

SEC. 506. REORGANIZATION.

The head of the transferee agency is authorized to allocate or reallocate any function transferred under section 502 among the officers of the transferee agency, and to establish, consolidate, alter, or discontinue such organizational entities in the transferee agency as may be necessary or appropriate.

SEC. 507. RULES.

The head of the transferee agency is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the head of the transferee agency determines necessary or appropriate to administer and manage the functions of the transferee agency.

SEC. 508. TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.

Except as otherwise provided in this title, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this title, subject to section 1531 of title 31, United States Code, shall be transferred to the transferee agency. Unexpended funds transferred pursuant to this section shall be used only for the purposes for which the funds were originally authorized and appropriated.

SEC. 509. INCIDENTAL TRANSFERS.

The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the functions transferred by this title, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this title. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this title and for such further measures and dispositions as may be necessary to effectuate the purposes of this title.

SEC. 510. EFFECT ON PERSONNEL.

(a) IN GENERAL.—Except as otherwise provided by this title, the transfer pursuant to this title of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer of such employee under this title.

(b) EXECUTIVE SCHEDULE POSITIONS.—Except as otherwise provided in this title, any person who, on the day preceding the effective date of this title, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the transferee agency to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

SEC. 511. SAVINGS PROVISIONS.

(a) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this title, and

(2) which are in effect at the time this title takes effect, or were final before the effective date of this title and are to become effective on or after the effective date of this title, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the head of the transferee agency or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PROCEEDINGS NOT AFFECTED.—The provisions of this title shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the transferor agency at the time this title takes effect, with respect to functions transferred by this title but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

(c) SUITS NOT AFFECTED.—The provisions of this title shall not affect suits commenced before the effective date of this title, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this title had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the transferor agency, or by or against any individual in the official capacity of such individual as an officer of the transferor agency, shall abate by reason of the enactment of this title.

(e) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the transferor agency relating to a function transferred under this title may be continued by the transferee agency with the same effect as if this title had not been enacted.

SEC. 512. SEPARABILITY.

If a provision of this title or its application to any person or circumstance is held invalid, neither the remainder of this title nor the application of the provision to other persons or circumstances shall be affected.

SEC. 513. TRANSITION.

The head of the transferee agency is authorized to utilize—

(1) the services of such officers, employees, and other personnel of the transferor agency with respect to functions transferred to the transferee agency by this title; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this title.

SEC. 514. REFERENCES.

Any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the head of the transferor agency with regard to functions transferred under section 502, shall be deemed to refer to the head of the transferee agency; or

(2) the transferor agency with regard to functions transferred under section 502, shall be deemed to refer to the transferee agency.

TITLE VI—EFFECTIVE DATE

SEC. 601. EFFECTIVE DATE.

Except for sections 332 and 401, this Act, and the amendments made by this Act, shall take effect 180 days after its date of enactment.

EXPLANATORY STATEMENT—INTELLIGENCE REORGANIZATION ACT OF 1992

RATIONALE FOR THE BILL, GENERALLY

The primary purpose of the Intelligence Reorganization Act of 1992 is to strengthen the management of the Intelligence Community at all levels. A strengthened management structure, in turn, should result in a more focused and effective use of personnel and resources, in better integration of civilian and military intelligence activities, in less waste and duplication, and with better service to the Government consumer.

The U.S. Intelligence Community had its beginnings in the National Security Act of 1947, which established this country's security arrangements in the aftermath of the Second World War. That statute provided for an intelligence structure that cut across department and agency lines, to marshal the resources of the entire Government for the achievement of a common objective. Placed at the head of this structure was a Director of Central Intelligence, but his statutory responsibilities was left purposely vague and his authorities over the Intelligence Community left very limited.

It was clear, however, that the DCI was created to provide the President with assessments based upon all intelligence available to the Government and that he could be independent of the policy process within a particular Administration. Yet the statute did not itself institutionalize the relationship between the DCI and the President. How this relationship was to work was essentially left to be worked out between a particular President and a particular DCI. Historically, this has varied, with some DCIs being closely involved with the particular President they were serving, and others less so.

The Intelligence Community itself has changed enormously since 1947, far exceeding the size and capabilities that the drafters of the National Security Act could have imagined at the time. New agencies have been created by department or agency directives; new technologies, introduced. Organizational relationships have changed and changed again, occasionally in response to an overall scheme, but more often in response to a situation or circumstance. None of these organizational arrangements are reflected in the law itself. Similarly, the role of the DCI itself has evolved, but has never been enunciated in law beyond the vague prescriptions of the 1947 statute.

The extent to which the DCI has historically attempted to exert his management prerogatives over the Intelligence Community has varied from DCI to DCI, with some taking more interest than others. Usually, this has meant working with the heads of departments and agencies within the Intelligence Community to persude them to adopt a particular course, because the DCI, for the most part, lacked the legal authority to direct or manage elements within the Community himself. Even the DCI's role in the development of the National Foreign Intelligence Program budget, which evolved in the mid-1970s, has rarely been used to bring about significant management changes.

A similar situation has existed within the Department of Defense, where most of the collection and analytical resources of the Intelligence Community are located. For the most part, the Office of the Secretary of Defense has taken a relatively minor role in terms of coordinating or managing the intelligence elements of DoD. Whether this was due to the role the DCI was ostensibly playing with respect to the DoD elements of the Intelligence Community, or whether it was a matter of leaving tactical intelligence to the military departments, the result has historically been relatively weak management of the DoD intelligence elements that are part of the National Foreign Intelligence Program, and relatively little DoD-level management of tactical intelligence, either to ensure compatibility within DoD itself or with elements of the National Foreign Intelligence Program.

In any case, far from the centralized management structure suggested by the term "Intelligence Community," in reality, effective management control has rested largely in the hands of the various agency heads (or "program managers") within this "Community" rather than with the DCI or, for the Defense elements of the "Community," the Secretary of Defense. Moreover, even within this decentralized structure, roles and missions have evolved incrementally, usually in response to new requirements levied by their parent organization or to new technical developments, as opposed to an overall organizational scheme.

Arguably, this decentralized structure has served the country well over the last forty years. Despite the absence of a centralized management structure, there was a common target which was well understood by all elements of the Community whatever their mission and capability: the Soviet Union and its Warsaw Pact allies. The lion's share of U.S. intelligence activities were focused upon the threat posed to U.S. interests by the activities of these countries. In the meantime, resources were relatively plentiful. Funds were made available as necessary to keep track of this predominant threat to U.S. security interests.

Those times are now behind. The Soviet empire has now disintegrated, and no longer poses a significant security threat to the United States and its allies. While the U.S. must prepare to meet different challenges and circumstances around the world, its attention is no longer focused upon a single predominant threat to its interests. At the same time, faced with huge budget deficits, funding for intelligence activities is certain to decrease significantly during the next decade. It is clear intelligence agencies will have considerably fewer resources available to carry out their missions. There can be less tolerance of waste and duplication; and, conversely, must be more attention to focus and effectiveness.

The proposed bill attempts to deal with these changed circumstances by establishing clear lines of authority and assigning clear responsibilities within the Intelligence Community. It creates a new Director of National Intelligence and gives him new authorities to manage the Intelligence Community. At the same time, the bill provides new roles to the Secretary of Defense in terms of managing DoD intelligence activities at both the national and tactical levels. It also clarifies the responsibilities of agencies within the Intelligence Community, and in some cases, creates new organizational entities to bring together functions that are now being performed in disparate areas of the Community.

The objective is to strengthen the framework for the management of intelligence activities, and thereby, ensure consistency of policy and emphasis, avoid waste and duplication, get the most from available resources, and provide a quality product to the Government consumer.

EXPLANATORY STATEMENT REGARDING THE PROVISIONS OF THE BILL

Section 1 of the bill contains the short title of the bill and a table of contents.

Section 2 contains the fundings of the Congress which form the basis for the legislation, as well as a statement of its purposes.

Section 3 contains definitions of terms which are used in titles I, II, and III of the bill, each of which amends portions of the National Security Act of 1947.

TITLE I—THE NATIONAL SECURITY COUNCIL

The National Security Council was created by the National Security Act of 1947 to advise the President with respect to national security matters. Named as members were the President, Vice President, Secretary of State, and Secretary of Defense. The statute was subsequently amended to provide, for example, that the Chairman of the Joint Chiefs of Staff and the Director for National Drug Control Policy may participate in meetings of the National Security Council when matters pertaining to their areas of responsibility were concerned. These provisions do not mention the Director of Central Intelligence.

To some extent, this omission is a reflection of the drafters' intent that the Director of Central Intelligence remain an advisor, and should not be an advocate of a particular policy position.

Section 101 of the bill provides that the Director of National Intelligence (DNI), created by the bill, may participate in meetings of the National Security Council but shall not be entitled to vote on policy matters coming before the Council. It is intended to ensure that the head of the U.S. Intelligence Community is part of the policy process, though not an advocate for policy.

Section 102 of the bill provides for the establishment of a Committee on Foreign Intelligence of the National Security Council to establish overall requirements and priorities for the U.S. Intelligence Community. It also provides that this Committee will regularly assess for the President the performance of the Intelligence Community in satisfying these requirements and priorities. From time to time, there have been similar bodies created on an ad hoc basis within the NSC structure. The form and effectiveness of these bodies has fluctuated, however, from Administration to Administration.

This provision provides for a permanent structure, composed of the senior policymaking officials within the principal consumer agencies of the Government, to set the course for U.S. intelligence activities from year to year. Indeed, the purpose of this provision is to make the senior policymakers whom the Intelligence Community was primarily created to serve expressly responsible for providing such direction and to make them responsible for assessing, for the President, how well the Intelligence Community has responded to their needs. For example, the Committee might define what it sees as the most likely scenarios where the United States could be involved in crisis or war, and ask the Intelligence Community to develop collection or analytical strategies to provide appropriate intelligence support. In addition, the Committee might address itself to what proportion of the overall budget should be devoted to intelligence, what areas should receive priority, or what means of collection or analysis should be emphasized.

The bill provides that the Committee be chaired by the Assistant to the President for National Security Affairs. In addition to the DNI and representatives of the NSC principals, the bill also provides that the Secretary of Commerce, or his representative, should be a member of the Committee on Foreign Intelligence, in order to involve a policy-making official who can integrate the needs of the Government for economic intelligence into this process.

TITLE II—THE DIRECTOR OF NATIONAL INTELLIGENCE

SECTION 201

Section 201 of the bill amends section 102 of the National Security Act of 1947 which created the Central Intelligence Agency and the office of Director of Central Intelligence (DCI). This section, indeed, has remained virtually unchanged since its enactment in 1947.

Reflecting the trifurcated role of the DCI which has evolved over time, Section 201 provides for the appointment of a Director of National Intelligence (DNI) and two Deputy Directors, and provides that the DNI will exercise operational control of the Central Intelligence Agency. (Section 202 of the bill provides for the appointment of a separate Director for the Central Intelligence Agency.) Each of the deputies would assist the DNI in carrying out his principal coordinating roles assigned by the bill: as principal intelligence adviser to the President and as head of the Intelligence Community. The DNI, both deputies, and the Director of the Central Intelligence Agency would be appointed by the President and confirmed by the Senate.

This structure is intended to enhance the ability of the DNI to manage effectively each of his functional areas of responsibility. It is also intended that certain of the DNI's responsibilities, which, under present arrangements, are carried out by CIA, are more appropriately placed under the DNI directly. Thus, it is contemplated that the new Deputy Director for Estimates and Analysis will be responsible for national estimates and other national-level analysis (including current intelligence products) that will be produced by a staff of Community (as opposed to CIA) analysts.

It is intended that the new Deputy DNI for the Intelligence Community would supersede the position of Director, Intelligence Community Staff under existing law. Indeed, the bill repeals section 102a of the National Security Act of 1947 which created the position of Director, Intelligence Community Staff. It is intended that the staff positions which currently support the Director, Intelligence Community Staff, would be transferred to the new Deputy Director of National Intelligence for the Intelligence Community. It is further intended that the positions currently filled by persons on rotational assignments from elements of the Intelligence Community be filled on a permanent basis by persons selected by the Deputy Director of National Intelligence from elements within the Intelligence Community.

The bill provides that either the position of DNI or the position of Deputy DNI for the Intelligence Community will be filled by a military officer in the rank of four-star general. This is to ensure a tie at the senior management level to the military components of the Intelligence Community, which, indeed, compose a larger part of the Community's overall capability.

Section 201 also provides that the Director of National Intelligence shall be at level I of the Executive Schedule, the same level as Cabinet officials. The duties of the Director merit the same status as the heads of many departments and agencies included at Executive level I. It is also important that the DNI be at a level that is comparable to the heads of agencies within the Intelligence Community with whom he must often interact. The level of the two Deputies and the Director of the CIA is set at Executive level III, where the current Deputy Director of Central Intelligence is now positioned.

Section 201 also provides that the offices of the two Deputy Directors shall form a "National Intelligence Center" physically located with the offices of the DNI. This is believed necessary inasmuch as the existing physical separation between the DCI and the existing Intelligence Community Staff is viewed as having been a practical hindrance to this relationship.

SECTION 202

Section 202 would amend the National Security Act of 1947 to elaborate, for the first time in statute, the areas of the DNI's responsibilities mentioned above: as provider of substantive intelligence; as head of the Intelligence Community; and as exercising control of the CIA itself.

Subsection 202(a) amends the National Security Act of 1947 by adding three new sections, 103 through 105, to that Act.

Subsection 103(a) charges the DNI with providing timely, objective intelligence, free of bias, based upon all sources available to the U.S. Intelligence Community, public and non-public, to the President personally and the Executive Office of the President, and, where appropriate, to the heads of departments and agencies, to the Joint Chiefs of Staff and military commanders in the field, and to the Congress. This charge is more specific than exists in current law, and, for the most part, encapsulates the DNI's responsibility to provide intelligence to all Government consumers.

Subsection 103(b) creates two specific mechanisms to assist the DNI in performing this function. It is contemplated that both of these mechanisms would be under the Deputy DNI for Estimates and Analysis, created under section 201.

The first is the creation of a National Intelligence Council, composed of the senior analysts of the Intelligence Community appointed by the DNI, which will be solely responsible for producing national estimates, and whose members are recognized as the senior substantive experts of the Intelligence Community within their respective areas of expertise. It is intended that this mechanism will serve as the primary substantive "voice" of the Intelligence Community in terms of advising policymakers within the Government. In short, by creating this Council by statute and providing for the appointment of its members, it is intended to give permanence to this structure and increase its stature government-wide.

The DNI is expressly directed to provide an adequate, full-time staff to the Council to assist in the execution of its responsibilities. The absence of such staff support appears to have considerably hampered the existing council in fulfilling its objectives.

The second mechanism created under subsection (b) is the Office of Intelligence Analysis headed by a director appointed by the DNI. This office is made responsible for the current intelligence production (e.g. the President's Daily Brief, the National Intelligence Daily) as well as other forms of national-level analysis (other than national estimates which are prepared by the National Intelligence Council). The bill expressly provides that this Office shall be staffed with analysts assigned to various elements of the Intelligence Community. These would include CIA, the Departments of State and Defense. Indeed, it is contemplated that while some residual analytical capability would remain within CIA to support its collection operations, most of the analysts currently assigned to the CIA Directorate of Intelligence would be shifted under this construct to the staff of the Deputy DCI for Estimates and Analysis. Such a realignment is intended, in part, to provide the analytical side greater organizational independence from the clandestine service of CIA, which has in the past prevented experts on the outside from contributing their talents or sharing their expertise with the Directorate of Intelligence.

By structuring this office with senior analysts from the Intelligence Community, it is also intended that national-level analysis will be more representative of a "community" view and at the same time become sharper and more focused (rather than being merely a compendium of what every agency thinks). Such a structure should also alleviate the need for repetitive and duplicative analytical structures within the Intelligence Community itself, leading to down-sizing and streamlining intelligence production capabilities generally. While it is clear that some analytical capabilities serving purely departmental interests must be retained, the manpower devoted to such activities could be significantly reduced.

Subsection 103(c) sets forth six general responsibilities of the Director of National Intelligence as head of the Intelligence Community.

Subsection (c)(1) provides that the DNI will have responsibility for developing an annual budget for the National Foreign Intelligence Program, and for presenting this budget to the President and to the Congress. This is akin to the responsibility the DNI currently has pursuant to Executive order. It is the intent of this provision, however, to give the DNI an effective tool to manage the Intelligence Community, not merely to establish him as a conduit for apportioning budget allocations among departments and agencies within the Intelligence Community.

Subsection (c)(2) makes the DNI responsible for managing the collection capabilities of the Intelligence Community to ensure the satisfaction of national requirements. This subsection contemplates that the DNI will not only establish policies and procedures to identify standing and recurring intelligence requirements, but also will institute policies and procedures to satisfy short-term, contingency requirements of the Government. Taken in conjunction with section 104, below, it is intended that the DNI will have the ability to direct certain types of collection, as needed to satisfy priority intelligence requirements.

Subsection (c)(3) makes the DNI responsible for promoting and evaluating the utility of national intelligence for consumers within the Government. This subsection contemplates that the DNI will be responsible for evaluating the adequacy of the links between the Intelligence Community and consumers, and for evaluating the quality and timeliness of intelligence analysis provided such consumers. Various efforts by past DCIs to carry out such responsibilities have largely failed due to the objections or lack of cooperation from elements of the Intelligence Community, yet the functions remain crucial ones.

Subsection (c)(4) gives the DNI authority to eliminate waste and unnecessary duplication within the Intelligence Community. To a degree, this responsibility may be carried out within the context of the annual budget process to develop the National Foreign Intelligence Program, but this provision is also intended to give the DNI authority to terminate or require the consolidation of redundant programs and activities within the Intelligence Community on an *ad hoc* basis.

Subsection (c)(5) charges with DNI with providing guidance, direction and approval for the procurement and operation of overhead reconnaissance systems pursuant to section 208 and 209 of the Act to ensure the compatibility and integration of such systems. Sections 208 and 209 of the bill make the Director of the National Security Agency and the Director of the National Imagery Agency (a new agency created by the bill) responsible for the procurement and operation of overhead reconnaissance systems to satisfy signals intelligence requirements and imagery requirements, respectively, subject to the authorities of the DCI. Subsection (c)(5) expressly makes the DNI responsible for approving such procurement decisions. While the bill is intended to alter existing arrangements for the performance of the procurement function by placing such responsibility directly with the collection agencies, it recognizes that such systems are typically costly, requiring tradeoffs and long-term financing within the National Foreign Intelligence Program, and may, indeed, serve multiple purposes. Accordingly, the bill gives the DNI responsibility for approving such procurement decisions.

Finally, the DNI is made responsible by subsection (c)(6), as the DCI is under existing law, for the protection of intelligence sources and methods from unauthorized disclosure. Under this authority, the DNI is expected to issue uniform policies for the Intelligence Community to provide for the protection of information which reveals intelligence sources and methods, as well as take appropriate measures on an *ad hoc* basis for the protection of such information.

It is contemplated that the Deputy Director of National Intelligence for the Intelligence Community would have principal responsibility for executing these functions on behalf of the DNI.

Indeed, subsection (d) provides for the establishment of two separate mechanisms under the Deputy Director for the Intelligence Community to carry out the functions set forth in subsection (c).

The first is the establishment of an Office for Warning and Crisis Support to be staffed with senior representatives of the Intelligence community selected by the DNI. This office is given specific responsibility for identifying potential threats to the United States, or areas where U.S. involvement or intervention may be called for, and providing possible options for U.S. actions to the President and other senior officials. This office also is charged with maintaining a permanent capability to provide intelligence support in times of crisis, in terms of arranging for collection and/or analytical support to policymakers. The absence of such a permanent mechanism in the past appears to have hampered the performance of the Intelligence Community in past crises.

The second mechanism established by subsection (d) is an independent board, composed of experienced current or former senior officials of the Government (not necessarily the Intelligence Community itself), appointed by the DNI, to provide a full-time capability to evaluate the performance of the Intelligence Community. It is the intent of this subsection that this board look at intelligence support both in terms of specific cases or support to specific decisions made by the Government, and in terms of satisfying standing and recurring intelligence requirements. It is anticipated that reports prepared by this board would go directly to the DNI for appropriate action without prior coordination with affected agencies of the Intelligence Community.

Similar mechanisms established by previous DCIs have been largely unsuccessful. As a consequence, there is at present no mechanism to provide independent, objective assessments of the Intelligence Community's performance to the DCI. By providing for such a mechanism in law, the bill provides an authoritative mandate for the performance of this critical function.

Section 104 provides for the appointment by the President of a separate Director for the Central Intelligence Agency, subject to Senate confirmation, and provides that he will carry out his responsibilities under the supervision and operational control of the DNI. These responsibilities are set forth in subsection (a).

Subsection (a)(1) makes the Director of CIA responsible for the collection of intelligence through human sources and through other appropriate means. This latter reference refers to various types of technical sources which might be appropriately employed by the CIA. This subsection also incorporates the provision in existing law that the CIA shall have no police, subpoena, law-enforcement powers, or internal security functions. This limitation has been an important restraint upon CIA's activities within the United States, including its role in domestic counterintelligence activities, and thus is retained in this reformulation of its responsibilities.

Subsection (a)(2) makes the Director of CIA responsible for providing overall direction for the collection of intelligence through human sources by elements of the Intelligence Community. While CIA under existing law coordinates the human source collection activities abroad of other agencies in the Intelligence Community, it does not provide "direction" to these activities. Indeed, there is no element in the Intelligence Community which effectively performs this role under the existing structure.

It is the intent of this subsection that CIA have responsibility for ensuring that the human source collection capabilities of the Government as a whole, both overt and covert, are effectively utilized to satisfy the intelligence requirements of the Government as a whole, as well as to minimize the risks to those involved in such collection activities. This would entail examining U.S. requirements at particular locations abroad, and determining how such requirements might best be satisfied, given the capabilities of the Intelligence Community as well as departments and agencies outside the Intelligence Community. Subsection (a)(2) makes clear, however, that it is not the intent of this subsection that CIA supplant the human source collection activities of other agencies which may currently perform such functions. Rather, this provision anticipates CIA will analyze such activities in terms of how they might best be employed to meet the requirements of the Government as a whole for such collection.

Subsection (a)(3) also incorporates a provision of existing law, making the Director of the CIA responsible for providing additional services of common concern to the Intelligence Community as the DNI determines can be more efficiently accomplished centrally. This has been a useful provision in existing law, permitting the CIA to perform a variety of services for the Intelligence Community as a whole, and is therefore retained in this section.

Subsection (a)(4) is also akin to current law, authorizing the Director of the CIA to perform such other functions and duties as may be directed by the President or the National Security Council. Specifically identified is the conduct of covert actions authorized by the President under the intelligence oversight provisions of title V of the National Security Act of 1947. Under existing law, the authority for CIA to carry out covert actions has been implied in the general provision authorizing CIA to carry out functions at the direction of the NSC. This subsection makes explicit such authority.

Subsection 104(b) addresses a particular aspect of the CIA's responsibilities: The provision of intelligence support to the military. This subsection provides for the appointment of an Assistant Deputy Director for Operations (Military Support) within the CIA Directorate of Operations. The incumbent would be a general or flag officer of 2-star rank, selected by the Director, CIA, after consultation with the Chairman of the Joint Chiefs of Staff, and would serve as the principal liaison between CIA and the Department of Defense to facilitate CIA intelligence support to military plans and operations. The establishment of this office is intended to address a long-standing weakness in the existing structure.

Section 105 sets forth the authorities of the Director of National Intelligence, which are specified in ten separate subsections.

Subsection (a) provides that all departments and agencies within the Intelligence Community shall provide the DNI access to national intelligence collected by their respective department or agency. This provision is similar to existing law, and is needed to ensure that the DNI has access to intelligence from all sources available to the Government. It is the intent of this provision that departments and agencies who have intelligence which bears upon national intelligence requirements (and not solely those of a particular department or agency), such intelligence shall be made available to the DNI in an appropriate fashion.

Subsection (b) provides that the DNI shall be responsible for allocating and disbursing funds within the National Foreign Intelligence Program (NFIP) budget to elements within the Intelligence Community. This provision should be read together with Section 203 of the bill, which requires a separate budget for the National Foreign Intelligence Program (NFIP), appropriated to the DNI, beginning with fiscal year 1994. Subsection (b) makes the DNI responsible for the allocation and disbursement of NFIP funds.

Under the existing structure, the National Foreign Intelligence Program is not a separate line item in the President's budget. Instead, most of it, including the budget of the CIA, is "buried" in various line items of the DoD budget. Accordingly, the amount devoted to the NFIP within the DoD budget has in the past been determined by the agreement of the DCI and the Secretary of

Defense The funds authorized and appropriated for most of the NFIP are appropriated to the Secretary of Defense, who disburses such funds to DoD elements within the NFIP and to the CIA.

Subsection (b), together with Section 203, below, would change this structure. The NFIP would no longer be a part of the DoD budget, but rather would be a separate line item in the President's budget. This means that while the NFIP would no longer be tied to fluctuations in Defense spending, it would have to compete against other funding priorities within the President's budget, something it does not do under the existing arrangement.

Funds appropriated for the NFIP would be appropriated to the DNI, who would make the appropriate allocations and disbursements to departments and agencies within the Intelligence Community, including the intelligence elements of the Department of Defense.

Subsection (c) provides that no funds appropriated for the National Foreign Intelligence Program may be reprogrammed for any other purpose by a department or agency which receives such funds without the prior approval of the DNI. This is intended to prevent departments and agencies from using funds appropriated for the NFIP for other purposes unless the DNI is consulted in advance and approves the use of such funds for the purposes identified. Although the DCI has had authority by Executive order to review and approve requests for reprogramming of NFIP funds, this has not been cast in terms of a prohibition binding upon heads of departments and agencies. From time to time, in fact, department and agency heads have reprogrammed NFIP funds without the prior approval of the DCI despite the Executive order language giving the DCI the authority to approve such requests.

Subsection (d) provides that the DNI, upon his own initiative, may reprogram funds within the NFIP in accordance with established reprogramming procedures (which include prior notice and/or approval to appropriate congressional committees) in order to satisfy national requirements of a higher priority, so long as prior notice is given to the head of the department or agency concerned and a reasonable opportunity is provided for an appeal of the DNI's proposed reprogramming to the President. The DCI does not now have such authority apart from the ability to reprogram funds appropriated for CIA activities. It is the intent of this provision to permit the DNI to reprogram funds across NFIP accounts to satisfy significant national requirements which have a higher priority so long as the department or agency head concerned has an opportunity to seek appeal of the DNI's proposed decision should he choose to do so.

Subsection (e) provides additional flexibility for the DNI by authorizing him to shift funds to satisfy contingency requirements by allowing the DNI to obligate or expend funds from the CIA Reserve for Contingencies for other intelligence and intelligence-related activities. While section 502 of the National Security Act of 1947 appears to allow for such transfers, as a practical matter, DCIs have not used the CIA Reserve for Contingencies to fund other than CIA activities. Subsection (e) would clarify that the DNI may use the CIA Reserve to fund the intelligence activities of other departments and agencies should he choose to do so, so long as the provisions of section 502 are adhered to.

Subsection (f) authorizes the DNI to temporarily reassign personnel assigned to one NFIP program to another NFIP program, for periods not to exceed an aggregate of 180 days in a given year, in order to meet national requirements of a higher priority, provided the DNI gives prior notice to the head of the department or agency concerned and permits a reasonable time for such agency head to appeal such action to the President, and provides prior notice to the two congressional intelligence committees. The DCI does not have such authority under existing law. The bill provides such authority in order to give the DNI an ability to deal effectively and quickly with emergency situations facing the Intelligence Community.

Subsection (g) authorizes the DNI, under the direction of the National Security Council, to direct the use of any collection capability within the Intelligence Community to satisfy a priority collection requirement of the United States. The DCI does not currently have such authority, either under law or Executive order. He is given authority under Executive order to establish mechanisms to provide guidance on collection as well as to resolve conflicts in priority. But he lacks formal authority to task collection assets owned by other departments and agencies within the Intelligence Community to satisfy national requirements of a higher priority. By providing that the DNI shall exercise this authority under the direction of the National Security Council, it is intended that department or agency heads affected by the decision of the DNI will have a forum in which to raise possible objections to the DNI's actions.

Subsection (h) authorizes the DNI to coordinate the relationships between elements of the Intelligence Community and the intelligence or security services of foreign governments. The DCI is currently given similar authority by Executive order, but it has not been well adhered to by other elements of the Intelligence Community. By making this authority a matter of law, the intent is to strengthen it. It is not intended that the DNI shall be responsible for making all liaison contacts with foreign governments, but rather that the DNI, or his representative, will be given prior notice of such arrangements in order to avoid duplication or creating confusion in such relationships by having various elements of the Intelligence Community establish separate liaison arrangements oblivious to other actions on the part of the United States.

Subsection (i) provides that the DNI may direct any element or elements of the Intelligence Community to prepare intelligence analyses after consultation with the head of the department or agency concerned. The DCI currently does not have this authority today, either by statute or Executive order. He may request such assistance, but he may not direct it. It is intended that this authority be used, as necessary, to carry out the responsibilities of the DNI as a provider of intelligence to the Government as a whole. While the DNI must take into account the capabilities and departmental requirements of analytical elements within the Intelligence Community in levying such tasking, he should be in a position to require such assistance to meet high priority national needs.

Subsection (j) directs the DNI to institute policies and programs within the Intelligence Community to provide for the rotation of personnel between departments and agencies, and to consolidate where possible administrative programs to reduce the overall costs of these activities within the Intelligence Community.

With respect to the rotation of personnel within the Intelligence Community, it is intended that the DNI will take actions to eliminate barriers which currently exist to such rotation, and will, in conjunction with other departments and agencies in the Intelligence Community, establish programs which will encourage and facilitate rotational assignments among Intelligence Community agencies, either by providing monetary or career incentives. Greater use of rotational assignments should improve the understanding and cooperation which now exists between elements of the Intelligence Community, and ultimately lead to more effective mission accomplishment.

With respect to the consolidation of personnel, administrative, or security costs within the Intelligence Community, it is intended that the DNI will take actions to assess where costs savings in these areas may be achieved by consolidating activities within the Intelligence Community, and will institute appropriate actions to achieve such savings. For example, in the area of security for contractors who have contracts with several elements of the Intelligence Community, the DNI should consolidate security administration for such contractors, so they will not be subject to repeated inspections by various elements of the Intelligence Community. Another area for examination is training, where the DNI should explore the consolidation of training programs for personnel in the Intelligence Community who are performing comparable functions. A third possible area is communications, where the DNI should explore the feasibility of Intelligence Community elements sharing available communications systems, rather than each having its own. In short, this authority is intended to provide the DNI, in his role as head of the Intelligence Community, with the authority to institute changes that will result in costs savings within the Intelligence Community as a whole.

SECTION 203

Section 203 provides that beginning with the budget submission for fiscal year 1994 and for each fiscal year thereafter, the President will submit as a separate line item an aggregate amount for the National Foreign Intelligence Program. This section further provides that any amounts authorized and appropriated for this program will be appropriated to the Director of National Intelligence who will disburse such funds to the elements of the Intelligence Community.

The effect of this section would be to remove the National Foreign Intelligence Program budget from the Defense Department budget, and have it considered as a separate program budget. This would mean that the NFIP would compete (as other programs) for a slice of the overall Administration budget request, rather than being established by an informal agreement between the Secretary of Defense and Director of Central Intelligence as has been the practice. It would also mean the NFIP would no longer be tied to the fluctuations in the Defense budget but would be treated on its own terms.

By providing that the NFIP will be appropriated to the DNI rather than to other department or agency heads as is now the case (even with the budget for CIA), it is intended that the DNI, as head of the Intelligence Community, be placed in a position of ostensible control of these funds. While clearly the DNI would be legally obliged to disburse appropriated funds to Intelligence Community agencies in accordance with congressional enactments, this enhanced administrative role is nonetheless viewed as consistent with his overall responsibility.

TITLE III—THE INTELLIGENCE ACTIVITIES OF THE DEPARTMENT OF DEFENSE

Subtitle A—The Office of the Secretary of Defense

SECTION 301

Under existing law (10 U.S.C. 136), the Secretary of Defense is authorized to establish among his Assistant Secretaries an Assistant Secretary of Defense for Intelligence, but to date he has chosen not to exercise this authority. Responsibility for intelligence has been lodged with the Assistant Secretary of Defense responsible for Command, Control, Communications—the Assistant Secretary of Defense (C3I). Section 301 would, in fact, require shifting the staff responsibility for intelligence from the Assistant Secretary of Defense (C3I) to a new Assistant Secretary of Defense (Intelligence), who would have sole responsibility on the staff of the Secretary of Defense for all intelligence and intelligence-related matters.

Under the present organizational arrangement, the Assistant Secretary (C3I) is expected to cover two large substantive areas (C3 and I), which are, for the most part, unrelated. Each area is so broad that it is physically impossible for one Assistant Secretary to do justice to both. Under previous Administrations, the incumbents, for the most part have had little experience with, or interest in managing, Defense intelligence activities. Effective control was left largely in the hands of intelligence program managers in DoD Components, with the Office of the Secretary of Defense itself playing a relatively small role.

Exacerbating the management difficulties within the OSD staff, there are at least three offices in addition to the ASD (C3I) which report to the Secretary directly on intelligence or intelligence-related matters: the Under Secretary for Policy, which has cognizance of international security policy and special access programs, and staffs the Secretary on certain types of intelligence activities, the Assistant to the Secretary for intelligence activities; the Assistant to the Secretary for Intelligence Policy; and the Assistant to the Secretary for Intelligence Oversight. It is intended that a new Assistant Secretary for Intelligence would subsume all of these functions, resulting in fewer officials (not more) reporting directly to the Secretary on intelligence matters. This section is also intended to establish clearer accountability for intelligence activities at the DoD level, both from the standpoint of the Congress and others outside DoD.

Finally, the provisions of the bill itself provide an enhanced role for the Office of the Secretary of Defense in managing intelligence activities of both a national and tactical nature. Only the Secretary of Defense can set policy for all elements of the Department of Defense; only the Secretary of Defense can assess the resources needed for intelligence in terms of the broader DoD interest; and only the Secretary of Defense can effectively integrate national and tactical intelligence activities. Without the designation of an Assistant Secretary dedicated solely to intelligence, none of these critical functions will be performed as well as it might be.

SECTION 302

Section 302 sets forth the responsibilities of the Secretary of Defense as they pertain to the National Foreign Intelligence Program (NFIP). These responsibilities are the subject of neither statutory nor regulatory enactment, and the lack of an authoritative statement of the Secretary's role vis-a-vis the NFIP has in the past led to considerable confusion. To illustrate, the Office of the Secretary of Defense is not part of the Intelligence Community, yet a number of DoD Components are part of the Intelligence Community. To what extent, then, is the Secretary of Defense bound by the decisions of the DCI? On the other hand, who represents the interests of DoD intelligence components to the DNI? the Secretary of Defense? Or is this left to individual program managers within DoD Components?

Subsection 302(1) provides that the Secretary of Defense shall be responsible for implementation of the DNI's policy and resource decisions by DoD elements within the NFIP. The Office of the Secretary of Defense has historically performed this function, but without a specific charge to do so.

Subsection 302(2) charges the Secretary of Defense with ensuring that the tactical intelligence activities of DoD are compatible with and complement the intelligence activities funded within the NFIP. This subsection should be read in conjunction with section 303, below, which requires the creation of a new budget program for tactical intelligence activities, and program management by OSD.

SECTION 303

Section 303 institutes a procedure leading to the establishment of a new DoD Tactical Intelligence Program, to be managed by the Secretary of Defense. Subsection (a) provides that beginning with the annual budget submission for fiscal year 1994, the Secretary of Defense, in consultation with the Director of National Intelligence, shall identify those intelligence activities currently found in the list of Tactical Intelligence and Related Activities (TIARA) which constitute true "intelligence" activities which serve the interests of DoD generally. Subsection (b), in turn, requires that with the submission of the budget for fiscal year 1995, the intelligence activities identified the preceding year shall be funded as elements of a new Tactical Intelligence Program, to be managed as a separate program by the Secretary of Defense.

Several problems which plague the existing system would be addressed by Section 303. First, activities currently identified by the Department of Defense as part of TIARA are, in fact, not intelligence activities at all and should not be part of the management structure for intelligence, either within DoD or within the Congress. Second, activities identified within the TIARA category are not themselves managed as "program" at all, in the sense of being a discrete group of activities under the control of a single manager, but rather are managed on a decentralized basis within Defense Components as "non-intelligence", operational activities. Thus, as currently structured, TIARA is a not susceptible of overall program management by an intelligence manager. This situation has significantly hampered the effective integration of national and tactical intelligence activities either by the Office of the Secretary of Defense or by the DCI. Section 303 attempts to address this requiring true tactical intelligence activities to be grouped together to form a single program under a single DoD manager. It is also contemplated that within the military departments, those activities identified as elements of the DoD Tactical Intelligence Program would be managed by the intelligence elements of the departmental staffs rather than by the operations staffs as is now the case with TIARA.

Subtitle B—The National Security Agency

Section 311 of the bill would amend the National Security Act of 1947 to provide for the establishment of the National Security Agency (NSA) within the Department of Defense. NSA, while subsequently recognized in several statutory enactments, was created by presidential directive on October 24, 1952. While NSA has since carried out signals intelligence activities and communications security activities on behalf of the Government as a whole, it has remained a creature of Executive directive, with its principal missions and functions set forth only in such issuances. Section 311 would provide a statutory basis for its existence as well as for its principal missions. In recognition of the national role it has played and continues to play, NSA would be established under the National Security Act of 1947.

Under the existing framework, the Director of NSA has historically been a general or flag officer at the three-star level appointed by the Secretary of Defense, who serves at the pleasure of the Secretary. While length of actual service has varied, a "normal" tour as Director has heretofore been considered three years. This position has not been exempt from the statutory ceilings on general or flag officer positions within DOD, occasionally causing the military services to decline to nominate for the position, or leading them to nominate officers with little or no intelligence experience for the position.

Subsection (a) of the new section 208 of the National Security Act (as set forth in section 311 of the bill) would make several significant changes to this framework. While the Director would continue to be selected by the Secretary of Defense, the bill would require prior consultation with the DNI, reflecting the critical role which NSA plays in the Intelligence Community. Under the bill, the Director would be subject to a fixed term of four years, providing greater stability both to the Director and to the programs which he administers than which currently exists. Finally, while the bill would retain a requirement that the Director be a military officer (recognizing the necessity of a close and continuing relationship between NSA and the military services), it would exempt the position of Director from the statutory ceilings set for general and flag officers. This is intended to achieve several objectives: (1) to encourage each of the military departments to nominate for this position; (2) to encourage the military departments to groom qualified senior officers for this assignment; and (3) more generally, to create a senior officer position that military intelligence officers (as opposed to officers in non-intelligence branches of service) can aspire to.

Subsection (b) sets forth the principal responsibilities of NSA.

Subsection (b)(1) provides that NSA will operate an effective unified organization for the conduct of signals intelligence activities, which, in fact, has been its basic mission since its creation in 1952.

Subsection (b)(2) sets forth a responsibility that NSA does not have under current organizational arrangements. It makes NSA the sole agent within the Intelligence Community, subject to the authorities of the DNI, for the procurement and operation of overhead reconnaissance systems as may be needed to satisfy U.S. signal intelligence requirements. This places responsibility for the procurement of such systems in the purview of the agency charged with carrying out the signals intelligence mission rather than having such decisions made elsewhere. This responsibility is predicted on the assumption that the director of NSA is at the outset in the best position to assess resource decisions concerning overhead systems within the context of the expenditures for his particular collection discipline. However, in view of the paramount need to ensure that such systems (which are normally quite costly) are needed, affordable, and provide maximum value for all collection disciplines, ultimate approval authority for these procurement decisions in placed by the bill in the hands of the DNI.

Subsection (b)(3) charges NSA with providing for the communications security needs of the Government as a whole. This, too, has been a long-standing part of NSA's mission, but has not heretofore been recognized in statute.

Subtitle C—The National Imagery Agency

Section 321 of the bill would also amend the National Security Act of 1947 to create a new intelligence agency with national responsibilities, which is not already in existence: the National Imagery Agency.

The bill gives the new agency responsibility for operating an effective unified organization for the tasking of imagery collectors (i.e. satellites and airborne platforms), for the exploitation and analysis of imagery collection, and for the dissemination of imagery production within the Government as a whole. Under the existing framework, these functions are performed by a number of disparate elements of the Intelligence Community, located within CIA, the Intelligence Community staff, DIA, and other intelligence elements of the Department of Defense. This decentralized framework had resulted in a lack of uniform governmental standards to govern exploitation, analysis and dissemination; considerable waste and duplication of effort; and a failure to integrate effectively U.S. capabilities.

The bill attempts to address this situation by placing these functions under a single manager (similar to the role which the Director NSA plays in coordinating U.S. signals intelligence activities). In recognition of its role as the largest consumer of imagery within the Government, the bill would place this new organization within the Department of Defense (similar to the National Security Agency). It is intended, however, that the new Agency will establish and operate an imagery system to support all of the Government's requirements for this type of collection, not simply those of the Department of Defense.

In addition, the bill makes the National Imagery Agency the sole agent within the Intelligence Community, subject to the authorities of the DNI, for the procurement and operation of overhead reconnaissance systems as may be needed to satisfy U.S. imagery requirements. As with NSA, this places responsibility for the procurement of such systems within the purview of the agency charged with carrying out the imagery intelligence mission rather than having such decisions made elsewhere. This responsibility is also predicated on the assumption that the director of the agency is at the outset in the best position to assess resource decisions concerning overhead systems within the context of the expenditures for his particular discipline. However, in view of the paramount need to ensure that such systems (which are normally quite costly) are needed, affordable, and provide maximum value for all collection disciplines, ultimate approval authority for these procurement decisions is placed by the bill in the hands of the DNI.

The bill also provides that the Director of the new agency be appointed by the Secretary of Defense, after consultation with the DNI. This is a reflection of the essential role this agency will play within the Intelligence Community. Subsection (a) leaves the Secretary with discretion to appoint either a military officer or civilian as Director in recognition that the Agency's responsibilities are broader than satisfying only military requirements.

Section 501 of the bill, which generally addresses the various transfers of functions made by the bill, provides that the new National Imagery Agency will be composed of those elements of the Intelligence Community currently performing the functions described in section 209, as jointly determined by the Director of National Intelligence and the Secretary of Defense.

Subtitle D—The Defense Intelligence Agency

Section 331 of the bill provides for the establishment of the Defense Intelligence Agency (DIA) within the Department of Defense. DIA was created by order of the Secretary of Defense on October 1, 1961, to consolidate analytical and production activities at the DoD level. While its existence has been recognized in several previous statutory enactments, it has until recently remained a creature of DoD directive with its principal functions and authorities set forth only in DoD regulations. Indeed, the lack of clear missions and authorities, established in an authoritative manner, has historically hampered DIA in the performance of these functions.

In section 921 of the National Defense Authorization Act for Fiscal Years 1992 and 1993, responsibilities for DIA were set forth for the first time in law, but, under the terms of the law, this provision expires on January 1, 1993.

Sections 331 through 333 would provide a permanent statutory basis for DIA's existence as well as for its principal missions and authorities.

SECTION 331

Under the existing framework, the Director of DIA has historically been a general or flag officer at the three-star level appointed by the Secretary of Defense, who serves at the pleasure of the Secretary. While length of actual service has varied, a "normal" tour as Director has heretofore been considered three years. In addition, this position has not been exempt from the statutory ceilings on general or flag officer positions within DoD, occasionally causing the military services to decline to nominate for the position, or leading them to nominate officers with little or no intelligence experience for the position.

Subsection (b) would make several changes to this framework. First, while it would left appointment of the Director with the Secretary of Defense, it would require prior consultation with the DNI, in recognition of the critical contribution made by DIA to the Intelligence Community. Under the bill, the Director would be subject to a fixed term of four years, providing greater stability both to the Director and to the programs which he administers than which currently exists. Finally, while the bill would retain a requirement that the Director be a military officer (recognizing the necessity of a close and continuing relationship between DIA and the military services), it would exempt the position of Director from the statutory ceilings set for general and flag officers. This is intended to achieve several objectives: (1) to encourage each of the military departments to nominate for this position; (2) to encourage the military departments to groom qualified senior officers for this assignment; and (3) more generally, to create a senior officer position that military intelligence officers (as opposed to officers in non-intelligence branches of service) can aspire to.

SECTION 332

Section 332 sets forth the responsibilities of DIA, each of which is made subject to the direction of the Secretary of Defense. In general terms, these relate to the production of intelligence and to providing services of common concern to other intelligence elements of the Department of Defense. While these functions do not differ markedly from those currently assigned DIA under departmental regulation, it is intended that placing them in the law will provide a more authoritative base for DIA's exercise of these responsibilities.

Subsection 332(1) provides that DIA shall produce timely and objective military and military-related intelligence, based upon all sources available to the Intelligence Community, and disseminate such intelligence to the Secretary of Defense, Joint Chiefs of Staff and senior military commanders, as appropriate; other elements of the Department of Defense, as appropriate; and to other agencies and elements of the federal government, as appropriate. This is currently DIA's principal mission, assigned by DoD directive.

Subsection 332(2) provides that DIA will coordinate the production of military and military-related intelligence by other intelligence elements of the Department of Defense to ensure the adequacy and objectivity of intelligence support and to avoid unwarranted duplication. DIA has a similar function under DoD directive but its coordination role is limited primarily to avoiding duplication by DoD production elements.

Subsection 332(3) charges DIA with management of the Defense Attache System, a function DIA performs under its existing regulatory charter. Recognition of this function in statute is intended to strengthen DIA's ability to obtain qualified military officers to serve as military attaches.

Subsection 332(4) charges DIA, as principal producer of intelligence within DoD, with validating the intelligence collection requirements imposed on other DoD intelligence elements. It is intended that DIA will review such requirements to determine if they have been, or are being, satisfied by other U.S. intelligence collectors, prior to assigning such requirements to collectors within the Department of Defense.

Subsection 332(5) provides that DIA will perform such additional services of common concern to DoD intelligence elements as the Secretary of Defense might determine can be accomplished more efficiently in a central location. For example, it might be more efficient for DIA to provide certain administrative or personnel services to all career personnel in intelligence positions within DoD rather than having separate programs in each intelligence component; or it may be more efficient for DIA to provide communications system design services to all DoD intelligence components to ensure compatibility and lower procurement costs.

SECTION 333

To carry out the responsibilities set forth in section 332, section 333 provides the Director of DIA with certain authorities. These generally exceed the authorities which DIA currently has under departmental regulation. Indeed, it is the intent of this section to enhance such authorities to improve

DIA's capability to perform its basic mission.

Subsection 333(1) provides that the Director, DIA shall have access to all intelligence collected by any intelligence element of the Department of Defense, or any component of the intelligence Community (outside the Department of Defense), which bears upon a matter within his area of responsibility. This exceeds the existing authority of the DIA Director, insofar as it addresses access to intelligence beyond DoD. It also permits the DIA Director to obtain access to intelligence held in special compartmented channels among DoD components which bears upon his production responsibilities, an area where DIA has previously experienced difficulty in obtaining access.

Subsection 333(2) provides that the Director, DIA may evaluate intelligence on military and military-related topics produced by any DoD intelligence component for use outside such component, in order to assess its accuracy, completeness, objectivity, or timeliness. This is an authority the Director, DIA does not have under existing regulation. It is intended to give the Director DIA the ability to effectuate his role as coordinator of intelligence production within the Department of Defense.

Subsection 333(3) provides the director, DIA with complementary authority to evaluate intelligence production within intelligence components of the Department of Defense, and to direct the consolidation or elimination of existing capabilities, or direct that the requirements of a particular component for production be satisfied by alternative means. This is authority that the Director, DIA does not now possess under currently DoD regulations. It is intended to permit the Director of DIA to satisfy his responsibilities as coordinator of intelligence production within DoD, providing authority to deal effectively with unnecessary duplication in the production area. The subsection also makes clear, however, that each of the military departments shall maintain separate, independent production capabilities to support the departmental functions set for in section 341 of the bill.

Section 333(4) provides the Director of DIA with authority to require the military department to assign qualified active duty officers to the Defense Attache System. It is intended that the Director, DIA shall establish uniform standards governing the qualifications of such officers, and that the military departments will institute programs to develop and train officers capable of filling such positions.

Subtitle E—The Military Departments

Section 341 of the bill would amend Chapter 21 of title 10, United States Code, by adding a new section 425, imposing a requirement upon the Secretaries of the military departments to maintain sufficient capabilities to collect and produce intelligence in satisfaction of national, DoD, and service requirements.

This provision is included to ensure that with the drawdown in defense resources, sufficient intelligence capabilities will be maintained by the military departments, to serve both national purposes and their own service needs. It is also intended to acknowledge that even as the management arrangements for the conduct of U.S. intelligence activities are centralized and strengthened at higher levels, it is imperative to the continued vitality and effectiveness of U.S. intelligence activities, that the military departments continue to provide adequate personnel and logistical support to these efforts.

TITLE IV—CONGRESSIONAL OVERSIGHT

Section 401 of the bill amends Senate Resolution 400 (94th Congress), which established the Senate Select Committee on Intelligence (SSCI), to bring within its jurisdictional tactical intelligence activities. When the SSCI was established in 1976, the resolution establishing the Committee expressly excluded "tactical foreign military intelligence serving no national policy-making function." It was believed at the time that such activities more properly belonged in the jurisdiction of the Committee on Armed Services.

When the House counterpart to the SSCI was established in 1977, however, the same limitation upon its jurisdiction was not included in the resolution establishing the Committee. Moreover, the House Permanent Select Committee on Intelligence (HPSCI) was expressly given jurisdiction over "intelligence-related" activities, which, over time, has come to include various DoD programs and activities whose relationship to intelligence was, arguably, minimal.

Section 401 would adopt a "middle of the road" approach. It would eliminate the limitation in the Senate resolution which excludes "tactical intelligence" from "intelligence activities" under the jurisdiction of the SSCI, but it would not give the SSCI jurisdiction over "intelligence-related activities.

There are several reasons for this approach.

First, it is consistent with the changes proposed by section 303 of the bill which mandate the development of a DoD "Tactical Intelligence Program," eliminating those elements of the existing TIARA which do not qualify as "intelligence" activities, i.e. are "intelligence-related."

Second, experience has made clear that congressional oversight of national and tactical intelligence programs cannot be effectively performed separately or in a vacuum. Programmatic decisions made in the tactical area can have a direct bearing upon programmatic decisions made in the national area, and vice-versa. Support to military commanders and military planners necessarily involves national and tactical elements. To separate intelligence into two major segments for purposes of congressional oversight, and for the authorization of appropriations, establishes an arbitrary and artificial distinction that does not exist in reality.

Indeed, the SSCI has found it necessary as a practical matter—even though it is expressly excluded from jurisdiction over tactical intelligence activities—to establish a capability to monitor and oversee developments in the tactical intelligence arena. It cannot perform its functions vis-a-vis national programs without making this analysis. Typically, the Committee's recommendations in the tactical area are conveyed to the Committee on Armed Services which has previously accorded them substantial weight in arriving at its annual authorizations for tactical intelligence programs.

Because the House intelligence committee has jurisdiction over tactical intelligence programs, and the Senate intelligence committee does not, the annual authorizations for these activities are agreed upon in conference between the Senate Armed Services Committee and the House Permanent Select Committee on Intelligence within the context of the action on the DoD authorization, rather than the intelligence authorization, and the SSCI has played only an informal, advisory role in this process.

The purpose of section 401 would be to make the Senate's jurisdiction consistent with that of its House counterpart committee, and to ensure that all intelligence issues are dealt within the context of congressional action on the annual intelligence authorization bill. It would not alter the provisions of S. Res. 400 which give the Committee on Armed Services the right to ask for and receive sequential referral of the annual intelligence authorization bill. Accordingly, its right to review and recommend changes to the annual authorization for tactical intelligence activities would be preserved by this proposal. Similarly, when read in conjunction with the proposed section 303, this would leave DoD "intelligence-related" activities with arguably little direct relationship with intelligence outside the scope of SSCI or HPSCI jurisdiction altogether.

TITLE V—TRANSFER OF FUNCTIONS AND SAVINGS PROVISIONS

Sections 501 through 514 contains provisions which apply to the transfers of functions mandated by title III of the bill, namely, the transfer of functions to the newly-created National Imagery Agency, as well as the transfer of functions from the National Security Agency and Defense Intelligence Agency, both of which exist pursuant to Executive branch regulations, to the succeeding statutory agencies.

The effect of these provisions is basically to provide, as a matter of law, for the effective transition of functions, legal authorities, appropriations, personnel and equipment, obligations, and liabilities from the previously-established organizational entities to the newly-created ones.

TITLE VI—EFFECTIVE DATE

Section 601 provides that the effective date of the Act shall be 180 days from the date of its enactment, except for the amendment to Senate Resolution 400 which takes effect upon enactment. The 180-day delay in the effective date is intended to provide sufficient time for the actions called for by the bill to be implemented.•

By Mr. SIMPSON (for himself and Mr. SHELBY):

S. 2199. A bill to provide for the protection of Haitian nationals with a well-founded fear of persecution, to provide for the orderly return of those Haitian nationals without such a fear, and to discourage the departure of those Haitians who are unlikely to qualify for refugee status; read the first time.

PROTECTION OF HAITIAN NATIONALS

Mr. SIMPSON. Mr. President, I want to comment on legislation introduced by my two fine colleagues on the Subcommittee on Immigration and Refugee Affairs, Senator KENNEDY and Senator SIMON. I would also like to introduce my own legislation on this important issue, and let me briefly describe its different approach.

The Kennedy-Simon bill—and I am speaking now of the Haitian migrants and refugee issue, which is a burning issue before us in society—would effectively prohibit the United States Government from returning any Haitian nationals to Haiti until the President certifies that international observers have unimpeded access to monitor the conditions in Haiti and that the violence that existed in Haiti on the day of the coup, September 30, 1991, has receded sufficiently so that Haitians may return without fear of persecution or politically motivated violence.

Mr. President, while I commend my colleagues for a very good-faith response to the current situation, I nonetheless believe that this legislative response is mistaken and inadvertently very counterproductive. This bill goes beyond our current refugee laws to state in effect then the following rule, that if you come from an unstable country, or if conditions in your country are generally unsettled, you have a right to safe haven in the United States. That is what this bill is saying.

Mr. President, that rule would set a most dangerous precedent for us. How many countries in the world can now be defined as "generally unsettled" or "unstable"?

The list is quite extensive—South Africa, Sri Lanka, Yugoslavia, the former Soviet Republics of Georgia, and Azerbaijan, many of the countries in the Middle East, Algeria, Somalia, and many other countries in the African Continent. Should every national of these countries receive a safe-haven right in the United States? I think the answer is clearly no.

In saying that, we are not being mean spirited, ugly, evil, or devoid of compassion. I have been in this issue now my entire time in the U.S. Senate. I have had all the opprobrium and heavy language you can take on when you deal with immigration and refugee issues—xenophobia, harshness. Whatever happened to the Statue of Liberty?

So far we have managed to wind our way through those extremes because we have a refugee act which I was very proud to support when I came to this place which was sponsored by Senator KENNEDY of Massachusetts, my friend.

Senator KENNEDY set the tone for the compassionate bill in the 1980 act, and this bill, unfortunately, did not adhere to that as it should in my mind.

We adopted the definition of refugee in 1980. We recognize that. We adopted the international definition of refugee. Instead, we have agreed with most of the Western World to offer refugee status. Here is what we have done. Here is what the law reads. We give that status to any person whose "life or freedom is in danger or who shall have a well-founded fear of persecution based on race, religion, national origin, nationality, or membership in a particular social group or political opinion."

That is the law. That is the law of the United States. It is the law of the United Nations. It is this group of people that I have just described to whom we and the rest of the world provide a very special protection.

If our refugee laws were to provide protection to every single resident of a country in turmoil, then our refugee laws would become absolutely meaningless because we could not hope to accommodate or provide meaningful assistance to that large a number of people. In short, we would be overwhelmed.

I work very closely with a marvelous man, the chairman of the Commission on Refugee Policy, Immigration and Refugee Policy, Father Ted Hesburgh, a former president of Notre Dame, one of the most respected people, I think, in the United States, at least he is, in my mind, one of the finest.

We are fortunate that the Creator put him here to work with the rest of us in his perceptive and extraordinary way. I remember we talked about these things, we talked about the overwhelming problems that could come to the world—and they are coming and will come.

But I think, therefore, we must focus our refugee benefits on those people who would face a particular individualized fear of mistreatment if returned to Haiti or to any other country. In fact, we have a well-founded idea of who these people are in Haiti—high-level members of President Aristide's government—officials of trade unions, and other popular organizations which were his strongest supporters, owners, operators, and employees of Haitian radio stations, the most persuasive form of communication in Haiti, and other Haitians involved in political opposition to the current military government.

However, refugee status is neither warranted nor necessary for the protection of every single person who had to have the misfortune to be living in Haiti when the coup occurred. That is the mistake that this bill makes. It requires that no foreign national may be returned to Haiti until the situation becomes more settled.

Finally, let me point out one part of the bill that might be confusing.

The Kennedy-Simon bill does not terminate automatically on February 21, 1992, indeed not. Instead, it would indefinitely prohibit us from returning any Haitian national no matter how flimsy his or her claim to refugee status until certain country conditions are met in Haiti.

Mr. President, when was the last time that country's conditions improved? The answer is a very, very long time ago.

So despite my problems with the bill of Senator KENNEDY and Senator SIMON, I share their deep concern in their desire to address the tragic situation in Haiti. Therefore, I am today introducing an alternative bill to provide refugee status to deserving Haitians.

I ask my colleagues for their consideration and support of it.

My legislation does four things:

It requires the U.S. Government to begin processing Haitians in Guantanamo to determine which ones qualify as refugees.

It allows us to admit to the United States any Haitian found to qualify as a refugee.

It prohibits us from admitting any Haitian before his or her refugee determination is final.

It states the sense of the Congress that any Haitian found not to qualify for refugee status may be returned to Haiti.

The key to this legislation is that we will determine whether a Haitian fleeing his or her country has a well-founded fear of persecution. If that person can show a well-founded fear of persecution, if returned to Haiti, then that person will not be returned to Haiti but will be admitted to the United States. However, if that person cannot show that he or she has a well-founded fear or persecution in Haiti, then our Government may return that person to Haiti.

Mr. President, if we are not able to return nonrefugees to Haiti, then it is so very possible that hundreds of thousands of Haitians may again set out in their leaky, unsafe boats to try to make it to our country.

Ironically, Mr. President, the deaths on the high seas that would result are likely to be much higher than the number of deaths that have occurred in Haiti since the September coup. It is quite possible, assuredly, that more Haitians have already died on the high seas attempting to get to the United States than have died as a result of that coup.

Cautious estimate is that 10 percent of the approximately 15,000 Haitian boat departures never make it to shore or to a Coast Guard cutter. Perhaps 1,500 have died on the high seas. In comparison, the State Department states that 200 to 300 people have died due to the political violence in Haiti since the September coup—an interesting statistic, a sad statistic. But even the human rights monitoring groups have said that the maximum number of deaths attributed to the coup is 1,500. My experience is that those numbers are inflated historically.

Thus, it is quite probable that more persons have died trying to reach the United States by this extraordinary method of conveyance in these very inadequate vessels than have died in Haiti because of the political violence since last September.

Mr. President, I think it is simply irresponsible to send the wrong signal to the average Haitian and encourage him or her to risk a journey to the United States.

However, if we stop all involuntary returns of any Haitians to Haiti, we send exactly that signal. We will encourage innumerable perilous boat journeys by persons desperate to find a job in the United States. I refuse to take part in such a dangerous approach.

We are literally playing with fire when we send these messages to poor, desperate countries of the Third World. Let us be clear about the situation in Haiti. While it is not a place that is devoid of violence, certainly it is also not a place where corpses are lining the street. It is difficult to talk about these issues in this way, because I know the attitude, I know the response, I know the reaction. But some of the Haitian refugee advocates would have us believe that, and that is not so.

I gave you the figure that, since September, the coup, between 200 and 300 persons have died as a result of political violence. By way of comparison, over 400 persons have died in Washington, DC, who were homicide victims last year—the ultimate of life's disaster.

Some groups allege a higher toll exists in Haiti, but my experience has been that these human rights groups have a tendency to make very high estimates. And in discussions with Assistant Secretary of State for the Inter-American Affairs this week, I was reminded of a very important fact, and I will conclude on this fact.

In the nearly 11 years that we have been returning the interdicted Haitians who do not qualify for refugee status, there has not been a single reported case of a repatriated Haitian being harmed, imprisoned, or persecuted in any way as a result of the repatriation. I think that is an extraordinary statement.

I think this bill that I present is simple and straightforward. It says that if you have a well-founded fear of persecution in Haiti, we will not return you. If you do not have such a fear, then we will return you.

Mr. President, my bill's approach is logical, rational, generous, compassionate, and fair, and it avoids the unintended consequence of increased departures by Haitians on unseaworthy craft. It addresses, in a very difficult situation, that issue in a way calculated to save the largest number of lives, not to lead people to false hopes and unfortunate results. I urge its consideration and adoption.

Mr. SHELBY. Mr. President, I rise today to support a bill introduced by Senator SIMPSON, which fairly and responsibly addresses the Haitian refugee problem.

Despite the emergency ruling by the U.S. Supreme Court on January 31, 1991, and the subsequent upholding of the Court's decision to repatriate the Haitians by the court of appeals, there are some in the Congress who still believe that the answer to this problem is to block the return of the Haitians. I disagree.

The bill that Senator SIMPSON is offering is in everyone's best interest. It is consistent with existing immigration and naturalization laws and it treats Haitian refugees as it would treat all other refugees. The bill provides for the processing of the Haitians in Guantanamo as refugees, according to the Refuge Act of 1980. Those Haitians that meet the existing refugee criteria will be admitted to the United States. However, those Haitians who cannot show that they have "a well-founded fear of persecution in Haiti," will be repatriated.

The bill is straightforward and would provide refugee status to deserving Haitians. In addition, the bill expresses a sense of the Senate that sends a very important message to all Haitians. It is estimated that as many as five times more Haitians have died in the waters between Florida and Haiti than were killed in the violence that accompanied the coup d'etat in September. We should make it perfectly clear that it is not going to be in a Haitian's best interest to risk one's life by braving the rough waters on makeshift, overcrowded boats to come to the United States. It is irresponsible of the U.S. Government to continue to send Haitians mixed signals about their opportunities in the United States, encouraging them to risk their lives. This bill would discourage such attempts.

Mr. President, in closing I would like to emphasize what a practical response this bill is to an unfortunate and tragic problem. This is not a pleasant situation for the Haitians, the Supreme Court, the President, and certainly not for the Congress. Nevertheless, I believe it is important to respond to this crisis with consistency, fairness, and speed, not only to resolve this immediate matter, but to discourage a similar crisis in the future. I am confident that this bill will accomplish this.

ADDITIONAL COSPONSORS

S. 316

At the request of Mr. CRAIG, the names of the Senator from Kentucky [Mr. MCCONNELL] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 837

At the request of Mr. BUMPERS, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 837, a bill to amend the Internal Revenue Code of 1986 with respect to the discharge, or repayment, of student loans of students who agree to perform services in certain professions.

S. 1257

At the request of Mr. SYMMS, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1578

At the request of Mr. THURMOND, the names of the Senator from Colorado [Mr. WIRTH], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1578, a bill to recognize and grant a Federal charter to the Military Order of World Wars.

S. 1902

At the request of Mr. ADAMS, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1902, a bill to amend title IV of the Public Health Service Act to require certain review and recommendations concerning applications for assistance to perform research and to permit certain research concerning the transplantation of human fetal tissue for therapeutic purposes, and for other purposes.

S. 1932

At the request of Mr. BUMPERS, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1932, a bill to amend the Internal Revenue Code of 1986 to provide a capital gains tax differential for individual and corporate taxpayers who make high-risk, long-term, growth-oriented venture and seed capital investments in start-up and other small enterprises.

S. 1972

At the request of Mr. LEAHY, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1972, a bill to amend the Public Health Service Act to provide grants for the establishment of State demonstration projects for comprehensive health care reform, and for other purposes.

S. 1997

At the request of Mr. KASTEN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1997, a bill to amend the Internal Revenue Code of 1986 to exclude from the social security tax on self-employment income certain amounts received by insurance salesmen after retirement.

S. 2064

At the request of Mr. HATFIELD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2064, a bill to impose a one-year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

S. 2070

At the request of Mr. MOYNIHAN, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 2070, a bill to provide for the Management of Judicial Space and Facilities.

S. 2089

At the request of Mr. NICKLES, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 2089, a bill to repeal exemptions from civil rights and labor laws for Members of Congress.

S. 2176

At the request of Mr. KASTEN, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 2176, a bill to provide that Federal tax reduction legislation enacted in 1992 be effective January 1, 1992.

S. 2182

At the request of Mr. DECONCINI, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 2182, a bill to amend the Child Nutrition Act of 1966 to make the special supplemental food program for women, infants, and children (WIC) and entitlement program, and for other purposes.

S. 2183

At the request of Mr. SHELBY, the names of the Senator from Kentucky [Mr. FORD] and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 2183, a bill to prohibit the Secretary of Veterans Affairs from carrying out the Rural Health Care Initiative.

S. 2185

At the request of Mr. KENNEDY, the names of the Senator from Florida [Mr. MACK], the Senator from New York [Mr. D'AMATO], the Senator from Oregon [Mr. HATFIELD], the Senator from New York [Mr. MOYNIHAN], the Senator from Connecticut [Mr. DODD], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. BRADLEY], the Senator from Rhode Island [Mr. PELL], the Senator from Maryland [Mr. SARBANES], the Senator from Iowa [Mr. HARKIN], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Illinois [Mr. DIXON], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of S. 2185, a bill to suspend the forcible repatriation of Haitian nationals fleeing after the coup d'etat in Haiti until certain conditions are met.

SENATE JOINT RESOLUTION 139

At the request of Mr. THURMOND, the names of the Senator from Delaware [Mr. BIDEN] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 139, a joint resolution designating October 1991, as "National Lock-In-Safety Month."

SENATE JOINT RESOLUTION 224

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 224, a joint resolution designating March 1992 as "Irish-American Heritage Month."

SENATE JOINT RESOLUTION 230

At the request of Mr. REID, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 230, a joint resolution providing for the issuance of a stamp to commemorate the Women's Army Corps.

SENATE JOINT RESOLUTION 231

At the request of Mr. THURMOND, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from North Dakota [Mr. CONRAD], the Senator from New York [Mr. MOYNIHAN], the Senator from Washington [Mr. ADAMS], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Joint Resolution 231, a joint resolution designating the month of May 1992, as "National Foster Care Month."

SENATE JOINT RESOLUTION 238

At the request of Mr. RIEGLE, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Joint Resolution 238, a joint resolution designating the week beginning September 21, 1992, as "National Senior Softball Week."

SENATE JOINT RESOLUTION 241

At the request of Mr. SPECTER, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Missouri [Mr. BOND], the Senator from South Dakota [Mr. DASCHLE], the Senator from Alabama [Mr. SHELBY], the Senator from Alaska [Mr. STEVENS], the Senator from Connecticut [Mr. DODD], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Joint Resolution 241, a joint resolution designating October 1992 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 242

At the request of Mr. SPECTER, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Joint Resolution 242, a joint resolution designating the week of September 13, 1992, through September 19, 1992, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 243

At the request of Mr. KASTEN, the names of the Senator from Michigan [Mr. RIEGLE] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Joint Resolution 243, a joint resolution to designate the period commencing March 8, 1992, and ending on March 14, 1992, as "Deaf Awareness Week."

SENATE JOINT RESOLUTION 247

At the request of Mr. DOLE, the names of the Senator from Utah [Mr. GARN], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from California [Mr. SEYMOUR], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of Senate Joint Resolution 247, a joint resolution designating June 11, 1992, as "National Alcoholism and Drug Abuse Counselors Day."

SENATE RESOLUTION 95

At the request of Mr. GORE, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Resolution 95, a resolution urging the Administrator of the Environmental Protection Agency to accelerate the scheduled phaseout of production of ozone-destroying substances in the United States as required pursuant to the Clean Air Act Amendments of 1990 and calling on the President to urge the United Nations to call a special session of the Contracting Parties to the Montreal Protocol in order to conclude an agreement accelerating the scheduled phaseout of such substances and for other purposes based on recent scientific findings concerning the degradation of the stratospheric ozone layer and increased atmospheric concentrations of substances that lead to the degradation of the stratospheric ozone layer.

SENATE RESOLUTION 123

At the request of Mr. KASTEN, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of Senate Resolution 123, a resolution relating to State taxes for mail-order companies mailing across State borders.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

AMENDMENT NO. 1159

At the request of Mr. GORE, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of amendment No. 1159 proposed to H.R. 2686, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1992, and for other purposes.

AMENDMENT NO. 1526

At the request of Mr. CHAFEE, his name was added as a cosponsor of amendment No. 1526 intended to be proposed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

AMENDMENTS SUBMITTED

NATIONAL ENERGY SECURITY ACT

JEFFORDS (AND OTHERS) AMENDMENT NO. 1530

Mr. JEFFORDS (for himself, Mr. GRASSLEY, Mr. GLENN, and Mr. EXON) proposed an amendment to the bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes, as follows:

On page 57, line 11, strike "and".

On page 57, line 14, strike the period and insert "; and".

On page 57, between lines 14 and 15, insert the following new paragraph:

(7) such program should provide long-term stability to industries producing replacement and alternative fuels.

On page 57, line 18, insert "and improve environmental quality" after "pollution".

On page 58, line 13, strike "including stripper wells" and insert "excluding domestic petroleum recovered from stripper wells".

On page 58, line 16, strike "or Canada" and insert "Canada, or any country in the Western Hemisphere with which the United States has a free trade agreement".

On page 59, line 2, after "gasoline," insert the following: "not manufactured from conventional petroleum,".

On page 59, line 3, before the semicolon, insert the following: ", liquid fuels derived from coal, oil shale, tar sands, natural gas (including natural gas liquids), and biomass and waste products".

On page 59, line 11, strike "and".

On page 59, strike lines 12 through 23 and insert the following new paragraphs:

(9) the term "provider" means—

(A) a person engaged in the production of replacement or alternative fuels, for sale and use as a motor fuel; or

(B) a person who recovers domestic petroleum from stripper wells;

(10) the term "refiner" means a person engaged in the refining of crude oil to produce motor fuel, an importer of motor fuel, or an affiliate of the person or importer;

(11) the term "prohibitive cost" means an expense that would result in a refiner's product being economically nonviable; and

(12) the term "stripper well" has the same meaning as is provided for "stripper well property" in section 613A(c)(6)(E) of the Internal Revenue Code of 1986.

On page 60, line 11, insert "(1) IN GENERAL.—" before "Under".

On page 60, line 17, strike "(1)" and insert "(A)".

On page 60, line 21, strike "(2)" and insert "(B)".

On page 61, line 3, strike "(3)" and insert "(C)".

On page 61, strike line 7 and insert the following: "(D) assess the suitability, cost-effectiveness, and environmental impact".

On page 61, line 10, strike "; and" and insert a semicolon.

On page 61, line 11, strike "(5)" and insert "(E)".

On page 61, line 15, strike the period and insert "; and".

On page 61, between lines 15 and 16, insert the following new subparagraph:

(F) establish a goal of achieving, by the year 2000, utilization of domestic renewable resources for at least 5 percent of annual gasoline consumption.

(2) SUBSTITUTE PERCENTAGE GOAL.—The Secretary shall prescribe, by rule, a substitute percentage goal for the purpose of paragraph (1)(B), if the Secretary determines that 30 percent is unachievable because of technological or cost constraints, or because of environmental considerations analyzed in the report required under section 4307(b)(5)(B).

Beginning on page 62, strike line 11, and all that follows through page 64, line 2, and insert the following new sections:

SEC. 4307. REPLACEMENT AND ALTERNATIVE FUELS SUPPLY.—(a) TIMETABLE FOR REFINERS.—(1) IN GENERAL.—Of the total quantity of gasoline, alternative fuels, and replacement fuels sold in commerce during each of the 1996 and subsequent calendar years by a refiner (including sales to the Federal Government), domestic-produced replacement and alternative fuels shall constitute, at a minimum, the percentages as determined in accordance with the following table:

In each of the calendar years:	**The minimum percentage that replacement fuels and alternative fuels constitute, shall be—**
1996 through 2000	Determined by the Secretary under paragraph (2)(A).
2001 through 2009	10 percent, subject to paragraph (2)(B).
2010 and each year thereafter.	The percentage determined feasible under paragraph (2)(B).

(2) ESTABLISHMENT OF PERCENTAGES BY SECRETARY.—

(A) CALENDAR YEARS 1996 THROUGH 2000.—

(i) IN GENERAL.—Not later than October 1, 1994, the Secretary shall, by rule, prescribe the minimum percentage (on an energy equivalent basis) of the total quantity of gasoline, alternative fuels, and replacement fuels sold in commerce during each of the 1996 through 2000 calendar years by a refiner for use as motor fuel (including sales to the Federal Government), that must be domestic-produced replacement and alternative fuels.

(ii) FACTORS.—In establishing the percentages, the Secretary shall—

(I) take into account the demand for and the availability of reliable sources of replacement and alternative fuels; and

(II) establish the percentages at a level that is consistent with a goal for domestic production of replacement and alternative fuels for calendar year 2001 and thereafter of not less than 10 percent on an energy equivalent basis of the projected consumption of gasoline, alternative fuels, and replacement fuels in the United States for each year.

(B) CALENDAR YEARS 2001 AND THEREAFTER.—

(i) IN GENERAL.—Subject to clauses (ii) and (iii) and the development plan required under section 4305(b), the Secretary shall, by rule, prescribe the minimum percentage (on an energy equivalent basis) of the total quantity of gasoline, alternative fuels, and replacement fuels sold in commerce during calendar year 2001 and each of the subsequent calendar years by a refiner for use as motor fuel (including sales to the Federal Government), that must be domestic-produced replacement and alternative fuels.

(ii) MINIMUM PERCENTAGE.—Subject to clause (iii), the minimum percentage established under this subparagraph shall be 10 percent.

(iii) INCREASED PERCENTAGE.—In the case of calendar year 2001 and each of the subsequent calendar years, the Secretary may increase the minimum percentage established under this subparagraph if the Secretary determines that the increase is feasible based on findings made under sections 4305, 4306, and subsection (b)(5).

(3) CREDITS.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations allowing the sale, other exchange, banking, carry-forward, and carry-back of marketable credits, in order to satisfy the requirements of this section, among—

(i) refiners;

(ii) providers;

(iii) manufacturers of dedicated alternative-fuel vehicles; and

(iv) owners of public and private refueling stations (who may obtain credits for the installation of the equipment and facilities needed to sell or dispense alternative fuels).

(B) DEDICATED ALTERNATIVE-FUEL VEHICLES.—The Secretary shall determine the value of credits for dedicated alternative-fuel vehicles that shall be available to manufacturers of the vehicles based on a reasonable estimate of the quantity of gasoline or diesel motor fuel that would otherwise be consumed, over the life cycle of each dedicated alternative-fuel vehicle, in a comparable conventionally fueled vehicle achieving the average fuel economy for the current model year for vehicles in the conventionally fueled vehicle's size and utility class.

(C) PUBLIC AND PRIVATE REFUELING STATIONS.—

(i) IN GENERAL.—Subject to clause (ii), the Secretary shall determine the value of credits for alternative fuel refueling facilities at public and private refueling stations that shall be available to owners of the facilities based on a reasonable estimate of the quantity of gasoline or diesel motor fuel that would have been sold at a similar gasoline or diesel motor fuel refueling facility in a calendar year.

(ii) LIMITATION.—Credits under this subparagraph shall be available only for the installation of the facilities described in clause (i) and shall not be available on a continuing basis.

(4) EXEMPTIONS.—

(A) SMALL REFINERS.—In the case of a domestic refiner of domestic crude oil that (on the date of enactment of this Act) has a capacity per calendar day of less than 20,000 barrels, the requirements of this subsection shall become effective 3 years after the date of enactment of this Act.

(B) HARDSHIP.—On the application of a person and based on prohibitive costs or an inability to obtain raw materials, sufficient replacement or alternative fuels, or marketable credits, the Secretary may make an adjustment to reduce the minimum percentage requirement as it applies to that person.

(b) REPORTING REQUIREMENTS.—(1) REFINERS.—Each refiner shall report annually to the Secretary on—

(A) the percentage of domestic-produced replacement fuels, on an energy equivalent basis, contained in the total quantity of gasoline that the refiner sold during the preceding calendar year; and

(B) the quantity of replacement and alternative fuels sold by or credited to the refiner during the year.

(2) DISTRIBUTORS.—Each distributor of alternative fuels, and each manufacturer of dedicated alternative fuel vehicles, shall report annually to the Secretary on—

(A) the quantity of alternative fuels or the number of dedicated alternative fuel vehicles sold into commerce for transportation purposes; and

(B) the quantity of credits that the distributor or manufacturer sold to refiners during the year.

(3) PUBLIC AND PRIVATE REFUELING STATIONS.—Each owner of a public or private refueling station who sells credits for the installation of equipment and facilities needed to sell or dispense alternative fuels shall report annually to the Secretary on the quantity of credits sold to refiners during the year.

(4) SECRETARY OF TRANSPORTATION.—The Secretary of Transportation shall cooperate with the Secretary on developing a reporting system for the number of dual fuel and dedicated alternative fuel vehicles manufactured and sold into commerce by each manufacturer during the year.

(5) ADMINISTRATOR.—

(A) IN GENERAL.—The Administrator shall report to Congress not later than 2 years after the date of enactment of this Act, and at least every 4 years thereafter, on the potential environmental impact of developing replacement and alternative fuels.

(B) ANALYSIS.—The report shall analyze the existing and potential—

(i) benefits and detriments to air and water quality (including climate change);

(ii) ramifications for solid and hazardous waste management;

(iii) implications for public land management; and

(iv) other environmental effects as identified by the Administrator.

(c) COORDINATION WITH OTHER ACTS.—This section shall be administered and enforced in coordination with the administration and enforcement of the Energy Security Act (42 U.S.C. 8701 et seq.) and the Clean Air Act (42 U.S.C. 7401 et seq.).

Sec. 4308. ENFORCEMENT BY THE SECRETARY.—(a) VIOLATION.—(1) IN GENERAL.—

(A) IN GENERAL.—A person who violates a requirement imposed under section 4307(a) shall be subject to a civil penalty, assessed by the Secretary, which shall be based on the product obtained by multiplying—

(i) a monetary per gallon penalty determined in accordance with subparagraph (B); by

(ii) the difference between—

(I) the number of gallons of alternative and replacement fuels required under section 4307(a); and

(II) the number of gallons of replacement and alternative fuels sold and credited.

(B) DETERMINATION OF MONETARY PENALTY.—

(i) IN GENERAL.—The Secretary shall issue regulations establishing a monetary per gallon penalty system that—

(I) encourages compliance with this Act;

(II) provides stability and growth in the production of replacement and alternative fuels; and

(III) allows for the recovery of administrative costs incurred by the Secretary in enforcing the requirements of this Act.

(ii) AMOUNT OF PENALTY.—The Secretary shall—

(I) consider linking the penalty system to the market price of nonqualifying petroleum or motor vehicle fuels; and

(II) ensure that the penalty system establishes a penalty for each violation calculated to—

(aa) approximate the minimum monetary expenditure that the violator would have made to obtain sufficient credits to comply with the requirements of section 4307; and

(bb) include the administrative costs incurred by the Secretary in enforcing the requirements of this Act.

(iii) REVISIONS.—The Secretary may revise the penalty system, by rule, as is necessary to reflect changing market conditions.

(2) FAILURE TO REPORT.—Failure to meet the reporting requirements of section 4307(b) shall be punishable by a civil penalty of not more than $25,000 per day.

(b) AUDITS.—The Secretary, and authorized representatives of the Department of Energy, shall have access for the purpose of audit and examination to any books, documents, papers, and records, of refiners, providers, manufacturers of dedicated alternative-fuel vehicles, and owners of public and private refueling stations, that are pertinent to the requirements of section 4307.

(c) JUDICIAL REVIEW.—(1) IN GENERAL.—A person against whom a penalty is assessed under this section may, not later than 60 days after the date of the order of the Secretary assessing the penalty, institute an action in the United States Court of Appeals for the appropriate judicial circuit for review of the order in accordance with chapter 7 of title 5, United States Code.

(2) JURISDICTION.—The court shall have jurisdiction to—

(A) enter a judgment affirming, modifying, or setting aside in whole or in part, the order of the Secretary; or

(B) remand the proceeding to the Secretary for such further action as the court may direct.

Sec. 4309. AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subtitle.

DIXON (AND OTHERS) AMENDMENT NO. 1531

Mr. DIXON (for himself, Mr. GORE, Mr. DECONCINI, Mr. LEVIN, Mr. DASCHLE, Mr. BURDICK, Mr. GLENN, Mr. HARKIN, and Mr. D'AMATO) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . SUPPORT FOR UNITED STATES WORKERS.

(a) FINDINGS.—The Senate finds that—

(1) the United States worker is one of the most productive in the world;

(2) based on gross domestic product produced per employed person, the United States is rated number one in productivity compared to Canada, Japan, Korea, Germany, and Britain;

(3) according to a study (based on statistics from the Organization for Economic Cooperation and Development) during the mid-1980's, America produced almost twice as much as Japan for every man-hour worked;

(4) it was the hard work, dedication, and efficiency of United States workers that made the United States the number one industrial power in the world;

(5) the quality of United States products is one of the best in the world;

(6) the United States leads in many areas including computer software and hardware technology, pharmaceuticals, biotechnology, construction engineering, entertainment, agriculture, and energy and environmental control;

(7) the United States has been able to successfully export to other areas of the world;

(8) the trade deficit with Japan for 1991 is approximately $42 billion;

(9) United States and other foreign auto makers attempting to sell in Japan have less than 3 percent of the Japanese market;

(10) Japan's structural impediments, such as restrictive distribution system, exclusionary business practices, keiretsu relationships, regulatory system, land policy, and predatory pricing practices, prevent United States companies from fairly competing in Japan;

(11) Japan's tariffs and quotas on foreign agricultural goods restrict the import of United States agricultural products into Japan;

(12) Japan continues to violate United States copyright, patent, and trademark protection laws; and

(13) Japan continues to restrict foreign direct investment in certain industries, while the United States permits unrestricted foreign investment.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate objects to—

(1) the comments made by Japan's Speaker of the House, Yoshio Sakurauchi, regarding American workers, and

(2) the statements made by Prime Minister Kiichi Miyazawa disparaging the American work ethic and undermining the commitment that was made with President Bush.

JOHNSTON (AND OTHERS) AMENDMENT NO. 1532

Mr. JOHNSTON (for himself, Mr. WALLOP, and Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

On page 12, lines 9 through 14, delete subsection (c) and designate subsection (d) as subsection (c).

JOHNSTON (AND WIRTH) AMENDMENT NO. 1533

Mr. JOHNSTON (for himself and Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

On page 83, line 24, amend section 5201 by inserting a new subsection (b) as follows, and redesignating subsections (b) and (c) as subsections (c) and (d) accordingly:

"(b) Section 6(d)(1) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (Public Law 101-218) is amended as follows:

(1) after the semicolon by deleting the word "or"; and

(2) by inserting after paragraph (B) a new paragraph (C) as follows: "; or (C) there is insufficient Federal funding to adequately fund each of the joint venture technologies as required under subsection (b)(1),"."

Amend page 84, line 19, by inserting a new paragraph (4) to read as follows:

"(4) By inserting after the word "shall" in paragraph (b)(5), the word "not"."

Amend page 87, line 22 by inserting a new subsection (d) as follows:

"(d) ADDITIONAL DUTIES OF JOINT VENTURE ADVISORY COMMITTEE.—Section (b)(3) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (Public Law 101-218) is amended by adding a new subparagraph as follows:

"(C) Not later than 18 months after the date of the enactment of the National Energy Security Act of 1991, the Advisory Committee shall provide the Secretary with a report assessing the implementation of the joint venture program under this section including specific recommendations for improvements or changes to the program and solicitation process.".

JOHNSTON (AND WIRTH) AMENDMENT NO. 1534

Mr. JOHNSTON (for himself and Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

On page 117, after line 14, amend Section 6102 by adding the following new subsection (d):

"(d) ENERGY EFFICIENT MORTGAGE PILOT PROGRAM.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development and the Secretary of Veterans Affairs shall, within six months after the date of enactment of this Act, jointly establish an energy efficient mortgage pilot program in five States, to promote the purchase of new and existing energy efficient residential buildings and the installation of cost-effective improvements in existing residential buildings.

"(2) PILOT PROGRAM.—The pilot program established under this subsection shall include the following criteria, where applicable:

"(A) the lender shall originate an otherwise normal VA or FHA home loan;

"(B) the mortgagor's income and credit record is found to be satisfactory and his base loan application is approved; and

"(C) the cost of cost-effective energy efficiency improvements do not exceed five percent of the property value (not to exceed $8,000) or $4,000, whichever is greater.

"(3) ADDITIONAL.—When granting mortgages under the pilot program established pursuant to this subsection, the Secretary shall grant mortgagees the authority to:

"(A) permit the final loan amount to exceed the normal VA, FHA, loan limits by an amount not to exceed 100 percent of the cost of the cost-effective energy efficiency improvements, provided that the mortgagors request to add the cost of such improvements is received by the mortgage prior to funding of the base loan;

"(B) hold in escrow all funds provided to the mortgagor to undertake the energy efficiency improvements until the efficiency improvements are actually installed; and

"(C) transfer or sell the energy efficient mortgage to the appropriate secondary market agency, after the mortgage is issued, but before the energy efficiency improvements are actually installed.

"(4) PROMOTION OF PILOT PROGRAM.—The Secretary of Housing and Urban Development and the Secretary of Veteran's Affairs shall encourage participation in the energy efficient mortgage pilot program by:

"(A) making available information to lending agencies and other appropriate authorities regarding the availability and benefits of energy efficient mortgages;

"(B) requiring mortgagees and designated lending authorities to provide written notice of the availability and benefits of the pilot program to mortgagors applying for financing in those States designated by the Secretary as participating under the pilot programs; and

"(C) requiring all applicants for VA and FHA mortgages in those States participating under this pilot program to sign a statement stating that they have been informed of the program and understand the benefits of energy efficient mortgages.

"(5) TRAINING PROGRAM.—Not later than nine months after the enactment of this Act, the Secretary of Housing and Urban Development, in consultation with the Secretary of Veteran's Affairs and the Secretary of Energy, shall establish and implement a program for training personnel at relevant lending agencies, real estate companies, and other appropriate organizations regarding the benefits of energy efficient mortgages and the operation of the pilot program under this subsection.

"(6) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Housing and Urban Affairs and the Secretary of Veteran's Affairs shall prepare a report to the Congress describing the effectiveness and implementation of the energy efficient mortgage pilot program as described under this subsection, as well as an assessment of the potential for expanding the pilot program nationwide.

"(7) EXTENSION OF PROGRAM.—Not later than two years after the date of the implementation of the Energy Efficient Mortgage Pilot Program, the Secretary of Housing and Urban Development and the Secretary of Veteran's Affairs shall extend the pilot program nationwide unless the Secretary's can demonstrate to Congress that such an extension would not be practicable.

"(8) DEFINITIONS.—As used in this subsection the term—

"(1) "energy efficient mortgage" means a mortgage on a residential property that recognizes the energy savings of a home that has cost-effective energy saving construction or improvements and that has the effect of not disqualifying a borrower who, but for the expenditures on energy saving construction or improvements, would otherwise have qualified for a base loan;

"(2) "cost-effective" means those energy efficiency improvements to an attached or unattached single family residence that will produce an immediate and quantifiable positive cash flow and will result in monthly energy savings greater than the resulting increase in the monthly loan payment when 100 percent of the cost of improvements is added to the base loan;

"(3) "base loan" means any FHA or VA loan that does not include the cost of cost-effective energy improvements; and

"(4) "residential buildings" means any attached or unattached single family residence.".

JOHNSTON (AND OTHERS) AMENDMENT NO. 1535

Mr. JOHNSTON (for himself, Mr. FOWLER, and Mr. WIRTH) proposed an amendment to amendment No. 1534 proposed by Mr. JOHNSTON (and Mr. WIRTH) to the bill S. 2166, supra, as follows:

Amend the amendment which provides for an energy efficient mortgage program by inserting the following text in the first definition, in subparagraph (d)(8)(1), after the phrase, "recognizes the energy savings of a home that has cost-effective energy saving construction or improvements": "(including solar water heaters, solar-assisted air conditioners and ventilators, super-insulation, and insulating glass and film)".

JOHNSTON (AND OTHERS) AMENDMENT NO. 1536

Mr. JOHNSTON (for himself, Mr. WALLOP, and Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

On page 159, after line 9, redesignate subsections (b) and (c) as subsections (c) and (d), respectively, and add the following new subsection:

"(b) The Public Utility Regulatory Policies Act of 1978 is further amended by inserting the following new paragraph at the end of subsection 111(c):

"'(3) If a State regulatory authority implements a standard established by subsection (d)(7), such authority shall (A) consider the impact that implementation of such standard would have on small businesses engaged in the design, sale, supply, installation or servicing of energy conservation, energy efficiency or other demand side management measures, and (B) implement such standard so as to assure that utility actions would not provide such utilities with unfair competitive advantages over such small businesses.'"; and

On page 160, after line 8, insert the following new paragraph:

"(4) an analysis by the Federal Trade Commission of the competitive impact of implementation of energy conservation, energy efficiency and other demand side management programs by utilities on small businesses engaged in the design, sale, supply, installation or servicing of similar energy conservation, energy efficiency or other demand side management measures and whether any unfair, deceptive or predatory acts or practices exist, or are likely to exist, from implementation of such programs.".

JOHNSTON (AND OTHERS) AMENDMENT NO. 1537

Mr. JOHNSTON (for himself, Mr. WALLOP, and Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

On page 109, after line 2, insert the following new subsection (d) and reletter the existing subsection (d) as (e).

"(d) The Secretary shall periodically, but no less than once every five years, review the Federal building energy code and shall, if significant energy savings would result, upgrade such code to include all new energy efficiency measures that are technologically feasible and economically justified."

JOHNSTON (AND AKAKA) AMENDMENT NO. 1538

Mr. JOHNSTON (for himself and Mr. AKAKA) proposed an amendment to the bill S. 2166, supra, as follows:

On page 176, lines 22, insert the following new section:

"SEC. 6508. USE OF SOLAR THERMAL WATER HEATERS FOR LOW-INCOME WEATHERIZATION.

Section 412(9)(e) of the Energy Conservation and Production Act (42 U.S.C. 6862(9)(E)) is amended by inserting a new clause as follows and relettering accordingly: "solar thermal water heaters".

JOHNSTON (AND WIRTH) AMENDMENT NO. 1539

Mr. JOHNSTON (for himself and Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

Amend subtitle E of title VI by adding a new section as follows:

"SEC. 6508. BUILDING RETROFIT STANDARDS.

(a) Section 362(d) of the Energy Policy and Conservation Act (42 U.S.C. 6322) is amended by renumbering paragraph (13) as paragraph (14) and inserting before the "; and" in paragraph (12) a new paragraph (13) as follows:

"(13) programs for the development of building retrofit standards and regulations, including retrofit ordinances enforced at the time of the sale of the building;"

"(b) Section 363 of the Energy Policy and Conservation Act (42 U.S.C. 6323) is amended by adding a new subsection (f) as follows:

"(f) Technical assistance pursuant to subsection (a) may include: (i) reports on experience with existing retrofit programs; and (ii) model State laws and proposed regulations relating to the development of building retrofit standards and regulations, including retrofit ordinances."

JOHNSTON (AND OTHERS) AMENDMENT NO. 1540

Mr. JOHNSTON (for himself, Mr. SARBANES, and Ms. MIKULSKI) proposed an amendment to the bill S. 2166, supra, as follows;

On page 144, after line 17, add the following new section:

"SEC. . VIBRATION TECHNOLOGY STUDY.

(a) The Secretary of Energy shall, in consultation with the appropriate industry representatives, conduct a study to assess the cost-effectiveness, technical performance, energy efficiency, and environmental impacts of active noise and vibration cancellation technologies that use fast adapting algorithms.

(b) In carrying out such study, the Secretary shall—

(1) estimate the potential for conserving energy and the economic and environmental benefits that may result from implementing active noise and vibration abatement technologies in demand-side management; and

(2) evaluate the cost effectiveness of active noise and vibration cancellation technologies as compared to other alternatives for reducing noise and vibration.

(c) The Secretary shall transmit to the Congress, within 12 months after the date of the enactment of this Act, a report containing the findings and conclusions of the study carried out under this subsection.

(d) The Secretary may, based on the findings and conclusions of such study, carry out at least one project designed to demonstrate the commercial application of active noise and vibration cancellation technologies using fast adapting algorithms in products or equipment with a significant potential for increased energy efficiency.

JOHNSTON (AND WALLOP) AMENDMENT NO. 1541

Mr. JOHNSTON (for himself and Mr. WALLOP) proposed an amendment to the bill S. 2166, supra, as follows:

Amend section 6302 on page 161:

(1) by adding at the end of line 5, "Such grants may be utilized by a State regulatory authority to provide financial assistance to subgrantees of the Department of Energy's Weatherization Assistance Program to facilitate participation by such subgrantees in proceedings of such regulatory authority to examine least-cost planning."; and

(2) by adding at the end of line 10, "Such actions—

"(1) shall include procedures to facilitate the participation of subgrantees of the Department of Energy's Weatherization Assistance Program in proceedings of such regulatory authority to examine least-cost planning, and

"(2) may include provision for utility coverage of the costs of such subgrantees participation in such proceedings."

WELLSTONE AMENDMENT NO. 1542

Mr. JOHNSTON (for Mr. WELLSTONE) proposed an amendment to the bill S. 2166, supra, as follows:

On page 303, strike line 15 and all that follows through line 21.

GLENN (AND OTHERS) AMENDMENTS NOS. 1543 THROUGH 1545

Mr. JOHNSTON (for Mr. GLENN, for himself, Mr. JOHNSTON, Mr. KOHL, Mr. FOWLER, Mr. LAUTENBERG, Mr. COHEN, Mr. SEYMOUR, Mr. GRASSLEY, Mr. LEVIN, Mr. DODD, and Mr. WIRTH) proposed three amendments to the bill S. 2166, supra, as follows:

AMENDMENT NO. 1543

On page 87, line 22, amend section 5201 of subtitle B of Title V by inserting at the end thereof the following new subsection (d):

"(d) NATIONAL RENEWABLE ENERGY AND ENERGY EFFICIENCY MANAGEMENT PLAN.—Section 9(b) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (Public Law 101-218) is amended:

"(A) in paragraph (1) by inserting "three-year" before "management plan"; and

"(B) by deleting paragraph (5) and inserting the following new paragraphs (5) and (6) in lieu thereof:

"(5) In addition, the Plan shall—

"(A) contain a detailed assessment of program needs, objectives, and priorities for each of the programs authorized under sections 4, 5, and 6 of this Act;

"(B) use a uniform prioritization methodology to facilitate cost-benefit analyses of proposals in various program areas;

"(C) establish milestones for setting forth specific technology transfer activities under each program area;

"(D) include annual and five-year cost estimates for individual programs under this Act; and

"(E) identify program areas for which funding levels have been changed from the previous year's Plan.

"(6) Within one year after the date of the enactment of this paragraph, the Secretary shall submit a revised management plan under this section to Congress. Thereafter, the Secretary shall submit a management plan every three years at the time of submittal of the President's annual budget submission to the Congress.".

AMENDMENT NO. 1544

Amend page 9, line 23, by deleting the word "and", and on line 25 by inserting a new subsection (16) before the period as follows: "; and (16) encourage the Federal government to play a lead role in the widespread commercialization of alternative fuel vehicles.".

Amend page 18, section 4101 by adding the following new definitions (1) and (4) and renumbering the existing definitions accordingly:

"(1) "Administrator" means the Administrator of the General Services Administration;

"(4) "comparable conventionally fueled vehicle" means a commercially available vehicle powered by an internal combustion engine that utilizes gasoline or diesel fuel as its fuel source and provides passenger capacity or payload capacity comparable or similar to an alternative fuel vehicle as determined by the Secretary.".

Amend page 21, line 15, by inserting the following new subsection (b) and redesignating subsequent subsections accordingly:

"(b) PROGRAM CRITERIA.—The Secretary, the Administrator, in consultation with the head of each Federal agency, shall consider the following criteria in the procurement and placement of alternative fuel vehicles:

"(1) the procurement plans of State and local governments and other public and private institutions;

"(2) the current and future availability of refueling and repair facilities;

"(3) the reduction in emissions of the Federal motor vehicle fleet;

"(4) whether the vehicle is to be used in a nonattainment area as specified in the Clean Air Act of 1990;

"(5) the needs of Federal, State, and local agencies; and

"(6) the contribution to the reduction in the consumption of oil in the transportation sector.

Amend page 46, line 21, by inserting the following new subsection (g) and redesignating subsequent subsections accordingly:

"(g) ACQUISITION REQUIREMENT.—Federal agencies, to the extent practicable, shall obtain alternative fuel vehicles form original equipment manufacturers.".

Amend page 26, line 17, by deleting "4102, 4103," and inserting in lieu thereof "4103".

Amend page 29, by redesignating sections 4110 and 4111 as sections 4118 and 4119 respectively and inserting on page 29, after line 19, the following new sections 4110, 4111, 4112, 4113, 4114, 4115, 4116, and 4117:

"SEC. 4110. RESALE OF ALTERNATIVE FUEL VEHICLES.

(a) Not less than three years from the date of purchase, the Administrator may resell any alternative fuel passenger automobile purchased pursuant to this subtitle. For purposes of this subsection, a "passenger automobile" means any passenger automobile as defined in section 501(2) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001(2).

"(b) Not less than six years, or 60,000 miles from the date of purchase, the Administrator may resell any alternative fuel light truck purchased pursuant to this subtitle. For purposes of this subsection, a "light truck" means any light truck as defined in section 501(15) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001(15).

"(c) The Administrator may resell or dispose of an alternative fuel passenger automobile or light truck at an earlier date if such vehicle is damaged in an accident, or if the Administrator determines selling such alternative fuel passenger automobile or light truck is in the best interests of the Federal alternative fuel vehicle program.

"(d) The Administrator shall take all feasible steps to ensure that all alternative fuel vehicles sold under the provisions in (a) and (b) of this section shall remain alternative vehicles at time of sale.

"SEC. 4111. FEDERAL AGENCY PROMOTION, EDUCATION, AND COORDINATION.

(a) PROMOTION AND EDUCATION.—The Administrator shall institute a program to promote programs and educate officials and employees of Federal agencies on the merits of alternative fuel vehicles. The Administrator shall provide and disseminate information to Federal agencies on the:

"(1) location of refueling and maintenance facilities available to alternative fuel vehicles in the Federal fleet;

"(2) range and performance capabilities of alternative fuel vehicles;

"(3) State and local government and commercial alternative fuel vehicle programs;

"(4) Federal alternative fuel vehicle purchases and placements;

"(5) operation and maintenance of alternative fuel vehicles in accordance with the manufacturer's standards and recommendations; and

"(6) incentive programs established pursuant to sections 4112 and 4113 of this Act.

"(b) ASSISTANCE IN PROCUREMENT AND PLACEMENT.—The Administrator shall provide guidance, coordination and technical assistance to Federal agencies in the procurement and geographic location of alternative fuel vehicles purchased through the Administrator. The procurement and geographic location of such vehicles shall comply with the purchase requirements under section 4102 of this Act.

"(c) INTERGOVERNMENTAL COORDINATION.—The Administrator shall identify other Federal, State, and local effort to promote and use alternative fuel vehicles. To the maximum extent practicable, the Administrator shall coordinate Federal alternative fuel vehicle procurement, placement, refueling and maintenance programs with those at the State and local level.

"SEC. 4112. AGENCY INCENTIVES PROGRAM.

"(a) Reduction in Rates.—To encourage and promote use of alternative fuel vehicles in Federal agencies, the Administrator may offer a five percent reduction in fees charged to agencies for the lease of alternative fuel vehicles below those fees charged for the lease of comparable conventionally fueled vehicles.

"(b) Federal Employee Pooling and Driver Program.—Notwithstanding the provisions of section 1344(a) of title 31, United States Code, Federal agencies may authorize Federal employees to use alternative fuel vehicles from their residence to their place of employment for purposes of:

"(1) Federal employee carpooling of not less than four Federal employees for each trip; and

"(2) refueling and maintenance, if the Federal agency head, or the designee of the agency head, determines that such services are not convenient to the location of place of employment.

"SEC. 4113. RECOGNITION AND INCENTIVE AWARDS PROGRAM.

"(a) Awards Program.—The Administrator shall establish an annual cash awards program to recognize those employees of the General Services Administration and other Federal agencies who demonstrate the strongest commitment to the use of alternative fuels and fuel conservation in Federal motor vehicles.

"(b) Criteria for General Services Administration Employees.—The Administrator shall provide annual cash awards of not more than $2,000 each to three General Services Administration employees who best demonstrate a commitment:

"(1) to the success of the Federal alternative fuels vehicle program through—

"(A) exemplary promotion of alternative fuel vehicle use within the General Services Administration and other Federal agencies;

"(B) proper alternative fuel vehicle care and maintenance;

"(C) coordination with Federal, State, and local efforts;

"(D) innovative alternative fuel vehicle procurement, refueling and maintenance arrangements with commercial entities; and

"(2) to fuel efficiency in Federal motor vehicle use through the promotion of such measures as increased use of fuel-efficient vehicles, carpooling, ride-sharing, regular maintenance and other conservation and awareness measures.

"(c) Limitations on Awards.—The three awards under paragraph (b) shall be awarded to three different employees each year. No employee may win a cash award in more than two consecutive years.

"(d) Award to Regional General Services Administration Employees.—(1) In each standard Federal region where the General Services Administration operates alternative fuel vehicles, the Administrator shall offer two annual cash awards of not more than $1,000 to the regional General Services Administration employees who meet the criteria under paragraph (b).

"(2) Employees who receive an award under section (b) may not receive an award under this section in the same fiscal year. No more than two awards shall be awarded under this subsection in each region in any fiscal year.

"(e) Award to Federal Agency Employees.—In each region where the General Services Administration operates alternative fuel vehicles, the Administrator shall provide one annual $2,000 cash award to the Federal employee (other than an employee of the General Services Administration) who demonstrates the greatest interest and commitment to alternative fuel vehicles by—

"(1) making regular requests for alternative fuel vehicles for agency use;

"(2) maintaining a high number of alternative fuel vehicles used relative to comparable conventionally fueled vehicles used;

"(3) promoting alternative fuel vehicle use by agency personnel; and

"(4) demonstrating care and attention to alternative fuel vehicles.

"(f) Authorization of Appropriations.—There are authorized to be appropriated $25,000 in fiscal year 1992, $35,000 in fiscal year 1993, and $45,000 in fiscal year 1994 to carry out the purposes of this section.

"SEC. 4114. MEASUREMENT OF ALTERNATIVE FUEL USE.

The Administrator shall use such means as may be necessary to measure the percentage of alternative fuel use in flexi-fueled vehicles procured by the Administrator.

"SEC. 4115. INFORMATION COLLECTION.

The Secretary, in consultation with the Administrator, shall determine a representative sample of alternative fuel vehicles in the Federal fleet. Such a sample shall be sufficient to address at a minimum—

"(1) the performance of such vehicles, including performance in cold weather and at high altitudes;

"(2) the fuel economy, safety, and emissions of such vehicles; and

"(3) a comparison of the operation and maintenance costs of such vehicles to the operation and maintenance costs of other passenger vehicles and light duty trucks.

"SEC. 4116. GENERAL SERVICES ADMINISTRATION REPORT.

Not later than one year after the date of the enactment of this Act, and annually thereafter, the Administrator shall report to the Congress on the General Services Administration's alternative fuel vehicle program under this Act. The report shall contain information on—

"(1) the number and type of alternative fuel vehicles procured;

"(2) the location of alternative fuel vehicles by standard Federal region;

"(3) the total number of alternative fuel vehicles used by each Federal agency;

"(4) arrangements with commercial entities for refueling and maintenance of alternative fuel vehicles;

"(5) future alternative fuel vehicle procurement and placement strategy;

"(6) the difference in cost between the purchase, maintenance and operation of alternative fuel vehicles and the purchase, maintenance, and operation of comparable conventionally fueled vehicles;

"(7) coordination among Federal, State, and local governments for alternative fuel vehicle procurement and placement;

"(8) the percentage of alternative fuel use in flexi-fueled vehicles procured by the Administrator as measured under section 4114;

"(9) a description of the representative sample of alternative fuel vehicles as determined under section 4115; and

"(10) award recipients under this subtitle.

"SEC. 4117. UNITED STATES POSTAL SERVICE REPORT.

Not later than one year after the date of the enactment of this Act, and annually thereafter, the Postmaster General shall submit a report to the Congress on the Postal Service's alternative fuel vehicle program. The report shall contain information on—

"(1) the total number and type of alternative fuel vehicles procured prior to the date of the enactment of this Act (first report only);

"(2) the number and type of alternative fuel vehicles procured in the preceding year;

"(3) the location of alternative fuel vehicles by region;

"(4) arrangements with commercial entities for purposes of refueling and maintenance;

"(5) future alternative fuel procurement and placement strategy;

"(6) the difference in cost between the purchase, maintenance and operation of alternative fuel vehicles and the purchase, maintenance, and operation of comparable conventionally fueled vehicles;

"(7) the percentage of alternative fuel use in flexi-fueled vehicles procured by the Postmaster General;

"(8) promotions and incentives to encourage the use of alternative fuels in flexi-fueled vehicles; and

"(9) an assessment of the program's relative success and policy recommendations for strengthening the program.".

Technical and Conforming Amendment.—On page 2, delete items 4110 and 4111, and add the following items in lieu thereof:

"Sec. 4110. Resale of Alternative Fuel Vehicles.
"Sec. 4111. Federal Agency Promotion, Education, and Coordination.
"Sec. 4112. Agency Incentives Program.
"Sec. 4113. Recognition and Incentive Awards Program.
"Sec. 4114. Measurement of Alternative Fuel Use.
"Sec. 4115. Information Collection.
"Sec. 4116. General Services Administration Report.
"Sec. 4117. United States Postal Service Report.
"Sec. 4118. Enforcement.
"Sec. 4119. Implementation.".

Amendment No. 1545

Beginning on page 144, line 19, strike the text of subtitle B of Title VI, and insert the following in lieu thereof.

SEC. 6201. DEFINITIONS.

For purpose of this subtitle—

(1) the term "agency" means an Executive agency as defined under section 105 of title 5, United States Code, any agency of the judicial branch of Government;

(2) the term "facility energy supervisor" means the employee with responsibility for the daily operations of a Federal facility, including the management, installation, operation and maintenance of energy systems in Federal facilities which may include more than one building;

(3) the term "trained energy manager" means a person who has demonstrated proficiency, or who has completed a course of study in the areas of the fundamentals of building energy systems; building energy costs and applicable professionals standards; energy accounting and analysis; life-cycle cost methodology; fuel supply and pricing; and instrumentation for energy surveys and audits; and

(4) the term "Task Force" means the Interagency Energy Management Task Force established under section 547 of the National Energy Conservation Policy Act (42 U.S.C. 8257).

SEC. 6202. FEDERAL ENERGY COST ACCOUNTING AND MANAGEMENT.

(a) Guidelines.—Not later than 120 days after the date of the enactment of this Act, the Office of Management and Budget, in cooperation with the Secretary, the General Services Administration, and the Department of Defense, shall establish guidelines to be employed by each Federal agency to assess accurate energy consumption for all buildings or facilities which the agency owns, operates, manages or leases, where the Government pays utilities separate from the lease and the Government operates the leased space. Such guidelines are to be used in reporting quarterly and annual energy consumption and energy cost figures as required under section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253). Each agency shall implement such guidelines no later than 120 days after their establishment. Each facility energy manager shall maintain energy consumption and energy cost records for review by the Inspector General, Congress and the general public.

(b) CONTENTS OF GUILDELINES.—Such guidelines shall include the establishment of a monitoring system to determine—

(1) which facilities are the most costly to operate when measured on an energy consumption per square foot basis or other relevant analytical basis;

(2) unusual or abnormal changes in energy consumption; and

(3) the accuracy of utility charges for electric and gas consumption.

(c) FEDERALLY LEASED SPACE ENERGY REPORTING REQUIREMENT.—Not later than December 31, 1992, and on each December 31 thereafter, the Administrator of General Services shall report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate and the House of Representatives on the estimated energy cost of leased buildings or space in which the Federal Government does not directly pay the utility bills.

(d) POSTAL SERVICE.—The United States Postal Service shall adopt regulations to ensure the reliable and accurate accounting of energy consumption costs for all buildings or facilities which it owns, leases, operates or manages. The regulations shall include establishing a monitoring system to determine which facilities are the most costly to operate; identify unusual or abnormal changes in energy consumption; and check the accuracy of utility charges for electricity and gas consumption.

SEC. 6203. FEDERAL ENERGY COST BUDGETING.

The President shall include in each budget submitted to the Congress under section 1105 of title 31, United States Code, a separate statement of the amount of appropriations requested, on an agency basis, for—

(1) energy costs to be incurred in operating and maintaining agency facilities; and

(2) compliance with the provisions of part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.), the Energy Policy and Conservation Act, and applicable Executive orders, including Executive Orders No. 12003 and No. 12579.

SEC. 6204. INSPECTOR GENERAL REVIEW AND AGENCY ACCOUNTABILITY.

(a) AUDIT SURVEY.—Not later than 120 days after the date of the enactment of this Act, each Inspector General created to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed in section 11(2) of the Inspector General Act of 1978 (5. U.S.C. App.) as amended, and the Chief Postal Inspector of the United States Postal Service, in accordance with section 8E(f)(1) as established by section 8E.(a)(2) of the Inspector General Act Amendments of 1988 (PL 100-504) shall—

(1) identify agency compliance activities to meet the requirements of such section and any other matters relevant to implementing the goals of the National Energy Conservation Policy Act; and

(2) assess the accuracy and reliability of energy consumption and energy cost figures required under section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) PRESIDENT'S COUNCIL ON INTEGRITY AND EFFICIENCY REPORT TO CONGRESS.—Not later than 150 days after the date of the enactment of this Act, the President's Council on Integrity and Efficiency shall submit a report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate, and the House of Representatives, on the review conducted by each Inspector General of each agency carried out under this section.

(c) INSPECTOR GENERAL REVIEW.—Each Inspector General established under section 2 of the Inspector General Act of 1978 (5 U.S.C. App.) is encouraged to conduct periodic reviews of agency compliance with the National Energy Conservation Policy Act, the provisions of this subtitle, and other laws relating to energy consumption. Such reviews shall not be inconsistent with the performance of the required duties of the Inspector General's office.

SEC. 6205. INTERGOVERNMENTAL ENERGY MANAGEMENT PLANNING AND COORDINATION.

(a) CONFERENCE WORKSHOPS.—The General Services Administration, in consultation with the Secretary and the Task Force, shall hold regular, biennial conference workshops in each of the 10 standard Federal regions on energy management, conservation, efficiency, and planning strategy. The General Service Administration shall work and consult with other Federal agencies to plan for particular regional conferences. The General Services Administration shall invite State, local, and county public officials who have responsibilities for energy management or may have an interest in such conferences and shall seek the input of, and be responsive to, the views of such State, local and county officials in the planning and organization of such workshops.

(b) FOCUS OF WORKSHOPS.—Such workshops and conferences shall focus on the following, but may include other topics:

(1) developing strategies among Federal, State, and local governments to coordinate energy management policies and to maximize available intergovernmental energy management resources within the region;

(2) the design, construction, maintenance, and retrofitting of Federal facilities to incorporate energy efficient techniques;

(3) procurement and use of energy efficient products;

(4) alternative fuel vehicle procurement, placement, and usage;

(5) coordinated development with the private sector for the servicing, refueling, and maintenance of alternative fuel vehicles;

(6) dissemination of information on innovative programs, technologies, and methods which have proven successful in government; and

(7) technical assistance to design and incorporate effective energy management strategies.

(c) ESTABLISHMENT OF WORKSHOP TIMETABLE.—As a part of the first report to be submitted pursuant to section 6214 of this Act, the Administrator shall set forth the schedule for the Regional Energy Management Workshops. Not less than five workshops shall be held by September 30, 1993, and at least one such workshop shall be held in each of the 10 Federal regions every two years beginning on September 30, 1993.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $300,000 for each of fiscal years 1993, 1994, and 1995 to carry out the purpose of this section.

SEC. 6206. PROCUREMENT AND IDENTIFICATION OF ENERGY EFFICIENT PRODUCTS.

(a) PROCUREMENT.—The General Services Administration, in consultation with the Department of Defense and the Defense Logistics Agency, shall undertake a program to include energy efficient products on the Federal Supply Schedule and the New Item Introductory Schedule.

(b) IDENTIFICATION PROGRAM.—The General Services Administration, in consultation with the Department of Energy and the Defense Logistics Agency, shall implement a program to identify and designate on its respective Supply Schedules those energy efficient products which offer significant potential savings, as calculated using the life cycle cost methods and procedures developed under section 544 of the National Energy Conservation Policy Act (42 U.S.C. 8254), unless such life cycle cost information is not readily available.

(C) GUIDELINES.—The Office of Federal Procurement Policy, in consultation with the General Services Administration, the Department of Energy, and the Department of Defense, shall issue guidelines to encourage the acquisition and use by all Federal agencies of products identified pursuant to this section. The Department of Defense and the Defense Logistics Agency shall consider, and place emphasis on, the acquisition of such products as part of the Agency's ongoing review of military specifications.

(d) UNITED STATES POSTAL SERVICE GUIDANCE.—The USPS shall undertake a program to identify and procure energy efficient products for use in its facilities. The USPS shall, to the maximum extent practicable, incorporate energy efficient information available on Federal Supply Schedules maintained by GSA and DLA to carry out the purpose of this section.

(e) REPORT TO CONGRESS.—As a part of the report to be submitted pursuant to Section 6214 of this Act, the Administrator of General Services, in consultation with the Defense Logistics Agency and the Department of Energy, shall report on the progress, status, activities, and results of the programs under subsections (b) and (c) of this section. The report shall include, but not be limited to—

(1) the number, types, and functions of each new product under subsection (a) added to the Federal Supply Schedule and the New Item Introductory Schedule during the previous fiscal year, and the name of the product manufacturer;

(2) the number, types, and functions of each product identified under subsection (b), and efforts undertaken by the General Services Administration and the Defense Logistics Agency to encourage the acquisition and use of such products;

(3) the actions taken by the General Services Administration and the Defense Logistics Agency to identify products under subsection (b), the barriers which inhibit implementation of identification of such products, and recommendations for legislative action, if necessary;

(4) whether energy cost savings technologies identified by the Advanced Building Technology Council, under section 809(h) of the National Housing Act (12 U.S.C. 1701j-2), have been added to the Federal Supply Schedule or New Item Introductory Schedule;

(5) an estimate of the potential cost savings to agencies and the Federal Govern-

ment, taking into account the quantity of energy efficient products which could be utilized throughout the Government, that would be realized through implementation or installation of products identified in this section; and

(6) the actual quantity of such products acquired and an estimate of the energy savings achieved by the use of such products.

SEC. 6207. GENERAL SERVICES ADMINISTRATION FEDERAL BUILDINGS FUND.

(Section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), is amended—

(1) in paragraph (1), by inserting "(to be known as the Federal Buildings Fund)" after "a fund"; and

(2) by adding at the end thereof the following new paragraphs:

"(7)(A) The Administrator is authorized to receive amounts from rebates or other cash incentives related to energy savings and shall deposit such amounts in the Federal Buildings Fund for use as provided in subparagraph (D). Amounts deposited in the Federal Buildings Funds under this subparagraph shall be used to implement energy efficiency programs.

"(B) The Administrator may accept such goods or services, consistent with approved Federal energy management objectives, provided in lieu of any rebates or other cash incentives for energy savings under subparagraph (A).

"(C) In the administration of any real property for which the Administrator leases and pays utility costs, the Administrator may assign all or a portion of energy rebates to the lessor to underwrite the costs incurred in undertaking energy efficiency improvements in such real property.

"(D) The Administrator may, in addition to amounts appropriated for such purposes and without regard to paragraph (2), obligate for energy management improvement programs—

"(i) amounts received and deposited in the Federal Buildings Fund under subparagraph (A);

"(ii) goods and services received under subparagraph (B); and

"(iii) amounts the Administrator determines are not needed for other authorized projects and are otherwise available to implement energy efficiency programs.

"(8)(A) The Administrator is authorized to receive amounts from the sale of recycled materials and shall deposit such amounts in the Federal Buildings Fund for use as provided in subparagraph (B).

"(B) The Administrator may, in addition to amounts appropriated for such purposes and without regard to paragraph (2), obligate amounts received and deposited in the Federal Buildings Fund under subparagraph (A) for programs which—

"(i) promote further source reduction and recycling programs; and

"(ii) encourage employees to participate in recycling programs by providing funding for child care, fitness, or other employee benefit programs.".

SEC. 6208. FEDERAL ENERGY MANAGEMENT TRAINING.

(a) ENERGY MANAGEMENT TRAINING.—(1) Each executive department described under section 101 of title 5, United States Code, the Environmental Protection Agency, the National Aeronautics and Space Administration, the General Services Administration, and the United States Postal Service shall establish and maintain a program to ensure that facility energy managers are trained energy managers as defined under section 6201(3). Such programs shall be managed—

(A) by the agency representative on the Task Force; or

(B) if an agency is not represented on the Task Force, by the designee of the head of the agency.

(2) Agencies shall encourage appropriate employees to participate in energy manager training courses. Employees may enroll in courses of study covering the areas described under section 6201(3) including, but not limited to courses offered by:

(A) a private or public educational institution;

(B) a Federal agency; or

(C) a professional association.

(b) AGENCY REPORT.—(1) Each agency listed in 6208(a) shall, no later than 60 days following the enactment of this Act, report to the Task Force the following information:

(A) those individuals employed by the agency on the date of the passage of this Act who qualify as trained energy managers as defined under section 6201(3);

(B) the General Schedule (GS) or grade level at which each of these individuals are employed; and

(C) the facility or facilities for which these employees are responsible or otherwise stationed.

The Task Force shall provide a summary of these agency reports to the Committee on Governmental Affairs of the U.S. Senate and the Committee on Energy and Natural Resources of the U.S. Senate.

(c) REQUIREMENTS AT FEDERAL FACILITIES.—(1)(A) Not later than September 30, 1992, the departments and agencies described under subsection (a)(1) shall upgrade their energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201 (2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201 (3); and

(3) increasing the overall number of trained energy managers within the agency.

(B) Agencies described under subsection (a)(1) shall ensure that, no later than September 30, 1992, no fewer than two trained energy managers are employed by each such department and agency.

(C) Federal employees designated for energy training and counted under (c)(1)(B) shall not include those employees listed in the report in 6208(b).

(2)(A) Not later than September 30, 1993, the departments and agencies described under subsection (a)(1) shall further upgrade their energy management capabilities by ensuring that no fewer than five trained energy managers are employed by each such department or agency.

(B) Federal employees designated for energy training and counted under (c)(2)(A) shall not include those employees listed in the report in 6208(b).

(3) Agencies may hire trained energy managers to be facility energy supervisors and count those new personnel toward the goals established in (c)(1)(B) and (c)(2)(A). Trained energy managers, including those who are facility supervisors as well as other trained personnel, shall focus their efforts on improving energy efficiency in the following facilities:

(i) agency facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the agency head as having significant energy savings potential.

(d) DEPARTMENT OF DEFENSE REQUIREMENTS.—(1)(A) Not later than September 30, 1992, the Department of Defense shall upgrade its energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201(2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201(3); and

(3) increasing the overall number of trained energy managers within the Department.

(B) The Department shall insure that, no later than September 30, 1992, no fewer than twenty trained energy managers are employed by the Department.

(C) Federal employees designated for energy training and counted under (d)(1)(B) shall not include those employees listed in the report in 6208(b).

(2)(A) Not later than September 30, 1993, the Department shall further upgrade its energy management capabilities by ensuring that no fewer than forty trained energy managers are employed by the Department.

(B) Federal employees designated for energy training and counted under (2)(A) shall not include those employees listed in the report in 6208(b).

(3) The Department may hire trained energy managers to be facility energy supervisors and count these new personnel toward the goal established in (d)(1)(B) and (d)(2)(A). Trained energy managers shall focus their efforts on improving energy efficiency in the following facilities:

(i) Department facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the Secretary of Defense as having significant energy savings potential.

(e) SPECIFIED AGENCY REQUIREMENTS.—(1)(A) Not later than September 30, 1992, the General Services Administration, the Department of Veterans Affairs, the Department of Energy, and the United States Postal Service shall upgrade their energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201(2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201(3); and

(3) increasing the overall number of trained energy managers within the agency.

(B) Agencies identified in (e)(1)(A) shall insure that, no later than September 30, 1992, no fewer than ten trained energy managers are employed by each such department and agency.

(C) Federal employees designated for energy training and counted under (e)(1)(B) shall not include those employees listed in the report 6208(b).

(2)(A) Not later than September 30, 1993, the General Services Administration, Department of Veterans Affairs, the Department of Energy, and the United States Postal Service shall further upgrade their energy management capabilities by ensuring that no fewer than twenty trained energy managers are employed by each such department or agency.

(B) Federal employees designated for energy training and counted under (e)(2)(A) shall not include those employees listed in the report in 6208(b).

(3) Agencies may hire trained energy managers to be facility energy supervisors and count these new personnel toward the goals established in (e)(1)(B) and (e)(2)(A). Trained energy managers, including those who are facility supervisors as well as other trained personnel, shall focus their efforts on improving energy efficiency in the following facilities:

(i) agency facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the agency head as having significant energy savings potential.

(e) REPORTS OF AGENCIES.—Each agency shall report to the Secretary on the status and implementation of the requirements of this section. The Secretary shall include a summary of each agency's report in the annual report to Congress as required under section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258).

SEC. 6209. FEDERAL FACILITY ENERGY MANAGER RECOGNITION AND INCENTIVES AWARD PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall, in consultation with the Office of Personnel Management and the Task Force, establish a financial award program to reward outstanding facility energy managers in Federal agencies, including the United States Postal Service, and other individuals making outstanding contributions toward the reduction of energy consumption or costs in Federal facilities.

(b) SELECTION CRITERIA.—Not later than June 1, 1992, the Secretary shall issue procedures for implementing and conducting the award program, including the criteria to be used in selecting outstanding energy managers and contributors. Such criteria shall include—

(1) improved energy performance through increased energy efficiency;

(2) implementation of proven energy efficiency and energy conservation techniques, devices, equipment, or procedures;

(3) effective training programs for facility energy managers, operators, and maintenance personnel;

(4) employee awareness programs;

(5) success in generating utility incentives, shared energy savings contracts, and other federally approved performance based energy savings contracts;

(6) successful efforts to fulfill compliance with energy reduction mandates, including the provisions of section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253); and

(7) success in the implementation of the guidelines under section 6202 of this Act.

(c) AWARD LIMIT.—No single award shall be greater than $2,500.

(d) REPORT.—Each year the Secretary shall publish and disseminate to Federal agencies, and to Congress as a part of the report required under Section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258) a report of highlight and recognize the achievements of bonus award winners.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $250,000 for each of fiscal years 1993, 1994, and 1995 to carry out the purposes of this section.

SEC. 6210. IDENTIFICATION AND ATTAINMENT OF AGENCY ENERGY REDUCTION AND MANAGEMENT GOALS.

Section 3 of the Federal Energy Management Improvement Act of 1988 (42 U.S.C. 8253 note; Public Law 100-615 is amended—

(1) in subsection (a)—

(A) by striking out "using funds appropriated to carry out this section," and inserting in lieu thereof "in consultation with the Task Force.";

(B) in paragraph (1) by striking out "and" after the semicolon;

(C) in paragraph (2) by striking out the period and inserting in lieu thereof a semicolon and "and"; and

(D) by adding at the end thereof the following new paragraph:

"(3) determining barriers which may prevent an agency's ability to comply with section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) and other energy management goals.";

(2) in subsection (b)—

(A) in paragraph (1) by striking out "Congress, within 180 days after the date on which funds are appropriated to carry out this section," and inserting in lieu thereof "Senate Committee on Energy and Natural Resources, the Senate Committee on Governmental Affairs, and the House of Representatives, within 180 days after the date of the enactment of the National Energy Security Act of 1992,"; and

(B) by adding at the end thereof the following new paragraph:

"(4) For the purpose of this section, a representative sample shall include, where appropriate, the following types of Federal facility space:

"(A) Housing;
"(B) Storage;
"(C) Office;
"(D) Services;
"(E) Schools;
"(G) Research and Development;
"(F) Industrial;
"(H) Prisons; and
"(I) Hospitals.";

"(3) in subsection (d)—

(A) by striking out "Congress" and inserting in lieu thereof "Senate Committee on Energy and Natural Resources, the Senate Committee on Governmental Affairs, the Committee on Energy and Commerce of the House of Representatives, the Committee on Government Operations of the House of Representatives,"; and

(B) by adding at the end thereof "The report shall include an analysis of the probability of each agency achieving the 20 percent reduction goal by January 1, 2000 established under Executive Order No. 12759.".

SEC. 6211. UNITED STATES POSTAL SERVICE BUILDING ENERGY SURVEY AND REPORT.

(a) IN GENERAL.—The USPS shall conduct an energy survey, as defined in section 549(5) of the National Energy Conservation Policy Act, for the purposes of—

(1) determining the maximum potential cost effective energy savings that may be achieved in a representative sample of buildings owned or leased by the USPS in different areas of the country;

(2) making recommendations to the Postmaster General for cost effective energy efficiency and renewable energy improvements in those buildings and in other similar USPS buildings; and

(3) determining barriers which may prevent USPS compliance with energy reduction goals, including Executive Orders No. 12003 and 12579.

(b) IMPLEMENTATION.—(1) The Postmaster General shall transmit to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Post Office and Civil Service Committee, within 180 days of enactment of this Act, a plan for implementing this section.

(2) The Postmaster General shall designate buildings to be surveyed in the project so as to obtain a sample of Postal facilities of the types and in the climates that consume the major portion of the energy consumed by the Postal Service.

(3) For the purposes of this section, an improvement shall be considered cost effective if the cost of the energy saved or displaced by the improvement exceeds the cost of the improvement over the remaining life of the Postal facility or the remaining term of a lease of a building leased by the Postal Service.

(c) REPORT.—As soon as practicable after the completion of the project carried out under this section, the Postmaster General shall transmit a report of the findings and conclusions of the project to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Committee on Post Office and Civil Service.

SEC. 6212. FEDERAL BUILDING ENERGY CONSUMPTION TARGETS.

Not later than two years after the date of the enactment of this Act, the Secretary shall consider, in consultation with the Administrator of General Services and the Task Force, establishing energy consumption targets for January 1, 2000, for each Federal agency to reduce energy consumption per square foot in Federal buildings based upon the information provided in the report under section 6210 of this Act. The United States Postal Service shall independently consider establishing its own energy consumption targets for January 1, 2000 based upon the information provide in the report under section 6211.

SEC. 6213. UTILITY INCENTIVE PROGRAMS.

(a) IN GENERAL.—Federal agencies are authorized and encouraged to participate in programs for energy conservation or the management of electricity demand conducted by gas or electric utilities and generally available to customers of such utilities.

(b) ACCEPTANCE OF FINANCIAL INCENTIVES.—Federal agencies may accept any financial incentive, generally available from any such utility, to adopt energy efficiency technologies and practices that the Secretary determines are cost effective for the Federal Government.

(c) NEGOTIATIONS.—Each Federal agency is encouraged to enter into negotiations with electric and gas utilities to design special demand management and conservation incentive programs to address the unique needs of facilities used by such agency.

(d) USE OF CERTAIN FUNDS.—(1) Fifty percent of funds from utility energy efficiency rebates shall, subject to appropriation, remain available for expenditure by the agency for additional energy efficiency measures which may include related employee incentive programs, particularly at those facilities at which energy savings were achieved.

(2)(A) Agencies shall maintain strict financial accounting and controls for savings realized and all expenditures made under this section.

(B) Records maintained under subparagraph (A) shall be made available for public inspection upon request.

SEC. 6214. REPORT BY GENERAL SERVICES ADMINISTRATION.

Not later than six months after the date of enactment of this Act, and on each December 31, at least six months thereafter, the Administrator of General Services shall report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate, and the House of Representatives on the activities of the General Services Administration conducted pursuant to this subtitle. Such reports shall include, but not be limited to, the information requested under sections 6205(c) and 6206(d).

SEC. 6215. UNITED STATES POSTAL SERVICE ENERGY MANAGEMENT REPORT.

Not later than one year after the date of the enactment of this Act, and on each January 1 thereafter, the Postmaster General shall submit a report to the Committee on Governmental Affairs of the Senate, the Committee on Post Office and Civil Service of the House of Representatives, and the Committee on Energy and Natural Resources of the Senate on the Postal Service's building management program as it relates to energy efficiency. The report shall include, but not be limited to, the following:

(1) actions taken to reduce energy consumption;

(2) future plans to reduce energy consumption;

(3) an assessment of the success of the energy conservation programs;

(4) energy costs incurred in operating and maintaining all postal facilities; and

(5) the status of the energy efficient procurement program established under section 6206(e).

SEC. 6216. AMENDMENTS TO PART 3, TITLE V OF NECPA.

Part 3 of Title V of the National Energy Conservation Policy Act (NECPA) (Public Law 95-619), as amended, is further amended as follows:

(a) In section 543—(1) Strike subsection (a) and insert the following new text in lieu thereof:

"(a) ENERGY MANAGEMENT REQUIREMENT FOR FEDERAL BUILDINGS.—(1) Not later than January 1, 2000, each Federal agency shall, to the maximum extent practicable, install in Federal buildings under the control of such agency in the United States, all energy conservation measures with payback periods of less than ten years as calculated using the methods and procedures developed pursuant to section 544. Within two years after the date of enactment of the National Energy Security Act of 1991, each agency shall submit to the Secretary a list of projects meeting the ten-year payback criterion, the energy that each project will save and total energy and cost savings involved.

"(2) An agency may exclude from the requirements of paragraph (1) any Federal building or collection of Federal buildings, and the associated energy consumption and gross square footage, if the head of such agency finds that compliance with the requirements of paragraph (1) would be impracticable. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such Federal buildings or collection of Federal buildings, the type and amount of energy consumed, the technical feasibility of making the desired changes, or the unique character of many facilities operated by the Departments of Defense and Energy. Each agency shall identify and list in each report made under section 548, the Federal buildings designated by it for such exclusion. The Secretary shall review such findings for consistency with the impracticability standards set forth herein, and may within 90 days after receipt of the findings, reverse a finding of impracticability, in which case the agency shall comply with the requirements of paragraph (1). This section shall not apply to an agency's facilities that generate or transmit electric energy, nor to the uranium enrichment facilities operated by the Department of Energy.";

(2) In subsection (b):

(A) after the words "subsection (a)," insert the following: "The Secretary of Energy shall consult with the Secretary of Defense and the Administrator of the General Services Administration in developing guidelines for the implementation of this Part, and";

(B) strike the phrase "Federal Energy Management Improvement Act of 1988," in paragraph (1) and insert in lieu thereof "National Energy Security Act of 1992, and submit to the Secretary of Energy";

(C) after the words "high priority projects;" insert the following: "and such plan shall include steps to take maximum advantage of contracts authorized under title VII of this Act (42 U.S.C. 8287 et seq.), financial incentives, and other services provided by utilities for efficiency investment and other forms of financing to reduce the direct costs to the government;";

(D) at the end of paragraph (2), strike the semicolon and insert the following:

", and update such surveys periodically, but not less than every three years;";

(E) replace paragraph (3) with the following new paragraph:

"(3) using such surveys, determine the cost and payback period of energy conservation measures likely to achieve the goals of this section;"; and

(F) insert a new paragraph (4) as follows, and renumber paragraph (4) as "(5)":

"(4) install those energy conservation measures that will attain the requirements of this section in a cost-effective manner as defined in section 544, and".

(b) In section 544—

(1) strike "National Bureau of Standards," in subsection (a) and insert in lieu thereof "National Institute of Standards and Technology,"; and

(2) strike all after the word "each", in paragraph (b)(2) and insert in lieu thereof:

"agency shall, after January 1, 1994, fully consider the energy efficiency of all potential building space at the time of renewing or entering into a new lease. Further, all government leased space constructed after January 1, 1994, shall meet model Federal energy conservation performance standards for new commercial buildings and promulgated pursuant to Section 304 of the Energy Conservation and Production Act (Public Law 94-385).".

(c) In section 545 add after the word "measures" the following: "as needed to meet the requirements of section 543.".

(d) In section 548—

(1) strike the word "Each" in subsection (a) and insert in lieu thereof the following: "In addition to the plan required to be submitted to the Secretary pursuant to section 543(b)(1), each";

(2) insert the phrase "by April 2 of each year," after the word "annually" in subsection (b); and

(3) insert the words "by each agency", after the words "under this part" in subsection (b)(1).

(e) Renumber section 549 as section 551 and insert the following two new sections:

"SEC. 549. DEMONSTRATION OF NEW TECHNOLOGY.

"(a) DEMONSTRATION PROGRAM.—Not later than January 1, 1993, the Secretary, in cooperation with the Administrator of the General Services Administration, shall establish a demonstration program to install, in Federally owned facilities, energy efficiency technologies which the Secretary has determined are ready for commercial demonstration and which were developed by entities that have received or are receiving Federal financial assistance for energy conservation research and development.

"(b) EVALUATION.—The Secretary and the Administrator shall evaluate the commercial viability of each type of energy efficiency technology so installed, including its technical feasibility, operational feasibility, and economic effectiveness. Installations of each technology shall include a sufficient number of applications to produce statistically reliable evaluation results based on the technologies' application in various climates and building situations.

"(c) AUTHORIZATION.—There are authorized to be appropriated to carry out this section no more than $2,000,000 for fiscal year 1993, $3,000,000 for fiscal year 1994, and $4,000,000 for fiscal year 1995.".

"SEC. 550. FEDERAL ENERGY EFFICIENCY PROJECTS FUNDING.

(a) IN GENERAL.—

Not later than one year after the date of enactment of the National Energy Security Act of 1992, the Secretary shall establish guidelines for the transfer of up to $1,000,000 per project to encourage any Federal agency to undertake energy efficiency projects in Federally owned facilities.

"(b) PROJECT SELECTION.—The Secretary shall establish procedures for the receipt of proposals under this section. The Secretary shall consider the following factors in determining whether to provide funding under subsection (a):

"(1) the cost-effectiveness of the project;

"(2) the proportion of energy and cost savings anticipated to the Federal Government;

"(3) the amount of funding committed to the project by the agency requesting financial assistance;

"(4) the extent that a proposal leverages financing from other non-Federal sources; and

"(5) any other factor which the Secretary determines will result in the greatest amount of energy and cost savings to the Federal Government.

"(c) REPORTS.—The Secretary shall report annually to Congress, in the supporting documents accompanying the President's budget, on the activities under this section. The report shall include the projects funded and the projected energy and cost savings from installed measures.

"(d) AUTHORIZATION.—For purposes of this subsection, there is authorized to be appropriated, and to remain available until expended, not more than $50,000,000.".

(f) TECHNICAL AND CONFORMING AMENDMENT.—The table of contents for the National Energy Conservation Policy Act is amended to read as follows:

"SEC. 549. DEMONSTRATION OF NEW TECHNOLOGY.

"SEC. 550. FEDERAL ENERGY EFFICIENCY PROJECTS FUNDING.

"SEC. 551. DEFINITIONS.".

"SEC. 6217. CONGRESSIONAL OFFICE BUILDING ENERGY IMPROVEMENT ASSESSMENT.

The Architect of the Capitol shall undertake a study to determine the feasibility and costs associated with compliance with part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq), and Executive Orders No. 12003 and No. 12579 for all facilities under the Architect's jurisdiction, taking into account particular needs with respect to the security and physical operation of the legislative branch of the Government. The Architect shall report the results of such study to the appropriate committees of Congress.

SEC. 6218. STUDY OF FEDERAL PURCHASING POWER.

(a) STUDY.—The Secretary shall conduct a study to evaluate the potential use of the purchasing power of the Federal Government to promote the development and commercialization of energy efficient products. The study shall identify products for which there is a high potential for Federal purchasing power to substantially promote their development and commercialization, and shall include a plan to develop such potential. The study shall be conducted in consultation with utilities, manufacturers, and appropriate nonprofit organizations concerned with energy efficiency.

(b) REPORT.—The Secretary shall report to Congress on the results of the study within two years of the date of the enactment of this Act.

(c) AUTHORIZATION.—There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 6219. ENERGY MANAGEMENT GOALS FOR THE UNITED STATES POSTAL SERVICE.

(a) ENERGY PERFORMANCE GOAL FOR POSTAL FACILITIES.—(1) Not later than January 1, 2000, the United States Postal Service shall, to the maximum extent practicable, install in all facilities under its control, energy conservation measures with payback periods of less than ten years as calculated using methods and procedures developed pursuant to section 544 of the National Energy Conservation Policy Act. Within two years after the date of enactment of the National Energy Security Act of 1992, the USPS shall submit to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Committee on the Post Office and Civil Services a list of projects meeting the ten-year payback criterion, the energy that each project will save and total energy and cost savings involved.

(2) The USPS may exclude from the requirements of paragraph (1) any facility or collection of facilities, and the associated energy consumption and gross square footage, if the Postmaster General finds that compliance with the requirements of paragraph (1) would be impracticable. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such facility or collection of facilities, the type and amount of energy consumed, or the technical feasibility of making the desired changes. The USPS shall identify and list in the report made under sec 6215 the facilities designated by it for such exclusion. This section shall not apply to the USPS facilities that generate or transmit electric energy.

(b) IMPLEMENTATION STEPS.—To achieve the goal established in subsection (a), the USPS shall—

(1) prepare or update, within 1 year after the date of the enactment of this Act, a plan describing how the USPS intends to meet such goal. The plan may be submitted as part of the report under section 6215. The plan shall include how the USPS will implement this part, designate personnel primarily responsible for achieving such goal, and identify high priority projects;

(2) perform energy surveys of USPS facilities and update such surveys periodically, but not less than every three years;

(3) using such surveys, determine the cost and payback period of energy conservation measures likely to achieve the goals of this section;

(4) install those energy conservation measures that will attain the requirements of this section in a cost-effective manner as defined in section 544 of the National Energy Conservation Policy Act; and

(5) ensure that the operation and maintenance procedures applied under this section are continued.

KOHL AMENDMENT NO. 1546

Mr. JOHNSTON (for Mr. KOHL) proposed an amendment to amendment No. 1545 proposed by Mr. GLENN (and others) to the bill S. 2166, supra, as follows:

On page 30, amend Subsection 6216(e) by inserting after the word "transfer", the words "or loan": and

On page 31, strike the amount "$50,000,000" and insert in lieu thereof "$200,000,000".

KASTEN AMENDMENT NO. 1547

Mr. JOHNSTON (for Mr. KASTEN) proposed an amendment to amendment No. 1545 proposed by Mr. GLENN (and others) to the bill S. 2166, supra, as follows:

Amend section 6216 of the Glenn Amendment on Federal Energy Management Programs by inserting the following sentence after "pursuant to section 544" on page 25:

"Federal agencies may participate in the Environmental Protection Agency's "Green Lights" program for purposes of technical assistance in complying with the requirements of this section.".

WIRTH (AND OTHERS) AMENDMENT NO. 1548

Mr. JOHNSTON (for Mr. WIRTH, for himself, Mr. GLENN, Mr. JOHNSTON, and Mr. DURENBERGER) proposed an amendment to amendment No. 1545 proposed by Mr. GLENN (and others) to the bill S. 2166, supra, as follows:

Amend the Glenn amendment in the nature of a substitute to Subtitle VI-B, by inserting at the end the following new section:

"SEC. 6220. ENERGY PERFORMANCE CONTRACTS."

(a) Title VIII of the National Energy Conservation Policy Act (Public Law No. 99-412) is amended by striking "TITLE VIII—SHARED ENERGY SAVINGS" and inserting in lieu thereof "TITLE VIII—ENERGY SAVINGS PERFORMANCE CONTRACTS".

(b) Section 801 of such Act (42 U.S.C. 8287) is amended by striking the word "may" the first place it appears and inserting "shall, to the extent practicable," in lieu thereof; and by redesignating such section as subsection 801(a)(1) and adding the following new text:

"(2)(A) Contracts under this title shall be energy savings performance contracts and shall require an annual energy audit and specify the terms and conditions of any government payments and performance guarantees. Such performance guarantee shall provide that the contractor is responsible for maintenance and repair services for any energy related equipment, including computer software systems.

"(B) Aggregate annual payments by the government may not exceed the guaranteed energy savings during each contract year.

"(C) Federal agencies may incur obligations to finance a project provided guaranteed savings exceed the debt service requirements.

"(b) IMPLEMENTATION.—(1)(A) The Secretary, in consultation with the Secretary of Defense, the Administrator of the General Services Administration, and the Administrator of NASA, within 90 days after the date of the enactment of the National Energy Security Act of 1992, shall develop appropriate procedures and methods for use by Federal agencies to select energy savings service contractors that will achieve the intent of this section in a cost-effective manner. The procedures and methods used for the calculation of energy savings shall be based on sound engineering practices, consideration of relevant variables such as applicable utility rate schedules, and fuel and utility billing cycles.

"(B) Notwithstanding any other procurement laws and regulations, such procedures and methods shall apply to the selection by each Federal agency of a contractor to provide energy savings services.

"(C) The process developed pursuant to this section may constitute adequate price competition, no cost justification shall be required.

"(2) In carrying out paragraph (1), the Secretary may:

"(A) request statements of qualifications, including financial and performance information, from firms engaged in providing energy saving services;

"(B) designate from the statements received, with an update at least annually, those firms that are qualified to provide energy savings services;

"(C) select at least three firms from the list of qualified contractors to conduct discussions concerning a particular proposed energy savings project, including requesting a technical and price proposal from such selected firms for such project; and

"(D) select from such firms the most qualified firm to provide energy savings services pursuant to such energy savings contractual arrangement that the Secretary determines is fair and reasonable, taking into account—

"(i) the qualifications, prior experience and capabilities of a contractor to perform the proposed type of energy savings services; and

"(ii) the estimated value of the energy savings services to be rendered and the scope and nature of the project.

"(3) In carrying out paragraph (1), the Secretary also may provide for direct negotiations by Federal agencies for energy savings services with contractors that have been selected competitively and approved by any gas or electric utility serving the agency involved.

"(c) DEFINITION.—For the purpose of this title, the terms 'energy savings contract' or 'energy savings performance contract' means a contract which provides for the performance of services for the design, acquisition, installation, testing, operation and, where appropriate, maintenance and repair, of an identified energy savings measure. Such contracts may provide for appropriate software licensing agreements.

"(d) SUNSET AND REPORTING REQUIREMENTS.—

"(A) The authority to enter into new contracts under this provision shall cease to be effective three years from date of enactment of this Act.

"(B) Beginning six months after the date of enactment of this Act, and every six months thereafter, for a period of three years from enactment of this Act, the General Accounting Office shall report on the implementation of this section to the Senate Committee on Governmental Affairs and the Senate Committee on Energy and Natural Resources. These reports shall include, but not be limited to, an assessment of the following issues:

"(i) the quality of the energy audits conducted for the Agencies.

"(ii) the government's ability to maximize energy savings.

"(iii) the total energy cost savings accrued by the agencies that have entered into such contracts.

"(iv) the total costs associated with entering into such contracts and having them performed.

"(v) a comparison of the total costs incurred by agencies under such contracts and the total costs incurred under similar contracts performed in the private sector.

"(vi) the number of firms selected as qualified firms under this section and their respective shares of awarded contracts.

"(vii) the number of firms engaged in similar activity in the private sector and their respective market shares.

"(viii) the number of applicant firms not selected as qualified firms under this section and the reason for their non-selection.

"(ix) the frequency with which agencies have utilized the services of government labs to perform any of the functions specified in this section.

"(C) Two years from enactment of this Act, the General Accounting Office shall provide a summary report to the Committee on Governmental Affairs and the Senate Committee on Energy and Natural Resources on the efficacy of this section. In addition, the General Accounting Office shall provide recommendations for statutory or regulatory changes that may be necessary. In making such recommendations, the General Accounting Office shall consider whether the contracting procedures utilized under this section by agencies have been effective and whether continued use of those procedures, as opposed to the procedures provided by existing public contract law, is necessary for implementation of successful energy performance contracts.".

GLENN AMENDMENT NO. 1549

Mr. JOHNSTON (for Mr. GLENN) proposed an amendment to the bill S. 2166, supra, as follows:

On page 22, line 2, add after the period "If publicly available fueling facilities are not convenient or accessible to the location of Federal alternative fuel vehicles purchased under this title, the Administrator is authorized to enter into commercial arrangements with commercial fueling operators for the purpose of fueling Federal alternative fuel vehicles.".

WIRTH (AND OTHERS) AMENDMENT NO. 1550 AND 1551

Mr. WIRTH (for himself, Mr. METZENBAUM, and Mr. DODD) proposed two amendments to the bill S. 2166, supra, as follows:

AMENDMENT NO. 1550

(a) On page 126, lines 4, 11 and 13, strike "lamps and";

(b) On page 126, lines 15, and 22, and on page 127, lines 1 and 9, strike "lamps and";

(c) On page 127, line 6, strike "lamps or";

(d) On page 127, line 23, strike paragraph (1) and renumber the following paragraphs accordingly;

(e) On page 128, line 24, strike the word "lamps,";

(f) On page 129, line 18, strike the word "lamps,";

(g) On page 131, line 9, strike the word "lamps,"; and

(h) On page 144, after line 17 insert the following two new sections:

SEC 6112. ENERGY CONSERVATION STANDARDS FOR CERTAIN LAMPS.

(a) DEFINITIONS.—Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a)) is amended—

(1)(A) by striking the designation subsection "(a)"; and

(B) in the material following subparagraph (B), by striking out "ballasts distributed in commerce for personal or commercial use or consumption" and inserting in lieu thereof the following: "ballasts, general service fluorescent lamps, and incandescent reflector lamps distributed in commerce for personal or commercial use.";

(2) by adding at the end the following new paragraphs:

"(30)(A) Except as provided in subparagraph (E), the term 'fluorescent lamp' means a low pressure mercury electric discharge source in which a fluorescing coating transforms some of the ultraviolet energy generated by the mercury discharge into light, including only the following:

"(i) Any straight shaped rapid start lamp (commonly referred to as four foot medium bi-pin lamps) with medium bi-pin bases of nominal overall length of 48 inches and rated wattage of 28 or more.

"(ii) Any U-shaped lamp (commonly referred to as two foot U-shaped lamps) with medium bi-pin bases of nominal overall length between 22 and 25 inches and rated wattage of 28 or more.

"(iii) Any rapid start lamp (commonly referred to as eight foot high output lamps) with recessed double contact bases of nominal overall length of 96 inches and 0.800 nominal amperes, as defined in ANSI C78.1-1978 and related supplements.

"(iv) Any instant start lamp (commonly referred to as eight foot slimline lamps) with single pin bases of nominal overall length of 96 inches and rated wattage of 52 or more, as defined in ANSI C78.3-1978 (R1984) and related supplement ANSI C78.3a-1985.

"(B) the term 'general service fluorescent lamp' means fluorescent lamps which can be used to satisfy the majority of fluorescent applications, but excluding any lamp described in subsection (E) and any lamp designed and marketed for non-general lighting applications as follows—

(i) fluorescent lamps designed to promote slant growth;

"(ii) fluorescent lamps specifically designed for cold-temperature installations;

"(iii) colored fluorescent lamps;

"(iv) impact-resistant fluorescent lamps;

"(v) reflectorized or aperture lamps;

"(vi) fluorescent lamps designed for use in reprographic equipment;

"(vii) lamps primarily designed to produce radiation in the ultra-violet region of the spectrum, and

"(viii) lamps with a color rendering index of 82 or greater.

"(C) Except as provided in subparagraph (E), the term 'incandescent lamp' means a lamp in which a light is produced by a filament heated to incandescence by an electric current, including only the following:

"(i) Any lamp (commonly referred to as lower wattage nonreflector general service lamps, including any tungsten-halogen lamp) that has a rated wattage between 30 and 199 watts, has an E26 medium screw base, has rated voltage or voltage range that lies at least partially within 115 and 130 volts, and is not a reflector lamp.

"(ii) Any lamp (commonly referred to as reflector lamp), which is not colored or designed for rough or vibration service applications, that contains an inner reflective coating on the outer bulb to direct the light, an R, PAR, or similar bulb shapes (excluding "ER" or "BR") with E26 medium screw bases, a rated voltage or voltage range that lies at least partially within 115 and 130 volts, a diameter which exceeds 2.75 inches, and is either—

"(I) a low(er) wattage reflector lamp which has a rated wattage between 40 and 205 watts; or

"(II) a high(er) wattage reflector lamp which has a rated wattage above 205 watts; and

"(III) any general service incandescent lamp (commonly referred to as a high- or higher wattage lamp) that has a rated wattage above 199 watts (above 205 watts for a high wattage reflector lamp).

"(D) the term 'general service incandescent lamp' means incandescent lamps (other than miniature or photographic lamps) which can be used to satisfy the majority of lighting applications, but excluding any lamp described in subparagraph (E) and any lamp specifically designed for—

"(i) traffic signal or street light service;

"(ii) airway, airport, aircraft, or other aviation service;

"(iii) marine or marine signal service;

"(iv) photo, projection, sound reproduction, or film viewer service;

"(v) stage, studio, or television service;

"(vi) mill, saw mill, or other industrial process service;

"(vii) mine service;

"(viii) headlight, locomotive, street railway, or other transportation service;

"(ix) heating service;

"(x) code beacon, marine signal, lighthouse, reprographic, or other communication service;

"(xi) medical or dental service;

"(xii) microscope, map, microfilm, or other specialized equipment service;

"(xiii) swimming pool or other underwater service;

"(xiv) decorative or showcase service;

"(xv) producing colored light;

"(xvi) shatter resistance which has an external protective coating; or

"(xvii) appliance service.

"(E) The term 'lamp' does not include any lamp manufactured or assembled in the United States for export and use outside the United States, or any lamp excluded by the Secretary, by rule, as a result of a determination that standards for such lamp would not result in significant energy savings because such lamp is designed for special applications or special characteristics not available in reasonably substitutable lamp types.

"(F) The term 'average lamp efficacy' means the lamp efficacy readings taken over a twelve-month period of manufacture with the readings averaged over that period.

"(G) The term 'base' means the portion of the lamp which connects with the socket described in ANSI C81.61-1990.

"(H) The term 'bulb shape' means the shape of the lamp, especially the glass bulb with designations for bulb shapes found in ANSI C79.1-1980(R1984).

"(I) The term 'color rendering index' or 'CRI' means the measure of the degree of color shift objects undergo when illuminated by a light source as compared with the color of those same objects when illuminated by a reference source of comparable color temperature.

"(J) The term 'correlated color temperature' means the absolute temperature of a black body whose chromaticity most nearly resembles that of the light source.

"(K) The term 'IES' means the Illuminating Engineering Society of North America.

"(L) The term 'lamp efficacy' means the lumen output of a lamp divided by its wattage, expressed in lumens per watt (LPW).

"(M) The term 'lamp type' means all lamps designated as having the same electrical and lighting characteristics and made by one manufacturer.

"(N) The term 'lamp wattage' means the total electrical power consumed by the lamp in watts, after the initial seasoning period referenced in the appropriate IES standard test procedure and including, for fluorescent, arc watts plus cathode watts.

"(O) The term 'life' and 'lifetime' mean length of operating time of a statistically large group of lamps between first use and failure of 50 percent of the group in accordance with test procedures as described in the IES Lighting Handbook—Reference Volume.

"(P) The term 'lumen output' means total luminous flux (power) of a lamp in lumens, as measured in accordance with applicable IES standards as determined by the Secretary.

"(Q) The term 'tungsten-halogen lamp' means a gas-filled tungsten filament incandescent lamp containing a certain proportion of halogens in an inert gas.

"(R) The term 'manufacturer' means anyone who makes, assembles or imports any covered product.

"(S) The term 'medium base compact fluorescent' means an integrally ballasted fluorescent lamp with a medium screw base and a rated input voltage of 115 to 130 volts and which is designed as a direct replacement for general service incandescent lamps.

"(T) The term 'transition period' means the period of time between the enactment of the National Energy Security Act of 1991 and the date on which the standard shall take effect."

(b) Coverage.—Section 322(a) of such Act (42 U.S.C. 6292(a)) is amended—

(1) by redesignating paragraph (14) as paragraph (15); and

(2) by inserting after paragraph (13) the following new paragraph:

"(14) General service fluorescent lamps and incandescent reflector lamps.

(c) Test Procedures.—Section 323 of such Act (42 U.S.C. 6293) is amended by adding the following new paragraph at the end of subsection (b):

"(6) With respect to fluorescent lamps and incandescent lamps to which standards are applicable under subsection (i) of section 325, the Secretary shall prescribe test procedures, to be implemented by accredited test laboratories, that take into consideration the applicable IES or ANSI standard.

(d) Labeling.—Section 324 of such Act (42 U.S.C. 6294) is amended—

(1) in subsection (a)(2), by adding at the end the following new subparagraph:

"(C) The Commission shall prescribe labeling rules under this section applicable to general service fluorescent lamps, medium base compact fluorescent lamps, and general service incandescent lamps. Such rules shall provide that the labeling of any general service fluorescent lamps, medium base compact fluorescent lamps and general service incandescent lamp manufactured, assembled or imported after the 18-month period beginning on the date of the publication of such labeling rule will include conspicuously on the packaging of the lamp in a manner prescribed by the Commission under subsection (b), such information as the Commission deems necessary for the consumers to select the most energy efficient lamps to meet their requirements. Labeling information for incandescent lamps will be based upon performance when operated at 120 volts input, regardless of the rated lamp voltage.

(2) in subsection (a)(3), by striking out "(14)" and inserting in lieu thereof "(15)";

(3) in paragraphs (1)(B), (3), and (5) of subsection (b), by striking out "(14)" and inserting in lieu thereof "(15)"; and

(4) in subsection (c)(7), by striking out "paragraph (13) of section 322" and inserting in lieu thereof "paragraphs (13) and (14) of section 322(a).".

(e) Standards.—Section 325 of such Act (42 U.S.C. 6295) is amended—

(1) by redesignating clauses (i) through (q) as clauses (k) through (s); and

(2) by inserting after clause (h) the following:

"(i) General Service Fluorescent and Incandescent Reflector Lamps.—(1) Each of the following general service fluorescent lamps and incandescent reflector lamps manufactured, assembled or imported after the transition period for each category of lamps beginning on the date of the enactment of this subsection shall meet or exceed the following lamp efficacy and CRI standards. Beginning twelve months after the expiration of the transition period for each of the listed categories of lamps, no lamp in such category may be sold which does not meet or exceed the following lamp efficacy and color rendition index standards:

"FLUORESCENT LAMPS

"Lamp type	Nominal lamp wattage	Minimum average CRI	Minimum average lamp efficacy (LPW)	Transition period (months)
4 foot Medium bi-pin	>35W	69	75.0	36
	≤35W	45	75.0	36
2 foot "U" shaped	>35W	69	68.0	36
	≤35W	45	64.0	36
8 foot Slimline	65W	69	80.0	18
	≤65W	45	80.0	18
8 foot High Output	>100W	69	80.0	18
	≤100W	45	80.0	18

"INCANDESCENT REFLECTOR LAMPS

"Nominal lamp wattage	Minimum average lamp efficacy (LPW)	Transition period (month)
40–50	10.5	36
51–66	11.0	36
67–85	12.5	36
86–115	14.0	36
116–155	14.5	36
156–205	15.0	36

"(2) Not less than 36 months after the date of enactment of the National Energy Security Act of 1991, the Secretary shall initiate a rulemaking proceeding and shall publish a final rule no later than 54 months after this section is enacted to determine if the standards established under paragraph (1) should be amended. Such rule shall contain such amendment, if warranted, and provide that the amendment shall apply to products manufactured on or after the 36-month period beginning on the date such final rule is published.

"(3) Not less than eight years after the date of enactment of the National Energy Security Act of 1991, the Secretary shall initiate a rulemaking proceeding and shall publish a final rule no later than nine and one-half years after this section is enacted to determine if the standards established under paragraph (1) should be amended. Such rule shall contain such amendment, if warranted, and provide that the amendment shall apply to products manufactured on or after the 36-month period beginning on the date such final rule is published.

"(4) Twenty-four months after any labeling required by subsection (d) shall have taken effect, the Secretary shall initiate a rulemaking to determine if additional fluorescent and incandescent lamps should be subject to standards, and to publish, within 18 months of initiating such a rulemaking, a final rule including such standards, if warranted.

"(5) Any amendment prescribed under paragraph (4) shall apply only to products manufactured, assembled or imported after a date which is 36 months after the date the final rule is published.

"(6) In establishing or modifying any standard under this subsection, the Secretary shall use the criteria contained in section 325(n) of the Energy Policy and Conservation Act, as redesignated by the National Energy Security Act of 1991.

"(7) With regard to any lamp covered by this subsection or section 6113 of the National Energy Security Act of 1991, it shall be the responsibility of the Secretary to inform any Federal entity proposing actions which would adversely impact the energy consumption or energy efficiency of any covered product of the energy conservation consequences of such action. It shall be the responsibility of such Federal entity to carefully consider the Secretary's comments.

Any other provision of Federal law or regulation to the contrary notwithstanding, the Secretary shall not be prohibited from modifying any standard, by rule, to permit increased energy use or to decrease the minimum required energy efficiency of any covered product if such action is warranted as the result of other federal action, such as but not limited to restrictions on materials or processes, which would have the effect of either increasing energy use or decreasing energy efficiency.

"(8) Concurrent with the effective date of lamp standards established pursuant to this subsection or section 6113 of the National Energy Security ACT of 1991, a manufacturer shall file with the Secretary the report of the laboratory certifying compliance with the standard for each lamp. Such report shall include the lumen output and wattage consumption as an average of measurements taken over the preceding 12 month period.

SEC. 6113. ENERGY CONSERVATION STANDARDS FOR HIGH-INTENSITY DISCHARGE LAMPS.

Title III, part C, of the Energy Policy and Conservation Act (42 U.S.C. 6310) is amended by adding the following new section 346, and renumbering section 346 as 347.

"SEC. 346. ENERGY CONSERVATION STANDARDS FOR HIGH-INTENSITY DISCHARGE LAMPS.—

"(a) In General.—(1)(A) The Secretary of Energy shall—

"(i) within 18 months after the date of the enactment of this Act, prescribe testing requirements for those high-intensity discharge lamps for which the Secretary makes a determination that energy conservation standards would result in significant energy savings; and

"(ii) within 18 months after the date on which testing requirements are prescribed by the Secretary pursuant to clause (i), prescribe energy conservation standards for those high-intensity discharge lamps for which the Secretary prescribed testing requirements under clause (i).

"(iii) Any standard prescribed under clause (ii) shall apply to products manufactured, assembled or imported 36 months after the date on which the final rule is published.

(B) For purposes of subparagraph (A), the term "energy conservation standard" means—

"(i) a performance standard that prescribed a minimum level of energy efficiency or a maximum quantity of energy use for a product; or

"(ii) a design requirement for a product.

"(2) In establishing any standard under this section, the Secretary shall use the criteria contained in section 325(n) of the Energy Policy and Conservation Act, as redesignated by the National Energy Security Act of 1991.

"(3) The Federal Trade Commission shall, within six months after the date on which energy conservation standards are prescribed by the Secretary of Energy pursuant to paragraph (1)(A)(ii) for high-intensity discharge lamps, prescribe labeling requirements for such lamps.

"(b) REQUIREMENT OF MANUFACTURERS.—Beginning on the date which occurs six months after the date on which a labeling rule is prescribed for a product under subsection (a)(3), each manufacturer or importer of the product shall begin to label newly manufactured products with a label which meets, and is displayed in accordance with, the requirements of such rule.

"(c) ENFORCEMENT.—(1) After the date on which a manufacturer must begin to label newly manufactured products with a label for a product pursuant to subsection (b), each such product shall be considered, for purposes of paragraph (1) and (2) of section 322(a) of the Energy Policy and Conservation Act, a new covered product to which a rule under section 324 of such Act applies.

"(2) Twelve months after the date on which a manufacturer must begin to label newly manufactured products with a label for a product pursuant to subsection (b), it shall be unlawful for any manufacturer or private labeler to distribute in commerce any new high intensity discharge lamps which is not in conformity with the applicable labeling requirement and energy conservation standard prescribed under subsection (a)(1)(A)(ii).

"(3) For purposes of section 333(a) of the Energy Policy and Conservation Act, paragraph (1) of this subsection shall be considered to be a part of section 332 of such Act."

AMENDMENT NO. 1551

On page 144, after line 17, insert the following two new sections:

"SEC. 6114. ENERGY CONSERVATION STANDARDS FOR COMMERCIAL AND INDUSTRIAL ELECTRIC MOTORS.

(a) DEFINITIONS.—Section 340 of the Energy Policy and Conservation Act (42 U.S.C. 6311) is amended—

(1) in paragraph (2)(A)(iii), by striking out "as defined in section 321(a)(2)" and inserting in lieu thereof "to which standards are applicable under section 325";

(2) in paragraph (3) by striking "the" and inserting "The" in lieu thereof; and

(3) by adding at the end thereof the following new paragraphs:

"(8)(A) Except as provided in subparagraph (B), the term 'electric motor' means any motor which is a general-purpose T-frame, single-speed, foot-mounting, polyphase squirrel-cage induction motor of the National Electrical Manufacturers Association (NEMA), Design A and B, continuous rated, operating on 230/460 volts and constant 60 Hertz line power as defined in NEMA Standards Publication MG1-1987.

"(B) The term 'electric motor' does not include any motor excluded by the Secretary, by rule, as a result of a determination that standards for such motor would not result in significant energy savings or that efficiency standards for such motor would not be technically feasible or economically justified.

"(C) The term 'definite-purpose motor' means any motor designed in standard ratings with standard operating characteristics or mechanical construction for use under service conditions other than usual or for use on a particular type of application and which cannot be used in most general purpose applications.

"(D) The term 'special-purpose motor' means any motor with special operating characteristics or special mechanical construction, or both, designed for a particular application and not falling within the definition of general-purpose or definite-purpose motor.

"(E) The term 'open motor' means a motor having ventilating openings which permit passage of external cooling air over and around the windings of the motor.

"(F) The term 'enclosed motor' means a motor so enclosed as to prevent the free exchange of air between the inside and outside of the case but not sufficiently enclosed to be termed air-tight.

"(G) The term 'small electric motor' means a NEMA general-purpose alternating current single-speed induction motor, built in a two-digit frame number series in accordance with NEMA Standards Publication MG1-1987.

"(H) The term 'efficiency' means the ratio of an electric motor's useful power output to its total power input, expressed in percentage.

"(I) The term 'nominal efficiency' means the average efficiency of a large population of motors of duplicate design as determined in accordance with National Electric Manufacturers Association Standards Publication MG1-1987.

"(9) The term 'NEMA' means the National Electrical Manufacturers Association."

"(10) The term 'IEEE' means Institute of Electrical and Electronics Engineers."

"(11) The term 'energy conservation standard' means—

"(A) a performance standard that prescribes a minimum level of energy efficiency or a maximum quantity of energy use for a product; or

"(B) a design requirement for a product."

(b) TEST PROCEDURES.—Section 343 of such Act (42 U.S.C. 6314) is amended—

(1) by striking paragraph (a)(1) and inserting in lieu thereof the following:

"(a)(1) The Secretary may conduct an evaluation of a class of covered equipment and may prescribe test procedures for such class in accordance with the provisions of this section.";

(2) by adding at the end of subsection (a), the following new paragraph:

"(4) With respect to electric motors that are manufactured after the end of the 24-month period beginning on the date of the enactment of this paragraph and to which standards are applicable under section 342, the Secretary shall prescribe test procedures that take into consideration NEMA Standards Publication MG1-1987 and IEEE Standard 112 Test Method B for motor efficiency."; and

(3) redesignate the first subsection 343(d) as 343(c).

(c) LABELING.—Section 344 of such Act (42 U.S.C. 6315) is amended by redesignating subsections (d), (e), (f), (g), (h), and (i) as subsections (e), (f), (g), (h), (i) and (j) respectively, and by inserting a new subsection (d) as follows:

"(d) In the case of electric motors, within 12 months after the Secretary establishes test procedures (as required in Section 343 (a)), manufacturers and importers of covered motors shall establish efficiency ratings for each type of motor in accordance with the applicable test procedures, and—

"(1) include the efficiency rating of the equipment on the permanent nameplate attached to each piece of equipment.

"(2) prominently display the efficiency rating of the equipment in equipment catalogs and other materials used to market the equipment.

"(3) such other markings that the Secretary may determine are needed solely to facilitate enforcement of the efficiency standards established in Section 342(a).

"In developing these labeling requirements for electric motors, the Secretary shall take into consideration NEMA Standards Publication MG1-1987.

(d) STANDARDS.—Section 342 of such Act (42 U.S.C. 6313) is amended to read as follows:

"STANDARDS

"SEC. 342. (a) ELECTRIC MOTORS.—(1) Except for definite-purpose motors, special-purpose motors, and those motors exempted by the Secretary under the provisions of paragraph (2) of this section, any general-purpose electric motor manufactured or imported (alone or as part of another piece of equipment) after the 60-month period beginning on the date of enactment of the Energy Efficiency Standards Act of 1991, or 84-month period in the case of general-purpose motors which require listing or certification by a nationally recognized safety testing laboratory, shall have a nominal full-load efficiency of not less than the following:

"NOMINAL FULL-LOAD EFFICIENCY

"Number of poles	Open motors			Enclosed motors		
	6	4	2	6	4	2
Motor h.p.						
1	80.0	82.5	....	80.0	82.5	75.5
1.5	84.0	84.0	82.5	85.5	84.0	82.5
2	85.5	84.0	84.0	86.5	84.0	84.0
3	86.5	86.5	84.0	87.5	87.5	85.5
5	87.5	87.5	85.5	87.5	87.5	87.5
7.5	88.5	88.5	87.5	89.5	89.5	88.5
10	90.2	89.5	88.5	89.5	89.5	89.5
15	90.2	91.0	89.5	90.2	91.0	90.2
20	91.0	91.0	90.2	90.2	91.0	90.2
25	91.7	91.7	91.0	91.7	92.4	91.0
30	92.4	92.4	91.0	91.7	92.4	91.0
40	93.0	93.0	91.7	93.0	93.0	91.7
50	93.0	93.0	92.4	93.0	93.0	92.4
60	93.6	93.6	93.0	93.6	93.6	93.0
75	93.6	94.1	93.0	93.6	94.1	93.0
100	94.1	94.1	93.0	94.1	94.5	93.6
125	94.1	94.5	93.6	94.1	94.5	94.5
150	94.5	95.0	93.6	95.0	95.0	94.5
200	94.5	95.0	94.5	95.0	95.0	95.0

"(2)(A) The Secretary may, by rulemaking, exempt certain types or classes of motors from the standards specified in paragraph (b) of this section if the following apply—

"(i) efficiency standards for such motors would not result in significant energy savings because such motors either cannot be used in most general-purpose applications or are very unlikely to be used in most general-purpose applications; and

"(ii) efficiency standards for such motors would not be technically feasible or economically justified;

"(B) Within one year of the passage of this Act, motor manufacturers and importers shall petition the Secretary to request exemptions for motors that meet the criteria specified in paragraph (2)(A) of this section. Each request shall provide evidence that the motor meets the criteria for exemption.

"(C) Within two years of the passage of this Act, the Secretary shall rule on each request for exemption. In reaching his decision, the Secretary shall afford an opportunity for public comment.

"(D) for new motors developed after the date of enactment of this Act, manufacturers may petition the Secretary for exemptions from the standards established under this Act based on the criteria specified in paragraph (2)(A) of this section.

"(3)(A) The Secretary shall publish a final rule no later than the end of the 24-month period beginning on the effective date of the standards established under paragraph

(1) to determine if such standards should be amended. Such rule shall provide that any amendment shall apply to electric motors manufactured on or after a date which is 5 years after the effective date of the standards established under paragraph (1).

"(B) The Secretary shall publish a final rule no later than 24 months after the effective date of the previous final rule to determine whether to amend the standards in effect for such product. Any such amendment shall apply to electric motors manufactured after a date which is 5 years after—

"(i) the effective date of the previous amendment; or

"(ii) if the previous final rule did not amend the standards, the earliest date by which a previous amendment could have been effective.

(e) Administration, Penalties, Enforcement and Preemption.—Section 345 of such Act (42 U.S.C. 6316) is amended by—

(1) striking the designation "(a)";

(2) in the material preceding paragraph (1), by striking "sections 328" and inserting in lieu thereof ", the provisions of subsections (1) through (q) of section 325, and section 327";

(3) in paragraph (1) by—

(i) striking the words "and 324" and inserting in lieu thereof ", 324, and 325";

(ii) striking the words "343 and 344, respectively" and inserting in lieu thereof "343, 344, and 342, respectively";

(4) in paragraph (3), by striking the word "and" at the end thereof;

(5) in paragraph (4), by striking the period and inserting in lieu thereof a semicolon; and

(6) by adding after paragraph (4) the following new paragraphs (5) through (8):

"(5) As of the date of enactment of the National Energy Security Act of 1991, no State or its subdivisions may enact, prescribe, or revise efficiency standards for any equipment for which efficiency standards are established under this Act.

"(6) As of the date of enactment of the National Energy Security Act, no State or its subdivisions may enact, prescribe, or revise labeling requirements for any equipment for which labeling requirements are established under this Act.

"(7) Notwithstanding paragraphs (5) and (6) of this section, States and their subdivisions may adopt efficiency requirements for new construction provided that such requirements are identical to standards established under this Act.

"(8) With respect to electric motors, the Secretary shall establish a technical performance audit program to ensure compliance with the prescribed testing and labeling standards; and

(7) by striking out the title and inserting in lieu thereof "Administration, Penalties, Enforcement, and Preemption".

(f) Authorization for Appropriations.—Section 346 is amended by striking the existing text and inserting in lieu thereof the following: "There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this part."

"SEC. 6115. ENERGY CONSERVATION STANDARDS FOR SMALL ELECTRIC MOTORS.

Title III, part C, of the Energy Policy and Conservation Act (42 U.S.C. 6310) is amended by adding the following new section 346, and renumbering section 346 as 347.

"SEC. 346. ENERGY CONSERVATION STANDARDS FOR SMALL ELECTRIC MOTORS.

"(a) In General.—(1)(A) The Secretary shall—

"(i) within 24 months after the date of the enactment of this Act, prescribe testing requirements for those small electric motors for which the Secretary makes a determination that energy conservation standards would be technically feasible and economically justified, and would result in significant energy savings; and

"(ii) within 24 months after the date on which testing requirements are prescribed by the Secretary pursuant to clause (i), prescribe energy conservation standards for those small electric motors for which the Secretary prescribed testing requirements under clause (i). Standards shall not apply to any small electric motor which is a component part of a product or equipment subject to the energy efficiency standards under this title.

"(iii) any standard prescribed under (ii) of this Act shall apply to small electric motors manufactured, assembled or imported, 60 months after the date the final rule is published, or 84 months in the case of small electric motors which require listing or certification by a nationally recognized testing laboratory.

"(B) For purposes of subparagraph (A):

"(i) the term "energy conservation standard" means—

"(aa) a performance standard that prescribes a minimum level of energy efficiency or a maximum quantity of energy use for a product; or

"(bb) a design requirement for a product; and

"(ii) the term "small electric motor" is as defined under section 340(8) of the Energy Policy and Conservation Act (42 U.S.C. 6311), as amended.

"(2) In establishing any standard under this section, the Secretary shall use the criteria contained in section 325(1) of the Energy Policy and Conservation Act.

"(3) The Federal Trade Commission shall, within six months after the date on which energy conservation standards for small electric motors are prescribed by the Secretary pursuant to paragraph (1)(A)(ii), prescribe labeling requirements for such electric motors.

"(b) Requirement of Manufacturers.—Beginning on the date which occurs six months after the date on which a labeling rule is prescribed for a product under subsection (a)(3), each manufacturer of the product shall provide a label which meets, and is displayed in accordance with, the requirements of such rule.

"(c) Enforcement.—(1) After the date on which a manufacturer must provide a label for a product pursuant to subsection (b)—

"(A) each such product shall be considered, for purposes of paragraphs (1) and (2) of section 332(a) of the Energy Policy and Conservation Act, a new covered product to which a rule under section 324 of such Act applies; and

"(B) it shall be unlawful for any manufacturer, importer or private labeler to distribute in commerce any new small electric motors for which an energy conservation standard is prescribed under subsection (a)(1)(A)(ii) which is not in conformity with the applicable labeling requirement and energy conservation standard.

"(2) For purposes of section 333(a) of the Energy Policy and Conservation Act, paragraph (1) of this subsection shall be considered to be a part of section 332 of such Act.".

JOHNSTON (AND WALLOP) AMENDMENT NOS. 1552 AND 1553

Mr. JOHNSTON (for himself and Mr. Wallop) proposed an amendment to the bill S. 2166, supra, as follows:

Amendment No. 1552

On page 285, strike liens 6 through 24 and, on page 286, lines 1 and 2.

Amendment No. 1553

On page 303, after line 21, insert the following:

"SEC. 11113. FUEL USE ACT AMENDMENT.

Section 403 of the Powerplant and Industrial Fuel Act of 1978 as amended (42 U.S.C. 8373) is amended by striking subsection (c) in its entirety."

WIRTH AMENDMENT NO. 1554

Mr. WIRTH proposed an amendment to the bill S. 2166, supra, as follows:

On page 118, line 16, add the following new subsection 6103(c):

"(c) Elimination of Federal Preemption.—Notwithstanding the provisions of section 943 of the Cranston-Gonzalez National Affordable Housing Act (P.L. 101–625), if the Department of Housing and Urban Development has not issued, within one year of the date of enactment of this Act, regulations establishing thermal insulation and energy efficiency standards for manufactured housing promulgated (and effective before 1995) pursuant to section 304 of the Energy Conservation and Production Act (42 U.S.C. 6833) then States shall have the authorization to set such thermal insulation and energy efficiency standards for manufactured housing at levels at least as stringent as the thermal performance standards under ASHRAE 90–2.

JOHNSTON AMENDMENTS NOS. 1555 AND 1556

Mr. JOHNSTON submitted two amendments to the bill S. 2166, supra; as follows:

Amendment No. 1555

On page 21, strike lines 1 through 14 and insert the following:

"SEC. 4102. FEDERAL FLEETS.

(a) Purchase Requirements.—

"(1) The Federal Government shall purchase, lease, or otherwise acquire at least—

(A) 5,000 alternative fuel vehicles in 1993;

(B) 7,500 alternative fuel vehicles in 1994; and

(C) 10,000 alternative fuel vehicles in 1995.

"(2) When any Federal agency purchases, leases, or otherwise acquires vehicles for a Federal fleet, in the years specified in this paragraph, at least the following percentage of the vehicles purchased, leased, or otherwise acquired shall be alternative fuel vehicles in the respective years—

(A) in 1996, 25 percent;

(B) in 1997, 33 percent;

(C) in 1998, 50 percent;

(D) in 1999, 75 percent; and

(E) in 2000 and each year thereafter, 90 percent."

Amendment No. 1556

On page 32, following line 8, insert the following new subsection:

"(d) State Incentives.—Within 18 months after the date of enactment of this title, the Governor of each State in which there is located a fleet subject to the alternative fuel vehicle purchase requirements of section 4103 or 4104, shall submit to the Secretary a report concerning the incentives for alternative fuel vehicles considered or approved by the State. Each State subject to the requirements of this section shall consider:

(1) allowing public utilities to include in rates costs associated with the development and installation of alternative fuel facilities to the extent that such inclusion would not create competitive disadvantages for other market participants;

(2) exempting alternative fuel vehicles that operate only on alternative fuel from high occupancy vehicle and other such highway vehicle restrictions;

(3) exempting alternative fuel vehicles from state highway taxes, road tolls, vehicle and fuel sales taxes, and other state taxes or charges otherwise applicable to motor vehicles; and

(4) providing alternative fuel vehicles special parking at public buildings, airports, and transportation facilities."

NICKLES AMENDMENT NO. 1557

Mr. JOHNSTON (for Mr. NICKLES) proposed an amendment to the bill S. 2166, supra; as follows:

(a) On page 32, after line 8, insert the following new section:

SEC. 4112. SCHOOL BUS FLEET FINANCIAL ASSISTANCE PROGRAM.

There is authorized to be appropriated to the Secretary not more than $10,000,000 for each of the fiscal years 1993, 1994, and 1995 to remain available until expended for purposes of providing financial assistance to any State, including any agency, municipality or political subdivision of a State or the District of Columbia, to meet incremental costs attributable to the use by school buses of alternative fuels, as that term is defined in section 4101(1) of this subtitle, including purchase and installation of alternative fuel refueling facilities to be used primarily for school bus refueling and conversion of school buses to make them capable of using only an alternative fuel (except that diesel school buses may be converted to run on a combination of diesel and natural gas), provided that, any conversion using funds authorized by this section must comply with the warranty and safety requirements for alternative fuel conversions contained in section 247 of the Clean Air Act Amendments of 1990.

(b) In the table of contents, on page 2, under title VI, subtitle A, list "SEC. 4112. School Bus Fleet Financial Assistance Program."

SYMMS AMENDMENT NO. 1558

Mr. JOHNSTON (for Mr. SYMMS) proposed an amendment to the bill S. 2166, supra, as follows:

SEC. 1. In title IV of the bill, section 4101, page 18, delete "and" on line 6, and at the end of line 6 add the following: "and any other fuel that is substantially nonpetroleum, including fuels other than alcohol that are derived from biological materials;".

SEC. 2. In title IV of the bill, section 4304, page 58, delete "and" on line 24, and at the end of line 25 add the following: "and any other fuel that is substantially nonpetroleum, including fuels other than alcohol that are derived from biological materials;".

SEC. 3. In title IV of the bill, section 4304, page 59, following "gasoline" on line 2, delete the comma and insert: "or diesel,".

WALLOP AMENDMENT NO. 1559

Mr. WALLOP proposed an amendment to the bill S. 2166, supra, as follows:

In section 4302(4) on page 57, line 6, before "capable" insert "and off-road vehicles".

WIRTH (AND LIEBERMAN) AMENDMENT NO. 1560

Mr. WIRTH (for himself and Mr. LIEBERMAN) submitted an amendment to the bill S. 2166, supra, as follows:

At the end of title VI, add the following new subtitle:

CONSULTATIVE COMMISSION ON WESTERN HEMISPHERE ENERGY AND ENVIRONMENT

SEC. . FINDINGS.

The Congress finds that—

(1) there is growing mutual economic interdependence among the countries of North America and the Western Hemisphere;

(2) energy and environmental issues are intrinsically linked and must be considered together when formulating policy on the broader issue of sustainable economic development for each of these countries and for the Western Hemisphere as a whole;

(3) when developing their respective energy infrastructures, countries in the Western Hemisphere must account for existing and emerging environmental constraints, and do so in a way that results in sustainable long-term economic growth;

(4) the coordination of respective national energy and environmental policies of the governments of Canada, Mexico, Venezuela, the United States and, as appropriate, other countries in the Western Hemisphere could be substantially improved through regular consultation among these countries;

(5) the development, production and consumption of energy can affect environmental quality, and the environmental consequences of energy-related activities are not confined within national boundaries, but are regional and global in scope;

(6) although the Western Hemisphere is richly endowed with indigenous energy resources, an insufficient energy supply would severely constrain future opportunities for sustainable economic development and growth in each of these countries;

(7) the energy sectors of the economies of Canada, Mexico, Venezuela, the United States and other energy producing countries of the Western Hemisphere are interdependent;

(8) the energy markets of the United States are linked with those in other countries of the Western Hemisphere and the world.

SEC. . CONSULTATIVE COMMISSION ON WESTERN HEMISPHERE ENERGY AND ENVIRONMENT.

(a) DEFINITIONS.—For purposes of this subtitle—

(1) "Commission" means the Consultative Commission on Western Hemisphere Energy and Environment; and

(2) "participating governments" refers to the governments of Canada, Mexico, Venezuela, the United States of America, and, as deemed appropriate by the President, other Western Hemisphere countries.

(b) NEGOTIATIONS.—The President is authorized and directed to initiate negotiations with the participating governments for the establishment of a multinational Consultative Commission on Western Hemisphere Energy and Environment.

(c) OBJECTIVES OF NEGOTIATIONS.—In the course of the negotiations, the President is encouraged to meet the following purposes—

(1) the objectives of the Commission shall be—

(A) to evaluate from the viewpoint of North America and the Western Hemisphere as a whole, the energy and environmental situations, trends and policies of the countries of the participating governments necessary to support sustainable economic development;

(B) to recommend to the participating governments actions, policies and institutional arrangements that will enhance cooperation and policy coordination among their respective countries in the future development and use of indigenous energy resources and technologies, and in the future development and implementation of measures to protect the environment of the Western Hemisphere; and

(C) to recommend to the participating governments actions and policies that will enhance energy and environmental cooperation and coordination among the countries of the Western Hemisphere and the world;

(2) the Commission shall include representatives of—

(A) the respective energy and environmental ministries or departments of the participating governments;

(B) the parliamentary or legislative bodies with legislative responsibilities for energy and environmental matters;

(C) other governmental and nongovernmental observers appointed by the heads of each participating government on the basis of their experience and expertise; and

(D) a small secretariat chosen by the participating governments for their expertise in the areas of energy and the environment; and

(3) the Commission's authority—

(A) shall terminate five years from the date of the agreement under which it was created; and

(B) may be extended for a 5-year term at the expiration of the previous term by agreement of the participating governments.

(d) REPORT.—The President shall, within one year of the enactment of this legislation, report to the Congress on the progress toward the establishment of the Commission and achievement of the purposes of this section."

WIRTH AMENDMENT NO. 1561

Mr. WIRTH proposed an amendment to the bill S. 2166, supra, as follows:

On page 27, line 17, strike the words "Nothing in this subtitle shall' and lines 18–21, and insert the following: "However, if alternative fuel vehicles are now available from original equipment manufacturers, nothing in this section shall be construed to require any Federal agency, state or covered person subject to the fleet vehicle acquisition requirements under this title to convert existing or new gasoline or diesel-powered vehicles to alternative fuels vehicles or to purchase converted vehicles.".

SEYMOUR AMENDMENT NO. 1562

Mr. WALLOP (for Mr. SEYMOUR) proposed an amendment to the bill S. 2166, supra, as follows:

On page 19, section 4101(5)(H), insert after "(H)" the following: "Except for vehicles covered by section 4102 and section 4103,".

McCONNELL AMENDMENT NO. 1563

Mr. JOHNSTON (for Mr. MCCONNELL) proposed an amendment to the bill S. 2166, supra, as follows:

At the end of subtitle A of title XIV, add the following new section:

SEC. . ASSISTANCE TO SMALL COAL OPERATORS.

(a) Section 507(c) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1257(c)) is amended to read as follows:

"(c)(1) If the regulatory authority finds that the probable total annual production at all locations of a coal surface mining operator will not exceed 300,000 tons, the cost of the following activities, which shall be performed by a qualified public or private laboratory designated by the regulatory authority, shall be assumed by the regulatory authority upon the written request of the operator in connection with a permit application:

"(A) The determination of probable hydrologic consequences required by subsection (b)(11), including the engineering analyses and designs necessary for the determination.

"(B) The development of cross-section maps and plans required by subsection (b)(14).

"(C) the geologic drilling and statement of results of test borings and core samplings required by subsection (b)(15).

"(D) The collection of archeological information required by subsection (b)(13) and any other archeological and historical information required by the regulatory authority, and the preparation of plans necessitated thereby.

"(E) Pre-blast surveys required by section 515(b)(15)(E).

"(F) The collection of site-specific resource information and production of protection and enhancement plans for fish and wildlife habitats and other environmental values required by the regulatory authority under this Act.

"(2) The Secretary shall provide or assume the cost of training coal operators that meet the qualifications stated in paragraph (1) concerning the preparation of permit applications and compliance with the regulatory program, and shall ensure that qualified coal operators are aware of the assistance available under this subsection.".

(b) REIMBURSEMENT OF COSTS.—Section 507 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1257) is amended by adding at the end thereof the following new subsection:

"(h) A coal operator that has received assistance pursuant to subsection (c) (1) or (2) shall reimburse the regulatory authority for the cost of the services rendered if the program administrator finds that the operator's actual and attributed annual production of coal for all locations exceeds 300,000 tons during the 12 months immediately following the date on which the operator is issued the surface coal mining and reclamation permit.".

FORD AMENDMENT NO. 1564

Mr. JOHNSTON (for Mr. FORD) proposed an amendment to the bill S. 2166, supra, as follows:

On page 249, after line 24, add the following new subsection:

"(g) AVLIS LICENSING.—The last sentence of section 11v. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(v)) is amended to read as follows: "'Except with respect to the export of a uranium enrichment production facility or the construction and operation of a uranium enrichment production facility using Atomic Vapor Laser Isotope Separation technology, such term as used in chapters 10 and 16 shall not include any equipment or device (or important component part especially designed for such equipment or device) capable of separating the isotopes of uranium or enriching uranium in the isotope 235.'.''

JOHNSTON AMENDMENTS NOS. 1565 AND 1566

Mr. JOHNSTON proposed two amendments to the bill S. 2166, supra, as follows:

AMENDMENT NO. 1565

On page 344, after line 18, add the following new section:

"SEC. . Section 401 of the Nuclear Waste Policy Act of 1982 (Pub. L. 97-425) is amended by inserting "and" after "States,", inserting a period after "District of Columbia", and striking the remainder of the sentence.

AMENDMENT NO. 1566

On page 344, after line 18, add the following new section:

"SEC. . Section 410 of the Nuclear Waste Policy Act of 1982 (Pub. L. 97-425) is amended by striking "5 years" and inserting "6 years".

DOMENICI AMENDMENT NO. 1567

Mr. JOHNSTON (for Mr. DOMENICI) proposed an amendment to the bill. S. 2166, supra, as follows:

On page 100, at the end of line 4, insert the following new sentence:

"No development of hydroelectric power at Cochiti Dam in New Mexico may be authorized by any Federal or State official or agency unless specific authorization for such development has been enacted by the Congress and the express consent of the Pueblo de Cochiti has been obtained."

DECONCINI AMENDMENT NO. 1568

Mr. JOHNSTON (for Mr. DECONCINI) proposed an amendment to the bill. S. 2166, supra, as follows:

On page 94, line 18, after the word "Interior", insert "after consultation with and consideration of the recommendations from the affected Indian tribe" on page 94, line 20, after the word "reservation", insert "consistent with the federal government's trust responsibility for the Indian interests;".

WALLOP AMENDMENT NO. 1569

Mr. WALLOP proposed an amendment to the bill S. 2166, supra, as follows:

On page 266, amend from line 13, through page 268, line 9, to read as follows:

"SEC. 10243. UNITED STATES INTERNATIONAL TRADE COMMISSION INVESTIGATION.

"(a) REPORT.—(1) Within 120 days of his receipt from the United States International Trade Commission of its report under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) assessing the impact on the domestic uranium enrichment industry of imports into the United States of enriched and nonenriched uranium and uranium enrichment services from the Union of Soviet Socialist Republics, the People's Republic of China, and, as appropriate, other nonmarket economy countries, the President, or his designee, shall transmit to the Congress a report that includes—

"(A) the views of the executive branch on the Commission's report; and

"(B) what action, if any, the President plans to take in response to the Commission's report concerning the impact of transactions in enriched and nonenriched uranium and the provision of uranium enrichment services by the Union of Soviet Socialist Republics, the People's Republic of China, and, as appropriate, other nonmarket economy countries, on the domestic uranium enrichment industry, including but not limited to the status of any negotiations with such countries in regard to such transactions and provision of services.

"(2) Should the President determine that no action by the executive branch is necessary in response to the Commission's report, his report to the Congress shall include a detailed statement of the reasons for such determination, including an explanation of why the absence of action by the executive branch will not adversely affect the economic well-being of the domestic uranium enrichment industry.

"(b) COOPERATION.—The Secretary, the Administrator, and the Secretary of Commerce shall cooperate fully with the United States International Trade Commission in its investigation under section 332(g).".

GORE (AND OTHERS) AMENDMENT NO. 1570

Mr. GORE (for himself, Mr. CHAFEE, and Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

On page 401 after line 4, add the following new title:

TITLE XVII—STRATOSPHERIC OZONE DEPLETION

SEC. 17101. FINDINGS.

The Senate finds that:

(1) The Stratospheric ozone layer, which protects all living things from harmful ultraviolet radiation from the sun, has been severely depleted in many areas of the globe.

(2) Recent scientific data show that the ozone layer over densely populated areas of the United States and other countries in the northern midlatitudes has thinned twice as fast as had previously been measured and as had been projected by theoretical models and the depletion is persisting into the warmer months of the year, and has reached significant levels even in summer.

(3) Ozone depletion in the Southern Hemisphere is proceeding even more rapidly than in the Northern Hemisphere.

(4) The incidence of skin cancer and cataracts is expected to rise significantly and the human immune system may be suppressed due to increased exposure to ultraviolet radiation.

(5) Increased exposure to ultraviolet radiation threatens food crops and some wild plants, and interferes with the ability of phytoplankton, the microscopic organisms that are at the base of the oceanic food chain, to photosynthesize and to reproduce.

(6) The scientific evidence shows that chlorofluorocarbons, hydrochlorofluorocarbons, and other halogenated chemicals undergo reactions in the stratosphere that lead to the rapid destruction of the ozone layer.

(7) The Administrator of the Environmental Protection Agency is required under the Clean Air Act Amendments of 1990 to accelerate the scheduled phaseout of ozone-destroying substances if it is determined in the light of scientific evidence that a more stringent schedule is necessary to protect human health and the environment.

(8) The recent scientific findings make necessary a reappraisal of both domestic and

international policy on the control of ozone-destroying chemicals.

SEC. 17102. SENSE OF THE SENATE.

It is the Sense of the Senate that:

(1) The Administrator of the Environmental Protection Agency should accelerate the interim phaseout schedules and the final phaseout date of chlorofluorocarbons, carbon tetrachloride, methyl chloroform, and halons as required pursuant to Section 606 of the Clean Air Act Amendments of 1990, and shall provide for complete phaseout as early as possible, taking into account Section 604 of the Act.

(2) The Administrator of the Environmental Protection Agency should accelerate the interim phaseout schedule and the final phaseout date of those hydrochlorofluorocarbons that have relatively long atmospheric lifetimes or high ozone depletion potentials.

(3) The Administrator of the Environmental Protection Agency should prioritize efforts to issue regulations, as required pursuant to Title VI of the Clean Air Act Amendments of 1990, providing for the recapture and recycling of ozone-destroying substances as used in appliances and motor vehicle air conditioners, and for the elimination of such substances as used in non-essential consumer products.

(4) The President of the United States should urge the Contracting Parties to the Montreal Protocol to accelerate the interim phaseout schedules and the final phaseout date of ozone-destroying chemicals currently covered by the Protocol.

(5) The President should urge the Contracting Parties to include hydrochlorofluorocarbons within the terms of the Montreal Protocol, and to provide for the most rapid phaseout of those hydrochlorofluorocarbons with relatively long atmospheric lifetimes, or high ozone depletion potentials.

(6) The President should urge the Contracting Parties to amend the Protocol to include recapture and recycling provisions and to prohibit the venting or releasing of ozone-destroying chemicals from refrigeration and air conditioning units into the atmosphere by date certain.

(7) The President should urge the Contracting Parties to accelerate the compliance of developing countries with the terms of the Montreal Protocol.

TECHNICAL CORRECTIONS TO H.R. 3866

STEVENS AMENDMENT NO. 1571

Mr. SIMPSON (for Mr. STEVENS) proposed an amendment to the concurrent resolution (H. Con. Res. 268) to correct technical errors in the enrollment of the bill H.R. 3866, as follows:

Strike all on page 3, lines 6 through 24.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, February 19, 1992, beginning at 2 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following bills pending before the subcommittee.

S. 780, S. 1105, and H.R. 1592, to increase the size of the Big Thicket National Preserve in the State of Texas by adding the Village Creek Corridor unit, the Big Sandy Corridor unit, and the Canyonlands unit;

S. 801 and H.R. 479, to amend the National Trails System Act to designate the Pony Express National Historic Trail and California National Historic Trail as components of the National Trails System;

S. 1064, to establish the Dayton Aviation Heritage National Historical Park in Dayton, OH, and for other purposes;

S. 1360 and H.R. 1642, to establish in the State of Texas the Palo Alto Battlefield National Historic Site, and for other purposes;

S. 1811, to authorize the additional use of land in the city of Pittsburg, CA;

S. 1919 and H.R. 1216, to modify the boundaries of the Indiana Dunes National Lakeshore, and for other purposes;

H.R. 2896, to authorize the Secretary of the Interior to revise the boundaries of the Minute Man National Historical Park in the State of Massachusetts, and for other purposes; and

S.J. Res. 219, to approve the location of a memorial to George Mason.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 304 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact David Brooks of the subcommittee staff at (202) 224–9863.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Foreign Relations Committee be authorized to meet during the session of the Senate on Wednesday, February 5, at 3 p.m. to hold a hearing on United States policy toward Burma.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the Session of the Senate on Wednesday, February 5, at 10 a.m. to hold a hearing on foreign policy overview with Secretary of State Baker.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, February 5, at 2 p.m. to hold an ambassadorial nomination hearing on Parker Borg to Burma.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AFRICAN AFFAIRS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Subcommittee on African Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, February 5, at 3:15 p.m. to hold a hearing on the emergency situation in Zaire and Somalia.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, February 5, 1992, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Wednesday, February 5, 1992, at 10 a.m., for a hearing on the subject: getting the most out of every tax dollar: Government management and budget 1992.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on February 5, 1992, beginning at 9:30 a.m., in 485 Russell Senate Office Building, to adopt the committee rules and agenda and to meet on the implementation of the Indian Gaming Regulatory Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, February 5, 1992, at 1:30 p.m., in open session to receive testimony on United States efforts to assist the former Soviet republics in dismantling their nuclear and chemical weapons and preventing their proliferation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

A BITTER LEGACY OF 1980'S DEAL-MANIA

• Mr. SIMON. Mr. President, I have long been concerned about the excessive use of our capital simply for one corporation to gobble up another corporation rather than using it to increase investment that will add to the productivity of America.

Recently, I saw in the Chicago Tribune an article by Prof. Walter Adams of Michigan State University and Prof. James Brock of Miami University of Ohio discussing this.

What they say makes so much sense that I ask to insert it into the RECORD here and ask my colleagues to read it.

The article follows:

[From the Chicago Tribune, Dec. 31, 1991]

A BITTER LEGACY OF '80S DEAL-MANIA

(By Walter Adams and James W. Brock)

Purveyors of the conventional wisdom tell us that the mad-dog days of the razzle-dazzle, corporate deal-mania of the 1980s are over. Yes, they admit, speculative dealmaking ran riot. Yes, they concede, many corporate marriages were ill-advised escapades consummated in the heat of the moment.

But now, the spin doctors assure us, all this is behind us. Sanity has returned. Corporate mergers in the 1990s will be "strategic" in nature, soberly calculated to enhance American competitiveness and boost the nation's economic performance.

What wishful thinking.

First, the fallout of the merger-takeover-buyout binge is clearly aggravating the current recessionary malaise: It underlies the gnawing distress of consumers, who are too worried about layoffs—many as a result of failed corporate deals—to embark on a buying spree. Banks, traumatized by the slew of collapsing corporate deals in which they invested, are now paranoid about their lending.

And corporate America is saddled with a staggering debt load that virtually precludes the new spending projects needed to pull the economy out of recession. Triggered by takeovers, mergers and buyouts, the explosion of corporate debt during the 1980s has decimated the creditworthiness of United States firms, rendering them too leveraged to borrow for productive new investments in plant, equipment or new product development.

At the same time, the ballooning payments required to service these debt loads are siphoning off internal cash flows and retained earnings that otherwise would be available to these firms for funding new investment projects. And as record-high bankruptcy rates attest, these debt burdens are simply unsustainable. Such evidence is scarcely indicative of an economy primed for recovery or girded for global competitive combat.

Second, the speculative splurge of the 1980s was not a free ride. It imposed an inescapable, monumental "opportunity cost" on the American economy: The trillion dollars expended by corporate America shuffling paper ownership shares during the 1980s represents a trillion dollars that was not directly invested in new plants, research and development, new products, new state-of-the-art manufacturing techniques, or new jobs.

Cuts in capital gains taxes intended to spur productive investment were instead dissipated in unproductive paper entrepreneurship.

While corporate America played the mergers and acquisitions game, its foreign competitors concentrated on enhancing their already daunting industrial lead: Over the period 1985–1988, for example, Japanese firms increased their expenditures for factories, equipment and research and development by 150 percent, compared to a 23 percent increase by American firms.

In 1988, investment by Japanese firms exceeded that of their American counterparts by $250 billion (despite the fact that the American economy is some 40 percent larger than that of Japan). On a per-capita basis, Japanese firms are out-investing corporate America by an impressive two-to-one margin.

Obviously, the challenge of closing this industrial and technological gap will be even more difficult, will take even longer, and will require even more effort—another legacy of the corporate feeding frenzy of the '80s.

Third, assurances about the "strategic" mergers to come are delusionary, a replay of the cornucopia of economic gains that the corporate deal-mania of the 1980s was supposed to unleash.

In banking, for example, it is claimed that the current spate of mega-mergers (Bank of America and Security Pacific; Manufacturers Hanover and Chemical Bank; NCNB and C&S/Sovran) will rejuvenate American banking and strengthen it. The evidence is otherwise: The very largest American banks are significantly less profitable than smaller, medium-size banks.

Once banks attain a modest size, there is no evidence of any further gains from economies of scale. In fact, the nation's largest banks have suffered failure rates over the past two decades double those of smaller banks, evidence scarcely suggestive that gigantism will produce a robust American banking sector.

Citicorp, the nation's very largest bank, lost $885 million in the third quarter of 1991 alone.

In steel, the "strategic" 1984 mega-merger between Republic Steel and LTV Steel, the nation's 3rd and 4th largest steel firms, was trumpeted by management as "a landmark in the annals of America's basic industries as they strive to compete in the modern world marketplace." Two years later, the Republic-LTV combination collapsed into bankruptcy.

The multibillion-dollar Time-Warner consolidation—glorified by its management as a "strategic" merger designed to vouchsafe America's place in global media markets—is foundering. How will it survive? By obtaining a billion-dollar ownership stake and cash infusion—from foreign firms it was supposed to conquer.

Perhaps the 19th Century historian Michelet best articulated the legacy of a decade of corporate deals.

Assessing the behavior of the pre-Revolutionary French nobility, he concluded: "Those who made it their profession to live in grand style and do nothing, undertook to do all; and everything remained undone."•

COMMENDING THE 2D BATTALION, 222D FIELD ARTILLERY, UTAH NATIONAL GUARD

• Mr. HATCH. Mr. President, I am pleased to recognize the 2d Battalion, 222d Field Artillery, Utah National Guard, which was named the most outstanding National Guard unit in the Nation for readiness by the Association of the U.S. Army, the National Guard Association of the United States, and the Reserve Officers Association.

In acknowledgment of this great honor, Lt. Col. Mark G. Fuellenbach, battalion commander, from Richfield, UT, and Cmdr. Sgt. Maj. Kent Bishop, from Cedar City, UT, were presented the Walter T. Kerwin, Jr., Readiness Award during a ceremony in Washington, DC. This award recognizes the 2d Battalion, which is made up of units in Richfield, Beaver, Cedar City, and two in St. George, and includes 540 service men and women. The battalion is currently at 115 percent of authorized strength and previously received this same award in 1984.

As stated in the Richfield Reaper on October 23, 1991:

> This award is the highest given for a National Guard battalion's overall performance, and includes such areas as training, personnel strength, numbers of persons who have proven qualified military skills, and the highest percentage of attendance at regular drills and annual training.

This award is highly significant because all aspects of military training and performance are involved, including the ability to maintain and perform the assigned mission.

Before winning this award, the battalion won a number of performance tests against some of the finest National Guard units in the Nation. After winning the State competition, the battalion was nominated to compete in the 6th Army competition in the Western United States. They then won the Milton R. Reckord trophy, given to five guard units in the Nation, and became eligible to compete for the Kerwin Award, the highest award in the Nation. Each unit in the battalion also won the 6th Army Excellence in Training and the Superior Unit Award for the year.•

RECOGNITION OF THE HOLOCAUST MUSEUM IN GERMANY

• Mr. DODD. Mr. President, I rise today to recognize the establishment of a museum at the Wannsee Villa in Berlin. Much of the effort to make this museum possible can be attributed to two individuals, Sigmund Strochlitz and Elie Wiesel.

The significance of this opening is thoughtfully documented in an article written by a dear friend of mine, Sigmund Strochlitz. Ziggy, a survivor of the Holocaust, remembers the day he first visited the Wannsee Villa with Elie Wiesel. As this article will state, it was in this villa, 50 years ago, that the members of the Gestapo, the Nazi Party, and the German Foreign, Interior, and Justice Ministries met to decide the fate of the Jews.

Sigmund Strochlitz has dedicated much of his life to the pursuit of human rights and to educate this generation of the atrocities of the Holocaust. I hope my colleagues will join me by reading this article from the New London Day.

The article follows:

A MONUMENT TO MEMORY: GERMANY OPENS A MUSEUM TO THE HOLOCAUST

(By Sigmund Strochlitz)

In January of 1987, Elie Wiesel and I were invited to Berlin to participate in a conference to plan converting the Wannsee Villa into a museum of remembrance and education.

The Wannsee Villa is in a suburb of Berlin. On Jan. 20, 1942, representatives of the Nazi Party, the Gestapo, and the German foreign, interior and justice ministries met there and decreed that Jews had no right to exist. Under the code term, "Final Solution," Jews from all over Europe were to be brought to concentration camps. Most would be killed immediately in specially-built gas chambers. The remaining Jews would be put to work to die slowly of hunger and disease.

I don't remember Jan. 20, 1942. It must have been a day like any other during occupation for the 30,000 Jews who lived in Bendzin, the city of my birth. Some of us listened in basements to hidden radios tuned to BBC reports from London. Others discussed unconfirmed rumors. Young children played in the streets, and older children studied with their parents at home.

Most Jews worked under harsh conditions, and all hoped for a swift Allied victory. And no one was aware on that day that we had been condemned to die for no reason other than being born into the Jewish faith.

One year later, more than half of the Jewish population of my town had been deported to Auschwitz to be killed. By Jan. 20, 1944, no Jew was alive in that once-flourishing city. Only a few hundred of us survived the war.

These were my recollections when I came to Berlin in 1987 to attend the conference.

The symbolism was powerful. The conference itself took place in the renovated building of the Reichstag, the old German parliament, one of the center stages of the Nazis' quest for power. Convened by the city government of Berlin, the meeting included leading scholars and public officials, mostly from Germany, Israel and the United States.

In my opening remarks at the conference, I stated, "Little did I dream in those days of anguish and despair, when my people were being decimated and communities that had existed for hundreds of years were being annihilated, that one day I would be standing in the Reichstag, which the Nazis turned into a symbol of lawlessness, fear, and fanaticism, and introduce Elie Wiesel to the German people. Yes, history has its own imagination."

On the last day of the conference, the participants were invited by the mayor of Berlin to visit the villa in Wannsee.

I walked into the villa with trepidation, afraid to face the enormity of evil. Here German barbarism was initiated and sanctioned at the highest levels of government, and in the following years the horror reached heights unprecedented in the annals of human history. Here my own death, as well as the deaths of my family, my teachers, and my entire people, was decreed.

All of a sudden I felt my depressing thoughts being overtaken by the peacefulness of the place and overwhelmed by the beauty of the surroundings. The villa, which once belonged to a Jewish family, overlooks a scenic lake and wooded park.

Through large windows I could see young people strolling and enjoying the warm winter day. I asked myself "Do those young people know what happened here 45 years ago? Are they burdened by the crimes committed by their parents and grandparents?"

I grew up rejecting the notion of collective guilt. In a civilized world, however, it would be fateful to subscribe blindly to a concept of collective innocence.

We must, therefore, hold the younger German generations responsible for the ways in which they remember their past history. In particular, we must ask what they do with the memory of the German past. This represents a great challenge to German honesty. Recent indications, as expressed in public opinion polls, do not encourage the hope that young Germans are meeting that challenge well.

When I walked around the elegant Wannsee Villa in 1987, a strange thought seized hold of me and would not let go. Fifteen German government representatives met in the large living room. What if the walls of that room could talk?

Did at least one person express an objection to the immense evil being planned? Or were they all in agreement, cool and dispassionate, in planning the destruction of the ancient people who transmitted to humanity the commandment: "Thou shalt not kill"?

My thoughts that day were finally interrupted by Wiesel's eloquent plea to convert the villa into a museum. As an educational center, the villa would challenge revisionists and others who try to minimize or deny the murder of 6 million Jews and millions of others.

Last week the museum at the Wannsee Villa became a reality. It contains the documents and protocols of the Wannsee Conference, as well as photographs and other materials relating to the background and consequences of that meeting in January 1942.

The establishment of the museum gives me hope that the enormous crimes committed under German government authority will not be forgotten, and the memory of these despicable crimes will forever provoke cries of despair, as well as warnings for humanity.

The Jewish people have been part of history for thousands of years. Exposed to madness, hate and fanaticism, we have never lost faith that one day crimes committed against innocent people, regardless of race color or national origin, will be universally condemned as crimes against all humanity.•

RECIPIENTS OF AWARDS OF THE CORPORATION FOR PUBLIC BROADCASTING

• Mr. D'AMATO. Mr. President, it is with great pride that I rise today to recognize some outstanding individuals who are recipients of the Corporation for Public Broadcasting [CPB] Television Program Fund Multicultural Programming Grant, Round Two for fiscal year 1991.

Mr. Phil Lucas with the Institute of American Indian Arts, Santa Fe, NM, and Mr. Hanay Geiogamah with the American Indian Dance Theatre, and WNET/Great Performances, New York, NY, will receive a grant for "American Indian Dance: Creativity and Continuity," a 90-minute performance special depicting the genesis and cultural meaning of American Indian dance and music.

Ms. J.T. Takagi and Ms. Hye Jung Park with Third World Newsreel, New York, NY, will receive a grant for "G.I. Brides," a documentary examining South Korean culture, the relationship of United States servicemen to the culture, and the effect that decades of interracial marriages have had on Korean women.

Ms. Mary Brown and Mr. Sam Pollard with Mary Brown Productions, New York, NY, will receive a grant for "Family Stories," a four-part cinema-verite exploration of an extended African-American family over the course of a year that will focus on racial and economic justice issues.

Ms. Michelle Parkerson and Ada Gay Griffin with Third World Newsreel, New York, NY, will receive a grant for "The Life & Work of Audre Lorde," a 60-minute documentary on this noted African-American poet. The film will cover Ms. Lorde's influence on an entire generation of students and writers as well as her personal trials and victories.

Ms. Helena Solberg with International Cinema Inc., New York, NY, is a recipient of a grant for "Carmen Miranda: Bananas Is My Business," a 60-minute documentary on cultural identity and the creation of a Latin American icon in Hollywood.

Mr. President, these outstanding individuals, and CPB which will celebrate its 25th anniversary this year, epitomize what Congress envisioned in 1967—a commitment to high-quality educational, informational, and cultural programming and to public service. It is with great pride that I congratulate them on being awarded these grants.•

S. 1755—CONCESSIONS POLICY REFORM ACT

• Mr. BUMPERS. Mr. President, last September I introduced S. 1755, the Concessions Policy Reform Act of 1991. Passage of this legislation is very important to me, and I look forward to holding hearings on the bill in the near future.

The January–February issue of National Parks magazine contains a very informative article which provides background on the National Park Service's concessions program, as well as a summary and analysis of the major issues in S. 1755.

Mr. President, I ask that the article be printed in full in the RECORD.

The article follows:

PRESERVATION OR PROFIT?

(By Elizabeth Hedstrom)

In 1977 the New York Times obtained an internal National Park Service memo on conditions at Yellowstone National Park. Lodging and food service facilities at the oldest national park were, in the Park Service's words, "decrepit, unpleasant, and potentially unhealthy," and the service was poor.

The facilities were run by the General Host Corporation. General Host had not carried out maintenance and repairs specified in its Park Service contract, yet its position at Yellowstone seemed secure. Any move by NPS to terminate the contract would require the federal government to buy out the interest the company had accrued in park buildings.

But the Times story created such an uproar that Congress eventually came forward with the necessary payment to General Host—$20 million.

In Alaska, Congress is playing a different role The Alaska congressional delegation is pushing the Park Service to devise plans for new and, conservationists charge, unneeded tourism projects within Denali National Park, including a hotel reconstruction estimated at more than $30 million. NPS would be required to fund the construction and award a contract for the hotel's operation.

Stories like these are common because the laws under which private businesses provide lodging, food, and other services at national parks are outdated and full of loopholes. Present laws allow concessioners to set up "sweetheart deals" at the expense of the federal government and the parks themselves. The system gives concessioners the upper hand over NPS. And in some cases it has distorted the operation of parks toward tourism and concessioner profits and away from preservation of wild and historic sites.

NPCA is fighting for the passage of new concessions legislation. Senate bill 1755, the National Park Concessions Policy Reform Act, sponsored by Sen. Dale Bumpers (D-Ark.), would bring about badly needed reform.

S. 1755 would raise the artificially low fees that concessioners pay to do business in national parks and would direct those funds back to the parks. It would restructure "possessory interest," the costly buyout formula that can result in windfall profits for concessioners, as occurred at Yellowstone. It would improve competition for contracts, to keep parks and the public from being stuck with a bad concessioner. Finally, it would help uphold NPS standards meant to prevent overcommercialization of the parks.

In the early 1990s, concessioners were important to the development of the park system. By attracting visitors, they helped build public support. But the potential for problems was evident early on. "Aggressive commercialism" was one of the things Stephen Mather, first director of the Park Service, charged NPCA to combat when he founded the association in 1919.

Aggressive commercialism has had powerful allies since. When James Watt came to the Interior Department in 1981, he ordered NPS to evaluate park managers on the basis of the money their parks generated. He told concessioners, "If a personality is giving you a problem, we're going to get rid of the problem or the personality, whichever is faster." (Watt soon transferred NPS chief of concessions management L.E. Surles, who was advocating health and safety reforms.)

Since Mather's day, concessions have become big business. Small concessioners still operate in the parks, leading rafting trips, selling firewood, and running lodges. But increasingly concessions are part of large corporations.

TW Recreational Services, for example, runs concessions at Yellowstone, Everglades, Zion, and Bryce Canyon national parks, at Death Valley National Monument, and on the North Rim of the Grand Canyon. It is part of the same giant corporate family as Denny's.

The Greyhound Dial Corporation makes Dial soap, runs cruise lines, builds tour buses, and holds an 80 percent share in the Glacier National Park concessioner.

Yosemite Park and Curry Company, the largest single concession within the park system, was bought in 1973 by the Music Company of America, owner of Universal Studios, Motown Records, and several major book publishers. Matsushita, the mammoth Japanese electronics firm (home to Panasonic, Quasar, and Technics), bought MCA in 1990 for $6.6 billion. The sale brought concern about the concessions system to a head.

When MCA bought the Curry Company, the Park Service was developing a plan to reduce the density of facilities in tightly packed Yosemite Valley. Congress heard testimony from NPS officials in 1974 that MCA had heavily influenced the planning process.

Howard Chapman, long-time NPS Western regional director, stated in 1990 that "in the early seventies . . . we found ourselves outgunned by the financial, political, and downright economic aggressiveness of their [MCA] executives who measured success by the bottom line of each day's profit and loss statement."

"When concessioners have political connections and economic might, it can appear that they, and not NPS, run the parks," said William Chandler, NPCA director of conservation programs.

Zion National Park in Utah had plans like Yosemite's, to remove nearly worn out concessions buildings (abandoned by the previous concessioners) from the park's overcrowded main canyon. NPS announced the plans in 1970, five years in advance, issuing a contract to TWA (now TW) Services to run the concession in the interim.

But historian William Everhart documents that "opposition [to the phase-out] began to develop. . . . To suspicious observers there were elements of a well-orchestrated campaign involving TWA Services, Inc., the Utah congressional delegation, and the governor of Utah."

According to Everhart, the politicians called the NPS director to a meeting. The result was a press release stating that the concessioner's contract would be extended for seven more years; there was no mention of the plans to phase out the concessions buildings.

In 1988, the NPS Washington office recommended that its Rocky Mountain regional office raise the franchise fee paid by the Mount Rushmore National Memorial concessioner from four to ten percent, based on the concessioner's profitability. But according to an investigation by Interior's Inspector General, members of Congress contacted NPS demanding an explanation for the increase. Congressional staffers met with NPS staff. The fees stayed at four percent.

Clearly NPS cannot bring about change by itself. Powerful concessioners can limit its ability to carry out good decisions or to insist on higher return of revenue to the government. For reform to come about, the laws must be rewritten.

The Concessions Policy Reform Act eliminates the "sweetheart deals" that enhance concessioners' positions at the expense of public revenues and Park Service authority. Central to these deals are the low franchise fees concessioners pay as a percentage of gross receipts.

The gross receipts brought in by concessioners nearly doubled from the 1981 total of $309 million to the 1990 estimated total of $564 million. The share returned to the government grew much less, from $12.5 million in 1981 (1.8 percent of gross), to $14 million in 1990 (2.5 percent of gross).

Concessioners at state parks already pay much higher fees. An NPCA survey of California parks found franchise fees from there to 45 percent, with an average of ten percent. If national parks concessioners paid a ten percent average, the government share for 1990 would have been $56.4 million, four times higher.

S. 1755 would require Interior to set a minimum fee for each concessions contract, depending on its potential for profit. This requirement would boost the overall return to the government, but fairly. It would not treat a small outfitter the same as a chain of gift shops and restaurants with high-volume sales.

Under the bill, money generated in the parks would be returned to the parks. At present, franchise fees go to the general treasury. Meanwhile the parks are drastically underfunded and have a $2-billion backlog of maintenance and repairs. They receive less research money than any other federal land management agency. And the ratio of rangers to visitors is dwindling. The bill would put the government share of concessions profits into a special fund for park programs.

Low fees are the most visible failing of the current system. But the financial interest concessioners accrue in park facilities also proves costly.

When concessioners build new structures or make improvements to existing ones, they gain a "possessory interest" in them. Under current law, the formula for determining the value of possessory interest is rigged in favor of the concessioner. To terminate a contract, the Park Service must pay the concessioner on the basis of present-day replacement cost of the buildings, not on the original cost of construction. In practice this formula results in concessioners having a financial interest in park buildings that escalates with the general cost of construction.

At Yellowstone, General Host bought the previous concessioner's possessory interest for $4 million. It did not complete the $10 million in improvements its contract specified. But the buyout cost 13 years later came to $20 million.

As possessory interest builds up, so does the cost of ending the contract, and the concessioner becomes nearly invulnerable in dealings with NPS. As at Yellowstone, the Park Service loses ability to influence the concessioner's behavior.

S. 1755 redefines this interest to reflect real estate practices in the private sector. The concessioner's cost to erect a building would be written off over the life of the contract, so that the Park Service would eventually own the building.

Possessory interest and low franchise fees combined allow a "double dip" into the treasury. Because franchise fees do not go to the Park Service, parks sometimes forgo raising them, and in return have concessioners pay for capital improvements NPS cannot afford. This results in the government losing franchise fees and becoming liable to pay more for possessory interests.

Competition for contracts is also limited by current law, which gives concessioners a "right of preference in renewal." That is, if they can meet the best offer for their contracts, they are assured of keeping them, a practice that discourages other bidders. There is also little active recruitment of competing bids. And, until recently, contracts ran for as long as 30 years.

An NPS task force found that preference in renewal, with long-term contracts, "tends to restrict the Service's ability to require change." The lack of competition increases concessioner leverage over the Park Service.

S. 1755 ends the right of preference, ensures that concessions opportunities are more widely advertised, and limits contracts to ten years in most cases. Contracts would be awarded through competitive bidding. Interior is directed to select the bidder most responsive to the goals of protecting the park's resources and offering a high quality of visitors service for a reasonable price.

Last, the bill tackles overcommercialization of the parks. It would codify current NPS policy meant to keep parks as natural as possible. That policy states that concessions development in parks should be limited to what is "necessary and appropriate" and that facilities, wherever possible, should be located in neighboring towns, aiding local economies while keeping parkland uncluttered.

But Zion and Yosemite show that NPS cannot always put its policies into action. There is more evidence from other parks.

The NPS development plans at Denali include a hotel and three new visitor centers, one to be linked to a hotel project in adjoining Denali State Park. There are already more than 700 hotel and cabin rooms available near the park entrance.

The Grand Canyon's unspoiled North Rim may become the site of a 100-unit concessioner-built hotel, restaurant, and parking lot complex.

Sen. Bumpers' reform bill would improve oversight of development in the parks. Any new, additional, or replacement concessioner-built structure involving costs of $100,000 or more could be approved only after notice to Congress and a public review process.

The goal of the Concessions Policy Reform Act is a financially responsible concessions system. Instead of windfall profits for concessioners at public expense, the system would be geared toward a fair return to the government, a fair opportunity profit for concessioners, and an equal chance for would-be concessioners to compete for contracts. These reforms would aid parks deteriorating from a lack of funds. And they would put the brakes on overcommercialization, so that parks are not pushed into becoming tourist traps at the expense of natural and historic preservation.

Because of the power of the concessions industry, passage of S. 1775 is not guaranteed. There are 16 cosponsors of both parties signed onto the bill at this writing. But the industry and its lobbyists have a strong financial incentive to maintain the status quo and are already pressuring the Senate. A strong public show of support will be needed for reform to prevail.●

TRIBUTE TO DICK HOWARD, SECRETARY OF SOUTH DAKOTA DEPARTMENT OF TRANSPORTATION

● Mr. PRESSLER. Mr. President, Federal highway legislation is always a struggle. It is difficult to determine how best to apportion highway funds to the various States. We are indeed fortunate that smaller States were led in the recent congressional highway debate by Dick Howard, the secretary of South Dakota's Transportation Department. Dick Howard's leadership helped the Senate and House of Representatives fashion a highway bill that is balanced, far reaching, and most of all, fair.

Dick Howard played a pivotal role in organizing and preparing small and rural States for the 1991 highway bill debate. Secretary Howard personally devoted hundreds of hours to informing other States of efforts by donor States to end the donor/donee apportionment relationship. In the 1991 battle, donor States argued that the relationship was unfair to them—that their States were being shortchanged by the system. Secretary Howard organized donee States to demonstrate effectively to Congress that this assertion lacked a practical foundation.

Mr. President, the long stretches of highway in South Dakota benefit all Americans. Our national economy depends on the connecting highways in South Dakota and other Midwestern States. Those roads transport the products of east coast and west coast businesses, and facilitate tourism travel throughout the United States. The key point Secretary Howard and his coalition of small States demonstrated is that our highways in South Dakota are used as connectors of the Nation. They do not exist simply for the benefit of South Dakotans, for example.

Mr. Howard's work with other States and Congress ensured that South Dakota received the funds required to meet its unique transportation needs, while giving all States the flexibility to use Federal funds in the most efficient way possible. Dick Howard deserves the appreciation and congratulations of all smaller States for a job well done.●

THE INSTALLATION OF DANIEL A. CRONIN AS ARCHBISHOP OF HARTFORD, NEW HAVEN, AND LITCHFIELD COUNTIES

● Mr. DODD. Mr. President, I rise today to welcome Archbishop Daniel A. Cronin to the Catholic Archdiocese of Hartford. Archbishop Cronin was installed at the Cathedral of St. Joseph on Wednesday, January 29, as the new prelate of 223 parishes and over 800,000 Roman Catholics within the Hartford, Litchfield, and New Haven Counties. Archbishop Cronin filled the vacancy created last year by the death of the much-admired Archbishop John F. Whealon.

Archbishop Cronin's career with the Roman Catholic Church has been remarkable for its modesty, commitment, and devotion to God. After attending Catholic schools and graduating from the seminary in 1952, Cronin achieved his doctorate in moral theology while in Rome. His priesthood in a quiet community in Massachusetts was interrupted when his ordinary bishop, then—Archbishop Cushing of Boston, offered Cronin a post at a church embassy in Addis Ababa, Ethiopia. Cronin accepted Cushing's challenge of exploring his vocation in such a remote province. Cardinal Cushing later called Cronin, by then a seasoned papal diplomat, to Rome as his auxiliary bishop.

Daniel Cronin rose humbly to his current post in Hartford; his friends claim he was never a climber, just a man who loved God above all else. The oldest of four boys in an Irish-American family, Daniel remembers his childhood with the fondness of a loving son and brother. While his father worked as a building contractor in Cambridge, MA, his mother stayed close to hearth and home, embuing his family life with a security and continuity whose moral resonance affects Archbishop Cronin today. Observing a direct relationship between the integrity and holiness of family life and the integrity and holiness of society, Archbishop Cronin's vision of his spiritual agenda in Hartford derives in large part from the lessons of love and family unity of his childhood.

Though he has yet to articulate a specific approach to his role as archbishop of Hartford, having spent 21 years as bishop of Fall River, MA, Archbishop Cronin is quick to recognize the spiritual dearth afflicting society. His mission in Hartford will be inspired by the 500-year anniversary of the introduction of evangelical Christianity to the New World—a symbolic opportunity for Catholics to reclaim their faith and rediscover their spirituality.

Hartford and all of Connecticut is fortunate to embrace a new spiritual leader with the experience, charm, and frank goodness of Daniel A. Cronin. In these hard times, individuals like Archbishop Cronin, who generate a spirit of fortitude, generosity, and optimism and whose messages carry promises of renewal and redemption, inspire us to confront the challenges of tomorrow with grace and dignity and remind us all of the grander purpose of our humanity.●

SUPPORTING THE SUSPENSION OF THE FORCIBLE RETURN OF HAITIAN NATIONALS

● Mr. D'AMATO. Mr. President, I rise to cosponsor S. 2185. Haitians have long lived in fear of their lives. To send them back to Haiti, under the present conditions, is wrong. For that reason, I am cosponsoring this bill to suspend the forcible repatriation of Haitian nationals.

To return these helpless refugees is an unconscionable and deplorable act. The continuing climate of obscene violence in Haiti makes their return equal to a sentence of death. What more evidence do we need of the conditions facing all Haitians than the recent assassination attempt against Rene Theodore, the man many expected to become the next Prime Minister.

We must support those fleeing oppression for the shores of democracy.

We must stand with democracy and against totalitarianism. The forced return of the Haitian refugees is wrong and a suspension is the only way to avoid a tragedy.

The Haitian people need and deserve our support. We cannot now force Haitian nationals wishing to remain in the United States to return to Haiti. Let us do what is both right and just and allow Haitian nationals to remain here. I urge my colleagues to join me in cosponsoring this bill.●

SUSPEND DEPORTATION OF HAITIAN REFUGEES

● Mr. WELLSTONE. Mr. President, I rise to urge my colleagues to support S. 2185, emergency legislation introduced last night to suspend the forced repatriation of Haitian refugees from the facility at Guantanamo Bay. The bill would also require a Presidential certification that any future repatriations are safe and meet a number of important conditions relating to the safety and security of Haitian refugees.

I believe this brief reprieve is the absolute minimum amount of time required to gain better information on the situation on the ground in Haiti. Frankly, I believe the term of this suspension should be longer than simply 2 weeks, to give us time to develop a process to handle this crisis. But at least this will halt immediately the forced repatriations; we can extend the suspension period later if necessary.

For 5 years we here in the United States have supported the Haitian people as they have struggled to build a democratic society free from the violence, abuse, and desperate poverty that has plagued that nation for decades under the Duvalier regime and in the post-Duvalier era.

Like a gecko climbing along walls topped with shards of glass which protect the wealthy elite of Port-au-Prince, the Haitian people have picked their way down the democratic path, determined to avoid a return to the sharp shards of a new dictatorship. In late September, that goal was thwarted by ruthless military thugs who overthrew the duly elected government of President Aristide and installed their own ruling junta.

Yesterday, the Bush administration announced that it was preparing to ease the economic sanctions imposed in November in cooperation with the Organization of American States. President Bush signaled his intention to allow the politically powerful assembly industry operators there—many owned by Americans—to export and import goods to and from the United States. Today's Washington Post notes that this decision appears to have been made over the vigorous objection of the Secretary General of the OAS.

For over 3 months, the Organization of American States has attempted unsuccessfully to negotiate the restoration of Aristide's democratically elected government. During that time, thousands of Haitian refugees have taken to the seas in rickety and unsafe vessels—sometimes even in old tires—fleeing a climate of fear, intimidation, and sometimes brutal repression by agents of the Haitian security forces and the remnants of the Ton Ton Macoutes, the former militia of the Duvalier regime.

Prompted by an emergency request from President Bush, the U.S. Supreme Court several days ago took action which gave the Bush administration temporary authority to forcibly repatriate Haitians pending a decision by the Federal courts on the merits of refugee advocates' claims about the interview process. In my view, the legal presumption here should be in favor of the safety and security of these refugees, not in preventing asylum claims.

As negotiations with OAS representatives have dragged on over the past 3 months, the administration should have been delivering the same consistent message to elements within the Haitian Armed Forces responsible for the coup that President Bush has used elsewhere: This will not stand. I do not believe this message has yet been conveyed strongly enough by high-level U.S. officials.

Reports of continuing violence and repression in Haiti require us to temporarily protect Haitians unwilling to return out of fear for their lives and those of their families. Forcibly repatriating these refugees without taking seriously their asylum claims makes a mockery of U.S. refugee policy and of our values. As Haiti's principal trading partner, and as a supporter of the economic embargo which is making life very difficult for ordinary Haitians, the United States has a special obligation to provide temporary safe haven to these refugees.

I commend Immigration and Refugee Affairs Subcommittee Chairman KENNEDY on this effort, and I urge my colleagues to join me in supporting this emergency temporary reprieve for Haitian refugees.●

CORRECTING TECHNICAL ERRORS IN H.R. 3866

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 268, making corrections in H.R. 3866.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 268) to correct technical errors in the enrollment of the bill H.R. 3866.

AMENDMENT NO. 1571

Mr. SIMPSON. I send an amendment to the desk on behalf of Senator STEVENS.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON], for Mr. STEVENS, proposes an amendment numbered 1571.

Mr. SIMPSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all on page 3, lines 6 through 24.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1571) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution (H. Con. Res. 268), as amended, was agreed to.

MEASURE READ THE FIRST TIME—S. 2199

Mr. BYRD. Mr. President, by request, I ask unanimous consent that S. 2199, just introduced by Mr. SIMPSON, be read for the first time.

The PRESIDING OFFICER. Without objection, the clerk will read the bill for the first time.

The legislative clerk read as follows:

A bill (S. 2199) to provide for the protection of Haitian nationals with a well-founded fear of persecution, to provide for the orderly return of those Haitian nationals without such a fear, and to discourage the departure by boat of those Haitians who are unlikely to qualify for refugee status.

Mr. BYRD. Mr. President, I ask unanimous consent that the bill be read the second time.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, I object to any further proceedings at this time.

The PRESIDING OFFICER. The bill will lay over 1 legislative day pursuant to rule XIV.

The Senator from California.

OZONE DEPLETION OVER NORTH AMERICA

Mr. CRANSTON. Mr. President, our U.S. global environmental policy has been a just-say-no policy in this administration. Although the President has talked about being a leader in global environmental policy, in reality he has been a laggard. While other nations have moved forward, this administration has held back. When bold action is demanded, this administration sits and waits and says it wants to study the issue some more.

This week, NASA scientists released alarming new data about the potential for a new hole in the ozone layer. This one stretching over densely populated areas of the Northern Hemisphere, including parts of New England, is a serious threat. The scientists found the data so alarming, the highest level of ozone-destroying chemicals ever detected anywhere around the world, that they released the data well before they fully completed their study.

Significant ozone depletion like that described by the NASA scientists means increased exposure of the population—many, many people, millions of people—to higher levels of harmful radiation. This, in turn, leads to increased incidences of skin cancer, cataracts, and suppression of the human immune system, leading to all sorts of potential afflictions.

For years we have known of the existence of a hole in the ozone layer over the South Pole. This new discovery confirms that ozone depletion is not limited to the polar regions but it is also thinning over the rest of the globe.

Scientists have been warning us of the potential catastrophes that this can bring for years; yet this administration has failed to heed those warnings. Despite the accumulating evidence, this administration still advocates a wait-and-see policy in spite of the fact that failure to take strong action now will most likely result in irreversible damage later.

Even before this week's startling announcement, the Environmental Protection Agency estimated that as a result of the damaging radiation that could filter through a weakened ozone layer, we may see as many as 12 million additional skin cancer cases and perhaps 200,000 more deaths. Those numbers must now be revised upward to reflect the growing severity of the problem.

The environmental news is grim, and each time new data is released the news gets grimmer. The American people are concerned, but the President is nowhere to be seen.

To address this emergency, we need a President that gives the environment more attention than just lipservice. We simply do not have the luxury of time to just study the issue. By the time we reach scientific consensus on each and every point it will be too late to stop the devastating consequences that ozone depletion will cause. Even if today, we stopped all use of CFC's our upper atmosphere would not return to its previous health for 80 years.

Despite all of this new evidence, the man that calls himself the environmental President has remained silent. By failing to take appropriate action based on well-substantiated, well-documented scientific evidence, the President is allowing an environmental threat to become an environmental catastrophe.

Section 606 of the Clean Air Act requires the President to accelerate the scheduled phaseout CFC's and similar chemicals when new evidence suggests that such action is necessary to protect human health or the environment. That new evidence is abundantly clear.

The amendment being offered by my colleague, Senator GORE, which I have cosponsored is straightforward. All it does is to call on the President to enforce the existing law. The time has come for us to act.

Its not too late to take out an insurance policy against ozone depletion. Accelerating the phaseout of CFC's is a small premium to pay for insurance against a global catastrophe that could take hundreds of thousands of lives.

Now that the cold war is over, Mr. Bush needs to focus his attention on an equally threatening catastrophe that could befall us. One potentially as disastrous as the nuclear threat we faced in the past. We must act now—nothing less than this fragile globe and life as we know it hangs in the balance.

ORDERS FOR TOMORROW

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:45 a.m., Thursday, February 6; that following the Prayer, the Journal of the proceedings be deemed approved to date; and that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein, with the listed Senators recognized to speak: Senator NUNN for up to 30 minutes; Senators BENTSEN and LUGAR for up to 15 minutes each; Senator GRAHAM from Florida up to 10 minutes; and Senator SIMPSON for up to 5 minutes; and that at 10 a.m. the Senate resume consideration of S. 2166, the energy bill, with the Gore amendment pending.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 8:45 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess.

Thereupon, the Senate at 7:28 p.m., recessed until tomorrow, Thursday, February 6, 1992, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate, February 5, 1992:

IN THE COAST GUARD

THE FOLLOWING OFFICERS OF THE U.S. COAST GUARD FOR APPOINTMENT TO THE GRADE OF REAR ADMIRAL:

GREGORY A. PENINGTON
WILLIAM C. DONNELL
PAUL E. VERSAW

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE DEPARTMENT OF AGRICULTURE FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASSES INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF CAREER MINISTER:

GEORGE J. POPE, OF VIRGINIA
BRYANT H. WADSWORTH, OF NEVADA

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF CAREER MINISTER-COUNSELOR:

CHRISTOPHER E. GOLDTHWAIT, OF NEW YORK

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF AGRICULTURE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE, AND FOR APPOINTMENT, AS CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE, AS INDICATED:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR, AND CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

ROBERT H. STRONG, OF FLORIDA

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE OF MAJOR GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

To be major general

BRIG. GEN. JAY D. FLUME, JR. [redacted], REGULAR AIR FORCE
BRIG. GEN. ROY D. BRIDGES, JR [redacted], REGULAR AIR FORCE
BRIG. GEN. PATRICK P. CARUANA, [redacted] REGULAR AIR FORCE
BRIG. GEN. STEPHEN P. CONDON [redacted], REGULAR AIR FORCE
BRIG. GEN. GARY L. CURTIN, [redacted] REGULAR AIR FORCE
BRIG. GEN. KENNETH E. EICKMANN, [redacted] REGULAR AIR FORCE
BRIG. GEN. PHILLIP J. FORD [redacted] REGULAR AIR FORCE
BRIG. GEN. CARL E. FRANKLIN, [redacted] REGULAR AIR FORCE
BRIG. GEN. JOHN C. GRIFFITH [redacted] REGULAR AIR FORCE
BRIG. GEN. OTTO K. HABEDANK, [redacted] REGULAR AIR FORCE
BRIG. GEN. DONALD J. HARLIN, [redacted] REGULAR AIR FORCE
BRIG. GEN. JAMES L. HOBSON, JR. [redacted], REGULAR AIR FORCE
BRIG. GEN. C. JEROME JONES [redacted] REGULAR AIR FORCE
BRIG. GEN. NICHOLAS B. KEHOE III, [redacted] REGULAR AIR FORCE
BRIG. GEN. ROBERT E. LINHARD, [redacted] REGULAR AIR FORCE
BRIG. GEN. MICHAEL D. MCGINTY, [redacted] REGULAR AIR FORCE
BRIG. GEN. RICHARD B. MYERS, [redacted] REGULAR AIR FORCE
BRIG. GEN. PHILIP W. NUBER [redacted] REGULAR AIR FORCE
BRIG. GEN. EVERETT H. PRATT, JR. [redacted], REGULAR AIR FORCE
BRIG. GEN. GLENN A. PROFITT II [redacted], REGULAR AIR FORCE
BRIG. GEN. RONALD N. RUNNING, [redacted] REGULAR AIR FORCE
BRIG. GEN. GARRY A. SCHNELZER, [redacted] REGULAR AIR FORCE
BRIG. GEN. PAUL E. STEIN [redacted] REGULAR AIR FORCE
BRIG. GEN. RALPH G. TOURINO, [redacted] REGULAR AIR FORCE

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 593 AND 8379, TITLE 10, OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE.

To be lieutenant colonel

LINE OF THE AIR FORCE

MAJ. GARNETT T. ALEXANDER JR. [redacted], 6 OCT 91
MAJ. FREDERICK L. ASHLER [redacted], 22 OCT 91
MAJ. JAMES D. BLAZEY [redacted], 6 OCT 91
MAJ. DAVID B. CASEY, [redacted] 29 SEP 91
MAJ. DOUGLAS K. DAMON, [redacted], 7 OCT 91
MAJ. RICHARD H. HARVEY, [redacted] 29 SEP 91
MAJ. RICHARD W. HAWKINS [redacted], 28 OCT 91
MAJ. KENNETH A. IRLAND [redacted], 5 OCT 91
MAJ. KENNETH J. JAEGER [redacted], 16 AUG 91
MAJ. LARRY L. KEMP [redacted], 4 OCT 91
MAJ. CHRISTOPHER J. KINSLER [redacted], 27 SEP 91
MAJ. JAMES D. MARLOWE [redacted], 9 OCT 91
MAJ. VERNON C. MCCANN, [redacted], 8 OCT 91
MAJ. WILLIAM M. SIZEMORE [redacted], 5 OCT 91
MAJ. FRANK L. STAHL [redacted] 20 SEP 91
MAJ. ROBERT M. STONESTREET [redacted], 6 OCT 91

MAJ. DAVID A. VONKAENEL, [redacted], 21 SEP 91
MAJ. WILLIAM H. WASHBURN [redacted], 9 OCT 91
MAJ. RICHARD E. WIEGAND [redacted], 6 OCT 91

CHAPLAIN CORPS

MAJ. ROBERT M. HICKS [redacted], 22 SEP 91
MAJ. EUGENE D. HONAN, [redacted], 30 SEP 91

MEDICAL CORPS

MAJ. MICHAEL N. BROTHERS [redacted], 5 OCT 91
MAJ. DANIEL G. MORRIS, [redacted], 18 OCT 91
MAJ. DAVID R. RUDY [redacted], 22 JUN 91

NURSE CORPS

MAJ. CAROL ANN FAUSONE, [redacted], 28 JUL 91

DENTAL CORPS

MAJ. JOHN F. MONTICELLO [redacted], 24 AUG 91
MAJ. ANDREW A. STANYA, [redacted], 21 SEP 91
MAJ. FRANCIS H. ZECK JR. [redacted], 5 OCT 91

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C. SECTIONS 593(A); AND 3385:

ARMY PROMOTION LIST

To be colonel

BRUNDAGE, LUCIEN A., [redacted]
CATALANOTTE, JOHN P., [redacted]
HUBER, DONALD M., [redacted]
SEXTON, HUGH D. JR., [redacted]

MEDICAL CORPS

To be colonel

ZELUFF, GARY R., [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

BLAKEMORE, TERRY G., [redacted]
BUCHANAN, MORRIS R., [redacted]
CAIRER, JOHN L. JR., [redacted]
CHISMAN, JAMES H. II., [redacted]
CHRISTENSEN, CRAIG N., [redacted]
DIVELBIESS, JAMES R., [redacted]
GAINES, JOE R. JR., [redacted]
HILLMAN, LARRY R., [redacted]
JOHNSON, THOMAS E., [redacted]
KELLY, KENNETH M., [redacted]
MATLOCK, STANLEY H., [redacted]
RICHARDSON, ANDREW L., [redacted]
RIVERA, ANGEL M., [redacted]
SPARINGA, WAYNE A., [redacted]
TYER, GARY S., [redacted]
WAITE, PAUL R., [redacted]
WILLINGHAM, JOE D., [redacted]

CHAPLAIN CORPS

To be lieutenant colonel

BRENNAN, EUGENE P., [redacted]
MILBURY, MARVIN T., [redacted]
MURRAY, TERRY L., [redacted]
OERTLY, JAY C., [redacted]
TAYLOR, ROBERT H., [redacted]

DENTAL CORPS

To be lieutenant colonel

ORSINI, JAMES A., [redacted]

MEDICAL CORPS

To be lieutenant colonel

GREENE, JAMES S., [redacted]
JACK, DAVID B., [redacted]
RORES, CHRISTOPHER T., [redacted]

HOUSE OF REPRESENTATIVES—*Wednesday, February 5, 1992*

The House met at 1 p.m. and was called to order by the Speaker pro tempore [Mr. HOYER].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker.

WASHINGTON, DC,
February 5, 1992.

I hereby designate the Honorable STENY H. HOYER to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Enlighten us, O loving God, in ways that lift our hearts above any self-interest and give us renewed zeal to celebrate the gift of new life and the promise of a new day. Bind our broken world with the spirit of reconciliation and endow the homes of the land with hope for tomorrow and inspiration for today. Strengthen those who grow in the bond of love and who are nurtured in grace that they will be righteous in all things and their names will be known in the book of life. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia [Mr. DARDEN] to lead the House in the Pledge of Allegiance.

Mr. DARDEN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed with amendment a bill of the House of the following title:

H.R. 4095. An act to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested.

S. 2184. An act to establish the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation, and for other purposes.

INTRODUCTION OF THE AMERICAN DREAM ASSISTANCE ACT OF 1992

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, America's young people are hurting. Raised in times of economic prosperity, they have high hopes for a bright future: A satisfying job, a couple of kids, and a home of their own. After all, that's how their parents lived.

Unfortunately, for most young Americans, the dream of owning a home or starting a business is fading into the past, and, if present trends continue, might soon be just a distant memory of happier times.

The 1980's saw a dramatic decrease in the number of young families able to buy their own homes. Homeownership rates for households headed by those in their twenties fell from 43 percent in 1980 to 34 percent in 1990. While 61 percent of those age 30 to 34 owned homes in 1980, only 52 percent of that age group had homes of their own in 1990. If a home is one's castle, most young Americans have found the drawbridge closed and the moat too wide to cross.

America's parents are also suffering. We expect to see our children establish their independence, make their way in the world. And we are being deprived of this joy by a tax system that penalizes our efforts to assist our children.

That is why I am introducing the American Dream Assistance Act of 1992. This bill would assist young people and the parents trying to help them in two ways. First, this bill would allow parents to withdraw funds penalty-free from their own IRA's to help their children buy a first home. The bill would also allow those young people who have accumulated funds in their own IRA's to withdraw their IRA funds penalty-free for a first-time home purchase.

Second, the bill would overturn a ruling recently issued by the Internal Revenue Service that could subject parents to the gift tax simply for guaranteeing a loan taken out by their children. This recent IRS private letter ruling, No. 9113009, held in part that a parent's unsecured personal guarantee of a child's loan was a gift at the time of the guarantee, and therefore subject to the gift tax. This ruling therefore jeopardizes the financial security of parents who guarantee loans to children hoping to start their own business, buy their own house, or finance a college education. Because I believe that this ruling may be detrimental not only to families, but also to small businesses and the housing market, I have also called upon Ms. Shirley D. Peterson, Commissioner of the IRS, to withdraw this ruling immediately.

I am introducing this bill because I believe that one of America's great strengths, and strongholds, is the American family. I know that families will want to work together to ride out these tough economic times. And, Mr. Speaker, I believe that the law should not stand in the way of one generation helping the next to realize the American dream.

BIG-SPENDING LIBERALS ASK FOR NEW SPENDING

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the big-spending liberals in Congress just don't get it.

Less than 2 years after the liberal leadership of Congress rammed through the biggest tax increase in American history, extending the longest recession in history, they are now back at the public trough for more.

I quote from a recent Washington Post article entitled "Congressional Liberals Press for Spending To Remedy Recession." The article says, "Liberal Democrats are convinced the Government must spend its way out of the recession."

Mr. Speaker, liberals on the other side of the aisle just never get it. The last time the Democrats occupied the White House, their tax and spend policies created the worst recession since the Great Depression. Let us not forget the incredibly high inflation of 12.5 percent, the equally high 21.5 percent prime interest rates, the 9-percent decrease in real wages during 1979 to 1981 and finally the stagflation created by the last Democrat administration with the help of the Democrat-controlled Congress.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

No, Mr. Speaker, we do not need more government bureaucracy created by the liberals in Congress. We need to adopt the Republican growth package which will create millions of jobs, and we need to adopt that growth package immediately. The President's March 20 deadline is a good target date. That's only 44 days from now. Let us pass a good Republican jobs creation bill right now.

THE PRESIDENT SHOULD PAY HIS TAXES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the President says he does not live in the White House officially. The President also says he does not live in Kennebunkport officially. The President says that he officially makes his residence in a hotel room in Houston, TX. That is right. The old Houston hotel room ploy.

But let me say this. Let us look at that, Mr. Speaker. He saves $25,000 a year because there is no State income tax in Texas.

Now, it is no wonder America is bankrupt, when you have such big tax loopholes you could drive the President through them.

We have gone from reading his lips, reading his hips, reading the want ads, dialing 911, and now I think it is time to send him a message from the people of Maine. Read their lips. Pay your taxes, too.

Mr. Speaker, I yield back the balance of my time.

IN SUPPORT OF REPEAL OF SOCIAL SECURITY EARNINGS TEST

(Mr. ZIMMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZIMMER. Mr. Speaker, I rise to express my support for the repeal of the Social Security earnings test.

Repealing the test is regarded by many on the other side of the aisle as a boon to the rich. In fact, the earnings test discriminates against those senior citizens who must work to supplement their benefits. Other forms of income like pensions or private savings plans are not counted when calculating Social Security benefits. People who rely on them to supplement their Social Security checks can still receive full benefits.

People who were not in a position to provide for their old age or are not fortunate enough to receive an adequate pension should not be penalized for exceeding an arbitrary income level while trying to maintain a decent standard of living.

When senior citizens earn above the limit, $1 out of every $3 of their usual benefit check is withheld. This is in effect a 33-percent tax on their income that someone who lives off investments does not have to pay.

Mr. Speaker, I urge my colleagues to join me in support of the repeal of the earnings test.

THE PRESIDENT NEEDS TO LISTEN

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the President does not understand the pain this country is in or the plight of the working middle class. He is out of touch with the needs of the people he governs.

I do not believe he does not care, but if he does not listen he cannot understand.

A month ago, in the face of massive layoffs and unemployment, he repeatedly denied that there was a recession; then in New Hampshire he apologized for handling the economy badly and said he would produce a plan; but the proposal he offered last week contained nothing for the middle class, suggested substantial cuts in Medicare, and demanded tax breaks for the wealthy.

This President has been out of touch too long. Yesterday he stood amazed by a grocery checkout counter that reads bar codes and registers the price automatically. That is something that all of us average Americans got used to long ago.

Every week I am in grocery stores talking to people about the economy. They are worried about how to make ends meet. Their concern is not that groceries are easy to check out, but that they are hard to pay for—or they cannot pay for at all.

The President should listen to the people. They want some relief. They need a tax cut to help them pay their bills. They need an economic recovery program that provides them with jobs. And they need a President who will listen.

TAKE TAX OFF UNEMPLOYMENT BENEFITS

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, the other night in the text of the State of the Union Message, the President thanked those in uniform for what they had done to bring about the peace. He also made reference to those who were the taxpayers, who paid for all these things that we have built and built well.

Unfortunately, in the text of the State of the Union and in the budget the following day, there was no mention of those people who built these weapons and did such a good job. I think these are people that we have to think about today.

We welcome the peace. We welcome that we no longer have the Soviet Union, but we have to pay attention with sophisticated job programs.

□ 1310

We have to pay attention to the research and development for new products that we can sell around the world.

Mr. Speaker, I have a suggestion that I think we could do very quickly; and that is, take the tax off of unemployment benefits. These people who have all of a sudden had their lives thrown into turmoil need every penny to keep going. I would suggest we no longer tax unemployment benefits. It seems ridiculous, if you are trying to keep going, to have to pay taxes on these benefits.

GEORGE BUSH'S EXPOSURE TO THE REAL WORLD

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, last week, the President expressed his surprise that a major cause of our cities' problems is the dissolution of the family. This week, he was surprised at how grocery stores work. His amazement at grocery checkout technology, which is at least 10 years old, is astonishing. I look forward to the next installment in George Bush's exposure to the real world. There are many other lessons he missed about life over the past 10 years, including the impact of the Reagan-Bush economic policies on the middle class and the poor.

A while ago, the President said he would do anything to get reelected. For many people, that sounds like a call for extreme measures. For George Bush, it translates into dabbling in the world of the unknown that would be daily experiences of working Americans.

This man needs to live in reality, not to attempt occasional forays into it to try to boost his reelection chances. His attempts only highlight how out of touch he really is.

How are we supposed to believe in an economic proposal from a man who has not been to the grocery store and whose early solution to the economic problem in New Hampshire was to buy socks?

RUSSIANS FACE SERIOUS FAMINE WHILE FOOD CONTINUES TO BE STOCKPILED

(Ms. LONG asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LONG. Mr. Speaker, I rise to express my concerns about recent reports which describe the sorry state of our Government's effort to ship emergency food to the Russian people. According to reports, the United States has yet to actually deliver any portion of the administration's $165 million food package. The food continues to be stockpiled—some of it rotting—in our Nation's ports. Meanwhile, millions of Russians face the serious threat of famine. In fact, a recent economic forecast predicts that basic food supplies will begin to disappear within the next 3 weeks. I believe it is critical that these delays in the delivery of agricultural commodities come to an end.

The United States has poured trillions of taxpayer dollars over the last 45 years into defending the United States from a Soviet attack. Now we have a unique opportunity to use United States food surpluses that will help American farmers and also help to democratize the former Soviet Republics. Mr. Speaker, I call upon the administration to take immediate action and get this food delivered as soon as possible.

SOLUTION TO THE ECONOMY: MOVE PRIMARY DATES TO FEBRUARY 29

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, I have the solution to the economy: We should all move our primary dates to February 29. In that way we could get the administration to pay attention to the plight of the workers in each of our States. It seems New Hampshire, which has the first primary, has been the beneficiary of a number of Federal programs, infusions of funds and new programs that the administration has initiated.

In Connecticut, where the President has no plan, where the President's program has already created the announcement of as many as 4,000 layoffs from one company alone, we seem to be abandoned.

The solution is clear: I am going to call my State legislators, my speaker at the statehouse and the President pro tem of the Senate and ask them to move the Connecticut primary date to February 29, and maybe we can get the President to pay attention to the workers who are out on the street without jobs in my State as well.

JUNE 1, 1992, KENTUCKY BICENTENNIAL DAY

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, on June 1, 1792, President George Washington signed the Proclamation admitting my home State of Kentucky as the 15th State of the Union.

Mr. Speaker, the dean of the Kentucky delegation, the gentleman from Kentucky [Mr. NATCHER] has introduced House Joint Resolution 121, which designates June 1, 1992, as Kentucky Bicentennial Day.

Mr. Speaker, I urge all of our colleagues to sign Mr. NATCHER's resolution.

Mr. Speaker, Kentucky's reputation, my home State's reputation, needs no burnishing. We are the home of arguably the greatest President in the history of this Republic, Abraham Lincoln; also the 12th President, Zachary Taylor; several vice presidents, including Alban Barkley; and as we know very well, between the University of Louisville and the University of Kentucky, we are the repository of seven NCAA championships in basketball.

My hometown of Louisville is home of the "Greatest Two Minutes in Sports," the running of the Kentucky Derby every first Saturday in May.

Mr. Speaker, let me just say Kentucky is a beautiful State, a scenic State, a very friendly State. As we say back home, "Y'all come and visit Kentucky." But, before y'all come to visit, sign Mr. NATCHER's resolution.

HOUSE LEADERSHIP SHOULD ORDER FULL-SCALE INVESTIGATION OF HOUSE POST OFFICE

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of California. Mr. Speaker, this is to put the House on notice: It is my intention later today in the debate to rise to a question of privilege of the House.

I will be requesting within the House that we have a full-scale debate on my resolution, which would create an independent, bipartisan committee, to review some of the problems that currently are casting a shadow upon this institution.

Specifically, it would call for a balanced, bipartisan committee that will, first, have the responsibility to investigate those questions that are currently being raised about the House post office, questions such as the theft of post office moneys and/or property by post office employees; the use and distribution of illegal drugs by House post office employees; the coverup of improper or illegal conduct by post office employees by their supervisors or by their superiors.

Mr. Speaker, it is not my intention to make this a partisan harangue, but rather provide the House an opportunity for a full-scale discussion of this matter.

Mr. Speaker, the House deserves no less.

TEXAS FARM AND RANCH AWARD HONOREES

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I had the pleasure of participating in the presentation of the third annual Fort Worth Star-Telegram Farm and Ranch Awards on January 10. These awards recognize some of Texas' most skilled producers and marketers of food, fiber, and timber.

More than 1,100 people were nominated by other farmers and ranchers, the Texas Agricultural Extension Service, Texas Tech University, Texas A&M University, the Texas Agricultural Experiment Station, agribusinesses, the Texas Parks and Wildlife Department, the Texas Department of Agriculture, and others. The Star-Telegram selects the honorees based on production, management, and marketing criteria and relies on the advice of hundreds of agricultural experts.

As Worth Wren, Jr., the farm writer for the Star-Telegram, pointed out in the introduction to a series of articles on the honorees:

> Texas farmers and ranchers may have been drawn to the countryside for its peaceful beauty, cleaner air and fresh aroma of newly-plowed earth. But their economic survival and prosperity have required intense management and a willingness to adopt proven technology, adapt tools and methods to their own land and climate and retain the best practices of the past.

The 26 honorees this year were:

Peaches: McKinney's Sandyland Farms—Gary, Sue, and Andrew McKinney and family of Mexia.

Citrus: Jimmie and Barbara Steidinger of Donna.

Ranch management: Lazy P Ranch—Matthew and Evelyn Johnson and family and the G.L. Potter Ranch owners of Crockett.

Melons: Andrew and Sue Acuna and family of Montague.

Hay: Kelly and Judy Moore and family of Vernon.

Fish: Redfish Unlimited—David Maus, Roy O'Connor, and families of Palacios.

Rice: Garrett Farms—Jacko and Nancy Garrett and family and staff of Danbury.

Cotton: Weldon and Ann Rodgers and family of Padacuh.

Horticulture/nursery: Womack's Nursery Co.—Larry Don, Lajoice, and Larry Jim Womack and families and staff of De Leon.

Soybeans: Carl and Cathy Weets and family of Cooper.

Dairy farming: Eugene, Jeanine, Danny, Michael, and Jeffrey Norwood and family of Star.

Vegetables: Smith Potato Inc.—Harold, Faye, David, Patricia, Danny, and Becky Smith, and Patricia and Randy Vines and families of Hart.

Peanuts: Wade Pennington & Sons—Wade, Arvay, Troy, Glynn, and Stanley Pennington of Grapeland.

Poultry: Ideal Poultry Breeding Farms—Monroe and Gary Fuchs, Janet Crouch and families of Cameron.

Sheep/goats: Herman and Judy Moore and family of Brownwood.

Pecans: Arthur, Debbie, Harold, and Dorothy Ivey and families of Tornillo.

Beef cattle: Mayfair Ranches—Jim, Clay, and Shannon Theeck and families and Ida Jo Moran of Brenham.

Horses: Diamond B. Ranch, Inc.—Jack and Susan Brainard and staff of Aubrey.

Timber: Keystone-Garrett Properties—Robert L. and Betty Cargill, staff, forester and owners.

Alligator/crawfish: Amos and Dora Roy of Mauriceville.

Sugar cane: Arthur E. Beckwith, Benton Beckwith, and families of Progreso.

Wheat: Kenneth and Pam Keisling and family of Dumas.

Wildlife management: Slator Ranch—Debbie and Bart Gillan and family of Llano.

Feed grains: Billy Bob, Elaine, Porter, Laura, Kevin, and Crystal Brown and families of Panhandle.

Berries: Rocky Branch Farms—Jim and Sally Walston, John and Barbara Robinson of Mexia.

Hogs: Charles, Jeanette, David, and Cindy Graf and families of Vernon.

HOUSE POST OFFICE SCANDAL IS ERODING EFFECTIVENESS OF THIS LEGISLATIVE BODY

(Mr. RIGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIGGS. Mr. Speaker, I guess it is appropriate that I follow, I suppose, the last gentleman on our side of the aisle, the gentleman from California [Mr. LEWIS] as the conference chairman because I have reason to believe that it appears that the House Post Office affair goes far beyond the rather sensational accounts in the press of theft, embezzlement, fraud, and drug dealing.

Mr. Speaker, I believe that a thorough and independent investigation would show that far more was known about these activities by the House Democratic leadership than has been publicly disclosed to date.

Even what has been presently revealed shows this is not merely a case of a few errant employees helping themselves to the company's cash.

First, there are sworn statements that Congressmen and House employees cashed checks improperly at the post office. Does your local post office cash your check?

Does this not smell of complicity?

Now there are published reports that the Postal Service internal audit was given to the Speaker's office last September. Given this was the time of the House bank scandal, would it not make sense for a scandal-sensitized leadership in this body to order a House probe?

Instead, we learn that the House leadership did not begin to look into this matter until just this month.

Mr. Speaker, I call on you to commence an independent investigation without further delay because public confidence in this institution is eroding with every passing day.

AMERICANS ARE AMONG THE HARDEST WORKING PEOPLE IN THE WORLD

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, Japanese Prime Minister Miyazawa's plane had hardly hit the runway returning from the United States before he was glibly bashing American workers as we all know, as lacking a work ethic.

It is obvious his visit did not include the industrial heartland where he could have met thousands of skilled workers who are forced to toil at multiple jobs for very low wages. This is partially because of our administrations' constant acquiescence to Japanese imperial trade policies.

Is he going to tell us that these Americans are lazy?

Is he going to tell us that 600 Americans showing up for a part-time Walmart job with no benefits are not interested in working?

□ 1320

Mr. Speaker, a recent first-rate treatment of this trend is "The Overworked American: The Unexpected Decline of Leisure," by Juliet B. Schor. Ms. Schor points out that a number of families having to rely on two incomes or more to support their families has increased. The length of the average workweek is increasing, and the length of vacation time is decreasing.

No doubt such observations are not important to one Japanese leader after another making anti-American and racist comments.

EXPORTING AMERICAN PRODUCTS: THE CATERPILLAR SUCCESS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, there is much gloom and doom reported about America's ability to compete in the world market.

But Caterpillar, Inc., with headquarters in my hometown of Peoria, is proving that American workers can compete and succeed in exporting quality products.

In 1991, Cat exports reached a near record $3.71 billion.

Those exports accounted for 19,500 jobs in the United States and an additional 39,000 jobs at Cat's U.S. suppliers.

Fifty percent of the company's total U.S. production went to exports.

Mr. Speaker, this is proof Americans can do well in the export market.

A good product, sound workmanship, imaginative leadership—these are the qualities that build jobs, sell products, and demonstrate American know-how.

I salute Cat's workers and management.

They are reminding all of us that when we put our minds and hearts to it, there's nobody in the world who can produce and export better products than Americans.

OUR LEADERS NEED TO BE EXPOSED TO REAL LIFE

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, there is a serious lesson in the President's visit to a supermarket yesterday when he saw something that was new which amazed him, an electric grocery scanner.

Mr. Speaker, the President is out of touch with American families because he does not touch them in their daily lives. The President's economic policies are out of line because he never goes into a line, at the grocery store, for a job opening, or an unemployment office.

Several weeks ago, the Vice President showed the same distance from problems of the typical American family after he saw a help wanted sign for part-time workers at a fast food restaurant. He acted as if he had found the answer to the recession.

Mr. Speaker, what this Nation needs from all of its leaders, including the President and the Vice President, are fewer photo opportunities and more exposure to real family life in America.

TWO WAYS TO GET THE ECONOMY GOING

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, yesterday the President visited a supermarket, and according to today's papers he was amazed at such commonplace things as visual scanners and modern checkout counters. Well, the President's supermarket visit was reminiscent of Marie Antoinette's comment to the cry of the French peasants when she said, "Let them eat cake." She was out of touch in the 1790's, and he is out of touch in the 1990's.

Mr. Speaker, this is the same President whose idea of how to jumpstart the American economy was to go to J.C. Penney and buy tube socks.

The bottom line is, my colleagues, that none of these quick kinds of gimmicks that are proposed in the President's budget or that are floating around the Hill will get the economy going. Ideas such as capital gains cuts, paltry tax cuts that do little for middle-income people. IRA's, will not get the economy going. We have to seriously look at our problems and: First, create a real jobs program so that people will have jobs when they need them; and, second, rechannel our money into savings and investment rather than into spending and consumption.

WHY I AM ANGRY ABOUT WHAT THE JAPANESE SAY ABOUT AMERICAN WORKERS

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, I do not like to rehash these things, but, as my colleagues know, when I keep reading about what the Japanese say about American workers being lazy, and illiterate, and lacking the work ethic, I get angry. I get very angry.

However, Mr. Speaker, when Japan's Middle East oil supply was threatened, who liberated Kuwait? Whose technology and military equipment was used? Whose courage and guts were there? And what about the 300 young Americans who died? Were they illiterate, and were they lazy?

Mr. Speaker, America was there, but not Japan, and I say to my colleagues, that's right, folks. Just remember that Japan's reliance on Kuwait oil was a large part of why America was in Kuwait in the first place. The United States gets no oil from Kuwait, and yet they have the guts to kick Americans in the teeth.

Mr. Speaker, I say, "To hell with them. It's time that we rethink America's trade policy with Japan."

AMERICANS WANT PEACE OF MIND WHEN IT COMES TO HEALTH CARE

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute.)

Mr. GLICKMAN. Mr. Speaker, tomorrow the President sends down his report on what we need to do about health care. Many of us had townhall meetings about the issue. I do not know what is in the President's recommendations, but I can tell my colleagues what I think most Americans want with respect to any health care package.

Mr. Speaker, it is peace of mind, peace of mind knowing that they and their families will not be wiped out by a catastrophic illness. Peace of mind knowing that their children and their spouses will have access to preventative health care. Peace of mind knowing that their parents and their seniors will have access to long-term care. Peace of mind knowing that we can get a handle on the crazy spiralling costs of health care from doctors, hospitals, and drug companies. Peace of mind knowing that we can get a handle on the incredible administrative costs and bureaucratic wastes in the administration of health care programs in this country. Peace of mind knowing that, when they move from job to job, that they will not lose their health care as a result of their desire to change professions. Peace of mind knowing that, if they have a preexisting illness, diabetes, cancer, or heart disease, that they will not lose their access to health insurance.

Mr. Speaker, if these aspects are not in the President's proposal, it is incumbent on us in Congress to pass health care legislation that provides that peace of mind.

CONVERT THE MILITARY COMPLEX AND PUT AMERICANS TO WORK AGAIN

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Yesterday, Mr. Speaker, I am very pleased that the House showed that they finally followed the Democratic compassion and passed extended benefits for people unemployed. Now today I hope we will roll up our shirt sleeves and get on with Democratic creativity in dealing with how we convert this economy.

President Eisenhower, we did not listen to him. What a shame. We have become a military-industrial complex. What we have to do now is figure out how we take those skills and change them into the things that will make us competitive into the next century.

American workers, yes, while they are unemployed, need unemployment benefits/insurance, but what they really want is jobs. People want America to be put to work again.

We know what we need. We need the best education system, we need the highest infrastructure help that we can get, we need flexible capital markets, and we need creative—and new—innovative technology.

Mr. Speaker, we have got that, but only on the military side. Let us convert it to things the world needs, and we will have jobs.

PRIVILEGES OF THE HOUSE—DIRECTING THE COMMITTEE ON HOUSE ADMINISTRATION TO INVESTIGATE THE OPERATION AND MANAGEMENT OF THE OFFICE OF THE POSTMASTER

Mr. GEPHARDT. Mr. Speaker, I rise to a question of the privileges of the House, and I offer a privileged resolution and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. HOYER). The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 340

Whereas recent press accounts have recited allegations involving the Office of the Postmaster: Now, therefore, be it

Resolved, That the Committee on House Administration shall conduct a thorough investigation of the operation and management of the Office of the Postmaster and report its findings and recommendations back to the House as soon as may be practicable, but in no event later than May 30, 1992.

The SPEAKER pro tempore. The resolution states a question of privilege.

The gentleman from Missouri [Mr. GEPHARDT] is recognized for 1 hour.

Mr. GEPHARDT. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. LEWIS], pending which I yield myself such time as I may consume.

Mr. Speaker, I think all of us have been made aware in various ways of the charges, and allegations, and difficulties with regard to the post office, the post office operation here in the House. The gentleman from North Carolina [Mr. ROSE] is chairman of the Committee on House Administration and has begun a thorough review of all House services, including the services of the House post office.

□ 1330

He has a demonstrated ability, in my view, to work in a bipartisan manner on the difficult issues facing the House with regard to the House post office. The gentleman from North Carolina [Mr. ROSE] and the gentleman from California [Mr. THOMAS] at their own initiative have reviewed the operations of the Sergeant at Arms, the House restaurant system, and recycling in the House of Representatives, and they have worked together to implement a system of mail accountability with respect to the frank.

In past days they have worked with diligence to deal with the allegations that have been made with regard to the post office operations. Let me finally say, before I yield to the distinguished chairman of the committee, that all of us I think have reacted with outrage at some of the charges that have been made, if they are true. At this point we do not know the truth or the falsity of different charges that have been made, but there is no place in this House or in any part of this House for the kind of activities that have been alleged. It has to be changed and it has to be changed rapidly if these things are true.

There is no place in this institution for that kind of behavior, and there is no Member here, I think, that wants to allow that kind of behavior to continue. I have the fullest confidence and faith in the committee that has been given this responsibility in our House, the Committee on House Administration, to find out the truth or falsity of these charges, to get to the bottom of them, to find the wrongdoing, if there is wrongdoing, and to change the personnel if personnel need to be changed, and to establish rules for the future that will make absolutely sure that wrongdoing is not permitted.

I yield such time as he may consume to the distinguished gentleman from North Carolina [Mr. ROSE], who is doing such an outstanding job with this committee.

Mr. ROSE. Mr. Speaker, I appreciate the kind words that the majority leader has said about me and about the Committee on House Administration.

I would like to comment on the resolution that is before us and say that the Committee on House Administration is ready to investigate the operation and the management of the office of postmaster in a thorough and a bipartisan way. It would probably be helpful for the Members of the House to know a little bit about the actions that have already been take with respect to the post office in the Congress.

The postal inspectors from the U.S. Postal Service have already done extensive investigations, made a report with recommendations that we will see are followed in the post office. The Justice Department has its own investigation of criminal activities that are alleged to have been allowed or to have been carried on in the post office. That investigation is well underway.

What this resolution seeks to do, and I support its objective, is to empower the Committee on House Administration with the specific statement in this body that we should conduct a review of the current management of the post office, make recommendations for the future, and where wrongdoing is encountered, either turn it over to the Justice Department or turn it over to the Ethics Committee, whichever in that situation might be appropriate.

My intention is that if this resolution passes, that the gentleman from California [Mr. THOMAS] and I, and those Members on the other side of the aisle who know BILL THOMAS know his participation in any event requires full participation, equal participation, the gentleman and I would equally conduct an investigation of the current management practices and make recommendations for the future of the post office in the Capitol.

Mr. Speaker, I do not think I need to say much more. I would be happy to answer any questions that are put to me about this subject.

The gentleman from Kansas [Mr. ROBERTS] is the ranking member on the Subcommittee on Personnel and Police, and the gentlewoman from Ohio, MARY ROSE OAKAR, is the chair of that committee. Mr. THOMAS and I will each put together an equal number, and we are not going to balance this off with the ratios, we are going to have an equal number of Democrats and Republicans on the Committee on House Administration looking at the facts and helping develop the final conclusions that we will print in the appropriate form and at the appropriate time.

Mr. Speaker, I thank the majority leader for this resolution. I believe that we can handle this within the structure that we have in place in the House right now. I would urge my colleagues to please give us that opportunity.

Mr. LEWIS of California. Mr. Speaker, it was with a sense of very deep sadness and no small amount of outrage that I rise today to discuss this resolution and later hopefully to discuss a resolution that I will offer myself. I must tell you that it was no small moment of embarrassment for my chairman, the gentleman from California [Mr. FAZIO] and myself to be in our Subcommittee on Appropriations that deals with the legislative branch recently and to have this issue really come to the forefront for the first time. The Postmaster presented to us a report that had to be the result of months of work, and yet none of us responsible for appropriating those funds to the post office had even been informed of the problem. So it is with great regret, with a great deal of disgust, that I rise today to talk about the need for us to go forward with a comprehensive investigation.

I would refer the Members to a series of problems that have cast a shadow upon this institution, the House of Representatives, the indeed raise serious questions about the way the House itself is being run. I refer to the February surprise, allegations of gross mismanagement and misconduct in the House post office.

This is just the latest in a series of tragic episodes. First there was the September surprise, during which we learned of the House bank and restaurant abuses, of Members writing bad checks, of Members not paying their restaurant bills, of general mismanagement and special favors for a special few.

Then, just last month, we had the January surprise, at which time we learned of the installation of $20,000 marble floors in House elevators.

Mr. Speaker, it boggles the mind that in the face of such flagrant examples of its own mismanagement the ruling party is actually considering the expenditure of unlimited sums of taxpayers' money to investigate today an allegation which has never been supported by any credible evidence, involves an issue more than a decade old, and has no relevance to the present-day concerns of the American people.

It boggles my mind as well that today, in this resolution, which essentially is a substitute for mine, we are suggesting that we would send this very problem back to the very committee that has had jurisdiction in terms of authority in the first place.

□ 1340

In contrast, the resolution I would offer addresses an issue which is current, involves numerous credible allegations of wrongdoing, and strikes at the very heart of the public's trust in their elected officials.

The basic intent of my resolution is to establish a select committee to investigate the allegations concerning the House post office with respect to the following:

First, the theft of post office moneys and/or property by post office employees;

Second, the use or distribution of illegal drugs by post office employees;

Third, the coverup of improper or illegal conduct of post office employees by their supervisors or their superiors;

Fourth, conduct of Members of the House in their dealings with the post office;

Fifth, oversight of post office accounts and activities by existing House committees, including the Committee on House Administration, or entities responsible for that oversight;

Last, all matters relating directly or indirectly to this shadow that is being cast upon our institution.

When finished with its investigation, the select committee would make recommendations to the Speaker and minority leader regarding the implementation of an improved system of oversight to prevent the repetition of improper or illegal conduct it may find.

In the interest of fairness, the committee would include equal representation of the two parties, and the committee would take no action that would impede any criminal investigation or proceeding instituted by the U.S. Attorney General or other Federal agencies or entities.

Mr. Speaker, how can our constituents expect Congress to address the Nation's economic ills when tens of thousands of dollars may have been embezzled and stolen right here in the Capitol? How can they expect the Congress to deal with the drug epidemic if cocaine is, in fact, being sold right here in our own workplace?

How can we expect the public to take seriously our proposals to manage the expenditure of more than $1 trillion of their money when we cannot even manage what goes on under the Capitol dome?

More than 100 years ago a former Member of this body, who later became the 16th President of the United States, told a visitor:

> If you once forfeit the competence of your fellow citizens, you can never regain their respect and esteem.

Mr. Speaker, if we are not to forfeit the competence of our fellow citizens, we should work quickly to put this House in order, and put it in order by way of a fully bipartisan effort.

Mr. Speaker, I yield 5½ minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I rise in strong support of the motion creating a select committee and independent counsel to investigate major problems with the House post office. There is no question a thorough, unbiased investigation by this House is needed immediately. It must probe into areas not necessarily being covered by separate criminal investigations of drugs and theft at the post office.

Yesterday, I urged Members of the House to consider the seriousness of this matter, its impact, not only on our personal reputations, but also on the integrity and functioning of the House as a whole. An audit and interviews with employees of the post office last summer raised serious allegations that mismanagement at the facility reaches out to congressional staff and even Members. Let me repeat:

One employee charged that one House post office manager's office "had piles of money and stamps everywhere * * * there would be cash and stamps on the floor and [the official] was unconcerned."

The same employee stated that $100,000 in cash was kept by this manager to cash checks by employees, nonemployees and even Congressmen. Said the employee being interviewed, "He cashed checks for Congressmen as if he had no other choice."

Numerous other employees corroborated the statements with further details about missing cash, bounced checks covered with post office funds, loans, and drugs.

One employee stated that a post office employee was "caught selling cocaine. [His] father was the lawyer for several people on the Hill and although he no longer works in the post office [he] works elsewhere in the House of Representatives."

Another employee stated she brought the drug dealing to the attention of the House Postmaster who "just turned his head the other way and nothing was done about the drugs."

Those statements should strike fear in the heart of every Member of this institution.

We must ask if they are true. If so, we must ask how those appalling situations were allowed to happen. We must ask who was involved. And we must ask what safeguards and procedures must be implemented so that this situation does not arise again—ever.

It is my understanding that a criminal investigation is now underway concerning charges of embezzlement and drug trafficking. That investigation should proceed through auspices of the Justice Department with our full cooperation.

Today, however, we are talking about authorizing an investigation into areas that may or may not constitute criminal behavior and which may or may not interest the Justice Department. The points I have mentioned, while not necessarily the basis for criminal cases, have serious ramifications for the House of Representatives and for all of us individually.

We must ask if these charges are true. If so, we must ask how those appalling situations were allowed to happen. We must ask who was involved. And we must ask what safeguards and procedures must be implemented so that this situation does not arise again—ever.

We must ask those questions, Mr. Speaker, fairly, firmly, and with no bias as to the answer we get. Our sole objective should be to sort out the truth and fix what's broken in this instance. Longer term, of course, we should be looking at other agencies of the Congress to make sure all is in order.

I am concerned, as all of us in this House should be, that news reports dating back to last summer have hinted at efforts to minimize this problem.

Quite frankly, the investigation of wrongdoing at the post office was commenced in April 1991. By late summer, leadership of the House apparently was informed of the contents of that investigation.

Yet, as ranking member of the Personnel and Police Subcommittee of the House Administration Committee, I was never informed of this problem and first learned of it in press reports over a week ago.

Only after those press reports did the House Administration Committee commence looking at the problems—and I might add we learned of that through press reports also. The impression we have here is that nothing much was done about these serious management problems by House and committee leadership until news reports forced the matter into the headlines.

An independent investigation, supported by both sides of the political aisle, is the best way to get this mess behind us and to reassure both the House and our constituents that we are serious about cleaning up the way this body does business.

Yesterday, in an exchange on the House floor with my colleague, the distinguished chairman of the House Administration Committee, I promised my support for the committee in its review of management and procedures of the post office and other House offices. I believe that is a good and proper role for the committee and will assist in every way possible through our subcommittee

The gentleman from California [Mr. THOMAS] stated:

> To get to the bottom of this problem an independent investigation, I support as proposed by Republican Minority Leader Bob Michel, is useful. But the long-term solution is to dump the partisan patronage system where "who you know" and not "what you can do" is the test. Instead, we should fill Post Office jobs through a professional system.

With all due respect, however, I submit that the House Administration Committee lacks both standing and expertise to conduct the kind of nonpartisan investigation and airing this matter demands. House Administration is an administrative committee, not an investigative committee, and I urge my colleagues on that committee to join in welcoming an independent investigation of the problems.

I remind Members of the House that so far we have only allegations. An independent investigation can clear the record as well as verify misbehavior and mismanagement.

Only after we are confident we have all the facts and information can we begin working together to provide solutions and ensure that all officers of the House of Representatives operate in a manner that is above reproach.

I urge your approval of this important resolution and close with this statement:

Make no mistake. This is a serious situation and this is a serious attempt to resolve it. Our vote here today is the most important test of this Congress on whether each of us is serious and committed to reforming the way Congress does business.

Our restaurant problems, our bank problems are minor compared to the current situation. But they add up to a crisis of confidence for Congress.

Americans are demanding change. They will be watching this vote closely.

Mr. GEPHARDT. Mr. Speaker, I yield 3½ minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, the frustration that I have when we engage in these kinds of debates is that, frankly, if Governor Roemer were here on the floor, he would assume that there was some partisan attempt to embarrass the House, and thereby have some political gain.

It was not but a short time ago that a staffer on the Hill was shot some six blocks from the Capitol. That staffer was shot not because of some terrible thing inside the House of Representatives or some failure in the administration's drug and crime policy, but a failure as a nation to deal with drugs and crime and the roots of where that crisis comes from.

□ 1350

We are not insulated from society. We are a part of society. The people that work here leave and return to ghettos and crisis, family structure, no day care, health care problems, and all the things that affect every other member of society.

To stand up here and to say there is some crisis in the House of Representatives because we found some problems here, we have got problems across this country. We have got drugs used in our schoolrooms, in our colleges, in every company across America. Do not think we are going to be insulated from problems here and do not try to make it some partisan battle.

The institution is a jewel on the globe. When we look at other countries and what they are going through trying to develop a democratic structure, this is the model that they come to.

Sometimes I get the sense that the other side believes if they can stain this institution sufficiently, they will miraculously come back as the majority.

If you want to have professional staff, start with your own staff, the people you hire. Do not hire them based on your own philosophy and your own needs. Why do you not start where you can start, on your own. Fire all your staff people and start a process where a nonpartisan board reviews your staff people and brings them in and hires them and gives them promotions.

The House of Representatives is by its nature a partisan institution. On substantive matters and on the operation of the House, each party tries to take care of its own needs.

But it seems to me we owe the people that elect us here something, and that is not to take the misfortune of a drug user in the post office and say that somehow that problem and others besmirch the House and its Members in its operations. Let us have a little sanity.

The process is going forward. Investigations are moving forward. The executive rung, run by the President of the United States, a Republican, has his people doing their part of the job. And we will do our part.

If at the end of this process, the gentleman from North Carolina [Mr. ROSE], my chairman, has not done his job, then you can come back here and tell us and show us where we failed. But it seems to me the regular order ought to be given its opportunity to proceed and not junket at every opportunity for partisan gain and an ad hoc solution in every instance.

Mr. LEWIS of California. Mr. Speaker, far be it from the gentleman to be partisan.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, we are told about bipartisanship on a day that the majority has scheduled a resolution to come to the floor that is a purely partisan attempt to look at a campaign 10 years ago. It is a little hard to understand where the bipartisanship lies in that kind of instance, but in this particular case, the concern of the public that I talked to at home is that this institution has become corrupt to the core.

They see scandal after scandal emerging on Capitol Hill that seems to indicate both mismanagement and a conscious attempt to pervert the system. They want some action. They do not want business as usual.

They do not want this institution to simply internalize everything and pretend as though nothing is happening here which is wrong. The gentleman from Connecticut just told us a minute ago that this is all just a problem of society. No; it is not. It is a problem of this House.

Having a drug dealer in our post office is a violation of the drug-free workplace laws. It is a violation of the process of this Congress. It is something that needs to be corrected right here. It is not just a problem of society.

There are questions that have to be answered here, fundamental questions. For example, it has been said that the Committee on House Administration has known about this problem for months. The chairman of the committee just told us here a few minutes ago that one investigation has already been completed. That means that they have known about it for at least weeks and perhaps it is months. In fact, I am told that they may have known about it as early as last April, certainly last September.

Now, if they have known about it that long, why was there not an investigation before it became public in the press? The fact is, we are assigning it to a committee that already knew about this for months and has done nothing about it. When did the House counsel first learn about this mess in the post office? When did the Speaker's staff first know about this? When did the Speaker himself first know about this?

Were any efforts made along the way to enforce the drug-free workplace laws that this House is supposed to be obeying and the Speaker has written on?

I am not aware that there were any. Were the Capitol Police ever asked to put this case aside by anyone? We ought to adopt the Lewis approach, not the House approach.

Mr. GEPHARDT. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, I thank the Majority Leader for yielding time to me.

I want to begin by indicating that I share the frustration, indeed the anger that a number of other Members feel, including the gentleman from California [Mr. LEWIS], my colleague, about the fact that some of us with important oversight responsibilities were not aware of the degree to which this problem had occurred in the House post office.

But I cannot share the solution that my friend offers because I think it really is an attempt to heighten awareness and public concern around this Nation about this institution when, in fact, we are sufficiently concerned and aware of this problem and willing to deal with it quickly, fairly, in a bipartisan manner ourselves.

I took note of the comments of the gentleman from North Carolina [Mr. ROSE], when he said a minute ago that he would conduct this investigation not as a chairman with a Democratic majority but as a member of a bipartisan panel, equally constituted by Republicans and Democratic members of his committee.

This is the kind of bipartisanship that we showed when we passed the Ethics Reform laws affecting all three branches of government here 2 years ago. It is the kind of approach we need to take on this issue as well because this Committee on House Administration, this oversight committee has a responsibility that it ought to exercise.

I noted that the gentleman from Kansas [Mr. ROBERTS], my friend, indicated that he, as a member of that committee, felt responsibility for what has happened in the post office. And I applaud him for taking that responsibility. I think what he and the gentleman from North Carolina, Chairman ROSE, agreed to do yesterday is furthered by the resolution offered by the majority leader today.

It is time for the information to come out. It is time for people in this institution to consider, as apparently the gentleman from California, Congressman THOMAS, has said, that we look at the manner in which we constitute these important offices and administrative posts. We do need to make fundamental change, I think, as a result of the work that the gentleman from North Carolina [Mr. ROSE] and his colleagues on the committee will be performing. We do have to be willing to examine ourselves and whether or not the patronage system has a place in this institution in the future. But we do not need to go out and create a wholly new committee of Members who are not continuing in their responsibilities for the way we administer and operate this House.

That is simply part of a political debate that we all understand is part of a Republican strategy to deride this institution, to change the subject from those other political problems this country faces in relation to our health care and the unemployment rate that besets so many of our communities.

It is clearly an effort to put this institution in the spotlight, to try to divert public attention away from the very issues the public has sent us here to deal with.

I want to speak to the concerns of the gentleman from Pennsylvania [Mr. WALKER], my friend, indeed, a leader in passing through this Congress language that says this should be a drug-free workplace.

I must say just passing laws does not make it so.

In fact, I took note this year, as the Clerk of the House presented his budget to our subcommittee, of the very real efforts we are making here to help people who come in voluntarily and tell us they are substance abusers. Our Clerk is working to help these people get the help they need. Those of us who want to do something other than simply pass laws, who really want to work on the human problems that drug abuse produces, need to invest in these efforts.

I think we are making progress. We can be proud of that. But to say because we passed a law and there is therefore not going to be some employee of the House Post Office who violates the laws relating to drugs is dreaming. We need to take cognizance of the reality that the people who work for us, like people working all across the country, have these problems. And we need to help them deal with it. But we do not need to heighten the political temperature here. We do not need to create a separate institutional entity. We do not need to place blame and attempt to further heighten public criticism of this institution.

We need to simply do the job we were elected to do, and I am convinced the gentleman from North Carolina [Mr. ROSE] and his committee will do it well for this institution and for all of us on both sides of the aisle. Let's let them take their responsibility and exercise it.

□ 1400

Mr. GEPHARDT. Mr. Speaker, I yield 2½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the majority leader for yielding time to me.

I do not want to intellectualize about this issue. I want to express outrage, and I hope that every Member, be he Republican or be she Democrat shares that outrage.

I am very proud to be a Member of this House, and to the extent our individual conduct or the conduct of anybody whom we employ diminishes the respect of the public for this institution and their House of Representatives, let us not intellectualize, let us not burn crosses, let us not have star chambers, but let us be outraged.

Yes, the American public understands that there are societal problems. But I tend to differ with my colleague from Connecticut, who previously spoke. This is our problem. Let us solve it. Let us solve it quickly, directly and forcefully.

Why? Because I am outraged and I know the American public is outraged. Drug sales on Capitol Hill should not be tolerated for 1 second, not for 1 second. And to the extent that all of us have responsibility for that, let us take it, individually and collectively as an institution. Let us shine as an example for democracy. Let us shine as an example of a free world parliamentary body that cares about its own conduct.

Members have all been out there campaigning. I have not bounced a check. I do not know that I have ever in my life bounced a check. I may have. But I do not appreciate the conduct of other Members who have exposed me to not being respected in my community by indirection. Let us take personal responsibility, each of us, not as a partisan issue, but as Americans who care about this institution, and let us clean up our act as Democrats and as Republicans. And none of us, as all of us know, are free from some part of the responsibility or the blame for that conduct.

I have asked the majority leader for this time because I thought somebody ought to express what I know the American public is feeling. It is the outrage that I am feeling about anybody who works for this institution who would undermine our credibility, respect and confidence by this outrageous conduct.

I am going to support the majority leader's resolution. That is no surprise to anybody. I think that Chairman ROSE, and I serve on that committee and the ranking member, the gentleman from California [Mr. THOMAS] share my outrage and the concern of all of us. I believe they will act directly, responsibly and forcefully. And I urge the leadership on both sides of the aisle to do the same.

Again, I thank the majority leader for yielding the time to me.

Mr. GEPHARDT. Mr. Speaker, I yield 30 seconds to the gentleman from North Carolina [Mr. ROSE].

Mr. ROSE. Mr. Speaker, I just want to rise and thank my colleague from Maryland [Mr. HOYER] for that very eloquent and impassioned statement about personal responsibility for the actions of the employees of this House. I too share the kind of rage the gentleman from Maryland just expressed. And when this investigation, if it goes forward in our committee as it should, and when we find, even if it is an officer of this House who may have let us down by having employees that would allow the kind of conduct that the gentleman has spoken about, we will be bold, we will be swift, and we will let the chips fall where they may.

But we do not need to do it with an extra committee around here when we already have in place in this institution the Committee on House Administration.

Mr. LEWIS of California. Mr. Speaker, I yield 2½ minutes to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Speaker, I rise today out of concern for you and all of us, and a concern for this U.S. House of Representatives. As one who has been involved in the reform movement for the year that I have been here in Congress, I would say those of us who are interested in true reform are interested in just that, reform. I do not want to bash this institution, nor do we want to bash our colleagues.

But all of us have been home. You have talked to your constituents, I have talked to mine. They are outraged. Congress today stands in the lowest esteem in the history of polling in this country. And why? Because the American people look at us as ineffective and unaccountable.

If we are sincerely going to do something about real reform in this Congress, those are the two issues we have to address, accountability and effectiveness. On the effectiveness issue we all know the problems of committees and the proliferation of subcommittees and the rules under which we operate. It is broke. One only has to look at what happened last year during the consideration of banking reform legislation. We never could get our arms around it. Look at the problem with health care. We cannot get our arms around that issue.

We need real reform, and that is why many of us in this House are supporting the Hamilton-Gradison resolution to set up that select committee.

But when it comes to accountability, Mr. Speaker, we really fall down. Congress is not willing to live under the same laws that we expect all Americans to live under. Congress will be the first body to call for an investigation in the executive branch of Government, the first body to want to hold everyone in the private sector accountable for every section, every word and every dollar we give them, but yet we say to the American people, "Oh, do not hold us to the same standard." Today we have the October Surprise, another issue that is going to diminish our accountability and our credibility with our constituents.

Today we have an opportunity to take an independent step, to set up an independent body and to put this House on the right step, to take the first step toward real reform, which is going to increase our credibility with the American people and which is going to once again start the process of building some faith and confidence in our constituents so that one day our constituents can have respect for this institution, the greatest institution in this democracy.

Mr. LEWIS of California. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, I thank the gentleman very much for yielding time to me, particularly since I did not have a chance to conclude my remarks under 1 minute addresses at the beginning of the session today.

I simply want to stand up and say to the American people and to my colleagues today as a relative newcomer to this body that what is transpiring here is deja vu all over again. We had a very similar response from the senior Democrat leadership in the House to the very serious issue of the House bank check kiting and bank scandal last summer. Members will recall that the Speaker took the well, I believe for only the second time in the first session, the first time by concluding some very moving and eloquent debate about the Persian Gulf resolution, but this time he said, "We haven't done anything wrong and we won't do it again." And that kind of an answer is a whitewash and it borders on a coverup.

What we need to do under these circumstances is to reject this internal management review idea. Again, the effort here is to sweep the whole matter under the rug and dismiss it, and hope that the media attention and public attention span, which is notoriously short, moves on to another subject and we should focus indeed on the upcoming resolution which will demand a thorough, independent investigation which will assign accountability and culpability where it belongs.

Mr. GEPHARDT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I think we are all outraged at the press reports regarding the post office and the office of the postmaster. Let us be clear about that. No one will tolerate crime in any way, shape, or form. What is at question here is the means to investigate. All of us agree that the matter should be investigated thoroughly, in a bipartisan, equal representation manner.

This side of the aisle wants to have a new select committee established, and the resolution by my chairman and others would allow the House Administration Committee, with an equal representation of Republicans and Democrats, to investigate. Both groups want to investigate. Both groups call for Members of Congress to do the investigating.

☐ 1410

I think that the House Administration Committee is perfectly capable of investigating this in a bipartisan manner. I have tremendous confidence in the gentleman from California [Mr. THOMAS], the minority leader, who is practically treated like a cochairman by our chairman, the gentleman from North Carolina [Mr. ROSE] and involved in every single facet of the committee's operation.

Now, I just want to say to my Members, when we are given the authority, what we have done for this institution. Remember, there are 12,500 employees. We have in the few years that I have been on the committee and when we have been given the opportunity by both parties to do it, with the able assistance of the gentleman from Kansas [Mr. ROBERTS], I might add, we have reformed the police department in a seven-point plan so that patronage is no longer a factor.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GEPHARDT. Mr. Speaker, I yield 2½ additional minutes to the gentlewoman.

Ms. OAKAR. We have reformed the police department so that individuals who are minorities and women and individuals who are white males and white women who felt they were discriminated against and felt that they were not treated fairly and felt that on the basis of their merits they could not move upward in the police department, we have changed that.

We have changed the retirement plan. We have changed the manner in which they were paid. We have eliminated a patronage system.

And yes, we have reformed the restaurant system. We did not have the authority to dig into what other private sector restaurant programs were manifesting. When we were given the authority, and we just got that last August, we have added to the reform of that system.

I want to say one thing about that list that somebody mentioned, that gave Members' names. Everyone knows that list was practically pure fiction and it was outrageous, that whoever leaked that fictitious list embarrassing Members of Congress and staff and organizations would put it out.

Now we know what happened. We have gotten an apology from Service America who apparently were involved in leaking that kind of list.

Let me say another word about drugs, which is one of the reforms of this institution and should be a major reform in the entire country. We have 12,500 employees here. They mirror the jobs of America. They are clerks. They are parking lot attendants. They are cafeteria workers. Yes, they are members of our staffs. They are people who work at the doors. They are people who protect the institution. They are members of the police department.

We in a bipartisan manner formed an employee assistance program for drugs and alcohol abuse because we know that drugs are a problem.

And with the Office of the Clerk, we have that program intact. Let us be clear about that.

We are saying that if a person has an alcohol problem, they can get assistance, but if a person tries to sell drugs, then we turn the information over to the Justice Department, and it is my understanding that already has been done.

So let us be very clear. We want to investigate what are the outrageous accounts of conduct of certain individuals who work in the post office for the House, but let us be very clear that it is not a question of investigating it and sweeping this under the carpet. We want to let the Committee on House Administration do its job in a bipartisan manner.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. KLUG].

Mr. KLUG. Mr. Speaker, later this afternoon this body is going to spend some time deliberating whether or not we want to appoint an independent counsel and an independent investigator to take a look at the October Surprise.

Well, if you really think something happened that was nefarious and sinister all those years ago, let us have an investigation. Let us have the State Department do it, or maybe instead we should have the White House do it, or maybe the Republican National Committee do it. You would not stand for that for a minute, because you would think it needs to be independent.

OK, I will buy into your argument. We do need somebody independent to take a look at it, but then we need somebody independent outside to take a look at these allegations, because what and who is involved raises fundamental questions about this institution. There are not only allegations that drugs were sold, there are not only allegations that money was laundered, there are also allegations that Members of Congress were again involved in some kind of check kiting operations. There are also serious allegations of possible obstruction of justice, of police investigations being very quietly killed.

There is an old principle in organizational psychology that says the best predictor of somebody's future conduct is past conduct. I think that holds very true of Congress. What can we expect to happen if we allow the House Administration Committee to look at this? I suspect it will be what we have seen happen when we have appointed councils and committees inside to take a look at the check cashing problems and other problems in this institution. Nothing, absolutely nothing will happen.

We have to go to the outside, because we have been warned since the mid-1970's of the dangers of this institution running its own operations. We have seen problems in the dining room. We have seen problems in the post office. We have seen problems in the House bank.

If we want to break with tradition and if we want to prove that our future conduct will be different than our past conduct, let me echo the observations of the minority leader, the gentleman from Illinois [Mr. MICHEL] in his calls earlier this week for an independent prosecution and an independent investigation, because anything less will let this institution down and will also let the American people down.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding me this time.

As I was sitting in my office, I heard the gentleman from Connecticut say that we should not criticize ourselves. I take exception to that because I think we need to criticize ourselves once in awhile.

When I got here on the floor, I heard my good friend, the gentleman from Maryland [Mr. HOYER], for whom I have the greatest admiration and respect, saying that we ought to clean up our own act. And I agree with that so much.

Mr. Speaker, I have stood on this floor time after time, year after year, offering amendments requiring random drug testing of Federal employees throughout the country, because most studies say that 10 percent of the American people use, at least recreationally, illegal drugs.

I do not know that any Member of Congress uses drugs, and I do not believe that any do. But I have had a bill in which would require the employees of this legislative body, and its officers, to be drug tested randomly, just like we do to our entire military.

Many Members in this room helped me urge Ronald Reagan to implement random drug testing in our military back in 1983. At that time there was an admitted drug use by 25 percent of all our military personnel. We implemented it. It was in effect for 6 years, and 6 years later less than 4 percent of our entire military were using illegal drugs. That is an 80 percent drop.

The majority needs to discharge my bill out of the House Administration Committee, which has been holding the bill, and let us debate it. I cannot get the bill to the floor. I cannot offer it as an amendment simply because there is no authorizing committee dealing with it. So I am thwarted every year from offering it.

A few months from now our legislative branch appropriations bill will come to the floor. I will once again try to amend it, but my drug-testing amendment will be shot down because of the prohibition against legislating on an appropriations bill.

Mr. Speaker, I beg of all of you, let us set the example in our own House. Let us build up our integrity in the eyes of the American people.

I say to the gentleman from North Carolina [Mr. ROSE] and others, discharge my bill. Put it on the floor and let us implement random drug testing here in this House; that will eliminate the problem.

Mr. LEWIS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I thank the gentleman for yielding me this time.

Let me be very clear. I believe the Democratic leadership is simply not being candid with the Members of this House and the entire tenor of the debate on their side has not helped to inform Members.

I have served on the House Administration Committee for 14 years. The House Administration Committee is run by the Democrats, for the Democrats, and in favor of the Democrats.

As one Republican staff member said a few minutes ago, "We do not even have enough access to know what information to ask for."

This entire cocaine and theft scandal has been handled by the Democratic leadership as a partisan coverup of their patronage problems.

When did the Democratic leadership in the House know of allegations of theft and cocaine selling in the House post office? I believe the answer is at least 10 months ago.

☐ 1420

When did they give the Republican leadership the postal inspector's report? Two weeks ago, after the Washington Times broke the story. To the best of our understanding, apparently the Democratic leaders' lawyer and the Speaker's staff blocked the Capitol Police from an investigation 9 months ago without telling the Republican leadership.

Now, the House Democratic leadership, having covered up a cocaine and theft scandal for 6 to 9 months, wants the Members to vote for an investigation they can control.

In a few hours, the Democratic leadership will ask us to spend $1 million or more to investigate an 11-year-old political charge. But the Democratic leadership does not want to set up an investigation of the cocaine sale and theft in this House post office in the last year.

A "yes" vote is a vote for a coverup; a "yes" vote is a vote for a whitewash. If you want an open and honest investigation, vote "no."

Today each Member will decide if they are a part of the problem and a part of the coverup, those Members will vote "yes." Or they can decide to be part of the cleanup and part of the honest reform the country wants; those Members will vote "no."

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman yields back 1 minute.

Mr. GEPHARDT. Mr. Speaker, I yield myself 1 minute to simply respond to the gentleman's statement that there was a coverup or that people made conscious attempts to keep information away from the committee, this is absolutely wrong.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman from Missouri for yielding, and I am so pleased he said that, because I was tempted to get up in my seat and make a point of personal privilege.

Look, there is absolutely no coverup going on here at all. This is a scandal. I do not have to go home and talk to my constituents. We are all scandalized by this.

This is a tragedy. But the Committee on House Administration is ready to move on this. They have got it. They have been doing the investigation. There is not one allegation here that they have held anything up.

Furthermore, the Department of Justice—my understanding is that the Attorney General is appointed by the President—can be involved. They can ask for a special prosecutor, they can do anything they want.

You know, it is very painful for me to sit here and listen to this going back and forth, back and forth. No wonder the American public is very tired of us.

You know, for 12 years back when I used to chair the Subcommittee on Civil Service, I was talking about the whole new ethics-free zone that Ronald Reagan and George Bush put in for the executive branch. And how many scandals we had on down there.

We used to have little signs with all their names on them; what it was like to live in Sleazeville. We have seen pardoned S&L's and all that, but it is a shame because it comes down on all of us. This comes down on all of us.

I think what we ought to do here today is, both Republicans and Democrats, both sides of the aisle, all sorts of people have not done the oversight that should have been done in the administrative offices all across the board in this town, and we roll up our shirtsleeves and we go at it. But I do not see any coverup here.

This is under the Attorney General. He can ask for a special prosecutor under that statute, as I understand it. No one has done anything to hold anything up. I think we are just out here trying to score points.

Let us not score points, let us restore dignity to this institution, which I love and you love and we all watch getting diminished every single day by this. That is terrible.

But I defy you to name 10 Members who had any idea what was really going on in the post office.

Mr. Speaker, I again thank the gentleman from Missouri for leading this debate.

Mr. LEWIS of California. Mr. Speaker, I yield an additional 30 seconds to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Just to clarify for the majority leader: It is my understanding that in May of last year allegations were made, the Capitol Police were informed, the Democrats' lawyer was informed. He did not inform the Republican leadership.

In June of last year the Democrats' lawyer blocked the Capitol Police; he did not inform the Republican leadership.

In September of last year the Postal Service reported to the postmaster; the Republican leadership was never informed.

We finally learned of this scandal because the Washington Times wrote an article.

And I think even our most involved Members who are among the most bipartisan were shocked to discover they had never seen a report that was 6 months old.

Mr. LEWIS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. MICHEL], our Republican leader.

Mr. MICHEL. Mr. Speaker and my colleagues, I had not really intended to speak today even though I suspect the resolutions that have been introduced today were brought about as a result of some of the things we might have said a day or two ago, expressing our own personal outrage and concern over what apparently was happening right under our own noses for an extended period of time, and then having so little knowledge of it up until the moment we made the comment.

I will simply say that the roots of the problem, I think, are a result of the arcane rules, regulations and kinds of practices that we have been operating under in this institution for a good long time.

I may be in a unique position because now I am the elected leader on this side for some 12 years. It has been my privilege to serve with three different Speakers since I have been leader, and for different Speakers before that time.

We have a rule on our caucus on my side of the aisle, incidentally, that gives me pretty much authority and sayso about who our House officers are and how they deport themselves. Believe me, if there were one of those, as a result, who served as an officer on our side by vote of our caucus, yes, at my recommendation, who brought some or any kind of discredit or ill-repute on this institution, it would not take me until the afternoon of the morning I found out to have them leaving and packing their bags.

That is the authority I think you really in a sense have to have.

Maybe it is part of the inherent institutional framework that does not give that kind of accountability to us. But I will tell you, when we have to, as my dear friend Mr. HOYER made mention, because he and I are in the same category in the item we mentioned, and then to have to shoulder that kind of burden, you know, just because we are part of the institution and have nothing to do about what happened.

So I do have a problem when it is going to be handled again in the House. I think the gentleman from Wisconsin [Mr. KLUG] said it pretty well; if it ends up being inhouse, I think the burden is on you, gentleman and ladies, who serve on that particular committee. I would rather it be otherwise, but we know where the votes are around here. Yes, I have confidence in Mr. THOMAS if he is told everything and the other members on our committee, if they are likewise privy to all the information the majority has. But it is our problem and it is our institution and we all have to feel strongly about anything that discredits us and brings us as individuals, as Members of this institution, in disrepute.

So we have got a problem. It ought not to take all that long to solve it, quite frankly. Some of the more injurious things that end up before the U.S. attorneys, that is something a bit different again.

But there are some other administrative things that can be handled, frankly, with a snap of the finger, if only we had the will to do it. And I will tell you we ought to be getting to doing that which we have the power to do summarily, instantaneously, just to improve this institution.

Mr. Speaker, I yield back the balance of my time.

Mr. GEPHARDT. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. MCCLOSKEY].

Mr. MCCLOSKEY. Mr. Speaker, I thank the majority leader for yielding.

I will be very brief.

But as a human being, more than a Democrat, I am very saddened by the probably, almost certainly spurious charges that the minority whip has raised against our Speaker. I think the full investigation will reveal how spurious they are.

I will say also that historically Mr. GINGRICH——

Mr. GINGRICH. Mr. Speaker, I demand that the gentleman's words be taken down.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MCCLOSKEY. I will finish my statement then.

Mr. GINGRICH. Mr. Speaker, I move the gentleman's words be taken down.

Mr. MCCLOSKEY. But the pyrotechnics——

Mr. GINGRICH. Regular order.

Mr. WALKER. Regular order.

Mr. MCCLOSKEY. The pyrotechnics——

The SPEAKER pro tempore (Mr. MURTHA). The gentleman will desist.

The gentleman asks that the words be taken down.

The Clerk will report the words.

□ 1430

Mr. MCCLOSKEY. Mr. Speaker, I have been advised that I should withdraw my words, so, in all good faith, I withdraw my words.

The SPEAKER pro tempore (Mr. MURTHA). Without objection, the gentleman from Indiana [Mr. MCCLOSKEY] withdraws his statement.

There was no objection.

Mr. GEPHARDT. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Speaker, there are harsh words. We are too frequently these days betting into a situation in which there are more harsh words than there are actions.

Let us take a look at what the facts are here. Something has occurred that needs to be addressed. The gentleman from North Carolina [Mr. ROSE], the chairman of the Committee on House Administration, has assured this institution that it will be addressed and will be addressed vigorously, and yet there have been phrases here on the floor such as:

"Sweep it under the rug," "whitewash," "partisan coverup," and so forth.

Well, Mr. Speaker, what are the facts? Not only has the chairman of the Committee on House Administration assured that there will be an investigation, but the Capitol Police are investigating, and, very importantly, the U.S. attorney is investigating.

Pray tell, was there anyone who wished to cover up, to whitewash, to sweep under the rug? And how would that be done? With a rather well-known partisan U.S. attorney investigating this issue? How could something be swept under the rug, or whitewashed, or be a partisan coverup unless every single Republican in this House were to catch laryngitis on the same day? I am sure they would point at that were that to occur.

As to whether we need some independent study, let us take a look at that. This House, this Congress, has oversight authority, and, if it is suggested that the Committee on House Administration is incompetent of conducting oversight in its jurisdiction, then I presume that they would say that the Committee on Armed Services should not be allowed oversight over the Defense Department, or the Committee on Interior and Insular Affairs to have oversight over the national parks, or the Committee on the Judiciary to have oversight over the Justice Department and its activities.

Mr. Speaker, what we are proposing here is precisely the regular order. It is a bipartisan process. The Committee on House Administration is not going to investigate this Democrats-only, but the very capable and alert Republican members of the Committee on House Administration will be a part of it throughout the entire process.

Mr. Speaker, someone suggested that the public memory; it was someone on this side of the aisle because I do not agree with this statement; he said the public memory is extremely and notoriously short, so this will be swept under the rug. No. We have the honor of the committee, we have the reputation of the Republicans on the Committee on House Administration, we have the Capitol Police, and we have the ability of the U.S. attorney, all of whom are going to see that it is not a matter of public memory, or even silence on the part of the Republicans. It is a matter of what is right. It is going to be done under the regular process.

Mr. Speaker, support for the majority leader's proposal is what makes sense. Anything else perhaps might be partisan motivation of its own variety.

Mr. LEWIS of California. Mr. Speaker, I yield 1 additional minute to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I thank the gentleman from California [Mr. LEWIS] for yielding this time to me.

Mr. Speaker, I appreciate the promotion to cochairman of the subcommittee by my good friend, the gentlewoman from Ohio [Ms. OAKAR], and I appreciate the gentleman from Washington [Mr. SWIFT] saying that I am capable and alert. That is always good to hear. We did work together on a seven-point plan for the police department, and the gentleman from California [Mr. THOMAS] certainly appreciates the elevation to cochairman of the Committee on House Administration, but let the RECORD show that we both feel, the gentleman from California [Mr. THOMAS] and myself, that an independent investigation is the way to go.

The gentlewoman from Colorado [Mrs. SCHROEDER] said, "This is painful." Painful? For 10 years I have been working with the majority, very good people in the majority, on behalf of the 160 people that work in the post office and with Bob Rota. We ought to have an investigation, an investigation to clear Bob's name, if in fact that is going to take place.

Mr. Speaker, let me ask my colleagues, "How many times do you ask me to do the chores and to work with you on behalf of this House and then turn around and deny us access to the process? Part of what we are is what you allow us to be. I have a list of events here that we've been trying to piece together for only 4 days. This whole business started in April. The people were not dismissed until December. Or September 27, 1991, the final postal inspector audit was provided to the DC Postmaster, Mr. Rota, Mr. Ross, and the chairman of the House Post Office Subcommittee, Postal Operations, and Mr. MCCLOSKEY."

Mr. Speaker, the reason that we are objecting, the reason we need an independent investigation that we have been kept in the dark, we do not know. Even today, when an investigation is apparently underway, we still do not have access.

Mr. LEWIS of California. Mr. Speaker, in the time remaining I wish to say that I hope that the Speaker and my colleagues will have some sense for the pain I feel in bringing my own resolution to the floor today and objecting to this process before us today. While I consider myself to be no small bomb thrower when it comes to revolution, I feel that this institution's credibility is at stake. Today I stand here in a sense of outrage because of what this leadership has allowed to happen to this House.

Mr. Speaker, there is absolutely no question. It is time for independent review.

Mr. Speaker, this is no small problem. The bank controversy demanded that we close down our bank, the Committee on Standards of Official Conduct will be reporting shortly a whole list of names that relate to Members' abuse because of a lack of effective oversight—oversight by the very committee that the leadership would refer this matter to. Absolutely no question. The problems of the restaurant are unacceptable to the American people; again no effective oversight. And the same committee should have exercised its responsibility. Mr. Speaker, we are long past the time where we can support business as usual.

It is my understanding that every effort was made to see that the Attorney General did not enter this case. They wanted to handle it in house, business as usual.

Mr. Speaker, I will be asking for a no vote on the previous question on this matter because this should not be handled pro forma—like business as usual. This very committee, which will have the final vote, if it goes to that committee, is the committee that is a source of these original problems. The oversight committee which exercised no oversight.

And it is not a partisan question, Mr. Speaker. Indeed the reputation, the credibility, of the greatest institution in the world, the House of Representatives, is at stake, and for that reason, Mr. Speaker, I urge my colleagues to vote no on the previous question and support my resolution for a bipartisan special investigation.

Mr. GEPHARDT. Mr. Speaker, I yield the balance of our time to the gentleman from North Carolina [Mr. ROSE].

Mr. ROSE. Mr. Speaker, I thank our majority leader, the gentleman from Missouri [Mr. GEPHARDT], for yielding this time to me.

Mr. Speaker, I think there are a few things that need to be reiterated in summary.

The gentleman from California [Mr. LEWIS] has circulated a copy of a resolution that he has proposed to offer that sets up a select committee to investigate certain allegations concerning the House post office. That is not outside counsel. That is another in-house operation.

I share the kind of sentiment that the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL], expressed just a few minutes ago about how swiftly he would act in response to any kind of a finding regarding impropriety by officers on his side of the aisle.

□ 1440

That is what we are prepared to do in the Committee on House Administration. We got the postal inspectors' report the same day the gentleman from California [Mr. LEWIS] got the postal inspectors' report. We started, in the full committee, our own investigation of those allegations and for 10 days have been interviewing people. If this resolution passes, all of that will be shared with the Republican members of our committee. We will go back through that process as they wish and recommend strong actions. As I said yesterday, we will let the chips fall where they may.

Mr. Speaker, I ask the Members to please support the majority leader's resolution. Let us not create another special committee for Congress.

Mr. GEPHARDT. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. MURTHA). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LEWIS of California. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 253, nays 162, not voting 19, as follows:

[Roll No. 5]

YEAS—253

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell

Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—162

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Morella
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—19

Clay
Coleman (TX)
Dannemeyer
Dymally
Edwards (CA)
Gaydos
Hutto
Johnson (TX)
Kolter
Lantos
Levine (CA)
Markey
Miller (WA)
Morrison
Mrazek
Thomas (CA)
Thomas (GA)
Waters
Whitten

□ 1500

The Clerk announced the following pairs:

On this vote:

Mr. Dymally for, with Mr. Thomas of California, against.

Mr. EMERSON changed his vote from "yea" to "nay."

Mr. PAYNE of New Jersey and Mr. OLIN changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GEPHARDT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 254, nays 160, not voting 20, as follows:

[Roll No. 6]

YEAS—254

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (FL)

NAYS—160

Allard
Allen
Archer
Armey
Baker
Ballenger
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead

Morella
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Zeliff
Zimmer

NOT VOTING—20

Barrett
Clay
Coleman (TX)
Dannemeyer
Dymally
Edwards (CA)
Frost
Gaydos
Hutto
Johnson (TX)
Kolter
Lantos
Levine (CA)
Markey
Morrison
Mrazek
Thomas (CA)
Thomas (GA)
Waters
Whitten

□ 1517

The Clerk announced the following pairs:

On this vote:

Mr. Dymally for, with Mr. Thomas of California against.

Mrs. MEYERS of Kansas changed her vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PRIVILEGES OF THE HOUSE—CREATING SELECT COMMITTEE TO INVESTIGATE CERTAIN ALLEGATIONS CONCERNING THE HOUSE POST OFFICE

Mr. LEWIS of California. Mr. Speaker, I rise to a question of the privileges of the House, and I offer a privileged resolution (H. Res. 341) creating a Select Committee to Investigate Certain Allegations Concerning the House Post Office, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 341

Resolved, That (a)(1) there is created a Select Committee to Investigate Allegations Concerning the House Post Office (hereinafter referred to as the "select committee"), to be composed of 10 members, 5 to be appointed by the Speaker and 5 by the minority leader, with each designating a cochairman from his 5 appointments. Any reference in this resolution to action taken by the cochairmen shall require the agreement of both cochairmen. Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made.

(2) The select committee shall conduct a full and complete investigation and study, and make such findings as are warranted, respecting the following allegations and matters;

(A) Theft of Post Office moneys or property by Post Office employees.

(B) Use or distribution of illegal drugs by Post Office employees.

(C) Coverup of improper or illegal conduct of Post Office employees by their supervisors or other superiors.

(D) Conduct of Members of the House in their dealings with the Post Office.

(E) Oversight of Post Office accounts and activities by existing committees of the House or entities responsible for the same.

(F) All matters related, directly or indirectly, to subparagraphs (A) through (E).

(3) The select committee shall make recommendations to the Speaker and minority leader regarding the implementation of an improved system of oversight to prevent the repetition of improper or illegal conduct in finds.

(4) The select committee shall report to the Committee on Standards of Official Conduct evidence of improper or illegal conduct it finds by any Member, officer, or employee of the House.

(b) One-third of the members of the select committee shall constitute a quorum for the transaction of business other than the reporting of a matter, which shall require a majority of the select committee to be actually present, except that the select committee may designate a lesser number, but not less than two, as a quorum for the purpose of holding hearings to take testimony. The select committee may sit while the House is reading a measure for amendment under the five-minute rule. The rules of the House shall govern the select committee where not inconsistent with this resolution. The select committee shall adopt additional written rules, which shall be public, to govern its procedures, which shall not be inconsistent with this resolution or the rules of the House. Such rules may govern the conduct of the depositions, interviews, and hearings of the select committee, including the persons present. Such rules shall provide for the protection of classified information from unauthorized disclosure.

(c) The select committee is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned; and to require, by subpoena or otherwise, the attendance and testimony of such witnesses, the furnishing of information by interrogatory, and the production of such books, records, correspondence, memoranda, papers, documents, vouchers, audit reports, calendars, recordings, data compilations from which information can be obtained, tangible objects, and other things and information of any kind as it deems necessary. Unless otherwise determined by the select committee, the cochairmen, or the select committee shall authorize and issue subpoenas. Subpoenas shall be issued under the seal of the House and attested by the Clerk, and may be served by any person designated by the cochairmen or any member. The select committee may request investigations, reports, and other assistance from any agency of the legislative branch of the Federal Government.

(d) The select committee shall determine a method whereby each cochairman shall preside at alternate meetings and hearings of the select committee. All meetings and hearings of the select committee shall be conducted in open session, unless a majority of members of the select committee voting, there being in attendance a majority of select committee members, vote to close a meeting or hearing.

(e) The cochairmen, may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as they consider necessary to carry out the purposes of this resolution. The select committee shall be deemed a committee of the House for all purposes of law. The select committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the select committee, other than expenses in connection with meetings of the select committee held in the District of Columbia.

(f) Unless otherwise determined by the select committee, the cochairmen may authorize the taking of affidavits and of depositions pursuant to notice or subpoena by at least 2 Members, under oath administered by a Member or a person otherwise authorized by law to administer oaths. Depositions shall be deemed to be taken in executive session.

(g) The select committee shall be authorized to respond to any judicial or other process, or to make any applications to court, upon consultation with the Speaker consistent with rule L.

(h) The select committee shall provide other committees and Members of the House with access to information and proceedings, consistent with rule XLVIII(7)(c). However, the select committee may direct that particular matters or classes of matter shall not be made available to any person by its members, staff, or others, or may impose any other restriction.

(i) By July 1, 1992, the select committee shall report to the House the status of its investigation. With respect to this and any other report of the select committee, including its final report, which shall be reported to the House by September 1, 1992, the report may be accompanied by supplemental, additional, or minority views.

(j) The select committee shall take no action that would impede any criminal investigation or proceeding instituted by the U.S. attorney general or other Federal agency or entity.

(k) At the conclusion of the existence of the select committee all records of the select committee shall become the records of the Clerk.

□ 1520

Mr. LEWIS of California (during the reading). Mr. Speaker, I ask unanimous consent that the privileged resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore (Mr. MURTHA). The resolution constitutes a question of the privileges of the HOUSE.

MOTION OFFERED BY MR. GEPHARDT

Mr. GEPHARDT. Mr. Speaker, I rise for the purpose of offering a privileged motion to lay the resolution on the table.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. GEPHARDT moves to lay the resolution on the table.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. GEPHARDT].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEWIS of California. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 250, noes 161, not voting 23, as follows:

[Roll No. 7]

AYES—250

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Chapman
Clement
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOES—161

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—23

Carr
Clay
Coleman (TX)
Dannemeyer
Dymally
Edwards (CA)
Ford (MI)
Gaydos
Hutto
Johnson (TX)
Kolter
Lantos
Levine (CA)
Lightfoot
Markey
Mineta
Morrison
Mrazek
Pursell
Thomas (CA)
Thomas (GA)
Waters
Whitten

☐ 1541

The Clerk announced the following pair:

On this vote:

Mr. DYMALLY for, with Mr. THOMAS of California against.

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PRIVILEGES OF THE HOUSE—RESOLUTION AUTHORIZING HOUSE BIPARTISAN LEGAL ADVISORY GROUP TO CONDUCT INQUIRY INTO FACTS AND CIRCUMSTANCES SURROUNDING SENTENCING OF DIRK STOFFBERG

Mr. MCEWEN. Mr. Speaker, I rise to a question of the privileges of the House, and I offer a privileged resolution (H. Res. 342) and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. MURTHA). The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 342

Whereas on January 10, 1992, the chief counsel of the House Committee on Foreign Affairs wrote to the U.S. District Court for the Eastern District of New York requesting leniency in the sentencing of Mr. Dirk Stoffberg, a convicted arms dealer, on grounds that he had provided the committee with evidence regarding the so-called "October Surprise;"

Whereas the chief counsel's letter was sent on committee letterhead purporting to be on behalf of the "House Committee on Foreign Affairs . . . in an ongoing investigation;"

Whereas the U.S. District Court consequently granted the request for a reduced sentence on grounds that, "Comity between independent branches of government suggests the desirability of assisting Congress in its important work where there is no strong conflict with a court's other sentencing responsibilities;"

Whereas the Federal District judge further indicated in his sentencing "Memorandum and Order" that, "were it not for the intervention of Congress," the defendant would have been sentenced to a longer term of imprisonment "because he threatened violence during the course of his criminal activity;"

Whereas neither the House, the Committee on Foreign Affairs nor any subcommittee thereof has ever authorized an investigation into the "October Surprise" allegations;

Whereas the House Bipartisan Legal Advisory Group has not authorized any intervention in the sentencing proceeding on behalf of the House or any of its committees;

Whereas at the time the chief counsel's letter was submitted to the U.S. District Court a resolution authorizing a special task force investigation into the "October Surprise" allegations was still pending in the House and had not yet been acted upon;

Whereas the misrepresentations of the position of the House and its committees in a judicial proceeding by an employee affects the rights of the House collectively, its dignity, and the integrity of its proceedings, and thereby raised a question of the privileges of the House under Rule IX: Now, therefore, be it

Resolved, That the House Bipartisan Legal Advisory Group (consisting of the Speaker, the majority and minority leaders, and the majority and minority whips) is hereby authorized and directed to inquire fully into the facts and circumstances surrounding the intervention by the chief counsel of the House Committee on Foreign Affairs in the sentencing of Mr. Dirk Stoffberg by the U.S. District Court for the Eastern District of New York and to submit to the House at the earliest practicable date, but not later than

45 legislative days after the adoption of this resolution, its findings thereon together with any actions taken or recommendations made in response to such incident or to prevent the recurrence of such unauthorized interventions in judicial proceedings by House Members, officers, or employees.

The SPEAKER pro tempore. The resolution constitutes a question of the privileges of the House.

The gentleman from Ohio [Mr. McEWEN] is recognized for 1 hour.

Mr. McEWEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, under House Rule IX, a question of privilege is anything "affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings."

In section 662 of the House Rules and Manual for the 102d Congress, which contains a summary of the precedents relating to questions of privilege, there are two particular instances which are similar to the question of privilege which I have raised today.

In the first instance, a resolution was offered on February 13, 1980, questioning the property of a response by an officer of the House to court subpoenas for papers of the House without notice to the House, and requiring a committee to investigate.

In the second instance cited in the precedents, a resolution was offered on March 22, 1990, alleging improper representation by counsel of the legal position of Members in a brief filed in the court and directing the withdrawal of the brief.

In both instances, the Speaker held that the misrepresentation of the position of the House, or judicial intervention without proper authorization, affected the rights and integrity of the House and therefore raised a legitimate question of House privileges.

Today we have before us yet another instance of a judicial intervention by an employee of the House claiming to represent the position of the House through one of its committees when in fact neither the House nor the committee involved had authorized the investigation nor the judicial intervention by the employee.

On January 19, 1992, the chief counsel of the House Committee on Foreign Affairs wrote to a Federal district judge in New York requesting a reduced sentence for a convicted arms dealer on grounds that he had cooperated in an on-going investigation by the committee into the so-called October Surprise.

Based on this representation, the judge reduced the sentence from 13 months to the 8½ months already served based on "the desirability of assisting Congress." The judge went on to make clear that the arms dealer would have received a longer term of imprisonment, and I quote, "were it not for the intervention of Congress."

The only problem with all of this Mr. Speaker, other than the unprecedented intervention by a self-appointed agent of Congress in a judicial sentencing proceeding, is that the so-called on-going investigation by the Committee on Foreign Affairs into the October Surprise matter had not been authorized by the Congress or the committee so represented.

Neither, for that matter, had the committee authorized its chief counsel to ask the court to reduce the sentence of the convicted arms dealer. The fact is, the committee was not even made aware of any evidence obtained from the arms dealer or that the chief counsel was bargaining for a reduced sentence in return for such information. This kind of unauthorized activity by a committee employee is one of the most outrageous things I have ever witnessed since coming to this Congress 11 years ago. And other Members who have been around here much longer than I have voiced similar sentiments.

Mr. Speaker, nothing affects the rights, privileges, dignity and integrity of the proceedings of the House more than the misrepresentation of the position of the peoples House, especially when that misrepresentation takes place before a Federal district court.

But what is especially galling in this particular case is claiming to represent the interests of the House on a matter on which the House has not yet spoken, and that authority is used to spring a convicted felon from jail.

At a time when the Congress is already reeling from low public approval ratings, what could hurt more than the appearance that we are springing crooks for rumors? This isn't an arms for hostages scandal; It's an arms dealers for hogwash scandal. And this action has put the House of Representatives right in the middle of the slop.

Mr. Speaker, let us just presume for a moment that this convicted felon just might have some information of interest and value to this House. Even if that were the case, that is no justification for one to unilaterally cut a deal on behalf of the House to free a crook from prison sooner than he otherwise would have served.

If the felon has such information, there are ways for the House to legitimately obtain it without resorting to such shady deals. We have committees with subpoena authority. And more importantly, Democrats are seeking to railroad creation of a special task force to investigate this very matter and give it subpoena authority.

If this convicted arms dealer refuses to cooperate with a duly constituted entity of this House acting under proper authority and procedures, we would have every right to find him in contempt and enforce that in the courts. Instead of a shorter prison sentence, he would be facing a longer one.

If anything, such unilateral action has made it more difficult for a proper body of this House to obtain sworn testimony. The integrity of our proceedings and our ability to discover the truth have been interfered with and threatened by such loose cannons on our deck, acting on their own.

Mr. Speaker, the resolution I have offered today as a question of the privileges of the House, after reciting the facts of the situation in the preamble, directs the Bipartisan Legal Advisory Group of the House to inquire into the facts and circumstances surrounding this judicial intervention and report back to the House its findings and recommendations.

Specifically, it calls on the legal advisory group to report back to us at the earliest practicable date on any actions taken or recommendations it has to address the immediate situation, as well as any recommended policies for the future conduct of House Members, officers or employees involving judicial proceedings.

The bottom line is that we cannot allow people claiming to represent the House or its committees to take unauthorized actions that misrepresent the position of this House.

This is especially true when those actions are potentially embarrassing and can bring this body further shame, dishonor, and disrepute in the eyes of the citizenry.

And nothing could be more embarrassing than negotiating shady deals with the dregs of the earth to spring them from prison.

Those who lie down with dogs get up with fleas; and in the process, they cover us with sleaze. We don't need that in this House. Let's do the right thing and adopt this resolution so that corrective action can be taken immediately and we can hopefully avoid such embarrassments in the future.

□ 1550

Mr. Speaker, I reserve the balance of my time, and, out of respect and comity to the socialist Democrat side of the aisle, I yield 10 minutes to the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I wonder if the gentleman from Ohio [Mr. McEWEN] would yield to some of the other Members on his side.

Mr. McEWEN. I would be pleased to do that.

Mr. Speaker, I yield 5 minutes to the ranking member of the Committee on Rules, the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Ohio [Mr. McEWEN] for yielding this time to me. Let me commend the gentleman from Ohio, one of the most astute Members of this House when it comes to the very complicated rules of the House, on offering this privileged resolution regarding an unauthorized and misrepresentative court intervention by a House employee.

Mr. Speaker, it seems to me that the gentleman from Ohio [Mr. McEWEN] has put his finger on two very important institutional issues in this resolution, one relating to unauthorized investigations, and the other relating to misrepresenting the position of the House in a judicial proceeding.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Florida [Mr. FASCELL], my very good friend.

Mr. FASCELL. Mr. Speaker, the gentleman from New York [Mr. SOLOMON] and the gentleman who preceded him have used some very strong language on allegations which lay the predicate for making this resolution a privilege. I just wanted to point out that on the record those facts are not proven, they are mere allegations being made, and they are totally unsubstantiated.

Now let me ask a question, if the gentleman will be kind enough, and I will not try to use up his time. I will just get to the point very quickly.

The Committee on Foreign Affairs is duly constituted in this House to carry out its functions; is it not?

Mr. SOLOMON. Mr. Speaker, let me just say to the gentleman from Florida [Mr. FASCELL] that I intend to cite the rules of the House, and, when I use terms like "underauthorized" or "misrepresentative court intervention," I truly believe they are. I do not cast any aspersions on the gentleman. I believe these actions are in violation of the rules of the House, and I intend to prove it here in a few minutes.

Mr. FASCELL. I appreciate that. I just wanted to be clear at this point that, first, the Committee on Foreign Affairs is duly constituted; second, I was duly elected chairman of that committee; third, that I directed and authorized my general counsel to do what he did under my direction.

Mr. SOLOMON. I do not know about the last one, but I can certainly attest to the first two because I served with the gentleman for 6 years. I certainly know he is a very good chairman of the Committee on Foreign Affairs.

Mr. FASCELL. I thank the gentleman. I just wanted to get it straight that it is one thing to allege misrepresentation and lack of authority. That is a factual matter. I just wanted to be here as chairman to take the responsibility to say to the House, to my distinguished colleagues who are supporting this resolution, "You don't need an inquiry. I authorized what was done. It was my staff member who did it under my direction.

Mr. SOLOMON. Mr. Speaker, if that is the case, I would say the gentleman probably erred, but certainly he would not have if he knew better.

Mr. FASCELL. One more thing.

Mr. SOLOMON. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, if the gentleman will read the letter in the RECORD so I do not have to read it, it does not request the judge to reduce the sentence.

Now the gentleman who spoke before said this was a direct request to reduce the sentence.

Mr. SOLOMON. Mr. Speaker, I thank my very good friend, the gentleman from Florida [Mr. FASCELL], the chairman of the Committee on Foreign Affairs who I have the greatest respect for, and his staff as well.

Mr. MCEWEN. Mr. Speaker, let me point out here that by request of the chairman of the committee I would like to have inserted into the RECORD at this point a letter in which it says, "I would, therefore, request that Mr. Stoffberg's cooperation be taken into consideration by you in the determination of his sentence," which is the purpose of the resolution. That is the purpose for which we have come, and that is the statement which causes the concern.

The letter in its entirety is as follows:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, January 10, 1992.

Hon. JACK B. WEINSTEIN,
U.S. District Court Judge, U.S. District Court, Eastern District of New York, Brooklyn, NY.

DEAR JUDGE WEINSTEIN: Mr. Dirk Francois Stoffberg has to date provided the House of Representatives Committee on Foreign Affairs with substantial assistance in an ongoing investigation. It is expected that this substantial assistance will continue into the future.

In addition, Mr. Stoffberg has offered to have his testimony preserved by deposition. He has also agreed to testify at any open or closed Congressional hearing if and when requested to do so. Our investigation pertains to the question whether the 52 Americans taken captive in Iran were held past the election of 1980 in violation of any U.S. laws. This issue is commonly referred to as the "October Surprise."

Although Mr. Stoffberg's cooperation may not lead to any criminal action, the information which he has voluntarily provided to us has already been helpful and, to some extent, has been corroborated by other evidence. I would, therefore, request that Mr. Stoffberg's cooperation be taken into consideration by you in the determination of his sentence.

I would be pleased to discuss the matter of Mr. Stoffberg's cooperation with you or your law clerk at any time before Mr. Stoffberg's sentencing.

Sincerely yours,
R. SPENCER OLIVER,
Chief Counsel.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, let me read the judge's answer to that letter. It says, quote, "I treat it as the equivalent of a request for a downward departure. The guidelines do not provide for request by Congress or by the court."

My problem with this concerns the fact that we have to operate under the rules of the House. After all, that is what we swear we will do.

Last year I was asked by our Republican leader to research and report on a very similar instance in which a House committee chairman requested information in what he claimed was a committee investigation, even though it had not been formally authorized by the committee involved. In effect it was a unilateral inquiry by the chairman of one of our committees. The conclusion of that research into House rules and precedents was that a committee's investigation must be authorized by a committee.

Mr. Speaker, that was not done in this instance; the chairman is here, and he will say so.

Committee investigative authority is derived from House rule XI, clause 1(b), which reads as follows:

> Each committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under rule X * * *.

Mr. Speaker, my colleagues know what rule X is, and clause 2(m) of rule XI empowers committees and subcommittees to authorize subpoenas in the conduct of investigations by a majority vote, a majority being present at the time. The rule goes on to authorize committees, but not subcommittees, to delegate subpoena authority to the chairman, and in clause 2(k) of rule XI we have a whole set of investigative hearing procedures which were established back in 1955 as the code of fair procedures which we have followed consistently for almost 40 years.

As Committee on Rules chairman at the time, Howard Smith, explained, the purpose of that provision was to abolish the custom of one-man subcommittees. We today are trying to do away with those one-man subcommittees out of fairness.

For that reason, Mr. Speaker, nowhere do House rules permit a committee to delegate to a chairman the authority to initiate and conduct an investigation. It is not allowed under the rules of this House. Under the rules it is the committee that must determine whether an investigation is necessary or is appropriate in the exercise of that responsibility.

So, Mr. Speaker, it does not matter in the present case whether the chairman of the Committee on Foreign Affairs or one of its subcommittee chairmen claimed to have approved the chief counsel's letter. Neither person is competent under House rules to have the authority to authorize the investigation which the letter purports is now going on. Nor, for that matter, can the full committee, or any subcommittee chairman, act on behalf of the committee, or the House, in intervening in a judicial proceeding.

House rules are quite explicit: The House must approve, for instance, the enforcement of subpoenas or contempt citations in the courts. And with respect to the granting of immunity to a witness before a House committee or subcommittee in exchange for testimony, which is similar to what is happening in this instance, a two-thirds committee vote is required to request that kind of a court order.

Mr. Speaker, that gentleman from Indiana [Mr. HAMILTON], my good friend who I served with for years on the Committee on Foreign Affairs, in a letter to the gentleman from Illinois [Mr. HYDE] attempts to justify this court intervention by the committee chief counsel on the grounds that such letters are routinely provided by congressional committee counsels and others.

□ 1600

Mr. Speaker, I think it is one thing for Members to write as individuals vouching for the character of a person involved in a sentencing procedure. I have done that myself and I will continue to do that. But it is quite another matter for a chairman or counsel to write on behalf of a committee investigation which has never been authorized by the committee. This one never has been authorized by the committee. That is a very important difference, and it does raise some very serious questions about the rules of this House.

In conclusion, Mr. Speaker, the question of privilege raised by the gentleman from Ohio [Mr. MCEWEN] goes to the very heart of this institution's rights, its dignity, and its integrity. The perception that this House is somehow springing violent criminals from jail in exchange for testimony of dubious value will not sit well with the American people and do great harm to this body's reputation. God knows, we have done enough harm to it in recent months.

This resolution simply calls on the Speaker's bipartisan legal advisory group to look into the matter and get back to us with its findings and recommendations so that we might avoid any repetition of such unauthorized, and I will repeat myself, misrepresentative court interventions in the future.

Now, I would say to the gentleman from Florida [Mr. FASCELL], that explains our position.

Mr. FASCELL. Mr. Speaker, I hear the gentleman's position.

The SPEAKER pro tempore (Mr. MURTHA). Does the gentleman from Indiana [Mr. HAMILTON] wish to seek time?

Mr. HAMILTON. Mr. Speaker, may I inquire how much time the gentleman has remaining?

The SPEAKER pro tempore. Thirty-six and one-half minutes.

Mr. HAMILTON. Mr. Speaker, my understanding was that the debate here was for 40 minutes and that they were to have 30 minutes and we were to have 10 minutes. Do I misunderstand?

The SPEAKER pro tempore. Under the rule the gentleman was recognized for 1 hour, but he may want to yield back some time.

Mr. HAMILTON. Mr. Speaker, may I inquire of the gentleman, was there not an understanding?

Mr. MCEWEN. Mr. Speaker, I will be pleased to do whatever is most accommodating to the gentleman. How much time does he desire?

Mr. HAMILTON. I appreciate the gentleman's willingness to accommodate. It was my understanding that he was going to take 30 minutes, and since he controls the time, he was going to yield 10 minutes. That is acceptable to us. I think I can say what I want to say in 10 minutes.

Mr. MCEWEN. Then the gentleman has no other speakers, and I should go ahead and consume the rest of my time?

Mr. HAMILTON. We have no others.

Mr. MCEWEN. I will do my utmost to hold those within 30 minutes.

Mr. HAMILTON. If the gentleman would yield, I would prefer that my time be toward the end. I realize the gentleman has the right to close.

Mr. MCEWEN. I will go ahead and consume my time, if I may.

Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I appreciate the gentleman yielding. I think that by now the gentleman on the other side must understand that this incident is very troubling to a number of us. I applaud the gentleman's resolution. I support it. I believe that if this resolution is struck down it sets a very, very dangerous precedent for all of us in this body in the future.

I will go further than other speakers and say that throughout my career in the U.S. Congress, as a former prosecutor before I came here, I have tried to keep my hands off the judicial process. I have tried not to interfere in the sentencing procedures after a person was convicted of a crime, because I did not believe that the legislative branch should intermingle with the judicial branch, and I did not believe that the administration of justice was properly served if Members of Congress interceded on behalf of people charged with having broken the law. I think that is probably a pretty good rule.

I think Members of Congress should not be contacting a judge at sentencing time. Not only does it tend to interfere with the administration of justice as public officials impose their own viewpoints on otherwise impartial judges, but it protects the Member of Congress. It protects the public official.

If one does not call up a judge or if one does not send a letter in support of a convict, one cannot find out that he has done something improper. One cannot read about it in the newspaper. One cannot be charged with unethical conduct, if in fact the person that is free commits some horrible offense.

Mr. FASCELL. Mr. Speaker, will the gentleman yield 1 second?

Mr. LIVINGSTON. I would be happy to yield to the gentleman.

Mr. FASCELL. Is it not true that the letter is spread on the RECORD?

Mr. LIVINGSTON. The letter is on the RECORD.

Mr. FASCELL. Is it not true that the judge is the person who makes the decision?

Mr. LIVINGSTON. It is true, sir. The gentleman is correct. In fact, the sentencing guidelines provide that law enforcement officials or family can write the judge a letter at any time. The guidelines, though, do not say that a Member of Congress or a member of the staff of the Congress can write letters. In fact, if you read the entire guidelines, they imply that we should not be writing.

I am concerned that once we start, once any Member of Congress, once any staff member of any committee starts writing letters to judges saying, "Let this guy out early," and "Let that guy out early," and the judges start saying, "Well, if the Congress controls my salary, maybe I had better pay attention to them," then I think we are in big trouble, and the judicial process, the criminal process of this country is in danger when officials can tamper with the judicial system, and in this case that is exactly what happened. I know that he never intended this to happen. But his is a situation in which a staffer, without benefit of——

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. Mr. Speaker, I will not yield to the gentleman.

Mr. FASCELL. Mr. Speaker, I must ask that the words be taken down. I have let this thing go far enough on these wild allegations. Let us get into a debate on the subject matter.

The SPEAKER pro tempore. Is the gentleman asking that the words be taken down?

Mr. FASCELL. Yes, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the words.

Does the gentleman wish to withdraw the words?

Mr. LIVINGSTON. Mr. Speaker, if I cannot debate this issue on the floor, perhaps I should withdraw it, because I do not want to spend the Members' time on this issue. I do not know what it is I am alleged to have said.

The SPEAKER pro tempore. Does the gentleman ask unanimous consent to withdraw his words?

Mr. LIVINGSTON. Which words, Mr. Speaker?

The SPEAKER pro tempore. The gentleman will suspend until the clerk reports the words.

The Clerk will report the words.

Mr. FASCELL. Mr. Speaker, I can refresh his memory. His words were: tampering with the judicial system.

Mr. LIVINGSTON. Mr. Speaker, I insist that the words be left on the record because that is exactly what happened in this instance.

□ 1610

The SPEAKER pro tempore (Mr. MURTHA). The Members will suspend. The Clerk will report the words.

The Clerk read as follows:

The criminal justice of this country is in danger when elected officials can tamper with the judicial system. And in this case, that is exactly what happened.

The SPEAKER pro tempore. The Chair will rule that since the gentleman from Louisiana is generically speaking and not specifically alleging improper conduct by any individual Member, the words are in order, in the context of this resolution.

Mr. LIVINGSTON. Mr. Speaker, since this is coming out of my time, I ask unanimous consent to get a few more minutes for replacement of the time.

The SPEAKER pro tempore. The time is controlled by the gentleman from Ohio [Mr. MCEWEN].

Mr. LIVINGSTON. Mr. Speaker, in order that the gentleman might be satisfied, I would amend my words "elected officials," to "officials." I will withdraw the word "elected."

The SPEAKER pro tempore. Without objection, the RECORD will be corrected.

Mr. FASCELL. Mr. Speaker, reserving the right to object, that is not what I am objecting to. As a matter of principle, I do not want anybody interfering in the courts either. But to say this case represents a tampering with the judicial system, I find highly offensive and highly irregular. When you do something on the record that is permissible to be done, you are not tampering. You may disagree with it, but it is not tampering.

Mr. LIVINGSTON. Mr. Speaker, I was about to explain why I believe that it is. I would like to get into the facts on this case.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. LIVINGSTON]?

There was no objection.

The SPEAKER pro tempore. Without objection, the word "elected" will be removed from the RECORD.

PARLIAMENTARY INQUIRY

Mr. DERRICK. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DERRICK. Mr. Speaker, the gentleman from Louisiana [Mr. LIVINGSTON] said later, after the motion was made, that he specifically meant in this case. I would like to take his words down on that and see if he was not specifically referring to the gentleman.

Mr. LIVINGSTON. Mr. Speaker, if the gentleman from South Carolina [Mr. DERRICK] is asking for a parliamentary inquiry, I do not yield for those purposes right now. I would like to proceed.

The SPEAKER pro tempore. Debate has intervened. In the regular order, the gentleman from Louisiana [Mr. LIVINGSTON] may proceed.

Mr. LIVINGSTON. Mr. Speaker, what we have here is a situation where an unelected staffer, either with authority of Members of Congress or not, writes a U.S. district judge and tells him that a gun runner has cooperated in the past and is likely to cooperate in the future, and that that set of facts or sequence of circumstances should be considered in the final sentencing.

Mr. Speaker, as I understand it, Mr. Stoffberg, the gun runner, was already under the Federal sentencing guidelines subject to get between 8 and 14 months in prison for his conviction.

The unelected staffer did not have a vote in the subcommittee, he did not have a vote from the full committee, he did not have a vote from the House, he did not have a vote from the Senate, he did not have a vote from the President of the United States.

All he did was, with the mantle of authority vested in him by some unnamed and undisclosed Member of Congress, write a Federal judge and say consider what this convicted felon has done and let him out early if you can.

The judge then took this letter of authority from a staffer of the U.S. Congress and said, "Well, if the Congress is interested in this man, I will not sentence him according to the guidelines between 8 and 14 months. I will now, since he has already served just over 8 months, sentence him under a lower guideline," which provided for mitigation of sentences, and he let him out right away.

Now, the man was released. Here was a fellow convicted of violating the U.S. law, possession of guns, and he was released.

I do not worry about this guy. I am sure he is back in South Africa now, because he was a South African. He is probably long gone.

But what does this say for the future? If this case is allowed to stand, who is going to let out the next murderer, who is going to let out the next rapist, because they "might" give valuable information to the U.S. Congress?

Why doesn't the U.S. Congress stand accountable for the lawlessness and for the problems that face this country, when we violate our own laws?

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from New York.

Mr. WEISS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, first I am sure that the gentleman must have heard the distinguished chairman of the Committee on Foreign Affairs say here on the record that he, in fact, authorized the staff member to do what he did.

Second, I wonder if the gentleman is aware of the fact that the assistant U.S. attorney at the sentencing procedure told the judge that he had no objection to the defendant being given time served, so that that letter had no relevance as far as the U.S. attorney was concerned?

Mr. LIVINGSTON. Mr. Speaker, reclaiming my time, I will tell the gentleman from New York [Mr. WEISS] the assistant U.S. attorney did object, contrary to the assertions in the letter of the gentleman from Indiana [Mr. HAMILTON].

Mr. Speaker, we have a letter which I would like to introduce in the RECORD at this time from Mr. Lee Rawls, another assistant U.S. attorney general, which says in effect, "Any characterization of the Department's position as having assisted Mr. Oliver in this matter, or raising no objection, is disingenuous."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. LIVINGSTON]?

There was no objection.

The text of the letter referred to is as follows:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, February 4, 1992.

Hon. HENRY J. HYDE,
Member of Congress, Washington, DC.

DEAR CONGRESSMAN HYDE: This letter responds to your request that we inform you of the discussions between the Department of Justice and a representative of the House Committee on Foreign Affairs, R. Spencer Oliver, concerning Mr. Oliver's January 10, 1992, letter to Judge Jack R. Weinstein of the United States District Court for the Eastern District of New York in the matter of the sentencing of 91 CR 524 (JRW) in *United States* v. *Dirk Stoffberg*.

I have been informed that there were conversations between an Assistant United States Attorney (AUSA) in the Office of the United States Attorney for the Eastern District of New York and Mr. Oliver on the 9th and 10th of January 1992, concerning Mr. Oliver's intention to send a letter to Judge Weinstein. The AUSA contacted Mr. Oliver after the defense attorney informed judge Weinstein on several occasions by letter and in court that the defense counsel anticipated that Counsel for the House Foreign Affairs Committee would provide the Judge with a letter concerning Mr. Stoffberg's cooperation. The AUSA was concerned that the letter from the Committee Counsel not be misinterpreted as a letter falling under Sec. 5K1.1 of the Sentencing Guidelines which provides that upon motion by the prosecutor ". . . stating that the defendant has provided substantial assistance in investigation or prosecution of another person who has committed an offense . . .," the court can downwardly depart from the otherwise applicable guideline range and thus reduce a defendant's sentence.

Initially, the AUSA was concerned that the Committee was interjecting itself into an unconnected federal criminal case without any investigation of Mr. Stoffberg's background or the crime for which he had been convicted in the Eastern District of New York. In addition, the AUSA was concerned that Mr. Stoffberg had merely been interviewed on one occasion and that only a cursory effort had been made to corroborate the information which had apparently been provided Mr. Oliver. Finally, the AUSA was concerned that if the letter tracked the language of the Sec. 5K1.1 without the jurisdictional requirement for such a letter having been met, it would place the United States Attorney's Office in the position of having to object to it.

In the initial contact with Mr. Oliver, Mr. Oliver suggested that the United States Attorney's Office had attempted to frustrate the Committee's efforts by having Mr. Stoffberg's place of incarceration changed to one inconvenient to him. Mr. Oliver was assured that the U.S. attorney's Office had played no role in that matter. The AUSA then turned to the prospective letter from Mr. Oliver to the Judge and cautioned that it was inappropriate for a letter from Congress to track the language of Sec. 5K1.1.

On January 10, 1992, Mr. Oliver was again contacted by the AUSA and after discussing the matter, Mr. Oliver agreed to provide a draft of his letter to Judge Weinstein, which was then faxed to the United States Attorney's office. Mr. Oliver then made one minor modification in the letter requested by the AUSA, indicating that the information provided had been corroborated to some extent. Otherwise, however, the letter as sent to the Court remained unchanged and included language tracking Sec. 5K1.1—which the AUSA objected to, but which Mr. Oliver indicated was in the Committee's view not only appropriate but had been approved by high-ranking members of Congress.

At the January 14th sentencing hearing, the United States Attorney's Office argued that as a matter of law Mr. Oliver's letter did not qualify as a motion pursuant to Sec. 5K1.1 and should be considered by the Court only in fixing an appropriate sentence within the guideline range of 8–14 months. The Court, however, ruled that while only the prosecution can move under Sec. 5K1.1, Mr. Oliver's letter was in effect a Congressional request for clemency under Guideline Sec. 5K2.0. Judge Weinstein, over the government's objection, made a downward departure in the guideline range to 2–8 months and ordered Stoffberg's release since he had already served 8½ months.

This matter was appropriately handled by the Office of the United States Attorney for Eastern District of New York. Any characterization of the Department's position as having assisted Mr. Oliver in this matter, or raising no objection, is disingenuous. While any citizen has the right to communicate with a Federal Judge, the AUSA correctly asserted that only the Executive Branch law enforcement community is covered by the provisions of Sec. 5K1.1 of the Sentencing Guidelines.

I trust that this letter is responsive to your request.

Sincerely,

W. LEE RAWLS,
Assistant Attorney General.

Mr. WEISS. Mr. Speaker, they did not object to the time served provision.

Mr. McEWEN. Mr. Speaker, may I ask how much time I have remaining?

The SPEAKER pro tempore. The gentleman from Ohio [Mr. McEWEN] has consumed 20 minutes.

Mr. HAMILTON. Mr. Speaker, how much time does the gentleman have remaining?

The SPEAKER pro tempore. The gentleman from Ohio [Mr. McEWEN] has 10 minutes remaining, according to the prior agreement that was made.

Mr. HAMILTON. Mr. Speaker, may I say to the gentleman from Ohio [Mr. McEWEN] our understanding is the gentleman is going to take 30 minutes, and we will take 10 minutes. Is that the understanding of the gentleman?

Mr. McEWEN. Mr. Speaker, I intend to reserve at least 5 minutes for my own time to close debate.

Mr. HAMILTON. Mr. Speaker, may I ask the gentleman if I may take my time immediately preceding his 5 minutes?

Mr. McEWEN. Mr. Speaker, that will be fine. I will rely upon the Speaker to inform me when I have 5 minutes remaining.

PARLIAMENTARY INQUIRY

Mr. GEJDENSON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Ohio [Mr. McEWEN] yield for a parliamentary inquiry?

Mr. McEWEN. Mr. Speaker, I think it is up to the Chair.

Mr. GEJDENSON. Mr. Speaker, I always hear statements on the other side about fairness and evenhandedness. If I may clarify my understanding of the time the gentleman had for his motion, how did the gentleman divide the time?

Mr. McEWEN. Mr. Speaker, I divided the time, which is completely within my authority as a privileged motion, to the maximum requested by the Democrats. I would be pleased to establish that as precedent for the rest of this Congress.

Mr. GEJDENSON. Mr. Speaker, would the gentleman like to give us more time?

Mr. McEWEN. Mr. Speaker, if the gentleman desires more, I will be willing to amend the request because we have nothing to hide and nothing to fear from free and open debate.

Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Speaker, I thank the gentleman from Ohio [Mr. McEWEN] for yielding and commend him on his courage in bringing this to the floor. This is serious business.

Later during the course of business in this House we will debate and vote upon the question whether to authorize an investigation into the so-called October Surprise and whether to authorize the expenditure of taxpayer funds for that purpose.

Mr. Speaker, that has not happened yet. Yet we learn that majority staff on the Committee on Foreign Affairs has already commenced this investigation, and we are not certain based on representations from the majority side whether this has been done with the authorization of majority Members of Congress or not. But we know for a fact that no investigation has yet been authorized, that debate has not taken place in committee or on the floor of this House, and, as a consequence, this is a renegade investigation.

The majority staff has pretended to the status of the Congress itself. The chief counsel of the Committee on Foreign Affairs has fooled the U.S. district court into thinking he, a Democratic committee staffer, represented the committee itself. Let me quote from his letter. It is on letterhead that states at the top "102d Congress, Congress of the United States, Committee on Foreign Affairs, House of Representatives, Washington, DC."

Dear Judge Weinstein: Mr. Dirk Francois Stoffberg"—the convicted gun runner—"has to date provided the House of Representatives Committee on Foreign Affairs"—and that is, of course, not the case, they provided it to the staffer—"with substantial assistance in an ongoing investigation."

"Our investigation pertains to the question whether the 52 Americans taken captive in Iran were held past the election of 1980 in violation of any U.S. laws. This issue is commonly referred to as the 'October Surprise.' "

This is, of course, the investigation that we will soon debate, whether to authorize it.

"I would, therefore, request that Mr. Stoffberg's cooperation be taken into consideration by you in the determination of his sentence.

"I would be pleased to discuss the matter of Mr. Stoffberg's cooperation with you," which, of course, occurred.

Now, there is some question about whether this was a request for a reduction in sentence. The judge, in the first page of his order, says, and I am quoting Judge Weinstein now, "The case poses the question, can a request for clemency by Congress support a downward departure, in other words, a reduction, in the sentence."

□ 1620

The judge in his opinion expressly treated this intervention by a congressional staffer as an official request for clemency by the Congress.

The Legal Times says that this is absolutely unprecedented, their word "unprecedented." So who is this convicted criminal that has been sprung? Who is this felon, this international gun runner?

He conspired to bring over a thousand weapons into Chile in violation of United States laws and, according to articles in the press, he may be part of a crack hit squad involved in international assassination.

He fought extradition. Our agents, United States Government agents, trapped him in Germany. He fought the extradition back to New York at great taxpayer expense. We brought this man to court. His lawyer advised him to plead guilty because the evidence against him was so overwhelming. And as a result of this intervention, he served no further time in jail.

By the way, he refused to cooperate with the Department of Justice and

U.S. prosecutors to help them obtain convictions against the other conspirators.

Partisan ends ought not justify this kind of behavior. The partisan end here, of course, is character assassination against President Reagan.

In order to achieve that objective, majority staff has pretended to the status of investigators of the Department of Justice, the article 3 branch itself and the Congress itself. Partisan politics should not operate for the purpose of turning violent international criminals loose.

The majority has lost control of its staff. This institution is out of control. It has been kiting checks through the bank, dealing cocaine through the post office, and now springing dangerous international criminals. This has got to stop.

Mr. McEWEN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I think Mr. Oliver is off the hook. He was acting as the agent of the gentleman from Florida [Mr. FASCELL]. What he did was authorized by the chairman of the Committee on Foreign Affairs. So he is certainly not culpable of anything.

But I would ask the gentleman from Florida [Mr. FASCELL] whether he believes in comity, whether he believes in the rules of the House, whether he thinks it is appropriate or proper for one person unilaterally to authorize an intervention in a criminal case for the purpose of reducing the sentence of a convicted felon because he is going to cooperate or has cooperated with whom, not the Congress, not the committee, but with the gentleman from Florida [Mr. FASCELL], through his agent.

Now, in the Iran-Contra hearings, the gentleman will remember, when we granted immunity we voted on it. That was a question, should we do this, should we not? When one intervenes in an ongoing criminal case, does one not think propriety, comity, and absence of hypocrisy would dictate that one contact the gentleman from Michigan [Mr. BROOMFIELD]? I do not care about myself, but to unilaterally by yourself determine that you are the Congress and you have the authority to send your counsel in and intervene in an ongoing criminal case without any notice to us makes a mockery of bipartisanship.

It is an abuse of the rules, and it is the gentleman who says it was done under his authority. Why did you not sign the letter? Can you not elevate an intervention into a criminal sentence to the dignity of the Member's signature? Did the staff have the authority to do that?

Evidently you have given it to them, perhaps nunc pro tunc, perhaps not. I do not know.

The letter does not say. But all I know is Mr. Oliver is a powerful man. I wonder what kind of immunity he granted to this person. We will learn about that later.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Florida, because the gentleman has some statements to make, I am sure.

Mr. FASCELL. Mr. Speaker, I am glad the gentleman finally picked on someone his size.

Mr. HYDE. The gentleman is vertically challenged, and I am gravitationally challenged.

Mr. FASCELL. Mr. Speaker, if the gentleman will continue to yield, is the Committee on Foreign Affairs duly constituted? We have majority staff. I have never been through this.

Mr. HYDE. And there are Republicans on that committee, too. I know the gentleman forgets that.

Mr. FASCELL. I understand that. You want me to run your staff now? Are you going to give me that authority?

Mr. HYDE. I just want to know what is going on.

Mr. FASCELL. All you have to do is ask.

Mr. HYDE. Consider this an ongoing inquiry for the rest of this term, as to what is going on.

Mr. FASCELL. It is about time we have had that kind of bipartisan offer.

I just wanted to point out that as a preliminary matter their testimony is there. The task force, when it is constituted, will decide whether or not it is worth a deposition.

Mr. HYDE. We would have liked the opportunity to decide whether or not it was worth a reduction in his sentence.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we really had some extraordinary language here this afternoon. What I would like to do is to begin with as straight a statement of the facts as I understand them and as I am able to make without a lot of pejorative language.

Mr. Speaker, during the past week, a letter written by Foreign Affairs Committee Chief Counsel Spencer Oliver to U.S. District Court Judge Jack B. Weinstein has generated controversy and several expressions of concern by Members of the minority.

Congressman HYDE conveyed to me his own concerns about Mr. Oliver's letter in a letter dated January 27. I responded on January 31. With his consent, I would ask that our correspondence be entered into the RECORD at this point.

I would like to try to explain how the letter written by Mr. Oliver came to be, and to address some of the concerns raised by Mr. HYDE and several of our colleagues.

Members of the Foreign Affairs Committee have been operating under uncertain and ambiguous circumstances since the Speaker announced a formal investigation of the October Surprise allegations last August, and it was agreed that a special committee task force to investigate these allegations would be formed. During the past 6 months, no one really has had the power to act for the task force. Yet information concerning these allegations has continued to emerge and issues clearly within the jurisdiction of the Committee on Foreign Affairs have arisen. During much of this period, we have also been out of session.

In the months since the Speaker's announcement, many private citizens have approached congressional offices with information they claimed supported or refuted key October Surprise allegations. A large amount of this unsolicited material has come to Members and staff of the Committee on Foreign Affairs, which has been publicly identified as the home of the proposed House task force.

Committee members and staffers have not conducted depositions or taken any actions that should only be taken by a fully empowered task force. People approaching the committee have usually been told that the information they provided would be turned over to the House task force, when and if it is empowered.

Spencer Oliver is counsel to the Committee on Foreign Affairs and has served as a contact person for information relating to these allegations. In this capacity, Mr. Oliver has been approached by people outside the Government with information concerning these allegations. Mr. Oliver has spoken to me periodically about information he judged important or time-sensitive.

Late last November, Mr. Oliver was contacted by the attorney representing Mr. Dirk Stoffberg, a South African in detention before trial for illegal arms sales. The attorney told Mr. Oliver that Mr. Stoffberg had information relating to the October Surprise allegations and wanted to pass this information on to Congress.

In mid-December, Mr. Stoffberg's attorney informed Mr. Oliver that Mr. Stoffberg had pled guilty and might be released soon. It was possible, therefore, that Mr. Stoffberg might be out of jail, and perhaps out of the country—and therefore less accessible to congressional investigators—before Congress reconvened and a House task force could be formally empowered.

In view of this time constraint Chairman FASCELL and I agreed that Mr. Oliver should talk with Mr. Stoffberg before his release. On the basis of such a meeting, the House task force, should it be empowered, could decide whether a formal deposition from Mr. Stoffberg would be necessary.

Mr. Oliver met with Mr. Stoffberg on two occasions. The first meeting took place on December 26, 1991. Mr.

Stoffberg told Mr. Oliver that he met William Casey in London in the summer of 1980, and that Mr. Casey had discussed the hostages and had sought Mr. Stoffberg's assistance in arranging an arms deal with Iran. About 10 days later, Mr. Stoffberg's attorney sent to Mr. Oliver documents which, I am told, appear to corroborate some of Mr. Stoffberg's statements about his whereabouts in 1980.

On January 10, 1992, Mr. Oliver briefed me on the information Mr. Stoffberg had provided. Mr. Oliver also told me that Mr. Stoffberg's attorney had requested that a letter explaining Mr. Stoffberg's cooperation with the committee be sent to U.S. District Court Judge Jack Weinstein, who would be sentencing Mr. Stoffberg. Mr. Oliver discussed the appropriateness of these letters with experienced outside counsel, including Larry Barcella, the attorney I intend to appoint chief counsel for the task force, if it is empowered. Chairman FASCELL agreed that a letter describing Mr. Stoffberg's cooperation could be sent, and I concurred.

Mr. Oliver sent a letter to Judge Weinstein on January 10. When he sentenced Mr. Stoffberg several days later, Judge Weinstein cited Mr. Stoffberg's cooperation with the Foreign Affairs Committee as a factor contributing to his decision to impose a sentence of time served, which was a few months shorter than the maximum permitted for Mr. Stoffberg's offense.

Mr. Oliver met a second time with Mr. Stoffberg on January 20. He was joined in that meeting by Congressman TED WEISS, a member of the Foreign Affairs Committee who has been asked to serve on the proposed task force. Mr. Oliver had been told by Mr. Stoffberg's attorney that Mr. Stoffberg was likely to be released from custody January 21, and would probably leave the United States shortly thereafter. Congressman WEISS and Mr. Oliver tape recorded this meeting. A transcript of this second and last meeting with Mr. Stoffberg is now being prepared.

So far as I am aware, these are the facts relating to Mr. Oliver's letter. I would now briefly like to address some of the concerns and objections raised by Mr. HYDE and other members of the minority.

First, House rules have not been violated in this matter. Whether or not a task force is formally empowered today, under rules X and XI of the House of Representatives, the Foreign Affairs Committee has jurisdiction over numerous aspects of the October Surprise allegations. The meetings with Mr. Stoffberg and the letter to the sentencing judge were consistent with the Rules of the House.

Second, so far as I am aware, no Justice Department official has to date expressed to me, or to the committee, any objection to Mr. Oliver's letter. The U.S. attorney's office in New York, which prosecuted Mr. Stoffberg, did not object to the letter. In fact, I have been informed, members of the U.S. attorney's office in New York made several editorial suggestions after seeing a draft of the letter and said during Mr. Stoffberg's sentencing hearing that they did not view Mr. Oliver's letter as a request for leniency. I am aware of no objections to the letter by Justice Department officials here in Washington.

Furthermore, I am told by those who have read the sentencing proceedings that the U.S. Attorney's office neither asked Judge Weinstein to give Mr. Stoffberg a longer sentence nor objected to the length of the sentence the judge handed down. The U.S. attorney's office did not appeal the sentence.

Third, it is important to recognize both the time pressures associated with the Stoffberg matter and the institutional limbo in which the Foreign Affairs Committee has been operating during the past 6 months. There was no guarantee that the information Mr. Stoffberg claimed to possess would be available by the time the House task force could be empowered, because Mr. Stoffberg's departure from the country appeared imminent. It was Chairman FASCELL's and my judgment that an effort should be made to collect whatever information Mr. Stoffberg had, while he was still accessible. Nobody had the power of subpoena or the authority to depose Mr. Stoffberg. I myself have not seen any of Mr. Stoffberg's statements or documents. These statements and documents can only be evaluated by the task force, empowered to issue subpoenas and place witnesses under oath, and with the participation of both the majority and the minority.

Fourth, letters of the kind written by Mr. Oliver are, I am told, routinely provided in such cases. Government attorneys have frequently written to judges prior to sentencing. I am advised by the office of the House general counsel that congressional committee counsels have also written letters of this kind previously.

Fifth, I would like to assure members of the minority that neither of Mr. Oliver's two meetings with Mr. Stoffberg can be construed as depositions. They were informal discussions. The resolution before us today would empower the House task force to take depositions. Minority members or staffers of the task force must clearly have the opportunity to participate in any depositions sought by the majority—and vice versa. In the absence of a resolution adopted by the House, Foreign Affairs Committee staff have no power to depose anyone.

Sixth, there has been no effort to conceal Mr. Stoffberg's statements from members of the minority. Mr. Oliver will turn over to all members of the task force all relevant documents on this matter, including the transcript of the second meeting with Mr. Stoffberg, the documents provided by Mr. Stoffberg's attorney, and the transcript of Mr. Stoffberg's sentencing hearing. I myself have not seen any of these materials. I look forward to reviewing them.

Seventh, my first knowledge of the minority's concerns on this matter came not from direct contact, but from the press. No member of the minority personally contacted me, Chairman FASCELL, or Spencer Oliver to determine whether Mr. Oliver's letter was authorized. After I received Mr. HYDE's letter, I discussed this matter with him.

I hope these comments will help clear up any misunderstanding about this matter.

Mr. Speaker, we may soon be given a serious task. We need to put the discussions and debates of recent months behind us and begin to evaluate the truth of these allegations. It is in nobody's interest—not the former hostages, not those accused of misdeeds, and not those of us who have been asked to investigate this matter—to see a formal inquiry of these allegations delayed any further. It remains my intention to see this task accomplished in as competent, cooperative, and expeditious a manner as possible. I am prepared to work with Mr. HYDE and other members of the task force in that spirit and I have told them so.

□ 1630

Mr. MCEWEN. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON. I am happy to yield to the gentleman from Ohio.

Mr. MCEWEN. Mr. Speaker, I would say on behalf of the minority that knew absolutely nothing about these statements until they read them in the paper, I think it is unfair for the gentleman to imply that they are available to minority when the minority has never been told they even existed until they were leaked to the press.

Mr. HAMILTON. I myself have not seen any of these documents, and like the gentleman, I look forward to reviewing them. They will be available to the minority as soon as they are available to the majority. I have not seen them myself. The transcripts I think are in preparation now. I have not reviewed this material. So far as I know, no members of the task force have reviewed it, and the gentleman will have access to it as soon as the chairman of the task force has access to it, assuming that the task force is in fact empowered.

Mr. MCEWEN. Mr. Speaker, I yield 30 seconds to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I was just out and talked to representatives of the Justice

Department who are just outside the door, who tell me it is patently false to represent that the Attorney General and Justice Department were not willing to see this letter go forward. The Justice Department opposed the letter. They said that they worked with Mr. Oliver asking him not to write such a letter. And in addition, they have a letter to Mr. HYDE, which has already been put in the RECORD, that said that any suggestion otherwise is disingenuous.

Mr. McEWEN. Mr. Speaker, I yield myself the remaining amount of time, and wish to bring us back to the resolution before us.

All I am asking is for the bipartisan legal advisory group, which is made up of three Democrats and three Republicans, to review this type of activity so that in the future there could be some guidelines whereby people claiming to represent the Congress of the United States could meet those restrictions.

The statement of the judge was this, that were it not for a desire to reach comity between the independent branches of Government, suggested the desirability of assisting Congress in its important work where there is no strong conflict of interest with the court's sentencing responsibilities, that were it not for the intervention of Congress, this defendant would have been sentenced to a longer term of imprisonment because he threatened violence during the course of his criminal activity.

Mr. Speaker, that is the cause before us, and I wish to indict no one. I wish to make sure that this sort of activity does not sweep over us again.

Repeatedly we have been told, and from now on until 9 o'clock tonight we will be told 10,000 times in this well that this investigation has never been authorized. We need a select task force to begin an October Surprise investigation because there never has been one. That is what they will say over the next 3 to 4 hours, and yet what we have heard for the last 40 minutes is that indeed there was one.

Mr. Speaker, I will insert in the RECORD at this point a statement by Mr. WILLIAM BROOMFIELD, who said:

> * * * Let me say that to my knowledge the Foreign Affairs Committee has never commissioned a formal investigation of this matter. From time to time, however, the minority has become aware, usually from the press, that the majority Members and staff have been undertaking various investigatory activities.

The letter referred to follows:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, February 4, 1992.

Hon. BOB McEWEN,
U.S. House of Representatives,
Washington, DC.

DEAR BOB: I have received your letter of January 31 to Chairman Dante Fascell of the Foreign Affairs Committee in which you request access to all Committee files pertaining to an investigation of the so-called "October Surprise" matter, and in particular the Committee's involvement with an individual named Dirk Stoffberg. This request was made pursuant to Rule XI.2(3)(2) of the House of Representatives, which entitles any member of the House to have access to all committee records and files.

First of all, let me say that to my knowledge the Foreign Affairs Committee has never commissioned a formal investigation of this matter. From time to time, however, the Minority has become aware, usually from the press, that Majority members and staff have been undertaking various investigatory activities.

I understand that the Committee is preparing to respond to your request by providing you access to certain files in possession of the Committee and its subcommittees. The Minority will participate fully in any arrangements made by the Majority for this purpose.

In addition, the Minority is prepared to provide you complete access, at your convenience, to any related records in our possession. Expecting that the October Surprise would continue to be of Congressional interest, the Minority staff has informally compiled some files on this matter. In conformance with Rule XI, I am prepared to offer you complete access to these files, which contain both publicly available information and material prepared by the staff, without any exception whatsoever.

Thank you for your interest in this matter. I agree that access to all the information available to Congress, including the complete files of the Foreign Affairs Committee, is extremely important to all the members of the House as they decide whether to authorize this politically sensitive investigation.

Sincerely,
WILLIAM S. BROOMFIELD,
Ranking Republican Member.

Mr. Speaker, I include that along with the letter on the Foreign Affairs Committee stationery in which they said there was an ongoing investigation.

One final point. In the statement by the defense attorney, the defense attorney said in the sentencing hearing that the reason that this gunrunner has not cooperated with the Justice Department was because "congressional investigators don't want this information out. It's their investigation. and that's it."

So, therefore, we have people who have not brought any knowledge to the Republicans under any circumstances conducting their own investigation, making their own representations, designed to have it leaked to no one, least of all Members of Congress on this side of the aisle or to the Justice Department.

☐ 1640

Mr. Speaker, I am only asking this: Let the Democrats that control the bipartisan advisory group set some guidelines for this activity.

Mr. Speaker, I move the previous question on the resolution.

MOTION OFFERED BY MR. GEPHARDT

Mr. GEPHARDT. Mr. Speaker, I move to lay the resolution on the table.

The SPEAKER pro tempore. (Mr. MURTHA). This is a preferential motion.

The Clerk will report the motion.

The Clerk read as follows:

Mr. GEPHARDT moves to lay the resolution on the table.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. GEPHARDT]

The question was taken; and on a division (demanded by Mr. WALKER) there were—yeas 13, nays 8.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 249, nays 160, not voting 25, as follows:

[Roll No. 8]

YEAS—249

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard

Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano

Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)

Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—160

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy

Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Myers
Nichols
Nussle
Oxley
Packard
Paxon

Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—25

Andrews (NJ)
Bentley
Clay
Coleman (TX)
Dannemeyer
DeFazio
Dymally
Eckart
Edwards (CA)

Gaydos
Hayes (LA)
Hutto
Johnson (TX)
Kolter
Lantos
Levine (CA)
Lightfoot
Markey

McCurdy
Morrison
Mrazek
Stark
Thomas (CA)
Thomas (GA)
Whitten

□ 1701

The Clerk announced the following pairs:

On this vote:

Mr. DEFAZIO for, with Mr. THOMAS of California against.

Mr. ECKART for, with Mr. JOHNSON of Texas against.

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent during rollcall votes 5 through 8. Had I been present during these votes, I would have voted "nay" on rollcall votes 5 through 8.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2824

Mrs. VUCANOVICH. Mr. Speaker, I ask unanimous consent to remove my name from cosponsorship of H.R. 2824. While designed to improve the accessibility of quality health care to veterans, this legislation has not received the needed support from our Nation's veterans. Without such support, I cannot endorse such legislation.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentlewoman from Nevada [Mrs. VUCANOVICH]?

There was no objection.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 258, CREATING A TASK FORCE TO INVESTIGATE CERTAIN ALLEGATIONS CONCERNING THE HOLDING OF AMERICANS AS HOSTAGES BY IRAN IN 1980

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 303 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 303

Resolved, That upon adoption of this resolution it shall be in order to consider in the House the resolution (H. Res. 258) creating a Task Force of Members of the Foreign Affairs Committee to Investigate Certain Allegations Concerning the Holding of Americans as Hostages by Iran in 1980. The amendment recommended by the Committee on Rules, as modified by the amendment recommended by the Committee on House Administration, now printed in the resolution shall be considered as having been adopted. The previous question shall be considered as ordered on the resolution and amendments thereto to final adoption without intervening motion except: (1) one hour of debate on the resolution, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules; and (2) the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Michel of Illinois or his designee, which shall be debatable for not to exceed thirty minutes, equally divided and controlled by the proponent and a Member opposed thereto, and all points of order against said amendment are hereby waived.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio [Mr. MCEWEN], pending which I yield myself such time as I may consume.

Mr. Speaker, during the consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. DERRICK. Mr. Speaker, House Resolution 303 provides for the consideration of House Resolution 258, which proposes to establish the Task Force to Investigate Certain Allegations Concerning the Holding of Americans as Hostages by Iran in 1980. The rule provides for consideration of the resolution in the House with 1 hour of general debate, equally divided and controlled by the chairman and the ranking minority member of the Committee on Rules.

House Resolution 303 provides that the amendment in the nature of a substitute recommended by the Committee on Rules, now printed in the resolution, as modified by the amendment recommended by the Committee on House Administration, shall be considered as having been adopted.

The rule further provides for consideration of the amendment by, and if offered by, Representative MICHEL of Illinois or his designee, which is printed in House Report 102-386. The amendment will be debatable for 30 minutes, equally divided and controlled by the proponent and a Member opposed thereto. The rule waives all points of order against the Michel amendment.

Finally, the rule provides that after the conclusion of general debate and the disposition of the Michel amendment, the previous question will be considered as ordered on the resolution and amendments thereto to final passage without intervening motion.

Mr. Speaker, House Resolution 303 is a fair rule which will enable the House to work its will expeditiously on the so-called October Surprise resolution. I hope all Members will support it so we can get to the bottom of this matter once and for all.

As all Members know, for years allegations have circulated in this country and around the world that individuals associated with the 1980 Reagan Presidential campaign entered into secret negotiations with the Iranians for the purpose of making sure our 52 hostages, seized in the take over of the U.S. Embassy in Teheran on November

4, 1979, would not be released prior to the general election.

The rumors are premised on the idea, widely believed in the fall of 1980, that an October Surprise, or release of the hostages just prior to the election, was the only event capable of causing a majority of American voters to reelect their incumbent President, Jimmy Carter, the following month. It is well known that the Reagan campaign was obsessed with the idea of an October Surprise, and the campaign frequently suggested to the media and the American people that President Carter was planning one for political purposes.

The Reagan campaign had every incentive to work behind the scenes to ensure President Carter was unable to pull off an October Surprise. The allegation is that they actually concluded a deal with the Iranians at a series of secret meetings in Madrid and Paris, and possibly elsewhere, during the summer and fall of 1980.

These rumors received increased attention last year from Mr. Gary Sick, a former national security advisor to President Carter who worked in the White House during the hostage crisis. Mr. Sick, a widely respected expert on Iran, Ivy League professor and a former naval officer, wrote an article which appeared in the New York Times in April.

Mr. Sick's article detailed how during the course of researching a book he had been told repeatedly that individuals associated with the 1980 Reagan campaign had made a secret deal with the Iranians to delay the release of the hostages until after the election. In return for keeping the hostages in captivity until after the election, the Iranians were allegedly rewarded with a substantial supply of arms and spare parts for their military machine, which was almost exclusively of American origin.

Mr. Sick's article further described the Carter administration's ongoing negotiations with the Iranians to secure their release. Those negotiations seemed promising through the summer. But suddenly in October 1980, about the time the secret deal was allegedly finalized with the Reagan campaign, the Iranians broke off all negotiations with the Carter administration over the hostages. The Iranian Parliament began to thwart all official attempts to address the hostage question before the election.

Ultimately, as we all know, the hostages were not released until moments after the inauguration of President Reagan on January 20, 1981. We also know arms did in fact begin to flow to Iran from Israel and elsewhere in substantial quantities immediately thereafter and flowed to Iran for a long period of time.

Gary Sick's article created a sensation, not because the rumors were new, but because he had become convinced there might be something to them after years of dismissing them out of hand as fantasy. Journalists working for various news organizations, including the Public Broadcasting System documentary "Frontline," ABC News "Nightline," the German magazine "Der Spiegel," and numerous others, have looked into the allegations as well.

These investigators have found no conclusive evidence of such a deal. Nor have they found conclusive evidence disproving the allegations. What Mr. Sick and the other investigative journalists have found, however, is they have taken the investigation as far as they can without the power to subpoena documents and other evidence, including sworn testimony, and without the cooperation of foreign governments.

Mr. Speaker, I do not know whether these allegations are true or not. I certainly hope they are not true. But I do know there has never been an official investigation of these allegations, which go to the very heart of our democratic system of government. House Resolution 258 institutes a formal investigation so we can lay these allegations to rest once and for all. I urge all Members to support the rule and House Resolution 258 so the American people can finally know the truth.

□ 1710

Mr. Speaker, I reserve the balance of my time.

Mr. McEWEN. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this is about as smelly as it gets around here. What we are going to do is another political effort to do a very partisan act in violation of all basic common principles and decency. This effort by the majority party to add a new investigatory body, in addition to the Tower Commission, the Iran-Contra Committee, the special prosecutor, the Select Committee on Intelligence in the Senate, the General Accounting Office, the Senate Foreign Relations Committee, the House Committee on Foreign Affairs, all of whom have already investigated this, which is what we have heard all afternoon; now they say they want another committee, and I ask my colleagues this: What do they want to accomplish? What is their goal?

Mr. Speaker, this rule permits them to establish a select committee outside the rules of the House. Understand that. That means that Democrat staffers, unbeknownst to Republican members of the task force, with no authority from anyone, would, under this rule and this task force, be able to fly anyplace in the world and use the subpoena power of the Constitution entrusted to the Congress of the United States to take deposition testimony, staffers on the majority side, without even the knowledge of Republicans on this side. That is an act of unfairness No. 1.

No. 2, suppose they find out something. What do they intend to do with it? Do they not control all 57 committees here now? This select committee cannot legislate, and so it is a platform established for the partisan political purpose: to smear George Bush so they can take every incompetent impostor and fraud, and let me quote the New Republic, the key source, on whose word their story rests, are documented frauds and impostors representing themselves as intelligence operatives. They have concocted allegations that are demonstrably false, and their story is full of inconsistencies and are contradictory. This is an effort to give a platform to these people over the next 6 months to subvert the political process in the election in 1992.

Mr. Speaker, we have asked for about five simple things. For example, we think that they should abide by the rules of the House. The social Democrat side of the aisle voted party line against the Republicans, having them abide by the rules of the House. We thought there ought to be a deadline on the length of this effort, and those on the socialist Democrat side of the aisle voted on a party line basis to have it last interminably. We wanted to have a set on the amount of money that could be spent. We are denied under this rule any limit on how much money can be spent because they have their own resource, in which we do not even have access to. We do not know how much they are, but they voted on a party line basis, the socialist Democrats voting against the Republicans, to have no limit on the amount of money that can be spent.

Mr. Speaker, we can go on and on about the unfairness of this rule, how they stack their side of the aisle on this task force so that they can overwhelm all of the votes. It is absolutely an effort that is embarrassing to the democratic process. This is unbecoming people who believe in elected government, this idea of going back 12 years and listening to people who are an embarrassment to the country.

Mr. Speaker, I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Ohio [Mr. TRAFICANT].

□ 1720

Mr. TRAFICANT. Mr. Speaker, this is not a light charge, an easy allegation that is being made. The allegation is that the Reagan campaign struck a deal with the Ayatollah some 12 years ago to keep Americans hostage to further the candidacy of Ronald Reagan. This is no petty little charge, and let me tell the Members that the rumors persist and the allegations persist, and the numbers of individuals coming forward to give testimony continue to mount.

The bottom line is this: Where there is smoke, there is fire. Now, Reagan said, "No," Bush said, "No," Casey said, "No," Richard Allen, the National Security Adviser, said, "No," the Reagan campaign committee said, "No," and the CIA said, "No," but certain Iranian officials said, "Yes."

Secretary Baker said that maybe Ronald Reagan knew of the weapons. The Defense Minister of Israel, Mr. Sharon, said that Reagan knew about the weapons.

I say here on the House floor that if the candidacy of Ronald Reagan was propelled by keeping Americans in continual hostage to further that process, it is the biggest and the most deceitful act in the history of the Presidency, in the history of our White House.

I support this rule, and I will say that every American now wants to know the truth, and every Member of Congress on that side of the aisle as well should want to know the truth.

Mr. Speaker, let me say one last thing. I have heard the debate about the postmaster, who happens to be a fine guy, and I do not know what happened there, but the other side of the aisle wanted a select committee to investigate those affairs. I think that the October Surprise brings much more than a surprise to us. I think it brings a cancer, and we must know the truth.

Mr. Speaker, I now want to acknowledge the efforts of Chairman DERRICK, and appreciate the time he has given me.

Mr. McEWEN. Mr. Speaker, I yield 4 minutes to the distinguished ranking member of the Committee on Rules, the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I would call the attention of the previous speaker to the fact that the gentleman who has presented this rule is Mr. DERRICK, not Mr. Butler.

Mr. DERRICK. Mr. Speaker, I have lived with that all my life.

Mr. SOLOMON. Mr. Speaker, I am also a little surprised that my good friend, the gentleman from Ohio, was standing in the well recommending that we spend $3 million of the taxpayers' money when that money could go back into jobs in our economy, a cause that the gentleman defends every day.

Let me quote from the New York Times:

> A New York Times inquiry over the last three months involving interviews with more than 100 present and former intelligence agents and others with direct knowledge of aspects of the operation found no link between the Israeli arms sales to Iran in the early 1980's and the "October surprise" allegations.

Mr. Speaker, I would ask the gentlemen on both sides of the aisle to come and read Newsweek and come and read the New Republic. Both magazines say that this is a bunch of bunk.

Mr. Speaker, let me say right up front that I am opposed to this rule and the Derrick, Democrat substitute it makes in order.

I say this not because I am opposed to learning the truth about the October Surprise, but because these resolutions have been designed to avoid learning about the whole truth.

After 4 years of secret October Surprise investigations by Democrat Members and staff, at taxpayers' expense, we are now being asked to believe that the majority wants a totally objective and nonpartisan inquiry.

I was almost prepared to accept the majority's sincerity in that until it become apparent that the Democrats behind this have not changed their spots. Consider the following facts:

The Democrat leadership refused to negotiate a bipartisan compromise resolution with our Republican leader. We all sat down together and tried to work it out mainly because it did not want to include the arms-for-hostage efforts of the Carter administration;

The Rules Committee Democrats refused the minority's efforts to obtain the testimony of a Democrat committee consultant who was quoted as saying he had substantial evidence;

Mr. Speaker, the Rules Committee Democrats turned down every amendment offered by the minority in markup on party line votes no matter how reasonable those amendments were;

After the General Accounting Office, which is supposed to be nonpartisan told us that a thorough investigation of October Surprise must include any hostage negotiations by the Carter administration, the Rules Committee Democrats adopted a substitute to preclude any inquiry into such Carter efforts;

When Rules Committee Republicans moved an open rule or one that at least made in order certain reasonable amendments, the Democrats again rejected all of those motions on party line votes.

Mr. Speaker, despite majority party appeals for bipartisanship, the Rules Committee has left the House with just two options—a Derrick, Democrat substitute and a Michel, Republican substitute.

Mr. Speaker, despite appeals for bipartisanship, we learn from the media that a Democrat committee staffer cut a deal just last month with a Federal court to spring a violent, convicted gun-runner from jail in exchange for information on October Surprise—all without House or committee authorization or prior notification of the minority.

Mr. Speaker, after considering all these facts, it's not even fair to ask what we are supposed to think.

Mr. Speaker, it really doesn't take any thought to figure out what is going on here.

One can only be left to conclude that this whole thing is highly partisan, that it has been designed to coincide with this year's Presidential election campaign, and that it is aimed specifically at President Bush. One can only conclude that this deck is stacked and the jokers are running wild. At the expense of the overboard fund taxpayers will foot the bill for this multimillion-dollar ripoff.

Mr. Speaker, I think we have already been treated to more than our share of tabloid journalism in the past few weeks. And yet, by authorizing this multimillion-dollar partisan conspiracy chase, this House will be engaging in the same kind of seamy sensationalism as the tabloids.

Who knows—maybe Bill Casey sightings will soon replace Elvis and UFO sightings as the hot tabloid topic of the week.

Vote down this partisan rule, and the partisan resolution it makes in order. We don't need more negative publicity over spending millions of taxpayers' dollars chasing after decade-old rumors that have been discredited by every credible news source.

Instead, we should be spending our time and resources on constructive efforts to solve today's economic problems. This resolution hardly sends an encouraging signal to the American people as the first official response of the House to the President's State of the Union appeal for a bipartisan approach to our problems.

Vote "No."

Mr. Speaker, let me just conclude by saying this: The Michel substitute is going to ask for $300,000, and even that is too much, to carry out this investigation. Let us limit it to 6 months and include the Carter administration so we can see how all this was integrated together. We are being precluded from doing that here, and that is why this rule should be defeated.

Mr. Speaker, let us defeat this rule so we can bring back a reasonable approach, a bipartisan approach to this inquiry.

Mr. DERRICK. Mr. Speaker, for the purposes of debate only, I yield 4 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding this time to me. I rise in support of the rule and in support of the resolution.

The debate today on this resolution causes me to remember numerous hearings that we had before the Subcommittee on Military Construction of the Committee on Appropriations during the mid-1980's. The Military Construction Subcommittee heard witnesses from the Pentagon. The committee members asked the Pentagon witnesses what they knew about the rumors we had heard concerning the alleged American military buildup in Central America to support the alleged overthrow of the Nicaraguan Government. We inquired, repeatedly, over several years about alleged installations, weapons, and other possible U.S. involvement in Central America. They were denied. We asked about airfields that we had heard about. The witnesses denied the existence of those airfields. After all, the Military Construction Subcommittee is charged with the constitutional responsibility for appropriating funds for the U.S. military. We also have the constitutional responsibility to oversee military construction and to account to the American people.

The fact is that we learned about the U.S. military buildup of installations, munitions, and airfields from the press. We learned about the mining of the harbor in Nicaragua and the destruction of a radio station and the private secret foreign policy of Ronald Reagan from the press. We did not learn about it from the Pentagon. In fact, I recall specifically, asking the Deputy Secretary of Defense Taft about these rumors, about these allegations. He denied knowing anything about it. His response was typical at the time. "I am not a politician," he would reply.

What we had during this era in the 1980's was a policy of deceit and misrepresentation of the Congress of the United States and the American people. The Reagan administration formulated and carried out an official policy of deceit. The elected representatives of the people were denied the facts about the official policy and actions of our Government. The constitutional process of government was compromised, subverted. The rule of law was replaced by the President's policy.

We were shocked to learn that a CIA pilot was shot down over Nicaragua carrying weapons to support the overthrow of the Government of Nicaragua. That pilot was from Arkansas. His name was Buzz Sawyer.

Mr. Speaker, I would yield to the gentleman if he wants me to yield to him.

Mr. MCEWEN. Mr. Speaker, I thank the gentleman. How much time would he like to yield?

Mr. ALEXANDER. I will yield the gentleman a second. That is about what he is entitled to.

Mr. MCEWEN. I thank the gentleman for his generosity.

Mr. ALEXANDER. I would like the opportunity to make my statement here without being interrupted.

Mr. MCEWEN. I encourage the gentleman from Arkansas to discuss the subject at length.

Mr. ALEXANDER. Mr. Speaker, may I ask the gentleman for 1 more minute?

Mr. DERRICK. Mr. Speaker, I yield an additional 2 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I think the reason this is important is that the downing of the C-130 airplane over Nicaragua that killed the pilot from Arkansas led us to more information about Mr. Reagan's secret policy. We learned about a secret operation that was being conducted in my home State. From an airport in Arkansas our Government was secretly sending weapons to Central America and bringing back drugs, drugs that were eventually sold to our children in America. This matter is now being investigated by the special prosecutor, and we expect some indictments.

But the point I am trying to make is that the American people deserve to know the truth about their Government's actions and their Government's policies. If the Government does not have anything to hide, let us reveal it to the American people.

Similarly, the resolution to investigate the so-called October Surprise is deserving of support.

If the allegation linking George Bush to a release of Americans until after the 1980 election are untrue a thorough investigation will reveal it. There has been no official investigation to date. The American people deserve to know the truth. I support the resolution.

□ 1730

There is an old Russian proverb that I am reminded of when I think about the policies of the Reagan administration. Rust eats iron and lies eat the soul. The American people are skeptical about their Government today because of the official policy of deceit and misrepresentation of the Reagan administration, too many questions remain unresolved.

I think we ought to investigate this matter and resolve it once and for all. I support the resolution.

Mr. MCEWEN. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. QUILLEN], a distinguished leading member of the Committee on Rules.

Mr. QUILLEN. Mr. Speaker, here we go again, another witch hunt. Millions of dollars will probably be spent by the American taxpayer, and it looks like to me it is going to be an entirely partisan investigation. They tried to hang Oliver North, and he was cleared after we spent approximately $40 million.

Mr. Speaker, the minority has tried to work with the majority in creating this task force. We want any suspicions removed that this is being done to spring a new surprise on the eve of this year's elections for partisan, political purposes. And it is ironic to me that some 11 or 12 years later this investigation rears its ugly head just before a Presidential election.

House Resolution 258 fails to make the inquiry complete because it does not include an investigation into the efforts of the Carter administration and the Carter campaign to expedite the release of American hostages. By not including this in the investigation, it will make it impossible to get a full picture of the situation. Mr. Speaker, even the General Accounting Office has indicated that the failure to include efforts by U.S. Government officials in 1980 to secure the release of hostages would make it impossible to conduct a thorough investigation. This gives clear evidence of the partisan nature under which this inquiry is being conducted.

Now as to the cost, Mr. Speaker. At a time when there is a growing budget deficit and a decline in public confidence in the Congress, it makes no sense to me to begin an investigation into information which two reputable news magazines have said there is no evidence. Also, why should we have two investigations, one in the House and one in the Senate, going on at the same time? It is expensive and to me it doesn't make sense.

I hope that the substitute offered by the minority leader will be embraced by the House because it will correct some of the flaws. Mr. MICHEL's substitute includes the hostage release efforts by the Carter administration and also places a 6-month deadline on the inquiry unless the House specifically extends it for good cause.

Mr. Speaker, I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, I guess we now know what the earlier diversion was about with all of the dilatory motions. It is what HOWELL HEFLIN said during one of the Senate hearings. If you do not have the facts and you do not have the law, then try to create enough heat so there is a diversion.

Let us take a look at why we are here. Several Presidents have asked us to look at this, including President Reagan. I think that is an important statement, but that is not the most important statement to me. Eight of the hostages and maybe more have come forward and asked us to investigate it. It seems to me those brave Americans who were put in peril for their Government, spent a considerable portion of their life in terror, not knowing whether they would live or die, that we owe them a thorough and full investigation.

If you wonder why the majority is somewhat nervous about letting the minority write the resolution, look at what we have gone through today because this was coming up at this point. We had motions and countermotions, we had votes, we had anger, we had heat, and we did not get a lot of light. What we want in this instance is to get some light.

Now let me once again explain to my friends on the other side of the aisle why we want to investigate Bill Casey and the Reagan administration and if they led to the extension of the incarceration of American hostages and why we are not going to investigate Jimmy Carter. Jimmy Carter was the President of the United States. He had the legal right, elected by the people of this country, to execute American foreign policy. Bill Casey was a campaign staffer.

Now let me give Members an analogy in life. If an individual walks into their bank, and there is money in their checking account, and they write a check and the bank cashes that check, there is no need for an investigation. The normal audits and transactions will review that. When Jesse James walked into a bank with a gun and took the same amount of money out, that is when you get excited, and that is what we are looking at here. There are serious allegations by scholars, by others, that the campaign of the Republican Party, led by Mr. Casey and Mr. Reagan, were involved with the Iranians in such a way that it extended the incarceration of Americans who were serving this country.

It seems to me our obligation here in the normal course of events is to review the operation of government and how the government executes its policies. But what this special instance demands that we review is, if a candidate for a President of the United States or his campaign staffers—and if they did what they are accused of, this is the worst act I have ever heard of in American politics—led to the extended incarceration of Americans.

I am one of those, frankly, who is somewhat upset by the movie about John Kennedy and the talk of all of these new conspiracies. But it is the objections of my friends on this side of the aisle that I think leads to the feeling that there are conspiracies and that there are coverups.

Let us get to the investigation. If it were not for your objections, we would have had this begun months ago, and maybe completed long before the election.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I want to thank the gentleman for his illuminating remarks and for instructing us on why Carter's actions are not relevant. I would like to try to communicate to the gentleman why Carter's actions are relevant.

If the gentleman will read Gary Sick's book, "All Fall Down," as carefully as I know he has, he will learn that in October 1980, President Carter offered 150 million dollars' worth of weapons and military supplies to the Iranians if they would give us the hostages. Against that background, to accuse Casey of offering weapons, why would they not take them from Carter who was then the President?

Mr. GEJDENSON. I will reclaim my time.

Mr. HYDE. That is why it is relevant, and I will explain it to the gentleman again. I will explain it again.

Mr. GEJDENSON. I will reclaim my time. It is the same as Jesse James. Jesse James did not have the right to withdraw the funds.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DREIER], a distinguished member of the Committee on Rules.

Mr. DREIER of California. Mr. Speaker, I think that we have to clarify things here. Members on this side of the aisle want to get to the bottom of this issue. We have a substitute, the Michel substitute, which has clearly been offered. We just want to see this done in a fair way. And my friend, the gentleman from South Carolina [Mr. DERRICK], has said that this is a fair rule. It is anything but that.

Frankly, my constituents in California over the past several months have demonstrated to me that they are incredulous at what we are doing here. What has happened, when we were debating this up in the Rules Committee before Thanksgiving and the House Administration Committee they carried it on television, and people said, "My gosh, we have an economic crisis in this country. Why are you in the Congress worrying about what happened in this country more than a decade ago?"

☐ 1740

Well, I had to answer that, because we have a substitute that allows us to get to the bottom of this issue. We want to clear the names of Ronald Reagan and William Casey and others who have been charged here in all of these allegations that have been leveled, but we want to do it in a fair way, and this rule does not do it in a fair way.

In 1977, the Committee on Rules issued a report entitled "Guidelines for the Establishment of Select Committees." In that report our committee set forth a model resolution for the creation of select committees, and yet the resolution before us totally ignores those guidelines.

The task force authorized by House Resolution 258 is specifically exempted from some of the most important rules and procedures which our standing committees must operate under: Whereas, House rules require a committee majority to hold a hearing or a meeting, this resolution gives the power to any two members of the task force; whereas, House rules require the committee majority to vote to delegate subpoena authority to the chairman, this resolution automatically gives the chairman that authority; whereas, House rules require at least two members be present for the taking of testimony including sworn depositions, this resolution permits a single member or staffer to take depositions; whereas, House rules require that committee budgets be approved by the House, this resolution permits the task force to draw unlimited money directly from the contingent fund with only the approval of the chairman of the Administration Committee at a time when we are facing massive Federal deficit problems here; we cannot allow this fiscally irresponsible type of budgeteering.

What many of my friends on the other side of the aisle have said is absolutely right: We want to get to the bottom of this, but let us do it under the rules of this House.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, I rise to speak in favor of the rule and the resolution.

I find it instructive, and I hope Members will find it equally instructive, that this debate began with accusations of imposters and frauds leading the way in requesting this investigation, when some of the very people who were held hostage are the ones who are asking. Are they imposters? Are they frauds?

It is said that we want to subvert the political process. Well, Mr. Speaker, I wrote a long and detailed letter to Judge Aubrey Robinson about Mr. Elliott Abrams, a man who takes pride in the fact that he lied to the Congress of the United States, because he decided that he was the interpreter of the Constitution.

Now, maybe Mr. Abrams is a lot brighter, maybe he is a lot smarter, maybe he has the interests of this country more at heart than we do, but we are the elected officials. We ran for office. We are accountable publicly for what we do under the Constitution and under the oath of office that we took in this Chamber.

Mr. Abrams and his ilk represent to themselves that they are the ultimate arbiters to make policy and to be able to make decisions that involve the lives and treasure of the people of the United States, and in this instance, the very lives and well-being of hostages held by a foreign nation, of individuals who are citizens of this country.

The Carter administration is brought into it when it had the responsibility for trying to get these hostages out of their captivity. The whole idea behind this rule and the resolution is to see to it that those who were held under those circumstances had an opportunity to be freed, and the point is that anyone engaging in negotiations other than a member of the Carter administration was, in fact, undermining it, and it probably was not as funny to the people being held hostage as it is to Members sitting on this side of the aisle at the present time who did not have to undergo it.

I hope the American people will see the amusement with which this argument is being undertaken by Members on the other side, the cynicism with which this resolution is regarded, which is reflected in the countenances of the people who are directing this particular discussion.

It is time to move forward with the resolution, time to move forward with the rule, time to move forward with respect for law under the Constitution regardless of how inconvenient it is for the opposition.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. SHUSTER], the distinguished ranking member of the Permanent Select Committee on Intelligence.

Mr. SHUSTER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, my Democratic friends are absolutely right when they suggest that there was an October Surprise planned. My Democratic friends are absolutely right when they say that there was a secret effort to trade arms for hostages.

The problem is the only credible evidence that we have shows that that secret effort was conducted by the Carter administration and, if fact, the credible evidence is Gary Sick in his earlier book, "All Fall Down," on page 370 where he says,

> The core group of NSC on October 11, 1980, 3 weeks before the election, met, and their objective was to construct a package of military equipment that would be attractive to Tehran. A draft message was prepared for President Carter's approval offering a military package of about $150 million that would be made available upon the release of the hostages * * *

Arms for hostages, yes, by a sitting President, but apparently my Democratic friends think it is OK for a Democratic President to put together an arms-for-hostages package. It just was wrong for a Republican President to try to do that some years later.

Why, I ask, do my Democratic friends, the Democratic majority, refuse to include an investigation of this credible evidence against a Democratic President while initiating a fishing expedition to bash a Republican President in an election year?

I can tell you, as the ranking member of the Intelligence Committee, I have looked at the traffic, and there is no credible intelligence to suggest that any effort was ever undertaken. What we have here is a blatant partisan effort unworthy of this institution, and I urge us to vote down this resolution, support the Michel substitute, so we can get to the bottom on all sides of this issue.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I rise in opposition to this rule and resolution to create and fund a task force to investigate the so-called October Surprise. Simply put, we now face a partisan effort by the majority to push a congressional investigation based upon rumor and allegations in regard to events that happened 11 years ago. "I must tell you this is one of those issues that will result in little more than hard feelings and that tears at the comity of this body when we truly need comity.

At no time has anyone been able to point to any specific information or evidence that showed that any secret negotiations occurred between representatives of the Iranian Government and the Reagan campaign staff.

Both the New Republic and Newsweek magazines, after months of investigation that spanned the globe and ultilized an army of reporters, defined this entire business as, "A conspiracy theory run wild."

But, for the sake of argument, let us say there is a Reagan campaign gun somewhere in a former Carter aide and now author Gary Sick's twilight zone. What should we do? In the should-do department, to avoid all appearance of partisanship, we should require approval of the ranking member for all actions by the task force. We should have a 50–50 task force staff ratio or at the very least an 8 to 5 ratio.

We should have a spending limit and at least have a time limit or target date for completion other than this November's election. Why not a report in 90 days to the House or if we truly want to investigate across the Iranian horizon, we should investigate all matters relating to the arms-hostage issue.

That list, along with other reasonable recommendations, was presented in amendment form to the majority when the House Administration Committee considered and approved the task force. All Republican proposals were defeated on a straight party-line vote. And, that is what we have, my colleagues, a straight party-line investigation of something that is alleged to have happened 11 years ago.

Now, some of you may believe the worst and that author Gary Sick has written a prolog to a terrible chapter in our Nation's history. If that is the case, which most observers do not believe, then why not an investigation that is fair, one that the minority can play a pertinent and equal role?

Well, let us not beat a dead and partisan horse. As it was in committee it now and ever shall be. One partisan world without end. But, I must warn my colleagues. If those fully acquainted with the allegations and facts of this business are sick and tired of Gary Sick, let me tell you the American people are sick and tired of unending congressional investigations that cozy and coddle those who have truly violated the public trust. They are sick and tired of inquiries forced upon us by public disclosure as to how we conduct business around here that should be investigated but that still lie festering behind closed doors.

Lord knows, we have enough tales of plots, conspiracies, and bizarre behavior written, directed, filmed, and foisted on the American public by self-serving authors to last the tabloids a lifetime. But, do we have to use taxpayer money to investigate it all? Is there not a statute of commonsense limitation? General Wiedemeyer alleged FDR knew about Pearl Harbor before the bombing. Is it true that Harry Truman dropped the bomb when the Japanese were secretly negotiating for a cease-fire? What is the real story behind Ike and Gary Powers and the U–2? Why did Jack Kennedy authorize the invasion of Cuba without air cover? Was the missile crisis real? Is Alexander Haag Deep Throat? Was that really George Bush and Bill Casey in Paris? Maybe there is another convicted felon that can allege drug use by the Vice President.

Please, my colleagues, enough. Let us end this, and get to the business of reducing the deficit, and providing economic recovery. Vote against the resolution.

☐ 1750

Mr. DREIER of California. Mr. Speaker, I yield 3 minutes to my very good friend, the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, I rise in opposition to this rule.

It is nothing short of flabbergasting that liberal Democrats are still unable to cope with the fact that Jimmy Carter was defeated by Ronald Reagan in 1980. Friends of mine who have drinking problems tell me that in Alcoholics Anonymous they are told that the first step toward recovery is facing reality. Alcoholics apparently suffer from what is called denial blaming all their problems on others, or circumstances, or even conspiracies against them.

Well, if there has ever been a megalocase of denial, it is that of the liberal Democrats, who controlled both Houses of Congress, and every executive branch agency and department, as well as the Presidency from 1977 through 1981, being unable to look in the mirror and accept the fact that their basic philosophy of big government doesn't work. They lost, so it must be a conspiracy. They are addicted to profligate spending and big taxing, and in the end it wrecks the economy.

Even worse, it seriously hurts people—regular people who hear protestations of compassion from liberal Democrats and end up being thrown out of work when the economy heads south.

But the self-proclaimed champions of the common man cannot admit that. If the American people overwhelmingly are turning their backs on those who go to such lengths to profess their dedication to the less-fortunate, it cannot be because of the smell of big taxing and spending on their breath that the people reject them at the polls; it must be a conspiracy.

Now the country is being asked to foot the bill for yet another expensive investigation so liberal Democrats will have something to sneer about during the upcoming election. This is the same bunch that has spent at least $26 million, perhaps as much as $100 million, to investigate the so-called Iran-Contra scandal.

What was accomplished by spending these tens of millions of dollars and mobilizing prosecutors, lawyers, investigators, FBI agents, IRS agents, and GAO accountants? And do not forget the court costs, with judges at their benches and juries sitting in the box examining the details of this political inquisition. The end result: A few misdemeanor convictions, but by and large all we have for tens of millions of dollars spent is high living for special prosecutors and overturned, thrown out, and reversed legal work on the part of 54 attorneys.

Oh, yes. What else resulted from this waste of tax dollars was the ability by Democrats to politically exploit the perception that something wrong had been done by somebody in Government. And something wrong was done. Money and time was egregiously wasted. And now the Democrats want to do it again.

It is hard to figure out if this is the most cynical, or simply one of the wackier spending schemes to make its way through the taxaholic ranks of the ruling party.

Perhaps the greatest case of denial is that of one Gary Sick. He was the point man in the Carter White House in dealing with the Iranian hostage crisis. He, too, cannot admit he failed. He is obsessed in proving it was not his fault. It must be a conspiracy. Oliver Stone should do a movie about this man, just like he did about Jim Garrison. I understand that Stone is thinking about doing such a movie, right after he finishes his current film on the great UFO coverup, which, I might add, seems to have been tied directly to the Kennedy assassination.

This proposal is election year politicking at taxpayers' expense. It may turn out to be the same mean-spirited persecution and McCarthyism as the legal fiasco that resulted from Iran-Contra.

Let me just close with this advice for my friends on the other side. It is time to face reality. Denial is not going to make things better for you in the upcoming elections.

Gary Sick may well have failed because Jimmy Carter was his boss, and by 1980, no one, especially the Iranians, took him seriously.

The Democrat Party will continue to fail until it is willing to come to grips with the fundamental addiction to big taxing and spending. Gimmicks and blaming others are not the way to win elections. If you keep wasting tax dollars on this type of nonsense, come election day you are just going to have another November surprise, and you will have to blame but yourselves.

Mr. DREIER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from Virginia [Mr. ALLEN], our very able new Member.

Mr. ALLEN. Mr. Speaker, I rise in opposition to this typical arrogant Democrat gag rule and to oppose the political gimmickry that we are about to undertake.

This issue is yet another example of Congress' failure to operate in an efficient manner to deal with the very real problems that the American people are facing today. Despite the many pressing problems facing the United States, the Democratic leadership has failed to schedule even one bill that will help the economy and create new job opportunities.

Today we have a blatantly political scheme to squander millions of our taxpayers' hard-earned dollars. For what? An unnecessary investigation into uncorroborated events that are alleged to have happened over 10 years ago. Why can not the Democrats focus on jobs for Americans, rather than fishing expeditions for partisan advantage at the expense of American taxpayers?

Mr. Speaker, let us put aside petty partisan posturing. Let us work together honestly for the best interests of the American people. The Virginians I represent want Congress to develop solutions to their important concerns in the real world of today and the future.

I urge all my colleagues to vote down this gag rule and to vote against this ploy to gain partisan advantage at taxpayer expense.

Mr. MCEWEN. Mr. Speaker, I yield 4 minutes to the gentleman from Georgia [Mr. GINGRICH], the distinguished minority whip.

Mr. GINGRICH. Mr. Speaker, I thank the gentleman from Ohio for yielding this time to me.

Mr. Speaker, I am going to urge Members to vote no on the previous question, because I want to offer an amendment which would allow us to have a much better understanding of exactly what is happening with the contingency fund.

I got intrigued with this, frankly, when I noticed that the proposal to pay for an October Surprise committee set up potentially between $1 and $2 million in expenses and sort of cavalierly suggested that the money was available, so I began to inquire into exactly what is in the contingency fund.

Now, as I understand it, the contingency fund is those moneys which are left over at the end of the year which are not expended by Members, their offices, committees, and House Information Services.

Last year apparently there was an amendment added to the legislative appropriations bill which now means that once the money goes into the contingency fund it never leaves, unless it is spent. In previous years, if you had a little money left over you could move it around. You could spend it, but then at the end of the year it went back to the Treasury.

Now, it means that if a Member does not spend every penny that is allocated to him, that money will go into a contingency fund and that contingency fund will permanently have that money.

Now, the General Accounting Office suggested to us that the amount from last year was approximately $20,800,000. So if you assume that is sort of a typical year, that means that over a 10-year period we are now talking about a $208 million contingency fund.

There are some questions that need to be answered. Who authorizes the expenditures? How are they tracked? Is there any kind of review process?

I have inquired on my side of the aisle and we are frankly not certain that everything spent in the contingency fund is reported to the minority. We are not sure at all that our Members have complete awareness of what is going on.

We do know that if you are a citizen, it is for all practical purposes impossible to find out where the money went, what it was spent on.

So I think that it ought to be possible for us to have a report to be able to look at what has been done in the last few years, with the amounts, how much were the amounts, what is going to be done with the $20.8 million, who is going to decide how it is done. I think these kinds of questions are not illegitimate.

Now, notice that today, again and again, we have been running into the same problem here in the House. We have the stories about cocaine dealing in the post office and who got told or who did not get told. We have the stories about a lawyer who works for a democratic staff writing a letter to a Federal judge to get an arms dealer out and who gets told and does not get told.

All of us came back to read a story about marble floors being put into the elevators. Now, I understand that is the Architect's fund. That is not the contingency fund, but I do not think anybody on our side was approached about the idea that in the middle of a recession, with a huge Federal deficit, do you really think we ought to spend about $5,000 or $6,000 for the elevators to make sure that we have a marble floor to stand on?

I think on our side the conservative fiscal attitude would have said, "Wait. We can go for awhile without that kind of money being spent."

So I am going to ask my colleagues to vote no, and it is a very simple vote.

If you believe the public deserves to know what is going to happen with potentially $208 million over the next 10 years, if you believe the public deserves to know how the decisions are made and how the money is spent and where it is going, then you ought to vote no, so that we can offer the amendment that would make all of this clear.

□ 1800

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 7½ minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank my friend from South Carolina for yielding this time to me.

Mr. Speaker, I rise to respond to the points made by the gentleman from Georgia [Mr. GINGRICH].

Mr. Speaker, the gentleman raises issues which should be and, frankly, have been available to Members of the House and will be even more publicly evident after my remarks are completed.

Much of the information the gentleman requested is available in the very comprehensive report put forward by the Clerk of the House on a quarterly basis, but we will attempt to be of assistance to the minority whip tonight in providing additional information in a more organized form.

Mr. Speaker, the gentleman asked a number of questions in a "Dear Colleague" which he sent around to the membership. He then refined these questions in his amendment.

So, using his amendment, I would attempt to respond now for the RECORD and, hopefully, satisfy the concerns that were the purpose of the amendment, making it unnecessary to proceed with that amendment.

The fact would be evident to all that the record is complete and the information he seeks is available at the moment rather than through some additional proceedings.

Mr. Speaker, the gentleman has raised three questions:

First, the total available in the contingent fund for other expenses, after payment of expenses for the offices of Members, the committees of the House, and the House information systems.

In the 1992 bill, $281 million—$281,033,000—was provided to the three accounts in the legislative appropriations bill under the general heading "Contingent Expenses of the House."

Amount appropriated in Public Law 102-90

Contingent expenses of the House:	
Standing committees, special and select	$57,900,000
House information systems	8,615,000
Allowances and expenses	214,518,000
Total	281,033,000

The term "contingent fund" in the gentleman's questions is not legally synonymous with the funds for "contingent expenses of the House" provided in the appropriations bill. But, funds for the Foreign Affairs Committee task force can only be derived from the line item "Standing committees, special and select" because that is the account that is the source of committee investigative funds such as we are discussing here.

However, without this resolution (H.Res. 258), which authorizes the task force, the Foreign Affairs Committee can not utilize any funds within that $57.9 million appropriation beyond a 9-percent-per-month allocation of the $3,840,825 which is currently available to Foreign Affairs under clause 5(f)(3) of rule 11 of the House.

And those funds will undoubtedly be necessary for the normal investigative activity of that committee.

So I would say there are no funds that could be available under current procedure and law to pay the expenses of this task force.

This funding resolution, or similar authority, is needed to provide the necessary funds.

To the extent that these funds can be used for other expenses—those expenses may only be legally approved expenditures as approved by House Administration or a sanctioned House approval authority like a committee chairman. The specific instances where transfers were made from one of these accounts to another account is in the list of transfers provided in my answer to question No. 3 that I will have subsequent in my statement.

Second, the nature of such other expense, with a specification of each payment and the identity of the Member or other authority of the House who authorized or approved the payment.

Each and every expenditure from the amounts provided for contingent expenses of the House is for a House employee's salary—for HIS or a committee employee on the investigative rolls—or other authorized expenses such as HIS computer rentals, supplies, House furniture, telephone costs, typewriters, and other equipment, and other normal expense items of the House. In addition, the House's share of employee health and retirement benefits is included, as are the funds for Members's office accounts.

The authority for paying employee salaries is self evident—for example, a committee chairman; the authority for paying the routine expenditures—supplies, equipment, and so forth—is the individual committee chairman and the Committee on House Administration; the authority for paying health and retirement employer contributions is established by Governmentwide statute; and in the case of Members expense allowances—the individual Member and the Committee on House Administration authorize these expenditures.

With respect to the nature of such other expense and its specification, I would point out that each transaction is listed in the Clerk's Report issued every 3 months, and its nature. That is in the public record.

Third, the amounts transferred or reprogrammed with respect to the contingent fund, whether by authority of the Committee on Appropriations or otherwise, and the purposes for which such amounts were transferred or reprogrammed.

The gentleman will remember that I placed a list of 1987, 1988, and 1989 transfers for the House of Representatives in the CONGRESSIONAL RECORD on July 31, 1989, during floor debate on the fiscal year 1990 appropriations bill.

I have a list of House transfers for fiscal years 1988, 1989, 1990, and 1991 and reprogramming provided to the Architect of the Capitol and Library of Congress for fiscal years 1987, 1988, 1989, 1990, and 1991.

I ask unanimous consent that this list may be printed in the RECORD.

These are typical, normal transactions necessary to take care of unforeseen needs such as the purchase of a telephone switch, providing clerk hire salary funds for annual COLA's, the renovation to the House Radio/TV Gallery, the demolition of the Palm House at the Botanic Garden Conservatory, and so forth.

They were signed off by both myself as the chairman and the gentleman from California [Mr. LEWIS], the ranking minority member of the Legislative Subcommittee on Appropriations.

There is nothing sinister here—they are typical needs for a $2.3 billion legislative branchwide operation.

Defense Department reprogramming would dwarf these amounts. Their reprogrammings are in the billions of dollars.

I think these data answer the gentleman's questions. They constitute the report the gentleman demands in his "Dear Colleague" and, in slightly restated form, in his amendment.

Fiscal year 1988 transfers as of Feb. 4, 1992

From:	
Allowances and Expenses, Official Expenses of Members	$2,512,340
To:	
House Leadership Offices	221,820
Salaries O&E	59,520
Member's Clerk Hire	2,000,000

Allowances and Expenses	231,000
From:	
Allowances and Expenses, Government Contributions	101,000
To:	
Salaries O&E, Office of the Clerk	101,000
From:	
Salaries O&E, Office of the Postmaster	60,000
To:	
Salaries O&E, Substitute Messengers	60,000
From:	
Salaries O&E, Other Authorized Employees	36,250
To:	
Salaries O&E, Republican Conference	36,250
From:	
Standing Committees, S&S	170,000
To:	
Allowances and Expenses, Stenographic Reporting	170,000
From:	
Allowances and Expenses, Official Expenses of Members	105,000
To:	
Allowances and Expenses, Supplies, Materials	105,000
Total	2,984,590

Fiscal year 1989 transfer history as of Feb. 4, 1992

From:	
Salaries O&E, Office of the Postmaster	$44,000
To:	
Salaries O&E, Substitute Messengers	44,000
From:	
Allowances and Expenses, Official Expenses of Members	150,000
To:	
Allowances and Expenses, Furniture and Furnishings	150,000
From:	
Committee Employees	904,000
To:	
Salaries O&E, Office of the Clerk	615,000
Office of the Doorkeeper	60,000
Office of the Postmaster	132,000
Office of the Chaplain	2,000
Technical Assistant	35,000
Former Speakers Staff	60,000
From:	
Salaries O&E, Office of the Parliamentarian	5,000
House Democratic Caucus	5,000
To:	
Salaries O&E, Compilation of Precedents	5,000
House Democratic Steering	5,000
From:	
Allowances and Expenses, Official Expenses	6,000,000
Official Expenses	3,000,000
Office Equipment	5,500,000
To:	
Allowances and Expenses, Supplies, Materials	6,000,000
Government Contributions	3,000,000
Supplies, Materials	5,500,000
From:	
Allowances and Expenses, Official Expenses	3,500,000
To:	
Members' Clerk Hire	3,500,000
From:	
Standing Committees, Special and Select	2,000,000
To:	
Allowances and Expenses, Government Contributions	2,000,000
From:	
Allowances and Expenses, Official Expenses	5,007,000
To:	
Allowances and Expenses, Office Equipment	5,000,000
Furniture and Furnishings	7,000
From:	
Salaries O&E, Democratic Steering	5,000
To:	
Salaries O&E, House Democratic Caucus	5,000
From:	
Allowances and Expenses, Official Expenses of Members	507,000
To:	
Allowances and Expenses, Supplies, Materials	500,000
Miscellaneous Items	7,000
Total	26,627,000

Fiscal year 1990 transfers as of Feb. 4, 1992

From:	
Allowances and Expenses, Office Equipment	$4,600,000
Reemployed Annuitants	130,000
Miscellaneous Items	150,000
Salaries O&E, Office of the Doorkeeper	40,000
Office of the Parliamentarian	20,000
To:	
Allowances and Expenses, Supplies, Materials	4,940,000
From:	
Allowances and Expenses, Office Equipment	3,418,000
Standing Committees, Special and Select	1,265,000
Committee Employees	1,742,000
To:	
Allowances and Expenses, Government Contributions	6,425,000
From:	
Allowances and Expenses, Office Equipment	491,000
To:	
Salaries O&E, Office of the Clerk	491,000
From:	
Allowances and Expenses, Official Expenses of Members	4,100,000
To:	
Members' Clerk Hire	4,100,000
From:	
Allowances and Expenses, Reemployed Annuitants	353,000
To:	
Allowances and Expenses, Furniture and Furnishings	103,000
Stenographic Reporting	250,000
From:	
Salaries O&E, Office of the Postmaster	65,000
Six Minority Employees	15,000
To:	
House Leadership Offices, Chief Deputy Majority Whip	65,000
Minority Whip	15,000
From:	
Salaries O&E, Office of the Doorkeeper	157,000
Office of the Parliamentarian	63,000
To:	
Salaries O&E, Office of the Sergeant At Arm	82,000
Office of the Chaplain	10,000
Other Authorized Employees	65,000
House Democratic Caucus	63,000
From:	
Allowances and Expenses, Office Equipment	500,000
Standing Committees, S&S	2,000,000
To:	
Allowances and Expenses, Supplies, Materials	2,500,000
From:	
Allowances and Expenses, Office Equipment	260,000
To:	
Allowances and Expenses, Government Contributions	200,000
Miscellaneous Items	60,000
Total	$19,369,000

Fiscal year 1991 transfers as of Feb. 4, 1992

From:	
Allowances and Expenses, Office Equipment	$500,000
To:	
Allowances and Expenses, Furniture and Furnishings	500,000
From:	
Committee Employees	3,885,000
To:	
Members' Clerk Hire	3,885,000
From:	
Allowances and Expenses, Government Contributions	300,000

Office Equipment	4,500,000
Office Equipment	17,000
To:	
Allowances and Expenses, Reemployed Annuitants	300,000
Supplies, Materials	4,500,000
Miscellaneous Items	17,000
From:	
Official Mail Costs	1,519,000
To:	
Supplies, Materials	1,519,000
From:	
Salaries, O&E, Office of the Doorkeeper	489,000
To:	
Salaries, O&E: Office of the Clerk	100,000
Sergeant At Arms	24,000
Office of the Postmaster	360,000
Office of the Chaplain	5,000
From:	
Allowances and Expenses, Office Equipment	130,000
To:	
Allowances and Expenses, Miscellaneous Items	130,000
From:	
Salaries, O&E, Office of the Doorkeeper	23,000
To:	
Salaries, O&E, Office of the Postmaster	23,000
Total	11,363,000

ARCHITECT OF THE CAPITOL REPROGRAMMINGS IN FISCAL YEARS 1987–91

FISCAL YEAR 1987

Alterations to Accommodate New Telecommunications Equip in HOB's, $895,000.

Telecommunications—Plan/Consultants, $400,000, Warehouse Leasing, $100,000.

Emitter Detection System, $150,000.

FISCAL YEAR 1988

Renovations to 501 First St., relocating staff from HOBA No. 2, $347,000.

Renovations and Alterations to Speaker's Office and House Majority Leader's Space, $80,000.

Installation of Additional Security Equipment, $945,000.

House Radio/TV Gallery, $431,000.

LOC, Madison Telecommunications Equipment Room, $110,000.

House Publications Distribution Service, $300,000.

Installation of Continuous Emissions Measuring Equipment, Capitol Power Plant, $110,000.

Converting Boiler #3 to Oil or Gas/Design of Baghouse, Capitol Power Plant, $900,000.

FISCAL YEAR 1989

West Front Terrace, $9,820,000.

Additional Office & Committee Space in Courtyard Areas/WCF, $7,000,000.

House Publications Facility, $170,000.

House Restaurant Kitchen Pantry, $120,000.

FISCAL YEAR 1990

Additional Warehouse Space, $410,000.

Improved Street Lighting, $50,000.

FISCAL YEAR 1991

Repair Leaks, Renovate Space, Cannon Building, $1,000,000.

Planning and Design, Capitol Visitors Center, $180,000.

Procurement of Six Weapon Detection Portals.

Convert Six Positions to High Priority Needs.

Renovate Vacated Space, Capitol Building, $314,000.

Transfer of Collection/Demolition of Palm House, $456,600.

Additional Funds for Planning & Design, Capitol Visitor Center, $15,500.

LIBRARY OF CONGRESS REPROGRAMMING REQUESTS—FISCAL YEARS 1987–91

Subject	Amount	Action
Fiscal 1991:		
Arrearage space	$800,000	Not approved.
Copyright Office optical disk	500,000	Approved.
Metal detectors	42,300	Not approved.
Automation needs	527,000	Approved.
National demonstration lab	110,000	Not approved.
Fiscal 1990:		
Space Rental—Manila	25,000	Approved.
Fiscal 1989:		
Bicentennial of the Congress	250,000	Approved.
Fiscal 1988:		
Management study	400,000	Approved.
Development Office staff	68,000	Do.
Fiscal 1987:		
Binding contracts	250,000	Approved.
Automation contracts	900,000	Do.
Space Rental—Taylor Street	650,000	Do.
Sound reproduction support	789,500	Do.

Mr. McEWEN. Mr. Speaker, as I understood it, the gentleman from California was going to engage in a colloquy with the other gentleman from California, both members of the Subcommittee on Legislative Appropriations.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). The time of the gentleman from California [Mr. FAZIO] has expired.

Mr. McEWEN. Mr. Speaker, does the gentleman request additional time?

Mr. FAZIO. Mr. Speaker, I will be happy to use any time that is available to the gentleman from Ohio [Mr. McEWEN] on his side. I believe the gentleman from South Carolina [Mr. DERRICK] has given me about all the time he can.

Mr. McEWEN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. I thank the gentleman for yielding.

Mr. Speaker, I would hope that the chairman [Mr. FAZIO] would be around when we have the discussion of the Michel substitute, for I do believe we need to spend some time on this subject if we are going to be able to continue in the kind of bipartisan effort we have had in the past regarding the work of our subcommittee.

Mr. FAZIO. If the gentleman would yield, I do not believe we have ever had a disagreement on any of the reprogramming requests that we have had. Whenever that has occurred, we have often withdrawn them in deference to the minority. I would hope that would continue.

Mr. LEWIS of California. Mr. Speaker, I presume the chairman understands that we have a brandnew ball game when suddenly you are in a circumstance where moneys are held over and they stay there forever to be used for purposes of the House and suddenly we find ourselves in this sort of very, very partisan environment that would totally suggest that excess moneys could be used for partisan purposes in the future. We need to discuss this thoroughly. We could have great difficulty in our subcommittee.

Mr. FAZIO. If the gentleman would yield, I certainly hope we would not have that opportunity nor take it if it was available.

Mr. McEWEN. Would the Chair inform this gentleman as to how much times remains?

The SPEAKER pro tempore. The gentleman from Ohio [Mr. McEWEN] has 5 minutes remaining, and the gentleman from South Carolina [Mr. DERRICK] has 1½ minutes remaining.

Mr. McEWEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I insert in the RECORD at this point a statement by Reuters News Service, dated August 10, 1980, which says:

> President Carter said tonight he had intelligence reports that Iran intended to hold the U.S. hostages seized in November until after the presidential election to try to influence the way Americans voted. We have had intelligence reports from quite early this year that the Ayatollah Khomeini maybe considered holding the hostages until after our election to try to influence American voters and how they voted.

I do not know if that is an accurate account. Now, that was the President.

Mr. Speaker, 12 years later we have an effort come to the floor tonight that absolutely makes sleaze look clean. It is an effort to misrepresent activities in 1980, to set up a committee to investigate, for which there is no legislative authority, there is no goal, there is no—nothing that can be accomplished except to provide a forum, to provide a partisan political forum in which Democrats can use to invite any Tom, Dick, and Harry they can find to come in and spread this story across the political pages of the newspapers over the next 7 or 8 months.

This is activity unbecoming anyone who believes in the democratic process.

□ 1810

Mr. Speaker, the investigation has already gone forth, as we have discussed earlier, by the Tower Commission, by the Iran-Contra Committee, by the special prosecutor, by the Committee on Intelligence, by the various Foreign Relations Committees. Why do they need this one? I will tell you why they need this special committee: They need this special committee because abiding by the rules of this House ties their hands for the goals that they have. They cannot engage in the partisan political activity that is the purpose of this task force because, if they use the standing committees of the House, they have to report where the money comes from, they have to invite

Republicans to attend, they have to bide by the rules of the House, and, under this rule, we are preempted from having any right to insert any of those prerogatives upon this particular task force. We wanted to have the rules of the House apply, and twice, by a partisan vote, the Democrats on that side of the aisle denied the right to have the House rules apply to this task force. We wanted to limit expenditures, and they said, "Absolutely not. We don't know what the election might be like and how much we might need." We said we wanted to limit the time so it reports at a decent time. They said, "No, we don't want to be involved in anything like that." We said that we would like to save the taxpayers some time, money, and effort and cooperate with the Senate. They said, "No, we're going to defeat that on a party line vote."

When the chairman of this task force, the gentleman from Indiana in testifying before the Committee on Rules was asked, "Would you be willing to look into both sides of this issue, recognizing that this Sick fellow, when he wrote his books, said they had made a bargain with Khomeini to give them a $150 million in cash immediately before the election"; under the alleged scandal, October Surprise, they said that Mr. Reagan offered $40 million after he got elected. Now, anybody with two brain cells accidentally can figure out that, if a sitting President offers you a $150 million cash on the barrelhead, and some candidate for President offers $40 million 4 months down the line, they are going to take the bigger price; right, from the person who has the capacity to deliver? Common sense would dictate that.

In addition the gentleman from Indiana said, "Of course. We would have to look at both of those matters to have any semblance of fairness," and so what did the Democrats on the Committee on Rules do? They went back and excised the portion that gave him that option to be fair, and so under no circumstances can this task force look at the activities of the Carter administration in the 1980 election.

Mr. Speaker, this is only an effort to smear George Bush and Ronald Reagan in the 1980 election, and that is why they are doing what they are doing.

As my colleagues know, every one of us has to go home on weekends, and we have got to stand up there, and they say, "You're a Member of Congress." They do not know that no Republican in my lifetime has ever chaired a committee, ever been allowed to call a witness, ever been allowed to do anything, but we have to answer for all of this. We are responsible for this, and I do not know, quite frankly, how to do it.

Democrats, colleagues of mine, have called my office over the past 6 weeks and said they know this is not right. They feel sullied by it. They thought it was dead, where it belonged, where it should have been left. They did not think the first thing we did when we came back at the beginning of the second session of the 102d Congress is to poison the well with the activity that we have had here today, to ramrod this thing through in a partisan vote, to use the constitutional authority of the Congress to play in a partisan political game to smear Ronald Reagan and George Bush. They have all the committees of the House. They own every one of them. They do not even allow the Republicans to find out what they are doing. They can use any of those, but they want to have even more authority where they do not even have to invite the Republicans to attend. They can send their staff members to take these depositions. they can hold their press conferences and try to do all they can to subvert the political process, and, if anybody has any principle at all, they would stand up here and vote what is right.

Let us defeat this rule.

Mr. DERRICK. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1½ minutes.

Mr. DERRICK. Mr. Speaker, I will not try to rebut all of that. We are all men and women of good faith. But I have a letter here that has been signed by 15 of the ex-hostages, and I just want to read the last paragraph. I know it is my feelings, it is their feelings, and, I think, the feelings of most people who want to put this matter to rest:

> Although we sincerely hope the allegations can be proved false, the decision to move ahead can not be based on what we anticipate the outcome to be. We urge you—the leaders of Congress—to move this investigation forward and insure that dignity, rather than fear, will guide this process to a just conclusion.

Mr. Speaker, that is what we all want, that is what we all hope, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DERRICK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 251, nays 161, not voting 22, as follows:

[Roll No. 9]

YEAS—251

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—161

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton

Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Jacobs
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—22

Clay
Coleman (TX)
Dannemeyer
de la Garza
DeFazio
Dymally
Eckart
Edwards (CA)
Gaydos
Hutto
Ireland
Johnson (TX)
Kolter
Lantos
Levine (CA)
Lightfoot
Morrison
Mrazek
Stark
Thomas (CA)
Thomas (GA)
Whitten

☐ 1839

The Clerk announced the following pairs:

On this vote:

Mr. Eckart for, with Mr. Johnson of Texas against.

Mr. Dymally for, with Mr. Thomas of California against.

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 247, nays 158, not voting 29, as follows:

[Roll No. 10]

YEAS—247

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—158

Allard
Allen
Archer
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Davis
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—29

Armey
Blackwell
Clay
Coleman (TX)
Dannemeyer
de la Garza
DeFazio
DeLay
Dymally
Eckart
Edwards (CA)
Frost
Gaydos
Hall (TX)
Hutto
Ireland
Johnson (TX)
Kolter
Lantos
Levine (CA)
Lightfoot
Luken
Morrison
Mrazek
Pickle
Stark
Thomas (CA)
Thomas (GA)
Whitten

☐ 1902

The Clerk announced the following pairs:

On this vote:

Mr. Eckart for, with Mr. Johnson of Texas against.

Mr. DeFazio for, with Mr. Thomas of California against.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. DYMALLY. Mr. Speaker, due to a medical appointment in Los Angeles, I was unable to vote on H.R. 4095, the Emergency Unemployment Compensation Act and House Resolution 258, the October Surprise task force resolution.

Had I been present, I would have voted "yea" on both bills.

PERSONAL EXPLANATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 30, 1992

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent for rollcall votes 9 through 16. Had I been present during these votes, I would have voted "nay" on rollcall votes 9 through 11, "yea" on rollcall vote 12, and "nay" on rollcall votes 13 through 16.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. HOYER. Mr. Speaker, I offer a privileged resolution (H. Res. 344), and I ask for its immediate consideration.

The Clerk read the resolution, as follows:

> The following named Members be and they are hereby elected to the following standing committees of the House of Representatives:
>
> Committee on Veterans Affairs: Bob Clement, of Tennessee.
>
> Committee on Merchant Marine and Fisheries: Lucien Blackwell of Pennsylvania.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CREATING A TASK FORCE TO INVESTIGATE CERTAIN ALLEGATIONS CONCERNING THE HOLDING OF AMERICANS AS HOSTAGES BY IRAN IN 1980

Mr. DERRICK. Mr. Speaker, pursuant to House Resolution 303, I call up the resolution (H. Res. 258) creating a task force of members of the Foreign Affairs Committee to investigate certain allegations concerning the holding of Americans as hostages by Iran in 1980, and ask for its immediate consideration.

The Clerk read the title of the resolution.

POINT OF ORDER

Mr. MCEWEN. Mr. Speaker, I make a point of order against House Resolution 258 on grounds that it is in violation of clause 5(a) of House rule XI, and I ask to be heard on my point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. MCEWEN. I thank the Chair.

Mr. Speaker, House rule XI, clause 5(a) provides that whenever a committee, commission or other entity is to be granted authorization for the payment from the contingent fund of the House of its expenses in any year, "such authorization initially shall be procured by one primary expense resolution for the committee, commission or other entity."

The rule goes on to require that "any such primary expense resolution reported to the House shall not be considered in the House unless a printed report on that resolution" shall "state the total amount of the funds to be provided to the committee, commission or other entity under the primary expense resolution for all anticipated activities and programs * * *."

Mr. Speaker, it is my assumption that this resolution, which was reported by the House Administration and authorizes the payment of expenses from the contingent fund, is the primary expense resolution for the task force. And yet the committee report on this resolution, House Report 102-296, part II, does not "state the total amount of funds to be provided" as required by rule XI, clause 5(a).

If, on the other hand, it is argued that House Resolution 258 is not a primary expense resolution, then it is not in order since House rule XI, clause 5(a) requires that whenever any entity such as this task force is to be granted authorization for the payment of expenses from the contingent fund, and I quote, "such authorization initially shall be procured by one primary expense resolution for the committee, commission or other entity." In other words, this resolution is not in order until after a primary expense resolution has been adopted by this House.

I urge that my point of order be sustained.

The SPEAKER pro tempore. Does the gentleman from South Carolina desire to be heard on the point of order?

Mr. DERRICK. Mr. Speaker, under clause 5(c), the funds will be provided to the Committee on Foreign Affairs and they will, in turn, provide the funds to the subcommittee, I mean to the committee that we are establishing.

Mr. MCEWEN. Mr. Speaker, does Chairman WHITTEN share that view?

The SPEAKER pro tempore. Does the gentleman wish to be heard further on the point of order?

Mr. DERRICK. Mr. Speaker, I would be glad to read clause 5(c) on page 482 of the House Rules Manual. I would be glad to read that for you.

Mr. MCEWEN. Mr. Speaker, do I understand the gentleman to say that the money is coming from the Committee on Foreign Affairs funds; is that what he is saying?

Mr. DERRICK. Mr. Speaker, the House Administration Committee, in its forthcoming resolution, will provide funds to the Committee on Foreign Affairs and they will provide it to the committee that is being established. And this authority is provided under 5(c).

The SPEAKER pro tempore. Does the gentleman desire to be heard further on the point of order?

Mr. WALKER. Mr. Speaker, I wish to be heard.

Mr. Speaker, it sounds to me as though the gentleman from South Carolina is contending that the money is previously authorized under the House Administration's budget and so therefore the money is allocated there. When the House Administration Committee's budget was put into place, there was absolutely nothing in the House Administration budget which indicated that this task force was going to be formed. The new entity being created under the rules is the entity of the task force. It is that entity to which the gentleman from Ohio has referred, it is that entity to which the House rules speak. Either the House rules are going to apply to this or we are going to completely abandon any pretense that the House rules have meaning with regard to spending. This is very much of a spending issue because if in fact we do not obey House rules there, we have open ended the fund for this task force for as far out into the future as we can see.

The SPEAKER pro tempore (Mr. OBEY). The Chair is prepared to rule unless the gentleman from Ohio wishes to be heard further on his point of order.

Mr. MCEWEN. Mr. Speaker, I would only say as a member of the Committee on Rules, reading the rules, it says that if we are going to spend money, it has to be authorized under a resolution. It is not before us. There is no rule that permits us to proceed at this time.

The SPEAKER pro tempore (Mr. OBEY). The gentleman from Ohio, in a point of order, suggests to the House that under rule XI, clause 5(a), there needs to be a total amount stated in the report of the Committee on House Administration for funding of the task force, and the Chair would simply point out that the primary expense resolution for the Committee on Foreign Affairs and all other committees will be reported to the House later this year.

As the gentleman from South Carolina has attempted to point out to the House, clause 5(c) of rule XI reads as follows:

> The preceding provisions of this clause do not apply to—
>
> (1) any resolution providing for the payment from the contingent fund of the House of sums necessary to pay compensation for staff services performed for, or to pay other expenses of, any committee, commission or other entity at any time from and after the beginning of any year and before the date of adoption by the House of the primary expense resolution providing funds to pay the expenses of that committee, commission or other entity for that year;

□ 1910

It is the ruling of the Chair at this time that the task force comes under that exception. The task force is a subunit of the Committee on Foreign Affairs and not a separate entity.

The point of order is, therefore, overruled.

Mr. WALKER. Mr. Speaker, I respectfully appeal the ruling of the Chair.

The SPEAKER pro tempore (Mr. OBEY). The gentleman from Pennsylvania [Mr. WALKER] appeals the ruling of the Chair.

The question is, Shall the decision of the Chair stand as the judgment of the House?

MOTION TO TABLE OFFERED BY MR. DERRICK

Mr. DERRICK. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. DERRICK moves to lay on the table the appeal by the gentleman from Pennsylvania [Mr. WALKER] on the ruling of the Chair.

The SPEAKER pro tempore. The question is on the motion to table offered by the gentleman from South Carolina [Mr. DERRICK].

The question was taken; and on a division (demanded by Mr. WALKER) there were—ayes 19, noes 29.

Mr. DERRICK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 227, nays 150, not voting 57, as follows:

[Roll No. 11]

YEAS—227

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Clement
Collins (IL)
Collins (MI)
Condit
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeLauro
Dellums
Derrick
Dicks
Dixon
Donnelly
Dooley
Dorgan (ND)
Durbin
Dwyer
Early
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Jefferson
Johnston
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCurdy
McDermott
McHugh
McNulty
Mfume
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Solarz
Spratt
Stallings
Stenholm
Stokes
Studds
Swift
Tallon
Tanner
Tauzin
Taylor (MS)
Thornton
Torricelli
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Sabo
Schulze
Sharp
Shaw
Smith (IA)
Staggers
Stark
Swett
Synar
Thomas (CA)
Thomas (GA)
Torres
Towns
Valentine
Whitten

NAYS—150

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Combest
Coughlin
Cox (CA)
Crane
Cunningham
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Myers
Nichols
Nussle
Packard
Paxon
Petri
Porter
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Roberts
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—57

Bunning
Chapman
Clay
Coleman (MO)
Coleman (TX)
Conyers
Dannemeyer
Davis
DeFazio
Dingell
Downey
Dymally
Eckart
Edwards (CA)
Foglietta
Gaydos
Hertel
Hutto
Ireland
Jacobs
Jenkins
Johnson (SD)
Johnson (TX)
Jones (GA)
Kolter
Lancaster
Lantos
Lent
Levine (CA)
Lightfoot
McCloskey
McMillen (MD)
Miller (CA)
Morrison
Mrazek
Oberstar
Owens (UT)
Oxley
Pursell
Ritter
Rogers
Russo

□ 1936

Mr. GEJDENSON changed his vote from "nay" to "yea."

So the motion to table the appeal of the ruling of the Chair was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRIES

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. OBEY). The gentleman will state his parliamentary inquiry.

Mr. WALKER. Mr. Speaker, the parliamentary inquiry is that the Chair in its ruling on the previous point of order indicated, and I think the video record of the House will confirm this, that the reason for the ruling was that the entity being created is a subunit of the Foreign Affairs Committee. Is that not what the Chair ruled?

The SPEAKER pro tempore. The Chair has ruled on the basis that clause 5(c) of rule XI simply provides an applicable exception, and the Chair has ruled on that basis.

Mr. WALKER. Mr. Speaker, I have a further parliamentary inquiry. My understanding of the Chair was that 5(c) applied because this was a subunit of the Foreign Affairs Committee. The Chair specifically mentioned the Foreign Affairs Committee in his ruling. It is now my understanding, after further consultation, that that is not the case, and so, therefore, the Chair's ruling was based upon an understanding which does not exist under section 5(c).

Would the Chair clarify for the House the entity we are about to create?

The SPEAKER pro tempore. Under the resolution, the task force consists of members of and reports to the Committee on Foreign Affairs. But in any event, the Chair has ruled that the clause (c) exception applies to the task force. This is the first example, since the rule cited the creation of an entity and its funding at the same time. That is why the resolution was sequentially referred to the House Administration Committee. In any event, the clause 5(c) exception applies to any entity, not to any preexisting entity.

Mr. WALKER. But as a further parliamentary inquiry, Mr. Speaker, am I not correct that the Chair previously ruled that this was a subunit of the Foreign Affairs Committee?

The SPEAKER pro tempore. That may have been the impression of the Chair at the time, but whether or not that was correct, the exception in the rule still stands.

Mr. WALKER. I have a further parliamentary inquiry. If that was the impression of the Chair at the time, is that what the Chair ruled?

The SPEAKER pro tempore. The Chair ruled as the Chair stated.

Mr. WALKER. The Chair ruled on section (c).

The SPEAKER pro tempore. On any entity being excepted under (c).

Mr. WALKER. I have a further parliamentary inquiry. The Chair ruled on section 5(c) based upon his contention that it was a subunit of the Foreign Affairs Committee. What I am seeking to find out is whether or not the Chair is now withdrawing that contention.

□ 1940

The SPEAKER pro tempore (Mr. OBEY). The Chair's ruling was based on the literal ruling of 5(c).

Mr. WALKER. I thank the Chair for pointing out it was based upon a literal ruling of 5(c). However, the specific ruling of the Chair, and again, I point out the video record of the House will certainly confirm this, that he ruled on 5(c) based upon——

The SPEAKER pro tempore. The Chair has already commented on that and does not care to repeat himself.

Mr. WALKER. I am sure the Chair does not, because I think the question here is whether or not the people who voted just to table the appeal did not do so in a wrong manner because of the Chair's previous ruling, but I thank the chair for his indulgence.

The SPEAKER pro tempore. The Chair believes the underlying ruling was correct.

Mr. MCEWEN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. MCEWEN. Mr. Speaker, under my point of order under clause 5(a) of House rule XI, I stated that the new entity being created by the resolution currently before us had to meet the requirements of that. You have stated now that this new entity is a subunit.

Can the Chair rule for me the circumstances under which my rule cited here, clause 5(a) of rule XI, would apply ever?

The SPEAKER pro tempore. The Chair read the exception as it applies in this instance and has ruled accordingly.

Mr. MCEWEN. So can the Chair state for me of an instance or example in which the rule that I cited under the belief that it applied to the House would be applicable to anything stated?

The SPEAKER pro tempore. The Chair cannot speculate about other situations, and the Chair has provided the ruling, and the House has spoken.

Mr. MCEWEN. I thank the Speaker.

The SPEAKER pro tempore. Pursuant to the rule, the amendment recommended by the Committee on Rules, as modified by the amendment recommended by the Committee on House Administration, now printed in the resolution, is considered as adopted.

The text of the resolution, as amended, is as follows:

H. RES. 258

Resolved, That (1) There is hereby created a Task Force of Members of the House Committee on Foreign Affairs to Investigate Certain Allegations Concerning the Holding of Americans as Hostages by Iran in 1980, to be composed of thirteen Members of the House Committee on Foreign Affairs to be appointed by the Speaker, one of whom he shall designate as chairman. The Speaker shall, with respect to the Republican Members of the Task Force, make such appointments upon consultation with the Republican Leader. Any vacancy occurring in the membership of the Task Force shall be filled in the same manner in which the original appointment was made. The Task Force is, with respect to the matters described below, authorized and directed to conduct a full and complete investigation and study, and to make such findings as are warranted, including, where appropriate, a finding that no credible evidence can be found to support particular allegations. The Task Force is further authorized and directed to make such recommendations to the Committee on Foreign Affairs as the Task Force deems appropriate, including those concerning the amendment of existing legislation or the enactment of new legislation. The Task Force shall fulfill these functions with respect to the following matters:

(a) Communications by or on behalf of the 1980 Reagan Presidential Campaign, or individuals representing or associated with that campaign, with any person or persons representing or associated with the Iranian Government or those persons with Iran holding Americans as Hostages during 1979 and 1980;

(b) Any attempt or proposal to attempt, by the 1980 Reagan Presidential Campaign or persons representing or associated with that campaign, to delay the release of the Americans held as hostages in Iran;

(c) Any activity by the 1980 Reagan Presidential Campaign to acquire or disseminate any information relating to actions being taken or considered by the United States Government in an effort to obtain the release of the Americans being held as hostages in Iran;

(d) Any sale or other transmittal of arms, spare parts or other assistance to Iran, in 1980 or thereafter, by any person or nation, intended to delay the release of the American held as Hostages by Iran, and any approval, acquiescence or knowledge of such sales or transmittals by the 1980 Reagan Presidential Campaign or persons representing or associated with that campaign; and

(e) Any actions taken to keep any communications or actions as described above, if any such communications or actions took place, from being revealed to the Government of the United States or the American people.

(2) One-third of the members of the Task Force shall constitute a quorum for the transaction of business other than the reporting of a matter, which shall require a majority of the Task Force to be actually present, except that the Task Force may designate a lesser number, but not less than two, as a quorum for the purpose of holding hearings to take testimony. When a quorum for any particular purpose is present, general proxies may be counted for that purpose. The Task Force may sit while the House is reading a measure for amendment under the five-minute rule. The rules of the House shall govern the Task Force where not inconsistent with this resolution. The Task Force shall adopt additional written rules, which shall be public, to govern its procedures, which shall not be inconsistent with this resolution or the rules of the House. Such rules may govern the conduct of the depositions, interviews, and hearings of the Task Force, including the persons present. Such rules shall provide for the protection of classified information from unauthorized disclosure.

(3) The Task Force is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, or in any other country, whether the House is in session, or has adjourned; to require, by subpoena or otherwise, the attendance and testimony of such witnesses, the furnishing of information by interrogatory, and the production of such books, records, correspondence, memoranda, papers, documents, calendars, recordings, data compilations from which information can be obtained, tangible objects, and other things and information of any kind as it deems necessary, including all intelligence materials however classified, White House materials, campaign materials, materials of present and former government officials and materials pertaining to unvouchered expenditures or concerning communications interceptions or surveillance; and to obtain evidence in other appropriate countries with the cooperation of their governments and by letters rogatory, commissions, field depositions and other appropriate mechanisms. Unless otherwise determined by the Task Force the chairman, upon consultation with the ranking Republican member, on the Task Force, shall authorize and issue subpoenas. Subpoenas shall be issued under the seal of the House and attested by the Clerk, and may be served by any person designated by the chairman or any member. The Task Force may request investigations, reports, and other assistance from any agency of the executive, legislative, and judicial branches of the Federal Government.

(4) The chairman, or in his absence a member designated by the chairman, shall preside at all meetings and hearings of the Task Force. All meetings and hearings of the Task Force shall be conducted in open session, unless a majority of members of the Task Force voting, there being in attendance the requisite number required for the purpose of hearings to take testimony, vote to close a meeting or hearing.

(5) The Chairman, upon consultation with the ranking Republican member, may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as it considers necessary to carry out the purposes of this resolution. The Task Force shall be deemed a committee of the House for all purposes of law, including House rule XI(2)(n), and sections 6005, 1505, and 1621 of title 18, section 192 of title 2, 1754(b)(1)(B)(ii) of title 22, and section 734(a) of title 31, United States Code. The Task Force may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Task Force, other than expenses in connection with meetings of the Task Force held in the District of Columbia.

(6) Unless otherwise determined by the Task Force the chairman, upon consultation with the ranking Republican member, or the Task Force, may authorize the taking of affidavits, and of depositions pursuant to notice or subpoena, by a Member or by des-

ignated staff, under oath administered by a Member or a person otherwise authorized by law to administer oaths. Deposition and affidavit testimony shall be deemed to have been taken in Washington, DC, before the Task Force once filed there with the clerk of the Task Force for the Task Force's use. Depositions shall be deemed to be taken in Executive Session.

(7) The Task Force shall be authorized to respond to any judicial or other process, or to make any applications to court, upon consultation with the Speaker consistent with rule L.

(8) The Task Force shall provide other committees and Members of the House with access to information and proceedings, consistent with rule XLVIII(7)(c): Provided, That the Task Force may direct that particular matters or classes of matter shall not be made available to any person by its members, staff, or others, or may impose any other restriction. The Task Force may require its staff to enter nondisclosure agreements and its chairman, in consultation with the ranking Republican member, may require others, such as counsel for witnesses, to do so: Provided further, That the Task Force shall, as appropriate, provide access to information and proceedings to the Speaker, the Majority Leader, the Republican Leader, and their appropriately cleared and designated staff.

(9) Authorized expenses of the Task Force for investigations and studies, including for the procurement of the services of individual consultants or organizations thereof, and for training of staff, shall be paid from the contingent fund of the House upon vouchers signed by the chairman and approved by the Chairman of the Committee on House Administration.

(10) By July 1, 1992, the Task Force shall report to the House the status of its investigation. With respect to this and any other report of the Task Force, including its final report, the report shall be accompanied by supplemental or additional minority views.

(11) At the conclusion of the existence of the Task Force all records of the Task Force shall become the records of the Committee on Foreign Affairs except for those records relating to intelligence matters which shall, upon the Task Force's designation, become the records of the House Permanent Select Committee on Intelligence.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. MCEWEN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Resolution 258.

Mr. Speaker, House Resolution 258 would establish a special task force of members of the Committee on Foreign Affairs to investigate the so-called October surprise allegations. These allegations are extremely serious. Let me take a few moments and explain just how serious they are and why we need a formal investigation.

Literally for years rumors have circulated in this country and abroad that individuals associated with the 1980 Reagan Presidential campaign entered into secret negotiations with the Iranians for the purpose of making sure our 52 hostages, seized in the takeover of the U.S. Embassy in Teheran on November 4, 1979, would not be released prior to the 1980 Presidential election.

The rumors are premised on the idea, widely believed in the fall of 1980, that an October surprise, or release of the hostages just prior to the election, was the only event capable of causing a majority of American voters to reelect the incumbent President, Jimmy Carter, the following month. Therefore, the theory goes, the Reagan campaign had every incentive to work behind the scenes to prevent President Carter from arranging an October surprise, and actually did so.

It is alleged that through a series of secret meetings with Iranian representatives in Madrid, Paris, and possibly elsewhere during the summer and fall of 1980, a deal was struck between individuals associated with the Reagan campaign and Iranians whereby Iran would hold the hostages until after the election in return for arms and spare parts.

These rumors received increased attention last year from Mr. Gary Sick, a former National Security Adviser to President Carter who worked in the White House during the hostage crisis. Mr. Sick, a widely respected expert on Iran, Ivy League professor, and former naval officer, wrote an article which appeared in the New York Times in April.

Mr. Sick's article detailed how during the course of researching a book he had been told repeatedly that individuals associated with the 1980 Reagan campaign had made a secret deal with the Iranians to delay the release of the hostages. In return for keeping the hostages in captivity until after the election, the Iranians were allegedly rewarded with a substantial supply of arms and spare parts for their military machine, which was almost exclusively of American origin.

Mr. Sick's article laid out the factual circumstances of 1980 which give credence to the story, including how the Carter administration's ongoing negotiations with the Iranians to secure their release seemed promising. The article also described how suddenly in October 1980, about the time the secret deal was allegedly finalized, Iran broke off negotiations with the Carter administration and began to thwart all official attempts to address the hostage issue until just before the election.

As we all know, the hostages were not released until moments after the inauguration of President Reagan on January 20, 1981. We also know arms in fact began flowing to Iran in substantial quantities immediately thereafter and continued flowing for a long period of time.

Mr. Sick's article created a sensation, not because the rumors were new, but because he had become convinced, after years of dismissing them as fantasy, that there might be something to them.

Journalists working for various news organizations including the Public Broadcasting System documentary "Frontline," ABC News "Nightline," the German magazine Der Spiegel, and various others, have looked into these allegations. These investigators have found no conclusive evidence of such a deal, nor have they found conclusive evidence disproving the allegations.

What Mr. Sick and the other journalists have determined, however, is that they have taken the investigation as far as they can without the power to subpoena documents and other evidence, including sworn testimony, and the cooperation of foreign governments.

Mr. Speaker, there has never been a complete, formal investigation of these allegations by any agency or instrumentality of the U.S. Government having the benefit of subpoena power, the power to swear witnesses, and the cooperation of foreign governments.

But I am confident it is obvious to every Member of this House why we need one. Serious people have made serious allegations that private citizens associated with a Presidential campaign may have sought to undermine the foreign policy of our Government to keep 52 Americans in captivity for 3 extra months because releasing them might have benefited another candidate.

If true, Mr. Speaker, such actions would in my view come close to being treasonous. Certainly such an episode, if it happened, would have to be the lowest point in American political history, and the American people need to know the truth so they can make sure it never happens again.

If the allegations are not true, the American people have every right to know that too. Very serious allegations have been made against persons who held, and in some cases now hold, high positions in our Government.

Those persons have a right, I believe, to have their names cleared if possible. Only a thorough, formal investigation by an entity vested with subpoena power, the ability to take sworn testimony, and able to win the cooperation of foreign governments can find the truth.

Mr. Speaker, House Resolution 258 is a well-crafted measure to create such an entity, a special task force of the House. The task force would consist of 13 members of the Foreign Affairs Committee, 8 Democrats and 5 Republicans, appointed by the Speaker and the minority leader.

The resolution authorizes the task force to investigate fully the allegations which have been made. The matters to be investigated include allegations of communications by or on behalf of the 1980 Reagan campaign with Iranians; any attempt or proposal to delay the hostages' release; any activity to acquire or disseminate information pertaining to actions being considered by the Government to obtain the hostages' release; arms sales to Iran by anyone intended to delay the hostages' release; and any actions taken to keep such actions and communications from being revealed.

The resolution authorizes the task force to make such recommendations as it sees fit to the Committee on Foreign Affairs for the enactment of appropriate legislation. The resolution requires the task force to report to the House by July 1, 1992, on the status of its investigation at which time the House may, if it chooses, vote to abandon further investigation.

Mr. Speaker, this panel will face the extremely difficult task of investigating serious, extremely sensitive allegations which are several years old, which implicate various foreign governments, and which involve numerous foreign nationals who may or may not be present in the United States and who may or may not cooperate voluntarily. As such, House Resolution 258 gives the task force the tools it will need to conduct this inquiry swiftly, economically and efficiently.

Some who oppose this investigation will criticize provisions giving the task force chairman the authority, upon consultation with his ranking minority member, to issue subpoenas; giving the task force staff the authority to take depositions; and allowing less than a majority to close meetings or hearings, among others.

Mr. Speaker, constituting a task force to look into these extraordinary allegations and not giving it extraordinary flexibility would render it difficult, if not impossible, for the panel to fulfill its talks and reach the truth. Indeed under some scenarios involving foreign travel, requiring the task force to conform to the rules applicable to other committees would drive up the costs of the investigation substantially.

There is nothing in House Resolution 258 which prevents or in any way impairs the right of any task force member, Republican or Democrat, to participate fully in the activities of the task force. I have complete faith that the member the Speaker has wisely chosen to chair the task force, the gentleman from Indiana [Mr. HAMILTON], and the member the minority leader has wisely selected as its ranking member, the gentleman from Illinois [Mr. HYDE], will work together amicably in the spirit of bipartisan cooperation.

Moreover, Mr. Speaker, none of those who have agreed to serve on the task force will be relieved of any of his other responsibilities as a Member of this House. We must not impose upon these members or this task force any procedural requirements which provide burdens without benefits. Their job will be difficult enough as it is, and we owe them a debt of gratitude for their willingness to undertake it.

Mr. Speaker, none of us wants to believe any political campaign would even contemplate such dastardly deeds as have been alleged, let alone consummate them. But these allegations, which have never been formally investigated, go to the very heart of our democratic form of government, and we ignore them at our peril.

Several of the hostages have called for an investigation. President Carter has called for an investigation, as have President Reagan, numerous editorial boards, commentators, and ordinary citizens. President Bush has said he would welcome an investigation.

I believe House Resolution 258 will enable the task force to investigate the October Surprise fully, fairly, expeditiously. I urge all Members to support the resolution without amendment.

I reserve the balance of my time.

□ 1950

Mr. McEWEN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. BROOMFIELD], the distinguished ranking member of the Foreign Affairs Committee.

Mr. BROOMFIELD. Mr. Speaker, Republicans have many legitimate concerns about the motives and conduct of the proposed investigation.

The politically charged issue of dealings with the Iranians during the 1980 election deserves to be looked at fairly. Instead, for 18 months Democratic Members and staff have tried to use the power of Congress to build a case against Republicans without ever once informing the minority.

I, like other Republicans—including President Bush and former President Reagan—would be willing to support a proper inquiry. For these reasons, I will support the Michel substitute but must oppose the resolution offered by the majority.

Frankly, I doubt whether any investigation of this matter is warranted at present. The so-called evidence that has been put forward is simply too weak to justify such an expensive election year extravaganza.

Regardless of this, a small group of Democratic Members and staff have relentlessly promoted this investigation. Is it coincidental that the call for an investigation is being heard only now, nearly 12 years later and during a Presidential election year?

For months we have been subjected to a barrage of allegations from various sources that Bill Casey or others with the 1980 Reagan campaign made a deal with the Iranians to delay the release of the United States Embassy hostages. Time and time again, however, such allegations have proved unfounded.

A few months ago, two reputable magazines printed the results of their own far-reaching reviews of these allegations. Both New Republic and Newsweek concluded that the major sources for these stories lacked credibility.

Credit for reviving these old conspiracy theories is often given to Gary Sick, who was a staff member on the Carter National Security Council. In fact, Sick has been making these claims for years.

At this point I will insert an article from the Wall Street Journal of May 2, 1991, as follows:

[From the Wall Street Journal, May 2, 1991]

GARY SICK'S SAME OLD SONG

(By Daniel Pipes)

In a New York Times article that has provoked international notice, Gary Sick wrote on April 15 that he had long been skeptical about the notion that Ronald Reagan's 1980 campaign managers had cut a deal with the Iranian authorities to keep American hostages in Tehran until after the election. In return, the story went, the Israeli government delivered arms to the Iranians at the behest of the new Reagan administration.

Much of the power of Mr. Sick's piece, to which the New York Times devoted two-thirds of its op-ed page, derived from the fact that the author had only recently, and reluctantly, been forced to give credence to these stories.

Mr. Sick's precise words bear quoting: "I first heard these rumors in 1981 and I dismissed them as fanciful. I again heard them during the 1988 election campaign, and I again refused to believe them. I had worked in and around the Middle East long enough to be skeptical of the conspiracy theories that abound in the region." It was only after compiling a massive computerized data base that he began to notice the "curious pattern" of events that led him to go public with his concerns.

But Mr. Sick seems to have forgotten his own thinking. Here is a statement he made, quoted by the Rocky Mountain News on Oct. 30, 1988—at the very peak of the 1988 presidential campaign—in which he discussed the possibility of a hostage deal:

"At first I dismissed this, but not any more. I'm more convinced on the basis of what I heard that there were some meetings in Paris. I know that the Iranians changed their policy at that time. . . ."

Just over a month before that, on Aug. 26, 1988, Mr. Sick told the New York Daily News in a telephone interview: "There is something here. I just don't know how much. * * * I have always been puzzled at why the Reagan administration gave a complete green light to Israel (to deliver arms to Iran) immediately after they took office. These people despised the ayatollah, but they let Israel go ahead with deliveries. I would certainly have to take account of this stuff if I was writing my book over again."

Mr. Sick, the principal Carter aide for Iran during the hostage crisis, author of "All Fall Down," a highly regarded book on the hostage crisis, and now an adjunct professor at Columbia, seems to have made a major error on the subject about which he is the world expert: his own mind. It could be a simple mistake; but it could also have to do with the recognition that the convert has more impact than he who is to the faith born. Simply put, had Mr. Sick acknowledged a years-long belief in Republican plotting, his account would have had far less impact.

All of this makes a difference because it is Gary Sick's stature that moved speculations about a Reagan campaign conspiracy from the fringe to the mainstream. Indeed, the subcommittee chairmen of the House Foreign Affairs Committee are scheduled to meet with Mr. Sick today, beginning a process that might lead to a full-scale investigation, by Congress or by a special prosecutor, or by both.

But the flaws in Mr. Sick's account of his own thoughts raise serious doubts about his credibility. Given the vast array of issues facing Congress, the representatives would do well to let this one drift back to the fringe where it belongs.

Sick and others have worked for months, if not years, with Democratic staff on Capitol Hill in order to get an investigation going. He and other journalists actually participated in the investigation conducted during 1990 and 1991 by the General Accounting Office at the request of a Democratic Member. Meanwhile, House Republicans were told nothing for over 6 months.

The GAO investigation shows the pitfalls of starting such a politically charged investigation without any real basis. The GAO spent over $55,000 and devoted 85 staff days to this matter. GAO officials have testified, however, that they were not able to confirm a single allegation.

More recently, we have become aware that Democratic members and staff of the Foreign Affairs Committee continued to investigate this matter, and have even taken legal steps. The minority was not informed of these activities either.

I therefore urge Members to support the Michel substitute, which would help ensure that this investigation will be conducted in a responsible and bipartisan manner.

First, the authorizing resolution should specifically permit investigation of relevant activities of the Carter administration and campaign. This is because without such information, it is impossible to understand the activities of the Reagan team or evaluate allegations against them.

Why would the Iranians have dealt with the Reagan campaign if they already had an arrangement all but done with the Carter administration? Was the Carter plan an arms-for-hostages deal? What other activities was the Carter administration pursuing with the Iranians?

Second, the investigation must have a time limit. Otherwise it will just drag along for political purposes. Those who wish the investigation to continue beyond a certain date should be required to vote again to continue it.

Third, the funding should be more tightly controlled and a limit should be placed on expenditures. The tens of millions of dollars spent on the Iran-Contra investigation demonstrate the folly of taking the taxpayers for a ride on a political investigation.

Finally, additional procedural protections should be adopted for the minority, in accordance with the rules of the House. Our experience with this matter shows that both sides must be included in all proceedings and that the minority should be kept informed of all investigatory activities.

For these reasons, I urge all Members to oppose the resolution and support the Michel substitute.

□ 2000

Mr. MCEWEN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. I thank the gentleman for yielding this time to me.

Mr. Speaker, a student of abnormal psychology, I think, would have a field day with this excursion into political paranoia.

Not so long ago we conservatives were thought to monopolize all political paranoia; the John Birch Society found a Communist under everybody's bed; the Trilateral Commission infamously ruled the world; our President, the despised Ronald Reagan, used the term evil empire to describe a progressive socialist country and thus proved himself beyond intellectual redemption.

You do not hear much about political paranoia anymore, nor McCarthyism, for that matter, although I saw it revived here today.

Allegations without proof against people's reputations.

But the paranoia has leapt across the aisle, it has moved to the left now and in today's milieu we demonize nuclear power, for that matter.

We all remember the Silkwood movie; Oliver Stone in "JKF" stigmatized everybody except Shirley Temple.

Now, in all its Freudian glory we have the October Surprise. Richard Hofstadter wrote a book a few years ago, an interesting book, "The Paranoia Style in American Politics." It was his view in that book that Barry Goldwater supporters were paranoid. But his conclusion, nonetheless, still holds up today. He felt that paranoid fantasies develop among people who perceive a loss of power and a loss of status.

Mr. Speaker, many liberals have never gotten over the victory of Ronald Reagan. He is a usurper who has wrenched from their grasp the entitlement of high office, and he could not have won but for foul play.

So, here we are with October Surprise.

Now, those of you who are great students of ancient history remember a famous Roman senator named Cato, the Elder.

He never ended speech in the Senate but he said, "Delenda est Carthago," Carthage must be destroyed. Here, 2,000 years later, we have a new version, Reagan must be destroyed, "delenda est Reagan."

Bipartisan support? We make a pass at bipartisanship, but, you know, this little adventure has been under way, well, since 1988, in the dark, secretly, stealthily. Even as recently as 3 weeks ago things are going on in a Federal court in New York and we Republicans are never brought in.

Now, today, at last we are invited to sit down at the table. The timing of this investigation guarantees that it will be in full flourish as we approach the elections in November.

I heard from your side of the aisle that it is our fault that we have not moved this thing along. Why, it was August 5 when the Speaker said he was going to put together this task force. How could we stop the juggernaut of the Democratic party from putting together the task force?

Now here it is February and we are going to have weeks consumed in getting the clearances for all of the staff and come November we will be in full flourish, no question about it. Mr. Speaker, in show business that is called a lucky booking.

Now, we hear much in Presidential primaries about the character issue. Well, we have the character issue here. We have a collection of people who right out of Charles Dickens making the charges and the rumors and countercharges here, and I think we will see it in full display.

What we are playing with is history and, yes, we are playing with people's reputations.

I just hope and pray that we have fair play and that we have due process as we pursue wherever the facts lead us.

Dubious as I am, skeptical as I am, I want to go into this with an open mind. I conceive it is within the realm of possibility that something as horrendous as these charges might have occurred. I really doubt it, but I cannot approach this as a member of this task force and have a preconceived notion.

I will do my best to see that fair play and that a weighing of the facts fairly occurs, at least as far as I am concerned. But I hope you will remember you are dealing with people's reputations, you are dealing with people who are deceased. At least three of the major players are deceased here. This is a serious matter.

Last, I want to say that I am pleased that the chairman will be the gentleman from Indiana [Mr. HAMILTON], someone in whom I have great confidence, and I look forward to an interesting year as we approach the elections.

Mr. MCEWEN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise to oppose this measure to create a task force to investigate the so-called October Surprise allegations. Permit me to associate myself with the eloquent remarks made by our distinguished ranking Republican on our Foreign Affairs Committee, the gentleman from Michigan [Mr. BROOMFIELD]. He is correct in stating that most Republicans, including Presidents Bush and Reagan, would be willing to support a proper inquiry. I too will support the Michel substitute.

Last year, our Foreign Affairs Committee met with Richard Allen, former National Security Advisor, and Albo Hassan Bani-Sadr, former Prime Minister of Iran. I have reviewed Mr. Bani-Sadr's so-called evidence and I believe that none of it would meet the evidentiary standards of our Nation's courts.

We have heard outrageous allegations from an incredibly diverse variety of people, all of whom seem to be more interested in the politicizing of this investigation than they do in examining the facts.

Former Carter administration NSC staffer Gary Sick and a plethora of Democratic staffers here on the Hill have been working on this issue for years. If there was really any substance to these charges, something so significant would have come to the surface long ago and we would not have to bother with this debate. As Steven Emerson and Jesse Furman, the authors of the New Republic's November 1981 article entitled "The Conspiracy That Wasn't" noted:

> But the truth is, the conspiracy as currently postulated is a total fabrication. None of the evidence cited to support this October surprise stands up to scrutiny.

Moreover, the GAO has already expended over $50,000 of Government money and 85 days investigating these charges and they did not come up with any substantive evidence.

If a truly reasonable further investigation is to occur, I urge that we vote for the Michel substitute.

The Michel substitute specifically permits the investigation of the Carter administration's conduct of United States policy toward Iran. The Michel substitute also provides for a strict 56-month time limit. If the investigation is conducted without any time limit, those who have been accused of politicizing the issue would find themselves hard pressed to defend themselves against those charges.

The Michel substitute cleans up several critical procedural matters, subjecting the task force to the regular rules of the House. Accordingly, Mr. Speaker, I urge my colleagues to be reasonable, to be fair, and to vote for the Michel substitute.

In considering this issue before us I urge my colleagues to read Newsweek's article of November 11, 1991, entitled "Making of a Myth," copies of which are on the House Minority's Committee desk, and which concludes:

> * * * Newsweek has found, after a long investigation including interviews with Gov't Officials and other knowledgeable sources around the world, that the key claims of the purported eyewitnesses and accusers simply do not hold up. What the evidence does show is murky history of a conspiracy theory run wild.

□ 2010

Mr. MCEWEN. Mr. Speaker, I yield 2 minutes to the senior member of the Committee on Foreign Affairs, the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Speaker, I accepted the assignment to serve as one of the minority members of the October Surprise task force with mixed emotions.

On the one hand, given the extraordinary and even unprecedented charges leveled against current and former public officials, we in this body have an obligation to engage in a fairminded search for the truth.

On the other hand, unless this investigation proceeds with the utmost diligence, objectivity, and punctilious regard for process, I fear that we may inadvertently exacerbate—rather than dispel—mounting public dismay with Congress and our political institutions.

Here I would note that in America process is our most important product. When procedure and comity break down, tragi-comedy ensues. As Reinhold Niebuhr, perhaps the profoundest religious philosopher of the century, once observed, the temper and integrity with which the political fight is waged is more important to the health of our society than the outcome of any single issue.

In this context, it must be stressed that the purpose of this investigation is fundamentally historical rather than prosecutorial.

Its scope will be unique in that the time frame and actions it will cover must inevitably involve prominent personalities and foreign policies in administrations of both parties. And therein lies the danger of destructive partisan rivalry: If the enquiry degenerates into a mischievous political fishing expedition, the endeavor will prove a mire from which no reputation emerges unsullied.

More consequentially, the mere establishment of an investigatory enquiry has the unfortunate implication of lending credibility to charges which are anything but consistent and as yet unproven.

Congressional enquiries, as we all understand, are blunt instruments. Congress is the center point of political debate in this country; it is the arena where public policy is directed through legislation; yet to be introspective, our forte is not historical investigation, although clearly greater attention to historical analysis would serve us well.

The enquiry at hand, however, doesn't appear purely motivated pure historicism. When unhappy events occur, especially when there are partisan political ramifications, conspiracy rationales escalate.

At a time when respect for public officials is low, when the economy is unstable, when the future is uncertain, people are prone to give credence to conspiratorial explanations of events.

This body thus has a particular responsibility to take great caution to ensure that truth, not political advantage, is sought, and that if wrongdoing is found, that the innocent be protected from charges that may be applicable to any that may be guilty of misjudgment or illegality.

This is a powerfully important enquiry. At stake is nothing less than the confidence of the people of the United States in the system of governance established by our Constitution.

A basic tension exists in American politics between the activities of searching for truth and trying to win elections. Our system is founded on the conviction that the former will be successful only if the latter is done fairly.

If in the upcoming investigation into the so-called October Surprise, the American people perceive that either party is willing to sacrifice truth in the desire to win partisan political points, the Nation will be ill served.

Any manipulation of Congress' investigatory powers to corrupt the historical record could precipitate a partisan political victory which would inevitably prove Pyrrhic for the Republic, undoing rather than bolstering respect for the constitutional process.

Mr. DERRICK. Mr. Speaker, I reserve the right to close on this side. I just have one speaker remaining.

Mr. MCEWEN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I think it is incredible that we are to hear a 12-year-old charge based on the alleged statements of liars, frauds, felons, and opportunists, completely fabricated allegations, totally debunked by Newsweek and New Republic and a host of other investigative committees, including the GAO. Even the independent counsel which has wasted $25 million of our money over the last 5 years, could not find anything to investigate in this thing, and still the Democrats go forward.

Mr. Speaker, they say no to a public investigation of the House restaurant and unpaid bills. They say no to the public investigation of the House bank and bounced checks. They say no to a public investigation of cocaine sales and embezzlement in the House Post Office. And yet they say OK to staff letters to judges to spring criminals from jail.

Where are the demands for the review of Jimmy Carter's role in the October Surprise? Where are the demands for an investigation of the Sandinista surprise where Members of Congress irregularly dealt with the Communists of Nicaragua? Where were the investigations of the Kennedy winning margin in Cook County in 1960, or of Chappaquiddick, or when Lincoln was shot, or when Elvis was sighted? Where are all these investigations?

But yet we go forward with this fabrication. It is nothing more than a credit card for election posturing. It is a travesty, and it is a bad idea, and it is a waste of taxpayers' dollars.

I hope that our friends will vote for the Michel substitute, and on final passage, that they will vote against this travesty. I know this investigation will go forward and my pleas will go unheeded, but I feel confident at the end the American people will be saying to themselves: "What in the heck was that all about?"

Mr. McEWEN. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, as a member of the House Foreign Affairs Committee chosen to participate in the so-called October Surprise task force which the House is apparently about to create, I want to assure my colleagues that this Member regards the allegations prompting the creation of this task force indeed to be extraordinarily serious and, if true, a fundamental assault on the electoral system underpinning our democracy. That is, of course, not a suggestion that the charges are true or correct, for many independent and apparently unbiased examiners have found these serious charges to be without merit.

Nevertheless, this Member hereby assures his constituents, the House, and the American people that he will pursue and report the truth, wherever it may be found.

Having given these assurances, however, this Member also would warn that the pursuit of this investigation may well be as dangerous as conducting a torchlight, inch-by-inch search of a darkened explosives factory. With such a potentially fractious investigation conducted in a Presidential election year, it is particularly unfortunate that that House seems unable to proceed under a broadly supported, bipartisan resolution to establish proper scope and timing of the investigation. Strictures by the majority limiting the full appropriate scope of the investigation regarding the arms-for-hostages allegations and its insistence on an open-ended timeframe which could be manipulated to create a 1992 October Surprise are highly unfortunate. They stand in the way of a bipartisan and good-faith initiation of this investigation. Therefore, the Michel substitute should be accepted.

Beyond this lack of bipartisan agreement on timing and scope in the proposed resolution, as a member of the House Permanent Select Committee on Intelligence with some familiarity with the subject of this investigation, their Member fully expects that we will find a large amount of directly conflicting material and testimony from numerous sources who have little, uncertain, or no credibility. In some cases these shadowy characters in the arms-trade and pseudo-members of the intelligence communities are known liars. In other cases the very murky situation in the Iranian religious-political community and the Byzantine intrigue of Middle Eastern politics almost certainly means that the truth is either not determinable or events or statements are subject to uncertain or totally opposite interpretations. Beyond that, some of the key alleged actors have taken their testimony to the grave; they are dead. Despite skilled and unbiased investigative resources which might be put at the disposal of the task force, the ultimate truth of what happened in 1980 almost certainly will not be conclusively knowable. Some critics of the Reagan campaign, the Carter administration, and the task force will not be satisfied unless the task force can conclusively prove not only what happened, but what didn't happen. This Member doubts whether the task force can provide such conclusive proof.

Members must consider that great temptations will exist in this investigative environment for partisan manipulation and exploitation of every leaked allegation, half-truth, or bald-faced lie from those giving testimony. It will be a veritable feast for the rapidly expanding number and variety of conspiracy theorists whose fanciful tales undermine the very credibility of our political system and the American consensus. It will tempt the self-launched congressional and party staffer or elected or appointed official to exploit the unsubstantiated products of the investigation for political reasons or for self-aggrandizement. It's quite possible that the spreading of the existing allegations will damage relations between the Israeli and American people, the Arab-Israeli peace talks, and the reputation of the United States in the Middle East and elsewhere. It could encourage the further taking of hostages to manipulate American elections or to enhance the prospects of arms sales.

Keep this in mind, too, colleagues, the improper use of this investigative process, the manipulation of any findings or their timing, and the leaking of premature or inconclusive information will further damage the reputation of this Congress. It will damage this Congress and the American system of Government which is so visible to the world through our deliberations in this House Chamber.

However, now that the House has reached this point, with visibility and limited, but sufficient, credibility given to these allegations of fundamental impact on the American governmental system, we now have no choice but to proceed. In light of the potential abuses and damage that could be caused by this investigation, Members and staff of both the Senate and the House, our political leaders and candidates, and the news media have a very heavy responsibility to assure that the investigative process and its results are not abused for partisan or other purposes.

Mr. McEWEN. Mr. Speaker, I yield 2 minutes to the distinguished first lady of the State of Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I rise in opposition to House Resolution 258, and in support of the Michel substitute. My interest in this resolution is more than passing—I will be a member of the Foreign Affairs Committee task force investigating this matter, so I have a desire to see that it is done right.

Frankly, Mr. Speaker, as a member of this task force, I am concerned about the political appearance that this resolution creates. This task force will be charged with investigating a very serious matter. It should be above even the appearance of partisanship. That is a reasonable principle to embrace.

My opposition to this resolution is not grounded in a belief that nothing should be looked at—rather, I believe that if we are to go forward everything should be looked at. In this instance, half an investigation is not better than no investigation at all.

I am of course referring to the resolution's exclusion of the activities of the Carter administration. There is considerable evidence that the Carter administration was indeed taking covert actions and back channel activities to free the hostages before the election. That is worth exploring. Investigating the Reagan campaign solely, without specifically including the Carter administration, severely limits the ability of the task force to fully investigate the allegations.

I am not suggesting illegality per se, but rather that a pattern of activities by the Carter administration could shed light on the motivations of the Reagan campaign and of the Iranians. For example, how can the allegation that Reagan campaign officials offered to sell arms to the Iranians be fully and properly examined without also examining the substance of a competing offer from the Carter administration?

It seems to me that if we really want to get to the bottom of this we would encourage a study that encompasses all of the factors. Investigating these allegations without exploring the Carter actions is like holding a trial with an essential part of the evidence fenced off from consideration.

Exclusion of the Carter efforts from this investigation leads one dangerously close to the conclusion that the proponents of this resolution have prejudged its results. Mr. Speaker, that is no way to conduct an impartial inquiry.

If we are going to take time to investigate this matter, and spend millions of tax dollars to do it as the resolution intends, isn't it simple fairness to the American people to see that we do a thorough job? Only the Michel substitute provides this fairness by explicitly including the Carter activities within the scope of the task force.

I am also troubled by the majority's reluctance to put an end date to this investigation. By stretching the investigation out ad infinitum, it could potentially drag on into the thick of the presidential campaign.

If Members are determined, as I am, that this investigation not become politically tainted—or more politically tainted—they need to vote for a deadline.

The Michel substitute has a 6-month deadline. However, it provides that if at the end of 6 months the House determines that more time is needed, it may approve a longer investigation. What could be more fair than that?

A vote against a deadline is a vote to immerse the investigation in the 1992 campaign. As a member of the task force, I don't want my work sullied by political entanglements. It will be without a deadline.

Mr. Speaker, I am prepared to be a part of an investigation of these very serious allegations. But I want the investigation to be objective and as nonpolitical as possible. The American people have had enough of partisanship. They deserve to have this investigation conducted fairly, thoroughly, and without the taint of partisanship. The best way to achieve that is to vote for the Michel substitute.

□ 2020

Mr. MCEWEN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I hear the American people calling for economic growth, affordable health care and assistance for the unemployed. But I don't hear them asking us to spend their money to investigate the October Surprise theory.

CBO estimates this investigation could cost $1.2 to $2.5 million. I ask my colleagues, how can you justify this expense when there's a long list of more pressing concerns to be addressed?

I'm deeply concerned that this measure lacks any type of spending limit, or budget. Expenses will require only the approval of the Chair of the House Administration Committee. With all due respect to my chairman, this isn't a fair process for dealing with such a partisan issue.

Granted, it would be nice to dispel these conspiracy rumors, but let's face it, we don't have the time or money to waste, let alone enough evidence to warrant an investigation. Under House Resolution 258. I urge support for the Michel substitute.

Mr. MCEWEN. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I would rather be here tonight to discuss ways to get the economy moving again, or how to address our health care crisis, or any of the number of other issues our constituents are telling us should be congressional priorities.

Not surprisingly, the so-called October Surprise investigation didn't come up once in my recent town hall meetings, and I imagine that the topic wasn't raised much in similar meetings across the country. The notion of authorizing unlimited funds for an unspecified time period for Congress to investigate an unsubstantiated conspiracy theory is understandably absent from the priority lists of people who look to Congress to take action on their concerns.

Nonetheless, one of our first actions this session will be to do just that: To authorize the spending of hundreds of thousands—maybe millions—of taxpayer dollars on a politically motivated search for shadows.

I don't mean to make light of this investigation. Certainly, the accusations are very serious, and if there is something to be found, we should take an orderly, bipartisan look at them. Under the capable leadership of Chairman HAMILTON and Mr. HYDE, I am confident that this task force will do its job and do it well. But at what cost?

It was just over a week ago that the President challenged this body to put politics aside and focus on the needs of the country. Even if you choose not to listen to the President, listen to what the American people are telling us, what your constituents are telling you. If they're like southwest Floridians, they think our efforts and our dollars are better used elsewhere.

In the end, a vote will be taken, the resolution will pass and the investigation will begin. The other members of the task force and I will examine the evidence objectively and with open minds, and report back our findings. But with every passing day, I fear we'll be reinforcing the American people's perception that Congress is an out-of-touch institution, more interested in scoring political points than solving the immediate and urgent problems facing its citizens. If we are slipping into fantasyland up here on the Hill, shouldn't we be going on a treasure hunt for jobs for Americans rather than an endless witch hunt for political ghosts?

Mr. MCEWEN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding. I just want to follow on my colleague's comments to the effect that this basically represents what is wrong with Congress today. We have a situation where long unemployment lines are developing, people are worrying about the economy. My colleagues are putting out literally thousands, millions of questionnaires to the American people asking them what priorities they want us to work on in 1992. I would bet that working on the October Surprise does not even show up in the top 100.

I think that fairly represents the fact that we have ceased to be a House of Representatives. We are not concerned about the people, at least the leadership of this House is not concerned about the people and their priorities. In these very difficult times, what they are worried about is beating up on the guy who whipped them in two elections, an 80-year-old man named Ronald Reagan. I look at the two statements, statements by Newsweek and the New Republic, with regard to the statements and the allegations upon which the October Surprise is based. These two publications, which certainly are not conservative publications, state, and I am quoting Newsweek, "Newsweek has found that after a long investigation, including interviews with government officials and other knowledgeable sources around the world, that the key claims of the purported witnesses and accusers simply do not hold up."

It is too bad that the same publication would not make the same statement about the facts that have come up with respect to the sale of cocaine across the counter at the post office of the House of Representatives.

I look at the New Republic statement. They are saying about the October Surprise, "The truth is the conspiracy as currently postulated is a total fabrication." It is too bad we cannot get anybody to say that about the experience with the House bank or the House restaurant or fixed tickets.

I think if you asked the American people which they would rather investigate, the October Surprise or the stewardship of the House of Representatives, there would be no contest.

Mr. MCEWEN. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank my friend, the gentleman from Ohio [Mr. MCEWEN] for yielding and compliment him for the excellent job that he and the other Members have been doing here today.

To answer the gentleman from California, I would say the American people are upset with Congress, yes, that after 38 consecutive years where every Speaker, every chairman, every subcommittee chairman has been Democrat, you can expect legislation like this.

Why are the Democrats pushing this boondoggle? I do not think it is the Democrats, I think it is liberals. I know Democrats. Democrats are decent people. They stand up for what is best for this country. But liberals? The liberals will take 2 billion taxpayer dollars and engage in this wild goose chase. This investigation of unsubstantiated rumors will be the Salem witch trials all over again. Why?

What is the evidence? After 10 years of rumor mongering, who are their big sources? They have got two. One is an American who says he is a spy or has been a spy for the United States, France, Italy, and Israel, but he has been totally dismissed as unreliable.

The other is a man who says that he has been a spy for Israel and has surfaced after landing in prison for trafficking in military goods. The press, too, not we but the press, has said this man is totally unreliable.

Then we have the two crazy Iranian brothers accused of smuggling and involved in con games. The press says involved in con games. This whole thing is nothing but a con game. These are con artists.

My favorite, October Surprise is always being quoted here today, do you know who they are quoting? Abbie Hoffman. Yes, the former student radical who wrote an article for Playboy is the liberals unimpeachable source. Gary Sick cites Abbie Hoffman as a serious source! Come on. Abbie Hoffman? All the liberal evidence comes under the heading of that "barnyard stuff." That's what we call it in Wisconsin.

We have a group of liberals here who are salivating at the chance of taking taxpayer dollars and transforming these weirdos, wackos, and nut cases into witnesses with taxpayer dollars, $2 million. This Congress ought to be ashamed of themselves, at 8:30 at night talking about these weirdos. Who is going to be the chief investigator? Geraldo Rivera?

□ 2030

Let's debate the serious problems confronting our country tonight. This country, this economy needs a shot in the arm. We should be taking care of legislation, dealing with the economy and problems of families and seniors. Let us vote on the notch issues for a change and get to some real substantial issues. Let's start addressing the peoples agenda. Let's start doing our Nation's business.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. OBEY). The gentleman will state it.

Mr. SOLOMON. Mr. Speaker, I do intend to offer a substitute as the designee of the gentleman from Illinois [Mr. MICHEL]. I just wanted to make sure we were not going to be precluded from doing that.

Mr. DERRICK. Mr. Speaker, this is just the first part we are talking about.

Mr. SOLOMON. Mr. Speaker, is the gentleman from South Carolina [Mr. DERRICK] getting ready to summarize?

Mr. DERRICK. Mr. Speaker, I am prepared to close the general debate.

Mr. McEWEN. Mr. Speaker, I cannot let 3½ minutes go by when they have 16 minutes, so I yield the balance of my time to myself.

Mr. Speaker, let's just recap where we stand. We started out with a partisan day and we are ending up the same way. Why do they want this hearing? Why can they not use the Committee on Foreign Affairs and the 57 other committees that they chair? Because they want to have a particular platform in an election year in which they can call of these weirdos and, what are they called, you can use the terms that you want to use, documented frauds and imposters.

One of the fellows said that he turned down the job as the head of the secret service for Israel, the Mossad. He was too busy. He is the one that saw George Bush on the tarmac over there during the campaign, over in Europe someplace. When they brought him the documents and showed that George Bush was at these other places, then he changed the city, then he changed the date, and, after four tries, he finally came up with it.

The General Accounting Office has already gone through this. The General Accounting Office came up to the Committee on Rules and testified that they had interviewed as many people as possible, checked all these things out. They said where they landed so they would not see the pilot. The pilot said he never landed in those places in his life. They said what was the weather like, and they went out and checked the weather, and found out it was completely wrong. They checked the tail numbers of the planes they used. In fact, we asked the question in the Committee on Rules as to anything that they ever said under any circumstances, did any of it turn out to be true?

They said, "Congressmen, every single thing they said proved to be wrong."

Now, we have investigated under the General Accounting Office, under the Committee on House Administration, under Iran-Contra. We have done it all.

The purpose of this is not for an investigation. We do not want to get to the facts.

When the gentleman from Indiana [Mr. HAMILTON] said that he was going to look at the facts, they went back and excised it so you cannot look at any Democrats. You can only look at Republican candidates for office in 1980.

That is what this House has stooped to. That is what this Congress, dominated lock, stock, and barrel, from the person that sells the postage stamps, to the person that runs the bank, to the person that runs the police force, they are solid Democrats. Republicans are not allowed to have any understanding as to what is going on. They do it behind our back.

It is only through slipshod incompetence that we ever find out what they are doing in the first place. And now that it is all out in the open and all of these reports have been exposed, they want to reach into the till, take another $2 million, at least, maybe even more than that, unlimited funding, unlimited time, and set up a platform to bring all of these weirdos in to testify as to when you saw George Bush and when you saw Ronald Reagan and where was he standing and what deal was he cutting, and you and I know that this is absolutely reprehensible to the political process.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I am pleased to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, is the gentleman from Ohio [Mr. McEWEN] saying that the economy, that health care, that the environment, that crime, that jobs, are more important than what happened in 1980 in the Reagan-Carter campaign? Is that what the gentleman is telling us?

Mr. McEWEN. Mr. Speaker, reclaiming my time, that is the value system that the gentleman from Illinois [Mr. HYDE] and the American people hold. But the people who have run this Congress throughout my entire lifetime and for 58 of the last 62 years are far more interested in power than they are in the prospects of the future of the American taxpayer.

Mr. DERRICK. Mr. Speaker, may I inquire how much time I have remaining.

The SPEAKER pro tempore. The gentleman from South Carolina has 16 minutes remaining.

Mr. DERRICK. Mr. Speaker, has the minority used all their time?

The SPEAKER pro tempore. The time of the gentleman from Ohio [Mr. McEWEN] has expired.

Mr. DERRICK. Mr. Speaker, I yield 16 minutes to the distinguished gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, of course I rise in support of the resolution. I think I understand some of the deep feelings that have been expressed here this afternoon and this evening. I would like to try to put into some context my feelings about this investigation.

Mr. Speaker, obviously the threshold question is why we have an investigation? There are three reasons.

The first of those reasons is the circumstances of the time. The second is the seriousness of the allegations. The third is the evidence.

Let us start with the first one, that is, the circumstances of 1980 and 1981. Surely anybody would have to say that these circumstances were unusual and extraordinary. American hostages were released within minutes after Ronald Reagan was sworn in as President of the United States. Significant quantities of arms are alleged to have begun to flow very shortly thereafter.

When asked about the report of these arms transfers, former Reagan administration officials say they cannot recall any such transfers, and they have offered conflicting accounts of their origin and purpose. These circumstances are just extraordinary. That is reason No. 1.

Reason No. 2, I think, does not need elaboration. These allegations are extremely serious. Successful or not, any effort by representatives of the Reagan campaign to influence the outcome of the 1980 election, to delay the release of the hostages, all of us would surely agree if those allegations are true, then they represent a grave and dangerous abuse of constitutional process and a profound injustice.

Sure, we have other issues that are important on the agenda today. But protecting the constitutional processes of the United States has to be ranked as a major priority.

Now, these allegations are sufficiently alarming that former President Carter has called for an investigation. President Bush has said that he would like to see this matter put to rest. President Reagan has said that we should do all we can to clear the air. Fourteen of the former hostages, and I would urge Members to read their letter, have urged a formal congressional inquiry.

Let me say that I genuinely hope that these allegations can be disproven conclusively. I have yet to see any conclusive evidence of wrongdoing. But neither have I seen all of the evidence or heard from all who claim to have witnessed or participated in these events.

If these allegations can be proven false, they will be put to rest, and the stains on the reputations of many public servants who have been implicated will be removed.

If the allegations are proven true, corrective steps will need to be taken. If the allegations are true, we would do a disservice to the country if we failed to pursue an inquiry.

If the allegations are false, we would do a disservice to those who have been accused of misconduct if we fail to go forward.

Mr. Speaker, I do not see how one can get to the bottom of these matters unless one has a formal investigation by an official party with subpoena power, able to take statements under oath and to obtain secure access to information.

Mr. Speaker, how does one get to the bottom of this unless one has that kind of official power? Even these investigatory tools may not get us to the truth. But without them, the chances of learning the truth and ending the controversy are slim.

Mr. Speaker, the other point is the evidence. I have heard many statements deriding the evidence, and I have to acknowledge that one has to approach this evidence with a lot of skepticism.

□ 2040

Let me briefly, very briefly, try to summarize some of that evidence.

It is widely agreed that the Reagan campaign officials were deeply concerned about the possible political impact of a release of the American hostages. Mr. Allen, Mr. Deaver have both said that.

Jamshid Hashemi gave a detailed account of a series of meetings he claims took place in Madrid in 1980, between Iranian Government representatives and Reagan campaign director William Casey. Five other sources independently claim knowledge of meetings involving Casey and Iranians in Madrid in July, and corroborate much of what Hashemi's characterization of the content of those meetings was.

Several sources report a series of meetings among William Casey, Iranian officials, and Israeli officials that took place in Paris over a weekend in October 1980.

I will name names: Hushang Lavi, an Iranian arms dealer; Oswald Lewinter, a man who claims to have worked for United States intelligence officers; two men with access to French intelligence; a French lawyer; Arif Durrani, a Pakistani arms dealer; William Herrmann, an American CIA contractor; an Arab diplomat, and there are other indications of evidence.

Let me repeat again, this is some of the evidence suggesting that a deal was arranged. That evidence surely should be treated with skepticism, and the credibility of several key sources is questionable. And those sources need to be regarded with caution.

Similarly, several individuals who have disputed some of these allegations also appear to have been mistaken or incorrect in their recollections.

Now, the magazine reports that have been referred to so often have challenged the October Surprise allegations and evidence. In my view, the fact that these magazines reached plausible but entirely different conclusions, for example, from Mr. Sick's book, only underscores the need for a formal investigation. And may I point out to my colleagues that none of those journalists had the subpoena power, none of them so far as I know was able even to interview Mr. Hashemi. They simply were not able to contact a lot of the sources, not because they did not try but because they did not have the investigatory power.

I think we know enough about these charges to identify the lines of inquiry, and I understand that some of my colleagues are saying tonight that it is a waste of time pursuing this inquiry when there are so many urgent issues before us. And I agree, of course, that the Congress must make the important issues of the day its top priority.

But I also think we have the ability in this institution and the responsibility to focus on several important issues at one time.

Let me say a word about the investigation as I see it developing. The task force will make every effort to coordinate with the Senate. As best I can judge, the investigation will proceed in two stages. First, we will examine the paper trail associated with these allegations. This will involve locating and reviewing a substantial existing body of evidence relating to these allegations. During this stage the task force will take a lot of depositions.

Once that stage of inquiry is completed, the task force will then decide whether or not public hearings are warranted. The inquiry will be structured so that it can be altered or stopped at any point, if the facts demand.

The task force's primary objective will be to determine what, if anything, happened in 1980.

I understand my friends on the minority side have some real concerns. One of those concerns, as they have expressed repeatedly, is the scope of the investigation. Let me make several comments with respect to that.

First, this inquiry is prompted by significant evidence, certainly not conclusive, concerning allegations of misconduct by the Reagan campaign team in 1980. The resolution authorizes an investigation of those allegations. I heard claims about Carter administration policy during the hostage crisis, but I have not heard allegations of misconduct or illegality of the Carter administration.

The point I want to make is that the allegations of wrongdoing relate to the Reagan campaign team. The allegations do not relate, so far as I know, to the illegality or the misconduct of the Carter administration.

The second point, may I say to my friends on the other side of the aisle, is this, that Members of Congress cannot be denied and should not be denied the opportunity to raise issues they believe relevant to a matter before them. The policies in place when the alleged events of 1980 are said to have occurred are relevant to this inquiry.

Members of the task force would certainly be able to raise any questions or issues whose relevance to the task force mandate can reasonably be demonstrated.

Now, about the duration of the investigation. My friends on the minority side want to limit the investigation to a set time, six months. May I say to my colleagues that I really do have a lot of sympathy with that demand, but certainly they can understand that when we are investigating, we do not know how that investigation will go. We are going to have to begin by seeking security clearances for some of our people. That is a process that took months during the Iran-Contra investigation. We do not control that. The executive branch controls it, and if they wanted to delay for 3 or 4 months, and I am not making the accusation that they do, but if they wanted to, it could hold us up.

Second, evidence concerning these allegations is likely to be scattered around the world, and it is going to take time to locate them. And next, we are going to have to deal with a number of foreign governments. And when we deal with foreign governments, we have to deal with the protocol of those governments and go through their channels. And we cannot force that process or speed that process.

I do hope my friends understand that the time limit is finite because it relates to the 102d Congress, but I do believe that imposing a time limit would really be quite unwise. We plan to go where the facts lead us. We do not know the facts. We do not know how much time will be needed to get there. And it is to no one's advantage to trade speed for thoroughness.

Let me conclude with a few personal observations. I want to do the very best I can to make this investigation thorough, professional and fair. I intend to conduct this investigation in as bipartisan a manner as possible. I have worked frequently with the gentleman from Illinois [Mr. HYDE], your task force leader. He is an able and honorable man in this institution, and he and I will work hard together, I am confident, to carry this investigation out properly.

I will not try to blindside Members or to deny them an opportunity for fair and reasonable access to the documents and to the witnesses.

I frankly do not understand the intensity of some of the opposition to this task force. If Members are confident that the alleged events of 1980 did not occur, what then do they have to fear from a formal inquiry? Do they not see the advantages of our country putting to rest these concerns and suspicions? Would we not all be better off if a serious and thorough effort is made to find out what did and what did not happen in 1980? Why let these allegations continue to undermine public trust in our Government and the reputations of so many individuals?

My own view is it would be better for us to try to find out what we can with this special investigation and with the tools that are available to us.

□ 2050

I understand that some say that a House investigation is bound to be partisan and unfair. I cannot see how any political party or any elected official, least of all those of us on the task force, could benefit from an investigation that is perceived to be partisan or sloppy or less than thorough. I know that a perfect investigation is not possible, but a flawed investigation would damage the reputations of those who conducted it and reflect unfavorably on this House.

Finally, let me say that I will do my best to see that this inquiry is carried out with a small staff and a modest budget. We will hire outside legal counsel and investigators as needed, but we will rely as much as possible on current congressional staff and other staff that can be seconded. We recognize the need to keep the cost of the inquiry as low as possible while proceeding expeditiously.

Mr. Speaker, I urge the adoption of this resolution.

Mr. Speaker, I include for the RECORD the memorandum of general counsel Steven R. Ross and deputy general counsel Charles Tiefer on the subject of the authority for a chairman to initiate a committee inquiry.

The document referred to follows:

MEMORANDUM

From: Steven R. Ross, General Counsel to the Clerk, and Charles Tiefer, Deputy General Counsel to the Clerk.

Subject: Authority for Chairman to Initiate Committee Inquiries

We have been asked whether a House Committee Chairman has authority to initiate a committee investigation involving certain steps, such as writing letters, without a committee vote. As described below, the courts have found such a procedure entirely appropriate. Many investigative actions, like scheduling hearings, sending letters relating to an investigation, or asking staff to look into a matter, are among the actions by which a chairman appropriately provides for information to come to a committee. These are legally quite distinct from using the subpoena power for compulsory provision of information, and it is only the subpoena power which requires the more formal committee authorization steps addressed in House Rule XI(2) (m).

DISCUSSION

The House of Representatives's rules, precedents, and practices address in many respects one of its most important procedures, the conduct of committee investigations. House Rule XI.1(b) provides:

"Each committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate * * *."

The rule only tells committees they are "authorized at any time to conduct such investigations," not how they are to do so. It is just as consistent with this rule for the instigation of the investigation, and some of the various steps, to occur on a chairman's instructions as by committee vote. Moreover, it is well known that chairman of committees or subcommittees have a number of responsibilities with respect to investigations, including scheduling hearings and announcing their subjects, and assigning staff to prepare prior to the hearings. See, e.g., House Rule XI(2) (c)(1) and (k)(1). Both the Rules and Jefferson's Manual also prescribe the aspects of investigations that typically require collective participation of committee members, such as a votes to issue subpoenas, requirements regarding quorums and closed sessions, and reports of the committees. See, e.g., House Rule XI(2)(g)(2), (h)(2), and (m)(1)[1]

Many House Committee investigations begin by committee inquiry letters asking for information, and assigning staff to investigate, and this procedure has recently been described and discussed with approval by the United States Court of Appeals for the Fourth Circuit. In *United States* v. *Mitchell*, 877 F.2d 294 (4th Cir. 1989), the Court upheld a conviction for obstructing an investigation by the House Committee on Small Business. The Court said of the obstruction statute that "[t]o give §1505 the protective force it was intended, corrupt endeavors to influence congressional investigations must be proscribed *even when they occur prior to formal committee authorization*." Id. at 301 (italic added). The Court explained the factual background:

"Applying these principles to the case at hand, all of the circumstances surrounding this investigation point to the conclusion that appellants' corrupt endeavor was directed towards a legitimate House investigation. *The investigation was instigated by the chair of a House committee* that unquestionably has jurisdiction over the subject matter of the inquiry. The letter from Congressman Mitchell to the SBA expressly said that "[t]his Committee is presently conducting an investigation" and referred to the Small Business Act for its authority to do so. Furthermore, the investigation was handled by the chief investigator of the Small Business Committee on a continuing basis for several months. * * * *[T]his was a congressional investigation.* Accordingly, we hold that *the investigation instigated by Congressman Mitchell was an investigation by the Small Business Committee* of the House that was protected by §1505." Id. at 301.

When the Fourth Circuit said explicitly and repeatedly, as the heart of its holding in the case, that an investigation initiated by the Chairman "was a congressional investigation" and "was an investigation by the Small Business Committee," it plainly considered, and rejected, the argument that something more than the Chairman's initiation was required. Moreover, the Fourth Circuit counted two actions as the classic signs of a chairman-initiated, proper investigation: writing of a letter, and handling by the Committee's staff and (the "chief investigator of the Small Business Committee").

The same sustaining of Chairman-initiated investigations occurred in the series of Iran-contra cases in the United States District Court for the District of Columbia. In these well-known prosecutions, the background of House investigations was that in 1985 and 1986, the chairmen of the House Permanent Select Committee on Intelligence and the House Subcommittee on Western Hemisphere Affairs sent inquiry letters to the National Security Council seeking documents and other information regarding the allegations in press stories about NSC activities. Those letters were sent without prior committee or subcommittee votes, and the inquiries occurred without the more formal procedures of subpoenas to witnesses, or witnesses under oaths. Despite the absence of such prior votes or other formal procedure, members of the NSC staff were indicted for obstructing the inquiries, destroying records, and providing false answers.

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[1] See House Manual §407 (Jefferson's Manual section on bills, addressing the requirement of a meeting for the committee to report) ("A committee . . . can only act together, and not by separate consultation and consent—nothing being the report of the committee but what has been agreed to in committee actually assembled"). Jefferson's Manual is clearly speaking at this point about committee reporting of bills, as this is the section on bills. The section regarding investigations, section XIII, "Examinations of Witnesses," House Manual §§342–43, discusses procedure for hearings (how questions are put, that "testimony given in answer * * * before a committee [] must" be "written down," and similar matters) but does not discuss steps preliminary to hearings, such as the chairman's role in scheduling them and deciding their subject, writing letters, or using non-Member assistance.

The Court rejected the defendants' challenges to the indictment, holding that the defendants' acts constituted the felony offenses of obstruction of Congress and of making false statements, even though the inquiry letters and responses occurred in the absence of votes, subpoenas and oaths. See *United States* v. *North*, 708 F. Supp. 372 (D.D.C. 1988); *United States* v. *North*, 708 F. Supp. 380 (D.D.C. 1988). (The indictments have come into question because the NSC staff were later immunized in the 1987 Iran-contra hearings, but the 1987-immunity legal questions are separate from the 1985–86 House investigations.)[2]

For the obstruction counts against each defendant, it sufficed that letters "sent by The Honorable Michael Barnes, Chairman of the Subcommittee on Western Hemisphere Affairs of the House Foreign Affairs Committee (HRAC), and the Honorable Lee Hamilton, Chairman of the House Permanent Select Committee on Intelligence (HPSCI), [which] referred explicitly to the Boland Amendment" had "institute[d] inquiries directed towards North's conduct regarding advice and fund-raising support to the Nicaraguan rebel leaders. * * * Both letters were on official stationery and each letter was signed by the Congressman in his official capacity as Chairman." 708 F. Supp. at 381–82. "In response to separate letters from the chairmen, North allegedly drafted obstructive responses," and "[C]hairmen of two of these committees wrote on behalf of their committees to the President * * * defendant Poindexter responded in separate letters to all three committees." 708 F. Supp. at 374 nn. 3 & 4.

The Court rejected objections by the defendants that such procedures would not suffice for perjury prosecutions, particularly due to the absence of the oath. "[North's] arguments are addressed to the wrong forum. * * * [since] the [false statements] statute does not allow North's interpretations. Congress may set the policy it expects from those who deal with it. Congress felt that less exacting standards than are included in the perjury statute were appropriate for ensuring the integrity of governmental functions. *United States* v. *Gilliland*, 312 U.S. 86, 95 (1941); *United States* v. *Rodgers*, 466 U.S. 475, 482–83 (1984)." 708 F. Supp. at 384. Accordingly, the Court held that the indictment properly stated the offenses of obstruction, and providing false statements, regarding the responses that occurred to the House Committee and Subcommittee Chairmen's letters of inquiry.

Of course, the various House committees and subcommittees have their own rules and procedures. Different inquiries by different committees may follow their own individual paths. Committees may decide among themselves, by precedent or newly devised procedures, how to conduct any particular inquiry. A committee can even adopt rules requiring committee votes before initiation of major inquiries, as the House Un-American Activities Committee did, and if such a rule is adopted, "it must be strictly observed." *Gojack* v. *United States*, 384 U.S. 702, 708 (1966). However, HUAC had special reasons, stemming from the controversial nature of its investigations, for adopting such a rule, and the vast majority of committees have not had any reason to adopt such a rule. For committees without such a rule, the ordinary procedures by which chairmen commence inquiries—through inquiry letters, scheduling hearings, or staff studies—are proper without committee votes in advance. The different procedural questions which arise when a committee invokes its power to issue compulsory process pursuant to the subpoena power of House Rule XI(2)(m) only arise when, and if, the committee elects to invoke its subpoena power.

While it may be true under clause 1(b) of Rule XI that a committee or subcommittee acting as a collegial body should at some point meet if that question is raised to determine whether to conduct an investigation, it is also true under clause 2(b)(1) of Rule X that each standing committee has the oversight responsibility to "review and study, on a continuing basis, the application, administration, execution and effectiveness of those laws * * * within the jurisdiction of that committee * * *." In furtherance of this responsibility, it has been traditionally proper for the chairmen of committees or subcommittees to initiate preliminary "reviews or studies" i.e. inquiries which in a general sense may be termed preliminary investigations, in preparation for possible investigations to be undertaken by the committee and subject to ultimate direction and control of the committee. In fact most Members know that committee investigations are normally undertaken without the need for a formal committee vote where the need for the "investigation" is understood, or by the issuance of subpoenas where formal committee action is deemed necessary.

It is essential, for example, that a chairman's preliminary inquiry be able to minimize the possibility of the destruction of documents pending their formal incorporation as committee files. There exists an inherent authority for a chairman to take preliminary steps to request and preserve testimony and documents.

The courts have even agreed that congressional investigations need not have been formally authorized pursuant to the letter of a committee's rules in order to be due and proper exercise of the power of inquiry under the obstruction of witnesses statute (18 U.S.C. 1505), where it is apparent from all surrounding circumstances that the inquiry is a legitimate exercise of the investigative authority within the committee's purview (U.S. v. Mitchell, 877 F.2d 294 (4th Cir. 1989).

Mr. DERRICK. Mr. Speaker, I submit the following exhibits for the RECORD.

[From the New York Times, Apr. 15, 1991]

THE ELECTION STORY OF THE DECADE

(By Gary Sick)

Suspicions about a deal between the Reagan campaign and Iran over the hostages have circulated since the day of President Reagan's inaugural, when Iran agreed to release the 52 American hostages exactly five minutes after Mr. Reagan took the oath of office. Later, as it became known that arms started to flow to Iran via Israel only a few days after the inauguration, suspicions deepened that a secret arms-for-hostages deal had been concluded.

Five years later, when the Iran-contra affair revealed what seemed to be a similar swap of hostages for arms delivered through Israel, questions were revived about the 1980 election. In a nice, ironic twist, the phrase "October surprise," which Vice Presidential candidate George Bush had coined to warn of possible political manipulation of the hostages by Jimmy Carter, began to be applied to the suspected secret activities of the 1980 Reagan-Bush campaign.

I was a member of the Carter Administration and on the staff of the National Security Council from August 1976 to April 1981, with responsibility for monitoring Iran policy. I first heard these rumors in 1981 and I dismissed them as fanciful. I again heard them during the 1988 election campaign, and I again refused to believe them. I had worked in and around the Middle East long enough to be skeptical of the conspiracy theories that abound in the region.

Then two years ago, I began collecting documentation for a book on the Reagan Administration's policies toward Iran. That effort grew into a massive computerized data base, the equivalent of many thousands of pages. As I sifted through this mass of material, I began to recognize a curious pattern in the events surrounding the 1980 election. Increasingly, I began to focus on that period, and interviewed a wide range of sources. I benefited greatly from the help of many interested, talented investigative journalists.

In the course of hundreds of interviews, in the U.S., Europe and the Middle East, I have been told repeatedly that individuals associated with the Reagan-Bush campaign of 1980 met secretly with Iranian officials to delay the release of the American hostages until after the Presidential election. For this favor, Iran was rewarded with a substantial supply of arms from Israel.

Some of the sources interviewed by me or my colleagues are or were government officials who claimed to have knowledge of these events by virtue of their official duties or their access to intelligence reports. Most insisted on anonymity.

Other sources are low-level intelligence operatives and arms dealers who are no boy scouts. A number of them have been arrested or have served prison time for gun-running, fraud, counterfeiting or drugs. Some may be seeking publicity or revenge, but others have nothing to gain from talking about these events, and genuinely feared for their personal safety. Several sources said they were participants, personally involved in or present at the events they described.

Their accounts were not identical, but on the central facts they were remarkably consistent, surprisingly so in view of the range of nationalities, backgrounds and perspectives of the sources. Because of my past Government experience, I knew about certain events that could not possibly be known to most of the sources, yet their stories confirmed those facts. It was the absence of contradictions on the key elements of the story that encouraged me to continue probing. This weight of testimony has overcome my initial doubts.

The story is tangled and murky and it may never be fully unraveled. At this point, however, the outlines of what I learned can be summarized as follows:

In December 1979 and January 1980, Cyrus and Jamshid Hashemi, two brothers who had good contacts in Iranian revolutionary circles, approached the Carter Administration seeking support for their candidate in the Iranian presidential elections. I met both of them briefly during that period. Although Washington was sympathetic, their appeal was over taken by events. Their candidate lost but they remained in contact with the U.S. Government, providing useful information about developments in the hostage crisis.

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[2] The subsequent histories of the case include trials, and appeals, and reversals on other grounds. *United States* v. *North*, 910 F.2d 843 (D.C. Cir. 1990), *cert. denied*, 111 S. Ct. 2235 (1991), indictment dismissed on remand on September 16, 1991; *United States* v. *John M. Poindexter*, No. 90-3125 (D.C. Cir. decided Nov. 15, 1991.) The appeals focused on the issue of immunity, and on some of the jury instructions, not the pretrial rules discussed herein regarding the sufficiency of the indictments.

Cyrus died in 1986, only three months after his cooperation with the U.S. Customs Service in a dramatic sting operation that resulted in the arrest of several Americans, Israelis and Europeans on charges of plotting illegal arms sales. Jamshid Hashemi, who was also involved in international arms sales, was not implicated in that affair. I reestablished contact with Mr. Hashemi in March 1990 and interviewed him a number of times.

According to Mr. Hashemi, William Casey, who had just become Ronald Reagan's campaign manager, met with him in late February or early March 1980 at the Mayflower Hotel in Washington. Mr. Casey quickly made it clear that he wanted to prevent Jimmy Carter from gaining any political advantage from the hostage crisis. The Hashemis agreed to cooperate with Mr. Casey without the knowledge of the Carter Administration.

Mr. Hashemi told me that he and his brother helped to arrange two critical meetings. In a Madrid hotel in late July 1980, an important Iranian cleric, Mehdi Karrubi, who is now the speaker of the Iranian Parliament, allegedly met with Mr. Casey and a U.S. intelligence officer who was operating outside authority. The same group met again several weeks later. Mr. Hashemi told me that Mr. Karrubi agreed in the second Madrid meeting to cooperate with the Reagan campaign about the timing of any hostage release.

In return, he was promised that the Reagan Administration, once in office, would return Iran's frozen assets and help them acquire badly needed military equipment and spare parts. Two other sources subsequently described these meetings in very similar terms in interviews with me and my colleagues. The Carter Administration had no knowledge of these meetings.

At about the time of the second meeting in Madrid, according to two former Israeli intelligence officers I interviewed, individuals associated with the Reagan campaign made contact with senior Government officials in Israel, which agreed to act as the channel for the arms deliveries to Iran that Mr. Casey had promised. Israel had been eager to sell military equipment to Iran, but the Carter Administration, which was maintaining a total arms embargo on Iran, had refused to agree.

As the threat of war with Iraq began to mount in early September 1980, Iran opened direct hostage negotiations with the Carter Administration. In retrospect, it appears that Iran may have been playing both sides, seeking the highest bid for the release of the hostages. The Carter Administration, however, did not realize it was involved in a three-cornered bidding contest, and resisted Iran's apparent interest in military equipment.

The Iraqi invasion of Iran on Sept. 22, 1980, added both urgency and confusion to the various negotiating tracks. Two former Reagan campaign aides told me that this generated new fears within the Reagan-Bush campaign that war pressures would lead Iran to release the hostages before Election Day, thereby improving President Carter's chances.

Adding to the complexity, the Carter Administration secretly had been developing plans for a possible second hostage rescue mission, after the failure of its earlier mission, Desert 1, in April. It became operational in September 1980. Richard V. Allen, Ronald Reagan's first national security adviser and a member of his campaign, told me that one member of the rescue team contacted him and gave him a description of the second rescue plan. Shortly thereafter, the Reagan-Bush campaign launched a major publicity effort warning that President Carter might be planning an "October surprise" to obtain the release of the hostages prior to the election.

From Oct. 15 to Oct. 20, events came to a head in a series of meetings in several hotels in Paris, involving members of the Reagan-Bush campaign and high-level Iranian and Israeli representatives. Accounts of these meetings and the exact number of participants vary considerably among the more than 15 sources who claim direct or indirect knowledge of some aspect of them. There is, however, widespread agreement on three points: William Casey was a key participant: the Iranian representatives agreed that the hostages would not be released prior to the Presidential election on Nov. 4; in return, Israel would serve as a conduit for arms and spare parts to Iran.

At least five of the sources who say they were in Paris in connection with these meetings insist that George Bush was present for at least one meeting. Three of the sources say that they saw him there. In the absence of further information, I have not made up my mind about this allegation.

Immediately after the Paris meetings, things began to happen. On Oct. 21, Iran publicly shifted its position in the negotiations with the Carter Administration, disclaiming any further interest in receiving military equipment. From my position at the N.S.C., I learned that Cyrus Hashemi and another Iranian arms dealer secretly had reported to State Department officials that Iran had decided to hold the hostages until after the elections.

Between Oct. 21 and Oct. 23, Israel sent a planeload of F-4 fighter aircraft tires to Iran in contravention of the U.S. boycott and without informing Washington. Cyrus Hashemi, using his own contacts began privately organizing military shipments to Iran. On Oct. 22, the hostages were suddenly dispersed to different locations. And a series of delaying tactics in late October by the Iranian Parliament stymied all attempts by the Carter Administration to act on the hostage question until only hours before Election Day.

After the election, the lame-duck Carter Administration resumed hostage negotiations through Algerian intermediaries, but the talks stalled. On Jan. 15, Iran did an about-face, offering a series of startling concessions that reignited the talks and resulted in a final agreement in the last few hours of Jimmy Carter's Presidency. The hostages were released on Jan. 21, 1981, minutes after Ronald Reagan was sworn in as President.

Almost immediately thereafter, according to Israeli and American former officials, arms began to flow to Iran in substantial quantities. A former senior official in the Israeli Ministry of Defense told me that the shipments by air and sea involved hundreds of millions of dollars worth of equipment and that detailed lists of each shipment were provided to senior officials in the Reagan Administration. Moshe Arens, the Israeli Ambassador to Washington in 1982, told The Boston Globe in October 1982 that Israeli's arms shipments to Iran at this time were coordinated with the U.S. Government "at almost the highest of levels."

Former officials and participants in the Reagan-Bush campaign team uniformly have denied any personal knowledge or involvement in such a deal, although none of them categorically denies that contacts with Iran before the 1980 election may have taken place. Richard V. Allen vehemently denies any agreement between the campaign and Iran over the timing of the hostage release. He told me and others, however, that there are "self-starters" in every campaign and that he cannot vouch for every "independent, freelance, spontaneous, over-the-Iransom" volunteer.

Can this story be believed? there is no "smoking gun" and I cannot prove exactly what happened at each stage. In the absence of hard documentary evidence, the possibility of an elaborate disinformation campaign cannot be excluded.

But all of that must be balanced against the sheer numbers and diversity of the various sources, from eight countries on four continents. Some 20 individuals, including myself and some of the sources mentioned above, have been interviewed and can be seen tomorrow night on the Public Broadcasting Service's documentary series "Frontline."

The allegations of these individuals have many disturbing implications for the U.S. political system. One is the tampering with foreign policy for partisan benefit. That has, of course, happened before and it may well happen again, but it assumes special poignancy in this case since it would have involved tampering with the lives and freedom of 52 Americans.

Another implication is that leaders of the U.S. exposed themselves to the possibility of blackmail by Iran or Israel. Third, the events suggest that the arms-for-hostage deal that in the twilight of the Reagan Presidency became known as the Iran-contra affair, instead of being an aberration, was in fact the re-emergence of a policy that began even before the Reagan-Bush Administration took office.

But finally, it implies a willingness to pursue private, high-risk foreign policy adventures out of sight of the electorate. That may be realpolitik. Its practitioners may indeed win big. But it is profoundly antidemocratic.

During my research, I spoke to several of the former hostages. I was deeply moved by the response of one in particular. After listening to the evidence, he said simply: "I don't want to believe it. It's too painful to think about it." Painful it is. But the rest of us are obliged to think about it. Hard.

[From the Boston Globe, Apr. 17, 1991]

REAGAN-KHOMEINI QUESTIONS

Was the release of 52 American hostages deliberately postponed until after Ronald Reagan's election as president in 1980? Did William Casey, the former CIA chief and Reagan's 1980 campaign manager, strike a deal with Iranian officials in October 1980, promising arms shipments to Tehran on condition that Ayatollah Khomeini delay the hostages' release?

These questions, addressed by public television's investigatory series "Frontline" last night, have haunted many people for more than a decade. The program. "Election Held Hostage," offered a rare example of television living up to its potential for critical inquiry.

The questions are crucial not only because positive answers would disclose the origins of Reagan's covert missiles-for-hostages deal a few years later. If Casey and others in the Reagan campaign surreptitiously thwarted President Carter's efforts to have the hostages released, they violated the Logan Act, which prohibits citizens from conducting foreign policy, and thereby cast doubt on the legitimacy of Reagan's presidency.

Sources told "Frontline" and Gary Sick, a former member of Carter's National Security Council, that Casey met Khomeini's men in Madrid during July 1980 and in Paris that October.

Sick, who was seeking the hostages' liberation in October 1980, says that an Iranian arms dealer has since told him he helped arrange the meetings in Madrid. There, Sick says, Khomeini's representative promised not to release the hostages before Election Day, and Casey pledged that a Reagan administration would channel weapons to Iran. The hostages were set free minutes after Reagan was inaugurated: U.S. arms were shipped through Israel to Iran soon after Reagan took office.

It is not too late to pursue the whole truth. The hostages deserve to know if Reagan's campaign prolonged their ordeal, and all Americans deserve to know if the nation's foreign policy was first bartered to Khomeini in 1980.

[From the New York Times, Apr. 17, 1991]

A NEW IRAN HOSTAGE SCANDAL?

(By Leslie H. Gelb)

Hardball politics is one thing. But Presidential candidates or their aides interfering in life-and death, war-and-peace decisions of sitting Presidents is quite another. It is treachery.

There is now strong circumstantial evidence that the Reagan campaign team in 1980 undercut President Carter's efforts to gain the release of Americans held hostage by Iran.

Such an act would be so subversive of the democratic process and Presidential authority that it must not be swept aside as "an old story" or "just a bunch of rumors." If it happened, those responsible must be exposed.

President Bush won't do anything. But Congressional leaders, if they have guts, should appoint a nonpartisan commission of private citizens to investigate the charges. Congressional committees with Democrats and Republicans playing their usual games cannot be expected to manage this task with the necessary dispatch and credibility.

The commission could include scholars with no party affiliation such as Graham Allison and Ernest May of Harvard, Nelson Polsby of Berkeley and John Gaddis of Ohio University. Two former Senators, the Democrat Abraham Ribicoff and the Republican Charles Mathias, also would bring stature and judiciousness to the investigation. Former diplomats like Samuel Lewis and Philip Habib would add experience. Throw in trusted Washington lawyers like Steven Umin and Sol Linowitz.

Based on reporting by the "Frontline" documentary team from PBS and independent research by Gary Sick, a highly respected former U.S. official, here are the allegations for the commission to chew on:

President Carter pressed hard in the summer of 1980 to obtain the release of the Americans taken hostage at the U.S. Embassy in Teheran. He hoped to gain their freedom before Election Day.

Mr. Carter toyed with offering Teheran arms to help fight off the Iraqi invasion in September. He surely had politics on his mind, but his actions were well within legitimate Presidential authority—and they made sense on national security grounds.

The worst fear in the Reagan camp was that Mr. Carter would use the advantages of incumbency to conjure up an "October surprise." And the worst surprise for Reaganites would be to see Mr. Carter greeting the hostages on the White House lawn a few days before the election.

Enter William Casey, Mr. Reagan's campaign chairman and future C.I.A. boss. The wily street fighter reportedly held two meetings in Madrid in July with an Iranian cleric representing Iran's leader, the Ayatollah Khomeini. Mr. Casey supposedly offered to provide arms to Iran if the Ayatollah delayed the hostage release until after Election Day.

Further meetings purportedly occurred in Paris in October at which both sides agreed to the Madrid formula. Several sources put Mr. Bush into this Paris picture. At the same time the Israelis, who were also a party to the Paris talks, secretly airlifted arms to Iran.

The lawlessness and recklessness of these alleged transactions seem now to foreshadow the Iran-contra affair, the trading of arms for hostages and money and then using the money illegally to buy arms for the anti-Sandinista rebels.

The smell also recalls similar shenanigans carried out by Richard Nixon's campaign team against Hubert Humphrey in 1968. At that time, President Johnson was nearing agreement to de-escalate the war in Vietnam, a move that would have boosted Mr. Humphrey at the polls. Forewarned, the Nixon camp contacted President Thieu of South Vietnam. Block the negotiations, the Nixon friends and aides told him, and a Nixon Administration will do far more to protect your interests than a Humphrey Administration.

Mr. Thieu took the bait, the peace talks stalled and Mr. Nixon won a close victory. Mr. Nixon ended up forcing an unpalatable treaty down Saigon's throat anyway.

No one will go to jail, the law notwithstanding, for such seedy and corrosive maneuvers. But the evidence about the 1980 campaign is serious enough and the implications for our democracy alarming enough to pursue the matter. Let's show that political values are not dead and find out what really happened.

[From Newsday, Apr. 29, 1991]

WAS BUSH INVOLVED?

The whispered rumors, circulating since the fall of 1980, have now become open and credible reports. They tell of a spy-novel intrigue in which top Reagan-Bush campaign officials secretly conspired with Iranian go-betweens and arms dealers to delay the release of 52 American hostages until after the 1980 election, in exchange for U.S. military equipment the Iranians desperately needed.

Once and for all these reports of a despicable quid pro quo must be investigated thoroughly, independently and publicly. Former President Jimmy Carter is right: The time has come for a blue-ribbon commission to determine whether this grave tampering with the electoral process took place—and whether our current president was involved.

The story, newly researched by former Carter administration national security aide Gary Sick and by the PBS program, Frontline, places William Casey—World War II spymaster, director of the Reagan campaign and later Reagan's CIA chief—at a series of clandestine European meetings with various Iranian representatives in the fall of 1980. The idea was to strike a deal with the Iranians to not release the hostages. Such a release, the Reagan campaign feared, would restore confidence in Carter and turn the election his way. In exchange for Iran's holding the 52 captive diplomats until after the election, the Reagan representatives allegedly promised to ship Iran military hardware and spare parts it needed in its war against Iraq. Israel was to be the conduit for these shipments.

There are various reports that George Bush, then the vice presidential candidate and now president, was present during one meeting on this scheme, in Paris. The White House has denied this. There is ample evidence, including accounts by former State Department officials, that secret shipments of U.S. military equipment to Iran did occur shortly after President Ronald Reagan was inaugurated. And, of course, an almost identical deal was made later in Reagan's presidency—with Casey at its center—that became the Iran-contra scandal.

It's time for independent investigators to dig into the mountain of evidence in this case, and distill the truth. A panel appointed by Congress and the president might do the task, or another impartial body would do. The public must know whether reprehensible election-tampering and disastrous free-lance diplomacy really took place.

[From the Washington Post, Apr. 26, 1991]

CARTER SEEKS PROBE OF IRAN-DEAL CLAIMS

ATLANTA, April 25.—Former president Jimmy Carter today called for an investigation into charges that members of Ronald Reagan's 1980 campaign team struck a deal with Iranian leaders to keep American hostages captive until after the November election.

Speaking to reporters, Carter called the suggestion that Reagan staff members conspired to keep hostages in Iran "almost nauseating."

"But the evidence, I think, is so large that I think it has aroused a genuine question," Carter said. "I think there ought to be more thorough investigation of the allegations."

Carter said he had heard speculation for a decade that William J. Casey, director of the Central Intelligence Agency in the Reagan administration, was part of the alleged plot and had dismissed it as "inconceivable."

Fifty-two of the Americans taken captive when Iranians stormed the U.S. Embassy in Teheran in 1979 were held for 444 days—until the day of Reagan's January 1981 inauguration.

[From the Washington, Post, Apr. 29, 1991]

WAS THERE AN "OCTOBER SURPRISE"?

It is such a loathsome act that it takes a large leap of imagination to think that anyone would have deliberately contrived to delay the release of Ayatollah Khomeini's 52 American diplomatic hostages in order to confer political advantage on Reagan in his presidential campaign of 1980. The cynicism would have had to be world class when you consider that, once in power, President Reagan was apparently so disturbed by the continued detention of another, smaller group of American hostages, those in Lebanon, that arms-for-hostages negotiations with the Iranians had actually been conducted. A Republican-devised "October surprise" in the 1980 campaign? Not only was the possibility loathsome, but no hard evidence supported it.

All this was before the research and analysis of Gary Sick came into the public domain—most notably in a New York Times op-ed piece recently. A Ford and then Carter administration National Security Council aide who now teaches Middle East politics at Columbia, Mr. Sick examined and, in hundreds of interviews, expanded the still-insufficient factual record of this case. Mr. Sick suggests that Reagan campaign director William Casey, who died in office as Mr. Reagan's intelligence chief, may have masterminded what might be called a delay-for-arms negotiation in which, for arms delivered by Israel, Iran undertook to release the hostages not on Jimmy Carter's watch but on Ronald Reagan's. In fact, this is the way it turned out. Mr. Carter bore the full brunt of the political burden of failing to retrieve the 52 hostages, and Mr. Reagan reaped the bonanza of having them freed just a few minutes after he was sworn in.

In politics, many matters are left murky, many loose ends left untied. Appointed director of the CIA. Mr. Casey subsequently died and cannot respond to these latest allegations of secret and unscrupulous dealing. Other Reagan campaign aides have issued stout denials. Mr. Sick himself acknowledges he has no "smoking gun."

The matter is so grave, however, that notwithstanding its evident sensitivity and openness to political abuse, it seems wrong to leave it where this latest, incomplete academic review has left off. Especially is this so in light of the availability of other witnesses and documents that could be examined with the aid of the subpoena power. The monstrous charges have now taken on a damaging enough life to require resolution.

[From the Los Angeles Times, May 5, 1991]

THE PRESIDENCY, BY ANY MEANS

(By Stuart E. Eizenstat)

Evidence that the chairman of the 1980 Ronald Reagan presidential campaign, William J. Casey, a former member of the wartime intelligence service and later CIA director, met with leading Iranians to foreclose the release of American hostages before the election to ensure President Jimmy Carter's defeat, fits into a disturbing modern historical pattern.

That Casey was so involved is the startling conclusion by both PBS in its documentary "The Election Held Hostage" and in the New York Times by Gary Sick, my former colleague in the Carter White House and a person of unimpeachable integrity.

As the country is poised to embark on the 1992 presidential campaign season, this alleged incident and its recent progeny underscore the lengths to which campaigns will go to secure the prize of the presidency and give cause for the American people to question the integrity of their most important election.

American political campaigns have always been rough-and-tumble affairs in which there is no room for the fainthearted and few rules of combat. Because of our weak political party structure, which necessitates a high degree of individual entrepreneuralism, and the difficulty of projecting a meaningful political message over a huge continent to an electorate generally uninterested in issues. American political campaigns have historically relied heavily on negative caricatures of opponents.

As long ago as the campaign of 1800, Alexander Hamilton wrote that John Adams had "great and intrinsic defects in his character which unfit him for the office of Chief Magistrate," while Federalists charged that Thomas Jefferson had behaved in a cowardly fashion as Virginia governor during the Revolution and that he was a "mean spirited, low lived fellow, the son of a half-breed Indian squaw * * * raised wholly on hoe-cake made of coarse-ground Southern corn, bacon and hominy, with an occasional change of fricasseed bull frog."

The presidential campaign of 1884 between James G. Blaine and Grover Cleveland was one of vilest ever waged. Democrats accused Blaine of public corruption while Republicans attacked Cleveland of an illicit affair with the famous ditty. 'Ma! Ma! Where's My Pa? Gone to the White House , Ha! Ha! Ha!"

More recently, Lyndon Johnson's 1964 television ad of a young girl interrupted in picking flowers by a nuclear explosion, implying that Republican Barry Goldwater would be an irresponsible trustee of the nuclear button, and the 1988 Bush campaign ad on Willie Horton, implying that Michael Dukakis would be soft on crime, are recent examples of the same genre of political exaggeration to make a point.

While such negative attacks are hardly admirable, each was an open charge, rebuttable by the accused candidate and ultimately subject to the court of public opinion. The Johnson ad was pulled quickly because of the effective attack on it by the Goldwater campaign, while the Bush ad had an indelible impact on the electorate only because Dukakis never designed to demonstrate its untruth until it was too late.

But the contention that Casey sabotaged an early hostage release during the 1980 election fits into a recent pattern of far more insidious presidential campaign excesses, in which laws may be violated and voters are deprived of information on which to make an informed judgment before the election. Each of these instances had a major impact on the presidential election and on the course of American history.

In the 1968 presidential campaign I served as research director for the presidential campaign of Hubert H. Humphrey. There is convincing evidence that the Nixon campaign at a critical stage in the election, following a bombing halt in the Vietnam War that had led to a surge in Humphrey's support, had Anna Chennault contact South Vietnam's President Ngyuen Van Thieu. She persuaded him not to participate in Paris peace talks, because he would get a better deal from a Nixon presidency.

While President Johnson learned of this perfidy before the election, he chose never to disclose it. We watched with unknowing dismay as Humphrey's rising popularity aborted in the concluding days of the campaign when South Vietnam mysteriously and unexpectedly announced its refusal to join the peace talks, despite the entreaties of the President who had committed hundreds of thousands of American troops to that country's survival. This 1968 episode makes it clear that Richard Nixon's "dirty tricks" reelection campaign directed against Edmund Muskie and the subsequent Watergate theft and coverup in 1973 were not aberrations but were part of a clear pattern of Nixon campaign tactics.

The 1980 Iran hostage episode, if true, bears a striking resemblance to the Anna Chennault caper. In each case, there would be a clear interference with the conduct of American diplomacy.

The 1980 Reagan campaign, chaired by Casey, admitted after the election that it had come into the unauthorized posssessiuon—whether by theft, a mole in the Carter campaign or a disaffected Carter campaign worker—of the briefing book used to prepare Carter for the penultimate event of the 1980 campaign, the presidential debate with Reagan.

Perhaps the crucial point in the debate occurred when Reagan deftly responded to the President's charges of his opposition to Medicare by saying, "There you go again." This was hardly spontaneous, we can now surmise, because the debate book gave him the Carter script to be used in attacking his record. Here there were possible violations of the law in purloining documents. But far more important, nothing came to light in time for the public to form its own judgments of this conduct.

Thus, the 1980 Iran hostage allegations fit into a Casey-directed campaign that had already lowered its standards. It is easy to forget, in Reagan's landslide victory, that polls showed the election a tossup the weekend before the election, when a hostage deal again seemed possible. We felt helpless as the hostage release and reelection evaded us.

American and world history would certainly have been vastly different if Humphrey and Carter had been elected. The sad message is that the campaigns employing these tactics—far more sordid than mere public attacks on an opponent—got away with it, and may continue to do so in the future. Election results cannot be changed retroactively. The only small satisfaction comes from hoping that the truth will ultmately come out and that it will effect history's judgment of those who have befouled our political system. In the case of the 1980 Iranian hostage matter, the least that can be done is for Congress, and indeed the Bush Administration, to jointly appoint a blue-ribbon bipartisan commission to get to the truth of the matter.

AN OPEN LETTER TO THE UNITED STATES CONGRESS FROM FORMER AMERICAN HOSTAGES IN IRAN

JUNE 13, 1991.

Dear Members: The Iran Hostage crisis of 1979–1981 was a very trying time for our nation. The people and government of the United States were shocked and angered as the Iranian revolutionary forces attempted to use the U.S. Embassy hostages as political pawns. Efforts to gain freedom for those who were held proved frustrating and difficult. After 444 days of captivity, the hostages were returned, but the impact continues to affect us.

For the last ten years there have been rumors, reports and allegations of foul play in the 1980 presidential election. The thought that any American, whether a private citizen or government official, may have participated in delaying release of the hostages for political gain is distressing. Until recently, these allegations have been dismissed as unsubstantiated. But substantial enough information has been presented by respected and persistent investigators to warrant a thorough examination of this matter.

It is not appropriate to say there is insufficient proof—until there has been an official investigation. The question of whether there is evidence of any wrongdoing must be answered by an unbiased, bipartisan congressional investigation with full subpoena power. Unless this happens, speculation and unanswered questions will erode public confidence in our electoral system.

Respectfully,

Charles W. Scott, Barry Rosen, Moorhead Kennedy, Jerry Plotkin, David M. Roeder, Robert C. Ode, Kevin J. Hermening, Donald R. Hohman.

[From the New York Times, June 26, 1991]

A NECESSARY INQUIRY

Despite Democrats' fears of the political result, they can hardly avoid a formal Congressional inquiry into the charge that Ronald Reagan's aides conspired with Iran in 1980 to hold up release of American hostages until after the election.

That charge, bruited about for years and vigorously denied by Mr. Reagan, has taken on weight recently, owing mainly to support from Gary Sick, a member of President Carter's national security staff. He now teaches at Columbia University.

Mr. Sick, an authority on Iran, has written that long study of the matter overcame his original skepticism. He now believes a meeting in Madrid between senior Iranians and William J. Casey, the director of the Reagan campaign, may have arranged a delay of the hostages' release to benefit Mr. Reagan's election chances.

A Congressional inquiry obviously is the best means either to validate this serious allegation—which Mr. Sick is not alone in making—or to lay it to rest. If it were sustained, the political problems created for the Republicans and President Bush probably would be substantial. But some Democrats, including Speaker Tom Foley, worry that if the charge can't be proved they'll suffer a political backlash for looking into it.

These political considerations, important as they may be, are secondary to the questions whether democracy's most vital function—a national election—as well as a President's conduct of foreign policy were illicitly distorted for partisan political advantage. And a deliberate two- or three-month delay in the release of the hostages would have been a despicable tactic, for any reason.

A Congressional inquiry need not be a big, showy affair, as were the Watergate hearings or those on Iran-contra in 1987. Then, a President in office and his lieutenants were being investigated, generating great public interest; impeachment of Mr. Nixon or Mr. Reagan was at least a possibility. Now, a historical matter of far less immediacy is at issue; and while President Bush's political prospects might be affected, nothing suggests his possible impeachment.

What happened in 1980, if anything, did not elect George Bush in 1988; at most, it helped him at eight years remove and probably without his complicity. Mr. Bush has strongly denied any knowledge of the alleged 1980 deal and it hardly seems possible that, while a Vice-Presidential candidate very much in the public eye, he could have traveled in secret to Europe to help make that deal, as has been alleged.

The very fact that some Democrats are reluctant to open an inquiry, for fear that it might backfire on them, is further reason that it probably would not be a "show trial." A small, select committee with adequate Republican representation could conduct a discreet investigation, without televised hearings, at least until a prima facie case was established or repudiated.

Certain circumstances, beyond the findings of Mr. Sick and others, suggest the need for such an inquiry. This is the second case, for example, in which Republican campaigners have been accused of tampering with foreign policy for political purposes. In 1968, Nixon aides were charged with persuading the South Vietnamese to delay their participation in peace talks to deny possible advantage to Democrats in that year's elections.

Some allegations suggest, moreover, that the proven later dealings of the Reagan Administration with Iran grew out of the alleged hostage deal in 1980. Mr. Bush, in denying that he knew of such a deal did not insist that it never happened. Mr. Reagan, as usual, only said he knew of no such arrangement; but he never knew much of what went on around him.

The overriding reason for a Congressional investigation is the possibility that the truth might be established. The death of Mr. Casey, who would have been the key witness, and the unavoidable political aspects of an inquiry, may make that possibility remote. But such a search is necessary—as Representative Butler Derrick, a South Carolina Democrat, put it—because the charge "goes to the root of what democracy is all about."

An investigation might end in political advantage for the Democrats, or possibly do them damage. It might remove an alleged blot on the reputations of Mr. Casey and the Republicans, or it might confirm it. Either way. Congress has a historical imperative and an institutional responsibility to seek the facts.

[From the Washington Post, July 9, 1991]

HOSTAGES TO THE PAST

(By Haynes Johnson)

Six months before the first ballots are cast in the Iowa caucuses and only a year before their nominating convention, Democrats have no presidential candidates—well, one. But they're going to win the 1992 election by showing that the 1980 Reagan landslide was stolen from them.

If that sounds cynical, so be it. Seldom has a political party been more deserving of scorn than these present inheritors of the mantle of Jefferson, Jackson, Wilson, Franklin Roosevelt, Truman, Kennedy and Johnson, all of whom really were fighters for what used to be known as the "people's party."

The paucity of candidates is not the problem; it's the absence of collective will that is so dismaying. And there's hardly an absence of issues. This is not 1984 revisited, that happy "Morning in America" time when no dark clouds dampened national optimism about the future. The issues now are stark: banks failing, pensions in jeopardy, health clinics closing, cities and states battling the worst budget crises since the Great Depression, crumbling infrastructure, gripping national recession.

Every major political survey and public opinion sample concludes that Americans think the country is headed in the wrong direction. They're most worried about domestic conditions. Yet the message that Democrats apparently want to send the country is that they aren't so much interested in dealing with the present because the past holds them hostage.

Thus, this week's twin announcements that Democrats will lead an investigation into the "October surprise" hostage issue during the 1980 campaign and that Sen. John D. "Jay" Rockefeller IV (W.Va.) has become yet another potential Democratic presidential candidate choosing not to run.

That's not to suggest that Democrats should drop plans to investigate whether Reagan political operatives made a secret deal with Iran to hold American hostages until after the 1980 election in exchange for secret arms shipments. The "surprise" is not a frivolous tale, another concoction of the legion of conspiracy buffs. Serious allegations have been made, and as House Speaker Thomas S. Foley (D-Wash.) said, for the good of the country they deserve to be addressed as definitively and fairly as possible.

In that connection, a recent conversation with Gary Sick, the former White House aide to President Jimmy Carter, who has been investigating the allegations about the hostages for several years, is instructive. Sick, a quiet, careful man who radiates integrity, was commenting on a statement by Ronald Reagan in June to reporters as he golfed with President Bush. It was a typical, unintentionally provocative remark by Reagan, saying more than he probably intended and opening himself up to new questions about his own role.

As Sick said, it was "one of the most remarkable things to come out on this story. If you read the Reagan statement, when he's asked if he did anything to keep the hostages in Iran, he says, 'I did some things actually the other way to try and be some help to get the hostages out of there.' That is the very first time anybody involved in the 1980 Reagan campaign has said they were doing *anything* about the hostages.

"It directly contradicts what they've all been saying repeatedly: That no person was involved, that they wouldn't touch that issue with a 10-foot pole, that they were keeping it at absolute arm's length. They have said over and over since then that we only have one president at a time and that the president is responsible for foreign policy and they were not going to be involved. But now, according to Reagan, they *do* appear to have been involved.

"Then the reporters ask Reagan: Did his efforts to help get the hostages out involve contacts with anybody in Iran? And he answers, 'Not by me.' What about some of his aides? he's asked. And he says, 'I can't get into the details of that. Some of those things are still classified.' That business about it being classified is pure nonsense."

Sick concluded: "The strong implication is that somebody involved in the Reagan campaign *did* have something to do about the hostages. If they were in fact trying to get the hostages, they should have been coordinating their efforts with the White House because we were also deeply involved in trying to get them out. I can tell you absolutely that they made no such contacts with us in the White House. I really regard this as a major breakthrough. It tends to confirm things that we already suspected."

That is only one of many reasons for the formal congressional inquiry to go forward. Perhaps it might even trigger Democratic initiatives in other areas. That would be the real political surprise.

[From San Francisco Examiner, Aug. 4, 1991]

DID REAGAN CAMPAIGN CROSS THE LINE?

(By Christopher Matthews)

WASHINGTON.—Ronald Reagan's campaign was deathly afraid in the summer and fall of 1980 that the man I was then writing speeches for, Jimmy Carter, would pull a rabbit out of his hat. They saw him exploit the Iranian hostage issue to defeat challenger Ted Kennedy. They witnessed the unsuccessful rescue mission known as Desert One. With the November election approaching, the Reagan team had reason to believe a second rescue attempt was being prepared or, absent that, a diplomatic deal to gain an election-eve release of the 52 American officials held in Tehran.

To discount the positive political impact of an 11th-hour release, Reagan's vice presidential running mate coined the term "October surprise." If Carter was successful in springing the Iran-held hostages, his achievement should be viewed primarily as a pre-election gimmick rather than the fulfillment of his presidential duty.

The Reagan people took other steps to minimize an "October surprise." Edwin Meese wrote an Oct. 24, 1980, memorandum to other top Reagan aides informing them that former Adm. Robert M. Garrick had been assigned to monitor all administration efforts to release the hostages. Meese directed campaign aides to check with Garrick to learn of any "change in the situation."

This memo sits in the files of the House Committee on Post Office and Civil Service. It is accompanied by an affidavit from Garrick himself admitting that he had contacted military reservists to check on "large aircraft movements" that might be part of a rescue mission.

That $64,000 question is whether Reagan's people did more than simply monitor the hostage situation. Did campaign chairman William Casey, a former OSS chief in World War II Europe, or any other Reagan loyalist actively open contact with the Iranians? Did they, implicitly or explicitly, lead the Ayatollah Khomeini to think that a President Reagan would be more flexible in his dealing with Iran's revolutionary government than his harsh campaign rhetoric would suggest? Did they, in other words, offer hope that Carter's arms embargo might be modified should Reagan win the election?

Several factors argue this is precisely what may have happened in those critical months prior to the 1980 presidential election.

One is arms shipments. Within weeks of Reagan's inauguration, Israel was providing Tehran with desperately needed spare parts for its U.S.-made military equipment.

The second factor is the Reagan administration's documented readiness to use arms as ransom. We know that Reagan sent military equipment to Tehran to win freedom of later American hostages. The former president finally admitted as much in a speech to the nation on March 4, 1987. The only question is whether they, through a wink, a nod or a handshake, let the Iranians know back in 1980 they were willing to play this game. If they did, they pulled the rug from under Carter's negotiations, kept the hostages in Tehran several extra months and inflicted immense cruelty on their families. They would have been, in a criminal sense, accessories after the fact to an international kidnapping.

Rep. Butler Derrick, D-S.C., one of those pushing hardest for a full investigation, sees "too many coincidences" in the hostage crisis. Ever since the hostages were released, just minutes after Reagan's inauguration, Derrick has wondered why the zealots in Tehran had chosen to make peace with Reagan, a candidate who had been "damning Iran at every turn," rather than with the moderate Carter. Later, Derrick wondered why the military spare parts had begun flowing into Tehran just weeks after the new administration had taken office.

The only way to answer such questions is with a serious, low-key congressional investigation. There is no need for lights, cameras and outlandish lawyer's fees. The people involved are few. They can be quickly and quietly asked, under oath, if they know anything about contacts between the Reagan campaign and the Iranians.

It's up to Speaker Tom Foley to get this done.

[From the United Press International, Aug. 6, 1991]

BUSH WELCOMES PROBE, IF IT PROVES ANYTHING

WASHINGTON.—President Bush welcomed a congressional investigation into the so-called "October surprise" Tuesday if it uncovered anything, but subtly warned Democrats about using the 11-year controversy for political leverage.

"Just so it's fair," Bush said in his first public response to Monday's announcement that Congress will formally investigate allegations that the 1980 Reagan-Bush campaign sought a delay in the release of American hostages in Iran to benefit the Republicans' chances in that year's presidential election.

"If they've got something and they can get to the bottom of this and prove it one way or another, so much the better," said Bush aboard Air Force One as he headed to Maine for his annual summer vacation. "But if it's simply something else as we approach a political season that wouldn't be good."

Speculation has surfaced on-and-off for 11 years that Reagan campaign officials, at the very least, sought to negotiate a deal with Iran to delay the release of 52 American hostages held for 444 days by revolutionaries under the control of the late Iranian ruler Ayatollah Ruhollah Khomeini.

Within the past few months, new allegations have surfaced that members of the Reagan team met with Iranian intermediaries, shady arms dealers or other Middle East operatives to cut a deal for the hostages release.

The inability of President Jimmy Carter to secure their release contributed to his unpopularity and helped spell his defeat to Reagan in the 1980 election. The hostages were released as Reagan was taking the oath of office.

The Reagan and Bush administrations have denied the allegations.

In announcing the probe, House Speaker Thomas Foley, D-Wash., and Senate Democratic leader George Mitchell of Maine said that committees from each house will review the case based on "persistent and disturbing" reports.

"We have no conclusive evidence of wrongdoing, but the seriousness of these allegations, and the weight of circumstantial information, compel an effort to establish the facts," read a joint statement from Foley and Mitchell.

The president raised the specter of political motives, but said that he did not think the two Democratic leaders intended to conduct such a proceeding.

"If they're got some evidence, and it's hard evidence and not just based on outrageously flimsy sources, fine," said Bush, adding that he hoped the affair would not develop into a "wild goose chase."

[From the Los Angeles Times, Aug. 6, 1991]

YES, DO TRY TO CLEAR THE AIR

Last April, Gary Sick, an analyst who was on President Jimmy Carter's National Security Council, resurrected rumors of a secret deal designed to guarantee Ronald Reagan's election.

The purported deal, for which there is a denial to match every lurid detail, involved a promise by the Ayatollah Ruhollah Khomeini of Iran to keep 52 Americans locked up until the 1980 election was over. His reward was cash or arms.

Sick says he started out doubting the rumors but that two years of investigation in the United States and abroad persuaded him the deal was indeed struck. His disclosure had one thing in common with every other report about the Republican "October surprise" since 1981: no proof.

After agonizing for months over what to do about the resuscitated rumors, Democratic leaders on Monday announced a congressional investigation. They acknowledged a lack of "conclusive evidence of wrongdoing," but House Speaker Thomas S. Foley said the inquiry would be an effort to "put these allegations to rest."

Republicans hooted at the preposterous notion that hearings certain to overlap the onset of the next presidential election campaign could be a truth-seeking endeavor, untainted by politics. It probably struck many Americans the same way.

Ironically, the inability to take at face value anything that is said by virtually anyone in politics or government is precisely why the investigation is crucial. It's hard to know just when—or even exactly why—the decline began in Americans' faith in their government's ability to do things right or to tell them why things went wrong.

Thus an investigation is in order. The charge is of high crimes—endangering the lives of Americans for domestic political advantage and interfering with then-President Carter's conduct of foreign policy. Done right, getting to the bottom of the hostage rumors could be a small step toward salvaging some of what American politics has lost over the years. What makes it possible to hope it will be done right is that Democrats are as aware as any—perhaps more than most—of the magnitude of mistrust and cynicism they must overcome to put the matter to rest.

The way to proceed is to assemble an intelligent, professional and bipartisan investigatory team. The Democrats will be playing with fire if they play politics with this very serious matter. By weighing and disclosing the evidence, a properly conducted congressional investigation can clear the air. Improperly conducted, it can pollute the atmosphere with political hot air and add to government's credibility problem.

[From the Boston Globe, Aug. 6, 1991]

"OCTOBER SURPRISE" PROBE

The persistence of claims that members of the 1980 Reagan-Bush campaign staff arranged to delay the release of 52 Americans held hostage in Iran until after the presidential election that year justifies the ordering of a congressional probe. The investigation is warranted even if it only puts an end to the speculation that continues to swirl around the timing of the release of the hostages—mere minutes after Reagan was sworn into office.

There is no denying the allegations are "persistent and disturbing," as the congressional Democratic leadership noted. House Speaker Thomas Foley and Senate Majority Leader George Mitchell feel that despite a lack of conclusive evidence, "the seriousness of the allegations and the weight of circumstantial information compel an effort to establish the facts."

For more than a decade rumors have endured that a secret deal by Reagan campaign officials delayed the hostages' release for three months. They were held in Tehran for 444 days.

But the rumors took on credibility in April when Gary Sick, who had been an official on former President Jimmy Carter's National Security Council, wrote an article carried by The New York Times. Sick claimed that Reagan campaign officials, led by the now deceased CIA director, William Casey, feared Reagan might be defeated by an "October Surprise" in which Carter would obtain the hostages' release before the election.

In fact, Carter was engaged in the behind-the-scene negotiations at that time which he felt were likely to free the hostages. Without explanation, the Iranians suddenly ended these talks.

Sick maintains that Casey met with Iranians in Madrid and arranged a delay in the hostages' release, in exchange for military weapons which Carter had prevented the Irans from having. Neither Sick nor the investigative PBS program "Frontline" could prove the claims, but a substantial amount of circumstantial evidence has built up.

To reduce the risk that the probe will be misused as a political weapon, the House and Senate will rely on standing committees and testimony given under oath. The political dynamite posed by the allegations makes it imperative that the investigation be above board and above suspicion.

Only a substantive investigation, however much needed, can satisfy—prove or refute—such damaging charges.

[From the Charleston News & Courier, Aug. 7, 1991]

LOW KEY APPROACH

(By Sandy Grady)

WASHINGTON.—The late Bill Casey talked in such a staccato mumble that Republican insiders joked he had a built-in voice scrambler.

But Casey was clearly understood, soon after he became Ronald Reagan's campaign director, when he told reporters, "My worry is the other side will pull off an October surprise."

That was a fear verging on paranoia that gripped Reagan's 1980 campaign staff—a release of 52 U.S. hostages held by the Iranians might dramatically tip the election to Jimmy Carter.

Did Casey, a man who wallowed in cloak-and-dagger intrigue, rig an "October Surprise" of his own? Did he make a secret, illegal deal with the Iranians to hold the hostages until Reagan was safely in office?

That's The Story That Would Not Die.

You don't have to be a conspiracy freak to marvel that Reagan, minutes after his 1981 inauguration, could crow, "The hostages are in the air." Or to think it peculiar that Reagan's crew began shipping arms to Iran.

Sure, the tale sounds like fantasy out of a Robert Ludlum thriller—a bunch of hotshot political connivers playing dice with hostages lives to pervert an American election.

Or worse, like whiskey talk from sour-grape Carterites.

But if true—and Bill Casey proved at the CIA that he was a capable of any weird caper—it would be a monstrous treachery dwarfing Watergate.

Now, after years of backroom whispers, two congressional committees will chase the shadows of "October Surprise." No wonder House Speaker Tom Foley, when he unveiled the investigation on Monday, was as enthusiastic as a man plodding to a dentist for a root canal.

"I am, in a sense, reluctant," said Foley, "but I was convinced these persistent rumors indicated an inquiry should be held."

Gray, cautious Tom Foley hated to walk into the "October Surprise" minefield. The affair would blow up in Democrats' faces if they spent months uselessly pursuing 11-year-old ghosts. Republicans would howl they were undercutting the '92 elections. They might make Bush, already a war hero, into a martyr.

But Foley was under pressure from younger firebrands—notably Rep. Butler Derrick, D-S.C., and Robert Torricelli, D-N.J.—to dig into the 1980 story, damn the risks.

"History demands we find the truth," insisted Derrick, who lined up 75 House Democrats to light a torch under Foley.

"It's clear something occurred," Torricelli said. "The American people might get a cold dose of political reality."

Sure, Reagan operatives from the 1980 campaign—including the Gipper, who called it "fiction"—scoff at the "October Surprise" conspiracy. Ed Meese sneered that the story was "a floating crap game."

What Foley couldn't ignore was the voice of Gary Sick, a level-headed Middle East expert who had been a Carter national security aide. Sick's New York Times op-ed piece was a hand grenade. Sick said "hundreds of interviews" over two years convinced him Bill Casey had run an arms-for-hostage scam with Iran to cinch the White House for Reagan.

"There is no smoking gun," Sick acknowledged. The witnesses were arms dealers, gun runners, drug smugglers, con men, "not Boy Scouts." Or like Casey and accused bagman Cyros Hashemi, they were dead men who'd tell no tales.

Foley was damned either way. If he let the "October Surprise" story fester, Democrats would rap his timidity. If he staged showy, televised hearings, Republicans would scream politics. Foley made two smart moves.

First, he took George Bush off the hook.

Charges never seemed plausible that Bush, a veep candidate and outsider, met with the Iranians in Paris. "I was never in Paris in 1980," Bush insisted angrily. "That's all. Print it."

Now Foley says he and Senate Majority Leader George Mitchell "accept President Bush's word. Translation: The investigation, which could linger into the 1992 campaign, won't be an exercise in Bush-bashing.

Second, Foley downplayed showbiz TV hearings in the style of Watergate or Iran-Contra. Bipartisan panels under Rep. Lee Hamilton, D-Ind., and Sen. Terry Sanford, D-N.C., will quietly follow the paper trail and quiz witnesses. If they find credibility, then comes Stage Two—Show & Tell Time.

Even Foley's low-key approach drew walls of anguish from Republicans. Digging up Bill Casey's 1980 sins, they snarled, was dumber than exhuming Zachary Taylor's bones.

"If it's just a political witch hunt, it's foolish," said Bush spokesflack Marlin Fitzwater—the same authority who savaged Gary Sick as "the Kitty Kelley of diplomacy."

House Republican leader Robert Michel of Illinois, who tried hard to discourage Foley, called it "a charade" and "political shenanigans" that would be "a waste of time and taxpayers' money."

"People back home," fumed Michel, "don't give two hoots."

I suspect Michel's "two hoots" estimate is correct. Few Americans get an adrenaline rush from this dusty, forgotten, possibly untraceable scandal. Who cares?

Despite the public's low voltage, excitement, though, it's important to nail down the "October Surprise" ghosts. If Reagan's connivers gambled with hostages' lives, ran a foreign scam and tampered with a presidential election, that's a historic monstrosity.

[From USA Today, Aug. 6, 1991]

PROBE "OCTOBER SURPRISE"

Rumors that a political dirty deal called "October surprise" delayed release of U.S. hostages in Iran could be all smoke and no fire.

Or there could be a smoking gun.

Either way, it is good news that House and Senate Democratic leaders finally have decided to investigate.

They have agreed to look into longstanding stories that officials of the Ronald Reagan-George Bush campaign promised arms to Iran to hold the U.S. embassy hostages until after the November 1980 election to seal President Carter's defeat.

Troubling questions have been raised about the release of the 52 hostages from 444 days in captivity minutes after President Reagan was inaugurated.

Did planeloads of U.S. military equipment go through Israel to Iran soon after the inauguration?

Is there any substance to the stories of 15 people on three continents who claim there was a hostage deal, cited by Gary Sick, a former aide to Carter?

To their credit, Presidents Carter, Reagan and Bush have called for these ugly rumors to be investigated and laid to rest.

Some still insist that such an investigation is a waste of time, money and Energy. House Republican Leader Bob Michel of Illinois says that "people back home don't give two hoots."

He's wrong.

People do care when there are rumors of high public officials involved in playing politics with the lives of hostages.

People do care when charges of dirty deals are ignored or swept under the rug.

People don't care for unresolved mysteries and vague suspicions.

The truth will do just fine.

[From the Washington Post, Aug. 7, 1991]

PROBING THE 1980 REAGAN CAMPAIGN

There is a distinct absence of enthusiasm among congressional democrats for the inquiry they have launched into the ugly, unproven theory that to keep Jimmy Carter from reaping electoral advantage in 1980 by bringing home diplomats held hostage in Iran, the Reagan campaign team conspired with Iranian officials to delay their release. It is recognized that some key sources are dead (including William Casey, the Reaganite said to have made the Iran contact), that others (including former Iranian premier Abolhassan Bani-Sadr) are of dubious reliability and that the truth lies buried beneath layers of secret exchanges and is subject all around to deceptions. No wonder the Democrats moved cautiously, aware of the risks of appearing to have triggered a partisan probe and of coming up with no constructive results.

Yet as the Democratic leadership argued, "the seriousness of the allegations, and the weight of the circumstantial evidence, compel an effort to establish the facts"—in what will start out as a closed-door investigation. Presidents Carter, Reagan and Bush have broadly consented to the proposition that it is worth trying to put to rest a corrosive allegation. Mr. Reagan has categorically denied the conspiracy charge, reporting that his campaign contacts with Iran ("we did some things . . . still classified") were conducted for the legitimate purpose of extricating the 52 Americans. Mr. Bush, who was in 1980 Mr. Reagan's vice presidential running mate, has similarly denied a part in or knowledge of a conspiracy. Democratic leaders explicitly accepted his denial when they announced the investigation.

It seems idle to think investigators are going to get to the very bottom of this affair. How is it going to be established, for instance, whether American weapons routed to Iran in early 1981 were the agreed payoff for the delayed release of the hostages on Ronald Reagan's watch or the delivery on Jimmy Carter's earlier offers to free up Iran's own, paid-for, frozen arms once the hostages were out, or something else? An inconclusive result could yet be taken by the conspiracy constituency as evidence of a coverup. Still, it should be possible for careful investigators, using the subpoena power, to narrow the realm of the uncertain, smother some of the rumors and offer a version superior to what is available now. In the circumstances, this would be no small thing.

[From the New York Times, Sept. 2, 1991]

FOLKS BACK HOME DO GIVE A HOOT HOW '80 ELECTION WAS WON

To the Editor:

Responding to the coming Congressional investigation of whether or not the 1980 Reagan campaign improperly interfered with the attempt to secure the return of American hostages in Iran, House Minority Leader Bob Michel said that he didn't think the people back home gave two hoots about what happened 10 years ago (news article, Aug. 6).

I am 78 years old. I was a construction worker and now run a small business. I have lived through one major depression, two world wars and other national crises and traumas. I am an ordinary American. My wife and I have struggled to raise a family, provide for their education, insure their health care and prepare them for a better future.

Now, largely as the result of Federal policies during the last decade, I believe my grandchildren face dimmer prospects than their parents did because of what happened 10 years ago. They have been robbed of at least some of their future, in part because of the kind of arrogance in Washington that has led politicians to believe they can get away with anything because "the people back home don't care two hoots."

The people back home do care two hoots about what happened 10 years ago. We all know Jimmy Carter lost the election, but we do give two hoots about how he lost and about how Ronald Reagan won.

We give lots of hoots about the Iran-contra affair and why Mr. Reagan did not know what was happening in his own Rose Garden; about the scandal at the Department of Housing and Urban Development, the savings and loan scandal and the Bank of Credit and Commerce International scandal and how they have all picked the ordinary taxpayer's pocket.

And we give a few hoots too that American families can no longer afford to send their children to college, can no longer afford to pay for medical care and must increasingly have two wage earners to make ends meet.

We care about what happened 10 years ago and how we came to have a multi-hundred-billion-dollar deficit, and how that deficit has begun to erode our Social Security and Medicare systems, as well as other essential services.

We care about our declining school systems, the growing economic disasters in our cities and the loss of hope. We care about the rising numbers of homeless in our streets—not even in the Great Depression did I see that—and we wonder how long we will be paying for the economic plundering that began 10 years ago. Those of us who came to adulthood during a world war fought to resist a brutal dictator wonder why we continue to support and supply murderous regimes in places like El Salvador and Peru.

Back home, we do care. And we are furious that Mr. Michel and so many of his colleagues in Washington apparently do not.

SIDNEY GLASSER.

NEW YORK, *August 12, 1991.*

[From Playboy, Oct. 1988]

AN ELECTION HELD HOSTAGE

(By Abbie Hoffman and Jonathan Silvers)

"The obscure we see eventually. The completely apparent takes a little longer."—Edward R. Murrow

On January 20, 1981, minutes into his first term, President Ronald Reagan performed a diplomat miracle.

For more than a year, a revolutionary government in Iran had held 52 Americans hostage in retaliation for America's support of the deposed shah. To the world's dismay, President Jimmy Carter was unable to secure their release. Traditional methods of persuasion—an admixture of pleas, threats, economic and military sanctions—proved useless against a fanatic regime that preferred martyrdom to capitulation. Armed with little but epithets and clubs, an Iranian mob had crippled the Carter Presidency and brought America to its knees.

And there the nation remained until Reagan placed his hand on a Bible and took a solemn oath. Half a world away, the fanatics who had once chanted "Death to the Great Satan" instantly scrambled to appease the country's new leader. Barely two hours after the Inauguration, "with thanks to Almighty God," Reagan made the announcement that America had been longing to hear for 444 days: "Some 30 minutes ago, the planes bearing out prisoners left Iranian airspace and they are now free of Iran."

In the jubilation of homecoming, no one asked why the hostages had been released at that particular moment. No explanation seemed necessary. Throughout his Presidential campaign. Reagan had slammed the Iranians as "murderous barbarians" and implied that, if elected, there were ways of handling such people. "We did not wish to inherit the hostage crisis," explains Richard Allen, a Reagan campaign strategist and his first National Security Advisor. "We wanted to make it clear to the Iranians that this was the one issue Reagan was *unstable* about." The Reagan transition team circulated menacing rumors that military reprisals and Normandylike invasions were "under consideration." (According to Allen, its propaganda was not without humor: "What's flat and glows in the dark?" "Tehran, five minutes after Reagan's Inauguration.")

It would be five years before Reagan's antiterrorist posturing came under scrutiny. In November 1986, a Lebanese newsweekly reported that National Security Advisor Robert McFarlane had secretly negotiated an arms-for-hostages deal with the Iranian Revolutionary Council in an attempt to win release of captives taken during Reagan's first term. As the scandal unfolded, it was discovered that this was not the rash enterprise of a small group of National Security Council adventurers but a rigorously conceived Presidential initiative.

The White House quickly shifted into damage-control mode. Attorney General Edwin Meese promised a "complete and impartial investigation"—just after the most incriminating documents were shredded. Through a series of discreet tactical maneuvers, the Administration managed to confine all official investigations of Iran/Contra activities to 1985 and 1986, the period in which the White House said the initiative had begun. The Government panels were deterred from exploring the conspiracy's origins.

The White House tried desperately to conceal earlier activities for a simple reason: The Reagan Administration had approved and encouraged the sale of U.S. arms to Iran not only in 1985 but four years earlier, in 1981. Ammunition, replacement parts, even sophisticated American weapons systems began to flow into Tehran—via Israel—within two months of Reagan's 1981 Inauguration.

Moreover, a commanding body of evidence and testimony has recently surfaced that suggests that members of the 1980 Reagan-Bush campaign secretly pursued openings to Iran as early as September 1980, two months before the election. On at least two occasions, emissaries of Ayatollah Khomeini met with Reagan advisors. The Iranians allegedly offered to detain the American hostages past Election Day, humiliating Carter and ensuring a Reagan victory. Given the speed with which the Reagan Administration approved arms sales to Khomeini, the testimony of several Iranian dignitaries and the fact that a similar arms-for-hostages pact was made later, there is every reason to suspect the Reagan campaign capable of cutting a deal.

Former President Jimmy Carter has voiced doubts about his opponent's integrity in that race. In response to our question regarding his knowledge of these allegations, Carter wrote the following on February 24, 1988:

> We have had reports since late summer 1980 about Reagan campaign officials dealing with Iranians concerning delayed release of the American hostages. I chose to ignore the reports. Later, as you know, former Iranian president Bani-Sadr has given several interviews stating that such an agreement was made involving Bud McFarlane, George Bush and perhaps Bill Casey. By this time, the elections were over and the results could not be changed. I have never tried to obtain any evidence about these allegations but have trusted that investigations and historical records would someday let the truth be known.

This letter prompted an investigation, the results of which follow.

THE CAMPAIGN

In retrospect, it seems surprising that President Carter was able to mount a serious bid for re-election in 1980. The United States was suffering from the rapid erosion of its industrial base, an Arab oil embargo and post-Vietnam war trauma. Added to double-digit inflation and rising unemployment, the Iran hostage crisis came to symbolize the country's general deterioration. Whether Carter was a victim of those circumstances or their chief architect is debatable, but much of the public regarded him as a poor manager of the complex American system. An internal campaign memo written by Carter's chief pollster, Patrick Caddell, put it succinctly: "By and large, the American people do not like Jimmy Carter. Indeed, a large segment could be said to loathe the President."

Loathe him they might, but pit him against the Republican nominee, Ronald Reagan, and lo! Carter suddenly had a decent shot at re-election. Whatever faults Carter had, Reagan matched them one for one. Reagan's appeal was limited; he was seen as hawkish, misinformed, ultraconservative, too Hollywood.

At its core, the election was a race to select the lesser of two evils. Voters couldn't decide whether they wanted helplessness or extreme conservatism. Time-magazine preference polls consistently showed the candidates separated at most by two percentage points. In mid-October, Time gave Carter a slight edge, 42 percent to Reagan's 41 percent.

William Casey, Reagan's campaign manager, found these statistics unnerving. Above all else, he feared that in the last weeks before the election, Carter would pull an "October Surprise"; that is, bring the hostages home, win back the public's confidence—and send Reagan back to the ranch. Richard Wirthlin, Reagan's chief pollster, estimated that a pre-election hostage release could earn Carter five to ten percent of the undecided vote, more than enough to ensure his re-election. Without a hostage release, however, Wirthlin figured that a Reagan win was certain.

Casey had not come so far to be denied victory at the 11th hour. At his insistence, the Reagan-Bush campaign began to defend against the possibility of a pre-election hostage release.

CAMPAIGN COUNTERINTELLIGENCE

In early September 1980, Casey and Meese put together an intelligence operation called the October Surprise group, consisting of ten strategists dedicated to monitoring inner White House maneuvers. Its ranks included Richard Allen, Dr. Fred Ikle, later Undersecretary of Defense, and John Lehman, later Secretary of the Navy. *The New York Times* called their activities "war-gaming," "the guessing of possible Carter moves and the formulation of countermoves." But they soon went beyond guesswork. Like any intelligence operation worth its cloaks and daggers, the group went after information at its source—the White House and environs.

And they got it. In Cassopolis, Indiana, on October 28, 1980, then-Congressman David Stockman boasted that he had used a "pilfered copy" of Carter's briefing book to coach Reagan for a televised debate. "Apparently, the Reagan camp's pilfered goods' were correct," reported *The Elkhart Truth*. "Several times, both candidates said almost word for word what Stockman predicted."

It wasn't until three years later, after the debate incident was recounted by Laurence I. Barrett in *Gambling with History* and Jody Powell suggested that a serious breach of ethics may have occurred, that Congress launched a full-scale inquiry into the affair, dubbed Debategate. The Subcommittee on Human Resources, chaired by Democratic Representative Don Albosta of Michigan, spent nearly a year reviewing internal Reagan-campaign operations. Its definitive report, "Unauthorized Transfers of Non-public Information During the 1980 Presidential Election," was released in May 1984. It shocked the few who read its 2400 pages. What had begun as a routine inquiry into the alleged theft of a debate briefing book exploded into a damning indictment of a campaign staff that employed unethical—if not illegal—tactics whenever convenient. The subcommittee didn't mince words: "As the documents and witness statements show, Reagan-Bush campaign officials both sought and acquired nonpublic Government and Carter-Mondale information and materials."

The subcommittee's greatest wrath was reserved for the October Surprise group. William Casey had constructed a vast surveillance network that collected internal White House data. Richard Allen estimates that perhaps 120 foreign-policy and national-security consultants were affiliated with the Reagan campaign; many had military or intelligence backgrounds. (In comparison, the Government's National Security Council employs only 65 foreign-policy professionals.)

U.S. district court judge Harold Greene, reviewing a motion for a Special Prosecutor, had only criticism for "an information-gathering apparatus employed by a Presidential campaign that uses former agents of the FBI and the CIA." The Justice Department, run by Reagan appointees, saw no need for a Special Prosecutor.

The complex October Surprise apparatus was admirably staffed and structured. At Meese's urging, Admiral Robert Garrick, a retired naval-reserve officer, created a network of loyalists—retired, reserve and active-duty Servicemen—at military bases around the country. They were instructed to report any aircraft movements that might be related to the hostage situation. It proved effective. For example, Brigadier General Johnny Grant, of the California National Guard, apparently telephoned Admiral Garrick with news of aircraft maneuvers near "where the spare parts are," implying that the Carter Administration was preparing to exchange military aid for the hostages.

Allen, Iklé and Lehman monitored White House policy decisions for the camp. "We had two firm and enduring rules," Allen said recently. "Do not interfere with the hostage situation. Deal with no classified information.

Allen apparently had difficulty enforcing those guidelines. The Albosta subcommittee discovered that by October 1980, senior Reagan advisors had informations at the CIA, the Defense Intelligence Agency (DIA), the NSC, even inside the White House Situation Room. Moreover, those informants had security clearances ranging from "Confidential" to "Eyes Only." Several NSC staff members later testified that they had "close friendships" with Reagan aides.

Those friendships often resulted in the sharing of confidential documents. Four-star generals gave the Reagan camp details of the Stealth-bomber project. Secretary of State Ed Muskie's agenda for SALT II talks landed on Meese's desk. Allen received staff reports intended solely for National Security Advisory Zbigniew Brzezinski. "These documents were sometimes extraordinarily sensitive material of the highest nature," Brzezinski told *The Washington Post*.

The Reagan team was not above paying for information. The informant who allegedly delivered Carter's debate papers to Casey was paid $2860, ostensibly for research papers that he apparently never prepared.

While those bits and pieces were undoubtedly useful to the Reagan campaign, its primary concern was getting data on the hostages. Here, too, the quality and quantity of its espionage was exceptional. Between official State Department briefings, leaks and their purchases, Reagan advisors may have known as much about the crisis as the President. "Top Secret—Eyes Only" and "Secret/Sensitive" documents from the U.S. embassy in Tehran were found in Ronald Reagan's personal campaign file. Reagan said he didn't know how they got there. Angelo Codevilla, a Senate Intelligence Committee staff member, probably passed to Reagan headquarters details on the hostages' whereabouts in Tehran. One entry in Allen's telephone log reads, "13 October 1980. 1151 Angelo Codevilla—938-9702. DIA—Hostages—all back in compound last week. Admin. embargoed intelligence. *Confirmed*." Allen could not offer an explanation, though the message—written in his handwriting—is hardly cryptic. Another Allen memo dated October 10, 1980 ("F.C.I.—Partial release of hostages for parts"), suggests that the Reagan campaign knew the White House was evaluating an arms swap with the Iranians. (F.C.I. are the initials of Fred C. Iklé.)

Many of Reagan's best moles were motivated less by devotion to the Republicans than by animus toward Carter. That was especially true of those in the intelligence agencies. Shortly after the Shah was deposed. Carter chewed out the CIA for misinterpreting the unrest in Iran. He chastised the Director of Central Intelligence, Admiral Stansfield Turner, and reorganized or fired much of the Middle East division. Not surprisingly, relations between the White House and the CIA grew increasingly hostile. "There was no doubt that the CIA was more Republican and didn't like the Democrats," says Admiral Turner. "And I'm certain that many hoped a Republican would return to the White House."

CIA operations virtually collapsed in Carter's last year. "The Carter Administration had made a serious mistake," noted Charlie Beckwith, the colonel in charge of the Desert One rescue team. "A lot of the old whores—guys with lots of street sense and experience—left the agency."

Another CIA asset volunteers. "Stan Turner fired the best CIA operatives over the hostage crisis. The firees agreed among themselves that they would remain in touch with one another and with their contacts and continue to operate more or less as independents."

Casey courted those malcontents with considerable success. For example, General Richard Ellis, then head of the Strategic Air Command, put his services at Reagan's disposal. One memo to Meese noted. "Due to his rank and position. [General Ellis] cannot formally institute a meeting, but if a meeting were requested by R.R., he would be happy to sit down with him. . . . [The general] wants to blow Jimmy Carter out of the water." Reagan later appointed Ellis to the U.S.-Soviet Standing Consultative Commission.

Reagan's selection of George Bush as running mate also proved serendipitous. Bush had served as Gerald Ford's Director of Central Intelligence, an appointment he once called "the best job in Washington." Although his tenure lasted less than a year, he maintained informal ties to the agency after he left and staffed his ill-fated Presidential campaign with former CIA officials. When the Bush and Reagan campaigns merged in July 1980, their intelligence-gathering abilities increased substantially. Many CIA veterans close to Bush, notably former CIA Director of Security Robert Gambino, assisted Casey and Allen in campaign activities.

"Bush certainly had the ability—and the connections—to get the campaign into the intelligence communities," says Turner.

Prescott Bush, the Vice-Presidential candidate's brother, courted a consultant to the U.S. Iran Hostage Task Force named Herbert Cohen. In a September 2, 1980, letter to James Baker (George Bush's campaign manager and now Secretary of the Treasury), Prescott Bush said he expected that Cohen would provide the campaign with "some hot information on the hostages". Cohen eventually sent Casey four confidential NSC reports.

By the fall of 1980, the Carter White House was riddled with moles, spies and informers. But preoccupied by the continuing crises and the campaign, the President's advisors remained ignorant of the dirty tricks being played by the Reagan-Bush team. "We were aware that we had made enemies," says Jody Powell, "but we didn't think they were inside, chipping away at our foundation". Given the sensitivity of the stolen documents and the impunity with which the moles acted, the President's defenses, like those at the embassy in Tehran, were pitifully inadequate.

BACK CHANNELS

In desperation over the Iranians' refusal to deal with the United States on the diplomatic level, the Carter White House looked to unofficial channels as a means to resolve the crisis.

In February 1980, Dr. Cyrus Hashemi, a former Iranian CIA operative turned arms dealer, made the Administration an offer. Claiming to be a cousin of Hashemi Rafsanjani, one of Khomeini's lieutenants and later speaker of the Majles (Iran's parliament). Dr. Hashemi said he had contacted Khomeini's advisors and found them willing to revive negotiations. If the President wished, he would gladly open back channels. There was, of course, a catch: The Iranians would free the prisoners only in exchange for U.S. offensive weapons.

A word about arms: After the 1953 CIA-sponsored coup that installed Reza Pahlavi as shah. Iran depended on the U.S. for nearly all its military hardware and training. In 1978, shortly before he was deposed, the shah paid U.S. defense contractors more than $300,000,000 for arms and spare parts. After the Islamic revolution, however, the White House embargoed all military shipments to Iran, and the shah's purchases were never delivered. Without U.S. ammunition and spare parts, the ayatollah's American-equipped military was approaching paralysis.

When Hashemi suggested that Iran might be willing to bargain, there was reason to think the proposal legitimate. "We felt an outsider would have a better chance of getting to Khomeini," says a State Department official. "We were quite willing to consider anything. A weapons package didn't seem unreasonable especially since it had been paid for." Dr. Hashemi was referred to State Department officials, but after several weeks of discussion, his services were declined.

The fact that a covert arms trade was even seriously considered by the Administration sent dangerous signals to the munitions underworld. "Iranian arms merchants were coming out of the woodwork," says Gary Sick, principal White House aide for Iran. "Each one insisted that he alone had a direct line to Khomeini. They were mostly opportunists, some really disreputable characters, out for honor and profit."

Houshang Lavi probably came closest to circumventing Presidential authority. A naturalized American born in Iran, Lavi acquired an intimate knowledge of Iranian internal politics by brokering various arms deals (he arranged the sale of F-14 aircraft to the shah in the mid-Seventies). In December 1978, he participated in a covert CIA mission that removed high-tech Phoenix missiles from Tehran when the shah's days were numbered.

Lavi was infuriated by the hostages' prolonged captivity and was certain that it could have been avoided. After the disastrous Eagle Claw helicopter rescue attempt in April 1980, it was obvious to him that Carter would never appease the ayatollah, so he took the initiative. As Lavi put it at our meeting on Long Island, "I attempted to free the hostages."

In the spring of 1980, Lavi approached Mitchell Rogovin, a lawyer with the John Anderson presidential campaign, with an unusual offer. "Lavi said Iranian president Bani-Sadr had authorized him to pursue hostage negotiations," says Rogovin, Lavi sketched out an arms-for-hostages plan similar to the one Hashemi had offered the Department of State eight months earlier. Lavi made one demand: If they succeeded, "credit must not go to Carter."

"He was adamant about that," says Rogovin. "He wanted it known that Carter's abilities were severely limited."

Lavi's offer scared the Anderson campaign. "To involve the candidate in negotiations regarding the hostages . . . was too dicey to contemplate," wrote, Alton Frye, Anderson's director of policy planning. But rather than risk losing an opening to Tehran, the Anderson campaign referred Lavi to the State Department.

The White House had no doubt that Lavi could deliver F-14 parts to Tehran; whether he could get the hostages out was another story. "An arms swap, legitimate as it may have been, was tantamount to paying ransom to terrorists," says a Carter aide. "Too risky, too unreliable, Carter had some real problems with it." In the end, the White House ignored all outside offers and settled in for the long haul.

SABOTAGED NEGOTIATIONS

In September 1980, Carter's patience was rewarded. Sadegh Tabatabai, Khomeni's influential relative, contacted Washington with an urgent proposition. Iran would free the hostages if the U.S. released Iran's financial assets, refrained from intervention in Iranian affairs, and returned the shah's property, including the military supplies that had been paid for.

After months of silence, Iran was understandably eager to resume talks. The Iran-Iraq war, which began in late September 1980, had inflicted heavy casualties on the Iranian army. The black market could provide only a fraction of the supplies Iran needed. Khomeini grudgingly acknowledged his dependence on Satan America.

The White House recognized that it would have to deliver some arms and spare parts to Iran as part of an over-all settlement. "We suggested [to the Iranians] that we would make $150,00,000 worth of military equipment available to them after the hostages were released," states White House aide Gary Sick. "In fact, we held a lot more, as much as $300,000,000. But there were many offensive weapons and classified materials we didn't want to get back to Iran." Carter reluctantly approved an arms package that omitted all offensive weapons and lethal aid.

Reagan advisors panicked when they learned that Carter was close to a deal. In an October 15th memo marked "Sensitive and Confidential," Allen informed Reagan, Meese and Casey that an "unimpeachable source" had warned him of an impending hostage settlement: "The last week of October is the likely time for the hostages to be released. . . . This could come at any moment, as a bolt out of the blue."

(Allen says that his source was reporter John Wallach, who Allen believes learned confidential details of the negotiations from Secretary of State Edmund Muskie.)

Reagan loyalists then made several attempts at undermining Carter. On October 15, 1980, WLS-TV, the Chicago ABC affiliate, announced that the President was about to approve an arms-for-hostages exchange and that five Navy planes loaded with offensive weapons were prepared for a flight to Tehran to consummate the deal. Not a word was true. Larry Moore, who broke the story, allegedly got his misinformation from a highly placed member of the U.S. Intelligence community who was linked to the Reagan campaign. Soon after, columnist George Will, a Reagan booster, remarked that a fleet of transports loaded with arms was bound for Khomeini's army. On October 17, The Washington Post got closer to the truth when it reported that a spares-for-hostages deal was an element of the hostage settlement.

The public outcry over those planted stories was enormous. Carter was accused of dishonoring America, of caving in to terrorist blackmail. As if that weren't enough, the Iran negotiations began to founder. Two weeks before the election, Tabatabai suddenly became inscrutable. He delayed, changed terms at random and, mysteriously, abandoned demands for arms. He also reneged on a promise to have the hostages home by Election Day.

There is no doubt that in the last weeks of the campaign, Reagan-Bush campaign members successfully undermined Carter's diplomatic efforts. Their espionage, for the most part, was confined to Washington power circles. But they also attempted to deal directly with the Iranians.

In September 1980, Allen got a call from Robert McFarlane, then an authority on Iran for the Senate Armed Services Committee. McFarlane told Allen that he knew a representative of the Iranian government who might be useful. "McFarlane wanted us to meet him; he was emphatic," recalls Allen. "And against my better judgment, I agreed." Allen asked another campaign advisor, Laurence Silberman, to accompany him.

The four met in the lobby of L'Enfant Plaza Hotel in Washington. The Iranian envoy informed them that he was on good terms with Khomeini's inner circle. "Then he spun a web about how he could get the hostages released directly to our campaign before the election," recalls Silberman. "And at that point, we cut him off. Neither Allen nor I had any interest in his proposal. I told him flat-out that we have only one President at a time and that all deals regarding the hostages would have to go through official channels." After 20 minutes, Allen and Silberman thanked the Iranian envoy for his concern and left. End of story. If you take them at their word, everyone behaved with what Silberman called "scrupulous propriety." Maybe. In the interest of national security, the Reagan team certainly could have reported this overture to the White House, as the Anderson campaign had honorably done with Houshang Lavi.

Among other things, the paucity of details makes the account disturbing. The time and date of the conference, even the envoy's identity, are all unknown. Allen remembers him as an oddball, a "flake," an Iranian living in Egypt; Silberman thinks he might have been North African. (McFarlane has yet to return our calls.) But considering the enormity of the envoy's proposal, and Allen's own well-documented obsession with Iranian affairs, that particular blackout seems too convenient.

Three highly respected professionals, whose livelihoods depend on recalling names, faces and events, unaccountably developed amnesia. It's unlikely that they would meet an envoy without knowing beforehand his status, reliability and objective. McFarlane would presumably have used every facility at his disposal to make sure the contact was legitimate. If he had had any reservations, it's doubtful that he would have been so insistent. And if McFarlane's judgment was so poor—if the envoy was a "flake"—it's even more doubtful that he would have been welcomed into the next Administration.

But while Allen, McFarlane and Silberman were claiming to reject the deal in Washington, their colleagues were scanning the globe for similar openings to Iran. P.L.O. representative Bassam Abu Sharif, Yasir Arafat's chief spokesman, told journalist Morgan Strong that a Reagan backer had approached P.L.O. headquarters. "During the first campaign, the Reagan people contacted me." claims Abu Sharif. "One of Reagan's closest friends and a major financial contributor to the campaign. . . . He kept referring to him as Ronnie. . . . He said he wanted the P.L.O. to use its influence to delay the release of the American hostages from the embassy in Tehran until after the election. . . . They asked that I contact the chairman [Arafat] and make the request. . . . We were told that if the hostages were held, the P.L.O. would be given recognition as the legitimate representative of the Palestinian peoples and the White House door would be open for us."

The P.L.O. was a reasonable choice to serve as hostage broker. Two weeks after the embassy take-over, Arafat negotiated the release of 13 Americans. If Arafat could persuade Khomeini to release some hostages, he might just as easily persuade him to hold the rest a little longer.

The P.L.O. has so far refused to document those charges. "We have the proof if it is denied," says Abu Sharif. "And they said they would deny it if it ever became public. I hope it does, because I would like to drop the bombshell on them." Still, we have no corroborating details to confirm the account.

It's clear, though, that Reagan advisors took foolish risks. Barbara Honegger, a former policy analyst in the Reagan White House, is certain that at least one of their initiatives paid off. In late October 1980, while she was working at the Reagan campaign headquarters in Arlington, Virginia, an excited staff member boasted. "We don't have to worry about an October Surprise. Dick cut a deal." Her colleague, she suggests, was referring to Richard Allen, and the deal involved the American hostages in Tehran.

THE TRAGEDY OF BANI-SADR

Among the casualties of the hostage crisis were the two presidents of the adversary countries. Jimmy Carter and Abolhassan Bani-Sadr. Although separated by vast political and cultural differences, their personal philosophies were surprisingly similar. Like Carter, Bani-Sadr advocated human rights, the democratic values of the Islamic revolution and stability in the Middle East. Both worked feverishly to end the hostage standoff. And both were ousted by the same despot.

Carter limped home to Plains. Bani-Sadr, too often on the losing side of a three-year power struggle that saw many of his colleagues executed, fled Iran in the night. After six weeks in hiding, he surfaced in July 1981, when France offered political asylum on the condition that he give up politics. He has spent the past seven years quietly brooding over the political situation in his country.

When the Iran/Contra scandal broke in November 1986. Bani-Sadr began making startling accusations. The Reagan arms-for-hostages scenario, he claimed, was not a recent inspiration: Reagan had made an arms deal with Iran months before he was first elected. From the wilderness of exile, his charges rarely made it to America. And even when they did, he was portrayed as a bad loser and his charges were dismissed.

Then, in the fall of 1987, two things happened: Allen admitted to having met an Iranian envoy on behalf of the Reagan-Bush camp, and Israel was discovered to have sold Iran American-made military supplies in 1981. Bani-Sadr's claims took on disturbing credibility.

In April 1988, we were invited to France to interview the exiled president. When we arrived, the French government was embroiled in a scandal eerily similar to the one we were investigating. Prime Minister Jacques Chirac had secretly paid Iranian terrorist groups close to $30,000,000 in ransom for three hostages, purchasing an "April Surprise" to advance his battle against President Francois Mitterand in the upcoming election. The French electorate was not swayed.

Bani-Sadr first learned that the ayatollah was considering a secret deal with the Reagan-Bush campaign in late September 1980. Hashemi Rafsanjani, one of Khomeini's key advisors, was sending a secret emissary to the United States to assess the political situation and try to arrange a more lucrative settlement than the one the White House was offering him. It was that emissary, Bani-Sadr claims, who contacted McFarlane and later met Allen and Silberman in Washington.

Rather than reject the envoy, as Allen and Silberman claim, Bani-Sadr insists that Reagan's campaign advisors embraced his basic plan. Before returning to Iran, the envoy had other meetings with senior Reagan advisors. "They agreed in principle that the hostages would be liberated after the election," says Bani-Sadr, "and that, if elected, Reagan would provide significantly more arms than Carter was offering.

"For Khomeini, working with Reagan was preferable for several reasons," he says. "Reagan represented the working capital of the United States—he had close ties to the banks, the financial community—so trade would be easier. With Reagan President, Khomeini could also tell his people that he had destroyed two enemies of the revolution: the shah and the man who harbored the shah, Jimmy Carter."

Bani-Sadr maintains that with the election drawing near, the Reagan-Bush team was eager to finalize a deal. At some point during the last two weeks of October, with the election days away, a final meeting was held in Paris, at the Hotel Raphael. "There were three factions present," he claims. "Representatives of the Reagan campaign, representatives of the ayatollah—Mohammed Beheshti [head of the radical group Hezbollah] and Rafsanjani—and independent arms merchants. I have confirmed several of the names: Dr. Cyrus Hashemi, Manucher Ghorbanifar and Albert Hakim."

Representing the Reagan-Bush campaign, says Bani-Sadr, was none other than George Bush.

That last detail struck us as implausible. It would have been extremely difficult for a Vice-Presidential candidate to sneak off to Paris in the last weeks of a frenetic campaign for a clandestine meeting. Bani-Sadr appreciated our skepticism. He insisted, however, that his intelligence was accurate and that by late October, negotiations had reached a serious stage that required a commitment from the highest level of the Reagan-Bush campaign.

(At our request, Kirstin Taylor, the Vice-President's Deputy Press Secretary, reconstructed Bush's schedule for October 1980. With the exception of a few rest days and Sundays there are no extended gaps in his itinerary. Theoretically, however, a round-trip journey to Paris could have been accomplished within a day's time.)

In exchange for keeping the hostages until Inauguration Day, the Americans pledged that Iran would receive U.S. military supplies. Representatives of the Reagan campaign assured the Iranians that "third parties-independent arms merchants, friendly foreign governments—would handle delivery of specific parts and weapons," says Bani-Sadr.

Bani-Sadr concedes that much of his intelligence comes second-hand. "As president, I knew that a deal was under consideration, but I was unaware that it had been consummated until after the arms arrived." He didn't learn more details until a year after he was exiled. Friends and loyalists within the Iranian military began sending him photocopies of secret Islamic Revolutionary Party documents, several of which are said to describe the hostage deal. Throughout our interview, he consulted official-looking papers written in Farsi. "These documents are extremely sensitive," he says. "I don't want them circulated. It would seriously endanger my sources. If a Congressional investigator came here, I would take the risk and give him copies."

Mansur Farhang, a former UN ambassador from Iran, also believes that some arrangement was made with the Reagan camp. "Khomeini did not make distinctions among American politicians," says Farhang. "He regarded them all as dangerous. But in October [1980], I noticed an abrupt change in his attitude. He became accommodating, very relaxed about the prospect of a Reagan Presidency."

Farhang regards Bani-Sadr's intelligence as sound but fragmentary. "Bani-Sadr puts the bits and pieces together himself and constructs something that he regards as the truth," he cautions. Still, many elements of Bani-Sadr's story have been corroborated.

Mansur Rafizadeh, a former SAVAK chief and CIA asset, insists that a Paris meeting took place in mid-October, as Bani-Sadr described. Representing the Reagan-Bush campaign were Donald Gregg, a former CIA official (later Bush's National Security Advisor), and an authority on Iran who served as a translator. Rafizadeh has also stated that elements within the CIA endorsed Reagan-Bush covert efforts: "Some CIA agents [in Iran] were briefed by agency officers to persuade Khomeini not to release his prisoners until Reagan was sworn in. . . . The CIA now sentenced the American hostages to 76 more days of imprisonment." (Seventy-six days is the time between the election and the Inauguration).

Additional evidence lends credence to Bani-Sadr's account. When Tabatabai resumed talks with the State Department in September 1980, military equipment headed his list of demands. But, unaccountably, on October 22, Iran dropped all references to these supplies. "This occurred because Iran had been guaranteed another source of U.S. arms," explains an Iranian journalist.

Whether or not an agreement was reached between Khomeini and the Reagan-Bush campaign, the fact remains that the ayatollah achieved all of his objectives by the time the hostages were released. He humiliated the U.S., got rid of Carter and "the criminal shah," secured the transfer of four billion dollars in assets to Iran and ensured a steady flow of U.S. arms to his military. The faithful might praise Allah, but the glory was all Khomeini's.

ISRAEL AND ARMS

On July 18, 1981, a cargo plane returning to Tel Aviv from Tehran strayed into Soviet airspace and was shot down by a MiG–25 along the Soviet-Turkish border. According to the London Sunday Times, the plane was chartered by a Swiss arms broker, who intended to send 360 tons of military hardware—worth $30,000,000—to the Iranian military. Three shipments of American-made spare parts for M-48 tanks (which formed the bulk of Iran's land forces) had made it through before the cargo plane was shot down. The Israeli foreign ministry denied any involvement, but several officials quietly conceded that their agents had sold Iran parts and arms shortly after Reagan took office.

As early as February 1981, Secretary of State Alexander Haig was briefed on Israeli arms sales to Iran. In November, Defense Minister Ariel Sharon asked Haig to approve the sale of F-14 parts to Tehran. While the proposal was in direct opposition to publicized Administration objectives, Sharon pitched it as a way of gaining favor with Iranian "moderates." According to The Washington Post, Haig was ambivalent but gave his tacit consent, with the approval of top Administration officials, notably Robert McFarlane.

Israeli ambassador Moshe Arens later told The Boston Globe that Iranian arms sales had been discussed and approved at "almost the highest levels" of U.S. Government in spring 1981. In fact, Reagan's Senior Interdepartmental Group agreed in July 1981 that the U.S. should tacitly encourage third-party arms sales to Iran as a way of "advancing U.S. interests in the Middle East." The initiative was such a significant reversal of U.S. policy that it's unlikely that Haig would have given his consent without the President's knowledge and approval. Haig refuses to comment.

In November 1986, the Administration finally allowed that the Israelis had delivered U.S. military supplies to Iran in the early Eighties. The State Department downplayed the sales, claiming that the amount of arms Iran received was trivial, that only $10,000,000 or $15,000,000 worth of nonlethal aid had reached Iran. That figure was hotly disputed. The New York Times estimated that before 1983, Iran received 2.8 billion dollars in supplies from nine countries, including the U.S. A West German newspaper placed the figure closer to $500,000,000. Bani-Sadr said that his administration alone received $50,000,000 worth of parts. Houshang Lavi believes Khomeini got at least $500,000,000 in military supplies.

Lavi is in a position to know. In 1981, he and Israeli arms dealer Yacobi Nimrodi reportedly sold HAWK missiles and guidance systems to Iran. In April and October 1981, Western Dynamics International, a Long Island company run by Lavi's brothers, contracted to sell the Iranian air force $16,000,000 worth of bomb fuses and F-14 parts. Admiral Bobby Ray Inman, William Casey's Deputy Director of Central Intelligence, said that the CIA knew in 1981 that Israel and private arms dealers were making sizable deliveries to Iran. The Reagan White House raised no objections.

Eighteen months after Reagan took office, Iran had received virtually all the spare parts and weapons that Carter had refused to include in his hostage accord.

THE TOWER OMISSION

By the spring of 1987, no fewer than five Government panels (one by the President's special review board, one by the Senate, two by Congress, one by Special Prosecutor Lawrence Walsh) were investigating charges that the Reagan Administration had willfully violated U.S. law—and its own policy—by secretly arming Iranians and funding the Contras.

As thorough as those investigations were, two glaring omissions are now coming to light: the CIA's drug connection to the Contras and the pre-1985 arms deals with Iran. Little consideration was given to the possibility that the Iran/Contra initiative might have had its genesis in either Reagan's 1980 Presidential campaign or in the opening months of his first term. It is difficult to understand why. The same names and many of the same methods keep turning up in both the Iran/Contra and the Debategate inquiries.

Many of the investigators have claimed that the issue was beyond their jurisdiction. The Tower commission, for example, was an examination of NSC operations, not of Reagan campaign ethics. "We had a very simple mandate," says Senator John Tower, who chaired the President's special review board, "and that was to focus on the origins of the Iran/Contra initiative. It was an immense task, and we had 88 days in which to evaluate voluminous documents and interview the participants. We also had limited powers. We found no reason to expand our inquiry." Both Senator Tower and Brent Scowcroft were former bosses of McFarlane, and Edmund Muski was reported to have leaked White House information while he was Carter's Secretary of State. Those three men were the Tower commission.

While the investigators were indifferent to Reagan's pre-1985 conduct, a handful of journalists pursued the charges: notably, Leslie Cockburn of CBS News, Alfonso Chardy of the Miami Herald and Christopher Hitchens of The Nation. Not until Flora Lewis, a columnist for The New York Times, published a piece in August 1987 that essentially promoted Bani-Sadr's allegations, did Washington take notice.

Senate Majority Leader Robert Byrd weighed the evidence and became the first politician to link 1980 Reagan campaign practices with Irangate. He made an impassioned plea for truth on the Senate floor on August 7, 1987: "The secret policy of arming the ayatollah may have begun early in the Eighties . . . this bribery-and-ransom strategy was on the minds of the inner circle of Presidential advisors even before his Administration took office. What other explanation is there for the allegation . . . of a meeting between Mr. Allen, the first security advisor to the President, and a campaign official, who apparently met with Iranian officials and who may have been linked to Israeli shipments of weapons to the ayatollah in the early Eighties. This raises disturbing questions about the longevity of this ill-conceived arms-for-hostages strategy. It needs further investigation, in my judgment".

Representative John Conyers, Jr., chairman of the Criminal Justice Subcommittee, is beginning that investigation. "It's going to be difficult," says Frank Askin, Conyers' special counsel. "Some of the people implicated are in protracted legal battles. Some have reason not to talk. I don't expect them to be very helpful." Conyers must soon decide whether the evidence warrants—and the public can tolerate—yet another Congressional investigation.

The Debategate and Iran/Contra affairs have already proved that members of the Reagan Administration engaged in deceit on an impressive scale. Whether they committed greater crimes has yet to be tested under oath. One thing is clear: The story is significantly more complex than the public has been led to believe. There are too many secret deals, too many memory lapses and shredded documents for the file to be closed with any conviction.

The Wall Street Journal, Friday, June 10, 1988: "October Surprise?"

Speculation is raised about an Iranian hostage ploy. A National Security Council staff memo warns that Iran may try to use the nine American hostages in Lebanon as political pawns during the Bush-Dukakis race. The memo, written by Middle East specialist Robert Oakley, foresees possible offers to release some hostages before the November elections. The price, some officials think: a promise that Bush would soften the U.S. anti-Iran stance. An Iranian official recently tried to arrange a clandestine meeting with a Bush aide, whose colleagues told him he would be "crazy" to meet secretly with Iran, U.S. officials say. The speculation is partly aimed at deterring any temptation to make a deal with Iran.

[Esquire Magazine]

OCTOBER SURPRISE

(By Craig Unger)

THE FALL OF CARTER

At 4:00 a.m. on November 2, 1980, Gary Sick, a staffer on President Carter's National Security Council, was jangled awake by a phone call. Despite the unseemly hour, he wasn't disturbed: This was the price one paid for proximity to power. After all, he had left behind a promising military career precisely so he could advise the kind of men who considered it their due to drag him out of bed in the dark of early morning. He dressed quickly and drove through the predawn streets of Washington, first to Foggy Bottom, the location of the State Department, where he had a quick meeting with a dozen weary officials. Then it was on to the White House, where candles flickered in support of the fifty-two hostages who, as of that morning had been imprisoned in Iran for 364 days. The word had come down: The Majlis, the Iranian parliament, had at last taken action.

By the time Sick arrived at the South Lawn, the presidential chopper was landing, Jimmy Carter hurried down the metal steps to be greeted immediately by National Security Adviser Zbigniew Brzezinski, who handed him the latest communiqué from Iran. The men went inside and settled into the cabinet room. It may have been 3:00 p.m. Tehran time, but in Washington, judging from the grizzled faces of the assembled, it was an ugly hour of the morning. The air was edgy with expectations that had been thwarted too often. Those who served on the Iran watch had been through this far too many times since the previous November.

There was a lot riding on the contents of that message. For one thing, the release of the hostages. For another, Carter's second term as President. Between the hostage debacle and a tattered economy, a Reagan landslide had long seemed a certainty. But recently Carter had somehow drawn even with the Republican nominee, and if the hostages came home, a flash of patriotic celebration might well boost Carter over the top.

By the time he sat down at the oval table, Carter had read the decision of the Iranian parliament. It was quiet in the room. For all the diplomatic circumlocutions, for all the parliamentary filigree, the communication could be boiled down to two words: No deal. The Majlis's willingness to even negotiate with the Great Satan was a tremendous advance, but the terms were still unacceptable. "The best we can do for the next few days is to indicate our willingness to pursue negotiations," Carter said. It was the resigned response of a man who had almost no options left.

Carter's wife, Rosalynn, came into the room. The President went over to the window with her, and they talked softly and held hands. Then they kissed. She stepped out of the French door into the Rose Garden. Soon a helicopter ferried her off to the next campaign stop. The election was in two days. But for all practical purposes, it was over. Gary Sick put in a full day's work and then slumped home to bed.

SHADOWY FIGURES

On a warm July night eleven years later, Gary Sick, the man who White House press security Marlin Fitzwater now calls the Kitty Kelley of foreign policy, entered Goodbye Columbus, a bistro on Manhattan's Upper West Side. A retired Navy captain, an adviser not only to Carter but to two Republican administrations, and now an adjunct professor of Middle Eastern politics at Columbia University, Sick still moves with a stiff military bearing. He has interviewed so many arms dealers and shadowy intelligence operatives over the last two years that he now has a regular corner table at this white-tiled, brass-railed yuppie joint. It may have once seemed an unlikely meeting place for such disparate types, but in the surreal world that Gary Sick now inhabits, nothing surprises.

"You take events you know very well," Sick said, taking a bite of his pasta, "and strip off a layer and suddenly there is a whole different world. I was in the White House then, but now I'm forced to go back and rethink every stage. Things happened for different reasons than you thought. There is another world. A whole different reality."

On April 15, an article Sick published on the op-ed page of The New York Times gave legitimacy to allegations that the 1980 Reagan-Bush campaign secretly made a deal to delay the release of the American hostages in Iran. Fearful that Carter might pull an upset if he brought the hostages home as an "October surprise" just before the election, the Republicans made certain that he couldn't. Or so Sick charges. Deadly earnest, bookish, and almost ascetic, Sick was reluctant to make the connections demanded to substantiate rumors that he had heard for years. Even as the crisis unfolded, others, including President Carter himself, were told of clandestine dealings between Reagan campaign officials and the Iranians. Carter said that it originally seemed "inconceivable" to him "that this could be done by Bill Casey or anyone else. It's almost nauseating to think that this could be true—that any responsible American citizen could possibly have delayed the release of American hostages for one day, for any purpose." But Carter's faith in Casey's probity was shaken to the core when former Iranian President Bani-Sadr boldly stated this spring that the deal had occurred.

"Now the evidence is so large," Carter said, "and so many people are making allegations that I think it has aroused a genuine question." He subsequently met with Speaker of the House Tom Foley and urged him to launch a full-scale congressional investigation. Last month, eleven years after the events in question, and following a summer of fact-finding, House and Senate panels convened a formal inquiry into the charges.

One can almost make a prima facie case that surreptitious deals did take place. The hostages, it should be recalled, were released only minutes after Reagan's inauguration. "You'd have to be the village idiot to believe Iran released them at that time without talking to the Republicans," says one congressional staffer. "And before then, Reagan had no authority to negotiate."

But perhaps we are a nation of village idiots. Flabbergasting as the basic scenario of the October Surprise is, equally astounding has been the public's ignorance of the charges, despite the fact that evidence from credible sources has been disseminated over the past couple of years through a variety of mainstream forums, from Congress to ABC's Nightline to the op-ed page of The New York Times. Not exactly the paranoid sheets of conspiracy kooks.

In recent months, several operatives have emerged from the deep cover of the international intelligence community. Their disturbing narratives reflect back at you your own political biases. If you revile the Reagan-Bush epoch, you'll find an administration founded on ultimate treachery. If you admire Reagan's reign, these tales come across as the hallucinations of crazed publicity hounds. Lay their stories on top of one another like the anatomical transparencies in a medical textbook and you have a shocking picture of a body politic diseased with corruption at the highest level.

Certainly the term "hostage deal" doesn't do justice to the gravity of the allegations. Granted, it would have been horrific to arm Iran as a reward for prolonging the imprisonment of Americans. But more appalling is the likelihood that the CIA helped engineer the whole thing. If these charges have merit, it means that a covert action staged by members of the Reagan-Bush campaign and the CIA sabotaged an American presidential election. Ultimately, such an unholy collaboration raises charges so weighty that they tax credulity, so incendiary that few dare put them on paper.

Eleven years have passed since the purported deal. That makes for a cold trail—lots of time to get rid of evidence. It is not consoling to know that former attorney general Ed Meese now oversees the disposition of Reagan-Bush campaign papers. Key figures have died—most notably Casey. Some have departed under suspicious circumstances—Iranian arms dealer Cyrus Hashemi, for instance.

Detractors of the October Surprise theory continue to describe much of the evidence as islands of truth linked by footbridges of fantasy. "The whole thing is counterintuitive," says Bob Woodward, who wrote about William Casey and the CIA in his best-selling book Veil. Addressing the October Surprise, the hero of Watergate comes across as a stolid apoligist for the anticonspiracy viewpoint. "Why, I wonder, would the Iranians think for a moment that it made sense to make a deal with the Republicans when the information suggested that the Republicans might not even win? Not only is there no smoking gun. There's not even any smoke in the room, except hypothetically. Maybe a little haze."

And yet, after more than 150 interviews with sources in and out of the government, and after reviewing thousands of pages of official documents from congressional hearings and court records, I believe a compelling case can be made that in 1980, this country experienced its first and only coup d'etat and never knew a thing. "Compared to the October Surprise," says former attorney general Elliot Richardson, "Watergate was an innocent child's frolic."

Here's how it happened.

THE SECRETS OF CASEY

At the center of the story is William Casey, a blustery, deceptive operator whose clandestine maneuverings began during the Second World War when he served as director of secret intelligence in the Office of Strategic Services, the CIA's precursor. Under the legendary "Wild Bill" Donovan, he had directed covert operations of the sort for which the CIA later gained notoriety. The ungainly, perpetually disheveled Casey was an ideological cold warrior possessed of Manichaean moral certitudes that guided him through the shadowy precincts of covert action. In this sub-rosa world, "unofficial" channels execute "unofficial" policy, often without the knowledge of duly elected officials.

Almost no one disputes that Casey, who died in 1987, was capable of engineering the October Surprise. In fact, his colleagues give credence to the story precisely because, as one says, "it would have been so much like him." The reaction of Scott Thompson, an associate professor at the Fletcher School of Law and Diplomacy at Tufts University who worked on the 1980 Reagan-Bush campaign, is typical. "I have no way of knowing the details," Thompson says. "But I met with Casey regularly during the campaign. He kept everything very compartmentalized and would have met with people on a one-on-one basis so that no one knew everything."

Thompson is convinced that Casey engineered the hostage deal. "So people finally figured it out," he told me. "What the [----] did they think was going on?"

The capture of the American Embassy in Teheran by Iranian students on November 4, 1979, marked the official beginning of the hostage crisis. For the next 444 days, fifty-two Americans were imprisoned by the Iranians. In the weeks that followed their seizure, Carter and the National Security Council frantically sought options to obtain their release.

In early 1980, Israel went to the administration, offering to broker an unusual deal: The Iranians would free the hostages in exchange for desperately needed weapons. Israel's proposal was based on several explosive factors that lurked beneath the surface of the crisis, largely unseen by the American people. Israel's oil came from Iran. Israeli arms sales to Iran were crucial to its economy. And militarily Iran was a counterweight to Israel's feared enemy, Iraq's Saddam Hussein.

The seizure of American hostages by Iran boxed the Israelis into an awkward position. Until Iran and the U.S. resolved their discord, Israel couldn't arm Iran without violating the American embargo against Khomeini's regime. And for the Iranian government, the hostages were becoming worthless, except as bargaining chips for badly needed arms. The most obvious—perhaps the only—solution to this quandary was one that was very difficult for Carter to accept morally: an arms-for-hostages deal. Former Israeli intelligence agent Ari Ben-Menashe says he and other Israeli operatives played a central role in trying to broker exactly such an exchange.

Carter, however, regarded as anathema the notion for arming a country that had seized Americans. He rejected Israel's proposal. He saw it as tantamount to paying a bribe to terrorists. And to have discussed the prospect openly during a presidential election season would have been political suicide.

That's where this story might have ended. But the Iranians, aided by the Israelis, found another bidder.

From the earliest stages of the crisis, American and Israeli agents had been establishing secret lines of communication with Teheran. According to Ben-Menashe, retired CIA operatives in the United States began to set up back channels to deal with the Iran crisis even before 1980. The first meeting, he says, took place in late 1979 at a Georgetown apartment, not long after the hostages were seized. "The whole thing didn't start out as a scheme to delay the hostages," says Ben-Menashe. "It became that later on. At first it was normal undercurrent diplomacy. The motive was to arm the Iranians so they could fight the Iraqis." Among those present were Ben-Menashe, several Israeli agents, and Miles Copeland, a retired CIA officer who had played an important role in the coup that brought the shah back to power in 1953. "Copeland was disgusted with Carter's handling of the situation," says Ben-Menashe. Aiding Copeland, he says, was the late John Shaheen, a New York oilman and an old OSS friend of Casey's who had later surfaced in the Iran-contra investigation as a link to arms sales in Iran.

In February 1980, Ben-Menashe says, Robert "Bud" McFarlane, then an aide to Senator John Tower, and Earl Brian, a businessman who had been secretary of health in Reagan's California cabinet, met highly placed Iranian officials in Teheran. In a sworn affidavit submitted by Elliot Richardson on behalf of one of his clients, a computer-software company called Inslaw, Ben-Menashe states that both McFarlane and Brian had a "special relationship" with Israeli intelligence, McFarlane having been recruited by Rafi Eitan, a legendary Israeli agent who was the model for a leading character in John LeCarre's *Little Drummer Girl*. "McFarlane was the famous Mr. X in the Pollard case," adds Ben-Menashe, referring to the trial of Jonathan Pollard, an American convicted of spying for Israel. In Pollard's case there were persistent allegations about another, unnamed American who secretly worked for the Israelis.

Both McFarlane and Brian have declined comment.

McFarlane and Brian's visit, Ben-Menashe says, helped set up later meetings in Madrid, which in turn paved the way for the crucial October rendezvous in Paris.

A SHOT IN THE DARK

Somewhere in the chasm between the brutal political realities of the hostage crisis and Jimmy Carter's guileless idealism were conditions ripe for manipulation by the one person cold and cunning enough to exploit them.

As the 1980 election season got underway, William Casey was the most sought-after insider by Republican presidential hopefuls. Both George Bush and John Connally had asked him to run their campaigns, but Casey bided his time, currying favor with several leading candidates. When Ronald Reagan lost the Iowa caucus to George Bush on January 21, and shortly thereafter fired campaign manager John Sears, Casey made his move.

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In fact, it wasn't unusual for countries to use arms dealers like the Hashemis as quasi-official negotiators, nor was it uncommon for intelligence services to rely on them for contacts and information. The meeting between Casey and the Hashemis established solid communication channels between the Republicans and Iranians. "You could say without stretching the term that Cyrus was a double agent," says Sick. "He was working with the U.S. government but providing information on the side to the Reagan campaign."

Appalled by Carter's fumbling efforts in Iran, factions in the CIA were on the verge of doing the same. These disaffected elements regarded the President as ruinous to the country's overall security. Carter's appointment of his former Naval Academy classmate Stansfield Turner as CIA director had rankled scores. In what has become known as the Halloween Massacre, Turner had purged 820 surplus CIA personnel in October 1977, many of whom had been cold warriors and special, or "black," operations executives and counterintelligence officers. In early 1979, another 250 people put in for retirement. At the time, an article in *The Washington Post* said "American intelligence is dying" and placed the onus on Turner.

"You can't imagine the tremendous anger against the Carter administration in the military and intelligence apparatus," say Susan Clough, formerly President Carter's personal secretary. "And not just in the CIA. Emotions had been boiling for years."

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One reason the hostages were going nowhere in the spring of 1980 was that their fate was yoked to the resolution of internal conflicts among various Iranian factions—none of which could afford the political risk of openly supporting the prisoners' release. At 5:00 a.m. on April 1, Carter and his aides gathered in the Oval Office to listen to a speech by Iranian president Abolhassan Bani-Sadr. "Carter had given the Iranians a deadline," says Sick, who was present at the meeting. "He said that they were supposed to move the hostages into the care of the government, away from the hostage-takers, the students, by the end of March. That date had run out, but now Bani-Sadr was saying that if the United States fulfilled certain responsibilities, the hostages would, in fact, be moved to the custody of the government."

Although it later turned out that the relatively powerless Bani-Sadr was overruled by Khomeini and Carter was forced to approve a disastrous military action to rescue the hostages, it seemed then that his political survival would be guaranteed if he brought the hostages home before the November election. When the polls opened in the Wisconsin primary that day, Carter's announcement of seeming progress in the hostage crisis resounded with voters. His strong showing that day reversed the downward slide in his campaign.

But every time Carter enjoyed even a soupçon of success, his opponents struck back with illicit and disproportionate force. On April 20, an article in the *Washington Star* by Miles Copeland described a plan he claimed to have concocted for a rescue operation of the hostages. As Stansfield Turner recalls, the scheme bore an amazing resemblance to one actually being worked on by the administration. On April 22, a radio broadcast in Teheran revealed a CIA plot to rescue the hostages. "They didn't mention the Copeland piece," says Turner, "but we assumed the two were related. We were terrified at first but came to the conclusion that it was worth going on with the operation." The Desert One mission, which took place on April 24, ended in disaster, leaving eight U.S. soldiers dead and rescuing no one.

CASEY'S PITCH

By May, Reagan was storming toward his party's presidential nomination, having won twenty-five out of twenty-nine primaries. When the Republican convention took place in July, the only suspense left was over who would be Reagan's running mate. Former president Gerald Ford was briefly touted as part of a "dream ticket." But because that had aspects of a potentially unworkable "co-presidency," former CIA head George Bush came on as the vice-presidential nominee. With the ticket in place, Casey met with reporters on July 15 and boasted that an "intelligence operation" to monitor the hostage situation and guard against any surprises was "already in germinal form" under his direction.

Several weeks earlier, Cyrus Hashemi had asked his brother Jamshid to set up another meeting with Casey. This time, however, Cyrus wanted Jamshid to bring another key player in Iranian politics—Mehdi Karrubi, a powerful Islamic cleric who is now speaker of the Majlis. The meeting was to take place at the end of July at the Ritz Hotel in Madrid.

Jamshid Hashemi's account of these meetings, as reported first to Sick and later on *Nightline*, offers an extraordinary look at how William Casey operated. The meetings included Mehdi Karrubi and his brother Hassan, the Hashemis, and for the Americans, Casey and two others who have not been positively identified. Hashemi describes the first meeting as opening without either side having a clearly stated agenda. Karrubi started by attacking the policies of the United States in general and Jimmy Carter in particular. Casey responded by saying the Republicans traditionally had better relations with Iran than the Democrats did—a banal-enough statement, but one freighted with ramifications. If you help us, it seemed to suggest, we'll help you.

Casey also asked what Iran intended to do with the hostages and what it would take to get them out as quickly as possible. Nothing, Karrubi replied, could be done without Khomeini's approval. They agreed to meet the following day. After the three-hour meeting was over, Karrubi asked Hashemi, "What had the purpose of the meeting been? What did Casey want?"

The next day, Karrubi posed those questions to Casey. What was Casey authorized to say on the subject of hostages and the release of Iran's frozen assets? And since the U.S. had also been holding large shipments of weapons paid for by Iran under the shah, Karrubi wanted to know if there was some way to get them. Iraqi troops were menacing Iran, and he wanted to know if there was some way the arms could be transferred through a third country.

Casey responded with his own questions. He wanted to know if Iran was ready to deal with the Republicans and hand over the hostages. Could Karrubi act on Khomeini's behalf? There was also the matter of timing. Some Iranian factions were anxious to get rid of the hostages right away. On the other hand, an immediate release of the hostages was the last thing Casey wanted.

Then, according to Hashemi, Casey broached for the first time the idea of delaying the hostage release, asking if they could be turned over to Reagan after the election. If that happened, Casey added, the Republicans would arrange for the release of Iran's frozen assets and the military equipment that had been held up.

"I think," Karrubi replied, "we are now opening a new era and are dealing with someone who knows how to do business."

On July 30, back in Washington, George Bush and Bill Casey dined together. It was just two weeks after the Republican convention. If Jamshid Hashemi is correct, Casey had just returned from Madrid. Whatever Casey and Bush may have discussed, we can be certain of only one thing: Whoever booked the restaurant had a sense of humor. It's called the Alibi Club.

Contacts continued between the Iranians and the Republicans. According to Der Spiegel, Casey's colleague John Shaheen met Cyrus Hashemi in New York on August 2. (He would meet again with Hashemi on October 22.) At a second set of meetings in Madrid in early August, an agreement between Casey and Karrubi began to take shape. Karrubi said Khomeini had accepted Casey's suggestion. The hostages would now be treated as guests rather than prisoners. Casey thanked him and said that even though he was not in the government, he had friends, and within the next day or two, he would get back to Karrubi with suggestions regarding weapons. They discussed how to delay the release of the hostages, but Casey was told that if the delivery of weapons was not made, there could be no agreement about the hostages.

The following day, Casey told Karrubi that Cyrus Hashemi would be introduced to a man in Madrid who would help Hashemi buy and sell weapons. As a result, Hashemi bought a five-thousand-ton Greek freighter for $1 million. According to Jamshid, the freighter made four round trips between the Israeli port of Eilat and the Iranian port of Bandar Abbas between August 1980 and January 1981. The transactions were in violation of American trade sanctions, so each time the ship left port, the name was changed in passage. On paper, no shipments were made. In all, $150 million of arms—mostly artillery shells, tank ammunition, and antitank guns—were sold to the Iranians that way. This detailed account of the Madrid meetings is based on one source only—Jamshid Hashemi. Ari Ben-Menashe confirms reports that the Madrid meetings took place, but says he was not present. Everyone else said to be at these meetings is either dead or has refused to talk. Should we believe Jamshid Hashemi's account?

There is evidence to corroborate his tale. Through hotel records, ABC News was able to confirm that at the very least the Hashemi brothers were in Madrid at the time. Moreover, Casey's calendar is empty during the dates given for the meetings in July—unusual in itself, given the pace of a presidential campaign. Despite recent protests from Reagan campaign officials that Casey never left the country during the campaign, Casey was photographed on July 28 at a reunion of OSS veterans in London, just ninety minutes' flying time to Madrid. His schedule would have allowed him to be in Spain on the twenty-seventh and early on the twenty-eighth. "If Jamshid Hashemi were fabricating his story," Sick says, "it's certainly an extraordinary coincidence that he happened to pick precisely those days in which Bill Casey was probably out of the country. When Hashemi told me his story, he had no way of knowing Casey's schedule."

If there was a line between what was conceivably legitimate on the part of the Republican campaign and what was potentially treasonous, it was crossed at Madrid. Until then, Casey's encounters with Iranians like Hashemis could have been justified as a means of keeping a presidential candidate informed about the Iranian crisis. After Madrid, no such pretense was possible.

MOLES

Throughout the summer, people both inside the Carter administration and out of it continued to funnel sensitive information to the Reagan-Bush campaign. Carter himself has said in The Village Voice that he suspects CIA/NSC staffer Donald Gregg of leaking White House secrets. Another was a Justice Department consultant named Herb Cohen who was eager to get involved in the hostage negotiations. Every two weeks or so, he would call Gary Sick with suggestions about the negotiations, hoping in exchange to ferret out vital secrets. Sick would pass on "low-level" gossip to Cohen, who in turn would leak the information to Prescott Bush Jr., brother of then-vice-presidential candidate George Bush. In September, Prescott Bush wrote to his brother's campaign aide, James Baker, saying that Cohen could deliver "hot information" from "reliable sources on the National Security Council."

By that point, Reagan's seemingly insurmountable twenty-five-point lead in the polls had begun to dwindle, and Casey still worried that Carter might be able to bring the hostages home. At an 8:00 a.m. campaign meeting on September 12, Casey exhorted his top

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an obstacle that made it difficult for Iran to successfully defend itself. "As early as February, Khomeini had told us we had to resolve the hostage issue," says Ahmad Salamatian, a delegate to the Majlis who is now in exile in Paris. "He did it again in June. But each time, it was dragged out, always for a different reason that was never explained."

There are at least two clues to what was happening in Iran. In the unlikely forum of the Donahue show this past May, former Iranian President Bani-Sadr proclaimed that then-foreign minister Sadegh Ghotbzadeh wrote the majlis a letter on September 20, 1980, stating, "We are informed the U.S. Republican party is using its best efforts to make sure that the hostages will not be released until the presidential election in November."

The fundamentalist clerics sounded a similar message. "In September, the clerics suddenly became very cynical and sarcastic," says Mansur Farhang, the Iranian ambassador to the United Nations at the time. "Every time I mentioned what the hostage-taking was doing to Iran, they said, 'You are too simpleminded. You really don't understand that we have nothing to fear from Ronald Reagan and a Republican victory.'"

By the middle of October Carter had somehow pulled into a dead heat with Reagan, sending the Republicans into a panic. With Carter's advantages as an incumbent haunting him, Casey met early every morning at the Skyline House apartment complex in the Washington suburb of Falls Church, Virginia, to strategize with Ed Meese and several other campaign aides. Their planning was greatly assisted by information stolen from the White House. As later revealed in the Albosta report, the published results of a 1984 congressional investigation, the Republicans relied on dozens of informers who either worked in or had access to the highest levels of the White House, the National Security Council, the CIA, and the military. Much of the material they leaked was classified. Reagan foreign-policy aide Richard Allen received daily staff reports written for Carter's national security adviser. Zbigniew Brzezinski. The Reagan campaign even obtained advance copies of President Carter's travel itinerary, allowing Republicans to sandwich Carter's appearance between two Reagan-Bush teams, one known as the Truth Squad, which provided the press with questions to ask Carter, and another known as Consequences, which sought to repair any damage Carter may have done to the Reagan campaign.

Casey's team had gone on high alert, anticipating another attempt to extricate the hostages after the Desert One failure. Admiral Robert Garrick, a director of Reagan campaign operations, recruited military friends at several bases to watch for large aircraft movements that might indicate another secret operation—either an arms transfer or another rescue attempt. "They let it be known that they were watching for a new rescue attempt," says one Carter adviser. "They made a clear and overt attempt to sabotage a rescue effort. They knew the planning was going on and they were trying to stop it by going public with it."

At this point, the Carter administration was so thoroughly populated by Reagan-Bush moles that information reached the Republicans virtually instantaneously. In an October 15 memo, Richard Allen informed Reagan, Meese, and Casey that an "unimpeachable source" had warned him of an impending hostage settlement.

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In fact, the Carter administration had been considering a spare-parts-for-hostages deal. But as they vacillated, the Iranian overture wilted. Finally, around October 21, according to a State Department memo, assistant secretary of State Harold Saunders was told "the Iranians are not going to make a negotiation with the Carter administration."

The Iranians didn't need to. They had just sealed a deal with someone else.

THE DEAL

The final deal didn't go down in an underground garage or behind a potted palm. It took place instead in Paris, amid the plush confines of the Ritz Hotel, in an upper-floor suite next to what Ben-Menashe describes as a "secure" elevator. "It sounds fantastic," he says, "but when I give you all the details, everything will fit into place." He claims to have been an eyewitness to the chain of covert events of late October 1980.

Ben-Menashe is speaking from his temporary residence in Australia where he is completing a book on his career in Israeli intelligence. In 1980, he claims, he was part of the Israeli team that brokered the key meetings at which the October Surprise deal was hatched. While there are conflicting versions of that week, all accounts share at least three key points: that William Casey was a pivotal figure at the sessions, that there was an agreement that the hostages would not be released prior to the election, and that Israel would serve as a conduit for arms. Ben-Menashe and others claim that George Bush attended one of the meetings that week.

I have been through more than ten hours of phone interviews with Ben-Menashe in which he's told stories that, if true, would rewrite the history of the Reagan-Bush era and bring down the Bush administration. He talks with the persuasive fervor of a man whose life is in danger. He hopes that the worldwide attention his conversation generates will provide him a life-insurance policy no money can buy. "I've been looking over my shoulder since 1986," he says. "Somewhere, somehow, somebody's gonna get me." He cites two agents he claims have been killed recently by the Israelis. Last June he left congressional staffers' heads spinning after hours of secret videotaped interview sessions with investigators.

An Iranian-born Jew of Iraqi parentage, the forty-year-old Ben-Menashe grew up in Teheran. He attended the American School there and began work for Israeli military intelligence in 1974. His language skills and familiarity with the country enabled him to penetrate Iranian intelligence and help crack the shah's secret code.

In 1977, Ben-Menashe, who speaks Farsi, Arabic, Hebrew, and English, joined the Israeli Defense Forces Military Intelligence as an Iran specialist. In 1978, at Teheran University, Ben-Menashe met Seyyed Mehdi

Kashani, the son of Ayatollah Kashani who would later become an important figure in postrevolutionary Iran. "Kashani [the son] had just been released from the shah's jail," says Ben-Menashe. "He was actually predicting the revolution. A lot of intelligence people didn't understand that what was happening in the opposition was centered at the university." Ben-Menashe did and sent back reports that the shah was on his way out.

Ben-Menashe says he was present in Paris as part of a team of six Israeli agents, one a woman, who helped broker the deal. They arrived either on Tuesday, October 14, or Wednesday the 15, and stayed for five days. Ben-Menashe says he and three other Israelis stayed at the Hilton and that all records of their visit were destroyed. "Everything was cleaned out," he says. "After we left, a person who represented himself as being from the Israeli Embassy cleaned out the records. But it wasn't us who did it.

"My job in Paris was basically networking with the Iranians, getting addresses and phone numbers and points of contact in Europe to help with arms deliveries later on.

"Mostly we did a lot of hanging out with the Iranians and talking to each other and having a good time. One night we ate at Hippopotamus [a Parisian chain of steak houses] with the Iranians. I was one of the few who wouldn't eat steak because it wasn't kosher. One of the Iranians wouldn't because it wasn't halal, but the others did. And they were drinking wine, which they weren't supposed to do. These guys weren't clerics, remember. We got really close to them, they wouldn't do that in public because they are representatives of the Islamic Republic."

For the most part, the Israelis were told to keep their distance from the Americans, but during the week there were two meetings with them. "One was at the hotel with the Iranians." Ben-Menashe says. "The same stuff was talked about. It was all about arms shipments, about how they were going to be done, and in what form. We were not really talking about the hostages. That was out of our realm. We were not at that level."

As a result of these encounters, Ben-Menashe says, a group known as the Joint Committee—officially, the Joint Israeli Defense Force Military Intelligence/Mossad Committee for Iran-Israel Relations—was set up in November 1980 in order to funnel a huge number of arms to Iran. The organization was run jointly by the Mossad [Israeli intelligence] and Israeli military intelligence. Ben-Menashe was appointed a member on November 28, 1980. "We had tens and tens of companies that were opened and closed, middlemen and cover companies all over the world for these deals." he says. "But all of them were linked to the Joint Committee."

As for the American presence in Paris, he says that "other than secret-service types, there were five Americans at those meetings, Among them, he claims, were two Carter administration officials whose careers have thrived in the Reagan and Bush administrations—Robert Gates and Donald Gregg. Gates, who was nominated by President Bush in May to head the CIA, was then executive assistant to CIA head Stansfield Turner. Donald Gregg, now ambassador to South Korea, was then CIA liaison to the National Security Council. Ben-Menashe claims they attended meetings in Spain as well. Gregg has denied the charges. At press time, Gates had withheld comments.

The big meeting as Ben-Menashe calls it, took place on either Sunday, October 19, or Monday, October 20—he is not sure which, "The night before, two other Israelis and myself went to see Mehdi Karrubi in the Hotel Montaigne, a very small, inconspicuous hotel used by the Iranians all through the years, not far from the Eiffel Tower. We were there to reassure Karrubi about the arms pipeline. Our catch phrase was, The enemy of your enemy is your friend. The Israelis used it, the Iranians used it. They [the Iranians] always reminded us of the biblical story that Cyrus, the Iranian emperor, was the guy who led the Jews out of bondage."

The next morning before noon, Ben-Menashe says, there was a meeting at the Ritz Hotel in Paris. "Karrubi and an aide walked in," Ben-Menashe says, "Then George Bush walked in with Casey and said hello to everybody very politely. Then they walked to the conference room on the upper lobby."

Casey's presence, at least, has also been confirmed by Richard Babayan, an Iranian who began working for the CIA in the Seventies. Now in jail for securities fraud, Babayan says he was in Paris at the time, plotting a coup to overthrow Khomeini. "I was meeting in Paris with Iranian expatriates trying to put the coup together," said Babayan in an August telephone interview. "I became aware of Casey meeting with Islamic individuals. There were meetings, and I was able to debrief some of the people on the Iranian side who were present with Karrubi. I later met with Casey in June 1981, and he confirmed that he was at the meetings. The arms hadn't been delivered as quickly as promised, and he asked me if I could go to my Iranian contact and stall them for sixty to ninety days."

WHERE WAS GEORGE?

President Bush says he was not in Paris at all that year and had no knowledge of or any participation in any October Surprise deal. As for the weekend in question, close to a full day remains unaccounted for in Bush's schedule between the evenings of October 18 and 19. Official spokesmen have proposed several different versions of Bush's whereabouts. He was at home with a secret-service detail; at home without a secret service detail; at the Chevy Chase Country Club, lunching with Supreme Court Justice Potter Stewart; or attending a Zionist Organization of America convention "in either Philadelphia or New Jersey." These contradictions have made it difficult to place Bush anywhere on October 19, 1980.

Likewise, there is much conjecture about Donald Gregg's whereabouts that weekend in October. In a related court case, Gregg produced family photos showing him on a Delaware beach. But a local weatherman called as a witness to challenge Gregg said the weather that weekend had been too cool and gray to match the photos. "These people don't seem to be chilly," he said. "They don't display any signs of shivering, and I think I would." With the temperature at one point that weekend as high as 63 degrees, isn't it possible that Gregg really was on the beach? "It's absolute ____ that the pictures were taken at a different time," his daughter Lucy Gregg-Buckley says. "I gather Stansfield Turner says no one goes swimming on the beach in October. Well, we do."

William Casey, of course, is dead.

Some intelligence figures and journalists in the U.S. and Israel say Ari Ben-Menashe is a fake. "He is a liar," says former CIA officer Victor Marchetti. "He's still working for the Israelis and is putting out ____. According to Washington Post reporter Mark Hosenball, "Ben-Menashe is a con man. He's a nasty ____. And when Ben-Menashe took a lie-detector test for ABC News, he failed miserably. "There was no ambiguity," says Chris Isham, senior producer for ABC's investigative unit. "He goes way off the chart on all relevant questions. My theory is that a lot of what he says is true, but that Ari exaggerates his own role and muddies the water."

Yet it's almost impossible to dismiss him. As one of the original sources of the Iran-contra story, Ben-Menashe made allegations of arms traffic that were later corroborated by Congress. Hamid Nagashian, then an arms procurer for Iran's Revolutionary Guard, also confirms at least a portion of Ben-Menashe's story, placing Casey and Bush, along with Richard Allen, at the Paris meetings, according to former CIA contract agent William Herrmann. Pulitzer Prize-winning reporter Seymour Hersh had enough faith in Ben-Menashe to use him as a source for his forthcoming book on Israel's nuclear program. And former attorney general Elliot Richardson, a staunch Republican who emerged as the moral hero of Watergate after he refused President Nixon's order to fire Special Prosecutor Archibald Cox and resigned instead, has submitted sworn affidavits by Ben-Menashe on behalf of a client. A standard legal gambit, perhaps, but Richardson finds Ari Ben-Menashe a compelling witness. "I take him seriously as being who he says he is," says Richardson.

THE PAYOFF

In the days following the Paris meetings, events took place that suggested a deal was made. According to Gary Sick, within forty-eight hours of the meetings "there was a secret shipment of military equipment from Israel to Iran, which the Carter administration in fact learned about, and complained to Israel."

In the U.S., Reagan campaign aide Barbara Honegger, author of *October Surprise*, heard a colleague rejoice that the Reagan team didn't have to worry about the hostages returning to ruin their election chances, "because Dick [Allen] made a deal."

In Iran, after months of delays, the commission responsible for terms for the hostage release finally reported to the parliament. "It wasn't until November 2, forty-eight hours before the American elections, that they met," recalls Ahmad Salamatian, a delegate to the parliament. "And the commission came up with the same terms that the Ayatollah had come up with two months earlier. Why things were handled this way was never clear. I've no explanation other than that it was dragged out to favor Reagan's election."

On November 4, Ronald Reagan was elected President, overwhelming Carter in a forty-five-state electoral sweep.

Of course, Reagan would not take office until January 1981. Over the next three months, the Carter administration continued negotiating fiercely for the hostage release, getting nowhere. Finally, on January 15, the Iranians completely reversed themselves. "Suddenly, Sick recalls, "after having bargained very hard from November to January, the Iranians for all practical purposes paid us to take the hostages back. That isn't putting too strong a point on it. They suddenly agreed to resolve the whole banking issue in a way that was terribly costly for Iran."

By 8:00 a.m. January 20, all negotiations had been completed. Five minutes after Reagan took the oath of office, Iran announced that it had agreed to the American terms. The hostages were released within a half hour.

Suspicious though the timing was, it was within reason. Just one more way for Iran to stick the knife in Carter and twist it.

What they didn't know was that as the plane with the hostages took off from Teheran headed for freedom, other planes were loaded and taking off from Israel, going the other way with military equipment. That is not speculation. In July 1981, an Argentine plane chartered by Israel crashed in Soviet territory and was found to have made three deliveries of American military hardware to Iran. Alexander Haig, Reagan's first secretary of state, acknowledges that during this period, U.S. arms were sent to Iran. "I have a sneaking suspicion that someone in the White House winked," he said. This secret and illegal sale of military equipment continued for years afterward.

That arms pipeline was managed by the Joint Committee, Ben-Menashe says, and over the next few years, it shipped $82 billion worth of weapons, including American arms, to Iran. He's well aware that it is a figure so astronomical as to cast doubt on his credibility. "An army of 700,000 people were fighting a war for nine years," he says. "The Iranians had 1,700 Katyusha launchers. Each launcher has 40 rockets. And it can be reloaded every minute, each launcher. Each rocket costs approximately a thousand dollars. Multiply that by 1,700. Modern-day war is expensive."

"This traffic couldn't have existed without a body like the Joint Committee to coordinate it," says Sean Gervasi, a former consultant to the United Nations who tracked covert arms shipments for the UN Security council for ten years. "The volume is too big and the time is too long."

Is there any evidence to suggest that a large volume of arms started moving to Iran in the early 1980s, after the establishment of the Joint Committee? In 1986 the U.S. Justice Department began prosecuting a group of arms dealers for trying to smuggle $2 billion in weaponry to Iran. Ben-Menashe, of course, claims the arms dealers were working with the Joint Committee. And according to documents from the Belgian Ministry of Justice, the Arab League, presumably acting on behalf of Iraq, sent a delegation to Brussels in 1984 to file a complaint with the Belgian government. The delegation charged that from 1982 to 1984 there had been large-scale shipments of American arms to Iran through Belgium.

The ensuing investigation found "intense arms traffic between countries that have been struck by an embargo," especially Iran. The report shows several companies, among them Cosmic Trading, an Iranian company, as having provided "an important market for M48 American tanks." It cites orders to obtain M48 and M60 tanks, as well as F5 and F104 planes. These transactions seem unlikely without American involvement.

In the early Eighties, Cyrus Hashemi went from a free-lance arms dealer to a double agent employed by the U.S. Customs Service in a sting operation. His work resulted in the Justice Department's prosecution of Sam Evans, the attorney for Adnan Khashoggi, and sixteen others who were allegedly plotting to sell billions of dollars of arms to Iran. The deal would have included hundreds of F4 and F5 fighters, more than fifteen thousand TOW missiles, and scores of tanks. According to Ben-Menashe, several of the targets of

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contra fame—had established a second channel for selling arms to Iran, in competition with the Joint Committee. The start-up of a competing arms pipeline was bad enough, but with the sting operation, Ben-Menashe says, Attorney General Ed Meese had joined with North's group to declare war on the Joint Committee.

Enraged by the crackdown on their arms shipments, the Joint Committee fought back by leaking details of the Secord and North second channel. In 1986, Ben-Menashe went to Time magazine reporter Raji Samghabadi with details of arms sale to Iran by Secord, North, and Hakim. "The information he gave me was earthshaking, and it was later corroborated by Congress," says Samghabadi. For six months Time tried to corroborate Ben-Menashe's allegations and failed. As a result, Ben-Menashe gave the story to an Iranian contact who leaked it to the Lebanese newspaper Al-Shirra. The exposé resulted in the Iran-contra investigation.

Cyrus Hashemi may have paid for his duplicity with his life. In 1986, he ended up dead in London, under suspicious circumstances. His lawyer, William Wachtel, said that he was "ninety-eight percent certain" that Cyrus had been murdered. According to Richard Babayan, Hashemi's death was ordered by a high-level Iranian official. Hashemi's is not the only death that merits investigation. In August, J.D. Casolaro, a Washington writer working on a book about the October Surprise, was found dead in West Virginia. Shortly before his death, he reportedly told his brother, "if there's an accident, and I die, don't believe it."

On Sunday, August 4, 1991, Gary Sick is hunkered down in his office, a tiny, converted maid's room crammed with a computer, a printer, and two chairs. He is working as he does every day on "A Question of Treason," the story that has obsessed him since 1988. Just like on that early morning eleven years ago when he was summoned to the White House to receive inscrutable news from Iran, the phone rings. This time, it's a reporter from the Cable News Network saying that Congress plans a formal investigation of his charges. Sick feels a modicum of relief but no exultation. He's already too familiar with the baroque case that will have to be built on mysterious witnesses and circumstantial evidence. "We're never going to get to the bottom of this," he says, "unless a good aggressive investigative panel goes out with subpoena power and digs up records that are closed to private investigators like me."

It still intrigues him that Casey would have done it. "The way the economy was going, and with John Anderson as a third party candidate draining votes from the Democrats, Carter was very vulnerable," Sick says. "But there is a high probability that the hostages would have been released earlier if the Republicans hadn't interfered. The negotiations were going in good style right up until everything was dashed. It would have been a helluva lot better for the hostages."

The phone keeps ringing that Sunday—the usual media blitz—and eventually Sick will turn it off. But for now he welcomes the clamor, no matter how distracting, for perhaps it means that a nation has finally woken up to the story that won't let Gary Sick rest.

FRONTLINE,
Boston, MA, November 18, 1991.

THE NEW REPUBLIC MAGAZINE,
Washington, DC.

DEAR SIR: As the reporter for the PBS "Frontline" documentary attacked in your November 18, 1991, issue, I feel compelled to point out some of the inaccuracies in the reporting by Steven Emerson and Jesse Furman. These writers have failed to check out facts or put them in fair context. Further, I feel their ridiculing of the many reporters who have tried to examine this difficult issue, the so-called October Surprise controversy, is a disservice to journalism—and makes investigative reporting even harder than it already is.

But as for their distortions about the documentary:

The New Republic's readers might be surprised to know that although Frontline is accused of embracing the October Surprise allegation, the documentary states several times that we found no definitive evidence or "smoking gun" to prove the charges. We tried to be as even-handed as possible in examining the long-simmering controversy that we neither invested nor injected into the public record.

Although we're accused of basing our program on disreputable characters, our interviews included President Reagan's ex-national security adviser Richard Allen, former Secretary of State Alexander Haig, former assistant secretary of state Nicholas Veliotes, William Casey's widow Sophia, Reagan's domestic adviser Martin Anderson, conservative Republican staffer Angelo Codevilla, ex-CIA officer Miles Copeland, longtime Casey friend Albert Jolis, Casey campaign assistant Robert Garrick, former CIA counsel Mitchell Rogovin, former CIA director Stansfield Turner, President Carter's ex-press secretary Jody Powell and former White House aide Gary Sick. This list should suggest that we were reviewing what was known about the allegations from a wide variety of people who were in positions to shed light on the 1980 election story.

Our documentary also included new disclosures about President Carter's activities in 1980, including his failed attempt to use the CIA to influence the outcome of Iran's presidential election in January and his complaints to Israel's Prime Minister Menachem Begin about shipments of F-4 tires to Iran in early 1980. We also divulged new information about U.S. approval of Israeli shipments to Iran in 1981.

In addition, it was Frontline which brought to national attention the Secret Service records showing that the detail guarding then-vice presidential candidate George Bush went to the Chevy Chase Country Club on one of the key dates in question. Although that document was put on the screen and would seem to disprove TNR's claim that we were promoting the allegations, the article conveniently ignores this fact.

At another point, I am personally singled out for supposedly stating (along with attorney William Kuntsler) that Cyrus Hashemi's death was "mysterious" and that he had been "murdered to shut him up about what he knew about the October Surprise and that the U.S. government has covered up his murder." This claim in your article is an outright lie. The reference to Mr. Hashemi's death in the Frontline documentary is contained in four words: "Cyrus died in 1986." That's it. No "mysterious," no murder cover-up. As for my personal views, I have never asserted that Cyrus Hashemi was murdered to protect the October Surprise nor that the U.S. government covered up the circumstances of his death. Not only have I never said anything like that, I do not believe it. Further, I find it highly unprofessional for co-writer Steven Emerson to have called me about this article, failed to ask me about Cyrus Hashemi's death and then fabricated an opinion for me.

While the article is replete with similar distortions and falsehoods, let me focus on just a few more points:

The article slams us for quoting some individuals who have "been indicted or [were] the subject of a federal investigation." This standard, objecting to interviews with such people, represents a breathtaking new rule of journalism. The legal status of our interview subjects was relevant to identifying them but does not determine whether they spoke the truth. Such a standard, excluding interviews with people who have had legal trouble, also could present some practical problems in Washington, since many officials from past and present administrations could no longer be talked to. After all, many officials have been "the subject of a federal investigation" at one time or another. A significant number, in fact, have been convicted of crimes, including such offenses as perjury, obstructing justice and falsifying documents.

The writers take us to task as well for reporting on the perjury trial of Richard Brenneke, who claimed to have participated in one of the alleged Paris meetings. Brenneke was found innocent by a 12-member jury in May 1990. Although new evidence has recently surfaced demonstrating that Brenneke was lying about his own participation in the meetings, we had no choice when our program aired last April but to recount the trial. However, we did point out to our readers that Brenneke's credibility was questionable.

TNR's readers should be reminded that it was the federal government that initiated the charges against Brenneke; the FBI had been brought in to investigate; and current and former government officials trooped forward to testify against Brenneke. In short, the government had chosen, literally, to made a federal case out of the October Surprise allegations.

To the jury, one of the flimsiest government claims was that a photograph of former CIA officer Donald Gregg, in bathing trunks on a beach, proved that he was not in Paris on October 19th. The photograph, showing no landmarks, was stamped with the development date of "October 1980" on the back. It was introduced as corroborating proof that Gregg was at Bethany Beach, Del. Emerson and Furman were impressed with this photographic evidence and complain that we "embraced Brenneke's trial defense" which called a weatherman who testified that the weather conditions at the time were incompatible with the picture.

In attacking Frontline, the writers argue that breaks in the clouds on Sunday afternoon matched the sunlit photo, but the weatherman's point was that a weekend storm front had brought in cold air and strong winds, neither of which seems apparent as the lightly clad figures posed on the beach. But what the jury considered most absurd about the photograph was that all it proved was that Gregg had his picture taken on some beach somewhere and had the film developed sometime in October 1980. Commenting about the absurdity of the photo evidence, the jury foreman told us, "What do they think we are, country pumpkins?" (sic)

The story of Brenneke's acquittal was carried by newspapers around the country and raised the eyebrows of many Americans who wondered what on earth had happened, if anything, between the Republicans and Iranians in 1980. The government's abject failure to prove that Brenneke was the liar he appears to be shifted the burden onto the American news media to take a second look at the larger allegation of whether Casey made improper contacts with the Iranians. To its credit, Frontline had the guts to take on this responsibility and enlisted producer Robert Ross and me to investigate the controversy. We recognized from the beginning that whatever we found would get us criticized—either by the true-believers in the October Surprise conspiracy or by the equally doctrinaire souls who insist there are no such things as conspiracies.

At first, I believed we might be able to debunk the October Surprise allegations by plumbing some information that the Brenneke prosecutor had missed. We approached former Attorney General Edwin Meese III and sought permission to review Republican campaign files at the Hoover Institution. While we never expected to find records of Bill Casey flying to Paris, we thought we might find proof that he was in the United States on key dates, thus destroying the allegations. But we were denied access to those records.

We were similarly rebuffed by a number of other Reagan supporters who we thought might help us disprove the charges. For instance, Robert MacFarlane, the man who arranged the so-called L'Enfant Plaza meeting, should have known the identity of the Iranian emissary. But he would not respond to our inquiries and recently has joined Allen and Judge Laurence Silberman in insisting that he has no idea who the Iranian was. For his part, Allen claims that he lost a memo he wrote about the meeting.

We approached Mrs. Casey, seeking her help in establishing her late husband's whereabouts on the relevant weekends. But she, too, could provide no information. We asked to interview the Secret Service men who kept an eye on candidate Bush during the campaign; we were denied the opportunity to speak with anyone on his team. We went to Europe to interview people who should have been able to contradict Brenneke's claims about the Paris meeting; they would not cooperate.

However, through this work, we did locate more and more people who believed that Casey did make contact with Iranians. We encountered some individuals who claimed first or second-hand knowledge about a Republican-Iranian deal. In handling their statements, we set a policy that we would accept only information about the core allegations when given on-the-record by people who had a plausible basis to know and then use it only when there was multiple corroboration. Some points, like the alleged Madrid meetings, had never been in the public domain, so when we found three individuals with apparently independent knowledge placing Casey with Iranian cleric Mehdi Karrubi in Madrid, we gave it greater weight than the Paris stories that had already circulated publicly.

But let's turn the tables for a moment. How thorough was TNR in its debunking? Take for example, the Madrid allegations which featured centrally in anti-October Surprise articles both in the New Republic and in Newsweek. Those articles show little care in addressing the key issue of dates for the first Madrid meeting. Iranian Jamshid Hashemi told us and ABC Nightline that this initial meeting occurred in late July. Our review of Casey's public appearances leaves a gap for the campaign director from July 25th until July 28th. The New Republic article examines only the "window" from July 27th to July 30th. Those dates come from the ABC Nightline broadcast, but ABC found no appearance for Casey on July 25th and cites only the memory of Casey's secretary who believes Casey was in Washington on July 26th. Her 10-year old recollection alone does not permit a responsible investigation to reach any definitive conclusion. We are still looking for documents that might establish clearly where Casey was on July 26th. That could help determine the plausibility of Madrid meetings possibly beginning July 25th or 26th and finishing a day later. As for the World War II conference in London, the man who made the check marks next to Casey's name and those of the other participants does not deem that conclusive proof, and some of the attendees disagree on when Casey showed up. Furthermore, the conference ran from July 28th to July 31st and therefore could not possibly provide an alibi for the 26th.

My final point relates to Ari Ben Menashe, an ex-Israeli intelligence official who has claimed knowledge, dating back to 1980, about the secret Iranian arms pipeline. Although your authors accept the Israeli cover story that Ben Menashe was only a low-level translator, the facts do not back that up. We have interviewed three Iranians—one a former defense minister and two Teheran-based arms procurers for the Revolutionary Guards—who described working with Ben Menashe during his years in Israeli intelligence. A Senior Israeli intelligence official confirmed that Ben Menashe had operated in Poland in 1985, when that nation was still a Soviet bloc country. Though the Israeli government says Ben Menashe never traveled on government business, his passports show dozens of foreign trips to countries in South and Central America as well as to Europe and the United States. High-ranking Israeli intelligence officials have told us this travel pattern would never have been tolerated if Ben Menashe did not have some government authority. Although we continue to look hard at Ben Menashe's allegations, many simply have proven true. He is not as readily dismissed as both the New Republic and Newsweek think.

In summary, the New Republic article is not an objective piece of journalism. With its snide tone, it is a polemic intended to punish anyone who dares inquire about the origins of the Reagan-Iranian contacts. If Steven Emerson and Jesse Furman have their way, that history will stay secret forever.

Sincerely,

ROBERT PARRY.

[From the New York Times, Nov. 19, 1991]

HOSTAGES, THEN AND NOW—THE OCTOBER SURPRISE: HEAR THE CASE

The October in question was in 1980 and the idea of a surprise has been around ever since. For endless months, America had chafed over the captivity of the 52 U.S. Embassy hostages in Iran. That summer and fall, it is alleged, Ronald Reagan's campaign bargained with Iran to block a dramatic release that would boost President Carter's chances on the eve of the election.

Is that a repugnant but plausible accusation? Or is it unworthy partisanship that plays on a public susceptibility to talk of plots? Congress can do the nation a service by going forward now with a careful investigation and judgment.

The October Surprise story remains unproved and unrefuted. Considerable circumstantial evidence has been assembled, notably by Gary Sick, a National Security Council aide in the Ford, Carter and Reagan Administrations.

But the veracity of his key sources is dubious, as Mr. Sick acknowledges. He bases his conclusions on a pattern of details gleaned from many different accounts, too dispersed in time, he believes, to have been concocted or coordinated.

Some details are not in dispute. For example, most accounts agree that people claiming to be Iranian agents did approach the Reagan campaign about the embassy hostages. There's no question that the 1980 Reagan campaign director, William Casey, had a taste for spectacular, sometimes reckless covert dealing. But it is a considerable leap from known and partly known fragments to conclude that the Reagan campaign pursued a deal with the Iranian Government.

Who's right? There may never be a completely dispositive answer; but even so, Congress can give the public its best judgment, using its ability to require testimony under oath. Presidents Carter, Reagan and Bush have all welcomed the idea of a fair investigation. The Democratic leaders of each House have called for preliminary inquiries, and appropriate committees have authorized them.

Yet some Republican members now oppose going forward with these investigations, deriding them as exercises in partisanship. They threaten to block necessary funds, which in fact are quite modest. Careful action could summon relevant witnesses, including some who have been reluctant to talk. It could subpoena official records, like flight logs and Secret Service documents that have so far been selectively leaked.

It's probably impossible to banish all partisanship when elected officials examine allegations about a political campaign. But there are strong incentives for restraint by both sides. Democrats, wary of public criticism of their performance in past hearings, are determined to proceed with care and caution. The Republicans could constructively do the same.

STATEMENT OF GARY G. SICK, NOVEMBER 22, 1991

Mr. Chairman, I am pleased to be invited to testify before the committee on the question of possible unauthorized contacts by private Americans with Iran during the presidential elections of 1980. I realize that this is an extremely contentious issue, with implications that go to the heart of the U.S. political system. I hope that my testimony can be helpful to you in deciding whether or not to proceed with a full investigation of this matter.

It may be useful at the start to give you a few words of background about myself and how I became involved with this issue. I spent a full career of 24 years as an officer in Naval Intelligence, retiring in 1981 as a Captain. During the last ten years of my naval service, I completed a PhD in Political Science at Columbia University and then came to Washington where I was the desk officer for the Persian Gulf and Indian Ocean in the Office of the Secretary of Defense.

In 1976, I was seconded to the National Security Council staff, to work on Persian Gulf and Middle East affairs in the administration of President Gerald Ford. The National Security Adviser at that time was General Brent Scowcroft. After the 1976 elections, I was asked to remain in the same position under the administration of President Carter, where I worked for Zbigniew Brzezinski. After the 1980 elections, I was retained in the same position for several months by the administration of President Reagan and his National Security Adviser Richard V. Allen. After my retirement from the Navy in April 1981, I was retained as an unpaid consultant with the National Security Council until I went to New York in August of that year.

I was the principal White House aide for Iranian affairs during the Iranian revolution and the hostage crisis. After I left government service, I spent a year at Columbia University researching and writing a book about those events ["All Fall Down: America's Tragic Encounter With Iran"]. The book was published in 1985, when I was deputy director of the International Affairs Program and the Ford Foundation. I retired from the Ford Foundation at the end of 1987. Since that time, I have been an independent author and analyst, specializing in the politics of Iran and the Persian Gulf. I also teach a graduate seminar in U.S. foreign policy at Columbia University, where I am an adjunct professor.

My decision to write about the events of the 1980 election was taken slowly and reluctantly. I had, of course, heard suspicions about a secret deal between the Reagan-Bush campaign and Iran almost from the moment when the hostages were released only a few minutes after President Reagan's inaugural. I did not believe them. I simply refused to believe that a party out of power would intervene with a hostile foreign power to undercut the negotiating efforts of their own government and affect the lives and welfare of 52 American prisoners. Four years later, I wrote a book about the hostage crisis which was not flattering to the Carter administration. I made no reference to a possible secret deal. In the election of 1988, when accusations of a secret deal first received widespread attention in the national media, I acknowledged the new information that had come to light, but I refused to endorse the allegations despite repeated queries from journalists and the Democratic campaign. After the 1988 election, I submitted a proposal to The Twentieth Century Fund to write a book about the Reagan administration's relations with Iran. The proposal made no reference to the so-called October Surprise, and as I began work on that project in early 1989 I had no intention whatsoever to deal with that subject.

As I began collecting research material for the book, however, I began to discover anomalies in the historical record. For example, I found that some Iranian officials in 1980 had referred openly to efforts by the Reagan-Bush campaign to delay the release of the hostages for political reasons. These contemporaneous statements, and the timing of certain Iranian decisions during the hostage crisis, seemed to be consistent with allegations of a secret deal that had emerged in 1987 and 1988, leading me to dig deeper. During this same time, I began to talk regularly to a small group of journalists who were continuing to pursue this story even after it had been abandoned by the mainstream media. Their investigative findings often matched the timing of the new material I was finding in the historical record. By the end of 1989, I began to conduct a few interviews with prospective sources.

It was not until mid 1990 that I felt I had accumulated enough evidence to consider writing on this subject. At that point I faced an unpleasant decision. I had never considered myself a political partisan. I had always been a registered Democrat, but I had never participated in political campaigns and I attempted to maintain a balanced, non-partisan perspective in my work. I realized that if I decided to write on an issue of such great political volatility, which cut so close to the bone of political sensitivities, I would subject myself to accusations of partisanship and, potentially, to smear tactics as part of a campaign to discredit my work. I consulted with my family, warning them of the possibly unpleasant consequences. They encouraged me to proceed.

I also realized that I might lose the grant on which I relied to carry out the research. In mid-1990 I met with the president of The Twentieth Century Fund to inform him that the book I intended to write was quite different—and far more controversial—than the proposal I had submitted 18 months earlier. I said that I could still write the book I had promised to the Fund, but it would have to be delayed until I completed my research on the 1980 elections. In the meantime, I would understand if the Fund wished to suspend the grant. After careful consideration, the Twentieth Century Fund agreed to continue its support, a decision that I regarded—and continue to regard—as both generous and courageous.

I provide this brief background to set the record straight. My decision to write about this subject was taken because I had uncovered a body of evidence that I believed was important and deserved to be brought to public attention. I came to the subject late, and I realized that it was potentially hazardous—personally and professionally. My present position, in which I am identified as the advocate for a politically controversial point of view, is both unfamiliar and uncomfortable to me. I firmly believe, however, that the research I have done, with the invaluable assistance of many other researchers and journalists, is too important to be ignored. It is also far from complete. I fully intend to persevere in exploring the circumstances of the 1980 election, though I recognize the limitations of any private citizen in attempting to get to the bottom of such a complex and sensitive matter. For that reason, I respectfully urge the Congress to undertake a quiet, balanced, thorough, and politically fair investigation of these matters.

I would like to raise two substantive points with the members of the subcommittee. Both involve sources.

Within the past several weeks, two magazine articles have appeared that were sharply critical of allegations that the Reagan-Bush campaign of 1980 met secretly with Iranians to affect the timing of the release of the American hostages in Iran.[1] These two articles, which were quite similar in form, tone and substance, were published simultaneously on November 4 (although the publication dates of the magazines are given as November 11 in one case and November 18 in the other). I was contacted by reporters for both articles shortly in advance of publication. In both cases, I informed them that many of the points they intended to raise in their articles would be covered in great detail in my book, which was scheduled to appear one week later on November 11. In both cases, the authors of these articles showed little interest in what I might have to say, and both rushed into print without waiting to see the book.

As a result, there has been a great deal of misinformation and misunderstanding that could easily have been avoided. Because of the proximity of the dates, many observers perhaps understandably assumed that these articles were a critique of my research, when in fact they deliberately chose to ignore it. What they did was to set up a series of straw men, crude caricatures of both the evidence and those who have treated that evidence seriously, and then proceed to knock them down. I do not recognize myself in these gross generalizations, although I am clearly intended to be included as one of their generic conspiracy theorists. I also do not recognize the sources they describe, although I have in many cases spent many hours with these men while the authors of these articles have for the most part contented themselves with a search for press clips. Most of all, I do not find in these articles any reflection of the care and attention that has been devoted to authenticating the evidence that I and others have presented. In their selective use of evidence, their unwillingness to consider alternative explanations, their quickness to demean anyone who has done serious research work on this subject, and their cavalier and wholesale dismissal of the testimony of numerous sources, they did nothing to further the cause of truth. They did, however, whether intentionally or inadvertently, poison the atmosphere in such a way that a reasoned discussion of these issues has become infinitely more difficult.

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[1] Steven Emerson and Jesse Furman, *The New Republic*, November 18, 1991; John Barry et al., *Newsweek*, November 11, 1991.

That is regrettable, for a dispassionate discussion of these issues is precisely what is needed at this time.

Last week, Random House/Times Books published "October Surprise: America's Hostages in Iran and the Election of Ronald Reagan." In that book, I attempt to provide the first truly comprehensive analysis of all the available evidence on this subject. The book contains a great deal of new information, not of the "smoking gun" variety but rather the crucial details that link the major events together in a whole that is greater than the sum of the parts. The array of evidence presented in the book is the same evidence that persuaded me to change from disbelief to a growing conviction that a secret deal took place in 1980. That evidence may not persuade everyone, but it does provide a baseline for reasoned discussion. In the past, this story has consisted mostly of isolated bits of evidence presented in a wide array of news sources. This book at least assembles those diverse bits and pieces and places them in a larger political and historical context.

What this evidence shows is a consistent pattern of secret contacts between the Reagan-Bush campaign and Iran. The contacts began early in 1980, from about the moment that William Casey became the campaign manager for Mr. Reagan. They continued through the summer of that year in Madrid, where the first outline of a deal was reportedly proposed and accepted and where Israeli participation was first introduced. The terms of the bargain were reportedly made final in the second half of October in Paris. The hostages were released minutes after President Reagan had taken the oath of office, and arms began to flow to Iran from Israel, with U.S. government acquiescence, almost immediately thereafter.

The historical spine of this account is simply a reconstruction of the chronological record, based on a wide variety of news accounts, letters, and other data from the period. Some of this information has only recently come to light, such as the report of the Iranian foreign minister to the parliament on August 16, 1980, in which he said: "We have information that the American Republican Party, in order to win in the upcoming election, is trying very hard to delay the resolution of the hostage question until after the American election." [p. 89] That statement was made only a few days after Casey was reported to have met with an Iranian representative in Madrid for the very purpose described in the statement.

Some of the new information is based on a review of information that was available to the Carter administration in 1980. For example, it is now known that the Hashemi brothers, who were working both with the Carter administration and, covertly, with the Reagan campaign, did seek out two senior Iranians who were prepared to come out of Iran to meet with Americans on the hostage question. One of those was a relative of Khomeini, who in fact had such a meeting in Madrid with a private U.S. representative on July 2. The other was Mehdi Karrubi, who is later said to have met with William Casey at the same site and under almost identical circumstances just three weeks later.

In reconstructing this sequence of events, I conducted hundreds of interviews over a period of several years. I also shared information with a number of fine journalists and scholars, and I benefited immensely from their work. In the book, I cite more than fifty sources, most of whom were former government officials in Iran, the United States, Israel, as well as officials of the Republican campaign, former hostages, and academics. There is no "super source" who claims to know the whole story. Quite the contrary, I was told repeatedly that this was a professionally managed covert operation which respected the rules of compartmentalization and "need to know."

The sources are named. Unlike the Watergate investigation that was launched on the basis of a unidentified Deep Throat, this research relies primarily on the testimony of individuals who have been prepared, often at some personal risk, to speak on the record. That means that these individuals have exposed themselves to attack and ridicule, but it also means that in the best academic tradition, the facts can be checked by other investigators. Anonymous sources are used very sparingly in this book, primarily to corroborate information from other sources.

Key elements of the story, particularly the accounts of covert meetings, rely on individuals who have operated on the shadowy side of international politics. Convert arms deals and political operations, regrettably, do not employ boy scout leaders and church deacons. There are two good reasons for that. First "respectable" people do not have the special skills that are required for such operations. Second, it is convenient to be able to discredit a disgruntled operative who may decide to start talking about what he knows. That does, however, create a serious problem for the researcher.

There are two possible choices. One can dismiss any source who does not have an impeccable record of integrity and honesty. Some have even gone so far as to suggest that anyone who has been investigated or indicted by a federal agency should automatically be rejected as a source, and everything he says should be regarded as false. In Washington, and elsewhere, that sharply reduces the available supply of interlocutors.

A second possibility is to listen carefully to what such individuals say, especially if there is reason to believe that they have access to important information, and then to check those statements as carefully as possible. That is the path I chose. To paraphrase President Reagan's maxim, the rule is "Listen but verify." To those who would repudiate any specific source, I would ask only that you take the effort to find out what information is based on his testimony and whether there is any corroborating evidence. What you will soon discover is that many of the sources who have become popular targets for attack either do not appear at all in this study or else have been used only when the information they provided was independently corroborated.

Mr. Chairman, based on my research, I believe there is substantial evidence that a secret deal was carried out during the election of 1980. Most of that evidence has never been examined by a duly constituted body of the U.S. government. It is certainly incomplete, and reasonable people may differ on the interpretation of the data, but in my view there is ample evidence to justify a low-key and responsible examination by a panel equipped with subpoena power.

In closing, let me suggest to you several areas of inquiry that have been closed to me and to other private researchers but which might be fruitful avenues of investigation for a congressional committee.

First, and most obvious, where was William Casey during this period? Over the past summer, President Reagan directed the archivists of his new library to search the 1980 campaign records to see if there was any evidence that William Casey was involved with Iran during the campaign. According to their report, they found no information whatsoever about his schedule. Mr. Casey simply seemed to be absent from the campaign he directed. His secretary has been similarly uninformed. When reporters contacted her about Mr. Casey's movements during the period of the alleged meetings in Madrid, she had no information about his movements. Later research discovered that he had attended an international conference in London during part of that time. Can it be that Mr. Casey went off to a long-scheduled conference without telling his secretary or leaving behind some instructions about how he could be reached? This was, after all, only the second week after the Republican National Convention, and he was the national campaign manager. Mr. Casey was a very busy man. It seems impossible that he would keep no day books, phone logs, calendars, or appointment books, that he accumulated no bills or receipts or even memos that would locate him on key dates. Is there no one who saw him or spoke to him on those dates? We have here the case of the phantom campaign manager. I think a duly empowered investigative team could resolve this mystery. It may find that he was merely attending to campaign business on those dates. If so, then perhaps these questions can be laid to rest. But all attempts to do so have thus far failed.

Second, we know from court documents that the New York office of Cyrus Hashemi was under intensive surveillance by the FBI and Customs from at least October 14, 1980, until the surveillance was abruptly terminated shortly after the Reagan administration took office. Cyrus Hashemi, according to his brother, was acting as a double agent, cooperating with both the Carter administration and Mr. Casey on the hostage issue. His telephone calls, conversations and movements during this crucial period should provide a wealth of information that would either confirm or deny his brother's accounts. Those records are presently sealed and unavailable to private investigators, as are his files in other government agencies that had contact with him. They should be available to an investigative committee of the Congress.

Third, there is a considerable body of evidence that military equipment began to flow in substantial quantities from Israel to Iran almost immediately after the Reagan inauguration and that these shipments were known to, and approved, by the new administration. There are also repeated charges that some of that equipment came from U.S. stockpiles in Europe and possibly in the United States. That can be checked. A proper investigation should be able to determine whether or not these shipments occurred, and if they did, who authorized them.

Finally, a congressional committee should be able to take depositions from many of the sources who have provided information on this subject, as well as those who have steadfastly refused to talk to me or others who have attempted to investigate this story.

In short, it is my view that the evidence developed to date is sufficient to justify an investigation, and there is reason to believe that such an investigation could resolve the issue.

The charges that have been raised are not about refighting an election that is long past. They are about the proper functioning of a democratic system. If this did not happen, we owe it to Mr. Casey and others to clear any suspicion from their names. If it did happen, it was a perversion of the democratic process and those responsible should be held accountable for their actions, if only to insure that it never happen again.

[From In These Times, Nov. 22-Dec. 10, 1991]

OCTOBER REPRISE: THE STORY THAT WON'T DIE

(By Joel Bleifuss)

The first comprehensive report on what has become known as the October Surprise appeared on these pages more than four years ago. On June 24, 1987, In These Times compiled a body of evidence suggesting that the 1980 Reagan-Bush campaign made a deal with Iran to have the 52 hostages held in Iran until after that year's presidential election in order to ensure President Jimmy Carter's defeat. The central facts of the case presented in that story were as follows:

The Reagan-Bush campaign, fearing that Carter would gain the release of the hostages and swing the election in his favor, established a wide-ranging domestic intelligence operation to monitor the administration's negotiations with Iran. To that end, campaign manager William Casey named Richard Allen, the campaign's foreign policy adviser, to head what was known as "the October Surprise Group."

In early October 1980, Reagan-Bush aides Allen, Laurence Silberman and Robert McFarlane met in Washington with a man who claimed to represent the Iranian government of Ayatollah Ruhollah Khomeini. The man offered to release the hostages to the Republicans, not the U.S. government.

Following that meeting, the Iranians radically altered their bargaining position with the Carter White House.

The hostages were released minutes after Reagan took the oath of office on Jan. 20, 1981.

Almost immediately upon assuming power, the Reagan administration authorized Israel to ship U.S. arms to Iran. The practice, it later turned out, continued throughout Reagan's presidency.

Since first publishing this story, In These Times has continued to report on the October Surprise allegations as new evidence came to light. From the beginning, mainstream media outlets—almost without exception—opted not to use their vast resources to seriously investigate the charges. Either they ignored the story, or—as in a 1988 article by Mark Hosenball in the Washington Post—ridiculed the very idea of the October Surprise after a cursory examination of the facts.

The evidence and allegations, however, continued to mount—as did the number of journalists and experts who took the story seriously. Finally, this past April, the October Surprise leaped into the mainstream media as a legitimate story. On April 15, Gary Sick—a respected National Security Council Analyst under Presidents Ford, Carter and Reagan—wrote a New York Times op-ed article in which he announced that, after an in-depth, first-hand examination of the evidence, he had become convinced that the 1980 deal probably happened.

The next day, the nationwide PBS network aired a Frontline documentary—reported by former Newsweek journalist Robert Parry—which added more weight to the case for an October Surprise. Both Sick and Parry provided new information alleging that Casey and Iran's Ayatollah Mehdi Karruibi met in Madrid in July and August 1980 to work out a framework for the deal.

The Frontline program, and an In These Times story that appeared the following day, examined the allegations of a former Israeli intelligence official, Ari Ben-Menashe, who claimed that he had attended a series of meetings held in Paris between Oct. 15 and Oct. 20, 1980, at which the alleged deal worked out by Casey and Karrubi in Madrid was finalized. Ben-Menashe's credibility was enhanced with the October publication of Pulitzer Prize-winning journalist Seymour Hersh's "The Samson Option," which uses Ben-Menashe as a primary source. (The Hersh book, it should be noted, is about Israel's nuclear arms program and does not explore Ben-Menashe's October Surprise allegations.)

Congress, meanwhile, announced that it planned to formally examine the growing body of evidence about the alleged hostage-delay deal (see story on page 8). It appeared as if the October Surprise allegations would finally get a full and fair hearing.

BACKLASH

But this month, as a new book on the scandal by Gary Sick was rolling off the press (see stories on page 18), the allegations about the 1980 deal once again came under attack. Two prominent national weeklies, Newsweek and The New Republic, ran cover stories that attempted to debunk the October Surprise, and thus lay to rest charges that Reagan-Bush campaign officials committed treason and engaged in electoral fraud.

Newsweek and the New Republic respectively portrayed the October Surprise allegations as "a conspiracy theory run wild" and "the conspiracy that wasn't." Some of their readers were no doubt convinced. During recent congressional debates on how (or whether) to investigate the allegations, Rep. Bob Livingston (R-LA) was seen waving the November 18 issue of the The New Republic, the one that asked on its cover, "What October Surprise?" He no doubt agreed with New Republic authors Steven Emerson and Jesse Fruman, who wrote, "The truth is, the conspiracy as currently postulated is a total fabrication. None of the evidence cited to support the October Surprise stands up to scrutiny."

Newsweek reached the same conclusion. Reporter John Barry wrote, "The key claims of the purported eyewitnesses and accusers simply do not hold up."

But what is the evidence that does not "stand up to scrutiny"? Did the Newsweek and The New Republic stories demolish the basic evidence presented in the first In These Times account of the alleged 1980 deal? Did they disprove that the Reagan campaign set up a covert operation, staffed by then-current and former CIA officers, to monitor and meddle with the U.S. government's official hostage negotiations? Did they disprove that Reagan-Bush campaign officials met with professed representatives of Iran? Did they disprove that the Reagan administration secretly authorized arms shipments to Iran immediately upon assuming power? No, no, no and no.

In point of fact, the two stories left the foundation of the October Surprise evidence almost entirely untouched. Instead, confronting the essential facts, the authors of both articles launched rearguard attacks on two fronts. First, they focused on personalities, attempting to discredit those closely associated with the allegations and, in so doing, cast doubt on the entire case for an October Surprise. "What has kept the October Surprise conspiracy alive is a chain of 'super-sources,'" wrote Newsweek. Wrong. What has kept the story alive are the documented facts—and the questions they raise, many of which the Reagan and Bush administrations have actively skirted.

Second, both publications sought to disprove that meetings were held in Madrid and Paris to arrange the deal. "Their chosen method [was] to make a surreptitious substitution of the part for the whole; to put aside the argument about whether there was a deal and to concentrate only on whether there [were meetings]," wrote Christopher Hitchens in The Nation.

CHARACTER ASSASSINS

Both articles attempted to cast doubts on the credibility of five people associated with the October Surprise story: Barbara Honegger, a former Reagan staffer who co-authored the first In These Times story on the 1980 deal and later wrote a book on the subject; Abolhassan Bani-Sadr, the Iranian president in 1980; Richard Brenneke, a Portland-based arms dealer; Jamshid Hashemi, an Iranian-born arms dealer; and Ari Ben-Menashe, an Israeli intelligence officer.

BARBARA HONEGGER

Emerson and Furman described Honneger as "one of the leading champions of the October Surprise," Honegger did, in fact, do much of the original investigation into the scandal—including the piece she co-authored for In These Times. Since that time, however, many of those involved in the investigation have rightly criticized some of her research and reporting methods. Her 1989 book, "October Surprise," mixed important facts with fiction—some of which were supplied by publications affiliated with right-wing extremist Lyndon LaRouche. Futhermore, Honegger's personal eccentricities leave her open ridicule. The New Republic found it necessary to highlight her beliefs in a supernatural world—as if that had anything to do with the very real world of covert action.

Honegger is thus an easy target. So what? Newsweek described her as a "would-be Deep Throat"—but Honegger has never claimed to be more than a minor witness. She openly concedes that her only direct knowledge of the 1980 deal was an overheard comment by a campaign staffer the "Dick [Richard Allen, she presumed] cut a deal." The veracity of that deal in no way hinges on this overheard conversation.

ABOLHASSAN BANI-SADR

In a 1988 Playboy article, the former Iranian president claimed first-hand knowledge that none other than George Bush was in Paris in October 1980 to finalize the hostage-delay deal. This allegation is one of the most controversial surrounding the scandal. In a recent interview, Sick described Bush's presence at such a meeting as an "open question," adding that current evidence "tends to show that George Bush was not in Paris.

Now Bani-Sadr himself appears to be backing off from the claim. In fact, he told *The*

New Republic that "I have always repeated that I wasn't sure." But while *Newsweek* and *The New Republic* devoted a good deal of space to documenting Bani-Sadr's disingenuousness about Bush's presence at the Paris meeting, they did not look at the White House's machinations on the same matter. As Sick pointed out, the White House has never made public any documents that might clear Bush of the charge for once and for all.

Why would Bani-Sadr lie? Emerson and Furman cited a 1988 *Washington Post* editorial noting that the exiled Iranian leader might well have political reasons for "smearing Bush." "Bani-Sadr has to hope that U.S. Iranian relations will continue to be antagonistic if the Iranian opposition is ever to have a chance of gaining important American support," wrote the *Post*.

True enough. But might not the Bush administration have political motivations of its own? One wouldn't know it from the two stories. *Newsweek*, in fact, proudly claimed that its evidence against the October Surprise allegations came from "government officials and other knowledgeable sources."

Richard Brenneke: Another man who once claimed to know for certain that Bush attended a Paris meeting is Richard Brenneke, a Portland-based arms dealer. Brenneke said he himself participated in another Paris meeting, attended, he claimed, by William Casey and Donald Gregg—but not Bush.

Brenneke's claims about personally attending a Paris meeting have since been discredited. Using Brenneke's credit card records—which showed he was in Seattle on the dates he claimed to be in Paris—the *Village Voice's* Frank Snepp conclusively demonstrated that whatever knowledge Brenneke had of those alleged meetings, it was not firsthand (see *In These Times*, Sept. 25, 1991). This writer was among those who had used—or had been used by—Brenneke (see *In These Times*, Oct. 12, 1988.)

New Republic writers spend more than a quarter of an 11-page story on Brenneke. If Emerson and Furman deserve any praise for their *New Republic* article, it is for delineating how, beginning in August 1988, Honegger, Bani-Sadr and Brenneke fed information through each other and then into the journalistic community at large.

Brenneke lied about being in Paris. But does that completely discredit everything he claimed? No matter what his motivations for lying may be, Brenneke was clearly "in the loop" on U.S.-Iranian arms deals. It is a documented fact, for example, that on Jan. 3, 1986—three days *before* President Reagan approved the sale of 10,000 TOW missiles to Iran—Brenneke had knowledge of the arrangement. Neither publication even mentioned this fact, which was established in court records.

Moreover, does the fact that Brenneke lied about *some* aspects of the October Surprise mean that those implicated in the scandal told the truth about *all* things? Emerson and Furman seem to think so.

In May 1990, Brenneke was acquitted of perjury charges related to his October Surprise claims. Both magazines let readers infer that Brenneke was on trial for saying he participated in October Surprise meetings in Paris. But each publication failed to mention that the charges against Brenneke resulted from his claims that Casey and Gregg had been in Paris—an assertion that has not been disproved, in or out of court.

New Republic writers highlighted an episode in the trial in which Gregg—who in 1980 was the CIA liaison to Carter's National Security Council and in 1981 became Vice President Bush's national security adviser—attempted to prove he could not have been in Paris as Brenneke had claimed. Gregg testified that he was in Bethany Beach, Del., on the weekend in question. To prove this, Gregg produced a picture of himself and his family on a beach. On the back of the photo was the processing date, October 1980.

Furman and Emerson wrote, "[Gregg] recalled that the weather was cloudy and produced a photograph of himself and his daughter on the beach." And they also cited a piece of evidence that prosecutors had not introduced at the trial: Gregg's datebook, which had "the word 'beach' penned on the October 18 weekend."

They went on to write that "Frontline embraced Brenneke's trial defense that the weather conditions on the Delaware shore on Oct. 20, 1980, were incompatible with the Gregg photo, claiming that 'U.S. government documents show the weather was cold and cloudy that weekend on the Delaware shore.' In fact, hourly detailed weather maps of that weekend from the National Oceanic and Atmospheric Administration show that on Sunday afternoon weather conditions were compatible with the picture Gregg produced."

It is not as simple as that. In a letter to The New Republic after it published its October Surprise piece, Parry wrote, "To the jury, one of the flimsiest government claims was that a photograph of former CIA officer Donald Gregg, in bathing trunks on a beach, proved that he was not in Paris on October 19 * * * (Emerson and Furman) argue that breaks in the clouds on Sunday afternoon matched the sunlit photo, but the weatherman's point was that a weekend storm front had brought in cold air and strong winds, neither of which seems apparent as the lightly clad figures posed on the beach. But what the jury considered most absurd about the photograph was that all it proved was that Gregg had his picture taken on some beach somewhere and had the film developed sometime in October 1980. Commenting about the absurdity of the photo evidence, the jury foreman told us, "What do they think we are, country pumpkins [sic]?"

Brenneke had his day in court. Perhaps someday Gregg, a key Iran-contra player, will have his.

Ari Ben-Menashe: Six-months after Brenneke was acquitted, the U.S. government lost a second—and much more important—case involving another October Surprise source.

Ari Ben-Menashe, a former Israeli intelligence official, is one of the most significant October Surprise witnesses. Ben-Menashe says he was one of six Israelis who attended a series of meetings in Paris Oct. 15 through Oct. 20, 1980, at Casey's request. Their job, he says, was to help the Americans by coordinating arms deliveries to Iran.

In 1989, Ben-Menashe was arrested while attempting to sell Israeli-owned C-130 transport planes to an undercover U.S. Customs agent who claimed to represent Iran. In the fall of 1990, when he stood trial in a Manhattan federal court, the U.S. government, with the cooperation of Israel, tried to prove that Ben-Menashe was not an Israeli agent. A jury sided with Ben-Menashe.

Newsweek ran articles that examined Ben-Menashe's credibility in its November 4, November 11 and November 18 issues. In a November 4, two-page article on Ben-Menashe, Barry concluded that, "so far much of what Ben-Menashe says does not seem to check out."

Emerson and Furman agreed, repeating the official Israeli position that the "closest access Ben-Menashe ever had to intelligence was his work as a low-level translator for the Israel Defense Forces External Relations Department from 1977 through 1987."

Newsweek supported its claim that Ben-Menashe is not who he says he is by quoting David Kimche, whom Barry identified as "a Mossad veteran and former director-general of Israel's Foreign Ministry." Kimche said Ben-Menashe was "apparently a minor clerk in some military branch."

And who is Kimche? In July 1985 Kimche and Robert McFarlane, Reagan's national security adviser, met in the White House and discussed arms shipments to Iran. This conversation gave birth to the Iran-contra scandal.

This was not the first time the two had met. According to published reports, in early 1981 Secretary of State Alexander Haig approved arms shipments to Iran on the advice of McFarlane, who was then a member of Haig's staff. In his new book Sick wrote that a "former high-level State Department official" told him that Kimche, then a deputy director of Mossad, and McFarlane, who had just come off the staff of the victorious 1980 Reagan-Bush campaign, held three secret meetings in Geneva, Washington and Jerusalem during December 1980. The purpose of these meetings was to "secure prior approval for arms sales to Iran."

Do these meetings indicate that Kimche may have been party to an October Surprise deal? At the very least they indicate that Kimche, as an expert witness on Ben-Menashe, is a walking conflict of interest.

Both Newsweek and The New Republic repeated charges by the Israeli government that Ben-Menashe is mentally unstable—a charge that, in light of this writer's lengthy contact with him, seems ludicrous. Worse, it gives longtime observers of Israeli intelligence a feeling of déjá vu. In 1986, when Mordecai Vanunu, an Israeli nuclear technician, exposed his country's secret nuclear arms program, the Israeli government branded him mentally unstable. Now Vanunu's revelations are widely accepted as fact.

And Parry's investigation increasingly bolsters Ben-Menashe's credibility. In his letter to The New Republic, Frontline's Parry wrote, "Your authors accept the Israeli cover story that Ben-Menashe was only a low-level translator. The facts do not back that up. We have interviewed three Iranians—one a former defense minister and two Teheran-based arms procurers for the Revolutionary Guards—who described working with Ben-Menashe during his years in Israeli intelligence. A senior Israeli intelligence official confirmed that Ben-Menashe had operated in Poland in 1985, when that nation was still a Soviet bloc country. Though the Israeli government says Ben-Menashe never traveled on government business, his passports show dozens of foreign trips to countries in South and Central America, as well as to Europe and the United States * * * Although we continue to look hard at Ben-Menashe's allegations, many simply have proven true."

Another journalist who checked out Ben-Menashe was Raji Samghabadi, who as a *Time* magazine correspondent in 1986 used Ben-Menashe as a source in stories about The October Surprise and Iran-contra that were never published.

Both Newsweek and The New Republic attempted to portray Ben-Menashe as a Johnny-come-lately to the October Surprise. Barry wrote, "Ben-Menashe first surfaced as an October Surprise source in 1990." Emerson and Furman described Ben-Menashe as an

October Surprise source who only surfaced in 1990. . . . Like others before him, Ben-Menashe's recall of the October Surprise came about belatedly after he was arrested in 1989."

In fact, Ben-Menashe had discussed the October Surprise in 1986 with Time correspondant Samghabadi. This fact is attested to by Bruce Van Voorst, a CIA agent in the '50s who is now a Washington-based senior correspondent for Time. In 1979, Van Voorst hired Iranian-born Samghabadi to report for Time in Iran.

In 1990, when Ben-Menashe was standing trial for illegal arms transactions in a Manhattan federal court. He called Samghabadi, who had left Time earlier that year, as one of his witnesses. The following exchange took place between Samghabadi and Tom Dunn, Ben-Menashe's attorney, as is recorded on pages 1464 and 1465 of the court record.

Dunn: Could you please tell the court and the jury what was the purpose of the meeting in September of 1986 at the Algonquin Hotel between you and Mr. Ben-Menashe?

Samghabadi: Mr. Ben-Menashe consistently tried to get a story in print purporting, claiming, saying that as of 1980 there was a huge conspiracy between the United States government and Israel to supply Iran with billions of dollars in weapons off the books, without legal channels, knowing anything about them and it was still continuing at the time he talked to me. . . .

Dunn: Specifically, though, in 1986, in September, did Mr. Ben-Menashe question you about why this had yet to go into print?

Samghabadi: He was extremely perturbed that despite highly specific information Time editors refused to run that story. And I explained to him that a story with such a huge accusation would have to rely on more than a single unnamed source.

(Last week, Samghabadi told In These Times that he also had another source with knowledge of the alleged deal between the 1980 Reagan-Bush campaign and Iran. He described that source as an Iranian who is "a cabinet level official now" and who "has an account of everything that went down.")

In an interview with In These Times, Emerson insisted that he had fully read this trial manuscript. Yet he stuck by his claim that Ben-Menashe's recall of the October Surprise came about belatedly."

"There is something wrong with what you've got," he told this reporter.

Jamshid Hashemi: Jamshid Hashemi, an Iranian born arms dealer, claims that in July and August 1980, he participated in meetings with Casey and Ayatollah Mehdi . . . (now the speaker of the Iranian parliament), among others, to set up the October Surprise.

Both Newsweek and The New Republic argued that it would have been impossible for Casey to attend the alleged late-July meeting in Madrid, even though he had disappeared from public view for several days. They claimed that Casey was in London during that time period, participating in the Anglo-American Conference on World War II. They went on to say that based on the conference's attendance records, it was "impossible" for Casey to have attended two consecutive days of meetings in Madrid. The publications cited attendance records, which appeared to place Casey at the London conference.

But Sick, Parry and other investigators argue that these records—and other accounts of Casey's whereabouts—are very ambiguous. In his letter to The New Republic, Parry wrote that the two articles "show little care in addressing the key issue of dates for the first Madrid Meeting. . . . Our review of Casey's public appearances leaves a gap for the campaign director from July 25 until July 28."

Craig Unger, who authored a long piece on the October Surprise in a recent edition of Esquire and was later employed by Newsweek to work on its investigation, also doubts that the conference records provide conclusive proof. His research suggested that it was very possible for Casey to leave the conference late on the morning of July 29 and take a 90-minute flight to Madrid, returning to Washington on the evening of July 30 in time for a dinner with candidate Bush at the aptly named Alibi Club.

In a letter to The New Republic, which Unger gave to In These Times, he disputed Emerson and Furman's interpretation of the conference attendance records. Unger wrote, "Jonathan Chadwick, who took attendance at the conference, had penciled Casey in for all the sessions on [July 29]. However, Chadwick says his pencil marks indicate expected, not actual, attendance, and were made before, not on, the day in question. When it came to marking Casey's name on the attendance charts on the 29th, what happened? Nothing. Absolutely nothing. The pencil marks were not amended.... Chadwick describes his own record keeping as 'inconsistent.' 'I can't guarantee [what it means],' Chadwick told me in an interview."

Jamshid Hashemi's attendance at the Madrid meetings, however, is somewhat more clear. Even Newsweek's Barry conceded that "[t]here is at least some corroborating evidence for [Jamshid Hashemi's] claim. For one thing, knowledgeable officials agree that Cyrus Hashemi [Jamshid's late brother, also reportedly in attendance at Madrid] played a minor role during the hostage crisis.... For another, as ABC News reported, the register at the Madrid Plaza Hotel actually shows that 'A. Hashemi' and 'Jamshid Halaj' were registered at the time in question."

The November Surprise: Apparently for lack of anything solid to contradict a growing body of evidence suggesting that the Madrid meetings did, in fact, take place, Barry recently suggested that the Madrid allegations stem from "a case of confused identity." In the November 18 Newsweek, he conjectured that a Khomeini representative who met with a Carter official in Madrid on July 2, 1980, might have mistakenly thought he was meeting with "a Reaganite instead of a Carter emissary." Hence, argued Barry, the seed was planted for the October Surprise.

Martin Kilian of the German newsweekly Der Spiegel—who has long been investigating the scandal—labeled Barry's hypothesis "bull-[----] extraordinaire."

Sick was more polite but no less adamant. "I know the people who were involved in those discussions [between the Carter and Iranian officials]," he said. "And I have good documentary evidence about what happened during that meeting and there was no possibility, and I repeat that, not the slightest possibility, that there was any mistaken identity . . . I actually went to the trouble of giving John Barry of Newsweek a written, signed statement saying I know a lot about this meeting, and that based on what I considered to be conclusive information there was no chance of a mistaken identity. He went ahead and did his piece."

Like so much of the reporting that characterized the Newsweek and The New Republic articles, Barry's "mistaken identity" hypothesis is ill-considered, rush-job journalism.

Perhaps the most unfortunate aspect of these stories was their timing. Certainly The New Republic and Newsweek knew that Sick's book—years in the making—was scheduled for release this month. But instead of waiting to find out what new information Sick had discovered, they rushed to press with an infantile "November Surprise" of their own.

Why? "I really can't answer that question," said Sick. "They knew full well that my book was coming out. They spoke to me in advance and they chose to go ahead and rush into print before it came out. You'll have to ask them."

We did. "I stand by everything I have written in the article—everything and then some," said The New Republic's Emerson.

He said the article spoke for itself. For once, he was right.

[The Nation Magazine]

MINORITY REPORT

(By Christopher Hitchens)

Take the two propositions contained within the words "October Surprise." The two propositions are:

1. There was objective and subjective collusion between the Reagan campaign and the Ayatollah's men in 1980—objective because the two recognized a common interest in the defeat of Jimmy Carter and subjective because they deliberately but deniably coordinated this same common interest.

2. There are facts, inexplicable on their own, that can be explained no other way. Among those facts—many smoking guns in the form of arms deliveries, and several destabilizing interventions in the Carter reelection campaign.

There are two ways to approach this. First is to see if one hypothesis can account for all known facts. Second is to see if there is incontrovertible proof—confession of discovery—that would either negate the hypothesis or, in a flash of disclosure, vindicate it and make it unnecessary.

There is an alternative way, which is to ignore or ridicule the whole thing. For five years it was almost impossible to get any serious discussion of the case in the consensus media. Now, playing a rather vindictive form of catch-up, some of the organs of consensus have begun to protest too much. Surely, if only for reasons of professional pride, neither Newsweek nor The New Republic is ever going to allow that it missed the main story early on. (Only Gary Sick, of all those involved in the argument, has ever had the grace to admit that.) But in recent and mutually confirming cover stories, these two color magazines have both decided to say, at top volume, that there is no case at all for them to expend space upon.

Their chosen method is to make a surreptitious substitution of the part for the whole; to put aside the argument about whether there was a deal and to concentrate only on whether there was a meeting. Since not even clear evidence of a meeting (between, say, William Casey and the mullahs) would by itself convince anybody that there had been a deal, the exercise is in the wrong order as well as the wrong proportion. Still, rumors of 1980 meetings have been in the air for some time now, many of them floated by the oddest people and many of them reviewed in this space.

Both cover stories aim principally to discredit witnesses and unearth discrepancies, fair tactics in honest polemical or legal exchange. Newsweek makes a good point in observing:

"Journalists are vulnerable to the lure of a super-source—another Deep Throat, someone who knows all and pieces everything together in a nice, neat package. In the October Surprise case, there are four would-be Deep Throats: Barbara Honegger, Richard Brenneke, Jamshid Hashemi and Ari Ben-Menashe. At some point each has claimed first-person knowledge of the conspiracy. The stories they told overlapped in broad outline—and in some cases, they compared stories, swapped details and helped each other become more convincing."

I call this a good point because I made it myself, in almost those precise words, during two long chats with Newsweek on October 10 and 11. I added two riders that both Newsweek and The New Republic omit, and that bear restatement:

1. The hypothesis of collusion does not depend on these or any other "eyewitnesses," any more than, say, the evidence of collusion at Suez in 1956 depends on the much-later-discovered transcript of conspiratorial meetings held at Sèvres between the British, French and Israelis. As with 1956, the hypothesis of collusion in 1980 rests upon observable public and political correspondences. It was evolved, and ignored, long before the "super-sources" broke cover. And we know much of what Watergate was, even if we still don't know the motive or identity of Deep Throat.

2. With the exception of Honegger, who really does seem to live in a consoling world of her own, all the witnesses cited above have been known to tell the truth on important and obscure points, as well as to tell fantastic lies.

One might think that this second point would be part of journalism's A–B–C. There is no need for a schooling in the Cretan paradox: Is a liar telling the truth when he claims to be lying? You ask of a source not "Is he an honest, incorruptible man?" but "Does his information check out?" This would be valid even if The New Republic and Newsweek did not implicitly accept the word of proven liars and obfuscators like Edwin Meese, Richard Allen, George Bush and Robert MacFarlane. Powerful people are never called liars or frauds or fantasists in such magazines. Who could fail to be touched when, on its first page, Newsweek announced that "after a long investigation *including interviews with government officials and other knowledgeable sources*," we could all relax and put the thought of high-level collusion out of our minds? And who wouldn't be impressed to read in The New Republic that "according to sworn affidavits, Israeli officials in the office of the prime minister, *including Shamir himself*, never heard of Ben-Menashe." (Italics mine; deference theirs.)

Briefly: I regard Richard Brenneke, Ari Ben-Menashe and Jamshid Hashemi as habitually deceitful riffraff. I base this judgment on their own claim to membership in the "secret world" of arms dealing, double dealing, narcotics trafficking and "national security." But to be witnesses to the underworld, they'd have to come from it, wouldn't they? And my interest in them is this: Brenneke once gave a document to a friend of mine proving that he had indeed told an official of the Defense Intelligence Agency, on January 3, 1986, that "Admiral Poindexter had given permission to sell 10,000 missiles to Iran." That happens to be the date of the crucial "findings," concerted with Israeli spook Amiram Nir, that sent TOW missiles to Teheran. How could Brenneke have known perhaps the greatest single secret of the secret state? Again, Ari Ben-Menashe gave evidence to Seymour Hersh (no pushover when it comes to fact checking) about the involvement of Robert Maxwell's organization in Israeli nuclear espionage. As I write, this disclosure is convulsing Fleet Street by the simple, old-fashioned device of turning out to be true. And Jamshid Hashemi, asked by ABC's Nightline to substantiate his own presence in Madrid in July 1980, was able to do so and to pinpoint the one time—which he could not have otherwise known—that William Casey's overseas movements were suddenly hard to trace.

Why, if the October 1980 quid pro quo is such a dud currency, have so many experienced opportunists shown such a keen interest in counterfeiting it?

Whatever the motive for their decision to run arcane cover stories, descending into misleading detail about a hypothesis they had never before examined, the two mainstream magazines effected a pre-emptive strike on a book—"October Surprise," by Gary Sick—that their respective writers knew was to be published the following week but had not waited to read. Captain Sick was instantly faced with a lot of hostile, ill-informed, time-wasting questions that he had already answered. The New Republic's interests were made obvious enough: to shield Israel from the outrageous charge of improper conduct on arms-for-hostages and to forward Martin Peretz's puerile vendetta against the Public Broadcasting Service Newsweek, ostensibly less vulgar and politicized, nevertheless opened the bidding by saying that the collusion hypothesis had originated with Lyndon LaRouche's crank-sheet Executive Intelligence Review. Those of us scanning this Nazi rag for the first time were able to notice (a) that E.I.R. deliberately did not accuse the Reagan-Bush campaign of manipulating the 1980 crisis, and (b) that the emphasis at least makes a change. The Reaganites like Jesse Helms and Ed Meese, who have emerged as the chief antagonists of the collusion hypothesis, have not been at all ashamed to borrow material from LaRouche about, say, Michael Dukakis's fictitious shrink appointments. But they keep moaning that demands for an October Surprise inquiry are evidence of panicky Democratic partisanship. Just like the notion that the theory comes from a fascist cult, this line is a laugh in itself.

Captain Sick's book is, I think, potentially a real event in the life of the Republic. No advance defamation can obscure his relentless, many-sided focus on the case for collusion. He shows:

1. That many mutiny-minded C.I.A. men given early retirement by Carter and Adm. Stansfield Turner were specialists at manipulating elections in Europe and the Third World.

2. That there was a well-organized theft of presidential papers from Carter's most secret meetings, that those papers concerned Iran and the hostages, and that they were procured and exploited by the Reagan-Bush campaign.

3. That the few speeches made by Ronald Reagan on the hostage issue and the conditions for its settlement were timed to coincide with new and ever more impossible demands from Teheran, and to increase Carter's difficulty.

4. That details of attempts to rescue the hostages—after the misery of Desert One—were "leaked" to Iran even before senior Administration officials knew of them.

5. That the pattern of 1980 Israeli shipments to Iran, in spite of Carter's embargo, was understood by Iran to be a down payment on future shipments, which obviously wouldn't be coming from any Carter Administration.

6. That weapons flowed to Iran almost as soon as Reagan's inauguration was over, and that these shipments—coming when there were no hostages in Teheran and not yet any in Beirut—were "cleared" at no lower than the level of Gen. Alexander Haig. (Sick adds, with typical pedantry, that even if such transfers were "cleared," they would have been illegal.)

7. That at least one person—a former intelligence agent named Oswald LeWinter—has admitted receiving money for posing as a "source" for the story and spreading discrediting information intended to "confirm" it. He did this under the name of "Mr. Razin." (I remember this guy. He was often promoted by Barbara Honegger, and I'm glad to say I never gave him the time of day. Again, though, why go to such trouble to devalue a counterfeit currency?)

8. That the diagram of the October 1980 collusion is a key to the later and more fully exposed diagram of the Iran/contra collusion, which unambiguously involved arms being handed by Reaganites to hostage-takers.

What is the reply of our great intellectual weekly and our staunch newsweekly to all of the above? Why, nothing. They never set out even to ask the questions. They prefer to dispute the timing and nature of Israeli shipments (admittedly a clarifying exercise) and to smear witnesses to irrelevant "meetings." On the one crucial meeting, in Madrid, Sick has more reason to believe that Casey was there than his detractors have to believe he was not. But he is fair to his critics, and they won't return the compliment.

In a final burst of self-pity, the consensus scribblers complain that they have to investigate the protean allegation of "conspiracy" and face the thankless task of proving a negative. Insofar as this is valid, it applies to their own method as well. By declaring the collusion hypothesis a concoction—"a lucrative cottage industry," The New Republic grotesquely puts it—they are in fact alleging another conspiracy. Alas for them, they propose a conspiracy between people who have never met, or hadn't met except through the hypothesis itself, or have never spoken at all. This is the sort of conspiracy theory in which only paranoids engage. Defenders of the hypothesis simply point to hard and repeated evidence of collusion among people well accustomed to working together in secret, well trained in the habits of cover-up and covert action, and well disciplined by a common interest. Such people don't exactly need to conspire, so no negative needs to be proved. I suppose it could be asserted that the Reagan campaign, managed by men like Casey and Meese and Allen, aware of its opportunity and of Carter's vulnerability, and tempted by the offers from pro-Iranian middlemen, nonetheless decided to do nothing to protract the hostage crisis. But if you were willing to believe that after Debategate and Irangate, you would have to confess to a readiness to believe anything.

[From the New York Times, Dec. 11, 1991]

MORE "OCTOBER SURPRISE" SURPRISES

Secretary of State Baker now acknowledges that the incoming Reagan Administration "might very well" have approved Israel's secret sale of U.S.-made weaponry to Iran in 1981. His comment followed a report in The New York Times on Sunday that approval had indeed been granted—and that the sales were breathtakingly large, exceeding previous estimates by billions of dollars.

These disclosures do not confirm potentially devastating claims that Ronald Reagan's campaign aides conspired with Iran to thwart President Carter's efforts to free American hostages—the "October Surprise" that Republicans feared. But Mr. Baker's comment clearly strengthens the case for an inquiry. Such an inquiry has been authorized, but not funded, by Congress.

Americans can reasonably wonder why the Reagan Administration reversed U.S. policy to permit Israel to sell arms to Iran. Washington was then publicly urging a worldwide embargo on weapons shipments to Iran. According to Seymour Hersh's report in The Times, the weapons, valued in the billions, had been urgently sought by Iran for its war with Iraq.

Any resale of U.S. weapons to a third country would have required permission. So who gave the go-ahead? Mr. Baker, then White House chief of staff, suggests it might have been Alexander Haig, then Secretary of State. For his part, Mr. Haig has said that if it happened, then someone in the White House provided coordination. Yet Richard Allen, then the national security adviser, points to the State Department; a later adviser, Robert McFarlane, has denied any knowledge of the Israeli arms sales.

Finding out what happened could finally resolve whether Iran exacted a secret quid pro quo for the release of 52 American hostages on the day of Mr. Reagan's inauguration. The idea is so repugnant that it was rejected for years by Gary Sick, a former National Security Council aide. But Mr. Sick has since changed his mind and now contends in a new book, "October Surprise," that such a deal did take place.

Some angrily dismiss Mr. Sick's allegations as unfounded slanders. If so, they can be dispelled by a Congressional inquiry able to subpoena logs and other records—an inquiry that Mr. Reagan and President Bush both say they would welcome.

Conceivably, the Israeli sales were unrelated to hostages. Israel might have been eager to renew old ties with Iran and assure the safety of Iranian Jews. Or, as Mr. Baker speculates, Israel's financial needs may have been a factor.

Yet suspicions persist. By 1984, Iran's allies in Lebanon were grabbing American hostages. A year later Mr. Reagan rashly approved the sale of arms to Iran to win the freedom or captive Americans, demonstrating a willingness to use weapons as ransom. Whether Mr. Reagan used U.S. arms to strike a quite different deal with Iran five years earlier deserves a responsible inquiry.

[Newsday Magazine, Dec. 22, 1991]

RESUME "OCTOBER SURPRISE" PROBE

With its dark plot and its unsavory characters, an unfolding political drama gets curiouser by the day: That is the allegation that officials of the 1980 Reagan campaign struck a deal to delay release of 52 U.S. hostages in Iran until after the election. More curious still is the way official Washington has handled this explosive allegation.

One would think that a charge so serious, so fundamentally at odds with democratic and humanitarian principles and so crucial to our understanding of recent history would be swiftly investigated by appropriate authorities. Yet the House and Senate left town without setting up the promised investigating teams. They must renew the effort on their return.

In the House, to avoid a partisan slugfest, the Democratic leadership declined to bring up a resolution authorizing an inquiry. In the Senate, Republicans used procedural measures to kill a $600,000 appropriation for the probe. To his credit, Sen. Terry Sanford (D-N.C.), who heads the subcommittee authorized to carry out the investigation, is forging ahead anyway with limited Foreign Relations subcommittee funds.

Republicans claim the allegations are unfounded, part of a conspiracy to bring dishonor to the GOP. But if they're sure no deal was struck, why don't they allow a full-borne investigation to proceed? If Congress won't investigate the accumulated bits and pieces of evidence—some of its powerfully compelling—who will?

Former Carter administration national security aide Gary Sick and a host of journalists have looked into the murky circumstances surrounding allegations that, in the summer and fall of 1980, William Casey and other aides to Ronald Reagan held a series of European meetings with Iranian government representatives and go-betweens to set up a deal. The broad outlines are that the Reagan team arranged for the delivery of military equipment to Iran, which desperately needed it because of the U.S. embargo. Israel was the conduit. In exchange, the Iranians would keep the hostages until after the November election—assuring Republicans that President Jimmy Carter would not pull off an "October Surprise" and win the election based on the hostages' safe return.

Though two national magazines claim to have debunked the theory, their accounts do little more than cast aspersions on the character and truthfulness of individuals who claim knowledge of the scheme. It's true that the cast is full of players whose backgrounds are suspect. However, as the Iran-contra imbroglio proved, dubious characters people the world of covert action. Though their stories should be treated skeptically, the weight of their separate accounts, where they converge, must be taken seriously.

Sick's new book, "October Surprise," identifies many corroborating witnesses and circumstances that can't be dismissed as mere coincidence. The New York Times has weighed in with an account of how Israel, with the express—albeit secret—authorization of the new Reagan administration, shipped billions worth of U.S. arms to Iran immediately after Reagan was inaugurated and the hostages freed.

And what of President George Bush, who, some witnesses claim, was present for at least one of the clandestine European meetings? It's worth noting how the Bush White House responded. First, press secretary Marlin Fitzwater said: "Our position has always been that it never happened." Later, however, Bush merely disavowed his own participation, saying he could only speak for himself.

Meanwhile, the White House press office is keeping track of journalists who request the chronology of Bush's whereabouts during the October weekend in question, by asking them to write personal letters to obtain what turns out to be an abbreviated version of his campaign schedule. Secret Service files released under the Freedom of Information Act shed little light on his movements on one crucial date, Sunday, Oct. 19. Curiously, no documentation at all about Bush's whereabouts, or those of Casey, was offered by federal prosecutors at the 1988 trial of Richard Brenneke, who said he was a contract employee of the CIA with knowledge of the deal and, supposedly, Bush's participation in it. Brenneke was acquitted of perjury.

What went on in the summer and fall of 1980 between the Republican campaign apparatus and the Iranians? No one knows for sure. Certainly, the answers cannot be gleaned by journalists operating without subpoenas or the ability to compel officials or others to testify. Only Congress has that authority.

If there was a plot to delay the hostage release, then a cabal of unelected, unscrupulous individuals manipulated U.S. foreign policy for their own ends. The constitutional process of electing a president was subverted, and the course of history altered. If there were such a treasonous deal, it's been covered up for more than a decade. Only an evenhanded congressional probe can expose this allegation as fact or fraud.

AN OPEN LETTER TO CONGRESSMEN THOMAS FOLEY AND ROBERT MICHEL AND SENATORS GEORGE MITCHELL AND ROBERT DOLE FROM FORMER AMERICAN HOSTAGES IN IRAN, JANUARY 31, 1992

DEAR SIRS: As the last American hostages return from the Middle East, questions regrettably still linger concerning allegations of foul play in the 1980 presidential election. These questions can only be settled finally by the United States Congress.

We therefore support the efforts of Congress to conduct a "thorough and fair inquiry" into allegations that our release may have been delayed by political partisans.

Threats of filibuster, attempts to vilify those who have done preliminary research, and reluctance to grant funds and power to the committees conducting these investigations appear as transparent attempts to turn from the necessary task of finding the truth, whatever that may be.

It is unacceptable to delay the investigation any longer because of political squabbling or premature judgements about the veracity of the allegations.

Although we sincerely hope the allegations can be proved false, the decision to move ahead can not be based on what we anticipate the outcome to be. We urge you—the leaders of Congress—to move this investigation forward and insure that dignity, rather than fear, will guide this process to a just conclusion.

Respectfully,

Bruce Laingen, Moorhead Kennedy, Charles W. Scott, William E. Belk, Kevin Hermening, Donald R. Hohman, Robert C. Ode, David M. Roeder, Barry Rosen, Philip R. Ward, Jerry Plotkin, Richard Queen, Alan B. Golacinski, William Royer, Billy Gallegos.

The SPEAKER pro tempore (Mr. OBEY). All time has expired.

It is now in order to consider the amendment printed in House Report 102–386.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, pursuant to House Resolution 303, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. MICHEL:

Strike all after the resolving clause and insert in lieu thereof the following:

That there is hereby established in the House of Representatives a Task Force of members of the Committee on Foreign Affairs to investigate certain allegations concerning the holding of Americans as hostages by Iran in 1980 (hereinafter referred to as the "task force").

FUNCTIONS

SEC. 2. The task force is authorized and directed to conduct a full and complete investigation of—

(a) Any attempt, or proposal to attempt, by the 1980 presidential campaign of then Governor Reagan, and/or the 1980 presidential campaign of then President Carter, or persons representing or associated with those campaigns, or the United States Government, to affect the timing of the release of the Americans held as hostages in Iran;

(b) Any attempt by then President Carter, or his Administration, to affect the timing of the release of the Americans held as hostages in Iran;

(c) Any actions taken to keep any attempt, or proposal to attempt, to affect the timing of the release of the Americans held as hostages in Iran, as described in (a) or (b) above, if any such attempts or proposed attempts took place, from being revealed to the Government of the United States or to the American people.

APPOINTMENT AND MEMBERSHIP

SEC. 3. (a) The task force shall be composed of 13 Members of the House who shall be appointed by the Speaker from the membership of the Committee on Foreign Affairs, one of whom he shall designate as chairman, and the minority members of which shall be appointed upon the recommendation of the minority leader.

(b) Any vacancy occurring in the membership of the task force shall be filled in the same manner in which the original appointment was made.

AUTHORITY AND PROCEDURES

SEC. 4. (a) For purposes of carrying out this resolution the task force is authorized to sit and act during the present Congress at such times and places within the United States, including any commonwealth or possession thereof, or in any other country, whether the House is in session (including while the House is sitting for amendment under the five-minute rule), has recessed, or has adjourned, and to hold hearings as it deems necessary.

(b) The provisions of clauses 1, 2, and 3 of rule XI of the Rules of the House of Representatives, shall apply to the task force, except that—

(1) no vote by any member of the task force may be cast by proxy; and

(2) the task force shall not delegate to the chairman the power to authorize subpoenas.

(c)(1) the chairman, upon consultation with the ranking minority members, may authorize the taking of affidavits, and of depositions pursuant to notice or subpoena, by a Member or by designated staff, under oath administered by a Member, there being at least two members of the task force present including at least one member and one staff person from the minority.

(2) Affidavit and deposition testimony shall be deemed to have been taken in Washington, DC before the task force once filed with the Clerk of the task force for the task force's use, and shall be deemed to have been taken in executive session.

(3) The provisions of clause 2(g)(2) of rule XI requiring a committee vote to close hearings to the public shall not apply with respect to the taking of affidavit and deposition testimony in executive session.

(d) Pursuant to its authority under House Rules to require by subpoena or otherwise the testimony of witnesses and the production of certain materials, the task force may use such authority to obtain any relevant intelligence materials, however classified, White House materials of President Carter and President Reagan, campaign materials, materials of present and former government officials and materials pertaining to unvouchered expenditures or concerning communications interceptions or surveillance; and to obtain evidence in other appropriate countries with the cooperation of their governments.

(e) The task force shall be authorized to respond to judicial or other process, or to make any applications to court, upon consultation with the Speaker consistent with Rule L.

(f)(1) The task force shall provide in its written rules procedures for the protection of classified information from unauthorized disclosure.

(2) The task force shall provide other committees and Members of the House with access to information and proceedings, consistent with rule XLVIII, clause 7(c)(2); *Provided*, That the task force may direct that particular matters of classes of matter shall not be made available to any person by its members, staff, or others, and may impose any other restriction.

(3) The task force may require its staff to enter nondisclosure agreements, and its chairman, in consultation with the ranking minority member, may require others, such as counsel for witnesses, to do so.

(4) The Committee on Standards of Official Conduct may investigate any unauthorized disclosure of such classified information by a Member, officer or employee of the House or other covered person upon request of the task force.

(5) If, at the conclusion of its investigation, the Committee on Standards of Official Conduct determines that there has been a significant unauthorized disclosure, it shall report its findings to the House and recommend appropriate sanctions for the Member, officer, employee, or other covered person consistent with rule XLVIII, clause 7(e), and any committee restriction, including nondisclosure agreements.

(6) Classified information received by the task force shall not be disclosed publicly by any Member, officer, or employee of the House, except pursuant to the procedure specified in rule XLVIII, clause 7(b) for which purpose the task force shall be the select committee to which the rule refers.

ADMINISTRATIVE PROVISIONS

SEC. 5. (a) Authorized expenses of the task force for investigations and studies, including for the procurement of the services of individual consultants or organizations thereof, and for the training of staff, shall be paid from the contingent fund of the House upon vouchers signed by the chairman and approved by the Chairman of the Committee on House Administration, except such payments may not exceed $300,000.

(b) In carrying out its functions under this resolution, the task force is authorized—

(1) to appoint, either on a permanent basis or as experts or consultants, such staff as the task force considers necessary;

(2) to prescribe the duties and responsibilities of such staff;

(3) to fix the compensation of such staff;

(4) to terminate the employment of any such staff as the task force deems appropriate; and

(5) to reimburse members of the task force and its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties and responsibilities for the task force, other than expenses in connection with any meeting of the task force held in the District of Columbia.

(c) The task force and all authority granted in this resolution shall expire thirty days after the filing of the report of the task force.

(d) The task force shall be deemed a committee of the House for all purposes of law, including sections 6005, 1505, and 1621 of title 18, section 192 of title 2, 1754(b)(1)(B)(ii) of title 22, and section 734(a) of title 31, United States Code.

(e) The task force may request investigations, reports, and other assistance from any agency of the executive, legislative and judicial branches of the Federal government.

REPORT AND RECORDS

SEC. 6. (a)(1) The task force shall report to the House as soon as practicable during the present Congress but not later than six months after the date of adoption of this resolution, the results of its investigation and study, together with such recommendations as it deems advisable.

(2) Not more than 45 days prior to the expiration of the six-month period referred to in paragraph (1), but prior to the expiration of such period, the task force may file an interim report detailing the progress made to date, the costs incurred by the inquiry, and the need for extending the inquiry.

(3) At any time after the filing of such interim report it shall be in order in the House to consider as privileged a resolution introduced and offered by the chairman of the task force, or his designee, extending the period of the inquiry to a date certain which shall be specified in the resolution. If the resolution is adopted the task force shall have until the date specified in the resolution to file its final report. If the resolution is not adopted, the task force shall file its final report as soon as practicable thereafter but in no event later than 15 calendar days after such vote.

(b) Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

(c) Any such report shall be referred to the committee or committees which have jurisdiction over the subject matter thereof.

(d) The records, files and materials of the task force shall become the records of the Committee on Foreign Affairs except for those records relating to intelligence matters which shall become the records of the House Permanent Select Committee on Intelligence.

Mr. MICHEL (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. MICHEL] will be recognized for 15 minutes and the gentleman from South Carolina [Mr. DERRICK] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. McEWEN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from Ohio.

Mr. McEWEN. Mr. Speaker, I thank the gentleman for yielding.

The point made by the previous speaker was he could not understand two things. No. 1, why the intensity of our opposition and why we should not consider Mr. Carter.

The strong position of this side of the aisle has been a free and open discussion of both sides, and the degree to which they are unwilling to look at the Democratic President and his campaign staff is the degree to which it arouses intensity on our part that this is obviously a partisan inquiry.

Mr. MICHEL. I thank the gentleman for his contribution. May I take this opportunity to applaud him and commend him for the manner in which he acquitted himself all during the course of this debate from the very beginning.

Mr. Speaker, I obviously rise in support of the substitute I have offered. As I have told the Speaker from the very beginning of our consideration of this item, that I did not think an investigation was warranted. In my view, the majority is offering an unacceptable resolution for an unnecessary investigation into unbelievable allegations based on unsubstantiated claims made by unsavory characters. Now that ought to sit well with you, Mr. HYDE. That is about the way you would say it.

But we in the minority know the realities in this House. The silken glove of civility hides the iron hand of power. But we owe it to the House and to the American people to say we think this investigation is ill-advised.

First, the accusations fail to meet minimum standards of credibility. That is not just our opinion. Objective outside observers share that, as was shown here on the screen earlier, and the statements particularly by Newsweek magazine: "* * * the key claims of the purported eyewitnesses and accusers simply do not hold up. What the evidence does show is the murky history of a conspiracy theory run wild."

And as the New Republic showed, "* * * the conspiracy as currently postulated is a total fabrication. None of the evidence * * * stands up to scrutiny. * * *"

In short, Mr. Speaker, the claims of the conspiracy theorists have not reached the threshold of credibility necessary for our attention.

And second, the investigation will take up time and energy better utilized for urgent problems. And of course, as has been alluded to, but I have to repeat it again, here we are in the midst of a recession, and unemployed Americans look to us for action but the majority wants to spend 9 or 10 months and millions of dollars investigating an 11-year-old story, the kind you find in the supermarket tabloids.

What will the majority do when an unemployed American asks what the House is doing to help the economy? All the majority can say is: "Hey, we are looking into an 11-year-old allegation made by convicted gunrunners and other weirdos." Well, let the majority tell an unemployed parent of six to take a conspiracy theory to the grocery store and see how much it will buy.

But as I said, the majority controls the proceedings around here. So we have no other recourse than to offer our substitute which differs from the base bill in four important ways.

No. 1, it conducts a full inquiry into any attempt by the 1980 Reagan campaign or the Carter administration or campaign to affect the timing of the release of the hostages.

No. 2, it expends no more than $300,000.

The third point, file a report no later than 6 months after the adoption of the resolution.

And the fourth, very important, abide by the rules of this House.

If I might take just another moment or two to expand, if I may, on only the first point. Our substitute would require the task force to investigate the secret arms deal President Carter attempted to make with Iranian terrorists during the 1980 Presidential campaign.

The majority's strict party line vote in the Rules Committee refused to accept such a provision in its resolution. What Carter actually did is, under the Democrat resolution, off bounds to investigators. What Reagan aides allegedly did is all that matters.

Now that gives Members some idea of the partisan issue the majority has made of this.

The distinguished gentleman from Indiana [Mr. HAMILTON] a few moments ago argued in defense of the majority resolution that President Reagan himself has called for an inquiry into these allegations. That is correct. But it is like saying a man who has been smeared with unendurable filth agrees to jump into the first available pool of water. It does not mean he believes the water is clean.

No corroborating evidence of the conspiracy theory was found after an investigation by the General Accounting Office, an investigation secretly begun and, incidentally, directly guided by the majority itself. The secret investigation by the majority is yet another example of that raw power that exists in this House.

The only reason this investigation is being held is that the allegations come from those who hold politically correct conspiracy views of the left. I guess you know that. I know that. The American people know that.

Mr. Speaker, this investigation is only the latest piece of evidence to demonstrate why this institution, frankly, desperately needs a complete overhaul.

I guess let your games begin. But do not expect us to applaud.

I would urge a vote for our substitute, which at least officially recognizes the existence of President Jimmy Carter, something that our Democrat friends would love us to forget.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MICHEL] has consumed 6 minutes.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes and 15 seconds to the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, there will be no victors on this floor tonight. This is a judgment that no one wants to make, but there is a responsibility in this House. There is a responsibility not simply to prove the things that might have occurred, but indeed to make clear to the world that if they did occur that that blemish is not a part of our history either.

The facts, as they now appear to us are clear. Allegations have been made which would convince a foreign government during a future American election that it is fair game to deal with a political campaign and manipulate the American political process.

That impression has been left with them whether the charges are true or they are false. That brings a responsibility to this House to either establish that these things never occurred or, by virtue of finding those responsible and exposing them, make clear that it will never happen again.

I do not come to this floor having reached any conclusion. Comparing the credibility of some who would make the charges and senior officials of this Government, the benefit of every doubt belongs with those who have led our country.

But it is of service to no one that the charges are never answered, to those hostages who have written to this House writing about a trauma in their own lives asking that answers be provided, to Jimmy Carter, who saw his Presidency torn asunder; to Jimmy Carter, to Ronald Reagan, who have had their own integrity questioned; they deserve an answer.

Support the resolution.

I know the intentions of the gentleman from Illinois [Mr. MICHEL] are sound, but the 6-month deadline will only convince those who have answers to withhold them the 6 months.

Support the resolution as it is offered. Find an answer and make the record clean.

Mr. MICHEL. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I thank the gentleman, the Republican leader, for yielding me this time.

Mr. Speaker, I think the only honorable, decent thing to do here is to support the Michel amendment.

I just want to touch on one aspect of this that really enters the field of science fiction and make my case that this is the decent way to go, because to tell you the truth, and I mean this sincerely, I am embarrassed for some of the best friends I have made on the other side of the aisle for 6 exciting and fascinating years that I served on the Committee on Foreign Affairs before I shifted to the Committee on Armed Services, some of the most distinguished Members of this House who I think, quite honestly, have been given dirty duty here, a rotten detail to pursue a 12-year-old story that is filled with so much ignominy that it really hurts them and it hurts me personally to see them hurt themselves.

Let me take a specific: Former lifelong dedicated public servant George Bush is a candidate with former Governor Ronald Reagan in October 1980, and to make him disappear from the campaign trail, Gary Sick and all of these other strange names I am going to talk about for a second here, they had to put him in an SR–71 Blackbird, to spirit him back on a secret Air Force mission from Spain which means you bump the navigator out of the back seat of an SR–71.

Now, I would ask all of my Democrat colleagues to talk to the gentlewoman from Maryland [Mrs. BYRON] on your side, a distinguished lady Member who is the only Member on your side of the aisle that I know that has flown in the SR–71 Blackbird as the gentleman from Arizona [Mr. STUMP] and I have on this side.

To fly in that aircraft, the Air Force said to all three of us,

> You must give us 3 days out of your lives to fly about 8 hours in a simulator and to undergo a whole day of training and physiological studies so that you do not die at 82,000 feet going mach 3, if you lose your oxygen, or something happens to your helmet or you get an unstart or there is a crack in the canopy.

Now, can you imagine George Bush, 12 years more vigorous, and taking him in the back seat of an airplane that is going to go mach 3 across the Atlantic against the jetstream at over 80,000 feet and not have somebody in the Air Force say, "Yes, I saw him get in and out of the world's most exotic airplane that holds every speed and altitude record?" There is the equivalent of going that high physiologically on your body, and it is like going 10,000 feet down in a bathysphere. Why does not Gary Sick say, "They put George Bush in a bathysphere and dragged him across the Atlantic 10,000 feet under the water and subjected his body to the exact opposite pressures without an hour's worth of training?

This is such a sick story that it defies my comprehension that the majority leadership in this House has fingered some of the best men in this House on Foreign Affairs to do this dirty work.

Look at this name, Barbara Honneger, who wore the bunny suit at a White House affair, some lower level campaign worker, the one who channeled voices and heard that Ronald Reagan would lose in 1984.

I am going to put all of this in the RECORD on Barbara Honnegar, Richard Brenneke, and these two Iranians, Ari Ben-Menashe and Jamshid Hashemi.

Shame on you people for listening to these jerks that the New York Times says are all pathological liars. It will all be in the RECORD. Read it, America.

BARBARA HONNEGER

First source to claim direct October Surprise knowledge, saying that an unnamed Reagan aide said a deal was cut. (Newsweek, New Republic)

Self-claimed believer in paranormal events. (New Republic)

Left low-level Reagan administration job after receiving message from channeled voices that he would lose the 1984 election. Wrote an October Surprise book in 1989. (New Republic)

RICHARD BRENNEKE

Claimed to be an 18-year-CIA operative who had also worked for Israeli Mossad, FBI, French, and Italian intelligence. (Newsweek, New Republic)

Main source for later discredited NY Times Davenport project story detailing billions in arms sales to Iran. The NY Times reporters later described him as an absolute liar.

Original source for story that the CIA and Israel were flying arms to Contras, and funding it with drug sales in the U.S. Senate Foreign Relations staffer Jack Blum, who met with him for hundreds of hours, to conclude Nothing he said was true. (New Republic)

Claimed to have supplied the United States military with Iranian intelligence needed to bomb Libya in April 1986. (New Republic)

Original source of the claimed October 1980 meetings in Paris with Casey, Bush and Iranians. Later proven through credit card records and receipts that he was in the United States at the time of the alleged meetings which he claimed to witness. (Newsweek, New Republic)

ARI BEN-MENASHE

Claimed that he turned down offer to head the Mossad. (New Republic)

Surfaced as an October Surprise source in 1990 after landing in federal prison on charges of attempting to sell transport planes to Iran. (Newsweek, New Republic)

Former CIA officer Victor Marchetti says Ben-Menashe "is a liar", and Washington Post reporter Mark Hosenball says "Ben-Menashe is a con man. He's a nasty [expletive]." (Esquire)

Claims to have led a six man Israeli team that helped set up the October 1980 meetings with Casey, Bush, Robert Gates and Iranians. Note: None of the other sources have ever mentioned Israeli involvement, Ben-Menashe, the hotels or dates he cites. (Newsweek, Esquire, New Republic)

Claimed to have placed a homing device at the Osirak nuclear plant in Iraq needed for the Israeli bombing attack. (Newsweek)

Claimed to have blown up the control tower at Entebbe. (Newsweek)

Former wife has said "He lives in an imaginary world. Anyone who counts on him will be misled. . . ." (Newsweek)

JAMSHID HASHEMI

Younger brother of Cyrus Hashemi, an Iranian arms dealer who played some role in arranging meetings between the Carter administration and Iranian officials during hostage crisis. (Newsweek, New Republic)

Although under indictment by U.S. for arms smuggling in 1984, and repeatedly trying to broker a deal with U.S. officials from 1984 to 1986, neither Hashemi brother ever claimed any knowledge of an October Surprise, even to their lawyer, Elliot Richardson. (Newsweek, New Republic)

A CIA cable acquired through the Freedom of Information Act describes the Hashemi brothers thus: "Cyrus is only less sleazy than his notorious brother Jamshid who is con artist par excellence and is candidate for scam of the month championship." (New York Times)

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, I rise in support of this resolution. Mr. Speaker, it is high time that we learn the truth about October Surprise. Allegations that the 1980 Republican Presidential campaign delayed the release of the Americans held in Iran must be laid to rest. We must know the truth.

We need to shine the spotlight of truth on this matter so that we can put it behind us. The American people have a right to know whether the electoral process was tainted. We need to know whether people were held against their will in order for some to achieve political gain. We have a right to know.

This investigation will not be a witch hunt, but a search for the truth. Too many people have raised important questions and concerns. We have a responsibility and a moral obligation to do our very best to find answers.

Several of the Americans that were held in Iran have requested that we investigate. They truly hope the charges are proven false. But, they urge us to move ahead with this investigation.

To sweep these concerns under the rug would not be right. Let us be fair and ask for the truth. Let us use this investigation to take all of the cards from under the table and place them face up on the table. We owe it to the American people.

Mr. DERRICK. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Speaker, hearing some of my friends on the other side of the aisle, I am reminded of the scene in the great film "Casablanca" starring Humphrey Bogart, which takes place in North Africa in 1942, when the police chief, played by Claude Rains, enters Rick's Cafe and says, "I'm shocked, shocked to find that gambling is going on here."

Mr. Speaker, listening to my friends on the other side of the aisle, I am shocked, shocked to discover that the Republican Members of the House are opposed to this resolution and the establishment of a task force to look into the allegations concerning the October Surprise. We are, after all, dealing with serious allegations here. Around a dozen individuals, Iranians, Israelis, Americans, many of whom do not know each other, have all claimed that they have evidence that agents of the Reagan campaign in 1980 were engaged in direct negotiations with the Iranian Government in an effort to persuade the Iranians to keep the hostages hostage.

Precisely because of the seriousness of these allegations which, if true, border on being almost treasonous, President Reagan has asked us to conduct an investigation into this affair.

□ 2110

President Bush has asked us to get to the bottom of the affair. Many of the hostages have written to us urging us to proceed with this investigation so that they can find out what actually happened in the fall of 1980.

I strongly suspect that with an adequate investigation these allegations can be laid to rest. I know from some of my good friends on the other side of the aisle that there have been articles in magazines like Newsweek and the New Republic written by authors who have looked into these charges that say they are based on fantasy and fiction. Maybe they are right, but you know and I know that journalistic inquiries are no substitute for a congressional investigation. Journalists cannot depose or subpoena witnesses. They are not in a position to put them under oath, but congressional investigators are, and if we are going to get to the bottom of the story, if we are going to ultimately lay it to rest, the only way to do it is through the kind of investigation embodied and called for in the resolution before us.

I urge its adoption.

Mr. MICHEL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Mr. Speaker, I thank my leader for yielding me this time.

First let me say to the leader's substitute, it is very, very apparent that there is a need to put some kind of limitation upon this proposed investigation into a thing called the October Surprise.

In the final analysis, it is clear to anybody who has paid any attention to this that there are those who see some significant partisan advantage out of this kind of investigation. In the final analysis, it has its predicate that the people are fundamentally stupid. The American people are not ignorant. They will see through this for what it is.

In the final analysis, no matter whether they agree or disagree with Ronald Reagan, they do not believe that fundamentally he was a corrupt individual.

Indeed, the premise is wrong, friends, and it is going to catch up with you; but I would like to speak for a moment about some in-House things. I had hoped that my colleague, the gentleman from California [Mr. FAZIO] would be on the floor, because this whole process is raising some serious questions about the way we run the House, and I want to address that for just a moment.

I would ask this question. How are we going to pay for this investigation, with no limitation whatsoever, presumably out of the funds that come from my Subcommittee on Appropriations?

There have been rumors rampant around the place for some time that there was a slush fund that the Speaker had somewhere. We have always suggested there was not a slush fund.

Well, friends, last year when the appropriations bill went forward, a minor amendment was placed in the bill quietly that said any funds left over from your accounts would accumulate until suspended. I suppose that contingency fund will be used to pay for this investigation, whether it costs half a million, $2 million or $5 million or $10 million. I am sure we would not call it a slush fund. It is obvious, however, that it is for partisan purposes.

I would suggest we are long past the point where we spend time on this kind of activity that calls back to 10 years ago and let the people have a clear idea of what the sunshine might do if we take a hard look at what is going on in this House. The corruption in this House today is the question. Fundamental reform is called for.

It is time that we rethink the process we use whereby we reprogram money in our committee, and I think my chairman now knows that I intend to carefully do that.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, our focus here is very simple and I think you have to understand the differences in responsibility, and again some of it has been evident today.

When you draft this proposal, you have to make sure that it is operational. The worst that we could do is go through this process, have it tied up in knots by legislative maneuvers and then through some arbitrary deadline not be able to complete our work. If we do anything here, we may not be able to succeed, but we ought to give the American people a fair chance at trying to get at the bottom of this information. If that takes going past a certain hour or minute in June or July or November or December, we ought to do it until the end of the Congress.

Now, people have talked about there are more important things to do. I am at the leadership of that list.

We should not have taken all day to go through a simple resolution to do the work that the hostages and a number of Presidents want us to do, but the people on the Republican side of the aisle, using their rights in the rules, have taken what would have been a 1-hour debate on the rule, a fight, maybe an hour-and-a-half, and stretched it through the entire day.

I think that is a lesson why we on the Democratic side are so concerned about what the document says, because if we make it impossible for the staff to question a witness unless we go through a chain of events that takes up 1, 2, or 3 weeks, if we prevent the committee from taking the kind of action to get to the root because one Member on one side or the other decides they want to delay the process. We want to get to the bottom of this.

I do not think there is a Member in this House of Representatives who has greater respect than the gentleman from Indiana [Mr. HAMILTON]. When you look at the committees he has chaired, I do not think there is a Member of this body, Republican or Democrat, who can come out this well and say that he rolled over their rights.

The majority in this Congress is more cognizant of the rights of the minority than any legislative body on the face of this Earth.

Mr. Speaker, I would ask my colleagues to defeat this motion.

Mr. MICHEL. Mr. Speaker, I yield the balance of our time to the distinguished gentleman from New York [Mr. SOLOMON].

The SPEAKER pro tempore. The gentleman from New York is recognized for 3½ minutes.

Mr. SOLOMON. Mr. Speaker, I have been here for 5 hours listening to this debate. I am reminded of the politician, maybe he was a Congressman, who was invited to address the inmates at a prison for the criminally insane. He got there and he held up his arms and he said, "Why are you here?"

And a little voice way out in the yard said, "Because we are not all there."

My friend, the gentleman from Indiana [Mr. HAMILTON], and he is a friend, ended his debate by saying that he cannot understand the intensity of why we on this side of the aisle do not want to form this task force.

Let me just read you one letter of thousands that were received by many Members of Congress after a hearing was held back in November. This particular one, just by coincidence, happens to be addressed to Mr. HAMILTON. This is a copy and I think he has seen it. It says:

OCTOBER 31, 1991.

October Surprise Hearings.
Hon. LEE H. HAMILTON,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN HAMILTON: Is there no end to the way you will continue to waste taxpayers monies???

Why in the hell would you, as a supposedly astute Member of Congress, chase a rabbit such as this???

Do you not have anything else to do than pursue rumors of some author who will make millions off of your proposed fiasco???

> To put it quite bluntly, who gives a damn??? Do you have a hoard of constituents pressing you on this matter???
>
> This issue is 10 years old; Carter and Reagan are history. Is it any wonder that the American public wants to restrict terms limits on Congress???
>
> Why are you not pursuing such important issues such as reducing the deficit, national health care, releasing highway and airport trusts fund monies and reducing restrictions on the business community???
>
> When you get done spending our tax monies on this issue, I wonder if you could also finance the exhuming of Huey Long's body???
>
> Tell me that this is just a Halloween joke!!!
>
> It would be nice if just once your august body could show some semblance of common sense in your pursuit of government and, if you have just got to get to the so called truth, then spend your own damn money, NOT MINE.
>
> Sincerely,
>
> ROBT. W. HAINES,
> *14013 W. 48th Terr.,*
> *Shawnee, KS.*

There are, incidently, hundreds of these letters.

You know, this citizen is so right.

Let me just say this on behalf of the taxpayers we all represent on both sides of the aisle. I hope we will support the Michel substitute, because it will only spend $300,000 instead of $3 million or some open-ended sum of money.

Probably this whole thing could be summed up by what was said in Newsweek magazine: "This is probably one of the largest hoaxes and fabrications in modern American journalism."

That was said by a Bob Woodward investigation; it did not cost the taxpayers a nickel.

The Derrick bill before you provides for unlimited expenditures of taxpayer dollars. It funds unlimited expense accounts for staffs, God knows who they are going to be, to travel all over the world. It provides for unlimited travel authority and unlimited staff. But the Derrick bill refuses to include the Carter administration within the scope of the investigation. And not only that, after the bill was introduced, it was amended.

It now says no, absolutely no Carter investigation. Democrats refused to even consider it.

□ 2120

The GAO says—and Members ought to listen to this seriously if they want to cast a reasonable vote—the GAO says,

> A thorough investigation of allegations would require an understanding of the context in which the events occurred, including the state of relations between the United States and Iran, particularly the nature and extent of any negotiations between the [Carter] Administration and the Government of Iran.

Mr. Speaker, the GAO is right. If we do not include Carter, we cannot have a thorough investigation. All we have got left is a witch hunt. Is that what we want? That is why the Michel substitute should be adopted, because it includes Carter administration activities in the investigation. And what is wrong with that? The Michel substitute limits the cost to $300,000. And what is wrong with that? It limits the length of this inquiry to 6 months and requires the task force to adhere to rules that are the same as we use to operate within this House. And it saves the taxpayers millions of dollars.

Support the Michel substitute.

Mr. DERRICK. Mr. Speaker, I yield the balance of my time to the distinguished majority whip, the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I want to first of all commend the fine job that my colleague, the gentleman from South Carolina [Mr. DERRICK], has done, and the gentlemen on the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL] and the gentleman from Indiana [Mr. HAMILTON], for the work they have done on it.

Mr. Speaker, the subject we are considering today is clearly not a pleasant one.

None of us wants to entertain the notion that any American—much less a candidate for the Presidency of the United States—might have delayed or interfered with the release of our hostages in Iran.

How could any American have conspired to lengthen the ordeal of those held captive in Teheran?

It's hard—and it is painful—to imagine.

But this evening, we must vote to authorize a full investigation of these charges.

Too many allegations just won't go away.

Too many questions remain unanswered.

Too many issues are still cloudy.

The charges are very, very serious:

There were 52 American lives at stake. A Presidential campaign may have tampered with the essence of the democratic process itself—using these hostages to manipulate the 1980 elections.

We owe it to the hostages—we owe it to the American people—and we owe it to history—to set the record straight if we can. And we are the only ones who can.

We do not want to find ourselves—10 years from now—answering charges that we in Congress did not at least try to find the truth.

Former President Reagan said he wants the air cleared and former President Carter has called for an investigation;

So have editorial writers all across the country.

And most important, so have the former hostages themselves.

They have called on Congress to investigate.

The people who were most directly affected—the people who spent 444 days in appalling conditions of captivity in Iran—they have called on us to stop the squabbling and get to the bottom of this.

Listen to what a dozen former hostages wrote just last week:

> Although we sincerely hope the allegations can be proved false, the decision to move ahead cannot be based on what we anticipate the outcome to be. We urge you—the leaders of Congress—to move this investigation forward and insure that dignity, rather than fear, will guide this process to a just conclusion.

This should not be a partisan issue. "I'm a Republican," wrote one former hostage, Moorhead Kennedy, "and I want to know exactly what happened." He urged the Republican party to take the lead in investigating the charges.

I hope that my colleagues on the other side of the aisle will listen to the pleas of these former hostages.

Each and every one of us hopes these allegations are false. But that hope does not absolve us of the responsibility to find the truth.

Only then, only then, can we put these troubling allegations to rest—once and for all.

Mr. HAMILTON. Mr. Speaker, I rise in opposition to the Michel substitute to House Resolution 258.

I oppose the Michel substitute for three reasons.

SCOPE

First, the substitute improperly defines the scope of the proposed investigation.

House Resolution 258 authorizes an investigation into the activities of the Reagan campaign—and not on the Carter administration—for a simple reason: There is evidence of hostage-related misconduct by individuals associated with the Reagan campaign.

Whatever one's judgment of President Carter's performance during the crisis, there is no doubt he was constitutionally empowered to conduct U.S. foreign policy. Contacts between unauthorized private citizens and Iran could be illegal. There is an important difference between the two.

TIME LIMIT

Second, the Michel substitute should also be opposed because of the 6-month time limit it would set on the proposed investigation.

Nobody wants this investigation to drag on indefinitely—and it won't. But a rushed investigation, or an investigation terminated before significant lines of inquiry have been pursued, would be a flawed investigation. A flawed investigation might fail to put these allegations to rest. And that would be in nobody's interest, not least those who have been accused of wrongdoing.

Setting a deadline for this investigation before it begins would be unwise.

First, the facts we will be pursuing, and the difficulty of determining them, simply cannot be known in advance.

Second, this investigation will be very complicated logistically:

Some task force investigators may need security clearances before they can begin work, and clearances can take time.

The task force will also probably request extensive document searches by several U.S. Government Departments, and these can also take time.

Investigating these allegations will require us to make inquiries and examine evidence around the world. We will be seeking the cooperation of several foreign governments, and that will also take time.

We would all be very pleased to see this matter wrapped up in 6 months. House Resolution 258 requires us to report to the Congress on the status of the investigation by July. The House will have an opportunity then to judge whether we have used our time wisely. But if the House wants our investigation to be thorough and effective, it should not tell us before we even begin just how long we can take.

RULES AND PROCEDURES

My final reason for urging Members to oppose the Michel substitute is because it provides for rules and procedures that would severely hamstring the investigation.

The procedures proposed in the Michel substitute are a recipe for an ineffective investigation. The Michel substitute would, in fact, deprive the task force of the same tools we have given other congressional investigative bodies.

First, requiring a majority vote for each subpoena would be extremely time consuming and difficult to arrange. It would be impractical.

It has been common practice in special congressional investigations to give the chairman responsibility for issuing subpoenas. Legislative committees do not normally conduct investigations, so House rules require them to vote to decide whether to subpoena a witness. But a specially created investigative body has already been asked to investigate something. Its very creation implies that subpoenas will be a necessary and frequent tool of its work.

House Resolution 258 requires the chairman of the proposed task force to consult with the ranking minority Member on subpoenas. I have promised Congressman HYDE, the ranking Member-designate, that I will consult closely with him on all aspects of this investigation.

We operated under similar rules during the Iran-Contra investigation. I worked very closely with the ranking minority Member of the House Iran-Contra Committee, Congressman CHENEY, and the ranking minority Member of the House Intelligence Committee, Congressman, STUMP. We reached agreement on all occasions.

Second, requiring a majority vote to close task force hearings would be impractical and unrealistic. The quorum for a hearing is two members. As my colleagues know, it is possible that only two members may be present at some hearings. These two members must be able to function as the task force. They must be able to order hearings closed.

Some matters before the task force will involve intelligence or other sensitive information. We cannot function effectively if two members participating in a task force hearing cannot order the session closed to discuss—and to protect—classified information.

Third, requiring Members to be present for all depositions is also impractical and unrealistic.

Given the character of the October Surprise allegations, depositions will probably need to be taken around the United States and perhaps abroad. Members' schedules being what they are, it would be nearly impossible to arrange for two members to be present at all depositions. Requiring two members to attend every task force deposition—no matter how far-flung—would be duplicative, logistically difficult, and would significantly restrict the number of depositions that could be taken. Nothing would hamper the task force's effectiveness or inflate its cost more than such a requirement.

Minority staff attendance at depositions is standard practice for congressional investigations. It will be the standard for this investigation as well. Minority members of the task force will be notified of all depositions sought by the majority, and I would expect the minority to do the same. The minority will therefore have an opportunity to participate in all depositions.

Mr. Speaker, by specially empowering its investigative bodies, Congress enables them to conduct investigations more effectively, more expeditiously, and perhaps less expensively than can our standing subcommittees.

The rules and procedures provided for in the Michel substitute would substantially hamper the task force's investigation. A weak investigation would be in nobody's interest.

I urge Members to vote against the Michel substitute.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of the Michel amendment and in opposition to the resolution if it is not adopted.

The American people want constructive action on the economy, health care, crime, and drugs. They want Congress, which they hold in low esteem—for good reason—to cut out needless and wasteful Government spending, not to throw millions of dollars at a problem that doesn't exist.

What the American people are seeing here today is an example of the way Congress acts for purely partisan reasons.

It is well to remind the people that the Democratic Party controls this House—has done so for 40 years, today there are 50 more Democrats than Republicans in the House.

All of the scandals of the House that the people are so upset about—bank checks, House restaurant bills, post office shenanigans, et cetera—have all been carried out under Democratic rules and control.

Mr. Speaker, I just don't see how the Democrats can think an investigation can be carried out of the October Surprise without looking into the activities of the Carter administration.

Mr. DERRICK. Mr. Speaker, I rise in opposition to the Michel substitute.

The House should reject the gentleman's amendment because it would doom this investigation before it even started. If the House wants to kill this investigation, then it should just kill it outright and save the gentleman from Indiana [Mr. HAMILTON], the gentleman from Illinois [Mr. HYDE], and the other members of the task force a lot of time.

The gentleman from New York [Mr. SOLOMON] offered essentially this same amendment in the Rules Committee, and the committee saw right through it. I trust the House will see through it as well. Let me address the major points raised by the proponents one by one.

The Michel substitute seeks to impose a 6-month time limit on the investigation, after which the House could vote to extend it if warranted. This provision is unnecessary and counterproductive for several reasons.

First, the Hamilton resolution calls for an interim report to the House by July 1, 1992, detailing the status of the investigation; the House can at that time—or even before—terminate the task force if it so chooses.

Second, we ought to learn from our experience with the Iran-Contra investigation. The Iran-Contra probe was subject to a time limit, and some of its Members have told me its work remained largely undone because of the pressures of that time limit.

Moreover, there are obviously some, in Congress and out, who want no investigation at all. Imposing a time limit provides opponents the opportunity to stymie the investigation merely by resorting to delaying tactics.

Finally, Mr. Speaker, we ought to learn from the evidence produced at the minority's own hearing on the resolution before the Rules Committee. At that hearing we heard testimony from seasoned General Accounting Office [GAO] investigators who had looked into one limited aspect of these allegations—the Brenneke allegations about a Paris meeting. I would remind the Members that in 1990 the Government tried and failed to convince a jury Mr. Brenneke's allegations were false.

The GAO investigators testified that their limited inquiry consumed some 85 staff days over 6 months and reached no conclusion, primarily due to the refusal of certain officials to cooperate.

Mr. Speaker, if an established investigatory agency like the GAO could not resolve one small aspect of the allegations within 6 months, a task force which does not yet exist has little chance of completing a much larger investigation within that time. But I would suggest that the lack of a 6-month time limit does not mean the probe will necessarily take longer than 6 months; it could end within weeks if the task force quickly finds conclusive proof in the negative.

The Michel substitute would also conform the task force, in most particulars, to the rules applicable to House committees, and thereby restrict the panel's flexibility in conducting depositions, subpoenas and closing meetings and hearings. Yet, inexplicably the Michel substitute would deny the task force the privilege of proxy voting, which is available to House committees.

House Resolution 258 reflects a well-crafted approach to the unique duties this task force will face. The task force may have to depose literally hundreds of witnesses, many of them only after subpoena. The normal two-member deposition requirement, coupled with requiring a task force vote to authorize subpoenas, would render that virtually impossible. The task force may have to travel overseas to conduct sensitive business; requiring a majority present to close a meeting would dramatically increase the costs of the investigation in that event, a result likely unforeseen by the proponents of the amendment.

With regard to proxy voting, I see no reason a task force of members of the Foreign Affairs Committee should be denied proxy voting, when those same members can vote by proxy in the Foreign Affairs Committee itself. Besides, none of the task force members will be relieved his other duties because of his service on this panel. Denying proxy voting would do nothing but make it more difficult for the task force to work. I believe it is best to let the task force members decide in which committees to vote by proxy, and in which to vote in person, where their meeting schedules conflict.

Finally, the substitute seeks to include within the scope of the investigation the activities of the Carter administration and campaign to secure the release of the hostages. If ever there were a red herring raised on this floor, this is it.

Jimmy Carter was the duly elected President of the United States in 1980. President Carter bore the responsibility under our Constitution to conduct U.S. foreign policy.

Whatever President Carter did officially to secure the hostages' release is utterly irrelevant other than to understand the context of the allegations. To that extent, I do not see how the task force could avoid looking into the Carter administration's activities whether we require it or not.

But more importantly, I know of no allegations that the 1980 Carter campaign in any way attempted to interfere with our Government's efforts to secure the hostages' release—other than the allegations made by the gentleman from Ohio [Mr. MCEWEN] during the Rules Committee's markup of this resolution.

While I certainly respect the gentleman from Ohio, I do not believe the task force should expend valuable time and money chasing down Mr. MCEWEN'S allegations about the Carter campaign.

In short, Mr. Speaker, the task force needs additional flexibility to do its job quickly, efficiently, and economically. This flexibility is reflected in House Resolution 258. The Michel substitute advances no policy goal other than impeding the task force's efforts to reach the truth. I urge the House to reject it.

Mr. Speaker, I yield back the balance of my time.

Mr. FASCELL, Mr. Speaker, I rise in support of the pending resolution creating a task force to investigate allegations that a delay of the American hostages in Iran in 1980 was the result of a deal between private American citizens and those in Iran who were holding the hostages.

These allegations have been illuminated in press stories, television shows, documentaries, speeches, and editorials in increasing numbers during the past 1½ years. A serious book, written by a credible, respected scholar who served at the National Security Council under three Presidents, is now in the bookstores throughout the Nation. The American public understands the serious nature of these charges and the American public deserves to know whether they are true. We owe this investigation to each former hostage. Spending 1 minute in captivity if earlier release was possible is unconscionable.

The answers to the questions raised by these allegations can only be found by a comprehensive, professional, congressional investigation. Any person having any knowledge on this subject must be put under oath.

These charges have never been investigated by any official body up to this point.

The Iran/Contra Committee, of which I was a member, did not investigate this matter even though some of these allegations were raised at that time. It was beyond the scope of our inquiry, no witnesses were deposed, no testimony was taken, no documents were subpoenaed. The Iran/Contra Committee did not investigate these serious, far-reaching allegations.

The Tower Commission, which was in business for only a few weeks, did not look into this matter at all. Known formally as the President's Special Review Board, its mandate was to study the involvement of the National Security Council in the Iran/Contra affair. It covered the period from 1984 to 1986. It did not, contrary to some assertions, look into the so-called October Surprise allegations.

The independent counsel likewise was mandated to look into criminal wrongdoing during the period of the Boland amendment and its aftermath. To look into this matter would be beyond the scope of the authority of the independent counsel. Again, the independent counsel did not investigate allegations about the October Surprise.

The General Accounting Office, upon the request of another Member of this House, examined the results of a Federal criminal trial which—in a surprising result—failed to convict a man who had alleged that Donald Gregg and Bill Casey met with Iranians in Paris in October 1980. The man also alleged that he had been told that George Bush was also there. The Federal prosecutor, who reopened this whole matter by bringing the charges in the first place, simply could not prove the whereabouts of Donald Gregg, Bill Casey, or George Bush on a particular weekend in October. The GAO investigation looked into the matter to find out why the whereabouts of three such prominent people could not be determined on that particular weekend. The GAO also failed to determine the whereabouts of these three individuals on that particular weekend. The Federal prosecutor refused to cooperate with the GAO as did the Secret Service. For that reason, the investigation was dropped—not completed, dropped. There was no report issued at the conclusion of their work since their access to key Government officials was blocked.

Mr. Speaker, it is time that these allegations be laid to rest. It is time for the American people to know the truth. At this late date, it may be difficult, perhaps impossible, to secure all of the facts. People have died, evidence has disappeared, records are no longer kept. Yet many of those allegedly involved are still alive, are still around and can be called to testify. Some records do exist. Some evidence is probably still around. We may not be able to prove whether this happened or did not happen but we have an obligation to try. Congress has oversight responsibility. It has an obligation to the American people to investigate serious allegations of wrongdoing. We have done it many times before. We will do it many times in the future. The fact that it may be difficult is no reason not to proceed.

I urge my colleagues to vote for House Resolution 258 which will create a special task force to look into these matters—for the first time—in a comprehensive, professional, bipartisan manner.

Mr. GREEN of New York. Mr. Speaker, I must oppose House Resolution 258, legislation to establish a House task force to investigate what some are calling the October Surprise. While I do not oppose this legislation on principle, and I believe the public has a right to question the past actions of their Government, in this case the House is acting to duplicate the efforts of the Senate, and is doing so in a way that undermines basic House rules.

First, establishing a House task force could result in presenting the taxpayers with a bill for $2.5 million or more, and yet it is not clear what the House task force will be doing that has not already been authorized for the Senate to do. The Senate has already granted an existing Foreign Relations subcommittee the authority to conduct an investigation into the October Surprise allegations. Why should the House create a wholly separate, new investigative body, at taxpayer expense, to examine those very same allegations?

Further, there are provisions of the resolution which I find very troubling. For example, in the taking of depositions, House Resolution 258 provides that only one staff member is necessary to take depositions and affidavits. If we are to conduct this investigation, it is important that elected Members of the House be present for such important proceedings as the taking of depositions, and that both parties be allowed to participate. House rules require that at least two Members, the hearing quorum minimum, be present for the taking of depositions or affidavits.

Also, again to the question of cost, if the House insists on conducting an investigation duplicating the work of the Senate, why not cap the costs of the investigation so as to spare the taxpayers? The Michel substitute amendment, House Resolution 255, does just that, allowing $300,000 for the House investigation.

Obviously, if there is anything behind the allegations, the public has a right to know. But I believe that one body of Congress should pursue this, not both. Thus, since the Senate has previously acted, I must cast my vote against the House's duplicating the Senate activities.

Mr. YOUNG of Florida. Mr. Speaker, to suggest that Ronald Reagan is so callous a human being that he would knowingly allow Americans to be held in bondage for political purposes is ludicrous.

I know Ronald Reagan well and many of you, on both sides of this aisle, know Ronald Reagan well enough to know that he would never place politics above the very rights of the people he was elected to serve. If, however, you are so cynical to believe that President Reagan and his campaign committee crafted a plot to allow American hostages to be held against their will, you must know that there was no political advantage to him to allow 52 hostages to be held 1 hour more than necessary after the voting booths closed on November 4, 1980.

Consider the source of these spurious, 12-year-old allegations. They are being made by anonymous witnesses, unnamed sources, and convicted felons who accuse our 40th President of not only deliberately having American hostages held for his political gain, but allowing them to be held for the 70 days between his election and inauguration. If the Reagan campaign committee was crafty enough, and devious enough to orchestrate such a heinous act, then they also were politically smart enough and well connected to the Iranian Government to know that the hostages should be released the day after the election. Even if you are so cynical to believe these charges, you must know in your heart, as I do, that Ronald Reagan would not stand by and allow fellow Americans to continue to be held against their will.

It is no wonder that poll after poll of the American people shows a steady decline in confidence in their elected officials. If those who serve in this Congress truly believe that the highest elected official in the United States of America would violate the human rights of the very people he was elected to serve by allowing them to be held hostage in Teheran for his political gain, then they themselves have no confidence what so ever in the office of the President or any of the branches of Government of the greatest democracy the world has ever known.

Mr. Speaker, while some in Congress may not have agreed with his politics or philosophical beliefs, even his most ardent opponents, from the Speaker of the House on down, agree that Ronald Reagan is a compassionate and caring man who holds the highest respect for the fundamental rights of people throughout the world. He devoted his 8 years of service to helping the oppressed gain freedom. To continue to recant fallacious allegations that he in some way forced Americans to be held against their will and in continuing peril by the Iranian Government is a disservice to the Office of the President and to the integrity of President Ronald Reagan.

Mr. Speaker, the U.S. House of Representatives is the people's house. The people have elected us to look forward and solve the problems of this great country, not to look backward more than 12 years to rehash unproven and mean-spirited allegations and accusations. In fact, almost two-thirds of our colleagues in this House did not even serve here when these events were said to have occurred.

The resolution before us this evening will do nothing to get our Nation's economy on track, to create more jobs, to provide health care for the American people, or to educate our children. It simply undermines the withering public trust in the office of the President and this Congress. It also undermines the respect and confidence of our allies throughout the world that we have spent the past 12 years successfully rebuilding.

Many this evening who have risen in support of this resolution have spoken of a responsibility to do the right thing. Well, Mr. Speaker, I say we have a responsibility to the American people to move this country forward. We have a responsibility to add new pages to our Nation's proud history, not tarnish the pages of our history written 12 years ago.

More importantly, we have a responsibility to accord Ronald Reagan the same respect that we have shown past Presidents. He should be remembered for his 8 years as President and the strong course which he chartered that has set free millions of people throughout the world and allowed us to regain our national pride. He should not be smeared by a mean-spirited campaign initiated by this Congress almost 4 years after his leaving office. The American people, the U.S. Congress, and President Reagan deserve better from us this evening.

Mr. BLILEY. Mr. Speaker, I am sorry that we stand here again in such a grossly partisan fashion, to debate an issue which is a slap in the face not only to this institution and its credibility, but the trust of the American taxpayer. Once again, they will be asked to foot the bill for an expensive investigation whose allegations have already been shown to be unsubstantiated in previous investigations. The Tower Commission has explored this matter, so has the GAO, the Iran Contra Committee and both House and Senate Foreign Affairs Committees, as well as a special prosecutor and the Senate Select Committee on Intelligence. All have found no evidence which corroborates any charges of influencing the Iranians.

This resolution authorizes the Speaker to appoint a task force to investigate allegations by a number of sources that the Reagan campaign in 1980 influenced the release of American hostages held in Iran. The resolution has no spending limit for this task force, nor time limit. The members of the task force will be taken directly from the House Foreign Affairs Committee, who I must point out, has already investigated this matter.

But, my colleagues in the majority leadership insist on an investigation. The timing of the consideration of this measure is flagrantly political, as the minority knows such an attempt to drag these questions into the late summer is an effort to damage the President and influence the election process. I am sorry to see this happen, and warn my colleagues across the aisle that these things do backfire. I remind all of my colleagues that the Congressional Budget Office has estimated that this investigation will cost between $1.2 million and $2.5 million. Reckless spending of this type can in no way be any comfort to those in this country who have been so deeply affected by the slipping economy. The American public does not want to see this institution once again wasting its time and their money on a purely political agenda. We should instead be working on an economic package, on debt reduction and on health insurance reforms. This investigation will in no way help those who have been hurt by our Nation's slipping economy.

Since it is inevitable that some kind of investigation take place, however, I urge my colleagues to support the Michel amendment. If the amendment is adopted, the investigation will be limited to a 6-month period with a $300,000 expenditure limit. It will further require that the task force be bipartisan, with equal minority and majority members and it will require that as they investigate this matter, they also include the Carter administration operations so that the entire picture may be laid before them. This amendment is not partisan, it is fair and it takes all possibilities into consideration. I urge the adoption of the substitute.

Mr. KOLBE. Mr. Speaker, Democratic hysteria in Congress over the economy continues to grow, and a March 20 deadline for congressional action to provide relief to taxpayers is rapidly approaching. The American people are looking to the Congress for leadership, especially since Democratic leaders have pronounced President Bush's economic package dead on arrival.

So, what is the first order of business for this session? Surprise! We are going to vote on a resolution to form a task force to investigate the October Surprise. The task force will investigate 12-year-old rumors that have been repeatedly called false and have been repeatedly discredited during the past decade.

The majority party's ideas of an October Surprise task force is blatant partisanship in its worse form. This task force has nothing to do with public policy, with solving our economic problems, or with improving the plight of taxpayers. Instead, Democrats will use this task force as a platform to bash the President and to try to expose events during the 1980 Presidential election, even while the American people will be choosing a new President in 1992.

There is no accident in bringing forth this issue this year. The Democrats know that even by discussing the October Surprise rumors, they will lend them credence, especially in an official congressional forum. Even worse, the majority resolution to create the task force has no time limit which allows it to conduct its investigation right up to election day.

The Republican substitute resolution, which I will support, sunsets at the end of 6 months.

The issue of whether or not the Reagan-Bush campaign participated in any way in the release of our hostages in Iran has been investigated to death already. The New Republic investigated the allegations and found that "the conspiracy as currently postulated is a total fabrication * * *. The key sources on whose word the story rests are documented frauds and imposters."

There are at least three individuals who will be counted on as sources for exposing the October Surprise.

The first is Barbara Honnegar, who was the first to claim knowledge of the October Surprise. She held a low-level Reagan administration job, but quit after hearing a channeled voice that told her President Reagan would lose the 1984 election.

The second is Richard Brenneke who claimed to have witnessed meetings in Paris between George Bush, William Casey, and representatives of the Iranian government. However, it's been proven that Brenneke was in the United States during the time of the alleged meetings thus making it impossible for him to be a witness.

The third is Ari Ben-Menashe who has made numerous unrealistic claims about his relationship with the Israeli government. He only came forward with his October Surprise claim after landing in jail on charges of selling transport planes to Iran.

With a group of witnesses like this, it is no wonder Newsweek said, after conducting a lengthy investigation, "that the key claims of the purported witnesses and accusers simply do not hold up."

Even though the allegations are totally outrageous, it does appear that we will have a task force. So the question then becomes, what kind of task force will be assembled? Here again, the majority party of this Congress has stacked the deck.

The scope of the task force's hearing is limited only to allegations regrading the Reagan-

Bush campaign. However, allegations have been raised regarding the conduct of the Carter administration during the 1980 election season. Surely both sets of allegations, those against the Reagan-Bush campaign and those against the Carter administration, should be investigated equally.

The Republican substitute resolution would form a task force to investigate both sets of allegations. Even the General Accounting Office has indicated that in order to conduct a thorough investigation, it is necessary to include Carter administration officials. Not according to the Democrats, who refuse to investigate the allegations regarding the Carter administration. Again, this smells of partisan politics of the most heinous kind.

Other portions of the majority resolution set dangerous precedents for conducting House business. For instance, the majority proposal would allow a single Member or staff member to take depositions or affidavits. House rules require that at least two Members or designated staff should be present to conduct business. The Republican substitute is consistent with House rules.

Finally, there is the question of cost. The Congressional Budget Office estimates that the costs that will be incurred by the task force will run between $1.2 and $2.5 million. We have another precedent for wasting the taxpayers' money on a similar endeavor. More than $30 million has been spent as a result of chasing down the alleged culprits of the Iran-Contra affair. The taxpayers should not have to put up with more spending nonsense.

Mr. Speaker, the majority resolution before us today is an affront to the traditions and values of this institution. Any semblance of fairness and bipartisan cooperation has been cast aside in a desperate attempt to gain an election year advantage.

Apparently, to the Democrats, the ends really do justify the means. Doubts will be raised, and suspicions will be cast by this October Surprise task force. However, the task force will uncover no wrongdoing, and a lot of political blood will be unnecessarily spilled to reach that conclusion. Reputations will become suspect, even in the face of unsubstantiated charges that will be reported in the media in the months to come. Merely by elevating unsubstantiated rumors to official status, as this task force will do, damage will be done. Unfortunately, that is precisely what the majority party of this institution has in mind.

The SPEAKER pro tempore (Mr. OBEY). All time has expired.

Pursuant to House Resolution 303, the previous question is ordered on the resolution and amendments thereto.

The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois [Mr. MICHEL].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. MICHEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 158, nays 249, not voting 27, as follows:

[Roll No. 12]

YEAS—158

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—249

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Darden
de la Garza
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Foglietta
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—27

Clay
Coleman (TX)
Cramer
Dannemeyer
DeFazio
Dymally
Eckart
Edwards (CA)
Flake
Ford (MI)
Gaydos
Hutto
Ireland
Johnson (TX)
Kolter
Lantos
Levine (CA)
Lightfoot
Luken
McDade
Morrison
Mrazek
Santorum
Stark
Thomas (CA)
Thomas (GA)
Whitten

☐ 2147

The Clerk announced the following pairs:

On this vote:

Mr. Johnson of Texas for, with Mr. Eckart against.

Mr. Thomas of California for, with Mr. DeFazio against.

Mr. LIPINSKI changed his vote from "yea" to "nay."

Messrs. BATEMAN, GREEN of New York, and HOPKINS changed their vote from "nay" to "yea."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. OBEY). The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 217, nays 192, not voting 25, as follows:

[Roll No. 13]

YEAS—217

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Browder
Brown
Bruce
Bryant
Bustamante
Cardin
Carr
Chapman
Clement
Collins (IL)
Collins (MI)
Conyers
Cooper
Cox (IL)
Coyne
Darden
de la Garza
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Edwards (TX)
Engel
Espy
Evans
Fascell
Fazio
Feighan
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hamilton
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (FL)
Levin (MI)
Lewis (GA)
Long
Lowey (NY)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Pastor
Payne (NJ)
Payne (VA)
Pease
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rangel
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—192

Allard
Allen
Anthony
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Brooks
Broomfield
Bunning
Burton
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carper
Chandler
Clinger
Coble
Coleman (MO)
Combest
Condit
Costello
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Erdreich
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Huckaby
Hunter
Hyde
Inhofe
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Myers
Nichols
Nussle
Oxley
Packard
Parker
Patterson
Paxon
Penny
Perkins
Petri
Porter
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Sangmeister
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Skelton
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Sundquist
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (WY)
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Weber
Weldon
Wilson
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—25

Clay
Coleman (TX)
Dannemeyer
DeFazio
Dymally
Eckart
Edwards (CA)
Flake
Gaydos
Hutto
Ireland
Johnson (TX)
Kolter
Lantos
Levine (CA)
Lightfoot
Luken
McDade
Morrison
Mrazek
Santorum
Stark
Thomas (CA)
Thomas (GA)
Whitten

□ 2204

The Clerk announced the following pairs:

On this vote:

Mr. Eckart for, with Mr. Johnson of Texas against.

Mr. DeFazio for, with Mr. Thomas of California against.

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MORRISON. Mr. Speaker, had I been present, I would have voted for the Michel substitute amending House Resolution 258. With the failure of the substitute my vote would have been cast against House Resolution 258 establishing a task force to investigate allegations that officials of the Reagan-Bush campaign of 1980 negotiated to delay the release of American hostages held by Iranian militants.

So far, concrete evidence confirming these allegations has not been produced. I regret that the issue will be wrung for as much political mileage as possible. President Bush maintains no involvement or knowledge on his part. I accept the President's word, unfortunately, others do not.

PERSONAL EXPLANATION

Mr. LUKEN. Mr. Speaker, I came to the floor to cast my vote on the passage of House Resolution 303, the rule for House Resolution 258, the October Surprise task force. I inserted my card and voted yea.

For some reason my vote is not recorded in the official RECORD. I intended to vote "yea.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent for rollcall votes 11 through 13. Had I been present during these votes, I would have voted "nay" on rollcall vote 11, "yea" on rollcall vote 12, and "nay" on rollcall vote 13.

APPOINTMENT OF MEMBERS TO TASK FORCE OF MEMBERS OF COMMITTEE ON FOREIGN AFFAIRS TO INVESTIGATE CERTAIN ALLEGATIONS CONCERNING HOLDING OF AMERICANS AS HOSTAGES BY IRAN IN 1980

The SPEAKER pro tempore (Mr. OBEY). Pursuant to the provisions of House Resolution 258, the Chair on behalf of the Speaker appoints the following Members to the task force of members of the Foreign Affairs Committee to investigate certain allegations concerning the holding of Americans as hostages by Iran in 1980:

Mr. HAMILTON of Indiana, chairman;
Mr. SOLARZ of New York;
Mr. GEJDENSON of Connecticut;
Mr. TORRICELLI of New Jersey;
Mr. DYMALLY of California;
Mr. BERMAN of California;
Mr. FEIGHAN of Ohio;
Mr. WEISS of New York;
Mr. HYDE of Illinois;
Mr. LEACH of Iowa;
Mr. GOSS of Florida;
Mr. BEREUTER of Nebraska; and
Ms. SNOWE of Maine.

GENERAL LEAVE

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks on House Resolution 258 and House Resolution 303, the two resolutions just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I take this time for the purpose of inquiring of the distinguished majority leader how he perceives the balance of the week legislatively and the normal Lincoln day break.

Mr. GEPHARDT. Mr. Speaker, if the gentleman will yield, obviously there will not be further votes today. There will not be votes tomorrow. There will not be a session tomorrow.

We do plan to have a pro forma session on Friday, February 7, again on Tuesday, February 11, and on Friday, February 14.

Then the House will meet at 12 noon on Tuesday, February 18. There will be several suspension bills. Votes will not be held on that day but rolled until Wednesday, February 19, when the House will meet at 2 p.m.

Mr. WALKER. Mr. Speaker, if the gentleman will yield, I understand that we are not going to do an adjournment resolution as such in order to accommodate the Lincoln day recess, but instead have decided to do a kind of a pro forma recess. Since we are operating under at least a Presidentially declared deadline for our economic program, can we receive some assurances that this time that the House is not going to be in Washington is not going to be at the expense of meeting that deadline?

Mr. GEPHARDT. Mr. Speaker, if the gentleman will continue to yield, let me assure him and the distinguished minority leader that the Committee on the Budget and the Committee on Ways and Means and the Committee on Armed Services will all be in session next week, and the Committee on Ways and Means intends to begin a markup of the tax legislation next week. And all of the members on those committees are expected to be here and to be working all through this period.

Obviously, the gentleman knows that we do not need to have floor action on these days, and I would seek some assurance from the minority that there will not be votes called so that Members will know whether or not to be here. But the committees will be working, and we will be trying to get the legislation prepared so that when we come back, legislation will be ready.

Mr. WALKER. Mr. Speaker, if the gentleman would yield further, I still did not hear an indication, beyond the fact that we are going to be working. Is there an assumption in all of this that both the House and the Senate are going to meet the March 20 deadline and that legislation will be sent to the President in time to meet that particular date?

Mr. GEPHARDT. Mr. Speaker, if the gentleman will again yield, it is our intent, and we have expressed it on a number of occasions, to do everything in our power to get this bill on the President's desk as quickly as is humanly possible.

As the gentleman knows, it is impossible for me or any other Member of this body to assure anyone in this body what the other body will ultimately do and on what time schedule it will do it.

The only thing we can talk about with any assurance is what we intend to do in this body. And it is the intention of the leadership to move that legislation as quickly as is humanly possible.

Mr. WALKER. Mr. Speaker, if the gentleman would yield further, it is also clear, however, that it is not likely to have completed the entire course of both this House and the Senate if this House does not complete its work until March 20.

I guess the assurance that I am seeking is that we will be done well in advance of the March 20 date so that if the other body in fact is the laggard on it, that that will be very obvious. But I would not want a recess that we are taking in February to be viewed later on as keeping us from having passed an economic package by say the first part of March and thereby giving the other body such time to act.

□ 2210

Mr. GEPHARDT. If the gentleman will yield again, we obviously would want to be here if that was important to get the committees to do their work. We believe the committees will act properly, will meet through next week. It is my understanding the Ways and Means Committee intends to stay at it until they get done and, therefore, we think going forward with these pro forma sessions is the proper way to proceed. And we want to get the bill out of the House before March 1.

Mr. WALKER. I thank the gentleman for yielding.

Mr. MICHEL. I thank the gentleman for responding. I might very well comment further that in our consultations with the majority that has been our understanding, that those committees, very important to the process here, would be meeting very regularly, and it would be rather foolhardy for us to simply be spinning our wheels if there were those Members who had made plans ahead of time, so long as the normal processes are being followed here by way of committee structure. In the distinguished gentleman's response to the questions of the gentleman from Pennsylvania I think that certainly gives us an assurance that we are going to have something on the floor of this House in due time to meet our kind of deadline here, and at least the gentleman from Illinois is proceeding on that assumption.

I would also say further to the gentleman I would expect to give our Members assurance that while we are having pro forma sessions there is a clear understanding that there will be no rollcall so that Members do not have to have any kind of concern that some unforeseen thing might come up that would require a rollcall. Surely the leadership on both sides would alert Members if there were any change in that normal practice, if I am correct.

Mr. GEPHARDT. I thank the gentleman.

ADJOURNMENT TO FRIDAY, FEBRUARY 7, 1992 AND ADJOURNMENT FROM FRIDAY, FEBRUARY 7, 1992 TO TUESDAY, FEBRUARY 11, 1992; ADJOURNMENT OF THE HOUSE FROM TUESDAY, FEBRUARY 11, 1992 TO FRIDAY, FEBRUARY 14, 1992 AND ADJOURNMENT OF THE HOUSE FROM FRIDAY, FEBRUARY 14, 1992 TO TUESDAY, FEBRUARY 18, 1992

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Friday, February 7; that when the House adjourns on Friday, February 7, it adjourn to meet on Tuesday, February 11; that when the House adjourns on Tuesday, February 11, it adjourn to meet on Friday, February 14; and that when the House adjourns on Friday, February 14, it adjourn to meet on Tuesday, February 18.

The SPEAKER pro tempore (Mr. ORTON). Is there objection to the request of the gentleman from Missouri?

There was no objection.

GIRL SCOUTS OF THE UNITED STATES OF AMERICA 80TH ANNIVERSARY DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 343) to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to acknowledge the work of the gentlewoman from New York [Ms. SLAUGHTER], who is the chief sponsor of this resolution.

GIRL SCOUTS OF THE USA 80TH ANNIVERSARY DAY

Mr. GILMAN. Mr. Speaker, I am pleased to rise today to support House Joint Resolution 343, designating March 12, 1992 as "Girl Scouts of the United States of America 80th Anniversary Day," and I commend the gentlewoman from New York [Ms. SLAUGHTER] and the gentlewoman from Maine [Ms. SNOWE] for their efforts on behalf of the Girl Scouts.

On March 12, 1992, the Girl Scouts will be celebrating their 80th anniversary. Serving 3.2 million, the U.S. Girl Scout movement is the largest organization for girls and women in the world.

Mr. Speaker, this resolution expresses recognition of the significant community service Girl Scouts have provided as a voluntary, nonprofit organization over the years. Girl Scouting has left a significant mark on a vast number of girls who have grown into distinguished women.

Founded in 1912 in Savannah, GA, and chartered by Congress in 1950, Girl Scouts of the United States of America has aspired to meet the special needs and interests of girls. The admirable organization has accomplished its goal of helping young women develop leadership ability, self-esteem, and moral values.

The rich diversity of the Girl Scouts movement has played a dramatic role in the improvement of our society. Membership is growing in all racial and ethnic groups, including African-American, Hispanic, Asian, Pacific Islander, and Native Americans.

Mr. Speaker, I invite my colleagues to join in celebrating the 80th anniversary of the Girl Scouts of the United States of America.

Ms. SNOWE. Mr. Speaker, I would like to thank Representative SLAUGHTER for her effort in bringing to the floor House Joint Resolution 343 to designate March 12, 1992, as "Girl Scouts of the United States America 80th Anniversary Day," commemorating the 80 years of service of our Nation of the largest organization for girls and young women. I am pleased to join as a primary cosponsor of this resolution.

It is important that we give special recognition and commendation to an organization that proudly strives to promote self-awareness, development of values, leadership skills and service to society for 3.2 million girls and women.

The guiding principles of the Girl Scouts were brought to the United States in 1912 by Juliette Gordon Low of Savannah, GA. While living in Scotland in 1911 Ms. Low was inspired by the ideas and programs of Lord Baden-Powell, founder of the Boy Scout and Girl Guide Movements. Ms. Low became involved in the movement and upon her return to the United States in 1912 she organized the first American Girl Guides with 18 members in Savannah, GA. Thus, March 12, 1912, is celebrated as the Girl Scout birthday. In 1950 under the initiative of Bess Truman and other prominent American women the Girl Scouts were chartered by a special act of Congress and became incorporated as the Girl Scouts of the United States of America as the first youth organization for girls and young women.

Since it began more than 40 million people have been Girl Scouts at some point in their lives. There is no doubt Girl Scouting leaves a lasting mark on the scores of girls who have achieved distinction, serving their communities in every capacity. We must also commend the community leaders who volunteer their valuable time to serve as leaders, national and council board members, advisers, and committee members. Without their support and dedication to the ideals of excellence Girl Scouting would not flourish as it does today. At this time Girl Scouting has become a vital part of our society, its impact on society positive and beneficial to all.

Mr. Speaker, how can one not feel pride in the accomplishments of the Girl Scout organization? Girl Scouting has evolved from an initial gathering of 18 young pioneers into a contemporary and forward-looking organization that not only cuts across diverse ethnic, religious, and economic backgrounds but also aids in their integration. Girl Scouting provides opportunities for girls and women from all segments and strata of society to develop their potential, make friends, and to become a vital part of their community. Among the alumnae are actress Helen Hayes, Senator BARBARA MIKULSKI, executive director of the Red Cross Elizabeth Dole, Erma Bombeck, and Dr. Joyce Brothers.

Mr. Speaker, I hope I will have the Congress support for the Girl Scout movement not only on March 12, 1992, but also in the years to come. It is clear that in 80 years Girl Scouting has made invaluable contributions of leadership, caring, and proficiency to individuals, communities, and our Nation.

Ms. SLAUGHTER. Mr. Speaker, today I want to thank my colleagues in the House of Representatives for supporting this resolution designating March 12, 1992, as Girl Scouts of the United States of America 80th Anniversary Day. This resolution recognizes the contemporary program and significant community service Girl Scouts of the United States has provided as a voluntary, nonprofit organization over the years.

The Girl Scouts of U.S.A. was founded in 1912, in Savannah, GA, and became the first youth organization for girls and young women to be granted a Federal charter in 1950. The organization focuses on meeting the special needs and interests of girls, and currently serves 3.2 million girls and women.

As a former Girl Scout, I understand the indelible mark it leaves on its members. The organization creates a supportive and educational environment that enables young girls to achieve their personal goals and become women of distinction. A study by Louis Harris and Associates of 300 women from Who's Who of American Women who were Girl Scouts found that almost there-quarters of these women made a firm connection between their experience in Girl Scouting and their later success. The all-girl setting helps girls develop leadership skills, self-esteem, and ethical values.

The Girl Scout movement is rich in diversity. Membership is increasing in all racial and ethnic groups, including African-American, Hispanic, Asian, Pacific Islander, and Native American. The Girl Scouts' diversity impacts on the whole society by exemplifying a community in which all members are equal and treated with respect.

From the Girl Scouts of the U.S.A. emerge competent, resourceful women who participate successfully in our complex society. I commend the Girl Scouts of the U.S.A. for its service to our Nation, and for its commitment to the betterment of all citizens. I celebrate the 80th anniversary of the Girl Scouts of the United States of America and look forward to the future of the Girl Scouts being as impressive as its past.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 343

Whereas March 12, 1992, is the 80th anniversary of the establishment of the Girl Scouts of the United States of America;

Whereas, on March 16, 1950, the Girl Scouts became the 1st youth organization for girls and young women to be granted a Federal charter;

Whereas, through annual reports required by its charter to be submitted to the Congress, the Girl Scouts regularly informs the Congress of its progress;

Whereas the programs and activities of the Girl Scouts instill in the girls and young women of the Nation principles that are moral and ethical, and habits, practices, and attitudes that are conducive to good character, citizenship, health, and service to others; and

Whereas, by fostering in girls and young women the qualities upon which the strength of the Nation depends, the Girl Scouts has significantly contributed to the advancement of the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 12, 1992, is designated as "Girl Scouts of the United States of America 80th Anniversary Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL WOMEN AND GIRLS IN SPORTS DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 395) designating February 6, 1992, as "National Women and Girls in Sports Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I simply want to acknowledge the work of the gentlewoman from Maine, Ms. OLYMPIA SNOWE, who is the chief sponsor of this joint resolution.

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 395, designating

February 6, 1992, as "National Women and Girls in Sports Day." I commend the gentlewoman from Maine [Ms. SNOWE] for introducing this important measure.

Female athletes and sporting events often do not receive the attention and praise heaped upon their male counterparts. This measure is an attempt to remedy that. Generations of young men have learned the importance of hard work, physical fitness, endurance, and teamwork from playing sports. Alongside them, however, often unnoticed, many young women were taking home the same virtues from their athletic contests. These young women have grown up to become the parents, laborers, educators, and business and political leaders that have made our Nation great.

As the 1992 Olympics approach, numerous women will represent our Nation to the world in a fair and friendly competition. These women represent all the best America has to offer to the world: Dedication, perseverance in the face of adversity, and a commitment to be the very best. As we glory in their triumphs, let us not forget the thousands of hours of training and practice behind their achievements, as well as the millions of other women who have traveled the same path, playing and practicing and competing far from the bright lights and network TV cameras. Surely we can do no less than set aside a single day to show our appreciation for these remarkable women.

Mr. Speaker, I urge my colleagues to vote in favor of House Joint Resolution 395.

Ms. SNOWE. Mr. Speaker, I am pleased to once again join my colleagues in the passage of a resolution proclaiming February 6, 1992, as National Women and Girls in Sports Day. This is the sixth year Congress has honored the achievement of female athletes.

Since 1987, a great many individuals and groups have worked to gain recognition for the role of women and girls in sports. It is now refreshing to see more and more women featured in the sports pages and on television. In a real turnaround for women, we now even have women journalists asking women athletes questions and writing about them. We've come a long way since the days when women's sports were never mentioned and there were no female writers. For female athletes the playing field is now more level than ever before.

As participants either past or present, everyone understands that sports are more than just fun and games. Through sports, children learn to take initiative, to work well with others, to set goals, and to develop a positive self-image—qualities crucial in a person's professional and family life.

National Women and Girls in Sports Day was conceived as a way to encourage women and girls to overcome this hurdle and participate in sports, to continue to work for equal opportunity in athletic programs and to celebrate the great progress made by females in sports.

This year is a particularly special year for women athletes because it is the 20th anniversary of title IX of the Education Amendments of 1972. As many of you know, title IX prohibits sex discrimination in educational institutions that receive any Federal funds. It applies to all programs at the institution, but has particularly visible effects in the area of athletics. Shortly after title IX's passage, there were great increases in teams and numbers of female athletes. We need to continue this progress. However, there is still much more to be done to truly equalize men's and women's athletics in college and high school.

The importance of National Women and Girls in Sports Day is that it reminds all of us how far we have come, and pushes us to strive toward our goal of equality. To all of us then I say, "forward."

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 395

Whereas women's athletics is one of the most effective avenues available for women of the United States to develop self-discipline, initiative, confidence, and leadership skills;

Whereas support and fitness activity contributes to emotional and physical well-being;

Whereas women need strong bodies as well as strong minds;

Whereas the history of women in sports is rich and long, but there has been little national recognition of the significance of women's athletic achievements;

Whereas the number of women in leadership positions as coaches, officials, and administrators has declined drastically over the last 14 years;

Whereas there is a need to restore women to leadership positions in athletics to ensure a fair representation of the abilities of women and to provide role models for young female athletes;

Whereas the bonds built between women through athletics help to break down the social barriers of racism and prejudice;

Whereas the communication and cooperation skills learned through athletic experience play a key role in the contributions of an athlete at home, at work, and to society;

Whereas women's athletics has produced such winners as Flo Hyman, whose spirit, talent, and accomplishments distinguish her above others and exhibited the true meaning of fairness, determination, and team play;

Whereas parents feel that sports are equally important for boys and girls and that sports and fitness activities provide important benefits to girls who participate;

Whereas early motor-skill training and enjoyable experiences of physical activity strongly influence long-life habits of physical fitness;

Whereas the performances of such female athletes as Jackie Joyner-Kersee, Florence Griffith Joyner, Bonnie Blair, Janet Evans, the United States Women's Basketball Team and many others in the 1988 Olympic Games were a source of inspiration and pride to the United States;

Whereas the athletic opportunities for male students at the collegiate and high school level remain significantly greater than those for female students; and

Whereas the number of funded research projects focusing on the specific needs of women athletes is limited and the information provided by these projects is imperative to the health and performance of future women athletes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) February 6, 1992 is designated as "National Women and Girls in Sports Day"; and

(2) the President is authorized and requested to issue a proclamation calling on local and State jurisdictions, appropriate federal agencies, and the people of the United States to observe the day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRISH-AMERICAN HERITAGE MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 350) designating March 1992 as "Irish-American Heritage Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, clearly we have no objection to this joint resolution, and I simply claim the reservation to acknowledge the work of the gentleman from New York [Mr. MANTON], who is the chief sponsor of this resolution.

Mr. MANTON. Mr. Speaker, I rise today in support of House Joint Resolution 350, a resolution I introduced to proclaim the month of March 1992, as "Irish-American Heritage Month." I am pleased that 218 of my colleagues have joined me in sponsoring this important resolution. I would also like to thank Chairman SAWYER for bringing this resolution to the floor.

House Joint Resolution 350 celebrates the heritage of over 40 million Americans of Irish descent. Irish-American Heritage Month is designed to honor all Irish-Americans and complement the hundreds or parades and activities sponsored around the United States every March in honor of St. Patrick's Day.

Mr. Speaker, Irish-Americans have played an important role in U.S. history. Irishman James Hoban designed the White House and assisted in the construction of the U.S. capitol over 200 years ago. Irish-born troops fought nobly in Antietam on the fields known now as "Bloody Lane" 130 years ago. Irish-Americans have contributed greatly to the enrichment of all aspects of life in the United States.

The idea for an Irish-American Heritage Month was first conceived by the late John W. O'Beirne, chairman of the American Foundation for Irish Heritage. The passage of this resolution will serve as a tribute to his hard work and dedication to increase the awareness of Irish-American heritage.

Again, I would like to thank my friend Mr. SAWYER for bringing House Joint Resolution 350 to the floor today. I urge my colleagues to join me in supporting this important resolution.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 350

Whereas the President of the United States for the first time designated March 1991 as "Irish-American Heritage Month";

Whereas for the first time the Governors of 28 States also designated March 1991 as "Irish-American Heritage Month";

Whereas the Mayors of Boston, Chicago, St. Louis, San Francisco, Savannah and Washington, D.C., designated March 1991 as "Irish-American Heritage Month";

Whereas 200 years ago the Irish-born James Hoban designed the White House and later assisted in the building of the United States Capitol;

Whereas 130 years ago Irish-born troops fought valiantly on the fields now known as "Bloody Lane" at Antietam;

Whereas on March 17, 1991, St. Patrick's Day, 220 community parades honored the patron saint of Ireland;

Whereas the Irish and Irish descendants have contributed greatly to the enrichment of all aspects of life in the United States, including military and governmental service, science, education, art, agriculture, business, industry, and athletics; and

Whereas more than 40,000,000 individuals in the United States claim Irish ancestry: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 1992 is designated as "Irish-American Heritage Month", and the President of the United States of America is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 395, House Joint Resolution 343, and House Joint Resolution 350, the joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 102–177)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Joint Economic Committee; and ordered to be printed.

ECONOMIC REPORT OF THE PRESIDENT

To the Congress of the United States:

1991 was a challenging year for the American economy. Output was stagnant and unemployment rose. The recession, which began in the third quarter of 1990, following the longest peacetime expansion in the Nation's history, continued into 1991. The high oil prices and the uncertainty occasioned by events in the Persian Gulf were quickly resolved with the successful completion of Operation Desert Storm early in the year. Most analysts expected a sustained recovery to follow. Indeed, signs of a moderate expansion began to appear in the spring. Industrial production and consumer spending rose for several months. By the late summer, however, the economy flattened out and was sluggish through the rest of the year.

Our recent economic problems are a reminder that even a well-functioning economy faces the risk of temporary setbacks from external shocks or other disturbances. Market economies, such as the United States, are continually restructuring in response to technological changes and external events. Occasionally, structural imbalances develop that can interrupt economic growth. The American economy experienced an unusual confluence of such imbalances in recent years, for example in the financial and real estate sectors, and in household, corporate, and governmental debt. At the same time, a major reallocation of resources from defense to other sectors has been under way. Not least, the lagged effects of a relatively tight monetary policy coupled with problems in the availability of credit, especially for small and medium-sized businesses, dampened economic growth.

The U.S. economy, however, remains the largest and strongest in the world. The American people enjoy the highest standard of living on earth. American productivity is second to none. With less than 5 percent of the world's population, American produces a quarter of the world's output.

As we move into 1992, the fundamental conditions to generate economic growth are falling into place. Interest rates are at their lowest levels in decades and should help boost investment and consumer spending. Inflation is down and expected to remain relatively low. Generally lean inventories imply that increases in demand will be met mainly from new production, which will generate gains in employment and income. America's international competitive position has improved, as evidenced by record levels of exports.

Nevertheless, the United States faces serious economic challenges: To speed, strengthen, and sustain economic recovery; and, simultaneously, to provide a firmer basis for long-term growth in productivity, income, and employment opportunities. In both my State of the Union Address and my fiscal 1993 Budget, I presented a comprehensive program to encourage short-term recovery and long-term growth. I have already taken steps to accelerate job-creating Federal spending, to adjust income tax withholding that will add about $25 billion to the economy over the next year, and to renew the attack on excessive regulation and redtape that hamper business formation and expansion and job creation. I will also continue to support a monetary policy that keeps inflation and interest rates low while providing adequate growth of money and credit to support a healthy economic expansion.

Most of my program will require congressional action. In addition to the executive actions I have already announced, my immediate agenda includes:

—Investment incentives to promote economic growth: a reduction in capital gains tax rates; a 15-percent investment tax allowance; and an improved alternative minimum tax.

—Incentives to help revive real estate: a $5,000 tax credit for first-time homebuyers; penalty-free withdrawals from individual retirement accounts for first-time homebuyers; low-income housing credits; tax preferences for mortgage revenue bonds; a modified passive loss tax rule; and a tax deduction for losses on the sale of a personal residence.

My intermediate and longer term agenda includes:

—Investment in the future: record levels of spending for Head Start and anticrime and drug abuse programs; a comprehensive Job Training 2000 initiative, which will enhance the skills and flexibility of our work force; record levels of spending for research and development and infrastructure; record spending on math and science education; and Enterprise Zones.

—Pro-family initiatives: an increase in the personal tax exemption for families with children; new flexible individual retirement accounts for health, education, and first home purchases; and tax deductibility of interest paid on student loans.

—Comprehensive health reform: vital cost containment measures and tax credits for the purchase of health insurance.

Also before the Congress is an urgent unfinished agenda that I proposed earlier, including financial sector reform to make our banking system safer, sounder, and more internationally competitive; the America 2000 education reforms necessary to meet the national education goals, produce a new generation of American schools, and provide the choice and competition that will promote better performance and strengthen accountability; the National Energy Strategy to meet our Nation's energy needs through a combination of enhanced production, diversification of sources, and conservation, thereby enhancing our energy security; and legal reforms to reduce the litigiousness that unnecessarily adds to costs and stifles innovation and productivity.

Successful completion of the Uruguay Round of the General Agreement on Tariffs and Trade and a North American free-trade agreement remain major priorities. I also urge congressional action on the Enterprise for the Americas Initiative. These market-opening initiatives will spur growth and create jobs.

My program can be accommodated within the limits established in the budget agreement of 1990. I am also asking the Congress for budget process reforms: a line-item veto and caps on so-called mandatory programs to control the growth of government spending. Maintaining fiscal discipline is essential to reallocating resources toward investment in the future.

These proposals are described in detail in the fiscal 1993 Budget, and in legislative proposals I am forwarding to the Congress. The Annual Report of the Council of Economic Advisers, which accompanies this Report, discusses the strengths of the U.S. economy and the challenges it faces in the short run and the long run. It also explains how my comprehensive economic growth proposals are designed to move us toward a more prosperous America.

GEORGE BUSH.

THE WHITE HOUSE, *February 5, 1992.*

□ 2220

CIA CASTING ABOUT FOR NEW MISSIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, the debate continues on the preeminent issue of U.S. policy after the cold war. I commend the following article to my constituents for their consideration.

The article follows:

[From the New York Times, Feb. 4, 1992]

C.I.A. CASTING ABOUT FOR NEW MISSIONS

(By Elaine Sciolino)

WASHINGTON, February 3.—Standing in a nondescript conference room in a convention hotel in East Brunswick, N.J., James T. Fitzgerald does what he has been doing for the last 25 years: pitching the Central Intelligence Agency to aspiring recruits.

"It's not like the James Bond movies," he explains to 28 men and a woman, college graduates invited to the orientation on the basis of their résumés. "The more you learn about the C.I.A., the more you read about it, the more unromantic it becomes."

For an hour, Mr. Fitzgerald works with the group but never uses the words "Soviet," "enemy" or "covert," or even "espionage." Rather, he tells his audience that the mission of the agency is now so diverse it "could probably staff a small university."

Like a secret agent who carries an invented history and clean passport to a new post, the C.I.A. is struggling to create a new, post-cold-war identity. If Robert M. Gates, the Director of Central Intelligence, could have his way, the spy agency would shed its popular image as a hotbed of operators who conduct covert actions around the world, or seduce foreigners into committing treason in the interests of America's national security.

A child of the cold war nurtured on an us-versus-them mentality, the C.I.A. is longing to be accepted as a benign arm of the government bureaucracy, the place to come for cutting-edge information on everything from the effects of the AIDS epidemic on the emerging leadership of Africa to the possibilities of war in the Middle East over water resources.

In fact, some of the recruits said they were attracted to the C.I.A. not by the prospect of spy-movie adventure. They came for job security.

"I'm trying to get into something more structured, more stable than the job I have," said a 27-year-old man, an economics graduate who is working as a supervisor of cashiers in an Atlantic City casino. "All I need to do now is count," said the candidate, who asked not to be identified. "I'm choosing the C.I.A. because the benefits are good. The Government takes care of you."

COVERT ACTION DE-EMPHASIZED

Only a decade ago, the agency was leading clandestine military operations against the Soviet Union or its proxies in countries like Afghanistan, Angola and Cambodia. Those covert operations have ceased, as the Soviet Union withheld from regional conflicts, then broke apart.

"In terms of dollars, the investment in covert action has already plummeted," said Gary E. Foster, the C.I.A.'s Deputy Director for Planning and Coordination.

Mr. Gates has even approved the recommendations of an "openness task force" to declassify millions of documents and make senior officials accessible to the public. "Transparent is now the operative word," a C.I.A. reformer says—a revolutionary idea in an environment where success has been measured by the ability to remain opaque.

Still, the covert side has not disappeared. The agency argues that it still needs covert operators, in part to sift the increasing volume of information that is coming from newly opened societies. And it continues to give recruits a small gray pamphlet that promises adventure and unpredictability in the "clandestine service."

"The call may come in the middle of the night or on a rainy Sunday morning, or it may interrupt a dinner party or a daughter's graduation," the pamphlet says. "If it is urgent, the case officer exits his social and cover life to meet with an agent in a corner of a deserted park, at a table in a bistro, or in a safehouse."

SECRETS—SLEUTH IN DEMAND HAS AN M.B.A.

But now, the way to move up in the agency is no longer to run successful operations against the Soviet enemy.

The M.B.A. who can trace a tortuous money trail through a foreign banking system is coming to be more important than the trench-coated spy who can follow an enemy agent through a back alley overseas. As Mr. Fitzgerald tells his young charges, "We're really looking for economists these days."

Similarly, the skills of thousands of people who collect Soviet military communications with satellites and other technical means are becoming obsolete.

After a decade or so when satellites were pre-eminent, it is becoming clearer that they are unable to discern intentions. Aerial surveillance could not penetrate the mosques or teahouses of Teheran to test the depth of opposition to the Shah. Nor could it watch Saddam Hussein's inner circle to figure out whether Iraq would use the tanks and troops it had massed on the Kuwaiti border.

"There's no real need for Field Station Berlin, or a variety of listening posts in Germany, which, among other things, listened to Warsaw Pact military communications," said Jeffrey T. Richelson, the author of several books on American intelligence agencies. "Not when there's nothing more to listen to."

CHANGES—WITHOUT RED PERIL, WHO'S THE ENEMY?

C.I.A. soul-searching stems not just from a belief that the world has become safer. There's also the realization that in a world where the postwar enemy has ceased to exist, the C.I.A. and its handful of sister agencies, with their billion-dollar satellites and mountains of classified documents, must somehow remain relevant in the minds of Americans.

This situation raises anew a question that Senator Daniel Patrick Moynihan, Democrat of New York, asks: Without the Soviet threat, why not just abolish the C.I.A. and let the State Department take over?

For 40 years the threat of nuclear war drove the C.I.A., along with the other agencies and departments that make up the $30 billion-a-year constellation that is often called "the intelligence community." Included are the National Security Agency, which is responsible for eavesdropping around the world; the Defense Intelligence Agency, the Pentagon's intelligence arm; the National Reconnaissance Office, which manages satellite intelligence, and analytical intelligence pockets tucked away in the State, Commerce and Treasury Departments.

Few if any C.I.A. officials agree with the notion that the intelligence agencies still need to focus 60 percent of their resources on the Soviet threat. In recent months, the atmosphere has been so cozy that shortly after Robert S. Strauss arrived in Moscow last summer to take up his post as President Bush's Ambassador, the K.G.B. handed him detailed wiring diagrams for listening devices in the new United States Embassy. K.G.B. agents wearing visitors' badges are being given tours of the C.I.A. and the F.B.I.

William E. Colby, a former C.I.A. chief, tells of sitting around a table with the heads of half a dozen Eastern European intelligence services at a planning conference in Bulgaria in November, lecturing them on how to function in a democratic society.

"It knocked me out," Mr. Colby recalled. "I told them, 'Well, it is possible to run an intelligence service in a free society. It's a bit of a nuisance,' I said, 'but you can work out relations with Congress and adjust to a bill of rights and an independent judiciary.'"

As the conference unfolded, the Bulgarians agonized over what to do about their old boys schooled in the practice of torture, while others wondered what to do with their potentially explosive files. Mr. Colby was so struck by the new mood that he said enthusiastically, "Isn't it wonderful to be allies?"

The overwhelming sense that opponents have become allies has prompted him to tape a message of peace for the Coalition for Democratic Values, an organization of liberal Democrats founded by Senator Howard M. Metzenbaum of Ohio.

"I'm William Colby, and I was head of the C.I.A.," he says in a recent 30-second television commercial. "The job of intelligence is to warn us of dangers to our military. Now the cold war is over, and the military threat is far less. Now it is time to cut our military spending by 50 percent and invest that money in our schools, health care and our economy."

ECONOMICS—A CREATIVE TOUCH TO THE TRADE WARS

The intelligence agencies have so far been only peripheral players in a vital post-cold-war struggle: the effort to retain American economic primacy among the world's industrial nations.

As the military threat has receded, the belief that American security rests in economic strength has grown. As a result, many analysts are asking: Why not give the C.I.A. and its sister agencies the task of making the United States more competitive by spying on foreign corporations and turning over their secrets to their American counterparts?

Ethical objections aside, the critics of such an idea speak of the independence of American companies from government, and say: they do not want Washington to become the handmaiden of industry. And as intelligence officers are fond of saying, they may be willing to die for America, but not necessarily for General Motors.

The most the C.I.A. will do, Mr. Gates has said, is to scrutinize the trade and financial transactions of foreign governments, particularly those of allies who are helping their industries at America's expense, and to investigate global developments in high-tech areas that affect national security. Together with the F.B.I., the C.I.A. will also step up efforts to prevent foreign corporations and governments from stealing secrets.

"We know that foreign intelligence services plant moles in our high-tech companies," Mr. Gates said during his confirmation hearings last fall. "We know that they rifle briefcases of our businessmen who travel in their countries. We know that they collect information on what we're doing, and I think the C.I.A. and F.B.I. working together should have a very aggressive program against it."

But, he added, "There is a lot of concern about doing industrial espionage, if you will, and I frankly don't think that U.S. intelligence should be engaged in that."

Other officials say they cannot become the policemen for American business. The F.B.I. recently reassigned more than 300 of its counterintelligence agents to drug trafficking and domestic problems, reflecting its changing priorities at a time when spying by Eastern European intelligence services has virtually disappeared.

"If it's just a question of an American company getting beat out by another company, I don't think we'd launch a major intelligence investigation," said Wayne Gilbert, assistant director of the F.B.I.'s intelligence division. "When a foreign company actually puts agents in a company for a long period of time in a way that directly affects national security, that's when we'll act."

LANGUAGES—AGENT OF TODAY IS FLUENT IN UZBEK

As soon as he was confirmed in November, Mr. Gates began defining a new role for the agencies he took over, arguing that they were still preoccupied, by habit and organization, with a Soviet military machine that no longer existed. If he did not make major changes and specify budget cuts, he told intelligence officials on Dec. 4, Congress would do it for him.

As these agencies adjust to the new global realities, they are organizing around three loosely connected central concepts: the disintegration of the Soviet Union and the instability this has spawned; the spread of weapons of mass destruction, including a new risk that there are some in the former Soviet Union who would peddle their weapons and their expertise around the world, and the continued existence of totalitarian governments.

President Bush's National Security Directive No. 29, issued in November, dealt with intelligence requirements until the year 2005. It spoke of an urgent need for "a top-to-bottom examination of the mission, role and priorities of the intelligence community."

Mr. Gates hopes to devise a plan for restructuring by the end of March. Because the intelligence agencies' budget will surely shrink by billions of dollars, he intends to take the same approach that a wedding caterer might: He'll offer a range of menus for different budgets.

Many intelligence managers resist change, though. At the F.B.I. Mr. Gilbert says he has detected no marked decrease in spying on the United States by the new Russian version of the K.G.B. That assessment is shared by the C.I.A.

Arguing that the major espionage cases of the last 15 years have involved people selling secrets for money, Mr. Gilbert says the F.B.I. must remain vigilant against those who continue to sell secrets, even if Moscow's Embassy is no longer the primary bazaar.

"We don't want to rush out and have those warm, fuzzy feelings and then suddenly find there are new systems established to infiltrate our services," he said in an interview. "I'm not throwing cold water on the idea that we are one, big peaceful world. I just have to be cautions."

The C.I.A., for its part, has taken some tentative steps to reorganize. Last summer it cleared a wing of one of its buildings to make space for a Non-Proliferation Center that is now staffed by almost 100 experts. At the same time, the agency has disbanded its Soviet insurgency branch and its Soviet disinformation unit. In the last two years, it has cut its Soviet foreign policy staff by two-thirds and its weapons analysis staff by 25 percent. But agency officials are reluctant to make changes that cannot be reversed.

"It's not an on-and-off switch," said George Kolt, director of the Office of Soviet Analysis, lately renamed the Office of Slavic and Eurasian Analysis. "You can't say to someone, 'You do research on Uzbekistan because people are interested in it,' then tomorrow say, 'Go do research in Latvia.' You have to train people. You can't switch people out of the blue."

Critics argue that neither the C.I.A. nor the State Department can cope with the deluge of newly available material since the Soviet collapse. They say that the government is woefully lacking in language skills at a time of need—when, for instance, Ukraine's Foreign Ministry has switched its news conferences from Russian to Ukrainian, and when a recent oil deal between Azerbaijan and Iran was announced in Azerbaijan.

"Before last September you could follow the non-Russian republics by reading only Russian, because the Russian press was at least as official as the non-Russian press," said Paul Goble, until recently the State Department's leading expert on Soviet nationalities and now at the Carnegie Endowment for International Peace. "Now the opposite is true, and you're in big trouble if you can't read the local language."

Asked whether it was difficult to find people to translate newspapers from the various republics, an intelligence official remarked: "Translate them? We don't even get them!"

Mr. Gates, during his confirmation hearings, acknowledged that the agency had been so focused on the inner workings of the Kremlin that it had to rely on travelers for information about the republics.

FRONTIERS—THRILL IS GONE; MISSION CONTINUES

But reorganization and language training will not provide the intelligence agencies with a program that can compare with its grand, global, cloak-and-dagger mission of the cold war. They are taking on new issues, without the consensus that existed before. Proponents are calling them essential, while detractors say they are make-work—"organizational maintenance," as Senator Moynihan puts it.

"In many ways the situation today is similar to 1947, when the C.I.A. was first created," said Adm. Bobby Ray Inman, former Deputy Director of Central Intelligence. "The essence of intelligence wasn't yet us-versus-them, but was driven by challenges of the moment: How do you locate scarce resources, or how do you govern a liberated country? You needed encyclopedic knowledge about the world because you didn't know where next challenge would come from."

Whoever is proved right, it is difficult to imagine how analysts or covert operators can get as excited about the environmental impact of Brazil's shrinking rain forest or the dumping of toxic waste in Eastern Europe as they did about the life-and-death struggle between East and West.

Still, senior agency officials insist that the C.I.A. will have no problem finding a mission.

"If ever there was a non-problem, this is it," said John L. Helgerson, the C.I.A.'s Deputy Director for Intelligence, in an interview.

"So many people are asking us so many things—on China, on Yugoslavia, on North Korea; Proliferation—it's a growth industry at the moment like no other. We could put everyone in the agency in proliferation and narcotics, and we still wouldn't solve the problems."

THE NATIONAL SECURITY ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. McCURDY] is recognized for 5 minutes.

Mr. McCURDY. Mr. Speaker, in the more than four decades since the enactment of the National Security Act of 1947, responding to a single threat—that posed by the Soviet Union—has been the chief preoccupation of the United States. The potential possessed by the Soviets to destroy our Nation through a nuclear attack has shaped our foreign policy, military strategy, and political debate.

With the demise of the Soviet Union, that threat has been substantially reduced. Just as our public discourse must adjust to this new reality, the governmental organizations which have been primarily focused on the Soviet Union must also be reevaluated. This process has begun for the Armed Forces, and it must be undertaken for our intelligence agencies as well.

I have today introduced legislation, the National Security Act of 1992, which is intended to stimulate debate on the role the U.S. intelligence community should play in the Nation's future, and the way it should be organized to operate effectively. Despite the Appearance of centralized authority given by the names of some of its components, the intelligence community has developed over the years in a largely uncoordinated way. This has made it difficult for anyone to be confident that intelligence resources were being deployed efficiently in support of national priorities. Frequently, the result has been unnecessary duplication of effort which has produced mountains of information, but little useful intelligence.

My bill seeks to address this problem by establishing a Director of National Intelligence [DNI]. The DNI will be directly responsible to the President for the provision of intelligence advice and the conduct of the activities of those organizations involved in the collection, analysis, production, and dissemination of national, as opposed to tactical military, intelligence. This coordinating responsibility will be exercised through control of the National Foreign Intelligence Program [NFIP] budget. The ability to allocate both dollars and people among NFIP components will enable the DNI to ensure that national priorities are addressed effectively, and at the least possible cost.

The legislation creates two Deputy Directors of National Intelligence to permit a division of the chief responsibilities of the intelligence community along functional lines. A Deputy DNI for the intelligence community will be responsible for the coordination of the community's human signals, and imagery intelligence activities, the crisis and warning function, as well as general administration of the community. The other Deputy DNI, for Estimates and Analysis, will be responsible for the community's analytical and estimative activities. It is my hope that the clear division which will be created between intelligence operations and intelligence analysis will make it possible for there to be a much more open exchange of information between scientists, academicians, business leaders and intelligence analysts than has been possible in the past.

Under the bill, the Central Intelligence Agency will remain but its size will be significantly reduced and the scope of its mission restricted. With most of its analytical function, as well as several other activities, transferred to the Deputy DNI for Estimates and Analysis, the CIA will exist to provide the DNI with an operational element to undertake human intelligence activities, as well as those special duties assigned by the President or the National Security Council. The CIA will be physically separated from the National Intelligence Center which will house the DNI and his or her deputies, to underscore that, while the Agency still has a role to play, it will no longer be the driving force in the intelligence community.

While intelligence will need to respond to a very different set of challenges in the future, its traditional role in support of military commanders will remain. My bill makes sure that the new structure for National Intelligence will not only be relevant to the needs of the military, but address those needs on a priority basis in a time of conflict or crisis.

The need for change in the intelligence community is widely recognized. The new Director of Central Intelligence, Robert Gates, has commissioned task forces to examine a number of structural issues. Legislation nearly identical to mine has been introduced by the chairman of the Senate Intelligence Committee, Senator BOREN. I hope that we can all work together to identify areas of common concern and craft solutions. The bill I have introduced is intended to play a helpful role in that process. Our goal should not be to invent new missions in an effort to justify the maintenance of an immense intelligence apparatus. Rather our goal should be to ensure that our national intelligence agencies are properly focused and structured to respond to those real intelligence needs which can reasonably be expected in the future. This legislation suggests a focus and structure for that purpose and I look forward to discussing it with the witnesses who will testify at hearings the Intelligence Committee will soon begin on these issues.

THE OCTOBER SURPRISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN of California. Mr. Speaker, I want to do a little clarification here on the debate that raged and waxed and waned in this Chamber all afternoon on the so-called October Surprise.

For the rest of my life, the October Surprise to me will be October of 1990, not October of 1980. The surprise in October of 1990 was when our great President said, "Unread my lips," basically and suddenly we had a tax-raising measure on the cusp of a recession that threw us into a long, nagging recession, the longest we have had since World War II, and it is still clinging to us and costing a lot of Americans, men and women, grief as they lose their jobs.

But let us take the so-called October Surprise that we discussed here all today. First of all, here is the final vote, and Americans should be aware of how close we came to not spending this $3 million in this science fiction, and the vote was 217 to fund this investigation, to investigate as it says on our computer readout, certain allegations concerning the holding of Americans as hostages by Iran in 1980. Well, of course, they had been there since November 4, 1979. The vote was 217 to have this investigation, 192 noes.

The Republican Party voted consistently, every one of those present, 158, 8 not voting. Of the majority party, it was 216 yes, and the 1 independent, the gentleman from Vermont [Mr. SANDERS], made it 217. Thirty-four of my colleagues on the other side of the aisle, on the majority side, Democrats, said no.

One of them I would like to make mention of, the distinguished gentlewoman from Maryland [Mrs. BYRON], because I mentioned her during my remarks during the debate.

I said that as far as I knew only one majority Member had flown the world's most exotic airplane, and there are still two flying for NASA at Edwards Air Force Base. All the rest have been offered to museums or mothballed, and that is the Blackbird, which holds every speed and altitude record in the world. It has held those records for decades. It was an absolute wonder of aerospace technology, the Blackbird, the SR, Strategic Reconnaissance, 71, which would fly over 80,000 feet, three times the speed of sound, and served us around the world until about 2 years ago when it was foolishly and prematurely shut down because we could have certainly used it in Desert Shield and Desert Storm. Everyone conceded that.

□ 2230

Now, I said that the gentlewoman from Maryland [Mrs. BYRON] having flown that aircraft and the gentleman from Arizona [Mr. STUMP] and myself having flown it on this side were all asked, and I confirmed this with the gentlewoman from Maryland [Mrs. BYRON] tonight, to give up 3 days out of our lives to go out to Beale Air Force Base in Marysville, CA, and not only get simulator training, which I mentioned on the floor, and not only get hours and hours of study and education on physiological training beyond anything I had ever had to fly F–100's or F–86's in the Air Force or to fly, just as I have been a Congressman, five times in F–16's, four times in F–15 Harriers, 14–A–6's, everything in the arsenal I have flown on my physiological training card which I get at Andrews Air Force Base, giving them about half a day.

The SR–71 again requires 3 days. The gentlewoman from Maryland [Mrs. BYRON] said to me, "Bob, you forgot to mention the altitude chamber."

Now, to get your card for any Member to see what we are spending our money on or any young guy going through jet pilot training or any young lady in the Air Force, Marine Corps, or Navy, you have to go through an altitude chamber. They take you up to 45,000 feet, bring you down to about 35,000. You take your mask off and try to learn what your personal signature is for hypoxia, because it can kill you. If you do solo in a jet fighter, it costs the Government not only your precious life and all your training money expended on you, but a highly expensive airplane.

Well, the gentlewoman from Maryland [Mrs. BYRON] reminded me that we were taken up to over 80,000 feet in that altitude chamber.

The reason I brought this up was to make this whole October thing work and involve George Bush who had then been in the private sector for 4 years under President Carter, the Commander-in-Chief of all our military forces, who used very effectively that Beale Air Force Base wing, the SR–71's, the 9th Strategic Reconnaissance Wing, Bush, a civilian, would have had to have been stuffed into the back seat of this SR–71, flown across the Atlantic against the prevailing jet stream, would have required three refuelings with the 100th Strategic Refueling Wing, also assigned at Beale, and that wing carries a special fuel for the SR–71. It is called JP–7. That is the only airplane that uses that fuel in the world. It is a big logistical operation to fly SR–71's out of Okinawa, which was one of their then classified bases, or another classified base in England, Elkinberry, to fly them around the world was a very complex operation.

No way was George Bush put in the back seat of an SR–71, kicking out the navigator and the electronic systems navigation officer, the EWO, kick him out, put the President in and launch him back to New York so he could get back on the campaign trail as the Vice President in the careful closing days of the campaign, which was then too close to call, October of 1990.

No, my colleagues and Mr. Speaker, the October Surprise is science fiction and we are going to waste over $3 million.

I honor the 34 Democrats who joined the 158 Republicans and said, "No way."

Too bad we lost.

THE TRAGEDY OF JOE DOHERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. ENGEL] is recognized for 5 minutes.

Mr. ENGEL. Mr. Speaker, I rise today to express my dismay at the recent Supreme Court decision to uphold the deportation of Irishman Joe Doherty and deny him a fair hearing on this political asylum claim.

Joe Doherty has been imprisoned here in America for nearly 8 years, having never been charged in an American court with committing a crime. That is unprecedented in American history, and I might add, frightening.

During his 8 years of battle within the United States court system, Joe Doherty was sustained by a strong belief that here, in America, he would surely get a fair chance to tell his side of the story—a chance to make people understand the poverty and ridicule his family faced simply because they were Catholics subjected to discrimination in the North of Ireland.

But because the Attorney General in the United States has almost absolute discretionary powers in matters of deportation, a succession of court victories by Doherty were wiped out by the Reagan and Bush administrations. Joe has never even been given that chance to be heard.

And that is the tragedy of this case, Mr. Speaker, the aspect that disturbs me so deeply. Whether or not a person agrees with Joe Doherty, most would tell you that he at least deserves a fair hearing. After all, that is what America is all about. This Nation was founded by political dissidents and religious refugees who set up a court system specifically designed to protect the rights of the individuals. Yet an individual such as Joe Doherty can find no justice here.

So who will be denied justice next? If a refugee can be denied a fair hearing by a nonelected government official, it must make some people wonder how far these powers can extend. It should make all of us in Congress very concerned.

Attorney General Barr has the discretion to grant Joe Doherty a fair hearing, despite the Supreme Court's decision. The Attorney General should immediately grant Joe Doherty his hearing. Due process and equal protection are constitutional guarantees that are supposed to apply to everyone in America.

Mr. Speaker, it is clear to me that the Reagan and Bush administrations have played politics with this issue and have followed the dictates of Great Britain in denying Joe Doherty his right in an American court. Joe Doherty should not be deported where he could face torture and even death.

Mr. Speaker, it is often said that justice is blind, but in the case of Joe Doherty it is clearly the Reagan and Bush administrations that have had their blinders on.

THE REPRODUCTIVE FREEDOM PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, last Sunday's "60 Minutes" brought to public attention the tactics employed by the "Lambs of Christ" and other radical antiabortion activists who not only oppose abortion but go much further to take the law into their own hands in vigilante fashion. These groups harass, intimidate, and threaten doctors around the country by picketing their homes, frightening their children and threatening their lives. They use the same tactics against patients as well.

The Lambs of Christ and their allies seek to take away women's rights through their own outrageous actions without regard to the law of this Nation or the localities in which they act. While these individuals have a constitutional right to free speech and to express their own views, these antichoice fanatics have gone too far.

In North Dakota, no doctors perform abortions, so Dr. Susan Wicklund flies 200 miles from Minnesota each week to provide abortion services. Not only is Dr. Wicklund's home picketed and driveway blocked, but fliers have been distributed at her children's school saying that Dr. Wicklund is a baby killer. She has been forced to hire private security guards to protect her property.

Dr. Wicklund's situation is not unique. Health care providers in nearly every State in the Union face similar instances of harassment and stalking, and local law enforcement officials have not fully enforced existing statutes which prohibit such behavior.

In El Paso, TX, antichoice fanatics are picketing the homes of physicians, and following clinic staff as they drop off their children at day care.

In Columbus, GA, radical antichoice activists announced that they were going to put a physician who performs abortions out of business.

In Columbus, OH, a clinic director's children were told that they were "going to be orphans."

In Phoenix, AZ, a clinic administrator has received death threats and rocks were thrown through the window of her home. Within an hour after one of the death threats, her dog was drowned.

In each instance, local responses were inadequate to protect the rights of health care providers, patients and their families who are the victims of harassment.

During recent demonstrations in Washington, DC, Randall Terry, the leader of Operation Rescue, said that his group will begin to target doctors who perform abortions. He said, "we're going to do everything we can to torment these people, to expose them for the vile, blood-sucking hyenas that they are." He also advocated violence when he led a prayer for tragedies to befall the families of abortion providers.

Despite the heroic efforts of clinic staff, physicians and supporters of the right to choose, these vigilantes are having a profound effect on access to abortion in the United States. More and more physicians are refusing to provide this service, not because they do not support the right to choose, but because they can only take the harassment, and fear for so long.

Today, 83 percent of the counties in the United States have no abortion provider. Every year the number of abortion providers in the United States drops. Fewer medical students are learning to perform abortions because teaching hospitals and medical schools are seeking to avoid harassment from antiabortion groups. In fact, over the last decade, the number of medical residency programs offering abortion training declined by 22 percent.

We cannot allow these illegal acts to be ignored. We must protect those individuals providing safe, legal abortion services and the women who are seeking to exercise this constitutionally-protected right. We cannot leave health care providers and women out in the cold.

Yesterday, I introduced legislation to require local governments to enforce fully existing local harassment and disorderly conduct laws against antichoice fanatics as a condition for receiving community development block grant

[CDBG] Funds. Congress has already enacted provisions to require localities to enforce trespassing laws during clinic blockades in order to receive those funds. My bill would expand on current law by requiring communities to enforce local antiharassment laws to protect abortion providers in the conduct of their personal and professional lives. The legislation also protects women who exercise their right to choose from similar harassment activities.

I urge my colleagues to cosponsor this bill. No law-abiding citizen can condone individuals who take the law into their own hands by harassing, intimidating and threatening health care providers for their legal, professional activities. Nor should we allow similar tactics to be used against individuals who exercise their constitutionally protected right to choose.

OPPOSITION TO PRESIDENT BUSH'S PROPOSED TAX ON CREDIT UNIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise today to oppose the administration's plan in its 1993 budget to repeal the tax exemption for credit unions.

Once again, the administration has proposed financing the Government on the backs of the middle class, while giving the upper class tax breaks. The administration proposal would punish a healthy industry set up for the benefit of lower and middle income Americans.

While reducing the tax on capital gains income and repealing the tax on the purchase of luxury items such as boats and airplanes, proposals that would disproportionately benefit wealthy Americans, President Bush wants to tax credit unions with assets over $50 million, a tax that affects the lower and middle class Americans who make up the vast majority of credit union members.

WHY CREDIT UNIONS ARE TAX FREE

In 1937, Congress granted credit unions an exemption from Federal income taxes to enable credit unions to provide financial services to those who were at a disadvantage in obtaining these services elsewhere. Credit unions are an alternative to the "for profit" banking system, since they are owned and run by their members.

Congress did not make the exemption contingent on a credit union's size, the relative affluence of its members, or on the classification of its field of membership. It was granted on the basis of its member ownership and control. That was the right decision then, and it is the right decision now.

ROLE OF CREDIT UNIONS IN OUR ECONOMY

President Bush claims that repealing credit unions' tax free status is necessary to put banks and thrifts on an equal tax footing with credit unions.

But credit unions are different animals from banks and savings associations.

Credit unions are not-for-profit organizations with only one purpose: providing services and credit to their members, who are individuals with a common bond.

They are democratically based organizations with each member having a vote on the structure and operation of their credit union.

Credit unions have been so successful that they are being exported to Eastern Europe and Third World countries as an example of democracy in action and sound economic organizations.

Credit unions give people who might otherwise go without financial assistance a place to save and borrow. Just as importantly, credit unions are a place of education where members may receive the financial counselling necessary for them to take advantage of opportunities to change their situation for the better.

MEMBERSHIP OF CREDIT UNIONS

There are 14,300 credit unions in the Nation, with a combined total membership of 61.6 million members and combined assets of $235 billion. President Bush's proposal would affect almost 1,000 credit unions, with 32 million members—half of this Nation's credit union members. These credit unions hold over half of credit unions assets—$147 billion.

Among the credit unions that would be taxed are 135 Federal, State, and municipal employee credit unions, 137 of the 250 military credit unions, employees of 191 of this Nation's largest manufacturing companies, and 120 education-related credit unions.

It is fair to say that the members of these credit unions, firemen and police, teachers and machine operators, soldiers and sailors, are members of the middle class.

They are people who work hard for their money. They use their credit unions for simple financial management—savings accounts, checking accounts, car and education loans, mortgage loans—and look to their credit unions as a place where they can get answers to their questions about how to buy a house, or the best way to save for retirement. They do not use their credit unions for high stakes, complicated investment opportunities.

Credit unions are not in that business. They are in the business of helping those people with just enough money to live on, or those trying to save for retirement or a home, not those people with the financial resources to "play" with their money in the form of risky real estate opportunities or business ventures.

Yet this administration proposes a tax of almost $1 billion over the next 5 years on these people.

TAX NOT NECESSARY

Credit unions have prospered through adhering to the philosophy of "not for profit, but for service." The credit union industry has constantly proven to be successful in maintaining high capital levels and low losses.

Taxing credit unions is unnecessary and punitive for an industry that has done an outstanding job of serving its members and protecting against any taxpayer bailout of any federally insured credit unions. The National Credit Union Share Insurance Fund is the only Federal deposit insurance fund that has not required a Federal bailout. It is fully capitalized by credit unions.

We should not punish credit unions for being successful in order to help an ailing banking and savings association industry that is responsible for much of its own problems.

If bankers want to play on a level playing field, why don't they change their modus operandi? Have them pay off all their stock holders; give each depositor one vote in the governing of the bank; don't pay directors any fees; limit the source of funds to its depositors. I doubt that bankers would want to adhere to these restrictions.

President Bush has once again retreated from his "no taxes" pledge. And remember, a tax on credit unions is just another disguised tax on the middle class. Because credit unions are not for profit, their members will take the hit for this tax in the form of higher borrowing costs, higher fees for services, and lower interest rates. Members of credit unions—the middle class—should not have to bear such costs.

There have been many proposals to tax credit unions in the past. Each one of them has been soundly rejected by Congress. Taxing credit unions is not fair and not necessary. Congress has recognized that for over half a century.

CONCLUSION

I have been a staunch supporter of credit unions ever since I came to Congress over 28 years ago. Credit unions were established to assist the little people. They have done an excellent job in accomplishing this for almost a century and they continue to do an excellent job for their members.

Why should we punish such successful credit unions by changing the framework under which they operate by taxing them?

The same reasons for granting them tax free status in 1937 exists today. Taxing those credit unions with assets over $50 million would only be a beginning. It would be a slippery slope, and before we know it, all credit unions would be taxed.

I urge my colleagues to reject any tax on credit unions.

PERSONAL EXPLANATION

Mr. DYMALLY. Mr. Speaker, due to a medical appointment in Los Angeles, I was unable to vote on H.R. 4095, the Emergency Unemployment Compensation Act and House Resolution 258, the October Surprise task force resolution.

Had I been present, I would have voted "yea" on both bills.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent for rollcall votes, I would have voted "nay" on rollcall votes 9 and 10. Had I been present during these votes, I would have voted "nay" on rollcall votes 9 and 10.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JOHNSON of Texas. (at the request of Mr. MICHEL) for today on account of death of his mother.

Mr. LIGHTFOOT (at the request of Mr. MICHEL) after 3:15 p.m. On account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RIDGE) to revise and extend their remarks and include extraneous material:)

Mr. CUNNINGHAM, for 60 minutes, today.

Mr. RIGGS, for 5 minutes, today.

Mr. THOMAS of Wyoming, for 5 minutes each day, on February 18, 19, and 20.

Mr. WALKER, for 60 minutes, today.

(The following Members (at the request of Mr. TAYLOR of Mississippi) to revise and extend their remarks and include extraneous material:)

Mr. ENGEL, for 5 minutes, today.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. TOWNS, for 60 minutes, on February 27.

Mr. JONTZ, for 60 minutes each day, on March 3 and 10.

Mr. GEPHARDT, for 60 minutes each day, on February 7, 11, and 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. RIDGE) and to include extraneous matter:)

Mr. DUNCAN.
Mr. SOLOMON in two instances.
Mr. MCGRATH.
Mr. BLOOMFIELD.
Mr. GUNDERSON.
Mr. DOOLITTLE.
Mr. BEREUTER in two instances.
Mrs. MEYERS of Kansas in two instances.
Mr. PORTER.
Mr. RIGGS.
Mr. SUNDQUIST in two instances.
Mr. BLAZ.
Mr. CAMPBELL of California.
Mr. MICHEL.
Mr. CAMP.
Mr. GALLO.
Mr. LEWIS of Georgia in two instances.
Mr. SCHAEFER.
Mr. COBLE.
Mr. BURTON of Indiana.
Mr. RIDGE in two instances.

(The following Members (at the request of Mr. TAYLOR of Mississippi) and to include extraneous matter:)

Mr. NATCHER.
Mr. HOYER.
Mr. BONIOR.
Mr. FALEOMAVAEGA.
Mr. HAMILTON in four instances.
Mr. LEVINE of California.
Mr. KILDEE.
Mr. TALLON.
Mr. STARK.
Ms. LONG.
Mr. MATSUI.
Mr. ECKART.
Mr. TRAFICANT in three instances.
Mr. MILLER of California.
Mr. AUCOIN.
Mr. LANTOS.
Mr. DYMALLY.
Mr. RANGEL.
Mr. ERDREICH.
Mr. WISE.
Mr. CLEMENT.
Mr. ACKERMAN in two instances.
Mr. OWENS of New York.
Mr. MANTON.
Mr. SWETT in two instances.
Mr. LIPINSKI.
Mr. HUBBARD.

ENROLLED BILLS SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4095. An Act to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1415. An act to provide for additional membership on the Library of Congress Trust Fund Board, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On February 4, 1992:

H.R. 1989. A bill to authorize for the National Institute of Standards and Technology and the Technology Administration of the Department of Commerce, and for other purposes.

ADJOURNMENT

Mr. ENGEL. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 37 minutes p.m.), under its previous order, the House adjourned until Friday, February 7, 1992, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2792. A letter from the Director, Office of Management and Budget and Director, Congressional Budget Office, transmitting a joint report containing the technical assumptions to be used in preparing estimates of national defense function outlays for fiscal year 1993, pursuant to Public Law 102–190, section 1002(b); to the Committee on Armed Services.

2793. A letter from the Director, National Institutes of Health, transmitting a copy of the 14th annual report of National Institutes of Health Program in Biomedical and Behavioral Nutrition Research and Training for fiscal year 1990, pursuant to 42 U.S.C. 288b(c); to the Committee on Energy and Commerce.

2794. A letter from the Deputy Director, Defense Security Assistance Agency, transmitting the Department of the Air Forces's proposed lease of defense articles to Australia (Transmittal No. 06–92), pursuant to 22 U.S.C. 2796a(a); to the Committee on Foreign Affairs.

2795. A letter from the Administration, General Services Administration, transmitting a draft of proposed legislation to improve the acquisition system; to the Committee on Government Operations.

2796. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2797. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2798. A letter from the Chief Justice, Supreme Court of the United States, transmitting a copy of the report of the Proceedings of the Judicial Conference of the United States held on September 23–24, 1991, pursuant to 28 U.S.C. 331; to the Committee on the Judiciary.

2799. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting the financial audit for the fiscal year ended August 31, 1991, together with the auditor's opinion, pursuant to 36 U.S.C. 1101(47), 1103; to the Committee on the Judiciary.

2800. A letter from the Comptroller General, General Accounting Office, transmitting the results of the audit of the Export-Import Bank of the United States' financial statements as of September 30, 1990 and 1989, pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 3490. A bill to protect the public interest and the future development of interstate pay-per-call technology by providing for the regulation and oversight of the applications and growth of the pay-per-call industry, and for other purposes (Rept. 102–430). Referred to the Committee of the Whole House in the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAZ:

H.R. 4164. A bill to provide for the transfer of excess land to the Government of Guam, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Armed Services, and Government Operations.

By Mr. McCURDY:

H.R. 4165. A bill to reorganize the U.S. Intelligence Community, and for other purposes; jointly, to the Committees on Intelligence (Permanent Select) and Armed Services.

By Mr. DARDEN:

H.R. 4166. A bill to amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from an individual's individual retirement account for use by such individual or the children of such individual in acquiring a first home, and to provide that a parent's guarantee of a loan to his child shall not be a gift for gift tax purposes; to the Committee on Ways and Means.

By Mr. ENGLISH:

H.R. 4167. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to require certain States to contribute to other States' shares of cleanup costs; to the Committee on Energy and Commerce.

By Mr. TORRICELLI (for himself, Mr. Fascell, Mr. Guarini, Mr. Lagomarsino, Ms. Ros-Lehtinen, Mr. McCurdy, Mr. Smith of Florida, Mr. Solarz, Mr. Richardson, Mr. Engel, Mr. Burton of Indiana, and Mr. Goss):

H.R. 4168. A bill to promote a peaceful transition to democracy in Cuba through the application of appropriate pressures on the Cuban Government and support for the Cuban people; jointly, to the Committees on Foreign Affairs, Ways and Means, Post Office and Civil Service, Energy and Commerce, Banking, Finance and Urban Affairs and Merchant Marine and Fisheries.

By Mr. GUNDERSON (for himself and Mr. Owens of Utah):

H.R. 4169. A bill to establish a Council on Interjurisdictional Rivers Fisheries and to direct the Secretary of the Interior to conduct a pilot test of the Mississippi Interstate Cooperative Resource Agreement; to the Committee on Merchant Marine and Fisheries.

By Mr. VENTO (for himself and Mr. Wylie):

H.R. 4170. A bill to amend the Bank Holding Company Act of 1956, the Revised Statutes of the United States, and the Federal Deposit Insurance Act to provide for interstate banking and branching, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HASTERT:

H.R. 4171. A bill to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in the State of Illinois; to Committee on Energy and Commerce.

By Mr. LIPINSKI (for himself, Mr. Costello, Mr. Savage, and Mr. Sangmeister):

H.R. 4172. A bill making supplemental appropriations to the Department of Transportation for the fiscal year ending September 30, 1992, and for other purposes; to the Committee on Appropriations.

By Mr. LIPINSKI:

H.R. 4173. A bill to impose restrictions on the importation into, and the sale within, the United States of certain motor vehicles; to increase the efficiency of domestic motor vehicle manufacturers; and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. POSHARD:

H.R. 4174. A bill to prohibit Members of the House of Representatives from using official funds for the production or mailing of newsletters; to the Committee on House Administration.

By Mr. ROE (for himself, Mr. Anderson, Mr. Mineta, Mr. Oberstar, Mr. Nowak, Mr. Rahall, Mr. Applegate, Mr. de Lugo, Mr. Savage, Mr. Borski, Mr. Kolter, Mr. Lipinski, Mr. Traficant, Mr. Lewis of Georgia, Mr. DeFazio, Mr. Hayes of Louisiana, Mr. Clement, Mr. Costello, Mr. Jones of Georgia, Mr. Laughlin, Mr. Geren of Texas, Mr. Sangmeister, Mr. Poshard, Mr. Brewster, Mrs. Collins of Michigan, Ms. Norton, and Mr. Ford of Michigan):

H.R. 4175. A bill to authorize the Secretary of Commerce to make grants to State and local governments for infrastructure projects in distressed areas, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SARPALIUS (for himself, Mr. de la Garza, Mr. Stenholm, and Mr. Combest):

H.R. 4176. A bill to amend title 11 of the United States Code with respect to avoiding certain liens that impair exempt property; to the Committee on the Judiciary.

By Mr. SHAW:

H.R. 4177. A bill to temporarily suspend the duty on metal oxide varistors; to the Committee on Ways and Means.

By Ms. SLAUGHTER (for herself, Ms. Oakar, Mrs. Mink, Mrs. Schroeder, Ms. Pelosi, Ms. Norton, Mrs. Unsoeld, Ms. DeLauro, Mrs. Lloyd, Mr. Towns, Mr. McDermott, Mr. Vento, Mr. Frank of Massachusetts, Mr. LaFalce, Mr. Weldon, Mr. Smith of New Jersey, Mr. Scheuer, and Mr. Rangel):

H.R. 4178. A bill to amend the Public Health Service Act to provide for a program to carry out research on the drug known as diethylstilbestrol, to educate health professionals and the public on the drug, and to provide for certain longitudinal studies regarding individuals who have been exposed to the drug; to the Committee on Energy and Commerce.

By Mr. SMITH of Oregon:

H.R. 4179. A bill to establish a fund for the planning and preparation of salvage timber sales and subsequent reforestation activities on lands administered by the Bureau of Land Management; to the Committee on Interior and Insular Affairs.

By Mr. TALLON:

H.R. 4180. A bill to recognize the organization known as "Wildlife Action, Inc."; to the Committee on the Judiciary.

By Mr. WOLPE (for himself, Mr. Markey, Mr. Rinaldo, and Mr. Gallo):

H.R. 4181. A bill to provide support to States which require and encourage utilities to provide process-oriented energy efficiency technology assistance to certain industries; to the Committee on Energy and Commerce.

By Mr. FAWELL:

H.R. 4182. A bill to reduce $17,160,600,000 from appropriations for fiscal year 1992; to the Committee on Appropriations.

By Mr. HAMMERSCHMIDT:

H.R. 4183. A bill to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. NEAL of Massachusetts (for himself, Mr. Early, Mr. Moakley, Mr. Olver, Mr. Donnelly, Mr. Kennedy, Mr. Mavroules, Mr. Markey, Mr. Studds, Mr. Atkins, and Mr. Frank of Massachusetts):

H.R. 4184. A bill to designate the Department of Veterans Affairs medical center located in Northampton, MA, as the "Edward P. Boland Department of Veterans Affairs Medical Center"; to the Committee on Veterans' Affairs.

By Mr. OBEY (for himself, Mr. Pastor, and Mr. Rhodes):

H.R. 4185. A bill entitled, "The Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992"; to the Committee on Education and Labor.

By Mr. RAHALL (for himself and Mr. Sharp):

H.R. 4186. A bill to amend the Mineral Leasing Act to facilitate the development of coalbed methane gas; to the Committee on Interior and Insular Affairs.

By Mr. RIDGE:

H.R. 4187. A bill to amend the Internal Revenue Code of 1986 to encourage immediate investments in new manufacturing and other productive equipment by temporarily allowing an investment tax credit to taxpayers who increase the amount of such investments; to the Committee on Ways and Means.

By Mr. ROHRABACHER:

H.R. 4188. A bill to designate the Federal building located at 501 West Ocean Boulevard in Long Beach, CA, as the "Glenn M. Anderson Federal Building"; to the Committee on Public Works and Transportation.

By Mr. TRAFICANT:

H.R. 4189. A bill to transfer amounts appropriated for foreign aid to revenue sharing and education programs; jointly, to the Committees on Appropriations, Government Operations, Education and Labor, and Rules.

By Mr. WISE:

H.R. 4190. A bill to amend the Internal Revenue Code of 1986 to provide incentives for investors in oil and gas exploration; to the Committee on Ways and Means.

By Mr. DOOLITTLE:

H.J. Res. 404. Joint resolution designating the week of June 1 through June 7, 1992, as "National Polio Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. HAYES of Louisiana (for himself and Mr. Tauzin):

H.J. Res. 405. Joint resolution proposing an amendment to the Constitution of the United States to protect cultural and linguistic rights; to the Committee on the Judiciary.

By Mrs. MEYERS of Kansas:

H.J. Res. 406. Joint resolution to designate the month of May 1992 as "National Huntington's Disease Awareness Month"; to the Committee on Post Office and Civil Service.

H.J. Res. 407. Joint resolution designating June 11, 1992, as "National Alcoholism and Drug Abuse Counselors Day"; to the Committee on Post Office and Civil Service.

By Mr. TRAFICANT (for himself and Mr. Dymally):

H.J. Res. 408. Joint resolution designating October 25, 1992, as "National Arab-American Day"; to the Committee on Post Office and Civil Service.

By Mr. TRAFICANT:

H.J. Res. 409. Joint resolution designating January 16, 1993, as "National Good Teen Day"; to the Committee on Post Office and Civil Service.

By Mr. DELLUMS:

H. Con. Res. 273. Concurrent resolution expressing the sense of the Congress regarding the U.N. peace plan in the western Sahara; to the Committee on Foreign Affairs.

By Mr. MACHTLEY:

H. Con. Res. 274. Concurrent resolution expressing the sense of the Congress that any economic recovery or tax relief package enacted by the Congress should include a correction of the "notch" problem in Social Security benefits; to the Committee on Ways and Means.

By Mr. GEPHARDT:

H. Res. 340. Resolution directing the Committee on House Administration to investigate the operation and management of the Office of the Postmaster; considered and agreed to.

By Mr. LEWIS of California:

H. Res. 341. Resolution creating a Select Committee to Investigate Certain Allegations Concerning the House Post Office; which was laid on the table.

By Mr. McEWEN:

H. Res. 342. Resolution presenting a question of the privileges of the House; which was laid on the table.

By Mr. MOAKLEY (for himself and Mr. SOLOMON):

H. Res. 343. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Rules in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. HOYER:

H. Res. 344. Resolution electing majority membership to standing committees of the House; considered and agreed to.

By Mr. MILLER of California:

H. Res. 345. Resolution providing amounts from contingent fund of the House for expenses of investigations and studies by the Committee on Interior and Insular Affairs in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. POSHARD:

H. Res. 346. Resolution regarding the international trade policies and actions of the United States; to the Committee on Ways and Means.

By Mr. SANTORUM (for himself, Mr. BALLENGER, Mr. DORNAN of California, Mr. RIGGS, Mr. NUSSLE, Mr. LEWIS of Florida, Mr. CAMP, and Mr. OLIN):

H. Res. 347. Resolution limiting the mileage allowance rates for Members, officers, and employees of the House of Representatives to the rates generally applicable to Government employees; to the Committee on House Administration.

By Mrs. SCHROEDER:

H. Res. 348. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Select Committee on Children, Youth, and Families in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. RANGEL:

H. Res. 349. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Select Committee on Narcotics Abuse and Control in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mrs. UNSOELD (for herself, Mr. SIKORSKI, Mr. BOEHLERT, Mr. DEFAZIO, Ms. PELOSI, Mr. BEILENSON, Mr. JONTZ, Mr. SANDERS, Mr. STUDDS, Mr. SWIFT, Mr. ATKINS, Mrs. BOXER, Mr. RAVENEL, Mr. MILLER of California, Mr. BERMAN, Mr. LEVINE of California, Mr. ABERCROMBIE, Mr. FRANK of Massachusetts, Mr. COOPER, Mr. AUCOIN, Mr. WAXMAN, Mr. WYDEN, Mr. MCHUGH, Mr. SCHEUER, Mr. MORAN, Mrs. MINK, Ms. SLAUGHTER, Mrs. SCHROEDER, Mr. KOPETSKI, Mr. SYNAR, Mr. TANNER, Mr. LEHMAN of Florida, Mr. WOLPE, Mr. OBERSTAR, Mr. DURBIN, Mr. SAXTON, Mr. KANJORSKI, Mr. OLVER, Mr. HUGHES, Mr. ZIMMER, Mr. PANETTA, Mr. GILCHREST, Mr. MILLER of Washington, Mr. WEISS, Mr. JOHNSTON of Florida, Mr. MCNULTY, Mr. PALLONE, Ms. HORN, Mr. FAZIO, Mr. HOYER, Mrs. MORELLA, Mr. MCMILLEN of Maryland, Mr. BONIOR, and Mr. SKAGGS):

H. Res. 350. Resolution urging the Administrator of the Environmental Protection Agency to accelerate the scheduled phaseout of ozone-destroying substances in the United States as required pursuant to the Clean Air Act Amendments of 1990; calling on the President to urge the contracting parties to the Montreal protocol to modify the protocol in order to accelerate the phaseout of such substances; and for other purposes based on scientific findings concerning the degradation of the stratospheric ozone layer; jointly, to the Committees on Energy and Commerce and Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. REED:

H.R. 4191. A bill to clear certain impediments to the licensing of the vessel *Southern Yankee* for employment in the coastwise trade of the United States; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 85: Mr. MCNULTY.

H.R. 118: Mr. GUARINI, Mr. LENT, Mr. GILMAN, Mr. RIGGS, Mr. GALLEGLY, Mr. MOORHEAD, Mr. CAMPBELL of California, Mr. HERGER, Mr. DREIER of California, and Mr. ALEXANDER.

H.R. 123: Mr. BARNARD, Mr. JAMES, and Mr. LENT.

H.R. 394: Mr. ROHRABACHER, Mr. MCMILLEN of Maryland, Ms. HORN, Mrs. LLOYD, Mr. DORGAN of North Dakota, Mr. FLAKE, Mr. PORTER, Mrs. UNSOELD, Mr. PETERSON of Minnesota, Mr. KOPETSKI, Ms. LONG, Mr. SWETT, Mr. OBERSTAR, Mr. CRAMER, Mr. BROWDER, Mr. SCHUMER, Mr. SIKORSKI, Mr. DURBIN, Mr. BACCHUS, Mr. ALEXANDER, Mr. WASHINGTON, Mr. ANDREWS of Maine, Mr. HOAGLAND, Mr. APPLEGATE, Mr. CLEMENT, Mr. TAYLOR of North Carolina, Mr. BALLENGER, Mr. WHEAT, Mr. LAFALCE, Mr. LAROCCO, Mr. THORNTON, and Mr. BROWN.

H.R. 489: Mr. DREIER of California.

H.R. 501: Mr. DYMALLY and Mr. MOLLOHAN.

H.R. 583: Mr. MURPHY.

H.R. 602: Mr. HUBBARD.

H.R. 643: Mr. PETERSON of Minnesota and Mr. COSTELLO.

H.R. 659: Mr. WOLPE.

H.R. 722: Mr. OWENS of New York, Mr. DOOLITTLE, and Mr. MFUME.

H.R. 723: Mr. OWENS of New York and Mr. MFUME.

H.R. 919: Mr. ROTH.

H.R. 951: Mr. PARKER, Mr. BAKER, and Mr. LAGOMARSINO.

H.R. 962: Mr. LANTOS.

H.R. 967: Mr. BROWN, Mr. TOWNS, and Mr. LANTOS.

H.R. 1004: Mr. RITTER.

H.R. 1145: Mr. ANDREWS of Maine Mr. MARKEY, Mr. LEWIS of California, Mr. GILCHREST Mr. TORRES, and Mr. OLVER.

H.R. 1218: Mr. DOWNEY.

H.R. 1330: Mr. SENSENBRENNER.

H.R. 1348: Mr. HALL of Texas, Mr. PENNY, and Mr. LENT.

H.R. 1439: Mr. SKEEN and Mr. SMITH of Oregon.

H.R. 1450: Mr. WISE and Mr. COBLE.

H.R. 1456: Mr. WYLIE.

H.R. 1473: Mr. SPENCE.

H.R. 1485: Mr. LOWERY of California, Mr. BURTON of Indiana, Mr. MARTIN, Mr. IRELAND, and Mr. KOLTER.

H.R. 1516: Mr. NEAL of North Carolina, Mr. SMITH of Oregon, and Mr. HUCKABY.

H.R. 1522: Mr. LEWIS of Georgia, Mr. MARTINEZ, Mrs. MORELLA, and Mr. SPENCE.

H.R. 1536: Mr. LIGHTFOOT and Mr. KOLTER.

H.R. 1546: Mr. JOHNSON of Texas and Mr. RAY.

H.R. 1547: Mr. PENNY, Mr. WILSON, and Mr. LEWIS of Florida.

H.R. 1570: Mr. LIVINGSTON, Mr. LEVINE of California, and Mr. SPENCE.

H.R. 1602: Mr. HAYES of Illinois.

H.R. 1733: Mr. FEIGHAN.

H.R. 1755: Mr. MCCANDLESS.

H.R. 1900: Mr. ENGEL.

H.R. 1992: Mr. ENGEL.

H.R. 2152: Mr. NEAL of Massachusetts, Mr. MCMILLEN of Maryland, and Mr. YATES.

H.R. 2233: Mr. JOHNSON of South Dakota.

H.R. 2407: Mr. GUARINI, Mr. CAMPBELL of California, Mr. HOAGLAND, Mr. MOODY, Mr. CRAMER, Mr. ENGEL, Mr. COX of Illinois, Mr. RIGGS, and Mr. SPRATT.

H.R. 2492: Mrs. KENNELLY.

H.R. 2561: Mr. PETERSON of Minnesota.

H.R. 2590: Mr. ENGEL.

H.R. 2614: Mr. HENRY and Mr. SANDERS.

H.R. 2782: Mr. LEVINE of California, Mr. STARK, Mr. VISCLOSKY, Mr. GAYDOS, and Mr. LAFALCE.

H.R. 2797: Mr. ANDREWS of New Jersey, Mr. APPLEGATE, Mrs. BOXER, Mr. COX of California, Ms. DELAURO, Mr. DWYER of New Jersey, Mr. FASCELL, Mr. GILCHREST, Mr. HAYES of Illinois, Mr. MORAN, Mr. NEAL of Massachusetts, Mr. PETERSON of Minnesota, Mr. RANGEL, Mr. SAWYER, Mr. SKAGGS, Ms. WATERS, and Mr. WAXMAN.

H.R. 2830: Mr. CHANDLER.

H.R. 2854: Mr. SIKORSKI.

H.R. 2867: Mr. PAXON.

H.R. 2872: Mr. GRANDY.

H.R. 2945: Mr. TRAFICANT and Mr. UPTON.

H.R. 3112: Mr. DAVIS.

H.R. 3146: Mr. JOHNSON of Texas.

H.R. 3171: Mr. EMERSON.

H.R. 3198: Mr. ROTH, Mr. ESPY, Mr. KLECZKA, Mr. EMERSON, and Mr. MCGRATH.

H.R. 3217: Mr. RAMSTAD and Mr. PAXON.

H.R. 3250: Mr. RAY, Mr. FRANK of Massachusetts, Mr. GAYDOS, and Mr. POSHARD.

H.R. 3253: Mr. DORGAN of North Dakota and Mr. STAGGERS.

H.R. 3281: Mr. BROWN.

H.R. 3380: Mr. GINGRICH, Mr. COLEMAN of Missouri, and Mr. DAVIS.

H.R. 3413: Mr. WILSON.

H.R. 3438: Mr. DORNAN of California.

H.R. 3439: Mr. DORNAN of California.

H.R. 3440: Mr. DORNAN of California.

H.R. 3441: Mr. DORNAN of California.

H.R. 3442: Mr. DORNAN of California.

H.R. 3464: Mr. OWENS of New York.

H.R. 3493: Mr. CUNNINGHAM, Mr. FRANKS of Connecticut, Mr. BEREUTER, Mr. BILIRAKIS, Mr. RIGGS, Mr. PACKARD, Mr. BLILEY, Mr. NUSSLE, Mr. LENT, Mr. GILMAN, Mrs. MEYERS of Kansas, Mr. GALLEGLY, Mr. RHODES, Mr. SOLOMON, Mr. KLUG, and Mr. BOEHNER.

H.R. 3544: Mr. AUCOIN, Mr. TORRES, Mr. WILSON, Mr. CLAY, Mr. FORD of Tennessee, Mr. DEFAZIO, Mr. DELLUMS, and Mr. REED.

H.R. 3553: Mr. WHEAT and Mrs. SCHROEDER.

H.R. 3557: Mr. DEFAZIO.

H.R. 3560: Mr. MAZZOLI, Mr. MURPHY, Mr. GORDON, and Mr. RAMSTAD.

H.R. 3561: Mr. SANTORUM, Ms. ROS-LEHTINEN, Mr. HASTERT, Mr. SMITH of Texas, and Mr. LEWIS of Florida.

H.R. 3599: Mr. DANNEMEYER.

H.R. 3609: Mr. THOMAS of Wyoming.

H.R. 3654: Mr. ALLEN, Mr. BARRETT, Mr. BEREUTER, Mr. HOBSON, Mr. LIPINSKI, Mr. NICHOLS, Mr. SCHAEFER, Mr. SKEEN, Mr. TAYLOR of North Carolina, Mrs. VUCANOVICH, and Mr. WOLF.

H.R. 3726: Mr. MARTINEZ, Mr. EVANS, and Mr. PERKINS.

H.R. 3732: Mr. KOSTMAYER, Mr. JOHNSON of South Dakota, Mr. SWIFT, Mr. KILDEE, Mr. AUCOIN, Mr. VENTO, Mr. MRAZEK, Mrs. COLLINS of Michigan, Mr. HAYES of Louisiana, Mr. FLAKE, Mr. ESPY, Mr. KANJORSKI, Mr. ROE, Mr. FORD of Michigan, Mr. FAZIO, Mr. BONIOR, Mr. MCCLOSKEY, Mr. WHITTEN, Mr. DINGELL, Mr. GONZALEZ, and Mr. REED.

H.R. 3741: Mr. MORAN, Mr. BEREUTER, Mr. SOLOMON, Mr. MONTGOMERY, Mr. ATKINS, Mr. HUGHES, Mr. CHAPMAN, and Ms. MOLINARI.

H.R. 3781: Mr. KLUG and Mr. PETERSON of Minnesota.

H.R. 3809: Mr. MFUME, Mr. RANGEL, Mr. KOLTER, Mr. DOWNEY, Mr. ROE, Mr. YATES, Mr. MILLER of Washington, Mr. PARKER, Mrs. MINK, and Mr. EVANS.

H.R. 3844: Mr. DELLUMS and Mr. HAYES of Illinois.

H.R. 3887: Mr. NUSSLE.

H.R. 3891: Mr. BOEHNER.

H.R. 3954: Mr. BARTON of Texas.

H.R. 3956: Mr. TORRES.

H.R. 3975: Mr. ANDREWS of Maine, Mr. MORAN, Mr. COSTELLO, and Mr. DWYER of New Jersey.

H.R. 3988: Mr. DAVIS.

H.R. 4016: Mr. DORGAN of North Dakota, Mr. HUGHES, and Mrs. LLOYD.

H.R. 4034: Mr. FEIGHAN, Mr. LEHMAN of Florida, Mr. MRAZEK, Mr. GILMAN, Mr. YATES, Mr. ACKERMAN, Mr. BEILENSON, Mr. KLECZKA, Mr. FROST, Mr. SCHEUER, and Mr. MCNULTY.

H.R. 4045: Mr. BONIOR, Mr. FRANK of Massachusetts, Mr. WOLPE, and Mr. JONES of Georgia.

H.R. 4051: Mr. POSHARD and Mr. FORD of Michigan.

H.R. 4073: Mr. FUSTER, Mr. MFUME, Ms. OAKAR, Mr. SAVAGE, Mr. KANJORSKI, Mr. FLAKE, and Mr. FROST.

H.R. 4083: Mr. SARPALIUS, Mr. CHAPMAN, Mr. SAVAGE, Mr. FROST, Mr. ANNUNZIO, Mr. HALL of Texas, Mr. HEFNER, Mr. EDWARDS of Texas, and Mr. OWENS of New York.

H.R. 4089: Mr. MONTGOMERY, Mr. MCCURDY, Mr. GEJDENSON, Mr. ACKERMAN, Mr. MCMILLEN of Maryland, Mr. LENT, Mr. BACCHUS, Mr. LEWIS of Florida, Mr. KILDEE, Mr. MCNULTY, Mr. BILBRAY, Mr. HENRY, Mr. WALSH, and Mr. ESPY.

H.R. 4093: Mr. PENNY, Mr. HANSEN, Mr. EWING, Mr. HUCKABY, Mr. DANNEMEYER, and Mr. GILLMOR.

H.R. 4123: Mr. MCMILLAN of North Carolina, Ms. SLAUGHTER and Mr. UPTON.

H.R. 4130: Mr. ARMEY, Mr. JOHNSON of Texas, Mr. ROBERTS, Mr. BOEHNER, Mr. SENSENBRENNER, Mr. ZIMMER, Mr. BURTON of Indiana, Mr. GALLEGLY, and Mr. PURSELL.

H.R. 4131: Mr. CHAPMAN, Mr. EDWARDS of Texas, Mr. LAUGHLIN, Mr. TALLON, and Mr. RAVENEL.

H.R. 4150: Mr. YOUNG of Alaska.

H.J. Res. 15: Mr. DICKINSON.

H.J. Res. 121: Mr. COYNE, Mr. LEWIS of Florida, Ms. LONG, Mr. GALLO, Mr. MONTGOMERY, Mr. BENNETT, Mr. BATEMAN, Mr. FLAKE, Mr. ANNUNZIO, Mr. DICKS, Mr. BROWDER, Mr. NEAL of Massachusetts, Mr. CLEMENT, Mr. STARK, Mr. GONZALEZ, Mr. VANDER JAGT, Mr. BEVILL, Mr. MCGRATH, Mr. MCCLOSKEY, Mr. TOWNS, Mr. YOUNG of Alaska, Mr. HORTON, Mr. STUMP, Mr. RIGGS, Mr. MCMILLEN of Maryland, Mr. WALSH, Ms. OAKAR, Mr. ERDREICH, Mrs. COLLINS of Illinois, Mr. KOLTER, Mr. MCHUGH, Mr. EMERSON, Mr. HATCHER, Mr. THOMAS of Georgia, Mr. PURSELL, Mr. SHAYS, Mr. CAMP, Mr. LAFALCE, Mr. PARKER, Mr. YOUNG of Florida, Mr. NOWAK, Mr. QUILLEN, Mr. SKEEN, Mr. HARRIS, Mr. WILSON, Mr. SISISKY, Mr. PASTOR, Mr. YATES, Mr. HUGHES, Mr. JENKINS, Mr. RAHALL, Ms. SLAUGHTER, Mr. LEHMAN of Florida, Mr. DURBIN, Mr. HALL of Texas, Mrs. LLOYD, Mr. SABO, Mr. RANGEL, and Ms. PELOSI.

H.J. Res. 272: Mr. COMBEST, Mr. LEWIS of California, Mr. GONZALEZ, Mr. MARTIN, Mr. MCCLOSKEY, Mr. ANTHONY, Mr. HANSEN, Mr. YOUNG of Alaska, Mr. DICKINSON, Mr. ROTH, Mr. SHARP, Mr. CALLAHAN, Mr. WOLF, Mr. WYDEN, Mr. MOODY, Mr. ROWLAND, Mr. LANCASTER, Mr. HEFNER, Mr. COOPER, Mr. BATEMAN, Mr. CARPER, Mr. CLEMENT, Mr. OBERSTAR, Mr. BROWN, Mr. CRAMER, Mr. GINGRICH, Mr. PARKER, Mr. DAVIS, Mr. SLATTERY, Mr. JONES of North Carolina, Mr. CARDIN, Mr. VOLKMER, Mr. RAMSTAD, Mr. BILIRAKIS, Mrs. JOHNSON of Connecticut, Mr. DOOLITTLE, Mr. SISISKY, Mr. MCEWEN, Mr. HERGER, Mr. REGULA, Mr. PICKLE, Mr. CHANDLER, Mr. GALLO, Mr. BENNETT, Mr. HAYES of Illinois, Mr. PASTOR, Mr. ROBERTS, Mr. FAZIO, Mr. DINGELL, Mr. STUMP, Mr. PAYNE of New Jersey, Mr. VANDER JAGT, Mr. FALEOMAVAEGA, Mr. HATCHER, Mr. COX of Illinois, Mr. FEIGHAN, Mr. HARRIS, Mr. FAWELL, Mr. CONDIT, Mr. ENGLISH, Mr. SKELTON, Mr. UPTON, Mr. PETRI, Mr. MORRISON, Mr. EDWARDS of Texas, Mr. SABO, Mr. SMITH of Oregon, Mr. STAGGERS, and Mr. LAGOMARSINO.

H.J. Res. 290: Mrs. SCHROEDER and Mr. NEAL of North Carolina.

H.J. Res. 318: Mr. SYNAR, Mr. MURPHY, Mr. SAWYER, Mr. YATRON, Mr. MCCRERY, Mr. TOWNS, Mr. VANDER JAGT, Mr. BUNNING, Mr. HORTON, Mr. LEVIN of Michigan, Mr. PETERSON of Minnesota, Mr. OBERSTAR, Mr. FLAKE, Mr. STUDDS, Mr. LIVINGSTON, Mr. PAYNE of New Jersey, Ms. LONG, Mr. BILIRAKIS, Mr. THOMAS of Georgia, and Mr. BLAZ.

H.J. Res. 351: Mr. PENNY, Mr. SABO, Mr. KOLTER, and Mrs. UNSOELD.

H.J. Res. 369: Mr. BILIRAKIS, Mr. JOHNSON of South Dakota, Mr. BURTON of Indiana, Mr. FROST, Ms. NORTON, Mr. HOYER, Mr. KYL, Mr. DURBIN, Mr. FAZIO, Mr. PAYNE of Virginia, Mr. HALL of Texas, Ms. KAPTUR, Mr. MCGRATH, Mr. BACCHUS, Mr. SOLOMON, Mr. SUNDQUIST, Mr. JOHNSTON of Florida, and Mr. FIELDS.

H.J. Res. 378: Mr. KOPETSKI, Mr. FROST, and Mr. CARR.

H.J. Res. 385: Mr. HORTON, Mr. VENTO, Mr. MARTINEZ, Mr. HATCHER, Mr. MCGRATH, Mr. MORAN, Mr. CLEMENT, Mr. BATEMAN, Mr. CARDIN, Mr. HUNTER, and Mr. ROE.

H.J. Res. 390: Mr. SCHUMER, Mr. FRANK of Massachusetts, Mr. EVANS, Mr. ROE, Mr. HOYER, Mr. DAVIS, Mr. BLILEY, Mr. DE LUGO, Mr. DOWNEY, Mr. SCHIFF, Mr. CLEMENT, Mr. MOORHEAD, Mr. LEVINE of California, Mr. HENRY, Mr. DIXON, Mr. LAFALCE, Mr. WYLIE, Mr. PALLONE, Mr. GEKAS, Mr. MCDERMOTT, Mr. LEWIS of Florida, Mr. ACKERMAN, Mr. FORD of Tennessee, Mr. FAZIO, Mr. DE LA GARZA, Mr. BONIOR, Mr. PAYNE of New Jersey, Mrs. LOWEY of New York, Mr. GILLMOR, Mr. GUARINI, Mr. RANGEL, Mr. NUSSLE, Mr. FASCELL, Mr. SHAW, Mr. SERRANO, and Mr. ANDREWS of Maine.

H.J. Res. 392: Mr. SAVAGE, Mr. BACCHUS, Mr. NEAL of Massachusetts, Mr. BOEHLERT, Mr. HORTON, Mr. HEFNER, Mr. HOUGHTON, Mr. MCMILLEN of Maryland, Mr. FUSTER, Mr. ABERCROMBIE, Mr. SKEEN, Mr. DOOLITTLE, Mr. CLEMENT, Mr. EMERSON, Mr. RAVENEL, and Mr. PARKER.

H.J. Res. 395: Mr. BATEMAN, Mr. ROE, Mr. WHEAT, Mr. SHAW, Mr. SANDERS, Mr. PORTER, Mr. SIKORSKI, and Mr. DINGELL.

H. Con. Res. 180: Mr. FRANK of Massachusetts.

H. Con. Res. 194: Mr. RIDGE and Mr. COX of California.

H. Con. Res. 205: Mr. STOKES.

H. Con. Res. 225: Ms. ROS-LEHTINEN, Mr. HASTERT, Mr. RAMSTAD, Mr. SENSENBRENNER, Mr. SANTORUM, Mr. WOLF, Mr. BURTON of Indiana, Mr. SCHIFF, Mr. FAWELL, Mr. HEFLEY, and Mr. KLUG.

H. Res. 215: Mr. BOEHNER and Mr. KLUG.

H. Res. 314: Mr. PAXON.

H. Res. 322: Mrs. PATTERSON, Mr. KOSTMAYER, Mr. ACKERMAN, Mr. FEIGHAN, Mr. DANNEMEYER, Mr. GOSS, Mr. GUNDERSON, Mr. HYDE, Mr. RAMSTAD, Mr. SMITH of Florida, and Mr. SCHEUER.

H. Res. 323: Mr. DORGAN of North Dakota.

H. Res. 332: Mr. DOOLITTLE, Mr. WALKER, Mr. DUNCAN, Mr. BOEHNER, Mr. BALLENGER, Mr. SOLOMON, Mr. IRELAND, Mrs. JOHNSON of Connecticut, Mr. FAWELL, Mr. PAXON, Mr. SANDERS, and Mr. KLUG.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2824: Mrs. VUCANOVICH.

EXTENSIONS OF REMARKS

THE SUDAN: A NEW HAVEN FOR TERRORISTS AND EXTREMISTS IN AFRICA?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BROOMFIELD. Mr. Speaker, I am deeply concerned about recent reports that the Sudan is becoming a new beachhead for terrorists and fundamentalist radicals in Africa. I urge the administration to step up its efforts to dissuade the Sudanese Government from pursuing this unwise and dangerous policy. Should the Sudan ignore our warnings, it may be time to formally label that country as a terrorist state.

Recent reports reveal that the fundamentalist government of General al-Bashir is cooperating with Iran in an effort to make the Sudan a base for Islamic radicalism and terrorism in Africa. The Sudanese Government already supports fundamentalist groups in North Africa and now, with the arrival in Khartoum of terrorist groups, including the notorious Abu Nidal organization and Hezbollah, it appears to be blending Islamic fundamentalism with Palestinian radicalism.

Should Sudanese officials continue this policy, and if all these reports can be confirmed, I urge the administration to formally add the Sudan to the list of states that actively support terrorism.

I commend the following Washington Post article on the Sudan to my colleagues in the Congress.

[From the Washington Post, Jan. 31, 1992]

U.S. FEARS SUDAN BECOMING TERRORISTS' 'NEW LEBANON'

(By David Ignatius)

U.S. officials fear that Sudan, backed by money and expertise from Iran, is emerging as "a new Lebanon" from which terrorist groups can launch operations and export Islamic revolution across Africa.

Sudan "is absolutely the place to watch," said one U.S. anti-terrorism official in an interview yesterday. The official said the Iranians have spent between $10 million and $20 million to help establish a beachhead for Islamic radicalism in Khartoum. The Iranians also are believed to have sent members of the Revolutionary Guards to Sudan to help train their new allies.

Another troubling sign, according to U.S. officials, is that the Iranians have named Majid Kamal, who previously served in Beirut, as their charge d'affaires in Khartoum, the Sudanese capital. A U.S. official alleged that while Kamal was the Iranian charge in Lebanon during the early 1980s he encouraged the creation of the radical Hezbollah group, which was widely identified with the kidnapping of Americans and other terrorist acts in Lebanon.

"The Iranians have a dangerous program" in Sudan, said the U.S. official. "It's vast. The target is not just the north—Egypt and North Africa—but also the south, into [sub-Saharan] Africa, with the creation of Islamic states being the goal."

U.S. officials said they also have evidence that some of the leading Palestinian and Lebanese terrorist groups are now operating in Sudan. These groups include the Abu Nidal Organization; the Popular Front for the Liberation of Palestine—General Command, headed by Ahmed Jibril; the Iranian-backed Islamic Jihad for the Liberation of Palestine; and the Lebanese Shiite group, Hezbollah.

Sudan's deepening ties with Iran reflect the new political dominance in Khartoum of the National Islamic Front, headed by Hassan Turabi. Although Sudan nominally is governed by a military junta, the real power increasingly belongs to Turabi, an articulate, Western-educated lawyer, who quietly has been transforming Sudan into an Islamic state.

Because of mounting concern about developments in Sudan, the Bush administration sent a warning to Khartoum in early December, carried by Robert G. Houdek, deputy assistant secretary of state for African affairs.

Houdek "raised our concerns about the increasing numbers of people [in Sudan] from organizations that we considered to be terrorist," said a State Department official. In some cases, Houdek told the Sudanese, these terrorist groups "seemed to be opening offices; in some cases, training camps."

The U.S. envoy warned Sudanese officials that if terrorist operations could be traced to groups operating from bases there, Sudan would be placed on the U.S. list of nations that sponsor terrorism, which would carry diplomatic and economic sanctions.

The Sudanese told Houdek they do not support terrorism and will not allow terrorists to operate from their territory. Houdek's final warning, according to the State Department official, was: "Be careful. These people can violate your hospitality."

Egypt shares U.S. concerns about recent developments to its south. The Egyptian press has noted in recent months that the man who in October 1990 assassinated Rifaat Mahgoub, the speaker of the Egyptian parliament, was trained in Khartoum. And the Egyptian government was upset when the leader of the Egyptian branch of Islamic Jihad, Omar Abdel-Rahman, was given sanctuary in Khartoum about 18 months ago.

What worries U.S. and allied officials is the possibility that Sudan may take the place of other nations—such as Syria, Iraq, Libya and Lebanon—that sponsored terrorist groups in the 1980s but have appeared in recent months to be trying to mend fences with the West. This new caution reflects their calculus, following the display of U.S. firepower in the Persian Gulf War and the collapse of the Soviet Union, that open confrontation with the United States is not prudent.

Iran also has taken a more pragmatic course in its foreign and domestic policy under President Ali Akbar Hashemi Rafsanjani. But U.S. analysts pointed to a visit by Rafsanjani last month to Khartoum as a sign that Iran has not lost its desire to spread militant Islam outside its borders.

Tehran's new goal appears to be fusion of the two militant forces in the Arab world—Palestinian radicalism and Islamic fundamentalism. The Iranians accelerated this effort last October with a conference of militant groups in Tehran. According to a U.S. analyst, "I stressed two themes: Islamic revolution and undermining the [Middle East] peace process.

"Iran has tried in the past to export revolution," said a U.S. official, "but Sudan is the first place where they have had a regime that's a willing supporter." Sudanese sympathy for radical Islam stems in part from Turabi's popularity and the fact that "years of war and the downward economic spiral have radicalized the northern Muslim population," the U.S. anti-terrorism official said.

HEARST COLUMN ON PRESIDENT'S SPEECH TELLS IT LIKE IT IS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SOLOMON. Mr. Speaker, we can always count on William Randolph Hearst, Jr., editor-in-chief of Hearst Newspaper, to provide the definitive comment on any issue. Such was the case with his response to the President's State of the Union speech and economic plan.

He called it Bush at his best, and so it was, notwithstanding the carping of critics who have a stake in suppressing any economic recovery.

Mr. Hearst's column appeared in the February 2d Times-Union of Albany, and it is my privilege to place this excellent commentary in today's RECORD.

STATE OF THE UNION SPEECH WAS BUSH AT HIS BEST

(By William Randolph Hearst, Jr.)

NEW YORK.—We can all be confident that President Bush's skillfully devised budget plan will jump-start us out of the recession freeze and get us moving gradually toward economic recovery.

In what impressed me as the best State of the Union address of his presidential career, Bush showed the spirit and quality of leadership that brought us victory in the Persian Gulf War. He spoke well and he looked presidential.

He deliberately did not propose plans for a quick return to prosperity because of fear the jolt that would be necessary could re-ignite inflation and throw us back into recession, if not depression.

The president is acting cautiously but with firm determination to end the recession. He needs the support of the congressional Democrats. They are striving to strengthening their political power by championing substantial tax cuts for the middle class. They also want a lot more federal funds spent on work programs and welfare benefits than what Bush is proposing.

There will be some tough legislative battles between now and the March 20 deadline Bush set for getting an agreement between

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Democratic and Republican lawmakers. If there is a deadlock by that time, the president has threatened to act on some things that will not require congressional authorization. A compromise will, I believe, eventually be reached which will put the budget into effect for fiscal 1993, starting Oct. 1 this year.

What the president has proposed and his willingness to make some concessions strengthen my belief he will be re-elected in November.

Some leading economists, Democrats and even usually harsh media critics of Bush have praised the president's State of the Union address.

Bush's proposals were described by Jerry Jasinowski, head of the National Association of Manufacturers, as "a nice mix of sound policies." The Washington Post reported that in the little town of Timonium, Md., on the Capital's outskirts, 11 Democrats—men and women who backed Bush for the Presidency in 1988—said they liked the speech and the man who gave it because, as one put it, he was "real positive, confident and very strong." Jean Taylor, a Towson State University employee, said the Democrats have got to help the president because "he cannot do it by himself."

One of the most popular and acerbic columnists in the Washington Post. Mary McGrory, who is frequently critical of the president said he is "for all intents and purposes a man without serious political opposition and he spoke like one.

"He addressed the economic crisis in military terms," McGrory added. "He bade the recession begone in the same terms he defined the Iraqi occupation of Kuwait. He praised the heroic taxpayers who backed Desert Storm. He warned Congress that the American people aren't impressed by gimmicks."

It was, in my opinion, Bush at his best.

FALL RIVER ECONOMIC RESOLUTION

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, the city council of Fall River recently passed a very important resolution calling on the Federal Government to act in an effective way to help end this recession. I believe that the general approach that the city of Fall River is urging makes a great deal of sense. There are various legislative initiatives that would carry out this general thrust, and I am hoping that we will be able to come to some agreement in Congress on some form of such assistance. Because the city council of Fall River consists of elected officials who are closely in touch with their constituents and who fully understand the economic problems effecting this country right now, I ask that the resolution be printed here:

RESOLUTION

Whereas Fall River's unemployment rate is among the highest in the county; and

Whereas the federal administration is unfocused on its domestic agenda; be it

Resolved, That the City Council propose to the Congressional Delegation that Federal Revenue Sharing be revived that would target assistance to cities experiencing unusually high levels of unemployment and that those funds be made available based on a formula which would help those cities whose unemployment rate exceed the national level. The assistance would "kick in" and the funds only be received when the local community's level of joblessness exceeds the national unemployment rate by the ratio adopted in the formula.

REMEMBERING JUDGE BEACH

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SUNDQUIST. Mr. Speaker, during the recess my district lost one of its best respected leaders with the passing of Judge William O. Beach. Judge Beach in many respects epitomized honest and principled public service. His more than 40 years of active public service have left an indelible imprint on Clarksville and Montgomery County, and I join the many who respected and admired him in saying that he will be missed.

William Beach was a native of Clarksville. He served his country as an Army Air Corps bombardier during World War II, then returned home to the practice of law. Beginning in the early 1950's, he served as Montgomery County general sessions judge, as Clarksville city judge, as county and criminal court judge, and as Montgomery County executive. He has been active in dozens of civic and professional organizations and was a candidate for Governor of Tennessee in 1970.

Judge Beach was a towering figure in the community, and he will be fondly remembered.

JAPANESE NOT FLATTERING NOR ARE THEY ALL WRONG

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BEREUTER. Mr. Speaker, for purposes of balancing all of the more forceful denunciations of the recent statements by Japanese Prime Minister Kiichi Miyazawa, by Yoshio Sakurauchi, and by Kabun Muto, this Member urges his colleagues to read and consider the following editorial in the February 5, 1992, edition of the Omaha World-Herald.

JAPANESE NOT FLATTERING, NOR ARE THEY ALL WRONG

A Japanese legislative leader, Yoshio Sakurauchi, said two weeks ago that America can't compete because its workers are lazy and because a third of them can't read. In Detroit, demonstrators protested the remark outside a Toyota dealership. One of their signs carried the message: "Japan said your lazy."

The glaring grammatical error symbolizes a fact that Americans need to recognize: not all the unflattering statements that Japanese political leaders have made in recent days about American workers are false.

The inability to read, write and calculate is a major problem in America.

So, in more than a few factories and offices, is laziness. A former Japanese trade minister, Kabun Muto, displayed a depressingly accurate view of some American workplaces when he said employees slack off on Fridays to plan their weekends and "cannot throw themselves wholly into their work Mondays as they played too hard Saturdays and Sundays."

Furthermore, Prime Minister Kiichi Miyazawa was right when he said that too many Americans in the 1980s went into the junk bond business and managed leveraged buyouts instead of "producing things and creating value."

The prime minister said, "I have felt that the ethic of working by the sweat of one's brow has seemed to be lacking" among Americans.

Obviously, such statements don't apply to all American workers. For every goof-off who leaves early on Friday afternoon and calls in sick Monday morning because of a bad hangover, there are others who work nights or weekends because the job demands it. Or because they need the money to provide for their family.

There are farmers and ranchers who perform exhausting, backbreaking labor to get the calving done or the corn planted. Loyal, efficient employees can be found in all lines of work. International measurements of productivity indicate that America is still, on the average, one of the most productive, efficient nations in the world and that some non-factory Japanese workplaces are notoriously inefficient.

But Americans shouldn't be too uptight about the putdowns from the Miyazawas, the Mutos and the Sakurauchis. The fact is that it's sometimes difficult to transact business in America on a Friday afternoon, particularly in the public sector. Some American products have been forced out of the international marketplace by cheaper, better foreign products. Hiring clerks who can communicate and make change is a constant challenge for retailers. Archaic work rules sometimes lead to people standing around.

Nobody is suggesting a return to the sweatshop. But three days of productivity isn't enough for a five-day-a-week job. "I think Americans should learn how to work properly from Monday to Friday," Muto said. "That's a good idea for everyone." Indeed it is.

INTRODUCTION OF A JOINT RESOLUTION TO DESIGNATE JUNE 11, 1992, NATIONAL ALCOHOLISM AND DRUG ABUSE COUNSELORS DAY

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mrs. MEYERS of Kansas. Mr. Speaker, today I am introducing a joint resolution to designate June 11, 1992, as National Alcoholism and Drug Abuse Counselors Day. That day will provide us with an opportunity to acknowledge the vital role that alcoholism and drug abuse counselors play in addressing our Nation's alcoholism and drug dependency problem.

Alcoholism and drug dependency are devastating to individuals, communities, and our country. Not only do those abusing these substances suffer, but so do their families, friends, and coworkers. Abuse of alcohol and drugs also takes its toll on our Nation as a whole. Lost worker productivity, expanded health care costs, and increased crime are just some of the ways that alcoholism and drug abuse affect Americans every day.

Alcoholism and drug abuse counselors are trained professionals who help abusers develop an understanding of their problem and its effect on their lives. With the help of these counselors, affected individuals can learn to take responsibility for their actions and begin to look forward to a better future, free of alcohol or other substances.

Mr. Speaker, I urge my colleagues to support this important resolution.

NATIONAL GOOD TEEN DAY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. TRAFICANT. Mr. Speaker, I introduced legislation today designating January 16, 1993, as National Good Teen Day. I believe that a national day should be created to focus on the positive qualities in America's youth.

Salem City Schools, in my district, designated January 16, 1992, as Good Teen Day. The city of Salem, OH, as well as the Ohio House of Representatives have extended recognition to Salem City Schools for this important initiative. Good Teen Day festivities in Salem included a baseball card show and a candy sale.

The concept of Good Teen Day was created by Mr. Robert Viencek, instructor of English at Salem High School. He selected January 16 as Good Teen Day because Abraham Lincoln, the 16th President of the United States, was quoted as saying, "When you look for the good in man, you'll always find it." There were other reasons for choosing the 16th as the date to honor teens, according to Mr. Viencek. "Sixteen is a special year in the lives of teenagers. It is the age when many young people start to drive and start to work * * * it is the middle date of the seven teen years—13–19."

Mr. Speaker, our Nation's teenagers represent an important part of our society. The many physical and emotional changes and character-building experiences that teenagers go through are an important concern. It is often easy to stereotype teenagers as either those who have problems or those who excel. Teenagers should not simply be recognized for their intelligence, abilities, skills, and talents, but rather for the good which is inherent in all human beings.

Teenagers are the future of our great country. There are more than 24 million teenagers in the United States according to the 1990 census. Therefore, I believe that Mr. Viencek's idea should not be limited to one locality, but expanded to the national level. Mr. Speaker, I encourage my colleagues to join me in honoring the teens across America by cosponsoring National Good Teen Day.

TRIBUTE TO ANN SARTO

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BERMAN. Mr. Speaker, It is with great pleasure that I rise today to pay tribute to an extraordinary woman, Ms. Ann Sarto, on the special occasion of her 75th birthday. Ann Sarto was born in New York on February 1, 1917, the daughter of Ida and Isadore Jaffey.

Ann is an exceptional individual who, in her personal and professional life as executive secretary to the Carnation Co., has touched and enhanced the lives of many. Her pleasant personality and willingness to be helpful has endeared her to all those fortunate enough to be helpful has endeared her to all those fortunate enough to be in her company. Her home has always been open to friends and family in need. Through her generous contributions and good advice; she has helped instill strength, hope, dignity; and a strong desire to improve the quality of life into many hearts and minds.

Ann has devoted extensive time, love, and energy to a myriad of charitable and religious institutions in the Jewish community. In the late 1940's, she joined Na'amat and served as fundraising chairman and president of Na'amat's Los Angeles Council. She has proudly served on the metro region board of the Jewish Federation Council, the board of the Institute of Jewish Education and the board of the Israel Histradrut. She has been an active member of the Congregation of B'nai David Sisterhood and a volunteer in the Natanya Day Care Center.

Ann Sarto is a proud mother, wife, and grandmother. Her guidance, unselfish love, patience, understanding and strong moral values have greatly influenced, and contributed to the respect and admiration that her family shares for her and for life itself.

Ann's social commitment is a model for all of us. Her husband, Herman, children and grandchildren should be very proud of her. Ann is a community leader and role model for all. It is my distinct honor to ask my colleagues to join me in wishing her a very happy birthday.

THE STATE OF THE UNION ADDRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 5, 1992 into the CONGRESSIONAL RECORD:

THE STATE OF THE UNION ADDRESS

In his State of the Union address last week, President Bush sensed accurately the mood of the American people. He said people are worried and talk of decline, and he was right to try to lift our spirits and our sights. As he put it, "We are going to lift this nation out of hard times inch-by-inch and day-by-day." He acknowledged the depths of our "troubles at home".

It simply would not have been correct to convey, and the President did not, that the state of the union is just fine. Despite the blur of statistics and claims about the economy, voters know that the state of the union is mediocre and improvements need to be made. It is true that the U.S. is the richest country in the world, certainly the most powerful militarily, and that the American democratic idea is an inspiration. It is also true that the average American has to struggle to keep up, fathers and mothers both have to go to work, and the recession has made Americans gloomy. We could be doing a lot better than we are.

OVERVIEW

The President stressed the sacrifices that Americans made to win the Cold War, and said that now we must give more attention to the problems at home. He called for a dramatic reduction in nuclear arms and said he would support cuts of up to $50 billion in defense spending over the next 5 years. His major emphasis was on the problems in the economy. He said we need a short-term plan to stimulate the economy and a long-term plan to guarantee our place in the world economy.

His short-term plan included several steps he could take without congressional approval: placing a 90-day moratorium on new federal regulations that could hinder growth, speeding up pro-growth expenditures by federal departments and agencies, reducing federal income tax withholding, and working with the Federal Reserve to keep interest rates down. He asked Congress to pass tax incentives for corporations to increase investment, a variety of tax breaks to revive the ailing real estate industry, and a cut in the capital gains tax.

His long-term plan to guarantee America's future included reducing trade barriers, improving American education, encouraging research and development, fighting crime and drugs, revitalizing inner cities, reforming health care, strengthening the family, and getting the budget deficit under control.

NATIONAL SECURITY

The President was certainly right in urging that the nation look homeward. There is a strong feeling in Congress, which I share, that the President has paid too much attention to foreign affairs at the expense of domestic concerns.

For me the most important proposal in the President's speech was to reshape and sharply reduce the strategic nuclear arsenals by eliminating some of the most modern and threatening weapons. The President offered to eliminate the entire U.S. force of 50 MX missiles as well as some modern seabased missiles in exchange for Moscow's elimination of its modern force of SS–18 and other missiles.

I think the President made an important contribution in his effort to change the nuclear balance. He should commit the United States to a long-term program of cutting the nuclear arsenal to minimal deterrence, however that may be defined, perhaps only a few hundred nuclear warheads.

TAX POLICY

The President put a heavy emphasis on tax cuts and changes in tax policy aimed at quickly putting money into the hands of Americans and spurring corporate investment. The biggest surprise in the speech was his plan to give the economy a $25 billion shot in the arm this year by ordering employers to withhold less in federal taxes from workers' paychecks. This move does not amount to any reduction in taxes, as refund checks will be smaller next year, but it does give the average family $350 more per worker to spend in 1992.

Several of the President's tax proposals are solid. The nation's competitiveness will certainly be helped by making permanent the tax credits that corporations receive for research and development. The investment tax allowance that would allow companies to depreciate an extra 15 percent of investments in their first year should be effective. The President's tax cut proposals aimed at the middle class, including tax credits for first-time home buyers and a larger personal exemption for children, are immensely popular. At the same time, the President's proposals will mark a sharp reversal from the Tax Reform Act of 1986 in which the Reagan-Bush Administration and Congress eliminated a variety of tax breaks and used the proceeds to bring down the tax rates. The inevitable result will be a great pressure to increase the tax rates.

The President acknowledges that the cost of his proposals is an additional $25 billion over 5 years, with others putting the cost much higher. I kept wondering during the speech whether a government which already spends almost $3 for every $2 it takes in can afford a further dramatic shrinkage in revenue. Sending the federal deficit soaring would in the end hurt the economy.

LONG-TERM PERSPECTIVE

I consider strengthening the economy over the long term the fundamental issue. The President's proposals emphasize short-term fiscal stimulus and do not sufficiently address the long-term structural problems in the economy that are the key to productivity, jobs, and increases in the standard of living.

I have the very strong feeling that Washington politicians ought to worry much more about the State of the Union in January 2000 rather than November 1992. I am impressed with how many long-term investments this country has to make in order to get the economy growing again—beeding up schools; expanding research and development; modernizing highways, railroads, and airports. We also have to reduce a runaway federal budget deficit that causes us to focus far more on spending for current purposes than on long-term investment to strengthen the nation's productivity. The dilemma for policymakers is that what is needed to make the next 6 to 12 months better is often not what is needed to make the next 6 to 12 years better.

Probably more important than content in State of the Union speeches is the performance itself. What the American people want to know is whether the President knows what direction the country ought to be headed and that he is in charge and has the will to carry through the struggle to achieve his goals. To what extent President Bush achieved that command posture will depend on the judgment of the American people over the next several months.

ANNE M. TWADDLE SERVED COLUMBIA COUNTY FOR 38 YEARS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SOLOMON. Mr. Speaker, the reason America is the greatest, freest Nation on Earth is its spirit of voluntarism, its tradition of service to community and help for one's neighbors.

I'd like to tell you about one person who personifies that greatness of America. Her name is Anne M. Twaddle, who retired last December 31 after 38 years of public service, the last 18 of those years as Columbia County treasurer.

She first joined the treasurer's office in 1954 and served as deputy treasurer for many years before being elected treasurer.

In recognition of her service, she received the Columbia County Young Republicans' Club Lincoln Day Award in 1981.

She has been active in the Columbia County Women's Republican Club, past treasurer of the town of Claverack Republican Club, and a member of the Hudson Business and Professional Women's Club. She also serves as Treasurer of St. Mark's Episcopal Church in Philmont.

She will be missed by everyone who knows her. And that certainly includes me. Because of people like Anne Twaddle, the Republican Party is in good shape in Columbia County.

Please join me in paying tribute to Anne M. Twaddle, an outstanding public servant, a solid citizen, and someone I'm proud to call my friend.

NOTING NEBRASKA AS TELEPHONE TECHNOLOGY CENTER

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BEREUTER. Mr. Speaker, this Member would like to bring to his colleagues' attention the following editorial from the Lincoln (NE) Star. The editorial cites the recent national attention focused on Nebraska in general and Omaha, NE, in particular as the call in location for CBS News "America on the Line." The editorial focuses on the state-of-the-art telecommunications network located in Omaha, which makes such call in programs like "America on the Line" possible. For that program alone over 300,000 calls were managed. Nebraskans can be proud of the telemarketing systems and innovations that have created thousands of jobs in the State and made it easier and faster for all Americans to register their opinions and consumer demands.

[From the Lincoln (NE) Star, Jan. 30, 1992]

MILLIONS CALL OMAHA TO GIVE THEIR VIEWS

Nebraska, or more particularly Omaha, got national attention Tuesday night as more than 7 million people tried to register their sentiments with the CBS "America On The Line" special.

After President Bush's speech, CBS asked viewers to call an 800 number to register their answers to a list of questions about the economy, their perception of Bush, the media, even Gov. Bill Clinton's alleged infidelities.

The equipment that handled the more than 300,000 calls was available only in Omaha, Charles Kuralt told the national audience.

"In all the world, there is no other room that can do what this room in Omaha can do," Kuralt said. "Omaha, Neb., has become the high-tech communications center of America, and only here could we register so many opinions so quickly and so accurately."

That kind of free exposure is invaluable to the state and its eastern metropolitan area. Anyone who thinks of Omaha as a meatpacking center is behind the times, Kuralt told the nation.

The response to the free telephone survey was overwhelming. CBS expected the facility to be able to handle all the calls. In fact, the hosts, at the beginning of the program, told viewers they would not get a busy signal. The Omaha center could handle as many as 10,000 phone calls in 90 seconds or more than 400,000 calls in an hour.

But AT&T estimated that more than 7 million Americans dialed the 800 number in less than an hour. More than 314,000 people got through and responded to the survey questions. The rest got busy signals.

CBS apparently underestimated the interest of Americans in a convenient and novel way to register their opinions. It was fun and it was free.

Americans are not reticent about wanting to exercise their freedom of speech. Call-in radio, abundant letters to the editors and telephone survey lines are testimony to the willing sharing of personal opinions about a variety of topics.

Twenty years ago, when institutions of authority held greater sway, there were fewer individual voices.

We have learned to speak up. And we have a diversity of viewpoints, often fractured along sex, age, race and religious lines.

The problem today is not with the talking. It is with the listening.

Now that we have learned to speak up, we need to learn to listen with tolerance.

The CBS State of the Union special was a simplified exercise in both parts of the dialogue.

TRIBUTE TO SIXTH GRADE PARTICIPANTS IN DARE PROGRAM

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the sixth grade students in the Youngstown School District who completed the Drug Abuse Resistance Education Program this past month.

These students graduated in a formal ceremony on January 15, at the illustrious Stambaugh Auditorium in Youngstown.

During the past 17 weeks, students from Martin Luther King, Jefferson, Harrison, and Lincoln Elementary Schools have spent time with the DARE coordinator detective, Sgt. Saundra Bell, of the Youngstown Police Department.

DARE is an alcohol and drug abuse prevention program, providing students with the knowledge necessary to make healthy choices and the opportunity to engage in healthy lifestyles through the education, guidance, and support of a specially trained police officer.

Mr. Speaker, it is with great pleasure that I rise on this occasion to congratulate these young people of the 17th Ohio Congressional District and wish them well in the future. Let us hope that they can set an example for all young people today.

INTRODUCTION OF A JOINT RESOLUTION TO DESIGNATE MAY 1992 AS NATIONAL HUNTINGTON'S DISEASE AWARENESS MONTH

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mrs. MEYERS of Kansas. Mr. Speaker, today I am introducing a joint resolution designating the month of May 1992 as "National Huntington's Disease Awareness Month."

Huntington's disease is a hereditary neurological disorder which directly affects 1 in 10,000 Americans. The disease produces radical physical changes over a period of 10 to 20 years—affecting coordination, speech, and control of movement—as well as profound mental changes—diminishing the power to think, remember, or reason. The disease causes a very slow deterioration of a person's neurological functions, which is emotionally devastating and very costly for the victims and their families. There is at present no cure, and it is a fatal disease.

Recent advances in genetic research have given those who are affected by Huntington's disease hope that an effective treatment and possible cure will soon be found. In 1983, scientists discovered a genetic flag known as a marker, indicating the nearby presence in a person's DNA of the gene which causes Huntington's disease. Dr. Francis Collins, the discoverer of the genes for cystic fibrosis and neurofibromatosis, is one of the many expert researchers around the country working to find the gene which causes the disease. Increased Federal funding of medical research would hasten the search for the Huntington's disease gene.

I firmly believe that the designation of May 1992 as national Huntington's Disease Awareness Month will generate the interest and momentum necessary to increase research funding for Huntington's disease, and to find a cure for this devastating disease.

Mr. Speaker, I urge my colleagues to support this important resolution.

THE 12TH ANNUAL EVERETT McKINLEY DIRKSEN AWARD

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. MICHEL. Mr. Speaker, over the years I have spoken many times about the need for excellence in reporting on Congress.

Congress, in a sense, is the forgotten branch, so far as the news media are concerned.

A President receives widespread, daily coverage. Supreme Court decisions are treated to days and weeks of news and analysis.

But the work of Congress, with its 535 Members, is difficult to capture, in print or electronically.

Innumerable issues, complicated procedures, and—with the exception of a few at the very top of the leadership ladder—anonymous Congressmen, do not lend themselves to catchy headlines or simplistic analysis.

It takes good, old-fashioned leg-work, a full grasp of our often arcane procedures, and a sense of empathy with the institution to capture the essence of the House.

That is why I am glad that Everett McKinley Dirksen Congressional Leadership Research Center, located in Pekin, IL, in my congressional district, presents an annual award for distinguished reporting of Congress.

Last week I had the honor of presenting to the guests and members of the Washington Press Club Foundation the 1991 winner of the Everett McKinley Dirksen Award, Joan Biskupic of the Congressional Quarterly Weekly Report.

Ms. Biskupic, the 12th recipient of the award, was chosen by the judging committee for her "analysis of the changing role of legislative history in statutory interpretation" and "her investigation of the new politics of judicial confirmation."

Yes, reporting on Congress is tough. But an informed electorate is impossible without the kind of reporting excellence the Dirksen Award recognizes.

My congratulations go to Joan Biskupic, and, as always, our thanks to the board of directors of the Dirksen Center, and its hardworking executive director, John J. Kornacki.

SALUTE TO ORCHARD MANOR TENANTS' ASSOCIATION

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. WISE. Mr. Speaker, I rise today to salute the remarkable accomplishment of the volunteers of the Orchard Manor Tenants' Association of Charleston, WV. Orchard Manor is the largest public housing community in West Virginia and the residents of Orchard Manor have taken it upon themselves to make their community a safe, drug-free place to live.

Less than a year ago, crack cocaine dealers flooded into Orchard Manor every day and night. Gunfire was a nightly event and adults feared to go outside and kept their children indoors as well. Drug dealing and violence was out of control and Orchard Manor was wallowing in an atmosphere of lawlessness and despair.

A few months ago the residents of Orchard Manor organized to rid their neighborhood of crime and violence and now they have made an extraordinary turnaround. With the help of the city of Charleston and the U.S. Department of Housing and Urban Development, the Orchard Manor Tenants' Association instituted serious measures to reclaim their community. The city police trained residents for a neighborhood watch program which reduced crime and chased away the drug dealers. Resident leaders now take shifts at a guard post to monitor those who enter and exit the housing complex.

The residents of Orchard Manor have also cooperated in other ways to improve the quality of life in their community. They offer regular assistance and holiday meals to home-bound senior citizens. A recreation and community center is now in place so that children can play or do their homework after school under adult supervision.

Orchard Manor was once a haven for crime and drugs, but now, thanks to the concerted effort of residents in the community, drug arrests have dropped to zero and calls to the police have all but ceased. The residents of Orchard Manor devised an excellent plan to restore safety and order in their community and they deserve the highest praise and recognition for their accomplishement.

The efforts and achievements of the volunteers of the Orchard Manor Tenants' Association were recognized yesterday by President Bush as a daily point of light for the Nation and that honor was certainly well deserved. I join in recognizing Orchard Manor's remarkable achievement as a model for communities around the Nation to bind together and improve their own neighborhoods.

A TRIBUTE TO PUBLIC SCHOOL 139 QUEENS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to Public School 139 of Rego Park, Queens. PS 139 was selected as one of 27 elementary schools to represent New York State as part of the U.S. Department of Education's Blue Ribbon Schools Program for 1991–92. A schoolwide celebration is planned to commemorate the award on February 13.

PS 139 has the distinct honor of being the only New York City school to receive such a designation. PS 139 is a multiethnic, multilingual school with a student body of about 750 boys and girls. Its composition is truly reflective of the melting pot that makes up American culture and society. The school is composed of students from more than 40 countries speaking more than 30 languages. Many schools would be unable to handle such a wide mixture of pupils; yet Public School 139 has made education the common goal of all these diverse students.

Their achievement is a tribute to the faculty, parent body and diverse student population. I commend Principal Neil F. Kreinik and Assistant Principal George Usdin for their hard work and determination in furthering educational excellence. I also congratulate the Parents Association and its copresidents, Diane Bialick and Elyn Colby. Parental involvement is a vital factor in ensuring a quality education for our Nation's schoolchildren.

Finally, I commend all the students of Public School 139, for this is truly their award. They should all walk the halls with a sense of pride and achievement. The collective efforts at the school have created a commitment to academic excellence which does not go unnoticed.

Mr. Speaker, I call upon my colleagues in the House of Representatives to join with me in congratulating the students, parents, teachers, and administrators of PS 139.

PRESIDENT'S REPORT ON IRAQI COMPLIANCE WITH UN SECURITY COUNCIL RESOLUTIONS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. HAMILTON. Mr. Speaker, on January 14, 1992 the President wrote to Speaker FOLEY with respect to the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council. I believe this letter provides an important summary of United States and U.N. efforts to date, and I commend it to the attention of my colleagues. The text follows:

THE WHITE HOUSE,
Washington, January 14, 1992.

Hon. THOMAS S. FOLEY,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102–1), and as part of my continuing effort to keep the Congress fully informed, I am again reporting on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council.

Since I last reported on November 15, 1991, the International Atomic Energy Agency (IAEA) and the Special Commission created under U.N. Security Council Resolution 687 have continued to conduct inspections and other activities related to Iraqi weapons of mass destruction and ballistic missiles. Iraq has not impeded these efforts insofar as they concern sites and activities declared by Iraq and Iraq's participation in the destruction of identified chemical weapons. In the main, however, Iraq continues to be uncooperative and obstructive with respect to inspection of sites identified by the Special Commission and the IAEA (based on their own sources of information) as potentially involving clandestine, prescribed activities.

Since obtaining extensive and detailed documentation of Iraq's nuclear weapons program in September 1991, two additional inspections have been conducted of facilities judged to be directly associated with the testing and development of high-explosive components of the implosion system of a nuclear weapon, contrary to Iraq's explanation of their purpose. Iraq maintains that it conducted studies but had no program to develop nuclear weapons. This position is inconsistent with the documents obtained in September and the characteristics observed in subsequent visits to Iraqi facilities. These documents and facilities reveal a well-funded and broadly based nuclear weapons development program involving sophisticated facilities. Additional analysis and investigation in this area are required.

The Special Commission has continued to compile a detailed and comprehensive picture of Iraq's chemical and biological weapons program. From November 17 to November 30, 1991, the Special Commission conducted a chemical and biological weapons inspection and visited, at short notice, 13 sites designated by the Special Commission as potentially having chemical weapons or biological weapons. Initial reporting indicates no chemical or biological weapons activities at these sites. In addition, a Special Commission team visited Iraq in mid-November to discuss issues related to Iraq's destruction of identified chemical weapons and agents, with particular emphasis on safety issues. The Special Commission has made recommendations to Iraq regarding an Iraqi design for a mustard agent incinerator, the destruction of nerve agents caused by caustic hydrolysis, and the breaching and draining of munitions. It is estimated that destruction of such munitions can commence early in 1992.

Two ballistic missile inspections have been completed since my last report. To date, Special Commission inspection teams have supervised the destruction of 62 ballistic missiles, 18 fixed missile launch pads, 33 ballistic missile warheads, 127 missile storage support racks, substantial amounts of rocket fuel, an assembled 350mm supergun, components of two 350 and two 1,000mm superguns, and one ton of supergun propellant. The United States believes, however, that Iraq continues to possess large numbers of undeclared ballistic missiles. Questions also remain about whether all aspects of Iraq's attempts to produce the Scud missile indigenously and to develop a more capable solid-propellant missile have been discovered.

The United States continues to assist the United Nations in its activities, including by conducting U–2 surveillance flights and providing intelligence. Although the Special Commission has received important monetary contributions from other nations, including Kuwait and Saudi Arabia, the shortage of funds readily available to the Special Commission has become acute, particularly because the Special Commission and the IAEA are now beginning to remove spent irradiated fuel from Iraq.

Since my last report, additional important progress has been made in implementing the Security Council resolution on compensating the victims of the unlawful invasion and occupation of Kuwait. The Governing Council of the U.N. Compensation Commission held its third formal session in Geneva, November 25–29, 1991, and continued to make rapid progress in establishing the framework for processing claims. The Governing Council adopted criteria for the remaining categories of claims of individuals, claims of corporations, and claims of governments and international organizations (including claims for environmental damage and natural resource depletion). In addition, the Governing Council set July 1, 1993, as the deadline for filing claims of individuals under $100,000, with expedited consideration to be given to claims filed by July 1, 1992. The Governing Council has scheduled meetings in January, March, and June 1992 to address additional issues concerning the compensation program.

In accordance with paragraph 20 of U.N. Security Council Resolution 687, the Sanctions Committee continues to receive notice of shipments of foodstuffs to Iraq. The Sanctions Committee continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. To date, Iraq has declined to use U.N. Security Council Resolutions 706 and 712 to sell $1.6 billion in oil to generate revenues for the purchase of foodstuffs for Iraqi citizens.

On November 24, 1991, the Secretary General's representative for the U.N. humanitarian program in Iraq entered into a Memorandum of Understanding with Iraq covering the period January 1, 1992, to June 30, 1992. This Understanding establishes the framework for U.N. humanitarian activities (primarily the provision of food, medical care, and shelter) in Iraq, which are conducted through centers staffed by U.N. and personnel not affiliated with governments. The Understanding contemplates the use of up to 500 U.N. armed guards to protect U.N. personnel, assets, and operations. On January 2, 1992, the Government of Turkey extended for 6 months the authority for U.S. Armed Forces to operate in Turkey in furtherance of Operation Provide Comfort.

Through the International Committee of the Red Cross (ICRC), the United States, Kuwait, and our allies continue to press the Government of Iraq to comply with its obligations under Security Council resolutions to return all detained Kuwaiti and third-country nationals. Likewise, the United States and its allies continue to press the Government of Iraq to return to Kuwait all property and equipment removed from Kuwait by Iraq. Iraq continues not to cooperate fully on these issues and to resist unqualified ICRC access to detention facilities in Iraq.

I remain grateful for the support of the Congress for our efforts to achieve Iraq's full compliance with relevant U.N. Security Council resolutions, and I look forward to continued cooperation toward achieving our mutual objectives.

Sincerely,

GEORGE BUSH.

CSCE HOLDS HEARING ON SITUATION IN YUGOSLAVIA

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. ECKART. Mr. Speaker, today the Commission on Security and Cooperation in Europe [CSCE] is holding a hearing on the current situation in Yugoslavia. At the hearing we will learn about the many human rights violations which have occurred in Yugoslavia since fighting broke out last year. Helsinki Watch recently released a letter to the leaders of Serbia and the Yugoslav army detailing major human rights abuses. A similar report on Croatian human rights violations will be released shortly. According to Helsinki Watch, among the violations committed by the Serbian Government and the Yugoslav army, at least 200 civilians and disarmed combatants have been summarily executed in 14 separate incidents over a 5-month period. Similarly, according to Helsinki Watch, Croatian forces have also arrested and abducted Serbian civilians, often without cause. While both sides have contributed to the violence, neither side can be excused.

After many fruitless attempts, a cease-fire is now holding in the war in Croatia. However, when the European Community sent military observers in to investigate the situation, their helicopter was shot down, killing all five, Again, the Serb-dominated Yugoslav military accepted responsibility for this senseless incident. The killing must stop.

It is my hope that today's hearing, with the testimony of Ambassador Dirk Jan van Houten, former head of the European Community monitoring mission to Yugoslavia, and Jeri Laber, executive director of Helsinki Watch, will point up the various human rights violations which are occurring. The destruction of the land that is Croatia and of the people who live there is a great tragedy.

I commend the European Community and United Nations groups which are trying to work out a solution to the conflict. It will take courage and a strong will to prevent further abuses and a prolonged war. These groups, under the CSCE framework can help end the violence. Let's support human rights and freedom for Croatia and the other republics of what was once Yugoslavia.

Beginning last year with Slovenia and Croatia, the individual republics have declared their independence. Yet the United States has not recognized them. On December 25, 1991, however, President Bush announced that the United States officially recognizes the independence of each of the 12 states of the former Union of Soviet Socialist Republics [U.S.S.R.]. Why is our Government ignoring the Yugoslav republics?

Recognition for Slovenia, Croatia, and the other independent republics of Yugoslavia, would lend credibility to these emerging governments. Germany and the European Community have already ventured forth on this mission and are working to assist these newdemocracies. Relationships are being developed and the republics, especially Slovenia are beginning to invest and grow. Recognition is important to the republics. They must be able to develop confidence in their ideas and their governments so that they can become a part of the new world order.

THE ANTI-RECESSION INFRASTRUCTURE JOBS ACT OF 1992

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. ROE. Mr. Speaker, today I am introducing the Anti-Recession Infrastructure Jobs Act of 1992 to provide $10 billion in accelerated funding for local public works projects that will be ready for construction within 90 days.

An accelerated local public works program is by far the best way to create half a million real jobs for Americans who are out of work and desperately seeking employment. It will also create infrastructure projects of lasting value and will inject anti-recession jobs funds into the stagnant economy with 100 percent Federal money.

The Anti-Recession Infrastructure Jobs Act of 1992 is modeled on the successful local public works programs of 1976 and 1977. Those bills successfully created 334,000 jobs. With the national unemployment rate at 7.1 percent at the end of 1991, and regions with significantly higher unemployment, it is long past time that we took action to provide help to the jobless and to get this economy moving.

The crucial part of this program is its ability to provide financial assistance immediately and to create jobs now—when they're needed. We want a rapid turnaround on projects that are ready to go to start creating jobs in those areas that have been hit hardest by the recession.

The strict timetable requires the Secretary of Commerce to issue rules and regulations and to accept project applications within 30 days of enactment. The applications must be approved or disapproved within 60 days. On-site labor must be ready to begin within 90 days of approval.

The bill authorizes funds to pay 100 percent of the cost of construction, renovation, and repair of local public works projects, the cost of supplemental grants to pay the non-Federal share of federally authorized projects, and the cost of grants for the State or local share on projects authorized by State or local laws.

Funding preference must be given to projects of local governments, locally endorsed projects, school district projects, and projects with high State or local priority.

The bill requires priority to funding projects in areas in which the unemployment rate is in excess of the national unemployment rate. The next level of priority must be given to projects in areas with unemployment rates of more than 6 percent but less than the national average.

Our Nation is facing an ever-increasing upward spiral of unemployment. There are now almost 9 million jobless Americans—a staggering number that must not be allowed to continue. It is up to us as Members of Congress to take action as soon as possible to provide some help—and some hope—for the unemployed of our Nation.

I am introducing this bill today, along with my colleagues from the Public Works and Transportation Committee, to set in motion an anti-recession jobs progam that will provide a powerful measure of relief from the recession that covers this Nation. Inaction and half-hearted measures are not good enough when the unemployment rate continues to increase. We must begin providing jobs for Americans—now.

A summary of the bill follows:

ANTI-RECESSION INFRASTRUCTURE JOBS ACT OF 1992

Three Types of Grants:

(1) 100% grants for the construction, renovation and repair of public works projects and for the completion of plans to permit construction of such projects.

(2) Supplemental grants for increasing up to 100% the Federal contribution for Federally authorized projects not started.

(3) Grants for all or any portion of State or local share on projects authorized by State or local laws.

Prohibitions: Funds cannot be used to acquire real property or to pay for maintenance costs.

Time Factors:

Secretary shall prescribe rules and regulations within 30 days of enactment.

Project applications received by the Secretary must be approved or disapproved within 60 days of receipt.

Applicant must give assurance that on-site labor can begin within 90 days of project approval.

Requirements: Existing law applies on Buy American, minority participation, and accessibility to the handicapped.

Preferences: Projects of local governments; locally endorsed project; school district projects; and States and local governments with high unemployment rates.

Allocation of Funds:

A set-aside of 2½ percent of funds appropriated for projects of Indian Tribes.

Allocation of remaining funds among the States: 65 percent based on the ratio that the number of unemployed in State bears to the total unemployed in all States; 35 percent based on relative severity of unemployment among those States with an average unemployment rate for the preceding 6-month period in excess of 6 percent.

No State shall be allocated less than three-fourths of one percent, nor more than 12½ percent. Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands and the Commonwealth of the Northern Mariana Islands together will not receive less than one-half of one percent.

Authorization: $10 billion is authorized to carry out the program.

TRIBUTE TO THE 20TH ARMORED DIVISION OF WORLD WAR II

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. TRAFICANT. Mr. Speaker, today I rise to pay tribute to the 20th Armored Division of World War II for its service during the 1944–45 liberation by Allied Forces of Nazi concentration camps. I especially want to call notice to the 412th, 413th, and 414th Armored Field Artillery Battalion of the 20th Armored Division who recently held a reunion in Rapid City, SD. These men have been honored by the United States Holocaust Memorial Council for their sacrifices for liberty.

Personal momentos from these proud veterans of the Second World War and other American wars are on display at the War Vet Museum in Canfield, OH, in my 17th Congressional District. This museum, which was started with private funds and donations, features 10,000 items from all conflicts involving American soldiers and is open 7 days a week. The museum is meant to bring a greater understanding to the public of what the wars were all about and the sacrifices the veterans made for our country.

Mr. Speaker, it is with great pride and pleasure that I rise here today to honor and recognize these brave men of the 20th Armored Division for their valiant service during the 1944–45 liberation by allied forces of Nazi concentration camps.

HAPPY BIRTHDAY TO OPAL SEYMOUR

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. COSTELLO. Mr. Speaker, I rise today to wish a very happy birthday to Opal Seymour. Opal is a longtime resident of Carbondale, IL a lovely community in the southern part of the State.

On February 15, 1992, Opal will celebrate her 100th birthday. Born in 1892, Opal has seen the turn of the century, the invention of all modern conveniences, the Great Depression, World Wars I and II, and vividly tells the story of her life to her many friends and family members. She has lived a long and prosperous life and we celebrate her many days on this Earth by noting her upcoming birthday.

I ask my colleagues to join me in honoring Opal Seymour and the milestone she will celebrate on February 15, 1992.

REACHING OUT TO THE LIVERMORE VETERANS MEDICAL CENTER

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. STARK. Mr. Speaker, the Tri-Valley Herald recently printed an article about a cooperative effort to bring quality television reception to the Livermore, CA, Veterans Medical Center. This effort is evidence that good things can happen when people reach out to help others in their communities. It is quite an inspirational story, and I thought I'd share it with you and our colleagues:

[From the Tri-Valley Herald, Jan. 8, 1992]

Community Effort Brings Television to the VA

(By Mark van de Kamp)

Most of us take for granted the luxury of watching television with a clear signal and a substantial variety of channels. Even when we spend time healing in a hospital room.

But that's not the case at the Department of Veterans Affairs Medical Center in Livermore. Television reception is poor and there are not many TV sets for the patients. Many patients are confined to bed and have little to do.

That's about to change. A new TV system is going to be installed soon, and like the old saying. "a car in every garage," there will be a TV set in every room.

The VA hospital, Viacom Cablevision, RV West Magazine and other businesses and volunteer organizations are teaming up for this project. Hospital residents will be watching news, sports, entertainment and movies by late spring.

"The patients really enjoy having TV. Many of them are confined to bed, and cannot do much in the way of recreation activities," said Priscilla Davis, the medial center's chief of voluntary services.

"Up to now, VA residents can watch a large-screen TV in the dining room of the nursing care unit, and some patients have privately owned TVs in their rooms. But not everyone has a TV and we're trying to change that."

The goal is to install brand-new, wall-mounted televisions in every room of the 120-bed hospital. That will be about 60 TV sets, Davis said.

Improved signal reception is the other half of the equation. The hills block TV signals, and the hospital is miles away from the nearest underground cable.

Michal Dittrich, manager of community affairs at Viacom Cablevision, said Viacom has tackled the uprade as a community service project. Viacom and the cable industry are putting together a package of television equipment.

Jerrold Communications in Pennsylvania is donating $26,000 worth of top-of-the-line satellite receiving equipment, Ditrich said. Other companies will provide cable connectors, fittings, cable and other parts. Viacom employees will install the new system in mid-February.

"We will be able to support all this at no cost to the VA, and Viacom will not benefit financially from this," Dittrich said.

The idea for the new TV system germinated last year when a VA patient's son called Dittrich and complained about poor TV reception. She got going on the project and found some support while boating on the Delta with her friend, Dave Preston, who happens to be the director of marketing for RV West Magazine in Pleasanton.

Preston thought this a great idea, and he's donating booth space at the RV supersale at the Alameda County Fairgrounds in Pleasanton Jan. 17–25 so Viacom can sell tickets for a drawing. Winners will have one week's use of a new RV. Tickets are $1 apiece or six for $5, Davis said. Proceeds will buy new TVs.

The California Bowlers BVL fund is also purchasing 15 TVs, Davis said.

TRIBUTE TO JEFFREY SCOTT BRAIN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BERMAN. Mr. Speaker, I rise today to recognize a leading resident of the San Fernando Valley, Mr. Jeffrey Scott Brain. Jeff is being honored by the Greater Sherman Oaks Chamber of Commerce on completion of a distinguished term as president.

Jeff Brain symbolizes the spirit, energy, and future of the San Fernando Valley. During his tenure as president, Jeff's work has positively affected the lives of many. As a result of his efforts and excellent performance, he enjoys the respect and support of his friends, coworkers, and colleagues throughout the valley. Under his leadership, the first annual Sherman Oaks Street Fair and Carnival was held. This family oriented event generated funds to benefit the elementary schools in the community of Sherman Oaks.

Jeff has served as chairman of the Greater Sherman Oaks Chamber of Commerce's Government Affairs Committee, working as liaison between the Chamber and Homeowners Association to promote and improve the good of our community.

His contributions extend beyond the chamber of commerce. He is responsible for spearheading the Ventura Boulevard trolley which is designed to improve transportation, traffic, and commerce along Ventura Boulevard. As a member of the San Fernando Valley Mobility Action Committee, the Los Angeles Transportation Commission, and the San Fernando Valley Transportation Summit, Jeff has helped promote business cooperation and growth in meeting the transportation needs of the community. His energy has improved the quality of life for all who live and work in the San Fernando Valley.

Jeff is a successful and respected businessman and realtor. He is the president and owner of Jeff Brain's Real Estate Network. He is recipient of the California Association of Realtors distinguished Chairman's Award for most outstanding realtor active in politics for the State of California.

It is my honor to ask my colleagues to join me in saluting Mr. Jeffrey Brain, an asset to our community and a dedicated citizen.

LEAF-CHRONICLE PUBLISHER SALUTED

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SUNDQUIST. Mr. Speaker, as 1991 came to a close and this House stood in recess, the active career of one of my State's most respected newspaper publishers came to a close. My friend Luther Thigpen, 42 years a newspaperman, retired as publisher of the Leaf-Chronicle in Clarksville.

I call this to the attention of my colleagues because I believe Luther Thigpen represents the very finest principles and the highest ideals of ethical journalism. The Leaf-Chronicle under his stewardship has been an aggressive news organization, unafraid to ask the tough questions, yet it has remained a newspaper respected for its objectivity and its fairness.

The Leaf-Chronicle was an afternoon paper, publishing 6 days a week when Luther Thigpen arrived in 1980. It is today a morning newspaper, published 7 days a week and serving a community which has grown to become the fifth-largest city in Tennessee. It is also a newspaper in the forefront of community involvement.

It is a measure of the respect and admiration Luther Thigpen commanded that, to mark his retirement, the Leaf-Chronicle published an entire special section devoted to his life and his career in journalism. There is much in that section I might share with you, but in particular I offer a speech Luther presented more than 20 years ago and in which he outlines what a fair and free press ought to be about. It is timely reading in this day, when our media seem increasingly content to allow the public agenda to be set by the most sleazy and sensational of tabloids.

I wish for my friend Luther Thigpen an active and rewarding retirement, many good rounds of golf, and the comfort and satisfaction of knowing that his life's work has made a difference and is valued and appreciated by his friends and colleagues.

Mr. Speaker, I ask that the following article from the Leaf-Chronicle be reprinted in its entirety in the Congressional Record:

[From the Clarksville (TN) Leaf-Chronicle, Dec. 5, 1991]

The Compleat Newspaper Man and the Philosophy Behind the Man

(Reprinted from The Asheville Citizen-Times, July 19, 1970. Editor's Note: Luther Thigpen, executive director of the Citizen-Times, spoke Tuesday before the North Carolina Association of ABC Boards, in convention here. His calm appraisal of the news media's dilemma—pressing for the public good in the face of widespread misunderstanding—represents the feeling of the management of the Citizen-Times. We felt we should share his text with you.)

(By Luther Thigpen)

Newspapers—and television—have been under increasingly strong criticism in recent months.

The complaints come from different people and from different groups.

We are accused of being unfair, of publishing too much bad news and not enough good news, of errors in reporting, of distorting the news, of being old fashioned in doing our job.

But mainly we are charged with bias. Bias in our news stories, bias in our editorials, bias in our selection of news, in our placement of stories, in our writing of headlines.

We frequently hear these complaints from readers, particularly in letters to the editor. We like to hear from readers. Often they set us straight when we get off the track. Many letters are intelligent and thoughtful contributions to understanding of public issues.

But there are some we find hard to understand. An extreme example was the letter from a reader complaining because we had condensed Jeane Dixon's mid-year predictions. Jeane Dixon writes a pretty good horoscope column which we publish in our afternoon paper every day.

Twice a year, she looks at the stars and comes up with some long-range predictions about everything under the sun, and she writes about them at great length. We don't know how many people take them seriously, but they are interesting and that's why we print them. But the reader I mentioned read the full version in another paper and the condensed version in ours and wrote: "What was included and what was deleted * * * is a prime example of the news bias that Vice President Agnew has so eloquently pointed out."

I'm still not sure this fellow wasn't pulling my leg.

But this is a refrain sounded by many critics: "You're biased, just like Mr. Agnew says."

The chorus has grown much louder since the Vice President began speaking last fall about the news media.

If his goal was to make viewers and readers turn a critical eye toward the people who write, edit and present the news, he has done his job well.

I just hope he knows when to quit.

I am well aware that his criticism has been aimed primarily at the television networks and at big newspapers in the East, especially New York and Washington.

I know that he has had some nice things to say about some newsmen.

But I am afraid it has been faint praise and faintly heard.

Large numbers of people have heard only the criticism.

When things are not going well, it is good to have something to blame it on, and Mr. Agnew, being a very persuasive man, has persuaded many people that one of the things they can blame it on is the news media.

The mail and telephone calls that newspapers and television stations are now getting throughout the country—and we're getting our share in Asheville—indicates that he is being taken at his word.

ROOM FOR CRITICISM

Any institution as large and influential as that which we call the news media in the United States certainly has room to be criticized.

We couldn't possibly be doing everything right.

Things that have always gone wrong still go wrong occasionally.

Words are misspelled. Officials are sometimes misquoted. Facts are misinterpreted, stories that ought to be in the paper are left out and some that ought to be left out are printed.

We have made errors of judgment.

In short, we do make mistakes. And we are more distressed about them than anyone else.

But they are relatively few in relation to the total product, and do not by any means detract from the strengths and advantages of a free press as opposed to a controlled press.

Theodore Roosevelt said:

"If there is one thing we ought to be careful about it is in regard to interfering with the liberty of the press * * * I think it is a great deal better to err a little bit on the side of having too much discussion and having too virulent language used by the press, rather than to err on the side of having them not say what they ought to say, especially with reference to public men and measures."

Saying what ought to be said about public men and the things they do has always been one of the principal roles of a free press.

If anything, the performance in this regard is getting better, not worse.

Newspapers in particular have shown an increasing sense of responsibility to the people they serve.

They have poked and peered at a government that grows more complicated year by year, and they have done this in an effort to make sure the public gets a fair shake.

They have exposed corruption and poor performance.

They have interpreted social change—and this is a task that gets tougher all the time.

Response from readers over the years makes me believe that there has been a positive acceptance of the fact that we are trying to serve our communities and that we are succeeding.

I have a thick file of letters from people expressing appreciation, not only for help in specific causes, but for news reporting and editorial jobs which our newspapers have done well.

Yet the voices of criticism have grown so loud that many are losing confidence in the press—a circumstance that will make it even harder for newsmen to do the job they should do.

A BIG INSTITUTION

One of our problems may be the vastness of the media. There are 1,750 daily newspapers, 578 Sunday papers, 8,000 weeklies, 150 general editorial magazines, 6,400 radio stations and 840 television stations.

To some, such large numbers mean great power and I suppose they fear power in the news media just as they fear power in the government or power in big business.

There is danger in power misused.

There is danger in the news media being used by people to promote particular points of view.

We have critics who maintain that demonstrators and protestors have taken advantage of the press—that television and newspapers have paid too much attention to them.

There have been excesses in this regard. But anyone who thinks social upheaval is going to go away if we ignore it is not thinking very straight.

Let's look at another danger in misuse of the media.

Mr. Agnew, for example, is not unaware that every time he makes a speech, it is covered, at least in part, by all those newspapers, all those magazines, all those radio stations and all those television stations.

And he knows that if he keeps repeating his charges often enough, he will convince a lot of people that he is right.

The danger in this is that constant attacks by officials who speak from positions of power and therefore receive saturation coverage could lead to action to seriously interfere with the operation of our free press.

This danger is more real, and far more frightening than any danger that might be presented by the power of the news media as an institution.

Ownership and management are far too diversified for any single line of thought to prevail among the media. As long as free press conditions prevail in our free enterprise system, the American public has no need to fear the power of the press.

The only fear they need have is that government regulations may be put into effect to restrict newspapers and broadcasters in what they may publish and put on the air.

A newspaper filled with handouts written by government public relations men would not be the same as a newspaper written and edited by professional newsmen who may rub you the wrong way at times, but lead you toward the truth.

A Nixon-Agnew show at 6:30 in the evening would not be an acceptable substitute for Huntley-Brinkley.

WE TRY TO SHED LIGHT

Another problem is the great mass of information available.

There is much to try to understand, and in many cases, we cannot supply understanding.

We can try to shed light, but we can't provide solutions to our many problems, such as war, decay and disorder in the cities, student protests, the rising crime rate and many others.

These are continuing problems.

We can report what's happening, we can try to interpret it, we can suggest that someone do something about it. But they are national problems, not press problems.

We've grown accustomed to happy endings—or at least endings. Movies, television shows and books always work out that way. Problems are presented, the hero gets into deep trouble, but somehow it all comes out all right—or the hero is done in and that's the end of it.

Our past wars have been the same way. They have been brutal and bloody. But we knew whose side we were on, and they came to an end after a time.

Now we have problems that defy solutions. There doesn't seem to be an ending, happy or otherwise.

Our war goes on and on.

The newspapers and broadcasting stations tell us about these things.

They tell us about them in more detail and more efficiently than we've been told anything before.

Compared to the information that used to be available, today's massive outpouring of news gives the appearance of magnifying the problems. Some seem to think that if you just get rid of the magnifying glass, things will get back to normal.

But it won't happen that way.

EVERYBODY'S BUSINESS

The only way we can begin to tackle those things that are wrong is to bring them out into the light so we can see what they look like.

This doesn't mean newspapers and broadcasters should not be subjected to the same scrutiny as any other public service institution. We want to do a better job. We should have our errors pointed out—and we ought to correct them. Some of our severest critics are newsmen themselves.

But constant criticism whose sole purpose seems to be to attack the credibility of the press and undermine the confidence people have in the media poses a threat that ought not to be ignored.

Already, some prominent people have suggested that newspapers or newsmen should be licensed. Can you imagine the kind of newspaper you'd have if they were faced with the loss of a license any time they printed a story that displeased the administration, which in effect would be the licensing agency?

Press freedom isn't something written into our Constitution for the benefit of newsmen. It is there for a much broader purpose and if we lose it, we lose all.

CONGRATULATIONS TO ALAN FRIEDMAN ON HIS INSTALLATION AS 1992 PRESIDENT OF THE CONSTITUTIONAL RIGHTS FOUNDATION

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. LEVINE of California. Mr. Speaker, I want to congratulate Alan V. Friedman of Munger, Tolles & Olson as he is installed as the 1992 president of the Constitutional Rights Foundation [CRF] on February 10, 1992. Alan has worked tirelessly in pursuit of the CRF's goals, and richly deserves this honor.

The Constitutional Rights Foundation seeks to instill in our Nation's youth a deeper understanding of citizenship through values expressed in our Constitution and Bill of Rights and educate them to become active and responsible participants in our society.

The CRF was founded in 1962 and has been a pioneer in the field of innovative citizenship education programs. The Foundation sponsors programs in law, government, business, and civic participation that involves thousands of young people and over 2,000 lawyers, and business volunteers each year.

Alan has continued to strive for expanding opportunities for young people in our community, and his dedication to the CRF's ideals assures our country's future by investing in our youth today.

SYRIA'S ROLE IN LEBANON

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues correspondence I had with the Department of State regarding the role of Syria in Lebanon.

The Council of Lebanese American Organizations [CLAO] has expressed concerns about what Syria is doing in Lebanon. The State Department's reply suggests that one key test of Syria's intentions in Lebanon will be whether Syrian troops are redeployed to the Biqa Valley before September 1992, pursuant to provisions of the Taif Agreements. Congress will need to follow developments carefully.

CLAO's letter to me dated November 27, 1991, my letter to the State Department dated December 13, 1991, and the State Department's reply dated January 24, 1992, follow:

COUNCIL OF LEBANESE AMERICAN ORGANIZATIONS,
Washington, DC, November 27, 1991.

Hon. LEE HAMILTON,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN: In testimony before the Subcommittee of Europe and the Middle East of the House Foreign Affairs Committee on November 20, 1991, Assistant Secretary of State for Near Eastern and South Asian Affairs, Edward P. Djerejian, claimed that, "as a result of the Taif Agreement, Lebanon now has the ability to fully restore its independence, its territorial integrity and its sovereignty". Ambassador Djerejian added that, "this is a beginning down the path of Lebanon's full restoration". Contrary to this claim by our State Department, the Taif "agreement" has expanded, not reduced, Syrian political and military hegemony over Lebanon.

Ambassador Djerejian's testimony was full of misconceptions about the entire situation. After all, the Hrawi government remains a puppet regime fully controlled by Syria. The so-called "Treaty of Brotherhood, Cooperation and Coordination" signed on May 22nd of this year has given Damascus broad and complete control over Lebanon's government, foreign affairs, military, education and economy as well as a permanent military presence in the country. The May 22nd Syrian-imposed "agreement" amounts to a Syrian takeover of the country and effectively puts an end to Lebanese sovereignty and free government authority.

The Ambassador failed to mention how deep and authentic are the roots of despair and bitterness among the Lebanese and how dangerous is their sense of hopelessness. The Syrian order in Lebanon represents a reservoir of false hopes and a fleeting spring amid a gloomy winter of repression. We must not rely on Hafez Assad and his puppet regime in Lebanon to further freedom, democracy and human rights. The people of Lebanon are insisting on their right to independence and on their right to determine their own future free of outside control. America should respect and support their courage, not allow it to be ignored, belittled or forgotten.

Waiting for your current thoughts and opinion regarding the Lebanese situation, I remain sincerely yours,

DANIEL FERRIS,
CLAO Washington Representative.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, December 13, 1991.

Hon. EDWARD P. DJEREJIAN,
Assistant Secretary of State for Near East and South Asian Affairs, Washington, DC.

DEAR MR. AMBASSADOR: I attach for your comments a recent letter from the Council of Lebanese American Organizations regarding your testimony before the Subcommittee on Europe and the Middle East on November 20, 1991.

I would appreciate your comments regarding the Council's reactions to your statements before the Subcommittee on the situation in Lebanon. In particular, I would appreciate it if you would comment on Mr. Ferris' characterization of the implications for Lebanon of the Taif Agreement and the May 22nd Syrian-Lebanese treaty.

Thank you for your consideration of this matter.

With best regards.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

U.S. DEPARTMENT OF STATE,
Washington, DC, January 24, 1992.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, House of Representatives.

DEAR MR. CHAIRMAN: I am responding to your letter of December 13 to Assistant Secretary Edward P. Djerejian, asking for his comments on the letter you received from the Council of Lebanese American Organizations (CLAO).

U.S. policy on Lebanon remains firm and consistent. We believe that the Taif Agreement offers the best chance of regaining the unity, independence, sovereignty and territorial integrity of Lebanon. Implementation of the Taif Agreement helped bring to an end a turbulent era in Lebanon characterized by terrible bloodshed, armed militias contolling the streets and western hostages held in brutal conditions. That is no small achievement.

The U.S. government is encouraged by recent security and political developments: there has been no significant factional fighting for more than a year, the Lebanese army has moved into areas from Tyre to Tripoli previously held by militia forces, and the army has had good success in gathering heavy and medium weapons from most major militia groups, both Lebanese and Palestinian.

While it may appear to some that the Taif Agreement has allowed for greater expansion of Syrian control over Lebanon, the U.S. government believes it has actually led to a clearer definition of the current Syrian role and presence in Lebanon. The U.S. government continues to support the withdrawal of all non-Lebanese forces from Lebanese territory and the disarmament of all militias.

We support the Lebanese government in its efforts to implement the Taif Agreement and to extend its authority throughout the country. We continue to encourage all parties, including Syria, to abide by both the spirit and the letter of the Taif Agreement. Under the terms of Taif, Syrian troops are expected to re-deploy to the western entrance to the Biqa' Valley no later than September 1992.

You can be sure that we are closely monitoring implementation of the Taif Agreement, as well as the Lebanese-Syrian Treaty of Brotherhood, Cooperation, and Coordination, as called for in the Taif accords. We have made it clear to the Syrians that they should support the right of the Lebanese people to re-make their society in accord with Lebanon's traditional respect for freedom of ideas and democratic principles. In this way, the Administration continues to worl so that one day Lebanon will once again be truly independent, sovereign, and free.

Sincerely,

JANET G. MULLINS,
Assistant Secretary,
Legislative Affairs.

YEAR OF THE AMERICAN INDIAN

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188—Senate Joint Resolution 172, House Joint Resolution 182—Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United

States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we, as a Congress, have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year I am providing today for the consideration of my colleagues a short biography of Massasoit and King Philip from a Department of the Interior publication entitled "Famous Indians, A Collection of Short Biographies."

MASSASOIT AND KING PHILIP—WAMPANOAG

During their first hard years in the New England wilderness, the Pilgrims might not have survived without the help of Massasoit, Chief of the Wampanoags, whose territory included parts of what are now Massachusetts and Rhode Island. In March 1621, a few months after the Mayflower landing, the powerful Massasoit, accompanied by several other chiefs, visited Plymouth colony and in a treaty of peace which followed, gave generous amounts of land to the white men.

As long as he lived Massasoit remained a friend and loyal ally of English colonists. One Pilgrim wrote: "There is now great peace among the Indians themselves, and we, for our part, walk as peaceably in the woods as in the highways of England. We entertain them familiarly in our houses, and they, as friendly, bestow their venison on us."

The Indians shared not only their deer, but their planting and cooking secrets as well. The colonists learned to cultivate corn and to make such delicacies as corn pone, planked shad, baked beans, and roasted clams. In the winter of 1623, when Chief Massasoit was dangerously ill, the grateful Pilgrims helped nurse him back to health. The story goes that Gov. Edward Winslow, the colony's leader, personally carried a nourishing broth through several snowy miles to Massasoit's home near what is now Bristol, R.I.

First clashes between Indians and settlers came from quarrels and misunderstandings over land. In most cases, the New England colonists had honorably paid Indians for land, which they then considered their own. The Indians, however, did not understand such European ideas as exclusive land ownership, and continued to hunt and fish where their ancestors always had. To the English this was trespassing, and trespassing meant arrest, trial, and conviction. Tensions increased between Indians and settlers.

When Massasoit died in 1661, the English, uneasy over the loss of their most powerful Indian friend, hastened to cultivate the good will of the great chief's two sons. As a mark of esteem, they bestowed English names upon the two young chieftains: Wamsutta, Massasoit's elder son and successor, became "Alexander;" the younger, born Metacomet, was renamed "Philip." When Alexander died suddenly a few months after taking office, young Philip was made Chief of the Wampanoags.

Philip reaffirmed his father's peace treaty, and the colonists, in turn, agreed to stop buying land for 4 years. But within 1 year, white settlers were again moving in on Indian territory, and scattered Indian hostilities grew into rumors of war. In 1671 white authorities summoned Philip to Taunton and demanded new peace measures that included surrender of Indian guns. Philip, although bitterly resentful, agreed to these conditions.

But most of the Indians refused to part with their guns. Philip himself, although publicly acknowledging himself a subject of the English king, had privately spent his first 9 years as Wampanoag chief in preparation for war to avenge his people's humiliations. By 1674, having recognized that his tribe could not defeat the colonists alone, Philip secretly sent messengers to other tribes: war between the Indians and the white men was inevitable, he told them, if the great Algonquian Nation was to survive.

In January of 1675, the war since known as "King Philip's War" began, when an Indian named John Sassamon was found dead under the ice of a pond near Plymouth. Sassamon, who had been converted to Christianity, spoke English well, and for a time had forsaken his white friends to return to the wilderness as Philip's secretary. His real loyalty, though, remained with the colonists, to whom he betrayed Philip's conspiracy.

Three Wampanoags, caught by the English, were convicted as Sassamon's killers and executed. The move infuriated the Wampanoags, who wished to administer their own justice in their own way.

To a messenger sent by Governor Winslow to ask Philip why he planned a war against England, the Indian chief haughtily replied: "Your governor is but a subject of King Charles of England. I shall not treat with a subject. I shall treat of peace only with the King, my brother. When he comes, I am ready."

The following June the war began in earnest. At first Philip and his allies were triumphant: Of 90 colonial towns, 52 were attacked and 12 were completely destroyed. Bands of Nipmucks attacked settlers in western Massachusetts, while Philip's own warriors, allied with Sakonnets, Pocassets, and others, struck villages in the Connecticut River Valley.

Historians generally agree that if the Indian tribes had steadfastly maintained their alliance, they might have wiped out the colonists. In any event, the tide began to turn against Philip, and on August 12, 1676, in a savage battle at Kingston, R.I., his Narragansett warriors were overwhelmed by colonists allied with a group of Mohegans. Some time later, King Philip himself was captured and beheaded. Today, very small groups of Wampanoags still survive in Massachusetts, notably on Cape Cod and on Martha's Vineyard.

THE INTRODUCTION OF A BILL TO RETURN EXCESS FEDERAL LANDS TO GUAM

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BLAZ. Mr. Speaker, I have introduced a bill today to return to the people of Guam lands taken from them by the United States military during World War II. These lands have remained unjustly inaccessible to my constituents ever since, even though much of it has not been used since the war for any military purpose.

In 1944, United States military forces recaptured Guam from the Japanese in a bloody 6-week campaign and took over much of the island as the United States prepared for the invasion against Japan. When the war ended it was expected that the United States would reduce its preserve and, as a consequence, reduce its land holdings. Instead of downsizing its forces, the military started building permanent facilities. Its population constituted about 90 percent of the island's population and it decided to claim one-third of the island. By contrast, in 1992, the local population is now 90 percent of the total, but the U.S. military still holds one-third of the real estate on the island.

For three decades following World War II, the United States was pressured to reassess its needs since it was obvious that sizable portions of the confiscated land were lying dormant. In 1977, the military determined that 5,000 acres were excess to military needs and should be returned to Guam. In 1986, the Secretary of Defense reassessed the military's needs and concluded that certain areas remained excess to military needs and should be returned. Since that time every Secretary of Defense, including Secretary Cheney, has supported the return of these lands. In fact, in the intervening years nearly 2,000 acres of these excess lands have already been transferred to Guam for schools, water facilities, and other public uses with approximately 3,000 acres remaining from the original 5,000 determined to be excess in 1977.

I have worked for years with the people of Guam, the Congress and the administration to craft a solution to this complex problem which will be acceptable to all interested parties. After many years of negotiation the language contained in this bill has emerged as the best mechanism to resolve the problem. Similar language was passed as S. 2362 during the final hours of the 101st Congress by both the House and the Senate and was supported by the administration. Unfortunately, the language was not enacted into law due to disagreements between the House and Senate on other, unrelated language which had been attached to the measure. In the steady progress leading up to its consideration by the full House and Senate, S. 2362 was considered and cleared by the Interior and Insular Affairs, Armed Services, and Government Operations Committees in the House and the Energy and Natural Resources Committee in the Senate. No clearer testimony can be offered to its suitability than this universal acceptance.

The bill I introduced today would transfer about 3,000 acres of excess Federal land at no cost to the Government of Guam. The question of how to dispose of these excess lands will be decided locally by the people of Guam, acting through their elected representatives, by means of the enactment of a land-use plan which would be presented to several committees of the Congress. I included this requirement in recognition of the considerable current interest and support in Guam for the creation of a territorywide land use plan. This bill will allow that plan to incorporate these lands when they are returned. It is my fervent hope that the claims of the original owners of these lands will be given priority in the distribution of the lands.

As we all know, recent events in the Philippines have led to the withdrawal of United States military forces from there after nearly a century of continuous presence. This development compelled the Department of Defense to focus on the base treaty negotiations and precluded the administration's support of this bill pending the outcome of ongoing base treaty negotiations with the Philippines; hence I delayed the reintroduction of the bill, in part, due to these uncertainties which are now resolved.

This bill is important for many reasons. It is important to my constituents who lost their homes nearly 50 years ago. It is important to the economy of Guam which needs new land to produce jobs and to meet serious societal needs. It is important to close the books on the issue of excess lands since the military has repeatedly indicated that it has no further use for them. Both Houses of the Congress and the administration have expressed their approval for the approach embodied in this bill. Years of debate have distilled the best solution which I have incorporated into this legislation. There is every reason to pass it, and I ask you for your unqualified support in doing so.

Mr. Speaker, in 2 years, Guam will commemorate the 50th anniversary of its liberation during World War II. During this time, despite many barriers blocking its development, it has managed to overcome them and has enjoyed a measure of economic self-sufficiency so that it would not be a ward of the United States. With the reduction of threat to national security and the resulting reduction of our worldwide commitments, it is a particularly appropriate time to return to Guam the remaining acreage of lands which were excess to the needs of the United States even before the events of the past 2 years.

DES EDUCATION AND RESEARCH AMENDMENTS OF 1992

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Ms. SLAUGHTER. Mr. Speaker, I am proud to introduce today the DES Education and Research Amendments of 1992. This legislation finally addresses the haunting health questions which, for at least two decades, have plagued millions of American mothers and their children.

The synthetic hormone drug diethylstilbestrol [DES] was prescribed to 5 million pregnant women from 1941 to 1971. An advertisement by the Grant Chemical Co., appearing in a 1957 issue of the "American Journal of Obstetrics and Gynecology" encouraged the use of DES "for routine prophylaxis in all pregnancies." The ad promised pregnant women to whom DES was prescribed reduced risk of miscarriage, plus "bigger and stronger babies, too." Instead, DES caused birth defects and cancer. Today, the drug's lingering health effects continue to haunt these women and their families.

In utero exposure to DES is linked to a wide range of reproductive tract malformations, clear cell cancer, infertility and an increased risk of breast cancer, but the majority of DES injuries do not manifest until approximately 20 or 30 years after exposure and the long-term effects of exposure remain unknown. Unfortunately for 10 million Americans, the lack of attention to DES research and health education perpetuates the suffering of the DES-exposed.

Over the past 3 months, I have received almost 200 letters from DES mothers, daughters and sons across the country, and even one from Germany. They are among the most moving letters I've ever received, and they provide deeply compelling testimony to the need for my legislation. A Portland, OR, woman wrote me,

> I am one of the very unfortunate DES mothers who has died a thousand deaths because of DES. I was given DES with my first daughter in 1959. She has had no cancer, thank God, but who knows what is in the future for her. She had very much trouble trying desperately to have her two children. They had to sew up her cervix. If there's no research, what about the grandchildren who are so trusting and loving?

A registered nurse in Mineola, NY, was exposed to DES in utero and has been in and out of the doctor's office since age 21, at great emotional and financial cost. She wrote:

> I had cervical dysplasia. I lost my son in the fifth month of pregnancy and was with him when he died after a week of life. Now I will always be a high-risk pregnancy, confined to bed, with astronomical medical costs and no guarantee of success. I also worry about my mother getting breast cancer.

These two women and their peers have found a special friend in my district of greater Rochester, NY, in the person of Margaret Lee Braun. As president of the DES Cancer Network, Margaret works together with DES Action USA to provide a central resource of information and support to the DES-exposed. Margaret and her colleagues have done remarkable work across the country and around the world to alleviate the fear and isolation experienced by many DES-exposed men and women; but their success is limited by the extent of scientific knowledge available on DES-related health risks and the scarcity of resources available for outreach. Groups like the DES Cancer Network and DES Action USA must work with the NIH to implement nationwide the same kind of successful education, outreach and support programs they have been able to provide for several years, though on a limited basis.

It is for the grandmother in Portland, the nurse in Mineola, the women Margaret has helped through the Network, and the 10 million other American mothers, sons, and daughters exposed to DES that I today introduce the DES Education and Research Amendments of 1992. This bill would establish within the Department of Health and Human Services [HHS] a program of health professional training, public health education and outreach so that those mothers, sons and daughters exposed to DES will be aware of their known health risks and their physicians will be alert to the special health screenings necessary to detect DES-related problems early.

The last time the Federal Government provided information to the public about DES was in 1983. An NIH publication printed that November was titled "Information for Physicians: An Atlas of Findings in the Human Female After Intrauterine Exposure to Diethylstilbestrol" and it focused exclusively on the cancer risks of DES daughters. It is vital that this information again be provided to physicians and health departments, but it must be updated and it must be expanded to cover health risks for DES mothers, daughters and sons, including not only cancer, but reproductive problems and immune system impairments as well. My legislation would provide for the wide dissemination of such critical information by authorizing an appropriation of $2 million over 3 years to fund such activities as the production and distribution of educational pamphlets, posters, video news releases, and so forth, and the establishment of a toll-free NIH hotline for public inquiries and physician referrals.

Additionally, the legislation reinforces efforts already underway to bolster DES research at the National Institutes of Health [NIH]. In the first session of the 102d Congress, I was pleased to work with the advocates for the DES-exposed to include language on DES research in the House and Senate Reports on the Labor-HHS fiscal year 1992 appropriations bills (Report 102–121 and Report 102–104, respectively). The reports explicitly convey congressional concern for the decline in DES research and direct the NIH to make "longitudinal studies of the DES-exposed a priority."

In response to this directive, the National Cancer Institute, in collaboration with the NIH, the Office of Research on Women's Health, the Institute of Environmental Health Sciences, and the Institute of Child Health and Human Development, will sponsor an April 1992 DES research conference to review current data on long-term health effects of DES exposure and to make recommendations for future research. I applaud the institutes for their sponsorship of the April workshop. More than 20 years after the link between DES and cancer was revealed, this conference will be the first comprehensive, interdisciplinary approach to the DES issue, and I am hopeful that it will yield a new commitment by the NIH to undertaking necessary longitudinal studies of the DES-exposed.

My legislation codifies congressional intent in Report 102–121 and Report 102–104, and elaborates the research needs of the DES-exposed. Further, by establishing a public health education program, it provides a means of communicating important research findings to the DES-exposed population; but, my colleagues should be aware that DES research is not just in the interests of those directly exposed. What DES can teach scientists about the role of estrogen hormone drugs on female health can be more broadly applied to populations not exposed to DES by contributing to our understanding of the development of breast cancer and the cancer risks associated with oral contraceptives.

Mr. Speaker, we all know someone who has been touched by the DES tragedy—a relative, friend, colleague or staff member—and we need to make sure first, that they know of their exposure, and second, that they know how to minimize their health risks. On behalf of millions of American mothers, sons and daughters, I urge my colleagues to consponsor the DES Education and Research Amendments of 1992 and give these families reason to hope that answers will be found and a healthy future will be ensured for the generations to come.

MARTIN LUTHER KING, JR., BIRTHDAY CELEBRATION

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, on Martin Luther King's birthday this year, I was honored to be in Atlanta at the Martin Luther King Center, at the invitation of Coretta Scott King, president of the King Center. While I was very honored to be asked to participate in Martin Luther King observances on that day, I regret that it caused me to miss a very moving ceremony which I usually attend—that commemorating Dr. King's birthday held at the city hall in Attleboro, MA.

Among the reasons this is quite moving is that Attleboro is not the center of a large African-American population. It is therefore particularly to the credit of the citizens and government of Attleboro that they dedicate themselves on this day to expressing our gratitude for the great work Martin Luther King did in trying to make our constitutional principles a reality.

Newly elected Mayor Judith Robbins has continued the tradition so ably carried on by her predecessor, Mayor Kai Shang, in helping organize this and making city hall available. It is a stirring tribute to one of the great men in modern American history and I salute those who make sure that we remember Dr. King and the important work he did.

Mr. Speaker, as I have done in the past, I wish to enter here into the CONGRESSIONAL RECORD the program of this important celebration because I think the example set by the citizens of Attleboro in remembering Dr. King and rededicating themselves to the fight against discrimination is worthy of note.

THE MEMORY OF DR. MARTIN LUTHER KING, JR., IS EVERLASTING

The Martin Luther King, Jr. Holiday Committee invites you to join in celebration of the life and work of Dr. Martin Luther King, Jr. 1929–1968, Monday, January 20, 1992.

DR. MARTIN LUTHER KING, JR. BIRTHDAY CELEBRATION PROGRAM

Organ prelude.

Processional: "Lift Every Voice and Sing".

Call to worship: Reverend John D. Crandall, All Saints Episcopal Church.

Opening prayer: Reverend Daniel M. Mutungi, Hebron United Methodist Church, Attleboro.

Scripture, Amos 5:10–15, 21–24: Reverend Donald Kellogg, Mansfield United Methodist Church, Mansfield.

Solo: Semenya McCord, M.L.K., Jr. Committee.

Scripture, Matt. 5:3–12: Reverend Lowell Drotts, Evangelical Covenant Church.

Greetings: Mayor Judith H. Robbins.

Selection: Ecumenical Brass Ensemble.

Presentation: M.L.K., Jr. Committee.

Selection: Congregation.

Poem: Robert Brown, M.L.K., Jr. Committee.

Selection: Martin Luther King, Jr. Community Chorus.

Offering: Reverend John D. Crandall, All Saints Episcopal Church.

Introduction of Speaker: Edna Cason, M.L.K., Jr. Committee.

Selection: Martin Luther King Jr. Community Chorus.

Keynote speaker: Dr. Virgil Woods, Pond Street Baptist Church, Providence, R.I.

Prayer for peace and unity: Reverend Farley Wheelwright, Murray Unitarian Universalist Church, Attleboro.

Benediction: Reverend Ralph D. Tetreault, St. Mary's Church, North Attleboro.

Selection: "We Shall Overcome" (Congregation).

1992 MARTIN LUTHER KING, JR. COMMUNITY CHORUS

William Alson, North, MA.
Barbara Clark, Attleboro, MA.
Willie A. Daniels, Jr., Mansfield, MA.
Jim Davidson, Mansfield, MA
Marcellus Forbes, Mansfield, MA.
Nicole Forbes, Mansfield, MA.
Debra Harris, Taunton, MA.
Martha Harris, Taunton, MA.
Nikisha Mulkerrins, Taunton, MA.
Nancy Withers, Norton, MA.

Esther Forbes, Accompanist/Director, Mansfield, MA.

Semenya McCord, Director, New Bedford, MA.

LIFT EV'RY VOICE AND SING

Lift every voice and sing,
Till earth and heaven ring.
Ring with the Harmonies of liberty;
Let our rejoicing rise.
High as the list'ning skies,
Let it resound loud as the rolling sea.
Sing a song full of the faith
That the dark past has taught us,
Sing a song full of the hope
That the present has brought us;
Facing the rising sun, of our new day begun,
Let us march on till victory is won.

God of our weary years,
God of our silent tears,
Thou who hast brought us thus far on the way;
Thou who hast by thy might,
Led us into the light,
Keep us forever in the path we pray.
Lest our feet stray from the places
Our God where we met Thee,
Lest our hearts drunk with the wine
of the world, we forget Thee;
Shadowed beneath Thy hand, may we forever stand
True to our God, true to our native land.

WE SHALL OVERCOME

We shall overcome; We shall overcome
We shall overcome someday.
Refrain:
Oh deep in my heart, I do believe
We shall overcome someday.

The Lord will see us through. (Refrain)
We'll Walk hand in hand. (Refrain)
We are not afraid. (Refrain)
The truth shall make us free. (Refrain)
We Shall live in peace. (Refrain)

DR. MARTIN LUTHER KING, JR. HOLIDAY PLANNING COMMITTEE

Robert Brown, Jr., Providence, R.I.
Edna Cason, Attleboro, MA.
Gladys Durant, Norton, MA.
Lawrence Fitton, Attleboro, MA.
Rachel Garvin, Norton, MA.
Semenya McCord, New Bedford, MA.
Judith Robbins, Attleboro, MA.
Gloria Wyatt, North, MA.

MARTIN LUTHER KING'S MEMORY IS EVERLASTING

(By Robert Brown, Jr.)

The memory of Martin Luther King can be everlasting
So let us keep the dream alive.
The lamp of hope will often dim
So we must work to keep in stride.

Let's use his dream as a cornerstone
To build a better world.
Together we can do it
All nations, women, men, boys, and girls.

We are all different individuals
Who believe in many different things.
But to think of a nation walking hand in hand,
Oh, what peace and joy it brings!

Martin Luther King marched to Selma, Alabama,
Then on to Tennessee.
There he took a place in history
Realizing a dream for you and me.

Through nonviolence he said we could achieve
Equality and respect throughout the land.
His lifelong goal and ultimate dream
Was for nations, boys, girls, Black and White
To walk together hand in hand.

Martin Luther King's memory is everlasting.
Let us continue to walk in stride.
The lamp of hope will sometimes dim.
So, we must work to keep it alive.

PARTICIPANTS IN THE MARTIN LUTHER KING BIRTHDAY CELEBRATION 1992

Reverend John D. Crandall, All Saints Episcopal Church, Attleboro, Ma. 02703.

Reverend Daniel M. Mutungi, Hebron United Methodist Church, Attleboro, Ma. 02703.

Reverend Donald Kellogg, Mansfield United Methodist Church, Mansfield, Ma. 02048.

Semenya McCord, 282 Hawthorne Street, New Bedford, Ma. 02740.

Reverend Lowell Drotts, Evangelical Covenant Church, Attleboro, Ma. 02703.

Mayor Judith H. Robbins, Attleboro City Hall, 77 Park Street, Attleboro, Ma. 02703.

Robert Brown Sr., 216 Massachusetts Avenue, Providence, R.I. 02905.

Edna Carson, 55 Ridge Hill Rd., Attleboro, Ma. 02703.

Dr. Virgil Woods, Pond Street Baptist Church, 75 Chester Avenue, Providence, R.I. 02907.

Reverend Farley Wheelwright, Murray Unitarian Universalist Church, Attleboro, Ma. 02703.

Reverend Ralph D. Tetreault, St. Mary's Church, North Attleboro, Ma. 02760.

Gladys Durant, 14 Guy Street, Norton, Ma. 02766.

Lawrence Fitton, 40 A Parker Street, Attleboro, Ma. 02703.

Rachel Garvin, 5 Jackson Street, Norton, Ma. 02766.

Gloria Wyatt, 7 Draper Rd., Norton, Ma. 02766.

TRIBUTE TO DAVID GLICKMAN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BERMAN. Mr. Speaker, it is with distinct pleasure that I rise today to salute an outstanding attorney and model citizen, Mr. David Glickman. He is this year's recipient of the prestigious Ted Horn Memorial Award for distinguished service to the legal profession from the Los Angeles Trial Lawyers Association.

A member of the California State Bar, David was admitted to practice before the Ninth Circuit Court of Appeals and the U.S. Supreme Court.

David is a member of the Los Angeles Trial Association, California Trial Lawyers and American Trial Lawyers. He is president of the Los Angeles Chapter of the American Board of Trial Advocates and a member of its National Board of Directors. He has excelled not only within his profession, as diplomate, the highest rank attainable in the American Board of Trial Advocates, but also as board member emeritus for the Los Angeles Trial Lawyers Association. David's commitment to justice, integrity and morality is deep rooted. He is greatly respected by those fortunate enough to know him.

David is a graduate of the UCLA School of Law. He has been practicing in Los Angeles for over 34 years.

A frequent lecturer on trial practice and tort legislation, David has taught in every law school in Los Angeles County. He has also taught courses for the California State Bar, the Los Angeles Trial Lawyers Association, and California Trial Lawyers. He has published over 30 articles on legal issues.

It is an honor to ask my colleagues to join me in saluting Mr. David Glickman, a respected professional and invaluable member of the community.

TRIBUTE TO GUY MUDD

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. COSTELLO. Mr. Speaker, I ask my colleagues to join me today as I rise to honor a recently retired labor leader from my congressional district, Mr. Guy Mudd of East Alton, IL.

Guy has earned distinction throughout his career as a labor leader, and in fact, received the Labor Leader of the Year Award from his peers in Madison, Jersey, and Calhoun Counties in 1990.

Guy Mudd retired on December 31, 1991, as secretary of the Greater Madison County Federation of Labor. Guy was instrumental in the development of this countywide federation into a 20,000-member labor organization which has become a powerful voice for working men and women in the State of Illinois.

During his past 45 years of community activism, Guy's contributions were not limited to organized labor. Guy is the founding member of the Greater Alton-Twin Rivers Growth Association, has served with Pride, Inc., the River Bend United Way, the American Red Cross and two mental health institutions.

Though many in the community of southwestern Illinois lament his retirement, Guy has pledged that his involvement will not end. Because of his willingness to continue working for our area, all working men and women can feel secure. I ask my colleagues to join me today as I applaud Guy Mudd on his significant contribution to organized labor in southwestern Illinois.

MAYOR TEDDY KOLLECK WARNS OF THREATS TO RELIGIOUS CO-EXISTENCE IN THE CITY OF JERUSALEM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. HAMILTON. Mr. Speaker, on January 7, 1992, the mayor of Jerusalem, Mr. Teddy Kolleck, wrote an article in the London Guardian-Observer on recent events in the city of Jerusalem. His article, entitled "Unsettling a Unique City," warns that religious coexistence in Jerusalem is being threatened by Jewish families moving into a Moslem district. Mayor Kolleck has devoted his career to the betterment of life in Jerusalem, and I commend his article to the attention of my colleagues.

The text follows:

[From the London Guardian-Observer, Jan. 30, 1992]

UNSETTLING A UNIQUE CITY

(By Teddy Kolleck)

I am not a philosopher. I believe in being practical. The sudden intrusion of Jewish settlers into the Silwan neighborhood of Jerusalem may be legal, but it is also immoral, and it is very impractical. Silwan is a neighborhood just to the south of Jerusalem's Old City. Here stood the original City of David, a portion of which has been excavated and is open to the public as an archeological park. Though Jewish families also lived in Silwan in the past, for several decades it has been an entirely Muslim Arab neighborhood, today numbering about 30,000 residents.

On the night of October 9 last year ultranationalist Jewish settlers slipped in under cover of darkness to take possession of a small number of houses obtained with the aid of the Ministry of Housing. Most were evicted the next day by a temporary court order. Following a government decision on December 8, they were allowed to return. They claim to be leasing or purchasing many more homes in the area.

I understand that the controversial events in Silwan bode ill for the Arabs. I insist, however, that they bode worse for the Jews. For it was our great fortune to see Jerusalem, capital of Israel, again united. Our great fortune and our great challenge. It has been our sacred task not just to receive and to preserve, but also to elevate and to improve. Jerusalem always was, and must continue to be, a light unto the nations; and this light should reveal in our time that it is possible for Jews, Muslims, and Christians to live in harmony in this generally inflamed part of the world. The Arabs will not go away. Neither will we. Learning to live together therefore, is simply the only way. Not least because co-existence between Arabs and Jews has been so difficult to achieve, and so regularly thwarted during the decades of conflict, their co-existence in Jerusalem, even if it has not been perfect, has been a particularly precious achievement. Co-existence between Jews and Arabs has many enemies in both communities. Still, in this municipality, we have been striving for nearly a quarter of a century to make the Arabs equal citizens, with the same rights as Jewish residents.

There are three basic reasons for this. First, it is the decent thing to do. Second, for us, and by "us" I am referring to the Jews, it affords the only chance of living here peacefully. Third, it is a living refutation of an idea prevalent among some Jews that the whole world is against us anyway, and so we may disregard its opinions. This fatalism is a monumental mistake, politically, diplomatically and morally.

I have had disputes with all the governments of Israel, Labour as well as Likud. But since the Likud came to power in 1977 there has been a change. Instead of a policy of quietly and diligently improving people's ability to live side by side—as has traditionally been the way of the Holy City—we have witnessed the harassment and intimidation of the Arab populace.

Actions like those in Silwan reveal a policy premised on an unrealistic assumption that, with enough pressure, the Arabs will gradually pack up and slip away. In reality, however, the policy, accepted by the Likud sometimes openly and sometimes by a failure to resist, achieves the opposite result. It increases hostility and stiffens Arab resistance to compromise and co-existence. And it turns the world against us, drawing attention away from the tremendous accomplishments of the city, from which all residents have benefited, and focusing attention only on the problems. This policy also polarises our own community. It sows hatred among us, and it distorts us morally, as some rejoice while others mourn the damage done to the principles that have guided us to a sovereign Jewish state after 2,000 years in a bitter exile.

In Jerusalem, the Likud lost little time in beginning provocations. In 1978 a movement was initiated gradually to infiltrate Arab districts with Jewish enclaves. It started with the appropriation of a few apartments in the Muslim Quarter of the Old City. Ariel Sharon, then as now a government minister, moved to an apartment that he seldom visits, but that has to be heavily guarded 24 hours a day. The rationale given for these acts is the right of the Jews to settle anywhere in Jerusalem. It is a right that in principle I do not dispute, though I certainly do dispute the view that the discussion about these provocations ends there. It is also argued that the presence of Jews in the Muslim Quarter or in Silwan improves security. But it is the heavy police guard necessary to protect these Jewish settlers, not their presence in these places, that increases security. At the same time, more and more of the Arab population is radicalised.

In 1990 came the more serious case of St John's Hospice, a building belonging to the Greek Orthodox Church, which was acquired for Jewish settlers from its Armenian tenant. The legality of the transaction is still under adjudication in the courts. But no matter what the court may decide, we have suffered regrettable repercussions, alienating Christian communities in the city and around the world. Many Christians and their churches had already been committed for decades, to anti-Israel politics. But the hospice episode pulled Christians who have stood apart into the passionate vortex of the conflict.

As in Silwan, the purchases may be backed by court decisions and may be "hallowed" by this or that building having been previously owned or occupied by Jews. But let us be clear about what all this means. Let us recall that Arabs cannot return to homes in what are now Jewish neighbourhoods that their families fled during the War of Independence. Much of Israel's argument during the last four decades, after all, has rested quite properly on the principle that the wheel does not turn back. We must go forward from where we are today. The ghosts that haunt the streets and alleys of Jerusalem come from many faiths and many nations. These Jewish settlers, dwelling morbidly on history, think that they are honouring the past, but in reality they are endangering the future.

The recent government decision to allow a few Jewish families to settle in Silwan is the most disturbing development yet, partly because of the way it was carried out: evicting Arab families in the middle of the night, the sad and helpless faces of the Arab residents mocked by the settlers' gleeful singing and dancing. There is no doubt in my mind that the settlements in Silwan will spark strife between Jews and Arabs in this city. It will bear heavily on the peace talks, not least by thrusting the problem of Jerusalem to the forefront of the diplomatic agenda when it is the most complicated topic and should be left for last.

Worse yet, most of the funding for this provocation came from government sources—from the Housing Ministry, apparently from budget items intended for young couples and needy cases. Meanwhile this same ministry has withdrawn from its promised share in a plan to provide low-cost rental units for 1,000 new immigrants and low-income families. What does Jerusalem need more: five or 20 Jewish families thrust awkwardly and unfairly into an Arab neighbourhood, or housing for 1,000 families looking to build their future in the city? Jerusalem needs calm, more over, in order to develop economically, to attract investors and tourists. The move into Silwan does not bring us closer to any of these goals.

But Silwan represents still more. It denotes a retreat from co-existence, and a dangerous loss of respect for "the other" in our society. It is an attack on, and an insult to, the recent experience of Jerusalem. For, despite differences that sometimes loom large, daily life in Jerusalem since 1967 has shown that Jews, Muslims, and Christians can live side by side in peaceful and productive coexistence.

A TRIBUTE TO THE SAN BERNARDINO COUNTY PROBATION DEPARTMENT STAFF

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the fine work and outstanding public service of the San Bernardino County Probation Department staff. Members of the staff will be recognized for their fine year of service in a February 18 ceremony during the annual employee recognition program.

The probation staff exemplifies professionalism, competence, and integrity in the workplace. Many opportunities for personal and professional development in the department are available, including participation in departmental planning and decision making giving this department an atmosphere of mutual respect and trust among the staff and management.

The staff not only strives to protect the community through assessment, treatment, and control of adult and juvenile offenders, but also provides a range of effective probation services based on legal requirements and recognized professional standards.

While treating all people in a dignified, respectful, courteous manner, it strives to meet the needs of every individual. Particular attention is paid to unique and special needs, and appreciation is given to the many cultural diversities in other staff and clients. The staff is fair, objective, consistent, and honest in their treatment of all people.

The probation department staff is also aware of its responsibilities to the individual and community. It, thus, invites and encourages citizen participation, involvement, and support to plan, deliver, and evaluate programs. While the staff's principle concern is public safety, it is still alert to the needs of victims and endeavors to represent them appropriately. This staff is committed to providing a safe, secure work and living environment for both staff as well as clients.

Mr. Speaker, I ask that you join me, our colleagues, friends, and family in recognizing the many contributions of the San Bernardino County Probation Department staff. Its outstanding service and dedication to the community is certainly worthy of recognition by the House today.

A TRIBUTE TO ST. NICHOLAS OF TOLENTINE CHURCH ON THE OCCASION OF FATHER KENNY DAY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. ACKERMAN. Mr. Speaker, I rise today in recognition of the joyous occasion of the 75th Anniversary of St. Nicholas of Tolentine Church of Jamaica, Queens County. Last September this church, a pillar of the religious community in Queens for three-quarters of a century, began a yearlong celebration of this anniversary. The members of the parish will give thanks for these many years of service to the community by St. Nicholas of Tolentine Church, and it is proper that the rest of us join their commemoration.

Since its foundation in 1917, the church has grown to serve a diverse community. Like America itself, St. Nicholas Church is made up of many cultures, many ethnic groups, even many different languages. It represents the sort of community of interest and religious devotion so vital in knitting together the patchwork quilt which surrounds it. In the sometimes stormy sea of modern life, St. Nicholas offers a safe harbor for prayer, for meditation, and for a sense of purpose and meaning.

St. Nicholas is also a shining example of involvement in community service. Every Christmas the parishioners collect toys for homeless children. The church itself gives shelter each night to six homeless men, and runs a food pantry. Along with a school, religious classes, a senior citizens group, and other programs, it touches the lives of many different people.

I wish for all of us in this Chamber to take special note of February 16, for on this date the church will mark Father Kenny Day. For 31 years, Father Kenny had been the soul of St. Nicholas' good work. Many of my constituents well into their middle years have known Father Kenny since their childhood. They remember fondly how he would act as grand marshal for the church's St. Patrick's Day Parade, sitting in front of the church while the children of the parish marched by him for review.

For all this time he has lived up to the image of the typical, old-style parish priest: A man of spirituality and of love, a man that all his parishioners can relate to and turn to in good times and in bad. Often he would sit on the church steps and simply talk to those who wanted his advice or companionship. Father Kenny retired in 1990 and left for a monastery. He will be attending the festivities, and he is well remembered for his warmth and his impish sense of humor.

Mr. Speaker, Father Kenny returns to Queens now for his much-deserved retirement party. I ask all of our colleagues in the House to rise and join me in congratulating the people of St. Nicholas of Tolentine Church. May they continue their good works for 75 years more—and beyond.

GOVERNMENT PROGRAMS HAVE GROWN

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. DUNCAN. Mr. Speaker, one of the most sensible columns I have read about the financial problems of State and local governments was published in the Washington Times on February 5.

We keep seeing stories about budget shortfalls and cuts. Almost nothing has been cut. Most government programs have grown at rates two or three times inflation in the last 10 years.

I would encourage my colleagues and other readers of the CONGRESSIONAL RECORD to consider this fine column by David Denholm.

GOVERNMENT PROGRAMS HAVE GROWN

(By David Denholm)

State and local governments all across the nation face budget problems that are, more than anything else, a result of the explosive expansion of government during the last several decades. According to a recent article in Fortune Magazine, in the last three decades state employment has grown by 193 percent, and local government employment by 115 percent.

Politicians have been buying the votes of special interests by approving one new government program after another. It is easy to add to the size and cost of government during times of economic expansion. But it is difficult to maintain that size when the economy is stagnant. Now, it's time to pay the piper.

Now local government officials are pleading with Congress for relief. Most state and local governments must balance their budgets. The federal government is under no such constraint. Passing federal money to state and local government is just a way for these governments to engage in deficit spending.

There is still a tooth fairy mentality out there that thinks that state and local taxes are paid by the taxpayers but that the federal government gets its money from somewhere else. The federal government is broke but keeps spending money. It reminds me of the person who is sure that his checking account can't be overdrawn because he still has checks.

One of the most obnoxious lobbying groups in all of this is the public sector unions that have grown fat by extorting more and more money from the taxpayers. They are the ones who lead the rallies at the city council meetings and in state capitals demanding tax increases. When challenged about the political reality of increasing taxes, their response is invariably: "Do you think we don't care about taxes? We pay taxes, too."

Oh! Well! That changes everything. If these taxpayers are willing to pay higher taxes to maintain, and even increase, bloated public payrolls, everything must be all right.

No! Let's take another look at that one. Let's say you are a public employee and that in order for you to get a 5 percent increase in pay, taxes will have to be increased by 4 percent. In other words, if you are making $30,000 a year and paying $2,000 in local taxes, in order to get a $1,500 a year raise you will have to pay an additional $80 a year in taxes.

Would you be willing to shoulder this new tax burden? Of course you would! In fact, you would be willing to make that deal over and over again as long as the sucker on the other end of it was willing to bite. It's just like a lot of other get-rich schemes: If you were offering it on the open market in the private sector, you would immediately be investigated for fraud.

Why do hundreds of people show up to pack the audience at city council meetings demanding tax increases when only a few opponents show up? It's a question of relative motivation and of intimidation. Who wouldn't show up, as part of a large, well-organized group, to demand higher taxes, if they knew that the results would return them many-fold? And, how courageous does an individual taxpayer, who is not a public employee, need to be to go virtually alone into a hostile environment, knowing he will be taunted and jeered and, perhaps worse, to protest a tax increase that will only cost him another $80 a year?

The politicians are not ignorant. They know that the crowds that pack into the rallies don't really represent the people. But they are human, too, and they respond to pressure just like any of us. These budget problems present us with a tremendous opportunity to actually make cuts in the size and cost of government. Now is the time for the average American taxpayer to take a stand and find some way, whether it means attending a meeting or rally or just writing a letter or making a telephone call, to tell our elected officials that: "We pay taxes, too. And they are already to high."

David Denholm is the president of the Public Service Research Council, a national public interest group concerned with the influence of union special interests on public policy.

RECOGNIZING DON SMITH ON THE OCCASION OF HIS RETIREMENT

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. GILLMOR. Mr. Speaker, I am pleased to take this opportunity to recognize Don Smith of Columbus on the occasion of his retirement after 33 years of outstanding service to the Ohio Trucking Association.

There are few people who have contributed more honorably to public policy and the legislative process in Ohio than Don Smith. I have watched him work for three decades from many vantage points: as his friend, as a State senator, and as a Member of Congress. In each, I have been impressed by Don's integrity, dedication, and talent.

No matter what the task, Don Smith has always performed his duties and met his obligations in an exemplary fashion. Whether it has been his work with the trucking association, his years as a soldier, or his overall contribution to the quality of life in the city of Columbus or the State of Ohio, Don Smith can look back on his career as a strong source of pride and happiness.

Therefore, on behalf of the people of the Fifth Congressional District of Ohio, I salute Don Smith on the occasion of his retirement, and wish him all the best in the years ahead.

INDUSTRIAL ENERGY EFFICIENCY AND COMPETITIVENESS ACT OF 1992

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. WOLPE. Mr. Speaker, I rise today to introduce, alone with my colleagues Mr. MARKEY, Mr. RINALDO, and Mr. GALLO, the Industrial Energy Efficiency and Competitiveness Act of 1992, legislation which would provide an incentive to States to allow their utilities to provide energy efficiency technology assistance to their industrial customers.

Mr. Speaker, over the past few years, it has become abundantly clear that we must take steps to ensure the international competitiveness of our manufacturing sector, which employs over 20 million Americans. One of the most important factors in ensuring the future of our manufacturing firms will be our ability to implement technologies that will promote energy efficiency and waste reduction. The Industrial Energy Efficiency and Competitiveness Act of 1992 would take an important step toward a more competitive manufacturing sector.

While progress has been made during the 1980's in increasing the energy efficiency of the manufacturing sector, there is still much work to be done, especially with small- and medium-sized manufacturers, who comprise over 98 percent of our Nation's 358,000 manufacturing firms.

Historically, energy efficiency programs have focused on lighting and heating improvements in the residential, commercial, and industrial sectors. However, the vast majority of energy use in the industrial sector is in the manufacturing process, rather than in the operation of the physical plant. Energy efficiency improvements in the manufacturing sector have lagged because utilities are unable to recover their costs in conservation programs, or because energy efficient technologies are unavailable and engineers trained in industrial process assessment are in short supply.

The Industrial Energy Efficiency and Competitiveness Act of 1992 would give grants to States that allow their utilities to recover the costs of industrial process assessements focusing on energy efficiency, waste reduction, and other technological improvements, and receive a rate of return on energy efficiency investments. Grant money would be awarded to State energy agencies to train industrial process assessors, or to set up programs designed to increase the availability and implementation of energy efficient technologies.

Process-oriented energy assessments offer a win-win scenario by both increasing the productivity of our manufacturing sector and facilitating the conservation of energy. Similar programs, such as the National Centers for Manufacturing Sciences and the Energy Analysis and Diagnostic Centers [EADC], that promote advanced technologies—including energy efficient technologies—in the manufacturing sector, have proven track records in conservation and productivity. For example, the EADC program has turned a $15 million Federal investment into $455 million in energy savings per year. This does not take into account the annual outyear savings from reduced energy costs. Nevertheless, there are just 12 university-operated EADC centers nationwide, and they simply cannot meet the tremendous demand for energy assessments. Utilities have the resources and the relationship with their business customers that will enable energy efficient technologies to reach manufacturers in every community, and thereby help to ensure the productivity and competitiveness of our industrial sector.

THE COOPERATIVE INTERJURISDICTIONAL RIVERS ACT OF 1992

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. GUNDERSON. Mr. Speaker, today, I am introducing the "Cooperative Interjurisdictional Rivers Act of 1992." The bill is intended to take an important step forward in preserving and protecting the future well-being of the interjurisdictional rivers of the United States, and the fishery resources of those rivers.

THE NEED FOR LEGISLATION

Interjurisdictional rivers flow between, or are common to, two or more State boundaries. These rivers form large ecosystems that are important to the Nation in terms of both their economic and intrinsic values.

Individual State natural resource agencies have difficulty managing these rivers because, when State boundaries are crossed, State-sponsored scientific investigations are hampered, as is development of management strategies of a scale and scope sufficient to address problems. Consequently, these rivers are often left without management continuity and their ecosystems are threatened by potential mismanagement, or by complete lack of management. A federally supported, cooperative interjurisdictional resource management strategy involving the States is needed to correct this situation.

Interjurisdictional rivers and associated wetlands provide habitat critical to fish and wildlife, including but not limited to fish, birds, mammals, endangered species, and animal communities of unique biological diversity. These species are unique in that their movements transcend political boundaries. Even more unique are riverine fish which, unlike birds and mammals, are confined within the water medium.

These same waters provide conduits for most of the Nation's industrial and domestic wastes, and for transport of the Nation's raw materials and manufactured goods. Consequently, large rivers and large river fisheries are impacted, both directly and indirectly, by a wide variety of waterway developments—many of which are Federal—including navigation, flood control, water level fluctuation, power generation, irrigation, and water depletion. These developments are accelerating and increasingly degrading large rivers and large river fishery habitats.

As a result, many of the Nation's once rich assemblages of riverine fish fauna and habitats have been lost, and many formerly abundant native fish species are now threatened or depleted. The fact that many of the impacting developments are federally sponsored requires a new Federal role in coordinating Federal and State cooperative fishery research and management on interjurisdictional river systems.

Federal programs are in place to address the needs of migratory waterfowl, anadromous fish, and endangered species; including the North American Waterfowl Management Plan, the Migratory Bird Treaty Act, the Anadromous Fish Conservation Act, and the Endangered Species Act, among others. Similar programs, jointly run by the Federal Government and State agencies, are needed to protect and manage interjurisdictional fisheries resources.

PURSUING TWO GOALS

This bill pursues two goals: First, to develop a strategy that maximizes protection and conservation of interjurisdictional river resources. Second, to test effectiveness of the existing Mississippi Interstate Cooperative Resource Agreement for management of interjurisdictional fisheries.

The first goal is pursued under the legislation through creation of a council, chaired by the Secretary of Interior and consisting of heads of appropriate Federal and State agencies, to develop an interjurisdictional river management strategy. The strategy will identify needed Federal actions, minimize duplication of effort, and maximize effectiveness of existing Federal, State, and local commitments to river resource management. The strategy will also aim to prevent further depletion of valuable riverine resources and species, thus helping to prevent future conflict between environmental and developmental interests. Finally, the strategy will establish comprehensive plans for the five highest priority interjurisdictional rivers, to be identified.

This goal is based on the success of an existing interjurisdictional river management plan now in effect on the upper Mississippi River. The Environmental Management Program [EMP] was authorized by Congress in 1986 (P.L. 99–662) to foster cooperative interagency management of the river over a five State area. The success of the EMP has demonstrated that bureaucratic entities and political interests can work together to protect both developmental and environmental interests on large rivers.

The second goal is pursued under the legislation by establishing a pilot test of the Mississippi Interstate Cooperative Resource Agreement [MICRA] entered into by 29 States of the Mississippi River Basin, and the U.S. Fish & Wildlife Service, August 1991. MICRA coordinates management of interjurisdictional fisheries. Under the comprehensive strategic plan developed by the MICRA signators, fisheries managers have agreed to share facilities and funding for implementation of management efforts.

The Mississippi River Basin is the Nation's largest interjurisdictional river basin. It includes portions of Alabama, Arkansas, Colorado, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Virginia, West Virginia, Wisconsin, and Wyoming. In addition to the Mississippi River mainstem, the Mississippi River Basin includes the Missouri, Ohio, Tennessee, Arkansas, and Red rivers, and their tributaries.

The management concepts proposed by the MICRA show great promise. State fisheries managers in the Mississippi River Basin have already identified more than 90 major rivers and 80 riverline species which both fall under interjurisdictional management, and require immediate attention.

The MICRA does not duplicate any existing organizational network. Nor will it under this legislation. Rather, coordinated resources will be used to enhance existing programs, institutions, and facilities. In addition to Federal agencies, the MICRA managers have invited participation of interested federally chartered entities, Indian tribes, and utility companies which manage natural resources in the Basin.

ADDRESSING STATE'S CONCERNS

Great care has been taken in this legislation to address concerns expressed by the States over the degree to which State prerogatives will be maintained under both the strategy and the MICRA evaluation.

Under the legislation, the Secretary of the Interior shall chair a national council consisting of 13 members, 7 of whom will be directors of State fish and wildlife agencies. The Secretary will be directed to strive for consensus in developing a strategy, and will publish all minority views in the final report to Congress.

Similarly, while the MICRA evaluation will be funded through the U.S. Fish and Wildlife Service under this legislation, the States specifically sought Federal support of this effort by inviting the Service to enter into the MICRA agreement, and by requesting coordination assistance from the agency. It is intended that the funding and coordination relationship between the Service and MICRA will continue under this legislation.

THE ROLE OF THE U.S. FISH AND WILDLIFE SERVICE

Funding for implementation of this legislation will be provided to the Secretary of the Interior, acting through the Director of the U.S. Fish and Wildlife Service. The traditional role of the Service has been to manage and protect migratory waterfowl, anadromous fish, and endangered species. In addition, the Service is responsible for facilitating restoration of depleted, nationally significant interjurisdictional fish and wildlife resources; providing mitigation of fish and wildlife resources impaired by Federal water-related development; and maintaining a Federal leadership role in scientifically based management of fishery resources. The Service is therefore the appropriate agency to carry out the mandates of this bill.

It is our hope that funding for implementation of this legislation will be in addition to current funding levels for programs already administered by the U.S. Fish and Wildlife. Without such a Federal commitment to the improvement of the Nation's interjurisdictional rivers and fisheries, the American public will face diminished opportunities for recreational, commercial, and subsistence use of these important river systems and their resources.

SUPPORT FOR THE BILL

This legislation is the result of over 1 year of consultations between myself, the U.S. Fish and Wildlife Service, and national and local chapters of the major river resource management organizations.

I have attached copies of endorsement letters from many of these groups, and ask that they be included in the RECORD:

TROUT UNLIMITED,
February 3, 1992.

Hon. STEVE GUNDERSON,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE GUNDERSON: On behalf of Trout Unlimited, the nation's leading coldwater fisheries conservation organization, and its 70,000 members, I want to add our support to the legislation entitled "Cooperative Interjur- isdictional Rivers Fisheries Resource Act of 1992."

The concept of developing partnerships and cooperative programs that will ensure the vitality of the nation's major river systems will provide a solid foundation for the protection, restoration, and enhancement of the identified fisheries.

TU will continue to work with you and your excellent staff as this important legislation advances in Congress.

Sincerely yours,
CHARLES F. GAUVIN.

AMERICAN FISHING TACKLE
MANUFACTURERS ASSOCIATION,
Barrington, IL, January 31, 1992.

Hon. STEVEN GUNDERSON,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE GUNDERSON: On behalf of the member companies of the American Fishing Tackle Manufacturers, I am writing to express our support for the Cooperative Interjurisdictional Rivers Fisheries Resource Act.

Congratulations and thanks to you and your staff for your attention to this issue. I am sure that the Fishnet community will continue to work with you throughout the legislative process to see the bill fine tuned and ultimately passed.

Sincerely,
DALLAS MINER,
Vice President for Government Affairs.

AMERICAN FISHERIES SOCIETY,
Bethesda, MD, January 31, 1992.

Congressman STEVE GUNDERSON,
Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN GUNDERSON: My purpose in writing is to express the American

Fisheries Society's support for your "Cooperative Interjurisdictional Rivers Fisheries Resources Act." We feel strongly that the large inland rivers of our country have suffered from waterway developments, including navigation, flood control, water level fluctuation, power generation, and irrigation withdrawals. The once rich assemblages of fish fauna and diverse habitats have been lost and the formerly abundant native fish now exist only as endangered or depleted populations. The result is that the American public is faced with reduced opportunities for recreational, commercial, subsistence, and aesthetic uses of these large river systems.

The legislation proposes a strong federal/state partnership to coordinate and facilitate cooperative research and restoration programs to regain the former productivity of the river ecosystems. In addition it supports the Mississippi Interstate Cooperative Resource Agreement under which state, federal, and local fishery managers will share resources, facilities, and information in carrying out long-range strategic plans for management of the basin's interjurisdictional fisheries.

We applaud your leadership in introducing this bill and pledge our support in getting an interjurisdictional river conservation bill enacted into law.

Sincerely,

PAUL BROUHA,
Executive Director.

SPORT FISHING INSTITUTE,
Washington, DC, January 30, 1992.

Congressman STEVE GUNDERSON,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE GUNDERSON: On behalf of the fisheries dependent sport fishing industry, I wish to express our support and endorsement of your legislation entitled, "Cooperative Interjurisdictional Rivers Fisheries Resources Act of 1992".

U.S. citizens are increasingly looking to America's large interjurisdictional rivers for recreation and quality of life social experiences. As a nation, our rivers serve many communities and it has become abundantly clear that the institutions responsible for aquatic resource conservation have not been able to keep pace with competing river demands. As a consequence, river-dependent natural resource values have frequently been sacrificed to serve competing interests.

Cooperative programs can be undertaken that will serve our nation's recreational interests as well as other river dependent sectors. Your legislation is an excellent beginning to foster a national program that provides important jurisdictional river services for future generations of river recreationists.

We look forward to working with you in advancing the legislation in the Congress.

Sincerely,

NORVILLE S. PROSSER,
Vice President.

THE IZAAK WALTON
LEAGUE OF AMERICA,
Arlington, VA, January 31, 1992.

Hon. STEVE GUNDERSON,
House of Representatives, Washington, DC

DEAR CONGRESSMAN GUNDERSON: On behalf of the 54,000 members of the Izaak Walton League from across the country, I am writing to express the League's enthusiastic support for your "Cooperative Interjurisdictional Rivers Fisheries Resources Act," the draft bill that you have developed to address the pressing need for accelerated research and management of fisheries in the large inland river systems of the country.

As you have recognized, management of fisheries on our large inland rivers has been uncertain, inadequate, and ill-coordinated. Rivers like the Mississippi, the Missouri, or the Ohio flow through the jurisdiction of many states. An individual fish or the population in a given river frequently falls under the management of several states. This pattern of fragmented jurisdiction has impeded coordinated management and frustrated the management efforts of individual states.

Improved management and restoration of depleted fish stocks will require expanded research on the fisheries of large river systems, better information on current fish populations and trends, new cooperative strategies for coordinated fisheries management, and a strengthened partnership of federal and state entities engaged in fisheries management and research. Your proposed legislation meets those needs head-on, at minimal cost. It is a timely, carefully crafted, and badly needed proposal.

The native fisheries associated with America's large river ecosystems are of great economic value to the nation and form an irreplaceable piece of our shared natural heritage. We are pleased to join with you in support of your Cooperative Interjurisdictional Rivers Fisheries Resources Act of 1992. We will look forward to working with you to seek broad support and prompt passage of this important initiative.

Sincerely yours,

JACK LORENZ,
Executive Director.

CFC RESOLUTION

HON. JOLENE UNSOELD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mrs. UNSOELD. Mr. Speaker, to say "the sky is falling" may be more scientific fact than overstatement in the near future.

NASA-led scientists studying the protective ozone layer in the Northern Hemisphere recently sounded a warning that had better get our attention. Their data show that ozone-destroying chemicals, such as CFC's, are present in alarming quantities over parts of the United States, Canada, Europe, and Asia, leading these scientists to conclude that an ozone hole is likely to appear over these populous areas.

Today, I am joined by Congressman GERRY SIKORSKI in introducing a resolution to expedite the phaseout and ban of ozone-destroying chemicals. This resolution is identical to one sponsored by Senator AL GORE that may be considered by the other body tomorrow.

Under the 1990 Clean Air Act Amendments, Congress required the Environmental Protection Agency to accelerate the scheduled phaseout of ozone-destroying chemicals if presented with new scientific evidence that a thougher schedule is necessary to protect human health and the environment.

If these new data don't move the administration to faster action, I don't know what would. I am embarrassed to note that the United States, as represented by the Bush administration, has been an obstacle to progress in international negotiations on climate change and CFC restrictions. This resolution will make it clear that the House of Representatives favors stronger measures to halt the life-threatening destruction of the Earth's ozone layer.

Ozone in the upper atmosphere shields life on Earth from deadly ultraviolet radiation. Ozone holes, or a thinning of the protective layer, threaten crops, animals, people, and even the microscopic phytoplankton that form the base of the marine food chain and produce much of the world's oxygen. Last April, the EPA estimated that ozone depletion ultimately could lead to 200,000 American deaths.

With this new evidence of what CFC's and other ozone-destroying chemicals are doing to the Earth's ozone layer, we would be irresponsible fools not to take decisive action to halt the threat. I urge you to support this important resolution.

CFC RESOLUTION

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SIKORSKI. Mr. Speaker, now that we know there's a new hole in the ozone layer over New England, it may be too late for Kennebunkport—but it's not too late for the rest of America and the rest of the Earth.

If we move immediately—not next year, not in 10 years—to phaseout ozone-eating chemicals.

This week NASA scientists told us that an ozone "hole" could open over the Northern Hemisphere this spring—years earlier than expected—sending heavy doses of dangerous ultraviolet rays to the ground. Americans fact a near-doubling of skin cancer cases and deaths over the next 40 years—that's 800,000 new skin cancer case and 10,000 deaths a year—all because we aren't phasing out ozone-destroying chemicals fast enough.

And the reason we aren't getting rid of them, says the Bush administration, is because we don't have the science and we don't have the substitute chemicals to refrigerate our foods and cool our cars.

Mr. Speaker, if America has the know-how to build a Stealth fighter plane that can fly invisible over the skies of Iraq, why can't we build a refrigerator that doesn't put holes in our skies?

George Bush launched Operation Desert Shield and won. Now, it's time for Operation Earth Shield. This administration must understand that threats to human security aren't only national and military. They are environmental, economic, and global.

To paraphrase the State of the Union, if we can win a war in 47 days, we most certainly ought to be able to phaseout our ozone-destroying chemicals in 365 days.

The United States and other rich nations are responsible for spewing out 90 percent of the CFC's destroying the ozone layer over Kennebunkport. We must also be the ones to provide the leadership—the money—and the technology for Operation Earth Shield.

I am proud to join my colleagues Senator AL GORE and Congresswoman JOLENE UNSOELD in offering this resolution urging the Bush administration to speed up the phaseout of ozone-destroying substances.

THREE SIXTH DISTRICT TEAMS WIN CHAMPIONSHIPS

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. COBLE. Mr. Speaker, while the Nation's Capital still basks in the glow of the Super Bowl Championship won by the Washington Redskins, the Sixth District of North Carolina continues to celebrate two football championships. The Sixth District is the proud home of two North Carolina high school football champions. In addition, we can say that we are home to one of our State's new high school soccer champions.

On December 13, 1991, Andrews High School of High Point, NC, captured the 3A State football championship. On December 14, 1991, Thomasville High School won the State's 2A championship. The Sixth District of North Carolina is proud to claim half of our State's high school football championships this season. I am sure my colleagues would be interested in knowing how each team reached the peak.

For High Point Andrews, this football season did not get off to an auspicious start. In fact, the Raiders lost their first two games. Then longtime coach Herb Goins announced this would be his last season. Despite its initial stumble out of the gate, the Raiders pulled together and reeled off an impressive 11 straight wins, including a dramatic victory against crosstown rival High Point Central. That impressive turnaround was culminated on December 13 when High Point Andrews defeated Kannapolis Brown 24–14 to win the State 3A Title. The Raiders completed the season with 13 wins, capping an outstanding career by Coach Goins. Herb Goins won the State 4A championship in his first season at Andrews 15 years ago, and he completed his Raider coaching duties by leading the team to the State 3A Title.

Coach Goins would be the first to tell you that he cannot and would not take all of the credit for the Raiders' championship season. Herb Goins also had an outstanding group of assistant coaches including Wally Burke, John Casazza, Robert Clemons, Craig Gill, and Dave Mizell. The victory was a total team effort, and congratulations are due to each and every member of the squad. They include Adam Perryman, Andy Garrett, Rico Titus, Seung Yu, Sam McKiver, Kenny Shaw, Darius Brewington, Pernell Williams, Jermaine Cotton, Marcus Williams, Allen Bodenheimer, Steve Stafford, Wilton Bynum, Jerry Green, Tee Clinton, Dominique Quick, Jerry Rorie, James Lyda, Brian Roseboro, Tommy Page, Steve Battle, Terry Caudle, Mike Harris, Marcus Holmes, Shawn Roseboro, Matt Pugh, Shannon Pope, George Salamalekis, Travis Jackson, Kenny Lewis, Jason DeCourcey, Emery Turner, and Marcus Harris. Special praise is also deserved by the trainer Leigh Hebbard and the student trainers Cathy Mustin and Brett Jones and the student managers Eric Chernoff, Chris Jefferies, and Terrell Easter. Congratulations are in order for everyone—from principals Dr. Betty Thomas and William G. Shelton—to the students, faculty, and staff at Andrews High School for bringing home the championship trophy.

One day after the Andrews victory, Thomasville High School won the State 2A championship. On December 14, the Bulldogs defeated West Brunswick High School 21–6 to win the State 2A Title. Thomasville, long known for its punishing ground game, surprised the Trojans by opening the game with a pass and then scoring its first touchdown with a 60-yard second-quarter pass. The Bulldogs returned to their ground game and stingy defense in the second half to secure the 21–6 victory.

What made this win all the more sweet was the fact that Thomasville completed its outstanding season with a win in the championship game. The Bulldogs had been to three of the last four State title games but won only one of them. While most teams would be satisfied just to play in the championship contest, the Bulldogs wanted more this season, and they went out and accomplished their goal.

Every member of the football team can take pride in an outstanding season in which the Bulldogs lost only one game. Congratulations are in order for Thomasville High athletic director and head football coach Allen Brown and his able assistants Roger Bryant, Edward Courtney, Avery Cutshaw, Billy Freeman, Kevin Gillespie, Jim Grkman, Robert Mayton, Danny Medlin, Reggie Morris, Chuck Parks, Keith Tobin, Scott Beckom, and trainer Charles Crowell.

The team included Billy Walker, Shane Ross, Rodney Stanley, Derick Marion, Vance Simon, Derrick Moss, Sylvester Gilmore, Ron Mock, Carlos Johnson, Adil Diggs, Deshun Cockrane, Keith Gaither, Terrell Canty, Larry Davis, Kevin Belle, Perez Boulware, Chris McNeil, Lamont Pegues, Raymond Dow, John Charles Cranford, Todd Gibson, William Long, Brad Crowell, Marcus Dow, Rickey Hooker, James McGuire, Sean Yates, James Scheetz, Bryan Tuttle, Ryan Johnson, Jimmy Mullies, Robert Camp, Anthony Henderson, Michael Lattimore, Leon Baker, and Jamarr Camp. In addition, the team was ably assisted by Jason Davis, Anthony Little, Ashley Chafee, Shannon Lovingood, Chris Luckey, Hosea Robinson, and James Parsons. Congratulations, as well to Principal Dr. G. Wayne Thrift and everyone at Thomasville High School.

In most parts of the world, the game of soccer is referred to as football. So you could say, the sixth district is home this season to three football champions. That's because Ragsdale High School of Jamestown won the State 3A boys' high school soccer championship on November 23, 1991, with a 6–2 win over South Iredell High School. The victory capped an impressive season in which the Tigers had a record of 20–5–1.

Congratulations are in order for Head Coach Brien Braswell, Assistant Coach Harold Adams and their entire squad including Jamie Baynard, Darin Glass, Aaron Snell, Joey Prochaska, Kyle Wittenborn, Dan Alfaro, Jason Herlocker, Chan Sayaphet, Chris Holcombe, Aaron Otten, Vil Sayaphet, Patt Harman, Jason Umphenour, Jason Hilemn, James Galardo, Joseph Norman, Johnathan Schrader, Julio Santos, Tommy Rogers, Kenny Klopp, Stuart Wilkins, J.D. Howard, trainer Mary Glover, and managers Denienne Leed, Jessica Schrader, and Patty Little. Everyone at Ragsdale High School, from Principal Dr. Steve Dalton to athletic director Bob Schuck to all of the students, facility, and staff at Ragsdale High School can take pride in the Tigers' tremendous season.

In fact, the entire sixth District can take pride in being the home to three North Carolina football champions this season. Congratulations again to Andrews, Thomasville, and Ragsdale high schools on their tremendous victories.

PRISONERS OF THE FORMER SOVIET UNION

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. HOYER. Mr. Speaker, the Soviet Union has crumbled and in its place now stand 15 independent nations—most of them members of the loosely configured Commonwealth of Independent States. And while post-Soviet society is still socially dysfunctional, and some significant geopolitical issues remain between the emergent governments, we can rest assured that individual human rights violations have become a thing of the past. I truly wish that were the case, but it is not.

Somewhere in Moscow, a man named Vasily Barats sweeps the streets for a living. He has been waiting for over 14 years to emigrate from the Soviet Union. About a month before the August 1991 coup attempt, Vasily was told by emigration officials that there was no point in reapplying to leave.

Vasily Barats was born in Western Ukraine in 1946. While serving in the Soviet Army, he was accused of, but never formally charged with, spying for the West. Upon leaving the Army in 1975, he continued to suffer harassment, such as beatings from KGB thugs and dismissal from work. He was twice thrown into a psychiatric hospital.

Vasily first applied to leave the Soviet Union in 1977. After forming an organization of fellow Pentecostals desiring to emigrate, he was arrested in August 1982 for anti-Soviet agitation and propaganda and sentenced to 5 years in a labor camp. His wife Galina followed him into the gulag 7 months later on similar charges.

Release from the labor camp in 1987 brought Vasily no closer to his ultimate goal—emigration. Galina was permitted to leave for Canada in July 1990, and expected that her husband would be allowed to follow soon after. But it was not to be.

The excuse used by the former Soviet government for placing Vasily in such a gut-wrenching predicament is that he allegedly possesses military secrets—"secrets that do not change," as I was told by a high-ranking Soviet official. Ironically, these secrets were not mentioned when he was first turned down in the late 1970s. And in the post-cold war, nearly 20 years after Vasily's military service, they are surely no longer relevant.

Unfortunately, Vasily is not the only remaining victim of the old Soviet emigration system. Throughout Russia, Ukraine, Belarus and Moldova there are hundreds of individuals—the majority of them Jewish—who are being prevented from emigrating to the West. In some instances, these individuals have been waiting for 5 or more years to leave.

This vestige of the past remains an irritant at a time when we are forging relations with the newly independent states of the former Soviet Union. While recognizing the efforts of many of these states to institutionalize democratic reforms, including human rights, I nevertheless cannot ignore the fact that individuals continue to be denied their right to leave. It is a clear violation of the Helsinki accords.

As Chairman of the Helsinki Commission, I have written to the governments of Russia, Ukraine, Belarus and Moldova, urging them to carefully review these cases. So far, the Ukrainian government has responded by resolving about half of the cases on its territory. Russia has also resolved several cases. I strongly urge the governments of these newly independent states to make this issue a top priority by resolving all of the outstanding refusenik cases without further delay. Steps should be taken to ensure that the newly won independence of these states extends to all of their citizens.

TRIBUTE TO WILLIE DIXON

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. HAYES of Illinois. Mr. Speaker, I rise to give recognition to the late great blues singer and songwriter, Willie Dixon. Mr. Dixon passed away on Thursday January 29, 1992 of heart failure at the age of 76. As a resident of Chicago for 45 years, this musical legend not only left his mark as one of the major songwriters and producers of Blues, and Rock 'n' Roll, but also as one of the biggest composers of the classic Chicago blues sounds of the 1950's.

Mr. Dixon was born in Vicksburg, MS, as 1 of 14 children on July 1, 1915. He moved to Chicago in 1936 and became a harmony singer and an upright bass player with the Big Three Trio. However, as music trends began to change, his singing style became outmoded, and he began to focus his talents on songwriting and producing for Chess Studios in the 1950's. There he frequently played on recording sessions with Bo Diddley and Chuck Berry.

Willie Dixon wrote many hit songs for blues singers Koko Taylor, Howlin' Wolf, and Muddy Waters ("I'm your Hoochie Coochie Man" and "You Need Love"), which Led Zeppelin reinterpreted as "Whole Lotta Love." Although Mr. Dixon wrote a number of songs for other singers he also recorded a few of his own. Among those were "Willie's Blues '59," "I Am the Blues" and "Mighty Earthquake & Hurricane."

Early on in his career his songs gained the utmost respect for popular rock performers such as Elvis Presley and the Everly brothers, both of whom recorded his "My Babe." Mr. Dixon wrote many hit songs for big Rock 'n' Roll stars of the 1960's and 1970's such as the The Rolling Stones ("Little Red Rooster"); Led Zeppelin ("You Shook Me"); The Doors ("Back Door Man"); Jimi Hendrix; and the Allman brothers and others.

In addition to Mr. Dixon's musical talents, he was also a success at Boxing. In 1937 he won the Illinois State Golden Gloves Heavyweight championship in the novice division. After a quarrel with his manager in the boxing commissioner's office he retired his gloves and made a lifelong commitment to music.

Later on in life, Mr. Dixon contributed to preserving the luster and history of the blues by creating the Blues Heaven Foundation, which provides music scholarships and instruments to those ecomomically disadvantaged, and helps blues musicians retain royalties owed them. He was also a major participant in Chicago's "Blues in the Schools" program, which donates instruments and holds music workshops in city schools. And in 1990, Mr. Dixon wrote an autobiography, "I Am the Blues: The Willie Dixon Story."

Mr. Speaker, it is important that today's record reflect Willie Dixon's musical accomplishments. As a personal lover of the Blues, I know that Willie Dixon's music uniquely touched and enriched the city of Chicago, as well as music lovers nationwide. I give tribute to one of the greatest blues singers and songwriters of all time, and thank you, Mr. Speaker, for your consideration today.

TRIBUTE TO NEW HAMPSHIRE'S EUGENE MALLOVE FOR HIS PULITZER PRIZE NOMINATION

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SWETT. Mr. Speaker, I rise today to ask my colleagues to join me in paying tribute to Bow, New Hampshire, resident Eugene Mallove, who was recently nominated for a Pulitzer Prize for his book on cold fusion.

Publisher John Wiley & Sons Inc. has nominated Mr. Mallove's book "Fire From Ice: Searching for the Truth Behind the Cold Fusion Furor" for this year's Pulitzer Prize in Letters. In his book, Mr. Mallove examines the controversy over cold fusion and discusses cold fusion's potential.

Mr. Speaker, I ask my colleagues to join me today in honoring Eugene Mallove for his Pulitzer nomination. I hope that his work will get the credit it deserves and that he will bring a Pulitzer Prize to New Hampshire's Second District.

HARMONY: PURSUING THE DREAM

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. ERDREICH. Mr. Speaker, I would like to congratulate three outstanding students from my district: Kim Underwood of Shades Valley High School, Greta Barnes of Parker High School, and Rachel Royal of Altamont High School. Each produced winning essays in the "Unity in Harmony: Pursuing the Dream" essay contest. These student leaders were recently recognized at Birmingham's Martin Luther King, Jr., Unity Breakfast.

If Dr. King's dream is to be realized we must educate our young students and teach them to reach for their goals regardless of the color of their skin. Let me offer these students as shining examples of what we are doing right in our educational system.

Mr. Speaker, in today's society, too often we fail to recognize our youth for outstanding achievements. I attach a copy of the essays these students wrote. These students have demonstrated their academic skill and they, along with the others who participated in this contest, are to be commended.

HARMONY: PURSUING THE DREAM

(By Kim Underwood)

When the sun shines through that opened window on an early Sunday morning, the black man sitting in that old wooden chair feels the same warmth that the little white girl across the street feels as she rides her tricycle along the sidewalk. Neither person realizes that the other is different, for they are at peace in the sun's bright, warm rays. The sun doesn't see their differences, for the sun has no prejudices. They are equal, for nature shows no discriminations. A flower can be picked by anyone of any race. Water will run through a black person's fingers the same as it will through a white person's. The sun will shine on anyone's skin.

Imagine mankind being as indiscriminate as nature. Everyone would be equal, having equal opportunities. Everyone would live in peace, not worrying about racial issues or discriminations between genders. Each man would be free to pursue his dream, because there would be no prejudices to hinder him from developing his fullest potential. No one would be categorized as being black or white or male or female. People would simply be people—free to live as individuals. The world would live in unity if mankind were like nature. But, mankind is not like nature. There is hate simply because one person is different from another. Racial tension and discrimination scar society.

Although men suffer from discrimination, some men rise above their suffering to change man's injustices. Dr. Martin Luther King, Jr., was one of those men. Dr. King's dream was that men put aside their prejudices and join together as a whole. He influenced his followers to unite in peace as they marched for their beliefs. He organized peaceful demonstrations to unite men in their search for equality. Through peaceful and cooperative methods, he tried to unify diverse segments of society for the greater good of man. Although he underwent harsh attacks of violence and verbal abuse, he pursued his dream and was unwavering in his decision to better life not only in the South but in the world as a whole. Dr. King devoted his life to his dream of harmony among men.

When Dr. King attended the ceremony in which he was presented with the Medallion of Honor, he vowed,

"I am returning with a deeper conviction that nonviolence is the answer to the crucial political and moral questions of our time—the need for men to end the oppression and violence of racial persecution, destructive poverty, and war without resorting to violence and oppression.

Yes, our souls have been tied in the cold and bitter Valley Forges of the Deep South, and the black and white together, we have met the test.

We shall overcome."

Dr. Martin Luther King, Jr., died in his fight to "overcome" prejudices between black and white people, but he will always be remembered as one of the world's greatest martyrs. His never ending battle to end discrimination will still continue in those who take the stand for justice, and his words will echo through the minds of all who will just take the time to listen. The struggle for unity is one of the greatest issues among men, but the struggle can be ended. Man must put aside his prejudices and present himself as nature does. Just as nature shows her warmth with anyone of any race, so must man through the warmth of compassion and love which overcomes the bitterness and hatred produced by racial tension. When that happens, man will have met the challenge offered by Dr. Martin Luther King, Jr., when he spoke the words, "free at last! thank God all mighty, . . . free at last."

UNITED IN HARMONY: PURSUING THE DREAM

(By Greta Davette Barnes)

It would be wonderful to be able to write an essay about a nation united pursuing Dr. King's dream. Unfortunately, I cannot do this, for our country is by no means truly united. While there are those, like Dr. King, who dedicated their lives to the dream of unifying the nation and who are even willing to die for their ideals, there are so many others who work to destroy every effort. Dr. King's hopes and expectations of the American people have not yet been realized. Perhaps this dream has not become a reality because there are so many people who do not share his dream. They do not understand the importance of all Americans uniting in harmony.

What is a dream? Simply put, a dream is something hoped for. One's dreams are his aspirations. Dr. Martin Luther King, Jr. had a dream that one day we would live in a nation where we would not be judged by the color of our skin but by the quality of our character. Regretfully, racism is still evident throughout the United States. It is in the workplace as well as the colleges, and it is practiced in some schools as well as taught in some homes—both black and white. Dr. King's dream also included a day when all of God's children would be able to join hands and thank God that they are "free at last"—free from their own prejudices and the bigotry of others. But how can this be? How can this be when Afro-Americans cannot walk across the street without being shot for crossing a gang's "turf"? How can this be when Latinos stab and shoot each other for wearing the wrong color? How can this be when derogatory graffiti about many different groups appears everywhere? We keep ourselves in bondage.

We must recognize that all people are bound together by their common hopes of a better world. People of all races want their children to be able to grow up in a world where every neighborhood is safe, where a gang is just a group of people, where every child is encouraged to become what he wants to be, and where everyone works together to see that this is possible. Instead of attempting to place blame, we must try to remedy the situation. Each individual must ask himself, "What can I do to help?" A story is told about a church that was taking up an offering to help build a youth center. As the offering plate came near, one person asked himself, "What do I have to give?" He had no money, but wanted to give something. When the plate was passed to him, he put it down and stood in it. The man said, "I have no money, so I give myself. What can I do?" Can there be a better gift? We should all give more of ourselves and our time. Instead of criticizing, instead of watching someone struggle, instead of standing back, we must become more involved. When we can do this in harmony, then we can pursue the dream.

In remembering Dr. King, we must turn our thoughts to the dream that he pursued and assess our progress. Have we gotten any closer? Are we going in the right direction? So many times it seems that those things that we work for, like fancy cars and designer clothes, have no lasting value. In Michael Jackson's "Man in the Mirror," the singer recognizes that he has "been the victim of a selfish kind of love" and that he can and must make a difference in the world:

I'm starting with the man in the mirror.
I'm asking him to change his ways.
No message could have been any clearer.
If you want to make the world a better place,
Take a look at yourself and make the change.

It's true. Only when we begin with ourselves will we be able to join hands and make Dr. King's dream a reality.

UNITED IN HARMONY: PURSUING THE DREAM

(By Rachel Royal)

Twenty-eight years ago, Martin Luther King Jr. stood before a crowd of 200,000 people in Washington D.C. and delivered a speech that was a watershed rallying cry of the civil rights movement. His "I Have a Dream" speech appealed to the American people to unite and defeat racial descrimination in order to free all minorities from prejudice and unfair treatment. One year later, the Civil Rights Bill was signed guaranteeing equal rights for all citizens regardless of race, color, religion or nationality. Even so, King's dream had not yet become a reality. As we move into the next millinium, will Martin Luther King's dream continue to be pursued? How can we as Alabamians jointly make an effort to rise from the past to overcome our history of social injustice?

When King rang the bell of liberty, its intonations swept across the nation, constantly reminding the American people of its message. But even though the Civil Rights movement occurred a short thirty years ago, its spirit seems to have faded, leaving a nation full of good intentions but no direction. Now, as our country is sliding into debt, the dream is again being challenged. The weight now falls upon the new generation to unite and find some way to rekindle the enthusiasm for acceptance of all people in our society. In this new age we are not struggling against an aristocratic government or a South ruled by oligarchy, but against ourselves.

First and foremost, we are all Americans—not strictly Birminghamians, Alabamians, Hispanics, Catholics, or elderly; nor should we view others simply as white, black, red haired, or handicapped. It is human nature to identify with a specific heritage. Even so, America is a melting pot, and each citizen should feel a common bond through their American ancestory. The inspiring phrase, "united we stand; divided we fall," is not archaic, but must be embraced for America to move closer to a society that is united yet respectful of the differences that make us all individuals. Each unique culture that exists in our country has made a specific contribution to society, and to stifle one culture would hinder the progress of the United States of America.

Alabama is in the heart of the Deep South, and it was center stage during the conflict of the Civil Rights Movement. Since that intense period, Alabama has through legislation and initiatives begun recognizing and reconciling the unfair treatment of minorities that occurred following the Civil War and leading to the Civil Rights Movement. Because the prejudice and social injustice that occurred in Alabama was finally challenged, our citizens have become much more aware of civil rights problems. Because the citizens of Alabama have been forced to recognize their problem, they must use their awareness as a unique and positive force in combating prejudice.

In order for Americans to continue to pursue Martin Luther King Jr.'s dream, we must make a genuine effort to advocate freedom for all peoples. Because it is human nature to criticize other people, there is always a fragile line separating acceptance and denial. Americans can only be assured their own freedom by giving others the same opportunities that we all expect and desire. We also must fight ignorance, which is the source of discrimination. Martin Luther King dreamed of a day when all people could join together and sing, "Free at last, free at last; thank God Almighty, we are free at last." For his ideals to be recognized each one of us must make a conscious effort to combat the prejudices we find inside ourselves, and those that we encounter in others. Freedom is an inalienable right and man's full potential will never be reached until we work together to make all people free.

REPEAL THE RECREATIONAL BOAT USER FEE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BONIOR. Mr. Speaker, I rise today to bring attention to one of the most inherently unfair taxes I have ever seen—the recreational boat user fee. President Bush has recently presented Congress with a budget for fiscal year 1993 which unfortunately contains no repeal of the user fee. It did, however, propose the repeal of various luxury taxes and a capital gains tax cut.

Mr. Speaker, the President just doesn't get it. He talks about putting money back in the hands of the middle class, yet offers more trickle down economics. The user fee is a tax pure and simple. It places a disproportionate burden on the middle class recreational boater. There is overwhelming bipartisan support in Congress to repeal this tax. If the President really wants to give the middle class a tax break, then he will help us repeal this unfair tax—this year.

We're ready to repeal this tax now, Mr. President. Let's work together to get the job done.

THE HAITIAN REFUGEE SITUATION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. PORTER. Mr. Speaker, while it doesn't seem to be a very popular opinion these days, I support the State Department's policy with respect to repatriating Haitians who have fled their homeland.

The United States has every right to set any criteria it chooses in determining who, if anyone, should be allowed to enter our country. The situation in Haiti is desperate. It is sad. I have compassion for the innocent civilians who have to endure the chaos of their homeland. But they have no right, and we have no responsibility to open our borders and welcome them here.

The United States simply does not have room for every person on Earth who hopes for a better life. If this were the only criteria for entrance to the United States, we would have literally a billion people at the door tomorrow morning waiting to get in.

I support President Bush's efforts to work with the Organization of American States and the United Nations to resolve the situation in Haiti and I will support aid to the Haitian people as soon as the President Aristide returns to the Presidency. In the meantime, the President is right.

SAFETY EDUCATION, AN INVESTMENT IN TOMORROW

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. RAHALL. Mr. Speaker, I rise today to salute one of my fellow West Virginians for his contributions toward educating children on the importance of safety.

Mr. George Parker, of Huntington, WV, has educated over 10,000 children on the subject of general safety, by way of the Children's Safety Conference. Mr. Parker, a former professor of occupational safety and health at Marshall University, started the program in only one city in West Virginia in April of 1985. Today, it is a countywide program for third graders covering an array of subjects including fire, latch key, electrical, drug, and traffic safety. This can be a full load for a child to handle, but George Parker keeps his young audience interested in the topics and their importance through the use of famous mascots such as Smokey the Bear, the Safety Squirrel, Ronald McDonald, and crash dummies Vince and Larry. In the world we live in now, children are faced with a myriad of decisions and obstacles—no longer limited to just looking both ways before crossing the street. Because society is contaminated with harmful circumstances jeopardizing today's youth, the education of our Nation's children becomes vital for not only their safety, but their survival.

It makes me proud to represent and recognize Mr. George Parker—an individual making a difference in the children's world today and our world tomorrow.

TIME FOR CONGRESS TO "CLEAN UP" ITS ACT

HON. THOMAS J. RIDGE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. RIDGE. Mr. Speaker, the lead story in the Washington Times on February 4 was that House Minority Leader ROBERT MICHEL called for the appointment of an independent counsel to investigate allegations of cocaine sales and embezzlement at House Post Office. The Washington Times article and the debate on the House floor earlier today on the approach this body should take in investigating the allegations of criminal activity and other wrongdoing at the House Post Office has compelled me to speak about legislation I plan to introduce when we return from the Lincoln-Washington district work period.

The purpose of the bill will be to create a Congressional Inspector General's Office. The legislation calls for a nonpartisan, independent office to respond to inquiries, monitor the efficiency of Congress and eliminate waste and fraud. The inspector general will be appointed by the Speaker of the House, with the advice and consent of the House minority leader. It is time that the legislative branch of the Government held itself to the same level of accountability as the executive branch.

The duties and responsibilities of the inspector general will be very similar to those already established. The Congressional Office of Inspector General will be responsible for conducting and supervising audits and investigations relating to congressional office procedures and operations. Furthermore, the Office will provide direction and leadership to congressional offices with regard to office procedures and operations.

I believe that the time this body consumed debating the issue on the composition of the panel to investigate the House Post Office would not have been necessary, if we had in place such an office. Not only would an employee have the opportunity to report his suspicions of wrongdoing to an objective, nonpartisan party, but it is my contention that an IG would have uncovered any criminal activity or other wrongdoing long before it had become a problem of such gravity.

Once again we are relying on the press to reveal Congress' shortcomings and inefficiencies. The inspector general's office would be a proactive force in the Halls of Congress able to reveal what is wrong with the system before it is completely broken.

An internal watchdog would help to restore public confidence in the House of Representatives. If you are as concerned as I am about the tarnished image of Congress, then I hope you will join me as a cosponsor of this legislation.

NATIONAL FHA/HERO WEEK

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. NATCHER. Mr. Speaker, it is a pleasure to join with the members and advisors of the Future Homemakers of America as they celebrate National FHA/HERO Week next week. This year's theme is "FHA/HERO: Youth in Action."

The Future Homemakers of America offers a variety of programs and events to help members develop skills for life, build a positive image, and gain recognition at local, district, State and national levels. During the past year over 273,000 members in 10,500 chapters participated in FHA/HERO programs.

Over 3,200 FHA/HERO members and advisors participated in the 1991 National Leadership Meeting held in Washington, DC. Participants had an opportunity to sightsee in our Nation's Capital while developing their leadership skills and meeting new friends from across the country. In 1991–92, FHA/HERO chapters nationwide will be focusing on issues of concern to teens: resisting peer pressure, saving the environment, preventing teen pregnancy, and coping with unique family situations.

In my home State of Kentucky, membership increased during the 1990–91 year by 240 and the total membership was 10,969 in 265 chapters.

Eighty-eight members and advisors from Kentucky attended the 1991 national meeting in Washington, DC. Twenty-nine members participated in STAR Events and FHA/HERO members from Kentucky received 13 gold medals and 16 silver medals.

Several chapters in Kentucky are carrying out Latch-key Children projects by helping in the extended schoolday programs and the Four Year Olds At-Risk programs, as well as continuing to make an impact with prevention of family violence projects, literacy, student body—nutrition and exercise—and stress management projects. One of the Spotlights has been made with the JOBS [Job Opportunities and Basic Skills] program in Kentucky.

In the Second Congressional District of Kentucky, which I have the privilege of representing in the Congress, over 1,000 young people participated in FHA/HERO programs. Chris Colburn and Jeannie Dye from the Spencer County High School and Julie Wright of LaRue County participated in STAR Events at the 1991 national meeting and received silver medals.

Nancy Jo Cornell, a senior at Barren County High School, is serving as State reporter this year and she has published her first newsletter. Another will be published before the State meeting.

Melinda Jewell, Trina Logsdon, and Tracie Strugeon from the Hart County High School completed all five "Power of One" units and submitted applications for national recognition. "Power of One" helps individuals achieve goals through projects in any of five modules: A Better You, Family Ties, Working on Working, Take the Lead, and Speak Out for FHA. Personal goals are achieved and recognition is given at local, State, and national levels.

Last year 1,335 chapters reached their membership goals and earned recognition as champions chapters. In the Second Congressional District of Kentucky, the following chapters were recognized: Allen County-Scottsville High, Barren County High FHA/HERO, Bullitt Central High, and Hart County High HERO.

At this time, I would like to commend all of those associated with the Future Homemakers of America, not only in the Second Congressional District and the Commonwealth of Kentucky, but throughout the United States, for their accomplishments and achievements. I wish them all continued success in their future endeavors.

EDUCATION REFORM AND FLEXIBILITY ACT OF 1992

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. AUCOIN. Mr. Speaker, should a teacher's aide whose salary is paid by Chapter 1 funds ignore a student's question just because that student is not eligible for Chapter 1 education funding? Should non-eligible students in a class be prohibited from using supplies purchased for use by Chapter 1 students? Should vocational education students qualify for tutoring or counseling based solely on the program they are enrolled in? These are real life situations that teachers and schools face every day. The Federal bureaucracy has our teachers in handcuffs.

Our current Federal law prohibits Chapter 1 resources and teachers from working with other students. The same is true for vocational education. It's outrageous how some of our Federal efforts to improve education have made it impossible for schools and teachers to do their jobs.

If this country is ever going to compete in the global economy we've got to trust our local schools and teachers. We must make drastic changes to improve national educational performance. Therefore, it makes no sense for the Federal Government to micro-manage limited dollars. We must recognize that those closest to the children—our teachers and schools—are in the best possible place to identify their educational needs.

My bill, the "Educational Reform and Flexibility Act of 1992," or "Ed-Flex," makes school reform a real possibility. It empowers teachers, school administrators, school boards, and parents to target limited Federal funds at programs that really improve educational achievement. It allows the Secretary of Education to grant waivers in Chapter 1, Chapter 2, the Eisenhower Math-Science Program, the Follow-Through Act, the youth programs under the McKinney Act, and the Carl Perkins Vocational Education Act.

In my home State of Oregon, education leaders have proven that education funding flexibility works. We know that eliminating bureaucratic redtape makes better schools and better students. Oregon has embarked on an ambitious education reform agenda, one that is supported by the legislature and the Governor. In Oregon, a school district can ask the State board of education to grant waivers of certain State regulations or laws if they prevent the school district from improving their program. This means that a school district doesn't have to go to the State legislature to enact tougher graduation requirements, or lengthen the school year, for example. In Oregon, decisions about education are made where they should be: at the local level.

But, the success of Oregon's bold educational reform depends on having that same flexibility at the Federal level. It's time the Federal Government stop tinkering around the margins of the education reform movement. It's time to talk about a revolutionary change in the way the Federal Government relates to local school districts. Make no mistake. Eliminating the redtape is only the first step toward improving national educational performance. We must also back this up by making a real commitment to our children and our schools.

I urge the Members of this House to join me and my colleagues from Oregon in cosponsoring this truly revolutionary legislation.

EDUCATIONAL REFORM AND FLEXIBILITY ACT OF 1992

STATEMENT OF FINDINGS AND PURPOSE

(a) FINDINGS.—The Congress finds that—

(1) historically, Federal education programs have addressed the Nation's most pressing educational problems by providing categorical assistance with detailed requirements relating to the use of funds;

(2) while the approach described in paragraph (1) has proven generally successful, some program requirements may inadvertently impede educational achievement;

(3) the Nation's schools and teachers are being asked to deal effectively with increasingly diverse educational needs that current program structures may not be flexible enough to address;

(4) Federal mandates often limit teachers' ability to respond to individual student needs; and

(5) in order for this Nation to effectively compete in the global economy, it is crucial for the Federal Government to support programs that—

(A) result in improved educational achievement by all students;

(B) promote the coordination of education and related services that benefit and support children and their families;

(C) enable teachers and schools to respond to the the needs of a diverse student population;

(D) provide flexibility to teachers and schools by eliminating unnecessary regulation; and

(E) place an emphasis on program results rather than on tracking resources.

(b) PURPOSE.—It is the purpose of this title to establish a national demonstration program which—

(1) promotes improved educational achievement for all students, especially those in affected programs, through education reform;

(2) provides increased flexibility for schools and other recipients in the use of Federal resources, in exchange for greater accountability for achieving improved educational performance;

(3) encourages collaboration among school and program administrators, teachers, parents, local agencies, community groups, and business leaders to develop more effective educational programs that meet the needs of all students, especially the disadvantaged, and those served by the affected programs.

FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES

(a) IN GENERAL.—Subpart 1 of part C of the General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended by adding after section 421A a new section 421B to read as follows:

"Sec. 421B. Flexibility and Accountability in Education and Related Services.

"(a) Program Authorized.—

"(1) IN GENERAL.—(A) The Secretary shall, in accordance with this section, assist elementary and secondary schools and other service providers to improve the achievement of all students and other participants, but particularly disadvantaged individuals, by authorizing waivers to not more than 6 States, which have implemented comprehensive regulatory reform plans, and no more than 50 local educational agencies in each State."

"(B)(i) In support of these projects, the Secretary is authorized to waive any statutory or regulatory requirement (except as provided in subsection (e)) applicable to a program described in clause (ii) that the Secretary determines may impede the ability of a school or other service provider to meet the special needs of such students and other individuals in the most effective manner possible. The head of any other Federal agency in accordance with the programs described in clause (ii) is similarly authorized to waive such requirements applicable to an elementary, secondary, or youth vocational training program administered by such agency if the agency head and the Secretary agree that such a waiver would promote the purpose of this section.

"(ii) The Secretary shall only waive a statutory or regulatory requirement applicable to a program under—

"(I) chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(II) chapter 2 of the Elementary and Secondary Education Act of 1965;

"(III) the Dwight D. Eisenhower Mathematics and Science Education Act;

"(IV) the Follow Through Act;

"(V) subtitle B of the title VII of the Stewart B. McKinney Homeless Assistance Act; and

"(VI) the Carl D. Perkins Vocational and Applied Technology Education Act, except part H of title III and funds allocated by States under section 232 of such Act.

"(2) PROJECT DURATION.—Projects conducted under this section, and any waivers associated with such projects, shall last no longer than three years, except that the Secretary may extend a project and any associated waivers for an additional two years if the Secretary determines that the project is making substantial progress in meeting its goals.

"(3) TERMINATION.—The Secretary shall terminate a project and its associated waivers if the Secretary, at any time, determines it is not making acceptable progress toward meeting its goals. The head of any other Federal agency who has granted waivers under this section shall determine whether to extend or terminate those waivers, but the Secretary shall have exclusive authority to extend or terminate the project.

"(b) ELIGIBILITY.—

"(1) IN GENERAL.—Each project that involves elementary or secondary schools shall include the participation of a local educational agency and at least 2 schools.

"(2) GRADE AND PROGRAM REQUIREMENT.—To the extent possible, each grade and academic program in a participating school shall participate in the project.

"(c) APPLICATIONS.—A local educational agency, wishing to conduct a project under this section, shall submit an application to the State educational agency for approval. The State educational agency shall then transmit approved applications to the Secretary. Each application shall be submitted within 2 years of enactment and include a plan that—

"(1) describes the purposes and overall expected outcomes of the project;

"(2) identifies, for each school or site participating in the project, those impediments to improved educational outcomes that would be removed by the proposed waivers;

"(3) identifies the Federal programs to be included in the project, the Federal statutory or regulatory requirements to be waived, and the purpose and duration of the requested waivers;

"(4) describes the State and local requirements that will be waived, the purpose of such waivers, and, if such requirements will not have been waived before the project begins, when those waivers will be obtained and take effect;

"(5) demonstrates the State has made an effort to waive substantial requirements pertaining to the local educational agency;

"(6) describes specific, measurable, educational improvement goals for each school or other site in the project and for each school year of the project, including—

"(A) goals for improving the achievement of all participants, including disadvantaged individuals, with respect to achievement in basic and advanced skills;

"(B) goals that reflect the broad purposes of each program for which a waiver is sought; and

"(C) an explanation of how the applicant will measure progress in meeting the goals set for each school or site in the project for disadvantaged individuals participating in the project;

"(7) incorporates the comments of the Governor; and

"(8) for projects involving elementary or secondary schools—

"(A) identifies the schools to be included in the project and describes the student population at each school, including—

"(i) current data regarding the achievement of the disadvantaged students as well as other students; and

"(ii) the number of students who—

"(I) are of limited English proficiency as defined in section 7003(a)(1) of the Bilingual Education Act;

"(II) are children with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act;

"(III) are currently or formerly migratory;

"(IV) are educationally deprived, for the purposes of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(V) are eligible for a free or reduced price school lunch;

"(B) describes specific goals for enhancing coordination between the regular education program available to all students and the programs serving disadvantaged students;

"(C) if fewer than all the schools in a local educational agency will participate in a project, describes the expected educational outcomes for disadvantaged students in schools that do not participate, and how those outcomes will be assessed;

"(D) describes how school administrators, teachers, staff, and parents (including parents or educationally disadvantaged children) have been or will be, involved in the planning, development, and implementation of the goals and program for each participating school; and

"(e) contains goals for students targeted by the programs described in clause (ii) of section 421B(a)(1)(B) which are comparable to or exceed existing goals under such programs.

"(d) APPROVAL OF PROJECTS.—

"(1) IN GENERAL.—The Secretary shall approve applications from no more than 6 States which have implemented comprehensive regulatory reform, and no more than 50 local educational agencies in each State, after considering—

"(A) the comprehensiveness of the project, including the types of students, schools, programs, and activities to be included;

"(B) the extent to which the provisions for which waivers are sought impede educational improvement;

"(C) the State and local requirements that will be waived for the project;

"(D) the significance and feasibility for the proposed project's goals for each participating school or site;

"(E) the quality of the plan for ensuring accountability for the proposed plan's activities and goals; and

"(F) the comments of the Governors.

"(2) CONSULTATION.—The Secretary shall consult with the heads of other appropriate Federal agencies, if any, in determining whether to approve a project. Each such agency head shall notify the Secretary of any waivers granted by such agency head as part of such project.

"(3) DISTRIBUTION OF PROJECTS.—The Secretary shall ensure that, to the extent feasible, projects assisted under this section are geographically distributed, and equitably distributed among urban, suburban, and rural areas, as well as large and small schools.

"(e) ALLOCATION OF FEDERAL FUNDS; RESTRICTION ON WAIVERS.—

"(1) ALLOCATION OF FEDERAL FUNDS.—Federal funds under any program that are used to support a project under this section shall be allocated to local educational agencies and other recipients within the local educational agency in accordance with the statutory and regulatory requirements that govern the operation of that program, except that, for the purpose of such a project, the Secretary (or the head of any other Federal agency) may extend the duration of, and provide continuation funding to, a project chosen on a competitive basis that a participating agency is conducting.

"(2) *Restriction on waivers.*—Neither the Secretary nor the head of any other Federal agency shall waive under this section any statutory or regulatory requirement in awarding a grant after the date of enactment to a service provider within the local educational agency or other applicant participating in a project under this section.

"(3) SPECIAL RULE.—Neither the Secretary nor, where applicable, the head of any other Federal agency shall waive under this section any statutory or regulatory requirement—

"(A) under section 438 and 439 of the General Education Provisions Act;

"(B) under title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, or title II of the Americans with Disabilities Act;

"(C) under the Individuals with Disabilities Education Act; or

"(D) relating to—

"(i) maintenance of effort;

"(ii) comparability; or

"(iii) the equitable participation of students attending private schools.

"(f) REPORTS AND EVALUATIONS.—

"(1) PROJECT REPORTS.—Each shall submit, not later than 90 days after the end of each year of the project, an annual report to the Secretary that—

"(A) summarizes the principal activities of the project;

"(B) contains school-by-school and other data, as described in the project plan, that show the extent to which the project is meeting its overall goals, including its goals for improving the achievement of all participants, particularly disadvantaged individuals, with respect to achievement in basic and advanced skills, and is meeting the goals for each school or other site;

"(C) describes the impact of the project on disadvantaged children in schools, if any, that are not participating in the demonstration;

"(D) describes the effectiveness of efforts to coordinate programs and services for children and their families as appropriate; and

"(E) provides information on or comparable data regarding the programs described in clause (ii) of section 428B(a)(1)(B) of achievement levels of students served pursuant to such programs previously demonstrated over the preceding 3 years compared with children or students served under this title.

"(2) SECRETARY'S REPORT.—The Secretary shall submit a report to the Congress every two years that summarizes and analyzes the project reports required by paragraph (1).

"(3) *Evaluation reports.*—At the end of the 6-year period described in this section, and at such interim points as the Secretary deems appropriate, the Secretary shall provide to Congress an independent evaluation of the projects assisted under this title, as well as an evaluation of the program assisted under this section by the Department of Education and other affected Federal agencies. Such reports may include recommendations for amendments to program statutes that are based on the experience of projects that successfully raise educational achievement by eliminating or modifying statutory or regulatory provisions that impede educational improvement.

"(g) DEFINITION.—For the purpose of this section, the term 'disadvantaged students' includes students of limited english proficiency, children with disabilities, students who are currently or formerly migratory, and students who are educationally deprived.

"(h) BUDGET NEUTRALITY.—The authority provided by this section shall not be exercised in a manner that, for any fiscal year, increases total obligations or outlays of discretionary appropriations for programs subject to such authority, or that increases total obligations or outlays of funding for all direct-spending programs subject to such authority over those that would have occurred absent such authority."

(b) SUNSET PROVISION.—The amendment made by subsection (a) shall be effective during the 6-year period beginning on the date of enactment of this Act.

A TRIBUTE TO CHIEF LEONARD K. HERENDEEN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. MILLER of California. Mr. Speaker, on February 21, 1992, the residents and police department of the city of Antioch, CA, will say goodbye to their police chief, Leonard K. Herendeen, as he retires after 37 years in law enforcement. It gives me great pleasure to offer this special recognition of his contributions to the community.

Chief Herendeen began his career in law enforcement with the Los Angeles County

Sheriff's Department, where for 25 years he held various assignments in patrol, detectives, custody, technical services, and administration. His hard work and dedication did not go unnoticed. When Herendeen retired from the sheriff's department, he did so at the rank of commander.

Throughout the years, Leonard Herendeen has held many professional positions as well. He has been involved in the California Police Chiefs Association as its past president and the Contra Costa County Police Chiefs Association as its past chairman. Additionally, he was appointed by California Attorney General Younger and reappointed by subsequent attorney generals to serve as the California Peace Officers Association representative to the California Law Enforcement Telecommunications Committee.

Chief Herendeen has also participated in various fraternal and community social groups. His community service boasts a long record of activities, including past master and district inspector of the Masonic Grand Lodge, past president of the Antioch Rotary Club, former member of the Antioch Chamber of Commerce Board of Directors, and currently a member of the Antioch Golf Course Board of Directors.

Mr. Speaker, I am proud to join his family and colleagues in honoring the many achievements that dominate his career. Leonard Herendeen has earned our deepest respect and admiration for his service to the city of Antioch. I ask that my fellow Members of the House of Representatives join me in wishing him the very best in his retirement.

A TRIBUTE TO FRANCES "MOM" WILLIAMS, A GREAT HUMANITARIAN

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BLACKWELL. Mr Speaker, I rise today to pay tribute to a truly remarkable woman. As Frances "Mom" Williams turns 80 years old this week, I would like to take a moment to reflect on the achievement of one of Philadelphia's finest citizens.

Mom Williams is a monument to the city of Philadelphia. She has touched the lives of so many, and as she approaches her 80th birthday, Mom is as active as ever in a wide variety of community organizations for children and senior citizens. As the president and founder of Philadelphia Council of Elders, Mom Williams was years ahead of her time in bringing the vital issues affecting seniors to the forefront of the city's attention. In addition Mom chairs the Philadelphia Commission on Aging, is a member of the Philadelphia Anti-Poverty Program, and sits on the board of directors at three area nursing homes.

Those that know Mom Williams speak of her relentless determination at pursuing the right and just causes of senior citizens. On a countless number of occasions, Mom has put herself aside, to offer her strength and support to those that need it most. Indeed, I have been touched personally by Mom, and have often turned to her for advice and good counsel. A friend of Mom's put it best when she simply said, "Frances Williams is everybody's Mom". This is certainly the truth. I ask my colleagues to rise and join me in wishing Frances Williams the happiest of birthdays, and every good wish for continued good health and happiness. The city of Philadelphia has been blessed with her services, and will be forever indebted to this brave and courageous matriarch. God bless Mom Williams.

TRIBUTE TO DRS. JOSEPH AND OMAYMA TOUMA

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. RAHALL. Mr. Speaker, I rise today to salute two of my constituents and fellow Arab-Americans, Drs. Joseph and Omayma Touma, of Huntington, WV, for their philanthropic contribution to society.

Drs. Joseph and Omayma Touma have graciously donated their family's Near Eastern art collection to the Huntington Museum of Art. This exceptional collection is composed of more than 300 pieces, acquired through extensive travel and family heirlooms, ranging in age from 75 to 400 years old.

What would prompt these fine individuals to part with such a valuable and personal art collection that has taken them over 20 years to amass? Two things—a genuine appreciation for art, history, and culture, and the unselfish desire to share.

Born and educated in Syria, Joe and Omayma moved to the United States some 25 years ago, leaving behind a chance for their children, Joe and Mona, to experience and fully appreciate their Middle Eastern culture and history. Becoming collectors of Near Eastern art and historical artifacts have allowed the Toumas a way to bridge that gap for their children. Muslim prayer rugs, Orthodox Christian icons, bibles, ornate daggers and swords, hand-carved furniture embellished with mother-of-pearl and ivory, and antiquated jewelry are just a sampling of the Touma's cultural treasures. Today, because of their donation to the museum, these Near Eastern artifacts are on display to enlighten other children for generations to come.

I am honored to bring recognition to Drs. Joseph and Omayma Touma's altruistic accomplishments.

TRIBUTE TO THE ARCHITECTURAL VISION OF BENJAMIN THOMPSON, RECIPIENT OF THE AMERICAN INSTITUTE OF ARCHITECTS' HIGHEST AWARD, THE AIA GOLD MEDAL

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SWETT. Mr. Speaker, I rise today as this body's only architect to pay tribute to a wonderful and talented man recently honored by his peers at the American Institute of Architects with their most prestigious award—the AIA Gold Medal. I was very proud last month to join First Lady Barbara Bush and many others at a ceremony recognizing the achievements of Benjamin Thompson, FAIA, over a long and prolific architectural career. The word vision has been cheapened in recent years, but it is rightly applied to the life and work of Benjamin Thompson. A pioneer in his field, a participant in the action and passion of his times, a fervent apostle of hope for American cities—he has been all of these and more. No words of mine could adequately capture this brilliant man, so I will instead ask that the following excerpt from Mr. Thompson's Gold Medal Presentation acceptance speech be entered into the RECORD for the benefit of my colleagues and constituents.

ACCEPTANCE SPEECH OF BENJAMIN THOMPSON

Someone once wrote that I introduced "joy into architecture." I am honored to hear that—I am joyful. Joy is among my favorite architectural words—*joy, optimism, dreams*—these are my themes.

I have tried to "*RE-* introduce" after long joyless war years. I believe buildings should bring joyous experience not just to architects but to the lives of people.

Joy was the goal in revitalizing downtown Boston, Manhattan's riverfront, and in making a magical night place in Miami.

Joy sparked the rebirth of Baltimore harbor.

Joy is bringing new life to Dublin's River Liffey, and new light to the heart of St. Paul, and to a great city park all along its Mississippi riverfront.

Joy makes your Union Station welcoming and fun.

Joy has been key to my architectural "attitude" since starting with The Architect's Collaborative in Cambridge in 1946, with the Harknesses, Fletchers, and MacMillans.

In receiving this medal, I am honored that it has been worn by other colleagues of those pioneering years, Pietro Belluschi and I.M. Pei. And by my very close friend, Walter Gropius, with whom I discussed human scale and many other issues over twenty years of association in Cambridge.

I accept, too, on behalf of the numerous collaborators, associates, partners, and friends, who have made all this work possible. Over these many years, ours has always been a truly collaborative team effort. Together with many extraordinary clients, we have lived, worked and travelled together to new and distant territories.

Finally I must recognize Jane Thompson, my partner of home and office. Jane has always believed, had confidence in the dream, and shared the adventure—with optimism.

We architects must be optimists: our best work comes out of the struggle to make dreams come true.

Today, when times are tough and architecture faces survival issues, the power of joy and the strength of dreams can only help keep this profession relevant, in ever greater demand.

The world is in disarray—from the Russian steppes across Asian and Arabian deserts to the African plains. There is much we can do. Many global problems cry out for the Healing Vision of architects.

The world needs us to say YES to building better towns and villages, kinder landscapes, and cities that are humane and fun.

And the world needs us to say NO when we know that development will be destructive to the environment. We need courage to say NO at times, even while we are dreaming of YES.

I say—Dreaming is OK. Fellow musicians, artists, writers, have always dreamed.

Mozart—dreamed fantasies of life and love.

Beethoven—dreamed of grandeur and triumph.

Cole Porter—voiced aspirations and Optimism (remember "You're The Top" and "Night and Day.")

And The Beatles—brought love back into fashion, with the rhythmic symbolism of The Yellow Submarine.

Thomas Jefferson showed that architects can dream at many scales—not only of architecture but of great frontiers of human discovery.

Sometimes I feel I am a walking Attitude rather than an architect. I wonder "why I spend the lonely night" with Hoagie Carmichael's Stardust: "dreaming of a song, the melody haunts my reverie . . . in the stardust of a song."

I guess I continue to dream my way to expressions of JOY. So here's to a future of beautiful dreams, to hope and optimism in preserving cherished and familiar places, even as we build inspiring new ones.

Here's to beauty and grandeur, to joy and color in the world we build for people, to inspired sounds of music blowing on the winds of change.

Let architecture reach out—reach high, reach far beyond.

Let's let architecture FLY—HIGH—"Over the rainbow."

HILDRETH DEPARTMENT STORE'S 150TH ANNIVERSARY

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. HOCHBRUECKNER. Mr. Speaker, I rise with great pleasure to congratulate Hildreth's Department Store of Southampton, NY, which is celebrating its 150th anniversary this year.

Hildreth's is America's oldest department store. This distinction is an indication of the Hildreth family's fortitude, vision, and commitment to their community.

I want to especially congratulate and commend the Hildreth family for their 150 years of dedication and leadership. The family has run Hildreth's Department Store since its establishment. In an age where retail businesses are closing their doors, and changing ownership, it is particularly gratifying to recognize a smalltown business that remains family-owned and operated.

Since its founding in 1842 by Lewis Hildreth, the Hildreth family has continued to maintain a commitment to the viability of their business and to the community of Southampton and to Long Island. Despite the changing nature of Southampton from its original agrarian and fishing roots to a community of many diverse economic pursuits, Hildreth's Department Store has remained a vital and responsive retail presence for thousands of customers.

Mr. Speaker, Hildreth Department Store's 150th anniversary merits our special recognition and best wishes for the future. I offer into the RECORD, a brief history of the first 150 years:

Founded by Lewis Hildreth in 1842, the 1200 square foot store serviced the needs of Southhampton, a seaside farming community, with the basic household provisions and hardwares of the day. An original ledger book from that era shows transactions made in shillings and pence. When Lewis Hildreth died of small pox in 1870, the store was taken over by his widow, Amanda and their two sons Edgar and Henry. They gave the store its coporate name, E.A. & H. Hildreth.

In 1870's when the Long Island Railroad extended it's service into the Southampton area, the communities growth was greatly expanded. The shaded streets and sunny beaches, were very attractive to wealthy New Yorkers, who searched for an unspoiled area to spend their summers. Hildreth's kept pace by doubling its size in 1901, expanding its selection of furniture and housewares.

Over the past many decades Hildreth's has become the focal point of the Main Street shopping district. On any given day you'll find "Locals" and "City Folks" enjoying the ambience of Hildreth's as did the villagers of 150 years past. Hildreth's fine reputation, attentive service and 25,000 square feet of innovative merchandise, now services a broad customer base ranging from Manhattan to Montauk Point. The roots of our nation were established through enterprises such as Hildreth's and our continued commitment to the community remains strong and tireless.

IN SUPPORT OF AUTONOMY FOR ETHNIC ALBANIANS IN MACEDONIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. LANTOS. Mr. Speaker, it has always been our Nation's tradition to support the rights and aspirations of peoples who seek to express their will through peaceful and democratic means. In the Republic of Macedonia, formerly a part of Yugoslavia, approximately 1 million ethnic Albanians are attempting to do just that. It is imperative that we in Congress act to facilitate their objectives.

The ethnic Albanian population in Macedonia has long been treated by Macedonia officials as second class citizens. In fact, discrimination against Albanians is widespread. Macedonia seems neither willing, ready, nor able to secure for all of its citizens full human rights and full protection of ethnic groups and minorities.

Most disturbingly, the electoral laws of the Republic of Macedonia overtly discriminate against ethnic Albanians by minimizing their number and thus denying them proper proportional representation in the elected bodies, as well as in the organs of the Government of Macedonia. There is serious violation of the principle of "one man-one vote."

For example, during the 1990 elections, it took approximately 3,500 votes to elect a Macedonian representative to Parliament. In contrast, roughly 8,000 votes were required to elect on Albanian to the same body. Thus, only 19 percent of the Parliament is made up of ethnic Albanian legislators while current estimates indicate that as much as 40 percent of the population is made up of ethnic Albanians.

The disproportionate ratio in the Macedonian Parliament is indicative of a long history of underhanded methods used to repress the ethnic Albanian population. These tactics are intolerable.

Mr. Speaker, because of the repression and discrimination suffered by Albanians in the Republic of Macedonia, the Albanians there held a referendum on political and territorial autonomy on January 11th and 12th of this year. That must be seen as a reflection of intolerable conditions for the Albanians. It must be our goal, Mr. Speaker, to assure full civil, political and human rights for this Albanian population.

CONGRESSMAN KILDEE HONORS REV. LEROY NICHOLS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. KILDEE. Mr. Speaker, I rise today and ask my colleagues to join me in honoring a man who has done so much to improve the quality of life for the citizens of Genesee Country, Rev. LeRoy Nichols. I have known LeRoy personally for many, many years. He is a dear friend and a person who has taught me a great deal over the years.

Reverend Nichols has announced his retirement as the executive director of the Genesee County Community Action Agency. This important agency will be losing one of our community's most distinguished and dedicated citizens. In recognition of his retirement, Reverend Nichols will be honored at a dinner in my hometown of Flint, MI.

Public service has been a lifetime commitment for Reverend Nichols. As executive director of the G.C.C.A.A. for 16 years, he has led a life that exemplifies respect for human dignity and compassion for those who are the most vulnerable in our society. As a lifelong resident of Flint, Reverend Nichols graduated from the Flint Public Schools, and attended several Flint area institutions of higher learning. While furthering his education and working for General Motors, Reverend Nichols was an active member of all segments of our community. He served on the Genesee County Board of Supervisors, the City of Flint Board of Review, the Boy Scouts of America Board of Directors and as chairman of the Flint Mass Transportation Authority and the UAW Civil Rights Society.

Our community is indeed fortunate that Reverend Nichols has contributed so much of his life to bringing members of our community together to confront some of the difficult problems facing our area. While on the board of supervisors, he chaired the Crime Prevention, Juvenile Homes, Special Services, Social Services and Building and Grounds Committees. Also, as a concerned citizen of the community, the Reverend saw many needs that were not being addressed by the county government and initiated new programs to help confront these issues. The board of supervisor's programs on youth crime referral and summer youth employment are the direct result of Reverend Nichols' concern and dedication.

In 1970, Reverend Nichols began a new career with the Genesee County Community Action Agency, becoming the agency's executive director in 1976. In this position, he established new programs to help the most needy in our community. He has indeed made a positive impact on the residents of Genesee County. Although he is retiring, we know that his love for his community will continue to benefit us.

Mr. Speaker, I have always believed that the role of government is to promote, protect and enhance human dignity. Reverend Nichols certainly exemplifies all of these qualities, and his service to the Flint area has helped renew our faith in the goodness of people everywhere. His selflessness has touched the lives of countless people and continues to serve as a beacon of bright hope to our entire community.

THE GAG RULE: HOW IT HAPPENED, WHY IT MUST BE REVERSED

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. PRICE. Mr. Speaker, I want to call my colleagues' attention to a thoughtful article in The New Republic, written by Duke University legal scholar Walter Dellinger. This piece brings to light the flawed legal reasoning and the partisan politicking behind the Bush administration's so-called gag rule.

Professor Dellinger argues that President Bush has ignored the will of the American people, the intent of Congress, and the established practice of past Democratic and Republican administrations by denying women access to counseling about their full range of legal options. Instead, our President has catered to the extremists in his party, and has been supported by a narrow majority of the Supreme Court in the deeply flawed *Rust* decision. As Professor Dellinger puts it, "it's a story * * * of conservative judicial activism and conservative big government. It makes a sobering tale."

Professor Dellinger's article is an insightful and astute analysis of the issues surrounding the "gag rule." A resident of Chapel Hill, NC, and a law professor at Duke University, Walter Dellinger is one of the foremost legal experts in our country and a vigorous defender of our Constitution. His article should be required reading for those of us in the Congress preparing for a renewed battle against the gag rule this year.

I insert Professor Dellinger's article in the CONGRESSIONAL RECORD:

[From The New Republic, Jan. 6 & 13, 1992]

GAG ME WITH A RULE

(By Walter Dellinger)

"With seventeen months of his presidency remaining, Ronald Reagan will bank on executive orders and judicial action to implement social policies that he cannot persuade Congress to enact, Gary L. Bauer, the president's chief domestic policy adviser, declared . . ."—*The Los Angeles Times*, August 17, 1987.

Perhaps the most extraordinary aspect of the abortion counseling saga is that this troublesome policy became national law over the strong opposition of substantial majorities in both houses of Congress. The story is one example of a governing structure in which a president who defers on social issues to an extreme wing of his political party and is supported by a complaisant Supreme Court can simply bypass the national legislature and adopt federal policies that override state law and impair important constitutional values. It's a story, in short, of conservative judicial activism and conservative big government. It makes a sobering tale.

In 1970 Congress adopted Title X of the Public Health Services Act, which subsidizes clinics providing low-cost family planning services to nearly 5 million low-income clients, often women who suffer disproportionately high rates of teenage pregnancy, infant mortality, and impaired health. Although it was undisputed that Title X funds could not be used to perform abortions, the act made no mention of restricting abortion counseling or referral, and its sponsors intended that Title X patients would be informed of, and referred to, appropriate medical services that could be obtained outside the program.

For nearly eighteen years after the enactment of Title X the consistent interpretation of the act by four administrations under Presidents Nixon, Ford, Carter and seven-eighths of Reagan's two terms was that Title X physicians and counselors could provide pregnant patients with non-directive counseling about all available alternatives, including prenatal care, adoption, and abortion. A Ford administration official, for example, interpreted Title X to mean that a counselor had "not only a First Amendment right but a duty to inform a patient of all legal options." Congress consistently rejected efforts to amend Title X to prohibit counseling of pregnant women that included reference to abortion.

Then, in the waning days of the Reagan administration, presidential assistant Gary Bauer hatched his plan to reverse administratively the settled meaning of the 1970 act. Bauer was the prime mover in promulgating a drastic new interpretation of Title X. Nondirective counseling was replaced by an administrative interpretation of the act that required physicians and counselors to withhold information about abortion even from patients who were at medical risk from continuation of a pregnancy. (The only exception is for immediate medical emergencies.)

The idea of federal agents dictating doctor-patient conversations immediately raised First Amendment worries. Under the regulations, when "a pregnant woman requests information about abortion," the physician is instructed that a proper response would be that "this project does not consider abortion an appropriate method of family planning and therefore does not counsel or refer for abortion." The regulations also impaired a patient's liberty interest in making her own informed decision among medical alternatives. Regardless of her individual circumstances, a pregnant patient "must be referred" to "providers that promote the welfare of mother and unborn child."

When the challenged regulations came before the Supreme Court in *Rust* v. *Sullivan*, most expected the Court simply to hold that since Congress never authorized restrictions on counseling and referral, the new regulations were a faulty administrative interpretation of congressional intent. The Bush administration argued, however, that the Court's provocative 1984 decision in *Chevron* v. *National Resources Defense Council* should be read to require courts to accept as the "true" interpretation of a statute the meaning adopted by the agency charged with its administration. Under Chevron it is often the role of bureaucrats, rather than judges, to "say what the law is."

Chevron makes a good deal of sense in many contexts. In Chevron itself, for example, the Supreme Court understandably deferred to the expert interpretation of the Environmental Protection Agency concerning the meaning of the word "source" (of pollution) in the Clean Air Act. But the challenge to the Title X "gag rule" presented a bizarre twist on this approach. First of all, the "gag rule" was not a consistent and long-standing agency interpretation of a statute: it actually reversed a long-standing interpretation. More fundamentally, the Court went out of its way to accept an agency interpretation that raises serious constitutional questions, while avoiding a more obvious construction of the statute.

Before a law is construed in a way that raises serious constitutional difficulties, there ought to be at least a clear statement that Congress actually intended the constitutionally questionable outcome. This notion that statutes should be interpreted to avoid constitutional questions is no mere technical rule. It's a way, as Chicago professor Cass Sunstein has argued, to ensure "that Congress, rather than bureaucrats, will deliberate on questions . . . that intrude into constitutionally sensitive areas."

In *Rust*, however, a narrow majority of the Supreme Court flatly disregarded this principle. Although the Court acknowledged that the "language of the statute is ambiguous," and that "at no time did Congress directly address the issues of abortion counseling [or] referral," the Court insisted on accepting the agency's interpretation of the statute even though it raised serious constitutional problems. Chief Justice Rehnquist (joined by Justices White, Scalia, Kennedy, and Souter) held that since the Department of Health and Human Services' new interpretation was based upon a "reasoned analysis" supported in part by "a shift in attitude against the 'elimination of unborn children,' " the Court was obliged to "defer to the Secretary's permissible construction of the statute."

The Court's majority did not even respond to the fact that the administrator's interpretation would clash with many states' existing laws. When the proposed new rules were put forth for public comment, alarmed medical groups argued that under the law of almost every state, a physician who failed to provide complete information about medical alternatives could be sued for malpractice. The secretary blithely responded in the Federal Register that "to the extent that these regulations are inconsistent with the provisions of State law regarding counseling and informed consent, they may, in some circumstances, supersede State law under the Supremacy Clause of the Constitution. "Although the Constitution makes it clear that 'Laws of the United States' are supreme over the laws of the states, due regard for federalism suggest that the decision to displace long-standing and important state law ought to be traceable to Congress, and not merely to an executive branch employee interpreting an ambiguous congressional statute."

Justice O'Connor, dissenting in *Rust*, noted that "in this case we need only tell the Secretary that his regulations are not a reasonable interpretation of the statue." In the aftermath of the *Rust* decision, Congress emphatically told the secretary just that. By votes of 73–25 in the Senate and 272–156 in the House, members flatly repudiated the agency's misinterpretation to which the Court had deferred. Bauer's regulation nonetheless became national law. On November 19 President Bush vetoed the legislation by which Congress corrected the misreading of its statute, and the House narrowly failed to achieve the two-thirds necessary to override the president. A federal official who wants to issue a national edict of dubious constitutionality now needs only find a statutory peg for the rule, wait for a compliant Court to accept his "reinterpretation," and then rely upon a presidential veto to freeze the administrative line into law.

It bears remembering that this rule, the brainchild of a presidential minion, may be rescinded at any time by President Bush. Its continued existence shows how an administration allegedly opposed to judicial activism and to the federal government trampling on state laws is happy to abandon both principles to appease and console its increasingly restless right flank.

A COMPETITIVENESS TAX CREDIT TO BENEFIT WORKERS AND INDUSTRY

HON. THOMAS J. RIDGE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. RIDGE. Mr. Speaker, today I introduce the competiveness tax credit, one tool to help boost our productive capacity through increased investment in plant and equipment.

This recession has many drawbacks, but it has showcased our structural weaknesses and given us an urgent reason to do something about them. I don't think you can find one economist out there who will say this Nation is saving and investing enough. I know my constituents in Pennsylvania know it in their guts. So perhaps we have an opportunity.

A nation that does not save and invest falls behind the competition. Other countries will do research, win patents, produce new products, and penetrate markets, while the country that doesn't save and invest sees its production and manufacturing lines age, its infrastructure crumble, its patent applications drop, and its products left on the store shelves because they're outdated. Then jobs and income suffer for all of us.

Although no easy answers are available to solve our recent economic dilemmas, any remedy must include measures that emphasize investment, particularly in the manufacturing sector. We need policies that will not only benefit our economy now, but will also increase our ability to remain competitive later.

Pennsylvania is home to some of the most productive workers in the world. It also remains in transition from its days as a heavy industrialized economy. But we cannot expect our industries to remain competitive if they do not have the best tools and machinery to do so.

My competitiveness tax credit will allow companies to deduct a percentage of the cost they spend on new equipment and machinery, thus spurring them to upgrade their production, manufacturing, and agricultural operations. For an economy in transition such as ours in Pennsylvania, this credit will be an important productivity and competitiveness tool.

Politically, among Republicans and Democrats, there is general agreement that such a tax credit could prompt increased investment and provide a short-term boost to the economy. More importantly to me, however, is the consensus among those I have talked to who operate the machinery and buy the machinery that such a credit would be beneficial. It will help put people to work and keep them there.

The idea of providing a tax credit to spur the economy and increase competitiveness is not revolutionary. Such a credit has been in place off and on since 1962. In the past, however, the law encouraged investment in items, office partitions for instance, that did nothing for competitiveness or long-term productivity. Credit for such items is eliminated from my legislation. In addition, my proposal is temporary. I believe that companies—like home buyers eager to buy when mortgage rates are low—will make decisions to take advantage of the credit, thereby saving money and providing the type of short-term kick the economy needs.

Importantly too, my legislation will provide an incentive for companies to invest in U.S.-made equipment by providing a greater credit for equipment made domestically than that made overseas. Domestic equipment receives a 10-percent credit for new investment, while foreign equipment receives a 7-percent credit.

The history of the tax credit indicates that it does indeed serve as a powerful incentive tool when it is implemented on a temporary basis. Certainly, it alone will not provide the only boost our economy needs, but I am confident that my competitiveness tax credit, coupled with other investment incentives for individuals and industry is part of the answer to put our economy back on track.

A TRIBUTE TO MICHAEL DINGHAM AND THE HENLEY GROUP OF HAMPTON—NEW HAMPSHIRE CITIZENS REACHING OUT A HELPING HAND TO THEIR NEIGHBORS

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SWETT. Mr. Speaker, today I wish to pay tribute to the Henley Group of Hampton and to Michael D. Dingham, its chairman and chief executive officer. This group of concerned New Hampshire citizens has given new meaning to New Hampshire's longstanding tradition of neighbors helping each other through hard economic times.

Mr. Dingman noted that, "To see the average working man suffer is more than we care to witness without trying to do something about it." So he set up a half-million dollar fund to provide grants of up to $1,000 to help families facing evictions or other housing-related crises caused by New Hampshire's depressed economy. Mr. Dingman decided to concentrate on housing needs because "next to food it's most important. Where do you go and what do you do when you're about to lose your home?"

The funds will be administered by the New Hampshire Charitable Foundation of Concord, in cooperation with the State's six community action agencies. This program is a shining example of what the public and private sector can do if they work together, as Stephen Geller, executive director of the Rockingham County Community Action Program points out.

The program is aimed at middle-class working families experiencing temporary economic problems because of the downturn in the economy. It targets families who are not traditionally accustomed to asking someone for help, because they fear it will be perceived as asking for a handout. It's aimed at people who are not part of the welfare system and who have in the past faithfully paid their taxes and helped support others who have been in need.

Mr. Dingman, a New Hampshire resident for over 20 years, said that the more he witnessed the deterioration of the State's economic climate, the more concerned he became. Helping hand is a way to do something concrete about people's needs. In cases of a bank threatening foreclosure on a house, or an eviction notice from a landlord, the request for funds will be acted on within 24 hours. If approved by the New Hampshire Charitable Foundation, a check will be issued almost immediately. In the words of Lindsay Shearer of the New Hampshire Charitable Trust, the attitude is, "Let's get this money out there to people in need".

Mr. Speaker, I ask my colleagues to join me in saluting the Henley Group and men like Mr. Dingman, who have worked quickly, quietly and effectively behind the scenes to help those who, through no fault of their own, are caught in an economic downturn and deprived of the opportunity to keep a roof over their head.

JOBS, JOBS, AND MORE JOBS FOR AMERICANS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. LIPINSKI. Mr. Speaker, I rise today to introduce two pieces of legislation.

Both are designed to help millions of Americans survive the present recession and secure their future economic security.

The first bill will provide immediate funding for transportation and infrastructure projects.

The second will save our most important manufacturing industry.

One bill is a short-term solution aimed at ending the current recession.

The other is a long-term plan to help our domestic automobile industry effectively compete against the Japanese.

The two bills share an ultimate goal. They will create jobs, jobs, and more jobs for Americans.

The Community Infrastructure Assistance Act of 1992 can give the economy a necessary shot in the arm. It will provide additional funding to several programs that work to repair and modernize our Nation's roads, bridges, and mass transit systems.

It will help our older neighborhoods to once again become centers of commerce and activity.

It will breathe new life into depressed areas—making them better places to live and raise a family. The bottom line is that it will create jobs, jobs, and more jobs for Americans.

If you listen to the media you will hear about the alarming decline in the quality of life of ordinary Americans.

This is really only half of the story. To tell the other half would force us to admit that nothing concrete is being done to improve the lives of ordinary Americans.

Providing more unemployment insurance is certainly one step in the right direction. However, the situation requires substantially more. Why isn't more being done?

I think that for some people the word "ordinary" means that one group of Americans share a common fault causing them to become unemployed and ordinary.

Well I ask you?

Is it ordinary to work for General Motors for 16 years and find a pink slip in your pay envelope because your neighbors can't seem to part with their Japanese imports?

Is it ordinary to be laid off and unable to find work because the largest employer in the State, a 100-year old maker of lawnmower parts, suddenly decides to move your division to Mexico?

Finally, if it makes one ordinary to work for the Nation's 12th largest airline, then the 4,000 former employees of Midway Airlines can be content with the knowledge that they are indeed ordinary?

Maybe what the people of the most democratic Nation on Earth need is for one of their elected officials to use a little ordinary common sense. Common sense should tell us to begin the process of investing directly in things that improve the lives of our citizens. While doing so, we will be creating new employment opportunities.

Let us start by spending on infrastructure and public works projects. Several recessions and numerous studies have shown that these government programs create jobs and economic growth.

The Community Infrastructure Assistance Act of 1992 would provide a supplemental appropriation of $10 billion roughly divided among highway, mass transit, and community development programs. This funding would become available to our communities immediately and would nearly double the fiscal year 1992 appropriation for certain programs. This legislation would enable State DOT's to expedite the necessary repairs of the Nation's system of highways and roads.

The bill would nearly double the amount of funding authorized for the repair and replacement of bridges, one of our country's leading transportation priorities. It will assist transit agencies with the high costs involved in carrying out the mandates of the Americans with Disabilities Act and would assist with the modernization and expansion of public transportation facilities.

Finally, this bill would provide additional funding for neighborhood improvement and rehabilitation, with an emphasis on infrastructure and economic development.

For too many months, I have listened to the administrative and its economists deny that there was even a recession and more recently offer fancy gimmicks instead of solutions.

I say let us stop handing gimmicks to the American people. The ranks of the unemployed cannot be disguised with smoke and mirrors. Their numbers have grown large and continue to increase.

We have an opportunity today to offer more to the men and women of this country than empty words to fill their empty pockets.

Under the supplemental appropriations bill I am offering here today, certain transportation programs authorized by the Intermodal Surface Transportation Efficiency Act of 1991 and block grant programs established by the Housing and Community Development Act of 1974 will have their funding boosted this year by $7 billion and $3 billion respectively.

This kind of an increase could provide more than 1 million jobs nationwide allowing more Americans to discontinue their unemployment insurance and get out of unemployment lines.

By providing a necessary spark to light the fires of economic recovery and future prosperity we can help Americans afford to actually buy the products of their labors.

Mr. Speaker, I am introducing this legislation to let my constituents know that their elected representative has indeed listened to their grievances, understood their concerns and acted to secure their futures.

I would also like to thank the distinguished gentlemen from Illinois, Mr. COSTELLO, Mr. POSHARD, Mr. SAVAGE, and Mr. SANGMEISTER for becoming original cosponsors of this bill.

Once again, these four gentlemen have shown they do not need to be reminded that the problems of the Chicagoland's southwest side can be found elsewhere—in every State, in every city, and every town.

I would strongly urge my colleagues to join us as a cosponsor of the Community Infrastructure Assistance Act.

Mr. Speaker, my long-term plan is designed to save the American auto industry. I call it the Save America Act, because I believe America's future economic security depends in large part on a strong auto industry.

Today we are caught up in a national debate on the condition of this industry. Some blame the Japanese for the Big Three's problems.

I think there is some truth to that. The Japanese have long maintained structural barriers to imports and predatory business practices.

Some blame Ford, General Motors, and Chrysler because they do not make high quality cars.

There may be some truth to that too. The Big Three were slow to react to the Japanese threat and improve their own products.

However, the debate amounts to mere finger pointing. Finger pointing doesn't solve the problem.

The problem is that America's most important industry is dying. The Big Three are losing a bigger share of the domestic market every year. This translates into a loss of $4 billion in the last two quarters alone.

It is painfully clear the Big Three cannot continue at this rate. In December, General Motors announced it will close 21 plants and lay off 74,000 employees in the next 5 years. Ford and Chrysler are already dramatically smaller than they were 15 years ago.

While we all hope these cut-backs are enough to save these companies, it looks more and more like it is only the beginning. Any one of these companies could go bankrupt before the end of the decade.

We cannot afford to let that happen. This industry is simply too important to let die.

It is responsible for 4.5 percent of our GNP and more than 1 million jobs.

It is a major consumer of steel, rubber, glass, and electronic goods. All of those products depend on auto sales.

It is a major supporter of America's engineering schools which in turn provide the high-technology job training our Nation needs to compete globally.

In total, one out of every seven jobs in the United States is related to the auto industry. We have already seen dramatic dislocation because of its decline—and the future promises more.

We must not stand by and watch this happen. I am offering a plan to turn this industry around. Beginning in 1996, it mandates the following:

First, a 5-year moratorium on imported Japanese automobiles. This applies only to the 18 percent of our market controlled by Japanese imports. It does not include Japanese transplants built in the United States.

Second, a 5-year moratorium on imported Big Three automobiles. This will open up another 13 percent of our market, and will stop the Big Three from shifting jobs to Mexico and overseas.

Third, during the moratorium, all cars produced here will use only American parts. Our auto parts manufacturers employ over 600,000 workers, yet we lose a manufacturer to bankruptcy every day. Under my plan, that will stop.

Fourth, during the moratorium, Japanese companies will not be able to send their profits back to Japan. These profits are earned in America, and they will be reinvested in America.

Fifth, during the moratorium, the Big Three companies will only invest their profits in the areas of research and development, retraining workers, and retooling factories. The purpose of my plan is to make these companies stronger by investing in their futures.

Sixth, fat management salaries at the Big Three will no longer be supported by the taxpayers. This is the Sabo plan. Salaries more than 25 times the wages of the least-paid employee will no longer be tax deductible. Auto executives don't deserve millions of dollars when their companies are going under.

This is a tough plan, but also a flexible one. Americans who want to buy Toyotas and Hondas will still be able to, but those Toyotas and Hondas will be fully American-made with American parts. Also, American and Japanese companies will decide themselves how to invest their profits, though they must stay within the parameters I have laid out.

At the end of 5 years, the trade walls come down and the battle begins. But by then we will find several important changes. Auto industry jobs will be here, not in Japan, Mexico, and Canada. The Big Three will be stronger and more efficient. Cars built in the United States will be real American cars, because their parts will be American-made.

In short, the American auto industry will be saved. We will have saved jobs in engineering, design, assembly, marketing, and management.

Most importantly, The Save America Act would ensure this Nation's future economic security—and that of its citizens.

Mr. Speaker, the time has come to stop talking tough and start getting tough.

The two bills I am introducing today can offer a solution to two very real problems. I strongly urge my colleagues to join me in cosponsoring both bills.

The workers of this country expect considerably more from their elected leaders than ineffective words—and my legislation delivers more.

TRIBUTE TO THE U.S. WOMEN'S SOCCER TEAM AND APRIL HEINRICHS

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. SCHAEFER. Mr. Speaker, I would like to recognize the U.S. Women's Soccer Team and their captain April Heinrichs, a young women from my district. April and the United States team recently won the FIFA World Championship held in Guangzhou, China on November 30, 1991. This victory in China gave the United States its first world championship in soccer ever.

The core of this championship team first came together 3 years ago, and since then they have been routing teams all over the world. The team includes April Heinrichs, the captain, and Michelle Akers-Stahl, probably the greatest woman soccer player in the world. During the last three international competitions, the U.S. team was involved in, they outscored their opponents 98 to 5. They easily won the regional competition last summer in Haiti, with a combined score of 24 to 0 against opponents from Mexico and Martinique. A 2 to 1 victory over Norway on November 30 gave the team its crowning achievement and America its first World Cup in women's soccer.

I wish to congratulate April and the other members of the U.S. team for an outstanding accomplishment.

TRIBUTE TO W.D. "DUB" POYNER

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. HUBBARD. Mr. Speaker, I take this opportunity to pay tribute to my longtime friend W.D. "Dub" Poyner of Mayfield, KY, who died last Sunday at his home.

"Dub" Poyner, 77, was an outstanding and effective member of the Mayfield City Council for 10 years. He submitted his resignation as a city councilman just 3 weeks ago to spend more time with his lovely and talented wife, Josephine Poyner, whose illness was of much concern to him.

"Dub" Poyner was a retired employee of the Merit Clothing Co., where he worked in Mayfield for 41 years.

Mr. Poyner was a member of Christ Methodist Church in Mayfield, the American Legion, and a World War II Army veteran.

I moved to Mayfield in 1962 after service in the U.S. Air Force at Lackland and Brooks Air Force Bases in San Antonio, TX. One of the first couples I met 30 years ago was Josephine and "Dub" Poyner. They were and have been a highly respected and well liked couple in my hometown. I've always been an admirer and very fond of "Dub" and Josephine Poyner.

I'll miss "Dub" and I wish for Josephine good health and a recovery from the cancer which has hospitalized her.

Others who survive are a beautiful and outstanding daughter, Deidra "Dee" St. Lawrence of Glenview, KY, a prestigious suburb of Louisville; a son-in-law, Glenview Mayor John E. St. Lawrence; a brother, Jack Poyner of Paducah; three sisters, Dorothy Fox and Mary Lee Heath of Mayfield, and Earnestine Bishop of Paducah; a great-aunt, Beatrice DeMarco of Mayfield; and three grandchildren—Jeffrey English of Birmingham, AL; and Trevor English and Julie English, both of Louisville.

The funeral of W.D. "Dub" Poyner, who contributed so much through the years to my hometown of Mayfield, was at 1 p.m. this afternoon at Byrn Funeral Home in Mayfield.

My wife Carol and I extend to the Poyner family our sympathy.

TRIBUTE TO ZEAKE W. JOHNSON

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. TANNER. Mr. Speaker, I rise today to inform this body of the recent death of its distinguished servants, the Honorable Zeake W. Johnson of Newbern, TN. Zeake served as this Chamber's Sergeant at Arms from 1955 to 1971.

Zeake was one of my constituents. He lived in Newbern, TN, to where he returned upon retirement from his position as Sergeant at Arms. Mr. Johnson was first employed in the House of Representatives as a clerk on the personal staff of a Member of Congress from Mississippi. Appointed as an Assistant Sergeant at Arms in 1937, Zeake Johnson also served his country in World War II in the U.S. Coast Guard. He came back to this House after receiving an honorable discharge and continued to serve in the Sergeant at Arms' operation.

He was elected Sergeant at Arms in 1955 and served in that position until his retirement. He served as Sergeant at Arms for the Democratic National Convention in 1968. In 1971, he returned to Newbern and was counted among its leading citizens until his recent death at the age of 81.

The Eighth Congressional District of Tennessee has lost a distinguished and honorable citizen. As we commemorate his service to this institution, we also extend our deepest sympathies to his widow, Beatrice Smith Johnson.

A TRIBUTE TO FRANK DONLON

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the fine work and outstanding public service of Police Corporal Frank Donlon of Fontana, CA. Frank will be recognized for his many years of dedication to public safety at a retirement dinner in his honor on February 29.

Frank Donlon has certainly dedicated his working life to public service. Starting his training early by attending and graduating from La Salle Military Academy, ROTC High School in Troy, NY, Frank moved on to a career with the U.S. merchant marine and the U.S. Navy. After completing his service, he began his affiliation with our country's police. From the Cohoes, NY, Police Department to the Fontana Police Reserves and Police Department, Frank has served admirably for 35 years.

Over these many years, Frank has founded and been a charter member in such associations as the Inland Robbery/Homicide Investigators Association, the Inland Investigators Association, and the International Outlaw Motorcycle Gangs Investigator Association. Additionally, he has been a member of the California Homicide Investigators Association and a political action committee representative. Frank has also been president of Steele-Towne American Legion Post 772 as well as president of the Fontana Police Benefit Association.

For his outstanding work, Frank was promoted to Fontana Police Department detective and, subsequently, received a certificate of commendation for outstanding service in law enforcement from the attorney general of the State of California.

Besides serving the community, Frank is also a family man. Some 43 years ago, he married his childhood sweetheart, Marie, and had three sons. He now is the proud grandfather of eight.

Mr. Speaker, I ask that you join me, our colleagues, friends, and family in recognizing the many contributions of a very fine man, Frank Donlon. Frank's dedication and many years of selfless service to the community are certainly worthy of recognition by the House today.

CHRISTOPHER MONSEN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. ACKERMAN. Mr. Speaker, I would like to submit for the RECORD the tribute delivered this morning at the funeral mass of Christopher Monsen. Chris had been a loyal and dedicated aide in my New York offices throughout my terms both as a State senator and as a Member of this House. The following represents both my feelings and those of the rest of my combined staffs in both New York and Washington who had the pleasure of working with Chris.

How I wish, dear friend, that I could turn to you but one more time and say, "Chris, give me a memo so I know what to say at the meeting this morning at St. Luke's."

I could just picture you now, rolling your eyes back and saying, "About me? Don't say anything—well, maybe just good-bye."

You were modest. Thinking back, not once in the twelve years we worked on the same jobs did your ever say or do anything that was self-aggrandizing. Any praise directed at you, you skillfully shifted to the office and everyone who worked with you, making us all look good. Indeed, you gave government itself a good name.

You knew something about everything—one of the brightest people I've ever met. Yet you were modest. How difficult that must have been for someone so bold and brash and stubborn as a mule! It wasn't that you were argumentative, but that you were always right that bothered us. Yet you had a personal charm that won people over.

How many scores of times when I was trapped in Albany or Washington, or stuck at something on the other side of town, did I reach out and say, "Chris cover a meeting, make a technical presentation, attend a hearing, settle a dispute, resolve a crisis."

And how many times did I sit by the phone the next day waiting for a call that would say "Boy, did we miss you!" And how many times did we hear instead, "Hey, thanks for sending Chris." (I can't tell you how many times you were secretly fired for being too good.) And you were good.

I remember vividly the time when the opportunity came to run for Congress and our entire State Senate staff went on leave to work on the campaign for one very furious month. Everyone except you, Chris. You stayed behind to run the entire office by yourself—doing everybody's job all day. And then, not to be outdone, you put in six hour shifts all night, plastering the district with posters—except for the trees. You never put a nail into a tree.

You know, for someone who could sometimes seem impatient with people—he didn't suffer fools easily—for someone who appeared to be tough—for someone who came off as "Cool Hand Luke," he had a great reverence for all of God's creations: trees, shrubs, plants, flowers—you should see our office bloom. And cats, animals, birds, fish (salt water and fresh). And he could call them all by their Latin names. I didn't know he was so religious.

I can see him leafing through a journal or periodical—he read everything that came into the office, you know—and every once in a while he'd point to something and say, "I bet Jennifer would like that. Jennifer's my niece," he'd take pride in proclaiming.

Or the times he'd mention brother Michael and his wife, Ruby, with more than the usual brotherly respect and admiration. And how often something would remind him of his dad. And his mother, Ann, who has gone through so much. Last Wednesday Chris indicated to Rita and me that you were the bravest and most caring person in the world. We're under orders to check up on you.

I can almost see you in the back of the room, Chris, giving the "let's wrap this thing up" sign. You always were in such a hurry. I guess that's how you helped so many organizations, so many thousands of people, and packed into so few years so rich a life.

Opinionated, loyal, tough, soft, impatient, caring, individualistic, team player—honest—dignified—dedicated.

You leave us with such a void. You leave us with such a sense of loss. You leave us with a two year supply of McDonald's and Roy Rogers coupons in your desk. You leave us with such a feeling of love and warmth in our hearts.

We know that you'll be looking down upon us from on high, critical of every decision. And starting tomorrow, every time the phone rings a distant voice will say, "Hey, thanks for sending us Chris."

Your fight is fought, Chris, your job is done—well done.

Good bye, Dear Friend, good-bye.

COALBED METHANE DEVELOPMENT ACT OF 1992

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. RAHALL. Mr. Speaker, today, I am introducing the Coalbed Methane Development Act of 1992. This legislation is necessary if our Nation is to ever see large-scale development of coalbed methane, a valuable energy resource.

Throughout history, coalbed methane has been one of the greatest threats to underground coal miners. Even those unfamiliar with the mining industry recognize the age-old adage, canary in a coal mine, where canaries were released into coal mines, to determine the level of methane gas emissions before miners were sent inside. If the canaries emerged alive, the mine was considered safe for miners. But canaries did not guarantee safety from methane. Thousands of coal miners have lost thier lives to methane explosions, sometimes caused by a small spark.

Today, stringent regulations require mining companies to vent methane into the atmosphere prior to any mining activity. The U.S. Bureau of Mines has estimated that about 300 million cubic feet of coalbed methane is vented into the atmosphere daily. The Bureau also has estimated that between 500–700 trillion cubic feet of inplace methane remains in the ground that has not yet been vented or commerically produced.

Coalbed methane is a form of natural gas found in coal. In several areas of the United States, such as Colorado, Alabama, and New Mexico, coalbed methane is providing heat and electricity. Similar to natural gas, coalbed methane can be pumped into a pipeline for regional distribution. In other areas of the United States, like the Appalachian region, the potential of coalbed methane remains virtually untapped despite the fact that Appalachian coal is rich with methane. This legislation would expedite and promote the development of coalbed methane where its development has been impeded, especially in the Appalachian region.

Research on the availability of coalbed methane in the Appalachian States has revealed that approximately 66 trillion cubic feet of methane exists in this region. In my home State of West Virginia, there is enough coalbed methane to satisfy the energy demands of the State for years to come. The same holds true for Kentucky, Ohio, Pennsylvania, Maryland, Virginia, and Tennessee. However, all of these States are experiencing little if any methane development.

Meanwhile, coalbed methane development in the San Juan and Black Warrior Basins of Colorado, New Mexico, and Alabama, respectively, has been and continues to occur. In contrast, coalbed methane development in the northern and central Appalachian region is virtually nonexistent. The reason for this dichotomy dates back to a time in history when ownership rights to the minerals were severed, or divided, among the various mineral interests. Severance is more common in the Eastern part of the United States than in the Western part. In the Appalachian region, for example, it is not uncommon for an 80-acre parcel of land to have several hundred owners and lessees and there could be many coal owners, oil and gas owners, and surface owners in this 80-acre area. In some instances, a seam of coal is owned by different parties depending on the different depths of the coal seam.

This situation presents a difficult challenge for a company with interest in developing coalbed methane. Who owns the coalbed methane? How many parties have a vested interest in a particular parcel of land? Who is entitled to royalties? These questions can take years to answer. As such, coalbed methane in the northern and central Appalachian region is moving slowly.

In 1990, the legislature of the Commonwealth of Virginia passed a law to remedy this situation. In Virginia, a coalbed methane developer can now develop the methane while the question of who owns the methane remains unresolved. This is possible under a scheme called pooling. Pooling enables the coalbed methane developer to drill the wells, pump, market, and sell the methane while the royalties and other contested costs and proceeds are placed into an escrow account. Pooling occurs only when there is a conflict over who owns the methane. A State board has been created in Virginia to determine whether pooling will be permitted. Once the State board has approved pooling, the question of who owns the methane is left to the courts.

Although it could take years for the courts to decide who owns the coalbed methane, a valuable resource is being produced for the good of the country. Once it is determined who owns the methane the escrow account funds are fairly divided.

The number of coalbed methane wells that have been drilled since passage of the Virginia statute climbed from 52 in 1990 to 220 today. To date, coalbed methane production is progressing while all contested costs and revenues are being placed into an escrow account and the courts determine who is entitled to a share of the escrow funds.

The Coalbed Methane Development Act of 1992 is based on the Virginia statute with the hopes that the entire Appalachian region will experience the benefits of coalbed methane development. The legislation specifically addresses the States of West Virginia, Kentucky, Pennsylvania, Ohio, Tennessee, Indiana, and Illinois and requires States to establish State boards that would have the authority to respond to the coalbed methane ownership question and to encourage pooling. The States of Colorado, New Mexico, Wyoming, Utah, Virginia, and Alabama are excluded from the legislation because either they have already addressed the ownership question through State legislation or do not have conflicting ownership claims.

This legislation also provides coal companies the ability to object to the development of methane if the company feels that the safety of current or future miners could in any way be jeopardized. The State board would make the final determination.

I would like to thank my colleague PHIL SHARP for cosponsoring this legislation with me and for his continued interest in coalbed methane development. I urge my colleagues to support this legislation in the effort to increase the level of energy efficiency in our Nation.

INTRODUCTION OF OIL AND GAS EXPLORATION INCENTIVE ACT

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. WISE. Mr. Speaker, today I introduced legislation which gives much-needed relief to small, independent oil and gas producers around the Nation. Entitled the "Oil and Gas Exploration Incentive Act," this bill will help domestic energy producers increase their investments in the exploration and production of oil and gas.

As part of the Tax Reform Act of 1986, Congress instituted a number of changes which have radically and adversely affected independent producers of oil and natural gas. These changes either curtailed or eliminated the availability of many tax incentives for domestic drilling for the independent producer.

The most telling example of the current tax burden on independent oil and gas producers is the alternative minimum tax. The alternative minimum tax [AMT] is a second layer of taxation based on a broader definition of taxable income. The AMT currently prevents the independent oil and gas producer from claiming ordinary business expenses as tax deductions. Because money invested in exploration is not deductible, the AMT increases the effective tax rate as investment in drilling increases. This has severely limited the level of drilling to the point where drilling activity is now at its lowest level in recorded history.

What the domestic oil and gas industry needs is more investment capital. The Tax Code now penalizes independent oil and gas producers for taking the risks associated with drilling. Producers should be allowed a deduction for intangible drilling costs, which are the principal business expenditures for oil and gas exploration and production. In addition, producers should be allowed to deduct amounts for percentage depletion, which is the capital recovery system specific to the minerals extraction industry.

The current low price of natural gas has made it difficult for independent producers to justify the risk of investing in further exploration and production, especially in the nonconventional areas where drilling is difficult and expensive. In 1990 Congress extended the nonconventional fuels tax credit under section 29 of the Tax Code, and this economic incentive now provides the stable base to allow investment in gas exploration and production. The section 29 tax credit will expire at the end of 1992, however, and this incentive needs to be extended again to give producers the stability and predictability needed to make and attract further investments.

The Oil and Gas Exploration Incentive Act which I am introducing today makes important changes to the Internal Revenue Code which will stimulate greater investment in independent oil and gas production in this country. Under this legislation, both intangible drilling costs and percentage depletion would be made nonpreference items, making them deductible under the alternative minimum tax. This would allow oil and gas producers to take the risks associated with exploration and production without unfair tax penalties.

The Oil and Gas Exploration Incentive Act will also extend indefinitely the section 29 tax credit for nonconventional fuels, which will encourage continued production of fuels which are difficult to remove from the ground. The availability of the credit, however, will be limited to certain fixed amounts of oil and gas produced each year so that the smaller, independent producer can most benefit from the credit. I have included for the record the text of this legislation so that the details of the bill can be more closely examined.

Mr. Speaker, the domestic oil and gas industry, particularly the independent oil and gas producer, has been hit harder than most American industries during this economic recession. More than 300,000 jobs have been lost in the industry in the last decade and the number of rigs producing oil and gas is at its lowest level ever. The legislation I am introducing today will help stimulate domestic production, putting people back to work and helping to reduce our vulnerability to unreliable foreign sources of energy. The Oil and Gas Exploration Incentive Act will help our domestic energy producers fuel our Nation's economic recovery. I encourage my colleagues to support this legislation and to consider it an essential measure for our economic growth.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Oil and Gas Exploration Incentive Act".

SEC. 2. REMOVAL OF PERCENTAGE DEPLETION AND INTANGIBLE DRILLING COSTS FROM ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—The following provisions of part VI of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to alternative minimum tax) are hereby repealed:

(1) Section 56(g)(4)(D)(i).
(2) Section 56(g)(4)(F).
(3) Section 56(h).
(4) Section 57(a)(1).
(5) Section 57(a)(2).
(6) Section 57(b).
(7) Section 59(e)(2)(C).

(b) CONFORMING AMENDMENT—Subclause (II) of section 53(d)(1)(B)(ii) of such Code (relating to credit for prior year minimum tax liability) is amended by striking "paragraphs (1), (5), and (6) of section 57(a)" and inserting "paragraphs (5) and (6) of section 57(a)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 3. EXTENSION AND MODIFICATION OF NONCONVENTIONAL SOURCE FUELS CREDIT.

(a) CREDIT MADE PERMANENT.—Subsection (f) of section 29 of the Internal Revenue Code of 1986 (relating to application of section) is amended to read as follows:

"(f) APPLICATION OF SECTION.—This section shall apply to qualified fuels which are—

"(1) produced from a well drilled after December 31, 1979, or

"(2) produced in a facility placed in service after December 31, 1979."

(b) CREDIT ALLOWED TO OFFSET ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Paragraph (6) of section 29(b) of such Code (relating to application with other credits) is amended to read as follows:

"(6) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for any taxable year shall not exceed the greater of—

"(A) the regular tax liability for the taxable year reduced by the sum of the credits allowable under subpart A and sections 27 and 28, or

"(B) the tentative minium tax under section 55(b) for the taxable year (determined without regard to this section)."

(2) CONFORMING AMENDMENTS.—

(A) Clause (iii) of section 53(d)(1)(B) of such Code (relating to credit for prior year minimum tax liability) is amended to read as follows:

"(iii) SPECIAL RULE.—The adjusted net minimum tax for the taxable year shall be increased by the amount of the credit not allowed under section 28 solely by reason of the application of section 28(d)(2)(B)."

(B) Subclause (II) of section 53(d)(1)(B)(iv) of such Code is amended to read as follows:

"(II) the adjusted net minimum tax for the taxable year is the amount of the net minimum tax for such year increased by the amount of any credit not allowed under section 28 solely by reason of the application of section 28(d)(2)(B)."

(c) LIMITATION.—Subsection (b) of section 29 of such Code (relating to limitations and adjustments) is amended by adding at the end the following new paragraph:

"(7) MAXIMUM CREDIT ATTRIBUTABLE TO ANY WELL OR FACILITY.—A credit shall not be allowed under subsection (a) for a taxable year with respect to more than—

"(A) 55 million cubic feet of gas, or

"(B) 9,500 barrels of oil, produced from any 1 well or in any 1 facility."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

PERSONAL EXPLANATION

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. CAMPBELL of California. Mr. Speaker, as various matters appear before the Banking Committee on which I serve that concern the savings and loan industry, I wish to place again on the public record a statement that one of my brothers-in-law, Mr. Wesley Sedlacek, is the treasurer of Olympic Federal Savings Association in Berwyn, IL, a thrift currently under RTC conservatorship. Mr. Sedlacek's position is that of a salaried employee.

I do not believe this relationship to cause any conflict of interest as a general matter;

however I again make this relationship a matter of public record to avoid any appearance of impropriety.

NATIONAL POLIO AWARENESS WEEK

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. DOOLITTLE. Mr. Speaker, today I am introducing a resolution designating the week of June 1 through June 7, 1992, as "National Polio Awareness Week." Currently, there are an estimated 650,000 paralytic polio survivors in the United States, many of whom have experienced or will suffer from the late effects of the disease.

Years after their recovery from paralytic polio, many people begin to suffer from late effects of the disease, also known as postpolio syndrome. These symptoms may include renewed weakness in muscles throughout the body, both in muscles that were minimally affected and those that were once paralyzed. Postpolio syndrome is also marked by fatigue from activities once easily performed, respiratory problems, pain and inflammation in the joints, feelings of anxiety, and lower back pain. These problems can be extremely difficult for those who overcame many physical and social challenges while suffering from paralytic polio during youth.

Although much research has been done on postpolio syndrome, researchers are still unsure of the cause or the best treatment. The International Polio Network and other local support groups have been instrumental in educating the public and promoting research on the late effects of this disease. It is my hope that the designation of National Polio Awareness Week will help increase public awareness and encourage medical research, and I urge my colleagues to support it.

SOCIAL SECURITY'S TELESERVICE REPRESENTATIVES ARE TRAINED PROFESSIONALS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. BURTON of Indiana. Mr. Speaker, in my last newsletter, I told my constituents about legislation that would require the Social Security Administration to list the phone number of its local offices in the telephone directory alongside the 800 number. I referred to employees of Social Security's teleservice centers as switchboard operators.

It has been brought to my attention that Social Security's teleservice representatives are trained professionals who receive extensive training to handle Social Security problems. They receive 6 weeks of initial training when they are hired, and they attend periodic training sessions after that to keep them up to date on Social Security rules and procedures.

I apologize to those Social Security employees who felt that my newsletter demeaned their position. I do believe they provide a valuable service. As a member of the House Post Office and Civil Service Committee, I would like to state for the record that I believe that the vast majority of Federal employees are dedicated public servants.

It was also brought to my attention that there are peak periods during the month when seniors have the most difficulty getting through on the 800 number. For instance, it is very difficult to get through at the beginning of the month when Social Security checks are issued. In addition to listing both the 800 number and the local phone number in telephone books, I would urge the Social Security Administration to do more to inform Social Security recipients when these peak period are and when are the best times to call.

TRIBUTE TO ELIZA PARISH CHAUNCEY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. McGRATH. Mr. Speaker, Eliza Parish Chauncey of my district has become an official treasure of the village of Lawrence. I would like to share this accomplishment of such a wonderful person with the Members of Congress.

On December 7, 1991, the village of Lawrence honored Ms. Chauncey. She is a highly regarded member of the community held in the highest esteem, admiration, and affection of all who know her for her unique and matchless spirit, her staunch courage, and her unfailing kindness and consideration. She is also honored by the Gold Racquets Squash Tournament.

It is in her honor that I wish to recognize her in the CONGRESSIONAL RECORD.

AN ECONOMIC PROPOSAL

HON. JILL L. LONG

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Ms. LONG. Mr. Speaker, over the Christmas recess I was once again reminded of the importance of citizen participation in the democratic process. I received a letter from one of my constituents, Mr. Steve Rinehart, president and CEO of Eagle Picher Plastics Division in Grabill, IN. Like many Americans, Mr. Rinehart is frustrated by the recession and the apparent inability of our Government to provide effective solutions to help restore economic growth to our country. In his letter, Mr. Rinehart outlines a proposal that he believes will help the economy. While I do not agree with all of his ideas, I do believe that they merit consideration. I would like to thank Mr. Rinehart for his thoughtful letter and respectfully encourage my colleagues to review his suggestions.

EAGLE PICHER PLASTICS DIVISION,
Grabill, IN, December 20, 1991.

Representative JILL LONG,
Longworth House Office Building, Washington, DC.

DEAR REPRESENTATIVE LONG: It is Friday afternoon before the Christmas holiday, and I am sitting in my office during the few quiet moments of this year, reflecting on the 1991 results for my Company. Without question, it has been the most devastating year for my Company since I began working full time in 1968. Our sales were off 40 percent. Half the workforce has been permanently displaced. Daily, I continue to receive news of our customers' plant closings in January. As I pen this letter, most of the existing workforce will become wards of the State (unemployment compensation) for the next five weeks. Not a pleasant task, delivering this message at Christmas.

I am well aware that the above scenario is just one of thousands that are similar. However, at least in our case, I believe that the employees of our Company have done their part in making our Company World Class and globally competitive.

I have spent the last five years traveling the World in an attempt to open new markets for our Company. What I have found is that Eagle-Picher Plastics Division is World Class by any standards. Our products are competitively priced (including freight and duty) and are of superior quality to any in the World. In fact, only four or five companies in the World have the capabilities we possess, and they are all right here in Indiana.

The fruits of my global efforts to date are represented by the half percent of our sales that are sold to Japanese companies.

We have a terrible mess in this country, and from my perspective most businesses are doing their part to make us competitive. It is obvious to me, that the Federal government has not come to the table. This country needs responsible and statesman like action from Congress and the President, immediately; not three months, six months or a year from now. Partisan politics are not acceptable. We need broad visionary sweeping changes and a move away from the circus environment in Congress that has embarrassed most Americans (especially when traveling abroad).

I am not in favor of more Federal government intervention, or more ineffective expensive programs. However, I would like to see some changes in the tax codes that would help the economy and America to be competitive again. Some of my suggestions are:

A. An across the board tax reduction in personal income tax rates—rich and poor alike;

B. Reinstatement of personal deductions for: 1. interest; 2. sales tax; 3. gasoline tax.

C. Reinstatement of Investment Tax Credit;

D. Reinstatement of capital gains tax rate;

E. Additional tax credits for the enormous training and education costs that are being spent, and will be necessary to be incurred by business to make America competitive;

F. No National Health Care Program;

G. Balance the damn budget;

H. A national economic policy;

I. A trade policy balanced between protectionism and open markets that will provide a balanced playing field. (Perhaps a VAT on imported components.)

J. A reasonable environmental policy and regulations that provide for improving the environment, while still allowing American business to be globally competitive—(perhaps additional tax incentives or more rapid depreciation on environmental investment.)

I truly believe we have major fundamental problems within the structure of our country and most of the problem lies within the Federal government. Washington, Adams, Jefferson, Madison, Monroe, Paine are no longer with us. The task of resolving these issues falls on you and your colleagues. Are you capable of the task or are the American people going to be subjected to more ineffective federal leadership?

Please act and quickly.

Sincerely,

STEVEN O. RINEHART,
President and CEO.

MATHER AIR FORCE BASE HOLDS ANNUAL ENLISTED AWARDS BANQUET

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to several outstanding individuals in my community who deserve to be recognized for their dedication and service to the public. On February 27, 1992, Mather Air Force Base will hold its annual enlisted awards banquet, and I take great pleasure in congratulating this year's award winners.

Tonight's ceremony is to recognize the achievements of a very elite group of outstanding enlisted personnel stationed at Mather Air Force Base in Sacramento, CA. Senior A. Victor H. Carcia, Airman of the Year; T. Sgt. Daphne G. White, Noncommissioned Officer of the Year; Senior M. Sgt. Dale K. Collette, Senior Noncommissioned Officer of the Year; M. Sgt. Hercules V. McMichael, First Sergeant of the Year are to be highly commended for their work on behalf of the U.S. Government. It is through their commitment and skill that these individuals have made significant contributions to Mather Air Force Base and the entire Sacramento community.

Mr. Speaker, I command the 1991 enlisted award winners for their many accomplishments. I am sure that my colleagues join me in saluting these invaluable members of the U.S. Air Force for their expertise and their dedication to the service of our beautiful country. I extend my best wishes for their continued success in all their endeavors.

STREET VIEW OF THE STATE OF THE UNION

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. OWENS of New York. Mr. Speaker, strident spokesmen for the administration are echoing the State of the Union Address as a turning point for modern history and a manifesto for the new world order. A recent national poll shows that the majority of the American people feel that the speech was an insult full of gimmicks. The points of the State of the Union Address are being summarized in the streets of my district in language similar to the following:

POINT ONE—NO JOBS

The no-jobs General
Just took his stand
Sacrifice is great
For the working man
Unemployment saves
Corporate health care bills
Little guys in America
Are spoiled by too many frills.

Blind General
Where are the jobs
Hiring halls
Are filled with mobs.

Wall street has a marching band
For the greedy rich
The General's speech was grand
True Capitalism
Must be understood
Downsizing stimulants
Make the stock market
Feel real good.

Blind General
Where are the jobs
Hiring halls
Are filled with mobs.

The no jobs General
Just took his stand
He sent a message
Throughout this land:
"When your kids can't keep warm
Let's all remember Desert Storm
Patience is a virtue
Character it will nurture."

The General decrees gradual change
The General's vision has limited range
The General with no jobs
Just took his stand
Let there be stamina
Throughout this land.

POINT TWO—MILLIE HORTON

"Don't agitate
And don't Black bait
Hate I will not tolerate.
Hate will not stand
For our little women
Fight sex harassment
Man to man.

Crude David Duke
Makes good people puke
Bigot Buchanan demands
That all immigrants
Must be white
I'll take anti-red Cubans
Whose skin is light
But blockade those Haitians
Black as night.

Don't agitate
And don't Black bait
Hate I will not tolerate.

Ethnic groups I will shield
But homeless bums have no appeal
Welfare cheats all deserve jail
When the prisons fill up
Put them in banks
That are too big to fail
AFDC orphans
Make taxpayers uptight
But the deprived unborn
We give full civil rights.

Don't agitate
And don't Black bait
I will absolutely not tolerate
More attacks on old Black Willie
I decree
The new world order target
Is Horton's lazy Aunt Millie."

POINT THREE—WAR ON REGULATORS

"Regulators
Investigators
You nasty perpetrators
Stop fondling the banks
I order you now
To purge all perverts
From your ranks.

S and L's
Will do real well
Without taxpayer spies
Insider trading
Just obsolete liberal lies.

Regulators
Investigators
You nasty perpetrators.

FBI
You make me cry
Harassing my class
In the BCCI.

SEC
Don't bother me
I love the RTC
Salomon Brothers
And the 38 others
Will do their part
This truth I know
I feel it in my heart.
Regulators
Investigators
You nasty perpetrators."

POINT FOUR—THE GRAND STAND

This band aid plan
Just will not stand
Protecting bases
In Germany and Japan
Deeper into defense
He will not cut
His vision thing
Stuck in the OBM rut
Keep in the 100 Billion
For Germany and Japan
Our noble competitors
He will defend man for man
This band aid plan
Just will not stand.
28 billion for the CIA
While the unemployed
Just sit and pray.

This band-aid plan
Just will not stand.

The nation's schools
Still on the skids
The federal solution:
Crawl on the floor
With cute little kids.
This band-aid plan
Just will not stand.

PROMOTING ENERGY EFFICIENCY

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. GALLO. Mr. Speaker, today, I rise to introduce with Congressmen WOLPE, MARKEY, and RINALDO the Industrial Energy Efficiency and Competitiveness Act of 1992.

This landmark legislation creates a partnership between Government and the private sector to promote energy efficiency in the manufacturing sector of the U.S. economy.

While progress has been made during the 1980's to increase the energy efficiency of the manufacturing sector, there is still much work to be done, especially with small and medium manufacturers, who comprise over 98 percent of our Nation's 358,000 manufacturing firms.

We must become more energy efficient as a Nation if we hope to remain competitive in the international marketplace. Exporting of manufactured goods has been one of the few bright spots in an otherwise sluggish economy. In order to continue to be successful and to protect American jobs in the future, we must invest in energy efficient technologies today and I am pleased to sponsor this bill.

PULLEN ELEMENTARY WINS EXEMPLARY ELEMENTARY SCHOOL AWARD

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. CAMP. Mr. Speaker, I rise today to congratulate Pullen Elementary School of Mount Pleasant, MI. Pullen Elementary School has been recognized as one of the Michigan Department of Education's Exemplary Elementary Schools.

Pullen Elementary School has been awarded this honor for its strong leadership and effective working relationship in the community, the students' solid foundation of academic skill, and its record of solving problems and sustaining progress both inside and outside the hallways. Pullen Elementary School has demonstrated that original and innovative methods for teaching students can be very successful.

For many years, Pullen Elementary School has been a pioneer in educating students and solving problems. Teachers, staff, and students work together as a team to face daily challenges at school, and they also work to solve problems outside the classroom. Many Pullen Elementary School teachers are members of districtwide curriculum task forces to meet the needs of elementary schools throughout the community. Sixth-grade students volunteer as conflict managers and are trained to solve problems among their peers without the influence of adults.

Last year, Pullen Elementary School initiated one of the first foreign language programs for sixth-grade students in Mount Pleasant. Students studied French, Spanish, German, and Ojibwa as part of their social studies curriculum. The program was so successful that next fall every sixth-grader in Mount Pleasant will be able to study a foreign language. This is just one of the innovative strategies Pullen has developed to make sure its students and the students of Mount Pleasant are exposed to quality education.

Mr. Speaker, please join me in congratulating and recognizing Pullen Elementary School for their efforts in education. They deserve our respect and our admiration.

SUPPORT A NATIONAL CHARTER FOR WILDLIFE ACTION, INC.

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

Mr. TALLON. Mr. Speaker, I rise today to urge my colleagues to join me in supporting a national charter for Wildlife Action, Inc. a nonprofit organization for wildlife conservation based in South Carolina.

Whether Wildlife Action, Inc. is protecting our national resources or educating its members on responsible conservation and sportsmanship, the ultimate goal of this organization is to put back more than we take.

Under the direction of its president, M. Gault "Bunny" Beason, Jr., Wildlife Action [WLA] has taken an active responsible role in meeting conservation challenges and protecting our natural resources.

Through forums, meetings, mailings, events, and outings, WLA has brought home the importance of respect for our natural resources. Whether it is WLA's archery competition, birdwatching day or Wildlife Pride, its monthly conservation publication for sportsmen, WLA is actively and innovatively raising public awareness of the importance of environmental preservation.

WLA promotes sportsmen education programs through its activities, which emphasize safety, responsibility, and respect for laws and the rights of others. The concept, respect, should be reemphasized because respect for our wildlife heritage will increase our natural wealth for future generations.

A healthy balance between the forces of nature and development is integral to our society. Through the work of WLA and other such organizations, this goal can be reached.

This group was founded in the State of South Carolina in 1977, and since its inception, 10 other States have established associate groups to Wildlife Action, Inc. based on the same creed that guides WLA in my State. Those States include North Carolina, Virginia, Florida, Georgia, Texas, New Mexico, Louisiana, Tennessee, Mississippi, and Alabama. In addition, residents in 16 other States as well as Australia and Canada have some form of affiliation with Wildlife Act, Inc. This strong interest outside South Carolina indicates a real need for a federally chartered Wildlife Action organization.

Wildlife Action has brought to many South Carolinians a new awareness and enjoyment of our environment's unique beauty and delicate balance. I think its five-point creed says, it best: preservation, conservation, education, sportsmanship, and fellowship. Wildlife Action maintains a fine legacy of wildlife preservation and conservation. I hope my colleagues will join me in support of this measure to grant Wildlife Action the national charter that it needs and deserves.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, February 6, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 7

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Andrew H. Card, Jr., of Massachusetts, to be Secretary of Transportation.
SR-253

Joint Economic
To hold hearings to examine the employment/unemployment situation for January.
SD-106

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Library of Congress, the General Accounting Office, and the Office of the Senate Sergeant at Arms.
SD-116

FEBRUARY 12

10:00 a.m.
Finance
To hold hearings to examine the state of the economy, focusing on the President's budget proposals.
SD-215

FEBRUARY 13

10:00 a.m.
Finance
To continue hearings to examine the state of the economy, focusing on the President's budget proposals.
SD-215

FEBRUARY 18

10:00 a.m.
Finance
To resume hearings to examine the state of the economy, focusing on the President's budget proposals.
SD-215

2:00 p.m.
Judiciary
Courts and Administrative Practice Subcommittee
To hold oversight hearings on problems with asbestos litigation.
SH-216

FEBRUARY 19

10:00 a.m.
Finance
To continue hearings to examine the state of the economy, focusing on the President's budget proposals.
SD-215

FEBRUARY 20

10:00 a.m.
Finance
To hold hearings on S. 1872, to provide for improvements in access and affordability of health insurance coverage through small employer health insurance reform, for improvements in the portability of health insurance, and for health care cost containment.
SD-215

Labor and Human Resources
Aging Subcommittee
To hold hearings on nutrition screening for the elderly.
SD-430

FEBRUARY 21

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings to examine possible Soviet space assets which may benefit the American space program.
SH-216

FEBRUARY 25

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Disabled American Veterans.
345 Cannon Building

10:00 a.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture.
SD-138

FEBRUARY 26

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings to review NASA's earth observing system.
SR-253

Rules and Administration
To hold hearings on S.J. Res. 221, providing for the appointment of Hanna Holborn Gray as a citizen regent of the Smithsonian Institution, S. 1598, to authorize the Board of Regents of the Smithsonian Institution to acquire land for watershed protection at the Smithsonian Environmental Research Center, and S. 1682, to authorize the Board of Regents of the Smithsonian Institution to acquire an Administrative Service Center.
SR-301

10:30 a.m.
Rules and Administration
Business meeting, to consider pending calendar business.
SR-301

2:30 p.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation to authorize funds for AMTRAK.
SR-253

Select on Indian Affairs
Business meeting, to mark up S. 1602, to ratify a compact between the Assinibone and Sioux Indian Tribes of the Fort Peck Reservation and the State of Montana; to be followed by an oversight hearing on the President's proposed budget estimates for fiscal year 1993 for Indian programs.
SR-485

FEBRUARY 27

9:30 a.m.
Veterans' Affairs
To hold hearings on proposed budget requests for fiscal year 1993 for veterans programs.
SR-418

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Transportation and related agencies.
SD-138

2:30 p.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the American Battle Monuments Commission, the Selective Service System, and Army Cemeterial Expenses.
SD-138

MARCH 3

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of Foreign Wars.
345 Cannon Building

10:00 a.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Agricultural Research Service, the Cooperative State Research Service, and the Extension Service.
SD-138

MARCH 5

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Blinded Veterans of America, and WWI Veterans.
345 Cannon Building

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Interstate Commerce Commission, and the Office of Inspector General.
SD-138

2:00 p.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Consumer Product Safety Commission, the Office of Consumer Affairs, and the Consumer Information Center.
SD-116

MARCH 17

10:00 a.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Food and Nutrition Service, and the Human Nutrition Information Service.
SD-138

MARCH 18

9:30 a.m.
Select on Indian Affairs
To resume oversight hearings on the implementation of the Indian Gaming Regulatory Act (IGRA).
SR-485

MARCH 19

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the National Science Foundation, and the Office of Science Technology Policy.
SD-124

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Highway Administration, Department of Transportation.
SD-138

MARCH 20

10:00 a.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Farmers Home Administration, the Federal Crop Insurance Corporation, the Rural Electrification Administration, and the Rural Development Administration.
SD-138

MARCH 25

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Neighborhood Reinvestment Corporation, and the National Credit Union Administration.
SD-116

Select on Indian Affairs
To hold hearings on S. 1752, to provide for the development, enhancement, and recognition of Indian tribal courts.
SR-485

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the National Highway Traffic Safety Administration, and the Research and Special Programs Administration, both of the Department of Transportation.
SD-138

MARCH 26

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the En-

vironmental Protection Agency, and the Council on Environmental Quality.

SD-G50

MARCH 27

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Animal and Plant Inspection Service, the Food Safety and Inspection Service, and the Agricultural Marketing Service.

SD-138

APRIL 1

9:30 a.m.

Select on Indian Affairs

To hold hearings on proposed legislation to authorize funds for programs of the Indian Health Care Improvement Act.

SR-485

APRIL 2

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Deposit Insurance Corporation, and the Resolution Trust Corporation.

SD-116

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Transportation Safety Board.

SD-138

APRIL 3

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Agricultural Stabilization and Conservation Service, the Foreign Agricultural Service, the General Sales Manager, and the Soil Conservation Service.

SD-138

APRIL 7

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Commodity Futures Trading Commission, the Food and Drug Administration, the Farm Credit Administration, and the Farm Credit System Assistance Board.

SD-138

APRIL 8

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETs, American Ex-POWs, Jewish War Veterans, and Non-Commissioned Officers Association.

SD-106

APRIL 9

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Aeronautics and Space Administration.

SD-G50

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for Amtrak, and the Federal Railroad Administration, Department of Transportation.

SD-138

APRIL 30

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development.

SD-G50

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Transit Agency, and the Washington Metropolitan Area Transit Authority.

SD-138

MAY 7

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Veterans Affairs, and the Court of Veterans Affairs.

SD-124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Coast Guard, Department of Transportation.

SD-138

MAY 14

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Emergency Management Agency.

SD-124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Aviation Administration, Department of Transportation.

SD-138

MAY 21

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Community Service, and the Points of Light Foundation.

SD-116

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the General Accounting Office.

SD-138

MAY 22

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development and certain related agencies.

SD-138

SENATE—*Thursday, February 6, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the Honorable ALAN J. DIXON, a Senator from the State of Illinois.

The PRESIDING OFFICER. The prayer this morning will be offered by our guest chaplain, the Imam Wallace D. Mohammed, Muslim American Spokesman, Calumet City, IL.

PRAYER

The Imam Wallace D. Mohammed, Calumet City, IL, offered the following prayer:

Our Creator, the merciful benefactor, the merciful Redeemer who opens for all people a way to have good conscience and a good life:

Grant to this Nation that Americans continue to live as a prosperous nation of "many in one" and as a people of faith taking pride in human decency, industry, and service.

Let us pray that this great Nation's two centuries of national life may inspire other nations to move toward social and economic justice for all.

Grant that her big heart for charity, compassion, repentance, and mercy continue to beat strongly within all of us. Grant that Americans always have more hope than troubles and ever grow in goodness and in wisdom.

Bless Americans to always cherish our freedom and the noble essence of the American people.

Grant that we Americans understand better our brothers and sisters around the world and reject unsuitable national pride for a global community of brotherhood and peace.

Bring all citizens and Government together, those of great means and small means, to appreciate more our Nation's solemn pledge of liberty, peace, and justice for all.

Bless our homes and our schools.

Bless the parents, our troubled youth, our burdened inner cities to never be without hope or direction. Bless Americans to keep to the best of our ways.

Bless Americans to cherish more the pride of industry.

Bless the efforts of the President and all other efforts in progress for more jobs and more opportunity to be in this great society for more of us.

Bless matrimony and families here and in all the world.

Increase for the President of the United States, for every Member of the Senate, and for every Member of the House of Representatives, the excellence of man's spirit and the excellence of the intellect of the statesmen so that they may build a better America for us all. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. KOHL). The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 6, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HERB KOHL, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KOHL thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein.

TODAY'S HISTORIC PRAYER

Mr. SIMON. Mr. President, history was made in a small way this morning. We had an invocation by Imam Mohammed, the first Muslim to offer an invocation here in the U.S. Senate.

I think it is important that we reach out to one another, whether we are Christians, Jews, Muslims, Buddhists, whatever our belief or lack of belief. This morning's Washington Post has a story about Muslims fleeing persecution from what we have generally called Burma in the past.

The intolerance that is around the world in too many places is a cause for grief and is a cause for bloodshed and tragedy. What has happened this morning is the Imam Mohammed, who is known in the Chicago area and around the Nation for reaching out to people of other beliefs and for preaching tolerance and understanding—his presence here today is, first of all, a tribute to him. I was pleased to join my colleagues, Senator DIXON and Senator HATCH, in cohosting his presence here today.

But it is a reminder to all of us, whatever our beliefs; yes, be firm in your beliefs, but also do not let excessive pride cause disruptions in our society, whether it is on the basis of religion, race, national background, or what it is. I hope today is one more small step in creating a nation and a world where there is more understanding.

Mr. DIXON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Illinois [Mr. DIXON] is recognized.

IMAM MOHAMMED'S INVOCATION

Mr. DIXON. Mr. President, I thank my distinguished colleague and friend from Illinois, Senator PAUL SIMON, for those remarks.

Today is a historic day, Mr. President, in the life of the U.S. Senate and in the country at large. For the first time in the Senate's history, the invocation has been given by an individual of the Muslim faith. I am proud that one of my constituents, the leader of African-American Muslims in the United States, the Imam Wallace D. Mohammed, was the first Muslim leader to deliver an invocation in the U.S. Senate.

Mr. President, he is an outstanding leader in interfaith development, believing that unity amongst peoples makes us stronger as a great nation. He is correct, Mr. President, and I applaud his efforts to date, and I urge his continued good works in the future.

I would like to thank my colleagues, Senator PAUL SIMON and Senator ORRIN HATCH, as well as the Chaplain of the Senate for their assistance in making this historic day possible.

I thank my colleagues.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

A GREAT DAY FOR THE U.S. SENATE

Mr. HATCH. Mr. President, I would like to join in the remarks of my distinguished and great colleagues from Illinois. This is a great day for the U.S. Senate and for our country in having Imam Wallace Mohammed with us today, the first Muslim to pray in the U.S. Senate. We could not have made a better choice. There is not a better man in America or better religious leader who is trying to do what is right for his people in the inner cities, in jobs, in teachings of morality and decency, and in so many ways that help those who need help, to lend a helping hand.

Mohammed is a great man. He is a kind man. He is a compassionate man. He is a decent man. And it is an honor for us to have him in the Senate this day. I think it is fair to note that some of his greatest friends are sitting in the gallery today, some of whom are known by people all over the world, people of all faiths, of all religions. So we have made great strides today in the Senate, and I think the Senate is honored to have this great religious leader with us. I look forward to continuing an association and friendship with him and with his people for many years to come in the future.

I want to thank the distinguished Senators from Illinois and others who have worked hard to have Imam Mohammed with us today.

Thank you, Mr. President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. NUNN. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The pending order of business is the Senator from Georgia is recognized to speak for up to 30 minutes.

INVESTING AMERICA'S PEACE DIVIDEND

Mr. NUNN. Mr. President, in a series of speeches last week I talked about the contributions and sacrifices that our men and women in uniform made in winning the cold war. I also outlined the support we have provided to our military personnel and why such continued support is necessary in the future.

Today I want to discuss the impact of the defense builddown on the military members and the civilian workers in our defense establishment. Their dedication, their talents, and their commitment helped our Nation win the cold war. These men and women truly are our real peace dividend. We have an obligation to keep them from becoming victims of their own success. In meeting this obligation, we have an opportunity to invest this peace dividend in people and in America's future.

HUMAN IMPACT OF THE DEFENSE BUILDDOWN

The dramatic—and in most cases welcome—changes in the international security environment during the past year mean that some of the traditional threats to our national security have changed radically and fundamentally. The disintegration of the Soviet Union and the demise of Soviet communism mark the end of the cold war. We hope it will not return. Although the world remains a dangerous and uncertain place, the changes in the international security environment mean that we can reduce the amount of our own spending on national defense.

This reduction in defense spending is welcome because it comes at a time when we have a soaring Federal deficit and a great number of unmet domestic needs. But reductions in defense spending will have an unfortunate impact on a great many people in our Defense Establishment.

Last week, Secretary of Defense Dick Cheney and Gen. Colin Powell told the Armed Services Committee that 1 million people, civilian and military, will be released from the rolls of the Defense Department by 1996. That is 1 million jobs lost, just in the Department of Defense.

The employment picture in the U.S. defense industry is also bleak. A study by the Defense budget project last August predicted that private sector defense industry employment would decline by over 800,000 jobs from 1990 to 1996 as a result of the defense spending reductions in the budget summit agreement. With the additional program terminations in the administration's fiscal year 1993 amended budget request, and any additional cuts Congress may make, the total loss of defense industry jobs is bound to be over 1 million. Added to the Defense Department jobs, this represents 2 million less jobs in the next several years.

This loss of over 2 million defense-related jobs by 1996 stands in stark contrast to what has happened in the recent past. The Bureau of Labor Statistics shows that there has been a net increase of only 20,000 jobs in the whole U.S. economy in the last 3 years. These are very sobering figures for all of us who are anxious to return the economic growth necessary to pull the Nation out of the current recession.

It is a real irony that the victory of the United States and our allies in the cold war means the loss of 2 million defense-related jobs. These people are not losing jobs because they failed—they are losing jobs because they won. The Nation owes all of them—military members, DOD civilians, defense industry personnel, and their families—more than just a simple "thank you" for a job well done. We owe them an opportunity to use the skills that helped win the cold war to address some of our pressing public and private sector needs.

Mr. President, if we act wisely, we can turn the enormous problem of excess talent in defense occupations into the enormous asset of new talent in nondefense occupations. This talent can become an investment in our future productivity and economic growth.

If we fail to act, we may not only inhibit recovery from the current recession—we may also lose our best opportunity that recovery can lead to long-term and permanent economic growth.

DOMESTIC NEEDS

Clearly there is plenty of work to do at home. Too many of our colleges and universities must fill science and engineering classes with foreign students, in part because too many public schools in our country do not do an adequate job of teaching math and science. There is too much crime on our streets and highways, and too few law enforcement officials working to keep them safe. Too many hospitals and nursing homes need skilled staff, and too many Americans need health care at home, away from expensive institutions. Too many young people pass through the critical turning points of early childhood and early adolescence without the attention they need to keep up with their peers in school and in a competitive world with their peers in other countries.

We saw just in this morning's paper the results of recent math and science scores putting Americans near the bottom of these categories in competition all over the world.

People leaving defense-related jobs cannot solve all these problems; all of them cannot be absorbed in such critical jobs. We can, however, ensure that those who can contribute in critical occupations are given every opportunity and every incentive to do so.

MILITARY PERSONNEL AN IMPORTANT SOURCE OF SKILLS AND TALENT

Adam Walinsky recently wrote a thoughtful column in the New York Times pointing out a number of areas where military personnel could contribute to solving some of our pressing domestic needs. While I do not share his view on one of his key suggestions, that is that military people should remain in the services to work in domestic programs, I do share his view that these military personnel can make an important contribution in a number of areas in our society. I ask unanimous consent that his article be printed in the RECORD at the end of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered

(See exhibit 1.)

Mr. NUNN. Mr. President, public schools—our first line of defense in the fight for global markets—can clearly benefit from people with the skills that they have learned in the military.

Sixty percent of our military officers have baccalaureate degrees, and another 35 percent of our military officers have a masters degree or higher. In addition, all of our military personnel must complete formal or on-the-job-training in their military skill. Much of this training is in skills that are directly transferable to our civilian economy skills like construction work; electrical engineering; computers; vehicle and aircraft maintenance; communications; law enforcement; accounting and financial management; and a whole range of medical skills.

After receiving their training military personnel are challenged daily to perform in a highly competitive environment that rewards discipline, leadership, teamwork, and professional excellence, exactly the qualities we need in our commercial sector and in our public service jobs.

Many of these military members are highly sought after by the private sector, but some of them should be encouraged to enter the teaching profession through alternative teacher certification programs like the one suggested by former Lieutenant Governor of Texas, Bill Hobby. Both he and Deputy Assistant Secretary of the Army for Training and Education Patricia Hines have written recent articles advocating this concept, and I ask unanimous consent that both articles be printed in the RECORD at the end of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. NUNN. Over the next several years, thousands of military personnel who have baccalaureate or masters or advanced degrees in math and science will be leaving the military services. Many of these individuals have been instructors in our military training establishments, which are among the best in the world. Many of these individuals could step right into teaching jobs in our colleges and universities, but, unfortunately, unless laws are changed at the State level, they are not able to move into our elementary and secondary schools because of archaic State teaching certification requirements. Texas and New Jersey are actively recruiting teachers through streamlined alternative certification programs, and my own State of Georgia, under the leadership of Gov. Zell Miller is stepping up its efforts in this area and making changes so we can improve our performance in math and science by attracting more qualified teachers into these professions of math and science and also attracting more minorities into teaching.

Noncommissioned officers who may not have a college degree can be recruited to work as administrative assistants in schools where discipline is a problem. I can assure you that a Marine Corps or Army drill sergeant knows how to maintain order and discipline. I am not suggesting that our schools should be run like military basic training. But these former military instructors can adapt their leadership skills to the civilian teaching environment, help ensure discipline, and free up teachers to do what they are trained and paid to do—to teach. I do not know of anything that teachers tell me more than if they had someone to help with discipline in their classrooms, they could greatly increase their productivity.

Although public schools should be the first place we look for investing this human peace dividend, there are other fields in which separating military personnel have already trained and performed. For example, the Pentagon runs one of the largest health care systems in the world, operating 800 medical and dental facilities and 170 hospitals worldwide. This medical establishment will be reduced, and skilled military medical personnel will be leaving the services. There are also many other military personnel who can be quickly trained to move into the civilian health care field.

Large numbers of military police and personnel in law enforcement-related skills will be leaving the services. Many of these individuals have gone through the extremely rigorous screening program required for sensitive jobs in our government, including guarding nuclear weapons, and they would be a tremendous asset to any law enforcement organization in the country.

Finally, Mr. President, there are many critical community service jobs that do not necessarily require technical skills but require dedicated people with the kind of leadership skills the military prides itself in developing. For example, the Cities in Schools Program is a private, nonprofit organization that currently has local programs in 18 States to reclaim school drop outs and potential drop outs. This program is working closely with the Pentagon to employ former military personnel—because they are the right kind of people for this type of critical work.

THE NEED FOR BALANCED REDUCTIONS IN MILITARY STRENGTH

Mr. President, the military services face a unique challenge in reducing their personnel strength over the next 5 years. I pointed out last week that in the past we have reduced the size of the military services by demobilizing large numbers of draftees, most of whom were delighted to see their term of service end or cut short.

We have a very different situation today. All military members on active duty are serving because they volunteered to do so. They all entered the military services with the expectation that if they performed well, they would have a rewarding and fulfilling career in uniform. The coming reduction in the size of the military services means that many of these volunteers will no longer have the opportunity to complete their military career.

In the past 2 years Congress has enacted a safety net of pay and benefits—including separation pay and voluntary separation incentives—to ease the burden on those military members who have to leave the services through no fault of their own. These benefits will be used primarily by military members with less than 15 years of service. The military services understandably, are very reluctant to separate people with 15 to 20 years of service because these people are so close to the 20-year retirement point. However, the 225,000 people in this category represent 12 percent of the active duty force. Unless some reductions are made in this group, the services will be left with an unbalanced force with too many senior officers and noncommissioned officers. I should also point out that the officers and NCO's in this group are among the most highly trained and best qualified for jobs outside of the military services.

VOLUNTARY EARLY RETIREMENT

I believe there is a way to provide incentives to encourage military members in this 15 to 20 years of service group to voluntarily retire early and to take jobs in the fields of education, health care, law enforcement and other critical areas in our communities. The initiative I am working on and will propose to Congress would:

Help the military services reduce strength in senior grades by providing authority for the Secretary of Defense to offer early retirement to military members with 15 to 20 years of service;

Encourage separating military personnel to go into critical jobs such as teaching, law enforcement and health care; and

Facilitate any training in the necessary skills for these critical jobs in our communities.

Mr. President, I wish to take just a few moments this morning to summarize the three key provisions of this initiative.

The first provision would give the Secretary of Defense the authority to allow the voluntary retirement of military personnel with between 15 to 20 years of service during the period of the defense build down. This is not permanent. This is during the transition period. Individuals who retire under this provision would be eligible for immediate retired pay based on the current formula of 2.5 percent for each year of service multiplied by their basic pay. For example, an individual retiring with 15 years of service would receive 37.5 percent of basic pay. For a mid-grade noncommissioned officer, E-6, this would amount to $587 per month. These personnel would also be eligible for all other military retirement benefits, including medical care and discount shopping in military exchanges and commissaries.

This provision would provide the military services with an important personnel management tool that they do not have now to make reductions in the 15- to 20-year segment of the force. This early retirement authority is unusual, but it has been used in the past—most recently in the late 1930's—to help reduce surpluses in the ranks of the military services. In my view, this is a very appropriate time to use this early retirement authority again to help the military services reduce in a balanced, humane, and productive way. The military services will be able to offer this early retirement option, if the legislation I will introduce passes, to any military member with between 15 and 20 years of service who is in a surplus skill category.

The second provision of this initiative is an incentive for military personnel who choose this early retirement option to enter critical jobs in our communities. Under this provision, those military members who retire early and enter approved jobs in education, law enforcement, medical services, or other critical fields would be eligible to increase their military retirement years of service credit by 1 year for each year of such employment, up to a total of 20 years. For example, an individual who retired after 15 years of military service could accrue up to 5 years of additional credit in an approved job, for a total of 20 years. These retirees would later receive a one-time recalculation of retired pay based on their increased years of service at age 62. In the example I just used, the individual would begin drawing 37.5 percent of basic pay starting if he or she retired at 15 years of service and begin drawing 50 percent of his basic pay starting at age 62.

The third provision of this initiative would help separating military personnel get any education or training that is a prerequisite for employment in a designated critical job in our society. Some of this training can be provided in the existing military training establishment. Other training or education that is not available must be provided through civilian institutions and programs.

Currently, most military members are eligible for the Montgomery GI bill benefit, which provides up to $350 per month for postservice education after leaving the military. I suggest expanding the opportunity for all military personnel, particularly those whose military skills are not readily transferable to the civilian economy, to use this benefit for full time schooling while, if they so choose, they are still on Active Duty. This would allow military members in the combat arms, for example, to enroll in a course of training or education leading to service in critical civilian jobs in our communities. Personnel who take advantage of this opportunity would be placed on an educational leave of absence of up to 1 year with basic pay, and upon separation, be required to affiliate in the individual Ready Reserve for 4 months for each month of training or education received under this provision.

Mr. President, these three key provisions—voluntary early retirement authority, incentives for public service in critical skills, and enhanced postservice education and training—create a winning situation for everyone affected by this program:

The military services will win because they will have another incentive to help them reduce the size of their career force.

Individual military members will win because they will have greater opportunities for postservice training and for critical important jobs, once they leave the military services.

America's communities and our local education establishments will win because they will benefit from the infusion of trained and talented people from the military services—especially in critical educational areas where we are woefully inadequate, particularly in the areas of math and science, but not only in those areas; but also in the area of language.

I cannot think of anything we need more in our society than the ability of people to speak foreign languages if we are going to compete in world trade. We have many, many schools that do not have adequate language teachers, and we have many, many people getting out of the military who do have these talents and the ability to teach.

Finally, Mr. President, our country will win because we will invest the tremendous talent that won the cold war in solving some of the Nation's pressing problems that will affect our future and particularly affect our economic growth.

Mr. President, I do not believe this initiative will result in significant increased costs to the Federal Government in the long term because the early retirement provision will produce potentially significant offsetting savings.

Although the early retirement provision would result in an immediate increase in the number of people leaving active duty who have between 15 and 20 years of service, I want to stress that these would be people who would have otherwise stayed on active duty until they completed the normal 20 years of service for retirement. The early retirement provision would move up the retirement dates of some of these people, and there would be a short-term increase in retirement outlays. However, the military services would avoid having to pay the salaries of those who choose to retire early, and therefore reduce active duty pay and allowance costs.

The early retirement provision would also reduce long term retirement costs. The lifetime retirement benefit for a person retiring with less than 20 years of service under the early retirement option is less than the lifetime retirement benefit of that same person if he or she retired at 20 years of service.

For example, a midgrade noncommissioned officer [E-6] retiring at 15 years of service would receive 37.5 percent of his annual basic pay or $7,640 per year. The same individual retiring at 20 years would receive 50 percent of his annual basic pay or $10,675 per year. Assuming the actuarial life expectancy for this individual is 30 years from the age at which the individual would have completed 20 years of service, the individual would receive $52,900 less in lifetime retired pay if he or she retired at 15 years of service. In this case, even though the individual would draw 5 more years of retirement pay, the individual does so at a lower basic pay level and at a lower years for service multiplier than if the individual retired at 20 years of service.

Mr. President, I hope that this important option for our military men and women and for our Nation's economy will be enacted. The Pentagon must lead the effort to establish this transition program for separating military personnel. This means that the Defense Department must make sure that the number of military personnel allowed to retire early is consistent with the manpower needs of the military services. The Defense Department must ensure that the early retirement program is coordinated with other voluntary separation programs to reduce the military personnel inventory in a balanced way. And the Defense Department must develop a program to match separating military personnel who wish employment in critical jobs in our communities with job vacancies, and identify any intervening training or education that would be required for these jobs.

Finally, it is important that standards for alternative certification are developed, including appropriate criteria for military training and experience, and that the States adopt these standards. I am encouraged that the National Conference of State Legislatures, and the Education Commission of the States are beginning to work along these lines.

Mr. President, I believe this legislation will go a long way toward applying the wealth of talent that our separating military personnel have to offer in correcting some of the problems we have at home. I will be working with Senator GLENN and Senator McCAIN, the chairman and ranking minority member of the Manpower Subcommittee of the Armed Services Committee, along with Senator WARNER and other members of the Armed Services Committee on this initiative. I will also be consulting Chairman ASPIN, Congressman DICKINSON and the members of the House Armed Services Committee. I invite my colleagues to join me in developing this concept.

TRANSITION ASSISTANCE FOR CIVILIAN DEFENSE WORKERS

In addition to military personnel, there will be large numbers of Defense Department civilian employees and workers in defense industry who will lose their jobs and who are losing their jobs now because of the restructuring of our defense establishment. There will be about 1 million of these at least in the next 3 years. Like their uniformed counterparts, they face significant challenges of career transition. I think we owe these people more than a handshake and best wishes for finding a job in this recessionary economy. I believe that the human cost of career disruption, the value of this human capital to our economy, our pressing domestic social needs, and the economic challenges we face as a nation demand that we develop a program of transition assistance which responds to the needs of these individuals and to the needs of our economy.

Two years ago we anticipated the problems in the defense sector of the economy that would be caused by the restructuring and down sizing of the defense establishment. The National Defense Authorization Act for fiscal year 1991 authorized a comprehensive program of economic adjustment, diversification, conversion and stabilization assistance for individuals and communities adversely affected by the closure, realignment or reduction of military installations and industrial plants.

Under this program, the Secretary of Defense was authorized to make economic planning grants to communities affected by the defense drawdown. The Secretary of Labor was authorized to make grants to States, employers, employer associations, and representatives of employees to provide training, career adjustment assistance and employment services to employees adversely affected by reductions in defense spending.

The Secretary of Commerce was authorized to help affected communities and regions develop economic redevelopment strategies, and the Administrator of Small Business was authorized to assist small businesses, which have been heavily dependent on defense business. A total of $200 million was authorized and appropriated for this initiative in fiscal year 1991.

At the time, the Bush administration opposed the creation of this program. Since then, they have been slow to implement the assistance programs authorized by this legislation, and the tangible benefits for individuals and communities affected by the defense build down have been delayed. It took the better part of a year for the Defense Department to decide to actually spend the funds authorized and appropriated for these programs. The Commerce Department only recently agreed to fund economic redevelopment initiatives through the Economic Development Administration using these funds. Training and other transition assistance grants through the Department of Labor are only now beginning to reach those employees directly affected by reductions in defense spending almost 18 months after the legislation was enacted.

Mr. President, there is no excuse for these kinds of delays, especially in light of the economic conditions we are now facing. In the next several years, the job losses in the Department of Defense and the U.S. defense industry are going to reach unprecedented levels compared to recent years. Last August, for example, a Defense budget project study predicted that in fiscal year 1993 alone, which begins next October 1, 300,000 jobs would be lost in the U.S. defense industry—and that was before the program terminations called for in the administration's fiscal year 1993 Defense budget.

Mr. President, make no mistake about it, if we accelerate the President's rate of Defense expenditure cuts, there are going to be more people out of work. As we debate marvelous new programs, tax incentives, and spending programs and say let us take it out of Defense, remember that every time we do that, we are going to be losing jobs immediately and up front, hopefully in order to create jobs down the way. Some of that may be necessary, some of it may be desirable, but we should understand what we are doing.

I think we need to go back and look at expanding the scope of—and increasing the funding for—the program of assistance for displaced Defense Department civilian employees and workers in the U.S. defense industry.

In the future, the Defense Department will increasingly rely on dual-use technologies and manufacturing processes—that is, processes that can be used in both the defense and the nondefense arena—as the central feature of our acquisition policy. In addition, we will depend heavily on a robust commercial industrial base as the foundation for our reconstitution strategy in the event of a national emergency.

It is essential that we not dissipate the huge pool of talent that we have assembled in the defense industry as we reduce the size of our Defense Establishment. We have thousands of skilled individuals, as well as numerous research teams and design teams, that can contribute significantly to our industrial revitalization while maintaining their ability to participate in defense-related acquisition programs, if needed, in the future. It will take effective planning, training, and coordination to ensure that these talents are effectively converted into viable commercial sector applications.

The first step should be to designate a single department and a single official in the Federal Government responsible for ensuring an effective, coordinated program of transition assistance. The future of the industrial base that supports our national security is at stake here, and for that reason I believe that the responsibility for this effort should be centralized in the Department of Defense under the Secretary of Defense.

The Secretary of Defense, as I view it, should assume responsibility for administering the economic adjustment and transition programs for individuals and communities affected by the closing of defense industries. Of course, DOD must use the talents and experience of the Labor Department, the Education Department, and other agencies. But this must not become a bureaucratic shuffle. One Department must be responsible and accountable. The Defense Department knows best the scope and timing of civilian defense industry job losses, as well as the kinds of skills which are affected. Through administration of these transition programs, the Defense Department can both mitigate the impact on particular communities and preserve the critical skills and capabilities that we need to maintain in our industrial base.

Mr. President, the Defense Department also has unique resources in the area of skill training. The military services operate the largest and most capable training establishment in the world. Every year, the military services train tens of thousands of people in a wide variety of critical skills.

The primary mission of the Defense training establishment will continue to be training soldiers to perform their jobs in the military services. But as we reduce the size of our military services over the next several years, there will be excess training capacity throughout the military training establishment. This excess capacity is essential if we are going to be able to reconstitute our forces effectively to respond to changing and increased threats.

Instead of simply eliminating this valuable source of critical skills training, I believe that the Defense Department should make an inventory of this excess training capacity and consider using it to provide training to both military and civilian defense workers who require new skills to move into new jobs. This initiative could preserve the crucial capacity of the military training establishment so that we could increase training of military personnel without delay. It could also provide valuable retraining for workers in skills our economy needs.

Mr. President, like their military counterparts, the civilian workers who are being displaced are talented people who have served their country well. They are losing their jobs because they were successful at what they did. We need to act now to make sure that this tremendous pool of talent is not wasted in the future.

AMERICA'S PEACE DIVIDEND

Mr. President, today we face two unique challenges that together supply an equally unique opportunity.

We face the challenge of competing in a knowledge and information based global economy in which our human capital is our most important resource.

We face the challenge of providing productive employment for up to 2 million highly skilled Americans in a period of slow economic growth. The private sector will play the dominant role in absorbing this large number of skilled workers, but the Defense Department must play a key role in the transition process.

If we begin now to provide the right incentives, we can simultaneously help the military services build down in a balanced and humane manner; we can help military and civilian employees make a clean transition from defense to nondefense work; and we can help America invest its peace dividend—the skills and talents of these dedicated people—in the future of our communities, and the future of a productive economy.

I ask all my colleagues for their careful consideration and support of these initiatives, and I welcome any suggestions they may have for additions or changes.

I yield the floor.

EXHIBIT 1

[From the New York Times, Jan. 29, 1992]

OUT OF UNIFORM, INTO SERVICE

(By Adam Walinsky)

The Democratic candidates seem agreed on the need for deep cuts in the defense budget, perhaps to fund tax cuts for the middle class. The Congress is sure to go along with them. Cutting the budget will mean severe adjustments. Consider the people affected.

Thre was a great outcry when General Motors announced plans to lay off 74,000 workers by 1995. Defense budget reductions envisioned by Congressional leaders would require Gen. Colin L. Powell, chairman of the Joint Chiefs of Staff, to lay off about 500,000, many of them combat veterans. They would be thrown almost casually into an uncertain and troubled economy.

We must see these men and women not as a problem to be got rid of, but as a new reserve of energy and talent. The Federal Government should keep them on its rolls, at their current pay and allowances, and use them for three- or four-year terms of civilian service.

First, since the country is desperately short of police officers to face a rising tide of disorder and violence, 200,000 should be assigned to police forces across the country. Soldiers and marines would need training and tight supervision from civilian police authorities. But they would arrive more than competent to suppress gunfights, to corral wilding groups and generally to help keep the peace.

Second, 100,000 should teach in elementary and secondary schools and in remedial and vocational programs. Of the 500,000 likely to be discharged, 100,000 are officers, mostly college educated. Many of the senior enlisted men, are also highly experienced trainers.

Albert Shanker, president of the American Federation of Teachers, has said for years that the nation should capture these people to teach in elementary and secondary schools. They know how to teach job skills, are used to dealing with young people from impoverished backgrounds and would not be afraid to teach in rough neighborhoods, even in jails.

In the last four months, an Army hotline has drawn more than 11,000 inquires from officers interested in becoming teachers, many qualified to teach mathematics and science, for which good teachers are in short supply.

Third, 30,000 medical corpsmen should be assigned to hospital emergency rooms and public health programs. These technicians have been trained to deal with traumas, accidental and violent, like those inundating inner cities. The Special Forces, trained to bring basic public health practices to remote and primitive third world areas, can do at least that much at home, especially when tuberculosis and sexual diseases are spreading in new and more virulent forms.

America's continuing racial crisis gives such a program special urgency. Thirty percent of those likely to be discharged are black, while the population is 11.7 percent black. The military has been a great highway of advancement of talented men and women without regard to race or ethnic origin.

They should not be simply sent back to depressed communities as isolated individuals in search of a function and place. This program of reconstruction would bring them home with a special mission and the support of a committed nation. These are patriotic people of discipline and spirit—potential leaders whom we need. They would be inspiring examples to the legions of lost black and Hispanic children in ghettos across the country—and the rest of us, too.

This is not a permanent but a transitional program, at a time of special need. We must still establish the Police Corps, which both houses of Congress established last year and would enlist young people for four years of police service in exchange for college scholarships. And we will still require fundamental reform in education and health care. But it would bring our military people home to highly useful temporary and perhaps permanent jobs.

It would not reduce Federal outlays, but it could enormously increase our sense of security, prosperity and well-being. Personal safety, the quality of a child's education, quick assistance to the sick and injured—these are hard to quantify and are omitted from economic statistics. Yet they can determine personal and national satisfaction more surely than any number of things measurable in dollars.

America faces awesome problems of race, poverty and urban decay. Suddenly and unexpectedly, we will have at our disposal a great reservoir of strength to confront them. Let's use it.

EXHIBIT 2

[From the Washington Post, Nov. 24, 1991]

FROM THE ARMED FORCES TO THE CLASSROOM

(By Bill Hobby)

Within the next few years, hundreds of thousands of highly trained men and women will be mustered out of the armed forces.

Of the 750,000 soon-to-be veterans who will save military service during the next five years, about 150,000 are commissioned, warrant and senior noncommissioned officers. They are trained in vital technical skills and are natural leaders.

Though well qualified, many will not be able to find jobs that use those skills. Typically, these veterans will have spent one-quarter of their military careers as students or instructors in their specialties. Many of them will be men, many of them minorities.

They are in their forties and fifties, with twenty-odd productive years ahead of them. The nation has invested hundreds of millions of dollars in their professional training. In short, they are fine prospective high school teachers.

With the proper incentives, 75,000 might become teachers.

That many new teachers would not only be readily absorbed in the next five years, but welcomed into the classroom. About 90,000 potential new teachers a year now graduate from colleges of education. School districts hire more that 175,000 new teachers a year. The deficit is filled by the return of former teachers, teachers who have never taught despite being qualified to do so and new teachers from alternative certification programs.

More than 1 million new teachers will be needed in the next five years. Colleges of education will provide about half a million. Well-qualified veterans can help fill the gap.

With the growing dissatisfaction with the teaching profession and the pressure to find new sources of teachers, Texas and many other states have begun qualifying teachers in nontraditional ways.

These "nontraditional" teachers have done just as well as, or better than, education graduates on certification tests and on the job.

About 28 states now have such programs. These programs are an integral part of the President Bush's "America 2000" program for education. In his recent report to Congress, the president said: "The solution to the problem of attracting talented teachers is not to regulate the industry further but to open it up to the competitive process and to reduce certification requirements in ways that do not threaten but instead encourage excellence in teaching."

The inclusion of veterans in the president's solution for the teacher shortage makes sense.

Can people who have not graduated from college teach in high school? A college degree indicates maturity and knowledge. So does 10 or so years of service in the armed forces. I have never known a chief petty officer who could not teach a high school class. For centuries, noncoms have spent most of their time educating adolescent boys.

Teacher programs don't have to take years. College graduates in the Teach America program enter inner-city classrooms after three months of training. Could not mature veterans with 10 to 20 years of military service be trained in the same length of time? Of course. They could be teaching in the classroom in a matter of months.

The success of this program will be determined by the quality of the soon-to-be veterans willing to enter it. The quality will be determined by the incentives offered, most logically through the military retirement system.

Veterans leaving the service have pension benefits ranging from none for those with fewer than 20 years service, to 50 percent to 75 percent of final pay for those with 20 to 30 years of service and 75 percent for those with more than 30 years of services. The pensions, of course, are in addition to medical benefits of enormous value.

Under this approach, a qualified veteran who becomes a teacher would earn military retirement credit in the classroom. The credit could be either on a year-for-year basis or proportional. The cost of the additional benefit would be deferred until retirement of the teacher-veteran, who would also earn credit in the individual state's teacher retirement system.

A more costly alternative would be to offer the 15-year veteran a flat 40 percent pension (2.5 percent per year) for as long as the veteran teaches. The enhanced pension (50 percent) would be payable at the completion of five years in the classroom. This relatively small pension would compensate for the low entry-level pay of teachers.

Federal, state and local efforts would be needed to coordinate the program. Specific actions would include: promotion of the program within the military, modification of the retirement system, creation of state programs of alternative certification, mobilization of the colleges and universities and involvement of school districts in need of trained personnel.

Employing trained military personnel at or nearing retirement is a logical way to address several of our problems: the reduction of the armed forces, the need for more teachers and the stagnation of the economy present a unique opportunity for the nation.

[From the Wall Street Journal, Jan. 10, 1992]

FROM THE ARMED FORCES TO THE TEACHING FORCE

(By Patricia Hines)

A lack of qualified teachers, particularly at the high school level, is frequently cited as contributing significantly to America's education crisis. But if the Army has its way, America's shortage of qualified teachers will soon belong to the past.

Victory in the Cold War has precipitated one of the largest troop reductions ever undertaken by the U.S. armed forces. Within the next five years, more than 500,000 people will be making the transition to civilian life. Most will be seeking new careers that will enable them to apply the skills and experience gained in the armed forces to the civilian sector.

The Army is strongly encouraging these men and women to consider teaching as their new career. Utilizing information provided by the Department of Education, the Army has established hotlines here and in Germany, South Korea and Panama to assist those interested in obtaining teaching certificates. The response has been overwhelming. In just four months of operation, more than 11,000 calls have been received from military personnel.

A quick glance at the qualifications of these people reveals the vast potential waiting to be tapped by America's schools. Of the 250,000 men and women scheduled to leave the Army by 1995, 20% are officers, of whom 99% have baccalaureate degrees. At the rank of major and above, 80% have either master's degrees or doctorates. Many have taught full time at one of the military academics or served on the faculty of the U.S. Army Command and General Staff College, the National War College, or one of the Army branch schools.

In light of this nation's critical shortage of qualified math teachers, it is noteworthy that one-third of the officers leaving the Army are qualified to teach high-school math. In addition, according to a recent Army survey, between 10% and 20% have engineering backgrounds that would enable them to teach high school physics.

Yet look at how these would-be teachers are being received.

Take the example of Col. Duane Mills. Scheduled to retire from the Army in two years, Col. Mills decided to put his master's degree in history to good use in the classrooms of his native Missouri. However, he was told that he must first complete 15 to 20 hours of "methods" courses to obtain a teaching certificate. Since Col. Mills would have to hold down a full-time job while attending night school for his methods courses, the certification process would take a year and a half. Discouraged at this prospect, the colonel is looking for another job. The loss is Missouri's.

By contrast, Col. Albert Laferte retired from the Army two years ago and made a smooth transition into the teaching profession. With a degree in aeronautical science, Col. Laferte sought to become a high school math teacher in North Carolina. Fortunately for him, he was able to take the courses required to obtain certification while still on active duty at Fort Bragg and then began teaching math at Pine Forest Junior High School. He has since completed work on his master's of education and notes how enthusiastic North Carolina education officials are to have someone with his qualifications teaching junior high school.

Considering the academic credentials of some of our current teachers and the quality of our teacher-training programs, the U.S. is in no position to deny itself the windfall of talent preparing to leave the armed forces. These men and women are disciplined, highly motivated individuals with solid records of professional achievement. As role models, they are desperately needed in America's classrooms. Their response to the call for further service to their country has been encouraging, but their talents will go for naught unless we allow them to impart their knowledge to our children.

Clearly, it is time to address the problem of alternative routes to certification. States must be persuaded to remove the barriers that keep good teachers out of the classroom. Currently, 30 states have some form of alternative certification. Some of these programs are outstanding; others are badly in need of reform. States that have no program need to create one.

The U.S. is not lacking in politicians willing to spend untold sums of taxpayers' dollars on education. Yet the Army's program to put tens of thousands of eager, competent teachers into our nation's classrooms does not involve vast expenditures of money. Instead, it seeks to raise the quality of American education by providing our schools with an abundance of talented teachers.

As President Theodore Roosevelt noted, there is only one group of people as deserving of their nation's gratitude as our soldiers, and these are the people "who teach the children of the present how to be the masters of our country in the future."

For those truly interested in the welfare of our children, the fight for alternative teacher certification must be joined.

(Mrs. Hines is a deputy assistant secretary for training and education, Department of the Army. John Roddy, a policy analyst at the Department of Education, helped prepare this article.)

Mr. BENTSEN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized for up to 15 minutes.

DOWNSIZING THE MILITARY

Mr. BENTSEN. Mr. President, I just heard the distinguished senior Senator from Georgia ask for the careful consideration of this proposal. He automatically gets that. I know of no one that has more stature when we are talking about defense matters. He is a man of great integrity and ability. I am delighted to see a very thoughtful presentation. There is no question that they have to have a downsizing of the military. What we are looking at now is not two great super military powers, but just one, and we are it.

I think the general consensus is that the chances for a military confrontation of great magnitude have obviously been substantially lessened. The biggest confrontation it looks like we are going to have is going to be an economic one. When you make that kind of a transition in dislocations, the pain, problems, and concerns are there.

It is well that we have someone who gives us a well-thought-out proposal of how we can best make that transition, and I congratulate the Senator from Georgia.

THE URUGUAY ROUND

Mr. BENTSEN. Mr. President, I rise today to discuss an issue that I think is going to affect the well-being of Americans well into the next century. I am talking about the Uruguay round of multilateral trade negotiations. What a name. But it gets down to what is going to happen to the standard of living of our people over this next decade. It gets down to the point, are we going to go more and more in debt to other countries? Or are we going to turn that trade deficit around?

Those negotiations are now at a very important stage. Just before the Christmas holidays, the Director General of the General Agreement on Tariffs and Trade, Arthur Dunkel, released his draft of a comprehensive multilateral trade agreement. His text, some 451 pages, covers most of the topics that our negotiators have been debating since the Uruguay round negotiations began over 5 years ago.

He has set out an ambitious schedule. I understand his concerns. We need deadlines to try to get things moving. What he is calling for is a final phase of the negotiations. He set April 15 as the target date for countries to initial the final agreement.

I hope we can reach agreement by that date. I certainly urge our negotiators to press these negotiations as hard as they can. But we have some awfully tough negotiations remaining because once an agreement is reached, of course, then it has to come back to the Congress for approval, and only the Congress can implement this agreement. So it makes sense to take stock of whether the Dunkel text as it now stands can pass muster in the Congress.

I have taken soundings from many of my Senate colleagues. I have heard from many of the industry groups that have a stake in this process. I must say, Mr. President—and the time to say it is now, not when it is too late—I do not believe the Senate would approve the current text. Let me be clear. Let me state it again. The text simply is not good enough in its present form to pass the Senate, in my opinion.

And that certainly concerns me. As my colleagues know, I fought long and hard last spring to extend the President's so-called fast-track negotiating authority. I did it because I believed strongly that the President must have the ability to negotiate the elimination of unfair foreign trade barriers. I do not believe a congressional body by itself can do that in negotiating with these other countries. I felt last spring, and I believe now, that the Uruguay round offers us an opportunity to get the biggest bang for our buck: negotiating with over 100 countries in one comprehensive negotiation, instead of trying to eliminate those barriers through a piecemeal, country-by-country approach.

I still believe that these negotiations are important. But we also have to face the facts. Today our economy is in a rut; it is in a ditch. We have a prolonged recession; that means that any agreement that comes back is going to face a very skeptical Congress. There are serious questions. Will we have a net increase in jobs when we sign this agreement, or are we going to have a net decease in jobs?

The fact is that trade policy has assumed an importance in our political debate that we have not seen in the past, and that is good. It is about time it did. Whatever we think about the President's trip to Japan, it certainly made crystal clear the link between international trade and jobs here at home. Trade has become prime time fare. That is good, but that also means that the Uruguay round is going to undergo as close a scrutiny as any trade agreement ever has and that any agreement is going to be held to a very high standard by the Senate and by the citizens of this country.

It all adds up to one central point: This Congress is going to be a tough sell when the Uruguay round agreement is sent up for approval. Under the Constitution that responsibility is ours. As it is currently drafted, I am convinced that the Dunkel text just will not pass muster. I warned the Director General about this before he put that text out. Once an agreement is reached, then we are going to have it here before us and the debate will be hot and heavy.

Today, it is not my objective to list all the deficiencies in the current text, but I do think it is important to make clear that any agreement is likely to be measured against certain guideposts. As it currently stands, I think the Dunkel text falls short in many respects.

Any agreement must open up foreign markets and provide substantial export opportunities for competitive American industries, but we are not there yet. The current text simply is not strong enough in key areas. In critical areas—like intellectual property, services trade, and agriculture—the current text does not assure us that we will open up foreign markets sufficiently or quickly enough. Our negotiators need to redouble their efforts to ensure that the deficiencies in the text are remedied.

Even more important is to talk about what is not in the text. In several key areas, the Dunkel text only provides a framework of rules for eliminating barriers. Specific commitments by the individual countries are yet to come. We must see substantial progress in reducing foreign tariffs and opening up those foreign services markets. In agriculture, we still have some very important negotiations ahead on what the framework of liberalization should be. Do you think Senators from farm States are going to approve it in its present form if it comes back without the concessions that have to be made, when we changed our agriculture program in this country to cut back on subsidies, to try to show good faith to the European Community? Well, there are going to be some tough negotiations that have to take place to get the country-by-country commitments.

In my view, these market access negotiations are the linchpin of the entire Uruguay round. Without substantial progress in these areas, I do not see how a Uruguay round agreement is going to win congressional approval.

Second, it is critical that any agreement preserves and strengthens our remedies against dumping, subsidies, and other unfair trade practices. That is one of the key negotiating objectives that we put into the 1988 Trade Act. It is still of importance, not just to me, but to the entire body of the Congress. It is essential that we retain the ability to protect any and all industries injured by unfair competition.

Third, the key objective of this round must be to ensure that all countries participate, all; we cut out the free riders. In the past, GATT rounds have largely involved agreements among a limited group of countries. That cannot be the case in this round because in many of the areas in which we want to see progress—services, intellectual property, market access, and investment—barriers are found in the developing countries.

For years, we have given many of these countries a "free ride" in the trading system. In the past GATT rounds, the big players, the United States, Canada, Japan, and the Europeans, would negotiate steep tariff cuts, but there was no incentive for many of the others to play along because the most-favored-nation principle guaranteed that everyone, everyone, would get the benefit of a tariff reduction. The result: At the beginning of the Uruguay round, the United States' average tariff was less than 5 percent; India's was 118 percent.

This round offers us an opportunity to correct that kind of an imbalance. The world has dramatically changed. The players have changed. The magnitude of their involvement in world trade has changed since the Tokyo round. Countries that were not major players in world trade are assuming increased importance today. Since the Tokyo round, our trade with the four newly industrialized countries of Asia—Hong Kong, Korea, Taiwan, Singapore—has tripled. Brazil, Argentina, Indonesia, Thailand are flexing their trade muscles, and that is fine. They are all in the big leagues now. It is important they act like they are in the big leagues and assume some of the responsibilities that go along with it.

This is the time to do it. We probably will not have another big round of multilateral negotiations for another 10 years. Those countries are important today and they will be even more important when you look at the trend line 10 years from now. That is why we have to lock in the benefits today. That means no more free riders.

In the past, countries did not need to sign on to all parts of the GATT agreements. That left some of the countries free to sign up for the benefits, but not to grant full concessions. The Dunkel text tries a new approach, and I congratulate him for that.

I have been talking about having GATT plus, so countries willing to assume greater obligations would get greater benefits. That would move us more toward free trade, but the free riders should be setaside.

So Dunkel's text works toward that. He establishes a new organization called the Multilateral Trade Organization, MTO, and the price of admission to the new organization is that a country must sign onto the entire agreement. And that part is good.

In other words, if a country wants to get the benefits of our tariff cuts or liberalization of our textile markets, it has to reduce tariffs in its markets, open its services markets and protect the intellectual property rights of U.S. companies. The dues to join this club are pretty stiff, but that is the way it ought to be. If a country does not want to pay the dues, they can make that choice, but it sure should not get the benefits of club membership.

That is strong leverage. Any country left out of the club will be at a serious disadvantage in world trade. And that leverage might help remedy our free rider problem. But you know what that is going to depend on. That is going to depend on the political courage, on the fortitude of the administration to use the stick that the MTO will provide and actually deny benefits to the countries that are not willing to meet the new Uruguay round standards.

And finally, I will be taking a close look at how the Uruguay round agreements will be enforced. In the 1988 Trade Act, we told our negotiators that providing for a more effective and expeditious GATT dispute settlement mechanism was one of our very principal negotiating objectives. But the catch is this: If we want tough rules and a fast and effective dispute settlement system when we are plaintiffs in a case, we also have to live with the same rules when we are the defendants.

The administration has assured us all along that they would agree to a tough, binding dispute settlement system, but only if we also secured strong rules and good commitments from our trading partners to open their markets. After all, it does not help to have tough enforcement, if the rules you are enforcing are no good. Frankly, looking at the Dunkel text, I think we still have a good distance to go.

Mr. President, I support the concept of the Uruguay round. I sure hope we can reach a successful conclusion. But any agreement that is reached must gain the support of the U.S. Congress. And right now I simply do not think that support is there.

I am an optimist by nature. I believe the round can succeed. I think it is terribly important that it does. I do not see any cakewalk. I know our negotiators have worked hard. I have confidence in them. But we need to start with tough negotiations in the months ahead—negotiations that address every area that I have mentioned today; negotiations that produce an agreement that can be sold to a skeptical Congress in a time of recession. And that is no easy task. But it is absolutely essential if this Congress is to approve a Uruguay round agreement.

Mr. President, I yield the floor.

Mr. LUGAR addressed the Chair.

THE PRESIDING OFFICER (Mr. WIRTH). The Senator from Indiana is recognized to speak for up to 15 minutes.

Mr. LUGAR. I thank the Chair.

THE TIME HAS COME FOR ACCOUNTABILITY IN U.S. AGRICULTURE

Mr. LUGAR. Mr. President, in the strong State of the Union Speech delivered last week, President Bush stated that, "Government is too big and spends too much." This sentence more than any other struck a chord with the American people.

I rise today to declare that the time has come for a thorough review of the U.S. Department of Agriculture, and for fashioning a plan for trimming the ballooning waistline of this one Government department back to a leaner, healthier size. The leadership required to achieve this would set a constructive example of how one department can tighten its belt and improve its service to taxpayers and farmers alike—an example that should be replicated in other departments.

I stated here today—as a life-long participant in and admirer of American agriculture—to state as unequivocally as the President did last week: Enough is enough, when it comes to bloated government and bureaucratic self-perpetuation in USDA. President Bush has made a bold commitment to downsize U.S. Armed Forces by 30 percent over 5 years, with the dividend going toward economic revitalization and deficit reduction. It is now time for similar accountability in the Agriculture Department's $61 billion annual budget.

Several of us have tried over the years—and to some degree succeeded—in setting the gargantuan mass we call U.S. farm policy on a general path toward fewer market-distorting subsidies and greater market-oriented efficiency. We have argued in the last two omnibus farm bills that, ideally, farmers should produce the commodities people want to buy as signaled by market demand, not government fiat; should produce commodities as efficiently as possible; and should sell them aggressively to customers in the United States and abroad. In short, we have argued that when compared with the efficiency of market forces, government is all thumbs when it comes to handling the commodities which American farmers produce better than anyone else.

Mr. President, on September 3, 1991, the Washington Post's Guy Gugliotta summarized a General Accounting Office study released that day which spotlighted the waste, inefficiency, and lack of accountability prevalent in several USDA agencies. The report stated that the morass had grown steadily since the 1930's, when the Department last underwent major reorganization. The report, Gugliotta wrote, offers up striking conclusions, such as, "* * * the department could save $90 million per year on its budget expense through office consolidation."

As ranking member of the Agriculture Committee and one who remains the manager of my family's 604-acre farm, I have worked with my staff to attempt to simply get the facts. We have endeavored to determine the potential for monetary savings and improved performance highlighted by the 2-year long GAO review. This has not been an easy task.

In mid-November 1991, Chuck Conner, of the Senate Agriculture Committee, requested a reasonably thorough accounting of three basic items: First, the size and whereabouts of the Department's staff in Washington and across the Nation; second, the amount of tax money spent on and by these employees; and third, the nature of the work being performed by these individuals and offices.

On February 3, 1992—just 3 days ago—a white, three-inch thick binder arrived in my office. It was accompanied by a USDA memo stating in part that:

> You asked for the number of local USDA offices around the country. We have tried to get a straight answer to this question for as long as I have been here. Our staff still cannot give us an accurate number.
>
> The more we looked at this issue the more complicated it became. We are still unable to answer all the questions Mr. Conner raised.
>
> It will be some time before we see the fruit of all these efforts. Until more progress is made, we will be unable to answer exactly how many of these offices "overlap or are just unnecessary" or whether "there are USDA offices located within 30 miles of each other in some places while in other rural areas there may be a difference of a hundred miles."

My staff was told by USDA officials that, in fact, a thorough accounting of this type has not occurred in recent memory, perhaps for years. A private company that did not know the answers to such basic questions would have serious management problems.

My effort to learn more coincided with the publication in December and January of a series of investigative reports copyrighted by the Kansas City Star, which were authored by Star special projects writers Jeff Taylor, Gregory S. Reeves, and Mike McGraw.

Mr. President, these articles are rife with details of waste and inefficiency. For example, one Star story noted that, "In 1988 alone, the $15-billion Food Stamp Program lost at least $1 billion through payment errors and fraud." Another story stated that, "In Kansas City, the Department began installing a new computer system in 1983 to keep better track of billions of dollars of stored commodities. It was supposed to cost $7 million. Eight years later, the cost is approaching $61 million," a cost overrun of 871 percent.

The aggregate of the GAO study and the Star series clearly indicates that the failures of U.S. agriculture policy and the Department itself are larger than any one person. They are no single person's fault, and they are beyond any one person's ability to solve. Indeed, Agriculture Secretary Edward Madigan has been refreshingly honest in his assessments of the shortcomings of the Department. And he understands where some of the barriers to reform are. The Kansas City Star quoted him as pointing out that the GAO "say(s) we should consolidate more field offices. We would be happy to consolidate more field offices; we are prohibited by law from doing that. Some of them are in the districts of very influential Congressmen."

Mr. President, perhaps the saddest aspect of this predicament is that several forward-looking initiatives designed to help American agriculture maintain its competitive edge have either stalled or never gotten off the ground. According to the GAO, plans that collectively would make U.S. farmers more competitive against foreign producers are held hostage to bureaucratic inertia or lack of funding.

The GAO states that:

> Revitalizing USDA requires strategic planning processes throughout the Department, especially in merging areas such as marketing, food safety, water quality, and biotechnology. USDA agencies do not coordinate their marketing activities either within the Department or with other Federal agencies.
>
> * * * we continue to believe that a more proactive, organized approach is needed if

USDA is to lead American agribusiness towards more marketing-oriented agriculture.

This, the GAO says, risks "the loss of opportunities in food processing and marketing, the fastest growing aspects of global agribusiness."

U.S. BUSINESS/MANAGEMENT SCHOOLS TO REDESIGN USDA

Mr. President, the GAO study characterizes American agriculture and USDA specifically as a "mature corporation"—one serving fewer clients, but maintaining promise for strong revenues. We all know that reducing administrative overhead is nothing new to U.S. businesses. For decades, retailers, for example, have been engaged in several phases of restructuring.

To help overcome barriers to a more efficient USDA, we should tap into the expertise in corporate management that exists in prominent graduate schools in business and management throughout the Nation. To that end, I am asking these schools to compete in designing the best plan for restructuring the Department. Our universities and entrepreneurial genius are the envy of the world. Let us utilize this expertise to help design a new delivery system for USDA services so we can redirect taxpayer resources to promote another thing we do best, namely farming.

FARMERS, TAXPAYERS TO WEIGH IN WITH RECOMMENDATIONS

Mr. President, we should likewise reap the practical experience of millions of American farmers and taxpayers. I am asking all farmers who have wrestled desperately with the overwhelming tangle of redtape and form filling to let us hear about it loud and clear. To every farmer I ask: If you have ever stomped out of a local ASCS, Farmers Home, SCS, or Cooperative Extension Service office in frustration, let us know now that you support a remedy such as consolidation of these offices.

To all taxpayers I say: Speak out if you wonder why your taxes are supporting at least four separate offices in almost every county in the Nation, each with its own "reception services, copying services, printing costs, and mail services," as the GAO report points out.

Additionally, the report notes that "the ASCS maintains offices in over 85 percent of the 3,150 counties in the United States. Yet in 1986 only 516, or 16 percent of the counties were considered farm counties—this compares with over 63 percent in 1950." A farm county is defined as any county for which at least 20 percent of total income is derived from agricultural sources.

In 1932, USDA employed 32,000 persons to serve a predominantly agrarian society in which 25 percent of all Americans resided on a farm. Today, the USDA employs 110,000, while fewer than 2 percent now reside on a farm. This represents an increase from one USDA employee for every 1,000 farm residents in 1932, to today's level of one USDA employee for every 45 farm residents.

Mr. President, I am listening, and all comments will be welcome at the Senate Agriculture Committee. But comments need to be directed likewise to those who would stand in the way of progress in both branches of government. It is time for Members of Congress to put policy ahead of patronage. Now is the time to work together to reach beyond this litany of disturbing findings to identify practical and achievable solutions.

CONGRESSIONAL HEARINGS, REFORM LEGISLATION IN 1992

Mr. President, the U.S. Department of Agriculture is the third largest agency of the Federal Government. Secretary Madigan is not alone in recognizing departmental failures. In 1982, then Secretary John Block instituted an organizational review which is said to have faltered when confronted by internal opposition.

The September 1991 GAO report notes that:

> Agency and external opposition may pose strong barriers to any effort to restructure USDA's field operations. Actions that affect local offices typically generate concern not only in the local area but in the Congress as well.

It also states that,

> * * * the heavy constituent involvement has been criticized by some as the reason for difficulty in instituting reform: USDA is composed of a number of diverse, autonomous and entrenched local self-governing systems that, to varying degrees, are regulated by the constituent groups themselves.

Mr. President, Hoosier farmers, known for their wit and common sense, would call this "the tail wagging the dog." This problem and others should be addressed forthrightly. I plan to gather data, conduct a comprehensive review with congressional hearings and introduce legislation to streamline USDA. Questions will be asked and answered, and reforms will be recommended. I will ask the Agriculture Committee's chairman, the distinguished Senator from Vermont, and all other members of the Senate committee to aid this effort.

A CALL FOR A NATIONAL COMMONSENSE DIVIDEND

Mr. President, the responsible goal is to seek thoughtful, surgical cuts in the Department, rather than an across-the-board meat ax approach. But let there be no misunderstanding, if bureaucrats and special interests refuse to accept constructive change, there may be no alternative but to employ every measure at hand to save tax dollars.

Mr. President, through all this we must be mindful that the hard-working men and women employed in thousands of local USDA field offices across the country are frequently not to blame for much of the systemic malaise. Congress should move smartly to lessen the burden of unnecessary paperwork on each office. Congress should eliminate hundreds of archaic and largely useless agriculture reports mandated by law.

We must also not lose sight of the fact that an important part of the problem lies in the uncontrollable ant hill here in Washington known as USDA South, where hundreds of diligent people work hard at counting the precise number of avocados, for example, grown in each township of southern California—in order to keep produce supplies down so that prices will remain artificially high.

Mr. President, taxpayers have the moral high ground and should expect accountability on the part of congressional authors of mandated reports and other frivolous procedures required by law of USDA employees. There is no constituency for waste and mismanagement. But Members should count on a groundswell of public support for saving tax dollars.

There has been much talk since the Berlin Wall fell that domestic benefit can come from savings taken from our cold war military budget—a so-called peace dividend. We all admire the talent on the part of farmers to boil seemingly complex problems down into concise, commonsense truths. Now is the time for farmers and all taxpayers to ask for and to help create a national commonsense dividend—a dividend rooted in efficiency and frugality that, if duplicated in other Government departments, can lead to lower deficits, a stronger economy, and greater faith in public leadership.

The fewer dollars wasted on inefficient programs, the easier it will be to serve farmers and taxpayers through a progressive and aggressive, export-oriented USDA. The process starts with gathering reliable data; holding hearings and drafting meaningful legislation. Some people may try to defend the indefensible, but a searchlight of truth must shine on the honest costs of implementing U.S. agriculture policy. I will do my best to seek help in pursuing these objectives. I will not stop raising this issue until the Agriculture Department makes clear to me that substantial progress has been achieved. The American people, the American media, and Members of Congress should continue to speak out and help us do what is right for the Nation.

I thank the Chair.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Florida is recognized to speak up to 10 minutes.

RESTORE DEMOCRACY IN HAITI

Mr. GRAHAM. Mr. President, I rise today to address the sad events in Haiti.

We have seen 4 months of fruitless diplomatic efforts to restore democracy to Haiti.

The thugs are still in power.

We are at a crossroads.

We essentially have two options at this point.

We can decide—even by indecision—to accept the illegal regime that overthrew democracy in Haiti.

We can decide to accommodate, to make a deal, to acquiesce to the status quo.

Or, we will send a message—along with our allies in the Organization of American States [OAS]—that overthrowing democracies is not tolerable.

Our President should lead our allies in sending that clear message.

In my right hand, I am holding a famous report from Amnesty International about human rights.

It's not about Haiti, but the intolerable conditions in Kuwait after Saddam's troops invaded.

This report—of human rights violations—had a profound impact on our foreign policy in the Persian Gulf.

December 21, 1990, President Bush told me so when he handed me a copy of this report.

The President said the contents of this report were part of the foundation of his decision to act in Kuwait.

According to this same group—Amnesty International—the current regime in Port-au-Prince is committing human rights violations that are as bad as the Iraqi violations in Kuwait.

I suggest that the report on Haiti should be read as thoroughly as was the report on Kuwait.

Mr. President, the courageous people of Haiti—the poorest people in this hemisphere—went to the polls and elected their leaders.

By any standard, this was a monumental event.

The people of Haiti had been brutalized by generations of dictators who suppressed freedom and raided the treasury.

So when the proud men and women of Haiti went to the polls—in a massive turnout—this transformation was an inspiration to the world.

But, last September, a coup led by thugs ousted the democratically elected Government of Haiti.

That is the root cause of the turmoil in Haiti.

There has been much focus on other issues that are symptoms: the embargo, the surge of boat people, the brutal violence.

We must not lose sight of the main issue—the fundamental challenge—which is to restore democracy.

It has been said that the eyes of the world are on Haiti, and that is true.

To analyze that statement in the context of world events, I would point out that Monday in nearby Venezuela there was an attempted military coup.

Yes, the eyes of the world are on Haiti.

Would-be military dictators all over this hemisphere are watching our reaction to the illegal chain of events in Haiti.

The enemies of democracy have been emboldened by the apparent success of the thugs in Haiti, and by our apparent inability to sustain the democratic Government.

For all those reasons, Mr. President, I urge our Government to send a clear message to the military thugs in Port-au-Prince. The international community cannot allow their actions to stand.

The administration is reportedly planning to ease the embargo against Haiti. I ask unanimous consent that articles from the February 5, 1992, Washington Post be made part of the RECORD.

This relaxation is seen by foreign diplomats and local observers in Haiti as a signal that Washington has given up hope of restoring democracy in that nation.

I agree. The easing of the embargo, without more, would send a signal of capitulation. Haiti could become the Munich of the Caribbean for its own struggle for democracy and for other similar fledgling democracies throughout the hemisphere.

The United States should reject this capitulation and take the following steps:

First, the President should prepare for the use of force to restore the legitimate—democratically elected—government to power.

That preparation should include:

Detailed negotiations with democratic governments in this hemisphere to build a multinational military coalition.

Initiate actions within the United Nations for a multinational peacekeeping force to assure Haitian stability after the legitimate Government has been restored.

When these preparations are complete—and with over 4 months since the coup this should be a matter of hours and days, not weeks—the democratic coalition should communicate in unequivocable terms that the thugs of Haiti will not stand. Their choice—immediate voluntary departure or forced removal.

Second, we must focus on the thugs. We should make life as difficult for them as we can. For example, if they have U.S. visas, we should cancel them. If they have assets in the United States, we should seize them. We should pressure our allies to do the same.

Our laws appear to be achieving their purpose of differentiating between political and economic refugees. Over the 4 months since the coup, approximately 35 percent of applicants have received permission to apply for asylum. In the last 3 weeks, roughly 80 percent have received permission.

Third, we must continue to uphold our laws. That means that those seeking asylum receive fair and thorough hearings. If their return to Haiti would endanger them, they should be allowed to apply for asylum in this country.

Fourth, the OAS should establish an on-the-ground tracking system to assure the safety of Haitians who do return.

Fifth, the President should direct the preparation of an economic plan detailing United States participation in the restoration of Haiti's economy after the legitimate Government has been restored.

Sixth, the OAS with United States leadership should support a restructuring of the Haitian military—to an organization consistent with civil-military relations and service to the people Haiti.

Mr. President, the Americas have diligently pursued a diplomatic resolution of the crisis in Haiti; 125 days later—these efforts have failed.

The choices today are clear—supinely acquiesce in a military coup which crushed a new democracy in the Western Hemisphere. If we elect this course, prepare to accept the consequences of capitulation: unrestrained violence, bloodshed, and death; flight in fear and desperation; crushing poverty; and a signal to the barracks coup plotters throughout this hemisphere that there are no serious sanctions for the overthrow of democracies.

The vast majority of Haitians have already demonstrated what they were prepared to sacrifice for the hope of a better life through democracy.

Now, it is ourselves who are being tested.

What is our resolve and willingness to act to sustain the principle that a government of the people, by the people and for the people shall not perish from this hemisphere?

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Amnesty International, Jan. 1992]

HAITI: THE HUMAN RIGHTS TRAGEDY—HUMAN RIGHTS VIOLATIONS SINCE THE COUP

INTRODUCTION

On the night of 29 September 1991, a military coup overthrew the democratically elected government of Haiti. President Jean-Bertrand Aristide, an outspoken priest who had been elected in December 1990 with over 67% of the popular vote, was detained the following day. After negotiations between the military and the French, Venezuelan and US ambassadors, he was sent into exile in Venezuela. Brigadier-General Raoul Cédras, Commander-in-Chief of the Haitian Armed Forces, assumed temporary control of the country. On 9 October Supreme Court Judge Joseph Nerette was sworn in as Haiti's provisional president. Jean-Jacques Honorat, Executive Director of the Centre Haitien des Droits et Libertés Publiques (CHADEL), the Haitian Center for Human Rights, was designated by Provisional President Nerette on 11 October and ratified by the Chamber of Deputies as provisional Prime Minister of Haiti on 14 October.

The days immediately following the coup were marked by violent repression, particularly in the poor communities, where support for President Aristide had been strongest. Soldiers deliberately and indiscriminately opened fire into crowds, killing hundreds of people, including children. In one neighbourhood soldiers reportedly raided private homes and shot more than 30 unarmed people dead, then forced relatives and other local people to bury the bodies. Other human rights violations were widely reported, including torture and short-term arbitrary arrests without warrant, usually accompanied by severe beatings.

On 4 October Amnesty International wrote to Brigadier General Raoul Cédras, urging him to send clear instructions to the security forces to stop human rights violations, to open thorough investigations into those that had occurred since the coup and to bring the perpetrators to justice. (See—Haiti: Human Rights Violations in the Aftermath of the Coup d'Etat, October 1991, AI Index: AMR 36/09/91) No response was received.

Since October Amnesty International has continued to receive reports of grave and systematic human rights violations. Hundreds of people have been extrajudicially executed, or detained without warrant and tortured. Many others have been brutally beaten in the streets. Freedom of the press has been severely curtailed and property is being destroyed by members of the military and police forces or by civilians operating in conjunction with them. The military has systematically targeted President Aristide's political supporters, including members of the *Front National pour le Changement et la Démocratie* (FNCD), National Front for Change and Democracy; members of *Lavalas*,[1] the political grouping supporting the deposed President Aristide; residents of poorer areas of Port-au-Prince such as Carrefour Feuilles, Bolosse, Delmas, Bel Air and Cité Soleil; and those in the rural areas, where most of the people are believed to support Fr. Aristide. Grassroots organizations, which had flourished during the seven months of President Aristide's government, have been virtually eradicated, their equipment and premises destroyed, and most of their activists in hiding; women's groups, peasant development groups, trade unions, church groups and youth movements have all been the victims of severe repression. Even children have not been spared the violence in Haiti. An estimated 200,000 people have been forced into hiding. Since October tens of thousands of people have left Haiti, and more than 10,000 people have reportedly attempted to flee to the United States of America (USA) in flimsy and unseaworthy boats. Over 8,000 of them have been intercepted on the high seas by the US Coast Guard and have been taken to the US naval base in Guantánamo Bay, Cuba where their asylum claims are being assessed. Those not considered to have a valid asylum claim are liable to be returned to Haiti. Amnesty International believes that this procedure lacks certain essential safeguards which must be allowed to asylum-seekers and which are required by international standards.

The fate of many of those arrested has not been clarified and there continue to be widespread reports of torture. Many of those tortured have sustained serious injuries but have been refused medical attention in custody, and at least four people have reportedly been tortured to death. Some of those arrested arbitrarily have reportedly been released only after paying bribes to the soldiers. Families who go to the prisons and detention centres in search of their detained relatives have been intimidated by soldiers and many are afraid to visit their relatives. This may worsen the situation of many prisoners, as food is not always provided by the prison authorities and some prisoners get their only meals from visiting relatives or other inmates.

The return of *chefs de section*, rural police chiefs to military control has added to the climate of fear and repression. *Chefs de section*, notorious for widespread human rights violations in the countryside, had been disarmed and placed under civilian authority as *Agents de Police Communale* (Community police agents), during the administration of President Aristide. Amnesty International has received reports of grave human rights violations, including killings and beatings, perpetrated by former rural police chiefs who returned to authority after the coup.

On 17 December the *de facto* authorities issued a decree granting an amnesty for "all citizens who were arrested, persecuted, tried or convicted for political crimes during the period from 16 December 1990 to 27 September 1991" (*tous les citoyens qui ont été arrêtés, poursuivis, jugés ou condamnés pour délits ou crimes politiques durant la période allant du 16 décembre 1990 au 27 septembre 1991*). This included the 21 men convicted for the failed coup staged by Roger Lafontant in January 1991 with the aim of preventing President Aristide from taking power. The decree also provided for a further reduction in the sentence of Luc Désyr, a former secret police chief convicted in 1986 of torture and murder and sentenced to hard labour for life. His sentence had been reduced to 30 years in 1989, and now—reduced to five years—has expired. There is evidence that many of those covered by the amnesty, including two men convicted of human rights violations and jailed in mid-1991, were indeed released in the early days of the coup.

The restrictions on public freedom in place in Haiti since the coup have made it extremely difficult—often dangerous—to fully investigate reported human rights violations and no systematic, independent monitoring of human rights violations has been possible. Members of the Catholic Church, human rights groups, journalists and others involved in the collection and dissemination of information on human rights abuses have been threatened and intimidated by members of the security forces. Even where specific cases have been investigated and reported, it has not always been possible to acquire accurate follow-up information. Reliable information indicates that over 1,500 civilians have been killed, and the number of arrests reported to Amnesty International exceeds 300. But these figures could substantially underestimate the extent of the human rights crisis in Haiti: problems in communications and the climate of fear and repression have meant that many human rights violations remain unreported.

1. HUMAN RIGHTS VIOLATIONS AGAINST POLITICIANS AND SUPPORTERS OF PRESIDENT JEAN-BERTRAND ARISTIDE

President Aristide's landslide victory in the December 1990 elections was made possible by the deprived majority of the Haitian people—residents of poor areas in towns and cities and peasants in the countryside, and those in organizations working on their behalf. In the days immediately following the coup, those who openly opposed the military take over became the victims of severe repression. Hundreds of civilians were shot and wounded or killed in different sectors of Port-au-Prince, particularly in the poor districts. Some people were fired on by soldiers during demonstrations against the coup, others were shot in deliberate reprisals for attacks on military personnel. Hundreds of people were killed or wounded by military personnel shooting indiscriminately at everyone and everything that moved in the streets, including ambulances and the vehicles of doctors rushing to hospitals, thus preventing treatment of the wounded.

Repression intensified during the anniversary of the 16 December 1990 elections. According to information received by Amnesty International, the security forces raided areas where they believed there to be support for Fr. Aristide, and killings and arrests were reported throughout the country. Most of those arrested—many of them on charges of sticking up posters of Fr. Aristide—were severely beaten.

1.1 Killings

According to reports, at least 50 people were killed by the armed forces in Cité Soleil, Port-au-Prince, on the night of 30 September, and on 2 October soldiers shot and killed at least 30 people and wounded many more in the same area, apparently in reprisal for an earlier attack by a crowd on the local police post in which at least two policemen were killed. In another incident, approximately 30 to 40 people are reported to have been killed in the area of Lamentin 54, also reportedly in reprisal for the death of a soldier at the hands of an angry crowd. Reports have indicated that soldiers burst into many houses in the neighborhood and shot dead some of the inhabitants, forcing others to bury the dead. Among those killed in the incident, were a 17-year-old boy and an old man of 75.

Camille César, aged 52, Director of the Port-au-Prince cemetery, and Paul Camille Bazile, aged 50, who ran a community day care clinic in Carrefour, a poor district of Port-au-Prince, were reportedly detained, according to witnesses, by a passing military patrol on 2 October 1991. Both men were members of the *Front National pour le Changement et la Démocratie* (FNCD), National Front for Change and Democracy. Camille César, the son of a family targeted by the Duvalier family, had only returned to Haiti, after more than 25 years in exile in the United States, in order to support the candidacy of President Aristide. The arrests were carried out by seven to eight armed men, some in civilian clothes and some in uniform, between Carrefour and Delmas 18, on the outskirts of Port-au-Prince at around 11:00 am. Both men were taken away to an unknown destination. On 7 October relatives learned that their bullet-riddled bodies were at the morgue in Port-au-Prince, after staff at the morgue recognized Camille César and reportedly informed the family. However, by 9 October, when relatives went to the morgue to make arrangements for their funeral, the bodies of Camille César and Camille Bazile had reportedly been removed. It is believed that their bodies along with many other bodies, that had been taken to the morgue, may have been removed at the behest of the security forces and buried in mass graves.

Luckner Benjamin, aged 28, was reportedly shot by soldiers on 20 October 1991, as he was traveling on public transport from Cap Haitian to Léogâne. The vehicle was stopped by soldiers in Carrefour, a poor district of Port-au-Prince, and passengers ordered to get out. The first passenger to alight was shot by the soldiers in front of his wife. Luckner Benjamin who was the second passenger to leave the vehicle was also shot with two bullets. The soldiers allowed the driver to take Luckner Benjamin to the General Hospital in Port-au-Prince, where he died from the gunshot wounds after undergoing surgery.

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[1] As a candidate President Jean-Bertrand Aristide campaigned under the slogan *Lavalas*—a creole word for landslide or flood.

Orélus Céraphin (or Seraphin), a woodworker, was reported extrajudicially executed on the night of 31 October. Four soldiers reportedly entered his house, in the Christ Roi Street in Port-au-Prince and dragged him outside. He was then executed approximately 20 years from his house. His body was left outside until an ambulance came. It has been reported that his killing was in reprisal for his participation in the killing of a member of the *tantons macoutes* in January 1991.

On 15 December, the Deputy for Pignon (North Department), Astrel Charles, was killed by a former *chef de section*, who was reportedly arrested the next day. Astrel Charles was a member of the *Parti Agricole et Industriel National* (PAIN), National Agricultural and Industrial Party.

On the evening of 26 December, a tailor known as Amos was reportedly captured, and executed by three members of the military. According to the information made available to Amnesty International, his capture and execution followed a discussion he had with a friend on the return of President Aristide to Haiti, which was overhead by an army sergeant. Later, the same sergeant and two soldiers went to Amos' house looking for him. Amos was having a shower, and the military reportedly took him away just wearing a t-shirt. He was then reportedly taken to a field and told to run as each of the military shot at him. His body showed two bullet wounds on his head and one on his back.

Amnesty International has also received several testimonies indicating that the police have extrajudicially executed prisoners. The manner in which these executions have been carried out is reminiscent of the practices under the Duvalierist dictatorships.

On 12 November, soldiers beat and arrested at least 21 people after a mass given in memory of those killed since the coup by Father Antoine Adrien, a radical priest who has himself been the object of intimidation, in the church of St. Gérard in Port-au-Prince. Among them was a 13-year-old child, who was severely beaten and kicked. The prisoners were taken to the *Poste de Police, 4ème Compagnie* (4th Police Company), known as *Cafétéria*, in central Port-au-Prince, where they were again beaten. The child later said that during the night, the prisoners were taken in a vehicle to a place about one and one and a half hours' drive from the *Cafétéria*. All the prisoners were lined up against a wall for execution by firing. The child's life was spared in the last minute, but the other twenty were all killed. He was then taken back to the *Cafétéria* and again beaten. He was released after his mother reportedly agreed to pay officers $60.00.

On 29 November at approximately 4:00 pm a vehicle containing uniformed policemen entered the zone of Damien near Port-au-Prince. The vehicle reportedly stopped near some woods and witnesses reported that the police forced a man in plain clothes out of the car and shot him at point blank range. The police then got back in their vehicle and left. The same witnesses searched the body after the police had left and found the identity card belonging to Rénald Charles, born on 20 November 1949, and a resident of Port-au-Prince.

1.2 Torture and ill-treatment

Detainees are routinely subjected to torture and ill-treatment. At least four deaths as a result of torture have been reported to Amnesty International. There has also been numerous eye-witness reports of the security forces ill-treating or opening fire on unarmed civilians. Relatives of those being sought by the security forces have been beaten when soldiers could not find the people they were looking for.

Evans Paul, the mayor of Port-au-Prince under President Jean-Bertrand Aristide was arrested by approximately 20 soldiers on 7 October at the Maïs Gâté airport, in Port-au-Prince, where he had gone to meet diplomats from the Organization of American States (OAS). He was then scheduled to leave for Venezuela for talks with ousted President Jean-Bertrand Aristide. He was severely beaten with fists, military helmets and gun muzzles upon arrest and as he was being taken to the *Camp d' Application*, a military training school. However, when he arrived here officers prevented soldiers from continuing beating him. Several hours later, he was taken to the barracks in Pétionville, a wealthy Port-au-Prince suburb. He was reportedly ill-treated on the way there. Eventually, he was released that same night and has since then been in hiding. According to reports received by Amnesty International Evans Paul had, on the day of his arrest, received a personal assurance of safety from General Raoul Cédras, Commander-in-Chief of the armed forces, who led the military coup on 30 September 1991, and had been accompanied to the airport by guards provided by General Cédras.

As a result of the beatings, Evans Paul suffered fractured ribs and a back injury that has impaired his walking. He also sustained an eye injury which has damaged his vision, and a severe burn caused by a hot gun muzzle. However, due to the risk for his safety, he has not been able to have the necessary tests and obtain proper medical treatment in Haiti.

Evans Paul, a leader of the *Konfederasyon Inite Democratik* (KID), Confederation of Democratic Unity, which supported President Aristide in the December 1990 elections, has been a prominent opposition figure in previous regimes. He was imprisoned and ill-treated in 1980 under the dictatorship of Jean-Claude Duvalier and again arrested and severely ill-treated in November 1989 during the government of General Prosper Avril. The injuries he sustained on the second occasion, which included vertebral damage that impaired his walking, required treatment abroad. His house was attacked and severely damaged by soldiers in the first days of the coup.

On 8 October Chéneker Dominic, 19, reported he was severely beaten by soldiers when two army trucks with approximately 30 soldiers went looking for his father, a businessman and well-known supporter of President Aristide in the town of Jérémie, Department of Grande-Anse. As Chéneker Dominic refused to disclose his father's whereabouts, soldiers beat him repeatedly with a baton. He said he was unable to walk for a week as a result of the beating.

On 28 October, Ernst Charles, a long-standing supporter of President Aristide, was beaten up by uniformed members of the police. He was reportedly so badly beaten that he bled from his ears and his mouth. The beating stopped only when neighbours intervened. Ernst Charles was reportedly ordered to report to the *Cafétéria* police station, every three days.

Teacher Jean-Claude Museau, known as Klodi, 30, was arrested on 30 December and accused of sticking posters of President Aristide. He was severely beaten in different parts of the body, particularly on the head. His buttocks showed slash wounds. He was released on 6 January, after appearing before the *Parquet* (Public Prosecutor's office). However, on 8 January, he died apparently as a result of the severe treatment he had been subjected to. Jean-Claude Museau, who was also a student at the *Ecole Normale Supérieure*, Teacher's Training School, in Port-au-Prince, was married and had one child. He was also a member of a *Ti Komite Legliz*, base church community. According to the information available to Amnesty International, he was not given medical assistance, despite many appeals from relatives and others. It was reported that a member of the military replied to one such appeal by saying "we should have killed that one—he's giving us too much trouble" (*On aurait dû tuer celui-là; il nous donne trop de problèmes*). At least three more deaths have been reported as a result of torture.

1.3 Arbitrary or illegal arrests

Emmanuel ("Manno") Charlemagne, a well-known singer in Haiti and a staunch supporter of ousted President Jean-Bertrand Aristide, was arrested on 11 October 1991. According to information received from the family of Manno Charlemagne, he was arrested by uniformed soldiers who forcibly entered his home in Carrefour, a district of Port-au-Prince, without a warrant. Earlier, two lorry loads of soldiers had arrived in the area of Côte Plage in Carrefour and carried out several arrests. The soldiers then asked for Manno Charlemagne's home and went there. The soliders beat him in front of his family and took him away. Manno Charlemagne was accused of being a "criminal", of "possession of arms without the necessary permit" and of "incitement to violence". He was subsequently released on 18 October by order of the *Tribunal Civil* (Civil Court) of Port-au-Prince, which declared his arrest illegal.

However, as Manno Charlemagne was leaving the *Pénitencier National* (National Penitentiary) on the day of his release, accompanied by one of his lawyers, a group of men dressed in civilian clothes approached him. They said they had an order for his arrest, but when challenged to produce the written warrant, they refused to do so and brandished their weapons. Manno Charlemagne was then forced into a waiting vehicle and taken to an unknown destination. It was later learned that he was held in the National Penitentiary, and was eventually released on 25 October 1991. Manno Charlemagne went into hiding after his release and has now left the country.

On 15 October Antoine Izméry, a wealthy businessman who helped finance Fr. Aristide's presidential campaign, was arrested at his home in Port-au-Prince by over 70 members of the armed forces. He was reportedly beaten and taken away by the soldiers. It later emerged that he was being held without charge at the National Penitentiary in Port-au-Prince. He was, however, eventually charged with "inciting the public to riot" on 23 October. He had been brought before the *Commissaire du Gouvernement* (Public Prosecutor) for Port-au-Prince on four separate previous occasions, but the Public Prosecutor had failed to appear. He was eventually released on 25 October 1991. The following evening soldiers, reportedly including several of those who arrested Antoine Izméry, raided the house of his brother, threatened the family, and ransacked the house. Antoine Izméry, who had been arrested and ill-treated in January 1990 during a serious clampdown on opposition figures by the government of General Prosper Avril, also went into hiding. In mid-December his name headed a *tonton macoute* death list broadcast by a pirate radio.

Rodrigue Jacques, 25, a worker with the state telephone company, Téléco, was reportedly taken away from his place of work on 21 October by four men in plain clothes carrying guns and army equipment. His family enquired at police stations and army installations, but all deny holding him and no news of his whereabouts have reportedly emerged. The names of 10 other people who were reportedly arrested in early October in different areas of the country and subsequently "disappeared" were made available to Amnesty International. This list included the name of Adonis Jean-Paul, a member of the *Comité Revolutionaire Chomeur Haitien*, Revolutionary Committee of the Unemployed Haitian).

Raymond Toussaint, a member of the *Comité National des Congrès des Mouvements Démocratiques* (KONAKOM), National Committee of Congress of Democratic Movements and of a rural development group known as CODEP, was arrested on 25 October 1991 and was reportedly ill-treated. According to information received by Amnesty International, Raymond Toussaint was arrested without a warrant by uniformed soldiers, who reportedly came to his home in Petite Rivière de l'Artibonite, Artibonite Department and accused him of "spreading propaganda in favour of President Aristide". Raymond Toussaint was taken to the army barracks in Petite Rivière, where he was reportedly severely beaten. He was subsequently transferred to Saint Marc prison, where he was said to be in poor health because of ill-treatment. He was allegedly denied access to his lawyer, visits by his family or medical treatment. He was released in late November 1991.

Solange Lafontant, the wife of René Préval, Prime Minister of President Aristide's government, was arrested by soldiers on the morning of 26 October. She was accused of possession of a fire-arm without the necessary permit (apparently her permit had expired). She was released later the same day. Prior to her arrest, her name had been announced over the government-controlled Radio Nationale among the list of those people ordered to report to armed forces headquarters in Port-au-Prince. René Préval has, since the coup taken refuge in a foreign embassy. Régine de Volcy, sister-in-law of former Minister of Public Works Frantz Vérella, was arrested on the morning of 6 December, but released the same day. On their own admission, soldiers told her that the army was using relatives of Frantz Vérella as a way to find him.

Up to 30 people were arrested by soldiers without warrant on Sunday 27 October in the Carrefour-Feuilles district of Port-au-Prince. Soldiers also forcibly entered and searched a day-care centre in the area. The same soldiers threatened parents if they did not send their children to school the following Monday. Many of those who oppose the coup have refused to obey the government's demands that children return to school from the beginning of November.

Serge Etienne, aged 35 and a former member of the armed forces, was arrested without a warrant by soldiers at his home on 27 October 1991. He was accused of incitement to riot on the day the coup took place, but the family believe he has been arrested because he is a *Lavalas* supporter. He was held at the *Service d'investigation et de recherches anti-gang*, (Anti-gang investigation and research service), where access to his relatives was severely restricted.

At approximately 10:00 pm on 15 November 1991, a military street patrol from the *Service de la circulation* (traffic division), surprised Adelin Télémaque as he was writing *"Viv Titid"* ("Long-live Titid"—Titid is a nickname for President Jean-Bertrand Aristide) on a wall in his neighbourhood of Delmas 6. The army shot at him and then followed him on foot when he ran away. They finally caught up with him and then beating him severely according to witnesses. He was then taken away. On 17 November, his parents made enquiries with the traffic division of the armed forces. They reportedly mocked the family and said that he was not being held there. The traffic division suggested the parents try the *Caféteria* who denied holding him. When Adelin Télémaque's parents returned to the traffic division the officers there suggested they look for their son at the National Penitentiary, but the National Penitentiary also denied holding him. The parents returned again to the traffic division of the armed forces, who this time reportedly suggested that their son may have been executed and they should look for his body. Amnesty International is concerned that Adelin Télémaque may have been extrajudicially executed.

Also on 15 November, some 40 youths in Cité Soleil, a district of Port-au-Prince, were reportedly arrested by a group of uniformed military agents and men in civilian clothes. The youths were suspected of preparing to leave the country. They were beaten in full view of Cité Soleil residents and were forced to identify the houses of other youths who were thought to be getting ready to leave.

On Saturday, 30 November soldiers went to the home of Dr Margareth Dufour (*née* Degand), a medical surgeon, and her husband Christian Dufour, a French citizen, who is confined to bed following a serious accident. The soldiers were reportedly looking for Jean-Robert Sabalat, the Minister of Foreign Affairs under the government of President Jean-Bertrand Aristide, who is a neighbour and friend of Margareth Dufour. Jean-Robert Sabalat, whose house was searched without a warrant by soldiers in mid-October, has been in hiding since the coup. The soldiers were accompanied by a *Juge de Paix* (justice of the peace), and they reportedly declared that they found grenades and ammunition belonging to Jean-Robert Sabalat in Margareth Dufour's house. However, some reports have indicated that the soldiers brought the weapons into the house in order to incriminate Jean-Robert Sabalat. Since they could not find Jean-Robert Sabalat, the soldiers arrested Margareth Dufour, and reportedly accused her of harbouring him. Following her arrest, Jean-Robert Sabalat issued a statement denying possessing weapons. Margareth Dufour was taken to the Pétionville military barracks, but was later released.

Other officials reportedly arrested include Gérard Jules, the Justice of the Peace at Cayes-Jacmel, South-East Department, along with the FNCD mayor of the town and three others; Jocelyne Balonquet (also reported as Palenquet), a civil servant with the Ministry of Education; Donald D. Prosper, mayor of St-Marc, Artibonite, and his two deputies, and Fanovil Dornévil, a member of the Communal Assembly of the 5th Section of Bastien in Verrettes, Artibonite. Judge Milot was arrested in Limbé (North Department) for a short period, as was the Justice of the Peace for Arcahaie, Artibonite, Pierre Charles Douzé. Others included Carlo Jean Rateau and his brother Jean Richard Rateau, two artists and supporters of President Aristide.

Arrests were also reported in the days prior to the first anniversary of the December 1990 elections. In Carrefour Feuilles, for example, about 30 youth were reportedly arrested by soldiers. Their neighbourhood, as several others in Port-au-Prince, was "visited" by soldiers those days, in an apparent effort to intimidate any demonstration of support for President Aristide at the time of the election anniversary.

1.4 Threats and destruction of property

In the early days of the coup, armed soldiers forcibly entered and conducted searches without warrant on the homes of officials of the Government of President Aristide, including those of Prime Minister René Préval; Minister of Information Marie-Laurence Jocelyn Lassègue; Minister of Economy and Finance Marie-Michèle Rey; former Foreign Minister Marie Denise Fabien Jean-Louis and presidential advisor Claudette Werleigh. All of these officials went into hiding immediately after the coup took place.

In mid-October, the home of Max Montreuil, President of the *Comités de quartier du Cap-Haitien* (Neighbourhood Committees of Cap-Haitien), was attacked with gunfire, ransacked and set on fire. Max Montreuil has been a long-term target under previous military regimes. He was arrested in January 1990 and expelled to the Dominican Republic, when the government of President General Prosper Avril arrested scores of opposition figures and declared a state of siege. The home of Marc Antoine Noël, the Director of the *Fonds d'Aide Economique et Sociale* (FAES), Fund for Economic and Social Aid, was fired on by a group of soldiers, on the night of 12 October and two FAES cars were stolen by a group of 10 soldiers on the same occasion.

Amnesty International is also concerned at "hit lists" which are being broadcast or disclosed to the public, in an apparent effort to maintain the climate of fear and intimidation which is reigning among the population. On 1 November the High Command of the Armed Forces reportedly announced over *Radio Nationale* (National Radio), that they had uncovered a plot by "anarchists" intended to cause panic among the population of Haiti. A list of 45 people sought was read over the radio. The list included the private secretary of President Aristide, Henri Claude Ménard, trade union leaders, former Minister of Public Works Frants Vérella and other government officials.

On 15 December, a pirate radio station calling itself *Radio Volontaires de la Sécurité Nationale–57 (VSN–57)* broadcast a list of 96 individuals and some 200 organizations to be suppressed. Journalists; businessmen; political activists; government officials (including former Minister Vérella); radical priests; Bishop Willy Romélus of Jérémie, an active critic of the current authorities; and friends of President Aristide were included in the list. *VSN* are the initials of the disbanded *Volontaires de la Sécurité Nationale*, Volunteers for National Security, the official name of the notorious *tonton macoutes*. 1957 was the year in which François Duvalier came to power. In the broadcast, the speaker called on the *tonton macoutes* to mobilize against supporters of President Aristide: "When you find them, [...], you should know what to do [...]. Go and do your job [...] crush them, eat them, drink their blood" ("*Il faut les trouver [...] afin de les écraser*". "*Quand vous les trouverez [...] vous saurez quoi faire avec eux [...]. Allez, faites votre travail [...] écrasez-les, mangez-les, buvez leur sang...*"). The list was later rebroadcast by the National Radio, in the guise of news coverage.

Since the appearance of the list, Amnesty International learned that the military attempted to arrest one of the individuals listed and that the house of another one was forced into by the military. He was not present at the time, but other residents of his home were reported beaten and furniture and other items were destroyed.

2. HUMAN RIGHTS VIOLATIONS AGAINST MEMBERS OF THE CLERGY AND RELIGIOUS ORGANIZATIONS

Members of the church who are real or perceived supporters of President Aristide are being targeted by the armed forces. More than 50 Roman Catholic priests reportedly went into hiding shortly after the coup. Lay Christian workers and members of church-sponsored development organizations are also at risk. At least eight priests, one nun and eight members of church groups have been arrested, and dozens more have been threatened and harassed by soldiers.

In the first days of the coup soldiers knocked with their rifle butts at the gate of the home of one priest working in a poor area of Port-au-Prince. He was not in and the soldiers began shooting in the air after they failed to gain access to the house.

Sénatus and Fritzner Nosther, both Christian activists and supporters of President Aristide, were arrested by members of the security forces on 4 October 1991 and taken to the *Caserne de Thiotte* (Thiotte military barracks), in the locality of Jacmel, Southeast Department. Both men were reportedly ill-treated.

The headquarters of the *Programme Regional d'Education et du Dévéloppement* (PRED), Regional Education and Development Programme, in Léon near Jérémie, department of Grande-Anse, were attacked on 19 October by a group of soldiers. Soldiers arrested Father Eddy Julien, a Roman Catholic priest and Director of PRED, who was accused of *incitation à la subversion* (inciting subversion). Eddy Pierre, a worker at PRED was also reportedly arrested. Both men were subsequently released without charge. During the attack, the soldiers damaged equipment and took away office machinery, including typewriters. On 18 October, the day prior to the attack, a letter reached Port-au-Prince in which Father Julien denounced threats he was receiving from members of the former *tonton macoutes* in Léon.

Jocelyn Lange, a member of a women's group, and Mrs. Jean Claude Avena and Mrs. Jean Baptiste Chèrazade, were arrested in late October reportedly because they were all members of a Christian Base Community in Limbé, North Department. All were released a day later.

Several priests and monks in the area of Les Cayes were reportedly being sought by the army in the wake of a general strike on 21 October. In Laborde, a district of Les Cayes, the presbytery of Father Lanpi was ransacked by soldiers. The Sacré Couer Christian brothers' house was also ransacked and brother Enold Clerismé arrested by soldiers and held for several days. In Dusis, the presbytery of Father Claudel Wagnac was searched and the priest himself arrested. He was released shortly afterwards.

Sister Loretta Philistin, director of the Catholic primary school in Ranquitte, North Department, was arrested on 8 November by the sergeant of the local police post. She was beaten and then released.

Foreign priests were subjected to arrest and ill-treatment. On 17 November, Father Julián travelled from his parish of Barahona in the Dominican Republic to Banane in the parish of Thiotte, in the locality of Jacmel, South-east Department of Haiti, in order to celebrate mass. As he was leaving the church in the company of Augustin (no surname given), the church sacristan, both men were arrested by members of the armed forces. The Bishop of Barahona in the Dominican Republic intervened and was able to obtain the release of Father Julián. Augustin however, was badly beaten and taken to the Thiotte military barracks.

On 18 November Father Jean-Claude Pascal Louis, the parish priest of Baron, near Saint Raphaël, North Department was arrested by members of the armed forces. He reportedly was arrested in connection with the closure of schools in the area. He was subsequently taken to the *caserne* (barracks) of Baron. He was released after the intervention of the Bishop of Cap-Haïtien, and subsequently went into hiding, fearing further reprisals by the armed forces. Other priests reportedly arrested include Father Danier Roussière of Gonaïves, Artibonite, Father Lexilien Pierre of Bas-Limbé, North Department, and Father Marc Fivez of Thomassique.

In addition, during the month of October, CARITAS, a foreign Catholic church agency, had several of its offices searched. In Dondon, North department, soldiers fired on the convent of a Canadian Roman Catholic order of St. Joseph de Vallières, which reportedly closed as a result.

In another incident a Roman Catholic priest, Father Cherry, from the diocese of Cap-Haïtien, North Department, was threatened by former *tontons macoutes*, who reportedly did not like the theme of the sermon given by the priest at the Sunday Mass. The theme was "*il est plus dificile à un riche d'entrer dans le royaume des cieux qu'à un chameau de passer dans le trou d'une aiguille*" ("it is more difficult for a rich man to enter heaven than it is for a camel to pass through the eye of a needle"). The priest subsequently went into hiding.

On Monday, 4 November, soldiers opened fire on the cathedral in Gonaïves, some of the bullets penetrating the cathedral, during a mass which was being concelebrated by the Bishop of Gonaïves, Monseigneur Emmanuel Constant, along with 10 other priests in honour of the patron saint of Gonaïves, Saint Charles. Several members of the armed forces in civilian clothes were inside the church during the mass and a group of armed soldiers in uniform were posted outside the church. As the mass finished the army opened fire. Cartridges were found inside the church. As the priests were leaving the cathedral, soldiers blocked their vehicles and accused them of preaching violence, and of belonging to the *Service de Sécurité de la Présidence* (SSP), Presidential security service, a personal security force set up under President Aristide and made up of civilian and military personnel. The armed forces had cited the creation of the SSP as one of the reasons why they had staged a coup. The armed forces arrested three young people, who were later released. During the arrest, one of the priests, Father Gérard, was jostled and abused. Nobody was injured in the incident. On 14 December soldiers allegedly looking for weapons searched the car and personal belongings of Bishop Emmanuel Constant.

At about 11:00 pm on 9 November the parish priest of Ballan, Father Marcel Boussel, of Belgian nationality, was going to Cap-Haitien to take a sick man to hospital when his car was followed and shot at by members of the armed forces. Neither Father Marcel nor the sick man were wounded in the attack. However, some hours later members of the armed forces went to the convent in Ballan looking for Father Marcel, who had by this time gone into hiding.

The tightening of repression in Mid-December was also felt by the Church. On the evening of 18 December a group of about 20 uninformed military and civilians armed with iron bars, picks and stones forcefully entered the presbytery of St-Gérard Church, in Carrefour Feuilles. They tried to get the priest out of the church, but he refused. The assailants told him they had been informed that a meeting was taking place inside, and that they wanted the attendants out as political meetings were forbidden. However, there was no meeting being held at the time there, and the men left after a while. However, a child found outside the church was taken and beaten.

3. REPRESSION IN THE COUNTRYSIDE

Despite difficulties in communications, there have been continuous reports of human rights violations in the rural areas. Most of the reports have come from the departments of the North, Centre, Artibonite and Grande-Anse. As in Port-au-Prince, human rights violations have included extrajudicial executions and arbitrary short-term arrests accompanied by torture and ill-treatment. Amnesty International has also noted with concern the rising numbers of incidents of ill-treatment and intimidation of the population by the security forces in the streets and in private homes. There have also been reports that violations have been committed by former *tonton macoutes* and former *Chefs de section*, rural police chiefs notorious for the abuses they committed against the rural poor under the Duvalier regimes and the regimes that followed. After President Aristide came to power, *chefs de section* were instructed to turn in their weapons and were placed under civilian authority as "*agents de police communale*". Some *chefs de section* well known for their violations of human rights were dismissed and others reportedly retired.

However, following the coup many *chefs de section* and their deputies returned to their former posts and have been reportedly responsible for many human rights abuses, including the extrajudicial execution of Senator Astrel Charles, the burning of the home of FNCD Deputy Jean Mandenave and the killing of two people and the arrest of 15 others in Rossignol, Artibonite reportedly constituents of FNCD Deputy Samuel Milord. Thirty houses were also reportedly burned in the occasion. Amnesty International also learned of the arrest of at least one rural police agent in late October or early November.

3.1 Killings in the countryside

On 2 October, seven people were reportedly shot and killed and seven others were wounded when soldiers opened fire on demonstrators marching in support of President Aristide, in the Artibonite town of Gonaives.

Frantz Moyiz, aged 26, unemployed, and Fred Chériska (alias T-Fred), aged 19, were both reportedly killed when the armed forces opened fire on the 2 October demonstration. Fred Chériska died on arrival at hospital. Elisyen Dazme, aged 33, and his cousin Jean-Pierre Dazme, aged 27, were also reportedly shot and killed by soldiers. Elisyen and Jean-Pierre Dazme were on their way to the hospital on a motorcycle to enquire about the fate of Fred Chériska, when soldiers opened fire, killing them both. Line Joseph, aged 39, was killed early on the morning of 2 October, in the Détour Laborde district of Gonaives, while on his way to a nearby factory to look for a job, when soldiers opened fire indiscriminately. Navwa Odena, aged 35, was killed by soldiers, in the Trou-Sablé district of Gonaives. He was reportedly shot after being intercepted on the street by soldiers. Farilien Predestin, aged 33, was shot in unknown circumstances, also on 2 October. Gérard Janit, aged 34, died of a heart attack in the Pont-Gaudin district of Gonaives, after the military began opening fire in the area and one of his young brothers, Makenzy Janit, was threatened and reportedly violently beaten by the army.

In early October, in Marécage, Department of the Centre, over 10 people were killed when a group of over 1,000 supporters of the previous *chef de section* of Marécage, including armed civilian agents of the police, attacked the town residents. Over 26 houses were ransacked and their contents destroyed or stolen. Many of the surviving residents were forced to flee the area.

Régé Vorbé, age 45, was reportedly wounded by members of the armed forces on 19 October 1991 in the town of Petit-Goâve. He was subsequently taken to the hospital for treatment. The soldiers reportedly traced him to the hospital and killed him.

The climate of fear and repression being felt by the population is clearly shown by the report on the death of a young woman known as Antoune in Bonneau, North Department, on 18 December. Antoune, the mother of a 7-month old baby, was among a crowd celebrating the arrival of oil in Bonneau. However, a military informer told a soldier that the people were demonstrating in favour of President Aristide. The soldier immediately arrived on the spot and shot at the celebrators. Antoune was hit by a bullet and cried for help. The soldier, however, prevented anyone from assisting her, and allegedly threatened to shoot some nurses who wanted to help her.

3.2 Arbitrary arrest, torture and ill-treatment

In Saint Marc, Artibonite Department, seven people were reportedly arbitrarily arrested in the days immediately following the coup on 30 September 1991. One of those arrested, Sèn Siyis, was released nine days after being detained by soldiers. He had reportedly gone to the military to collect his bicycle, that had been taken from him by soldiers during the curfew imposed in the area. The local judge refused to intervene in the case and the military allegedly demanded $5,000 (One Haitian dollar is equivalent to 5.00 *gourdes*. The official rate for the US dollar is 7.00 *gourdes*) for his release. They finally agreed to accept $3,000 for his release. He was finally released on 7 October reportedly after paying $2,000, and has been given until 7 January 1992 to pay the remaining $1,000.

Seven people were wounded by gunfire when soldiers opened fire on 2 October on demonstrators marching in support of President Aristide in Gonaives. Among those people wounded were 11-year-old Garina Sainfort and 16-year-old William Pierre. Three other people wounded were aged 18. In Gonaives alone, 55 people were reported having been beaten by the security forces or by civilians acting apparently with their connivance in the period from 1 to 19 October. The victims include men, women and children. Soldiers reportedly beat victims with clubs, sticks, iron bars and the rifle butts. Several victims were hospitalized as a result of the beatings and blows received—many suffered fractures to limbs, including arms and legs and ribs. Several others received blows to the head, face and back. In one reported case a soldier beat a man, whose surname is Tazen, on the corner of Indépendence Street and Egalité Street in the district of Anba Pointe, Gonaives, after he found him listening to Radio "Voice of America".

Venès Cado, a resident of Marécage, was reportedly arrested between 9 and 11 October during the killings of over 10 people there. He was taken to the prison in Hinche, the capital of the Centre Department, where he was reportedly very badly tortured. He was subsequently released, but was reported to be seriously ill as a result of the torture he was subjected to.

In Jérémie, department of Grand-Anse, several people were reportedly arrested in the week of 14 October 1991. All were arrested allegedly for being in possession of clandestine newspapers, being circulated among the population as a result of the closure of many newspapers and radio stations. They were reportedly held at the prison in Jérémie.

Paul Laroche, a 33-year-old teacher of literacy was arrested by soldiers on the evening of 15 October 1991 in Port-au-Prince and taken to the *Service d'investigation et de recherches Anti-Gang*. He is reported to have been severely beaten and tortured and on 17 October was taken to the state hospital for treatment, bleeding from his right ear and sub-conjunctival hemorrhages in both eyes. The right side of his face and both buttocks were swollen from beatings and his abdomen was distended due to intestinal perforations sustained during torture. After five weeks in hospital, Paul Laroche was returned to the National Penitentiary in very poor health, where he was held until his release on 13 December. An international human rights delegation which visited Haiti in early December reported seeing Paul Laroche in very poor health, chained to his bed at the infirmary of the National Penitentiary. They reported that Paul Laroche was now deaf in his right ear as a result of the beatings he was subjected to, and had lost some visual capacity in his right eye. He was also said to be unable to walk unsupported.

Smith Joseph, aged 29, and a father of three children was reportedly arrested by a group of 6 soldiers in a white jeep, on 16 October in Gonaives, accused of speaking against the army. He was held for three days in prison, during which time he was beaten. He received blows to his right ear, his right eye and his left wrist. He was released without charge.

Eveillard Premilus, the communal police agent of Verrettes Artibonite Department, was arrested in late October by order the local military commander and sent to Saint-Marc prison. According to reports, the former rural *chef de section*, now returned to the area, had stated that Eveillard Premilus should be killed so that the dogs could eat his remains, because he had allowed people to demonstrate for the return of President Aristide.

Patrick Frantz Beauchard and his brother-in-law, Saurel Gomez, were arrested on Saturday 2 November 1991 in Hinche, in Haiti's Central Department, and were detained at the military barracks there. Patrick Beauchard was subsequently transferred to the National Penitentiary in Port-au-Prince but later released. No new information on the whereabouts of Saurel Gomez has been received. No information as to the reasons for their arrest was given by the authorities, and sources in Haiti believe they have been arrested solely on account of their support for deposed President Jean-Bertrand Aristide, or as a revenge against Patrick Beauchard's alleged earlier participation in a failed coup against President Avril.

Patrick Beauchard, a former sergeant in the Presidential Guard *Forces Armées d'Haiti* (FAd'H), Haitian Armed Forces, had supported the coup led by General Prosper Avril in September 1988. After the coup, however, he and a group of soldiers continued to make demands for radical changes both in the armed forces and in government administration, and were arrested a month later on the grounds that they were preparing a further coup. They were released without charges in December 1988 but were dismissed from the army. Patrick Beauchard and some of the soldiers arrested subsequently formed the *Organisation Populaire 17 Septembre* (OP–17), of which he became a leader. In December 1989 Patrick Beauchard was arrested a second time and accused of plotting against the security of the State. Another OP–17 leader, Marino Etienne, together with political opponent Evans Paul and trade unionist Jean-Auguste Meyzieux had been arrested one month earlier on the same charges. Upon arrest, the four men were severely ill-treated and required treatment abroad. The four were released as a result of an amnesty in February 1990.

Several arrests were reported in Hinche between 1 and 4 November. One of those arrested was Jaquelin Kebreru, a judge nominated by the government of President Aristide. The same judge worked with the Justice & Peace Commission of the Roman Catholic Church in Hinche. He was subsequently released.

At least four people were reportedly arrested by the Security forces in Darbonne, in the district of Léogane, West Department, during the week of 10 November. The arrests were carried out at night, without a warrant. None of those detained was reportedly brought before a tribunal. Relatives were refused access to the prisoners and those arrested were reportedly beaten by the security forces. In some cases the prisoners were released only when relatives have agreed to pay sums of money—in one case reported to the organization relatives were asked to pay $300. Many of those imprisoned were allegedly arrested after being identified by paid army informers as having allegedly been involved in the destruction of the police post in Darbonne on 30 September, the day the coup took place. These informers were reportedly paid for every person they identified.

François Destin, 24, a member of the Association of Youth for the Lithurgy, (Association des jeunes pour la liturgie) was reportedly arrested without a warrant on 10 November, as he was going to his field, in Ravine Achen, Artibonite. He remained in detention for a week in Verrettes, where he was tortured with the "djak" method, by which a baton is wedged under the thighs and over the arms of the victim who is then repeatedly beaten all over the body in different positions. On 17 November, he was transferred to St. Marc prison, and was released in early December.

On 15 November a group of armed civilians working in conjunction with the armed forces, reportedly arrested Leridor Simon and Anelo Paul in Marécage, Thomonde, in Centre department. Both men had been in hiding since the reported killings in Marécage in October. Both men were reportedly beaten upon arrest. Ophlène Sortilus, was also reportedly arrested and beaten. She was subsequently released after she was forced to pay $50.

On 1 December, an old woman known as Dieula was reportedly arrested in the area of Charrier, first communal section of Verrettes, Artibonite Department. She had reportedly been watching the military go into the area several times looking for communal leaders and threatening and harassing the local population, and said: "When are all these things going to finish?" She was released the next day, against payment of a "large sum" of money.

On 15 December in Arcahaie, Artibonite, tens of people were reportedly arrested. Among those arrested were Justice of the Peace Pierre Charles Douzé and supporters of President Aristide. In one reported case, the military severely beat the aunt of one of those they were seeking, as he was not at his house when they arrived looking for him.

On 6 January Dieulemè Jean-Baptiste, 32, a KONAKOM militant and a member of the *Comité Central pour les Droits Humains et le Développement des Paysans*, Central Council for the Human Rights and Development of Peasants, was reportedly arrested in Liancourt, Artibonite. The reasons for his arrest were not disclosed. He was taken to the military barracks in Verrettes and reportedly severely tortured. His wife, Suzanna Janack, a member of the same committee, who was six months pregnant at the time of Dieulemè Jean-Baptiste's arrest and reportedly looked for by the military, went into hiding. Dieluenè Jean Baptiste was released two days later, and had to be hospitalized due to the severe treatment he was subjected to.

Also on 6 January, several people were reportedly beaten by soldiers in Bizoton, as a result of a dispute between a woman and a man courting her. Accounts of the incident indicated that the woman slapped the man in the face, ignoring that he was a soldier. The man then went to look for military reinforcement and went back to have his revenge. Soldiers sprayed with gunfire the house where they thought the woman had taken refuge, and coerced the local residents to disclose her whereabouts. Bizoton residents have reportedly been the object of severe intimidation by the local military, who have reportedly publicly stated that they are going to "finish with the local people" ("ils vont en finir avec les gens du coin").

4. HUMAN RIGHTS VIOLATIONS AGAINST JOURNALISTS

Since the beginning of the coup, the news media have been consistently targeted by the security forces. Despite public assurances that freedom of expression would be guaranteed, Amnesty International has learned of numerous incidents of journalists and others working in the Haitian news media being singled out as targets for human rights violations, including extrajudicial execution, arbitrary arrest and ill-treatment. On 30 September, many radio stations, which are the main sources of information in Haiti, were closed down or placed under military control. The offices and equipment of many of these stations were destroyed or damaged. Other stations simply stopped broadcasting because they feared reprisals from the security forces. Only those radio stations under government control are now permitted to broadcast inside the country. People found listening to foreign broadcasters, including Radio France Internationale; the Voice of America, which transmits in Creôle from the United States; and Radio Enriquillo, a Roman Catholic radio station operating from the Dominican Republic, have been arrested and beaten by the security forces. Journalists found in possession of clandestine information sheets, which are being disseminated throughout the country, were also targeted by the security forces. National and foreign correspondents have reportedly suffered intimidation by the security forces; many have had cameras, film or notes destroyed or confiscated, and some have been threatened.

Immediately following the coup several radio stations, includng *Radio Haiti International, Radio Cacique and Radio Caraibe* were attacked by soldiers in order to force them to stop broadcasting. Printing equipment was stolen, or destroyed. On Friday 4 October soldiers reportedly attacked *Radio Lumière*, and five staff members were wounded as a result of the attack. In Jérémie, Grand-Anse department, soldiers destroyed the radio transmitter belonging to the Tèt Ansanm (Heads Together) radio station (belonging to the Roman Catholic church). The staff of the station reported being threatened by soldiers.

Radio Nationale director Michel Favard was arrested by soldiers on 29 September, after a broadcast warning of the military coup. The soldiers burst into the radio, demanding to know the sources of Michel Favard's information. He was subsequently released.

Jacques Gary Siméon, known as Jacky Caraibe, a journalist and director of *Radio Caraibe*, was taken away on Monday 30 September, after a group of soldiers arrived at his home, severely beat him in the presence of his family, and took him away to an unknown destination. His dead body was later found in the Delmas 31 district of Port-au-Prince, bearing apparent marks of severe torture. According to information received by Amnesty International, his eyes had been gouged out and his teeth knocked in.

In the first weeks after the coup, Amnesty International also received reports that several newspaper vendors who were attempting to sell opposition newspapers were shot at by members of the armed forces in Port-au-Prince. It is not known if any were hurt. In Delmas 2, a district of Port-au-Prince, a group of 26 people were reportedly listening to the foreign radio station *Voice of America* when a group of soldiers fired on the group, killing three; many in the group were beaten, and several others arrested and severely beaten in custody. In the countryside, five people were reportedly beaten and arrested by soldiers in early October in Desdunes, Artibonite, after they were found listening to foreign radio stations. All the detainees were taken to the Saint Marc prison. At least one of the detainees, identified as Dieufaite Chérilus, was subsequently released.

Jean-Mario Paul, a journalist with the privately-owned *Radio Antilles Internationale* in Petit-Goâve, South-east department, was reportedly arrested in Port-au-Prince on 9 November 1991 by seven armed men in civilian clothes and a member of the police in uniform. Jean-Mario Paul was severely tortured in custody after being transferred from Port-au-Prince where he was arrested to Petit Goâve, South-east department. Soldiers put him in the "toad" position (*le crapaud*), in which a victim's neck is tied to his legs and he is beaten on the back and buttocks for long periods of time. On 10 December, over one month after his detention, he was reportedly transferred to Petit-Goâve Hospital as he was seriously ill and in need of urgent medical attention as a result of the torture he has been subjected to at the hands of the armed forces. However, on 16 December, he was returned to Petit-Goâve prison, allegedly for reasons of security. Jean-Mario Paul was readmitted to hospital over the Christmas period again in need of urgent medical attention. At the time of writing Jean-Mario Paul was once again back at Petit-Goâve prison and is reported to be in a stable physical condition.

Jean-Mario Paul has been charged with burning down a police precinct and a courthouse and "disarming" a policeman in Grand-Goâve, a town near Petit-Goâve. *Radio Antilles Internationale*, however, maintains that Jean-Mario Paul was, at the time of the incident, carrying out his legitimate work as a radio journalist. The home of Jean-Mario Paul in Petit Goâve had been attacked and burned in the wake of the coup on 30 September 1991. Jean-Mario Paul, a supporter of President Jean-Bertrand Aristide, had fled the area following the attack on his home, and had gone to Port-au-Prince.

Nicolas Sorenville from *Radio Nationale* (National Radio) was arrested, along with Marcel Beaublanc, a journalist with Radio Plus, in Mirebalais, Central department by soldiers on 8 November 1991. Both men were taken to the (military barracks) in Hinche, capital of Central department, but were subsequently released.

Claudy Vilmé, a photographer with the Haitian magazine *Haiti-Relais*, was reportedly arrested in mid-November 1991 by four men dressed in civilian clothes presumed to be soldiers, who forced him into their vehicle, which carried no license plates. He was beaten and threatened and asked for the address of journalist Clarence Renois of *Radio Métropole*. His photographic equipment was also destroyed by the men. He was released later that day.

On 10 December 1991 Félix Lamy, the Director of *Radio Galaxie*, was abducted when seven unidentified men who forcibly entered the radio premises, damaged equipment and took him away to an unknown destination after he broadcast a story filed days earlier by journalist Ives-Marie Chanel, who also works with the Inter Press Service Third World News Agency (IPS), about a possible rebellion within the armed forces. Both *Radio Galaxie* and *Radio Tropiques FM* used the story on their radios. The following day, the Assistant Director and two journalists from Tropiques FM were reported summoned to Police headquarters and questioned about the source of the broadcast. Ives-Marie Chanel went into hiding following reports that he was being sought by the army.

A delegation of Americas Watch, the National Coalition for Haitian Refugees and Physicians for Human Rights which visited Haiti in early December 1991, reported the names of other journalists arrested since the coup. The list included Hérald Gabliste and Jean-Pierre Louis of *Radio Antilles Internationale*; Lucianna Giani, an Italian freelance journalist; Frére Roday; Philiare from *Radio Cacique;* Miché Sully of *Radio Galaxie;* Fernand Billion of *Radio Soleil*; Masner Beauplan of *Collectif Kiseya* in Hinche, Central department; and Jean-Robert Philippe of *Voice of America*. Other journalists physically assaulted and threatened by the security forces include Thony Belizaire of *Agence France Presse*; Sony Bastien and Lilianne Pierre Paul of *Collectif Kiskeya*; Jean-Laurent Nelson of *Radio Plus* and a member of the Association of Haitian Journalists; Edwige Balutansky of *Reuters*, and Marcel Dandin of *Radio Haiti-Inter*.

5. HUMAN RIGHTS VIOLATIONS AGAINST TRADE UNIONISTS AND MEMBERS OF GRASSROOTS ORGANIZATIONS

Popular organizations have been particularly targeted for repression by the security forces and their civilian counterparts. These have included trades unions, grassroots and peasant organizations, women's groups and literacy organizations, all of which have been virtually paralyzed since the coup. Most of their members have been forced into hiding as a result of a systematic campaign of violence unleashed against them; others have been arrested and ill-treated. The offices of many such groups have been ransacked and their files and equipment looted or destroyed.

Uniformed members of the armed forces arrested various members of the *Association des Moniteurs d'Alphabetisation* (AMAP), Association of Literacy Teachers between 15 and 16 October in the districts of Carrefour Feuilles and Delmas, Port-au-Prince. Reports have also been received that members of *Kay Fanm*, a women's group, were also arrested in the Cité Soleil district of Port-au-Prince around the same time. Families have reportedly been denied on the whereabouts of their relatives. A few days later, members of the *Association des Mouvements d'Organisations Populaires* (AMOP), Association of Popular Organization Movements, were reportedly arrested in the Carrefour district of Port-au-Prince.

On 20 October 1991, Joseph Manucy Pierre, a leader of *Centrale Autonome des Travailleurs Haitiens* (CATH). Autonomous Centre of Haitian Workers, was arrested without a warrant at his home in Port-au-Prince by a group of soldiers, and accused of illegal possession of a firearm. Relatives report that his house was searched, but deny the accusation stating that nothing was found during the search. Joseph Manucy Pierre was held at the National Penitentiary, before being released without charge on 24 October.

At 5:00 am on 21 October 1991, Lutèce Marius and approximately ten other peasants were arrested in Bocozelle, Artibonite Department, by members of the armed forces. According to several peasants who managed to flee the area and avoid arrest, soldiers entered the house of Lutèce Marius and the homes of 10 others and took them away without a warrant. Lutèce Marius as well as the others arrested are all members of the *Groupe de Défense des Planteurs de l'Artibonite* (Planters' Defence Group of Artibonite), a peasant land reform pressure group. They are also supporters of President Jean-Bertrand Aristide. Approximate two weeks prior to his detention of 21 October, Lutèce Marius had been briefly detained.

Other peasant groups as well as grassroots organizations who were supporters of President Jean-Bertrand Aristide have reportedly been the object of harassment since the beginning of the coup. The offices of the *Mouvement Paysan de Papaye* (MPP), Papaye Peasant Movement were attacked and ransacked by soldiers. The MPP has been a long-term target of human rights violations by the armed forces under previous military regimes in Haiti. The leadership of the MPP has reported that soldiers from Hinche, capital of the Central Department, were drafted into Papaye to seek out the entire leadership of the MPP, including its president, Chavannes Jean-Baptiste, Vilga Jacques, Moy Alvarez, Jean Enihol Casimir. On 16 October MPP member Aldajuste Pierre, president of Kosmika, an MPP cooperative, was arrested by soldiers in Hinche. He was reportedly very badly beaten, and was subsequently transferred to the military hospital in Hinche, with blood in his urine. Another leader of the MPP, Dr. Dieudonne Jean Baptiste, the brother of MPP's president Chavannes Jean Baptiste, was arrested by police in Port-au-Prince on 17 December 1991. He was subsequently released. Ten days earlier soldiers had ransacked the home of Chavannes Jean Baptiste, only one week after the home of two Belgian *coopérants* (voluntary workers), working with the MPP, was also ransacked by soldiers.

On 15 November a group of over 30 soldiers searched the premises of the *Mouvement Paysan Soleil Leve* (Soleil Leve Peasant Movement) in Jérémie, Grand-Anse department. They said they were looking for arms. They returned the following day, 16 November and arrested Fleurant Robert, a leader and spokesperson for the Movement, which has publicly expressed its opposition to the coup.

Also in November, the House of Fadine Jeanty, a member of the peasant development organization *Tèt Kolle*, another long-term target or human rights violations, was ransacked on 10 November, She, as well as other members of *Tèt Kolle*, have reportedly gone into hiding.

Two trade unionists, Abel Pointdujour and Evans Fortuné, belonging to the *Syndicat d'Electricité d'Haiti* (Electrical Workers' Union of Haiti), were arrested on 17 December 1991 in Port-au-Prince, while trying to negotiate payment for electrical workers who had dismissed since the coup. They were subsequently released. Duckens Rafaël, the General Secretary of the Electrical Workers' Union has gong into hiding after his name appeared on a list of trade unionists and other grassroots leaders, reportedly being sought by the armed forces.

6. TARGETING OF HUMAN RIGHTS MONITORS

On 12 October, the house of human rights lawyer Jean-Claude Nord, Secretary General of the *Ligue des Droits de l'Homme*, (Human Rights League), was searched by members of the armed forces. Jean-Claude Nord was subsequently arrested and then released without an explanation.

Maria Térentia Dehoux, a human rights activist formerly working with CHADEL, whose Executive Director is the present Provisional Prime Minister of Haiti, Jean-Jacques Honorat, was arrested in Port-au-Prince on 30 October 1991. She was reportedly taken by soldiers to the National Penitentiary, where she was held for several hours, accused of belonging to an illegal political movement. She was, however, released without charge the same day. Maria Térentia Dehoux had been wounded in September 1988 during an attack on the parish church of President Artistide in Saint Jean Bosco, a poor area in Port-au-Prince.

Virginie Sénatus, responsible for the *section féminine* (women's section) of the *Centre Lafontant Joseph de Promotion des Droits Humains* (Lafontant Joseph Centre for the Promotion of Human Rights), was arrested during a student gathering at the *Université d'Etat d'Haiti* (Haiti State University) in Port-au-Prince on 12 November 1991. She was subsequently released. (See Section 7, Human rights violations against students).

On the evening of 12 November, armed civilians and uniformed members of the armed forces went to the home of the head of Publications of the Joseph Lafontant Centre for the Promotion of Human Rights, Loby Gratia, enquiring about his whereabouts and the whereabouts of Raynand Pierre, the Executive Director as well as other members of the Centre. According to his wife, who answered the door, the men had a list of people they were looking for. Neither of those sought were at the house and those looking for them left, only to return the following morning, 13 November. Raynand Pierre reported to Amnesty International that he had been warned by friends the week before not to go out on the street too frequently. The Centre Lafontant Joseph for the Promotion of Human Rights has been very active in denouncing the wide ranging human rights violations that have occurred in Haiti since the military coup. He and other members of the Centre Lafontant Joseph went into hiding after the incidents of 12 and 13 November.

Amnesty International also learned that the offices of the *Centre Oecuménique des Droits de l'Homme*, (Ecumenical Centre for Human Rights) were ransacked on the night of 18 November.

7. HUMAN RIGHTS VIOLATIONS AGAINST STUDENTS

On 12 November, students belonging to the *Fédération Nationale des Etudiants Haitiens* (FENEH), National Federation of Haitian Students, gathered at the university campus outside the Faculty of Science of the State University of Haiti, for a meeting, a press conference and to demonstrate support of the return of President Jean-Bertrand Aristide. As they were chanting slogans and clapping hands, joined by local residents, troops stormed into the campus, beating students and chasing foreign journalists away.

Many students ran for safety into the Faculty of Science building. Eyewitnesses have stated that uniformed and armed civilians then started throwing stones at the building before they broke in, reportedly causing severe damage to university facilities and equipment. The students inside were reportedly brutally beaten with batons and rifle butts. Well over 100 students were subsequently arrested, along with several journalists, including an Italian journalist, Lucianna Gianni.

Military trucks reportedly took a group of the arrested students and journalists to the *Service d'Investigation et de recherches Anti-Gang*, while another group, numbering approximately 50, was taken to the National Penitentiary. Those students held at the Anti-Gang Investigation Service were also later taken to the National Penitentiary. The journalists were reportedly released shortly after arrest, as were apparently some of the students. According to the testimony given to a foreign delegation[2] by several students held at the National Penitentiary, they were questioned by the wife of de facto Prime Minister Jean-Jacques Honorat, who runs a prison visiting service, CAPOC, and promised they would be released if they agreed to give statements for her radio program that they had not been ill-treated. The students were not, however, reportedly allowed visits by family or lawyers.

On 14 November the *doyen* (president) of Port-au-Prince civil court declared the students' arrest illegal and ordered their immediate release. However, police at the Anti-Gang Investigation service refused to release them saying that it was up to the police to release the students, since it was them who had arrested the students. Most of the students were released from one to two weeks later. However, according to reports, some 30 students still remained in detention by mid-January.

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[2] See *Return to the Darkest Days—Human Rights in Haiti since the coup*, by Americas Watch, National Coalition for Haitian Refugees and Physicians for Human Rights, December 1991, p. 9.

One student released reported being beaten with batons by a cordon of soldiers on entering the *Service d'Investigation et de recherches Anti-Gang*. "*A l'Anti-Gang, deux rangées de militaires nous attendaient; ils nos ont frappés avec des bâtons, sur les dos, le thorax, les reins et le visage. . . J'ai reçu 3 coups depoing . . .*" ("At Anti-gang, two lines of soldiers were waiting for us; they beat us with their batons on the back, thorax, kidneys and face. . . I received three punches . . .") The same student said that on arrival at the National Penitentiary they were again forced to go through lines of soldiers "*il y avait encore deux rangées d'hommes qui étaient là pour nous frapper, alors qu'un autre nous maintenait par le collet et nous forçait à avancer lentement afin que nous puissions recevoir plus de coups. A ce moment, j'ai failli perdre connaissance tellement on m'avait frappé.*" ("there were still two lines of soldiers who were there to beat us, as well as a third to hold us by the collar to force us to proceed more slowly, so that we would receive more blows. At that moment I lost consciousness, I was beaten so badly.") A female student had her arm broken as a result of beatings she received.

Another student held prisoner at the National Penitentiary reported being singled out for beating by a soldier who beat him about his stomach and his head. His left eye was reportedly injured, as was his jaw. Released students reported that the physical condition of some of their fellow students was worse than their own, some of them having infected wounds. The students did not receive any care during the nine days they were in detention.

8. CHILDREN AS VICTIMS OF WIDESPREAD ABUSE

Children have not been spared the violence that followed the coup and they can be counted among the hundreds of victims of extrajudicial execution, arbitrary arrests and ill-treatment. At least 25 children have been arrested since 30 September, and there have been numerous reports of children having been beaten by the security forces on the look out for their relatives or others. Institutions working on behalf of street children have also been targeted.

On 1 October, 17-year-old Jacques Séus Jean-Gilles was reportedly killed and five other people wounded in an attack by the security forces on the premises of Father Aristide's orphanage for street boys, *Lafanmi Selavi*. Another 17-year-old child, was reported killed on 2 October together with over 30 others, in Lamentin 54. On 30 November, five-year-old Farah Michel was reportedly extrajudicially executed by a police officer in the Cité Soleil district of Port-au-Prince.

On 2 November, 16-year-old Napoléon Saint Fleur, unable to prevent some military agents from ill-treating his mother in Cap Haitien, shouted "*A bas l'armée! Vive Aristide!*" ("Down with the Army! Long Live Aristide!"). The military reportedly beat him severely, and took him away. Prisoners released from Cap Haitien prison reported the case of a youth who was severely tortured, and human rights workers feared it could have been Napoléon Saint Fleur.

Two girls were also arrested with the over 100 students arrested on 12 November in Port-au-Prince. Fourteen-year-old Mama and 16-year-old Marjorie Garre were arrested, severely ill-treated and held for several days at the National Penitentiary in Port-au-Prince. Also on 12 November, a 13-year-old boy was arrested with 20 adults after a mass in the memory of the victims of the repression following the coup outside the church of St-Gérard in Port-au-Prince. The child was severely beaten by policemen from the 4th Police Company, and he was saved from execution by shooting only after he had been lined up against a wall with the other 20, who were all killed. The child was taken back to the police station, where he was beaten again, and only released after his mother agreed to pay $60.00. Another young boy was reportedly beaten outside St-Gérard church on 18 December after a group of about 20 uniformed military and civilians forcefully entered the presbytery of St-Gérard and tried unsuccessfully to get the priest out of the church.

On 24 November, Judith Larochelle, 14, was reportedly arrested in Port-au-Prince near the quai where boats leave for Jérémie. She was arrested as soldiers were looking for her cousin, whom the army had accused of stealing $15.00, and whom they could not find.

In late November, the premises of the *Centre d'Education Populaire* (CEP), Centre for Popular Education, an organization that provides for street children and youths, was ransacked and much of its equipment destroyed. A young boy was arrested in Pignon, North Department, in early December, reportedly because he stopped to look at a picture of President Aristide on a church wall. He was surprised by soldiers who told him off for looking at the picture, and then accused him of sticking it himself. The child was severely beaten, as the military tried to force him to take the picture off, which the child could not do because he was too small to reach it. He was eventually released after several hours in prison.

In mid-December, Amnesty International learned that about 20 street boys aged between 10 and 15 years were being detained at the National Penitentiary among the adult population. They had reportedly been arrested by the security forces because they were "children of Aristide", meaning that they belonged or that they were thought to belong to *Lafanmi Selavi*. Prison conditions at the National Penitentiary have for years been extremely hard, and many inmates have been in ill-health as a result of malnutrition, poor hygiene and lack of medical treatment. In the past three months, conditions at the National Penitentiary have reportedly deteriorated even further.

Around that same time, a soldier entered the house of a woman in her 60s in Bolosse-Martissant, Port-au-Prince. The woman was getting ready to leave for the provinces with her daughters and granddaughters, her family having been the object of repression since 30 September. As the woman was not present at the time, the soldier beat the young girls and searched the house, claiming that he was looking for the woman's son. As the woman was going back to the house, she saw the soldier in the house and ran away. The soldier followed her and beat her badly. She reportedly was bleeding profusely from the face. The soldier then dragged her on the street. He reportedly let her go only after the local people collected $20.00 and gave them to him. Other reports of children beaten by soldiers have been received by Amnesty International.

9. WOMEN

Amnesty International has also learned that several young women, one as young as 14, were raped by the military, particularly in the first days of the coup. According to local human rights groups, most of the rapes have not been reported, and that even in reported cases the victims have requested their identities to be kept secret. According to press reports, several Dominican women working at a bar in Port-au-Prince said in a television interview in Dominican TV that they had been raped and beaten by soldiers. One of the women, who identified herself as Milly Felipe Hernández, said she had been gang-raped by 15 soldiers, and that she watched as her friend was killed when she tried to telephone relatives for help. The women were reportedly escorted back to the Dominican Republic by Dominican diplomats.

10. SITUATION OF HAITIAN ASYLUM-SEEKERS

Since the coup of 30 September 1991, thousands of people have fled from Haiti. It is estimated that tens of thousands have gone overland to neighboring Dominican Republic. Others have left the country by boat, some 1,500 landing in Cuba, but many more apparently intending to seek protection in the United States. By the end of 1991, over 8,000 Haitian asylum-seekers have been intercepted by US Coast Guard ships before reaching US territorial waters. In November the US Government asked other countries in Latin America and the Caribbean to accept Haitian asylum-seekers, and Honduras, Venezuela, Belize, and Trinidad and Tobago each agreed to grant some temporary refuge to some of the asylum-seekers. The others who have been intercepted by US Coast Guard ships are interviewed by the US authorities to assess whether they are likely to have a claim for asylum in the US.

On 18–19 November the US authorities returned over 500 asylum-seekers against their will to Haiti. In a statement on 18 November the US State Department announced that only those who may be able to qualify for asylum would be allowed to proceed to the US to lodge an asylum claim, and that about 50 such people had so far been identified; the others, apart from those who had been granted temporary refuge by other countries in the region, would be returned to Haiti. The statement added that the US Government did not believe the asylum-seekers sent back to Haiti would face persecution there. On 19 November a Federal Court in Miami issued an order temporarily prohibiting the US authorities from returning any more asylum-seekers to Haiti pending further examination of the issue. The US Government appealed the decision, but a series of court rulings further prevented the US Government from forcibly returning any Haitian asylum-seekers who have been intercepted at sea. The government's appeal against these rulings was apparently due to be heard on 22 January 1992. Depending on the outcome of the hearing, the US authorities may start returning the Haitian asylum-seekers immediately. Over 1,600 of the Haitians intercepted by the US authorities have been "screened in"and will allowed to proceed to the US to lodge an asylum claim. However, Amnesty International is concerned that the US authorities have not given Haitian asylum-seekers a full and fair examination of their reasons for fearing to return there, and that therefore those returned could include many people who would be at risk of serious human rights violations in Haiti.

Article 33 of the United Nations Convention relating to the Status of Refugees, which is binding on the US, prohibits *refoulement*—the forcible return of any person to a country where they risk serious human rights violations. In order to ensure that such people are property identified and given effective protection from such forcible return, it is essential that the US Government grants all asylum-seekers access to a full and fair procedure for determining the merits of their asylum claims. Amnesty

International is concerned that the US Government has not given any such opportunity to the Haitian asylum-seekers currently wishing to seek protection in the United States. They are "screened" as Guantanámo, the US naval base in Cuba, in order to ascertain whether they are likely to have a claim for asylum and so may be allowed to proceed to the United States to lodge their asylum claim; others are liable to be returned to Haiti. But this screening procedure lacks certain essential safeguards which must be allowed to asylum-seekers and which are required by international standards. These essential safeguards include the right of every asylum-seeker to appropriate legal advice and, if their application for asylum is rejected, the right to have an effective review of their case before being expelled from the country where they seek asylum.

Since September 1981 a bilateral agreement between the governments of the US and Haiti has permitted the US authorities to intercept outside territorial waters those Haitians travelling to the US and to return them to Haiti. The US Government contends that under this arrangement no one is sent back who may have a legitimate claim to refugee status. However, of the more than 20,000 Haitians interviewed at sea in the ten years from September 1981 to September 1991, only about 30 were permitted entry to the US to pursue their asylum claim.

The US State Department maintains that the asylum-seekers sent back to Haiti would not face persecution there, and that "there is no indication that persons returned by the US under the interdiction programme are detained or subject to punishment". However, Amnesty International is seriously concerned that those who have tried to leave the country following the coup could be perceived as government opponents and, as such, become targets for abuses perpetrated by the security forces and armed civilians acting with them. Indeed, in past years, Amnesty International knew of several cases where asylum-seekers who had been refused asylum in the United States and returned to Haiti were imprisoned and in some cases ill-treated on their return, and has evidence that many Haitians deported from the US after having completed criminal sentences there have been imprisoned in Haiti for months without any legal basis for their detention. Amnesty International therefore believes that large numbers of those who have fled Haiti in recent weeks could indeed be at risk of serious human rights violations if returned there.

Amnesty International's concern on this point is heightened by a report that on the morning of 15 November 1991 a group of Haitian military officers, some uniformed and some in plain clothes, arrested several young men in the poor district of Cite Soleil, in Port-au-Prince, whom they suspected of preparing to leave the country. The youths were reportedly severely beaten in full view of Cité Soleil residents and were forced to identify the houses of other youths who were thought to be getting ready to leave. About 40 youths were taken away, and their current whereabouts are not known. In late December a group of people preparing to board a "canter" (one of the vessels in which Haitians undertake the sea journey to the US) were severely beaten and some were arrested in Montrouis, Artibonite department.

Amnesty International has been unable to assess the present situation of those asylum-seekers that have returned to Haiti. It has been reported that they are being placed under the care of the Haitian Red Cross upon arrival, and from there sent back to their villages. However, difficulties in communication—most of the refugees come from La Gonâve island or areas in the North-West where communication has been the most difficult—and information gathering, and the ongoing repression in the countryside, no news has emerged as to their present situation and Amnesty International is concerned that it may be virtually impossible to monitor their situation. However, Amnesty International views with concern the report that 73 Haitians returned reportedly voluntarily from Venezuela on 3 December were thoroughly questioned and searched. They were reportedly taken to the police headquarters, where they were fingerprinted and photographed.

In late December Amnesty International requested permission to visit the base at Guantánamo to interview Haitian asylum-seekers and to assess the screening procedures used there, but the request was refused by the US authorities. At the time of writing, the organization was awaiting a reply to its request for reconsideration of the refusal.

[From the Washington Post, Feb. 5, 1992]

U.S. PLANS TO EASE EMBARGO ON HAITI—OAS CHIEF EXPRESSES CAUTION

(By Al Kamen and John M. Goshko)

The Bush administration said yesterday it plans to ease the trade embargo against Haiti, taking pains to portray the move as neither breaking ranks with the hemisphere's other democracies nor undermining efforts to restore civilian rule to Haiti.

Nevertheless, diplomatic sources and some U.S. officials said that Joao Baena Soares, secretary general of the 34-nation Organization of American States, was not happy about the U.S. decision. The OAS voted the embargo last fall after Haitian president Jean-Bertrand Aristide was ousted in a military coup.

In Haiti, diplomats and local observers said the move almost surely will be seen as a signal that the United States has given up hope of restoring democracy there.

Senior U.S. officials said last night that after U.S. Ambassador Luigi Einaudi reported to the OAS Council, Baena Soares expressed understanding for the U.S. position.

However, in a telephone interview, the secretary general took a cautious and equivocal attitude. "The [embargo] resolution is an exhortation to the members, and it is up to the members to decide unilaterally if they will implement it," he said.

"Therefore, I will not comment on any measures or any position taken by the U.S. government," he said. But he added: "To change the multilateral recommendation, in my view, we should have some real progress in the implementation of the resolutions [imposing the embargo and calling for Aristide's restoration]." Asked if that implied disapproval of the U.S. move, he said, "I will not comment further."

State Department officials said the U.S. action is only what they called "a fine-tuning" of the embargo and is aimed at relieving hardships on Haiti's impoverished workers.

Department spokesman Margaret Tutwiler said the embargo would be lifted selectively on U.S.-owned assembly plants, which put together such items as baseballs and handbags and which employed about 40,000 people before the Sept. 30 coup. How many are attempting to do business now is unclear.

The decision to lift the embargo on "assembly" industries has been under consideration for some time, U.S. officials said, because of concern that it is harming poor workers, fueling the exodus of Haitian boat people trying to get to the United States and having no effect on the island republic's military rulers.

But some OAS diplomatic sources and refugee advocates said they feared the decision would be seen as U.S. acceptance of the military junta and would make it harder for the OAS to negotiate a compromise that restores Aristide to office.

"As the major influence in Haitian politics, the United States is simply sending the wrong signal to the Haitian military," said Jocelyn McCalla, director of the National Coalition for Haitian Refugees in New York.

U.S. officials said the decision was what Tutwiler called a "retargetting" or "fine-tuning" of the embargo, not a weakening. She noted the administration is still trying to identify individual Haitians who may be assisting the coup so that U.S. measures may be used to pressure them directly—such as by blocking their assets in the United States and prohibiting U.S. citizens from financial dealings with them.

"It was never our intention to destroy the Haitian economy," a State Department official said. "And this is not a case of our being at the beck-and-call of American companies. They made their opposition [to the embargo] known from the very beginning and if that had been the deteming factor, we would not have had an embargo in the first place."

Support for the administration's move came from Rep. Robert G. Torricelli (D-N.J.), chairman of the House subcommittee on Western Hemisphere affairs. In a letter to the State Department, Torricelli called for continued efforts to restore Haitian democracy, but he added: "The embargo has outlived its usefulness. It's time to end it."

The OAS embargo, approved with strong U.S. support, was seen as an important test of hemispheric unity in favor of democracy. The OAS, long considered by U.S. critics as an ineffectual debating society, seemed to be coming into its own as an important institution in hemispheric diplomacy.

On Nov. 5, President Bush signed an order imposing the embargo against "all commercial trade with Haiti, both exports and imports of goods and services." It exempted items for humanitarian purposes such as basic food staples and essential medicines.

More than 15,000 Haitians fleeing the island by sea have been intercepted by the Coast Guard since late October. About 12,000 of them are on cutters or at a tent city at the U.S. naval base at Guantanamo Bay, Cuba. The makeshift camp was erected over strong administration objections after refugee advocates obtained a court order barring forced repatriation of the boat people to Haiti. The administration argued that most of the boat people were fleeing Haiti's economic conditions and were not political refugees fearing for their lives.

The Coast Guard began returning Haitians Saturday, just hours after the Supreme Court lifted the order.

House Speaker Thomas S. Foley (D-Wash.) expressed concern about the refugees and said the House may consider a resolution on the issue.

Rep. David E. Bonior (D-Mich.), the House majority whip, condemned the repatriations, describing them as "outrageous" and motivated by the Bush administration's fear of a political backlash in Florida, where the refugees hoped to settle.

On the House floor, Rep. Major R. Owens (D-N.Y.) called the repatriations "a racist act with deadly genocidal" consequences and called for alternative policies more "just and merciful and in the tradition of the American people."

[From the Washington Post, Feb. 5, 1991]

FOR HAITI'S RULERS, A KEY SIGNAL

(By Lee Hockstader)

PORT-AU-PRINCE, Haiti, February 4.—The planned easing of the U.S. trade embargo against Haiti, which may or may not help revive the country's crippled economy, will likely be received here as a signal that Washington has given up hope of restoring democracy in this impoverished Caribbean nation, according to foreign diplomats and local observers.

Several analysts said that the military leaders and civilian backers of the Sept. 30 coup that ousted president Jean-Bertrand Aristide would celebrate a great victory, interpreting Washington's planned move as a lack of resolve.

"It's going to send the wrong signal," a Haitian economist said. The strategy of Haiti's new leaders "all along has been: 'We can wait out the [United States]. Give them enough time, and they'll get tired.'"

U.S. officials insisted that the easing of the embargo will simply be a "re-targeting" meant to exert pressure on those most closely involved with the coup. But they acknowledged that the move would be seen in Haiti as weakness or capitulation.

"It'll be seen at best as a mixed signal, I suspect," one State Department official said. "The media in Haiti, which is controlled, will certainly [present] it like that."

A Latin American diplomat said that the head of the Organization of American States, Secretary General Joao Baena Soares, had argued strongly with the State Department, urging that the United States hang tough with the embargo. "This is not positive. It's not going to help," he said about the easing of the sanctions.

U.S. officials countered that the relaxation might revive stalled negotiations on Aristide's return by offering a carrot in place of the stick that has been applied so far. Some reacted bitterly to the Latin American position, noting that only the United States—not any Latin country—had significant levels of trade with Haiti or was forced to deal with the flow of boat people in the wake of the coup.

"It's easy for the Argentines to say we should toughen the embargo or call for a blockade," a U.S. envoy said. "But they're not going to do it, and their trade's not going to be affected. . . . It's an American problem."

The plan to relax the embargo was greeted enthusiastically by assembly plant owners whose businesses had been shut down or drastically reduced by the embargo. An estimated 100,000 people have lost their jobs since Washington imposed the tough embargo last fall—nearly half of them in assembly plants that export to the United States.

"The embargo is doing wrong to the wrong people," said Jean-Bernard Faubert, who runs a crafts business that has laid off half of its 1,200 workers in two months.

The State Department said the main effect of the embargo has been to hurt poor workers at such plants while leaving the plotters of the coup largely unscathed. Nevertheless, many of the workers most directly affected by the sanctions have applauded them as the best way to promote the return of Aristide, a radical Roman Catholic priest who was elected largely with the support of Haiti's poor.

There was considerable doubt here about whether Washington's plan would achieve the stated goal of rescuing the assembly plants. A number of the plants—which turn raw materials shipped from the United States into clothing, electronic goods and other wares for export—already have closed permanently or transferred operations to the Dominican Republic, Honduras or other countries.

Seven of 44 assembly plants listed by the Haitian Association of Industry have closed permanently, according to association figures, and 32 have laid off most or all of their workers and closed for the time being.

Moreover, the embargo has reinforced Haiti's image among business people as an unreliable base for manufacturing and investment, analysts said, and it is unclear whether that image can be changed.

"You're not going to get anybody who pulled out to come back," the economist said. "Who are they going to export to? Who's going to want to give them contracts?"

The State Department's decision followed complaints from American companies that relied on Haiti as a source of cheap labor to produce apparel and electronics items. Scores of wholesalers in the United States called and wrote to members of Congress and the administration, saying that their businesses would be devastated if the embargo remained in place.

Doug Williams, president of Country Original of Jackson, Miss., wrote to a Treasury Department official that his company was "slowly going down the tubes due to this embargo." He noted that his firm, which imports more than $1 million in handicrafts from Haiti annually, had printed a catalogue—at a cost of $40,000—just before the embargo was imposed.

The catalogue "is not any good if we have no products to ship to our customers," Williams wrote.

The PRESIDING OFFICER. Under the previous order, the Senator from New Hampshire is recognized to speak for up to 5 minutes.

Mr. SMITH. I thank the Chair.

AN ECONOMIC AGENDA

Mr. SMITH. Mr. President, yesterday afternoon Senators were treated to a heavy dose of economic revisionism and finger-pointing on the floor of the Senate. One Senator mistakenly stated that the President has waited 3 years to submit an economic plan to Congress. I do not know where that Senator was for the past 3 years, but President Bush submitted his first budget to Congress only a month after taking office, and that budget included, among other things, a capital gains tax cut, a line-item veto, and a balanced budget amendment. The President's economic plan was referred to as "phony," and "favoring the rich."

First, I would like to commend President Bush for his bold job-creating agenda. It is no secret that the Democrats have a majority in the House and the Senate. Where is their plan? If they have a plan, why do they not submit it to the President, to the body? Let the President sign it or veto it. The truth is there is no job-creating agenda offered at this time by the majority party.

The President's comprehensive initiative will accelerate economic growth, and it will create jobs without adding to our Nation's burgeoning debt. Let us debate it, Mr. President. Let us pass it.

Congress must stop playing games with our Nation's future. The President's package is not a political football that should be kicked about in a recalcitrant Congress. It is a serious proposal and it deserves serious consideration. It is time to look forward to the next generation in America, not the next election.

There was a distressing article in Monday's Washington Post. The headline reads, "Democrats See Political Opening in Bush's Tax Plan." Political opening. Congress is playing games with the future of America. This package is not a political football.

Mr. President, the problem with this article and with this headline is that we are not talking about a policy difference that can be debated on the merits. We are talking about a political opening, a political opportunity to make political gains at the expense of thousands, indeed, millions of American workers.

The President was right. No issue has ever been more demagoged by its opponents.

"The plan favors the rich" is the battle cry that I constantly hear. Well, let me ask you: Is a $500 increase in the personal exemption for children helping the rich? Does anybody here believe that families are undertaxed?

Is allowing penalty-free withdrawals from IRA's for first-time home buyers or medical or education expenses helping the rich? More than 70 Senators have already cosponsored similar legislation. Is a $5,000 tax credit for first-time home buyers a giveaway to the rich? The rich already have homes, Mr. President. It is the poor and the needy and the middle class and those who are trying to move up and buy a home who are the ones needing the tax credit, Mr. President.

Is a low-income housing credit designed to help the wealthy? Is allowing a deduction for interest on student loans a giveaway to the rich? Rich people do not need student loans, Mr. President. They are rich.

The fact is that most Members of Congress from both political parties support the bulk of the President's growth agenda. They just do not want to admit it. They would rather carp about it and the capital gains tax and play politics while people stand in unemployment lines.

Two and one-half years ago, when I was serving in the House of Representatives, the Ways and Means Committee reported a reconciliation bill that included a significant cut in the capital gains tax rate. At that time the Democratic leadership in the House thought they had a good political issue so they decided to offer an amendment to strip the capital gains tax cut and raise income tax rates. Guess what happened? Sixty-four Democrats in the House knew that this capital gains tax cut would create jobs, and they supported the President—64 Democrats. And at that time the class warfare argument was soundly defeated.

Perhaps if that measure had not been blocked singlehandedly by the current Senate majority leader, then we would not be in these current economic straits. How many jobs would have been created over the past 2½ years had that proposal passed?

The point is, Mr. President, that a great many Democrats do support a capital gains tax cut to create jobs. It is not a partisan matter in that regard by those individuals. If those Democrats supported the tax cut because they thought it was a gift for the wealthy, they should say so. If a capital gains tax cut is a tax cut for the rich, as the Democratic leadership suggests, then JAMIE WHITTEN, Democratic chairman of the House, is a friend of the wealthy; JACK BROOKS, chairman of House Judiciary Committee, is a friend of the wealthy; SONNY MONTGOMERY, chairman of the House Veterans Committee, is a friend of the wealthy.

Senator DECONCINI on CNN last week said, "I am one of the few Democrats who support capital gains." Is he a friend of the rich, Mr. President?

It is not all Democrats. It is obstructionist liberal Democrats who oppose the President and oppose any progress while we play politics.

Mr. President, I ask at this point unanimous consent to have printed in the RECORD the list of the House Democrats who did support the capital gains tax cut in 1989.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

HOUSE DEMOCRATS VOTING IN SUPPORT OF CAPITAL GAINS TAX CUT

Glen Browder of Alabama.
Ben Erdreich of Alabama.
Claude Harris of Alabama.
Norm Mineta of California.
Matthew Martinez of California.
Glenn Anderson of California.
Ben Campbell of Colorado.
Earl Hutto of Florida.
Lindsay Thomas of Georgia.
Charles Hatcher of Georgia.
Richard Ray of Georgia.
Ben Jones of Georgia.
George Darden of Georgia.
Roy Rowland of Georgia.
Ed Jenkins of Georgia.
Doug Barnard of Georgia.
Richard Stallings of Idaho.
Jill Long of Indiana.
Neal Smith of Iowa.
Carroll Hubbard of Kentucky.
William Natcher of Kentucky.
Romano Mazzoli of Kentucky.
Carl Perkins of Kentucky.
Billy Tauzin of Louisiana.
Jerry Huckaby of Louisiana.
James Hayes of Louisiana.
Thomas McMillen of Maryland.
Beverly Byron of Maryland.
Joseph Early of Massachusetts.
Bob Carr of Michigan.
Jamie Whitten of Mississippi.
Sonny Montgomery of Mississippi.
Mike Parker of Mississippi.
Ike Skelton of Missouri.
Robert Roe of New Jersey.
Robert Mrazek of New York.
Glenn English of Oklahoma.
Ron Wyden of Oregon.
Butler Derrick of South Carolina.
Elizabeth Patterson of South Carolina.
Robin Tallon of South Carolina.
Marilyn Lloyd of Tennessee.
John Tanner of Tennessee.
Charlie Wilson of Texas.
Ralph Hall of Texas.
Jack Brooks of Texas.
J.J. Pickle of Texas.
Pete Geren of Texas.
Greg Laughlin of Texas.
Michael Andrews of Texas.
Solomon Ortiz of Texas.
Wayne Owens of Utah.
Owen Pickett of Virginia.
L.F. Payne of Virginia.

(Based on House rollcall vote of September 28, 1989, CQ–Pg. 2592.)

Mr. SMITH. The critics of capital gains cannot have it both ways. If it is a giveaway to the rich, then a great many Democrats have some explaining to do.

If the tax cut would create jobs, as the President and many of my colleagues on both sides of the aisle maintain, then why the strident opposition? I will tell you why, Mr. President. Because some in this body are more interested in good politics than good policy.

The American people, in poll after poll after poll, state over and over again, "We are sick of the Congress playing politics. We want action. We want something done."

It does not take a genius to understand that poor people do not employ anybody. Poor people are looking for jobs. Some rich people create those jobs. Businesses create those jobs. It does not mean we should not help the less fortunate. It simply means we should help them by passing legislation which will give them the opportunity to find good work.

Congress spent 145 days haggling over unemployment benefits because the majority party ignored the position of the President for their own political gain. We wanted to pay for it. That is all the President was saying. Unemployment compensation, and let us pay for it. I know it is unheard of around this place to pay for anything. But now, as a result of that, many people in New Hampshire are homeless, lost their homes, because they had to wait 145 days. I am not going to let that happen again.

Mr. President, I believe there is a bipartisan majority of the Members of Congress in support of nearly every growth proposal put forth in the President's plan. The only hurdle we have to leap is the politics of the class envy. Paul Tsongas, former Member of this body, said:

> Some Democrats oppose any capital gains differential because supporting it prevents them from using the "class warfare" argument against the Republicans. Taking aggressive anti-business positions is second nature to them. Class warfare is certainly good politics.

Mr. President, Paul Tsongas was right. President Bush gave Congress a deadline of March 20. He submitted a package in 1989, 1990, 1991, and again in 1992. It is time for Congress to put up or shut up.

Thank you, Mr. President.

THE 1ST MARINE DIVISION—THE MOST DECORATED DIVISION IN THE U.S. MARINE CORPS

Mr. NUNN. Mr. President, February 1 of 1992 marked an important date and celebration for an outstanding unit in the U.S. Armed Forces. More specifically, this day marked the 51st birthday of the 1st Marine Division of the U.S. Marine Corps. Last year's planned 50th birthday celebration took a back seat to a more pressing event—the Persian Gulf conflict. Virtually the entire 1st Marine Division was deployed to the Persian Gulf and served our country with distinction. About this time last year, elements of the 1st Marine Division were prepared for their initial assault through the complex obstacle belts.

The year's delay only gave the marines of the 1st Marine Division more reason to celebrate their distinguished heritage. Last Saturday, at their home in Camp Pendleton, CA, the 1st Marine Division marked its 51st birthday with a series of military demonstrations, parades, exhibits, and other events for the men and women of the division and their families, former members of the division, and for friends, guests, and the general public.

Mr. President, the 1st Marine Division is a direct descendant of the advanced base brigade which was activated in 1913. After many redesignations, on February 1, 1941, the 1st Marine Division was founded and, in fact, became the very first unit in the Marine Corps to be designated as a division.

This outstanding division constitutes a unique group of men and women—past and present—who have served our country with distinction in peacetime and in war over the last five decades.

The 1st Marine Division has distinguished itself in every major conflict since World War II. Many of the division's campaigns in these conflicts are famous in military annals: Guadalcanal, Okinawa, Chosin Reservoir, and Hue City.

And let us not forget, it was just 18 months ago when the 1st Marine Division was one of the first major combat units with firepower and sustainability to arrive in Saudi Arabia. The 1st Marine Division—and its parent command of the 1st Marine Expeditionary Force as well as the aviation combat element and force service support elements—arrived very early on and stayed throughout the conflict.

On May 8, 1991, Maj. Gen. Mike Myatt, the 1st Marine Division commander, and several of the division's personnel testified before the Committee on Armed Services and gave first-hand accounts of the complex and dangerous missions they were involved in as participants in Operation Desert Shield/Desert Storm. The committee was very impressed with their skill, dedication, and leadership, as we were with the representatives of all the services that provided first-hand accounts of their activities in the Persian Gulf. The 1st Marine Division along with the 2d Marine Division from Camp Lejeune and the Army Tiger Brigade were the driving force that liberated the city of Kuwait and were involved in many other complex military maneuvers and fights before and during the actual ground operations.

The 1st Marine Division also has a distinguished record of supporting humanitarian relief efforts throughout the world during peacetime. Members of this division were the cornerstone of Operation New Arrival in 1975, where Marines provided housing, food, and care for Vietnamese refugees. In September 1988, a Marine air ground task force from the 1st Marine Division was deployed to Yellowstone National Forest to help fight devastating forest fires.

In 1991 alone, members of the 1st Marine Division played major roles in two humanitarian efforts. In April, members of the division participated in Operation Sea Angel, providing relief to victims of a devastating cyclone in Bangladesh. In June, division members assisted in the evacuation of Americans from the eruptions of Mount Pinatubo in the Philippines as part of Operation Fiery Vigil.

Mr. President, the range of combat and humanitarian operations carried out by the 1st Marine Division are representative of the types of activities that all of our men and women in uniform from all the services have been called on to perform both in times of peace and war. These are the kinds of activities I had in mind when I spoke last week about the dedication and sacrifices that our military members and their families have demonstrated in winning the cold war.

The 1st Marine Division, and their current commanders, are noted for their pioneering efforts in terms of tactics, organization, and leadership. Today, the 1st Marine Division, with its home base in Camp Pendleton, has forward deployed battalions and Marine air-ground task forces around the globe. They have a newly configured air alert force at Pendleton that is ready to go at a moment's notice and is organized for commend, control, firepower, and mobility with air and ground elements. The air alert force can be the lead element of a joint task force and can provide needed firepower, mobility, and command and control for later arriving units.

The men and women of the 1st Marine Division stand ready to defend and protect our country and to provide humanitarian assistance to those in need around the world. It should be no surprise that the Marine Corps history indicates this division has the unique honor of being the most decorated division in the U.S. Marine Corps. That is a high honor, considering the very significant record of the Marine Corps as one of the world's elite military organizations.

Mr. President, we could bring to the attention of the Senate many outstanding units from all the services on their special days, but oftentimes we do not hear about these local events in time. This particular celebration was brought to my attention by my staff director on the Armed Services Committee, Arnold Punaro—who served with the 1st Marine Division both in Vietnam and briefly in Saudi Arabia. He happened to be on Active Duty for training with them several weeks ago and heard about it.

Mr. President, I want to congratulate the 1st Marine Division and all of its members—past and present—for 51 years of dedicated service to the United States. We know this division will perform with equal distinction in the future to any task they are given. We in Congress will work to ensure they have the training, equipment, and support they need to perform the tasks the country expects of them, as we will for units in all the services.

SCETV SALUTES BLACK HISTORY MONTH

Mr. HOLLINGS. Mr. President, I rise today to bring to the attention of my colleagues the exemplary work of South Carolina Educational Television [SCETV] in honoring National Black History Month. Throughout the month of February, SCETV is focusing on the culture and accomplishments of African-Americans with several special programs.

For example, SCETV will broadcast its fifth annual black history teleconference titled "The Struggle Continues: Finding New Worlds to Challenge." This innovative and thought-provoking special will feature eight high school honor students from South Carolina who will question seven nationally prominent African-Americans. The focus of the program, which each year presents a variety of role models for America's youth, is to recognize and discuss the goals and achievements of African-Americans. Dr. Marianna W. Davis of Keenan High School in Columbia, SC, who initiated and developed the teleconference, is a real credit to her profession. Her leadership as an educator serves as an outstanding example to her colleagues in South Carolina and across the country.

Mr. President, I would like to recognize and congratulate the eight young South Carolinians who were chosen to participate in the project: Tanya Benson of Newberry High School; Felicia Donaldson of Dixie High School in Due West; Schwandia Felder of Cross High School; Adrian Gamon of Scott's Branch High School in Summerton; Marvin Goodwine of Lincoln High School in McClellanville; Bianca Mack of Goose Creek High School; Kalisha Tarrance of Easly High School; and Nicole Thompson of C.A. Johnson High School in Columbia. These outstanding students deserve our praise for both their academic and civic achievements. I wish them the best of luck as they move on to college and careers.

Mr. President, I commend South Carolina Educational Television, Dr. Davis, and the panelists and students of "The Struggle Continues," on their commitment to cultural excellence in broadcasting. We are very proud of our fine educational network, and we are especially proud to have South Carolina lead the Nation with such important programming during National Black History Month.

THE 1992 NATIONAL DRUG CONTROL STRATEGY

Mr. THURMOND. Mr. President, on Tuesday, the Director of the Office of National Drug Control Policy, Bob Martinez, appeared before the Judiciary Committee to discuss President Bush's updated strategy to fight drug abuse. There have been efforts by some to discredit the Bush administration's progress in the Nation's war on drugs. I thought it would be helpful to offer a clear and concise summary of the success this administration has had in this important domestic issue. Let's look past the rhetoric and review reality.

Since President Bush assumed office, according to figures provided by Governor Martinez, drug use has been driven down to its lowest level since the Government started collecting figures on drug usage in the 1970's. Drug-related crimes have begun to turn down as well with drug arrests down by 20 percent from 1989 to 1990.

Mr. President, the general public has decreased its demand for illicit narcotics. Americans spent less on illicit drugs in the United States in 1990 compared to 1988 due to a decrease in demand for illegal drugs. In the past 6 years, the number of current drug users in the United States has dropped to 35 percent. There is significant evidence that among adolescents, the segment most susceptible to the lure of drugs, drug use is declining and attitudes toward drug use are changing. For example, the high school senior survey reports that from 1988 to 1990, the number of students who disapprove of drug use rose by 28 percent. Correspondingly, the perceived harmfulness of drugs has increased. Since 1988, drug use by American teenagers has declined by 27 percent. During the same period, cocaine use by teenagers declined by 63 percent. These figures surpass the goals set forth in the President's first national drug control strategy and indicate that, in many ways, the strategies since 1989 have sustained or increased their level of effectiveness. In particular, these statistics show that our efforts to educate our young people about the pernicious effects of illicit drug use are succeeding and that we are slowly winning the war on casual drug use.

Surveys of households and high school students and drug testing of arrestees indicate the same overall downward trend. Drug use is down for those with higher levels of education. It is down for those who live in the suburbs, and it is down for the employed. However, we must not ignore the fact that there are some recent indications of an increase in cocainerelated medical emergencies which have been attributed to hard-core adult users. We cannot win the entire war at once; any solution will take time. Nevertheless, we should be mindful that less than 1 percent of this country's population currently uses cocaine, but this should in no way lessen our resolve to keep the pressure on. We must keep pressing ahead in our efforts to eliminate the scourge of drug abuse.

Mr. President, with a significant amount of progress already being made within the casual user population, the Office of National Drug Control Policy has developed its strategy to focus on decreasing the number of hard-core drug users, nearly doubling the funds for treatment and related research between 1989 and 1993. Yet this effort cannot be accomplished without the active support of the Congress. The President has identified and addressed the problem of drugs in a responsible and systematic way, but without the consistent nonpartisan cooperation of the Congress, the drug problem will not go away. The administration has repeatedly asked for the necessary tools, many of which the Congress has repeatedly failed to provide.

For example, recognizing the need for more prevention and treatment, the President has overseen a 17 percent increase in treatment funding to $1.5 billion. However, when the President sought to increase treatment funding by another 10 percent for fiscal year 1992 to target treatment of hard-core abusers, congressional proponents of drug treatment were silent. An administration proposal to increase the capacity of targeted treatment programs received less than 10 percent of the requested amount.

The President's national drug control strategy has also maintained an aggressive and effective attack on the supply side. Prosecution efforts have brought former untouchables including Manuel Noriega, Carlos Lehder, the Cali Cartel, and other leading figures in the drug trade within the confines of the criminal justice system. As a followup to the 1990 Cartagena summit, the President has invited the leaders of the Andean countries to attend a summit this year hosted by the United States. The administration has offered a substantial aid package to each Andean nation conditioned upon progress against drug trafficking. We must continue to take such measures in support of the fight against drugs.

Mr. President, the current commitment to the Nation's antidrug effort is unparalleled, but as the drug problem becomes increasingly confined to older and inner-city addicts, there may be a tendency for the media, the Congress, and others to walk away. I am confident that President Bush and the drug policy Director, Governor Bob Martinez, will continue to place drugs on the top of the administration's priority list, and I urge the Congress to follow suit.

Mr. President, though facts generally speak for themselves, I though it appropriate to remind my colleagues of just a few of the President's accomplishments in one of the most vital domestic issues for the American people: the war on drugs. To continue this effort, the 1992 national drug control strategy requests $12.7 billion for fiscal year 1993 for a variety of programs aimed at prevention, education, treatment, and enforcement. I commend the President and Director Martinez for their leadership and pledge my continued commitment to implementing this strategy.

For these reasons, I urge my colleagues to review the 1992 strategy and work to further its full implementation.

ASHLEY THRIFT: A PASSION FOR PUBLIC SERVICE

Mr. HOLLINGS. Mr. President, at the end of January, Ashley Thrift resigned as my administrative assistant to return to North Carolina, where his wife Julianne is newly installed as president of Salem College. During his 15-year tenure on the Hill, Senators and staff alike have come to respect Ashley as an exceptionally talented lawyer and legislative strategist. With his departure, I will lose the best administrative assistant in the Senate—bar none. And the Senate will lose its most effective and energetic behind-the-scenes champion of public education.

On that score, Mr. President, Ashley has gone out with a flourish. Just 2 weeks ago when we were debating the Neighborhood Schools Improvement Act, Ashley played the key staff role in defeating amendments that would have siphoned off public money to private schools. Ashley was the indispensable catalyst: Counting the votes, devising the tactics, rallying the troops in the various education groups—and winning.

In similar fashion, throughout the 1980's, I counted on Ashley to organize the countercharge against Reagan administration efforts to slash education. In each of 3 years—1983, 1986, and 1987—we won billion-dollar-plus increases in Federal aid to education, and it was Ashley's tireless commitment to those battles that made all the difference.

Mr. President, through it all, Ashley has remained every bit the Chapel Hill gentleman—honest, decent, and self-controlled on every subject save ACC basketball. For a decade and a half, on a day-to-day basis, I have relied on his advice and uncommon good sense. During countless late-night sessions, Ashley has always been there. His loyalty and friendship have meant more to me than I can say.

I often quote Elihu Root, who said:

> The principal ground of reproach against any American citizen should be that he is not a politician.

Ashley is a politician in the very best sense of the word. He knows that the purpose of politics is to attain power, and the purpose of power is to wield it skillfully to make a positive difference in people's lives.

Mr. President, Ashley Thrift has served the Senate brilliantly and unselfishly. I have no doubt that his passion for public service will now continue in private life. I join with every Member of this body in wishing him Godspeed.

ADVANCED SOLID ROCKET MOTOR

Mr. HEFLIN. Mr. President, I rise today in support of NASA's advanced solid rocket motor program. Begun in 1987, this program has enjoyed the support of both Congress and the administration. This year, however, President Bush has chosen to cancel funding for the ASRM. I believe this is a serious misjudgment.

Immediately after the *Challenger* accident, NSAS implemented a crash program to develop a redesigned solid rocket motor [RSRM]. The RSRM has now flown successfully on 20 shuttle missions, a record of which NASA can be proud. We cannot, however, let this success cloud our judgment. The redesigned motor was never envisioned as more than a quick fix, an interim motor that would allow continued use of the shuttle until a safer, more reliable motor, the advanced solid rocket motor, could be designed and built. The redesigned motor is better than the original, but is still subject to a number of major design weakenesses that could not be remedied. Therefore, there is an urgent need for motors.

ASRM incorporates totally new mechanical and ballistic designs that, when coupled with quality and reproductive enhancements, result in greatly increased flight safety. It is not a product improvement; it is the motor that will put up the space station and carry us well into the next century. The advanced solid rocket motor is subject to far less failure causes than the current model while providing greatly enhanced performance.

To a large degree, the added safety and reliability of the ASRM will be due to the highly automated production facility being constructed at Yellow Creek, MS. Extensive research into past discrepancies in solid rocket motor performance has shown that almost half of these are due to human involvement in the manufacturing process. Instead of mixing the propellant in small batches and randomly sampling as is done for the current motors, the new facility will make use of computerized machinery to continually mix and sample the composite propellant before and during the motor fill process. Another result of the increased automation will be decreased unit cost. Each set of ASRM's is expected to cost $12 million less than the present motors.

The total ASRM program is expected to cost just over $3 billion, of which we have already appropriated $1.2 billion. Some program critics claim that canceling the program now would result in substantial saving and have only a minor impact on the space station program. This is simply untrue. The lack of an advanced motor would result in three extra shuttle flights dedicated to the station mission, and a 9-month slip in the space station program schedule. That's three extra flights at approximately $300 million per flight, and a schedule slip that will result in $500 million in increased costs. Combine these with $400 million in contract termination liability and you have a total cancelation cost of approximately $1.8 billion. Thus it will cost as much to cancel as it will to finish it.

The financial choice is clear. We can stick with a marginally safe rocket motor, outdated technology, and delay the space station program for almost a year, or for the same price field an ultrasafe motor and build a state-of-the-art rocket motor facility that will reduce cost and increase reliability of an untold number of future systems.

The ASRM program is a vital part of our future in space, and I just cannot understand President Bush's rationale in zeroing its funding. Like all my colleagues, I fully understand the country's economic situation and the needs of the people today, but it is the responsibility of this Nation's leadership to look to tomorrow's needs as well. We must recognize the competitive international environment that our aerospace industries will be operating in during the years to come.

We need ASRM to put the space station in place safely and economically. We need ASRM for the heavy lift version of the national launch system. We need ASRM to maintain our international competitiveness in space systems.

I urge my friends and colleagues to rally around NASA and the advanced solid rocket motor. Funds spent on high technology and space utilization are investments that ensure our place in the future, and deserve our support.

AN EDITORIAL IN THE FLORENCE MORNING NEWS

Mr. THURMOND. Mr. President since President Bush's inauguration on a cold January day in 1989, he has shown himself to be a man of character, courage, and compassion, and an outstanding leader. It has been my pleasure to work with him for the good of our Nation, and I look forward to continuing our association in the future.

However, I must confess my belief that there is one person in Washington who could be a serious threat to him in 1992, should she choose to run. Mr. President, I speak of our Nation's indefatigable First lady, Barbara Bush.

Throughout the last few years, Mrs. Bush has won the hearts of millions of Americans with her warmth, charm, and well-developed sense of humor. With her understated ways and abundant common sense, she has become a wonderful advocate for America's children and for education. She has also become one of her husband's strongest assets.

During the President's recent trip to Japan, Mrs. Bush once again demonstrated her native diplomacy and grace under pressure when the President suddenly became ill. Mrs. Bush is a woman of substance and a great lady, and we should all be very proud of her.

The Florence Morning News of Florence, SC, recently carried an editorial praising Mrs. Bush, and I ask unanimous consent that it be inserted following my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BARBARA BUSH'S GRACIOUSNESS

The unflappable Barbara Bush displayed the skills of a master diplomat the other night when her husband was taken ill at a state dinner in Tokyo. Without exchanging a word with the president, she sized up his condition, weighed the effect his departure would have on their hosts—and decided her place was at the banquet, smoothing the waters.

That she did, with a wry wit and understated graciousness that snowed the Japanese. Asked to say a few words, just minutes after her husband's collapse, she jokingly blamed the episode on the U.S. ambassador. He and Bush had been beaten at tennis that afternoon by the emperor and crown prince. We Bushes, she said, aren't used to losing. "He felt much worse than I thought."

One Japanese TV news anchor called the first lady's poised and reassuring performance "a phenomenal achievement." Another broadcast the tape of Mrs. Bush, then rewound it and showed it again, pronouncing it "the major address of the day."

Clearly no apologies are needed for this vintage American product.

There is some question now whether President Bush can be defeated in November. Some democrats believe they can take back the White House in 1992. If that's so, those Democrats should be happy that George, not Barbara, Bush will be the candidate.

Barbara Bush would sweep to victory.

EDITORIALS IN THE CHARLESTON POST AND COURIER AND THE AUGUSTA CHRONICLE

Mr. THURMOND. Mr. President, in his State of the Union Address last week, President Bush laid out a magnificent program to put our Nation on the road to a brighter future. One of the main initiatives he proposed was an aggressive plan for economic recovery, taking into account both short-term relief and long-term economic growth.

During the course of his impressive speech, President Bush asked the Congress to help by acting on his proposals in a timely fashion. As I said following the speech, I believe the ball is now in our court and we must implement the President's suggestions without delay.

Two papers which serve my State, the Charleston Post and Courier and the Augusta Chronicle, recently carried editorials which argue persuasively for prompt implementation of the President's program, and I ask unanimous consent that these editorials be inserted into the RECORD following my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Charleston Post and Courier, Jan. 30, 1992]

BUSH LEADS, BUT WILL CONGRESS FOLLOW?

In a forceful State of the Union address to Congress Tuesday night, President Bush summoned the lawmakers, and, by extension, the nation, to focus on solving the current economic malaise with the same ingenuity and energy that carried the United States to resounding victory in the Persian Gulf War just one year ago.

Considering the gravity of the situation and the political stakes involved, Mr. Bush was surprisingly at ease. He bantered with some of the lawmakers assembled in the House chamber and elicited more than a few laughs, at his own expense as well as Congress'.

But he was deadly serious when he called for the legislators to pass his proposed economic recovery program by March 20.

The deadline was more rhetorical than real, since it was evident Mr. Bush did not wish either to challenge Congress or to try to pin the blame on it for the lingering recession. The date was a goal that emphasized the urgency of devising a comprehensive remedy for the country's economic ills. If some lawmakers chose to interpret it as a challenge, their petulance betrayed a defensiveness about Congress' role in the problem that most people on Capitol Hill hope to avoid.

The president departed from the themes of more recent State of the Union addresses by dwelling extensively on ways to stimulate the economy rather than merely holding the line on federal spending.

There were of course, the by-now-obligatory calls for Congress to trim its fiscal sails, toe the line on spending caps it agreed to in November 1990, swear off its eleventh-hour habit of larding the budget with outrageously self-serving pork-barrel spending, and give the president the line-item veto.

Perhaps the biggest surprise of the address was Mr. Bush's announcement that he is exercising his powers as chief executive and giving the economy a $23 billion shot in the arm. The centerpiece is a directive giving employers the option to withhold less in federal taxes from workers' paychecks beginning March 1—or sooner.

The Associated Press reported that increases in take-home pay would range from about $175 for single taxpayers to more than $600 for two-income families. Mr. Bush said he hoped that freeing more of the taxpayers' own salaries will have a ripple effect, as people use the extra money to purchase clothing, appliances and other goods that will benefit the economy overall.

Beyond that, Mr. Bush also directed federal offices and agencies that fall under the executive branch to impose a 90-day freeze on new regulations that could conceivably put the brakes on a recovery. It is an excellent idea, but it begs the question. If the regulations are harmful to the economy, why were they enacted in the first place?

Additionally, the president enumerated proposals geared to help families and individuals, including raising the federal tax deduction for dependent children, providing tax credits and vouchers to help low- and middle-income families buy health insurance, and giving first-time home buyers a tax credit while allowing them to withdraw from Individual Retirement Accounts without penalty.

All of these moves are aimed at restoring consumer confidence, which many economists see as the key to putting the economy on the road to recovery. In that regard, there was something for just about everyone in the State of he Union address. And, while most of Mr. Bush's proposals will not contribute immediately to the growth in the deficit there is reason to believe that they will unless the economy rebounds fairly quickly and Congress exercises fiscal restraint.

One of the major criticisms of the Bush administration to emerge in the wake of the recession is the president's apparent inability to lead—to articulate an agenda that gives a broad cross section of Americans hope for the recovery. By shrewdly casting his proposals as the domestic equivalent of the Gulf War. Mr. Bush sounded very much like the war leader who led the country to victory last year.

The question now is, will Congress follow him?

[From the Augusta Chronicle, Jan. 30, 1992]

IT'S CONGRESS' TURN

In comparing President Bush's upbeat State-of-the-Union speech with Democrat House Speaker Tom Foley's gloom-and-doom response, the president's critics have been thrown on the defensive for the first time in months.

People may bicker over this or that in the president's economic recovery program. But at least his potpourri of proposals calling for tax cuts and tax credits, relaxation of regulations, easier terms for borrowers, less money for defense, more money for children, wider access to health insurance and more federal aid to cities would stimulate the economy.

Indeed, White House economists estimate if the plan is enacted in its entirely by the deadline date of March 20 it would create half a million jobs this year.

In measuring what competing plans in Congress and on the presidential stump are offering, the bottom-line issue is: How many jobs will they create?

Job growth, after all, is what recovery is all about.

For months congressional leaders have been beating up on the president—with some justification—for not coming out sooner with a recession-busting program. Well, now the wait is over. The next move is up to Congress.

They said they couldn't do anything without presidential leadership. Bush is finally supplying that leadership.

Congress must either come up with a better recovery plan or act on his. Carping, criticizing and vague promises that "We can do better" won't cut it.

As for the president, it's important he keep his party behind him. If he compromises too much with the Democrats, as he did in the October 1990 budget deal, conservatives will bolt and push their own plan.

Bush can't afford to go into an election with his party divided on the economy and expect to win. In a classic "damming with faint praise" comment, conservative challenger Pat Buchanan said in New Hampshire he was glad to see the president was joining him in running against the Bush record of the past three years.

That's a backhanded recognition by Buchanan that conservatives, for the most part, are enthusiastic about the president's program. Just hope Bush doesn't bargain that support away.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

NATIONAL ENERGY SECURITY ACT

The PRESIDING OFFICER. The Senate will now resume consideration of S. 2166, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Gore/Chafee Amendment No. 1570, to urge the President to take the appropriate actions to combat Stratospheric Ozone Depletion.

AMENDMENT NO. 1570

Mr. GORE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is amendment No. 1570, offered by the Senator from Tennessee and the Senator from Rhode Island.

Mr. GORE. Mr. President, I would like to ask that if any cosponsors of the amendment or the resolution from which the amendment is drawn wishes to speak on the pending amendment prior to the yeas and nays—the yeas and nays have been ordered on the amendment—please call the Cloakroom in case there is a time agreement so that we will know how much time.

I do not intend to take a great deal of time, but I do want to afford an opportunity to any of my cosponsors to speak if they care to.

I would like to add at this time, subject to the unanimous-consent request of yesterday, as original cosponsors Senators MIKULSKI, LIEBERMAN, DODD, MOYNIHAN, CRANSTON, KENNEDY, and CONRAD. I will add others prior to the vote, as they wish.

I proposed this amendment yesterday in behalf of myself and Senator CHAFEE and the distinguished occupant of the Chair, the Senator from Colorado, Senator WIRTH, who has been very active on all of these issues, as, of course, has Senator CHAFEE and Senator BAUCUS, and many others in this Chamber.

I also want to describe, Mr. President, the difference between this amendment and pending legislation, which goes a little bit further than this amendment.

I believe we should specify the date 1995 for the phaseout of these ozone depleting chemicals. I believe that we should include among those to be phased out the short-lived ozone depleters. Up until now, priority has been assigned to the ozone depleting chemicals with long lifetimes in the atmosphere before they fall out. That is because our understanding of the problem has been that is a long-term, critical threat to the global environment.

Because of the news released last year and the even more troubling news released last Monday, we now have a clearer understanding that we face not only a long-term, critical threat to the global environment, but also an immediate, acute emergency threat, which means that we must now also assign priority to the short-lived ozone depleting chemicals, in addition to the long-lived ozone depleting chemicals.

This amendment differs from the pending legislation in a couple of respects. In order that the Senate might speak quickly, with as loud and persuasive a voice as possible, with as much support for the amendment as possible, I have worked with my colleagues on both sides of the aisle to take to the limits what is the toughest statement we can make to the administration and to the rest of the world.

So this amendment does two things. It says the administration must obey the law and accelerate the phaseout of ozone depleting chemicals. That accelerated phaseout is required by the Clean Air Act.

In fact, the President of the United States has been in violation of the law since last April because the law states very clearly that when evidence is presented, scientifically validated in the form described in the law, showing that the problem is significantly worse than was known when the Clean Air Act passed, then the President is required—not asked to do it, but required—by law to accelerate the phaseout schedule.

Last April we were told that the depletion process is taking place 200 percent faster than was previously known. But did the President react? No. No reaction. The head of the EPA was in the paper last spring saying: This is awful news; we obviously now have to accelerate the phaseout.

Unfortuntely, when his recommendations got over to the White House, President Bush—of course, Mr. Sununu got the blame for it. But the White House said: No; we reject the recommendation of the EPA, even though the depletion is taking place three times faster than we thought, even though so many people are telling us the law absolutely requires us to accelerate it; we do not want to do it because we are afraid of inconveniencing the people who sell these chemicals.

Since that time, the President has been in violation of the law. Now, last fall we had another event, a second scientific report last year, which again described a new level of seriousness in this threat, telling us that for the first time, the ozone depletion above the United States is now talking place in summer, as well as in winter.

That is especially significant because the damage done by ultraviolet radiation is much greater in summer than in winter. And it had been previously thought at the time the Clean Air Act was passed that the ozone depletion above the United States at these latitudes was taking place only in winter and that the atmosphere was in effect healing itself, restoring the thickness of the ozone layer at these latitudes by the time summer rolled around.

Last fall, we were told that is not true anymore; the damage is so much worse; it is now occurring in the summer, as well. Again, the EPA said: this is, once more, terrible news; we have to accelerate the phaseout.

Once more the White House said no, because it might inconvenience somebody.

The legislation from which the pending amendment is drawn was brought to this Chamber at that time. It was actually brought after the April event, but it was brought up again. I discussed it here, as did others last fall. But the White House prevented this body from acting. They asked some of our Republican colleagues to hold up the amendment, to threaten a filibuster, to say this cannot go forward because the White House is opposed to it.

Because the session was nearing conclusion at the end of the year, their ability to stop the matter was enhanced. So the White House prevailed in stopping the measure to require them to abide by the law.

Now the situation is different. We have a third new scientific report. Only this time, the report says we can expect an ozone hole above Kennebunkport. Now, finally, the President seems to be getting the message. Once again, the EPA lets the news slip to the newspapers: This justifies an accelerated phaseout.

That is the same story we saw last April: We are going to speed things up. We are going to speed things up. The White House nixed it. This time, maybe the White House will not nix it.

Mr. President, let me say this: It is easy enough to act after the crisis. It is harder to act to prevent the crisis. The President failed to listen to the warnings. The President failed to comply with the law. The President failed utterly to provide any kind of leadership.

The signals coming out of the White House this morning still have to do with the position of the United States at the international meeting. What about the requirements of the law here in the United States? What about the accelerated phaseout under U.S. law, in addition to whatever is negotiated with other countries? Still, the White House is refusing to act. I hope they will change, and I hope that this body will pass this amendment by the strongest possible margin. I invite my Republican colleagues and my Democratic colleagues to try to make this unanimous, to get the message to the President. It has not been completely a partisan issue in this Chamber. My cosponsor, Senator CHAFEE, has been a preeminent leader on this question. But it has been partisan because of the White House.

What are other countries doing, in stark contrast to the lack of leadership on the part of President Bush? In the European Community, legislation has already passed. In fact, it was passed some time ago, greatly accelerating the phaseout to deadlines that far exceed the ones in the Clean Air Act. I will include in the RECORD, at the end of my speech, information about what other countries are doing.

But we are bringing up the rear, Mr. President. Do you remember the days when the United States was a leader in the world on questions like these, when we had the moral high ground, when other nations looked to us to say and do the right thing and bring them along? What happened? I will tell you what happened. We have had, in the last dozen years, from former President Reagan, and now from the current occupant of the White House, President Bush, a stonewalling approach to these issues affecting the global environment.

Other countries have taken leadership away from the United States. President Bush is the only major world leader to refuse to go to this Earth summit in Brazil this June. Every other world leader has said, "Yes, we are going, and we are going with the intent to get something done there."

Mr. President, let me describe briefly at this point the exact nature of the news which leads to this amendment. On Monday, scientists announced the highest levels of reactive chlorine capable of destroying stratospheric ozone ever measured. You remember the ozone hole above Antarctica. They measured the reactive chlorine compounds there before each of the ozone holes appeared above Antarctia. The levels in the atmosphere above the northern hemisphere are half again higher than the levels found in Antarctica just before the appearance of the ozone holes there. The vortex is centered over Greenland and stretches down over Maine and New England, and its outer edges are over the whole northern United States. Those at risk includes hundreds of millions of people in North America, Scandinavia, Europe, and also in Siberia, which is much less populated, of course.

The climate system is responding in what the scientists call a nonlinear fashion. What does that word mean? We all know what that word means. It is as simple as the difference between a slow, steady change, and a change of the kind that builds gradually toward a threshold and then suddenly changes in a radical way. That is the kind of change now underway in our atmospheric system. And it was predicted.

Were the warnings heeded? No, they were not heeded. The President of the United States stuck his head in the sand and willfully decided to disobey the law. And as a consequence, the citizens of this country now have to tell their children that for the next few decades, we face the prospect of ozone holes above the places where we live. We have to tell our children that they must redefine their relationship to the sky, and they must begin to think of the sky as a threatening part of their environment and hide from the Sun. We have to read the stories of blind rabbits and blind salmon found in the areas under the edge of the ozone hole in the Southern Hemisphere, and wonder whether or not the progression of this catastrophe in our hemisphere will reach a stage where we find blind rabbits in our back yards.

It is easy enough, after the ozone hole is pointed to and predicted above Kennebunkport, to say, "OK, we will now think seriously about doing something." Where was the President when the warnings came through ringing so loudly and clearly for the last several years? Make no mistake about this, Mr. President, there is a lesson in this incident where global warming is concerned. Most of the chemicals that are causing this catastrophe right now were put into the atmosphere over the last many years, as the scientists warned us to stop it.

But since we did not see the catastrophe happening at that moment, we did not feel the need to act. And we had no leadership from the White House to act, and so the country did not act. In this case, with Montreal Protocol, we did begin to act; let us phase out some of them—13 years later. And then, as the evidence mounted, we toughened our resolve and said, "Let us phase out 100 percent of some of the chemicals by the year 2000."

But we are still not eliminating all of the chemicals causing this damage. In fact, the concentrations are still increasing in the atmosphere. And because of the President's inaction, our current posture is that we will continue to put these chemicals into the atmosphere for another 8½ years before we stop.

The white House is well aware of the scientific evidence. For every 1 percent drop in the stratospheric ozone levels, there is a 2-percent increase in skin cancers here in the United States. Even before this new ozone hole report came out, the scientific evidence indicated an additional 300,000 deaths from skin cancer in the United States as a result of ozone depletion over the next few decades.

(Mr. METZENBAUM assumed the Chair.)

Mr. GORE. It is ironic that only now we begin to see some statements of concern.

Mr. President, I said a moment ago that there is a lesson here about global warming. Right now we are continuing to put chemicals into the atmosphere that the scientific community is telling us will create a climate catastrophe for the entire world, worse than the one unfolding above Kennebunkport right now.

But the White House wants to block any action. They do not see the catastrophe right now, so they do not feel the need to act right now. Besides it might be politically uncomfortable. Let us wait for catastrophe to happen and then play catch-up ball. That is the White House position on global warming and global climate change and that has been the White House position on ozone depletion.

Yes, after the hole is announced that will possibly appear above Kennebunkport, now they say OK, let us consider doing something. Before they would not.

What about global warming? What is the White House going to wait for there? You know one of the consequences of global warming that the scientists have told us about for years is an increased intensity of storms coming off of the ocean toward the land; hurricanes, 50 percent more powerful than the ones we have known throughout our lifetime.

Does anything happen in Kennebunkport lately that might fit that description? Have there been any unusual storms doing damages to houses in Kennebunkport?

Of course they can take comfort from the tiny minority of scientists who say we are not sure how to interpret this evidence, we are not sure there is any problem from putting this gaseous garbage into the atmosphere of the Earth. You can still find scientists, incidentally, who work for tobacco companies who say we are not sure that the evidence supports a conclusion that smoking causes lung cancer, and some people listen to them and believe them.

You know it is interesting when you look at the evidence, there is a lot of uncertainty there. They really do not know exactly how smoking causes lung cancer. The limits of science do not permit us to say with precision exactly how smoking causes heart disease or lung cancer or emphysema. Maybe on emphysema, I think it is probably a little easier to conclude that one. But the first two, there is uncertainty. In spite of the uncertainty, in spite of the unknowns about the details, the weight of the evidence is abundantly clear, and so we take action to discourage young people from beginning to smoke cigarettes.

Should we tell young people, go ahead we just do not know because some of the details are unclear? Of course not. I mean that was our position a few years ago in this country, but it is not now. It is exactly the same where global warming is concerned. All of those oil well fires in Kuwait put together, all 600 of them on the worst day of that catastrophe put less than 1 percent of the pollution into the atmosphere that we put into the global atmosphere every day. Our civilization is now the equivalent of a 10-pack-a-day habit. And the President of the United States still has his head in the sand and still refuses to act.

I reported earlier to my colleagues on the state of negotiations in Geneva on this question and on a whole range of important issues. The lineup is 139 countries on one side, and President George Bush on the other side.

For example, should we include the CFC's that are supposed to be controlled under the Montreal protocol in the Climate Global Change Treaty? Every other country in the world say of course not. We have a mechanism established there and we need to concentrate on toughening that. That is what this amendment does. Why should we then include them over on the Global Climate Change Treaty?

The answer is that President George Bush has been willing to commit to doing nothing about global climate change except phasing out CFC's according to the slow timetable in the current treaty. And so he insists that be a part of the global climate change negotiation because that is the only thing we will commit to. And if that is not in there, then the fact that he is doing absolutely nothing will be revealed.

There are a number of other matters where the lineup is 139 countries to 1 country. Some of you may have seen the cartoon by Herblock this morning—I asked that a copy be put on everyone's desk—with the finger coming through the sky pointing to Uncle Sam who has the paper that says "Hole in Ozone Layer, Global Warming," and he says, "Who? Me?"

President Bush has abdicated his responsibility. This amendment is a wake-up call. I hope that it will be unanimous. And I hope that the lessons that it holds for global warming and global climate change will be heeded in this body and in the White House.

I will have another amendment, Mr. President, on stabilizing emissions of gases which cause global warming. I recognize that the political consensus in this body has not reached the point that it has on ozone depleters, but I think we need a debate on that question.

A couple of other points briefly, and then I will conclude.

What does the ozone depletion mean for our constituents? No. 1, I mentioned already the extra cases of skin cancer. Second, many, many extra cases of cataracts and blindness due to cataracts. Third, an issue that has not received a great deal of discussion is the damage to the human immune system.

Scientists such as Dr. Margaret Kripke in Houston, TX, have for years studied the correlation between extra doses of ultraviolet B radiation and damage to the human immune system. I asked the question in hearings recently about the correlation between a huge increase in the amount of ultraviolet B radiation hitting the skin of every person on Earth and the sudden and dramatic increase in every single disease of the human immune system: Graves disease, arthritis, lupus, AIDS, and herpes.

The list is a long one, tragically. All of them have causes that have been studied. But the researchers are now looking at the correlation of the incidence of these diseases and the extra ultraviolet B radiation because of ozone depletion. In the case of lupus, a direct correlation has been found. More ultraviolet B radiation can trigger the onset of lupus in some individuals.

Again, the state of science does not yet permit precision with respect to every one of these diseases. They are just beginning the research in many cases. But we would be foolish to suppose that our species having come to appear on this planet in atmospheric conditions that have remained relatively unchanged where the amounts of chlorine in the stratosphere and the amounts of ozone in the stratosphere are concerned during our existence on Earth as a species; that with our bodies fine tuned to the atmosphere and to the environment in which we evolved, that a sudden and radical change in an element as important as the radiation that we receive from the Sun would not cause damage?

Incidentally, Mr. President, this is a detail, but I think it needs to be known. They found that most of the sunscreens that people use to protect themselves against skin cancer from too much exposure to ultraviolet radiation do not protect against damage to the immune system. They have also discovered that skin pigmentation makes no difference whatsoever where damage to the immune system from ultraviolet B radiation is concerned. African-Americans, Hispanic-Americans, Asian-Americans, European-Americans—there is absolutely no difference.

Mr. President, the fourth damage that is done is to the food chain—to agriculture products, diminished soybean yield. That is the one that has been studied the most. Again the research is really just beginning on the damage done to corn, rice, and other important crops.

Perhaps most troubling is the damage done to the web of life in the surface layers of the ocean, phytoplankton at the very base of the food chain do not conduct photosynthesis at the same rate with extra ultraviolet B radiation. It is diminished by as much as 80 percent. That is what the little fish eat. And the little fish are what the bigger fish eat, and the bigger fish are what we eat. If the beginning of that food chain is damaged, then the consequences go up the food chain.

There was a conference at the University of Rhode Island this fall in which 325 scientists from around the world gathered to compare notes about a sudden catastrophe that they cannot yet explain. Algae blooms in every ocean of the world, much larger and more extensive than anything ever measured, with a much higher percentage of toxic algae bloom as a part of them than ever before seen.

One of the scientists there used the old cliche of the canary and the coal mine. You know that one. The miners take the canary down in the coal mine because when the canary dies that is time to get out of the mine because it means the concentration of harmful gases has reached the point where the canary cannot breathe, and that is an early warning signal. That is what these ocean scientists are saying about what is happening in the oceans now; could well be related to the extra ultraviolet B radiation.

But what I am most concerned about is my own backyard and the backyards of my constituents. At the local level, the hottest political issue these days is often where to put the new landfill, or where to put the new incinerator, because people feel like their backyards are threatened.

What is changing right now is the definition of "backyard." The entire global atmosphere is part of our backyard. It is in our backyard and when it changes, the air in our backyards change.

This Chamber, as I have said on numerous occasions, includes air that we are breathing right now that has 600 percent more chlorine atoms in each lungful than it did 40 years ago, a sign of the same compounds which are burning the ozone layer. That is true in my backyard and in your backyard, Mr. President, and in the backyards of every Member of this body, all of our constituents.

It is time to act. But it is time to act not just with respect to ozone depletion. It is also time to act before the crisis reaches its critical stage where global climate change is concerned. I do not want to be standing on the floor of this Chamber 10 years from now, after an utter catastrophe in the climate system has made the problem of climate change abundantly obvious even to George Bush, and make a similar speech to the one I am making today about ozone depletion.

I would like the President to act before the damage is done to Kennebunkport. I would like him to take the time to listen to what the scientists are saying, to put 2 and 2 together, to make the connection.

You know the old story about the frog. The frog is dropped in a pot of boiling water and it jumps right out. The frog is put in a pot of lukewarm water that is slowly brought to a boil and it just sits there until it is rescued because the frog's nervous system is so primitive it needs that sudden contrast before it makes a connection.

President Bush is like that frog. In some respects, our entire civilization is like that frog. We get signals from our global nervous systems, CNN news from around the world, but the process seems gradual so we just sit dead in the water. Now, with the potential ozone hole above Kennebunkport, the message is beginning to get through. Let us send that message today in strong, powerful, unmistakable language, and then let us follow it up with a similar message on global climate change.

Mr. President, I ask unanimous consent to add my distinguished colleague Senator WELLSTONE as a cosponsor, and I yield the floor.

The PRESIDING OFFICER. Without objection, the Senator will be added as a cosponsor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I rise in strong support of this amendment offered by my friend and colleague from Tennessee and in strong support of everything he said in his statement today.

He has spoken, first, with authority. He knows this subject. He has taken the time to study the science. He has spoken with eloquence. But he has also spoken with a sense of justifiable outrage. And I say outrage because he knows the harm that ozone depletion and global warming is causing our climate and our people. And he feels frustration, as many of us do, that we are not using the tools at hand, we are not playing the role of responsible, moral leaders which we are given by the offices we hold to protect people from the harm that zone depletion will cause.

Mr. President, the Senator from Tennessee, in the words of the Bible, has today again "sounded a certain trumpet," and we should follow him into battle against these threats to our people. This is not a matter of politics. This is a matter of public health. And, in that sense, it should be a matter of interest beyond partisanship.

Mr. President, last December, I was privileged to Chair a hearing of the Subcommittee on Consumer and Environmental Affairs of the Governmental Affairs Committee on this subject of ozone depletion. It may be that some people here in Washington think that the public glazes over when they hear the term "ozone depletion." It seems literally far away and unrelated to their lives.

But I have news for folks here in Washington who think that. The public is ahead of the politicians. The public is ahead of the President when it comes to their understanding of the real danger that ozone depletion presents to them. They know that the Good Lord gave this planet a natural layer of protection of ozone to keep us safe from the harmful rays of the Sun. And that we humans by our own action unknowingly, up until recently, have sent chemicals into the air that like a hoard of dangerous Pac-Men are eating up that ozone layer and allowing the Sun to come through and affecting our health. Senator GORE has spoken clearly and eloquently about the dangers to us.

Let me just give you some of the numbers again that were given at this hearing. And these were numbers not from far-out groups. These were numbers from NASA scientists, from credible medical professionals at leading universities in our country. Given a 10-percent loss in the ozone layer by the year 2000—which every day that passes seems more and more to be a real and in some cases perhaps even a conservative estimate—by the year 2000 there will be approximately 250,000 additional cases of skin cancer—skin cancer—each year. We can also expect an additional 4,000 deaths—4,000 people who may die prematurely every year for the next 50 years because of the threat that ultraviolet radiation will project because they are no longer safe because of the way in which we have depleted the ozone layer.

And there would be at least 1.5 million more cases of cataracts by the year 2000; 1.5 million cases—that is worldwide—of cataracts by the year 2000.

The Senator from Tennessee has talked about the work of Dr. Margaret Kripke, one of the world's leading experts on immune diseases. She came before our committee and warned us that there is increasing evidence that these unusual levels of ultraviolet radiation that are getting through are affecting the body's immune system.

Imagine what we are saying here. We are saying that the rays of the Sun, unfiltered by the ozone layer, can have an effect on people's bodies that is similar to AIDS, which has hurt so many of our fellow citizens.

Mr. President, it is time to act. This amendment calls on the President and this administration not only to lead the international effort to accelerate the deadline for the end of the use of these chemicals that are depleting the ozone layer and not be followers in the international effort, but it calls on the administration to follow the law.

The Clean Air Act which we adopted just a couple of years ago provides that EPA can make the phaseout schedule for ozone depleting chemicals more stringent if based "on an assessment of credible current scientific information, the Administrator determines that such more stringent schedule may be necessary to protect human health and the environment."

Mr. President, the new scientific evidence regarding ozone depletion right over my region of this country, New England, shows the clear and compelling need, and, in my opinion, legal obligation of EPA to act. This is just the circumstance that we in Congress contemplated when we enacted the new Clean Air Act.

My colleague from Tennessee has spoken of the allied problem of global warming. He talked about the refusal of the administration to act. I want to back up what he has said by presenting what is to me some startling evidence of how little the administration will tolerate in the way of action on global warming.

As part of this energy bill, the Senator from Colorado [Mr. WIRTH] who is on the floor now, and I, have prepared a simple amendment, virtually identical to one offered by Representative JIM COOPER to H.R. 776, the House energy bill, which was adopted unanimously on a bipartisan basis by the House Subcommittee on Energy and Power.

That amendment would have provided the Administrator of EPA with the power to establish a system for rewarding the good work of industries that voluntarily—and I stress voluntarily—either reduced their own greenhouse gas emissions or undertake programs to reduce emissions from other sources.

This was a simple amendment. It did not set goals or mandates. It did not establish timetables. It did not require reductions. It did not impose a requirement on firms to obtain credits or reduce emissions. But it did provide that good corporate citizens who voluntarily contribute to greenhouse gas emissions will have an opportunity to let the Government record their efforts at reducing those emissions in a data bank.

What happened? What did the administration say about that?

Unbelievably, to me, in a letter dated February 4, 1992—a few days ago—Energy Secretary Admiral Watkins wrote to the distinguished Senator from Louisiana, the chairman of the Energy Committee and said, "The administration is opposed to inclusion of language from a House subcommittee bill that would establish a voluntary certification and registration scheme for greenhouse gas reductions"—administration opposition even to a voluntary system to simply certify and record the good corporate citizenship of greenhouse gas emitting industries that act to reduce those emissions.

Today, we are preparing for a world global environmental conference, but as a result of this administration's adamant refusal to take action on carbon dioxide emissions, the United States remains isolated from Austria, Australia, Canada, Denmark, France, Germany, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, and the United Kingdom—all countries that have acted unilaterally to stabilize or reduce carbon dioxide emissions.

Unlike our administration, these countries are heeding the words of our experts.

The National Academy of Sciences, in its report, "Policy Implications of Global Warming" states:

> Despite the great uncertainties, greenhouse warming is a potential threat which justifies action now.

The Congressional Office of Technology Assessment has concluded:

> We cannot predict the magnitude of climatic effects from greenhouse gas emissions with accuracy. But it is clear that the decision to limit emissions cannot await the time when the full impacts are evident. The lag time between emissions of the gases and their full impact is on the order of decades to centuries; so too is the time needed to reverse any effects. Today's emissions thus commit the planet to changes well into the 21st century.

Let me give some examples of how that amendment would have worked and why I believe it is so critical to American business competitiveness and the environment.

Applied Energy Services is a company that is headquartered in the State of the distinguished Presiding Officer, Virginia, an independent power company which builds cogeneration facilities, mostly coal fired. One of those happens to be in Connecticut.

AES has adopted a very commendable voluntary corporate policy that offsets all new carbon dioxide emissions from their projects. They put this policy into effect by planting trees in a Guatemalan forest to offset its emissions that are coming from their plant in Connecticut. Unique, creative, and effective.

Under the amendment, after EPA issues guidelines, companies that undertake activities like AES will be given the opportunity to record their good work in a national registry. And on that day that the Senator from Tennessee has foreseen when the true impact of global warming is realized and we will probably mandate reductions, companies like AES will be able to receive credit for what they have done today.

To give another example, last spring, Mayor Bradley of Los Angeles announced that the department of water power in the Southern California Edison Co. had pledged to reduce carbon dioxide emissions by 20 percent by the year 2010 with at least half of those reductions to be achieved by the year 2000. That program would actually reduce carbon dioxide emissions by more than 40 percent when compared to the projected levels.

I would like to take just a moment to read a statement from the chairman of Southern California Edison when he announced this company's voluntary commitment because I think it is exemplary and indicative of what a lot of good corporate citizens are doing and can do to protect us from global warming.

"Taking prudent, reasonable economic steps to reduce CO_2 emissions is warranted by current scientific understanding of the potential for global warming. Our actions"—that is the actions of Southern California Edison—"are consistent with the recent policy recommendations of the National Academy of Sciences and we believe they make good environmental, scientific, and business sense."

Under the amendment that I hope to offer, along with the Senator from Colorado [Mr. WIRTH], Southern California Edison and the Los Angeles Department of Water Power would be able to record their good work with the EPA and be given credit for it in the future.

Mr. President, I believe that the amendment is essential to preserve American competitiveness as the United States begins negotiations over a global greenhouse gas reduction agreement.

It would have removed and would remove a significant disincentive facing American firms that seek to voluntarily reduce their greenhouse gas emissions who might feel that their present efforts would not be recognized; in some sense they would be penalized in the future for having acted now.

It is a reasonable amendment. Representative CARLOS MOORHEAD stated during the subcommittee consideration in the other body of this amendment:

> As we all know, unfortunately we rarely reward companies for their environmentally-beneficial actions. And we should.

And that is why he supports this amendment.

Mr. President, I cannot understand why the administration would oppose the amendment. I hope they will change their position and allow us to take this small, voluntary step toward protecting our planet from global warming.

Let me take a few minutes to respond specifically to the Secretary's comments.

First, the House voluntary trading program does not give credits to companies that close U.S. plants and move offshore.

Second, the House proposal does not "enshrine," but instead leaves to DOE discretion to determine the "relative role of CFC's, sulfur dioxide, nitrous oxides, and carbon dioxide as influences on the climate system." The House proposal does not skew or lock in these relationships. In fact, the House bill's inclusion of all greenhouse gases was written in response to the administration's position that all such gases should be covered. The IPCC revision referred to in the letter contains more policy scenarios than the original document, some of which show more harm for certain gases and some of which show less harm.

Third, the administration's assertion that the House bill is an administrative nightmare seems to be a concession that DOE can't do anything efficiently. Is this the same administration that complained that congressional global warming proposals needed to include more gases, more sources, and more sinks?

In sum, Admiral Watkins concludes that the administration opposes the amendment because it wants to control global warming through the measures in S. 2166. Such a policy ensures that the United States will remain isolated from the rest of the world.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Louisiana [Mr. JOHNSTON].

Mr. JOHNSTON. Mr. President, first of all, if I may bring my colleagues up to date on this bill, we are going to press forward very hard all day today, into the night. I hope the majority leader will let us go late tonight, and tomorrow until our requisite 3 o'clock. And with cooperation by Senators, I think we can dispose of just about everything in the bill.

After this amendment is voted on—and there will be a record vote on the Gore amendment and I hope we can get to it immediately, because as I shall shortly say, the majority support it and I think it is ready to be supported. I hope we can vote immediately on the Gore amendment, then go to a Wellstone amendment, which we will accept. And I hope we can do so quickly. I would hope then that we could begin to deal with any contested amendments.

We are trying to get Senator METZENBAUM now to determine whether he is going to put in his amendment. I think we can see a possibility of light at the end of the tunnel on this bill.

So Senators who are holding back amendments, waiting to bring them up in the distant future, should be on alert that today is the day; that if amendments are going to be seriously pursued, they ought to be seriously pursued today.

I hope Senators will let us get on with it and begin to vote on these matters.

On the matter at hand, Mr. President, two things have been surprising about ozone. First, the speed at which it has deteriorated in the atmosphere and, second, the amazing ability of industry to respond to this great challenge. They have exceeded their own estimates and other peoples' estimates of how quickly they could accommodate to the tremendous challenge of dealing with this problem.

I am convinced that the Gore amendment is an appropriate resolution and that we should, in fact, speed that up. So, for this side of the aisle, Mr. President, we accept the amendment. I ask unanimous consent that I be included as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, have we asked for the yeas and nays on this amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. WIRTH. Will the Senator yield to me?

Mr. JOHNSTON. Yes.

Mr. WIRTH. Just in talking about the schedule, is it the distinguished chairman's understanding we can finish the bill altogether today and have final passage today or tomorrow?

Mr. JOHNSTON. I hope that we can dispose of everything except the ANWR amendment and have a unanimous consent that would sound something like this: That there be an ability to bring up the ANWR amendment under a time limitation, with an ability to have it up or down or a tabling of the amendment and, if it is agreed to, the bill be open to further amendment and filibuster; and if it does not, we go immediately to third reading. In other words, close everything else out except that. Frankly, I hope after the recess that would go away.

Mr. WIRTH. Why can we not finish the bill tomorrow? Why can we not get it done before we leave?

Mr. JOHNSTON. Perhaps we can do that.

Mr. WIRTH. Is there a reason we cannot dispose of everything this week?

Mr. JOHNSTON. Only the Senators from Alaska say they want to get home and have an opportunity to discuss ANWR with their constituents. I hope when they discuss it with their constituents, their constituents will say do not try to put it on this bill. So, in other words, in effect, the bill would be finished because ANWR is not going to pass as part of this bill.

Mr. WIRTH. There is no way that they would understand that this week so we can get this finished?

Mr. JOHNSTON. I would hope so, but not yet. The point is, we can see the possibility of finishing this bill either late tonight or tomorrow if we stay on it and do not debate the economy and a lot of other things and proceed to vote.

Mr. WIRTH. I thank the chairman.

The PRESIDING OFFICER. The Senator from Wyoming [Mr. WALLOP].

Mr. WALLOP. Mr. President, let me say to the distinguished chairman of the Energy Committee, my friend, BENNETT JOHNSTON, that I, too, hope that we can get on. Mr. President, we are not going to get on if every amendment comes in here with a Presidential campaign speech. There is either a logic or there is not a logic. There is either going to be an energy bill or a new Clean Air Act. But it is unnecessary, Mr. President, and indeed unsuited to the occasion, to make all-out assaults on the President of the United States when the President of the United States has embraced as policy the effects of the amendment of the Senator from Tennessee.

I just wondered, Mr. President, how long it was going to take before we heard the first Presidential campaign speech from the Senator from Tennessee. I wondered if it would have any substance. I find that the substance of it is that he attributes everything to George Bush, including the expanded rate of AIDS.

He speaks of the ozone depletion being responsible for red tide. Perhaps he has forgotten that the red tide was in Biblical times. In my State, Mr. President, there is an old sea, which is now called Fossil Butte National Monument. The sea is empty. And long before Americans were here polluting the environment, somebody drained the ocean there. There used to be palm trees, alligators, bats, and all kind of things. There remains fossils of red algae.

What we are hearing is mindless support of action without regard of effect or cost; no science or pseudoscience; a tale of horror; AIDS, lupus indeed.

There is going to be a temptation to change the energy bill into a new Clean Air Act. Mr. President, the Senate should resist that temptation. What the Senate should focus on is what the Senator from Louisiana and I have tried to bring to the Senate, a broadly based, package of energy needs of America today and in the future. We have sought to do that. The Environment and Public Works Committee has jurisdiction over environmental legislation. The Environment and Public Works Committee passed George Bush's Clean Air Act last year.

Let us just talk about some of the things that have taken place and set the record straight a little bit, because the administration sent me a message this morning that they embraced the sense-of-the-Senate resolution of the Senator from Tennessee because it is an iteration of administration policy.

I know I am going to hear a little response and I know I am going to hear a new assault, because it is a campaign year. It seems odd that maybe the Senator from Tennessee maybe would not be able to take yes for an answer. But let me set some of the record straight.

President Bush was one of the first world leaders to endorse the total phaseout of CFC's by the year 2000. The United States was the first nation to actually legislate, in President Bush's Clean Air Act, the complete phaseout of CFC's. The United States was the first nation to actually pay into the Montreal protocol fund to help the lesser-developed countries to meet their obligations. And, Mr. President, I wish the Senator from Tennessee would give this speech in Brussels because most of the G–7 countries have yet to contribute.

The United States has already reduced CFC emissions by 42 percent just in the last 2 years, far ahead of the international required schedule.

The United States enacted in the 1990 reconciliation bill, in the fall of 1989, a tax on CFC production of $1 a pound. No other country, Mr. President, has done this. That—a Bush proposal—is what put us ahead of schedule on the phaseout.

It is also critical to get other countries to sign up to the phaseout under the Montreal protocol. For example, India, one of the world's largest emitters of CFC's, has yet to sign it. China has yet to sign it. Europe is meeting its initial obligations to phaseout under the protocols by phasing our aerosols, but that is something the United States did in 1978, Mr. President. The administration, in the face of science, is already considering speeding up the Montreal protocol time schedule.

But let us remember that America has done more than anyone else, and it is unfair and unseemly for the Senator from Tennessee to make big speeches as though the President has done absolutely nothing. Now, he may not agree with the rate at which the President has done things, and that is his right. But to accuse the President and accuse our country of inaction when our conferees in the Common Market, EC '92, and others lag behind us, when other countries, great emitters, lag behind us, when we are already contributing where our G–7 partners are not, is simply an unfounded accusation of inaction.

Mr. President, I repeat again that we will not soon get to votes on things like this if we have to hear campaign speeches, because they will be contested. I also say again that the message I got this morning was for us to embrace the concept of the sense-of-the-Senate resolution of the Senator from Tennessee. Perhaps he would see fit now to take yes for an answer and leave the politics of the campaign year to the streets and the television sets outside.

Mr. President, I yield the floor.

Mr. GORE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Tennessee [Mr. GORE].

Mr. GORE. Mr. President, first of all, let me reaffirm my fondness for the Senator from Wyoming. He and I have been friends for a number of years now. We have worked together on these issues, and worked against each other on these issues occasionally. We worked together and occasionally against each other on arms control.

My fondness for my colleague from Wyoming is, indeed, undiminished, and I want him to know, Mr. President, that I understand he does not mean his criticism personally, and what might sound to some like an ad hominem examination of my motives in speaking on the Senate floor is simply the Senator's manner and should not be interpreted as an attack on me personally. I certainly do not interpret it that way.

I genuinely enjoy my working relationship with the Senator from Wyoming. I have some hope, Mr. President, that the support of this amendment by the Senator from Wyoming is a harbinger of his potential willingness to support other measures which will be forthcoming and which will also be considered for a vote in the months and years ahead in this Chamber.

I do want to reassure the Senator from Wyoming, if assurance is needed, that his references to a Presidential campaign speech are wildly inaccurate. Perhaps the Senator does not know, but I am not running for President. I have made that announcement. I have had zero second thoughts about that announcement. I made that decision not for political reasons but for personal reasons which were and are varied.

I am flattered, I suppose, that the Senator from Wyoming would think the issue which is brought to this Chamber this morning is one which falls into the orbit of Presidential campaign issues. I have tried for a long time to elevate these issues into the status of issues debated at the Presidential campaign level. I used to be the next President of the United States, I would say to the Presiding Officer, so I know a little bit about Presidential campaigns. But I am not in a Presidential campaign, nor do I have any intention of getting in a Presidential campaign.

If the Senator from Wyoming believes that I need to have in the back of my mind a Presidential campaign in order to feel the passion that I bring to this issue, the Senator is mistaken. The passion I feel on this issue comes because I see what is happening to the global ecological system, and I see the need for leadership by the United States of America, and it is not forthcoming.

Now, all of this can be sugar-coated; all of this can be portrayed in a variety of different ways. But this is no secret about the fact that 3 months ago when this same amendment came to the floor of the Senate, the Republican Senators stopped this amendment, and there is no secret why they did it. George Bush said: Stop the amendment. We do not want it debated; we do not want it voted on; we do not want it to pass.

That is no mystery, absolutely no mystery whatsoever. This is not politics. This is about the single most important issue facing this country and this Earth.

Now, the Senator from Wyoming made some other statements, and I am going to cover them briefly. I know the Senator is ready to roll on the vote, and I am ready, too, but I cannot let all of it pass without just a brief response.

The United States has taken steps on this. I referred to a number of them: the Montreal protocol and the London amendments. But you know what, Mr. President? President George Bush was dragged kicking and screaming every inch of the way. The record is pretty clear. This is not a mystery.

The Senator from Wyoming referred to our contribution to the Montreal protocol fund. Will my colleagues remember some of the speeches I made here about that fund at the time that decision was made. I will be glad to point to the references in the RECORD.

Twenty-four hours before the critical meeting, countries from all over the world served notice that the entire Montreal protocol was going to be completely disbanded because one nation, the United States of America, refused to take the step every other developed nation had announced they would take, and that is to contribute to that fund.

Twenty-four hours before the meeting, John Sununu and President Bush still had dug in their heels. Twelve hours before the meeting, finally the White House relented and the protocol was saved after political pressure here in this Chamber and in the other body and from the American people.

Yes, this is a political issue all right, and it ought to be a political issue. The President of the United States had the hutzpah to say he was going to be the environmental President. What guffaws that claim now generates. In the other Chamber last week, when he gave his State of the Union Address, did we hear anything about this? Did we hear the word "environment" once? No. The environmental President did not bring up the subject until the ozone depletion above Kennebunkport was discovered.

Now, the Senator from Wyoming also said that no other country has done more than we have. With all due respect to my colleague, it is simply not true. I will put into the RECORD a list of countries that have gone much further than we have and have called upon us to do the same. I would include on other occasions speeches in the RECORD from Prime Minister John Major, Margaret Thatcher, President Mitterrand, President Kohl of Germany, and others who call upon the President of the United States to lead.

Just 2 weeks ago, there was a meeting in Tokyo where the Japanese Government met with representatives of the United States Government, and President Bush's representative said about global climate change: We are not going to do anything, because we do not think the evidence justifies it.

One other point, just as a matter of clarification. The Senator from Wyoming said India and China have not signed. Both India and China have said they are now prepared to sign, but they have only imposed one condition, and that is that 20 nations ratify the London amendments in the Montreal protocol. We are up to 17 in the world now, and it will be a matter of months only when their approval does occur.

Mr. President, I am prepared to go for a vote. I know the chairman wants to do it. I know that others here had wanted to speak. It is OK with me to just go ahead for a vote, and I hope this really will be a bipartisan vote.

Mr. WIRTH and Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado [Mr. WIRTH].

Mr. WIRTH. Mr. President, I thank the Chair very much. I do hope we move to a vote very quickly, but I do not want to leave much of this discussion to go unattended.

Just an aside, I would note, Mr. President, that I am sorry the Senator from Tennessee is not running for President. I think his passion, his concern, and his capacity to bring to the attention not only of our colleagues here but to people all across the country, and increasingly all across the world, the size and scope of this set of issues that endangers the globe in the most fundamental way would be an enormous contribution.

Unfortunately, that contribution is not being made, in my opinion, Mr. President, not only not by President Bush but, unhappily, not in a very aggressive fashion by candidates on our side either.

I am disturbed that this has not been a front and center part of the national and international debate as it should be. Everybody in this Chamber has talked about the fact that the cold war is over. Everybody has talked about, in some language, the New World Order, in other language, the transition and changes that we have to make. I heard only the other day a very good speech on the other side talking about the fact that our international security was no longer going to be defined in military terms; absolutely not.

On what terms is our international security going to be defined? It is going to be defined on economic grounds, and it is going to be defined on environmental grounds. The faster we make an understanding of that transition and that gets reflected in American policy, the better off we are going to be and the better off the world is going to be because the world is looking to the United States for leadership.

Unhappily, that kind of leadership has not been forthcoming in the kind of aggressive fashion that the Senator from Colorado would like to see and I know the Senator from Tennessee would like to see and, I believe, Mr. President, that an increasing majority of the American public wants to see.

I wanted to make a comment or two not only on what kind of leadership is expected from the United States and is not forthcoming—and I say we are delinquent, I believe, on both sides of the aisle. The institutions of our Government have not caught up to the reality of the world, not only on the environmental issues, but economic issues and so many others ones.

No wonder people out there are frustrated with what we are doing. No wonder there is an enormous amount of anger and questioning as to whether this system works, the system that we are seeing right here in the U.S. Senate. People do not see this moving with the kind of speed and urgency and sense of indignation that it ought to move.

But more importantly than that, Mr. President, what is at stake on this issue, I think what we should all focus on is that this sense-of-the-Senate resolution vote is in many ways a metaphor for all the problems that are going to be coming right after that we have seen on the ozone because of our inability or unwillingness to act more rapidly to phase out CFC's more rapidly, and to recognize the surprise that we saw with the discovery of the hole in the ozone in the 1970's.

The fact that we have been so slow in moving means that we get to this kind of a crisis. I hope we view it as the sort of helpful metaphor that it ought to be because this is just the start of a number of other surprises that are on their way in terms of the global environment.

Those are surprises that are going to be related to global climate change and the burning, the carbon dioxide, surprises that we are going to see in deforestation, surprises that we are going to see in the collapse of species—we are seeing that again—surprises we are going to see in terms of what is going on in the resources of the ocean, and maybe most dreadful of all surprises that we are going to see with this vast increase of population and our unwillingness in the United States to address that issue.

These surprises are going to continue to come. What has happened on the ozone is a metaphor that we should all beware. We waited and waited and waited, and, suddenly, the hole grew dramatically and we were alarmed. Maybe we could do something about this one, maybe we can do something about it, by moving on the schedule suggested by the Senator from Tennessee that we ought to be doing in this country.

What about the other issues that are out there that we cannot repair? We cannot repair global climate change. We cannot repair the destruction of species. We cannot repair this rapid growth of population. We cannot fiddle while the globe burns.

This is a metaphor for all of those other issues, and we should understand it as such.

It is a relatively harmless Senate resolution. I am pleased that we are all supporting it on either side.

But let people note what this really means. This is a symptom of a deeper problem, and the faster we come to understand the importance of it, the better off we are going to be.

I yield the floor. Thank you.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the majority leader [Mr. MITCHELL].

Mr. MITCHELL. Mr. President, I commend Senator GORE for this resolution. I encourage all Senators to vote for it.

This resolution is the same text as Senate Resolution 95, which was reported by the Foreign Relations Committee last year. We were unable to clear it for floor action last year. I am pleased that we are going to be able to get approval of it here today.

This resolution calls on the EPA Administrator to exercise his obligation to accelerate the phaseout of ozone-depleting chemicals based on credible data to protect the public health and the environment. That is required of the Administrator under section 606 of the Clean Air Act.

Last year, I called upon the Administrator to exercise that authority repeatedly and publicly. He refused. This resolution, if adopted, will put the Senate squarely on record as calling for the Administrator to do that which, I believe, should have been done last year and I hope will be done soon.

Although we are advised that the administration now supports this resolution, we still do not have a commitment to any specific course of action or any date for a phaseout by the administration. I hope that will be shortly forthcoming. We must act. This is a very serious problem.

We confront the prospect of extraordinary and potentially very dangerous damage to the ozone layer over densely populated areas in our own country. It so happens that, by coincidence, the problem is dramatically illustrated now by a vortex hovering over Maine. It may be over Maine now, but the scientists made clear it could affect other areas of the United States much more densely populated as well as areas in Europe.

We have known about this for some time. The recent NASA report is merely confirming evidence of what we have known previously in a more dramatic manner, but it is not new evidence. It is cumulative evidence on top of that which we have had for some time.

This action is overdue. I commend the Senator from Tennessee for his effort in this area and for bringing this resolution forward. I hope now we can have a strong vote and prompt action by the administration on a specific course of action and a commitment on a specific date for a full phaseout.

Mr. President, I thank my colleagues.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming [Mr. WALLOP].

Mr. WALLOP. Mr. President, let me begin by showing the Senator from Tennessee that it was not an ad hominem act on him; it was a protest of his attack on our President, and it was the method, not the man, that was the object of my scorn.

Mr. President, there is something that needs to be observed about America, that among the family of nations, America more than any other takes seriously the obligations that it undertakes. It is well and good for a speech from Prime Minister Major or Chancellor Kohl, well and good for them to come and embrace the Montreal protocol and other things. But it is essentially this Nation that puts its behavior where its pen of adoption has been.

It is therefore wise for a nation such as ours to pursue with prudence the commitments it makes in the public body; one, to be certain that they can, and, two, to be certain that they are wise, because whether they are wise and almost beyond our reach, we will strive to meet them.

That just happens to be the way America is. It does not happen to be the way most of the other nations in the world are. They suit their international agreements by domestic politics, by convenience, and by international politics. But this Nation has a habit of taking itself and its obligations seriously.

So we exercise caution, even though I still say to my friend from Tennessee that it is my belief that we by far lead the behavior, not the rhetoric, of other nations.

But when we undertake new obligations, publicly announced and embraced, they ought to be ones which have both means of deliverance and the possibility of deliverance.

It is my judgment that that is what the administration has done, and it is my judgment that that is why they have no objection to this amendment.

So lest we pay some respect to the behavior of this country in international circles, maybe we can set aside some of the politics and embrace what the administration has said, which is that it is fully supportive.

I yield the floor.

Mr. DOMENICI. Mr. President, I would like to comment on the amendment submitted by Senator GORE on stratospheric ozone depletion. The new scientific data that shows that the ozone could be disappearing at a rate of 2 percent per day over the Northern Hemisphere this winter, should have brought us all together, with the administration, to respond to this threat. I am therefore very sad to hear that the Senator from Tennessee [Mr. GORE] took this opportunity to attack the administration. I do agree with the Senator on the scientific issues. In fact he and I were some of the first in the Senate to worry about ozone depletion—now we all do. But I must take exception to his characterizing George Bush as dragging his feet when in fact, he is about to take many of the steps outlined in this amendment. This issue is too important to us, and to our grandchildren, to be used for partisan attacks and I hope in the future we in the Senate can work together with the administration to develop scientifically sound environmental policy.

GORE AMENDMENT ON CFCS

Mr. BIDEN. Mr. President, for those in the administration who saw ozone depletion as a faraway problem for others to solve, recent findings by NASA have shattered that false sense of security. NASA has found exceedingly high levels of the chemicals that destroy the ozone above the North American continent.

Earlier findings of ozone depletion were enough to galvanize world support behind a remarkable agreement to reduce the production of many of the chemicals that destroy the ozone. But as impressive as that effort—the Montreal protocols—is, the recently reported findings show we must go much further. That is why I supported Senator GORE'S amendment calling for the President to lead efforts for further reductions in ozone depleting chemicals.

Gone are the days when administration members could seriously propose hats and sunglasses as a response to ozone depletion. The public knows the risk to the global environment and to their health. And perhaps more important, they know that they must take steps now to reduce the risk to future generations.

The single most crucial element in any further tightening of the terms of the Montreal protocols is the leadership shown by the U.S. President. If he waits, the world waits. When he acts, the Nations of the world will follow. Senator GORE'S amendment shows the Senate's hope that the President will not await the leadership of others on this problem.

I ask that copies of two articles describing the NASA findings from the Washington Post be reprinted at the conclusion of my remarks.

As one of the scientists involved in the study noted, ozone depletion is a legacy of our times that will remain long after we have gone. But a worse legacy would be to ignore the findings that have come before us and fail to act. It is imperative that the President start today the process of protecting the health of future generations.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 4, 1992]

OZONE-HOLE, CONDITIONS SPREADING: HIGH CONCENTRATIONS OF KEY POLLUTANTS DISCOVERED OVER UNITED STATES

(By Kathy Sawyer)

The danger that a new ozone "hole" could open over densely settled areas of the Northern Hemisphere, exposing the population to increased amounts of harmful radiation, is greater than previously suspected, scientists reported yesterday.

New indications of ozone depletion by NASA satellite and multiagency airborne instruments are so alarming, the scientists said, that they decided to release them before completion of the data analysis in late March.

Two weeks ago, detectors aboard a converted spy plane flying over New England and eastern Canada recorded the highest level of the ozone-destroying chemical chlorine monoxide ever measured anywhere around the globe. The level—1.5 parts per billion—was approximately 50 percent greater than any previously seen over Antarctica, the site of the infamous ozone hole first discovered in the early 1980's.

Chlorine monoxide, which results from the presence of man-made chlorofluorocarbons (CFC's), is a potent ozone-destroyer by itself. And when combined with small amounts of its chemical cousin, bromine monoxide—which the NASA researchers also found at elevated levels—the effect is enough to destroy ozone at a rate of about 1 or 2 percent per day for brief periods in late winter, said Michael Kurylo, NASA's program manager for the airborne studies.

Ozone in the stratosphere protects the Earth's surface by absorbing much of the ultraviolet radiation that causes skin cancer, cataracts and immune-system damage in humans and devastates many microscopic marine organisms.

Weather conditions permitting, ozone over parts of the Northern Hemisphere could be depleted by 30 to 40 percent, the scientists said. By comparison, about 50 percent of the ozone has been depleted from the ozone hole over Antarctica.

To emphasize how ozone-destroying chemicals have become widespread over populated areas, Kurylo described the experience of the science investigators' flights out of Maine. "There were some flights directly out of Bangor where the aircraft encountered these parcels [of chlorine gas] before it ever got to operating altitudes."

In addition, researchers found evidence of reduced concentrations of nitrogen oxides in the lower stratosphere. Nitrogen oxides help preserve ozone by reacting with chlorine and bromine compounds before they can damage the ozone layer.

"Our conclusion is that the 'immune system' of the atmosphere"—its nitrogen-mediated ability to fight ozone-destroying chemicals—"is weaker than we had suspected before," said James G. Anderson of Harvard University, lead scientist for the airborne observations program. "None of the news is good."

Ozone-depleting compounds in the stratosphere from the Arctic as far south as the central Caribbean were found to be much more abundant than computer analyses had predicted. Part of this is a result of the eruption of Mount Pinatubo in the Philippines last June, the scientists said.

The new observations, including some from NASA's new Upper Atmosphere Research Satellite (UARS), suggest that the chemical processes that apparently work to deplete ozone throughout the atmosphere are not confined to the polar areas, where conditions are more conducive to ozone destruction.

The Antarctic hole was discovered in 1985. Concern has grown since then that Earth's ozone shield is being destroyed by human industry, primarily by the release into the atmosphere of CFCs used as refrigerants, thermal insulators and in cleaning solvents. These break down into chlorine atoms or compounds, which interact with and destroy ozone.

Ozone is a form of oxygen whose molecules contain three oxygen atoms instead of the usual two—a configuration that gives ozone its peculiar ability to filter ultraviolet rays from sunlight. But highly reactive chlorine or bromine compounds, atmospheric scientists believe, snatch one of the oxygen atoms away. The remaining two-atom molecules of ordinary oxygen cannot block ultraviolet radiation.

How severely the ozone is depleted depends on weather conditions, especially the size and duration of the so-called polar vortex—a supercold mass of air penned in by high winds swirling around it. When the air is cold enough inside the vortex, ice particles form. These, along with liquid droplets, provide platforms for the ozone-destroying chemical reactions, which are triggered by sunlight.

The vortex over the Arctic is more broken, because of turbulence caused by surrounding mountains, than is the one over Antarctica, scientists noted. The greatest danger of high ozone loss—a "hole"—over the Arctic will occur when the vortex there remains intact until late February, according to Kurylo.

Based on an estimated 10 percent ozone loss in mid-latitudes during the 1990s, a panel of the United Nations Environment Program reported in November that increased ultraviolet radiation leaking through the ozone layer by the turn of the century could cause 1.6 million additional cases of cataracts and 300,000 additional skin cancers a year worldwide.

Most nations have agreed to phase out CFCs by the year 2000, but some potential replacements also involve ozone destroyers.

The new findings yesterday moved Sen. Albert Gore Jr. (D-Tenn.) to introduce new legislation that would speed the phase-out of ozone-depleting chemicals.

A NASA official compared the decades of buildup of ozone-destroying chemicals to the way a head of foam forms on a glass of beer. The chemicals rise through the lower atmosphere and bubble into the stratosphere.

Scientists noted that, once in the atmosphere, the ozone destroyers are very persistent. Even if CFCs were phased out at once, said Kurylo, to restore the ozone layer to its former health "would take until 2060 or 2070. . . . This legacy will be with us for a long time."

[From the Washington Post, Feb. 6, 1992]

UNITED STATES MAY SEEK TO HASTEN ACTION TO PROTECT OZONE: SIGNS OF ATMOSPHERIC DAMAGE ALARM OFFICIALS

(By Michael Weisskopf)

The Bush administration, alarmed by new forecasts of a growing ozone "hole" over the Northern Hemisphere, is likely to push for a speedier phaseout of the most ozone-damaging chemicals at a diplomatic meeting in April, officials said yesterday.

Under terms of an international treaty called the Montreal Protocol, the United States and other industrialized nations have agreed to halt production of ozone-destroying chlorofluorocarbons (CFCs) by 2000. The goal is to patch up the vaporous veil of molecules high above the Earth's surface that screens out much ultraviolet radiation, which can cause skin cancer.

But Environmental Protection Agency Administrator William K. Reilly said yesterday that in view of new data projecting greater ozone loss than anticipated, U.S. officials are nearing agreement on a plan to accelerate the CFC phaseout deadline by three or four years.

If U.S. representatives offer such a plan at the April meeting of treaty signatories in Nairobi, it would signal a more aggressive U.S. stance on global environmental issues. After taking the lead in negotiating the 1987 pact on CFCs, the federal government under President Bush has agreed to stronger measures only after initial resistance. The European Community has pledged unilaterally to stop CFC production in July 1997.

But any new U.S. initiatives will be made easier by industry's unexpected alacrity in finding CFC substitutes, which have been in development for years. Cheaply and easily produced, they are used in countless consumer goods—coolants for air conditioners, gases for shaping foam products and solvents for computer chips.

Major users of CFCs are in the process of converting to less ozone-depleting substitutes, a process they expect to complete as early as January 1996 for new products, according to industry spokesmen. Substitutes are three to five times as costly, but they account for only a fraction of the price of finished goods.

"There are encouraging signs in industry that allow us to end CFCs more quickly," said a senior official.

Plans for a faster timetable are under review by an interagency group headed by presidential science adviser D. Allan Bromley. A meeting was held Monday after NASA researchers reported that satellite and airborne measurements taken over North America recorded the highest level of ozone-depleting chemicals ever detected worldwide.

"The NASA data are worrisome and create an added urgency to phase out these chemicals," said Reilly in an interview. "The president feels strongly about phasing them out earlier than the year 2000."

Speeding up the phaseout by four years would have a marked impact, according to a new analysis by the United Nations Environmental Program. Total atmospheric levels of chlorine, released by CFCs as they rise into the stratosphere and come under intense bombardment by solar rays, have increased from 2 parts per billion (ppb) in the late 1970s to 3.5 ppb today, the EPA estimates.

Chlorine levels are expected to reach 4.1 ppb under the current timetable, then gradually fall to 2 ppb by the year 2060. Eliminating CFCs four years earlier, however, would cut the peak to 3.87 ppb, according to the U.N. analysis.

Administration officials said a faster phaseout by industrialized nations is necessary to set an example for the Third World. The Montreal treaty permits a 10-year grace period for less-developed countries, which are eager to exploit the chemicals to provide more consumer goods. Those nations now account for 15 percent of world CFC production, but that percentage is expected to rise as richer nations phase out. India and South Korea, among developing nations, have not signed the treaty.

With U.S. industry fast converting to less depleting substitutes, the nation has cut its CFC production to 58 percent of the 1986 baseline used in the treaty, according to Kevin Fay of the CFC Alliance of industrial users and producers.

Fay said the industry supports a faster phaseout of CFCs for new products, but remains concerned that the chemical be available to service the 160 million home refrigerators and air conditioners, 80,000 office building chillers and 130 million auto air conditioning units that now run on CFCs.

Existing equipment using CFCs is valued at $135 billion, Fay said.

"Industry is doing everything it can to minimize emissions of the compound," said Fay. "Some speedup is possible. The real issue is the impact on consumers and small-business owners with existing equipment."

OZONE DEPLETION

Mr. SIMPSON. Madam President, we are considering an amendment dealing with a very important environmental and health issue today—ozone depletion.

This issue involves possible health effects for the entire population of the planet. The scientific knowledge about ozone depletion is well documented.

The ozone depletion issue is much different from the global warming issue in that regard. Ozone depletion is a well established scientific fact while global warming caused by manmade emissions is only a theory.

For that reason I can support the Gore amendment. We should take more rapid action to protect the ozone layer. We should accelerate the phase out of CFC's. Fortunately we can take this action without causing economic problems because CFC substitutes have been developed which do not deplete the ozone layer.

Ozone depletion is a public health issue and it deserves special attention. In contrast global warming is an issue in dispute. Scientists do not agree that manmade sources will cause large scale climate change. Politicians and environmental groups who support drastic action to reduce CO_2 often have a hidden agenda. They seek to whip up public fear about a problem that is not well documented and they propose actions that may have grave consequences for our economy. While we will take decisive action with regard to ozone depletion we should exercise caution when contemplating action on global warming.

I would say that I am a bit troubled by those who would use this issue to bash the President. There are some who would portray themselves as the sole protectors of the Earth. These individuals often engage in partisan shrillness in an effort to paint the President as "hiding his head in the sand" with regard to the environment. Nothing could be further from the truth. If it had not been for President Bush we would not have passed landmark clean air legislation last year that provided authority for the EPA Administrator to accelerate the phase out of CFC's. This fact is often ignored by those who are the most ardent critics of the President. George Bush cares about the environment and he has always promoted common sense environmental policies on ozone depletion and many other issues.

THE OZONE DEPLETION AMENDMENT

Mr. HOLLINGS. Mr. President, I rise today in support of an amendment to S. 2166 which calls for the accelerated international phaseout of ozone depleting chemicals. I think that the importance of ozone depletion and other global environmental problems was really hit home for me back in 1988. I was far from home—in Antarctic temperatures that were 30 degrees below zero—looking at an ice core from the Newell Glacier. The ice core was about 18 feet long and had been laid down over hundreds of thousands of years. Researchers were studying each millimeter of its length, and pointed to tests indicating the presence of manmade chemicals in the ice laid down within the past 20 or 30 years.

That ice from a desolate Antarctic glacier proves silent evidence of the potentially far-reaching impacts of human pollutants released many hundreds of miles away. It shows the need for viewing the Earth as a complex, interdependent system, in which oceans, atmosphere, and life all affect one another and all help shape the face of the planet. And, it is one of the Earth's loud and clear warning signals that its ability to sustain human life may face a long-term threat.

Exactly 2 years ago today, the Senate passed a bill that I sponsored calling for a national plan to get the facts and improve our understanding of global change. Today's unanimous vote in support of an accelerated phaseout of ozone-depleting chemicals, shows why that legislation was so important. If we are to deal with global environmental threats, all Americans—consumers, businessmen, and Federal managers—will be faced with tough decisions that will hit us squarely in the pocketbook. But our response thus far has been a little like the wealthy man who speaks out loudly in support of worthy causes—but when the collection plate is passed, he finds that he has left his wallet at home. Once we are convinced of the worthiness of the cause, it becomes far more likely that we remember our wallets.

Today's vote comes after the presentation of clear and compelling scientific evidence that ozone depletion is far more widespread and occurring at faster rates than researchers had expected previously. The new information convinced the U.S. Senate, and I am optimistic that it will convince the Bush administration and the rest of the world about the urgency of eliminating ozone-depleting chemicals.

STRATOSPHERIC OZONE DEPLETION

Mr. D'AMATO. Mr. President, I rise today to explain my support for the amendment that deals with an issue which should be a concern to all. I am talking about the ceaseless deterioration of the ozone layer. It is our principle protection against the harmful effects of the Sun. Research shows that it is being destroyed at an alarming rate, and if something isn't done to impede its deterioration, we will all suffer the consequences.

The amendment, authored by the Senator from Tennessee, is a thoughtful, reasoned step in the preservation of the ozone layer. The sense-of-the-Senate resolution, calls for the acceleration of the scheduled phase out of production of ozone-destroying substances by Administrator of the Environmental Protection Agency. It also calls on the President to urge the United Nations to call for a special meeting of the contracting parties to the Montreal protocol so that they may also accelerate their scheduled phase out of such substances. Lastly, the amendment urges the Administrator of the Environmental Protection Agency to issue regulations allowing for the recycling of ozone-destroying substances contained in household appliances and automobiles.

Mr. President, now I am not the foremost expert on the effects of chlorofluorocarbons, carbon tetrachloride, and other chemicals on the ozone. What I do know is that I supported the Clean Air Act Amendments of 1990 to stop the threat of increased skin cancer, cataracts, and crop depletion, from increased amounts of ultraviolet rays coming through a thinning ozone layer.

Recent newspaper articles warned of the possibility of an ozone hole opening up later this winter over the Northern Hemisphere. It seems clear to this Senator that we need to accelerate efforts to end the threat to the atmosphere and to the citizens of this planet.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to amendment No. 1570, offered by the Senator from Tennessee.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from West Virginia [Mr. ROCKEFELLER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 19 Leg.]

YEAS—96

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—4

Harkin
Kerrey
Rockefeller
Stevens

So the amendment (No. 1570) was agreed to.

Mr. CHAFEE. I move to reconsider the vote by which the amendment was agreed to.

The PRESIDING OFFICER. Without objection, the motion to lay on the table is agreed to.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I have had my differences with the President on some environmental matters, but I want to take exception to some of the comments that were made on the floor this morning. I regret that I was not here to be able to rebut those charges made earlier and now would like to take the opportunity to do so.

I am a cosponsor of this resolution that was just agreed to. And it was agreed to, I believe, unanimously, 96 to nothing. So the resolution was all right, a fine resolution.

But I understand that, based on that resolution, then my cosponsor went on to make some other charges that I believe are highly inaccurate.

Mr. President, let us just talk a little bit about the ozone hole in the sky, the hole in the ozone layer.

Mr. President, I want to say this: President Bush has been the only President—the only President—to sign a bill dealing with the primary agent that destroys the ozone layer, CFC's, and the President did that and, indeed, the legislation that the President signed went way beyond just CFC's.

I will refer the Chair and the Senate to item 5 of the resolution we just agreed to. That said that the President should urge the contracting parties—namely, those who signed the Montreal protocol—to include hydrochlorofluorocarbons within the terms of the Montreal protocol.

Now, our legislation, the legislation that President Bush signed, has that very provision in it. The other nations have not signed and have not passed legislation dealing with hydrochlorofluorocarbons; the United States has.

So I think we ought to recognize that and be proud of it.

Item No. 6, this resolution urges the contracting parties to amend the protocol to include recapture and recycling provisions. The U.S. legislation does that. We passed that all in connection with the Clean Air Act.

So it seems to me rather strange, Mr. President, that on the floor of this Senate there are attacks on the President of the United States in connection with our position to protect the ozone layer. Any suggestion that President Bush has been dragging his feet or holding up international progress is just plain wrong. We are on track to strengthen the Montreal protocols, and the United States has been a key player in that. There is a negotiation session scheduled for April. Here we are in February, coming up in April in Nairobi, and a formal diplomatic meeting set in November in Copenhagen.

Mind you, Mr. President, there are a slew of nations that signed this. This is not something we can do tomorrow. This takes a lot of work. But no nation has been more in the lead in connection with doing something about the depletion in the ozone layer than the United States, and the President, as I understand it, is willing to lead the charge for these strengthening amendments that I just referred to.

Now let us just touch on the second charge, namely, global climate change.

Well, Mr. President, it is too early to judge President Bush on that subject. It is true, to date, the administration has been lagging behind other nations. But we may be on the verge of a major breakthrough. The administration has been negotiating with other nations on this and is going to resume those talks on February 18—2 weeks away—in New York City. And I am hopeful that the President will endorse new and progressive positions at that meeting. Until that meeting however, it is simply too early to judge President Bush on this subject. And, certainly, it is way too early to condemn him.

So, Mr. President, I want to draw a distinct line between those charges that were made earlier by my cosponsor and myself. As I say, I was a cosponsor of the resolution that just was agreed to.

On the subject of CFC's, the United States is a leader. No question about it.

In legislation that we passed, with the power that we have given the head of the EPA, the Administrator of the Environmental Protection Agency, to go further—and indeed he will go further—on the subject of global climate change, let us see. The jury is still out. And we certainly hope that in the New York City negotiations that I talk about, the United States will take a leading position.

I thank the Chair.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. WOFFORD). The Senator from Minnesota.

AMENDMENT NO. 1574

(Purpose: To strike the section exempting Federal Energy Regulatory Commission meetings from the Government in the Sunshine Act)

Mr. WELLSTONE. Mr. President, on behalf of myself and Senator GRAHAM of Florida, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE], for himself and Mr. GRAHAM, proposes an amendment numbered 1574.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 303, strike line 15 and all that follows through line 21.

Mr. WELLSTONE. Mr. President, I understand this amendment has been cleared with the managers. Let me be very brief.

The Government in the Sunshine Act is an important measure that assures that there will be accountability in Government agencies. It requires that decisions be made in the open and in public. The section of S. 2166 which my amendment strikes would have allowed the Federal Energy Regulatory Commission to hold meetings without public scrutiny.

Mr. President, I also ask unanimous consent to have printed in the RECORD a letter signed by Senators GLENN, ROTH, and KOHL.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, October 22, 1991.

Sen. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, Washington, DC.

DEAR BENNETT: We are writing with regard to the provision contained in S. 1220, "The National Energy Strategy Act of 1991," which grants the Federal Energy Regulatory Commission [FERC] an exemption from the government in the Sunshine Act. We have carefully reviewed the legislation, the report, as well as the record of your hearings and numerous markup sessions on S. 1220. For the reasons stated below, it is our hope that you will agree to remove Section 11112, entitled "Commission Policy Making."

As you know, when the Committee on Governmental Affairs authored the Government in the Sunshine Act, its intent was to provide the public and the Congress with the ability to hold federal entities accountable for their decisions and actions. The law was viewed as necessary to ensure that essential democratic processes were operating during the development of national policy and the implementation of our laws. The Committee also recognized that there may be times when a range of overriding legal and policy concerns would require closing a meeting to the public, and as a result nine exemptions were written into the law. Since 1974, the law has ensured that the public's business is conducted in public. It has improved public accountability and oversight by the Congress. It has closed the "back door" to federal entities who have served as a forum of undisclosed dealmaking. In recent years, Congress has been accused of devoting insufficient attention to its oversight responsibilities at great cost to the American public. The Government in the Sunshine Act is the principle means by which Congress, and the public, can conduct meaningful oversight of the federal government.

In reviewing your Committee's legislative history on Section 11112 of S. 1220 (and its predecessor S. 341), we found that the strongly worded report language in support of a FERC Sunshine Act exemption, contrasts sharply with the lack of any record in the hearing reports and transcripts of the markup sessions with regard to the need or rationale for such a provision. Save for a single

> comment by a Department of Energy official proposing to merge the FERC with the DOE, there is quite literally not a word devoted to the rationale or need for a FERC Sunshine Act exemption.
>
> Furthermore, our own research indicates that had the proposed FERC exemption been the subject of an open discussion and debate, FERC's own history, coupled with the impact of the proposed exemption on congressional oversight, would have greatly diminished the appeal of the provisions. First, despite public comments by the FERC Administrator that the law restricts his ability to gather three commissioners together for a meeting, we have reviewed the FERC's Sunshine Act reports filed with our Committee over the past four years. These reports reflect neither a difficulty of holding meetings, an above average number of closed meetings, or a need for additional exemptions. Second, we are greatly troubled by the nature of the provision because it would eliminate the requirement of a written record during the meetings of the FERC commissioners outside of the Sunshine Act requirements. Such an exemption conflicts with other statutory responsibilities, such as the Federal Records Act, and undercuts not only needed public accountability, but also the fundamental vehicle for congressional oversight. Third, we believe that a FERC Sunshine Act Exemption for all general policy discussions is incompatible with the nation's need for a sound and effective energy strategy and policy. Surrounding the development of such policy in secrecy detracts from this goal, and in the end will reduce public support for needed reforms. Lastly, we have examined the available history of the FERC's compliance with federal records and public accountability requirements of the Federal Records Act, the National Environmental Preservation Act, and rules governing ex parte communications. This is an agency history that calls for greater openness, not less.
>
> We respectfully request that you propose an amendment to strike the section which would provide the FERC with a Sunshine Act exemption, and oppose any other language having the purpose of providing an exemption.
>
> You may contact Robert Harris, Deputy Staff Director, Committee on Governmental Affairs, 224-4751; or Steven Katz, Chief Counsel, Subcommittee on Government Information and Regulation, 224-9000, if you or your staff have questions.
>
> Sincerely,
>
> JOHN GLENN,
> *Chairman, Committee on Governmental Affairs.*
>
> HERBERT KOHL,
> *Chairman, Subcommittee on Government Information and Regulation.*
>
> WILLIAM ROTH,
> *Ranking Member, Committee on Governmental Affairs.*

Mr. WELLSTONE. I will just read a couple of relevant sentences from this letter:

> As you know, when the Committee on Government Affairs authored the Government in the Sunshine Act, its intent was to provide the public and the Congress with the ability to hold federal entities accountable for their decisions and actions.

They go on to simply say:

> The Government in the Sunshine Act is the principal means by which Congress and the public can conduct meaningful oversight of the federal government.

Mr. President, open, accountable government I think is what we all believe in. I think this amendment is an important amendment and, as I said before, I understand it has been cleared by the managers.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, at the request of the head of the FERC and in the interests of efficiency of running that Commission better, we worked on an amendment which would allow FERC commissioners to talk to one another about policy matters, and there was no attempt to avoid public disclosure. But sometimes when you have a huge number of things to talk about, commissioners, like Senators, want to talk without having to convene a meeting with a stenographer and a record. I mean, they want to be able to talk as I have just been talking to the Senator from Minnesota and others about what we are going to do.

In the event, we made several attempts to put together such an amendment and, really, we did not succeed, either by our lights or by his. It remains a part of the bill. But we were not successful in working it out in such a way that we could satisfy people that it was a good compromise between sunshine on the one hand and efficiency without detracting from the public's right to know on the other hand.

So, to make a long story about, we think Senator WELLSTONE has a good amendment and we will accept it.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, the minority fully subscribes to the process. I would say that from my perspective the process that exists now is grossly inefficient and does not lead to timely and well-reasoned decisions. It is odd that two members of the Commission cannot breakfast with each other for fear of being in violation. That was what we tried to address.

I agree with Senator JOHNSTON, what the chairman sent over to us did not address it. What we tried to do did not address it. So for the time being I think what the Senator from Minnesota is doing is restoring us to where we are, which is inefficient, but where we were going is inefficient as well.

I still hope someday we will work on this and try to make a process that satisfies the public interest. But the public also has an interest in speedy, rational decisions by that agency and they are not always getting that now with the rules that exist.

The minority accepts this amendment as well.

Mr. GRAHAM. Mr. President, because of my concern about the right of the American people to have their Government operate in the sunshine, I am an original cosponsor of Senator WELLSTONE's amendment to strike section 11112 entitled "Commission Policy Making," of the National Energy Security Act (S. 1220) which would grant the Federal Energy Regulatory Commission [FERC] an exemption from the Sunshine Act.

As Governor of Florida, I had extensive experience in operating a State "in the sunshine." The open meetings held in Florida assured access and the ability to participate to all Floridians. I believe that this openness benefits all parties and certainly helps to make Government by the people possible.

FERC argues that the Commission could have acted more efficiently if general policy discussions had been exempted from the Sunshine Act. However, a review of the Sunshine Act reports filed by FERC with the Governmental Affairs Committee over the last 4 years does not show that FERC policymaking was inhibited by the open meetings called for in the act. Further, FERC does not explain why, in contrast to other agencies subject to the Sunshine Act, it has a special need to promulgate policy in secret.

FERC has a tremendous responsibility to the American people to develop sound and efficient energy strategy and policy. And, the American people deserve to have access to all FERC meetings to comment on and participate in these decisions of national importance. Clearly, FERC is an agency that should be more open, not less.

Mr. WELLSTONE. Mr. President, let me thank both Senators and once again say I appreciate the concern that they expressed on the efficiency ethic. But it has been said more than once that democracy does not always operate on an efficiency ethic. I do believe this Sunshine Act is important. It is an important part of how we keep agencies accountable. I think people in the country want that to be the case and so I am very pleased they accepted the amendment.

The PRESIDING OFFICER. Is there further debate? If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1574) was agreed to.

Mr. JOHNSTON. Mr. President, we have a huge number of possible amendments of which we hope most will go away. But Senators who are serious about their amendments should come to the floor now because we hope to finish this bill up by tonight. We have reason to be very optimistic that some of the major areas of the bill will come together. But if Senators still wish to push their amendments, now is the time to come to the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, while we are waiting for somebody to offer an amendment, I will just take the opportunity to tell an interesting little story. When I first came to the Senate, I wanted to be on the Finance Committee and the Energy Committee. Although I did get on the Energy Committee, I did not get on Finance. Instead I got a committee called Aeronautical and Space Sciences. And it was a pretty spacy committee, to tell you the truth. We had the good judgment to abolish it back in the 1970's.

I must tell you, in the category of "now it can be told," I was bored stiff on that committee. So I went to the chairman and I said: Mr. Chairman, I have read a very interesting story about a couple of scientists out at the University of California at Irvine named Roland and Molina. And it was the ozone depletion theory. This was in 1975.

I said I would like to get those people in here and hold a few hearings on this. And he said, well, it will have to be an ad hoc subcommittee and you need to get somebody on the Republican side to help you with it. So I enlisted the Senator from New Mexico, my friend Senator DOMENICI.

It turned out that we held nine hearings. I think we had a television camera there one time—one camera, 1 day out of the nine hearings. And the testimony was overwhelming. I remember especially Dr. McElroy, who was an atmospheric scientist at Harvard. We even had Dr. Ramannofen come in and testify about the greenhouse effect, which was not totally unrelated, but it was not what we were dealing with. We were dealing with chlorofluorocarbons and the potential for their destruction of the ozone layer.

That has been over 16 years ago. Later on, Senator PACKWOOD and I offered an amendment on the floor of the U.S. Senate to ban the manufacturing of chlorofluorocarbons on the simple proposition that this theory was probably true and, further, on the proposition that even if you banned chlorofluorocarbons right then you still had 12 years' worth of them wafting into the atmosphere. Because if you spray your hair in the morning in the privacy of your bathroom, it takes 12 years for those chlorofluorocarbons to get up to the point—sometimes longer—where they destroy ozone molecules.

The argument that Senator PACKWOOD and I made on the floor that day was that because, if the theory is true, there was going to be another 12 years of ozone depletion from the moment we spoke, to err on the side of caution was exceedingly prudent. When we got around to voting, I came through that hallway on the far end of the Senate and there were two lobbyists from the chemical industry for every Senator who came through the door. As I recall, we got 33 votes.

Mr. President, the worst thing any politician can ever do is get up and say, "I told you so." I just find the incidents I related sort of interesting, because the point I want to make is, whether it is the deficit, whether it is nuclear weaponry, whether it is the greenhouse effect or ozone depletion—as a great political theorist, Walter Lipman, once said, "Don't be right before it is popular if you want to keep getting reelected."

So we just keep doing things around here on the basis of wherever the most television cameras are situated, whatever happens to be sexy in the morning paper. And now we have this impending catastrophe on our hands because we did not have the courage to deal with it in 1975. And I only tell that for guidance for those who choose to listen as to what the future ought to be and how we ought to be dealing with it.

Campaign finance? The political system is being seriously eroded and we cannot come to grips with it.

I could stand here and list a dozen, two dozen other items that are equally as threatening, not only to the atmosphere, but to the quality of life in this country. But as Walt Whitman said, it is not popular yet.

I yield the floor.

OPEN DOOR

Mr. COCHRAN. Mr. President, I would like to take a moment to bring to the attention of the Senate a program that addresses the issue of affordable housing in the metropolitan areas of New Orleans, Little Rock, and Jackson, MS. This unique program was developed by one of the Nation's largest investor-owned public utility holding companies, Entergy Corp. Working with established grassroots groups in each of these three cities, the company hopes affordable housing will become a reality for low- and moderate-income citizens.

Called Open Door, this regional program helps prospective home buyers qualify for and prepare for homeownership.

Owning a home is central to the American dream. This program may be one of the ways to help make that dream a reality. If it works as the company anticipates it will, the Open Door program will be a challenge for others in the business community to undertake similar initiatives.

I ask unanimous consent that a brochure describing the Entergy program be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OPEN DOOR

TURNING VISIONS INTO REALITY

These are challenging times for the people of Arkansas, Louisiana and Mississippi as we strive to maintain and build upon the quality of life we value so highly.

Entergy Corporation believes that successfully meeting the challenges we face will require an unprecedented spirit of cooperation, innovation and partnership between the public and private sectors in all three states. That's why Entergy has designed *Open Door*, a regional development program that addresses the issue of affordable housing in the region's three major metropolitan areas of New Orleans, Jackson and Little Rock.

Funded by Entergy stockholders, *Open Door* is a multi-faceted initiative designed to support and strengthen ongoing efforts to improve the accessibility and affordability of housing for low- and moderate-income residents. *Open Door* seeks to apply resources where they are most needed and with those groups in a position to make the best use of them.

Open Door, like our successful *New Opportunities* education programs, will be implemented through community partnerships. Partners are being identified in three primary areas with a number of programs, including:

HOME OWNERSHIP

A *Renovation Revolving Fund* will provide funds to low- and moderate-income home buyers for upgrading existing structures. Prospective home buyers holding a financing agreement from a lending institution would be eligible for renovation funds that would be included in the loan package and paid back into the *Renovation Revolving Fund* at settlement of the loan.

A *Home Ownership Counseling Program* will help prepare first-time home buyers for the responsibilities of ownership of single unit or multi-family homes.

Community Development Corporations that encourage a greater role for communities in assuming responsibility for their own housing and development-related activities will also be eligible for support from Entergy's *Open Door* program through our partners, such as the Local Initiatives Support Corporation (LISC). The objective is to create and support grassroots community organizations capable of leading a community to greater home ownership and/or housing development self-sufficiency.

Other home ownership alternatives such as housing cooperatives will be systematically investigated as a part of a continuing effort to provide communities more control over their own, and their neighborhood's housing.

HOME OWNERSHIP AND RENTAL HOUSING

The *Work Force Skills Support Program*, a logical extension of our existing education programs, will work to maintain and increase the employability of persons assisted by any housing program and, therefore, their capacity to afford suitable housing as either home owners or renters.

A *Volunteerism Program*, extending our current employee efforts, will work toward increased community involvement in the housing arena through participation in major improvement projects such as cleanup and weatherization in the targeted cities.

RENTAL HOUSING

Entergy is currently pursuing necessary regulatory approvals to support the improvement and construction of rental units within our service area.

FORGING A PARTNERSHIP

Our region is fortunate to have a number of groups and individuals on the local levels addressing the issue of affordable housing, an issue that impacts the health of our economy and the quality of life for all of us. Through *Open Door*, Entergy Corporation is forging a partnership that combines its resources with the expertise of these grassroots organizations so that together we can effectively meet the challenge of making housing available and affordable to greater numbers of people.

Entergy hopes its participation in this area will encourage others in the private sector to join us as partners with our communities as we seek to further open the door of progress in our region.

For more information on the *Open Door* program, contact Entergy's Regional Development Department, P.O. Box 61000, New Orleans, Louisiana 70161, (504) 569-4723.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that a congressional fellow assigned to my office, Dr. Kenneth Taylor, be allowed permission during the pendency of this bill to remain on the Senate floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, shortly, it is my intention to offer an amendment in the nature of a substitute with respect to the nuclear reactor licensing provisions. I expect that there will be a second-degree amendment by Senator GRAHAM to that first-degree amendment, and we should put that in very shortly.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SHELBY). Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I will shortly send to the desk an amendment on behalf of myself, Senator WALLOP, Senator SIMPSON, Senator BREAUX, Senator FORD, Senator WIRTH, Senator HEFLIN, Senator BUMPERS, Senator PRYOR, Senator SHELBY—and I believe there will be others as well—which is in the nature of a substitute for a large portion of the bill relating to nuclear licensing.

I might tell my colleagues that I expect that there would then be a second-degree amendment offered by Senator GRAHAM, to that, and that will be the business.

AMENDMENT NO. 1575

Mr. JOHNSTON. Mr. President, at this time I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for himself, Mr. WALLOP, Mr. SIMPSON, Mr. BREAUX, Mr. FORD, Mr. WIRTH, Mr. HEFLIN, Mr. BUMPERS, Mr. PRYOR, and Mr. SHELBY, proposes an amendment numbered 1575.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 189, strike line 11 through page 193, line 6 and insert the following:

TITLE IX—NUCLEAR REACTOR LICENSING

SEC. 9101. SHORT TITLE.

This title may be cited as the "Nuclear Reactor Licensing Act of 1991.".

SEC. 9102. COMBINED LICENSES.

Section 185 of the Atomic Energy Act of 1954 (42 U.S.C. 2235) is amended by—

(1) adding "and Operating Licenses" after "Permits" in the catchline;

(2) adding a subsection designator (a) before "All"; and

(3) adding the following new subsection:

(b) After holding a public hearing under section 189(a)(1)(A) of this Act, the Commission shall issue to the applicant a combined construction and operating license if the application contains sufficient information to support the issuance of a combined license and the Commission determines that there is reasonable assurance that the facility will be constructed and will operate in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. The Commission shall identify within the combined license the inspections, tests, and analyses, including those applicable to emergency planning, that the licensee shall perform, and the acceptance criteria that, if met, are necessary and sufficient to provide reasonable assurance that the facility has been constructed and will be operated in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. Following issuance of the combined license, the Commission shall ensure that the prescribed inspections, tests, and analyses are performed and, prior to operation of the facility, shall find that the prescribed acceptance criteria are met. Any finding made under this subsection shall not require a hearing except as provided in section 189(a)(1)(B).

SEC. 9103. POSTCONSTRUCTION HEARINGS ON COMBINED LICENSES.

Section 189(a)(1) of the Atomic Energy Act is amended by:

(1) adding a subparagraph designator "(A)" before "In" and

(2) adding the following new subparagraph:

(B)(i) Not less than 180 days before the date scheduled for initial loading of fuel into a plant by a licensee that has been issued a combined construction permit and operating license under section 185(b), the Commission shall publish in the Federal Register notice of intended operation. That notice shall provide that any person whose interest may be affected by operation of the plant, may within 60 days request the Commission to hold a hearing on whether the facility as constructed complies, or on completion will comply, with the acceptance criteria of the license.

(ii) A request for hearing under this subparagraph shall show, prima facie, that one or more of the acceptance criteria in the combined license have not been, or will not be met, and the specific operational consequences of nonconformance that would be contrary to providing reasonable assurance of adequate protection of the public health and safety.

(iii) After receiving a request for a hearing under this subparagraph, the Commission expeditiously shall either deny or grant the request. If the request is granted, the Commission shall determine, after considering petitioners' prima facie showing and any answers thereto, whether during a period of interim operation, there will be reasonable assurance of adequate protection of the public health and safety. If the Commission determines that there is such reasonable assurance, it shall allow operation during an interim period under the combined license.

(iv) The Commission, in its discretion, shall determine appropriate hearing procedures, whether informal or formal adjudicatory, for any hearing under this subparagraph, and shall state its reasons therefore.

(v) The Commission shall, to the maximum possible extent, render a decision on issues raised by the hearing request within one hundred and eighty days of the publication of the notice provided by clause (i) or the anticipated date for initial loading of fuel into the reactor, whichever is later. Commencement of operation under a combined license is not subject to subparagraph (A).

SEC. 9104. RULEMAKING.

The Nuclear Regulatory Commission shall propose regulations implementing this title within one year of the date of enactment of this Act.

SEC. 9105. AMENDMENT OF A COMBINED LICENSE PENDING A HEARING.

Section 189(a)(2) of the Atomic Energy Act of 1954 is amended by inserting "or any amendment to a combined construction and operating license" after "any amendment to an operating license" each time it occurs.

SEC. 9106. JUDICIAL REVIEW.

Section 189(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2239(b)) is amended by inserting "or any final order allowing or prohibiting a facility to begin operating under a combined construction and operating license" before "shall be subject to judicial review".

SEC. 9107. CONFORMING AMENDMENT.

The table of contents of the Atomic Energy Act of 1954 is amended by amending the item relating to section 185 to read as follows:

"Sec. 185. Construction Permits and Operating Licenses.".

SEC. 9108. EFFECT ON PENDING PROCEEDINGS.

The provisions of this title apply to all proceedings involving a combined license for which an application was filed after May 8, 1991.

AMENDMENT TO S. 2166, TITLE IX TECHNICAL AND CONFORMING AMENDMENT

On page 5, following the item in the table of contents relating to section 9105, insert the following and renumber subsequent sections accordingly:

"Sec. 9106. Judicial review."

Mr. JOHNSTON. Mr. President, prior to 1989, we had a two-step process for licensing of nuclear plants. They provided for a construction license, and after that, an operating license.

What experience dictated from that was that it was an unpredictable process, that at times there were considerations and public hearings and, in effect, complicated trials relating to the safety standards of nuclear plants that were taking place after the fact, after either the whole plant or part of the plant had been constructed and, consequently, it resulted in billions and billions of dollars of losses because changes that were ordered sometimes were ordered after a nuclear plant had already been constructed in whole or in part. So they had to rip out what they had done and start all over again, or, in at least a few cases, a completed plant had to await the hearing process while, in effect, the trial droned on.

Mr. President, these public hearings, as we refer to them in the Atomic Energy Act and also the Nuclear Regulatory Commission regulations in part 52, really amount to an extensive trial, a very technical trial, which is preceded by discovery which goes on for periods of months. That is followed by a period of public hearings which is like the ordinary trial. That is followed by briefs and rebuttal briefs and surrebuttal briefs, and the public hearing process can take years to finish.

Mr. President, there has been no nuclear plant ordered since 1978, and unless that licensing system is appropriately straightened out, most experts concede that there will never be another nuclear plant ordered again. In order for Wall Street or for investors to invest in a plant, they need to know with some degree of certainty that the licensing process will permit a safely constructed plant to proceed into operation on time. Otherwise, they cannot take the risk that their $3 billion, or whatever the figure is for the construction of that plant, might lay fallow while the courts drone on and on with years of litigation.

Mr. President, in order to correct that licensing process, the Nuclear Regulatory Commission came forth with new regulations, which are published in 10 CFR 52, and which they call part 52. The Nuclear Regulatory Commission had for years sought congressional legislation, feeling that it was most appropriate for the Congress to act. But after years of invitations and after years of silence from the Congress, the Nuclear Regulatory Commission undertook on its own to amend these rules, as they have in part 52.

What they provide in part 52, the theme of part 52, is, first of all, total and complete protection for the public; and, second, moving as much of the process to the preconstruction period as is possible. And, consequently, they divided the hearing process into three different and separate phases.

One is a siting process—where should a nuclear plant be located? We found, for example, in the Shoreham case located in Long Island, NY, that they never got around adequately to address the siting problem and the cognate problem of emergency evacuation until after the plant was built—an absolutely incredible situation. However you feel about the relative safety of the Shoreham plant, no one can fail to grasp the incredible stupidity of waiting until a plant is built at a cost of billions of dollars and then trying to assess whether it was appropriate to put it in the place where it was located and whether it was possible under any situation to adequately and safely evacuate people in the event of a nuclear accident.

As a matter of fact, what happened in Shoreham is, while the plant was issued a license to operate after years of delay, the State of New York felt unsatisfied with that and the plant was never able to go into operation. So what part 52 does is to start with the siting question and allow a utility that wants to site a plant to convert the whole process, where they put their plans, where you have public hearings—again, public hearings are a trial. You allow the intervenors, as we call them, to take depositions, to bring experts forward, to have the full-scale trial with all the delays that it may entail.

A second and separate part of the application, as provided under part 52, is what we call the generic operating license. Our rules were also very badly designed initially in nuclear matters because, in effect, each plant was designed anew, custom designed; in effect, instead of having a Ford automobile, then every owner of an automobile would have to design his own car from ground zero. Every owner of a nuclear plant would have to put up a brandnew design and get that approved anew, even in those cases where the design was similar to one that had been used before. All that went on in the previous design and previous hearing of a similar plant did not resolve those questions for the next plant. So there was, in effect, no approval of a standard design.

We now have experience, Mr. President, on various designs of nuclear plants, and what part 52 provides for is for this generic design approval.

The hearing part of the generic design is scheduled to take 18 months and the staff review is scheduled to take 30 months, for a total of 48 months to get a generic design approval as the second part of part 52, as it is called, of the Nuclear Regulatory Commission rules.

So that before a company ever really decides or is really given a permit to begin construction of a plant, it will have been through 4 years of hearings with respect to its site, where all of these questions about emergency evacuation, what-have-you, will have been fully aired; not only fully aired, but fully litigated, and chances for briefs and counterbriefs, and the same thing will have been true with respect to the design of the plant.

Then, finally, Mr. President, the Nuclear Regulatory Commission has come up with what they call a combined license, which is a combined construction and operating license. And they forsee that the combined license will have a staff review of 16 months and a hearing schedule of 22 months. So that all of this has taken place after the site has been approved and after the design has been certified, and again, with all of these months and years of work before you ever start construction. So early site permit, design certification, staff review, and 22 months of hearings before you ever begin construction.

Now, once you begin construction, Mr. President, it is estimated by the NRC—these are all in NRC figures—they foresee 72 months before the combined license is issued.

Mr. President, the NRC proposed their part 52 rules, and they were litigated before the U.S. Court of Appeals for the D.C. Circuit. The Court of Appeals for the D.C. Circuit affirmed these rules in part and disallowed the rules in part.

In disallowing rules, the question before the D.C. Circuit was not the desirability or the safety standards or whether it adequately protected the public interests, but the question presented to the D.C. Court of Appeals was a narrow one; that is, whether the adoption of part 52, the rules of the Nuclear Regulatory Commission, were within the purview of the Atomic Energy Act of 1954 or whether, contrary, they exceeded the authority in that act. By a 3-to-0 vote, the D.C. Court of Appeals disallowed these rules in part and, in effect, the D.C. Court of Appeals allows for an additional hearing at the end of construction out here upon the making of a prima facie case.

In effect, the decision of the D.C. Circuit was to allow an additional hearing. Keep in mind the duration of those hearings—on site permit, 22 months; on design certification, 18 months; on preoperational hearing, 22 months. We are talking of a process that typically takes the better part of 2 years.

Now, if that kind of possibility were allowed here at the end, it is perfectly obvious that the record, the unbroken record of no nuclear plants since 1978 would be continued. It is perfectly clear that there is no way, with that kind of uncertainty, that you could ever build a nuclear plant. Because, of course, those who oppose nuclear energy, either for good reason or, others would say, not good reason, are very inventive and the making of a so-called prima facie case has not been an insurmountable question with them.

So that is the state of the law right now, Mr. President. The Court of Appeals for the D.C. Circuit has granted a rehearing en banc, which means that the three judges, who by a 3-to-0 decision, declared the process ultra vires, or beyond the authority of the Atomic Energy Act of 1954, will be reheard by the full court, which is 12 or 15 judges. And there are various estimates about chances for success, which mean about as much as somebody's estimates of who is going to win the next basketball game or the Superbowl.

After that decision is made, undoubtedly the case would have to go to the U.S. Supreme Court and we all know how long that process takes. So we are looking at some years more of litigation.

Now what we have done in our legislation, Mr. President, is essentially approve part 52, approve what the Nuclear Regulatory Commission has done.

And the Nuclear Regulatory Commission, in testimony before the Congress, has approved what our bill has done.

However, since introduction of our bill and while the bill has been here on the floor, Senators have had some concern about our bill, and they want to ensure that certain standards are met by our bill. One has to do with judicial review, whether or not there is a right to judicial review from an order either granting permission to operate or refusing permission to operate. And there are legal scholars who said that that right of judicial review was neither present in part 52, nor present in our legislation which approved part 52.

So the first thing we do in this amendment is to make it clear that a decision by the Nuclear Regulatory Commission to either allow or disallow a plant, licensed under the provisions of this law, is in fact subject to judicial review.

Second, we make it clear that the NRC must find that a nuclear power plant meets the necessary safety requirements before the plant can begin operating. In our legislation, the words used were the Commission must "satisfy itself." We have changed that wording to the Nuclear Regulatory Commission must "find."

Third, with respect to interim operation, if a hearing is granted, at the end of that process. If a hearing is granted, at the end of this process, and the Nuclear Regulatory Commission in its discretion allows the plant to operate, they must first determine that the plant may operate safely during that time.

The kind of situation we envision is where there is no question about the safe operation of the plant, but there might be, for example, a long-term implication for safety. For example, in the Yankee Rowe plant, in which case a decision was made recently to close Yankee Rowe after some 30 years of operation. They closed the plant down not because during that first 30 years it was unsafe, but because they could not satisfy themselves that after 30 years of neutron bombardment of this huge pressure vessel that the steel in that pressure vessel, over that period of time, had not become brittle.

Interim operation might allow you, when you have that kind of situation where somebody says this pressure vessel will not be good after 30 years of operation, you might allow it, during a hearing process on the question of the integrity of the vessel for beyond 30 years, to begin operation. But in order to do that, the Nuclear Regulatory Commission would have to determine that the plant would operate safely in the interim.

Finally, our amendment provides that when the NRC grants a hearing, they must state the reasons for the kind of hearing which they have, whether it is what we call an adjudicatory hearing, which is like a formal trial where the lawyers are on both sides, and chains of evidence, examination, and cross-examination and all that; or whether it can be done on a more informal basis.

The scientists, and particularly the members of the Nuclear Regulatory Commission, say that they very much should continue to have the right to exercise their discretion. They cite an example. For example, when you have an allegation of a faulty weld in a nuclear plant, in a trial-type situation then the proponents of the license would come in and prove a chain of proof with respect to x rays, for example, on the weld. They would bring in the welder. They would bring in the people who took the x rays. They would bring in the experts who would read the x rays. And everybody would say: This is a good weld.

Then, in this adjudicatory hearing, some opponent would come in and say: Yes, but I saw this guy faultily weld. He was drunk that day. Or, they cannot read these welds.

That kind of situation, a question over a weld, for example, lends itself better to an informal hearing. What would scientists do in that situation? They would look at it and they would say: Look, we cannot resolve this. Let us go and take a new x ray. They would sent the experts out; take a new x ray. If they were not satisfied with the first x ray, they would take the second; and if they were not satisfied then, they would say, well, this plant should not be able to operate, rather than going through this trial-type procedure where you really do not get to the truth of the matter, as well.

What the Nuclear Regulatory Commission says is: We ought to continue to have that discretion. They have that discretion at the present time. So we believe, and our legislation says, they ought to have that discretion.

However, those who are asking for an adjudicatory hearing—you know, there is a big trial bar out there that likes to have trials. My dad, who was a lawyer—and I used to practice with him—told me, "Son, the safety of the Republic lies in a well-paid bar." He would say that occasionally after we made a good fee, which was not that often. But he used to say that. So I understand the desire of lawyers to have lawsuits and trials and briefs and cross-examination and depositions, and all of those wonderful things that we lawyers used to do, at least when I was a practicing lawyer, in order to make our fees.

And if the lawyers are going to be denied the right to those fees and that trial, then we say the Nuclear Regulatory Commission ought to spread on the record the reasons that they adopt a particular kind of procedure. It is just a little bit of protection so that people will know they are listened to when they ask for the adjudicatory hearing and so it will make the Nuclear Regulatory Commission focus on that question.

There will be times when an adjudicatory proceeding is appropriate. Keep in mind that an informal proceeding can allow as much formality as necessary. It could allow, for example, for cross-examination, without being a full blown adjudicatory proceeding. It is just not bound by all of the strict rules of evidence and the strict and sometimes limiting trial procedures.

So, in effect, our amendment was an attempt to meet the concerns, frankly, of the Senator from Florida [Mr. GRAHAM]. Unfortunately, we were, apparently, not able to meet all those concerns. But our amendment was an attempt to do so.

I will let him speak for himself. But I think he will see it as in attempt to take what we regard as a giant step—which he would regard as maybe an inadequate step—but nevertheless, an attempt to meet him on those concerns, because these were the concerns that were communicated to us. I will let him speak about his substitute.

Suffice it to say that the Nuclear Regulatory Commission endorses our approach, our initial approach as well as our alternative approach as contained in this amendment.

Mr. President, I ask unanimous consent that a letter dated February 6, 1992, from Ivan Selin, who is Chairman of the Nuclear Regulatory Commission, addressed to me endorsing our substitute amendment be printed in the RECORD. I will hold up on the other letter which speaks about Senator GRAHAM'S amendment until it is offered.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NUCLEAR REGULATORY COMMISSION,
Washington, DC, February 6, 1992.

Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN. In response to your request, we have examined the proposed changes contained in the Johnston/Wallop substitute amendment to Title IX of S. 2166, the "National Energy Security Act of 1992." In our opinion, the changes in the substitute improve the language of S. 2166 because they reduce any uncertainties about the intent of the bill. Therefore, we support the Johnston/Wallop substitute.

Sincerely,

IVAN SELIN.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Idaho [Mr. SYMMS] be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senators CRAIG and DOMENICI also be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, shortly, I will be sending to the desk a perfecting, second-degree amendment to the amendment offered by the Senator from Louisiana. I will use this time to set a context for the very detailed debate that will then follow relative to the differences between the amendment which has been offered by the Senator from Louisiana, the perfecting amendment, and the underlying bill, which we have before us.

But, before that, what is it we are trying to accomplish? I come from a State which has had a lengthy and positive experience with nuclear power. Approximately 15 percent of the electrical energy generated in my State is generated by nuclear. It has in the main been a well-received component of our electrical generating system. In my former capacity as chief executive of the State, I participated in some State procedures which were part of the process of initiating nuclear power plants in my State. So my position is not one of antagonism to nuclear energy. Quite the contrary. It is one of seeing nuclear power as an appropriate and constructive part of our present and future energy for America.

Within that personal context, what do I believe our goals should be? I believe our goals should be to create a proper environment for a decision by those who will have to decide whether to commit the very substantial investment necessary for a nuclear power plant; to create an environment in which that decision will be made with the role of Government being as neutral as possible; that is, that Government would not by its action have titled the decision toward one source of energy as opposed to the other for the generation of nuclear power.

In order to achieve that goal of a level playing field, we must first consider the factors that have disequalized the playing field. This legislation addresses some of those factors. The Nuclear Regulatory Commission has addressed others. One already addressed by the NRC which the Senator from Louisiana has spoken to is the necessity for the standardization of nuclear plant designs, which is a critical step in terms of creating a level of confidence by utility firms and others who will be affected. I applaud the NRC for the steps that it has taken in terms of achieving a higher level of standardization and design.

That is also important because it affects the regulatory policy. The fact is that with the adoption of the standardization and licensing regulations by the Nuclear Regulatory Commission in 1989, which I will refer to as part 52, as has the Senator from Louisiana, the NRC moved an enormous distance toward dealing with the concerns that the industry had expressed in the previous unpredictability of the nuclear licensing process. Many of the concerns which the industry had raised in the period prior to 1989 were resolved in those regulations.

From the adoption of those regulations until the spring of last year, the Nuclear Regulatory Commission had consistently said that the regulations that it had adopted represented an appropriate resolution of this issue. The NRC had opposed any further congressional action relative to nuclear licensing until the spring of 1991.

A third important issue is the maintenance of public confidence in the regulatory system. This is an enormously complicated area. In this debate we are going to get a little bit of the complexity essentially on the legal aspects of this industry. The technical complexities also are difficult for the general public to fully appreciate and judge. And, therefore, it is peculiarly important for those agencies that have been assigned the responsibility to make those judgments to make judgments that the general public will depend upon for its own safety and protection, and that those agencies have the highest public credibility and confidence.

I am concerned that, through this process that has led us to this debate today, that there has been a compromise of that credibility of the Nuclear Regulatory Commission, and that that compromising has affected the environment in which we are not going to be considering where should we proceed in terms of further modifications in nuclear licensing.

At this point, Mr. President, in order to accommodate the schedule of our colleague from Nevada, I would like to yield such time as the Senator from Nevada will require in order to discuss the issue of the maintenance of public confidence in the Nuclear Regulatory Commission and how that confidence will affect the nuclear licensing process. I yield such time as will be required to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I greatly appreciate the Senator being courteous, as he always is, recognizing I have a problem with a 2 o'clock event.

I also want to say that I serve as a member of the subcommittee of the distinguished Senator from Florida [Mr. GRAHAM] and I publicly, as I have privately, commend and applaud the Senator for the activism he has shown in that subcommittee. The material that is discussed, the issues discussed in that subcommittee are not things that make headlines in newspapers. They are very technical, they are very scientific in many respects, they are very procedural, and a lot of times not real substantive, but there is nothing we do in the Congress that is more important than having proper control and authority over those things nuclear. That subcommittee has been outstanding, as lead by Senator GRAHAM, so I personally appreciate the work he has done.

I rise, Mr. President, today in support of the second-degree amendment that will soon be offered by the chairman of the Subcommittee on Nuclear Licensing, the senior Senator from Florida.

This amendment to title IX of the energy bill provides a workable compromise on the problems relating to nuclear licensing. The legislative history on nuclear licensing is a long one, a real long one. This amendment proposed by Chairman GRAHAM contains nearly identical language to proposals presented by the Nuclear Regulatory Commission to Congress in 1985 and 1987.

Let me repeat that, Mr. President. This amendment that will be proposed by Senator GRAHAM contains nearly identical language to proposals made by the NRC to Congress in 1985 and 1987.

Many Members of this body may understand that the NRC supports the nuclear licensing provisions of 2166. I argue that agency support was the result of an 8-month campaign of intimidation and pressure exerted by the Department of Energy. I do not say that out of some speculation. I do not say that out of any reason other than facts that have been uncovered during the work of the subcommittee. One hearing was held, and this was gone into at great length.

Let me present to the Senate what I think are not circumstantial facts but these are solid, hard facts to show that the Department of Energy began a campaign of intimidation and coercion to get the NRC to fall into line. And I am sorry to report to this Senate that the NRC did fall into line.

It is interesting that in previous testimony before the House Subcommittee on Energy and Environment, the Chairman of the NRC testified that the

NRC did not believe this type of legislation was really needed. The opinion of the Chairman of the independent Nuclear Regulatory Commission—and I quote, underline and put in parenthesis independent—drew the ire of the officials within the DOE as indicated, Mr. President, by a memorandum dated September 24 of last year from the assistant Secretary of Energy William Young.

He outlined a series of instances where Chairman Selin, the Chairman of the Nuclear Regulatory Commission, is undermining important provisions of S. 1220. This memo says some interesting things. I will ask unanimous consent that this memorandum be printed in the RECORD.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point?

Mr. REID. I am happy to yield for a question.

Mr. JOHNSTON. Is the Senator aware that the Chairman of the Nuclear Regulatory Commission disapproves of the amendment by the distinguished Senator from Florida and approves of the amendment, the proposed first-degree amendment?

Mr. REID. I have no doubt whatsoever that the Chairman of the Nuclear Regulatory Commission would oppose an amendment offered by the senior Senator from Florida. I have no doubt that is the case, and that is the case I am making.

The case I am making, I say to my friend from Louisiana, is that the Nuclear Regulatory Commission does whatever the DOE wants them to do, and that is the whole point of my discussion. Whatever the DOE wants, the Nuclear Regulatory Commission falls into line stumbling over itself to do what the DOE wants. And that is indicated, as I have mentioned, in a memorandum to Admiral Watkins from William Young, Assistant Secretary of Energy, where he says, among other things:

> It is clear that while Chairman Selin gives lipservices to support of S. 1220, he is opportunistically—if not systematically—undermining the key provisions of S. 1220 in conversations with congressional Democrats who are not nuclear supporters. It seems likely that Chairman Selin's agenda is to end up showing that part 52 is really all that anyone needs.

Now, he discusses some of the things that Selin has done, and then he sets forth, in what he titles the last couple of pages of this memorandum a discussion, that we have a number of alternatives, and I am paraphrasing this, and here is what I recommend. I quote:

> I believe that some action should be taken to obtain an unequivocal written or public statement from Chairman Selin supporting the specific provisions of S. 1220. * * * I have outlined below several options for doing that and have summarized what I see as their pros and cons.

Mr. President, let us put this in proper perspective. We have here an Assistant Secretary from the Department of Energy telling the independent Nuclear Regulatory Commission what they are supposed to do, and he is directing this to the secretary, to Admiral Watkins, saying here is what we are going to do, here is what I recommend that the Department of Energy do so that Selin will fall in line.

> Option 1: Seek Chairman Selin's signature on a joint statement with Admiral Watkins in support of the provisions of S. 1220. Seek Governor Sununu's action on unresolved issues.

Then he lists for Admiral Watkins the pros and cons. He says it can be used as written evidence with Senators and Congressmen to show joint support and undo oral statements made previously by Chairman Selin.

> Option 2: Prepare a white paper on DOE and NRC support of the provisions of S. 1220. Have Governor Sununu seek Chairman Selin's agreement with white paper.

Not only that, he says I have attached what that white paper would be like, and all we need are the joint signatures on it.

The pros of that:

> Chairman Selin might more quickly fall in line for Governor Sununu than he would for Admiral Watkins.
>
> Option 3: Have Senator Johnston hold a hearing to obtain Chairman Selin's agreement with the provisions of S. 1220. * * * Have Governor Sununu speak to Chairman Selin in advance.

But I say to the Senator from Louisiana, they do not like that option very much because Chairman Selin may be more responsive to the Senator, it says in the pros, than to Sununu, saying that Chairman JOHNSTON is probably going to be a little more reasonable in his approach and not order him to do so. I think that speaks well of the Senator from Louisiana.

> Option 4: Have Senator Johnston write to Chairman Selin and seek support for the provisions of S. 1220.

This probably could not be influenced by DOE as much and it is unlikely they will do that.

That is one of the suggestions here by Assistant Secretary Young.

> Option 5: Have Governor Sununu tell Chairman Selin to say nothing further to the Congress than support of S. 1220 and its specific provisions. Ignore the past.

We are talking about nuclear regulation, about things nuclear. These plants produce the most poisonous substance known to man, plutonium. We have an Assistant Secretary writing saying here are the alternatives.

It would be nice if this story had a happy ending, that we learned this independent NRC was truly independent and Chairman Selin told Secretary Young to take these five suggestions and throw them in the garbage can. But the sad part about it is that Chairman Selin capitulated.

To show further proof of his capitulation, I ask unanimous consent that these, along with the memo from Secretary Young, be made part of the RECORD. We have a letter. Listen to the dates on these two letters, August 1, and August 1, letter to Watkins from Selin; and a letter from Selin to Watkins. I ask unanimous consent that they be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF ENERGY,
Washington, DC, August 1, 1991.

Hon. IVAN SELIN,
Chairman, Nuclear Regulatory Commission, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to discuss support by the Nuclear Regulatory Commission (NRC) of the nuclear licensing reform provisions of the National Energy Security Act of 1991, S. 1220, sponsored by Senators Johnston and Wallop and reported by the Senate Energy and Natural Resources Committee.

On June 26, 1991, the NRC sent identical letters to various Senate Committee Chairmen and ranking members commenting on the nuclear licensing provisions (Title IX) of S. 1220. The letters state, in part, that the Commission believes that "while legislation to validate Part 52 may not be required, if the Congress determines that further immediate version of the nuclear licensing process, beyond that provided by Part 52, is necessary through S. 1220, the Commission would support and endorse that legislation." Further, the Commission calls the provisions of S. 1220 a "fair and efficient process" that ensures "fair and adequate access by the public to raise any concerns about plant safety." I understand that the Commission was unanimous in reaching the above position on S. 1220 at the time.

During your testimony before the Subcommittee on Energy and the Environment of the House Committee on Interior and Insular Affairs on July 25, 1991, you reiterated the Commission's support for S. 1220 as it now stands. However, you proceeded to say that this type of legislation is not really needed, and that significant changes might occur between initial drafting and final passage. You also told Subcommittee Chairman Kostmayer that the NRC would support certain changes in the provisions of S. 1220.

Of course, you are always free to express your views to the Congress in any way you choose. However, I believe that on a matter as important to the Nation as the future of nuclear power, I should also make perfectly clear to you the reasons for the Department's position on S. 1220, which is supported by the Administration.

I understand your concern that nuclear licensing reform legislation faces an uncertain future in the Congress. I also understand the NRC's belief that the provisions of Part 52 may be a sufficient new licensing basis for standardized nuclear power plants. However, our analysis, approved by the President as part of the National Energy Strategy, is that Part 52 will not be sufficient to provide a licensing process that will enable investment in new nuclear generating capacity.

Accordingly, the Administration has determined that nuclear licensing reform provisions such as those contained in S. 1220, which adopt and further build upon Part 52, are necessary if nuclear energy is to be an option for new power generation in the United States. We firmly support enactment of Title IX of S. 1220 as a necessary component of acceptable, comprehensive energy legislation. I can assure you that the Department will not support nuclear licensing legislation from the Congress that is not fully acceptable.

I also understand that in the course of your testimony on July 25, 1991, you indicated that the NRC would agree to changes in the language of S. 1220 with respect to the threshold for holding post-construction hearings and in the wording that the Commission shall, prior to operation of a nuclear power plant, satisfy itself that the prescribed construction acceptance criteria are met. The Department does not agree that such changes should be made. At the same time, the Department concurs in the NRC's understanding that the provisions of S. 1220 do not diminish the discretion that the Commission currently has under existing statutory authority to make safety determinations on its own initiative.

I believe it is important that the current provisions of S. 1220 be retained. Accordingly, I request that the NRC not negotiate changes in the provisions of S. 1220 or the Administration's National Energy Strategy Act in interactions with the Congress. As you know, any nuclear licensing legislative provisions proposed to be supported by the Administration have been, and will be, made available for review by the NRC in advance to determine their acceptability.

After you have considered the Department's views in this letter, I would appreciate being advised of whether you will continue to support the position previously taken by the NRC on the nuclear licensing reform provisions of S. 1220 in its letters of June 26, 1991.

Sincerely,

JAMES D. WATKINS,
Admiral, U.S. Navy (Retired).

NUCLEAR REGULATORY COMMISSION,
Washington, DC, August 1, 1991.

Hon. JAMES D. WATKINS,
Secretary of Energy,
Washington, DC.

DEAR MR. SECRETARY: We appreciate the concerns behind your letter of August 1. The Commission recognizes that judgments may differ on the adequacy of a statute versus a rule as the basis of our common goal of streamlining the licensing of future plants. We respect your judgment that a statute might be needed to encourage new investment in nuclear power plants.

At the same time we are pleased with your assurance that the Department will not support unsatisfactory nuclear licensing legislation. In such a case Rule 52 could be our only vehicle. Therefore, we are also pleased that your letter notes that S. 1220 adopts and builds upon Part 52, reflecting the Administration's support for Part 52 as far as it goes. In fact, we are able to support S. 1220 as it currently stands because overall it appears to us to be compatible with Part 52, providing the Commission with flexibility that we believe to be necessary to carry out a licensing program ten or more years in the future.

As we have indicated in our previous comments on this legislation, it is particularly important that this legislation not circumscribe the Commission's authority, currently contained in section 185 of the Atomic Energy Act, to make an overall safety finding upon the completion of construction and prior to operation of a nuclear plant that it will operate in conformity with the provisions of the Atomic Energy Act, and the rules and regulations of the Commission. In this context, we are quite pleased at your affirming the Department's reading that the provisions of S. 1220 do not diminish the discretion of the Commission to make these safety determinations under our own initiative.

In response to the two specific questions which you pose in your letter:

1. The Commission does not have, and has never had, the intention to negotiate changes in S. 1220, and

2. The Commission continues to support our previous position on the nuclear licensing provisions of S. 1220, as stated in our letters of June 4[1] and June 26,[2] 1991.

The Commission hopes that this letter clarifies our position and will help to maintain a common thread with the Administration and single-step licensing in the future.

Sincerely,

IVAN SELIN.

[1] Letter to the Honorable Bob Graham signed by Acting Chairman James R. Curtiss.

[2] Letter to the Honorable Peter Kostmayer signed by Acting Chairman Kenneth C. Rogers.

DEPARTMENT OF ENERGY,
Washington, DC, September 24, 1991.

Memorandum for: Admiral Watkins.

Subject: Chairman Selin and Nuclear Licensing Reform Legislation.

PURPOSE

The purpose of this memorandum is to apprise you of a continuing problem with comments by Chairman Selin of the Nuclear Regulatory Commission (NRC) to Members of Congress regarding the nuclear licensing provisions of Title IX of S. 1220 and to suggest several possible courses of action to you.

BACKGROUND

During your staff meeting on September 20, 1991, I advised you that remarks by Chairman Sharp of the House Energy and Power Subcommittee during a markup session on prospective energy legislation indicated that Chairman Sharp has recently talked to Chairman Selin on certain provisions of Title IX of S. 1220. In Vienna, I asked Chairman Selin about his conversation with Chairman Sharp. Selin made the following remarks to me:

While he supports S. 1220, he still considers legislation a mistake; had he been chairman when the Administration proposed legislation, he would have opposed it.

Industry representatives and former NRC Chairman Rowden recently met with him and explained why S. 1220 is needed from their standpoint and how it differs from Part 52. He rejects all their arguments (and those of DOE) and considers that Title IX of S. 1220 is no different than Part 52 and, therefore, is not needed. He believes Part 52 is "good enough" and that any legislation should merely codify it.

He did talk to Chairman Sharp about a key provision of S. 1220 that would permit a completed plant to operate during the tendency of a hearing unless the Commission found that public health and safety would be affected (a provision that specifically differs from Part 52). He told Chairman Sharp that if NRC went to the trouble of granting a hearing, he couldn't conceive of allowing a plant to operate before the hearing was completed.

It is clear that while Chairman Selin gives lip service to support of S. 1220, he is—opportunistically, if not systematically—undermining the key provisions of S. 1220 in conversation with Congressional Democrats who are not nuclear supporters. It seems likely that Chairman Selin's agenda is to end up showing that Part 52 is really all that anyone needs.

Before suggesting possible actions we might take, I believe that NRC actions before and after Chairman Selin arrived and his other comments on the provisions of S. 1220 should be reviewed briefly. The NRC has always been concerned about legislation lest it harm its current court defense of Part 52 against challenge by the anti-nuclear movement. During the interagency review process for our proposed National Energy Strategy (NES) Act, Chairman Carr called me to say that his General Counsel had problems with some of our wording. We worked with NRC, and they concurred in our legislation proposed to the Congress.

During markup of S. 1220 by the Senate Energy and Natural Resources Committee in May 1991, the majority staff raised the possibility of inclusion of the word "finding" as the action required by the Commission after construction but before initial plant operation. This matter requires some explanation. Under the old licensing procedure, the Commission, after holding a hearing upon request at the end of construction, reached its final safety decisions and made a finding that the plant complied with the terms of its license, NRC regulations and the Atomic Energy Act. The thrust of Part 52 and S. 1220 is that such a hearing and finding is required before construction and before issuance of a combined license. Prior to plant operation, the Commission would only have to determine that the acceptance criteria of the combined license had been met during construction. There would be an opportunity for a hearing on nonconformance to the acceptance criteria, but not a required hearing.

The basic thrust of the anti-nuclear litigation against Part 52 is to require the NRC to hold a hearing after construction and before operation and to make a finding not only on conformance to the acceptance criteria, but to compliance with the license, NRC regulations, and the Atomic Energy Act. This would guarantee anti-nuclear interveners a pre-operational hearing and would open up the opportunity for them to litigate issues settled before construction, thus thwarting one-step licensing and deterring any potential investors in a nuclear plant.

For that reason and out of concern for unintended consequences, we have avoided in S. 1220 the requirement for NRC to make a finding after construction. At the same time, we have recognized that NEC, on its own initiative, retains under the Atomic Energy Act and its regulations the ability to make such a finding should it consider one necessary. Thus, when the question arose during markup of S. 1220 about including the word finding in the bill, alternative words that the Commission shall "satisfy itself that the acceptance criteria of the license have been met" before operation were proposed. At my request, Chairman Carr convened a Commission meeting to establish the NRC position on this point, and by a 3–1 vote supported the alternative words, which were included in S. 1220.

Subsequent to that event, I met with Chairman-designee Selin before his confirmation and discussed S. 1220 with him. He told me that he had no problem with any of the provisions of S. 1220 and could support them, but did not consider legislation to be necessary or desirable, since Part 52 was sufficient. He felt that legislation could undermine Part 52 and that we are likely to get something worse than Part 52 out of the Congress. I summarized our position. Further, after that conversation, you met with Selin and gave him point papers explaining the differences between Part 52 and S. 1220 and the need for legislation.

I also asked Chairman Carr if the Commission would send a letter to the Congress before his term expired, supporting Title IX of S. 1220. Such a letter was sent on June 26, 1991, and was based upon a unanimous vote, 4-0, by the Commission. The one Commissioner who had cast a negative vote on the finding question told me that the report language accompanying S. 1220 cleared up any concerns that he had on that point.

The next development regarding S. 1220 occurred in conjunction with Chairman Selin's testimony before Chairman Kostmayer of the House Subcommittee on Energy and the Environment on July 25, 1991. In his written statement, after expressing the Commission's support for S. 1220, Chairman Selin volunteered his opinion that this type of legislation is not really needed. I understand that he was told not to include that opinion in his oral statement, but Chairman Selin did so anyway. Further, in response to questions from Chairman Kostmayer, Chairman Selin expressed his disagreement with important provisions of S. 1220, as follows:

Chairman Kostmayer asked whether Chairman Selin disagreed with the Administration's and S. 1220's provision of a threshold for holding a pre-operational hearing and whether he would support removal of the threshold. Chairman Selin said yes, he disagreed, and he would support removal of the threshold in favor of leaving the Commission discretion to decide.

Chairman Kostmayer asked whether the Commission should make a pre-operational "finding" as opposed to "satisfy itself that" and whether Chairman Selin would support the deletion of "satisfy itself that" and the substitution of "finding." Chairman Selin stated that the Commission should satisfy itself by making a finding and that they would operate the same way whatever phrase was used in legislation.

Chairman Kostmayer stated that it seems to him that a formal pre-operational hearing (as opposed to the informal hearing specified in S. 1220) is useful because it guarantees the public certain procedures to elicit information which they don't have without a formal hearing. Chairman Selin replied that he would like to agree with Chairman Kostmayer, but his colleagues wouldn't let him do it.

In the exchange of letters between you and Chairman Selin on August 1, 1991, he agreed to delete a sentence in his draft reply that addressed the Commission's authority to make a broad safety finding after construction and prior to initial operation of a plant. We obtained that deletion by including in your letter a statement that S. 1220 does not reduce the Commission's existing discretion and authority to make safety determinations. After he received your signed letter, Chairman Selin reinserted in his reply the sentence that he had agreed to delete.

DISCUSSION

My next interaction with Chairman Selin on nuclear licensing reform came in connection with his remarks to Chairman Sharp, which have been described above. I believe that the summary I have just provided demonstrates that Chairman Selin is undermining the important provisions of S. 1220 even as he professes support for that legislation. I have no doubt that his concessions to Democratic legislators will be used against S. 1220 on the Senate floor and will make it more difficult for us to gain the support of Senator Graham (Chairman, Senate Subcommittee on Nuclear Reactor Regulation) for S. 1220 Senator Graham's position has been that S. 1220 is not desirable and that Part 52 should be acceptable. Chairman Selin's concessions will also harm us if nuclear licensing reform legislation comes to a vote in House committees and on the floor. I do not know who else from the Congress that Chairman Selin might have talked to or what he might have said.

I believe that some action should be taken to obtain an unequivocal written or public statement from Chairman Selin supporting the specific provisions of S. 1220 as well as the bill itself before S. 1220 comes to the Senate floor. I have outlined below several options for doing that and have summarized what I see as their pros and cons.

Option 1: Seek Chairman Selin's Signature on a Joint Statement With Admiral Watkins in Support of the Provisions of S. 1220. (A draft such statement is attached for consideration.) Seek Governor Sununu's Action on Unresolved Issues.

Pros: Can be used as written evidence with Senators and Congressmen to show joint support and undo oral statements by Chairman Selin.

Can be negotiated with him in advance, before his interaction with Admiral Watkins, to minimize differences to resolve.

If differences cannot be resolved, would at least minimize issues needing action by Governor Sununu.

Cons: May be impossible to reach agreement with Chairman Selin on such a statement, or may take too much time and argument.

Has potential appearance that DOE has forced NRC to support S. 1220.

Option 2: Prepare a White Paper on DOE and NRC Support of the Provisions of S. 1220. Have Governor Sununu Seek Chairman Selin's Agreement with the White Paper. (The White Paper would be like the attached statement, with the joint signature concept removed.)

Pros: Chairman Selin might more quickly fall in line for Governor Sununu than he would for Admiral Watkins.

Would most quickly show Governor Sununu what the problems with Chairman Selin are.

Would still provide a written statement for use with the Congress, although not signed.

Cons: Does not minimize the issues that Governor Sununu may have to resolve.

Option 3: Have Senator Johnston Hold a Hearing to Obtain Chairman Selin's Agreement With the Provisions of S. 1220. Show Senator Johnston Our White Paper From Which to Frame Questions. Have Governor Sununu Speak to Chairman Selin in Advance.

Pros: Chairman Selin may be more responsive to Senator Johnston than to the Administration. Transcript could be edited for Senate floor use.

Cons: What Chairman Selin might say in public is very unpredictable.

Chairman Selin could portray himself as protecting the public against the desires of the industry and the Administration, which could harm support for S. 1220.

Could cause Senator Graham to hold a hearing as well, which could have different results and polarize the Senate situation further.

Option 4: Have Senator Johnston Write to Chairman Selin and Seek Support for the Provisions of S. 1220.

Pros: Would provide a written set of positions.

Cons: Answers probably could not be influenced by DOE and are unlikely to be what we want.

Option 5: Have Governor Sununu Tell Chairman Selin to Say Nothing Further to the Congress Than Support of S. 1220 and Its Specific Provisions. Ignore the Past.

Pros: Probably the simplest thing to do.

Cons: Does not repair the damage already done.

Chairman Selin would probably find a way around this as he has in the past.

Does not provide positive NRC support at a time when that would be helpful.

RECOMMENDATION

I recommend that an internal meeting be held to discuss the above options. I suggest that Senators Johnston and Wallop or their staffs attend to obtain their views. On balance, at this point I favor Option 1 and escalating it quickly to Governor Sununu if we have trouble reaching early agreement. Chairman Selin is currently on travel and returns on September 26.

WILLIAM H. YOUNG,
Assistant Secretary for Nuclear Energy.

JOINT STATEMENT OF THE DEPARTMENT OF ENERGY (DOE) AND THE NUCLEAR REGULATORY COMMISSION (NRC) ON LICENSING REFORM LEGISLATION

SUMMARY

Both DOE and NRC support and endorse the licensing reform provisions of Title IX of S. 1220. S. 1220 will codify major licensing provisions of existing NRC regulations (10 CFR Part 52) and will provide additional flexibility, described below, not possible under existing statute but needed to facilitate the combined license concept. S. 1220 provides an efficient process that ensures fair and adequate access by the public to raise any concerns about plant safety. S. 1220 does not reduce the discretion NRC has under existing authority to take steps it deems necessary to protect the public health and safety, including making safety determinations on its own initiative. Neither DOE nor NRC would support modifications to S. 1220 which would undo the progress made to date as reflected in Part 52 or would substantially alter the provisions of Title IX.

NEED FOR LEGISLATION NOW

The National Energy Strategy (NES) identifies the need for licensing reform to provide a predictable regulatory basis for the consideration of new nuclear plants by potential owners and investors. The NRC has acted to significantly improve the licensing process by assurance of Part 52. However, current court challenges and probable appeals thereon are likely to delay final resolution of the legal status of Part 52 until at least mid-1994. Further, the features of Part 52 are limited by provisions of current law and do not contain certain key features found necessary by DOE, in its NES analysis, to enable investment in new nuclear generating capacity. Even after enactment of licensing reform legislation, implementing NRC rulemaking will take an additional 18 months. Court challenges would add to that time.

PRINCIPLES

DOE is responsible for ensuring that safe, adequate, and secure energy supplies are available to meet our Nation's needs. NRC is responsible for ensuring that the health and safety of the public are adequately protected during operation of civilian nuclear reactors.

S. 1220 meets both of these objectives by providing the necessary framework to enable construction of new nuclear powerplants, while ensuring that the public is both protected and has the opportunity to participate in the licensing process in a timely manner.

S. 1220 is based on two key principles—resolution of safety issues by the NRC before construction begins and determinations thereafter based upon reasonable assurance of adequate protection of public health and safety. This standard has been the longstanding basis for NRC decisions, which have led to an unparalleled safety record in the operation of U.S. commercial nuclear power plants for more than 30 years.

S. 1220 LEGISLATIVE FEATURES

S. 1220 reaffirms NRC's statutory authority for Part 52 which has been challenged in the courts and could be challenged again in the future during implementation of specific features of Part 52. As an example, those opposed to nuclear power and the concept of combined licenses claim in the current court challenge to Part 52 that "the plain language of Section 185 bars the issuance of combined licenses." S. 1220 would add new sections to the Atomic Energy Act, Sections 185b and 189a(1)(B), which provide more specific legislative authority for the issuance of combined licenses and for the nature, scope, and timing of potential post-construction hearings. The Major improvements provided by S. 1220 are shown below.

REQUIRED NRC DETERMINATION PRIOR TO OPERATION

S. 1220 requires that prior to operation, the NRC must satisfy itself that the prescribed acceptance criteria have been met. Part 52 requires that the Commission find that the acceptance criteria have been met. The NRC internal process under either of these two requirements would be identical. However, the use of the term "satisfy itself" rather than "find" in S. 1220 is intended to make it clear that a hearing is not required for the Commission's determination. Otherwise, precedent under the former licensing process might lead to an interpretation that a hearing is rerquired. The public is protected since a hearing will already have been held to resolve safety questions prior to issuance of the combined license and they may request a hearing on any specific nonconformance with the acceptance criteria.

THRESHOLD REQUIRED FOR POST-CONSTRUCTION HEARINGS

S. 1220 requires the NRC to hold a hearing only when it can be shown that adequate protection of the public health and safety is not reasonably assured. Under Part 52, NRC may be required to hold a hearing on nonconformances with the acceptance criteria in the license if the exemption criteria of the Administrative Procedures Act are not met. These criteria, however, deal not with the seriousness of potential consequences, but with the nature of the process NRC uses to determine conformance. S. 1220 will, therefore, ensure that operation of safe plants would not be delayed by technicalities. The public will be protected since hearings would be held if there is a threat to adequate protection of public health and safety.

HEARING PROCEDURES

Under S. 1220, post-construction hearings would normally be informal; however, the NRC can determine that formal procedures are necessary to resolve a substantial dispute of material fact. Under Part 52, the criteria for use of formal or informal procedures are complex and include the Administrative Procedures Act exemption criteria. S. 1220 provides the public and investors with better definition of the expected process and avoids legal use of technicalities for purposes of delay. At the same time, S. 1220 provides the discretion needed by NRC.

HEARING DURATION

S. 1220 specifies a target duration of the hearing process of 120 days, while Part 52 is silent on hearing duration. This provision establishes the intent that hearings be completed in a timely manner, thereby not unduly delaying generation of electric power needed by the public. At the same time, it allows hearings of greater duration than 120 days if necessary.

OPERATION PENDING HEARING DECISION

S. 1220 permits the NRC to allow a plant to commence operation even though a hearing process is not completed, if there is no threat to reasonable assurance of adequate protection of public health and safety by such operation. Part 52 has been interpreted to require that all hearings be completed prior to operation. The S. 1220 provision is necessary to ensure that safe plants will be allowed to operate without undue delay. A lengthy delay of operation to complete a hearing could otherwise occur even if the Commission determined early in the hearing process that adequate protection of public health and safety was not threatened. The public is protected since operation would not commence if there was a threat to adequate protection.

EMERGENCY PLANNING TESTS

S. 1220 requires that an emergency plan be approved prior to issuance of a combined license and that the necessary tests of the plan be included in the acceptance criteria in the license. Existing NRC regulations (Parts 50 and 52) require a separate mandatory hearinig on the emergency planning test. Emergency planning tests are treated in S. 1220 in a manner similar to all other acceptance criteria. The public is protected, since any nonconformance of the test results to the acceptance criteria that could be shown to threaten adequate protection of public health and safety, would be subject to a hearing and delay in commencement of plant operation.

AMENDMENTS TO COMBINED LICENSES

S. 1220 treates amendments to combined licenses the same as amendments to operating licenses. Under Part 52, the Sholly Amendment does not apply to amendments to combined licenses. As a result, under Part 52 amendments with no safety significance could delay plant operation. The public is protected under S. 1220 since amendments to combined licenses could not be granted pending a hearing if there are significant safety considerations.

ADM. JAMES D. WATKINS,
Secretary, Department of Energy.
IVAN SELIN,
Chairman, Nuclear Regulatory Commission.

Mr. JOHNSTON. Will the Senator yield?

Mr. REID. I am happy to yield for a question.

Mr. JOHNSTON. Is it not correct that Chairman Selin testified before the Nuclear Regulation Subcommittee that he was never approached by, and never communicated with, Assistant Secretary Bill Young, and he was in no way influenced by him, not having been approached or communicated with?

Mr. REID. I am happy that my friend from Louisiana said that with a straight face.

Yes, we took testimony and he said he did not speak to Assistant Secretary Young. But remember, Assistant Secretary Young is not the one that was going to be the hatchet man. He had a number of alternatives.

I do not know why Selin capitulated. I do not know whether it was because Sununu told him to. I do not know really how it came about. There are five options. But the fact of the matter is that Selin suddenly changed his mind.

As further evidence, I say to the distinguished Senator, Chairman of the Energy Committee, we have two letters. They did not even bother waiting until the next day to put this in writing. Each one is written the same day. They do not even take an hour delay until they write another letter about it.

Mr. JOHNSTON. I think in fairness to Chairman Selin, the Senator was suggesting that on account of the influence of Assistant Secretary Bill Young that he changed his testimony and it has been spread on the record in subcommittee in which the Senator is a member, that he was not communicated with in any way, and he was not influenced in any way. I just wanted the record to show that.

Mr. REID. I appreciate the question from my friend from Louisiana.

Prior to coming here to this body, I was a trial lawyer. For many, many years I tried lawsuits.

As I told Selin, this is not a lawsuit, but if this matter were being tried before a jury he would not stand a chance. The evidence is overwhelming that the Nuclear Regulatory Commission is not independent as evidenced by these exhibits.

I mean it is clear that during the hearing Chairman Selin said, "This is a study, I decided to change my mind."

I ask the Members of this Senate to use their common sense to find out what in fact is the truth, because during the hearing before the Subcommittee on Nuclear Regulation, we documented a series of instances during this time when legislation was under consideration where the Nuclear Regulatory Commission was pressured, I believe intimidated, and I use the word, I have chosen the word "cowered" by the Department of Energy to support the nuclear licensing provisions in this title.

An independent, alternate, responsible NRC is the cornerstone of a well-regulated nuclear industry. In the words of NRC Chairman Selin during his confirmation hearing, the NRC's mandate is exclusively regulatory. It is in fact not promotional.

Mr. President, the provisions of title IX remove the voice of the common man. It is a right of concerned citizens to enjoin the NRC to prove that new facilities are safe. The licensing provisions of S. 2166 strongly curtail the hearing rights supported by the public and limit the review of many NRC decisions by the courts.

The NRC's support of S. 2166 shows this agency can be pressured to change its position on nuclear licensing provisions, a subject totally under the NRC's jurisdiction and authority.

Nuclear licensing must be conducted in the open process with the full airing of all safety issues whenever they are brought to light. A new plant, where constructed with safety deficiencies, no matter how serious the provisions of title IX, would allow the NRC's nonreviewable discretion of whether to allow an adjudicatory hearing. Should a contractor wish to abuse the system, title IX would allow them to steamroller over any concerned citizens groups or whistle-blower groups, or whistle blowers, or any individual.

The amendment under consideration spells out in plain language the postconstruction hearing process. It allows an adjudicatory hearing which would be subject to judicial review. This provision allows the voice of concerned citizens to be heard on this critical issue of health and safety.

It is better to tell the Nuclear Regulatory Commission how to perform its job in this instance rather than allow that agency to be coerced again in the future by the Department of Energy. Health and safety should be our watchwords, not further streamlining and speeding up the process.

If in fact, by some quirk of fate, the NRC was not coerced into changing their position radically in this, I think in the future they better be very careful of the paper trail that is left that is shown that they were intimidated and were forced to change their position by the administration and/or Admiral Watkins.

I again congratulate my friend from Florida for the courage that he has had to lead this vitally important subcommittee and offer this most important amendment.

I would suggest, and I am sure the Senator will cover this, there are many who want the procedure to be even more difficult than they are now. But I think it showed great concern for the process in that during the appeal process the plant could still operate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. I thank the Senator.

I say to my colleagues that the significance of what the Senator from Nevada has just placed before us is the issue of the credibility and the independence of the agency that the American public looks to make judgments on the future of the nuclear industry.

The facts are that consistently until a date less than 12 months ago the position of the Nuclear Regulatory Commission had been that legislation was not desirable. Just as an example of the testimony which the Nuclear Regulatory Commission was giving, let me quote from statements made before the House Subcommittee on Energy and Power, in May 1989:

> The Commission is confident that the final rule as presently structured provides a sound basis for the efficient construction and licensing of new safe nuclear power plants. The Commission is confident that the final rule rests on a sound legal foundation and would fully accomplish its purposes. The Commission believes that it is necessary to give the rule an opportunity to work. Accordingly at this time, we do not believe that additional legislation is necessary to accomplish the objectives of the Commission's recently approved standardization and licensing reforms.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. GRAHAM. Yes.

Mr. JOHNSTON. Of course, since that letter was written, the court, in fact, found that it would not stand on the firm legal foundation and consequently the rule cannot be allowed to operate as they suggest because D.C. Circuit has declared that rule beyond the Atomic Energy Act of 1954. Is that correct?

Mr. GRAHAM. It is correct that that historically happened, but the court of appeals decision did not change the position of the Nuclear Regulatory Commission relative to the desirability of legislation.

Just to quote the NRC subsequent to the opinion of the D.C. Court of Appeals, a letter from Harold Denton of the NRC to Olin Wethington, Executive Secretary of the Economic Policy Council in the White House, commenting on the President's draft national energy strategy, which contained nuclear licensing provisions:

> The Commission supports standardization and early site approval * * * and licensing renewal. However the Commission does not believe that the licensing reform legislation as discussed on page 8 of nuclear power section is desirable at this time.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. GRAHAM. Yes.

Mr. JOHNSTON. I have a letter dated February 5 from the Chairman and submitted on his behalf and all other Commissioners, except Commissioner Remick, who is away on official travel, and in that he said in response to the request of the Nuclear Regulatory Commission:

> I would like to take this opportunity both to express our support for the nuclear licensing reform provisions of S. 2166, as introduced in the National Energy Security Act of 1992, and our opposition to an amendment to S. 2166, which we understand might be proposed by Senators GRAHAM and FOWLER.

Has the Senator seen the copy of that?

Mr. GRAHAM. There is no question that NRC changed its position. The question is under which circumstances, and what those circumstances say about the NRC's discretion. When we start to discuss the principal differences between the first- and second-degree amendments, the principal difference is going to be the issue of how much discretion to provide to the NRC to either grant or not grant a full hearing on questions of safety of a nuclear powerplant.

Mr. JOHNSTON. Well, the main thing that is transferred between the date of that testimony and today is that the court has declared their rules that they were trying to uphold to be illegal in part.

Mr. GRAHAM. Here is what Commissioner Curtiss of the NRC said on March 21 of 1991 in response to questions from Chairman BEVILL, of the Subcommittee on Energy and Water Development of the House Appropriations Committee.

> I would say with respect to one portion of 100 CFR part 52, that was declared invalid by the court, having to do with the so-called preoperational hearing, I think at least at this point that legislation on this particular matter would be premature until we have exhausted the judicial avenue.

That was the position their Commissioner was taking at least as recently as March 22 of last year, well after, and in fact, in specific response to the traditional opinion. Now the Commissioner supports legislation.

Mr. WALLOP. Will the Senator yield for a question?

Mr. GRAHAM. Yes.

Mr. WALLOP. Of course, the Senator is well aware that his predecessors, Senators BREAUX and SIMPSON, are cosponsors of the underlying amendment. Not only did they testify to you in January of this year, but the NRC, in letters dated June 26 and August 1, by unanimous vote, expressed its endorsement of provisions of S. 1220, and this was before the memo written by Mr. Young.

Mr. GRAHAM. Well, there had been a previous memo from Mr. Young. A memo quoted and entered into the RECORD by the Senator from Nevada is not the only evidence of Department of Energy influence on NRC. There is more evidence of the advocacy agency's attempt to influence the Nuclear Regulatory Commission, supposedly the independent regulatory body.

As I understand the history of this evolution, when the Atomic Energy Commission was divided, its responsibilities were split: One agency, what is now the Department of Energy, was to be the agency which had the responsibility for the development of the nuclear industry. The Nuclear Regulatory Commission was to be an independent regulatory agency which would be responsible for making judgments to protect the public safety. And the question here is whether the NRC's independence has been compromised.

The Senator asked about the timing of the NRC's change in position. Let me read from a May 6, 1991, memo from Bill Young, Assistant Secretary of the Department of Energy, to the then NRC Chairman, Mr. Kenneth Carr:

> I would like to ask your assistance in coordinating the NRC and DOE positions on possible licensing reform legislation. I ask that the Commission take the following positions: A, the NRC supports the provision of title V(A) of S. 570, H.R. 1301, and would have

no objection to their enactment. B, the NRC also supports the provision of title VIII of S. 341, as amended by Senator Wallop, now title IX of S. 1220, and would also have no objection to their enactment. I ask that the NRC treat the bills as legislative packages and not express opinions on the efficacy of individual elements, such as emergency planning, that have already been incorporated.

That is more evidence of where the DOE is attempting to blur the distinction between its advocacy role and the responsibility which the NRC has to make independent judgments regarding public safety.

Mr. WALLOP. If the Senator will yield further, in fact, the memo that he has just read indicates clearly that the matters under discussion were matters of policy and not safety and, therefore, clearly within the appropriate activities of both the NRC and DOE, under the terms of their foundation.

Mr. GRAHAM. I do not believe that it is appropriate for the Nuclear Regulatory Commission to feel that its role is to cooperate with the Department of Energy in developing legislative policy, and that it should be subjected to a pattern of intimidation to repress its independent views and assessments. That is not why we have the NRC. That denies the NRC the ability to perform its independent function, and it undercuts public confidence in its regulatory activity. Is it acting out of an intimidation from some external source, or is it acting based on its own assessment of what is in the public interest?

Mr. President, that gets us to the issue that is raised by these two amendments. Let me point out that the bill that the NRC has stated for the last several weeks it supports is a bill that is even being abandoned by the first-degree amendment. If you would believe this, Mr. President, that proposal would have authorized the Nuclear Regulatory Commission to have allowed a plant against which had been lodged a safety concern to have gone into operation, unless the NRC could affirmatively prove that it was unsafe to do so.

All parties have now agreed that that was a very misguided standard and placement of responsibility for burden of proof, because the first-degree amendment, as offered by the Senator from Louisiana, proposes to change that language in a manner which is consistent—if not verbatim—with the language that has been in my amendment, which is now second degree, which says that the burden of proof is on the Nuclear Regulatory Commission to establish that the plant is affirmatively safe, because it has been built according to plans and the NRC's regulation. And only when the NRC makes that affirmative judgment of safety will the plant be allowed to operate. The fact that the NRC would have given its support to a provision that would have allowed a plant to go into operation without it having met that obligation of certifying its safety, I think, is a further testimony to the issue of confidence and the deterioration of public credibility which the NRC has suffered throughout this process.

Mr. President, let me focus on the fundamental issue which distinguishes the first- and second-degree amendments. That is the issue of under which circumstances would a citizen who believed that there has been some defect in the construction of a nuclear plant be allowed to have a full hearing and judicial review for the purposes of making that determination?

The language that is in the first-degree amendment is that, "The commission, in its discretion, shall determine appropriate hearing procedures, whether informal or formal adjudicatory, for any hearing under this subparagraph, and shall state its reasons therefor."

So it is totally at the discretion of the Nuclear Regulatory Commission as to whether they will grant a hearing and, if so, what will be the character of that hearing.

What is in the second-degree amendment? The second-degree amendment provides that there will be a right to a hearing if the petitioner can meet this following standard—and I would ask, Mr. President, that you and our other colleagues listen to these standards with this question in mind: If a petitioner can meet all of these standards, am I prepared to say that they should not have a full adjudicatory hearing?

What are these standards? The Commission shall designate and issue for hearing if the issue, one, consists of a substantial dispute of fact; two, that the resolution of that dispute of fact is necessary for the Commission's decision, the decision on the safety of the plant, and that fact cannot be resolved with sufficient accuracy except at such a hearing.

The issue has to be substantial. The issue has to relate directly to the Commission's obligation to make a judgment on the safety of the plant. And the issue has to be of such a nature that it cannot be resolved with sufficient accuracy except at a hearing.

Beyond that, Mr. President, in addition to all those tests, it must be that either the issue was not and could not have been raised and resolved at any proceedings for the issuance, modification, or amendment of a license permit or approval; that is, this was an issue that could not have been raised at an earlier stage in the process, or there must be a showing has been made that there has been nonconformance with the license and that such nonconformance has not been corrected and that such nonconformance could materially and adversely affect the safe operation of the facility.

Mr. President, I would not like to go back to my constituents and say that I had taken the position that a petitioner who could meet all of those rigorous steps would be denied, in the total discretion, the total whim of the NRC, the right to have that full hearing and to have the results of that full hearing then subject to judicial review.

I would not like to be the one who would then have to explain at a future date to my citizens why, if all of those conditions could be met, they could not have a full public airing of an issue of vital concern, as it certainly would be to that community, that State, and to our national efforts at making nuclear power a responsible part of our total energy system.

That language that I read may have sounded relatively stilted and legalistic. Mr. President, creativity is described as the art of disguising your sources. I want you to know that I was not creative. I did not write those words. Who wrote those words? Those words were written by the Nuclear Regulatory Commission, because that was their legislative recommendation of how to resolve this issue of the balance between certainty and predictability of a licensing process but still allowing the public a limited opportunity with the high threshold to have a full hearing of cases of allegations of unsafe construction or circumstances that would raise questions about the appropriateness of the operation of the plant.

That was the language that the NRC, session after session, advocated Congress to adopt. It was language which had the general, if not unanimous, support of the nuclear industry as to how they would like to have this issue resolved.

Now, the concern that has been expressed is, well, even if you can meet that high threshold, there might be circumstances under which it would be appropriate for a plant to be allowed to be operated before that proceeding had reached its conclusion. And I think it is possible that could be the case. So, we have provided, as has the first-degree amendment, for an operating permit pending the resolution of the adjudication.

What we have said, and now with the abandonment of that earlier language that would have required the petitioner to show that the plant was unsafe, what we have now said is that if the NRC can determine that the plant was built in accordance with the plans, and the NRC regulations, that the NRC will have the authority to allow a plant to commence operation while the dispute is being resolved.

I think that is a fully reasonable resolution of this issue. There are many—and I believe some may be prepared to debate during the further consideration of these amendments—that believe our amendment goes too far, that if a petitioner can meet all these high thresholds for a full adjudicatory hearing, that the NRC should not allow the plant to operate under any circumstances until those safety issues have been resolved.

I believe that the position that we have advocated is one which is a reasonable balance of the public's right to have access to a full hearing on issues of vital concern, legitimate concern, against the desire for a level playing field of predictability within the nuclear industry.

Mr. President, that is the issue. The issue is do you want to return to your constituents and say that if the citizen of your State, on the eve of the opening of a nuclear power plant, is about to go to the Nuclear Regulatory Commission and establish that there is a prima facie case that this facility was not built in conformance with the license and that nonconformity has not been corrected, and that nonconformity materially and adversely affects the safe operation of the facility, if that citizen can establish that this issue could not have been raised at an earlier proceeding and that issue is substantial and necessary for the Commission's resolution and can only be sufficiently resolved through the method of a full, open, adjudicatory sharing, you still want to tell your citizen that under those circumstances they do not have a right for that hearing?

I do not believe that is the position which any of us would want to take, not the position that the U.S. Senate could choose to establish as the policy of the United States of America.

I believe that, should we do so, that whatever minimal benefit might be gained through the expedition of the licensing process will have been more than compromised by the loss of public confidence in their regulatory agencies and in the fundamental commitment to public safety of this Nation's nuclear regulatory policy.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, on the issue at hand, I support the Johnston-Wallop approach. I believe it is time that we do what we must to put nuclear energy on an equal footing with reference to its good points and its bad points. I do not think that is the current law. I think it is significantly penalized.

So I am hopeful that we will arrive at a position where one of our real strong economic points is the economic availability of electricity and surely we ought to make nuclear power part of that arsenal for America's strength and prosperity in the future.

Mr. President, continued economic growth, more jobs, and a higher standard of living for our people all depend on the availability of electricity. America is becoming increasingly electrified. Today, 36 percent of our primary energy is consumed by electricity generation. By the year 2010, the Department of Energy has projected it to be 41 percent.

A national energy strategy must address the issue of our future demand for electricity. The Nation must have options to meet growing demands for electricity in a safe, efficient, and environmentally sound manner.

DOE tells us that electricity demand will grow by between 1.6 to 2.4 percent per year through 2010. In order to sustain our economic growth, electric utilities must be able to continue to provide reliable and competitively priced electricity. If the projected growth holds true, the Nation will need from 190 gigawatts to more than 275 gigawatts of new generation—that's about 20 1,000 MW powerplants which must come on-line each year between the years 2000–2010. Furthermore, approximately 85 percent of that growth demand would be base-load capacity—the type of generation facility that is needed to operate continuously around the clock. The current primary sources for baseload capacity are coal and nuclear.

If coal continues to be constrained by environmental considerations and it's doubtful that conservation can meet this growth demand, then we must maintain our nuclear option.

Currently nuclear energy generates about 20 percent of the electricity in the United States. In this legislation we are not mandating that nuclear energy be used exclusively to meet all the new demand. However, unless we reform the nuclear licensing process, we would lose this viable option.

The current process simply does not work. A provision of this bill assures we have this option. The provision to which this Senator refers involves the restructuring of the system we use to license nuclear reactors. It appears as title IX, the Nuclear Reactor Licensing Act of 1991.

While the Johnston-Wallop substitute takes up fewer than 6 pages in this 401 page bill, it holds great significance for America's competitive position in the world economy. Title IX will assist America in its efforts to become more competitive with the Japanese, with the Europeans, and with all industrial nations.

And title IX holds great significance for American consumers, who have every reason to expect reasonable electric rates.

Let me cite what I consider to be the compelling facts for adoption of title IX.

When the Japanese or the French, as examples, consider the construction of a new nuclear power plant, they will do something quite interesting. They will draw up designs using technology that has been developed here in the United States of America. Then after all the safety checks, they will construct the plant, and that Japanese or French reactor will be producing electricity approximately 4 years after construction begins. That is 4 years to build the entire plant and bring it on line.

When I had the opportunity to visit Japan a couple of years ago, the Japanese often bragged to me of their achievements of this 4-year construction-to-operation period. They deserve that pride.

Assuming there were any new nuclear plants planned in our great Nation, how long would it take an American utility to do exactly what the Japanese or the French accomplish in 4 years? What would my colleagues guess? Six years on the average? Maybe 10 years?

The answer, based on our most recent experience, is 14 years—more than three times what it takes in Japan or France.

What is the economic impact of that 10-year differential? That is 10 years when a huge capital investment is tied up, not returning one penny to cover annual interest and various sunk costs. That is 10 years of waste and frustration. In fact, the U.S. experience has been that time-related costs account for as much as 50 percent of a nuclear plant's total costs.

And please remember, the Japanese and others are building these plants using American technology. In fact, the only sales for America's nuclear generating industry today are sales for export.

How have the Japanese and the French achieved this shorter period? Mr. President, they have achieved this as a result of two things we fail to do.

They have standardized their reactor designs. A nuclear plant built in the north of France or Japan will look, inside and out, exactly like one in the southern part of the country, hundreds of miles away. The control rooms will look the same. Each will have various controls at the exact same location, plant to plant. The reactors will be identical. The cooling systems will be the same.

It is a cookie-cutter construction, and it works.

Because manufacturers must apply to the Nuclear Regulatory Commission for design certification, title IX can work effectively only when manufacturers follow the concept of standardization. If title IX becomes the law of the land—as this Senator believes it should—standardization will become a reality and make the licensing process more rational.

The other thing the Japanese and the French have accomplished is also very basic, very simple, and very wise.

They have front-loaded all controversies over a plant's safety and environmental impact.

Instead of having the safety issue resolved—as we do—after a plant has been constructed, the French and the Japanese resolve safety issues before construction. That means that billions of dollars of investment do not stand idle—costing the ratepayers and investors millions of dollars in monthly interest—pending the outcome of litigation over safety that can persist for years.

And I might point out that the Germans, the Canadians, and other leading industrialized nations are doing precisely what the French and the Japanese are doing. Only the United States is holding out.

That needs to change.

Title IX of S. 2166, the Nuclear Reactor Licensing Act of 1991, would shorten the time it takes from construction to operation in a sensible and responsible way—without in any way short-circuiting safety or environmental safeguards.

Let me restate that. Title IX in no way short-circuits or ignores safety or environmental safeguards. It would simply involve the public earlier in a plant's consideration, thus giving greater assurance to the utility, and its customers, that once the plant is approved that it can be operated for the public good—not tied up in court.

Title IX will do what the Japanese and the French and others already do. Title IX requires that the important safety issues be resolved before construction of the reactor, not afterwards as under current law.

In seeking to place the absurdities of our current law in some perspective, it is as if we told a family planning to build a new home that they must get a building permit, construct the house, and pay for it, but then they cannot move in until their neighbors pass judgment. If the neighbors say no, then no occupancy permit is issued.

How many homes would ever be built if that were America's law? Yet that is precisely how our current nuclear energy law works. We begin construction before the decision on safety is made. We need to reverse that.

In making such a reversal, would we compromise safety? I don't see how. There is not one iota of evidence that the Japanese or the French have operated a nuclear energy program with less concern than we have. In fact, their programs appear even safer, at least by some yardsticks. They have higher capacity-use rates, which in part stem from fewer periods of unplanned shutdowns.

The Japanese, for example, have an average capacity-use rate of 71 percent, while ours stands at 67.5 percent. And while we have been able to reduce America's unplanned shutdowns per plant, per year, to fewer than two—down dramatically from seven as recently as 1980—the French and the Japanese have averages between 1 and 1.5 percent.

The current U.S. law was written in the 1950's, when we were entering the nuclear power era, when each plant was unique. That law said: Get a construction license from what is now the Nuclear Regulatory Commission, then go out and design your plant. After you have built the plant, then come back to the Federal Government so it can determine if your design is a safe and practical one—subject to delays in court—while the plant sits idle.

That may have been a practical approach for an industry in its adolescence. But it clearly is out of date for a mature industry—as our worldwide competitors have demonstrated.

There are 75 nuclear power plants in the planning or construction phase throughout the world. Not a single one of them is in the United States.

America today operates 111 nuclear power plants, plants producing about 20 percent of our electricity. Yet not a single nuclear plant order has been placed since the Three Mile Island accident occurred 12 years ago. About 70 plants that were ordered in the 6 years prior to 1979 were canceled.

By contrast, the French in less than two decades have raised their nuclear generation from 10 percent of their electrical production to 75 percent of that production. Their 56 operating reactors will soon be joined by 7 plants under construction.

No people on this Earth are more concerned over the safety of nuclear power than the citizens of Japan. Yet the Japanese recognize the importance of providing safe and dependable electrical power. Properly monitored, nuclear reactors provide just that.

Twenty-six percent of Japan's electric power now comes from nuclear reactors—and the Japanese plan to double their nuclear capacity over the next two decades, bringing 40 new nuclear plants on line—using a legal regime quite like title IX.

The Japanese trust a strategy where safety issues are resolved first. Why can't we?

The key to title IX is this: It frontloads America's squabbles over nuclear safety, so that the fights—even if they stretch over the years—will occur before billions of dollars are sunk into a completed, yet idle, plant.

Actually, the issue has never been the overall length of the process to design and construct a nuclear plant. That is likely to remain 10 to 20 years, as is the case today in Japan.

The issue is at what point should $1 billion or $2 billion be invested on hardware and cement to create a new plant.

Is that to occur before or after the safety review? The Japanese and the French—as well as other nations—do that review prior to investment, not afterward. Why shouldn't we?

The Japanese system involves four careful stages:

First, there is the selection of the site and the environmental survey. That may last several years.

Then there is the siting plan decision by the Prime Minister, requiring the consent of 12 ministries.

Next comes the safety examination, which produces both an establishment permit and a construction permit. I should point out that the establishment permit goes into essentially the same level of detail we require after the fact. This covers a detailed site study, earthquake studies, the safety design of the plant, waste treatment plans, and accident analysis. The Japanese simply do it prior to the investment.

Finally, there is the actual construction of the project.

Typically, the entire process in Japan requires a dozen years—but little money need be invested until the final construction phase, which follows the resolution of all safety and environmental issues. During that final stage, the Ministry of International Trade and Industry conducts periodic inspections.

How does our system work? It is so easy to find outrageous examples of waste under current U.S. law. The Shoreham nuclear power plant was built by the Long Island Lighting Co., at a total cost over time of $5.5 billion. That plant has produced 36 hours of online power during low-power testing. So what has happened? Long Island Lighting Co., after years of litigation, sold the plant to the State of New York for a single dollar—and the State will now dismantle Shoreham for about $150 million, all of which will be paid for by the ratepayers. How ridiculously wasteful.

If we had passed title IX years ago, Shoreham might never have been built, assuming strenuous opposition in the State, and the American economy would today be $5.7 billion richer.

In this debate over title IX, we may hear that safety will be shunted aside. Frankly, I do not see how that argument carries any weight.

First there would be the design certification process, involving a formal hearing. This process is appealable to the courts.

Then there is the site permit, where the issue of emergency planning would be discussed, in an adjudicatory hearing, also appealable to the courts.

Next comes the combined construction and operating license, again with an adjudicatory hearing appealable to the courts.

And finally, after construction is completed, intervenors of the project may still request a hearing and, if not satisfied, they can go to court to argue over a range of issues. Did the construction process fulfill the approved design? If the plant meets the design according to its license agreement the plant can be operated. If it has not met the design—delay and a new investigation will be necessary—and fully justified.

Moreover, the new licensing process allows full public review of new safety issues. What title IX would try to prevent is the rehashing of the same old safety and environmental issues discussed and resolved prior to construction.

That doesn't sound to me as if the public is being shortchanged. And we know that the NRC will be looking over a utility's shoulder throughout the process of construction.

This Nation's Governors are not given to reckless support for nuclear energy. So this Senator is impressed that the National Governors Association's current statement on nuclear energy policy, revised last February, says this:

> Licensing procedures that provide for full public participation and encourage a careful review of all health, safety, and environmental concerns must be developed. Any reconsideration of these decisions must be limited to significant new issues that indicate the facility or site would not comply with the original requirements or to new information that indicates that the health and safety of the public would be endangered. Reconsideration must be handled in an open and expeditious manner.

I agree.

American prosperity—our paychecks and our future—will be determined to a very great extent by energy use and energy costs. America uses the most energy in the world not because there are so many of us living in America—other nations are more populous—but because our economy is large and robust.

We will continue to be a major user and producer of energy—while at the same time striving to improve on our past successes for conserving energy and the efficient use of energy.

But we must look for wise uses of various types of energy, not locking some uses out. Those who oppose the very idea of nuclear energy will oppose title IX. They will oppose title IX because everyone knows that no new nuclear plants could ever be built in this Nation under the uncertainties of the current policy.

But nuclear power, this Senator believes, is a reasonable solution to many of our energy needs. Nuclear power necessarily achieves two goals that are critical at this time in world history:

Nuclear energy reduces any Nation's need for oil imports. I do not need to tell my colleagues how important that is. Sometime it is argued that we don't need to worry because only 5 percent of our electricity comes from oil. But the percentage was far higher in 1973 before the oil embargo, and it could easily slide again toward those higher levels. It was that 1973 embargo that demonstrated to the French and the Japanese the importance of emphasizing nuclear power.

And the use of nuclear energy means less emission of greenhouse gases, which may be producing global warming, as well as other conventional pollutants, such as those producing acid rain and smog. Nuclear reactors simply do not produce these gases.

I should also point out that title IX is not a new idea. It codifies reforms that the NRC adopted in 1989, the so-called part 52 rule. In addition, it removes any doubts over the appealability of the NRC's authority for a start-up on operation of a plant. Yet it prevents the hearing from delaying NRC's go-ahead on plant operations, if the NRC determines that the plant has met all the requirements demanded in its license and is safe to operate.

In fact, this idea of combining today's two-step process into a single license was broached as long ago as 1954, when the Supreme Court Justice William O. Douglas argued that safety issues should not be put off until after construction. President Carter's Three Mile Island Commission also recommended combining the licenses, resolving all safety issues before construction began.

NRC Chairman Ivan Selin recently testified in the House of Representatives that "any intelligent and interested citizen has got to be suspicious about a regulatory program that doesn't answer serious objects until it's almost too late to do anything practical about them."

Every Member of this body understands that America is in a critical competition for world markets, for economic progress. It is a competition America can surely win—but only if we play our cards right.

Those cards involve many things. They involve the need for a well-trained work force. They involve the need for policies that encourage economic growth and greater industrial efficiencies. And they involve how we regulate ourselves.

If we are going to lock ourselves out of the nuclear option by leaving in place the failed regulatory schemes of the past, then we will have imposed just one more costly disadvantage in our competition for world markets.

If one of our nuclear plants cost $6 billion and produces no more electricity than a Japanese plant put on line for $1 billion, we have added a $5-billion millstone on the back of American industries and American consumers. That simply is unfair and surely counterproductive.

In closing, Mr. President, the Harrisburg, PA, Patriot newspaper not so long ago made a good point in an editorial: "This country doesn't have the luxury to invest years of time and billions of dollars in a powerplant that will never be used."

That editorial, supporting the concepts in title IX, holds particular importance when we recall that Harrisburg is just a few miles upstream from Three Mile Island.

Mr. President, I urge that the Senate support the Johnston-Wallop substitute to title IX. American needs it now.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the New York Times of February 27, 1990, entitled "Japan Now Ahead in Nuclear Power, Too" and a U.S. Council for Energy Awareness info letter dated October 1991.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 27, 1990]

JAPAN NOW AHEAD IN NUCLEAR POWER, TOO

(By Matthew L. Wald)

WASHINGTON, February 22.—Japan is rapidly outpacing the United States in the field of nuclear power, American experts in Government academia and the utility industry say.

Japan's advantages are widening in research and development, in construction techniques and in safe operation of the plants, according to a team of seven experts who recently returned from a National Science Foundation trip to Japan.

Even in the areas of nuclear-plant design, where American companies are making progress, the improvements will first make their way from blueprint to steel and concrete in plants built in Japan.

Several of the experts compared the loss of American leadership in nuclear power—a technology invented and first commercialized in the United States—to the fate of the American computer and auto industries, which are threatened by Japanese inventions and manufacturing advances.

Members of the team returning from Japan noted at a conference here this week the long hiatus in orders for nuclear plants in this country and said the American losses were becoming harder to reverse.

"The infrastructure required to build nuclear plants in the United States is slowly dwindling," said Kent F. Hansen, a professor of nuclear engineering at the Massachusetts Institute of Technology and the chairman of the group. "Without more projects, our ability to build them as cheaply as others will suffer."

The last order for a nuclear power plant in the United States was in 1978, and since then utilities in this country have canceled about 65. In the same period, Japan has broken ground for 23 reactors. Japan has 37 operating, compared with 111 in this country. It has 12 plants under construction; this country has 5, all mostly completed.

Kevin D. Burke, an international relations specialist at the Nuclear Regulatory Commission, said in a telephone interview that a late start gives Japan a natural advantage. "They've been able to look at the other nuclear programs in the world and, in many ways, improve on them, learning from the operating experience of the French program, the German program and the American program," he said. "It's unfair to say in black and white that their program is better; it should be better."

REVIVAL SOUGHT IN U.S.

Supporters of nuclear power hope American orders will revive in the middle of this decade, spurred by new designs and changes in the system for building and licensing plants. Two American manufacturers, the Westinghouse Electric Corporation and the General Electric Company, are designing advanced plants in work supported by the Government, and applying to the Nuclear Regulatory Commission for generic approval. The idea is that utilities could win quick permission for a new plant by picking one of the approved designs rather than custom-designing, as has been the case in the past.

Still, the first copies of both companies' new plants are likely to be built in Japan, the experts said.

Building those models here successfully would require learning from the experience of the Japanese, said Loring Mills, a nuclear specialist of the Edison Electric Institute, the utility trade association. "If we don't find a way to build new plants in the next four or five years like they do, we're not going to build them," he predicted.

MORE IMPORTANT IN JAPAN

But experts at the conference here were quick to point out that nuclear power is far more important for Japan, which has virtually no indigenous energy resources and a strong desire for energy independence, than for the United States, which can burn native coal for most of its electricity and is content to import oil and natural gas for much of the remainder.

Experts made these points about the deterioration of the United States leadership in nuclear power:

Construction of a nuclear plant averages 5 years in Japan, compared with 11 in this country. Because designs are better developed before construction in Japan, a Japanese plant requires only half as many hours of work by skilled craftsmen as does an American one of the same size. And Japanese builders guarantee the prices, eliminating ballooning costs on the way to completion.

Operation is smoother in Japan, with unplanned shutdowns coming only one-tenth as often as in American plants, on average. Japanese plants ran at 72.3 percent of capacity last year, compared with 63.3 percent in this country. The level of radioactivity in the cooling water in Japanese nuclear plants is 500 times smaller than in American plants, and the radiation dose to plant workers is 10 to 15 times smaller.

Research and development has produced more advances in many areas in Japan. Among them: computers in some control rooms that respond to the spoken commands of operators and run a growing range of systems automatically. Researchers are making progress toward a new nuclear fuel that will last substantially longer than the current nine months, which would allow a longer interval between refueling shutdowns. And researchers are beginning work on a "self healing" plant that will diagnose its own problems and send robots to fix them.

ATTENTION TO DETAIL

The team spent a week in Japan last month, visiting 17 agencies, institutions and companies. The visit was part of a series organized by the National Science Foundation's Japanese Technology Evaluation Center, based at Loyola College in Baltimore, to evaluate Japanese progress in such fields as biotechnology, telecommunications and superconductivity.

As with assessments in other areas, the nuclear team found that the United States retains a lead in some areas. For example, the Japanese rely heavily on computer codes developed in this country to simulate various reactor conditions, and the American lead in the field is growing.

But the team found that patience and attention to detail were propelling Japan toward leadership in still another field. From a distance, Japanese reactors are similar to American ones, on which they are based, said Donald R. Olander, a professor of nuclear engineering at the University of California at Berkeley. "They are very similar, much as a Nissan pickup truck is similar to a Ford Ranger," he said. "But there are small differences which make an enormous difference." These, he said, are reflected in higher reliability.

NEW DEVELOPMENTS A FACTOR

In building their own industry, the Japanese have taken advantage of numerous technological developments not available when most American plants were planned, the panel said. These include computer-assisted design, advanced computers for controlling plant processes, fiber-optic communications channels, increased fabrication of large parts in shops instead of in the field, and new construction materials.

Some innovations are not Japanese, but have been perfected in Japan, said Dr. Hansen of M.I.T "The heaviest-lifting crane is a U.S. design," he said. "They have several of them there and know more about how to use them than we do."

In addition, Dr. Hansen said, the Japanese construction industry spends $800 million a year, about 0.54 percent of sales, on research and development of new techniques, some of which can be applied to nuclear plants. By contrast, the United States industry invests $50 million, or 0.04 percent of sales.

Japan also outspends the United States on research and development for advanced reactors, by $775 million a year to $187.5 million, and on research for the current generation of reactors, by $291 million to $180 million. Both figures exclude proprietary research by companies.

MORE SCHOLARLY PAPERS

The nuclear programs of Japanese universities are well supported, the panelists said, and Japanese scientists in academia, industry and the national laboratories publish nearly twice as many scholarly papers on nuclear material as Americans do.

Some research is in areas this country has rejected. The Japanese industry has pursued a reactor for ship propulsion, even though it does not think such a rector will be commercially attractive any time soon, the experts said. In addition, the industry is pursuing plans to recover and re-use the plutonium fuel created in the operation of existing reactors, a step rejected in this country because it could lead to the spread of nuclear weapons. Japan is also building a "breeder" reactor, which makes nuclear fuel faster than it uses it up.

While the United States is unlikely to move to a breeder system, with extensive supplies of uranium available cheaply, this country would benefit from a more long-term, safety-oriented approach to the technology, the experts said. But one of the panelists, Victor H. Ransom, a scientific and engineering fellow at the Idaho National Engineering Laboratory, said that while the United States nuclear industry would benefit from adopting the Japanese drive toward quality and reliability, the drive arose not from technology but culture. Regulation is less contentious in Japan, he said, because the Ministry of International Trade and Industry trusts "that the utilities will actually do the right thing."

"The same system probably would not work here," he said. "There are enough organizations that have stayed within the law but have done everything on the basis of economics," scrimping on expenditures that would mean long-term savings.

[From the Council for Energy Awareness, October 1991]

GROUNDBREAKING JAPANESE-STYLE MARKS CONSTRUCTION START FOR TWO GE NUCLEAR POWER PLANTS USING ADVANCED DESIGN

A Japanese-style ground breaking ceremony was held in mid-September to mark the start of construction of two General Electric nuclear power plants employing an advanced "evolutionary" design. The two plants are units 6 and 7 at Tokyo Electric Power Co.'s (TEPCO) Kashiwazaki-Kariwa station 140 miles northwest of Tokyo. When they go on line in 1996 and 1997, they will be the first in the world to operate with 1,356-megawatt Advanced Boiling Water Reactors (ABWR). GE is also seeking certification of the ABWR design in the United States under the Nuclear Regulatory Commission's new licensing procedures.

With officials from TEPCO, its union and construction companies looking on, ceremonial saki was poured on 1½-foot seedlings marking the spot near the Sea of Japan where the ABWRs will be built. The ceremony, a time-honored religious custom in Japan, was held to invoke heavenly protection for the site. After the saki was poured, bulldozers plowed the ground, signaling the official start of construction.

The ABWRs, which join five existing GE reactors of an earlier design currently operating at the site, should be safer and more efficient and have lower operating costs, GE says. The planned five-year construction period compares with an average of more than 11 years for recently completed nuclear plants in the United States.

Commenting on the groundbreaking, Dr. Bertram Wolfe, GE's vice president for nuclear energy, said it marked "the dawn of a new era" for the commercial nuclear energy industry.

"The ABWR has been under development for about 10 years," said Dan Wilkins, general manager of GE's nuclear services and projects department. The design incorporates the best features from boiling water reactors in the United States, Japan and Europe, and its takes advantage of decade's worth of technological advances in nuclear engineering and digital electronics, he said. In all, GE and its Japanese partners conducted more than 20 major test programs to prove the design concept.

"Relative to current plants we think it offers major advances in safety, reliability and economics," Wilkins said.

Wilkins said the groundbreaking "clearly shows that in Japan, where there is a stable, predictable regulatory process and where plants can be built in four or five years, that nuclear power is the technology of choice." In designing the ABWR, Wilkins said GE achieved its goal of a 15 to 20 percent improvement in overnight capital costs, relative to previous BWR designs. In addition, operating and maintenance costs will be significantly lower.

GE intends to offer the ABWR to the Taiwan Power Co., which could receive government approval this year for its fourth nuclear plant, Wilkins said.

Studies by the U.S. nuclear energy industry and the Bush administration (for its proposed National Energy Strategy) show that new advanced nuclear plant designs like the ABWR will provide competitive electricity in the United States for decades to come, if standardized designs are used and—as in Japan—they are built in a reasonable length of time.

GE's share of the two-unit project is valued at more than $1.4 billion, which the company notes is a plus for the U.S.-Japan trade deficit. GE will supply the advanced reactors, nuclear fuel and turbine generator. The work will be performed in San Jose, CA; Cleveland, OH; Wilmington, NC; and Schenectady, NY.

Hitachi Ltd. and Toshiba Corp., GE's Japanese partners in the joint venture, are responsible for the balance of plant and for overseeing civil construction work.

When both ABWRs are operating, nuclear power will account for about 30 percent of TEPCO's generating capacity. Nationally, Japan's goal is to generate more than 40 percent of its electric power from nuclear energy by the year 2010.

In a related development, GE noted that 21 boiling water reactors in the United States and overseas achieved capacity factors of 75 percent or more in 1990. Northern States Power Co.'s Monticello nuclear plant had the highest rating—98.7 percent. Capacity factor measures the percentage of a power plant's maximum electrical output that is actually produced during a given period.

Mr. DURENBERGER. Mr. President, today we are discussing the provisions by which future nuclear power plants will be licensed, and I support the efforts of my colleague from Florida, Senator GRAHAM. However, Mr. President, there is a much more important issue facing the nuclear industry and that is the question of spent nuclear fuel disposal.

Mr. President, the Federal Government must begin to live up to its responsibility outlined in the 1982 and 1987 Nuclear Waste Policy Acts. These acts provide a complete program and detailed schedule describing the characterizing of a site in Nevada—Yucca Mountain—and, if suitable, the construction of a permanent high-level waste repository. This legislation originally called for a 1988 deadline—the time that the Federal repository was to start receiving spent fuel for disposal. Unfortunately, the Department of Energy has asked for an extension and it is unlikely that a Federal repository will be ready before 2010. Indeed, in fiscal year 1992, the Yucca Mountain site characterization program faces a $30 million budget cut which could potentially delay the characterization program further. Mr. President, these schedules and delays are aggravating an already critical need for interim high-level waste storage, and the time for Federal action has come.

Mr. President, all U.S. nuclear utilities will ultimately run out of temporary storage capacity for their spent nuclear fuel. For instance, my own Minnesota based utility, Northern States Power Co., faces that problem right now. For the past year, NSP has been attempting to win public approval for the temporary storage of waste in NRC-approved, above ground dry casks storage tanks. A major part of the debate surrounding the permitting of this site has centered on the ability of the DOE to site a Federal repository. The uncertainly of the DOE's process threatens the future viability of the NSP plant and indeed the future of the nuclear power industry across the country.

Further, Mr. President, my constituents have paid in excess of $180 million to the nuclear waste fund, the fund established to finance construction of the Federal waste facility. Mr. President, we owe our constituents the assurance that the Federal commercial waste repository program will stay on track and that they will not be forced into paying additional money into a program that is indefinitely stalled.

Mr. President, the amendment before us today deals specifically with the provisions by which future nuclear power plants will be licensed. It is not reasonable to expect, however, that any nuclear power plants will be sited, or that any bank will finance the construction costs of a plant, without the development of a high-level, permanent commercial waste repository.

Mr. President, this discussion is yet another example of putting the cart before the horse. Short of a resolving the question of siting a permanent waste repository, the future of my utility, as well as those of many of our colleagues, is threatened. It is my hope that very soon the Senate will consider this important issue.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 1576 TO AMENDMENT NO. 1575

(Purpose: To amend the Atomic Energy Act of 1954, as amended, to improve the nuclear power plant siting and licensing process, and for other purposes)

Mr. GRAHAM. Mr. President, at this time, I will send to the desk the second-degree amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Florida [Mr. GRAHAM], for himself, Mr. FOWLER, Mr. KENNEDY, Mr. BRYAN, Mr. REID, and Mr. HARKIN, proposes an amendment numbered 1576 to amendment No. 1575.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 1 of the Johnston amendment strike from line 2 through the end on page 6 and insert in lieu thereof the following:

SEC. 9000. SHORT TITLE.

This title may be cited as the "Civilian Nuclear Reactor Licensing Act of 1992."

SEC. 9101. CONSTRUCTION PERMIT AND OPERATING LICENSES.

(a) All applicants for licenses to construct or modify production or utilization facilities shall be initially granted a construction permit after the Commission has provided an opportunity for public hearing on the record pursuant to section 189 of this Act and if the application is otherwise acceptable to the Commission. Upon the completion of the construction or modification of the facility, upon the filing of any additional information needed to bring the original application up to date, after providing an opportunity for public hearing on the record pursuant to section 189 of this Act, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this Act and of the regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of an operating license would not be in accordance with the provisions of this Act, the Commission shall thereupon issue an operating license for the applicant. For all other purposes of this Act, a construction permit is a "license."

(b) Notwithstanding any other provision of this section, the Commission shall issue to the applicant a combined construction permit and operating license for a thermal neutron power generation facility after providing an opportunity for public hearing on the record pursuant to section 189 of this Act, if the application contains sufficient information to support the issuance of a combined construction permit and an operating license in accordance with the regulations of the Commission and the Commission determines that there is a reasonable assurance that the facility will be constructed and will operate in conformity with the application, the provisions of this Act, and the rules and regulations of the Commission. The Commission shall identify within such combined construction permit and operating license the inspections, tests, and analyses which shall be performed by the licensee and the acceptance criteria therefor which will provide reasonable assurance that the plant has been constructed and will operate in accordance with the license. After issuance of a combined construction permit and operating license for a thermal neutron power generation facility, the Commission shall assure through inspections, tests and analyses that construction is completed in conformity with the combined construction permit and operating license, consistent with the regulations of the Commission. Prior to the commencement of operation of any facility licensed under this subsection, the Commission shall publish in the Federal Register a notice of the intended operation of such facility, and shall provide a sixty-day period during which any person may file a written objection to the commencement of operation on the basis that the facility authorized has not been constructed or will not operate in conformity with the license. Such objection shall set forth in reasonable detail the facts and arguments upon which the objection is based, and may be accompanied by a request for a hearing on the record under section 189.

If a hearing is requested, the Commission shall determine whether good cause exists therefor and, if so, the issues to be heard and whether the hearing must precede commencement of operation of the facility in order to provide reasonable assurance of the protection of the public health and safety and common defense and security. The Commission shall designate an issue for a hearing if the issue consists of a substantial dispute of fact, necessary for the Commission's decision, that cannot be resolved with sufficient accuracy except at a hearing and:

(i) the issue was not and could not have been raised and resolved in any proceeding for the issuance, modification or amendment of a license, permit, or approval for that facility, its site, or design; or

(ii) a showing has been made that (I) there has been nonconformance with the license; (II) such nonconformance has not been corrected; and (III) such nonconformance could materially and adversely affect the safe operation of the facility.

Following completion of any hearing held, the Commission shall decide whether the license to construct and operate should be modified. Prior to the commencement of operation, the Commission shall determine, based upon the requisite program of inspections, tests, and analyses, whether construction has been completed in conformance with the combined construction permit and operating license, and consistent with the regulations of the Commission.

TITLE II—MISCELLANEOUS PROVISIONS

DEFINITION

SEC. 9201. Section 11 of the Atomic Energy Act of 1954, as amended, is amended by adding new subsection dd. as follows:

(dd) "Thermal neutron power generation facility" means a utilization facility which is designed to produce electrical energy and in which core power is designed to be produced predominantly by thermal neutron fission.

TITLE III—CONFORMING AMENDMENTS

ANTITRUST PROVISIONS

SEC. 9301. Subsection 105(c) of the Atomic Energy Act of 1954, as amended, is amended in the first sentence of paragraph (2) by inserting "and/" after the word "construct."

LICENSE APPLICATIONS

SEC. 9303. Subsection 182 b. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

(b) The Advisory Committee on Reactor Safeguards shall review each application under section 103 or section 104(b) for a construction permit and/or an operating license for a facility; any application under section 104(c) for a construction permit and/or operating license for a testing facility; any application under section 104(a) or (c) specifically referred to it by the Commission; any proposed authorization to commence operation under sec. 185 b.; and any application for an amendment to a construction permit or to an operating license under section 103 or 104 (a), (b), or (c) and shall submit a report thereon which shall be made a part of the record of the application and available to the public except to the extent that security classification prevents disclosure.

REVOCATION

SEC. 9304. Section 186 a. of the Atomic Energy Act of 1954, as amended, is amended by inserting the words "or section 185" after the words "section 182.".

TITLE IV—EFFECTIVE DATE

SEC. 9401. All sections of this Act shall take effect as of the date of enactment, and shall apply to all proceedings involving a combined license for which an application was filed after May 8, 1991.

SEC. 9402. The Nuclear Regulatory Commission shall propose regulations implementing this Act within one year of the date of enactment of this Act.

The PRESIDING OFFICER. Is there further debate?

Mr. GRAHAM. Mr. President, there are others who wish to speak on the second-degree amendment who are not here at this time. I would ask for the institution of a quorum call, or if the managers would like to move to another item, I would be supportive of that.

Mr. JOHNSTON. Mr. President, let us understand what a hearing means, what an adjudicatory hearing means. It is probably one of the most misunderstood words in the lexicon of American law.

We have a whole track record with respect to operating licenses in the law prior to 1989. And the average between 1982 and 1989 for months on the docket was 49 months. Some plants took as long as 108 for Comanche Peak; 103 for Diablo Canyon; 16 for Limerick; 96 for Seabrook; 125 for Shoreham; 96 for South Texas.

Mr. President, we are dealing in effect with a proceeding which takes 4 years, involves a formal and technical trial by the lawyers with examination, cross-examination—indeed, Mr. President, we have made a picture here of the documents which were introduced in the Catawba hearing process. I hope my colleagues can see this. This is not a question of renting the school gymnasium and having your friends and neighbors come in and, you know, make a nice statement about whether they want the plant or not.

Mr. President, this is the most technical, the most involved, the most expensive, the most lawyer-like proceeding known to man, as this set of documents, which is not atypical, would indicate.

Now, the question here, Mr. President, is whether, under part 52—that is the present Nuclear Regulatory Commission rules—and indeed, whether under our legislation, when you have already jumped through three hoops: The first, you have attained an early site permit, which involves the staff review of 12 months and a hearing of 22 months—these are projected NRC estimates of what these hearings would take—and you receive your early site permit; it is in hand.

Then you go with the design certification, which takes 30 months of staff review and another 18 months of hearings—48 months—and you secure that.

And you have gone through all of that, you have gone through all of this with respect to both your site and your design certification, and then you come back a third time, Mr. President, and have a staff review of 16 months, a hearing of 22 months, and you get your license. And then you go to construction.

The question is now, under the Graham amendment, whether or not you have a right to go through the whole thing all over again. Now, the Nuclear Regulatory Commission—and, Mr. President, I submit this Commission is not worthy of the criticism they have received here today. There is no basis for that criticism. There is no basis for an attack upon their integrity; no basis for an attack upon their competence. You can disagree with the fact that they support our amendment and do not support the amendment of the Senator from Florida. But there is just simply no basis for that attack, Mr. President.

And I do not say enough for this administration, but I think when you get people who are trying to do a job, both this Commission and the previous one, I think we ought to attack them, if they deserve attack, on the basis of issues and not on the basis of integrity. Because in my view, the members of that Commission are of the highest integrity, and I think of the highest competence.

I do, in fact, at this point ask unanimous consent to have printed in the RECORD a letter dated February 5, in which the whole Commission, with the exception of Commissioner Remick, who is away on official travel, criticizes the Graham amendment and supports the Johnston-Wallop-Bumpers-Wirth-Breaux-Simpson, et cetera, amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NUCLEAR REGULATORY COMMISSION,
Washington, DC, February 5, 1992.

Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In response to requests, the Nuclear Regulatory Commission (NRC) would like to take this opportunity both to express our support for the nuclear licensing reform provisions of S. 2166, as introduced, the "National Energy Security Act of 1992," and our opposition to an amendment to S. 2166 which we understand might be proposed by Senators Graham and Fowler. Of course, we realize that this is a very fluid situation and our views must be conditioned by the information which we have received up to this time. Commissioner Remick is away on official travel and did not participate in the review of these comments.

We have repeatedly stated that NRC supports licensing reform legislation which would grant additional flexibility and confirm our existing authority regarding the timing and format of post-construction hearings. S. 2166, like its predecessor, S. 1220, is such legislation. S. 2166 would also add stability to the licensing process by codifying major provisions of Part 52 and thereby mooting ongoing federal court litigation challenging critical portions of Part 52 which has the potential to continue for some years into the future.

As indicated above, we have reviewed the alternate approach which we understand is being considered by Senator Graham. The NRC cannot support this approach, for three reasons. The first is that this amendment would specifically provide for on-the-record hearings for all power reactor applications, including post-construction hearings on combined licenses. The commission does not read the current Atomic Energy Act as mandating use of formal adjudicatory procedures on such applications. The Commission has indicated in the past that it would oppose legislation, such as this amendment, which would reduce its procedural flexibility. Secondly, the amendment would essentially provide for a post-construction hearing prior to operation if the petitioner presents significant new information that could not have been raised prior to issuance of the combined license. This approach is the same as that taken by the D.C. Circuit in its recently reargued Part 52 opinion, and was opposed by the Commission. The Commission believes that Part 52 provides adequate means to address significant new information that arises during the licensing process. Finally, the proposed amendment would permit combined licenses to be issued only for thermal neutron power generation facilities. The Commission disagrees with the limitations of this approach, as it believes that combined licenses can also be issued for nonthermal neutron utilization facilities such as certain of the advanced reactors.

Sincerely,

IVAN SELIN.

Mr. JOHNSTON. Mr. President, the issue really is, What do you have to do after all of this when you come to the end of construction? What do you have to do to shut that plant down? Because, you see, after he has invested his multibillions of dollars here, if you can shut him down—or shut her down, I guess; him or her, whichever way you call the plant—if you can shut it down, then you can actually prevent it from being built. Because who wants to invest in a plant that you do not know whether you can use for another 49 months, 49 months being the average amount of time that is taken for one of these licenses under the two-step process to be litigated.

Well, the answer is nobody. And that is the reason you do not have a new plant started since 1978. And you will not have one until it is straightened out. That is a theme that is repeated over and over again. You have to have predictability. You have to have protection for the public, to be sure.

Now, what the Graham amendment does is say you are entitled to shut this thing down if they can present us a substantial dispute of fact about some new issue.

Now, Mr. President, that does not mean that there is a likelihood that they will win. That does not mean that the NRC is of the opinion that it is unsafe for the plant to go forward. That does not mean any of those things. It means, Can you present a substantial dispute of fact?

Mr. GRAHAM. Will the Senator yield?

Mr. JOHNSTON. Yes, for a question.

Mr. GRAHAM. Mr. President, the language which the Nuclear Regulatory Commission itself wrote and urged upon this Congress states that it is not just any substantial fact which justifies a hearing, but a substantial fact which is either, first, one that was not and could not have been raised and resolved at any proceeding for the issuance, modification, or amendment of a license, permit, or approval for the facility, its site, or design.

So, that is an issue that could not have been raised previously.

Or, second, it must be that a showing has been made that there has been nonconformity with the license; that such nonconformance has not been corrected, and that such nonconformance could materially and adversely affect the safe operation of a facility.

Mr. JOHNSTON. There is an "or" on that, and that was testimony that was presented prior to part 52 and was against the backdrop of the previous regulations.

In the previous regulations, the operating permit was being sought during construction so that, in most instances, the request for the operating permit did not stop the plant after it was completed. It did, in some three instances—some would argue maybe five or six. But for the most part those kinds of hearings were during construction and did not stop the process.

Under this amendment we would be taking a step backward, even from the regulations prior to part 52. I mean, if you want to ensure that there will never again be a nuclear plant, in my view at least, then adopt the Graham amendment. The point is, what do you have to show? All you have to show is a substantial dispute of fact. What could that mean?

Mr. GRAHAM. Will the Senator yield?

Mr. JOHNSTON. Not at this time.

Mr. President, what could a substantial dispute of fact be? Well, they could say there has been a change in traffic patterns; there have been some people who moved into this area and, therefore, the road is more congested than it used to be, and, therefore, the evacuation plan affects public health and safety. They would come in with traffic patterns and building permits and show, yes, indeed, that those traffic patterns have changed since that time.

Let us suppose the Nuclear Regulatory Commission looks at that and says, well, that is not a substantial dispute of fact. Then they go to the court. And during all that time this whole thing is in limbo. They go to a busy court that has a busy docket. The lawyers from the intervenors say to the judge, look, this deals with a substantial health factor. You better give a temporary injunction until you have a chance to read this.

The judge, not being skilled in nuclear matters, wanting to err on the side of safety, you know what he does. He probably grants that injunction just as they grant a stay of execution in murder cases. So you have this long period of delay where your investment of millions of dollars is held up.

Not only that, but you must have this formal hearing on the record. The Nuclear Regulatory Commission is not now and never has been required to have a so-called adjudicatory hearing. They have those when they think it is appropriate. They have more informal hearings when they think it is not appropriate.

What is an informal hearing? An example is Yankee Rowe, the proceeding just completed, where the decision was made as a result of that to shut down an existing reactor. All five Commissioners participated, but in their wisdom they thought that it could better be done, that you could better get at the truth and more rapidly get at the truth, through an informal procedure that does not involve all of the elaborate rules and regulations and technicalities of a trial proceeding. But, under the Graham amendment, you would, in fact, be required to have this adjudicatory proceeding. Why? Is it that the present system has not worked? There has been no allegation of that.

I submit that it is appropriate, as our amendment states, to let the Nuclear Regulatory Commission design the kind of hearing, where they think it is appropriate, that fits the proposal. Some issues of science can better be done informally, as in the instance I just discussed of the x ray. Sometimes, rather than have huge trials about evidence of whether the weld was correct and whether the x rays's chain of custody was correct and whether the expert could properly read it—in an informal proceeding, order another x ray, have the Commission go out and look at it. That is what the difference can be between an informal proceeding and a trial type adjudicatory proceeding. And the Nuclear Regulatory Commission is well able to do that.

As the Nuclear Regulatory Commission states, the present rules, part 52, adequately provide for any new information. As the Commission states in their letter of February 5: "The Commission believes that part 52 provides adequate means to address significant new information that arises during the licensing process."

It is not that you want to ignore that. It is that you do not want to have this automatic trigger that says all you have to do is submit a substantial dispute of fact, and then what happens? Then you have to go to your adjudicatory proceeding. You have to go to your trial proceeding. You could not even go to an informal proceeding. And it means you have the possibility of all that delay, and if you denied that, if you say it is not a substantial dispute of fact, then you have an appeal on that.

But the fact of the matter is, if you adopt the Graham amendment you do not get to that because you could not get anybody who wants to build a plant.

This bill is not about building nuclear plants. There is nothing in the grand design to build a certain number of nuclear plants. What there is, is to allow what we call the nuclear option, to allow nuclear to compete with natural gas.

Natural gas strongly supports this bill. They do not much care about the nuclear section, but they care about the rest of it. They say, if you level the playing field, natural gas is going to win every time. At least that is what my friend with Enron Natural Gas Corp. says. He thinks he can do it better.

My friends over there with coal say that in most areas of the country they can beat both nuclear and natural gas because coal is cheaper. That is the American way, to have competition.

And it is a predominant theme of this bill, to have competition. In the PUHCA reform parts, we want to have competition between the various purveyors of the various kinds of technology and allow for that competition.

We want to allow for competition between the various technologies so that you can build it, as stated here. And we believe it is true that in a competitive system, you make the best decisions on energy.

In the part on alternative fuels of our bill, where we set the scene for 4 million alternatively fueled vehicles by the year 2000, which we dealt with yesterday, and upheld this bill, we leave it to the market and individual buyers to determine whether to go to gas-powered cars or electric cars or methanol or ethanol or MTBE, or ETBE, or all of those different technologies—we leave that to the market. That is what ought to be done with respect to the various technologies.

In order to let nuclear compete, in order to stop the 14-year haitus of no new nuclear plants, you have to at least provide predictability. Mr. President, without our amendment, and indeed if the Graham amendment is agreed to, there is no predictability. There are going to be no new plants.

The Graham amendment, in my judgment, and in the judgment of those experts to whom I have spoken, is really worse than the situation prior to part 52. And the reason is that, at least under the previous rulings, those hearings took place during the period of construction. Occasionally, you had a completed plant that could not operate—occasionally. And many times you had changes brought about by the hearing, particularly after TMI, which was wasteful. It would have been better to have those determinations made in advance of that phase of construction. But at least it was during the period of construction.

What the Senator from Florida would do is wait until after all of these hearings, after the early site permit and the hearings with respect to that, after the design certification hearings, and after the 16 months of staff review and 22 months of hearings with respect to the combined license, then to be able to finish construction and only on a showing of a substantial dispute of fact to be able to shut the plant down while you have another round of hearings and perhaps appeals.

Mr. President, that is unworkable. It is the reason that the NRC has stated in its letter, which I put in the RECORD, that it is unworkable. I hope the Senate at the appropriate time will vote for my motion to table.

Does the Senator have something further he wants to say? I did not want to make that motion at this time if he has further debate.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, the Senator from Louisiana has described a proposition which would probably receive the support of virtually every Member of this body. Unfortunately, he has not described the amendment which we are going to be asked to vote upon.

The amendment which is before us, Mr. President, does not state that a petitioner, by raising any substantial dispute of fact, would have an automatic right to an adjudicatory hearing.

Let me repeat. The thresholds that would have to be met, and again I do so asking that the question be in your mind, do you believe these are reasonable standards that should allow a full hearing? Or to put it in the negative, do you believe that even after all of these have been demonstrated, that a citizen should be denied the right to a full hearing?

Those standards are that, first, there must be a substantial dispute of fact, a fact which is necessary for the Commission's decision, and that that fact cannot be resolved with sufficient accuracy except at a hearing. So if the NRC were to determine, to use the hypothetical example of the alleged welding defects, that there was another way besides an adjudicatory hearing to make an assessment of those welds, it would be their prerogative to render such a judgment that the statutory test for a hearing had not been met.

Mr. JOHNSTON. Will the Senator yield?

Mr. GRAHAM. Yes.

Mr. JOHNSTON. The Senator's amendment speaks in terms of hearing on the record. It does not allow for an informal hearing. So it is sort of an all-or-nothing-at-all proposition.

Mr. GRAHAM. But the Commission does not have to grant a hearing unless it determines, the NRC determines that the issue cannot be resolved with sufficient accuracy except at a hearing.

Mr. JOHNSTON. But hearing in that context means formal adjudicatory hearing, it does not mean informal hearing. So the NRC would not have the right to have an informal hearing to deal with that. They either have to go all the way with the adjudicatory hearing with all of—they have to go to this or have no hearing at all; is that not correct?

Mr. GRAHAM. No; that is not correct.

Mr. JOHNSTON. Your amendment does say a formal hearing.

Mr. GRAHAM. But it says the NRC is only required to grant that hearing if the NRC determines that that hearing is necessary to resolve with sufficient accuracy the issue in dispute. If the NRC judges that there are other methods by which that dispute can be resolved, then the NRC is not required to order a hearing.

But beyond those requirements, we are not talking about just any issue that might be raised. It has to meet one of two tests. It either has to be an issue that was not and could not have been raised and resolved in any proceeding for the issuance, modification or amendment of a license permit or approval of that facility. Or there must be a very serious nonconformance with the license. So we are not talking about some of those items such as traffic patterns that could have been presented at an earlier stage. We are talking about issues that were not and could not have been raised and resolved at an earlier stage.

Mr. JOHNSTON. Will the Senator yield?

Mr. GRAHAM. Yes.

Mr. JOHNSTON. When I say traffic pattern, I am talking about some change in traffic pattern. Under the Nuclear Regulatory Commission rules, you can get a site permit and then some time would go by between that permit—might be years—before you finally finished the plant. So there are always going to be changes in traffic patterns which could, in fact, affect, be it a dispute of fact, as to whether the evacuation plan was safe or not. Then you could almost always be able to make that allegation.

Mr. GRAHAM. I can tell the Senator that from my own experience in a State that has a powerplant siting law, obviously the factors that you take into consideration in rendering a judgment as to whether a site is appropriate for a powerplant are not the factors that relate to the date that you are holding the hearing. They relate to factors that are going to be likely to occur over the life of that powerplant, which includes the period that the site will be awaiting construction, the period of construction, and the much longer period of operation of the plant.

So I would find it to be bizarre if, in fact, projections on something as fundamental as demographic and economic and transportation changes that were reasonably foreseeable, were not taken into account at the time of the initial site consideration and if, in fact, there were circumstances that were widely at variance with the assumptions at the time of the original site judgment, they may well be exactly the kind of circumstances that would, in fact, justify a full hearing.

So that is one test of the nature of the fact that has to be in dispute. Or, second, a showing has been made that there is a nonconformance with the license; that that nonconformance had not been corrected and that that nonconformance could materially and adversely affect the safe operation of the facility.

It is hard for me to make the case that if a citizen can meet those heavy burdens that we should say that citizen does not have a right to have a full adjudicatory hearing on those matters, particularly in light of the fact that the NRC has a parallel right under both of these amendments to allow the plant to start operation in spite of having made all those showings, if the NRC would satisfy itself that it is safe to do so.

I believe that is a very reasonable balancing of the public interest and safety, the industry's interest in predictability, and our broader interest in building a level of confidence and credibility in our nuclear regulatory agency.

Mr. WELLSTONE. Will the Senator yield?

Mr. GRAHAM. Yes, I will.

Mr. WELLSTONE. Mr. President, part of my concern with the Senator's amendment is that you have moved away from the two-step licensing process. What we previously had was an opportunity for citizens to raise concerns at the time of construction and then, between construction and the time the plant was to go operational, there may have been a whole set of new concerns not related to the original hearing having to do with design, maybe faulty design or new data on earthquake faultlines or evacuation procedures. I think that is important as we now are seeing a whole new technology developed at nuclear power plants.

Let me pose a hypothetical question about the Senator's amendment. Say I live in a community where there is a nuclear power plant site. I am concerned about my family. People have these concerns. People are frightened about nuclear power and they want to be assured that if this is to be part of our energy future, their concerns are going to be dealt with.

Is the intent of the Senator's amendment to make sure people will have some kind of judicial appeal? I understand that these are not frivolous concerns. There is a high threshold test to make sure these are serious, legitimate safety concerns. Is that the intent of the amendment?

Mr. GRAHAM. It is the intent, and further, that those concerns be of a nature that could not have been resolved at an earlier date so that you deal with the problem of the person who procrastinates, maybe intentionally or unintentionally or that they be for issues that relate to nonconformance with the license under which the plant was constructed where that nonconformance has gone uncorrected and which raises significant safety issues.

I believe that the residents in that neighborhood would rest ill at night feeling that a plant in their neighborhood might open subject to those prima facie allegations of serious new information or nonconformance in a manner that would threaten the safety of the plant and that those issues would not have an opportunity for full airing before the plant was allowed to permanently operate.

Mr. WELLSTONE. Under one-step licensing, if I lived near a nuclear plant and I raised questions which were not part of the original public hearing process, would I have the opportunity to have my concerns heard? I would have no appeal, is that correct? The Senator is attempting to give the public the assurance that they have a right to be heard? Am I correct?

Mr. GRAHAM. That is correct. Without this amendment, it will be totally in the discretion of the NRC as to whether you will have any right for consideration of your complaints.

Mr. WELLSTONE. If the Senator will yield further, to enter into this debate, let me express my concern. What the Senator from Florida, Senator GRAHAM, and also Senator FOWLER, from Georgia, are attempting to do is to make sure that people who live in these communities are not cut out of this very important stage of the public hearing process. The public has a serious threshold test that has to be met. Their concerns are not frivolous. They have a real burden of proof that has to be met. Then it seems to me by definition at this point in the process of judicial appeal that when people have raised legitimate concerns, the next logical step would be to not allow interim operation.

Now you allow interim operation, and as I have explained to both Senator GRAHAM and Senator FOWLER, this is my concern. Why go forward with the interim operation? Could the Senator explain this to me? I think this amendment does not go far enough.

Mr. GRAHAM. As I indicated in earlier debate, I recognize that one of the difficulties with being a reasonable Senator is that you do not get the love and affection of either of those who are on both sides.

Mr. WELLSTONE. Excuse me. Will the Senator yield. Am I an unreasonable Senator as opposed to being a reasonable Senator?

Mr. GRAHAM. We would all consider ourselves to be the center of the universe, and everyone takes their position in relationship to that.

We have included a provision that would allow the NRC—even after it had made these very high-threshold findings relative to a complaint of a citizen and had therefore started the process for a full hearing—to permit the plant to operate. Under either our amendment or under the amendment of the Senator from Louisiana we would still allow the NRC, if it can determine that the plant has been built in conformity with the combined license and that all of the NRC regulations have been met to permit the plant to commence operation pending a resolution of outstanding issues in a hearing.

The reason for this provision in our amendment is to give some additional certainty to the industry which has committed itself to this plant that when the plant is finished, if it is built in conformity to plans and NRC regulations, it could operate. I believe that is a reasonable balancing of industry and public interests as long as the public is assured that it can have that full adjudicatory hearing when serious issues have been raised as to the safety of the plant.

Mr. WELLSTONE. Will the Senator yield for a question?

The judicial appeal that would be granted for citizens who have these concerns is important after all. There have been some pretty serious accidents and people do have some real concerns about nuclear power. The appeal in part is directed at the NRC, am I not correct?

Mr. GRAHAM. It would be the NRC which would, in the first instance, be the adjudicatory agency.

Mr. WELLSTONE. I do not understand. What the Senators are saying with their amendment is the NRC is assured that it can go ahead if it has met the conditions. But by definition the concerned people who have now requested this hearing are questioning the NRC, right? They are just not confident in this agency. In this day and age people in our country are pretty concerned about the centralized agencies. It seems to me that the Senators are trying to pass a proposal which they feel is a good compromise. This is what they have done and perhaps they believe the proposal will pass for that reason. But my concern is that these concerns are dangling out 9 there and people are very worried. The people need a right to judicial appeal. It seems to me the people who go through this process, to have a decision rendered before the plant goes into operation.

Mr. GRAHAM. We are saying that if the NRC can determine, based on conformity with the license issued and its own regulations, that the plant is safe, then the NRC is authorized to allow that plant to operate on an interim basis pending a resolution of any outstanding disputes. That is a pragmatic attempt to balance two interests which have for the history of this industry been at war. This compromise includes high standards of safety but also provides a level of stability and predictability that would give confidence to the industry, its stockholders, and investors to go forward with a nuclear plant in the first instance.

Mr. WELLSTONE. Let me say to my friend from Florida, and also the Senator from Georgia, that is for me kind of good news-bad news. I really would like to give both of the Senators a tremendous amount of credit for this. I think the Senators really have improved upon the provision now in the bill. We all have our own views about how much of the energy future of our country will be based upon nuclear power. But it seems to me that even if you were a proponent of adding 200 gigawatts of nuclear generating capacity the last thing you would want to do would be to cut the public out of the participation process and deny people some kind of basis for appeal. This would lead to a policy based upon coercion. You have a policy which really I think will cause people to be fearful and will lead to a great deal of mistrust.

The good news is that through this amendment the Senators are attempting to address that very real concern.

I understand the industry is concerned about delay. I look at the record of what the two-step licensing was all about, I see many instances of the need for public participation. The public has contributed to the safe operation of nuclear plants by coming forward and identifying very serious problems before those plants went operational. This demonstrates the need for citizens in this country to have a voice over decisions that were very important to them.

So I want to say to my good friend from Florida, and also the Senator from Georgia, I think this amendment is a very important amendment in the right step. I still have some concerns about the interim operation of the plant, and I am not quite sure yet how to deal with that.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Did the Senator from Georgia wish to speak?

Mr. FOWLER. I say to my chairman, in a moment. I will be glad for the Senator to go ahead. I am in no hurry.

Mr. JOHNSTON. I was ready to make a motion to table.

Mr. FOWLER. Give me 1 minute.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WELLSTONE). Without objection, it is so ordered.

Mr. WALLOP. Mr. President, I send an amendment to the desk on behalf of Senator BRADLEY, Senator DOMENICI, Senator WIRTH, Senator SEYMOUR, Senator KENNEDY, Senator GORTON, Senator KERRY, Senator COHEN, Senator WELLSTONE, Senator KOHL, Senator LAUTENBERG, Senator CRANSTON, Senator DURENBERGER, Senator LEAHY, Senator LIEBERMAN, and Senator PELL.

The PRESIDING OFFICER. The Chair would notify the Senator from Wyoming that there are two——

Mr. WALLOP. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WALLOP. Mr. President, this is an amendment which the administration supports, Senator JOHNSTON and I support, to take the provisions regarding import of Canadian gas that are in the bill out.

AMENDMENT NO. 1577

(Purpose: To amend section 11104 of S. 2166 to strike subsection (e) pertaining to natural gas imports)

Mr. WALLOP. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP], for Mr. BRADLEY (for himself, Mr. DOMENICI, Mr. WIRTH, Mr. SEYMOUR, Mr. KENNEDY, Mr. GORTON, Mr. KERRY, Mr. COHEN, Mr. WELLSTONE, Mr. KOHL, Mr. LAUTENBERG, Mr. CRANSTON, Mr. DURENBERGER, Mr. LEAHY, Mr. LIEBERMAN, Mr. PELL, and Mr. JOHNSTON) proposes an amendment numbered 1577.

On page 288, strike lines 10 through 25 and, on page 289, lines 1 through 15, and redesignate succeeding subsections accordingly.

Mr. WIRTH. Mr. President, during committee markup of the energy bill, Senator DOMENICI and I won adoption of an amendment which became section 1104(e) of the bill. There was some considerable controversy over the Wirth-Domenici language, but I am glad to say that we have come to a point where the problem Senator DOMENICI and I were trying to address with our legislative language has finally been recognized and addressed by the Federal Energy Regulatory Commission, which is well on its way to resolving much of the issue that we raised.

For that reason, I am glad to support my colleague from New Jersey, Senator BRADLEY, in removing the Wirth-Domenici language from the bill at this time, as both sides in this argument agree that we do not wish to interfere with the FERC rulemaking now underway, or send a signal that in any way could be interpreted as calling on FERC to rethink the position it is now espousing.

The issue I raised in the committee was simple in concept, but incredibly complex in its details. For the benefit of my colleagues, I will lay out the simple version.

North America is blessed with abundant reserves of natural gas, and much of it is in the West. There is a lot of it in the Rocky Mountain West of the United States, where both Senator DOMENICI and I come from; and there is a lot of it in Western Canada, as well.

The fastest growing market for that gas is in our Northeastern States, and they have been seeking gas supplies. Now, because of the distances to the West, pipeline transportation makes up a fairly significant portion of the price of that gas.

So far, so good. But here has been the problem. The cost of that transportation is set by Government regulation. And while we have a free-trade agreement with Canada, we do not have a coordinated set of regulations for setting pipeline rates.

That would be fine if pipelines simply charged a fee for every cubic foot of gas. The pipelines would simply compete, price against price. But its more complicated than that. In effect, pipeline rates are paid in two bills—one to reserve space in the pipeline, and one to pay for actually moving gas through the pipe.

The Canadians had a system that put most of their charges into the reservation charge—and we had a system that put more charges into the actual delivery charge. The result was a potential rate tilt that disadvantaged people trying to sell gas moving through American pipelines. Why is that? Because after a buyer had made sufficient reservations to cover all their needs, plus a reserve for cold weather, even if they made reservations on both United States and Canadian pipelines, they would, when it came time to buy more gas for actual delivery, always take the Canadian gas first, because the actual delivery charge for it would be far less than for the United States pipe.

That was not the result of a conspiracy—it was simply the result of two different regulatory systems serving one market. The existence of a free-trade agreement between our two countries did nothing to address this. There wasn't a trade barrier here. But there were two different regulatory systems which were out of sync, which created a real competitive difference.

Now, Mr. President, the FERC has proposed a major revision of the regulatory system in the United States, to make it very similar to the Canadian system. I applaud that, Mr. President, and I believe it will result in a much better integration of the gas supply and demand in both our countries.

The Wirth-Domenici language would have been a new legislative directive to FERC. It would, at a minimum, require a formal response from the Commission, and perhaps even require a rulemaking. Frankly, that could end up being a distraction and perhaps even cause delay in what FERC has already undertaken to address the problem Senator DOMENICI and I wanted brought to their attention.

Given this turn of events, Mr. President, I am glad to support removing that language from the bill, and to join Senator BRADLEY in urging that all language on gas import issues be kept out of this bill.

AN EXPLANATION OF PIPELINE RATE DESIGN DISPARITY, AND ITS EFFECT

The rate designs for natural gas pipelines adopted by Canada's National Energy Board [NEB] and America's Federal Energy Regulatory Commission

[FERC] are markedly different and create competitive distortions in natural gas markets. These competitive distortions affect the ability of United States pipelines and producers to compete effectively with Canadian pipelines and producers.

The rate design required by FERC places a significant portion of the total fixed costs of a domestic pipeline into the commodity cost component of the pipeline's rates. Conversely, the NEB pipeline rate methodology keeps these costs classified as fixed costs collected through a demand charge and assigns almost none of them to the commodity component.

If a purchaser, like a local distribution company in the Northeast, buys gas from both Canada and the United States, the decision as to which natural gas to buy on a daily or monthly basis is made based on the per unit cost of that incremental volume, that is, the commodity charge, not the total unit cost of gas.

The commodity charge for each unit of Canadian gas is equal to the wellhead price, plus other variable costs—mostly compressor fuel. The commodity charge for each unit of domestic gas is equal to wellhead price, plus other variable costs—mostly compressor fuel—plus substantial additional charges representing the pipeline's fixed costs which FERC assigns to the commodity component of a pipeline's rates. Thus, because of FERC's rate design policies, each additional unit of domestic gas is burdened with costs not present in the commodity charge for transportation of Canadian gas.

Because of the differences in rate design, a purchaser faced with the choice of buying Canadian or domestic gas will compare commodity rates, rather than total prices. If so, the purchaser will always buy Canadian gas unless the domestic producer reduces its wellhead price by an amount at least equal to the amount of fixed costs FERC assigns to the pipeline's commodity component. The disadvantage suffered by domestic producers will vary from at least 18 to 42 cents per Mcf depending on what assumptions are used. Ten cents per Mcf means $1.8 billion per year in potential cost penalties to domestic natural gas producers.

The disadvantage suffered by domestic producers and pipelines carrying domestic gas is present whether the Canadian-supplied pipeline is operating as a merchant or merely as a transporter of natural gas. This is true because, as stated above, the anticompetitive effect of Canadian rate methodology in American markets results from the different way Canada and the United States treat fixed gathering and transmission costs, and has nothing to do with gas costs.

This problem is apparent in a project like Iroquois, where Northeast LDC's purchase gas supplies in Canada and transport the gas from Alberta to the New York border on TransCanada's system. Under TransCanada's fixed-variable rate design, these gas supplies have a direct competitive advantage because FERC has not permitted U.S. pipelines to implement a rate design competitive to that used by TransCanada for 2,000 miles of transportation. Thus, even if a competing U.S. pipeline were built, supplies carried by the U.S. pipeline would always be second choice because FERC's assignment of fixed costs to the commodity component makes domestic gas appear more expensive.

This rate design difference is the primary reason that only minuscule amounts of United States gas are sold in Canada despite the fact that most of our production is much closer to eastern Canadian markets than their own production in Alberta.

Neither DOE nor FERC were, in the past, willing to remedy this discriminatory situation or allow an evidentiary hearing to examine two crucial issues: First, the discriminatory impact of FERC-imposed pipeline rates when domestic gas competes for the same markets with Canadian supplies; and second, the availability of cheaper, domestically supplied alternatives based on the same rate design used in Canada.

Part of that reluctance was the administration's belief—a wrong one, I believe—that this would lead down a road that would be in conflict with the United States-Canada Free-Trade Agreement. They were so worried about the consequences of trying to fix this problem by attaching additional terms and conditions to natural gas coming from Canada into this country, that they failed to notice that they had the power to fix the disparity here, by addressing United States pipeline rate design.

Now, the FERC is doing that. They are proposing to direct United States pipelines to use very similar rate designs to those used by Canada's NEB. FERC has already granted this full-fixed variable type rates to some new U.S. pipelines, including segments of the Iroquois pipeline. This is a very positive development, Mr. President. I believe that a closer coordination between the pipeline rate systemology used by our two countries is essential to truly integrating our markets on terms fair to both of us, and I applaud FERC for its initiative in this regard.

Mr. SEYMOUR. Mr. President, I wish to thank my good friend from New Mexico for his amendment.

I along with my distinguished colleague from New Jersey have been working to eliminate section 11104(e) of the Energy bill for months. I strongly believe that this language will limit natural gas imports from Canada and drive up the price of natural gas for California's consumers. Today, Senator BRADLEY and I were going to offer an amendment to strike the natural gas import provisions in S. 2166. I am pleased that the distinguished Senator from New Mexico has now made that unnecessary.

Mr. BRADLEY. Mr. President, the invasion of Kuwait emphasized for the entire world the risks of overdependence on vulnerable oil supplies. Many in Congress and the administration have attempted to craft legislation to limit the risks to Americans. Most experts see as the central element of these policies an effort to substitute other secure fuels and energy conservation for oil. Unfortunately, I believe one element of the National Energy Security Act could have exactly the opposite effect.

The bill includes provisions that move jurisdiction over the authorization of natural gas imports from the Department of Energy [DOE] to the Federal Energy Regulatory Commission [FERC]. Additionally, the bill requires FERC to restrict gas imports unless the FERC agrees to redress anticompetitive impacts on U.S. gas producers. The impact of this language I believe, would be to slow approval of international gas pipeline projects and reduce access to competitively priced, reliable and plentiful Canadian gas supplies.

Frankly, I am unaware of any evidence that DOE's authority over gas imports is not working, or that FERC's processing of import applications would be any more efficient. In addition, FERC has thoroughly examined the competitive effects on domestic producers from natural gas import projects, and has found no competitive disadvantage for domestic suppliers. Evidence that domestic producers are competitive is demonstrated by the fact that they continue to supply well over 90 percent of the market nationwide.

Consumers in no less than 39 States receive imported natural gas. Today, Canadian gas producers are willing to accept competitive gas prices under long-term contracts. In order for consumers to continue to enjoy the benefit of access to these firm supplies, we in Congress should not require FERC to protect domestic gas suppliers from Canadian competition.

Mr. President, the sponsors of the language that will be removed by my amendment were concerned about an issue described as rate-tilt, which they maintained conferred an artificial advantage to Canadian producers. While I would contest the substantive impact of rate-tilt, the FERC has clearly demonstrated a sensitivity to the issue. Indeed, whatever rationale once was used to defend the bill's language has been rendered moot by the administrative action taken at the FERC.

I am very pleased that the original sponsors of this legislative language are now joining me and agreeing to its deletion. The gas industry retains a bright future as the source of clean and secure energy. Intra-industry squabbles that isolate or eliminate consumers and producers do nothing to promote the confidence needed to keep the gas industry ascendant.

Mr. WALLOP. Mr. President, I ask unanimous consent that a letter from Deputy Secretary of Energy, from the Independent Petroleum Association of America, a letter to JOHNSTON opposing the Wirth-Domenici amendment, signed by a bipartisan coalition of 51 Senators; An Administration statement in opposition to the Wirth-Domenici amendment; a list of 39 States and utilities that rely directly on Canadian gas supplies; and representative letters in opposition to the Wirth-Domenici amendment, including one from the Interstate Natural Gas Association of America, the Office of the Ohio Consumers' Counsel on behalf of the National Association of State Utility Consumer Advocates and a strongly worded letter from a Florida gas utility be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE DEPUTY SECRETARY OF ENERGY,
Washington, DC, February 4, 1992.
Hon. PETE V. DOMENICI,
U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: As we approach consideration of S. 2166, I am writing to ask that you consider withdrawing Section 1104(e) relating to natural gas imports. As you know, the Administration shares your deep concern for the plight of U.S. producers trying to cope with the current depressed U.S. gas market. We have worked with you to address the difficulties U.S. natural gas producers have encountered by reason of the disparity in rate treatment of U.S. and Canadian natural gas pipelines. In addition, since this legislation was approved by the Energy Committee, the Federal Energy Regulatory Commission (FERC) has proposed a rule which, among other things, would require as a general matter that U.S. pipelines use the same rate design, straight fixed variable, used by Canadian pipelines.

Despite our attempts to develop a consensus on legislation to address this issue, it appears that there remains great division and controversy within the natural gas industry on this provision. Accordingly, I believe it would be in the best interest of the gas industry for you to withdraw Section 11104(e). Please be assured that the Department is committed to seeing FERC's proposal to eliminate the disparity between U.S. and Canadian gas pipeline rate designs implemented. Rather than jeopardizing, by a protracted debate over Section 11104(e), other provisions of the natural gas title of S. 2166 that would benefit U.S. gas producers, we believe it would be better to focus on implementing the remedies already proposed by FERC. I would be pleased to discuss these matters with you.

Sincerely,

LINDA G. STUNTZ,
Acting Deputy Secretary.

INDEPENDENT PETROLEUM
ASSOCIATION OF AMERICA,
Washington, DC, February 6, 1992.
Hon. PETE V. DOMENICI,
U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: The Independent Petroleum Association of America is grateful for your leadership and steadfast commitment to build a competitive natural gas market that will benefit consumers and producers alike.

Your efforts over several years have been instrumental in getting U.S. regulatory agencies to address the international natural gas regulatory differences that resulted in competitive disadvantages for domestic producers and higher natural gas costs for consumers. The IPAA believes that U.S. regulatory agencies are moving to prevent economic hardships that result from the differences in pipeline rate design policies used by the United States and our trading partners.

The view of the progress being made by the Federal Energy Regulatory Commission and the Department of Energy on this matter, the IPAA concurs in and support your decision to encourage the Senate to remove all language on the subject from national energy strategy legislation, S. 2166, and to commit its conferees to hold firm to the Senate's position in a conference with the House of Representatives.

Thank you again for your leadership on this important issue.

Sincerely,

DENISE A. BODE.

U.S. SENATE,
Washington, DC, October 17, 1991.
Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The National Energy Security Act of 1991, S. 1220, contains provisions which, if enacted into law, would seriously harm the ability of United States consumers to obtain natural gas from Canada.

We are writing to express our opposition to these provisions. At a time when environmental and geopolitical concerns are pointing toward increased use of natural gas in the United States market, it hardly seems reasonable or appropriate to throw up unnecessary new barriers to an abundant and reliable source of supply.

We do not believe legislation emerging from the Senate should include anti-import provisions.

Sincerely,

Warren Rudman, Larry E. Craig, John Seymour, Daniel Patrick Moynihan, Bill Bradley, Ted Kennedy, John F. Kerry, George Mitchell, Frank R. Lautenberg, Herb Kohl, John H. Chafee, Bob Packwood, Patrick Leahy, Richard H. Bryan, Bill Cohen, Steve Symms, Joe Lieberman, Jim Jeffords, Dave Durenberger, Chris Dodd, Bob Smith, Alan Cranston, Alfonse D'Amato, and Paul D. Wellstone.

Slade Gorton, Barbara A. Mikulski, Claiborne Pell, Jim Exon, John Glenn, Alan J. Dixon, Paul Simon, Dan Coats, Tom Daschle, Chuck Grassley, Dick Lugar, Bob Kasten, Brock Adams, Paul Sarbanes, Don Riegle, Carl Levin, Bob Kerrey, Harry Reid, Howell Heflin, Tom Harkin, Arlen Specter (Senator Wallop S. 1220 Natural Gas provisions), Larry Pressler, Dale Bumpers, Joe Biden, Conrad Burns, Bill Roth, and Harris Wofford.

THE SECRETARY OF ENERGY,
Washington, DC, April 18, 1991.
Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We have reviewed the joint staff recommendations on amendments to Title X to S. 341, and have received several proposed additional amendments to that bill. Having reviewed these, I want to summarize our position on these proposals, and to review more generally the Department's position on natural gas industry issues. The Administration's comprehensive legislation included significant reforms for the natural gas industry. Natural gas is an abundant, economical and environmentally-preferable fuel. Our goals are to:

Further the development of a competitive, efficient, and integrated North American natural gas market.

Expand the use of natural gas through expedited regulatory review of applications to construct natural gas facilities.

Reduce regulation of natural gas sales and transportation services, substituting market forces and competition for such regulation.

Deregulate natural gas sales where markets are found to be competitive.

The Department cannot support natural gas legislation that would:

1. Limit to new markets the opportunity to use optional expedited construction procedures.

Rationals: This prevents existing customers, both producers and consumers, from gaining the benefits of competition by protecting presently regulated entities from competitive pressures.

This is a mature industry; there are few markets not presently receiving some natural gas service at *either end of the pipe.*

2. Restrict the importation of Canadian natural gas, contrary to the Canadian Free Trade Agreement.

Rationals: Imported gas represents nearly 10% of U.S. consumption, proposion which will lead to regulatory barriers and delay could threaten the continuous flow of this gas. In addition, the secretary of Energy cannot be charged with undertakings which conflict with any international treaty obligations.

I appreciate your consideration of our views.

Sincerely,

JAMES D. WATKINS,
Admiral, U.S. Navy (Retired).

ALABAMA

Alabama is served by the following interstate pipelines that include imported gas in their supply: Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Their sales customers in Alabama include: Alabama-Tennessee Natural Gas Co., Central Gas Co., North Alabama Gas District, Northwest Alabama Gas District, Red Bay water Works & Gas, Tennessee River Development Company, and Town of Vina Gas Board.

ARKANSAS

Arkansas is served by the following interstate pipelines that include imported gas in their supply: Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Their sales customers in Arkansas include: Arkansas Louisiana Gas Co. and Harrisburg Water & Gas.

CALIFORNIA

The following companies in California purchase imported gas directly: American Hunter (Industrial and LDC customers), Amoco Trading, Chevron U.S.A., Gasmark, Inc., Gilroy, IGI Resources, Leslie Salt, Mock Resources, Natural Gas Clearinghouse, Pacific Gas & Electric Company, Redwood Resources, Inc., San Diego Gas & Electric Co., Simpson Paper, Southern California Gas Co., Spreckels Sugar, Sunrise Energy, Unocal, and Windward Energy & Marketing.

COLORADO

The following companies in Colorado purchase imported gas directly: Colorado Interstate Gas, Greeley Gas Co., Mock Resources, and Presidio Gas Resources.

Colorado is also served by the following interstate pipelines that include imported gas in their supply: Northern Natural Gas Company and Northwest Pipeline Corporation.

Their sales customers in Colorado include: Greeley Gas, Greeley Gas Company, Rocky Mountain, and Westgas.

CONNECTICUT

The following companies in Connecticut purchase imported gas directly: Connecticut Natural Gas Corporation, Tennessee Gas Pipeline, The Southern Connecticut Gas Company, and Yankee Gas Services Company.

Connecticut is also served by the following interstate pipeline that includes imported gas in its supply: Tennessee Gas Pipeline Company.

Its sales customers in Connecticut include: Connecticut Natural Gas Corporation, Southern Connecticut Gas Co., and Yankee Gas Services.

FLORIDA

The following company in Florida purchases imported gas directly: Florida Power and Light.

IDAHO

The following companies in Idaho purchase imported gas directly: Amalgamated Sugar Company, Ash Grove Cement, IGI Resources, Intermountain Gas Company, J.R. Simplot Co., McCain, and Northwest Natural Gas Co.

Idaho is also served by the following interstate pipeline that includes imported gas in its supply: Northwest Pipeline Corporation.

Its sales customers in Idaho include: Intermountain Gas, Paiute Pipeline, and Washington Water Power.

ILLINOIS

The following companies in Illinois purchase imported gas directly: Kaztek Energy Management, Northern Illinois Gas, Santanna Natural Gas, Semco Energy Services, and Triumph Gas.

Illinois is also served by the following pipelines that include imported gas in their supply: Natural Gas Pipeline Company of America, Northern Natural Gas Company, Panhandle Eastern Pipe Line Company, and Texas Eastern Transmission Corporation.

Their sales customers in Illinois include: Cairo Public Utility, Central Illinois Light Company, Central Illinois Public Service Co., City of Anna, City of Auburn, City of Creal Springs, City of Grand Tower, City of Jonesboro, City of Morton, City of Pickneyville, City of Pittsfield, City of Salem, City of Sullivan, and City of White Hass.

City of Winchester, Consumers Gas Company, Grayville Public Utility, Illinois Power Company, Interstate Power Company, Iowa-Illinois Gas and Electric Company, Mississippi River Transmission, Mt. Carmel Public Utility Company, North Shore Gas Company, Northern Illinois Gas Company, Northern Indiana Public Service Company, Peoples Gas Light and Coke Company, Town of New Harmony, United Cities Gas Company, Village of Bethany, Village of Cobden, Village of Divernon, Village of Enfield, Village of Findlay, Village of Franklin, Village of Norris City, Village of Pawnee, Village of Pleasant Hill, Village of Riverton, Village of Tamms, Village of Thebes, and Wisconsin Southern Gas Company.

INDIANA

The following companies in Indiana purchase imported gas directly: ANR Pipeline Co., BF Goodrich, and Citizens Gas Supply Corp.

Indiana is also served by the following interstate pipelines that include imported gas in their supply: Panhandle Eastern Pipe Line Company and, Texas Eastern Transmission Corporation.

Their sales customers in Indiana include: Citizens Gas and Coke Utilities, City of Batesville, City of Huntingburg, City of Jasper, Community Natural Gas Company, Indiana Gas Company, Indiana Natural Gas Corporation, Southern Indiana Gas & Electric, Kokomo Gas & Fuel Company, Lawrenceburg Gas Company, Midwest Natural Gas Corporation, Northern Indiana Fuel & Light Company, Northern Indiana Public Service Company, Ohio Valley Gas Corporation, Richmond Gas Corporation, Town of Bainbridge, Town of Lapel, Town of Montezuma, Town of Napoleon, Town of Osgood, Town of Poseyville, Town of Roachdale, Town of Pittsboro, Westfield Gas Corporation, and Westport Gas Company.

IOWA

The following companies in Iowa purchase imported gas directly: Cibola Corporation, Enroe Gas Marketing, Iowa Electric, Midwest Gas, Natural Gas Clearinghouse, Natural Gas Pipeline, Peoples Natural Gas Co., and Terra Industries.

Iowa is also served by the following interstate pipelines that include imported gas in their supply: Natural Gas Pipeline Company of America and Northern Natural Gas Company.

Their sales customers in Iowa include: Cascade Municipal Gas Systems, Cedar Falls Utilities, City of Brooklyn, IA, City of Gilmore, City of Lorimor, City of Preston, City of Remson, City of Rolfe, City of Sabula, City of Sac City, City of Sanborn Municipal Natural Gas, City of Tipton, City of Waukee, City of West Bend, City of Whitemore, Coon Rapids Municipal Natural Gas, Corning Municipal Utilities, Emmetsburg Municipal Gas, Gilmore City, Graettinger Municipal Gas System, Guthrie Center Municipal Utilities, and Harlan Municipal Utilities.

Hawarden Office of Public Works, Illinois Gas and Electric, Interstate Power Company, Iowa Public Service Company, Iowa Southern Utilities Company, Iowa-Illinois Gas and Electric Company, Iowa Electric Light and Power Company, Lake Park Municipal Utilities, M.N.G.S.Sioux City, Manilla Municipal Gas, Manning Municipal Gas, Midwest Gas, Minnegasco, Inc., Municipal Gas-Emmetsburg, Municipal Gas Service, Municipal Gas System-Graettinger, Municipal Natural Gas, Municipal Natural Gas-Sanborn, Municipal Utilities, Municipal Gas of Cascade, IA, Osage Municipal Utilities, People's Natural Gas-Utilicorp, Peoples Natural Gas Company, Rock Rapids Municipal Utilities, Sioux Center Municipal Natural Gas System, City of Sabula, Town of Brighton, Town of Lenox, Town of Montezume, Town of Wellman, Woodbine Municipal Gas System, and Interstate Power Company.

LOUISIANA

The following companies in Louisiana purchase imported gas directly: Panhandle Trading Co. and Pontchartrain Natural Gas.

Louisiana is also served by the following interstate pipelines that include imported gas in their supply: Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Their sales customers in Louisiana include: Arkla for Beebe & Cabot, Arkla for Paragould, Arkansas, Elizabeth Natural Gas Co., Energas Co./D.E. St Romain, Gas Utility District of Vernon, Mississippi Gas Corporation, New Roads Gas System City, Pointe Coupee Parish, LA Gas, Louisiana Gas Service Co., Starks Water and Gas Inc., Texas Gas, Town of Grand Isle, Town of Harrisonburg, Village of Forest Hill, Village of Morganza, and Village of Provencal.

KANSAS

Kansas is served by the following interstate pipelines that include imported gas in their supply: Natural Gas Pipeline Company of America, Northern Natural Gas Company, and Panhandle Eastern Pipe Line Company.

Their sales customers in Kansas include: City of Agenda, City of Hazelton, City of LaCygne, City of Louisburg, City of Offerle, Kansas Nebraska Natural Gas, KPL Gas Service Company, Miami Pipeline Company, Peoples Natural Gas Company, Producers Gas Equities, Inc., St. Croix Valley Natural Gas Company, The Kansas Power & Light Company, Twin County Gas Company, and Western Gas Utilities.

KENTUCKY

Kentucky is served by the following interstate pipelines that include imported gas in their supply: Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Their sales customers in Kentucky include: City of Columbia, City of Edmonton, City of Grayson, City of Liberty, City of Olive Hill, City of Somerset, City of Tompkinsville, Delta Natural Gas Co., Inland Gas Company Inc., Morehead Utility Board, and Western Kentucky Gas Co.

MAINE

The following company in Maine purchases imported gas directly: Bay State Gas.

MARYLAND

The following company in Maryland purchases imported gas directly: Baltimore Gas & Electric Company.

MASSACHUSETTS

The following companies in Massachusetts purchase imported gas directly: Altresco Pittsfield, LP, Bay State Gas, Berkshire Gas, Boston Gas, Citizens Gas Supply Corp., Colonial Gas Company, Essex County Gas Co., Fitchburg Gas and Electric, Haverhill Gas Co., Mass Power Project, and New England Power Company.

Massachusetts is also served by the following interstate pipelines that includes imported gas in its supply: Tennessee Gas Pipeline Company.

Its sales customers in Massachusetts include: Berkshire Gas Company, Blackstone Gas Co., Boston Gas Co., City of Westfield Gas and Electric, Colonial Gas Co., Commonwealth Gas Co., Essex County Gas Co., Fitchburg Gas and Electric Light Co., and Holyoke Gas and Electric Department.

MICHIGAN

The following companies in Michigan purchase imported gas directly: Allied Producers Gas Service, Inc., ANR Michigan Storage, BP Chemicals, Inc., Brymore Energy Inc., Coastal Gas Marketing, Coenergy Ventures, Consumers Power Company, Harbert Energy, MichCon Trading, Michigan Consolidated Gas Company, Michigan Gas Company, Midcon Marketing Corp., Midland Cogeneration Venture, National Steel, Semco Energy Services, Inc., and Unigas.

Michigan is also served by the following interstate pipelines that include imported gas in their supply: Northern Natural Gas Company and Panhandle Eastern Pipe Line Company.

Their sales customers in Michigan include: Battle Creek Gas Company, Citizens Gas Fuel Company, Michigan Gas Company, Michigan Gas Storage Co., Michigas Gas Utility Company, Northern States Power Co., Peninsular Gas Company, People's Natural Gas—Utilicorp., and Southeastern Michigas Gas Company.

MINNESOTA

The following companies in Minnesota purchase imported gas directly: Aquila Energy Company, Cibola Corporation, City of Perham, MN, City of Warroad, Great Plains Natural Gas Co., Minnegasco, Minnesota Intrastate Transmission, and Northern Minnesota Utilities.

Minnesota is also served by the following interstate pipelines that include imported gas in their supply: Northern Natural Gas Company and Viking Gas Transmission Company.

Their sales customers in Minnesota include: Argyle, Minnesota, Austin Utilities, Circle Pines Utilities, City of Stephen, City of Two Harbors, Dept. of Public Utilities of Virginia, MN, Duluth Department of Water, Great Plains Natural Gas Company, Hibbing Public Utilities, Hutchinson Utilities Commission, Interstate Power Company, Iowa Public Service Company, Lloyd V. Crum, Jr., Midwest Gas, Minnegasco, Inc., Minnesota-Austin Utilities, and New Ulm Public Utilities Commission.

Northern Minnesota Utilities, Northern States Power Company, Owatonna Public Utilities, People's Natural Gas—Utilicorp., Peoples Natural Gas, Public Utilities—Owatonna, Public Utilities—Hibbing, Sheehan's Natural Gas, Inc., Village of Hallock, Village of Hawley, Village of Lakepark, Village of New York Mills, Village of Perham, Village of Warren, Virginia Department of Public Utilities, and Western Gas Utilities.

MISSISSIPPI

Mississippi is served by the following interstate pipelines that include imported gas in their supply: Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Their sales customers in Mississippi include: Caledonia Natural Gas District, City of Batesville, City of Booneville, City of Corinth Utility Department, City of Meadville, City of New Albany, City of Ripley, City of Senatobia, Entex Inc., Holly Springs Utility Department, Kerr-McGee Chemical Corp., Mantachie Natural Gas District, Mississippi Valley Gas Company, Pontotoc Natural Gas, Town of Ashland, Town of Baldwyn, Town of Belmont, Town of Bude, Town of Flora, Town of Fulton, Town of Gloster, Town of Shuqualak, Town of Utica, and Town of Weir.

MISSOURI

Missouri is served by the following interstate pipelines that include imported gas in their supply: Natural Gas Pipeline Company of America, Panhandle Eastern Pipe Line Company, and Texas Eastern Transmission Corporation.

Their sales customers in Missouri include: Associated Natural Gas Company, City of Bernie, City of Clarence, City of Hermann, City of Kennett, City of Monroe, City of Montgomery, City of Paris, City of Perry, City of Perryville, City of Madison, Great River Gas Company, Kansas Power & Light, Missouri Public Service Company, Osage Natural Gas Company, and Union Electric Company.

MONTANA

The following companies in Montana purchase imported gas directly: Montana Power Co. and Rainbow Gas Co.

NEBRASKA

The following companies in Nebraska purchase imported gas directly: Aquila Energy Marketing and Unigas.

Nebraska is also served by the following interstate pipelines that include imported gas in their supply: Northern Natural Gas Company and Natural Gas Pipeline Company of America.

Their sales customers in Nebraska include: City of Lyons, City of Nebraska City, City of Ponca, City of Stromsburg, Fremont Department of Utilities, Iowa Public Service Company, KN Energy, Inc., Minnegasco, Inc., Omaha Municipal Utilities Department, People's Natural Gas—Utilicorp., Peoples Natural Gas Company, and Village of Pender.

NEVADA

The following companies in Nevada purchase imported gas directly: Paiute Pipeline, Sierra Pacific Power Co., and Southwest Gas Co.

NEW HAMPSHIRE

The following companies in New Hampshire purchase imported gas directly: Bay State Gas, EnergyNorth Natural Gas, Inc., Gas Service Inc., Granite State Transmission, and Manchester Gas Company.

New Hampshire is also served by the following interstate pipeline that includes imported gas in its supply: Tennessee Gas Pipeline Company.

Its sales customers in New Hampshire include: Energynorth Inc.

NEW JERSEY

The following companies in New Jersey purchase imported gas directly: Elizabethtown Gas Company, New Jersey Natural Gas, O&R Energy, and Public Service Electric and Gas Company.

New Jersey is also served by the following interstate pipelines that include imported gas in their supply: Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Their sales customers in New Jersey include: Central Hudson Gas & Electricity Corp., Elizabethtown Gas Company, NJ Natural Gas Company, Orange & Rockland Utilities, Inc., and Public Service Electric and Gas Co.

NEW YORK

The following companies in New York purchase imported gas directly: Bishop Pipeline Co., The Brooklyn Union Gas Company, Central Hudson Gas and Electric Corporation, Citizens Gas Supply Corp., Consolidated Edison Company of New York, Direct Gas, Energy Marketing Exchange, Fulton Cogeneration Associates, Indeck Energy Services of Oswego, Indeck Energy Services, Indeck-Yerkes Energy Services, JMC-Selkirk Cogeneration, Long Island Lighting Company, National Fuel Gas Supply Co., New York State Electric and Gas Corporation, Santana Natural Gas, St. Lawrence Gas Company, Tenngasco Corp., TGC Fult, and Women's Natural Gas Corp.

New York is also served by the following interstate pipelines that include imported gas in their supply: Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Their sales customers in New York include: The Brooklyn Union Gas Company, Con Edison Co. of NY, Inc., Consolidated Gas Transmission Corp., Long Island Lighting Company, National Fuel Gas Supply Corp., New York State Electric and Gas Corp., and Orange and Rockland Utilities Inc.

NORTH CAROLINA

The following company in North Carolina purchases imported gas directly: Public Service of North Carolina.

NORTH DAKOTA

The following companies in North Dakota purchase imported gas directly: Great Plains Natural Gas Co. and Northern States Power Co.

OHIO

Ohio is served by the following interstate pipelines that include imported gas in their supply: Panhandle Eastern Pipe Line Company, Tennessee Gas Pipeline Company, and Texas Eastern Transmission Corporation.

Their sales customers in Ohio include: Dayton Power & Light Company, East Ohio Gas Company, National Gas & Oil Corp., Northeast Ohio Natural Gas Corp., Ohio Gas Company, Oxford Natural Gas Company, and Pike Natural Gas Co.

OKLAHOMA

The following company in Oklahoma purchases imported gas directly: Enogex Services.

Oklahoma is also served by the following interstate pipelines that include imported gas in their supply: Natural Gas Pipeline Company of America, Northern Natural Gas Company, and Panhandle Eastern Pipe Line Company.

Their sales customers in Oklahoma include: Oklahoma Natural, Town of Corn, and Town of Hardesty.

OREGON

The following companies in Oregon purchase imported gas directly: American Fine Foods, Armstrong World Industries, Inc., Atochem, Boise Cascade Corporation, C.P. National Corp., Clermont Fruit Packers, Eagle Picher, ESCO Corporation, High Cascade Lumber, J.R. Simplot Co., Northwest Natural Gas Company, Northwest Pipeline, Oregon Steel Mills, Port of Portland, Portland General Electric Co., Portland VA Hospital, OR, Roseburg Lumber, Roseburg VA Hospital, OR, Simpson Paper, Smurfit Newsprint Corp., Westar Marketing Co., White City VA Hospital, OR, and Williams Gas Marketing.

Oregon is also served by the following interstate pipeline that includes imported gas in its supply: Northwest Pipeline Corporation.

Its sales customers in Oregon include: Cascade Natural Gas, CP National, and Northwest Natural Gas.

PENNSYLVANIA

The following company in Pennsylvania purchases imported gas directly: National Fuel Gas Supply Co.

Pennsylvania is also served by the following interstate pipelines that include imported gas in their supply: Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Their sales customers in Pennsylvania include: Allied Gas Company, Carnegie Natural Gas Company, Chambersburg Gas Dept., CNG

Transmission Corporation, Equitrans Inc., Honesdale Gas Co., National Fuel Gas Supply Corporation, North Penn Gas Co., Pennsylvania and Southern Gas Co., Pennsylvania Gas and Water Co., Philadelphia Electric Company, Philadelphia Gas Works, TW Phillips Gas & Oil Company, and UGI Corporation.

RHODE ISLAND

The following companies in Rhode Island purchase imported gas directly: Ocean State Power, Pawtucket Power Associates, and Valley Gas Co.

Rhode Island is also served by the following interstate pipeline that includes imported gas in its supply: Tennessee Gas Pipeline Company.

Its sales customers in Rhode Island include: Valley Gas Co.

SOUTH DAKOTA

South Dakota is served by the following interstate pipeline that includes imported gas in its supply: Tennessee Gas Pipeline Company.

Its sales customers in South Dakota include: City of Watertown Municipal Utilities, Iowa Public Service Company, Minnegasco, Inc., Northwestern Public Service Co., People's Natural Gas-Utilicorp., Peoples Natural Gas, and Watertown Municipal Utilities.

TENNESSEE

Tennessee is served by the following interstate pipeline that includes imported gas in its supply: Tennessee Gas Pipeline Company.

Its sales customers in Tennessee include: City of Collinwood, City of Bolivar, City of Clarksville, City of Hohenwald, City of Lafayette, City of Lawrenceburg, City of Lebanon, City of Linden, City of Lobelville, City of Loretto, City of Portland, City of Ridgetow Natural Gas, City of Savannah, City of Springfield, and City of Waynesboro.

East Tennessee Natural Gas Co., Greater Dickson Gas Authority, Hardeman-Fayette Utility District, Horton Highway Utility District, Humphreys County Utility District, Lexington Gas System, Midwestern Gas Transmission Co., Piedmont Natural Gas Company, Pulaski Natural Gas Dept., Smyrna Natural Gas System, Town of Adamsville, Town of Centerville, Town of Dickson, Town of Henderson, Town of Parsons, Town of Walnut, United Cities Gas Company, and West Tennessee Public Utility District.

TEXAS

Texas is served by the following interstate pipeline that includes imported gas in their supply: Natural Gas Pipeline Company of America, Northern Natural Gas Company, Panhandle Eastern Pipe Line Company, and Tennessee Gas Pipeline Company.

Their sales customers in Texas include: American Central Gas, Anthem Energy, ARCO Gas and Oil Co., Arkansas Louisiana Gas Company, Cabot Gas Supply, Centran Corporation, Cibola Corporation, City of Gruver, City of Hemphill, City of Iraan, City of Kountze, City of Marietta, City of Rankin, City of Stinnet, City of Sunray Utilities, City of Woodville, Coastal Gas Market, Dolphin Energy, Eastex Hydrocarbons, Enron Gas Marketing, Enron Industrial, Entex, Inc., Gas Company of New Mexico, High Plains Natural, and LEDCO.

Lyle Energy Sources, Mercado Gas Services, Meridian Oil Trading, Midcon Marketing, Morse Utility Company, Natural Gas Clearinghouse, Nebraska Municipal, North Texas, Pacific Western Ener, Phoeniz Chemical, Picor, Producer's Utilities, PSI, Rangeline, Southern Union Gas, Southwest Gas Distributors Inc., Valgas, VHC Gas Systems, West Texas Gas Inc., West Texas Utilities, Westar, and Wheeler Gas Company.

UTAH

The following companies in Utah purchase imported gas directly: Grand Valley Gas Co. and Utah Gas Services.

Utah is also served by the following interstate pipeline that includes imported gas in its supply: Northwest Pipeline Corporation.

Its sales customers in Utah include: Utah Gas Service.

WASHINGTON

The following companies in Washington purchase imported gas directly: ARCO Products Company, Atlas Foundry, Ault Naval Base, Biomass, Boise Cascade Corp., Cascade Natural Gas Corporation, Centennial, Chevron Chemical, City of Ellensburg, WA, City of Enumclaw, WA, City of Long Beach, WA, Columbia Aluminum, Darigold Inc., Development Associates, Domtar Gypsum, Dyno Overlays, Inc., Earle M. Jorgenson Co., Georgia Pacific Corp., Grand Valley Gas Co., IGI Resources, and Inland Empire Paper.

Intalco Aluminum Corp., Intermountain Gas Co., J.H. Gypsum, James Hardy, James River Corp., Jorgenson Forge, Kimball Energy Corp., Kimball Resources, McCain, McCall Oil, Mock Resources, Mutual Materials Co., Nalley's Fine Foods, National Gas Resources, Northwest Natural Gas Co., and Occidental.

WEST VIRGINIA

West Virginia is served by the following interstate pipelines that include imported gas in their supply: Northern Natural Gas Company and Viking Gas Transmission Company.

Their sales customers in West Virginia include: Cabot Corp., Cumberland Gas Corp., and Utilicorp United Inc.

WISCONSIN

The following companies in Wisconsin purchase imported gas directly: Ampco Metals, Aquila Energy Marketing, Archer-Daniels-Midland Co., Associated Natural Gas, Badger Paper, Inland Steel Co., Kaztek Energy Mgmt, Kohler Company, Little Rapids Corporation, Northern States Power Co., Ore-Ida, Proctor and Gamble Co., State of Wisconsin, Tecumseh Products Company, Weyerhauser, Wisconsin Fuel and Light, Wisconsin Gas, Wisconsin Power & Light Company, Wisconsin Public Service Corporation, and Wisconsin Paper Board.

Wisconsin is also served by the following interstate pipelines that include imported gas in their supply: Northern Natural Gas Company and Viking Gas Transmission Company.

Their sales customers in Wisconsin include: Elroy Gas, Midwest Natural Gas, Natural Gas Utility of Viroqua, Natural Gas, Inc., Northern States Power Co. of W., Northern States Power Company, St. Croix Valley Natural Gas Company, Superior Water, Light & Power, Viroqua Natural Gas Utility, Wisconsin Gas Company, Wisconsin Power and Light Company, and Wisconsin Southern Gas Company.

PPG Industries, Inc., Seattle Rendering, Seattle Steam, Seattle VA Hospital, WA, Simpson Paper, Simpson Tacoma Kraft Co., Simpson Timber Company, Sonoco Products, Vanalco, Vancouver VA Hospital, WA, Walla VA Hospital, WA, Washington Natural Gas Company, Washington Water Power Co., Westar Marketing Co., Weyerhauser, Whitman College, Willamette, Williams Gas Marketing, and Zebec.

Washington is also served by the following interstate pipeline that includes imported gas in it supply: Northwest Pipeline Corporation.

Its sales customers in Washington include: Cascade Natural Gas, City of Buckley, City of Ellensburg, City of Enumclaw, Northwest Natural Gas, Washington Natural Gas, and Washington Water Power.

WYOMING

The following companies in Wyoming purchase imported gas directly: Wyoming Industrial Gas.

Wyoming is also served by the following interstate pipeline that includes imported gas in its supply: Northwest Pipeline Corporation.

Its sales customers in Wyoming include: Wyoming Industrial Gas.

VERMONT

The following company in Vermont purchases imported gas directly: Vermont Gas Systems.

INGAA,
April 23, 1991.

Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: This is to reconfirm INGAA's active opposition to the provisions of the Wirth/Domenici amendment to S. 341, which moved import/export authority from DOE to FERC and triggered mandatory FERC review of pipeline rate designs with respect to imported gas supplies. INGAA opposed the concepts in this amendment before the Committee's markup and will continue to push for their removal from the final legislation.

The existing policy for import and export authority is working well and should not be changed. We would be pleased to provide additional information for the record on this matter.

Sincerely,

JERRY HALVORSEN.

CONSUMERS' COUNSEL,
Columbus, OH, June 14, 1991.

Hon. MICHAEL OXLEY,
U.S. House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN OXLEY: At the June 5, 1991 hearing on natural gas issues held by the Subcommittee on Energy and Power, at which I presented testimony on behalf of the National Association of State Utility Consumer Advocates (NASUCA), you raised some questions about the effect of a provision of S. 341 (now pending in the Senate as S. 1220). I would like to respond more fully on behalf of NASUCA and for the Ohio Office of the Consumers' Counsel (OCC).

As you know, we represent the concerns of small captive consumers of natural gas. OCC's jurisdiction is limited specifically to the interests of residential consumers. These consumers are those whom the Natural Gas Act of 1938, and other regulatory statutes, are intended to protect. They are also the customers who pay rates for firm service, whether sales or transportation, from interstate pipeline. The rate design changes which Senator Domenici advocated before you on June 5, and which would effectively be mandated by S. 1220 as it now stands, allow pipelines to recover all their fixed costs, as well as their return on equity, in a demand charge. This demand charge component of rates is billed and paid regardless of gas usage. While this rate design results in a lower rate for each additional unit of gas consumed, the full costs are still reflected in consumers' bills. Moreover, firm service customers pay the majority of the demand charges. The effect is to shift the risk of a pipeline's operations to those consumers who are most dependent on the pipeline's service.

I hope this explains the basis for our opposition to the rate design shift advocated in S. 1220. As to whether the provision under discussion violates the Free Trade Agreement with Canada, NASUCA has not taken a position, as I stated in response to your question. OCC will review the issue, as you suggested.

Natural gas consumers in Ohio and elsewhere will be greatly affected by the results of your deliberations on these matters. We are pleased that you are devoting such thoughtful attention to them. If NASUCA or OCC can provide further information, please do not hesitate to contact us.

Very truly yours,
MARGARET ANN SAMUELS,
Federal Counsel, Ohio Office of Consumers' Counsel, Chair, NASUCA Gas Committee.

PEOPLES GAS SYSTEM, INC.,
Tampa, FL, February 5, 1992.

Hon. CONNIE MACK,
U.S. Senate,
Washington, DC.

DEAR SENATOR MACK: It is my understanding that the National Energy Security Act, S. 2166, will shortly be considered on the Senate floor. This bill contains provisions that, if enacted, would impose new restrictions on imports of natural gas.

Peoples Gas System opposes these provisions. We believe that there is an urgent need in Florida for large new power generation sources. In many instances, these cogeneration projects, including those to be served by our company, are fueled by natural gas, including natural gas imported from Canada. We believe that these projects should be free to choose among all available supply options, including imported gas supplies, without interference by anti-import restrictions that erect unnecessary barriers to the North American natural gas trade, violate the U.S.-Canada Free Trade Agreement and are viewed as inappropriate by more than 50 Senators.

We understand that Senators Bradley and Seymour may offer an amendment to strike these anti-import provisions from the Senate energy bill. I urge you to support their amendment.

We also understand that Senators Domenici and Wirth may offer substitute language as a second degree amendment to the strike amendment offered by Senators Bradley and Seymour. We believe that the alternate language that may be offered by Senators Domenici and Wirth has the same defects as the original provisions of S. 2166, and I urge you to vote against their amendment if offered.

Thank you very much for your attention to this matter.

Sincerely,
JOHN A. BRABSON, JR.,
Chairman, President & C.E.O.

Mr. JOHNSTON. Mr. President, this is a very important amendment. I congratulate Senators BRADLEY, WIRTH, DOMENICI, and all parties who have dealt with this, on working this out.

We hope when we get to the conference committee that all matters respecting Canadian gas, including that which is I think presently contained in the House bill, may be deleted so that this bill will, upon presentation to the President, be solid on this issue. That is our goal.

We support the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. WALLOP. I ask unanimous consent that I be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. And I.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment of the Senator from Wyoming? If not, the question is on agreeing to the amendment.

The amendment (No. 1577) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FOWLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1576 TO AMENDMENT NO. 1575

Mr. FOWLER. Mr. President, in offering this amendment today with my distinguished colleague from Florida, Mr. GRAHAM, I make no statement about either the utility or the desirability of nuclear power. I leave that to others in this debate or to another day.

But I join with Senator GRAHAM and others simply to try to discharge some fundamental, I believe, obligations to the American public.

The public is the individual, the States, and the nuclear energy. Part of that obligation is to ensure that in this particular instance no one interest dominates the other to the exclusion of the rights and responsibilities of the others.

Another is to make sure that the Nuclear Regulatory Commission has the tools it must have in order to discharge its obligations to that same public.

In its role of facilitating the operation of the atomic plants, the NRC is also under the charter of the guardian of the public's health and safety. Obviously, this body must go about fulfilling these responsibilities in a rational and understandable manner and once we have met these obligations, it seems to me, it must be clear on the very face of the legislation what rights, opportunities, and obligations we are attempting to codify.

The amendment sponsored by Senator GRAHAM and myself we hope strikes the necessary balance between these interests, and also strikes that balance coherently. It does set up a mechanism by which the NRC can improve the effectiveness and efficiency of the licensing procedures which is consistent with the protection of the public health and safety and with the right of responsible public participation in the process.

First, like S. 2166, the amendment authorizes the Nuclear Regulatory Commission to issue combined construction permit and operating licenses in order to streamline the licensing process.

This change, I might add parenthetically, has been sought by the nuclear industry for more than a decade, and I believe that in accommodating their desire, we must now build an infrastructure which recognizes our will as a society and our expectations as a democracy.

I think we all pretty much agree that we must not permit streamlining of the nuclear licensing process at the expense of the rights of interested States or of members of the public. This body cannot afford to even create the perception that the public's participation in nuclear licensing decisions is either expendable, undesirable, or unwelcome. There can never be any compromise or breach of the public's health and safety.

Another very important decision this body must make is once the Commission decides that a plant may go forward in operation, under what circumstances and through what process may the challenge be argued against operation, especially when new evidence becomes available?

I am going to try to separate these issues very carefully here because I hope that, by doing so, we get a very clear sense of how this amendment differs with the Johnston-Wallop proposal in some very fundamental key public policy areas.

First, I would like to address under what circumstances may the public challenge an NRC decision to allow a nuclear plant to operate?

Put another way: What must the public show in order to get through the door of the NRC to make their case?

Unlike the substitute, our amendment, that of Senator GRAHAM and myself, is absolutely clear on what the public must raise in order to raise a challenge of licensing or licensing of nuclear power.

The Graham-Fowler amendment goes one step further in that we let the public and interested States know precisely what its rights are once it meets certain threshold requirements in mounting the challenge.

Our proposal then informs the NRC what is must do when certain issues are raised in the manner outlined.

These areas of our proposal are clear, in my opinion. On the face of the amendment, we create no new obscure legal principles or standards. All parties involved—the Commission, the industry, and the public—know exactly what to expect during the combined license process, or would, under this amendment.

As long as the public meets the threshold standards set out in the amendment, the public has a right to an adjudicatory hearing on the record. It is just that simple, but it is also that fundamental.

Some have argued—and I respect the arguments—that the threshold standards we have explicitly set out are unnecessarily high for the public to meet in order to obtain a hearing.

As my colleague from Florida tried to explain a moment ago in a colloquy with the now Presiding Officer, the Senator from Minnesota, an awful lot of people wanted everything shut down as long as there was any public question or public inquiry. Senator GRAHAM and I happen to believe that that is unreasonable on its face. The plants are there. Plants can be built. Authority ought to be in the NRC to make them safe.

The authority ought to be unquestionably by Government oversight that if a challenge is made, they have the authority and the responsibility to inform the public as to whether or not they believe that challenge is frivolous. And we are willing—although there is great dispute and much criticism, and some will oppose this amendment, because we do not shut down the plant when the appropriate legitimate challenge is made. Some say that is irresponsible. But we believe that the legislative apparatus we have put in place here ought to create more certainty in this process; that legitimate, nonfrivolous claims will be heard. And we give the commission the flexibility of determining whether good cause exists for a hearing on these claims.

We set out in the statute what the NRC's obligations are, again allowing the Commission flexibility in discharging these obligations. We tell the public what it can expect once it has crossed a relatively high threshold of proof. Again, the public must cross that threshold, and once it does, then the NRC, under our amendment, must grant the adjudicatory hearing.

It seems to me that, with all due respect, and not by any sense deliberate, the "due process" under the committee amendment, adopted by the majority of the committee in S. 2166, is profoundly undemocratic, because the approach basically denies the public's right to due process through cross-examination and discovery. In fact, the language creates a presumption against due process. And this—in the words of our President on another issue—"cannot stand." It may be adopted, but legally—it is just one Senator's opinion—it cannot stand.

The public's right to due process, in any proceeding before an agency that its tax dollars created and now support, can no more be vitiated or held in abeyance by a presiding officer of the NRC than it can be by a President of the United States.

To go a step further, nobody underestimates the enormous task that the NRC has. Certainly, we must not tie the Commission's hands by trying to dictate under what circumstances, and only under those circumstances, it can allow a question to be asked by cross-examination or when it can require a document to be produced through discovery. That is absurd.

We must let the Commission do its job by giving it access to the tools that it needs when it is in the position of trying to get it through. Cross-examination and discovery are those tools of the law. Even traffic courts have to use them. You can see the absurdity of trying to deny them here.

I might add that, before the Johnston-Wallop proposal surfaced, the NRC, to my knowledge—and after as much research as I could find—never proposed to dispense with the public due process rights by eliminating cross-examination and discovery from its purview.

We cannot try to do it now, nor ever, for that matter, not as long as we have our democratic principles.

Along the same lines of due process, the public has the right to expect that any arbitrary or capricious decisions by the Commission in allowing the plant to operate or denying a postconstruction hearing will not stand. Again, that is why Senator GRAHAM and I try to make it clear that these decisions by the NRC are judicially reviewable. That is the court's obligation and responsibility in this process, and this body cannot take that away from the judiciary, no matter if we differ with its tendencies. The judiciary has an oversight function as well, and Senator GRAHAM and I respect that in this amendment.

We will not relegate the courts to simply reviewing petitions or other enforcement actions here. We provide for judicial review of NRC decisions, those allowing operation or denying the requests for postconstruction adjudicatory hearings. That is as it should be.

Mr. President, I conclude with where I really should have begun. The way we came to this discussion with the industry is the contention that public participation, through the hearing process, in nuclear licensing proceedings was somehow delaying the operation of these facilities. While this contention is advocated by many, and also vehemently disputed by many, Senator GRAHAM and I are trying to accommodate this concern by allowing the NRC to operate the plant, and, even further, to permit the plant to operate, and then operate pending the resolution of issues in dispute, so long as the Nuclear Regulatory Commission concludes that it is safe to do so.

This is the so-called interim operation provision. By offering this amendment, we meet head-on the argument that public hearings are creating unreasonable delays in the operation of safe nuclear facilities.

(Mr. BURDICK assumed the chair.)

Mr. FOWLER. As long as it is safe to do so, operation can begin even before the resolution of the issues in dispute.

But how else do we get in new evidence? What if you have an earthquake? What if bridges fall down? How is that question going to be raised?

With an aside and a metaphor that I hope will be worthy of the chairman of the Appropriations Committee and the President pro tempore [Mr. BYRD], all you have to do is look at the newspaper yesterday and go back 2,000 years. The extraordinary science developed by our satellite technology found the ancient city of Ubar—Iram of the Koran; Ubar of the Bible—home of the world-famous frankincense, and probably the site at which the three wise men sat down to bring gold, frankincense, and myrrh to the Baby Jesus.

This extraordinary technology in the sky that we have now, through almost invisible infrared science, can read 5, 10, 15 feet under the Earth—camel tracks and trading routes thought lost through hundreds and hundreds and hundreds of years.

The story of Ubar bears repeating to all who think they have built something that cannot break. Because Ubar, 2,500 years before Christ was born, was heralded as the finest city in all of the Asian Peninsula—eight towers were described, and the only place where water was found within 300 miles. All trade routes had to go through the town to get their water: The Jewel of the Ancient World.

Guess what happened? Our archaeologists, after following the satellite photographs of the camel trains and camel tracks, found that Ubar collapsed because the water supply that they built it over was in a limestone cavern. And unexpectedly, the perfect city, through the weight of its last tower, collapsed because the limestone cavern with its water supply could not support it.

Ever since that time and even before, whether it be the invention of the cotton gin by Eli Whitney, up to the most incredible technology, the proponents of that technology have said it is perfectly safe and it will not break. Whereas, anybody with any walking-around sense, no matter how much you are an adherent of sophisticated technology, knows it is impossible for man to construct with his hands something that cannot break.

Or, even if it is as safe as humanly possible, some natural cataclysmic event, be it an earthquake, the shifting of an aquifer, or the flooding of a river, can cause it to be made unsafe.

Nobody in this body and nobody out on the street will dispute that principle. It is just what is called walking-around sense.

All in the world that Senator GRAHAM and I are trying to do is to provide for the contingency that after the agency with the authority to ensure that nuclear plants are safe, after they have been given a permit to operate, after they are operational, if there is some new evidence that is not frivolous, there is a way for that evidence to be presented by the public who alleges that new evidence having to do with safety or health, that they can present that in a forum—I will use a nonlegal word—in a forum where responsible, due process procedures are followed, and where a court, if necessary, will have a responsible, legal due-process record from which to make the review, if a judicial review is necessary.

There are a lot of things I do not understand about public policy, and that is painfully obvious to my colleagues most of the time.

But I do not understand why anybody, looking at all of our fundamental responsibilities having to do with the technology of nuclear powerplants, would not say that this is the most reasonable, rational approach to trying to protect the public interest and to allow those who believe in nuclear power to build without any undue delay or hindrance.

The policy lines between our amendment and that of my distinguished chairman are very clear. Everybody here has had the opportunity to be heard and be on the record. I am saying that that, in and of itself, is more than the public would be allowed for the construction of nuclear powerplants under the Wallop-Johnston proposal.

We will vote on these two approaches. The record will be made, and when the bell tolls, it will be left to the judgment of the public we serve as to whether or not we have done our jobs; and that, too, is as it should be.

I thank the chairman.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator from Louisiana [Mr. JOHNSTON].

Mr. JOHNSTON. Mr. President, as I heard the very eloquent and interesting Senator from Georgia talk about the ancient city of the Middle East and how it sank, or at least how its towers sank down through the limestone, killing its water supply, and that it died as a city, I thought he was saying that as a predicate for the potential demise of the United States, engulfed in greenhouse gases, with the warming effect that they present.

And I was thinking, perhaps, that he had been persuaded that at least we ought to consider a way to avoid generating further greenhouse gases.

Mr. President, in my view, the seriousness of people who talk about greenhouse gases is measured by whether or not they admit of the nuclear option. And if they do not, then I would dismiss, at least, all of their talk about the need to avoid global warming. If they will not even admit of the option for nuclear power, then I would say they are not very serious about global warming.

Because, Mr. President, all of these other means of producing energy, whether it is natural gas, which is the cleanest, produces a lot of CO_2, some SO_2, and a reduced amount of NO_x. You go up from there, with all fossil fuels and all of the other ways of producing energy.

Mr. President, nuclear power ought to be allowed, at lest as an option.

The issue presented here is a very, very clear one. It is whether or not we should require the Nuclear Regulatory Commission, after going through all of these hoops, after going through years and years of public hearings, whether they shall then be required to hold adjudicatory hearings—one of these monster trials, which again is illustrated by the chart. This is what a public hearing consists of and that is why it takes 22 months in the case of an early site permit, 18 months in the question of design certification, and 22 months with your combined license, just in the hearing. That is why it has taken 49 months on the average, prior to part 52, and that is why it outlaws nuclear power as a potential source if you are going to permit that uncertainty.

Mr. President, as the NRC says, part 52 adequately protects the public for any new information. It works well. It worked well in Yankee Rowe just within the last few months when a hearing was brought on, an informal hearing, which resulted in the plant being shut down.

Mr. President, we have now been on this issue for 2½ hours. I do not want to cut anybody off. I am, therefore, ready to make a motion to table.

Mr. President, I will withhold that motion at this point.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming [Mr. SIMPSON].

Mr. SIMPSON. I thank the Chair.

Mr. President, this comprehensive energy bill, by its nature, addresses all means of generating electricity, including nuclear energy.

The nuclear reactor licensing title falls in the jurisdiction of the subcommittee on which I have served for 13 years—I have been involved in the subject.

Today, as we consider the shape this country's energy policy will take, we must consider all the energy resources which we have in our own country, including nuclear energy.

Our domestic resources, all of them, should be fairly and equitably evaluated as we plan for this country's energy future.

NEED FOR NEW ELECTRICITY GENERATING CAPACITY

One of the most significant challenges facing the United States during this decade will be to assure reliable and affordable supplies of electricity to sustain economic growth and prosperity for our citizens and to preserve our competitive position in the world economy.

The direct correlation between economic growth and electricity demand growth has been well documented.

Building new electric capacity must be achieved in the context of assuring protection of public health and the environment. And we will do that.

Nuclear energy is receiving a second look from many corners for a number of reasons:

First, the need to develop secure, domestic energy sources to lessen our dependence on foreign oil;

Second, the need for new electricity generating plants, as reserve margins decline and are seriously low in various regions of the country;

Third, the environmental advantages of nuclear energy which does not contribute to air pollution or acid rain; and

Fourth, in recent years, the dramatic improvement in nuclear powerplant performance nationwide.

The administration's national energy strategy determined that the need for electricity is such that utilities must have additional baseload capacity ready to generate electricity just after the turn of the century. In order to meet that demand utilities must begin planning for this needed capacity now.

Not many people realize that 20 percent of this country's electricity is generated by nuclear power plants. These plants have been operating for many years, near almost every major city—pumping out clean electricity every single day.

NEED FOR LICENSING REFORM

To ensure the safety of all citizens while realizing the contribution from safe nuclear power, we must proceed with reform of the lengthy and cumbersome process by which nuclear plants are licensed.

The former licensing process was very unpredictable and created levels of uncertainty and financial risk, which utilities and investors today are still unable to accept.

By streamlining the licensing process, coupled with early site selection and standardized nuclear plant designs, much of this uncertainty will be eliminated—while preserving the public's ability to participate, in a meaningful way, early in the process.

Unfortunately, some have unfairly characterized the provisions of this bill as an effort to eliminate public participation.

The fact is that the licensing reform provisions considered enhance public participation by allowing more timely and meaningful involvement in the licensing process.

For example, the provisions require the resolution of all safety issues before plant construction begins, and provide for multiple opportunities for the public to raise new issues.

This is in addition to stringent testing criteria to ensure that the plant is built in accordance with the license which the Nuclear Regulatory Commission issues.

There is great debate regarding the opportunity intervenors may, or may not, have for public hearings under the provisions of this bill and even under the NRC's regulation found at 10 CFR part 52.

Under the previous licensing scheme—the two-step process which we are all too familiar with—the opportunity for a public hearing occurred after completion of construction.

That process had the potential of indefinitely delaying the operation of the plant. It is easy to understand why investors today have refused to accept such a risk of financial exposure.

What is of great concern to me is intervening strictly for the purpose of frustrating the process and causing delay.

Many unfounded criticisms have been levied that the public is precluded under the provisions of this bill from participation in the process.

However, the public now would have the opportunity early in the process to participate in all aspects relating to safety of nuclear plant design certification, plant siting, construction, and operation including emergency planning.

There are some critics of this proposal who claim that the process shuts out the public and thereby jeopardizes the public's health and safety, despite the fact that there have been many opportunities for public comment early in the process.

I think the public's participation is most constructive at the early stages of planning. In fact, under the old licensing process, one of the major criticisms was that the opportunity for public comment occurred late in the process—now critics are turning that old argument around saying they are precluded from participation at the end of the process.

THE STREAMLINED PROCESS ALLOWS FOR EARLY PUBLIC PARTICIPATION

The early site permitting process allows for a public hearing to resolve site-related issues. This is important because it allows any potential problems with the site to be discussed in the public arena before the site is permanently selected and the large capital commitment for construction is made.

Additionally, during the design certification process, an informal rulemaking allowing for public notice and comment will take place. This process will address all key safety issues regarding the plant design.

It is at this time that all necessary safety information concerning a plant's design will be available for review and comment by the public.

When a utility applies for a combined license—the construction permit and the operation license—another public is hearing is held.

This is meant to be a full adjudicatory hearing with full rights of discovery, and cross-examination which address other issues, including emergency planning.

Full public participation in the combined licensing process allows for the identification and resolution of issues which were not considered in the site-selection or design-certification process.

The combined license will include the acceptance criteria, and all necessary inspections, tests and analyses which will be used to ensure that the plant will be constructed and operated such as the public health and safety is protected.

Yes, I believe it is crucial to provide a more stable and predictable environment, for all interested parties, by securing legislation for a reformed licensing process.

Such statutory language is preferable to administrative rulemaking which is subject to potential revision.

INVESTOR NEED FOR PREDICTABILITY IN THE LICENSING PROCESS

In a letter received from the investment banking firm of Morgan Stanley & Co., they stated what it would take to stimulate investment in nuclear plants—and it is reasonable—predictability.

> In streamlining the nuclear licensing process, a principal concern to investors is the elimination of any unnecessary or redundant postconstruction hearings which may block or delay safe plant operations.
>
> To allow a postconstruction adjudicatory hearing without a requirement that the challenger meet a high threshold of proof of unsafe plant operation is inadequate.
>
> The potential investment risks resulting from lengthy hearing and procedural delays will be so great—as they have been in the past—that investors will be unwilling to provide the necessary capital for the construction of new nuclear plants.

Fairness and rational judgment dictates that once licensing decisions are made that they not be subject to a hearing process of unlimited scope or duration after the plant has been built.

Postlicensing safety issues and new information should be resolved in the same way that these issues are currently addressed for operating plants—as a petition to modify the license.

Mr. President, I have been listening to some of the debate. I have been involved in this area as long as the Senator from Louisiana and the Senator from Wyoming, my lovely friend and colleague of many years. This is really an extraordinary departure from what we have been working for over many years. I am very disappointed to see the second-degree amendment to even come forward. It puzzles me, because what we have been trying to do is to avoid plant operation delays caused by the extraordinary prowess of those who hate nuclear power, those who would just continue to frustrate the process and do it in. I am not a nuclear power advocate, spokesman, 100-percenter. I fail that test. I have as much heartburn with those who say "Hell, no, we won't glow" as those who say nobody has ever been killed.

So we try to guide an appropriate fair and balanced process here. And I commend the Senator from Louisiana and the Senator from Wyoming for their work. What we are attempting to do is something that most of the citizens of America think should be done. Under the first-degree amendment, the public will have multiple opportunities for comment, but at some point there must be finality in the licensing process.

I do not understand what the purpose of this second-degree amendment is. This is an aberration at this point in time, and it does not fit. The NRC's sole function in life is to protect the public health and safety. They have no other function. None. The Commission finally went to work to do the things they should have done for years, and they have with part 52. You have had an alert Congress.

I happen to have served on the Subcommittee on Nuclear Regulation since I came here when Senator Gary Hart was chairman. I then chaired it. Senator BREAUX then chaired it. And we all worked closely together. Senator GRAHAM chairs it now, and I serve as his ranking member. We have talked about the need for licensing legislation. And I thought we were working toward the same goal, which I see was not to be. I understand how this happened.

If we could have pressed forward then I think we could have had some good results. What Mr. GRAHAM's second-degree amendment does is throw us right back to where we were before part 52 was promulgated, which is absurd. You should guarantee the combined construction permit operating license and as we have in part 52. In part 52, we have the early site permit process. I do not want to go into detail on that process. The chairman has explained it beautifully. It has a public hearing to resolve site-related issues. That is critical. It allows any potential problems with the site to be discussed in the public arena.

No one is trying to hide anything from the public. If anyone is still talking on that basis, they are misguided in this process. Even the representative of the Union of Concerned Scientists at the Nuclear Regulation Subcommittee hearing just a few days ago said, "I think we are getting close." I would think he would have said that because at every point in time there is public participation.

Additionally, during the design certification process, an informal rulemaking would allow for public notice and comment to take place. This process will address all key safety issues regarding the plant design. It is at this time that all necessary safety information concerning a plant's design will be available for review and comment by the public. And that is what we are interested in, resolving such issues before money is invested in construction.

When a utility applies for a combined license, that is the construction permit and operation license, another public hearing is held. That is meant to be a full adjudication, a hearing with full rights of discovery, and cross-examination, which addresses all other issues, including emergency planning. Emergency planning in the past has been something that the nemesis of several plants. That is when the local communities have said, "You can go forward with the plant if we just had a new bridge across the river." If we could do this, if we could do that. These issues now will be resolved before the plant is constructed.

The combined license will include the acceptance criteria, all necessary inspections, tests, and analysis, which will be used to ensure that the plant will be constructed and operated such that the public health and safety is protected. I firmly believe that it is absolutely crucial to provide a more stable and predictable environment for all interested parties by securing legislation for a reformed licensing process.

The Nuclear Regulatory Commission, I think, should inspire confidence. They have a fine group of Commissioners, and they have done what the public requires them to do, to protect them. We want to be careful that this process does not degenerate to what it was before where a plant costs $2, $3, or $4 billion, for no reason whatsoever except that an issue was raised after construction that should have been resolved before.

I do not think statutory language is preferable to the administrative rulemaking, which I think is subject to potential revision. But there is a need for predictability in the licensing process.

As I say, I have worked with the distinguished chairman of the Subcommittee on Nuclear Regulation, Senator GRAHAM, for nearly 2 years now. We have worked together on that subcommittee, held a number of very important hearings ranging from the adequacy of the electricity supply in the country to the safety of the Soviet-designed nuclear reactors around the world.

The major bulk of the work, however, has been to investigate the need for statutory action to codify nuclear licensing reform.

We have had several hearings, most recently—as I say—on January 23, several weeks ago. We have heard every single opinion. We have heard every single interpretation. We have heard every single reason for and against legislating licensing reform.

I have been attempting to work with Senator GRAHAM on a position on nuclear licensing reform as a substitute for the provision of the former S. 1220. We met on Tuesday of this week to agree in principle on at least some ideas and to pursue legislative language. Within hours of that meeting, the majority committee staff began to circulate a proposed substitute characterized as the Graham-NRC proposal.

And then it was described as the Simpson-NRC proposal. This was because it was introduced to our subcommittee by NRC's request in 1985. I can assure you it was not a Simpson proposal. And I can assure you it was not the NRC proposal. It was not.

And so by Wednesday morning, the amendment was formally circulated as the Graham-Fowler amendment, and a staff briefing was held.

I can assure you I do not say this with pain because I have plenty to do and am not seeking turf. I gave that up long ago. But I am talking about the reality of discussions in this area.

So, concurrently, I then felt I should go forward with some of the discussions which were underway on compromise language to S. 2166. So I and my staff, worked with Senators WALLOP, JOHNSTON, and BREAUX, my former chairman on the subcommittee, to fashion a compromise package of amendments as a substitute, which I believe will address some of the concerns raised by members of the Environment and Public Works Committee.

Specifically, the Johnston-Wallop-Simpson-Breaux compromise will improve on the language in S. 2166 in very significant ways. It will provide for judicial review of a final commission order to allow operation. It will replace the language in S. 2166, providing that the Commission shall satisfy itself with the language "shall find" which therefore provides an objective standard for commission determination.

In order for interim operation during the pendency of a hearing, the Commission will make a positive finding that the plant is safe to operate. That should address the concern expressed by some that a negative finding of no assurance of safety is inappropriate. And, postconstruction hearing procedures will be at the discretion of the NRC, either formal, adjudicatory hearings, or informal, but the Commission must state their reason for either choice.

So while I mentioned the phrase "formal, adjudicatory hearings," let me explain what that has meant in the context of the NRC. These have been full-blown Federal trial-type hearings, lasting for several years. And in cases, many years. They are highly confrontational and devoted primarily to lawyers and lawyers' arguments and those who hate nuclear power and those who love nuclear power.

All genuine issues of material fact require the same procedures for resolution with the result that enormous time and resources can be spent on relatively minor safety questions. In the past we have found more attention has been devoted to procedural issues, which have superseded all the substantive issues. This type of activity has been based on the theory that a reviewing court will scrutinize a procedural ruling more closely than a ruling on a substantive safety matter.

So here we are at this point—I hope not going to go back to the old two-step licensing process—the reason why we left the great white whales, like Shoreham, laying up there in New York with $5.2 billion of somebody's money down the rat hole. And that happened. That is the most egregious example of the bloated and twisted hearing process.

So here, finally, we are at a point in the life of nuclear energy in America where we have hearings, combined licenses, multiple opportunities for public comment and now suddenly going back to a procedure which is going to create great delay, great inflexibility and great disturbances within the investment community. Who will invest in new facilities under the second degree amendment? We have a Clean Air Act which is going to require us to go to nuclear energy, low-sulfur coal, and natural gas. And 20 percent of America's electricity is already generated by nuclear energy. The Senator from Florida represents a State that has nuclear power plants.

We have nuclear waste that we have not even dealt with, high-level spent fuel. We ought to have a hearing on that someday and talk about what we are going to do with 43,000 metric tons of stuff sitting under 26 feet of demineralized water all over the United States, while everybody is saying "not here," and "not in my backyard."

There are some realities to nuclear power and they have to do with getting it on stream, doing it in a sensible way, protecting the public. And the public is protected in the most extraordinary ways with this Johnston-Wallop compromise. Not only in this bill but in the regulatory process.

We can go forward here with this Johnston-Wallop compromise, to codify what we have been striving for predictability in the licensing rules. I think America will be the better for it, and I thank the chairman and the ranking member for their excellent work in this area.

The PRESIDING OFFICER. The Chair recognizes the Senator from Mississippi [Mr. COCHRAN].

Mr. COCHRAN. Mr. President, I support the nuclear licensing reforms that are contained in the committee bill and I urge the Senate to reject the amendment offered by the Senators from Florida and Georgia.

Nuclear power technology has advanced significantly in the past decade. Safety systems have been developed for reactors that require little or no human intervention to shut down the reactor should any problems develop. These systems are not only safe, but their reliance on natural forces, such as gravity, to control their cooling systems, results in a significant reduction in the amount of pipe cables, valves, and pumps required in the plant. As a result, plants using these systems will be safer to operate and easier to maintain.

The newer plant designs will also be more conducive to standardization. All nuclear plants builds so far in the United States have been designed individually, which has required extensive oversight by the Nuclear Regulatory Commission. This has resulted in design changes and delays in construction that have added to the cost of constructing these plants.

In that environment, it was appropriate to have a licensing process that encouraged intrusive oversight. Although some opponents of nuclear energy have used this process to delay the operation of these plants, the process itself has generally served the public well by allowing significant citizen involvement in many of the issues related to the approval of the operation of these plants.

The process needs reform to meet the challenges of this new era. Any plants built in the United States today will use newer, safer technology as well as standardized plant designs, which will allow easier oversight for the Nuclear Regulatory Commission.

Still, public involvement should be encouraged. While there are environmental and economic benefits to nuclear energy, there is no benefit that exceeds the need for the safety of the public, and American citizens must be confident of that. The reforms provided in the bill would ensure that the public retains its role in the licensing process.

Under the provisions of the bill, the current two-step process of providing a construction license up-front, and an operating license following construction, would be consolidated into one license for both construction and operation. Because the plant design will be known before construction, questions relating to safety and emergency preparedness can be resolved in the beginning.

When construction is complete, an evaluation—including public involvement—will be made to ensure the plant was constructed in accordance with the plans that were agreed to at the time of the issuance of the license.

This new process will provide a more predictable course of events which will allow nuclear plants to be built in 5 to 6 years, as is common in other countries, compared to the 14 years it has taken the most recent plants to satisfy the licensing process in the United States.

I hope the Senate will support the licensing reform provisions in the bill, and I urge my colleagues to oppose the amendment offered by the Senators from Florida and Georgia.

The PRESIDING OFFICER. Is there further debate?

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, the public is deeply concerned about the safety of nuclear power plants. Questions about the safety of construction and operation have plagued nuclear power since the first plant was built. Some argue that the public has needlessly delayed construction and operation.

However, my view is that the safety of nuclear power has been enhanced by the intense public scrutiny. The ability for meaningful and timely intervention by the public is one of the best mechanisms for assuring that public health and the environment are protected.

The Graham-Fowler amendment does not permit frivolous intervention or delay. One person could not, under this amendment, delay start-up of a completed nuclear power plant on a whim. Only those raising significant safety issues will be heard. But such persons are entitled to be heard on the record. Anything less shuts the door in the face of the American people.

Opponents argue that we cannot afford such intervention. I believe we cannot afford to be without it.

Shutting out the public by depriving them of a hearing before a plant begins operation sends the signal that those responsible for licensing, constructing and operating the facility somehow fear public scrutiny.

The Graham-Fowler amendment embraces early consideration of major issues. The emphasis is on providing thorough review from the beginning. Assuring that a plant is constructed and will operate consistent with NRC regulations and its license is essential.

The American people have a right to be heard. Safety cannot be compromised. I urge my colleagues to support the Graham-Fowler amendment.

I yield the floor.

Mr. KENNEDY. Mr. President, I give my strong support to the Graham-Fowler amendment on nuclear licensing. I am very concerned about the sweeping changes that the current bill would bring about in the licensing process for new nuclear power facilities.

In Massachusetts, we are well aware of the life-threatening risks to public health and safety associated with nuclear plants. At the Seabrook, Yankee Rowe, and Pilgrim plants, we have learned first hand the critical importance of citizen participation and scrutiny in safeguarding the public.

Most recently, the inspector general for the NRC has confirmed our suspicions that the NRC staff made significant misrepresentations to Congress on the integrity of the weld structure at Seabrook. This is just one example of conduct at the NRC that highlights the urgent and ongoing need for public oversight.

The current bill would severely restrict the opportunity for public input and make it recklessly easy to license new nuclear plants. Under this bill, it would be very difficult for citizens to obtain a hearing on new issues that may arise, such as emergency evacuation plans, new seismic or environmental data, or accidents that have occurred at similar plants.

The bill would also deprive citizens of access to documents that could reveal potential safety problems and give them the evidence to make a strong case that a new nuclear facility—at the critical stage before it begins operation—poses a threat to the health and safety of those who live in its shadow.

The one-stop-shopping approach to nuclear licensing makes a mockery of these profoundly important decisions for communities where these plants are located.

The nuclear lobbyists tell us that there will still be an opportunity for a public hearing on significant new issues before a plant begins operating. What they are referring to is a petition process that already exists, which has granted just 3 of 322 hearings requested over the last decade.

Senator GRAHAM and Senator FOWLER propose a sound alternative to these flawed licensing provisions. They would allow the NRC to streamline its licensing procedures and avoid drawn-out litigation over claims that are frivolous. However, they would not give the agency virtually unchecked authority to decide on its own whether an allegation has merit.

This amendment is a reasonable compromise that addresses legitimate concerns of the nuclear industry as well as the general public. The criteria it spells out for the NRC to use in evaluating claims of safety and construction deficiencies are the same criteria that the agency itself has developed, and that the NRC has been urging Congress to adopt for over a decade.

The public has every right to look closely at new nuclear plants and raise questions that relate directly to the health and safety of their families.

In response to these criticisms, the managers have made some revisions in the new substitute they are offering. But their changes do not address the most important issue: How much discretion should the NRC have in deciding whether to take safety allegations seriously?

In Massachusetts, we have seen first hand that the NRC is reluctant to give adequate weight to allegations of safety problems and construction deficiencies, even when these are raised by inspectors who were under contract and who have technical expertise to recognize problems.

I urge the Senate to reject this substitute, and to support the sound and vitally important amendment offered by Senators GRAHAM and FOWLER.

Mr. SYMMS. Mr. President, nuclear power is a strategically important answer to our Nation's energy security needs. This is not only because of the uncertainty of our oil supplies, but also because of the clean nature of the technology and how critical that is to future environmental concerns. In fact, I believe nuclear power can be a technological savior for successful management of our planet's resources.

This is why safety and quality plant construction is so important to the nuclear power industry. Public and worker safety at all nuclear power plants is essential if we are to gain the public support and confidence needed to develop this technology for the future.

The Nuclear Regulatory Commission has provided strong leadership in establishing a safety-first approach to nuclear energy policy. The NRC rules for fitness for duty and drug testing, plant design standardization, and intergovernmental emergency planning have contributed to the ever-improving safety and performance achievements by the nuclear power industry over the past few years.

Management at most of the Nation's nuclear power plants continue to focus on and demand better safety. 1990 performance indicators for the industry demonstrate that U.S. commercial nuclear power plants are having few unplanned shutdowns, low incidence of worker radiation exposure, and are producing electricity more reliably than ever.

This amendment by Senator GRAHAM would unravel the combined licensing approach expressed by the NRC in their part 52 regulations. In my view, the realistic implementation of the amendment would force a return to the unpredictable two-step hearing process for construction and operation of a nuclear power plant.

There are many impressive advanced reactor designs ready to be submitted to NRC for approval. However, we should avoid new legislation or regulation that selects one technological approach, one nuclear reactor, or one company over another.

Standardization regulations and licensing reform should be initiated so that the NRC can get out from under political issues associated with the construction of new nuclear power plants. NRC should be able to put their stamp of approval on a plant design or license without being mired in lawsuits and procedures.

I urge my colleagues to defeat the Graham amendment and do all that we can to enact the Johnston-Wallop nuclear licensing reforms into law.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I think the issue is a very clear one. The issue is whether, after three permits have been issued, after years of public hearings, and after the plant is finally complete, whether in effect the antinuclear intervenors will be able to require a public hearing, a full adjudicatory trial which has taken, during the decade of the 1970's, an average of 49 months, whether we will allow that simply by showing a disputed issue of fact, all of which is appealable. Mr. President, somebody said, the Graham amendment is not strong enough. It is strong enough to kill nuclear power because with the possibility of those kinds of delays, no one will build a nuclear plant, no matter what the safety, no matter what the economics.

We must reject the Graham amendment and we must uphold the bill and then nuclear power can compete in the marketplace and also can show itself to be safe.

Mr. President, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. For what purpose does the Senator rise?

Mr. GRAHAM. I rise to ask unanimous consent that in addition to the original cosponsors, Senators FOWLER, KENNEDY, BRYAN, REID, HARKIN, WELLSTONE, JEFFORDS, and MITCHELL be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, to close on the amendment.

The PRESIDING OFFICER. If the Senator will withhold, the Senate is now, a motion to table having been made, in a nondebatable posture.

Mr. GRAHAM. Mr. President, I ask unanimous consent for 3 minutes to close on the amendment?

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. GRAHAM. Mr. President, the basic issue here is under which circumstances would a member of the public have the right to secure a full adjudicatory hearing on nuclear safety, if the issues are just frivolous or insignificant, or if they are issues that could have been raised earlier and which were willfully withheld, then no hearing would be granted. But if the issues were truly serious—if they met the test in our amendment—then a hearing would be granted. The amendment that we are about to vote on does not allow hearings on frivolous issues. The amendment says that in order for a petitioner to have a right for a full adjudicatory hearing, it has to be either an issue that was not and could not have been raised at a previous hearing, or that it is an issue that raises a question of nonconformance with the license that was issued in a previous hearing, which nonconformance has not been corrected and which nonconformance could materially and adversely affect the safe operation of the facility.

Mr. President, those are not frivolous standards that the petitioners would have to meet.

Beyond that, the petitioner would have to show that the disputed fact is substantial, necessary for the Commission's decision on the safety of the plant and that it could not be resolved with sufficient accuracy except at such a full adjudicatory hearing.

Mr. President, those are the standards that have to be met in order for a citizen, a representative of a State and local community to have a right for a full airing of a safety concern prior to the operation of a nuclear plant. And even beyond that, Mr. President, we have provided for interim operating authority if the NRC makes a judgment that in its opinion the plant is safe to operate while those issues are being resolved through the adjudicatory process.

I think that is an eminently reasonable position in terms of both the interests of the industry in stability in the permitting process, and the right of the public to have a proper hearing on issues of nuclear safety, public health, and the environment.

I do not believe that the industry serves its own interest well by a policy that says we should preclude the public from having this opportunity for full airing of disputes. This will diminish public confidence in the NRC and the nuclear industry. Nuclear power cannot survive without real openness and public confidence. I believe that, by adopting the proposal of the Senator from Louisiana, it would raise additional questions of suspicion, doubt about this industry that would disserve its potential to become a more significant part of America's energy future.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 1576 offered by the Senator from Florida [Mr. GRAHAM]. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. INOUYE (after having voted in the affirmative). On this vote I have a pair with the distinguished Senator from Iowa [Mr. HARKIN]. If he were present and voting, he would have voted "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

I also announce that the Senator from Michigan [Mr. RIEGLE] is absent because of family illness.

On this vote, the Senator from Hawaii [Mr. INOUYE] is paired with the Senator from Iowa [Mr. HARKIN].

If present and voting, the Senator from Iowa would vote "nay" and the Senator from Hawaii would vote "yea."

I further announce that if present and voting, the Senator from Michigan [Mr. RIEGLE] would vote "nay."

Mr. SIMPSON. I announce that the Senator from Arkansas [Mr. STEVENS] is necessarily absent.

The result was announced—yeas 52, nays 43, as follows:

The result was announced—yeas 52, nays 43, as follows:

[Rollcall Vote No. 20 Leg.]

YEAS—52

Bentsen
Bingaman
Bond
Bradley
Breaux
Brown
Bumpers
Burdick
Burns
Coats
Cochran
Conrad
Craig
Danforth
DeConcini
Dodd
Dole
Domenici
Exon
Ford
Garn
Gorton
Gramm
Hatch
Heflin
Helms
Hollings
Johnston
Kassebaum
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Pryor
Roth
Rudman
Sanford
Sasser
Shelby
Simpson
Smith
Specter
Symms
Thurmond
Wallop
Warner
Wirth
Wofford

NAYS—43

Adams
Akaka
Baucus
Biden
Boren
Bryan
Byrd
Chafee
Cohen
Cranston
D'Amato
Daschle
Dixon
Durenberger
Fowler
Glenn
Gore
Graham
Grassley
Hatfield
Jeffords
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Reid
Robb
Rockefeller
Sarbanes
Seymour
Simon
Wellstone

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Inouye, for

NOT VOTING—4

Harkin
Kerrey
Riegle
Stevens

So the motion to lay on the table the amendment (No. 1576) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, the Johnston-Wallop substitute makes four changes in the nuclear reactor licensing title of S. 2166.

The first change relates to judicial review. The substitute clarifies that a decision by the Nuclear Regulatory Commission to allow or prohibit a nuclear powerplant licensed under S. 2166 to begin operating is subject to judicial review.

NRC decisions authorizing plants to begin operating under the old two-step licensing process were expressly made reviewable under section 189b. of the Atomic Energy Act of 1954, but the act did not refer to decisions authorizing operation under the new licensing process established by S. 2166.

The NRC testified that such decisions would be judicially reviewable without further amendment to the Atomic Energy Act. Nonetheless, the substitute expressly provides for judicial review.

An NRC decision denying a petition for a hearing on significant new information issues, in accordance with the so-called section 2.206 process, would be reviewable in the course of a review of the decision authorizing operation.

The second change relates to the safety finding. The substitute clarifies that the NRC must find that a nuclear powerplant meets safety requirements before the plant can begin operating.

Under the substitute, as under section 9102 of S. 2166 and the NRC's existing rule, the NRC would make this finding by determining that all of the prescribed inspections, tests, and analyses prescribed in the combined license are performed and that the acceptance criteria are met. The NRC would not be required to hold a hearing to make this determination.

Under section 9102 of S. 2166, the NRC is required to satisfy itself that the plant is safe before allowing it to operate. Many Senators thought that "satisfy itself" created a lower threshold than requiring a "finding" would, even though the NRC testified that it sees "no meaningful distinction between 'finding' and 'satisfying itself'."

The third change relates to interim operation. The substitute clarifies the circumstances under which the NRC may allow a nuclear powerplant to begin operating even though the NRC has decided to hold a hearing on a question of whether the plant was built in conformance with all the requirements of its license. The substitute permits the NRC to exercise this authority only after the Commission determines that the plant is safe to operate during the interim period.

The authority to allow interim operation is limited. It could be used where, although a petitioner has raised a question about the long-term safety of the plant and the NRC has decided a hearing on the issue is warranted, the NRC is able to determine that the plant is safe to operate during an interim period. This could occur, for example, where the safety problem will not occur for several years or where mitigating measures can be taken to avoid the problem during a period of interim operation.

The fourth change relates to hearing procedures. The substitute gives the NRC the discretion to tailor the procedures used in any preoperational hearing under S. 2166. The NRC may choose either informal or formal adjudicatory procedures but must state its reasons for its choice. The substitute changes neither current law or NRC practice with respect to other hearings.

The existing Atomic Energy Act does not require the NRC to hold its hearings on the record—the magic words the courts look for in determining whether formal, trial-type hearings are required. In 1962, the Joint Committee on Atomic Energy, in report language accompanying an amendment to the Atomic Energy Act's hearing provision, said that informal hearings were not only permissible but preferable. Nonetheless, the courts have not ruled on the issue, calling it an open question, and the NRC has traditionally afforded formal trialtype hearings in reactor licensing cases.

The substitute simply states that, in the case of preoperational hearings on plants holding a combined license under the provisions of S. 2166, it is up to the NRC to decide whether it can best resolve the issues before it through informal hearings or whether discovery, cross-examination, or other trial-type procedures are necessary. While the matter is left to the NRC's discretion, it must provide an explanation of its choice, stating the reasons therefor.

Again, though, the substitute does not affect the nature of hearings on site permit proceedings, design certification proceedings, or proceedings for the issuance of a combined construction and operating license.

Mr. SANFORD. Mr. President, allow me to make a brief statement of explanation regarding my vote to maintain the chairman's language amending title IX of S. 2166.

I expressed my serious concerns about the nuclear licensing title which originally emerged from the Energy Committee. Particularly, the discretion given to the Nuclear Regulatory Commission with regard to whether or not to grant a postconstruction hearing was disturbing. Certainly, the public's opportunity for judicial review should not have been eliminated from this process.

I feel that it is important to have some final check on the NRC and, accordingly, I supported an amendment to provide judicial review. This amendment provided that any final order allowing or prohibiting a facility to begin operating under a combined construction and operating license shall be subject to such judicial review.

I believe this amendment will protect the public in a thorough and orderly manner.

Mr. JOHNSTON. Mr. President, now the underlying question is the Johnston-Wallop-Breaux-Simpson amendment, on which I am advised that the leaders on the other side—Senator GRAMM, et cetera—do not desire a record vote; and we do not desire a record vote on it.

I wonder if anybody else does. If not, I think we can adopt it at this point on a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1575) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I believe that consideration of those two amendments fairly well disposes of the nuclear issues. There could or could not be other amendments, but I think it is safe to say that the Graham amendment was the major amendment on the nuclear issue.

I believe we have disposed of the major amendments with respect to alternative fuels. With respect to PUHCA reform, Public Utility Holding Company Act reform, we do not know at this point of any major amendment that would be required. We are not foreclosing anyone, but I state for the RECORD at this point that we do not know of any major amendments.

So, Mr. President, all amendments are important, but we have a large number of fairly work-a-day amendments. If we push on this bill, we believe we can get perhaps all of these amendments dealt with tonight, and if Senators will promptly tell us if their amendment will be offered and will give us an opportunity to work those out, at some point tonight, I would like to find out if we can limit amendments. We have our list here.

But we would like to push very hard to get this bill through tonight and tomorrow morning, because every day that goes by—yesterday, we attracted 20 new amendments. So that means for every day of delays, you can count on 20 new amendments, and that means many more days to consider this.

So my advice to Senators is that we are going to push as hard as we can to go into the night and get the major provisions of this bill dealt with.

I wonder if we are ready to consider any amendments at this point. I ask Senators to please contact us as to whether they have plans to bring up the amendments on the list.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1578

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. BENTSEN (for himself, Mr. JOHNSTON, Mr. SIMPSON, Mr. WALLOP, Mr. CRAIG, Mr. BOREN, and Mr. BREAUX), proposes an amendment numbered 1578.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following new sections:

SECTION . AMENDMENT TO TITLE 11 OF THE UNITED STATES CODE.

Section 541(b) of title 11, United States Code, is amended—

(1) in paragraph (1) by striking "or" at the end,

(2) in paragraph (2) by striking the period at the end and inserting "; or", and

(3) by adding at the end the following:

"(3) any interest of a debtor in or to liquid or gaseous hydrocarbons which the debtor has transferred or has agreed to transfer through or by a written farmout agreement, or any written agreement directly related thereto.

The trustees' rights, created in sections 365 and 544(a)(3), shall not operate to cancel or otherwise limit the effect of paragraph (3). For purposes of this subsection, the term 'farmout agreement' is a written agreement (A) in which the owner, of the rights to drill, produce or operate liquid or gaseous hydrocarbons on property agrees or is obligated to transfer or assign all or a portion of those rights to another party and (B) in which the other party, its agents or assignees, as consideration, agrees to perform drilling, reworking, recompleting, testing or other similar or related operations to develop or produce liquid or gaseous hydrocarbons on the property. In determining if a farmout agreement exists, the courts shall look to the custom and practices within the oil and gas industry for guidance. This subsection shall not operate to exclude from the debtor's estate the consideration which the debtor retains, receives, or will receive in exchange for transferring its interest in liquid or gaseous hydrocarbons.".

SEC. . EFFECTIVE DATE; APPLICATION OF AMENDMENT.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENT.—The amendment made by section 2 shall not apply with respect to any case commenced under title 11 of the United States Code before the date of the enactment of this Act.

Mr. JOHNSTON. Mr. President, this amendment is offered on behalf of Senators BENTSEN, SIMPSON, WALLOP, CRAIG, BOREN, BREAUX, and myself. The amendment seeks to remove an obstacle to oil and gas exploration in the Bankruptcy Code.

It is my understanding that the Judiciary Committee ordered reported the same provision, S. 580, this morning, and has no objection to its inclusion in S. 2166.

Mr. BENTSEN. Mr. President, I am pleased to join with my distinguished colleague Senator ALAN SIMPSON, in offering to S. 2166 an amendment which should help reverse the decline in exploration and development of domestic oil and gas reserves. The managers of the pending energy bill, the distinguished chairman and ranking member of the Committee on Energy and Natural Resources, Senators BENNETT JOHNSTON and MALCOLM WALLOP, have agreed to accept our amendment.

Our amendment would remove from the Bankruptcy Code an obstacle toward risking the large sums of capital and time necessary for oil and gas exploration. Just today, our bankruptcy legislation was approved and reported out by the Judiciary Committee. Our amendment is exactly the same as the reported legislation, S. 580.

Mr. President, the Persian Gulf conflict highlighted the decline in domestic exploration and development. The gulf conflict reminded us that the United States had become overly dependent on foreign oil. As we have consumed more foreign oil, we have abandoned intensive exploration and development of domestic reserves. Since 1986, exploratory drilling has fallen by 60 percent and production by 15 percent.

The number of independent producers has also fallen, a decrease which is particularly unfortunate because independents have historically drilled the majority of exploratory wells. Their numbers dropped from 13,000 in the early 1980's, to 5,000 by 1989. Those numbers are accompanied by a decline in geological surveys for reserves. Seismic crew counts declined by 75 percent over the last decade.

Mr. President, our amendment seeks to remove an obstacle toward risking the large sums of capital and time necessary for domestic exploration. That obstacle is section 541 of the Bankruptcy Code. Section 541 permits a bankruptcy trustee, for a bankrupt leaseholder, to extinguish the interest that an independent oil or gas operator contractually acquires in the wells he drills on a leasehold. This is an interest the leaseholder had contractually transferred to the operator, before the leaseholder's bankruptcy. Our measure amends 541 by excluding this interest from the bankruptcy estate.

This legislation therefore denies bankruptcy trustees the discretion to wipe out the efforts of independent operators who are working to make us more self-sufficient.

Our amendment recognizes and incorporates the industry custom and practice by which these oil and gas interests are transferred. They are typically transferred through contracts known as farmout agreements. Our amendment uses the term "farmout agreement" as a convenient and precise way of identifying which transfers should be excluded from section 541. The amendment defines farmout agreement and requires the agreement to be written, for the transferred interest to be excluded. The amendment also permits bankruptcy judges to refer to industry custom and practice, to decide if hybrid agreements fall within this exclusion.

Generally, a farmout agreement is one in which the owner of a valid oil or gas lease permits an independent operator to explore and then develop the lease, all at the operator's sole expense and risk. A typical agreement provides that if the operator strikes oil, it will pay the leaseholder a royalty which is a percentage from well proceeds. In exchange, the operator acquires an interest in the oil rights and keeps the balance of well proceeds.

Excluding these interests has two practical effects. The first is that a bankruptcy trustee can no longer unilaterally stop drilling, after the operator has invested considerable time and effort, but before he has struck oil or a dry hole. Section 365 of the Bankruptcy Code enables the trustee to reject executory contracts. A farmout agreement is executory until the operator strikes oil or gas. But for our amendment, the trustee could reject the agreement, and stop drilling, up until a moment before the driller strikes a wet well.

The second effect of our amendment is that it permits the operator to keep whatever income or interest the leaseholder had contractually agreed the operator could earn from a wet well. But for the amendment, the bankruptcy trustee could use section 544(a)(3) to void the farmout agreement, even after the agreement is no longer executory. In other words, the trustee could stop drilling and the agreement, after the operator has struck oil or gas.

Under most farmout agreements, if drilling results in a dry hole, the operator is the only one who loses. The operator naturally does not acquire an interest in a dry hole. Chances are great that the operator will come up dry and lose his investment. More than 50 percent of wildcat wells are dry holes.

This failure rate is discouragement enough for exploration. This discouragement is compounded by the possibility that a bankruptcy trustee can stop exploration before its conclusion.

These multiple obstacles rebut the presumption that our legislation is an exception for some already fat-cat special interest group. Independents are mostly small business men and women who, under these circumstances, are innocent third parties in someone else's bankruptcy. Our legislation seeks to guarantee independents fair treatment under the bankruptcy laws and an even playing field in which they can survive and produce.

Our measure is balanced for another reason. It does not exclude what the leaseholder receives in return for having transferred development rights to the independent operator. Whatever the leaseholder receives stays in the bankruptcy estate. The measure, therefore, still gives the bankruptcy trustee full use of whatever consideration the operator continues to pay the leaseholder, under their farmout agreement.

This legislation should become a vital piece of a long-term comprehensive national energy policy that encourages environmentally responsible exploration and development of America's oil and gas resources. Before becoming forever dependent on foreign oil, we owe it to ourselves that we look for and find every last drop of oil that we can safely extract from our land.

And there is much to extract. The Energy Information Administration estimates that as of 1990, there were 16.5 billion barrels of proven crude oil reserves in the continental United States. The U.S. Geological Survey estimates another 33 billion barrels of yet unproven continental reserves.

The magnitude of those reserves tells me that now is not the time for independent operators to be retreating. To the contrary, they should be forging ahead. I hope our amendment will remove at least one obstacle along the road to self-sufficiency.

Mr. President, before I end my remarks, I must note that Senators from both sides of the aisle have joined Senator SIMPSON and me in this effort. Joining us as cosponsors are Senators BOREN, BREAUX, and CRAIG. The distinguished chairman, Senator JOHNSTON, and ranking member, Senator WALLOP, are also cosponsors.

Mr. President, I want to thank Chairman JOHNSTON and Senator WALLOP for accepting this amendment.

Mr. WALLOP. Mr. President, I join in cosponsoring this amendment because it will remove one obstacle to domestic oil and gas exploration. Today, with domestic crude oil production at its lowest level in nearly 30 years, and with exploratory drilling and seismic activities at all time lows, it is important to minimize unnecessary adverse impacts to the industry.

The effect of this amendment will be to prevent bankruptcy courts from extinguishing the rights of oil- and gas-producing companies to existing production when their predecessor in title goes bankrupt.

Farm-out agreements, where the producer obtains an interest in an oil and gas lease from the leaseholder in exchange for drilling wells and carrying out the actual production activity, have been increasingly at risk because of the downturn in domestic production coupled with workings of the Bankruptcy Code. This amendment remedies the situation by excluding from the estate of the bankrupt leaseholder any oil and gas interests that have been earned and that the debtor has obligated himself to transfer under a farmout agreement.

The entity that this amendment protects is not the one in bankruptcy, we are merely protecting the innocent from losing their legitimately earned property. Those are usually small oil- and gas-production companies called independents.

Mr. SIMPSON. Mr. President, I also want to thank my able friend and colleague from Wyoming, Senator MALCOLM WALLOP, and the very capable Senator BENNETT JOHNSTON, the managers of this bill for their accommodation. I also want to express my deep respect and admiration for my colleague from Texas, my friend Senator LLOYD BENTSEN, with whom I am proud to share the privilege of being the principal sponsor of this legislation.

Mr. President, I speak only briefly to address the points raised by a few of my colleagues.

An oil and gas farm-out agreement is a contract between an owner of the right to drill for oil, termed the "farmor," and a person or company that would like to drill for that oil, termed the "farmee." The farmee goes onto the land and drills for oil and gas at his own risk and expense. Once he establishes production in paying quantities, the contract requires that the farmor then—and only then—execute an assignment of the lease to the farmee. That assignment is a title document which, under the laws of the States, must be filed of record in the appropriate place.

Regardless of whether the assignment is recorded or not, some bankruptcy courts have been disregarding the validity of the assignment when the farmor later goes into bankruptcy. Those courts have been attaching the farmee's production in order to satisfy the debts of the farmor. Debts which the farmee had no role in incurring. That is just not right. And Mr. President, I am pleased to tell the Chair that just today, by a vote of 12 to 2, the Judiciary Committee agreed with the cosponsors of this legislation.

So, Mr. President, I sincerely thank the floor managers for their assistance and cooperation in accepting this amendment. This sensible piece of legislation will do much to cure a serious inequity in the law and will do much to give independent oil and gas producers some assurance that their hard work and investments will pay off.

Mr. GRASSLEY. Mr. President, Senator DECONCINI and I oppose this amendment for quite a few reasons, but we would like to focus on three of the most important factors that make this amendment unwise and unnecessary.

First, oil and gas operators can already protect their interests under existing law. Section 544 of the bankruptcy code will wipe out the operators' interests only if the operators have not protected themselves through State law. Operators can protect themselves simply and cheaply. If they will only record their interest in real property at the county courthouse, then a trustee will not be able to wipe out that interest. All the concerns of the operators can be alleviated by that straightforward act.

Others in the oil industry, such as suppliers, drillers, and lenders record their interests in real property. Corporations in other industries and even single-family homeowners record their interests in real property. They do so to protect their interests, the same reason why oil and gas operators under farmouts should also record. Thus, the difficulties the operators complain about are not the result of the bankruptcy laws, but of their own refusal to act in the same fashion as every other prudent holder of real estate in this country.

Recordation is an available option. Any document can be recorded. There is no governmental prohibition on recording farm-out agreements. Those seeking this legislation may be somewhat inconvenienced by recordation, and may not wish to record. But they are allowed to record. And I challenge anyone asserting that farm-out agreements cannot be recorded to cite a single case or a single statute that prohibits their recordation.

A second reason to oppose this bill is its status as special interest legislation. The Bankruptcy Code is designed to provide an equal distribution of assets among all creditors. This bill undercuts that very valid purpose of the code. Other creditors of the debtor will have properly extended credit based on the apparent financial condition of the debtor, including its apparently unencumbered real estate. By excluding the operators' assets from the bankrupt estate, these other creditors are treated not equally, but disadvantageously, for reasons beyond their control, but not beyond the control of the operators. This result undercuts the intent of the code.

Finally, Senator HEFLIN and I have introduced a bankruptcy bill, S. 1985, which we expect that the Judiciary Committee will approve later this month. That bill will create a blue ribbon commission to review the operation of the bankruptcy laws. It would be better to have the commission evaluate the desirability of this proposal in light of the operation of the code as a whole. If it is in fact a sensible idea, I am sure that the commission will endorse its passage.

If the commission were to conclude that it should not be enacted, we would be making a serious error in passing this amendment.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DOLE. Mr. President, has leader time been reserved?

The PRESIDING OFFICER. Leader time has been reserved.

Mr. DOLE. Does the Senator from Louisiana have something else? I want to use my leader time.

Mr. JOHNSTON. The pending amendment was not yet agreed to, and we had another agreed-to amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1578) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1579

(Purpose: To establish the Indian Energy Resource Development Commission)

Mr. JOHNSTON. Mr. President I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] (for himself, for Mr. INOUYE, Mr. MCCAIN, Mr. DOMENICI, and Mr. SIMON) proposes an amendment numbered 1579.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 401, after line 4, insert the following new title:

TITLE XVII—INDIAN ENERGY RESOURCE DEVELOPMENT COMMISSION

SECTION 17101. SHORT TITLE.

This title may be cited as the "Indian Energy Resource Development Commission Act of 1992".

SEC. 17102. ESTABLISHMENT.

There is established the Indian Energy Resources Development Commission (hereafter in this title referred to as the "Commission").

SEC. 17103. MEMBERSHIP OF THE COMMISSION.

(a) MEMBERSHIP.—

COMPOSITION.—The Commission shall consist of—

(1) 6 members appointed by the Secretary of the Interior from recommendations submitted by Indian tribal governments;

(2) 3 members appointed by the Secretary of the Interior from recommendations submitted by the Governors of States which have Indian reservations with energy resources;

(3) 9 members appointed by the Secretary of the Interior from private sector individuals with expertise in energy development, taxation of energy resources, or oil and gas royalty management, administration, auditing and accounting;

(4) the Secretary of the Interior, or his designee; and

(5) the Secretary of Energy, or his designee.

(b) APPOINTMENTS.—Members of the Commission shall be appointed not later than 60 days following the date of enactment of this title.

(c) VACANCIES.—A vacancy in the Commission shall be filled in the same manner as the original appointment was made. A vacancy in the Commission shall not affect the powers of the Commission.

(d) CHAIRPERSON.—The members of the Commission shall elect a Chairperson from among the members of the Commission.

(e) QUORUM.—Eleven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(f) ORGANIZATIONAL MEETING.—The Commission shall hold an organizational meeting to establish the rules and procedures of the Commission not later than 30 days after all members are first appointed to the Commission.

(g) COMPENSATION.—Each member of the Commission who is not an officer or employee of the United States shall be compensated at a rate established by the Commission not to exceed the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties as a member of the Commission. Each member of the Commission who is an officer or employee of the United States shall receive no additional compensation.

(h) TRAVEL.—While away from their homes or regular places of business in the performance of duties for the Commission, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at a rate established by the Commission not to exceed the rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

SEC. 17104. COMMISSION STAFF.

(a) EXECUTIVE DIRECTOR.—The Commission shall appoint an Executive Director who shall be compensated at a rate established by the Commission not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) ADDITIONAL PERSONNEL.—With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Commission. Such appointments shall be made in accordance with the provisions of title 5, United States Code, governing appointments in the competitive service, but at rates not to exceed the rate prescribed for level GS–15 of the General Schedule under section 5108 of such title.

(c) EXPERTS AND CONSULTANTS.—Subject to such rules as may be issued by the Commission, the Chairperson may procure temporary and intermittent services of experts and consultants to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $200 a day for individuals.

(d) PERSONNEL DETAIL AUTHORIZED.—Upon request of the Chairperson, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the

Commission in carrying out its duties under this title. Such detail shall be without interruption or loss of civil service status or privilege.

SEC. 17105. DUTIES OF THE COMMISSION.

The Commission shall—

(1) identify barriers or obstacles to the development of energy resources on Indian lands, and make recommendations designed to foster the development of energy resources on Indian lands and promote economic development;

(2) develop proposals to address the dual taxation of the extraction of mineral resources on Indian lands;

(3) develop proposals for the promotion of vertical integration of the development of energy resources on Indian lands;

(4) make recommendations to improve the management, administration, accounting, and auditing of royalties associated with the production of oil and gas on Indian lands; and

(5) develop proposals on taxation incentives to foster the development of energy resources on Indian lands including but not limited to investment tax credits and enterprise zone credits.

SEC. 17106. POWERS OF THE COMMISSION.

(a) HEARINGS.—For the purpose of carrying out this title, the Commission may hold hearings, take testimony, and receive evidence at such times and places as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(b) ADMINISTRATIVE PROVISION.—Any member or employee of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) INFORMATION.—The Commission may secure directly from any Federal agency such information as may be necessary to enable the Commission to carry out this title. Upon request of the Chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

SEC. 17107. REPORT.

The Commission shall prepare and transmit a report to the President, the Speaker of the House of Representatives, the Select Committee on Indian Affairs of the Senate, and the Committee on Energy and Natural Resources of the Senate within 12 months after funding for the operation of the Commission has been secured. The report shall contain the recommendations and proposals outlined in section 17105.

SEC. 17108. DEFINITIONS OF "INDIAN LANDS".

For the purposes of this title, the term "Indian lands" means lands that are owned by an Indian tribe or Alaska Native corporation or held in trust by the United States for the benefit of any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C.A. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

SEC. 17109. AUTHORIZATION.

There are authorized to be appropriated such sums as may be necessary to carry out this title.

SEC. 17110. TERMINATION.

The Commission shall terminate 30 days after submitting the final report required by section 17107.

Mr. JOHNSTON. Mr. President, this amendment, submitted on behalf of Senators INOUYE, MCCAIN, DOMENICI, and SIMON, has been cleared on both sides. It would establish an Indian Energy Resource Development Commission to study ways to foster the development of energy resources on Indian lands.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1579) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, may I ask the distinguished minority leader how much leader time will be used at this point?

Mr. DOLE. I would like to have 10 minutes.

THE PRESIDENT'S HEALTH CARE PROPOSAL

Mr. DOLE. Mr. President, some of us have been saying for a long time that health care would be one of the top issues for 1992. I think we can count on that, now that President Bush has delivered on his promise to propose a major health care reform package.

The President's proposal demonstrates that we can address the access and cost concerns of all Americans without crippling our economy, and without putting our employers on the critical list, as the pay-or-play crowd would have it.

What the pay-or-play proponents do not seem to understand is that small businesses do want to provide health insurance to their employees. They just need a little help to do it. We can help low- and middle-income Americans buy insurance on the free market, as the President has proposed, or we can bury our businesses under a mountain of new mandates. Americans want affordable health care, but they shouldn't have to pay for it with their jobs.

It did not take the President's opponents long to offer their tablespoon of criticism. Some of these folks are running around today like they've just discovered the health care issue, and they're the only ones who can save us now. Well, the critics' rhetoric is nothing but a prescription for legislative gridlock.

If you ask me, the American people are sick and tired of congressional inaction, and ought to sue us for legislative malpractice if we cannot work on a bipartisan basis to reform American health care.

No doubt about it, we have our work cut out for us, and no one ever said the solutions would be easy.

But the President should be commended—not only for proposing a plan that addresses many of the deficiencies of our current delivery system, but for proposing a plan that preserves the many strengths that our health care system offers.

We all agree that $800 billion per year is too much to spend on health care delivery, particularly when so many still lack access to care.

We also agree that 37 million individuals without insurance is far too many.

By helping individuals purchase health insurance with tax credits, by curbing the explosive costs of medical malpractice, and by helping small businesses to provide coverage for their employees, President Bush has gone a long way toward addressing our health system's major problems.

And let us not forget that America is the medical miracle worker. We are living longer than ever before. We have defeated plagues; we have made medical advances that can save the life of even the smallest, frailest newborn; and we have learned how to make spare parts for nearly every body organ. The quality of health care that our professionals deliver is envied and admired world wide, and is second to none.

But there are problems, and the American people are demanding action. We owe it to them to work together, with the President, to provide all Americans with the quality, affordable health care they deserve.

I look forward to a vigorous debate in the weeks and months ahead. Let us hope it does not disintegrate into a political contest to see who can spend the most, talk the most and claim they care the most. We have already been through all that nonsense—it is time for some serious work, and some results for a change.

I yield the remainder of my time to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. DURENBERGER. Mr. President, I rise to thank the minority leader for his comment with regard to the President's health care proposal.

I have been serving now on the Finance Committee and Labor and Human Resources Committee for a long time and dealing with the health care area. For the last year and a half a lot of people on the other side of the aisle have been saying, "Where is the President? When are we going to hear from the President?" Now that we heard from the President, we are not only going to hear from him today in Cleveland, hear from him in Los Angeles and San Diego, we are sure going to hear from him for the next 5 years.

There has been some criticism that his plan does not go far enough, do enough, or control costs, and a variety of things like that. I am happy he has now become a player and think that is really important. I like the President's plan. It is a coverage plan. I must say it is not a solution to all of the problems.

The real solutions to the health care crisis in this country entail a much broader articulation of the basic problem. But where the President starts is where everybody in this body has started—with insurance reform. The President has taken us a step farther. The affordability of coverage in this country is the issue, and the President's proposal makes sure that, if this is enacted, nobody in this country will have to risk the loss of their health insurance if they lose a job; nobody in this country has to risk the loss of health insurance because they have a medically uninsurable child in their family; nobody in this country is going to lose health insurance if, in fact, they lose their job or their business is sold out from under them.

So insurance reform, permitting small employers to group into large employers, that is the heart, that plus the administrative reform is the heart of it. We really want to get to it.

Why did he go to Cleveland? He went there because in Cleveland they are working on changing the practice of medicine. Someone once told me, and I believe it, that if all doctors and all hospitals in this country practiced medicine the way they do best, we could cut the cost by 35 percent in this country. The Cleveland Clinic does it. We just do not send enough business to them so they can prove what they do. But improving efficiency in that system, maintaining high quality is the only way you are going to do it. The President guarantees that that happens.

The third is putting the public back into public health. I think this is what you are going to hear the President talk about in the next day or so, taking responsibility, more information, prevention, wellness. We all agree with that; we just do not practice it.

Finally, making the health care markets work. There is no reason to go to Canada or Germany; there is no reason to leave America when we have demonstrably the best health care system in the world, the best technology, the best drugs, all invented in America. The access to it does cost too much. We need to stay here and fix this system and make it work for all Americans.

The President's proposal finally gets along the way to doing that. I welcome his proposal, and I challenge everybody in this body now to get together and find a nonpartisan way to deal with this problem that Americans have presented to us. And I am pleased to yield the remainder of my time to my colleague, the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, today President Bush has outlined a proposal to expand access to health care for all Americans. I applaud his effort in this area, and believe his proposal represents another important step toward enactment of health care reform.

It is essential that we significantly improve our health care system in the United States. Our costs are spiraling out of control, our health status—especially among children—is not improving, and too many Americans are without access to affordable and appropriate health care. As a veteran in this area, however, I know that it is much easier to make that statement than it is to gather a large enough consensus on how to solve the problem in one giant step.

Throughout the 1970's and 1980's, calls for comprehensive health care reform came in cycles. We all had proposals which we felt would solve the problem. Leaders dug their heels in and insisted that they had the best approach. We got nowhere. We are now in another such cycle. If history is a teacher, surely we can learn from our mistakes.

We have a real chance now, and I hope we won't let it slip through our fingers for political reasons. Many Republicans in the Senate agree; in the fall of 1991, 23 of us introduced a proposal, S. 1936, that we believe contains many provisions that have a chance of becoming law.

The proposal outlined by the President today also contains many provisions on which both Republicans and Democrats can agree. I am encouraged by the striking similarities between his proposal, the bill introduced by the Republican Health Care Task Force, the bill introduced by the chairman of the Finance Committee, and even the proposal introduced by the Senate Democratic leadership.

No proposal will pass without the agreement of a majority of Republicans, a majority of Democrats, and the President. The principles outlined by the President today make it very clear to me that we are not so far apart on a number of issues. We all agree that there are critical steps that can be taken to slow the rate of growth in our health care expenditures and to ensure that more Americans have health care coverage. What are these steps?

Insurance market reform;

Small group purchasing;

Community health center and national health service corps expansion;

Preemption of antimanaged care laws;

Preemption of State mandated benefit laws;

Changes in the Tax Code to address inequities, specifically allowing the self-employed and individuals purchasing health care to deduct either the full amount or some portion of the cost of their health insurance;

State experimentation;

Medical liability reform, and

Reduction in administrative costs.

Thus, it is certainly possible for us to move ahead in the near future with some significant positive steps to reform our system, and it is critical that we do so. I hope that neither party will allow the temptation of using this as a campaign issue to take priority over passing something that will at least move us closer to the goal of ensuring that all Americans have access to health care services.

Now, I do have some concerns about some details of the administration's proposal. For example, those of us who have advocated expansions and improvement in the delivery of services under the Medicaid Program over the past 6 years are uncomfortable with the thought of severely limiting Federal expenditures for low-income women and children. We have been leery of similar proposals in the past.

But the truth is that regardless of how we choose to reallocate our health care dollars—both private and public—paying for expanded access for the poor is going to be highly controversial. Financing a proposal will take just as much—if not more—bipartisan cooperation, as deciding how we will spend our money.

Now that the President has set forth a proposal, I call upon our Democratic colleagues to work with us to move forward in those areas on which we agree and to develop an approach to this critical problem that really can be enacted.

We cannot continue to stand by spouting rhetoric and let nothing happen. While we argue over what is best for the American public, some of our citizens, including too many children, are having to forgo needed services that would keep them healthier.

As we draw our ideological lines in the sand, Americans are suffering. Health care reform is too important an issue to sacrifice solid progress for potential gains in the polls. By sharing his proposal with the public today, the President has made it possible for us to move forward.

We can do something to help many Americans in the short term, and I urge those on the other side of the aisle to come to the table and work with us to enact significant health care reform legislation before the November elections.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

HEALTH CARE REFORM

Mr. BENTSEN. Mr. President, I want to say to my colleague, the distinguished Senator from Rhode Island, that I share his concern on this great issue and that I am pleased the President has taken part of our proposal.

The President has now engaged in the debate on health care reform and that is a very positive step, for without participation by the White House the debate would likely amount to little more than sound and fury.

The President has made some good short-term proposals and we will work with him on these. He has now finally recognized the problems Americans have in trying to get and keep affordable health insurance and the problems of skyrocketing health care costs across this country. For the long term, though, his proposal comes up short. Unfortunately, it sounds too much like his own description of a "take two aspirin and call me after the election" proposal.

Americans should not have to live in fear that if they lose their jobs, they will lose their health insurance; that if they or their children get sick, they will not be able to afford treatment; that if prices continue to careen out of control, they will not be able to afford the health insurance they need.

As a first step in combatting these problems, I introduced legislation last October with Senators DURENBERGER, MITCHELL, and 20 others to address a difficult, unfair situation and help millions of Americans set affordable health care insurance. Chairman ROSTENKOWSKI introduced similar legislation in the House.

This bipartisan legislation, the Better Access to Affordable Health Care Act, combats joblock by seeing to it that workers can keep their health insurance when they change jobs. We propose changing the law to give self-employed Americans a full, 100-percent tax deduction for health insurance premiums, and we encourage the formation of insurance pools in which small businesses can join together in seeking health insurance coverage.

I am advised that the President has incorporated these proposals in his plan. I commend him for that, look forward to working with him, but these provisions represent only a first step.

The President says that all Americans should have access to affordable insurance coverage. But in my judgment his proposal for comprehensive reform misses the mark.

For example, he is not targeting his solutions at the problem. Nearly 35 million Americans do not have health insurance, and the vast majority of them have jobs or live in families where someone works. There are serious questions about whether the President's plan would help them at all. A family of four making about half the poverty level—less than $7,000 this year—would qualify for a tax credit to buy guaranteed health insurance. Yet, according to the Congressional Budget Office, more than 70 percent of the uninsured have incomes above the poverty line and no such protections appear to be available to them.

I am also concerned that the President's plan will inadvertently encourage employers to shift health insurance costs to their employees or even stop paying for health insurance coverage because of the tax deduction that he would make available to employees.

The President has correctly emphasized the need for controlling the spiraling health care costs in this Nation. By the administration's own estimates, we will spend more than $800 billion on health care in 1992, or nearly 14 percent of our gross domestic product.

This cannot continue. But there is little in his proposal to address that problem.

In fact, the President's plan could make matters worse. The only serious attempts at cost control would hit Medicare and Medicaid, which represents just a portion of the health care sector. Individuals and companies who buy private insurance will end up paying more to compensate for the cuts in Medicare and Medicaid. With respect to Medicare, that is ironic because costs in this program have been growing at a slower rate than health care costs generally. Clamping down on the funding for Medicare and Medicaid, as the President proposes, could put about 50 million elderly and disabled, mothers and children at risk, unable to find a doctor who will treat them if payments are unreasonably low. For these vulnerable Americans, this could mean the very rationing of health care that the President is criticizing so strongly.

The President has now weighed in with a proposal of utmost importance to millions of Americans. But will it do the job? I want to study his proposal in more depth, but I am skeptical at this point. Despite his optimistic forecast, I am concerned that if his proposal is all that is enacted, we will look around 5 years from now and still have 30 million or more uninsured Americans.

The President has ducked the hard choices, offering only a pick-and-choose laundry list of possible Medicare and Medicaid cuts as ways to pay for his plan. That is precisely the kind of political gamesmanship we saw played throughout the 1980's, the kind that has caused the Federal deficit to skyrocket.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The manager of the bill, the Senator from Louisiana is recognized.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NOS. 1580 TO 1585, EN BLOC

Mr. JOHNSTON. I have six amendments which have been cleared which I will shortly send to the desk and ask unanimous consent for their consideration en bloc. Mr. President, the amendments are as follows: An amendment by Senators LEVIN and COHEN, to increase the Federal Government's procurement of energy-efficient products; an amendment by Senator SYMMS to add wood-burning heating appliances to a list of authorized measures under the low-income weatherization program; and amendment by Senator WELLSTONE, to require the National Academy of Sciences to conduct a study examining past and current subsidies; an amemdment by Senator GLENN, to amend the alternative-fueled fleets provision by clarifying requirements for the Postal Service fleet; an amendment by Senator MCCAIN to add solar-powered vehicles to the list of alternative-fueled vehicles; and a sixth amendment by Senator WIRTH to provide for the verification of demand-side management savings.

Mr. President, I now send those amendments to the desk and ask unanimous consent for their consideration en bloc.

The PRESIDING OFFICER. Is there objection to the request to have these amendments considered en bloc?

Without objection the request is granted.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes amendments numbered 1580 to 1585 en bloc.

Mr. JOHNSTON. Mr. President, the amendments have been fully described. I believe those amendments are cleared on both sides.

The PRESIDING OFFICER. Is there any discussion?

Mr. WALLOP. Mr. President, they are cleared on this side.

Add at the end of subtitle B of title VI:

SEC. . Whenever the Federal Government establishes a new requirement or initiates a new procurement for the acquisition of electric lamps, electric ballasts, electric motors and/or refrigeration equipment, the Federal Government shall, where cost effective, give preference to the procurement of the most energy efficient products available to meet its needs. The General Services Administration shall keep a record of the quantity, country of manufacture, and cost of items purchased under this subsection. The Secretary of Energy shall estimate the quantity and cost of energy saved annually due to this subsection.

Mr. COHEN. Mr. President, the amendment that Senator LEVIN and I have offered focuses attention on the Federal Government's widespread inattention to energy efficiency in its procurement processes. This issue was examined by the full Governmental Affairs Committee last May, and again by the Oversight of Government Management Subcommittee in November.

The Federal Government is the Nation's single largest energy consumer, and despite the enactment of laws requiring reductions in energy consumption at Federal facilities, energy use by the Federal Government has actually increased. It is entirely appropriate, Mr. President, to expect that Federal agencies should lead the way in procurement of energy efficient products, so that the private sector will follow its example.

Experience has shown us that the Federal Government's procurement policies have a tremendous impact on the market for specific products at many levels. Through these hearings, the Governmental Affairs Committee sought to discover how responsive the Federal Government is to innovative technologies, and how small businessmen can participate in the process by bringing their ideas to the appropriate Federal officials.

At both hearings, we heard striking testimony from people who had tried unsuccessfully to participate in various Government agencies' contracting system, some for several years. I am particularly pleased that this amendment requires that the Federal Government give preference to energy-efficient refrigeration equipment. In addition to being good for the country, this will be good news to Jim LaBreque of Bangor, whose situation I discussed during both hearings.

Jim LaBreque owns a company, MEPSCO, which has developed a prefabricated refrigeration system that is energy efficient and uses substitutes to CFC's—the pollutant that is destroying the ozone layer. MEPSCO thought this product would be of interest to the Department of Defense for its many commissionaries.

This product is already in use at several grocery stores—A&P in New Jersey, Waldbaum's in New York, and several smaller stores in Maine. The A&P is so excited about the $6,000 a month the equipment has saved them in energy costs that it has ordered two more units.

Unfortunately, the DOD was not as interested in the $6,000 savings. Instead, responses MEPSCO received from the Air Force and the Navy did not express much of an interest in removing the apparent obstacles that prevent them from considering MEPSCO's product in the bidding process.

Mr. President, it simply makes no sense that the A&P in New Jersey should find it easier to reduce its energy consumption with MEPSCO's product than the Federal Government. It is clearly time for Federal agencies to take the lead in procurement of energy-efficient products, rather than continuing to fall behind. This amendment will take us a step further toward that goal, and I urge its adoption by the Senate.

Mr. LEVIN. Mr. President, I am offering an amendment to improve the Federal Government's record on the procurement of energy-efficient products, specifically electric lighting, electric motors, and refrigeration equipment.

The Federal Government encompasses about 500,000 buildings and over 3 billion square feet. Every year the Federal Government spends about $1 billion or 25 percent of its total energy expenditures to light these buildings and facilities. Unfortunately, approximately $250 million of that money is wasted.

Conservative estimates by the Office of Technology Assessment and the Batelle-Pacific Northwest Laboratory indicate that by conducting an aggressive relighting campaign, the costs would be recaptured within 2 to 3 years and the savings would flow. Although the President has issued an Executive order mandating reductions in overall Federal energy use, I am concerned that the historical lack of emphasis on energy conservation will repeat itself and inertia will once again set in.

Mr. President, the possibility of savings cannot be ignored any longer. Energy conservation is not an idea whose time has come; it is an idea whose time is long overdue. The private sector has been saving billions by switching over to cost-effective, energy-saving lights and motors.

It is unfortunate that the administration has only just begun to take advantage of the numerous new energy and cost-efficient technologies that are available. But with this amendment, we are going to speed that process along and hopefully recoup some of the billions of dollars that have been wasted over the last decade. The amendment requires the Federal Government to give a procurement preference to certain energy-efficient products which are not now being purchased as aggressively as they could be.

On a related point, Mr. President. I am pleased that the managers of the bill have accepted several amendments proposed by Senator GLENN, myself, and other cosponsors of S. 1040. With the changes made by these amendments, the Federal energy management program will run smoother and taxpayers will achieve a real return on their tax dollars spent to improve Federal energy efficiency.

Mr. President, I also ask unanimous consent that a staff memorandum from the Office of Technology Assessment on opportunities for replacing incandescent bulbs in Federal facilities with compact fluorescents be included in the RECORD following the amendment.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

OTA ENERGY AND MATERIALS PROGRAM—STAFF MEMORANDUM

Date: February 1, 1992.
To: John H. Gibbons
From: Robin Roy
Subject: Opportunities for Compact Fluorescent Lamps in Federal Facilities[1]

Substituting energy efficient compact fluorescent (CF) lamps for ordinary incandescent bulbs is one approach for profitably improving Federal energy efficiency and reducing Federal spending. CF lamps have been commercially available for several years, with tens of millions now in use in the private sector. This memorandum provides an overview of Federal efforts and opportunities regarding CF lamps.[1]

Footnotes at end of article.

FEDERAL EFFORTS PROMOTING COMPACT FLUORESCENT LAMPS

Federal facilities have purchased relatively few compact fluorescent lamps to date, although procurement has begun to increase rapidly. The Defense Logistics Agency (DLA) is the Federal agency responsible for wholesale distribution of lighting products.[2] Though the end of fiscal year (FY) 1991, Federal facilities had purchased few of the one model of CF lamp offered through DLA.[3] Activity has increased greatly in FY 1992 with over 20,000 CF lamps procured as of January 24.[4] However, CF lamp procurement remains a small fraction of the millions of incandescent lamps purchased by Federal facilities each year.

Some CF lamps have been purchased by Federal facilities directly from vendors rather than through DLA and Federal Supply System (FSS) channels. While the number of CF lamps purchased in this way is not known, there was apparently too little interest to justify including more models in the DLA supply system before FY 1992.

Beginning in FY 1992, the Defense Logistics Agency greatly expanded its support of Federal facilities considering use of compact fluorescent lamps as well as other efficient lighting products. DLA now offers several models of compact fluorescent lamps rather than the single model available before October 1991. DLA's CF lamp selection includes units to replace incandescent lamps in the range of 25 to 100 watts, and models which can operate in temperatures as low as 0° F (and are thus suitable for outdoor use in fairly cold climates).

To help familiarize Federal facility personnel with energy efficient lighting opportunities, DLA has established a toll-free telephone hotline to answer questions about energy saving lamps.[5] DLA is also distributing a special catalog called Energy Saver Bulbs, produced by the Defense General Supply Center and the General Services Administration's Public Building Service.[6] The catalog is intended as a simple to use tool for promoting energy efficient lamp use. DLA plans to update the catalog in early 1992, with additional compact fluorescent lamps and other products such as high efficiency electronic ballasts.

The U.S. Department of Energy, Office of Federal Energy Management Programs (FEMP) is attempting to develop an accurate estimate of CF lamp potential. To date, FEMP has received a preliminary report from its lead contractor, Pacific Northwest Laboratory (PNL). FEMP and PNL declined to provide OTA with that preliminary analysis, with PNL noting that the estimates may be "off by orders of magnitude," and thus could be misleading. PNL is preparing a more detailed analysis for FEMP. PNL anticipates providing a draft of this report to FEMP in February 1992, with a completed report to follow some months later.

AN ESTIMATE OF OPPORTUNITIES FOR CF LAMP USE IN FEDERAL FACILITIES

Although the precise number is highly uncertain, CFs could readily and profitably replace on the order of several hundred thousand to several million incandescent lamps now in use in Federal facilities. There is no accurate data for several key factors including: the total number of incandescent fixtures in Federal facilities; the number of those fixtures with a size and shape to accommodate a CF lamp; and the fraction of time those lamps are turned on, which determines the economic attractiveness. Accurate estimates are difficult to produce given the high degree of diversity in Federal buildings nationwide and among agencies.

The highly approximate estimate made here is based on extrapolation from a study of one major military base performed by the Pacific Northwest Laboratory (PNL).[7] That study, based on the limited information available, made a simplified estimate of the number of incandescent lamps which are attractive candidates for replacement in various residential and nonresidential buildings. An estimate of approximately 2 CF replacements per 1000 square feet of nonresidential buildings and 3 CF replacements per 1000 square feet of residential buildings can be derived from the information contained in the PNL report. Throughout the United States, the Federal government owns about 700 million square feet of housing and 2075 million square feet of nonresidential building space in 1988.[8] Combining the relatively accurate square footage data with the very approximate estimate of CF potential per unit area yields the estimate that about 6 million CF lamps could be replaced. Again, it is important to note that many of the assumptions behind this estimate are highly uncertain.

The annual energy cost savings for each CF lamp replacement depends on the number of hours the lamp is used, which varies greatly between fixtures. For example, replacing a 75 watt incandescent with a 20 watt CF in an office where the lights are on 12 hours daily, 5 days per week throughout the year would reduce electricity use by about 170 kwh/year. Using the Federal government's average cost of electricity of $0.0574/kwh,[9] the annual energy cost savings would be $9.76.[10] However, a lamp in a closet or other infrequently used space may be turned on for only a few minutes daily. For a in use only ten minutes daily, the energy cost savings which result from a switch to a CF lamp would be less than twenty cents per year. Given that an incandescent lamp purchased through the DLA may cost less than 30 cents while a CF may cost over ten dollars, the payback on the initial investment in the closet CF would take decades (even neglecting interest costs).[11] Thus, for infrequently used lamps, economics favor the use of incandescents over compact fluorescents.

PNL's study of Fort Lewis estimated that the average replacement CF lamp saved about 115 kwh/year, representing between five and six hours use daily on average. Using the government's average cost of electricity nationwide, that's worth about $6.60 per replacement annually in energy cost savings. DLA currently supplies 20 watt CF lamps complete with screw in adapter and ballast which substitute for 75 watt incandescent lamps for a price of $13.16 each.[12] Based on an expected life of 10,000 hours, the CF lamp would continue to function for nearly 5 years, well beyond the two year simple payback on the initial investment. Of course, actual payback for a particular lamp replacement depends on factors such as frequency of use and electricity price at the facility.

By virtue of its size, the Department of Defense has the largest opportunity for CF use. DoD occupies and controls over two-thirds of the building space in the Federal government. Thus DoD facilities probably have about two-thirds of the opportunities for CF use. There are differences between the building stock of DoD and other agencies which could alter this estimate somewhat. For example, unlike the other Federal agencies, much of DoD's building space is residential, which has a higher fraction of incandescent lighting than nonresidential buildings. However, nonresidential lamps may be used more frequently than lamps in residences making them more attractive replacement candidates.

Although there are probably hundreds of thousands or millions of attractive opportunities for use of CF lamps in Federal facilities, not all (or even most) incandescent lamps are suitable for replacement. For example, PNL's study of energy efficiency opportunities at Fort Lewis assumed that only about 40% of incandescent fixtures were attractive candidates for CF lamps (15% and 100% of interior and exterior residential fixtures respectively, and 75% of nonresidential fixtures). In addition to poor economic feasibility in infrequently used fixtures, CF lamps have some important technical constraints. Neglecting the technical limitations of CFs can result in disappointing performance.

One critical limitation of compact fluorescent lamps is their size. Because CF lamps are larger and heavier than incandescent lamps, they do not fit in many fixtures. Another challenge is the limited light output of CF lamps. Compact fluorescent lamps with light output to replace a 100 watt incandescent lamps have only recently become widely available and higher wattage lamps (e.g., 150 watt) are yet to come. Also CF lamps available today cannot be used in dimming circuits nor can they provide the variable level of light available from 3-way lamps (e.g., 50–100–150 watt incandescents). As another example, although some CF lamps are rated to work at 0 degrees Fahrenheit, care must be taken to avoid specifying CF lamps rated only to 32 degrees Fahrenheit for use in moderately cold outdoor conditions.

Replacing selected incandescent lamps with CFs is only one of many commercially proven and available approaches which can profitably reduce Federal energy use and spending. As reported in Energy Efficiency in the Federal Government: Government by Good Example?[13], there are other lighting technologies that are available now but in limited use, such as occupancy sensors that turn off lights when not needed, and high efficiency lamps, ballasts, and fixtures of all types. There are also many measures for other energy uses such as carefully operating and maintaining heating, ventilating and air conditioning equipment, often with the aid of energy management and control systems.

THE OVERALL MARKET FOR COMPACT FLUORESCENT LAMPS

Total shipments of compact fluorescent lamps in the United States are large and growing. A survey of CF lamps manufacturers conducted for the Electric Power Research Institute show that annual shipments of CF lamps are growing rapidly, with about 25 million units supplied in 1991.[14] Manufacturers plan to expand capacity rapidly in the coming years, reaching over 70 million units in 1995. This, it appears that a major shift in Federal lamp procurement to CFs where practical and profitable, while having a definite impact, would not greatly alter the supply/demand balance. For example, even if several million CF lamps (the high end of our estimate) were procured by the Federal government over the next few years that would represent less than 10 percent of just the planned CF production capacity additions between 1990 and 1993.

Despite growing CF sales, traditional incandescent lamps continue to dominate total U.S. lamp sales. In the first half of 1991, the annual rate of shipments of general white incandescent lamps between 15 and 150 watts was over 800 million.[15] Compact fluorescent shipments totalled only about 3% of the market for general incandescents. However, actual CF use is higher than it appears based on that comparison since CF lamps last about ten times longer than incandescent lamps. Adjusting for their much longer lifetime, CFs apparently represented closer to 20% of the combined use of incandescent and CF lamps in 1991. With the industry's current plan to nearly triple production from 1991 levels by 1995, CFs could greatly erode the dominant position of incandescent lamps.

CF lamp technology has improved rapidly in the past several years, and continued improvements are expected. These improvements address the major limitations noted earlier. For example, integral CF lamps (i.e., screw-in integral lamp/ballast combination) producing the light equivalent of 100 watt incandescents became available in the last two years. Size and weight have also decreased and should continue to, making them more suitable in a greater number of fixtures. Improvements in the electronic ballasts used in CFs are anticipated that will provide features such as dimming ability. Further gains in energy efficiency are also likely.

FOOTNOTES

[1] While this memorandum draws on previous OTA work, it includes new material which has not received external review.

[2] Responsibility for wholesale distribution of lamps was transferred from the General Service Administration's Federal Supply System to DLA in December 1991.

[3] Personal communication with Defense General Supply Center account executive, January 14, 1992.

[4] Letter from Elizabeth Ackerman, Defense Logistics Agency, January 24, 1992.

[5] DLA's lamp hotline is 1–800/DLA–BULB [1–800/352–2852].

[6] *Energy Saver Bulbs*, [Defense General Supply Center Richmond, VA], October 1991.

[7] T.J. Secrest, *et. al., Fort Lewis Electric Energy Baseline and Efficiency Resource Assessment*, PNL–7763, prepared for U.S. Department of Energy, Federal Energy Management Program, October 1991.

[8] U.S. General Services Administration, *Summary Report of Real Property Owned by the United States Throughout the World as of September 30, 1988*, 1989.

[9] U.S. Department of Energy, "Annual Report to Congress on Federal Government Energy Management and Conservation Programs Fiscal Year 1990," September 18, 1991, p. 21. Note that electricity prices to Federal facilities vary considerably in different parts of the country, and may depend on the size of the facility.

[10] In addition to energy cost savings, CF lamps also last about ten times longer than incandescent lamps (10,000 hours rather than 1,000 hours), reducing maintenance costs and saving the cost of replacement lamps.

[11] Although initial costs for CF lamps are high, many electric utilities will reimburse Federal facilities for part of their investment in energy efficient equipment including CF lamps.

[12] "DGSC Price List for Energy Saving Lamps," attachment to *Energy Saver Bulbs* catalog, October 1991. Note that DLA is currently reviewing the CF prices in its catalog based on contract prices paid to vendors. The contract prices are in many cases well below the DLA catalog prices, so the cost to Federal facilities may decline considerably. For example, the 20 watt CF has a catalog price of $13.16, but the vendor's contract price is only $7.48. Letter from Elizabeth Ackerman, Defense Logistics Agency, January 24, 1992.

[13] U.S. Congress, Office of Technology Assessment, *Energy Efficiency in the Federal Government: Government by Good Example?* OTA–E–492 (Washington, DC: U.S. Government Printing Office, May 1991).

[14] Lighting Research Institute and Plexus Research, Inc., "Survey and Forecast of Marketplace Supply and Demand for Energy-Efficient Lighting Products Phase I Report," prepared for Electric Power Research Institute, California Institute for Energy Efficiency, U.S. EPA-Global Change Division, U.S. DOE-Federal Energy Management Program, Review Draft, October 1991.

[15] U.S. Department of Commerce, Bureau of the Census, "Current Industrial Reports Electric Lamps," September 1991.

AMENDMENT NO. 1581

(Purpose: To add wood-burning heating appliances to the list of authorized measures under the Low Income Weatherization program)

On page 176, after line 22, insert the following new section:

SEC. . Use of wood-burning heating appliances for Low Income Weatherization.

Section 412(9) of the Energy Conservation and Production Act (42 U.S.C. 6862(9)) is amended by inserting the following new clause and relettering accordingly:

"( ) wood-heating appliances".

Mr. SYMMS. Mr. President, this amendment creates new authority for the Low-Income Energy Assistance Program to provide incentives to replace and modernize wood stoves and other wood-burning appliances. This legislation gives the Secretary of Health and Human Services 2 years to issue guidelines for States in implementing programs to encourage replacement of less efficient wood-heating appliances.

Although this amendment creates a formal consultation process with the Secretary of Energy, I would urge the Secretary of Health and Human Services to also consult informally with the Administrator of the Environmental Protection Agency. EPA has approved certain standards that all new wood stoves must meet. These phase II wood stoves use less fuel and burn cleaner than old models.

The program established in this amendment is very similar to a wood stove modernization provision included in the Senate's version of the 1990 Clean Air Act amendments. Because the clean air conferees decided to accept title I of the House version, this Senate wood stove provision was dropped.

This was a disappointing decision, but this energy bill presents another opportunity for Congress to create a program that will help States offer grants and loans to encourage the upgrading of wood-burning appliances for lower income Americans.

There are three major benefits to this voluntary program. New wood-burning appliances use about one-third of the fuel, dramatically reduce emissions, and provide more heat than do older wood stoves. By helping low-income households to buy these more efficient and cleaner wood-burning heaters, we will be helping our forests while improving air quality and keeping low-income families warmer during winter months.

Such a program could help improve air quality in my home State and many other rural States where people have convenient access to wood fuel. It will also help low-income folks stay warm in the winter by helping them get rid of an older, inefficient wood stove that leaves their home cold and drafty. For these folks, a modern, efficient wood stove can often be essential to surviving harsh winters in remote areas. It could also reduce the demand for the unauthorized taking of wood from national forests in the West.

In Idaho, a major reason for air quality problems is particulate coming from wood stoves. Wood stove particulate is the No. 1 contributor to air pollution in Boise and is a significant contributor in Lewiston, Pocatello, Coeur d'Alene, and many other Idaho cities. My amendment will help solve this problem by getting new wood-burning heaters to low-income families.

This amendment authorizes guidelines for States that will help low-income households replace wood-burning appliances. These State programs will reduce demand for taking wood out of forests, will keep low-income families warmer in the winter, and will improve air quality. From discussions I remember during the Senate's consideration of the Clean Air Act amendments, many northern States could take advantage of a wood-burning appliance modernization program. I would encourage my colleagues in the Senate to again try to provide this incentive and support this amendment.

AMENDMENT NO. 1582

(Purpose: To require the National Academy of Sciences to conduct a study examining current and past energy subsidies)

On page 344, between lines 18 and 19, insert the following new section:

SEC. 13120. ENERGY SUBSIDY STUDY.

(a) IN GENERAL.—The Secretary shall contract with the National Academy of Sciences to conduct a study of energy subsidies that—

(1) are in effect on the date of enactment of this Act; or

(b) Not later than 18 months after the date of enactment of this Act, the Secretary shall transmit to the Congress, the results of such study to be accompanied by recommendations for legislation, if any.

(c) CONTENTS.—

(1) IN GENERAL.—The study shall identify and quantify the direct and indirect subsidies and other legal and institutional factors that influence decisions in the marketplace concerning fuels and energy technologies.

(2) TOPICS FOR EXAMINATION.—The study shall examine—

(A) fuel and technology choices that are—

(i) available on the date of enactment of this Act; or

(ii) reasonably foreseeable on the date of enactment of this Act;

(B) production subsidies for the extraction of raw materials;

(C) subsidies encouraging investment in large capital projects;

(D) indemnification;

(E) fuel cycle subsidies, including waste disposal;

(F) government research and development support; and

(G) other relevant incentives and disincentives.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $500,000 for each of fiscal years 1993 and 1994.

AMENDMENT NO. 1583

On page 23, line 20, amend section 4102 by adding after subsection (g) the new subsection (h) as follows:

"(i) Notwithstanding any other provision of this subtitle, the Postmaster General shall be exempt from the requirements of section 4102(b), 4102(c), and [4102(g), page 3, line 4, of the Glenn Amendment]."

On page 20, line 21, amend as a new subsection (C) as follows:

"(C) For the purposes of section 4108, 4109, and 4110, a 'covered person' shall include the Postmaster General."

Mr. GLENN. Mr. President, the amendments just considered address the use of alternative vehicles by the U.S. Postal Service.

The Postal Service has raised concerns that S. 2166 and one of the amendments I offered here previously regarding the Federal Alternative Fuels Vehicle Program places them in a position of reporting to DOE and GSA. The Postal Service objects to being placed in this position because of their independent status conferred by the postal reorganization of 1970.

These amendments recognize that independence. However, they still ensure that the Postal Service will comply with the procurement, management, and placement criteria that GSA, DOE, and other Federal agencies must abide by.

My amendments also allow the Postal Service to accept the credits available to private and State fleets under section 4108 of S. 2166. In addition, under this language, the Postal Service will not be required to refuel its alternative fuel vehicles at publicly available commercial facilities. I don't think anyone here wants to see postal vehicles queuing up at public gas stations.

I want to thank Senators JOHNSTON and WALLOP and their staffs for working with me to adopt these amendments.

AMENDMENT NO. 1584

(Purpose: To permit solar-powered vehicles to be used to meet the alternative fuel vehicles requirement for centrally fueled fleets)

On page 18, line 6, after "electricity" strike ";" and replace with "including electricity from solar energy;"

AMENDMENT NO. 1585

(Purpose: To provide for the verification of demand-side management energy savings)

On page 157, line 4, strike the period and insert the following: ": *Provided*, That such energy conservation, energy efficiency resources and other demand side management measures are appropriately monitored and evaluated.".

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments (Nos. 1580 thru 1585) were agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, we are getting down to the final strokes of this bill. There are still a lot of amendments that might be considered, but we hope and trust that they will not be considered. So let this notice go out to Senators, Mr. President, that we will shortly, if we do not get contacted by Senators to say that they have intentions to push forward with their amendment, that we will be seeking to get some kind of final list to bring this matter to a close.

So, in effect, let the word go out that we want to finish this bill tonight. It may be a very late night, especially if we get involved in a huge number of speeches. But I hope we can finish tonight.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. I thank the Chair.

HEALTH CARE REFORM—TIME FOR CONGRESS TO ACT

Mr. BOND. Mr. President, as my colleagues pointed out, the President has now come forward with a comprehensive health care plan. It is now time for Congress to get to work because I think we are clear from what our people have said to us back in our respective States.

From what I have heard, there are at least four major criteria that are necessary to satisfy the people of America.

No. 1, there must be affordable access to health care for everyone. As I have traveled across my State, I have heard from people who have lost their health insurance when they changed jobs, people who are struggling to make ends meet and do not know how they will be able to afford a higher health insurance premium, people who are seeing their insurance rates rise faster than their incomes, and people who simply cannot afford to see a doctor when they need to.

No. 2, a reform plan must maintain American's right, freely to choose their own doctor and hospital.

No. 3, an effective reform plan must have a fair system to cut costs.

And, No. 4, wasteful administrative costs must be eliminated. The U.S. health care system is plagued by highly burdensome, confusing paperwork and billions of dollars of waste from an inefficient and disjointed billing system. Even though half of Medicare billing is handled electronically, that other half which is handled by paperwork generates each year enough paper, if laid end to end, to circle the globe eight times.

The President today mentioned the importance of moving to an electronic system for health care. I want to address very briefly that particular point because in my State the average Missourian, and indeed the average American, finds it costs about $400 to $497 a year just for the administrative cost of health care. A study in the New England Journal of Medicine estimates that it adds up to between $96 billion and $120 billion a year.

The dollars are spent because it takes an army of people to read the confusing forms that each patient must fill out. They must go through the doctor's hands. They go to the insurance company. If they are incorrect they come back. If there are different kinds of coverage they go to other people. There is a confusing proliferation of unnecessary paperwork handling.

We could generate significant savings from an electronic paperless billing system. I have been discussing with my colleagues, and I will be discussing with the people in my State this coming week, I intend to introduce legislation to designate qualified health insurance plans when we get back, specifically to nail down the benefits we can achieve from an all-electronic system.

Qualified plans would have to meet minimum Federal guidelines, including participating in a new computerized paperless billing system. In addition to having the benefits of electronic billing, the qualified plans must include some basic consumer protection items that I think each one of us has heard about as he or she has talked with constituents back home.

No. 1, there must be guaranteed acceptance that you can get insurance.

No. 2, guaranteed renewability—no more of the occasionally fly-by-night insurance companies canceling a policy because somebody got sick. It used to be an old joke that a banker was one who lent money like he was lending an umbrella; when it starts to rain he takes the umbrella back.

Well, the joke is no longer funny when it applies to health insurance. The family which has suffered a very serious illness and finds its insurance canceled because some fly-by-night operator has been making money off of cheap premiums and canceling the policy when the costs go up is in a terrible state.

We also need to put limits on the exclusion of coverage for preexisting conditions. Under these qualified plans if you move from one qualified plan to another qualified plan you would not be cut off for a preexisting condition.

Finally, there would be a limit on out-of-pocket costs for deductibles and payments. In short, if you purchased a qualified plan for health insurance you would be assured of a quality product. Designating insurance plans as qualified plans, it would be administered by the State insurance agencies. But my proposal would create an independent Insurance Benefits Assessment Commission to oversee implementation of the plan. Once that plan would be in place, then all businesses and workers would want to purchase a qualified plan because the full 100-percent tax deduction would be limited to those qualified plans. It would be a 100-percent deduction, so we get rid of the unfair situation we have today where a farmer or self-employed worker only gets to deduct 25 percent of the cost of health care insurance.

Our country can get the same efficiencies that Canada has through computerization. We believe that this computerization and electronic billing, can save from $50 billion to $80 billion a year in paperwork costs for health care plans.

I believe that the insurance overhaul can cut costs significantly and provide these additional consumer protection benefits. And I daresay every one of my colleagues has had a number of complaints in each one of these areas. We can get the job done if we tie the full deductibility for health insurance costs to submitting a qualified plan.

In summary, I believe the President's plan has hit the basic needs of this country. He has a four-point plan that makes sure that everyone will have affordable access through a system of tax credits or certificates and expansion of the public programs for the poor. He does not take away the consumer's right to choose a doctor and a hospital. The President's plan has a package to cut costs and to do it without raising taxes or enacting Government cost control.

I believe the President is right on track when he says we must have electronic claims filing. This, to me, is the kind of plan we can begin to work on. The ball is now squarely in Congress' court, to enact health care reform.

We can score lots of points by criticizing each other's plans and saying that we do not like this part or that part of somebody else's plans. But I think the time has come where we can all work together because we hear the same voices and they are saying: Stop the practices that take away insurance, do something about the costs, but let us continue to have the choice and the quality that have become the hallmark of the American system.

Mr. President, I thank the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

LEADERSHIP FOR HEALTH CARE REFORM

Mr. WOFFORD. Mr. President, after 3 years of vague promises and more than 2 months of renewed expectations, President Bush finally put his cards, or some of them, on the health care table today in Cleveland. We welcome him to the table, at long last. For 3 years that President's chair has been empty.

We cannot meet the challenge of reforming our Nation's health care system without leadership from the President of the United States. Unfortunately, the only thing the President seems ready to lead is an attack against any fundamental reform of our health care system.

That is too bad. Because the enemy he describes as national health insurance is largely imagined, while our real enemies—skyrocketing cost, declining access, and endless wasteful paperwork in a maze of different, confusing programs—are a real part of our health care system as it exists today.

I am glad the Pennsylvania election served last November to convince the President to change his mind, to come forward with a health care plan before the November 1992 election; not to wait until afterwards. But the wake-up call did not convince him to stand up to the Nation's health care crisis with the same energy and commitment he showed when he confronted Saddam Hussein. Because the President's approach to this problem would, at the end of the battle, leave the status quo fundamentally intact. In fact, it might even make the situation worse by increasing the maze of bureaucracy without controlling costs.

The message I bring from the people of Pennsylvania is that when it comes to our current health care system, this will not stand. That message grows out of the harsh logic of the facts and the painful personal experience of almost every American. The great political force of this issue comes not from the tragic fact that some 37 million Americans cannot afford health insurance at all, but that millions more, a majority of the American people, fear that the rising costs of health care will bankrupt them or leave them unable to afford basic health care.

The approach finally outlined by the President in Cleveland a few hours ago does little more than tinker with our current system. It does not follow the facts to their logical conclusion. It will not turn the right to a doctor into a reality for all Americans. It does not address the fundamental problem facing us today: A health care system in which a stampede of forces, like a herd of cattle, are driving costs up at every level. But instead of building a single sturdy fence, the President seems to think he can lasso them one by one by providing vouchers or tax credits and letting the free market work its will.

But the Wall Street Journal itself declared on its front page just a few weeks ago that the laws of economics have been repealed in the health business. The market in health care is not working for the majority of the people.

The few actors within the health care market who have the power to control costs have little incentive to do so, and those who have every incentive to—the consumers and patients—have no power.

What Adam Smith wrote about the power of the invisible hand, he assumed, as they do at Symms, that an educated consumer is the best customer. But how can a patient decide if she needs an MRI screen to determine whether her chronic headache is a tumor?

The President's approach would not curb health spending. Instead of putting real teeth into cost control, the President suggests paying for his plan by taking a bite out of Medicaid and Medicare.

After a decade of such cuts for people who need those programs, it is unfair to ask our older citizens and those less fortunate to pay for the health care mess we are in.

As Pennsylvanians proved last November, the people are far ahead of this administration on this issue. They realize that other countries have universal systems which spend far less and provide high quality care by private doctors and private hospitals.

The President's threats of new taxes and Government bureaucracy do not strike much fear in the millions of families who are already struggling to cope with the complicated forms, the rising endless bills, and the hidden tax on wages and profits imposed by our present employer-based private health insurance system.

The President struck out last week with his economic plan. It was no strategy to get our economy moving again and out of this recession. He stepped into the batter's box today and struck out again with his inadequate health care proposal.

Before we say, "Three strikes and you are out," let us give him one more chance. Let us take his March 20 deadline that he gave for action on the economy and ask him to come back to the table with a serious health care plan that will control costs because we need his leadership, we need him to seize the day and not, as the Philadelphia Inquirer editorialized yesterday, propose the kind of ineffective piecemeal reforms we got in Cleveland.

Mr. President, just as the time once came when women finally won the right to vote, as the walls of segregation fell finally after decades of lawsuits and nonviolent protests, and as the moment finally came for the creation of Social Security, the iron is now red hot for fundamental change in our Nation's health care system, and that fire is not going to cool until we have a President and a Congress willing to hammer out a truly comprehensive American plan for universal and affordable health care.

THE PRESIDENT'S HEALTH CARE REFORM PROPOSAL

Mr. CRAIG. Mr. President, this morning our President, George Bush, released his health care reform proposal. It has been talked about to some extent on this floor this afternoon and early evening. I must say the greatest disappointment I have already heard is the drumbeat of fearmongering that is suggested by some of our colleagues that this is too little too late and does not address the very real concern in this country of health care, affordable and accessible to those who now do not have it.

I think we all agree on the numbers: 15 percent of the American people, some 37 million Americans at this time do not have access at least at the level and to the degree that most of us would wish that all Americans could have. But I believe what our President has done today is a strong approach toward recognizing that the consumer has to be and must be in this debate a major and integral part of the whole process. And he has said to us, I am going to move in a clear and definable direction and engage all of us in the Senate and across America in a debate that must go on.

Not that we should rush to judgment, Mr. President, in the next 2 to 3 months, because I do not think we should and I do not think we can. I do not think the American public is yet ready to decide on a single package unless it costs them nothing or unless someone will give them something that they are already not being given.

But all of us recognize that it will cost something. It is already costing between $750 billion and $800 billion a year for our current health care system. And there are some who are suggesting we ought to pay more. There are a good many of us who are suggesting that we already pay enough. The level or the amount of money being consumed in health care is not the issue. The issue is its distribution. The issue is the access, the programs, that which is or is not working today and how we might work it better, or at least design a program that will take us in a direction of affordability and access.

You have heard, by a good many, from a good many on this floor, that increasing Government involvement and putting financing back on to business is the way out. I would suggest that it is not the way out. If that is the answer, that is a cop out. That is not the appropriate response to the problem.

My colleague from Idaho and I, last session, introduced Senate 2095, and I must say today I am pleased that our President has taken portions of that package and introduced them as an approach toward the resolution of this problem. What am I talking about? I am talking about returning health care to the marketplace to be driven by the consumer. So last November Senator SYMMS and I introduced legislation that would begin to do that and offer choice and a quality of choice that does not exist in health care today.

The main purpose of S. 2095 is to make the individual more aware of what he or she is paying for in health care so that they will have choice of cost-effective options. This is done through a refundable tax credit to the individual for health insurance.

In other words, what we are simply saying, Mr. President, is that it is going to be cost effective for those who do not have health care today to be going through the front door of the doctor's office or the clinic instead of waiting until the last minute to go through the front door of the emergency room. That is what we are saying. And to do that, we are going to make an insurance program available to those who do not have it. That is, by some estimates, today an 11-percent savings across the board of the current level of health care across this country. I think that is extremely significant.

The legislation also encourages self-insurance for out-of-pocket expenses through a tax exempt individual medical account, better known as an IMA. Money put into the savings account could be used for any form of deductibles, to cover future unforeseen health care costs.

Mr. President, continuing on the path of increased Government involvement in health care means continuing to attempt to control costs though Government mandates. I know the President and I have been here for a good number of years. In the course of those years, we have attempted to do just that: to control health care costs. We reformed Medicare in the mid-1980's. We are constantly adjusting Medicaid. The average cost of increase in Medicaid is around 24 percent. This last year, when the figures are in, it will be estimated at an increase of 38 percent. And that is control? You bet it is. That is what we have been saying. Those are the kinds of Federal mandates that have controlled the health care programs of this country, and they simply have not worked.

I think our President was strong today in his course and in his direction. He has engaged us in the debate that is necessarily needed for now and for the future. Will we resolve this by election day November 1992? Frankly, Mr. President, I do not think we can, and I hope we do not because I believe that this is such a complicated issue and that the impact on young and old Americans alike, present and future, will be so significant that we dare not err in that which we proceed to do because once it is in place, once we have said to the American people you have a program and a level of dependency is built upon it, we will find it both economically and politically impossible to change. So we cannot err. And to be safe and not err, we have to debate it.

For those who will stand on the floor now and through the winter, the spring, and the summer months to discuss this issue, let me suggest that if they say we do it now, they say we do it for political purposes come November. But if they say we debate it, we review it, and we dedicate ourselves to a resolution of this problem, once all of the answers are in, as best we can prescribe it, then I would suggest we are after a meaningful health care delivery system in this country that puts it where it ought to be, back into the market, back where you and I have the choice and our voters have the choice, and recognizing that it will be paid for under current levels of expenditure, that we will not overtax the American people, that we will develop a system competitive not just for us but for the world around us.

That is the resolution. That is what our President is saying. That is the debate that he has engaged us in today, and I applaud him for his leadership and his action.

I yield the floor.

HEALTH CARE

Mr. SPECTER. Mr. President, I want to make a very brief comment on the health care issue. It is timely as much discussion has been held on the Senate floor in the course of the last several hours regarding the President's health program, today introduced by the distinguished Republican leader. I shall not be long, because I know the managers want to move ahead with this legislation.

I am glad that the President has now submitted his legislative proposal. His joins a great many proposals which are currently pending in the Senate. I joined with the distinguished Senator from Rhode Island, Senator CHAFEE, on the Republican task force on health care as an original cosponsor of a comprehensive proposal. Additionally, I introduced a bill of my own, S. 1955. I have been very active in this field during the course of the past 11 years on the Appropriations Subcommittee on Labor-Health, Human Services and Education, the past 3 years as ranking member of that committee.

I have noted that there have been critical comments directed at the President by Members on the other side of the aisle. I express the same opinion today as I did yesterday on the President's economic package, that we move forward from this point on the President's health care package.

I have not had an opportunity to study the details of the President's package. My preliminary observations are that it is a good step forward, and what I would like to see done is that the Senate tackle this issue immediately. I know we cannot do it next week, although some might like to, but we should address reforms of the health care system so as to provide health care for all Americans.

I believe that is unconscionable that we have some 37 million Americans not covered by health care. I believe health costs are exhorbitant. My conversations with major corporate executives like Walt Williams of Bethlehem Steel, as well as with small businessmen around my State, I have found that those who provide coverage find it enormously expensive. We must move forward forcefully in an attempt to control costs.

I believe that in the area of infant care, for example, we can have major savings. I became interested in 18-ounce babies in the early 1980's when I found out that Pittsburgh, PA, had the highest mortality rate of African-American infants in the Nation. It is a remarkable thing to see a baby which weighs a pound and two ounces, about as big as your hand, and they come into this world from children themselves, 12-, 13-, 14-year-old girls. It is a human tragedy for the child and the mother who go without proper parental care.

Similarly, there has been the issue of terminal costs, very high in the last few days, weeks or months, of the life cycle. Last December 1, a Federal law went into effect which calls the attention of patients entering hospitals on Medicare to the availabilities of living wills. No person can say for another what life supports there ought to be. But to have that issue addressed could result in very considerable savings.

A well-managed health care is an area where there could be enormous savings.

The U.S. health system in Philadelphia is operated by a distinguished Pennsylvanian, Mr. Leonard Abramson, author of a superb book on this subject. He has made an offer to the Department of Health and Human Services to take a control group of 100,000 Medicare patients, which he would manage, and compare that group with another 100,000. He is confident that he can achieve a minimum of 25 percent savings with his program.

I make these comments very briefly, Mr. President, to outline some areas where I think there could be enormous savings on health care. These issues—and many others—ought to be considered by this body at an early date so we can move forward toward a consensus on the health plan to cover all Americans.

BUSH HEALTH CARE PROPOSAL

Mr. CRANSTON. Mr. President, the health care proposal released by President Bush today will do little to help the 37 million uninsured Americans and bring down the skyrocketing health care costs.

I am relieved that President Bush has finally realized that there is a health crisis in the United States. Unfortunately, the President's plan will not guarantee Americans access to health care nor attack the root causes of the high costs of health care. Without an overhaul of the health care system, we will move from a crisis to a debacle. It is estimated that in 2 years, 60 million Americans will be without health care and the cost of health care will more than double in the next decade to $1.6 trillion.

In California, 5.9 million do not have any health insurance. A third of the uninsured are children and another third are adults. A startling 87 percent of the uninsured are working people. The number of uninsured Californians is particularly high among Hispanics. A recent poll found that 4 out of every 10 Hispanics do not have health insurance because many work in industries that do not provide health care benefits.

President Bush's health care proposal provides little relief to Americans who cannot afford insurance. The President's plan provides for tax deductions and credits but does not contain a plan that will reduce health care costs effectively. The President said he will make insurance affordable for Americans by providing tax deductions and credits. These deductions and credits make little sense without a mechanism that reduces runaway health care costs.

The President's plan fails to offer such a mechanism. Rather the President in his speech today put the burden of reducing health care costs on small businesses and consumers. He suggested that small businesses form health insurance networks [HIN] to obtain lower insurance rates and that consumers shop more wisely when purchasing health insurance. The President failed to offer a concrete proposal to combat the root causes of high health care costs—insurance premiums, and administrative and medical costs.

It is estimated that the costs of the proposed tax credits and deductions would be $100 billion over 5 years. The President plans to make the elderly, disabled, and very poor Americans pay for his health care plan by reducing funding for Medicare and Medicaid. Cutting Medicare and Medicaid benefits will hurt the neediest Americans. This is an insensitive and ineffective way to cut health care costs and reform our health care system.

Fortunately, there is legislation pending in Congress that will take a more comprehensive approach to reforming the health care system. The Health America proposal introduced by the Majority Leader, Senator MITCHELL. I support this proposal which would reform our present health care system in order to provide health care to all Americans as well as attack the causes of high health costs. Universal access to health care for all American families would be guaranteed by requiring employers to provide coverage meeting basic standards to their workers and their families or contribute a percentage of their payroll to a new public insurance program called AmeriCare. AmeriCare would provide coverage to the unemployed and to workers whose employers have chosen to contribute to the public program. The Health America proposal includes a cost containment plan which will eliminate cost-shifting by insurance companies, reduce unnecessary care, reduce administrative costs, and establish a board which will develop cost containment programs. This plan is estimated to save the Nation $80 billion over 5 years. The proposal also would provide assistance to small businesses through such mechanisms as a phase-in period and favorable tax treatment for the self-employed. Finally, HealthAmerica will lower premium costs by encouraging use of managed care plans.

Now that the President has recognized that America is in a health care crisis, I hope he will work with this Congress to pass legislation that will guarantee all Americans access to quality health care and reduce health care costs. We need a real health care plan, not a sham.

Mr. SYMMS. Mr. President, today, the President is unveiling his health care proposal. I have not yet seen all the details, but his proposal seems to be comprehensive, well-thought out, and definitely heading in the right direction.

Mr. President, the health care debate has just taken an enormous step forward. There are problems in our health care system. Serious problems. And we have to have serious proposals to deal with these problems.

Our friends from the other side of the aisle have two serious proposals: Socialized medicine and extortion—what they call pay or play. It may sound harsh, but pay or play is just legalized racketeering. Either play by our rules or we will tax you into the ground. If we go down this route, maybe the first administrator should be somebody from the mob who really understands this business—I wonder if John Gotti needs a job?

One thing you have to admit about socialized medicine and the pay-or-play racket, these plans are serious—serious as a heart attack.

The President's proposal will provide access to health insurance for all poor families. It includes medical liability reform, insurance market reform, and encourages the growth of coordinated care. More importantly, it promotes individual responsibility in health care.

The President's plan includes a tax credit for health insurance. I think that is exactly the right direction to go in. Frankly, about the only reason I can find to oppose this approach is that it runs 180 degrees opposite of the socialized medicine or extortion approaches. The President's plan emphasizes individual choice. It emphasizes the role of the individual in the market for health care. The other proposals are based on Government controls and government mandates. What we have here is a classic confrontation between the forces of government control over our lives, and the forces of individual choice.

There is something confusing about the response to the President's proposal, however. Where are all my liberal friends when the President proposes a tax credit for the poor to buy health insurance? My Heavens—they talk about middle-income tax cuts and helping the poor, they talk about the uninsured. Well, the President's plan addresses these problems head on. Do they care more about expanding government or is all their talk about helping the poor just that—just talk.

The President has taken the right road, but I am afraid he has not pursued it to its logical conclusion.

We should not just have a credit for the poor, though we should certainly have that. We should allow everyone to have a credit when they buy health insurance. And we should allow everyone a tax-exempt savings account to save for their out-of-pocket expenses. We should take every reasonable opportunity to make the individual more of a player in his medical choices. I have introduced a bill that allows such a credit and savings account. It is paid for by equalizing the playing field in the tax code.

I hope my colleagues will take a look at the bill, Senator CRAIG and I introduced, S. 2095. A lot of thought has gone into this plan, and not just by my office. This plan builds on the extensive work done by the Heritage Foundation and by the National Center for Policy Analysis in Dallas. This is the only direction that can bring health care costs down, in my opinion. This is the road we must follow.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Louisiana.

Mr. JOHNSTON. Madam President, I will shortly send two amendments to the desk on behalf of Senator HATFIELD. When the committee considered the hydroelectric provisions, Senator HATFIELD offered an amendment which would permit the Bonneville Power Administration to fund certain conservation and development features at Federal projects in the Pacific Northwest. These amendments clarify that language which Senator HATFIELD gave and corrects some technical problems which we had not worked out fully with the committee. The two amendments relate to the Columbia River water conservation and also the Columbia River hydropower amendment.

AMENDMENTS NOS. 1586 AND 1587, EN BLOC

Mr. JOHNSTON. Madam President, I send to the desk those two amendments and ask for their immediate consideration. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendments.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. HATFIELD, proposes amendments numbered 1586 and 1587, en bloc, as follows:

AMENDMENT NO. 1586

On page 106, after line 20, insert the following new section 5308:

"SEC. 5308. Without further appropriation and without fiscal year limitation, the Secretaries of the Interior and Army are authorized to design, construct, operate and maintain generations additions, improvements and replacements, at their respective Federal projects in the Pacific Northwest Region as defined in the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), P.L. 96-501, 16 U.S.C. Sec. 839a(14), and to operate and maintain the respective Secretary's power facilities in the region that the respective Secretary determines necessary or appropriate and that the Bonneville Power Administrator subsequently determines necessary or appropriate, with any funds that the Administrator determines to make available to the respective Secretary for such purposes. Each Secretary is authorized, without further appropriation, to accept and use such funds for such purposes: *Provided*, That, notwithstanding any other provision of law, the receipts and disbursements of the Bonneville Fund and the expenditures of each Secretary from Fund transfers made pursuant to this section shall be exempt from any budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government, including any budget law deficit calculation, sequestration order or discretionary spending limit: *Provided further*, That this section shall not modify or affect the applicability of any provision of the Northwest Power Act. This provision shall be effective on October 1, 1993."

AMENDMENT NO. 1587

On page 104, after subsection (e), insert the following new subsection (f):

"(f) Without further appropriation and without fiscal year limitation and notwithstanding subsections (b) and (d) of this section, the Secretary of the Interior is authorized to design, construct, operate and maintain water conservation features that the Secretary and the Administrator of the Bonneville Power Administration determine necessary or appropriate at Federal Reclamation projects in the Pacific Northwest Region as defined in the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), P.L. 96-501, 16 U.S.C. Sec. 839a(14) pursuant to subsection (a), with any funds that the Administrator determines to make available to the Secretary for such purposes. The Secretary is authorized, without further appropriation, to accept and use such funds for such purposes: *Provided*, That, notwithstanding any other provision of law, the receipts and disbursements of the Bonneville Fund and the expenditures of the Secretary from Fund transfers made pursuant to this subsection shall be exempt from any budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government, including any budget law deficit calculation, sequestration order or discretionary spending limit: *Provided further*, That this section shall not modify or affect the applicability of any provision of the Northwest Power Act. This provision shall be effective on October 1, 1993."

Mr. HATFIELD. Madam President, although the Senate is working on legislation to improve the Nation's energy security, I offer two amendments today which, as one of their primary purposes, will benefit several weak stocks of Columbia River Basin salmon—one of which already has been designated as an endangered species.

As most of my colleagues know, we in the Pacific Northwest are dealing with our second major listing of an endangered species in the last few years. While Senators all are probably familiar with the northern spotted owl, they may not yet be acquainted with the Snake River sockeye and chinook salmon.

The amendments which I am proposing will assist the people of my region in solving the endangered salmon problem within the borders of the Pacific Northwest. Not only will these amendments assist in the recovery of the weak salmon runs, they will do it without greater reliance on funds from the Federal Treasury. In fact, if the amendments are enacted, they will actually result in a small profit to the Federal taxpayers.

The citizens and political leadership of the Pacific Northwest have learned a great deal from the experiences associated with the spotted owl. From the time the first salmon petition was filed, the Northwest has striven to find ways to assure the survival of these precious fish species. The salmon have always been a unique part of the culture of the Northwest and we intend to ensure that there will be salmon in our rivers and streams for future generations.

At the same time, we also want to ensure that our efforts to protect the salmon do not tear apart the fabric of our already strained economy. It has been our assumption throughout these last 2 years that we can have both. We can protect and enhance our salmon runs and nourish our fragile economy. These two objectives are not and should not be exclusive of one another.

After 2 years of strenuous effort, the region has produced an initial plan which credible biologists assure us has the elements necessary to save the endangered Snake River salmon. The plan, which has been endorsed by the Governors of Oregon, Idaho, Washington, and Montana, is just the first step in what will be a long and difficult process. The plan gives us reason to believe, however, that the salmon can be recovered without destroying the region's economic engine.

This is not to say, though, that there will not be a significant cost to the region. The plan will have adverse effects on current irrigation, navigation, fish harvesting, and recreational practices in the Northwest. Perhaps the largest dollar impact will be to the electric ratepayers of the Northwest. The Northwest Power Planning Council, which developed this plan after the conclusion of the salmon summit, estimates that the cost to electric ratepayers in the Northwest will range from $70 to $250 million annually. Let me repeat that. It is estimated that the ratepayers of the Northwest—not the taxpayers of the United States—will pay between $70 and $250 million each year for salmon recovery in their electric rates alone.

Let me take just a moment to put these numbers in context. There has been a great deal of discussion recently regarding the California condor captive breeding program which now appears to be on the verge of success. A recent Washington Post article indicated that the total cost of that program has been $25 million. In other words, the minimum annual contribution that electric ratepayers alone will pay to protect the salmon is triple the total cost of the California condor program. According to another recent Washington Post article, the total U.S. Fish and Wildlife Service's budget for protecting all the species on the endangered species list is $38 million. This will be half the minimum annual contribution from electric ratepayers in the Northwest for protecting the salmon.

Madam President, the Pacific Northwest is prepared to stand up and pay more than its fair share toward protecting our endangered species. In fact, we already are doing it.

I am here today to ask for my colleagues' assistance in correcting one technical problem which stands in the way of the Northwest achieving recovery of the Columbia River basin salmon runs at the least possible cost to the Federal taxpayer.

Much of the additional cost to electric ratepayers occurs because of changes being made to the operation of the vast hydroelectric system in the Northwest. These changes will result in reducing the capability of the system. It is expected that these changes will reduce the system capability by about 400 average megawatts—the equivalent of approximately one medium-sized coal plant. Therefore, the Bonneville Power Administration and the region's utilities are finding it necessary to purchase additional energy. These purchases are costly both from an economic and an environmental perspective. Generally, these purchases are coming from thermal plants throughout the West which are increasing their operations. The economic costs are borne by Northwest ratepayers. The environmental costs are borne all across the Western United States and Canada.

One means of replacing at least a portion of this lost energy is to better operate and maintain the existing capability at the Corps of Engineers and Bureau of Reclamation facilities in the Columbia River Basin. In addition, there are significant opportunities to increase the generating capability on these existing plants. These increases can be accomplished at significantly lower cost than the existing alternatives and without harming fish or otherwise incurring environmental costs.

What stands in our way of accomplishing such a worthwhile objective one may ask? Merely the ability to transfer funds from the ratepayer-financed Bonneville Power Administration to the Corps of Engineers and Bureau of Reclamation.

As Senators may know, Bonneville must pay all its bills with funds collected from ratepayers. When BPA wants to borrow money it is required to borrow from the U.S. Treasury at a rate which makes a profit for the Treasury. Therefore, if this amendment is accepted, not only will there be no cost to the Federal taxpayers, there will actually be a profit in it for them every time BPA borrows money for these investments. Because BPA ratepayers will be on the hook to pay for any of these investments you can be assured that there is a self-regulating mechanism to assure that unnecessary investments are not made. In addition, Bonneville will continue its existing consultative process with its customers prior to initiating capital expenditures under these provisions.

My colleagues in the Pacific Northwest and I have made significant efforts to work with our constituents to keep the salmon issue from becoming a difficult and divisive issue which will require the Senate's attention. While we cannot guarantee success, we do have cause to believe our efforts have not been in vain. I am now asking the Senate's help in allowing us to try to solve this problem within the region, without any financial contributions from the Federal Treasury. I ask Senators' support for these amendments.

Madam President, I rise to offer an amendment in furtherance of an objective of the proposed National Energy Security Act of 1991—namely the provision of low-cost environmentally sound energy resources.

To further the achievement of this objective, the Congress needs to clarify existing authorizing authority to enable the full hydroelectric development of Federal projects in the Pacific Northwest so that they can provide reliable and environmentally sound electric power resources. Such resources remain available for further development in the Pacific Northwest, are needed to meet projected energy requirements and the Congress should clarify that existing financial tools are available to help achieve this objective.

Specifically, I propose to clarify that the Secretaries of the Departments of the Army and the Interior can accept and use financial resources provided by the Bonneville Power Administrator to increase the energy efficiency at Federal projects in the Pacific Northwest.

Madam President, my amendment would clarify that the BPA may use its existing self-financing flexibility to increase the energy efficiency of Federal projects in the Pacific Northwest. This would be accomplished by enabling the BPA Administrator and the Secretaries of the Departments of the Army and Interior to work together to identify hydroelectric power resources that can be developed through additions, improvements, and replacements at Federal projects in the Pacific Northwest with the assurance that the Secretaries of the Army and Interior can each accept and spend money from BPA for these purposes. The BPA ratepayer funded self-financing mechanism is available to increase the energy efficiency of the Federal Columbia River Power System [FCRPS] without placing any burden on the U.S. taxpayer. This amendment would also eliminate a double appropriation by the Congress.

The amendment would also clarify that the Secretaries of the Departments of the Army and the Interior can accept and use funds provided by the BPA Administrator to operate and maintain Federal power facilities at Federal reclamation projects in the Pacific Northwest.

NATIONAL ENERGY STRATEGY CONSISTENCY

The national energy strategy calls for the full development of the hydroelectric capacity of existing Federal projects.

The national energy strategy specifically addresses, on pages 122 and 123, the problem I propose an available remedy for in my hydro efficiency amendment. The strategy states and I quote:

> The funding process for operation and maintenance and equipment and efficiency improvements at existing Federal hydropower projects is overly complex and inefficient. These funds currently are collected by the Federal power marketing administrations and deposited into the Federal Treasury. The Corps of Engineers and the Bureau of Reclamation must then ask Congress to appropriate these funds. These requests must then compete with other agency budget requests. Additionally, once appropriated, these funds may be diverted to nonhydropower activities. * * * For Federal hydropower projects, the Strategy calls for greater cooperation among the power marketing administrations and the Federal operating agencies to identify and fund operation and maintenance activities and efficiency improvement. * * * Coordination and planning among the power marketing administrations and the Federal operating agencies will allow resources to be allocated to the highest priority operation and maintenance and replacement of inefficient equipment.

I support the strategy, but propose that we go one step further. I propose that cooperation include the use of existing BPA financial resource flexibility to achieve such efficiency improvements, including associated fish and wildlife mitigation and enhancement measures. In the case of BPA, existing financial tools are available to make major progress in achieving Federal hydroelectric power efficiency improvements.

The potential exists for developing in the Pacific Northwest replacements, improvements and additions at Federal projects that would provide low cost and environmentally sound resources to meet BPA firm power sales contract requirements.

NORTHWEST HYDRO RESOURCE PROJECTIONS

BPA has already identified approximately 184 average megawatts of hydroelectric energy that can be developed through efficiency upgrades on existing projects. About 45 average megawatts can be acquired by improving generator controls at corps projects. A further 86 megawatts can be acquired by installing new generators at corps and Bureau projects. Another 11 to 23 average megawatts can be provided by raising the reservoir at Chief Joseph Dam. Also, 30 average megawatts can be obtained by rebuilding or replacing the turbines at Chief Joseph Dam, units 1 through 16. These hydro efficiency improvements are included in the Pacific Northwest Electric Power Planning and Conservation Council's—Regional Council's—draft 1991 northwest conservation and electric power plan. The plan includes 110 average megawatts of hydro efficiency improvements in its proposed resource supply mix. The draft plan also calls for the purchase of 1,350 megawatts of conservation over the next 10 years. This 184 megawatts would be a significant contribution to that goal.

BPA FACES POWER DEFICIT

BPA's current electric load forecast underscores that the surpluses projected in previous years no longer exist for BPA. Under the medium load forecast, BPA is projected to have a firm deficit of about 260 average megawatts for 1992 through 1996, a firm deficit of 100 average megawatts for 1997, and an increasing firm deficit to a maximum of 1,350 average megawatts by 2011, the end of the 20-year planning horizon. In January 1991, BPA began seeking proposals for 100 megawatts of guaranteed energy from utilities, government agencies, and private developers. In March, the agency increased the call to as much as 300 megawatts and anticipated that it would need about 500 average megawatts of new sources of energy by the mid-1990's if demand continues to increase at forecasted growth rates.

THE AVAILABLE SELF-FINANCING TOOL

BPA's self-financing authority, the Federal Columbia River Transmission System Act [FCRTSA] of 1974 (P.L. 93-454), provides the financial mechanism which is available to fully utilize this existing and untapped potential without placing any burden on U.S. taxpayers.

In 1974, Congress enacted the FCRTSA, which gave BPA additional authority to carry out its functions in a businesslike and financially flexible manner. The act established the BPA Fund, a separate fund in the U.S. Treasury, and authorized BPA to make expenditures from the BPA Fund without further appropriation and without fiscal year limitation. BPA's borrowing and revenues, including those from the sale of power and related services, are deposited in the BPA Fund. To pay the costs of the FCRPS, BPA is authorized to make expenditures from the fund. The BPA Administrator may make expenditures without further appropriation and without fiscal year limitation, subject to such directives or limitations as Congress may include in an appropriations act. In enacting the FCRTSA, Congress gave BPA the ability to carry out its mission free from the uncertainty inherent in the annual appropriations process.

BPA PAID FOR FLEXIBILITY

In exchange for this financial flexibility, the BPA ratepayers assumed the obligation of paying higher interest rates for funds BPA borrowed from the U.S. Treasury than would have been available under no-year appropriations. Historically since enactment of the FCRTSA, BPA interest rates on Treasury borrowing have averaged about six-tenths of 1 percent above the Treasury's long-term cost of money. BPA is required to set its rates for electric power and related services at levels sufficient to pay all of its costs, including repayment of the Federal investment in the FCRPS. This assures that the BPA power system will be supported by BPA ratepayers and will not be a burden on Federal taxpayers. The BPA Fund, therefore, is self-financed by means of a permanent, indefinite appropriation.

DIRECT VS. DISCRETIONARY PROGRAMS

BPA's direct costs, including the program costs for which it borrows funds from the U.S. Treasury, now include the BPA transmission program; conservation; protection, mitigation, and enhancement of fish and wildlife; and other costs incurred by BPA in implementing its various authorities, including the 1980 Pacific Northwest Electric Power Planning and Conservation Act (Regional Act/P.L. 96-501). Under current budget law, these activities are considered a direct program and are not subject to sequestration.

Even though all construction, operation, and maintenance costs of the Federal hydrogenerating projects are still repaid from the same electric power rates that repay the above direct program costs, the construction, operation, and maintenance costs for Federal electric generation by the Bureau and corps are currently considered discretionary program, subject to sequestration and Congress first appropriates the outlay from the general treasury. Once the appropriation is outlayed, it is repaid over time with money from BPA. Operation and maintenance outlays are collected from ratepayers and recovered from BPA ratepayers and repaid to the Treasury within the same year. Further, I am informed and am concerned that, under current executive branch budget planning assumptions, the Office of Management and Budget does not provide for outyear inflation in its planning targets for either the Bureau of Reclamation or the Corps of Engineers hydrofunctions.

In summary, the power marketing function which legally must meet electric load requirements is considered a direct spending program not subject to sequestration and the hydroelectric energy supply and maintenance function, which currently provides 90 percent of BPA's power requirements, is considered a discretionary program. As this infrastructure ages, this budget approach must lead us to ask, "Is something wrong in River City?"

AVOIDING A DOUBLE APPROPRIATION

Madam President, my amendment would promote the achievement of increased hydrogeneration while avoiding the double appropriation by the Congress. Currently, some may believe, in my opinion erroneously, that the Secretaries can only spend money on these types of projects, if that money has been directly approved for their use in the appropriations process. The cost of the projects are then repaid over time with money from BPA, which has also previously been approved as a permanent appropriation. My amendment would remove the duplication by clarifying the allowed use of BPA funds directly and up front. I should say at this point that the merits of this amendment were obvious to almost anyone and committee members supported adoption of the amendment. First, it would cause a reduction in Federal expenditures and second, additional amounts of a clean, renewable resource—hydroelectric energy—would be generated with no significant environmental consequence.

If all this is true, why, you may ask, did not Dudley Doright save the fair damsel in distress? Enter the villain. The Congressional Budget Office [CBO] in its infinite zeal and stalwart defense of the budget process and Federal Treasury concluded that my amendments which I sought to offer in the Senate Energy Committee created new direct spending and would subject the bill to a point of order on the Senate floor. Assuming the CBO staff with the green eyeshades are correct, which I do not, we the Congress have created a budget process which results in Members being unable to offer amendments which save real dollars solely because CBO's scoring matrix spits out an erroneous conclusion that they cost money. Thus, I decided to introduce my hydro efficiency amendment on the Senate floor and let it stand or fall on its merits. Clarifying that existing direct funding is available is beneficial to both regional ratepayers and to the Nation's taxpayers. For taxpayers, the second appropriation will be eliminated. Clarifying the flexibility to pay these costs directly instead of repaying the appropriations will result in somewhat lower rates than would otherwise occur in the long run as both cost-effective investment and proper maintenance will be financially assured.

CLARIFICATION OF AUTHORITY

The proposed amendment would clarify the authority of the Secretaries of Army and Interior (the Secretaries) to construct additions necessary to fully utilize the potential at Federal projects within the Pacific Northwest. Section 2(a) of the Bonneville Project Act, 16 U.S.C. section 832a(a)—Project Act—provides for the installation of additional generation facilities at the Bonneville project when in the judgment of the BPA Administrator such facilities are desirable to meet actual or potential market requirements for electric energy. Through secretarial orders and section 8 of the FCRTSA, the Administrator's authorities under the Project Act, including section 2(a), have been extended to all projects for which the Administrator is the power marketing agent. The Secretaries have authority to design, construct, operate and maintain generation additions, improvements, and replacements at their respective projects pursuant to other congressional laws and that authority would not be changed by this amendment. Federal projects in the Pacific Northwest region, in addition to those for which the Administrator is the power marketing agent, have also been identified as potential efficient sources of electric power that could be developed under this enactment.

The authority to construct additions under the section 2(a) authority has been questioned. A recent ruling by the Federal Energy Regulatory Commission [FERC] refused to recognize the applicability of this authority beyond Bonneville Dam facilities to the recapture of a portion of the power lost at the Dworshak project due to a water diversion for fish mitigation. BPA has proposed to install a generator in the diversion intake line to mitigate the loss of Federal power from the diversion.

The proposed amendment makes it explicit that the Secretaries of the Army and the Interior each continue to have the authority within specified limits, without further appropriation and without fiscal year limitation, to make additions, improvements, and replacements that the Administrator and the respective Secretary determine necessary or appropriate at Federal projects in the Pacific Northwest region with any funds that the Administrator determines, after consultation with the respective Secretary, to make available to such Secretary for these purposes. Those funds include revenues, the proceeds from the sale of bonds to the U.S. Treasury and other sources as the Administrator deems appropriate. This funding will continue to assist the Administrator in implementing his responsibility under the Northwest Power Act to meet the contracted load requirements of his customers. This enactment also clarifies that each Secretary is authorized to accept and use funds from the Administrator for these purposes, and that the Secretaries are each authorized to accept and use such funds for the purposes of operating and maintaining Federal power facilities at Federal reclamation projects in the Pacific Northwest, without regard to any limitation established under any other provision of law or rule of law, including augmentation law.

It is my understanding that, consistent with the hydroelectric energy efficiency elements of the President's national energy strategy mentioned above, the BPA and the Bureau of Reclamation have agreed to the terms of a memorandum of understanding under their existing authorities whereby BPA would directly fund hydropower efficiency additions, improvements, and replacements at reclamation facilities in the Pacific Northwest. They and their departments are to be commended for their efforts to implement the President's national energy strategy. These and similar efforts between BPA and the Corps of Engineers are strongly encouraged and should continue, regardless of the effective date of this amendment, since this amendment is only a clarification of the three Federal agencies' existing authorities. The delay in the effective date of this amendment is for budgetary scorekeeping reasons only and is not intended to delay implementation of the three agencies' existing authorities.

CONGRESSIONAL OVERSIGHT STILL ASSURED

More than sufficient congressional oversight is assured because section 11(b) of the FCRTSA provides that Congress may by appropriation act place limitations on BPA expenditures.

BUDGET TREATMENT UNDER THE NEW PROVISION

Under current Federal budget law, the receipts and disbursements of the self-financed BPA Fund are considered direct spending authority which finance a mandatory activity—the provision of electric utility service to BPA electric ratepayers. Receipts and disbursements made pursuant to this new act will continue to be: First, included in the totals of the President's budget and of the congressional budget; second, treated as direct spending under the Budget Enforcement Act of 1990 (Public Law 101-508); and third, exempt from any limitation under the Budget Enforcement Act and from any general limitation imposed by statute on expenditures and net lending—budget outlays—of the U.S. Government.

Such budget limitations include but are not limited to any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), any deficit calculation under section 3(6) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344) for purposes of comparison with the maximum deficit amount under the Balanced Budget and Emergency Deficit Control Act of 1985, any counting of receipts and disbursements in calculating the excess deficit or sequestration of discretionary spending for purpose of sections 250 through 258 of the Balanced Budget and Emergency Deficit Control Act of 1985, for any fiscal year.

For all budgetary limitation purposes, the Secretary's expenditures of BPA funds pursuant to this act shall be considered to be BPA expenditures.

NORTHWEST POWER ACT APPLICABILITY

A proviso has been included in this amendment to make it clear that despite the notwithstanding language in this amendment, this amendment is not intended to modify or affect the applicability of any provision of the Northwest Power Act.

CONCLUSION

Madam President, I strongly believe the merits of this amendment are obvious. The amendment will benefit both the region's ratepayers and the Nation's taxpayers for the reasons I have just discussed. For all these reasons, I respectfully urge that the Senate adopt my proposed Columbia River hydropower efficiency amendment to the proposed National Energy Security Act of 1992.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendments.

The amendments (No. 1586 and No. 1587) were agreed to.

Mr. JOHNSTON. Madam President, I move to reconsider the vote by which the amendments were agreed to.

Mr. SYMMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1588 TO AMENDMENT NO. 1544, PREVIOUSLY AGREED TO

Mr. JOHNSTON. Madam President, I ask unanimous consent that it be in order to amend a previous amendment, No. 1544, offered by Mr. GLENN, and I send that corrected amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1588 to amendment No. 1544, previously agreed to.

Amend as Johnston 2nd degree amendment to Glenn amendment, No. 1544, page 5, line 23, as new subsections (d) and (e) in section 4111 the following:

"(d) POSTAL SERVICE COORDINATION.—To the maximum extent practicable, the Postmaster General shall coordinate its alternative fuel vehicle procurement, placement, refueling, and maintenance programs with those at the Federal, State, and local level. The Postmaster General shall communicate, share, and disseminate, on a regular basis, information on such programs with the Secretary, the Administrator, and heads of appropriate Federal agencies."

"(e) POSTAL SERVICE PROGRAM CRITERIA.—The Postmaster General shall consider the following criteria in the procurement and placement of alternative fuel vehicles:

"(1) the procurement plans of State and local governments and other public and private institutions;

"(2) the current and future availability of refueling and repair facilities;

"(3) the reduction in emissions of the Postal fleet;

"(4) whether the vehicle is to be used in a nonattainment area as specified in the Clean Air Act of 1990;

"(5) the operational requirements of the Postal fleet;

"(6) the contribution to the reduction in the consumption of oil in the transportation sector."

Mr. JOHNSTON. This is simply a correcting amendment to correct a clerical error.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1588) was agreed to.

Mr. JOHNSTON. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Madam President, I ask unanimous consent that Senator ADAMS be added as a cosponsor to Senator INOUYE'S amendment in relation to native American energy resources previously adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Gore addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

AMENDMENT NO. 1589

Mr. GORE. Madam President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. GORE] proposes an amendment numbered 1589.

On page 12, line 19 after "change," insert "pursuant to which industrialized countries, including the United States shall commit to stabilizing their emissions of carbon dioxide at 1990 levels by the year 2000,"

Mr. GORE. Madam President, this amendment is designed to take action now with regard to global climate change instead of waiting, as we have, with ozone depletion.

Earlier today, the Senate went on record unanimously as calling upon the President to accelerate the phaseout of ozone depleting chemicals as he is required to do by law when new evidence is released of the kind which was released last April, again last fall, and most recently last Monday of this week.

Several statements were made that this was simply an iteration of current administration policy. If so, the administration policy changed as soon as the amendment was offered and still the EPA has not come forward with a proposal to comply with the law by accelerating the phaseout of those chemicals.

The statement was made that HCFC's are included in the amendment in the section which directs us to negotiate with other countries and that many other countries do not include HCFC's or hydrochlorofluorocarbons in their policies as we do.

This was cited as evidence of the fact that the United States, on that particular point, is ahead of other countries. True enough. A little history on that. Why are HCFC's included in our policy? Because of an amendment which was introduced in this Senate and subsequently enacted into law which was opposed vigorously by the Bush administration and was adopted over their opposition and now is the law in spite of their opposition.

But all of that is background for the amendment that is now pending. The scientific community told us almost two decades ago that the continued release of chlorofluorocarbons and similar chemicals would cause an ecological catastrophe if we continued the practice, and yet we continued the practice anyway. Those same scientists are now telling us, and have been telling us for several years now, that the continued release of carbon dioxide at the absurdly high levels which it is now being released into the global atmosphere will cause an ecological catastrophe much worse than the one associated with the depletion of the stratospheric ozone layer.

We have an opportunity with this amendment to act before the problem reaches the critical phase rather than waiting until after it has reached the critical phase, as happened with chlorofluorocarbons. Not until the discovery of the ozone hole above Antarctica did the United States agree to move forward even with the provisions of the Montreal protocol. Not until the discovery of an impending ozone hole above Kennebunkport did the Bush administration agree to comply with the law. Of course, they have not yet done it. The EPA has said they will do it. But they said last April they would do it, and the White House nixed it. I take it on good faith this time the President will comply with it, but not until the ozone hole impending above the Northern Hemisphere did the President finally give some indication that he might be willing to comply with that law.

Do we have to wait until this problem reaches its critical phase and we have catastrophic global climate changes before we are willing to move forward with a reduction of CO_2 emissions? This amendment calls only for stabilizing CO_2 emissions.

We in the United States are by far the largest emitter of CO_2 in the entire world. Every other industrialized country has committed to achieving stabilization of their CO_2 emissions at 1990 levels by the year 2000. We are the largest emitter and we are the only industrialized nation which has refused to stabilize emissions.

I know many, especially on the other side of the aisle, who say this is unthinkable. You better start thinking about it because it is going to happen. It may not happen today. This amendment may not be adopted today. It may not happen tomorrow. But it will happen. It may happen in June.

The President has a habit of being dragged, kicking and screaming, to a conclusion that other objective individuals reach more willingly and more readily.

There is an Earth summit scheduled in June in Rio de Janeiro. Virtually every nation in the world will be represented there, and the leader of every industrialized nation, every developed nation, every major power in the world has agreed to attend the Earth summit except one—President Bush. Every industrialized nation has agreed to targets and timetables except one—the one led by President George Bush. Every nation in the world has agreed that there should be a convention on climate change that controls the emission of greenhouse gases except the chlorofluorocarbons already controlled under the Montreal protocol, but again there is one exception to the worldwide consensus, and that is the United States of America, more specifically the administration of George Bush.

Every industrialized nation except the United States has agreed that there has to be participation by the industrialized world in an effort to make possible the acquisition of new technologies by the developing world that accommodate their understandable dreams of continuing economic progress but doing so in a way that does not bring about devastation of the environment.

The one exception, again, is the United States of America, which, because of President Bush's position, absolutely and resolutely refuses to join the consensus of the entire rest of the world.

This amendment, which I have just offered and which is now pending, would change U.S. policy, if it became law, and overrule the President's intransigence.

I said we are the only industrialized country to disagree with the stabilization of CO_2 emissions. There are two other countries that I know about, one in the OECD which is not technically classified as an industrial country and that is Turkey. The other nation I am aware of is Saudi Arabia, with which we have entered into a partnership in these international negotiations, and in some negotiations the United States appeared to raise an eyebrow and the Saudi Arabian delegate would stand up and make the arguments in favor of the Bush White House position.

But among industrialized nations we are the only one that has refused to take this position.

Madam President, earlier during the debate on the CFC amendment we heard a great deal about the reasons why this crisis came to pass, and we all heard how it really has been caused by emissions that have been going on for a number of years now.

Because of the nature of the global ecological system, it takes time for the buildup of gases to have an effect on the global environment. That is why chlorofluorocarbons, introduced years ago, are among those now creating the potential ozone hole above Kennebunkport.

It is the same thing where global warming is concerned. Extra emissions of carbon dioxide and other greenhouse gases from years past are building up in the atmosphere, and the ones we are releasing right now are creating problems that will continue for decades to come. So if we want to do something about it, the time to act is now.

I know the administration opposes this amendment. I know they have alerted their allies to oppose it. But, Madam President, we are facing a crisis. And while the gathering of 140 nations in the climate change negotiations offers us the possibility to take action to address this crisis, our intransigence threatens to cause those negotiations to completely collapse.

I have been following the UNCED process very closely, on a daily basis, and the climate change negotiations that are the centerpiece of the UNCED process, scheduled to reach its culmination in Brazil June 1 through June 12.

Madam President, the entire world knows that there is one reason why these negotiations are at an impasse. that one reason is the intransigence of President George Bush. Could it be the same person who described himself as the environmental President stonewalling the world on the most important environmental issue that we face in this country? It is hard to believe.

Some people say, well, there is some uncertainty about this. Yes. There is some uncertainty about it; not a lot. I will use an example that I used this morning, because it applies precisely here, as well.

There are scientists who work for the tobacco company who claim with a straight face that the evidence linking smoking with lung cancer is not persuasive. I represent 100,000 tobacco farmers. It is tempting sometimes to pretend that these self-interested scientists have some credibility. I also held the hand on my sister when she breathed her last breath. And anyone who has watched a death from lung cancer feels some anger when they hear any scientist claim there is no connection between smoking and lung cancer.

Madam President, I feel that way when I hear scientists who work for the status quo attempt to minimize the evidence, accepted by the consensus of the entire global scientific community, telling us that if we continue the emissions of carbon dioxide at present levels, we will surely create an ecological catastrophe that will cause future generations to wonder in amazement how we could have been so self-centered and so utterly irresponsible where the future of this planet is concerned.

It is tempting to believe that they are justified in reassuring us that we do not have to change. We can go right on taking 3,000 pounds of metal with us everywhere we go; we can go right on producing a per capita amount of waste in this country every 24 hours equal to the average body weight of every man, woman, and child in the United States.

Our global civilization now has the equivalent of a 10-pack-a-day habit. And it is tempting to pretend there are no serious consequences.

You know the old lines from the song by Dire Straits; I have quoted it before. I actually stole this line from the scientist, Carl Sagan. The Dire Straits' line goes like this: "Denial ain't just a river in Egypt."

Denial is a psychological strategy for avoiding the truth, because the truth may be uncomfortable or painful. And indeed the cause of global climate change is woven into the sinews of our civilization; CO_2 is the exhaling breath of industrial culture in our modern world.

But there is another interesting fact, Madam President. We have the capacity to stabilize emissions by the year 2000 at 1990 levels without any disruptive change. The studies have been done. They have even had discussions in the White House about this. It is not that big a deal to accomplish the minimal amount of change required in this amendment.

Now, the opponents will make it sound like a big deal, but it is really not. Efficiency, conservation, better design; these things are achievable right now. More efficient buildings.

Light bulbs alone; we all know the story about the light bulbs, the new light bulbs. They use one-tenth the amount of electricity as the ones we are using in here now. They last 10 times as long. They cause the emission of one-tenth the CO_2. They cost a little more on the front end. But because they last 10 times as long, they are much cheaper. Why do we not buy them? Because we are interested in the short-term only. We want to look at the next election, the next public opinion poll, the next budget cycle.

Do we give a damn about the next generation? Our Founders talked about posterity in an unembarrassed way. Mention posterity today in politics; it sounds corny.

The latest scientific assessment of the global scientific community, including the best scientists in the United States, is unequivocal in reaffirming the conclusions first reported 2 years ago. They rank their conclusions in separate categories.

The first category is things of which we are absolutely certain. The second category is things that we think are quite likely to occur. Then, the third category is a lesser degree of certainty.

The global scientific community is absolutely certain, it says, that the continued emissions of CO_2 at current levels will cause global climate change. We are threatening climatic changes greater than any we have seen in the entire history of human civilization.

What are the indicators? Maybe it is a coincidence that the temperatures in 1991 were the second hottest in recorded history. Maybe it is a coincidence that the hottest were 1 year earlier, in 1990, breaking all previous records. The tree ring data indicates that the last 50 years were the warmest 50-year period experienced in the last 160,000 years.

Did everybody see that hunter from the Stone Age, who was discovered in the Alps? Do you remember that, from 2600 B.C.? He had a stone ax with him, some jewelry, a little kit of things that he took with him on his trek over the mountains. Since 2600 B.C., he has been lying there. Why did we not notice him before? It is a long time for him to lie there. Why did we never see this guy before? Because the ice has not melted there for over 4,600 years.

Every mountain glacier in the entire world on the latitudes north and south of the Equator in the midrange are melting and retreating dramatically right now. The sea level is rising right now. The ice in the Arctic is thinning right now. The tundra surrounding the Arctic is warming right now; measured, verified. There has been a 2-percent recession of the Arctic ice cap in the last 10 years.

What about the predictions of more intense storms as a result of global warming? They measure storms by their intensity and there is a category called 100-year storms. They are expected to occur only once in a century. The United Kingdom was hit by five of them last year.

What about the bleaching of coral reefs all over the world simultaneously, a phenomena precisely correlated with peak temperatures?

There is another phenomenon that deserves some discussion hear, very briefly. Scientists at Columbia University's laboratory have now measured a sudden slowing in the activity of the ocean currents which drive the so-called conveyor belt that is powered by a sinking mechanism in the North Atlantic.

Just a word of explanation on that. The gulf stream comes north along the coast of North America and encounters the cold polar winds blowing across the North Pole and the Greenland icecap. That causes an enormous amount of evaporation, which is then carried by prevailing winds over to Europe and provides as much as one-third the amount of heat that Europe gets from the Sun each year. That is why Paris, being hundreds of miles north of New York City, is much warmer than New York City.

But after the evaporation takes place, what is left is dense, salty, cold water, because the salt remains. And it sinks rapidly at the rate of 5 billion gallons per second. It forms a deep, cold current then heading south underneath the gulf stream. It goes around the tip of Africa and surfaces eventually in the Pacific, becomes a warm current which comes back around the Earth and feeds into the gulf stream, completing a loop. It is all driven by this sinking mechanism in the North Atlantic which, in turn, depends upon the contrast of warm temperatures in the gulf stream with cold temperatures in the polar winds coming across the Arctic icecap.

One of the effects of global warming is to warm up the poles much more rapidly than the Equator. So the difference between the temperatures at the gulf stream and at the Arctic is diminished. The evaporation threatens to diminish. That is why they checked on this, and what they found was very troubling indeed.

What about sea level? There are a number of coastal communities and island nations that are threatened with being inundated. They come to these international meetings and plead for their continued ability to exist. There are now studies in the U.S. Government spelling out what it will take to relocate 60 percent of the population of Florida.

All of this sounds like what the comedian A. Whitney Brown once said is "a nature hike through the Book of Revelations." It is a little hard to take seriously, I understand that, because it sounds like a science fiction story. But the world scientific community and the U.S. scientific community have said, "Of this, we are certain: if we continue doing what we are doing today, we will cause catastrophic climate change."

So why do we not stop doing it? This amendment would not call for us to take such a radical step, but what this amendment would say is, let us not make it any worse at a rate worse than we are making it right now. Let us try to stabilize the additional insults we are heaping on the global climate system at the levels we are at right now. I will make it plain. I think we have to have sharp reductions of CO_2. I believe, Madam President, whether or not it becomes a statement by this body here today in passing this amendment, that the limits of our political consensus here in the United States have reached the point where we can adopt a policy to stabilize emissions of CO_2 at 1990 levels by the year 2000.

Some argue that taking action will hurt our economy. I think that is a phony bill of goods. I think the truth is that there are important gains that we need to make if we are to remain a viable economic power in the world. The Japanese have taken on this pledge. Are they known for being soft-headed about economic competition? Have they just had a temporary lapse and are just being sloppy with this? How come they think this is something they ought to do?

Well, I think there are a couple of reasons. No. 1, it should be done for environmental reasons. No. 2, they understand that there is an enormous worldwide market opening up for the new products and processes and energy efficiencies that are going to be demanded in the future, and they want to be there first with the most.

There is a third lesson: The same mental tasks required to eliminate pollution, reduce unnecessary emissions, and operate a more efficient process are the mental tasks necessary to participate in the world quality revolution in business. That is why a lot of the companies that have made these commitments are finding that their profits go up, and their products achieve higher quality. The Japanese are not merely being altruistic. They recognize their self-interest in doing it, in business terms, as well as in environmental terms.

Analyses done by the Office of Technology Assessment at the Oak Ridge National Laboratory, and most recently by the EPA, demonstrate that we can actually improve our economy by becoming more efficient and reducing our carbon dioxide emissions. These analyses show that we can meet the stabilization target our trading partners are already committed to. Some argue that the European Community is all talk and no action. That is just not true, Madam President. The European Community is moving aggressively forward, even to implement an energy tax that will enable them to meet their commitment. The Japanese are moving forward aggressively, as well.

I will conclude with this statement, Madam President. I know the committee wants to say its piece on this. There is one final lesson of the ozone depletion crisis that we talked about this morning. That is something I referred to this morning as "nonlinearity," a big word that means changes in the environment do not always happen slowly and gradually; they sometimes build slowly toward a threshold, and then suddenly fall into a new pattern altogether. That is what happened to create the ozone hole.

That is also what can happen with global climate change. The entire pattern of world climate really is an engine for redistributing heat from the Equator to the poles, and coldness from the poles to the Equator. This redistribution of temperatures is accomplished through ocean and wind currents and cloud systems. It depends, most especially, upon the ratio of temperature at the Equator to the temperature at the poles. If we change that ratio enough, as we are now beginning to do, we risk a nonlinear change in the climate pattern with ocean and wind currents reorganized according to a new equilibrium. Our civilization is configured rather precisely to the climate pattern that has persisted with a very narrow band of change for more than 9,000 years, since the first cities appeared in Mesopotamia and the Levant.

If we change that pattern, the consequences for human civilization will be virtually unthinkable. If we want to prevent this we have to change what we are doing now. And the place to start is with stabilizing CO_2 emissions at 1990 levels.

I will be frank, I am going to come back and ask for reductions. But this is the starting place and although I have much more to say, as my colleagues might well imagine, I know they have their points of view to express as well, and so I will yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Madam President, I would say to my friend from Tennessee if he has more to say he might as well, because we are going to be on this bill ad infinitum with this amendment. This just will not get over in any near time. It will not get over in any near time because it is forgetful of America. It is forgetful of America.

It does not recognize and does not even recall that there is a geographical, there is a territorial, there is a population distribution differential between the United States and Japan which he could cite. It does not recognize that what is good greenhouse politics is bad news, catastrophic news for American workers.

I must point out that for a lot of us, at least, humans are part of the environment. Saying that the administration is not interested, as we speak the EPA Administrator Reilly is down in Brazil in negotiations, this night, on these topics and they are trying to do something quite different and a good deal more articulate than that program that the Senator from Tennessee suggests.

But let us begin by talking about the differences between the United States and some of our neighbors.

We begin with a huge resource base of low-cost coal, and a very efficient industry to extract it, and an advanced technology to burn it in clean and environmentally-suitable manners.

Europe, to the contrary, has a limited coal resource, Japan practically none. And Europe has to subsidize a very inefficient coal industry. So swearing off coal, which is essential for a freeze on CO_2 emissions, removes one of the aces from the United States energy part, a low card from Europe's hands, and no card at all from Japan's hand. And yet we sit here and moan about our inability to compete, put ever more burdens and ever more expenses on our economy, on our workers and, I would say to my friend, for no environmental consequence of benefit.

Environmental analyses such as America's Energy Choices, which suggest that carbon dioxide emission reduction is easy, is based on some assumptions that few would find easy to swallow.

There are long run estimates of energy use, for example the baseline which is no policy condition is much lower than the DOE estimate largely because they assume, and apparently hope, and are doing everything they can through their agents, to see slow economic growth.

Their analysis also assumes that the trend of the last 15 years toward a decline in manufacturing share of total output will continue, and apparently hope so. Apparently we feel that we can foist it off on other places at the expense of American jobs, but at no conditional improvement in our environment.

I note, too, that those who would reduce us to these levels and would support this amendment are among those who have voted against the nuclear energy package that the Senate just passed.

But I would ask if these environmentalists groups, America's Energy Choices, really hope for an America that continues to rely on imported manufactured goods, runs permanent trade deficits, and because we do not do it with clean coal technology, it will be done in countries that have not anything but the political commitment but not the political response, will have done nothing about cleaning up the environment, simply shifting it off of our conscience onto people who will be far less efficient, far less environmentally sensitive and will resist the efforts of industrial countries to force that down their throats.

They will go to the conference and they will all say things about global warming, and they will say America you do it, you do it.

What is the difference? What is it that Mr. Reilly is down trying to do? Mr. Reilly is down trying to negotiate a balance of flexibility, assuming that the only greenhouse effect is not CO_2. There is no assumption—and the Senator from Tennessee's remarks that the only thing that worries us after the CFC's, which at least he had the grace not to say that the CO_2's were giving us AIDS and herpes and other awful diseases—the only thing that prevents the world from going to disaster is CO_2. That is a scientifically unsound, fraudulent statement. It cannot be sustained.

Mr. GORE. Will the Senator yield?

Mr. WALLOP. I will not yield. I listened for a better part of an hour and a half and I now insist, for less than that time, that my words be listened to.

Madam President, let me read a letter that is signed by Admiral Watkins, Larry Eagleburger and Michael Deland, the Chairman of the Council on Environmental Quality, a letter to the chairman of our committee, to Mr. JOHNSTON. It says:

> DEAR MR. CHAIRMAN: The Administration strongly opposes the Gore amendment to S. 2166 which commits the United States to an international convention on climate change that stabilizes U.S. emissions of carbon dioxide at 1990 levels by the year 2000.
>
> The Bush Administration actively seeks to conclude negotiations on a global climate change convention to address net greenhouse gas emission.* * *

Not just the one that has got the current scientific favor of the Senator from Tennessee, but greenhouse gas emissions.

Back to the letter:

> Focusing exclusively on carbon dioxide emissions, however, is an inadequate response to climate change, will not invite participation in a global strategy from the maximum possible number of nations, and would have adverse economic consequences for the United States. Legislating such a goal would undermine the flexibility of the United States in an on-going negotiating process and infringe on the President's constitutional authority to conduct foreign policy.
>
> At the most recent negotiation session, the United States proposed that each country analyze current and projected net greenhouse gas emissions and develop a package of actions to address projected global climate change.

Not an action that commits the United States and not themselves, but a package of actions dealing with the whole complexity of greenhouse gases.

Going back to the letter:

> These analyses and measures would comprise a national climate action plan which would be open to public scrutiny and form the basis for further actions. This approach will respond effectively to the threat of potential global climate change, while also taking into account the scientific uncertainties and the economic challenges facing many nations.

Many nations, I say to the Senator.

> * * * as well as each country's unique circumstances and available response options.
>
> The Administration is working diligently to reach agreement on a climate change framework convention that is both environmentally effective and in the interests of the United States and the wider world community.

Signed James D. Watkins, Michael Deland, Chairman of the Council on Environmental Quality, and Lawrence Eagleburger.

Madam President, I ask that the letter from which I have been reading be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 6, 1992.

Hon. J. BENNETT JOHNSTON,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Administration strongly opposes the Gore amendment to S. 2166 which commits the United States to an international convention on climate change that stabilizes U.S. emissions of carbon dioxide at 1990 levels by the year 2000.

The Bush Administration actively seeks to conclude negotiations on a global climate change convention to address net greenhouse gas emissions on a comprehensive basis in time for such a convention to be signed at the United Nations Conference on Environment and Development in June 1992.

Focusing exclusively on carbon dioxide emissions, however, is an inadequate response to climate change, will not invite participation in a global strategy from the maximum possible number of nations, and would have adverse economic consequences for the United States. Legislating such a goal would undermine the flexibility of the United States in an on-going negotiating process and infringe on the President's constitutional authority to conduct foreign policy.

At the most recent negotiation session, the United States proposed that each country analyze current and projected net greenhouse gas emissions and develop a package of actions to address projected global climate change. These analyses and measures would comprise a national climate action plan which would be open to public scrutiny and form the basis for further actions. This approach will respond effectively to the threat of potential global climate change, while also taking into account the scientific uncertainties and the economic challenges facing many nations, as well as each country's unique circumstances and available response options.

The Administration is working diligently to reach agreement on a climate change framework convention that is both environmentally effective and in the interests of the United States and the wider world community.

Sincerely,

JAMES D. WATKINS
Admiral, U.S. Navy (Ret.), Secretary of Energy.
MICHAEL R. DELAND,
Chairman, Council on Environmental Quality.
LAWRENCE S. EAGLEBURGER,
Deputy Secretary of State.

Mr. WALLOP. Mr. President, any Chicken Little scenario is available to catch the evening news and make startling and terrifying sounds to the American public.

Talking about England's 500-year storms. If the Senator knew either history or the history of climate he will know that for the last 700 years, in the last decade of each century, England and Europe have had these humongous storms. The best thing that could be said is that apparently at the end of every century we are undergoing global climate change. Nobody really knows why that took place, but that it took place is uncontestable, but overlooked, and conveniently, by those who would provide the scenario that things that we are doing are responsible for things that God does in his own right.

Madam President, S. 2166 and its predecessor S. 1220 are not environmental bills, and they should not be. This sales pitch should have been put on the Clean Air Act, or it should be a pitch that is run through the Environment and Public Works Committee. What S. 2166 tries to do is specifically and systematically undone by what the amendment of the Senator seeks to do, and I would say for no net benefit to the global climate.

I would again suggest that those who are so primarily interested in the CO_2 might better have considered or reconsidered their votes on nuclear license, might better reconsider their votes as to where we are going under PUHCA.

But the most important part of what S. 2166 tries to do is to back out America's reliance on foreign energy and broaden the base and flexibility of America's energy use. What this does is take the biggest piece of America's energy resource and says, "Don't use it. It is gone, fellows. That is out."

So back to the Saudi drawing board. Back to Europe's solution. Only we do not have a subsidized coal industry that is of minimal consequence to rid ourselves of. We do not have the problems of Japan. But we do have an abundant supply of coal. We could have, if the green side of the legislating equation were to permit it, an abundant supply of nuclear power. We could have and may have, if the old utility side of things will permit it, competition in the generation of electrical power from natural gas which would help in this problem that we have.

But what I am suggesting is that the amendment of the Senator does two things very specifically and primarily to America, and that is cost jobs and eliminate the big balance of our energy resource that is brought into play by the uses of this bill. All the clean coal technology research, all the means by which we are going to do that, will simply be eliminated by the adoption of a convention such as the Senator from Tennessee suggests.

So I think that some of us do, though we were accused of not giving a damn about the next generation. And most of us would say that one of the ways to give a damn about the next generation would be to assure that there will be one, and there will not be if we continue to take away jobs flexibility and economic might from the American economy and transfer it without a global climate change consequence to our competitors overseas.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. WALLOP. I am happy to yield.

Mr. JOHNSTON. Madam President, I did not want to interrupt this speech, but it seems to me I sense a filibuster and kind of deal-breaker coming on with this amendment.

I personally have a great deal of sympathy and interest in this particular issue. We plan to have hearings on the subject of global climate change in the Energy Committee as soon as we can find some available time. I hope that the Senator from Tennessee would both attend those hearings and maybe make some suggestions as to who we might have to help further elucidate the issue.

But I hope that the Senator from Tennessee, having heard and further sensing the wall of opposition which we obviously see on the other side of the aisle, that I might persuade him to defer this issue to a more propitious day and time.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming has the floor.

Mr. WALLOP. I am happy to yield to the majority leader. I am happy to yield the floor.

Mr. MITCHELL. Madam President, I have a brief statement of no more than 3 minutes on the subject, before the Senator from Tennessee responds to the suggestion of the Senator from Louisiana.

Mr. WALLOP. Madam President, I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Madam President, if I might address myself to the Senator from Louisiana and the Senator from Tennessee, I wonder if it would be agreeable if I make a relatively brief statement on the subject matter prior to the response of the Senator from Tennessee.

Mr. JOHNSTON. Yes.

Mr. MITCHELL. Madam President and Members of the Senate, science warns that air pollution is warming the Earth's atmosphere, changing the planet's climate patterns. The way to reduce the rate of change is by curbing the emission of greenhouse gases.

Some argue that reducing such emissions will cost too much money. I respectfully disagree. Postponing our responsibility to protect our planet will cost us, our children, and our grandchildren far more.

Other industrialized nations have recognized their responsibility. The United States so far has not. The United States is responsible for emitting 20 percent of the world's carbon dioxide. Our society contributes more to global warming than any other nation. The administration places our Government alone among developed nations in not confronting and acting upon our national responsibilities.

Island nations face the prospect of being endangered by a rise in sea levels. Yet the administration will not act.

Our allies have committed to controlling greenhouse gases, setting an example for developing nations. Yet the administration will not act.

What will it take for the administration act?

This morning the Senate adopted another amendment by the Senator from Tennessee calling on the Administrator of the Environmental Protection Agency to accelerate the phaseout of chemicals that deplete the Earth's protective ozone layer.

The administration had opposed acceleration despite repeated and consistent data demonstrating that the ozone hole is more severe, more widespread, and more persistent than previously believed. Populated areas in the northern hemisphere are at risk. Children and crops in America are at risk in the summer.

The administration finally agreed to support the resolution which called for a phaseout "as early as possible." But the administration has provided no timetable for phaseout, no specific commitment on when this country will act.

Global warming is a similar threat to the health of the planet. Germany, Japan, Britain, France, Australia, and others have found that it is in their national interests to control emissions. It is our national interests, as well.

Madam President, I yield the floor.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Madam President, before the Senator from Tennessee responds, I just wanted to make a comment or two about this very important discussion and this extraordinarily important amendment.

I was in Toronto some years ago when scientists and policymakers from the industrialized countries and nations throughout the world met and established a goal of a 20 percent reduction in carbon dioxide emissions by early in the 21st century.

On my return, we had some extraordinarily important hearings in the Energy Committee, where the distinguished atmospheric scientist Dr. Hansen first came up with his very startling testimony on global warming and have had since then a number of hearings pointing out that the overwhelming scientific consensus is that the question, not if we are forcing global climate change, but how much, how fast, and where; not if the world is going to get warmer, but how much, how fast, and where.

We are going to be judged, Madam President, by future generations by how well we respond today to the potential global environmental crisis scientists are talking about. This morning we discussed the hole in the ozone layer and discussed how we in the United States, having discovered that, responded all too slowly, but we did respond.

This crisis of global climate change is coming at us, according to most scientific evidence and according to the consensus of what we heard, very, very rapidly, and we must start to respond now. I believe what the Senator from Tennessee has laid out as a goal makes a great deal of sense.

We are at a historic time, and that has become focused by the Brazil conference this June. I hope we in the United States do not duck what I think are our responsibilities.

We do have in this legislation right now a requirement for the Department of Energy to come back to us in recognition of this possibility and to come back to us and tell us how we might reach a goal of stabilization, without specifically setting that goal. We worked extensively with the Senator from Wyoming and with the distinguished chairman of the committee and all the members of the committee in coming up with the process that is in this bill now.

I wanted just to take a moment to tell the Senator from Tennessee, I agree with what he is attempting to do, and I think he has performed a great service. And, again, raising this issue to the point where it is in the bill now, we have probably done the best we can given the configuration of the committee, and the opposition we see on the floor. But let me say that we need to adopt stabilization—like all other industrialized nations have—as an initial goal.

I thank the Senator from Tennessee for his very fine effort, and I yield the floor.

Mr. WALLOP. Madam President, in the international deliberations concerning global climate change, the United States properly and aggressively has advocated enhanced international cooperation in developing and assessing scientific, technical, and economic information with respect to greenhouse gases and their effects on climate, the possible impact of such effects, and response measures that could be taken at national, regional or international levels.

Recent international global climate change include First, the July 17 "Economic Declaration" of the G-7 Economic Summit in London; second, section 1003 of S. 1220, the National Energy Security Act of 1991, as reported by the Senate Committee on Energy and Natural Resources; and third, the formal position of the U.S. Government as set forth in its March 15, 1991, submission to the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change.

The United States also has endorsed and pursued so-called no regrets policies—those policies that contribute to the reduction of greenhouse gases but are beneficial for reasons other than climate change, such as energy efficiency. Examples include increased energy efficiency, better management of forests and other natural resources, reductions in the use of CFC's, and the lower atmospheric emissions that will result from the Clean Air Act Amendments of 1990.

The administration has pointed out that under current law and policy measures already undertaken, such as the Montreal Protocol to phase out CFC's, the Clean Air Act Amendments of 1990, and programs to plant more trees, the net greenhouse gas emissions of the United States in the year 2000 are expected to be equal to, or even below, the 1987 levels.

Madam President, global climate change is a very complex concept. The amendment of the Senator from Tennessee suggests that actions should be taken without consideration of their benefits or costs and without sufficiency of our scientific understanding. When the potential benefits of an action are poorly or minimally understood and cannot be justified under a no regrets policy, it would be a serious mistake to disregard the scientific uncertainties. The greater the economic costs or the smaller the benefits of a proposed action, the greater the need for full understanding of the social, economic, energy and environmental consequences.

Madam President, this position is consistent with other provisions of S. 2166, which supports a commitment by all nations to three principles:

First, a commitment to improved understanding of the causes of global climate change and the social, economic, energy, environmental, and competitive implications of any proposed actions to stabilize or reduce greenhouse gas.

Second, a commitment to further scientific research on global climate change to remove the scientific uncertainties that remain on the causes and consequences of global climate change and on the consequences of any proposed courses of action.

Finally, S. 2166 recognizes that each nation is responsible for establishment of it own national strategies to address the causes of climate change as well as courses of action to ameliorate any adverse effects. Moreover, such strategies are to be formulated with full public accountability for the elements of such a strategy.

What is clear, Madam President, is that the United States may well bear a disproportionate burden in the implementation of any global climate change agreement. The goals and schedules for limitations on greenhouse gas emissions that are currently being urged by certain of the trade competitors of the United States—European countries, Japan, and others—are unwise and may very well be discriminatory.

Before the United States commits itself to global climate change goals that go beyond a no regrets policy, the American people need to fully understand the economic, energy, social, environmental, and competitive implications of any strategies intended to stabilize or reduce greenhouse gases.

The need to investigate the feasibility of any such global climate change goals is reflected in S. 2166 before acting further, S. 2166 requires the Government to "investigate the feasibility and the economic, energy, social, environmental, and competitive implications of stabilization of greenhouse gases." It was the considered judgment of the committee that it would be premature, at this time, to adopt any new national energy policy intended to address global climate change other than a no regrets policy.

Madam President, S. 2166 supports strong leadership by the United States as crucial to achieving an agreement on a framework global climate change convention in time for the June 1992 United Nations' Conference on Environment and Development. S. 2166 also endorses a coordinated, international commitment to advancing scientific knowledge of global climate change and to the formulation of multinational strategies consistent with a "no-regrets" policy.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. I am prepared to respond to the chairman of the committee.

Before I do so, I would like to say a word about my colleague from Colorado who has just spoken. He and I have been partners in this effort for many years now and I want to acknowledge my debt to my friend. He has been a fantastic leader, showing tremendous foresight and determination and imagination. I treasure my working relationship with the Senator from Colorado. I treasure his commitment and dedication to this issue, and I am very appreciative of the kind words he just put into the RECORD here. I look forward to continuing to work with him very closely on it. We are of one mind on this question. I wish we could make more progress in convincing others to join with us. But we have barely begun to fight. I want to serve notice of that, as he has repeatedly.

Now, Madam President, just very briefly, I ask unanimous consent to have printed in the RECORD a rebuttal of the statements that were made earlier about the recent study, "America's Energy Choices." This is prepared by the Natural Resources Defense Council.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATURAL RESOURCES
DEFENSE COUNCIL,
Washington, DC, February 6, 1992.

DEAR SENATOR: We are writing in response to Secretary Watkins' comments on global warming in his letter to Sen. Bennett Johnston of February 4th, which we understand has been distributed to the full Senate. We are dismayed that the Secretary of Energy has mischaracterized the results of our recent study, America's Energy Choices, as well as the recent report of the United Nations Intergovernmental Panel on Climate Change (IPCC).

In his letter, Secretary Watkins states that the IPCC has "significantly reduced" its projections of potential future warming in the Northern Hemisphere. We believe this misrepresents the recent IPCC update. In a report released on January 16, 1992, the IPCC stated under the heading "Our Major Conclusions," that "Findings of scientific research since 1990 do not affect our fundamental understanding of the science of the greenhouse effect and either confirm or do not justify alteration of the major conclusions of the first IPCC Scientific Assessment." In particular, the IPCC reiterated that "The evidence from the modelling studies, from observations and the sensitivity analyses indicate that the sensitivity of global mean surface temperature to doubling CO_2 is unlikely to lie outside the range 1.5 to 4.5°C." The IPCC did note that sulfates from fossil fuel emissions have a cooling effect that may be masking a significant part of the greenhouse warming in the northern hemisphere. While this could imply somewhat slower warming than previously projected in the near term, an accelerated warming is expected as sulfur dioxide emissions are reduced.[1]

America's Energy Choices examines a number of possible future energy scenarios; its most aggressive scenario demonstrates how a combination of widespread implementation of energy efficiency technologies and measures, along with rapid commercialization of renewable energy technologies, could substantially reduce U.S. fossil fuel consumption (and associated carbon dioxide emissions) over the next 40 years, at a net savings of over $2.3 trillion to energy consumers. Secretary Watkins' letter asserts that this scenario depends on an assumption of "slow economic growth and a continuing shift away from manufacturing."

In fact, our analysis is based on DOE's projections of future GNP growth, population growth, and energy prices.[2] The Secretary's assertion that the differences between our findings and those of the Administration's National Energy Strategy are accounted for by slower economic growth in our study is flat out false.

We do assume somewhat slower growth rates of industrial production than does DOE; many analysts have criticized DOE's projections as being too high. We believe there will be a continuing growth of the services sector relative to industry, and within the industrial sector, a continuing shift away from energy-intensive materials processing towards fabrication and assembly. It should also be noted that our industrial growth rate and GNP assumptions apply to all of our scenarios, including the business-as-usual scenario, and therefore are not responsible for our estimates of significant energy and cost savings from utilization of energy efficiency and renewable energy technologies.

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[1] 1992 IPCC Supplement, January, 16, 1992. Page 3, lines 35–44.

[2] Because our analysis was begun before the NES was published we used GNP growth figures from the 1990 Annual Energy Outlook, which differ slightly from those in the NES.

It is regrettable that DOE feels it must resort to distortion of both IPCC's scientific findings and America's Energy Choices' economic analysis in an attempt to justify its stance on federal energy legislation. This serves neither the public interest in responsible Congressional action on climate change and energy policy, nor DOE's own interest in restoring its credibility with the Congress and the public.

Sincerely,

DANIEL LASHOF,
Senior Scientist, Natural Resources Defense Council.
ALDEN MEYER,
Director, Climate Change and Energy Program, Union of Concerned Scientists.

Mr. GORE. I will revise and extend and elaborate my own remarks about a number of the points raised by my friend, the Senator from Wyoming, with respect to Japan and EC.

The statement that the European Community is just all talk and no action ignores the passage by the council of ministers of an energy tax, which is moving rapidly toward enactment by the entire EC.

With regard to methane, I agree methane is part of the problem. I will have an amendment in the future on methane as well. The administration has been approached by the EC to control methane. They refused to talk about that also.

As for targets and timetables, that is the method we used with the Montreal protocol on CFC's, targets and timetables. It is just the sensible way to proceed.

Finally, on the pain associated with stabilizing emissions, there are many studies—one by the EPA that shows how, through completely voluntary measures, with leadership, we could cut emissions by some 14 percent from current levels by the year 2000, accommodating continued economic progress.

It is a myth that the kind of measures embodied in this amendment are going to be disruptive to our economy.

Let me now come to the point in response to the suggestion by the chairman of the committee. The ranking Republican member of the committee and others on the Republican side of the aisle have made it plain that debate will be extended ad infinitum so long as this amendment is pending.

I would not like for this to be a partisan issue.

(Mr. AKAKA assumed the chair.)

Mr. GORE. I just noticed the change in the occupant of the chair.

This will not be a partisan issue. It really should not be, and I trust will not be, in essence. But I understand very clearly what the ranking member of the committee has said.

I also have a great deal of respect for the committee and my friendship with both the ranking member and the chairman of the committee. And the chairman has made a very generous proposal. Because I recognize we do not get anywhere if we are going to have a filibuster on this amendment, I will shortly pull it down. And then I will come back with it on another bill. I will keep coming back with it. We have to do this.

But because of my respect for the committee and my understanding of the situation, I will, at this point, in keeping with the suggestion of the chairman and the clear statements by the ranking Republican member, I do now withdraw the amendment.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

The amendment (No. 1589) was withdrawn.

Mr. JOHNSTON. Mr. President, I give my special thanks to the Senator from Tennessee who has performed with Presidential timbre this evening.

Mr. SEYMOUR. Mr. President, Senators CRANSTON, WELLSTONE, and I had intended to offer an amendment, which I will ask to be submitted for the RECORD, to allow the State of California to go forward with what is known as Drive + legislation. California's legislation establishes a system of fees and rebates, also known as "feebates", to reward the purchase of cars that are both clean and efficient. Although I believe that the State of California can go forward with Drive + even without my legislation, in an attempt to ensure that the State not have to go through a lengthy court battle to affirm this right I was hopeful my clarifying language would be passed by the full Senate.

I fully understand the delicate nature of the negotiations that have allowed the energy bill to be considered by the full Senate. In an effort to speed the passage of this much needed measure, my colleagues and I are willing to forgo offering the amendment at this time.

Mr. JOHNSTON. Mr. President, I thank the two Senators from California and my distinguished colleague from Minnesota, and greatly appreciate their efforts to ensure that S. 2166 passes the Senate in a timely fashion. I, too, feel that State feebates legislation is an interesting idea and worthy of consideration when the Senate turns its attention to improving our Nation's corporate average fuel economy standards or other appropriate legislation.

Mr. SEYMOUR. I ask unanimous consent the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 144, between lines 17 and 18, insert the following new section:

SEC. 6112. STATE FUEL EFFICIENCY PROGRAMS.

(a) IN GENERAL.—Subject to subsection (b), and notwithstanding any other provision of law, a State may adopt and enforce laws relating to the fuel economy of motor vehicles that provide for—

(1) increased fees for vehicles having a fuel economy below a specified level;

(2) the purchase and destruction of vehicles described in paragraph (1); and

(3) fee rebates and other incentives for vehicles having a fuel economy above a specified level.

(b) LIMITATION.—A State may not adopt or enforce a law that prescribes a fuel economy standard with which manufacturers of motor vehicles must comply.

Mr. JOHNSTON. Mr. President, I will shortly submit a colloquy between myself and the distinguished Senator from Michigan [Mr. RIEGLE] on the subject of transmission access, which is a vitally, vitally important issue.

Senator RIEGLE and I have come to a meeting of the minds on that very important subject represented in this colloquy. Before I submit it, I wanted to give a chance to the Senator from Wyoming to ask any questions he may have about it because it is such an important matter.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I thank my colleague and my chairman. The colloquy discusses the very difficult issue of transmission access. There is a statement in this I just would wish the Senator might be able to clarify because the sentence that precedes it, "It is in the interests of consumers and the public generally for transmission owners to provide transmission access and use on rates and terms that are nondiscriminatory compared with the transmission access available to themselves."

Then the sentence I was asking about, "This will be a formidable but achievable goal for the conferees."

It is my understanding that refers to the whole bulk of that paragraph, rather than the specifies of the sentence that precedes it?

Mr. JOHNSTON. As the sense of the colloquy points out we want to deal comprehensively with transmission access in the conference. That means addressing the desires of those who, for example, want to protect native load; those who want to do away with what they call cherry picking of retail customers. There is a concern that transmission access going on today by FERC and by some public utility commissions involves their concern with that overreaching.

The concern of others is what I think is the commendable goal of having a free and open transmission access system.

So when I say it is a formidable goal, it is a formidable goal to deal comprehensively and successfully with all of these concerns in the conference. And this issue will definitely be in the conference and we will, without committing ourselves to do anything specific, you know—we are not going to say we are going to be for this amendment or for that amendment—we have to address all of those concerns so the achievable goal is to deal successfully with all of those concerns that we mentioned.

So the answer is, yes, that clause is defined by all of that which precedes it.

Mr. WALLOP. So it is in fact a recognition that the issue will come back but not a commitment to any particular resolution of that issue? It neither says that we will have transmission access or will not, in any form?

Mr. JOHNSTON. It is a commitment to deal in good faith and comprehensively with the issue.

But we have not signed on to any solution. That is what the conference is all about.

Mr. WALLOP. I thank my friend. It will not be up to me to object to it, anyway. I thank the Senator for the clarification and again will reiterate my own strong feelings about transmission access, a potential catastrophe for this bill we have worked so hard on together.

Mr. JOHNSTON. I thank Senators for withholding transmission access amendments on this bill at this time. It is hard to deal with one aspect of it without trying to deal with the whole thing, and that is why we wanted to get it into conference and not try to piecemeal it here. We would be here for weeks if we did. I am particularly grateful to Senator RIEGLE for allowing us to do so.

Mr. RIEGLE. Mr. President, the purpose of title 15 is to promote fair competition in order to reduce electricity rates for customers. Some proponents of PUHCA reform believe that fair competition will require that all wholesale competitors who can pay for the service should have fair access to the transmission system. They argue that the ability of power generators to get their power to market improves the development of a competitive wholesale power market. The bill currently pending before the Senate does not contain provisions which open up the transmission system. Does the Chairman know we can expect these issues to be dealt with in conference?

Mr. JOHNSTON. In response to the Senator's question, I certainly recognize the power of the argument that it is in the best interests of consumers as a whole for there to be a flexible and predictably open transmission system. Indeed we have seen and will continue to see rapid evolution toward greater transmission access through actions by the FERC, State public utility commissions, and voluntary open access filings by utilities. I have, however, indicated my strong resistance to transmission access amendments to S. 2166 on the Senate floor. Were we to open up the bill to access amendments I have no doubt that we would be here for days on end. The subject of transmission access has tremendous complexity, both technical and economic, both subtle and overt.

The House energy bill will certainly contain mandatory transmission access provisions, and this will therefore be a matter that the conference must deal with. The advantage of dealing with transmission in conference is that we can do so comprehensively. In conference we will deal with the desire of some for non-discriminatory and procompetitive wholesale transmission rates and access at just and reasonable rates. We will also deal with the concerns of others that there be appropriate protections concerning retail wheeling, and maintenance of the reliability and coordination that our utility system enjoys today. It is in the interest of consumers and the public generally for transmission owners to provide transmission access and use on rates and terms that are non-discriminatory compared with the transmission access and use available to themselves, their affiliates and others. This will be a formidable but achievable goal for the conferees. In any case, it is clearly preferable to the piecemeal approach to transmission that would result if we begin to deal with amendments on the Senate floor.

Mr. RIEGLE. Would it be the Senator's intention that any transmission access provisions the conference adopts will be in addition to all existing rights under statutes, contracts or otherwise?

Mr. JOHNSTON. Yes.

Mr. SPECTER and Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. JOHNSTON. Mr. President, I know the Senator from Pennsylvania has very patiently waited.

Mr. SPECTER. Only for 2 hours.

Mr. JOHNSTON. I had an agreed-to amendment which is important, but I will yield.

Mr. SPECTER. I will yield to the distinguished manager for that.

Mr. JOHNSTON. I thank the Senator.

Mr. President, I will send an amendment to the desk on behalf of Senators RIEGLE, DODD, KERRY, BRYAN, LEVIN, DOMENICI, and BOND which deals with protection against abusive affiliate transactions, deals with the authority of State PUC's to preapprove contracts, puts restrictions on reciprocal arrangements, deals with just and reasonable sales, and access to books and records.

Mr. President, I am advised that this is not cleared at this time, so I will withhold and yield to the Senator from Pennsylvania.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I would now like to turn to discussion of certain aspects of the provisions of the pending legislation which amend the Public Utility Holding Company Act of 1935.

This is a very complex issue where constituents of mine in Pennsylvania are on both sides of the issue. There are supporters defending reform of the Public Utility Holding Company Act who believe that by exempting independent power producers from the regulatory requirements of the act, there will be more competition; and there are opponents who are very concerned about serious potential consequences which may result in a category of stranded investments where large industrial and commercial customers may be able to leave the investor-owned utility system to avoid paying fixed costs, such as costs required to provide reserve capacity, maintain important low-income customer programs, taxes, research such as clean coal technology projects, compliance costs associated with the Clean Air Act. If this were to occur, the remaining customers would be left behind to pay for these stranded investments and programs.

There is also concern expressed by a considerable constituent body of mine that there will be duplication costs, which means that investor-owned utilities would be required to make electric service available to every customer within the service area, but at the same time customers would have the ability to jump on and off the system without efficient planning for future generation and transmission requirements.

This could lead to a costly duplication of services as investor-owned utilities remain obligated to provide electric services to these customers.

There is also a considerable concern about utilities being forced to build additional transmission lines much sooner than normally required because existing lines would be used for reserve for the benefit of others.

The construction of new lines is a complicated matter, Mr. President, as illustrated by efforts now to construct new lines in Pennsylvania, these plans raise the serious issue of whether there is increased exposure to the carcinogenic effects of electromagnetic fields and another very severe complication.

There have been a wide variety of studies as to what the impact of this reform would be.

I turn now to what might be categorized as independent conclusions, although that is always suspect in the analysis of judgments and in the legislative context, and these purport to be independent judgments.

In 1989, the Congressional Office of Technology Assessment in Electric Power Wheeling and Dealing, Technological Considerations for Increasing Competition, concluded that:

> The cost, benefits, and impacts of competition are very uncertain. The benefits of competition are speculative and difficult to quantify, particularly from a national perspective. Rapid change will entail the greatest risks.

Competition in general is highly desirable. That is the laissez-faire free enterprise system. But in the context of the public utility holding companies, there are very substantial uncertainties. More recently, the Congressional Research Service issued a report on "electricity in a new regulatory order" saying:

> Comprehensive regulatory reform of the electric power industry is neither desirable nor practical without a clearer vision of what form the industry should take. A major overhaul of regulation would involve significant risks to the present stability of the available and reliable electric power with little guarantee of improved services or lower costs.

There was another conclusion reached by the North American Electric Reliability Council, an independent organization formed by the electric utility industry in 1968 to promote the reliability of the electric supply system in North America. That study cautioned, in its 1990 reliability assessment, that "reliability," referring to the electric system, "should not be compromised for short-term economic benefits. In the long run, shortsighted approaches could result in severe economic penalties to the customer and even endanger public well-being."

Mr. President, these are some of the concerns in a capsulated form which have been called to my attention, as I say, by a considerable constituent bloc in Pennsylvania. The constituent bloc opposed to the amendments in this act point to the provisions of title 15, section 79(z)(4), which places a requirement on the Securities and Exchange Commission to conduct certain studies and investigations, which, as I understand it, have not been performed.

My statements, Mr. President, do not come with the detailed knowledge of the committee members because I have not been on the committee. When this bill came to the floor I was contacted by my constituents. I am making an effort to familiarize myself with the intricacies of a very complex subject.

So my statements are based upon the representations of the materials which have been made available to me over a relatively short period of time.

But referring to title 15, section 6779(z)(4), there is an issue concerning the obligations of the Securities and Exchange Commission. This I do know because it is in statutory form:

> The Commission is hereby authorized and directed to make studies and investigations of public utility companies, the territories served or which can be served by public utility companies, and the manner in which the same are or can be served to determine the sizes, types and locations of public utility companies which do or can operate most economically and efficiently in the public interest, in the interest of investors and consumers, and in the furtherance of the wider and more economical use of gas and electric energy.

Mr. President, the information provided to me represents that there has not been that statutorily mandated study by the Securities and Exchange Commission. One of the requests made of me was to have the title on reform of the Public Utility Holding Company Act stricken so that there could be a study by the Securities and Exchange Commission and a determination made as to the impact of the reforms.

I had been informed and have seen the letter from the Securities and Exchange Commission Chairman representing that the Securities and Exchange Commission approves of the amendments of the proposed legislation, but, notwithstanding any such approval, there still has not been, as I understand it, the kind of studies and investigations mandated by the statute.

Mr. President, I would like inserted at this juncture the text of a proposed amendment which I would like to have in the CONGRESSIONAL RECORD so that it may be read by my colleagues. The amendment would purport to strike the existing provisions of the Public Utility Holding Act and call for a study.

Then, Mr. President, I would like to have inserted at this juncture in the RECORD another possible amendment which would call for a study of public utility companies by the SEC. The SEC would then be required to report back to the Congress with the provisions of the pending bill not taking effect until Congress has had 90 days to review the report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

On page 379, strike all beginning with line 22 through line 14 on page 394, and insert the following:

"TITLE XV—STUDY OF PUBLIC UTILITY COMPANIES, REPORT AND RECOMMENDATION

"The Commission is hereby directed to make studies and investigations of the types and structure of public utility companies, including such selling electric energy solely at wholesale, which in its judgment can operate most economically and efficiently in the public interest and in the interest of investors and consumers; and upon the basis of such studies and investigations shall submit during the First Session of the 103d Congress to the Senate Banking, Housing and Urban Affairs Committee and to the House Energy and Commerce Committee its report and recommendations as to the type and structure of public utility systems which can best promote and harmonize the interests of the public, the investor, and the consumer: *Provided*, That in the conduct of such studies and investigation the Commission shall consult with Federal, State, and local utility regulatory agencies: *And provided further*, That such studies and investigations include conservation, including demand side management."

On page 379, on line 22, add the following:

SEC. 15101. STUDY OF PUBLIC UTILITY COMPANIES, REPORT AND RECOMMENDATION.

Immediately upon enactment of this bill the Securities and Exchange Commission is hereby directed to study the impact of the provisions detailed in sections 15102–15109 of this Act on the electric utility industry including studies and investigations of the types and structure of public utility companies, including such selling electric energy solely at wholesale, which in its judgment can operate most economically and efficiently in the public interest and in the interest of investors and consumers; and upon the basis of such studies and investigations shall submit within nine months to the Senate Banking, Housing & Urban Affairs Committee, the Senate Energy and Natural Resources Committee and to the House Energy and Commerce Committee its report and recommendations as to the type and structure of public utility systems which can best promote and harmonize the interests of the public, the investor, and the consumer: *Provided*, That in the conduct of such studies and investigation the Commission shall consult with Federal, State, and local utility regulatory agencies: *Provided further*, That such studies and investigations include conservation, including "demand side management": *And provided further*, That the remaining sections of this title not take effect until the report be before the above mentioned committees for 90 days.

Mr. SPECTER. Mr. President, I put these in the CONGRESSIONAL RECORD because it may be that I would want to offer these amendments at a later stage in the consideration of this legislation.

As we proceed here at 6:37 on Thursday evening, I do not know what the history of this bill will be, whether we will finish it tonight, or whether we will finish it tomorrow or what will happen. But it may be that we will proceed over the recess period and pick the bill up again when we return on February 18. If that would occur, then there would be an opportunity for further consideration of these possible amendments.

It may be, Mr. President, that there will be other amendments offered. There has been some discussion of an amendment which would provide that there would be jurisdiction in the State public utility commissions to have certain regulatory authority over any new company which had less than 35 percent equity or higher than 65 percent debt. As the legislative process unfolds, I do not know precisely what will occur, but I do believe that the issues involved require more analysis and more thought.

At best I can sense the mood of this body, it is likely that changes in the text of the pending legislation are unlikely. But we will have to see how that develops. And when others in the body have a chance to examine these possible amendments, we will have an opportunity to examine them further as this legislative matter proceeds.

I ask unanimous consent at this point, Mr. President, to have printed in the RECORD the list of constituent interests opposed to the pending legislation, and also a letter from the Pennsylvania Rural Electric Association in opposition to the pending amendments to the Public Utility Holding Act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PENNSYLVANIA RURAL
ELECTRIC ASSOCIATION,
Harrisburg, PA, February 1, 1992.

Hon. ARLEN SPECTER,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR SPECTER: The Pennsylvania Rural Electric Association represents thirteen rural electric utilities, called "cooperatives", that serve over 600,000 rural Pennsylvanians in half the geographic area of the state.

Together with PP&L and Philadelphia Electric Company, our Pennsylvania electric utilities serve the great majority of Pennsylvania households and businesses.

We joint these companies in strong opposition to changes in the Public Utility Holding Company Act of 1935, proposed in the name of "reform", that could once again lead to creation of complex, far flung and diverse corporate structures by large holding companies designed to evade government oversight, increase their control of the electricity market, and charge unfairly high electric rates.

Reliability of electric service could also be affected by unduly relying on many small independent power producers (IPPs) for electricity. They do not have the economies of scale, nor would they necessarily have the experience and know-how to reliably produce low cost power, nor would they necessarily be required to avoid risky financing arrangements.

All PUHCA "reform" really means is that the relationship between holding companies and the IPPs they create will escape regulation by the Securities and Exchange Commission and possibly by state public utility commissions. Consumers would pay the higher electric bills that could result from such deregulation.

When this measure comes to the Senate floor as part of the National Energy Strategy (S. 2166), we urge you to offer an amendment that would require the Securities and Exchange Commission to conduct a study of the ramifications of such drastic changes in a law that has worked so well for so long. This is not the time to undertake major experiments in an industry that is performing well.

Thank you in advance for your consideration of this important matter. I regret that our President, Jesse C. Tilton III, is not able to join our colleagues in a meeting with you, as he is attending a long-scheduled meeting in California.

Sincerely,

WILLIAM E. MOWATT,
Vice-President, PREA.

PUHCA "REFORM"

(By the Pennsylvania Rural Electric Association [PREA])

THE PROBLEM

Proposals have been made to amend the Public Utility Holding Company Act of 1935 [PUHCA] to allow businesses, including public utility holding companies, to create unregulated subsidiaries to make and sell wholesale electricity. Many fear this will cause the return of anti-consumer and anti-competitive practices the law stopped when it was enacted.

BACKGROUND

In 1935, the Congress, under the personal leadership of Sam Rayburn, passed the Public Utility Holding Company Act to protect the public against the anti-competitive and fraudulent business practices of large public utility holding companies.

Before PUHCA was enacted, unregulated utilities could charge whatever they wanted for electricity, even though consumers are held "captive" by monopolistic utilities—consumers can't shop around for a better deal, so they have to pay the going rate. Holding companies could cut sweetheart deals with their own unregulated subsidiaries—on the sale of property and goods, for instance—so the unregulated subsidiaries could boast low costs and high profits that directly benefit investors instead of captive ratepayers. Holding companies could also get involved in all kinds of non-utility enterprises that increase the risk for the entire company, including their electric utilities. And the holding company could disguise all these activities with complex corporate structures, the pieces of which would be scattered around the country, out of the reach of state regulators.

Under PUHCA, regulated utilities have to pass along the savings from low costs to ratepayers in the form of lower electric bills. Simpler corporate structures, focused only on providing electricity to consumers at the lowest possible cost, are required so regulators can insure that the law works to protect both consumers and investors.

NATIONAL ENERGY STRATEGY

Congress is trying to fashion a "national energy strategy" to make America less dependent on foreign oil. Everyone agrees that we should try to use our own resources more wisely. Increasing the efficiency of the electric utility industry will save our energy resources.

The proponents of PUHCA "reform" claim that encouraging competition in the wholesale electricity market will make the entire industry more efficient and result in lower electric bills for retail utilities and their customers. The way to increase competition, they say, is to allow lots of new subsidiaries, called independent power producers (IPPs) or exempt wholesale generators, around the country to make and sell wholesale electricity, unfettered by the consumer protections of PUHCA. Any business—not just electric utilities—could set up any number of IPPs anywhere in the country.

PUHCA "reform" advocates point to the limited success of existing IPPs and some small cogeneration power plants that use mining and steelmaking wastes to produce wholesale electricity. These facilities are not necessarily comparable to the unregulated facilities envisioned by PUHCA "reform" advocates. IPPs created by large public utility holding companies today can only operate in the home state of the holding company and are regulated by state public utility commissions. Cogeneration power plants are also treated differently under the Public Utility Regulatory Policies Act of 1978—their size is limited, state regulators oversee their activities, and nearby electric utilities are required to buy their wholesale electricity.

PUHCA "reform" really means that the relationship between holding companies and the IPPs they create will escape regulation by the Securities and Exchange Commission and by state public utility commissions. Retail consumers—households and businesses—would pay the higher electric bills that could result from such deregulation.

THE PREA POSITION

PREA represents fourteen rural electric utilities, called "cooperatives," that buy much of their electricity from other utilities that make and sell wholesale electricity. Along with cooperatives across the country, electric utilities owned by municipalities, state regulators, environmentalists and consumer groups, we are very concerned that the changes to PUHCA described above could once again lead to creation of complex, far flung and diverse corporate structures by large holding companies designed to evade government oversight, increase their control of the electricity market, and charge unfairly high electric rates.

Reliability of electric service could also be affected by unduly relying on many small IPPs for electricity. They do not have the economies of scale, nor would they necessarily have the experience and know-how to reliably produce low cost power, nor would they necessarily be required to avoid risky financial arrangements.

Because electric utilities are natural monopolies, consumers can't just switch from one company to another when electric bills go up or service deteriorates. So the government has spent the last half century looking out for consumers by regulating the electric utility industry. This protection should continue.

MAY 1991.

Some twenty-one electric utilities serve 98 percent of all Pennsylvania households: Only the two New Jersey-owned utilities urge S 1220's title XV, exempting new power supply subsidiary Corporations from the "Public Utility Holding Company Act."

"*Whereas,* Several proposals have been made in Congress which would exempt independent power producers [i.e., with voting securities wholly-owned by parent corporations,] from the provisions of the Public Utility Holding Company Act, PUHCA; and . . . Opponents of these proposals believe that exempting . . . [them] will make possible the type of abuses that led to the enactment of the Act in 1935; that among these abuses may be self-dealing, pyramiding of costs, and improper schemes among private power companies, all of which work against the interests of consumers and are not in the public interest, therefore, be it *Resolved,* By the Pennsylvania Rural Electric Association, that we urge Congress to resist proposals to amend PUHCA to exempt" Public Utility Holding Companies' new power supply subsidiaries.[1]

Electric utilities serving Pennsylvania's households

	Number
1. Adams Electric Co-op, Inc	19,706
2. Bedford Rural Electric Co-op, Inc	7,086
3. Central Electric Co-op, Inc	19,965
4. Claverack Rural Electric Co-op, Inc	14,069
5. Duquesne Light Company[1]	518,322

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[1] Absent the '35 Act, holding companies exercised "voting control over existing utilities and . . . deprived them of all semblance of independence": They "furnished all the revenues and a large percentage . . . were drained off, in numerous instances, by exhorbitant service and construction fees . . . to the parent holding company," and "what was left of the earnings had to percolate upward" to the holding company, also, 94 "U. Pennsylvania Law Rev." 150.

	Number
6. Metropolitan Edison Company [2]	382,362
7. New Enterprise Rural Electric Co-op, Inc	2,361
8. Northwestern Rural Electric Co-op, Inc	15,196
9. Pennsylvania Electric Company [2]	481,412
10. Pennsylvania Power Company [2]	119,530
11. Pennsylvania Power & Light Company [2]	1,023,543
12. Philadelphia Electric Company [2]	1,320,126
13. Somerset Rural Electric Co-op, Inc	10,011
14. Southwest Central Rural Electric Co-op, Inc	17,929
15. Sullivan County Rural Electric Co-op, Inc	4,405
16. Tri-County Rural Electric Co-op, Inc	14,506
17. United Electric Co-op, Inc	14,726
18. United Gas Improvement Corporation	52,171
19. Valley Rural Electric Co-op, Inc	15,824
20. Warren Electric Co-op, Inc	7,806
21. West Penn Power Company [2]	554,716
Total Pennsylvania households, 1989-90	4,615,772

[1] A Public Utility Holding Company, or owned by one: The "Public Utility Holding Company Act" of 1935 restored confidence in electric utility securities, 94 "U. Pennsylvania Law Rev." 148.

[2] Wholly-owned by New Jersey's "General Public Utilities" holding company Corporation.

Mr. SPECTER. Mr. President, while submitting those, I say at the same time that there are very significant constituent interests in Pennsylvania who like the bill. I am not in a position to say categorically what ought to follow. That is why I am submitting the possible idea of the study by the Securities and Exchange Commission, which is, as I understand it, mandated by the statute.

I have a number of other points to make. If the distinguished manager would like to comment at this point on what I have said, I would be glad to yield without losing my right to the floor at the conclusion of the manager's comments.

Mr. JOHNSTON. Mr. President, I simply wanted to thank the Senator for being patient and waiting this afternoon, and for helping us. When he is finished with his remarks, we are ready to move on to other amendments.

ENERGY CONSERVATION MEASURES IN THE ENERGY BILL

Mr. SPECTER. Mr. President, I commend the managers of the energy bill for including in this legislation a number of important provisions which promote increased energy conservation and greater efficiency in our use of available energy resources. I believe that unless this country strives to control its demand for energy, we risk putting our economic welfare and security at the whim of the countries that will be controlling future energy markets.

On January 31, 1991, I introduced S. 326, legislation designed to establish a comprehensive energy program. Many of the conservation programs I set forth in S. 326 have been incorporated into S. 2166, the National Energy Security Act of 1992. I would like to briefly highlight a few of the most significant of these conservation programs.

Mr. President, the menu of conservation ideas I proposed in S. 326 and which are included in this bill were not conceived as a blueprint for a comprehensive energy policy, instead they were designed to encourage adoption of practical conservation measures that could bring about significant near-term results. I discussed the concept for this legislation in November 1990 with George Frampton, the president of the Wilderness Society, who observed that it was unfortunate that a number of sensible and potentially effective energy conservation ideas have either gone unnoticed or have been coopted by larger, more controversial legislative initiatives. Accordingly, in the conservation proposals I set forth in S. 326 I sought, with the assistance of the Alliance to Save Energy, which has also worked very closely with Senator WIRTH's staff on this issue, to cull the sensible energy conservation proposals from other legislation, broaden its scope, and combine it with a number of new ideas targeted at the Federal Government's energy consumption, the utility industry, the transportation sector, and Federal housing and commercial building regulations.

Mr. President, the Federal Government is the largest single consumer of energy in the United States. Therefore, it seems reasonable to me that any strategy to implement more efficient energy consumption practices should begin with the Federal Government. The Alliance to Save Energy estimates that in 1989 industry averaged $7,000 in expenditures per building on energy conservation while the Federal Government averaged only $90 per building. The fact of the matter is that Federal agencies have simply been neglecting the much needed modernization and improvements required to achieve greater energy efficiency at Federal facilities. I am therefore pleased that the Energy Efficiency title of S. 2166 would require the Secretary of Energy to issue a Federal building energy code to assure that all new Federal buildings include energy efficiency measures that are technically feasible and economically justified.

Additionally, I am pleased that the energy bill includes provisions I introduced in S. 326 which require Federal agencies to install energy efficiency improvements with payback periods of 10 years or less. The bill also promotes shared energy savings contracting, which S. 326 strongly encourages as an energy saving measure to be implemented by all Federal agencies. Shared energy savings contracts work by encouraging the contractor to incur the costs of implementing energy conservation measures at Federal buildings and facilities in exchange for a share of the savings once these measures take effect, thus allowing Federal agencies to achieve their energy conservation targets.

This legislation, Mr. President, like S. 326, also includes measures to establish home energy rating systems and finance incentives to encourage construction of energy efficient homes. The Alliance to Save Energy, of which my distinguished colleagues Senator WIRTH and Senator JEFFORDS are cochairs, recently did a survey in which they determined that 89 percent of those polled supported a minimum Federal efficiency standard for homes. In addition, I strongly support the provision in title VII that establishes an energy efficiency rating system for all new residential, commercial, and industrial buildings. While S. 2166 requires all buildings receiving Federal mortgages to meet or exceed the Federal efficiency codes, I believes the bill could be strengthened by adding minimum energy efficiency standards for federally subsidized housing.

Finally, I commend the decision to include provisions from S. 326 which will assist ratepayers in making intelligent home improvement purchases, by requiring the Secretary of Energy to support the development of energy ratings and labels for windows and window systems as well as including lamps, commercial air conditioning, and heating equipment in the Department of Energy's appliance energy efficiency program.

Mr. President, with the inclusion of these and other energy conservation measures in the National Energy Security Act of 1992, I believe we will be making significant strides toward controlling our excessive demand for energy.

Mr. President, I am pleased that a number of the provisions which were included in my measure have been incorporated in the bill.

There are two provisions which I had included in Senate bill 326, which have not been included in this bill. I had notified the managers of the bill that I did intend to offer these amendments, and I want to comment about them briefly. I will not offer them at this time, but I ask unanimous consent that they be printed in the RECORD, because I will pursue them at a later date.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

It is the sense of the Senate that Section 162 of the Internal Revenue Code of 1986 (relating to trade or business expenses) should be amended—

(1) by redesignating subsection (m) as subsection (n); and

(2) by inserting after subsection (1) the following new subsection:

"(m) NO DEDUCTION FOR PARKING EXPENSES UNLESS EMPLOYER PROVIDES CASH ALTERNATIVE.—

"(1) IN GENERAL.—No deduction shall be allowed under this chapter for any amount paid or incurred by an employer in connection with the providing of a parking subsidy to any employee unless the employer provides the parking subsidy pursuant to an arrangement under which the employee may elect, in lieu of a parking subsidy, to receive cash or a mass transit, car pool, or van pool subsidy in an amount equal to the fair market value of such parking subsidy.

"(2) DEFINITION.—For purposes of this subsection, the term 'parking subsidy' includes the direct and indirect cost to an employer of providing a parking space to an employee, not including any amount paid by the employee."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning with the third taxable year beginning after the date of enactment of this Act.

At the appropriate place in the bill, insert the following:

SEC. . REMOVAL OF CERTAIN MODEL YEAR VEHICLES FROM USE.

Title V of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001 et seq.) is amended by adding at the end the following new section:

REMOVAL FROM SERVICE OF CERTAIN MOTOR VEHICLES

"SEC. . (a) Prior to the expiration of the 90-day period following the date of the enactment of this section, the Secretary shall issue such regulations as may be necessary to establish and implement a program encouraging the removal from use and the marketplace of motor vehicles manufactured prior to model year 1980.

"(b) Such program shall provide that any motor vehicle dealer who receives, as a trade-in on the sale by such dealer of a new motor vehicle, a motor vehicle of a model year prior to model year 1980, may remove such motor vehicle from use and the marketplace.

"(c) Such regulations shall further provide that upon certification by the motor vehicle dealer to the Secretary that the engine block and the chassis of the motor vehicle have been removed from use and the marketplace and destroyed in accordance with such program, the manufacturer of the new motor vehicle shall receive a credit to its corporate average fuel economy. Such credit shall equal the difference between the fuel economy of the new motor vehicle, and the motor vehicle removed from use and the marketplace.

"(d) Regulations under this section shall require proof from the motor vehicle dealer that the motor vehicle was destroyed in accordance with the regulation, and that the vehicle's identification number was removed from the registration list of the appropriate State or States.

"(e)(1) Such regulations under this section shall require the motor vehicle manufacturer to calculate and transmit to the Secretary the financial value per gallon credit.

"(2) No later than 30 days after receipt of the calculations under paragraph (1), the Secretary shall—

"(A) review and approve such calculations to determine if they are in accordance with regulations; and

"(B) if approved under subparagraph (A), publish such calculations in the Federal Register.

"(f) Such regulations shall require—

"(1) the motor vehicle manufacturer to rebate the financial value to an individual who traded in a motor vehicle of a model year prior to 1980 described under subsection (b);

"(2) that an individual trading in a motor vehicle shall have evidence that such vehicle has been registered and in use for 1 year prior to the date of trade-in; and

"(3) that an individual who purchases a new motor vehicle and certifies that the motor vehicle of a model year prior to 1980 was not traded in but was destroyed, shall receive such financial value.

"(g) Any person violating a regulation promulgated under this section shall be subject to a civil penalty by the Secretary in an amount not to exceed $2,000.

"(h) No credits shall be given under this section on or after January 1, 1994."

Mr. SPECTER. One of the issues which I had in my Senate bill 326, which I considered offering as an amendment to the pending legislation, relates to a tax matter which could not be brought up on this bill, but I could have incorporated the idea as a sense-of-the-Senate resolution. The thrust of this possible amendment provides that there would be no deduction allowed for any employer in connection with the providing of parking subsidy to any employee, unless the employer first offers such a cash allowance in the amount of the parking subsidy to the employees so that he or she may elect to use the cash for mass transit. This is a proposal which I think has great merit.

I ask unanimous consent that at the conclusion of my remarks an editorial from the New York Times supporting this idea be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPECTER. Mr. President, this would provide equal treatment for employees who do not have parking places and would encourage those who do have parking places to take mass transit, which would cut down the automobile congestion. I think this is a matter which ought to receive favorable legislative consideration.

I have decided not to offer it at this time, even in the sense-of-the-Senate form, because I am told that it would complicate the process of the bill with other sense-of-the-Senate resolutions being offered on tax matters. The reality is that even if the sense-of-the-Senate resolution were to be adopted, it would not have any binding effect. I intend to pursue this matter by independent legislation, which then can be considered by the Finance Committee in due course.

The other amendment which I had notified the managers of the possible intention to propose relates to the removal of so-called "clunker cars," a program to remove cars manufactured prior to the model year 1980.

This is an idea which has been considered by a number of Senators. The distinguished Senator from Delaware, Senator ROTH, had some legislation earlier. The distinguished Senator from Wyoming, Senator WALLOP, has legislation he is working on. This is not an easy matter, because it could impinge upon antique cars, and there has been a decision not to proceed on CAFE standards on this legislation. I am advised that the submission of this kind of an amendment would open up that line. I am going to simply make these few comments. I think this is something that ought to be included in legislation, to take the old cars off of the road, as a generalization, would help to promote fuel savings, and also protect the environment.

EXHIBIT 1

[From the New York Times, June 17, 1991]

A SCREWY SUBSIDY FOR DRIVERS

Your employer can give you $15 worth of tax-free tokens, passes or fare cards each month for riding to work on public transportation. If it's more, you're taxed on the full amount, not just the part over $15. There is no such lid, however, when companies provide free parking for people who commute by car. That's a tax-exempt freebie, worth hundreds of dollars.

Sound screwy? It is. Heedless of fuel efficiency and the environment, the tax code favors driving to work. President Bush's energy message declared that something—he didn't say what—should be done about it. Administration officials lean toward a one-third increase in the modest mass-transit subsidy, plus an adjustment for inflation.

Meanwhile, the Internal Revenue Service is proceeding with the inflation adjustment, raising the $15 ceiling to $21. That would last only nine days in New York City, and less in some places.

The tax technocrats don't address the disparity between subsidies, nor would they change the rule on taxing the entire amount when it exceeds the tax-free limit. Only Congress can fix those things.

The theory behind the $15 exemption is that it's de minimis—too small to fuss with. A dozen bills in Congress offer a more sensible ceiling; most say $60 or more. But the best idea comes from two Republicans, Senator Arlen Specter of Pennsylvania and Representative Jan Meyers of Kansas. They would equalize the transit and parking subsidies by cancelling the exemption for parking unless employees were also offered an equivalent amount for travel by mass transit and car or van pools.

Tax purists oppose all such subsidies, but that's unrealistic. Employers aren't about to impose parking fees on their lots, and Congress won't make them do so. True, a fixed subsidy benefits employees unequally, depending on their tax bracket. But that's already the case with parking privileges, and it's a subject too prickly for Congress.

The current bias in favor of cars is both bad policy and unfair. It's time to strike a balance.

Mr. SPECTER. I now note the interest of the distinguished manager in proceeding, and I yield the floor.

Mr. WALLOP. Mr. President, as introduced, S. 2166 does not contain any provisions related to CAFE. This was the understanding that was reached with the committee as we proceeded to Senate consideration of this measure. A decision that I fully support.

However, I understand that there are those Senators who are considering offering an amendment relating to automobile scrappage based on earlier legislation. Such an amendment has the potential to be related to CAFE and, as such, could be characterized as violating the understanding that was earlier reached before the Senate began debate on S. 2166. And I would concur with this judgment. Nevertheless, I understand that an amendment is likely to be offered anyway.

Had we proceeded with S. 1220 it was my intent to offer an amendment on automobile scrappage. I do not intend to offer it to this bill. However, I think that any discussion of this subject would benefit from the proposal that was developed by committee minority staff. Therefore, I ask unanimous consent that the text of my scrappage proposal be reprinted in the RECORD and I invite comments from those parties who have an interest in the subject of automobile scrappage incentives.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUBTITLE E—SCRAPPAGE OF OLDER VEHICLES

SEC. 4501.(a) GENERAL.—(1) The Secretary is authorized to encourage establishment of voluntary scrappage programs by private persons for—

(A) the removal from use and the marketplace, and the scrappage, of certain pre-1980 qualified passenger automobiles and light trucks; and

(B) the generation of emission reduction credits and corporate average fuel economy credits from such scrappage.

(2) Any program pursuant to section 108(f)(1)(A)(xvi) of the Clean Air Act (42 U.S.C. 7408(f)(1)(A)(xvi)) (relating to scrappage of vehicles) to encourage the voluntary removal from use and the marketplace of pre-1980 model year passenger automobiles or light duty trucks shall qualify for emission reduction credits and corporate average fuel economy credits pursuant to this section.

(3) The authority of this section shall not be used to directly or indirectly require removal from use and the marketplace, and scrappage, of passenger automobiles or light duty trucks.

(b) REGULATIONS.—(1) Within 180 days of the date of the enactment of this Act,

(A) the Secretary, in consultation with the EPA Administrator and the Secretary of Energy, shall prescribe such regulations as may be necessary for the establishment and implementation of voluntary scrappage programs to carry out the purposes of this section. Such regulations shall include, but not be limited to, provisions allowing any person who directly, or through an agent, purchases a qualified pre-1980 model year passenger automobile or light duty truck to receive a corporate average fuel economy credit for the applicable vehicle class if that person removes such automobile from use and the marketplace, and scraps such automobile.

(B) the EPA Administrator, in consultation with the Secretary and the Secretary of Energy, shall prescribe such regulations as may be necessary for any person who acquires a qualified passenger automobile or light duty truck pursuant to paragraph (A) to receive an emission reduction credit as provided for in section 173(c)(1) of the Clean Air Act, as amended (42 U.S.C. 7503(c)(1)) (relating to offset requirements for a proposed source in a nonattainment area) which may be traded or transferred to, and used by, any stationary source in the interstate air quality control region, as provided for in section 107 of the Clean Air Act, as amended (42 U.S.C. 7407), in which the qualified passenger automobile or light duty truck was registered for operation for the three years prior to scrappage to comply with any offset requirements in effect under Part D of the Clean Air Act.

(2) Regulations prescribed pursuant to paragraph (1) shall—

(A) avoid any adverse effect on the competitiveness of domestic automobile manufacturers;

(B) establish a system including, but not limited to, requirements for—

(i) trading, transfer and use of credits received consistent with the purposes of this section, and

(ii) monitoring such credits to insure the proper administration of any program established under this section.

(3)(A) For the purpose of calculating an average fuel economy credit under subparagraph (2)(B), the credit shall equal the difference between—

(i) the average fuel economy of all the vehicles in use in the vehicle class in the calendar year within which the vehicle is removed from use and the marketplace, and scrapped; and

(ii) in accordance with subparagraph (B) or (C), the average fuel economy of the pre-1980 qualified passenger automobile or light truck removed from use and the marketplace, and scrapped.

(B) For the purpose of subparagraph (A)(ii), the applicable average fuel economy for passenger vehicles shall be—

(i) for model years 1975 and earlier, 15.0 miles per gallon;

(ii) for model year 1976, 16.0 miles per gallon;

(iii) for model year 1977, 17.0 miles per gallon;

(iv) for model year 1978, 18.0 miles per gallon;

(v) for model year 1979, 19.0 miles per gallon; and

(vi) for model years after model year 1979, the applicable average fuel economy standard determined pursuant to section 502 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2002).

(C) For the purpose of subparagraph (A)(ii), the applicable average fuel economy for light duty trucks shall be deemed to be 15.0 miles per gallon.

(3)(A) For the purpose of calculating an emission reduction credit under subparagraph (2)(B), the credit shall equal the difference between—

(i) the average emissions of all passenger automobiles or light duty trucks in use in the calendar year within which the qualified vehicle is removed from use and the marketplace, and scrapped; and

(ii) the average emissions for the vehicle class applicable to the qualified vehicle being removed from use and the marketplace, and scrapped.

(B) For the purpose of subparagraph (A)(ii), by the Secretary, in consultation with the EPA Administrator, shall take into account any emissions resulting from poor maintenance or deterioration.

(4) For the purpose of calculating the average fuel economy credit under subparagraph (2)(B), the Secretary may take into account such factors as the estimated average remaining useful life of passenger automobiles or light duty trucks in a vehicle class and model year that could potentially be removed from use and the marketplace and scrapped.

(c) CERTIFICATION.—In order to qualify for credits available under this subsection, a person shall first certify to the Secretary and provide such proof as the Secretary may deem necessary that the engine block and chassis of the relevant pre-1980 motor vehicle has been removed from use and the marketplace, and scrapped, in accordance with the regulations issued by the Secretary, including evidence that the vehicle's identification number was removed from the registration list of the appropriate State or States, and, where emission reduction credits are to be obtained.

(d) USE OF CREDITS.—

(1) Emission reduction credits obtained in accordance with this section shall be used—

(A) in accordance with the applicable Federal, State and local air pollution regulations of the jurisdiction in which the qualified passenger automobile or light duty truck was last validly registered, and was validly registered for at least the three years, prior to its removal from use and the marketplace, and scrappage; and

(B) only within the air quality control region, as established in accordance with section 107 of the Clean Air Act, as amended (42 U.S.C. 7407)), within which the qualified passenger automobile or light duty truck was registered for at least three years prior to its removal from use and the marketplace, and scrappage.

(2) Congress average fuel economy credits for a vehicle class which are obtained by a person in accordance with this section may be sold, traded or exchanged. Credits obtained by an automobile manufacturer in accordance with this section shall only be valid for such vehicle class.

(e) VIOLATION.—Any person violating a regulation promulgated pursuant to this section shall be subject to a civil penalty assessed by the Administrator in an amount not to exceed $2,000 per violation.

(f) POST-1995 PROGRAM.—On or before January 30, 1993, the Secretary, after consultation with the Administrator, shall propose any changes in the regulations for the conduct of this credit program beginning January 1, 1996 which are deemed necessary by the Secretary, taking into consideration the experience with the program since enactment of this section and maintaining, solely for the purposes of calculating the corporate fuel economy credit for this program, a single annually-revised fuel economy standard for all automobile manufacturers for model years 1996 and each subsequent year. Effective in calendar year 1996, the Secretary may extend the application of programs under this section to post-1979 model year, but pre-1985 model year, passenger vehicles and light duty trucks.

(g) FINANCIAL ASSISTANCE.—(1) The Secretary may provide technical and financial assistance to State and local governments to encourage the establishment of voluntary programs by private persons under this section. The Secretary, in consultation with the EPA Administrator and the Secretary of Energy, shall adopt rules necessary to review and approve State programs that qualify for financial assistance under this subsection. Such rules shall require that, for a State or local government program to qualify for financial assistance under this subsection, at least 50 percent of any State or local government administrative costs are to be derived from non-Federal funds.

(2) AUTHORIZATION.—There is hereby authorized to be appropriated to the Secretary from the Excessive Fuel Consumption Fund such funds as may be necessary to carry out the purposes of this subsection.

(h) DEFINITIONS.—For the purposes of this section, the term—

(1) "EPA Administrator" means the Administrator of the Environmental Protection Agency;

"(2) "any person" is as defined in section 302(e) of the Clean Air Act (42 U.S.C. 7602(e));

"(3) "qualified", as applied to a passenger automobile or light-truck, means a vehicle that is in operating condition and registered for operation for each of the three years preceding the year of its removal from use and the marketplace, and scrappage, pursuant to this section; and

"(4) "Secretary" means the Secretary of Transportation.

The PRESIDING OFFICER. The Senator from Louisiana.

AMENDMENT NO. 1590

(Purpose: To require the Secretary of Energy to offer to enter into a Vehicle Fuel Efficiency Research Agreement)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from Michigan [Mr. RIEGLE]. The amendment has been cleared. It is with regard to vehicle fuel efficiency research agreements.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. RIEGLE, proposes an amendment numbered 1590.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new title:

TITLE —VEHICLE FUEL EFFICIENCY RESEARCH AGREEMENT

SEC. 01. DEFINITIONS.

As used in this title:

(1) AGREEMENT.—The term "Agreement" means the Fuel Efficiency Research Agreement described in this title.

(2) LABORATORY.—The term "laboratory" has the same meaning as is provided in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

(3) VEHICLE.—The term "vehicle" means a passenger vehicle or light truck.

SEC. 02. AGREEMENT

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary shall offer to enter into a cooperative research and development agreement with non-Federal parties described in subsection (b) pursuant to section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a), to be known as the "Vehicle Fuel Efficiency Research agreement", to provide for research and development of technology to enhance the fuel efficiency of vehicles through cooperative multi-industrial teams, cost-sharing, and other activates considered appropriate by the Secretary.

(b) MEMBERSHIP.—The non-Federal parties to an Agreement shall be representatives of private United States corporations that manufacture large quantities of vehicles (as determined by the Secretary).

SEC. 03. TERMS.

(a) IN GENERAL.—Subject to the other provisions of this section, an Agreement shall provide for—

(1) the development of materials and manufacturing techniques for advanced lightweight structural components for vehicles;

(2) the development of efficient ancillary systems, including air conditioning, heating, lighting, and windows, that reduce the energy requirements of vehicles and that have less adverse environmental impact that systems in use on the date of enactment of this Act;

(3) the development of a system trade-off design for hybrid electric vehicles, including—

(A) propulsion systems integration;

(B) heat engine types and sizes;

(C) battery and engine interfaces;

(D) control system requirements; and

(E) electrical component requirements;

(4) the acceleration of the evaluation of the feasibility of, the development of, and the integration into vehicles of advanced propulsion systems, including the automotive gas turbine engine and fuel cells;

(5) the initiation of a ceramic technology insertion program for near-term application in current engine designs in order to improve fuel efficiency and reduce emissions; and

(6) the initiation of an advanced catalyst development program to consider new materials developments and alternative fuels utilization.

(b) AVOIDANCE OF DUPLICATION.—The Secretary shall ensure that the activities undertaken pursuant to an Agreement as described in subsection (a)—

(1) supplement the fuel efficiency research and development of private industry and do not duplicate, displace, or reduce the quantity of the research and development; and

(2) do not duplicate research and development conducted pursuant to—

(A) the Automotive Propulsion Research and Development Act of 1978 (15 U.S.C. 2701 et seq.); and

(B) the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2501 et seq.).

(c) PROTECTION OF CLASSIFIED INFORMATION.—The Secretary, in consultation with the Secretary of Defense, shall take such actions as are necessary to prevent the dissemination of classified information (including information whose dissemination could reasonably be expected to have an adverse effect on the common defense and security) as a result of activities carried out under this section.

(d) USE OF CERTAIN DEPARTMENT OF DEFENSE FACILITIES.—The Secretary of Defense shall permit the parties to an Agreement to use the facilities and services of any laboratory under the jurisdiction of the Department of Defense that the Secretary of Defense determines will assist the parties in carrying out an Agreement.

SEC. 04. FUNDING.

In each fiscal year, the Secretary shall pay the Federal share of the costs incurred through an Agreement.

SEC. 05. ANNUAL REPORT.

The Secretary shall submit to Congress annually a report on all activities being carried out pursuant to this title.

SEC. 06. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Subject to subsection (b), there are authorized to be appropriated such sums as are necessary to carry out this title for each of fiscal years 1993 through 1995, to be available without fiscal year limitation.

(b) LIMITATION.—The sums shall not exceed $350,000,000 for the 3-year period.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. JOHNSTON. Mr. President, the amendment establishes a joint Federal-industry agreement that couples the U.S. auto companies and related business partners with the U.S. Government in an effort to use the most advanced research and development assets of the United States for developed technology that will create the best fuel efficiency technically possible.

Mr. RIEGLE. Mr. President, I rise today to offer an amendment to S. 2166 to create an advanced research fuel efficiency agreement. The amendment before us today will establish a joint Federal-industry agreement that couples the U.S. auto companies and their related business partners with the U.S. Government in an effort to use the most advanced research and development assets of the United States to develop technology that will create the best fuel efficiency technologically possible.

Under this amendment, the agreement will research and develop new and innovative technology to enhance the fuel efficiency of vehicles through cooperative multiindustrial teams, cost sharing, and other activities considered appropriate by the Secretary of Energy.

As many Members know, in 1974, Congress passed legislation requiring U.S. automakers to make large increases in their new car fleet corporate average fuel economy standards. Since that time, the U.S. automakers have almost doubled their CAFE averages from 14 to 28 miles per gallon. But, the lowest fruit has been picked and now the job gets much more difficult.

Some of these gains in fuel efficiency have been due to the development of new technologies by automakers. But most have come from vehicle downsizing; the weight of the average car has been reduced by 1,000 pounds.

Bills now pending in the Senate, S. 279, would mandate a 40-percent increase in each manufacturer's CAFE by 2001—up to 45 mpg for cars and 35 mpg for light trucks, vans and multipurpose vehicles. Proponents argue that such CAFE increases are possible without further downsizing.

As I have said many times before, steep CAFE increases would force automakers to build substantially smaller and lighter vehicles because there simply are no magic technologies that can meet the proposed fleet averages in bills now pending in Congress. With this amendment we will make a real investment in developing the technology and begin increasing fuel efficiency without destroying the long-term viability of the U.S. auto industry. This amendment will allow the U.S. companies and the Federal Government to work together to develop the most fuel efficient cars in the world.

Obviously, if this technology was available now, it would have appeared in countries like Japan and West Germany which are totally dependent on foreign oil, and where the price of gasoline has historically been 3 to 4 times higher than in the United States. But, in fact, the new car fleet fuel economy in Japan and West Germany is in the same range as in this country—27 to 31 mpg.

Higher CAFE standards would put manufacturers without developed-needed technology in conflict with consumers. Because automakers would have to further reduce the size and weight of their vehicles and limit their production of larger models, most consumers would be limited to a choice of minicompact, subcompact, and compact cars which may not meet their needs. Cars are available today in the 40–50 mpg range, but they only appeal to 2 percent of car buyers. Automakers also would have to scale back or eliminate production of full- and mid-size vans and pickup trucks—the backbone of small businesses and farms as work vehicles.

Forcing automakers to produce and sell a mix of substantially smaller vehicles that do not meet the needs of most consumers would cause further declines in vehicle production, which could jeopardize tens of thousands of jobs at assembly and supplier plants, dealerships, and other industry-related businesses.

Sharp reductions in the size and weight of cars and light trucks would increase the safety risks to motorists. Studies by the National Highway Traffic Safety Administration, Insurance Institute for Highway Safety, and the New England Injury Prevention Research Center all warn that a fleet dominated by small cars would lead to major increases in highway deaths and injuries.

Further fuel economy improvements will be made as vehicle manufacturers continue to broaden the application of known fuel efficiency technologies across their model offerings, and continue their efforts to develop vehicles powered by fuels other than gasoline. Moreover, government and private sector efforts to foster vehicle fuel efficiency should be part of an overall policy that works with market forces to conserve energy or lessen the potential of global climate change.

This is not a substitute for CAFE. The CAFE debate will happen another day and we will not use this as a CAFE substitute in further debate.

The agreement's charge will be multifaceted. First, the consortium will develop materials and manufacturing techniques for advanced lightweight structural components for vehicles.

The agreement will develop ancillary systems, including air-conditioning, heating, lighting, and windows that reduce the energy requirements of vehicles and that have less adverse environmental impact than systems currently in use.

The agreement should develop a systems tradeoff design for both electric, hybrid electric, and gasoline-powered vehicles, including propulsion systems integration, heat engine types and sizes, battery and engine interfaces, control system requirements, and electrical component requirements.

The research and development should accelerate the evaluation of the feasibility of, the development of, and the integration into vehicles of advanced propulsion systems, including the automotive gas turbine engine and fuel cells. Additionally, the agreement should initiate a ceramic technology insertion program for near-term application in current engine designs in order to improve fuel efficiency and reduce vehicle emissions.

Under this amendment, the agreement will initiate an advanced catalyst development program to consider new materials developments and alternative fuels utilization. Additionally, the amendment contains a section that ensures the activities of the agreement supplement current fuel efficiency research and development while not duplicating, displacing, or reducing the amount of research of the Big Three automakers.

Funding for this agreement is set at $350 million for 3 years. The Federal share shall be 50 percent while the automakers contribute 35 percent. It is a start of what hopefully will be a long relationship between the U.S. automakers and the Federal Government's best laboratories.

Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 1590) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1591

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. RIEGLE, proposes an amendment numbered 1591.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following new section:

"SEC. . LIMITS ON PARTICIPATION BY COMPANIES.—A company shall be eligible to receive financial assistance under this Act only if—

"(a) the Secretary finds that the company's participation in the Program would be in the economic interest of the United States, as evidenced by investments in the United States in research, development, and manufacturing (including, for example, the manufacture of major components or subassemblies in the United States); significant contributions to employment in the United States; and agreement with respect to any technology arising from assistance provided under this section to promote the manufacture within the United States of products resulting from that technology (taking into account the goals of promoting the competitiveness of United States industry), and to procure parts and materials from competitive suppliers; and

"(b) either—

"(1) the company is a United States-owned company; or

"(2) the Secretary finds that the company is incorporated in the United States and has a parent company which is incorporated in a country which affords to United States-owned companies opportunites, comparable to those afforded to any other company, to participate in any joint venture similar to those authorized under this Act; affords to United States-owned companies local investment opportunities comparable to those afforded to any other company; and affords adequate and effective protection for the intellectual property rights of United States-owned companies.

Mr. JOHNSTON. Mr. President, this cleared amendment has as its goal to ensure that the benefits of the various programs established in the bill go mainly to firms with a commitment to the U.S. market.

Mr. WALLOP. Mr. President, speaking for myself, and I am not in the minority on the committee, I have an objection to this kind of amendment generally. I think that it is bad economic policy and bad political policy. I also would not stand in the way of it and therefore would grant our approval of it being adopted with the RECORD showing that I do not in general approve of this kind of thing and would if we were voting, myself, vote against it.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment.

The amendment (No. 1591) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1592

(Purpose: To amend portions of the bill pertaining to Public Utility Holding Company Act reform)

Mr. JOHNSTON. Mr. President, I now send to the desk the amendment previously referred to on behalf of Mr. RIEGLE, Mr. DODD, Mr. KERRY, Mr. BRYAN, Mr. LEVIN, Mr. DOMENICI, Mr. BOND, and Mr. BRADLEY, that I previously offered and had to withdraw because it had not been cleared. The amendment is now cleared.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. RIEGLE (for himself, Mr. DODD, Mr. KERRY, Mr. BRYAN, Mr. LEVIN, Mr. DOMENICI, Mr. BOND, and Mr. BRADLEY) proposes an amendment numbered 1592.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 387, strike lines 9 through 18 and insert the following:

SEC. 15105. PROTECTION AGAINST ABUSIVE AFFILIATE TRANSACTIONS; STATE AUTHORITIES; FEDERAL RESTRICTION; RECIPROCAL ARRANGEMENTS PROHIBITED.

(a) IN GENERAL.—An electric utility company may not enter into a contract to purchase electric energy at wholesale from an exempt wholesale generator if the exempt wholesale generator is an affiliate or associate company of the electric utility company.

(b) STATE AUTHORITY TO EXEMPT FROM PROHIBITION.—Notwithstanding subsection (a), an electric utility company may enter into a contract to purchase electric energy at wholesale from an exempt wholesale generator that is an affiliate or associate company of the electric utility company if every State commission having jurisdiction over the retail rates of such electric utility company makes a specific determination in advance of the electric utility company entering into such contract that the transaction will benefit consumers, is in the public interest, and does not violate any State law (including where applicable, least cost planning).

(c) SALE JUST AND REASONABLE.—A rate or charge for the sale of electric energy at wholesale in interstate commerce by an exempt wholesale generator shall not be considered just and reasonable within the meanings of sections 205 and 206 of the Federal Power Act if the rate or charge allows the exempt wholesale generator to receive any unfair advantage resulting from the fact that the purchaser of such electric energy is an affiliate or associate company of such exempt wholesale generator.

(d) RECIPROCAL ARRANGEMENTS PROHIBITED.—Reciprocal arrangements among companies that are not affiliates or associate companies of each other that are entered into in order to avoid the provisions of this section are prohibited.

On page 387, lines 24 and 25, strike "on grounds of prudence or imprudence".

On page 392, strike line 12 and all that follows through "may include:" on line 20, and insert the following:

SEC. 15108. STATE COMMISSION ACCESS TO BOOKS AND RECORDS; PUBLIC ACCESS TO RECORDS AND INFORMATION; DEFINITION.

(a) ACCESS TO BOOKS AND RECORDS.—Each affected State commission shall have continuing and periodic access to relevant financial and other records of the exempt wholesale generator and any electric utility company that is an affiliate or associate company of such exempt wholesale generator relevant to the exercise of such affected State commission's authority. The records to be provided hereunder shall be specified by the affected State commission and may include:

On page 393, line 4, insert "of the exempt wholesale generator or any electric utility company that is an affiliate or associate company of such exempt wholesale generator that are" before "relevant".

On page 393, line 5, strike the colon and all that follows through line 8, and insert a period.

On page 394, strike lines 12 through 14, and insert the following:

(c) NONPREEMPTION.—Nothing in this section shall—

(1) preempt applicable State law concerning the provision of records and other information; or

(2) in any way limit rights to obtain records and other information under Federal law, contracts, or otherwise.

Mr. JOHNSTON. Mr. President, it is my belief that electric utilities, which currently have—and will retain under this legislation—an obligation to serve all customers within their franchised service territory, must have maximum flexibility in meeting their future generating needs. The purpose of the legislation before us today is to increase the options available to utilities in meeting those needs, by providing for a new form of generation—the exempt wholesale generator. While we expect that such EWG's will be relied upon by many utilities to serve part of their future generating needs, we must also remember that much of the new generation the country will need will continue to be provided by existing utilities under traditional regulation. Not only should this, or other, legislation not discourage this, public policy should encourage utility contruction when the customer's interest is best served.

State regulators will review with utilities both the need for new capacity and how that need will be filled. Questions of the balance between utility construction generation and purchased power will be resolved on a case by case basis. In many cases the decision will be that the utility build the needed generation. We must remember that our electric system is presently the most reliable and efficient in the world. This legislation is not intended to create a risk to that system by establishing a policy as to who builds future generation. That decision is left to utilities and to state regulators. I fully expect utilities to continue to fulfill their obligation to serve by a variety of means, prominent among which is by the construction of plants under traditional regulations.

Mr. GRAMM. Mr. President, there has been some discussion here about the issue of open access by independent power producers to transmission lines. I want to make it clear that while this bill seeks to reform the Public Utility Holding Company Act concerning electric power generation, the Senate has made no decision in favor of open access.

The Senate has concluded that power generation is not a natural monopoly. However, the reform of PUHCA in this bill is not a reform of our electric generation or transmission industry. The PUHCA provision of this bill is just a small step toward the introduction of competition on the generation side. We have not addressed the much broader question of what sort of electric industry do we want in America?

PUHCA reform will force us to address that question in the future but to move toward open access now is to answer the question before it is asked. Open access to transmission lines can be addressed only as part of a comprehensive review of the entire electric generation and transmission industry. This bill is not the result of any such review and I therefore urge the rejection of any decision on open access in this bill.

The PRESIDING OFFICER. Is there any further debate?

If not, the question is on agreeing to the amendment.

The amendment (No. 1592) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1593

Mr. WALLOP. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 1593.

Mr. WALLOP. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 388 line 3 following the word "Provided," insert the following:

"That the state commission shall have no authority to determine the reasonableness of the wholesale rate or charge (and the terms and conditions thereof), *Provided further*,"

Mr. WALLOP. Mr. President, due to the parliamentary situation this had to be offered not as a second degree to the previous amendment but offered separately and it merely codifies the Pike County doctrine. It neither expands it or nor detracts from it. It leaves current law in practice as it is but without it it would have been somewhat in doubt.

Mr. President, I ask unanimous consent to print in the RECORD explanatory statements regarding section 15101 and section 15106.

There being no objection, the statement were ordered to be printed in the RECORD, as follows:

EXPLANATORY STATEMENT REGARDING SECTION 15105

The proposed amendment to Section 15105 would add additional protections against abusive affiliate transactions, without imposing a complete ban or bar against such transactions, many of which have substantial benefit to consumers. In order to address the risks that some believe are present, the amended provisions would require the State Commission with regulatory jurisdiction over the retail rates of the purchasing electric utility to make specific findings that a contract between the utility and an affiliated EWG will benefit consumers, is in the public interest and does not violate any state law. These provisions would apply only to purchases from an affiliated EWG. Purchases from non-affiliated EWG's would not require the specific findings. The provisions would also not apply to purchases from affiliates which are not EWGs, rather those purchases would continue to be treated under existing law.

The amendment provides that an electric utility "may not enter into a contract" for the purchase of energy from an affiliated EWG, unless the required findings are made. Normally in these arrangements, the parties negotiate a contract and sign it, but include a provision that the contract will not be effective until the necessary regulatory approvals have been obtained. These approvals normally include FERC approval of the wholesale rate, and any necessary approvals by other federal or state agencies. It is the intention of the amendment to permit this method of proceeding to continue. The intent of the amendment is not to bar the signing of contracts which are not effective pending approval, or to require some separate approval before the parties could establish the proposed terms of the sale. Rather, the intent is only to assure that the contract is not effective, or can be "unwound", pending the necessary approvals.

The amendments provides that the required determinations will be made by "every State Commission having jurisdiction over the retain rates" of the purchasing utility. For these purposes, the Commission with jurisdiction is the Commission having jurisdiction over the utility (or utilities) proposing to enter into the specific contractual relationship with the EWG. Where that utility provides retail service in more than one jurisdiction, it would require approval from each commission having retail rate authority over it. However, where the purchasing utility also is a participant in pooling or interchange arrangements or is part of an integrated system, the mere fact that other pool participants could at some time receive energy which has been generated by the EWG (which would be dispatched into the pool or integrated system), does not require that the state commissions with jurisdiction over their retail rates approve the EWG contract. Such indirect purchases as a result of pooling or interchange arrangements are not a contract for the purchase of energy from an affiliated EWG within the meaning of this amendment.

The amendment requires the State Commission with jurisdiction to make a specific determination in advance of the effectiveness of the contract. It is the amendment's intent that the determination be made in advance and on a timely basis. In the competitive market that Title XV is designed to create, additional regulatory activities should not serve to make affiliate transactions uneconomic or place them at a competitive disadvantage. The amendment's intent is to assure a specific review of the public interest and benefits to consumers, not to impose a competitive disadvantage. The State Commission should therefore establish a set of procedures which will assure that timely review occurs. Of course, the Commission having made a determination will be bound by it, to the same extent any regulatory agency must adhere to its decisions. It is not the intent of the amendment to provide a mechanism for the State Commission to make the specific determinations at one time, on which basis the contract becomes effective and all parties bound to compliance; and then to allow a later determination by the State that some other arrangement would now be preferable. Where the parties have relied on the Commission's determination, later rulings may not impair those effective contractual arrangements.

Subsection (c) of the amendment to §15105 provides that the FERC may not approve the wholesale rate to be charged by an EWG where the EWG has received "any unfair" advantage resulting from the EWG's status as an affiliate or associate of an electric utility. It is not the intent of the amendment that any advantage possessed by an EWG as a result its affiliate status be deemed unfair. The intent of the amendment is to reach to those advantages which are the result of "sweetheart" or "less than arms length" bargaining. Thus, for example, an EWG may, as a result of its relationship to an electric utility, have access to existing power plant sites, or particular expertise in the design, construction or operation of generation facilities. Such an advantage would not be an "unfair" advantage. On the other hand, where, as a result of its affiliation, an affiliated EWG received particular information not made available to others, e.g., the cost of the utility constructing its own facility in rate base, or a change in the utility's need for power, that information might represent an unfair advantage over others seeking to sell energy to the utility. The intent of the amendment is to assure that the issues are subject to review at FERC, but not to prevent an affiliate EWG from using its expertise and resources to compete.

§15105 as amended is not intended to apply to electric utilities which are not subject to State Commission regulation.

EXPLANATORY STATEMENT REGARDING SECTION 15106

The amendment to Section 15106 would change the first sentence of new subsection 209(d)(1) of the Federal Power Act, to make express the Committee's original legislative intent. Paragraph (1) of subsection (d) would provide that the Federal Power Act does not limit the authority of a State Commission, acting in accordance with State law, to disallow the inclusion of wholesale power costs in the retail rates subject to that State Commission's jurisdiction, where the wholesale costs are unreasonably or imprudently incurred in light of available alternatives. The intent of the Committee in drafting the bill, as explicitly described in the Committee Report, was to codify existing authority exercised by State Commissions under the "Pike County doctrine". The Committee's intent, and the intent of this amendment, is only to codify existing authority, and not to repeal, alter or extend the authority, as embodied currently in case law and regulatory practice.

As noted in the Committee's report, States currently use two theories of review in undertaking their determinations. Some State Commissions, adopting the premise of the Pike County decision itself, determine whether it was prudent for the purchasing utility to enter into the transaction. Costs which are imprudently incurred, because better alternatives were available at the time, may not be included in retail rates. Other State Commissions, following their own statutory obligations or precedents, determine whether the transaction is unreasonable, or an abuse of the utility's management discretion. Where, in consideration of the available alternatives at the time the utility's decision was made, the utility acted unreasonably, the costs may not be included in retail rates.

The Committee's intent was expressly not to preclude State Commission review from using the appropriate standard adopted under State law, whether it be prudence or some alternative formulation, such as "used and useful". The amendment we propose today simply makes that intent explicit in the statutory text. There is no alteration of the Committee's intent.

As in the original bill, to the extent State Commissions under existing State law are able to place conditions on the passthrough of wholesale power costs in retail rates, nothing in paragraph (1) is intended to limit that power. Similarly, there is no intent to extend the "Pike County" doctrine or to increase the authority of the State Commissions over wholesale transactions generally. This amendment, as the Committee bill, only codifies the existing law and practice.

No change is made or intended in the remainder of Section 15106.

Mr. BUMPERS. Mr. President, I would like to engage Senator JOHNSTON in a brief colloquy.

Mr. President, Senator WALLOP'S amendment codifies the Narragansett doctrine. My concern is that we not erode State regulatory authority. Does this amendment nullify the Pike County doctrine? Will States still be able to review sales and purchases for prudence?

Mr. JOHNSTON. No, it does not in any way nullify the Pike County doctrine. Yes, States will still be able to review sales and purchases for prudence.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1593) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. I thank the Chair.

Mr. JOHNSTON. Mr. President, with these amendments and with the previous colloquy between myself and Senator RIEGLE, we now have the chairman of the Banking Committee—I believe it is safe to say—satisfied, and he has no further amendments on the PUHCA area.

It is my hope to finish up tonight on the PUHCA area and have a unanimous consent before the evening is out foreclosing any further amendments on PUHCA. We propose to do the same thing with respect to the nuclear section, that is, to have a unanimous consent foreclosing further amendments on that. Then thereby we might be able to come back tomorrow and finish up the rest of the bill.

Mr. WALLOP. Will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. WALLOP. I would say I know of no concern of the ranking member of the Banking Committee, who is Mr. GARN, to the PUHCA requirement. He has communicated none to me. So I am assuming we will check to verify it that that is the case, and then we should be able to come to closure on PUHCA.

Mr. JOHNSTON. I hope that is so.

Mr. WIRTH. Will the chairman yield?

Mr. JOHNSTON. Yes.

Mr. WIRTH. On the subject of the Public Utility Holding Company Act, I had wanted to engage the distinguished chairman of the committee for just a few minutes to talk about one of the issues in the Public Utility Holding Company Act that has been of great concern to me and great concern to the Public Service Co. of Colorado.

When we got into the initial hearings on the Public Utility Holding Company Act, as the chairman will remember, I was a great advocate for reform of that statute. I think reform of PUHCA is extremely important for us today.

Most of the arguments that were made against reform of the Public Utility Holding Company Act struck me as very familiar. They were essentially arguments that the system is fine as it is, and if you sell power from outside the current system you are going to have major damage to that system.

It reminded me, as I noted during the hearings, of what we used to hear when there was discussion that we ought to maintain a monopoly in the telephone business. That changed, and I think changed for the better for the country. We now have a much more competitive telephone system, a much more innovative telephone system, and one that offers consumers a lot more choices and better prices.

But leaving that aside, there was one issue which, the chairman will remember, has remained troublesome to me and others, and that is the debt-equity issue. The argument has been made by the Public Service Co. of Colorado, that if an independent power supplier were to come into the State of Colorado and build a powerplant, they would be able to do so using mostly debt to finance that powerplant. If the Public Service Co. were to build the same powerplant, the Public Service Co. would be required by the State's regulatory commission to use probably about 50 percent equity. The difference in cost in supplying that power between what the Public Service Co. could do and what the competitive new entrant could do would be significant since obviously the cost of equity is going to be higher than the cost of debt. Consequently, this particular part of the reform of the Public Utility Holding Company Act would put the Public Service Co. of Colorado, or any other utility who did not have the advantage of such debt financing, would put that utility at a disadvantage. Consequently, the argument was made that what we ought to do is to require a kind of a level playing field between debt and equity.

I raised this issue during the markup of the energy bill last fall, and the chairman recognized this concern, and we did get language in the committee bill requiring State public utility commissions to take into consideration when they are dealing with new power producers that might come into the State.

But it remains a concern of mine. I realize at this point that the chairman has the votes on this issue. I also realize that an arrangement has been worked out between the chairman of the Energy Committee and the chairman of the Banking Committee. But I wanted for the record to raise this issue once again.

We came part of the way in the amendment offered last fall, which the chairman did on my behalf and I appreciate that. But this debt-equity issue still remains. And I was hoping that the chairman of the Energy Committee might give us the benefit of his thinking on this issue, and why it is that he believes that the debt-equity issue is not in his view a relevant issue.

I would really like to hear from the chairman, his thinking and reasoning on this. This is important to me and I think a number of other Senators.

Mr. JOHNSTON. Mr. President, I thank the Senator for his thoughtful question because his question is really at the heart of the Public Utility Holding Company Act Reform. We have had, indeed, indepth hearings on this very issue. We have commissioned a staff study on the relative cost of capital for independent power producers as opposed to public utilities, and here is what we found.

There are generally two arguments with respect to the debt-equity issue. The public utilities generally are required by public utility commissions to have a higher ratio, perhaps 35 percent equity to 65 percent debt, and the argument is made that, well, the fact that they have to put in so much equity, whereas an independent power producer can have much less equity, does two things: first of all, it results in a lack of reliability, that a higher leveraged company might therefore be more likely to go under in the event of any difficulty, might go the way of the junk bond finance market; and, two, that, in relative competition to public utilities, they would place utilities at a disadvantage.

We found, Mr. President, that neither argument is proper for these reasons: First, on the issue of reliability.

PURPA, the Public Utilities Regulatory Policies Act of 1978, allows for competition for generation of electric power in two instances: For qualifing facilities, which are either cogeneration facilities or renewable resource facilities.

Qualifying facilities have generated since 1978 some 30,000 megawatts of electricity, most of that in a competitive way. Sometimes we call these facilities IPP's. Virtually all of them are financed on what the Senator would call a highly leveraged basis, generally around 80–90 percent debt.

We have found, Mr. President, that they are actually more reliable than public utilities. And the reason for that is that an IPP can come in with a contract with a utility which calls for the delivery of a certain amount of power over a certain number of years at a designated price or a price ascertainable with respect to certain objective criteria, so that they have a fixed contract which then in turn can be used to support the debt service on the money to be borrowed.

So it is, in effect, like a net net lease. If you own a piece of property and have a net net lease on it, you can go to the bank because you know that that net net lease is going to be paid. They do not have to take a chance with regulatory commissions because it is already approved in advance. They do not have to take a chance with the economy of the area, whether or not it grows. Whether or not electricity demand is great or not does not affect their contract, their right to be paid. They do not have to take a chance on fires or floods or hurricanes or tornadoes or other weather disturbances. They do not have to take a chance on labor problems. In effect, they have a net net contract to be paid so much over a period of time, which is as good as gold.

Furthermore, they have a shorter term. The term of their contracts, terms of borrowing, usually averages 15 years or less. Whereas, utilities can finance over a longer period of time.

There is a particularly interesting article in the Public Utilities Fortnightly, entitled "IPP Leveraged Financing: Unfair Advantage?", which I put into the RECORD earlier in this debate but which points out that IPP coal plants have an average of roughly 88 to 90 percent availability, or percent of the time which they are working, compared to 81 percent for utility coal plants of comparable size. Gas plants show a similar difference, 94 to 96 percent availability compared to 87 to 92 percent.

So that in terms of reliability, the record has shown that electricity generated in a competitive way with 90 percent debt on the average is more reliable in fact.

Mr. WIRTH. Just on that particular point, the response to that argument is that the reason that you have a stable independent power producer who is able to have a highly leveraged plant goes back to the utility itself. Because it has a great deal of equity, it is the solidity of the utility and its high equity that allows the IPP to be reliable, and thus enables it to finance with high debt leverage.

So they are making the argument that this is another example of this not being a level playing field.

Mr. JOHNSTON. There is bifurcation of the argument here. The arguments are two: First, that they are not reliable.

Mr. WIRTH. I understand.

Mr. JOHNSTON. And, secondly, that there is an unfair advantage.

Mr. WIRTH. And they would say the reliability is rooted in the equity of the utility itself; that it is a very solid investment and it is making a contract with the IPP and, of course, the utility is going to deliver on its contract to the IPP because the utility has a very solid equity base.

Mr. JOHNSTON. Well, the point is, experience has shown from the standpoint of reliability, the ability to deliver in rain or storm or sunshine, that the IPP's have more availability, that is, more reliability.

Mr. WIRTH. You would make the distinction—just to make sure I understand this—you are making a distinction between the reliability of the delivery of power versus the reliability of financing.

Mr. JOHNSTON. That is correct.

Mr. WIRTH. So let us set aside the reliability of delivery of power, and you are suggesting by the figures that were in the Fortnightly thing.

Mr. JOHNSTON. Now the question is, is that fair?

Mr. WIRTH. That is the second issue.

Mr. JOHNSTON. The staff study which we have done through our staff economist, Dr. Hausker, of which we are very proud—I think the Senator from Colorado has seen that study—indicates that the average cost of capital for independent power producers is not lower than that of utilities.

Moreover, the article just referred to from the Public Utilities Fortnightly also points out that they study it in some detail and come to the conclusion that "The result is a capital charge rate, or total cost of financing, approximately 4 percent higher for IPPs than for utilities."

Why is that? It is because of the shorter period of time that IPP's must finance for; because of the fact that, when you have a higher percent of debt you have to pay, generally, a higher percentage rate.

In other words, if you go in to borrow on a mortgage, 90 percent as opposed to borrowing 50 percent, you usually have to pay a little bit higher cost of capital.

Also not reflected in the interest rate are the sinking funds required by the lender because the lender himself enforces the reliability of the IPP by requiring that he have a sinking fund for maintenance and operation and for debt service. The size of that sinking fund depending upon the particular circumstance.

I mean, every plant is different. If you have a gas turbine, for example, which is a highly reliable machine, and you have a source of gas with long-term contracts, and you have a fixed contract for payment to your supplier of the turbine, you have a fixed contract for construction of the facility so that you know what all your costs are, and your income stream is sufficient to pay for that, then it would be unnatural, unnecessary, and improper to require that you have this additional sunk equity. It is unnecessary for the security of the deal.

Consequently, from a standpoint of economic efficiency—and by the way, this article in Public Utilities Fortnightly talks about the good job that the markets have done. If I may quote the last paragraph, the author says:

> The bottom line is that financial institutions have done a thorough job of assessing the different risks presented by IPP's and utilities, and have developed appropriate debt structures for each. This market solution, produced by lenders without a vested interest in the competition between IPP's and utilities, is fair. Ratepayers enjoy the benefits of these lower costs, which are unlikely to be matched by utilities without an effective incentive structure. The IPP's advantage is real, but it is the product of price competition and profit incentives, not of financial hocus pocus.

Mr. President, I thought I put this article in but apparently—staff tells me I have not.

I ask unanimous consent that this article be printed in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IPP LEVERAGED FINANCING: UNFAIR ADVANTAGE?

(By Roger F. Naill and William C. Dudley)

Lower independent power costs have resulted not from any unfair advantage in financing—as some critics claim—but from the benefits of competition.

The subject of leveraging has become an important component in the debate over the future structure of the electric utility industry. Since the passage of the Public Utility Regulatory Policies Act (PURPA) in 1978, most of the new electric generation capacity constructed in the United States has been built not by utilities, but by nonutility or "independent" power producers (IPPs). Unlike utilities, IPPs are not subject to cost-of-service rate regulation. The experience of the IPP industry, therefore, gives some insight into the effects of an alternative model of utility industry structure: competitive pricing of electricity generation.

IPPs normally employ "project financing"—in which the loans for a project are secured primarily by the assets of the project (and not by the assets of the "parent" or owner of the project). To support project financing, the IPP developer puts together a package that includes a site, a signed electric contract, a steam contract (if the plant is to be a qualifying facility [QF] under PURPA), a construction contract, and all the necessary environmental permits. The developer then usually attempts to borrow as much of the project's capital costs as possible—ergo the term "highly leveraged financing." This is because debt is cheaper than equity (equity is a riskier investment and requires a return significantly higher than debt), and cheaper still when its preferential tax treatment is considered. For this reason, equity is typically used by IPPs only to take risks that lenders are unwilling to assume, and to assure lenders that the developer will not "walk away" if a project becomes less profitable.

The degree to which an IPP project is leveraged depends on a number of factors. More profitable and less risky projects warrant higher amounts of debt. Nevertheless, fluctuations in the market for debt influence the interest rate and the terms available—including the amount of leveraging that lenders will allow for a given type of project. The IPP borrower may also strive for a certain debt-equity ratio to optimize the project's capital structure.

In contrast, a utility finances construction—and all its other capital requirements—by issuing debt or selling equity from the "parent" company. Its capital needs are typically financed by issuing equity and debt, secured by the assets on the balance sheet, in roughly a 50:50 ratio. The cost of debt depends on the utility's bond rating—with the more risky utilities rated lower and, therefore, paying more for debt. If borrowing new capital would cause the utility to exceed its allowed debt-to-equity ratio, the utility will have to sell equity to raise part of its capital requirements. In the case of utility financing, the debt is secured by all the utility's assets—not just those of the particular construction project needing the investment.

What causes this difference? Some utilities argue that IPPs have an unfair advantage due to their highly leveraged project financing. However, the lower costs stem from the incentives inherent to price competition.

NO FINANCING ADVANTAGE

The argument that IPPs have an unfair cost of capital advantage begins with the undisputed fact that they are able to use more highly leveraged financing than utilities. Since debt is cheaper than equity—so the argument goes—the ability to use 75, 90, or even 100 percent debt financing constitutes an unfair advantage over utilities, which can use no more than 50 percent debt. Although it is usually recognized that IPPs must pay more for their debt and equity than utilities, it is argued that these costs are more than offset by the increased leverage of project financing, and that IPPs systematically benefit from a lower, weighted after-tax cost of capital (WACC) than utilities. The magnitude of this benefit depends upon the assumptions made about the degree of leverage, interest rates, and equity returns used by IPPs and utilities. Table 1 demonstrates a typical WACC calculation based on assumptions derived from a survey of utility and IPP annual reports from 1988 and 1989.

The calculation demonstrates that it is indeed plausible that the average IPP has a lower WACC then the average utility, even when the increased costs of debt and equity required by project financing are accounted for.

However, the WACC is an inappropriate measure of the total cost of financing, because it accounts for neither the shorter debt term received by IPPs compared to utilities, nor for the lender-imposed requirement that IPPs maintain cash reserve funds. These are important omissions, because both increase the total cost of financing for IPPs. Because IPPs can generally borrow for only 12 to 17 years, while utilities routinely issue debt with 30- to 35-year maturities, utilities are able to spread the costs of new plants over a much longer period than IPPs, which effectively reduces utilities' financing costs relative to IPPs. The debt reserve funds required of IPPs compound this effect, by reducing the cash flow available as a return on equity in the early years of a project. The combination of these effects on the total cost of financing is as large as the effect of leveraging. Even with a lower WACC than utilities, an IPP employing 15-year project financing may have a higher total financing cost than its regulated competitors.

The capital charge rate, which represents the real levelized cost of financing a new plant, is a better measure of total financing costs than the WACC. This calculation, unlike the WACC, accounts for the length of the debt term, the IPP reserve fund, property taxes, and depreciation. It measures the total financing burden in each year of the plant's life, determines the net present value (NPV) of this burden using the appropriate discount rate, and then levelizes the NPV over the life of the plant. The result is the total cost of financing expressed as an annual payment, which is the same in real dollars in every year of the plant's life. This annual payment can also be expressed as a percentage of the original capital cost, which gives us the capital charge rate (see Table 2).

TABLE 1.—WEIGHTED AFTER-TAX COST OF CAPITAL

	Utility	IPP
Debt fraction	[1]50.0	[1]80.0
Equity fraction	50.0	20.0
Interest rate	9.5	10.5
Equity return	12.0	15.0
WACC	9.1	8.5

[1] Percent.

In order to compare the total cost of financing in isolation from other factors, we assumed that IPPs and utilities have identical capital costs and construction times. We then computed the capital charge rates using the assumption about debt-to-equity ratios, interest rates, and equity returns made in Table 1, and the further assumptions summarized in Table 2.

The utility capital charge rate was computed using standard utility rate-of-return accounting procedures to determine the annual revenue requirements associated with new capital investment. The IPP capital charge rate was determined from a standard IPP project finance model, which also determines the annual revenue requirements needed to support new IPP capital investment. The utility discount rate was used to evaluate each case, which is consistent with the conventional practice for comparing IPP proposals to a utility's avoided costs.

The result is a capital charge rate, or total cost of financing, approximately 4 percent higher for IPPs than for utilities. This occurs because the financing burden on IPPs is higher during the first 15 years of a plant's life than the burden on utilities, since IPPs must maintain a cash reserve fund and pay down their entire debt balance during that span. Conversely, the burden over the final 15 years is higher for utilities because IPPs have retired their debt. The net effect, though, is a deferral of the financing burden by utilities, which results in a capital charge rate for utilities that is slightly lower than that for IPPs.

Though altering any of the assumptions used in these calculations can widen or narrow the capital charge rate gap between IPPs and utilities, it is clear that there is no systematic unfair financing advantage for IPPs. The amount of leverage, the equity return and interest rate, and the debt term will all vary significantly from project to project, and in any given case either an IPP or a utility may recognize a competitive financing advantage.

On average, however, our and other analyses suggest that IPPs bear at least the same financing burden as do utilities. This demonstrates that highly leveraged project financing is not an unfair advantage for IPPs, but incurs offsetting costs in the financial markets in the form of higher interest rates, shorter debt maturities, and contractual restrictions on cash flow. There is no free lunch in the financial markets.

This implies that the financial markets do a more than fair job of assessing the risks involved in lending to both IPPs and utilities, and of providing funds on terms concomitant with those risks. The markets have determined that it is prudent to use highly leveraged structures for IPP projects, because those projects have long-term power purchase contracts and do not bear electricity market "demand" risk. On the other hand, because IPP debt is secured only by the assets of a particular project, the market offers IPPs shorter debt terms and higher interest rates than utilities receive, and requires cash reserve funds to insure against under performance. In short, IPPs and utilities receive very different financing terms because they finance their capital investments with fundamentally different structures. Thus, it is perfectly "fair" that their financing terms are not the same (indeed, it would be strange if they were). The financing burden for IPPs and utilities is determined by the market, and is appropriate for the types and magnitude of risk each brings to lenders and equity investors.

COMPETITION LOWERS COSTS

If the lower cost per kilowatt hour (kwh) of electricity produced by the independent power industry is not a result of debt leveraging, then what is the cause? Our experience suggests that the reason for IPPs' lower costs is price competition.

Independent power producers must compete (with utilities and with each other) for a share of the power generation market. And the generation market has become fiercely competitive: To receive a long-term power sales agreement, IPPs often must win a competitive bid or successfully execute a competitive negotiation. In a typical bid, the number of megawatts offered normally exceeds the number awarded by a ratio of 13 to 1. And preparing a bid or negotiating a proposal has become expensive, especially since the purchasing utilities often award contracts only to bids with firm site plans, signed fuel contracts, firm engineering estimates, and substantial progress in obtaining the necessary environmental permits. Furthermore, the profits of the QFs and IPPs competing for these power sales agreements are not subject to price regulation by state utility commissions. This creates a natural incentive for IPPs to lower their costs—to win contracts and, hopefully, to make a profit.

TABLE 2.—CAPITAL CHARGE RATE

	Utility	IPP
Debt life	35	15
Reserve fund	NA	([1])
Book life	35	35
Tax life	20	20
Discount rate	[2]10.75	[2]10.75
Income tax rate	[2]34	[2]34
Property tax rate	[2]4	[2]4
Inflation	[2]4.5	[2]4.5
Capital charge rate	[2]9.76	[2]10.17

[1] Annual deposit: ½ of pre-tax cash flow. Maximum balance: ½ of annual debt payment.

[2] Percent.

As participants in the independent power industry since its inception, we have witnessed first hand how price competition creates incentives for IPPs to find innovative ways to lower power generation costs. The following factors summarize the experience of the IPP industry to date.

Turnkey construction: One of the major problems that has plagued the utility industry has been major cost overruns from "cost-plus" construction contracts. To avoid the risk of cost overruns, most IPP projects are constructed with "turnkey" fixed-price construction contracts, where the architect/engineer (A/E) agrees to build the plant at a negotiated fixed price. The A/E firm absorbs the risk of construction cost overruns and has an incentive to lower its construction costs and make a profit. Such construction cost overruns can be substantial—as much as 20 to 50 percent for utilities, with even bigger overruns likely for larger plants.

Cost overruns became a major problem for utilities in the 1970s when utility commissions began to disallow costs that were deemed the result of imprudent management practices. This trend continued in the 1980s, as $13 billion in plant investments were disallowed from 1984 to 1988, representing about 14 percent of the total capital costs for these (mostly nuclear) plants. In this regulatory environment, utilities became reluctant to construct their own plants, fearing the risk of making capital investments with no returns. The option of signing a purchased power contract with an independent power producer became (and continues to be) an attractive alternative for utilities.

Bidding down capital and fuel costs: Another practice that reduces the cost of IPP projects is competitive bidding for construction and fuel contracts. In order to get the best price and terms for plant construction and fuel contracts, IPPs normally conduct a competitive solicitation of bids for these major cost items. Because vendors must compete for IPP business, and because IPPs must beat utilities' avoided costs, IPPs are able to negotiate capital and fuel contracts at a discount from utility costs. Our experience suggests that competitive bidding for construction and fuel contracts can save IPPs up to 5 percent.

Shorter construction times: IPPs have typically constructed their plants in less time than is normal for utilities. Perhaps the most successful IPP in this area is Cogentrix, which constructs its coal-fired plants in roughly two years. Some of the techniques used to reduce construction time are standardized plant designs, tight control of parts and materials, and incentives for crews who meet or beat deadlines. Lowering construction time saves costs in two ways—it almost always assures that the project will come in at or under budget, and it saves on interest costs. The difference in total capital cost between a project that takes two years to construct versus four is roughly 15 to 20 percent. Even a three-year construction period can save about 8 to 10 percent on total capital costs.

Higher plant availability: Independent power projects have achieved higher plant availability factors than utilities. IPP coal plants, for example, have averaged roughly 88 to 90 percent availability, compared to 81 percent for utility coal plants of comparable size. Gas plants show a similar difference—IPPs have averaged 94 to 96 percent availability, compared to 87 to 92 percent for utility-owned plants with equivalent specifications. Since most IPP plants are relatively new, this difference may not be significant—it might simply reflect the fact that plants typically work better when they first come on line. But our experience supports the conclusion that this difference in IPPs' availability might be caused by price competition incentives; IPPs are normally paid more if their plants run better, while utilities are not. The added profit is a powerful motivator to perform preventive maintenance, reduce outages, and operate plants more efficiently—all of which can significantly increase a plant's availability.

New technologies: Independent power producers have been notably more aggressive in bringing new power generation technologies into commercial operation. For example, AES Corporation now has 940 megawatts of fluidized-bed coal plant either in operation or under construction. Destec has a commercial-scale integrated gasification combined cycle (IGCC) technology that it will construct under commercial terms. U.S. Windpower has a next-generation wind turbine that has proved competitive in bidding situations. while it is hard to quantify the potential cost reductions associated with new technologies, they often can offer cost savings by improving efficiency, reducing overall capital costs, or providing superior environmental performance.

When these factors are converted into a cents/kwh measure of the cost of delivered power, their combined effect on total IPP costs compared to utilities (see *Table 3*) can be significant—this analysis suggests a potential cost savings of 5 to 15 percent.

None of these practices are unique to IPPs—utilities could cut costs using these or other methods as well—and in fact, some do. But because utilities' profits are regulated, they have less *incentive* to cut costs.

There is little question that IPPs have consistently demonstrated the ability to achieve lower costs of generation than regulated utilities. But some advocates would have us (and the Congress) believe that IPPs obtain their cost advantage by using highly leveraged project financing that shifts risk to their utility customers. The conclusion, if one swallows the argument, is that IPPs obtain their cost advantage on the backs of their own utility customers. This accusation is unfair.

TABLE 3.—EFFECT OF COMPETITION ON IPP COSTS

	IPP	Utility	Reduction in cost/kwh
Turnkey construction.	Turnkey	Cost-plus	Avoids overruns.
Bidding down capital and fuel costs.	Profit incentives	Pass-through	5-percent utility costs.
Construction time	33 months	48 months	10-percent reduction in capacity costs.
Availability:			
Coal	88–90 percent	81 percent	5–7 percent reduction in capacity costs.
Gas	94–96 percent	87–92 percent.	
Lower O&M costs	Profit incentives	Pass-through	Continued improvements.
New technologies	AFB,IGCC	PC	Increased efficiencies, environmental progress.
Total cost	85–95 percent of avoided cost.	Avoided cost	5–15 percent.

No matter how much analysis is done, no matter how many variables are accounted for, there remains the undeniable fact that IPP projects are highly leveraged. The suspicion remains that this simply must be unfair: In the aftermath of the financial improprieties of the 1980s, "leverage" is a bad word.

But any analogies between the leveraged project financings of the IPP industry and unstable industries which have been devastated by extraordinary debt burdens are facile and invalid. The word "project" is extremely important in distinguishing IPP financing from other debt financing. IPPs are able to use leveraged project financing not because they have developed magical techniques for diverting risk, but because the loans they receive are fundamentally different from the balance sheet loans of utilities. Every dollar borrowed in IPP project financing is secured by—and only by—the assets of that project, the plant itself, and the long—term electric contract which guarantees demand. This means that the primary risk to the lender is possible under-performance of the plant. There is no demand risk, so the high level of fixed costs created by highly leveraged financing, is not as risky as it would be, for example, to a commercial real estate developer who bears the risk of evaporating demand. On the other hand, project specific loans do bear risks not present in balance sheet debt, such as under-performance at a particular plant, which in some cases warrant higher interest rates and shorter debt terms.

The bottom line is that financial institutions have done a thorough job of assessing the different risks presented by IPPs and utilities, and have developed appropriate debt structures for each. This market solution, produced by lenders without a vested interest in the competition between IPPs and utilities, is fair. Ratepayers enjoy the benefits of these lower cost, which are unlikely to be matched by utilities without an effective incentive structure. The IPP advantage is real, but it is the product of price competition and profit incentives, not of financial hocus pocus.

Mr. JOHNSTON. In effect, Mr. President, after having studied this matter now—this is the fourth year, as the Senator knows. We introduced this legislation in the last Congress and had hearings on it on and off for a couple of years, stating at the time that we wanted it to be studied, being a very complicated and deep subject.

This year we put the bill in, in this Congress, with a view to passing it. So, over a period of—this now being the fourth year we have studied this complicated subject, had studies by the staff economists, had the benefit of other studies, and let me say from the standpoint of this Senator I am totally convinced that IPP's are, first of all, at least as reliable—the article says more reliable; that the competition between utilities and IPP's is fair in that their total cost of capital is actually a few percentage points higher, as indicated by the Public Utilities Fortnightly. I think our staff study indicated that they were comparable costs. And, finally, that it is totally in the interests of consumers, which is really the reason for this legislation.

There are utilities that are for it. There are utilities against it. Some want to compete. Some fear the competition. But I think, Mr. President, the case is overwhelming that price competition has paid off in PURPA, in this very same field of electricity generation, in a competitive way.

I think the case is overwhelming that it will be very much in the interests of the consumer when we do it at large, and not limited to the limited amount which we can do in PURPA.

Mr. WIRTH. I appreciate the response by the chairman. I have long been an advocate of changes in the Public Utility Holding Company Act, and significant changes therein. I think we are headed in the right direction.

There was this remaining issue in which I am always reminded of the need for the one-armed economist. I suspect your economist will say one thing and some other utility's economist will say something else.

I found the chairman's determination to stick with what is in the bill now and his demonstration to me of where the votes were more convincing than the demonstration by the economist of what the economics were. I could count those votes a lot better than I could understand the convincing nature of the economics.

Getting in that position, I think, maybe we can, perhaps, have a chance to work on this some more, coming to a better understanding. I know Senator SANFORD is in the process of discussing with the committee an amendment that he had, to see if some language can be worked out there.

I remain troubled by this question. I know that this in some ways is at odds with the need to change the Public Utility Holding Company Act, which I think is something we ought to be doing.

In any case, I greatly appreciate the attention the chairman has given to this. He did agree to the initial amendment that I offered last spring, related to the State regulatory commissions and their authority to look at this. That was a small step in the right direction and we will keep working on it.

I thank the chairman for his forthcoming answer and for sticking with this in the way that he has.

Mr. JOHNSTON. I very much thank the Senator from Colorado. His amendment is not a small step. His amendment requires PUC's to look and study the effect of debt leveraging and calls their attention to the fact that they should make findings whether or not 35 percent equity share is appropriate. So, it directs them to do that.

I think, upon looking at each one of these things, they will do what is in the interests of the consumer and not require more equity than is required. I think that will be an experience very much like PURPA.

So, the amendment of the Senator contained in the legislation already, I think, takes a giant leap in the direction he is talking about.

Mr. WIRTH. I thank the chairman.

REGIONAL REGULATION

Mr. BUMPERS. Mr. President, Senator PRYOR and I would like to engage the chairman of the committee, Mr. JOHNSTON, in a colloquy.

Our region of the country—Arkansas, Louisiana, and Mississippi—are deeply concerned about their ability to adequately regulate multistate holding company resource planning.

Mr. PRYOR. Mr. President, judicial interpretations of the Federal Power Act have made it very difficult for over 20 State regulatory jurisdictions to protect electric consumers. These States regulate utility subsidiaries of multistate holding companies registered under the Public Utility Holding Company Act of 1935. The jurisdictions include our States—Arkansas and Louisiana—as well as Mississippi, New Hampshire, Massachusetts, Connecticut, Rhode Island, New Jersey, Pennsylvania, Ohio, Indiana, Michigan, Kentucky, West Virginia, Virginia, Tennessee, Maryland, Florida, Georgia, Alabama, Texas, and Oklahoma.

Mr. JOHNSTON. Are the Senators referring to the effect of the Mississippi Power & Light decision?

Mr. BUMPERS. Yes. As many Members of this body know, a 1988 Supreme Court decision, Mississippi Power & Light versus State of Mississippi ex rel. Moore held that FERC approval of a transaction among electric utility subsidiaries of a registered holding company preempts State regulatory review. Registered companies need only shift their operations from retail to wholesale subsidiaries, and obtain a decision from the Federal Energy Regulatory Commission [FERC] which binds State commissions.

Mississippi Power & Light therefore exposed a major gap in utility regulation. Regional holding companies are a reality. Therefore, power supply planning on a regional basis is a reality. Yet under the law today, no one has clear authority to regulate regional planning. In fact, after MP&L, State commissions regulating the subsidiaries of a registered holding company have little or no say over retail rates; construction or conservation, and are virtually powerless to enforce those priorities.

Mr. PRYOR. I want to echo Senator BUMPERS' concerns.

Mr. JOHNSTON. What is the Federal Energy Regulatory Commission role here?

Mr. BUMPERS. The FERC does not have clear authority over such regional planning because Section 201 of the Federal Power Act states that FERC lacks authority over generating facilities. Also, the Commission does not oversee utility resource planning. Nor should it. resource planning should be a local matter.

Senator JOHNSTON, nothing prevents a multistate holding company from convincing one State to permit construction of a plant, then having FERC allocate the costs of that plant to other States, even if those other States preferred conservation or power purchases over construction. States then have the worst of both worlds: preemption without planning.

Because this gap stems from interpretations of the Federal Power Act, Federal legislation is necessary. Constituents from both our States—the Arkansas Public Service Commission, the city of New Orleans and the Energy Corp.—as well as members of the electric utility community throughout the Nation, chose to work to solve these problems and are crafting a legislative proposal to restore authority to State regulators, while protecting holding companies from inconsistent decisions by those States. Mr. President, I strongly urge this body to support this proposal as it will encourage the creation of efficiencies on a regional basis while simplifying regulation and preserving the historic role of States in the regulation of utilities. I also fully expect this new legislation to enhance the quality of wholesale competition which Senator JOHNSTON hopes to stimulate through the changes to PUHCA in S. 2166.

We agree on the merit of the legislative proposal and have agreed that, in order to allow the legislative proposal to be finalized, we would not offer it as an amendment to S. 2166.

I feel very strongly about the urgency of restoring to the States the authority denied them by the Mississippi Power & Light decision and am naturally concerned about passing S. 2166 without the new legislation.

Therefore, I want to confirm with the Senator from Louisiana that we will work together to complete the drafting of the new legislation and then bring it to the floor for Senate action as soon as possible.

Mr. PRYOR. I want to say for the record that I feel very strongly about this issue too and hope we can work together toward prompt enactment of regional planning legislation.

Mr. JOHNSTON. I share the concerns of the Senators and they have my commitment that I will cosponsor the legislation, hold hearings on it, and work for early enactment.

SECTION 6301

Mr. BUMPERS. Mr. President, I would like to engage the distinguished chairman of the Senate Energy Committee, Senator JOHNSTON, in a brief colloquy.

Section 6301 of S. 2166 amends the Public Utility Regulatory Policies Act by adding a provision that State regulatory agencies shall allow electricity rates to reflect expenditures and investments in energy conservation, energy efficiency, and other demand-side management measures. Does this mean that State commissions must permit utilities to increase rates to recover their costs in those programs?

Mr. JOHNSTON. No. Section 6301 interacts with PURPA's requirement that a State regulatory authority formally consider whether to adopt the rate making standards set forth. The State regulatory body can, after consideration, adopt all or part of the standard, or reject it in its entirety. The final decision rests with the State regulatory body.

I might add that what the State regulatory body is to consider is whether investments by an electric utility in energy conservation, energy efficiency resources, and demand-side management should be as profitable as investment in new generation facilities. We by no means are mandating excess returns on such investments, and State regulatory bodies will and should consider the relative risks as well as rate payer benefits in establishing such rates.

Mr. BUMPERS. I thank the Senator. My last question has to do with the definition and meaning of investments and expenditures for energy conservation, energy efficiency resources, and demand-side management. The chairman is aware that a creative thinker could justify almost any investment as an investment in energy conservation. And I know that the chairman is also aware that State commissions across the country are trying to define energy conservation programs. Demand-side management is generally understood by regulators to include four different types of utility sponsored programs that affect customer energy consumption patterns—conservation, load management, fuel substitution, and loan building.

Conservation programs reduce electricity and/or natural gas consumption during all or significant portions of the year. Load management programs may either clip electricity peak demand or shift demand from on-peak to non-peak periods.

Fuel substitution increases annual electric or gas consumption by inducing the choice of one fuel over another. Load building programs increase consumption by increasing sales.

Some programs are highly controversial. Fuel substitution programs, for example, may involve competing electric and gas utilities' offering subsidies to induce consumers to switch from electricity to gas, or vice versa. The State regulatory body in my State and those in other States are currently evaluating utility promotional practices and I have no desire to intrude on their deliberations. Are we blessing, as Federal policy, demand-side management programs designed to induce fuel switching and load building, as well as true conservation programs?

Mr. JOHNSTON. No. That is not our intent. Such as interpretation would be directly at odds with what S. 2166 is all about. It would be inconsistent with S. 2166's Findings and Purposes, and especially at odds with the objectives of Title V, which is entitled "Energy Efficiency." The committee was aware of the Senator's concern.

Let me refer you to page 262 of the committee report. There we stated that:

> The new rate making and other standards added to section 111 in new paragraph (7) are only intended to encourage efficiency in the provision of electricity to consumers. The committee does not intend such standards to be used in any context other than one which would result in less energy usage and correspondingly less consumption of our Nation's energy resources. To that extent, these standards are not to be construed as promoting rate recovery for programs that result in fuel switching or increased energy usage over an existing or available energy alternative. The purpose and intent of this legislation is the achievement of less energy usage through conservation measures and reduction in energy demand.

Mr. BUMPERS. I thank the distinguished chairman.

The PRESIDING OFFICER (Mr. BRYAN). The Senator from Colorado.

Mr. WIRTH. Mr. President, in July 1991 President Bush signed the London Economic Summit of 1991. That was an economic declaration entitled "Building a World Partnership." In that, the G-7 countries made the following statement which we agreed to along with the other six countries. This was signed by the current administration.

> We will also seek to improve energy efficiency and to price energy from all sources so as to reflect costs fully, including environmental costs.

In this legislation we have come a long way to meet the first commitment in that statement. We have sought, and I think effectively, improved energy efficiency. There is a great deal promoting energy efficiency in this legislation. I think we have come a long way and we are going to save the country and our economy a great deal of energy—and money—with this emphasis.

Unhappily, we have not done so well on the second part, "to price energy from all sources so as to reflect costs fully, including environmental costs."

In title 1 of this legislation we require the Department of Energy, the Secretary, to:

> Develop a least-cost energy strategy in which the Secretary is required to give full consideration to all the direct and quantifiable net costs for the resource over its available life, including the costs of production, transportation, utilization, waste management, environmental compliance and, in the case of imported energy resources, maintaining access to foreign sources of supply

The last part of that is very important. We have to begin to factor in here the cost, for example, of an enormous military force keeping open lines to the Persian Gulf. Therefore that price ought to be factored into this and we ought to, obviously, be focusing more on domestic resources wherever possible. We have attempted to do that by really pushing our use of domestically producted natural gas, in the legislation.

On the environmental side we have done less well. This language only includes reference to environmental compliance, and not to full environmental costs. In this title, and again in the utility regulatory reform section, I had attempted in the committee to add language that encouraged DOE and State PUC's to examine the full range of costs associated with energy supply and demand.

This means the externalities; not only the cost of compliance, which is a quite narrow consideration, but the broader the cost of the external impacts that various energy sources are going to have on the outside world.

We are familiar with those. We had one debate earlier about externalities when we were talking about the hole in the ozone and the impact that use of a particular chemical compound has.

If we are going to be really serious about accounting for full energy costs, we have to factor into the cost of energy the environmental impacts of burning that energy source or using that.

For example, in the area of nuclear energy, we clearly should be looking at the long-term cost of waste and waste disposal. If we are talking about burning of fossil fuels, we have to make a distinction between coal, oil, and natural gas, some of which have clearly greater environmental costs than others.

A recent National Academy of Sciences report recommended that:

> Energy production and use should reflect the full costs of associated environmental problems * * * full social cost pricing is a goal toward which to strive.

That is the essence of the language I attempted to offer in the committee. The full environmental cost language was struck in the committee, and was replaced with reference only to the very narrow concept of environmental compliance.

Mr. President, I raise this at this point, but I am not going to offer the amendment to try to restore environmental costs. Clearly that is going to be what I think the chairman described as a deal-buster. It is an issue that is very complicated. It has become extremely controversial, and I understand that.

But the chairman has committed to me, when we get into upcoming global climate change hearings in the Energy Committee and in related hearings, part of the emphasis of those must be on coming to understand full environmental costs. Twenty-six State regulatory commissions are already doing it. If 26 States are doing it, certainly the Federal Government can do that. Twenty-six State regulatory commissions have in some way examined this issue. Certainly we can get our own Department of Energy to do so.

Mr. President, I ask unanimous consent to print in the RECORD a very good discussion of the need to internalize environmental costs, taken out of Project 88 Round II, a study sponsored by the late Senator Heinz and myself. This is a very good discussion of the need to do this, and where we are in the science of doing it.

I also ask unanimous consent to print in the RECORD at this point the economic declaration signed by the President at the London Economic Summit, which refers to the need for considering the environmental costs of energy.

There being no objection, the material was ordered to be printed in the RECORD as follows:

PROJECT 88—ROUND II

INTERNALIZING ENVIRONMENTAL COSTS

Richard Clarke, the CEO of Pacific Gas & Electric Company, has directed his management to "make environmental considerations and concerns part of any decision you make right from the beginning. Don't think of it as something extra you throw in the pot."[1] Consistent with this call for including environmental concerns in the decision process is the general notion of "environmental costing." Unless the prices of energy alternatives reflect their environmental as well as their direct (internal) costs, true least-cost objectives can not be achieved. The problem in the greenhouse context is that the costs of alternative fuels are typically not affected by their respective emissions of carbon dioxide. One possible approach to this problem would be through the use of CO_2 charges, as examined earlier in this chapter. Such charges may eventually be implemented to comply with future international agreements. In the meantime, a potential approach could be for state and Federal planners and utilities themselves, when comparing alternatives for meeting long-term energy needs, to impute to each energy source a carbon-based penalty that varied with its relative level of CO_2 emissions[2] or more broadly multiple penalties which varied with the environmental costs of some set of emissions, presumably including CO_2 and SO_2.

Despite the soundness of the basic idea of environmental costing, the difficulty of properly designing such systems ought not to be underestimated, as evidenced by the serious flaws found in most of the mechanisms thus far given serious consideration by state regulatory bodies. As outlined above, the damages (of emissions) associated with the combustion of a given fuel constitute the "environmental cost" which ought to be considered when comparing alternative energy options. Yet every state commission which ordered consideration of environmental externality costs through 1990 chose to ignore these (economic) impacts in favor of a "proxy"—the cost of controlling pollutant emissions. By 1990, 26 utility regulatory commissions had at least initiated formal consideration of including environmental costing in utility planning, bidding, or other resource-selection procedures. Of these, 18 had issued orders or passed legislation requiring utilities to incorporate environmental costing in the planning or bidding process, and in every case, control costs had served as the basis for quantification.[3]

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[1] See: Kirkpatrick, David. "Environmentalism: The New Crusade." *Fortune*, volume 121, number 4, pp. 44-55, February 12, 1990.

[2] Care must be taken to ensure that such a program does not replace carbon dioxide emissions with offsetting increments of other greenhouse gases. This is particularly important since CO_2—despite representing the largest aggregate impact on global warming—has a smaller per-unit impact than some of the other greenhouse gases. See: Rodhe, Henning. "A Comparison of the Contribution of Various Gases to the Greenhouse Effect." *Science* 248(1990):1217-1219; and Houghton, Jenkins, and Ephraums, *op. cit.*

Pollution control costs *cannot* serve as an adequate proxy for pollution damages.[4] Indeed, the costs of controlling a given pollutant do not necessarily bear any direct relation whatsoever to the environmental damage which it causes. Relying upon control costs, instead of true economic measures of environmental damages, as the basis for quantifying "environmental adders" may serve, at worst, to offer less environmental quality, and, at best, to offer environmental protection at far higher costs than necessary. Based upon this flawed evaluation methodology, environmental costing is unlikely to lead to an appropriate mix of electricity-generation sources. Why has there been such a rush to embrace a fundamentally flawed approach? The answer seems to be the same as the reply to the old query about why someone is looking for a lost quarter under a lamp post: because it is an easy place to look. Unfortunately, ease of design and implementation are by no means sufficient conditions for effective regulation.[5]

The right way to carry out environmental costing is to evaluate in economic terms the environmental damages of alternative energy options. This is the conceptually correct approach, but the difficulty of making this approach operational should not be underplayed. Substantial uncertainty is associated with all of the available methods of valuing environmental damages. Great advances have been made, however, over the past two decades in the major approaches to estimating the economic damages of pollution: preference-revealing surveys; Hotelling-Clawson-Knetsch methods; hedonic pricing studies; and experimental markets.[6] Indeed, these methods are now used somewhat routinely to produce economic estimates of environmental damages in a variety of contexts, including: Executive Order 12291; the Natural Resource Damage Assessments mandated by CERCLA (the Superfund law); and environmental litigation, as in the Exxon Valdez case.

Thoughtful application of these methods of evaluating the damages of pollution can produce appropriate environmental costing.[7] EPA and other agencies of the Federal government could be of great assistance in this regard by helping states and their utility commissions begin to develop correct procedures for evaluating the environmental costs of alternative energy options (on both the supply side and the demand side).[8]

[London Economic Summit 1991]

ECONOMIC DECLARATION: BUILDING WORLD PARTNERSHIP

1. We, the Heads of State and Government of the seven major industrial democracies and the representatives of the European Community, met in London for our seventeenth annual Summit.

2. The spread of freedom and democracy which we celebrated at Houston has gathered pace over the last year. Together the international community has overcome a major threat to world peace in the Gulf. But new challenges and new opportunities confront us.

3. We seek to build world partnership, based on common values, and to strengthen the international order. Our aim is to underpin democracy, human rights, the rule of law and sound economic management, which together provide the key to prosperity. To achieve this aim, we will promote a truly multilateral system, which is secure and adaptable and in which responsibility is shared widely and equitably. Central to our aim is the need for a stronger, more effective UN system, and for greater attention to the proliferation and transfer of weapons.

ECONOMIC POLICY

4. Over the last year, some of our economies have maintained good growth, while most have slowed down and some gone into recession. But a global recession has been avoided. The uncertainly created by the Gulf crisis is behind us. We welcome the fact that there are now increasing signs of economic recovery. Progress has been made too in reducing the largest trade and current account imbalances.

5. Our shared objectives are a sustained recovery and price stability. To this end, we are determined to maintain, including through our economic policy coordination process, the medium-term strategy endorsed by earlier Summits. This strategy has contained inflationary expectations and created the conditions for sustainable growth and new jobs.

* * * * *

15. Open markets help to create the resources needed to protect the environment. We therefore commend the OECD's pioneering work in ensuring that trade and environment policies are mutually supporting. We look to the General Agreement on Tariffs and Trade (GATT) to define how trade measures can properly be used for environmental purposes.

16. We are convinced that OECD members must overcome in the near future and, in any case, by the end of the year, remaining obstacles to an agreement on reducing the distortions that result from the use of subsidized export credits and of tied aid credits. We welcome the initiative of the OECD in studying export credit premium systems and structures and look forward to an early report.

ENERGY

17. As the Gulf crisis showed, the supply and price of oil remain vulnerable to political shocks, which disturb the world economy. But these shocks have been contained by the effective operation of the market, by the welcome increase in supplies by certain oil-exporting countries and by the actions co-ordinated by the International Energy Agency (IEA), particularly the use of stocks. We are committed to strengthen the IEA's emergency preparedness and its supporting measures. Since the crisis has led to improved relations between producers and consumers, contacts among all market participants could be further developed to promote communication, transparency and the efficient working of market forces.

18. We will work to secure stable worldwide energy supplies, to remove barriers to energy trade and investment, to encourage high environmental and safety standards and to promote international cooperation on research and development in all these areas. We will also seek to improve energy efficiency and to price energy from all sources so as to reflect costs fully, including environmental costs.

19. In this context, nuclear power generation contributes to diversifying energy sources and reducing greenhouse gas emissions. In developing nuclear power as an economic energy source, it is essential to achieve and maintain the highest available standards of safety, including in waste management, and to encourage co-operation to this end throughout the world. The safety situation in Central and Eastern Europe and the Soviet Union deserves particular attention. This is an urgent problem and we call upon the international community to develop an effective means of coordinating its response.

20. The commercial development of renewable energy sources and their integration with general energy systems should also be encouraged, because of the advantages these sources offer for environmental protection and energy security.

Mr. WIRTH. Mr. President, again, in the spirit of cooperation, I want to assure the Senator from Wyoming that I am not going to be offering my amendment at this point. We are making a lot of progress on the bill now, absent this matter, but we will be back on this issue, as on others that have broad implications.

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[3] See: Cohen, S. D., J. H. Eto, C. A. Goldman, J. Beldock, and G. Crandall. "Environmental Externalities: What State Regulators Are Doing." *The Electricity Journal*, Volume 3, Number 6, July, 1990, pp. 24–35.

[4] Indeed, in those rare circumstances in which incremental damages of pollution might actually be equal to the incremental costs of control, there should be *no* additional penalty placed on the given fuel or source. To do so would worsen, not improve, the situation, i.e., welfare would be reduced since any reduction in emissions would bring greater costs than benefits.

[5] See: Krupnick, Alan. "The Environmental Costs of Energy Supply: A Framework for Estimation." Unpublished manuscript, Resources for the Future, Washington, D.C., December 1989.

[6] There are three principal methodologies for evaluating the benefits (the avoided damages) of environmental protection. One approach is the preference-revealing survey, usually referred to as the contingent valuation method. The second principal approach is inference from actual market behavior; this includes two distinct methods: the Hotelling-Clawson-Knetsch (or travel cost) method and hedonic pricing studies. The third principal approach is the use of experimental markets. See: Mitchell, Robert Cameron and Richard T. Carson. *Using Surveys to Value Public Goods: The Contingent Valuation Method*. Washington, D.C.: Resources for the Future, 1989; and Freeman, A. Myrick III. "*Methods for Assessing the Benefits of Environmental Programs.*" *Handbook of Natural Resource and Energy Economics, Volume I*, eds. Allen V. Kneese and James L. Sweeney, pp. 223–266. Amsterdam: North Holland, 1985.

[7] The U.S. Department of Energy is currently sponsoring an effort to develop environmental (and energy-security) external cost estimates, in cooperation with Oak Ridge National Laboratory and Resources for the Future. A similar effort is ongoing in New York State, where a model is being developed for potential use by electrical utilities to estimate environmental costs of alternative energy sources. For further discussion of how to carry out correct environmental costing, see: Krupnick 1989, *op. cit.*

[8] A step in the right direction was made in the new Clean Air Act amendments, which require the Federal Energy Regulatory Commission, in consultation with EPA, to develop models for incorporating net environmental benefits into the regulatory treatment of renewable energy.

Mr. President, with that, I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

(1) Amend section 1202(c)(2) on page 15, line 11, by striking the word "compliance", and inserting the word "impact";

(2) Amend section 6301 on page 158, line 24, by striking the word "compliance", and inserting the word "impact".

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

PROPOSED WIRTH ENVIRONMENTAL EXTERNALITIES AMENDMENT

Mr. FORD. Mr. President, this amendment would reverse a vote by the Senate Energy Committee during the markup last May which specifically substituted "compliance" for "impact."

The current provision of S. 2166 would require State commissions to determine the system cost of new utility energy resources by including the cost of compliance with environmental requirements. The amendment would modify this to require the consideration of the cost of environmental externalities, that is the costs of any impacts that may remain after full compliance with environmental laws.

First, an externality is any societal cost or benefit of production or consumption which is not reflected in the price system.

Second, there is no generally accepted method of qualifying the costs of externalities, let alone for internalizing them into utility rates. The estimated values for some externalities vary by more than 1,000 percent. As a result, State commissions are likely to devise widely disparate externality values, thereby distorting energy markets.

Third, imposition of externality costs on electric utilities only promotes a piecemeal approach to addressing environmental concerns, because they totally ignore other emission sources.

This precludes use of less costly alternative measures to address environmental issues of concern.

This distorts the competitive market for electricity because many sources, including self-generation, would be exempt from the requirement to factor in externalities.

This will artificially induce shifts to other nonelectric energy sources which do not pay the costs of externalities, even though those sources may be associated with even greater environmental impacts and thereby increase rather than decrease external effects.

Fourth, State utility commissions lack the expertise and authority to address broad environmental concerns.

Fifth, it is inappropriate to single out the utility industry to go beyond existing environmental compliance requirements and require quantification of externalities.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 1594

(Purpose: To establish national energy goals in order to achieve greater energy security and in order to measure the progress of the United States toward energy security)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 1594.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, line 10, insert "reduce oil imports," before "maximize".

On page 7, line 12, strike "and".

On page 8, line 5, strike the period and insert "; and".

On page 8, between lines 5 and 6, insert the following new paragraph:

(4) the achievement of energy security for the United States will require that a long-term, comprehensive national energy policy be established and sustained.

On page 10, line 1, insert "Climate Protection" before "Goals."

On page 10, line 3, insert "CLIMATE PROTECTION" before "GOALS AND".

On page 13, line 18, strike "and".

On page 13, line 21, strike the period and insert "; and".

On page 13, between lines 21 and 22, insert the following new subparagraph:

(C) the energy efficiency, renewable energy, and oil reduction goals described in subtitle C.

On page 16, between lines 17 and 18, insert the following new subtitle:

Subtitle C—Energy Goals

SEC. 1301. ENERGY GOALS.

(a) IN GENERAL.—In order to focus and sustain a national effort toward achieving national energy security in an environmentally responsible manner, the United States should pursue the national energy goals listed in subsection (b) (referred to in this subtitle as "energy goals").

(b) GOALS.—

(1) REDUCED OIL CONSUMPTION.—The oil consumption of the United States should be reduced from the 1990 level of approximately 40 percent of the total United States energy resource consumption to 39 percent by 1995, 37 percent by 2000, 35 percent by 2005, and 33 percent by 2010.

(2) REDUCED OIL IMPORTS.—The annual net oil imports of the United States should be limited to 50 percent or less of United States oil consumption.

(3) INCREASED ENERGY EFFICIENCY.—The energy efficiency of the United States should be increased to 10 percent over the 1990 levels by 1995, 20 percent over the 1990 levels by 2000, 30 percent over the 1990 levels by 2005, and 40 percent over the 1990 levels by 2010.

(4) INCREASED UTILIZATION OF RENEWABLE ENERGY.—The portion of the energy consumption represented by renewable energy sources should increase from the 1990 level of approximately 8 percent to 9 percent in 1995, 10 percent in 2000, 12 percent in 2005, and 14 percent in 2010.

SEC. 1302. REPORTS.

(a) INITIAL REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit a report to Congress setting forth a plan for the achievement of the energy goals.

(2) Contents.—In the report, the Secretary shall—

(A) make recommendations as to any additional statutory or budget authority that the Secretary determines is necessary to achieve the energy goals;

(B) describe the measures of energy efficiency that the Secretary has determined to be appropriate for each end use sector; and

(C) describe the plans developed by the Secretary for acquiring the necessary data to be used in determining the energy efficiency of each end use sector.

(b) PROGRESS REPORTS.—

(1) IN GENERAL.—Every 2 years after the initial report is submitted pursuant to subsection (a), the secretary shall submit to Congress a report, separate from the National Energy Policy Plan submitted pursuant to section 801 of the Department of Energy Organization Act (42 U.S.C. 7321), detailing the progress of the United States towards achieving the energy goals.

(2) CONTENTS.—In the report, the Secretary shall—

(A) analyze the progress towards meeting the energy goals, and, if an energy goal is not being met, identify barriers to the achievement of the goal; and

(B) make recommendations as to any change in statutory or budget authority that the Secretary determines is necessary for the timely achievement of the energy goals.

(c) ALTERNATE ENERGY GOALS.—If at any time the Secretary determines that achievement of the energy goals is impracticable, the Secretary shall, in the next report submitted pursuant to this section—

(1) state the reasons and provide an analysis for the determination; and

(2) propose alternate energy goals that the Secretary determines to be practicable.

Mr. BINGAMAN. Mr. President, this amendment that I am offering merely puts into the bill—I am a strong supporter of this legislation. Let me make that point initially, because I do believe the chairman and ranking member have done yeomen's work in bringing this legislation out of committee and bringing it to the floor of the Senate. I look forward to voting for the legislation. I have tried to assist them in keeping it together.

I do think there is one deficiency in it which is fairly major, and I am hoping that my amendment will correct that. The deficiency is that we do not have in the legislation as it presently pends before the Senate any specific goals for what we are trying to achieve. We have a great many provisions in a great many areas that affect our energy policy, but it is not clear what we are trying to accomplish in very specific terms.

The amendment I am offering has four energy goals in it. No. 1, it has a goal to reduce oil consumption. Oil consumption in the United States would be reduced from the 1990 level of approximately 40 percent of total U.S. energy resource consumption to 33 percent instead of 40 percent by the year 2010. What we do is to set up in this amendment 5-year intervals, at which time we look to see if we are, in fact, achieving the goals that we are setting.

A second goal is reducing oil imports. Annual net oil imports to the United States would be limited to 50 percent or less of U.S. oil consumption.

Third, we would have a goal for increasing energy efficiency in the United States.

Fourth, we would have a goal for increasing the utilization of renewable energy. Again, in 5-year increments up to the year 2010.

Mr. President, these goals are not established as constraints, but instead to provide direction. The real difference between mere projections and effective goals can be summed up, in my view, in a single word, and that is commitment. The goals in the amendment are intended to be specific enough to define a destination without dictating the path that we would necessarily follow to reach those goals.

We set up goals in this area, Mr. President, in order to achieve the same kind of thing in the energy area that our President and our Governors and many of us in the Congress and in the country generally are trying to achieve in other areas of national concern, such as education.

Mr. JOHNSTON. Will the Senator yield?

Mr. BINGAMAN. Yes, I will be glad to yield to the committee chairman.

Mr. JOHNSTON. Mr. President, I appreciate the Senator yielding, and I hesitate to interrupt what is a very good speech. I had been persuaded earlier by his amendment. And I am pleased to announce that my friend, the ranking minority member, is now persuaded that we should accept this amendment. I will let him speak for himself, but I thought that might affect what the Senator had to say, and I wanted him to know that at this point.

Mr. BINGAMAN. Mr. President, I appreciate that statement by the chairman, and I do not want to keep the Senate longer than necessary on this amendment.

Goal setting is a regular tool of policymaking. It is the first step for determining appropriate policy measures. Why do we have goals in education—for example, a high school graduation rate of at least 90 percent by the year 2000; goals in health care, and goals for our defense, but goals for reducing and diversifying our energy consumption are unacceptable?

The targets I am proposing are realistic. They are consistent with environmental goals. Moreover, they are attainable, but only through concerted and consistent effort by all concerned.

Energy efficiency would help our economy in the world market place in three ways: by reducing the trade deficit, by enabling U.S. companies to produce goods at lower cost, thus making our exports more attractive, and energy efficient goods themselves would be more attractive exports.

Energy efficiency reconciles the simultaneous goals of development and environmental protection, because efficiency saves capital and decreases the production of pollutants. In 1990, energy efficiency improvements saved the U.S. economy $160 billion.

In 1990 we imported nearly 50 percent of our oil. Fifty-four percent of our trade deficit was from imported oil, $48 billion. The United States consumes 40 percent of the world's energy, which means that by taking the right steps, we can have a tremendous impact on worldwide consumption.

What this bill is not: This is not a global warming bill. The potential environmental consequences of increased carbon dioxide emissions are acknowledged, but the bill contains no specific CO_2 reduction goals. My amendment simply recognizes the no regrets approach—reducing CO_2 emissions to the extent practicable while the scientific question is still under investigation.

This is not, as some will claim, a endorsement of centralized Federal management of energy supplies and consumption. As I stated before, I do not intend to dictate the path, but to define the destination. In short, my amendment attempts to define what we mean by "greater energy security."

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. WALLOP. Mr. President, let me just say that I personally, wholly disagree with this type of amendment. One of the things that Congress has a penchant for doing is requiring enormous numbers of reports, consuming more energy in running computers, word processors, and papers than any other thing.

Also, I note that the goals that are contained within it will be reported upon. If the country meets them, fine; if the country does not meet them, also fine. It does not have any enforcement other than the Secretary would make recommendations. It does not oblige the Congress to engage, and we cannot, indeed, bind a future Congress.

So I will just say that this is typical of the monumental kind of meddling we do in the operation of Cabinets, whoever happens to be the President. Having said that, I do not find it harmful enough that we will stand here and take the time of the Senate at night to debate it and argue it at length. So I am quite willing on behalf of the minority to join the chairman and accept it.

The PRESIDING OFFICER. Is there further debate on the amendment offered by the Senator from New Mexico? The Chair hears none. The question is on agreeing to the amendment.

The amendment (No. 1594) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1595

(Purpose: To enhance the availability of petroleum from the Strategic Petroleum Reserve to certain insular areas of the United States)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. AKAKA, for himself and Mr. INOUYE, proposes an amendment numbered 1595.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. 16102. EMERGENCY PETROLEUM SUPPLY.

(a) SHORT TITLE.—This section may be cited as the "Emergency Petroleum Supply Act".

(b) REGIONAL PETROLEUM RESERVE.—Section 157(a) of the Energy Policy and Conservation Act (42 U.S.C. 6237(a)) is amended—

(1) by designating the first and second sentences as paragraph (1); and

(2) by adding at the end the following new paragraph:

"(2) For the purpose of carrying out this section—

"(A) any State that is an island shall be considered to be a separate Federal Energy Administration Region, as defined in title 10, Code of Federal Regulations, as in effect on November 1, 1975;

"(B) determinations made with respect to Regions, other than States that are islands, shall be made as if the islands were not part of the Regions; and

"(C) with respect to determinations made for any State that is an island, the term 'refined petroleum product' shall have the same meaning as the term defined in section 3(3).".

(c) PURCHASES FROM THE STRATEGIC PETROLEUM RESERVE BY ENTITIES IN ELIGIBLE INSULAR AREAS.—Section 161 of such Act (42 U.S.C. 6241) is amended by adding at the end the following new subsection:

"(j)(1)(A) The provisions listed in subparagraph (B) shall apply with respect to each offering of a quantity of a petroleum product during a drawdown of the Strategic Petroleum Reserve.

"(B)(i)(I) Subject to subclause (II), a purchaser located in an eligible insular area, in addition to having the opportunity to submit a competitive bid, may submit (at the time bids are due) a binding offer to purchase a category of petroleum product specified in a notice of sale, and shall thereupon be obligated to purchase the petroleum product at a price equal to the average of the successful bids made for the remaining quantity of the petroleum product within the category that is the subject of the offering.

"(II) A binding offer made pursuant to subclause (I) shall be accompanied by a certification made by the Governor or other chief executive officer of the eligible insular area that the petroleum product is necessary to avert a critical supply shortage in the eligible insular area.

"(ii)(I) Subject to subclause (II), a vessel that arrives at a delivery line of the Strategic Petroleum Reserve to take on a petroleum product for delivery to a purchaser located in an eligible insular area shall be loaded ahead of other vessels waiting for delivery if the Governor or other chief executive officer of the eligible insular area has certified that delivery must be expedited in order to avert a critical supply shortage in the eligible insular area.

"(II) The Secretary may waive the priority loading requirement of subclause (I) with respect to a particular vessel waiting for delivery if the Secretary determines that the requirement is impracticable.

"(2)(A) In administering this subsection, and with regard to each offering, the Secretary shall—

"(i) impose the limitation listed in clause (i) or (ii) of subparagraph (B), whichever, results in the purchase of the lesser quantity; and

"(ii) at the request of a purchaser, adjust upward, to the next whole-number increment of a full tanker load, the quantity to be sold to the purchaser if the quantity is less than 50 percent less than a whole-number increment of a full tanker load of a petroleum product.

"(B)(i) The Secretary shall limit the quantity that any one purchaser may purchase through a binding offer at any one offering to 1/12 of the total quantity of petroleum products that the purchaser imported during the previous year.

"(ii)(I) The Secretary shall limit the quantity that may be purchased through binding offers at any one offering to 3 percent of the offering.

"(II) If the Secretary imposes the limitation listed in subclause (I), the Secretary shall prorate the quantity among the purchasers who submitted binding offers.

"(3)(i) Except as provided in clause (ii), petroleum products purchased through binding offers pursuant to this subsection shall be delivered to the eligible insular area.

"(ii) Purchasers may enter into exchange or processing agreements that require delivery to other locations.

"(4) As used in this subsection:

"(A) The term 'eligible insular area' means the State of Hawaii, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"(B) The term 'offering' means a solicitation for bids—

"(i) that is to be submitted not later than any specified day for a quantity or quantities of a petroleum product from a delivery line of the Strategic Petroleum Reserve; and

"(ii) for a distribution with respect to which the President has made a finding pursuant to subsection (d).".

Mr. JOHNSTON. Mr. President, this amendment on behalf of the Hawaiian Senators requires the DOE to consider Hawaii as a separate region under EPCA and considering Hawaii's geographic location, it makes sense. I ask that the amendment be passed.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. WALLOP. Mr. President, the minority is willing to accept it. May I just say to the Senator from Hawaii, he has been really quite agreeable and cordial to work with on this amendment. As the chairman will note, I was heavily against this amendment in the committee when it was first offered. The Senator from Hawaii has answered virtually every concern that I raised. I am not one of those who, having had the hoops that I laid down jumped through, figure it is time to add a third one or fourth one, so I would say that we are quite content to accept this and thank the Senator as well for his cooperation.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. INOUYE. Mr. President, I rise to speak in support of the amendment which enhances the availability of petroleum from national oil reserves to island States. The amendment requires the Department of Energy to recognize Pacific Islands as import dependent regions, allows average bid price purchasing of oil, and allows priority access to ships bound for Pacific islands.

The amendment I propose along with Senator AKAKA is of vital importance to the State of Hawaii and our American neighbors in the Pacific. I believe that U.S. citizens who happen to live in the Pacific deserve energy security similar to that enjoyed by citizens in other parts of the United States.

Hawaii is uniquely vulnerable because of its insular location, remoteness from petroleum supplies, and lack of indigenous fossil fuel resources. An energy supply disruption will curtail transportation to and from the islands, devastating the entire State economy. Hawaii is 2,500 miles from the continental United States. Accordingly, the State depends on air and water transport for passenger travel as well as for shipment of food and other supplies. The devastation will not be limited to the State's dominant industry—tourism—but will extend to the supply of basic necessities.

All the other 49 States have access to oil transported by pipeline, rail, or highway. However, in Hawaii, all of our oil and refined products arrive by ocean tanker. Our reliance on tanker deliveries makes Hawaii exceptionally vulnerable to a cutoff of oil supplies.

Furthermore, the mission of our military forces in Hawaii will be compromised by inadequate petroleum stocks. In such an emergency, the energy security of the entire Pacific will be diminished. Hawaii has a general, moral, and practical responsibility to assist American territories throughout the Pacific. The Federal Government's obligation to the security of the Nation extends to the Pacific, not only for Hawaii but for our trust territories as well. Our national security is strengthened by providing for the energy needs of the 66,000 Hawaii residents who work at Pearl Harbor and the other military bases throughout the Pacific.

This amendment requires the Department of Energy to consider insular areas as separate regions for the purpose of calculations for distribution of national strategic petroleum reserve [SPR] oil. The Pacific islands are located in Federal Energy Administration Region 5, a region dominated by the consumption and production patterns of the Western United States, including California and Alaska. The overall region 5 energy profile masks the heavy import dependence of insular areas in the Pacific. Pacific area vulnerability is simply ignored without separate consideration.

This amendment also allows Pacific islands access to SPR reserves at the average bid price of an SPR offering. Without this mechanism, energy companies in the Pacific could face supply shortages in the event of an unsuccessful bid.

Finally, this amendment allows priority access to SPR loading docks. The distance between the SPR loading docks and Honolulu—by way of the Panama Canal—is over 7,000 miles—more than one-quarter the distance around the globe. The distance to Pacific Territories is even greater. The total sum of the amount of time between the decision to draw down reserves, time it takes to solicit and accept bids for SPR oil, time to gain access to loading docks, and time needed to transport oil to Pacific islands is so large that it becomes obvious that Pacific islands are subject to a very, very long wait for urgently need supplies.

Since budget constraints have impeded realization of our regional petroleum reserve goal, the amendment before you proposes a cost-effective way of addressing the problem in the interim. The provisions of this amendment would give us some measure of assurance that the economic well-being of our citizens is protected. I urge my colleagues to support our amendment.

Mr. AKAKA. Mr. President, on May 15, 1991, I introduced S. 1078, the Emergency Petroleum Supply Act, a bill to ensure the insular areas of the United States guaranteed access to the strategic petroleum reserve during an oil supply disruption. Senator INOUYE joined me in sponsoring this bill.

The Persian Gulf war was not the first time in recent memory that we have faced a major oil supply disruption. Iraq's invasion of Kuwait triggered the third major disruption of world oil supplies in the past 20 years.

Once more we were reminded of our precarious dependence on foreign oil. That is why I have joined my colleagues on the Senate Energy and Natural Resources Committee in advancing a national energy strategy which will take concrete steps to improve America's energy future.

Fortunately, we have a resource in place to insulate U.S. consumers from the energy price shocks which occur during such a crisis. When an oil supply disruption hits, we can turn to the strategic petroleum reserve. This emergency reserve, located in Louisiana and Texas, holds 575 million barrels of crude. And under legislation passed by Congress in 1990, we have committed to expand the strategic petroleum reserve to 1 billion barrels.

During the gulf crisis, we witnessed these emergency reserves in action. On January 16, the day Operation Desert Storm was launched, the President authorized the first emergency drawdown of the petroleum reserve. Fortunately, the war with Iraq was short lived and the SPR drawdown was very limited.

Had we been hit by a more severe oil supply disruption, these emergency reserves would have protected the continental United States from severe economic harm. Hawaii and the territories would not have been so fortunate, however, Hawaii's only means of access to the strategic petroleum reserve is by tanker delivery from the Gulf of Mexico through the Panama Canal. Unlike the mainland, which has access to oil transported by pipeline, rail, or highway, all of Hawaii's crude oil and refined products arrive by ocean tanker. Our total reliance on such deliveries makes Hawaii exceptionally vulnerable to a cutoff of oil supplies.

Studies commissioned by the State of Hawaii have determined that the delivery time for strategic petroleum reserve oil to Hawaii from the Gulf of Mexico would be as much as 53 days. This exceeds the State's average commercial working inventory by 23 days.

That's why an oil supply disruption is Hawaii's greatest nightmare. As I have said before, when the Middle East sneezes, the mainland may catch a cold, but Hawaii comes down with double pneumonia. Clearly, we have good reason to be concerned about the ability of the strategic petroleum reserve to serve Hawaii in a crisis. That is the problem my amendment is designed to address.

The objective of the amendment pending before the Senate can be summed up in one word, "access." Hawaii and the territories, because of their tremendous distance from the gulf coast, must be guaranteed secure access to the strategic petroleum reserve as well as access to the SPR loading docks.

My bill accomplishes both these objectives. First, it provides that energy companies serving Hawaii and the territories will have two methods of bidding on SPR oil. Like any other potential bidder, companies may bid for SPR oil on a competitive basis—and hope that their bids are successful.

This measure would also provide a second mechanism to guarantee an award of SPR oil. Companies serving insular areas would be able to submit binding offers for a fixed quantity of oil at a price equal to the average of all successful bids. This concept is modeled after the way the Treasury Department allows the general public to submit binding offers to purchase Treasury bills. The price to be paid under this binding offer arrangement would equal the average price paid for all successful competitive bids at a given SPR offering. Thus insular areas would have access to oil at a fair price and the Department of Energy would be guaranteed a fair return on the SPR oil sold under this amendment.

Without this mechanism, insular areas could face supply shortages during an oil emergency in the event they did not submit a successful bid through the competitive offering.

This change is designed to combat the fear that our refiners would not be able to bid successfully for the limited quantity of oil being released from SPR storage. Unsuccessful bids could result in severe shortages of oil, a nightmare we hope to avoid.

The second change proposed by my amendment addresses the problem of delay. It would grant ships delivering petroleum to Hawaii and the territories expedited access to strategic petroleum reserve loading docks. Everyone would agree that it would be a terrible misfortune if deliveries to Hawaii or some other oil-starved territory were further delayed because the ship scheduled to carry this oil was moored in the Gulf of Mexico, waiting in line for access to the SPR loading docks.

As most grade school geography students know, Hawaii is a long way from the Gulf of Mexico, especially when you have to go through the Panama Canal. The distance between the strategic petroleum reserve loading docks and Honolulu—by way of the canal—is more than 7,000 miles. Putting this in perspective, 7,000 miles is more than one-quarter of the distance around the globe. The problems of the other Pacific Territories are even more acute. American Samoa is 8,000 miles by ship from the SPR facilities and Guam is over 10,000 miles distant from these reserves.

But distance alone is not the issue. When you add together the time between the decision to draw down the reserves and the time when oil from the reserves actually reaches our shores, the seriousness of the problem emerges. It takes time to solicit and accept bids for SPR oil, time to locate and position tankers, time for tankers to wait in line to gain access to SPR loading docks, and time to transit through the canal to these insular areas.

Obviously, insular areas in the Pacific are at the end of a very, very long supply line. People often overlook the fact that insular areas have a limited supply of petroleum products on hand at any one time. While we are waiting for emergency supplies of oil to arrive, petroleum supplies can begin to run short.

Finally, my amendment requires the Department of Energy to consider insular areas to be separate Federal Energy Administrative regions for the purpose of making determinations or calculations under the Energy Policy and Conservation Act [EPCA].

Currently, the Pacific Territories and Hawaii are located in Federal Energy Administration Region 5, a region which is dominated by the consumption patterns of California, Oregon, and Washington and the production patterns of Alaska and California.

Obviously, the oil supply and consumption picture of the Pacific islands are radically different from the region as a whole. The total petroleum demand for these insular areas is less than 1 percent of the region 5 demand. Yet because they are lumped together in the same region, the overall region 5 energy picture masks the heavy import dependence of the insular areas.

This section establishes a new requirement that insular areas shall be considered to be separate Federal Energy Administrative regions for the purpose of making determinations or calculations under EPCA. There is no requirement to expand the number of energy regions, but merely an obligation to make determinations as if the insular areas were separate regions.

Among the EPCA determinations to which this change would apply are whether an insular area imports more than 20 percent of its oil during a 24-month period—that is, whether the region is, or has, become import dependent, and whether a region has ready access to a 90-day supply of oil.

Mr. President, these provisions are vitally important to the energy security of Hawaii, and I urge their adoption.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1595) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote, and I move to lay that on the table.

The motion to lay on the table was agreed to.

OIL PIPELINE REGULATORY REFORM

Mr. BREAUX. Mr. President, I have been, and am, an advocate of economic regulatory reform for oil pipelines. For more than a decade the Federal Energy Regulatory Commission has had jurisdiction over the industry. It has yet to settle some of the most fundamental matters of procedural practice and ratemaking methodology. I believe the Commission requires some legislative direction to encourage it to address and resolve these matters. Regrettably, that direction is not included in S. 2166. There are other important subjects which S. 2166, unfortunately, does not address.

However, there are provisions in H.R. 776 which do deal with oil pipelines. They call on the FERC to undertake two rulemakings, one procedural and the other substantive. The procedural rulemaking would fashion a workable set of practices and a rational scheme of procedure respecting tariff filings, protests, responses, settlements, dismissals and standing of parties. In the substantive rulemaking, the Commission would establish a simplified ratemaking methodology appropriate to a competitive industry which would encourage investment while protecting captive shippers.

Finally, H.R. 776 would find rates that have been in existence for a year and publicly filed with the Commission to be just and reasonable. This would provide a necessary level of certainty to the industry while removing a fertile source for the creation of the interminable, extremely costly and often inconclusive cases which we have witnessed at the FERC.

Mr. President, I sincerely hope that when these measures are considered in Conference, oil pipeline regulatory reform provisions of H.R. 776 will receive favorable attention. They are fair and they are needed. They allow ample administrative discretion to the FERC, while providing long needed relief to both carriers and shippers.

Mr. JOHNSTON. I thank my colleague from Louisiana. I am aware of his interest and concerns in this matter, and assure him the subject will be given full and favorable attention when we address it during conference.

Mr. NICKLES. Mr. President, I concur with the remarks of the distinguished Senator from Louisiana. Oil pipelines have provided this country with one of the most efficient energy transportation systems. The industry must be able to grow and expand to continue this high level of service vital to our national economy. It must have sufficient flexibility and revenues to continue to spend the sums necessary for enhanced safety and environmental protection measures. I also believe that the provisions of H.R. 776 which direct the FERC to undertake substantive and procedural rulemakings will assist in aiding the continued viability of this important industry. I hope that we would also give full and favorable consideration to these provisions.

Mr. WALLOP. I thank the Senator for his observations, and assure him that I agree that this subject should be given favorable consideration.

Mr. SEYMOUR addressed the Chair.

The PRESIDING OFFICER. The Senator from California [Mr. SEYMOUR] is recognized.

Mr. SEYMOUR. Mr. President, I ask unanimous consent to proceed as if in morning business for not to exceed 7 minutes for the purpose of introducing a bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SEYMOUR pertaining to the introduction of Senate Joint Resolution 253 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. JOHNSTON and Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The chairman of the committee, Mr. JOHNSTON.

Mr. JOHNSTON. Mr. President, we will shortly propound a unanimous consent request to restrict the number of amendments relative to two subjects, nuclear matters and the Public Utility Holding Company Act.

At this point, Mr. President, there is an amendment by the distinguished occupant of the Chair with respect to the Public Utility Holding Company Act, which I hope to be able to work out.

There is another, which I had considered putting in with respect to participation of the utilities in foreign energy, foreign utility ventures, which I will not put in because Senator RIEGLE, who must be at home in Michigan because of a severe sickness of his father, has some concern about it, and we cannot work that out at this point.

Mr. DOMENICI. Mr. President, I thought the chairman was going to ask consent that there be no amendment in order. Did he say if they are to those two sections?

Mr. JOHNSTON. We are going to try to work out a unanimous consent, first of all restricted to nuclear and to the Public Utility Holding Company Act reforms, because I think those are the two most contentious parts of the bill.

Also, we will try to work that out with respect to fleets and alternative fuels.

Some of these other matters we can work out at our leisure tomorrow, and the staff can work out energy efficiency and conservation.

But if we can get these three most contentious areas of the bill worked out, then we will be able to breathe a lot easier on this bill. So I am asking all Senators who have amendments in those three areas, that is nuclear—and the only nuclear amendments I have right now are one by Senator WELLSTONE on advanced reactor preconstruction authorization; I frankly think we can work that one out easily.

There is a potential amendment by Senator BIDEN with respect to a nuclear safety board. There is a possible amendment on PUHCA on behalf of the Senator from North Carolina.

We would also want to get unanimous consent that the subject to CAFE be not open to amendment.

Mr. President, we will shortly work out that unanimous consent.

So I urgently ask all Senators who might have amendments with respect to those areas—that is, CAFE, nuclear, Public Utility Holding Company Act reform, and alternative fuels to—to please tell us of their concern because we are going to try to put a unanimous consent request together and hotline it very soon.

Does my colleague have any comment on that?

Mr. WALLOP. Mr. President, I would first ask if it is the intention of the chairman to have votes tomorrow?

Mr. JOHNSTON. It really depends on what we are able to work out. If we could close out the bill tonight with having only renewable energy, energy efficiency, perhaps OCS, if we could work out everything except those I think we might be able to avoid votes tomorrow.

Mr. WALLOP. I will say to my friend that nothing would please me more. I do not know the nature of it, but I know that there is an objection to limiting on our side votes on our return solely to Alaska.

If we could pin that down to something smaller yet——

Mr. JOHNSTON. This would not limit amendments in any other area, and in effect would preserve the right to filibuster it through numerable amendments.

Mr. WALLOP. I understand that. I do not know the nature of the reservation of additional votes besides Alaska. I am just saying that is there.

It is my hope, I say to the Senators on my side, it would be really important that we find the means to put a rope around these particular sections of the bill. I hope we can do that.

Mr. JOHNSTON. If we can have this arrangement, it would not preclude amendments later on in any of the areas, preserve the right to filibuster the whole bill, or to amend the rest of the bill. But I think we have pretty well identified now everything of interest in amendments and in nuclear, in Public Utility Holding Company Act, in alternative fuels, and CAFE.

If we can close those areas out, then the light at the end of the tunnel becomes identifiable. Otherwise, the tunnel just keeps getting longer and longer. Yesterday we picked up 20 amendments. I do not know how many we picked up today. If we can close these out, then we can give Senators a little relief from votes I believe. Otherwise, we cannot.

Mr. DOMENICI. Mr. President, will the chairman or the ranking member yield for a question?

Frankly, I believe you have done a marvelous job with this bill. I in no way intend to delay the matter with new amendments. But I have sent two amendments to you asking that you clear them.

All I want in the unanimous consent is that you make sure that I can offer them tomorrow at your leisure. One has to do with alternative transportation fuels and is nothing more than the Senate telling the Finance Committee that they ought to get on with tax policy in this area.

Mr. JOHNSTON. We have cleared it on this side.

Mr. DOMENICI. We have one for our Indian people that promotes energy resource development and energy vertical integration on Indian reservations. I think we took out everything that was objectionable.

Mr. JOHNSTON. I believe that is cleared on this side as well.

Mr. DOMENICI. Would the chairman like me to offer them now? I will. I do not need any time.

Mr. JOHNSTON. I do not know if it is cleared on the other side.

Mr. DOMENICI. Senator WALLOP, I just referred to two amendments that I have, one urging the Finance Committee to proceed with tax policy on transportation fuels alternatives, and one on Indian energy. As the Chairman said, they are cleared on his side.

Mr. WALLOP. They have been as well cleared on our side.

Mr. JOHNSTON. Let me urge the Senator to offer those en bloc.

AMENDMENT NUMBERED 1596 AND 1597 EN BLOC

Mr. DOMENICI. Mr. President, I send two amendments that I have just described to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. Is there objection to the consideration of the amendments en bloc?

Mr. DOMENICI. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The Senator from New Mexico [Mr. DOMENICI] proposes amendments numbered 1596 and 1597.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT No. 1596

(Purpose: To encourage the Senate Finance Committee to adopt legislation that will encourage the research, development, and implementation of alternative transportation fuels and electric vehicles)

At the appropriate portion of the bill, insert the following:

SEC. .

The United States is the largest consumer of oil in the world, exhausting 17 million barrels of oil per day, a 14-percent increase since 1983.

The United States' domestic production is in decline, estimated to fall below nine million barrels of oil per day by 1995. Today, oil imports have risen to over 40 percent of consumption, exacerbating our nation's negative balance of trade.

The Persian Gulf War commands attention to the fact that over 25 percent of America's gross oil imports are shipped from the Persian Gulf, and this reliance is the achilles heel of our nation's energy and economic security.

In the United States, the transportation sector accounts for 63 percent of total oil consumption.

The Office of Technology Assessment estimates that the United States could displace 555,000 barrels of oil per day in the transportation sector by utilizing alternative fuels like compressed natural gas, electric vehicles, traffic management systems, and by reducing the number of gas guzzling vehicles on the road.

Natural gas is a clean burning, abundant, and inexpensive national resource that could displace oil consumption in 25 percent of the current fleet vehicle population over ten years, reducing imported oil by 240,000 barrels per day.

The United States taxpayers have invested significant resources in the development of alternative transportation fuels, electric vehicles, and traffic technologies, at our Nation's laboratories, universities, and in private industry.

Both American Government and industry have met great success in the utilization of existing natural gas and electric vehicle fleets.

Encouraging Government and industry to convert to the use of energy efficient, alternative transportation fleets complements our national goals of energy independence, clean air, reduced balance of trade, and technology transfer.

The pace of improvement of clean and efficient alternative technologies is directly correlated to the level of investment in research and development.

Therefore, the Senate finds that it is in the Nation's best interest to assist the market and accelerate the adoption of alternative nonoil transportation fuels, vehicles, and traffic management systems, and the Senate will readdress this position during consideration of the appropriate tax legislation.

AMENDMENT No. 1597

(Purpose: To promote energy development on indian reservations)

In title VI, subtitle E, on page 176, after line 22, insert the following new section:

SEC. 6508. PROMOTING ENERGY RESOURCE DEVELOPMENT AND ENERGY VERTICAL INTEGRATION ON INDIAN RESERVATIONS.

(a) DEMONSTRATION PROGRAMS.—The Secretary of Energy, in conjunction with the Secretary of the Interior, shall establish and implement a demonstration program to assist Indian tribes that wish to achieve self-determination in the energy area and that wish to promote the development of a vertically integrated energy industry on their reservations, in order to increase development of the substantial energy resources located on Indian reservations. Said program shall include but not be limited to the following components:

(1) The Secretary shall provide development grants to tribal governments to assist them to establish the legal and governmental infrastructure and obtain the managerial and technical capability they need to develop the energy resources on their reservations by themselves or through 51 percent or more tribally owned and controlled joint ventures. Each grant shall be for a period of three years.

(2) The Secretary shall provide matching grants, not to exceed 50 percent of the project costs, for projects located on Indian reservations that promote the vertical integration of the energy resources on Indian reservations, including but not limited to: oil refineries, the generation of electricity, natural gas distribution, and innovative uses of coal.

(3) The Secretary shall provide technical assistance and such other assistance as is appropriate to tribes on energy resource development and on the vertical integration of reservations energy resources.

(b) AUTHORIZATIONS.—There is hereby authorized to be appropriated $5,000,000 for each of the fiscal years 1992, 1993, and 1994 to carry out the purposes of section (a)(1) and $10,000,000 for each of the fiscal years 1992, 1993, and 1994 to carry out the purposes of section (a)(2).

Mr. DOMENICI. Mr. President, as the Senate proceeds with the consideration of the energy bill designed to enhance our Nation's energy efficiency and security, I would like to stress that tax legislation and energy legislation must work hand in hand to achieve our national goals.

In this regard I have proposed an amendment to the energy bill that recognizes the dual role of the tax writing and energy policy committees. My amendment encourages the Senate Finance Committee to adopt initiatives that encourage the research, development, and implementation of alternative fuels like compressed natural gas and electric vehicles.

While our Nation's appetite for oil continues to increase, our domestic ability to produce oil is in sharp decline. The Office of Technology Assessment recently produced startling statistics illustrating that without policy intervention, our Nation would not be capable of providing adequate energy in the case of a prolonged oil shortage.

Our present internal combustion automobile is responsible for 63 percent of our Nation's oil consumption. Every day, Americans exhaust 17 million barrels of oil, representing one-quarter of the daily global consumption of oil.

At the same time, our Nation is striving to clean the environment, enhance air quality, and maximize our Nation's health. Our industries are seeking economic and reliable energy sources. As a nation, we realize the costly consequences of the negative balance of trade and recognize the need to reduce our Nation's trade deficit in order to create secure jobs for Americans. Finally, we are searching for a way to protect what has become the Achilles heel of our Nation's economic and security fronts; our excessive reliance on imported oil, particularly imports supplied from the volatile Middle East.

As the Congress considers legislation to reduce foreign oil imports, we must not lose sight of the positive dividends that the transportation sector has created for this country. The availability of individual, on-call transportation is a major component of the high per capita productivity that our Nation enjoys. This productivity increases our gross national product, improves our standard of living, and creates growth and new jobs. Congressional intervention that might limit this productivity is shortsighted.

Rather, the Congress can assist the market in recognizing the benefits of reducing oil imports by accelerating the pace at which we convert our internal combustion engines to alternative fuel or electric battery driven vehicles.

Because tax incentives are not within the scope of the energy bill, my amendment asks for the commitment by the Senate that we will address energy tax incentives within the context of the appropriate tax legislation.

Additionally, I am proud to announce my support and cosponsorship of S. 1178, the Alternative Fuels Incentive Act, that has been insightfully proposed by my colleague from West Virginia, Mr. ROCKEFELLER.

S. 1178 provides tempered tax incentives to encourage the research, development, and implementation of alternative fuel vehicles in the market. The bill provides incentives for the purchase of alternative fuel vehicles by businesses, States, and local government, as well as a tax deduction for individual consumers that purchase alternative fueled vehicles for personal or business use.

Most importantly, S. 1178 will increase the supply of alternative fuels to consumers, a crucial component for integrating alternative fueled vehicles into our transportation system, by providing a tax incentive for the installation of fueling equipment for alternative fuels at service stations and industry filling stations.

The Rockefeller bill is a proactive approach to bringing the right solution the market. Among the alternative fuels S. 2166 promotes is compressed natural gas.

New Mexico ranks fourth in our Nation's production of natural gas. Yet, this industry continues to face a surplus in capacity and depressed prices. There is simply little demand for this valuable national resource, an unfortunate market result.

Natural gas is clean, domestically abundant, and economic. The American Gas Association states that for every 1 million vehicles converted to run on natural gas, approximately 72,000 barrels of imported oil are displaced. The 3.3 million vehicles that will be converted to natural gas by the year 2000, as required by the Clean Air Act, will replace the consumption of 240,000 barrels of oil per day.

I would like to take this opportunity to discuss the feasibility of electric powered vehicles, as well. Electric vehicles, employing not only batteries, but fuel cells or small engines, could also be important transportation alternatives in some regions of the United States.

The pace of research and technology development of electric vehicles is promising. Consider that with current technology, electric vehicles have ranges of greater than 100 miles. Under a mass production scenario, it is easy to imagine that these vehicles would be capable of fulfilling the bulk of America's transportation needs, largely comprised of trips between home and the office or school. It is estimated that 85 percent of our use of gasoline is used for these local needs.

In fact, California recently passed a law requiring deployment of some ultra-low polluting vehicles to promote air quality, and other States are considering following California's lead. The energy needed to power the batteries, unlike internal combustion emissions, is controllable and containable, and in the long run it may be possible for the transportation sector to free itself from fossil fuel dependence entirely by tapping electricity and hydrogen through alternative power sources.

In conclusion, I believe that the alternative fuel and electric vehicle industries are well-positioned to make a significant and immediate contribution toward reducing our Nation's dependence on imported oil. I request that my colleagues give their greatest attention to the importance of addressing these energy matters now and also during consideration of tax legislation.

GRANTS TO PROMOTE ENERGY DEVELOPMENT ON INDIAN RESERVATIONS

Mr. DOMENICI. Mr. President, I rise to propose an amendment to S. 2166 that will accomplish two important objectives. It will promote energy development and production in this country, thereby furthering our energy security. At the same time, it will assist Indian tribes to make better use of their vast energy resources to increase Indian employment and achieve economic self-sufficiency. It does so by adding a new section 6508 to title VI which would provide tribal governments with demonstration grants and other assistance to help them develop their own energy resources and to become more involved in the other segments of the energy industry. These grants are available only for those tribes that choose to use this approach; it is not mandatory.

Indian reservations contain a significant portion of the Nation's in-ground oil, gas, coal, uranium, and other energy resources. However, these resources have been underdeveloped, thereby denying the Nation the use of these important domestic sources. Proper development of these resources will not only help the Nation's energy security, but it can make a major contribution to solving the 30 to 80 percent unemployment rates that exist on our Indian reservations and can provide the ticket to tribal economic self-sufficiency.

The key to promoting such development is to assist the tribes obtain the capability to become much more active participants in the energy development activities on their reservations. The amendment instructs the Secretary of Energy, in conjunction with the Secretary of the Interior, to work with interested tribes to help them become more active participants in the energy area. It authorizes demonstration grants that tribes can use to develop energy offices and enterprises that would take the lead in developing the reservation's energy resources. It also provides matching grants to promote the vertical integration of energy activities on reservations. For example, it could be used to assist a tribe to use its own natural gas to develop a cogeneration project on its reservation. Presently, the Indian coal, natural gas, or oil is generally moved off of the reservation as soon as it is drilled or mined. The matching grant program would encourage the use of the Indian energy resource right on the reservation—for electric generation, for refineries, and so forth, where it can create more jobs and more economic development for the tribe. Again, this is only for those tribes that choose this path.

The amendment would authorize $5 million a year for 3 years for tribal capacity building grants, and $10 million a year for 3 years for vertical integration matching grants. I urge the Senate to adopt this small but important amendment to S. 2166.

The PRESIDING OFFICER. Is there further debate on the amendments offered en bloc by the Senator from New Mexico?

If there is no further debate, without objection, the amendments en bloc offered by the Senator from New Mexico are agreed to.

The amendments (Nos. 1596 and 1597) en bloc were agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADDITIONAL COSPONSOR OF S. 401

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senator BRADLEY be added as a cosponsor of Senate bill 401, the Americans With Disabilities Luxury Tax Relief.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUSH ECONOMIC GROWTH PLAN

Mr. DOMENICI. Mr. President, I was going to rise a moment ago when the distinguished Senator from California was talking. But I understood he was speaking on a bill that he had sent to the desk. I did not want to interrupt, even for a question.

But now I rise for just a few moments to follow along the lines of the comments of the Senator from California.

I want to remind the Senate that, while we are making very good progress on this energy policy bill—and I have just indicated my congratulations to the managers and certainly to the Senate for getting it done so quickly—I do want to remind everyone that we passed the 44th day and we are now—as Senator DOLE would say—proceeding on a fast track and we have 43 days left. This means that there are 43 days that I hope will not be spent in debating definitions and debating what should have been done a year ago.

Regardless of whether it is done by the President of the United States or the Democratic leadership here that run the Senate and the House, the truth is that the people want to know what is our best effort approach to get the growth of the American economy back on track. This is because, if it is growing, we produce jobs. If it is growing enough, we put our unemployed people to work. If it is growing as it really should, we put as many who want to work, to work in good jobs.

So again, I suggest that we ought not to busy ourselves during this 43 days with a long shopping list of what we might do to the Tax Code of the United States to make it equitable, to change it around from where it is. There is plenty of time to do that.

We ought to adopt an economic growth plan. Since the President of the United States put us on this 43-day fast track, I would like again to remind my fellow Senators that this means we ought to focus our eyes on jobs. How can we get the private sector of America growing again, so that owners and managers of businesses, large and small, employ people and give them jobs.

It is not like we ought to sit around and say let us in Government do it. We all know we can spend money. We already spend far more than we ought to. What we ought to be talking about is how do we adopt a growth plan that will do the job and not force us to tax other Americans so that we can put in place a growth package.

Everyone knows that putting taxes on any part of this economy in the midst of a recession is not the right thing. So I suggest that our No. 1 goal is jobs, not who do we tax.

I submit that for those who are interested in a real plan, the items that the President has asked us to adopt and adopt quickly—as Senator DOLE explained them yesterday—can be done in the remaining 43 days in both Houses and sent to the President.

The interesting thing that Americans should know is that the President's initiatives can be done without taxing the American people. There are some who think that, in order to help this economy, we ought to take money away from one group of Americans and give it to another. They want to cut taxes on some and raise taxes on others.

Well, as I see it, we do not have to do that if we want to adopt a growth package that includes these seven suggestions, and I believe almost everyone that has looked at the American economy wills say these seven will help. If you do them, they will push the American economy up, and at the same time as other things are already happening, such as lower interest rates, lower gasoline prices, and the other things that are going on in the economy. The initiatives will supplement these other factors and help America's private sector stabilize on the real estate front and grow so people will be put to work.

Frankly, tonight I do not choose to talk about how many jobs this will generate in America, but I submit that most people that have looked at the housing component would indicate that there would be roughly 400,000 new jobs from just the real estate portion of this. That is petty good.

Most experts say that if America's capitalist economy needs investment, which we frequently forget about here, then both the Joint Committee on Taxation and the Treasury find that over $400 billion of financial capital—that is the estimate—will be reinvested in more productive companies, in startup ventures, high technology, quality-product enterprises. I believe the bottom line is: Can we do something like this for the people of the United States, as our President has asked us to do in 43 days? I do not see any reason why we cannot. I hope we will.

I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

THE PRESIDENT'S ECONOMIC GROWTH PLAN

Mr. SARBANES. Mr. President, I am intrigued by this 43-day chart. I said yesterday that it takes a lot of chutzpah to ignore the recession for a long period of time, and then all of a sudden recognize it.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. SARBANES. Just let me go on for a moment, and then I will be happy to yield to the Senator.

The Bush recession is now in day 585—585 days. The recession began in July of 1990. All of last year, the President denied there was a recession. In fact, in July, Darman said: "The recession has ended, the economy has turned up." In September 1991 Boskin said: "The recession ended in the spring. A recovery has begun."

In November 1991, President Bush said—and this is some 450 days after the recession began: "It is not a recession." On November 24, President Bush said "I do not believe this country is in a recession." Mr. President, the Bush recession has now gone on for 585 days.

Let me show you some other figures: 533 days passed before President Bush acknowledged that we were in a recession. Once he acknowledged it, he went to the other extreme and said the economy was in absolute free fall, which of course helped to contribute to a further downturn in consumer confidence.

We went 502 days before the President was willing to provide extended unemployment benefits. As the President waited, people lost their cars, their apartments, and their homes.

We said to the President: This is an emergency. This is an emergency that warrants going outside of the budget agreement in order to provide help to Americans, just as you came to the Congress and asked the Congress to go outside the budget agreement in order to send help overseas.

The Congress agreed to that. I agreed to that. I supported it.

I thought the President was right when he made his appeal for an emergency declaration in order to provide assistance overseas. But then the President turned around and could not perceive the emergency here at home.

The extension of unemployment benefits was in November. We had been in the recession for 502 days when the President finally agreed to the extension of unemployment benefits.

The President said, "I do not have an economic plan now, but I am going to have one when I give the State of the Union Message." That was 74 days later.

We have been in this recession for 576 days before the President announced an economic plan.

There are many who think the economic plan he has announced is inadequate to the problem we confront. We heard testimony just this morning from the chairman of the President's Council of Economic Advisers. The administration is projecting growth for this year of 2.2 percent. That is the lowest growth coming out of a recession that we have experienced in any of the eight recessions in the postwar period.

So the administration by its own projections expects a weak and anemic recovery and, therefore, an economy that still confronts the range of problems which we see now. In addition, there are many people who disagree with their forecast, thinking that they might be too optimistic.

In any event, if you take their forecast, unemployment in 1992 will average 6.9 percent. It was at 7.1 percent last month. We asked the administration, how much does the economic proposal which the President laid out in the State of the Union Message contribute to economic growth?

I want the Members to listen to this very carefully, because the President said at the outset of his State of the Union that he was going to talk about big things, and then all we got were small potatoes.

The administration itself is projecting growth of 2.2 percent for this year. Without their economic plan, they project growth of 1.6 percent.

So their economic plan would add six-tenths of 1 percent to growth even if you accept every one of their premises. And, of course, there are many who have questioned them. But even if you accepted every one of them, their own plan is worth six-tenths of 1 percent in economic growth by their own admission. According to the administration, unemployment will average 6.9 percent for 1992. That amount is almost 9 million unemployed Americans.

In addition to the 9 million unemployed Americans, you have another 1.1 million who are in the work force and have dropped out of it because they cannot find work, and you have another 6.3 million Americans who are working part time but want to work full time. They want and need full-time jobs, but they can only find part-time work. When you add that all up, you get 16 million Americans.

The Department of Labor computes a comprehensive unemployment figure which includes discouraged working and workers who are working part time but want to work full time. This comprehensive rate unemployment figure of 10.4 percent shows double figures for unemployment.

Mr. President, we have been in the Bush recession, for 585 days and 533 days passed before the President would acknowledge a recession.

Finally, in December, for 2 months ago and almost 18 months into the recession, the President said "you might argue, technically, are we in a recession or not?" But when there is this sort of sluggishness and concern, definitions, heck with it. Let us get on with the business at hand.

On that same day, Marlin Fitzwater explained—and I quote him: "Certainly, from any practical standpoint, the recession does continue."

That is 533 days.

And now we are getting these charts that say "You must act on our economic program within 43 days."

There were 502 days before the President agreed to extend unemployment benefits. The recession began in July, 1990. In August, 1991, 13 months after the recession began, the President rejected a congressional effort to provide extended unemployment benefits. He rejected it again in October.

Finally toward the end of November, 502 days after the recession began, the President finally agreed to congressional efforts to extend unemployment benefits.

Then all last fall, people kept saying to the President there is a problem here. The President kept saying "no problem." They kept saying, "No, no, Mr. President, there is a problem here. Look at the unemployment rate. Look at these economic indicators, showing a downturn. Look at all the people that have lost their jobs and who are suffering across the country. We have to do something about this economic situation."

The President said, "No; we are going to wait. I am going to announce a program." In the State of the Union Address, which took place on January 28 of this year, not even 2 weeks ago, the President announced an economic plan. This was 576 days after the recession began.

If there were not human tragedy connected with it, there would be a certain humor to it. But, there is human tragedy connected with it, and that is the sad part of the story—576 days after the recession began, President Bush announces an economic plan which even by the administration's own forecast is going to be inadequate to the task. It is going to add six-tenths of 1 percent to the growth of the economy, and we are still going to have an unemployment rate average for 1992 of 6.9 percent.

Now, the Senator asked me to yield to him for a question earlier and I would be happy to do so at this time.

Mr. DOMENICI. No. The Senator has cleared it all up. I will speak shortly. I thank the Senator very much.

Mr. SARBANES. The Senator has no questions?

Mr. DOMENICI. I have no questions.

Mr. SARBANES. Fine. Very good.

Mr. President, I just want to underscore these time intervals. The Nation was in a recession beginning in July 1990. The President has ignored that recession for 533 days. He did not give an economic plan until 576 days. In fact, beginning back in the fall of last year, his advisers began to say, "We have got a problem here," but they would not really recognize it, they would not try to address it. So it ought to be very clearly understood where the time has gone.

Obviously we need to address the Nation's economic situation. We require a program that builds the strength of the American economy. We require a program to invest in the future of our Nation. Our infrastructure is deteriorating.

The chairman of the Senate Appropriations Committee, the distinguished President pro tempore of the Senate, gave very powerful testimony yesterday before the Senate Budget Committee, of which the able Senator from New Mexico is the ranking member, and I assume he was there for that occasion. I want to quote in part what Senator BYRD had to say, and I am now quoting him.

> We seem to be the only major industrialized nation in the world that does not understand the connection between public investment and productivity growth. Our competitors certainly understand it. Because while we have been ignoring our public investment needs in this country, our competitors have been investing and, as a result, they have been enjoying higher rates of productivity growth.

Senator BYRD then went on to talk about the necessity to undertake major investments in our own infrastructure.

If we do not address infrastructure and worker training and education and research and development, we are not going to be in a position to compete internationally with these other countries that are doing exactly that. They are making those investments. We need to recognize that and do that here at home. With the collapse of the Soviet Union, there is an opportunity now to move to an entirely different level in terms of making our economy work. That is the challenge that is before us.

Mr. President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. WELLSTONE). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I understand the Senator from Louisiana wants to proceed, and I will try to be brief. Let me just respond with three comments. First, I was present yesterday when the distinguished chairman of the Appropriations Committee, my friend Senator BYRD, suggested his version of how we might make America grow, prosper, and become more productive. And I will tell the Senate, as graciously as I can, what I told my friend, the chairman of the Appropriations Committee.

I said to him:

> Mr. Chairman, if you are suggesting that the United States of America can become more productive than it is today—can grow as Japan is growing, put all her workers to work—by spending more money out of the appropriated accounts of our Government, then I would beat you to the floor. If you would offer a 20-percent increase, I would say make it 50 percent, because if we make it grow 50 percent more we will be more productive and more people will go to work. But you see, Mr. Chairman, it may not be that Government spending is the only factor in growth, in jobs and productivity.

I don't think the American people believe that if Government spent twice as much we would be twice as productive and generate twice as many jobs across the private sector of America. It won't happen.

Tomorrow, if I am here, I will come to the floor and I will borrow the chart that says 494 days. I will make it 493. But I will put under it "Democratically led Congress has done nothing about the recession, for 493 days."

Mr. President, I think it is time that we share with the American people what some would not like them to know, that those who are yelling the loudest at the President for not doing this or that, by their very numbers, control the U.S. House. Not by 10 votes, not by 30 votes, not by 80 votes, but by 102 votes. If they have a game plan for America's recovery, all they had to do was pass it, I say to my friend, Senator GRASSLEY, with 102 votes to spare.

Where is the plan? How come they are saying the President did not do anything about it? Where were all of them? Tomorrow, we will just say, "Where were they?"

How, having said that, I believe it is unfair to continue to say that the

President was not for an unemployment compensation bill extension. My good friend from Iowa knows that the President was not for a new unemployment compensation bill that was not paid for. Indeed he signed it immediately after both sides, including the majority side, agreed to pay for it. In fact, the very day we passed it, we paid for it, so that it did not add to the deficit. The overwhelming number of Americans feel the deficit is the real problem. The President did not get a chance to do that earlier because there were some who wanted him to kowtow and say "Uncle." "You run the show." That is what they wanted him to say. And he said, "You pay for it and I will sign it." Simple as that.

Last but not least, I have a suspicion as to why we have not seen any plan from the other side for 494 days. Because today I read in the newspaper that the centerpiece of their plan—at least coming out of the alleged spokesman from the House—is a very simple one. It reminds me of Marie Antoinette, except it is candy today.

What does a $200 reduction in the middle-income taxes of Americans mean? That is $200 a year per taxpayer. Well, I figured it out. I know what it says, Senator GRASSLEY, that each taxpayer get 54 cents a day.

So I went to the candy store and I found that a package of two Reese's peanut-butter cups cost 54 cents. Could that really be what they are saying is the centerpiece of a recovery plan? Well, no, not quite. Because if it is a family, they get two candy bars, $1.08 a day.

Frankly, if I had a plan like that, I would wait 494 days, too. I think my friend from Iowa would also, because the plan is not cheap at that. The centerpiece was to do this for 2 years. We already have a huge deficit, Mr. President. But this plan that gives taxpayers 54 cents a day will add $46 billion to the deficit of the United States; $23 billion a year.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I enjoyed that candy example presented by the Senator from New Mexico. It shows that if we pay for the tax cut for middle-income Americans by putting a tax burden on the very wealthy, they will not be significantly hurt. The wealthy have reaped the benefits of what has taken place in our economy over the last decade. There has been an incredible concentration of income and wealth at the upper end of the scale. The Federal Reserve Board just completed a study on that issue, and I hope in the future to develop that a bit.

What the Senator is saying is that the extra burden on the rich might not end up depriving them of all that much. And therefore, I assume they would be willing to undertake that burden in order to get some improved equity and income and give the middle-income people of this country, who have been overburdened in order to give the wealthy a major tax break, an opportunity to even out these burdens.

What we are getting is just a succession of trickle-down economics. The notion that if you just put all wealth and income into the upper 5 to 10 percent of the income scale, you are gong to produce prosperity for the great mass of the people, has never worked in this country.

The strength of this economy over the years has come from developing prosperity in the great base. It is percolate-up economics, not trickle-down economics. Yet, what we are getting now from the President and our Republican colleagues is trickle-down economics.

The Senator from New Mexico made a great deal about who has a majority. It was similar to an elementary civics lesson. What he failed to include in that little lesson was the power of the veto. Last fall, we tried to extend the unemployment insurance benefits. We sent the President a bill; the President vetoed that bill. Under the Constitution, in order to override a veto, you need at two-thirds vote in both Houses of Congress.

We made the effort there in the Senate to override the President's veto. The vote was 65 to 35. Every one of the 57 Democratic Members of the Senate voted to override the President's veto. To their credit, eight Members of the President's party also voted to override the veto; 65 Members of the Senate voted to override; 35 voted to sustain the President's position.

So you really had a very clear majority of the Senate in favor of the legislation. The President put the veto stamp on it, and the Senate was unable to override his veto, even though 65 Members voted in order to do so.

That demonstrates the power of the veto, which President Bush has been prepared to use in order to negate important advances in policy, some of which would address these pressing economic problems.

In many respects, the President has been ruling by veto, vetoing important pieces of legislation for the health and benefit of the American people by the use of the Presidential veto. He has been able to sustain his veto because he can keep one-third of one or the other of the two Houses in order to back him on his veto.

We will see in the weeks to come whether the President continues to use his veto weapon. But it ought to be very clear to the American people that the impediment that stands in the way of achieving important economic and social policy to help American families, to address our economic situation, to make lives better for our children, is the Presidential veto which President Bush has been prepared to use over and over again. Unfortunately, he can find sufficient support amongst the Republican Members of either the Senate or the House to sustain the veto.

On the unemployment insurance bill, we had a 30-vote margin for the legislation, but not enough to override the veto. I think that the American people will increasingly come to understand that the use of the veto has now become a major impediment to the achieving of progressive economic and social policy.

Mr. President, I yield the floor.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

VITIATION OF ACTION ON AMENDMENT NO. 1590

Mr. JOHNSTON. Mr. President, earlier this evening, an amendment was inadvertently sent to the desk and adopted. It was by Senator RIEGLE. I ask unanimous consent that the adoption of amendment No. 1590 be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, have we hotlined the unanimous-consent request? Are we ready to make that?

Mr. MITCHELL. Mr. President, will the Senator yield?

Mr. JOHNSTON. Certainly.

Mr. MITCHELL. Mr. President, I am advised on the Democratic side we are in the process of sending out a hotline to Senators advising that shortly the managers will seek to gain an agreement limiting the amendments remaining to the bill. It is not much of a limit; it is a very long list of amendments. But at least it will be a finite list, and we hope that if any Senator does have an interest, that Senator should be present to express his interest or her interest.

I assume similar either is being done or has been done on the Republican side.

Mr. WALLOP. If the majority leader will yield, it would expedite ours if we could have the majority's list. I passed our list over to you, but we need it in case some few ask us.

Mr. MITCHELL. I believe this document is a compilation of both.

Mr. WALLOP. Our problem is we do not have either the "pilation" or the "comp." I do not know which.

Mr. MITCHELL. I yield.

Mr. JOHNSTON. Mr. President, while we are waiting for that list and ready for the hotline, Mr. President, I will shortly send to the desk seven amendments as follows: One by Senator DECONCINI to require the Secretary of Energy to establish programs for research and development of the potential of Indian reservations for long-term solar and other alternate energy and related technology research; by Senator GORE, to study the feasibility of developing high-efficiency appliances; by Senator GORE, to establish Federal energy analysis and diagnostic centers; by Senator GORE, to authorize grants to States to promote utility industrial energy efficiency programs; by Senator WIRTH, to strengthen energy efficiency standards for commercial heating and air-conditioning equipment; by Senator DECONCINI, to encourage the transfer of renewable energy technology to end users; by Senator BURNS, to facilitate the use of renewable technologies to reduce energy consumption in buildings.

AMENDMENTS NOS. 1598 THROUGH 1604

Mr. JOHNSTON. Mr. President, I send these amendments to the desk and ask unanimous consent they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes amendments numbered 1598 through 1604 en bloc.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments considered en bloc are as follows:

AMENDMENT NO. 1598

(Purpose: To require the Secretary of Energy to establish a program to research and develop the potential of Indian Reservations for long-term solar and other alternative energy and related technology research)

On page 175, line 8, after "projects" insert "to include research and research facilities".

On page 176, line 6, delete "The".

On page 176, line 6, after "COST SHARE.—" insert "With the exception of grants awarded for the purpose of feasibility studies and research programs, the,".

On page 176, line 14, preceding "the insert "(1)".

On page 176, line 15, after "government." insert "(2) the term "private sector person" shall include a consortium of Universities coordinated through Northern Arizona University.".

On page 176, line 16, add new subsection (f) as follows:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary for the development and implementation phase of the program established by this section.".

Mr. DECONCINI. Mr. President, the amendment I am offering will build upon the provision already contained in the committee bill which establishes a Tribal Government Energy Assistance Program by expanding its scope to include programs for renewable energy research specially directed at Native Americans.

In the years I have been in the Senate, I have many times expressed the need to reduce our dependency on foreign oil. I have personally authored and introduced a number of measures for solar energy programs and have worked to increase funding for alternative energy initiatives.

But unfortunately, we have gone backward in developing energy independence. The previous administration drastically slashed research and development programs for solar energy and conservation. Frankly, Mr. President, we as a Nation have not made the commitment to alternative energy technologies.

However, in the bill we are considering today, S. 2166, we are taking significant steps to correct this inadequacy. I applaud the efforts of the chairman and ranking member for their efforts in this regard. I am particularly pleased with the Tribal Government Energy Assistance Program.

As a member of the Indian Affairs Committee, tribal leaders have made it clear to me that much of the intellectual and human potential on our Indian reservations has been overlooked. There are few opportunities for college educated tribal members to return to home. My amendment, at least in some small measure, creates these opportunities by establishing a renewable energy research and development program for native Americans.

Mr. President, in addition to the intellectual capabilities, Indian reservations also possess significant natural resources suitable for alternative energy resources. If we were to look for the optimum locations for solar, wind, or any other alternative energy research, we could not find a more ideal place than many of this Nation's Indian reservations. Also, the rural setting of these areas makes them particularly well suited for the utilization of renewable technology. For example, on the Navajo Reservation in Arizona and New Mexico, there are only five people per square mile. Consequently, the costs of building conventional electrical facilities is much greater than in other areas of the country. Widespread use of solar technology has the potential of lower utility costs for these individuals who are already of generally modest financial means.

In my opinion, in order for our energy policy to be truly comprehensive, it must take into consideration the potential of our native American communities to develop effective research programs in renewable energy.

Mr. President, this is exactly what my amendment does. It expands the provision contained in the bill pertaining to the Tribal Government Energy Assistance Program to not only include renewable energy projects, but authorizes the Secretary to financially support and encourage tribal research and development in this field.

The amendment also authorizes the Secretary of Energy to support a consortium of western universities headed by Northern Arizona University. This consortium will develop and implement a tribal renewable energy research and development program in conjunction with tribal leaders. NAU has a demonstrated leadership and expertise in Indian higher education. NAU has more Native American students and graduates than any other university in the country. Also, they have extensive experience in developing cooperative alternative energy efforts on reservations. NAU has been involved in bringing solar energy technology to the Navajo reservation by undertaking a project to equip homes with photovoltaic panels for electrical generation. Also, they are undertaking research on the design of an electronic controller to optimize the charging cycle of lead acid batteries using photovoltaic cells.

Mr. President, my amendment will work to both put a stop to the brain drain occuring on our reservations while working to furthering the development of renewable energy resources. I ask that my colleagues join me in supporting it.

AMENDMENT NO. 1599

(Purpose: To study the feasibility of developing high efficiency appliances.)

On page 144, after line 17, insert the following new section:

SEC. 6112. REPORT ON THE POTENTIAL OF COOPERATIVE ADVANCED APPLIANCE DEVELOPMENT.

(1) Within 12 months after the date of enactment of this Act, the Secretary of Energy shall, in consultation with utilities and appliance manufacturers, prepare, and submit to Congress, a report on the potential for the development and commercialization of appliances which are substantially more efficient than required by Federal or State law.

(2) Such report shall identify candidate high-efficiency appliances which meet the following criteria:

(A) that, the potential exists for substantial improvement in the appliance's energy efficiency, beyond the minimum established in Federal and State law;

(B) That there is the potential for significant energy savings at the national or regional level;

(C) that, such appliances are likely to be cost-effective for consumers;

(D) that, electric, water, or gas utilities are prepared to support and promote the commercialization of such appliances; and

(E) that, manufacturers are unlikely to undertake development and commercialization of such appliances on their own, or development and production would be substantially accelerated by support to manufacturers.

(3) The plan shall also:

(A) describe the general actions the Secretary of Energy could take to coordinate and assist utilities and appliance manufacturers in developing and commercializing highly efficient appliances;

(B) describe specific proposals for Department of Energy assistance to utilities and appliance manufacturers to promote the development and commercialization of highly efficient appliances;

(C) identify methods by which Federal purchase of highly efficient appliances could assist in the development and commercialization of such appliances; and

(D) identify the funding levels needed to develop and implement a Federal Program to assist in the development and commercialization of highly efficient appliances.

AMENDMENT NO. 1600

At the end of title VI, subtitle B, add the following new section:

SEC. ENERGY ANALYSIS AND DIAGNOSTIC CENTERS PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish within the Department of Energy an Energy Analysis and Diagnostic Centers program designed to assist qualifying commercial and industrial facilities to conserve energy and reduce operating costs by applying efficient technologies to their operations and buildings and to provide opportunities for students to gain experience in the field of energy management.

(b) QUALIFYING COMMERCIAL AND INDUSTRIAL FACILITIES.—For purposes of this section, qualifying commercial and industrial facilities are those facilities that meet at least three of the following four criteria:

(1) 500 or fewer employees;

(2) gross sales of not more than $75 million per year;

(3) total energy costs of not more than $1.75 million per year;

(4) an absence of in-house energy expertise.

(c) ADMINISTRATION.—(1) Not later than 6 months after the date of enactment of this section, the Secretary shall seek to enter into a management agreement with an appropriate institution to administer the program.

(2) For purposes of this section, an appropriate institution is a nonprofit institution with demonstrable expertise in engineering, physical science, communications, business and such other disciplines as appropriate and with expertise in industrial manufacturing including new process and product research and development.

(d) SOLICITATIONS FOR PROJECT PROPOSALS.—(1) Within 9 months after the date of enactment of this section, the administering institution shall, under the direction of the Secretary and through a competitive bidding process select not less than 25 sites to be designated Energy Analysis and Diagnostic Centers. The sites shall be educational institutions such as universities, engineering and technical schools and other institutions of higher learning with demonstrable capability to

(A) perform energy audits for qualifying industrial facilities designed to assist such facilities to reduce their energy consumption and improve the efficiency of their energy usage;

(B) provide detailed reports to the qualifying industrial facility identifying energy conservation and efficiency opportunities;

(C) provide such other service as the Secretary deems appropriate.

(e) DISSEMINATION OF INFORMATION.—Not less than every 12 months, the Administering institutions shall synthesize from the reports of the Energy Analysis and Diagnostic Centers and make publicly available information concerning significant energy conservation opportunities provided, however, that all proprietary information shall be kept confidential.".

AMENDMENT No. 1601

Add to the end of title VI, the following new section:

SEC. 6506. GRANTS TO STATES TO PROMOTE UTILITY INDUSTRIAL EFFICIENCY PROGRAMS.

(a) DEFINITIONS THE PURPOSE OF THIS SECTION.—

(1) the term "covered industry" means the food and food products industry, lumber and wood products industry, petroleum and coal products industry, and all other manufacturing specified in Standard Industrial Classification Codes 20 through 39 (or successor classification codes);

(2) the term "industrial audit" means—

(A) identification of opportunities in the production process (from the introduction of materials to final packaging of the product for shipping for—

(i) improving energy efficiency

(ii) reducing environmental waste; and

(iii)technological improvements designed to increase competitiveness and achieve cost-effective product quality enhancement;

(B) identification of opportunities for improving the energy efficiency of lighting, heating, ventilation, air conditioning, building enevlope systems operating outside of the production process; and

(C) the identification of opportunities for using renewable energy technology both in the production process and in the systems described in subparagraph (B);

(3) the term "Secretary" means the Secretary of Energy; and

(4) the term "Utility" means any person, State agency (including any municipality), or Federal agency, which sells electric or gas energy.

(b) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary may make grants to States which pursuant to State law,

(A) require utilities to provide financial and technical assistance to covered industries; and

(B) offer incentives to utilities for providing such assistance.

(2) ELIGIBLITY CRITERIA.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall establish eligibility criteria for grants awarded under subsection (a). Such criteria shall require a State applying for a grant to demonstrate that such state, by State legislation or regulation—

(A) requires utilities to provide to covered industries served—

(i) industrial energy audits; and

(ii) financial incentives for implementing energy efficiency improvements; and

(B) allows utilities providing such assistance to—

(i) recover the costs of providing industrial audits; and

(ii) receive a reasonable rate of return on financial incentives provided.

(3) USE OF FUNDS.—Grants made pursuant to this section shall be used by a State to—

(A) to make available to cover all industries, through appropriate institutions such as Universities, nonprofit organizations, State and local government entities, and technical centers, information energy efficient technologies;

(B) establish programs to train individuals in industrial energy audits; an

(C) assist utilities in developing, testing and evaluating energy efficiency programs and technologies for industrial customers.

(4) ALLOCATION OF FUNDS.—Grants made pursant to this section shall be allocated each fiscal year among States meeting the criteria of subsection (b) who have submitted applications 60 days before the first day of such fiscal year. Such allocation shall be made in accordance with a formula to be prescribed by the Secretary based on each such State's share of value added in industry (as determined by the Census of Manufactures) as a percentage of the value added by all such States.

(5) COORDINATION WITH ENERGY ANALYSIS AND DIAGNOSTIC CENTERS.—In carrying out the functions describe in subsection (c), States shall, to the extent practicable, coordinate such functions with activities and programs conducted by the Energy Analysis and Design Centers of the Department of Energy.

(c) OTHER FEDERAL ASSITANCE.—

(1) DIRECTORY.—The Secretary shall establish a nationwide directory of organizaitons experienced in emerging energy efficiency and waste reduction technologies. Such directory shall be made available to interested parties.

(d) REPORTS.—

(1) ANNUAL REPORT.—Not later than one year after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit to the Congress a report which—

(A) identifies barriers encountered in the implementing the Act;

(B) makes recommendations for overcoming such barriers; and

(C) documents the results achieved as a result of the programs established and grants awarded pursuant to this Act.

(2) OTHER REPORT.—Not later than two years after the date of the enactment of this Act, the Secretary shall submit to the Congress a report which—reviews any difficulties encountered by industry in implementing energy efficiency improvements recommended as a result of programs established pursuant to this Act;

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purpose of this section.

Mr. JEFFORDS. Mr. President, I am delighted to cosponsor—with my colleague from Tennessee, Senator GORE—an amendment we call the Industrial Energy Efficiency and Competitiveness Act. Our amendment will provide States with incentives to require or encourage their utilities to provide local manufacturers with demand-side management [DSM] technology assistance.

Not too long ago, many people claimed we could move from a manufacturing-based economy to a service-based economy. Fortunately, that notion appears to be out of fashion. The current recession has made us all aware how important it is for this country to manufacture goods. Manufacturing generates nearly one-quarter of U.S. gross national product [GNP]—some $300 billion annually—and employs 20 million Americans.

United States manufacturers are having trouble competing in domestic and global markets, though. President Bush's recent trip to Japan underscored this. Some people argue that we should let domestic manufacturers fend for themselves. I reject that notion. There are ways for the Federal Government to help industry without undermining the free enterprise system. Our amendment is one such way.

Industry uses 40 percent of U.S. electricity production, 43 percent of natural gas, and 25 percent of petroleum. There is enormous potential for energy efficiency improvements through DSM Programs. Utilities are the logical entities for providing DSM expertise and assistance, particularly to small- and medium-sized manufacturers that lack the capital to acquire such expertise. Smaller firms comprise 98 percent of our Nation's 358,000 manufacturers.

The premise of our amendment is simple: utilities cannot relocate. They have a vested interest in the economic well-being of their service territories. They stand to benefit from helping industrial customers become more energy efficient. Why? Well, a manufacturer that reduces input costs such as energy for each unit of output—or expands output without a commensurate increase in inputs—becomes more competitive, more prosperous.

One might wonder why utilities aren't doing this already. Some are, but too few * * * for the following reasons. First, utility DSM Programs tend to focus on so-called "building envelope" improvements: lighting, heating, ventilation, air conditioning, and the like. Industry has made progress here; there's more to be made. We're on the track.

But utility DSM Programs also need to focus on the manufacturing processes themselves, and on waste reduction. Just a handful of utilities do this, in large part because of a terrible shortage of qualified engineers. There are very few engineers capable of going through an aluminum extrusion or metal-working plant and identifying ways to change the manufacturing process itself to save energy and reduce waste of any media.

Another obstacle to DSM Programs is cost. Utilities have a difficult time recovering the cost of energy audits, or receiving a reasonable rate of return on energy efficiency investments.

Consequently, utility DSM Programs for industrial customers have lagged far behind those created for residential and commercial customers.

Our amendment would provide States with grants if they require or encourage their utilities to establish industry-oriented DSM Programs. Grant money would be awarded to State energy offices to train industrial process assessors, or to establish programs that increase the availability and implementation of energy efficient technologies. To qualify for the grants, States would have to allow utilities to recover the cost of energy audits, and to receive a reasonable rate of return if they finance energy efficiency investments through grants, loans, or interest buy-downs.

Mr. President, I would point out that the Federal Government has initiated DSM Programs through National Centers for Manufacturing Sciences and Energy Analysis and Diagnostic Centers [EADC]. We've spent some $15 million on EADC's, which have performed about 3,600 energy audits since 1976. That investment has generated over $455 million in energy savings.

The technology centers and EADC's are doing wonderful work, but they are limited in their reach. There are 12 EADC's nationwide, and each center performs about 30 assessments per year. At that rate, it would take 1,000 years for the EADC's to perform an audit for every manufacturer.

Utilities alone have the resources and the relationship with business customers in their service territories to provide manufacturers in each and every community across the country with energy efficiency audits and technological assistance.

Our amendment is designed to complement the efforts of existing manufacturing technology centers and EADC's. We have met with DOE and the National Institute for Standards and Technology [NIST] to preclude either unnecessary duplication or destructive competition.

Mr. President, I would like to take just a few minutes to tell the Senate about the origin of this amendment. It started as an idea of Diane De Vaul's. Ms. De Vaul is the director of policy at the Northeast-Midwest Institute. As many of my colleagues may know, I am the cochairman of the Northeast-Midwest Senate coalition. The coalition has worked closely with Ms. De Vaul and other institute staff to develop this amendment. They are to be congratulated for their dedication to promoting the health of domestic manufacturing, and for their tenacity in promoting this idea.

Nearly 5 years ago, institute staff received grant money to work with two utilities in establishing the sort of DSM Program I have just described. The first pilot project involved the Osage Municipal Utility in Osage, IA. The second involved the Somerset Rural Electric Cooperative near Pittsburgh.

Let me tell you what happened once the programs got off the ground.

In Osage, a knitting mill operator was being courted by officials from two other States to move his operation. He wanted to stay, but knew he had to do something to increase his productivity. The utility approached the firm, offered a process assessment of the firm's energy use, and a productivity evaluation. The mill owner decided to stay in Osage and undertake a $2 million plant renovation and production-line reorganization. He was able to borrow the money at below-market interest rates because of a buy-down the utility financed.

The investment lowered the cost of producing a dozen socks by 37 percent, from 48 cents to 30 cents. The plant increased its overall energy use by 60 percent the first year because plant productivity increased by 200 percent. The owner was able to reduce wholesale prices while increasing sales and profits. Not only did he stay in Osage, he expanded the plant, adding 50 new jobs, a major boost for a town of fewer than 4,000 people. It has been a significant achievement for the dying domestic textile industry.

In just 6 years, 1983 to 1988, the Somerset Rural Electric Cooperative lost 48 percent of its industrial load. Not surprisingly, the cooperative was eager to work with the Northeast-Midwest Institute to encourage local economic development through energy efficiency investments. A lumber company was the first to take advantage of the free energy audits and the interest rate buy-downs on efficiency improvement loans offered by the utility.

Based on the assessment, the company replaced its chippers and debarker. The new equipment saved $4,250 per year in energy costs, lowered maintenance expenses, and produced higher quality products. In mid-1990, the company borrowed $2.9 million to modernize and expand. The effort included constructing a new lumber mill, renovating the old mill, and installing more than $800,000 in new equipment, including a high-technology, energy-efficient drying kiln.

As a result of this investment, the company is diversifying into hardwood veneer production; previously, it was only a rough-cut, and low value-added operation. The veneer production industry is less than a decade old in this country, but demand for quality veneers is growing steadily. Already, the company has identified markets worldwide for its new products.

Because the pilot projects were so successful, the Institute then received grants to work with three States to replicate them on a statewide basis. Last year, Ohio Gov. George Voinovich, Iowa Gov. Terry Branstad, and Pennsylvania Lt. Gov. Mark Singel announced their States' desire to work with the Institute. I have copies of the announcements and ask unanimous consent that they be included in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JEFFORDS. Now, I understand Institute staff have also visited with State, utility, and public service commission officials in Maryland, Michigan, and Wisconsin. Clearly, the idea is catching on. I'm going to promote it in my State of Vermont. Our amendment certainly will promote it.

Building on these successes, Institute staffers have worked with State energy office officials, congressional staff, utility heads, and other interested parties over the past several months to fashion the amendment we are now considering. I'm pleased to say that my fellow cochairmen of the Northeast-Midwest Congressional Coalition—HOWARD WOLPE and DEAN GALLO—and coalition members EDWARD MARKEY and MATTHEW RINALDO introduced a bill containing the language of this amendment on Wednesday.

I urge my colleagues to support this amendment. If adopted, it will help every utility—every manufacturer—across the country. It will help to make us competitive again.

EXHIBIT 1

COMMONWEALTH OF PENNSYLVANIA,
Harrisburg, PA, June 18, 1991.

DIANE DE VAUL,
Director of Policy, Northeast-Midwest Institute, Washington, DC.

DEAR MS. DE VAUL: I am writing to express my support and commitment on behalf of the Commonwealth of Pennsylvania to participate as one of the two pilot states for the Northeast-Midwest Institute's model, statewide, industrial energy-efficiency project. The project provides the opportunity for the Commonwealth to build on its existing economic development and energy-efficiency initiatives. By working with our utilities to tailor their demand-side management initiatives in the industrial sector process-technology improvements, we can achieve two goals simultaneously-enhanced energy efficiency and stronger, more competitive industry.

As you are aware, the state has recently required utilities to submit plans to expand their demand-side management programs. Initial discussions with investor-owned utilities indicate strong interest in pursuing a process-oriented industrial program.

Pennsylvania offers a number of advantages as a pilot state. The Ben Franklin Partnership with its Advanced Technology Centers, the Industrial Resources Center network, PENNTAP, and our network of regional Pennsylvania Energy Centers are outstanding examples of the economic development initiatives that could provide resources for the program. The Pennsylvania Energy Office has built a reputation for innovation and effectiveness. The demand-side management process recently begun by the Pennsylvania Public Utility Commission offers to be another potential resource for this project.

Please do not hesitate to let me know if there is anything I can do to further the progress of your important project. I have asked Jan Freeman, the Executive Director of the Energy Office, to serve as your point of contact for Pennsylvania's involvement.

MARK S. SINGEL,
Lieutenant Governor, Chairman, Pennsylvania Energy Office.

OFFICE OF THE GOVERNOR,
Des Moines, IA, March 25, 1991.

MS. DIANE DE VAUL,
Director of Policy, The Center for Regional Policy, Northeast-Midwest Institute, Washington, DC.

DEAR MS. DE VAUL: I am writing you to confirm Allan Thoms' expression of Iowa's interest in participating as one of the pilot states for the Northeast-Midwest Institute's model statewide industrial energy efficiency project. Economic development and energy efficiency are two of Iowa's critical policy issues for the 1990's. Your proposal offers us a way to address both.

Iowa should offer an interesting case study for you in that it is a rural state with numerous small to medium-sized manufacturing firms. We import over 97 percent of our energy resources. Measures that will help make Iowa a more efficient user of energy or replace imported sources with domestic ones could have a substantial beneficial impact on the state's economy. Process energy efficiency improvements also represent a way of helping our existing industries to become more competitive in the global marketplace.

Our state has other advantages as a choice for your project. We have a strong Department of Economic Development, a forward-looking State Energy Office and an innovative Utilities Board. Iowa also has significant industry modernization programs, including CIRAS at Iowa State University.

Please do not hesitate to let me know if there is anything I can do to further the progress of your important project. I have asked the Director of the Department of Economic Development, Allan Thoms, to serve as your point of contact for Iowa's involvement in this project.

Sincerely,

GOVERNOR TERRY BRANSTAD.

STATE OF OHIO,
OFFICE OF THE GOVERNOR,
Columbus, OH, January 6, 1991.

MS. DIANE DE VAUL,
Director of Policy, Northeast-Midwest Institute, Washington, DC.

DEAR MS. DE VAUL: I am writing to confirm my interest in having Ohio participate as one of the pilot states for the Northeast-Midwest Institute's model statewide industrial energy efficiency project. Ohio is moving forward with the development of a comprehensive energy plan and I believe that your proposal of a new partnership to further energy efficiency and economic development in the industrial sector in Ohio comes at an optimum time.

As you are aware, we are concerned about the impact of the Clean Air Amendments on utility rates here and are looking for innovative and effective ways to mitigate any impact they might have on our industrial base. Process energy efficiency improvements could represent a way of helping our existing industries become more competitive in domestic and international markets.

Ohio offers several advantages as a pilot state. We have a forward-looking utilities board, a strong commitment to leadership in energy policy, and a number of effective economic development programs in place which could support Ohio's involvement in this project.

Please do not hesitate to let me know if there is anything I can do to further the progress of this project. I have asked the Chairman of the Public Utilities Commission of Ohio, Craig Glazer, to serve as your point of contact for Ohio's involvement in this project.

Sincerely,

GEORGE V. VOINOVICH,
Governor.

AMENDMENT NO. 1602

(Purpose: To strengthen the energy efficiency standards for commercial heating and air-conditioning equipment)

Page 127, line 18, insert "(a)" before "title III".

Page 128, lines 1–2, after "air-cooled" add ", water cooled, evaporatively cooled, or water-source (not including ground water source)".

Page 128, lines 8–9, after "air-cooled" add ", water-cooled, evaporatively cooled, or water-source (not including ground water source)".

Page 128, line 20, after line 20 add the following:

(5) the term "packaged terminal air conditioner" means a wall sleeve and a separate unencased combination of heating and cooling assemblies specified by the builder and intended for mounting through the wall. It includes a prime source of refrigeration, separable outdoor louvers, forced ventilation, and heating availability energy;

(6) the term "packaged terminal heat pump" means a packaged terminal air conditioner that utilizes reverse cycle refrigeration as its prime heat source and should have supplementary heating availability by builder's choice of energy;

(7) the term "warm air furnace" means a self-contained oil- or gas-fired furnace designed to supply heated air through ducts to spaces that require it. For purposes of this section, the term warm air furnace includes combination warm air furnace/electric air-conditioning units but excludes unit heaters, duct furnaces and units covered by Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a));

(8) the term "packaged boiler" means a boiler that is shipped complete with heating equipment, mechanical draft equipment, and automatic controls; usually shipped in one or more sections. For purposes of this section, the term packaged boiler excludes units covered by section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a));

(9) the term "storage water heater" means a water heater that heats and stores water within the appliance at a thermostatically controlled temperature for delivery on demand. For purposes of this section, the term storage water heater excludes (a) units with an input rating of 4000 Btu per hour or more per gallon of stored water; and (b) units covered by Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a));

(10) The term "instantaneous water heater" means a water heater that has an input rating of at least 4000 Btu per hour per gallon of stored water. For purposes of this section, the term instantaneous water heater excludes units covered by Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a)); and

(11) The term "unfired hot water storage tank" means a tank used to store water that is heated externally.

Page 128, line 24 through page 129, line 1. Strike the following: "lamps, small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment;".

Page 129 lines 18–20. Strike lines 18–20 and substitute the following therefor: "those lamps, motors, small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air-conditioners, packaged terminal heat pumps, warm air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks for which specific efficiency standards are established by this Act. In addition, the Secretary shall, within 18 months after the date of enactment of this Act, prescribe test procedures for those utility distribution".

Page 130, line 7. Just before "for which" add the following: "packaged terminal air-conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks".

Page 130, line 18. At end of line add the following: ", packaged terminal air-conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks".

Page 131, lines 9–12, strike the following: "lamps, small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, and".

Page 131, lines 15–18, strike the following: "lamps, small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment,".

Page 131, lines 20–22, strike "Except as provided in subsections (d)(3)(B) and (d)(3)(C) of this section".

Page 132, line 1, after "establishing" delete "these"; and after "standards" insert "for utility distribution transformers".

Page 132, line 2, change "take into consideration" to "use".

Page 132, line 4, after "establishing" strike "these"; and after "standards" insert "for utility distribution transformers".

Page 132, lines 13–14, strike "for which the Secretary establishes standards pursuant to this section".

Page 132, line 2, insert "air-cooled" after "of".

Page 133, line 2, insert "air-cooled" after "of".

Page 133, line 7, insert "air-cooled" after "of".

Page 133, line 15, insert "air-cooled" after "of".

Page 133, line 20, insert "air-cooled" after "of".

Page 133, line 25, insert "air-cooled" after "of".

Page 134, line 5. After line 5 insert the following:

(vii) The minimum energy efficiency ratio of water-cooled, evaporatively-cooled and water-source central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity) shall be 9.3 (at a standard rating of 95 degrees Fahrenheit, dry bulb (F db), outdoor temperature for evaporatively cooled equipment, and 85 degrees Fahrenheit entering water temperature for water-source and water-cooled equipment) for products manufactured on or after January 1, 1994.

(viii) The minimum energy efficiency ratio of water-cooled, evaporatively-cooled and water-source central air conditioners and central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 10.5 (at a standard rating of 95 degrees Fahrenheit, dry bulb (F db), outdoor temperature for evaporatively cooled equipment, and 85 degrees Fahrenheit entering water temperature for water-source and water-cooled equipment) for products manufactured on or after January 1, 1994.

(ix) The minimum coefficient of performance of water-source heat pumps less than 135,000 Btu per hour (cooling capacity) shall be 3.8 (at a standard rating of 70 degrees Fahrenheit entering water) for products manufactured on or after January 1, 1994.

Page 134, lines 7–8, strike "for which the Secretary establishes standards pursuant to this section".

Page 134, line 14, insert "air-cooled" after "of".

Page 134, line 22, insert "air-cooled" after "of".

Page 135, line 2, after line 2 insert the following:

(iii) The minimum energy efficiency ratio of water- and evaporatively-cooled central air conditioners and central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) and less than 240,000 Btu per hour (cooling capacity) shall be 9.6 (according to ARI Standard 360–86) for products manufactured on or after January 1, 1995.

(D) For packaged terminal air conditioners and packaged terminal heat pumps the Secretary shall establish standards at the standard levels set forth for such products in ASHRAE/IES Standard 90.1 as in effect on the date of enactment of this Act. Such standards shall become effective for such products manufactured on or after January 1, 1994. Such standard levels shall be as follows:

(i) The minimum energy efficiency ratio of packaged terminal air conditioners and packaged terminal heat pumps in the cooling mode shall be 10.0 − (0.16 × Capacity [in thousands of Btu per hour]) EER (at a standard rating of 95 degrees Fahrenheit, dry bulb (F db), outdoor temperature) for products manufactured on or after January 1, 1994. If a unit has a capacity of less than 7000 Btu per hour, then 7000 Btu per hour shall be used in the calculation. If a unit has a capacity of greater than 15,000 Btu per hour, then 15,000 Btu per hour shall be used in the calculation.

(ii) The minimum coefficient of performance of packaged terminal heat pumps in the heating mode shall be 1.3+(0.16 × the minimum cooling EER as specified in subparagraph (i) at a standard rating of 47 degrees Fahrenheit, dry bulb (F db)) for products manufactured on or after January 1, 1994.

(E) For warm air furnaces and packaged boilers the Secretary shall establish standards at the standard levels set forth for such products in ASHRAE/IES Standard 90.1 as in effect on the date of enactment of this Act. Such standards shall become effective for such products manufactured on or after January 1, 1994. Such standard levels shall be as follows:

(i) The minimum thermal efficiency at the maximum rated capacity of gas-fired warm-air furnaces with capacity of 225,000 Btu per hour or more shall be 80 percent for products manufactured after January 1, 1994.

(ii) The minimum thermal efficiency at the maximum rated capacity of oil-fired warm-air furnaces with capacity of 225,000 Btu per hour or more shall be 81 percent for products manufactured after January 1, 1994.

(iii) The minimum combustion efficiency at the maximum rated capacity of gas-fired packaged boilers with capacity of 300,000 Btu per hour or more shall be 80 percent for products manufactured after January 1, 1994.

(iv) The minimum combustion efficiency at the maximum rated capacity of oil-fired packaged boilers with capacity of 300,000 Btu per hour or more shall be 83 percent for products manufactured after January 1, 1994.

(F) For storage water heaters, instantaneous water heaters, and unfired water storage tanks the Secretary shall establish standards at the standard levels set forth for such products in ASHRAE/IES Standard 90.1–1989 addendum b. Such standards shall become effective for such products manufactured on or after January 1, 1994. Such standard levels shall be as follows:

(i) Except as provided in subparagraph (vii), the maximum standby loss, in percent per hour, of electric storage waste heaters shall be 0.30+(27/Measured Storage Volume [in gallons]) for products manufactured on or after January 1, 1994.

(ii) Except as provided in subparagraph (vii), the maximum standby loss, in percent per hour, of gas- and oil-fired storage water heaters with input ratings of 155,000 Btu per hour or less shall be 1.30+(114/Measured Storage Volume [in gallons]) for products manufactured on or after January 1, 1994. The minimum thermal efficiency of such units shall be 78 percent (at a 70 degree Fahrenheit water temperature difference).

(iii) Except as provided in subparagraph (vii), the maximum standby loss, in percent per hour, of gas- and oil-fired storage water heaters with input ratings of more than 155,000 Btu per hour shall be 1.30+(95/Measured Storage Volume [in gallons]) for products manufactured on or after January 1, 1994. The minimum thermal efficiency of such units shall be 78 percent (at a 70 degree Fahrenheit water temperature difference).

(iv) The minimum thermal efficiency of instantaneous water heaters with a storage volume of less than 10 gallons shall be 80 percent (at a 70 degree Fahrenheit water temperature difference) for units manufactured on or after January 1, 1994.

(v) Except as provided in subparagraph (vii), the minimum thermal efficiency of instantaneous water heaters with a storage volume of 10 gallons or more shall be 77 percent (at a 70 degree Fahrenheit water temperature difference) for units manufactured on or after January 1, 1994. The maximum standby loss, in percent/hour, of such units shall be 2.30+(67/Measured Storage Volume [in gallons]).

(vi) Except as provided in subparagraph (vii), the maximum heat loss of unfired hot water storage tanks shall be 6.5 Btu per hour per square foot of tank surface area (at an 80 degree Fahrenheit water-air temperature difference).

(vii) Storage water heaters and hot water storage tanks having more than 140 gallons of storage capacity need not meet the standby loss or heat loss requirements specified in subparagraphs (i) through (iii) and subparagraphs (v) through (vi) if the tank surface area is thermally insulated to R–12.5 and if a standing pilot light is not used.

Page 135, line 3, change "(D)" to "(G)".

Page 135, line 7, change "or" to ",".

Page 135, line 3 through page 136, line 3, strike page 135, line 3 through page 136, line 3 and substitute the following therefor:

(G) If ASHRAE/IES Standard 90.1 as in effect on the date of enactment of the National Energy Security Act of 1992 is subsequently amended with respect to any type or class of small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioner, packaged terminal hear pump, warm-air furnace, packaged boiler, storage water heater, instantaneous water heater, or unfired hot water storage tank, then the Secretary shall establish an amended uniform national standard for that product type or class at the minimum level for each effective date specified in the amended ASHRAE/IES Standard 90.1 unless he determines by rule published in the Federal Register, supported by clear and convincing evidence, that adoption of a standard more stringent than the amended ASHRAE/IES Standard 90.1 for such product type of class would result in significant additional conservation of energy and is technologically feasible and economically justified. If the Secretary issues a rule containing such a determination, the rule shall establish an amended uniform national standard for such product type or class if establishment of such standard will result in significant additional conservation of energy and if the establishment of such standard is technologically feasible and economically justified. In determining whether a standard is economically justified, the Secretary shall, after receiving views and comments furnished with respect to the proposed standard, determine whether the benefits of the standard exceed its burdens by, to the greatest extent practicable, considering—

(I) the economic impact of the standard on the manufacturers and on the consumers of the products subject to such standard;

(II) the savings in operating costs throughout the estimated average life of the product in the type (or class) compared to any increase in the price of, or in the initial changes for, or maintenance expenses of, the products which are likely to result from the imposition of the standard;

(III) the total projected amount of energy savings likely to result directly from the imposition of the standard;

(IV) any lessening of the utility or the performance of the products likely to result from the imposition of the standard;

(V) the impact of any lessening of competition, as determined in writing by the Attorney General, that is likely to result from the imposition of the standard;

(VI) the need for national energy conservation; and

(VII) other factors the Secretary considers relevant.

The Secretary may not prescribe any amended standard which increases the maximum allowable energy use, or decreases the minimum required energy efficiency, of a covered product. The Secretary may not prescribe an amended standard under this subparagraph (d)(3)(G) if the Secretary finds (and publishes such finding) that interested persons have established by a preponderance of the evidence that the standard is likely to result in the unavailability in the United States in any product type (or class) of performance characteristics (including reliability), features, sizes, capacities, and volumes that are substantially the same as those generally available in the United States at the time of the Secretary's finding. The failure of some types (or classes) to meet this criterion shall not affect the Secretary's determination of whether to prescribe a standard for other types (or classes). A standard as amended by the Secretary under this subsection shall become effective for products manufactured on or after a date which is

(1) two years after the effective date of the relevant standard in amended ASHRAE/IES Standard 90.1 for small commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks, and

(2) three years after the effective date of the relevant standard in amended ASHRAE/IES Standard 90.1 for large commercial package air conditioning and heating equipment.

except that an amended standard issued by the Secretary pursuant to a rule under this subparagraph (d)(3)(G) shall become effective for products manufactured on or after a date which is four years after the date the rule is published in the Federal Register.

(H) The criteria specified in subparagraph (d)(3)(G) shall apply only to products listed in subparagraph (d)(3)(G).

Page 136, line 14, insert "(a)" after "(4), and change "These standards" to "Standards prescribed or established under this subsection (d)".

Page 136, line 6, after the end of the line, add the following three subparagraphs:

(b) Notwithstanding subparagraphs (a), a standard prescribed or established under this subsection (d) shall not preempt a standard for such a product in a building code for new construction if the standard in the building code does not require that the energy efficiency of such product exceed the applicable minimum energy efficiency requirement in amended ASHRAE/IES Standard 90.1, *Provided*, That such standard in the building code does not take effect prior to the effective date of amended ASHRAE/IES Standard 90.1.

(c) Notwithstanding subparagraph (a), a standard prescribed or established under this subsection (d) shall not preempt the standards of the State of California for water-source heat pumps below 135,000 Btu per hour (cooling capacity) that become effective on January 1, 1993, which standards are set forth in Table C-6 of the California Code of Regulations, Title 24, Part 2, Chapter 2-53.

(d) Notwithstanding subparagraph (a), a standard prescribed or established under this subsection (d) shall not preempt a state regulation which has been granted a waiver by the Secretary. The Secretary may grant a waiver pursuant to the terms, conditions, criteria, procedures and other requirements specified in Section 327(d) of this Act.

Page 136, line 8, change "(D)" to "(G)".

Page 137, line 10, after line 10 add a new paragraph (3) as follows:

(3) In the case of products for which the Commission prescribes a labeling rule under paragraph (1) manufacturers and importers of such equipment shall establish efficiency ratings for each type of equipment in accordance with the applicable test procedures, and

(a) include the efficiency rating of the equipment on or near the permanent nameplate attached to each piece of equipment; and

(b) prominently display the efficiency rating of the equipment in new equipment catalogs used by the manufacturer or importer to advertise the equipment.

(c) such other markings as the Secretary may determine are needed solely to facilitate enforcement of the efficiency standards established under this Act.

In developing these labeling requirements for electric motors, the Commission shall take into consideration NEMA Standadrds Publication MG1-1987.

(4) Effective 360 days after a test procedure rule applicable to any product is established under this subsection, no manufacturer, distributor, retailer, or private labeler may make any representation—

(1) in writing (including any representation on a label), or

(2) in any broadcast advertisement.

respecting the energy consumption of such equipment or cost of energy consumed by such equipment, unless such equipment has been tested in accordance with such test procedure and such representation fairly disclosed the results of such testing."

Page 138, line 4, After line 4, redesignate subsections (h) and (i) as subsections (i) and (j), respectively, and add a new subsection (h) as follows:

(h)(1) Effective on the effective date of this Act, this section prempts any State regulation insofar as such State regulation provides at any time for the disclosure of information with respect to any measure of energy consumption of any covered product if—

(A) such State regulation requires testing or the use of any measure of energy consumption or energy descriptor in any manner other than that provided under this section; or

(B) such State regulation requires disclosure of information with respect to the energy use or energy efficiency of any product subject to this section other than information required under this section.

(2) For purposes of this section, the term 'State regulation' means a law, regulation, or other requirement of a State or its political subdivisions.

Page 140, line 6, after line 6, add a new subsection (b) as follows:

(b) Section 340(2)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6311) is amended by striking "(v) air conditioning equipment;" and "(xi) furnaces;" and by redesignating items (vi), (vii), (viii), (ix), (x), (xii), (xiii), and (xiv) therein as items (v), (vi), (vii), (viii), (ix), (x), (xi), and (xii), respectively.

AMENDMENT No. 1603

(Purpose: To encourage the transfer of renewable energy technology to end-users)

On page 72, line 2, add the following new subparagraphs:

"(iv) expand training and information dissemination programs in cooperation and participation with industry using existing technology transfer programs for such sums that may be necessary in fiscal years 1993, 1994, 1995, and

(v) assist existing renewable energy industry consortia and state energy offices to work cooperatively with existing technology transfer programs.

Mr. DECONCINI. Mr. President, I am offering an amendment which directs the Secretary of Energy to expand the Department's renewable energy technology transfer efforts and support partnerships between Federal, State and private sector renewable energy technology transfer programs.

Mr. President, according to many economists, the United States can maintain its competitive edge in renewable energy research by more effectively transferring technology research to the private sector. While the Department's renewable energy budget has grown over the last 3 fiscal years, the technology transfer component represents less than 1 percent of the total appropriated amounts.

The Department of Energy supports several nonprofit entities which are already working with the U.S. renewable energy industry. These relationships need to be enhanced. Also, laboratory and university research should be transferred to the industry and ultimately, potential end-users of this technology. To this end, the amendment directs the Department of Energy to expand their technology transfer activities.

Additionally, my amendment also directs the Secretary to assist and foster partnerships between the U.S. renewable energy and energy efficiency trade association consortia, State energy offices, the private sector and the Federal Government. By coordinating private and public sector efforts in technology transfer, we will be in a much better position to compete in the extremely aggressive world marketplace in this technology.

Mr. President, currently, 9 percent of our total U.S. energy supply currently comes from alternative energy sources. If this country were to undertake an aggressive program to implement renewable energy programs, one-fifth of the total energy demand of this country could be met from those sources.

S. 2166, contains many outstanding provisions to address this deficiency. There are measures in it concerning the development and implementation of alternative energy resources as well energy conservation. While it does not have everything I would have wanted, it moves us in the right direction and I commend the chairman and ranking member for their efforts in this regard. With this legislation, we are taking significant steps to reduce our reliance on fossil fuels. My amendment simply expands on this effort be ensuring that the research done in the field of alternative energy is transferred to end-users in an effective and efficient manner. I ask that my colleagues join me in supporting this amendment.

AMENDMENT NO. 1604

(Purpose: Amendments to facilitate the use of renewable technologies to reduce energy consumption in buildings)

On page 108, line 20, delete the words "code, and" and insert the following: "codes and standards,".

On page 108, line 23, delete "code." and insert the following: "codes and standards, and methods which will enhance and facilitate the use of renewable technologies.".

Page 114, line 20, following "that", insert the following: "both active and passive".

Page 114, line 22, after the semicolon, add the following new paragraph and renumber accordingly:

"(3) that such rating shall take into account the benefits of peak load shifting construction practices;".

Page 125, line 6, following "programs", insert the following: ", including the effects of building construction practices designed to obtain peak load shifting,".

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, those amendments have been cleared on both sides.

Mr. WALLOP. They have, Mr. President.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendments.

The amendments (Nos. 1598 through 1604) were agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SEYMOUR. Mr. President, the Department of Defense [DOD], Department of Energy [DOE], and the Office of Management and Budget [OMB] have put forward a new proposal to lease the Elk Hills Naval Petroleum Reserve. OMB has calculated that through the enhanced efficiency and increased production associated with leasing, the proposal would generate almost $1.5 billion over 5 years of additional revenues to the Federal Treasury.

Would the chairman and the ranking Republican member of the Armed Services Committee, which has jurisdiction over the issue, favor exploring the possibility of achieving such savings for the Federal Treasury if it could be done without adversely affecting the Nation's strategic petroleum reserves?

Mr. NUNN. Mr. President, in these times of ballooning Federal budgets, any measure that can reduce the size of our Nation's deficit without jeopardizing its defense is of great interest to me. I would be pleased to explore the possibility of leasing Elk Hills through hearings before the Committee on Armed Services.

Mr. WARNER. Mr. President, the leasing of Elk Hills Naval Petroleum Reserve was proposed by the Bush administration as part of the national energy strategy. The administration has also included the provision in its fiscal year 1993 budget. I also believe that the measure should be given full consideration by the Armed Services Committee.

Mr. WALLOP. Mr. President, I likewise ask the distinguished chairman of the Armed Services Committee whether he would likewise be willing to explore in a hearing the potential for the sale of the Teapot Dome Naval Petroleum Reserve?

Mr. NUNN. Yes, I would likewise be pleased to also explore the possibility of selling the Teapot Dome Naval Petroleum Reserve during the upcoming Senate Armed Services Committee hearing cycle and I will ask our subcommittee of jurisdiction to particularly explore this subject.

Mr. SEYMOUR. Mr. President, I would like to thank the distinguished chairman and ranking member of the Armed Services Committee for their assistance on this important issue, and I look forward to participating in hearings on the issue at the earliest possible date.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senator CONRAD be added as an original cosponsor of amendment No. 1575, which was adopted earlier.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1605

(Purpose: Expressing the sense of the Senate that relevant congressional committees should study the possibility of revenue neutral legislation which shifts taxation from income to motor fuels in order to reduce the threats to national security and the environment posed by overreliance on imported oil)

Mr. JOHNSTON. Mr. President, I will shortly send an amendment to the desk on behalf of Mr. ROBB which expresses the sense of the Senate that relevant congressional committees should study the possibility of revenue-neutral legislation which shifts taxation from income to motor fuels in order to reduce the threats to national security and the environment posed by overreliance on imported oil. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. ROBB, proposes an amendment numbered 1605.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

SEC. . NATIONAL SECURITY TAX SHIFT.

(a) FINDINGS.—The Senate finds that—

(1) Conservation must be at the heart of any effective long-term national energy strategy; and increasing the motor fuels tax would encourage Americans to purchase more fuel efficient vehicles, car pool, and use alternative forms of transportation.

(2) By encouraging conservation and the market for alternative fuels, increasing the motor fuels tax would reduce our reliance on imported oil, and would reduce the likelihood that American troops will need to be sent abroad to secure the free flow of oil.

(3) Increasing the motor fuels tax would reduce automobile pollution, and, in particular, would reduce the emission of carbon dioxide, a key "greenhouse" gas.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that as part of the Nation's Energy Strategy, the Senate Finance and House Ways and Means Committees should study the possibility of legislation to shift some amount of taxation from the income tax to the motor fuels tax to encourage conservation and alternative fuels, provided that: (1) the revenue generated by the increase in motor fuels tax is shifted to taxpayers in the form of income tax reductions so that the package is revenue-neutral, does not represent a net tax increase on the average American family, and is at least as progressive as the current tax code; (2) the tax shift does not become effective until the current recession is over; and (3) the tax shift is phased in gradually to allow consumers and industries to adjust.

Mr. WALLOP. Mr. President, the minority approves of this.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1605) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Kentucky suggests the absence of a quorum. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Although the Senate cannot address the issue of energy tax incentives in this legislation, I believe that Congress must consider energy tax measures when fashioning a comprehensive national energy strategy. I ask that a copy of a letter sent to the chairman and ranking member of the Senate Finance Committee be included in the RECORD.

My colleague from South Dakota, Senator DASCHLE, chairman of the Finance Committee's Subcommittee on Energy Taxation, has introduced legislation, S. 2100, which offers an array of tax measures designed to promote development of renewable energy technologies and to encourage conservation of existing energy resources. Included in the bill are provisions to expand and extend the existing investment tax credit for solar and geothermal technologies, as well as a 2.0-cent per kilowatt-hour production tax credit for wind, biomass and other renewable sources of energy. I wish to commend the Senator for his leadership on this important issue, and encourage the Finance Committee to move forward expeditiously in enacting an energy tax package that includes these provisions.

Mr. DASCHLE. I want to thank my colleague from Louisiana for his interest in S. 2100 and specifically the provisions promoting the development of renewable technologies. His support is greatly appreciated.

With the notable exception of PURPA, and last year's Public Law 101-218, the Federal Government has done little to increase penetration for renewable energy technologies. Some renewable industries have managed to make great strides despite scant Federal support, while others are still struggling for mere existence, much less commercial viability.

Wind energy has reduced its costs from 25 to 30 cents per kilowatt-hour to between 6 and 8 cents. In California alone, wind provides enough power—3 billion kilowatt-hours—for the residential needs of over 1 million people. Geothermal has made similar strides. Geothermal energy facilities now produce approximately 2,600 megawatts at 6 cents per kilowatt-hour. Both of these technologies could produce more, given a more forward-looking energy tax policy. S. 2100 contains a 2-cent per kilowatt-hour production tax credit for renewable energy. This proposal is similar to one that was in the Department of Energy's draft national energy strategy but was later rejected by the White House.

The solar industry, while quite promising, is further from commercial viability. Solar thermal electric technologies currently produce 385 megawatts of electricity at 8-cents per kilowatt-hour, and solar thermal applications for water heating and solar industrial process heat now offset 1,344 megawatts. The benefit to solar technologies of the existing investment tax credit is dramatically limited by the piece-meal extension of that credit. S. 2100 would not only extend the ITC for 10 years, but increase it to 20 percent.

In the current debate over how to promote economic growth in our country, I cannot think of a more appropriate area for the United States to take a long-term view and establish global leadership than in the area of renewable technologies. If we do not provide the incentives necessary to promote development in this area—and do it now—we are going to lose it all. These vital emerging technologies will simply go abroad.

As my colleague from Louisiana has pointed out, S. 2100 would provide an array of tax and trade provisions designed to promote the development of renewable technologies and to encourage conservation of our existing resources. Let me also point out that many of these provisions are important from an environmental standpoint, as well as an energy security perspective. They include: incentives for the development of motor vehicles that run on clean-burning fuels or electricity; increased tax incentives for the use of mass transit; and a provision clarifying that cash rebates from utilities to their customers for conservation measures are not taxable.

Again, I want to thank the chairman of the Energy Committee for his interest, and hope that he and others will support rapid enactment of my legislation as part of a comprehensive national energy policy.

Mr. JOHNSTON. I know that the Senator from South Dakota has held 2 days of hearings on these issues, and I understand that an additional hearing is being considered. The subcommittee chairman's role in helping to fashion a comprehensive strategy should be encouraged by the Senate, and I want to let him know that I will do everything I can do to encourage full consideration of energy tax legislation like the measures found in S. 2100.

Mr. DASCHLE. Mr. President, I ask unanimous consent that a summary of S. 2100 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE RENEWABLE ENERGY AND ENERGY CONSERVATION ACT OF 1991

TITLE I: RENEWABLE ENERGY TAX INCENTIVES

Subtitle A: Generation of Electricity From Renewable Sources

Extends through the end of the year 2001 the current law investment tax credit available to businesses that construct solar and geothermal energy facilities. Increases the credit to 20%.

Allows public utility properties to take the investment tax credit for solar and geothermal energy facilities.

Permits taxpayers that fall under the Alternative Minimum Tax to take the investment tax credit. The amount of the credit that could be taken against the AMT would be capped at 50%, with the ability to carry excess credits forward.

Establishes a new tax credit for the domestic production of electricity through qualified renewable technologies, e.g., solar, wind, geothermal, photovoltaic, and biomass. The credit initially would be equal to 2.0 cents per kilowatt hour and phased down to .3 cents per kilowatt hour by the year 2001. Taxpayers would be prevented from "double-dipping," i.e., taking advantage of both the investment tax credit and the product tax credit simultaneously.

Subtitle B: Alternative Transportation Fuels Tax Incentives

Establishes a deduction for the cost of acquiring a vehicle that utilizes clean-burning fuels (natural gas, liquefied petroleum gas, and any other fuel if at least 85% of the fuel is methanol, ethanol, and any other alcohol, ether, or any combination of the foregoing). The permissible deduction amount would be up to $2,000 per vehicle ($5,000 for a medium-size truck and $50,000 for a heavy truck). A deduction of up to $75,000 per location also would be permitted for clean-burning motor vehicle refueling property, e.g., specialized gas pumps. Effective for property placed in service after September 30, 1992 and before October 1, 2002.

Allows individuals and businesses to deduct 25% of the purchase price of electric-powered vehicles.

Imposes a 50 cent-per-gallon customs duty on imported methanol, including the methanol portion of imported fuel additives derived from methanol, such as Methyl Tertiary Butyl Ether (MTBE).

TITLE II: ENERGY CONSERVATION TAX INCENTIVES

Subtitle A: Alternatives to Single-Passenger Automobiles

Includes employer-provided parking under fringe benefit rules along with mass transit, vanpool and carpool subsidies. Permits employee to exclude up to $75-worth of (1) an employer-provided mass transit, vanpool or carpool subsidy; or (2) the value of "qualified" employer-provided parking. Qualified parking is either (1) owned and operated by the employer and used substantially by employees of the employer; or (2) on or near a location from which an employee of the employer commutes to work by mass transportation, vanpool or carpool.

Subtitle B: Other Conservation Incentives

Provides that individual, commercial and industrial taxpayers may exclude from gross income any rebate provided by a public utility (electric, gas and water) for the purchase or installation of an energy conservation measure.

Subtitle C: Fuel Efficient Automobiles

Expands the current law "gass guzzler/gas sipper" tax, which imposes a tax or provides a rebate on the domestic sale of new motor vehicles based on average fuel economies of that class of vehicle. In addition, adds a separate coefficient for the tax based on crash safety data.

AMENDMENT NO. 1606

(Purpose: To require electric utilities to evaluate cogeneration and district heating and cooling applications as part of the planning and selection process for new energy resources)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. WELLSTONE, proposes an amendment numbered 1606.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 157, line 25, insert "cogeneration and district heating and cooling applications," after "efficiency,".

Mr. WELLSTONE. Mr. President, I am pleased to join with my colleagues in sponsoring this amendment. It offers a constructive resolution of our differences. I wish to thank Senator JOHNSTON, Senator WALLOP, and their staffs for engaging in the discussions which have led to this proposal.

Of particular concern to me was the proposal in S. 2166 to turn over to the States regulatory authority over most of the hydroelectric dams in this country. I had prepared an amendment to strike this section because it had enormous and complex implications for the environment and for the hydropower industry.

In addition, I supported the amendment proposed by Senator ADAMS which would have protected the authority of Federal land management agencies to condition hydroelectric development on public lands. Senator ADAMS and his staff worked diligently through our discussions to produce a substitute proposal which we believe will enhance environmental protection and at the same time remove unnecessary obstacles faced by the hydroelectric industry.

Senator ADAMS and I were prepared to offer a joint amendment addressing our concerns about these issues by simply striking the relevant provisions of S. 2166. Instead, with the cooperation of the other sponsors of this amendment, we have produced a proposal which I believe is a more constructive resolution of industry's concerns.

In addition, this proposal includes language regarding NEPA compliance which was outside of the discussions in which Senator ADAMS and myself were engaged. It is our understanding that this language was developed in consultation with members of the Senate Environment and Public Works Committee.

Mr. President, instead of using more of the Senate's time with a detailed discussion of these issues, I ask unanimous consent that a letter from several national conservation groups discussing the hydroelectric provisions of S. 2166 be printed in the RECORD following these remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN RIVERS, AMERICAN WHITEWATER AFFILIATION, FRIENDS OF THE RIVER, NATIONAL AUDUBON SOCIETY, NATIONAL WILDLIFE FEDERATION, SIERRA CLUB, TROUT UNLIMITED, THE WILDERNESS SOCIETY,

February 4, 1992.

DEAR SENATOR: S. 2166, the National Energy Security Act of 1992, is currently under consideration in the Senate. Our organizations are very concerned that provisions within the bill relating to federal licensing of hydroelectric facilities would significantly weaken existing environmental protections and would not result in any real increase in energy production. We therefore strongly encourage you to vote in support of the following amendments:

1. Wellstone Amendment to delete provision which exempts "small" hydroelectric projects from federal licensing.

S. 2166 would automatically eliminate federal licensing jurisdiction over hydroelectric projects of 5MW or less capacity, opening the door to deregulation of two-thirds of all currently licensed hydroelectric power projects, as well as most future hydroelectric development. The provision would exempt hydropower projects from most federal environmental and cultural resource laws, such as the National Environmental Policy Act, ("NEPA") and the consultation requirements of the Endangered Species Act, by the elimination of a federal role. The provision is particularly disturbing given that hundreds of the nation's oldest and most environmentally damaging hydroelectric projects are up for relicensing over the next few years and could be statutorily exempted from federal environmental laws.

2. Adams/Wirth/Leahy (possibly) Amendment to delete provision which eliminates the federal land managing agencies' abilities to set mandatory conditions of hydropower projects.

S. 2166 would eliminate the 70-year-old authority of federal land management agencies to place mandatory conditions on hydroelectric power facilities located on federally reserved lands, such as national forests, recreation areas, wildlife refuges, BLM special management areas, and military lands. More than 220 projects are located on national forest lands alone, with recent speculative proposals for hundreds more, all of which could be affected by this provision. Giving FERC sole authority over hydroelectric facilities on federal lands seriously undermines the mandate of the land managing agencies to protect and manage lands under this respective jurisdictions.

3. Possible Amendment to delete provision which establishes the Federal Energy Regulatory Commission ("FERC") as the statutorily defined "lead" agency for meeting the requirements of the National Environmental Policy Act and other environmental reviews.

As written, the bill would significantly weaken the administration of NEPA by granting FERC unprecedented statutory lead agency status. FERC, which has a dismal environmental record, would set all terms for other federal agencies' NEPA reviews relating to such projects and setting time limits for all environmental submissions by federal, state, and tribal governments. This approach fundamentally conflicts with the NEPA regulations of the President's Council on Environmental Quality.

4. Possible Amendment to require cost-sharing and to delete a provision which authorizes open-ended construction of water conservation projects for energy purposes.

The bill would authorize studies of all federal dams and water projects to increase hydroelectric power generation without requiring cost-sharing and analysis of related environmental concerns. It also authorizes both studies and open-ended construction of "water conservation" projects by the Bureau of Reclamation to increase available power at Reclamation dams for sale to electric utilities by reducing water or energy use at western irrigation projects. Water projects should not be authorized for construction without the opportunity for Congress to first consider feasibility studies and environmental review documents. These provisions potentially affect hundreds of dams nationwide.

We strongly urge you to vote in favor of these amendments to S. 2166.

Elizabeth Norcross, American Rivers, Ronald Stork, Friends of the River; John Echeverria, National Audubon Society, William Maxon, Trout Unlimited; Richard Bowers, American Whitewater Affiliation; David Conrad, National Wildlife Federation; David Gardiner, Sierra Club; Don Hellmann, The Wilderness Society.

Mr. JOHNSTON. Mr. President, this amendment on behalf of Senator WELLSTONE requires utilities to evaluate cogeneration and district heating and cooling applications in selection for new energy resources. It has been cleared on both sides.

Mr. WALLOP. Mr. President, that is the case.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1606) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1607

(Purpose: To formulate a plan for the strategic diversification of U.S. oil imports and for the development of the energy resources in the former Soviet Union)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. EXON, proposes an amendment numbered 1607.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

SEC. . STRATEGIC DIVERSIFICATION.

The Office of Barter within the U.S. Department of Commerce and the Interagency Group on Countertrade shall within six months from the date of enactment report to the President and the Congress on the feasibility of using barter, countertrade and other self-liquidating finance methods to facilitate the strategic diversification of U.S.

oil imports through cooperation with the former Soviet Union in the development of their energy resources. The report shall consider among other relevant topics the feasibility of trading American grown food for Soviet produced oil, minerals or energy.

Mr. EXON. Mr. President, I rise to offer an amendment to require the Office of Barter within the U.S. Department of Commerce and the Interagency Group on Countertrade to report to the President and the Congress on the feasibility of using barter, countertrade, and other self-liquidating finance methods to facilitate the strategic diversification of United States oil imports through cooperation with the former Soviet Union in the development of their energy resources. The report will consider among other relevant topics the feasibility of trading American-grown food for Soviet produced oil, minerals, or energy.

Strategic diversification recognizes the simple fact that America needs oil and the former Soviet Union needs food—and countless other goods produced in the United States. This amendment attempts to start a process to match the needs of these former adversaries. It attempts to turn a former enemy into a future customer.

The United States will be importing oil for many years. The United States should diversify its oil purchases in a manner which will best serve American interests. In this case, it is in the American interest to expand and diversify the available sources of oil and help create new markets for American products.

This amendment seeks the consideration of an oil import strategy which can meet our energy needs and serve our economic and trade needs as well.

The former Soviet Union holds the planet's largest reserves of oil. Because the new democracies of the former union have 1950's and 1960's oil exploration and extraction technologies, in recent years oil production in the region has plummeted.

This amendment calls on the President to consider a long-term strategy to work with the former Soviet Union and develop its energy production through the use of barter, countertrade, and other nontraditional means of finance including trading American food for Soviet oil.

A barrel of oil purchased or bartered with the former Soviet Union could facilitate additional American sales of food and products whereas a barrel of oil from a Persian Gulf nation would simply add to a bilateral trade deficit.

In other words, oil from the former Soviet Union could equal new American exports. The United States is falling behind the curve. France, Poland, Germany, and Cuba all have announced food for oil transactions. There is great interest from American business in such transactions; unfortunately there has been limited leadership from the U.S. Government.

One key exception is Ambassador Robert Strauss. I met with Ambassador Strauss and explained my interest in barter and countertrade transactions. I was delighted to learn of the Ambassador's shared interest and have read reports of this advocacy of food for oil exchanges with the former Soviet Union. Now is the time to seize the opportunities created by a freed Soviet Union. Now is also the time to kick the Office of Barter created in 1988 into full gear.

This amendment is intended to nudge the President into mobilizing the expertise in his Government to consider a commonsense approach to expanding U.S. trade and meeting U.S. energy needs.

Thank you, Mr. President.

Mr. JOHNSTON. Mr. President, this amendment on behalf of Senator EXON, cleared on both sides, simply requires the preparation of a study on the feasibility of using a barter to facilitate the strategic diversification of oil imports through cooperation with the former Soviet Union.

Mr. WALLOP. Mr. President, the minority thoroughly agrees with the thrust of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1607) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1608

(Purpose: To preserve Federal Energy Regulatory Commission authority over hydroelectric licensing, and for other purposes)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. EXON). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for himself, Mr. WALLOP, Mr. WELLSTONE, Mr. ADAMS, Mr. LUGAR, Mr. LEAHY, and Mr. BRADLEY, proposes an amendment numbered 1608.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 93, line 20, delete section 5301 in its entirety and substitute the following:

"SEC. 5301. STREAMLINING REGULATION UNDER THE FEDERAL POWER ACT.—The Federal Power Act, as amended, (16 U.S.C. 791a et seq.) is further amended by inserting in section 4 ', and for the purposes of subsections (h) and (i), the Commission shall' after 'empowered' and inserting the following after subsection (g):

"(h) Establish procedures that, to the extent practicable, provide for the earliest identification and performance of all studies and analyses required to be performed in conjunction with an application for a license under this part.

"(i) Within one year after enactment of this subsection, enter into memoranda of understanding with each Secretary under whose supervision a reservation falls which provides for:

"(1) timely submission by the Secretary to the Commission of any proposed terms and conditions which are relevant to the Secretary's statutory responsibilities for the reservation with respect to the proposed project;

"(2) establishment and implementation of a process for resolution of disputes, if any, between the Commission and the Secretary concerning conditions proposed by the Secretary in connection with the licensing of a project; and,

"(3) identification and implementation of measures to avoid duplication of effort, delay, and costs to all parties in connection with the licensing of a project.".

Beginning on page 98, line 9, delete section 5302 in its entirety and substitute the following:

"SEC. 5302. (a) MEMORANDA OF UNDERSTANDING.—The Commission and all relevant federal agencies are directed to enter into memoranda of understanding which will establish procedures for a consolidated review to the fullest extent possible under the National Environmental Policy Act of 1969 of federal actions affecting the authorization of hydroelectric projects subject to the jurisdiction of the Commission.

"(b) THIRD PARTY CONTRACTING.—

"(1) Where environmental documents are prepared in connection with an application for a license under Part 1 of the Federal Power Act, the Commission may permit, at the election of the applicant, a contractor, consultant or other person funded by the applicant and chosen by the Commission from among a list of such individuals or companies determined by the Commission to be qualified to do such work, to prepare such environmental document. The contractor shall execute a disclosure statement prepared by the Commission specifying that it has no financial or other interest in the outcome of the project. The Commission shall establish the scope of work and procedures to assure that the contractor, consultant or other person has no financial or other potential conflict of interest in the outcome of the proceeding. Nothing herein shall affect the Commission's responsibility to comply with the National Environmental Policy Act of 1969.

"(2) Where an environmental assessment is prepared in connection with an application for a license under Part 1 of the Federal Power Act, the Commission may permit an applicant, or a contractor, consultant or other person selected by the applicant, to prepare such environmental assessment. The contractor shall execute a disclosure statement prepared by the Commission specifying that it has no financial or other interest in the outcome of the project. The Commission shall institute procedures, including pre-application consultations, to advise potential applicants of studies or other information foreseeably required by the Commission. The Commission may allow the filing of such applicant-prepared environmental assessments as part of the application. Nothing herein shall affect the Commission's responsibility to comply with the National Environmental Policy Act of 1969.".

On page 282, line 1, delete the words "MAJOR FED-" and lines 2 through 19 and insert in lieu thereof:

"MEMORANDA OF UNDERSTANDING.—The Commission and all relevant federal agencies are directed to enter into memoranda of understanding which will establish procedures for consolidated review to the fullest extent possible under the National Environental Policy Act of 1969 of federal actions affecting the authorization of natural gas facilities subject to the jurisdiction of the Commission.".

On page 282, line 20, delete "'(b)" and insert in lieu thereof "(b) ENVIRONMENTAL IMPACT STATEMENTS.—".

On page 282, line 22, delete "this" and insert in lieu thereof "the Natural Gas.".

On page 282, line 23, strike "shall" and insert "may'.

On page 282, line 24, insert "and chosen by the Commission from among a list of such individuals or companies determined by the Commission to be qualified to do such work", after "applicant".

On page 282, line 25, after "document." insert "The contractor shall execute a disclosure statement prepared by the Commission specifying that it has no financial or other interest in the outcome of the project.", and delete "The Commission shall" and all that follows through "work." on page 283, line 4.

On page 283, line 11, delete "'(C)" and insert in lieu thereof "(c) ENVIRONMENTAL ASSESSMENTS.—".

On page 283, line 14, strike "shall" and insert "may".

On page 283, line 16, after "assessment." insert "The contractor shall execute a disclosure statement prepared by the Commission specifying that it has no financial or other interest in the outcome of the project.".

On page 283, line 20, stike "shall" and insert "may".

On page 283, delete lines 24 and 25 and, on page 284, delete lines 1 and 2, and insert in lieu thereof:

"(d) Any environmental review undertaken by the Commisson pursuant to the National Environmental Policy Act of 1969, or by a project sponsor must include those facilities subject to the Natural Gas Act and Natural Gas Policy Act of 1978, but will not include nay related nonjurisdictional facilities unless the Commission's control and responsibility over those facilities is sufficient to cause the private action to become a Federal action. To determine whether sufficient control and responsibility by the Commission exists, the following factors must be considered:

"(1) whether the regulated activity comprises merely a link in a corridor-type project;

"(2) the extent of the nonjurisdictional facilities in the immediate vicinity of the regulated activity;

"(3) the extent to which the entire project will be within the jurisdiction of the Commission; and

"(4) the extent of cumulative Federal control and responsibility.

"(e) As part of a required NEPA review of proposed facilities, at the beginning, FERC shall meet with the applicant, other affected Federal, State and local agencies, affected Indian Tribes, if any, and other interested persons to identify issues to be analyzed and when serving as the land agency, FERC may allocate assignments, and establish time frames necessary for the preparation of an Environmental Impact Statement (EIS).".

Mr. ADAMS. Mr. President, I rise today in support of the amendment offered by myself and the distinguished Senator from Minnesota. I am very pleased to have been able to work this issue out and to have this amendment accepted by the committee. This is an important issue, and I believe we have achieved a reasonable compromise which addresses the major concerns of all interested parties. I commend Senator WELLSTONE and his staff, all of the Senators who signed our original letter and their staff, Senators JOHNSTON and WALLOP and the committee staff for their hard work to make this compromise possible.

Mr. President, I come from a State that is one of the Nation's leaders in hydropower production. As such, I had deep reservations about the hydroelectric provisions of S. 2166, particularly those dealing with the mandatory conditioning authority of Federal land managers and the 5 megawatt exemption.

In Washington State and across the Nation, hydropower is a critically important resource which must be managed in an extraordinarily careful, deliberate manner. The Adams/Wellstone amendment will not only allow that careful planning process to continue consistent with existing law, it will improve the timeliness and efficiency of hydropower licensing. This is the best possible result for FERC, for the Federal land managers, and for the hydropower industry.

As many of you know, the entire Pacific Northwest region is struggling with a complex set of problems related to saving and restoring depleted salmon runs. No activity has contributed more to the destruction of the Northwest's salmon, steelhead, and sea-run cutthroat-trout populations than hydroelectric development. In response to this threat, we have worked extremely hard to craft a regional hydroelectric planning process in order to meet the region's power needs and to provide for responsible regulation and protection of our fisheries. This process is founded on existing law in hydropower licensing. It is a process in which the Federal land managers play a critical role.

For example, the Forest Service has jurisdiction over 50 percent of all of the salmon habitat in the region and is deeply involved in salmon recovery planning efforts. Many other agencies and utilities participate in that process through the Forest Service. If we are to protect the growing Federal investment in salmon runs in the region, the Forest Service and the other Federal land managers must retain their authority to set conditions on FERC hydro projects. One arm of the Federal Government should not be tearing down what another arm is trying to construct.

The Federal land managers have had the authority to set mandatory conditions on federally licensed hydroelectric projects for 70 years. They were given this authority in order to protect the lands and resources under their charge. It simply does not make sense—particularly given the comprehensive planning process underway in the Northwest—to give the Federal Energy Regulatory Commission the authority to override the United States Forest Service, the Bureau of Land Management [BLM], and other Federal agencies in setting hydropower license conditions on public lands.

In the State of Washington, more than 28 percent of our land area is federally owned, and the vast bulk of small-scale hydropower proposals involve these lands, especially developers interested in siting projects on national forest streams. There is too much at stake on these lands to turn their fate over to the Federal Energy Regulatory Commission. A poorly sited or improperly conditioned hydropower project can wipe out years of restoration work and fisheries-management efforts in a single stroke.

Under the umbrella of the Northwest Power Planning Council's [NPPC] energy, fish and wildlife planning process, I believe we can continue to work together as a region to come to terms with these complex issues. The NPPC, BPA, and the Public Utility Districts cooperate very closely with the managers of Federal public lands throughout the Pacific Northwest. Our amendment will allow this process to continue unabated. At the same time, it will allow hydro developers, in conjunction with FERC, to enter into agreements to ensure the timely processing of their license applications. This is a reasonable and balanced resolution to the concerns of the land managers, the regional planners, and the hydroelectric community.

Mr. President, I am very pleased to have been able to forge such a reasonable and, I believe, responsible resolution to this complicated issue. This makes sense for the Washington State, the Pacific Northwest, and the Nation. Again, I thank Senator WELLSTONE and the other Senators and staff who worked to make this compromise possible.

Mr. JOHNSTON. Mr. President, this amendment on behalf of myself, Senators WALLOP, WELLSTONE, and ADAMS addresses a series of issues in the hydroelectric power natural gas sections of S. 2166.

The amendment should lead to improvements in the hydroelectric licensing process and make it more timely and rational and less expensive to the parties.

The amendment will preserve Federal land manager's existing authority to set conditions for hydro projects.

The amendment also strikes the provision of S. 2166 which would have granted States jurisdiction to license 5 megawatt and smaller hydro projects and addresses concerns expressed by the Committee on Environment and Public Works with the bill's treatment of NEPA compliance in connection with hydro projects and gas pipeline licensing.

While I support this amendment, I think it reflects a tolerable compromise. I want my colleagues to know I would much rather have preserved the original bill language. The bill as introduced sent a clear signal that we should get on with the important business of licensing and constructing safe and environmentally sound hydro projects, and issuing certificates that need natural gas pipelines.

These amendments are a small step in the right direction but do not go as far as I would like to have gone or as far as I think the country needs to go.

Mr. WALLOP. Mr. President, it is my understanding that the new paragraph 1D of subsection (d) on page 283 is intended to be interpreted as meaning that the determination of Federal control and responsibility will be limited to the portions of the project beyond the limits of Commission jurisdiction, where the cumulative Federal involvement of the Commission and other Federal agencies is sufficient to grant legal control over such additional portions of the project.

With that understanding, I say that the minority agrees, and I ask unanimous consent that Mr. LUGAR be added as a consponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment (No. 1608) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I will shortly send an amendment to the desk on behalf of Senator MURKOWSKI. The proposed project is a run-of-the-river hydro project to supply needed electric power to three remote Alaskan Native villages. The proposed project will free the villages from air quality impacts, potential fire hazards, and devastating economic dependence, and the proposed language would remove these projects from FERC jurisdiction.

AMENDMENT NO. 1609

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. MURKOWSKI, proposes an amendment numbered 1609.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 105, at the end of line 20 strike "." and insert "; and (3) a project located near Nondalton, Alaska, with application numbered EL88-25-001."

Mr. WALLOP. The minority agrees with the thrust of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1609) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WIRTH. Mr. President, I would like to engage the distinguished floor manager in a colloquy concerning the meaning of a term used in the vehicular natural gas, or VNG, provisions of S. 2166. The purpose of these provisions is to promote the development of a retail distribution infrastructure for VNG by eliminating regulatory disincentives for participation by existing natural gas distributors and automotive fuel marketers.

Mr. President, my question concerns section 11108 of 2166. Among other things, this section amends section 2 of the Natural Gas Act to define the term "Vehicular Natural Gas". This is defined to mean "natural gas that is ultimately used as fuel in a motor vehicle." I ask the floor manager to explain what is meant by the term "motor vehicle" in the definition of "Vehicular Natural Gas." In particular, I want to make sure that the term is not limited to cars, trucks and buses, but that it includes all self-propelled vehicles including, for example, locomotives and self-propelled construction equipment.

Mr. JOHNSTON. I would be pleased to respond to the question of the Senator from Colorado. With respect to the identical provision in S. 1220, the Committee on Energy and Natural Resources in its report noted that "[i]t is intended that the term 'motor vehicle' be construed broadly to include both vehicles now technologically capable of fueling with natural gas, such as automobiles, trucks, boats and trains, as well as other vehicles that may become technologically capable of fueling with natural gas in the future." The committee's reference to boats and trains, I believe, evidences an intention that the term "motor vehicle" be broader than simply on-road vehicles. To put it quite simply, if it has a motor that is fueled with natural gas, and if that motor can propel it somewhere, it is a "motor vehicle" for purposes of the definition of "Vehicular Natural Gas" in section 11108 of S. 2166, and the use of natural gas for such vehicles is contemplated by this section.

Mr. WIRTH. Mr. President, I thank the floor manager for his clarification.

ENERGY SMARTS: CHILDREN BUILDING POWERPLANTS

Mr. HATFIELD. Mr. President, as the Senate concludes consideration of the national energy strategy legislation I want to share with my colleagues an inspiring program in Oregon which transcends much of the rhetoric we heard this week, and which combines energy and the environment with our national education goals to improve mathematics and science literacy. I hope this story will motivate others to inquire within their own communities about ways to promote these mutual societal objectives.

Before I outline the details of this innovative and truly comprehensive effort, I want to say that in Oregon we do follow national politics. We do read the national newspapers. We are aware of the conventional thinking that says: "The war is over we don't need a national energy policy * * * that you can't pass a national energy bill without nightly news stories about gasoline lines * * * and that energy and the environment have lost their popular appeal because of concern over jobs."

But what I am here to report is that, at least in my State, concern over energy and the environment has not receded as a public concern, rather it simply has taken on a new form.

The people I know who are concerned about energy use and the environment don't often read the New York Times. They never come to the Hill to lobby on energy issues and they are almost never surveyed for their views on the subject. These people don't often worry about how much energy is going to cost, because they don't make any money.

But, Mr. President, what these people think about energy and the environment will make all the difference in the world—because these people are our children.

Throughout the past decade children of America have expressed a growing concern about the health of our planet and consistently have linked their concerns to energy use in our society. The success of community recycling efforts—led in large part by children—taught us an important lesson—that children are willing to change their behavior in order to achieve a long-term and admittedly ethereal social policy objective. Those who say today's kids are materialistic and self indulgent are wrong. Which is the heart of my story, Mr. President.

Could this kind of adolescent altruism apply to energy use? Could a new school curriculum be developed that would teach kids about wise energy consumption and environmental tradeoffs?

Could kids be motivated enough to build a powerplant out of energy conservation? Could the utilities in my State lead the way to regional collaboration in a critical area of education—mathematics and science?

These are the kinds of questions that have caused a minor revolution in Oregon. With the assistance of the Bonneville Power Administration and others, one electric utility in my State—Portland General Electric Co.—has been asking these questions and has developed a consensus of answers from the energy community in the northwest region. The effort has caught the attention of both the energy industry and educators alike.

The program is called Energy Smarts. And their motto is quite appropriate, "Kids + Schools = Power." The program has several separate but interrelated components and includes materials for grade levels K through 12. Originally the program was conceived to help school districts cut operating costs by conducting expanded energy facility audits, installing state-of-the-art energy efficient equipment, and providing operation and maintenance training. By reducing energy bills 15 to 30 percent the schools would save $15 to $20 million by 1996-97 school year which would then be available for other educational expenses. In Oregon, energy operating costs account for the second largest school expenditure after teacher salaries.

While the energy efficiency upgrades would provide a kind of working laboratory for many school children, the heart of the Energy Smarts Program is the portion designed for eighth graders, called "In Concert With the Environment." In Concert With the Environment integrates the concept of eco-watts as a means of teaching students how lifestyles and consumption are reflected in energy use and conservation. Every time you get in the car you consume an eco-watt. Every time you turn on a light switch you use up an eco-watt. Every time you buy a gasoline lawn mower or electric appliance you are making a choice about what kind of energy you want to consume and which environmental tradeoffs you believe are important. In the Energy Smarts Program, the term eco-watt is entirely fuel-blind.

Mr. President, the curriculum for this program contains many wonderful examples of energy education: If a family chooses to recycle all of their newspapers, it would reduce 21 cubic feet of needed landfill; it would save over 3,000 gallons of water plus the electrical energy saved, and it would remove the equivalent volume of CO_2 emissions as four mature trees.

There is yet another element of the In Concert With the Environment Program for eighth grade students. At the end of this 6-week curriculum, students will be sufficiently versed in energy supply and consumption that—with the help of their parents—they will conduct their own home energy and environmental audits. The utilities will use the information in the audit to evaluate the actual improvements in energy efficiency made by that family. Actions taken by the family are linked to energy conservation tariffs which allow participating utilities to accrue a 12-percent return on their investment in the equipment and materials used to develop the program. The expressed goal of Energy Smarts is for eighth graders over a 5-year period to build a 15MW powerplant from the energy conserved under this approach.

Mr. President, the energy and environmental benefits are obvious but what has caught the imagination of educators in Oregon is the opportunity for the Energy Smarts curriculum to also develop important analytical skills in math and science and to promote parental involvement in the educational process.

The Northeast Regional Educational Laboratory, 1 of 10 Federal educational laboratories across the country, is now taking a lead role in assembling the infrastructure to support the regional collaboration initiated under Energy Smarts. Through the Excellence in Science, Mathematics and Engineering Education Act of 1990, enacted last year, Federal funds will soon be available to regions like the Northwest to develop consortia of education and science resources to provide technical assistance for schools and teachers engaged in the educational reform process. Such assistance may provide assessment of student achievement in programs like Energy Smarts.

As we all know, collaboration on educational reform cannot come soon enough. I was dismayed to find yet another international comparison of our schoolchildren on the front pages on this morning's papers. The Secretary of Education, Lamar Alexander, termed the new data as a clear warning that even good schools are not properly preparing children for world competition.

The results are frightening, although I must say, literally numbing by now. The average American 13-year-old scored 55 percent out of 100 on the math test administered in 6,000 classrooms worldwide. By comparison, students in Korea scored 18 percent higher. Our students fared a bit better in science with the average score resting at 67 percent, 11 points below the top-scoring countries. But most distressingly, American students ranked behind those in the Soviet Union, Italy, Israel, France, Scotland, and Spain.

Mr. President, I strongly believe the Energy Smarts Program can serve as a model for reform. Currently, it is administered as a demonstation project in 23 schools within both Portland General Electric and Northwest Natural Gas service territory. Through the efforts of the Bonneville Power Administration, Pacific Power and Light, and the Northwest Natural Gas Co. the curriculum may soon be implemented regionwide.

At the same time as the participating students and school administrators of the Energy Smarts Program are building their 15-megawatt powerplant out of conservation, schools will be saving money; environmental benefits will be accruing and we will be shaping the behavioral patterns of these children for the rest of their adult lives.

It is not enough for children to simply be aware and concerned about the problems of the environment. The Energy Smarts Program will fill in the missing pieces by arming them with the conceptual tools to make wise choices about energy consumption. It will teach them that we can not eliminate environmental impacts entirely, but that we can minimize environmental impacts and that we have choices to make about which environmental values are most important. This concept of environmental choices, I believe, has been lost in much of our debate over national energy policy.

The second broader benefit, Mr. President, is that the Energy Smarts Program supports our national mandate to improve mathematics and science literacy by providing classroom activities that children can also do at home with their parents. The marriage of math and science literacy with real world experiences about environmental choices is a powerful combination that is embodied within the same Energy Smarts Program.

The Energy Smarts Program is truly an ingenious combination of elements that are all converging at the same time: Rate tariffs that treat energy conservation like other supply options; improved energy efficient equipment; budget cut backs within local school districts. This is why the Energy Smarts Program has enjoyed the strong support and participation of the Oregon Department of Education, the Oregon Department of Energy, the Public Utility Commission, the Northwest Power Planning Council, the Northwest Regional Educational Laboratory, the Bonneville Power Administration, Battelle Pacific Northwest Laboratories, the Environmental Protection Agency, as well as Portland General Electric, Pacific Power and Light, and Northwest Natural Gas.

But the truly unique aspect of Energy Smarts is that under the same umbrella we will be arming our children with both the conceptual and analytical tools to develop long term behavioral changes which will help reconcile the environmental consequences of our energy dependent society.

Mr. President, I ask unanimous consent that the article from this morning's Washington Post regarding international comparisons in mathematics and science education be included in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STUDENTS TEST BELOW AVERAGE

(By Mary Jordan)

A new international comparison of schoolchildren shows American students performing below average in mathematics and science, a "clear warning" that even good schools are not properly preparing students for world competition, Education Secretary Lamar Alexander said yesterday.

The survey of 175,000 students worldwide, which Alexander called "the best international comparison of student abilities in 25 years," also shows American students watching more television and doing less homework than almost all of their counterparts around the world.

Alexander noted that the results show that the top 10 percent of American students "can compete with the best students in any country."

However, he said, the results also show that the vast majority of American students perform below the international average.

"It means this is not just an inner-city problem or a rural poverty problem," he said. "It's a problem in the suburbs and in the middle-class families all over the country."

Education officials said the $2 million study was designed to answer criticisms of past international comparisons. It tested 9-year-olds in 14 countries and 13-year-olds in 20 countries. Notably missing from the list are Japan and Germany, which declined to participate in the survey funded by the Education Department, the National Science Foundation and the Carnegie Foundation.

The average American 13-year-old scored 55 percent out of 100 on the math test administered last March in 6,000 classrooms worldwide. By comparison, Taiwanese and Korean students scored 18 percentage points higher. In science, 13-year-olds in America fared better, scoring an average of 67 percent, 11 points below the leaders.

The brightest news for the United States were the science scores of 9-year-olds, who performed only behind Korea and Taiwan and only by 3 percentage points. The Educational Testing Service, which administered the test, said the survey suggests American students fell behind as they got older and began being tested on more complicated sciences, like chemistry.

The survey appeared to challenge some notions about what leads to academic success. Small class size, a longer school year, and more money spent on books, computers, and teachers did not make a notable difference in student achievement, according to the survey.

Korea, which along with Taiwan scored at the top, had 49 students in an average class, the largest of any country. Hungarian students scored in the top half in math and science, but go to school only 177 days, about the same as Americans and near the bottom of those surveyed. The United States is at or near the top on dollars spent per student.

The study did suggest, however, a correlation between achievement and time spent watching television, doing homework, and reading.

In the United States, 22 percent of the 13-year-olds tested in science watched at least five hours of television a day. In Korea, the top performer, 10 percent watched at least five hours a day; in Taiwan and Switzerland, also at the top, 7 percent watched that much TV.

"This suggests that within all of those countries, the more time students spend watching television, the less well they do in science," said Archie E. Lapointe, one of the study's authors.

On the average, American 13-year-olds spend, at most, an hour a week on math homework and the same on science. Chinese students spend at least four times that on math and Russians study science at home for at least four times that on math and Russians study science at home for at least four hours a week.

Previous international comparisons have been criticized for including too few countries, not accounting for curriculum differences—such as what year students in different countries learn geometry—and because only a small percentage of students attend school in some countries, effectively comparing a cross-section of American students with the elite of another country.

Iris C. Rotberg, a senior social scientist at the Rand Corp. on a leave of absence from the National Science Foundation, said she believes many of those flaws remain in the new study.

"The practicality of making comparisons across diverse societies and educational systems make it difficult to interpret the findings." She noted that "only elite schools and regions were sampled" in some countries.

"There are different curriculum emphases in different countries and the test results could reflect those," she said. "We make policy based on these findings and the findings could be misleading because of technical glitches on these tests."

In the survey of 13-year-olds, Britain, China, Portugal, Brazil and Mozambique had a low participation rate, so they were not included in the main ranking. Of the 15 countries where a large percentage of students were included, Jordan was the only country to rank below the United States in math. Ireland and Jordan were the only countries whose students had worse scores in science.

Among the countries whose students performed better than those in the United States: the former Soviet Union (Russian-speaking students in 14 republics surveyed) Italy, Israel (Hebrew-speaking schools tested only), France, Scotland and Spain.

MANDATED OPEN-ACCESS

Mr. SHELBY. Mr. President, my friend the chairman of the Energy Committee and Senator RIEGLE have entered into colloquy in which they have addressed the question of transmission access and whether it should be mandated in the electric utility industry. And I would like to add my views on that subject at this time. As we all know, neither the Senate Energy Committee nor the Senate as a whole, has had the opportunity to consider fully the need for or ramifications of mandating open access to the Nation's electric grid.

In fact, in Committee, we specifically decided not to take up the issue of transmission access because: First, greater access could prove destructive and unfair; second, developing comprehensive legislation to deal with the case-by-case problems that arise in a transmission access dispute is inordinately difficult; third, greater access may evolve naturally as we make changes in the Holding Company Act, and, fourth, the administration itself did not include transmission access in its national energy strategy proposal.

Now, for those who may have questions about transmission access, I want to take a moment to address the question of whether or not we need to make any additional changes in the law to require open-access to the Nation's electric grid. The theoretical objective of forced opening of the electric power transmission grid is to encourage competition, thereby stimulating production efficiency and creating a more efficient bulk power market. A good case can be made for using competition to stimulate production efficiency, but if such competition were to impair the viability of the power grid, we might lose all the perceived advantages and more. Moreover, there is no conclusive evidence that market efficiency would be improved significantly if the grid were opened up. There appears to be little room for improvement in the short-term market, and I fear that proposals to open up the system may impair rather than improve long-term market efficiency.

The fact is that, aside from the investors in independent power production projects, society as a whole has little to gain or lose from the success or failure of any particular independent power generation enterprise. The stakes are much higher when it comes to an infrastructure industry such as the electric utility industry. Other businesses and all individuals depend on a reliable and economical supply of electricity; thus, society as a whole has a genuine interest in reliable and economic electric power. This fact has long been recognized in electric utility laws and regulations. Let us not disturb this equilibrium.

The electric power generating and transmission system is a vital national asset. It furnishes a blanket of broad public services that are available to everyone connected thereto. However, the grid is vulnerable. It is at the mercy of every system it serves. A mistake on the grid can cause widespread damage, as happened in 1965 when a series of errors in Canada followed by an unsustainable rush of power into upstate New York caused the blackout of New York City. When these large-scale outages occur, the impact on cities and communities can be dramatic. On January 6 of this year, an outage occurred here that blacked out portions of the District. Offices closed, traffic flow was disrupted, and hundreds of businesses lost thousands of dollars in trade. The reliability of our Nation's power system is central to our Nation's economy and, thus, we should be very careful about any changes we make in that system.

One of the significant unanswered questions in the current debate is who would provide the backup power to maintain system reliability under a system characterized by many independent producers freely moving electric power over circuits with a finite capacity. Another significant unanswered question is who will pay for the construction of new transmission circuits and the expansion of existing ones necessary to make the proposed system work?

Under many current proposals, FERC would have the authority to mandate wheeling, and would continue to have the authority to set rates charged for the service. However, it is very likely that these rates would be set at a level to allow the expansion of service necessary to accommodate the large-scale movement of bulk power. Since construction and maintenance of transmission facilities are part of the utilities' cost of operation, increases in these costs would likely be reflected in retail electric rates.

In addition, transmission circuits are a bounded resource with a fixed capability to move bulk power. Should this capacity be snatched-up by FERC-mandated transmission of independently produced power to large customers, smaller retail utility customers unable to shop for lower cost power would be stripped of the savings now acquired through voluntary sales and interchanges. The collective impact of present transmission-access and PUHCA proposals upon regulated utilities and their customers would be serious. Utilities could face spiraling costs and significant losses of revenue, while the price of electricity could increase to most customers and reliability of service deteriorate.

Transmission capacity shortages are real. Moreover, those shortages would almost certainly be aggravated if mandatory open access proposals now under discussion are embraced. This is because the grid was not planned to accommodate the immense power flows that might occur if we try to level regional differences in retail rates through open access.

In most parts of the country, the transmission system is being fully utilized. I strongly believe that the reliability and economic interests of a utility's own customers should not be harmed because the utility is ordered to provide transmission services for others. The local ratepayers who support the cost of construction and operation of the transmission network must be held harmless. Put another way, the local ratepayer should be indifferent to whether or not their utility company is forced to make the transmission system available to others. Under most transmission schemes, the local ratepayers, in the end, would be forced to subsidize the incremental cost of forced transmission access. I ask you, would this serve the public good, or would we be sacrificing the public good by subsidizing a special interest?

The stated mission of mandatory open access is to equip a more efficient market, one in which the least-cost sources of generation are used to meet system loads. However, we already have a extremely efficient bulk power market. It is by no means clear that forced opening of the electric transmission grid will improve market efficiency—especially if the newly unbundled transmission services are not priced in a fair manner.

Moreover, mandatory open access may impede cooperative system planning and maintenance scheduling to such a degree that the long-run efficiencies that are now being achieved will be significantly impaired. Said another way, should the House proposal be enacted, for instance, it would fundamentally alter the present system for producing and delivering electrical power, increasing the rates to most residences and small businesses, decreasing the reliability of the electrical transmission network and threatening the economic stability of many regulated utility companies.

Thus, to repeat, I strongly endorse the chairman's view that we ought to leave the current system for providing transmission access in place and make no changes that would work harm on native load electric ratepayers across the country. I urge the conference to heed the warning that transmission access proposals like those currently being considered in the House would not protect the interests of those customers. Instead of enacting legislation, we simply need to continue to encourage voluntary, economically sound transmission transactions.

INDUSTRIAL ENERGY EFFICIENCY AMENDMENTS

Mr. GORE. Mr. President, I have submitted three amendments that, taken together, will help our industries become more competitive. The industrial sector uses 36 percent of all energy consumed in the United States—more than the combined residential and commercial sector—and 33 percent more than the transportation sector. Improved energy efficiency in industry is critical to the success of energy policy.

But according to the last Annual Energy Outlook published by the Energy Information Administration, industrial energy intensity—the amount of energy used to create a dollar of industrial output—has actually risen during the late 1980's. Thus, industry as a whole is becoming less energy efficient. Another recent EIA report that focused on manufacturing has shown that in that sector, energy efficiency gains have almost come to a complete halt after 1985. While improvements averaged 5.2 percent per year between 1980 and 1985, efficiency only increased by 1.5 percent per year between 1985 and 1988.

This is not good news for our ability to compete internationally. Recent OECD data tell a very disturbing story. Between 1980 and 1985, the United States outpaced both Germany and Japan in the rate of industrial energy efficiency gains. But between 1985 and 1988, however, the rankings reverse. Not only are our major trade competitors more energy efficient than we are, they are now progressing more rapidly toward increased energy efficiency in the key industrial sectors.

We know the main reason why gains in energy efficiency peaked in the mid 1980's: Energy prices tumbled. But lower energy prices are both a blessing and a curse. In the short run, they can help reduce production costs and help industry. But when low energy prices sap our resolve to pursue conservation, when they divert our attention away from investments in energy efficiency, they do not help strengthen the economy. In the long run, we have to pay the piper—or perhaps in this case the pipeline. We must act now to reinvigorate our pursuit of industrial energy efficiency.

Some of our industries have tried to be out in front—to cut their energy costs and improve the efficiency of their energy use. But their effort is not always easy. Often their initiative is blocked by institutional barriers, a lack of key information or expertise, or simply a lack of awareness of important energy conservation opportunities. My amendments are designed to overcome these barriers and to help ensure that our industries are on the cutting edge.

ENERGY ANALYSIS AND DIAGNOSTIC CENTERS

One relatively untapped reservoir of economic strength in this country is the talent of bright young technical students who need practical hands-on experience. Changes in the market will bring new challenges in the 1990's. More than ever, our technical students would like to work in areas that protect our environment and enhance our competitiveness. More than ever, small and medium-sized firms are competing internationally, where energy costs can make the difference between success and failure.

The time is right to unleash a generation of bright, young engineers into the world of industrial energy management. The amendment that I am offering will build upon the success of a program that I am proud to say originated at the University of Tennessee in 1976. The program sponsors participating universities to provide senior and graduate engineering students to perform energy audits for small- and medium-sized commercial and industrial facilities. The audits assist the managers of these enterprises to trim their energy needs and reduce their energy costs. The students benefit from these programs. Our entrepreneurs benefit from this program. And our economy benefits from this program.

The potential of this program is truly vast. Already, even in the small effort that is now underway, students have identified over $625 million in energy cost savings for manufacturers. The average savings identified per firm was about $43,500 per year. This is not a trivial amount to a small manufacturing facility.

GRANTS FOR INDUSTRIAL ENERGY ASSISTANCE

The second amendment I am offering today encourages electric and gas utilities to provide energy efficiency technology assistance to industrial customers. I am joined in this initiative by my distinguished colleagues, Senator METZENBAUM and Senator JEFFORDS, and I would like to acknowledge the work of our colleagues in the other body, Congressmen WOLPE and MARKEY, who introduced a very similar measure in the House of Representatives earlier this week.

Utility demand side management programs have focused on residential and commercial customers because the technologies are fairly standard, such as lighting, hot water heating, space heating, and air-conditioning.

But most energy in the industrial sector is consumed in the production process itself; processes that can be as diverse as chemical plant or a textile mill. Some gas and electric utilities provide technical assistance to the largest industrial customers because they compete for energy sales and want to attract large customers to their service territories. But small- and medium-size manufacturers are often not wooed in such fashion, since utilities cannot typically receive a rate of return on these programs. Moreover, utilities have sometimes lacked sufficient qualified personnel to assist all of their industrial clients.

This program addresses these needs by offering grants to States that adopt least cost planning programs. These grants would fund industrial technology commercialization and energy assistance training programs, which would help bring the best technology and talent to manufacturing firms.

This program could work hand-in-glove with the university energy analysis and diagnostic center program. By simultaneously involving utilities, universities, students, and industrial energy consumers, the two programs will help enhance the market for talent and technology.

COOPERATIVE ADVANCED APPLIANCE DEVELOPMENT

New household appliances have steadily become more energy efficient through manufacturing and design improvements, often spurred by Federal efficiency standards. Consumer acceptance is often enhanced through utility programs that give rebates to customers who purchase the most efficient appliances on the market. While these developments have been very important in increasing residential energy efficiency, much more can, and must, be accomplished.

One of the fundamental barriers to commercialization of more efficient appliances equipment is the unknown demand. Manufacturers have little incentive to develop appliances that exceed Federal efficiency standards. While utilities might value that extra efficiency as a way to defer expensive capacity expansion, they have no way of signaling to the manufacturers what they might be willing to pay for super efficient appliances.

Until now. The amendment I am offering will lay the groundwork for a program that will foster competition among manufacturers of super efficient household appliances and industrial machines. The goal is to have appliance manufacturers compete on the basis of energy efficiency, and guarantee a market for the winning product design or prototype.

This program will increase efficiency; reduce our emissions of greenhouse gases; improve our manufacturing competitiveness, encourage more efficient utilization of utility capacity, reduce our electricity bills, and decrease our oil imports.

The Federal Government has an important role to play in catalyzing the commercialization of these new super-efficient technologies. The amendment that I am sponsoring will require the Secretary of Energy to explore what role DOE might play in moving cutting edge appliances into the market. Through consultation with other agencies, the Secretary will also examine how other agencies could engage the private sector. For example, Federal housing authorities could encourage maximum efficiency through their appliance purchases.

Mr. President, I believe that these amendments offer positive solutions to our lagging efforts in industrial energy efficiency. They build on success, they reward the best, they develop talent, and they help our manufacturing industries compete in the global arena. I urge the Senate to join me in adopting them.

HYDROPOWER PROVISIONS OF S. 2166

Mr. CHAFEE. Mr. President, during the Senate debate last fall regarding the original National Energy Security Act, I outlined a number of my concerns with the bill, including the hydropower provisions of title V. I rise today to thank my colleagues Senators JOHNSTON and WALLOP and the other members of the Energy Committee for their efforts to resolve these concerns. I also want to extend my appreciation to Senators ADAMS and WELLSTONE who lead the effort to ensure that the hydropower licensing process was not modified in a way which would preclude the full consideration of environmental issues. Senators CRANSTON, LEVIN, WIRTH, LUGAR, JEFFORDS, and DURENBERGER also supported this important effort.

The amendment as agreed to by the Energy Committee would delete the provision of S. 2166 which would eliminate Federal licensing jurisdiction over hydroelectric power projects of 5,000 megawatts capacity or less, turning that authority over to the States. This would have created a hodgepodge of confusing requirements and effectively removed two-thirds of hydroelectric projects from the NEPA process. Therefore, I fully support deleting this provision.

In addition, the amendment would delete the provision of S. 2166 which would have eliminated the authority of Federal land management agencies to set mandatory conditions on hydrower licenses for the protection of lands within their jurisdiction. The amendment would require, in the alternative, that the Federal land management agencies enter into memorandums of understanding with FERC to eliminate unnecessary delay and duplication and to provide for the resolution of any disputes between the agencies. This will ensure that the Federal land management agencies can fulfill their reponsibilities to protect the lands within their jurisdiction and at the same time improve the efficiency of the hydropower licensing process.

Mr. JOHNSTON. Mr. President, I say to the Senator from Minnesota, I am prepared to do the unanimous-consent request. Is he ready for us to proceed at this point?

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, at this time the Senator from Minnesota would still like to put forward a modification of the unanimous-consent agreement.

Mr. JOHNSTON. Well, Mr. President, if the Senator will yield I will state the request, and then we can discuss the Senator's reservation.

Mr. WELLSTONE. I would be happy to.

UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSTON. Mr. President, I ask unanimous consent that at 10 a.m. on Tuesday, February 18, the Senate resume consideration of S. 2166, the energy bill, and that at that time Senator MURKOWSKI be recognized to offer his amendment relative to the Alaskan Wildlife Refuge; that there be 4 hours for debate prior to a motion to table the amendment, equally divided in the usual form; that no amendments to the amendment be in order prior to the tabling motion.

Mr. President, I further ask unanimous consent that the only amendments remaining in order to S. 2166, with the exception of the Murkowski amendment regarding ANWR, be the following first-degree amendments, and that the listed first-degree amendments be subject to relevant second-degree amendments, and that no CAFE amendment be in order either as a first- or second-degree amendment, and the amendments be as follows:

By Senator BIDEN on nuclear safety.

By Senator BIDEN on the Nuclear Safety Board.

By Senator BRYAN on Public Utility Holding Company Act reform, hereinafter called PUHCA.

By Senator DECONCINI on petroleum.

By Senator EXON on strategic diversification.

By Senator EXON on NRC annual fees.

By Senator FOWLER on PUHCA.

By Senator FOWLER on solar bank.

By Senator GLENN on Government contractors.

By Senator GLENN on Federal energy audit teams.

By Senators GRAHAM and MACK to strike 1, 2, and 3 OCS provision and exempt New Jersey and California.

By Senator GRAHAM, the substance of S. 736, to amend this bill with provisions which would make lease cancellation easier to accomplish and give the States veto power of the Outer Continental Shelf program.

By Senator GORE on industrial reporting,

Two amendments by Senator JOHNSTON, which are relevant to PUHCA, and pertain neither to CAFE and ANWR.

An amendment by Senator KERRY relative to OSC activity.

An amendment by Senator LAUTENBERG relative to hydroelectric dams.

By Senator LAUTENBERG relative to National Environmental Policy Act natural gas provisions.

By Senator LEVIN to insure nondiscrimination on the procurement of alternative fuels.

By Senator METZENBAUM regarding natural gas refund provisions.

By Senator METZENBAUM, antitrust provisions with respect to nuclear enrichment activities.

By Senator METZENBAUM on antitrust.

By Senator METZENBAUM on Ohio hydro.

By Senator RIEGLE on the limits of participation by companies.

By Senator RIEGLE on Public Utility Holding Company Act books and records.

By Senator RIEGLE on alternative fuels.

By Senator RIEGLE on environmental restoration.

By Senator ROBB on the sense-of-the-Senate on the gasoline tax on conservation. That was just adopted, so I take off Senator ROBB.

By Senator SANFORD on PUHCA.

By Senator WELLSTONE on sustainable energy transition pilot program.

By Senator WELLSTONE on energy funding priorities.

By Senator WELLSTONE on striking contracting authority.

We have just dealt with Senator WELLSTONE on striking hydro projects exemptions under 5 megawatts, so I take that off.

By Senator WIRTH on building standards.

By Senator WIRTH on environmental externalities test.

Provided further that if Senator MURKOWSKI'S ANWR amendment is not tabled, then this consent agreement is vitiated.

Mr. FORD. Mr. President, reserving the right to object, and I will not object, Senator WIRTH'S amendment on externalities test, I think he withdrew that earlier.

Mr. JOHNSTON. I believe that is correct. So I would amend the request by striking Senator WIRTH'S amendment on environmental externalities.

Mr. FORD. I thank the chairman.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I believe that the chairman intended for me to read the list of Republican amendments that would be included in this unanimous-consent request.

Mr. JOHNSTON. That is correct, Mr. President, and part of my unanimous-consent request would be the list to be read now by the Senator from Wyoming.

The PRESIDING OFFICER. Before we proceed, the Chair would advise the managers of the bill that one of the measures that you listed for consideration, the strategic diversification, was passed a few minutes ago and it may be stricken from the list as you incorporated in your unanimous consent.

Mr. JOHNSTON. That is by Senator EXON on strategic diversification.

Mr. President, I amend the request by striking Senator EXON'S amendment on strategic diversification.

Mr. WALLOP. Mr. President, the Republican list of amendments:

By Senator GORTON on OCS leasing off Washington.

Senator CRAIG on eminent domain.

Senator CHAFEE on NEPA.

Senator CHAFEE on strike HCFC R&D.

Senator CHAFEE on hydro cost sharing.

Senator CHAFEE on hydro construction projects, strikes that.

Senator CHAFEE on coal ash study, strike.

Senator CHAFEE, hydro environmental criteria study.

Senator MURKOWSKI, ANWR, that is the ANWR. That is one that has been recognized and dealt with specifically and separately.

Senator MURKOWSKI on energy security.

Senator DOMENICI, R&D on natural gas.

Senator DOMENICI on solar vehicles.

Senator DOLE on DOE energy center in Kansas.

Senator DOLE on SPR stripper wells.

Senator DOLE, energy related, two amendments.

Senator KASTEN, two amendments on battery research.

Senator MCCAIN, a relevant amendment and one on indoor air pollution mitigation needs.

Senator MCCAIN, again on subject Congress to energy efficiency codes.

Senator MCCAIN, subject Congress to alternative fuel vehicle fleets.

Senator MCCAIN, subject Federal Government on waste minimization.

Senator MURKOWSKI on Canada/alternative fuels.

Senator NICKLES, PUHCA, oil and gas OG&E.

Senator NICKLES, PUHCA related.

Senator NICKLES, energy tax incentive provisions—sense-of-the-Senate.

Senator DANFORTH to strike OCS impact aid.

Senator HATCH, radiation exposure compensation.

Senator GRAMM, a PUHCA amendment.

Senator GRASSLEY, alternative fuels amendment.

Senator SPECTER, PUHCA amendment.

Senator MACK, OCS.

Senator MACK, a PUCHA amendment.

Senator BROWN on department leveraging.

Senator JEFFORDS, title VI of the Industrial Energy Efficiency Technology Act.

Two to the ranking member, Senator WALLOP, relevant to the bill, PUHCA, not CAFE or ANWR related.

Mr. JOHNSTON. Mr. President, I ask further to amend the request by adding an amendment by Senator BENTSEN relative to PUHCA, foreign ownership, and by striking the two Lautenberg amendments, hydroelectric dams and NEPA natural gas that already have been dealth with.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, reserving the right to object, I have a modification that I would like to suggest an UC agreement if I may, and it may be needed to be reworded. Will the chairman let me read it and then convey the sense of this? And this shall be the only occasion on which any amendment or measure relating to ANWR shall be considered this year in connection with any economic recovery or jobs measure.

What I am really trying to get at here is I understand what the Senators from Alaska have requested, and I think that if we have an up-or-down vote, that is fine. I would like to get a commitment that the ANWR measure not be attached to an economic recovery bill or jobs bill. I would like to have that assurance in this UC agreement. It seems to me that quite reasonable.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the two Alaskan Senators are not here. They have asked for the right to bring this up. I am sure we could not have any unanimous consent with respect to that and I would tell the Senator that he is not really being given anything on ANWR other than—I mean if the two Senators from Alaska where here they could at any time bring up the ANWR matter and we could move to table. So they are really not getting other than they left town and they wanted to be protected.

I would submit that the opponents to ANWR are getting a great deal. They are getting a right to table, and that if that fails then the whole thing is opened up. We are trying to get this bill wrapped up. We are not trying to get any advantage for ANWR at all. And I would tell the Senator if he objects on that ground then we are just going to be here a lot longer and unnecessarily so, and without getting any advantage for the Alaskan Senators on ANWR.

Mr. WELLSTONE. Mr. President, first of all, let me just say that I have heard plenty of discussion around here that there will be a strategy to attach the ANWR measure onto an economic recovery bill or jobs bill, which I think would be highly inappropriate given the kind of economic pain that cuts across a very broad section of the population in this country.

Those of us that were involved in the filibuster have worked very hard with the Senator from Louisiana, who has been very fair. I think we had an agreement. We went along with it. There was no filibuster. Personally, I had hoped that we would deal with ANWR at the very beginning. I did not want it to come after all these other amendments. I did not want it to come at the end.

The Senator from Louisiana has been very fair. And my questioning about this whole process and where we are going right now has nothing to do with the way in which he has bargained, which has been in good faith. But I am concerned about all of this discussion that I have been hearing, and it seems to me that the proponents of ANWR have had their request granted. I mean, they will get this vote. It will be an up-or-down vote.

Mr. JOHNSTON. No.

Mr. WELLSTONE. That is right. I am sorry. We will have a vote as to whether or not we will table it. We will then know where the Senate stands. And to my mind, that is the vote.

And so what I am saying is I will agree to this; I will sign off on this agreement if I get some assurance that this will be the only time ANWR will be brought up—or, I am sorry—if I get some assurance that ANWR will not be brought up and attached to any economic recovery or jobs bill, which is what I think has to be the focus of this Senate.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the Senator understands that the Senators from Alaska are not here, and the unanimous consent can therefore not be agreed to without them here. I and everyone else who earlier voted for ANWR—we just simply could not approve this.

So then what we would do, when they finally come back the week after the recess, they would bring up ANWR. It might take longer than 4 hours to debate it. The motion to table would be made and granted. Then, at that point, what is the Senator going to do? Refuse to consider the bill unless they agree not to bring up ANWR again? I mean, are you going to do that on every piece of legislation, so you are not going to let anything pass in the Senate until and unless all Senators agree that ANWR cannot be taken up? I think not.

I wish the Senator would reconsider that. Are we going to do the same thing with CAFE? Are we going to do the same thing with other bills? The rules of the Senate provide for amendments. I do not think ANWR will be brought up again, because I think if it is voted here, it would be defeated decisively.

First of all, you cannot do it tonight because those Senators are not here and we are trying to finish this bill. We have been here on the floor for almost 12 hours solid. We want to work tomorrow. We are trying to be fair with everybody.

I submit that that kind of request is really—maybe it has been attached to some unanimous consent at some time, but I do not know when it was. And certainly, it makes this agreement impossible.

Mr. WELLSTONE. Mr. President, the reason that I suggest this modification on this bill is because we have been spending a long time, and I think had very good and reasonable negotiations about this bill, this energy bill. And now we are going to have this vote on whether or not to table ANWR. And that seems to me to be the appropriate thing to do.

But I am very concerned about this ANWR amendment being attached to an economic recovery bill and jobs bill, which I think is just playing politics with a very serious issue.

In response to what the Senator from Louisiana said as to whether or not such modifications have been suggested in the past, I cannot answer that question because I am a freshman Senator. But What I do know is the two Senators from Alaska are not here. I am here. Maybe we could call the Senators from Alaska and find out whether they would agree.

But at this point in time, without such a modification, Mr. President, I would object to this UC agreement.

The PRESIDING OFFICER. Objection is heard.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Will the Senator from Minnesota yield for a question or two?

Mr. WELLSTONE. Yes.

Mr. FORD. It is my understanding that the Senator from Minnesota has now objected to the unanimous-consent agreement.

Mr. WELLSTONE. Mr. President, the Senator from Kentucky is correct.

Mr. FORD. Mr. President, this is a difficult legislative process to have this as a unanimous consent of the Senate regardless of how we work it.

Would the Senator be amendable to submitting an amendment that says this? That is what you are going to have to do; that you must submit an amendment that has that language in it, we incorporate that in the unanimous-consent agreement as an amendment we will take up, and the Senate will vote on it. The Senate is either going to not vote now and put us in a long procedure, or we accept your amendment and be part of the unanimous-consent agreement, and at some point before the bill passed, we will vote up or down or on tabling the amendment that the Senator is suggesting.

The Senator is not going to get a unanimous consent agreement that ANWR will not be brought up on a jobs bill or anything else, but you might be able to secure one of the amendments that the manager of the bill will propound.

Would the Senator be interested in that?

Mr. WELLSTONE. Mr. President, I think this is a constructive suggestion or proposal by the Senator from Kentucky. I would like to be able to, at this point in time, again being a freshman Senator, rather than making a commitment right at this moment, I would like a little bit of time to deliberate about that and go over the wording of such an amendment.

But my objection still stands.

Mr. JOHNSTON. Mr. President, a unanimous consent is just that; it would take unanimous consent, and it blocks further consideration. The Alaskan Senators are not here.

Mr. FORD. Mr. President, if the Senator will yield to me.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Then he would just offer an amendment, like everybody else. You have some there that are relevant to the bill. And all he would have to do is submit an amendment and it would be part of this. You could not object to him doing that.

Then we could just defeat it when it comes up, or do what we have to do.

Mr. JOHNSTON. An amendment that says what?

Mr. FORD. That will be a part of it, that no further consideration of ANWR would be considered this year.

Mr. JOHNSTON. An amendment as part of the bill?

Mr. FORD. Yes; that is what I am saying.

Mr. WELLSTONE. Mr. President, will the Senator from Louisiana suggest the absence of a quorum, so we could discuss this for a moment?

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I would like to amend the unanimous-consent request by adding an amendment by Senator BRYAN on industrial energy reporting.

The PRESIDING OFFICER. Without objection, it is so ordered. That it is so added to the unanimous-consent request.

Mr. JOHNSTON. And, also, the amendment that reads Graham-Mack should read Graham-Cranston, to strike sections 12-101 and 12-102, and we should add a Graham OCS amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, for the time being I withhold the unanimous-consent request and yield to the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, we have been in consultation and discussion. And there does not seem to be any parliamentary direction to take here or anything that could be done that would be positive or helpful or that would meet some very real concerns that I have, in which case I certainly have no wish to hold up this bill. That was not my intention, and I want to make it clear for the record to the Senators from Alaska and to the chairman of the Energy Committee and the distinguished ranking minority member, Senator WALLOP, that that was not my intention.

My concern and the reason that I sought this modification is that in my heart of hearts—or maybe in my head—I am really worried that there will be this effort to attach ANWR onto an economic recovery or jobs bill. And I do not want to be in a position of filibustering an economic recovery bill or a jobs bill. And I do not want to be party to playing that kind of politics. I think that would be a most inappropriate move for any Senator or Senators to make. I hope we will have this vote on Tuesday when we come back. I hope we will have that vote and then it will be clear as to where the Senate stands.

It is certainly my fervent hope, I want to try to make this very clear tonight, that ANWR not be attached to any economic recovery bill or jobs bill. I think that would be unconscionable, and I suppose that tonight I am simply trying to make my objection loud and clear.

After having said that, Mr. President, I withdraw my objection, and I thank the Senators for their patience.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? If not, it is so ordered.

The text of the agreement is as follows:

Ordered, That at 10:00 a.m. on Tuesday, Feb. 18, 1992, the Senate resume consideration of S. 2166, the National Energy Security Bill, and that the Senator from Alaska (Mr. MURKOWSKI) be recognized to offer his ANWR amendment, on which there shall be 4 hours debate prior to a motion to table, to be equally divided and controlled in the usual form, with no amendment to the amendment to be in order prior to the motion to table.

Ordered further, That the only amendments remaining in order to S. 2166, the exception of the Murkowski amendment regarding ANWR, be the following first degree amendments, and that the listed first degree amendments be subject to relevant second degree amendments: *Provided*, That no CAFE amendment be in order as a first or second degree amendment.

Bentsen: PUHCA foreign ownership.
Biden: Nuclear safety.
Biden: Nuclear safety board.
Brown: Department leveraging.
Bryan: PUHCA.
Bryan: Industrial energy reporting.
Chafee: NEPA.
Chafee: HCFC R&D (strike).
Chafee: Hydro cost sharing.
Chafee: Hydro construction projects (strikes).
Chafee: Coal ash study (strikes).
Chafee: Hydro environmental criteria study.
Craig: Eminent domain.
Danforth: Strike OCS impact aid.
DeConcini: Petroleum.
Dole: DOE energy center, Kansas.
Dole: SPR-stripper wells.
Dole: Energy related.
Dole: Energy related.
Domenici: Natural gas R&D.
Domenici: Solar vehicles.
Exon: NRC annual fees.
Fowler: PUHCA.
Fowler: Solar bank.
Glenn: Government contractors.
Glenn: Federal energy audit teams.
Gorton: OCS leasing off Washington.
Graham/Cranston: Strike Sections 12101, and 12102.
Graham: S. 736, amend this bill with provisions (make lease cancellation easier to accomplish, give states veto power over OCS).
Graham: OCS.
Gore: Industrial reporting.
Gramm: PUHCA amendment.
Grassley: Alternative fuels amendment.
Jeffords: Title 6, industrial energy efficiency technology act.
Johnston: Relevant (not CAFE or ANWR).
Johnston: Relevant (not CAFE or ANWR).
Kasten: Battery research.
Kerry: OCS activities.
Levin: Insure non-discrimination procurement alt. fuels.
Mack: OCS.
Mack: PUHCA.
McCain: Relevant amendment.
McCain: Indoor air pollution mitigation needs.
McCain: Subject Congress to energy efficiency codes.
McCain: Subject Congress to alternatively-fueled vehicle fleets.
McCain: Subject federal gov't waste minimization.
Metzenbaum: Natural gas refund provisions.
Metzenbaum: Anti-trust nuclear.
Metzenbaum: Anti-trust.
Metzenbaum: Ohio hydro.
Murkowski: Canada/alternative fuels.
Murkowski: Energy security.
Murkowski: ANWR.
Nickles: PUHCA—OG&E.
Nickles: PUHCA related.
Nickles: Energy tax incentive provisions, sense of Senate.
Riegle: Limits on participation by companies.
Riegle: PUHCA—books and records.
Riegle: Alternative fuels.
Riegle: Environmental restoration.
Sanford: PUCHA.
Specter: PUHCA amendment.
Wallop: Relevant (not CAFE or ANWR).
Wallop: Relevant (not CAFE or ANWR).
Wellstone: Sustainable energy transition pilot program.
Wellstone: Energy funding priorities.
Wellstone: Strike contracting authority.
Wirth: Building standards.

Ordered further, That if the Murkowski ANWR amendment is not tabled, this unanimous consent agreement is vitiated.

Mr. JOHNSTON. Mr. President, I thank all Senators. Mr. President, this is a formidable list. However, we can work through this work, I think, fairly fast.

Mr. President, there will be a very busy day tomorrow. We have a Bryan motion, which I think is going to require a record vote. But I think probably tonight it would be difficult to get everyone back for that Bryan vote. I will leave that up to the majority leader.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader.

DOING THE SENATE'S WORK

Mr. MITCHELL. Mr. President, last night here on the floor I was criticized by the senior Senator from Pennsylvania because I made an earlier decision, which I reaffirmed last night, that the Senate not be in session next week except for pro forma meetings with no business transacted.

Tonight we confront the opposite situation. Although Senate schedule for at least the past 3 years has been that the Senate will be in session and voting on 5 days a week under certain limitations—not later than 7 p.m. on Tuesdays and Wednesdays and not later than 3 p.m. on Fridays—there has developed a practice under which Senators simply leave on Thursday afternoon, ask that they be protected, and, if enough leave, it becomes a self-fulfilling prophecy that the Senate cannot do anything on Thursday evening, the evening supposed to be the evening for work, and on Fridays, when the Senate is supposed to be in session and voting.

Just as I rejected the contention made last evening about next week, I reject the notion that we can tolerate this practice. This is a Thursday, and there have been only two votes today and they were prior to 4 p.m. this afternoon. This is not a partisan issue. This involves Senators regardless of party affiliation. It has become apparent that Senators now feel that all they have to do is leave and, if enough Senators are gone, then that creates a critical mass for inaction. And that, somehow, the distinguished Republican leader or I will protect the interests of those Senators who are not here.

I have pursued a policy of not utilizing procedural votes to ensure the presence of Senators. As a consequence of that policy, the number of votes cast in the Senate has declined significantly and the voting percentage records of Senators has increased to an all time high. But it seems to me apparent that I can no longer pursue that policy. It is obvious we are not going to have a vote this evening because as the managers know, as the distinguished Republican leader knows, and as I know, we have a large number of Senators on both sides who have simply gone.

There is no basis for a Senator to make commitments outside of the Senate on Thursdays and Fridays of a week in which the Senate is in session unless that Senator is prepared to miss whatever occurs on the Senate floor. That is a judgment each Senator can make. I have no quarrel with that; no Senator should have any quarrel with that. A Senator makes a judgment that some other activity—a meeting in his or her State, a visit for some other purpose—takes precedence over debate and vote on the Senate floor. This is not the only place in which a Senator works. A Senator works in his office and home State and in other areas of activity.

But what is unacceptable, what cannot continue is for Senators to expect to do that and have nothing transpire on the Senate floor because they are not here.

Therefore, I wish to now announce, unless otherwise specifically stated by me, following consultation with the Republican leader, there will henceforth be votes on every Friday when the Senate is in session. That does not include tomorrow because we are, frankly, stuck in a situation where a lot of Senators have just gone and they have not had this notice. But everybody has the notice now.

Unless it is specifically stated in advance, there will be votes on Fridays in which the Senate is in session. There will at least be one vote and there may well be several votes. If that is the only way that the presence of Senators can be assured, then that is the course of action we will pursue. We cannot tolerate a situation in which the Senate simply cannot transact business on those relatively few days when we are, in fact, in session.

Furthermore, I will, between now and when the Senate reconvenes on February 18, reconsider the policy of limiting votes prior to 7 p.m. on Tuesdays and Wednesdays when the Senate is in session.

We simply have to be in a position to conduct the Nation's business. We are now under great pressure to complete action by a time certain on a tax bill and economic recovery package. And yet what is occurring is we are being subjected to pressures that we have to get that done by a certain time, but we cannot be in session doing anything for, in a practical sense, other than meeting Tuesday afternoon and Thursday afternoon. So it is not going to be possible to transact the other business that is essential to permit us to complete action on the required economic recovery package. We are going to have to deal with the budget, a very important matter; we are going to have all of the appropriations bills and we could not possibly meet those requirements under these circumstances.

Mr. WALLOP. Will the leader yield for both an observation and a question?

Mr. MITCHELL. Yes certainly.

Mr. WALLOP. Mr. President, the observation is that Senator JOHNSTON and I, not unlike other managers of other bills that have gone before us, have spent literally hours waiting for somebody to offer an amendment. Perhaps the Senators might be more willing to offer the amendments if indeed the reward was going home by the stated hours on Tuesday and Wednesday. I certainly do not want to see us lose that privilege, but it is terribly frustrating to manage a bill and sit here and have everything but the business of the bill take place.

I do not know what the answer to it is. If I did I would pass it quickly to the majority leader, I assure him. It has been frustrating for the two of us. Though, I will say that we have conducted a lot of business that did not require rollcalls, our staffs have put together. I think we put maybe some 40 or 45 amendments through today.

Mr. MITCHELL. Indeed, I commend the managers for their diligent effort in the face of numerous interruptions for other matters, the unemployment insurance bill on Tuesday, debating other matters on other days. I believe they have acted on in excess of 40 amendments, although there has been only three rollcall votes this week on this bill. But the reality is we simply cannot permit to take hold that circumstance.

The Senator is quite right, here we have a situation where the list that has just been submitted, at least in its original draft form, had 70 amendments on it. I believe it is slightly less than that now. But here is a list, Senators saying they have 75 amendments they want to offer, but we cannot find a single Senator to come over here and offer an amendment.

Mr. WALLOP. If the leader will yield for one further observation. It would not become, I hope, the only measure of the performance of the Senate, the number of rollcalls we conduct, because we have crafted a lot of legislation in the other time, despite the fact only having had three rollcall votes. One of the things we have tried to do is avoid some of those simply by working hard to come to an accommodation with the philosophy of the bill.

Mr. MITCHELL. Mr. President, since I am the majority leader who has pursued a policy that has produced the lowest number of rollcall votes in 15 years, I wholeheartedly agree with the Senator's assertion. I do not want to assert that quality of work is related to the number of rollcall votes. Otherwise one can conclude that we have had the least successful Senate in many years because of the number of votes.

I have tried to reduce them and I tried very hard with, I must say, excellent cooperation from the Republican leader to try to accommodate as many Senators as possible to make it possible for Senators to meet the important commitments many of them have outside of the Senate. But we simply cannot continue as we have here this evening with, as I said, a large number of Senators on both sides just leaving. Then having gone, when they get to wherever they are going, calling back and saying to me and to the distinguished Republican leader, I am not there now, so protect me; make sure nothing happens.

That is a prescription for inaction and, of course, our obligation is to act in the national interest where necessary and appropriate.

Mr. JOHNSTON. Will the Senator yield?

Mr. MITCHELL. Yes.

Mr. JOHNSTON. Mr. President, with the leader's concurrence, Senator WALLOP and I propose to be here in the morning. We can work through a lot of these amendments. There is a tremendous amount of work that has to be done through staff even with those Senators who are gone. If their staff is here, if they can work through these amendments, that is the only way we can get these amendments done.

There will be no way to have a debate and vote on every one of these amendments. We would be here until Christmas time if we did that. I think most

Senators consider that we are going to work most of these out through staff. But I hope staff will not leave and I hope Senators will not leave and that they will be here with us tomorrow to work through these lists, because we can get this bill very well done.

I will say to my colleagues that we have made tremendous progress on this today. We have dealt with the most critical elements of Public Utility Holding Company Act reform and I believe that is going to be successfully done with the exception of one or two amendments.

I think we have dealt with virtually all of the nuclear amendments which are highly contentious, and that was a good debate, a 3-hour debate today, and that was settled. There are a few small nuclear matters.

We have dealt by unanimous consent with CAFE. That cannot come up.

We have dealt with ANWR. I think that will be disposed of here.

We will be well on our way to getting this bill done and, if Senators cooperate, we will be well on our way to complete it early Tuesday of next week. We will be here early in the morning whatever time the leader says.

Mr. DOLE. First, I want to thank the majority leader and the manager. I think they have made progress, 40 some amendments. Certainly the majority leader indicated the measure of what we do does not depend on how many rollcall votes we have. Most of our colleagues are pleased we are going in the other direction and have had fewer rollcall votes.

But I would only add I think sometimes it is easier to get cooperation from both sides of the aisle if sometimes we have to make arrangements. It will happen from time to time, and I know it is frustrating for the leadership, particularly the majority leader who has the responsibility and who gets the blame if something does not happen.

Having been the majority leader, it is very difficult because it does become self-fulfilling. So many Members leave, or somebody stands up Thursday at 4 o'clock and says: There will be no more votes today.

It just takes one. I will be here talking; the rest of you can go home. I have had that happen a time or two when I was majority leader, and it works rather well and we have tried it ourselves since learning how it is done.

Certainly we will cooperate with the majority leader. I think in this case if we can dispose of this bill by what, maybe late Tuesday or Wednesday, that will be—as the Senator has indicated, most of Tuesday was unemployment, extension of unemployment benefits, so it has been Wednesday, Thursday, and part of Friday; and then Tuesday and Wednesday. This is a very significant piece of legislation, so I will be working with the majority leader and the managers to try to accomplish that by early next week.

Mr. MITCHELL. Mr. President, I thank the distinguished Republican leader for his comments. As I noted earlier, there has been superb cooperation obviously within the framework of the competitive system under which we operate, and I recognize that many times the carrot-and-stick approach is necessary, so the only way to get people to move is to create an inducement, and that inducement frequently being not being in session at a particular time, and we are going to continue that obviously to the extent necessary and appropriate.

I merely want to reiterate what I said earlier so there can be no misunderstanding on any Senator's part. Not including tomorrow, because, frankly, we are stuck, but thereafter, there will be votes on every Friday, perhaps several votes, unless it is stated specifically to the contrary prior to a particular Friday. I will over this recess period reconsider, although I make no decision in that regard as of now, whether or not we will continue the current practice of limiting votes to the period prior to 7 p.m. on Tuesdays and Wednesdays when the Senate is in session.

Mr. EXON. Will the majority leader yield for a question?

Mr. MITCHELL. Yes.

Mr. EXON. I believe that all members should understand the difficult position the two leaders are placed in, and I thank the majority leader in cooperation with the minority leader on the statement just made.

My question has to do with when the Senator from Nebraska was in the Chair within the hour, it was announced by the managers of the bill that we would meet tomorrow and we would have a vote on the Bryan amendment.

While the Senator from Nebraska was in the Chair, within the hour, it was announced, I thought, by the managers of the bill that there would be a vote tomorrow on the Bryan amendment and we were going to have a very busy day. I take it from what the majority leader just said that that has now been rescinded and we will not have a vote?

Mr. JOHNSTON. Not the busy day, but the vote on the Bryan amendment.

We believe the Bryan motion to strike would require a vote. Is that correct?

Mr. BRYAN. Mr. President, responding to the inquiry from the distinguished Senator from Louisiana, that is correct. I understood the leader to have said—I do not want to confuse things—there will be by implication no rollcalls tomorrow by reason of the circumstances to which he has previously addressed himself. I am perfectly amenable to entering into a time agreement to bring that up the very first time that we return following the recess, allowing 30 minutes or less.

Mr. EXON. That is all very nice and it is all very courteous. I guess my question is why do we not have a vote tomorrow? This Senator was not told earlier that we were not going to have a vote. Am I advised by the leader that we could not get a quorum tomorrow?

Mr. MITCHELL. Mr. President, no Senator was told that there would not be a vote tomorrow. I repeatedly told Senators orally and in writing—I do not know how else to communicate other than orally and in writing—there will be votes on Friday. We now confront a situation where a large number of Senators, both Republicans and Democrats, have simply left and having left, and either being en route to wherever they are going or having arrived there, then communicating with the distinguished Republican leader and myself and asking that no votes occur because they are not here and they do not want to miss votes.

Might I ask, Mr. President, if we could, if I could suggest the absence of a quorum and have a discussion with the managers further in this regard.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. BRYAN). Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, following consultation with the managers and the distinguished Republican leader, I want to make one further announcement regarding the schedule in the future, and then with respect to the remainder of this week.

In addition to there being votes on Fridays and reconsideration of the policy with respect to votes on Tuesdays and Wednesdays, every Senator should know that there is a possibility of votes at any time during days when the Senate is in session, including procedural votes, should I judge that to be necessary to gain the presence of Senators for the conduct of important business here.

No Senator who receives any assurances to the contrary should rely on such assurances. That possibility will exist at all times when the Senate is in session. This is to provide ample notice in advance to all Senators of that policy.

I want there to be no misunderstanding, no possibility of confusion; during those times when the Senate is in session there is a possibility for a rollcall vote at any time, including votes on procedural matters, should I judge it necessary to obtain the presence of Senators for the conduct of business.

Every Senator has now been appropriately and adequately forewarned, and I repeat, no assurances to the contrary should be given weight because such assurances will have no basis and will not be cause to prevent votes from occurring should it prove to be necessary.

MORNING BUSINESS

MAYOR ODELL WEEKS: A LIFETIME OF PUBLIC SERVICE

Mr. HOLLINGS. Mr. President, when Mayor Odell Weeks of Aiken retired late last year after a remarkable half century in office, the State of South Carolina said farewell to one of its most beloved and accomplished public servants. Mayor Weeks served on the Aiken city council continuously from 1943 through 1991, and served as mayor for all but 6 of those years. His career was an extraordinary story of resilience, adaptation, and achievement.

In the post-war era, Mayor Weeks' leadership and character have defined the city of Aiken. His initiatives have given shape to a modern city that takes tremendous pride in its quality schools, its diversified economic base, and its superbly managed government. It was Mayor Weeks who mobilized the city to accommodate the Savannah River plant in the early 1950's. In the mid 1950's, he persuaded the city to adopt the council-manager form of government, which might be his proudest accomplishment. And he was the driving force behind creation of the Verenes Industrial Park, which has been a catalyst for Aiken's economic growth and diversification.

Through it all, Odell Weeks has been the glue and the propellant in Aiken's transformation since the Second World War. When I look back on Odell's career—his single-minded dedication to Aiken's advancement and progress—I am reminded of President Eisenhower's remark when a reporter asked him why he had purchased his farm up in Gettysburg. Ike answered that he bought it because he had always wanted to take one small piece of God's Earth and return it better than when he found it.

The city of Aiken has been Odell Weeks' chosen piece of God's Earth. It has been his life's project. And it has flourished thanks to his vision and stewardship. With his retirement, Aiken has lost a mayor but gained an elder statesman. For me personally, going back decades, Odell has been an advisor, an ally, and a terrific friend. I wish him all the best in retirement.

WOMEN'S EDUCATIONAL EQUITY ACT FUNDING MUST BE RESTORED

Mr. ADAMS. Mr. President, I am committed to providing the highest quality education for all Americans. But the administration has a different idea. The President's budget proposal eliminates the Women's Educational Equity Act, the one Federal educational program devoted to giving girls and women equal education opportunities.

I disagree with the administration's statement that there is a decreased need in supporting educational equity programs. There are still fewer women in math and science fields. There are far fewer women serving as college presidents and school superintendents. A study by the American Association of University Women found that girls receive less attention in class, sexual harassment claims have increased but responses have not, and some curricula contains gender stereotypes.

WEEA was passed by Congress in 1974 with bipartisan support. It has been reauthorized several times. Since the 1980's, the administrations have chipped away at this important program to the point that they wish to demolish it entirely. The President's budget proposal is a cynical attempt to eliminate educational equity in general. It is an attempt to hinder or deny women and girls the same right to an education, and thus to jobs and careers.

Almost every State has had a WEEA grant at some time. The WEEA grants have made for educational equity endeavors ranging from early childhood education to graduate and adult education. School districts have used these grants to comply with title IX of the Education Amendments of 1972, the Federal prohibition on sex discrimination in education. This year is the 20th anniversary of title IX. The President's request is a slap in the face not only to WEEA but to title IX and its purpose as well.

We need to restore WEEA to a level at which it can continue its mission of providing girls and women with the same access to and quality of education that their brothers, husbands and sons receive. I intend to urge my colleagues on the Appropriations Committee to restore funding to the Women's Educational Equity Act so that it can reach its goals.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 6, 1992, he had presented to the President of the United States the following enrolled bill:

S. 1415. An act to provide for additional membership on the Library of Congress Trust Fund Board, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

Kevin E. Moley, of Louisiana, to be Deputy Secretary of Health and Human Services.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BIDEN, from the Committee on the Judiciary:

Sandra S. Beckwith, of Ohio, to be U.S. district judge for the Southern District of Ohio;

Ronald M. Whyte, of California, to be U.S. district judge for the Northern District of California;

Philip G. Reinhard, of Illinois, to be U.S. district judge for the Northern District of Illinois;

Jon P. McCalla, of Tennessee, to be U.S. district judge for the Western District of Tennessee;

Julie E. Carnes, of Georgia, to be U.S. district judge for the Northern District of Georgia;

Nancy G. Edmunds, of Michigan, to be U.S. district judge for the Eastern District of Michigan;

David W. McKeague, of Michigan, to be U.S. district judge for the Western District of Michigan;

Frederick J. Scullin, Jr., of New York, to be U.S. district judge for the Northern District of New York;

Stevens D. Merryday, of Florida, to be U.S. district judge for the Middle District of Florida; and

K. Michael Moore, of Florida, to be U.S. district judge for the Southern District of Florida.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced read the first and second time by unanimous consent and referred as indicated:

By Mr. SPECTER:

S. 2200. A bill to amend the Job Training Partnership Act to establish a demonstration program to provide jobs for economic growth; to the Committee on Labor and Human Resources.

By Mr. BROWN (for himself and Mr. DOLE):

S. 2201. A bill to authorize the admission to the United States of certain scientists of the Commonwealth of Independent States as employment based immigrants under the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mrs. KASSEBAUM:

S. 2202. A bill to amend the Internal Revenue Code of 1986 to provide that farm land adjoining a principal residence qualifies for the one-time exclusion of gain from sale of such residence; to the Committee on Finance.

By Mr. DURENBERGER:

S. 2203. A bill to extend until January 1, 1995, the existing temporary suspension of duty on cyclosporine; to the Committee on Finance.

By Mr. DURENBERGER (for himself, Mr. KOHL, Mr. BAUCUS, and Mr. SMITH):

S. 2204. A bill to amend title 23 United States Code, to repeal the provisions relating to penalties with respect to grants to States for safety belt and motorcycle helmet traffic safety programs; to the Committee on Environment and Public Works.

By Mr. LEAHY (for himself, Ms. Mikulski, Mr. Adams, and Mr. D'Amato):

S. 2205. A bill to amend the Public Health Service Act to provide for the establishment or support by States of registeries regarding cancer to provide for a study regarding the elevated rate of mortality for breast cancer in certain States, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KASTEN:

S. 2206. A bill to amend the Internal Revenue Code of 1986 and title II of the Social Security Act to expand the social security exemption for election officials and election workers employed by State and local governments; to the Committee on Finance.

By Mr. DODD (for himself, Mr. Garn, Mr. Sanford, Mr. Kerry, and Mr. D'Amato):

S. 2207. A bill to provide for interstate banking and branching; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PACKWOOD:

S. 2208. A bill to amend the Congressional Budget Act of 1974 to provide for truth in budgeting with respect to intragovernmental transaction involving trust funds; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days to report or be discharged.

By Mr. BREAUX (for himself, Mr. Boren, and Mr. Nickles):

S. 2209. A bill to amend the Internal Revenue Code of 1986 to modify the application of the alternative minimum tax to oil and gas drillings investments and for other purposes; to the Committee on Finance.

By Mr. BENTSEN (for himself, Mr. Pryor, Mr. Packwood, Mr. Moynihan, Mr. Roth, Mr. Boren, Mr. Danforth, Mr. Riegle, Mr. Durenberger, Mr. Rockefeller, Mr. Grassley, Mr. Breaux, Mr. Chafee, Mr. Daschle, Mr. Hatch, Mr. Johnston, and Mr. Hollings):

S. 2210. A bill to provide a 1 year delay in the implementation of the final regulations issued by the Internal Revenue Service under sections 401(a)(4), 410(b), 414(r), and 414(s) of the Internal Revenue Code of 1986; to the Committee on Finance.

By Mr. NICKLES (for himself and Mr. Boren):

S. 2211. A bill to amend the Internal Revenue Code of 1986 to eliminate tax penalties that apply to oil and gas investments and for other purposes; to the Committee on Finance.

By Mr. RIEGLE (by request):

S. 2212. To provide funding for the Resolution Trust Corporation and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. KASSEBAUM:

S.J. Res. 251. A joint resolution to designate the month of May 1992 as "National Huntington's Disease Awareness Month"; to the Committee on the Judiciary.

By Mr. DIXON:

S.J. Res. 252. A joint resolution designating the week of April 19-25, 1992, as "National Credit Education Week; to the Committee on the Judiciary.

By Mr. SEYMOUR:

S.J. Res. 253. A joint resolution to reduce Senate pay if the Senate fails to pass a bill or resolution no later than March 20, 1992, to stimulate national economic growth, and for other purposes; to the Committee on Rules and Administration.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LEAHY (for himself and Mr. Adams):

S. Res. 255. A resolution to express the sense of the Senate regarding breast cancer; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 2200. A bill to amend the Job Training Partnership Act to establish a demonstration program to provide jobs for economic growth; to the Committee on Labor and Human Resources.

JOBS FOR ECONOMIC GROWTH ACT

Mr. SPECTER. Mr. President, today I am introducing legislation that will establish a new program to provide employment opportunities to reemploy dislocated workers and provide avenues to employment for recipients of public assistance and the chronically unemployed. This legislation, which is modeled after the Allegheny County Works Program in Pittsburgh, will give participants the training and skills needed to become productive members of the labor force. Under the program, $50 million would be authorized to demonstrate effective and innovative approaches to prepare the unemployed for entry into the work force.

This program will also benefit the community in which the program is operating by renovating and repairing public facilities such as community and recreation centers, maintenance and revitalization of public parks, and beautification projects. For most participants in this program, public service work alone will not be enough to prepare them for the job market. For those whose old jobs no longer exist, or those who have little or no work experience, there will be the need to learn new vocational skills. Courses will be provided through individually designed part-time programs offered both during and after working hours. Training and education will be matched with the participant's work schedule. Courses will include both basic literacy skills as well as college programs—courses for those who need to prepare for their first job, and those who need to learn a new career after years of productive work.

Benefits provided by this program would include an average wage of $6 per hour and health care coverage. Program participants may also be paid up to 5 hours a week for education and training programs relevant to their employment needs.

Finally, the bill contains a provision to assist program participants to prepare them to find and retain employment.

I look to this legislation to support new training and education ventures—ones that will demonstrate the potential of on the job work experience and educational training—necessary to get our people back to work.

I urge my colleagues to join with me in sponsoring this important measure.

By Mr. BROWN (for himself and Mr. Dole):

S. 2201. A bill to authorize the admission to the United States of certain scientists of the Commonwealth of Independent States as employment-based immigrants under the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

COMMONWEALTH SCIENTISTS IMMIGRATION AND EXCHANGE ACT

• Mr. BROWN. Mr. President, today I am introducing a bill for myself and the distinguished minority leader, Senator Dole, to address one of the fundamental dangers to arise as a result of the disintegration of the Soviet Union: the sudden availability of talented scientists who have specialized in developing weapons of mass destruction. It is called the Commonwealth Scientist Immigration and Exchange Act of 1992.

Reports as recent as an Associated Press story on the wire yesterday indicate that "nuclear mercenaries [may] sell expertise or hard-to-track components to nations trying to build a bomb." Although that is not yet the case, it may be if we do not act soon.

The situation in the former Soviet Union is grave. Food is scarce, the military is demoralized and unemployment has reached record levels. It is no wonder that there is such great concern that scientists of the former Soviet Union may be willing to market their skills to unscrupulous nations bent on developing weapons that can threaten the world's security. If the choice for them is between whether their families can eat or an undesirable move to the middle of the Libyan desert to develop nuclear weapons, some of these scientists may consider moving to Libya.

A Congressional Research Service [CRS] background paper notes that Soviet nuclear scientists are experiencing an incredible shock as they transition to a peaceful society. Before, under the Communist government, they were well-paid and had access to many benefits, including housing, travel, and access to Western goods. Now, these once prestigious scientists are making salaries barely sufficient to meet their needs—not more than $10 per month. Entire cities, constructed to house the scientific talent of the massive Soviet defense establishment, lie idle.

Estimates of how many Commonwealth scientists have been affected vary. CIA Director Robert Gates testified that there are between 1,000 and 2,000 top Soviet nuclear weapons designers. Former Soviet officials estimate that of the 100,000 workers in the nuclear complex, 3,000 to 5,000 have access to sensitive information concerning nuclear weapons design.

In an article entitled "Scientists of Former Soviet Union Find the U.S. Slow in Putting Out the Welcome Mat for Them," the Wall Street Journal outlines the problems of one Soviet scientist who came to the United States. Mr. President, I ask unanimous consent that this article be reprinted in full at the conclusion of my remarks.

Mr. Ivanov, a 28-year-old electrical engineer cited in the article, decided to leave the Soviet Union during the August coup attempt. It took him more than 2 months to get a visa to the United States and now he is begun the difficult task of finding a job. Many of his scientific friends have left Moscow, he reports. None have gone to Iraq, Libya, or Iran. But, he notes:

> If these Soviet scientists aren't needed in Europe or the U.S., they must go somewhere to eat.

The story makes two points. First, our ability to process visa requests for these scientists is not quick enough. This legislation is designed to speed the process and remove existing obstacles. Second, many of these scientists are having difficulty finding a job in the Commonwealth or in the United States. This bill expresses the sense of Congress that some of the funds set aside for the reduction of the Soviet threat should be used to ensure these scientists are gainfully employed in research projects that benefit American competitiveness.

Let me explain the details of the bill I'm introducing today. Entitled the Commonwealth Scientists Immigration and Exchange Act of 1992, the bill applies to those Commonwealth scientists and engineers who have expertise in nuclear, chemical, biological, or high technology or other high technology fields or who are working on nuclear, chemical, biological or other high-technology defense projects.

It contains two provisions to facilitate the immigration of Commonwealth scientists to the United States: it automatically waives the job offer requirement for exceptionally qualified immigrants if those immigrants are Commonwealth scientists. The bill also permits the Attorney General to classify these scientists, based on their level of expertise, as eligible for work visas, with appropriate labor certifications, whether or not they possess advanced degrees. This waiver authority for the classification of the exceptionally gifted ends four years after the bill is enacted. Furthermore, the Attorney General is required to prescribe regulations to permit the identification of those scientists who are eligible for the waiver.

Another means of effectively employing these scientists in a way that also benefits the American economy is to increase their eligibility for U.S. Government exchange and scholarship programs. A wide variety of exchange programs already exists. This bill expresses the sense of Congress that these Commonwealth scientists should be given priority consideration for exchange programs for which they are eligible. The administration can take a variety of actions to increase the eligibility of these scientists, especially by defining as broadly as possible existing programs so that they can accommodate Commonwealth scientists who might be interested in getting further education or doing research. Opportunities like these should be designed to permit them the maximum flexibility, especially so they can redirect their skills into pursuits that will benefit the U.S. economy and the fledgling commercial economy in the Commonwealth.

During the last session of the Congress, we set aside $400 million from the defense budget for the dismantling of the Soviet nuclear threat but in the ensuring weeks, we have learned that a major portion of the world's future nuclear threat comes from rogue nations attempting to hire these brilliant scientists. This bill contains a section that expresses the sense of Congress that the President should set aside some of these funds to ensure the Commonwealth scientists are gainfully employed within the Commonwealth, without affecting American jobs. Additionally, we urge the President to ensure that any byproducts of these projects conducted in the CIS should be designed to enhance American competitiveness and to provide financial returns to the taxpayer to the greatest extent possible, while ensuring the scientists are gainfully employed.

Estimates for employing all of them for a year range from as little as $5 million to only $18 or $20 million. The bill expresses our strong sentiment that the activities these scientists are employed in, such as the dismantling of their nuclear arsenal and other projects, should in no way affect the jobs of American workers.

The possible movement of nuclear scientists of the Commonwealth to nations like Libya, Iran, and others whose goal is the development of weapons of mass destruction, is not a problem that can wait for a solution. It is one that will be decided in the next few months, even the next few weeks. I urge my colleagues to join me in passing this measure as quickly as possible, to ensure existing impediments are removed and all focus and energies are turned to the effective solution of this important problem.

Before relinquishing the floor, I would like to take a moment to especially thank our distinguished minority leader, Senator DOLE, for joining me in this effort. I would also like to thank my colleague from Wyoming, Senator SIMPSON. Senator SIMPSON has made his staff available to us as we have prepared this bill, and they have provided excellent technical advice and assistance. I would especially like to thank Carl Hampe, of Senator SIMPSON's staff, for his work on this bill. I look forward to working together further as the bill is taken up by the Immigration Subcommittee on which he serves.

Mr. President, I ask unanimous consent that the Commonwealth Scientist Immigration and Exchange Act of 1992 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2201

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Commonwealth Scientists Immigration and Exchange Act of 1992".

SEC. 2. PURPOSES.

(a) IN GENERAL.—The purposes of this Act are—

(1) to deter the proliferation of expertise in nuclear, chemical, biological, or other high technology fields which may be applied to defense projects in Third World countries; and

(2) to enhance American competitiveness with foreign economies.

(b) CONSTRUCTION.—Nothing in this Act may be construed to affect adversely the employment, wages, or working conditions of workers in the United States.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "Commonwealth of Independent States" means the constituent republics of Armenia, Azerbaijan, Belarus, Kazakhstan, Kirghizistan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan;

(2) the term "eligible Commonwealth scientists" means aliens—

(A) who are nationals of any of the constituent republics of the Commonwealth of Independent States; and

(B) who are scientists or engineers who have expertise in nuclear, chemical, biological or other high technology fields or who are working on nuclear, chemical, biological or other high-technology defense projects; and

(3) the term "Soviet threat reduction funds" means funds which were transferred under section 221 of the Soviet Nuclear Threat Reduction Act of 1991 (Public Law 102-228) for use in reducing the Soviet military threat in accordance with that Act.

SEC. 4. WAIVER OF JOB OFFER REQUIREMENT.

For requirement in section 203(b)(2)(A) of the Immigration and Nationality Act that an alien's services in the sciences, arts, or business be sought by an employer in the United States shall not apply to any eligible Commonwealth scientist who is applying for admission to the United States for permanent residence in accordance with that section.

SEC. 5. CLASSIFICATION OF COMMONWEALTH SCIENTISTS AS HAVING EXCEPTIONAL ABILITY.

(a) IN GENERAL.—The Attorney General shall designate a class of eligible Commonwealth scientists, based on their level of expertise, as aliens who possess "exceptional ability in the sciences", for purposes of section 203(b)(2) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(2)(A)), whether or not such scientists possess advanced degrees.

(b) REGULATIONS.—The Attorney General shall prescribe regulations to carry out subsection (a).

(c) TERMINATION.—The authority of subsection (a) shall terminate 4 years after the date of enactment of this Act.

SEC. 6. INTERNATIONAL EXCHANGE PROGRAMS.

It is sense of the Congress that—

(1) eligible Commonwealth scientists should be given priority consideration for all United States Government exchange and scholarship programs which were available, before December 25, 1991, to students and citizens of the former Union of Soviet Socialist Republics for which such scientists would otherwise have been eligible;

(2) the President should make every effort to define existing programs broadly enough to accommodate eligible Commonwealth scientists seeking graduate education in the commercial applications of their field or specialty; and

(3) the President should make every effort to permit eligible Commonwealth scientists to apply for graduate exchange programs that would cross-train them in another specialty, including business or law.

SEC. 7. POLICY ON USE OF SOVIET THREAT REDUCTION FUNDS.

It is the sense of the Congress that, in making available Soviet threat reduction funds—

(1) priority should be given to ensure that eligible Commonwealth scientists are gainfully employed in the Commonwealth of Independent States in research and other projects which would enhance the objectives of nonproliferation of weapons of mass destruction, without affecting the jobs of American scientists;

(2) the byproducts of such research and other projects should be designed to enhance American competitiveness and to provide financial returns to the taxpayer to the greatest extent possible; and

(3) priority should be given to the creation of educational fellowships and other internships for eligible Commonwealth scientists with American industry in order to train such scientists in commercial and business applications of their specialties for the purpose of facilitating the process of economic reform in the Commonwealth of Independent States.

[From the Wall Street Journal, Feb. 3, 1992]

SCIENTISTS OF FORMER SOVIET UNION FIND THE UNITED STATES SLOW IN PUTTING OUT THE WELCOME MAT FOR THEM

(By Gerald F. Seib and John J. Fialka)

WASHINGTON.—Back when there was a Soviet Union and he had a job in it, Sergei Ivanov was an electronic and optical engineer who designed sophisticated medical devices.

But as the Soviet Union collapsed last fall, Mr. Ivanov fled to the U.S. with his wife Natalia, herself a skilled computer scientist who worked in Soviet space and missile research. Now they live here with their two young children in a shabby house in a rough section. Crowded in with them are three other emigre Soviet families and four single people.

To survive, Mr. Ivanov has been forced to turn to a different kind of medical work. He earns money by volunteering as a human guinea pig for research experiments at the National Institutes of Health. "Sometimes it's dangerous, sometimes not," he says with a shrug.

The plight of these two highly educated scientists illustrates one of the most sensitive problems arising from the ashes of the Soviet Union. Despite its shortcomings, the Soviet Union produced perhaps the world's largest cadre of technically skilled scientists, many of whom worked in one fashion or another for the defense establishment that permeated Soviet industry.

FLEEING, BUT WHERE?

Now many of those scientists are fleeing the former Soviet Union. Unless Western nations devise a way to put them to work, some undoubtedly will take their skills to such nations as Iraq, Iran, Libya and South Africa. Belatedly, a rush of activity is beginning here to find safer homes for these scientists.

The Bush administration is expected soon to propose using U.S. funds to hire scientists from the Soviet nuclear weapons industry and putting them in a kind of "talent bank," where they could dismantle nuclear arms or be dispatched to Western countries as need for them arises. In a related move, German Foreign Minister Hans-Dietrich Gensher has proposed establishing an international foundation that would employ nuclear scientists.

Meanwhile, at least three private U.S. companies already have signed deals to use Russian scientists in Russia for various research projects, and are finding they can reap significant savings by doing so. And the Jamestown Foundation, a private group, has launched a program to find temporary spots for scientists in businesses and universities and as schoolteachers.

But those proposals only begin to deal with what promises to be a massive brain drain from the former Soviet Union, Perhaps a million people worked somewhere in the former Soviet nuclear weapons program, says Robert Gates, the director of Central Intelligence; he estimates that about 2,000 scientists have the "critical skills necessary to design nuclear weapons."

Beyond that, a U.S. analyst who has closely examined the Soviet arms industry estimates that another 100,000 people possess some expertise useful to a country trying to build ballistic missiles. A "couple of thousand" more have some knowledge of how to produce biological weapons, he says, Finally, a few hundred others have skills that could be used to significantly improve the quality of the Third World's chemical weapons, U.S. analysts estimate.

SMALL NUMBER CAN TIP BALANCE

U.S. officials whose business it is to monitor the situation say they have evidence that some of these scientists are being wooed by other nations. Government analysts privately doubt that the old KGB controls on defense scientists are still in place amid the current chaos of the old Soviet Union. Even a small seepage into Iraq, Iran or Libya could have catastrophic consequences. "It's a no-win expertise," says Graham Fuller, a former top CIA analyst. "You can get 90% of these guys, but if you miss 10%, there goes the ball game."

Yet there is much more to this than a new generation of national security threats. As at the end of World War II, the U.S. also risks losing out if it fails to snare some of the top-level scientific minds that are up for grabs. Scientists from the former Soviet Union say most of their colleagues who want out would prefer to move to the U.S. and Western Europe. but many are finding it tough to land work in the West, particularly because the end of the Cold War arms race is unleashing onto the job market many western scientists who have similar skills, and who already speak English.

Soviet scientists often have to fight a Catch-22 in the U.S. Employers don't want to hire them unless they get work visas, but they can't get work visas until they can show they will be employed. There is an additional roadblock left over from the Cold War: Defense contractors generally don't want to hire scientists from the former Soviet Union because doing so could violate security regulations that come along with government contracts.

"There would be many more here, but it isn't easy to open a new position here," says Roald Sagdeev, a scientists who has found a post at the University of Maryland.

The result is that many scientists may look elsewhere. "Nowadays there is a very serious flood to Israel, which is understandable because of so many restrictions for people to reach the American coast," says Yevgeny Schuhkin, a Russian who has found a temporary spot as a visiting professor of material sciences at Johns Hopkins University. Others, he says, have sought to emigrate to South Africa.

The problems faced by Mr. Ivanov, the 28-year-old electrical engineer, are illustrative. In Moscow, it had become harder and harder to find food and decent housing for the 500 to 1,200 rubles a month—$4 to $10 a month at the current exchange rate—that he could earn through his salary as a researcher and his work as a designer in a Soviet scientific institute.

He decided to flee during last August's coup attempt. By October, Mr. Ivanov had managed to get visas to the U.S. through Russian acquaintances at a church, his family found lodging at the run-down group house here, which has dilapidated lawn equipment littering the front porch and curtains draped across doorways inside to give some privacy to the various residents. The family has piled its possessions into a single, littered room inside the house, and serves tea to a visitor out of a metal pot straight off the stove. Mr. Ivanov's wife had a baby in December, and the new parents are grateful that some friends donated clothing for the infant.

"I can't say the living conditions are wonderful, but it's better than nothing," says Mr. Ivanov.

He yearns to work for a U.S. company designing electronic devices. Companies he has contacted sometimes say they can use scientists with his skills but that he must first become a U.S. citizen, or say he would have to get security clearances to work on their government contracts. Meanwhile, besides volunteering for medical experiments, he has raked leaves and repaired TVs to scrape together money.

Many of his scientific friends also have fled Moscow, reports Mr. Ivanov. None have gone to Iraq, Libya or Iran, he says. But, he adds: "If these Soviet scientists aren't needed in Europe or the U.S., they must go somewhere to eat." If things don't work out for him here, he says, he won't return to Russia, but will look for a life in another country.

Some U.S. companies are finding that one way to take advantage of former Soviet scientists is to bring the work to them. For example, General Atomics Corp., a San Diego-based nuclear research concern, has two projects under way with Russian scientists. One will continue work the scientists were doing for the Soviet Union in the nuclear fusion area, only now they will be working for General Atomics. "Their facilities are excellent," says Wayne Willis, director of Washington operations for General Atomics. The fusion area involves research to see if the fusing of simple atoms, the process used in the hydrogen bomb, can be used to make safe, pollution-free nuclear reactors that run on cheap fuel sources, such as water.

OTHER PROJECTS

General Atomics also has Russian scientists working on thermonics, an effort to use nuclear reactors in space to generate large amounts of electrical power that would be needed for space probes and large satellites. The Russians have a process that converts heat directly to electricity without the need for a generator.

Similarly, Findette Corp., a small chemical manufacturer located in St. Charles, Mo., has a joint venture with a private company formed by a team of scientists of the former Soviet Institute of Chemical Physics.

"These people have breakthroughs that nobody else has," says Barney O'Meara, executive vice president of Kiser Research Inc., a Washington based research firm which helped arrange the deal. The "breakthrough" in this case is called a "turbulent microreactor," a tube-shaped chemical reactor that could be used to destroy nerve gas, among other uses.

What's more, notes Mr. O'Meara, "You can get a team of 10 scientists plus all their laboratory support services for what it would cost you to hire one scientist over here."

A larger U.S. corporation, Monsanto Co., the St. Louis based maker of chemical and agricultural products, has a contract with the Shemyakin Institute in Moscow, where for $500,000, 10 scientists are doing research on drugs and plant and animal growth for the U.S. company. The company has a second project under way with three other former Soviet research institutes to exploit technology to put a diamond-hard coating on plastics. "This gives us stuff that we don't have to re-invent," says a Monsanto spokesman. One possible application would be cheaper, stronger windows for airplanes.•

By Mr. DURENBERGER:

S. 2203. A bill to extend until January 1, 1995, the existing temporary suspension of duty on cyclosporine; to the Committee on Finance.

EXTENSION OF DUTY SUSPENSION ON CYCLOSPORINE

• Mr. DURENBERGER. Mr. President, I rise today to introduce legislation that would extend until January 1, 1995, the current duty suspension of the drug cyclosporine that is due to expire at the end of this year.

Cyclosporine is an immunosuppressant drug that has proven to be very important in helping patients survive an organ transplant operation. Cyclosporine appears to suppress the bodies' natural immune system, and in so doing, helps the patient fight organ rejection. The drug is manufactured by a company in Switzerland and is not manufactured in the United States. Two years ago, Congress adopted an amendment I introduced that suspended the duty on this drug until the end of this year. The legislation I am offering today merely extends that duty suspension another 2 years.•

By Mr. DURENBERGER (for himself, Mr. KOHL, Mr. BAUCUS, and Mr. SMITH):

S. 2204. A bill to amend title 23, United States Code, to repeal the provision relating to penalties with respect to grants to States for safety belt and motorcycle helmet traffic safety programs; to the Committee on Environment and Public Works.

REPEAL OF CERTAIN PROVISIONS OF LAW RELATING TO SEAT BELTS AND MOTORCYCLE HELMETS

• Mr. DURENBERGER. Mr. President, the goals of the recently enacted provisions regarding the use of safety belts and motorcycle helmets—section 153 of title 23, U.S.C.—are laudable—the reduction of the number of fatalities and crippling injuries which occur on our Nation's roadways. In 1989 over 45,000 lives were lost in motor vehicle accidents and over 3 million people were injured. The consequence of these deaths and injuries cost our country approximately $74 billion each year. These losses are generated by a combination of lost lives, productivity, medical and rehabilitation expenses, and insurance and litigation costs.

The proponents of the safety belt and helmet provisions expect that this legislation will significantly reduce those losses which befall unbelted motorists and unhelmeted motorcyclists. The intent is to provide "a carrot and stick" mechanism of manipulating the disbursement of Federal highway funds in order to coerce States into adopting mandatory safety belt and helmet laws.

I believe there is merit in using Federal funds for highway safety research, to encourage States to improve traffic safety via greater education efforts and by stimulating innovative programs designed to reduce the number of high risk motorists. However, I have serious reservations about using Federal "blackmail" to force States into enacting mandatory seatbelt and motorcycle helmet laws. Likewise, I believe that outlining how a State spends its own money—which the Federal Government collects through the gas tax—erodes the principles of flexibility which were redefined in the Intermodal Surface Transportation Efficiency Act of 1991.

Mr. President, it is for those reasons that I am introducing a bill to repeal the penalty provision of section 153 of title 23. My bill retains the grant program as a positive incentive to pass both laws, while also encouraging a high rate of compliance with the laws. Throughout the process of passing the ISTEA last year, I went on record in opposition to this penalty proposal. I recognize that both bodies of Congress included the safety belt and helmet provisions in their respective bills. However, I strongly believe that Congress should reexamine this attempt to manipulate State governments.

The fatality record in Minnesota seems to contradict the evidence that mandatory helmet laws are the best way to increase traffic safety of motorcyclists. During the period—1968–77—when Minnesota had a mandatory traffic safety law, fatalities per 10,000 registered vehicles went up every year.

In contrast, during subsequent years in which Minnesota has not required adult operators and passengers to wear helmets, the fatality rate has plummeted to an all-time low. This occurred because Minnesota motorcyclists and lawmakers realized that there is no substitute for continued ongoing traffic safety education and tough licensing provisions. Minnesota motorcyclists encouraged the State legislature to enact tough licensing standards. They have also implemented comprehensive rider education programs and public awareness programs which have won national recognition and served as a model which other States have emulated.

The Minnesota Motorcyle Riders Association and ABATE of Minnesota implemented "Dial-A-Ride," a program utilizing volunteers to keep impaired riders off the road. It offers a workable alternative by transporting an impaired rider and his bike to his home or to a motel, if needed. The program operates from May 1 to October 31, the primary season to operate a motorcycle in Minnesota. The program has widely distributed posters that prominently display the phone number to call to use its service.

I would like to encourage my colleagues to closely examine why Minnesota has been able to drastically lower the fatality rate of its motorists to one of the lowest in the Nation. I think they will find it is because Minnesotans know that there is no panacea or easy fix. Minnesotans know that it takes persistent effort in a broad array of traffic safety initiatives to significantly reduce roadway fatalities. Minnesota motorists and motorcyclists have shown that they have a strong commitment to improving traffic safety. They have requested, supported and prodded the Minnesota legislature to honestly and competently meet their demands for safer roadways. They do it because in Minnesota good behavior is rewarded—not because someone in Washington said they "had to do it."

Mr. President, my bill retains the reward for implementing both laws. It does not penalize, punish or micromanage the State's Federal funds if they choose not to pass either a mandatory seatbelt or helmet law. Proponents of the penalty provision will tell you that it is not a mandate. The penalty directs States to spend additional moneys on the section 402 program in exchange for not passing the laws. But, most States already have programs in place. Forcing them to spend more money is only giving public safety offices the green light to come up with ways to spend more money. In fiscal year 1996, Minnesota will be forced to spend over 12 times the amount it will spend in fiscal year 1992 on section 402 programs. I am concerned that under those circumstances, the result could be irresponsible spending.

In closing, I would caution my colleagues that reliance on Federal mandates to traffic safety, such as that embodied in Public Law 102-240, may be counterproductive in the long run. It seems to me that a wiser course of action would be to enlist cooperative support and to harness the creative energies of concerned citizens to work together with the goal of decreasing the number of serious traffic accidents. Consequently, I believe that the Intermodal Surface Transportation Efficiency Act needs to be refocused to solicit teamwork, rather than provoke conflict between government and citizens, both of whom share a common goal of improved traffic safety.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2204

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.

(a) IN GENERAL.—Subsection (h) of section 153 of title 23, United States Code, is repealed.

(b) CONFORMING AMENDMENT.—Subsections (i) through (k) of section 153 of title 23, United States Code, are redesignated as subsections (h) through (j), respectively, of such section.●

● Mr. KOHL. Mr. President, I am delighted to join with Senator DURENBERGER in introducing this legislation to correct what we see as a flaw in the transportation bill we passed last year.

As my colleagues recall, when we debated the issue of mandatory seatbelt and helmet laws last year, we pretty much agreed that the Federal Government did not have the right to require States to pass them. But we also agreed that such laws might be desirable. So in the Senate version of the transportation bill we attempted to persuade States to adopt them. Unfortunately, the final legislation attempted to coerce States into adopting them.

While the goal of the legislation may have been desirable, the tactics are objectionable. In essence we are going to force States which do not adopt mandatory helmet and seatbelt laws to waste—waste—money, money that neither they nor we have. To the extent that the law now requires spending on "education" above and beyond desirable and necessary levels, to the extent that the law requires States to divert spending from more critical programs and projects, to that extent we are mandating that money be wasted.

And Mr. President, we cannot afford to do that.

As I said last year, when I drive, I wear my seatbelt; and if I rode a motorcycle, I would wear a helmet. But we all know that, as a Federal Government, we do not have the right or the ability to require States to pass the laws we might like to see in these areas. The Senate version of the legislation, while problematic, at least was acceptable because it sought to persuade States to move in a certain direction; current law coerces them. And that is unacceptable.

Again, I am delighted to join with Senator DURENBERGER in this effort. I congratulate him on his leadership and I look forward to working with him and our colleagues as we seek to find an acceptable way to resolve this problem.●

By Mr. LEAHY (for himself, Ms. MIKULSKI, Mr. ADAMS, and Mr. D'AMATO):

S. 2205. A bill to amend the Public Health Service Act to provide for the establishment or support by States of registries regarding cancer, to provide for a study regarding the elevated rate of mortality for breast cancer in certain States, and for other purposes; to the Committee on Labor and Human Resources.

CANCER REGISTRIES AMENDMENT ACT

Mr. LEAHY. Mr. President, today I am introducing legislation to bolster this Nation's campaign against cancer.

Breast cancer is killing our mothers and daughters. Every 3 minutes another American woman will be diagnosed with the disease. Every 12 minutes, another woman in this country will die.

Despite decades of research and experimentation, there is still no certain cure for—or known cause of—breast cancer.

It is time to wage war on this disease and declare breast cancer a public health emergency. The resolution I am introducing today, along with Senator ADAMS, urges the Secretary of Health and Human Services to make this emergency declaration, and speed up the investigation into the cause, treatment and prevention of the disease.

Mr. President, I am also introducing a bill to create cancer registries in every State. I am pleased to be joined by Senators MIKULSKI, ADAMS, and D'AMATO in this effort.

My friend from Vermont, Congressman BERNARD SANDERS, spent countless hours developing this legislation and is introducing a companion bill in the House today.

The registries established in our bill will collect demographic data for every incidence of cancer and provide a nationwide data base to allow researchers to track cancer rates and focus on prevention.

Cancer researchers at the National Cancer Institute and State health department officials tell us accurate, uniformly defined and collected information on all cancers in all States is absolutely essential to their research and prevention efforts.

In the absence of a cure, prevention and early detection are our best hopes in the fight against cancer. This bill gives cancer patients a fighting chance.

Cancer, especially breast cancer, knows no bounds. But breast cancer hits women in Vermont, the Northeast and in the mid-Atlantic region with particular harshness. Researchers cannot explain why.

Our bill calls for a study of breast cancer in the nine States—and the District of Columbia—that lead the country in breast cancer mortality rates. The States are Vermont, Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, and Rhode Island.

Today there are things we can do to improve the lives of millions of Americans. The three steps I have outlined today will take us toward that goal.

Mr. President, I ask unanimous consent that the resolution and the bill be printed in the RECORD. I also ask unanimous consent that a summary of the cancer registry bill and a letter from the American Cancer Society in support of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cancer Registries Amendment Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) cancer control efforts, including prevention and early detection, are best addressed locally by State health departments that can identify unique needs;

(2) cancer control programs and existing statewide population-based cancer registries have identified cancer incidence and cancer mortality rates that indicate the burden of cancer for Americans is substantial and varies widely by geographic location and by ethnicity;

(3) statewide cancer incidence and cancer mortality data, can be used to identify cancer trends, patterns, and variation for directing cancer control intervention;

(4) the American Association of Central Cancer Registries (AACCR) cites that of the 50 States, approximately 38 have established cancer registries, many are not statewide and 10 have no cancer registry; and

(5) AACCR also cites that of the 50 States, 39 collect data on less than 100 percent of their population, and less than half have adequate resources for insuring minimum standards for quality and for completeness of case information.

(b) PURPOSE.—It is the purpose of this Act to establish a national program of cancer registries.

SEC. 2. ESTABLISHMENT OF A NATIONAL PROGRAM OF CANCER REGISTRIES.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.), as amended by section

101 of Public Law 101–616, is amended by adding at the end the following new part:

“PART M—NATIONAL PROGRAM OF CANCER REGISTRIES

“SEC. 399B. NATIONAL PROGRAM OF CANCER REGISTRIES.

“(a) In General.—The Secretary may make grants to States, or may make grants or enter into contracts with academic or non-profit organizations designated by the State to operate the State's cancer registry in lieu of making a grant directly to the State, to support the operation of population-based, statewide cancer registries in order to collect, for each form of in-situ and invasive cancer with the exception of basal cell and squamous cell carcinoma of the skin, data concerning—

“(1) demographic information about each case of cancer;

“(2) administrative information, including date of diagnosis and source of information;

“(3) pathological data characterizing the cancer, including the cancer site, stage of disease (Staging Guide), incidence, and type of treatment; and

“(4) other elements determined appropriate by the Secretary.

“(b) Matching Funds.—

“(1) In general.—The Secretary may make a grant under subsection (a) only if the State involved agrees, with respect to the costs of the program to be carried out by the State pursuant to such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 25 percent of such costs or $1 dollar for every $3 of Federal funds provided in the grant.

“(2) Determination of amount of non-Federal contribution; maintenance of effort.—

“(A) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

“(B) With respect to a State in which the purpose described in subsection (a) is to be carried out, the Secretary, in making a determination of the amount of non-Federal contributions provided under paragraph (1), may include only such contributions as are in excess of the average amount of such contributions made by the State toward the collection of data on cancer for the 2-year period preceding the first fiscal year for which a grant under subsection (a) is made with respect to the State. State contributions towards cancer control prevention services made during fiscal year 1992 shall be included in satisfying the State matching requirement for the initial fiscal year during which this section is in effect.

“(c) Eligibility for Grants.—

“(1) In general.—No grant shall be made by the Secretary under subsection (a) unless an application therefore has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such a manner, and be accompanied by such information, as the Secretary may specify. No such application may be approved unless it contains assurances that the applicant will use the funds provided only for the purposes specified in the approved application and in accordance with the requirements of this section, and that the application will establish such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting of Federal funds paid to the applicant under subsection (a) of this section.

“(2) Assurances.—Each applicant, prior to receiving Federal funds under subsection (a), shall provide assurances satisfactory to the Secretary that the applicant will—

“(A) provide for the establishment of a statewide population-based cancer registry by the State health department, or by one or more academic health centers, nonprofit cancer research and prevention organizations, or medical societies acting in collaboration with the State health department;

“(B) comply with appropriate standards of completeness, timeliness, and quality or population-based cancer registry data;

“(C) provide for the annual publication of reports of cancer data under subsection (a); and

“(D) provide for the authorization under State law of the statewide cancer registry, including—

“(i) a means to assure complete reporting of cancer cases (as described in subsection (a)) to the statewide cancer registry by hospitals or other facilities providing screening, diagnostic or therapeutic services to patients;

“(ii) a means to assure the complete reporting of cancer cases (as defined in subsection (a)) to the statewide cancer registry by physicians, surgeons, and all other health care practitioners diagnosing or providing treatment for cancer patients, except for cases directly referred to or previously admitted to a hospital or other facility providing screening, diagnostic or therapeutic services to patients in that State and reported by those facilities;

“(iii) a means for the statewide cancer registry to access all records of physicians and surgeons, hospitals, outpatient clinics, nursing homes, and all other facilities, individuals, or agencies providing screening, diagnostic or therapeutic services to patients which would identify cases of cancer or would establish characteristics of the cancer, treatment of the cancer, or medical status of any identified patient;

“(iv) the reporting of cancer case data to the statewide cancer registry in such a format, with such data elements, and in accordance with such standards of quality timeliness and completeness, as may be established by the Secretary;

“(v) the protection of the confidentiality of all cancer case data reported to the statewide cancer registry, including a prohibition on disclosure to any person of information report to the statewide cancer registry that identifies, or could lead to the identification of, an individual cancer patient, except for disclosure to other States cancer registries and local and State health officers;

“(vi) the promulgation of regulations under which confidential case data may be disclosed to cancer researchers for the purposes of cancer prevention, control and research;

“(vii) the authorization or the conduct, by the statewide cancer registry or other persons and organizations, of studies utilizing statewide cancer registry data, including studies of the sources and causes of cancer, evaluations of the cost, quality, efficacy, and appropriateness of diagnostic, therapeutic, rehabilitative, and preventative services and programs relating to cancer, and any other clinical, epidemiological, or other cancer research; and

“(viii) protection for individuals complying with the law, specifically that no person shall be held liable in any civil action with respect to a cancer case report provided to the statewide cancer registry, or with respect to access to cancer case information provided to the statewide cancer registry.

“(d) Relationship to Certain Programs.—This section may not be construed as requiring the Secretary to modify or terminate the program carried out by the Director of the National Cancer Institute and designated by such Director as the Surveillance, Epidemiology, and End Results Program (SEER). Where both programs exist, the Secretary shall ensure that SEER support is not supplanted and that any additional activities are consistent with the guidelines provided for in subsection (c)(2)(C) and (D). The Secretary may not transfer administration responsibility for such SEER program from such Director.

“(e) Requirement Regarding Certain Study on Breast Cancer.—In the case of a grant under subsection (a) to any State specified in section 399D(a)(2), the Secretary may establish such conditions regarding the receipt of the grant as the Secretary determines are necessary to facilitate the collection of data for the study carried out under section 399C.

“SEC. 399C. PLANNING GRANTS REGARDING REGISTRIES.

“(a) In General.—

‘“(1) States.—The Secretary may make grants to States for the purpose of developing plans that meet the assurances required by the Secretary under section 399B(c)(2).

“(2) Other entities.—For the purpose described in paragraph (1), the Secretary may make grants to public entities other than States and to nonprofit private entities. Such a grant may be made to an entity only if the State in which the purpose is to be carried out has certified that the State approves the entity as qualified to carry out the purpose.

“(b) Application.—The Secretary may make a grant under subsection (a) only if an application for the grant is submitted to the Secretary, the application contains the certification required in subsection (a)(2) (if the application is for a grant under such subsection), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(c) Funding.—Of the amounts appropriated under section 399F for a fiscal year, the Secretary may obligate not more than 25 percent for carrying out this section.

“SEC. 399D. STUDY IN CERTAIN STATES TO DETERMINE THE FACTORS CONTRIBUTING TO THE ELEVATED BREAST CANCER MORTALITY RATES.

“(a) Finding.—

“(1) In general.—Congress finds that the Director of the National Cancer Institute has determined that the rates of mortality for breast cancer in the States specified in paragraph (2) are elevated compared to rates in other States.

“(2) Relevant states.—The States referred to in paragraph (1) are Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and the District of Columbia.

“(b) Study to Determine the Factors Contributing to Elevated Mortality Rates.—

“(1) In general.—Subject to paragraphs (2) and (3), the Secretary shall conduct a study for the purpose of determining factors contributing to the determination described in subsection (a) with respect to the States.

"(2) COOPERATION OF STATE.—The Secretary may conduct a study required in paragraph (1) in a State only if the State agrees to cooperate with the Secretary in the conduct of the study, including providing information from any registry operated by the State pursuant to section 399B(a).

"(3) PLANNING, COMMENCEMENT, AND DURATION.—The Secretary shall, during each of the fiscal years 1993 and 1994, develop a plan for conducting the study required in paragraph (1). The study shall be initiated by the Secretary not later than fiscal year 1994, and the collection of data under the study may continue through fiscal year 1998.

"(4) REPORT.—Not later than September 30, 1999, the Secretary shall complete the study required in paragraph (1) and submit to the appropriate committees of Congress the findings and recommendations made as a result of the study.

"(5) DEFINITION.—As used in this subsection, the term 'relevant State' means a State specified in subsection (a)(2).

"SEC. 399E. TECHNICAL ASSISTANCE IN OPERATIONS OF STATEWIDE CANCER REGISTRIES.

"The Secretary may, directly or through grants and contracts, or both, provide technical assistance to the States in the establishment and operation of statewide registries, including assistance in the development of model legislation for statewide cancer registries and assistance in establishing a computerized reporting and data processing system.

"SEC. 399F. AUTHORIZATION OF APPROPRIATIONS.

"(a) REGISTRIES.—For the purpose of carrying out this part, there are authorized to be appropriated $30,000,000 for each of fiscal years 1993 through 1999, not more than 10 percent of which may be expended for assessing the accuracy, completeness and quality of data collected, and not more than 10 percent of which is to be expended under subsection 399E.

"(b) BREAST CANCER STUDY.—For the purpose of carrying out section 399D, the Secretary shall submit to the appropriate committees of Congress, a 5-year study plan and budget for each of fiscal years 1994 through 1999.".

THE CANCER REGISTRIES AMENDMENT ACT OF 1992

Amends the Public Health Service Act to provide for the creation of cancer registries in every state. The registries will collect demographic data for each incidence of cancer, providing a nationwide data base to allow researchers to track cancer rates and focus on prevention. The bill also calls for a study of the elevated breast cancer mortality rates in the Northeastern and Mid-Atlantic States.

Grants to States—HHS Secretary makes grants to States for the purpose of operating registries of individuals with cancer in order to collect, for each form of cancer, data on:

a. demographic information about each case of cancer,

b. administrative information, including date of diagnosis and source of information,

c. pathological data characterizing the cancer, including the cancer site, stage of disease (Staging Guide), incidence, type of treatment, and

d. other elements the Secretary deems appropriate.

Matching Funds—A three to one match (25 percent contribution from the States). A certain percent of this money is alloted for quality control and administration. Current State cancer control prevention service dollars can count as State match.

Planning Grants—The Secretary also can make grants to States for the purpose of planning for enabling registry legislation and compliance with eligibility for registry grants.

Utility of Data—The Secretary shall issue guidelines for the collection and presentation of data for the registry, and require procedures to ensure the completeness and accuracy of reporting by the registries.

Population-based Data—The Secretary shall require that, to the extent practicable, data collected for the registry be collected on all cases of cancer occurring in populations defined by the Secretary.

Consideration of Relevant State Laws—grants will only be made if the law of the State involved facilitates the collection of data for the registry, and if the law of the State will maintain the confidentiality of information contained in the registry. Those States that do not meet eligibility requirement can apply for planning grants.

Study of Elevated Breast Cancer Mortality Rates in the Northeast and Mid-Atlantic Regions—The Secretary shall make grants available to Relevant States to facilitate the collection of data to conduct a study of the elevated age-adjusted breast cancer mortality rates in: Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and the District of Columbia.

Authorization of Appropriations—$30 million per year.

AMERICAN CANCER SOCIETY,
Washington, DC, February 4, 1992.

Hon. PATRICK LEAHY,
Russell Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: For more than 40 years, the American Cancer Society has been actively engaged in supporting the development of complete, population-based cancer incidence registries in the United States. They are valuable to our research efforts as well as assuring high quality care for the cancer patient. Although much progress has been made in many parts of the country in developing such registries, case incidence reporting is still incomplete. Much work remains to achieve acceptable standards for data uniformity and accuracy for the country as a whole. In the absence of full incidence reporting, we continue to rely largely on mortality statistics for information regarding trends in cancer occurrence.

"The Cancer Registries Amendment Act of 1992" represents a significant step towards fulfilling this important cancer control goal. Through the support of state health departments and affiliated organizations in the process of developing cancer incidence registries, this legislation will provide strong encouragement for population-based cancer case reporting and move us closer to the important goal of a complete national cancer registry system. Importantly, the proposed legislation addresses the necessity for patient confidentiality without compromising the integrity of the system.

This initiative would also require a study to determine the factors contributing to elevated breast cancer mortality rates in certain states. Breast cancer is the most common form of cancer in the United States and the second leading cause of cancer death, and yet we do not know what causes this disease. The proposed study could be potentially useful in identifying factors that require further research.

The American Cancer Society commends you for your leadership in this area. By strengthening such cancer data resources throughout the United States, it will be increasingly possible to carry out productive investigations regarding the origins of particular cancers and the causes underlying their current trends and patterns in our population. The Society looks forward to working with you and your staff on this legislation. Please contact Kerrie Wilson at (202) 546-4011 if we can be of any assistance.

Sincerely,

WALTER LAWRENCE, Jr., M.D.,
President.

• Mr. D'AMATO. Mr. President, I rise today to join my distinguished colleague, Senator LEAHY, in introducing the Cancer Registries Amendment Act of 1992. This legislation will help ensure that we have accurate information in our efforts to fight a disease that kills hundreds of thousands of Americans each year.

The American Cancer Society estimates that over 1 million Americans will be diagnosed with cancer in 1992. Among these new cases will be 181,000 cases of breast cancer, 168,000 cases of lung cancer, and 132,000 cases of prostate cancer. The Cancer Society estimates that in 1992, cancer will claim 520,000 lives.

Accurate, reliable data is critical to our efforts to wage an effective campaign against this devastating disease. Unfortunately, in our Nation today, we have no uniform system of statewide cancer registries to collect this data. As a result, there is no way of knowing exactly how many new cases of cancer are diagnosed each year.

Our bill would correct this problem by amending the Public Health Service Act to provide for the creation of cancer registries in every State. By enabling all States to collect demographic data on each incidence of cancer, as well as pathological data pertaining to the cancer site, stage of disease, and type of treatment, our legislation will give researchers the tools they need to track cancer rates and to develop appropriate prevention strategies.

In addition, this legislation responds to the growing concerns about unusually high breast cancer incidence rates in the Northeast and Mid-Atlantic regions. My home State of New York, for example, has an overall breast cancer incidence rate that is among the highest in the Nation—with this disease afflicting more than one in nine women in several New York communities. Women deserve answers about the causes of the high breast cancer rates in these regions. By establishing a new program of grants to States for the study of these elevated rates, our bill will help them get the information they are seeking.

Mr. President, this is desperately needed legislation. While New York has had a cancer registry in place since 1976, there are currently 19 States that have no statewide cancer registry. We must correct this deficiency if we are to conduct a serious war on cancer in this country. This legislation would do that. I therefore encourage its immediate adoption.●

By Mr. KASTEN:

S. 2206. A bill to amend the Internal Revenue Code of 1986 and title II of the Social Security Act to expand the social security exemption for election officials and election workers employed by State and local governments; to the Committee on Finance.

SOCIAL SECURITY EXEMPTION FOR ELECTION OFFICIALS AND ELECTION WORKERS

● Mr. KASTEN. Mr. President, today I am pleased to introduce legislation to alleviate the Social Security tax burden on election officials and election day workers employed by State and local governments. This legislation would expand the Social Security exemption for election day pollworkers from $100 a year to $500 a year.

The majority of poll workers are senior citizens, presently receiving their Social Security benefits, and generally opposed to paying Social Security taxes on the wages earned on election day.

Poll workers often exceed $100 in yearly wages. Introduction of legislation to expand the Social Security exemption from $100 to $500 would free State and local governments from additional and costly administrative paperwork. Poll workers do not wish to have payroll taxes withheld on such small amounts of money because they receive only a minuscule increase in their Social Security benefits as a result of this taxation.

Clearly, Congress intended to exempt the earnings of election day workers from Social Security taxes due to the economic and bureaucratic burden the taxes would place on workers. In order for this exemption to be meaningful it should be raised from $100 to $500.

I ask unanimous consent that the text of my legislation be printed in the RECORD following my remarks and that the letters and resolutions from towns and cities in Wisconsin supporting this legislation also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPANSION OF SOCIAL SECURITY EXEMPTION FOR ELECTION OFFICIALS AND ELECTION WORKERS EMPLOYED BY STATE AND LOCAL GOVERNMENTS.

(a) EXEMPTION FROM FICA TAXES.—

(1) OASDI TAX.—Clause (iv) of section 3121(b)(7)(F) of the Internal Revenue Code of 1986 (relating to treatment of State and local employment) is amended by striking "$100" and inserting "$500".

(2) HI TAX.—Subclause (V) of section 3121(u)(2)(B)(ii) of such Code (relating to treatment of State and local employment) is amended by striking "$100" and inserting "$500".

(b) EXCLUSION OF EXEMPTED SERVICE FROM COMPUTATION OF SOCIAL SECURITY BENEFITS.—

(1) OASDI BENEFITS.—Clause (iv) of section 210(a)(7)(F) of the Social Security Act (42 U.S.C. 410(a)(7)(F)(iv)) is amended by striking "$100" and inserting "$500".

(2) HI BENEFITS.—Subparagraph (E) of section 210(p)(2) of such Act (42 U.S.C. 410(p)(2)(E)) is amended by striking "$100" and inserting "$500".

(c) AUTHORITY FOR STATES TO MODIFY COVERAGE AGREEMENTS WITH RESPECT TO ELECTION OFFICIALS AND ELECTION WORKERS.—Section 218(c)(8) (42 U.S.C. 418(c)(8)) is amended—

(1) by striking "January 1, 1968" and inserting "January 1, 1992"; and

(2) by striking "$100" and inserting "$500".

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to service performed on or after January 1, 1992, without regard to the second sentence of section 218(c)(8) of the Social Security Act.

TOWN OF MADISON,
Madison, WI, August 27, 1991.

Hon. Robert W. Kasten, Jr.,
Hart Senate Office Building,
Washington, DC.

DEAR MR. KASTEN: The Town of Madison Board of Supervisors approved a resolution which supports the removal of social security taxes from election workers pay. This resolution was approved at the regular Town Board meeting held on Monday, August 26, 1991. Please find enclosed a copy for your review.

The removal of social security taxes would eliminate a hardship on senior citizens and retired people who serve as our election workers. It would also free our office from extra election records management.

Please support our position in this matter. It is very important to us.

Thank you very much.

Very truly yours,

RUTH M. AHLSTROM,
Deputy Clerk.

RESOLUTION

Whereas, a provision in the Omnibus Budget Bill of the 1st Session of the 101st Congress requires all election day workers earning more than $100 annually to be covered by Social Security as of July 1, 1991; and

Whereas, municipalities hire the vast majority of poll workers from the senior population to work on days of election at modest wages and who work only a few days a year, however, these workers generally earn more than $100 annually; and

Whereas, it is perceived that the Omnibus Budget Bill would impose a hardship on the senior/retired population working as poll workers; and

Whereas, this Social Security requirement will generate extraordinary records management for election officials in tracking the $100 annual maximum and

Whereas, even more importantly, this requirement will impose an unfair burden, both economic and bureaucratic, on the civic-minded, often senior/retired people who work at the polls; and

Whereas, a bill (HR1771) has been introduced to amend Internal Revenue Code of 1986 to delete the $100 requirement and insert $500: Now, therefore, be it

Resolved, That the Town of Madison supports HR1771 expanding the Social Security exemption for election workers from $100 to $500.

CITY OF MADISON,
Madison, WI, September 6, 1991.

Re: Social Security Exemption for Election Workers (H.R. 1771)

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senator, Hart Senate Office Bldg., Washington, DC.

DEAR MR. KASTEN: The Common Council of the City of Madison, Wisconsin, adopted a Resolution which affirms the city's support of Expanding the Social Security Exemption for Election Workers from $100 to $500, and requests its Congressional delegation to vote in favor of HR1771.

A certified copy of the Resolution 48,172, ID Number 9688, adopted by the Madison Common Council on September 3, 1991, is enclosed.

Sincerely,

ANDRE BLUM,
City Clerk.

RESOLUTION—COMMON COUNCIL OF THE CITY OF MADISON, WI

Whereas, a provision in the Omnibus Budget Bill of the 1st Session of the 101st Congress requires all election day workers earning more than $100 annually to be covered by Social Security as of July 1, 1991; and

Whereas, municipalities hire the vast majority of poll workers from the senior population to work on days of election at modest wages and who work only a few days a year, however, these workers generally earn more than $100 annually, and

Whereas, it is perceived that the Omnibus Budget Bill would impose a hardship on the senior/retired population working as poll workers; and

Whereas, this Social Security requirement will generate extraordinary records management for election officials in tracking the $100 annual maximum; and

Whereas, even more importantly, this requirement will impose an unfair burden, both economic and bureaucratic, on the civic-minded, often senior/retired people who work at the polls; and

Whereas, a bill (H.R. 1771) has been introduced to amend Internal Revenue Code of 1986 to delete the $100 requirement and insert $500: Now, therefore, be it

Resolved, that the Common Council of the City of Madison supports HR1771 expanding the Social Security Exemption for election workers from $100 to $500, and requests its Congressional delegation to vote in favor of HR1771.

TOWN OF WAUPACA,
Waupaca, WI, November 6, 1991.

Senator ROBERT KASTEN, Jr.,
Hart Senate Building,
Washington, DC.

DEAR SENATOR KASTEN: We the Town Board (Dale Bonekowske, Elwood Eisentrauta, Allen Abzahamson) of the Town of Waupaca Wisconsin would like to go on record favoring legislation to raise the limit for the amount of wages paid election workers must participate in Social Security. Currently it is $100 in a calendar year. This has created additional paperwork and costs for our municipality—this we don't need! The population of our town is 1,115 so you can see we are small.

There is currently a bill S. 1354 introduced by Senator Harkin, D, Iowa that would raise the exemption for election workers from $100 to $1,000.

We would appreciate your consideration of this matter.

Thank you.

Yours truly,

GLEN SOSINSKE,
Clerk.

By Mr. DODD (for himself, Mr. GARN, Mr. SANFORD, Mr. KERRY, and Mr. D'AMATO):

S. 2207. A bill to provide for interstate banking and branching; to the Committee on Banking, Housing, and Urban Affairs.

INTERSTATE BANKING AND BRANCHING ACT

• Mr. DODD. Mr. President, I rise today to introduce the Interstate Banking and Branching Act of 1992. I am pleased to be joined in this effort by the distinguished ranking member of the Senate Banking Committee, Senator GARN, as well as by Senators SANFORD, KERRY, and D'AMATO.

Interstate banking is one element of a four-part strategy I believe is necessary to attack the credit crunch that plagues Connecticut and the rest of the Nation. In the short run, the interstate banking bill I am introducing today would empower States to allow banks with money to move more easily into credit-starved regions.

In the long run, full interstate banking would also make for stronger and healthier banks. Interstate branching enables multistate banks to become more profitable by streamlining their legal structure. It also promotes stability by enabling them to diversify their lending across wide geographic areas.

In addition to enactment of interstate banking legislation, my four-part strategy calls on regulators to use open bank assistance to infuse capital into banks that are temporarily troubled, but are viable in the long run.

It also calls for enactment of the Small Business Recovery Act to encourage more private capital to stand behind banks.

Finally, it calls on Federal regulators to take a balanced view in their bank examinations, to avoid exacerbating the credit crunch.

Some may disagree with one or two of these prescriptions. But I hope we all do agree that the credit crunch is a serious malady, and must be addressed if the economy is to recover.

In Connecticut, people are hurting right now. The troubles that face them are the same troubles that now face the rest of the Nation—but in larger, bolder headlines.

In 1991, Connecticut's combined rate of business and personal bankruptcies was the highest in the Nation.

Consumer confidence plummeted to alarmingly low levels.

Unemployment is now 7.3 percent, its highest rate since 1983.

The number of jobs lost in our State since the recession began has now surged past 100,000.

During 1991, 20 financial institutions failed in Connecticut. Over the past 2 years, we've lost $1 billion of bank capital.

In all, Connecticut's recession is now in its 34th month. It is the longest downturn since the 1930's. Given it's depth and duration, it's no wonder that many in Connecticut now refer to it as a depression.

Mr. President, all of us in Connecticut want to pull ourselves out of these terrible times. We want to work together to lift our State—inch by inch and day by day—out of its current troubles. But Connecticut, like the rest of the country, is hobbled—because our banks aren't lending.

In Connecticut and across the country, the keys to economic recovery are small businesses. They are now, and they have always been, the engines of innovation and growth and job creation.

These engines need fuel, however, to chug and churn and get us moving forward again.

Credit is their lifeblood. Without it, small businesses are stuck in reverse. They can't grow. They can't innovate. They can't create jobs. Often, without a steady supply of credit, they go bankrupt.

This is why the current credit crunch casts such a pall over Connecticut and our Nation right now. This is why it dims our chances for recovery. Small businesses don't get capital by selling junk bonds on Wall Street. They get it through loans from local banks.

Consider the case of Joe Mainiero. He owns a successful perimeter security business in Waterbury, CT.

In 1990, he won a Federal contract to supply his product to the Bureau of Prisons. But his bank wouldn't give him a loan to fill the order. He had to cancel the contract. To add insult to injury, he paid the Federal Government a penalty for the cancellation.

Or consider David Turnquist. His company makes laboratory equipment used in university and industrial research. He sells to the Federal Government and to foreign firms. He employs 14 people, and would expand and hire more, if only he could get a loan. But he can't.

Mr. President, until entrepreneurs like Joe Mainiero and David Turnquist can get the credit they need, our economy will continue to be stuck in reverse.

By acting decisively, however, we can help ease the credit squeeze.

Last year, I and others pushed for open bank assistance and the Small Business Recovery Act. We generated movement on interstate banking. And we demanded an end to regulatory overkill. For most part, however, our pleas fell upon deaf ears at the White House.

As a result, we could only pass a sense-of-the-Congress resolution that the banking regulators should use open bank assistance.

Let me, if I may, talk briefly about that measure.

When it uses open bank assistance, the FDIC intervenes long before a bank is brain-dead. It invests money in carefully selected banks that are temporarily troubled, but viable in the long run.

In so doing, it strengthens a bank's balance sheet, and enables the bank to make loans again—which is a win for all concerned. For the FDIC, it's cheaper in many cases to intervene and prevent a bank failure than it is to bail out the depositors after the bank fails.

For the bank's community, the economic outlook improves the longer the bank has the capacity to extend credit.

There are historical precedents for using open bank assistance. During the Great Depression, the Reconstruction Finance Corporation used open bank assistance to aid more than half the banks in the country—and made a profit in the process.

In the half-century since, open bank assistance has been used in the Continental Illinois case and elsewhere. When properly employed, the result has been a record of success similar to the RFC's.

Open bank assistance can help alleviate the credit crunch. Now that Congress has made its position clear, I hope the regulators will put their mandate to use.

As for the other three initiatives, we are back to try again this year.

We're looking at possible modifications of the Small Business Recovery Act, for example.

SBRA was developed by a Waterbury banker. It harnesses the Small Business Administration's expertise helping small businesses and puts it to use rebuilding small banks.

Specifically, SBRA authorizes the SBA to guarantee the purchase of small amounts of stock in local banks. This would spur renewed investment in banks, which in turn would give banks the wherewithal to make loans once again.

Unfortunately, we ran into immovable objects last year when we sought to attach SBRA to a broader banking bill on the Senate floor. The Bush administration and the Small Business Administration in particular never gave this proposal the serious consideration it deserved.

We also continue our efforts to ease overzealous bank regulation.

Over the past 2 years, we've heard of case after case in which regulators are unreasonably tough in evaluating loans. They're engendering a climate of fear among lenders which makes them hesitant to lend to even the most creditworthy of borrowers.

We don't want examiners to abandon their standards. But we do want them to use greater care in evaluating loans. We want them to give every consideration to innovative proposals for restructuring loans to help both borrowers and lenders through the current hard times.

The head honchos at the banking agencies here in Washington have issued directives and held pow-wows on this point. But there's still reason to doubt that the message is getting through. Somehow, some way, it's being lost in transmission between Washington and the real world.

That must not stand. The climate of fear that grips lenders must be broken.

Mr. President, finally, let me talk about the bill I am introducing today.

In simple terms, this legislation is patterned on the interstate component of the bill the Senate Banking Committee reported last year to the full Senate.

One year after date of enactment, a bank holding company could acquire a bank across State lines anywhere in the country.

Eighteen months after enactment, a bank holding company operating subsidiaries across State lines could consolidate them into a single bank.

Three years after enactment banks would be able to branch interstate nationwide.

States are allowed to opt out of branching if they choose—but banks located in States that do are not then themselves permitted to branch interstate.

For areas afflicted by a credit crunch, this bill offers both short-term and long-term solutions.

In the short term, it would allow a State to opt in on interstate branching on the bill's date of enactment. States would no longer be prohibited by Federal law from opening their borders to all comers with the money to make loans. Certainly in the current climate, new lenders would be manna from heaven.

In the long-term, however, full interstate banking will help to prevent future credit crunches by making way for stronger, healthier banks.

For starters, current law requires bank holding companies operating across State lines to create a separate bank in each State.

This results in costly and unnecessary duplication. A bank holding company must submit separate filings for each of its banks. Each subsidiary bank in each State must have a separate board of directors. And then there are the duplicate legal fees.

By allowing holding companies to streamline their operations, and combine them into a single bank, we're enabling banks to stop paying the lawyers, and start making loans.

The savings for banks could be substantial. Noted banking consultant Lowell Bryan has estimated that the full consolidation of duplicate activities could save as much as $10 billion annually. Even if half those savings were realized, it would be significant.

Interstate banking will also enable banks to diversify their loan portfolios across wider geographic areas. This will help avoid repeating the mistakes of the past.

In the Southwest, banks and thrifts were closely tied to the economies of that region. When times were good, these institutions made a mint. But when the bottom fell out of energy prices during the 1980's, Federal regulators ended up harvesting a bumper crop of failed banks and thrifts.

With interstate banking, a bank can spread its lending across wider geographic areas, and avoid being inextricably linked to a single regional economy. It would be better able to survive localized economic downturns.

Setting up a presence in several States also enables a bank to rely more heavily on retail deposits for sources of funds than it otherwise could. These retail deposits are stable and low-cost—particularly relative to the brokered deposit market.

A bank that relies on retail deposits need not gamble to make a profit. Rather than engage in chancy real estate speculation or loans to third world countries, it can stick to the knitting—and still show a strong bottom line.

Finally, interstate banking allows banks new opportunities for profits.

The current Federal laws delineating what banks can and can't do were largely written in the 1930s. The world has changed remarkably since then.

Auto dealers and retailers now own savings and loans. Many commercial firms have set up finance companies. Securities firms offer a variety of banking services.

The result: nowadays, if you're a retailer, you can be a bank. If your an automaker, you can be a bank. If you're a securities firm, you can be a bank. But if you're a bank, you can't be a retailer or an automaker or a securities firm. All you can be is a bank.

Restrictions on interstate banking and branching is like rubbing salt on the wounds. Not only is the product line of a bank limited; so is its market area. In general, it can't both take deposits and make loans across State lines.

Frankly, Mr. President, I think banks should be allowed to affiliate with securities firms. These are synergies from enabling the same company to both make loans and offer investment banking services. Moreover, I believe it is possible to build in the kind of firewalls needed to protect the insured portion of the bank from these riskier activities.

In addition, I think we also need to close loopholes with respect to insurance agency activities. I think it is important that we address this issue this year.

In closing, I would note that I don't pretend to have all the answers to the credit crunch. I'd certainly welcome proposals that others bring forward. I think this is one problem that would benefit from a collective effort by creative minds.

But it's imperative that we do something fast. People are hurting out there. They don't expect us to wave a magic wand and cure every economic ill. But they do expect us to roll up our sleeves and take positive steps to help.

The four-point program I've outlined would help. More reasonable regulation would diminish the climate of fear that grips bankers. Open Bank Assistance and the Small Business Recovery Act can give some banks the shot in the arm they need to recover and start making loans again.

Interstate banking in the short term offers States a way to attract new lenders. In the long run, it should make for stronger banks.

Mr. President, we worked hard on interstate banking legislation last year. We passed a broad banking package in the Senate that included an interstate banking component. In the House, an interstate banking bill came within 19 votes of passing.

I think we are too close to give up now. The crest of the hill is in sight. With a little more sweat and toil, we can push this effort over the top.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Interstate Banking and Branching Act of 1992".

SEC. 2. INTERSTATE BANKING.

(a) IN GENERAL.—Section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) is amended—

(1) by striking "(d) Notwithstanding any other provision of this section, no" and inserting the following:

"(d) STATE BOUNDARIES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), no"; and

(2) by adding at the end the following:

"(2) APPROVALS AUTHORIZED.—

"(A) ACQUISITION OF EXISTING BANKS.—Beginning 1 year after the date of enactment of the Interstate Banking and Branching Act of 1992, the Board may approve an application under this section which will permit a bank holding company that is adequately capitalized and adequately managed, or a subsidiary thereof, to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of a bank located outside the State in which the operations of such bank holding company's banking subsidiaries were principally conducted on July 1, 1966, or the date on which such company became a bank holding company, whichever is later.

"(B) ESTABLISHMENT OF NEW BANKS.—Beginning 2 years after the date of enactment of the Interstate Banking and Branching Act of 1992, the Board may approve an application under this section which will permit a bank holding company that is adequately capitalized and adequately managed, or a subsidiary thereof, to charter and acquire any voting shares of, interest in, or all or substantially all of the assets of any new bank to be located outside the State in which the operations of such bank holding company's banking subsidiaries were principally conducted on July 1, 1966, or the date on which such company became a bank holding company, whichever is later.

"(C) 'NEW BANK' EXCEPTION.—For purposes of this paragraph, a bank that does not open for business and has been chartered solely for the purpose of acquiring all or substantially all of the assets of an existing bank shall not be deemed to be a new bank.

"(3) CONCENTRATION LIMITS.—The Board may not approve an application under paragraph (2)(A) if—

"(A) the applicant controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institution assets of the United States, as determined under regulations of the Board; or

"(B) the applicant controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the bank to be acquired is located, as determined under regulations of the Board, except that such a State may waive the applicability of this subparagraph.

Nothing in this paragraph affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State bank holding companies.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'adequately capitalized' has the same meaning as in section 38(b) of the Federal Deposit Insurance Act; and

"(B) the term 'insured depository institution' has the same meaning as in section 3 of that Act.".

(b) CONVERSION OF BANKS TO BRANCHES.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended by adding at the end the following new subsection:

"(h) INTERSTATE COMBINATION.—

"(1) IN GENERAL.—Beginning 18 months after the date of enactment of the Interstate Banking and Branching Act of 1992, a bank holding company having subsidiary banks located in more than 1 State may combine 2 or more of such banks into a single bank by means of merger, consolidation, or other transaction, except that a bank may not be so combined or remain so combined if it is located in a State that has elected to prohibit out-of-State banks from establishing and acquiring branches in that State. Notwithstanding the exception in the preceding sentence, a bank holding company may engage in such a combination on or after the date of enactment of this subsection if the holding company is undercapitalized and the transaction is approved as part of a capital restoration plan described in paragraph (2)(B).

"(2) APPLICABILITY.—Paragraph (1) applies only in the case of a merger, consolidation, or other transaction that is undertaken—

"(A) by a bank holding company that is adequately capitalized, as defined in section 38 of the Federal Deposit Insurance Act; or

"(B) in connection with a comprehensive capital restoration plan under section 38 of the Federal Deposit Insurance Act that contains at least 1 element in addition to the merger, consolidation, or other transaction described in paragraph (1).

"(3) INTRASTATE BRANCHING.—Nothing in paragraph (1) shall be deemed to authorize—

"(A) a national bank to operate branches at locations in a State unless a national bank having offices only in such State could operate its main office or branches at such locations; or

"(B) a State bank to operate branches at locations in a State unless a State bank having branches only in such State could operate its main office or branches at such locations.".

SEC. 3. INTERSTATE BRANCHING BY NATIONAL BANKS.

Section 5155 of the Revised Statutes (12 U.S.C. 36) is amended—

(1) by redesignating subsections (d) through (h) as subsections (e) through (i), respectively; and

(2) by inserting after subsection (c) the following:

"(d) INTERSTATE BRANCHING BY NATIONAL BANKS.—

"(1) IN GENERAL.—

"(A) APPROVALS AUTHORIZED.—Beginning 3 years after the date of enactment of the Interstate Banking and Branching Act of 1992, the Comptroller of the Currency may approve an application under this section which will permit a national bank that is adequately capitalized and adequately managed to establish or acquire and operate a branch located outside the State in which the main office of such bank is located.

"(B) CONDITIONS.—In determining whether to grant approval under subparagraph (A), the Comptroller of the Currency shall consider the bank's rating under the Community Reinvestment Act of 1977 and the views of the appropriate State bank officials regarding the bank's compliance with applicable State community reinvestment laws.

"(C) APPLICABLE LAW.—

"(i) IN GENERAL.—Any branch of a national bank that is established in accordance with this subsection shall be subject to the laws of the host State with respect to intrastate branching, consumer protection, fair lending, and community reinvestment as if it were a branch of a national bank having its main office in that State. Nothing contained in this subsection in any way affects, limits, impairs, or precludes the right of any State or political subdivision of a State to impose a nondiscriminatory franchise tax or other nonproperty tax instead of a franchise tax as provided by section 3124 of title 31, United States Code.

"(ii) FILING REQUIREMENT.—A host State may require any national bank that has its main office in another State that wishes to establish a branch within the host State to comply with filing requirements that are not discriminatory in nature and that are similar in their effect to those that are imposed on a corporation from another State that is not engaged in the business of banking and that seeks to engage in business in the host State. The host State may preclude any national bank, the main office of which is located in another State, from establishing or operating a branch within the host State if that national bank or its branch materially fails to comply with the filing requirements.

"(2) STATE ELECTION TO PROHIBIT INTERSTATE BRANCHING.—

"(A) IN GENERAL.—The provisions of paragraph (1) shall not apply to branches to be located in a State which has enacted, during the period beginning on January 1, 1990, and ending on the expiration of 3 years after the date of enactment of the Interstate Banking and Branching Act of 1992, a law that applies equally to national and State banks and that expressly prohibits all out-of-State banks from establishing or acquiring branches located in that State.

"(B) EFFECT OF PROHIBITION.—A national bank that has its main office in a State that has in effect a prohibition described in subparagraph (A) may not acquire or establish a branch located in any other State under the provisions of this subsection.

"(3) STATE ELECTION TO PERMIT INTERSTATE BRANCHING.—

"(A) DURING THE THREE-YEAR PERIOD FOLLOWING ENACTMENT.—The Comptroller of the Currency may approve an application under paragraph (1)(A) before the expiration of the 3-year period described in paragraph (1)(A), if the State in which the branch will be located enacts a law during that period expressly permitting interstate branching by all out-of-State national and State banks before the expiration of that period. A State that enacts a law described in the preceding sentence—

"(i) may prohibit interstate de novo branching during the 5-year period beginning on the date of enactment of the Interstate Banking and Branching Act of 1992;

"(ii) may require a copy of an application submitted under this section to be filed with the host State banking authority in a timely manner (and the Comptroller of the Currency shall consider any timely comments of the host State prior to approving that application); and

"(iii) may impose other conditions on an incoming branch if—

"(I) the conditions do not discriminate against out of State banks or bank holding companies; and

"(II) the imposition of the conditions is not preempted by Federal law regarding the same subject.

"(B) AFTER THE THREE-YEAR PERIOD FOLLOWING ENACTMENT.—A State that originally elects, pursuant to paragraph (2), to prohibit interstate branching may nonetheless elect at any later time to permit interstate branching if such State enacts a law expressly permitting interstate branching by all out-of-State national and State banks.

"(4) CONCENTRATION LIMITS.—

"(A) IN GENERAL.—The Comptroller of the Currency may not approve an acquisition under paragraph (1)(A) by a bank of a branch located in another State if—

"(i) the bank controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institution assets of the United States, as determined under regulations of the Board of Governors of the Federal Reserve System; or

"(ii) the bank controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the branch to be acquired is located, as determined under regulations of the Board of Governors of the Federal Reserve System, except that a State may waive the applicability of this clause.

"(B) LIMITATIONS.—Nothing in subparagraph (A)—

"(i) affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State banks or bank holding companies; or

"(ii) applies to the establishment of new branches located outside the State where the main office of the bank is located.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'adequately capitalized' has the same meaning as in section 38 of the Federal Deposit Insurance Act;

"(B) the term 'host State' means the State in which a national bank establishes or maintains a branch, other than the State in which the bank has its main office and is engaging in the business of banking; and

"(C) the term 'insured depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act.".

SEC. 4. INTERSTATE BRANCHING BY STATE BANKS.

Section 18(d) of the Federal Deposit Insurance Act (12 U.S.C. 1828(d)) is amended by adding at the end the following:

"(3) INTERSTATE BRANCHING BY STATE BANKS.—Beginning 3 years after the date of enactment of the Interstate Banking and Branching Act of 1992, an insured State bank that is adequately capitalized and adequately managed may establish or acquire and operate a branch located outside the State in which the bank is chartered if such action—

"(A) is authorized by the law of the State in which the bank is chartered; and

"(B) is not prohibited under paragraph (5) or is permitted under paragraph (6), by the host State.

"(4) APPLICABLE LAW.—

"(A) IN GENERAL.—Any branch of a State-chartered bank, that is established in accordance with this subsection shall be subject to the laws of the host State with respect to intrastate branching, consumer protection, fair lending, and community reinvestment as if it were a branch of a bank chartered under the laws of that State and having offices only in such State. Nothing contained in this subsection in any way affects, limits, impairs, or precludes the right of any State or political subdivision of a State to impose a nondiscriminatory franchise tax or other nonproperty tax instead of a franchise tax as provided by section 3124 of title 31, United States Code.

"(B) ACTIVITIES OF BRANCHES.—An insured State bank that establishes a branch or branches in accordance with paragraph (3) may not conduct any activity at such branch that is not permissible for a bank chartered by the host State.

"(C) FILING REQUIREMENT.—A host State may require any bank chartered by another State that wishes to establish a branch within the host State to comply with filing requirements that are not discriminatory in nature and that are similar in their effect to those that are imposed on a corporation from another State that is not engaged in the business of banking and that seeks to engage in business in the host State. The host State may preclude any State bank chartered by another State from establishing or operating a branch within the host State if that State bank or its branch materially fails to comply with the filing requirements.

"(D) RESERVATION OF CERTAIN RIGHTS TO STATES.—Nothing in this subsection limits in any way the right of a State to—

"(i) determine the authority of State banks chartered in that State to establish and maintain branches; or

"(ii) supervise, regulate, and examine State banks chartered by that State.

"(5) STATE ELECTION TO PROHIBIT INTERSTATE BRANCHING.—

"(A) IN GENERAL.—The provisions of paragraph (3) shall not apply to branches to be located in a State which has enacted, during the period beginning on January 1, 1990, and ending on the expiration of 3 years after the date of enactment of the Interstate Banking and Branching Act of 1992, a law that applies equally to national and State banks and that expressly prohibits all out-of-State banks from establishing or acquiring branches located in that State.

"(B) EFFECT OF PROHIBITION.—A State bank that is chartered by a State that has in effect a prohibition described in subparagraph (A) may not acquire or establish a branch located in any other State.

"(6) STATE ELECTION TO PERMIT INTERSTATE BRANCHING.—

"(A) DURING THE THREE-YEAR PERIOD FOLLOWING ENACTMENT.—A State bank may establish or acquire, and operate, a branch outside the State in which the main office of the bank is located, subject to the provisions of this subsection, before the expiration of the 3-year period described in paragraph (3), if the State in which the branch will be located enacts a law during that period expressly permitting interstate branching by all national and State banks before the expiration of that period. A State that enacts such a law—

"(i) may prohibit interstate de novo branching during the 5-year period beginning on the date of enactment of the Interstate Banking and Branching Act of 1992;

"(ii) may require a copy of an application submitted under this section to be filed with the host State banking authority in a timely manner (and the home State banking authority and the appropriate Federal banking agency shall consider any timely comments of the host State prior to approving that application); and

"(iii) may impose other conditions on an incoming branch if—

"(I) the conditions do not discriminate against out of State banks or bank holding companies; and

"(II) the imposition of the conditions is not preempted by Federal law regarding the same subject.

"(B) AFTER THE THREE-YEAR PERIOD FOLLOWING ENACTMENT.—A State that originally elects, pursuant to paragraph (5), to prohibit interstate branching may elect at any later time to permit interstate branching if such State enacts a law expressly permitting interstate branching by all national and State banks.

"(7) CONCENTRATION LIMITS.—

"(A) IN GENERAL.—Notwithstanding the provisions of this subsection, a State bank may not acquire an existing branch located in another State if—

"(i) the bank controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institution assets of the United States, as determined under regulations of the Board of Governors of the Federal Reserve System; or

"(ii) the bank controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the branch to be acquired is located, as determined under regulations of the Board of Governors of the Federal Reserve System, except that a State may waive the applicability of this clause.

"(B) LIMITATIONS.—Nothing in subparagraph (A)—

"(i) affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State bank holding companies, or

"(ii) applies to the establishment of new branches located outside the State in which the main office of the bank is located.

"(8) COORDINATION OF EXAMINATION AUTHORITY.—

"(A) IN GENERAL.—A host State bank supervisory or regulatory authority may examine a branch established in the host State by banks chartered by another State for the purpose of determining compliance with host State laws regarding banking, taxation, community reinvestment, fair lending, consumer protection, and permissible activities and to ensure that the activities of the branch are conducted in a manner consistent with sound banking principles and do not constitute a serious risk to the safety and sound operation of the branch.

"(B) ENFORCEMENT.—In the event that a host State bank authority as described in subparagraph (A) determines that there is a violation of host State law concerning the activities being conducted by the branch or that the branch is being operated in a manner not consistent with sound banking principles or in an unsafe and unsound manner, such host State bank authority may undertake such enforcement actions or proceedings as would be permitted under host State law if the branch were a bank chartered by the host State.

"(C) COOPERATIVE AGREEMENT.—The State bank authorities from 1 or more States may enter into cooperative agreements to facilitate State regulatory supervision of State banks, including cooperative agreements relating to the coordination of examinations and joint participation in examinations.

"(D) FEDERAL REGULATORY AUTHORITY.—

"(i) IN GENERAL.—Nothing in this subsection limits in any way the authority of the appropriate Federal banking agency to examine any bank or branch of a bank for which the agency is the appropriate Federal banking agency.

"(ii) REVIEW OF INTERSTATE AGREEMENTS.—If the appropriate Federal banking agency determines that the States have failed to reach an agreement under subparagraph (C), or that such an agreement fails to adequately protect the Federal Deposit Insurance Fund, the appropriate Federal banking agency shall not defer to State examinations of the out-of-State branches.

"(9) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'host State' means the State in which a bank establishes or maintains a branch other than the State in which the bank is chartered and is engaging in the business of banking; and

"(B) the term 'adequately capitalized' has the same meaning as in section 38 of the Federal Deposit Insurance Act.".

SEC. 5. COMMUNITY REINVESTMENT ACT EVALUATION OF BANKS WITH INTERSTATE BRANCHES.

(a) IN GENERAL.—Section 807 of the Community Reinvestment Act of 1977 (12 U.S.C. 2906) is amended by adding at the end the following new subsections:

"(d) INSTITUTIONS WITH INTERSTATE BRANCHES.—

"(1) STATE-BY-STATE EVALUATION.—In the case of a regulated financial institution that maintains domestic branches in 2 or more States, the appropriate Federal financial supervisory agency shall prepare—

"(A) a written evaluation of the entire institution's record of performance under this Act, as required by subsections (a), (b), and (c); and

"(B) for each State in which the institution maintains 1 or more domestic branches, a separate written evaluation of the institution's record of performance within such State under this Act, as required by subsections (a), (b), and (c).

"(2) MULTISTATE METROPOLITAN AREAS.—In the case of a regulated financial institution that maintains domestic branches in 2 or more States within a multistate metropolitan area, the appropriate Federal financial supervisory agency may prepare a separate written evaluation of the institution's record of performance within such metropolitan area under this Act, as required by subsections (a), (b), and (c). If the agency prepares a written evaluation pursuant to this paragraph, the scope of the written evaluation required under paragraph (1)(B) shall be adjusted accordingly.

"(3) STATE LEVEL EVALUATION.—A written evaluation prepared pursuant to paragraph (1)(B) shall—

"(A) include the information required by subparagraphs (A) and (B) of subsection (b)(1) separately for each metropolitan area in which the institution maintains 1 or more domestic branch offices and separately for the remainder of the nonmetropolitan area of the State if the institution maintains 1 or more domestic branch offices in such area; and

"(B) describe how the Federal financial supervisory agency has performed the examination of the institution, including a list of the individual branches examined.

"(4) DEFINITIONS.—For purposes of this section—

"(A) the term 'domestic branch' means any branch office or other facility of a regulated financial institution with the ability to accept deposits located in any State;

"(B) the term 'metropolitan area' means any primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area, as defined by the Director of the Office of Management and Budget, with a population of 250,000 or more, and any other area identified by the appropriate Federal financial supervisory agency; and

"(C) the term 'State' has the same meaning as in section 3 of the Federal Deposit Insurance Act.".

(b) SEPARATE PRESENTATION.—Section 807(b)(1) of the Community Reinvestment Act of 1977 (12 U.S.C. 2906(b)(1)) is amended by adding at the end the following sentence: "A written evaluation shall contain the information required by subparagraphs (A) and (B) presented separately for each metropolitan area in which an insured depository institution maintains 1 or more domestic branch offices.".

SEC. 6. BRANCHING BY FOREIGN BANKS.

(a) IN GENERAL.—Section 5(a) of the International Banking Act of 1978 (12 U.S.C. 3103(a)) is amended to read as follows:

"(a) INTERSTATE BANKING OPERATIONS.—

"(1) IN GENERAL.—A foreign bank may establish and operate—

"(A) a Federal branch or agency, with the approval of the Board and the Comptroller of the Currency, in any State outside its home State to the extent that such establishment and operation would be permitted under section 5155 of the Revised Statutes for a national bank, as if the foreign bank were a national bank having its main office in the home State of the foreign bank; or

"(B) a State branch or agency, with the approval of the Board and the appropriate regulatory authority of the State, in any State outside its home State to the extent that such establishment and operation would be permitted under section 18(d) of the Federal Deposit Insurance Act for a State bank, as if the foreign bank were a State bank chartered in the home State of the foreign bank.

"(2) CRITERIA FOR DETERMINATION.—In approving an application under paragraph (1), the Board and the Comptroller of the Currency—

"(A) shall apply the standards for establishment of a foreign bank office in the United States under section 7; and

"(B) may not approve an application unless it determines that the foreign bank's financial resources, including the capital level, are equivalent to those required for a domestic bank to be approved for branching under section 5155 of the Revised Statutes and section 18(d) of the Federal Deposit Insurance Act and, in the case of the first branching application by such foreign bank, after consultation with the Secretary of the Treasury regarding capital equivalency.".

(b) TREATMENT OF UNITED STATES BANKING SUBSIDIARIES.—Section 5 of the International Banking Act of 1978 (12 U.S.C. 3103) is amended by adding at the end the following:

"(d) TREATMENT OF UNITED STATES SUBSIDIARY OF A FOREIGN BANK.—A foreign bank that has a domestic subsidiary within the United States may establish Federal and State branches and agencies outside its home State to the extent permitted under section 5155(d) of the Revised Statutes and section 18(d) of the Federal Deposit Insurance Act.".

(c) HOME STATE.—

(1) METHOD OF DETERMINING.—Section 4(h) of the International Banking Act of 1978 (12 U.S.C. 3102(h)) is amended—

(A) in paragraph (1)(A), by striking "in the State in which such branch or agency is located"; and

(B) by adding at the end the following:

"(3) HOME STATE.—For purposes of section 5155(c) of the Revised Statutes, the home State of a foreign bank shall be its home State as determined under section 5(c).".

(2) SINGLE STATE DETERMINATIONS.—Section 5(c) of the International Banking Act of 1978 (12 U.S.C. 3103(c)) is amended to read as follows:

"(c) DETERMINATION OF HOME STATE OF FOREIGN BANK.—For purposes of this section—

"(1) the home State of a foreign bank that has branches, agencies, subsidiary commercial lending companies, or subsidiary banks, or any combination thereof, in more than 1 State, is the 1 of those States elected by the foreign bank, or, in default of such election, by the Board; and

"(2) the home State of a foreign bank that has branches, agencies, subsidiary commercial lending companies, or subsidiary banks, or any combination thereof, in only one State, is that State.".

SEC. 7. USE OF NAMES IN HOST STATE.

(a) BANK HOLDING COMPANY ACT OF 1956.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842), as amended by section 2, is amended by adding at the end the following:

"(h) USE OF NAMES IN HOST STATE.—

"(1) IN GENERAL.—A bank holding company that seeks, directly or indirectly, to acquire or establish a bank in a host State shall provide the Board with the name or names under which the bank will operate in the host State.

"(2) PROHIBITION AGAINST SAME OR SIMILAR NAMES.—A bank holding company may not operate a bank in a host State if the proposed name of the bank is—

"(A) identical or deceptively similar to a name being used by an existing bank or bank holding company in the host State; or

"(B) is likely to cause the public to be confused, deceived, or mistaken, due to a similarity or identity of names.

"(3) SUBSEQUENT USE OF SAME OR SIMILAR NAME.—Upon application by any person or institution that is adversely affected, the Board shall revoke permission of a bank holding company to operate a bank in a host State if the bank holding company uses or changes the name of, or uses an additional name for any of its banks in the host State, and the new or additional name is described in subparagraph (A) or (B) of paragraph (2). The preceding sentence does not preclude any adversely affected person from pursuing any available legal or administrative remedies.

"(4) DEFINITION.—For purposes of this subsection, the term 'host State' means the State in which a bank holding company establishes or acquires a bank other than the State in which the operations of the bank holding company's banking subsidiaries were principally conducted on July 1, 1996, or the date on which the company became a bank holding company, whichever is later.".

(b) NATIONAL BANKS.—Section 5155(d) of the Revised Statutes (12 U.S.C. 36(d)), as added by section 3, is amended by adding at the end the following:

"(6) USE OF NAMES IN HOST STATE.—

"(A) IN GENERAL.—A bank that seeks, directly or indirectly, to acquire or establish a branch in a host State shall provide the Comptroller of the Currency with the name or names under which the branch will operate in the host State.

"(B) PROHIBITION AGAINST SAME OR SIMILAR NAMES.—A bank may not operate a branch in a host State if the proposed name of the branch is—

"(i) identical or deceptively similar to a name being used by an existing bank or bank holding company in the host State; or

"(ii) is likely to cause the public to be confused, deceived, or mistaken, due to a similarity or identity of names.

"(C) SUBSEQUENT USE OF SAME OR SIMILAR NAME.—Upon application by any person or institution that is adversely affected, the Comptroller of the Currency shall revoke permission of a bank to operate a branch in a host State if the bank uses or changes the name of, or uses an additional name for any such branch in the host State, and the new or additional name is described in clause (i) or (ii) of subparagraph (B). The preceding sentence does not preclude any adversely affected person from pursuing any available legal or administrative remedies.

"(D) DEFINITION.—For purposes of this paragraph, the term 'host State' means the State in which a bank establishes or acquires a branch other than the State in which the bank has its main office and is engaging in the business of banking.".

(c) FEDERAL DEPOSIT INSURANCE ACT.—Section 18(d) of the Federal Deposit Insurance Act (12 U.S.C. 1828(d)), as amended by section 4, is amended by adding at the end the following:

"(10) USE OF NAMES IN HOST STATE.—

"(A) IN GENERAL.—A bank that seeks, directly or indirectly, to acquire or establish a branch in a host State shall provide the appropriate State regulatory authority with the name or names under which the branch will operate in the host State.

"(B) PROHIBITION AGAINST SAME OR SIMILAR NAMES.—A bank may not operate a branch in a host State if the proposed name of the branch is—

"(i) identical or deceptively similar to a name being used by an existing bank or bank holding company in the host State; or

"(ii) is likely to cause the public to be confused, deceived, or mistaken, due to a similarity or identity of names.

"(C) SUBSEQUENT USE OF SAME OR SIMILAR NAME.—Upon application by any person or institution that is adversely affected, the appropriate State regulatory authority may revoke permission of a bank to operate a branch in a host State if the bank uses or changes the name of, or uses an additional name for any such branch in the host State, and the new or additional name is described in clause (i) or (ii) of subparagraph (B). The preceding sentence does not preclude any adversely affected person from pursuing any available legal or administrative remedies.

"(D) DEFINITION.—For purposes of this paragraph, the term 'host State' means the State in which a bank establishes or acquires a branch other than the State in which the bank has its main office and is engaging in the business of banking."•

• Mr. GARN. Mr. President, I join today with Senator DODD in cosponsoring his legislative proposal to permit nationwide interstate bank branching.

Last February, the administration sent Congress a comprehensive banking reform proposal that included interstate branching as a key component. Unfortunately, Congress failed to enact this reform legislation, and as a result American banks continue to labor under outmoded laws that disadvantage our financial institutions at home and abroad. In addition, the failure to address the interstate branching issue continues to saddle our banks with unnecessary costs and inefficiencies that not only impair the ability of our banks to remain strong, but also needlessly inconvenience consumers of bank services.

The McFadden Act, the principal Federal law that restricts interstate branching by national banks, is almost 60 years old. When it was drafted, there were no computers, no satellite communications systems, and no ATM machines. Most small- and medium-sized businesses concentrated on their local markets and dealt with local financial institutions. Today, we live in a new global society, where even a small business may have multistate operations and financial needs. Computers and modern telecommunications make it possible to instantaneously communicate around the world.

Our international competitors are aware of these changes and have made corresponding changes in their financial services systems. In Europe, it will soon be possible for a bank chartered in any one of the European Community countries to open branches throughout the continent. Yet, in the United States a national bank in Maryland cannot open a branch office in Virginia. This system must be changed if we are to maintain a healthy and internationally competitive financial system.

The bill Senator DODD has drafted takes a constructive and positive approach toward modernizing our branching laws. While I fully support the goals of this legislation, I would like to see the timetable contained in the bill advanced even further. I would also like to offer some other fine tuning amendments as the Senate proceeds to consider this and other interstate banking provisions. However, I congratulate Senator DODD in coming forward with this proposal early in this session of the Congress, and look forward to working with him to seeing for its prompt consideration by the full Senate.•

• Mr. SANFORD. Mr. President, I am pleased to be a cosponsor of the Interstate Banking and Branching Act of 1992. I commend Senator DODD for introducing what I consider to be vital legislation that is needed to preserve and enhance the banking industry. I have been a longtime supporter of interstate banking and branching. I am especially pleased to see that a provision from the Bank Efficiency Act, which I introduced last spring, was included in this bill. Specifically, this provision allows banks who operate in a number of States, to consolidate and streamline their operation into branches of their home banks.

Current law permits a bank that wishes to expand into another State, when permitted by State law, to do so only by establishing a separate bank in that new State. Establishing a separate bank rather than a branch requires substantial, extended operating costs. Establishing a bank rather than a branch requires a separate board of directors, separate regulatory requirements, separate audits, separate legal fees, separate accounting systems and duplicative personnel. This is extremely cumbersome and inefficient. Costs saved through consolidation could be substantial. Some estimate it to be over $10 billion. In the recent budget proposal, the Treasury estimated the savings that considerable savings could be incurred through enactment of interstate branching legislation. This type of substantial savings can put much needed capital back into the banking system and may eventually contribute to the alleviation of the credit crunch.

I cannot express the disappointment I felt when efforts to modernize the banking industry last fall proved unsuccessful. At a time when the economy is in a tailspin and the banking industry is clearly declining, it only makes sense to enact measures that at the very least, permit banks to streamline their operations into legal structures that are efficient.

This type of commonsense proposal is a key component to my economic recovery plan. A strong economy demands a strong banking system. Interstate branching is vital to a strong banking system. I commend Senator DODD for his work, and I am proud to be a cosponsor of this important legislation. I will continue to support all measures that will allow the banking industry to be competitive and efficient.•

By Mr. PACKWOOD:

S. 2208. A bill to amend the Congressional Budget Act of 1974 to provide for truth in budgeting with respect to intragovernmental transactions involving trust funds; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

TRUTH IN BUDGETING ACT

• Mr. PACKWOOD. Mr. President, three times Congress has passed laws to take Social Security out of the budget. Nevertheless, OMB continues to count it in the budget totals, thereby using Social Security surpluses to hide other Federal spending.

Current Federal accounting practices also provide incentives to cut programs financed through trust funds, even though these programs are now generating more revenue than they pay out in benefits. Because trust fund programs are included in budget totals, cuts in these programs appear to reduce the overall deficit. And because cuts in trust fund programs also increase the reserves in these programs, they provide the Government with a captive source of funds to borrow to cover general fund deficits, since trust fund reserves can only be invested in Government securities.

In addition, the interest the Government pays to trust funds on the money it has borrowed does not show up in the bottom line of the Federal budget. The interest paid to the trust funds is subtracted from total interest payments in arriving at the Federal budget totals, making it appear that the Government owes significantly less interest than is actually the case. This accounting procedure hides the role the trust funds play in financing the deficit. Furthermore, it makes the Federal Government's liability to pay interest on the Nation's debt appear significantly smaller.

The Truth in Budgeting Act will make three accounting changes to more accurately portray revenue and spending from Social Security and other mandatory trust funds. Essentially, my budgeting proposal will offset the mandatory trust fund outlays by including the payroll tax receipts, interest the trust funds receive, and contributions from the Government as employer. The Truth in Budgeting Act is intended to end the practice of using the Social Security surpluses to mask deficit.

It is time to end the gimmickry and provide clarity in budgeting. The Truth in Budgeting Act is a step in that direction. I plan to introduce the Truth in Budgeting Act in the next 2 weeks. I would also like to acknowledge the contributions of the National Committee to Preserve Social Security and Medicare in assisting me develop the Truth in Budgeting Act. I hope that my colleagues will join me in cosponsoring this important bill, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DECLARATION OF PURPOSES.

The Congress declares that—

(1) the unified Federal budget currently fails to recognize the independent and self-

sustaining status of Federal trust funds that provide basic benefits such as retirement, disability, health, and unemployment insurance to American workers;

(2) these trust funds are in the nature of insurance, financed by taxes levied on workers, employers, or both;

(3) the tax revenues dedicated to these trust funds serve to back a Federal commitment to the American workforce and are not available to cover the cost of other programs;

(4) interest paid on trust fund balances is dedicated to financing future benefits from such funds and, like dedicated taxes, cannot be used for other government expenditures; and

(5) Federal government agencies generally make payments to such trust funds on behalf of their employees in the same manner as private employers.

Therefore, the full amount of dedicated revenue, interest, and agency payments as employer which are credited to these trust funds should be included in the budget of the United States as an offset to the expenditures of the applicable fund.

SEC. 2. TRUTH IN BUDGETING.

The Congressional Budget and Impoundment Control Act of 1974 is amended by inserting at the end the following new title:

"TITLE XI—TRUTH IN BUDGETING

"SEC. 1101. SHORT TITLE.

"This title may be cited as the 'Truth in Budgeting Act of 1992'.

SEC. 1102. TREATMENT OF INTRAGOVERNMENTAL TRANSACTIONS INVOLVING CERTAIN TRUST FUNDS.

"Beginning with fiscal year 1994, the budget submitted by the President under section 1105(a) of title 31, United States Code, any revised budget submitted under section 1106 of title 31, United States Code, or any concurrent resolution on the budget each treat certain intragovernmental transactions involving any trust fund set forth in section 1103 as follows:

"(1) Revenues that are dedicated by law to a particular trust fund shall be offset against total budget authority and outlays of that trust fund.

"(2) Interest paid by the Government to a trust fund on its investments in Government securities or securities guaranteed by the Government shall be offset against the budget authority and outlays of the trust fund receiving the payment.

"(3) A Federal Government entity's payments as an employer into a trust fund shall be offset against the budget authority and outlays of the trust fund receiving the payment.

"SEC. 1103. APPLICABLE TRUST FUNDS.

"Section 1102 shall apply to the following trust funds:

"(1) Federal Old-Age and Survivors Insurance Trust Fund.

"(2) Federal Disability Insurance Trust Fund.

"(3) Federal Hospital Insurance Fund.

"(4) Federal Supplementary Medical Insurance Trust Fund.

"(5) Unemployment Trust Fund.

"(6) Railroad Retirement Account.

"(7) Railroad Retirement Supplemental Account.

"(8) Railroad Unemployment Insurance Account.

"(9) Social Security Equivalent Benefit Account.

"(10) Supplemental Annuity Pension Fund.

"(11) Dual Benefits Payments Account.

"(12) Civil Service Retirement and Disability Trust Fund.

"(13) Black Lung Disability Trust Fund.

"(14) Foreign Service Retirement and Disability Trust Fund.

"(15) Judicial Officer' Retirement Fund.

"(16) Judicial Survivors' Annuities Fund.

"(17) Claims Court Judges Retirement Fund.

"(18) Tax Court Judges Survivors Annuity Fund.

"(19) Military Retirement Fund.

"(20) Commissioned Corps Retirement Fund of the Public Health Service.

"(21) Central Intelligence Agency Retirement and Disability Fund.".

SEC. 3. CONFORMING AMENDMENT.

Section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting at the end the following:

"TITLE XI—TRUTH IN BUDGETING

"Sec. 1101. Short title.

"Sec. 1102. Treatment of intragovernmental transactions involving certain trust funds.

"Sec. 1103. Applicable trust funds.".•

By Mr. BREAUX (for himself, Mr. BOREN, and Mr. NICKLES):

S. 2209. A bill to amend the Internal Revenue Code of 1986 to modify the application of the alternative minimum tax to oil and gas drilling investments, and for other purposes; to the Committee on Finance.

TAX TREATMENT OF OIL AND GAS DRILLING INVESTMENTS

• Mr. BREAUX. Mr. President, I rise with my colleague, the distinguished senior Senator from Oklahoma, Senator BOREN, to introduce the Domestic Energy Security Tax Act of 1992. I want to recognize Senator BOREN'S leadership and the extraordinary amount of work that he has done to move this issue forward. I am pleased to join with him to introduce this bill today, which is almost identical to one of the provisions contained in legislation he has already introduced, S. 2159. The bill is intended to promote long-term economic growth through energy security and to keep jobs in America by providing urgently needed alternative minimum tax relief to independent oil and gas producers.

When I travel back to the State of Louisiana, the issue at the forefront of my constituents' minds is jobs. I know that many of my colleagues are hearing the same message. We need an economic policy that creates jobs, we need an economic policy that results in long-term economic growth. We need to turn away from the short-term economic fix to thinking about long-term economic growth.

A key component of economic growth is one that is often overlooked—access to affordable energy. The more our manufacturers have to spend on energy, the less there is to spend on critical research and development or other productivity measures. For consumers, the result is increased prices for goods and services. A private study shows that the U.S. trade deficit for crude oil will almost triple to $139 billion in only 8 years by 2000. Extrapolating current trends further to year 2020, we would be importing 17.8 million barrels per day which would cost an estimated $926 billion and require 36 supertankers sailing into, America's ports each day. If this happens, gasoline could cost the American consumer over $8 per gallon.

We have spent a great deal of time on the Senate floor debating energy policy. However, with the removal of the Arctic National Wildlife Refuge provisions of the bill, there are no provisions for oil and gas production in the national energy strategy legislation. We need to be concerned about the lack of policy focus on oil and gas production. I am supportive of the national energy strategy, but we cannot simply rule out oil and gas as an important energy resource.

If oil and gas weren't important in 1990 we would not have spent $65 billion on oil imports—roughly 64 percent of our total trade deficit. If oil and gas weren't important, we would not have risked the lives of 500,000 of our young Americans to fight and die in the desert sands of the Middle East.

Yet, despite the importance of oil and gas as an energy resources, we continue to allow our domestic industry to decline. The oil and gas rig count, the industry's measure of drilling activity, has hit a historical low of 653. This is compared to a record high in 1981 of 4,530. When the rig count is down, jobs throughout the country are lost. The number of active oil and gas producers has dropped by nearly 60 percent in the last 10 years. The capacity of the oil field service and supply industry has declined markedly. Well-servicing activity is down 20 percent from its most recent peak in December 1990, and continues to decline. An even more shocking fact is that since 1986, domestic crude oil production has declined by more than 1.7 million barrels per day; we've lost more oil at home than we sent our Americans to fight and die for during desert storm.

Why is this industry going down the tubes? We let OPEC dictate our energy policy. Each time OPEC sets cheap oil prices, our domestic oil and gas industry goes into further decline. Capital has dried up for the domestic oil and gas industry, with both U.S. major oil companies and independent producers going overseas where other governments welcome Americans and their superior technology.

The oil and gas industry needs access to capital for continued development, the country needs to keep this industry in the United States. The country cannot afford to let another industry go overseas, especially an industry so vital to our economic security. We don't rely on foreign countries for our food supply, so why do we keep policies that put our economic fate in OPEC's hands? Why do we keep policies that send jobs overseas?

The bill that Senator BOREN and I are introducing today would provide desperately needed capital to the domestic oil and gas industry. The provision is targeted not to the major oil companies but to the independent producers, who have historically drilled more than 85 percent of the exploratory wells in the country.

The bill provides important alternative minimum tax relief to independent oil and gas producers in the country. Currently, the law allows independent producers to deduct their intangible drilling costs [IDC] when figuring their regular tax liability. IDC's can be as much as 80 percent of the costs of drilling an exploratory well. Examples of IDC's are survey and seismic costs to locate the well, costs of drilling, costs of transporting and setting up the rig, costs of cementing the casing in place, and costs of cleaning up the drill site.

Current law also allows a deduction for percentage depletion for purposes of figuring regular tax liability. The deduction is equal to 15 percent of oil and gas revenue subject to several limitations. The deduction is not available for integrated oil and gas producers and is only available on the first 1,000 barrels a day of production. In addition, the percentage depletion deduction with regard to a particular property cannot exceed 100 percent of the net income from that property, and the overall deduction cannot exceed 65 percent of taxable income for the year.

These are important and longstanding provisions of the Tax Code. The difficulty arises when these deductions are subject to alternative minimum tax [AMT] treatment. In general, a taxpayer must pay the greater of his regular tax liability or his AMT liability. The taxpayer must make two calculations, his regular tax calculation that includes all credits and deductions and his alternative minimum tax calculation which requires adding back in preference items. Both IDC's and percentage depletion are preferences for purposes of calculating the AMT. Low profit, capital intensive industries, such as the independent oil and gas industry, often find themselves in the alternative minimum tax which means they actually lose the benefit of the deductions allowed in the Tax Code. An independent producer subject to the AMT can often have his tax liability tripled. This takes away valuable capital that can be reinvested to create jobs.

This bill simply says that IDC's and percentage depletion shall not be preferences for purposes of the AMT and can be deducted when calculating AMT. This is fair tax policy and puts oil and gas on a level playing field with other taxpayers. IDC's and depletion are analogous to the fully deductible ordinary and necessary business deductions in any other industry. However, no other corporation must add back in its standard business deductions for purposes of calculating its AMT.

The purpose of the AMT is to ensure that all taxpayers pay their fair share of tax liability. Some of my colleagues have expressed concern about the possibility that this bill could result in a taxpayer zeroing out his tax liability. To address their concerns, this bill contains a provision that in no cash can a taxpayer offset more than 90 percent of AMT liability through claiming these deductions.

As Congress continues to debate national energy policy and economic growth, I urge my colleagues to think long and hard about the need to ensure a viable domestic energy industry. This is not simply an oil and gas producing State issue. It is an issue of importance to all of us as we think about long-term economic growth. If Congress fails to enact a responsible energy strategy that includes oil and gas production measures, future historians may look upon this failure as one of the most irresponsible and far-reaching failures of our Government.•

• Mr. BOREN. Mr. President, I am pleased today to join with my colleague from Louisiana, Mr. BREAUX, in introducing this legislation to afford independent oil and gas producers relief from onerous provisions of the alternative minimum tax system. This legislation, which is similar to a provision in a comprehensive bill that I introduced in January, the Tax Fairness and Competitiveness Act of 1992, is targeted to revitalize an industry essential to this country's economic well-being.

We are all aware that independent producers drill 85 percent of the wells in this country and that they are responsible for 60 percent of the natural gas and 40 percent of the crude oil produced in the United States. These figures are particularly impressive when one considers that most independent producers operate small businesses—most have 10 employees or less.

Since 1986, however, domestic oil production has decreased more than 1.7 million barrels per day, and the number of domestic independent producers has dropped by more than one-third. The industry has lost 317,000 jobs in the last decade. Many experts point to the alternative minimum tax as a primary cause of this decline because it treats unfavorably one of the principal business expenditures of the industry—intangible drilling costs [IDC's]—and because it penalizes the capital recovery system unique to the minerals extraction industry—percentage depletion.

Because these phrases are terms of art, we can lose sight of the fact that these expenses are ordinary and necessary business expenses that are instrumental to the development of oil and gas resources. From an economic standpoint, IDC's are most comparable to research and development costs. Like research and development expenses, IDC's are incurred before a capital asset is known to exist. These costs include survey costs, amounts paid to negotiate and finalize drilling contracts, costs to prepare the drill site, costs of transporting and setting up the rigs, and costs of cementing casing in place. These crucial and unavoidable costs—which may never be recovered—can amount to as much as 80 percent of the total costs incurred in developing a well.

Percentage depletion recognizes that oil and gas producers must discover their capital assets by investing funds that are totally at risk in the hope of finding an asset that may or may not exist. Percentage depletion recognizes that the economic profit from successful wells must compensate for economic losses from dry holes and marginal wells that do not recover their investment. It also acknowledges that oil and gas properties are wasting assets with no residual value; as oil or gas is produced, the value of the asset decreases with each passing day.

Thus, both types of expenses are legitimate and necessary, given the unique nature of the oil and gas industry. Moreover, they both correspond to ordinary business expenses that are deductible for every other business, whether it pays regular corporate tax or the AMT. Our proposal would completely eliminate IDC's and percentage depletion as tax preference items for independent producers paying the AMT.

Mr. President, we simply cannot fail to pass meaningful relief for the independent oil and gas industry. Their situation grows increasingly desperate. As recently as January, the rig count—the industry's measure of drilling activity—reached 653. This is the lowest level in recorded history. I urge all my colleagues to support this vital legislation.•

By Mr. BENTSEN (for himself, Mr. PRYOR, Mr. PACKWOOD, Mr. MOYNIHAN, Mr. ROTH, Mr. BOREN, Mr. DANFORTH, Mr. RIEGLE, Mr. DURENBERGER, Mr. ROCKEFELLER, Mr. GRASSLEY, Mr. BREAUX, Mr. CHAFEE, Mr. DASCHLE, Mr. HATCH, Mr. JOHNSTON, and Mr. HOLLINGS):

S. 2210. A bill to provide a 1-year delay in the implementation of the final regulations issued by the Internal Revenue Service under sections 401(a)(4), 410(b), 414(r), and 414(s) of the Internal Revenue Code of 1986; to the Committee on Finance.

DELAY IN IMPLEMENTATION OF CERTAIN PENSION REGULATIONS

• Mr. BENTSEN. Mr. President, I rise today with my colleague, Senator PRYOR of Arkansas, to introduce a bill that would delay for 1 year the effective date of complex new pension regulations. This will give the Treasury Department time to correct the flaws in the regulations and give pension plans time to digest and comply with the regulations. Under the bill, during the period of the delay, qualified retirement plans must be operated in accordance with a reasonable, good faith interpretation of the relevant provisions of the Internal Revenue Code.

Let me review the history of these pension guidelines. In May 1990, the IRS issued a massive proposed regulation under Internal Revenue Code section 401(a)(4). That four-line Code section states that benefits under qualified pension plans may not be provided in a manner that discriminates in favor of highly compensated employees. In September and December of last year, the IRS finalized those regulations and other related regulations dealing with minimum required coverage (section 410(b), the definition of compensation (section 414(s)), and the application of the minimum coverage requirements based on separate lines of business—section 414(r). To make matters worse, the effective date of these more than 600 pages of new regulations was January 1, 1992. Let me emphasize this point. The regulations were not really finished until December, and yet they went into effect in January. That means that the IRS is requiring over 800,000 pension plans to learn these new rules and to make major changes affecting the retirement benefits of almost 100 million American workers all in the period of only a few months.

Let me also point out that major elements of the new regulations were never included in the proposed regulations and were not the subject of public comment. Over the last few months it has become clear that some of these new elements—along with some of the original proposals—appear to be seriously flawed. One example that has been brought to my attention is the so-called service crediting rules. These are the rules that specify the manner in which plans can credit employees with service for purposes of vesting, benefit accrual, and eligibility to participate. Very restrictive rules were set forth for the first time in the final regulations published in September of last year. Under these new rules if a plan provides benefit credit for extended maternity leave, the entire plan could be disqualified. That is true even if the extended maternity benefit is equally available to high-paid and low-paid employees. Similarly, under these newly proposed rules, when an employee transfers from one division of a company to another division or from one employer in a multiple employer plan to another employer in that plan, the rules effectively prohibit the transferred employee from receiving credit for service with his or her former division or employer. This is true even if the plan provisions on portability rules are the same for all transferring employees. I think these flaws need to be corrected before the regulations are finalized.

I do not introduce this legislation lightly. As a general rule, I believe it is important that the Congress allow the regulatory process to work properly. I also strongly believe that the goal of these rules is a very important one: Our laws should ensure that rank and file employees receive retirement benefits that are comparable to the benefits provided to higher-income employees. But the fact is that imposing rules that do not work does not further this important goal. And requiring that rules be implemented within an unreasonable timeframe does not further the goals that these rules were originally intended to promote.

I actually hope we won't have to pass this legislation. I hope that the IRS and the Treasury Department get the message and delay these regulations immediately and then begin the process of fixing them. In November, all 20 members of the Finance Committee wrote Treasury Secretary Brady a letter asking that these regulations be delayed. Every single member of the committee signed that letter—Republican and Democrat. We have yet to receive a response to that letter. I hope that this legislation will send a clear signal of the Treasury Department and the IRS that the Finance Committee believes that the retirement benefits of almost 100 million American workers are just too important to be restructured in a few weeks based on flawed regulations.

I ask unanimous consent that the text of bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2210

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 1-YEAR DELAY IN IMPLEMENTATION OF QUALIFIED PLAN NONDISCRIMINATION REGULATIONS.

(a) 1-YEAR DELAY.—

(1) IN GENERAL.—The final Treasury regulations described in paragraph (2) shall not apply to plan years beginning before the later of—

(A) January 1, 1993, or

(B) the date provided in such regulations.

(2) APPLICABLE REGULATIONS.—The final Treasury regulations described in this paragraph are as follows:

(A) Sections 1.401(a)(4)–0 through 1.401(a)(4)–13.

(B) Sections 1.410(b)–0 through 1.410(b)–10.

(C) Sections 1.414(r)–0 through 1.414(r)–11.

(D) Section 1.414(s)–1.

(E) Any other regulation (or other provision) reaching the same or similar results as the provisions described in the preceding subparagraphs.

(b) REASONABLE GOOD FAITH EFFORTS.—During any period during which the implementation of any regulation is delayed by reason of subsection (a), a plan shall not be treated as meeting the requirement of any provision of the Internal Revenue Code of 1986 to which such regulation relates unless such plan is operated in accordance with a reasonable, good faith interpretation of such provision.

(c) PLANS MAINTAINED BY GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—In the case of—

(1) a governmental plan (as defined in section 414 of the Internal Revenue Code of 1986), or

(2) a plan maintained by any organization exempt from tax under subtitle A of such Code,

subsection (a)(1)(A) shall be applied by substituting "1994" for "1993".●

By Mr. NICKLES (for himself and Mr. BOREN):

S. 2211. A bill to amend the Internal Revenue Code of 1986 to eliminate tax penalties that apply to oil and gas drilling investments, and for other purposes; to the Committee on Finance.

TAX TREATMENT OF OIL AND GAS DRILLING INVESTMENTS

Mr. NICKLES. Mr. President, today I am introducing a bill to eliminate provisions in the Tax Code that treat intangible drilling costs and percentage depletion as preference items for purposes of calculating a taxpayer's alternative minimum tax obligation.

Including intangible drilling costs and percentage depletion as preference items in 1986 was a mistake. It has been referred to by some Americans trying to increase oil production here in the United States as a drilling penalty tax for independents. In the fall of 1990, Congress made a change to these provisions by reducing the amount of intangible drilling costs that independents must include in the alternative minimum tax by 75 percent for exploratory wells and 15 percent for nonexploratory wells. But the penalty is still 25 percent for exploratory wells, including all developmental wells. We should have eliminated IDC's entirely from the alternative minimum tax, and that is what the bill I am introducing today will do.

IDC's are the only out-of-pocket business expense in any industry or profession that are treated as a preference item in the alternative minimum tax. Inclusion of IDC's was unfair, and another example of treating the domestic industry as a cash cow to be milked every time revenue is needed.

Taking IDC's and percentage depletion out of the alternative minimum tax is appropriate not simply because they are a unique penalty on oil and gas producers, but because in practice these provisions have been both anticompetitive and regressive, and have had the effect of significantly reducing drilling activity in the United States. For example, the active rig count stands at 653 for the week ending January 31. This is the lowest level of drilling activity since records were begun in the 1940's.

A rig count of 653 indicates that the industry has entered a period of accelerated decline. The Nation's domestic oil production is falling at an annual rate of 300,000 barrels a day, and foreign imports are rapidly approaching 50 percent of our domestic needs. We have lost 326,000 jobs, almost half of the oil field worker jobs since the peak in 1982 when the rig count was 3,105.

Independent producers have been devastated by a combination of low oil and gas prices and high taxes. Every rig that shuts down means jobs that are lost and increased dependency upon foreign oil for our energy needs. I strongly believe that tax relief is needed to save the domestic industry from collapse.

The time to act is now. The independent producers say that unless tax relief is provided, the industry will collapse. With the energy bill on the floor of the Senate and the President's budget before Congress, it is time to act and act decisively.

I am convinced that the alternative minimum tax relief is the single most important agenda item for the oil and gas industry. It does little good to talk about extending incentives unless we remove alternative minimum tax impediments.

When a recession coincides with sustained low oil and gas prices, the alternative minimum tax works like a severe penalty that gets progressively worse the longer the taxpayer falls under it. The longer prices are low and profits thin, the harsher is the alternative minimum tax's impact.

Under current law, when percentage depletion and intangible drilling costs are added back to income in calculating alternative minimum tax, tax liability, it can result in a 70 to 80 percent effective tax rate for some producers. The result is indisputedly punitive, if not confiscatory. It is for these reasons that I am calling today for the removal of intangible drilling costs and percentage depletion as preference items under the alternative minimum tax.

Mr. BOREN. Mr. President, I am pleased today to join with my colleague from Oklahoma, Mr. NICKLES, in introducing this legislation to afford independent oil and gas producers relief from onerous provisions of the alternative minimum tax system. This legislation, which is similar to a provision in a comprehensive bill that I introduced in January, the Tax Fairness and Competitiveness Act of 1992, is targeted to revitalize an industry essential to this country's economic well-being.

We are all aware that independent producers drill 85 percent of the wells in this country and that they are responsible for 60 percent of the natural gas and 40 percent of the crude oil produced in the United States. Since 1986, however, domestic oil production has decreased more than 1.7 million barrels per day. This lost production equates to a measurable loss in wealth to the U.S. society, before any multiplier effects, of $160 billion to $250 billion, and a loss in Federal and State revenues of more than $50 billion. The number of domestic independent producers has dropped by more than one-third, and the industry has lost 317,000 jobs in the last decade.

Many experts point to the alternative minimum tax as a primary cause of this decline because it treats unfavorably one of the principal business expenditures of the industry—intangible drilling costs [IDC's]—and because it penalizes the capital recovery system unique to the minerals extraction industry—percentage depletion.

To understand why the AMT treatment of IDC's and percentage depletion is unfair, we need to understand what these expenses represent for the oil and gas industry. Simply put, they are ordinary and necessary business expenses. From an economic standpoint, IDC's are most comparable to research and development costs. Like research and development expenses, IDC's are incurred before a capital asset is known to exist. These costs include survey costs, amounts paid to negotiate and finalize drilling contracts, costs to prepare the drill site, costs of transporting and setting up the rigs, and costs of cementing casing in place. These crucial and unavoidable costs—which may never be recovered—can amount to as much as 80 percent of the total costs incurred in developing a well.

Percentage depletion recognizes that oil and gas producers must discover their capital assets by investing funds that are totally at risk in the hope of finding an asset that may or may not exist. Percentage depletion recognizes that the economic profit from successful wells must compensate for economic losses from dry holes and marginal wells that do not recover their investment. It also acknowledges that oil and gas properties are wasting assets with no residual value; as oil or gas is produced, the value of the asset decreases with each passing day.

Thus, both types of expenses are legitimate and necessary, given the unique nature of the oil and gas industry. Moreover, they both correspond to ordinary business expenses that are deductible for every other business, whether it pays regular corporate tax or the AMT. Our proposal would completely eliminate IDC's and percentage depletion as tax preference items for independent producers paying the AMT.

Mr. President, we simply cannot fail to pass meaningful relief for the independent oil and gas industry. As I have noted before, their situation grows increasingly desperate. As recently as January, the rig count—the industry's measure of drilling activity—reached 653. This is the lowest level in recorded history. I urge all my colleagues to support this vital legislation.

By Mr. RIEGLE (by request):

S. 2212. A bill to provide funding for the Resolution Trust Corporation, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

RESOLUTION TRUST CORPORATION FUNDING ACT

• Mr. RIEGLE. Mr. President, at the request of the administration, I am introducing together with Senator GARN, their legislative proposal for additional loss funding for the Resolution Trust Corporation.

I regret that the RTC Thrift Depositor Oversight Board was unable to accept the Banking Committee's invitation to testify last month or earlier this week, but I look forward to their semi-annual appearance later this month and to working with the RTC Board and with Mr. Casey, the new RTC CEO, in developing legislation to provide them with the additional funds they need.

Mr. President, I ask unanimous consent that the text of the bill, along with a section-by-section analysis, together with a letter from Secretary Brady requesting action on this bill and a letter from Albert Casey also regarding this proposal be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SECTION 1. SHORT TITLE.

This Act may be cited as the "Resolution Trust Corporation Funding Act of 1992".

SEC. 2. FUNDING.

Section 21A(i) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(i)) is amended—

(1) in paragraph (3)—

(A) by inserting ", from monies not otherwise appropriated," after "Corporation"; and

(B) by striking "until April 1, 1992"; and

(2) by adding after paragraph (3) the following new paragraph:

"(4) Additional Funding.—In addition to amounts provided under paragraphs (2) and (3), the Secretary of the Treasury shall provide to the Corporation from monies not otherwise appropriated such sums as may be necessary to carry out the purposes of this section not to exceed $55 billion.".

RESOLUTION TRUST CORPORATION FUNDING ACT OF 1992

SECTION-BY-SECTION ANALYSIS

Section 1 would provide that this Act may be cited as the "Resolution Trust Corporation Funding Act of 1992."

Section 2(a) would make the $25 billion appropriation permanent by removing the April first cutoff date for the provision of funds. It would also correct a technical deficiency in the funding provision to specify the source of the appropriation.

Section 2(b) would provide an additional appropriation of $55 billion for the Resolution Trust Corporation to complete the resolutions of failed thrift institutions and to protect their depositors. This sum would be in addition to the original funding of $50 billion, and in addition to the $30 billion and $25 billion appropriations provided in 1991.

THE SECRETARY OF THE TREASURY,
Washington, DC, January 22, 1992.

Hon. J. DANFORTH QUAYLE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed herewith is the Administration's legislative proposal to provide further funding to the Resolution Trust Corporation (RTC). Also enclosed is an analysis of the proposal.

The Administration strongly urges that its proposal be promptly enacted by the Congress.

In keeping with my testimony before the Senate and House Banking Committees in June and July of 1991, the Administration submitted on September 27, 1991, a legislative proposal to provide the RTC with additional funds sufficient to complete its task of resolving certain failed thrift institutions, an amount that the Administration estimated could reach $80 billion. In the Resolution Trust Corporation Refinancing, Restructuring, and Improvement Act of 1991, passed by Congress on November 27, 1991, however, Congress provided only a portion ($25 billion) of the requested amount and did so in a manner that would make no funds available after April 1, 1992. The enclosed legislative proposal would provide the balance of the amount that may be needed to complete the RTC's mission of resolving failed thrift institutions and protecting their depositors.

An identical proposal has been transmitted to the Speaker of the House of Representatives.

Sincerely,

NICHOLAS F. BRADY.

RESOLUTION TRUST CORPORATION,
Washington, DC, February 5, 1992.

Hon. DONALD W. RIEGLE, Jr.,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I would like to take this opportunity to extend to you, your colleagues, and your staff, my warmest thanks for the extremely expeditious manner in which you handled the matter of my nomination and confirmation as Chief Executive Officer of the Resolution Trust Corporation. I look forward to working closely with you to further our common objective of ensuring that the widespread insolvencies in the thrift industry are dealt with in a way that minimizes the overall cost to the taxpayer.

Let me also note that I appreciate the speed with which the Committee, in the context of scheduling the upcoming semiannual appearance of the Oversight Board, is moving to address the need of the RTC for additional funds to carry out its depositor protection responsibilities. In this connection, I wish to stress that we worked with the Administration to develop the proposed funding legislation that Secretary Brady recently transmitted to the Senate and are in full agreement with it.

Once again, my thanks.

Sincerely,

ALBERT V. CASEY
Chief Executive Officer.•

•Mr. GARN. Mr. President, today I join with the chairman of the Senate Banking Committee, Senator RIEGLE, in introducing, by request, the administration's bill to complete the funding initially requested last year for the Resolution Trust Corporation [RTC]. This new bill was sent to the Senate by the Secretary of the Treasury on January 22, 1992, and will provide the funding necessary to continue, and hopefully complete, the process of closing down failed savings and loans and keeping the funds of insured depositors safe and sound.

The administration's RTC funding request is twofold. First, it seeks to free-up the full $25 billion provided by Congress last November but subjected to an April 1, 1992, use or lose date. Second, it seeks to fund fully the RTC's future needs by appropriating an additional $55 billion, as requested by the Administration almost a year ago.

In his capacity as the new Chief Executive Officer of the RTC, Albert Casey appeared on January 22, 1992, before the Senate Banking Committee. He stated that, given the current projections, this funding request should be sufficient for the RTC to complete its work.

It is critical that Congress stop trickling funds into the RTC at minimum levels accompanied by arbitrary cut-off dates. Early last year the administration submitted its best estimate to Congress of the future funding needs of the RTC. Instead of providing the funds we all knew would be required, Congress chose to allocate a fraction of the monies, accompanied by a date seemingly chosen at random by which the funds must be spent or returned.

This policy of underfunding the RTC must end. It only adds to the ultimate cost of reclaiming the savings and loan industry honoring our commitment to the depositors of this country.

What the RTC needs is full access to those funds it requires to complete its job. By underfunding the RTC, we only increase the expense to the American taxpayers of honoring the deposit guarantee commitment. As Mr. Casey testified, Congress, by delaying the enactment of the RTC refunding bill last year, is responsible for increasing the overall cost to the American taxpayers by an additional $350 to $475 million.

Mr. President, there is some good news. By recent estimates, it looks as if we have turned the corner on the resolution of failed and failing savings and loans. The industry has returned to a position of positive net worth and should shortly again become profitable. Most importantly, we have met our commitment to the American public. All depositors, up to the $100,000 limit, have had their deposits honored in full.

We have come a long way; let us finish the job. By fully funding the RTC with the additional $55 billion required we will be able to conclude this sorry chapter in our political history. Delay is not free. To delay will only result in more costs as the RTC is forced, again, to suspend its operations until the inevitable refunding is authorized. Nobody denies that the RTC must be funded. It is our responsibility and duty.•

By Mrs. KASSEBAUM:

S.J. Res. 251. Joint resolution to designate the month of May 1992 as "National Huntington's Disease Awareness Month"; to the Committee on the Judiciary.

NATIONAL HUNTINGTON'S DISEASE AWARENESS MONTH

Mrs. KASSEBAUM. Mr. President, I rise today to introduce legislation that would designate May 1992 as "National Huntington's Disease Awareness Month." Congress has designated the 1990's as the "Decade of the Brain," and I believe now is the time to redouble efforts to combat brain disorders such as Huntington's disease.

Huntington's disease [HD], identified by Dr. George Huntington in 1872, is an inherited, progressively degenerative neurological disease caused by a dominant gene. This means that each child of an HD parent has a 50-50 chance of inheriting the disease. At present, there is no treatment and no cure.

Tragic as it is, there is tremendous hope. Federally funded National Institutes of Health research programs at HD Centers Without Walls developed a gene marker in 1983 and recent breakthroughs have HD scientists very close to identifying the elusive gene.

I believe that greater public awareness of this disease is necessary to strengthen private-sector support for research. In May, the Huntington's Disease Society of America plans a series of events to keep its support efforts in the public eye. I believe this joint resolution can contribute significantly to that effort, and I urge my colleagues to support it.

By Mr. DIXON:

S.J. Res. 252. Joint resolution designating the week of April 19-25, 1992 as "National Credit Education Week"; to the Committee on the Judiciary.

NATIONAL CREDIT EDUCATION WEEK

• Mr. DIXON. Mr. President, I rise to introduce a joint resolution designating the week of April 19-25, 1992, as "National Credit Education Week." I urge my colleagues to sponsor this timely resolution.

The United States is a nation addicted to credit, yet we as a people are poorly educated about the use and abuse of credit. We utilize credit to purchase cars, finance homes, pay for college tuition, and cover hospital and medical bills. It has become an integral part of our lives. Yet, tests administered to adults and high school seniors across the Nation show that United States consumers are poorly equipped to deal with the complex consumer credit choices which they confront in the marketplace today.

If anyone has any doubts about the need for increased education of consumers about credit choices and credit pitfalls, one need look no further than the list of personal bankruptcy filings in the United States.

Many factors are taken into account by an individual who declares personal bankruptcy. Some factors are beyond an individual's control, like catastrophic medical bills, or personal tragedies. However, all too often, a major contributing factor to a person's fall into personal bankruptcy is poor decisionmaking about the use of his or her line of credit.

Mr. President, the International Credit Association, Credit Professionals International, the National Foundation for Consumer Credit and other credit-related organizations have sponsored National Credit Education Week to better educate the public on the wise use of credit.

I encourage my colleagues to cosponsor this resolution. Increased education about the wise use of credit will help this Nation make good consumer decisions. We will be economically stronger because of it.●

By Mr. SEYMOUR:

S.J. Res. 253. Joint resolution to reduce Senate pay if the Senate fails to pass a bill or resolution no later than March 20, 1992, to stimulate national economic growth, and for other purposes; to the Committee on Rules and Administration.

REDUCTION OF SENATE PAY IN ABSENCE OF ECONOMIC GROWTH PLAN BY MARCH 20, 1992

Mr. SEYMOUR. Mr. President, I rise today for the purpose of introducing a Senate joint resolution. I believe that "resolution" is an appropriate word to describe what it is I am introducing today, because for some, at least for me, it represents a firmness of resolve. Sometime in the next 43 days, Mr. President, the Senate must live up to that definition of firmness of resolve in response to the economic ills and the great recession we currently face.

In short, what this resolution calls for is the U.S. Senate to pass an economic growth package by March 20 and for each day past March 20 that the Senate fails to pass an economic growth package 1 day's worth of our pay goes from our wallets to the unemployment trust fund. In other words, Mr. President, either we produce or we do not get paid. No package, no pay. That is the challenge.

We have had opportunities, Mr. President, to pass an economic growth package as long as I have been privileged to serve here, well over a year. Those who argued that the end of this recession was just around the corner, myself and others in this Chamber argued it was not going to happen, it was not going to turn around all by itself. To those who argued all last year that all we needed to do was push on Alan Greenspan to get lower interest rates and that will turn this recession around—I answer by saying that if interest rates were zero and you cannot get a loan, it does not make one whit of difference.

So we went on through the summer and on through the fall, and I as well as others argued late in the fall, before we went into the December recess, that we ought not have a recess, that we should have stayed through Thanksgiving, through Christmas, through New Years and hammered out a bipartisan economic growth package. But that did not happen either, Mr. President.

I commend both the majority leader and the Republican leader for agreeing to cancel the March recess. That shows that the Senate is going to be serious in its attention to this economic growth package. I, for one, would have been willing to remain here next week during the recess that the Senate will be on, but nevertheless, enough of that. To dwell on lost time is time also lost.

Now is the time for action. We have many important legislative items on the agenda. The energy bill which we are currently debating is certainly one of them. But I do not know, and I defy anybody on the floor of the Senate to so identify, of a more important or a more pressing issue than putting Americans back to work.

The President believes that an economic package is our first priority, and he has drawn a line in the sand. That line is March 20 of this year. I think that happens to represent a fair challenge, and the only way to meet that challenge is to work together for a bipartisan package. I underscore "bipartisan." We do not owe it to the President to meet the March 20 deadline; we owe it to the American people. We owe it to them to get this economy moving and to get it moving now.

Mr. President, I was touched by a letter that I received from a very small business owner in California, Ms. Judy Baldwin, who owns Ricco's Pizza Parlor in Chico, CA, and she said it very eloquently. She represents a lot of small business people not just in California but around this country. She said:

> My husband and I own a successful Restaurant in Chico. We have watched our income dwindle to less than half. We have cut back all expenses, eliminated our manager position, scrutinized all direct overhead and increased our workday to 62 hours a week.

That is the good story. The bad story is those who cannot even hang on by their fingernails anymore, those who are unemployed. So I say it is time to act and act in a bipartisan fashion. I have my own economic growth plan, and I suppose there are 99 other Senators who have theirs. That is not what I am asking be passed here. I am asking very simply that we pass a package and we pass it by March 20. If we do not, then forfeit our pay. If we have to lock these doors of the Senate Chamber and keep us locked up here until Democrat and Republican alike lay down their partisan swords and reach a conclusion that is going to work for the American people, then so be it, lock the doors.

I guess I am feeling the same frustration, yes, even anger, that people in California and across this country are feeling for the lack of attention and all the finger pointing that has gone on while Rome continues to burn and people continue to stand in longer and longer lines of unemployment. It is time to get an economic plan in action. It is time to put America back to work. It is time that we in Congress get off our duffs and do the job we were sent here to do.

Mr. President, I am hopeful that in the next 43 days, in fact, this body does come together because this issue we have been already too slow to respond to, and it is a matter of the greatest urgency, greater than any other legislation this body will consider.

ADDITIONAL COSPONSORS

S. 81

At the request of Mr. KASTEN, his name was withdrawn as a cosponsor of S. 81, a bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

S. 401

At the request of Mr. DOMENICI, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 401, a bill to amend the Internal Revenue Code of 1986 to exempt from the luxury excise tax parts or accessories installed for the use of passenger vehicles by disabled individuals.

S. 492

At the request of Mr. SIMON, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 492, a bill to amend the National Labor Relations Act to give employers and performers in the live performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give to such employers and performers the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 664

At the request of Mr. THURMOND, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 664, a bill to require that health warnings be included in alcoholic beverage advertisements, and for other purposes.

S. 815

At the request of Mr. BROWN, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 815, a bill to amend the

Public Health Service Act to provide for the establishment of an Office of Medical Insurance and to establish a self insurance fund to provide coverage for successful malpractice claims filed against health service providers utilized by community and migrant health centers and for other purposes.

S. 873

At the request of Mr. BOREN, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 873, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment of interest income and rental expense in connection with safe harbor leases involving rural electric cooperatives.

S. 911

At the request of Mr. KENNEDY, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 911, a bill to amend the Public Health Service Act to expand the availability of comprehensive primary and preventative care for pregnant women, infants, and children and to provide grants for home visiting services for at risk families, to amend the Head Start Act to provide Head Start services to all eligible children by the year 1994, and for other purposes.

S. 1175

At the request of Mr. KERRY, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 1175, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purposes.

S. 1178

At the request of Mr. ROCKEFELLER, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 1178, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for expenditures for vehicles which may be fueled by clean burning fuels, for converting vehicles so that such vehicles may be so fueled, or for facilities for the delivery of such fuels, and for other purposes.

S. 1423

At the request of Mr. DODD, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1521

At the request of Mr. MCCONNELL, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1521, a bill to provide a cause of action for victims of sexual abuse, rape, and murder against producers and distributors of hard core pornographic material.

S. 1578

At the request of Mr. THURMOND, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1578, a bill to recognize and grant a Federal charter to the Military Order of World Wars.

S. 1851

At the request of Mr. ROCKEFELLER, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1851, a bill to provide for a Management Corps that would provide the expertise of United States businesses to the Republics of the Soviet Union and the Baltic States.

S. 1921

At the request of Mr. BENTSEN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1921, a bill to amend the Internal Revenue Code of 1986 to allow a $300 tax credit for children to expand the use of individual retirement accounts, and for other purposes.

S. 1932

At the request of Mr. BUMPERS, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1932, a bill to amend the Internal Revenue Code of 1986 to provide a capital gains tax differential for individual and corporate taxpayers who make high risk, long term grownth oriented venture and seed capital investments in startup and other small enterprises.

S. 1966

At the request of Mr. BIDEN, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1966, a bill to establish a national background check procedure to ensure that persons working as child care providers do not have a criminal history of child abuse, to initiate the reporting of all State and Federal child abuse crimes, to establish minimum guidelines for States to follow in conducting background checks and provide protection from inaccurate information for persons subjected to background checks and for other purposes.

S. 1984

At the request of Mr. SPECTER, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1984, a bill to provide an incentive for increased consumer spending and to provide a short term economic stimulus by waiving the penalty under the Internal Revenue Code of 1986 on certain withdrawals from pension plans which are used to purchase consumer goods and other items and by extending for 1 year the research and experimentation tax credit, the low-income housing tax credit, the mortgage revenue bond tax provisions, and the targeted jobs tax credit.

S. 2064

At the request of Mr. HATFIELD, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 2064, a bill to impose a 1 year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

S. 2065

At the request of Mr. DIXON, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 2065, a bill to federalize the crime of child molestation for repeat offenders.

S. 2106

At the request of Mr. CRANSTON, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2106, a bill to grant a Federal charter to the Fleet Reserve Association.

S. 2167

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 2167, a bill to restrict trade and other relations with the Republic of Azerbaijan.

S. 2183

At the request of Mr. SHELBY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 2183, a bill to prohibit the Secretary of Veterans Affairs from carrying out the rural health care initiative.

S. 2185

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 2185, a bill to suspend the forcible repatriation of Haitian nationals fleeing after the coup d'etat in Haiti until certain conditions are met.

At the request of Mr. KENNEDY, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Washington [Mr. ADAMS], the Senator from Michigan [Mr. REIGLE], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 2185, supra.

SENATE JOINT RESOLUTION 218

At the request of Mr. MITCHELL, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Oregon [Mr. HATFIELD], the Senator from Kentucky [Mr. FORD], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Alabama [Mr. SHELBY], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Missouri [Mr. BOND], the Senator from West Virginia [Mr. BYRD], the Senator from Mississippi [Mr. LOTT], the Senator from Illinois [Mr. SIMON], the Senator from Arizona [Mr. DECONCINI], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Wyoming [Mr. WALLOP], the Senator from Indiana [Mr. COATS], the Senator from Nebraska [Mr. EXON], the Senator from Idaho [Mr. SYMMS], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint

Resolution 218, a joint resolution designating the calendar year 1993 as the "Year of American Craft: A Celebration of the Creative work of the Hand."

SENATE JOINT RESOLUTION 224

At the request of Mr. SIMON, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Arkansas [Mr. PRYOR], the Senator from Georgia [Mr. NUNN], the Senator from Virginia [Mr. WARNER], the Senator from Delaware [Mr. ROTH], the Senator from Vermont [Mr. JEFFORDS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Kansas [Mr. DOLE], the Senator from Montana [Mr. BURNS], the Senator from Rhode Island [Mr. PELL], and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of Senate Joint Resolution 224, a joint resolution designating March 1992 as "Irish-American Heritage Month."

SENATE JOINT RESOLUTION 231

At the request of Mr. THURMOND, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Joint Resolution 231, a joint resolution to designate the month of May 1992, as "National Foster Care Month."

SENATE JOINT RESOLUTION 233

At the request of Mr. BIDEN, the names of the Senator from Arizona [Mr. MCCAIN], the Senator from North Dakota [Mr. CONRAD], the Senator from Maryland [Ms. MIKULSKI], the Senator from California [Mr. SEYMOUR], the Senator from Delaware [Mr. ROTH], the Senator from Georgia [Mr. NUNN], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of Senate Joint Resolution 233, a joint resolution to designate the week beginning April 12, 1992, as "National Public Safety Telecommunicators Week."

SENATE JOINT RESOLUTION 240

At the request of Mr. SPECTER, the names of the Senator from Arkansas [Mr. BUMPERS] and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of Senate Joint Resolution 240, a joint resolution designating March 25, 1992, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE JOINT RESOLUTION 244

At the request of Mr. SIMPSON, the names of the Senator from Georgia [Mr. NUNN] and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Joint Resolution 244, a joint resolution to recognize and honor the National Conference of Commissioners on Uniform State Laws on its centennial for its contribution to a strong Federal system of government.

SENATE CONCURRENT RESOLUTION 70

At the request of Mr. SANFORD, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of Senate Concurrent Resolution 70, a concurrent resolution to express the sense of the Congress with respect to the support of the United States for the protection of the African elephant.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

AMENDMENT NO. 1570

At the request of Mr. KENNEDY, his name was added as a cosponsor of amendment No. 1570 proposed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of amendment No. 1570 proposed to S. 2166, supra.

At the request of Mr. GORE, the names of the Senator from Indiana [Mr. LUGAR], the Senator from Rhode Island [Mr. PELL], the Senator from Maryland [Ms. MIKULSKI], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Connecticut [Mr. DODD], the Senator from California [Mr. CRANSTON], the Senator from North Dakota [Mr. CONRAD], the Senator from New York [Mr. MOYNIHAN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of amendment No. 1570 proposed to S. 2166, supra.

SENATE RESOLUTION 255—RELATIVE TO BREAST CANCER

Mr. LEAHY (for himself and Mr. ADAMS) submitted the following resolution; which was referred to the Committee on Labor and Human Resources:

S. RES. 255

Whereas in 1966, one in 14 women in the United States was expected to develop breast cancer in her lifetime, and in 1991 one in 9 women in the United States could expect to develop the disease;

Whereas it is estimated that 45,000 deaths in the United States in 1991 were attributed to breast cancer;

Whereas in 1991, 175,000 women in the United States were diagnosed with breast cancer;

Whereas breast cancer incidence rates in the United States have increased more than 2 percent a year since 1973;

Whereas in 1990, the Federal Government spent $1,700,000,000 on all cancer research, but targeted only $81,000,000 toward breast cancer;

Whereas after decades of research and experimentation, there is still no certain cure for, or known cause of, breast cancer;

Whereas the Public Health Service reaffirms women's health as a national public health priority; and

Whereas Federal monies are urgently needed to eliminate the epidemic of breast cancer: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Secretary of Health and Human Services should declare breast cancer a public health emergency pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) for the purpose of accelerating investigation into the cause, treatment, and prevention of the cause, of the emergency; and

(2) activities initiated under the breast cancer public health emergency should not supplant the planning, review, and budgeting of multiyear major research projects into the cause, treatment, and prevention of breast cancer.

AMENDMENTS SUBMITTED

NATIONAL ENERGY SECURITY ACT

SPECTER AMENDMENTS NOS. 1572 AND 1573

(Ordered to lie on the table.)

Mr. SPECTER submitted two amendments intended to be proposed by him to the bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes, as follows:

AMENDMENT NO. 1572

(a) It is the sense of the Senate that Section 162 of the Internal Revenue Code of 1986 (relating to trade or business expenses) should be amended—

(1) by redesignating subsection (m) as subsection (n); and

(2) by inserting after subsection (1) the following new subsection:

"(m) NO DEDUCTION FOR PARKING EXPENSES UNLESS EMPLOYER PROVIDES CASH ALTERNATIVE.—

"(1) IN GENERAL.—No deduction shall be allowed under this chapter for any amount paid or incurred by an employer in connection with the providing of a parking subsidy to any employee unless the employer provides the parking subsidy pursuant to an arrangement under which the employee may elect, in lieu of a parking subsidy, to receive cash or a mass transit, car pool, or van pool subsidy in an amount equal to the fair market value of such parking subsidy.

"(2) DEFINITION.—For purposes of this subsection, the term 'parking subsidy' includes the direct and indirect cost to an employer of providing a parking space to an employee, not including any amount paid by the employee."

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning with the third taxable year beginning after the date of enactment of this Act.

AMENDMENT NO. 1573

At the appropriate place in the bill, insert the following:

SEC. . REMOVAL OF CERTAIN MODEL YEAR VEHICLES FROM USE.

Title V of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001 et seq.) is amended by adding at the end the following new section;

"REMOVAL FROM SERVICE OF CERTAIN MOTOR VEHICLES

"SEC. . (a) Prior to the expiration of the 90-day period following the date of the enactment of this section, the Secretary shall issue such regulations as may be necessary to establish and implement a program encouraging the removal from use and the marketplace of motor vehicles manufactured prior to model year 1980.

"(b) Such program shall provide that any motor vehicle dealer who receives, as a trade-in on the sale by such dealer of a new motor vehicle, a motor vehicle of a model year prior to model year 1980, may remove such motor vehicle from use and the marketplace.

"(c) Such regulations shall further provide that upon certification by the motor vehicle dealer to the Secretary that the engine block and the chassis of the motor vehicle have been removed from use and the marketplace and destroyed in accordance with such program, the manufacturer of the new motor vehicle shall receive a credit to its corporate average fuel economy. Such credit shall equal the difference between the fuel economy of the new motor vehicle, and the motor vehicle removed from use and the marketplace.

"(d) Regulations under this section shall require proof from the motor vehicle dealer that the motor vehicle was destroyed in accordance with the regulation, and that the vehicle's identification number was removed from the registration list of the appropriate State or States.

"(e)(1) Such regulations under this section shall require the motor vehicle manufacturer to calculate and transmit to the Secretary the financial value per gallon credit.

"(2) No later than 30 days after receipt of the calculations under paragraph (1), the Secretary shall—

"(A) review and approve such calculations to determine if they are in accordance with regulations; and

"(B) if approved under subparagraph (A), publish such calculations in the Federal Register.

"(f) Such regulations shall require—

"(1) the motor vehicle manufacturer to rebate the financial value to an individual who traded in a motor vehicle of a model year prior to 1980 described under subsection (b);

"(2) that an individual trading in a motor vehicle shall have evidence that such vehicle has been registered and in use for 1 year prior to the date of trade-in; and

"(3) that an individual who purchases a new motor vehicle and certifies that the motor vehicle of a model year prior to 1980 was not traded in but was destroyed, shall receive such financial value.

"(g) Any person violating a regulation promulgated under this section shall be subject to a civil penalty assessed by the Secretary in an amount not to exceed $2,000.

"(h) No credits shall be given under this section on or after January 1, 1994."

WELLSTONE (AND GRAHAM) AMENDMENT NO. 1574

Mr. WELLSTONE (for himself and Mr. Graham) proposed an amendment to the bill S. 2166, supra, as follows:

On page 303, strike line 15 and all that follows through line 21.

JOHNSTON (AND OTHERS) AMENDMENT NO. 1575

Mr. JOHNSTON (for himself, Mr. Wallop, Mr. Simpson, Mr. Breaux, Mr. Ford, Mr. Wirth, Mr. Heflin, Mr. Bumpers, Mr. Pryor, Mr. Shelby, Mr. Bingaman, Mr. Symms, and Mr. Conrad) proposed an amendment to the bill S. 2166, supra, as follows:

On page 189, strike line 11 through page 193, line 6 and insert the following:

"TITLE IX—NUCLEAR REACTOR LICENSING

"Sec. 9101. Short Title.—This title may be cited as the "Nuclear Reactor Licensing Act of 1991.".

"Sec. 9102. Combined Licenses.—Section 185 of the Atomic Energy Act of 1954 (42 U.S.C. 2235) is amended by—

(1) adding "and Operating Licenses" after "Permits" in the catchline;

(2) adding a subsection designator "(a)" before "All"; and,

(3) adding the following new subsection:

"(b) After holding a public hearing under section 189(a)(1)(A) of this Act, the Commission shall issue to the applicant a combined construction and operating license if the application contains sufficient information to support the issuance of a combined license and the Commission determines that there is reasonable assurance that the facility will be constructed and will operate in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. The Commission shall identify within the combined license the inspections, tests, and analyses, including those applicable to emergency planning, that the licensee shall perform, and the acceptance criteria that, if met, are necessary and sufficient to provide reasonable assurance that the facility has been constructed and will be operated in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. Following issuance of the combined license, the Commission shall ensure that the prescribed inspections, tests, and analyses are performed and, prior to operation of the facility, shall find that the prescribed acceptance criteria are met. Any finding made under this subsection shall not require a hearing except as provided in section 189a.(1)(B).

"Sec. 9103. Post-Construction Hearings on Combined Licenses.—Section 189a.(1) of the Atomic Energy Act is amended by:

(1) adding a subparagraph designator "(A)" before "In" and

(2) adding the following new subparagraph:

"(B)(i) Not less than 180 days before the date scheduled for initial loading of fuel into a plant by a licensee that has been issued a combined construction permit and operating license under section 185b., the Commission shall publish in the Federal Register notice of intended operation. That notice shall provide that any person whose interest may be affected by operation of the plant, may within 60 days request the Commission to hold a hearing on whether the facility as constructed complies, or on completion will comply, with the acceptance criteria of the license.

"(ii) A request for hearing under this subparagraph shall show, prima facie, that one or more of the acceptance criteria in the combined license have not been, or will not be met, and the specific operational consequences of nonconformance that would be contrary to providing reasonable assurance of adequate protection of the public health and safety.

"(iii) After receiving a request for a hearing under this subparagraph, the Commission expeditiously shall either deny or grant the request. If the request is granted, the Commission shall determine, after considering petitioners' prima facie showing and any answers thereto, whether during a period of interim operation, there will be reasonable assurance of adequate protection of the public health and safety. If the Commission determines that there is such reasonable assurance, it shall allow operation during an interim period under the combined license.

"(iv) The Commission, in its discretion, shall determine appropriate hearing procedures, whether informal or formal adjudicatory, for any hearing under this subparagraph, and shall state its reasons therefore.

"(v) The Commission shall, to the maximum possible extent, render a decision on issues raised by the hearing request within one hundred and eighty days of the publication of the notice provided by clause (i) or the anticipated date for initial loading of fuel into the reactor, whichever is later. Commencement of operation under a combined license is not subject to subparagraph (A).

"Sec. 9104. Rulemaking.—The Nuclear Regulatory Commission shall propose regulations implementing this title within one year of the date of enactment of this Act.

Sec. 9105. Amendment of a Combined License Pending a Hearing.—Section 189(a)(2) of the Atomic Energy Act of 1954 is amended by inserting "or any amendment to a combined construction and operating license" after "any amendment to an operating license" each time it occurs.

Sec. 9106. Judicial Review.—Section 189(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2239(b)) is amended by inserting "or any final order allowing or prohibiting a facility to begin operating under a combined construction and operating license" before "shall be subject to judicial review".

"Sec. 9107. Conforming Amendment.—The table of contents of the Atomic Energy Act of 1954 is amended by amending the item relating to section 185 to read as follows:

"Sec. 185. Construction Permits and Operating Licenses."

"Sec. 9108. Effect on Pending Proceedings.—The provisions of this title apply to all proceedings involving a combined license for which an application was filed after May 8, 1991."

AMENDMENT TO S. 2166, TITLE IX TECHNICAL AND CONFORMING AMENDMENT

On page 5, following the item in the table of contents relating to section 9105, insert the following and renumber subsequent sections accordingly:

"Sec. 9106. Judicial review."

GRAHAM (AND OTHERS) AMENDMENT NO. 1576

Mr. GRAHAM (for himself, Mr. Fowler, Mr. Kennedy, Mr. Bryan, Mr. Reid, Mr. Harkin, Mr. Wellstone, Mr. Jeffords, and Mr. Mitchell) proposed an amendment to amendment No. 1575 proposed by Mr. Johnston (and others) to the bill S. 2166, supra, as follows:

On page 1 of the Johnston amendment strike from line 2 through the end on page 6 and insert in lieu thereof the following:

"SEC. 9000. SHORT TITLE.—This title may be cited as the "Civilian Nuclear Reactor Licensing Act of 1992."

Sec. 9101. Construction Permits and Operating Licenses.—Section 185 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

SEC. 185. CONSTRUCTION PERMIT AND OPERATING LICENSES.

(a) All applicants for licenses to construct or modify production or utilization facilities shall be initially granted a construction permit after the Commission has provided an opportunity for public hearing on the record pursuant to section 189 of this Act and if the application is otherwise acceptable to the Commission. Upon the completion of the construction or modification of the facility, upon the filing of any additional information needed to bring the original application up to date, after providing an opportunity for public hearing on the record pursuant to section 189 of this Act, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this Act and of the regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of an operating license would not be in accordance with the provisions of this Act, the Commission shall thereupon issue an operating license for the applicant. For all other purposes of this Act, a construction permit is a "license."

(b) Notwithstanding any other provision of this section, the Commission shall issue to the applicant a combined construction permit and operating license for a thermal neutron power generation facility after providing an opportunity for public hearing on the record pursuant to section 189 of this Act, if the application contains sufficient information to support the issuance of a combined construction permit and an operating license in accordance with the regulations of the Commission and the Commission determines that there is a reasonable assurance that the facility will be constructed and will operate in conformity with the application, the provisions of this Act, and the rules and regulations of the Commission. The Commission shall identify within such combined construction permit and operating license the inspections, tests, and analyses which shall be performed by the licensee and the acceptance criteria therefor which will provide reasonable assurance that the plant has been constructed and will operate in accordance with the license. After issuance of a combined construction permit and operating license for a thermal neutron power generation facility, the Commission shall assure through inspections, tests and analyses that construction is completed in conformity with the combined construction permit and operating license, consistent with the regulations of the Commission. Prior to the commencement of operation of any facility licensed under this subsection, the Commission shall publish in the Federal Register a notice of the intended operation of such facility, and shall provide a sixty-day period during which any person may file a written objection to the commencement of operation on the basis that the facility authorized has not been constructed or will not operate in conformity with the license. Such objection shall set forth in reasonable detail the facts and arguments upon which the objection is based, and may be accompanied by a request for a hearing on the record under section 189.

If a hearing is requested, the Commission shall determine whether good cause exists therefor and, if so, the issues to be heard and whether the hearing must precede commencement of operation of the facility in order to provide reasonable assurance of the protection of the public health and safety and common defense and security. The Commission shall designate an issue for a hearing if the issue consists of a substantial dispute of fact, necessary for the Commission's decision, that cannot be resolved with sufficient accuracy except at a hearing and:

(i) the issue was not and could not have been raised and resolved in any proceeding for the issuance, modification or amendment of a license, permit, or approval for that facility, its site, or design; or

(ii) a showing has been made that (I) there has been nonconformance with the license; (II) such nonconformance has not been corrected; and (III) such nonconformance could materially and adversely affect the safe operation of the facility.

Following completion of any hearing held, the Commission shall decide whether the license to construct and operate should be modified. Prior to the commencement of operation, the Commission shall determine, based upon the requisite program of inspections, tests, and analyses, whether construction has been completed in conformance with the combined construction permit and operating license, and consistent with the regulations of the Commission.

TITLE II—MISCELLANEOUS PROVISIONS

DEFINITION

"SEC. 9201. Section 11 of the Atomic Energy Act of 1954, as amended, is amended by adding new subsection dd. as follows:

(dd) "Thermal neutron power generation facility" means a utilization facility which is designed to produce electrical energy and in which core power is designed to be produced predominantly by thermal neutron fission."

TITLE III—CONFORMING AMENDMENTS

ANTITRUST PROVISIONS

SEC. 9301. Subsection 105(c) of the Atomic Energy Act of 1954, as amended, is amended in the first sentence of paragraph (2) by inserting "and/" after the word "construct."

LICENSE APPLICATIONS

SEC. 9303. Subsection 182 b. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"(b) The Advisory Committee on Reactor Safeguards shall review each application under section 103 or section 104(b) for a construction permit and/or an operating license for a facility; any application under section 104(c) for a construction permit and/or operating license for a testing facility; any application under section 104(a) or (c) specifically referred to it by the Commission; any proposed authorization to commence operation under sec. 185 b.; and any application for an amendment to a construction permit or to an operating license under section 103 or 104 (a), (b), or (c) and shall submit a report thereon which shall be made a part of the record of the application and available to the public except to the extent that security classification prevents disclosure."

REVOCATION

SEC. 9304. Section 186 a. of the Atomic Energy Act of 1954, as amended, is amended by inserting the words "or section 185" after the words "section 182.".

TITLE IV—EFFECTIVE DATE

SEC. 9401. All sections of this Act shall take effect as of the date of enactment, and shall apply to all proceedings involving a combined license for which an application was filed after May 8, 1991.

SEC. 9402. The Nuclear Regulatory Commission shall propose regulations implementing this Act within one year of the date of enactment of this Act.

BRADLEY (AND OTHERS) AMENDMENT NO. 1577

Mr. WALLOP (for Mr. BRADLEY, for himself, Mr. DOMENICI, Mr. WIRTH, Mr. SEYMOUR, Mr. KENNEDY, Mr. GORTON, Mr. KERRY, Mr. COHEN, Mr. WELLSTONE, Mr. KOHL, Mr. LAUTENBERG, Mr. CRANSTON, Mr. DURENBERGER, Mr. LEAHY, Mr. LIEBERMAN, Mr. PELL, Mr. WALLOP, Mr. JOHNSTON, and Mr. ADAMS) proposed an amendment to the bill S. 2166, supra, as follows:

On page 288, strike lines 10 through 25 and, on page 289, lines 1 through 15, and redesignate succeeding subsections accordingly.

BENTSEN (AND OTHERS) AMENDMENT NO. 1578

Mr. JOHNSTON (for Mr. BENTSEN, for himself, Mr. SIMPSON, Mr. JOHNSTON, Mr. WALLOP, Mr. CRAIG, Mr. BOREN, and Mr. BREAUX) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place in the bill, add the following new sections:

SEC. . AMENDMENT TO TITLE 11 OF THE UNITED STATES CODE.

Section 541(b) of title 11, United States Code, is amended—

(1) in paragraph (1) by striking "or" at the end,

(2) in paragraph (2) by striking the period at the end and inserting "; or", and

(3) by adding at the end the following:

"(3) any interest of a debtor in or to liquid or gaseous hydrocarbons which the debtor has transferred or has agreed to transfer through or by a written farmout agreement, or any written agreement directly related thereto.

The trustees' rights, created in sections 365 and 544(a)(3), shall not operate to cancel or otherwise limit the effect of paragraph (3). For purposes of this subsection, the term 'farmout agreement' is a written agreement (A) in which the owner, of the rights to drill, produce or operate liquid or gaseous hydrocarbons on property agrees or is obligated to transfer or assign all or a portion of those rights to another party and (B) in which the other party, its agents or assignees, as consideration, agrees to perform drilling, reworking, recompleting, testing or other similar or related operations to develop or produce liquid or gaseous hydrocarbons on the property. In determining if a farmout agreement exists, the courts shall look to the custom and practices within the oil and gas industry for guidance. This subsection shall not operate to exclude from the debtor's estate the consideration which the debtor retains, receives, or will receive in exchange for transferring its interest in liquid or gaseous hydrocarbons.".

SEC. . EFFECTIVE DATE: APPLICATION OF AMENDMENT.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENT.—The amendment made by section 2 shall not apply with respect to any case commenced under title 11 of the United States Code before the date of the enactment of this Act.

INOUYE (AND OTHERS) AMENDMENT NO. 1579

Mr. JOHNSTON (for Mr. INOUYE, for himself, Mr. MCCAIN, Mr. DOMENICI, Mr. SIMON, and Mr. ADAMS) proposed an amendment to the bill S. 2166, supra, as follows:

On page 401, after line 4, insert the following new title:

TITLE XVII—INDIAN ENERGY RESOURCE DEVELOPMENT COMMISSION

SECTION 17101. SHORT TITLE.

This title may be cited as the "Indian Energy Resource Development Commission Act of 1992".

SEC. 17102. ESTABLISHMENT.

There is established the Indian Energy Resource Development Commission (hereafter in this title referred to as the "Commission").

SEC. 17103. MEMBERSHIP OF THE COMMISSION.

(a) MEMBERSHIP.—

COMPOSITION.—The Commission shall consist of—

(1) 6 members appointed by the Secretary of the Interior from recommendations submitted by Indian tribal governments;

(2) 3 members appointed by the Secretary of the Interior from recommendations submitted by the Governors of States which have Indian reservations with energy resources;

(3) 9 members appointed by the Secretary of the Interior from private sector individuals with expertise in energy development, taxation of energy resources, or oil and gas royalty management, administration, auditing and accounting;

(4) the Secretary of the Interior, or his designee; and

(5) the Secretary of Energy, or his designee.

(b) APPOINTMENTS.—Members of the Commission shall be appointed not later than 60 days following the date of enactment of this title.

(c) VACANCIES.—A vacancy in the Commission shall be filled in the same manner as the original appointment was made. A vacancy in the Commission shall not affect the powers of the Commission.

(d) CHAIRPERSON.—The members of the Commission shall elect a Chairperson from among the members of the Commission.

(e) QUORUM.—Eleven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(f) ORGANIZATIONAL MEETING.—The Commission shall hold an organizational meeting to establish the rules and procedures of the Commission not later than 30 days after all members are first appointed to the Commission.

(g) COMPENSATION.—Each member of the Commission who is not an officer or employee of the United States shall be compensated at a rate established by the Commission not to exceed the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties as a member of the Commission. Each member of the Commission who is an officer or employee of the United States shall receive no additional compensation.

(h) TRAVEL.—While away from their homes or regular places of business in the performance of duties for the Commission, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at a rate established by the Commission not to exceed the rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

SEC. 17104. COMMISSION STAFF.

(a) EXECUTIVE DIRECTOR.—The Commission shall appoint an Executive Director who shall be compensated at a rate established by the Commission not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) ADDITIONAL PERSONNEL.—With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Commission. Such appointments shall be made in accordance with the provisions of title 5, United States Code, governing appointments in the competitive service, but at rates not to exceed the rate prescribed for level GS-15 of the General Schedule under section 5108 of such title.

(c) EXPERTS AND CONSULTANTS.—Subject to such rules as may be issued by the Commission, the Chairperson may procure temporary and intermittent services of experts and consultants to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $200 a day for individuals.

(d) PERSONNEL DETAIL AUTHORIZED.—Upon request of the Chairperson, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this title. Such detail shall be without interruption or loss of civil service status or privilege.

SEC. 17105. DUTIES OF THE COMMISSION.

The Commission shall—

(1) Identify barriers or obstacles to the development of energy resources on Indian lands, and make recommendations designed to foster the development of energy resources on Indian lands and promote economic development;

(2) develop proposals to address the dual taxation of the extraction of mineral resources on Indian lands;

(3) develop proposals for the promotion of vertical integration of the development of energy resources on Indian lands:

(4) make recommendations to improve the management, administration, accounting and auditing of royalties associated with the production of oil and gas on Indian lands; and

(5) develop proposals on taxation incentives to foster the development of energy resources on Indian lands including but not limited to investment tax credits and enterprise zone credits.

SEC. 17106. POWERS OF THE COMMISSION.

(a) HEARINGS.—For the purpose of carrying out this title, the Commission may hold hearings, take testimony, and receive evidence at such times and places as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(b) ADMINISTRATIVE PROVISION.—Any member or employee of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) INFORMATION.—The Commission may secure directly from any Federal agency such information as may be necessary to enable the Commission to carry out this title. Upon request of the Chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

SEC. 17107. REPORT.

The Commission shall prepare and transmit a report to the President, the Speaker of the House of Representatives, the Select Committee on Indian Affairs of the Senate, and the Committee on Energy and Natural Resources of the Senate within 12 months after funding for the operation of the Commission has been secured. The report shall contain the recommendations and proposals outlined in section 17105.

SEC. 17108. DEFINITION OF "INDIAN LANDS".

For the purposes of this title, the term "Indian lands" means lands that are owned by an Indian tribe or Alaska Native corporation or held in trust by the United States for the benefit of any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C.A. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

SEC. 17109. AUTHORIZATION.

There are authorized to be appropriated such sums as may be necessary to carry out this title.

SEC. 17110. TERMINATION.

The Commission shall terminate 30 days after submitting the final report required by section 17107.

LEVIN (AND OTHERS) AMENDMENT NO. 1580

Mr. JOHNSTON (for Mr. LEVIN, for himself, Mr. COHEN, and Mr. GLENN) proposed an amendment to the bill S. 2166, supra, as follows:

Add at the end of subtitle B of title VI:

SEC. . Whenever the Federal Government establishes a new requirement or initiates a new procurement for the acquisition of electric lamps, electric ballasts, electric monitors and/or refrigeration equipment, the Federal Government shall, where cost effective, give preference to the procurement of the most energy efficient products available to meet its needs. The General Services Administration shall keep a record of the quantity, country of manufacture, and cost of items purchased under this subsection. The Secretary of Energy shall estimate the quantity and cost of energy saved annually due to this subsection.

SYMMS AMENDMENT NO. 1581

Mr. JOHNSTON. (for Mr. SYMMS) proposed an amendment to the bill S. 2166, supra, as follows:

On page 176, after line 22, insert the following new section:

SEC. .—USE OF WOOD-BURNING HEATING APPLIANCES FOR LOW INCOME WEATHERIZATION.—

Section 412(9) of the Energy Conservation and Production Act (42 U.S.C. 6862(9)) is amended by inserting the following new clause and relettering accordingly:

"( ) wood-heating appliances".

WELLSTONE AMENDMENT NO. 1582

Mr. JOHNSTON (for Mr. WELLSTONE) proposed an amendment to the bill S. 2166, supra, as follows:

On page 344, between lines 18 and 19, insert the following new section:

SEC. 13120. ENERGY SUBSIDY STUDY.

(a) IN GENERAL.—The Secretary shall contract with the National Academy of Sciences to conduct a study of energy subsidies that—

(1) are in effect on the date of enactment of this Act; or

(2) have been in effect prior to the date of enactment of this Act.

(b) Not later than 18 months after the date of enactment of this Act the Secretary shall transmit to the Congress the results of such study to be accompanied by recommendations for legislation, if any.

(c) CONTENTS.—

(1) IN GENERAL.—The study shall identify and quantify the direct and indirect subsidies and other legal and institutional factors that influence decisions in the marketplace concerning fuels and energy technologies.

(2) TOPICS FOR EXAMINATION.—The study shall examine—

(A) fuel and technology choices that are—

(i) available on the date of enactment of this Act; or

(ii) reasonably foreseeable on the date of enactment of this Act;

(B) production subsidies for the extraction of raw materials;

(C) subsidies encouraging investment in large capital projects;

(D) indemnification;

(E) fuel cycle subsidies, including waste disposal;

(F) government research and development support; and

(G) other relevant incentives and disincentives.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $500,000 for each of fiscal years 1993 and 1994.

GLENN AMENDMENT NO. 1583

Mr. JOHNSTON (for Mr. GLENN) proposed an amendment to the bill S. 2166, supra, as follows:

On page 23, line 20, amend section 4102 by adding after subsection (g) the new subsection (h) as follows:

"(i) Notwithstanding any other provision of this subtitle, the Postmaster General shall be exempt from the requirements of section 4102(b), 4102(c), and (4102(g), page 3, line 4, of the Glenn amendment)."

On page 20, line 21, amend as a new subsection (C) as follows:

"(C) For the purposes of section 4108, 4109, and 4110, a "covered person" shall include the Postmaster General."

McCAIN (AND DOMENICI) AMENDMENT NO. 1584

Mr. JOHNSTON (for Mr. McCAIN, for himself, and Mr. DOMENICI) proposed and amendment to the bill S. 2166, supra, as follows:

On page 18, line 6, after "electricity" strike ";" and replace with "including electricity from solar energy;"

WIRTH AMENDMENT NO. 1585

Mr. JOHNSTON (for Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

On page 157, line 4, strike the period and insert the following: ": provided that such energy conservation, energy efficiency resources and other demand side management measures are appropriately monitored and evaluated.".

HATFIELD AMENDMENT NOS. 1586 AND 1587

Mr. JOHNSTON (for Mr. HATFIELD) proposed two amendments to the bill S. 2166, supra, as follows:

AMENDMENT NO. 1586

On page 106, after line 20, insert the following new section 5308:

"SEC. 5308. Without further appropriation and without fiscal year limitation, the Secretaries of the Interior and Army are authorized to design, construct, operate and maintain generation additions, improvements and replacements, at their respective Federal projects in the Pacific Northwest Region as defined in the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), P.L. 96-501, 16 U.S.C. 839a(14), and to operate and maintain the respective Secretary's power facilities in the region that the Secretary determies necessary or appropriate and that the Bonneville Power Administrator subsequently determines necessary or appropriate, with any funds that the Administrator determines to make available to the respective Secretary for such purposes. Each Secretary is authorized, without further appropriation, to accept and use such funds for such purposes: *Provided*, That, notwithstanding any other provision of law, the receipts and disbursements of the Bonneville Fund and the expenditures of each Secretary from Fund transfers made pursuant to this section shall be exempt from any budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government, including any budget law deficit calculation, sequestration order or discretionary spending limit: *Provided further*, That this section shall not modify or affect the applicability of any provision of the Northwest Power Act. This provision shall be effective on October 1, 1993."

AMENDMENT NO. 1587

On page 104, after subsection (e), insert the following new subsection (f):

"(f) Without further appropriation and without fiscal year limitation and notwithstanding subsections (b) and (d) of this section, the Secretary of the Interior is authorized to design, construct, operate and maintain water conservation features that the Secretary and the Administrator of the Bonneville Power Administration determine necessary or appropriate at Federal Reclamation projects in the Pacific Northwest Region as defined in the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), P.L. 96-501, 16 U.S.C. 839a(14) pursuant to subsection (a), with any funds that the Administrator determines to make available to the Secretary for such purposes. The Secretary is authorized, without further appropriation, to accept and use such funds for such purposes: *Provided*, That, notwithstanding any other provision of law, the receipts and disbursements of the Bonneville Fund and the expenditures of the Secretary from Fund transfers made pursuant to this subsection shall be exempt from any budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government, including any budget law deficit calculation, sequestration order or discretionary spending limit: *Provided further*, That this section shall not modify or affect the applicability of any provision of the Northwest Power Act. This provision shall be effective on October 1, 1993."

JOHNSTON AMENDMENT NO. 1588

Mr. JOHNSTON proposed an amendment to amendment No. 1544 proposed by Mr. GLENN to the bill S. 2166, supra, as follows:

Amend as Johnston second degree amendment to Glenn amendment No. 1544, page 5, line 23, as new subsections (d) and (e) in section 4111 the following:

"(d) POSTAL SERVICE COORDINATION.—To the maximum extent practicable, the Postmaster General shall coordinate its alternative fuel vehicle procurement, placement, refueling, and maintenance programs with those at the Federal, State, and local level. The Postmaster General shall communicate, share, and disseminate, on a regular basis, information on such programs with the Secretary, the Administrator, and heads of appropriate Federal agencies."

"(e) POSTAL SERVICE PROGRAM CRITERIA.—The Postmaster General shall consider the following criteria in the procurement and placement of alternative fuel vehicles:

"(1) the procurement plans of State and local governments and other public and private institutions;

"(2) the current and future availability of refueling and repair facilities;

"(3) the reduction in emissions of the Postal fleet;

"(4) whether the vehicle is to be used in a nonattainment area as specified in the Clean Air Act of 1990;

"(5) the operational requirements of the Postal fleet;

"(6) the contribution to the reduction in the consumption of oil in the transportation sector."

GORE AMENDMENT NO. 1589

Mr. GORE proposed an amendment to the bill S. 2166, supra, as follows:

On page 12, line 19 after "change," insert "pursuant to which industrialized countries, including the United States shall commit to stabilizing their emissions of carbon dioxide at 1990 levels by the year 2000,".

RIEGLE AMENDMENTS NOS. 1590 AND 1591

Mr. JOHNSTON (for Mr. RIEGLE) proposed two amendments to the bill S. 2166, supra, as follows:

AMENDMENT NO. 1590

At the appropriate place, insert the following new title:

TITLE —VEHICLE FUEL EFFICIENCY RESEARCH AGREEMENT

SEC. 01. DEFINITIONS.

As used in this title:

(1) AGREEMENT.—The term "Agreement" means the Fuel Efficiency Research Agreement described in this title.

(2) LABORATORY.—The term "laboratory" has the same meaning as is provided in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

(3) VEHICLE.—The term "vehicle" means a passenger vehicle or light truck.

SEC. 02. AGREEMENT.

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary shall offer to enter into a cooperative research and development agreement with non-Federal parties described in subsection (b) pursuant to section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a), to be known as the "Vehicle Fuel Efficiency Research Agreement", to provide for research and development of technology to enhance the fuel efficiency of vehicles through cooperative multi-industrial teams, cost-sharing, and other activities considered appropriate by the Secretary.

(b) MEMBERSHIP.—The non-Federal parties to an Agreement shall be representatives of private United States corporations that manufacture large quantities of vehicles (as determined by the Secretary).

SEC. 03. TERMS.

(a) IN GENERAL.—Subject to the other provisions of this section, an Agreement shall provide for—

(1) the development of materials and manufacturing techniques for advanced lightweight structural components for vehicles;

(2) the development of efficient ancillary systems, including air conditioning, heating, lighting, and windows, that reduce the energy requirements of vehicles and that have less adverse environmental impact than systems in use on the date of enactment of this Act;

(3) the development of a system trade-off design for hybrid electric vehicles, including—

(A) propulsion systems integration;

(B) heat engine types and sizes;

(C) battery and engine interfaces;

(D) control system requirements; and

(E) electrical component requirements;

(4) the acceleration of the evaluation of the feasibility of, the development of, and the integration into vehicles of advanced propulsion systems, including the automotive gas turbine engine and fuel cells;

(5) the initiation of a ceramic technology insertion program for near-term application in current engine designs in order to improve fuel efficiency and reduce emissions; and

(6) the initiation of an advanced catalyst development program to consider new materials developments and alternative fuels utilization.

(b) AVOIDANCE OF DUPLICATION.—The Secretary shall ensure that the activities undertaken pursuant to an Agreement as described in subsection (a)—

(1) supplement the fuel efficiency research and development of private industry and do not duplicate, displace, or reduce the quantity of the research and development; and

(2) do not duplicate research and development conducted pursuant to—

(A) the Automotive Propulsion Research and Development Act of 1978 (15 U.S.C. 1701 et seq.); and

(B) the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2501 et seq.).

(c) PROTECTION OF CLASSIFIED INFORMATION.—The Secretary, in consultation with the Secretary of Defense, shall take such actions as are necessary to prevent the dissemination of classified information (including information whose dissemination could reasonably be expected to have an adverse effect on the common defense and security) as a result of activities carried out under this section.

(d) USE OF CERTAIN DEPARTMENT OF DEFENSE FACILITIES.—The Secretary of Defense shall permit the parties to an Agreement to use the facilities and services of any laboratory under the jurisdiction of the Department of Defense that the Secretary of Defense determines will assist the parties in carrying out an Agreement.

SEC. 04. FUNDING.

In each fiscal year, the Secretary shall pay the Federal share of the costs incurred through an Agreement. The Federal share shall be 50 percent.

SEC. 05. ANNUAL REPORT.

The Secretary shall submit to Congress annually a report on all activities being carried out pursuant to this title.

SEC. 06. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Subject to subsection (b), there are authorized to be appropriated such sums as are necessary to carry out this title for each of fiscal years 1993 through 1995, to be available without fiscal year limitation.

(b) LIMITATION.—The sums shall not exceed $350,000,000 for the 3-year period.

AMENDMENT NO. 1591

"SEC. . LIMITS ON PARTICIPATION BY COMPANIES

A company shall be eligible to receive financial assistance under this Act only if—

"(a) the Secretary finds that the company's participation in the Program would be in the economic interest of the United States, as evidenced by investments in the United States in research, development, and manufacturing (including, for example, the manufacture of major components or subassemblies in the United States); significant contributions to employment in the United States; and agreement with respect to any technology arising from assistance provided under this section to promote the manufacture within the United States of products resulting from that technology (taking into account the goal of promoting the competitiveness of United States industry), and to procure parts and materials from competitive suppliers; and

"(b) either—

"(1) the company is a United States-owned company; or

"(2) the Secretary finds that the company is incorporated in the United States and has a parent company which is incorporated in a country which affords to United States-owned companies opportunities, comparable to those afforded to any other company, to participate in any joint venture similar to those authorized under this Act; affords to United States-owned companies local investment opportunities comparable to those afforded to any other company; and affords adequate and effective protection for the intellectual property rights of United States-owned companies.

RIEGLE (AND OTHERS) AMENDMENT NO. 1592

Mr. JOHNSTON (for Mr. RIEGLE, for himself, Mr. DODD, Mr. KERRY, Mr. BRYAN, Mr. LEVIN, Mr. DOMENICI, and Mr. BRADLEY) proposed an amendment to the bill S. 2166, supra, as follows:

On page 387, strike lines 9 through 18 and insert the following:

SEC. 15105. PROTECTION AGAINST ABUSIVE AFFILIATE TRANSACTIONS; STATE AUTHORITIES; FEDERAL RESTRICTION; RECIPROCAL ARRANGEMENTS PROHIBITED.

(a) IN GENERAL.—An electric utility company may not enter into a contract to purchase electric energy at wholesale from an exempt wholesale generator if the exempt wholesale generator is an affiliate or associate company of the electric utility company.

(b) STATE AUTHORITY TO EXEMPT FROM PROHIBITION.—Notwithstanding subsection (a), an electric utility company may enter into a contract to purchase electric energy at wholesale from an exempt wholesale generator that is an affiliate or associate company of the electric utility company if every State commission having jurisdiction over the retail rates of such electric utility company makes a specific determination in advance of the electric utility company entering into such contract that the transaction will benefit consumers, is in the public interest, and does not violate any State law (including where applicable, least cost planning).

(c) SALE JUST AND REASONABLE.—A rate or charge for the sale of electric energy at wholesale in interstate commerce by an exempt wholesale generator shall not be considered just and reasonable within the meanings of sections 205 and 206 of the Federal Power Act if the rate or charge allows the exempt wholesale generator to receive any unfair advantage resulting from the fact that the purchaser of such electric energy is an affiliate or associate company of such exempt wholesale generator.

(d) RECIPROCAL ARRANGEMENTS PROHIBITED.—Reciprocal arrangements among companies that are not affiliates or associate companies of each other that are entered into in order to avoid the provisions of this section are prohibited.

On page 387, lines 24 and 25, strike "on grounds of prudence or imprudence".

On page 392, strike line 12 and all that follows through "may include:" on line 20, and insert the following:

SEC. 15108. STATE COMMISSION ACCESS TO BOOKS AND RECORDS; PUBLIC ACCESS TO RECORDS AND INFORMATION; DEFINITION.

(a) ACCESS TO BOOKS AND RECORDS.—Each affected State commission shall have continuing and periodic access to relevant financial and other records of the exempt wholesale generator and any electric utility company that is an affiliate or associate company of such exempt wholesale generator relevant to the exercise of such affected State commission's authority. The records to be provided hereunder shall be specified by the affected State commission and may include:

On page 393, line 4, insert "of the exempt wholesale generator or any electric utility company that is an affiliate or associate company of such exempt wholesale generator that are" before "relevant".

On page 393, line 5, strike the colon and all that follows through line 8, and insert a period.

On page 394, strike lines 12 through 14, and insert the following:

(c) NONPREEMPTION.—Nothing in this section shall—

(1) preempt applicable State law concerning the provision of records and other information; or

(2) in any way limit rights to obtain records and other information under Federal law, contracts, or otherwise.

WALLOP AMENDMENT NO. 1593

Mr. WALLOP proposed an amendment to the bill S. 2166, supra, as follows:

On page 388, line 3, following the word "*Provided*," insert the following: "That the state commission shall have no authority to determine the reasonableness of the wholesale rate or charge (and the terms and conditions thereof): *Provided further*,".

BINGAMAN AMENDMENT NO. 1594

Mr. BINGAMAN proposed an amendment to the bill S. 2155, supra as follows:

On page 7, line 10, insert "reduce oil imports," before "maximize".

On page 7, line 12, strike "and".

On page 8, line 5, strike the period and insert "; and".

On page 8, between lines 5 and 6, insert the following new paragraph:

(4) the achievement of energy security for the United States will require that a long-term, comprehensive national energy policy be established and sustained.

On page 10, line 1, insert "Climate Protection" before "Goals".

On page 10, line 3, insert "CLIMATE PROTECTION" before "GOALS AND".

On page 13, line 18, strike "and".

On page 13, line 21, strike the period and insert "; and".

On page 13, between lines 21 and 22, insert the following new subparagraph:

(C) the energy efficiency, renewable energy, and oil reduction goals described in subtitle C.

On page 16, between lines 17 and 18, insert the following new subtitle:

Subtitle C—Energy Goals

SEC. 1301. ENERGY GOALS.

(a) IN GENERAL.—In order to focus and sustain a national effort toward achieving national energy security in an environmentally responsible manner, the United States should pursue the national energy goals listed in subsection (b) (referred to in this subtitle as "energy goals").

(b) GOALS.—

(1) REDUCED OIL CONSUMPTION.—The oil consumption of the United States should be reduced from the 1990 level of approximately 40 percent of the total United States energy resource consumption to 39 percent by 1995, 37 percent by 2000, 35 percent by 2005, and 33 percent by 2010.

(2) REDUCED OIL IMPORTS.—The annual net oil imports of the United States should be limited to 50 percent or less of United States oil consumption.

(3) INCREASED ENERGY EFFICIENCY.—The energy efficiency of the United States should be increased to 10 percent over the 1990 levels by 1995, 20 percent over the 1990 levels by 2000, 30 percent over the 1990 levels by 2005, and 40 percent over the 1990 levels by 2010.

(4) INCREASED UTILIZATION OF RENEWABLE ENERGY.—The portion of the energy consumption represented by renewable energy sources should increase from the 1990 level of approximately 8 percent to 9 percent in 1995, 10 percent in 2000, 12 percent in 2005, and 14 percent in 2010.

SEC. 1302. REPORTS.

(a) INITIAL REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit a report to Congress setting forth a plan for the achievement of the energy goals.

(2) CONTENTS.—In the report, the Secretary shall—

(A) make recommendations as to any additional statutory or budget authority that the Secretary determines is necessary to achieve the energy goals;

(B) describe the measures of energy efficiency that the Secretary has determined to be appropriate for each end use sector; and

(C) describe the plans developed by the Secretary for acquiring the necessary data to be used in determining the energy efficiency of each end use sector.

(b) PROGRESS REPORTS.—

(1) IN GENERAL.—Every 2 years after the initial report is submitted pursuant to subsection (a), the Secretary shall submit to Congress a report, separate from the National Energy Policy Plan submitted pursuant to section 801 of the Department of Energy Organization Act (42 U.S.C. 7321), detailing the progress of the United States towards achieving the energy goals.

(2) CONTENTS.—In the report, the Secretary shall—

(A) analyze the progress towards meeting the energy goals, and, if an energy goal is not being met, identify barriers to the achievement of the goal; and

(B) make recommendations as to any change in statutory or budget authority that the Secretary determines is necessary for the timely achievement of the energy goals.

(c) ALTERNATIVE ENERGY GOALS.—If at any time the Secretary determines that achievement of the energy goals is impracticable, the Secretary shall, in the next report submitted pursuant to this section—

(1) state the reasons and provide an analysis for the determination; and

(2) propose alternate energy goals that the Secretary determines to be practicable.

INOUYE (AND AKAKA) AMENDMENT NO. 1595

Mr. JOHNSON (for Mr. INOUYE, for himself and Mr. AKAKA) proposed an amendment to the bill S. 2166, supra, as follows:

At the end of the bill, add the following new section:

SEC. 16102. EMERGENCY PETROLEUM SUPPLY.

(a) SHORT TITLE.—This section may be cited as the "Emergency Petroleum Supply Act".

(b) REGIONAL PETROLEUM RESERVE.—Section 157(a) of the Energy Policy and Conservation Act (42 U.S.C. 6237(a)) is amended—

(1) by designating the first and second sentences as paragraph (1); and

(2) by adding at the end the following new paragraph:

"(2) For the purpose of carrying out this section—

"(A) any State that is an island shall be considered to be a separate Federal Energy Administration Region, as defined in title 10, Code of Federal Regulations, as in effect on November 1, 1975;

"(B) determinations made with respect to Regions, other than States that are islands, shall be made as if the islands were not part of the Regions; and

"(C) with respect to determinations made for any State that is an island, the term 'refined petroleum product' shall have the same meaning as the term defined in section 3(3).".

(c) PURCHASES FROM THE STRATEGIC PETROLEUM RESERVE BY ENTITIES IN ELIGIBLE INSULAR AREAS.—Section 161 of such Act (42 U.S.C. 6241) is amended by adding at the end the following new subsection:

"(j)(1)(A) The provisions listed in subparagraph (B) shall apply with respect to each offering of a quantity of a petroleum product during a drawdown of the Strategic Petroleum Reserve.

"(B)(i)(I) Subject to subclause (II), a purchaser located in an eligible insular area, in addition to having the opportunity to submit a competitive bid, may submit (at the time bids are due) a binding offer to purchase a category of petroleum product specified in a notice of sale, and shall thereupon be obligated to purchase the petroleum product at a price equal to the average of the successful bids made for the remaining quantity of the petroleum product within the category that is the subject of the offering.

"(II) A binding offer made pursuant to subclause (I) shall be accompanied by a certification made by the Governor or other chief executive officer of the eligible insular area that the petroleum product is necessary to avert a critical supply shortage in the eligible insular area.

"(ii)(I) Subject to subclause (II), a vessel that arrives at a delivery line of the Strategic Petroleum Reserve to take on a petroleum product for delivery to a purchaser located in an eligible insular area shall be loaded ahead of other vessels waiting for delivery if the Governor or other chief executive officer of the eligible insular area has certified that delivery must be expedited in order to avert a critical supply shortage in the eligible insular area.

"(II) The Secretary may waive the priority loading requirement of subclause (I) with respect to a particular vessel waiting for delivery if the Secretary determines that the requirement is impracticable.

"(2)(A) In administering this subsection, and with regard to each offering, the Secretary shall—

"(i) impose the limitation listed in clause (i) or (ii) of subparagraph (B), whichever results in the purchase of the lesser quantity; and

"(ii) at the request of a purchaser, adjust upward, to the next whole-number increment of a full tanker load, the quantity to be sold to the purchaser if the quantity is less than 50 percent less than a whole-number increment of a full tanker load of a petroleum product.

"(B)(i) The Secretary shall limit the quantity that any one purchaser may purchase through a binding offer at any one offering to ½ of the total quantity of petroleum products that the purchaser imported during the previous year.

"(ii)(I) The Secretary shall limit the quantity that may be purchased through binding offers at any one offering to 3 percent of the offering.

"(II) If the Secretary imposes the limitation listed in subclause (I), the Secretary shall prorate the quantity among the purchasers who submitted binding offers.

"(3)(i) Except as provided in clause (ii), petroleum products purchased through binding offers pursuant to this subsection shall be delivered to the eligible insular area.

"(ii) Purchasers may enter into exchange or processing agreements that require delivery to other locations.

"(4) As used in this subsection:

"(A) The term 'eligible insular area' means the State of Hawaii, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"(B) The term 'offering' means a solicitation for bids—

"(i) that is to be submitted not later than any specified day for a quantity or quantities of a petroleum product from a delivery line of the Strategic Petroleum Reserve; and

"(ii) for a distribution with respect to which the President has made a finding pursuant to subsection (d).".

DOMENICI AMENDMENT NO. 1596

Mr. DOMENICI proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place, insert the following:

SEC. .

The United States is the largest consumer of oil in the world exhausting 17 million barrels of oil per day, a 14-percent increase since 1983.

The United States' domestic production is in decline, estimated to fall below nine million barrels of oil per day by 1995. Today, oil imports have risen to over 40 percent of consumption, exacerbating our nation's negative balance of trade.

The Persian Gulf War commands attention to the fact that over 25 percent of America's gross oil imports are shipped from the Persian Gulf, and this reliance is the achilles heel of our nation's energy and economic security.

In the United States, the transportation sector accounts for 63 percent of total oil consumption.

The Office of Technology Assessment estimates that the United States could displace 555,000 barrels of oil per day in the transportation sector by utilizing alternative fuels like compressed natural gas, electric vehicles, traffic management systems, and by reducing the number of gas guzzling vehicles on the road.

Natural gas is a clean burning, abundant, and inexpensive national resource that could displace oil consumption in 25 percent of the current fleet vehicle population over ten years, reducing imported oil by 240,000 barrels per day.

The United States taxpayers have invested significant resources in the development of alternative transportation fuels, electric vehicles, and traffic technologies, at our nation's laboratories, universities, and in private industry.

Both American Government and industry have met great success in the utilization of existing natural gas and electric vehicle fleets.

Encouraging Government and industry to convert to the use of energy efficient, alternative transportation fleets complements our national goals of energy independence, clean air, reduced balance of trade, and technology transfer.

The pace of improvement of clean and efficient alternative technologies is directly correlated to the level of investment in research and development.

Therefore, the Senate finds that it is in the Nation's best interest to assist the market and accelerate the adoption of alternative nonoil transportation fuels, vehicles, and traffic management systems, and the Senate will readdress this position during consideration of the appropriate tax legislation.

DOMENICI (AND OTHERS) AMENDMENT NO. 1597

Mr. DOMENICI (for himself, Mr. INOUYE, and Mr. DECONCINI) proposed an amendment to the bill S. 2166, supra, as follows:

In title VI, subtitle E, on page 176, after line 22, insert the following new section:

SEC. 6508. PROMOTING ENERGY RESOURCE DEVELOPMENT AND ENERGY VERTICAL INTEGRATION ON INDIAN RESERVATIONS.

(a) DEMONSTRATION PROGRAMS.—The Secretary of Energy, in conjunction with the Secretary of the Interior, shall establish and implement a demonstration program to assist Indian tribes that wish to achieve self-determination in the energy area and that wish to promote the development of a vertically integrated energy industry on their reservations, in order to increase development of the substantial energy resources located on Indian reservations. Said program shall include but not be limited to the following components:

(1) The Secretary shall provide development grants to tribal governments to assist them to establish the legal and governmental infrastructure and obtain the managerial and technical capability they need to develop the energy resources on their reservations by themselves or through 51 percent or more tribally owned and controlled joint ventures. Each grant shall be for a period of three years.

(2) The Secretary shall provide matching grants, not to exceed 50 percent of the project costs, for projects located on Indian reservations that promote the vertical integration of the energy resources on Indian reservations, including but not limited to—oil refineries, the generation of electricity, natural gas distribution, and innovative uses of coal.

(3) The Secretary shall provide technical assistance and such other assistance as is appropriate to tribes on energy resource development and on the vertical integration of reservations energy resources.

(b) AUTHORIZATIONS.—There is hereby authorized to be appropriated $5,000,000 for each of the fiscal years 1992, 1993, and 1994 to carry out the purposes of section (a)(1) and $10,000,000 for each of the fiscal years 1992, 1993 and 1994 to carry out the purposes of section (a)(2).

GORE AMENDMENTS NOS. 1599 AND 1600

Mr. JOHNSTON (for Mr. GORE) proposed two amendments to the bill S. 2166, supra, as follows:

AMENDMENT NO. 1599

On page 144, after line 17, insert the following new section:

SEC. 6112. REPORT ON THE POTENTIAL OF COOPERATIVE ADVANCED APPLIANCE DEVELOPMENT.

(1) Within 12 months after the date of enactment of this Act, the Secretary of Energy shall, in consultation with utilities and appliance manufacturers, prepare, and submit to Congress, a report on the potential for the development and commercialization of appliances which are substantially more efficient than required by Federal or State law.

(2) Such report shall identify candidate high-efficiency appliances which meet the following criteria:

(A) that, the potential exists for substantial improvement in the appliance's energy efficiency, beyond the minimum established in Federal and State law;

(B) that there is the potential for significant energy savings at the national or regional level;

(C) that, such appliances are likely to be cost-effective for consumers;

(D) that, electric, water, or gas utilities are prepared to support and promote the commercialization of such appliances; and

(E) that, manufacturers are unlikely to undertake development and commercialization of such appliances on their own, or development and production would be substantially accelerated by support to manufacturers.

(3) The plan shall also:

(A) describe the general actions the Secretary of energy could take to coordinate and assist utilities and appliance manufacturers in developing and commercializing highly efficient appliances;

(B) describe specific proposals for Department of Energy assistance to utilities and appliance manufacturers to promote the development and commercialization of highly efficient appliances;

(C) identify methods by which Federal purchase of highly efficient appliances could assist in the development and commercialization of such appliances; and

(D) identify the funding levels needed to develop and implement a Federal program to assist in the development and commercialization of highly efficient appliances.

AMENDMENT NO. 1600

At the end of title VI, Subtitle 3, add the following new section:

SEC. . ENERGY ANALYSIS AND DIAGNOSTIC CENTERS PROGRAM

(a) ESTABLISHMENT.—The Secretary shall establish within the Department of Energy an Energy Analysis and Diagnostic Centers program designed to assist qualifying commercial and industrial facilities to conserve energy and reduce operating costs by applying efficient technologies to their operations and buildings and to provide opportunities for students to gain experience in the field of energy management.

(b) QUALIFYING COMMERCIAL AND INDUSTRIAL FACILITIES.—For purposes of this section, qualifying commercial and industrial facilities are those facilities that meet at least three of the following four criteria:

(1) 500 or fewer employees;

(2) gross sales of not more than $75 million per year;

(3) total energy costs of not more than $1.75 million per year;

(4) an absence of in-house energy expertise.

(c) ADMINISTRATION.—(1) Not later than 6 months after the date of enactment of this section, the Secretary shall seek to enter into a management agreement with an appropriate institution to administer the program.

(2) For purposes of this section, an appropriate institution is a nonprofit institution with demonstrable expertise in engineering, physical science, communications, business and such other disciplines as appropriate and with expertise in industrial manufacturing including new processes and product research and development.

(d) SOLICITATIONS FOR PROJECT PROPOSALS.—(1) Within 9 months after the date of enactment of this section, the administering institution shall, under the direction of the Secretary and through a competitive bidding process select not less than 25 sites to be designated Energy Analysis and Diagnostic Centers. The sites shall be educational institutions such as universities, engineering and technical schools and other institutions of higher learning with demonstrable capability to—

(A) perform energy audits for qualifying industrial facilities designed to assist such facilities to reduce their energy consumption and improve the efficiency of their energy usage;

(B) provide detailed reports to the qualifying industrial facility identifying energy conservation and efficiency opportunities;

(C) provide such other service as the Secretary deems appropriate.

(e) DISSEMINATION OF INFORMATION.—Not less than every 12 months, the administering institutions shall synthesize from the reports of the Energy Analysis and Diagnostic Centers and make publicly available information concerning significant energy conservation opportunities: *Provided, however*, That all proprietary information shall be kept confidential.

GORE (AND METZENBAUM) AMENDMENT NO. 1601

Mr. JOHNSTON (for Mr. GORE, for himself, Mr. METZENBAUM, and Mr. JEFFORDS) proposed an amendment to the bill S. 2166, supra, as follows:

Add at the end of title VI, the following new section:

SEC. 6506. GRANTS TO STATES TO PROMOTE UTILITY INDUSTRIAL EFFICIENCY PROGRAMS.

(a) Definitions the purpose of this section—

(1) the term "covered industry" means the food and food products industry, lumber and wood products industry, petroleum and coal products industry, and all other manufacturing specified in Standard Industrial Classification Codes 20 through 39 (or successor classification codes);

(2) the term "industrial audit" means—

(A) identification of opportunities in the production process (from the introduction of materials to final packaging of the product for shipping) for—

(i) improving energy efficiency

(ii) reducing environmental waste; and

(iii) technological improvements designed to increase competitiveness and achieve cost-effective product quality enhancement;

(B) identification of opportunities for improving the energy efficiency of lighting, heating, ventilation, air conditioning, and building envelope systems operating outside of the production process; and

(C) the identification of opportunities for using renewable energy technology both in the production process and in the systems described in subparagraph (B);

(3) the term "Secretary" means the Secretary of Energy; and

(4) the term "Utility" means any person, State agency (including any municipality), or Federal agency, which sells electric or gas energy.

(b) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary may make grants to States which pursuant to State laws,

(A) require utilities to provide financial and technical assistance to cover industries; and

(B) offer incentives to utilities for providing such assistance.

(2) ELIGIBILITY CRITERIA.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall establish eligibility criteria for grants awarded under subsection (a). Such criteria shall require a State applying for a grant to demonstrate that such state, by state legislation or regulation—

(A) requires utilities to provide to covered industries served—

(i) industrial energy audits; and

(ii) financial incentives for implementing energy efficiency improvements; and

(B) allows utilities providing such assistance to—

(i) recover the costs of providing industrial audits; and

(ii) receive a reasonable rate of return of financial incentives provided.

(3) USE OF FUNDS.—Grants made pursuant to this section shall be used by a State to—

(A) To make available to covered industries, through appropriate institutions such as Universities, nonprofit organizations, State and local government entities, and technical centers, information on energy efficient technologies;

(B) establish programs to train individuals in industrial energy audits; and

(C) assist utilities in developing, testing and evaluating energy efficiency programs and technologies for industrial customers.

(4) ALLOCATION OF FUNDS.—Grants made pursuant to this section shall be allocated each fiscal year among States meeting the criteria of subsection (b) who have submitted applications 60 days before the first day of such fiscal year. Such allocation shall be made in accordance with a formula to be prescribed by the Secretary based on each such State's share of value added in industry (as determined by the Census of Manufactures) as a percentage of the value added by all such States.

(5) COORDINATION WITH ENERGY ANALYSIS AND DIAGNOSTIC CENTERS.—In carrying out the functions describe in subsection (c), States shall, to the extent practicable, coordinate such functions with activities and programs conducted by the Energy Analysis and Design Centers of the Department of Energy.

(c) OTHER FEDERAL ASSISTANCE.—

(1) DIRECTORY.—The Secretary shall establish a nationwide directory of organizations experienced in emerging energy efficiency and waste reduction technologies. Such directory shall be made available to interested parties.

(d) REPORTS.—

(1) ANNUAL REPORT.—Not later than one year after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit to the Congress a report which—

(A) identifies barriers encountered in implementing the Act;

(B) makes recommendations for overcoming such barriers; and

(C) documents the results achieved as a result of the programs established and grants awarded pursuant to this Act.

(2) OTHER REPORT.—Not later than two years after the date of the enactment to this Act, the Secretary shall submit to the Congress a report which reviews any difficulties encountered by industry in implementing energy efficiency improvements recommended as a result of programs established pursuant to this Act;

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purpose of this section.

WIRTH (AND JOHNSTON) AMENDMENT NO. 1602

Mr. JOHNSTON (for Mr. WIRTH, for himself and Mr. JOHNSTON) proposed an amendment to the bill S. 2166, supra, as follows:

Page 127, line 18, insert "(a)" before "title III".

Page 128, lines 1–2, after "air-cooled" add ", watercooled, evaporatively cooled, or water-source (not including ground water source)".

Page 128, lines 8–9, after "air-cooled" add ", water-cooled, evaporatively cooled, or water-source (not including ground water source)".

Page 128, line 20, After line 20 add the following:

(5) the term "packaged terminal air conditioner" means a wall sleeve and a separate unencased combination of heating and cooling assemblies specified by the builder and intended for mounting through the wall. It includes a prime source of refrigeration, separable outdoor louvers, forced ventilation, and heating availability energy;

(6) the term "packaged terminal heat pump" means a packaged terminal air conditioner that utilizes reverse cycle refrigeration as its prime heat source and should have supplementary heating availability by builder's choice of energy;

(7) the term "warm air furnace" means a self-contained oil- or gas-fired furnace designed to supply heated air through ducts to spaces that require it. For purposes of this section, the term warm air furnace includes combination warm air furnace/electric air-conditioning units but excludes unit heaters, ductfurnaces and units covered by Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a));

(8) the term "packaged boiler" means a boiler that is shipped complete with heating equipment, mechanical draft equipment, and automatic controls; usually shipped in one or more sections. For purposes of this section, the term packaged boiler excludes units covered by section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a));

(9) the term "storage water heater" means a water heater that heats and stores water within the appliance at a thermostatically controlled temperature for delivery on demand. For purposes of this section, the term storage water heater excludes (a) units with an input rating of 4000 Btu per hour or more per gallon of stored water; and (b) units covered by Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a));

(10) The term "instantaneous water heater" means a water heater that has an input rating of at least 4000 Btu per hour per gallon of stored water. For purposes of this section, the term instantaneous water heater excludes units covered by Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a)); and

(11) The term "unfired hot water storage tank" means a tank used to store water that is heated externally.

Page 128, line 24 through page 129, line 1. Strike the following: "lamps, small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment;".

Page 129 lines 18–20. Strike lines 18–20 and substitute the following therefor: "those lamps, motors, small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air-conditioners, packaged terminal heat pumps, warm air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks for which specific efficiency standards are established by this Act. In addition, the Secretary shall, within 18 months after the date of enactment of this Act, prescribe test procedures for those utility distributions".

Page 130, line 7. Just before "for which" add the following: "packaged terminal air-conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks".

Page 130, line 18. At end of line add the following: ", packaged terminal air-conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks".

Page 131, lines 9–12, strike the following: "lamps, small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, and".

Page 131, lines 15–18, strike the following: "lamps, small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment,".

Page 131, lines 20–22, strike "Except as provided in subsections (d)(3)(B) and (d)(3)(C) of this section".

Page 132, line 1, after "establishing" delete "these"; and after "standards" insert "for utility distribution transformers".

Page 132, line 2, change "take into consideration" to "use".

Page 132, line 4, after "establishing" strike "these"; and after "standards" insert "for utility distribution transformers".

Page 132, lines 13–14, strike "for which the Secretary establishes standards pursuant to this section".

Page 132, line 21, insert "air-cooled" after "of".

Page 133, line 2, insert "air-cooled" after "of".

Page 133, line 7, insert "air-cooled" after "of".

Page 133, line 15, insert "air-cooled" after "of".

Page 133, line 20, insert "air-cooled" after "of".

Page 133, line 25, insert "air-cooled" after "of".

Page 134, line 5. After line 5 insert the following:

(vii) The minimum energy efficiency ratio of water-cooled, evaporatively-cooled and water-source central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity) shall be 9.3 (at a standard rating of 95 degrees Fahrenheit, dry bulb (F db), outdoor temperature for evaporatively cooled equipment, and 85 degrees Fahrenheit entering water temperature for water-source and water-cooled equipment) for products manufactured on or after January 1, 1994.

(viii) The minimum energy efficiency ratio of water-cooled, evaporatively-cooled and water-source central air conditioners and central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 10.5 (at a standard rating of 95 degrees Fahrenheit, dry bulb (F db), outdoor temperature for evaporatively cooled equipment, and 85 degrees Fahrenheit entering water temperature for water-source and water-cooled equipment) for products manufactured on or after January 1, 1994.

(ix) The minimum coefficient of performance of water-source heat pumps less than 135,000 Btu per hour (cooling capacity) shall be 3.8 (at a standard rating of 70 degrees Fahrenheit entering water) for products manufactured on or after January 1, 1994.

Page 134, lines 7–8, strike "for which the Secretary establishes standards pursuant to this section".

Page 134, line 14, insert "air-cooled" after "of".

Page 134, line 22, insert "air-cooled" after "of".

Page 135, line 2, after line 2 insert the following:

(iii) The minimum energy efficiency ratio of water- and evaporatively-cooled central air conditioners and central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) and less than 240,000 Btu per hour (cooling capacity) shall be 9.6 (according to ARI Standard 360–86) for products manufactured on or after January 1, 1995.

(D) For packaged terminal air conditioners and packaged terminal heat pumps the Secretary shall establish standards at the standard levels set forth for such products in ASHRAE/IES Standard 90.1 as in effect on the date of enactment of this Act. Such standards shall become effective for such products manufactured on or after January 1, 1994. Such standard levels shall be as follows:

(i) The minimum energy efficiency ratio of packaged terminal air conditioners and packaged terminal heat pumps in the cooling mode shall be 10.0 − (0.16 × Capacity [in thousands of Btu per hour]) EER (at a standard rating of 95 degrees Fahrenheit, dry bulb (F db), outdoor temperature) for products manufactured on or after January 1, 1994. If a unit has a capacity of less than 7000 Btu per hour, then 7000 Btu per hour shall be used in the calculation. If a unit has a capacity of greater than 15,000 Btu per hour, then 15,000 Btu per hour shall be used in the calculation.

(ii) The minimum coefficient of performance of packaged terminal heat pumps in the heating mode shall be 1.3+(0.16 × the minimum cooling EER as specified in subparagraph (i) at a standard rating of 47 degrees Fahrenheit, dry bulb (F db)) for products manufactured on or after January 1, 1994.

(E) For warm air furnaces and packaged boilers the Secretary shall establish standards at the standard levels set forth for such products in ASHRAE/IES Standard 90.1 as in effect on the date of enactment of this Act. Such standards shall become effective for such products manufactured on or after January 1, 1994. Such standard levels shall be as follows:

(i) The minimum thermal efficiency at the maximum rated capacity of gas-fired warm-air furnaces with capacity of 225,000 Btu per hour or more shall be 80 percent for products manufactured after January 1, 1994.

(ii) The minimum thermal efficiency at the maximum rated capacity of oil-fired warm-air furnaces with capacity of 225,000 Btu per hour or more shall be 81 percent for products manufactured after January 1, 1994.

(iii) The minimum combustion efficiency at the maximum rated capacity of gas-fired packaged boilers with capacity of 300,000 Btu per hour or more shall be 80 percent for products manufactured after January 1, 1994.

(iv) The minimum combustion efficiency at the maximum rated capacity of oil-fired packaged boilers with capacity of 300,000 Btu per hour or more shall be 83 percent for products manufactured after January 1, 1994.

(F) For storage water heaters, instantaneous water heaters, and unfired water storage tanks the Secretary shall establish standards at the standard levels set forth for such products in ASHRAE/IES Standard 90.1–1989 addendum b. Such standards shall become effective for such products manufactured on or after January 1, 1994. Such standard levels shall be as follows:

(i) Except as provided in subparagraph (vii), the maximum standby loss, in percent per hour, of electric storage waste heaters shall be 0.30+(27/Measured Storage Volume [in gallons]) for products manufactured on or after January 1, 1994.

(ii) Except as provided in subparagraph (vii), the maximum standby loss, in percent per hour, of gas- and oil-fired storage water heaters with input ratings of 155,000 Btu per hour or less shall be 1.30+(114/Measured Storage Volume [in gallons]) for products manufactured on or after January 1, 1994. The minimum thermal efficiency of such units shall be 78 percent (at a 70 degree Fahrenheit water temperature difference).

(iii) Except as provided in subparagraph (vii), the maximum standby loss, in percent per hour, of gas- and oil-fired storage water heaters with input ratings of more than 155,000 Btu per hour shall be 1.30+(95/Measured Storage Volume [in gallons]) for products manufactured on or after January 1, 1994. The minimum thermal efficiency of such units shall be 78 percent (at a 70 degree Fahrenheit water temperature difference).

(iv) The minimum thermal efficiency of instantaneous water heaters with a storage volume of less than 10 gallons shall be 80 percent (at a 70 degree Fahrenheit water temperature difference) for units manufactured on or after January 1, 1994.

(v) Except as provided in subparagraph (vii), the minimum thermal efficiency of instantaneous water heaters with a storage volume of 10 gallons or more shall be 77 percent (at a 70 degree Fahrenheit water temperature difference) for units manufactured on or after January 1, 1994. The maximum standby loss, in percent/hour, of such units shall be 2.30+(67/Measured Storage Volume [in gallons]).

(vi) Except as provided in subparagraph (vii), the maximum heat loss of unfired hot water storage tanks shall be 6.5 Btu per hour per square foot of tank surface area (at an 80 degree Fahrenheit water-air temperature difference).

(vii) Storage water heaters and hot water storage tanks having more than 140 gallons of storage capacity need not meet the standby loss or heat loss requirements specified in subparagraphs (i) through (iii) and subparagraphs (v) through (vi) if the tank surface area is thermally insulated to R–12.5 and if a standing pilot light is not used.

Page 135, line 3, change "(D)" to "(G)".

Page 135, line 7, change "or" to ",".

Page 135, line 3 through page 136, line 3, strike page 135, line 3 through page 136, line 3 and substitute the following therefor:

(G) If ASHRAE/IES Standard 90.1 as in effect on the date of enactment of the National Energy Security Act of 1992 is subsequently amended with respect to any type or class of small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioner, packaged terminal heat pump, warm-air furnace, packaged boiler, storage water heater, instantaneous water heater, or unfired hot water storage tank, then the Secretary shall establish an amended uniform national standard for that product type or class at the minimum level for each effective date specified in the amended ASHRAE/IES Standard 90.1 unless he determines by rule published in the Federal Register, supported by clear and convincing evidence, that adoption of a standard more stringent than the amended ASHRAE/IES Standard 90.1 for such product type of class would result in significant additional conservation of energy and is technologically feasible and economically justified. If the Secretary issues a rule containing such a determination, the rule shall establish an amended uniform national standard for such product type or class if establishment of such standard will result in significant additional conservation of energy and if the establishment of such standard is technologically feasible and economically justified. In determining whether a standard is economically justified, the Secretary shall, after receiving views and comments furnished with respect to the proposed standard, determine whether the benefits of the standard exceed its burdens by, to the greatest extent practicable, considering—

(I) the economic impact of the standard on the manufacturers and on the consumers of the products subject to such standard;

(II) the savings in operating costs throughout the estimated average life of the product in the type (or class) compared to any increase in the price of, or in the initial changes for, or maintenance expenses of, the products which are likely to result from the imposition of the standard;

(III) the total projected amount of energy savings likely to result directly from the imposition of the standard;

(IV) any lessening of the utility or the performance of the products likely to result from the imposition of the standard;

(V) the impact of any lessening of competition, as determined in writing by the Attorney General, that is likely to result from the imposition of the standard;

(VI) the need for national energy conservation; and

(VII) other factors the Secretary considers relevant.

The Secretary may not prescribe any amended standard which increases the maximum allowable energy use, or decreases the minimum required energy efficiency, of a covered product. The Secretary may not prescribe an amended standard under this subparagraph (d)(3)(G) if the Secretary finds (and publishes such finding) that interested persons have established by a preponderance of the evidence that the standard is likely to result in the unavailability in the United States in any product type (or class) of performance characteristics (including reliability), features, sizes, capacities, and volumes that are substantially the same as those generally available in the United States at the time of the Secretary's finding. The failure of some types (or classes) to meet this criterion shall not affect the Secretary's determination of whether to prescribe a standard for other types (or classes). A standard as amended by the Secretary under this subsection shall become effective for products manufactured on or after a date which is

(1) two years after the effective date of the relevant standard in amended ASHRAE/IES Standard 90.1 for small commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks, and

(2) three years after the effective date of the relevant standard in amended ASHRAE/IES Standard 90.1 for large commercial package air conditioning and heating equipment.

except that an amended standard issued by the Secretary pursuant to a rule under this subparagraph (d)(3)(G) shall become effective for products manufactured on or after a date which is four years after the date the rule is published in the Federal Register.

(H) The criteria specified in subparagraph (d)(3)(G) shall apply only to products listed in subparagraph (d)(3)(G).

Page 136, line 14, insert "(a)" after "(4)", and change "These standards" to "Standards prescribed or established under this subsection (d)".

Page 136, line 6, after the end of the line, add the following three subparagraphs:

(b) Notwithstanding subparagraphs (a), a standard prescribed or established under this subsection (d) shall not preempt a standard for such a product in a building code for new construction if the standard in the building code does not require that the energy efficiency of such product exceed the applicable minimum energy efficiency requirement in amended ASHRAE/IES Standard 90.1, *Provided*, That such standard in the building code does not take effect prior to the effective date of amended ASHRAE/IES Standard 90.1.

(c) Notwithstanding subparagraph (a), a standard prescribed or established under this subsection (d) shall not preempt the standards of the State of California for water-source heat pumps below 135,000 Btu per hour (cooling capacity) that become effective on January 1, 1993, which standards are set forth in Table C-6 of the California Code of Regulations, Title 24, Part 2, Chapter 2-53.

(d) Notwithstanding subparagraph (a), a standard prescribed or established under this subsection (d) shall not preempt a state regulation which has been granted a waiver by the Secretary. The Secretary may grant a waiver pursuant to the terms, conditions, criteria, procedures and other requirements specified in Section 327(d) of this Act.

Page 136, line 8, change "(D)" to "(G)".

Page 137, line 10, after line 10 add a new paragraph (3) as follows:

(3) In the case of products for which the Commission prescribes a labeling rule under paragraph (1) manufacturers and importers of such equipment shall establish efficiency ratings for each type of equipment in accordance with the applicable test procedures, and

(a) include the efficiency rating of the equipment on or near the permanent nameplate attached to each piece of equipment; and

(b) prominently display the efficiency rating of the equipment in new equipment catalogs used by the manufacturer or importer to advertise the equipment.

(c) such other markings as the Secretary may determine are needed solely to facilitate enforcement of the efficiency standards established under this Act.

In developing these labeling requirements for electric motors, the Commission shall take into consideration NEMA Standards Publication MG1-1987.

(4) Effective 360 days after a test procedure rule applicable to any product is established under this subsection, no manufacturer, distributor, retailer, or private labeler may make any representation—

(1) in writing (including any representation on a label), or

(2) in any broadcast advertisement.

respecting the energy consumption of such equipment or cost of energy consumed by such equipment, unless such equipment has been tested in accordance with such test procedure and such representation fairly disclosed the results of such testing."

Page 138, line 4, after line 4, redesignate subsections (h) and (i) as subsections (i) and (j), respectively, and add a new subsection (h) as follows:

(h)(1) Effective on the effective date of this Act, this section preempts any State regulation insofar as such State regulation provides at any time for the disclosure of information with respect to any measure of energy consumption of any covered product if—

(A) such State regulation requires testing or the use of any measure of energy consumption or energy descriptor in any manner other than that provided under this section; or

(B) such State regulation requires disclosure of information with respect to the energy use or energy efficiency of any product subject to this section other than information required under this section.

(2) For purposes of this section, the term 'State regulation' means a law, regulation, or other requirement of a State or its political subdivisions.

Page 140, line 6, after line 6, add a new subsection (b) as follows:

(b) Section 340(2)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6311) is amended by striking "(v) air conditioning equipment;" and "(xi) furnaces;" and by redesignating items (vi), (vii), (viii), (ix), (x), (xii), (xiii), and (xiv) therein as items (v), (vi), (vii), (viii), (ix), (x), (xi), and (xii), respectively.

DECONCINI AMENDMENT NO. 1603

Mr. JOHNSTON (for Mr. DECONCINI) proposed an amendment to the bill S. 2166, supra, as follows:

On page 72, line 2, add the following new subparagraphs:

"(iv) expand training and information dissemination programs in cooperation and participation with industry using existing technology transfer programs for such sums that may be necessary in fiscal year 1993, 1994, 1995, and

(v) assist existing renewable energy industry consortia and State energy offices to work cooperatively with existing technology transfer programs.

BURNS AMENDMENT NO. 1604

Mr. JOHNSTON (for Mr. BURNS) proposed an amendment to the bill S. 2166, supra, as follows:

On page 108, line 20, delete the words "code, and" and insert the following: "codes and standards,".

On page 108, line 23, delete "code." and insert the following: "codes and standards, and methods which will enhance and facilitate the use of renewable technologies.".

Page 114, line 20, following "that", insert the following: "both active and passive".

Page 114, line 22, after the semicolon, add the following new paragraph and renumber accordingly:

"(3) that such rating shall take into account the benefits of peak load shifting construction practices;".

Page 125, line 6, following "programs", insert the following: ", including the effects of building construction practices designed to obtain peak load shifting,".

ROBB AMENDMENT NO. 1605

Mr. JOHNSTON (for Mr. ROBB) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place insert:

SEC. . NATIONAL SECURITY TAX SHIFT.

(a) FINDINGS.—The Senate finds that—

(1) Conservation must be at the heart of any effective long-term national energy strategy; and increasing the motor fuels tax would encourage Americans to purchase more fuel efficient vehicles, car pool, and use alternative forms of transportation.

(2) By encouraging conservation and the market for alternative fuels, increasing the motor fuels tax would reduce our reliance on imported oil, and would reduce the likelihood that American troops will need to be sent abroad to secure the free flow of oil.

(3) Increasing the motor fuels tax would reduce automobile pollution, and, in particular, would reduce the emission of carbon dioxide, a key "greenhouse" gas.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that as part of the Nation's Energy Strategy, the Senate Finance and House Ways and Means Committees should study the possibility of legislation to shift some amount of taxation from the income tax to the motor fuels tax to encourage conservation and alternative fuels, provided that: (1) the revenue generated by the increase in motor fuels tax is shifted to taxpayers in the form of income tax reductions so that the package is revenue-neutral, does not represent a net tax increase on the average American family, and is at least as progressive as the current Tax Code; (2) the tax shift does not become effective until the current recession is over; and (3) the tax shift is phased in gradually to allow consumers and industries to adjust.

WELLSTONE AMENDMENT NO. 1606

Mr. JOHNSTON (for Mr. WELLSTONE) proposed an amendment to the bill S. 2166, supra, as follows:

On page 157, line 25, insert "cogeneration and district heating and cooling applications," after "efficiency,".

EXON AMENDMENT NO. 1607

Mr. JOHNSTON (for Mr. EXON) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place in the bill insert the following:

SEC. . STRATEGIC DIVERSIFICATION.

The Office of Barter within the U.S. Department of Commerce and the Interagency Group on Countertrade shall within six months from the date of enactment report to the President and the Congress on the feasibility of using barter, countertrade and other self-liquidating finance methods to facilitate the strategic diversification of United States oil imports through cooperation with the former Soviet Union in the development of their energy resources. The report shall consider among other relevant topics the feasibility of trading American grown food for Soviet produced oil, minerals or energy.

JOHNSTON (AND OTHERS) AMENDMENT NO. 1608

Mr. JOHNSTON (for himself, Mr. WALLOP, Mr. WELLSTONE, Mr. ADAMS, Mr. LUGAR, Mr. LEAHY, and Mr. BRADLEY) proposed an amendment to the bill S. 2166, supra, as follows:

Beginning on page 93, line 20, delete section 5301 in its entirety and substitute the following:

"SEC. 5301. STREAMLINING REGULATION UNDER THE FEDERAL POWER ACT.—The Federal Power Act, as amended, (16 U.S.C. 791a et seq.) is further amended by inserting in section 4 ", and for the purposes of subsections (h) and (i), the Commission shall" after "empowered" and inserting the following after subsection (g):

"(h) Establish procedures that, to the extent practicable, provide for the earliest identification and performance of all studies and analyses required to be performed in conjunction with an application for a license under this part.

"(i) Within one year after enactment of this subsection, enter into memoranda of understanding with each Secretary under whose supervision a reservation falls which provides for:

"(1) timely submission by the Secretary to the Commission of any proposed terms and conditions which are relevant to the Secretary's statutory responsibilities for the reservation with respect to the proposed project;

"(2) establishment and implementation of a process for resolution of disputes, if any, between the Commission and the Secretary concerning conditions proposed by the Secretary in connection with the licensing of a project; and,

"(3) identification and implementation of measures to avoid duplication of effort, delay, and costs to all parties in connection with the licensing of a project.".

Beginning on page 98, line 9, delete section 5302 in its entirety and substitute the following:

"SEC. 5302. (a) MEMORANDA OF UNDERSTANDING.—The Commission and all relevant federal agencies are directed to enter into memoranda of understanding which will establish procedures for a consolidated review to the fullest extent possible under the National Environmental Policy Act of 1969 of federal actions affecting the authorization of hydroelectric projects subject to the jurisdiction of the Commission.

"(b) THIRD PARTY CONTRACTING.—

"(1) Where environmental documents are prepared in connection with an application for a license under Part 1 of the Federal Power Act, the Commission may permit, at the election of the applicant, a contractor, consultant or other person funded by the applicant and chosen by the Commission from among a list of such individuals or companies determined by the Commission to be qualified to do such work, to prepare such environmental document. The contractor shall execute a disclosure statement prepared by the Commission specifying that it has no financial or other interest in the outcome of the project. The Commission shall establish the scope of work and procedures to assure that the contractor, consultant or other person has no financial or other potential conflict of interest in the outcome of the proceeding. Nothing herein shall affect the Commission's responsibility to comply with the National Environmental Policy Act of 1969.

"(2) Where an environmental assessment is prepared in connection with an application for a license under Part 1 of the Federal Power Act, the Commission may permit an applicant, or a contractor, consultant or other person selected by the applicant, to prepare such environmental assessment. The contractor shall execute a disclosure statement prepared by the Commission specifing that it has no financial or other interest in the outcome of the project. The Commission shall institute procedures, including pre-application consultations, to advise potential applicants of studies or other information forseeably required by the Commission. The Commission may allow the filing of such applicant-prepared environmental assessments as part of the application. Nothing herein shall affect the Commission's responsibility to comply with the National Environmental Policy Act of 1969.".

On page 282, line 1, delete the words "MAJOR FED-" and lines 2 through 19 and insert in lieu thereof:

"MEMORANDA OF UNDERSTANDING.—The Commission and all relevant federal agencies are directed to enter into memoranda of understanding which will establish procedures for a consolidated review to the fullest extent possible under the National Environmental Policy Act of 1969 of federal actions affecting the authorization of natural gas facilities subject to the jurisdiction of the Commission.".

On page 282, line 20, delete "(B)" and insert in lieu thereof "(b) ENVIRONMENTAL IMPACT STATEMENTS.—".

On page 282, line 22, delete "this" and insert in lieu thereof "the Natural Gas.".

On page 282, line 23, strike "shall" and insert "may".

On page 282, line 24, insert "and chosen by the Commission from among a list of such individuals or companies determined by the Commission to be qualified to do such work", after "applicant".

On page 282, line 25, after "document." insert "The contractor shall execute a disclosure statement prepared by the Commission specifying that it has no financial or other interest in the outcome of the project.", and delete "The Commission shall" and all that follows through "work." on page 283, line 4.

On page 283, line 11, delete "(C)" and insert in lieu thereof "(c) ENVIRONMENTAL ASSESSMENTS.—

On page 283, line 14, strike "shall" and insert "may".

On page 283, line 16, after "assessment." insert "The contractor shall execute a disclosure statement prepared by the Commission specifying that it has no financial or other interest in the outcome of the project.".

On page 283, line 20, strike "shall" and insert "may".

On page 283, delete lines 24 and 25 and, on page 284, delete lines 1 and 2, and insert in lieu thereof:

"(d) Any environmental review undertaken by the Commission pursuant to the National Environmental Policy Act of 1969 or by a project sponsor must include those facilities subject to the Natural Gas Act and Natural Gas Policy Act of 1978, but will not include any related nonjurisdictional facilities unless the Commission's control and responsibility over those facilities is sufficient to cause the private action to become a Federal action. To determine whether sufficient control and responsibility by the Commission exists, the following factors must be considered:

"(1) whether the regulated activity comprises merely a link in a corridor-type project;

"(2) the extent of the nonjurisdictional facilities in the immediate vicinity of the regulated activity;

"(3) the extent to which the entire project will be within the jurisdiction of the Commission; and

"(4) the extent of cumulative Federal control and responsibility.

(e) As a part of a required NEPA review of proposed facilities, at the beginning, FERC shall meet with the applicant, other affected Federal, State and local agencies, affected Indian Tribes if any, and other interested persons to identify issues to be analyzed and when serving as the lead Agency, FERC may allocate assignments, and establish time frames necessary for the preparation of an Environmental Impact Statement (EIS).".

MURKOWSKI AMENDMENT NO. 1609

Mr. JOHNSTON (for Mr. MURKOWSKI) proposed an amendment to the bill S. 2166, supra, as follows:

SEC. 5306.

On page 105, at the end of line 20 strike "." and insert "; and (3) a project located near Nondalton, Alaska, with application numbered EL88-25-001."

NOTICE OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Wednesday, February 26, 1992, in SR-301. The committee will hold a hearing at 9:30 a.m. on three measures dealing with the Smithsonian Institution: S. 1598, to authorize the Board of Regents of the Smithsonian Institution to acquire land for watershed protection at the Smithsonian Research Center, and for other purposes; S. 1682, to authorize the Board of Regents of the Smithsonian Institution to acquire an Administrative Service Center and for other purposes; and Senate Joint Resolution 221, providing for the appointment of Hanna Holborn Gray as a citizen regent of the Smithsonian Institution.

The committee will hold a business meeting to mark up pending administrative items at 10:30 a.m.

For further information regarding the hearing and administrative markup on February 26, please contact Carole Blessington of the Rules Committee staff on 224-0278.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, February 6, 1992, at 11:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGENDA

I. NOMINATIONS

U.S. District Judges

Ronald M. Whyte, to be United States District Judge for the Northern District of California.

Jon P. McCalla, to be United States District Judge for the Western District of Tennessee.

Julie E. Carnes, to be United States District Judge for the Northern District of Georgia.

Nancy G. Edmunds, to be United States District Judge for the Eastern District of Michigan.

David W. McKeague, to be United States District Judge for the Western District of Michigan.

Phillip G. Reinhard, to be United States District Judge for the Northern District of Illinois.

Sandra G. Beckwith, to be United States District Judge for the Southern District of Ohio.

Steven D. Merryday, to be United States District Judge for the Middle District of Florida.

Frederick J. Scullin, Jr., to be United States District Judge for the Northern District of New York.

K. Michael Moore, to be United States District Judge for the Southern District of Florida.

II. BILLS

S. 826—A bill to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and for other purpose—Heflin

S. 758—A bill to clarify that States, instrumentalities of States, and officers and employees of States acting in their official capacity, are subject to suit in Federal court by any person for infringement of patents and plant variety protections, and that all the remedies can be obtained in such suit that can be obtained in a suit against a private entity—DeConcini

S. 759—A bill to amend certain trademark laws to clarify that States, instrumentalities of States, and officers and employees of States acting in their official capacity, are subject to suit in Federal court by any person for infringement of trademarks, and that all the remedies can be obtained in such suit against a private entity—DeConcini

S. 1521—A bill to provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of hard-core pornographic material—McConnell

S. 580—A bill to amend title 11 of the United States Code to exclude from the estate of the debtor certain interests in liquid and gaseous hydrocarbons—Bentsen

S. 1941—A bill to amend the Immigration and Nationality Act for the purpose of reforming procedures for the resettlement of refugees of the United States—Kennedy

S.J. Res. 35—A joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect Congressional and Presidential elections—Hollings

S. 1985—A bill to establish a commission to review the Bankruptcy Code, to amend the Bankruptcy Code in certain aspects of its application to cases involving commerce and credit and individuals debtors and add a temporary chapter to govern reorganization of small businesses, and for other purposes—Heflin

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Thursday, February 6, at 10:30 a.m., for a hearing on the subject: getting the most out of every tax dollar: Government management and budget 1992.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., February 6, 1992, to receive testimony on the Hawaiian Homes Commission Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committe on Finance be authorized to meet during the session of the Senate on February 6, 1992, at 10 a.m. to hear and to consider the nomination of Kevin T. Moley to be Deputy Secretary of Health and Human Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on February 6, 1992, at 10 a.m. on the nomination of Barbara Hackman Franklin to be Secretary of Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 6, 1992, at 2:30 p.m. to hold a hearing on the situation in four former Soviet republics possessing nuclear weapons.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, February 6, 1992, at 9:30 a.m., in open session to receive testimony on military conversion in the Russian Federation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER AND REGULATORY AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Consumer and Regulatory Affairs of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Thursday, February 6, 1992, at 10 a.m. to conduct a hearing on the Federal Government's efforts to pursue financial institution fraud.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TAXATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Taxation of the Committee on Finance be authorized to meet during the session of the Senate on February 6, 1992, at 2 p.m. to hold a hearing on competitiveness and long-term tax policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Foreign Relations Committee be authorized to meet during the session of the Senate on Thursday, February 6, at 10 a.m. to hold a hearing on United States policy toward North Korea.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

DESALINATION

• Mr. SIMON. Mr. President, early in the first session of the 102d Congress, I introduced a bill to rededicate the U.S. Government to funding the research and development of low-cost desalination technologies. This bill is currently in the Environment and Public Works Committee where I anticipate it will be marked up shortly.

When I first began working on the issue of desalination several years ago, there was limited interest. Recently, however, water shortages in our country and abroad have resulted in an increased focus on the ability of affordable desalination technology to help address these problems and reduce the possibility of conflict.

An article recently appeared in the Chicago Tribune that underscores this point. Entitled "Water May Be Next

Flashpoint in Mideast," the article details the growing regional tensions in the Middle East over scarce water supplies. It also mentions that desalination may be the best option available politically to reduce tensions. I urge my colleagues to read this article and to support S. 481, the Water Research Act of 1991, when it comes to the Senate floor. At this point, I ask that the article be entered into the RECORD.

The article follows:

[From the Chicago Tribune, Feb. 2, 1992]

WATER MAY BE NEXT FLASHPOINT IN MIDEAST

(By Tom Hundley)

AL-AWJA, Israel-occupied West Bank—The mountain spring that once nourished the banana and orange groves of this Arab village in the Jordan River Valley flows no more.

The life-giving stream began to falter five years ago, swindling to a trickle during the dry months of the summer, returning to normal when the winter rains came.

But early last summer, it went completely dry and experts doubt that even this winter's record rainfalls will be able to regenerate it.

As a result, the fruit trees have withered and died, and the livelihood of dozens of farmers has been ruined.

Many farmers have been forced to take the jobs they most resent—construction work on new Jewish settlements.

"The people blame the Israelis for this disaster," said Ibrahim Naji, a 30-year-old former farmer.

It is not hard to understand why. The shallow aquifer that had been the source of the Al-Awja spring has been drained dry by a half-dozen deep wells dug by Israeli water authorities. The wells' pumps churn day and night, drawing water for dozens of new settlements that have sprouted like desert flowers over the last few years and lowering the water table in the arid hills of the West Bank.

The struggle over scarce water resources is hardly unique to the Israeli-Palestinian conflict. Indeed, it is the recurring theme of several intra-regional conflicts that have helped make the Middle East a political minefield.

During the Persian Gulf crisis, Egypt's leaders became apoplectic when neighboring Sudan—at Iraq's behest—reportedly aimed its missiles at the Aswan Dam, which regulates the flow of the Nile, Egypt's sole source of water.

A year earlier, Syria and Iraq were muttering darkly against Turkey and its ambitious plans to construct a series of dams that would greatly reduce their share of the flow from the Tigris and Euphrates rivers.

The Turkish military now guards those dams like the gold in Ft. Knox.

In Jordan, King Hussein has said he can envision only one circumstance that would compel him to go to war with Israel—a dispute over the headwaters of the Jordan.

Egypt's late Anwar Sadat once said his country would not hesitate to go to war to defend the Nile. His threat was aimed not at Israel, with whom he made peace in 1979, but at Egypt's upstream neighbors, Ethiopia and Sudan.

The consensus among diplomats in the region is that water is the next crisis waiting to happen. The problem is simple enough: The arid Middle East does not have enough water to sustain the current rates of population growth and economic development.

Pollution, waste and mismanagement threaten the limited supplies that are available.

That's one reason why water was at the top of the list of topics discussed in Moscow at last week's multilateral Middle East talks.

"Water has become a strategic asset as well as an economic commodity," said Kamran Inan, the state minister in charge of Turkey's ambitious plans to harness the Tigris and Euphrates. "In 10 years, water will be more important than oil—if not more expensive."

Water already has assumed paramount importance in the bitter political struggle between Israel and the Arabs. With the exception of Lebanon, none of the principals—Israel, Jordan, Syria or the Palestinians in the occupied territories—has enough water to meet current needs.

Israel, however, holds the upper hand. Territory seized from Jordan and Syria in the 1967 war and from Lebanon in the 1982 invasion has given Israel full control of the region's main water resources—the Jordan and Litani Rivers and the aquifers that lie beneath the West Bank.

According to one U.S. study, nearly half of Israel's water now comes from sources located outside its pre-1967 boundaries. This includes water that is drawn from the vital Yarkon-Taninim aquifer, which is replenished mainly by rains that fall on the slopes of the West Bank.

Nor surprisingly, Israel's agriculture minister recently took out full-page newspaper ads warning that Israel's water needs precluded the possibility of relinquishing a single inch of territory taken from the Arabs.

He was not exaggerating. For years, Israel has been using up its water resources at 5 to 10 percent above the natural replenishment rate, a reckless practice that is lowering the water table and exposing the fragile underground aquifers to sea water.

Israeli per capita consumption is more than 300 cubic meters of water a year, low by standards of industrialized nations but triple the 100 cubic meter per capita consumption of West Bank Palestinians.

The reason for the discrepancy is simple. "Israel has full control over the water resources; even on our own land, we can do nothing without their permission," said Nader Khatib, a water engineer for the West Bank town of Bethlehem.

Palestinians in the occupied territories traditionally have drawn water from numerous shallow wells that skim the upper reaches of the underground aquifers. But Israeli authorities have sealed up some of these wells and imposed a strict ban on new Arab wells.

Meanwhile, Jewish settlers have been provided with deep wells—such as those near the spring at Al-Awja—that give the false impression of an unlimited supply of water.

During this summer's drought, when many Arab villages had no water at all, residents of neighboring Jewish settlements were watering their lawns. The Israeli water authority gives residential customers a discount for watering shrubs and flowerbeds.

Palestinians complain that Israeli policies amount to outright theft of their resources. Some see it as part of a grand plot to destroy their agrarian society and force them into the low end of the Israeli economy.

Israelis counter that they have upgraded the overall water system in the occupied territories and that Palestinian per capita consumption has actually increased under Israeli rule.

While these issues provide tinder for the ongoing Arab-Israeli conflict, many in Israel are beginning to rethink the country's attitudes toward water usage.

Israel currently allocates about 70 percent of its total water resources to its heavily subsidized agricultural sector—part of the Zionist dream to "make the desert bloom." At the same time, Israel, with a population of 4.3 million, hopes to absorb up to 1 million immigrants from the former Soviet Union over the next five years. Simple arithmetic says it cannot do both.

Many authorities think it would be cheaper for Israel to import food rather than continue expensive agriculture subsidies.

"But agriculture is not just an economic issue—just ask the American farmer," said Hillel Shuval, a water expert at Jerusalem's Hebrew University.

"Agriculture is a very deep ideological issue in Zionism. It's a bond to the land, and anything that results in its weakening is not just a cost-benefit analysis for us," said Shuval.

Egypt is faced with a similar dilemma, but on a vastly larger scale; Egypt's population is 55 million, and it increased by 1 million every 10 months.

The agricultural sector uses up 82 percent of Egypt's water resources and employs 60 percent of its population, yet manages to meet only about half of the nation's food requirements.

"If we don't do something between now and 2005, we'll be in real trouble," said Mahmoud Abu Zaid, director of Egypt's water research authority.

For Egypt, water policy is a juggling act that must measure the thirst of unrestricted population growth against ambitious plans to reclaim desert land for agricultural uses.

Like Israel, Egypt is up against the limits of its water resources. It already uses all 55.5 billion cubic meters of its annual share of the Nile—and them some. The extra water—about 5.7 billion cubic meters—is water that is recycled two or three times before it drains into the Mediterranean.

Since 1968, when the Aswan High Dam was completed, Egypt has reclaimed more than 1 million acres of land for farming and has plans to reclaim a 1.6 million more by 2000—barely enough to keep pace with the expanding population.

The new lands are irrigated by water-saving drip and sprinkle technologies, but the vast majority of farmland in the Nile Valley and Delta is irrigated by inefficient canals that have been around since Pharaonic times.

"We do know quite a lot about water and conservation, but unfortunately we don't have enough money to put it into effect," said Magdy Sobhi Yosef, a water expert at Cairo's Center for Political and Strategic Studies.

What most worries Egypt, however, is that 100 percent of the Nile's flow originates outside its borders.

About half the Nile's waters originate in the highlands of Ethiopia; the rest comes from the equatorial rainforests of central Africa, and all of it must flow through the Sudan before reaching Egypt.

None of these places is noted for political tranquility. And while none has the technical wherewithal to completely cut off the Nile, several countries including Ethiopia and Sudan are starting to come up with strategies to exploit the Nile for their own economic development. Inevitably, this will eat into Egypt's share of the river.

Little wonder, then, that former Egyptian Foreign Minister Boutros Boutros-Ghali, now the new UN secretary general, framed Egypt's national security as "a question of water."

Nor is Egypt the only Arab state that is vulnerable.

"Ninety percent of the Arabic speaking people receive their water from non-Arabic regions," notes Kamran Inan, Turkey's water czar.

Turkey, one of the few Middle Eastern countries with an abundance of water, hopes to do with water what Saudi Arabia has done with oil and position itself as the region's water superpower.

The centerpiece of Turkey's strategy is the $22 billion Southeast Anatolia Project, which calls for the construction of 22 dams along the upper Euphrates and Tigris rivers.

The completed project is expected to generate 27 billion kilowatts of electricity annually, irrigate 42 million acres of farmland and provide more than 3 million jobs in what is now Turkey's most impoverished and backward region.

But already the ambitious scheme has Turkey's Arab neighbors in a state of high anxiety.

In early 1990, when the first phase of the massive Ataturk Dam was finished, Turkey shut off the Euphrates for a month to begin filling the reservoir. Downstream, Syria and Iraq protested vehemently.

At this point, the Ataturk Dam has cut the flow from the Euphrates by about a third, and neither Syria nor Iraq are soothed by Kamran Inan's assurances that "we never plan to use water as a weapon, as the Arabs have done with oil."

Indeed, Turkey is aggressively promoting its idea for a "peace pipeline"—another $20 billion scheme that would carry Turkey's water surplus to parched customers in Saudi Arabia and Kuwait, and perhaps Syria, Jordan and Israel.

But already Syria has threatened to block the pipeline, denouncing it as a Turkish plot to "steal" water from poor Arab countries—namely Syria—and sell to rich Arab countries.

More to the point are doubts about the economic feasibility of such a project.

Turkish officials claim that a pipeline could carry 6 million cubic meters a day at a cost of $.50 per meter compared to the $1.50 a meter it now costs countries like Saudi Arabia to desalinate seawater. But other experts say the costs would be about the same.

"Desalination is probably the best option politically, despite the cost, since third country cooperation would not be required," said Hebrew University's Shuval.

Either option is more feasible than some of the other far-out schemes that have been advanced—Saudi Arabia's plan to tow icebergs from the Arctic; Israel's idea to float huge plastic waterbags across the Mediterranean.

But clearly, the key to resolving the Middle East's chronic water problems lies in solid regional cooperation rather than the current political deadlock that Shuval accurately characterizes as "a zero sum game in which nobody starts out with enough."

At last week's multilateral talks in Moscow, delegates representing nearly 40 nations agreed to form a permanent working committee of experts to take up the regional water crisis. Headed by the U.S., the committee voted to meet again in spring to set up a formal agenda.

But a few key players are not cooperating. Syria, which last autumn forced the cancellation of a major international water conference in Istanbul, boycotted Moscow. The Palestinians came to Moscow, but declined to take part in the talks after the conference cosponsors refused to accredit some of the Palestinian delegates.

Still, Israel participated in the talks, as did Saudi Arabia, Jordan and a half-dozen other Arab states who previously had refused any nod to the existence of their Jewish neighbor.

Nobody expected immediate breakthroughs in Moscow—and none occurred. But the fact that longtime antagonists finally are sitting down to discuss regional issues is a significant achievement in itself.•

TRIBUTE TO CALIFORNIA, MO, HEROES

• Mr. BOND. Mr. President, I rise today to pay tribute to some of Missouri's heroes whose lives were taken during a sudden tragedy in the small town of California, MO.

December 9, 1991, was a day of darkness for mid-Missouri. A gunman shot Moniteau County deputy sheriff, Leslie Roark. The gunman then left the scene and drove to the home of the Moniteau County sheriff and shot and killed the sheriff's wife, Pam Jones. Later, as a search squad was being formed, the gunman shot and killed Cooper County sheriff, Charles Smith, and Miller County deputy sheriff, Sandra Wilson, as they responded to a call for help with the search. The gunman also shot and wounded Russell Borts, a Moniteau County deputy sheriff.

Moniteau County deputy, Leslie Roark, was responding to a call of a family disturbance. Pam Jones was shot in her home as she participated in a church group gathering. She was an unsuspecting target, possibly chosen by the enraged gunman as a surrogate for her husband, the Moniteau County sheriff. Sheriff Smith and Deputy Wilson unhesitatingly responded to the call for assistance from their fellow officers, and gave the ultimate sacrifice. These officers and Mrs. Jones are heroes. Missouri mourns their loss, but praises their contributions.

My deepest sympathy goes to the law enforcement officials, citizens, State and Federal agencies, family, and friends who were involved in the events which unfolded that day. The Moniteau, Cooper, and Miller County Sheriff Departments, who sustained the loss of their comrades-at-arms—a loss comparable to losing a member of one's family, I commend for continuing to carry out their vital jobs while mourning the loss of their fellow officers.

I also pay tribute to the sheriff departments of Morgan, Johnson, Cole, Pettis, Platte, Henry, and Boone Counties; to the city police departments of California, Bonneville, Springfield, Columbia, Jefferson City, Tipton, Versailles, Eldon, and Lake Ozark; to the Missouri Department of Conservation, the Missouri State Water Patrol, and Missouri State Highway Patrol officers, and to the Federal officials of the FBI, Bureau of Alcohol, Tobacco, and Firearms, and U.S. marshall's office; for their able assistance in this matter.

From all of these search team members to the California resident, Mrs. Dorothy Miller, in whose home the gunman chose to hide, all involved gave unselfishly of themselves. Missouri is indeed proud to be home to such brave individuals.•

A MESSAGE TO COLOMBIA ON INDIGENOUS RIGHTS

• Mr. CRANSTON. Mr. President, last week I took to the floor to express my preoccupation over the human rights situation in Colombia. I am happy to report this concern is shared by many of our colleagues here in the Senate. I ask that a copy of a letter we have sent to President Gaviria about our views be reprinted in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, February 6, 1992.

His Excellency DR. CESAR GAVIRIA TRUJILLO,
President of the Republic of Colombia, Presidential Residence, Bogota, Colombia

DEAR PRESIDENT GAVIRIA: As members of the U.S. Congress we commend you on the achievements of your administration during 1991. We congratulate you for your role in the new constitution and its political and judicial reforms, for the first governmental report on human rights violations by state agents, and for the steps you have taken toward curbing violence and establishing civilian control of the military. We look forward to continue cooperation between our two countries.

We would like to take this opportunity to express our deep concern about the recent massacre of indigenous campesinos on the "El Nilo" ranch in Calota (Cauca Department), and about ongoing violations of international humanitarian law in Colombia.

We share your condemnation of the brutal massacre and mutilation of 11 men, 5 women, and 4 children of the Paez indigenous community during a meeting to plan the next day's work on the evening of December 16, 1991, in "El Nilo." We understand that the case is complex, given the land dispute between the indigenous community and the alleged new purchasers of the land, and given the possible involvement of drug cartels in that purchase. We are heartened that you have pledged to punish those responsible for this crime, and we strongly support a full investigation of the case and the bringing to justice of those responsible.

We are especially concerned about reports we have received about events subsequent to, yet apparently related to, the massacre:

The Regional Council of Indigenous of the Cauca (CRIC) reports that Edgar Torres, a teacher, and Rodolfo Alvarez, a lawyer, both collaborating with the authorities in investigating the case and both local activists with the Alianza Democratic/M-19, were killed within an hour on January 8, 1992. In addition, CRIC reports that Mr. Etnio Vidarte, also assisting authorities in the case, "disappeared" that same week.

Several members of the CRIC have received death threats since the massacre. These include Jesus Enrique Pinacue, Jesus Rey Avirama, Marco Anibal Avirama, Cristobal Secue (President of the CRIC), Edgar Avirama, Anatolio Quira (Recently-elected indigenous Senator), and Oscar Elias Lopez, (Legal Counsel, CRIC).

In addition, Aldemar Pinzon, the representative of the indigenous territories

Huellas, Corinto, and Miranda, and Apolinar Garcia, the new Governor of the territories, have been informed that a 12,000,000-peso (US$16,400) bounty has been placed on their heads.

According to the CRIC, numerous witnesses report that well-armed civilian groups continue to roam freely on the ranch "El Nilo," where the massacres occurred, and on other ranches rumored to have been acquired by drug trafficking organizations. These groups have reportedly announced their willingness to commit another massacre.

Our current understanding is that state forces have not been implicated in these incidents. We understand that the apparent involvement of drug trafficking organizations in the land tenure problems of the Cauca region fuels violence in sinister ways.

However, we believe that certain measures taken by your government could have a profound positive effect on this case and on the concerns of the indigenous peoples of the area.

We urge you to continue to press forward diligently in the investigation of the El Nilo massacre, and to investigate fully the murders of Mr. Torres and Dr. Alvarez, and the disappearance of Mr. Vidarte. We urge you to take strong action against all armed paramilitary groups and other forms of private justice, and against infringements of the rights of indigenous communities, including those rights granted them under the new constitution. Finally, we ask that you take all necessary measures to ensure the personal security of indigenous leaders and of all those persons connected with the investigation of the El Nilo massacre.

We would like to express our further concern about the general level of violations of international humanitarian law in Colombia. Respected national and international human rights organizations, as well as agencies of your administration, have documented both the deplorable abuses of the guerilla forces of the Simon Bolivar National Guerilla Coordinating Board and the abuses of government forces. The figures cited in the Attorney-General's report of complaints of government abuses are truly alarming—560 persons murdered, 68 massacres, 664 victims of torture, 616 persons "disappeared: by state agents between January 1990 and April 1991.

We stand by the positive steps you have taken to document and to curb these abuses, and to punish those responsible. We also recognize the efforts you have made to seek a political solution to the insurgency and your open commitment to carry out law enforcement activities in a manner that respects human rights. We urge you to take the strongest possible actions to ensure that sanctions against human rights violators are implemented and that such violators are prosecuted to the fullest extent of civil and military law.

Finally, we express our deep concern over the killing on January 29 of Ms. Blanca Valero de Duran, secretary of the Regional Committee for the Defense of Human Rights (CREDHOS) in Barrancabermeja. We strongly condemn this killing of a human rights monitor and urge you to prosecute its perpetrators to the full extent of the law. We also ask that you take all possible measures to protect the lives of the staff members of CREDHOS.

We write in a spirit of shared commitment to human rights, including the rights of cultural survival. We support any efforts that you take to affirm this shared commitment.

Sincerely,

Alan Cranston, Patrick J. Leahy, John D. Rockefeller, Herb Kohl, Paul Simon, Edward M. Kennedy, David L. Boren, Barbara A. Mikulski, Brock Adams, Paul Wellstone.●

HEALTH CARE KEYBOARD

● Mr. KASTEN. Mr. President, I rise today to honor a small Wisconsin business, Health Care Keyboard, which has created an innovative product that will take technology for the disabled into the 21st century.

Jeffrey and William Szmanda, two brothers from Menomonee Falls, WI, were invited to participate in the Johns Hopkins National Search for Computing Applications to Assist Persons with Disabilities. This competition, which sought to identify innovative computer products and applications that help people with disabilities, attracted over 750 applicants nationally.

The Szmanda brothers became second-place winners in the Midwest regional competition and went on to become 1 of only 30 finalists in national competition.

The Health Care Keyboard, invented by Jeffrey and William Szmanda, is divided into three sections that can be independently separated, raised, lowered, rotated, and tilted into an infinite number of positions. This improves access and use by people disabled with cerebral palsy, multiple sclerosis, muscular dystrophy, spinal cord injuries, arthritis, and orthopedic conditions such as carpal tunnel syndrome.

The adjustability of the keyboard can help employers comply with the new requirements of the Americans with Disabilities Act of 1990.

The product provided by this small business will effectively ease the working conditions for millions of Americans across the country. Jeffrey and William Szmanda are to be praised for their visionary efforts to address the needs of the disabled and American business.●

JUDGE JOSEPH C. HOWARD

● Ms. MIKULSKI. Mr. President, I rise today to recognize an outstanding judge in my own hometown of Baltimore, MD: Judge Joseph C. Howard of the U.S. District Court for the District of Maryland. Judge Howard has been a major force in the Maryland judiciary for over 25 years. He is renowned for his sense of fairness and for his unwavering demand for equal treatment of all people in the judicial system.

Judge Howard may best be described as a person of firsts: the first black lawyer to win a 15-year term on the Supreme Bench of Baltimore City and the first black lawyer to gain admission to Phi Alpha Delta, the national legal fraternity. I called Judge Howard a person of firsts, but I did so with hesitation because the judge does not like labels. What I really want to do is share a little bit about what makes Judge Howard so unique. What makes him unique is his refusal to bow to authority and the status quo when he thinks that change is necessary. Judge Howard has never forgotten his responsibility to the black community and has continuously fought for their rights whenever he saw those rights impinged upon by the judicial system. Judge Howard is a fighter for the ideals he believes in and I like that.

Recognizing that the legal system is often inadequate to deal with the problems of the poor, Judge Howard has refused to let class considerations enter into his practice as a jurist. He has never forgotten about the ordinary person on the street and about the conditions on those streets which bring a person to his courtroom. He is respected for judicial decisions based upon the individual merits and circumstances of the case, not upon the popular public sentiment of the day. In addition, Judge Howard fought to have blacks better represented in the legal profession and in the courthouse personnel.

Some of the judge's biggest fans are young people: The young lawyers in his courtroom who learned under Judge Howard without belittlement and the young courthouse employees who always find an open door at Judge Howard's chambers. Since 1979, when President Carter nominated Judge Howard as the first black Federal judge in Maryland, Judge Howard has been admired as a good listener who patiently permits lawyers before him to argue all aspects of a case. Judge Howard has shared his knowledge and skills by serving the National Bar Association in a number of positions and by serving as a visiting law professor at several prominent universities. Finally, Judge Howard has been a vocal advocate for many underrepresented groups facing inequities in the court system.

Judge Howard is the author of several distinguished publications and enjoys numerous awards and recognitions from his alma mater, Drake University, and from organizations like the National Association of Negro Business and Professional Women's Clubs, Inc.

A man of integrity and a man unafraid to speak his opinion, Judge Howard is to be commended for his public service to the State of Maryland and indeed to this entire country. He is a model for young people today. Judge Howard has demonstrated strength in the face of adversity and controversy and is a fine civic leader and distinguished jurist. I am proud to honor this upstanding Maryland judge.●

THE INTELLIGENCE REORGANIZATION ACT OF 1992

● Mr. MURKOWSKI. Mr. President, over the recess Senator BOREN and I each gave a great deal of thought to what we wanted to accomplish during our final year as chairman and vice chairman of the Senate Select Committee on Intelligence. We resolved that the reorganization of the intelligence community was our top priority.

The world may be less dangerous, but it is more complicated than ever before. Policymakers need clear information and sharp analysis. The intelligence community must be leaner, more focused, and fully accountable for its estimates and analysis.

Toward that end, Senator BOREN and I worked together on a comprehensive legislative proposal, many elements of which are included in the reorganization bill introduced by Senator BOREN.

Some changes were made to the proposal that Senator BOREN and I worked on, and I am reviewing the implications of these provisions, including the proposal to create a Director of National Intelligence, or DNI. While there is likely to be a great deal of attention and commentary devoted to the notion of an intelligence czar, I want to focus more on the overall structure of the intelligence community with emphasis on ensuring accountability.

Before I sign aboard Senator BOREN's bill or offer other proposals, I will spend a little more time consulting with Representative BUD SHUSTER, the ranking member of the House Permanent Select Committee on Intelligence, as well as administration officials.

However, observers should not read too much into the fact that I am not cosponsoring this bill at this time. Chairman BOREN and I have, and always will operate our Senate committee on a bipartisan basis. As long as I am vice chairman, that will be the case as the Senate considers the important issue of reorganizing the intelligence community.•

IN HONOR OF BLACK NURSES' DAY

• Mr. BRADLEY. Mr. President, I rise in order to commemorate the Black Nurses' Day celebration. Throughout our Nation's history, we know of the invaluable contribution of black nurses, ranging from heroic duty during the Civil War to helping us develop thoughtful measures to address our most pressing needs in our health care system today. Unfortunately, the magnitude of their contribution has not received the attention, notice, reward, or gratitude from our society that they have so richly deserved. Although we cannot change the past, we can stand today to ensure that our black nurses' achievements and ongoing efforts to help care for Americans in need are fully recognized.

Today, the health of our country is in a state of crisis. Health care expenditures are rising exponentially, and efforts to control them have only resulted in costs being shifted and continuing price increases. We know that at least 34 million Americans have no health insurance, and the increasing costs threaten the coverage of millions more.

The numbers are staggering and create a complex set of barriers for us to achieve meaningful health care reform. But these statistics convey little of the real story, of the health care on our streets, in our cities, all across America. The Black Nurses Association's members can tell a more vivid story. For example, the infant mortality rate in the United States is higher than that in virtually every industrialized country. Yet, even that statistic is misleading because the rate is not the same for all Americans. The percentage of babies who die before they reach age one is tripled or quadrupled in many areas of our inner cities, even in our Nation's Capital and in our largest and most famous city, New York City.

Here in Washington DC, residents and visitors alike are struck by the beauty and grandeur of the powerful monuments and buildings that outline the physical structure of the world power. Yet in stark contrast to the pristine pictures of our monuments in a postcard, the city is often viewed as being under siege, with problems of violence, crime, homelessness, and drug use. Visits to hospitals reveal thousands of innocent babies who face a life of disadvantages and possible disabilities because their parents did not have access to prenatal care.

There is an alarming consistency as one studies our Nation's health statistics, that the health problems for our minority populations are significantly worse than that for others. We know that the major cause of these disparities relates not primarily to race, but to the level of education. But, the fact that all of these statistics about health, education, and income status are so highly correlated tells us how far we have to go.

Our society and our Congress are working diligently to find reasonable and responsible solutions to these difficult problems. One of the most valuable resources in our arsenal to confront them is our nurses, those front line care providers who daily handle everything from difficult medical procedures to reassuring and caring for patients in need.

As we move toward comprehensive health care reform, we must carefully listen to the experts who can help us devise throughtful and effective solutions. As we try to create better opportunities for all children to begin their life in good health and with an equal opportunity to reach their greatest potential, we must hear the voices of our most qualified professionals. The efforts of the members of the Black Nurses Association are inspiring and deserve our recognition. On this day celebrated in their honor, congratulations and thank you for your valuable and dedicated service.•

BLACK HISTORY MONTH

• Mr. RIEGLE. Mr. President, every February we celebrate Black History Month to review the rich history of African-Americans. Black History Month has become a vital part in expanding our understanding of the black experience, and is also key to understanding America's experience.

Our Nation has traveled a long way toward living up to the high ideals that we set for ourselves. As we reflect on the progress that we have made, we recognize that it has come because men and women of all walks of life have made heroic personal sacrifices and confronted enormous obstacles in order to build a better society.

Each person who fought for a more just America has made it possible for others to enjoy greater freedom. It is this context that the contributions of African-Americans deserves special recognition. Each generation of African-Americans has helped to pave a better way for the next generation of all Americans. I am proud that the State of Michigan has been home to many great African-Americans.

In the 1800's Sojourner Truth—a woman born into slavery in New York—made her way to Battle Creek to battle against slavery and fight for the rights of women and minorities. She helped thousands of slaves to freedom along the underground railroad that moved from the South through Ohio and Indiana and into Michigan. Communities such as Niles, Battle Creek, and Detroit were home to shelters along that path to freedom.

The Second Baptist Church in Detroit is well-known for its role as a shelter to slaves who fought for their freedom. Many visit the church today and gain awareness about the brutality of slavery and the tremendous courage of those who brought it down.

In the 1950's Rosa Parks, now a resident of Detroit, ignited the civil rights movement in Montgomery, AL, and began the crusade against discrimination and prejudice. And from this beginning, Americans joined to bring down the unjust system of segregation that had prevented millions of people from enjoying the full benefits of their citizenship. Mrs. Parks continues to fight the barriers of injustice through the Rosa and Raymond Parks Institute—an organization that prepares young people for leadership by teaching them of others who have moved our country forward.

I am proud that my hometown of Flint was home to the late Floyd McCree, the first African-American mayor of a major American city. His work on behalf of equal opportunity and his service to the community provided an outstanding example that has helped to pave the way to full participation in our democratic process for all citizens.

Today, African-Americans in Michigan continue to serve in the notable tradition of those who have strengthened our society. Damon Keith, of Detroit, is highly regarded as a judge on the U.S. Court of Appeals for the Sixth Circuit, one of our Nation's highest courts, and has done much to inspire confidence in our legal system. Last year, he joined a distinguished group of citizens on the U.S. Commission on the Bicentennial of the Constitution.

These are only a few of the many African-Americans who have added to the greatness of our history. There are many others who have advanced our Nation.

Thousands of people in Michigan will take time to honor and recognize the tremendous contributions of African-Americans this month. I believe that it is important that this is done. For many years, history did not adequately recognize the achievements of African-Americans. Black History Month has helped to change that, and it is absolutely critical that we recognize all of the men and women who have built our Nation, so that we may be inspired by their conviction to make this a better place for all Americans.•

HILDRETH, INC.—AMERICA'S OLDEST DEPARTMENT STORE

• Mr. D'AMATO. Mr. President, it is my pleasure to announce the upcoming 150th anniversary of Hildreth Department Store of Southampton, NY. Their proud history also entails the distinction of being America's oldest department store, family owned and operated. Founded by Lewis Hildreth in 1842, the 1,200-square-foot store serviced the needs of Southampton, a seaside farming community, with the basic household provisions and hardwares of the day. An original ledger book from that era shows transactions made in shillings and pence. When Lewis Hildreth died of small pox in 1870, the store was taken over by his widow, Amanda, and their two sons Edgar and Henry. They gave the store its corporate name, E.A.&H. Hildreth.

In the 1870's when the Long Island Railroad extended its service into the Southampton area, the communities growth was greatly expended. The shaded streets and sunny beaches were very attractive to New Yorkers who serched for an unspoiled area to spend their summers. Hildreth's kept pace by doubling its size in 1901, expanding its selection of furniture and housewares.

Over the past many decades Hildreth's has become the focal point of the Main Street shopping district. On any given day you will find many folks enjoying the ambience of Hildreth's as did the villagers of 150 years past. Hildreth's fine reputation, attentive service, and 25,000 square feet of innovative merchandising now services a broad customer base ranging from Manhattan to Montauk Point. The roots of our Nation were established through enterprises such as Hidreth's and our continued commitment to the community remains strong and tireless.

Congratulations to Hildreth's for the many years of innovation and astute merchandising that have allowed them to grow and prosper into the nineties. Best wishes for continued success well into the future.•

NONDISCRIMINATION RETIREMENT RULES

• Mr. PRYOR. Mr. President, one of the primary goals of our pension law is to ensure that rank and file employees receive retirement benefits that are comparable to the benefits provided to higher income employees.

In short, if an employer provides retirement plan benefits in a nondiscriminatory manner among high paid and low paid employees, then the employer may avail himself of the tax benefits afforded qualified retirement plans under the Internal Revenue Code.

Mr. President, these nondiscrimination rules are meant, not only to ensure fair treatment of rank and file workers, but also to help workers provide for themselves during their retirement years. For these reasons, we must also be mindful of their objectives.

In the Tax Reform Act of 1986, Congress revised many of the nondiscrimination rules. Over the course of the past several years, the Treasury Department issued lengthy and complex proposed regulations with respect to the modifications enacted by Congress, including the minimum coverage requirements, section 410(b); the definition of compensation, section 414(s); and the application of the minimum coverage requirements based on separate lines of business, section 414(r).

In addition, in May 1990, Treasury issued a massive proposed regulation under section 401(a)(4) relating to the nondiscrimination rules.

In September and December 1991, Treasury finalized all of these regulations, and as of January 1, 1992, all these regulations had become effective.

Mr. President, these regulations contain hundreds of pages of complex rules and formulas. In a September 1991 hearing before the Finance Subcommittee on Private Retirement Plans and Oversight of the IRS, which I chair, the topic was ways to simplify the pension laws. One witness was compelled to drop on the table in front of him the 600 pages of the 401(a)(4) regulations and throw up his hands.

In addition, the final regulations, particularly the section 401(a)(4) regulations, contained many rules never subject to public comment.

And now, the Treasury Department is asking employers to learn and adapt to the rules almost immediately or, in many cases, retroactively.

Mr. President, this is a pure case of good motive but bad execution on the part of the Treasury Department. In this case, the regulatory process gone awry is undermining the very viability of the private retirement system which it is attempting to protect.

On November 14, 1991, Senator BENTSEN and I wrote Treasury Secretary Brady to request these regulations be delayed.

Further, in a letter to Mr. Brady dated November 25, 1991, all 20 members of the Finance Committee requested the regulations be delayed.

Mr. President, to this day I have heard nothing from the Treasury Department about our request. Therefore, I join Senator BENTSEN in offering this legislation to force a 1-year period of delay and public comment.

Mr. President, I ask that a copy of my statement, the November 14, 1991, letter, and the November 25, 1991, letter be included in the RECORD.

The material follows:

COMMITTEE ON FINANCE,
Washington, DC, November 14, 1991.

Hon. NICHOLAS F. BRADY,
Secretary, Department of the Treasury,
Washington, DC.

DEAR SECRETARY BRADY: We are writing to urge you to delay the effective date of the retirement plan nondiscrimination rules recently issued by the Internal Revenue Service.

We strongly believe that the goal of the nondiscrimination rules is a very important one. Our laws should ensure that rank and file employees receive retirement benefits that are comparable to the benefits provided to higher-income employees.

However, we believe that the January 1, 1992 effective date of the pension nondiscrimination regulations is unrealistic. A January 1, 1992 effective date would mean that in the next few weeks pension experts would have to absorb hundreds of pages of new rules and, together with other company officials, make crucial decisions regarding the retirement benefits of millions of employees. Basic decisions about the nation's retirement benefits should not be made in this fashion.

What makes this time frame even more unrealistic is the fact that the regulations are incomplete. Many employers with millions of employees simply cannot apply the new nondiscrimination rules without the benefit of the separate line of business regulations, which have not been finalized. Moreover, a number of new restrictive rules were added in the final regulations without having been included in the proposed regulations. No public comment was received on these new rules. It is our view that these issues should be addressed in a careful and deliberate manner through the regulatory process, if at all possible.

For these reasons, we urge you to delay the effective date of the regulations and to announce your decision to do so promptly. This delay will give the regulatory process time to be completed and will give plan sponsors time to understand and apply the rules that are ultimately adopted.

We believe that the Treasury Department is to be commended for its serious effort to deal with the complex issues surrounding pension plan nondiscrimination rules. But, very simply, the retirement benefits of American workers are too important to be restructured in a few weeks based on incomplete regulations.

Sincerely,

DAVID PRYOR.
LLOYD BENTSEN.

COMMITTEE ON FINANCE,
Washington, DC, November 25, 1991.
Hon. NICHOLAS F. BRADY,
Secretary, Department of the Treasury, Washington, DC.

DEAR SECRETARY BRADY: We are writing to express our continuing and serious concerns over the failure of the Department of the Treasury to delay the effective date of the retirement plan nondiscrimination rules recently issued by the Internal Revenue Service.

As you know, these concerns have been expressed in the past by various members of the Finance Committee. We appreciate your attention to these issues and commend the Treasury Department for its recent attempt to deal with the problem through Notice 91-38.

We believe, however, that the January 1, 1992 effective date of the pension nondiscrimination regulations remains unrealistic, even after the changes proposed in Notice 91-38. Although the Notice is a step in the right direction, it is anything but simple. To the contrary, there appears to be considerable confusion even as to the scope of the Notice. In addition, the Notice does not deal with the many questions that have been raised with respect to the underlying regulations.

There is simply not enough time between now and the end of the year for plan sponsors to make the decisions about their retirement plans that are required by Notice 91-38 and the regulations. Basic decisions about the nation's retirement system should not be made in this fashion.

For these reasons, we urge you to delay the effective date of the regulations and to announce your decision to do so promptly. This delay will give the regulatory process time to be completed and will give plan sponsors time to understand and apply the rules that are ultimately adopted.

The Treasury Department is to be commended for its serious effort to deal with the complex issues surrounding pension plan nondiscrimination rules. But the retirement benefits of American workers are too important to be restructured in a few weeks based on incomplete and complex regulations.

Sincerely,

David Pryor, Lloyd Bentsen, Chuck Grassley, Bill Roth, David L. Boren, Bob Packwood, Dave Durenberger, Jack Danforth, Don Riegle, Bill Bradley, Max Baucus, Steve Symms, John Breaux, Tom Daschle, Orrin Hatch, Daniel Patrick Moynihan, Bob Dole, George Mitchell, Jay Rockefeller, John H. Chafee.•

WORK INCENTIVE CREDIT

• Mr. CRAIG. Mr. President, it is unfortunate that some issues Congress thinks it has laid to rest actually continue to plague our constituents for years and years.

I am addressing just such a case today.

Back in 1990, our colleagues Senator PRYOR and then-Congressman BROWN wrote letters to the Treasury Department, attempting to clarify congressional intent regarding the now-repealed work incentive credit. That correspondence is still significant in an ongoing controversy affecting one of my Idaho constituents.

I have contacted Senators BROWN and PRYOR and received assurances that the letters are accurate reproductions of the originals and they have no objections to their being published in the CONGRESSIONAL RECORD.

And I now ask that the letters of January 19, 1990, and January 29, 1990, be inserted in the CONGRESSIONAL RECORD.

The letters follow:

U.S. SENATE,
Washington, DC, January 19, 1990.
Hon. KENNETH W. GIDEON,
Assistant Secretary of the Treasury, Department of the Treasury, Washington, DC.

DEAR MR. ASSISTANT SECRETARY: I am writing to ask that the Treasury Department clarify the application of section 7644 of the Omnibus Budget Reconciliation Act of 1989 (See enclosed). Guidance is needed because there appears to be confusion among some Treasury and Internal Revenue Service (the "Service") personnel in determining Congressional intent.

Section 7644 settles a long-standing controversy over the now repealed Work Incentive Credit ("WIN Credit"). Prior to January 1, 1982, the law was ambiquous on whether or not an employer could obtain certification for purposes of claiming the WIN Credit subsequent to hiring an employee. Retroactive certification is not an issue for employees hired on or after January 1, 1982, because the Economic Recovery Tax Act ("ERTA") provided specifically that retroactive certification no longer would be permitted.

Chairman Rostenkowski and I introduced legislation in 1987 to resolve this controversy. We acted in response to the announcement by the Service of its position in General Counsel Memorandum 39604 ("GCM") that retroactive certification was not valid even for employees hired before 1982 and thus not covered by the ERTA amendment. I believe that the legislation was needed for two reasons: first, it was not necessary to uphold the Service's GCM position, which in and of itself did not have the force of law; and second, I introduced the bill to protect taxpayers which had certified employees on a retroactive basis before the March 12, 1987 GCM for employees hired before 1982. As I said in my statement of introduction, "in the case of WIN Credits claimed on or before March 11, 1987, the employer is not required to have obtained or requested certification on or before the date the individual commenced work for the employer."

By enacting this provision, Congress intended to avoid unnecessary litigation and possible further revenue loss. Shortly after introduction, the United States Tax Court ruled in Lucky Stores v. Commissioner that Congress, prior to ERTA, had not specified that WIN Credit certification must be contemporaneous with the commencement of employment. Thus, the Court's ruling, opened up the possibility of further retroactive certification despite the GCM cutoff date of March 12, 1987. Most importantly, I believe this case further buttresses the view that it would be unfair to apply the Service's GCM position for credits claimed prior to the GCM announcement.

Finally, I believe that legislation clarifying prospective treatment of the retroactive certification issue was needed as a matter of fairness: the Service waited six years after the ERTA amendment to take a position. Many employers saw the Service's inaction as further proof for the validity of their arguments. Congress affirmed this view by codifying our WIN Credit bill.

It has come to my attention that some Service personnel are unclear about legislation intent. As I have stated in this letter, I believe legislative intent to be quite clear. By establishing a March 12, 1987 effective date, Congress has settled the issue of retroactive certification. To continue the conflict will only result in wasting the Service's time and resources. I would appreciate if the Treasury Department would issue guidance to settle this dispute, which Congress intended to settle with passage of last year's reconciliation bill.

Sincerely,

DAVID PRYOR.

HOUSE OF REPRESENTATIVES,
Washington, DC, January 29, 1990.
Hon. KENNETH W. GIDEON,
Assistant Secretary (Tax Policy), Department of the Treasury, Washington, DC.

DEAR MR. ASSISTANT SECRETARY: The purpose of this letter is to provide the Treasury Department with a clarification of the legislative intent with respect to Section 7644 of the Revenue Reconciliation Act of 1989. It is our hope that Treasury will issue definitive guidance in this regard to assist both its district offices and taxpayers engaged in disputes which are affected by Section 7644.

Section 7644, a provision which deals with the now repealed Work Incentive Credit ("WIN Credit"), first came before the Ways and Means Committee during consideration of the Omnibus Budget Reconciliation Act of 1987 in the form of legislation sponsored by Chairman Rostenkowski. An identical bill was introduced in the Senate by Senator David Pryor. Although the Ways and Means Committee adopted the Chairman's provision, its enactment was delayed until 1989. It is our understanding that the delay was occasioned not by substantive tax policy considerations, but instead, by a decision of the leadership to set aside numerous legislative provisions in order to facilitate the prompt enactment of the 1987 budget act.

In 1989, we moved in the Ways and Means Committee for the adoption once again of the WIN Credit provision. In so doing, we reviewed carefully the legislative history of the Committee's adoption of the provision in 1987, including the Chairman's statement, and discussed the provision with the staff. We acted with a clear understanding of what the provision was designed to do.

In essence, Section 7644 was designed to settle the controversy over whether retroactive certification of WIN Credit eligible employees was permissible under the law for employees hired prior to 1982. This is not an issue with respect to employees hired after 1981, because the Economic Recovery Tax Act ("ERTA") contained a provision eliminating retroactive certification for such employees.

The legal issue is straightforward—to obtain the WIN Credit for any particular employee, the employer was required to request the appropriate state or local government agency to certify that the employee was within one of the groups of individuals for which the credit was available. Prior to

ERTA, it was at best unclear in the law whether the employer was required to request such certification on or before such time as employment commenced. Absent guidance in this respect, some employer filed claims for the WIN Credit where the request for certification was made after employment commenced.

On March 11, 1987, IRS published in General Counsel Memorandum 39604 (the "GCM") its position that retroactive certification for pre-1982 employees was not permitted. Because IRS took this position in 1987 with respect to pre-1982 tax credits, an issue of fairness arose—what should the policy be with respect to credits filed prior to the GCM being announced?

The WIN Credit provision was designed to act with a measure of fairness in the following manner: first, to create as binding statutory law, as opposed to IRS' interpretation of the law, the principle that retroactive certification was not permissible, but, second, to apply that principle only to those employers who filed their claims after the GCM was announced and who were therefore "on notice" of IRS's position. Chairman Rostenkowski's 1987 Congressional Record statement introducing the WIN Credit provision makes this intent clear:

> The bill I am introducing today upholds the principle that retroactive certification is an inefficient use of a tax credit, *yet in fairness to taxpayers who acted in reliance on the availability of the WIN credit, applied this principle only to those taxpayers who have received notice of its application.* [Emphasis Added]

The Ways and Means Committee's Report on the Revenue Bill of 1987 reflects the Chairman's intent, stating that "because many taxpayers assumed the availability of the credit for employees for whom the certification was not obtained on or before the day the employee commenced service, the committee believes this provision should be effective with respect only to credits first claimed after the GCM was published on March 11, 1987."

It has come to the attention of our staffs that some IRS personnel place a different interpretation on this provision, namely that it speaks only to credits filed after March 11, 1987 and is otherwise silent, leaving retroactive certification controversies involving credits filed before then open for resolution before IRS and the courts.

Given that the statutory language of the provision considered by the Committee in 1987 and the one enacted by Congress in 1989 are identical, there should be no doubt as to the legislative intent—taxpayers are on notice that retroactive WIN Credit claims filed after March 11, 1987 are not valid. On the other hand, employers who filed claims before March 12, 1987 are not to be charged with knowledge of IRS's position and their claims should not be challenged on the issue of retroactivity.

When the Ways and Means Committee adopted the WIN Credit provision in 1989, a new development, not in existence when the Committee acted in 1987, was taken into account. In May of 1989, the United States Tax Court in *Lucky Stores v Commissioner*, ruled that retroactive certification was valid for employees hired prior to 1982. As a result, we viewed the provision as a revenue raiser, in effect limiting the potential impact of the Court's decision by allowing retroactive certification only for claims filed before March 12, 1987.

It would be most helpful if Treasury promptly would announce its adherence to this interpretation of the WIN Credit provision.

Sincerely,

BYRON L. DORGAN,
HANK BROWN,
Members of Congress.●

SOUTH DAKOTA HONORS CRAZY HORSE AND KORCZAK ZIOLKOWSKI

● Mr. DASCHLE. Mr. President, the Indian chief, Crazy Horse, played a prominent role in American history. Born in the Black Hills of what is now my home State of South Dakota, Crazy Horse was an inspirational leader of the Sioux people. Today, he still stands not only as a powerful role model for native Americans but also as a symbol for all people of the eternal quest for freedom and personal dignity.

Korczak Ziolkowski is another extraordinary figure who nearly 40 years ago dreamed of honoring Crazy Horse by carving a monument to this historic Indian chief from a granite mountain in his sacred Black Hills of South Dakota. In 1949, with the quiet determination of a visionary and a vow never to accept Federal funds for his project, Korczak single-handedly began work on the 600-foot mountain. By 1982, when he died at the age of 74, he had removed over seven millions tons of rock, and the rough form of Crazy Horse on horseback had emerged from the mountain. Today, Korczak's project continues under the supervision of his remarkable wife, Ruth Ziolkowski, who is working with several of her children and members of the Crazy Horse Memorial Foundation to fulfill her husband's dream.

The year 1992 marks the 150th anniversary of Crazy Horse's birth and the 10th anniversary of Korczak Ziolkowski's death. Last month, the South Dakota Legislature passed a commemorative resolution honoring these remarkable men of vision. Their spirit, vision, and achievement hold important lessons for us all, and I ask that a copy of this resolution be printed in the RECORD.

The resolution follows:

SENATE COMMEMORATION NO. 1

Whereas, Crazy Horse, who was born in the Black Hills in 1842, was a remarkable individual whose abilities earned him great respect from his people. After Crazy Horse saw the government fail to honor its treaties, he courageously defended his people and their way of life, and he became a heroic figure to his people and a powerful example for all people of the eternal quest for freedom and peace; and

Whereas, sculptor Korczak Ziolkowski, an American of Polish descent, accepted the invitation of Lakota chiefs to come to the Black Hills to carve a mountain memorial to Crazy Horse. Korczak, who declined governmental funding, depicted Crazy Horse as a proud, symbolic figure representing all tribes of North America. Since Korczak's death on October 20, 1982, his wife, Ruth, and their children have perpetuated his dream with vision and dignity; and

Whereas, the towering figure of Crazy Horse from the granite mountain carving will proclaim for the ages: "My lands are where my dead lie buried":

Now, therefore, be it commemorated, by the Sixty-seventh Legislature of the state of South Dakota that Crazy Horse be honored in 1992, the year of the one hundred fiftieth anniversary of his birth, and that Korczak Ziolkowski be honored during 1992, the tenth anniversary of his death.●

INTERSTATE BANKING AND BRANCHING ACT OF 1992

● Mr. D'AMATO. Mr. President, as a senior Banking Committee member, I have supported legislation to accomplish comprehensive reform of the financial services industry for the past decade. Despite efforts last year to pass such legislation, the bill that passed in the final hours of the first session of the 102d Congress fell far short of its mark.

Indeed, the Federal Deposit Insurance Corporation Improvement Act of 1991 does not reflect today's economic realities nor does it provide sufficient reform of the financial industry to be considered comprehensive reform.

Last year, the Banking Committee held numerous hearings to consider various proposals for achieving comprehensive bank reform. One of these measures, interstate banking and branching, would provide cost savings to banks by allowing the conversion of a bank's subsidiaries into branches. It has been estimated that this consolidation could save the banking industry upwards of $10 billion. Interstate banking and branching would also allow banks to reduce risks through geographic diversification.

Although 33 States have passed laws that allow holding companies from all other States to acquire banks in their State and 14 States allow regional reciprocal banking, interstate banking and branching was not included in the Federal Deposit Insurance Corporation Improvement Act of 1991.

Today, Senator DODD has introduced the Interstate Banking and Branching Act of 1992. I am pleased to be among the original cosponsors of this legislation, along with Senators GARN, SANFORD, and KERRY.

The Interstate Banking and Branching Act of 1992 marks an important step toward accomplishing meaningful bank reform. While I expect there may be modifications to this bill, I hope that Congress will pass this legislation soon. I urge my colleagues to support it.

THE OLDER AMERICANS ACT

● Mr. ADAMS. Mr. President, on November 12 in the last session, we passed unanimously my legislation to reauthorize the Older Americans Act [OAA]. The House also passed its version of the reauthorization legislation unanimously. The Senate named its conferees, including members of the Finance Committee to address the Senate's provision concerning the Social Security earnings test.

As the session ended, the House had not yet named its conferees. We are waiting for the House to name conferees so we can send the legislation to the President quickly for his signature.

We all know that the delay is over the Social Security earnings test, not anything in the OAA. It is simply unfair to our Nation's elderly and those who serve them with dedication and compassion to not reauthorize the act because of another unrelated matter.

The earnings test must be dealt with. I feel strongly about that. Its current limit is unfair. Let's fix that. But let's not delay sending a positive message of help to millions of seniors while trying to figure out what to do about a very important but unrelated problem.

Mr. President, the OAA provides critical services for great numbers of older citizens. Every single Member of Congress has low-income senior constituents who eat nutritionally sound meals at OAA funded congregate meal sites. For those who are too frail or are recuperating from an illness, the act provides home-delivered meals.

A substantial portion of OAA funds is used to provide transportation for essential services—to visit the doctor, to attend a meal site, to go to Social Security about a lost check.

Fortunately, in the absence of a national long-term care system, the OAA provides limited but critical support for home care services for the frail elderly.

The largest employment program for low-income Americans over the age of 55 is in the OAA. These part-time minimum wage workers are a source of invaluable help in community services throughout America.

Our reauthorization legislation builds upon and improves these and other programs, and it adds important new provisions to help vulnerable and disadvantaged seniors. Our new elder rights title strengthens ombudsman services for those in nursing homes and will assist seniors victimized by unscrupulous insurance companies.

It includes a new program to provide assistance to family caregivers to enable them to continue the loving care they provide to loved ones suffering from Alzheimer's or other chronic illnesses.

The reauthorization legislation emphasizes health promotion and disease prevention activities that can be carried out in senior centers, meal sites, and other settings. These services are not only essential to leading a healthier and happier life but to reducing health care costs.

And, the OAA legislation does many other things that will help low-income and other seniors in need. But we can't do anything new or improved until the act is reauthorized. We need to finish this job now.

Mr. President, I trust that our colleagues will join me in the commitment to both deal with the earnings test appropriately and not unnecessarily delay badly needed improvements in the Older Americans Act.•

DECEIT WITH REGARD TO THE EARNINGS TEST

• Mr. McCAIN. Mr. President, as I stated on the floor earlier this week, our Nation's seniors—particularly our Nation's poor seniors—are being severely penalized for Congress' lack of final action on the Older Americans Act, and specifically on the Social Security earnings limit provision which the Senate adopted unanimously.

Accordingly, I was shocked recently when I received a letter on Leadership Council of Aging Organizations' stationary that urged the Congress to strip the Social Security earnings limit from the Older Americans Act, thereby killing any hope of addressing this pressing issue this year. This position is in direct contradiction to the position held by the majority of our Nation's seniors, and all of the Nation's major seniors organizations.

Mr. President, just who does this group represent?

My dismay only deepened after I called the two major seniors organizations, the National Association of Retired Federal Employees and the American Association of Retired Persons—both listed on the letter. Some members of the Leadership Council of Aging Organizations, led by the National Council of Senior Citizens, were so dead set on killing this measure, that apparently NARFE and AARP were included on this letter without their consent.

Had the National Council of Senior Citizens asked these organizations for their permission to add their names, what they would have discovered is that these organizations not only oppose the position the leadership council takes, but believe it is absolutely imperative that the earnings test be dealt with and not dropped as the letter suggests.

It is worth asking if the membership of the National Council of Senior Citizens is aware of the deceitful practices of their leadership?

I wonder how many other organizations are listed on this letter, but which disagree with its contents?

Rather than speak for NARFE and AARP, I ask that their letters in response to the leadership council as well as the letter of the leadership council appear in the RECORD.

As I have said before, it is time we get on with this conference, and get the differences between the Senate and House provisions on the earnings limit and Older Americans Act reauthorization measure resolved. It is time the bill be sent to the President for his signature. Such action would be a true service to our Nation's seniors, particularly those who are most in need.

It is incredible to me that organizations, like the National Council of Senior Citizens would practice such deceit. You know, it's incidents like this that make one wonder just who the National Council of Senior Citizens exists to serve anyway. I am sure their constituency would find it interesting that they are actively working against the interests of this Nation's seniors—particularly those measures that would greatly assist the most needy elderly of our country.

The letters follow:

LEADERSHIP COUNCIL OF
AGING ORGANIZATIONS,
Washington, DC, January 23, 1992.

Hon. JOHN McCAIN,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR McCAIN: In November, in the concluding moments of an extended reauthorization process, the Older Americans Act (OAA) was amended on the Senate floor with a provision which would abolish the Social Security retirement test for persons aged 65 through 69. Under that amendment, such persons could work full-time, earn unlimited incomes and continue to receive full Social Security retirement cash benefits.

Precisely because of this amendment, which was not subjected to any prior OAA hearings or discussions, the Senate and House were unable to come to a conference agreement. Two months later the Act remains hostage to this provision, which itself has become a factor in the larger Congressional debate on anti-recession tax and growth measures. There is no indication of any early resolution of that debate.

The undersigned members of the Leadership Council of Aging Organizations unanimously urge a prompt agreement among the leadership to decouple the Social Security issue from the Older Americans Act.

Failure to do so quickly would continue to callously delay implementation of many new OAA initiatives in such areas as elder legal rights, health promotion and long-term care services. Further delay to decouple the issues threaten to more deeply involve the OAA in important but volatile and extraneous partisan and parliamentary struggles.

The Social Security retirement test should face the judgment of the Congress on its own merits. By releasing the Older Americans Act for immediate reauthorization, the Congress can demonstrate its long and positive record of responsive concern for the well-being of the nation's older citizens, their families and their communities.

Sincerely,

LAWRENCE T. SMEDLEY,
Chairman.

JANUARY 23, 1992.

The following LCAO Members endorse the attached letter regarding the Older Americans Act:

American Association of Homes for the Aging.

American Association of Retired Persons.

AFSCME Retiree Program.

American Society on Aging.

Asociacion Nacional Pro Personas Mayores.

Association for Gerontology in Higher Education.

Association for Gerontology and Human Development in Historically Black Colleges and Universities.

Catholic Golden Age.
Eldercare America, Inc.
Families USA.
Gray Panthers.
Green Thumb, Inc.
National Association of Area Agencies on Aging.
National Association of Foster Grandparents Program Directors.
National Association of Meal Programs.
National Association of Nutrition and Aging Services Programs.
National Association of Older American Volunteer Program Directors.
National Association of RSVP Directors, Inc.
National Association of Retired Federal Employees.
National Association of Senior Companion Project Directors.
National Association of State Units on Aging.
National Caucus and Center on Black Aged, Inc.
National Council on the Aging, Inc.
National Council of Senior Citizens.
National Hispanic Council on Aging.
National Pacific/Asian Resource Center on Aging.
Older Women's League.
United Auto Workers Retired Members Department.

NATIONAL ASSOCIATION OF
RETIRED FEDERAL EMPLOYEES,
Washington, DC, February 4, 1992.

Hon. JOHN MCCAIN,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR MCCAIN: Let me assure you that the National Association of Retired Federal Employees continues to support easing of the Social Security earnings limit. Even though NARFE was listed as a signing organization to a January 23 letter from the Leadership Council of Aging Organizations (LCAO), we had not reviewed and agreed to endorse that call for dropping the earnings limit amendment from reauthorization of the Older Americans Act.

We certainly align ourselves with the LCAO in urging early conference action on the Older Americans Act reauthorization, but NARFE would also hope that this same conference could agree on a formula for liberalizing the Social Security earnings test.

Again, please accept our thanks for your efforts on behalf of all Older Americans.

Sincerely,

HAL PRICE,
President.

AARP,
Washington, DC, February 3, 1992.

Hon. JOHN MCCAIN,
U.S. Senate, Russell Office Building, Washington, DC.

DEAR SENATOR MCCAIN: On January 23, the Leadership Council of Aging Organizations (LCAO) sent a letter to members of Congress urging them to drop the Social Security earnings limit (retirement test) amendment from the reauthorization of the Older Americans Act. Through an error, the letter listed AARP as one of the organizations endorsing this position.

Not only does AARP not endorse this position, we sincerely hope that the conferees on the Older Americans Act will reach an agreement to liberalize the Social Security earnings limit. Both passage of the Older Americans Act and raising the earnings limit are extremely important to older Americans. We do not believe that these issues are in conflict.

If you have any questions about AARP's views on either the Social Security earnings limit or reauthorization of the Older Americans Act, please contact Evelyn Morton at (202) 434-3760.

Sincerely,

HORACE B. DEETS.•

• Mr. COATS. Mr. President, last week's comment by Japan's Prime Minister about the productivity of American workers has drawn much deserved fire. Premier Kiichi Miyazawa's words reflected an arrogant and, frankly, ignorant understanding of the men and women who have made our country the greatest economic force in world history.

Moreover, the Prime Minister's comments are simply wrong. In 1990, Japan's national productivity was only 76.9 percent of the United States—not a very strong basis for a Japanese lecture about the caliber of American workers.

No one needs to teach the people of Indiana anything about the work ethic. Whether in the auto plants of Kokomo and Marion or the steel mills of Gary and Lake County. Hoosier labor has for decades made ownership of a high-quality, affordable car a reality for virtually all Americans. In most of the rest of the world, car ownership is only a dream.

Indiana employs the Nation's second-largest auto industry labor force, Hoosiers whose contributions have helped lead to an 8.3 percent increase in American auto sales last month as compared to a year ago.

Hoosier industries have built America, and Hoosier farms have fed it—and the story of Hoosier workers continues, stronger and more vibrant with the passage of time.

Still, our economy is in need of help. That's why I have spoken out strongly for tax relief for families and working Hoosiers as well as restraint in Government spending.

Hoosiers can take pride in their productivity, their tradition of economic achievement, and their historic commitment to excellence in the work place.•

MEASURE INDEFINITELY POSTPONED—S. 1194

Mr. MITCHELL. Mr. President, I ask unanimous consent that Calendar No. 114, S. 1194, the Urban Mass Transportation Amendments Act, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 487. G.O. Griffith, Jr., to be Assistant Secretary for Intergovernmental and Interagency Affairs, Department of Education.

The following nominations reported today by the Committee on the Judiciary:

David W. McKeague, to be U.S. district judge;

Nancy G. Edmunds, to be U.S. district judge;

Philip G. Reinhard, to be U.S. district judge;

Sandra S. Beckwith, to be U.S. district judge;

Steven D. Merryday, to be U.S. district judge;

Frederick J. Scullin, Jr., to be U.S. district judge;

Ronald M. Whyte, to be U.S. district judge;

Julie E. Carnes, to be U.S. district judge;

K. Michael Moore, to be U.S. district judge; and

Jon P. McCalla, to be U.S. district judge.

I further ask unanimous consent that the Senate proceed to immediate consideration, and that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the nominations were considered and confirmed as follows:

DEPARTMENT OF EDUCATION

G.O. Griffith, Jr., of Mississippi, to be Assistant Secretary for Intergovernmental and Interagency Affairs, Department of Education, vice Michelle Easton.

THE JUDICIARY

David W. McKeague, of Michigan, to be U.S. district judge for the Western District of Michigan.

Nancy G. Edmunds, of Michigan, to be U.S. district judge for the Eastern District of Michigan.

Philip G. Reinhard, of Illinois, to be U.S. district judge for the Northern District of Illinois.

Sandra S. Beckwith, of Ohio, to be U.S. district judge for the Southern District of Ohio.

Steven D. Merryday, of Florida, to be U.S. district judge for the Middle District of Florida.

Frederick J. Scullin, Jr., of New York, to be U.S. district judge for the Northern District of New York.

Ronald M. Whyte, of California, to be U.S. district judge for the Northern District of California.

Julie E. Carnes, of Georgia, to be U.S. district judge for the Northern District of Georgia.

K. Michael Moore, of Florida, to be U.S. district judge for the Southern District of Florida.

Jon P. McCalla, of Tennessee, to be U.S. district judge for the Western District of Tennessee.

STATEMENT ON NOMINATIONS OF STEVE MERRYDAY AND MIKE MOORE

Mr. MACK. Mr. President, it is with great pleasure that I introduce to you

Steven D. Merryday and K. Michael Moore, nominees for the U.S. District Court in Florida.

I am pleased to report that this morning, Steven and Mike were approved by the Senate Judiciary Committee and their nominations await confirmation by the full Senate. I would like to take a few moments to express my unqualified support for both of these fine gentlemen.

Steve Merryday was born in Palatka, FL, and graduated Phi Beta Kappa from the University of Florida in 1972 with a Bachelor of Arts degree. He also attended law school at the university, and earned his J.D. in 1975. During his years at the university, Steve earned many outstanding distinctions. To name but a few, Steve served as student body president; was a member of the Law Review; Florida Blue Key Leadership Honorary; the University of Florida Hall of Fame; and was selected as the University of Florida nominee for a Rhodes Scholarship.

Upon completion of law school in 1975, Steve practiced with Holland & Knight law firm, where he specialized in civil litigation in both State and Federal court. In 1983, he started his own successful law firm, Glenn, Rasmussen, Fogarty, Merryday & Russo.

In the course of his professional career, Steve has been very involved in the Florida Bar and related professional activities. From 1986 to 1988, Steve served as chairman and vice chairman of the Thirteenth Judicial Circuit Grievance Committee. He has also served on the Appellate Court Rules Committee of the Florida Bar and as chairman of the Hillsborough County Bar Association's Education, Liaison, and Rules Committee. He currently serves as a member of the Florida Bar Board of Bar Examiners.

Based on his superb academic qualifications and his commitment to the profession, it is evident that Steve Merryday is extremely well-qualified to fill this judgeship in the Middle District of Florida.

Mike Moore was born in Coral Gables, FL, and graduated from Florida State University in 1972 with a Bachelor of Arts degree. Mike earned his law degree from Fordham Law School in 1976.

Mike's commitment to Federal service began immediately upon his graduation from law school. From 1976 through 1981, Mike served as an Assistant U.S. Attorney for the Southern District of Florida. During 1979 and 1980, he also attended the gift and estate tax program at the University of Miami School of Law.

In 1981, Mike transferred to the U.S. Attorney's Office in the Northern District of Florida and was promoted to Supervisory Assistant U.S. Attorney. From 1982 until 1987, Mike served in various supervisory capacities in the U.S. Attorney's office.

In 1987, in recognition of his outstanding legal work, Mike was appointed U.S Attorney for the Northern District of Florida. Mike continued to serve as U.S. Attorney until President Bush appointed him to his current position as Director of the United States Marshals Service.

I believe that Mike's 15 years of Federal service, his professional experience and his unwavering commitment to the Federal judiciary—evidence that he is extremely well-qualified to fill this vacancy in the Southern District of Florida.

I urge the Senate to confirm both of these outstanding nominees.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

AUTHORITY FOR PRINTING COPIES OF THE CONSTITUTION OF THE UNITED STATES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 206, a concurrent resolution authorizing the printing of additional copies of the Constitution of the United States, just received from the House; that the concurrent resolution be agreed to and the motion to reconsider adoption of the resolution be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the concurrent resolution (H. Con. Res. 206) was agreed to.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 94-201, appoints Juris K. Ubans, of Maine, to the Board of Trustees of the American Folklife Center.

The Chair, on behalf of the President pro tempore, pursuant to Public Law 101-445, appoints Lynn Parker, of Virginia, to the National Nutrition Monitoring Advisory Council.

ORDERS FOR TOMORROW

Mr. MITCHELL. I ask unanimous consent that when the Senate recesses today it stand in recess until 9 a.m. on Friday, February 7; that when the Senate convenes on Friday, the Journal of Proceedings be deemed approved to date; the time for the two leaders be reserved for their use later in the day; and there be a period for the transaction of routine morning business until 10:30 a.m. with Senators permitted to speak therein and with the time from 9 to 9:45 under the control of Senator NUNN and the time from 9:45 until 10:30 under the control of Senator DASCHLE or his designee; that the Senate resume consideration of the pending business between 10:30 and 12:30 p.m. on Friday; and that at 12:30 p.m., the Senate again resume morning business with Senator BYRD to be recognized to speak at that time, for 1½ hours.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening or tomorrow.

The Senate will be in session at 9 o'clock. There will be morning business until 10:30. We will return to consideration of this bill at 10:30 for 2 hours to complete the business to which the distinguished Senator from Louisiana earlier referred.

At 12:30, the Senate will return to morning business for the purpose of permitting Senators to address the Senate, and will continue throughout the day for as long as is necessary to permit those Senators who wish to speak to do so.

RECESS UNTIL 9 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess as under the previous order.

There being no objection, the Senate, at 10:23 p.m., recessed until Friday, February 7, 1992, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate, February 6, 1992:

DEPARTMENT OF EDUCATION

G.O. GRIFFITH, JR., OF MISSISSIPPI, TO BE ASSISTANT SECRETARY FOR INTERGOVERNMENTAL AND INTERAGENCY AFFAIRS, DEPARTMENT OF EDUCATION.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

SANDRA S. BECKWITH, OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF OHIO.

RONALD M. WHYTE, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA.

PHILIP G. REINHARD, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS.

JON P. MCCALLA, OF TENNESSEE, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TENNESSEE.

JULIE E. CARNES, OF GEORGIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF GEORGIA.

NANCY G. EDMUNDS, OF MICHIGAN, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF MICHIGAN.

DAVID W. MCKEAGUE, OF MICHIGAN, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF MICHIGAN.

FREDERICK J. SCULLIN, JR., OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF NEW YORK.

STEVEN D. MERRYDAY, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE MIDDLE DISTRICT OF FLORIDA.

K. MICHAEL MOORE, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA.

HOUSE OF REPRESENTATIVES—*Friday, February 7, 1992*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. LAUGHLIN].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 7, 1992.

I hereby designate the Honorable GREG LAUGHLIN to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker, House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

In our headlong rush to seize the moment and to make our mark, we reflect this day, O God, not on our tasks, but on the contributions of those people who have gone before us and have shown the way. For those who have graced these Halls and shown the way of peace and justice, we offer our thanks; for those who have spoken to us the words of wisdom and guided toward the light of truth, we offer our praise; and for all those who have had great responsibility and difficult decisions, we express our appreciation. May we, each one, reflect on the gifts of those before us, and inspired by their commitment, may we go about our labors with a sense of humility and renewed dedication. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair examined the Journal of the last day's proceedings and announced to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] is recognized to lead the House in the Pledge of Allegiance.

Mr. GOSS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

SYMPATHY AND PRAYERS FOR ALL KILLED IN AIRPLANE CRASH IN EVANSVILLE, IN

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, a terrible tragedy occurred back home in Kentucky and across the river in Indiana yesterday when a C-130B Hercules military transport on a training flight from the 123d Tactical Airlift Wing, which is stationed at Standiford Field in my district, crashed into a motel-hotel restaurant complex which is in the district of the gentleman from Indiana [Mr. MCCLOSKEY]. It killed all five members of the crew, all of whom were from the Louisville area. It killed, unfortunately, 11 people on the ground and injured many more.

It is a terrible tragedy. Words that we and the Kentucky delegation, which is on the floor today, who will speak, will do very little to assuage the human toil and tragedy, but we do want to join and extend on our behalf and on behalf of the gentleman from Indiana [Mr. MCCLOSKEY] and the Indiana delegation our condolences to the families and loved ones of the deceased.

The five members of the crew, all of whom were killed and were from the Louisville area, were: Maj. Richard A. Strang, 39, of Floyds Knobs, IN; Capt. Warren Klingaman, 26, of Louisville; Lt. Vincent D. Yancar, 25, of Louisville; M. Sgt. William Hawkins, 41, of Crestwood, KY; and M. Sgt. John H. Medley, 38, of Louisville.

Once again we extend, Mr. Speaker, our condolences to all the families and loved ones of these brave people.

SYMPATHY AND CONDOLENCES TO VICTIMS OF TRAGEDY IN EVANSVILLE, IN

(Mr. BUNNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, I would like to join my colleague from the Third District and also from the First District in expressing my deep condolences to those members of the Air National Guard and all others who have had a tragedy occur in Evansville, IN, on the crash of the Kentucky Air National Guard plane today.

No one can explain those things away. No one can explain why things like that happen. That was a routine training flight that had gone on many, many times before.

It is just that everybody in Kentucky and Indiana and around this country want to express our deep sympathy for those people who died in the service of their country.

TRIBUTE TO CLEO N. APPERSON

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HUBBARD. Mr. Speaker, I join with my colleagues from Kentucky in expressing my heartfelt sympathy to the families of the victims of yesterday's tragic military plane crash near Dress Regional Airport in Evansville, IN.

This tragedy occurred just across the Ohio River from my congressional district.

The plane was a Kentucky Air National Guard transport plane on a training mission. For 6 years, I was a member of the Kentucky Air National Guard and thus this tragedy has a special meaning to me.

I also take this opportunity to pay tribute to a longtime friend, Cleo N. Apperson of Mayfield, KY, who died at age 87 yesterday at this home.

Cleo Apperson was city clerk for my hometown of Mayfield, KY, for 26 years. He had such a good personality and was so friendly people in my hometown didn't even complain as they paid their city taxes.

Cleo Apperson was an elder of Mayfield's First Christian Church and a member of the local Masonic Lodge. Truly those of us who had the pleasure and privilege of knowing Cleo Apperson realize that this was a wonderful man. He will be greatly missed.

Among the survivors of this dear friend of mine are his lovely and talented wife, Mary Kate Kennedy Apperson, who for 22 years was our Graves County deputy circuit court clerk at Mayfield; three childen—Dr. William Apperson, pastor of the First Christian Church of Meridian, MS; Barbara St. Aubin, a civic and church leader in Bethesda, MD; and Walter Lee Apperson, for many years the editor of the Mayfield Messenger and now the publisher of the Murray, KY, Ledger and Times; a sister, Evelyn Ellington of Temple, TX; nine grandchildren and six great-grandchildren.

My wife Carol and I extend to the Apperson family our sympathy.

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

DEMOCRATS SHOULD JOIN IN PASSING THE REPUBLICAN GROWTH PACKAGE

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, since we only have 42 days left until March 20, it is a real treat to hear the leaders over there on the Democratic side of the aisle starting to talk like they were Republicans at heart.

All of a sudden they all want to cut the terrible burden of taxes that lies so heavy on the shoulders of middle-class America.

It would be wonderful if it were true, Mr. Speaker. But the election year conversion among the big spending liberals is mighty suspicious. In 42 days we will find out.

If I recall correctly, many of these folks who are now telling us how dearly they love the middle-class taxpayer and how they would love to cut taxes are the very same people who voted for the largest tax increase in our Nation's history just a year ago.

It is unfortunate that it took a terrible recession to convince the Democrats in this body that Americans are taxed too much.

And I just hope they have learned enough to join us—in 42 days—by passing the Republican growth package of tax incentives to encourage long lasting, long-term growth.

BRING AMERICAN TAX DOLLARS BACK HOME

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, last year during the defense authorization bill, I offered an amendment which is now law in this country. It established an account in the Department of Defense into which money would be received resulting from negotiations between our President and this administration and other countries for whom we now spend defense dollars.

For example, we spend American tax dollars to defend Japan. We spend American tax dollars to defend Germany, to defend France. We borrow money from them, increase our deficit, and spend money for the defense of other countries.

It is time to tell those countries the free ride is over. Uncle Sam cannot afford it anymore. You have to start paying for your own defense or at least reimbursing us for what we spend.

The President signed that defense authorization bill with my amendment in it and said:

> I intend to treat this as a recommendation, rather than a requirement.

We have written the President this week saying that is unacceptable.

The President has a responsibility to stop having the American taxpayer pay for everybody else's defense. The President and Secretary Baker did a good job in dealing with burden sharing in the gulf war. The President had Secretary Baker shuttling around the Middle East. He collected enormous amounts of commitments and some money coming in to help defray the cost of that war.

We expect this administration to have the will and the interest to do exactly the same thing on a year-to-year basis with Japan, with Germany, with France, and others, to begin relieving the American taxpayer of the tens of billions of dollars that we now spend to defend other countries who can well afford to defend themselves or who can well afford to reimburse us for the money we are spending for that purpose. We do not intend to let the President ignore the law that we passed last year. We have sent him a letter with the majority leadership on the letter saying:

> Mr. President, we expect you to pay attention to this law and to comply with it.

□ 1110

BLUEPRINT FOR ECONOMIC DISASTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, I wanted to spend a few minutes addressing my colleagues and the folks listening on the subject of the President's 1992 budget.

This is the 1992 budget the President sent to the U.S. Congress. It is about 10 pounds, about 1,500 pages. It is full of a lot of words, charts, graphs, statistics, data, and I wanted to talk a little about how this relates to this country's future.

Mr. Speaker, this country is going through some awfully tough times. People are wringing their hands wondering about the future, wondering when this recession will end, wondering what caused it, and what could be done to fix it.

As we have seen just this morning, we have a political environment in which there is not only a Presidential campaign going on, but a Congress conducting business as usual.

We have got folks saying, "Oh, it's the liberals' fault," "It's the Democrats' fault," "It's the Republicans' fault." The fact is this country is suffering some very serious economic distress, and the question before us is: What do we do to confront it? What do we do to deal with it?

Now let me start at the outset to say that I think it is everybody's fault. I know that is easy to say, but I really believe we have had terrible leadership, terrible leadership from the White House, for a good long while, and we have had a Congress unable to find its own way. Congress usually responds to good leadership. When we have had no leadership or terrible leadership, this place will be circling around.

Mr. Speaker, the President proposes very large deficits, and he proposes the field of play in his budget, and then Congress is content to quibble about yardlines while the fact is: Everybody is at fault with where we find ourselves, and everybody's responsibility, it seems to me, from the White House to both sides of the aisle here in Congress, is to find a way to join hands and do what is necessary to solve the problems we face.

Now I wanted to talk a little about the President's budget, and then I want to talk about the positive things we have to do to try and set this place right. First, the President's budget:

I want to demonstrate why we are not getting any leadership. Page 25 of the President's budget is the page that describes, after some verbiage and his budget, outlays, revenues and deficits. The President stood at the microphone behind me a couple of weeks ago, and, as has always been the case with Presidents, they come down here, and they say, "You know, the villain is the Federal deficit. We've got to deal with this Federal deficit. It is crippling this country," they say, "and, Congress, get responsible. Start doing something about the Federal deficit."

Well, it is one thing to say it from the microphone behind me in a Presidential address. It is quite another thing to send a plan down to Congress, and let me read the President's plan for deficits. The President says in his 1992 budget book, "Congress, I want you to enact deficits in this budget. If you enact everything that I recommend," now speaking as Mr. Bush, "if you, Congress, enact everything I recommend, here's what I want from you: I want you to enact budget deficits equaling $2.21 trillion in added debt for this country this year and in the 5 succeeding years."

Mr. Speaker, people say, "How can that be? Mr. Bush is a conservative. He surely wouldn't propose that."

Page 25 is available to all Americans, and let me just give my colleagues the first year. It is the year we are in. The President says, "This year our budget deficit," with all of his proposals, "will be $399 billion." But in order to get to only a $399 billion deficit, which itself is a disaster—the largest deficit in the history of America, probably in the history of the world—he had to add in the Social Security surplus that we are accruing this year, which will be $74 billion this year. In other words, $74 billion more will be collected in the Social Security account this year than we need to spend out in Social Security. Why? Because when the folks who are the baby boomers retire at the end of this century and at the start of the next century, around 2010, 2015, we know we are going to have trouble in Social Security because then we will have the fewest number of workers supporting the largest number of retired people, and that will create maximum financial strain.

So, in 1983 we did one of the few responsible things in a long while. We said, "We're going to save for the future. We're going to start building up some money so we have it when we have that strain on the Social Security system." This year there will be a $74-billion buildup, receipts over expenditures.

Now the President says, "I'm going to take that $74 billion, and I'm going to subtract it from the budget deficit to show you a lower deficit." That means they misuse the Social Security money. That money comes from paychecks of American workers and from businesses, goes into a trust fund and can only be used for Social Security, except on this page, in the President's budget, it is used to reduce the Federal deficit.

THE REAL DEFICIT

Mr. Speaker, the President says the Federal deficit is $399 billion this year. But the $74 billion in Social Security surplus cannot honestly be used to reduce the deficit. So, put that aside, as it must be, and the real budget deficit, the honest deficit this year, the real operating budget deficit, is $473 billion this year. It is a shameful, reckless, and dangerous fiscal policy that is going to break this country.

Now, add up 5 years beyond this year, and we get a proposed budget from a conservative President that says: "I want the Congress to adopt my plan, and my plan says, 'Let's add $2.21 trillion to the Federal debt.'" That is not a plan. That is a blueprint for economic disaster for this country.

Mr. Speaker, this country already has a $3.6 trillion debt load, and the President says, "Let's add to that to the tune of a billion dollars a day, every day, 7 days a week, every week, every month, for 6 years, spending a billion dollars a day that we don't have." That is not a fiscal policy that is going to put this country back on track.

And that anticipates the President getting everything he wants. If we do everything the President suggests, we end up with $2.21 trillion in additional debt in this country.

Well, what should we do? Clearly I am not very impressed with this budget. This is not leadership. This is a document from an administration that is waving the white flag of surrender on economic policy. It is an administration that is saying, "I give up on deficits. We're going to lead in the wrong direction."

And I have said Congress is not much better. This body is not without fault.

☐ 1120

The fact is, people say, "The Democrats are at fault," "The Republicans are at fault." If we look honestly at the spending appetites of Republicans and Democrats, we will not see a plugged nickel's worth of difference. There is a difference in what they want to spend money on, but there is no difference in the amount of money they want to spend. They can talk until they are blue in the face and they cannot get rid of the facts. The facts are that the Republicans want to spend as much as the Democrats.

They all want to spend too much. This side wants to spend it on defense, and this side wants to spend it on domestic programs, but the fact is it is clear over the last 10 years both sides want to spend more money than we have, so it is not either side pointing fingers and one is a big spender and the other is not. It is simply not the case.

In fact, this document from a Republican President demonstrates that there is a Republican, at least, that says, "I want my colleagues to join me in adding $2 trillion to the Federal debt." So it is a bipartisan failure, obviously a failure in leadership coming from the White House and obviously, quite obviously, a failure here in Congress to do anything about what I think is dangerous leadership and reckless leadership in fiscal policy.

What should we do? This is a country of instant coffee, fast food, Jiffy Lube, instant credit, and everybody believes "what we have to do now is have an instant fix." The President said:

> Let us just hook up the battery cables here with some incentives here and some jolts here in the Tax Code, and this and that and the other thing, and the American engine will start and get cranking away and we will be just fine again.

However, we are not going to be just fine again. If we move in this way with this budget document, we are confining ourselves to the status of economic losers for a long, long time, and we cannot do that. Nor can we expect an instant fix to terrible problems.

As I have said, we have had irresponsible public policies and fiscal policies coming from the White House, and in Congress we have had equally irresponsible policies.

PRIVATE GREED

There has been equally irresponsible behavior in the private sector. Look at the 1980's. Forty years from now we will read in the history books about the greed and corruption and the unprecedented greed in the 1980's: junk bonds, hostile takeovers, leveraged buyouts, failure, and collapse in the private sector. The crowning glory here, or the crowning shame, is that the U.S. Government ended up owning junk bonds in the Taj Mahal casino.

That is right. Mr. Trump built the Taj Mahal, the biggest, glitziest casino in America, perhaps in the world. He financed it with junk bonds. The junk bonds were bought by S&L's. The S&L's went broke, and the Federal Government ended up with the junk bonds in the Taj Mahal casino. The junk bonds themselves are nonperforming because the Taj Mahal was not doing well. So you have a triple failure here, and who ends up with it? The American taxpayer. So the private sector has not done very well either.

In Japan and Germany and France they are busy building better products, busy building better toasters, tires, television sets, and VCR's. What are we doing? Doubling our defense budget in a cold war. Our scientists and engineers are building F-16's and M-1 tanks to compete against the scientists and engineers of Japan, who are building television sets and Toyotas. And who wins the economic competition? They do, not us.

More than that, to the extent that we have got scientists and engineers in the private sector, the companies that employ them are engaged in greed games, economically cannibalizing each other, a cannibalization of the assets in the private sector, trying to buy and sell each other, not make better products. They spent their days in the eighties trying to figure out how you take over another company or how do you avoid being taken over, instead of learning how to build a better product and sell it at a better price.

The economic hangover that results from a decade of greed and corruption in the private sector, and a decade of incompetence in the public sector, is what we now deal with as Americans.

PUTTING AMERICA BACK ON TRACK

What do we do to put this country back on track? Is it a series of tax breaks? Is it a new American jobs program?

Next Wednesday morning those of us who serve on the Committee on Ways and Means start writing an economic growth package. The President, on the microphone behind me a couple of weeks ago, outlined his blueprint and his version for where we ought to go in economic growth. The fact is, to put this country back on track is going to require much, much more.

I do not object to some of the recommendations made by the President. I intend to support some of them. Some of them are fine. But the issue is not some sort of short-term jump start. The terminology itself suggests that what is wrong is, "The engine has sputtered, and we just need to hook up the cables and the engine will begin purring again and America will move down this yellow brick road and everything will be just fine." That is not at all the case.

We have structural, fundamental problems that go well beyond the short term, that are going to require a national commitment by the American people to confront them. Do we have a national will to do that? Is there national leadership to call the American to do that? Will Congress have the courage to follow good leadership if it develops? I do not know the answer to that, but I know at least from my perspective what we ought to do.

I put together a pamphlet a couple of months ago. It says, "Putting America back on track: A plan to help the economy grow again," in which I just tried to set out what I thought we had to do. Let me just run down some of the areas that I think we have to address.

First, and I have talked about it now for a short period, the country has to pay its bills. It is a virtue we learn when we are in kindergarten. We have got to pay our bills. A country that has $3.6 trillion in borrowing and is proposing that we add $1 billion a day in borrowing for the next 6 years is not a country that can survive economically and prosper. We have got to pay our bills, as tough as that may sound, one way or another.

The American people and Congress and the President have to decide what they want, answer the questions: Do we need it, can we afford it, and if the answers to both are yes, then let us do it. If the answer to one of them is no, then let us decide that we cannot continue in these areas.

We must make a decision: What do we want, what do we need, and what are we willing and prepared to pay for. If we do not reconcile our appetite for spending with our ability and our responsibility to raise the revenue to meet it, then we cannot put this country back on a sound economic footing for the long term. So first we have to pay our bills.

Second, we have got to put a stop to this fever of greed in this country and this enormous mountain of speculation. Hostile takeovers, junk bonds, leveraged buyouts, that sort of thing, it ought not to go on.

One cannot engage in a hostile takeover in Japan. Do you know why? The Japanese will not allow it. Do you know why they will not allow it? Because they know it is nonproductive and injures the economy. They want their private sector to be paying attention to building better products, not involved in playing these little private greed games. We ought to flat out put a stop to that sort of economic activity.

Third, we ought to stop paying everybody else's defense bills. One way to reduce the deficit is to say to Japan and West Germany and others. "Pay us for the amount of money we spend to keep the sea lanes open so you can ship your Toyotas to Pittsburgh. We cannot continue to ask the American taxpayer to pay everybody else's defense bills in the world. This country cannot afford it."

President Bush and Congress need to join, as we have done in an amendment that I offered last year that is now a law, in saying to other countries, "We are happy to have the aircraft carriers out there to keep the sea lanes open, but you have a responsibility to help pay for the cost of the captains and the crews and the aircraft carriers. We expect you to make a yearly offset payment to this country to begin relieving the taxpayers of this country of the burden to help pay for the entire free world's defense umbrella."

The next step is to insist on fair trade. We cannot win an international trading competition unless the rules are fair. The fact is, we have a lot of people in this town, starting at the White House, and a good many in this Chamber, including some of my party, who are perfectly willing to continue to chant "free trade" and ignore the fundamental issue of fair trade. Trade is not and will not ever be free unless it is fair. To somehow blame America first by suggesting we make inferior products when other markets are closed to us denies the fact that we could not sell if we had the best products in the history of humankind, when we confront a market that is not open.

It is unacceptable to allow other countries to tell us that they want to ship their goods to American consumers in the American marketplace and compete with our goods, but then when we try and sell beef or rice or cars or insurance policies or construction contracts anywhere around the world, we find them saying, "Our market is closed to you."

□ 1130

One of our trading partners shipped half a million cars to this country, and at the same time they went from zero to a half-million imports of those country's cars into the United States, they shut off the entire import of red meat from the United States to that country. And what do we do about it? Nothing. Because nobody has the nerve.

The minute you stand up and talk about this, we have got a bunch of people wearing bow ties whose collars are too tight and who apparently cannot think clearly who say, "These are protectionists; these are protectionists. What they want to do is close our markets in America." That is not so. I do not want to close American markets. I want American markets to be open. I want the American consumer to have access to any product around the world they want to be able to purchase. All I insist is that our employees and our employers that are producing American goods have the same opportunity in other markets, and if they do not, then there is something fundamentally wrong with our trade policy.

If we say, "Yes, ship your cars here, ship your television sets here, we will continue to be a sponge for all of your products, and we accept that you will not open your markets to Americans," then we are about half goofy. That is not a public policy that is acceptable, and it is not a public policy that will allow our concerns, our employees, and our American companies that produce some pretty good products to compete around the rest of the world on a fair basis.

Now, look, I understand that the Japanese make some awfully good products, and I tip my hat to some of them. The fact is that in some areas they have got a significant edge. So a tip of the hat to the Japanese productivity and the Japanese quality.

But the fact is in areas where we have got an edge, we cannot sell in Japan, because the market is closed. I just believe it is time for us to stand up and insist on fair trade, no, not closing our markets, just insist that other countries open theirs. If we do not have fair trade, we cannot compete effectively internationally, and if we cannot compete effectively, then we cannot win.

Now, in concert with that, the other thing we need to do, in my judgment, is develop a national commitment and a national program in which the private sector and the public sector join hands in pursuit of excellence in producing the best products around the world. I want next year, or 5 years or 10 years from now, when somebody around the world looks on the shelf and wants to buy a product and they turn it over and see the label and it says, "Made in the U.S.A.," I want that consumer to say, "I know what this means. This means this is the finest product I can buy." When "Made in the U.S.A." once again is a symbol of value and quality, then we win. But only then if open markets represent opportunities for us to sell around the world.

We need a national commitment to produce the finest products in the world. This country can do it. This country has done it, and this country should do it again.

And I think that Congress and the private sector ought to join together in a national program to try to create a commitment for product quality. The foundation of all progress, in my judgment, is an education system. If we do not have the finest education system, then we do not win either.

I want to tell a story that I have told many times here on the floor, but it is worth telling again. The oldest Member of Congress when I came to Congress was a man named Claude Pepper, a wonderful man. He was here when Franklin Delano Roosevelt was here, in his first term, and he was still here when I came to Congress 11 years ago. When I walked into his office the first time, I saw two pictures behind his desk. He had a room full of memorabilia and pictures. Two that I recalled behind his chair were both autographed to him. One was Orville Wright making his first airplane flight, Orville and

Wilbur flying at Kitty Hawk, and it was autographed to Congressman Claude Pepper "with deep admiration," signed, "Orville Wright." And the other was Neil Armstrong standing on the Moon, autographed to Claude Pepper. It struck, me that here is a Member of Congress who has the autographed pictures to himself, of the first person to fly and the first person to set foot on the Moon.

You know, from lifting off the first time to flying to the Moon, what does that burst of technology and progress in a relatively short period mean? As I looked at those pictures, it occurred to me what it means is the massive commitment that America had made to education. It represented a burst of knowledge and, therefore, a burst of productivity, and in lots of areas, but measured in a most interesting way by flying and then flying to the Moon. It is measured in other ways from the quill pen to the computer, but those two pictures, let me once again understand, the foundation of this country's progress is education.

I worry a lot, you know, our kids go to school 180 days a year. The Japanese kids go to school 240 days a year. Yesterday, driving down the road, on the care radio I heard once again that in math and science skills our students rank behind 90 percent of the other industrialized countries. I worry about that.

This country, in order to get back on track, has to decide that it will have and maintain the finest educational system in the world, and then find a way to run it and operate it in a way that makes it workable for those in it, especially the students.

Here in Washington, DC, the shame is that the school board was recently debating about whether they should have metal detectors at the front door of a school to try to extract from students coming in knives and guns as they entered the schoolroom door for the start of the day. How can children learn and study and grow, how can their minds be nurtured and honed in a school where they wonder if the kid next to them has a gun or a knife?

Well, we have got plenty of challenges in those areas, but my point is that somehow we need to put the system back together at the foundation.

I want to mention crime just for a minute, because it also is part of this dimension. This country has become a manufacturer of crime.

About 2 miles from where I am standing is a hospital called D.C. General Hospital, and I went down to D.C. General here a while back and toured. I heard some statistics that were remarkable to me, very depressing, but remarkable.

Nearly one-third of the women delivering babies at D.C. General Hospital were drug abusers. I went into a room where they had what are called boarder babies. These are babies who are delivered to a woman who comes to the hospital, delivers the baby, there is no husband, no father, the woman delivers the baby, perhaps a drug abuser, and she walks out of the hospital, and there is the baby, no mother, no father, no home, no name, no hope, no future, a room full of children. I held a 4-month-old baby in my arms that had no name, because it had no parents.

The doctor, a remarkable woman, a black woman who had lived in a neighborhood very close to that hospital when she was young, told me that she grew up in that neighborhood and did not have much, but she had a family, and that family lived in a place, and they had neighbors, and they knew each other, and it was a neighborhood. She said she went back, this doctor from D.C. General, went back to the neighborhood where she lived, and there are not any families there any more. There are children and some grandparents and a scattered mom or dad someplace, but there is no functional family unit. They do not know their neighbors. There are no neighbors that know each other and help each other and work with each other, and try to deal with each other's problems. The entire structure is gone.

This doctor at D.C. General said:

> You know, I do not know how you fix this until you fix it at the bottom, somehow deal with that structure, the family structure, the neighborhood structure.

And, you know, this country has got to deal with those problems as well.

Why is it that a country like ours, a country that is urbane, relatively wealthy in assets, sophisticated, our country consumes 50 percent of the world's cocaine? Why? Why would that happen in a country like ours? I do not know the answer to that. I do not know the answer to this enormous burst of crime, violent crime, in our country either.

But we must find innovative ways to deal with it. Part of it is economic. Part of it is putting this country back on track so that people who want jobs can have jobs, but that is not all of it.

To the extent that we can, we need, however, to move forward and provide those opportunities, those jobs.

I went to a feeding center, a shelter, here in Washington, DC, one day at 6 in the morning, and I recall speaking to a 24-year-old woman with three children, husband had abandoned her, and she had no money. She had no home. She lived in a shelter, and she told me, when I asked her what she was doing to try to find work, she said:

> Well, I do find work, but, you know, it is short-term, usually at a hamburger place. I get paid minimum wage. I have no place to put my children, because then if I am not taking care of them, I have to pay day care. You cannot pay day care on $4.35 an hour.
>
> Then I lose Medicaid benefits. I lose health care when I go to work. When I go to work and I try to save $25 or $50 so I can get a deposit saved up for an apartment, they tell me that if I save money for a deposit on an apartment, then they reduce the AFDC payments.

She said:

> There isn't any way that I can get ahead. There is no way I can find a place to live. There is no way that I can get training to get a job.

□ 1140

Driving back to Capitol Hill that morning after visiting with that woman, I was wondering what I would do if I were in her position. Is she trapped on one of those circles that she cannot get off? I do not know honestly what I could do to get off. I do not know that I could do anything differently than she is doing.

She looks for work. She finds a little work. She loses money on AFDC. She cannot afford daycare. She loses her health care benefits. I think she is trapped.

Somehow, some way all of us need to deal with a system that is not working, responding to the needs of the people like her.

We will this year deal with another element or part of what is wrong in this country and that is health care. Health care costs too much. There is a lot of sophisticated proposals. The President announced one yesterday in Cleveland to try to respond to the health care crisis.

No proposal will work unless it first responds to the issue of health care costs too much. What do we do to respond to it? How do we impose caps, price caps, price controls in a way that is effective?

If we cannot do that, if we will not do that, if we do not do that, we cannot answer the question of how to make health care affordable for all Americans.

Senator WOFFORD spent a couple of months walking around Pennsylvania asking the question, should not a country where when one is charged with a crime one has the right to see a lawyer, should not then one be able in a country like that when you are sick be able to see a doctor? The answer is, of course. Of course, health care ought to be a right.

The question is, How do we make sure everyone is covered and how do we do that in a manner that is affordable? How do we do it so that those who can afford to pay for their own health insurance do it and do not face 25 and 40 percent insurance premium increases in a year, and those who cannot afford to pay for their insurance are covered by some bare-bones plan that solved their health care problem, and is administered somehow within the confines of a Medicare system or some other delivery system? How do we do all that?

Well, the President and Congress must get their arms around it. It deals not just with the tragedy of the lack of health care for a lot of people. It is especially that, but it also deals with competitiveness. We have more health care costs in an American car than steel. In other words, it costs more for health care to build a car than it does steel because we have health care benefits paid to the workers who are building the car.

Because we pay much more health care than the Japanese, it means that our cars are less competitive with Japanese from a price standpoint because our health care costs more than the Japanese health care system. So it makes us noncompetitive.

It is not just in cars. It is in a wide range of manufactured goods. Health care costs are injuring our competitiveness.

Let me mention agriculture briefly. We have a system in this country that tries to respond to the needs of family farming, and it does not work. Family farmers are going broke in record numbers. And although farm prices have increased in recent months, we have seen a price collapse for a long period of time that has forced thousands, tens of thousands, hundreds of thousands of farmers off the farm.

We are told by economists and people who think they know that somehow the productive capability of American agriculture is a liability. It is not a liability. It is an enormous asset.

Most of the serious trouble in the world is people who do not have anything to eat. I am chairman of the International Task Force of the Hunger Committee. I can tell my colleagues that I have been in refugee camps in various parts of the world. I have seen a lot of hungry people. There is nothing that represents a greater asset to the country or a society than the ability to produce the kind of foodstuffs we do.

What do the Russians and the people in the Commonwealth need? Food. What do the people in Africa need? Food. We were so successful at sending guns and arms and bombs all around the world to people that needed it and to governments that wanted it. Why can we not be just as successful for much less the cost and at a much greater humanitarian gesture in sending some food to people who are hungry? It ought to be a matter of national will for us to decide we are going to start doing the right thing.

I am mentioning that, we are talking about defense spending these days. The President and others say, we will cut $50 billion out of defense. The cold war is over. It is certainly welcome that we would cut a little out of defense, but $50 billion over 5 years is a small cut in defense; $50 billion over 5 years is somewhere around a 3-percent cut in defense spending.

We doubled defense spending because we had a cold war. Why would we not cut more than 3 percent out of defense spending when the cold war is over?

All of these things, it seems to me, come together in a set of public policy questions that we had better be ready to respond to and answer. The issue is not our next election. The issue is not George Bush's reelection, and the issue is not the reelection of any single Member in this Congress. The issue is this country's ability to compete and prosper and provide jobs and opportunities for its citizens for the next decade and the decades beyond.

If we make the wrong choices now, and I fear that we are on the road to doing that, certainly with this budget submission by the President, if we make the wrong choices now, we cannot soon recover from those choices.

The question is, do we have the courage, the will to decide to start doing what is right? I think the answer is yes, but we will see.

This, I think, is a very pivotal year. We have the opportunity, as my friend the late Claude Pepper used to say before he died, he said:

> An election year is an opportunity for the American people to grab America's steering wheel and decide with their vote which direction they turn this country.

I really feel that the American people deep in their gut all over this country understand the gnawing fear that comes from spending money one does not have on things one does not need and see all the things around one not working as well as they should, and then seeing all the folks who are supposed to see that they work off arguing and debating about other extraneous matters and never quite getting to the center or the core of the issue.

So let us heed their words and work hard to put America back on track.

Mr. SMITH of Florida. Mr. Speaker, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Florida.

Mr. SMITH of Florida. Mr. Speaker, I really want to commend the gentleman for not only having presented an enormously cogent and intelligent argument but also in having done something which I think is very important for the public at large to understand, and that is to point out the fallacies in the use of old invalid—proven by the test of the last 23 years—theories that the budget contains for the purpose of guiding the economic future of this country.

I am glad the gentleman brought up the name of Claude Pepper because in addition to talking about guiding the steering wheel of America in the election year, our colleague, Claude, used to say something else. And he said it more eloquently than ever in the same well, in the same spot that the gentleman from North Dakota is standing, just a few years ago, months before his death, when talking about catastrophic health care, as the gentleman will remember.

He said, talking to the colleagues in this Chamber:

> When you go home tonight and you close your eyes, you have to think to yourself, did I do something good for somebody today? Did I make somebody's life a little easier? Did I ease the burden on somebody? If you can say, yes, then you have done your job as a Member of Congress.

That budget can never allow George Bush to answer that question yes. What he is doing here is heaping more misery upon the broad, vast middle class and many other people in this country than has already been heaped upon them.

The gentleman's description of how this is a prescription for failure for the future economic well-being of this country was very apt. What I fail to understand is where are all the economists and all of the smart carping newspaper people who are constantly after the Congress to somehow do what the President is supposed to and that is set an economic footprint and path for this country? Where are they today, saying 3 years ago:

"Mr. President, you promised a balanced budget as did your precedessor 8 years before you. Not only have you not balanced the budget, every budget you send up has been out of balance and this year at a time of great moral crisis around the world, great economic crisis around the world, and a lack of leadership around the world, and at times of great economic crisis in the United States, you have proposed a budget with over $400 billion in deficit, admitting that you want to spend more than we can take in. And your answer is to cut domestic programs in order to finance only a small part of that proposed deficit, but the rest of it is to be borrowed."

□ 1150

Why are people standing up and saying why are you fabricating stories about how this country can be healthy when we know for the last 11 years we have borrowed, and borrowed, and borrowed to finance the defense buildup? I am sure the gentleman in the well would not disagree that the single biggest drain on the economy for the last 11 years in terms of the deficit has been the enormous defense spending we have made. Why are people not asking him how in the face of that 11 years where we have now arrived at after the Reagan-Bush era to the place where we are now economically in bad shape, why are people not asking the question:

"Why are you continuing to use discredited, old Reaganomics? Why did you stand there and tell us you want health care for people and then not tell us that you wanted to cut Medicare $15 billion so that you wanted the elderly to have their health care cut so you could provide health care for the others through tax credits, but only drive the price up because after they cut Medicare what is going to happen?"

As the gentleman in the well knows, they are going to charge more to those people that have insurance. That drives the premiums up so that those who cannot afford the premiums now will even be less able to afford them later.

"Why don't you give us straight, simple answers to straight, simple questions?" And on the needs of this country, "Why do you publish a budget like that? Why do you tell everybody you hate the deficit and then build out as far as the eye can see," as the gentleman indicated, 2 trillion dollars' worth of debt? "Why are you doing this to us? Why are you not accountable?"

Where are the people asking those questions, I ask the gentleman, because I do not understand. The gentleman said the other day if you laid all of the economists end to end, it would be a good thing. Somebody else said if you laid them all end to end you would never reach a conclusion.

I am tired of listening to the economists, and we could get economists to tell us that is a great budget. We ought to listen to the American people, and the gentleman understands that very well and has talked plain, simple American language to the folks around this country who are hopefully listening. And I hope that the President is listening, because he is the one. I disagree to some degree with the gentleman who said that we are all to blame. The Congress has had its share, yes, I agree. But the gentleman will admit, I believe that we do not really make the economic, philosophical decisions in this Chamber. They are made in the White House. The path is set by the White House. We played on the margins trying to reduce the impact. We told people, and the gentleman knows this. He is on the Ways and Means Committee. He has worked very hard to turn around some of the policies the President wanted.

Why are we going back to them? Why are we going to use more failed policies? The gentleman has laid out a clear, concise message that it is wrong, and I want to commend the gentleman for having done so. And hopefully American anger will increase a little bit in this election year and make more accountability go to the President and others who have promised that this economy would be wonderful, that we were headed in the right direction, that we had enough money to do everything, to build bombs, and to send kids to school, to give them loans, to help the elderly.

The gentleman knows now we are to the breaking point. The biggest single part of the budget that is going to be nondiscretionary soon, beside the entitlements, is going to be the interest payment on that debt. And certainly the gentleman's description of what is being done in the Social Security trust fund by accounting, and I did not hear the gentleman say, but I believe that the gentleman will indicate when he takes back his time, I believe that is illegal, is it not? I believe under the law we cannot use the balance, the surplus in the Social Security trust fund to reduce the deficit.

So the gentleman has told people what is happening. I would hope that people begin to listen and make the President accountable and hold us accountable too. The gentleman is right. We have an obligation.

There was a guest minister here the other day who said, with the glory of becoming a Congressman comes a commensurate obligation. And we have an obligation to the American people. I believe the Democrats are going to meet that obligation in fairness in the Tax Code to middle-class Americans, in the provisioning of health care, and in the provisioning of jobs, and a growth package that will reduce the deficit and put Americans to work, and in the provisioning of a trade policy. That is where we are going this year, a fair trade policy. That, as the gentleman indicates, says to people around the world our markets are open to you, but if you do not open your markets to us, then we are going to have to revisit how you can trade with us and not let us trade with you. That is not protectionism. That is the way fairness has always been in the minds of most Americans.

So I hope that the gentleman's message is heard beyond this Chamber. I hope the gentleman's message is being carried forward by a lot of people in this country and they begin to think about how much further we can go with these failed policies, which are reimplemented and renewed in this President's budget before this country is brought to its knees economically. I thank the gentleman for yielding.

Mr. DORGAN of North Dakota. Mr. Speaker, I appreciate the comments the gentleman has made. As he knows, I walk a narrow board here across this chasm politically because I understand that the people I represent and the people all around this country, the last thing they want to see when they are unemployed and wondering about the future, and have an ache in their gut because they are worried about losing their jobs, they are worried about their families, the last thing they want to see is a bunch of us carping at each other and saying who is at fault and who is to blame. They want answers, and they want jobs, an America that works for the future, and they count on us really and want us to do something and do something constructive for the country.

The gentleman may have heard me in a Democratic caucus the other day stand up and say, "You know, I am flat out sick of listening to economists and pollsters." I don't care what economists and pollsters say anymore, and I do not give a rip what the press says about economists and pollsters.

The people who play pinochle in my hometown of 300 people, the retired folks, know exactly what is wrong with this country. They know that a country that spends $1 billion a day of money that it does not have, often on things it does not need, is going to be in deep, deep trouble. They know that a country that says to its largest businesses, go ahead and have war with each other, just spend a decade trying to buy and sell each other and pasting America with phony financial paper, go ahead and do that, they know that a country that allows that sort of baloney is going to weaken itself internally.

The folks who play pinochle back home know all of that. They know it, and they want to see the Government do something about it.

Why does somebody want to run for President just to be President? I have asked that question of myself: Why run for Congress unless you are able to get something done? And there are days I despair about that, because I care very much about getting something done here. And it is awfully difficult to see in the face of a proposal by the President to add $2 trillion in new debt that we are doing anything that is instrumental or constructive for this country, but instead all of us are going to do something terribly destructive to our future.

It seems to me that the only chance we have to change all of this is to decide there has to be an economic revolution of sorts in which all of us decide we are just not going to put up with any of this.

I am almost tempted to say at least this vote will not vote for anything this year, nothing, zero, until somebody sits down and comes up with a plan that is relatively sane and steers us back away from the cliff. That is not a very constructive thing to be thinking about. But how else do we stop this place in its tracks?

If a train is heading in the wrong direction toward a cliff and going 100 miles an hour, the first thing we have to do is to get it stopped. And then we start thinking about how to turn it around.

We need an economic renaissance of sorts. A part of that is the sort of thing you and I know in our hearts is right, and that is investing in people. This country has enormous human potential.

When I hear people say that the American people are lazy, and slothful, and indolent, and do not do good work, I really despair about that, because I can tell you something. I have met with a lot of folks who are disadvantaged, and down and out and in trouble. Two-thirds of welfare in this country is paid to kids under 16. So I guess the folks that want to criticize, they can go ahead and criticize kids. But I guess I would like to take care of kids.

□ 1200

I have talked to a lot of other people on welfare. Yes, some of them have institutionalized it and they have abused it, and I happen to be one of those who think we ought not pay welfare to able-bodied people unless they are doing something for it. I believe that.

But I tell you something else. I have not met a welfare person, not one—I am sure they exist, but I have not met them—who would not much prefer a decent job to take care of themselves and their families. They want work.

I have toured plants and factories, and I will tell you something. The American people are people who with the right kind of leadership can do enormously interesting and wonderful things. Gosh, we have gone to the Moon. We have done all these things.

The technology in the Persian Gulf war was breathtaking. America would sit and watch these things, bombs going down ventilator shafts, and gasp at the sheer remarkable technical quality of what American scientists and engineers have done to help defend us.

Why cannot a country that does that sort of remarkable achievement in technology and defense, why cannot a country like that not do the same remarkable things in building an industrial base that provides growth, jobs, and opportunity? Why can it not do the same innovative things in social structure to deal with this crime problem, its welfare problem and other things? I think it can. It is just a matter of deciding what is the most important asset we have in America—the human asset, the American people, the American worker.

So you educate and you train and you motivate, you employ and you produce jobs. That is what you do to put the country back on track.

We have been through a period in which somehow if you have not been selfish, if your motive is not to be selfish for myself, make as much money as you can in as short a time as possible any way you can make it, if that was not your motive, then somehow you were not successful. No notion of shared responsibility, no notion of some combined national commitment that was necessary, and so we started coming apart, falling apart.

Mr. SMITH of Florida. Mr. Speaker, if the gentleman will yield, the gentleman knows where that kind of philosophy emanates.

Mr. DORGAN of North Dakota. Oh, absolutely.

Mr. SMITH of Florida. That is the problem. The gentleman mentioned 1 minute ago the word, the single key word, "leadership," the direction, but to provide the leadership to move us in that direction, this is what it is all about.

Mr. DORGAN of North Dakota. No question about it.

Mr. SMITH of Florida. It is not happening here. In the eighties the leadership did not exist. They let everybody else lead, and where did it lead? Over the cliff.

Mr. DORGAN of North Dakota. Let me give you a small example of that. I watched all this going on in the private sector with junk bonds, hostile takeovers; gosh, I have been on the floor with amendment after amendment to try to shut it down.

Mr. SMITH of Florida. I voted for all those amendments, too.

Mr. DORGAN of North Dakota. And finally, I offered an amendment that says we will not allow S&L's to buy any more junk bonds. We shut down that business. The shenanigans that were going on with the people who are now doing 2 years at hard tennis at all these minimum security prisons, you know, that were flying all this paper around America. We shut it down, and the junk bond market collapsed.

You know why we had to do that? Regulators should have done that 6 years before, but regulators did not regulate. Do you know why? They collected their pay checks and they were appointed to office as regulators, but they did not regulate because Ronald Reagan said that government is evil, government is bad, government is the problem, so we are going to put people in office who are called regulators and we do not want you to regulate. You look the other way and let these folks steal you blind.

The result was this carnage, this economic casino that was built in the private sector in which all these companies and individuals started floating all these assets around with junk bonds. They were not producing a bit of new wealth for America. They were destroying companies that had been around a hundred years. And why? Because regulators did not regulate.

Mr. SMITH of Florida. Mr. Speaker, will the gentleman yield?

Mr. DORGAN of North Dakota. I am happy to yield to the gentleman from Florida.

Mr. SMITH of Florida. Most of the junk bonds and leveraged buyouts that occurred moved money only between people at the top level, incurred greater debt for the companies and most of those leveraged buyouts actually resulted in jobs being lost at the very time the deal was consummated, let alone later on when some of those people went into bankruptcies, big bankruptcies, including the Macy's bankruptcy now, the other problems, the Federated, all these big retail stores; but people lost their jobs then, and now they are going to lose their jobs, what is left of the jobs, because these companies are going out of business, and not a dime was shared with the people on the bottom.

What people in this country think is that people invest in the stock market, that they are investing in those companies. The gentleman and I know they are not. When you buy stock in the stock market, you are making a bet. You are betting the stock goes up. The money that you spend for the stock goes to the former owner. It does not go to General Motors or to Pratt & Whitney or to the little small startup technology companies. That money goes to the people who own the stock.

There is no investment on the stock market that is going to make America grow. The investment you need to make is starting new companies and providing new jobs for people. That did not occur in the 1980's, either. There was no approach that was done that way, and the gentleman has pointed that out.

Mr. DORGAN of North Dakota. Well, Mr. Speaker, our time is about up. I did just want to say, I wanted to come down and talk about this 10-pound book that says let us spend $2.2 trillion that we do not have in the next 6 years, a billion dollars a day for 6 years.

I have a little son who is in school this morning. The President seems to be saying that this is his future.

Well, I only have one vote here, but in my judgment, it is not my future, it is not my son's future. This is a future of despair and of economic decline for this country. We must fight for change. We have got to have an economic revolution of sorts in which we stop this train that is headed in the wrong direction, turn it around and move it back to the virtues all of us learned, the book that Fulghum wrote, "All I Really Need to Know I Learned in Kindergarten."

We know all we really need to know from those basic lessons. You have got to save. You cannot spend what you do not have. You have to save money. You have to pay your bills.

Mr. SMITH of Florida. Mr. Speaker, if the gentleman will yield further, we encouraged that in the 1980's, spend and spend.

Mr. DORGAN of North Dakota. Exactly, that is right. We went through a decade of unprecedented greed.

But my point is that the answers are found not in some new economic theory, some new paradigm, that is all a lot of nonsense. The answers ought to go back to fundamentals. They taught it in my school. I graduated in a high school class of 9 in a town of 300 people. You got to pay your bills. You do not find that out in calculus. You find it in arithmetic, what your bill is and you got to pay it. It is very simple.

If this country gets back to fundamentals, invests in people, pays its bills, insists on fair treatment and trade, pays attention to education, rededicates itself to product quality, decides that it is as great as it can be once again, then this country is going to do fine.

Then my son is going to have a great future. But if we do not change and radically change the policies that we now involved in, we are in very serious trouble, and at least I do not intend to stay here another day, another month, another hour, unless I am part of a constructive effort to say this has got to stop. We are determined to change it in any way that we can change it, with all the tools at our disposal.

This country must have a chance in its future for growth and opportunity once again, and it is not with this blueprint. It is with the blueprint that says let us invest in the American people. Let us pay our bills. Let us do the things necessary to put America back on track.

Mr. SMITH of Florida. Mr. Speaker, if the gentleman will yield, I think the gentleman's statement speaks for itself.

I think to some degree what happened this morning is indicative of where we are going. We have been besieged in the last few months, as the gentleman knows, by statements from Japanese officials, high officials who should know better, all the bad things about American workers, they are lazy, they are this, they are that, they are not productive, they worry too much about the weekend and come in on Monday unwilling to work, et cetera.

Well, this morning in response to what has been criticism of that attitude, which I believe reflects their real feelings about everybody else, not just Americans, the Japanese Ministry released a report showing that Americans are most productive, American workers are more productive in many ways than Japanese workers.

Is that not amazing? All of a sudden this report which existed at the Ministry of Trade all of a sudden becomes available to the very people who run that Ministry and people who run the Government, where it says that American workers are more productive.

I think Americans who have a huge capacity for wanting to help others around the world are now understanding that it is time to help ourselves a little bit as well.

When a budget like that can continue to contain upwards of $130 billion in payments for the defense of other nations by American troops, at the same time that the unemployment rate has reached the highest level in so many years, so many Americans are out of work, so many Americans are doing without, so many students are missing the ability to go to college, so many elderly are having to do without, then there is something wrong with the people who make up the document.

Look, if we withdrew our $30 billion support for Japan tomorrow and let them protect themselves, would the world crumble? Everybody knows it will not any longer.

There is no threat in Europe. We could reduce our spending on NATO support in Europe from $110 billion to $130 billion down to $10 billion or $20 billion, is the world going to collapse tomorrow? Everybody knows it will not.

Where is that reflected in that document, the reality of today's world and the responsibility that the White House and the whole Government owes to the American people, which is the basis on which it operates in the first place, because without the American people there would be no way to fund the Government.

□ 1210

Mr. DORGAN of North Dakota. It is interesting that 2 years ago I was on the floor with an amendment and I pointed out at that time we had 325,000 American troops stationed in Europe but in addition we also hired 200,000 civilian employees.

Mr. SMITH of Florida. That is correct.

Mr. DORGAN of North Dakota. We had 525,000 people in Western Europe on the American payroll, the biggest jobs program in the world. We had people here at home out of work, could not afford to do this, that, or the other thing for people here at home. That does not make any sense.

I am not suggesting we rearm Japan; I am just suggesting Japan pay us each year for the amount of money we spend for their defense. But what the gentleman says and what I have said just now is we get the people wearing bowties downtown who are the great thinkers and some folks who report on this, and they say, "Well, what we have just heard is xenophobic, protectionist, and isolationist," right?

Mr. SMITH of Florida. I have heard that, too.

Mr. DORGAN of North Dakota. It is all such a bunch of nonsense.

Mr. SMITH of Florida. That is what they say. But it is wrong.

Mr. DORGAN of North Dakota. Right. I am just wondering, when they call us protectionists, they mean it in a pejorative way, suggesting we want to close America's borders. And I do not believe that at all.

Mr. SMITH of Florida. If the gentleman would yield again, I say to the gentleman I do not want to close America's borders either. What has made us great is the ability of the United States to trade.

One of the reasons we went to Europe with the Marshall plan, one of the reasons we went to Japan after the war was not only for the altruistic reason of building their own countries back up but because we wanted to open their markets, to be able to afford the goods that we wanted to ship in to them so that they could buy them and we could put Americans to work.

But after 50 years, almost 50 years since the end of the war, their markets are alive and well, their countries are doing great. Why do we continue to have to pay for their security so they can close their markets to us and then come and beat us over the head with unfair trade practices?

I do not want to close the markets at all. I just want them to open their markets to the extent that we open our markets to them.

I am tired of hearing—well, I do not know what word you would call them, but these people who are screaming that that is xenophobia, it is Japan-bashing or Europe-bashing or protectionism. It is not at all.

Nobody here is calling for higher tariffs, nobody here is calling for nontariff trade barriers, nobody is calling for anything except fair play.

What happened to the leadership in this country that it cannot stand up, look the Japanese or the Europeans or anyone else in the eye, and say "fair trade"? That is what starts today: Fair trade.

Mr. DORGAN of North Dakota. They have lost their nerve, they do not want to do that. You know, it is interesting, there is a notion somehow that if you stand up and say these things you are protectionist and protecting America is somehow unpatriotic. When did it become unpatriotic to be someone who says, "My interest is to protect America, not with closed markets but by insisting on fair trade rules?" If we are not going to protect America, who is? Japan? Germany? Are you kidding me? The journalists? The columnists? Of course not. America needs protection at least in the form of requiring fair trade rules.

Now let me just mention one other thing. The gentleman from Florida asked, "Where is everybody on these issues?" The $2.2 trillion debt? I have seen one article since the President spoke about what he is proposing, and that did not have the $2.2 trillion in it. Where is everybody? Well, they are searching for the giant scandal so they can act like flies around a batch of honey. The fact is——

Mr. SMITH of Florida. The gentleman is being kind calling it honey.

Mr. DORGAN of North Dakota. The fact is we are involved in a period of almost total thoughtlessness in dealing in a public way and also in the press with real debate about real issues: What is the deficit? How do we respond to it? How do we deal with health care in a real way? There is such thoughtlessness at a time when we require and need such thoughtfulness in a national debate about where is this country going and how it is going to get there. My hope is that all of us, and my hope is that especially this year during a Presidential contest and a lot of debates around the country, that we can finally have a responsible, no, not a Willie Horton debate, but a responsible debate about what our hopes and dreams are for the future and what kind of public policies really get us to that kind of future. What do we have to do together? What are our shared responsibilities?

If we can have the public involved in that kind of a public debate, this country will be well served.

This country goes off course from time to time, we veer to the left and veer to the right; but you look at a couple of centuries of history and this country and the common sense of the middle of the American people is what always brings us back to center policies that work.

As Adlai Stevenson said, "Trust the people, trust their good sense, trust their faith and fortitude, and trust them with the important decisions."

I am hopeful that this kind of information debated all around this country this year will put us in a position where we can and will trust the judgment of the American people to lead us to an economic future that this country deserves.

Mr. SMITH of Florida. I thank the gentleman.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. GOSS) to revise and extend his remarks and include extraneous material:)

Mr. SANTORUM, for 60 minutes, on February 19.

(The following Members (at the request of Mr. DORGAN of North Dakota) to revise and extend their remarks and include extraneous material:)

Mr. MORAN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. DORGAN of North Dakota, for 60 minutes, today and 60 minutes on February 14.

Mr. LIPINSKI, for 5 minutes, on February 18 and 19.

Mr. FRANK of Massachusetts, for 60 minutes, on June 16, 17, and 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GOSS) and to include extraneous material:)

Mr. LAGOMARSINO.

Mr. WELDON.

Mr. BLILEY.

Mr. IRELAND.

Mr. SOLOMON.

Mr. MICHEL.

Mr. ZIMMER.

(The following Members (at the request of Mr. DORGAN of North Dakota) and to include extraneous material:)

Mr. LUKEN.

Mr. SKELTON.

Mr. TRAFICANT in two instances.

Mr. WOLPE.

Mr. ALEXANDER.

Mr. PEASE in two instances.

Mr. ASPIN.

Mr. MONTGOMERY.

Mr. MANTON.

Mr. HOYER.

Mr. PANETTA.

Mr. DERRICK.

Mr. VISCLOSKY in two instances.

Mr. FALEOMAVAEGA in two instances.

ADJOURNMENT

Mr. SMITH of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 25 minutes p.m.), under its previous order, the House adjourned until Tuesday, February 11, 1992, at noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JACOBS (for himself, Mr. LEVIN of Michigan, and Mr. DORGAN of North Dakota):

H.R. 4192. A bill to amend the Congressional Budget Act of 1974 to provide for truth in budgeting with respect to intragovernmental transactions involving trust funds; jointly, to the Committees on Government Operations and Rules.

By Mrs. BENTLEY:

H.R. 4193. A bill to prohibit the President from entering into or carrying out a country-to-country agreement to allow production of the Patriot missile system by another country; to the Committee on Foreign Affairs.

By Mr. BURTON of Indiana (for himself, Mr. TRAXLER, Mr. DINGELL, Mr. LEVIN of Michigan, and Mr. FORD of Michigan):

H.R. 4194. A bill to amend the Internal Revenue Code of 1986 to allow individuals a temporary refundable credit for the purchase of a new domestic passenger vehicle; to the Committee on Ways and Means.

By Mr. DICKINSON:

H.R. 4195. A bill to direct the Secretary of Transportation to carry out a limited access highway project in the vicinity of Dothan, AL; to the Committee on Public Works and Transportation.

By Mr. HARRIS:

H.R. 4196. A bill to prohibit the Secretary of Veterans Affairs from carrying out the rural health care initiative; to the Committee on Veterans' Affairs.

By Mr. IRELAND (for himself and Mr. GUNDERSON):

H.R. 4197. A bill to amend the Small Business Act to provide additional loan assistance to small business, and for other purposes; to the Committee on Small Business.

By Mr. JONES of North Carolina (for himself, Mr. STUDDS, Mr. LENT, Mr. DAVIS, Mr. HORTON, Mr. ANDERSON, Mr. CUNNINGHAM, Mr. DORNAN of California, Mr. AuCOIN, Mr. EVANS, Mr. TALLON, Mr. WALSH, Mr. BATEMAN, Mr. HUTTO, Mr. BLAZ, Mr. HUBBARD, and Mr. HOCHBRUECKNER):

H.R. 4198. A bill to amend the Internal Revenue Service Code of 1986 to exempt vessels of 100 gross tons or less from the tax on transportation of persons by water; to the Committee on Ways and Means.

By Mr. KOLTER:

H.R. 4199. A bill to direct the Administrator of General Services to review existing House of Representatives motor vehicle leases and to require that future leasing be conducted through the General Services Administration; to the Committee on House Administration.

By Mr. MICHEL (for himself and Mr. ARCHER):

H.R. 4200. A bill to create jobs, promote economic growth, and encourage savings, investment, and home ownership; jointly, to the Committees on Ways and Means, Government Operations, Education and Labor, the Judiciary, and Post Office and Civil Service.

By Mr. KOSTMAYER:

H.R. 4201. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real property under the special estate tax valuation provisions for certain farm and other real property; to the Committee on Ways and Means.

By Mr. HOAGLAND (for himself, Mr. McCOLLUM, Mr. NEAL of North Carolina, Mr. WYLIE, Mr. KANJORSKI, Mr. RIDGE, Mr. FLAKE, Mr. LaROCCO, Mr. ORTON, Mr. FAZIO, Mr. KYL, Mr. SPRATT, Mr. KOLBE, Mr. PRICE, Mr. KOPETSKI, and Mr. DOOLEY):

H.R. 4202. A bill to provide for nationwide banking and branching; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MARKEY (for himself, Mr. MOAKLEY, Mr. STUDDS, Mr. FRANK of Massachusetts, Mr. KENNEDY, Mr. MAVROULES, Mr. ATKINS, Mr. EARLY, Mr. NEAL of Massachusetts, Mr. OLVER, and Mr. DONNELLY):

H.R. 4203. A bill to amend the Emergency Unemployment Compensation Act of 1991 to correct certain inconsistencies between State and Federal unemployment compensation rules and assure that all eligible individuals will receive full unemployment benefits; to the Committee on Ways and Means.

By Mrs. MEYERS of Kansas:

H.R. 4204. A bill to recognize the organization known as the Shepherd's Centers of America, Inc., to the Committee on the Judiciary.

By Mr. OBERSTAR:

H.R. 4205. A bill to amend title 18, United States Code, to permit Federal firearms licensees to conduct firearms business at out-of-State gun shows; to the Committee on the Judiciary.

By Mr. SANDERS (for himself, Mr. McDERMOTT, Mrs. MORELLA, Mr. DeFAZIO, Mr. LaFALCE, Mr. McGRATH, Mrs. JOHNSON of Connecticut, Mr. STAGGERS, Mr. OWENS of New York, Mr. JONES of North Carolina, Mr. PAYNE of New Jersey, Mr. TRAFICANT, Mr. LEHMAN of Florida, Ms. PELOSI, Mr. MFUME, Mr. MURPHY, Mr. MARTINEZ, Mr. FASCELL, Mr. OBERSTAR, Mr. HORTON, Mr. SMITH of New Jersey, Mr. KOLTER, Ms. KAPTUR, Mr. SAVAGE, Mr. EVANS, Mr. ROGERS, Mr. MILLER of California, Mr. ANDREWS of Maine, Mr. DONNELLY, Mr. ANDREWS of New Jersey, Mr. MRAZEK, Mr. TORRES, Ms. OAKAR, Mr. SANGMEISTER, Mr. SCHEUER, Mr. BERMAN, Mr. CONYERS, Mr. LEVINE of California, Ms. WATERS, Mr. PETERSON of Minnesota, Mr. FRANK of Massachusetts, Mr. LEWIS of Georgia, Mr. KANJORSKI, Mr. HAYES of Illinois, Mr. ABERCROMBIE, Mr. KENNEDY, Mr. WISE, Mr. FLAKE, Mr. DELLUMS, Mr. MAZZOLI, Mr. WYDEN, Mr. MATSUI, Mr. SCHUMER, Mr. JEFFERSON, Mr. ROYBAL, Mr. RANGEL, and Mr. FROST):

H.R. 4206. A bill to amend the Public Health Service Act to provide for the establishment or support by States of registries regarding cancer, to provide for a study regarding the elevated rate of mortality for breast cancer in certain States, and for other purposes; to the Committee on Energy and Commerce.

By Ms. SNOWE (for herself, Mr. RAMSTAD, Mr. FRANK of Massachusetts, Mr. GRANDY, Mr. BOEHNER, and Mr. PALLONE):

H.R. 4207. A bill to amend title 23, United States Code, to repeal a penalty for noncompliance by States with a program requiring the use of safety belts and motorcycle helmets; to the Committee on Public Works and Transportation.

By Mr. STARK (for himself, Mr. JONTZ, and Mr. BROWN):

H.R. 4208. A bill to amend the Internal Revenue Code of 1986 to deny the benefits of certain export subsidies in the case of exports of certain unprocessed timber; to the Committee on Ways and Means.

By Mr. SYNAR (for himself, Mr. BREWSTER, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, Mr. INHOFE, and Mr. McCURDY):

H.R. 4209. A bill to amend the act entitled "An Act conferring jurisdiction on certain courts of the United States to hear and render judgment in connection with certain claims of the Cherokee Nation of Oklahoma," approved December 23, 1982; jointly, to the Committees on Interior and Insular Affairs and the Judiciary.

By Mr. ASPIN:

H. Res. 351. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Armed Services in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. BROWN:

H. Res. 352. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Science, Space, and Technology in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. DE LA GARZA:

H. Res. 353. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Agriculture in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. DINGELL:

H. Res. 354. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Energy and Commerce in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. HALL of Ohio:

H. Res. 355. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Select Committee on Hunger in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. JONES of North Carolina:

H. Res. 356. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Merchant Marine and Fisheries in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. MONTGOMERY (for himself and Mr. STUMP):

H. Res. 357. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Veterans Affairs in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. ROE

H. Res. 358. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Public Works and Transportation in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. SANDERS:

H. Res. 359. Resolution to express the sense of the House of Representatives regarding breast cancer; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. HOAGLAND and Mr. LAROCCO.

H.R. 123: Mr. STEARNS, Mr. KOLTER, and Mr. MARLENEE.

H.R. 875: Ms. WATERS, Mr. MATSUI, Mr. DEFAZIO, Mr. FRANK of Massachusetts, Mr. ANDREWS of Maine, and Mr. JONTZ.

H.R. 1063: Mr. EVANS and Ms. PELOSI.

H.R. 1277: Mr. ALLEN, Mr. FALEOMAVAEGA, and Mr. SHAYS.

H.R. 1546: Mr. HOUGHTON.

H.R. 1547: Mr. HOUGHTON.

H.R. 1633: Mr. McCOLLUM and Mr. LEVIN of Michigan.

H.R. 1987: Mrs. SCHROEDER, Mr. STALLINGS, Mr. MRAZEK, Mr. BROWN, Mr. STOKES, Mr. LEHMAN of California, and Mr. LUKEN.

H.R. 2258: Mr. ANDERSON, Mr. BLACKWELL, Mr. MILLER of California, Mr. STUDDS, and Mr. TALLON.

H.R. 2437: Mr. STALLINGS, Mr. KOPETSKI, Mr. ESPY, Mr. KILDEE, Mr. GUARINI, Mr. IRELAND, and Mr. LEWIS of Florida.

H.R. 2452: Ms. SNOWE.

H.R. 2485: Mr. HOAGLAND.

H.R. 2646: Mr. FRANKS of Connecticut.

H.R. 2778: Mr. ENGEL.

H.R. 2806: Mr. SUNDQUIST, Mr. COX of Illinois, Mr. WELDON, Mr. FRANK of Massachusetts, and Mrs. LLOYD.

H.R. 2815: Mr. CHANDLER.

H.R. 2867: Mr. HANCOCK and Mr. COBLE.

H.R. 2872: Mr. EMERSON.

H.R. 3130: Mr. MOORHEAD.

H.R. 3211: Mr. PALLONE, Mr. KOLTER, Mr. ATKINS, and Mr. SANTORUM.

H.R. 3221: Mr. SPRATT, Mr. EWING, Mr. HEFLEY, Mr. MORAN, Mr. VOLKMER, and Mr. WOLPE.

H.R. 3360: Mr. FALEOMAVAEGA, Mr. SANDERS, and Mr. HOYER.

H.R. 3429: Mr. PEASE, Mr. ANDREWS of New Jersey, and Mr. BERMAN.

H.R. 3441: Mr. MACHTLEY.

H.R. 3545: Mr. LEHMAN of California.

H.R. 3568: Mr. SYNAR and Mr. MACHTLEY.

H.R. 3612: Mr. HORTON, Mr. VENTO, Mr. KOPETSKI, and Ms. KAPTUR.

H.R. 3654: Mr. ANDREWS of Maine, Mr. ASPIN, Mr. BOEHLERT, Mr. DORGAN of North Dakota, Mr. JOHNSON of South Dakota, Ms. KAPTUR, Mr. KLECZKA, Mr. KOPETSKI, Mr. McGRATH, Ms. MOLINARI, Mr. MURPHY, Mr. PAXON, Mr. REED, Ms. SNOWE, Mr. VISCLOSKY, Mr. UPTON, Mr. WYDEN, Mr. WOLPE, and Mr. SWETT.

H.R. 3712: Mr. YOUNG of Alaska and Mr. ARMEY.

H.R. 3732: Mr. ANDREWS of Maine, Mr. ATKINS, Mr. SKAGGS, and Mr. ROYBAL.

H.R. 3857: Mrs. JOHNSON of Connecticut.

H.R. 3953: Mr. McDERMOTT, Mrs. MINK, Mr. PETERSON of Minnesota, and Mr. TORRES.

H.R. 3967: Mr. ATKINS, Mr. OXLEY, and Mr. McCANDLESS.

H.R. 4051: Mr. WELDON, Mr. BORKSI, and Mr. MARTINEZ.

H.R. 4077: Mr. FRANKS of Connecticut.

H.R. 4080: Mr. WELDON.

H.R. 4089: Mr. PURSELL, Mr. OWENS of New York, Mr. FROST, Mr. ZELIFF, Mr. LANCASTER, and Mr. UPTON.

H.R. 4145: Mr. UPTON and Mr. LEWIS of Florida.

H.R. 4155: Mr. GALLEGLY.

H.R. 4178: Mrs. JOHNSON of Connecticut.

H.J. Res. 19: Mr. GINGRICH.

H.J. Res. 213: Mr. GORDON.

H.J. Res. 237: Mr. JENKINS, Mr. BROWN, and Mr. RICHARDSON.

H.J. Res. 358: Mr. CAMPBELL of Colorado, Mr. MOORHEAD, Mr. TAYLOR of Mississippi, Mr. HOAGLAND, Mr. MAVROULES, Mr. MFUME, Mr. FORD of Michigan, Mr. BERMAN, Mr. KILDEE, Mr. BOUCHER, and Mr. CARDIN.

H. Con. Res. 246: Mr. DELLUMS, Mr. DWYER of New Jersey, Mr. HUNTER, Mrs. BOXER, Mr. OBERSTAR, Mr. KILDEE, Ms. KAPTUR, Mr. JONTZ, Mr. MURPHY, and Mr. CARPER.

SENATE—*Friday, February 7, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Owe no man any thing, but to love one another; for he that loveth another hath fulfilled the law.—Romans 13:8.

Gracious Father in Heaven, with respect to the commandment to love, we are all debtors. Give us the grace to take our indebtedness seriously and to begin, in obedience to the faith we profess, to satisfy it. Forgive us who say we believe the Bible, who witness to faith in Christ as Saviour and Lord, for ignoring or violating His commandment to love one another, even our enemies—to "do good to those who persecute us." Forgive us, Lord, in the light of God's truth, for running up such an enormous debt of lovelessness, and vindictiveness.

God of love, as the pressures and demands of a national election increase, help us to give our responsibility to love priority over all pragmatic and expedient justifications not to love. Help us, God, to fulfill the law and love one another.

In the name of Jesus, incarnate love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 7, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. LIEBERMAN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein.

The time until 9:45 a.m. shall be under the control of the Senator from Georgia [Mr. NUNN].

The Chair recognizes the Senator from Georgia.

Mr. NUNN. I thank the Chair.

Mr. President, I yield to the Senator from Minnesota.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that a member of my staff, Ms. Ellen R. Shaffer, be accorded the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REDUCING THE SOVIET MILITARY THREAT

Mr. NUNN. Mr. President, in remarks to the Senate yesterday, I discussed the problem of people in the U.S. Defense Establishment who have lost, or will lose their jobs, as we downsize our military. For me, this is a top priority for our Armed Services Committee and indeed for our Nation. For these dedicated and talented people, winning the cold war is about to be a bittersweet triumph.

We, in Government, have a special responsibility to do everything we can to facilitate the transition of these workers into new jobs and new professions. We in Government, have another responsibility as well; in fact, a primary responsibility. And that is to provide not only for our citizens' welfare or well-being, but also for their safety and security.

This morning, I would like to speak about one way in which we can fulfill this primary Federal responsibility. I want to discuss U.S. efforts to assist the former Soviet Republics in dismantling their nuclear and chemical weapons and in preventing their proliferation, as well as the proliferation of sophisticated conventional weapons.

I know of no more urgent national security challenge confronting our Nation and the world. Nor do I know of any greater opportunity for our Nation to reduce the dangers confronting us now, so as to prevent them from becoming greater dangers in the future. One need look no further than our newspapers each morning to appreciate the immediacy of the problem. For example, Wednesday's Washington Post quotes a Russian nuclear weapons laboratory director as saying that only 500 Soviet experts capable of dismantling tactical nuclear weapons remain on the job and that poor living conditions in the army could contribute to a nuclear accident.

According to this lab director, "It's becoming clear that in the very near future we can expect hundreds of big and small Chernobyls. It's entirely possible for a man worn out by the problems of daily life to make a mistake when carrying out work on nuclear warheads."

At this unique juncture in history, there is great danger as well as great opportunity. We have the opportunity for an unprecedented destruction of the weapons of war. We also have the potential for the greatest proliferation in history of weapons from the world's largest military arsenal to Third World countries, to terrorist groups, and to the Saddam Hussein's of the future. We could also witness the proliferation not only of weapons and materiel but perhaps even more likely of scientific know-how, what I would call human proliferation. What I fear is a bidding war, if you will, by Third World regimes and even terrorist groups for Soviet weapons experts, that would rival the United States-Soviet competition to recruit German scientists after World War II.

To try to get ahead of these problems, the Senate voted last November by an overwhelming margin of 86 to 8 to authorize the use of up to $500 million in defense funds for a program of cooperation with the Republics of the former Soviet Union to facilitate Soviet weapons destruction and to discourage proliferation. The $500 million was subsequently reduced to $400 million by the appropriations committees.

This landmark legislation, which is known as the Soviet Nuclear Threat Reduction Act of 1991, has a threefold purpose: First, to assist the republics in destroying nuclear, chemical, biological, and other sophisticated weapons; second, to assist the republics in transporting, storing, disabling, and safeguarding such weapons in connection with their destruction; and third, to establish verifiable safeguards against the proliferation of these weapons. We specifically intended that portions of this fund go to cooperative

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

United States-Soviet or former Soviet projects that could employ scientists from the republics who formerly made nuclear or chemical weapons in cleaning up and destroying the nuclear and chemical residue of the cold war. An additional $100 million in defense funds was authorized and appropriated to transport, by military or commercial means, food, medical supplies, and other types of humanitarian assistance to the republics.

Senator COHEN and Senator BOREN took an outstanding lead in this respect, as well as Congressman ASPIN and others. And that provision will begin to be implemented, I understand, next week with the transport by C–5 and C–141 aircraft of food and medicine to the republics.

The Soviet Nuclear Threat Reduction Act of 1991 was signed into law by the President 8 weeks ago. Since then, committees and task forces have been organized in both the Commonwealth of Independent States and in our executive branch to deal with this issue. Several rounds of discussion have been conducted in Washington and the republics. Numerous proposals for spending the money have been floated by governmental and private entities. However, as of yet, none of the $400 million has been transferred from DOD accounts for any of these purposes. In addition, as Wednesday's Washington Post made clear, urgently needed U.S. humanitarian relief sits at U.S. docks, hamstrung by bureaucratic delays. Just yesterday, Russian President Boris Yeltsin warned that unless Western aid starts getting through, his reform effort may fail and thereby usher in a new era of dictatorship. Some may dismiss this as leverage for aid. I do not.

On Wednesday, the Armed Services Committee conducted a hearing with senior Defense and State Department officials to find out why the United States is not moving with more dispatch, with more sense of priority, with more sense of urgency.

As I stated during that hearing, I am not impatient for large expenditures. I know that there are all sorts of con artists out there and people who would like to spend the money in ways that may be wasteful so I am not saying we should spend the money until we figure out what we should be doing with it and figure out an effective way to do it. But I am impatient for a plan.

I believe it is critical—both symbolically and psychologically—we agree on a plan, even if that plan has to be modified as we move along. During the hearing, the committee heard some good and some bad news from Secretary Bartholomew. The good news is that the administration believes it is close to agreement in the next few days on how to use the $400 million authorized in the Nunn-Lugar amendment. This is welcome news and I hope we will hear more about these plans shortly.

During our hearing, Ambassador Bartholomew also discussed the serious problem of former Soviet scientists who might sell their services to countries seeking weapons of mass destruction. Here the good news is that President Bush raised this issue with President Yeltsin during his visit last weekend at Camp David and the administration expects to have concrete proposals in a matter of days. Unfortunately, the hearing also brought out some bad news.

First, it is apparent that the former Soviet Republics have not gotten their act together with regard to the $400 million program.

Different agencies or ministries appear to have different ideas about how to spend the money, each, not coincidentally, tailored to best suit that agency's or ministry's own mandate.

Last week, on this particular subject, I met with Dr. Velikov, the deputy head of the Russian Academy of Scientists, a well-known leader in the scientific field in his country and around the world and a noted physicist, who has been designated just recently by President Yeltsin to chair an advisory task force on these very issues. I emphasized to Dr. Velikov the importance of Russia acting both quickly and decisively and in a coordinated fashion to establish an agreed position on what help it needs, and he certainly pledged to undertake to do exactly that.

The hearing also underscored how many different officials on our side the administration has designated to act in this area. We have one official in charge of discussions on nuclear dismantlement; another in charge of talks of chemical weapons destruction. We have one official in charge of a program to deal with nonproliferation concerns; another to deal with the brain drain problem. We have an on-scene coordinator in Europe, and I am very grateful for that. I have felt for some time this is a tremendous omission. We need someone on the scene to organize the humanitarian relief area. I think having Ambassador Rich Armitage in that position is a real step forward.

Finally, we have another official who is apparently responsible, at least in a very loose way, for what we call Soviet defense conversion matters, at least monitoring those activities from our perspective.

Each of these U.S. officials has important responsibilities in their separate area. The problem, Mr. President, is that none of them has an overall responsibility for a comprehensive, integrated plan and for coordinating between the various components, except for Deputy Secretary of State Lawrence Eagleburger. I have the greatest respect for Secretary Eagleburger and his considerable diplomatic skills and experience. However, you cannot pick out a part of the world that he is not responsible for. He is responsible for every part of the world. Pick out any part of the world where there is trouble and Secretary Eagleburger is in charge. He cannot handle the whole world any more than any person can. With the responsibility of the whole world on his shoulders when Secretary Baker is out of the town—which is a great deal of time, necessarily—plus the day-to-day operations of the State Department, Secretary Eagleburger is clearly overburdened.

Mr. President, this is a unique period in history. In a couple of years we are going to wonder why we did not give this problem more priority. What is needed is one official with Cabinet rank reporting to the President as well as the Secretary of State, and others where required, whose responsibilities are limited to managing this problem in its entirety, putting a halt to turf battles and ensuring that this issue is kept on the front burner.

We also need a different overall coordinator for Eastern Europe. We have spent trillions and trillions of dollars since World War II trying to arrive at this point in history. Here we are; we are not organized; we are not coordinated and we are not seizing the moment. We may wake up in a few months and begin a debate about how democracy was lost in Eastern Europe and some of the former Soviet Republics.

Another deficiency that came to light during the hearing is the absence of any coherent administration plan for engaging U.S. colleges and universities, nonprofit foundations, research institutes and private industry in tackling the Republics' human proliferation problem.

The American response should not be limited to government-to-government programs. All these kinds of outside groups and institutions can help—they can help immensely—by adding Soviet scientists to their research teams or faculties or, in the near term, by sponsoring scientific exchanges.

I have just been informed by some of the people in the Russian Academy of Sciences that they do not have enough money, now that the cost of an airline ticket, even on Aeroflot, is something like seven times the average annual salary of their top scientists. These are people who know how to send rockets into space, who know how to make ballistic missiles, who know how to make chemical weapons, nuclear weapons, and biological weapons. The West needs to be engaging these people. Certainly when they are invited to scientific conferences it is in our best interest for them to have enough funding to be able to get to the conferences.

If we do not begin to understand the scope of this problem, the magnitude of the problem, we will regret it, and our security interests and the interests of the world will suffer.

We are going to have a lot of C–5 aircraft, C–141's going over and bringing back probably empty planes. As we bring food and medicine in, I hope the administration will take a look at utilizing that extra space and perhaps bringing some scientists and military people for exchange programs back to this country.

This is the moment in history during which we need to expose their intellectual leadership and their leadership in the military and the scientific communities to the West, not just the United States, but certainly including this country. We need to expose them to ideas and to, particularly, the idea of human rights and democracy.

Mr. President, the focus at the committee's hearing Wednesday was on how to implement the programs that are already authorized, but we also discussed what additional programs and authorities are needed. For example, I suggested we establish a much-expanded program of military office of exchange between our military and the armed forces of the Republics. When I have discussed this initiative both with Russians and with top United States officials, everyone's reaction is "let's do it." But nothing has happened.

I also discussed this with top Ukrainian officials and others in other republics. So far, nothing has happened. I hope we can get someone firmly and clearly in charge in the Department of Defense to pull together our efforts to assist the former Soviet Republics in converting their defense industries and defense production into civilian and domestic applications. At present, there is simply no structured U.S. Government effort to help facilitate American private investment and to help those American firms interested in investing in joint ventures with the former Soviet Republics in this area.

I do not in any way believe we ought to be underwriting those efforts with taxpayers' money, but I do believe that the Government can facilitate the private sector in this respect.

I have a couple of suggestions along that line. I have recommended several specific actions we can take in this regard, none of which carry any substantial amount of money as a pricetag. I certainly am not suggesting that taxpayers' money be used to actually convert former Soviet defense industries. What I am suggesting, first and most important, is that President Bush should say clearly, publicly, and unequivocally that it is in the United States' interest for American companies to invest in such joint ventures where former production and defense industry is going to be taken out of defense production and moved into commercial production. It is enormously important that the President himself send this signal to the American business community.

Second, we can ensure that the State Department expedite visa applications by republic officials and republic entrepreneurs who need to travel regularly to the United States to consult with their American partners in these ventures. The same thing is true for American businesses in terms of their visits to the Soviet Republics.

I am told by numerous people that they have trouble getting visas, and every time they want to go it has to be a separate visa. They cannot have any kind of a real carte blanche kind of authority for limited periods of time when the time element here is crucial. At a hearing on Soviet defense conversion last September, the Armed Services Committee was told our State Department is insisting on processing visa applications for each visit one at a time, rather than extending repeat business authority.

Someone in the bureaucracy has to be given the signal that this is a unique moment in history. So far, they have not been given that signal.

Third, we can expedite our procedures for approving export licenses for American goods and technology needed in these ventures. The chairman of the Gulfstream Corp., which is located in my home State of Georgia, has testified before our committee on the delays and bureaucratic redtape he has faced while pursuing a joint aircraft venture in the former Soviet Union. I am not in a rush to change the substance of the Export Control Act, although that, too, needs reviewing, but I am in a rush to expedite our procedures and to make export applications receive top priority when they involve the conversion of a former Soviet defense industry into commercial purposes.

Fourth, I recommend that the Defense Department and the Department of Energy offer to assist the Republics of the former Soviet Union in compiling an inventory of defense industries. The Republics are willing to convert to civilian production. The U.S. Government should then establish offices in each Republic with substantial joint venture potential which could serve as clearinghouses for U.S. firms interested in doing business in the Republics.

We are talking about very small amounts of money here. It may turn out that few Soviet defense plants are appropriate for civilian production. This will have to be a private-sector decision. In that case, the inventory should list managers and scientists who have convertible skills. It is well beyond the capability of most U.S. firms to conduct such an inventory themselves. It may turn out that people within the Republics, rather than plants and equipment, offer the best hope for defense conversion. But in any event, this matter should be explored and our businesses should be given a clear signal that it is in the national security interests of the United States for them to make such examination.

Mr. President, the modest amounts of money I am talking about for these programs is going to come out of the defense budget, not from domestic accounts. I believe the American people understand that by making a very limited, a carefully conditioned investment today, we will clear the way for much larger reductions in defense spending tomorrow.

I think all of us ought to ask ourselves what happens one day if we wake up and President Yeltsin is no longer in charge, there has been some kind of uprising, some kind of take over by extreme nationalists, and all of a sudden you have problems between Russia and the other Republics, the Baltics; you have problems between Russia and Ukraine; you have problems with some of the Moslem Republics, you have breakaways by some of the Moslem Republics, some of them lining up with the Iranians.

You have all of these things going on; Eastern Europe in economic distress; refugees start flooding into Eastern Europe from Russia; refugees from Eastern Europe start flooding into East Germany and West Germany. What happens in that case? Are we then going to say: "Oh, oh, it was not predictable."

Mr. President, I do not predict it, but it could happen. It could happen, and it is our duty at this moment in history to do what we can, even though it may be limited, to foster democracy and human rights in these areas of the world that have been so forsaken for so many years from any element of democracy or human rights or the free enterprise system.

Mr. President, this is a unique moment in history. Never before has the world faced the prospect of thousands of unemployed nuclear scientists, each with the ability to help a Third-World madman realize his ambition of creating weapons of mass destruction, not necessarily simply nuclear but also chemical and biological. Never before have we had a country this heavily armed coming apart at the seams with a danger of massive weapons proliferation. Never before have we had an army willing to sell virtually everything it owns, including its weapons, in order to get money to buy food. Never before has there been a greater danger that terrorists could easily acquire sophisticated hand-held missiles like our Stingers, that can knock down civilian airliners. We are not the only ones that make Stinger missiles—the equivalent of Stinger missiles—and these can fetch a very good price in international arms trafficking.

Mr. President, these are clear and present dangers. We have a tremendous opportunity, but we must not sit on our hands. The American people understand this is an opportunity we must not miss. Any politician, anyone in Government who cannot explain that this is in our security interest to the American people, in my view, should not be in politics.

Mr. President, I yield the floor.

Mr. LEVIN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. President, I believe the Senator from Georgia is controlling the time, and I ask if he would yield me 10 minutes.

Mr. NUNN. I will be glad to yield the Senator 10 minutes.

Mr. LEVIN. Mr. President, while the Senator from Georgia is on the floor, let me say how critical a role he has played in focusing the attention of this country on this opportunity that we have never had before.

The Senator has just pointed out that we have never before had these kinds of opportunities. We never expected that we would see a Soviet Union disintegrate this quickly right in front of our eyes. He has said with eloquence that we have these opportunities, that this is a historic moment, and he has pointed out that not only has this never happened before but it may never happen again.

I have watched the chairman of the Armed Services Committee, Senator NUNN, address the new priorities of this Nation in terms of defense. He was the leader during the cold war in making sure we addressed the threats we faced then: Nuclear threats from the Soviet Union and the conventional threat in Europe, the possibility of a surprise massive attack against Western Europe by Soviet forces; and then, when that was the threat, when our security need was to defend against those threats, Senator NUNN led the Armed Services Committee and this Senate to defend against those threats.

The threats have now changed. Senator NUNN and the Armed Services Committee have changed so that we can now address not only the new threats but new opportunities. The threat of proliferation of nuclear weapons and the knowledge of how to make nuclear weapons, for instance, is growing, and it is something which has been addressed in hearing after hearing already by the Senate Armed Services Committee.

So I commend Senator NUNN, our chairman, for his determination to not only meet new threats but to address new opportunities which we never dreamed we would have. If we do not address these opportunities, address the threat of nuclear proliferation, take Soviet scientists and have them work in commercial enterprises and in productive enterprises and peaceful enterprises; if we do not promote joint ventures of American businesses with these industries in the former Soviet Union, we will have squandered an opportunity we thought we would never have and may never have again.

I thank my good friend from Georgia for his ability to see what is new and to address what is new. It has been an invaluable effort on his part.

Mr. NUNN. Mr. President, will the Senator yield for a moment. First, I thank him for his kind words, and second and most importantly, I thank him for his leadership, because he has been right at the forefront of everything I have done in this area. Without the Senator from Michigan, it could not have been done. I thank him for his leadership, for his continued guidance, his recent trip to the Republics, and his advice when he got back from his visits.

I also thank the Senator from Minnesota, who is not on our committee but has taken a tremendous interest in this area, has a strong leadership position, and feels deeply about these issues. I thank him very much for his strong leadership.

Mr. LEVIN. I thank my good friend.

ASSISTANCE FOR SOVIET REPUBLICS

Mr. LEVIN. Mr. President, last November, this Senate adopted by an overwhelming 87 to 7 margin a resolution which I and the majority leader, the Republican leader, Senators NUNN and BOREN and many others helped to work on, which urged the President to prepare and send to Congress a comprehensive plan for assistance for the Soviet Republics to avoid social chaos and to achieve economic and political stability.

Members from both sides of the aisle have joined us in calling for this international investment for democracy in those Republics; an investment in our own security, first and foremost. There has been some activity in the last 2 months. Much of that is worthy of praise, but the problems have grown much faster than any steps we have taken, and to put it in a nutshell, we are not getting the Presidential leadership we must have on this issue.

As Senator NUNN has mentioned, I was part of a delegation led by Senator EXON which went to Russia, Ukraine, and Kazakhstan last month. We experienced great openness on the part of military officials and scientists. They showed us a nuclear weapons facility in a closed atomic city that Westerners had never seen. They described in detail their ICBM launch system commands and coding devices—it was unprecedented. But we also saw the lines of people waiting for food and spoke to the nuclear weapons scientists who have no work, who could be tempted to go to work for Libya or Iraq if they do not get some help feeding themselves and their families.

That is why it is so discouraging to see the kind of article that we saw in the Wall Street Journal a few days ago, headlined: "Scientists of Former Soviet Union Find the U.S. Slow in Putting Out the Welcome Mat for Them."

We also heard on our visit to the three Republics about great discontent within the military. I came away pessimistic that democracy can survive.

It is sobering to realize what a collapse would mean, not just for the people who have finally earned their freedom, but for American security, for the American people. That is whose security we have sworn an oath to help protect and defend.

Collapse in the Soviet Republics means more chances of loose nukes which could be aimed at us, more chances of renewed weapons production and modernization, more chances of proliferation of weapons of mass destruction to other countries, more chances of brain drain of weapons scientists to countries such as Libya and Iraq. It would mean an unknown future for the arms control treaties that we have labored to complete, treaties with names like CFE, START, ABM, and the Nuclear Nonproliferation Treaty. Mr. President, it would mean the end of any peace dividend.

Democracy is hanging by a thread in Russia. Yet, this morning, what we read in the Washington Post, as Senator NUNN has said, is that yesterday President Boris Yeltsin, said there is a real threat of new dictatorship in Russia unless Western support is stepped up dramatically.

We ought to listen to his words. If this does not chill us, I do not know what more it will take. He said, "I have faith in these reforms and I believe they are irreversible." But listen to this. He said, "If they fail, I can already feel the breath of the red shirts and the brownshirts on our necks."

That should be a wake-up call to this administration and to all Americans. Many of us are old enough to remember what the brownshirts did. All of us know what the red shirts did because the red shirts were in power in Russia until just a few years ago.

We need urgency. We need a plan. We need a mechanism. I welcome the international coordinating conference on Soviet assistance that Secretary of State Baker and his deputy, Mr. Eagleburger, organized in less than a month. It was a huge undertaking.

Finally, we are going to see the airlift of some humanitarian assistance next week to bring some food and medical supplies to key cities. I believe that Ambassador Armitage is the right person to help direct that effort on the ground in the Republics. But we need a plan to involve Soviet scientists in joint ventures. We need a plan to support American business people who want to work with Russia in joint ventures. We want to help convert those Soviet defense industries, which were producing and still are producing the weapons of destruction, into producing peaceful, commercial products. We want to work with Russians so that democracy can survive in Russia.

When Ambassador Bartholomew appeared before us a few days ago and said there was no plan yet for spending money that this Congress had appropriated, I was keenly disappointed. I felt like we were having to prod and to push the administration to come up with a plan, to come up with a process, to come up with the steps. It is February. It is cold. It is more than freezing cold; it is bitter cold. And the problems are real and democracy is hanging by a thread in Russia.

Ninety-five percent of the work that has to be done to protect democracy in Russia has to be done by the Russians. At the most, the outside world can supply 5 percent. But it is more than just the small amount of economic support that we are talking about. As Senator NUNN has said, it is the political support to the President of Russia that is very much needed. Already they are under tremendous pressure to back away from the reforms which they have adopted. Those pressures are immense. None of us can appreciate what it is like to have your people, your constituents, waiting hour after hour to buy loaves of bread, whose prices have tripled. That is what Yeltsin is facing.

We are urging him to stay the course. We know that they have to go through an economic wringer. They have to go through it. They are willing to go through it. But what they need is for the outside world to say, "We are going to help you to the extent we can," and to say it clearly and dramatically, and to do it.

This Senate has given the President bipartisan support in resolution after resolution. We will stand by the President. We have made that clear to him. I have made that personally clear to people that surround the President because it is important that he have that assurance if we want him to take these steps. But he has not. We should not have to push and to prod.

The outside world has to tell Russia what we are going to do to support these reforms. What are the prerequisites for our help on currency reform, for instance? Just yesterday one of the people appearing before our Armed Services Committee told us that until the ruble becomes stable we cannot speak about stability in Russia. What do we do? What are we telling the people of Russia? Why aren't we telling the President of Russia clearly what we will do if they are able to take steps A, B, C, and D, that we will be there for step E?

Mr. President, we need to give tangible evidence of support. We need the plan. We need the structure. We need the drive. We need the passion. We need the statement to the people of America that the survival of democracy in Russia is in our security interest and that he, as President, is going to lead us, as Americans, to do not just what is the humanitarian thing to do—Americans will always do that to the extent that we are able—but to do what is in the security interests of the people of the United States.

The President needs to explain to the American people the threat that a collapse of the reformers in Russia or Kazahstan or the other Republics would pose to us. He needs to explain why these investments are investments in our own security, in greater defense savings down the line. Secretary Baker said it well to the Foreign Relations Committee:

> We have spent trillions of U.S. dollars over the past 40-plus years to win the cold war. We are now talking about spending a few billions in order to try and secure the peace. If we don't we're going to find ourselves faced with the expenditure, once again, I'm afraid, of trillions of dollars, because of what might happen over there if they're not successful.

If totalitarian dictators take over, we will never forgive ourselves for doing less then we could to prevent it.

The money Congress approved in November, with strong bipartisan support, happened because of the effort of very statesmenlike Senators NUNN, LUGAR, DOLE, BOREN, WARNER, MITCHELL, BYRD, BRADLEY, BIDEN, and others.

The President sat on his hands then. Now he needs to stand up and speak out for freedom and democracy and American security.

I commend Senator NUNN, Senator LUGAR, Senator MITCHELL, and Senator DOLE—there are so many on both sides of the aisle that have participated in this. We received a letter from the Presiding Officer the other day, who has been deeply involved in these issues, and I want to thank Senator LIEBERMAN for his initiative in this area.

Senator WELLSTONE is on the floor now waiting for me to end, as patiently as he has been waiting for me to go first. He was here on the floor first and was kind enough to let me speak before him. He is a passionate voice in this cause. I want to thank him for that.

I yield the floor.

Mr. NUNN. Mr. President, I thank the Senator from Michigan. I, too, want to thank the Chair for the initiative that the Senator from Connecticut has taken in this respect. I will certainly look forward to working with him in every way that I can help facilitate this proposal, which I think is excellent.

Mr. President, I want to mention something about Senator LUGAR this morning. He flew out last night to attend a conference in Germany, a very important NATO conference. He is a leader in almost every aspect of foreign policy.

Without him, as the cosponsor of this initiative we took last year, it would not have become law. Senator LUGAR is an outstanding leader.

This has been a bipartisan effort, and we have had strong support from the very beginning from Senator WARNER, from Virginia, and from others.

Senator COHEN took the leadership, with Senator BOREN, on humanitarian relief. Congressman ASPIN, of course, and I have worked on this issue together for almost a year now, at least 8 months now. He has been a real stalwart in leadership.

So there are a lot of people involved in this. I think if the President and his people take a good look they will see a broad cross-section of Republicans and Democrats who believe that this is indeed a priority.

Mr. President, I will be glad to yield to the Senator from Minnesota the remainder of my time.

A CRITICAL TIME IN THE HISTORY OF THE WORLD

Mr. WELLSTONE. Mr. President, I thank the Senator from Georgia. A lot of times on the floor of the Senate—at least this is what I have observed in my first year—Senators are thanking Senators, and I think it is sincere, and I think it is part of protocol, and I think it is a good way for us to conduct our business as a body. But then sometimes you thank people because it is really heartfelt, and I thank the occupant of the Chair, Mr. LIEBERMAN, first of all, for his bill, S. 2046. He was ahead of his time when he talked about the need to authorize humanitarian, technical, and enterprise assistance.

And I thank the Senator from Georgia for his leadership. That is a word that is used a lot. My definition of "leadership" is inspiring people to be their own best selves. My definition of leadership is when you are willing sometimes to be ahead of your time, and to call upon people to think deeply about the world they live in, what kind of role we can and must play as a people.

I thank the Senator from Michigan, as well.

Sheila and I visited what used to be the Soviet Union in early December. I am not a member of the Senate Armed Services Committee or the Senate Foreign Relations Committee, and I do not want to be presumptuous on the floor of the Senate, but how I waited for this visit. My dad passed away in 1983. He grew up in Kharobovsk in the Russian Republic. I always wanted to visit his home, but I did not want to go while there was a totalitarian, Communist state.

I wanted to go now because of something Senator NUNN has said more than once. Here we have spent, since World War II, $4 trillion to defend Europe and ourselves, and now we have this opportunity, an incredible opportunity for ourselves, our children, and grandchildren. So I thought what a time to visit. I am a romantic, Mr. President. I always believe people can write their own history, and I believe people can change the world for the better. And we went to visit the Russian Republic with that in mind. We spent time in St. Petersburg, Moscow, and then flew across seven time zones to Kharobovsk.

When we came back to Minnesota from that trip, I had at least as much despair as hope. The economic disintegration is absolutely unbelievable. And when I spoke with people in the food lines—I did not go as a part of any official delegation—I could not believe the anger.

I guess what I want to say on the floor of the Senate today to reinforce the remarks that have already been made, is that while I would not have a specific dollar sign, and while I think we do have to be careful in what we do, it is so important that we, as a nation, do not sleepwalk through this history.

I argue today that what happens to the people of the new Republics is going to as critically affect our lives and the lives of our children and grandchildren—I have two granddaughters now—as anything you can think of, if the people are successful in the Republics in this struggle, and they are able to build a democratic policy. If they can develop a new economy, which will be a long, painful process, it will be so much a better world for all of us.

If they are not able to get through these difficult times, and we sleepwalk through this history, and we do not help them dismantle nuclear weaponry—something Senator NUNN has talked about many times—and we do not provide humanitarian assistance that reaches people, medical supplies and food assistance, and we do not provide an exchange of human talent, whether it is Senator ROCKEFELLER's management corps, an expanded Peace Corps that I called on in a piece of legislation, and if we do not take steps with the international community and monetary fund to help them stabilize the currency, then I really fear what will happen.

I do not think President Yeltsin was trying to be melodramatic. I think he was trying to sound a warning to all of us.

When Sheila and I came back from our visit, I said to her, "the best-case scenario is this is going to be a new and better world, and the worst-case scenario is we could have some kind of fascist or Communist military dictatorship, and what a dreary world that would be."

Mr. President, I do not think we are going to see evolution in the new republics. It is not going to be linear. It is going to be elliptical. It is going to be episodic. It is going to zig and zag. And the only thing that is constant is change.

But I am absolutely convinced that we have to have a plan as a nation about how we can play a positive role in supporting the people there in their struggle to build a democracy and a new economy. And I am absolutely convinced that it is imperative at this time—even as people talk about it we do not want to have any foreign aid, let me lay this on the line—that there be real leadership. I, for one, would be so pleased to support the President, if he was to take that leadership, and I, for one, would support Democrats and Republicans alike who call for the United States to play this kind of credible role.

Mr. President, I feel like today, as I speak on the floor of the Senate—and I think Senator NUNN said it better than I could—that this is like a critical role in the history of the world, a critical time in the history of the world, and I just do not think that we have recognized that. We are standing on the sideline.

I ask this question today on the floor of the Senate: If we stay on the sideline, if we sleepwalk through this history, and things go badly, what are we going to tell our children and our grandchildren when they say to us: You were in the U.S. Senate, where were you, what did you say, where was the leadership?

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the time until 10:30 a.m. is now under the control of the Senator from South Dakota [Mr. DASCHLE].

COMMENDING SENATORS NUNN, WELLSTONE, AND LEVIN

Mr. DASCHLE. I thank the Chair for recognition and I commend the distinguished Senator from Minnesota, the Senator from Georgia, and the Senator from Michigan, for an excellent colloquy this morning about an issue in which we all need to become more involved and certainly more educated. They did an excellent job this morning in discussing the issue, and I feel fortunate to have had the chance to hear them.

HEALTH CARE

Mr. DASCHLE. Mr. President, for the next 45 minutes, some of us will be talking about an issue of great importance, an issue the President addressed yesterday for the first time. I listened intently, along with millions of Americans, as the President unveiled his long-awaited plan for fixing our health care system. And, as so many have said yesterday and today, we are delighted that the President has now decided to enter the debate about how to reform our health care system.

Only with leadership can we attack our problems head on and solve them with the same strength and resolve that the President so ably displayed in Desert Storm.

Unfortunately, the President's health care plan, as he unveiled it for the first time yesterday, does more ducking than attacking. Rather than offering a real cure for our ailing health care system, he covers up the problem with a big Band-Aid—one of the most expensive Band-Aids ever offered to the American people.

Providing tax credits to help a small segment of the population purchase insurance will not provide health security to millions of Americans who fear losing their insurance. Expanding managed care will not solve the problem of double-digit health care cost inflation. Encouraging healthy behavior does not guarantee access to prenatal care, and proposing to pay for this inadequate plan through Medicare cuts just pits the elderly against the uninsured. It shifts the cost instead of controlling it. Instead of proposing a plan that will give Americans what they want—affordable, quality health care—the President fans the flames of health care costs:

In 1980, the average American family spent $2,600 per year on health care;

Today, after 10 years of supply-side health care, that same family pays $6,500 per year; and

The administration estimates that families will spend $14,000 by the end of the decade. The President's plan absolutely guarantees that this will happen.

His ideas are too little, too late. They are a crutch that will allow our weak system to limp along a little longer.

COMPREHENSIVE HEALTH CARE REFORM

This is not leadership.

The Senator from Minnesota described his version of leadership just a moment ago. There are many definitions of leadership.

I view leadership on this issue as finding a means of attacking our health care problems comprehensively, with a bold strategy that tackles all of the ills of our broken system. It does not mean squeezing the health care balloon in one area, so that problems pop up in other areas.

Leadership means tackling the special interests who profit from the status quo.

Leadership means proposing bold new solutions that get at the root of the problem, instead of cosmetically treating the symptoms.

Leadership means proposing new ideas.

FIVE HEALTH CARE PROBLEMS

Last week I discussed what I view to be the five comprehensive problems that we deal within health care today.

I believe that an effective health care reform plan must address all five of these basic problems with our system, and it must tackle these problems at once, comprehensively. The five problems, as I indicated last week, are cost, access, misallocation of health care dollars, unnecessary care, and the hassle factor in medicine today.

When measured against each of these problems, the President's plan fails on every measure.

(1) COST

The President is fond of saying that when it comes to domestic problems, "We have more will than wallet." On this issue, I think he is dead wrong.

When it comes to health care, we have more wallet than will. We will spend over $800 billion this year on health care. The only thing we lack is the will to close the wallet.

We must tackle health care cost inflation and make health care coverage affordable for American families.

Mr. Bush's plan would spend more tax dollars on all the wrong things: more redtape and lower quality care.

For example, the President proposes tax credits to help low-income individuals buy private insurance. As Robert Ray, the president of Blue Cross of Iowa and the cochair of the National Leadership Coalition for Health Care Reform points out, this will only pump more money into the system, fueling health care inflation.

It does nothing to put a lid on total health care spending.

Similarly, allowing families with incomes up to $80,000 to take income tax deductions for health insurance premiums will continue to fuel inflation.

The President even refused to consider capping the current deduction on health care premiums for upper-income individuals, even though this deduction simply allows the wealthy to buy more expensive Cadillac plans at the taxpayers' expense.

Another one of his ideas—expanding managed care—is still unproven as a cost saver. In fact, as a recent New York Times article points out, many executives have been surprised to find that they have been spending more than they have saved on elaborate managed care programs.

We need a serious plan for putting a lid on health care costs—for closing the wallet.

(2) ACCESS

The second problem that I addressed last week is access. Thirty-five million people, as we have said so many times here on this Senate floor, have no health insurance, and two-thirds of those without coverage are employed people. This is no longer just an issue for the poor and unemployed. Problems financing health care are now hitting the working middle class—the backbone of this country.

Any serious proposal must guarantee access to health insurance for all Americans, the sick and the well, the old and young.

Unfortunately, the President's plan does more to help the rich and healthy purchase overpriced insurance than it does to solve the tough access problems we face.

One of the President's proposals, to provide tax deductions for the purchase of private insurance, is hardly enough to ensure that working men and women can purchase affordable care in the first place.

It may not even do anything to help the tiny fraction of the population to whom it was targeted.

For example, the average family of four in my home State of South Dakota will get a tax deduction of $563. Meanwhile, the cost of a basic health care plan is $3,974, not including all the copayments and deductibles that families incur annually. This tax credit will hardly make a dent in a family's ability to afford health insurance, even if the family is healthy.

For families who must cope with a child with a heart problem or a grandmother with Alzheimer's, the cost of insurance rises dramatically—if a company will take them at all—but the President's tax deduction remains the same.

One of the major concerns of American people is long-term care, and that was not even mentioned by the President yesterday. How many times have we come to the floor to talk about long-term care being one of the most significant problems facing America, facing our generation, facing the people whose partners are now in a very delicate situation, a very tenuous financial situation not knowing how they are going to care for those years at the end of their lives. The President chose to ignore it entirely.

And in perhaps the saddest irony of his plan, President Bush proposes to pay for these tax credits by squeezing down on Medicare and Medicaid. While he would give to one group—low-income individuals without insurance—he would squeeze down on health care for the elderly and the poor. This is hardly a reform of the system.

The fact is we are all only one illness or one job away from losing our health insurance today. A serious reform proposal must reverse this situation.

(3) ALLOCATION

The third problem that I have addressed and that needs to be addressed in any comprehensive health care plan is misallocation.

I talked last week about the fact that all health care systems are very much like a pyramid, and that was the purpose in bringing this chart to the floor this morning.

Every health care delivery system works in much the same way where the primary and preventive care is provided to all people, the greatest number of people at the base of the pyramid, and as you work up that pyramid you find in virtually every country that the amount of service provided to fewer and fewer number of people goes down to the point at which at the top of the pyramid, heart transplants, organ transplants, you have virtually no one receiving health care in many other countries. The reasons for that are pretty obvious. And so all of the care is provided at the primary and preventive levels but the most expensive, the most elaborate and the rarest forms of health care are rarely provided in many other countries. The United Kingdom does that. Canada does that in much the same way. But the United States does just the reverse.

The United States provides the most acute care, the most expensive care to the fewest number of people, and we work our way down the pyramid until we run out of money.

That is the medical system within our country. Those people at the base of the pyramid, just the reverse of what we see in every other country, are not covered. The vast majority of people who ought to receive primary care, preventive care, the least expensive care are not provided that care in this country.

That allocation problem is one of the most significant problems that we face structurally in our system today. And it is a problem that we have to reverse.

We, too, must provide base-of-the-pyramid care and work our way up and determine whether we have enough to go to the very top of this pyramid and provide care for everyone under all circumstances.

Frankly, Mr. President, I do not think that is possible. But nonetheless, this is one of the issues that we have to address if we are going to address comprehensive care in a thoughtful and considerate way.

This is one of the most serious structural problems in our health care system, this allocation of health care on a pyramid as I have described it just now. It is not the only problem we have with regard to allocation. Simply proposing to dump more money into a system that seriously misallocates existing dollars will only exacerbate the situation.

And where is a serious proposal to reduce the 20 to 25 percent of our health care dollars currently allocated to paperwork and administration not even accounted for in this pyramid? Twenty to twenty-five percent of all of the money that we allocate to health care goes to administrative costs today. Mr. President, that is outrageous and it is something that we have to address if we are going to address the problems of cost successfully.

The product of a summit convened by Health and Human Services Secretary Sullivan met the meek goal of reducing by a paltry 10-percent health care paperwork, hardly a bold new proposal to tackle this structural problem.

We need to flip the pyramid and reallocate dollars away from paper and toward health care services that keep people well.

(4) UNNECESSARY CARE

While we willingly relinquish 1 out of every 7 dollars of our GNP to health care, there is little attention paid to what we get for our money. It is not only what we spend but what we spend it on that troubles me in the current health care system.

Arnold Relman, one of those people to whom many turn for advice and counsel, the former editor of the New England Journal of Medicine, says that 30 percent of all health care services may be inappropriate or ineffective.

Part of the problem is that physicians spend half of their time avoiding lawsuits, and not practicing efficient medicine. The President does attempt to address this aspect of the problem with his malpractice reforms.

But he ignores at least three other factors that drive this problem of unnecessary health care: The fact that our fee-for-service system provides incentives to offer more and more care; the additional fact that a proliferation of technology and physician ownership of this technology and other health care facilities may encourage increased utilization; and finally, that patients are unable to obtain the cost information that allows them to comparison shop for the best prices.

All of these problems must be tackled if we are to get at the problem of unnecessary care.

(5) HASSLE FACTOR

Finally, we must address the fact that America's providers and patients are being strangled in redtape—buried beneath a mound of paperwork and harassed by the Government and other third-party payers at every step of the way.

As I mentioned earlier, some estimate that as much as one in four health care dollars are spent on paperwork, much of it designed to control costs within this fragmented, complex system.

As a result, health care providers are forced to spend too much time getting reimbursed and justifying their decisions, and not enough time doing what they do best—caring for patients. Other countries spend less than one-half of what we do on administrative costs.

What is the President proposing to end the hassles and harassment of patients and providers?

Other countries have addressed this problem. And, frankly I believe America can do better.

CHALLENGE TO THE PRESIDENT

Because these problems are all an integral part of our current system, I do not believe that a viable reform proposal can just scrape at the margins of some of them.

We must deal them all at once, by comprehensively reforming the system, while retaining America's strength in the areas of quality and technology.

President Bush is talking about keeping our current system, but spending more. We need to revamp our system and spend less on health care.

This country badly needs and is calling for a plan that will address all of these problems. Democrats have proposed plans which would reallocate, not add to, our health care dollars.

I will soon be offering a version which I believe best addresses all of these problems in a comprehensive manner. It will simplify our needlessly complex system, reduce the hassle factor in medicine, guarantee that everyone has access to health insurance and significantly reduce costs.

We challenge the President to propose a plan that attempts to achieve these goals. Americans have always strived to be the best. Why accept less with our health care system today?

Mr. President, I yield such time as he may consume to the distinguished Senator from Minnesota.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Mr. President.

First of all, let me thank the Senator from South Dakota. I know that he will be presiding over the Senate shortly. One thing that I think people are really yearning for is a substantive public policy that is real and that will make a difference in the lives of people, and I thank the Senator from South Dakota for his eloquence.

(Mr. DASCHLE assumed the chair.)

HEALTH CARE SYSTEM IN CRITICAL CONDITION

Mr. WELLSTONE. Mr. President, the health care system in this country is in critical condition, so sick that it needs to be in intensive care. And what do we get from the President? Not send the terminally ill patient to intensive care but give the patient a lollipop and send the patient home.

This tax credit proposal is not even a proposal, does not deal with the problem of escalating costs and the concern that people have about whether they can afford health care for themselves or their children.

Mr. President, you are from South Dakota; I am from Minnesota—Midwestern States. I know at the Minnesota State Fair over and over and over again what I heard was "Senator, I can't afford health care," or "Senator, we can't even find a doctor in our small town."

What do we get from the President? We get a tax credit approach, but he does not say how he is going to pay for it. But he suggests he is going to pay for it by taking money out of Medicare treatment for older people.

Well, both my parents had Parkinson's. I saw what the costs of drugs did to them. I saw what happened at the end of their lives when we could no longer take care of them and they were in nursing homes and had those catastrophic expenses.

I will tell you something right now: I will fight that idea all the way. I think it is an idea that will go nowhere. I simply think if the President is talking about supporting tax credits by taking away care for older Americans, he will get nowhere with that nor should he.

Mr. President, there is a focus in his plan on small business insurance reform. But I come from a State where agriculture is important. You do as well.

So if your talking about small business reform, 2 to 50 employees, what about self-employed, what about farmers? If you are talking about small business reform, then let us deal with the insurance companies. Do not sort of suggest there will be something like community rating. Do something about the outrageous premiums they have charged.

Why is the President and the administration so worried about the big insurance companies? Let us talk about some real reform. This health care system needs fundamental change. The people in this country know that. Their experience tells them that.

It is wrong that people should have to worry about a catastrophic expense putting them under, going bankrupt. It is wrong that people should have to worry about whether their parents will receive decent care that they can afford. It is wrong that we do not provide decent health care coverage for our children.

Mr. President, the President today I understand is going to talk about preventive health care, and here is going to be his focus. He is going to say that the real issue here is lifestyle and that Americans should take better care of themselves—people should not smoke, people should exercise, people should be careful about what they eat. Who opposes that?

But, Mr. President, there is not anyone I know—Republican or Democrat, rural or urban—who does not believe that people should take better care of themselves. But what does that have to do with an older person being able to afford nursing home care. What does it have to to do with people being able to afford health insurance premiums? What does it have to do with small businesses going under because of these health insurance premiums?

Well, I think that the President's proposal is not a step forward, it is a great leap backwards or sideways. And I will tell you what he is trying to leap away from—the insurance companies.

This proposal by the President of the United States should be called the Insurance Company Protection Act. That is what it should be called. Insurance companies compete on the basis of experience rating. That sounds pretty technical, does it not? But I will tell you something. People in Minnesota and people across the country know what it means. It means to insurance companies compete to cover healthy people. It means that insurance companies have turned the concept on its head where you almost have to prove to insurance companies that you will not need health insurance in order to be able to obtain it.

Well, I think if the choice for us in the Senate is between whether or not we enact a universal health care coverage plan that provides high quality, affordable care for every citizen or we protect the insurance companies, I know where I stand. I am going to push for universal health care coverage.

And, Mr. President, just as you have said, I have an intense interest in health care, I am going to introduce a piece of legislation when we get back, and we will have a good debate.

But I think what we do need to do now in the Senate—and I am so pleased to hear about your effort—is to come forward with proposals, talk about how they are going to be structured, delivered, and financed.

For my own part, I think we have to have single payer. I think we need to have real cost control. I think we need to transfer the money which has been going into the bureaucracy and a lot of the insurance companies directly into service to the people. And I think the way to do that is through a simple, equitable, universal health care coverage program that provides health care for people at a price they can afford—all citizens in this country, regardless of income, regardless of employment status, regardless of urban or rural, or age. That is an idea whose time has come.

Mr. President, that is the bill that I am going to introduce. I want to work with you, the Senator from South Dakota [Mr. DASCHLE] and other Senators, to make sure that we make universal health care coverage a reality for citizens in this Nation.

Mr. President, I yield the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, are we in morning business?

The PRESIDING OFFICER. The Senator is correct.

TAXPAYER FINANCING OF POLITICAL CAMPAIGNS

Mr. McCONNELL. Mr. President, I would like to make a few observations this morning about taxpayer financing of political campaigns. It is, of course, one of the modern outrages perpetrated on the taxpayers of this country. I think the Wall Street Journal pretty well summed it up in an editorial a couple days ago entitled: "Taxpayer-Funded Cult."

The editorial began, Mr. President, by saying:

> You may never have heard of Lenora B. Fulani, the Presidential candidate of the New Alliance Party, but your tax dollars are paying for her anti-Jewish, pro-Libyan campaign. So far Ms. Fulani's tiny party has collected checks totaling $763,928 in Federal matching funds. The story of the New Alliance Party is a cautionary tale for those who think public financing of elections would invigorate U.S. politics. More likely, it would only make it fringier.

The Wall Street Journal said, in referring to the fringe group that is being lavishly funded by the taxpayers of the United States.

The editorial goes on, Mr. President, to point out in a 1988 event—by the way, this is not the first time Ms. Fulani has been dipping into the public trough to finance her fringe candidacy. She did it in 1988, too. The editorial points out:

> At a 1988 event Ms. Fulani accused Israel of "genocidal policies" and ripped off portions of an Israeli flag. Mr. Newman has said Jews have "sold their souls to the Devil—international capitalism."
>
> In 1987, the Libyans paid for Ms. Fulani and other NAP members to go to Libya and protest "genocidal U.S. bombing" of that country.

Mr. President, the taxpayers of America are funding this outrage. Fortunately, we have a chance once a year to get a sense of how much our people in this country feel about public funding of elections. We have a poll they check off on their income tax returns every year. Less than one in five Americans check "yes" to divert $1 of taxes they already owe; 18 percent of the taxpayers in Kentucky—that is less than the national average of 19 or 20 percent—check "yes."

Lenora Fulani, the person I just described, has received over $2 million of taxpayers' money. Lyndon LaRouche, a little better known to the people of America, has received millions in taxpayers' dollars to run for President. He is sitting this election out this year, Mr. President. Instead, he is sitting in jail serving a 15-year sentence for fraud.

David Duke also will soon be at the taxpayers' trough, Mr. President. The taxpayers of America can look forward to funding David Duke's views, as well.

Also, I think taxpayers would be genuinely outraged to know that public funding pays for the national conventions. Put another way, for booze and balloons. The taxpayers have already been hit with a half-billion-dollar price tag for the conventions. The two parties will get $21 million for the party conventions this summer in tax dollars to put on a big party.

What have we received in return for all this extravagance, Mr. President? Darn little. Spending has continued to spiral out of control; special-interest money is about as prevalent, if not more so, in Presidential races than it is in senatorial races. And in congressional races, where there are no spending limits and no public funding, spending is actually going down; it has gone down each of the last two cycles.

So, Mr. President, I think it is particularly outrageous that the FEC is now running a promotional campaign to encourage people to check off. My own view is, if they told the truth, almost no one would check off.

As a matter of fact, Mr. President, let me just say in conclusion, there was a recent survey done in my State, and I understand similar questions have been asked all across America, asking respondents if they would be more or less likely to vote for a candidate who voted to spend taxpayers' dollars on political campaigns.

Mr. President, I think our colleagues would be interested to know that that was the most unpopular vote you could possibly cast, more unpopular than voting to raise your own pay; more unpopular than voting against authorization for the Persian Gulf war; more unpopular than raising taxes. In fact, Mr. President, you cannot conceive of anything more unpopular than voting to spend taxpayers' dollars on our political campaigns.

So I look forward to debating this issue in the remainder of the year with a good deal of enthusiasm. And as the American people learn more and more of what their previous tax dollars were spent on, such as funding fringe candidates like Lenora Fulani and Lyndon LaRouche, we look forward to the outrage that will be directed to the Congress in the future.

Mr. President, I ask unanimous consent that two newspaper articles, one The Wall Street Journal article I referred to earlier, and a piece that I wrote for the Washington Times, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 5, 1992]

TAXPAYER-FUNDED CULT

You may never have heard of Lenora B. Fulani, the presidential candidate of the New Alliance Party, but your tax dollars are paying for her anti-Jewish and pro-Libyan campaign. So far Ms. Fulani's tiny party had collected checks totaling $763,928 in federal matching funds. The story of the New Alliance Party is a cautionary tale for those who think public financing of elections would invigorate U.S. politics. More likely it would only make it fringier.

The New Alliance Party's windfall comes from a federal law that requires the government to match dollar-for-dollar up to $250 of contributions to any presidential candidate who can raise $5,000 in each of 20 states. This isn't the first time the NAP has cashed in on the ability of its fanatical followers to raise money door-to-door. In 1988, Ms. Fulani collected nearly $900,000 in federal matching funds.

The New Alliance Party was founded by Fred Newman, a former philosophy professor, who in 1974 joined the conspiracy-obsessed party of Lyndon LaRouche, Mr. Newman broke with LaRouche to form the New Alliance Party. Mr. Newman's 15 "therapy centers" teach that every person is dominated by "a dictatorship of the bourgeois ego" that must be overthrown in a personal revolution so as to liberate the proletarian ego. Patients at the therapy centers often become devoted workers in the New Alliance Party.

At a 1988 event Ms. Fulani accused Israel of "genocidal policies" and ripped off portions of an Israeli flag. Mr. Newman has said Jews have "sold their souls to the devil—international capitalism." in 1987, the Libyans paid for Ms. Fulani and other NAP members to go to Libya and protest "genocidal U.S. bombing" of that country. At the same time NAP members held a pro-Libyan rally in front of the White House.

We seem to be living through a time that breeds groups of people who have marginalized themselves well beyond the norms of American-political and cultural life. While it is in the U.S. tradition to give them a wide berth, it is by no means clear that taxpayers should have to pay for their political campaigns. Mr. LaRouche's many campaigns for President were also lavishly funded by the federal government until his fraud conviction. No one doubts that David Duke, whose campaigns for office are his livelihood, will soon successfully apply for federal matching funds.

The closest thing the U.S. has to a nationwide referendum on public financing of campaigns comes when Americans check a box on their tax form that asks if they want $1 of their taxes to go to a presidential election fund. Even though it's made clear no one's taxes will go up, the results are overwhelming. Every year the number willing to use tax dollars to bankroll political candidates declines; last year only 21% agreed. Despite all this, the Federal Election Commission last month decided to spend $120,000 to hire a PR agency to urge people to send $1 to the same fund from which Ms. Fulani's subsidies flow.

Election reforms are certainly needed to restore competition in politics. It would help if we scraped the $1,000 limit on individual contributions imposed in 1974, or at least raised it to $3,500 to account for inflation since then. Term limits would bring new blood to politics. Offering voters a None of the Above option on the ballot would make many routine elections more meaningful. But outside the Beltway, almost no one believes the public-financing schemes being debated in Congress are any solution.

[From the Washington Times, Feb. 2, 1992]

CHECKOFF TIME APPROACHING

(By Mitch McConnell)

Have you ever written on your 1040 form (or been tempted to) what you really feel about losing one-third of your salary to taxes? Are you fed up with government waste and politicians who do nothing about it? Would you like to do something about it and help send a resounding message to Washington?

If so, read on.

Every year on your tax form, you are presented with the option of checking "yes" or "no" to divert $1 from the U.S. Treasury to go to the Presidential Election Campaign Fund. These tax dollars are then used to pay for campaign ads, consultants, private jets, and booze and balloons at the Democratic and Republican conventions.

In return for your tax dollars, you are supposed to get campaigns in which spending and special interests are limited. This system of taxpayer financing and spending limits was sold to the public in the 1970s as a reformer's dream. Two decades later, it's the taxpayers' nightmare.

The presidential election system, propped up by the checkoff, has been a disaster and a fraud. In the four presidential elections since this "reform" (paid for with your tax dollars), spending has shot up, special interests have flourished and fringe candidates have received millions from the U.S. Treasury to further their agendas.

Ever heard of Lenora Fulani or Lyndon LaRouche? You have been paying for their campaigns. Although LaRouche is sitting this one out while he serves a 15-year jail sentence, Miss Fulani was the first person to qualify for taxpayer matching funds in the 1992 presidential election. Before this election is over, your tax dollars may even help David Duke further his racist agenda.

The vast majority of Americans, who are fed up with taxes and irresponsible government spending, are in no mood to pay for anyone's political campaign and do not support the Presidential Election Campaign Fund. Consequently, the fund is dying, teetering on the brink of bankruptcy.

The fund's founders and cheering squad unwilling to admit failure and let it go broke, are mounting an all-out campaign to revive it by persuading Americans to check off.

They believe that Americans are not so much opposed to the taxpayer funded campaign system as they are "ignorant" about it. They would like to "educate" you on the fund. And get this: They are using more of your tax dollars to do it!

The Federal Election Commission is spending hundreds of thousands of tax dollars to educate you about the checkoff. However, this education program does not explain how much of the money goes to TV ads, consultants and nominating convention extravaganzas. Nor does it mention the tens of millions of dollars in the off-the-books, unlimited and undisclosed special interest "soft money" polluting the system.

Self-proclaimed citizen action groups who support taxpayer financing of campaigns take great care to inform people that checking "yes" does not reduce tax refunds. However, they neglect to mention that this money is diverted from other pressing needs like deficit reduction, health care and child nutrition. Everyone pays for those who check "yes."

As if this were not outrageous enough, some in Congress are working to extend the presidential system of taxpayer-financed elections to 535 congressional races. If they succeed, the Presidential Election Campaign Fund will look like a K-mart blue-light special.

Check "NO" on your 1040 tax form and you will help accomplish two things: (1) kill the Presidential Election Campaign Fund; and (2) send a clear message to senators and representatives that you do not care to pay for their campaigns, either.

EXPORT OF AMERICAN EXPERTISE

Mr. WALLOP. Mr. President, with the fall of the Iron Curtain we have been given the view into Eastern Europe and one of the things we have seen is an electric power industry that is relying on outdated technologies and woefully inadequate environmental control systems; in the case of nuclear power, even woefully dangerous systems.

At the same time other parts of the world are facing an increase in their need for capital and expertise as they expand to replace their own countries' power systems, for example: Kuwait is rebuilding; many countries, such as India and other Far Eastern countries, are faced with explosive population growth, and a need to expand their power systems accordingly. And other countries are privatizing their power delivery systems and will be looking for new partners that can provide expertise as well as equipment and capital.

All of these situations afford an opportunity for American manufacturers, American architects, engineers and construction companies to export American technical expertise and build and own powerplants overseas.

Currently, the Public Utilities Holding Company Act imposes certain unnecessary conditions on the ability of American utilities to participate in this world market and to own these foreign facilities. The language of title 15 embodies the intent of the Senate that we allow all utilities, whether part of registered or exempt holding companies, to engineer, to build, own and operate foreign power systems free of these unneeded constraints.

By ensuring the freedom to compete for U.S. utilities, this proposal will help put American engineers and construction workers to work building state-of-the-art power plants for other nations. Using American technology we will be improving our export capabilities, improving our trade deficit, improving the job picture and, most importantly, will be satisfying a number of the world's clean-air, environmental problems.

In the recent Clean Air Act amendments, the Congress encouraged EPA to assess and encourage these types of activities. Now with S. 2166 we could encourage the very things that this economy needs the most, the creation of jobs and expanded U.S. exports.

Moreover, by fostering close relations in the construction of infrastructure facilities in developing countries, we will be helping establish business relationships as well as the need for a U.S. ancillary imports to support these facilities.

Our competitors, particularly Germany, have long recognized the wisdom of providing developing countries with core industry technology.

It is time, indeed past time, that we encourage our basic industries to be on the ground floor of developing national economies and, I believe, that S. 2166 does just that.

AMERICAN HIGH TECHNOLOGY OUTDOES JAPAN

Mr. WALLOP. Mr. President, there was in the last week a couple of really remarkable news stories that, unfortunately, have gone largely unnoticed by American commentators, both political and media.

The first one I would point out was a story in yesterday's Post that Intelchip outdoes Japan. The first paragraph of it tells it all. In the reverse of the now familiar pattern in high tech industries, an American company, has adapted a Japanese invention and won a dominant position in the booming global market through superior manufacturing and marketing.

It goes on to describe the flash memory clip and what Intelchip has done to develop it, and the fact that Japanese companies were coming to this American company seeking a partnership arrangement, and to build plants and facilities in Japan.

Likewise, the story is in last week that Japan has bet the farm on television technology called high-definition television, HDTV. There were some in this Congress at one time that wanted a massive Government program so that we could compete with the massive Government program of Japan. The Japanese government spent billions and billions and billions of dollars assisting Japanese industry in developing this technology.

Guess what, Mr. President? It is narrow, it is confirmed, it is expensive, and is being blown out of the market by American digital production of high-definition television. They have so committed their industry to that, that for the first time in a long time, American industry is absolutely square one on the front stage of American technology in electronics.

What we have come up with this digital HDTV is endlessly more flexible than the HDTV that the Japanese have developed. Europe, which committed many of its resources in the direction of Japan, is now really rethinking the market because it simply will not be satisfied by that technology.

So while all kinds of politicians are running around bashing the Japanese, there are hardly any politicians saying what we are doing successfully in these world markets.

I am here today to say I am proud of these companies. I do not believe America is a declining nation, and I happen to believe that there is plenty of evidence that our technology, our scientists and our manufacturers are more than able to compete in this world.

So while we spend a lot of time talking about what Japanese politicians say in responding to what American politicians say, let us look at the achievements of American industry. It is exciting. And it merits the attention of politicians and the press.

PROTECTION OF WITNESSES BEFORE THE SENATE SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. KERREY. Mr. President, the Select Committee on POW/MIA Affairs, which the Senate established in Senate Resolution 82, 102d Congress, is currently well into its task for investigating information concerning missing and detained American servicemen from the war in Vietnam.

The committee and its staff have taken testimony in hearings, depositions, and interviews from a number of individuals. In the course of some of the committee's staff interviews, it has come to the attention of the committee that some individuals who may have important testimony to provide are reluctant to step forward and provide information to the committee for fear that they may experience retaliation. In some cases, employees or former employees of our own Government apparently fear that their employing agency may seek to punish them for cooperating with this committee.

Mr. President, it should not even need saying, but I want the record to be absolutely clear that the select committee will not tolerate any intimidation, harassment, or retaliation against witnesses before this committee. I know the distinguished vice chairman, Senator SMITH, and all of the members of this committee join me in this statement.

The Senate has given us an important mission, which the American people expect us to complete. There is simply too much at stake to permit even the possibility that this inquiry will be thwarted by intimidation or harassment of potential witnesses.

The laws of the United States make obstruction of a congressional investigation a criminal offense. In 1982, Congress enacted the Victim and Witness Protection Act to strengthen these criminal provisions.

It is a criminal offense to attempt to intimidate, threaten, or corruptly persuade an individual in order to induce the individual not to testify before a congressional committee, or to withhold information, or to change his or her testimony.

Harassment of an individual to hinder or dissuade the individual from testifying is also criminal conduct.

The criminal penalties for obstructing an investigation or tampering with a witness extend up to 10 years' imprisonment and $250,000 fines in the most serious cases.

These laws are complemented by civil statutes prohibiting interference with or retaliation against Government employees, military or civilian, for providing information to Congress.

The vice chairman and I intend to ensure that no witness is deterred from providing any relevant information to this committee.

Even a hint that any witness is being harassed, intimidated, or threatened in any way will be the basis for an immediate referral of the incident to the appropriate authorities for investigation and, where justified, criminal prosecution. It is my sincere hope, and indeed my expectation, that we will not need to make such a referral.

The committee has not received information as of this date that any intimidation or harassment of prospective witnesses has actually occurred.

However, the mere fact that employees or former employees of the Federal Government have already expressed their reluctance or fear to come forward and provide relevant information to this committee indicates to me that more needs to be done by the relevant executive agencies to communicate to their own employees what Secretary Cheney and other agency heads have assured us: that they intend to cooperate fully with this committee's inquiry and to be as responsible as possible to this committee's needs for information.

Mr. President, I hope that it will not be necessary for me to take the floor to address this matter again. Prospective witnesses before the committee should know that if they are on the receiving end of any intimidation or pressure relative to the issue of providing information to the committee, they should inform the committee staff immediately in order that the committee may initiate the appropriate referral.

Nearly 20 years have passed since Vietnam and the United States said that all prisoners had come home.

The committee's investigation will last only until the end of this year, but I hope that its existence and our pledge to protect witnesses from intimidation and harassment will encourage anybody with information to step forward. If witnesses do not step forward, we cannot protect them. If they do not step forward, we may not find the answers the families and the country deserve.

Thank you, Mr. President.

DEATH OF PAUL FREUND—A CONSTITUTIONAL GIANT

Mr. KENNEDY. Mr. President, with the death of Paul Freund earlier this week, the Nation has lost one of its greatest constitutional scholars and Harvard University has lost one of its greatest teachers.

For years, Paul Freund reigned as the preeminent authority on the Constitution. He was a source of continuing counsel and wisdom to all of us on both sides of the aisle who sought guidance on the complex and all-important constitutional issues that determine our destiny as a nation.

Perhaps his greatest genius was in helping to reconcile the intense clashes of basic principles that are so often at the heart of constitutional debate—fair trial versus free press, for example, or the guarantee of free exercise of religion versus the ban on establishment of religion. As we all know, stating such principles doesn't reconcile them. As Paul Freund often said, the only absolute is that there are no absolutes. As he liked to put it in a more mundane example, the quality of judgment comes when we are wise enough to know when to choose between "Many hands make light work" and "Too many cooks spoil the broth."

Paul Freund's contributions to our contemporary understanding of the Constitution are immense, and his loss is deeply felt by all of us who were privileged to know him. I ask unanimous consent that obituaries from the Boston Globe, the New York Times, and the Washington Post may be printed in the RECORD.

There being no objection, the obituaries were ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Feb. 6, 1992]

PAUL A. FREUND, 83, LAW PROFESSOR AT HARVARD, EXPERT ON CONSTITUTION

Paul A. Freund, an expert on the Constitution, Supreme Court scholar and professor emeritus at Harvard Law School, died of cancer yesterday at his home in Cambridge. He was 83.

A professor at Harvard from 1940 to 1976, Mr. Freund was widely regarded during the 1960s as eminently qualified for the high court.

Among those advocating his appointment were his friend and Cambridge neighbor, U.S. District Judge Charles E. Wyzanski Jr., who in 1961 asserted that Mr. Freund was "the wisest, best gifted, most modest interpreter of the Constitution, and the man who by temperament and nobility of character is best gifted to guide the judiciary in troubled times."

Mr. Freund, a clerk to Justice Louis D. Brandeis in 1932–33, was editor in chief of "History of the Supreme Court," the incomplete multivolume work financed by the estate of Justice Oliver Wendell Holmes.

"All of those connected to Harvard Law School feel a loss with the passing of Paul Freund," the school's dean, Robert Clark, said yesterday. "He was an outstanding teacher, to both students and colleagues, about the constitutional framework for our society."

James Vorenberg, Clark's predecessor as dean, said: "Paul Freund was the dominant figure of his time in the field of constitutional law. He combined knowledge, insight and a matchless ability to express himself. His persuasive force came from the depth of his intellectual integrity and from his gentleness."

Mr. Freund was the author of "On Understanding the Supreme Court" (1949), "The Supreme Court of the United States" (1961) and "On Law and Justice" (1968), editor of "Experimentation with Human Subjects" (1970) and a coeditor of casebooks on constitutional law published in 1972 and 1977.

Born in St. Louis, Mr. Freund graduated from Washington University there in 1928 and Harvard Law School in 1931. After his clerkship with Brandeis, he stayed in Washington to serve in the Treasury Department, the Reconstruction Finance Corporation and the solicitor general's office before joining Harvard as a law lecturer in 1939. He returned to the solicitor general's office in 1942–46.

Mr. Freund was a former president of the American Academy of Arts and Sciences, chairman in 1970–72 of the Federal Judicial Center's study group on the Supreme Court caseload, chairman of the Judicial Selection Commission for the U.S. court of Appeals for the First Circuit in 1977–79, a former vice President of the Massachusetts Historical Society, and senior fellow emeritus of the Harvard Society of Fellows.

His awards include the Research Award of the American Bar Foundation in 1973, the Torch of Learning Award of the American Friends of Hebrew University in 1974 and the Roger Baldwin Award of the Civil Liberties Union of Massachusetts in 1982.

He leaves no immediate survivors. A memorial service is planned.

[From the New York Times, Feb. 6, 1992]

PAUL A. FREUND, AUTHORITY ON CONSTITUTION, DIES AT 83

(By Eric Pace)

Paul A. Freund, an authority on constitutional law and the Supreme Court who taught at Harvard Law School for 37 years, died yesterday at his home at Cambridge, Mass. He was 83 years old.

Professor Freund, who retired in 1976 as Carl M. Loeb University Professor, died of cancer of the sinus, a spokesman for the law school, Michael Chmura said.

A former dean of the law school, James Vorenberg, yesterday called Professor Freund "the dominant figure of his time in the field of constitutional law."

In his teaching and writings and as an official of the the United States Solicitor General's office in the 1930's and 1940's, he was a leading exponent of a relatively flexible interpretation of the Constitution in economic and social matters. He favored giving Congress and the states power to deal with the economic crisis of the 1930's and to take measures to prevent a recurrence of the Great Depression and to forestall other crises.

CRUCIAL COURT ROLE ENVISIONED

In Professor Freund's view, the judicial system, with the Supreme Court at its apex, had a crucial role to play. In his 1961 book "The Supreme Court of the United States" (World Publishing Company), he wrote that the role of the courts in maintaining a working federalism was one of "mediation between large principles and particular problems, of interposing intermediate principles" that are "more tentative, experimental and pragmatic."

"The courts," he added, "are the substations that transform the high-tension charge of the philosophers into the reduced voltage of a serviceable current."

Admirers of Professor Freund said yesterday that over the years his teachings and writings had made law students, at Harvard and elsewhere take a more supple view of the Constitution. They said he had played an important role in the movement to read the Constitution more generously in economics, while giving deeper protection to individual liberties of speech and press and racial justice.

TURNED DOWN KENNEDY OFFER

In the 1930's Professor Freund became staunch in his advocacy of reading the Constitution in such a way as to give Congress more freedom to experiment in measures to end the Depression and to provide what later came to be called a safety net against economic and other problems. While he was in the Solicitor General's office, from 1935 to 1939 and again from 1942 to 1946, he argued, or otherwise assisted in, court cases that tested such matters.

Three decades later, Professor Freund figured as a potential appointee as Solicitor General in the Administration of John F. Kennedy.

But as Professor Freund later recalled to friends, when Mr. Kennedy offered the position to him, he turned it down on the ground that he wanted to continue working on a history of the Supreme Court, of which he was the general editor. To that Mr. Kennedy replied, "I'm sorry. I hoped you would prefer making history to writing it."

CONSIDERED FOR HIGH COURT

Then, early in 1962, President Kennedy considered naming Professor Freund to a seat on the Supreme Court but chose Deputy Attorney General Byron R. White for a seat that became vacant then. And when another Supreme Court vacancy arose later that year, the historian Arthur M. Schlesinger Jr. wrote in his 1965 book "A Thousand Days," Mr. Kennedy "inclined at first toward Freund," but eventually chose Arthur Goldberg.

Paul Abraham Freund was born Feb. 16, 1908, in St. Louis, the son of Charles Freund and the former Hulda Arenson. He earned a bachelor's degree from Washington University in St. Louis in 1928, a bachelor of laws degree from Harvard in 1931—serving as president of the Editorial Board of the Harvard Law Review—and a doctorate in Law, also from Harvard, in 1932.

In 1932 and 1933 he was a law clerk to Justice Louis Brandeis. He then was an official of the Treasury Department and the Reconstruction Finance Corporation from 1933 to 1935.

THREE ENDOWED CHAIRS

When the joined the Harvard Law School faculty in 1939 it was first as a lecturer specializing in conflict of laws as well as in constitutional law. He became a Professor of Law in 1940 and then held three endowed chairs in succession: he was Charles Stebbins Fairchild Professor, beginning in 1950; Royall Professor of Law, beginning in 1957; and Carl M. Loeb University Professor, beginning in 1958.

His other writings included the books "On Law and Justice" (Harvard University Press) and "On Understanding the Supreme Court" (Little, Brown).

He was the editor of "Experimentation with Human Subjects" (George Braziller) and co-editor of "Cases on Constitutional Law" (Little, Brown). He was for some years the editor-in-chief of the multivolume "History of the Supreme Court," of which, Mr. Chmura said, additional volumes are planned.

Professor Freund was a fellow and past president of the American Academy of Arts and Sciences.

There are no immediate family survivors.

[From the Washington Post, Feb. 6, 1992]

PAUL FREUND, CONSTITUTIONAL SCHOLAR, DIES

(By Claudia Levy)

Paul A. Freund, 83, a Harvard Law School professor and constitutional scholar who was often suggested as a candidate for associate justice of the U.S. Supreme Court, died of cancer Feb. 5 at his home in Cambridge, Mass.

Cited by former Harvard Law School dean James Vorenberg as "the dominant figure of his time in the field of constitutional law," Dr. Freund taught at Harvard from 1939 to 1976, when he became professor emeritis.

A civil rights adviser to John F. Kennedy while the latter was in the Senate, Dr.

Freund was runner-up in 1962 when Kennedy appointed Byron R. White to the Supreme Court. Dr. Freund turned down the president's subsequent offer to be U.S. solicitor general, as he had when the post was offered a decade earlier during the Truman administration.

Dr. Freund, a former law clerk to Justice Louis D. Brandeis, was not often in the courtroom, choosing to concentrate on teaching, research and the direction of a monumental history of the Supreme Court. In a rare appearance before the high court in 1952, he argued unsuccessfully that a law governing habeas corpus petitions infringed the constitutional rights of federal prisoners.

Dr. Freund was chairman of a study group on the Supreme Court caseload that in 1972 recommended establishment of a new, seven-judge National Court of Appeals to help weed out frivolous cases aimed at the high court. He also was chairman of the judicial selection commission for the First Circuit of the U.S. Court of Appeals and a member of the Commission on Electoral College Reform that studied the issue of presidential succession in the early 1960s.

Born in St. Louis, Dr. Freund was a graduate of Washington University and Harvard Law School, where he was president of the editorial board of the Harvard Law Review.

After clerking for Brandeis, he was a government attorney, working for the Treasury Department, Reconstruction Finance Corp. and the Solicitor General. He returned to Harvard as a visiting lecturer in 1939 and joined the faculty the following year. He specialized in constitutional law and conflict of laws.

He gave his views on public questions in testimony before congressional committees and in lectures and writings. In 1964, he told Congress that a proposed constitutional amendment permitting public school prayer would dislocate a basic provision of the Bill of Rights. In 1975, he predicted that much of what was then punished as obscene would in the future "be adjudged a sin against language or an offense against art" but not a crime.

He said a proposed Equal Rights Amendment would create legal chaos by nullifying all legal distinctions between the sexes.

Dr. Freund was author of three books—"On Law and Justice," "The Supreme Court of the United States" and "On Understanding the Supreme Court"—and editor of two others. He was president of the American Academy of Arts and Sciences, a fellow of the American Bar Association and a corresponding fellow of the British Academy.

Dr. Freund received 21 honorary degrees as well as awards from the American Bar Foundation, the Civil Liberties Union, the American Judicature Society, Harvard and the American Law Institute.

There are no immediate survivors.

THE PRESIDENT'S HEALTH CARE PLAN

Mr. KENNEDY. Mr. President, for 11 years, the American people have been waiting for a health-care plan from the Reagan and Bush administrations. The Senate election in Pennsylvania last November was a wake-up call to the White House, but the plan that has finally been announced is inadequate to meet the challenge.

If the President's health plan was a prescription medicine, the Food and Drug Administration would never allow it to be marketed—because it is unsafe and ineffective.

This country faces a crisis in health care that has been worsening for more than a decade. Exploding health-care costs threaten to price health care out of reach of the average family. Rising costs are eating up wages, harming our competitive position in the world, and denying accessible and affordable health care to large numbers of families.

Thirty-six million people are uninsured, and the number grew by more than a million in the past year alone. Even those who have insurance today cannot be confident that it will be there to protect them tomorrow.

If you lose your job or change jobs, you can lose your coverage. If your employer decides your coverage is too expensive, he can cut it back or eliminate it entirely. If you develop a chronic illness, the insurance company can cancel your coverage when you need it the most.

No health reform is worthy of the name unless it meets two basic tests. It must guarantee coverage for every American, and it must put in place a tough program to control rising costs. The Bush plan does neither—and the reasons are clear.

To have an effective program that meets these tests, the administration must be willing to take on powerful entrenched interests.

Businesses that will not insure their workers have to be told that the free ride is over. Insurance companies must learn that 90 percent markups will not be tolerated. Doctors and hospitals must face up to the fact that they cannot be free to charge whatever the market will bear.

But the administration is not willing to challenge these powerful interest groups. Instead of requiring businesses to ensure their workers or contribute to public coverage, their program squanders billions of dollars on tax deductions that are too small to buy a decent health insurance policy for a family.

Instead of offering a program guaranteeing coverage to the middle class and the poor alike, the President plans to fund coverage for the uninsured poor by taking from the elderly and the Medicaid poor.

Instead of putting reasonable limits on what doctors and hospitals can charge, the President avoids the hard choices necessary to hold costs down. This plan will cost $100 billion more over the next 5 years—yet it will produce no reductions in spending for health care.

Will the President's program guarantee you coverage if you lose your job? No. You will get a tax credit large enough to help you buy coverage—but only if you are destitute.

Will the President's program guarantee you coverage if your employer does not provide it? No. The tax deduction for the average family is only a small fraction of the cost of coverage—about 15 percent of the cost—and you have to wait a year before you can even collect this inadequate help.

Will the President's program guarantee protection if your employer decides to reduce your coverage or cancel it? No. The administration does not believe any business has any obligation to cover its workers—or even make a contribution to public coverage on their behalf.

Will the President's program have a significant impact on exploding health-care costs? No. It is no wonder the administration has provided no estimates of any reductions in health-care spending attributable to their program.

Our Democratic plan in Congress offers a solid alternative that achieves each of these basic goals. The HealthAmerica bill that Majority Leader MITCHELL, Senator RIEGLE, Senator ROCKEFELLER, and I introduced last June will guarantee coverage for every American and put in place a tough, comprehensive program to control health-care costs. It is a plan that builds on the current system but corrects its worst faults. It is a practical, achievable proposal that will get the job done.

Under our plan, every business will be required to provide health insurance coverage for its workers and their families, or contribute to their coverage under a new public program, like Medicare.

Two-thirds of the uninsured are workers and their families. These citizens work hard—most of them 40 hours a week, 52 weeks a year, but all their hard work cannot buy them the insurance they need, because their employers refuse to provide it.

The vast majority of businesses already assume this obligation. More than half a century ago, we required all employers to pay a minimum wage, to contribute to Social Security, and participate in worker's compensation and unemployment insurance. In 1992, the time is long overdue for all employers to provide or contribute to health care.

The unemployed deserve the basic right to health care, too. Our plan will make coverage under the public program available to them, with premiums based on ability to pay.

The plan includes a number of provisions to make it easier for small businesses not currently providing coverage to afford the cost. These provisions include fairer tax treatment. They include insurance reform, so that small businesses will finally be able to buy coverage at a fair price. For all businesses, large or small, with low-wage workers, the opportunity to buy coverage under the public plan by paying a percentage of payroll—perhaps 7 or 8 percent—can offer substantial savings.

These firms will receive an average subsidy equal to almost 40 percent of the cost of coverage. For small firms that choose to buy private coverage, those that might have trouble affording it will be offered tax credits equal to one-quarter of the cost of coverage.

The plan includes the most comprehensive program to control health-care costs ever introduced.

First, the plan includes steps to squeeze unnecessary care out of the system. Studies by the Rand Corp. have concluded that as much as 30 percent of American health care may be unnecessary or counterproductive.

Our program will require practice guidelines, so that unnecessary medical care can be identified and eliminated. Managed care will be encouraged. Outcomes research will be increased so that for many medical procedures whose value is unclear, effectiveness will be established and useless procedures eliminated.

Second, the plan will cut billions of dollars in unnecessary administrative costs. The current system is strangling in redtape that burdens physicians, hospitals, and patients alike. By reforming the health-insurance market, by requiring standardized forms and procedures, and by electronic billing, we can get costs down and make life easier for doctors and patients alike.

Third, the plan will end the blank-check payment policies that have allowed doctors and hospitals to charge whatever they want and have reduced their incentives to practice cost-effective medicine. A new Federal Health Expenditure Board, with the status and independence of the Federal Reserve Board, will be created. The Board will collect, analyze, and publish data on doctors and hospitals in every community in the country, so that patients and insurers can compare costs and quality. The Board will establish tough goals for total spending. Through a negotiation process bringing providers together with business, labor, and consumers, it will establish binding payment rates to achieve national expenditure goals.

Finally, the plan will end the cost-shifting that raises charges to all of us by billions of dollars because some patients are uninsured and cannot pay their fair share.

Our plan has been estimated to save the Nation more than $200 billion in 5 years, even after taking into account the extra costs of covering the uninsured.

In presenting his own plan yesterday, the President took time to say some harsh words about the Health America plan. The same scare tactics were used against Social Security in the 1930's and against Medicare in the 1960's. They did not work then—and they will not work today.

I look forward to debating the President's plan. He is entitled to a vote on the floor of the Senate, and the American people are entitled to a vote on a plan that will truly meet their needs. If health reform is our goal, it is no longer enough to ignore the real problems we face. We must do more, much more, than simply reach for another box of Band-Aids.

GLAXO INC., HOLDS DOWN PRICES

Mr. SANFORD. Glaxo Inc., a North Carolina based pharmaceutical company, is one of the outstanding corporate citizens of the State of North Carolina.

Health care is in crisis. A growing number of Americans can no longer afford health insurance because health care costs are skyrocketing. So I am pleased when I find health care providers and suppliers voluntarily attempting to control health care costs, and am happy to report that Glaxo has agreed to hold down overall price increase for all Glaxo medicines to no more than the rate of inflation. Last year this company was able to keep overall price increase for all its products to 3.7 percent, a full percentage point below the CPI increase of 4.6 percent. And I want to commend Glaxo and its CEO and chairman, Dr. Charles Sanders, for this effort.

Glaxo has also recently decided to provide a 15-percent price discount to public health clinics serving the poor. This is especially important, because these vital health care clinics are serving a growing number of people who have no other access to health care, and their funding has not kept pace with price increases for prescription drugs and other health care products and treatments. So this is especially important to people who depend on these clinics for their health care. This new effort to better serve public health clinics will supplement a program begun in 1984 by Glaxo to provide medicines without charge to patients who cannot afford to pay for them.

The pharmaceutical industry is an important part of health care delivery. Discovering and developing new medicines not only save lives and reduce suffering, but it can also reduce health care costs. Glaxo's commitment to research and development has made it one of the leading pharmaceutical companies in the world.

Glaxo is committed to the search for cost-effective new medicines and will spend nearly $1 billion worldwide on pharmaceutical research and development this year. The development of cost-effective medicines plays a significant role in addressing long-term health care problems. I want to thank Glaxo for this and for voluntarily helping to hold down health care costs.

Mr. President, I would like to submit for the RECORD the attached Durham Herald-Sun article, to be printed following my statement.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Durham (NC) Herald Sun, Feb. 5, 1992]

GLAXO INC. TO OFFER MEDICINE DISCOUNTS TO HEALTH CENTERS

(By Myra G. Knight)

Health centers for the homeless, migrant workers and other low-income people will be able to buy medicine from Glaxo Inc. at a 15 percent discount the firm announced Tuesday.

Under the plan the Research Triangle Park based drug company will offer the discounts to qualifying clinics funded under the Public Health Service Act.

The clinics serve about 6 million people annually. Savings to the clinics are expected to be about $10 million a year.

Rising health-care costs—including the cost of prescription drugs—looms as an issue in this year's federal elections.

In a televised debate last week, several Democratic presidential candidates expressed concern that the cost of drugs had far out-stripped growth of the economy as a whole.

But Rick Sluder, a spokesman for Glaxo, said the company's decision to offer discounts was not related specifically to the debate or to other comments by political leaders.

"Certainly, we're aware that concerns about health-care costs have been raised and that they have affected some decisions within the industry," he said.

"This is a way to answer those concerns and at the same time extend our long-held philosophy that access should not be limited by ability to pay."

Sluder said Glaxo started a program in 1984 that provides drugs without charge to patients who cannot afford to pay for them. The new clinic-discount plan will supplement the 1984 program, he said.

The discounts will apply to prescription drugs the clinics buy for outpatient clients not covered by Medicaid or other programs for poor people. They also will not apply to elderly people who already receive discounts from Glaxo.

To qualify for the discounts, clinics are asked to purchase medicines directly from Glaxo and to assure that all Glaxo products are available to patients. The program takes effect May 1.

Glaxo also pledged to keep its price increases in line with the general inflation rate.

The company has maintained such a limitation on price increases since fiscal year 1990-91, it said.

That year, the overall price increase for all Glaxo products was 3.7 percent compared with an increase of 4.6 percent in the general Consumer Price Index.

Including Medicaid rebates in the calculation. Glaxo said its overall increase for fiscal 1990-91 was 1.5 percent.

CRASH OF C-130 IN EVANSVILLE, IN

Mr. MCCONNELL. Mr. President, yesterday a C-130 aircraft crashed in Evansville, IN. This tragic accident hits particularly close to home not only because it occurred in a neighboring State to Kentucky, but also because the five National Guard crew members who perished were assigned to the 123d Tactical Airlift Wing [TAW] in Louisville.

The 123d TAW and the C-130 aircraft have an impressive record of safety, which makes this accident all the more difficult to comprehend. The crew members were experienced and professional soldiers, and I know the 123d and the Commonwealth will sorely miss its dedicated patriots: Maj. Richard Strang of Floyds Knob, IN; Capt. Warren Klingaman of Louisville; Lt. Vincent Yancar of Louisville; M. Sgt. William Hawkins of Crestwood; and M. Sgt. John Medley of Louisville.

I urge my colleagues to keep in their thoughts and prayers those lost or hurt in this tragedy. My heart particularly goes out to the crew members' families. Their personal loss and grief is shared by the entire Nation.

THE PRESIDENT'S HEALTH CARE REFORM PROPOSAL

Mr. BINGAMAN. Mr. President, yesterday President Bush announced to the Nation his hope—not help—for reforming our ailing health care system. To his Cleveland audience, the President proclaimed that he was "putting health and hope within our reach." Unfortunately, his long-awaited proposal fails to recognize a fundamental, and potentially fatal, fact: The American health care system is devouring our economy. If health care costs continue to triple every decade, as they have for the past three decades, health care will rob American families of the resources they desperately need to live. Mr. President, Americans need leadership, not hope.

Last year, American families spent $738 billion, or $23,000 every second, on health care. Next year, if the Bush plan is adopted, costs will continue to spiral. American families simply cannot afford the increases George Bush is proposing: In 1980, a typical American family paid about $2,600 per year for health insurance. In 1990, the same family paid $6,500. By the year 2000, that family will pay about $14,000 under current projections and the Bush plan. We simply must enact real, comprehensive reform.

From telephone opinion polls to the voting booths, Americans are telling us they want comprehensive reform of the health insurance industry. They want high quality health care. They want the care they need, not the treatment their insurance company deems appropriate. But under the President's plan, insurance companies will continue to be protected. The Bush plan will not require insurance companies to be accountable for the archaic and costly methods they use to manage claims. We now spend four times as much on the administration of medical insurance as we spend on medical research. It is clear the President has decided that protection of this failing industry is more important than the need of Americans to have peace of mind and know they will not be bankrupted paying for medical misfortune.

In 1965, the Medicare Program was enacted; today, its success is largely due to innovations in the management, reimbursement, and administration of health care. Medicare provides older Americans with health care and the peace of mind they deserve. But when it comes to essentials like health, all Americans, young and old, deserve the peace of mind provided by affordable, high quality care. Under the President's plan, there will be no peace of mind, even for older Americans, because his plan could threaten the safety of the Medicare Program. And it will not assure accessible and affordable care to younger Americans. When the President speaks of restricting the ability of States to mandate medical benefits, which benefits will he eliminate? I believe we should respect the decisions of the States' elected representatives. These legislators, not D.C. policymakers, can best ensure the particular needs of their citizens are met.

If the President's plan is enacted, we can expect no improvement in statistics on the uninsured, even 6 years after enactment. Estimates are that in 1998, under the Bush plan, 30 to 45 million Americans—the current population of 23 States—will still be uninsured. This troubles me deeply because my State leads the Nation in the number of uninsured, and Hispanics, who make up the largest segment of New Mexico's diverse citizenry, are the most likely to be uninsured. Many of the uninsured in my State and throughout the country are part of the work force. Currently, EBRI estimates that 85 percent of the uninsured live in families where the head of the household works outside the home. Most work in small companies or are self-employed. The President's proposed voucher and tax credit/deduction plan will do little for these workers and their families.

In my home State of New Mexico, the average family of four will realize about $600 from the tax deduction proposed by the President. When faced with a total insurance bill of approximately $4,000, this small deduction will not ensure access to health insurance. Further, the plan's failure to control escalating health care costs means even the meager benefits some families gain today will be lost tomorrow. The middle class will, once again, absorb most of the costs and bear most of the burden.

For Americans fortunate enough to work for employers who provide health insurance, it is unclear how the President will insure portability of insurance. The President's proposal uses the Cleveland Council of Small Enterprises' [CCSE] effort as a model, which pools workers from hundreds of employers and negotiates with insurance companies as a large group. As was described in a New York Times article yesterday, the CCSE model can help in limited situations; but it fails to reach or help hundreds of workers. The primary failing of the CCSE model is its use of exclusion criteria to deny insurance to individuals at high risk or with preexisting medical conditions. Will the President address this significant problem by mandating that all employers provide health insurance?

It is fairly clear that access to health care will not be guaranteed under the Bush plan. Nor do I believe that the much-touted malpractice reform will solve the problem. Malpractice premiums account for only about 1 percent of our national health spending, and no reliable estimates exist for the cost of defensive medicine. As I indicated during the Labor Committee's recent meeting to mark up the HealthAmerica bill, I believe we need more information on the efficacy of medical procedures and the contribution of medical procedures to the quality of life. Only through systematic analysis will we have enough information to guide health care providers and their patients in decisions about health care. Unlike the President, who yesterday made a veiled appeal to the Congress to work with him to ration health care by fiat, I believe a wiser course is to facilitate a national debate on how we are going to prioritize health care.

Finally, I want to point out that the President's plan to simply cap Government health expenditures, without addressing adequate reimbursement for purchased services under programs like Medicaid, will not save any money. It will increase cost shifting to the private sector, causing greater increases in health insurance prices. I agree that we must recognize limits to Government health spending, and we must do so quickly. However, establishing simple spending limits without recognizing other factors is not the solution.

Despite the inadequacies of the President's proposal, I do not believe we can turn our backs on this chance to begin reforming our ailing health care system. It is clear that our current system of providing health care is deeply flawed. We cannot ignore the fact that 36 million Americans are—and will be—uninsured. We cannot ignore the fact that 15 percent of our children do not—and will not—have health insurance. The President's plan recognizes these serious problems, but falls short of even providing hope for a remedy. Under the President's plan, by the turn of the century the number of uninsured children and families will grow even higher, and we will have failed to give another generation hope.

The President's proposal is at least a starting point. We have a long, long way to go. Thank you.

DEMOCRATIC REPORT ON THE NOMINATIONS PROCESS

Mr. DOLE. Mr. President, the Democrats in the Senate have examined the nominations and confirmation process and pronounced it flawed.

After the spectacle of the Thomas hearings, I think we can all agree with that diagnosis, as well as with a few of the recommendations in their report.

Unfortunately, however, when it comes to Supreme Court nominations, their prescribed cure is much worse than the disease.

The Democratic report chooses to ignore history. President Washington, for instance, filled the Court with staunch supporters of a strong Federal Government.

John Adams likewise sought to appoint Justices with strong federalist sentiments and succeeded in having John Marshall confirmed as Chief Justice.

Marshall authored decisions which have had an enduring effect upon the Nation's political and economic structure consistent with Washington's and Adams' visions.

It was Franklin Roosevelt's objective to fashion a Court sympathetic to New Deal legislation.

Within 4 years of the defeat of his Court packing legislation, President Roosevelt appointed seven new members to the Court. In the short run the effect of the change in Court personnel was immediate and predictable. Social and regulatory legislation was sustained across the board against constitutional challenges that might have prevailed before the old Court.

The seven Roosevelt nominees, who were virtually unanimous on matters of economic and social legislation, divided only when civil liberties issues began to bloom during the post-war period.

Presidential nominations of Judges traditionally have reflected Presidential agendas.

Any precept that a President should not use the appointment process to promote political objectives, or avert their subversion, is irrational and, to the extent that it fosters expectations of executive forebearance, is also unrealistic.

Senator William Proxmire, for example, argued during the 1971 debate on the Rehnquist nomination, that the Senate should confirm a nominee of obvious intellectual capacity without considering his or her substantive views—unless the nominee would not uphold constitutional guarantees.

In 1969, Senator Marlow W. Cook, in defending his support for the Haynsworth nomination, wrote to a constituent that "the ideology of the nominee is the responsibility of the President. The Senate's judgment should be made, therefore, solely upon grounds of qualifications.

When the Democrats suggest that the President immediately begin consulting with the Democratic Senate about the next Supreme Court nominee—at a time there is no vacancy on the Court—they are dreaming of a world that never was and never will be. This is nothing more than a blatant attempt to grab power which the Senate has never had.

It ignores the plain language of the Constitution which excludes the Senate from the nomination process and only involves the Senate in the appointment process. The Constitution separates these two functions and only in the latter case is there Senate action required.

No President before has surrendered the nomination power of Supreme Court Justices to the Senate. It is unlikely that this one can be persuaded to do so.

There is, however, an answer to the Democrats complaint, but it lies in the ballot box, not in process changes.

When and if they elect a Presidential candidate, then they can control the nomination process.

And if they do so, you can bet that any suggestions that the President should consult the Senate on Supreme Court nominations will quickly disappear.

NATIONAL COUNCIL ON THE HUMANITIES

Mr. PELL. Mr. President, the National Council on the Humanities is the 26-member body that advises the Chairman of the National Endowment for the Humanities on policy and program issues and makes recommendations as to which applications should be supported with NEH funds. Each Council member is nominated by the President to serve a 6-year term and Senate confirmation of those nominees is required.

Council members have a very important role to play at the Humanities Endowment. To be most effective as public servants, they should provide the NEH Chairman with informed and independent opinions on policy and program matters and they should be scrupulously fair-minded in their thorough review of grant requests.

The terms of nine members of the National Council on the Humanities expired in January. The statute permits those Council members whose terms have expired to continue to serve until replacements have been confirmed. Since no nominations have yet been made to fill these nine vacancies, the retiring Council members will be allowed to attend the next meeting of the National Council on the Humanities which convenes here in Washington on February 13–14, 1992.

While the Senate awaits these nominations, I believe it is an appropriate time to share a thoughtful statement about the National Council on the Humanities with my colleagues. This statement was prepared by the board of directors of the National Humanities Alliance, a impressive coalition of 72 organizations concerned with the humanities in the United States. The NHA was established in 1981 to encourage public interest in support of the Federal programs in the humanities.

I greatly appreciate the fact that the National Humanities Alliance has set forth such a clear statement regarding the purpose and composition of the National Council on the Humanities. It is a pleasure to share this statement with my colleagues and I ask that it be printed in the RECORD along with the list of NHA member organizations and a roster of the NHA board of directors.

There being no objection, the material was ordered to be printed in the RECORD, as follows

STATEMENT OF THE NATIONAL HUMANITIES ALLIANCE[1] ON THE NATIONAL COUNCIL ON THE HUMANITIES

Since its establishment in 1965, the National Endowment for the Humanities [NEH] has become the single most important institution supporting scholarship and other humanities activities in the United States. In the words of William G. Bowen, President of the Andrew W. Mellon Foundation: "It is not an exaggeration to say that the decisions made concerning the budget for NEH . . . and subsequent administration of the funds have an absolutely decisive impact on the health and character of the humanities in America."[2]

For this reason, the National Humanities Alliance (NHA), a coalition of seventy scholarly and other organizations concerned with the humanities in this country, wishes to reiterate its full support for the HEH and to emphasize the importance of the composition of the National Council on the Humanities to the general functioning of the NEH. We do so now because the terms of nine of the twenty-six members of the Council expire in January 1992.

The authorizing legislation[3] assigns the following responsibilities to the National Council on the Humanities: (a) advising the Chairman of the NEH on policies, programs, and procedures for carrying out the Chairman's functions and (b) reviewing and making recommendations to the Chairman on the applications for financial support submitted to the Endowment. These responsibilities call for Council members who bring a range of expertise and breadth of experience to their work on the Council. The diversity of Council members' interests and backgrounds determines the kind of advice they can provide on grant decisions, policies, and procedures.

Scholars, educators, and other citizens working in the humanities view the Council as serving the Endowment and the general humanities community in a way that parallels the leadership provided by the National Science Board, although they recognize that the science panel is vested with far greater authority as well as resources.

The legislation requires that NEH Council members be appointed by the President with

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Footnotes at end of article.

the advice and consent of the Senate. The statute requires that Council members must: 1) be private U.S. citizens; 2) be "recognized for their broad knowledge of, expertise in, or commitment to the humanities"; and 3) "have established records of distinguished service and scholarship or creativity." Further, Council members must "provide a comprehensive representation of the views of scholars and professional practitioners in the humanities and of the public throughout the United States." In other words, Council members must bring not only the highest qualifications but also a broad range of perspectives, which is critical to the effectiveness of such a body. We recognize that the legislation calls for representation of the views of both scholars and the public, and, in fact, the Council has included both scholarly and public members since the beginning, although there are no reserved "scholarly" or "public" seats on the Council.

The National Humanities Alliance urges that scholars nominated to serve on the Council have the credentials called for in the legislation. Likewise, individuals nominated from among the general public should have records of strong commitment to the humanities. Further, we urge on-going attention to achieving the comprehensive representation—across disciplines[4] and intellectual viewpoints—that is called for in the legislation.

Finally, the NHA notes the directive in the legislation to consider "recommendations" on Council appointments "by leading national organizations concerned with the humanities." Such organizations, whose primary commitments are to the work of the humanities, can be helpful in identifying individuals representing a range of viewpoints who are actively engaged in scholarship as well as the public humanities.

FOOTNOTES

[1] The National Humanities Alliance (NHA) was formed in 1981 to unify the public interest in support of federal programs in the humanities. The NHA is the only coalition that represents the humanities as a whole: Scholarly and professional associations; organizations of museums, libraries, historical societies, higher education, and state humanities councils; university and independent centers for scholarship; and other organizations concerned with national humanities policies. The Alliance also speaks in behalf of individuals engaged in research, writing, teaching, and public presentations in the humanities.

[2] William G. Bowen's testimony was presented 17 March 1988 on behalf of the National Humanities Alliance before the Interior and Related Agencies Subcommittee at a hearing regarding the Fiscal Year 1989 appropriations for NEH.

[3] The National Foundation on the Arts and Humanities Act of 1965 (P.L. 89-209). All quotations of the legislation are drawn from the compilation of the law through 1986 (the most recent compilation) but with cognizance of changes enacted through the 1990 reauthorization.

[4] The legislation states that "the term 'humanities' includes, but is not limited to, the study and interpretation of the following language, both modern and classical; linguistics; literature; history, jurisprudence; philosophy; archeology; comparative religion; ethics; the history, criticism, and theory of the arts; those aspects of the social sciences which have humanistic content and employ humanistic methods; and the study and application of the humanities to the human environment with particular attention to reflecting our diverse heritage, traditions, and history and to the relevance of the humanities to the current conditions of national life."

THE NATIONAL HUMANITIES ALLIANCE, JANUARY 1992

ACTIVE MEMBERS OF THE NATIONAL HUMANITIES ALLIANCE

American Academy of Religion.
American Anthropological Association.
American Association of Museums.
American Association for State and Local History.
American Council of Learned Societies.
American Folklore Society.
American Historical Association.
American Musicological Society.
American Philological Association.
American Philosophical Association.
American Political Science Association.
American Society for Aesthetics.
American Society for Eighteenth-Century Studies.
American Society for Legal History.
American Sociological Association.
American Studies Association.
Association for Asian Studies.
Association for Jewish Studies.
Association of American Colleges.
Association of American Geographers.
Association of Research Libraries.
College Art Association.
Shelby Cullom Davis Center for Historical Studies, Princeton University.
Davis Humanities Institute, University of California, Davis.
Federation of State Humanities Councils.
The George Washington University.
History of Science Society.
Independent Research Libraries Association.
Linguistic Society of America.
Medieval Academy of America.
Modern Language Association.
National Council of Teachers of English.
National Humanities Center.
Renaissance Society of America.
Social Science Research Council.
Society of Biblical Literature.
Speech Communication Association.

ASSOCIATE MEMBERS OF THE NATIONAL HUMANITIES ALLIANCE

American Dialect Society.
American Library Association.
American Numismatic Society.
American Society for Theatre Research.
Association of American Law Schools.
Association of American University Presses.
Center for the Humanities, Wesleyan University, Connecticut.
College English Association.
Commonwealth Center for Literary and Cultural Change, University of Virginia.
Community College Humanities Association.
The Council of the Humanities, Princeton University.
The Hastings Center.
Institute for the Humanities, University of Michigan.
Institute for the Medical Humanities, University of Texas Medical Branch, Galveston.
Institute of Early American History and Culture, College of William and Mary.
International Research & Exchanges Board.
Middle East Studies Association.
Midwest Modern Language Association.
Northwest Document Conservation Center.
Organization of American Historians.
Philological Association of the Pacific Coast.
Popular Culture Association.
Shakespeare Association of America.
Sixteenth Century Studies Conference.
Society for Ethnomusicology.
Society for the History of Technology.
Society of Architectural Historians.
Society of Christian Ethics.
South Atlantic Modern Language Association.
South Central Modern Language Association.
Doreen B. Townsend Center for the Humanities, University of California, Berkeley.
University of California Humanities Research Institute, University of California, Irvine.
Virginia Center for the Humanities.

THE NATIONAL HUMANITIES ALLIANCE, JUNE 22, 1991

BOARD OF DIRECTORS—1991/92

Edward H. Able, American Association of Museums (1992), NHA Secretary-Treasurer.
Susan L. Ball, College Art Association (1992).
W. Robert Connor, National Humanities Center (1994).
Douglas E. Evelyn, National Museum of American History (1992), (for American Association for State and Local History).
Phyllis Franklin, Modern Language Association (1992), NHA Vice President.
Roderick S. French, George Washington University (1992), NHA President.
Samuel R. Gammon, American Historical Association (1992), NHA Immediate Past President.
Werner Gundersheimer, Folger Shakespeare Library (1992), (as Chairman, Independent Research Libraries Association).
John H. Hammer, National Humanities Alliance (*ex officio*).
David A. Hoekema, American Philosophical Association (1993).
Joseph S. Johnston, Jr., Association of American Colleges (1993).
Stanley N. Katz, American Council of Learned Societies (1992).
Miles Myers, National Council of Teachers of English (1994).
Catherine E. Rudder, American Political Science Association (1993).
Michael M. Sokal, History of Science Society (1994).
Duane E. Webster, Association of Research Libraries (1993).
Jamil S. Zainaldin, Federation of State Humanities Councils (1992).

DAKOTA CARES PROJECT

Mr. CONRAD. Mr. President, several weeks ago, President George Bush while addressing a conference of the Citizens Democracy Corps and United Way International on private sector assistance to the Commonwealth of States, paid tribute to the extraordinary humanitarian efforts currently underway by the North Dakota Grain Growers Association in cooperation with the United States Durum Growers Association to assist families living in St. Petersburg, Russia.

The project, Dakota Cares, was developed last October 1991, when members of both associations decided to donate 100 tons of packaged flour to the people of St. Petersburg, a city with especially great needs as farm regions have dramatically reduced food shipments to urban areas.

The response on behalf of Dakota Cares from North Dakotans, and many other individuals across the region was overwhelming. North Dakota farmers donated grain from this year's harvest. Citizens donated cash to assist with transportation costs. The North Dakota Mill donated milling and bagging costs. Burlington Northern Railroad and the Sea-Land Corp. donated transportation, and KLM provided two round-trip airline tickets for several members of the North Dakota grain associations to fly to St. Petersburg to oversee the distribution of flour.

In addition, many organizations including the American Committee on United States-Soviet relations, the Ed Benson Co. of Minneapolis, MN, along with members of the Salvation Army, the Red Cross, and American church groups including the Church World Service, contributed significantly to ensure the distribution of flour to St. Petersburg families with the greatest need.

Mr. President, the initial efforts to provide humanitarian food assistance to needy individuals and families in St. Petersburg proved extremely frustrating. Individuals representing the U.S. Durum Growers Association, Charles Rohde, president, and the North Dakota Grain Growers Association, Maynard Satrom, president, and their staffs, worked tirelessly for weeks to overcome the bureaucratic obstacles that prevented the flour from being shipped, and distributed freely to those families with the greatest need.

After considerable hard work and outstanding contributions from many individuals, corporations, and organizations on behalf of Dakota Cares, the first of an estimated three shipments of packaged flour, was delivered early in January to the elderly, disabled, and low-income families in the Kuibeshevsky District of St. Petersburg, one of the areas hardest hit by food shortages. A second shipment is scheduled for distribution today.

Mr. President, I am pleased and very honored to be able to share the reports on this exceptional humanitarian effort, the Dakota Cares project, that is underway for the residents of St. Petersburg, Russia. It is an undertaking and contribution from North Dakotans and many Americans that we can all be very proud of, especially during these most difficult economic times in the United States. As President Bush remarked on January 22, at the conference sponsored by the Citizens Democracy Corps, the Dakota Cares project represents "the American spirit at its very best."

Mr. President, I ask unanimous consent that several articles on the Dakota Cares project from the Christian Science Monitor of Thursday, January 16, 1992, and the Fargo Forum of Tuesday, January 21, 1992, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Forum, Jan. 21, 1992]

RUSSIANS GRATEFULLY RECEIVE FLOUR FROM NORTH DAKOTA

(By Mikkel Pates)

North Dakota flour is getting to Russians and it's appreciated—but that's not enough. That's the message from two North Dakota grain farmers who went to St. Petersburg to monitor the distribution of 43,200 pounds of Dakota Maid bread flour through the Dakota Cares project.

A second shipment is scheduled for Feb. 7.

"These people were so thankful, they had tears in their eyes, and it was hard not to cry with them," said Charlie Rohde, Langdon, president of the U.S. Durum Growers Association.

"They need everything," said Maynard Satrom, Oriska, president of the North Dakota Grain Growers. "They need bread, pasta, beans, sugar, cooking oil; toothpaste."

Grain growers have donated flour with a value of $3,800, though the value of the ocean freight is about equal and was contributed by the E. Benson Co.

At a news conference in Fargo, the two representatives showed a videotape of their house-to-house deliveries of flour to the poor.

The video showed flour deliveries to "pensioners," for the most part elderly widows who live in one-room apartments and share kitchens with four or five others and live on $1.30 or less a month.

The two also visited small, private farmers, many nearly 100 years behind the times.

"If you saw these people it would be easy to make a contribution," Rohde said. "We in the United States don't know what hungry is. Meat is beyond their buying power."

Each 10-pound bag is enough to make about 17 one-pound loaves of bread. Rohde said that since bread flour normally is available only to bakeries—not private citizens—there is no good estimate of its market value.

"They'll make it last for a long, long time," he said, adding, "It becomes a 'hamburger helper' for everything."

St. Petersburg Mayor Pavel Soluyanov wrote a letter to North Dakotans, expressing his thanks.

"We greatly appreciate this first act of private initiative, which appears to become the effective support for our citizens, who found themselves in an extremely hard situation," Soluyanov wrote. "People received flour parcels with sincere gratitude. They are sending their thanks through us to you, all farmers and to all who donated towards this project."

Logistics for the effort have been difficult.

"I truly believe this thing was touched by a higher power," said Dina Butcher, executive director of the North Dakota Grain Growers.

Laurie McMerty, a grain growers staff member who made most of the arrangements, first tried to get help through the U.S. State Department.

"Their first question was, 'Why in the world would you want to do that?'" McMerty said.

Help also came from the U.S. Department of Agriculture, McMerty said, but there are turf battles going on between the two agencies.

This week, Butcher is traveling to Washington, DC, to talk about the flour export success with members of the Citizens Democracy Corps, a national group working with world humanitarian efforts.

President George Bush and Secretary of State James Baker are scheduled to address the group, Butcher said.

McMerty also said although U.S. airlines declined to offer a discount on airline tickets for Rohde and Satrom, KLM Dutch Royal Airlines provided two round-trip tickets and seated the men in the "royal" passenger space.

Rohde said it is disheartening to see how slowly the United States has responded to the food needs of Russians. Current efforts to send grain are too late to help them through this winter and the real need is for processed goods for humans, he said.

Both men said they think the gift of flour could be a harbinger of future sales of wheat products to the Soviets. "I think it would be open now if we could get some people over there to make the contracts," Rohde said. They cited several instances of entrepreneurs from other countries who are in place to start agricultural enterprises.

The grain growers cooperated with a New York lawyer who used techniques from the American Relief Administration in the 1920s as a pattern for getting the food to the Soviets.

St. Petersburg was picked because it is a port city and doesn't have the added layer of bureaucracy of Moscow.

To prevent the flour from being stolen or diverted to the black market, they required private organizations—chiefly the Salvation Army, American students living in St. Petersburg and church groups—be in charge of distribution.

They required the flour clear customs within 24 hours and distributed it to several areas of the city, creating an incentive for good performance.

Those interested in donating can contact the North Dakota Grain Growers Association at 4023 North State St., Bismarck, N.D., 58501, or phone (800) 932-8822.

[From the Christian Science Monitor, Jan. 16, 1992]

NORTH DAKOTA FARMERS SEND AID TO ST. PETERSBURG

(By Linda Feldmann)

WASHINGTON.—This is the story of how North Dakota grain farmers linked up with a New York lawyer with an appreciation for history and succeeded in delivering food aid to the needy of St. Petersburg.

The key, says the lawyer, Matthew Murray, was to follow the lessons of the United States's last humanitarian aid program in Russia: the American Relief Administration, set up in 1921 by then-Commerce Secretary Herbert Hoover to address Russia's devastating famine.

But first things first.

Last October, the North Dakota Grain Growers Association and the US Durum Growers Association decided to donate 100 tons of packaged flour to the people of St. Petersburg. Initial attempts to go through official channels fell flat. Poor telecommunications hindered their efforts to reach St. Petersburg city officials or the US consulate there by phone. And the response from the State Department in Washington left them stunned.

"The first question was, 'Why in the world would you want to do that?'" says Laurie McMerty, projects director for grain growers association. "We're a small state and just used to everybody pitching in when someone needs help."

Mr. McMerty adds that, when dealing with local people to arrange other aspects of the project, "it took no more than five minutes for each phone call" to get support.

Farmers donated grain from this year's good harvest. Citizens donated cash for transportation costs. ND Mill donated milling and bagging costs. Burlington Northern Railroad donated inland transportation. And KLM Dutch Royal Airlines provided two round-trip tickets to St. Petersburg for two association members to oversee the project.

Then the grain growers connected with lawyer Matthew Murray, who travels frequently to Russia as a trade consultant.

Mr. Murray says St. Petersburg was an appealing candidate for aid because it's a large city (the major cities have proved particularly needy, since farming regions have cut back on food shipments), it has a port, and it's not Moscow, with its added layer of government bureaucracy.

But when Murray went to St. Petersburg in November to set up distribution for "Dakota Cares" project, there were no American private voluntary organizations operating there, he says. So he realized he'd have to start from scratch.

Enter Herbert Hoover and the American Relief Association. Through the help of the American Committee on US-Soviet Relations, Murray got copies of ARA documents and a 1943 paper by H. H. Fisher on the ARA to learn how the aid program worked.

Then, as now, a major concern was that aid not be stolen or diverted to the black market. The ARA, in its August 1921 accord with Russia, insisted on provisions to ensure that wouldn't happen: requiring that the ARA be allowed to bring into Russia any personnel it deemed necessary to carry out its work; and requiring the Soviet government to reimburse the ARA in hard currency or in kind for any stolen materials.

The ARA also paid its Russian workers in food, to lower the temptation to steal.

"Stringent conditions placed on the aid and absolute control by the ARA over every part of the distribution process were the keys to its success," writes Janine Ludlam in "New Outlook," a journal of the American Committee on US-Soviet Relations.

Murray adapted but did not duplicate the ARA concept. The North Dakota accord does not call for reimbursement for lost materials, but rather obliges the Russians to hold "accountable under the laws of the Russian Republic" any official party found to be intentionally misusing or selling the flour.

The accord also provides for the involvement of private organizations and individuals, including the Salvation Army, American students in St. Petersburg, and church groups. The flour is to be cleared through customs, duty-free, within 24 hours of its arrival at the port.

"We hit them hard to get it in within 24 hours," says Murray. It was up to the Russian signatures to the deal to ensure that the flour did not languish in the port, as with many other ships bearing foreign aid. The Russians are also in charge of supplying trucks and fuel to transport the flour to its final destination.

It was of paramount importance, Murray says, that good local officials be found on the Russian end. He is happy with his choices: Alexander Minikov of the Departmental Committee for Social Problems at the mayor's office in St. Petersburg (a new city welfare agency) and Mark Grigoriants, who runs the social welfare office for Kuibeshevsky District, one of St. Petersburg's hardest-hit regions.

Instead of threatening to punish the Russians for poor implementation, Murray says he simply made it clear to the area selected that the North Dakotans were under no obligation to keep the deliveries coming if the arrangement was not working. Murray also set up a competitive process for the North Dakota aid, taking bids from separate parts of St. Petersburg, to create an incentive for good performance.

The flour—packaged in 10-pound bags labeled as a gift from North Dakota—is to be distributed free to pensioners, the disabled, single-parent families, and families with more than one child.

The St. Petersburg social welfare department, working with the Salvation Army, is compiling a computerized list of the neediest cases—already 16,000 people in Kuibeshevsky District alone. The bags of flour are being distributed by the Salvation Army, American students, and American church groups, with Russians helping. Also, Red Cross nurses are distributing flour to wards on their regular visits.

Murray says he wants to steer clear of giving away flour to Russian volunteers as much as possible, to foster a sense of altruism. The North Dakotans decided to give flour to the nurses, however, when they learned they were being paid by the Soviet Salvation Army only 100 rubles a month (enough to buy just a few days' worth of food).

For the North Dakotans, the acid test came this week, when two of their grain officials took the KLM trip to St. Petersburg to check on the aid. So far, says Laurie McMerty of the grain growers association, the plan seems to be working. The first shipment of 4,320 10-pound bags had cleared customs and was waiting for the North Dakotans when they got there.

AN UPBEAT VIEW OF U.S. TRADE PROSPECTS

Mr. DOLE. Mr. President, we have heard a lot of talk lately about the President's recent trip to the Far East and America's role in the global economy. Not surprisingly, much of that talk has been negative, coming from the liberal media and the "America Can't Compete" crowd pushing isolationist and protectionist solutions to our Nation's trade challenges.

Well, that is not the refreshing message the Lincoln, NE, Chamber of Commerce recently heard from one of the business leaders who accompanied President Bush on his Far East mission. According to C.J. Silas, chairman and chief executive officer of Phillips Petroleum and chairman of the U.S. Chamber of Commerce, the outlook for American competitiveness is hardly the doom and gloom being forecast by many these days.

Mr. President, I recommend Mr. Silas' remarks to my colleagues, and I ask unanimous consent that the entire text of the speech to the Lincoln Chamber of Commerce be included in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

FREE TRADE OR COMPETING BLOCS? BUSH'S FAR EAST MISSION AND AMERICA'S ECONOMIC FUTURE

(Remarks by C.J. Silas)

[Introduction by Duane Vicary, precedes.]

Thank you, Duane.

Governor Nelson, distinguished representatives of the business community, ladies & gentlemen:

After 12 hectic days, in four countries, on at least two continents, I'm delighted to be back in America's heartland, especially to a state that's apparently discovered how to immunize itself from recession.

[Pause.]

That's some trick.

I know a certain White House physician who'd like to talk to you about immunizing against intestinal virus.

Despite the President's bout with the flu and despite some pretty down-beat news coverage about the trip, there is upbeat news to report from the Pacific Rim.

By honoring his longstanding commitment to visit our friends in the Far East, I believe the President made the right decision.

Right for him. Right for the country, and right for business.

His mission, actually, was long overdue. But the delay is understandable.

The rest of the world, outside of the Pacific Basin, was a mess for most of 1991.

The Soviet Union ceased to exist.

War broke out in central Europe for the first time in a generation and then there was the small matter of a medium-sized war in the Persian Gulf.

[Importance of Pacific region.]

But even while the rest of the world seemed to be falling apart, the nations surrounding the Pacific basin continued their quiet, relentless pace as the most rapidly growing economic region on earth.

U.S. trade with the Pacific is now greater than with any other region of the world.

Our exports to the tiny nation of Singapore alone, already exceed our total sales of goods and services to Spain or Italy.

Even as the world was focusing its attention on "Europe 1992," the center of gravity of the world economy had already decisively shifted from the Atlantic to the Pacific.

It was therefore imperative that the President demonstrate that this country intends to remain a Pacific Power.

It was also imperative to make clear that we intend to fight unfair barriers to our exports.

[Taking business leaders along.]

A lot has been written about the "symbolism" of this trip.

Most of it was negative—and most of it missed the mark.

This was the first time a President of the United States had asked the nation's business leaders to join him on a major diplomatic mission.

People criticized the President's gracious invitation to us; this was seen as somehow "demeaning," lacking in dignity.

These critics missed the point.

We business people may lack the dignified self-assurance of pin-striped diplomats, or the ramrod bearing of seasoned military commanders.

But the world is changing. What this invitation symbolizes, is the President's realization that economics—rather than clever diplomacy or military power is now the driving force of history.

It also symobilizes that George Bush is willing to roll up his sleeves and get directly involved in the nitty-gitty of trade negotiations.

This was a message our trading partners needed to hear.

[More to trip than Japan talks.]

The media focused most of its attention on our talks with the Japanese.

These talks revealed that a real gap in perceptions has grown up between our two nations, especially with respect to what it means to have an "open market."

But our slow progress with the Japanese should not obliterate the very real accomplishments of the Bush mission.

There was a lot more at stake on the President's trip—than auto-parts.

Our friends in Australia, Singapore and Korea, as well as Japan were asking for reassurance.

All of these countries were worried about America's intentions.

They were afraid that our preoccupation with wars, and rumors of wars in other parts of the world would lead to a "benign neglect" of their concerns.

Our election-year rhetoric also frightens them. We Americans know that all the political talk about isolationism in this country is just that: all talk.

But our friends can't be quite sure.

As our military presence in the Far East inevitably winds down in the aftermath of the Cold War, they want to hear that America's commitments to them remain firm and resolute. They got that reassurance directly from the President of the United States.

[Danger of trade war.]

They are also worried about expert predictions that the greatest era of trade expansion in history may be coming to an end.

Shattered by the rise of three great trading blocs in Europe, North America and Asia, everywhere we went, we heard fears that the proposed North American Free Trade Agreement would cut off trade access to North America.

Again, they got the word directly from the President of the United States: NAFTA is designed to open markets, not to close them.

President Bush is firmly opposed to replacing the military blocs of the Cold War with the trading blocs of an economic war.

Our nation remains firmly committed to "free and fair trade" as a fundamental policy.

After all, we would be seriously hurt by any slowdown in global trade expansion.

In 1990, U.S. export growth accounted for 80 percent of our total economic growth.

In 1991, U.S. exports probably reduced the impact of the recession by half.

This is precisely the reason the U.S. Chamber has historically opposed any kind of adversarial approach to international trade, even if retaliation is justified.

But the President could only go so far toward reassuring our Asian neighbors that a world of hostile trading blocs can be avoided.

America is only one of the key players in this game. If the rising tide of protectionism among the three economic "superpowers" is to be restrained, we're going to need some cooperation.

Even within the Chamber family, resentment against unfair Japanese tactics is rising.

The Japanese use their own play book, rather than abiding by the internationally agreed-upon set of rules.

Japan can no longer justify employing its mercantile practices by pretending it's still a struggling Third World nation, with a marginal economy.

Korea, Singapore and Hong Kong are thriving on practices that put their trade in rough balance with the U.S. "So," it's legitimate to ask, "why can't the Japanese?"

The Chamber should consider this issue.

[Protectionism not the answer.]

But I remain convinced that protectionism is not the answer. Enforcing our rights isn't always in our self-interest.

Sometimes, winning a lawsuit leaves both winner and loser poorer than either would have been with a reasonable compromise. That's why so many companies settle lawsuits out of court, even if the facts are on their side.

As the chief executive of an international energy company, I have to tell you I find the prospects of a global trade war frightening.

It would be an unmitigated disaster for all concerned. All three trading regions are governed by democracies.

If the U.S. starts retaliating against Japan in earnest, just what do you think Japanese politicians are going to do?

Will Tokyo respond in kind? You can bet on it!

If projectionist rhetoric escalates into political action, the present recession could quickly turn into a world-wide depression.

It's happened before. In the 1930's.

We can't afford to repeat that experience in the 1990's. We need each other too much. The movement toward a truly integrated global economy has already gone too far to be reversed.

In the last five years alone, Japanese companies poured some $109 billion into North America to erect factories and buy businesses.

Texas Instruments is now Japan's leading producer of semiconductors; Estee Lauder is Japan's most successful cosmetic manufacturer. In fact, the top 2,000 American companies operating in Japan produce goods & services with a production-value greater than the US-Japan trade deficit.

On the U.S. side of the Pacific basin, General Motors is now the largest shareholder in Isuzu.

Before we start retaliating, we'd better talk to some of the folks who are likely to get caught in the cross-fire.

[Don't sell America short.]

I also happen to believe that American fears about our competitiveness are blown way out of proportion.

America's share of the world economy has held steady at 22 to 23 percent of total global GNP for 10 years straight . . . with no sign of decline whatsoever.

That's roughly the same share we held prior to the Second World War, which temporarily flattened our natural competitors in Europe and Japan.

Even today, with Europe fully recovered, we are running a trade surplus with the 12 members of the European Economic Community.

We've also turned out former deficit with Mexico into a tidy surplus.

In fact, with respect to manufacturing, the U.S. has increased its global market-share over the past few years, primarily at the expense of the Europeans.

Our share of world exports in chemicals, power-generating equipment, computers, electrical machinery, all of these are growing.

Japan, on the other hand, is losing marketshare in autos and steel to South Korea and the other "tigers" of East Asia.

My message is that America is neither helpless, nor in terminal decline.

Our efforts over the past decade to improve productivity and competitiveness are beginning to pay off, perhaps not as fast as we would like, but certainly a lot faster than some commentators would lead you to believe.

[Structural problems are real.]

Having said this, I do not intend to minimize the structural problems American business faces adjusting to this New World Order.

The same forces which have stimulated the greatest era of international trade growth in world history, are also forcing a rationalization in the marketplace. Anywhere you look, you see consolidation.

That's what "globalization" of the economy really means. For business, the implications are very simple—and very painful: even in Lincoln, Nebraska.

Unless you happen to be a very small regional or local company, with a well-defined niche market, you must gear up to compete on a global basis. If you don't, "The Great Consolidation" may swallow you whole.

It's already swallowed half of America's independent oil companies.

If our business enterprises are to thrive in the emerging global economy, there is no alternative to becoming more competitive.

The steel industry saw the handwriting on the wall—and responded. "Big Steel" is gone, but American specialty steel is back—and growing. It didn't come back by hiding behind tariff walls.

[Why economic integration will win.}

Such a strategy is doomed; here's why: Advances in communication and transportation have made it virtually impossible for nations to insulate themselves from the international economy.

The cost of a 10-minute phone call between the U.S. and Britain, for example, has fallen from more than $200 in 1950, to less than $10 today.

The cost of transportation—and the real cost of energy used in transportation—has also dropped in absolute terms.

This means that even a small firm—your firm—can afford to coordinate operations and ship products to a world-wide market.

It also means that a small competitor in Mexico or Turkey may already be plotting your down fall.

The advent of the fax machine and related information technologies, will inevitably undercut any attempt by politicians to insulate domestic producers from the forces of the global marketplace.

Just ask the leaders of "The Late Great, Soviet Empire" what happens, when you try to insulate yourself from the global economy.

There is a lesson here for those who would replace the sterile ideological blocs of the past with the new, competitive economic blocs of tomorrow. Don't even think about it!

With the end of the Cold War, the new fault line in world affairs is no longer ideology. It is the clash of the forces of economic integration versus the forces of ethnic, religious and special interest fragmentation.

Economic integration is going to win, hands down. I am not saying this process will be pretty, uneventful, or without its ups and downs.

What I am saying, in terms of American business, is that protectionism will not save us from the forces of consolidation and rationalization. To survive, we need to be better than the competition. No more—and no less.

That's why the President went to Asia. And that's why he took America's business leaders. He wanted to reassure our friends that we're not going to abandon our historic commitment to their region. He wanted to reassure them of our continued support of free and fair trade, and that we are willing to talk about trade issues on a case-by-case basis, if that's what it takes to work things out.

He wanted to introduce them to some people they can deal with, in real world terms: America's business leaders.

I came away from this trip, feeling more upbeat about America's future than I have in a long time.

I think the President's got our international economic priorities straight.

He's talking to the right people about the right issues at the right time. Clearly, there are some difficult problems to work out.

The world-wide triumph of democracy and the free-market may be a cause for celebration. But we can't expect this New World Order to behave with any more decorum than any other squalling infant.

It's noisy, messy, with a bundle of appetites. It whines a lot. We've got our work cut out for us. But given a choice of problems, I'll take "competing for marketshare" over "Global Thermonuclear War" any day of the week. Thank you.

THE DEATH OF FERGAL CARAHER IN NORTHERN IRELAND—DISTRICT ATTORNEY KEVIN BURKE'S REPORT

Mr. KENNEDY. Mr. President, in December 1990, Fergal Caraher was killed when British Army soldiers opened fire on him in Cullyhanna. The army claimed that Caraher and his brother drove through a checkpoint, but witnesses say that they stopped and spoke with the soldiers, and were shot as they drove away. Because of their dissatisfaction and lack of confidence in the official inquiry, Mr. Caraher's parents initiated an independent international inquiry.

Kevin Burke, district attorney for the Eastern District of Massachusetts and a member of Northern Ireland Justice Watch, took part in that inquiry and submitted an extensive report last October on its findings. Mr. Burke concludes that the British Government is unwilling to expedite investigations of shootings by security forces, is unwilling to provide information on these incidents to the public, and has sacrificed basic principles of justice and human rights in the interest of maintaining order.

Earlier this week, in large part due to the attention this case has received as a result of the widespread outrage about the incident and the work of the international inquiry, two soldiers were charged with the murder of Fergal Caraher. I welcome this long overdue development, but I remain concerned about the continuing lack of confidence in the law enforcement system in Northern Ireland.

Mr. President, I commend Mr. Burke for his excellent report and his conscientious pursuit of justice in this case. I believe that his impressive and disturbing report will be of interest to all of us concerned about human rights in Northern Ireland, and I ask unanimous consent that the report may be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FINDINGS OF DISTRICT ATTORNEY KEVIN M. BURKE FROM THE PUBLIC INQUIRY INTO THE SHOOTING OF FERGAL AND MICHAEL CARAHER, CULLYHANA, COUNTY ARMAGH, NORTHERN IRELAND, OCTOBER 1991

INTRODUCTION

As a member of Northern Ireland Justice Watch, a recently formed human rights group, I was invited to participate as a jurist in a public inquiry into the shooting of two citizens of Northern Ireland by British Royal Marines on December 30, 1990, in the village of Cullyhanna, County Armagh. The known circumstances of the killing of Fergal Caraher and the wounding of his brother Michael Caraher by Royal Marines gave rise to very serious public concern regarding the use of deadly force by security forces. This concern, coupled with a failure of the police or the government to provide information concerning the shooting, caused the Caraher family, the Cullyhanna Justice Group, and the Irish National Congress to sponsor a public inquiry into the shooting, on June twenty-second and twenty-third in Cullyhanna, County Armagh, Northern Ireland.

An international panel of jurists chaired by Michael Mansfield, QC of England, and including myself, Judge Andrew Sommers of Wisconsin, Maitre Anne-Carine Jacoby, avocat a la cour, Paris, and Ms. Veronika Arendt-Rojahn, Rechtsawaltin und Notarin, Berlin, was assembled for the inquiry. The panel undertook this tasks having been satisfied as to the independence of the inquiry, and out of a concern as to the use of lethal force in Northern Ireland. We clearly understood that, as an unofficial inquiry, our findings would have a somewhat limited scope, especially given the fact that the army, the government and the police had declined invitations to participate in the inquiry.

The procedures for the inquiry were developed by the jurists and two Irish lawyers, Fergal Kavanaugh, a barrister, and Colm McGeehan, a solicitor. Mr. Kavanaugh and Mr. McGeehan, with the help of others in the sponsoring organizations, prepared the presentation of the evidence to the panel. At the inquiry itself, Mr. Kavanaugh, assisted at counsel table by Mr. McGeehan, examined the witnesses. At the completion of Mr. Kavanaugh's examination of each witness, the panel was allowed to examine the witnesses. There is a stenographic and videotape record of the proceedings, and each panel member was provided with copies of the exhibits presented, which included photographs and maps as well as copies of various correspondence.

The panel adopted a Preamble (Addendum A) which recognizes that the inquiry is not to be seen as the equivalent of a court of law. The Preamble does prescribe, while clearly recognizing the State's right and duty to enforce the law and maintain order, "that there should be a prompt elucidation of the facts surrounding and inquiry into the death of any human being so as to allay the legitimate public concerns and fears."

In addition, and most fundamental to this inquiry, the panel recognized in the Preamble, "that the law must be just and must apply to all equally and must be seen to be just and apply equally."

Finally, the panel adopted Terms of Reference (Addendum B) which in essence frame the issues that each jurist should address in their findings. For the purposes of my findings, I will restate the issues to be examined in a form which combines the purpose and objectives of several terms of reference.

STATEMENT OF FACTS

On Sunday, December 30, 1990, at approximately 3:15 p.m., Michael Caraher and Liam Murphy left McGeeney's Pub at Freeduff Road, Cullyhanna. They entered a red Ford Granada owned by Murphy, and with Murphy driving they drove from Slate Quarry Road into Tullynaval Road. While on Slate Quarry Road just before the intersection with Tullynavel Road, they encountered a vehicle driven by Dr. Donal O'Hanlon of Dublin. As Dr. O'Hanlon turned onto Tullynavel Road, his vehicle, which was not operating properly, stalled. Liam Murphy and Michael Caraher pulled in behind Dr. O'Hanlon's car to see if they could assist with the problem. They spent several minutes unsuccessfully trying to start the car. Subsequently, Oliver McArdle, a neighbor of Caraher's and Murphy's who was driving up Tullynavel Road from Dundalk, pulled in on his right behind Dr. O'Hanlon's car and assisted with the repair of the vehicle. In a matter of about ten minutes through the assistance of Mr. McArdle, Dr. O'Hanlon's car was repaired and the doctor proceeded in the direction of Dundalk. Oliver McArdle departed immediately after Dr. O'Hanlon.

Around the time of Dr. O'Hanlon's departure, Fergal Caraher, who was driving a white Rover, arrived at the scene. Fergal Caraher pulled his car in behind Liam Murphy's vehicle, facing in the same direction (south). The Carahers and Murphy stood talking for a few minutes when they were approached by a foot patrol of four soldiers coming from the direction of Slate Quarry Road. One soldier asked for the names, addresses and purpose of travel of the Carahers and Liam Murphy. In addition, the soldier checked the registration of each vehicle but did not search the cars.

While the Carahers and Murphy were being questioned, a neighbor, Jim McAlistair, drove up from the direction of Dundalk and inquired if they were all right. Fergal Caraher replied that they were. Maeve Murphy, Liam Murphy's wife, who was driving south toward Dundalk in her father-in-law's car, also inquired about them. She too was given assurances by Fergal Caraher that there were no problems.

After the soldiers completed their questioning of the Caraher brothers and Liam Murphy, the soldiers turned towards Slate Quarry Road.

The Carahers and Murphy continued to talk and decided that they would drive to Dundalk. Initially, they decided that they would use Liam Murphy's car and that Fergal Caraher would leave his car at the Lite'n Easy car park just up the Tullynavel Road toward Dundalk. Fergal left first in his car. Liam Murphy with Michael Caraher followed a minute later due to the difficulty in starting Murphy's car.

A short distance up Tullynavel Road and around a slight bend, Fergal Caraher encountered a motor vehicle checkpoint manned by a group of British soldiers at St. Patrick's Chapel Gate. This patrol was entirely different from the group encountered near the intersection of Slate Quarry Road. Fergal Caraher was waved through the road check by a member of the patrol because at that moment the patrol was only checking traffic coming from the direction of Dundalk. Fergal Caraher then turned into the Lite n'Easy Pub car park, which was located just beyond the Chapel gate checkpoint. Mr. Caraher parked his vehicle with the front of the vehicle near the edge of the road.

In the meantime, as Liam Murphy was proceeding is his vehicle with Michael Caraher as his passenger, he decided that he should leave his car with his wife at the Spar shop just beyond the Lite n'Easy pub. Murphy informed Michael Caraher that he would drop him off at Fergal's car in the Lite n'Easy car park. He, Murphy, would then proceed to the Spur shop where he could leave his car with his wife and where Fergal, who would now be driving to Dundalk, could pick him up. Murphy explained to Michael Caraher that his wife, Maeve Murphy, was using Murphy's father's car and the car needed to be returned.

Liam Murphy and Michael Caraher were also waved through the checkpoint near the Lite n'Easy car park and proceeded to the Spar shop. At the time Michael was dropped off, there were at least six cars in a queue at the checkpoint.

Immediately after Fergal Caraher parked his car at the Lite n'Easy he was approached by two soldiers who were manning the checkpoint at the Chapel gate. At that time there were five vehicles queued at the motor vehicle checkpoint with the queue extending from the Chapel gate back toward the Lite n'Easy car park. When Michael Caraher arrived he observed one of the soldiers speaking with Fergal by the side of Fergal's car. As Michael Caraher approached Fergal, it appeared that the conversation with the soldier was ending. Michael then told Fergal that they were taking his car to Dundalk because Liam Murphy was leaving his car with his wife. In addition, Michael said that he would drive. Fergal then turned to the soldier and asked, "Are we right?". The soldier nodded and moved away onto the road, several feet from the Caraher vehicle. Michael got into the driver's seat and Fergal sat in the front passenger seat. Michael started the car, which has a slightly faulty muffler, and proceeded at a normal rate of speed and acceleration along the edge of the car park and onto Tullynavel Road.

At or about the time the Caraher vehicle began moving, one of the two soldiers who had been speaking to Fergal Caraher in the car park shouted something to a third soldier at the checkpoint. This shout, which sounded like "desirack" or "desarow," caused the third soldier to move up the road at a fast pace to join the other two soldiers.

As Michael Caraher proceeded to enter, at a slight angle, Tullynavel Road from the Lite n'Easy car park, the three soldiers, all of whom were within approximately twenty yards of the Caraher vehicle, assumed firing positions (kneeling) on the road. The nearest two soldiers were ten yards to the right and slightly behind the front of the vehicle and positioned on the road. Immediately after assuming firing positions, without warning, the three soldiers began discharging their weapons. The weapons appeared to be standard British army issue with the capacity to fire in an automatic and semi-automatic mode. The soldiers fired their weapons, using both modes, at the Caraher vehicle for several seconds.

The Caraher vehicle was struck instantly by bullets. The driver's side window, which was closest to the center of the road and therefore to the soldiers firing their weapons, was blown out. Almost immediately Fergal Caraher told Michael Caraher, "I'm hit" and collapsed onto Michael. Michael Caraher was confused but decided to continue down the road to get a doctor for Fergal. As the vehicle proceeded down the road several yards, Michael Caraher was also struck by bullets. Once he was wounded, Michael Caraher started to go into shock and could only think of continuing down the road. Michael Caraher also observed the front windshield and dashboard being repeatedly struck by bullets. Michael Caraher only remembers driving up onto the road a short distance before going into shock. The vehicle proceeded down the road, approximately one hundred and fifty yards, briefly faltered, almost to a stop, then continued down Tullynavel Road towards Dundalk nearly one mile before rolling to a stop at the side of the road. The shooting continued until the vehicle passed down the road over a rise and out of sight. The entire incident transpired in a matter of seconds.

The soldiers fired at the vehicle from the static positions with no apparent attempt to follow the vehicle. After the shooting stopped, the soldiers who had done the shooting were asked by another member of the checkpoint patrol, "Did you get a kill?" to which one replied, "Yes, yes I think so." The soldiers involved in the shooting then appeared to be involved in clearing shell casings from the area near the Lite n'Easy car park. None of the soldiers involved in the incident appeared to have been injured. Once the shooting stopped, the vehicles which were queued up the checkpoint, of which there were four, were told to move out.

The vehicle driven by Michael Caraher came to rest on the right hand side of Tullynavel Road approximately one mile from the point where the shooting had started. Fergal Caraher was slumped over the gear stick and Michael Caraher was face down on the steering wheel. The front passenger window had been blown out, there were two bullet holes in the windshield and there were approximately twelve bullet holes in the rear trunk or boot area of the car. An ambulance was notified and arrived to remove the Caraher brothers somewhere between fifteen and thirty minutes after the shooting. Approximately fifteen minutes after the ambulance departed with the Caraher brothers, the Army arrived by helicopter and secured the scene.

Fergal Caraher was pronounced dead on arrival at Daisy Hill Hospital, Newry, by Dr. Mary Allen at 4:50 p.m. on December 30, 1990. The cause of death was listed as bullet wounds to the abdomen. The autopsy revealed that Fergal Caraher had been struck by four bullets or bullet fragments which entered his body from the back. The nature of the wounds indicated that these were high velocity bullets which had likely struck some other object before striking Fergal Caraher.

Michael Caraher suffered a gunshot wound to his left thoracic cavity. The bullet entered Michael Caraher from behind and lodged in his chest, damaging his lung and the left pulmonary artery. Michael Caraher was discharged from the hospital on January 8, 1991.

Whether the use of force by Security Forces against Fergal and Michael Caraher on December 30, 1990, was "reasonable under the circumstances" pursuant to Section 3(1) of the Criminal Law Act (Northern Ireland) 1967?

In the instant case two citizens of Northern Ireland, Fergal and Michael Caraher were shot by members of a British Army patrol who were manning a motor vehicle checkpoint. There were no outstanding warrants for the arrest of the Caraher brothers at the time of the shooting. Nor had the Caraher brothers committed any crime for which they could be arrested. Although there was a public allegation by the police after the shooting that the brothers were shot because they had run down soldiers with their motor vehicles at the checkpoint, eyewitness accounts of the incident do not corroborate this claim.

Section 3(1) of the Criminal Law Act (Northern Ireland) is the statute applied to measure the legality of the use of force against another. Under Section 3(1), "A person may use such force as is reasonable in the circumstances in the prevention of a crime or in effecting or in assisting in the lawful arrest of offenders. . . ." Since there is no evidence of an arrest warrant or of the commission of a crime by the Caraher brothers for which an arrest could be made without a warrant, it can be inferred that the force used by the soldiers was not for the purpose of "effecting or in assisting in the lawful arrest of offenders."

The only remaining legitimate purpose for the use of force under Section 3(1) therefore, would be to prevent the commission of a crime. The question then arises as to what information was possessed by the soldiers which caused them to believe that by the use of force they were preventing a crime? In addition, was the use of such force, deadly force in this instance, "reasonable in the circumstances" known to the soldiers? In answering the above-stated questions, it is necessary to recognize that this inquiry did not receive testimony or written statements from the soldiers involved in the incident. Nor did the government provide the inquiry with any explanation for the use of deadly force by the soldiers. Consequently, it must be determined through the totality of the testimony of the available witnesses whether or not it can be reasonably inferred that the use of deadly force for the purpose of preventing a crime was lawful pursuant to section 3(1).

If the army at any time during the afternoon of December 30, 1990, possessed information that the Caraher brothers, separately or together, were contemplating the commission of a crime, they were uncharacteristically casual in their reaction to such knowledge. To begin with, both Caraher brothers were questioned by an army patrol near the intersection of Tullynavel Road and Slate Quarry Road only minutes before the shooting. This patrol, a different group from the patrol manning the motor vehicle checkpoint, not only questioned the Carahers but also took note of the registration of Fergal Caraher's and Liam Murphy's vehicles. The patrol did not choose, however, to search either vehicle. In addition, it would appear from the testimony of witnesses that the patrol had communications equipment with which they could receive information regarding suspected terrorists. Based on the fact that the patrol took no action against the Caraher brothers or Liam Murphy near the Tullynavel Road and Slate Quarry Road intersection, one could reasonably infer that the soldiers possessed no information to detain these individuals.

In a matter of minutes after the completion of the questioning of the Carahers and Liam Murphy, Fergal Caraher drove through the motor vehicle checkpoint near the chapel gate on Tullynavel Road. According to witnesses, Fergal Caraher, proceeding at an appropriate rate of speed, was waved through the checkpoint by a soldier. Shortly thereafter, Liam Murphy and Michael Caraher traveling in another vehicle were also waved through the same checkpoint. Once again, it would be reasonable to infer that by waving the Carahers and Murphy through the checkpoint the soldiers at the checkpoint possessed no information which would require them to take any action against these individuals.

The penultimate encounter with security forces occurred, again within a matter of minutes from the first encounter, when Fergal Caraher was questioned by a member of the checkpoint patrol while he was waiting for his brother and Liam Murphy in the Lite n'Easy car park. Once more, it can be reasonably inferred from the evidence that Fergal Caraher was dismissed by members of the patrol because they had no reason to detain him.

The final, fatal, encounter occurred within seconds of Fergal Caraher's dismissal by the soldier in the car park. Since it is reasonable to infer that at every encounter prior to the shooting there was no basis to arrest or detain the Carahers, we are left to examine whether "circumstances" arose in those seconds before the shooting which would make the use of deadly force lawful.

In the moments after the final questioning of Fergal Caraher, there is no evidence that the soldiers who were involved in the shooting received any radio message that would have caused them to attempt to stop the Caraher brothers. Consistent with the inference that no message of suspicion of criminal activity by the Carahers had been relayed to the soldiers doing the shooting, was their conduct after the shooting. Surely if the Carahers were people suspected of committing a crime or planning to commit a crime, the soldiers would have immediately pursued their vehicle down Tullynavel Road. Instead, it was nearly one-third hour after the shooting that the army arrived to secure the vehicle by which time the Carahers had been taken to the hospital. These actions are not the actions of a law enforcement unit concerned with the capture of criminals and the collection of any evidence of criminal activity. Consequently, one must conclude there was no information in possession of the soldiers from which they could reasonably believe that in order to prevent the commission of a crime they were required to use deadly force.

Also, it must be repeated, and emphasized, that none of the more than ten witnesses who observed all or part of the events immediately surrounding the shooting saw any evidence to indicate that soldiers had been struck by the motor vehicle driven by the Carahers.

Even if, for the sake of argument, the word "desirac" or "desirow" heard by a witness being shouted to one of the soldiers could be considered a warning to stop, there is no justification for the use of deadly force. Unlike the McElhone case, the soldiers in the instant case had the opportunity to question the Carahers and therefore could not reasonably believe that the failure to stop indicated that they could be involved in terrorist activity.

Therefore, it is clear from the evidence presented at the inquiry that the use of deadly force against the Caraher brothers on December 30, 1990, was not justified under the law and amounts to a violation of Section 3(1) of the Criminal Law Act (Northern Ireland). As a result, the lawfulness of the actions of the soldiers in shooting the Caraher brothers must be then analyzed absent the legal justification provided by section 3(1). It can be reasonably inferred that when a soldier fires his weapon from a relatively close range at an individual, it is the intention of the soldier to kill or seriously wound his target.

If a person shoots another without justification intending to kill or seriously wound and death results, such action amounts to murder. Given the absence under English law of the possibility of a manslaughter charge in these circumstances, and based on the evidence presented to the inquiry, an indictment of murder is warranted against the soldiers involved in the shooting of Fergal Caraher.

Whether the policies which delay decisions regarding the prosecution of Security Forces for the use of deadly force and which deny the public timely access to information regarding the circumstances of the death or wounding of a person caused by Security Forces are just and in the public interest?

In every free and democratic society there is a constant competition between the public's right to know and the government's right to protect information for security purposes. It is often difficult to draw a bright line separating that information which the public should receive from that information which must remain confidential. While the people recognize that they must provide their government with the authority to hold some information in confidence, they also demand that government offer understandable reasons for limiting access to such knowledge. In the instant case, it is clear that the government has chosen not to supply information regarding the shooting of the Caraher brothers or offer an adequate explanation for their refusal.

Law enforcement officials can often cite legitimate reasons for classifying as privileged, information obtained while an investigation is ongoing. The possibility that public revelation of every shred of evidence could impede the progress of and successful conclusion to a criminal investigation is very real. Withholding evidence allows police investigators to evaluate the statement of witnesses free from the taint of publicity. In addition, the public revelation of the names of witnesses can jeopardize their safety and effect the level of their cooperation.

Having recognized the State's right to limit the dissemination of facts in a criminal investigation, it should also be recognized that the State has a moral responsibility to inform the public, in a general sense, of the progress of any criminal investigation. There is also a more particular moral, and in some countries statutory, obligation to inform the victims or families of victims of the status of an investigation. During the evidence gathering stage of an investigation, informing the public that an investigation is ongoing and if possible, estimating the length of time before the investigation work is completed, should create an adequate balance between the public's right to know and the government's need for confidentiality. After the completion of the investigation and the evaluation of all of the available evidence, the public should be informed of the State's decision regarding prosecution. Obviously, if there is a decision to prosecute, the charges speak for themselves and the facts of the case will be played out in court. However, if the State declines to prosecute, there should be some definitive public statement to that effect.

The requirement of public knowledge of the status of a criminal investigation, and the announcement of a final decision in a case, is particularly important when the State is investigating the actions of its own law enforcement officials. Indeed, it would seem that there is a need for more frequent and more detailed updates on the status of investigations involving law enforcement personnel. In addition, it is critical to provide the public with a complete analysis of why the government chose not to pursue criminal charges against its own agents.

Ordinarily, the requirement that the public be more adequately informed of the investigation into actions of law enforcement personnel comes as a result of political pressure and not from some statutory requirement. One would assume that the political price that a government would have to pay for not providing law-abiding law enforcement personnel would be enormous. Therefore, in most democracies it is the crush of public opinion that speeds an in-depth analysis of accusations against law enforcement personnel. However, in situations where, as in the instant case, the public clamor for information comes from a small minority, governments can and often do ignore the cry, as the British government is doing here.

The death of Fergal Caraher and the wounding of Michael Caraher, as noted in the Statement of Facts, occurred on December 30, 1990. The examination by the police of the civilian witnesses to the incident, with the exception of Michael Caraher, occurred within one week of that date (Transcripts Vol. 1, pg. 21). In addition, Paul Tiernan, solicitor for the Caraher family, believed from his personal contact with the Royal Ulster Constabulary that statements were taken from the soldiers prior to the civilian statements (Transcripts Vol. 1, pg. 20). The autopsy of Fergal Caraher was completed on January 3, 1990. There is no information regarding the date of the forensic examination of the motor vehicle in which the Carahers were driving, but it can be reasonably inferred that the examination was completed within weeks of the incident. Finally, due to his health, Michael Caraher was not examined until March 9, 1991.

Since their initial statements, there has not been additional questioning by the police of the civilian witnesses. In essence then, it appears that this investigation was completed by the middle of March, 1991. Yet on March 11, 1991, Assistant Chief Constable W.G. Monahan indicated to by letter to Solicitor Tiernan (Book 5, pg. 8 of the Public Inquiry Exhibits) that the Constabulary was involved in a full investigation upon the completion of which a report would be submitted to the Director of Public Prosecutors. Finally, on May 16, 1991, after repeated requests for information (see Book 5) from Solicitor Tiernan, Constable Monahan indicated in a letter to Tiernan, "that the investigation was well advanced, and the papers will be sent to the DPP shortly." (Book 5, pg. 14). In fact, the Office of the Director of Public Prosecutions received the police investigation file on June 3, 1991, but indicated "it may be necessary to require further investigations be carried out." As of this writing, it has been nine months since the death of Fergal Caraher and the wounding of Michael Caraher and there still has been no decision by the government whether to prosecute the soldiers involved.

The referral of a case to the Director of Public Prosecution by the police of their investigative findings, and recommendations for possible prosecution, is the regular procedure regarding indictable criminal offenses in Northern Ireland. The police investigative report and recommendations to the DPP remains confidential (Book 5, pg. 15 letter of May 16, 1991 from Constable Monahan). The DPP may order a further investigation of an incident if he desires, but there has been no indication of such action in the Caraher case.

The office of the Director of Public Prosecution is ostensibly an independent entity. The reality is that the DPP, pursuant to Prosecution of Offense Act (Northern Ireland) 1972, is appointed by the Attorney General and is subject to his direction. In fact, according to the testimony of Professor Tom Hadden (Vol. 1, pg. 94 transcript) the DPP does consult with the Attorney General concerning sensitive cases of the kind herein presented. Consultation between government prosecutors on sensitive cases is certainly appropriate. However, when the knowledge of the process is hidden from the public, it lends itself to the suggestion that the process of review with the Attorney General, to the extent it occurs, is more political than legal. This perception is enhanced given that it appears that investigations involving use of lethal force by Security Forces, as with instant case, take an inordinate amount of time to complete. It is difficult to understand why the government, as represented by the DPP and the Attorney General, if it is truly concerned with those it governs, does not move swiftly, albeit carefully, in assembling the evidence and making charging decisions in lethal force cases. The fact that the DPP does not assume more immediate control over the investigative process of lethal force cases involving the Army and the police, is difficult to understand. By controlling the investigation from the outset, the DPP could avoid the delay caused by review of the original police investigation.

Whether Section 3(1) of the Criminal Law of Northern Ireland as applied to security forces in Northern Ireland is adequate in protecting the life and safety of ordinary citizens whom the security forces have contact with in the performance of their duties?

The use of force, including the use of force by security forces (police and soldiers), in Northern Ireland is governed by both common and statutory law.

The common law allows for a person to defend oneself in manner which is proportionate to the harm feared. *Palmer* v. *R.* (1971) 55 CAR 223. The law also allows an officer to use force pre-emptively in situations where violence is imminent. *Devlin* v. *Armstrong* (1971) NI 13. Not unlike the law in the United States (American Law Institute, Model Penal Code, sections 3.04–3.11), the standard in Northern Ireland to determine the appropriateness of the level of force used in defending oneself is one of reasonableness. Jennings, Anthony, ed., "Justice Under Fire," Pluto Press (1988).

However, the focus of this discussion does not concern the issue of self-defense, but rather than the appropriateness of the use of force against ordinary citizens by security forces in the performance of their duties. By some estimates (Asmal, K., "Shoot to Kill? International Lawyers Inquiry into the Lethal Use of Firearms by the Security Forces in Northern Ireland," Mercier Press, (1985)) a majority of the people killed in Northern Ireland by security forces since 1969 were not members of paramilitary organizations, and at the time of their deaths were not committing acts which threatened the lives of others. The type of incidents have included, for example, innocent civilians caught in a crossfire, joy riders who have been shot and killed, and others who have been shot when it was mistakenly believed they were involved in terrorist activities. Again, in situations such as these, the issue of self-defense does not arise; therefore, the question of lawfulness of the acts of the security force is determined by reference to the law concerning the use of force as a tool of law enforcement. The law which authorizes the use of force by security forces in Northern Ireland in Section 3(1) of the Criminal Law Act (Northern Ireland) which states:

"A person may use such force as is reasonable in the circumstances in the prevention of a crime or in effecting or assisting in the lawful arrest of offenders or suspected offenders or of persons unlawfully at large."

To have the protection of this statute a police officer or soldier who uses deadly force must either be "effecting or assisting" a lawful arrest or preventing a crime.

A lawful arrest can be accomplished with or without a warrant under the Criminal Law Act (Northern Ireland). To arrest without a warrant one must have reasonable cause to believe that another is in the act of committing an arrestable offense. Criminal Law Act (Northern Ireland) Sections 3(2)–3(4). In addition, a constable may arrest someone without a warrant "who he with, 'reasonable cause' believes is about to commit an arrestable offense." Criminal Law Act (Northern Ireland) Section 3(5). However, the gravest threat that arises from the use of deadly force by security forces against ordinary citizens does not relate to attempts to effectuate arrests. Rather, it concerns the use of deadly force where the alleged purpose for the use of such force is to prevent a crime, which is justifiable under Section 3(1) of the Criminal Law Act if such force is "reasonable in the circumstances". Criminal Law Act (Northern Ireland) Section 3(1).

The issue being addressed then is further limited to incidents where security forces use deadly force for the alleged purpose of preventing crime.

It is the interpretation of Section 3(1) of the Criminal Law Act (Northern Ireland) by the Courts of Northern Ireland and England which has left the ordinary citizens vulnerable to the use of deadly force by security forces. In particular, the phrase "such force as is reasonable in the circumstances" has been construed by the courts in a manner which inhibits effective control over the use of force by police and soldiers.

The decision of the House of Lords in the Attorney General for Northern Ireland's Reference (No. 1 of 1975) [1977] A.C. 105 established a vague and disturbing standard for what force is "reasonable under the circumstances." This Reference related to the acquittal of a soldier from the charge of murder by a court in Northern Ireland. The soldier had been on patrol in Northern Ireland when he approached Patrick McElhone in a field on his own farm to question him. When Mr. McElhone fled, after being told by the soldier to halt, he was shot at a distance of less than twenty yards and killed. Mr. McElhone was unarmed, and in fact during the trial was declared by the court to be an "entirely innocent person who was in no way involved in terrorist activity." Weekly Law Reports (July 30, 1976) 244. The soldier, Lance Corporal Jones, indicated at his trial that when he fired, "he honestly and reasonably believed" he was firing at a member of the Provisional IRA but he had no knowledge that the deceased was involved with or likely to be involved with any immediate act of terrorism. Weekly Law Reports (July 30, 1976) 244.

The House of Lords, in reviewing the decision of the courts in Northern Ireland at the request of the Attorney General, indicated that what force is "reasonable in the circumstances" for the purpose of preventing a crime is a question of fact for the jury and not a 'point of law for the judge.' [1977] A.C. 105, Weekly Law Reports (July 30, 1976) 244. By taking this course, the court refused to provide any precise legal direction to security forces concerning the use of deadly force under Section 3(1) of the Criminal Law Act (Northern Ireland).

On the other hand, Lord Diplock who delivered the leading judgment in the House of Lords, did propose a process a jury should use in the trial of someone accused of shooting another in order to prevent a crime.

"Are we satisfied that no reasonable man (a) with the knowledge of such facts as were known to the accused or reasonably believed by him to exist (b) in the circumstances and time available to him for reflection (c) could be of the opinion that the prevention of the risk of harm to which others might be exposed if the suspect were allowed to escape justified exposing the suspect to the risk of harm that might result from the kind of force that the accused contemplated using?" [1977 A.C. 105, Weekly Law Reports (July 30, 1976) 246.

Lord Diplock felt in the case under review that the jury could conclude that the accused "had reasonable grounds for apprehension of danger to himself and other members of the patrol" if the deceased escaped. The jury was allowed to excuse the accused's use of deadly force if the jury accepted that the accused "honestly and reasonably believed that he was dealing with a member of the Provisional IRA. . . ." [1977] A.C. 105, Weekly Law Reports (July 30, 1976) 244.

In addition, Lord Diplock stated that the jury may find the risk of harm to the deceased insufficient to outweigh the belief of the accused that: "the killing or wounding of members of the patrol by terrorists in ambush and the effect this success by members of the Provisional IRA in encouraging the continuance of the armed insurrection and all the misery and destruction of life and property that terrorist activity in Northern Ireland has entailed." [1977] A.C. 105, 138.

The real effect of Lord Diplock's interpretation of "the circumstances" which may be reasonably considered in using deadly force has been to further endanger the lives of innocent civilians. A soldier or police officer need only report that he "honestly and reasonably" believed that the person he shot was a member of a paramilitary organization and the court would be likely bound to accept the explanation. Further, this interpretation indicates that the danger to be considered extends beyond the particular threat posed by the particular person, to include the general effects of terrorism on the region. The general nature of terrorism is accepted as one of the relevant considerations that can be used by a soldier or police officer in deciding whether to use deadly force. As a result the broad latitude created by the "reasonableness" standard gives an unlimited license to security forces to use deadly force.

In contrast to the broad latitude given to security forces under the law, soldiers and police officers have been provided with stricter, more detailed internal guidelines regarding the use of deadly force. The Army's guidelines are set forth in what is known as the "Yellow Card;" the police guidelines are contained in the Royal Ulster Constabulary Force Instructions. The contents of both the Yellow Card and the R.U.C. instructions are supposedly confidential.

However, the Yellow Card has been allowed as an exhibit in a number of court cases, including *R. V. Bailey and Jones* (1983), where it was admitted as a prosecution exhibit. The 1972 Yellow Card, which was reprinted in Amnesty International's "Shoot to Kill?" (1984) report, included twenty-one different instructions for opening fire in Northern Ireland. Among these rules were general instructions regarding the use of force, including:

"(2) Never use more force than the minimum necessary to enable you to carry out your duties."

In addition, there were specific instructions concerning the warnings to be given before firing (Rules 6, 7), the limits on firing without warning (Rules 13, 14, 15), and the conduct of soldiers at roadblocks, which included the specific warning language to be used before firing a weapon (Rules 16–21).

In 1980 the Yellow Card was simplified. Amnesty International, "Shoot to Kill?"

(1984). The new, current Yellow Card contains only six rules which follow a general statement of principle, that "you are to use the minimum force necessary" and that "Firearms Must Only Be Used As A Last Resort" Amnesty International "Shoot to Kill?" (1984) 75. Rules 3, 4, and 5 are particularly pertinent to this discussion of the circumstances under which a soldier would open fire:

(3) A challenge must be given before opening fire unless:

(a) to do so would increase the risk of death or grave injury to you or any other person; or

(b) you or others in the immediate vicinity are being engaged by terrorist;

(4) You are to challenge by shouting:

"Army. Stop or I fire" or words to the effect;

(5) You may only open fire against a person:

(a) if he is committing or about to commit an act likely to endanger life and there is no other way to prevent the danger. The following are some examples of acts where life could be endangered, dependent always upon the circumstances:

(1) firing or being about to fire a weapon;

(2) planting, detonating or throwing an explosive device (including petrol bomb);

(3) deliberately driving a vehicle at a person and there is no other way of stopping him;

(b) if you know that he has just killed or injured any person by such means and he does not surrender if challenged and there is no other way to make an arrest.

On its face, the Yellow Card would appear to provide clearer direction to soldiers regarding the circumstances under which they may use deadly force than does the rather vague standard established by the Attorney General for Northern Ireland's Reference No. 1 of 1975. The reality is, however, that the Yellow Card rules do not provide additional protection to innocent civilians, and only act to mask the problem by appearing consistent with international standards governing the use of deadly force.

The culprit in rendering Yellow Card rules impotent once again is the courts. The Amnesty International study, "Shoot to Kill?," at page 77 directly addresses the legal effect of the yellow card as follows:

"Beyond the mere wording of these instructions to the security forces, we looked to see what force they have at law. From the following judicial comments, the answer would appear to be that they have no force at all.

"In *R.* v. *McNaughton* (1975) N.I. 203, 206 Lord Chief Justice Lowry held that the 'Yellow Card' was: 'intended to lay down guidelines for the security forces but (did) not define the legal rights and obligations of members of the security forces under statute or common law . . . However, on reading the Yellow Card one may say that in some ways (the security forces) are intended . . . to be more tightly restricted by the instructions they are given than by the ordinary law.'

"As mentioned above, Lord Justice MacDermott criticized the document *R.* v. *Jones* (1975) in Belfast Crown Court: 'For my part, I consider this card to be something which exists for some reason of policy and is intended to lay down guidelines to the forces but in my view it does not define the legal rights of the members of the security forces. No doubt it contains much sound advice, but I can readily understand that to many soldiers and perhaps others too, it is to say the least of it, a difficult document. The basic principles are that the minimum force should be used and firing resorted to as a last resort. No one can gainsay the propriety and good sense of these propositions, but they must be considered in relation to the problem on the ground and though a man who acts dutifully in accordance with the Yellow Card might easily establish his conduct as being justifiable I do not accept the failure to so act means ipso facto that his conduct is unlawful.'

"This judgment comes close to saying that the Yellow Card may well be a useful document in theory but that, in practice, soldiers cannot be expected to keep to it. A number of witnesses informed us that they consider the card a cosmetic device and that breaches of its instructions go unpunished as a matter of routine. Some confirmation of this view is found in a recent memoir of service in Northern Ireland by Captain A.F.N. Clarke, who served in the Third Parachute Regiment in Armagh at the time that regiment shot and killed Liam Prince ...: 'At least the same rules don't necessarily apply down here as they do in Belfast, or a least, people are willing to turn a blind eye to any infringements of the letter of the yellow card. Sure as hell, if I see some bastard with a gun, I'm not about to ask him to surrender. Shoot first then ask questions after. No way am I going to take any chances at all.'"

The paradox presented by the case law on one hand and the Yellow Card and R.U.C. Instructions standards is extraordinary. The Army and the police go to great lengths to create clear standards for the use of deadly force and train their personnel according to these standards, while the courts instruct the security forces that these standards "did not define the legal rights and obligations of members of the security forces under statute of common law". *R.* v. *McNaughton* (1975) N.I. 203, 206. By choosing not to refer to the Yellow Card rules in discussing the application of the Criminal Law Act (Northern Ireland) to the use of deadly force by the security forces, the court continues to lose an opportunity to alleviate the confusion between policy and the law and perhaps save the lives of innocent civilians.

Finally, if the courts are not inclined to deal with the confusion between the policy regarding the use of deadly force and the application of the criminal law in such circumstances, one wonders why the government has not acted? Why does the government accept the police and army standards for the use of deadly force, yet refuse to make the necessary statutory changes to make the law and policy consistent? Surely the experiences of the last fifteen years regarding the use of deadly force in Northern Ireland sufficiently illustrate that change is necessary. The law regarding the use of deadly force by police and soldiers not only fails to provide protection to ordinary citizens but may, in fact, jeapordize their lives and safety.

Whether the laws of the United Kingdom and Northern Ireland as applied to the use of deadly force by security forces in Northern Ireland infringe upon the rights of the people in contravention of the European Convention of Human Rights, the United Nations Covenant on civil and political rights, and other international standards designed to protect lives.

Section 3(1) of the Criminal Law Act (Northern Ireland) 1967 is the codification of the law now applied to the use of deadly force by security forces in Northern Ireland. Its familiar terms provide that "a person may use such force as is reasonable in the circumstances in the prevention of crime, or in effecting or assisting in the lawful arrest of offenders or suspected offenders or of persons unlawfully at large." This statute is paralleled by section 18 of the Northern Ireland (Emergency Provisions) Act 1991, which authorizes soldiers to use reasonable force if necessary to effect the arrest of persons whom the soldier has reasonable cause to suspect is committing, has committed, or is about to commit any offense.

Legal decisions reviewing prosecutions of police or soldiers for the interntional use of lethal force alleged to be unreasonable in the circumstances recognize that a critical element of such improper use of deadly force is the subjective or actual intent of the officer. The unlawful use of deadly force is murder if the officer intended to use such force, if the court found that the use of such force was improper, and if the officer knew the use of such force was improper. Proof that the officer should have realized that use of deadly force was improper, which in some common law jurisdictions would amount to proof of voluntary manslaughter, is immaterial to criminal law applied at trials in Northern Ireland.

The effect of this statutory and case law is to vest virtually unchecked discretion in the officer to decide whether to use deadly force "in the circumstances." Furthermore, there is no statement that recognizes the risk of not using deadly force must outweigh the certain harm to the target of the officer's weapon. Even a cursory examination of leading international standards on the use of deadly force in such circumstances discloses that this statutory statement of public policy is relatively weak.

There has been debates whether the Criminal Law Act provides the protection of the right to life which is intended by Article 2 of the European Convention on Human Rights and Fundamental Freedoms. In its first part Article 2 announces that "everyone's right to life shall be protected by law" from intentional acts to "deprive" one of life. In its second part Article 2 provides that "deprivation of life shall not be regarded as inflicted in contravention of this Article when it results from the use of force which is no more that absolutely necessary. . . . " On its face absolute necessity is a higher barrier to the use of deadly force than reasonable under the circumstances. The European standard speaks of objective necessity, and provides some indication to the officer that a personal belief that deadly force is needed must have an articulable basis. See, however, *Stewart* v. *United Kingdom*, 7 E.C.H.R. 453, a decision of the European Commission which reviewed the use of force (a plastic bullet) intentionally inflicted, which caused death. This case declared that "absolutely necessary" force may be such force as is "strictly proportionate" to the uncertain risk of not using force. It appears understood nonetheless that the use of deadly force to prevent "unlawful violence" or "escape" of one who lawfully may be detained involves consideration of the risk to those present or some high degree of certainty that the individual targeted, if not shot, will cause serious harm. In this regard, absolute necessity is a much higher standard than "reasonable cause to suspect" the the person "is committing, has committed, or is about to commit any offense," as provided in the Northern Ireland Act 1991.

Among the United Nation's "Basic Principles on the Use of Force and Firearms by Law Enforcement Officials" is Principle 9, which declares that "intentional lethal use of firearms may only be made when strictly unavoidable in order to protect life." This basic principle describes in more explicit terms than may be found in the local law applied in Northern Ireland what "to protect life" means, and sets a strict standard of certainty that use of deadly force is needed. "Law enforcement officials shall not use firearms against persons except in self-defense or defense of others against the imminent threat of death or serious injury, to prevent the perpetration of a particularly serious crime involving grave threat to life, to arrest a person presenting such a danger and resisting their authority, or to prevent his or her escape, and only when less extreme measures are insufficient to achieve these objectives." Principle 9. There must be clear and present danger, and no possibility of resolution without lethal force. See Principle 4 ("may use force and firearms only if other means reman ineffective or without any promise of achieving the intended result"). Principle 9 does not allow preemptive force to stop inchoate or contemplated crime. Finally, these Basic Principles suggest that the limits placed on voluntary manslaughter by excusing absolutely the officer who kills intentionally, without malice but with an unreasonably mistaken belief that deadly force was necessary fail to "ensure that arbitrary or abusive use of force and firearms by law enforcement officials is punished as a criminal offence under the law." Principle 7.

CONCLUSION

An examination of the facts surrounding the Caraher case and the laws and policies related thereto leads one to the conclusion that the British Government has tacitly adopted a "shoot to kill" policy toward the Catholic community in Northern Ireland. There can be no other explanation for the government's inaction in regard to the courts' interpretation of the criminal law concerning the use of deadly force, as well as the government's unwillingness to expedite criminal investigations of shootings by security forces, or provide the public with information on these incidents. Successive British governments have apparently decided to sacrifice justice and human rights for what they view as "order". This "order" has been particularly imposed on the Catholic community where nearly all of the innocent civilian victims of shootings by security forces reside. What makes this policy even more outrageous is that it has been regularly discussed and condemned for at least the last fifteen years. Incredibly, the government has chosen to ignore the repeated recommendations of a variety of credible organizations including its own Standing Advisory Commission on Human Rights, a body created by statute to change the law controlling the use of deadly force by security forces.

The security policies of the British Government in Northern Ireland, particularly the policy concerning the use of deadly force, can be fairly viewed by the minority Catholic population as oppressive. Unless the government begins to act to control the abuse of individual rights through reforms in the criminal justice system, the cycle of violence that has plagued Northern Ireland will continue. It is critical to create a fair and even handed system of justice in Northern Ireland in order to develop an acceptable political solution for the problems of this region. A continuation of current security policies can only serve to foster terrorism, not prevent it.

HEALTH CARE REFORM

Mr. SIMPSON. Mr. President, for the past several years now we have been listening to and studying various proposals for health care reform.

We have heard shrill and emotional appeals for a nationalized Canadian style health care system—a system which would subject all of United States health care to the budget-driven political system.

We have heard calls for pay-or-play mandates, which, whatever its aesthetic merits and however expedient, is still at root definition a tax on labor, a tax on jobs—a danger we can all perceive with crystaline clarity right now.

We have heard unflinching ideological insistence on privatization of all health care in this country—a proposal too much at odds with our heritage and self conception as a Nation of compassion, with our communitarian ethic.

We have heard from virtually every major health care advocacy and trade association, the insurance industry and employers, organized labor, consumers, and a potpourri of foundations and economic institutes. My staff has a drawer full of bright glossy folders supplied by the stakeholders in this system.

All of these proposals have at heart an earnest desire to fix what is wrong with U.S. health care—to bring the disenfranchised into full and equal participation, to stem the costs, to improve quality. I know that. But each seeks first and above all to protect the interests, the stake of its sponsor. And that has been the problem thus far.

Mr. President, the public is growing very frustrated at our apparent inability to do what they elected us here to do: To find and execute a common ground that is in the best interests of the Nation as a whole; to legislate solutions to pressing national concerns. In this instance, to make some meaningful progress on health care reform.

Today will mark a turning point in that process.

Mr. President, President Bush, and his very able Secretary Louis Sullivan, have consulted with all of the major stakeholders in our massive, $740 billion health care system. With help from the Steeleman Commission and the Horner Task Force and countless others, they have consulted with the providers and the insurers, the ideological purists and the advocates, the academics, the intellectuals, the economists, the taxpayers, and the beneficiaries. And in doing so they posed the question as it should have been posed from the beginning: "The depth and breadth of American health care is unparalleled; for 85 percent of the American people it offers ready access to the best medical care in the world. But it is too expensive, and for some it is inaccessible. How can we address what is wrong with this marvelous system without disrupting what is right?"

I commend the President, Dr. Sullivan, and the hundreds of contributors to this behind-the-scenes dialog, and congratulate them on the proposal released today.

The President's team found, as they spoke with the stakeholders in this world class health care system of ours, that its shortcomings and deficiencies could be readily addressed without dismantling or distorting the whole, without compromising its strengths.

The President's health care reform proposal offers real relief against the high cost of health care, even as it takes steps to ratchet down those costs. It is a comprehensive plan to assure all Americans full and equal access to the best medical care in the world.

As some of my colleagues have already described, President Bush's plan will provide access to all poor families through a fully portable health insurance voucher that will cover the cost of a health insurance policy.

The plan will expand access to workers in small businesses who currently don't have and cannot find affordable health insurance coverage, and do that through significant changes in the small-group insurance market.

The plan will give new help to the middle class by effectively reducing their out-of-pocket cost for health care coverage.

The plan will address the shortcomings in our health care infrastructure by vastly expanding the supply of health professionals and clinics in rural and inner city areas.

And the plan will clamp down on the health care cost spiral at all levels—patient, provider, and payor—that would otherwise undermine any reform effort.

With this proposal, the President has sounded the clear bell which should bring everyone in the room directly to the table. The President's plan contains elements common to virtually all of health care reform proposals that have as yet been seriously offered: Help for employees and employers in small businesses; medical liability reform; cost containment through appropriately managed care; relief for medically underserved areas; critically needed assistance for the middle class with the cost of health insurance, and mainstream access for the poor and near poor.

Mr. President, these are the areas which not only the President but the American people have identified being the chief culprits in the health care crisis. In letters, phone calls, town meetings and committee hearings, the American people have described the flaws in our current health care system with great clarity and precision. The President has responded with a precisely measured proposal for change.

These are the areas in which there is consensus—and that, to my mind, means that we in Congress now have a mandate—to act. We have been waiting until all cards are on the table, until the President and his advisers could come forward with their own carefully considered plan. We have that now. And we can see that there are many areas of common agreement and understanding among all parties to this debate. There remain profound areas of disagreement, to be sure, between and among those on both sides of the political aisle. Perhaps those differences are even more pronounced now that they are right there in black and white. We will continue to wrestle with those.

But where there is consensus, it would be highly irresponsible of this Congress not to perform in that office which is uniquely ours—to legislate. Those who would attempt to hold these critical policy changes hostage until their own more sweeping and more perfect visions of health care reform are satisfied—they do the American people a grave disservice, and they delay perhaps indefinitely—our sole, obvious, immediate opportunity to provide meaningful relief to millions of American families. Those of us here this afternoon urge our colleagues to put down their bullhorns and tear up their press releases and meet us at the table in the center of the room. There are still seats available.

TREATMENT OF THE BAHA'I FAITH IN IRAN

Mr. DODD. Mr. President, exactly 2 weeks ago, this chamber agreed to by a unanimous vote Senate Concurrent Resolution 43, a resolution I introduced urging the emancipation of the Baha'i faith in Iran. I wish I could say today that the treatment of the Baha'i faith had improved since this resolution was submitted last May. Sadly, Mr. President, that is not the case.

With the release of the American hostages, and the emergence of evidence indicating a Libyan role in the bombing of Pan Am 103, recent events have certainly brought a distinct warming trend to United States-Iran relations. In many ways, Mr. President, I welcome that trend. It is certainly time for Iran to cast off the shackles of intolerance and join the world of civilization and democracy.

However, the treatment of the Baha'i faith—a religious minority that has been persecuted and castigated for 12 long years—suggests that Iran still has quite a long way to go.

Mr. President, since the Iranian revolution of 1979, almost 200 Baha'is have been killed, while 15 others are missing and presumed dead. Many Baha'is have been arbitrarily imprisoned and detained, for no reason other than their faith. And the Baha'is have been on the receiving end of a brazen policy of discrimination: In fact, more than 10,000 Baha'is were dismissed from their positions in government and education in the early 1980's.

The United States and the United Nations have repeatedly passed resolutions calling on Iran to improve its treatment of the Baha'is. The resolution passed by this Chamber last month is only the latest of a series of resolutions which have been supported by the entire U.S. Senate on this issue.

And on December 6, I would note, the German Bundestag unanimously adopted a resolution calling on the German Government to urgently lodge a complaint with the Iranian authorities regarding the issue of the Baha'is. My hope is that our other European allies will soon follow suit.

Make no mistake about it, Mr. President: Those resolutions have had an effect. Thanks in part to international pressure, no Baha'is have been executed since December, 1988. As a result of the efforts of the world community, detentions of Baha'is are only a fraction of their mid-1980 level.

But we have a long way to go. In fact, in only the past month, two rather disturbing events have occurred.

First, I would draw my colleagues' attention to a statement which appeared in an Iranian Government newspaper known as Kayhan Havai, on January 8, 1992. The statement notes that Turkey "has given free rein to Baha'is to rebuild their forces after the destruction of their operations in Iran." This is a direct confirmation of the legacy of intolerance and antagonism Baha'is have endured at the hands of Iranian authorities.

Second, just this month an Iranian diplomat, Cyrus Nasseri, was elected to serve as vice president of the U.N. Human Rights Commission. This certainly cannot help the status of the Baha'i faith, nor any oppressed minority. In fact, The New York Times, in a recent editorial, called it "like choosing a leader of the Medellin cartel to help control narcotics."

Mr. President, in the next few weeks, the U.N. Human Rights Commission will take up the issue of the Baha'i faith. I hope the message that has been sent from the world community, including the U.S. Senate, is loud and clear: The Iranians must improve their treatment of this peaceful and oppressed minority. Anything less would be unacceptable.

I ask unanimous consent that both of these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 4, 1992]

WRONGING RIGHTS

Electing an Iranian diplomat, Cyrus Nasseri, to serve as vice president of the United Nations Human Rights Commission is like choosing a leader of the Medellin cartel to help control narcotics.

Thirteen years after Ayatollah Khomeini ousted the Shah, Iran remains gripped by a revolutionary reign of terror. Citizens still face arbitrary arrest, torture and public execution. The ruling mullahs relentlessly persecute members of the Bahai faith and keep a tight muzzle on independent political expression.

Much of this information comes from reports of the Human Rights Commission, which has repeatedly condemned Iranian abuses. Last year the commission noted modest improvement under the new leadership of President Rafsanjani. Teheran hopes the commission will halt annual monitoring altogether. The fact that an Iranian will serve as the commission's vice president won't hurt Teheran's changes.

However, Iran's behavior hasn't improved nearly enough to deserve a whitewash. Ask Salman Rushdie or the survivors of Shahpur Bakhtiar, the murdered former Prime Minister. Mr. Nasseri's election shames a U.N. that has been recovering its evenhandedness. Far worse, it gravely endangers Iran's people.

KAYHAN HAVAI,
January 8, 1992.

At the meeting of the Turkish Prime Minister with the head of the Bahá'is it was stated that: the secular government of Ankara promotes Bahá'ism.

The secular government of Turkey while disclosing its relations with the Bahá'is announced its readiness to resolve their difficulties.

Ardal Inunu, the Turkish Deputy Prime Minister, in the course of his meeting with Ihsan Karakle the head of the Bahá'i group in that country, promised to cooperate in resolving the problems of Bahá'is for the continuation of their activities. He added "Bahá'is residing in Turkey will have no difficulty in expanding their activities."

During the meeting, which constituted the first public and official meeting of Turkish officials with the leaders of the Bahá'i group, while claiming that the Turkish government is democratic Inunu said: "Ankara protects the freedom of conscience, religion and human rights,"

The head of the Bahá'i group in Turkey, whose main headquarters is in Israel, spoke well of Kamal Ataturk the founder of modern Turkey and said: "Bahá'i thinking in connection with political and social issues has many similarities with the principles of Asturk."

The Turkish government, while limiting the sphere of activities of Muslims in the country, prohibiting the Islamic Hijab [vell] in universities, and expelling the Imam of the Iranian Mosque in Istanbul, has given free rein to Bahá'is to rebuild their forces after the destruction of their operations in Iran.

It is noteworthy that Turkey was the first Islamic country, after the formation of the Israeli government, to recognize it and to establish diplomatic relations with Tel Aviv.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The Chair announces that morning business is now closed.

NATIONAL ENERGY SECURITY ACT

The PRESIDING OFFICER. The hour of 10:30 having arrived, the Senate will now resume consideration of S. 2166, which the clerk will report.

The bill clerk read as follows:

A bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

The Senate resumed consideration of the bill.

AMENDMENT NOS. 1610 THROUGH 1616

Mr. JOHNSTON. Mr. President, I send a package of 7 amendments to the desk and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes amendments numbered 1610 through 1616, en bloc.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 1610

On page 327, line 22, strike ", including HCFC-22." and insert ".'"

Mr. CHAFEE. Mr. President, as you know, the original energy bill was reported by the Committee on Energy and Natural Resources on June 5 of this year. As ranking member of the Committee on Environment and Public Works, I have expressed strong jurisdictional interest in the bill. In fact, Senators JOHNSTON and WALLOP wrote to me on February 5 of last year to point out that the energy strategy included several provisions that cut across committee jurisdictional lines. Recognizing the Environment Committee's interest, they requested my views and help refining the bill.

In my statement here on the Senate floor in October I highlighted two provisions of particular concern with regard to chlorofluorocarbons [CFC's]. First, title I states that "the reduction of the generation of chlorofluorocarbons shall be in accordance with the provisions of the Montreal protocol, unless subsequent Federal legislation is enacted establishing new guidelines for the reduction or elimination of the use of chlorofluorocarbons. Mr. President, this provision completely overrides the schedule for CFC reduction that was included in the Clean Air Act Amendments of 1990, moreover it eliminates the EPA administrator's authority to accelerate the schedule in the future. As I understand it, however, this provision has been stricken from the bill in a managers' amendment.

The second provision is related to the expansion of the program for research and development for natural gas and electric heating and cooling technologies. Section 1311 of title XIII specifically recommends research on HCFC-22 as a replacement for CFC's. This is just the approach we should be avoiding. If the Federal Government is going to support research on substitutes, we should focus our resources on pure, safe substitutes, not substances with many of the same environmental hazards as CFC's and substances that we in fact are phasing out at this time. The provision represents nothing less than a step backward in our effort to phase out the use of CFC's.

My amendment is straightforward and would merely strike the reference to HCFC-22. It does not, I might add, preclude an expansion of the R&D program. Certainly, we must develop substitutes but we must also focus our resources on environmentally sound replacements. I urge my colleagues to support this amendment.

AMENDMENT NO. 1611

(Purpose: To expand the definition of electric and electric-hybrid vehicles to specifically include solar assisted vehicles)

On page 33, section 4202(4) strike line 16 and insert in lieu thereof:

"sources of electric current, including, photovoltaic arrays;".

Mr. DOMENICI. Mr. President, this amendment expands the definition of electric and electric-hybrid vehicles to specifically include solar assisted vehicles. A solar assisted electric vehicle would have a greater range than a conventionally charged electric vehicle and require less utility produced power. The solar arrays could be on the vehicle, or at commercial or residential garage roofs. Solar electric filing stations could be set up in more remote areas. DOE's National Laboratories applied solar energy programs and the Department of Transportation's alternative transportation programs together have the expertise to design such vehicles.

AMENDMENT NO. 1612

On page 331, line 3, insert the following new paragraph:

"(3) Hybrid power trains incorporating an electric motor and recyclable battery technology charged by an on-board liquid fuel engine, designed to significantly improve fuel economies while maintaining comparable acceleration characteristics."

On page 331, line 21, after "technology," insert "and optimization of near-term technology."

Mr. KASTEN. This amendment significantly strengthens the program created by section 13113 to conduct a research and development program on electric and electric-hybrid vehicles. It assures competition for the development of batteries and the development of near term and long-term electric vehicle programs.

Two of the critical problems facing the development of electric vehicles are the delivery of power necessary for acceleration and adequate power supplies to drive longer ranges. Critical technological advances are needed in both of these areas.

This amendment will provide for critical research in both near-term vehicles and more advanced vehicles. This provision is necessary to bridge between existing and advanced technologies.

This amendment provides economic incentives for large and small manufacturers and researchers to participate in this cost-shared program. It will improve the success of the near-term program to also help reinforce public support for electric vehicles.

AMENDMENT NO. 1613

(Purpose: To provide for the application of certain provisions regarding building codes to the Congress)

Page 109, line 10, add new subsection (e) as follows "(e) the provisions of this section shall apply to the United States Congress."

Page 109, line 11, between "Federal agency" and "shall adopt" insert, "and the Architect of the Capitol."

AMENDMENT NO. 1614

(Purpose: To ensure that the Federal building energy code and the industry voluntary building energy code take into consideration the need to mitigate the levels of radon and other indoor air pollutants)

On page 108, line 20, strike "code, and" and insert "code;"

On page 108, line 23, strike the period and insert "; and".

On page 108, between lines 23 and 24, insert the following new paragraph:

"(3) consider, in consultation with the Environmental Protection Agency and other Federal agencies, and where appropriate contain, measures to mitigate the levels of radon and other indoor air pollutants in cases where such pollutants may exist."

On page 110, line 18, strike "and".

On page 110, between lines 18 and 19, insert the following:

"(4) assistance in identifying appropriate measures to mitigate the levels of radon and other indoor air pollutants; and"

On page 110, line 19, strike "(4)" and insert "(5)".

On page 111, line 4, before the comma, insert the following: "including measures needed to mitigate the levels of radon and other indoor air pollutants in cases where such air pollutants may exist."

AMENDMENT NO. 1615

(Purpose: To provide for the application of certain provisions to the Congress and Executive agencies)

Page 88, line five, after "in the United States" add, "including activities of the United States Government."

AMENDMENT NO. 1616

(Purpose: To encourage energy efficient housing through federally financed mortgages)

On page 109, line 19, amend section 6101(a)(2) by striking "guarantees" and inserting in lieu thereof the following: "expends Federal funds, or guarantees or insures a loan or".

On page 109, line 20, amend section 6101(a)(2) by inserting the following "other than a building covered by subsection (d)," after the word "building".

On page 109, line 22, amend section 6101(a)(2) by inserting after subsection (c), the following new subsections to section 306 of the Energy Conservation and Production Act (Public Law 94-385):

"(d) The head of each Federal agency that expends Federal funds, or guarantees or insures a loan or a mortgage, for a newly constructed residential building shall adopt procedures necessary to assure that, beginning on January 1, 1993, any such residential building meets the standards established in the most recent version of the Model Energy Code of the Council of American Building Officials that is effective on January 1 of the year in which construction of such building commenced.".

Mr. JOHNSTON. Mr. President, the first amendment is the Chafee amendment to strike a provision relating to research and development on HCFC 22, as a replacement for CFC's. This provision was inadvertently included, and because of the recent Clean Air Act legislation, is no longer applicable.

The second amendment by Senator DOMENICI is an amendment to expand the definition of electric vehicles to include solar-assisted vehicles.

The third amendment is by Senator KASTEN, to include research for hybrid power trains incorporating an electric motor and recyclable battery technology charged by an on-board liquid fuel engine.

The fourth amendment is an amendment by Senator MCCAIN to provide for the application of certain provisions regarding building codes to the Congress.

The fifth amendment is a McCain amendment to ensure that the Federal building energy code and the industry voluntary building energy code take into consideration the need to mitigate the level of radon and other indoor air pollutants.

Mr. President, I would like to note that the amendment has been modified from earlier drafts to respond to concerns expressed by the Committee on the Environment and Public Works, and that the Environmental Protection Agency be consulted regarding indoor air pollutants during the development of building energy codes.

The sixth amendment is an amendment by Senator MCCAIN to include the Federal Government in the study provisions on waste minimization.

The seventh amendment is a Wirth amendment to encourage Federal energy-efficient housing through federally financed mortgages.

The PRESIDING OFFICER. Is there further debate on the amendments.

The question is on agreeing to the amendments, en bloc.

The amendments (Nos. 1610 through 1616) were agreed to, en bloc.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT OFFICER (Mr. WELLSTONE). Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, last night's unanimous consent agreement inadvertently left off an amendment by Senator HATCH which has now been cleared on radiation exposure compensation.

So I ask unanimous consent that it be in order to submit that amendment on his behalf at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1617

(Purpose: To make certain provisions for judicial review under the Radiation Exposure Compensation Act)

Mr. JOHNSTON. Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. HATCH, proposes an amendment numbered 1617.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . RADIATION EXPOSURE COMPENSATION.

Section 6 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended by adding at the end the following new subsection:

"(l) JUDICIAL REVIEW.—An individual whose claim for compensation under this Act is denied may seek judicial review solely in a district court of the United States. The court shall review the denial on the administrative record and shall hold unlawful and set aside the denial if it is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.".

Mr. JOHNSTON. Mr. President, RECA, enacted in 1990 to provide compensation to victims of radiation exposure from nuclear weapons development programs, does not specify the appropriate forum for judicial review for claims denied by the Justice Department which administered the program.

The Hatch amendment to this act specifies that the U.S. district court rather than the claims court has jurisdiction over these RECA appeals. Local U.S. district court judges are expected to be more sympathetic to RECA claimants who live in the same State than claims court judges who sit in Washington, DC.

So I ask for approval.

Mr. HATCH. Mr. President, in 1990 Congress enacted the long overdue Radiation Exposure Compensation Act [RECA] to provide compensation for thousands of Americans who were exposed to dangerous radiation by the Government's nuclear weapons development program during the 1940's, 1950's, and early 1960's, and who later developed certain diseases. The Justice Department currently is preparing to issue final regulations for the administration of RECA, and compensation payments may begin within the next few months.

At the request of the Justice Department, myself and Senator SIMPSON are introducing an amendment to the energy bill that would make an important technical amendment to RECA. The amendment provides for exclusive judicial review of Justice Department eligibility determinations in U.S. district court.

At present, RECA contains no provision for judicial review. Because the act is a money-mandating statute, disappointed claimants may challenge the denial of compensation in the U.S. Claims Court in Washington, DC. A recent Supreme Court decision, *Bowen* v. *Massachusetts*, 108 S. Ct. 2722 (1988), however, suggests that disappointed claimants might also be able to obtain review in U.S. district court. In short, because of an oversight in the original legislation, the proper forum for RECA appellate review is unclear. I am very concerned that disappointed claimants would have to pay money to attorneys to research and litigate this very murky area of the law, the jurisdictional division between the Claims Court and U.S. district court. Even accomplished Federal court litigators find this area daunting, and there is a very real risk that individuals appealing adverse claims might file in U.S. district court, only to be dismissed because they did not file in the Claims Court, and vice-versa.

The amendment, by providing for exclusive judicial review in U.S. district court, will eliminate confusion and the inefficiency of having two potential forums for review. Thus, this amendment protects claimants appealing adverse eligibility determinations by the Justice Department from having to pay attorneys to research and litigate the collateral procedural question of the proper forum for appellate review. It would be a tragedy if money appropriated to compensate radiation exposure victims was instead consumed to pay for wasteful litigation over a procedural question. As Justice Scalia said in Bowen, "[N]othing is more wasteful than litigation about where to litigate, particularly when the options are all courts within the same legal system that will apply the same law." 108 S. Ct. at 2750 (dissenting opinion).

Under my amendment, attorneys representing RECA claimants would file their appeals in the more familiar forum of the local U.S. district court rather than the U.S. Claims Court in Washington. I am confident that local U.S. district court judges, who live in the same States as disappointed claimants, will look more favorably upon these claims than their Claims Court counterparts here inside the beltway.

Because of its importance to the efficient administration of the compensation program, I urge quick approval for this measure.

JUDICIAL REVIEW AMENDMENT TO THE RADIATION EXPOSURE COMPENSATION ACT

Mr. DECONCINI. Mr. President, I would like to ask the Senator from Utah [Mr. HATCH] if he would yield for the purpose of a brief colloquy.

Mr. HATCH. I will gladly yield to my friend, the Senator from Arizona.

Mr. DECONCINI. Mr. President, I am proud to have been a cosponsor of the Radiation Exposure Compensation Act, which the Senator from Utah so ably steered to enactment in the last Congress, and to have been a supporter of funding for the program this year.

The Department of Justice is currently adopting final regulations to implement the program. I understand that several groups of constituents have concerns about whether the proposed regulations adequately reflect the congressional intent. I, myself, am particularly concerned about aspects of the proposed regulations which will adversely affect the Navajo miners and their families' claims because they will not allow these claims to be treated with liberality as intended by Congress. The ability to use affidavits as evidence to prove claims is also critical to many claimants. Yet the proposed regulations preclude this option.

Hopefully, these concerns will be addressed through the administrative process and the program will be fairly and efficiently implemented soon. However, if the final regulations are issued without the satisfactory resolution of these concerns, we will need to address them in the next session of Congress.

Mr. HATCH. The Senator from Arizona is correct about the concerns which have been expressed regarding the proposed regulations. I expect that any issues which remain outstanding after the final regulations are published will be raised by my distinguished colleague from Arizona as well as other members who have an interest in these matters. I assure my friend from Arizona that I will be prepared to work with him in the coming session to address his concerns.

Mr. DECONCINI. I would like to thank the Senator from Utah for agreeing to withhold a second amendment on the question of liability for compensation due unidentified survivors of deceased claimants. I do not disagree that the law may need to be clarified with respect to this issue but I believe any move to limit liability must be done only after careful study. Do I understand correctly that my colleague, Mr. HATCH, is agreeable to considering this at a later time, together with any other amendments that may become necessary, once the final regulations are adopted? Is this correct?

Mr. HATCH. Yes; the Senator from Arizona is correct.

Mr. DECONCINI. I would like to thank the Senator for agreeing to allow more time to assess more closely amendments that may be necessary to ensure the fair and equitable implementation of the Radiation Exposure Compensation Act. I look forward to working with the Senator from Utah, as well as other cosponsors, on these amendments in the next session.

NATIVE AMERICAN PROVISION IN THE ATMOSPHERIC NUCLEAR TESTING COMPENSATION ACT

Mr. MCCAIN. Mr. President, I would like to ask the Senator from Utah [Mr. HATCH] if he would yield for the purpose of a brief colloquy.

Mr. HATCH. I will gladly yield to my friend, the Senator from Arizona [Mr. MCCAIN].

Mr. MCCAIN. Mr. President, as the distinguished Senator knows, when the Congress enacted the Radiation Exposure Compensation Act, that act included a native American provision which extends compensation to any former uranium miner who is a member of an Indian tribe and has contracted moderate or severe silicosis or pneumoconiosis, in addition to lung cancer and the other listed serious respiratory diseases. This provision was included because:

The Federal Government has a longstanding special relationship with native Americans—the trust responsibility.

This higher level of responsibility includes a fiduciary duty to protect the health of native Americans and to provide for their health care.

Both the legislative and executive branches had full responsibility for the management of tribal natural resources and the health of the native Americans miners during the time the miners worked in the uranium mines.

The Federal Government knew of the health hazards and that ventilation of the mines would prevent inhalation of radioactive dust particles, but did not warn of the risks or ensure mine safety standards.

In the case of the native Americans, it was recognized that the necessary documentation was unavailable because of the failure of the Indian Health Service to develop and retain adequate records.

Thereofre, the provision recognizes the special situation for native American uranium miners, many of whom were completely dependent upon the Federal Government to provide their health care and protect them from ill effects of employment in the mines.

Such special treatment is not discriminatory; the Federal Government often gives native Americans preferential treatment, which has been upheld by the U.S. Supreme Court as permissible because it is based on a political relationship, and not race.

In keeping with the intent of the act, compensation is limited to those individuals who are severely disabled. It is estimated that this would compensate less than 100 additional victims, at the 200 WLM standard.

I would ask my colleague if he agrees with me that nothing in his amendment is intended to alter the special circumstances of the claims of native American uranium miners, and that such claims should be reviewed with liberality?

Mr. HATCH. Yes, the Senator from Arizona [Mr. MCCAIN] is correct.

Mr. MCCAIN. I thank the Senator. For the benefit of my colleagues, as well as those charged with implementing the act, I ask unanimous consent that the colloquy on the Atmospheric Nuclear Testing Compensation Act between Senators HATCH, MCCAIN, DOMENICI, DECONCINI, and INOUYE be inserted immediately following this colloquy.

Mr. President, I, again, want to thank the distinguished Senator from Utah [Mr. HATCH] for his leadership on this difficult issue, and for his continuing willingness to address the unique circumstances of the native American uranium miners.

I am confident that we will be able to continue to cooperate in the future on additional amendments should they become necessary during the development of the implementing regulations.

Mr. DOMENICI. Mr. President, I would like to ask the Senator from Utah [Mr. HATCH] if he would yield for the purpose of a brief colloquy.

Mr. HATCH. I will gladly yield to my friend, the Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, I became involved in this issue when the problem of lung cancer and other respiratory diseases among uranium miners was brought to my attention 12 years ago and I introduced the first bill to provide compensation to uranium miners. Since then, I have taken an active role in an effort to obtain compensation for the Navajo and other uranium miners. I am proud to be a cosponsor of the Atmospheric Nuclear Testing Compensation Act, which I think is long overdue. I would like to pose a question to my good friend and distinguished colleague, Senator HATCH. Does this legislation address the special circumstances of the Navajo uranium miners and the Federal Government's trust responsibilities to them?

Mr. HATCH. Yes, it does. The legislation recognizes that the Federal Government owes a special fiduciary duty to native Americans, which it breached, and therefore gives them special treatment. Any former uranium miner that meets the requirements of the act, but who is also a member of an Indian tribe, and has developed moderate or severe silicosis of pneumoconiosis will be eligible for compensation under the act.

Mr. DOMENICI. Mr. President, I would like to especially mention the contribution that this special group of victims had made. Many of the uranium miners were native Americans—primarily members of the Navajo nation—to whom the Federal Government owes a special fiduciary duty of care. The Federal Government has a longstanding trust relationship with native Americans that is based on the treaties and agreements that we, as a nation, have with their tribes. This higher level of responsibility includes a duty to protect the health of native Americans and to provide for their health care. In addition, the Federal Government had responsibility for the management of tribal natural resources and mine safety as well as the health of the miners during the time the miners worked in the uranium mines.

All of the uranium miners performed a service for our Nation, and our Nation owed them a special obligation to protect their health. We did not adequately fulfill that duty, and I believe we must make special efforts to compensate them for that error. I commend the Senator from Utah for amending this legislation to provide compensation to the Navajo for the serious respiratory diseases—moderate or severe silicosis and pneumoconiosis—that they contracted.

Mr. DECONCINI. Would the Senator from New Mexico yield so that I may join in this colloquy?

Mr. DOMENICI. I gladly yield to my good friend, the Senator from Arizona.

Mr. DECONCINI. Mr. President, I also became aware of this issue many years ago and am proud to cosponsor this legislation. The uranium miners labored, and the downwinders unwittingly served, to protect the national security interests of this country. Their case presents a moral question for the Congress: What is the appropriate response when the Federal Government knowingly subjects innocent people to severe health hazards, but the courts lack authority to provide an adequate remedy? The Atmospheric Nuclear Testing Compensation Act is the appropriate compassionate response.

Many of my Navajo constituents worked in uranium mines near Cameron and Tuba City, AZ. From my perspective as a member of the Select Committee on Indian Affairs, the treatment of these native American uranium miners strikes me as a blatant disregard of the trust responsibility.

The Federal Government has a historic and unique legal relationship with native Americans under which it accepted the responsibility to provide for and protect the health of native Americans. Most native Americans are completely dependent upon the Indian Health Service for their health care. The native American miners depended on the IHS doctors to warn them and protect them from the harmful effects of employment in the mines. While it is tragic that the Federal Government placed the national security interests above the health of the miners—native Americans and nonnative Americans—it is shameful that the IHS did not fulfill its special obligations to native Americans by warning them of the risks or effectively implementing mine safety standards.

I agree that this legislation should compensate native Americans for the serious respiratory diseases that stemmed from the Federal Government's negligent acts. As I understand it, the respiratory diseases that are most prevalent among these native American miners are silicosis or pneumoconiosis. There is a requirement in the act that those eligible for compensation have a moderate or severe case because the intent of this legislation is to compensate those individuals with serious respiratory diseases.

These native Americans lived in very remote areas of Utah, New Mexico, and Arizona. Unfortunately, some of these people had great difficulty even getting to the IHS treatment facilities and may therefore have few, if any, medical records. In addition, even if they could reach IHS very few pulmonary specialists have been available to treat them. Consequently, the diagnosis contained in their records are often ambiguous.

In light of the breach of the Federal Government's trust responsibilities to native Americans and the consequent difficulties they and their families will have in proving their claims, I believe those that review these claims should review them liberally. Where there is an ambiguity, evidence should be considered in a light most favorable to the native American claimants. Senator HATCH, is this not the intent of the committee?

Mr. HATCH. Yes it is.

Mr. MCCAIN. Would the Senator from Utah yield so that I may join this colloquy on the issues of the injuries suffered by Indian people?

Mr. HATCH. I am delighted to yield to my friend from Arizona.

Mr. MCCAIN. Mr. President, I rise today in support of the Atmospheric Nuclear Testing Compensation Act. This legislation provides a long overdue remedy to victims who have been denied redress by a judicial system that is not equipped to provide them a remedy. I would like to commend Senator HATCH and Senator KENNEDY for their efforts to provide relief to those who have suffered from mistakes of the Federal Government. I would also like to voice my agreement with Senators HATCH, DOMENICI, and DECONCINI that the claims of native Americans should be reviewed liberally.

The Federal Government does indeed owe special obligations to Indian nations. In exchange for lands ceded to the United States by Indian tribes under the provisions of treaties, executive orders, and various acts of the Congress, the Federal Government has assumed various fiduciary duties. The Snyder Act of 1921 provided the formal legislative authorization for Federal health care for Indians by authorizing the Secretary of the Interior to expend funds for the "relief of distress and conservation of the health of Indians." The Federal Government has provided health care to native Americans since the early 19th century and our most recent declaration regarding Indian health care is in the 1988 amendments to the Indian Health Care Improvement Act of 1976.

As vice chairman of the Select Committee on Indian Affairs, I know what medical care is available to native Americans. Unfortunately, the situation today is not very different from that which gave rise to the Indian Health Care Improvement Act of 1976, where the Congress found, "the unmet health needs of the American Indian people are severe and the health status of the Indians in far below that of the general population of the United States." Some of the reasons cited in the 1976 act included, inadequate, outdated, and undermanned facilities; shortages of personnel; insufficient laboratory and hospital services; lack of access to health services due to remote residences, undeveloped communication and transportation systems; and lack of safe water and sanitary waste disposal services.

Although improvements have been made since 1976, I know that many of these problems still exist. Conditions, for example, on the Navajo Reservation are such that it is often difficult for these very ill people to reach IHS treatment centers. Therefore, Senator DECONCINI is quite right, many of these may have incomplete medical records because of the inaccessibility of treatment centers. Moreover, because medical specialists have not been readily available, the examining physicians may not have had the expertise to diagnose some of the diseases covered in this legislation. I fear that this may unfairly penalize some deserving victims.

The intent of the legislation is to be compassionate. I share the belief of Senator DECONCINI that when the claims of native American uranium miners are reviewed, they should be reviewed with liberality. If there are any grey areas, claims should be reviewed in favor of granting compensation to Indian claimants.

In addition, I believe that Indians should be compensated for other diseases contracted as a result of the Government's breach of its trust responsibilities, namely moderate or severe silicosis and pneumoconiosis. It is my understanding that S. 1994 provides for such compensation and I am therefore pleased to cosponsor this bill.

Mr. INOUYE. Will the Senator from Utah yield so that I might join in this colloquy?

Mr. HATCH. I gladly yield to my distinguished colleague, Mr. INOUYE, the chairman of the Select Committee on Indian Affairs.

Mr. INOUYE. Mr. President, as cosponsor of the Atmospheric Nuclear Testing Compensation Act I am proud that this body is preparing to right a longstanding injustice, and as chairman of the Select Committee on Indian Affairs, I would like to underscore some of the Statements that my colleagues have just made.

The Federal Government certainly has a unique political relationship with native Americans. In this circumstance, the native American miners could not speak English—and as I understand it there is no word in the Navajo language for "radiation"—and thus these miners had no understanding of the dangers presented by their employment. They looked to the only doctors available, the Indian Health Service, who examined them and studied them, to inform and protect them from those hazards. By failing to inform them of the dangers, the Federal Government violated its obligations to them. By failing to ensure mine safety standards, when it knew that ventilation of the mines would alleviate the problem, it violated its obligation to them. I agree that the Federal Government should compensate native American uranium miners for the consequences of its negligent acts.

With the enactment of the Indian Health Care Improvement Act of 1976 the Congress declared "that it is the policy of this Nation, in fulfillment of its special responsibilities and legal obligation to the American Indian people, to meet the national goal of providing the highest possible health status to Indians and to provide existing Indian health services with all resources necessary to effect that policy." With that act, we recognized that our Nation has fallen short of meeting our obligations to native Americans. As my colleague, Senator MCCAIN, pointed out, although provision of health care to native Americans has improved, problems persist. Because of the inadequacy and inaccessibility of treatment facilities, and shortages of specialists during the time period covered by the act, as well as up to the present, I am sure that native Americans who will be eligible under this act will have difficulties proving their claims. Therefore, I agree that the native American claims should be reviewed with liberality.

Mr. HATCH. I would like to point out that such special treatment of native American claims would not be racially motivated or discriminatory. The relationship between the Federal Government and Indian tribes is a political one and therefore, this would be politically based and not racially based. Is that true?

Mr. MCCAIN. Yes, it is true. The Federal Government accords Indian nations special status because of the government-to-government relationship. The Supreme Court has ruled that such special status is not discriminatory because the classification is based on a political relationship and not race. Examples of our special treatment of Indian and native peoples can be found in the Indian Reorganization Act of 1934 which accords employment preferences for qualified Indians in the Bureau of Indian Affairs, and the Buy Indian Act, enacted in 1910, which provides for Indian preferences in Federal contracting. The Atmospheric Nuclear Testing Compensation Act is, in my view, entirely consistent with 200 years of Federal law and policy relating to Indian and native peoples.

Mr. DOMENICI. Mr. President, I would like to ask the Senator from Utah [Mr. HATCH] if he would yield for the purpose of a brief colloquy.

Mr. HATCH. I will gladly yield to my friend, the Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, I became involved in this issue when the problem of lung cancer and other respiratory diseases among uranium miners was brought to my attention 12 years ago and I introduced the first bill to provide compensation to uranium miners. Since then, I have taken an active role in an effort to obtain compensation for the Navajo and other uranium miners. I am proud to be a cosponsor of the Atmospheric Nuclear Testing Compensation Act, which I think is long overdue. I would like to pose a question to my good friend and distinguished colleague, Senator HATCH. Does this legislation address the special circumstances of the Navajo uranium miners and the Federal Government's trust responsibilities to them?

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

So the amendment (No. 1617) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1618

(Purpose: To require the Secretary of Energy to establish the Midcontinent Energy Research Center at the University of Kansas)

Mr. WALLOP. Mr. President, I send an amendment to the desk on behalf of the Senator from Kansas [Mr. DOLE], the Republican leader.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP], for Mr. DOLE, proposes an amendment numbered 1618.

Mr. WALLOP. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 344, between lines 18 and 19, insert the following new section:

SEC. 13120. MIDCONTINENT ENERGY RESEARCH CENTER

(a) FINDING.—Congress finds that petroleum resources in the midcontinent region of the United States are very large but are being prematurely abandoned.

(b) PURPOSES.—The purposes of this section are to—

(1) improve the efficiency of petroleum recovery;

(2) increase ultimate petroleum recovery; and

(3) delay the abandonment of resources.

(c) ESTABLISHMENT.—The Secretary shall establish the Midcontinent Energy Research Center at the University of Kansas in Lawrence, Kansas, (referred to in this section as the "Center") to—

(1) conduct research in petroleum geology and engineering focused on improving the recovery of petroleum from existing fields and established plays in the upper midcontinent region of the United States; and

(2) ensure that the results of the research described in paragraph (1) are transferred to users.

(d) RESEARCH.—

(1) IN GENERAL.—In conducting research under this section, the Center shall, to the extent practicable, cooperate with agencies of the Federal Government, the States in the midcontinent region of the United States, and the affected industry.

(2) PROGRAMS.—Research programs conducted by the Center may include—

(A) data base development and transfer of technology;

(B) reservoir management;

(C) reservoir characterization;

(D) advanced recovery methods; and

(E) development of new technology.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

Mr. DOLE. Mr. President, today I am bringing before the Senate an amendment to establish a Midcontinent Energy Research Center at the University of Kansas.

It has been estimated that 325 billion barrels of oil remain in existing national oil fields that have been prematurely abandoned. Clearly, any well-balanced national energy strategy must work to end this horrible waste of our natural resources. By improving the efficiency of petroleum recovery and delaying the abandonment of resources, our country can dramatically increase its ultimate petroleum recovery.

The University of Kansas Energy Research Center is uniquely qualified for this task. Operating since 1981, the KU center has a nationally well-regarded program emphasizing technology transfer. Getting the technology to the driller is key because many of the operators in the midcontinent energy area are independents who have almost no research support.

I urge my colleagues to support the establishment of the Midcontinent Energy Research Center at the University of Kansas.

Mr. WALLOP. Mr. President, this amendment has been cleared, to my knowledge, on both sides.

The PRESIDING OFFICER. Is there further debate?

If not, without objection, the amendment is agreed to.

So the amendment (No. 1618) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, the amendment No. 1614 should be listed with Senator CHAFEE as a cosponsor of the amendment, and I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that three amendments be taken off the list as follows: A Riegle amendment on limits on participation by companies; a Riegle amendment on PUHCA books and records, both of those were covered in amendments yesterday; and a Riegle amendment on environmental restoration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I ask unanimous consent that I may proceed as though in morning business for a period not to exceed 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUSH HEALTH CARE PROPOSAL

Mr. ADAMS. Mr. President, in his State of the Union, President Bush called for comprehensive health care reform. But yesterday in Cleveland he offered us only Band-Aids, not real reform. This plan is what I call the "two-too-too" plan. It took 2 years to develop but it is too little, too late.

For 2 years the President's health care task force studied the plan, and they finally agree we face a major health crisis. This major health crisis is in and a part of our health care system. We have all known this for many years and have been trying to do something. We are grateful that this has now been acknowledged because, as Senator CHAFEE said yesterday, maybe with the recognition by the administration that something needs to be done, we can move these health care plans which have already passed out of committee in the Senate and are moving in the Congress, so that we will get a comprehensive health care plan, because costs are out of control and millions of people simply do not have access to health care.

The disappointing truth, however, of the Bush proposal and why I cannot support the proposal that came out in the speech in Cleveland is it will do nothing to change the system. The plan does not match the diagnosis and does not offer a cure.

First, it does not control costs. It is now estimated that $800 billion or 13 percent of our GNP goes for health care costs. It does not ensure access. It does not guarantee choice or quality health care. Tax credits or vouchers just are not enough to help low-income families. These are families that are working full time but there is not enough in this for them to purchase health care. These families do not have the money up front to buy health care when they may receive a tax credit a year later, or they may not pay any taxes on which to apply a credit. Therefore, they will have to go through a complicated process of getting an insured credit.

Income tax deductions will not help middle-class Americans who do not have health care now. What will they deduct if they do not get the medical care they need because they have insurance. Under this plan, we will be asking people to buy more and more expensive care.

I am really surprised at the President because he waited so long to offer us so little. But I am grateful at least we have something with which we can say we are going to start to work with.

He bashed the Medicare Program, a program that provides universal coverage for our elderly, and he threatens to go after it with a hatchet, continuing a 10-year pattern of cutting Medicare. He ignores the long-term health care for which America's elderly and their families are clamoring.

We need health care reform, and we must build on the best of our current system. We need a plan that is not afraid to make serious and meaningful changes. That is the type of plan that I am grateful I had the opportunity to be a part of drafting in the Senate committee during these last 3 weeks.

Health America which has been supported and was started by the majority leader and the task force of the Democratic Party is a responsible approach. It guarantees individuals coverage. It guarantees controls of skyrocketing costs. And it maintains individual choice of doctors, and of hospitals.

This maintains the insurance-type system. It would also reform—and we support this portion of President Bush's proposal—the small insurance market for business to eliminate preexisting medical conditions and other barriers to access. It does not do you any good to have a plan if you are not allowed to participate in it or if members of your family are not allowed to participate in it; and it will enhance our public health care by improving the quality of care for everyone.

Today President Bush tried to use language of health care reform to mask what is really a do-nothing proposal for the American people. The only thing his plan will do at this point—that is why we have to improve it—is to transfer more money out of the pockets of ordinary people and businesses and into the pockets of the insurance industry. That is not health care reform. That is status quo.

The plan that I call for and the plan that has been called for as Health America is a plan that has been developed over many, many years, over many reports, and adopts many of the recommendations of the Pepper Commission.

I also, with Senator SIMON, offered an amendment which is now part of their bill which would control costs up to hundreds of billions of dollars by simply providing that States can opt out of this plan, which is the employer plan, and go to a single-payer plan if they want. That is going to be something that is going to be debated at great length in this Chamber.

The second part is that there be a negotiation between the insurance providers and doctors, the people who are paying and the people who are serving it, on what the basic fee should be under these basic services under Health America. If they cannot agree, it will be done by mandatory arbitration so we get a true control of costs but not an arbitrary one; one that is worked out by the parties who are living and working in the field.

But most important of all, every family will have the opportunity to either belong to the employers' plan or to an insurance plan that the Government will create out of the Medicaid system so that they will have access to basic services.

I just hope—I really go further than that, Mr. President—I pray that the President will work with us and not just be stuck with tax and credits but will go with the true reforms that we have started.

I have also introduced a long-term home health care bill which will be following behind this, I hope, which would be funded by an increase in certain premiums for the higher income that are on Medicare and on the disabled. It can be financed and will, but it has to be taken in slow steps and we recognize that. But it is something that I have put forth so that we can look at it, and begin to talk about it.

But most important of all is that we move forward with this health care plan for the average American citizen who is just a job loss away, or shift of job away, from losing health care benefits.

We have moved on this in the Congress. I hope we pass it. And we are certainly willing to negotiate on points that people may have differences, but if we do not pass this, we fail a duty to the American people.

I thank the President. I thank the committee for their time. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. ADAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL EMERGENCY SECURITY ACT

Mr. GORTON. Mr. President, I intend at this point to speak generally in favor of the bill crafted by the distinguished Senator from Louisiana and the Senator from Wyoming.

Mr. President, though I firmly believe that the Persian Gulf war was fought primarily for reasons and principles other than to preserve this Nation's supply of imported oil, I do not deny that the Nation's energy security was an important factor in our decision to liberate Kuwait. This undeniable fact has led us all to reassess U.S. energy policy and has, I hope, given us the political will to change that policy to incorporate the lessons we learned in the gulf war, and to at least start us on the road toward a greater degree of energy independence.

The bill currently before the Senate is a somewhat diluted representation of that political will. On the one hand, this bill contains a variety of strong provisions that will promote energy efficiency, increase the use of renewable energy, and modify regulations that inhibit the wise use of domestic energy resources. The bill will create job opportunities for many Americans. It will improve the quality of our environment. This country has waited for more than a decade for this opportunity.

On the other hand, this proposal does not include the one provision that would, by itself, do more to enhance our national energy security than all of the other titles of the bill combined. I speak, of course, Mr. President, of the CAFE standards proposals, which I have introduced with the distinguished Senator from Nevada [Mr. BRYAN].

Frankly, Mr. President, I am not certain that it was a good strategic decision on the part of the promoters of CAFE standards not to offer the Bryan-Gorton CAFE bill, S. 279, as an amendment at this point. When fully implemented, S. 279 would reduce our dependence on oil by 2.8 million barrels per day, and would result in a significant improvement in domestic air quality. It seems irrational that we are not at least discussing such a measure or proposing amendments to such a measure within the context of this bill. We will, however, live to fight that battle another day.

As for those measures that are included in S. 2166, many will indeed contribute to our national energy security and environmental quality. I am particularly pleased that the Senate has chosen to endorse a national effort to adopt a least-cost energy planning strategy. The Pacific Northwest has been a national leader in this field for more than a decade, and is proving that such a system is both practicable and in the long-term best interests of the region.

This bill also establishes an aggressive energy efficiency program under which national efficiency standards will be developed for industrial equipment, lighting, windows, showerheads, buildings, and manufactured housing. It will also require State utility commissions to eliminate fiscal disincentives for utility investment in conservation. Again, I am proud to say that these are all fields in which the Northwest has been a pace setter, rather than a follower.

To promote the use of alternative fuels, S. 2166 places Federal, State, municipal, and private vehicle fleets on an aggressive alternative fuel vehicle buying schedule, under which nearly all new fleet vehicles will use alternative fuels by 2000.

Pierce County Transit in my State has gotten a head start on this legislation by purchasing natural gas-powered buses, of which it will have 50 running by the end of this year. The performance of those vehicles has thus far been excellent, and I look forward to similar results across the Nation.

On the production side of the energy equation, S. 2166 will facilitate the production and transportation of clean burning natural gas, and will encourage the development of a variety of innovative and promising renewable energy resources.

The bill will also reform the licensing process for nuclear powerplants in a way that will maintain the Nuclear Regulatory Commission's stringent safety review responsibilities, but at the same time reduce the opportunity for nuclear power opponents to inappropriately delay projects using dilatory tactics. This reform will help revitalize our nuclear power industry and will subsequently reduce domestic emissions of greenhouse gases.

The development of oil and gas resources on the Outer Continental Shelf is also a stated priority in this legislation. I am more skeptical about this section of the bill than most others, because I am unwilling to see the spectacular coastline of Washington State threatened by OCS development.

For this reason, I will offer, at some point in this debate, an amendment that will codify the existing administrative moratorium barring that OCS development off Washington shore until the year 2000.

All in all, this is a good bill—not perfect, not all-encompassing, but very good. Congratulations are due to the Senator from Louisiana and the Senator from Wyoming, together with the members of their committee, on their work. They know better than I how difficult it has been to reach this point.

I express the hope simply that the Senate will work with the House to put a signable energy bill on the President's desk before the end of this Congress.

I yield the floor.

AMENDMENT NO. 1619

(Purpose: To condition company participation in certain programs on nondiscrimination against U.S. manufacturers of vehicle parts)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. LEVIN, proposes an amendment numbered 1619.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 31, line 20, after the period, insert the following new sentence: "The regulations governing compliance with sections 4102, 4103, and 4104 shall be developed in consultation with the Secretary of Commerce and shall require that the procurement practices of manufacturers of alternative fuel vehicles and diesel trucks that are purchased, leased, or otherwise acquired in order to meet the requirements of such sections do not discriminate against United States manufacturers of motor vehicle parts.".

On page 38, between lines 8 and 9, insert the following new paragraph:

(2) the openness of a manufacturer's procurement practices to United States manufacturers of vehicle parts;

On page 38, line 9, strike "(2)" and insert "(3)".

On page 38, line 17, strike "(3)" and insert "(4)".

On page 38, line 22, strike "(4)" and insert "(5)".

On page 39, line 3, strike "(5)" and insert "(6)".

On page 39, line 11, strike "(6)" and insert "(7)".

On page 39, line 14, strike "(7)" and insert "(8)".

On page 39, line 20, strike "(8)" and insert "(9)".

On page 40, between lines 4 and 5, insert the following new paragraph:

(2) the procurement practices of the manufacturer do not discriminate against United States manufacturers of vehicle parts;

On page 40, line 5, strike "(2)" and insert "(3)".

On page 40, line 22, strike "(3)" and insert "(4)".

On page 41, line 3, strike "(4)" and insert "(5)".

On page 334, between lines 13 and 14, insert the following new subsection:

(g) DOMESTIC PARTS MANUFACTURERS.—In carrying out this section, the Secretary, in consultation with the Secretary of Commerce, shall issue regulations to ensure that the procurement practices of participating vehicle and associated equipment manufacturers do not discriminate against United States manufacturers of vehicle parts.

On page 334, line 14, strike "(g)" and insert "(h)".

On page 334, line 22, strike "(h)" and insert "(i)".

On page 335, line 22, strike "(i)" and insert "(j)".

Mr. LEVIN. Mr. President, the amendment I am proposing would condition company participation in various alternative fuel programs on nondiscrimination against U.S. parts suppliers.

United States auto parts suppliers produce top quality parts at competitive prices, but have found it virtually impossible to sell to the Japanese automakers both in Japan and here in the United States. This inability to sell to the Japanese automakers combined with the recession in the auto industry have resulted in record numbers of United States partsmakers going out of business. By one estimate, one U.S. partsmaker goes bankrupt every 16 hours.

We have about a $5 billion auto parts trade surplus excluding Japan. But we have less than 1 percent of the Japanese $102 billion auto parts market, and our $11 billion auto parts trade deficit with Japan is growing. Here at home we have not fared that much better. The Japanese transplant that has been in the United States the longest still only buys about 16 percent of its parts from traditional United States partsmakers, importing the rest or sourcing from transplanted Japanese partsmakers.

This amendment would condition company participation in alternative fuel fleets and electric vehicle research and development and demonstration programs on their not discriminating against U.S. parts suppliers. It sends the message that the Congress is concerned about our domestic parts industry, and makes clear that if a company wants to benefit from Government programs it cannot discriminate against competitive U.S. partsmakers.

Mr. JOHNSTON. Mr. President, this amendment by Senator LEVIN would condition company participation in various alternative fuels programs on nondiscrimination against U.S. parts suppliers.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 1619) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I ask unanimous consent that I might proceed for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. MOYNIHAN. Mr. President, I have important and reassuring news for the Senate. I have read in the New York Times this morning that a secret report at the Central Intelligence Agency has cleared the agency of the charges that earlier secret reports were politically slanted.

The details of this secret report are reported in full by that formidable journalist, Elaine Sciolino, under the heading "C.I.A Panel Rejects View That Reports Were Slanted."

The head of the CIA, Mr. Gates, was evidently not available to comment. The lead story in the New York Times reports that he is in the Middle East arranging the overthrow of the head of the Government of Iraq.

The report is evidently the work of a Mr. Edward W. Proctor who was Deputy Director of Intelligence, DDI, in the 1970's.

It says, and I quote from this secret report as printed in the Times:

> Distortion was not perceived as pervasive and had much to do with poor people-management skills and misperceptions arising from the review, coordination and editing of an analyst's work.

We are glad to know that distortion was not pervasive and the psycho-babble about people management skills is reassuring in the sense that the CIA is entering the mainstream of the American bureaucracy and is no longer an organization on the periphery.

But, sir, may I say, as one who raised these issues along with others, that there was never any charge from us of distortion and political slanting. It was simply that an enormous event had been missed, which was the collapse of communism and of the breakup of the U.S.S.R. in the face of the evidence and an analytic argument that it was coming.

In the full issue of Foreign Affairs, Adm. Stansfield Turner, in the open, speaks of the "enormity of the failure" of the intelligence community. It was his community, his watch. This is an admiral. He said "I was there," saying that the standard of living in the U.S.S.R. was about that of the United Kingdom.

In the current issue of Foreign Service Journal they speak of the "gargantuan failure of the Agency to understand the problems of Communist economies."

No one is charging bad faith, and by speaking to the issue of bad faith they avoid the enormity of the failure itself. The economists speak to this. Dale Jorgenson of Harvard said that the failure to understand the coming collapse of the Soviet economy and of these managed economies generally, was comparable to the incapacity of economists to figure out the problems of the 1930's.

There is nothing wrong with being wrong. It is only wrong when you deny it, when you avoid it, when you divert attention from it.

I fear, sir, that the Agency is frittering away its authority with this kind of behavior, to have a secret report and give it to the press immediately—not the Presiding Officer, not to me, not to any Senator that I know of, although you can read about it in the Times.

I fear the secrecy system is out of control because it has no means to correct itself. You know, the secrecy system got us to the point where in 1987, 2 years before the Berlin Wall came down, the Central Intelligence Agency was reporting that per capita income in East Germany was higher than in West Germany. If you believed that, you will believe anything, and we did.

Well, it is not so much a problem that we made a mistake as it is that we are denying the mistake.

In this morning's Washington Post a fine editorial speaks very positively about the proposals by Senator BOREN and Mr. MCCURDY on the reorganization of the intelligence community.

I ask unanimous consent that Ms. Sciolino's article and the Washington Post editorial be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CIA PANEL REJECTS VIEW THAT REPORTS WERE SLANTED

(By Elaine Sciolino)

WASHINGTON, February 6.—A Central Intelligence Agency task force appointed in the aftermath of the grueling confirmation hearings of Robert M. Gates as the country's espionage chief rejects the assertion that the agency has systematically slanted intelligence over the years, C.I.A. officials said today.

The findings, included in a classified report recently submitted to Mr. Gates for his approval, largely blame poor management and the inexperience of some analysts for allowing the perception of purposely slanted intelligence to flourish, a view articulated by Mr. Gates during his confirmation hearing last November.

"Distortion was not perceived as pervasive and had much to do with poor people-management skills and misperceptions arising from the review, coordination and editing of an analyst's work," said an agency official who paraphrased the panel's report. But the official, who spoke on the condition of anonymity, added that the report concluded that a few instances of "modest concern" warranted "remedial action."

As an in-house body, the panel was not expected to criticize the agency harshly or to make drastic recommendations. And the report, which was never intended to be made public, has already been criticized by some former and current intelligence officials for not going far enough.

The panel was established by Mr. Gates as one of a dozen study groups after he was confirmed as Director of Central Intelligence. It was headed by Edward W. Proctor, who was Deputy Director of Intelligence in the 1970's and who now works for the agency on a contract basis.

The panel defined the slanting of intelligence, or "politicization," narrowly, describing it as the alteration, delay or suppression of an assessment to avoid offending a policymaker. At the hearings, critics characterized the problem more broadly, to include the skewing of analysis to influence decision making or to promote the personal views of an analyst or manager. The critics said it even extended to the fostering of an intimidating atmosphere that led to self-censorship among analysts.

The report, which was based on interviews with more than 100 agency analysts and managers and written surveys submitted anonymously by 250 others, did not deny that analysts asserted that intelligence had been tailored. Indeed, the surveys were full of sharp complaints, particularly among less-experienced analysts, that managers had unfairly edited, delayed or rejected reports because they did not conform to what the manager thought they should say.

Many in the agency also complained that their work was unnecessarily edited or changed in the review process in which several analysts examine the reports before they are approved.

MORE TRAINING SUGGESTED

Agency officials say that the surveys accurately reflect the views of the analytical side of the agency. More than 75 percent of those chosen at random to participate returned the surveys.

The report recommended on-the-job training for analysts and managers to better understand the importance of objective intelligence, a reduction in the layers of review, the inclusion of dissenting views in analytical papers, the encouragement of full debate of issues and the publication of internal procedures to deal with accusations of politicization.

The recommendations do not seem to go beyond those made by Mr. Gates at the hearings.

"If that's what the recommendations are, they all sound good, but they aren't as far-reaching as many observers, including myself, feel is necessary," said Harold P. Ford, a former senior analyst who testified against Mr. Gates at the hearings and who still works part-time for the agency as a consultant.

Mr. Ford said that the tailoring of intelligence was never "pervasive" in the agency. But he added, "Where it did exist it was more than just a matter of misperceptions and poor management skills." He continued, "It sounds as though they're treating the matter very gingerly."

TRYING TO EXPLAIN TAILORING

One official who praised the report said that many of the complaints came from younger, less-experienced analysts who might have tailored their papers to please their superiors. Another official noted that analysts at the agency always tended to believe that their work is edited or suppressed because it is politically incorrect, while managers would argue that it may not be good enough or does not reflect the institutional view of the agency.

But other current and former intelligence officials said that the report missed the point.

"To conclude that politicization is not widespread is irrelevant," said one intelligence official. "What's important is that it's happening at all, that people feel too intimidated to write what they believe or that their views get changed by senior managers who want to push the conclusions in one direction."

Another official who had seen the report simply called it "cautious."

Mr. Gates' confirmation as the nation's espionage chief was threatened by accusations by former C.I.A. officials who said that Mr. Gates slanted intelligence during his years as a senior C.I.A. official in the 1980's, either to fit his pessimistic views of the Kremlin or to please his superiors.

GATES' ATTEMPT TO HEAL

But Mr. Gates convinced the majority of the Senate Intelligence Committee that he was not guilty of tailoring intelligence and vowed to remove even the "perception" that intelligence could be slanted or politicized and to be more sensitive to agency employees.

In his closing statement, he admitted that it was "discouraging" to see that old problems about management's role in the analytic process and worries about the tailoring of intelligence "have not diminished in intensity even in the years since I left the agency."

Soon after he assumed the job as director, he moved to heal the wounds opened in the confirmation hearings. In his first message to senior managers, he assured them that he wanted to work with everyone in the agency and told them his door would be open to them. He also made phone calls to the analysts who still work for the agency and who had signed sworn affidavits critical of him, telling them that he would not punish them for their actions.

Another study group recommended the creation of an office to devise a plan for an electronic intelligence network that would transmit classified reports, maps, satellite photographs and graphic designs directly to the computer terminals of senior Administration officials. The agency has already completed a study estimating the cost of the network, which would send reports throughout the day six days a week.

The panel also said that issues like security control and the effect on personnel had to be examined before such a network could be created.

"RIGHT KIND OF INTELLIGENCE"

With everyone agreeing that the passing of the Cold War dictates a review, Congress has proposed a reorganization of the nation's intelligence agencies; the Bush administration's own plan is due soon. A somewhat similar non-legislated initiative was launched in the Carter years. It entailed, as does this one, a challenge to the existing disposition of turf. It succumbed to the weight that the Pentagon was able to wield at a time of prominent Soviet threat. The Defense Department itself may still be immune to the sort of full-scope review of mission and structure that now faces the intelligence community. But with the diffusion of the Soviet threat, it becomes possible and necessary to zero in on the intelligence agencies.

Sen. David Boren and Rep. Dave McCurdy, chairman of the intelligence committees, offer their ideas by way of inviting a dialogue with the executive branch on a matter in which President Bush, a former chief of intelligence with a strong interest in the machinery as well as the substance of policy, is an essential interlocutor. The chairmen do not mean to proceed adversarially, but they do mean to assert a broad reading of the oversight function. By tackling this project together, and with bipartisan support, they strengthen the congressional hand. It adds further to congressional leverage that the CIA is a much battle-worn agency and that its current director, Robert Gates, has incurred heavy obligations to stay on Capitol Hill's good side.

Not that the Boren-McCurdy proposals should be whooped through. They are complex and will require hard scrutiny. Some heavy turf wars are ensured by the fact that the proposals undertake to move around the expensive intelligence assets (satellites, electronics) of the collection agencies. Further controversy is added by the proposal to empower a new director of National Intelligence—a "czar"—to run separate bodies dealing with collection, analysis and clandestine operations; this last function would be reserved for a much-reduced CIA. Pooling the different departments' now-dispersed analysis capabilities is a keen issue: One bureaucrat's streamlining is another's stifling of healthy competitive analysis.

To insiders, the inputs—the flow of resources—may be the crux. To the rest of us, what must matter most are the outputs: the quality, timeliness and policy relevance of intelligence. But intelligence should not only produce "the right kind of intelligence," as Sen. Boren says. The agencies must be open to the outside, and they must respect the law. The world is changing. So should they.

The PRESIDING OFFICER. [Mr. ROCKEFELLER]. The Senator from New York is recognized.

Mr. MOYNIHAN. I thank the Chair.

(The remarks of Mr. MOYNIHAN pertaining to the introduction of Senate Joint Resolution 254 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MOYNIHAN. Mr. President, seeing no Senator seeking recognition, I respectfully suggest the absence of a quorum.

Mr. HELMS. Will the Senator yield?

Mr. MOYNIHAN. The distinguished Senator from North Carolina is on the floor and wishes to speak.

Mr. HELMS. I thank the Senator.

Mr. MOYNIHAN. I look forward to hearing him.

The PRESIDING OFFICER. The Senator from North Carolina.

JENNIFER KNOX SCORES 1,000TH BASKETBALL POINT

Mr. HELMS. Mr. President, I thank you very much and I thank the able Senator from New York.

Mr. President, I am going to get personal. And I hope I will be forgiven for intruding on the Senate's time for a couple minutes while I point with grandfatherly pride to a marvelous moment in the lives of the Helms family. Specifically I want to brag a little bit about Jennifer Knox, even though I subscribe to that age-old axiom that "Bragging ain't bragging if you can prove it."

Now, Jennifer Knox is the oldest of Dot's and my five granddaughters. (We also are blessed with two fine grandsons.) Jennifer is a senior at Hale High School in Raleigh, and years ago, when she was hardly big enough to lift a regulation basketball, she began practicing, practicing the art of free throws. Then she developed considerable skill at jump shots.

Since she is 5 feet 7 inches tall, weighs 110 pounds, I have never seen her slam dunk. She is fast on her feet and executing complex plays is now almost instinctive with her.

As a result, Mr. President, this past Tuesday night, February 4, Jennifer Knox scored the 1,000th point of her high school career. I could not be there to see her do it, but I must confess I became a little misty-eyed when I learned about it on the telephone a few minutes later.

Jennifer will go off to college in September on a full scholarship or, to be precise, two scholarships. One was awarded for her basketball prowess, the other was awarded to Jennifer because of her academic record.

I might mention, proudly, that her SAT score is 1280, which is far better than her grandfather could ever have done. My fellow grandfathers in the U.S. Senate will understand my pride and, as I said at the outset, I hope that I may be forgiven for this bragging.

Mr. President, I thank you and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1620

(Purpose: To amend portions of the bill pertaining to Public Utility Holding Company Act reform)

Mr. JOHNSTON. Mr. President, I am very pleased to say that we have now reached agreement with Senator SANFORD, and Senators BOND and KASSEBAUM, on the very sticky question of capital structures with respect to exempt wholesale generators.

Mr. President, what the amendment says that this law is:

> Notwithstanding any other provision of Federal law, nothing in this paragraph shall prevent a State regulatory authority from taking such action, including action with respect to the allowable capital structure of exempt wholesale generators, as such State regulatory authority may determine to be in the public interest as a result of performing evaluations—

Called for in the paragraph.

And the evaluations called for in the paragraph are for them to determine whether or not it is appropriate to require an equity-debt ratio of 35–65, or in other words, some higher percentage of equity. That is the power of State regulators under State law, and we are just clearing up that, we are not affecting that State power.

It does not affect the Narragansett doctrine. It does not affect State law with respect to a State's incorporation law. In other words, a State PUC would not be able to reach out beyond its borders and affect the incorporation laws or another State pursuant to this.

But we did want to make clear that whatever powers PUC's have under State law, which in virtually every case is plenary power, with respect to the capital structures of utilities, that they retain that power. And if, for example, they should make this evaluation and determine that an EWG, an exempt wholesale generator, should have a particular kind of capital structure, then acting under their powers under State law, they could make that order.

And that is what this amendment does, is make that clear.

So, Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. SANFORD (for himself, Mr. BOND, and Mrs. KASSEBAUM), proposes an amendment numbered 1620.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 392, line 11, strike the quotation marks and the final period.

On page 392, between lines 11 and 12, insert the following:

"(C) Notwithstanding any other provision of Federal law, nothing in this paragraph shall prevent a State regulatory authority from taking such action, including action with respect to the allowable capital structure of exempt wholesale generators, as such State regulatory authority may determine to be in the public interest as a result of performing evaluations under the standards of subparagraph (A).

"(D) Notwithstanding section 124 and paragraphs (1) and (2) of section 112(a), each State regulatory authority shall consider and make a determination concerning the standards of subparagraph (A) in accordance with the requirements of subsections (a) and (b) of this section, without regard to any proceedings commenced prior to the enactment of this paragraph.

"(E) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standards set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.".

On page 391, line 7, before "consider," insert "had a proceeding to".

On page 390, line 12, delete "incremental".

At the end of line 14 on page 390, add the following: ": (A)", and on line 22, after "utilities", add "(B) the impact on consumers arising from the fact that the exempt wholesale generator will own the eligible facility at the end of the term of a power sales contract."

Mr. SANFORD. Mr. President, the amendment relating to the debt/equity provisions has now been cleared on both sides.

First, I would like to comment on the provisions addressing the issue of the appropriate debt/equity ratios for exempt wholesale generators. I think it is no secret that I had sought somewhat different and more stringent standards regarding such a ratio, but in the spirit of compromise, I have agreed to support the provisions contained in this amendment. I would like, however, to note my concerns about this issue.

PUHCA BACKGROUND

Title XV would amend the Public Utility Holding Company Act, which is commonly referred to as PUHCA. Specifically, title XV would provide a blanket exemption from the investor and consumer protection provisions of PUHCA for holding companies owning wholesale electric power generation facilities in an unlimited number of States.

I do not think I am alone, Mr. President, in coming to this floor having heard loud and clear from different constituents in my State who have widely varying views about the wisdom of the massive changes to PUHCA that are embodied in title XV. Indeed, some of my constituents have urged me, as a member of the Banking Committee, to do all I can under the rules of the Senate to object to consideration of this title, since the Public Utility Holding Company Act is and always has been a matter of Banking Committee jurisdiction. Other constituents in my State have urged me to do all I can to see that title XV is enacted exactly as it was reported from the Energy Committee.

This new class of exempt wholesale generators—commonly referred to as EWG's—created by title XV is expected to compete with our Nation's regulated public utilities to construct new electric powerplants. I had initially intended to offer an amendment that would simply provide that these EWG's could not be capitalized with more than 65-percent debt unless the appropriate State regulatory commissions authorized a greater percentage. My reason for doing so relates to my deepseated concerns with the overleveraging of America.

PROBLEMS WITH LEVERAGE

It is widely acknowledged that the beneficiaries of this legislation will finance their powerplant projects with tax-deductible nonrecourse debt in amounts far in excess of the proportion of debt that could be used by a regulated public utility if it built the same powerplant. Some argue that because of an anomaly in our Federal tax laws, EWGs may be able to use their highly leveraged capital structures to tap into the equity base of utilities, one of the few equity bases that survived the 1980s.

At the same time, it is also widely acknowledged that EWGs will receive contracts that both guarantee them a stream of income and assure that our public utilities will continue to bear all the risks of owning and operating the underlying electric power production facilities. Some have described this as a form of the no-risk capitalism that characterized the 1980's. Indeed, many public utility companies and others across the country have urged us to reject PUHCA reform outright on the ground that PUHCA was first enacted in large measure because multistate holding companies were using inordinate amounts of debt that in turn imposed great financial burdens on the Nation's consumers of electricity.

Indeed, as I know most of my colleagues have examined the many ideas for lifting our economy out of the recession, we are constantly being told that the usual tools to address such crisis, including monetary policy stimulants, are limited by the tremendous overleveraging in America. Our consumers have too much debt, our Government has too much debt, and our corporations have too much debt.

Proponents of PUHCA reform see it otherwise. They admit the PUHCA was enacted consciously to protect consumers, as well as investors in securities, and that Congress focused specifically on the risks that excessive leverage presented to both groups. I know some claim, however, that times have changed since 1935 and that PUHCA now stands as nothing more than an anachronistic barrier to the development of multistate enterprises that would provide an alternative supply option to those utilities that wished to purchase electricity for resale rather than continuing to construct all their own generating plants. Many have asserted that PUHCA reform presents no new financial risk in general and that the use of substantial debt by EWG's presents no new financial risk in particular.

UNFAIR ADVANTAGE

Our brief hearings before the Securities Subcommittee did not contain enough specific evidence to convince me that this new class of EWG's necessarily will compete with regulated utilities on the bases of inherently superior technology or operating skills that will bring the increased economic efficiencies promised by supporters of this legislation. However, as I pointed out earlier, the testimony submitted to our subcommittee did demonstrate that EWG's will use levels of nonrecourse debt that approach 90 percent or more of total project cost. In contrast, as a result of regulatory requirements and the constraints imposed by the capital markets, the capital structure of a regulated utility typically consists of approximately 50-percent equity and 50-percent debt.

As the Senate is aware, Mr. President, there is a strong Federal tax bias in favor of debt financing; for example, interest on debt is tax deductible while dividends on equity are not deductible. Because of this, many public utilities and others assert that the more highly leveraged EWG's will have a substantial and taxpayer-subsidized cost of capital advantage over equity intensive utilities. If this artificially induced cost of capital advantage can be maintained, I am afraid it could enable EWG's consistently to underbid utilities for the construction of new generating plants while at the same time paying their equity holders a higher rate of return than permitted for regulated utilities. In short, if this argument is correct, the competition envisioned by the Energy Committee will not occur on a level playing field.

Ordinarily, however, the tax induced cost of capital advantage resulting from excessive leverage could not be maintained. For most businesses, providers of equity and lenders would both demand greater financial returns to compensate them for the added risks of higher leverage. In turn, this additional compensation to the providers of capital would offset most of the tax advantages that would otherwise result from excessive leverage.

Normally, electric power generating plants are subject to this financial market discipline against piling dollar of debt upon dollar of debt. There is a substantial amount of risk associated with utility plant investment. Such plants require a large capital investment, have a single purpose, and cannot be moved. Past history indicates that fuel costs are wholly unpredictable. Finally, there can be no certainty as to whether the projected consumer demand necessary to support the plant will be sustained over the long useful life of the plant. Given these risk factors, prospective lenders to highly leveraged EWG's would ordinarily demand high interest rates—perhaps approaching junk bond levels—in order to compensate them not only for the time value of the money they provide, but also for the greater risk that such a high amount of leverage entails.

But, Mr. President, EWG's expect to avoid the prohibitively high interest rates their high degree of leverage normally would require by shifting the risks associated with operation of the EWG's powerplant to the utility that purchases EWG power through a long term contract. Under these contracts, capacity charges mandatory power purchases, fuel adjustment clauses and similar provisions will assure that the EWG is guaranteed a stream of income from the utility sufficient to assure lenders that the EWG will be able to repay its debts. The utility will of course not be compensated by the EWG for assuming such risks since any such compensation would in effect shift the risk back to highly leveraged EWG and subject it to interest rates that would jeopardize its viability.

If this scenario of high leverage materializes, Mr. President, there can be serious financial consequences for consumers, for taxpayers and for regulated public utilities. For one thing, the substantial levels of equity now invested by utilities in electric generating plants will necessarily be reduced to the extent incremental or replacement capacity is built by highly leveraged EWG's.

Second, regulated utilities could have their cost of capital for their own future projects increased if they rely to any substantial extent on power purchases from highly leveraged EWG's. Private sector rating agencies have already made it plain that utilities with substantial EWG contracts may have the project indebtedness of the EWG attributed them.

In such a case, the imputed debt would reduce the equity to debt ration the utility would be deemed to have when it seeks to finance its own new projects. Faced with such a situation, the utility could be required either to raise new equity at a higher cost than debt under current tax laws or pay an interest rate based on a higher risk premium for new debt, or both. To the extent the utility is required to incur costs to offset the effect of EWG project indebtedness, those costs are passed through to consumers and reduce the savings promised in the first instance by EWG sponsors.

Third, EWG contracts that shift the demand and operational risks of the EWG facility to a utility will increase the financial risks of the system as a whole. The net increase in risk will arise because the utility will still bear all of the demand and operational risks that it would have borne had it built the plant itself, but in the end it will not own the plant and cannot include the plant in its rate base. In the end, utilities will own far fewer plants and will have a much-reduced asset base.

Mr. President, these are only illustrations of the complex financial issues that are at the heart of the debate over PUHCA reform. I will readily admit, however, that the proponents of PUHCA reform see it otherwise. As I said earlier, they contend that times have changed, that PUHCA has become an anachronism, and that it must be amended to permit competition and the efficiencies that will result from the additional supply options that EWG's will provide. They also contend that, while EWG'S will use proportionately greater debt than utilities, that will not present any financial concerns of the type I have outlined.

This debate over the financial consequences of PUHCA reform has raged for more than a year, Mr. President. Indeed, the report of the Energy Committee states that there is a "significant difference of opinion" on these issues. I am not willing, Mr. President, to assume that either side is 100-percent right.

COMPROMISE AMENDMENT

Mr. President, when I first looked at this issue, I was inclined to place a flat debt limit of 65 percent that could be used in financing powerplants. However, in order to accommodate concerns raised by the independent power producers and constituents in my State who favor PUHCA reform, I decided to modify my amendment to permit State utility commission to waive this debt limit on a project-by-project basis. Then, in order to meet the concerns raised by Senator JOHNSTON and others, the amendment was further modified to give the States more leeway in conducting proceedings, to consider debt-equity ratios under the provisions outlined in section 15107 of the bill.

I am pleased that this compromise amendment has been worked out. While it does not go as far as I would have liked, it does go a long way toward urging the States to consider very carefully the implications of permitting highly leveraging financing of power production. I think this amendment is now completely reasonable to all those involved in this debate and I hope will result in placing a crucial brake on excessive leverage.

This amendment does not flatly prohibit the use of high leverage by EWG's. But, I am equally unwilling to ignore the lessons of the high debt of the 1980's. Examples now litter Bankruptcy Courts from coast to coast. This is particularly true when the current system we are about to replace has worked and worked well. As the Congressional Research Service recently concluded:

> Whatever else may be said about the current regulatory system, it has worked. The Nation has enjoyed many decades of available electricity at prices well within the norm for [sic] industrialized world. And, there is every indication that the system will continue to respond to changes in technology, utility structure and consumer needs. The major reason why the system has worked is because of the ingenious scheme of regulation devised at the time of enactment of the Federal Power Act and the Public Utility Holding Company Act. That scheme was forged a half-century ago in an effort to provide a flexible balance between Federal and State regulation for the purpose of assuring competent regulation and reliability of service.

I believe my amendment is a fair compromise. I remain concerned that we may be going too far in deregulating electric power production through enactment of title XV, but I believe I have done what I can to shore up the provisions relating to debt/equity ratios in the bill.

In addition, I am pleased that we will be including further provisions to address additional concerns with PUHCA reform relating to self-dealing and access to books and record. The amendment by my colleague, Mr. RIEGLE, addresses the issue known as self-dealing or affiliate transactions with a parent or utility affiliate. The concern that many independent power producers, consumer groups and others have raised is that the bill provides no safeguards regarding transactions between utilities and their own affiliates. The amendment would prohibit self-dealing between such utilities and their affiliates unless the State has determined that such affiliate transactions will benefit consumers, is in the public interest and does not violate any State law. This is an important safeguard and I am pleased that managers of the bill have agreed to this provision.

I am also pleased that provisions providing state regulators with needed access to the books and records of exempt wholesale generators and utilities have been included.

While the amendment with respect to the debt/equity ratio is not all that I had originally hoped for, I think we have reached an acceptable compromise. I commend the excellent work of Senator RIEGLE and Senator JOHNSTON and their staffs and others in arriving at this compromise.

Finally, I ask unanimous consent that a series of letters I have received outlining concerns with excessive leverage by exempt wholesale generators be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CAROLINA POWER & LIGHT CO.,
Raleigh, NC, February 3, 1992.

Hon. TERRY SANFORD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR TERRY: As representative of Carolina Power & Light and the Electric Reliability Coalition, I express strong opposition about proposed changes to the Public Utility Holding Company Act (PUHCA). Amending PUHCA will not represent the best interest of our customers, and it could increase their costs and reduce reliability.

My understanding is that you are sponsoring an amendment to S. 2166 that will limit the debt allowed by Exempt Wholesale Generations (EWGs). The use and abuse of debt leverage in our economy is well documented. I strongly favor such an amendment as you propose for the following reasons:

This can help keep the financial risk from shifting to the host utility where the host assumes the financial risk of the EWG.

This can tend to "level the playing field" by ensuring that EWGs are under similar debt/equity requirements as Investor Owned Utilities.

While I again express strong opposition to PUCHA reform, I support your debt/equity amendment to help minimize the adverse effects of this proposed deregulation.

Sincerely,
SHERWOOD H. SMITH, Jr.

FEBRUARY 5, 1992.

Hon. TERRY SANFORD,
U.S. Senate, Hart Office Building, Washington, DC.

DEAR SENATOR SANFORD: I understand that the Senate is prepared to begin discussions on S. 2166, the National Energy Strategy bill, once again. I am glad to hear this because this is a very important piece of legislation.

The two municipal power agencies in North Carolina are most concerned about the provisions in the bill which would "reform" the Public Utility Holding Company Act (PUHCA). We firmly believe that wholesale reform will be detrimental to the electric utility industry. We believe PUHCA reform will work only if there are checks and balances regarding self-dealing among subsidiaries of a holding company, cross-subsidization among subsidiaries, and transmission access and pricing safeguards, S. 1220 contains none of these checks and balances as currently drafted.

I understand that you share some of these concerns and plan on offering an amendment to try to provide some financial protection. I believe you will offer an amendment to place a cap on the amount of debt financing that an independent power producer (IPP) may use. As more and more utilities, investor-owned and publicly owned, purchase power from IPPs, the financial security of IPPs becomes an important issue for the stability of the industry. Your amendment should provide an additional layer of protection, which we support.

I hope you are successful with the amendment and that you are able to support additional safeguards that may be offered.

Sincerely,
ALICE GARLAND,
Director, Government Affairs.

NORTH CAROLINA ASSOCIATION OF
ELECTRIC COOPERATIVES, INC.,
Raleigh, NC, February 2, 1992.

Senator TERRY SANFORD,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR SANFORD: The North Carolina Association of Electric Cooperatives, which represents the 28 rural electric cooperatives in this state that serve approximately 600,000 households, supports your amendment to Title 15 of S. 2166.

We agree with you that a cap of 65 percent on debt to finance IPP's is sufficient. However, we understand your amendment does allow a state's utility commission to override this cap if they find that the circumstances of a particular project warrant more indebtedness.

Sincerely,

JAMES LEE BURNEY,
Manager of Government Relations.

TEXAS UTILITIES CO.,
Dallas, TX, February 4, 1992.

Hon. TERRY SANFORD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR SANFORD: I have been informed that you intend to offer an amendment to S. 2166 which would place limits on the relative amount of debt that a so-called Exempt Wholesale Generator (EWG) would be able to carry in this capital structure. Although I remain opposed to the provisions in the legislation which would amend the Public Utility Holding Company Act (PUHCA), I agree with you on the need for such an amendment.

An EWG is able to obtain debt and equity capital at reasonable rates only because it is able to shift financial risk to the host utility through long-term purchased power contracts. Although the ability to shift risk to the utility lowers the EWG's capital cost, it will raise funding costs for the purchasing utility, and ultimately will result in higher electricity costs for the consumer.

Since they have less equity invested in a project, EWGs with high debt-to-equity ratios may not have the best interests of the electrical consumer in mind when faced with either maintaining service or reducing their financial losses.

Thank you for your willingness to take on such an important, and complex, issue. I firmly believe your amendment will help reduce the detrimental effects these deregulation proposals will have on the consumers of electricity in this country.

Sincerely,

JERRY FARRINGTON.

CENTRAL AND SOUTH WEST
SERVICES, INC.,
Washington, DC, February 4, 1992.

Hon. TERRY SANFORD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR: As Director of Federal Affairs for the Central and South West system companies, I wish to express strong opposition to the proposed changes to the Public Utility Holding Company Act (PUHCA) in S. 2166. We believe amending PUHCA in this manner will be detrimental to our industry by creating a privileged class of wholesale power producers with no obligation to serve in the best interest of our customers.

I am writing to encourage you to offer your amendment to S. 2166 that will limit the debt allowed by Exempt Wholesale Generators (EWGS). Abuses of debt leveraging in our economy are well documented. We are very concerned that the introduction of highly leveraged powerplants in our industry will seriously undermine the electric utility industry, an industry that is fundamental to the economic health of this nation.

We applaud your effort and will work to see that it passes.

Respectfully,

FREDERICK C. WENDORF.

PUBLIC SERVICE CO.
OF COLORADO,
Denver, CO, February 4, 1992.

Hon. TERRY SANFORD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR SANFORD: Public Service Company of Colorado supports your amendment to Title XV of S. 2166. Your amendment would retain some of the protections of the Public Utility Holding Company Act (PUHCA) and prevent abuse of debt leverage by the Exempt Wholesale Generators (EWGS).

Our company supports competition, but we believe it should be on a "level playing field" as provided by your amendment.

Yours very truly,

D.D. HOCK.

Mrs. KASSEBAUM. Mr. President, although there are many parts of this bill I support, I do not support the provisions amending the Public Utility Holding Company Act [PUHCA].

The public power industry was regulated back in 1935 to correct abuses by utility holding companies. The corporate temptation to engage in such abuse has not changed in 50 years. Any attempt to deregulate utility holding companies should be carefully and fully considered.

Deregulating utility holding companies will come back to haunt us. As we stand by and watch one major airline after another file by bankruptcy and cease operations, I believe we all would agree that airline deregulation should have been more carefully considered. As we prepare to give another $30 billion to the Resolution Trust Corporation, we would all agree that savings and loan deregulation and tax reform should have been more carefully considered.

As we spent last week struggling to correct the problems of cable deregulation, we would all agree we were too hasty in deregulating that industry back in 1984.

If we deregulate the public power utilities today, without better understanding of what we are doing, I have no doubt that we will be back here in 6 years trying to correct our action.

I can only hope that it will take fewer bankruptcies than airline deregulation, less taxpayer money than savings and loan deregulation, and less consumer outrage than cable deregulation for us to focus properly on the full impact of what we are doing.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senator RIEGLE be added as a cosponsor to the Sanford, et al. amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1620) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURNS. Mr. President, I ask unanimous consent to add Senator WALLOP as a cosponsor of the Hatch amendment No. 1617 we adopted earlier today on radiation exposure compensation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I might add for the edification of such colleagues as are still in town that we have made a lot of progress today, particularly with the last amendment. The Public Utility Holding Company Act provisions of this bill are some of the most far-reaching, some of the most important, and will have some of the most dramatic effects on energy markets, the price consumers pay for energy, the efficiency with which it is generated, and the reliability with which it is delivered. And with the last amendment, we have, I believe, settled the principal question with respect to Public Utility Holding Company Act reform.

There remain some other amendments that have been reserved with respect to that, but the amendment by the Senator from North Carolina [Mr. SANFORD] was the principal one because, frankly, if we had had a requirement for a particular percentage of equity with an exempt wholesale generator, it simply could not work because of the way EWG's are structured, they are structured to have a greater degree of debt than ordinary utilities do, for the reasons which I explained in some detail yesterday.

But with this amendment, we now make it clear that the State PUC must look at that debt-equity ratio, make a determination with respect to it, and that their powers with respect to affecting it or making orders with respect to it under State law remain undiminished.

Mr. President, we will come back on Tuesday. I urge all Senators to be ready to go on Tuesday with their amendments. The present order states that we will begin work on the ANWR amendment, to be followed by a motion to table. But it may be that on Tuesday, the ANWR amendment will go away, which means that the bill will then be open for further amendment.

So Senators should be prepared to put in their amendments early on Tuesday, just in case that goes away.

AMENDMENT NO. 1621

Mr. JOHNSTON. Mr. President, we do have an additional three amendments.

First of all, I will send to the desk a sense-of-the-Senate resolution on the alternative minimum tax, stating that:

> It is the sense of the Senate that the Senate Committee on Finance review the impact of the alternative minimum tax on domestic oil and gas producers and domestic oil and gas production and take such action as may be appropriate to promote domestic production.

That is submitted on behalf of Senator NICKLES, and I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. NICKLES, proposes an amendment numbered 1621.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

It is the sense of the Senate that the Senate Committee on Finance should review the impact of the alternative minimum tax on domestic oil and gas producers and domestic oil and gas production and take such action as may be appropriate to promote domestic production.

Mr. BURNS. Mr. President, on the adoption of the amendment offered by our chairman, for Mr. NICKLES, I would like this Senator to be added as a cosponsor on that, and also a statement in the RECORD that it is time we started to take action, either through the Tax Code, spurring on domestic production in this country in light of the trade imbalance and our dependence on imported oil and our energy goals.

So I think this is a very good sense-of-the-Senate amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1621) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 1622 AND 1623, EN BLOC

Mr. JOHNSTON. Mr. President, I send two amendments to the desk and ask unanimous consent they be considered en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes amendments en bloc numbered 1622 and 1623.

Mr. JOHNSTON. Mr. President, the first amendment by Senator GLENN and myself establishes Federal Government energy audit teams. And the second amendment, by Senator GLENN, Senator KOHL, and myself, encourages energy efficiency by Federal Government contractors.

Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 1622

At the end of title VI, subtitle B, add the following new section:

SEC. 6305. ENERGY AUDIT TEAMS.

(a) ENERGY AUDIT TEAMS.—The Secretary shall assemble from existing personnel with appropriate expertise, and with particular utilization of the national laboratories, and make available to all Federal agencies, one or more energy audit teams which shall be equipped with instruments and other advanced equipment needed to perform energy audits of Federal facilities. Particular attention shall be given to exploiting expertise and resources that are not generally available in the private sector.

(b) MONITORING PROGRAMS.—The Secretary shall also assist in establishing, at each site that has utilized an energy audit team, a program for monitoring the implementation of energy efficiency improvements based upon energy audit team recommendations, and for recording the operating history of such improvements.

AMENDMENT NO. 1623

At the end of title VI, subtitle B, add the following new section:

SEC. 6305. GOVERNMENT CONTRACT INCENTIVES.

(a) ESTABLISHMENT OF CRITERIA.—Each agency, in consultation with the Federal Acquisition Regulations Council, shall establish criteria for the improvement of energy efficiency in Federal facilities operated by Federal government contractors or subcontractors.

(b) UTILIZATION OF CRITERIA.—To encourage Federal contractors, and their subcontractors, which manage and operate federally-owned facilities, to adopt and utilize energy conservation measures designed to reduce energy costs in Government-owned and contractor-operated facilities and which are ultimately borne by the Federal Government. Each agency head shall utilize the criteria developed under subsection (a) in all cost-plus-award-fee contracts.

• Mr. GLENN. Mr. President, this amendment, numbered 1622, will have the effect of formalizing a capability which now exists in a fragmented state in our national laboratories. The national labs have done a lot of work on energy conservation, as well as on new energy sources. They have a number of highly trained and highly experienced personnel who have worked on these problems—including people who specialize in computing heat transfer through building walls, compiling statistics on leaks, determining the efficiency of air-conditioning systems, and the like. The national labs have instruments and techniques, some of them very sophisticated, that have been used for these studies of heating and cooling in buildings.

The intention of this amendment is to create one or more teams composed of these people. Each team would represent all of the different disciplines needed to look at the energy situation in a building or any other facility. These teams will find out where the opportunities for energy improvement exist and they will recommend the most economical changes. This might involve modifications to the physical plant. It could be something as simple as changing the operating procedures of a building.

We will want some assurance that any changes that these teams suggest are really paying dividends. The amendment contains a provision for feedback from the facility managers who have used the team's services. DOE will be directed to keep records on the changes made and on the savings that they bring about. This will let us know just how effective the teams have been. It will also provide selling points for technology transfer in case the labs come up with any really new concepts.

It is well known that efforts to manage energy can pay for themselves many times over. Through this amendment we intend to tap a resource for energy management that is not now available to Government facilities.

Mr. President, I would like to comment briefly on the amendment, numbered 1623, to promote greater energy efficiency at our Government-owned, contractor-operated [GOCO] facilities.

Let me just cite the area I am most familiar with—DOE's own GOCO contracts. According to the General Accounting Office [GAO], in fiscal year 1990, DOE obligated about $13.8 billion to its management and operating [M&O] contractors for the operation, maintenance, or support of DOE-owned research, development, production, and testing facilities. All of DOE's M&O contracts are fully reimbursable, cost-type contracts. In other words, every dollar spent by the contractors to run DOE's facilities is paid back by the Government and, ultimately, the taxpayers.

DOE's Office of Inspector General has reported to Congress, beginning in April 1990, that DOE lacks adequate assurance that the M&O contractors are operating economically, efficiently, and in the Government's best interest. While we cannot hope to provide complete assurance that all DOE contractors, or for that matter, all such Government contractors, are operating in an efficient manner all of the time, it is my hope that this amendment will help ensure that contractors of GOCO facilities operate more efficiently with regard to energy use.

In a cost reimbursable contract, such as a cost-plus-award-fee contract, all of the contractor's operating costs are reimbursed by the contracting agency. Thus, the contractors themselves have little incentive to reduce their energy consumption, since the Government, and ultimately we the taxpayers, will cover the cost.

I have proposed a series of amendments adopted earlier to the national energy bill to improve energy efficiency in the Federal Government, particularly in Federal buildings, which number over 500,000. I think we, rightly, should also go one step further and encourage the private contractors which operate Government facilities to adopt and utilize energy conservation measures.

This amendment will require agency heads, in consultation with the Federal Acquisition Regulations Council, to establish criteria to be utilized in all cost-plus-award-fee contracts aimed at increasing energy efficiency. Simply put, if the contractor cuts energy costs, the taxpayers save, and we make better use of our resources. For example, the majority of DOE's M&O contracts, 29 out of 52, are cost-plus-award-fee contracts, and for these such contracts a portion of the award-fee pool will be set-aside for energy conservation and awarded to those contractors that meet DOE's established criteria.

I believe this is a prudent step for us to take in crafting a comprehensive national energy strategy. I want to thank the floor managers, Senators JOHNSTON and WALLOP, and their staffs, for working with me on this important amendment.•

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendments.

The amendments (Nos. 1622 and 1623) were agreed to en bloc.

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid on the table.

ACTION VITIATED—AMENDMENT NO. 1616

Mr. BURNS. Mr. President, I ask unanimous consent the Senate vitiate its action earlier on amendment 1616 of Senator WIRTH. It was not possible to reach an agreement on the colloquy.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. JOHNSTON. That is agreeable.

TRANSMISSION ACCESS, SAFE HARBOR, AND VOLUNTARY ASSOCIATION

Mr. SEYMOUR. Mr. President, I rise today to voice my concerns about the lack of language in S. 2166 to address the issue of wholesale electric power transmission access. I am hopeful that this oversight will be remedied when the Senate and House energy bills are conferenced.

Suitable transmission access to bring wholesale electric power to all utilities and their customers is a must for my State of California. I support voluntary transmission access legislation that allows parties to agree to wheel power in the public interest through regionally formed associations. I believe that such legislation will not only limit government involvement and save time and money, but also allow the Federal Energy Regulatory Commission [FERC] to exercise its regulatory mandate in a more efficient manner.

I am confident that voluntary transmission associations will allow both public and private entities to join together and address the issue of transmission access in a way that is beneficial to both industry and consumers. I would therefore urge the Senate conferees to carefully consider the voluntary transmission access provisions which will likely be included in the energy bill the House of Representative is currently formulating.

FERC–NEPA AMENDMENT NO. 1608

Mr. LAUTENBERG. Mr. President, last night the Senate adopted amendment No. 1608 which included provisions relating to the Federal Energy Commission's [FERC] implementation of the National Environmental Policy Act [NEPA]. NEPA comes under the jurisdiction of the Subcommittee on Superfund, Ocean, and Water Protection which I chair. Amendment No. 1608 includes provisions to remove the sections in S. 2166 relating to FERC's compliance with NEPA which are inconsistent with established procedures for implementing NEPA. I want to thank the managers of the bill, Senators JOHNSTON and WALLOP, for including my provisions in amendment No. 1608.

As introduced, S. 2166 included a number of provisons which attempted to address problems in FERC's implementation of NEPA. But the problems are not due to NEPA itself. They result from FERC's failure to abide by the Council on Environmental Quality's regulations which implement NEPA.

In 1979, the Council on Environmental Quality issued regulations to implement NEPA. These regulations have reduced time to comply with NEPA while improving the NEPA process which is designed to improve Federal decisionmaking. There simply is no reason to allow FERC to divert from the procedures which every other Federal agency has followed for over a decade.

FERC has argued that, because it is an independent agency, it is not bound by CEQ's regulations. To eliminate this argument, S. 1278, which I introduced, would make clear that FERC is bound by CEQ's regulations. I will continue to work for FERC's full compliance with the CEQ NEPA regulations.

As introduced, S. 2166 included some provisions which are inconsistent with CEQ regulations. I ask unanimous consent that a letter from CEQ Chairman Mike Deland to me describing some of these inconsistencies be included in the RECORD.

S. 2166 would have given FERC unprecedented control over other Federal agencies in the NEPA compliance process. It would:

Establish FERC as the lead agency for projects under its jurisdiction;

Allow FERC to establish time periods for other agencies to participate in the NEPA process;

Allow FERC to proceed if other agencies fail to act within the FERC-established time period; and

Require another Federal agency which makes recommendations on the project or must approve the project to take into account the FERC NEPA document.

The CEQ NEPA regulations establish procedures for determining the lead agency for preparing an environmental impact statement and for agencies to work together cooperatively in the NEPA process. I expect that in most instances involving FERC jurisdiction, FERC would be the lead for NEPA implementation. And I certainly want Federal agencies to work cooperatively in NEPA implementation to reduce delays and develop the best environmental information for Federal decisionmakers. But the CEQ has established procedures for implementing NEPA. The CEQ procedures require Federal agencies to work cooperatively rather than giving any one agency complete control over NEPA implementation. The CEQ procedures are used by every other Federal agency. These are the procedures which FERC should be following.

In addition, for natural gas projects, S. 2166 would have allowed applicants for pipeline approval to choose a contractor to prepare an environmental impact statement. Under the CEQ regulations, agencies choose the contractor. This helps preserve the integrity of the NEPA process.

The bill also would have established a different standard than provided for in the CEQ regulations and existing law concerning the scope of the project under review in the impact statement. It simply makes no sense to have one set of procedures for Federal agencies and another for FERC.

Amendment No. 1608 removes the provisions in S. 2166 which are inconsistent with the requirements of the NEPA regulations and existing law. It allows third parties to prepare impact statements but also requires that FERC and not the applicant choose the contractor as the NEPA regulations allow. It also requires FERC to apply standards for determining the scope of a project under review in the impact statement which are similar to standards adopted by the Corps of Engineers and which have been approved by CEQ.

The amendment also makes two key improvements in the way FERC does business under NEPA. FERC is directed to enter into memoranda of understanding with other Federal agencies respecting compliance. This will foster an improved cooperative understanding between FERC and other agencies toward meeting the requirements of the NEPA process. FERC also is required to inform the licensing applicant, Federal and State agencies, and other interested parties of the issues to be analyzed as part of the NEPA process at the beginning of the licensing procedure. Known as the scoping process under the NEPA regulations, this effort is essential to timely and thorough NEPA compliance.

Mr. President, I intend to continue to pursue the problem of FERC compliance with NEPA to ensure that FERC is fully complying with the National Environmental Policy Act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COUNCIL ON
ENVIRONMENTAL QUALITY,
Washington, DC, September 20, 1991.

Senator FRANK R. LAUTENBERG,
Chairman, Subcommittee on Superfund, Ocean and Water Protection, Washington, DC.

DEAR MR. CHAIRMAN: Enclosed are the responses to your questions regarding S. 1278, which you submitted to CEQ following the subcommittee's hearing.

Please do not hesitate to contact me if you are in need of any further information.

With best regards.

Sincerely,

MICHAEL R. DELAND.

CEQ RESPONSES TO QUESTIONS BY SENATOR LAUTENBERG REGARDING S. 1278

1. The National Energy Strategy contains a number of provisions which appear to either duplicate or be inconsistent with provisions in CEQ's NEPA regulations. Please tell the Subcommittee whether each of the provisions addressing the environmental impact statement process in sections 202 and 611 of S. 570, the President's energy bill, and sections 5301 and 11103 of S. 1220, the Senate Energy Committee's energy bill, is consistent with existing NEPA regulations.

A. With one exception, which is discussed below in the answer to Question 3, the relevant provisions of both bills are consistent with the intent of CEQ's implementing regulations which, with respect to every major federal program or project that comes within the ambit of section 102(2)(C) of NEPA, call for:

Fully integrated environmental planning and, insofar as possible, preparation of a single environmental document (40 C.F.R. §§1506.2–1506.4 and 1502.25);

Designation of a suitable lead agency or agencies to coordinate and guide environmental study efforts (40 C.F.R. §1501.5);

A lead agency determination—following a public process—of the appropriate scope of study (40 C.F.R. §1501.7);

Allocation by the lead agency of study assignments among all cooperating agencies (40 C.F.R. §1501.7(a)(4)); and

Establishment by the lead agency of reasonable time limits for the NEPA process (40 C.F.R. §1501.8);

Also, as a side note, there are two provisions which are not clearly consistent or inconsistent.

CEQ regulations allow third-party contracting for preparation of environmental impact statements; section 202(b) of S. 570 is not entirely clear with regard to third-party contracting; and

Section 11103(b) of S. 1220 compels closer cooperation and communication among participation in the EIS process by rejecting the general prohibition against ex parte communications in the context of the NEPA process.

2. If the provisions are consistent with the NEPA regulations, why are they necessary in these bills?

A. To the extent that the bills' provisions mandate preparation of a single environmental impact statement that is intended to satisfy NEPA, as well as any comparable state process, for all agencies that have jurisdiction by law over any aspect of the licensing proposal, they go beyond what is contemplated in the CEQ regulations. Compare 40 C.F.R. §§1502.25 and 1506.2 (calling for consolidated review and documentation "to the fullest extent possible").

3. If they are not consistent, please describe the nature of the inconsistency and the rationale for the provision.

A. New section 7(c)(3)(D) of the Natural Gas Act, proposed to be added by section 11103(a) of S. 1220, provides that FERC "shall not infer any control or responsibility over nonjurisdictional activities for purposes of carrying out its environmental responsibilities under [NEPA]." This provision is apparently intended to delimit the scope of FERC environmental review, eliminating from consideration the effects of activities which, while related to a proposal under study, are not subject to the agency's jurisdiction. Whether or not the effects of those activities would otherwise be subject to review under NEPA is a complicated question that turns primarily on the issue of the foreseeability of those effects. See 40 C.F.R. §1508.8(b) ("Effects" include "[i]ndirect effects, which are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable"). Under the CEQ regulations, "[a]n alternative that is outside the legal jurisdiction of the lead agency must still be analyzed in the EIS if it is reasonable." CEQ, Forty Most Asked Questions Concerning CEQ's National Environmental Policy Act Regulations, 46 Fed. Reg. 18,027, 18,028 (1981) (Answer to Question No. 2b).

4. One provision found in both bills appears to allow FERC to ignore other Federal and state agency comments if the agencies do not act within time frames established by FERC. Would this be consistent with the NEPA regulations?

A. The pertinent CEQ regulation (40 C.F.R. §1501.8) has never been construed to prohibit an agency to proceed unilaterally to conclude the NEPA process. Section 1501.8 of CEQ's implementing regulations recognizes that time limits must be consistent with both "the purposes of NEPA and other essential considerations of national policy." However, depending upon the nature of the other agency's participation and the substance of that agency's contribution, a lead agency could risk publication of an inadequate NEPA document if it proceeded unilaterally.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the time of 12:30 p.m. having arrived, there will now be a period for the transaction of morning business with Senators permitted to speak therein.

Mr. BURNS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MICHIGAN SCENIC RIVERS ACT

Mr. EXON. Mr. President, I ask unanimous consent, and I think this is cleared on both sides of the aisle, that the Senate proceed to the immediate consideration of Calendar No. 365, H.R. 476, the Michigan Scenic Rivers Act of 1991; that the committee amendments be agreed to; that the bill be deemed read a third time and passed and the motion to reconsider be laid upon the table; further, that any statements relating to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the bill (H.R. 476) to designate certain rivers in the State of Michigan as components of the National Wild and Scenic Rivers System, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 476

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Michigan Scenic Rivers Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the State of Michigan possesses many outstanding free-flowing rivers which with their adjacent lands have resource values of national significance, such as outstanding wildlife and fisheries, ecological and recreational values, and historic and prehistoric sites;

(2) many of these rivers have been found to be eligible for inclusion in the National Wild and Scenic Rivers System by the United States Forest Service while others possess outstanding values that make them eligible for wild and scenic river designation; and

(3) the conservation of these river areas and their outstanding natural, cultural, and recreational values is important to the heritage of Michigan and to its tourism and outdoor recreation industry and long-term economic development.

SEC. 3. WILD, SCENIC, AND RECREATIONAL RIVER DESIGNATION.

(a) Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraphs at the end thereof:

"( ) BEAR CREEK, MICHIGAN.—The 6.5-mile segment from Coates Highway to the Manistee River, to be administered by the Secretary of Agriculture as a scenic river.

"( ) BLACK, MICHIGAN.—The 14-mile segment from the Ottawa National Forest boundary to Lake Superior, to be administered by the Secretary of Agriculture as a scenic river.

"( ) CARP, MICHIGAN.—The 27.8-mile segment from the west section line of section 30, township 43 north, range 5 west, to Lake Huron, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 2.3-mile segment from the west section line of section 30, township 43 north, range 5 west, to Forest Development Road 3458 in section 32, township 43 north, range 5 west, as a scenic river.

"(B) The 6.5-mile segment from the Forest Development Road 3458 in section 32, township 43 north, range 5 west, to Michigan State Highway 123, as a scenic river.

“(C) The 7.5-mile segment from Michigan State Highway 123 to one quarter of a mile upstream from Forest Development Road 3119, as a wild river.

“(D) The 0.5-mile segment from one quarter of a mile upstream of Forest Development Road 3119 to one quarter mile downstream of Forest Development Road 3119, as a scenic river.

“(E) The 4.9-mile segment from one quarter of a mile downstream of Forest Development Road 3119 to McDonald Rapids, as a wild river.

“(F) The 6.1-mile segment from McDonald Rapids to Lake Huron, as a recreational river.

“( ) INDIAN, MICHIGAN.—The 51-mile segment from Hovey Lake to Indian Lake to be administered by the Secretary of Agriculture in the following classes:

“(A) The 12-mile segment from Hovey Lake to Fish Lake, as a scenic river.

“(B) The 39-mile segment from Fish Lake to Indian Lake, as a recreational river.

“( ) MANISTEE, MICHIGAN.—The 26-mile segment from the Michigan DNR boat ramp below Tippy Dam to the Michigan State Highway 55 bridge, to be administered by the Secretary of Agriculture as a recreational river.

“( ) ONTONAGON, MICHIGAN.—Segments of certain tributaries, totaling 157.4 miles, to be administered by the Secretary of Agriculture as follows:

“(A) The 46-mile segment of the East Branch Ontonagon from its origin at Spring Lake to the Ottawa National Forest boundary in the following classes:

“(i) The 20.5-mile segment from its origin at Spring Lake to its confluence with an unnamed stream in section 30, township 48 north, range 37 west, as a recreational river.

“(ii) The 25.5-mile segment from its confluence with an unnamed stream in section 30, township 48 north, range 37 west, to the Ottawa National Forest boundary, as a wild river.

“(B) The 59.4-mile segment of the Middle Branch Ontonagon, from its origin at Crooked Lake to the northern boundary of the Ottawa National Forest in the following classes:

“(i) The 20-mile segment from its origin at Crooked Lake to Burned Dam, as a recreational river.

“(ii) The 8-mile segment from Burned Dam to Bond Falls Flowage, as a scenic river.

“(iii) The 8-mile segment from Bond Falls to Agate Falls, as a recreational river.

“(iv) The 6-mile segment from Agate Falls to Trout Creek, as a scenic river.

“(v) The 17.4-mile segment from Trout Creek to the northern boundary of the Ottawa National Forest, as a wild river.

“(C) The 37-mile segment of the Cisco Branch Ontonagon from its origin at Cisco Lake Dam to its confluence with Ten-Mile Creek south of Ewen in the following classes:

“(i) The 10-mile segment from the origin of Cisco Branch Ontonagon at Cisco Lake Dam to the County Road 527 crossing, as a recreational river.

“(ii) The 27-mile segment from the Forest Development Road 527 crossing to the confluence of the Cisco Branch and Ten-Mile Creek, as a scenic river.

“(D) The 15-mile segment of the West Branch Ontonagon from its confluence with Cascade Falls to Victoria Reservoir, in the following classes:

“(i) The 10.5-mile segment from its confluence with Cascade Falls to its confluence with the South Branch Ontonagon, as a recreational river.

“(ii) The 4.5-mile segment from its confluence with the South Branch Ontonagon to Victoria Reservoir, as a recreational river.

Notwithstanding any limitation contained in this Act, the Secretary is authorized to acquire lands and interests in lands which, as of August 1, 1990, were owned by Upper Peninsula Energy Corporation, and notwithstanding any such limitation, such lands shall be retained and managed by the Secretary as part of the Ottawa National Forest, and those lands so acquired which are within the boundaries of any segment designated under this paragraph shall be retained and managed pursuant to this Act.

“( ) PAINT, MICHIGAN.—Segments of the mainstream and certain tributaries, totaling 51 miles, to be administered by the Secretary of Agriculture as follows:

“(A) The 6-mile segment of the main stem from the confluence of the North and South Branches Paint to the Ottawa National Forest boundary, as a recreational river.

“(B) The 17-mile segment of the North Branch Paint from its origin at Mallard Lake to its confluence with the South Branch Paint, as a recreational river.

“(C) The 28-mile segment of the South Branch Paint from its origin at Paint River Springs to its confluence with the North Branch Paint, as a recreational river.

“( ) PINE, MICHIGAN.—The 25-mile segment from Lincoln Bridge to the east 1/16th line of section 16, township 21 north, range 13 west, to be administered by the Secretary of Agricultural as a scenic river.

“( ) PRESQUE ISLE, MICHIGAN.—Segments of the mainstream and certain tributaries, totaling 57 miles, to be administered by the Secretary of Agriculture as follows:

“(A) The 23-mile segment of the mainstream, from the confluence of the East and West Branches of Presque Isle to Minnewawa Falls, to be classified as follows:

“(i) The 17-mile segment from the confluence of the East and West Branches Presque Isle to Michigan State Highway 28, as a recreational river.

“(ii) The 6-mile segment from Michigan State Highway 28 to Minnewawa Falls, as a scenic river.

“(B) The 14-mile segment of the East Branch Presque Isle within the Ottawa National Forest, as a recreational river.

“(C) The 7-mile segment of the South Branch Presque Isle within the Ottawa National Forest, as a recreational river.

“(D) The 13-mile segment of the West Branch Presque Isle within the Ottawa National Forest, as a scenic river.

“( ) STURGEON, HIAWATHA NATIONAL FOREST, MICHIGAN.—The 43.9-mile segment from the north line of section 26, township 43 north, range 19 west, to Lake Michigan, to be administered by the Secretary of Agriculture in the following classes:

“(A) The 21.7-mile segment from the north line of section 26, township 43 north, range 19 west, to Forest Highway 13 as a scenic river.

“(B) The 22.2-mile segment from Forest Highway 13 to Lake Michigan as a recreational river.

“( ) STURGEON, OTTAWA NATIONAL FOREST, MICHIGAN.—The 25-mile segment from its entry into the Ottawa National Forest to the northern boundary of the Ottawa National Forest, to be administered by the Secretary of Agriculture in the following classes:

“(A) The 16.5-mile segment from its entry into the Ottawa National Forest to Prickett Lake, as a wild river.

“(B) The 8.5-mile segment from the outlet of Prickett Lake Dam to the northern boundary of the Ottawa National Forest, as a scenic river.

“( ) EAST BRANCH OF THE TAHQUAMENON, MICHIGAN.—The 13.2-mile segment from its origin in section 8, township 45 north, range 5 west, to the Hiawatha National Forest boundary, to be administered by the Secretary of Agriculture in the following classes:

“(A) The 10-mile segment from its origin in section 8, township 45 north, range 5 west, to the center of section 20, township 46 north, range 6 west, as a recreational river.

“(B) The 3.2-mile segment from the center of section 20, township 46 north, range 6 west, to the boundary of the Hiawatha National Forest, as a wild river.

“( ) WHITEFISH, MICHIGAN.—Segments of the mainstream and certain tributaries, totaling 33.6 miles, to be administered by the Secretary of Agriculture as follows:

“(A) The 11.1-mile segment of the mainstream from its confluence with the East and West Branches of the Whitefish to Lake Michigan in the following classes:

“(i) The 9-mile segment from its confluence with the East and West Branches of the Whitefish to the center of section 16, township 41 north, range 21 west, as a scenic river.

“(ii) The 2.1-mile segment from the center of section 16, township 41 north, range 21 west, to Lake Michigan, as a recreational river.

“(B) The 15-mile segment of the East Branch Whitefish from the crossing of County Road 003 in section 6, township 44 north, range 20 west, to its confluence with the West Branch Whitefish, as a scenic river.

“(C) The 7.5-mile segment of the West Branch Whitefish from County Road 444 to its confluence with the East Branch Whitefish, as a scenic river.

“( ) YELLOW DOG, MICHIGAN.—The 4-mile segment from its origin at the outlet of Bulldog Lake Dam to the boundary of the Ottawa National Forest, to be administered by the Secretary of Agriculture as a wild [river.] *river.”.*

[“( ) BRULE, MICHIGAN AND WISCONSIN.—The 33-mile segment from the Brule Lake in the northeast quarter of section 15, township 41 north, range 13 east, to the National Forest boundary at the southeast quarter of section 31, township 41 north, range 17 east, to be administered by the Secretary of Agriculture as a recreational river.”.]

SEC. 4. WILD AND SCENIC RIVER STUDIES.

(a) STUDY RIVERS.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding the following new paragraphs at the end thereof:

“( ) BRULE, MICHIGAN AND WISCONSIN.—The 33-mile segment from Brule Lake in the northeast quarter of section 15, township 41 north, range 13 east, to the National Forest boundary at the southeast quarter of section 31, township 41 north, range 17 east.

“( ) CARP, MICHIGAN.—The 7.6-mile segment from its origin at the confluence of the outlets of Frenchman Lake and Carp Lake in section 26, township 44 north, range 6 west, to the west section line of section 30, township 43 north, range 5 west.

“( ) LITTLE MANISTEE, MICHIGAN.—The 42-mile segment within the Huron-Manistee National Forest.

“( ) WHITE, MICHIGAN.—The 75.4-mile segment within the Huron-Manistee National Forest as follows:

“(A) The 30.8-mile segment of the main stem from U.S. 31 to the Huron-Manistee National Forest boundary at the north line of section 2, township 13 north, range 15 west, 1.5 miles southwest of Hesperia.

"(B) The 18.9-mile segment of the South Branch White from the Huron-Manistee National Forest boundary east of Hesperia at the west line of section 22, township 14 north, range 14 west, to Echo Drive, section 6, township 13 north, range 12 west.

"(C) The 25.7-mile segment of the North Branch White from its confluence with the South Branch White in section 25, township 13 north, range 16 west, to McLaren Lake in section 11, township 14 north, range 15 west.

"( ) Ontonagon, Michigan.—The 32-mile segment of the Ontonagon as follows:

"(A) The 12-mile segment of the West Branch from the Michigan State Highway 28 crossing to Cascade Falls.

"(B) The 20-mile segment of the South Branch from the confluence of the Cisco Branch and Tenmile Creek to the confluence with the West Branch Ontonagon.

"( ) Paint, Michigan.—The 70-mile segment as follows:

"(A) 34 miles of the mainstream beginning at the eastern boundary of the Ottawa National Forest in section 1, township 44 north, range 35 west, to the city of Crystal Falls.

"(B) 15 miles of the mainstream of the Net River from its confluence with the east and west branches to its confluence with the mainstream of the Paint River.

"(C) 15 miles of the east branch of the Net River from its source in section 8, township 47 north, range 32 west, to its confluence with the mainstream of the Net River in section 24, township 46 north, range 34 west.

"(D) 14 miles of the west branch of the Net River from its source in section 35, township 48 north, range 34 west, to its confluence with the mainstream of the Net River in section 24, township 46 north, range 34 west.

"( ) Presque Isle, Michigan.—The 13-mile segment of the mainstream from Minnewawa Falls to Lake Superior.

"( ) Sturgeon, Ottawa National Forest, Michigan.—The 36-mile segment of the mainstream from the source at Wagner Lake in section 13, township 49 north, range 31 west, to the eastern boundary of the Ottawa National Forest in section 12, township 48 north, range 35 west.

"( ) Sturgeon, Hiawatha National Forest, Michigan.—The 18.1-mile segment from Sixteen Mile Lake to the north line of section 26, township 43 north, range 19 west.

"( ) Tahquamenon, Michigan.—The 103.5-mile segment as follows—

"(A) the 90-mile segment of the mainstream beginning at the source in section 21, township 47 north, range 12 west, to the mouth at Whitefish Bay; and

"(B) the 13.5-mile segment of the east branch from the western boundary of the Hiawatha National Forest in section 19, township 46 north, range 6 west, to its confluence with the mainstream.

"( ) Whitefish, Michigan.—The 26-mile segment of the West Branch Whitefish from its source in section 26, township 46 north, range 23 west, to County Road 444.".

(b) Study Provisions.—Section 5(b) of such Act (16 U.S.C. 1276(b)) is amended by adding at the end thereof the following new paragraph:

"(11) The study of segments of the **[**Carp,**]** *Brule*, *Carp*, Little Manistee, White, Paint, Presque Isle, Ontonagon, Sturgeon (Hiawatha), Sturgeon (Ottawa), Whitefish, and Tahquamenon Rivers in Michigan under subsection (a) shall be completed by the Secretary of Agriculture and the report submitted thereon not later than at the end of the third fiscal year beginning after the date of enactment of this paragraph. For purposes of such river studies, the Secretary shall consult with each River Study Committee authorized under section 5 of the Michigan Scenic Rivers Act of 1990, and shall encourage public participation and involvement through hearings, workshops, and such other means as are necessary to be effective.".

SEC. 5. RIVER STUDY COMMITTEES.

(a) Establishment and Membership.—At the earliest practicable date following the date of the enactment of this Act, the Secretary of Agriculture (hereinafter in this section referred to as the "Secretary"), in consultation with the Michigan Department of Natural Resources, shall establish for each river identified in section 4 a River Study Committee (hereinafter in this section referred to as "Committee"). Membership on each Committee shall consist of members appointed as follows:

(1) Two members appointed by the appropriate Secretary.

(2) Two members appointed by the Secretary from recommendations made by the Governor of the State of Michigan from the Department of Natural Resources.

(3) Two members appointed by the Secretary from among representatives of local or State conservation and environmental groups.

(4) One member appointed by the Secretary from among representatives of each of the towns included in the study area.

(5) Two members appointed by the Secretary from commercial timber interests in the State of Michigan.

(6) One nonvoting member who shall be an employee of the Forest Service.

(b) Administrative Provisions.—(1) A vacancy in a Committee shall be filled in the manner in which the original appointment was made.

(2) The Chair of a Committee shall be elected by the members of the Committee.

(3) The members of the Committee who are not full-time officers or employees of the United States shall serve without compensation.

(c) Technical Assistance From the Secretary.—The Secretary shall provide such technical and financial assistance to each such Committee as the Secretary deems necessary.

(d) State and Local Services.—Each such Committee may accept services and other assistance from State and local governments.

(e) Study Process.—Each River Study Committee shall advise the Secretary in the preparation of the report to Congress required by section 4 of the Wild and Scenic Rivers Act (16 U.S.C. 1275(a)) for the rivers specified in section 4 of this Act.

(f) Termination.—Each such Committee shall terminate upon submission of the report to Congress referred to in subsection (e) for the river concerned.

(g) Brule River Study Committee.—For the purposes of the Brule River Study Committee established pursuant to subsection (a), any reference in this section to the State of Michigan shall be deemed to be a reference to the State of Michigan and the State of Wisconsin.

SEC. 6. MISCELLANEOUS.

(a) Hunting, Fishing, and Trapping.—Consistent with section 13(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271–1287), nothing in this Act shall be construed to enlarge, diminish, or modify the jurisdiction or responsibilities of the State of Michigan with respect to fish and wildlife, including hunting, fishing, and trapping on any lands administered by the Secretary of Agriculture pursuant to this Act.

(b) Sea Lamprey Control.—Notwithstanding any other provision of law, the installation and operation of facilities or other activities within or outside the boundaries of those river segments designated by this Act for the control of the lamprey eel shall be permitted subject to such restrictions and conditions as the Secretary of Agriculture may prescribe for the protection of water quality and other values of the river, including the wild and scenic characteristics of the river: *Provided*, That the Secretary shall determine in the river management plan for each such designated river that such facilities or activities are necessary for control of the lamprey eel.

(c) Access.—The Secretary shall maintain traditional public access to the river segments designated by this Act, except that the Secretary, in consultation with the Director of the Michigan Department of Natural Resources, shall provide in the river management plan for each designated river segment for maintenance, closure, relocation, stabilization, improvements, or other appropriate adjustments as may be necessary for the management of such river segments.

(d) Rule of Construction.—Nothing in this Act shall be construed as enlarging, diminishing, or modifying the limitations on the acquisition of lands within a designated river segment contained in section 6(b) of the Wild and Scenic Rivers Act **[**(16 U.S.C. 1271(b)).**]** *(16 U.S.C. 1277(b)).*

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out the purposes of this Act.

Mr. LEVIN. Mr. President, the bill we are considering will affect many hundreds of miles of river corridors in the State of Michigan. The bill provides resource conservation opportunities and resource management challenges. One of the resources that we in Michigan are particularly proud of is our fisheries. They are important to us economically and ecologically. Over the years, they have been affected by forest management practices, the introduction of nonindigenous species, and pollution. Yet they remain vital and productive to us in Michigan and to the Great Lakes system.

The Michigan Department of Natural Resources has contacted me about its concerns that the language in H.R. 476 does not specifically allow some of the structural and nonstructural techniques of fish restoration underway now and which the department would like to undertake in the future. I have been informed that the Wild and Scenic Rivers Act, which H.R. 476 references, is general enough to accommodate the department's concerns. Is it the understanding of the chairman of the Committee on Energy and Natural Resources that the State of Michigan will be able to conduct stream and fish restoration activities, so long as such activities do not have an adverse impact on the values for which the rivers are designated as components of the National Wild and Scenic Rivers System?

Mr. JOHNSTON. I will be happy to respond to the distinguished Senator from Michigan. The committee has been apprised of the concerns voiced by the Senator and the Michigan Department of Natural Resources. The committee included language in the committee report which addresses these concerns. It is the committee's view that stream restoration projects, such as those mentioned in the testimony of the Michigan Department of Natural Resources, are not inconsistent with designation as a component of the National Wild and Scenic Rivers System. In addition, the committee report directs the Forest Service to develop a consistent and coordinated policy permitting the implementation of such restoration projects within wild and scenic river segments in order to avoid unnecessary concern and confusion.

Mr. LEVIN. I thank the chairman and appreciate his attention to this matter. I would like to add that my support for this legislation is based on an understanding that the Forest Service will make every possible effort to incorporate the concerns of Michigan landowners in writing management plans and studying rivers. And I expect that the Forest Service will take advantage of the technical and leadership resources of the Michigan Department of Natural Resources in developing management plans, especially where fisheries issues are concerned.

The bill (H.R. 476) was deemed read the third time and passed.

AUTHORITY FOR PRINTING OF S. 2166

Mr. EXON. Mr. President, I ask unanimous consent that S. 2166 be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. EXON. Mr. President, I ask unanimous consent that, notwithstanding the resolution of the Senate of January 24, 1901, on Wednesday, February 19, 1992, immediately following the prayer and the disposition of the Journal, that the traditional reading of Washington's Farewell Address take place and that the Chair be authorized to appoint a Senator to perform this task.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I ask unanimous consent that I be allowed to proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE JAPAN THAT CAN SAY TOO MUCH

Mr. EXON. Mr. President, in October 1989, I alerted the Senate to the then-unknown Japanese book entitled "The Japan That Can Say No."

The book was authored by Akio Morita, the founder of the Sony Corp., and Shintaro Ishihara, a Member of the Japanese Parliament. The most controversial statements were from Mr. Ishihara. He wrote, for example, that:

> No matter how much the Americans expand their military, they have come to a point where they can do nothing if Japan were one day to say—we will no longer sell you our chips.

Mr. President, my purpose in exposing "The Japan That Can Say No" was not to bash Japan. It was to rally the President to build America so that our Nation would not become overly dependent on foreign products, capital, and economic policy.

In response to my warnings about Japanese sentiments toward the United States, I was assured by many in and out of Japan that Ishihara represented the fringe of Japanese politics.

Mr. President, the recent reports from Japan indicate that what may have been on the fringe now occupies the center of Japanese politics. My personal view, however, is that those views in 1989 were not on the fringe but simply below the surface. It appears that the President's recent trip to Japan has scratched that surface. If the President's trip failed to succeed in opening the closed Japanese market, it did succeed in exposing to America what Japan really thinks of us.

In recent weeks the Speaker of the Japanese Parliament called the United States "Japan's subcontractor," and stated the "American workers don't work hard enough. They don't work but demand high pay."

After coming to America and apologizing for the Speaker's comments, Japan's Prime Minister yesterday said that "the work ethic is lacking" in America and that America's determination "to produce goods and create value has loosened sharply * * *."

When President Bush was in Japan, the same Prime Minister Miyazawa was patronizing in suggesting that the United States should be given sympathy and over the last several years, high-ranking Japanese officials have expressed outright racist comments about the American work force.

Mr. President, if the recent comments in Japan were bound into a book, perhaps it could be called "The Japan That Can Say Too Much."

I cannot deny that the United States has a great deal of work to do at home. Our society, economy, and competitiveness are not what they could be, but they are not worthy of derision from Japan, of all places.

Our Nation has been so preoccupied protecting the free world for the last 40 years, we have tended to place our economic interests behind our foreign policy and military interests. Mark my words, this will soon change. In spite of our emphasis on the struggle against communism, the United States has emerged from the end of the cold war still, on every count, the greatest Nation on Earth.

Not only are the unfortunate anti-American statements from the Japanese hierarchy offensive, they are just plain wrong. Anyone who doubts the American work ethic needs only to look to the Persian Gulf where man, woman, machine, and management were deployed from a standing start into the world's most advanced and effective fighting force which easily defeated the fourth largest Army in the whole world.

Japan should not forget that America could have survived without gulf oil. Japan could not. Yes, Japan made a financial contribution to the war effort. Sadly, it was given begrudgingly and after victory was apparent. No doubt, Japan gave money. America gave blood.

On the home front, Americans are working harder, longer, and for less pay. American leisure time is contracting, not expanding. Working America's problem is not that they are paid too much, it is that their standards of living are declining. Mom and Dad must work today to bring home as much money as a one-earner family of the 1950's and 1960's.

American wages are not high enough in part because Japanese products have been systematically pumped into the American market at prices below the cost of production or below at least the prices at which the same product is sold in Japan. This targeted dumping wiped out sectors of the American electronic, television, and semiconductor industries. Furthermore, American products are locked out of Japan, the second largest economy in the world.

Mr. President, to emphasize this point, I would like to name a few typical products that are generally well-known in America and cite for the Senate the difference in price of these products in the United States and in Japan and ask how can that be. Why? The first product, Toyota Cressida, an automobile: United States price, $24,000, Japanese price, $16,000 to $28,000; Ford Taurus sedan: United States price, $14,980 to $17,434, Japanese price, $25,625; Sony phone with answering machine: United States price, $120 to $200, Japanese price, $161 to $323; Sony CD player: United States price, $130 to $300, Japanese price, $392; TDK audio cassette: United States price $1, Japanese price $4; Sharp hand-held calculator: United States price, $39, Japanese price, $72 to $112; Panasonic cordless phone: United States price, $100 to $139, Japanese price, $323 to $484; Sony VCR: American price $350, Japanese price, $584; Mitsubishi TV: American price, $380, Japanese price, $472; Honda Civic: United States price, $8,000 to $12,000, Japan price, $10,000 to $17,000; Jeep Cherokee: United States price, $23,800, Japanese price, $35,870; Minolta camera: American price, $65, Japanese price, $152; Canon copier: United States price, $1,995, the same machine in Japan, $2,960.

Mr. President, I hope we can come to the realization that there are underlying, unfair, nonlevel playing fields that we are dealing with in Japan for lots of reasons. Over the years we have heard that American beef, for example, must be kept out of the Japanese market because Japanese intestines were shorter than that of Americans; that American snow skis had to be kept out of Japan because the snow there was different than American snow; and now that American rice and other farm products must be kept out because farming is somehow sacred in Japan.

Reason prevailed over attempts to bar snow skis, and there is a gradual progress in beef being sold in Japan to consumers by which and from which both enjoy benefits.

Perhaps recent comments from Japan are simply another nontariff trade barrier. If American workers and products are derided by the government, Japanese consumers will be afraid to try them.

American products are world class. The February 4th Washington Post points out that microprocessors in Japanese computers are manufactured and designed by American companies, and that American computer software is No. 1 at home and in Japan, and that American culture, clothing, cola, drugs, and diapers are all Japanese favorites.

Most importantly, Mr. President, American workers are also world class. You only need to ask the Japanese companies which have, as some might say, invaded the United States to purchase American companies and plants and build factories in the United States. These very workers are making many Japanese plants in America more productive than plants in Japan.

The huge flow of Japanese investment in the United States in the last decade repudiates all recent unkind statements about American workers. Japanese officials who in the last several years have made thinly veiled racist comments about America's work force suffer from a fundamental misunderstanding of the United States, and certainly their arrogance is dangerous.

American diversity represents our Nation's most brilliant accomplishments, and therein is our hidden strength. America is a Nation defined by ideals, not blood lines. It is a Nation striving for tolerance and equality. The United States is a bold experiment which in 200 years has produced even in its imperfect form, the most advanced, the most enlightened, and most livable society on the planet.

Mr. President, rather than simply badmouthing American workers, Japan should put its money where its mouth is. It is time to clear away all of the barriers of American trade. Let the American farmers sell beef, rice, wheat, and barley in Japan as freely as the Japanese sell automobiles, stereos, and VCR's in America, and allow American auto parts, semiconductors, and electronics manufacturers to compete with their Japanese counterparts. Open the Japanese financial systems to American banks and investment and permit American firms to buy Japanese companies and real estate as easily as Japanese investors buy assets here.

Let us even talk for a moment as an aside about baseball. Baseball is generally called the American pasttime. Now the Japanese are talking about making a major investment, perhaps a controlling investment, in an American baseball team.

As the Presiding Officer, the Chair, knows, this Senator is very much a baseball fan. I must frankly admit, Mr. President, I do not see anything basically wrong or improper about Japanese investments in a baseball team or Japanese investments in other enterprises in America. I think basically that is good.

But herein let me point out an inconsistency which I think is very typical of the Japanese. They want the right, and they will be upset if for whatever reason organized baseball turns down that offer from the Japanese, but let me point out that if an American investor wanted to go into Japan to buy a Japanese baseball team, he could not do it. It is prevented. It is taboo by specific reference under the Japanese system.

While baseball might not be a good example to talk about the unlevel playing field, I think the case in point that I have just made is one that demonstrates how effectively the Japanese outmaneuver us time and time again and do not want to enter into free and open agreements.

And last but far from least, I think the United States should demand a breakup of the keiretsu system, which, of course, is an interlocking corporate and board of directors scheme that locks major Japanese companies together into one giant monopoly or a trust dealing with foreign competition.

We busted up trusts way back in the 1920's in the United States as being anticompetitive. If General Motors, Ford, Chrysler, IBM, General Electric, Xerox, Conagra, Archer Daniels, AT&T, Citicorp, Boeing, and others were all banded together to sell in Japan and effectively keep Japanese products out of America at the same time, they could do to Japan what Japan is doing to us.

Would that be considered fair? I think not. But I suspect few Americans realize this unfairness. Does President Bush?

In short, it is time to let the competition begin. It is time to let the Japanese consumer decide. If American products and services cannot be cut, so be it.

America is the most open market for trade and investment. Japan and other nations, especially Europe should understand this position is unsustainable unless there is reciprocity. President Bush should make it clear that he will use his power under the U.S. trade laws to say no to our trading partners under access that will depend upon our access to their market.

While it is time to get tough on Japan and the newly unified Europe, it is also a time for the United States to get tough on itself.

The eight-point agenda declaring American economic independence, which I urged the President to put forward in 1989 in reaction to the message of "The Japan That Can Say No," is as valid today as it was then. If this plan had been adopted in 1989, our Nation would not be in its current recession.

To recount those eight initiatives; they are:

First, an all out effort to reduce the Federal budget deficit over the long term;

Second, a get tough trade policy to use access to the U.S. market as leverage to open foreign markets;

Third, the full and careful use of the Exon-Florio law to assure that the U.S. does not lose control of its high technologies;

Fourth, the restoration of a long-term orientation for American business away from the leveraged buyouts of the 1980's;

Fifth, new incentives for savings such as the Democratic IRA proposal;

Sixth, the improved marketing of treasury debt to Americans to reduce our Nation's dependence on foreign capital;

Seventh, real reduction of American interest rates—even today, long-term rates remain too high;

Eighth, an effort to make the American education system the best in the world.

For 40 years, the relationship between the United States and Japan has been one of the world's most powerful and important alliances. A careless war of words on both sides of the Pacific is damaging that relationship.

Mr. President, Japan has underestimated the United States before, and it is underestimating the American worker today. If American products are so bad, Japan has nothing to lose by opening its market to American goods and services. Americans do not seek sympathy, gratitude or favors from Japan, we only seek fairness.

Mr. President, I ask unanimous consent that an article from the February 4 Washington Post entitled "Miyazawa: Work Ethic Flags in U.S." by T.R. Reid, and a report on work and income in the 1980's by the Joint Economic Committee be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 4, 1992]

MIYAZAWA: WORK ETHIC FLAGS IN U.S.

(By T. R. Reid)

TOKYO, February 3.—Japan's prime minister said today that Americans' determination "to produce goods and create value has loosened sharply" in recent years, and that "the work ethic is lacking" among U.S. college graduates who take jobs on Wall Street rather than in manufacturing.

Coming at a time when Americans are still angry about another Japanese politician who recently called American workers lazy and illiterate, Prime Minister Kiichi Miyazawa's comments sparked fears here of a further U.S. backlash and prompted governmental efforts at damage control.

On Tuesday morning, at the start of the Diet, or legislature, session, an evidently worried Miyazawa apologized for creating a "misunderstanding." "I had no intention of criticizing American workers," he said.

Government spokesman Koichi Kato said that Miyazawa's comments Monday referred to "money games in both Japan and the U.S." and "made no reference to ordinary American workers."

Miyazawa got into a discussion of the American work ethic during debate in a parliamentary committee that was supposed to deal with Japan's budget. The distraction reflects an obsession with the United States here and a fairly common belief that it is in decline.

Miyazawa and other government leaders tried to calm U.S. anger two weeks ago after House Speaker Yoshio Sakurauchi said the United States had become "Japan's subcontractor" because many American workers "can't read and . . . don't want to work."

That remark was a major reason for the recent wave of "Buy American" campaigns around the United States. President Bush rebuffed Sakurauchi's comments in his State of the Union speech last week.

At the White House today, following the latest outburst, Press Secretary Marlin Fitzwater said the Japanese Embassy sent an immediate "apology," declaring that Miyazawa "regretted" any possible misunderstanding and making the point that no criticism was intended. Bush later characterized that message as "a very clear statement by a very good man."

Fitzwater termed Miyazawa's original comments "probably not helpful" but then added that they could stir "the rages in all of us who want to compete and show who the best work force really is."

Fitzwater added that the remarks were in the same category as those of Senate Majority Leader George J. Mitchell (D-Maine), who has questioned the fairness of Japan's trading policies. The Maine Democrat, for his part, called the prime minister's comments "destructive," showing "no understanding of this country."

The Japanese are highly sensitive these days to anti-Japanese feelings in the United States, this country's largest market and only close ally. The tense state of relations between the two richest nations has become a serious problem for Miyazawa.

Since becoming prime minister three months ago, Miyazawa has alternately praised the United States—"This great nation is the leader of the world." he said that month—and criticized American society because of drugs, the homeless and educational problems.

Today, Miyazawa sounded like U.S. pundits who castigate atitudes of the "Me Generation." "Over the last 10 years," he said, "it seems that America has reached the point that the mindset to produce things and create value has loosened sharply.

"Many people getting out of college have gone to Wall Street for very high salaries, with the result that the number of engineers who produce goods has gone down quickly."

Miyazawa then criticized the "money market" because of its junk bonds, leveraged buyouts and large loans that require big interest payments. "These things, which nobody thought could last long, have gone on for 10 years." Miyazawa continued. "And I have thought for a long time that the work ethic is lacking as far as that area is concerned."

Miyazawa then noted that "in one sense, our country too has this situation in the so-called 'bubble economy.'" The latter is the term here for the speculative financial furor of the late '80s, which led to runaway growth in Japan's stock and real estate markets.

This diversion from the budget debate began when a senior member of Miyazawa's Liberal Democratic Party, Kabun Moto, said that the real problem in the auto market "lies in the management of U.S. plants, doesn't it?"

Moto said that at Japanese-owned auto plants in the United States, "Americans are producing good cars. The question is, how to use American workers skillfully."

Moto said some U.S. consumers try not to buy an American car made on a Friday, because U.S. workers are thinking about the weekend, or on Mondays, "as they played too hard Saturdays and Sundays." It was in response to this comment tha Miyazawa started talking about Americans' commitment to produce goods and the college students' attraction to Wall Street rather than production.

An opinion poll taken by the prime minister's office last fall found that most people in Japan complain of fatigue and emotional stress. The survey, released Sunday—less than 24 hours before Miyazawa took aim at Americans—showed that 64 percent of the people said they usually feel tired, and that 53 percent said they experience emotional stress.

The chief domestic initiative of Miyazawa's government has been what he calls the "lifestyle superpower" project, aimed at helping Japanese people to let up somewhat from their work-oriented life and find ways to enjoy family and free time.

While Japanese politicians continue to say that American manufacturing has weakened, consumers here evidently disagree in many cases. American high-tech products are best-sellers in several key Japanese markets.

Nearly all Japanese personal computers use microprocessors designed and built by the American Intel and Motorola companies. The best-selling computer software in Japan in 1991 was the American-made program Lotus 1-2-3; it seems likely to be passed this year by another American software hit, Microsoft Windows.

Americans make the top-selling product in other Japanese markets ranging from clothing to cola, from prescription drugs to diapers. U.S. movies, records and videos dominate the pop charts. But the Japanese do not have high regard for American cars. Their disdain seems to have increased after three auto company presidents came here last month with Bush and demanded that Japan import more cars.

AMERICAN FAMILIES WORKING LONGER, NOT SEEING IMPROVED LIVING STANDARDS, CONGRESSIONAL STUDY FINDS

A Joint Economic Committee study released today shows that 80 percent of two-parent American families with children were working longer hours in 1989 without realizing any improvement over the standard of living of such families in 1979.

The staff study, "Families on a Treadmill: Work and Income in the 1980s," compares Census Bureau data on income, hours, and employment in two-parent families with children compiled from the Current Population Survey in March 1980 and March 1990, to evaluate the changes in family income over the decade. The JEC study notes that "we chose to focus on two-parent families with children because we were concerned that changes in the economy may be having a negative effect on the welfare of children. Most children live in two-parent families. It is important to know whether such children are growing up under increasing economic hardship."

The study found that for most families in 1989, when compared to families in 1979, increases in income, adjusted for inflation and work-related costs, have come from working more hours, not increases in hourly pay. When the additional costs of increased working hours are taken into account, 80 percent of families increased hours more than their net incomes rose.

Real hourly pay for husbands in 60 percent of the families declined over the decade and remained constant for another 20 percent of families. Only the top 20 percent of families saw a significant rise in the hourly pay of husbands. The analysis also revealed that while the real hourly pay of wives increased for most families, for 60 percent of families the decline in hourly pay of husbands was greater than the increase in wives' hourly pay.

Inequality in both wages and family incomes increased substantially over the decade. But contrary to the notion that increasing inequality stems for the growth of two-earner couples, the study shows that without wives' earnings, disparities in family incomes would have been even greater than they were.

"This report shows a real basis for the growing concern among American families about their deteriorating standards of living," said JEC Chairman Paul Sarbanes. "Fully 80 percent of these families are on a treadmill—they saw their net family income decline over the past decade or grow by a smaller percentage than did their hours of work. To merely maintain their standard of living, or to avoid falling even further behind, they have had to increase their hours of work at the expense of their time with family and community. Only the very top fifth of these families enjoyed clear gains in their standard of living."

"These findings are very troubling, especially when you consider that the families represented in this study are responsible for raising nearly three-quarters of all the children in our country," Senator Sarbanes said. "Too often it is these children who are the real losers from the economic stress which poor economic performance is placing on families."

The study concludes that addressing these problems will require "profound changes in the labor market, raising the rate of growth in wages for both men and women. Without such changes, the most likely forecast is for continued economic stress on a majority of American families."

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. WOFFORD). The Senator from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. President, what does the order provide with respect to recognition of the Senator from West Virginia?

The PRESIDING OFFICER. I understand it provides that the Senator is recognized for 90 minutes.

Mr. BYRD. Mr. President, I thank the Chair.

I ask unanimous consent that I may be recognized for such time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I understand that the distinguished Senator from Arizona [Mr. DECONCINI] wishes to speak for 5 minutes. I yield to him not to exceed 5 minutes.

SENATOR BYRD'S PRESENTATION

Mr. DECONCINI. Mr. President, I thank the President pro tempore and my friend, ROBERT BYRD. I understand he has a presentation which I might mention may be somewhat similar, I am sure, to what he presented before the Budget Committee a few days ago which I did have a chance to observe. It is outstanding.

I appreciate him giving me a few minutes because I am on my way to Arizona at 2:20 today. I have to leave here shortly. I appreciate it very much.

PRESIDENT BUSH'S FISCAL YEAR 1993 BUDGET PROPOSALS

Mr. DECONCINI. Mr. President, approximately 10 days ago the President outlined his proposals for economic recovery in his long awaited and highly touted State of the Union Message. Now that the dust has settled a bit and I have had time to review the details of the budget the President submitted to Congress the following day, I would like to take a few minutes of the Senate's time to express my reactions to both.

Mr. President, there are many items in the President's proposals that I intend to support, but the President's plan, as a whole, lacks the vision, the sense of urgency and the boldness that the American public was expecting to pull this nation out of recession. I believe my reactions have been validated by subsequent polls. Americans who are out of work coupled with those who fear they may soon join the ranks of the unemployed were not reassured by the President's words. Their confidence in the economy was not restored. Perhaps the expectations raised in the pregame warmup show orchestrated by the administration to the Super Bowl of State of the Union addresses could never be met. Rather than throwing a touchdown pass, the President settled for short yardage. Mr. President, that is not the type of decisive action we need to win the economic battle and the American public appears to recognize that.

The President began his address by reviewing America's great success in the Gulf War. I think we can all agree that it was a monumental victory and a defining moment of the Bush Presidency.

We all give the President great comments and acclamations for that, but you cannot get out of a recession lying just on that product.

It was precisely because President Bush effectively used the power of his office to build an international and domestic coalition of support that his efforts were such a resounding success. Rather than pursuing the same strategy on the domestic front, the President threw down a gauntlet and demanded that Congress pass his package and deliver it to his desk by March 20. That tactic was election-year politics, not a constructive strategy for winning the war on the domestic front.

President Bush was a member of Congress. He knows all too well how the process works. It took President Bush 52 weeks to recognize we were in a recession, but wants Congress to pass his comprehensive economic recovery package in 52 days—nothing more, nothing less. There is something wrong with this picture.

While Congress is a popular target for attack, it is part of the democratic process. It has to be worked with, and the President knows that better than anybody.

Mr. President, the Democrats are not his enemy. We are here to work for the better of the country, just as he is. And it is time that we get together and we show the same solidarity as we did against Saddam Hussein. I challenge the President to do that.

It serves no useful purpose to initiate a unnecessary partisan battle when there is a serious economic war to be won. The economic future of our country is at stake.

Mr. President, the Democrats are not the enemy. The failing economy is the enemy. What I wish the President had done is to forge the same kind of bipartisan coalition on the domestic front that he put together on the international front to fight and defeat Saddam Hussein. Unfortunately, he did not—and the Scud missiles are now flying from both sides of the battle zone along Pennsylvania Avenue.

Mr. President, this battle is unnecessary, it is counterproductive, and it must stop.

Before we can coalesce around any bipartisan economic plan, I believe we must face up to two facts.

First, I believe that there must be an agreement between the administration and Congress to tear down the budget summit prohibitions—the so-called firewalls—which prevent us from using savings in our defense and foreign aid accounts to fund domestic programs.

I introduced a resolution to do just that last November.

While I strongly support removing the budget firewalls, I want to make it perfectly clear that I do not favor increasing overall Government expenditures.

Fiscal responsibility demands that the cap on overall expenditures, as mandated in the budget summit agreement, remain firmly in place.

Second, I believe that a consensus has to be reached to make additional cuts in defense beyond those proposed by the President.

Absent agreement on these two issues, I think it will be extremely difficult to put partisan bickering aside and fashion a truly bipartisan package.

Even with agreement on these two issues, it will not be smooth sledding, there will be strong disagreements and heated debates on individual elements of the President's package.

That should not be viewed as something sinister or cynical, that is what representative Government is all about.

All sides should be fully engaged in the debate.

No side can expect to get everything it wants.

And despite the charged rhetoric that will surely be part of the debate, I still hope and believe we can ultimately work together and create an economic recovery package that will be good for the country and put Americans back to work.

Having said that, I would like to address some of the elements that I believe should be incorporated in the final package.

First, I believe that at least half of any additional savings we achieve in the defense and foreign aid areas must be targeted toward deficit reduction. Deficits are our long term enemy.

If we lose sight of our mounting debt in our rush to achieve short term economic gains, we will have won a battle but lost the war.

I am convinced that we can make additional defense and foreign aid cuts, beyond those proposed by the President, of up to $30 billion dollars.

I think that can be done without sacrificing our security interests and without unduly damaging our military force structure.

I believe we can safely reduce our forces in Europe, Korea, Japan and elsewhere overseas by an additional 100,000 troops.

In addition to the programs already slated for termination, I would add, among others, an immediate cancellation of the B-2 bomber, which would save an additional $2.7 billion this year alone.

I would terminate development of the Air Force's next generation fighter, the F-22, for a saving of $2.2 billion, and I would stop production of the nuclear-powered aircraft carrier for an additional $800 million in savings.

I would cut SDI by more than $2.5 billion and focus its attention on early development of theater missile defenses.

In our foreign aid accounts, I believe we can drastically reduce our foreign military sales and economic support expenditures to better reflect the new world order.

I would exclude Israel and Egypt from these cuts.

On the domestic side, I would halt funding for the superconducting super collider for a savings of $650 million, not because this program may not have merit, but because we have more pressing domestic needs.

I would cancel the space station—a project whose mission has been changed nine times—for savings of $2.25 billion.

Why are we funding a project in search of a mission?

I cannot in good conscience support these big ticket items while one in ten Americans has to resort to food stamps for survival, while millions of Americans are out of work and millions more are turning to the streets for their lodging.

If ever there were a Heartbreak Hotel, this is it.

In addition to deficit reduction, savings should be targeted to highly effective domestic programs such as WIC, Head Start, drug prevention, treatment and interdiction, education, job training and health care.

These are human investments which will pay long-term dividends.

To create jobs quickly, I think we should consider accelerating federal construction projects such as BIA schools, national park projects, low income housing, and Federal courthouses—projects which have been already approved but lack funding.

These projects could begin almost immediately and move people from the unemployment lines to the project sites.

On the tax side, there are numerous incentives with which I agree in concept, although I am not necessarily wedded to the specifics of the President's proposals.

These initiatives include expansion of the IRA, penalty free withdrawal from IRA accounts for medical, educational needs or for the purchase of a first home, the $5,000 credit for first-time home buyers and the R&D tax credit.

I have long supported a reduction in the capital gains tax and am pleased that the President incorporated a proposal in his budget.

Again, I support the concept, not necessarily the specifics of the Bush proposal.

There is one tax proposal which I find irresponsible—the executive action taken on wage withholding.

Not only is it a bad idea, it will cost $14.4 billion.

Changing the tax tables to put an additional $5 or $10 in individual paychecks will not encourage people to go out and buy a car—a meal at McDonald's perhaps—but not a car.

This action will not encourage investment.

But taxpayers could well end up with an unexpected tax liability next April 15 rather than a refund.

Is the President willing to take the angry calls from my constituents next April 15 when they have to go out and borrow money to pay their taxes?

Surely there is a better way to get money into consumers' pockets.

Perhaps the most disappointing aspect of the President's budget is the blatant dishonesty of its financing.

The financing proposals are smoke and mirrors and gimmickry at its worst.

It's as if the ghost of David Stockman is haunting the halls of OMB.

The budget has $60 billion worth of this trickery over 5 years.

Perhaps the worst such trickery occurs by changing accounting rules to make it look like there are savings where none actually exists.

Everybody loses when we cook the books with illusory savings that add to the deficit.

The American people are fed up with this type of behavior.

It has to stop, and it has to stop now.

In conclusion, Mr. President, I look forward to the debate on the various spending and tax proposals that are now on the table.

I hope we can discuss our honest differences without rancor and discord.

And I hope we can develop the type of package the American people need and demand. one that will pull this Nation out of the recession—that will not further burden future generations with additional debt—and that will get this country on the road to greatness once again.

Reordering our Nation's priorities to meet the needs of today's world is a defining moment in our history.

It poses enormous challenges—challenges we must win.

No less that the future of our country is at stake.

INFANT MORTALITY

Mr. DECONCINI. Mr. President, Americans nationwide will open their newspapers this morning and read some very good news. The Center for Disease Control announced yesterday that the United States has recorded its lowest infant mortality ever. I do not want to rain on anyone's parade, but there is really more bad news in the details than good news in the headlines, if you read that story and read these statistics.

Mr. President, this is not the case. We need to bolster up the WIC Program and other programs that will indeed provide preventiveness so that babies are born healthy. The reason there is less mortality now is that we are able to keep very sick children alive. That is very important. But, obviously, we need to do more.

The WIC Program, indeed, supports the good health of women, infants, and children, and we should put more into it.

Mr. President, the latest available international figures show that America is falling behind the rest of the developed world and worse yet, black infant mortality in the United States is now twice the national average—nearly two out of every hundred black babies die. Put in perspective, black infants born in the United States have about the same chance of surviving their first year of life as babies in many undeveloped Third World nations, including Mexico and Malaysia.

Mr. President, we have made considerable progress in reducing infant mortality rates this century. But progress has slowed in the past decade.

More importantly, the little progress we have made has been in keeping sick babies alive, not in ensuring a birth of a healthy baby. While I salute the miracle workers in our children's hospitals and intensive care units, we must remember that most children in America do not have access to this high-tech health care. Even if they do, many of these infants will suffer their entire lives. In short, we are treating some of the right people at the wrong time, and not enough people at the right time.

It is no secret that prenatal nutrition and health care costs less than one thousand times less than the lifetime cost of providing acute care treatment. The Special Supplement Food Program for Women, Infants and Children, commonly referred to as WIC, has been shown to be among the most cost-effective approaches to reducing infant mortality. This program saves two to three times what it costs.

Mr. President, earlier this week I introduced legislation, S. 2182, to immediately create a WIC entitlement in order to serve the over 4 million eligible women, infants and children who are presently turned away. WIC is the very answer to the reduction of low birthweight and premature births. I strongly urge my colleagues to consider cosponsorship of this vital legislation as they search for ways to further reduce the embarrassingly high infant mortality rate.

Mr. President, I ask unanimous consent that an Associated Press article on U.S. infant mortality which appeared in this morning's Washington Post be printed into the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 7, 1992]

U.S. INFANT MORTALITY FALLS TO LOWEST LEVEL

ATLANTA, Feb. 6—The United States recorded its lowest infant mortality rate ever, but black babies still die at more than twice the rate of whites, and the nation trails much of the developed world, federal researchers said today.

> The rate of 1989, the most recent year for which statistics are available, was 9.8 deaths by age 1 for every 1,000 live births, the federal Centers for Disease Control said. That surpasses the record of 10.0 set the previous year.
>
> Japan has the world's lowest infant mortality rate, 5.0 for 1987, the last year for which complete international statistics have been compiled. Sweden was second at 5.7. The United States that year was 24th at 10.1, just behind New Zealand and just ahead of Israel.
>
> "Our international ranking has slipped," said Marian F. MacDorman of the CDC's National Center for Health Statistics. "In 1980, we were ranked 20th in the world, and now we're 24th."
>
> The CDC said increased use of prenatal care would have the greatest impact on infant deaths from every cause other than birth defects.
>
> The U.S. infant mortality rate has dropped significantly throughout the 20th century, although the decline has slowed in the last decade.
>
> "The simple reason infant mortality rates have gone down is that medical technology has gotten better and better," said Joseph Liu, a senior health associate with the Children's Defense Fund, a nonprofit children's advocacy group.
>
> "We have done absolutely nothing to make sure pregnant women can get prenatal care," he said. "We are relying on the miracle of modern technology to save very sick babies, while failing to provide up-front preventive care to make sure more babies are born healthy."
>
> For 1989, the black infant mortality rate in the United States was 18.6, compared with 8.1 for whites. The leading cause of death for white infants was birth defects; for black infants, it was prematurity or low birthweight.
>
> And the disparity is increasing, the CDC said. The white infant mortality rate dropped 4 percent from 1988–89, while the black rate actually increased slightly.

SENATOR BYRD'S PRESENTATION

Mr. EXON. Mr. President, will the Senator from West Virginia yield for 1 minute?

Mr. BYRD. I gladly yield to my distinguished friend from Nebraska [Mr. EXON].

Mr. EXON. Mr. President, I wanted to take a moment before Senator BYRD started his address. As a member of the Budget Committee, I was very privileged, in fact I was very honored indeed, to hear this whole detailed thoughtful, intelligent, incisive presentation that Senator BYRD is about to make.

The President pro tempore of the Senate is revered on both sides of the aisle. He has given many very outstanding addresses on a whole series of subjects while it has been my privilege to work with him closely in the 13 years that I have had the privilege of serving my constituents in Nebraska here.

I must say that for all of the great speeches I have heard him make, the one that he is about to deliver is, by far, in my opinion, the most thoughtful that I have ever heard him give. It is not only thoughtful, but it hopefully will give the people of America the assurance to move forward, as we can, as a great country, recognizing the proposition that faces us, and the recommendations that ROBERT BYRD has to correct that.

I can only pay you the highest tribute, Senator BYRD. After the Budget Committee adjourned, after listening to the Senator's presentation, a hardcore member of the Washington press, came to me and said, "Was that not the most thoughtful presentation that you have ever heard in front of the Budget Committee?" I said, "It certainly was. It was the most thoughtful, considerate message that I have ever seen or heard from Senator BYRD, or anyone else, during my service in the U.S. Senate."

I highly recommend careful attention to what he will say. I listened to every word of it before. It is extremely timely, and I salute my leader and my friend, ROBERT BYRD, once again for his dedicated service to the U.S. Senate and, more importantly, to America.

Mr. BYRD. Mr. President, I can live for 2 months on a good compliment. I deeply appreciate the Senator's charitable compliments.

Does the Senator from Michigan wish me to yield?

COMPLIMENTING SENATOR BYRD ON HIS SPEECH

Mr. LEVIN. Mr. President, I thank the President pro tempore for his courtesy. I actually was going to make some comments on a totally different subject. I understand that the Senator from West Virginia has the floor, and I just want to add something to what Senator EXON said. I did not see the full presentation, but I have had an opportunity to chat with our dear friend, Senator BYRD, about the subject he is going to talk about. Indeed, I saw some of the charts.

We spent some time yesterday with a number of Senators talking about this subject and I, too, simply add my thanks in advance, because I know what the subject is and something about the charts he is going to present. I add my thanks, as a Senator from Michigan, for one of the most thoughtful and compelling presentations and proposals that I have seen.

Again, I will not be able to be here for the entire time, but we talked about this yesterday. I would commend any viewer to stay tuned to hear what ROBERT C. BYRD is going to be saying, because it is courageous, pivotal, accurate, it is right on point, and it says volumes about what we need to do in this country.

Senator BYRD reads volumes, probably more than anybody in the Senate, and most of us combined, perhaps, but this afternoon he is going to be saying volumes about something which has to be spoken about. I thank him on behalf of many of us who will not be able to be here as he makes the presentation.

Mr. BYRD. Mr. President, I thank my friend, and I will not take the time this afternoon to return compliments. But I have stated it before, and I will have the opportunity, Lord willing, in the future to say some things about Senator CARL LEVIN.

A DEFINING MOMENT FOR THE UNITED STATES ECONOMY

Mr. BYRD. Mr. President, I do not wish to be interrupted, and I do not wish to yield until I have completed my statement. It will be very difficult to live up to these advance billings, but, nevertheless, I am grateful to my colleagues.

Mr. President:

> This is a defining moment for the U.S. economy. There is a fairly broad consensus that the economy is suffering from neglect and needs fixing. Even the President concedes that something is seriously wrong and is searching for a new economic policy.
>
> At the same time, the end of the cold war has freed resources needed to attack our economic problems. The charge that America does not know how to revamp its economy is nonsense. The cold war was won through the investment of vast sums of money and patience. The same kind of persistent, long-term approach will be needed to fix the economy, and it won't take the 45 years it took to beat back Communism. But it will take what President Bush describes as the "vision thing."
>
> Here is our vision thing: Productivity growth, and productivity growth alone, is key to international competition and a sustainable rise in our living standard. That suggests a clear test for each new policy initiative: Does it have a reasonable chance of making Americans more productive?
>
> We need to inject billions of new investment into the economy; not to cut taxes to raise consumer spending. The U.S. has an investment deficit, not a consumption deficit; a shortage of human capital, not of consumer durables. Both private and public investment need help.
>
> Higher productivity growth requires two kinds of public investment. The first is physical investment in revamping the Nation's crumbling infrastructure. Public funds would flow directly into the domestic economy—in contrast to tax cuts which import-prone consumers would partly spend abroad. The second is investment in human capital. We know that some kinds of education expenditures, ranging from the Head Start program for preschool children to apprenticeship programs for high school graduates, are effective. We should not be afraid to fund them generously.

Mr. President, if the press is inclined to quote me, I hope that it will not quote me on what I have just said, because the paragraphs I have just read were not written by ROBERT BYRD. They were excerpted from an editorial which appeared in the February 3 issue of Business Week magazine. However, the views articulated in that Business Week piece, to which I have just referred, aptly express my view about the right course for the economy in the short run, and for our Nation in the long run. That is why I believe that the domestic discretionary portion of the budget—the portion that funds America's investment in itself and in its economic well-being—must take a high priority and should receive a substantially greater portion of each year's budget than has been the case in the past decade.

The domestic discretionary portion of the budget provides the dollars for our Nation's infrastructure: our roads and bridges, airports, mass transit, rivers and harbors, public housing, water and sewage facilities, programs for the elderly, education, programs for children, the FBI, the Justice Department, the war on crime, the war on drugs, National Institutes of Health, civilian research, environmental cleanup, agriculture, medical care for veterans; programs to provide assistance to State and local governments, such as community development block grants, EDA, EPA, and programs to assist those who are unable to provide for themselves and their families.

And I could go on and on and on. But those programs that I have enumerated are sufficient to make one realize that this portion of the annual budget—domestic discretionary—is the very backbone, the very marrow of the backbone, of this Nation's economy and this Nation's well-being.

But over the past 11 years, that vital portion of our budget has been steadily shrinking. We have made deliberate policy decisions to disinvest—to disinvest—in America, to starve our own economic engine of the fuel that it needs to run efficiently.

Here beside me is a chart. It shows the cumulative increase or decrease in outlays for entitlements, defense, international, and domestic discretionary spending for the fiscal years 1981–1991.

As we can see, entitlement and mandatory spending had real increases. The horizontal line is what we call the baseline, in budget terminology. In other words, that is zero inflation. And for entitlements and mandatory spending, those who look at this chart will see that for the years 1981–1991, entitlements grew $776 billion over inflation, over baseline, during those 11 years.

Defense grew over baseline, over inflation, $624 billion during that period.

But domestic discretionary, as we can see, suffered real cuts, totaling $395 billion below inflation, over this 11-year period.

I like to refer to this bar on the chart, domestic discretionary, as the runt puppy, and it is easy for anyone, from an observation of the charts, to understand why, as we see the two pit bull terriers, entitlements and defense, soaring above the baseline, above inflation.

But the poor little runt puppy, domestic discretionary, which means so much to every American looking through that television camera there today, that little runt puppy had a difficult time even making its way up to the feeding pan. You can see that it is emaciated, scrawny, and it looks like it has the scratches. It is underfed, and it has an extremely hard time making its way to that feeding pan because of the pit bulls that have been pushing it away.

The Nation's budget is a reflection of the Nation's goals and priorities. If we track budget decisions over a period of time, we can get a pretty clear picture of the policies that the Nation has chosen to emphasize. It is obvious that for a decade the political leadership of this Nation has robbed vital domestic programs in order to pump up defense and to fund entitlements.

The next chart displays the year-by-year increase for defense and entitlements, as well as the year-by-year cuts below baseline for domestic discretionaries. Again, the horizontal line is representative of baseline, zero inflation.

This chart shows in dramatic fashion what the priorities of this Nation have been during the years 1981–1991.

The defense line, which is the blue line, grew by leaps and bounds in the first half of the 1980's, and it stayed there through the balance of the 1980's. Entitlements, the green line, grew substantially through the mid-1980's, and then rose rapidly in 1987, 1988, and 1989. And from 1989 through 1991, entitlements went through the roof, headed straight for the hole in the ozone layer, while domestic discretionary spending, the red line, declined steadily under inflation throughout the early 1980's, and has continued at about the same level below inflation from 1987 through 1991.

The next chart represents domestic discretionary's share of Federal spending in fiscal years 1981 and 1993. The circle on the left represents the total budget for fiscal year 1981. And it will be noted that the segment which represents domestic discretionary spending consumed about one-fourth of the total budget in that year, 1981.

The large circle on the viewer's right represents the total budget in 1993, and the domestic discretionary outlays, represented by the green piece of pie in the chart, consumed only one-eighth of the total budget. Therefore, during those 11 years, the percentage of the total budget dropped from one-fourth for domestic discretionary in 1981 to about one-eighth of the total budget in 1993.

Now, the next chart shows where we are today. This is a snapshot, a quick picture, of where we are now. This is the composition of the 1993 CBO January baseline in budget authority in billions of dollars. At the 1 o'clock position, Senators will note that net interest will require 13.2 percent of the budget, $212.6 billion. Then, as we proceed clockwise, Medicare will consume 5.4 percent; Social Security, 22.9 percent; deposit insurance, 3.2 percent—that is, deposit insurance on savings and loans, which, on this chart, represents $50 billion out of the $51.1 billion.

The next item is "all other." That represents such items as unemployment insurance, the Civil Service Retirement Disability Trust Fund, the Highway Trust Fund, and so on.

The next item is mandatory and entitlements. That represents 15.2 percent of the budget. What are we talking about there? We are talking about child nutrition, food stamps, Medicaid, Commodity Credit Corporation, veterans' pensions, veterans' compensation, and so on. These are mandatory. We have to pay them. They are decided by basic law. The Appropriations Committee has no jurisdiction over that law.

The next item is "defense/international," which, combined, represents 19.2 percent of the total budget.

The last item, at the 11 o'clock position on the chart, is that little runt puppy entitled "domestic discretionary," and it will consume only 12.7 percent of the budget; in other words, $205.1 billion.

Now, that is "domestic discretionary" which, as I have already indicated, represents the manifold programs that mean so much to the American economy and to the everyday lives of American citizens—it is only 12.7 percent, one-eighth of the total budget.

I should comment in passing, that the semicircular black line represents the total nonappropriated portion of the budget. In other words, there is 52.9 percent—more than half—of the total budget for which the Appropriations Committee does not appropriate moneys. Those checks are written by computers. Social Security checks, for example, do not go through the Appropriations Committee. The mandatory and entitlements, even though they go through the Appropriations Committee, we have to pay them; we cannot cut them because they can only be reduced by law. They make up an additional 15.2 percent, thus comprising 68.1 percent of the total budget, that we on the Appropriations Committee cannot do anything about. And that leaves only the 19.2 percent for defense plus the 12.7 percent for domestic discretionary; in other words, 31.9 percent of the budget is defense and domestic discretionary—which, in reality, is all that is controllable by the Appropriations Committee.

Again, I say, the poor little runt puppy—domestic discretionary—has been on the operating table for the last 11 years, and the administration's doctors have cut on it and cut on it and cut on it until they have cut to the very marrow of the bone.

The next chart shows domestic discretionary budget authority, starting with fiscal year 1990 on the left. This is a very interesting chart, and I hope that for Senators who are not here today, I hope that their staffs will be able to see this on their TV channel and I hope that they will be taping it, because this is an extremely fascinating chart and it tells a very sobering story.

For the year 1990, domestic discretionary budget authority was $169.3 billion. As Senators can see, we had growth for 1991, up $20.2 billion to $189.5 billion. For 1992, domestic discretionary rose to $202.8 billion, a further increase of $13.3 billion.

That growth, Mr. President, is what I fought for at the summit. Senators will recall that I sought substantial increases for domestic discretionary spending at the summit. And I had some good help there—Senator SASSER, Senator BENTSEN, Senator FOWLER, and the joint leadership. But I led that fight at the 1990 budget summit. I did it because of the devastation of critical programs that had taken place since 1981—devastation.

Someone once said that the difference between the right word and the almost right word is the difference between the lightning and the lightning bug.

Well, "devastation" is the right word—devastation of critical programs.

And, ultimately, at the summit we settled on total increases in budget authority for domestic discretionary of $40 billion above the August 1990 baseline for fiscal years 1991 through 1993. That was $80 billion higher than the administration wanted it at the start of the negotiations. It was not nearly enough, of course, to reverse the damage caused by the cuts between 1981 and 1990, but it represented real growth of $40 billion.

Mr. President, Napoleon said that "men should be firm in heart and purpose, or they should have nothing to do with war and government." So, Mr. President, I have been firm in heart and purpose. What I was saying at the summit, I am still saying; namely, that this country has an investment deficit, not just a Federal funds deficit, not just a trade deficit, but also an investment deficit, an infrastructure deficit.

Now, let us go back to the chart. The green line that goes up on the chart is baseline, as computed by the Congressional Budget Office. For fiscal year 1993, the baseline for domestic discretionary rises to $211.3 billion. That is how much it rises because of inflation. In other words, we need $211.3 billion just to stay even with last year, just to keep up with inflation over last year. But the administration has requested only $202.9 billion, a cut of $8.4 billion below inflation.

Now, that is this year—now. We have not run our budget resolution before this Senate yet. It has not been reported out of the Budget Committee. We have not started the appropriations bills yet. We have not started the allocations process. But we can see that we are going to have a tough time, because we will not even have the budget authority that we had last year for domestic discretionary if we follow the administration's budget.

For fiscal year 1994, the baseline for domestic discretionary is $217 billion; yet, the administration's request is $203.5 billion, a cut of $13.5 billion below inflation. For fiscal year 1995, the baseline is $227.1 billion for domestic discretionary—just keeping up with inflation. But the President drops back to $202.9 billion, which is $24.2 billion below inflation.

I do not know how many Senators have operated a cash register. I have had to do that, and a good many Senators here have had that experience. And we all know that it does not pay to come up short at the end of the day.

But look at this chart. The American people are going to come up short if the President's recommendations are followed. The horizontal line is the freeze line. That is the line showing the President's requests. As one can see, the farther the line goes, the greater the shortfall in domestic discretionary spending under inflation.

In total, then, for the next 3 fiscal years, the administration is requesting real cuts of $46.1 billion in budget authority below inflation for domestic discretionary—for programs that mean so much to you and your children and America's future. I have already read the litany, a partial litany. I will not read it again. But it is America's bread and butter.

Now, if we look at the chart which shows the budget impact of the administration's proposed defense savings on a year-by-year basis, we see that the administration intends to impose $6.6 billion in budget authority rescissions for fiscal year 1992. As best we know at this point, these proposed rescissions will probably be cuts of congressional priorities, and Congress may or may not agree to any or all of them, or Congress may add some of its own. For fiscal year 1993, the proposed budget authority defense cut is $7.9 billion; for 1994 it is $8 billion, and for 1995 it is $8.4 billion.

Therefore, if we total up the administration's proposed defense cuts for fiscal year 1992 through fiscal year 1995, that total comes to $30.9 billion. That is $15.2 billion short of the administration's proposed domestic discretionary cuts of $46.1 billion, for fiscal years 1993–1995.

This means, Mr. President, that if we agree to the administration's budget authority defense cuts for fiscal years 1992 through 1995—I include 1992 because, as I say, the President has certain rescissions in his budget—if we agree to the administration's budget authority in defense cuts for fiscal years 1992 through 1995, and if we were to apply all of those defense cuts—there are a lot of grandiose ideas around here about how we ought to spend all of those defense savings, that pot of gold out there at the end of the rainbow, there are lots of plans—if we agree to the administration's budget authority for defense cuts for fiscal years 1992 through 1995, and if we were to apply every single dollar of those defense cuts to domestic discretionary, we would still suffer real cuts totaling $15.2 billion in budget authority for domestic discretionary over the 1993–1995 period.

So, it is plain that there is not enough money cuts in defense spending over that period to cover the shortfall in domestic discretionary, below inflation—it falls short by $15.2 billion.

For outlays, the picture is just as serious. The administration's defense outlay cuts for fiscal years 1992–1995 total $14.5 billion. But the administration's outlay cuts for domestic discretionary over fiscal years 1993–1995 total $44.6 billion below the CBO baseline.

This means that domestic discretionary outlays will have to be cut $30.1 billion below inflation over the 1993–1995 period, unless we find additional defense outlay savings above those proposed by the administration and apply the additional defense savings to domestic discretionary.

Mr. President, "you ain't seen nothin yet." The next chart shows the administration's budget authority and outlay requests for domestic discretionary for fiscal years 1993 through 1997. These are not shown in the budget document. Here on the desk is the budget document. I can scarcely lift it with one hand—this is the budget document. It shows the domestic discretionary cuts from 1993 through 1995. It does not show the administration's budget authority and outlay requests for domestic discretionary spending for fiscal years 1996 and 1997. We have heard the tune, "The Wreck of the Old 97"? Well, take a look at this wreck!

For the fiscal years 1996 and 1997, we were able to get these figures from the Office of Management and Budget only yesterday. They are not in that budget document. This chart shows the administration's budget authority and outlay requests for domestic discretionary for fiscal years 1993 through 1997 compared to CBO's baseline for each of those years. The "difference" column at the bottom of the chart shows the year-by-year budget authority and outlay cuts below inflation that are proposed by the administration.

In other words, the administration is saying that in FY1993, domestic discretionary budget authority, based on the President's request, comes up $8.4 billion short; FY1994, $13.5 billion; FY1995, $24.2 billion.

Now, as I say, we get into the figures that are not in this budget document.

FY1996, $36.1 billion; FY1997, $40.4 billion—short!

Friends, Senators, Countrymen, lend me your ears! In total, the President's budget would cut domestic discretionary budget authority by a total of $122.6 billion over this period, fiscal years 1993 through 1997, below inflation.

I do not know how many have read "Dante's Inferno" lately, but those who remember will recall that the first circle in hell was Limbo. That is where people went who neglected and were indifferent to their religious duties—Limbo. So we can see that that domestic discretionary line, based on the administration's request, is headed for Limbo—the first circle in the economic Sheol; the first circle of Hell.

For that 5-year period, the Administration cuts outlays by a total of $106.9 billion. Now, can anyone wonder why I am saying, why I am remaining firm of heart and purpose, in saying that the peace dividend should be put into domestic discretionary initiatives? Can anyone wonder why? Can anyone wonder why, when we see that, in that 5-year period, 1993 through 1997, the domestic discretionary budget authority needed to keep up with inflation amounts to $122.6 billion more than the President is recommending?

I do not believe that the President really knows that. This President who has so often spoken of a "thousand points of light," who has so often spoken of a kinder, gentler Nation. I do not believe that the President is aware of the figures on that chart which are representative of his administration's recommendations. I do not believe he is aware of it.

And I do not believe that Senators are aware of it, but they are going to be aware of it. They are going to be aware of it, because I am going to say it, over and over and over again. It shall not stand!

I do not know how far I will get. I may get run over. But Senators are going to know what they are doing, and, in my feeble way, the American people are going to know what we are talking about here.

We have all of these glowing reports about how much of a peace dividend is out there. And there are many who take the view that we must not spend defense cuts on domestic discretionary, and that we must not cut defense below $50 billion over the next 5 years. The President is recommending a $50 billion cut in defense over a period of 5 years. On the other hand, look at what he is recommending as a cut in domestic discretionary: $122 billion over 5 years.

Looking back at the chart showing proposed defense cuts, we see that the administration is proposing cuts totaling $50 billion in budget authority and only $27.4 billion in outlays for defense through 1997. If we were to cut defense only to the level proposed by the administration, and if we were to apply every dollar of those savings to domestic discretionary, we would still fall $72.2 billion short in budget authority and $79.5 billion in outlays below inflation for domestic discretionary over the 5-year period.

Mr. President, we should not accept such an evisceration. As an old meat cutter, I know what evisceration means. We should not accept such an evisceration of this Nation's vital domestic needs.

For too long, we have chosen to ignore our own economic and human needs. We have chosen to ignore the needs of our children, and we have chosen to ignore the needs of our grandchildren, and their children. We have chosen to ignore the needs of my country, your country, our children's country. We should know that it is through domestic discretionary appropriations that we make the investments in our physical and human resources that so strongly influence our long-term economic and productivity growth.

We seem to be the only major industrialized nation in the world that does not understand the connection between public investment and productivity growth. Our competitors certainly understand it, because, while we have been ignoring our public investment needs in this country, they have been paying attention to the investment needs in their countries. Our competitors have been investing, and, as a result, they have been enjoying higher rates of productivity growth.

The chart to my immediate left is an interesting one. Look at the nondefense public investment in the United States and our rate of productivity growth versus the public investment and productivity growth of other nations between 1973 and 1985. Over this 12-year period, starting on the viewer's left, we see that Japan invested 5.1 percent of its gross domestic product [GDP] and increased productivity by 3 percent. Italy invested 2.7 percent of GDP and increased its productivity by 1.8 percent. The then Federal Republic of Germany invested 2.5 percent and increased its productivity 2.4 percent. France invested 2 percent and increased its productivity 2.3 percent. The United Kingdom invested 1.8 percent and increased its productivity 1.8 percent. Canada, our neighbor to the north, invested 1.5 percent and increased its productivity 1.3 percent.

The United States invested a paltry three-tenths of 1 percent of its gross domestic product and had a likewise paltry productivity growth of only six-tenths of 1 percent.

Hence, we can clearly see the relationship between nondefense public investment and productivity growth. Increased public investment clearly translates into increased productivity, and increased productivity translates into increased economic growth and more jobs, a higher standard of living, the ability to better compete internationally, and enhanced national security.

So, it just stands to reason—in law, we talk about the reasonable man—it just stands to reason that this should be the case. It is just plain common sense. Any boy on any farm in this country knows that.

In the late 1920's, I was a boy living on a little hillside farm in Mercer County, West Virginia. On that farm—I can see it now, two steep hills coming down in the shape of a V—at the bottom of the V we lived in a four-room frame house with no running water, no electricity. We did not have a radio, and had never even heard of television, and we lived 3.1 miles from what we called the "hard road." We attempted to eke out a bare existence on that hillside farm. We had one old horse named George, a couple of cows, a few chickens, and some guineas. Now and then my mom would take her .32 Smith & Wesson and shoot a ground hog.

Life was hard, but I learned on that little old farm that the more fertilizer, the bigger the tomatoes and the taller the rhubarb. My wife, with whom I have lived now for almost 55 years, knows that if she puts fertilizer around her rosebushes, they will grow taller and the roses will be rosier and more beautiful, the fragrance will be more lasting, the petals will be softer, and the colors will be brighter. The more the fertilizer, the greater the return.

And so it is the same when we invest in our country—the more we invest, the greater the return on the investment.

This Nation cannot expect to be able to compete in the coming decades if we fall further and further behind on our public investments versus other nations. If our competitors outinvest us, they will outperform us, and if they outperform us, we will be driven out of business.

Look at what the other industrialized countries are doing to connect cities that are close to each other. The Japanese have their Bullet train that speeds along at the rate of 120 miles per hour. The French have their TGV, their *Train de Grande Vitesse*, which has been tested at 170 miles per hour. The Germans have tested their high-speed train at 240 miles an hour. The British and the French have worked together to excavate a tunnel beneath the channel to bring their two countries and their cities together.

What do we have to show for our high-tech infrastructure that is exciting?

We do not have to reinvent the wheel, but we at least have to have as good a wheel as the other fellows.

The Interstate Highway System, which is comprised of 44,849 miles of concrete and asphalt ribbon, was a good example of how public investment stimulated private investment. The

Interstate Highway System encouraged private investment, private productivity, and private employment growth.

I was in the House of Representatives when President Eisenhower and the Congress worked together to begin this magnificent interstate system which spreads from coast to coast and from the northern border to the southern gulf. I have supported the funding over the years.

The 20th century has been a century of military warfare, Mr. President. The 21st century will be a century of economic warfare among the great powers, and we are already losing.

Chancellor Kohl says that the decade of the 1990's will be the decade of the Europeans and not the Japanese. Did Senators hear what I said? President Kohl said the 1990's would be the decade of the Europeans and not the Japanese. He did not even mention us. Apparently, the United States will not even be a major player. It remains to be seen whether or not we will be able to even get onto the ball field.

We have gone from an era of little competition into an era of head-to-head, eyeball-to-eyeball competition in which the best industries will be microelectronics, biotechnology, telecommunications, civil aviation, robotics, machine tools, computers and software, and the new material science industries, and these are brain power—brain power industries. If we are really going to play a global competitive game, we are going to have to lead, or let us at least be strong in these industries.

Benjamin Franklin said, "If a man empties his purse into his head, no one can take it away from him. An investment in knowledge always pays the best interest."

We are talking about brain power. This is another reason why we need to increase the quality of education in this country so that the students of the future, the leaders of the future, in our industries and our workshops, on our farms, in the mines, in the offices, and in the factories will be better prepared for the challenges they will face. The brain power will be there that is necessary to lead in these brain power industries.

The budget decisions we have made over the last decade represent a formula for economic failure.

What happens to a business that does not adequately invest in new capital equipment and the education and training of its work force? Eventually, that business falls further and further behind its competitors and eventually has to close down.

That is the path that we are on as a nation, Mr. President. It is the path that leads to second-rate status in the international marketplace and a declining standard of living for our people.

But we have a chance now to reverse that trend. The demise of the Soviet Union has given us a window of opportunity that we must not squander.

Mr. President, the world has changed dramatically since the budget summit. The cartographers of this country have been kept busy making new maps. They have been kept busier than a one-armed paperhanger with the itch. Every day there is a new map because there is a new country or another country has slipped away from behind the Iron Curtain.

As a boy back there in that two-room schoolhouse in Mercer County, West Virginia, I studied geography. I was talking with my wife just the other evening. What was that geography that we studied? I said to her, I believe it was Frye's geography. That was the geography I studied. That was the geography she studied.

Now they have a new math these days. I was taught the old math. I do not know anything about the new math. But the old math is still good. But the old geography is not still good. The new geography and the new maps have taken over. We would not recognize the old maps anymore.

The Soviet Union has dissolved. Plato and Pliny wrote about the legendary island of Atlantis, located somewhere to the west of the Pillars of Hercules. Because of an earthquake, we are told by the ancient writers, it sank beneath the ocean waves. It simply disappeared. And the same thing can be said with regard to the Soviet empire.

The President has recognized that fact and has recommended Department of Defense cuts of some $50 billion in budget authority over the next 6 years. But ask your wife, ask your husband, ask your neighbor, ask your constituent on the telephone, and you will find that there is a growing consensus that the military can safely be cut significantly more than that modest cut in 1993 of $7.9 billion in budget authority and $5.2 billion in outlays proposed by the administration.

Those are just window-dressing cuts. They avoid the kind of systematic review that a 5-year projected $1.4 trillion expenditure cries out for.

Fifty-seven years ago I became a meat cutter in a coal mining community company store. Some things change. Some things never change. I used to cut the salami. I could go back into the meat market today and cut that same cooked salami, the same hard salami, the some old slices.

The proposed reductions of a few strategic systems and a bit of force structure are altogether too conservative, and amount to just a slice off the same old salami.

The changed circumstances require a top-to-bottom and bottom-to-top review of the security needs of this country, and a refashioning of the appropriate roles, missions, and forces that reflect our new circumstances. The lack of any credible threat from the vanished Soviet empire requires a thorough reexamination of the presence of U.S. forces in the European theater and elsewhere.

Further reductions in SDI, in bombers, and in other strategic systems are certainly in order.

In addition, recent reports of tremendous waste and bloated inventories in the Department of Defense demand immediate attention.

Mr. President, I do not know how many other Senators watched, but I am sure that millions of Americans watched Lesley Stahl's recent interview on "60 Minutes" which focused attention on this problem of bloated inventories of defense stocks. Senator LEVIN has been leading the way in calling attention to these massive warehouses across this country that are filled with bloated inventories of military stocks.

The setting on "60 Minutes" depicted Ms. Stahl introducing her subject against the background of a gigantic complex of Government warehouses. Another scene depicted an inventory of thousands of vehicle tires, piled high, and exposed to the elements.

Well, that particular part of the show did not overly impress me. But a third scene depicted a warehouse of dusty crates full of military inventories, and she reached over and gingerly touched one of those dusty boxes and found the dust on her finger. She said, "How long has this been here? When was this box put here?" They looked on the box and saw that the crate was filled in 1952. That is the year that I first ran for the House of Representatives.

There sat those boxes. They had been sitting there. They had apparently been untouched since the 1950's. Imagine that.

And then we hear that the defense budget cannot be cut more than $50 billion over the next 5 years. How ridiculous. How long will the American people stand still for such a ridiculosity?

Lesley Stahl on "60 Minutes" commented as follows. Here is what she said.

"The world's biggest shopping spree, that's what the Pentagon has been on almost since the day they opened the building. One hundred billion dollars' worth of everything from nuts and bolts to sliced ham and"—believe it or not—Maalox, all gathering dust in military depots; $100 billion worth. That is a lot of money. That is a $100 bill for every minute since Jesus Christ was born.

I will go back to what she said.

"The General Accounting Office says $35 billion—billion—of that $100 billion is stuff that's of little use to anybody * * *."

That is the General Accounting Office. That is an arm of the Congress. That is the watchdog arm of the Congress "* * * least of all the military, and in the next 10 years," said Lesley

Stahl, "they'll spend another $35 billion just to store the stuff."

What a comedy of errors. Can you believe it? This is an old hawk talking. I spell my name B-Y-R-D, but I have been a hawk a good many years, during my service in the Congress.

It just does not make sense, but it sure adds up. She said over $1 billion. Back to what she said: "That may not sound like a lot to a general, but to a teacher that's about $10 billion more than the entire budget of the Department of Education. To the Governor of Texas, that's twice her annual budget."

Mr. President, waste such as this ought not to be tolerated; I should say, "must not" be tolerated. But we have said "must not" for so long, and it never seems to happen. But it ought not to be tolerated. I am sure that many more dollars could be found if somebody took a hard look at the elephantine military budget.

Senator LEVIN says that not only is there that $100 billion in the military storage depots, but he says there is also another $100 billion in supplies at the various bases and military sites around the world. He says there is an additional $50 billion at the locations of the defense contractors. I sat right up there in that chair just the other day and heard him say it. My ears did not deceive me.

The defense elephant of the 1980's was force fed—and I helped to feed it—with trillions of dollars, and transformed into a giant, woolly mammoth by the 1990's. And today, it is eating us out of house and home. Now that the time has come for a massive diet program, the administration has become so fond of this woolly, big beast that it will only agree to give it a haircut and a shave.

Well, all of us are sensitive to the particular problems created by the coming reductions in military personnel. Senator NUNN has been addressing the Senate for several days on that subject. He has been making what I think are worthwhile suggestions, and certainly worthy of consideration. Coming from him, they demand our attention. We need to formulate a plan for the men and women, he says—and I agree—who will be retiring from our active forces, as well as the civilians who will be affected by cuts in the military budget. Comprehensive programs to ease their transition into the civilian work force are needed.

But, Mr. President, the Defense Department is not a job corps. The Defense Department is not an employment agency. Undoubtedly, there are going to be some men and women losing their jobs. But that is nothing new to this Senator from West Virginia.

When I came to the Congress of the United States, there were 125,000 coal miners in West Virginia, where my old dad worked during the pick-and-shovel days in the mines; 125,000. Today in West Virginia, there are few more than 20,000 coal miners. The progress of machines came and wiped away the jobs. We have lost population because of it. So I know something about the loss of jobs.

Yet, we have to face the inevitable fact that there is precious little need in the real world today for the size and type of military establishment that we have maintained during the cold war years.

Plutarch said, "it is a true proverb, if you live with a lame man, you will learn to limp."

We have battled our international adversary for so long that we are now more like him than we know. He, too, has a huge military establishment. What is going to happen to his soldiers, as that establishment becomes smaller? For too long, he has wanted to keep his military establishment in order to keep his people occupied. And now we want to do the same.

He has been a lame man, and we are learning to limp. The Soviet Union could not reverse its course in time to avoid the total collapse of its economy. But our own Nation still has the flexibility, fortunately, to correct our course, in light of our own changed circumstances. The question is: Do we have the brains and the willpower to look ahead and correct our course?

The military establishment, as we know it, cannot substitute—it cannot substitute—for a vital job-producing, growing economy. We have to make decisions now that will foster a growing economy. Let us adjust to the new world, the new maps of the world that we face today.

Those who want to cut defense and use the savings for tax cuts need to recognize what we are facing in these next 5 years, and what we are facing even this year, just to keep up with inflation in our domestic discretionary initiatives.

Defense cuts are vitally needed, beginning now, beginning in fiscal year 1993, to put our infrastructure house in order. The President has proposed a modest reduction in defense for 1993, as I have already pointed out. But he has not proposed that those savings be used to prevent the reductions in domestic discretionary that I have described.

To repeat, we will suffer baseline cuts in domestic discretionary of $8.4 billion in budget authority and $8.2 billion in outlays in 1993; in other words, now, looking ahead to the appropriations for fiscal year 1993, under the President's budget.

I support a change in the Budget Act. I wrote a letter to the President in December suggesting—recommending—to the President that we modify that budget agreement that we all signed in 1990 when we went to Andrews Air Base.

I could see that we would have to modify that agreement if we hoped to keep up with inflation in domestic discretionary spending.

I wrote the President a letter, suggested that we do that, and offered my cooperation in doing it. I never heard from the President. I never got any answer. I do not blame the President for that. He is a much busier man than I am, and he was particularly busy at the time. I do not blame him for that.

But I believe that a change in the Budget Act is necessary, and, as I say again, I will support a change that will allow defense savings to be used for domestic discretionary increases in 1993 and beyond. While I believe that this change is necessary, there are many provisions in the Budget Enforcement Act that I will continue to support. One is the provision that holds the Appropriations Committees harmless for changes in technical and economic miscalculations. Another is the so-called pay-as-you-go or pay-go provision which requires committees of jurisdiction to pay for new entitlements or tax cuts; failure to do so causes sequesters against entitlements, not against discretionary spending, as was the case prior to the budget summit agreement. That pay-go provision is critical to the success of the enforcement provisions of the Budget Enforcement Act. No longer can new entitlements or revenue-losing measures be enacted and be paid for by reductions in discretionary appropriations. I will not support elimination of those key provisions.

Mr. President, it was dismaying to read the introduction to the fiscal 1993 budget, wherein it is essentially said that changes in the rules of the game are OK as long as the new rules are the administration's rules.

Let me read a portion of that statement. In effect, while the President was not able to respond to my letter which I wrote in December, I have the answer now right here in this big, big book, the budget of the United States Government, FY 1993. I have the answer now to my letter. Here it is. And I shall read from page 12 of part one:

> The President's strong and responsible agenda for growth can be fully enacted without abandoning the budget discipline of the Budget Enforcement Act.
>
> It is clear, however, that some in Congress do not wish to stay within the Budget Enforcement Act. Some wish to abandon its discipline entirely. Others wish to amend the Act in order to re-allocate defense savings for other purposes.
>
> With these Congressional interests in view, the President's proposed defense savings are displayed at Table 2-2.
>
> The defense outlay savings are roughly sufficient to offset the President's proposed $500 per child increase in the personal exemption. Such an offset is not now possible under the Budget Enforcement Act; nor is it necessary under the President's program. But if the Congress were unwilling to accept fully the President's proposed pay-as-you-go financing of tax initiatives, the President would be prepared to consider modifying the Budget Enforcement Act to allow the projected defense outlay savings to offset the proposed increase in the personal exemption.

The President would be prepared to consider modifying the Budget Enforcement Act to allow the projected defense outlay savings. They will amount to something like $27.4 billion for the next 3 years. He would allow them to be used to offset the proposed increase in the personal exemption, which is estimated to be $23.9 billion. In other words, domestic discretionary initiatives can go straight to Limbo—in other words, in Dante's divine comedy, "The Inferno"—to the first circle of Hell.

(At this point, Mr. WIRTH assumed the chair.)

Mr. BYRD. Mr. President, that statement is a direct assault on a basic principle of the budget summit agreement. The administration has offered very graciously to amend the Budget Enforcement Act and to abandon the pay-as-you-go requirements of that act in order to allow projected defense outlay savings to be used to offset the President's proposed increase in the personal exemption. That was not—not—what was agreed to at the summit. It was very clear at the summit that defense savings would be needed in 1994 and 1995 in order to avoid major cuts in domestic discretionary spending.

Events have now made it possible and necessary to cut defense in 1993 and to use those savings to prevent further devastation of our Nation's infrastructure. We simply cannot afford to waste this opportunity to plow the peace dividend into infrastructure investments that will enhance our productivity, our standard of living, our ability to compete in the international marketplace, and our long-term economic security. And, of course, economic security translates into national security. Defense savings should not be squandered for tax cuts that will neither really address the Nation's economic problems nor provide substantial tax relief for working families.

A recent Times Mirror poll says that 52 percent of the American people want more public spending as a first choice solution to our economic woes, 52 percent. In that same poll, only 8 percent said that they thought a one-time $300 tax rebate would be the best way to help the economy. Put simply, the American people have said that the size of the proposed tax cuts will not help them as much as jobs, jobs, jobs and a growing economy.

Moreover, if we cut Federal taxes and fail to provide Federal moneys to the State and local governments to assist them in providing essential services, those State and local governments will simply raise their taxes, as Virginia is contemplating, as Maryland is contemplating, and as the District of Columbia government is contemplating in the newspaper today. They will simply raise their taxes, and this piddling, measly Federal tax cut for working families will just be gobbled up. The American taxpayer will be saying, "Where's the beef?" when it is gobbled up.

Economists have pointed out that only about one-third of Federal tax cuts would be spent and much of that to purchase imported goods from other countries. The other two-thirds would likely go toward reducing debts, say the economists, or would be saved. The middle-class working families of this Nation certainly need some tax relief. But if it is done, it should be done by shifting the burden within the Tax Code to the higher income taxpayers. There are a lot of economists in this country today and business people in this country today who are even saying that there should not be any tax cut at this time. As a matter of fact, they are saying there should be a tax increase. I believe I read that in the New York Times just the other day. But with all the critical unmet needs that we are facing—from increasing our investments in education and infrastructure to affordable health care for all Americans—this is not the time to reduce revenues through tax cuts.

The President of the United States and the Democratic candidates are saying we need a national health care plan, and we all know that it is going to be costly.

This is not the time certainly to reduce revenues through tax cuts.

Economists further suggest that cutting taxes in an effort to stimulate the economy is ill-advised and would likely have adverse long-term economic consequences, thus diminishing prospects for robust long-term economic growth.

I also want to be clear—and to use an old Nixonian phrase, I want to be "perfectly clear"—that I shall oppose any attempt to use defense savings to pay for tax cuts. I will oppose it. The wagon might run over me. My Senate colleagues may help it to run over me. But "I ain't gettin' on that wagon."

The stakes are too high to play politics with the economic future of this Nation. And those stakes are nothing less than the continuance of our superpower status in the world. I reject the notion out of hand that the solution to our economic woes lies in the tax-cut fever that has been sweeping Capitol Hill and this Capital City.

Now, I do not find fault with those who disagree with me. They have a right to their view. I am telling it as I see it.

Like the flu epidemic which has weakened the health of so many Americans in recent months, this tax-cut fever will only serve to weaken our resolve to put the peace dividend where it will do the most good.

Mr. President, we have a real chance here to make substantial investments in this Nation and its people. I do not believe that that opportunity should be squandered in a legislative poker game or a political bidding war between the White House and the Congress, or between Republicans and Democrats, as to who can cut taxes the most. It is pure election year politics. And the American people know that it is election year politics.

I do believe that action is needed in the short term to jump start the sagging economy. Congress should enact legislation that will provide not only a short-term job stimulus but will also address our long-term public investment needs, both physical and human.

Even aside from a recession at this point, even aside from the need for a temporary or immediate jump start, even aside from all of that, the fact remains that this country has been underinvesting in itself and in its people. It needs to invest in itself and its people, and it needs to invest at a higher rate than that of just keeping up with inflation.

Such action would create hundreds of thousands of jobs—between 40,000 and 60,000 jobs per $1 billion of investment in physical infrastructure—in public works projects that are ready right now to start.

Any Senator may call his State highway department or the mayors of his big or little cities and they will say to him, "We have plans. We can go right now. We have taken care of the rights-of-way problems. We have taken care of the environmental impact studies. We have got the plans all tied up in a nice little ribbon right here on the shelf." The plans are gathering the kind of dust that was on the boxes in those military storage depots that Lesley Stahl talked about on "60 Minutes." If she will go to those cities and touch those plans on the highway departments' shelves, she will get the same kind of dust on her fingers. The mayors and highway commissioners will tell her, "We have got the plans. We are ready to go. Give us the money, and the dirt will start flying."

We need also to appropriate additional funds for job training and retraining. All of these investments have a short-term payoff, but they are also the kinds of investments that can improve our economic performance over the long term. I am told that each 1 percent increase in unemployment costs the Federal Government between $35 and $45 billion.

I believe I heard Senator SASSER, the chairman of the Senate Budget Committee, recently say that the combination of increased State and local taxes and layoffs of State and local employees has created a drag on the economy in excess of $35 billion. Well, what do we do about it? What do we do about it?

Franklin D. Roosevelt said, "There are as many opinions as there are experts." And he was right. I have been reading the hearings conducted by Senator PAUL SARBANES, the chairman of the Joint Economic Committee, and the hearings held by Senator SASSER and Senator PETE DOMENICI, the chairman and ranking member, and other members of the Budget Committee. I note that all kinds of experts came before those committees. And I am going to invite a few of those experts to come before the Appropriations Committee beginning the week after the break. I want to hear those experts. Yes, F.D.R. was right: "There are as many opinions as their are experts." I am no expert, but I have an opinion. And I have a vote. Here is my opinion. We could invoke the emergency provisions of the Budget Enforcement Act in order to fund a job stimulus appropriation bill. However, that would result in an increase in the deficit. I do not want to see that. I would prefer to work within the budget agreement, which now calls for discretionary spending to be merged in 1994 and 1995.

I would, however, propose that we break the wall between defense and domestic discretionary spending now while otherwise retaining the enforcement and all other elements of the budget summit agreement. In other words, I am saying today what I said last December in my letter to the President.

I believe that we must seriously contemplate the long-range ramifications for our country of a failure to make dramatic changes in our national priorities. Circumstances have changed, as I have already indicated, in many ways from what they were when we were at the budget summit. Nobody realized when we were at that budget summit in 1990 that unemployment in this country would be 7.1 percent today; that there would be 8.9 million Americans out of work, with an additional 1.1 million Americans who have become so discouraged that they are no longer seeking work; and an additional 6.3 million Americans on part-time employment, who want full-time employment, making a total of over 16 million Americans who are either jobless or are underemployed today.

13 percent—13 percent.

Nobody at the budget summit foresaw that 1 out of every 10 Americans would be on food stamps in January 1992. Nobody foresaw at the budget summit that business bankruptcies last year would amount to 73,500. Nobody at the summit realized that personal bankruptcies filed would amount to 919,988 last year. Nobody could possibly foresee such developments.

There are some other things we could not foresee. I am reading from a document by the Wall Street Journal titled "Plant Closings Or Mass Layoffs," November 1–December 31, 1991. I will not read all of this but I will just select a few of the items.

Beginning in November 1991:

> Deere & Company, 2,100 employees; May Department Stores Company, plans to consolidate its Hecht's and Thalhimer department store divisions, resulting in eliminating 750 Thalhimer's employees.
>
> Ford, GM, and Chrysler. Plant shutdowns because of slow sales will idle more than 24,000 hourly workers for 1 or 2 weeks.

That was on November 15.

Nynex Co., which is a telecommunications computer industry, "Restructuring initiative to cut the work force, consolidate or shut down some units." The number of employees affected, 3,400.

International Paper Co., 1,000 employees affected.

IBM, "Job reductions to take place in 1992 on top of the more than 20,000 jobs eliminated in 1991. Twenty thousand, the number of employees affected."

Tenneco, Inc.—"Tenneco's JI Case unit, which makes farm and construction equipment, plans to lay off 4,000 more workers. It has already eliminated 5,000 jobs since 1990."

Philip Morris Food Processing "will discontinue operations at a turkey processing plant in California in May. The number of employees affected, 1,440."

Union Carbide, 7,500. General Motors, 74,000. Digital Equipment Corp., 10,000. Ameritech Corp., 2,300. McCrory Corp., 2,000. Zale Corp., 2,500.

Then, Mr. President, from another memo I now read the following. These are corporation layoffs that were announced in January. Last month.

> January 7, 1992: Sears, Roebuck & Co. announces a revamping of its customer service and catalog department, eliminating 1,000 full-time jobs and 5,900 part-time jobs.
>
> January 8, Woolworth Corp. announces it will close, sell, or change format of 900 stores causing the elimination of 4,700 full-time jobs and 5,300 part-time jobs.
>
> January 9, 1992, USX Corp. says it plans to close its century-old South Works steel plant in Chicago affecting 690 employees.
>
> Chevron Corp. announces employee reductions of at least 2,500 as a part of an effort to cut out high overhead and operating expenses.
>
> United Technologies Corp. announces a restructuring which will eliminate 13,900 jobs.
>
> Bethlehem Steel Corp. announces it will end its participation in the light structural steel industry which will slash its employment by 25 percent, or 6,500 workers.

And so on and so on.

The disturbing day-to-day news concerning layoffs and shutdowns reminds us of Malcolm's words to Macduff as they contemplated retaking the throne of Scotland from Macbeth, who had murdered King Duncan, the father of Malcolm:

> I think our country sinks beneath the yoke; It weeps, it bleeds; and each new day a gash Is added to her wounds. . .

Each new day, Mr. President, we read of the deepening wounds to our country and its economy.

Mr. President, we have all lived through the cold war together.

I was born in 1917, the year in which Vladimir Ilyich Ulyanov, who preferred to call himself Lenin, led the revolt against the czar. Lenin died in 1924, when I was 7 years old. But his specter stalked the world stage even after his death. In 1948, Stalin seized Czechoslovakia. I think it was in February. In June of that year he imposed a blockade on West Berlin.

I remember that very well. That is one of the reasons why Harry Truman is one of my idols, insofar as Presidents are concerned. The French and the British and the Americans ran those corridors into Berlin. And to just keep Berliners alive there had to be 4,000 tons a day of food and fuel flown into Berlin.

The pilots called it "Operation Vittles." And it lasted 15 months. There were not very many airfields. There was one airfield in the British sector and one airfield in the United States sector. Eventually an airfield was added in the French sector. But over those 15 months, the allies flew 277,000 flights into Berlin. A C–47 had to take off or land every 3½ minutes around the clock.

When the Soviets backed down, the allies had flown 2.3 million tons of fuel and food and clothing and medicine into Berlin—almost a ton for every Berliner. Those were tense days for all of us during the 1948–1949 Berlin airlift.

Then in 1955, the Warsaw Pact was announced. In November 1956, the Soviets put down the Hungarian revolt and the streets of Budapest were carpeted with the bodies of the Hungarian martyrs.

In 1957—I was a Member of the House of Representatives at the time—the Tass news agency came out with a startling statement saying that they were announcing an item that would be of great interest to the American public; that for the first time an artificial Earth satellite was launched successfully in the U.S.S.R. Since the days of Cain and before, there has always been an Earth satellite, the Moon, but the Soviets had launched an artificial Earth satellite, the size of a beach ball, circling the Earth, making 1 revolution every 96 minutes, traveling at the speed of 18,000 miles an hour, meanwhile emitting beep, beep, beep signals. It came as a shock to the American people.

In 1962, we went through the Cuban crisis which lasted 13 days. We had our briefings of Senators and we were told where to go and what to do in the event of an attack. Really, there wasn't much that could be done for Soviet missiles launched from Cuba would have wiped out 80 million Americans in a matter of a few minutes. After 13 days Khrushchev backed down.

Then in December 1979, the Soviets invaded Afghanistan.

And so it went during the cold war. Now, things have changed. We have not seen the decline and fall of the Roman Empire, which Gibbon wrote about. But we have witnessed the decline and fall of the Soviet empire. That will be a matter for the history books in the days to come. The Red menace, like Attila the Hun, is gone.

In the year 451, Attila, king of the Huns, the "Scourge of God," the "dread of the world" invaded the Gothic heartland and the last Roman general, Aetius, joined forces with Theodoric, the king of the Visigoths, and turned back Attila and his savage horde of 700,000, on the Plains of Chalons. The next year Attila invaded Italy.

There is a saying that is worthy of the ferocious pride of Attila that the grass never grew on the spot where his horse had trod. Yet, the pressing eloquence, the majestic aspect and sacerdotal robes of Leo I, the saintly father of the Christians, excited the veneration of Attila, and he retreated from Italy to his wooden palace beyond the Danube. The next year, in 453, Attila married the beautiful Ildico. There on the plains of Hungary occurred a sumptuous banquet with all of its pomp and festivities, after which, oppressed by the wine and the need for sleep, he retired to his nuptial bed. The next morning he did not rise. The attendants waited until late in the day when they became alarmed and broke into the royal apartment and found Attila, their king, dead, with the beautiful Ildico, or Hilda as she is called by Gibbon, kneeling by the bedside, frightened and weeping at the loss of the king. The remains of Attila were enclosed within three coffins of gold, of silver, and of iron and privately buried in the night. The spoils of nations were thrown into his grave, and the captives who had opened the ground were massacred.

Nobody today knows where Attila is buried. He is gone. So, too, the Red menace is gone. The New York Times of August 27, 1991, had this headline: "Gorbachev Pleads, But Breakaway Areas Defy Him, Putting Fate Of Union In Doubt," "Collapse of an Empire."

The Washington Post, August 28, carried this headline: "Gorbachev Says U.S.S.R. on Verge of Collapse."

The Washington Post, September 1, headline was, "Two Central Asian Republics Quit U.S.S.R." "Departures Bring Total to 10."

The Washington Post of September 6 carried the headline, "Soviets Transfer Power to Republics, Create New Transitional Government."

U.S. News & World Report on its cover carried the historic words, "The End Of Communism," "Russia Reborn."

Inside the magazine, "Following the failed coup, a new age has dawned in the Soviet Union. The Communist Party is effectively dead"—effectively dead.

And so, Lenin, who had said, "We shall destroy everything, and on the ruins we shall build our temple," is gone forever and the temple about which he so proudly spoke, is gone. No longer is the Red menace the chief danger to our country. The menace that faces Americans today is the pink slip.

Mr. President, I have lived a long time, more than the 70 years promised by the Psalmist. I was born during the administration of Woodrow Wilson, in World War I. My mother died on Armistice Day 1918. I lived through World War II, the Korean war, the Vietnam war, the war in the Persian Gulf. I saw the Great Depression. It is more than just a faint memory to me. It is not something that I have just read about in the history books. It is not something that I have just heard about from parents or uncles or aunts or grandparents. It is something I saw, something I felt, something I knew, something I suffered.

But even in the Depression, even in the dark night of despair, we saw the bright star of hope. I have seen recessions come and go. I have seen this country in hard times and in prosperity. But there has always been hope. There was hope in those little shanties, in those coal mining towns, when millions of Americans walked the streets and the back roads of the country seeking work, and lining up in the soup kitchens. There was hope when a crippled man became President of the United States and said, "All that we have to fear is fear itself." There was still hope to keep us going.

Never before have I felt like I feel about what is going on in this country today. There is something fundamental happening in this country. There is a fundamental bedrock change going on in this country. Our country is not like it was. It is slipping.

A few days ago, the President gave the State of the Union Message, his fourth. But it was not the whole State of the Union. Much remains to be said. There is a spiritual State of the Union that needs to be addressed. We do not speak of the Bible anymore. Anything goes. Watch TV, and you will hear any kind of language. I have heard it—profanity, God's name spoken in vain, nonchalantly. Hear it on the streets, hear it in the schoolhouses, hear it anywhere, all kinds of filthy language. God's name is never spoken except in a profane way. In many of the schools, there is almost a total lack of discipline. George Washington said that "discipline is the soul of an army;" DANIEL PATRICK MOYNIHAN once said that "discipline is the glue that holds societies together." How can teachers teach when they have to spend their full time trying to impose discipline, and putting their lives and their limbs at risk in so doing? Discipline. Anything goes.

I do not know that we can put full credence in everything we hear about Head Start. We hear a lot of good things about it. Undoubtedly, the program does some good. Twenty-five years from today, when I probably will not be around, I do not know what people will be saying about the expenditures for Head Start, but I am willing to keep trying.

We must spend more money on education, but money is not the sole remedy. As far as I am concerned, we ought to build some buildings and put the roughnecks, the troublemakers, in those buildings and let the students who want to study have some peace. Can we imagine students being able to concentrate on difficult math problems or teachers being able to teach difficult math problems, or science problems, physics problems, or English, or history with all the noise and clamor and cursing and ripping and tearing going on in the schoolroom and out in the halls?

I agree with Senator NUNN. We ought to put some of the Marines in the schools and let them try to at least impose discipline. I was brought up in a school where there was discipline. My old coal miner father did not say, "If you get a whipping in school, I will whip the teacher." He said, instead, "If you ever get a whipping, in school, I will whip you again when you get home." And I knew he meant it.

So we have to do something. The tide is going out. It is time we politicians started telling people the truth. Everything is not "Good morning in America." The American people were told that too long. They were told only the good news. The idea was to make them feel good.

Mine is not a "feel good" message. It is not good morning in America. There is not a free lunch. Remember David Stockman and the "magic asterisk"? He said that Reagan was not up to it. He said that President Reagan did not know what was going on in that budget.

We were fed a lot of that good morning in America. But the American people know it is not good morning in America. We have to give them credit. They were told, "If it ain't broke, don't fix it." Well, it is broke. Look at the national debt; it is well on its way to $4 trillion. How long does it take to count $1 trillion at the rate of $1 per second? Thirty-two thousand years.

Our steel furnaces have closed; factories have shut down. Assembly lines have dwindled. Workers dream of the pink slips.

That is what is wrong with consumer confidence. The thing is "broke," and if we do not face up to it, we will not fix it.

The outlook is pretty gloomy, is it not? But we can fix it. Let's just tell the American people the truth. Forget politics once in a while.

What I have said here today, I have not said in the interest of politics. I have not recommended increased domestic discretionary funding for political reasons and increased cuts in defense. I have not urged them on behalf of the Democratic Party. I have not urged them on behalf of the Republican Party. I have not urged them on behalf of the Democratic candidates. I have made the case for domestic discretionary increases because these are my convictions; they were my convictions at the summit.

We have to tell the people the truth.

I do believe that there can be good morning in America if we make the right decisions. A great Frenchman, de Tocqueville, referred to the "incredible" American who "believes that if something has not yet been accomplished it is because he—that incredible American—has not yet attempted it."

We Americans can do it again—we have the resources—if we but have the brains and the willpower to face up to the truth and to act; to stop playing politics; and get away from the silly notion that we cannot cut the Defense Department budget more. It is silly. My little dog, Billy, knows better than that.

Mr. President, I still believe in the future of America. I believe it needs leadership, and it can have leadership. Both parties can give that leadership. We have to quit kidding ourselves. It won't be easy to straighten the country out. We are going to need the President's help.

I close with an inscription that appears on a monument to Benjamin Hill in Atlanta, Georgia, a former United States Senator:

Who saves his country saves all things, saves himself,
And all things saved do bless him.
Who lets his country die, lets all things die,
Dies himself ignobly,
And all things dying curse him.

Let us save our country.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REID). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TVA'S NATIONAL FERTILIZER AND ENVIRONMENTAL RESEARCH CENTER

Mr. HEFLIN. Mr. President, I rise today to express my strong opposition to the administration's plan to eliminate funding for the Tennessee Valley Authority's National Fertilizer and Environmental Research Center, located in Muscle Shoals, AL.

TVA's Fertilizer Research Center is the major fertilizer development center for the country, and in fact, it is the only fertilizer development center in the country. It is the Nation's only institution for creating new fertilizers and production technology and introducing that technology to farmers and industry. Since its organization in 1933, the center has patented about 250 fertilizer process innovations which have been injected into the economy by granting nearly 700 patent licenses for use in over 600 plants located in 39 States around the country. This diffuse base has provided a very broad foundation for generating benefits from this public investment, and supports the observation that three-fourths of the fertilizer used annually in the United States is made with technology pioneered by TVA scientists at TVA's Muscle Shoals center.

The center's achievements have affected every American. Breakthroughs in fertilizer technology at the center have been a driving force behind the advancements in modern agriculture. Without the concentration of plant food that only chemical fertilizers can provide, American agriculture could never have become the most efficient and productive in the world. Indeed, the use of chemical fertilizers accounts for about 40 percent of all U.S. crop production. As a result, Americans have more food available to them at a lower cost than any other nation on Earth—U.S. food expenditures as a percent of disposable income is the lowest in the world.

Modern agriculture is one of the success stories of the benefits of applied science and technology. Due largely to the work at TVA's fertilizer center, U.S. agriculture is a model of productivity and efficiency. Our farmers make up only one-tenth of 1 percent of the world's population, yet they produce 25 percent of the world's food supply. This productivity has permitted the United States to become the world's leading producer of agricultural goods, exporting more than 40 billion dollars' worth of agricultural products each year. Since 40 percent of agricultural production is due to fertilizers, fertilizer makes a significant contribution to our trade balance, and directly accounts for an average of 15 billion dollars' worth of exports annually. With the global trade war that we are engaged in, and the deficiency the United States has in its balance of trade, if we were to eliminate the positive aspects of agricultural exports, we would be in a much worse condition today than we are in.

In my judgment, it would be unwise to terminate this valuable national resource. We should cut wasteful Government spending, not productive investment that produces a twentyfold, yes twentyfold, return on the dollar, as this center does. The TVA National Fertilizer and Environmental Research Center is an investment in agricultural research and in economic growth that America cannot afford to lose.

Thank you, Mr. President.

TRIBUTE TO ELMUS E. "RED" COX

Mr. HEFLIN. Mr. President, there is an old saying that, when we pass from this life, if we have made just two or three really close friends, we then have indeed been blessed. If that is the case, then we can say that Elmus Edward "Red" Cox was blessed a hundredfold. Red Cox left us on January 10, 1992, after a long, happy, and successful life of bringing happiness to others. Red was a true public servant in the best sense of the word and left behind hundreds of dear friends as a marvelous testament to his life and career.

I first came to know Red when he was serving as administrative assistant to the late, great Congressman from Alabama, Albert Rains. He served on the Congressman's Capitol Hill staff from 1945 through 1965, playing a prominent role in getting passed some of the most sweeping housing legislation of that time. Since Rains served on the House Banking and Currency Committee, Red also became known for his expertise in the complicated fields of banking and financial management.

Red Cox came to Washington during the depths of the Great Depression. President Roosevelt had just declared the "bank holiday" and Red cleared a final loan for $20 from the First National Bank of Attalla, AL, which was soon forced to close. He bought a one-way ticket to Washington, arriving here in March 1933.

Although Red was flat broke, he did have the promise of a job. With the help of then-Congressman Miles Allgood, the young Mr. Cox landed a job as a file clerk with the Office of the Comptroller of the Currency. A few years later, Red moved to a position with the Federal Housing Administration, where he stayed until joining newly-elected Congressman Rains' staff.

While working with Albert Rains, Red became friends with then-Congressmen and future Chief Executives Lyndon Johnson and John F. Kennedy, as well as many other influential national legislators. Recently, a book entitled "A Conversation With Red Cox" was published privately for his family and many friends. It details many fascinating stories that took place during his time on the Hill, including several about Johnson and Kennedy.

Red recounts the story of the afternoon Lyndon Johnson, then a young Congressman fresh out of the Navy, learned that he had signed on with Albert Rains. Lyndon said, "Boy, you've sure picked a dandy. He's loved by everybody up here. He's great. You'll go places with him." And so he did.

When Congressman Rains retired to private law practice in 1965, Red had a number of job offers, one of the best coming from Aerojet General, one of the reputed giants in the space program at the time. Instead, he chose to go back to where he had started—the

Office of the Comptroller of the Currency, figuring "it would be easier to work with banks than to get a man on the Moon."

After 39 years of Government service, Red retired in 1972, returning to his home in Cox Gap, AL. Until his death, he remained active in the community by attending civic meetings, advising local officials on issues of the day, and serving as director of the First National Bank of Attalla.

Mr. President, Red Cox has often been described by friends and family as someone who could get things done, and done right. A large part of his success in the public arena was due to his extraordinary ability to get along with people and cultivate lasting friendships. He never failed, despite the hectic schedule he kept throughout his life, to find quality time for his family. One of his sons even followed in his father's legendary footsteps: I am proud to have Lee Cox currently serving with distinction on my own staff.

Red Cox, the quintessential conversationalist, humorist, politician, and public servant, will be missed by those of us who knew and loved him. However, we can take solace in the fact that he lived his years to their fullest and left something of himself with those fortunate to have been a part of his life.

Mr. President, great wisdom can be found in a passage from Proverbs 22, which reads, "A good name is rather to be chosen than great riches." Perhaps no better epitaph could be found for Red, for his good name will be long-remembered as the one of a man who made friends by being honest and kept them by being steadfast.

I extend my sincerest condolences to Red Cox's lovely wife Jo, and to her entire family. Lee Cox gave a eulogy to his father at the funeral service, and I ask unanimous consent that it be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EULOGY TO E.E. "RED" COX, JANUARY 12, 1992

(By Lee S. Cox)

To our friends and loved ones, I want to express appreciation on behalf of our family for each of you being here today. We appreciate so much your coming, some of you from a great distance, to honor the man we all loved so dearly.

About three and a half years ago, my wife, Mary, lost her beloved father, Joe Gielarowski. I am so pleased that Mary's mother, Martha, could join us today from Pensacola, Florida. Anyway, I gave the eulogy at Joe's funeral and later sent a copy of my remarks to my dad. Well, after reading it over, he called me and said "Lee, when my time comes, would you speak at my funeral, too? If you do half as good a job for me, folks might think I was a pretty good feller!" What a sense of humor he had.

We all know he was much more than just a pretty good feller. How would you describe Red Cox? Statesman, politician, public servant, true friend, conversationalist, humorist, devoted husband and father * * * He was all this and much more. But mostly to me, he was my example. And the older I get, the more of my father I see in me.

So, for these few moments, I would like to share with you some of my feelings and some of the relationship I had with my father, Elmus Edward "Red" Cox. We were very close and our relationship was very special. So, I don't apologize for the grief that overhelms me in this hour. I have no regrets, no feelings of remorse. Nor should any of us. Only happy memories of a man who influenced by life more than anyone and in who's footsteps I have tried to follow.

Most of us are familiar with the story of this home-town-boy's rise to success in the political arena. Just before the Alabama Bank was forced to close in the "Bank Holiday" declared by President Roosevelt in the depths of the economic depression, the First National Bank of Attalla cleared a final loan—for 20 dollars. With this small but hard to get stake, my dad bought a one way ticket to Washington, DC, and arrived there flat broke on a blustery March day in 1933.

Dad considered himself lucky and relatively rich, for he had the promise of something that millions of able-bodied adults needed at the time—a job! Sounds a lot like today, doesn't it?

The promise came through a relationship he had with former Congressman Miles Allgood who got to know dad when he stayed at a local hotel when Congress was in recess. Dad was a room clerk at the hotel. Congressman Allgood liked Dad and promised to help him land a job in Washington. He kept the promise and dad soon latched on to a position as file clerk in the Office of the Comptroller of the Currency where he stayed for about 3 years.

The next step on the ladder of success brought my dad to a position as an auditor with the Federal Housing Administration. When he wrote back home with the news of his new job, his father got worried and went around telling everybody, "Elmus got a job up there as an auditor when he couldn't even figure the cost of a bale of cotton! My Lord, no wonder the government is in such a mess."

He stayed there until January, 1945, when he went to Capitol Hill to join newly elected Congressman Albert Rains as his administrative assistant. I am especially pleased and proud to recognize Albert's dear wife, Alison, who is here with us today.

To say that dad was dedicated to Albert is an understatement. Albert Rains was his boss, his mentor, but more than that, he was my dad's true friend and the two were inseparable even to the end of Albert's distinguished career and life.

Having worked on Capitol Hill a number of years myself, I know a little bit about politics, too. And, I know that behind every successful Congressman stands a good administrative assistant. It's kind of like, behind every successful man, stands a good wife, and there's mine right over there.

Anyone who worked with my dad will tell you that one of his most outstanding qualities was that he was a man who could get things done. And, to get things done, and done right, you must have friends. He had literally hundreds of friends of my dad's favorite writings was the last letter to Andrew Jackson from Jackson's mother which I shall read from now.

Andrew, if I should not see you again, I wish you to remember and treasure up some things I have already said to you. In this world, you will have to make your own way. To do that, you must have friends. You can make friends by being honest, and you can keep them by being steadfast. You must keep in mind that friends worth having will in the long run expect as much from you as they give to you. To forget an obligation or be ungrateful for a kindness is a base crime—not merely a fault or a sin, but an actual crime.

I can truly say that dad was never guilty of this crime and his many friends can attest to this. My dad's mother, Dora, had a profound influence on his life and Christian faith. Here is an excerpt from an article which appeared in the Anniston Star on December, 8, 1984. Entitled "Son Experienced His Mother's Prayers."

Although dad's time was very much in demand on Capitol Hill, he always seemed to find time for his family. He instilled in me and Barry a great love for the outdoors and sports that can only come through those special times of being alone with him in the woods or on the water. Those memories are clearly etched upon my mind. Like the times we would go into the woods and sit and wait until daybreak revealed the activity of nature all around us. I must admit that I turned out to be more of a fisherman, while Barry turned out to be the expert hunter.

I have much to thank my dad for, and several years ago, I tried to express my gratitude in a Father's Day card by saying these words.

Thank you, Lord, for my dad. Who took me fishing on warm summer days. Who taught me how to put a squirming worm on the hook without poking myself. Who taught me how to fool that ol' fish right into the boat. Who took me hunting on breezy fall mornings and taught me how to patiently wait for the squirrel to show himself up in the trees. Who made a can of corned beef, crackers, and Vienna sausages seem like a banquet fit for kings under a shady tree. Who took me skeet shooting and taught me how to shoot straight. Who taught me how to give a firm handshake and look a person in the eye. Who gave me a strong self image and told me that I was somebody. Who inspired me to learn the music styles of the jazz greats and to carry on the tradition of Gershwin, Porter, Cole, Crosby and many others. But, most of all for planting the seed of faith in me. I can still picture you at the First Baptist Church, leaning way forward when the pastor said, "Let us pray." This is the manner which I have copied.

My dad had another outstanding quality that I must mention and that was his excellent memory. He could recall stories, names, and past events so well. He was the best storyteller I ever heard and even if you had heard it before, it didn't matter because he made each telling seem like the first. He was gifted in many ways, but one gift he was well known for was his gift of conversation. You didn't need a TV or radio to be entertained when Red Cox was around, just have a conversation with him and listen to the stories he would tell.

Two Christmases ago, dad surprised us with something we had been asking him to do for years. He presented us with a book he had written entitled "A Conversation with Red Cox." Folks, it is priceless and I can't tell you just how glad I am that he did this. I'll read you just a sample of it which tells how he got the name "Elmus."

"I was going to tell you about my name, Elmus Edward 'Red' Cox. I was named after Dr. Elmus Hamby in Attalla. The morning when I was born, Dr. Hamby said to my father, 'well, you got another boy.' Papa was all delighted and said, 'How much do I owe you?' And, Dr. Hamby said, 'Oh nothing, Lee. Just give me a bushel of those potatoes out there and name your boy after me. So, that was payment for my birth. When I went to Washington, I was placed in a group of fellows, all of them wild and really crazy, I thought at the time. We were in a file room, about forty of us with the insolvent National Bank Division, and I was a file clerk. The second day that I was there, a fellow who was dressed up came over to me and said, 'You look pretty sharp. You've got white shoes. What's your name?' I said, 'Elmus Cox.' He started snickering and said, 'Hey, fellas, do you know what this boy's name is?' And he said, 'Elmus—Elmus! Did you all ever hear of a name like that?' And before he got it out a second time, I had hit him and knocked him into a freight elevator. So, we fell all over the floor and had a rough time. But, he's eighty-two now and lives in Oklahoma City. We talk to each other a lot about our old times."

Time does not allow for me to elaborate and recall all the stories I would like to. And, I'm sure many of you have your own wonderful memories and experiences with my dad that you could share as well. We'll have to get together sometime and swap stories.

So, where do we go from here? do we leave this place in despair and discouragement? Of course not. Although our sorrow is immeasurable, my dad is not in that casket before us. He is alive. And, we will soon see him again. He has achieved the crown of eternal life, which is our heritage, too.

We need to understand that his death is not an isolated tragedy that happened to one man and his family. In a real sense, this is the human condition which affects us all. Life will soon be over for everyone in this room and for everyone we love.

Therefore, let's determine to live each day as the Lord would have us, keeping in mind the temporary nature of everything which now seems so permanent.

We are all sinners and my dad was no exception. He wasn't perfect. And, it would be wrong to eulogize him in a way that would embarrass him if he were sitting here among us. He had his flaws, even as you and I. But, I loved him. Perhaps, as much as any son ever loved his father. We all loved him, and I know I speak for you all, too.

I leave you with a quote from an anonymous author who wrote, "A sudden death is God's kiss upon the soul." Truly, God has embraced the soul and spirit of my father and to him we are all eternally grateful.

[From the Anniston Star, Dec. 8, 1984]

SON EXPERIENCED HIS MOTHER'S PRAYERS

(By Frances Smith)

"This little book will keep you from sin or sin will keep you from this little book."

"Those words are still legible in the Bible my mother gave me years ago," writes E.E. "Red" Cox of Attalla. "I was embarking on life's journey into the adult world when my mother gave me the Bible. She was standing in my room with tears in her eyes watching me pack my suitcase."

"Special passages are noted in the front of the Bible in my mother's handwriting: 'Whoso keepeth his mouth and his tongue, keepeth his soul from troubles.' (Proverbs 21:23) and 'A good name is rather to be chosen than great riches'. (Proverbs 22:1).

"My mother was a very devout Christian woman. She admonished me 'be good and trust God' and reminded me to write her and go to church and Sunday school.

"I know my mother never ceased to pray for me. I actually experienced the effects and results of her interceding for me in prayer. Just as with others who leave home to pursue career goals, I had days when I plummeted into the very depths of despair and depression covered me like a suffocating blanket. I survived by the grace of God because of my mother's prayers.

"Once during a severe drought when the ground was so dry there were no crops, the people of the community gathered at the church and asked my mother to pray for rain. Believe me, it poured rain! In fact, one of the men of the church asked the pastor to stop her from praying before all the mules were washed away.

"Those who remember my mother remember her as one who would go up and down the streets to witness to people about Jesus. She ministered to the poor and was a leader in the community and the church.

"My mother served as Sunday school superintendent at Cox Gap Church. At a meeting held at the First Baptist Church in Gadsden; she was called on to pray. My mother's prayer was the first prayer prayed in the First Baptist Church at Gadsden.

"I've heard my mother pray and I've heard her shout. Her prayers have sustained me not only during the time that she lived here on earth when I could hear her pray, but the memory of those prayers have had a lasting effect on me. I will never get over losing my mother."

Thank you so much, Mr. Cox, for sharing your memories of your faithful, dedicated Christian mother.

Mr. Cox has retired from Washington, D.C., where he served as administrative assistant to the retired Albert Rains, congressman from Alabama. Mr. Cox and his wife, Jo, are now living at Cox Gap in Attalla.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to the order of the Senate of January 24, 1901, appoints the Senator from Pennsylvania [Mr. WOFFORD] to read Washington's Farewell Address on February 19, 1992.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The Senate is conducting morning business with Senators being allowed to speak therein.

Mr. LOTT. Mr. President, I would like to speak about the economic growth package.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMIC GROWTH PACKAGE

Mr. LOTT. Mr. President, we have 43 days left until we will reach the March 20 deadline the President has asked us to meet. Actually, we have 42 days after today in which to get our work done.

I think the President was absolutely right when he called upon the Congress to act within a specified period of time. The people that I have talked to in my State, and from other States, feel that we should act quickly. The economy needs a boost now. It is incumbent upon the Congress to act quickly. So I think it is commendable that the leadership on both sides, Republican and Democrat, have indicated that they will meet that target. It is essential that we do this job so that we can get a quick boost to the economy.

Now the way to do that is to focus on the proposals the President made in his State of the Union Address. Some people have said: "Oh, it is not enough. It will not take effect quick enough; we should do other things."

But I think we should take a minute to look at what we are talking about. I would like to ask my colleagues here in the Senate which of these proposals do they disagree with?

First, let's talk about a first-time home buyer tax credit of $5,000. Clearly, homebuilding and real estate will play an important part in leading us out of the recession we are in. The American dream is still a very important part of what we look for in the future in America. Owning our own home, that is the American dream. This credit will help young Americans and, frankly, a lot of older Americans, come up with the money they need to buy that first-time home. The tax credit for first-time homeowners is a good idea, and it will have a quick impact.

Next, I want to address penalty-free IRA withdrawals. When you ask people out in the real world what they think about the individual retirement account, they say, "It is a great idea." In fact, they ask me: "Why did you change it? It was working well."

It was working well. Now I acknowledge one of the reasons we changed it was that some people at the Treasury Department said it was actually costing revenue.

It was doing what it was supposed to do. It was encouraging people to set up these IRA's. It was encouraging savings. It was contributing to the capital pool. I believe these proposed IRA's, which would allow penalty-free withdrawals for education and housing, are a great idea. Who amongst us is opposed to that? We could do it quickly, and it would have an impact quickly.

Now, let's discuss capital gains tax rate reduction. There are all kinds of tax cuts proposed for the middle class and for others that we could support, that would be good. But if you want to do something to create jobs—jobs—a capital gains rate reduction would do it.

I was on a panel 2 days ago, I guess, and some of my colleagues from the other side of the aisle were also on the panel. They said what we need are tax increases. You do not hear that when you go out in the real world. But when pressed: "Would you support a capital gains rate reduction?" They said, "Well, yes, but we would also like some tax increases to offset the benefits."

Look, what is the goal here? Is the goal to have more tax fairness? That is a worthy one. But our goal right now should be to do what we can to give the economy a quick boost and create jobs. A capital gains rate reduction will do that.

Let's focus on the investment tax allowable. We need to encourage people as quickly as possible, perhaps on a temporary basis—although I would like to make it permanent—to buy some more equipment, to buy the things that they have been putting off buying because the Tax Code does not encourage people to invest in future technology or development. Clearly, that is a good proposal.

Next, allowing more pension fund real estate investment and passive loss relief would clearly help the real estate industry. We made mistakes—many mistakes—in the 1986 tax bill. We ought to correct them. We made mistakes in the 1990 budget agreement. We ought to correct some of those. We cannot do it all in 42 more days. But we could make a step in that direction.

We should certainly consider simplifying the AMT, alternative minimum tax depreciation. This could help the economy in many ways.

Again, I ask my colleagues to look down this list and tell me what it is you do not approve of. If there are one or two that we could maybe improve, fine. But let us focus on the ones that have been suggested. Let us keep it simple. Let us make it quick. Let us get the job done in the next 42 days.

I do not think the House should be out in February. They ought to work on the economic growth package. I do not think they ought to just have pro forma sessions. They ought to be working. I think it is a good idea that the Senate be here in March so we can get this job done by March 20. I certainly will support that effort in every way possible.

When I listened to some of the speeches that I heard in the Senate earlier today, and consider what I am sure we are going to hear, I keep wanting to say: Here we go again. The idea is, let the Federal Government create jobs. When was the last time the Federal Government did a good job of doing that? Maybe it did work back in the twenties and thirties, but this is the nineties.

And in testimony before the Budget Committee, the so-called experts will tell you that one of the problems with the so-called public works jobs bills is that there is always a lag time.

Should we make a contribution to infrastructure—both physical and human? Yes. But should we do it in such a way that would increase the deficit even more and would take months to go into effect?

Yes, if I call the Highway Department in Mississippi, or if I call the mayors, and say, "Do you have some public works projects you could get going quickly?", they will say, "Absolutely. Send us the money. We'll find it."

But, in truth, it does not work that way. There is always a lag of not just weeks, probably not even just months. Most of these projects would not even get started until the end of this year, or sometime next year. At that time, they would have an exacerbating effect on the economy, making it, I think, worse and adding to the deficit.

So the solution is not more Government spending. That is what Congress loves best. Oh, yes, let the Federal Government fix it. The Federal Government caused the problem.

We cannot fix it by just spending more on domestic discretionary programs, foreign aid, entitlements, and so on right down the line.

The problem is that the Federal Government is still soaking up too much money. As I understand it in the next fiscal year, the revenue projected to come into the Federal Government will be approximately $1.076 trillion. How much is enough? That seems like it ought to be enough.

Well, the problem is that the Federal Government would propose to spend approximately $1.5 trillion for a deficit of around $399 billion. And, there are those that say: "Well, we need to spend even more."

The truth of the matter is we need to be cutting spending in almost every account and returning the freedom dividend to the American people.

I have heard proposals that various State governments and the District of Columbia government are going to raise taxes. Great. In the proposal I saw this morning they are going to raise taxes on health care providers. At the very time we are trying to find ways to cut back on health care costs, the suggestion has been made in the District of Columbia: Let us raise taxes and fees on hospitals and medical providers. Who do you think is going to pay for that? The people are going to pay higher health costs.

Others say: Well, let us raise taxes on the wealthy. Well, actually people do not mind Congress raising taxes as long as it affects everybody else but them. We are destroying the incentive to work. The people are not undertaxed. They are overtaxed. It is their money in the first place.

Are we going to go to a socialized system where we say: "OK, everybody work as hard as you can. But, if you make over $30,000 we are going to take it and redistribute it to those who are not working for whatever reason and everybody will live on $20,000 to $30,000, whatever the magic number is." It is totally ridiculous.

If you go out there and talk to the people that are working and carrying their share of the weight and paying taxes, they say: "Don't tax me any more." And yet, here on the floor of the Senate, the solution offered by some is to raise more taxes and spend more money. That is what caused the problems.

People wonder why we are having difficulty competing in the world market. The major reasons are the tax burden, the ridiculous tax policy we have and the regulations that we in this body, have imposed on business, industry, and workers in America. We put all these regulations on how they have to pay their taxes, enforce all these reporting requirements, and place all kinds of restrictions on environment and safety—many of them good and well meaning. But, they drive up the cost of every product we produce. Then we tell American workers you have to produce more, and you have to carry all this Federal bureaucracy on your back.

So, Mr. President, I hope we do not lose a grip on things this year. There are those who say, "Oh, it is an election year. Surely, you want to cut taxes." Yes, I want to cut taxes this year, last year, and next year. The Government is too big, too bloated, too overrun by bureaucrats.

What we need to do is free America, free the people to make investments and create small businesses, to get jobs and keep their own money and pay for their children's education.

The President's proposal to allow the deduction of interest on loans for students to go to college is a great idea that is long overdue. I believe we should also allow for the deduction of all medical costs.

The bureaucrats down at the Treasury Department call these tax expenditures; that is where we take money from the Treasury, and let the people keep it. That is a misnomer in itself. When people work hard and pay taxes, why is it a bad idea for us to give them some way to better educate their children, to own a home with the first-time home buyer tax credit, to keep their hard-earned money?

Others say we could pay for all this by cutting defense. I heard a list read here earlier today of the many jobs lost at IBM, the many jobs lost at Zale's, and so on. Everybody worries about those jobs we are losing. Who is worrying about people that work in the military industry in America? What about their jobs?

We are not talking about 74,000. Look at GM. You are talking about 150,000. If we cut $100 or $150 billion more out of defense, as some of my colleagues have proposed, we are talking about 400,000 or 500,000 jobs. What happens to those people? We cannot just put them out on the streets. They will not even be able to stay in the National Guard. We have to have something for them to do.

I have some ideas. I would like them to get jobs as policemen and teachers and see if we can find a way to facilitate the bridge over from the military into the private sector.

Still, my question, in the defense area is how much can we cut and still keep our military base? How much can we cut without causing a hollow force like we had after World War II and after Korea and after Vietnam?

We can reduce spending. But we should be careful. We should do it over a period of time. We should know what is really happening in Russia.

I do not think we can just go in and have a grab bag out of the defense budget, moving it all over to programs in domestic discretionary spending or even entitlements. What we need to do is reduce the deficit and have a defense that is adequate but not bloated. We should reform entitlement programs so we get more money to the people in a way they really can use it and will be benefited. And, we should continue to find ways to control domestic discretionary spending.

We have budget-speak in this city. You come in the Budget Committee. What is in your budget? "Well, we have a freeze." What is your freeze? "We will not allow it to go up more than inflation would drive it up."

In the real world, what that means is a significant increase. If you look at what has happened, spending has been going up every year. Revenues are going up every year but we keep spending more than the revenues that are coming in.

There is going to be a lot of hot air, a lot of rhetoric this year about what we ought to do on the budget. I think we should do some very simple things:

No. 1, pass an economic growth plan like the President proposed, and do it quickly, in the next 42 days.

No. 2, reduce the deficit, rather than letting it go up another $399 billion. We must find a way to reduce it.

No. 3, we should not be taking money from defense and moving it over into Government-created jobs that are temporary. That will not really help the economy, and, in many ways, will actually hurt the people. Let us let the private sector create the jobs, and then they will be good jobs that will last.

Mr. President, I yield the floor at this time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold?

Mr. LOTT. I will withhold.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I am very pleased that my colleague from Mississippi took the floor because I very much wanted to have the opportunity to talk about the economic situation because there were two hearings held, one yesterday morning and one this morning, which underscore the seriousness of the economic situation.

This morning the Joint Economic Committee received the unemployment rate for the month of January. The January unemployment rate was 7.1 percent, the same as it was in December. This is the highest unemployment figure since the recession began in July 1990. This recession, which has continued for 19 months, is now the longest of any recession since the Great Depression.

Mr. President, 576 days passed before President Bush announced an economic plan. My colleague has come out here on the floor, because he wants to count the days from when President Bush announced the plan to the arbitrary date of March 20, which President Bush set for action on his plan. President Bush announced his plan on January 28, at the State of the Union, and he set a March 20 date for the enactment. He said to the Congress, "Here is my plan. I want you to act on it in 52 days."

President Bush took 576 days from the beginning of the recession until he announced an economic plan. That is more than 10 times the number of days that he now says the Congress ought to take to act on his plan.

We are going to act on an economic plan. We are going to act expeditiously. The Congress was already acting on the unemployment insurance benefits proposal when the President came and spoke and included it in his State of the Union Address.

The President, who twice last year rejected extending unemployment benefits, finally signed it at Thanksgiving, but the Congress first urged him to act in August. In the interim, hundreds of thousands of Americans suffered incalculable and unremediable harm. People lost their apartments, their cars, and their homes.

We have 576 days of the recession before the President announced an economic plan. For most of this period of time, the President would not even admit there was a recession. People kept saying to the President, and to the members of his administration: "There is a problem. There is a problem. The economy is suffering."

The Bush administration said "no problem." People said, we know there is a problem. We live on Main Street and we know what has happened. No problem, says the President and his advisers. Even as late as—November 13, 1991, the President said, in an interview with a TV station in St. Louis, "I do not believe this country is in a recession."

Can you believe it? We are experiencing the longest recession in the post-World-War II period and the President says "I do not believe this country is in a recession." Finally, in December of last year the administration finally began admitting that there was a recession. They had to because the American people were increasingly asking, if the President and his advisers really know what is happening in the country? How can they be saying there is no recession when we have had this economic downturn, when unemployment is up, when income is not growing, when businesses are facing bankruptcy, when individuals are unable to meet their payments to keep their homes and keep their cars and keep other important durable goods?

Finally, on the 28th of January, just 10 days ago, the President announced an economic plan. Finally, 576 days after the recession began.

Mr. President, I want to talk a little bit about the economic situation in which we find ourselves, and I want to talk about the administration's proposal to try to deal with it. We have had two back-to-back hearings this week. This morning we had a hearing on the current economic situation and the unemployment rate, and yesterday we received testimony from the President's chief economic adviser, the Chairman of the Council of Economic Advisers, on the administration's proposal and their economic projections for 1992.

On the state of the economy, it is very important to understand that there is the official unemployment rate, which are people who are out of work and looking for a job; there is the comprehensive unemployment rate which includes not only the people out of work and looking for a job, but people who are so discouraged they have dropped out of the work force, and people who are working part time but want to work full time.

In the second quarter of 1990, which was before the recession began, the official unemployment rate was 5.3 percent; the comprehensive rate was 8 percent. The recession then began in July 1990, and the unemployment rate started to rise. The rates increased to 5.6 percent, 5.9 percent, 6.5 percent, 6.7 percent, 6.8 percent, 6.9 percent, and the rate this morning is 7.1 percent.

The comprehensive rate, which started at 8 percent and rose, as the recession continued into the high 9's, and went into double figures, 10.1, 10.4 is now estimated to be at 10.8 percent.

Let me just read from the statement of the Deputy Commissioner of the Bureau of Labor Statistics who presented the employment situation at this morning's hearings:

> The Nation's unemployment rate remained at 7.1 percent in January. Nonfarm payroll employment fell by 91,000 on a seasonally adjusted basis as large cutbacks occurred in manufacturing and retail trade.

Then he goes on to say:

> As is typical well into a recession, the number of unemployed persons who have been jobless for relatively long periods of time continues to rise.

So what has happened is the number of long-term unemployed has risen, and that is illustrated in this chart which shows the number of persons unemployed 27 weeks or longer. In June 1990, just before this recession began, that figure was slightly over 600,000 persons. It then moved on this path through the recession into 1991, and then toward the end of 1991, it has taken off at a precipitous rate.

In fact, we did not anticipate it rising as it has done and, therefore, did not have a chart long enough or tall enough to plot the figures received this morning which are now well in excess of 1.5 million persons. We started at almost 600,000. It has now risen very dramatically in recent months at a very sharp incline, and it is now well over 1.5 million persons unemployed for 27 weeks or more.

The second very disturbing thing that was reported this morning in the release on the unemployment situation was an increase in the number of people working part time who preferred full-time jobs. That increased from 6.3 million people to 6.7 million people, a jump of 400,000 people who are now working part time and want to work full time.

If you take the part-time people, those who are discouraged, and the unemployed, the unemployment rate is 10.8 percent. This is the highest it has been in this recession.

That gives some notion of the severity of the problem with which we are confronted. The Bureau of Labor Statistics went on to report: "In the goods-producing industry, manufacturing lost 52,000 jobs marking the fifth consecutive month of substantial job losses." These are your most recent figures, and come from this morning's report. In addition:

> Construction employment was flat over the month on a seasonally adjusted basis. Since May 1990, construction has lost 615,000 jobs.

So both construction and manufacturing, two of our key economic sectors, have experienced significant job loss over the course of the last year.

Even the services sector, which had been growing, has now gone flat. The report says:

> Job growth in the services industry virtually ceased in the last 3 months.

It is no wonder that Merrill Lynch, in their weekly economic and financial commentary just last week, said:

> Yet, except for some pickup in housing activity, evidence of a recovery is still completely lacking. Confidence is at rock bottom. Layoffs remain high, and the economy is going nowhere at the moment.

Confidence is at rock bottom, Mr. President.

The Conference Board issues an index called the consumer confidence index. Tracing it from 1985, treating 1985 as 100 in the consumer confidence index, we see this kind of movement with respect to consumer confidence, and you will note that we had a very sharp and precipitous drop which took place at the end of 1990 and the beginning of 1991.

Then it began to recover somewhat in the first few months of 1991, and now it has simply plunged to a level lower than anything experienced in this recession. It is now below the level to which consumer confidence dropped back in March of this year, which was heretofore recorded as the trough of the recession. It is now lower.

In fact, this level of consumer confidence has only been exceeded once in terms of the lack of confidence since the Conference Board has kept this figure.

So Merrill Lynch is absolutely right when they say in this newsletter, confidence is at rock bottom.

Mr. President, there is one other report from this morning. I am now going to quote from the Bureau of Labor Statistics:

> The factory workweek declined by three-tenths of an hour in January, after holding at high levels in recent months, despite employment losses.

The factory workweek declined.

Mr. President, the significance of that is that when you are trying to come out of a recession, one of the first signs that perhaps is happening is that the factory workweek gets longer. What happens is orders pick up, and factories have to respond. Rather than going out and hiring more people, they extend the workweek of the people they already have on the payroll.

So you see it as a progression. The workweek will get longer, and then at some point the orders increase enough that instead of extending the workweek even further, companies start bringing their people back, hiring new people, and therefore the number of people on their payroll begins to expand.

What has now happened is that the factory workweek declined. So we are moving in just the opposite direction. Even those working are getting shorter hours, and the prospect that others will be called back is diminished even further than it already was.

These are very grim figures. The report this morning was a very grim report about where the economy now is and what the outlook is.

The comprehensive unemployment rate is now 10.8 percent. You have 6,700,000 people working part time who want to work full time. You have 9 million people who want a job and do not have a job, and you have another 1.1 million people who have become so discouraged they have stopped looking for work.

If you add all of that up, those who are unemployed, 9 million, those who have become so discouraged they have dropped out of the work force, 1.1 million, and those who are working part time but want to work full time, 6.7 million, that gives you 16.8 million people, almost 17 million people who have been affected by unemployment, either totally or partially.

We have a work force in this country of 126 million people. We have almost 17 million people currently either unemployed or partially unemployed. That is about 13.5 percent of the work force currently being impacted by the unemployment situation.

Of course, not everyone is unemployed at the same time. People move in and out of that status. Last year, in 1991, it is estimated that somewhere between 20 to 25 percent of Americans experienced unemployment at some point during the year.

This recession has characteristics that have not marked previous recessions. First of all, it is still very much a blue-collar recession because it is the blue-collar people, generally speaking, who are impacted by recession in this country. Unfortunately, it is the people who do the hard labor who get impacted by recession. They are not cushioned from it.

But this recession has a white-collar dimension to it as well. It has reached beyond the traditional economic sectors that experience an economic downturn and has reached people who have never experienced an unemployment problem in the past.

For instance, white-collar people working in the financial industry, have never encountered this before. Now they are experiencing unemployment for the first time. The problem has really come home to hit them as well.

Second, the ratio of people in this recession being laid off as opposed to those being terminated has shifted significantly. Fewer people in this recession, compared with past recessions, are being laid off, and more people in this recession, compared with past recessions, are being terminated. What that means is that a worker, when he is given his slip telling him not to come to work, is not being told, "This is a layoff and as soon as economic conditions improve we hope to call you back in, and you can resume working."

What is happening in this recession is very different. It is that more and more workers are being called in and told that they are terminated. There is no more work opportunity at that company, not only now under the pressure of economic circumstance, but even if conditions improve; there is no job. The company is downsizing, the worker is being terminated, and that worker then no longer has even the expectation that he will be called back by his own company and can resume his job. That worker then has to go out into a job market and begin to look anew, just like a fresh entrant into the work force.

Another factor that has contributed in this recession to the economic hurt that is being felt is that real income has declined for most people. Even those people that are working are not improving their economic situation once you adjust it for inflation.

So the improvement in their income is less than the rise in inflation, and, therefore, their real standard of living drops. That is for people who are fortunate enough to continue to hold their jobs but feel this economic constraint that is taking place with respect to this recession.

So it is no wonder, when you consider all of these factors, that you have this very precipitous drop in consumer confidence.

You might say that is all important information and it demonstrates clearly that we are in a difficult economic circumstance. How are we going to address it? As I indicated, it took the President 576 days after this recession began to even come forward with a plan.

I want to just talk a bit about the plan that he has come forward with. Yesterday, the chairman of the President's Council of Economic Advisers came before the Joint Economic Committee to present the President's economic report. Here is what he said in that report: The administration is predicting that the gross domestic product will grow 2.2 percent in 1992. The administration predicts that the economy, even if nothing were done in terms of the program they have submitted, would grow 1.6 percent.

So, the program that the administration has submitted about which my colleagues on the other side are making such a to-do, by the administration's own calculations, will contribute six-tenths of 1 percent. That is if you accept the administration's own calculations. There are critics of the administration who do not think it will do even what they say it will do. But I am not going to get into all of that.

I am going to accept for the moment the administration's predictions of what this program will do. The administration's prediction is that the enactment of this program will contribute six-tenths of 1 percent to economic growth in 1992. They say that, without it, the economy will grow 1.6 percent; with it, it will grow 1.2 percent.

Mr. President, this is a very small vision for the economic situation in which we find ourselves. It is in marked contrast with what has happened in previous recessions. In effect, what the administration is telling us is that even if we manage to make it out of the recession, we are going to have a weak, anemic, stumbling economy which will continue to present us with a full range of problems about which we have been talking here this afternoon.

This chart shows the percent of change in output, in gross domestic output, from the bottom of the recession, coming out of the recession.

These blue lines represent the increases that occurred in previous recessions in the postwar period. In other words, this increase here is how it moved when we came out of the 1961–63. This increase was 1975, 1977, 1982–84. That was the recession under Ronald Reagan, a very deep recession. And this is the increase for 1970–72; and 1954–56.

Now, I want you to look at what the administration is projecting in terms of moving out of this recession. These are the administration's own figures which are far below that of any of the other recessions. There are critics who think that they are not going to achieve even this level, that it is going to be flatter than that. But, for the sake of this discussion, I am going to take their projection.

If you want to evaluate their package, look at what their package produces in terms of a projection in the growth of real gross domestic product, compare it and contrast it with what has occurred in the previous recessions that we have experienced in this postwar period.

In many respects, I am sure my colleagues on the other side of the aisle, the Republican Members of the Senate, hopefully, would be as concerned and as distressed as I am about the inadequacy of the proposals to address the economic situation in which we find ourselves.

The administration projects that the average unemployment rate for 1992 under their program, will be 6.9 percent. Mr. President, it is almost beyond belief that an economic package, which is so inept that it will only reduce the unemployment rate from 7.1 percent to an average of 6.9 percent for 1992, can be portrayed as a significant initiative. Look how it contrasts with past recessions.

This shows the change in the unemployment rate from the peak of the unemployment, 1 year and 2 years out. We can see in 1982 to 1984, as we came out of that recession, the unemployment rate moved down in quite an aggressive way over the 2-year period. In 1975 to 1977, it moved down, although not as successfully as in 1982 to 1984.

Look at the small improvement the administration is projecting for 1992 to 1994. So what has happened is we have a very serious and severe economic situation on our hands, and we have the administration offering a package to address it that is not adequate to the challenge. Even if the administration's program were fully accepted, their own projections say that average unemployment rate for 1992, will be 6.9 percent. It is now 7.1 percent.

In fact, their estimate of the difference between employment in the administration's plan, and their estimate of employment of business as usual, is just under 400,000 jobs. We are talking about 9 million people unemployed. We are talking about another 1.1 million who are so discouraged that they have dropped out of the labor force, and we are talking about another 6.7 million people working part time, who want to work full time.

Mr. President, I am not going to go into each of the administration's proposals. The Finance Committee is going to be holding hearings on those next week, as is the House Ways and Means Committee. But what I do want to show is one final observation, because a great deal is being made of the President's proposals, which essentially give tax breaks to the very wealthy. And it is asserted that that money will be put to work to produce jobs.

Maybe it will and maybe it will not. The President's proposals have no guarantee that in order to obtain a tax advantage, you must make an investment and produce jobs. It is simply asserted that if you give this money to the very wealthy, they will create jobs. The capital gains tax proposal of the President would give 70 percent of the financial benefit to people making over $100,000 a year.

They are the very same people who have benefited so greatly by the significant cut in tax rates which have taken place over the last decade. Yet, there is no clear evidence that that tremendous financial windfall which they received was put into investment that would produce jobs. In fact, much of the speculation which has taken place in our financial markets is a trading of paper in order to make money; but there is no job production underlying that speculative activity.

Let me just leave you with one final thought. This shows how real household incomes have moved since 1979 for the top fifth. These are what are called quintiles, the top fifth, the middle fifth, and the lowest fifth of the population, real household income.

We take 1979 as 100. You get a drop as we went into an economic turn down in the 1982 recession. Then we started coming out of the 1982 recession. Hopefully, as you come out of a recession, incomes rise generally for everyone. But what happened was you got an incredible rise for the highest fifth of the population, compared to the rise for the middle fifth and for the lowest fifth.

Now, because of the economic downturn we are experiencing, real household income is declining. You can see the highest quintile has declined, but the decline that has taken place here for the middle and the lowest quintile has been much more significant.

So what this shows is an immense movement over the last decade to concentrating income at the top of the income scale. Much of the President's program now is to give even more to those who have much, and pay no attention to the middle-income people in this country.

Mr. President, obviously, we face a critical situation. I have a list of confidence in the Finance Committee and the Ways and Means Committee to move forward with a proposal. I am relieved that the President finally recognized that there was a recession. It does not do the country any good. It does not do anyone any good, politically or in any other way, for the President to be out of touch with reality in terms of what is happening in the Nation.

Mr. President, I close on the observation that 576 days passed from the beginning of the recession until the President announced an economic plan. I have suggested here today that the economic plan which the President has suggested, a plan that produces six-tenths of 1 percent additional economic growth is inadequate. We have come out of other recessions growing at a rate of 4, 5, or 6 percent. The administration's own prediction is that we will come out of this recession growing at the rate of 2.2 percent, and that 1.6 of that 2.2 would occur if none of their proposals were enacted. So their proposals are adding six-tenths of 1 percent to the growth, and by their own predictions their proposals would lower the unemployment rate from 7.1 percent to an average for 1992 of 6.9 percent.

Mr. President, that is going to leave us still confronting the very severe economic problems which we are now facing. It took the President 576 days to get to the point where he could even put this small plan before us. The economy has worsened on the basis of this month's figures and the gap between the economic circumstances that exist across the country and what the President has offered to try to address it becomes more obvious with each passing day.

Mr. President, I think the Congress will move in a more expeditious, a more realistic, and in a more substantive fashion to address the economic circumstances in which we find ourselves. The Congress moved last year on unemployment insurance benefits. The President rejected it. The President took 576 days to have an economic plan. Then, he says to the Congress: I want you to act on it in 52 days. The Congress in fact was already acting on part of it, has passed it and sent it to him with the further extension of the unemployment benefits.

The committees are now meeting on his tax proposals and other tax measures that are before us. The very able Senator from West Virginia spoke earlier in the day about the necessity for an infrastructure investment.

My colleague from Mississippi earlier said that you could not do infrastructure quickly, that if you try to move in that direction it would be the end of the year or next year before projects could happen. The mayors and Governors have told us in public that they have been forced to shelve projects which are right now sitting on the shelf and they could move them tomorrow morning if they had the resources with which to do it, and jobs would be there in a matter of weeks.

Those are contracts to the private sector to carry out infrastructure projects, to repair our transportation network, to repair our water and sewer systems, things that must be done. They need to be done. They must be done. They are essential. They can be done right now. They will provide jobs immediately. There is no question whether the jobs will be forthcoming.

This notion of giving another infusion of tax breaks to the very wealthy and then counting on it somehow to trickling down is ridiculous. Who knows whether it will happen or not?

That is why, for instance, amongst the various tax incentives I always favored the investment tax credit which you do not get unless you make the investment in new plant and equipment. You do not simply get the money and then everyone hopes you are going to do something productive with it. You only get the tax break if you do something productive.

I think those are the kinds of tough questions that should be asked. But as my colleagues keep counting down the number of days the President has given us, I just want to remind you it took us 576 days of the recession before President Bush announced an economic plan to the Nation. The economic plan which he has announced is inadequate to the economic challenge which we face.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Virginia.

NATIONAL ENERGY STRATEGY

Mr. ROBB. Mr. President, last night the Senate adopted a resolution expressing the sense of the Senate that as part of the Nation's energy strategy, the Senate Finance and House Ways and Means Committees should study the possibility of legislation to shift some amount of taxation from the income tax to the motor fuels tax to encourage conservation and the use of alternative fuels.

The resolution further provided that the tax shifting package should be revenue-neutral, should not represent a net tax increase on the average American family, should be at least as progressive as the current Tax Code, should not become effective at the earliest until the current recession is over, and should be phased in gradually to allow consumers and industry to adjust.

I am very pleased that, with the cooperation of the chairman of the Senate Finance Committee, and the managers of the energy bill, the Senate saw fit to adopt this amendment.

For the record, I would simply like to take a few minutes to outline the rationale behind the amendment.

Mr. President, most of us in this body agree that conservation must be at the heart of any national energy strategy. Conservation of oil, in particular, reduces our reliance on foreign sources of energy, it is good for the environment, and it makes us more competitive as a nation.

But the recent energy debate had, until last night, largely ignored one of the most potent tools for encouraging conservation and that is tax shifting.

Through the U.S. Tax Code, the Congress has enormous power to forge a bold and forward looking energy policy.

By shifting the existing burden of taxation from income to the motor fuels pump, we can encourage Americans to buy more fuel efficient cars, to car pool, and to use alternative forms of transportation.

Shifting the tax from income to motor fuels would save millions of barrels of oil, unleash investment into alternative fuels, and reduce the risk of global warming.

And yet, none of us has ventured to talk about the idea of raising the gas tax.

I fully understand why people have shied away from this idea.

Last month, I gave a speech at the College of William and Mary, where I proposed imposing a conservation tax of 40 cents a gallon, phased in over 3 years, with revenue rebated to taxpayers in the form of a refundable tax credit.

The banner headline in the local newspaper, of course, did not get into nuances; it declared: "Robb favors 40-cent gasoline tax hike." The headline, contained no mention of the 3-year phasein. Nor did it make reference to the fact that I proposed returning every penny of the revenue through a tax credit. It just read: "Robb favors 40-cent gasoline tax hike."

The reaction has been, as I expected, fairly negative from some corners.

The Petroleum Marketers Association of America is opposed, as is AAA and the American Petroleum Institute.

Of course, all this led to another wonderful headline: "Robb's gas tax idea, blasted."

But I also detect an openness to the proposal, which I think, stems in large part from the realization that, following the Persian Gulf war, we are a different nation than we were before it.

The American public is now all too aware that our reliance on oil, Middle Eastern oil in particular, has certain very real costs associated with it.

Our intervention in the Persian Gulf was not predicated specifically on oil, it was about defending the victims of aggression and upholding international law.

But oil was always a major factor in that involvement, and those supporters of the war who denied it helped foster an equally false backlash which said the war was only about oil.

The truth, of course, is that we fought Saddam Hussein because both our principles and our national interests were at stake.

The Carter doctrine recognized that because oil lubricates the economies of the Western World, we have a national interest in protecting its free flow.

Those who opposed the war were correct when they said that we would not have put 500,000 troops in the gulf if Saudia Arabia's main export were kiwis.

And I do not think the public will stand for attempts to gloss over our energy dependence.

The pending energy legislation will move us in the right direction. But I think we need to do even more, especially in the area of conservation. That is why I introduced this sense of the Senate resolution. For constitutional and jurisdictional reasons, I could not, of course, have offered an actual tax amendment to the energy bill, but I did want to raise the issue here and now because I don't think it makes sense for us to be talking about forging a comprehensive energy policy without saying a word about what many observers believe is the single most important step available to reduce our reliance on imported oil: increasing the motor fuels tax.

In my William and Mary speech, I talked about increasing the tax 40 cents over a 3-year period: a nickel increase in the first month followed by a penny a month thereafter.

My resolution adopted last night does not specify an amount, but urges the relevant congressional committees to look into the matter to see what an appropriate increase might be.

The resolution stipulates that any increase in the gas tax should be offset by an across-the-board tax cut.

I personally would prefer that the money generated by a conservation tax be used to reduce our Federal deficit, to rebuild our infrastructure, and to boost the earned income credit for the poor, to counteract the regressive nature of the gas tax.

But that approach, would have meant a net tax increase on the American public.

And as the recent experience in the House of Representatives suggests, a gas tax increase without a corresponding rebate is dead on arrival.

The tax credit could be fairly significant after 3 years, depending on the size of the conservation tax. If the Finance Committee chose a 40-cent-per-gallon increase, for example, that would mean a tax credit of $215 for individuals and $431 for married couples filing jointly—according to Joint Tax Committee estimates.

To repeat, the resolution, simply urges shifting the place where Americans pay their taxes—at the pump rather than through the income tax.

It is a tax on energy, as Congressman JOHN DINGELL has said, not a tax on people.

Because the wealthy consume more gasoline per household than the poor, a program which rebates an equal amount to all taxpayers would actually be more progressive than the current tax structure. And unlike the proposal to boost national security by drilling in the Arctic National Wildlife Refuge, the gas tax, unites environmental and national security interests: Conserving energy and moving toward alternatives to oil means less pollution and greater security.

In particular, increasing the motor fuels tax would result in a sharp reduction in carbon dioxide emissions, a major contributor to global warming.

It is my hope that the Senate Finance Committee will seriously look at this issue. I realize that shifting taxation from income to motor fuels will be seen by some as risky politics.

I have been told that the American people will not be able to understand the proposal—that they will hear gas tax but will not hear about the offsetting rebate.

That they will talk about patriotism but will not want to do anything to prevent threats to our national security.

But I give the American people more credit than that.

They know the ultimate sacrifice paid by those in the Persian Gulf war—by the soldiers and their families.

They know that we should not continue to send dollars to the likes of Saddam Hussein, so that war machines and nuclear capabilities can be built and resurrected.

They know that we have had three energy crises in the past 15 years, and that each time, there has been a brief flurry of activity, but that only the easy options have been pursued.

I realize that the Congress has in the past rejected attempts to significantly increase the motor fuels tax.

In 1979, you will remember Representative John Anderson proposed increasing the tax by 50 cents and rebating the revenue through the Social Security system.

In that same year, the distinguished manager of the Energy bill introduced legislation to increase the motor fuels tax by 50 cents over 5 years and directed the States to rebate the revenue in reduced sales, property or income taxes, or to use the money for mass transit.

Neither proposal was adopted.

In the past, rather than increase the gasoline tax, the Congress has chosen other alternatives, such as increasing corporate average fuel economy.

Because CAFE legislation provides an incentive for automakers to design more fuel efficient vehicles, I am, in fact, a cosponsor of the Bryan bill.

But boosting the fuel economy of cars and trucks only gets you so far. CAFE standards affect only new vehicles, which account for 10 percent of fuel consumption, whereas a gas tax increase encourages conservation among all drivers, whether their cars are new or old.

And by increasing fuel economy, CAFE standards actually made it cheaper for drivers to drive more, which dilutes the effect of the measure.

Nevertheless, the CAFE alternative was pursued over proposals to impose a conservation tax because the conventional wisdom precludes having anything to do with a gas tax—and I confess it is hard to see how there is any political mileage in the approach I am advocating.

Still, it is clearly right as a matter of public policy, and I think the political climate may have changed somewhat since the earlier attempts to raise the gas tax—for three reasons.

First, as I have mentioned, the American public knows the cost of oil dependence now that we have gone to war in large part over oil. There had always been warnings that given the strategic importance, and scarcity of oil and its concentration in the most volatile part of the world, that nations would one day go to war over oil.

In the late 1970's, our dependency cost us jobs; in the early 1990's, it cost us lives.

Second, gasoline prices in real terms are now at their lowest point in decades.

Oil is selling as low as $17 a barrel.

Adding a conservation tax now would not be a piling on on top of natural price increases, as it was in the late 1970's.

Third, environmental awareness is much greater today than it was a decade and a half ago.

We now know much more about the dangers of global warming.

Each gallon of gasoline used produces 18 pounds of carbon dioxide, a key greenhouse gas.

We now know that more than 100 of our cities violate Federal clean air health guidelines.

Pollution problems have grown worse, and the American public has awakened to the dangers.

The environmental community is now a political force to be reckoned with as we saw when the Senate failed to invoke cloture last year on an earlier version of this energy bill.

But even if the politics are against the idea, I believe strongly that we need to seriously consider it.

Repeatedly, when I discussed the pending energy legislation with individuals, whether they came from the environmental community or the business community, they told me that the best thing we can do to address our dependence on foreign oil is to increase the gas tax.

While there are no true silver bullets for our energy problem, I have been told that adding a conservation tax was the closest thing we will ever come to one.

And then, in the next breath, they invariably told me that, of course, the gas tax alternative will never pass the Congress.

I find that very disturbing.

I realize that opponents of the conservation tax have many concerns.

Opponents could say it is regressive, and unfairly hits those in the West; that it interferes with the free market, will hurt our competitiveness, and will hurt growth.

But I think that the Finance Committee's exploration of this issue will show that there are very good answers to each of these objections.

In closing, Mr. President, I think the Senate took a step forward last night.

The resolution put the Senate on record as supporting a thorough exploration of an issue which many had previously sought to avoid.

I look forward to working with members of the Senate Finance Committee on this important issue in the coming months.

As someone who represents a State which disproportionately provides troops in times of war, I cannot in good conscience—ignore a sound proposal which is seen by so many as a key to addressing our overreliance on imported oil.

MESSAGES FROM THE HOUSE

At 1:16 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 343. Joint resolution to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day";

H.J. Res. 350. Joint resolution designating March 1992 as "Irish-American Heritage Month"; and

H.J. Res. 395. Joint resolution designating February 6, 1992 as "National Women and Girls in Sports Day."

MEASURES REFERRED

The following joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 343. Joint resolution to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day"; to the Committee on the Judiciary.

H.J. Res. 350. Joint resolution designating March 1992 as "Irish-American Heritage Month"; to the Committee on the Judiciary.

H.J. Res. 395. Joint resolution designating February 6, 1992, as "National Women and Girls in Sports Day"; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2560. A communication from the Comptroller General, Department of Defense, transmitting, pursuant to law, a report concerning the Bell-Boeing joint venture currently performing under a fixed price contract for development of the V 22; to the Committee on Armed Services.

EC-2561. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report covering certain properties to be transferred to the Republic of Panama; to the Committee on Armed Services.

EC-2562. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report on the Administration's legislative proposal to provide further funding to the Resolution Trust Corporation and an analysis of the proposal; to the Committee on Banking, Housing and Urban Affairs.

EC-2563. A communication from the Assistant Secretary of Interior, transmitting, a draft of proposed legislation to enhance the law enforcement authority of the Secretary of the Interior on public lands, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2565. A communication from the Secretary of Energy, transmitting, pursuant to law, an annual report regarding the viability of the domestic uranium mining and milling industry; to the Committee on Energy and Natural Resources.

EC-2566. A communication from the Secretary of Energy, transmitting, pursuant to law, an annual update of the Comprehensive Program Management Plan for the Federal Ocean Thermal Energy Conversion Program; to the Committee on Energy and Natural Resources.

EC-2567. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on procedures for overseeing the expenditure by States and Territories of Stripper Well and Exxon Funds and the status of pending enforcement actions intitiated during the fourth quarter of FY 1991 and previous quarters with regard to the expenditure of petroleum violation escrow funds; to the Committee on Energy and Natural Resources.

EC-2568. A communication from the Administrator, General Services Administration, transmitting, pursuant to law, a copy of a prospectus for the proposed construction of a computer facility for the Department of Commerce, Bureau of the Census; to the Committee on Environment and Public Works.

EC-2569. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on the nondisclosure of Safeguards Information for the quarter ending December 31, 1991; to the Committee on Environment and Public Works.

EC-2570. A communication from the Inspector General, Department of the Interior, transmitting, pursuant to law, a final audit report entitled "Accounting for Fiscal Year 1989 and 1990 Reimbursable Expenditures of Environmental Protection Agency Superfund Money, U.S. Fish and Wildlife Service"; to the Committee on Environment and Public Works.

EC-2571. A communication from the Administrator, General Services Administration, transmitting, pursuant to law, prospectuses for the Fiscal Year 1993 General Services Administration's Public Buildings Service Capital Improvement Program; to the Committee on Environment and Public Works.

EC-2572. A communication from the President of the United States, transmitting, pursuant to law, notice of his intent to add Estonia, Latvia, and Lithuania to the list of beneficiary developing countries under the Generalized System of Preferences; to the Committee on Finance.

EC-2573. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the assistance related to international terrorism which was provided to foreign countries by the United States Government during the preceding fiscal year; to the Committee on Foreign Relations.

EC-2574. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, copies of certain documents related to the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms, signed at Moscow July 31, 1991; to the Committee on Foreign Relations.

EC-2575. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the President's authorization of up to $7,000,000 in assistance from the Emergency Refugee and Migration Assistance Fund to meet unexpected urgent needs of refugees and other displaced persons resulting from the civil conflict in Yugoslavia; to the Committee on Foreign Relations.

EC-2576. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report of those Foreign Military Sales customers with approved cash flow financing in excess of $100 million as of 1 October 1991; to the Committee on Foreign Relations.

EC-2577. A communication from the Assistant Legal Adviser for Treaty Affairs Department of State, transmitting, pursuant to law, a report on international agreements other than treaties entered into by the United States in the sixty day period prior to January 30, 1992; to the Committee on Foreign Relations.

EC-2578. A communication from the Chairman of the Merits Systems Protection Board, transmitting, pursuant to law, the annual report of the Board under the Government in the Sunshine Act for calendar year 1991; to the Committee on Governmental Affairs.

EC-2579. A communication from the Chairman of the Arctic Research Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2580. A communication from the Comptroller General of the General Accounting Office, trasmitting, pursuant to law, a report on the results of the audit of the Export-Import Bank of the United States' financial statements as of September 30, 1990 and 1989; to the Committee on Governmental Affairs.

EC-2581. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the annual report on the Federal Equal Opportunity Recruitment Program for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2582. A communication from the Acting Chairman of the Administrative Conference of the United States, transmitting, a report on the internal control and financial systems in place during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2583. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Agriculture, for the six month period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2584. A communication from the Executive Director of the Interstate Commission on the Potomac River Basin, transmitting, pursuant to law, a report on the audited statements of the Commission for the period October 1, 1990 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2585. A communication from the Director of the Administrative Office of the United States Court, transmitting, pursuant to law, actuarial reports on the Judicial Retirement System, the Judicial Officers' Retirement Fund, and the Judicial Survivors' Annuities System for the calendar year ending December 31, 1990; to the Committee on Governmental Affairs.

EC-2586. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-150 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2587. A communication from the Executive Director of the Office of Navajo and Hopi Indian Relocation, transmitting, pursuant to law, a report on internal controls for all agency departments in effect for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2588. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the assignment of General Accounting Office employees to congressional committees as of January 10, 1992; to the Committee on Governmental Affairs.

EC-2589. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, a report titled "To Meet the Needs of the Nations: Staffing the U.S. Civil Service and the Public Service of Canada"; to the Committee on Governmental Affairs.

EC-2590. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, a report on the operation of the Senior Executive Service; to the Committee on Governmental Affairs.

EC-2591. A communication from the Assistant Secretary of the Interior, transmitting, a draft of proposed legislation to correct an error in Public Law 100-425 relating to the establishment of a reservation for the Confederated Tribes of the Grand Ronde Community of Oregon, and for other purposes; to the Select Committee on Indian Affairs.

EC-2592. A communication from the Deputy Director of the Peace Corps, transmitting, pursuant to law, the annual report of the Peace Corps under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WELLSTONE:

S. 2213. A bill to amend the Internal Revenue Code of 1986 to require the participation in general election debates of certain candidates who receive public campaign financing; to the Committee on Rules and Administration.

By Mr. MOYNIHAN:

S. 2214. A bill to authorize the Administrator of the Environmental Protection Agency to make grants to the States of New York and Connecticut for the purpose of demonstrating methods of improving water quality in Long Island Sound; to the Committee on Environment and Public Works.

S. 2215. A bill to clarify the provisions relating to the construction of additional court space in Brooklyn, New York; to the Committee on Environment and Public Works.

By Mr. SARBANES:

S. 2216. A bill for the relief of Maria Manzano; to the Committee on the Judiciary.

By Mr. DOLE (for himself and Mr. DOMENICI) (by request):

S. 2217. A bill to create jobs, promote economic growth, assist families, and promote health, education, savings, and home ownership; to the Committee on Finance.

By Mr. COATS (for himself and Mr. D'AMATO):

S. 2218. A bill to amend section 1012 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 to authorize local governments that have financed a housing project that has been provided a financial adjustment factor under section 8 of the United States Housing Act of 1937 to use 50 percent of any recaptured amounts available from refinancing of the project for housing activities; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KASTEN:

S. 2219. A bill to make amendments to the Liability Risk Retention Act, as amended, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself, Mr. BOREN, and Mr. RIEGLE):

S. 2220. A bill to amend the Internal Revenue Code of 1986 to make the targeted jobs tax credit available for a 1-year period to employers who hire long-term unemployed individuals; to the Committee on Finance.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 2221. A bill to amend the Emergency Unemployment Compensation Act of 1991 to correct certain inconsistencies between State and Federal unemployment compensation rules and assure that all eligible individuals will receive full unemployment benefits; to the Committee on Finance.

By Mr. BREAUX:

S. 2222. A bill to amend the Internal Revenue Code of 1986 to encourage the formation of, and donation of contributions to, apprenticeship education organizations; to the Committee on Finance.

Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S.J. Res. 254. A joint resolution commending the New York Stock Exchange on the occasion of its bicentennial; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KASTEN (for himself, Mr. LEAHY, Mr. KOHL, Mr. HEFLIN, Mr. D'AMATO, Mr. DURENBERGER, Mr. JEFFORDS, Mr. WOFFORD, and Mr. GRASSLEY):

S. Res. 256. A resolution urging the United States Government to provide, expeditiously and prudently, dairy products and other humanitarian assistance to the republics of the former Soviet Union; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. D'AMATO (for himself, Mr. DOLE, and Mr. PELL):

S. Res. 257. A resolution calling attention to the plight of the Albanian population in the former Yugoslav Republic of Kosova; to the Committee on Foreign Relations.

By Mr. SIMON (for himself, Mrs. KASSEBAUM, Mr. WOFFORD, Mr. WELLSTONE, Mr. LEAHY, and Mr. LUGAR):

S. Res. 258. A resolution expressing the sense of the Senate regarding needed action to address the continuing state of war and chaos and the emergency humanitarian situation in Somalia; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WELLSTONE:

S. 2213. A bill to amend the Internal Revenue Code of 1986 to require the participation in general election debates of certain candidates who receive public campaign financing; to the Committee on Rules and Administration.

PRESIDENTIAL DEBATES ACT

Mr. WELLSTONE. Mr. President, today I am introducing the Presidential Debates Act of 1992, to require Presidential debates designed to rekindle interest and encourage participation in our Presidential elections. Similar legislation has been introduced in the House by Representative TIM PENNY, who has worked hard in developing his legislation, in consultation with outside organizations, to make our Presidential debates fairer, more vigorous, and more informative.

The 1988 Presidential elections were troubling—even for Republicans who won. Filled with photo-ops in tanks or flag factories; 10-second sound-bites and attack ads; lifeless, scripted debates carefully crafted to protect participants from surprises; radio, TV, and print reporting that focused for many months on the horse race and to top it all off Willie Horton, Boston Harbor, and flag burning.

Day after day, the American political discourse was trivialized, ironically at a time when our democracy should be serving as a beacon of hope and a model for emerging democracies worldwide. Americans want serious, sustained, substantive debates on the issues of the day and the direction of our country.

This trivialization has taken a devastating toll on our democracy. Only 50 percent of the eligible electorate voted in the 1988 Presidential elections. In the 1990 midterm elections, an estimated 36 percent of the eligible electorate voted. While an estimated 160 million people watched the 1988 Presidential debates, large numbers of viewers and commentators expressed dismay at the lack of substantive discussion of the important economic, social, and political issues of concern to the American people.

Now in this election year, differing proposals for Presidential debates have been put forward by a commission formed by the two major parties, the presidents of the four major national television networks, a group of distinguished press and public policy specialists at the Shorenstein-Barone Center at Harvard University, and others. Many of these proposals are worthy of serious consideration, but they do not in my view go far enough.

We must act now to reclaim the faith and interest of a cynical electorate. I believe that one of the most effective ways to address this problem is to require open, fair, and informative Presidential debates. The primary debates we have had thus far this season have served as important fora for airing the ideas and views of the candidates, and an opportunity for them to define their programs for the American people. Yet they too were limited to only the major Democratic candidates.

The Presidential Debates Act of 1992 has three essential elements. First, it requires all candidates who have been nominated by their party and who are eligible to receive Federal matching funds to participate in at least three Presidential general election debates.

Second, the legislation requires the sponsor of the debate to be a nonpartisan entity, thereby preventing undue party influence on the format and structure of the debate.

Third, the legislation sets objective criteria for the inclusion of significant national independent and minor party candidates. Historically, such candidates have been fertile sources of new ideas and new programs, and have provided opportunities for the American public to enter into a diverse and open dialogue on the critical issues of the day. In the interests of fairness and free and open dialogue, all significant candidates who meet the stringent criteria set forth in this legislation must be included in the debates.

The need to institutionalize U.S. Presidential debates, to designate the sponsor as a nonpartisan entity, and to set objective criteria for including significant independent and minor party candidates is clear. As we look toward the 1992 elections and beyond, we must continue to identify ways to increase voter participation and strengthen the American Democratic discourse. I believe this bill will take a modest step in that direction.

While I recognize the complexity of this issue, and the institutional and party loyalties felt by many politicians who would prefer to carefully circumscribe the sponsor, format, and participants in Presidential debates, I urge my colleagues to join me in this effort. I believe this legislation is a fair, balanced means of helping restore the confidence of the American people and boost historically low voter participation in Presidential elections.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Presidential Debates Act of 1992".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) American voters are increasingly frustrated with the lack of significant political debate in presidential elections in the United States, and voter participation in the United States is lower than in any other advanced industrialized country, due in part to such frustration;

(2) the right of eligible citizens to participate in the election process as informed voters, provided in and derived from the first and fourteenth amendments to the Constitution, has consistently been protected and promoted by the Federal Government;

(3) United States presidential debates sponsored by nonpartisan organizations offer important fora for free, open, and substantive exchanges of candidates' ideas, and should include all significant candidates, including non-major and independent candidates; and

(4) throughout United States history, significant minor party and independent candidates have often been a source for new ideas and new programs, offering American voters an opportunity to engage in a diverse and open political discourse on critical issues of the day.

(b) PURPOSES.—The purposes of this Act are to make participation in presidential debates a requirement for receipt of Federal general election campaign funds and to allow all candidates who meet the criteria outlined in this Act to participate in such debates.

SEC. 3. PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATE DEBATES.

Section 9003 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection;

"(e) PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATE DEBATES.—

"(1) AGREEMENT TO DEBATE.—In addition to meeting the requirements of subsection (a), (b), or (c), in order to be eligible to receive any payments under section 9006, the candidates for the office of President and Vice President in a Presidential election shall agree in writing that—

"(A) the Presidential candidate, if eligible under paragraph (3), will participate in not less than 3 Presidential candidate debates, which shall be held in the September and October preceding a Presidential general election at least 2 weeks before the election; and

"(B) the Vice Presidential candidate, if eligible under paragraph (3), will participate in not less than 1 Vice Presidential candidate debate, which shall be held prior to the third Presidential candidate debate.

"(2) DEBATE REQUIREMENTS.—

"(A) IN GENERAL.—Each debate under paragraph (1) shall—

"(i) be sponsored by a nonpartisan organization having no affiliation with any political party;

"(ii) include all candidates that meet the criteria stated in paragraph (3) (except any such candidate who elects not to receive payments under section 9006), who shall appear and participate in a regulated exchange of questions and answers on political, social, economic, and other issues; and

"(iii) be of at least 90 minutes' duration, of which not less than 30 minutes are devoted to questions and answers or discussion directly between the candidates, as determined by the sponsor of the debate.

"(B) ANNOUNCEMENT OF TIME, LOCATION, AND FORMAT.—The sponsor of debates shall announce the time, location, and format of each debate prior to the first Monday in September before the Presidential election.

"(3) CRITERIA FOR PARTICIPATION IN PRESIDENTIAL CANDIDATES DEBATES.—A candidate is eligible to participate in a debate under paragraph (1) if—

"(A) the candidate has qualified for the election ballot as the candidate of a political party or as an independent candidate to the office of President or Vice President in not less than 40 States;

"(B) the candidate met the requirements of section 9033(b) (3) and (4); or

"(C) the candidate raised not less than $500,000 on or after January 1 of the calendar year immediately preceding the calendar year of the Presidential election, as disclosed in a report filed pursuant to section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434).

"(4) ENFORCEMENT.—If the Commission, acting on its own or at the complaint of any person, determines that a Presidential or Vice Presidential candidate who is eligible to participate failed to participate in a debate under paragraph (1) and was responsible at least in part for that failure, the candidate shall pay to the Secretary an amount equal to the amount of the payments made to the candidate under section 9006.".

By Mr. MOYNIHAN:

S. 2214. A bill to authorize the Administrator of the Environmental Protection Agency to make grants to the States of New York and Connecticut for the purpose of demonstrating methods of improving water quality in Long Island Sound; to the Committee on Environment and Public Works.

LONG ISLAND SOUND RESTORATION ACT

Mr. MOYNIHAN. Mr. President, I rise today to introduce the Long Island Sound Restoration Act. This important legislation was originally introduced in the House of Representatives by my colleague, Representative ROBERT MRAZEK.

The Long Island Sound Restoration Act is a straightforward approach to addressing the severe water quality problems now facing the sound. The bill authorizes the Administrator of the Environmental Protection Agency to make grants totaling $50,000,000 in each of the next 5 fiscal years to the States of New York and Connecticut to carry out demonstration projects designed to address water quality problems in the sound.

I do hope that the bill will receive the Senate's fullest consideration.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2214

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Long Island Sound Restoration Act."

SEC. 2. LONG ISLAND SOUND DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Administrator shall carry out a demonstration program under which the Administrator may make grants on an annual basis to the States of New York and Connecticut in accordance with this section.

(b) PURPOSES.—The Administrator shall carry out the program under subsection (a)—

(1) to demonstrate methods of restoring and maintaining the water quality of designated bays and harbors of Long Island Sound at which water quality standards adopted pursuant to section 303 of the Federal Water Pollution Control Act have not been achieved or at which other significant water quality degradation gas occurred;

(2) to demonstrate the importance of controlling nonpoint sources of pollution in restoring and maintaining water quality;

(3) to enhance opportunities for water-dependent recreational activities, maintain a healthy ecosystem, protect and enhance marine life, minimize health risks associated with human consumption of shellfish and finfish, and ensure that social and economic benefits to the general public associated with Long Island Sound are advanced; and

(4) to advance goals and recommendations contained in the Comprehensive Conservation and Management Plan of the Long Island Sound Study developed pursuant to section 320 of the Federal Water Pollution Control Act.

(c) DESIGNATION OF BAYS AND HARBORS.—

(1) IN GENERAL.—In order to be eligible to receive grants under subsection (a), the States of New York and Connecticut shall each designate in accordance with paragraphs (2) and (3) bays and harbors of Long Island Sound at which the State plans to carry out eligible activities with amounts of such grants and transmit such designations to the Administrator.

(2) DESIGNATIONS BY STATE OF NEW YORK.—The State of New York shall designate pursuant to paragraph (1) one bay or harbor in each of the following 4 political subdivisions of the State of New York: Westchester County, Nassau County, Suffolk County, and New York City.

(3) DESIGNATIONS BY STATE OF CONNECTICUT.—The State of Connecticut shall designate pursuant to paragraph (1) one bay or harbor in 2 of the following 4 political subdivisions of the State of Connecticut; Fairfield County, New Haven County, Middlesex County, and New London County.

(4) PARTICIPATION OF MANAGEMENT COMMITTEE.—The States of New York and Connecticut shall each make designations pursuant to paragraph (1) in cooperation with the Management Committee of the Long Island Sound Study established pursuant to section 320 of the Federal Water Pollution Control Act.

(5) PARTICIPATION OF NEW YORK CITY.—The State of New York shall designate a bay or harbor in New York City pursuant to paragraph (1) in cooperation with the Mayor of New York City (or the designee of the Mayor).

(d) TERMS AND CONDITIONS.—The Administrator may make a grant to a State under subsection (a) only if the State enters into an agreement with the Administrator which contains the following terms and conditions for receipt of the grant:

(1) USE OF GRANT.—Except as provided in paragraph (3), all amounts of the grant shall be used by the State—

(A) to carry out eligible activities and a monitoring program pursuant to paragraph (4) at bays and harbors designated by the State pursuant to subsection (c); and

(B) to educate the public, in coordination with the office established pursuant to section 119 of the Federal Water Pollution Control Act, on the implementation and results of such eligible activities.

(2) DISTRIBUTION OF GRANTS AMOUNTS.—Equal amounts of the grant shall be used by the State for conducting eligible activities at each bay and harbor designated pursuant to subsection (c).

(3) ADMINISTRATIVE EXPENSES.—Not to exceed 1.5 percent of the amount of the grant may be used by the State for staff salaries and other administrative expenses incurred by the State in carrying out activities with the grant.

(4) MONITORING.—The State shall design and carry out a program for monitoring water quality at bays and harbors designated pursuant to paragraph (c) in order to determine the effectiveness of eligible activities being conducted by the State using amounts of the grant. Activities under such program shall be reviewed and evaluated by the Long Island Sound Study Scientific and Technical Advisory Committee and by the Long Island Sound Monitoring Work Group.

(5) REPORTING.—The State shall comply with reporting requirements contained in subsection (f).

(e) DISTRIBUTION OF GRANTS.—The Administrator shall use ⅔ of the amounts appropriated in a fiscal year to carry out this Act for making grants to the State of New York under subsection (a) and ⅓ of such amounts for making grants to the State of Connecticut under subsection (a).

(f) REPORTS.—

(1) REPORTS TO THE ADMINISTRATOR.—A State receiving a grant under subsection (a) shall transmit to the Administrator, not later than 18 months after the date of receipt of the grant and biennially thereafter for the term of the program under subsection (a), a report on eligible activities carried out by the State using amounts of the grant and on the results of the monitoring program carried out by the State pursuant to subsection (d)(4), including a summary of evaluations conducted pursuant to subsection (d)(4). Any such report may be transmitted as part of a report submitted by the State pursuant to section 320(h) of the Federal Water Pollution Control Act.

(2) REPORT TO CONGRESS.—On or before the last day of the 5th fiscal year beginning after the date of the enactment of this Act, the Administrator shall transmit to Congress a report on the results of the program conducted under subsection (a), together with an analysis on the extent to which the purposes described in subsection (b)(3) have been realized and recommendations for appropriate administrative and legislative actions.

(g) NON-FEDERAL SHARE.—The non-Federal share of the cost of activities carried out with amounts from grants under subsection (a) in a fiscal year shall be 30 percent. One-sixth of such non-Federal share shall be provided by sources in the locality in which such activities are carried out.

(h) DEFINITIONS.—For the purposes of this Act, the following definitions apply:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) ELIGIBLE ACTIVITY.—The term "eligible activity" means an activity conducted for the purpose of addressing one or more of the following problems:

(A) POLLUTANTS FROM NONPOINT SOURCES.—Urban and suburban runoff of pollutants into Long Island Sound from forestry, agriculture, and other land uses. Such pollutants include sediments associated with logging, pesticides, fertilizers, animal waste, litter, overflows from failing septic systems, leaching of contaminants from landfills, and discharges from coastal development and construction sites.

(B) WASTE FROM RECREATIONAL BOATS.—The discharge of waste into Long Island Sound from recreational boats and the leaching of antifouling paints.

(C) POLLUTANTS CARRIED BY RIVERS.—Pollutants which are carried by rivers into Long Island Sound.

(D) AIRBORNE POLLUTANTS.—Airborne pollutants which are emitted and attached to or absorbed by moisture and particles in the environment and which enter Long Island Sound.

(E) WETLANDS DEGRADATION.—The deterioration of tidal wetlands of Long Island Sound from their natural state and the adverse effects of such deterioration on nearshore habitat.

(F) POLLUTANTS FROM POINT SOURCES.—Pollutants discharged into Long Island Sound from a discharge pipe, sewage treatment plan, or industrial facility.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this Act $50,000,000 per fiscal year for each of the first 5 fiscal years beginning after the date of the enactment of this Act.

By Mr. MOYNIHAN:

S. 2215. A bill to clarify the provisions relating to the construction of additional court space in Brooklyn, NY; to the Committee on Environment and Public Works.

CONSTRUCTION OF ADDITIONAL COURT SPACE IN BROOKLYN

Mr. MOYNIHAN. Mr. President, might I spend a few minutes explaining the background of the Brooklyn courthouse project. Much has been made of this courthouse. And it should. But first some background.

The eastern district of New York, which includes Brooklyn, has one of the highest drug case loads in the Nation, as its jurisdiction covers LaGuardia and JFK Airports and the New York coastline. In 1989, the Judicial Conference of the United States, headed by Chief Justice Rehnquist, declared the Federal court in Brooklyn a "judicial space emergency." Not long thereafter, Senator D'AMATO and I wrote to the Administrator of the General Services Administration requesting that something be done.

The Administrator responded that he indeed had a plan. He would lease the Brooklyn Post Office in Cadman Plaza from the U.S. Postal Service and, while preserving the existing facade, reconstruct it as a new courthouse directly across the street from the court's present location. The Brooklyn Post Office is a spectacular building not unlike our old post office here on Pennsylvania Avenue.

This was a grand idea, and the judges approved. And, according to GSA, because it was a lease arrangement, it would not require an authorization or an appropriation.

But, all of a sudden, it was not to be so. I was notified by GSA on the day following the Appropriations Committee markup of the fiscal year 1992 Treasury, Postal Service and independent agencies appropriations bill, June 27, 1991, that the courthouse project did, after all, require an authorization and an appropriation.

Despite the late date, $10 million for the Brooklyn courthouse was included in the fiscal year 1992 appropriations bill through a manager's amendment offered on the Senate floor.

Once the appropriations bill was signed into law, I requested GSA to detail for me how they would spend the $10 million. As you know Mr. President, the first year of a building project is spent on design drawings before pick ever touches dirt. This $10 million could be used to keep the Brooklyn courthouse project moving forward. They are out of space in Brooklyn. Delay cannot be tolerated.

Representatives of Mr. Austin, the Administrator of the GSA, assured me that indeed the $10 million would be used this year to keep the Brooklyn project moving forward. But, they asked, would I introduce an amendment to help them move the project along? They drafted the amendment for inclusion in the Surface Transportation Act, which was passed.

Following passage of the act, OMB took the surprising action of scoring the cost of the courthouse against the highway program. As chairman of the Water Resources, Transportation and Infrastructure Subcommittee, with jurisdiction over GSA's public buildings program, I have authorized dozens of these projects and never, never have they been so scored before. But under our budget agreement, OMB is a court of no appeal. And in an act of true lunacy, the courthouse was scored not at its $400 million cost, but at $1 billion. The mind reels.

As the author of the Surface Transportation Program, I have no interest in reducing the highway program. And I said so. I wrote the administration on December 11, 1991, and told them of my intention.

Mr. President, let me summarize. The administration was, after repeated assurances to the contrary, ultimately unwilling to build the project as a lease arrangement. The administration then asked for the amendment on the Brooklyn courthouse, and it was included in the Surface Transportation Act. The administration drafted the amendment. The administration then scored the amendment as no building project has ever been scored before and at over twice the cost of the project.

Therefore, Mr. President, I am today introducing a bill to repeal the Brooklyn courthouse provision included in the 1991 Surface Transportation Act. It does not, however, ignore the emergency in Brooklyn. The bill continues to authorize funding for the courthouse through the normal appropriations process. The Brooklyn courthouse will be built, but not at the expense of the highway program. Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the obligation authority authorized by section 1095 of the Intermodal Surface Transportation Efficiency Act of 1991 shall not be treated as obligation authority established under the Act for purposes of section 1004 of such Act. Any reduction in obligation authority authorized in the Intermodal Surface Transportation Efficiency Act of 1991 resulting from the enactment of section 1095 is restored.

(b) Section 1095 of the Intermodal Surface Transportation Efficiency Act of 1991 is amended in the first sentence by inserting ", subject to appropriations," after "is authorized".

By Mr. DOLE (for himself and Mr. DOMENICI) (by request):

S. 2217. A bill to create jobs, promote economic growth, assist families, and promote health, education, savings, and home ownerships; to the Committee on Finance.

ECONOMIC GROWTH ACT

Mr. DOLE. Mr. President, Wednesday, I introduced the President's short-term growth package; today at the request of the President, Senator DOMENICI and I are proud to introduce the President's total budget package, including his pay-as-you-go initiatives totaling $98 billion in budget savings.

Without a doubt, one of the major successes of the 1990 budget agreement was the enactment of the pay-as-you-go concept. Pay-as-you-go budgeting was a fundamental change in the way Congress does business. For the first time in its history, Congress was forced to pay for—that's right—pay for new mandatory spending programs.

For the big spending crowd, the new discipline has been bitter medicine. On a number of occasions—including the extension of unemployment insurance—Congress tried to evade pay as you go by designating new spending an emergency. But, the President has hung tough, insisting that Congress live up to the 1990 budget agreement by offsetting new spending with spending cuts or new receipts.

Maybe Congress has gotten a little tired of being called to task by the President, because now the shrill voices inside the Washington beltway are calling the President's proposed pay-as-you-go offsets fuzzy and gimmicks. Well, the President's pay-as-you-go proposals are very real and represent tough choices. Let me assure you that if the cuts were truly smoke and mirrors, you would hear much less moaning from the big spenders in Washington.

Many of the President's proposals aren't just money raisers, they are good public policy, too. For example, the President's proposals to reform the banking system and shore up the Pension Guarantee Corporation are intended to prevent fiscal problems before they happen.

Other proposals, such as the reforms in Medicare and the Student Loan Program, are designed to shift entitlement benefits to those in greatest need away from those who can more than afford to pay their own way. I encourage all Democrats, who are so fond of grousing about fairness, to sit down and take a good hard look at these reforms.

The President has also proposed some innovative measures to permanently restrain spending through reform of the budget process. One of the most important is President Bush's proposed cap on mandatory spending. As the distinguished chairman of the Appropriations Committee has pointed out, domestic discretionary spending—as compared to entitlement spending—has been the runt of the Federal budget during the past two decades. If that imbalance is to change, Congress needs to adopt the President's plan to cap entitlement programs.

According to my calendar, Congress has 42 more days before the President's March 20 deadline. Today, February 7, 1992, we have both the President's short term growth plan and his total plan before us.

Let's quit our partisan bickering and get the job done. The President's growth initiative and budget will move the economy forward. His program will create jobs. And it is paid for with real pay-as-you-go discipline.

So, the President was right to challenge Congress. The American people are waiting for action. Frankly, they're getting a little tired of all the speeches and endless criticism they're hearing from Capitol Hill. They know talk is always cheaper than action; and they also know that another day is passing and we are 1 day further toward the President's deadline; one less day to make a difference.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2217

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Economic Growth Act of 1992".

SEC. 2. TABLE OF TITLES.

TITLE I—ENHANCED ECONOMIC RECOVERY ACT OF 1992
TITLE II—TAX RELIEF FOR FAMILIES ACT OF 1992
TITLE III—LONG TERM GROWTH ACT OF 1992
TITLE IV—FINANCIAL INSTITUTIONS SAFETY AND CONSUMER CHOICE ACT OF 1992
TITLE V—PENSION SECURITY ACT
TITLE VI—FEDERAL INSURANCE ACCOUNTING ACT OF 1992
TITLE VII—MEDICARE PREMIUM EQUITY AMENDMENTS OF 1992
TITLE VIII—MEDICARE BUDGET AMENDMENTS OF 1992
TITLE IX—AID TO FAMILIES WITH DEPENDENT CHILDREN SAVINGS SET-ASIDE AMENDMENTS OF 1992
TITLE X—FOOD STAMP AMENDMENTS OF 1992
TITLE XI—CHILD SUPPORT ENFORCEMENT AMENDMENTS OF 1992
TITLE XII—INCENTIVES FOR FAMILIES WITH ABSENT PARENTS TO COOPERATE WITH STATE AGENCIES UNDER THE SOCIAL SECURITY ACT IN SECURING CHILD SUPPORT FOR DEPENDENTS
TITLE XIII—PURPOSES AND DURATION OF EMERGENCY ASSISTANCE UNDER THE AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM
TITLE XIV—ENHANCE HEALTH INSURANCE COVERAGE FOR CHILDREN UNDER THE AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM
TITLE XV—CHILD NUTRITION AMENDMENTS OF 1992
TITLE XVI—SOCIAL SECURITY CROSS PROGRAM RECOVERY AMENDMENTS OF 1992
TITLE XVII—AMERICA 2000 EXCELLENCE IN EDUCATION ACT
TITLE XVIII—STUDENT FINANCIAL ASSISTANCE IMPROVEMENTS ACT OF 1992
TITLE XIX—NATIONAL ENERGY STRATEGY ACT
TITLE XX—ARCTIC COASTAL PLAIN COMPETITIVE OIL AND GAS LEASING ACT
TITLE XXI—COASTAL COMMUNITIES IMPACT ASSISTANCE ACT OF 1992
TITLE XXII—ALASKA POWER ADMINISTRATION SALE AUTHORIZATION ACT
TITLE XXIII—THE ACCESS TO JUSTICE ACT OF 1992
TITLE XXIV—HEALTH CARE LIABILITY REFORM AND QUALITY OF CARE IMPROVEMENT ACT
TITLE XXV—PRODUCT LIABILITY FAIRNESS ACT
TITLE XXVI—CIVIL LIBERTIES ACT AMENDMENTS OF 1992
TITLE XXVII—FEDERAL CREDIT AND DEBT MANAGEMENT ACT OF 1992
TITLE XXVIII—REDUCE CERTAIN COMMODITY CREDIT CORPORATION SUBSIDIES OF THOSE WITH OFF-FARM INCOME OF $100,000 OR MORE
TITLE XXIX—FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION REPAYMENT ACT OF 1992
TITLE XXX—RECOVER COSTS OF CARRYING OUT FEDERAL MARKETING AGREEMENTS AND ORDERS
TITLE XXXI—ELIMINATE PROVISIONS FOR PERMANENT ANNUAL APPROPRIATIONS TO SUPPORT LAND GRANT UNIVERSITIES
TITLE XXXII—POWER MARKETING ADMINISTRATION TIMELY PAYMENT ACT
TITLE XXXIII—EMERGING TELECOMMUNICATIONS TECHNOLOGIES ACT OF 1992
TITLE XXXIV—ENTERPRISE FOR THE AMERICAS ACT OF 1992
TITLE XXXV—REPEAL THE TRADE ADJUSTMENT ASSISTANCE PROGRAM
TITLE XXXVI—VA MEDICAL CARE COST RECOVERY AMENDMENT OF 1992
TITLE XXXVII—VETERANS' HOME LOAN IMPROVEMENT ACT OF 1992
TITLE XXXVIII—PERMANENT EXTENSION OF CERTAIN VETERANS-RELATED INCOME VERIFICATION AND PENSION PROVISIONS IN THE OMNIBUS BUDGET RECONCILIATION ACT OF 1990
TITLE XXXIX—TARGET ENTITLEMENT FOR VOCATIONAL REHABILITATION BENEFITS TO VETERANS WITH SERVICE-CONNECTED DISABILITIES RATED 30 PERCENT OR MORE; AND ADJUST MILITARY PAY REDUCTION FOR MONTGOMERY GI BILL PARTICIPANTS
TITLE XL—RETIREMENT MODIFICATION ACT OF 1992
TITLE XLI—CONFORM THE DEFINITION OF COMPENSATION UNDER THE RAILROAD RETIREMENT TAX ACT TO THAT UNDER THE FEDERAL INSURANCE CONTRIBUTIONS ACT
TITLE XLII—EXTEND THE DURATION OF THE PATENT AND TRADEMARK OFFICE USER FEE SURCHARGE THROUGH 1997
TITLE XLIII—EXPAND EXISTING ARMY CORPS OF ENGINEERS USER FEES FOR USE OF DEVELOPED RECREATIONAL SITES
TITLE XLIV—EXTEND AUTHORITY TO COLLECT ABANDONED MINE RECLAMATION FEES
TITLE XLV—FCC USER FEE
TITLE XLVI—LIMITATION ON MANDATORY SPENDING
TITLE XLVII—EXTENSION OF BUDGET ENFORCEMENT ACT AND APPLICATION TO CREDIT PROGRAMS
TITLE XLVIII—CONGRESSIONAL BUDGET REFORM ACT OF 1992
TITLE XLIX—LEGISLATIVE LINE ITEM VETO ACT OF 1992

TITLE I—ENHANCED ECONOMIC RECOVERY

SECTION 101. SHORT TITLE, ETC.

(a) SHORT TITLE.—This title may be cited as the "Enhanced Economic Recovery Act of 1992".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) SECTION 15 SHALL NOT APPLY.—Except as otherwise expressly provided, no amendment made by this title shall be treated as a change in rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

(d) TABLE OF CONTENTS.—

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Subtitle A—Provisions Relating to Capital Gains

SEC. 111. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by adding at the end thereof the following new section:

"SEC. 1202. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAINS.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under section 652 and 662 (relating to inclusion of amounts in gross income of beneficiaries of trusts), is includible by income beneficiaries (other than corporations) as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

"In the case of:	The applicable percentage is:
1-year gain	15
2-year gain	30
3-year gain	45

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) APPLICABLE CAPITAL GAIN.—The term 'applicable capital gain' means 1-year gain, 2-year gain, or 3-year gain determined by taking into account only gain which is properly taken into account on or after February 1, 1992.

"(2) 3-YEAR GAIN.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of qualified assets held more than 3 years.

"(3) 2-YEAR GAIN.—The term '2-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 3-year gain, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of qualified assets held more than 2 years but not more than 3 years.

"(4) 1-YEAR GAIN.—The term '1-year gain' means the net capital gain for the taxable year determined by taking into account only—

"(A) gain from the sale or exchange of assets held more than 1 year but not more than 2 years, and

"(B) losses from the sale or exchange of assets held more than 1 year.

"(5) SPECIAL RULES FOR GAIN ALLOCABLE TO PERIODS BEFORE 1994.—For purposes of this section—

"(A) GAIN ALLOCABLE TO PERIODS BEGINNING ON OR AFTER FEBRUARY 1, 1992 AND BEFORE 1993.—In the case of any gain from any sale or exchange which is properly taken into account for the period beginning on February 1, 1992 and ending on December 31, 1992, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 3-year gain.

"(B) GAIN ALLOCABLE TO 1993.—In the case of any gain from any sale or exchange which is properly taken into account for periods during 1993, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 2-year gain and 3-year gain, respectively.

"(6) SPECIAL RULES FOR PASS-THROUGH ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-through entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THROUGH ENTITY DEFINED.—For purposes of subparagraph (A), the term 'passthorough entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(7) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(C) for any taxable year—

"(A) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(B) the amount so allocated to any such gain shall reduce the amount of such gain."

(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b)(1) is amended by adding at the end thereof the following new subparagraph:

"(G) CAPITAL GAINS DEDUCTION DISALLOWANCE.—Except with respect to gains realized on the sale, exchange, or other disposition of a direct or indirect interest in real estate or in a closely-held business, the deduction under section 1202 shall not be allowed."

(d) CONFORMING AMENDMENTS.—

(1) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(2) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(3)(A) Subparagraph (B) of section 170(e)(1) is amended by inserting "the nondeductible percentage" before "the amount of gain".

(B) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b), or, in the case of a corporation, 100 percent."

(4)(A) Paragraph (2) of section 172(d) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(5)(A) Section 221 (as redesignated by section 224(a) of this Act) is amended to read as follows:

"SEC. 221. CROSS REFERENCES.

"(1) For deductions for net capital gains in the case of a taxpayer other than a corporation, see section 1202.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 (as amended by section 224(c) of this Act) is amended by striking "reference" in the item relating to section 221 and inserting "references".

(6) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income."

(7) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

(8) Subparagraph (C) of section 643(a)(6) is amended—

(A) by inserting "(i)" before "there", and

(B) by inserting ", and (ii) the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses) shall not be taken into account" before the period at the end thereof.

(9) Paragraph (4) of section 691(c) is amended by striking "1202, and 1211" and inserting "1201, 1202, and 1211".

(10) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(11) Paragraph (1) of section 1402(i) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(12)(A) Subparagraph (A) of section 7518(g)(6) is amended by striking the last sentence.

(B) Subparagraph (A) of section 607(h)(6) of the Merchant Marine Act of 1936, is amended by striking the last sentence.

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Reduction in capital gains tax for noncorporate taxpayers.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending on or after February 1, 1992.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning on or after February 1, 1993.

(B) SPECIAL RULE FOR 1992 TAXABLE YEAR.—In the case of any taxable year which includes February 1, 1992, for purposes of section 1202 of the Internal Revenue Code of 1986 and section 1(g) of such Code, any gain or loss from the sale or exchange of a collectible (within the meaning of section 1222(12) of such Code) shall be treated as gain or loss from a sale or exchange occurring before such date.

SEC. 112. RECAPTURE UNDER SECTION 1250 OF TOTAL AMOUNT OF DEPRECIATION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect to such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property, shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1968, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of enactment of the Enhanced Economic Recovery Act of 1992)", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subjection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subsection (d) of section 1250 is amended by striking paragraph (10).

(4) Section 1250 is amended by striking subsections (e) and (f) and by redesignating subsections (g) and (h) as subsections (e) and (f), respectively.

(5) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(6) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of enactment of the Enhanced Economic Recovery Act of 1992)".

(7)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5), as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subjection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragragh (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of enactment of the Enhanced Economic Recovery Act of 1992)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions made on or after February 1, 1992, in taxable years ending on or after such date.

Subtitle B—Provisions Relating to Passive Losses and Depreciation

SEC. 121. PASSIVE LOSS RELIEF FOR REAL ESTATE DEVELOPERS.

(a) TREATMENT OF REAL ESTATE DEVELOPMENT ACTIVITIES.—Subsection (c) of section 469 (relating to the limitation on passive activity losses and credits) is amended by adding at the end the following new paragraph:

"(7) REAL ESTATE DEVELOPMENT ACTIVITY.—The real estate development activity of a taxpayer shall be treated as a single trade or business activity that is not a rental activity."

(b) DEFINITION.—Subsection (j) of section 469 is amended by adding at the end thereof the following new paragraph:

"(13) REAL ESTATE DEVELOPMENT ACTIVITY.—

"(A) IN GENERAL.—The real estate development activity of a taxpayer shall include all activities of the taxpayer (determined without regard to subsection (c)(7) and this paragraph) in which the taxpayer actively participates and that consist of the performance of real estate development services and the rental of any qualified real property.

"(B) REAL ESTATE DEVELOPMENT SERVICES.—For purposes of this paragraph, real estate development sevices include only the construction, substantial renovation, and management of real property and the lease-up and sale of real property in which the taxpayer holds an interest of not less than 10 percent.

"(C) QUALIFIED REAL PROPERTY.—For purposes of this paragraph, the term "qualified real property" means any real property that was constructed substantially renovated in an activity of the taxpayer at a time when the taxpayer materially participated in such activity.

(c) EFFECTIVE DATE.—The amendments made by this section are effective for taxable years ending on or after December 31, 1992.

SEC. 122. SPECIAL ALLOWANCE FOR EQUIPMENT ACQUIRED IN 1992.

(A) IN GENERAL.—Section 168 is amended by adding at the end thereof the following new subsection:

"(j) SPECIAL RULE FOR EQUIPMENT ACQUIRED IN 1992.—

"(1) ADDITIONAL ALLOWANCE.—There shall be allowed, in addition to the reasonable allowance provided for by section 167(a), a depreciation deduction determined under paragraph (2) with respect to qualified equipment.

"(2) DETERMINATION OF ADDITIONAL ALLOWANCE.—

"(A) IN GENERAL.—The additional allowance shall equal 15 percent of the purchase price of the qualified equipment.

"(B) PURCHASE PRICE.—For purposes of paragraph (A), the purchase price of qualified equipment shall equal its cost to the taxpayer. In the case of self-constructed property that is qualified equipment under paragraph (4)(D), cost is determined on the date the property is placed in service.

"(3) WHEN ADDITIONAL ALLOWANCE MAY BE CLAIMED.—The additional allowance may be claimed in the tax year in which the qualified equipment is placed in service.

"(4) DEFINITIONS AND SPECIAL RULES.—

"(A) QUALIFIED EQUIPMENT.—For purposes of this subsection, the term 'qualified equipment' means property that—

"(i) is new property,

"(ii) is section 1245 property (within the meaning of section 1245(a)(3)),

"(iii) is—

"(I) acquired on or after February 1, 1992, but only if no binding contract for the acquisition was in effect before that date, or

"(II) acquired pursuant to a binding contract entered into on or after February 1, 1992, and before January 1, 1993,

"(iv) is placed in service before July 1, 1993, and

"(v) is not defined as disqualified property in regulations prescribed by the Secretary.

"(B) NEW PROPERTY.—For purposes of this paragraph, property is new property if the original use of the property commences with the taxpayer and commences on or after February 1, 1992. Except as otherwise provided in regulations, repaired or reconstructed property is not new property, regardless of the extent of the repairs or reconstruction.

"(C) ACQUIRE.—For purposes of this paragraph, a taxpayer is considered to 'acquire' property on the date the taxpayer obtains physical control or possession of the property, or on such other date as the Secretary may prescribe by regulations.

"(D) SPECIAL RULE FOR SELF-CONSTRUCTED PROPERTY.—If a taxpayer manufactures, constructs, or produces property for the taxpayer's own use, the property shall be treated as 'qualified equipment' only if—

"(i) the property meets the requirements of clauses (i), (ii), (iv), and (v) of paragraph (4)(A), and

"(ii) the taxpayer begins manufacturing, constructing, or producing the property on or after February 1, 1992, and before January 1, 1993.

"(E) COORDINATION WITH SECTION 280F.—In the case of a passenger automobile (within the meaning of section 280F(d)(5)) that is qualified equipment under this subsection, the Commissioner shall adjust the limitations of section 280F(a)(1) to take into account the additional allowance under this subsection. Consistent with the overall purpose of section 280F, such adjustments shall be based on the threshold cost at which the section 280F(a)(1) limitations begin to apply.

"(5) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection."

(b) BASIS ADJUSTMENTS.—Subsection (c) of section 167 is amended by adding at the end thereof the following new sentence: "If a taxpayer claims the additional allowance provided by section 168(j) with respect to qualified equipment in a taxable year, the basis of the qualified equipment is reduced under section 1016 by the amount of the additional allowance before the depreciation deduction under paragraph (a) is determined for that taxable year."

(c) ALTERNATIVE MINIMUM TAX.—Paragraph (1) of section 56(a) is amended—

(1) by inserting "or (iii)" after "(ii)" in subparagraph (A)(i), and

(2) by adding at the end thereof the following new clause:

"(iii) The additional allowance provided by section 168(j) for certain equipment shall apply in determining the amount of alternative minimum taxable income. The basis adjustment required for the additional allowance provided by section 168(j) shall be made before the depreciation deduction allowable in determining alternative minimum taxable income under this paragraph is determined."

(d) CROSS REFERENCE.—Subsection (e) of section 1016 is amended by adding at the end thereof the following new paragraph:

"(3) For the order in which basis adjustments should be made for depreciation in the case of property with respect to which the special additional allowance is claimed under section 168(j), see section 167(c)."

(e) EFFECTIVE DATE.—The amendments made by this section are effective February 1, 1992.

SEC. 123. ELIMINATION OF ACE DEPRECIATION ADJUSTMENT.

(a) GENERAL RULE.—Clause (i) of section 56(g)(4)(A) is amended to read as follows:

"(i) PROPERTY PLACED IN SERVICE AFTER 1989 AND PRIOR TO FEBRUARY 1, 1992.—The depreciation deduction with respect to any property placed in service—

"(I) in a taxable year beginning after 1989, and

"(II) prior to February 1, 1992, shall be determined under the alternative system of section 168(g).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply for property placed in service on or after February 1, 1992.

Subtitle C—Provisions Relating to Real Estate Investments by Pension Funds

SEC. 131. REAL PROPERTY ACQUIRED BY A QUALIFIED ORGANIZATION.

(a) INTERESTS IN MORTGAGES.—The last sentence of subparagraph (B) of section 514(c)(9) is hereby transferred to subparagraph (A) of section 514(c)(9) and added at the end thereof.

(b) MODIFICATIONS OF EXCEPTIONS.—Paragraph (9) of section 514(c) is amended by adding at the end thereof the following new subparagraph:

"(G) SPECIAL RULES FOR PURPOSES OF THE EXCEPTION.—For purposes of section 514(c)(9)(B), except as otherwise provided by regulations, the following additional rules apply—

"(i) IN GENERAL.—

"(I) For purposes of clauses (iii) and (iv) of subparagraph (B), a lease to a person described in clause (iii) or (iv) shall be disregarded if no more than 10 percent of the leasable floor space in a building is covered by the lease and if the lease is on commercially reasonable terms.

"(II) Clause (v) of subparagraph (B) shall not apply to the extent the financing is commercially reasonable and is on substantially the same terms as loans involving unrelated persons; for this purpose, standards for determining a commercially reasonable interest rate shall be provided by the Secretary.

"(ii) QUALIFYING SALES OUT OF FORECLOSURE BY FINANCIAL INSTITUTIONS.—In the case of a qualifying sale out of foreclosure by a financial institution, clauses (i) and (ii) of subparagraph (B) shall not apply. For this purpose, a 'qualifying sale out of foreclosure by a financial institution' exists where—

"(I) a qualified organization acquires real property from a person (a 'financial institution') described in sections 581 or 591(a) (including a person in receivership) and the financial institution acquired the property pursuant to a bid at foreclosure or by operation of an agreement or of process of law after a default on indebtedness which the property secured ('foreclosure'), and the financial institution treats any income realized from the sale or exchange of the property as ordinary income,

"(II) the amount of the financing provided by the financial institution does not exceed the amount of the financial institution's outstanding indebtedness (determined without regard to accrued but unpaid interest) with respect to the property at the time of foreclosure,

"(III) the financing provided by the financial institution is commercially reasonable and is on substantially the same terms as loans between unrelated persons for sales of foreclosed property (for this purpose, standards for determining a commercially reasonable interest rate shall be provided by the Secretary), and

"(IV) the amount payable pursuant to the financing that is determined by reference to the revenue, income, or profits derived from the property ('participation feature') does not exceed 25 percent of the principal amount of the financing provided by the financial institution, and the participation feature is payable no later than the earlier of satisfaction of the financing or disposition of the property."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to debt-financed acquisitions of real estate made on or after February 1, 1992.

SEC. 132. SPECIAL RULES FOR INVESTMENTS IN PARTNERSHIPS.

(a) MODIFICATION TO ANTI-ABUSE RULES.—Paragraph (9) of section 514(c) (as amended by section 131 of this Act) is amended by adding at the end thereof the following new subparagraph:

"(H) PARTNERSHIPS NOT INVOLVING TAX AVOIDANCE.—

"(i) DE MINIMIS RULE FOR CERTAIN LARGE PARTNERSHIPS.—The provisions of subparagraph (B) shall not apply to an investment in a partnership having at least 250 partners if—

"(I) investments in the partnership are organized into units that are marketed primarily to individuals expected to be taxed at the maximum rate prescribed for individuals under section 1,

"(II) at least 50 percent of each class of interests is owned by such individuals,

"(III) the partners that are qualified organizations owning interests in a class participate on substantially the same terms as other partners owning interests in that class, and

"(IV) the principal purpose of partnership allocations is not tax avoidance.

"(ii) EXCEPTION WHERE TAXABLE PERSONS OWN A SIGNIFICANT PERCENTAGE.—In the case of any partnership, other than a partnership to which clause (i) applies, in which persons who are expected (under the regulations to be prescribed by the Secretary), at the time the partnership is formed, to pay tax at the maximum rate prescribed in section 1 or 11 (whichever is applicable) throughout the term of the partnership own at least a 25 percent interest, the provisions of subparagraph (B) shall not apply if the partnership satisfies the requirements of subparagraph (E)."

(b) PUBLICLY TRADED PARTNERSHIPS; UNRELATED BUSINESS INCOME FROM PARTNERSHIPS.—Subsection (c) of section 512 is amended by striking paragraph (2) (relating to publicly traded partnerships), by redesignating paragraph (3) as paragraph (2), and by striking "paragraph (1) or (2)" in paragraph (2) (as so redesignated) and inserting "paragraph (1)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to partnership interests acquired on or after February 1, 1992.

Subtitle D—Provisions Affecting Homebuyers

SEC. 141. CREDIT FOR FIRST-TIME HOMEBUYERS.

(a) IN GENERAL.—Subpart A of part IV of chapter 1 is amended by inserting after section 22 the following new section:

"SEC. 23. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) ALLOWANCE OF CREDIT.—If an individual who is a first-time homebuyer purchases a principal residence (within the meaning of section 1034), there shall be allowed to such individual as a credit against the tax imposed by this subtitle an amount equal to 10 percent of the purchase price of the principal residence.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed under subsection (a) shall not exceed $5,000.

"(2) LIMITATION TO ONE RESIDENCE.—The credit under this section shall be allowed with respect to only one residence of the taxpayer.

"(3) MARRIED INDIVIDUALS FILING JOINTLY.—In the case of a husband and wife who file a joint return under section 6013, the credit under this section is allowable only if both the husband and wife are first-time homebuyers, and the amount specified under paragraph (1) shall apply to the joint return.

"(4) OTHER TAXPAYERS.—In the case of individuals to whom paragraph (3) does not apply who together purchase the same new principal residence for use as their principal residence, the credit under this section is allowable only if each of the individuals is a first-time homebuyer, and the sum of the amount of credit allowed to such individuals shall not exceed the lesser of $5,000 or 10 percent of the total purchase price of the residence. The amount of any credit allowable under this section shall be apportioned among such individuals under regulations to be prescribed by the Secretary.

"(5) APPLICATION WITH OTHER CREDITS.—

"(A) GENERAL RULE.—The credit allowed by subsection (a) for any taxable year shall not exceed the amount of the tax imposed by this chapter for the taxable year, reduced by the sum of any other credits allowable under this chapter.

"(B) CARRYFORWARD OF UNUSED CREDITS.—Any credit that is not allowed for the taxable year solely by reason of subparagraph (A) shall be carried forward to the succeeding taxable year and allowed as a credit for that taxable year. However, the credit shall not be carried forward more than 5 taxable years after the taxable year in which the residence is purchased.

"(6) YEAR FOR WHICH CREDIT ALLOWED.—Fifty percent of the credit allowed by subsection (a) shall be allowed in the taxable year in which the residence is purchased and the remaining fifty percent of the credit shall be allowed in the succeeding taxable year.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) PURCHASE PRICE.—The term 'purchase price' means the adjusted basis of the principal residence on the date of the acquisition thereof.

"(2) FIRST-TIME HOMEBUYER.—

"(A) IN GENERAL.—The term 'first-time homebuyer' means any individual if such individual has not had a present ownership interest in any residence (including an interest in a housing cooperative) at any time within the 36-month period ending on the date of acquisition of the residence on which the credit allowed under subsection (a) is to be claimed. An interest in a partnership, S corporation, or trust that owns an interest in a residence is not considered an interest in a residence for purposes of this paragraph except as may be provided in regulations.

"(B) CERTAIN INDIVIDUALS.—Notwithstanding subparagraph (A), an individual is not a first-time homebuyer on the date of purchase of a residence if on that date the running of any period of time specified in section 1034 is suspended under subsection (h) or (k) of section 1034 with respect to that individual.

"(3) SPECIAL RULES FOR CERTAIN ACQUISITIONS.—No credit is allowable under this section if—

"(A) the residence is acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under section 267 or 707(b), or

"(B) the basis of the residence in the hands of the person acquiring it is determined—

"(i) in whole or in part by reference to the adjusted basis of such residence in the hands of the person from whom it is acquired, or

"(ii) under section 1014(a) (relating to property acquired from a decedent).

"(d) RECAPTURE FOR CERTAIN DISPOSITIONS.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), if the taxpayer disposes of property with respect to the purchase of which a credit was allowed under subsection (a) at any time within 36 months after the date the taxpayer acquired the property as his principal residence, then the tax imposed under this chapter for the taxable year in which the disposition occurs is increased by an amount equal to the amount allowed as a credit for the purchase of such property.

"(2) ACQUISITION OF NEW RESIDENCE.—If, in connection with a disposition described in paragraph (1) and within the applicable period prescribed in section 1034, the taxpayer purchases a new principal residence, then the provisions of paragraph (1) shall not apply and the tax imposed by this chapter for the taxable year in which the new principal residence is purchased is increased to the extent the amount of the credit that could be claimed under this section on the purchase of the new residence (determined without regard to subsection (e)) is less than the amount of credit claimed by the taxpayer under this section.

"(3) DEATH OF OWNER; CASUALTY LOSS; INVOLUNTARY CONVERSION; ETC.—The provisions of paragraph (1) do not apply to—

"(A) a disposition of a residence made on account of the death of any individual having a legal or equitable interest therein occurring during the 36-month period to which reference is made under paragraph (1),

"(B) a disposition of the old residence if it is substantially or completely destroyed by a casualty described in section 165(c)(3) or compulsorily or involuntarily converted (within the meaning of section 1033(a)), or

"(C) a disposition pursuant to a settlement in a divorce or legal separation proceeding where the residence is sold or the other spouse retains the residence as a principal residence.

"(e) PROPERTY TO WHICH SECTION APPLIES.—

"(1) IN GENERAL.—The provisions of this section apply to a principal residence if—

"(A) the taxpayer acquires the residence on or after February 1, 1992, and before January 1, 1993, or

"(B) the taxpayer enters into, on or after February 1, 1992, and before January 1, 1993, a binding contract to acquire the residence, and acquires and occupies the residence before July 1, 1993."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of chapter 1 is amended by inserting after section 22 the following new item:

"Sec. 23. Purchase of principal residence by first-time homebuyer."

(c) EFFECTIVE DATE.—The amendments made by this section are effective on February 1, 1992.

SEC. 142. PENALTY-FREE WITHDRAWALS FOR FIRST HOME PURCHASE.

(a) IN GENERAL.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans), as amended by section 213 of the Act, is further amended by adding at the end thereof the following new subparagraph:

"(E) DISTRIBUTION FROM INDIVIDUAL RETIREMENT PLAN FOR FIRST HOME PURCHASE.—A distribution to an individual from an individual retirement plan with respect to which the requirements of paragraph (7) are met."

(b) DEFINITIONS.—Subsection (t) of section 72 is amended by adding at the end thereof the following new paragraph:

(6) REQUIREMENTS APPLICABLE TO FIRST HOME PURCHASE DISTRIBUTION.—For purposes of paragraph (2)(E)—

"(A) IN GENERAL.—The requirements of this paragraph are met with respect to a distribution if—

"(i) DOLLAR LIMIT.—The amount of the distribution does not exceed the excess (if any) of—

"(I) $10,000, over

"(II) the sum of the distributions to which paragraph (2)(E) previously applied with respect to the individual who is the owner of the individual retirement plan.

"(ii) USE OF DISTRIBUTION.—The distribution—

"(I) is made to or on behalf of a qualified first home purchaser, and

"(II) is applied within 60 days of the date of distribution to the purchase or construction of a principal residence of such purchaser.

"(iii) ELIGIBLE PLANS.—The distribution is not made from an individual retirement plan which—

"(I) is an inherited individual retirement plan (within the meaning of section 408(d)(3)(C)(ii)), or

"(II) any part of the contributions to which were excludable from income under section 402(c), 402(a)(7), 403(a)(4), or 403(b)(8).

"(B) QUALIFIED FIRST HOME PURCHASER.—For purposes of this paragraph, the term 'qualified first home purchaser' means the individual who is the owner of the individual retirement plan, but only if—

"(i) such individual (and, if married, such individual's spouse) had no present ownership interest in a residence at any time within the 36-month period ending on the date for which the distribution is applied pursuant to subparagraph (A)(ii), and

"(ii) subsection (h) or (k) of section 1034 did not suspend the running of any period of time specified in section 1034 with respect to such individual on the day before the date the distribution is applied pursuant to subparagraph (A)(ii).

"(C) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If any distribution from an individual retirement plan fails to meet the requirements of subparagraph (A) solely by reason of a delay or cancellation of the purchase or construction of the residence, the amount of the distribution may be contributed to an individual retirement plan as provided in section 408(d)(3)(A)(i), except that—

"(i) section 408(d)(3)(B) shall not be applied to such contribution, and

"(ii) such amount shall not be taken into account—

"(I) in determining whether section 408(d)(3)(A)(i) applies to any other amount, or

"(II) for purposes of subclause (II) of subparagraph (A)(i).

"(D) PRINCIPAL RESIDENCE.—For purposes of this paragraph, the term 'principal residence' has the meaning given such term by section 1034.

"(E) OWNER.—For purposes of this paragraph, the term 'owner' means, with respect to any individual retirement plan, the individual with respect to whom such plan was established."

(c) EFFECTIVE DATE.—the amendments made by this section shall apply to distributions on or after February 1, 1992.

TITLE II—TAX RELIEF FOR FAMILIES ACT OF 1992

SEC. 201. SHORT TITLE, ETC.

(a) SHORT TITLE.—This title may be cited as the "Tax Relief for Families Act of 1992".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) SECTION 15 SHALL NOT APPLY.—Except as otherwise expressly provided, no amendment made by this title shall be treated as a change in rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

(d) TABLE OF CONTENTS.—

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Subtitle A—Provisions Relating to Education and Savings

SEC. 211. DEDUCTION FOR INTEREST ON CERTAIN EDUCATIONAL LOANS.

(a) IN GENERAL.—Paragraph (2) of section 163(h) is amended by striking "and" at the end of subparagraph (D), by redesignating subparagraph (E) as subparagraph (F), and by inserting after subparagraph (D) the following new subparagraph:

"(E) any qualified educational interest (within the meaning of paragraph (5)), and".

(b) QUALIFIED EDUCATIONAL INTEREST DEFINED.—Subsection (h) of section 163 is amended by redesignating paragraph (5) as paragraph (6), and by inserting after paragraph (4) the following new paragraph:

"(5) For purposes of this subsection—

"(A) QUALIFIED EDUCATIONAL INTEREST.—The term "qualified educational interest" means interest which is paid during the taxable year on qualified educational indebtedness.

"(B) QUALIFIED EDUCATIONAL INDEBTEDNESS.—The term "qualified educational indebtedness" means any loan—

"(i) which is provided—

"(I) pursuant to a Federal, State, or State-based guarantee program or insurance program,

"(II) by an organization described in section 501(c)(3) and exempt from tax under section 501(a),

"(III) by a financial institution under a supplemental education program which requires that payments be made to the educational institution referred to in subparagraph (C)(i), or

"(IV) by an institution that is an eligible educational institution (defined in subparagraph (E)) on the date the loan is provided, and

"(ii) which is incurred to pay qualified educational expenses which are paid or incurred at a time that is reasonably contemporaneous (as defined in regulations prescribed by the Secretary) with the time the loan proceeds are received.

"(C) QUALIFIED EDUCATIONAL EXPENSES.—

"(i) IN GENERAL.—The term 'qualified educational expenses' means qualified tuition and related expenses of the taxpayer, the taxpayer's spouse or child (as defined in section 151(c)(3)) for attendance at an institution that is an eligible educational institution (as defined in subparagraph (E)) at the time of attendance, provided that the person in attendance at such institution is a qualified individual.

"(ii) QUALIFIED TUITION AND RELATED EXPENSES.—The term 'qualified tuition and related expenses' has the meaning given such term by section 117(b), except that such term shall include any reasonable living expenses of the qualified individual while living away from home and attending the educational institution referred to in clause (i).

"(iii) EXCLUSION OF REIMBURSED EXPENSES.—If the taxpayer, or the taxpayer's spouse or child, is reimbursed for tuition or a related expense by someone other than the taxpayer or the taxpayer's spouse or child, the tuition or related expense shall not be 'qualified tuition and related expenses' to the extent of the reimbursement.

"(iv) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified tuition and related expenses for any taxable year shall be reduced by any amount excludable from gross income for that year under section 135.

"(D) QUALIFIED INDIVIDUAL.—An individual is a 'qualified individual' if the individual—

"(i) is either—

"(I) a high school graduate, or

"(II) over 18 years of age, and

"(ii) is enrolled in a course of study—

"(I) leading to a degree or certificate, or

"(II) related to existing or future full-time employment.

"(E) ELIGIBLE EDUCATIONAL INSTITUTION.—An institution is an 'eligible educational institution' if it is described in section 481(a) of the Higher Education Act of 1965 and is eligible to participate in programs under title IV of such Act.

"(F) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this paragraph, including regulations—

"(i) precluding treatment of artificial loan arrangements as qualified educational indebtedness,

"(ii) specifying reasonable repayment terms for qualified educational indebtedness, and

"(iii) providing rules for the application of this paragraph to loans incurred before February 1, 1992."

(c) COORDINATION WITH QUALIFIED RESIDENCE INTEREST PROVISION.—

(1) LIMITATION.—Clause (ii) of section 163(h)(3)(C) is amended—

(i) by striking "(ii) LIMITATION.—The" and inserting the following:

"(ii) LIMITATIONS.—"

"(I) The",

(ii) by moving the text of such clause 2 ems to the right, and

(iii) by adding at the end thereof the following new subclause:

"(II) Except as provided in clause (iii), the aggregate amount treated as home equity indebtedness for any period (after the application of subclause (I)) shall be reduced by any amount treated by the taxpayer as qualified educational indebtedness under subsection (h)(5)."

(2) ELECTION.—Subparagraph (C) of section 163(h)(3) is amended by adding at the end thereof the following new clause:

"(iii) If the taxpayer elects not to treat otherwise qualified educational indebtedness as qualified educational indebtedness, the reduction required by subparagraph (C)(ii)(II) shall not apply for that taxable year."

(d) EXCLUSION FROM DEFINITION OF INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(3) (defining investment interest) is amended by striking "or" at the end of clause (i), striking the period at the end of clause (ii) and inserting ", or", and inserting after clause (ii) the following new clause:

"(iii) any qualified educational interest (as defined in subsection (h)(5)."

(e) INFORMATION REPORTING.—

(1) REPORTING REQUIREMENT.—Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new section:

"SEC. 60500. RETURNS RELATING TO EDUCATIONAL INTEREST.

"(a) EDUCATIONAL INTEREST OF $10 OR MORE.—Any person who receives from any individual interest aggregating $10 or more for any calendar year on an educational loan described in section 163(h)(5)(B) shall make the return described in subsection (b) with respect to each individual from whom such interest was received at such time as the Secretary may by regulations prescribe.

"(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

"(1) is in such form as the Secretary may prescribe,

"(2) contains—

"(A) the name and address of the individual from whom the interest described in subsection (a) was received,

"(B) the amount of such interest received for the calendar year, and

"(C) such other information as the Secretary may prescribe.

"(c) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required to be set forth in such return a written statement showing—

"(1) the name and address of the person required to make such return, and

"(2) the aggregate amount of interest described in subsection (a) received by the person required to make such return from the individual to whom the statement is required to be furnished.

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made."

(2) CLERICAL AMENDMENT.—The table of sections for such subpart B is amended by adding at the end thereof the following:

Sec. 60500. Returns regarding educational interest."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to interest paid on or after July 1, 1992.

SEC. 212. FLEXIBLE INDIVIDUAL RETIREMENT ACCOUNTS.

(a) IN GENERAL.—Subchapter B of chapter 1 (relating to computation of taxable income) is amended by adding at the end thereof the following new part:

"PART XII—FLEXIBLE INDIVIDUAL RETIREMENT ACCOUNTS

"Sec. 292. Special rules for flexible individual retirement accounts.

"SEC. 292. SPECIAL RULES FOR FLEXIBLE INDIVIDUAL RETIREMENT ACCOUNTS.

"(a) GENERAL RULE.—For purposes of this title, in the case of a flexible individual retirement account—

"(1) the taxation of such account shall be determined under subsection (d), and

"(2) the taxation of any distributions from such account shall be determined under subsection (e).

"(b) FLEXIBLE INDIVIDUAL RETIREMENT ACCOUNT DEFINED.—For purposes of this section, the term 'flexible individual retirement account' means a trust created or organized in the United States for the exclusive benefit of an individual and the individual's beneficiaries, but only if the written governing instrument creating the trust meets the following requirements:

"(1) No contribution will be accepted unless it is in cash, and contributions will not be accepted for the taxable year on behalf of any individual in excess of $2,500.

"(2) The trustee is a bank (as defined in section 408(n)) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the trust will be consistent with the requirements of this section.

"(3) No part of the trust assets will be invested in insurance contracts or collectibles (within the meaning of section 408(m)).

"(4) The interest of the individual in the balance in such individual's account is nonforfeitable.

"(5) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(c) CONTRIBUTIONS TO FLEXIBLE INDIVIDUAL RETIREMENT ACCOUNTS.—

"(1) FORM OF CONTRIBUTION.—No amount may be contributed to a flexible individual retirement account unless such amount is paid in cash by or on behalf of the individual for whom such account is maintained.

"(2) CONTRIBUTION LIMITS.—

"(A) IN GENERAL.—Except as provided in this subsection, the aggregate amount of contributions for any taxable year to all flexible individual retirement accounts maintained for the benefit of an individual shall not exceed the lesser of—

"(i) $2,500, or

"(ii) an amount equal to the compensation includible in the individual's gross income for such taxable year.

"(B) MARRIED INDIVIDUALS FILING JOINT RETURNS.—For purposes of subparagraph (A)(ii), in the case of married individuals filing a joint return under section 6013 for the taxable year, the compensation of each of such individuals for such taxable year shall be treated as equal to one-half of the aggregate compensation of both individuals.

"(C) COMPENSATION.—For purposes of this paragraph, the term 'compensation' has the meaning given such term by section 219(f)(1).

"(3) LIMITATION BASED ON ADJUSTED GROSS INCOME.—

"(A) IN GENERAL.—No contribution may be made during a taxable year to a flexible individual retirement account maintained for the benefit of the taxpayer if the taxpayer's adjusted gross income exceeds the applicable dollar amount.

"(B) APPLICABLE DOLLAR AMOUNT.—For purposes of this paragraph, the term 'applicable dollar amount' means—

"(i) in the case of a taxpayer filing a joint return, $120,000,

"(ii) in the case of a taxpayer who is a surviving spouse (as defined in section 2(a)) or who is a head of a household (as defined in section 2(b)), $100,000, or

"(iii) in the case of any other taxpayer, $60,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of a married individual filing a separate return whose adjusted gross income does not exceed the applicable dollar limit, such individual's adjusted gross income shall be treated as exceeding such limit if the aggregate adjusted gross income of such individual and the individual's spouse exceeds $120,000.

"(D) MARITAL STATUS.—Subparagraph (C) shall not apply to any individual who is not treated as married under the rules of section 219(g)(4).

"(E) ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'adjusted gross income' has the meaning given such term by section 219(g)(3)(A).

"(4) NO CONTRIBUTION IN CASE OF DEPENDENTS.—No contribution may be made during a taxable year to a flexible individual retirement account maintained for the benefit of an individual with respect to whom a deduction under section 151(c) is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual's taxable year begins.

"(5) TRANSFERS PERMITTED.—

"(A) IN GENERAL.—In the case of a transfer by a trustee of a flexible individual retirement account maintained for the benefit of an individual to a trustee of another flexible individual retirement account maintained for the benefit of such individual, such transfer shall not be treated as a contribution for purposes of this section.

"(B) INFORMATION PROVIDED.—A trustee making a transfer described in subparagraph (A) shall provide to the other trustee such information as the Secretary requires to carry out the purposes of this section.

"(d) TAX TREATMENT OF ACCOUNTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a flexible individual retirement account is exempt from taxation under this subtitle.

"(2) UNRELATED BUSINESS INCOME.—A flexible individual retirement account shall be subject to the tax imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc. organizations).

"(3) POOLING ARRANGEMENTS PERMITTED.—A common trust fund or common investment fund consisting of flexible individual retirement accounts assets which is exempt from taxation under this subtitle shall not be treated as failing to be exempt from taxation under this subtitle solely by reason of the participation or inclusion in such fund of assets of—

"(A) a trust exempt from taxation under section 501(a) which is part of a plan described in section 401(a), or

"(B) an individual retirement plan exempt from taxation under section 408(e)(1).

"(4) CESSATION OF TREATMENT AS ACCOUNT.—

"(A) IN GENERAL.—If during any taxable year of an individual for whom a flexible individual retirement account is maintained the requirements of subsection (b) are not met with respect to such account, the account shall cease to be a flexible individual retirement account as of the first day of such taxable year.

"(B) ACCOUNT TREATED AS DISTRIBUTING ALL ITS ASSETS.—In any case in which any account ceases to be a flexible individual retirement account by reason of subparagraph (A) on the first day of any taxable year, subsection (e) shall apply as if there were a distribution immediately before the account ceased to be a flexible individual retirement account in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

"(e) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as provided in this subsection, any amount paid or distributed out of a flexible individual retirement account shall not be included in the gross income of the distributee.

"(2) EXCEPTION FOR EARNINGS ON CONTRIBUTIONS HELD LESS THAN 7 YEARS.—

"(A) IN GENERAL.—Any amount distributed out of a flexible individual retirement account which consists of earnings allocable to contributions made to the account during the 7-year period ending on the day before such distribution shall be included in the gross income of the distributee for the taxable year in which the distribution occurs.

"(B) 10-PERCENT ADDITIONAL TAX ON EARNINGS ON CONTRIBUTIONS HELD LESS THAN 3 YEARS.—

"(i) IN GENERAL.—If any amount described in subparagraph (A) consists of earnings allocable to contributions made during the 3-year period ending on the day before the distribution, the tax imposed by this chapter on the distributee for the taxable year in which such distribution occurs shall be increased by an amount equal to 10 percent of such earnings.

"(ii) EXCEPTION FOR DISTRIBUTIONS ON DEATH.—Clause (i) shall not apply to distributions made to a beneficiary (or the estate of the individual) on the death of the individual.

"(C) ORDERING RULE.—

"(i) FIRST-IN, FIRST-OUT RULE.—Distributions from a flexible individual retirement account shall be treated as having been made—

"(I) first from the earliest contribution (and earnings allocable thereto) remaining in the account at the time of the distribution, and

"(II) then from other contributions (and earnings allocable thereto) in the order in which made.

"(ii) ALLOCATIONS BETWEEN CONTRIBUTIONS AND EARNINGS.—Any portion of a distribution allocated to a contribution (and earnings allocable thereto) shall be treated as allocated first to the earnings and then to the contribution.

"(iii) ALLOCATION OF EARNINGS.—Earnings shall be allocated to a contribution in such manner as the Secretary may by regulations prescribe.

"(iv) CONTRIBUTIONS IN THE SAME YEAR.—Under regulations, all contributions made during the same taxable year may be treated as 1 contribution for purposes of this subparagraph.

"(3) OTHER AMOUNTS TREATED AS DISTRIBUTIONS.—For purposes of this subsection—

"(A) IN GENERAL.—In the case of any distributable event—

"(i) there shall be treated as distributed during the taxable year in which the event occurs to the individual for whom the flexible individual retirement account is maintained an amount equal to the distributable amount, and

"(ii) any earnings after the date of the distributable event which (as determined under regulations) are allocable to the distributable amount shall be treated as distributed to such individual in the taxable year in which earned.

"(B) TAX TREATMENT OF AMOUNTS.—

"(i) IN GENERAL.—Except as provided in this subparagraph, paragraph (2) shall apply to any amount treated as distributed under subparagraph (A).

"(ii) SUBSEQUENT EARNINGS.—Notwithstanding paragraph (2), any earnings treated as distributed under subparagraph (A)(ii)—

"(I) shall be included in gross income in the taxable year in which treated as distributed, and

"(II) shall be subject to the additional tax under paragraph (2)(B) for such taxable year, except that paragraph (2)(B) shall be applied by substituting '20 percent' for '10 percent'.

"(iii) EXCEPTION FOR EXCESS CONTRIBUTIONS.—In the case of a distributable event described in subparagraph (C)(ii) (relating to excess contributions) which occurs by reason of a contribution not permitted under subsection (c)(4), any amount required to be included in gross income (or any additional tax imposed) by reason of this paragraph shall be included in the gross income of (or imposed on) the taxpayer entitled to the deduction under section 151(c) for the individual for whom the account is maintained.

"(iv) ACTUAL DISTRIBUTIONS.—If any portion of any distributable amount and any earnings allocable to such amount are actually distributed from the account during any taxable year, this paragraph shall cease to apply to any earnings attributable to such portion for periods following such distribution.

"(C) DISTRIBUTABLE EVENT.—For purposes of this paragraph, the following are distributable events:

"(i) The use of a flexible individual retirement account (or any portion thereof) as security for a loan.

"(ii) Except as provided in paragraph (4), a contribution to a flexible individual retirement account in excess of the amount allowed under subsection (c).

"(iii) Any other event to the extent, and subject to such terms and conditions, as the Secretary may prescribe by regulations in order to accomplish the purposes of, or to prevent abuse of, this section.

"(D) DISTRIBUTABLE AMOUNT.—For purposes of this paragraph, the term 'distributable amount' means the following:

"(i) In the case of a distributable event described in subparagraph (C)(i), the amount in the account used as security for a loan.

"(ii) In the case of a distributable event described in subparagraph (C)(ii), the amount of the excess contribution.

"(iii) In any other case, the amount determined under regulations.

"(4) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—

"(A) IN GENERAL.—Paragraph (2) shall not apply to the distribution of any contribution paid during a taxable year to a flexible individual retirement account to the extent that such contribution exceeds the amount allowable under subsection (c) by reason of paragraphs (3) or (4) thereof if—

"(i) at the time of making such contribution, the taxpayer in good faith believed that—

"(I) in any case to which subsection (c)(3) applies, the taxpayer's adjusted gross income would not exceed the applicable dollar limit under subsection (c)(3), or

"(II) in any case to which subsection (c)(4) applies, the individual for whom the account is maintained would not be the dependent of any individual for purposes of section 151(c),

"(ii) such distribution is received on or before the last day of the taxable year following such taxable year, and

"(iii) such distribution is accompanied by the amount of earnings actually attributable to such excess contribution.

"(B) LIMITATION ON AMOUNT.—Subparagraph (A) shall apply only to that portion of the amount of the distributions which does not exceed the limitation under subsection (c)(2) (and earnings actually attributable to such portion).

"(C) EARNINGS.—Any earnings described in subparagraph (A)(iii) shall be included in the gross income of the individual for whom the account is established (or in the case described in subclause (II) of subparagraph (A)(i), the taxpayer entitled to the deduction under section 151(c)) for the taxable year in which it is received.

"(5) TRANSFERS.—

"(A) IN GENERAL.—Paragraph (2) shall not apply to any distribution which is a transfer to which subsection (c)(5) applies.

"(B) CONTRIBUTION PERIOD FOR AMOUNTS TRANSFERRED.—For purposes of paragraph (2), the flexible individual retirement account to which any amounts are transferred in a transfer to which subsection (c)(5) applies shall be treated as having held such amounts during any period such amounts were held (or treated as held under this subparagraph) by the account from which transferred.

"(6) TRANSFER OF ACCOUNT INCIDENT TO DIVORCE.—Rules similar to the rules of section 408(d)(6) shall apply to a flexible individual retirement account.

"(f) OTHER RULES.—

"(1) DISALLOWANCE OF LOSSES.—No loss shall be allowed in connection with a contribution to, or distribution from, a flexible individual retirement account.

"(2) DISTRIBUTION INCLUDES PAYMENT.—For purposes of this section, the term 'distribution' includes any payment, and the term 'distributee' includes any payee.

"(3) COMMUNITY PROPERTY LAWS.—This section shall be applied without regard to any community property laws.

"(4) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if—

"(A) The assets of such account are held by a bank (as defined in section 408(n)) or such other person who demonstrates, to the satisfaction of the Secretary, that the manner in which such other person will administer the account will be consistent with the requirements of this section, and

"(B) the custodial account would, except for the fact that it is not a trust, constitute a flexible individual retirement account described in subsection (b).

For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(g) REPORTS.—The trustee of a flexible individual retirement account shall make such reports regarding such account to the Secretary and to the individual for whose benefit the account is maintained with respect to contributions (and the years to which such contributions relate), distributions and such other matters as the Secretary may require under regulations. Such reports shall be filed with the Secretary and furnish to such individuals at such time and in such manner as the Secretary may prescribe.

"(h) CERTAIN TRANSFERS FROM INDIVIDUAL RETIREMENT PLANS.—

"(1) QUALIFIED TRANSFERS NOT TREATED AS CONTRIBUTIONS.—A qualified transfer from an individual retirement plan to a flexible individual retirement account shall not be treated as a contribution for purposes of this section.

"(2) TAX TREATMENT OF AMOUNTS TRANSFERRED.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, in the case of a qualified transfer—

"(i) there shall be included in gross income any amount which, but for the qualified transfer, would be includible in gross income, but

"(ii) section 72(t) shall not apply to such amount.

"(B) TIME FOR INCLUSION.—Any amount includible in gross income under subparagraph (A) with respect to the amount transferred shall be includible ratably over the 4-taxable year period beginning in the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(3) QUALIFIED TRANSFER.—For purposes of this section, the term 'qualified transfer' means a transfer to a flexible individual retirement account that—

"(A) is made from an individual retirement plan out of amounts that are not attributable to contributions that were excludable from income under sections 402(a)(5), 402(a)(7), 403(a)(4), or 403(b)(8),

"(B) is made to a flexible individual retirement account contributions to which are not prohibited under paragraphs (3) or (4) of subsection (c),

"(C) meets the requirements of section 408(d)(3), and

"(D) is made between February 1, 1992 and December 31, 1992.

"(i) CROSS REFERENCE.—

"For taxes on prohibited transactions involving a flexible individual retirement account, see section 4975."

(b) TAX ON PROHIBITED TRANSACTIONS.—Section 4975 (relating to prohibited transactions) is amended—

(1) by inserting ", or a flexible individual retirement account described in section 292(b)" after "described in section 408(b)" in subsection (e)(1), and

(2) by adding at the end of subsection (h) the following new sentence: "This subsection shall not apply to any tax imposed with respect to a flexible individual retirement account (as defined in section 292(b))."

(c) FAILURE TO PROVIDE REPORTS ON FLEXIBLE INDIVIDUAL RETIREMENT ACCOUNTS.—Section 6693 (relating to a failure to provide reports on individual retirement accounts or annuities) is amended—

(1) by inserting **"OR ON FLEXIBLE INDIVIDUAL RETIREMENT ACCOUNTS"** after **"ANNUITIES"** in the heading of such section, and

(2) by adding at the end of subsection (a) the following new sentence: "The person required by section 292(g) to file a report regarding a flexible individual retirement account at the time and in the manner required by such section shall pay a penalty of $50 for each failure unless it is shown that such failure is due to reasonable cause."

(d) COMMON FUNDS.—Section 408(e)(6) is amended to read as follows:

"(6) COMMINGLING INDIVIDUAL RETIREMENT ACCOUNT AMOUNTS IN CERTAIN COMMON TRUST FUNDS AND COMMON INVESTMENT FUNDS.—Any common trust fund or common investment fund consisting of individual retirement account assets which is exempt from taxation under this subtitle does not cease to be exempt on account of the participation or inclusion of assets of—

"(A) a trust exempt from taxation under section 501(a) which is part of a plan described in section 401(a), or

"(B) a flexible individual retirement account exempt from taxation under section 292."

(e) CLERICAL AMENDMENTS.—

(1) The table of parts for subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Part XII. Flexible individual retirement accounts."

(2) The table of sections for subchapter B of chapter 68 is amended by inserting "or on flexible individual retirement accounts" after "annuities" in the item relating to section 6693.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 213. PENALTY-FREE WITHDRAWALS FOR CERTAIN EDUCATIONAL AND MEDICAL EXPENSES.

(a) IN GENERAL.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end thereof the following new subparagraph:

"(D) DISTRIBUTIONS FROM CERTAIN PLANS FOR EDUCATIONAL EXPENSES.—Distributions to an individual from an individual retirement plan to the extent such distributions do not exceed the qualified higher education expenses (as defined in paragraph (6)) of the taxpayer for the taxable year."

(b) FINANCIALLY DEVASTATING MEDICAL EXPENSES.—

(1) IN GENERAL.—Section 72(t)(3)(A) is amended by striking "(B),".

(2) APPLICATION OF MEDICAL RULES TO CERTAIN RELATIVES.—Section 72(t)(2)(B) is amended by adding at the end thereof the following new sentence: "For purposes of this subparagraph, a child, grandchild, or lineal ascendant of the taxpayer shall be treated as a dependent of the taxpayer in applying section 213."

(c) DEFINITIONS.—Section 72(t) is amended by adding at the end thereof the following new paragraph:

"(6) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of paragraph (2)(D)—

"(A) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(i) the taxpayer,

"(ii) the taxpayer's spouse, or

"(iii) the taxpayer's child (as defined in section 151(c)(3)),

at an eligible educational institution (as defined in section 163(h)(5)(E)).

"(B) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments and distributions on or after February 1, 1992.

Subtitle B—Other Provisions

SEC. 221. CASUALTY LOSS ON SALE OF HOME; BASIS ADJUSTMENT.

(a) CASUALTY LOSS.—Paragraph (3) of section 165(c) is amended by striking the period and inserting ", or from the sale of a principal residence (within the meaning of section 1034)."

(b) $100 LIMITATION TO APPLY.—Paragraph (1) of section 165(h) is amended by inserting ", or from each sale of a principal residence," after "theft,".

(c) BASIS ADJUSTMENT.—Section 1016 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) INCREASE IN BASIS OF NEW PRINCIPAL RESIDENCE.—

"(1) IN GENERAL.—If—

"(A) the taxpayer sells property used by the taxpayer as his principal residence (within the meaning of section 1034) ('the old principal residence') and realizes a loss on the sale, and

"(B) the taxpayer purchases a new principal residence (within the meaning of section 1034) within the time period described in section 1034(a) (and taking into account any suspension of such period under section 1034(h) or (k)),

the basis of the new principal residence shall be increased by the amount of the loss realized on the sale of the old principal residence, less the amount treated under regulations prescribed by the Secretary as a casualty loss arising from the sale of the old principal residence.

"(2) REGULATIONS.—The Secretary shall prescribe regulations for determining the amount that shall be treated as a casualty loss arising from the sale of the old principal residence."

(d) CROSS REFERENCES.—

(1) Subsection (m) of section 165 is amended by adding at the end thereof the following new paragraph:

"(6) For adjustments to basis of a new principal residence where a loss is claimed under this section on sale of a principal residence, see section 1016(e) and section 1034."

(2) Subsection (l) of section 1034 is amended by adding at the end thereof the following new sentence: "For adjustments to basis of the new principal residence on sale of the old principal residence at a loss, see section 1016(e)."

(3) The heading of paragraph (1) of section 1034 is amended by striking "REFERENCE" and inserting "REFERENCES".

(e) EFFECTIVE DATE.—

(1) CASUALTY LOSS.—The amendments made by subsections (a) and (b) apply to sales of principal residences on or after February 1, 1992.

(2) BASIS ADJUSTMENT.—The amendments made by subsections (c) and (d) apply to sales of principal residences on or after January 1, 1991.

SEC. 222. FAMILY TAX ALLOWANCE.

(a) GENERAL RULE.—Paragraph (1) of section 151(d) (defining exemption amount) is amended to read as follows:

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'exemption amount' means—

"(A) $2,000, or

"(B) in the case of an exemption under subsection (c) for a child who has not attained age 19 before the close of the calendar year in which the taxable year begins—

"(i) $2,425 for taxable years beginning in 1992, and

"(ii) $2,800 for taxable years beginning in 1993 and subsequent years."

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 151(d)(3) of such Code is amended by striking "the exemption amount" and inserting "each dollar amount in effect under paragraph (1) (after any adjustment under paragraph (4))".

(2) Subparagraph (A) of section 151(d)(4) of such Code is amended—

(A) by striking "the dollar amount contained in" and inserting "the dollar amounts contained in subparagraph (A) and subparagraph (B)(ii) of", and

(B) by adding at the end thereof the following new sentence: "In the case of the $2,800 amount contained in subparagraph (B)(ii), the preceding sentence shall be applied by substituting '1992' for '1989' the first place it appears, and by substituting '1991' for '1988'."

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective October 1, 1992.

SEC. 223. EXTEND HEALTH INSURANCE DEDUCTION FOR SELF-EMPLOYED.

(a) EXTENSION.—Paragraph (6) of section 162(l) (relating to special rules for health insurance costs of self-employed individuals) is amended by striking "June 30, 1992" and inserting "December 31, 1993".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 224. ADOPTION EXPENSES.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 is amended by redesignating section 220 as section 221 and by inserting after section 219 the following new section:

"SEC. 220. SPECIAL NEEDS ADOPTION EXPENSES DEDUCTION.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction for the taxable year the amount of the qualified adoption expenses paid or incurred by the individual for such taxable year.

"(b) LIMITATIONS.—

"(1) MAXIMUM DOLLAR AMOUNT.—The aggregate amount of adoption expenses which may be taken into account under subsection (a) with respect to the adoption of a child shall not exceed $3,000.

"(2) DENIAL OF DOUBLE BENEFIT.—

"(A) IN GENERAL.—No deduction shall be allowable under subsection (a) for any expense for which a deduction or credit is allowable under any other provision of this chapter.

"(B) REIMBURSEMENTS.—No deduction shall be allowable under subsection (a) for any qualified adoption expenses for which a taxpayer is reimbursed. If a taxpayer is reimbursed for qualified adoption expenses for which a deduction was allowed under subsection (a) in a prior taxable year, the amount of such reimbursement shall be includible in the gross income of the taxpayer in the taxable year in which such reimbursement is received.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED ADOPTION EXPENSES.—The term 'qualified adoption expenses' means reasonable and necessary adoption fees, court costs, attorneys fees, and other expenses which—

"(A) are directly related to the legal adoption of a child with special needs by the taxpayer,

"(B) are not incurred in violation of State or Federal law, and

"(C) are of a type eligible for reimbursement under the adoption assistance program under part E of title IV of the Social Security Act.

"(2) CHILD WITH SPECIAL NEEDS.—The term 'child with special needs' means any child determined by the State to be a child described in paragraphs (1) and (2) of section 473(c) of the Social Security Act."

(b) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMIZES DEDUCTIONS.—Subsection (a) of section 62 is amended by inserting after paragraph (13) the following new paragraph:

"(14) ADOPTION EXPENSES.—The deduction allowed by section 220 (relating to deduction for expenses of adopting a child with special needs)."

(c) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 is amended by striking the item relating to section 220 and by inserting the following new items:

"Sec. 220. Special needs adoption expenses deduction.

"Sec. 221. Cross reference."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to adoptions on or after February 1, 1992.

SEC. 225. PUBLIC TRANSIT FRINGE BENEFIT EXCLUSION.

(a) Paragraph (4) of section 132(h) (providing special rules for determining the fringe benefits excluded from income under section 132) is amended to read as follows:

"(4) CERTAIN EMPLOYER-PROVIDED TRANSPORTATION EXPENSES.—The term 'working condition fringe' includes—

"(A) parking provided to an employee on or near the business premises of the employer, and

"(B) passes, tokens, fare cards, tickets or similar instruments for commuting by public transit provided to an employee at a discount by the employer, or reimbursements by the employer to cover all or part of the costs of such instruments, to the extent that the total amount of such discounts or reimbursements does not exceed $60 per month."

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective for discounts and reimbursements provided on or after February 1, 1992.

TITLE III—LONG TERM GROWTH ACT OF 1992

SEC. 301. SHORT TITLE, ETC.

(a) SHORT TITLE.—This title may be cited as the "Long Term Growth Act of 1992".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) SECTION 15 SHALL NOT APPLY.—Except as otherwise expressly provided, no amendment made by this title shall be treated as a change in rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

(d) TABLE OF CONTENTS.—

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Subtitle A—Extension of Expiring Provisions

SEC. 311. CREDIT FOR RESEARCH AND EXPERIMENTATION.

(a) PERMANENT CREDIT.—Section 41 (relating to the credit for increasing research activities) is amended by striking subsection (h).

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 28(b) is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after June 30, 1992.

SEC. 312. ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES.

(a) EXTENSION.—Paragraph (5) of section 864(f) (relating to allocation of research and experimental expenditures) is amended to read as follows:

"(5) YEARS TO WHICH RULE APPLIES.—This subsection shall apply to the taxpayer's first 4 taxable years beginning after August 1, 1989, and on or before August 1, 1993."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after August 1, 1991.

SEC. 313. EXTENSION OF LOW-INCOME HOUSING CREDIT.

(a) EXTENSION.—

(1) Paragraph (1) of section 42(o) is amended—

(A) by striking "to any amount allocated after June 30, 1992" and inserting "for any calendar year after 1993", and

(B) by striking "June 30, 1992" in subparagraph (B) and inserting "1993".

(2) Paragraph (2) of section 42(o) is amended—

(A) by striking "July 1, 1992" each place it appears and inserting "1994",

(B) by striking "June 30, 1992" in subparagraph (B) and inserting "December 31, 1993",

(C) by striking "June 30, 1994" in subparagraph (B) and inserting "December 31, 1995", and

(D) by striking "July 1, 1994" in subparagraph (C) and inserting "January 1, 1996".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years after 1991.

SEC. 314. EXTENSION OF TARGETED JOBS TAX CREDIT.

(a) EXTENSION.—Section 51(c)(4) is amended by striking "June 30, 1992" and inserting "December 31, 1993".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals who begin work after June 30, 1992.

SEC. 315. EXTENSION OF SOLAR AND GEOTHERMAL INVESTMENT CREDIT.

(a) EXTENSION.—Section 48(a)(2)(B) is amended by striking "June 30, 1992" and inserting "December 31, 1993".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to periods after June 30, 1992.

SEC. 316. QUALIFIED SMALL ISSUE BONDS.

(a) IN GENERAL.—Subparagraph (B) of section 144(a)(12) (relating to manufacturing facilities and farm property) is amended to read as follows:

"(B) BONDS ISSUED TO FINANCE FARM PROPERTY.—In the case of any bond issued as part of an issue, 95 percent or more of the net proceeds of which are to be used to provide any land or property in accordance with section 147(c)(2), subparagraph (A) shall be applied by substituting 'December 31, 1993' for 'December 31, 1986' ".

(b) CONFORMING AMENDMENT.—Section 144(a)(12) (defining manufacturing facility) is amended by striking subparagraph (c).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after June 30, 1992.

SEC. 317. QUALIFIED MORTGAGE BONDS.

(a) IN GENERAL.—Subparagraph (B) of section 143(a)(1) (defining qualified mortgage bond) is amended by striking "June 30, 1992" and inserting "December 31, 1993".

(b) MORTGAGE CREDIT CERTIFICATES.—Subsection (h) of section 25 (relating to interest on certain home mortgages) is amended by striking "June 30, 1992" and inserting "December 31, 1993".

(c) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) shall apply to bonds issued after June 30, 1992.

(2) The amendment made by subsection (b) shall apply to elections for periods after June 30, 1992.

SEC. 318. EXPENSES FOR DRUGS FOR RARE CONDITIONS.

(a) IN GENERAL.—Section 28 (relating to clinical testing expenses for certain drugs for rare diseases or conditions) is amended by striking subsection (e).

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective on the date of enactment of this Act.

Subtitle B—Provisions Relating to Enterprise Zones

PART I—GENERAL PROVISIONS

SEC. 321. SHORT TITLE.

This subtitle may be cited as the "Enterprise Zone—Jobs Creation Act of 1992".

SEC. 322. PURPOSE.

It is the purpose of this subtitle to provide for the establishment of enterprise zones in order to stimulate entrepreneurship, particularly by zone residents, the creation of new jobs, particularly for disadvantaged workers and long-term unemployed individuals, and to promote revitalization of economically distressed areas primarily by providing or encouraging—

(1) tax relief at the Federal, State, and local levels,

(2) regulatory relief at the Federal, State, and local levels, and

(3) improved local services and an increase in the economic stake of enterprise zone residents in their own community and its development, particularly through the increased involvement of private, local, and neighborhood organizations.

SEC. 323. EFFECTIVE DATE.

The amendments made by this subtitle shall take effect on January 1, 1992.

PART II—DESIGNATION OF ENTERPRISE ZONES

SEC. 324. DESIGNATION OF ZONES.

(a) General Rule.—Chapter 80 of subtitle F (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"Subchapter D.—Designation of Enterprise Zones

"Sec. 7880. Designation

"SEC. 7880. DESIGNATION.

"(a) Designation of Zones.—

"(1) Definition.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior, designates as an enterprise zone.

"(2) Authority to designate.—The Secretary of Housing and Urban Development is authorized to designate enterprise zones in accordance with the provisions of this section.

"(3) Limitations on designations.—

"(A) Publication of regulations.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area, and

"(ii) the procedures for designation as an enterprise zone, including a method for comparing courses of action under subsection (d) proposed for nominated areas, and the other factors specified in subsection (e).

"(B) Time limitations.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 48-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) January 1, 1992.

"(C) Number of designations.—

"(i) In general.—The Secretary of Housing and Urban Development may designate—

"(I) not more than 50 nominated areas as enterprise zones under this section, and

"(II) not more than 15 nominated areas as enterprise zones during the 12-month period beginning on the date determined under subparagraph (B), not more than 30 by the end of the 24-month period beginning on that date, not more than 45 by the end of the 36-month period beginning on that date, and not more than 50 by the end of the 48-month period beginning on that date.

"(ii) Minimum designation in rural areas.—Of the areas designated as enterprise zones, at least one-third must be areas that are—

"(I) within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined using the most recent census data available),

"(II) outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B), or

"(III) determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) Procedural rules.—The Secretary of Housing and Urban Development shall not make any designations under this section unless—

"(i) the State and local governments in which the nominated area is located have the authority to—

"(I) nominate such area for designation as an enterprise zone,

"(II) make the State and local commitments under subsection (d), and

"(III) provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled, and

"(ii) a nomination therefor is submitted by such State and local governments in such a manner in such form, and containing such information, as the Secretary of Housing and Urban Development shall prescribe by regulation.

"(4) Nomination process for Indian reservations.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) Time Period for Which Designation is in Effect—

"(1) In general.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date specified by the State and local governments as provided in the nomination submitted in accordance with subsection (a)(3)(D)(ii),

"(C) such other date as the Secretary of Housing and Urban Development shall specify as a condition of designation, or

"(D) the date upon which the Secretary of Housing and Urban Development revokes such designation.

"(2) Revocation of designation.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that a State or local government in which the area is located is not complying substantially with the agreed course of action for the area.

"(c) Area and Eligibility Requirements.—

"(1) In general.—The Secretary of Housing and Urban Development may designate a nominated area as an enterprise zone only if it meets the requirements of paragraphs (2) and (3).

"(2) Area requirements.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government,

"(B) the boundary of the area is continuous, and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of not less than—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(3)(C)(ii)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more, or

"(II) 1,000 in any other case, or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) Eligibility requirements.—A nominated area meets the requirements of this paragraph if the State and local governments in which the nominated area is located certify, and the Secretary of Housing and Urban Development accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment and general distress,

"(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of the Enterprise Zone—Jobs Creation Act of 1992,

"(C) the unemployment rate for the area, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for the period to which such data relate,

"(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate, and

"(E) the area meets at least one of the following criteria:

"(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the area within the jurisdiction of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(ii) The population of the area decreased by 20 percent or more between 1980 and 1990 (or the most recent decade for which census data are available).

"(4) Eligibility requirements for rural areas.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(3)(C)(ii) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

"(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3), and

"(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

"(d) Required State and Local Commitments.—

"(1) In general.—No nominated area shall be designated as an enterprise zone unless the State and local governments of the jurisdictions in which the nominated area is located agree in writing that, during any period during which the nominated area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may include, but is not limited to—

"(A) the reduction or elimination of tax rates or fees applying within the enterprise zone,

"(B) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(C) an increase in the level of efficiency of local services within the enterprise zone, for example, crime prevention, and drug use prevention and treatment,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the enterprise zone, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the enterprise zone,

"(E) mechanisms to increase equity ownership by residents and employees within the enterprise zone,

"(F) donation (or sale below market value) of land and buildings to benefit low and moderate income people,

"(G) linkages to—

"(i) job training,

"(ii) transportation,

"(iii) education,

"(iv) day care,

"(v) health care, and

"(vi) other social service support,

"(H) provision of supporting public facilities, and infrastructure improvements,

"(I) encouragement of local entrepreneurship, and

"(J) other factors determined essential to support enterprise zone activities and encourage livability or quality of life.

"(3) LATER MODIFICATION OF A COURSE OF ACTION.—The Secretary of Housing and Urban Development may by regulation prescribe procedures to permit or require a course of action to be updated or modified during the time that a designation is in effect.

"(e) PRIORITY OF DESIGNATION.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give preference to the nominated areas—

"(1) with respect to which the strongest and highest quality contributions have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief,

"(2) with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action will actually be carried out during the period of the enterprise zone designation,

"(3) with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(4) which best exhibit such other factors determined by the Secretary of Housing and Urban Development, including relative distress, which are consistent with the intent of the enterprise zone program and which have the greatest likelihood of success.

"(f) GEOGRAPHIC DISTRIBUTION.—In making designations, the Secretary of Housing and Urban Development will take into consideration a reasonable geographic distribution of enterprise zones.

"(g) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other territory of the United States.

"(3) LOCAL GOVERNMENTS.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia.

"(h) CROSS REFERENCES FOR—

"(1) definitions, see section 1391,

"(2) treatment of employees in enterprise zones, see section 1392, and

"(3) treatment of investments in enterprise zones, see sections 1393 and 1394."

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 80 of subtitle F is amended by adding at the end thereof the following new item:

"SUBCHAPTER D. Designation of Enterprise Zones".

SEC. 325. REPORTING REQUIREMENTS.

Not later than the close of the second calendar year after the calendar year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each second calendar year thereafter, the Secretary of Housing and Urban Development shall submit to the Congress a report on the effects of such designation in accomplishing the purposes of this subtitle.

SEC. 326. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 7880 shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)), or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) COORDINATION WITH ENVIRONMENTAL POLICY.—Designation of an enterprise zone under section 7880 shall not constitute a Federal action for purposes of applying the procedural requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

PART III—FEDERAL INCOME TAX INCENTIVES

SEC. 327. DEFINITIONS AND REGULATIONS; EMPLOYEE CREDIT; CAPITAL GAIN EXCLUSION; STOCK EXPENSING.

(a) GENERAL RULE.—Chapter 1 of subtitle A (relating to normal tax and surtax rules) is amended by inserting after subchapter T the following new subchapter:

"SUBCHAPTER U. Enterprise Zones

"Sec. 1391. Definitions and Regulatory Authority.

"Sec. 1392. Credit for enterprise zone employees.

"Sec. 1393. Enterprise zone capital gain.

"Sec. 1394. Enterprise zone stock.

"SEC. 1391. DEFINITIONS AND REGULATORY AUTHORITY.

"(a) ENTERPRISE ZONE.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone' means any area which the Secretary of Housing and Urban Development designates pursuant to section 7880(a) as a Federal enterprise zone for purposes of this title.

"(2) TERMINATION OF ENTERPRISE ZONE.—An area will cease to constitute an enterprise zone once its designation as such terminates or is revoked under section 7880(b).

"(b) ENTERPRISE ZONE BUSINESS.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone business' means an activity constituting the active conduct of a trade or business within an enterprise zone, and with respect to which—

"(A) at least 80 percent of the gross income in each calendar year is attributable to the active conduct of a trade or business within an enterprise zone,

"(B) less than 10 percent of the property (as measured by unadjusted basis) constitutes stocks, securities, or property held for use by customers,

"(C) no more than an insubstantial portion of the property constitutes collectibles (as defined in section 408(m)(2)), unless such collectibles constitute property held primarily for sale to customers in the ordinary course of the active trade or business,

"(D) substantially all of the property (whether owned or leased) is located within an enterprise zone, and

"(E) substantially all of the employees work within an enterprise zone.

"(2) RELATED ACTIVITIES TAKEN INTO ACCOUNT.—Except as otherwise provided in regulations, all activities conducted by a taxpayer and persons related to the taxpayer shall be treated as one activity for purposes of paragraph (1).

"(3) SPECIAL RULES.—

"(A) RENTAL REAL PROPERTY.—For purposes of paragraph (1), holding real property located within an enterprise zone for use by customers other than related persons shall be treated as the active conduct of a trade or business for purposes of paragraph (1)(A) and as not subject to paragraph (1)(B).

"(B) TERMINATION OF ENTERPRISE ZONE BUSINESS.—An activity shall cease to be an enterprise zone business if—

"(i) the designation of the enterprise zone in which the activity is conducted terminates or is revoked pursuant to section 7880(b),

"(ii) more than 50 percent (by value) of the activity's property or services are obtained from related persons other than enterprise zone businesses, or

"(iii) more than 50 percent of the activity's gross income is attributable to property or services provided to related persons other than enterprise zone businesses.

"(c) ENTERPRISE ZONE PROPERTY.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone property' means—

"(A) any tangible personal property located in an enterprise zone and used by the taxpayer in an enterprise zone business, and

"(B) any real property located in an enterprise zone and used by the taxpayer in an enterprise zone business.

In no event shall any financial property or intangible interest in property be treated as constituting enterprise zone property, whether or not such property is used in the active conduct of an enterprise zone business.

"(2) TERMINATION OF ENTERPRISE ZONE.—The treatment of property as enterprise zone property under subparagraph (A) shall not terminate upon the termination or revocation of the designation of the enterprise zone in which the property is located, but instead shall terminate immediately after the first sale or exchange of such property occurring after the expiration or revocation.

"(d) RELATED PERSONS.—For purposes of this subchapter, a person shall be treated as related to another person if—

"(1) the relationship of such persons is described in section 267(b) or 707(b)(1), or

"(2) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of paragraph (1), in applying section 267(b) or 707(b)(1), '33 percent' shall be substituted for '50 percent'.

"(e) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of the Enterprise Zone—Jobs Creation Act of 1992, including—

"(1) providing that Federal tax relief is unavailable to an activity that does not stimulate employment in, or revitalization of, enterprise zones,

"(2) providing for appropriate coordination with other Federal programs that, in combination, might enable activity within enterprise zones to be more than 100 percent subsidized by the Federal government, and

"(3) preventing the avoidance of the rules in this subchapter.

"SEC. 1392. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) GENERAL RULE.—In the case of a taxpayer who is an enterprise zone employee, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 5 percent of so much of the qualified wages of the taxpayer for the taxable year as does not exceed $10,500.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE EMPLOYEE.—The term 'enterprise zone employee' means an individual if—

"(A) the individual performs services during the taxable year that are directly related to the conduct of an enterprise zone business,

"(B) substantially all of the services described in paragraph (1)(A) are performed within an enterprise zone, and

"(C) the employer for whom the services described in paragraph (1)(A) are performed is not the Federal Government, any State government or subdivision thereof, or any local government.

"(2) WAGES.—The term 'wages' has the meaning given by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such subsection).

"(3) QUALIFIED WAGES.—The term 'qualified wages' means all wages of the taxpayer, to the extent attributable to services described in paragraph (1).

"(c) LIMITATIONS.—

"(1) PHASE-OUT OF CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) $525, over

"(B) 10.5 percent of so much of the taxpayer's total wages (whether or not constituting qualified wages) as exceeds $20,000.

"(2) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in paragraph (1) shall be adjusted on a pro rata basis (based upon the number of days).

"(d) APPLICATION WITH OTHER CREDITS.—The credit allowed under this section for the taxable year shall be reduced by the amount (if any) of tax imposed by section 55 (relating to the alternative minimum tax) with respect to such taxpayer for such year.

"(e) CREDIT TREATED AS SUBPART C CREDIT.—For purposes of this title, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C of part IV of subchapter A of chapter 1.

"SEC. 1393. ENTERPRISE ZONE CAPITAL GAIN.

"(a) GENERAL RULE.—Gross income does not include the amount of any gain constituting enterprise zone capital gain.

"(b) DEFINITION.—For purposes of this section—

"(1) IN GENERAL.—The term 'enterprise zone capital gain' means gain—

"(A) treated as long-term capital gain,

"(B) allocable in accordance with the rules under subsection (b)(5) of section 338 to the sale or exchange of enterprise zone property, and

"(C) properly attributable to period(s) of use in an enterprise zone business.

"(2) LIMITATIONS.—Enterprise zone capital gain does not include any gain attributable to—

"(A) the sale or exchange of property not constituting enterprise zone property with respect to the taxpayer throughout the period of twenty-four full calendar months immediately preceding the sale or exchange,

"(B) any collectibles (as defined in section 408(m)), or

"(C) sales or exchanges to persons controlled by the same interests.

"(c) BASIS.—Amounts excluded from gross income pursuant to subsection (a) shall not be applied in reduction to the basis of any property held by the taxpayer.

"SEC. 1394. ENTERPRISE ZONE STOCK.

"(a) GENERAL RULE.—At the election of any individual, the aggregate amount paid by such individual during the individual's taxable year for the purchase of enterprise zone stock on the original issue of such stock by a qualified issuer shall be allowed as a deduction.

"(b) LIMITATIONS.—

"(1) CEILING.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer shall not exceed $50,000 for any taxable year, nor $250,000 during the taxpayer's lifetime.

"(A) EXCESS AMOUNTS.—If the amount otherwise deductible by any person under subsection (a) exceeds the limitation under this paragraph (1)—

"(i) the amount of such excess shall be treated as an amount paid in the next taxable year, and

"(ii) the deduction allowed for any taxable year shall be allocated among the enterprise zone stock purchased by such person in accordance with the purchase price per share.

"(2) RELATED PERSONS.—The taxpayer and all individuals related to the taxpayer shall be treated as one person for purposes of the limitations described in paragraph (1).

"(3) ALLOCATION OF EXCESS AMOUNTS.—The limitations described in paragraph (1) shall be allocated among the taxpayer and related persons in accordance with their respective purchases of enterprise zone stock.

"(4) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in paragraph (1) shall be adjusted on a pro rata basis (based upon the number of days).

"(c) DISPOSITION OF STOCK.—

"(1) GAIN TREATED AS ORDINARY INCOME.—Except as otherwise provided in regulations, if a taxpayer disposes of any enterprise zone stock with respect to which a deduction was allowed under subsection (a), the amount realized upon such disposition shall be treated as ordinary income and recognized notwithstanding any other provision of this subtitle.

"(2) INTEREST CHARGED IF DISPOSITION WITHIN 5 YEARS OF PURCHASE.—

"(A) IN GENERAL.—If a taxpayer disposes of any enterprise zone stock before the end of the 5-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the amount determined in subparagraph (B).

"(B) ADDITIONAL AMOUNT.—For purposes of subparagraph (A), the additional amount shall be equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(i) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under subsection (a) with respect to the stock so disposed of.

"(d) DISQUALIFICATION.—

"(1) ISSUER OR STOCK CEASES TO QUALIFY.—If a taxpayer elects the deduction under subsection (a) with respect to enterprise zone stock, and either—

"(A) the issuer with respect to which the election was made ceases to be a qualified issuer, or

"(B) the proceeds from the issuance of the taxpayer's enterprise zone stock fail or otherwise cease to be invested by the issuer in enterprise zone property, then, notwithstanding any provision of this subtitle (other than paragraph (2)) to the contrary, the taxpayer shall recognize as ordinary income the amount of the deduction allowed under subsection (a) with respect to the issuer's enterprise zone stock.

"(2) SPECIAL RULES.—

"(A) LIQUIDATION.—Where enterprise zone property acquired with proceeds from the issuance of enterprise zone stock is sold or exchanged pursuant to a plan of complete liquidation, the treatment described in paragraph (1) shall be inapplicable.

"(B) TERMINATION OF ENTERPRISE ZONE.—The treatment of an activity as an enterprise zone business shall not cease for purposes of paragraph (1) solely by reason of the termination or revocation of the designation of the enterprise zone with respect to the activity.

"(C) PARTIAL DISQUALIFICATION.—Where some, but not all, of the property acquired by the issuer with the proceeds of issuance of enterprise zone stock ceases to constitute enterprise zone property, the treatment described in paragraph (1) shall be modified as follows—

"(i) the total amount recognized as ordinary income by all shareholders of the issuer shall be limited to an amount of deduction allowed up to the unadjusted basis of property ceasing to constitute enterprise zone property,

"(ii) the amount recognized shall be allocated among enterprise zone stock with respect to which the election in subsection (a) was made in the reverse order in which such stock was issued, and

"(iii) the amount recognized shall be apportioned among taxpayers having made the election in subsection (a) in the ratios in which the stock described in paragraph (2)(C)(ii) was purchased.

"(3) ADDITIONAL AMOUNT.—If income is recognized pursuant to paragraph (1) at any time before the close of the 5th calendar year ending after the date the enterprise zone stock was purchased, the tax imposed by this chapter with respect to such income shall be increased by an amount equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(A) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date of the disqualification event described in paragraph (1),

"(B) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under subsection (a) with respect to the stock so disqualified.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE STOCK.—The term 'enterprise zone stock' means common stock issued by a qualified issuer, but only to the extent that the amount of proceeds of such issuance are used by such issuer no later than twelve months following issuance to acquire and maintain an equal amount of newly acquired enterprise zone property.

"(2) QUALIFIED ISSUER.—

"(A) IN GENERAL.—The term 'qualified issuer' means any subchapter C corporation—

"(i) which does not have more than one class of stock,

"(ii) which is engaged solely in the conduct of one or more enterprise zone businesses,

"(iii) which does not own or lease more than $5 million of total property (including money), as measured by the unadjusted basis of the property, and

"(iv) more than 20 percent of the total voting power and 20 percent of the total value of the stock of which is owned by individuals, partnerships, estates or trusts.

"(B) LIMITATION ON TOTAL ISSUANCES.—A qualified issuer may issue no more than an aggregate of $5 million of enterprise zone stock.

"(C) AGGREGATION.—For purposes of applying the limitations under this paragraph, the issuer and all related persons shall be treated as one person.

"(3) AMOUNT PAID.—For purposes of subsection (a), the amount 'paid' by a taxpayer for any taxable year shall not include the issuance of evidences of indebtedness of the taxpayer (whether or not such indebtedness is guaranteed by another person), nor amounts paid by the taxpayer after the close of the taxable year.

"(f) ISSUANCES IN EXCHANGE FOR PROPERTY.—If enterprise zone stock is issued in exchange for property, then notwithstanding any provision of subchapter C of chapter 1 of subtitle A to the contrary—

"(1) the issuance shall be treated for purposes of this subtitle as the sale of the property at its then fair market value to the corporation, and a contribution to the corporation of the proceeds immediately thereafter in exchange for the enterprise zone stock, and

"(2) the issuer's basis for the property shall be equal to the fair market value of such property at the time of issuance.

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a taxpayer elects the deduction under subsection (a), the taxpayer's basis (without regard to this subsection) for the enterprise zone stock with respect to such election shall be reduced by the deduction allowed or allowable.

"(h) LIMITATIONS ON ASSESSMENT AND COLLECTION.—If a taxpayer elects the deduction under subsection (a) for any taxable year—

"(1) the period for assessment and collection of any deficiency attributable to any part of the deduction shall not expire before one year following expiration of such period of the qualified issuer that includes the circumstances giving rise to the deficiency, and

"(2) such deficiency may be assessed before expiration of the period described in paragraph (1) notwithstanding any provisions of this subtitle to the contrary.

"(i) CROSS REFERENCE.—For treatment of the deduction under subsection (a) for purposes of the alternative minimum tax, see section 56."

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking "and" at the end of paragraph (23), by striking the period at the end of paragraph (24) and inserting "; and", and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 1394(g), in the case of stock with respect to which a deduction was allowed or allowable under section 1394(a)."

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by inserting after the item relating to subchapter T the following new item:

"SUBCHAPTER U. Enterprise zones."

SEC. 328. ALTERNATIVE MINIMUM TAX.

(a) CORPORATIONS.—Subparagraph (B) of section 56(g)(4) (relating to adjustments based on adjusted current earnings of corporations) is amended by adding the following new clause at the end thereof:

"(iii) EXCLUSION OF ENTERPRISE ZONE CAPITAL GAIN.—Clause (i) shall not apply in the case of any enterprise zone capital gain (as defined in section 1393(b)), and such gain shall not be included in income for purposes of computing alternative minimum taxable income."

(b) INDIVIDUALS.—Subsection (b) of section 56 (relating to adjustments to the alternative minimum taxable income of individuals) is amended by adding the following new paragraph at the end thereof:

"(4) ENTERPRISE ZONE STOCK.—No deduction shall be allowed for the purchase of enterprise zone stock (as defined in section 1394(e))."

SEC. 329. ADJUSTED GROSS INCOME DEFINED.

Subsection (a) of section 62 (relating to the definition of adjusted gross income) is amended by adding at the end thereof the following new paragraph:

"(14) ENTERPRISE ZONE STOCK.—The deduction allowed by section 1394."

PART IV—REGULATORY FLEXIBILITY

SEC. 330. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONE FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—(1) striking "and" at the end of paragraph (5), and (2) striking paragraph (6) and inserting the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction defined in paragraphs (3), (4), and (5) of this section, respectively, and

"(B) any qualified enterprise zone business; any unit of government that nominated an area which the Secretary of Housing and Urban Development designates as an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986) that has a rule pertaining to the carrying out of any project, activity, or undertaking within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986); and

"(B) at least 50 percent of the employees of which are qualified employees (within the meaning of section 1392(b)(1) of such Code)."

SEC. 331. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as section 612 and 613, respectively, and inserting the following new section after section 610:

"SEC. 611. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

"(a) Upon the written request of any government which nominated an area that the Secretary of Housing and Urban Development has designated as an enterprise zone under section 7880 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives with respect to such zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within such zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, familial status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If such a request is made to any agency other than the Department of Housing and Urban Development, the requesting government shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) violate a statutory requirement (including any requirement of the Fair Labor

Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)), or

"(2) be likely to present a significant risk to the public health, including environmental or occupational health or safety, or of environmental pollution.

"(e) If a request is disapproved, the agency shall inform all the requesting governments, and the Department of Housing and Urban Development, in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section, the time such waiver or modification takes effect and its duration, and the scope of applicability of such waiver or modification.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary. Such determinations shall be published with the proposal to amend such rule.

"(i) No waiver or modification of a rule under this section shall remain in effect with respect to an enterprise zone after the enterprise zone designation has expired or has been revoked.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title."

(b) The table of sections for such chapter is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting after the item relating to section 610 the following new item:

"Sec. 611. Waiver or modification of agency rules in enterprise zones."

(c) Section 601(2) of such title is amended by inserting "(except for purposes of section 611)" immediately before "means".

(d) Section 613 of such title, as redesignated by subsection (a), is amended—

(1) in subsection (a) by inserting "(except section 611)" immediately after "chapter", and

(2) in subsection (b) by inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence.

SEC. 332. FEDERAL AGENCY SUPPORT OF ENTERPRISE ZONES.

In order to maximize all agencies' support of enterprise zones, the Secretary of Housing and Urban Development is authorized to convene regional and local coordinating councils of any appropriate agencies to assist State and local governments to achieve the objectives agreed to in the course of action under section 7880 of the Internal Revenue code of 1986.

PART V—ESTABLISHMENT OF FOREIGN TRADE ZONES IN ENTERPRISE ZONES

SEC. 333. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to the Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign trade zone within an enterprise zone designated pursuant to section 7880 of the Internal Revenue Code of 1986.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone so designated.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones so designated, the Foreign-Trade Zone Board and the Secretary of the Treasury shall approve the applications, to the maximum extent practicable, consistent with their respective statutory responsibilities.

PART VI—REPEAL OF TITLE VII OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1987

SEC. 334. REPEAL.

Title VII of the Housing and Community Development Act of 1987 is hereby repealed.

Subtitle C—Excise Tax Provisions

SEC. 341. REPEAL OF LUXURY EXCISE TAX ON BOATS AND AIRCRAFT.

(a) GENERAL RULE.—Subpart A of part I of subchapter A of chapter 31 (relating to luxury taxes) is amended by striking sections 4002 and 4003 and by redesignating section 4004 as section 4002.

(b) CONFORMING AMENDMENTS.—

(1) Clause (iii) of section 4002(b)(2)(A) (as redesignated by subsection (a)) is amended by striking ", boat, or aircraft".

(2) Subparagraph (B) of section 4002(b)(2) (as redesignated by subsection (a)) is amended by striking "in the case of a passenger vehicle, $100,000 in the case of a boat, and $250,000 in the case of an aircraft".

(3) Paragraph (2) of section 4011(c) is amended—

(A) by striking ", boats, and aircraft" in the paragraph heading,

(B) by striking ", boat, or aircraft" in subparagraph A,

(C) by amending subparagraph (B) to read as follows:

"(B) QUALIFIED LEASE.—For purposes of subparagraph (A), the term 'qualified lease' means any long-term lease (as defined in section 4052) of any passenger vehicle.", and

(D) by striking "section 4004(c)" in subparagraph (C) and inserting "section 4002(c)".

(4) Subsection (c) of section 4221 is amended by striking "4002(b), 4003(c), 4004(a)" and inserting "4002(a)".

(5) Subsection (d) of section 4222 is amended by striking "4002(b), 4003(c), 4004(a)" and inserting "4002(a)".

(c) CLERICAL AMENDMENTS.—

(1) The table of subparts for part I is amended by striking ", boats, and aircraft" in the item relating to subpart A.

(2) The table of sections for subpart A is amended by striking the items relating to sections 4002, 4003 and 4004 and inserting the following:

"Sec. 4002. Rules applicable to subpart A."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to boats and aircraft sold or used on or after February 1, 1992.

SEC. 342. REPEAL OF EXEMPTION FOR THE USE OF DIESEL FUEL IN PLEASURE BOATS.

(a) IN GENERAL.—Paragraph (1) of section 4041(a) (relating to imposition of tax on diesel fuel and special motor fuels) is amended to read as follows:

"(1) TAX ON DIESEL FUEL WHERE NO TAX IMPOSED UNDER SECTION 4091.—

"(A) HIGHWAY VEHICLES.—There is hereby imposed a tax on any liquid (other than any product taxable under section 4081)—

"(i) sold by any person to an owner, lessee, or other operator of a diesel-powered highway vehicle for use as a fuel in such vehicle, or

"(ii) used by any person as a fuel in a diesel-powered highway vehicle unless there was a taxable sale of such fuel under clause (i).

"(B) BOATS.—There is hereby imposed a tax on any diesel fuel (within the meaning of section 4092(a)(2)) that is not taxable under subparagraph (A) and is—

"(i) sold by any person to an owner, lessee, or other operator of a diesel-powered boat for use as a fuel in such boat, or

"(ii) used by any person as a fuel in a diesel-powered boat unless there was a taxable sale of such fuel under clause (i).

"(C) RATE OF TAX; PREVIOUSLY TAXED FUEL.—The rate of tax imposed by this paragraph shall be the sum of the Highway Trust Fund financing rate and the diesel fuel deficit reduction rate in effect under section 4091 at the time of such sale or use. No tax shall be imposed by this paragraph on the sale or use of any diesel fuel if there was a taxable sale of such fuel under section 4091."

(b) EXEMPTION FOR BUSINESS USE.—

(1) IN GENERAL.—Subsection (b) of section 4041 is amended by adding at the end thereof the following new paragraph:

"(3) EXEMPTION FOR BOAT BUSINESS USE.—

"(A) IN GENERAL.—No tax shall be imposed by subsection (a)(1)(B) or (d)(1) on diesel fuel sold for use or used in a boat business use.

"(B) TAX WHERE OTHER USE.—If diesel fuel on which no tax was imposed by reason of subparagraph (A) is used otherwise than in a boat business use, a tax shall be imposed by subsection (a)(1)(B)(ii) and by the corresponding provision of subsection (d)(1).

"(C) BOAT BUSINESS USE DEFINED.—For purposes of this paragraph, the term 'boat business use' means any use of a boat in the active conduct of—

"(i) a trade or business of commercial fishing or transporting persons or property for compensation or hire, or

"(ii) any other trade or business unless the boat is used predominantly in any activity which is of a type generally considered to constitute entertainment, amusement or recreation."

(c) CONFORMING AMENDMENTS.—

(1) the heading of subsection (b) of section 4041 is amended by inserting "; EXEMPTION FOR BOAT BUSINESS USE" after "FUEL".

(2) Subparagraph (A) of section 4041(b)(1) is amended by striking "subsection (a) or (d)(1)" and inserting "paragraph (1)(A) or (2) of subsection (a) or subsection (d)(1)".

(3) Subparagraph (B) of section 4041(b)(1) is amended by striking "paragraph (1)(B) or (2)(B)" and inserting "paragraph (1)(A)(ii) or (2)(B)".

(4) Paragraph (2) of section 4092(a) is amended by striking "or a" and inserting ", diesel-powered boat, or".

(5) Subparagraph (B) of section 4092(b)(1) is amended by striking "commercial and noncommercial vessels" each place it appears and inserting "boat business use as defined in section 4042(b)(3)(C)".

(d) RETENTION OF TAXES IN GENERAL FUND.—

(1) TAXES IMPOSED AT HIGHWAY TRUST FUND FINANCING RATE.—Paragraph (4) of section 9503(b) (relating to transfers to Highway Trust Fund) is amended—

(A) by striking "and" at the end of subparagraph (A),

(B) by striking the period at the end of subparagraph (B) and inserting ", and", and

(C) by adding at the end thereof the following new subparagraph:

"(C) there shall not be taken into account the taxes imposed by sections 4041 and 4091 on diesel fuel sold for use or used as fuel in a diesel-powered boat."

(2) TAXES IMPOSED AT LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.—Subsection (b) of section 9508 (relating to transfers to Leaking Underground Storage Tank Trust Fund) is amended by adding at the end thereof the following new sentence: "For purposes of this subsection, there shall not be taken into account the taxes imposed by sections 4041 and 4091 on diesel fuel sold for use or used as fuel in a diesel-powered boat."

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1992.

SEC. 343. ADDITIONAL SERVICES SUBJECT TO COMMUNICATIONS EXCISE TAX.

(a) DIGITAL DATA TRANSMISSIONS.—Paragraph (2) of section 4252(b) is amended by inserting before the period "or an unlimited number of digital data transmissions to the subscriber's telephone or radio telephone stations in such specified area if primarily used for such transmissions".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on July 1, 1992.

SEC. 344. REPEAL OF EXEMPTION FOR CERTAIN COIN-OPERATED TELEPHONE SERVICE.

(a) REPEAL OF EXEMPTION.—Section 4253 is amended—

(1) by striking subsection (a) and redesignating subsections (b), (c), (d), (e), (f), (g), (h), (i), (j), and (k) as subsections (a), (b), (c), (d), (e), (f), (g), (h), (i), and (j), respectively, and

(2) by striking "subsection (c), (h), (i), or (j)" in subsection (j)(1) (as so redesignated) and inserting "subsection (b), (g), (h), or (i)".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1992.

Subtitle D—Provisions Related to Retirement Savings and Pension Distributions

SEC. 351. TAXABILITY OF BENEFICIARY OF QUALIFIED PLAN.

(a) IN GENERAL.—So much of section 402 (relating to taxability of beneficiary of employees' trust) as precedes subsection (g) thereof is amended to read as follows:

"SEC. 402. TAXABILITY OF BENEFICIARY OF EMPLOYEES' TRUST.

"(a) TAXABILITY OF BENEFICIARY OF EXEMPT TRUST.—Except as otherwise provided in this section, any amount actually distributed to any distributee by any employees' trust described in section 401(a) which is exempt from tax under section 501(a) shall be taxable to the distributee, in the taxable year of the distributee in which distributed, under section 72 (relating to annuities).

"(b) TAXABILITY OF BENEFICIARY OF NONEXEMPT TRUST.—

"(1) CONTRIBUTIONS.—Contributions to an employees' trust made by an employer during a taxable year of the employer which ends within or with a taxable year of the trust for which the trust is not exempt from tax under section 501(a) shall be included in the gross income of the employee in accordance with section 83 (relating to property transferred in connection with performance of services), except that the value of the employee's interest in the trust shall be substituted for the fair market value of the property for purposes of applying such section.

"(2) DISTRIBUTIONS.—The amount actually distributed or made available to any distributee by any trust described in paragraph (1) shall be taxable to the distributee, in the taxable year in which so distributed or made available, under section 72 (relating to annuities), except that distributions of income of such trust before the annuity starting date (as defined in section 72(c)(4)) shall be included in the gross income of the employee without regard to section 72(e)(5) (relating to amount not received as annuities).

"(3) GRANTOR TRUSTS.—A beneficiary of any trust described in paragraph (1) shall not be considered the owner of any portion of such trust under subpart E of part I of subchapter J (relating to grantors and others treated as substantial owners).

"(4) FAILURE TO MEET REQUIREMENTS OF SECTION 410(B).—

"(A) HIGHLY COMPENSATED EMPLOYEES.—If one of the reasons a trust is not exempt from tax under section 501(a) is the failure of the plan of which it is a part to meet the requirements of section 401(a)(26) or 410(b), then a highly compensated employee shall, in lieu of the amount determined under this subsection, include in gross income for the taxable year with or within which the taxable year of the trust ends an amount equal to the vested accrued benefit of such employee (other than the employee's investment in the contract) as of the close of such taxable year of the trust.

"(B) FAILURE TO MEET COVERAGE TESTS.—If a trust is not exempt from tax under section 501(a) for any taxable year solely because such trust is part of a plan which fails to meet the requirements of section 401(a)(26) or 410(b), this subsection shall not apply by reason of such failure to any employee who was not a highly compensated employee during—

"(i) such taxable year, or

"(ii) any preceding period for which service was creditable to such employee under the plan.

"(C) HIGHLY COMPENSATED EMPLOYEE.—For purposes of this paragraph, the term 'highly compensated employee' has the meaning given such term by section 414(q).

"(c) RULES APPLICABLE TO ROLLOVERS FROM EXEMPT TRUSTS.—

"(1) EXCLUSION FROM INCOME.—If—

"(A) any portion of the balance to the credit of an employee in a qualified trust is paid to the employee in an eligible rollover distribution,

"(B) the distributee transfers any portion of the property received in such distribution to an eligible retirement plan, and

"(C) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed, then such distribution (to the extent so transferred) shall not be includible in gross income for the taxable year in which paid.

"(2) MAXIMUM AMOUNT WHICH MAY BE ROLLED OVER.—In the case of any eligible rollover distribution, the maximum amount transferred to which paragraph (1) applies shall not exceed the portion of such distribution which is includible in gross income (determined without regard to paragraph (1)).

"(3) TRANSFER MUST BE MADE WITHIN 60 DAYS OF RECEIPT.—Paragraph (1) shall not apply to any transfer of a distribution made after the 60th day following the day on which the distributee received the property distributed.

"(4) ELIGIBLE ROLLOVER DISTRIBUTION.—For purposes of this subsection, the term 'eligible rollover distribution' means any distribution to an employee of all or any portion of the balance to the credit of the employee in a qualified trust; except that such term shall not include—

"(A) any distribution which is part of a series of substantially equal periodic payments (not less frequently than annually) made—

"(i) for the life (or life expectancy) of the employee or the joint lives (or joint life expectancies) of the employee and his designated beneficiary, or

"(ii) for a specified period of 10 years or more, and

"(B) any distribution to the extent such distribution is required under section 401(a)(9).

"(5) TRANSFER TREATED AS ROLLOVER CONTRIBUTION UNDER SECTION 408.—For purposes of this title, a transfer resulting in any portion of a distribution being excluded from gross income under paragraph (1) to an eligible retirement plan described in clause (i) or (ii) of paragraph (8)(B) shall be treated as a rollover contribution described in section 408(d)(3).

"(6) SALES OF DISTRIBUTED PROPERTY.—For purposes of this subsection—

"(A) TRANSFER OF PROCEEDS FROM SALE OF DISTRIBUTED PROPERTY TREATED AS TRANSFER OF DISTRIBUTED PROPERTY.—The transfer of an amount equal to any portion of the proceeds from the sale of property received in the distribution shall be treated as the transfer of property received in the distribution.

"(B) PROCEEDS ATTRIBUTABLE TO INCREASE IN VALUE.—The excess of fair market value of property on sale over its fair market value on distribution shall be treated as property received in the distribution.

"(C) DESIGNATION WHERE AMOUNT OF DISTRIBUTION EXCEEDS ROLLOVER CONTRIBUTION.—In any case where part or all of the distribution consists of property other than money, the taxpayer may designate—

"(i) the portion of the money or other property which is to be treated as attributable to the amount not included in gross income, and

"(ii) the portion of the money or other property which is to be treated as included in the rollover contribution. Any designation under this subparagraph for a taxable year shall be made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof). Any such designation, once made, shall be irrevocable.

"(D) TREATMENT WHERE NO DESIGNATION.—In any case where part or all of the distribution consists of property other than money and the taxpayer fails to make a designation under subparagraph (C) within the time provided therein, then—

"(i) the portion of the money or other property which is to be treated as attributable to the amount not included in gross income, and

"(ii) the portion of the money or other property which is to be treated as included in the rollover contribution,

shall be determined on a ratable basis.

"(E) NONRECOGNITION OF GAIN OR LOSS.—In the case of any sale described in subparagraph (A), to the extent that an amount equal to the proceeds is transferred pursuant to paragraph (1), neither gain nor loss on such sale shall be recognized.

"(7) SPECIAL RULE FOR FROZEN DEPOSITS.—

"(A) IN GENERAL.—The 60-day period described in paragraph (3) shall not—

"(i) include any period during which the amount transferred to the employee is a frozen deposit, or

"(ii) end earlier than 10 days after such amount ceases to be a frozen deposit.

"(B) FROZEN DEPOSITS.—For purposes of this paragraph, the term 'frozen deposit' means any deposit which may not be withdrawn because of—

"(i) the bankruptcy or insolvency of any financial institution, or

"(ii) any requirement imposed by the State in which such institution is located by reason of the bankruptcy or insolvency (or threat thereof) of 1 or more financial institutions in such State.

A deposit shall not be treated as a frozen deposit unless on at least 1 day during the 60-day period described in paragraph (3) (without regard to this paragraph) such deposit is described in the preceding sentence.

"(8) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED TRUST.—The term 'qualified trust' means an employees' trust described in section 401(a) which is exempt from tax under section 501(a).

"(B) ELIGIBLE RETIREMENT PLAN.—The term 'eligible retirement plan' means—

"(i) an individual retirement account described in section 408(a),

"(ii) an individual retirement annuity described in section 408(b) (other than an endowment contract),

"(iii) a qualified trust, and

"(iv) an annuity plan described in section 403(a).

"(9) ROLLOVER WHERE SPOUSE RECEIVES DISTRIBUTION AFTER DEATH OF EMPLOYEE.—If any distribution attributable to an employee is paid to the spouse of the employee after the employee's death, the preceding provisions of this subsection shall apply to such distribution in the same manner as if the spouse were the employee; except that a trust or plan described in clause (iii) or (iv) of paragraph (8)(B) shall not be treated as an eligible retirement plan with respect to such distribution.

"(d) TAXABILITY OF BENEFICIARY OF CERTAIN FOREIGN SITUS TRUSTS.—For purposes of subsections (a), (b), and (c), a stock bonus, pension, or profit-sharing trust which would qualify for exemption from tax under section 501(a) except for the fact that it is a trust created or organized outside the United States shall be treated as if it were a trust exempt from tax under section 501(a).

"(e) OTHER RULES APPLICABLE TO EXEMPT TRUSTS.—

"(1) ALTERNATE PAYEES.—

"(A) ALTERNATE PAYEE TREATED AS DISTRIBUTEE.—For purposes of subsection (a) and section 72, an alternate payee who is the spouse or former spouse of the participant shall be treated as the distributee of any distribution or payment made to the alternate payee under a qualified domestic relations order (as defined in section 414(p)).

"(B) ROLLOVERS.—If any amount is paid or distributed to an alternate payee who is the spouse or former spouse of the participant by reason of any qualified domestic relations order (within the meaning of section 414(p)), subsection (c) shall apply to such distribution in the same manner as if such alternate payee were the employee.

"(2) DISTRIBUTIONS BY UNITED STATES TO NONRESIDENT ALIENS.—The amount includible under subsection (a) in the gross income of a nonresident alien with respect to a distribution made by the United States in respect of services performed by an employee of the United States shall not exceed an amount which bears the same ratio to the amount includible in gross income without regard to this paragraph as—

"(A) the aggregate basic pay paid by the United States to such employee for such services, reduced by the amount of such basic pay which was not includible in gross income by reason of being from sources without the United States, bears to

"(B) the aggregate basic pay paid by the United States to such employee for such services.

In the case of distributions under the civil service retirement laws, the term 'basic pay' shall have the meaning provided in section 8331(3) of title 5, United States Code.

"(3) CASH OR DEFERRED ARRANGEMENTS.—For purposes of this title, contributions made by an employer on behalf of an employee to a trust which is a part of a qualified cash or deferred arrangement (as defined in section 401(k)(2)) shall not be treated as distributed or made available to the employee nor as contributions made to the trust by the employee merely because the arrangement includes provisions under which the employee has an election whether the contribution will be made to the trust or received by the employee in cash.

"(f) WRITTEN EXPLANATION TO RECIPIENTS OF DISTRIBUTIONS ELIGIBLE FOR ROLLOVER TREATMENT.—

"(1) IN GENERAL.—The plan administrator of any plan shall, when making an eligible rollover distribution, provide a written explanation to the recipient of the provisions under which such distribution will not be subject to tax if transferred to an eligible retirement plan within 60 days after the date on which the recipient received the distribution.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) ELIGIBLE ROLLOVER DISTRIBUTION.—The term 'eligible rollover distribution' has the same meaning as when used in subsection (c) of this section or paragraph (4) of section 403(a).

"(B) ELIGIBLE RETIREMENT PLAN.—The term 'eligible retirement plan' has the meaning given such term by subsection (c)(8)(B)."

(b) REPEAL OF $5,000 EXCLUSION OF EMPLOYEES' DEATH BENEFITS.—Subsection (b) of section 101 is hereby repealed.

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 55(c) is amended by striking "shall not include any tax imposed by section 402(e) and".

(2) Paragraph (8) of section 62(a) (relating to certain portion of lump-sum distributions from pension plans taxed under section 402(e)) is hereby repealed.

(3) Paragraph (4) of section 72(o) (relating to special rule for treatment of rollover amount) is amended by striking "sections 402(a)(5), 402(a)(7)" and inserting "sections 402(c)".

(4) Paragraph (2) of section 219(d) (relating to recontributed amount) is amended by striking "section 402(a)(5), 402(a)(7)" and inserting "section 402(c)".

(5) Subparagraph (A) of section 292(h)(2) (relating to flexible individual retirement accounts), as added by section 212 of this Act, is amended by striking "section 402(a)(5), 402(a)(7)" and inserting "section 402(c)".

(6) Paragraph (20) of section 401(a) is amended by striking "qualified total distribution described in section 402(a)(5)(E)(i)(I)" and inserting "distribution to a distributee on account of a termination of the plan of which the trust is a part, or in the case of a profit-sharing or stock bonus plan, a complete discontinuance of contributions under such plan".

(7) Subparagraph (B) of section 401(a)(28) (relating to coordination with distribution rules) is amended by striking clause (v).

(8) Subclause (IV) of section 401(k)(2)(B)(i) is amended by striking "section 402(a)(8)" and inserting "section 402(e)(3)".

(9) Clause (ii) of section 401(k)(10)(B) (relating to distributions that must be lump-sum distributions is amended to read as follows:

"(ii) LUMP SUM DISTRIBUTION.—For purposes of this subparagraph, the term 'lump sum distribution' means any distribution of the balance to the credit of an employee immediately before the distribution."

(10) Paragraph (1) of section 402(g) is amended by striking "subsections (a)(8)" and inserting "subsections (e)(3)".

(11) Subsection (i) of section 402 is amended by striking ", except as otherwise provided in subparagraph (A) of subsection (e)(4)".

(12) Subsection (j) of section 402 is hereby repealed.

(13)(A) Clause (i) of section 403(a)(4)(A) is amended by inserting "in an eligible rollover distribution" before the comma at the end thereof.

(B) Subparagraph (B) of section 403(a)(4) is amended to read as follows:

"(B) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of section 402(c) shall apply for purposes of subparagraph (A)."

(14)(A) Clause (i) of section 403(b)(8)(A) is amended by inserting "in an eligible rollover distribution" before the comma at the end thereof.

(B) Paragraph (8) of section 403(b) is amended by striking subparagraphs (B), (C), and (D) and inserting the following:

"(B) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of paragraphs (2), (3), (4), (5), (6), and (7) of section 402(c) shall apply for purposes of subparagraph (A)."

(15) Subsection (c) of section 406 (relating to termination of status as deemed employee not to be treated as separation from service for purposes of limitation of tax) is hereby repealed.

(16) Subsection (c) of section 407 (relating to termination of status as deemed employee not to be treated as separation from service for purposes of limitation of tax) is hereby repealed.

(17) Paragraph (1) of section 408(a) is amended by striking "section 402(a)(5), 402(a)(7)" and inserting "section 402(c)".

(18) Clause (ii) of section 408(d)(3)(A) is amended by striking "of qualified total distribution (as defined in section 402(a)(5)(E)(i))" and inserting "(as defined in section 402(c)(1))".

(19) Clause (ii) of section 408(d)(3)(A) is amended—

(A) by striking "the entire amount received (including money and any other property) represents the entire amount in the account or the entire value of the annuity and", and

(B) by striking "the entire amount thereof" and inserting "the entire amount received (including money and any other property)".

(20) Subparagraph (B) of section 408(d)(3) (relating to limitations) is amended by striking the second sentence thereof.

(21) Subparagraph (F) of section 408(d)(3) (relating to frozen deposits) is amended by striking "section 402(a)(6)(H)" and inserting "section 402(c)(7)".

(22) Subclause (I) of section 414(n)(5)(C)(iii) is amended by striking "section 402(a)(8)" and inserting "section 402(e)(3)".

(23) Paragraph (2) of section 414(s) (relating to employer may elect to treat certain deferrals as compensation) is amended by striking "402(a)(8)" and inserting "402(e)(3)".

(24) Subparagraph (A) of section 415(b)(2) (relating to annual benefit in general) is amended by striking "sections 402(a)(5)" and inserting "sections 402(c)".

(25) Subparagraph (B) of section 415(b)(2) (relating to adjustment for certain other forms of benefit) is amended by striking "sections 402(a)(5)" and inserting "sections 402(c)".

(26) Paragraph (2) of section 415(c) (relating to annual addition) is amended by striking "sections 402(a)(5)" and inserting "sections 402(c)".

(27) Clause (i) of section 457(c)(2)(B) is amended by striking "section 402(a)(8)" and inserting "section 402(e)(3)".

(28) Subsection (c) of section 691 (relating to coordination with section 402(e)), is amended by striking paragraph (5).

(29) Subparagraph (B) of section 871(a)(1) (relating to income other than capital gains) is amended by striking "402(a)(2), 403(a)(2), or".

(30) Paragraph (1) of section 871(b) (relating to imposition of tax) is amended by striking "section 1, 55, or 402(e)(1)" and inserting "section 1 or 55".

(31) Paragraph (1) of section 871(k) is amended by striking "section 402(a)(4)" and inserting "section 402(e)(2)".

(32) Subsection (b) of section 877 (relating to alternative tax) is amended by striking "section 1, 55, or 402(e)(1)" and inserting "section 1 or 55".

(33) Subsection (b) of section 1441 (relating to income items) is amended by striking "section 402(a)(2), 403(a)(2), or".

(34) Paragraph (5) of section 1441(c) (relating to special items) is amended by striking "section 402(a)(2), 403(a)(2), or".

(35) Subparagraph (A) of section 3121(v)(1) is amended by striking "section 402(a)(8)" and inserting "section 402(e)(3)".

(36) Subparagraph (A) of section 3306(r)(1) is amended by striking "section 402(a)(8)" and inserting "section 402(e)(3)".

(37) Subsection (a) of section 3405 is amended by striking "PENSIONS, ANNUITIES, ETC.—" from the heading thereof and inserting "PERIODIC PAYMENTS.—".

(38) Subsection (b) of section 3405 (relating to nonperiodic distribution) is amended—

(A) by striking "the amount determined under paragraph (2)" from paragraph (1) thereof and inserting "an amount equal to 10 percent of such distribution" and

(B) by striking paragraph (2) (relating to amount of withholding) and redesignating paragraph (3) as paragraph (2).

(39) Paragraph (4) of section 3405(d) (relating to qualified total distributions) is hereby repealed.

(40) Paragraph (8) of section 3405(d) (relating to maximum amounts withheld) is amended to read as follows:

"(8) MAXIMUM AMOUNT WITHHELD.—The maximum amount to be withheld under this section on any designated distribution shall not exceed the sum of the amount of money and the fair market value of other property received in the distribution."

(41) Subparagraph (A) of section 4973(b)(1) is amended by striking "sections 402(a)(5), 402(a)(7)" and inserting "sections 402(c)".

(42) Paragraph (4) of section 4980A(c) is amended to read as follows:

"(4) ONE-TIME ELECTION FOR CERTAIN DISTRIBUTIONS.—A taxpayer may elect to determine the excess distributions as defined in paragraph (1) for a calendar year by multiplying the limitation in paragraph (1) by 5 times the amount of such limitation without regard to this subparagraph. Not more than one election may be made under this paragraph with respect to any taxpayer."

(43) Subparagraph (C) of section 7701(j)(1) is amended by striking "section 402(a)(8)" and inserting "section 402(e)(3)".

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 1991.

(2) SPECIAL RULE FOR CERTAIN DISTRIBUTIONS.—Distributions made before February 1, 1992, shall be taxed in accordance with the provisions of sections 101(b) and 402 of the Internal Revenue Code of 1986 as in effect prior to the amendments made by this section.

(3) TERMINATION OF PRIOR TRANSITIONAL RULES.—Paragraph (5) of section 1122(h) of the Tax Reform Act of 1986 shall not apply to any amount distributed after December 31, 1996.

(4) 5-YEAR PHASE-OUT OF PRIOR TRANSITIONAL RULES.—

(A) In the case of any lump distribution in any taxable year beginning after December 31, 1991 and before January 1, 1997, paragraph (5) of section 1122(h) of the Tax Reform Act of 1986 shall apply to the phase-out percentage of any lump sum distribution which would have been eligible for the election of those provisions.

(B) For purposes of this paragraph.—

In the case of distributions during calendar year:	The phase-out percentage is:
1992	100
1993	70
1994	35
1995	20
1996	10

SEC. 352. SIMPLIFIED METHOD FOR TAXING ANNUITY DISTRIBUTIONS UNDER CERTAIN EMPLOYER PLANS.

(a) GENERAL RULE.—Subsection (d) of section 72 (relating to annuities; certain proceeds of endowment and life insurance contracts) is amended to read as follows:

"(d) SPECIAL RULES FOR QUALIFIED EMPLOYER RETIREMENT PLANS.—

"(1) SIMPLIFIED METHOD OF TAXING ANNUITY PAYMENTS.—

"(A) IN GENERAL.—In the case of any amount received as an annuity under a qualified employer retirement plan—

"(i) subsection (b) shall not apply, and

"(ii) the investment in the contract shall be recovered as provided in this paragraph.

"(B) METHOD OF RECOVERING INVESTMENT IN CONTRACT.—

"(i) IN GENERAL.—Gross income shall not include so much of any monthly annuity payment under a qualified employer retirement plan as does not exceed the amount obtained by dividing—

"(I) the investment in the contract (as of the annuity starting date), by

"(II) the number of anticipated payments determined under the table contained in clause (iii) (or, in the case of a contract to which subsection (c)(3)(B) applies, the number of monthly annuity payments under such contract).

"(ii) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of paragraphs (2) and (3) of subsection (b) shall apply for purposes of this paragraph.

"(iii) NUMBER OF ANTICIPATED PAYMENTS.—

If the age of the primary annuitant on the annuity starting:	The number of anticipated payments is:
Not more than 55	300
More than 55 but not more than 60	260
More than 60 but not more than 65	240
More than 65 but not more than 70	170
More than 70	120

"(C) ADJUSTMENT FOR REFUND FEATURE NOT APPLICABLE.—For purposes of this paragraph, investment in the contract shall be determined under subsection (c)(1) without regard to subsection (c)(2).

"(D) SPECIAL RULE WHERE LUMP SUM PAID IN CONNECTION WITH COMMENCEMENT OF ANNUITY PAYMENTS.—If in connection with the commencement of annuity payments under any qualified employer plan the taxpayer receives a lump sum payment—

"(i) such payment shall be taxable under subsection (e) as if received before the annuity starting date, and

"(ii) the investment in the contract for purposes of this paragraph shall be determined as if such payment had been so received.

"(E) EXCEPTION.—This paragraph shall not apply in any case where the primary annuitant has attained age 75 on the annuity starting date unless there are fewer than 5 years of guaranteed payments under the annuity.

"(F) ADJUSTMENT WHERE ANNUITY PAYMENTS NOT ON MONTHLY BASIS.—In any case where the annuity payments are not made on a monthly basis, appropriate adjustments in the application of this paragraph shall be made to take into account the period on the basis of which such payments are made.

"(G) QUALIFIED EMPLOYER RETIREMENT PLAN.—For purposes of this paragraph, the term 'qualified employer retirement plan' means any plan or contract described in paragraph (1), (2), or (3) of section 4974(c).

"(2) TREATMENT OF EMPLOYEE CONTRIBUTIONS UNDER DEFINED CONTRIBUTION PLANS.—For purposes of this section, employee contributions (and any income allocable thereto) under a defined contribution plan may be treated as a separate contract."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply in cases where the annuity starting date is on or after February 1, 1992.

SEC. 353. REQUIREMENT THAT QUALIFIED PLANS INCLUDE OPTIONAL TRUSTEE-TO-TRUSTEE TRANSFERS OF ELIGIBLE ROLLOVER DISTRIBUTIONS.

"(a) GENERAL RULE.—Subsection (a) of section 401 (relating to requirements for qualification) is amended by inserting after paragraph (30) the following new paragraph:

"(31) OPTIONAL DIRECT TRANSFER OR ELIGIBLE ROLLOVER DISTRIBUTIONS.—

"(A) IN GENERAL.—A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that if the distributee of any eligible rollover distribution—

"(i) elects to have such distribution paid directly to an eligible retirement plan, and

"(ii) specifies the eligible retirement plan to which such distribution is to be paid (in such form and at such time as the plan administrator may prescribe),

such distribution shall be made in the form of a direct trustee-to-trustee transfer to the eligible retirement plan so specified.

"(B) LIMITATION.—Subparagraph (A) shall apply only to the extent that the eligible rollover distribution would be includible in gross income if not transferred as provided in subparagraph (A) (determined without regard to sections 402(c) and 403(a)(4)).

"(C) ELIGIBLE ROLLOVER DISTRIBUTION.—For purposes of this paragraph, the term 'eligible rollover distribution' has the meaning given such term by section 402(f)(2)(A).

"(D) ELIGIBLE RETIREMENT PLAN.—For purposes of this paragraph, the term 'eligible retirement plan' has the meaning given such term by section 402(c)(8)(B), except that a qualified trust shall be considered an eligible retirement plan only if it is a defined contribution plan, the terms of which permit the acceptance of rollover distributions."

(b) EMPLOYEE'S ANNUITIES.—Paragraph (2) of section 404(a) (relating to employee's annuities) is amended by striking "and (27)" and inserting "(27), and (31)".

(c) EXCLUSION FROM INCOME.—

(1) QUALIFIED TRUSTS.—Subsection (e) of section 402 (relating to taxability of beneficiary of employees' trust), as amended by section 351 of this Act, is amended by adding at the end the following new paragraph:

"(4) DIRECT TRUSTEE-TO-TRUSTEE TRANSFERS.—Any amount transferred in a direct trustee-to-trustee transfer in accordance with section 401(a)(31) shall not be includible in gross income for the taxable year of such transfer."

"(2) EMPLOYEE ANNUITIES.—Subsection (a) of section 403 is amended by adding at the end thereof the following new paragraph:

"(5) DIRECT TRUSTEE-TO-TRUSTEE TRANSFER.—Any amount transferred in a direct trustee-to-trustee transfer in accordance with section 401(a)(31) shall not be includible in gross income for the taxable year of such transfer."

(d) WRITTEN EXPLANATION.—Paragraph (1) of section 402(f) (as amended by section 351 of this Act) is amended to read as follows:

"(1) IN GENERAL.—The plan administrator of any plan shall, before making an eligible rollover distribution, provide a written explanation to the recipient of—

"(A) the optional direct transfer provisions provided pursuant to section 401(a)(31), and

"(B) the provisions under which such distribution will not be subject to tax if transferred to an eligible retirement plan within 60 days after the date on which the recipient received the distribution."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions in plan years beginning on or after February 1, 1992.

SEC. 354. SALARY REDUCTION ARRANGEMENTS OF SIMPLIFIED EMPLOYEE PENSIONS.

(a) SALARY REDUCTION ARRANGEMENTS.—

(1) IN GENERAL.—Paragraph (6) of section 408(k) (relating to salary reduction arrangements) is amended to read as follows:

"(6) EMPLOYEE MAY ELECT SALARY REDUCTION ARRANGEMENT.—

"(A) QUALIFIED ARRANGEMENTS.—A simplified employee pension shall not fail to meet the requirements of this subsection for a year merely because, under the terms of the pension, the employee may participate in a qualified salary reduction arrangement.

"(B) CERTAIN EMPLOYERS NOT ELIGIBLE.—This paragraph shall not apply with respect to any year in the case of a simplified employee pension maintained by an employer with more than 100 employees who were eligible to participate (or would have been required to be eligible to participate if a pension was maintained) at any time during the preceding year.

"(C) QUALIFIED SALARY REDUCTION ARRANGEMENT.—For purposes of this paragraph, the term 'qualified salary reduction arrangement' means a written arrangement of an eligible employer which meets the requirements of subparagraphs (D), (E), and (F) and under which—

"(i) an employee may elect to have the employer make payments—

"(I) as elective employer contributions to the simplified employee pension on behalf of the employee, or

(II) to the employee directly in cash,

"(ii) the amount which an employee may elect under clause (i) for any year may not exceed a total of $3,000 for any year.

An arrangement meets the requirements of clause (ii) only if, under the arrangement, the employer may not place a limit on the percentage of compensation an employee may elect to contribute.

"(D) NONELECTIVE CONTRIBUTIONS.—An arrangement meets the requirements of this subparagraph only if, under the arrangement, the employer is required (without regard to whether the employee makes an elective contribution) to make a contribution to the simplified employee pension on behalf of each employee eligible to participate for the year in an amount equal to 1 percent of the employee's compensation (not in excess of $100,000) for the year.

"(E) ARRANGEMENT MAY BE ONLY PLAN OF EMPLOYER.—

"(i) IN GENERAL.—An arrangement shall not be treated as a qualified salary reduction arrangement for any year if the employer (or any predecessor employer) maintained a qualified plan with respect to which contributions were made, or amounts were accrued, for any year in the period beginning with the year such arrangement became effective and ending with the year for which the determination is being made.

"(ii) SERVICE CREDIT.—A qualified plan maintained by an employer shall provide that, in computing the accrued benefit of any employee, no credit shall be given with respect to any year for which such employee was eligible to participate in a qualified salary reduction arrangement of such employer.

"(F) RULES RELATING TO MATCHING CONTRIBUTIONS.—

"(i) IN GENERAL.—An arrangement meets the requirements of this subparagraph only if, under the arrangement, the employer is required to make a matching contribution described in subparagraph (F)(ii) to the simplified employee pension on behalf of each employee that makes elective contributions under subparagraph (C)(i)(I).

"(ii) RATES OF MATCHING CONTRIBUTIONS.—The level of an employer's matching contribution—

"(I) shall equal as much of the employee's elective contribution as does not exceed 3 percent of the employee's compensation, plus

"(II) an amount equal to 50 percent of the employee's elective contribution that exceeds 3 percent of the employee's compensation and is not greater than 5 percent of the employee's compensation.

"(G) QUALIFIED PLAN.—For purposes of this paragraph, the term 'qualified plan' means a plan, contract, pension, or trust described in subparagraph (A) or (B) of section 219(g)(5).

"(H) COMPENSATION.—For purposes of this paragraph, the term compensation has the same meaning as in section 414(q)(5)."

(2) CONFORMING CHANGES.—Subparagraph (B) of section 408(k)(7) is amended by striking "paragraph (2)(C)" and inserting "paragraphs (2)(C) and (6)(H)".

(b) COST-OF-LIVING ADJUSTMENTS.—Paragraph (8) of section 408(k) is amended to read as follows:

"(8) COST-OF-LIVING ADJUSTMENTS.—

"(A) IN GENERAL.—The Secretary shall adjust each of the following amounts at the same time and in the same manner as under section 415(d):

"(i) The $300 amount in paragraph (2)(C).

"(ii) The $200,000 amount in paragraph (3)(C).

"(iii) The $3,000 amount in paragraph (6)(C)(ii).

"(iv) The $100,000 amount in paragraph (6)(D)(i).

"(B) EXCEPTIONS.—

"(i) COORDINATION WITH SECTION 401(A)(17).—The amount described in clause (ii) of subparagraph (A) (as adjusted under such subparagraph) shall not exceed 100 percent of the amount in effect under section 401(a)(17).

"(ii) BASE PERIOD.—The base period taken into account under section 415(d) for the amounts described in clauses (iii) and (iv) of subparagraph (A) shall be the calendar quarter beginning October 1, 1991."

(c) REPORTING REQUIREMENTS.—Subsection (1) of section 408 is amended—

(1) by striking "(1) SIMPLIFIED EMPLOYER REPORTS.—An" and inserting the following:

"(1) SIMPLIFIED EMPLOYER REPORTS.—

"(1) IN GENERAL.—An",

(2) by moving the text of such subsection 2 ems to the right, and

(3) adding at the end thereof the following new paragraph:

"(2) QUALIFIED SALARY REDUCTION ARRANGEMENTS UNDER SIMPLIFIED EMPLOYEE PENSIONS.—

"(A) IN GENERAL.—The employer maintaining any simplified employee pension established pursuant to a qualified salary reduction arrangement under subsection (k)(6) shall each year prepare, and provide to each employee eligible to participate in the arrangement, a description containing the following information:

"(i) The name and address of the employer and the trustee.

"(ii) The requirements for eligibility for participation.

"(iii) The benefits provided with respect to the arrangement.

"(iv) The time and method of making elections with respect to the arrangement.

"(v) The procedures for, and effects of, withdrawals from the arrangement.

"(B) TIME REPORT PROVIDED.—The description under subparagraph (A) for any year shall be provided to each employee during the 30-day period preceding the first date during such year on which the employee may make an election with respect to the arrangement."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to years beginning after December 31, 1991.

(2) Transition rule.—The amendments made by this section shall not apply to a simplified employee pension which was in effect on the date of the enactment of this Act and which maintained a salary reduction arrangement on such date, unless the employer elects to have such amendments apply for any year and all subsequent years.

SEC. 355. TAX EXEMPT ORGANIZATIONS ELIGIBLE UNDER SECTION 401(k).

(a) General Rule.—Subparagraph (B) of section 401(k)(4) is amended to read as follows:

"(B) State and local governments not eligible.—A cash and deferred arrangement shall not be treated as a qualified cash and deferred arrangement if it is part of a plan maintained by a State or local government or political subdivision thereof, or any agency or instrumentality thereof. This subparagraph shall not apply to a rural cooperative plan."

(b) Effective Dates.—The amendment made by this section shall apply to plan years beginning on or after February 1, 1992.

SEC. 356. DUTIES OF SPONSORS OF CERTAIN PROTOTYPE PLANS.

(a) In General.—The Secretary of the Treasury may, as a condition of sponsorship, prescribe rules defining the duties and responsibilities of sponsors of master and prototype plans, regional prototype plans, and other Internal Revenue Service preapproved plans.

(b) Duties Relating To Plan Amendment, Notification of Adopters, and Plan Administration.—The duties and responsibilities referred to in subsection (a) may include—

(1) the maintenance of lists of persons adopting the sponsor's plans, including the updating of such lists not less frequently than annually,

(2) the furnishing of notices at least annually to such persons and to the Secretary or his delegate, in such form and at such time as the Secretary shall prescribe,

(3) duties relating to administrative services to such persons in the operation of their plans,

(4) other duties that the Secretary considers necessary to ensure that—

(A) the master and prototype, regional prototype, and other preapproved plans of adopting employers are timely amended to meet the requirements of the Internal Revenue Code of 1986 or of any rule or regulation of the Secretary, and

(B) adopting employers receive timely notification of amendments and other actions taken by sponsors with respect to their plans.

SEC. 357. SIMPLIFICATION OF NONDISCRIMINATION TESTS APPLICABLE UNDER SECTIONS 401(k) AND 401(m).

(a) Cash or Deferred Arrangements.—

(1) In general.—Paragraph (3) of section 401(k) (relating to application of participation and discrimination standards) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by striking subparagraphs (A) and (B) and inserting the following:

"(A) In general.—A cash or deferred arrangement shall not be treated as a qualified cash or deferred arrangement unless—

"(i) those employees eligible to benefit under the arrangement satisfy the provisions of section 410(b)(1),

"(ii) the actual deferral percentage of each eligible highly compensated employee for the plan year does not exceed 200 percent of the average deferral percentage of nonhighly compensated employees for the preceding plan year, and

"(iii) the actual deferral percentage of each eligible highly compensated employee for the plan year does not exceed the average deferral percentage of nonhighly compensated employees for the preceding plan year by more than 3 percentage points.

"(B) Deferral percentages.—For purposes of this paragraph—

"(i) Actual deferral percentage.—The actual deferral percentage of any employee for a plan year is the percentage which—

"(I) the amount of employer contributions actually paid over to the trust on behalf of such employee for such plan year, is of

"(II) the employee's compensation for such plan year.

"(ii) Average deferral percentage of nonhighly compensated employees.—The average deferral percentage of nonhighly compensated employees for any plan year is the average of the actual deferral percentages for such plan year all of eligible employees other than highly compensated employees.

"(C) Special rules.—

"(i) Election to use average deferral percentage for highly compensated employee.—A plan may provide that in lieu of satisfying the requirements of clauses (ii) and (iii) of subparagraph (3)(A), a cash or deferred arrangement may be a qualified cash or deferred arrangement if the average deferral percentage for eligible highly compensated employees for such year bears a relationship to the average deferral percentage of nonhighly compensated employees for the preceding plan year which meets either of the following tests:

"(I) The average deferral percentage for the group of eligible highly compensated employees is not more than the average deferral percentage for nonhighly compensated employees for the preceding plan year multiplied by 1.25.

"(II) The excess of the average deferral percentage for the group of eligible highly compensated employees over the average deferral percentage for nonhighly compensated employees for the preceding plan year is not more than 2 percentage points, and the average deferral percentage for the group of eligible highly compensated employees is not more than the average deferral percentage for nonhighly compensated employees for the preceding plan year multiplied by 2.

The average deferral percentage for the group of eligible highly compensated employees is the average of the actual deferral percentages for such plan year of all eligible highly compensated employees.

"(ii) Special rule for first plan year.—In the case of the first plan year of any plan, the amount taken into account as the average deferral percentage of nonhighly compensated employees for the preceding plan year shall be—

"(I) 3 percent, or

"(II) if the employer makes an election under this subclause, the average deferral percentage of nonhighly compensated employees determined for such first plan year.

"(iii) Aggregation of plans.—If 2 or more plans which include cash or deferred arrangements are considered as 1 plan for purposes of section 401(a)(4) or 410(b), the cash or deferred arrangements included in such plans shall be treated as 1 arrangement for purposes of this paragraph. If any highly compensated employee is a participant under 2 or more cash or deferred arrangements of the employer, for purposes of determining the actual deferral percentage with respect to such employee, all such cash or deferred arrangements shall be treated as 1 cash or deferred arrangement.

"(iv) Rules relating to election.—

"(I) In general.—The election to use the average deferral percentage pursuant to subparagraph (C) shall be made, if at all, with respect to the first plan year of the plan (or, if later, the first plan year beginning after February 1, 1992) and, once made, shall be irrevocable.

"(II) Consistency requirement.—The election to use the average contribution percentage pursuant to section 401(m)(3)(C)(i) will be treated as an election to use the average deferral percentage pursuant to subparagraph (C)(i)."

(2) Distribution of excess contributions.—Paragraph (8) of section 401(k) is amended by striking subparagraphs (A), (B), and (C), and inserting the following:

"(A) In general.—A cash or deferred arrangement shall not be treated as failing to meet the requirements of clauses (ii) and (iii) of paragraph (3)(A) (or clause (i) of paragraph (3)(C)) for any plan year if, with respect to each highly compensated employee having excess contributions for such plan year, the amount of such excess contributions (and any income allocable to such contributions) is distributed to such employee before the close of the following plan year. Any distribution of excess contributions (and income) may be made without regard to any other provision of law.

"(B) Excess contributions.—For purposes of subparagraph (A), the term 'excess contributions' means, with respect to any highly compensated employee for any plan year, the excess of—

"(i) the aggregate amount of employer contributions actually paid over to the trust on behalf of such employee for such plan year, over

"(ii) the maximum amount of such contributions permitted under the limitations of paragraph (3).

"(C) Plans that utilize averaging option.—A plan that elects to use the average deferral percentage for highly compensated employees as provided in paragraph (3)(C)(i) must determine the maximum amount of contributions permitted under the limits of paragraph (3)(C)(i) by reducing the contributions made on behalf of highly compensated employees in order of the actual deferral percentages beginning with the highest of such percentages and distribute the excess contributions to the highly compensated employees on the basis of the respective portions of the excess contributions attributable to each such employee. To the extent permitted by regulations, an employee may elect to treat the amount of excess contributions as an amount distributed to the employee and then contributed by the employee to the plan."

(b) Nondiscrimination Test for Matching Contributions and Employee Contributions.—

(1) In general.—Subparagraph (A) of section 401(m)(2) (relating to contribution percentage requirement) is amended to read as follows:

"(A) Contribution percentage requirement.—A plan meets the contribution percentage requirement of this paragraph for any plan year only if—

"(i) the actual contribution percentage of each eligible highly compensated employee for such plan year does not exceed 200 percent of the average contribution percentage of nonhighly compensated employees for the preceding plan year, and

"(ii) the actual contribution percentage of each eligible highly compensated employee for the plan year does not exceed the average contribution percentage of nonhighly compensated employees for the preceding plan year by more than 3 percentage points."

(2) CONTRIBUTION PERCENTAGES.—Paragraph (3) of section 401(m) is amended to read as follows:

"(3) CONTRIBUTION PERCENTAGES.—For purposes of this subsection—

"(A) ACTUAL CONTRIBUTION PERCENTAGE.—The actual contribution percentage of any employee for any plan year is the percentage which—

"(i) the sum of the matching contributions and employee contributions paid under the plan on behalf of such employee for such plan year, is of

"(ii) such employee's compensation (within the meaning of section 414(s)) for such plan year.

"(B) AVERAGE CONTRIBUTION PERCENTAGE OF NONHIGHLY COMPENSATED EMPLOYEES.—The average contribution percentage of nonhighly compensated employees for any plan year is the average of the actual contribution percentages for such plan year of all eligible employees other than highly compensated employees.

"(C) SPECIAL RULES.—

"(i) ELECTION TO USE AVERAGE CONTRIBUTION PERCENTAGE FOR HIGHLY COMPENSATED EMPLOYEE.—A plan may provide that in lieu of satisfying the requirements of paragraph (2)(A), a plan meets the contribution requirement of this section if the average contribution percentage for eligible highly compensated employees for such year bears a relationship to the average contribution percentage of nonhighly compensated employees for the preceding plan year which meets either of the following tests:

"(I) The average contribution percentage for the group of eligible highly compensated employees is not more than the average contribution percentage for nonhighly compensated employees for the preceding plan year multiplied by 1.25.

"(II) The excess of the average contribution percentage for the group of eligible highly compensated employees over the average contribution percentage for nonhighly compensated employees for the preceding plan year is not more than 2 percentage points, and the average contribution percentage for the group of eligible highly compensated employees is not more than the average contribution percentage for nonhighly compensated employees for the preceding plan year multiplied by 2.

The average contribution percentage for the group of eligible highly compensated employees is the average of the actual contribution percentages for such plan year of all eligible highly compensated employees.

"(ii) CERTAIN CONTRIBUTIONS MAY BE TAKEN INTO ACCOUNT.—Under regulations, an employer may elect to take into account under subparagraph (A)(i) elective deferrals and qualified nonelective contributions under the plan or any other plan of employer. If matching contributions are taken into account for purposes of subsection (k)(3)(A) for any plan year, such contributions shall not be taken into account under paragraph (2) for such plan year.

"(iii) SPECIAL RULE FOR FIRST PLAN YEAR.—Rules similar to the rules of subsection (k)(3)(C)(ii) shall apply for purposes of this subsection.

"(iv) RULES RELATING TO ELECTIONS.—

"(I) IN GENERAL.—The election to use the average contribution percentage pursuant to subparagraph (C) shall be made, if at all, with respect to the first plan year of the plan (or, if later, the first plan year beginning after February 1, 1992) and, once made, shall be revocable only with the consent of the Commissioner.

"(II) CONSISTENCY REQUIREMENT.—The election to use the average deferral percentage pursuant to section 401(k)(3)(C)(i) will be treated as an election to use the average contribution percentage pursuant to subparagraph (C)(i)."

(3) DISTRIBUTION OF EXCESS AGGREGATE CONTRIBUTIONS.—Paragraph (6) of section 401(m) is amended—

(A) by striking subparagraphs (A) and (B) and inserting the following:

"(A) IN GENERAL.—A plan shall not be treated as failing to meet the requirements of paragraph (1) for any plan year if, with respect to each highly compensated employee having excess aggregate contributions for such plan year, the amount of such excess aggregate contributions (and any income allocable to such contributions) is distributed to such employee before the close of the following plan year (or, if forfeitable, is forfeited). Any distribution of excess aggregate contributions (and income) may be made without regard to any other provision of law.

"(B) EXCESS AGGREGATE CONTRIBUTIONS.—For purposes of subparagraph (A), the term 'excess aggregate contributions' means, with respect to any highly compensated employee for any plan year, the excess of—

"(i) the aggregate amount of the matching contributions and employee contributions (and any qualified nonelective contribution or elective contribution taken into account under paragraph (3)(A)(i)) actually made on behalf of such employee for such plan year, over

"(ii) the maximum amount of such contributions permitted under the limitations of paragraph (2)(A)."

"(C) PLANS THAT UTILIZE AVERAGING OPTION.—A plan that elects to use the average contribution percentage for highly compensated employees as provided in paragraph (3)(C)(i) must determine the maximum amount of contributions permitted under the limits of paragraph (3)(C)(i) by reducing the contributions made on behalf of highly compensated employees in order of the actual contribution percentages beginning with the highest of such percentages and distribute the excess aggregate contributions to the highly compensated employees on the basis of the respective portions of the excess aggregate contributions attributable to each such employee. Forfeitures of excess aggregate contributions may not be allocated to participants whose contributions are reduced under this paragraph."

(4) CONFORMING AMENDMENT.—Paragraph (9) of section 401(m) is amended to read as follows:

"(9) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection and subsection (k), including regulations permitting appropriate aggregation of plans and contributions."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning on or after February 1, 1992.

SEC. 358. DEFINITION OF HIGHLY COMPENSATED EMPLOYEE.

(a) GENERAL RULE.—Subsection (q) of section 414 (defining highly compensated employee) is amended to read as follows:

"(q) HIGHLY COMPENSATED EMPLOYEE.—

"(1) IN GENERAL.—The term 'highly compensated employee' means any employee who, during the year or the preceding year—

"(A) was a 5-percent owner, or

"(B) received compensation from the employer in excess of $50,000.

The Secretary shall adjust the $50,000 amount specified in subparagraph (B) at the same time and in the same manner as under section 415(d).

"(2) SPECIAL RULE FOR CURRENT YEAR.—In the case of the year for which the relevant determination is being made, an employee not described in subparagraph (B) of paragraph (1) for the preceding year (without regard to this paragraph) shall not be treated as described in such subparagraph for the year for which the determination is being made unless such employee is a member of the group consisting of the 100 employees paid the highest compensation during the year for which such determination is being made.

"(3) 5-PERCENT OWNER.—An employee shall be treated as a 5-percent owner for any year if at any time during such year such employee was a 5-percent owner (as defined in section 416(i)(1)) of the employer.

"(4) SPECIAL RULE IF NO EMPLOYEE DESCRIBED IN PARAGRAPH (1).—If no employee is treated as a highly compensated employee under paragraph (1), the employee who has the highest compensation for the year shall be treated as a highly compensated employee.

"(5) COMPENSATION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'compensation' means compensation within the meaning of section 415(c)(3).

"(B) CERTAIN PROVISIONS NOT TAKEN INTO ACCOUNT.—The determination under subparagraph (A) shall be made—

"(i) without regard to sections 125, 402(e)(3), 402(h)(1)(B), and 414(h)(2), and

"(ii) in the case of employer contributions made pursuant to a salary reduction agreement, without regard to sections 403(b) and 457.

"(6) FORMER EMPLOYEES.—A former employee shall be treated as a highly compensated employee if—

"(A) such employee was a highly compensated employee when such employee separated from service, or

"(B) such employee was a highly compensated employee at any time after attaining age 55.

"(7) COORDINATION WITH OTHER PROVISIONS.—Subsections (b), (c), (m), (n), and (o) shall be applied before the application of this section.

"(8) SPECIAL RULE FOR NONRESIDENT ALIENS.—For purposes of this subsection, any employee described in subsection (r)(9)(F) shall not be treated as an employee."

(b) CONFORMING AMENDMENTS.—

(1)(A) Section 414(r) is amended by adding at the end thereof the following new paragraph:

"(9) EXCLUDED EMPLOYEES.—For purposes of this subsection, the following employees shall be excluded:

"(A) Employees who have not completed 6 months of service.

"(B) Employees who normally work less than 17½ hours per week.

"(C) Employees who normally work not more than 6 months during any year.

"(D) Employees who have not attained the age of 21.

"(E) Except to the extent provided in regulations, employees who are included in a unit of employees covered by an agreement which the Secretary of Labor finds to be a collective bargaining agreement between employee representatives and the employer.

"(F) Employees who are nonresident aliens and who receive no earned income (within the meaning of section 911(d)(2)) from the employer which constitutes income from sources within the United States (within the meaning of section 861(a)(3)).

Except as provided by the Secretary, the employer may elect to apply subparagraph (A), (B), (C), or (D) by substituting a shorter period of service, smaller number of hours or months, or lower age for the period of service, number of hours or months, or age (as the case may be) specified in such subparagraph."

(B) Subparagraph (A) of section 414(r)(2) is amended by striking "subsection (q)(8)" and inserting "paragraph (9)".

(2) Paragraph (2) of section 414(s) is amended to read as follows:

"(2) EMPLOYER MAY ELECT TO TREAT CERTAIN DEFERRALS AS COMPENSATION.—An employer may elect to include all of the following amounts as compensation:

"(A) Amounts not includible in the gross income of the employee under section 125, 402(e)(3), 402(h)(1)(B), or 414(h)(2).

"(B) Amounts contributed by the employer under a salary reduction agreement and not includible in gross income under section 403(b) or 457."

(3) Paragraph (17) of section 401(a) is amended by striking the last sentence.

(4) Subsection (1) of section 404 is amended by striking the last sentence.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning on or after February 1, 1992.

SEC. 359. ELIMINATION OF SPECIAL VESTING RULE FOR MULTIEMPLOYER PLANS.

(a) INTERNAL REVENUE CODE AMENDMENT.—Paragraph (2) of section 411(a) (relating to minimum vesting standards) is amended—

(1) by striking "subparagraph (A), (B), or (C)" and inserting "subparagraph (A) or (B)"; and

(2) by striking subparagraph (C).

(b) ERISA AMENDMENT.—Paragraph (2) of section 203(a)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)(2)) is amended—

(1) by striking "subparagraph (A), (B), or (C)" and inserting "subparagraph (A) or (B)"; and

(2) by striking subparagraph (C).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning on or after the earlier of—

(1) the later of—

(A) January 1, 1993, or

(B) the date on which the last of the collective bargaining agreements pursuant to which the plan is maintained terminates (determined without regard to any extension thereof after the date of the enactment of this Act), or

(2) January 1, 1995.

Such amendments shall not apply to any individual who does not have more than 1 hour of service under the plan on or after the 1st day of the 1st plan year to which such amendments apply.

Subtitle E—Other Provisions

PART I—PROVISIONS RELATING TO CHARITABLE CONTRIBUTIONS

SEC. 361. THE ALTERNATIVE MINIMUM TAX.

(a) REPEAL OF TAX PREFERENCE.—Subsection (a) of section 57 is amended by striking paragraph (6) (relating to the appreciated property charitable deduction under the alternative minimum tax) and by redesignating paragraph (7) as paragraph (6).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in calendar years ending on or after December 31, 1992.

SEC. 362. ALLOCATION AND APPORTIONMENT.

(a) APPLICATION OF SECTION 864(E)(6).—Paragraph (6) of section 864(e) is amended by designating the existing text as subparagraph (A), by inserting the heading "AFFILIATED GROUP RULE" before the text of subparagraph (A), and by adding at the end thereof the following new subparagraph:

"(B) ALLOCATION AND APPORTIONMENT OF CHARITABLE DEDUCTIONS.—A charitable contribution allowable as a deduction in computing taxable income for a taxable year shall be allocated and apportioned solely to gross income from sources within the United States. For purposes of the preceding sentence, all members of an affiliated group shall be treated as a single corporation."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in calendar years ending on or after December 31, 1992.

SEC. 363. INFORMATION REPORTING OF LARGE DONATIONS.

(a) REPORTING BY DONEES.—

(1) REPORTING REQUIREMENTS.—Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new section:

"SEC. 6050P. RETURNS RELATING TO CERTAIN CHARITABLE CONTRIBUTIONS.

"(a) GENERAL RULE.—The donee of any large charitable donation shall make a return (in accordance with forms and regulations prescribed by the Secretary) showing—

"(1) the name, address, and TIN of the donor,

"(2) the amount of the contribution (or the value, if the contribution is made other than in money), and

"(3) the circumstances under which the contribution was made.

"(b) LARGE CHARITABLE DONATION.—For purposes of this section, the term 'large charitable donation' means any combination of money or value of property contributed by an individual during the calendar year in contributions for which a deduction could potentially be claimed under section 170, based on the donee's determination that it did not provide substantial goods or services in exchange for the contribution, if the amount of such contributions exceeds $500.

"(c) STATEMENT TO BE FURNISHED TO DONORS.—Every person making a return under subsection (a) shall furnish a copy of such return to the donor at such time and in such manner as the Secretary may by regulations prescribe.

"(d) EXCEPTIONS FROM FILING.—Subsection (a) shall not apply to any organization exempt from the filing requirements of section 6033 by reason of the organization's normal level of gross receipts, whether exempted by section 6033(a)(2)(A)(ii) or by the Secretary pursuant to section 6033(a)(2)(B)."

(2) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 (as amended by section 363 of this Act) is amended by adding at the end thereof the following new items:

"Sec. 6050P. Returns relating to certain charitable contributions."

(b) DENIAL OF DEDUCTION.—Except as otherwise provided by regulations, no deduction for a large charitable donation (as defined in section 6050P of the Internal Revenue Code) shall be allowed unless the donor includes on the return on which such deduction is first claimed such additional information as the Secretary may prescribe (by form or regulation).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made on or after July 1, 1992.

PART II—OTHER PROVISIONS

SEC. 371. EXTEND MEDICARE HOSPITAL INSURANCE (HI) COVERAGE TO ALL STATE AND LOCAL EMPLOYEES.

(a) APPLICATION OF HOSPITAL INSURANCE TAX.—Paragraph (2) of section 3121(u) (relating to the application of the hospital insurance tax to State and local employment) is amended:

(1) by striking "subparagraphs (B) and (C)" and inserting "subparagraph (B)" in subparagraph (A), and

(2) by deleting subparagraphs (C) and (D).

(b) ENTITLEMENT TO HOSPITAL INSURANCE BENEFITS.—

(1) Section 210(p) of the Social Security Act (42 U.S.C. 410(p)) is amended:

(A) by striking "paragraphs (2) and (3)" and inserting "paragraph (2)" in paragraph (1)(B), and

(B) by deleting paragraphs (3) and (4).

(2) Section 218(n) of the Social Security Act (42 U.S.C. 418(n)) is repealed.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to services performed after June 30, 1992.

(2) SERVICES PERFORMED BEFORE JULY 1, 1992.—If any service performed by an individual during July 1992 is medicare qualified government employment (as defined in section 210(p) of the Social Security Act (42 U.S.C. 410(p)), as amended by subsection (b) of this section), the amendments made by subsection (b) of this section shall apply to all periods (if any) of service performed by that individual before July 1, 1992, that would be medicare qualified government employment (as so defined) if performed after June 30, 1992.

(3) DISABILITY BEFORE JULY 1, 1992.—For purposes of establishing entitlement to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to the amendments made by subsection (b) of this section, no individual may be considered to be under a disability for any period before July 1, 1992.

(4) CONFORMING AMENDMENT.—Section 278(d)(2)(A) of the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. No. 97-248, as amended by section 309(a)(11) of the Technical Corrections Act of 1982, Pub. L. No. 97-448, is amended by inserting "or of section 371(c)(2) of the Long Term Growth Act of 1992" after "subsection".

SEC. 372. CONFORM TAX ACCOUNTING TO FINANCIAL ACCOUNTING FOR SECURITIES DEALERS.

(a) GENERAL RULE.—Subpart D of part II of subchapter E of chapter 1 of the Internal Revenue Code of 1986 (relating to inventories) is amended by inserting at the end thereof the following new section:

"SEC. 475. MARK TO MARKET INVENTORY METHOD FOR DEALERS IN STOCK OR SECURITIES.

"(a) GENERAL RULE.—Each stock or security held for resale to customers in the ordinary course of the taxpayer's trade or business at the close of the taxable year shall be treated as sold for its fair market value on the last business day of such taxable year and any gain or loss shall be taken into account for that taxable year.

"(b) BASIS ADJUSTMENT REQUIRED.—Proper adjustment shall be made to the taxpayer's basis in each stock or security so that any gain or loss subsequently realized is not recognized to the extent such gain or loss was previously taken into account by reason of subsection (a).

"(c) DERIVATIVE FINANCIAL INSTRUMENTS HELD BY DEALERS.—A taxpayer that is required by subsection (a) to treat stocks or securities held for resale to customers in the ordinary course of the taxpayer's trade or business as sold for their fair market value on the last business day of the taxable year shall—

"(1) treat all derivative financial instruments held at the close of the taxable year as sold for their fair market value on the last business day of the taxable year, and

"(2) properly adjust the amount of gain or loss subsequently realized for gain or loss taken into account by reason of paragraph (1).

"(d) Definitions and Special Rules.—For purposes of this section—

"(1) Stock or securities defined.—The term 'stock or securities' shall include stock or securities as defined in section 851(b)(2), 1091(a), or 1236(c), and notional principal contracts.

"(2) Dealers or traders in notional principal contracts.—A dealer or trader in notional principal contracts shall be treated as holding such contracts for resale to customers in the ordinary course of its trade or business.

"(3) Derivative financial instruments defined.—The term 'derivative financial instruments' includes commodities, options, forward contracts, futures contracts, notional principal contracts, short positions in securities, and any similar financial instrument.

"(4) Section 263A shall not apply.—The cost capitalization rules of section 263A shall not apply to stock, securities, or derivative financial instruments accounted for under this section.

"(e) Regulatory Authority.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including rules to prevent the use of year-end transfers, related parties, or other arrangements to avoid the effect of this section."

(b) Conforming Amendment.—Subsection (b) of section 471 is amended to read as follows:

"(b) Cross References.—

"(1) For rules relating to the inventory method that conforms to the best accounting practice for dealers in stock or securities, see section 475.

"(2) For rules relating to capitalization of direct and indirect costs of property, see section 263A."

(c) Clerical Amendment.—The table of sections for subpart D of part II of subchapter E of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 475. Conform tax accounting to financial accounting for securities dealers."

(1) Effective Date.—

(1) In General.—The amendments made by this section shall apply to all taxable years ending on or after December 31, 1992.

(2) Change in method of accounting.—In the case of any taxpayer required by this section to change its method of accounting for any taxable year—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary,

(C) the change in method of accounting shall be implemented by valuing each stock or security to which the amendments of this section apply at its fair market value on the last day of the first taxable year ending on or after December 31, 1992, and

(D) 10 percent of any increase or decrease in value by reason of subparagraph (C) shall be taken into account in each of the 10 taxable years beginning with the first taxable year ending on or after December 31, 1992.

SEC. 373. DISALLOWANCE OF INTEREST DEDUCTIONS ON CORPORATE OWNED LIFE INSURANCE

(a) Disallowance of Deduction.—Subsection (a) of section 264 is amended—

(1) by striking "to the extent that the aggregate amount of such indebtedness with respect to policies covering such individuals exceeds $50,000" in paragraph (4), and

(2) by striking the last sentence thereof.

(b) Effective Date.—The amendments made by this section shall apply to interest incurred on or after February 1, 1992.

SEC. 374. CLARIFICATION OF TREATMENT OF CERTAIN FSLIC ASSISTANCE.

(a) General Rule.—For purposes of chapter 1 of the Internal Revenue Code of 1986—

(1) no deduction is allowed under section 165 of such Code for a loss of the disposition of property to the extent that the taxpayer has a right to be reimbursed for the loss with FSLIC Assistance, and

(2) no deduction is allowed under section 166, 585, or 593 of such Code with respect to any debt to the extent that the taxpayer has a right to be reimbursed for the debt with FSLIC Assistance.

(b) FSLIC Assistance.—For purposes of this section, the term "FLSIC Assistance" means any money or other property provided with respect to a domestic building and loan association (as defined in section 7701(a)(19) of such Code without regard to subparagraph (C) thereof) pursuant to section 406(f) of the National Housing Act or section 21A of the Federal Home Loan Bank Act (or any similar provision of law). The term "FSLIC Assistance" does not include money or other property to which the amendments made by section 1401(a)(3) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 apply.

(c) Effective Date.—

(1) In general.—The provisions of this section apply to FSLIC Assistance credited on or after March 4, 1991, with respect to property disposed of and charge-offs made in taxable years ending on or after March 4, 1991.

(2) Special rule for net operating loss carryovers.—The amount of any net operating loss carryover to a taxable year ending on or after March 4, 1991, must be reduced by the amount of FSLIC Assistance credited on or after March 4, 1991, with respect to property disposed of or charge-offs made in taxable years ending before March 4, 1991.

SEC. 375. EQUALIZING TAX TREATMENT OF LARGE CREDIT UNIONS AND THRIFTS.

(a) Repeal of Exemption.—Subparagraph (A) of section 501(c)(14) is amended to read as follows:

"(A) Small credit unions without capital stock organized and operated for mutual purposes and without profit. For purposes of this subparagraph, a credit union is a small credit union unless, for any taxable year, the average adjusted basis of all of its assets exceeds $50,000,000."

(b) Repeal of Deduction for Dividends Paid.—Subsection (a) of section 591 is amended by inserting "credit unions that are not small credit unions as defined in section 501(c)(14)(A)," after "domestic building and loan associations,".

(c) Reserves for Bad Debts.—

(1) In general.—Paragraph (1) of section 593(a) is amended by striking "or" at the end of subparagraph (B), by inserting "or" at the end of subparagraph (C), and by inserting after subparagraph (C) the following new subparagraph:

"(D) any credit union that is not a small credit union as defined in section 501(c)(14)(A),".

(2) Conforming amendment.—Paragaph (2) of section 593(a) is amended by striking "association or bank" and inserting "entity".

(d) Effective Date.—The provisions of this section apply for taxable years ending on or after December 31, 1992.

SEC. 376. TREATMENT OF ANNUITIES WITHOUT LIFE CONTINGENCIES.

(a) Life Contingency Required for Annuity Treatment.—Paragraph (5) of section 72(c) is amended to read as follows:

(5) Annuity contract.—

"(A) In general.—For purposes of this subtitle (other than subchapter L), a contract is treated as an annuity contract only if the purchaser irrevocably chooses as a settlement option a series of substantially equal periodic payments (not less frequently than annually) made for the life of the annuitant or the joint lives of the annuitants. The settlement option must be irrevocable as of the date the contract is entered into.

"(B) Certain features.—

"(i) Term certain feature.—If the settlement option described in subparagraph (A) contains a term certain feature, that feature may not guarantee that periodic payments will be made for a period of time that exceeds one-third of the life expectancy of the annuitant determined as of the annuity starting date.

"(ii) Amount certain feature.—If the settlement option described in subparagraph (A) contains an amount certain feature, that feature may not guarantee that an amount will be paid that exceeds one-third of the cash value of the contract (determined without regard to any surrender charge) determined as of the annuity starting date (or date of annuitant's death, if earlier).

"(C) Special rules.—This paragraph shall not apply to—

"(i) annuities purchased by a trust described in section 401(a) which is exempt from tax under section 501(a),

"(ii) annuities purchased as part of a plan described in section 403(a),

"(iii) annuities described in section 403(b),

"(iv) annuities provided for employees of a life insurance company under a plan described in section 818(a)(3),

"(v) amounts received from an individual retirement account or an individual retirement annuity,

"(vi) individual retirement annuities,

"(vii) amounts received from a trust described in section 401(a) which is exempt from tax under section 501(a), and

"(viii) annuities which qualify as a 'qualified funding asset' in accordance with section 130(d)."

(b) Effective Date.—The provisions of this section apply to all contracts entered into on or after the date of enactment of this Act.

SEC. 377. EXPANSION OF 45-DAY INTEREST-FREE PERIOD.

(a) In General.—Subsection (e) of section 6611 (relating to interest on overpayments) is amended to read as follows:

"(e) Tax Refund Within 45 Days.—No interest shall be allowed under subsection (a) on any overpayment of tax imposed by this title if such overpayment—

"(1) is refunded within 45 days after the last date prescribed for filing the return of such tax (determined without regard to any extension of time for filing the return),

"(2) is refunded within 45 days after the date the return is filed, in case the return is filed after such last date, or

"(3) is refunded within 45 days of the date the right to the refund arises, in case the right to the refund arises other than pursuant to the original filing of a tax return."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns due on or after July 1, 1992, and to all other refunds made on or after such date.

TITLE IV—FINANCIAL INSTITUTIONS SAFETY AND CONSUMER CHOICE ACT OF 1992

SEC. 401. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the "Financial Institutions Safety and Consumer Choice Act of 1992".

(b) TABLE OF CONTENTS.—

Sec. 402. Purposes.

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Sec. 411. Financial services holding companies.
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Sec. 466. Amendment to the Expedited Funds Availability Act.

Subtitle C—Technical and Conforming Amendments

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Sec. 476 Amendment to Acts codified in title 2, United States Code.
Sec. 477 Amendments to title 5, United States Code.
Sec. 478 Amendment to Act codified in title 7, United States Code.
Sec. 479 Amendments to Acts codified in title 12, United States Code.
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Sec. 482 Amendments to title 18, United States Code.
Sec. 483 Amendments to the Internal Revenue Code of 1986.
Sec. 484 Amendments to title 31, United States Code.
Sec. 485 Amendments to Acts codified in title 42, United States Code.
Sec. 486 Amendment to title 46, United States Code.

CHAPTER 3—REPEAL OF OBSOLETE PROVISIONS OF LAW

Sec. 491 Repeal of Obsolete Provisions of Law.

CHAPTER 4—EFFECTIVE DATE

Sec. 496 Effective date.

SEC. 402. PURPOSES.

The purposes of this title are—

(1) To strengthen the role of capital in insured depository institutions.

(2) To permit nationwide banking and branching.

(3) To authorize the establishment of financial services holding companies to permit companies owning depository institutions to engage in other financial activities with appropriate safeguards.

(4) To promote consumer convenience by permitting banking organizations a broader range of financial products.

Subtitle A—Financial Services Modernization

CHAPTER 1—FINANCIAL SERVICES HOLDING COMPANIES

SEC. 411. FINANCIAL SERVICES HOLDING COMPANIES.

(a) DEFINITIONS MODIFIED.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended—

(1) by amending subsection (a)(1) to read as follows:

"(a)(1)(A) The term 'financial services holding company' means any company (other than a diversified holding company) which has control over any bank.

"(B) The term 'diversified holding company' means any company (other than a bank or a foreign bank) which has control over a bank only through a financial services holding company and which engages in activities or controls any company engaged in activities that are not permissible for a financial services holding company or any subsidiary thereof under this Act. For purposes of this subparagraph the term 'foreign bank' does not include (and the term 'diversified holding company' may include) any company organized under the laws of a foreign country (as defined in section 1(b)(8) of the International Banking Act of 1978), a territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands which does not engage in the business of banking.";

(2) in the second sentence of subsection (a)(5)(A), by inserting a period after "thereto" and striking the balance of the sentence;

(3) by amending subsection (f) to read as follows:

"(f)(1) The term 'appropriate Federal banking agency' shall have the same meaning as set forth in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

"(2) The term 'Board' means the Board of Governors of the Federal Reserve System."; and

(4) by adding after subsection (m) the following new subsections:

"(n) SECURITIES AFFILIATE.—The term 'securities affiliate' means any company that is controlled by a financial services holding company and that is engaged in the United States in activities pursuant to section 4(c)(15).

"(o) INSURANCE AFFILIATE.—The term 'insurance affiliate' means any company that is controlled by a financial services holding company and that is engaged in the United States in activities pursuant to section 4(c)(16).

"(p) FOREIGN BANK.—The term 'foreign bank' has the same meaning as in section 1(b)(7) of the International Banking Act of 1978 (12 U.S.C. 3101(7)).

"(q) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' means any insured bank as defined in section 3(h) of the Federal Deposit Insurance Act (12 U.S.C. 1813(h)) and any insured institution.

"(r) WELL CAPITALIZED AND ADEQUATELY CAPITALIZED.—The terms 'well capitalized' and 'adequately capitalized' have the same meaning as in section 38 of the Federal Deposit Insurance Act.

"(s) WELL CAPITALIZED FINANCIAL SERVICES HOLDING COMPANY.—The term 'well capitalized financial services holding company' means any financial services holding company that qualifies as a well capitalized financial services holding company pursuant to section 38(e)(2) of the Federal Deposit Insurance Act.

"(t) FUNCTIONAL REGULATOR.—The term 'functional regulator' means a Federal or State agency that has supervisory authority concerning the activities of a company (other than an insured depository institution) that are of concern to the Board for purposes of section 6(c).

"(u) NEW FINANCIAL ACTIVITY.—The term 'new financial activity' means any activity authorized pursuant to section 4(c)(8), 4(c)(15), or 4(c)(16) other than any activity that, prior to the date of enactment of the Financial Institutions Safety and Consumer

Choice Act of 1992, the Board has determined, by any other or regulation that continued to be in effect on December 31, 1993, to be closely related to banking and a proper incident thereto.

"(v) QUALIFIED FINANCIAL ACTIVITY.—The term 'qualified financial activity' means any activity authorized pursuant to section 4(c)(8), 4(c)(15), or 4(c)(16).

"(w) FINANCIAL AFFILIATE.—The term 'financial affiliate' means any company that is controlled by a financial services holding company that is engaged in the United States in qualified financial activities and any other company that is controlled by a diversified holding company that is engaged in activities authorized to be engaged in by a subsidiary of a financial services holding company pursuant to section 4(c)(8), 4(c)(15), or 4(c)(16).".

(b) CONFORMING AMENDMENTS.—Section 2 of the Bank Holding Act of 1956 (12 U.S.C. 1841) is further amended—

(1) in subsection (c)(2)(J), by striking "Federal Savings and Loan Insurance Corporation insurance to Federal Deposit Insurance Corporation insurance" and inserting "Savings Association Insurance Fund to Bank Insurance Fund";

(2) in subsection (h)(5), by striking "bank" the first time it appears and inserting "insured depository institution"; and

(3) by striking "bank holding company" wherever it appears except in subsection (b) and inserting—

(A) in subsections (a)(5)(A), (a)(5)(B), (a)(5)(C), (a)(5)(D), (d), and (g)(1), "financial services holding company and diversified holding company"; and

(B) in all other instances, "financial services holding company".

SEC. 412. ACQUISITION OF BANKS.

(a) AMENDMENTS TO APPLICATION PROCESS.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended—

(1) in subsection (a)—

(A) by amending paragraph (3) to read as follows:

"(3) for any financial services holding company to acquire ownership or control of any voting shares of any insured depository institution or financial services holding company, for any diversified holding company to acquire ownership or control of any voting shares of any financial services holding company, or for a company to acquire ownership or control of a diversified holding company if, after such acquisition, such company will own or control more than 5 per centum of the voting shares of such institution or company";

(B) by striking "Notwithstanding the foregoing" and inserting "It shall be unlawful for any insured depository institution (other than a foreign bank operating an insured branch as defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) to become a financial services holding company or a diversified holding company. Notwithstanding the foregoing";

(C) by adding at the end thereof the following new sentence: "Notwithstanding paragraph (1), any company that was a bank holding company under the Bank Holding Company Act of 1956 on December 31, 1993, shall be a financial services holding company as of January 1, 1994 without further approval by the Board.";

(D) in subparagraph (A)(ii), by striking "or" at the end thereof; and

(E) in subparagraph (B), by inserting after "prior to such acquisition" the following: "; or (C) the acquisition by a company of control of a bank in a reorganization in which a person or group of persons exchange their shares of the bank for shares of a newly formed financial services holding company and receive after the reorganization substantially the same proportional share interest in the holding company as they held in the bank except for changes in shareholders' interests resulting from the exercise of dissenting shareholders' rights under State or Federal law if (i) immediately following the acquisition, the bank meets the requirements for well capitalized or adequately capitalized, (ii) the holding company does not engage in any activities other than those of managing and controlling banks as a result of the reorganization, and (iii) the company provides 30 days prior notification to the Board.";

(2) in subsection (b)—

(A) by amending the first sentence to read "Upon receiving from a company any application for approval under this section to acquire any interest in an insured depository institution, the Board shall give notice (A) to the Comptroller of the Currency, if the insured depository institution to be acquired is a national banking association or a District bank, (B) to the Director of the Office of Thrift Supervision, if the insured depository institution to be acquired is a Federally-chartered insured institution, or (C) to the appropriate supervisory authority of the interested State, if the insured depository institution to be acquired is a State-chartered bank or State-chartered insured institution, in order to provide for the submission of the views and recommendations of the Comptroller of the Currency, the Director of the Office of Thrift Supervision, or the State supervisory authority, as appropriate.";

(B) in the second sentence, by inserting ", the Director of the Office of Thrift Supervision," after "Comptroller of the Currency";

(C) in the third sentence—

(i) by inserting ", the Director of the Office of Thrift Supervision," after "Comptroller of the Currency"; and

(ii) by striking "disapproves" and inserting "recommends disapproval of"; and

(D) in the ninth sentence, by inserting ", the Director of the Office of Thrift Supervision," after "Comptroller of the Currency";

(3) in subsection (C)—

(A) in paragraph (1), by striking ", or" at the end thereof and inserting a semicolon;

(B) in paragraph (2), by striking the period at the end thereof and inserting "; or"; and

(C) by adding after paragraph (2) the following new paragraph:

"(3) any acquisition or merger or consolidation if the Comptroller of the Currency or the Director of the Office of Thrift Supervision determines that the insured depository institution to be acquired or any other insured depository institution controlled by the company involved in the proposal is engaging in any unsafe and unsound practice or, following the transaction, will be in an unsafe and unsound condition.";

(4) by redesignating subsections (d) through (g) as subsections (f) through (i), respectively; and

(5) by inserting after subsection (c) the following new subsections:

"(d) EXPEDITED PROCEDURES FOR ACQUISITION OF ADDITIONAL BANKS BY WELL CAPITALIZED FINANCIAL SERVICES HOLDING COMPANIES.—

"(1) PROCEDURES.—

"(A) Upon receiving from a well capitalized financial services holding company a complete application for approval under this section to acquire an insured depository institution, the Board shall notify the Comptroller of the Currency, the Director of the Office of Thrift Supervision, or the appropriate supervisory authority of an interested State, if any, as provided for in subsection (b). Notwithstanding subsection (b)(1), the views and recommendations of the Comptroller of the Currency, the Director of the Office of Thrift Supervision, or the appropriate supervisory authority of an interested State, as appropriate, shall be submitted within 21 days of the date on which notice is given to them by the Board.

"(B) The Board must approve or disapprove the application within 45 days after the date of receipt of such application.

"(C) In the event of the failure of the Board to act on any such application within 45 days after it has been received, the application shall be deemed to have been approved.

"(D) If the Board has found that an emergency exists requiring expeditious action, or that it must act immediately to prevent probable failure, or if the Board receives a certification described in section 13(f)(8)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)(8)(D)) from the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation or the State supervisory authority that an insured depository institution is in danger of closing, the Board may waive or shorten the 45-day notice period with respect to any application for an acquisition received pursuant to this subsection.

"(2) EXTENSION OF TIME FOR NOTICE AND HEARING.—The 45-day period may be extended if the Comptroller of the Currency, the Director of the Office of Thrift Supervision, or the State supervisory authority recommends disapproval of an application subject to subparagraph (1) in writing based on its consideration of the factors listed in paragraphs (1), (2), or (3) of subsection (c). In the event that the Comptroller of the Currency, the Director of the Office of Thrift Supervision or the State Supervisory authority recommends disapproval, the Board shall follow the review period and procedures for notice and hearing contained in subsection (b)(1).

"(3) GROUNDS FOR DISAPPROVAL.—An application under this subsection shall be disapproved only—

"(A) pursuant to subsection (c)(1), (c)(2) or (c)(3);

"(B) if the financial services holding company does not qualify as, or would not continue to qualify as, a well capitalized financial services holding company after consummation of the transaction; or

"(C) if the Board determines that the transaction would not be consistent with the convenience and needs of the community to be served.

"(e) ACQUISITION INVOLVING DIVERSIFIED HOLDING COMPANIES.—The Board shall not permit any acquisition or merger or consolidation of a financial services holding company involving a diversified holding company or a company that seeks to become a diversified holding company unless all financial services holding companies controlled by the diversified holding company are and remain well capitalized financial services holding companies, and any financial services holding company to be acquired, will be, upon consummation of the transaction, a well capitalized financial services holding company. An application involving a proposal that meets the requirement of this subsection shall be reviewed in accordance with the procedures and standards under subsection (d).".

(b) CONFORMING AMENDMENTS.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is further amended—

(1) by striking "bank holding company" wherever it appears (except in the last sentence of subsection (a) as added by this section or as it appears in the reference to the "Bank Holding Company Act Amendments of 1970") and inserting—

(A) in subsections (a)(1), (a)(2), (a)(4), (a)(5), (a)(A), and (d), "financial services holding company or diversified holding company"; and

(B) in all other instances, "financial services holding company";

(2) in subsection (a)(2), by striking "causes a bank" and inserting "causes an insured depository institution";

(3) in subsection (a)(4)—

(A) by striking "other than a bank" and inserting "other than an insured depository institution"; and

(B) by striking "assets of a bank" and inserting "assets of an insured depository institution";

(4) in subsection (a)(A), by striking "acquired by a bank" and inserting "acquired by an insured depository institution"; and

(5) in subsection (a)(B), by striking "in a bank" and inserting "in an insured depository institution".

SEC. 413. INTERESTS IN NONBANKING ORGANIZATIONS.

(a) INTERESTS IN NONBANKING ORGANIZATIONS.—Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended—

(1) in subsection (a)—

(A) by striking the two flush sentences following paragraph (2);

(B) in paragraph (2)—

(i) by striking ", or in the case of a company which has been" and all that follows through "December 31, 1980" and inserting "or in the case of a company that becomes a financial services holding company as a result of enactment of the Financial Institutions Safety and Consumer Choice Act of 1992, on January 1, 1993";

(ii) in subparagraph (A)—

(I) by striking "of banking or"; and

(II) by adding at the end thereof ", in the case of a foreign bank, the business of banking, where otherwise permitted through a branch or agency, as those terms are defined in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101)";

(iii) in subparagraph (B), by striking "those permitted under" and all that follows through "under such paragraph" and inserting "those permitted under subsection (c)(8)(A)(i) subject to all the conditions specified in such subsection or in any order or regulation issued by the Board under such subsection, and (C) those permitted under subsection (c)(16) provided that the financial services holding company is a company exclusive owned in a mutual form by holders of contracts of insurance issued by such financial services holding company, or is a company organized as a reciprocal inter-insurance exchange";

(iv) in the second sentence, by inserting a period after "practices" and striking the remainder of the sentence; and

(v) by striking the last sentence.

(2) in subsection (c)—

(A) by striking the two flush sentences following paragraph (14)(H)(ii);

(B) in paragraph (8)—

(i) in subparagraphs (C), (D), and (E), by redesignating clauses (i) and (ii) as subclauses (i) and (ii), respectively;

(ii) by redesignating subparagraphs (B) through (G) as clauses (ii) through (vii), respectively;

(iii) by redesignating subparagraph (A) as subparagraph (B)(i);

(iv) in subparagraph (B)(vii) (as redesignated), by striking "subparagraph (A), (B), or (C)" and inserting "clause (i), (ii), or (iii)";

(v) by striking "shares of any company" and all that follows through "provide" and inserting:

"(A) shares of any company the activities of which the Board, after due notice and opportunity for comment, has determined (by order or regulation) to be of a financial nature.

"(i) Any activity that the Board has determined (by order or regulation that is effective on December 31, 1993) to be closely related to banking and a proper incident thereto shall be deemed to be of a financial nature for purposes of this paragraph.

"(ii) Any company that was a bank holding company on December 31, 1993 and that, on January 1, 1994, becomes a financial services holding company as a result of the enactment of the Financial Institutions Safety and Consumer Choice Act of 1992, may without further approval under this paragraph retain shares of any company engaged in any activity described in clause (i) and continue to engage in any activity described in clause (i), provided that such company lawfully acquired the company or commenced the activity pursuant to approval that was granted by the Board prior to January 1, 1994, and was still in effect on December 31, 1993.

"(iii) Notwithstanding clause (ii), no financial services holding company may pursuant to this paragraph engage in, or acquire or retain the shares of any company engaged in, underwriting and dealing in securities that a national bank may not underwrite or deal in under section 5136 of the Revised Statutes (12 U.S.C. 24 (Seventh)), except that a financial services holding company that received approval of the Board to underwrite and deal in such securities may continue to do so pursuant to this section subject to all the same conditions and limitations as required by the Board on the date of enactment of the Financial Institutions Safety and Consumer Choice Act of 1992 of a period of time not to exceed three years from the date of enactment of that Act.

"(iv) Real estate investment, management, or development and the purchase and sale of real estate as principal or broker shall not be deemed to be of a financial nature except to the extent authorized pursuant to clause (i).

"(v) Activities described in paragraph (16) shall not be deemed to be of a financial nature, except providing.";

(vi) by striking "except" before subparagraph (B) (as redesignated); and

(vii) by striking the last five sentences;

(C) in paragraph (13), by striking "or" at the end thereof;

(D) in paragraph (14), by striking the period at the end thereof and inserting a semicolon; and

(D) by inserting after paragraph (14) the following new paragraphs:

"(15)(A) shares of any company engaged in any of the following activities subject to the provisions of subsection (1);

"(i) underwriting, distributing, or dealing in securities;

"(ii) organizing, sponsoring, controlling, or distributing the shares of any registered investment company pursuant to the Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.);

"(iii) securities brokerage, private placement, or investment advisory activities; or

"(iv) other securities activities permitted for broker or dealers registered under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) or for investment advisers registered under the Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.;

"(B) a financial services holding company that acquires control of a securities affiliate under this paragraph shall not, after one year from the date of that acquisition, permit a bank or an insured depository institution that it controls to engage, directly or indirectly, in the United States in activities described in subparagraph (A) except to the extent that these activities are specifically authorized by statute for a national bank (other than underwriting and dealing in obligations issued by a State or political subdivision as permitted by law) or by a regulation or order promulgated by the Office of the Comptroller of the Currency pursuant to that statute before the date of enactment of the Financial Institutions Safety and Consumer Choice Act of 1992: *Provided, however*, That a financial services holding company acquiring control of a securities affiliate under this paragraph shall not permit, after one year from the date of that acquisition, an insured depository institution it controls to underwrite or deal in obligations issued by a State or political subdivision thereof and shall permit these activities to be conducted only by a securities affiliate and not by an affiliate pursuant to subsection (c)(8);

"(C) for purposes of this paragraph, a branch or agency of a foreign bank or a commercial lending company controlled by a foreign bank (as the terms 'agency', 'branch', 'commercial lending company', and 'foreign bank' are defined in section 1 of the International Banking Act of 1978 (12 US.C. 3101)), shall be considered a bank; or

"(16)(A) shares of any company that provides insurance as principal, agent, or broker subject to the provisions of subsection (*l*);

"(B) A financial services holding company that acquires control of an insurance affiliate may not permit an insured depository institution it controls or a subsidiary thereof to provide insurance—

"(i) as principal; or

"(ii) as agent or broker, including insurance in which an affiliate acts as principal, agent or broker, unless the laws of the State in which the bank is located permit banks chartered by the state to provide insurance as agent or broker in that State.

"(C) Nothing in subparagraph (B) shall be construed to limit the ability of a financial services holding company to sell insurance pursuant to subsection (8);

"(D) for purposes of this paragraph, a branch or agency of a foreign bank (as the terms 'branch' and 'agency' are defined in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101)) shall be considered an insured depository institution.";

(3) by amending subsection (i) to read as follows:

"(i) NOTICE PROCEDURES FOR NONBANKING ACTIVITIES.—

"(1) GENERAL NOTICE PROCEDURE.—

"(A) NOTICE REQUIREMENT.—No financial services holding company may engage in activities or acquire or retain ownership or control of the shares of a company engaged in qualified financial activities without providing the Board with at least 45 days prior written notice of the proposed transaction or expansion.

"(B) CONTENTS OF NOTICE.—The notice submitted to the Board shall contain such information as the Board shall prescribe by regulation or by specific request in connection with a particular notice. The Board may only require such information as may be relevant to the nature and scope of the proposed transaction and to the Board's evaluation of the criteria provided for in paragraph (2) and subsection (j), as appropriate.

"(C) PROCEDURE FOR AGENCY ACTION.—A notice filed under this subsection shall be deemed to be approved by the Board unless, prior to the expiration of 45 days from the receipt of a complete notice, the Board issues an order setting forth the reasons for disapproval. The Board may extend the 45-day period for an additional 30 days.

"(D) EXPEDITED PROCEDURES FOR WELL CAPITALIZED FINANCIAL SERVICES HOLDING COMPANIES.—

"(i) COMMENCEMENT OF PERMISSIBLE NONBANKING ACTIVITIES.—Notwithstanding subparagraph (A), any well capitalized financial services holding company may commence through a subsidiary (other than a depository institution), any activity authorized by subsections (c)(15) and (c)(16) of section 4 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1843) or that has been determined by regulation by the Board under section 4(c)(8) of such Act to be permissible for such a financial services holding company or subsidiary. The financial services holding company shall provide the Board with written notice of the commencement of such activity not later than 30 days following such action.

"(ii) Acquisitions.—Notwithstanding subparagraphs (B) and (C), a notice filed under this subsection by a financial services holding company that will qualify as a well capitalized financial services holding company both before and after the proposed transaction shall be deemed to be approved unless prior to the expiration of 30 days after the receipt of a complete notice, the Board issues an order setting forth the reasons for disapproval.

"(E) NOTICE OF APPROVAL.—Any proposal may proceed prior to the expiration of the disapproval period if the Board issues a written notice of approval. The Board may provide for no notice under this paragraph or notice for a shorter period of time with respect to particular activities or transactions.

"(F) EXTENSION OF NOTICE PERIOD.—In the case of any proposal to engage in, or acquire or retain ownership or control of shares of any company engaged in, any activity pursuant to subsection (c)(8) that has not been previously approved by order or regulation, the Board may extend the notice period under this subsection for an additional 90 days.

"(2)(A) GENERAL STANDARDS FOR REVIEW.—In connection with a notice under this subsection, the Board may consider the following criteria—

"(i) the managerial resources of the companies involved;

"(ii) the adequacy of their financial resources, including their capital, giving consideration to the financial resources and capital of others engaged in similar activities;

"(iii) any material adverse effect on the safety and soundness or financial condition of an affiliated depository institution; and

"(iv) whether, in the case of notice for approval involving activities under subsection (c)(8), performance of the activity by a financial services holding company or a subsidiary of such company can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.

"(B) REQUIREMENTS FOR DISAPPROVAL.—The Board shall not approve any proposed transaction under this subsection if the Board determines that any insured depository institution controlled by the financial services holding company is engaging in any unsafe and unsound practice or is in an unsafe and unsound condition.

"(C) STANDARDS FOR WELL CAPITALIZED FINANCIAL SERVICES HOLDING COMPANY.—A notice filed under this section by a well capitalized financial services holding company or any subsidiary (other than an insured depository institution of such company) may be disapproved only pursuant to subparagraph (B) or if the Board determines that the financial services holding company is not a well capitalized financial services holding company."; and

(4) by adding after subjection (i) the following new subsections:

"(j) ADDITIONAL CAPITAL REQUIREMENTS FOR NEW FINANCIAL ACTIVITIES.—The Board shall disapprove a notice to engage in, or acquire or retain the shares of a company engaged in, a new financial activity unless the company filing the notice is a well capitalized financial services holding company, or the Board finds that—

"(1) the capital of each insured bank controlled by the company is above the mean capital level of the range for insured banks are adequately capitalized; and

"(2) the financial services holding company is making substantial progress toward qualifying as a well capitalized financial services holding company.

"(k) MAINTENANCE OF HIGHER CAPITAL.—Any financial services holding company that—

"(1) engages, directly or indirectly, in any new financial activity, or controls any company engaged in any such activity, and

"(2) fails to qualify as a well capitalized financial services holding company within the time period specified by the Board,

shall be subject to the provisions of section 38(e)(5) of the Federal Deposit Insurance Act.

"(l) LIMITATIONS ON ACTIVITIES OF FINANCIAL SERVICES HOLDING COMPANIES.—

"(1) DISCLOSURE.—A securities affiliate, an insurance affiliate, or an affiliate engaged in securities or insurance activities authorized pursuant to subsection (c)(8) shall each—

"(A) prominently disclose in writing to its customers that such affiliates are not insured depository institutions and are separate from any affiliated depository insured institution;

"(B) prominently disclose in writing to its customers that securities or insurance products sold, offered, or recommended by such affiliates are not deposits, are not insured by the Federal Deposit Insurance Corporation, are not guaranteed by any affiliated insured depository institutions, and are not otherwise obligations of such insured depository institutions unless such is the case; and

"(C) obtain an acknowledgement of receipt of the disclosures including the date of receipt and the customer's name, address, and account number.

"(2) REGULATIONS.—

"(A) The Securities and Exchange Commission is authorized to adopt regulations in consultation with the Board pursuant to this subsection regarding disclosures by securities affiliates and affiliates engaged in securities activities pursuant to subsection (c)(8).

"(B) The Board is authorized to adopt regulations pursuant to this subsection regarding disclosures by insurance affiliates or by any affiliates engaged in activities pursuant to subsection (c)(8) (other than securities activities).

"(3) DISCLOSURE OF CUSTOMER INFORMATION.—The Board is authorized to issue regulations limiting disclosures of nonpublic customer information between an insured depository institution and affiliates thereof, including an evaluation of the creditworthiness of an issuer or other customer of that insured depository institution or subsidiary thereof or financial, securities, or insurance affiliate.

"(4) AUTHORITY TO IMPOSE ADDITIONAL SAFEGUARDS.—The Board may by regulation or order adopt limitations or restrictions on the extension of credit or other similar financial support, the purchase or sale of assets, or the issuance of guarantees, letters of credit, or other credit facilities to or for the benefit of an affiliate engaged in any new financial activity or to customers of such affiliate by an affiliate that is an insured depository institution controlled by the financial services holding company. Such restrictions and limitations shall be adopted as the Board deems appropriate to address potential adverse effects, including unfair competition, conflicts of interest, and unsafe banking practices. Transactions or similar arrangements between an insured depository institution and the customers of an affiliate engaged in such activities that are both controlled by the same financial services holding company shall not be used to evade any restrictions or limitations imposed under this paragraph.

"(m) EXCEPTION FOR CERTAIN NONBANKING INVESTMENTS.—

"(1) IN GENERAL.—Notwithstanding subsection (a), a financial services holding company may own or control shares of any company engaged in activities not authorized pursuant to this section if—

"(A) the shares were acquired before January 1, 1994, and the aggregate investment in all such shares does not exceed 5 per centum of the financial services holding company's capital and surplus on a consolidated basis; or

"(B) the shares are acquired and held by a securities affiliate as part of a bona fide underwriting or investment banking activity if such shares are held only for such period of time as will permit the sale thereof on a reasonable basis consistent with the nature of such investment banking activity.

"(2) LIMITATIONS.—The limitations in section 5(c) shall apply to the companies described in paragraphs (1)(A) and (1)(B).

"(3) DIVESTITURE IN CASE OF LOSS OF EXEMPTION.—

"(A) If any financial services holding company loses the exemption provided in paragraph (1)(A), such company shall divest ownership and control of all of the shares of such company within 180 days after the loss of such exemption.

"(B) If any financial services holding company loses the exemption provided in paragraph (1)(B) the financial services holding company shall divest ownership and control of such shares within 15 days of the loss of the exemption.".

(b) CONFORMING AMENDMENTS.—Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) is further amended—

(1) by striking "bank holding company" wherever it appears (except in subsections (c)(1), (c)(8)(A)(ii), and (c)(8)(B)(vii)) and inserting "financial services holding company"; and

(2) in subsection (c)—

(A) in paragraph (1)(A), by striking "banking subsidiary" and inserting "insured depository institution";

(B) in paragraphs (1)(C) and (1)(D), by striking "banking subsidiaries" wherever it appears and inserting "insured depository institutions";

(C) in paragraph (1)(D), by striking "banking subsidiaries" wherever it appears and inserting "insured depository institutions"; and

(4) in paragraph (4), by striking "acquired by a bank" and inserting "acquired by an insured depository institution".

SEC. 414. DIVERSIFIED HOLDING COMPANIES.

Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended to read as follows:

"SEC. 5. DIVERSIFIED HOLDING COMPANIES.

"(a) CAPITAL REQUIREMENTS FOR ACQUISITION OF FINANCIAL SERVICES HOLDING COMPANIES.—No diversified holding company may acquire control of a financial services holding company unless, after the acquisition, such company is a well capitalized financial services holding company.

"(b) NOTICE PROVISION FOR DIVERSIFIED HOLDING COMPANIES.—A diversified holding company that acquires the shares of a financial affiliate, shall file notice with the Board 30 days after the commencement of such activity or the acquisition of such shares.

"(c) LIMITATIONS ON DIVERSIFIED HOLDING COMPANIES AND THEIR AFFILIATES.—

"(1) Except in the case of a foreign bank, no financial services holding company or any of its subsidiaries shall—

"(A) extend credit in any manner to an affiliated diversified holding company or any of its affiliates not otherwise under the control of a financial services holding company;

"(B) purchase for its own account financial assets or any securities of an affiliated diversified holding company or any of its affiliates not otherwise under the control of a financial services holding company;

"(C) issue a guarantee, acceptance or letter of credit, including an endorsement or standby letter of credit, to an affiliated diversified holding company or any of its affiliates not otherwise under the control of a financial services holding company; or

"(D) extend credit to any customer of the diversified holding company or any of its affiliates except on an arms-length basis in compliance with section 23B of the Federal Reserve Act (12 U.S.C. 371c–1).

"(2) To the extent that activities are not prohibited under paragraph (1), the restrictions and limitations issued by the Board pursuant to section 4(l) shall apply to diversified holding companies and their financial affiliates that are not otherwise controlled by an affiliated financial services holding company in the same manner and to the same extent as if the diversified holding company were a financial services holding company.

"(3) A diversified holding company and any of its affiliates that are engaged in the purchase and sale of real property, as principal, agent or broker, may not market such service jointly with any affiliated insured depository institution unless such insured depository institution is permitted under State law to engage in such purchase or sale of property.

"(4) A diversified holding company that either directly or through an affiliate (not otherwise under the control of an affiliated financial services holding company) provides insurance as principal, agent or broker, may not permit an affiliated insured depository institution or a subsidiary thereof to provide insurance as agent or broker, including insurance in which the diversified holding company or such affiliate acts as principal, agent or broker, unless the laws of the State in which the insured depository institution is located permit depository institutions chartered by such State to provide insurance as agent or broker in that State.

"(5) In the case of a foreign bank that is a financial services holding company, the Board shall apply the restrictions in paragraph (1) to the United States affiliates of such foreign bank and the foreign bank in the same manner and to the same extent as they apply to domestic financial services holding companies and their affiliates.".

SEC. 415. ADMINISTRATION.

The Bank Holding Company Act of 1956, is amended by inserting after section 5 the following new section:

"SEC. 6. ADMINISTRATION.

"(a) REGISTRATION OF FINANCIAL SERVICES HOLDING COMPANY.—Within 180 days after becoming a financial services holding company, each financial services holding company shall register with the Board on forms prescribed by the Board, which shall include such information with respect to the financial condition and operations, management, and inter-company relationships of the financial services holding company and its subsidiaries, and related matters, as the Board may deem necessary or appropriate to carry out the purposes of this Act. The Board may, in its discretion, extend the time within which a financial services holding company shall register and file the requisite information.

"(b) REGULATIONS AND ORDERS.—

"(1) The Board is authorized to issue such regulations and orders as may be necessary to enable it to administer and carry out the purposes of this Act and prevent evasions thereof: *Provided, however*, That any capital requirements for diversified holding companies or financial services holding companies shall only be imposed pursuant to subsection (f)(2)(B) of this section.

"(2) The Board shall propose and issue regulations for the purpose of implementing this Act. Such regulations shall be adopted and published as final before January 1, 1994.

"(c) RECORDS, REPORTS AND EXAMINATIONS.—

"(1) RECORDS AND REPORTS.—

"(A) RECORDS RELATING TO DIVERSIFIED HOLDING COMPANIES.—A financial services holding company shall obtain such information and make and keep such records as the Board may prescribe concerning the financial services holding company's policies and procedures for monitoring and controlling financial and operational risks to its insured depository institution subsidiaries from the activities of the diversified holding company or its financial affiliates that are not controlled by the financial services holding company. Such records shall describe the activities conducted by the diversified holding company and such financial affiliates that are likely to have a material impact on the financial or operational condition of the insured depository institution subsidiaries of the financial services holding company, and the customary sources of capital and funding of such activities.

"(B) REPORTS OF FINANCIAL SERVICES HOLDING COMPANY AND DEPOSITORY INSTITUTIONS.—The Board from time to time may require the financial services holding company and its insured depository institution subsidiaries to file reports under oath to keep it informed as to whether the provisions of this Act and such regulations and orders issued thereunder have been complied with. With regard to insured depository institutions controlled by a financial services holding company, the Board shall consult with and, to the extent possible, use reports obtained by, the appropriate Federal banking agency for such institutions.

"(C) REPORTS OF FINANCIAL SERVICES HOLDING COMPANIES AND AFFILIATES.—The Board may require a financial services holding company, and any affiliate it controls, to file reports if the Board reasonably believes that the activities or financial condition of such holding company or affiliate is likely to have a material impact on the financial or operational condition of any insured depository institution subsidiary (and a subsidiary thereof) of the financial services holding company. The Board shall consult with and, to the extent possible, use reports obtained by, the functional regulator of the financial services holding company or affiliate to obtain the necessary information.

"(D) REPORTS OF DIVERSIFIED HOLDING COMPANIES AND FINANCIAL AFFILIATES.—The Board may require a diversified holding company and any financial affiliate not controlled by a financial services holding company to file reports if the Board reasonably believes that the activities or financial condition of such diversified holding company or financial affiliate is likely to have a material impact on the financial or operational condition of the insured depository institution subsidiaries (and subsidiaries thereof) of the financial services holding company. The Board shall consult with and, to the extent possible, use reports obtained by, the functional regulator of the diversified holding company or financial affiliate to obtain the necessary information.

"(E) RECIPROCAL ACCESS.—The functional regulator of a diversified holding company or a financial affiliate may have access on a reciprocal basis to reports, other than examination reports, obtained by the Board under this subsection with respect to an affiliated insured depository institution or financial services holding company, if the functional regulator reasonably believes that the activities or financial condition of such institution or financial services holding company is likely to have a material impact on the financial or operational condition of the diversified holding company or a financial affiliate. The Comptroller of the Currency, the Director of the Office of Thrift Supervision, and the Federal Deposit Insurance Corporation may have access on a reciprocal basis to reports, other than examination reports, obtained by the Board under this subsection with respect to any affiliate of the insured depository institution, if the Comptroller of the Currency, the Director of the Office of Thrift Supervision, or the Federal Deposit Insurance Corporation reasonably believes that the activities or financial condition of such affiliate or company is likely to have a material impact on the insured depository institution.

"(F) RESTRICTION ON DISCLOSURE.—Any reports obtained from another agency or regulator under this subsection shall not be disclosed to the public by the recipient agency or regulator and shall not be disclosed to any other governmental agency or to the Congress except as otherwise permitted by law. Reports obtained from another agency or regulator under this subsection may be used only to carry out the purposes of this subsection or as otherwise permitted by law.

"(2) EXAMINATIONS.—

"(A) FINANCIAL SERVICES HOLDING COMPANIES AND DEPOSITORY INSTITUTIONS.—The

Board may make on-site examinations of each financial services holding company, its insured depository institution subsidiaries (and subsidiaries thereof) and, subject to subparagraphs (B) through (E), any of its other affiliates. Where appropriate, the Board shall consult with, and to the extent possible, use the report of examination made by the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation or the appropriate State bank supervisory authority.

"(B) FINANCIAL SERVICES HOLDING COMPANIES AND AFFILIATES.—The Board may examine the financial services holding company and any affiliate it controls—

"(i) to determine whether such holding company or affiliate is engaged in a particular transaction that would violate, directly or indirectly, the restrictions prescribed in sections 4(l) and 5(c);

"(ii) to determine compliance with sections of the Federal Deposit Insurance Act, as applicable; or

"(iii) if the agency reasonably believes that such holding company or affiliate is engaged in a particular transaction or course of conduct that directly or indirectly may constitute a material risk to any insured depository institution subsidiary (or a subsidiary thereof).

The Board shall consult with and, to the extent possible, use the report of examinations made by the functional regulator, if any, of an affiliate to obtain the necessary information. If such reports do not contain the necessary information, the Board shall request the functional regulator to conduct an examination to obtain such information. In the event the functional regulator does not conduct an examination within a reasonable period of time, the Board may conduct the examination, but shall notify the functional regulator before doing so.

"(C) DIVERSIFIED HOLDING COMPANIES AND FINANCIAL AFFILIATES.—The Board may examine the diversified holding company and any financial affiliate not controlled by a financial services holding company—

"(i) to determine whether such holding company or affiliate is engaged in a particular transaction that would violate, directly or indirectly, the restrictions prescribed in sections 4(l) and 5(c);

"(ii) to determine compliance with sections of the Federal Deposit Insurance Act, as applicable; or

"(iii) if the agency reasonably believes that such holding company or affiliate is engaged in a particular transaction or course of conduct that directly or indirectly may constitute a material risk to any insured depository institution subsidiary (or a subsidiary thereof).

The Board shall consult with and, to the extent possible, use the report of examinations made by the functional regulator, if any, of the diversified holding company or financial affiliate to obtain the necessary information. If such reports do not contain the necessary information, the Board shall request the functional regulator to conduct an examination to obtain such information. In the event the functional regulator does not conduct an examination within a reasonable period of time, the Board may conduct the examination, but shall notify the functional regulator before doing so.

"(D) RECIPROCAL EXAMINATION OF INSURED DEPOSITORY INSTITUTION AFFILIATES CONTROLLED BY FINANCIAL SERVICES HOLDING COMPANIES.—The functional regulator for a financial affiliate may examine an insured depository institution affiliate if the regulator reasonably believes that such institution is engaged in a particular transaction or course of conduct that directly or indirectly may constitute a material risk to the financial affiliate. The functional regulator shall consult with, and, to the extent possible, use the report of examinations made by, the appropriate Federal banking agency to obtain the necessary information. If such report does not contain the necessary information, the functional regulator shall request the appropriate Federal banking agency to conduct an examination to obtain such information. In the event the appropriate Federal banking agency does not conduct an examination within a reasonable period of time, the functional regulator may conduct the examination and shall notify the appropriate Federal banking agency before doing so.

"(E) NONFINANCIAL AFFILIATES OF A DIVERSIFIED HOLDING COMPANY.—The Board may examine any of the non-financial affiliates of a diversified holding company in order to determine whether such affiliate is engaged in a particular transaction that would violate, directly or indirectly, the restrictions prescribed in section 5(c).

"(F) COST OF EXAMINATIONS.—The cost of examinations of a diversified holding company and any affiliate of a diversified holding company not controlled by a financial services holding company shall be assessed against, and paid by, the diversified holding company or the affiliate, whichever is the subject of the examination. The cost of examinations of a financial services holding company and its subsidiaries shall be assessed against, and paid by, the financial services holding company.

"(d) TRANSFER OF RECORDS.—No agency or department transferring records as provided by this section shall be deemed to have waived any privilege applicable to those records under law.

"(e) REPORT TO THE CONGRESS; RECOMMENDATIONS.—The Board shall include in its annual report to the Congress the results of the administration of this Act, stating what, if any, substantial difficulties have been encountered in carrying out the purposes of this Act, and any recommendations as to changes in the law which in the opinion of the Board would be desirable.

"(f) CEASE AND DESIST AUTHORITY; TERMINATION OF ACTIVITIES OR OWNERSHIP OR CONTROL OF NONBANK SUBSIDIARIES CONSTITUTING SERIOUS RISK.—

"(1) In addition to any other authority of the Board, the Board may take any action described in paragraph (2) if it has reasonable cause to believe that—

"(A) any financial affiliate of an insured depository institution, or any other affiliate controlled by a financial services holding company, is engaged in activities in such a manner as to constitute a serious risk to the financial safety, soundness, or stability of such insured depository institution; or

"(B) the diversified holding company, the financial services holding company controlled by the diversified holding company, or any affiliate is in significant danger of default and either poses a significant risk to the liquidity or solvency of an affiliated insured depository institution or is likely to cause a significant dissipation of its assets or earnings.

"(2) Subject to paragraph (1), the Board—

"(A) may institute cease and desist proceedings or issue a temporary order requiring the diversified holding company or financial services holding company controlled by the diversified holding company or affiliate thereof engaged in qualified financial activities to cease and desist from such activity and take affirmative action to prevent significant dissipation of assets or earnings, of an insured depository institution as prescribed in section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818);

"(B) may institute cease and desist proceedings or issue a temporary order requiring a financial services holding company described in paragraph (1)(B) to increase its capital; and

"(C) in the event the diversified holding company or the financial services holding company controlled by the diversified holding company or the affiliate thereof does not comply with the order issued pursuant to subparagraph (A) or (B), may order the diversified holding company or such financial services holding company or any such affiliate, after due notice and opportunity for hearing and after considering the views of the insured depository institution's appropriate Federal banking agency and the appropriate State authority in the case of a State-insured depository institution, to terminate (within 120 days, or such longer period as the Board may direct in unusual circumstances) its ownership or control of any such affiliate either by sale to any third party or by distribution of the shares of the affiliate to the shareholders of the diversified holding company or financial services holding company. Such distribution shall be pro rata with respect to all of the shareholders of the distributing diversified holding company or financial services holding company, and such holding company shall not make any charge to its shareholders arising out of such a distribution.

"(3) The Board may in its discretion apply to the United States district court within the jurisdiction of which the principal office of the holding company is located, for the enforcement of any effective and outstanding order issued under this section, and such court shall have jurisdiction and power to order and require compliance therewith, but except as provided in section 9 of this Act, no court shall have jurisdiction to affect by injunction or otherwise the issuance or enforcement of any notice or order under this section, or to review, modify, suspend, terminate, or set aside any such notice or order.

"(g) OATHS AND AFFIRMATIONS; DEPOSITIONS; SUBPOENAS.—

"(1) In the course of or in connection with an application, examination, investigation or other proceeding under this Act, the Board or any member or designated representative thereof, including any person designated to conduct any hearing under this Act, shall have the power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash, or modify subpoenas including witness subpoenas and subpoenas duces tecum; and the Board is empowered to make rules and regulations to effectuate the purposes of this subsection.

"(2) The attendance of witnesses and the production of documents provided for in this subsection may be required from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place where such proceeding is being conducted. A subpoena issued under this section may be served upon any person who is not found within the territorial jurisdiction of any court in the United States in such manner as the Federal Rules of Civil Procedure prescribe for service of process in a foreign country, except that a subpoena to be served on a person who is not to be found in the United States may be issued only on the prior approval of the Board. Any party to the proceedings under this Act may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted or where the witness resides or carries on business, for the enforcement of any subpoena or subpoena duces tecum issued pursuant to this subsection, and such court shall have jurisdiction and power to order and require compliance therewith. Witnesses subpoenaed under this subsection shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States.

"(3) Any service required under this subsection in any State or in any territory or other place subject to the jurisdiction of the United States may be made by registered mail, or in such other manner reasonably calculated to give actual notice as the Board may by regulation or otherwise provide, and all process in any such case may be served in the judicial district wherein such person is an inhabitant or transacts business or wherever such person may be found. Any court having jurisdiction of any proceeding instituted under this subsection may allow to any such party such reasonable expenses and attorneys' fees as it deems just and proper.

"(4) Any person who willfully fails or refuses to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records in obedience to the subpoena of the Board shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than one year or both.".

SEC. 416. RESERVATION OF RIGHTS TO STATES; PREEMPTION OF ANTI-AFFILIATION PROVISIONS.

Section 7 of the Bank Holding Company Act of 1956 (12 U.S.C. 1846) is amended to read as follows:

"SEC. 7. RESERVATION OF RIGHTS TO STATES; ANTI-AFFILIATION PROVISIONS.

"(a) No provision of this Act shall be construed as preventing any State from exercising such powers and jurisdiction which it now has or may hereafter have with respect to companies, banks, diversified holding companies, financial services holding companies, and subsidiaries thereof.

"(b)(1) Notwithstanding subsection (a), no provision of law of any State, including, without limitation, any provision relating to the business of insurance, banking (including any law relating to savings associations as that term is defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813), real estate, securities, finance, retail or other law regulating the provisions of financial or other services, shall prevent or impede or shall be interpreted or applied by any administrative, executive, or judicial authority with the purpose or effect of preventing or impeding—

"(A) any insured depository institution, any affiliate thereof or any representative of any such institution or affiliate thereof from being acquired, owned or controlled by, or from being affiliated in any manner with, any company which is or becomes a financial services holding company or with any affiliate of such company because of the types of activities engaged in directly or indirectly by such insured depository institution or any affiliate thereof, or by any representative of any such institution or affiliate thereof or because of the types of activities engaged in directly or indirectly by any such company or affiliate thereof, or by any representative of any such company or affiliate thereof;

"(B) any company which is or becomes a financial services holding company or affiliate thereof, any representative of any such company or affiliate thereof, from acquiring, owning, or controlling or being affiliated in any way with any insured depository institution or affiliate thereof because of the types of activities engaged in directly or indirectly by any such company or affiliate thereof, or any representative of any such company or affiliate thereof, or because of the types of activities engaged in directly or indirectly by any such insured depository institution or affiliate thereof, or by any representative of such institution or affiliate thereof; or

"(C) any insured depository institution or any affiliate thereof, or any representative of any such institution or affiliate thereof, from offering or marketing products or services of any affiliated financial services holding company or affiliate thereof or from having its products or services offered or marketed by any affiliate thereof, or by any representative of such company or affiliate—

"(i) except as provided in sections 4(c)(16)(B) and 5(c)(3) and 5(c)(4); and

"(ii) except with regard to offering and marketing insurance pursuant to section 4(c)(8).

Nothing in this subparagraph shall exempt any company which is or becomes a financial services holding company or an affiliate thereof, or any representative of any such company or affiliate, from complying with, or shall annul, alter, or affect the application of, the laws of any State relating to the examination, supervision, or regulation of providers of financial services or the protection of consumers, except to the extent that the intent, purpose or effect of those laws is inconsistent with this subsection or with the purposes of this Act and then only to the extent of the inconsistency.

"(2) For purposes of this subsection, an insured depository institution includes a branch, agency, or commercial lending company subsidiary of a foreign bank, as those terms are defined in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

SEC. 417. PENALTIES.

Section 8 of the Banking Holding Company Act of 1956 (12 U.S.C. 1847) is amended—

(1) by striking "bank holding company" wherever it appears and inserting "financial services holding company";

(2) in subsection (a)—

(A) in paragraph (2), by striking "profit significantly" and inserting "obtain anything of value"; and

(B) by striking the flush text following paragraph (2);

(3) in subsection (b)(1), by striking "forfeit and"; and

(4) in subsection (d)—

(A) in the heading, by striking "Penalty" and inserting "Civil penalty"; and

(B) in paragraphs (1) through (4), by inserting "civil" before "penalty" each place it appears.

SEC. 418 ANTITRUST REVIEW.

(a) ANTITRUST REVIEW.—Section 11(b)(1) of the Bank Holding Company Act (12 U.S.C. 1849(b)(1)) is amended by inserting ", except that such period may be eliminated or reduced with the concurrence of the Attorney General" before the period at the end of the third sentence.

(b) CONFORMING AMENDMENTS.—Section 11 of the Bank Holding Company Act of 1956 (12 U.S.C. 1849) is further amended—

(1) by striking "bank holding company" wherever it appears and inserting "financial services holding company"; and

(2) in subsection (b)(1), by striking "failure of a bank" and inserting "failure of an insured depository institution".

(c) AMENDMENT TO THE FEDERAL DEPOSIT INSURANCE ACT.—Section 18(c)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(6)) is amended by inserting ", except that such period may be eliminated or reduced with the concurrence of the Attorney General" before the period at the end of the third sentence.

SEC. 419. TECHNICAL AMENDMENT.

Section 1 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841 note) is amended by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992".

SEC. 420. EFFECTIVE DATE.

Sections 411 through 419 shall become effective on January 1, 1994, except that section 4(c)(8)(A)(ii) of the Bank Holding Company Act of 1956 (as added by section 413(a)(2)), shall be effective on the date of enactment of this title.

SEC. 421. APPLICATION OF THE LIMITATIONS ON TYING ARRANGEMENTS AND INSIDER LENDING TO FINANCIAL SERVICES HOLDING AND DIVERSIFIED HOLDING COMPANIES.

(a) DEFINITIONS.—Section 106(a) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1971) is amended by striking "bank holding company" and inserting "financial services holding company and diversified holding company".

(b) CERTAIN TYING ARRANGEMENTS PROHIBITED.—Section 106(b) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(b)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

"(2)(A) A financial services holding company and any subsidiary (other than a bank) of such holding company and a diversified holding company and any subsidiary (other than a bank) of such holding company shall not in any manner extend credit, lease, or sell property of any kind, or furnish any service or fix or vary the consideration for any of the foregoing, on the condition or requirement that the customer shall obtain credit, property or service from an affiliated bank except as provided in subparagraph (B).

"(B) A financial services holding company and any subsidiary (other than a bank) of such holding company and a diversified holding company and any subsidiary (other than a bank) of such holding company may vary the consideration—

"(i) for any extension of credit, lease or sale of property of any kind, or the furnishing of any service on the condition or requirement that the customer shall obtain some credit, property, or service from an affiliated bank provided that the products or services offered to and obtained by the customer are also separately available to such customer on substantially the same terms, including interest rate, collateral, and cost, as those prevailing at the time for comparable transactions that are not subject to such conditions or requirements; or

"(ii) for any loan, discount, deposit, or trust service on the condition or requirement that the customer shall obtain a loan, discount, deposit or trust service from an affiliated bank provided that such products or services described in this subparagraph are also separately available to such customer.

"(C) The Board may adopt such regulations to carry out the purposes of this paragraph which may include such restrictions or limitations regarding subparagraph (B) as it deems necessary or appropriate in the public interest.".

(c) Conforming Amendments.—Sections 22(h)(6) (C) and (D) of the Federal Reserve Act (12 U.S.C. 375b(6) (C) and (D)) are each amended—

(1) by striking "bank holding company" wherever it appears and inserting "financial services holding company and diversified holding company"; and

(2) by striking "Bank Holding Company Act of 1956" wherever it appears and inserting "Financial Services Holding Company Act of 1992".

SEC. 422. PROVISIONS EXEMPTING FINANCIAL SERVICES HOLDING COMPANIES FROM THE SAVINGS AND LOAN HOLDING COMPANY ACT.

Section 10(a) of the Home Owners' Loan Act (12 U.S.C. 1467a(a)) is amended—

(1) in paragraph (1), by amending subparagraph (D) to read as follows:

"(D) Savings and Loan Holding Company.—

"(i) Except as provided in clause (ii), the term 'savings and loan holding company' means any company which directly or indirectly controls a savings association or controls any other company which is a savings and loan holding company.

"(ii) No company which is a financial services holding company or a diversified holding company registered under and subject to the provisions of the Financial Services Holding Company Act of 1992, other than a company described in section 4(f) of such Act (12 U.S.C. 1843(f)), and no company controlled by such company, shall be deemed to be a savings and loan holding company."; and

(2) by adding after paragraph (4) the following new paragraph:

"(5) Exemption for financial services holding companies and diversified holding companies.—The provisions of this section shall not apply to any company that is a financial services holding company or a diversified holding company registered under, and subject to, the provisions of the Financial Services Holding Company Act of 1992, other than companies described in section 4(f) of such Act (12 U.S.C. 1843(f)), or to any company directly or indirectly controlled by such company (other than a savings association)."

CHAPTER 2—FINANCIAL ACTIVITIES OF NATIONAL BANKS

SEC. 426. AMENDMENTS TO THE BANKING ACT OF 1933.

(a) Dealing, Underwriting and Purchasing Securities.—Paragraph Seventh of section 5136 of the Revised Statutes (12 U.S.C. 24 (Seventh)) is amended by adding at the end thereof the following: "If an association is not an affiliate of a securities affiliate (as the terms 'affiliate' and 'securities affiliate' are defined in section 2 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1841)), the limitations and restrictions contained in this paragraph as to dealing in, underwriting, and purchasing securities for its own account shall not apply to the distribution of securities issued by investment companies (as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3)): *Provided*, That notwithstanding any other provision of law (including this section), an association shall not in the United States, pursuant to any express or incidental power, underwrite, distribute, or sell interests in a pool of assets originated or purchased by the association or its affiliate, and an association shall not continue to engage in such activity pursuant to any order issued by the Comptroller of the Currency: *Provided further*, That no association shall sponsor, organize or control an investment company registered under the Investment Company Act of 1940: *Provided further*, That no association shall engage in the United States in any securities activity except to the extent that such activity is specifically authorized by statute, or authorized by regulation, order, or interpretation issued by the Office of the Comptroller of the Currency pursuant to that statute, on the date of enactment of the Financial Institutions Safety and Consumer Choice Act of 1992, provided that this shall not authorize the underwriting or distributing by an association of securities backed by or representing an interest in mortgages or other assets originated or purchased by the association or its affiliate.".

(b) Conforming Amendments.—

(A) Section 20 of the Banking Act of 1933 (12 U.S.C. 377) is repealed.

(B) Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is repealed.

SEC. 427. INSURANCE ACTIVITIES OF NATIONAL BANKS.

(a) Sale of Insurance Authorized.—In addition to the powers vested by law in national banking associations, any such association located in a place that has a population not exceeding 5,000 (as shown by the preceding decennial census) may sell insurance so long as such insurance activities are confined to that place, and the insurance is sold only to residents of the State in which the association is located or to natural persons employed in that State: *Provided*, That no such association shall in any case assume or guarantee the payment of any premium on insurance policies issued through its agency by its principal: *Provided further*, That the association shall not guarantee the truth of any statement made in any application made for such insurance.

(b) Definition.—For purposes of subsection (a), the term 'residents of that State' includes—

(1) companies incorporated in, or organized under the laws of, the State;

(2) companies licensed to do business in the State; and

(3) companies having an office in the State.

(c) Additional Authority Under State Law.—Notwithstanding the limitations in subsection (a), a national banking association organized under the laws of the United States may act as agent in soliciting and selling insurance and collecting premiums in one or more States in which such association or any of its branches is located to the extent to which such activities are permitted by such States for banks located in those States.

(d) Conforming Amendment.—Chapter 461 of the Act of September 7, 1916 (39 Stat. 753; 12 U.S.C. 92 note) is further amended by striking "That in addition to the powers now vested by law in national banking associations" and all that follows through "filing his application for insurance.".

SEC. 428. AMENDMENTS TO SECTIONS 23A AND 23B OF THE FEDERAL RESERVE ACT.

(a) Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended—

(1) in subsection (a)—

(i) in paragraph (2), by striking the period at the end thereof and inserting ": *Provided, however*, That notwithstanding the foregoing, a loan or extension of credit shall not be deemed to be made to any affiliate if—

"(A) the member bank approves such loan or extension of credit in accordance with substantially the same standards, procedures, and terms that it has applied to similar loans or extensions of credit the proceeds of which are not transferred to or for the benefit of an affiliate; and

"(B) such loan or extension of credit is not made for purposes of evading any of the requirements of this section."; and

(ii) by adding after paragraph (4) the following new paragraph:

"(5) No financial services holding company shall permit an insured depository institution that it controls to engage in any covered transaction if such covered transaction exceeds 5 percent of the capital stock and surplus of the insured depository institution unless 5 days prior notice is provided to the Board and the appropriate Federal banking agency for the insured depository institution, if different;"

(2) in subsection (b)—

(A) in paragraph (1)(D), by amending clause (ii) to read as follows:

"(ii) any investment company, commodity pool, or other company engaged in substantially the same activities as an investment company or commodity pool with respect to which a member bank or any affiliate is an investment advisor as defined in section 2(a)(20) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(20)), commodity trading advisor as defined in section 2(a)(1)(A) of the Commodity Exchange Act (7 U.S.C. 2(a)(1)(A)), or performs substantially equivalent activities which are substantially equivalent to those of an investment advisor or commodity trading advisor; and";

(B) in paragraph (2)(A), by inserting "and of which the member bank owns at least 80 per centum of the voting stock" after "member bank";

(C) in paragraph (5), by inserting "principally engaged in deposit taking or lending activities" after "trust company";

(D) in paragraph (7)—

(i) in subparagraph (D), by striking "or" at the end thereof;

(ii) in subparagraph (E)—

(I) by inserting "to, or" after "standby letter of credit,"; and

(II) by striking "or" at the end thereof; and

(iii) by adding after subparagraph (E) the following new subparagraphs:

"(F) the assumption by a member bank of a liability of any affiliate whether directly or through the transfer of such affiliate to the member bank;

"(G) a loan or extension of credit to any company, or the issuance of or participation in a standby letter of credit, asset purchase agreement, indemnification, guarantee, insurance or other facility with any company, the purpose of which is to enhance the marketability of securities or other obligations or assets, other than those securities that a member bank may underwrite pursuant to section 5136 of the Revised Statutes (12 U.S.C. 24 (Seventh)), that are underwritten or distributed by the affiliate, unless there is substantial participation by other lenders in such loan, extension of credit, letter of credit, agreement, indemnification, guarantee, insurance or other facility; or

"(H) any other financial arrangement that is determined by the Board by regulation to be substantially equivalent to a transaction described in this paragraph;";

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by inserting "to, or" after "letter of credit issued"; and

(ii) by striking "at the time of the transaction"; and

(B) in paragraph (4)—

(i) by inserting "the member bank or" after "issued by"; and

(ii) by inserting "to, or" after "letter of credit"; and

(4) in subsection (d)(5), by inserting "provided that the company provides services solely to affiliated member banks" before the semicolon.

(b) Section 23B of the Federal Reserve Act (12 U.S.C. 371c-1) is amended—

(1) in subsection (a)(2)(E)—

(A) in clause (i), by striking ", or" and inserting a semicolon;

(B) in clause (ii), by striking the period and inserting "; or"; and

(C) by adding at the end thereof the following new clause:

"(iii) if the third party is a customer of an affiliate (as defined in section 2 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1841) unless—

"(I) the member bank approves such transaction in accordance with substantially the same standards, procedures, and terms that it has applied to similar transactions with persons who are not customers of an affiliate; and

"(II) such transaction or series of transactions is not made for the purpose of evading any of the requirements of this section."; and

(2) in subsection (b)(2), by inserting "officers, directors, or employees of" after "of the bank or".

SEC. 429. CUSTOMER DISCLOSURE.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding after subsection (n) the following new subsection:

"(o) Customer Disclosure Regarding Securities, Insurance and Other Nonbanking Products.—

"(1) Products offered, recommended or sold by depository institutions.—An insured depository institution shall prominently disclose in writing to its customers pursuant to regulations adopted by its appropriate Federal banking agency, that securities or insurance products offered, recommended, or sold by the insured depository institution are not deposits, are not insured by the Federal Deposit Insurance Corporation, are not guaranteed by the insured depository institution or an affiliated insured depository institution, and are not otherwise an obligation of an insured depository institution unless such is the case.

"(2) Products offered, recommended or sold on bank premises or through joint marketing activities.—An insured depository institution shall not permit securities or insurance products to be offered, recommended, or sold on bank premises, or to bank customers as part of joint marketing activities with another entity, unless the entity prominently discloses in writing that it is not an insured institution and is separate from the insured depository institution in addition to the disclosures required in paragraph (1).

"(3) Customer acknowledgement of disclosures.—No insured depository institution shall permit the sale of securities or insurance products to be consummated unless an acknowledgement of receipt of the disclosures described in paragraphs (1) and (2) including the date of receipt and the customer's name, address and account number is obtained from the customer.

"(4) Regulations.—The appropriate Federal banking agencies may adopt regulations implementing this subsection and applying these provisions to nonbank products sold in a similar manner.".

SEC. 430. BANKERS' BANKS.

(a) Section 5136 (Seventh) of the Revised Statutes (12 U.S.C. 24 (Seventh)) is further amended by inserting "or their holding companies" after "providing services for other depository institutions".

(b) Section 5169(b)(1) of the Revised Statutes (12 U.S.C. 27(b)(1)) is amended by inserting "or their holding companies" after "other depository institutions" the second time it appears.

CHAPTER 3—NON-BANKING ACTIVITIES OF FOREIGN BANKS IN THE UNITED STATES

SEC. 431. AMENDMENTS TO THE INTERNATIONAL BANKING ACT OF 1978.

(a) In General.—Section 8 of the International Banking Act of 1978 (12 U.S.C. 3106) is amended—

(1) by amending subsection (a) to read as follows:

"(a)(1)(A) Except as otherwise provided in this section, any foreign bank—

"(i) that maintains a branch or agency in the United States, or

"(ii) that directly or indirectly owns or controls a commercial lending company organized under State law,

shall be subject to the provisions of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1841 to et seq.) and to sections 105 and 106 of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1850, 1971 et seq.) in the same manner and to the same extent as a financial services holding company.

"(B) Any company that directly or indirectly owns or controls a foreign bank described in subparagraph (A) shall be subject to the provisions of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1841 et seq.) and to sections 105 and 106 of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1850, 1971 et seq.) in the same manner and to the same extent as a company that owns or controls a financial services holding company.

"(C)(i) Notwithstanding subparagraphs (A) and (B), no foreign bank or company described in this subsection shall, by reason of this subsection alone, be deemed to be a financial services holding company or a company that controls a financial services holding company for purposes of section 3 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1842).

"(ii) Notwithstanding clause (i), a foreign bank or company described in this subsection that seeks to acquire, directly or indirectly, more than 5 percent of the shares of an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)), other than a foreign bank that is an insured depository institution solely by virtue of operating an insured branch, must obtain the prior approval of such acquisition by the Board under section 3 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1842) as if the foreign bank or company were a financial services holding company or company that owns or controls a financial services holding company.

"(2) The Board shall disapprove any notice or application under section 4(c) of the Financial Services Holding Company Act of 1992 by a foreign bank or foreign company controlling a foreign bank unless the Board determines that the foreign bank or foreign company has capital equivalent to that of a domestic financial services holding company engaged in similar activities."

(2) in subsection (c)(1)—

(A) by amending the second sentence to read as follows: "Notwithstanding the preceding sentence, no foreign bank or other company referred to in this subsection may retain, pursuant to this subsection, the ownership or control of any company engaged in the business of underwriting, distributing or otherwise buying or selling stocks, bonds, and other securities in the United States after three years from the date of enactment of the Financial Institutions Safety and Consumer Choice Act of 1992.";

(B) in the third sentence, by striking "Except in the case of affiliates described in the preceding sentence, nothing" and inserting "Nothing";

(C) in the fifth sentence, by striking "the term 'domestically-controlled affiliate covered in 1978'" and all that follows in such sentence and inserting a period; and

(D) by striking the sixth sentence.

(b) Effective Date.—The amendments made by subsection (a) shall become effective on January 1, 1994.

CHAPTER 4—AMENDMENTS TO THE SECURITIES ACTS

SEC. 436. AMENDMENTS TO THE SECURITIES ACT OF 1933.

(a) Bank-Issued Securities.—Section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)), is amended—

(1) by striking "or any security issued or guaranteed by any bank;" and

(2) by striking "a security issued or guaranteed by a bank shall not include any interest or participation in any collective trust fund maintained by a bank".

(b) Savings Association-Issued Securities.—Section 3(a)(5) of the Securities Act of 1933 (15 U.S.C. 77c(a)(5)) is amended to read as follows:

"(5) Any security issued by—

"(A) a farmer's cooperative organization exempt from tax under section 521 of the Internal Revenue Code of 1986 (26 U.S.C. 521);

"(B) a corporation described in section 501(c)(16) of such Code and exempt from tax under section 501(a) of such Code;

"(C) a corporation described in section 501(c)(2) of such Code and organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization or corporation described in subparagraph (A) or (B); or

"(D) a savings and loan association or Federal savings bank issued or exchanged in connection with a transaction pursuant to which a savings and loan association or Federal savings bank converts from the mutual stock form of ownership under section 5 of the Home Owners' Loan Act (12 U.S.C. 1464) or section 402 of the National Housing Act (12 U.S.C. 1725(j)).".

(c) Treatment of Certain Bank and Savings Association Instruments.—Section 3 of the Securities Act of 1933 (15 U.S.C. 77c) is amended by adding after subsection (c) the following new subsection:

"(d)(1) Except as hereinafter expressly provided, in those circumstances in which an interest in any of the following is otherwise deemed to be a 'security' within the meaning of section 2, the provisions of this Act shall not apply to—

"(A) a deposit account, savings account, certificate of deposit, or other deposit instrument issued by a bank or savings association,

"(B) a share account issued by a savings association if such account is insured by the Federal Deposit Insurance Corporation,

"(C) a banker's acceptance,

"(D) a letter of credit issued by a bank or savings association, or

"(E) a debit account at a bank or savings association arising from a credit card or other similar arrangement,

except that this paragraph shall not exempt from the provisions of this Act any participation in such an interest, account, certificate, instrument, acceptance, or letter of credit, other than a participation that is a direct obligation of a bank or savings association.

"(2) For purposes of this subsection, the term 'deposit' means the unpaid balance of money or its equivalent received or held by a bank or savings association in the usual course of business—

"(A) for which it has given or is obligated to give credit, either conditionally or unconditionally, to a commercial, checking, savings, time, or thrift account;

"(B) which is evidenced by its certificate of deposit, a check or draft drawn against a deposit account and certified by a bank or savings association, a letter of credit or a traveler's check, or by any other similar instrument on which the bank is liable;

"(C) which consists of nonpooled assets of individual trust funds received or held by such bank or savings association whether held in the trust department or deposited in any other department of such bank or savings association;

"(D) which is received or held by a bank or savings association for a special or specific non-investment purpose, including, without being limited to, escrow funds, funds held in security for any obligation due to the bank or savings association or others (including funds held as dealers' reserves) or for securities loaned by the bank or savings association, funds deposited by a debtor to meet maturing subscriptions to United States Government securities, funds held to meet its acceptances or letters of credit, and withheld taxes; or

"(E) which is insured by the Federal Deposit Insurance Corporation, is subject to deposit reserve requirements adopted by the Board of Governors of the Federal Reserve System, or is regulated by the Comptroller of the Currency or the Board of Governors of the Federal Reserve System as a deposit.

"(3) For purposes of this subsection, the term 'savings association' shall have the meaning given in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).".

(d) EXEMPTION OF CERTAIN HOLDING COMPANY FORMATIONS FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended by adding after paragraph (6) the following new paragraph:

"(7) transactions involving offers or sales of equity securities, in connection with the acquisition, under section 3(a) of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1842(a)), of a bank by a financial services holding company, or a financial services holding company by a diversified holding company if—

"(A) the acquisition occurs solely as part of a reorganization in which a person or group of persons—

"(i) exchanges shares of a bank for shares of a newly formed financial services holding company, or shares of a financial services holding company for shares of a newly formed diversified holding company; and

"(ii) receives, after such reorganization, substantially the same proportional share interests in the newly formed financial services holding company as they held in the bank or financial services holding company, as the case may be, except for changes in shareholders' interests resulting from the exercise of dissenting shareholders' rights under State or Federal law; and

"(B) the newly formed company has substantially the same assets as it predecessor.".

(e) TECHNICAL AMENDMENTS.—

(1) Section 12(2) of the Securities Act of 1933 (15 U.S.C. 77l(2)) is amended by inserting "or (d)" after "subsection (a)".

(2) Section 304(a)(4) of the Trust Indenture Act of 1939 (15 U.S.C. 77ddd(a)(4)) is amended by inserting "or 3(d)" after "section 3(a)".

SEC. 437. AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.

(a) REGULATION OF BANK BROKER ACTIVITIES.—Section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)) is amended to read as follows:

"(4) BROKER.—

"(A) IN GENERAL.—The term 'broker' means any person engaged in the business of affecting transactions in securities for the account of others.

"(B) EXCLUSION OF BANKS.—Such term does not include a bank unless the bank publicly solicits such business or is compensated for such business by the payment of commissions or similar remuneration based on effecting transactions in securities, excluding fees calculated as a percentage of assets under management (hereinafter referred to as 'incentive compensation').

"(C) BANK ACTIVITIES.—A bank shall not be deemed to be a broker because it engages in one or more of the following activities:

"(i) Enters into contractual or other arrangements with a broker or dealer registered under this Act pursuant to which the broker or dealer will offer brokerage services on or off the premises of the bank if—

"(I) such broker or dealer is clearly identified as the person performing the brokerage services;

"(II) bank employees perform only clerical or ministerial functions in connection with brokerage transactions unless such employees are qualified as registered representatives pursuant to the requirements of a self-regulatory organization;

"(III) bank employees do not receive incentive compensation for any brokerage activities unless such employees are qualified as registered representatives pursuant to the requirements of a self-regulatory organization; and

"(IV) such services are provided by the broker or dealer on a basis in which all customers are fully disclosed.

"(ii) Engages in trust activities (including effecting transactions in the course of such trust activities) permissible for national banks under section 1 of Public Law 87-722 (12 U.S.C. 92a) or for State banks under relevant State trust statutes or law (excluding securities safekeeping, self-directed individual retirement accounts, or managed agency or other functionally equivalent accounts of a bank) unless the bank—

"(I) publicly solicits brokerage business other than by advertising, in conjunction with advertising its other trust activities, that it effects transactions in securities; and

"(II) receives incentive compensation.

"(iii) Effects transactions in exempted securities, other than municipal securities, or in commercial paper, bankers' acceptances, or commercial bills.

"(iv) Effects transactions in municipal securities and does not have a securities affiliate as provided in section 4(c)(15) of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1843(c)(15)).

"(v) Effects transactions as part of any bonus, profit-sharing, pension, retirement, thrift, savings, incentive, stock purchase, stock ownership, stock appreciation, stock option, dividend reinvestment, or similar plan for employees or shareholders of an issuer or its subsidiaries.

"(vi) Effects transactions as part of a program for the investment or reinvestment of bank deposit funds into any no-load open-end investment company registered pursuant to the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.) that attempts to maintain a constant net asset value per share and has an investment policy calling for investment of at least 80 percent of its assets in debt securities maturing in 13 months or less.

"(vii) Effects transactions for the account of any affiliate of the bank, as the term 'affiliate' is defined in section 2 of the Banking Act of 1933 (12 U.S.C. 221a), treating all banks as member banks for purposes of such definition.

"(viii) Effects sales—

"(I) as part of a primary offering of securities by an issuer, not involving a public offering, pursuant to section 3(b), 4(2), or 4(6) of the Securities Act of 1933 and the rules and regulations thereunder; and

"(II) exclusively to: a bank as defined in section 3(a)(2) of the Securities Act of 1933 whether acting in its individual or fiduciary capacity; an insurance company as defined in section 2(13) of the Securities Act of 1933; an investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; a Small Business Investment Company licensed by the Small Business Administration; an insured institution, as defined in section 401 of the National Housing Act; an employee benefit plan within the meaning of title 1 of the Employee Retirement Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, that is a bank as defined in section 3(a)(2) of the Securities Act of 1933, or an insurance company as defined in section 2(17) of the Investment Company Act of 1940, or an investment adviser registered under the Investment Advisers Act of 1940, or if the employee benefit plan has total assets in excess of $5,000,000; an employee benefit plan as defined in section 3 of the Employee Retirement Income Security Act of 1974, established and maintained by a State, its political subdivisions, or any agency or instrumentality of a State or its political subdivisions exclusively for the benefit of its employees or their beneficiaries that is governed by fiduciary principles comparable to those contained in such Act, if (aa) the plan has total assets in excess of $25,000,000, and (bb) investment decisions for the plan are made by a plan fiduciary, as defined in section 3(21) of such Act, that is a bank as defined in section 3(a)(2) of the Securities Act of 1933, an insurance company as defined in section 2(17) of the Investment Company Act of 1940, or an investment adviser registered under the Investment Advisers Act of 1940; a corporation with total assets in excess of $50,000,000 and net worth in excess of $5,000,000, as reflected on financial statements prepared in accordance with general accepted accounting principles; an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 with total assets in excess of $5,000,000; a foreign bank, broker, dealer, insurance company, or government or government agency; or a natural person with a net worth exceeding $5,000,000. The dollar limitations in this clause shall be adjusted annually after December 31, 1992, by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers published monthly by the Bureau of Labor Statistics.

"(ix) Effects fewer than 1,000 transactions per year in securities other than transactions described in clauses (i) through (viii), if the bank does not have a subsidiary or affiliate registered as a broker or dealer under this Act.".

(b) Regulation of Bank Dealer Activities.—Section 3(a)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(5)) is amended to read as follows:

"(5)(A) The term 'dealer' means any person engaged in the business of buying and selling securities for his own account through a broker or otherwise.

"(B) Such term does not include—

"(i) any person insofar as that person buys or sells securities for his own account, either individually or in some fiduciary capacity, but not as a part of a regular business; or

"(ii) any bank insofar as the bank—

"(I) buys and sells commercial paper, bankers' acceptances, or commercial bills, or exempted securities other than municipal securities;

"(II) buys and sells municipal securities and does not have a securities affiliate as provided in section 4(c)(15) of the Financial Services Holding Company Act of 1992; or

"(III) buys and sells securities for investment purposes for the bank or for accounts for which the bank, acting as a trustee or fiduciary, is authorized to determine the securities to be purchased or sold.".

(c) Power to Exempt From the Definitions of Broker or Dealer.—Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding after subsection (d) the following new subsection:

"(e) The Commission, by rule, regulation, or order, upon its own motion or upon application, may conditionally or unconditionally exempt any person or class of persons from the definitions of 'broker' or 'dealer', if the Commission finds that such exemption is consistent with the public interest, the protection of investors, and the purposes of this Act.".

(d) Requirement That Banks Falling Within the Definitions of Broker or Dealer Place Their Securities Activities in a Separate Corporate Entity.—Section 15(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(a)) is amended to read as follows:

"(a)(1) It shall be unlawful for any broker or dealer that is either a person other than a natural person or a natural person not associated with a broker or dealer that is a person other than a natural person (other than such a broker or dealer whose business is exclusively intrastate and who does not make use of any facility of a national securities exchange) to make use of the mails or any means or instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) unless such broker or dealer is registered in accordance with subsection (b).

"(2) It shall be unlawful for any bank to act as a broker or dealer, except in the course of an exclusively intrastate business. This section shall not preclude a subsidiary of a bank or an affiliate of a financial services holding company other than a bank, as those terms are defined in the Financial Services Holding Company Act of 1992 (12 U.S.C. 1841 et seq.), that is registered in accordance with subsection (b) from acting as a broker or dealer to any extent otherwise permissible by law.

"(3) The Commission, by rule or order, as it deems consistent with the public interest and the protection of investors, may conditionally or unconditionally exempt from paragraphs (1) and (2) any broker or dealer or class of brokers or dealers specified in such rule or order.".

(e) Regulation of Transactions in Certain Securities on Bank Premises.—Section 15 of the Securities and Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding after subsection (e) the following new subsection:

"(f)(1) No bank may permit any evidence of indebtedness of, or ownership interest in, any affiliate of such bank to be sold or offered for sale to the general public in any part of any office (other than an office which is not located within any State) of such bank which is commonly accessible to the general public for the purpose of accepting deposits.

"(2) No bank may permit any evidence of indebtedness of, or ownership interest in, such bank to be sold or offered for sale to the general public in any part of any office (other than an office which is not located within any State) of such bank which is commonly accessible to the general public for the purpose of accepting deposits.

"(3)(A) This subsection shall not apply to transactions in shares of investment companies registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.) that are affiliated with the bank by or through a broker or dealer registered under this Act, if sales by or through such broker or dealer are subject to sales practice standards of a self-regulatory organization, provided the transactions—

"(i) are consistent with the purposes of this subsection; and

"(ii) are in the public interest.

"(B) This subsection shall not apply to any evidence of indebtedness or ownership interest which—

"(i) is a deposit in an insured depository institution; or

"(ii) constitutes a means of payment to a third party, such as a traveler's check, cashier's check, teller's check or money order.".

(f) Securities Exchange Act Administration Transfer.—Section 12(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78*l*(i)) is repealed.

SEC. 438. AMENDMENTS TO THE INVESTMENT COMPANY ACT OF 1940.

(a) Custody of Investment Company Assets by Affiliate Banks.—

(1) Management companies.—Section 17(f) of the Investment Company Act of 1940 (15 U.S.C. 80a-17(f)) is amended by striking "trusts" the first place it appears and inserting "trusts, but where any such bank or an affiliated person thereof is an affiliated person, promoter, sponsor, or organizer of, or principal underwriter for, such registered company, only in accordance with such rules and regulations or orders as the Commission may from time to time prescribe for the protection of investors, after consulting in writing with the appropriate Federal banking agency as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)),".

(2) Unit investment trusts.—Section 26(a)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-26(a)(1)) is amended by inserting "not affiliated with such underwriter or depositor, or where such bank is so affiliated, only in accordance with such rules and regulations or orders as the Commission may from time to time prescribe for the protection of investors after consulting in writing with the appropriate Federal banking agency as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))," after "bank".

(b) Independent Directors.—

(1) Interested persons.—Section 2(a)(19)(A)(v) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(19)(A)(v)) is amended by striking "1934 or any affiliated person of such a broker or dealer" and inserting "1934 or any person that, at any time during the preceding 6 months, has acted as custodian or transfer agent or has executed any portfolio transactions for, engaged in any principal transactions with, or loaned money to, the investment company, or any other investment company having the same investment adviser, principal underwriter, sponsor, or promoter, or any affiliated person of such a broker, dealer, or person".

(2) Affiliation of directors.—Section 10(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-10(c)) is amended by striking "bank, except" and inserting "bank and its subsidiaries or any financial services holding company and its affiliates and subsidiaries, as those terms are defined in the Financial Services Holding Company Act of 1992 (12 U.S.C. 1842 et seq.),".

(c) Additional SEC Rulemaking Authority Regarding Bank Affiliated Mutual Funds.—Section 38 of the Investment Company Act of 1940 (15 U.S.C. 80a-37) is amended by adding after subsection (c) the following new subsection:

"(d) The Commission shall have the authority to promulgate such rules regarding loans, purchases or sales of assets, and other transactions involving a bank, an affiliated person, and an affiliated registered investment company.".

(d) Additional Disclosure Authority.—Section 35(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-34(a)) is amended to read as follows:

"(a) Unlawful Representation of Guarantee by United States or Agency Thereof.—It shall be unlawful for any person, in issuing or selling any security of which a registered investment company is the issuer, to represent or imply in any manner whatsoever that such security or company has been guaranteed, sponsored, recommended, or approved by the United States or any agency or officer thereof or has been insured by the Federal Deposit Insurance Corporation or is guaranteed by or is otherwise an obligation of any bank or insured institution. If a financial services holding company, bank, or separately identifiable division or department of a bank, or any affiliate or subsidiary thereof, is an investment adviser, organizer, sponsor, promoter, principal underwriter, or an affiliated person of a registered investment company, or a bank or an affiliated person of a bank is offering or selling securities of a registered investment company, or the name of an investment company is that of, or similar to that of, a bank, pursuant to regulations adopted by the Commission, after consultation in writing with the appropriate federal banking agencies as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), any person in issuing or selling securities of such investment company may be required to disclose prominently that the investment company and any security issued by it are not insured by the Federal Deposit Insurance Corporation, are not guaranteed by an affiliated bank or insured institution, and are not otherwise an obligation of such a bank or insured institution. The Commission may determine by order as provided for in subsection (d), after consultation with the appropriate Federal banking agencies (as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))) that use of a name similar to that of a bank is deceptive and misleading. In that event, use of such name shall be unlawful as provided in subsection (d) and the Commission shall have the authority to take such actions as provided in that subsection.".

(e) Definition of Broker.—Section 2(a)(6) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(6)) is amended to read as follows:

"(6) 'Broker' has the same meaning as in the Securities Exchange Act of 1934, but does not include any person solely by reason of the fact that such person is an underwriter for one or more investment companies.".

(f) Definition of Dealer.—Section 2(a)(11) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(11) is amended to read as follows:

"(11) 'Dealer' has the same meaning as in the Securities Exchange Act of 1934, but does not include an insurance company or investment company.".

SEC. 439. REMOVAL OF THE EXCLUSION FROM THE DEFINITION OF INVESTMENT ADVISER FOR BANKS THAT ADVISE INVESTMENT COMPANIES.

(a) Section 202(a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(11)) is amended—

(1) in subparagraph (A), by striking "investment company" and inserting "investment company, except that the term 'investment adviser' includes any bank or financial services holding company to the extent such bank acts as an investment adviser to a registered investment company unless the bank performs such services through a separately identifiable department or division of the bank, in which case the department or division and not the bank shall be deemed to be the investment adviser"; and

(2) by adding at the end thereof the following: "For purposes of this paragraph, a separately identifiable department or division of a bank shall mean a unit that—

"(A) is under the direct supervision of an officer or officers designated by the appropriate Federal banking agency or directors of the bank as responsible for the day-to-day conduct of the bank's investment adviser activities for one or more investment companies, including the supervision of all bank employees engaged in the performance of such activities; and

"(B) there are separately maintained in or extractable from such unit's own facilities or the facilities of the bank, all of the records relating to such investment adviser activities and such records are so maintained or otherwise accessible as to permit independent examination thereof and enforcement of the Act and rules and regulations thereunder.".

(b) Definition of Broker.—Section 202(a)(3) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(3)) is amended to read as follows:

"(3) 'Broker' has the same meaning as in the Securities Exchange Act of 1934.".

(c) Definition of Dealer.—Section 202(a)(7) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(7)) is amended to read as follows:

"(7) 'Dealer' has the same meaning as in the Securities Exchange Act of 1934, but does not include an insurance company or investment company.".

(d) Notification and Consultation.—The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 *et seq.*) is amended by inserting after section 210 the following new section:

"SEC. 210A. NOTIFICATION AND CONSULTATION.

"(a) In General.—The Commission, prior to the examination of, the entry of an order of investigation of, or the commencement of any disciplinary or law enforcement proceedings against, any financial services holding company, bank, or department or division of a bank that is a registered investment adviser shall give notice to the appropriate Federal banking agency as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), of the identity of such financial service holding company, bank, department or division and the nature of the proposed actions and shall consult in writing with such appropriate Federal banking agency concerning any such proposed action, unless the protection of investors requires immediate action by the Commission and prior notice or consultation is not practical under the circumstances, in which case notice shall be given and the appropriate Federal banking agency shall be notified and consulted as promptly as possible thereafter.

"(b) Examination Results.—The Commission and the appropriate Federal banking agency shall exchange the results of any examination of any financial services holding company, bank, department or division of a bank that is a registered investment adviser concerning activities subject to this Act.

"(c) Effect on Other Authority.—Nothing herein shall limit in any respect the authority of the appropriate Federal banking agency with respect to such financial services holding company, bank, or department or division under any provision of law.".

SEC. 440. TREATMENT OF BANK COMMON TRUST FUNDS.

(a) Securities Act of 1933.—Section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) is amended by striking "or any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by a bank in its capacity as trustee, executor, administrator, or guardian" and inserting "or any interest or participation in any common trust fund or similar fund excepted from the definition of the term 'investment company' by section 3(c)(3) of the Investment Company Act (15 U.S.C. 80a-3(c)(3))".

(b) Securities Exchange Act of 1934.—Section 3(a)(12)(A)(iii) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)(A)(iii)) is amended to read as follows:

"(iii) any interest or participation in any common trust fund or similar fund excepted from the definition of the term 'investment company' by section 3(c)(3) of the Investment Company Act.".

(c) Investment Company Act of 1940.—Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(3)) is amended by deleting the period at the end thereof and inserting: "so long as—

"(A) such fund is employed by the bank solely as an aid to the administration of trust, estates, and other accounts created and maintained for a fiduciary purpose;

"(B) except in connection with generic advertising of the bank's fiduciary services, interests in such fund are not—

"(i) advertised; or

"(ii) offered for sale to the general public; and

"(C) a fund is not charged any fees or expenses which, when added to any other compensation charged by the bank to a participant account, exceeds the total amount of compensation which would have been charged to such participant account if no assets of such participant account had been invested in interests in the fund, except that any reasonable and necessary expenses related to the prudent operation of the fund, as determined by the Comptroller of the Currency shall be permitted to be charged directly to the fund.".

(d) Tax Effect.—Section 584 of the Internal Revenue Code of 1986 (26 U.S.C. 584) is amended by adding after subsection (g) the following new subsection:

"(h) Conversion, Mergers, or Reorganization of Common Trust Funds.—Notwithstanding any other provision of the Internal Revenue Code, any transfer of all or substantially all of the assets of a common trust fund taxable under this section to a registered investment company taxable under subchapter M shall not result in a gain or loss to the participants in such common trust fund where the transfer is a result of a merger, conversion, reorganization, transfer, or other similar transaction or series of transactions.".

SEC. 441. SECURITIES AND EXCHANGE COMMISSION STUDY OF BANK AND INSURANCE POOLED INVESTMENT VEHICLES.

(a) In General.—The Securities and Exchange Commission, in consultation with the Secretary of Labor, shall examine—

(1) the appropriate treatment of bank collective investment funds and separate accounts under the securities laws and the Employee Retirement Income Security Act (29 U.S.C. 1001 et seq.); and

(2) the appropriate treatment of common trust funds under the securities laws.

(b) Report.—Not later than six months after the date of enactment of this title, the Securities and Exchange Commission shall transmit to the Congress a final report which shall contain a detailed statement of findings and conclusions, including recommendations for such administrative and legislative action as the Commission deems advisable.

SEC. 442. EFFECTIVE DATE.

This chapter shall become effective on January 1, 1994, except that section 441 shall become effective on the date of enactment of this title.

CHAPTER 5—AMENDMENTS TO PROMPT CORRECTIVE ACTION

SEC. 446. AMENDMENTS TO PROMPT CORRECTIVE ACTION.

(a) Provisions Applicable to Well Capitalized Banks and Companies.—Section 38 of the Federal Deposit Insurance Act is amended—

(1) in subsection (b)(2), by inserting at the end the following new subparagraphs:

"(J) Banking Laws Defined.—For the purposes of this section, the term 'banking laws' means this Act, the National Bank Act, the Federal Reserve Act, the Financial Services Holding Company Act of 1992, the Change in Bank Control Act, the Bank Merger Act, the International Banking Act of 1978, any other law codified in title 12 of the United States Code that is applicable to or affects insured banks or persons that own or control insured banks, and any regulations promulgated thereunder.

"(K) Diversified Holding Company Defined.—The term 'diversified holding company' shall have the same meaning as provided in section 2(a)(2) of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1841(a)(2)).

"(L) Financial Services Holding Company and Financial Affiliate Defined.—The terms 'financial services holding company' and 'financial affiliate' shall have the same meaning as provided in section 2 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1841).

"(M) NEW FINANCIAL ACTIVITY DEFINED.—The term 'new financial activity' means any activity authorized pursuant to subsections (c)(8), (c)(15), or (c)(16) of section 4 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1843) other than any activity that, prior to the date of enactment of the Financial Institutions Safety and Consumer Choice Act of 1992, the Board of Governors of the Federal Reserve System had determined, by any order or regulation that continued to be in effect on December 31, 1993, to be closely related to banking and a proper incident thereto.

"(N) BOARD OF GOVERNORS DEFINED.—The term 'Board of Governors' means the Board Governors of the Federal Reserve System.";

(2) by redesignating subsections (e) through (o) as subsections (f) through (p), respectively; and

(3) by inserting after subsection (d) the following new subsection:

"(e) PROVISIONS APPLICABLE TO WELL CAPITALIZED BANKS AND COMPANIES.—

"(1) EXPANSION BY WELL CAPITALIZED BANKS.—

"(A) IN GENERAL.—Notwithstanding any other provision of the banking laws, any insured bank that qualifies under subparagraph (B) may—

"(i) DE NOVO BRANCHES.—Subject to the notice requirement of paragraph (3)(A), establish and maintain a new branch office at any location permitted under the banking laws, so long as the branch office is not the first branch office of the bank in a given State and the bank has an outstanding or satisfactory record of meeting community credit needs as determined pursuant to section 807 of the Community Reinvestment Act of 1977 (12 U.S.C. 2906);

"(ii) COMMENCEMENT OF PERMISSIBLE ACTIVITIES DE NOVO.—Subject to the notice requirement of paragraph (3)(A), commence, either directly or through a subsidiary, any activity that has been determined by the appropriate Federal banking agency under the banking laws to be permissible for such insured bank or such subsidiary; and

"(iii) MERGERS AND ACQUISITIONS BY BANKS.—Subject to any applicable notice, application, and approval requirement of the banking laws as modified by paragraph (3)(B)—

"(I) merge or consolidate with any other insured bank, acquire directly or indirectly the assets of any other insured bank, or assume liability directly or indirectly to pay any deposits made in any other insured bank; or

"(II) acquire, directly or indirectly, the assets (other than assets acquired in the ordinary course of business), or all of the voting shares or control, of any company (other than an insured bank) that is engaged solely in activities that have been determined by regulation by the appropriate Federal banking agency under the banking laws to be permissible for an insured bank.

"(B) QUALIFYING BANKS.—An insured bank qualifies under this subparagraph if, both prior to and following consummation of the transaction or other expansion—

"(i) the insured bank is well capitalized; and

"(ii) in the event the insured bank is controlled by a financial services holding company, the company qualifies as a well capitalized financial services holding company as described in paragraph (2).

"(2) WELL CAPITALIZED FINANCIAL SERVICES HOLDING COMPANIES.—A financial services holding company is well capitalized if insured depository institutions representing at least 80 percent of the assets of all insured depository institutions controlled by the company are well capitalized, and the balance of the insured depository institutions controlled by the company are adequately capitalized.

"(3) PROCEDURES AND STANDARDS FOR REVIEW.—

"(A) SUBSEQUENT NOTICE FOR CERTAIN ACTIONS.—For actions described in clauses (i) and (ii) of paragraphs (1)(A), the insured bank shall provide the appropriate Federal banking agency with written notice no later than 30 days following such action.

"(B) LIMITATION ON REVIEW PERIOD FOR PROPOSED TRANSACTIONS.—Notwithstanding any other provision of the banking laws, the appropriate Federal banking agency shall make a decision to approve or disapprove any proposed transaction described in paragraph (1)(A)(iii) no later than 45 days after the date of receipt of the completed notice or application.

"(C) REVIEW STANDARDS.—The appropriate Federal banking agency may disapprove any proposed transaction described in paragraph (1)(A)(iii) involving a well capitalized insured bank only—

"(i) pursuant to section 18(c)(5) (A) or (B); or

"(ii) if the appropriate Federal banking agency determines—

"(I) that the insured bank or any other insured bank controlled by the same financial services holding company is engaging in an unsafe and unsound practice or will be in an unsafe and unsound condition following the transaction; or

"(II) that the proposed transaction is inconsistent with the convenience and needs of the community to be served.

"(D) FORM OF NOTICES.—Each appropriate Federal banking agency shall by regulation establish the form and content of the notice required under subparagraph (A).

"(4) EFFECT OF NOTICE UNDER THIS SUBSECTION.—

"(A) SUBSEQUENT NOTICE.—Any notice required under paragraph (3)(A) shall supersede any other notice or application requirement under the banking laws imposed on the insured bank in connection with the proposed transaction or other expansion.

"(B) OTHER REQUIREMENTS CONTINUE TO APPLY TO ACTIVITY.—Except as provided in this subsection, nothing in this subsection shall relieve any insured bank or any subsidiary thereof from the provisions of any law or regulation applicable to that institution or subsidiary.

"(5) HOLDING COMPANY FAILURE TO MAINTAIN WELL CAPITALIZED STATUS AFTER EXPANSION.—

"(A) CAPITAL MUST BE PROMPTLY RESTORED.—Any financial services holding company that—

"(i) engages, directly or indirectly, in any new financial activity, directly or indirectly controls any company engaged in any new financial activity, or is controlled by a diversified holding company, and

"(ii) does not continue to qualify under subsection (e)(2), or does not qualify under such subsection within such time period as is specified by the Board of Governors pursuant to section 4(k) of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1843(k)),

must either restore the capital of insured banks controlled by such financial services holding company to at least the levels required for the company to requalify under subsection (e)(2) or take the actions required in subparagraph (B). A financial services holding company shall be given a period of at least 45 days within which to restore such capital.

"(B) REQUIRED ACTIONS.—Any financial services holding company that does not requalify under subsection (e)(2) within the applicable period under subparagraph (A) must—

"(i) immediately post a bond in an amount equal to the amount necessary to restore the capital of the insured depository institutions controlled by such company to at least the level required to permit the company to requalify under subsection (e)(2 as of the date the bond is posted, which bond shall be subject to forfeiture as necessary to reimburse the Corporation for any funds expended for resolution of the insured depository institutions controlled by such company; and

"(ii)(I) within the time period provided in subsection (b)(2), submit to the Board of Governors and, after its acceptance, implement a capital plan that meets the requirements of such subsection (other than subsection (b)(2)(C)(ii)) and will restore the relevant capital measures to the level necessary to requalify under subsection (e)(2); or

"(II) within one year from the date the company originally failed to meet the requirements of subsection (e)(2)—

"(aa) divest any interest in any insured depository institution; or

"(bb) terminate all direct or indirect new financial activities and divest any interest in any company engaged in any such activity.

"(C) APPOINTMENT OF CONSERVATOR.—If the financial services holding company does not complete the actions required by either clause (i) or (ii) of subparagraph (B), the Board of Governors may appoint a conservator for any insured depository institution controlled by such company that maintains capital below the level necessary for the company to requalify under subsection (e)(2).

"(D) ALTERATION OF COMPLIANCE PERIOD.—

"(i) EXTENSION OF COMPLIANCE PERIOD.—The Board of Governors may extend the period provided in subparagraph (B)(ii)(II) for up to one year if the Board of Governors finds that the financial services holding company has taken significant steps toward restoring the capital of the insured depository institutions controlled by that company to at least the levels required for the company to requalify under subsection (e)(2).

"(ii) SHORTENING OF COMPLIANCE PERIOD FOR FAILURE TO MAINTAIN WELL CAPITALIZED STATUS.—The Board of Governors may, by regulation, establish shorter divestiture and termination periods under subparagraph (B)(ii)(II) applicable to any financial services holding company that fails to continue to qualify under subsection (e)(2) after having once fallen out of qualification from subsection (e)(2).

"(E) APPLICABILITY TO DIVERSIFIED HOLDING COMPANIES.—If a financial services holding company to which this paragraph applies is controlled by a diversified holding company, and the financial services holding company does not complete the actions under either subparagraph (A) or (B) (other than clause (ii)(II)(bb) of subparagraph (B)), then the diversified holding company must, within the same time period specified in subparagraph (B)(ii)(II), divest any interest in the financial services holding company or terminate all direct or indirect activities not permitted for a financial services holding company.".

(b) CONFORMING AMENDMENTS.—Section 38 of the Federal Deposit Insurance Act is amended—

(1) in subsection (b)(2)(D), by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992";

(2) in subsection (f)(2) (as redesignated by this section), by striking "(f)(2)" and inserting "(g)(2)";

(3) in subsection (g)(1)(B)(i) (as redesignated by this section), by deleting "(e)(2)(D)" and inserting "(f)(2)(D)";

(4) in subsection (g)(2)(D) (as redesignated by this section), by deleting "(e)(3)" and inserting "(f)(3)";

(5) in subsection (h)(1) (as redesignated by this section)—

(A) by deleting "(e)" and inserting "(f)"; and

(B) by deleting "(f)(2)" and inserting "(g)(2)";

(6) in subsection (i)(1) (as redesignated by this section), by deleting "(i)" and inserting "(j)";

(7) in subsection (k) (as redesignated by this section), by deleting "(e) through (i)" and inserting "(f) through (j)";

(8) in subsection (n) (as redesignated by this section), by deleting "(f)(2)(F)(ii)" and inserting "(g)(2)(F)(ii)";

(9) in subsection (p)(1)(B) (as redesignated by this section) by, deleting "(k)" and inserting "(l); and

(10) in subsection (p)(2) (as redesignated by this section), by deleting "(e)(2), (f), and (h)" and inserting "(f)(2), (g), and (i)".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective three years after the date of enactment of this title, except that such amendments shall become effective January 1, 1994, with respect to financial services holding companies with bank subsidiaries that are well capitalized or adequately capitalized that wish to engage in any new financial activity.

CHAPTER 6—NATIONWIDE BANKING AND BRANCHING

SEC. 451. NATIONWIDE BANKING.

(a) INTERSTATE ACQUISITIONS.—Section 3(f) of the Financial Services Holding Company Act (12 U.S.C. 1842(f)), as redesignated by this title, is amended to read as follows:

"(f) INTERSTATE ACQUISITIONS.—

"(1) IN GENERAL.—The Board may approve an application under this section for a diversified holding company, financial services holding company, or foreign bank to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of, any additional insured depository institution or financial services holding company located in any State.

"(2) STATE LAWS.—Any acquisition described in paragraph (1) that has been approved under this section may be consummated notwithstanding any State law that would prohibit or otherwise limit such acquisition on the basis of—

"(A) the location or size of the acquiring diversified holding company or financial services holding company or foreign bank or any subsidiary of such company or foreign bank;

"(B) the number of insured depository institution subsidiaries of such diversified holding company or financial services holding company or foreign bank; or

"(C) any factor that has the effect, directly or indirectly, of prohibiting or limiting the acquisition of shares or control of an insured depository institution or financial services holding company located in that State by an out-of-State diversified holding company or financial services holding company or foreign bank without such factor having a similar effect on such acquisitions by financial services holding companies located in that State.".

(b) EFFECTIVE DATE.—The amendment made by this section shall become effective three years after the date of enactment of this title.

SEC. 452. INTERSTATE BRANCHING BY NATIONAL BANKS.

(a) LOCATION OF BRANCHES.—Section 5155(c) of the Revised Statutes (12 U.S.C. 36(c)) is amended—

(1) by striking "and" at the end of paragraph (1);

(2) in paragraph (2), by striking the first period and inserting "; and";

(3) by adding after paragraph (2) the following new paragraph:

"(3) at an initial location within any State in which a financial services holding company having the same home State as such association could acquire a bank pursuant to section 3 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1842) or at an initial location within any State in which a State bank chartered in the home State of such association could establish a branch, and, thereafter, at any point within those States to the extent permitted in paragraph (1) and paragraph (2) for associations situated in those States."; and

(4) by adding at the end thereof the following: "A State, other than the State in which the principal office of a national banking association is located, may require any national banking association establishing a branch within the host State to comply with such filing requirements as are otherwise imposed on a corporation that is incorporated in another State and seeks to engage in business in the host State.".

(b) DEFINITIONS.—Section 5155 of the Revised Statutes (12 U.S.C. 36) is further amended—

(1) by amending subsection (f) to read as follows:

"(f) The term 'branch' as used in this section shall mean any office, agency, or other place of business located in any State or Territory of the United States or in the District of Columbia at which deposits are received, checks paid, or money lent."; and

(2) by adding after subsection (h) the following new subsections:

"(i) For purposes of this section, the term 'home State' shall mean—

"(1) in the case of a national banking association, the State in which the principal place of business of such association is located;

"(2) in the case of a State bank, the State in which such bank is chartered and engaged in a banking business; and

"(3) in the case of a financial services holding company, the State in which the total deposits of all bank subsidiaries of such company are largest.

"(j) For purposes of this section, the term 'State' shall include the District of Columbia.

"(k) For purposes of this section, the term 'host State' is the State in which a bank establishes or maintains a branch other than the State in which the principal place of business of such bank is located.".

SEC. 453. INTERSTATE CONSOLIDATION OR MERGER OF NATIONAL BANKS OR STATE BANKS WITH NATIONAL BANKS.

(a) CONSOLIDATION OF NATIONAL BANKS OR STATE BANKS WITH NATIONAL BANKS.—Section 1 of the Act of November 7, 1918 (12 U.S.C. 215) is amended by inserting "or in any other State" after "located in the same State".

(b) MERGER OF NATIONAL BANKS OR STATE BANKS WITH NATIONAL BANKS.—Section 2(a) of the Act of November 7, 1918 (12 U.S.C. 215a(a)) is amended by inserting "or in any other State" after "located within the same State".

(c) DEFINITION AMENDMENT.—Section 3(4) of the Act of November 7, 1918 (12 U.S.C. 215b(4)) is amended by striking ", located within the same State,".

(d) RETENTION OF BRANCHES FOLLOWING MERGER OR CONSOLIDATION WITH NATIONAL BANKS.—Section 5155(b)(2) of the Revised Statutes (12 U.S.C. 36(b)(2)) is amended to read as follows:

"(2)(A) A national bank resulting from the merger or consolidation of a national bank (under whose charter the consolidation is effected) with any other bank may retain and operate as a branch any office which, immediately prior to such merger or consolidation, was in operation as an office or branch of any bank participating in the merger or consolidation if the Comptroller of the Currency approves the continued operation of such office or branch as a branch after the merger or consolidation.

"(B)(i) The Comptroller of the Currency may not grant approval under subparagraph (A) for the retention of any office or branch of any bank participating in the merger or consolidation referred to in such subparagraph if, in a situation identical to that of the resulting national bank, any State bank which were to result from the merger or consolidation of a State bank with any other bank would be prohibited by the law of the State where the office or branch is located from retaining and operating as a branch after such merger or consolidation, any office or branch which is identically situated and was operated as an office or branch of the State bank immediately prior to the merger or consolidation.

"(ii) For purposes of this subparagraph, the term 'host State' is the State in which a bank establishes or maintains a branch other than the State in which the principal place of business of such bank is located.".

SEC. 454. INTERSTATE BRANCHING BY STATE BANKS.

Section 18(d) of the Federal Deposit Insurance Act (12 U.S.C. 1828(d)) is amended by adding after paragraph (2) the following new paragraphs:

"(3) STATE LAW.—Except as otherwise provided in this subsection, no State may prohibit any insured bank chartered by another State, and engaged in a banking business in another State from establishing and maintaining one or more branches within the State. A host State may require any insured bank chartered by another State that wishes to establish a branch within the host State to comply with such filing requirements as are otherwise imposed on a corporation that is incorporated in another State and seeks to engage in business in the host State.

"(4) LOCATION OF BRANCHES.—

"(A) Any insured State bank may, if authorized by the law of the State in which the bank is chartered, establish and maintain:

"(i) a branch at an initial location within any State in which a financial services holding company, whose principal place of operations is the same State in which the insured bank is chartered, could acquire an additional bank pursuant to section 3 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1842); and

"(ii) additional branches at locations within any State in which the bank has established an initial branch pursuant to clause (i) to the extent permitted for insured State banks located in such State as if the initial branch of the out-of-State insured bank were a State bank chartered in such State with its head office at the location of the initial branch.

"(B) For purposes of this paragraph, 'principal place of operations' means the State in which the total deposits of all bank subsidiaries of such company are largest.

"(5) RESERVATION OF CERTAIN RIGHTS TO STATES.—Nothing in this subsection shall limit in any way the right of a State to determine the authority of State banks chartered in that State to establish and maintain branches, or to supervise, regulate, and examine State banks chartered by that State.

"(6) ACTIVITIES OF BRANCHES.—An insured State bank that establishes a branch or branches pursuant to paragraph (4) may not conduct any activity at such branch that is not permissible for a bank chartered by the host State.

"(7) COORDINATION OF EXAMINATION AUTHORITY.—

"(A) A host State bank supervisory or regulatory authority may examine branches established in the host State by banks chartered by another State for the purpose of determining compliance with the host State law regarding permissible activities and to ensure that the activities of the branch are conducted in a manner not inconsistent with sound banking principles and do not constitute a serious risk to the safety and sound operation of the branch.

"(B) In the event that a host State bank authority as described above determines that there is a violation of host State law concerning the activities being conducted by the branch or that the branch is being operated in a manner not consistent with sound banking principles or in an unsafe and unsound manner, such host State bank authority may undertake such enforcement actions or proceedings as would be permitted under host State law as if the branch were deemed to be a bank chartered by that host State.

"(C) The State bank authorities from one or more States are authorized to enter into cooperative agreements to facilitate State regulatory supervision of State-chartered banks including cooperative agreements relating to the coordination of examinations and joint participation in examinations as long as the participation in the examination of the branch of an out-of-State bank by a host State bank authority is limited as described in subparagraph (B).

"(8) DEFINITION.—For purposes of this subsection a 'host State' is the State in which a bank establishes or maintains a branch other than the State in which the bank is chartered and engaging in banking business."

SEC. 455. INTERSTATE BRANCHING AND BANKING BY FOREIGN BANKS.

(a) Section 4(a) of the International Banking Act of 1978 (12 U.S.C. 3102(a)) is amended to read as follows:

"(a) ESTABLISHMENT AND OPERATION OF FEDERAL BRANCHES AND AGENCIES.—

"(1) INITIAL FEDERAL BRANCH OR AGENCY.—Subject to paragraph (2), a foreign bank which engages directly in a banking business outside the United States may, with the approval of the Comptroller and the Board, establish and operate a Federal branch or Federal agency at an initial location in the United States in any State in which it is not operating a branch or agency pursuant to State law; provided that during the three-year period beginning on the date of the enactment of the Financial Institutions Safety and Consumer Choice Act of 1992, the Comptroller and the Board may only authorize such establishment of a branch or agency by a foreign bank, as the case may be, if such establishment is not prohibited by the law of the relevant State.

"(2) FEDERAL BRANCH AND AGENCY OUTSIDE A HOME STATE.—No foreign bank which engages directly in a banking business outside the United States may establish and operate an initial Federal branch or Federal agency in a State other than the foreign bank's home State, except with the approval of the Comptroller and the Board, in the same location and subject to the same requirements as a national bank having the same home State (as the term 'home State' as defined for national banks under section 5155(c) of the Revised Statutes) as the foreign bank.

"(3) BOARD CONDITIONS REQUIRED TO BE INCLUDED.—In considering any application for approval under this subsection, the Comptroller shall include any condition imposed by the Board under section 7(d)(5) as a condition for the approval of such application.".

"(b) Section 4(h) of the International Banking Act of 1978 (12 U.S.C. 3102(h)) is amended by adding after paragraph (2) the following new paragraph:

"(3) DETERMINATION OF HOME STATE.—For purposes of section 36(c) of the National Bank Act (12 U.S.C. 36(c)), the home State of a foreign bank shall be its home State as determined under section 5.".

(c) Section 5(a) of the International Banking Act of 1978 (12 U.S.C. 3103(a)) is amended to read as follows:

"(a) LIMITATIONS.—

"(1) No foreign bank may establish and operate a State branch in any State outside its home State unless a financial services holding company whose principal place of operation under section 3 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1842) is the same as the home State of the foreign bank would be permitted to acquire a bank in such other State.

"(2) No foreign bank may directly or indirectly establish and operate a State branch, State agency, or commercial lending company subsidiary outside of the foreign bank's home State unless its establishment and operation is approved by the Board and the bank regulatory authority of the State in which the new branch is to be located.

"(3) Notwithstanding paragraph (2), effective three years after the date of enactment of the Financial Institutions Safety and Consumer Choice Act of 1992, no State shall prohibit a foreign bank having a State branch or State agency licensed by another State and engaged in a banking business in that other State, from establishing and maintaining one or more branches or agencies of that foreign bank within the State after approval from the bank regulatory authority of such other State and the Board. Establishment, operation and supervision of any such branches or agencies shall be in accordance with the provisions applicable to an interstate branch of a State bank under section 18(d) of the Federal Deposit Insurance Act (12 U.S.C. 1828(d)) as if the branch in such other State were an insured State bank located in such other State.

"(4) Notwithstanding paragraph (1) and section 4(h), a foreign bank may, with the approval of the Comptroller and the Board, establish and operate a Federal branch or Federal agency, or with the approval of the Board and the bank regulatory authority of the State, a State branch or State agency, in any State outside of its home State if—

"(A) establishment and operation of a branch or agency is expressly permitted by the State in which it is to be established; and

"(B) in the case of a Federal or State branch, the branch receives only such deposits as would be permissible for a corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611 et seq.).".

SEC. 456. INTERSTATE ACQUISITIONS BY SAVINGS AND LOAN HOLDING COMPANIES.

Section 10(e)(3) of the Home Owners' Loan Act (12 U.S.C. 1467a(e)(3)) is amended to read as follows:

"(3) INTERSTATE ACQUISITIONS.—

"(A) IN GENERAL.—The Director may approve an application under this subsection for a savings and loan holding company or a foreign bank to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all the assets of, any additional savings association located in any State.

"(B) STATE LAWS.—Any acquisition described in subparagraph (A) that has been approved under this section may be consummated notwithstanding any State law that would prohibit or otherwise limit such acquisition on the basis of the location or size of the acquiring company or foreign bank or any subsidiary of such company or foreign bank, the number of insured depository institution subsidiaries of such company or foreign bank, or any other factor that has the effect directly or indirectly of prohibiting or limiting the acquisition of shares or control of a savings association or savings and loan holding company located in that State by an out-of-State savings and loan holding company or foreign bank without having a similar effect on such acquisitions by savings and loan holding companies located in that State.

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) the term 'State' includes the District of Columbia; and

"(ii) the term 'foreign bank' has the same meaning as in section 1(b)(7) of the International Banking Act (12 U.S.C. 3101(7)).".

SEC. 457. EFFECTIVE DATE.

Except as provided in section 451(b), the provisions of this chapter shall become effective on the date of enactment of this title.

Subtitle B—Miscellaneous Provisions

CHAPTER 1—REDUCTION IN REGULATORY BURDEN

SEC. 461. FAIR HOUSING REPORTING.

Effective one year after the date of enactment of this title, no appropriate Federal banking agency shall require any institution for which it is the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)) to prepare, file, or maintain any form for the purpose of collection, analysis, or maintenance of appropriate data to further the purposes of, or to fulfill the requirements of, the Fair Housing Act (42 U.S.C. 3601 et seq.), other than a form for data collection, analysis, or maintenance prescribed pursuant to the Home Mortgage Disclosure Act (12 U.S.C. 2801 et seq.).

CHAPTER 2—EXPEDITED FUNDS AVAILABILITY

SEC. 466. AMENDMENT OF THE EXPEDITED FUNDS AVAILABILITY ACT.

Section 604(f)(2) of the Expedited Funds Availability Act (12 U.S.C. 4003(f)(2)) is amended by inserting after subparagraph (C) the following new subparagraph:

"(D) After a depository institution has provided notice as required under subparagraphs (A), (B), and (C), no further notice shall be required until the earlier of one year after notice has been provided or such other time as the exception for which the notice was provided ceases to apply.".

Subtitle C—Technical and Conforming Amendments

CHAPTER 1—SEVERABILITY; TRANSITION REFERENCES

SEC. 471. SEVERABILITY.

If any provision of this title, or application thereof to any person or circumstances, is held invalid, the remainder of the title, and the application of any remaining provision to other persons or circumstances, shall not be affected thereby.

SEC. 472. TRANSITION REFERENCES.

Effective on the date of enactment of this title, and until January 1, 1994, any reference to a financial services holding company or to this the Financial Services Holding Company Act of 1992 in any amendment made by, or provision of, this title that becomes effective prior to such date shall be deemed to include a reference to a bank holding company and the Bank Holding Company Act of 1956, respectively.

CHAPTER 2—TECHNICAL AND CONFORMING AMENDMENTS

SEC. 476. AMENDMENT TO ACTS CODIFIED IN TITLE 2, UNITED STATES CODE.

The Federal Election Campaign Act of 1971.—The Federal Election Campaign Act of 1971 is amended effective on the date of enactment of this title—

(1) in section 301(8)(B)(vii) (2 U.S.C. 431(8)(B)(vii), by striking ", Federal Savings and Loan Insurance Corporation,"; and

(2) in section 302(h)(1) (2 U.S.C. 432(h)(1)), by striking ", the Federal Savings and Loan Insurance Corporation,".

SEC. 477. AMENDMENTS TO TITLE 5, UNITED STATES CODE.

Title 5, United States Code, is amended—

(1) in section 8438(a)(7)(B), effective on the date of enactment of this title, by striking "Federal Savings and Loan Insurance Corporation" and inserting "Federal Deposit Insurance Corporation"; and

(2) in section 8478(a)(2)(B)(iii), by striking "or the Federal Savings and Loan Insurance Corporation".

SEC. 478. AMENDMENT TO ACT CODIFIED IN TITLE 7, UNITED STATES CODE.

The Food Stamp Act of 1977.—Section 10 of the Food Stamp Act of 1977 (7 U.S.C. 2019) is amended effective on the date of enactment of this title—

(1) by striking "the Federal Savings and Loan Insurance Corporation, or"; and

(2) by striking "the Federal Savings and Loan Insurance Corporation or".

SEC. 479. AMENDMENTS TO ACTS CODIFIED IN TITLE 12, UNITED STATES CODE.

(a) The Federal Reserve Act.—The Federal Reserve Act is amended—

(1) in section 11(d) (12 U.S.C. 248)—

(A) by striking "the bureau under the charge of the Comptroller of the Currency" and inserting "the Secretary of the Treasury"; and

(B) by striking "such notes may be delivered by the Comptroller" and inserting "such notes may be delivered by the Secretary of the Treasury";

(2) in section 23A(d)(5) (12 U.S.C. 371c(d)(5)), by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992";

(3) in section 16—

(A) in the eighth paragraph (12 U.S.C. 418), by striking "the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury," and inserting "the Secretary of the Treasury shall";

(B) in the ninth paragraph (12 U.S.C. 419), by striking "shall be deposited in the Treasury, or in the subtreasury or mint of the United States nearest the place of business of each Federal reserve bank and shall be held for the use of such bank subject to the order of the Comptroller of the Currency" and inserting "shall be delivered to the Board of Governors of the Federal Reserve System subject to the order of the Secretary of the Treasury"; and

(C) in the tenth paragraph (12 U.S.C. 420)—

(i) by striking "Comptroller of the Currency" and inserting "Secretary of the Treasury"; and

(ii) by striking "Federal Reserve Board" ; and inserting "Board of Governors of the Federal Reserve System"; and

(4) in the tenth undesignated paragraph of section 25(a) (12 U.S.C. 619)—

(A) by striking "Bank Holding Company Act of 1956" wherever it appears and inserting "Financial Services Holding Company Act of 1992";

(B) by striking "bank holding companies" and inserting "financial services holding companies"; and

(C) by striking "bank holding company" and inserting "financial services holding company".

(b) The Home Owners' Loan Act.—The Home Owners' Loan Act (12 U.S.C. 1461 et seq.) is further amended—

(1) in section 10 (12 U.S.C. 1467a)—

(A) in subsection (a)(1)(I)—

(i) by striking "bank holding company" wherever it appears and inserting "financial services holding company"; and

(ii) by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992";

(B) in subsection (C)—

(i) in paragraph (2)(F)(i)—

(I) by striking "bank holding companies" and inserting "financial services holding companies"; and

(II) by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992"; and

(ii) in paragraph (8)—

(I) by striking "bank holding company" and inserting "financial services holding company"; and

(II) by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992";

(C) in subsection (m)(3)(C)—

(i) by striking "bank holding company" wherever it appears and inserting "financial services holding company";

(ii) by striking "bank holding companies" and inserting "financial services holding companies"; and

(iii) by striking "Bank Holding Company Act of 1956" wherever it appears and inserting "Financial Services Holding Company Act of 1992"; and

(D) in subsection (q)(1)(A)(ii), by striking "bank holding company" and inserting "financial services holding company"; and

(2) in section 11(c) (12 U.S.C. 1468(c))—

(A) by striking "or 18(j)"; and

(B) by striking ", as appropriate".

(c) The National Housing Act.—The National Housing Act is amended—

(1) in section 203(s)(6) (12 U.S.C. 1709(s)(6)), by striking "bank holding company" and inserting "financial services holding company".

(2) in section 255(k)(3) (12 U.S.C. 1715z-20(k)(3)), effective on the date of enactment of this title, by striking "Federal Home Loan Bank Board" and inserting "Director of the Office of Thrift Supervision"; and

(3) in section 502 (12 U.S.C. 1701c), effective on the date of enactment of this title, by striking "Federal Home Loan Bank Board" wherever it appears and inserting "Director of the Office of Thrift Supervision".

(d) The Act of October 15, 1982.—Section 341(e)(1) of the Act of October 15, 1982 (12 U.S.C. 1701j-3) is amended, effective on the date of enactment of this title, by striking "Federal Home Loan Bank Board" wherever it appears and inserting "Director of the Office of Thrift Supervision".

(e) The Domestic Housing and International Recovery and Financial Stability Act.—Section 469 of the Domestic Housing and International Recovery and Financial Stability Act (12 U.S.C. 1701p-1) is amended, effective on the date of enactment of this title, by striking "Federal Home Loan Bank Board" and inserting "Director of the Office of Thrift Supervision".

(f) The Federal Deposit Insurance Act.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 3 (12 U.S.C. 1813)—

(A) in subsection (u), by striking "bank holding company" wherever it appears and inserting "financial services holding company"; and

(B) in subsection (w) by striking "bank holding company" wherever it appears and inserting "financial services holding company";

(2) in section 5(d)(3) (12 U.S.C. 1815(d)(3))—

(A) in subparagraph (A), by striking "bank holding company" and inserting "financial services holding company"; and

(B) in subparagraph (E), by striking "bank holding company" wherever its appears and inserting "financial services holding company";

(3) in section 7 (12 U.S.C. 1817)—

(A) in subsection (a)(3), by striking "Chairman of the Director" and by inserting "Director"; and

(B) in subsection (n), by striking "under section 1467 of this Act"; and

(4) in section 8(b)(4) (12 U.S.C. 1818(b)(4)), by striking "bank holding company" and inserting "financial services holding company".

(g) The Bank Protection Act of 1968.—Section 2(4) of the Bank Protection Act of 1968 (12 U.S.C. 1881) is amended by inserting "associations" after "savings".

(h) The Real Estate Settlement Procedures Act.—The Real Estate Settlement Procedures Act is amended, effective on the date of enactment of this title—

(1) in section 4(a) (12 U.S.C. 2603(a)), by striking "Federal Home Loan Bank Board" and inserting "Director of the Office of Thrift Supervision"; and

(2) in section 8 (12 U.S.C. 2607), by striking "Federal Home Loan Bank Board" wherever it appears and inserting "Director of the Office of Thrift Supervison".

(i) The Community Reinvestment Act of 1977.—Section 803(1) of the Community Reinvestment Act of 1977 (12 U.S.C. 2902(1)) is amended—

(1) in subparagraph (B), by striking "bank holding companies" and inserting "financial services holding companies"; and

(2) in subparagraph (C), by striking "section 8 of this Act, by".

(j) The International Banking Act of 1978.—The International Banking Act of 1978 is amended—

(1) in section 1(b) (12 U.S.C. 3101)—

(A) by amending paragraph (13) to read as follows:

"(13) the terms 'affiliate', 'bank', 'financial services holding company', 'company', 'control', and 'subsidiary' have the same meanings assigned to those terms in the Financial Services Holding Company Act of 1992, and the terms 'controlled' and 'controlling' shall be construed consistently with the term 'control' as defined in section 2 the Financial Services Holding Company Act of 1992;"; and

(2) in section 8(c) (12 U.S.C. 3106)—

(A) by striking "Bank Holding Company Act of 1956" wherever it appears and inserting "Financial Services Holding Company Act of 1992"; and

(B) by striking "bank holding company" wherever it appears and inserting "financial services holding company".

(k) THE DEPOSITORY INSTITUTION MANAGEMENT INTERLOCKS ACT OF 1978.—The Depository Institution Management Interlocks Act of 1978 is amended—

(1) in section 202 (12 U.S.C. 3201)—

(A) by striking "bank holding company" wherever it appears and inserting "financial services holding company"; and

(B) by striking "Bank Holding Company Act of 1956" wherever it appears and inserting "Financial Services Holding Company Act of 1992";

(2) in section 207(2) (12 U.S.C. 3206(2)) by striking "bank holding companies" and inserting "financial services holding companies"; and

(3) in section 208 (12 U.S.C. 3207)—

(A) in paragraph (2), by striking "bank holding companies" and inserting "financial services holding companies"; and

(B) in paragraph (4), effective on the date of enactment of this title, by striking "Federal Home Loan Bank Board with respect to institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation" and inserting "Director of the Office of Thrift Supervision with respect to institutions which are members of the Savings Association Insurance Fund".

(l) THE FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL ACT OF 1978.—Section 1002 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3301) is amended, effective on the date of enactment of this title, by striking "Federal Home Loan Bank Board" and inserting "Office of Thrift Supervision".

(m) THE RIGHT TO FINANCIAL PRIVACY ACT OF 1978.—Section 1101 of the right to Financial Privacy Act of 1978 (12 U.S.C. 3401) is amended—

(1) in paragraph (6)—

(A) in subparagraph (A), by striking "bank holding company" and inserting "financial services holding company"; and

(B) in subparagraph (B), by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992"; and

(2) in paragraph (7)(G), by inserting ", insurance" after "banking".

(n) THE EXPEDITED FUNDS AVAILABILITY ACT OF 1987.—Section 609(e) of the Expedited Funds Availability Act of 1987 (12 U.S.C. 4008(e)) is amended, effective on the date of enactment of this title, by striking "Federal Home Loan Bank Board" and inserting "Office of Thrift Supervision".

SEC. 480. AMENDMENTS TO ACTS CODIFIED IN TITLE 15, UNITED STATES CODE.

(a) THE ACT OF SEPTEMBER 26, 1914.—Effective on the date of enactment of this title, section 18(f)(1) of the Act of September 26, 1914 (15 U.S.C. 57a(f)(1)) is amended—

(1) by striking "Federal Home Loan Bank Board" and inserting "Director of the Office of Thrift Supervision";

(2) by striking "each such Board" and inserting "the appropriate Board or the Director";

(3) by striking "any such Board" and inserting "the appropriate Board or the Director"; and

(4) by striking "such Board" and inserting "the appropriate Board or the Director".

(b) THE SECURITIES EXCHANGE ACT OF 1934.—The Securities Exchange Act of 1934 is amended—

(1) in section 3(a)(34) (14 U.S.C. 78c(a)(34))—

(A) in subparagraph (A)(ii), by striking "a bank holding company, a subsidiary of a bank holding company" and inserting "a financial services holding company, a subsidiary of a financial services holding company";

(B) in subparagraph (B)(ii), by striking "a bank holding company, or a subsidiary of a bank holding company" and inserting "a financial services holding company, or a subsidiary of a financial services holding company";

(C) in subparagraph (C)(ii), by striking "a bank holding company, or a subsidiary of a bank holding company" and inserting "a financial services holding company, or a subsidiary of a financial services holding company, or a subsidiary of a financial services holding company"; and

(D) in the last sentence—

(i) by striking "bank holding company" wherever it appears and inserting "financial services holding company"; and

(ii) by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992";

(2) in section 15C—

(A) in subsection (b)(2)(C)(ii) (15 U.S.C. 58o-5(b)(2)(C)(ii)), by striking "section 8 of the Bank Holding Company Act of 1956" and inserting "section 8 of the Financial Services Holding Company Act of 1992"; and

(B) in subsection (f)(1) (15 U.S.C. 78o-5(f)(1)), effective on the date of enactment of this title, by striking "the Federal Savings and Loan Insurance Corporation."; and

(3) in section 17(h)(3)(B) (15 U.S.C. 78q(h)(3)(B)), by striking "section 8 of the Bank Holding Company Act of 1956" and inserting "section 8 of the Financial Services Holding Company Act of 1992".

(c) THE INVESTMENT COMPANY ACT OF 1940.—Section 6(a)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(a)(3)) is amended, effective on the date of enactment of this title, by inserting "(or successor thereto)" after "Federal Savings and Loan Insurance Corporation".

(d) THE INVESTMENT ADVISORS ACT OF 1940.—Section 202(a)(11) of the Investment Advisors Act of 1940 (15 U.S.C. 80b-2(a)(11)) is amended—

(1) by striking "bank holding company" and inserting "financial services holding company"; and

(2) by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992".

(e) THE SMALL BUSINESS INVESTMENT ACT OF 1958.—The Small Business Investment Act of 1958 (15 U.S.C. 661) is amended—

(1) in section 302(b) (15 U.S.C. 682(b)), effective on the date of enactment of this title, by striking "Notwithstanding the provisions of section 6(a)(1) of the Bank Holding Act of 1956, shares" and inserting "Shares"; and

(2) in section 308(b) (15 U.S.C. 687(b)), by striking "or the Federal Savings and Loan Insurance Corporation".

(f) THE EXPORT TRADING COMPANY ACT OF 1982.—Section 102(b) of the Export Trading Company Act of 1982 (15 U.S.C. 4001(b)) is amended by striking "bank holding companies" wherever it appears and inserting "financial services holding companies".

SEC. 481. AMENDMENT TO ACT CODIFIED IN TITLE 16, UNITED STATES CODE.

THE FEDERAL POWER ACT.—Section 305(c)(2)(A) of the Federal Power Act (16 U.S.C. 825d(c)(2)(A)) is amended by striking "bank holding company" and inserting "financial services holding company".

SEC. 482. AMENDMENTS TO TITLE 18, UNITED STATES CODE.

Section 1005 of title 18, United States Code, is amended in the last sentence of the sixth paragraph by inserting ", as amended by the Financial Services Holding Company Act of 1992" before the period.

SEC. 483. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

The Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.) is amended—

(1) in section 149(b)(4)(B), effective on the date of enactment of this title, by striking "the Federal Savings and Loan Insurance Corporation,";

(2) in section 246A(c)(3)—

(A) by amending subparagraph (B)(ii) to read as follows:

"(ii) FINANCIAL SERVICES HOLDING COMPANY.—The term 'Financial Services Holding Company' means a financial services holding company (within the meaning of section 2 of the Financial Services Holding Company Act of 1992 (12 U.S.C. 1841))."; and

(B) by striking "bank holding company" wherever it appears and inserting "financial services holding company";

(3) in section 304(b)(3)—

(A) by amending subparagraph (D)(ii) to read as follows:

"(ii) FSHC.—The term 'FSHC' means a financial services holding company (within the meaning of section 2 of the Financial Services Holding Company Act of 1992).";

(B) by striking "bank holding companies" and inserting "financial services holding companies";

(C) by striking "BHC" wherever it appears and inserting "FSHC"; and

(D) by striking "BHC's" wherever it appears and inserting "FSHC's";

(4) in section 597(c)(1), effective on the date of enactment of this title, by inserting "(or any successor thereof)" after "the Federal Savings and Loan Insurance Corporation"; and

(5) in section 864(e)(5)(D)—

(A) by striking "bank holding companies" and inserting "financial services holding companies";

(B) by striking "bank holding company" wherever it appears and inserting "financial services holding company"; and

(C) by striking "Bank Holding Company Act of 1956" and inserting "Financial Services Holding Company Act of 1992".

SEC. 484. AMENDMENTS TO TITLE 31, UNITED STATES CODE.

Section 5115 of title 31, United States Code, is amended—

(1) by amending subsection (b) to read as follows:

"(b) The amount of United States currency notes outstanding and in circulation may not be more than $300,000,000."; and

(2) by adding after subsection (b) the following new subsection:

"(c) The Secretary shall not be required to reissue United States currency notes upon redemption.".

SEC. 485. AMENDMENTS TO ACTS CODIFIED IN TITLE 42, UNITED STATES CODE.

(a) THE ENERGY CONSERVATION AND PRODUCTION ACT.—Section 303(7) of the Energy Conservation and Production Act (42 U.S.C.

6832(7)) is amended, effective on the date of enactment of this title, by striking "the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation" and inserting "the Director of the Office of Thrift Supervision".

(b) THE NEIGHBORHOOD REINVESTMENT CORPORATION ACT.—Section 606(c)(3) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8105(c)(3)) is amended, effective on the date of enactment of this title, by striking "Federal Home Loan Bank Board" and inserting "Director of the Office of Thrift Supervision".

SEC. 486. AMENDMENT TO TITLE 46, UNITED STATES CODE.

Section 10315(a)(3) of title 46, United States Code, is amended, effective on the date of enactment of this title, by striking "or the Federal Savings and Loan Insurance Corporation".

CHAPTER 3—REPEAL OF OBSOLETE PROVISIONS OF LAW

SEC. 491. REPEAL OF OBSOLETE PROVISIONS OF LAW.

The following provisions of law (as they may have been amended) are repealed:

(1) section 331 (12 U.S.C. 13) of the Revised Statutes;

(2) title II of the Act of October 28, 1974 (Public Law 93-495; 12 U.S.C. 2401 *et seq.*); and

(3) section 14 of the Act of December 22, 1974 (Public Law 93-533; 12 U.S.C. 2612).

CHAPTER 4—EFFECTIVE DATE

SEC. 496. EFFECTIVE DATE.

Unless otherwise expressly provided, the amendments made by this subtitle shall become effective January 1, 1994.

TITLE V—PENSION SECURITY ACT

SECTION 501. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Pension Security Act of 1992".

(b) TABLE OF CONTENTS.—

Subtitle A—Amendments to Pension Plan Funding Requirements

PART 1—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Sec. 511. Revision of additional funding requirements for plans that are not multiemployer plans.
Sec. 512. Correction to ERISA citation.
Sec. 513. Effective dates.

PART 2—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Sec. 521. Revision of additional funding requirements for plans that are not multiemployer plans.
Sec. 522. Effective dates.

Subtitle B—Amendments to Title IV of ERISA

Sec. 531. Limitation on benefits guaranteed.
Sec. 532. Enforcement of minimum funding requirements.
Sec. 533. Definition of contributing sponsor.
Sec. 534. Recovery ratio payable under Corporation's guaranty.
Sec. 535. Elimination of the seventh revolving fund.
Sec. 536. Distress termination criteria for banking institutions.
Sec. 537. Variable rate premium exemption.

Subtitle C—Employer Liability, Lien, and Priority

PART 1—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Sec. 541. Employer liability lien and priority amount.
Sec. 542. Liability upon liquidation of contributing sponsor where plan remains ongoing.

PART 2—AMENDMENTS TO TITLE 11, UNITED STATES CODE

Sec. 551. Pension Benefit Guaranty Corporation permitted to be a member of an unsecured creditors' committee.
Sec. 552. Clarification of priorities in conformity with the Employee Retirement Income Security Act of 1974.
Sec. 553. Notice required where federally-insured pension plan is administered by the debtor or its affiliate.

Subtitle A—Amendments to Pension Plan Funding Requirements

PART 1—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

SEC. 511. REVISION OF ADDITIONAL FUNDING REQUIREMENTS FOR PLANS THAT ARE NOT MULTIEMPLOYER PLANS.

(a) Section 412(a) of the Internal Revenue Code of 1986 (26 U.S.C. 412(a)) is amended by striking "the excess of the total charges to the funding standard account" through the end of that sentence, and inserting "the largest of—

"(1) the lesser of—

"(A) the excess of the total charges to the funding standard account for all plan years (beginning with the first plan year to which this section applies) over the total credits to such account for such years; or,

"(B) the excess of the total charges to the alternative minimum funding standard account for such plan years over the total credits to such account for such years; or,

"(2) if applicable, the underfunding reduction requirement under subsection (l); or

"(3) if applicable, the solvency maintenance requirement under subsection (o).".

(b) Section 412(l) is revised to read as follows:

"(l) UNDERFUNDING REDUCTION REQUIREMENT FOR PLANS THAT ARE NOT MULTIEMPLOYER PLANS.—

"(1) UNDERFUNDING REDUCTION REQUIREMENT.—In the case of a defined benefit plan (other than a multiemployer plan) that has an initial funding ratio of less than 100 percent for any plan year, the underfunding reduction requirement for such plan year is the sum of—

"(A) an amount equal to the product of the initial unfunded liability of the plan multiplied by the excess (if any) of (i) 30 percent, over (ii) the product of one quarter of one percent multiplied by the number of percentage points (if any) that the initial funding ratio of the plan exceeds 35 percent;

"(B) the charges to the funding standard account for normal cost under subparagraph (b)(2)(A) and for the amounts necessary to amortize any waived funding deficiencies under subparagraph (b)(2)(C);

"(C) the excess (if any) of—

"(i) the sum of charges to the funding standard account for plans years beginning after December 31, 1993, for net experience losses under clause (b)(2)(B)(iv) and net losses resulting from changes in actuarial assumptions under clause (b)(2)(B)(v) over—

"(ii) the sum of credits to the funding standard account for plan years beginning after December 31, 1993—

"(I) for net experience gains under clause (b)(3)(B)(ii) and net gains resulting from changes in actuarial assumptions under clause (b)(3)(B)(iii); and

"(II) for amounts considered contributed by the employer under subparagraph (b)(3)(A) (to the extent they are necessary to avoid an accumulated funding deficiency under section 412(b)); and

"(D) the net of—

"(i) charges to the funding standard account for plan years beginning on or before December 31, 1993, for net experience losses under clause (b)(2)(B)(iv) and net losses resulting from changes in actuarial assumptions under clause (b)(2)(B)(v); and

"(ii) the sum of credits to the funding standard account for plan years beginning on or before December 31, 1993—

"(I) for net experience gains under clause (b)(3)(B)(ii) and net gains resulting from changes in actuarial assumptions under clause (b)(3)(B)(iii); and

"(II) for amounts considered contributed by the employer under subparagraph (b)(3)(A) (to the extent they are necessary to avoid an accumulated funding deficiency under section 412(b)).

"(2) DEFINITIONS.—For definitions pertaining to this subsection, see subsection (o)(3).

"(3) APPLICATION TO SMALL PLANS.—For the application of this subsection to small plans, see subsection (o)(4).".

(c) Section 412 is further amended by adding at the end thereof the following new subsection (o):

"(o) SOLVENCY MAINTENANCE REQUIREMENT FOR PLANS THAT ARE NOT MULTIEMPLOYER PLANS.—

"(1) SOLVENCY MAINTENANCE REQUIREMENT.—In the case of a defined benefit plan (other than a multiemployer plan) that has an initial funding ratio of less than 100 percent for any plan year, the solvency maintenance requirement for such plan year is the sum of—

"(A) the sum of:

"(i) all disbursements from the plan for the plan year, and

"(ii) an amount equal to the initial unfunded liability of the plan multiplied by the interest rate used by such plan (determined under subparagraph (b)(5)(A));

"(B) the charges described in section 412(l)(1)(B);

"(C) the amount described in section 412(l)(1)(C); and

"(D) the amount described in section 412(l)(1)(D).

"(2) LIMITATION ON SOLVENCY MAINTENANCE REQUIREMENT.—For plan years commencing after December 31, 1993, the amount required under paragraph (1) shall not exceed the sum of—

"(A) the amount required under 412(l); and

"(B) the product of—

"(i) the excess (if any) of—

"(I) the amount required under paragraph 1 over

"(II) the amount required under subsection (l); multiplied by—

"(ii) the applicable percentage.

"(iii) For purposes of subparagraph (ii), the applicable percentage is:

"For plan years commencing after:	The applicable percentage is:
December 31, 1993	20 percent
December 31, 1994	40 percent
December 31, 1995	60 percent
December 31, 1996	80 percent
December 31, 1997	100 percent

"(3) DEFINITIONS.—For purposes of this subsection and subsection (l)—

"(A) INITIAL UNFUNDED LIABILITY.—The term 'initial unfunded liability' means the excess (if any) of the amount necessary to satisfy the initial termination liability of the plan over the initial value of assets of the plan.

"(B) INITIAL FUNDING RATIO.—The term 'initial funding ratio' means the ratio of (i) the initial value of assets of the plan to (ii) the amount necessary to satisfy the initial termination liability of the plan.

"(C) INITIAL TERMINATION LIABILITY.—The term 'initial termination liability' means all liabilities with respect to employees and their beneficiaries under the plan in the meaning of section 401(a)(2) as of the first day of the plan year.

"(D) INITIAL VALUE OF ASSETS.—The term 'initial value of assets' means the value of the assets of the plan determined under section 412(c)(2) as of the first day of the plan year.

"(E) DISBURSEMENTS FROM THE PLAN.—

"(i) IN GENERAL.—The term 'disbursements from the plan' means benefit payments, including purchases of annuities or payment of lump sums in satisfaction of liabilities, administrative expenditures or any other disbursements from the plan or its trust.

"(ii) SPECIAL RULE FOR PURCHASES OF ANNUITIES AND PAYMENT OF LUMP SUMS.—In determining the applicable amounts attributable to purchases of annuities or the payment of lump sums under clause (i), the actual purchase or lump sum amounts paid by the plan or trust shall be multiplied by the excess (if any) of one over the initial funding ratio of the plan.

"(4) SPECIAL RULES FOR SMALL PLANS.—

"(A) PLANS WITH 100 OR FEWER PARTICIPANTS.—This subsection and subsection 412(l) shall not apply to any plan for any plan year if on each day during the preceding plan year such plan had no more than 100 participants.

"(B) PLANS WITH MORE THAN 100 BUT NOT MORE THAN 150 PARTICIPANTS.—In the case of a plan to which subparagraph (A) does not apply and which on each day during the preceding year had no more than 150 participants, the additional amounts required by the underfunding reduction requirement under subsection (l) or the solvency maintenance requirement under this subsection shall be equal to the product of—

"(i) the excess of such requirements (determined without regard to this subparagraph) over the funding deficiency (if any) under subsection 412(b), multiplied by—

"(ii) 2 percent for the highest number of participants in excess of 100 on any such day.

"(C) AGGREGATION OF PLANS.—For purposes of this paragraph, all defined benefit plans maintained by the same employer (or any member of such employer's controlled group) shall be treated as 1 plan, but only employees of such employer or member shall be taken into account.".

(d) CONFORMING AMENDMENTS.—

(1) Section 412(b) is amended—

(A) by striking the last sentence of paragraph (2); and

(B) by striking "and for purposes of determining a plan's required contribution under section 412(l)" in subparagraph (5)(B) and inserting "under section 412(c)(7)(B)".

(2) Section 412(c) is amended by striking "has the meaning given such term by section 412(l)(7) and inserting "means all liabilities with respect to employees and their beneficiaries under the plan within the meaning of section 401(a)(2) (within such limitations as the Secretary may prescribe by regulation) determined by using the interest rate under section 412(b)(5)(B)".

(3) Section 412(m)(4)(B) is amended by striking "section 412" in subparagraph (i) and inserting "section 412(b) or (l), whichever is greater".

(4) Section 401(a)(29) is amended—

(A) by striking "current liability" and "funded current liability percentage" and "unfunded current liability" and "412(l)" each time they appear and inserting instead, respectively, the terms "initial termination liability" and "initial funding ratio" and "initial unfunded liability" and "412(o)".

(B) By striking everything after the word "except" in subparagraph (E) and inserting "that in computing initial unfunded liability there shall not be taken into account an amount equal to the initial unfunded liability of the plan as of the beginning of the first plan year beginning after December 31, 1987 (determined without regard to any plan amendment increasing liabilities adopted after October 16, 1987), reduced by an amount equal to the product of the amount necessary to amortize such pre-1988 initial unfunded liability in equal annual installments over a period of 18 plan years (beginning with the first plan year beginning after December 31, 1988) multiplied by the number of years (but not more than 18) beginning since December 31, 1988.".

(5) Section 404(a)(1)(D) is amended by striking "the unfunded liability determined under section 412(l)." at the end of the first sentence and inserting instead "the amount necessary to assure that the plan can satisfy all liabilities with respect to employees and their beneficiaries within the meaning of section 412(c)(7)(B) determined by using the interest rate under section 412(b)(5)(B)."

SEC. 512. CORRECTION TO ERISA CITATION.

(a) Section 404(g)(4) is amended by striking "enactment" and all that follows through the end of the paragraph and inserting "the transaction involved.".

SEC. 513. EFFECTIVE DATES.

The amendments made by section 511 shall be effective for plan years beginning after December 31, 1993. The amendment made by section 512 shall be effective upon enactment.

PART 2—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

SEC. 521. REVISION OF ADDITIONAL FUNDING REQUIREMENTS FOR PLANS THAT ARE NOT MULTIEMPLOYER PLANS.

(a) Section 302(a)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1082(a)(2)) is amended by striking "the excess of the total charges to the funding standard account" through the end of that sentence, and inserting "the largest of—

"(A) the lesser of—

"(i) the excess of the total charges to the funding standard account for all plan years (beginning with the first plan year to which this section applies) over the total credits to such account for such years; or,

"(ii) the excess of the total charges to the alternative minimum funding standard account for such plan years over the total credits to such account for such years; or,

"(B) if applicable, the underfunding reduction requirement under subsection (d); or,

"(C) if applicable, the solvency maintenance requirement under subsection (g).".

(b) Section 302(d) is revised to read as follows:

"(d) UNDERFUNDING REDUCTION REQUIREMENT FOR PLANS THAT ARE NOT MULTIEMPLOYER PLANS.—

"(1) UNDERFUNDING REDUCTION REQUIREMENT.—In the case of a defined benefit plan (other than a multiemployer plan) that has an initial funding ratio of less than 100 percent for any plan year, the underfunding reduction requirement for such plan year is the sum of—

"(A) An amount equal to the product of the initial unfunded liability of the plan multiplied by the excess (if any) of (i) 30 percent, over (ii) the product of one-quarter of one percent multiplied by the number of percentage points (if any) that the initial funding ratio of the plan exceeds 35 percent;

"(B) the charges to the funding standard account for normal cost under subparagraph (b)(2)(A) and for the amounts necessary to amortize any waived funding deficiencies under subparagraph (b)(2)(C);

"(C) the excess (if any) of—

"(i) the sum of charges to the funding standard account for plans years beginning after December 31, 1993 for net experience losses under clause (b)(2)(B)(iv) and net losses resulting from changes in actuarial assumptions under clause (b)(2)(B)(v) over—

"(ii) the sum of credits to the funding standard account for plan years beginning after December 31, 1993—

"(I) for net experience gains under clause (b)(3)(B)(ii) and net gains resulting from changes in actuarial assumptions under clause (b)(3)(B)(iii); and

"(II) for amounts considered contributed by the employer under subparagraph (b)(3)(A) (to the extent they are necessary to avoid an accumulated funding deficiency under section 302(b)); and

"(D) the net of—

"(i) charges to the funding standard account for plan years beginning on or before December 31, 1993 for net experience losses under clause (b)(2)(B)(iv) and net losses resulting from changes in actuarial assumptions under clause (b)(2)(B)(v); and

"(ii) the sum of credits to the funding standard account for plan years beginning on or before December 31, 1993—

"(I) for net experience gains under clause (b)(3)(B)(ii) and net gains resulting from changes in actuarial assumptions under clause (b)(3)(B)(iii); and

"(II) amounts considered contributed by the employer under subparagraph (b)(3)(A) (to the extent they are necessary to avoid an accumulated funding deficiency under section 302(b)).

"(2) DEFINITIONS.—For definitions pertaining to this subsection, see subsection (g)(3).

"(3) APPLICATION TO SMALL PLANS.—For the application of this subsection to small plans, see subsection (g)(4).".

(c) Section 302 is further amended by—

(1) redesignating subsection (g) as (h); and

(2) inserting after subsection (f) the following:

"(g) SOLVENCY MAINTENANCE REQUIREMENT FOR PLANS THAT ARE NOT MULTIEMPLOYER PLANS.—

"(1) SOLVENCY MAINTENANCE REQUIREMENT.—In the case of a defined benefit plan (other than a multiemployer plan) that has an initial funding ratio of less than 100 percent for any plan year, the solvency maintenance requirement for such plan year is the sum of—

"(A) the sum of:

"(i) all disbursements from the plan for the plan year, and

"(ii) an amount equal to the initial unfunded liability of the plan multiplied by the interest rate used by such plan (determined under subparagraph (b)(5)(A));

"(B) the charges described in section 302(d)(1)(B);

"(C) the amount described in section 302(d)(1)(C); and

"(D) the amount described in section 302(d)(1)(D).

"(2) LIMITATION ON SOLVENCY MAINTENANCE REQUIREMENT.—For plan years commencing after December 31, 1993, the amount required under paragraph (1) shall not exceed the sum of—

"(A) the amount required under section 302(d); and

"(B) the product of—

"(i) the excess (if any) of—

"(I) the amount required under paragraph 1 over

"(II) the amount required under section 302(d); multiplied by—

"(ii) the applicable percentage.

"(iii) For purposes of subparagraph (ii), the applicable percentage is:

"For plan years commencing after:	The applicable percentage is:
December 31, 1993	20 percent
December 31, 1994	40 percent
December 31, 1995	60 percent
December 31, 1996	80 percent
December 31, 1997	100 percent

"(3) DEFINITIONS.—For purposes of this subsection and subsection (d)—

"(A) INITIAL UNFUNDED LIABILITY.—The term "initial unfunded liability" means the excess (if any) of the amount necessary to satisfy the initial termination liability of the plan over the initial value of assets of the plan.

"(B) INITIAL FUNDING RATIO.—The term "initial funding ratio" means the ratio of (i) the initial value of assets of the plan to (ii) the amount necessary to satisfy the initial termination liability of the plan.

"(C) INITIAL TERMINATION LIABILITY.—The term "initial termination liability" means all liabilities with respect to employees and their beneficiaries under the plan in the meaning of section 401(a)(2) of the Internal Revenue Code of 1986 as of the first day of the plan year.

"(D) INITIAL VALUE OF ASSETS.—The term "initial value of assets" means the value of the assets of the plan determined under section 302(c)(2) as of the first day of the plan year.

"(E) DISBURSEMENTS FROM THE PLAN.—

"(i) IN GENERAL.—The term "disbursements from the plan" means benefit payments, including purchases of annuities or payment of lump sums in satisfaction of liabilities, administrative expenditures or any other disbursements from the plan or its trust.

"(ii) SPECIAL RULE FOR PURCHASES OF ANNUITIES AND PAYMENT OF LUMP SUMS.—In determining the applicable amounts attributable to purchases of annuities or the payment of lump sums under clause (i), the actual purchase or lump sum amounts paid by the plan or trust shall be multiplied by the excess (if any) of one over the initial funding ratio of the plan.

"(4) SPECIAL RULES FOR SMALL PLANS.—

"(A) PLANS WITH 100 OR FEWER PARTICIPANTS.—This subsection and subsection (d) shall not apply to any plan for any plan year if on each day during the preceding plan year such plan had no more than 100 participants.

"(B) PLANS WITH MORE THAN 100 BUT NOT MORE THAN 150 PARTICIPANTS.—In the case of a plan to which subparagraph (A) does not apply and which on each day during the preceding year had no more than 150 participants, the additional amounts required by the underfunding reduction requirement under subsection (d) or the solvency maintenance requirement under this subsection shall be equal to the product of—

"(i) the excess of such requirements (determined without regard to this subparagraph) over the funding deficiency (if any) under subsection 302(b), multiplied by—

"(ii) 2 percent for the highest number of participants in excess of 100 on any such day.".

(C) AGGREGATION OF PLANS.—For purposes of this paragraph, all defined benefit plans maintained by the same employer (or any member of such employer's controlled group) shall be treated as 1 plan, but only employees of such employer or member shall be taken into account.

(d) CONFORMING AMENDMENTS.—

(1) Section 302(b) is amended—

(A) by striking "and for purposes of determining a plan's required contribution under section 302(d)" in subparagraph (5)(B) in inserting "under section 302(c)(7)(B)".

(2) Section 302(c) is amended by striking "has the meaning given such term by subsection 302(d)(7) (without regard to subparagraph (D) thereof)" in subparagraph (7)(B) and inserting "means all liabilities with respect to employees and their beneficiaries under the plan within the meaning of section 401(a)(2) of the Internal Revenue Code of 1986 (within such limitations as the Secretary of the Treasury may prescribe by regulation) determined by using the interest rate under section 302(b)(5)(B)".

(3) Section 302(e)(4)(B) is amended by striking "section 412 of the Internal Revenue Code of 1986" in subparagraph (i) and inserting "section 412 (b) or (i) of the Internal Revenue Code of 1986, whichever is greater".

SEC. 522. EFFECTIVE DATES.

The amendments made by this part shall be effective for plan years beginning after December 31, 1993.

Subtitle B—Amendments to Title IV of ERISA

SEC. 531. LIMITATION ON BENEFITS GUARANTEED.

(a) Subsection (b)(1) of section 4022 of ERISA is amended by adding after "(7)" ", (8) and (9)".

(b) Subsection (b)(7) of section 4022 of ERISA is amended by—

(1) striking the period at the end and inserting in its place a semicolon; and

(2) by adding after paragraph (7) a new paragraph (8):

"(8)(A) Benefits under a new plan or any increase in benefits under a plan resulting from a plan amendment, which new plan or amendment was adopted or became effective after December 31, 1991, shall be disregarded unless:

"(i) The plan was fully funded for vested benefits for the plan year that the new plan or amendment was adopted or became effective, whichever is later, or became fully funded for vested benefits in a subsequent plan year; and

"(ii) The new plan or amendment was adopted or effective, whichever is later, at least one year prior to the date of plan termination.

"(B) For purposes of this section, a plan is 'fully funded for vested benefits' for any plan year if such plan has no unfunded vested benefits within the meaning of section 4006(a)(3)(E)(iii) as of the last day of such plan year.

"(C)(i) Except as provided in clause (ii), paragraph (7) and paragraphs (5)(B) and (5)(C) shall not apply to benefits described in subparagraph (A) of this paragraph.

"(ii) This paragraph shall not apply, and paragraph (7) and paragraphs (5)(B) and (5)(C) shall apply, to any new plan or plan amendment resulting from a collective bargaining agreement or amendment thereto entered and ratified on or prior to December 31, 1991."

(c) Subsection (b) of section 4022 of ERISA (as amended by subsection (b) of this section) is further amended by adding a new paragraph (9):

"(9)(A) Notwithstanding paragraph (8), any plan provision or amendment adopted or effective after December 31, 1991, that creates or increases unpredictable contingent event benefits shall not be guaranteed.

"(B) For purposes of this section, an 'unpredictable contingent event benefit' means any benefit contingent on an event other than—

"(i) age, service compensation, death or disability, or

"(ii) an event which is reasonably and reliably predictable (as determined under regulations prescribed by the corporation).".

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective on December 31, 1991.

SEC. 532. ENFORCEMENT OF MINIMUM FUNDING REQUIREMENTS.

(a) IN GENERAL.—Paragraph (1) of section 4003(c) of Employee Retirement Income Security Act of 1974 (29 U.S.C. 1303 (e)(1)) is amended by inserting after "title" the following: "and, in the case of a plan to which this title applies under section 4021, section 302 of this Act or section 412 of the Internal Revenue Code of 1986".

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective for installments and other payments required under section 302 of the Employee Retirement Income Security Act of 1974 or section 412 of the Internal Revenue Code of 1986 due on or after the date of the enactment of this Act.

SEC. 553. DEFINITION OF CONTRIBUTING SPONSOR.

(a) IN GENERAL.—Paragraph (13) of section 4001(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1301(a)(13)) is amended to read as follows:

"(13) 'contributing sponsor' means, with respect to a single-employer plan, a person entitled to receive a deduction under section 404(a)(1) of the Internal Revenue Code of 1986 for contributions required to be made to the plan under section 302 of this Act or section 412 of such Code.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective as if included in section 9305 of the Pension Protection Act (Public Law 100-203; 101 Stat. 1330-351).

SEC. 534. RECOVERY RATIO PAYABLE UNDER CORPORATION'S GUARANTY.

(a) IN GENERAL.—Section 4022(c)(3)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322(c)(3)(B)) is amended—

(1) by redesignating clauses (i) and (ii) as clauses (ii) and (iii) respectively; and

(2) by inserting before clause (ii) (as so redesignated) the following new clause:

"(i) the outstanding amount of benefit liabilities does not exceed $20,000,000,".

(b) TERMINATIONS.—Clause (iii) of section 4022(c)(3)(B) of such Act (29 U.S.C. 1322(c)(3)(B)), as redesignated by subsection (a), is amended—

(1) by inserting ", or proceedings were instituted under section 4042," after "provided"; and

(2) by striking "in which occurs the date of the notice of intent to terminate with respect to the plan termination".

(c) CONFORMING AMENDMENTS.—Clause (i) of section 9312(b)(3)(B) of the Pension Protection Act is amended by—

(1) inserting ", or proceedings were instituted under section 4042," after "provided"; and

(2) striking "1990" and inserting "1994".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 9312(b)(3) of the Pension Protection Act (Public Law 100-203; 101 Stat. 1330-362).

SEC. 535. ELIMINATION OF THE SEVENTH REVOLVING FUND.

(a) TRANSFER.—Effective September 30, 1992, all assets and liabilities of the fund described in section 4005(f)(1) of the Employee Retirement Income Security Act of 1974 (as in effect before the amendments made by this section) shall be transferred to the fund established pursuant to section 4005(a) of such Act with respect to basic benefits guaranteed under section 4022 of such Act.

(b) REPEAL.—Section 4005 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1305) is amended—

(1) by striking subsection (f); and

(2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fiscal years beginning after September 30, 1992.

SEC. 536. DISTRESS TERMINATION CRITERIA FOR BANKING INSTITUTIONS.

(a) IN GENERAL.—Subclause (I) of section 4041(c)(2)(B)(i) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341(c)(2)(B)(i)(I)) is amended by inserting "Federal law or" before "law of a State".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to plan terminations under section 4041 of the Employee Retirement Income Security Act of 1974 with respect to which notices of intent to terminate under section 4041(a)(2) of such Act are provided on or after the date of the enactment of this Act.

SEC. 537. VARIABLE RATE PREMIUM EXEMPTION.

(a) IN GENERAL.—Clause (v) of section 4006(a)(3)(E) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended by striking all that follows "not less than" and inserting "the maximum amount that may be contributed without incurring an excise tax under section 4972 of the Internal Revenue Code of 1986".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 1992.

Subtitle C—Employer Liability, Lien and Priority

PART 1—AMENDMENTS TO TITLE IV OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

SEC. 541. EMPLOYER LIABILITY LIEN AND PRIORITY AMOUNT.

(a) REVISED LIMITATIONS ON LIEN AND TAX PRIORITY AMOUNT.—Section 4068(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1368(a)) is amended—

(1) by striking "If any person liable to the corporation" and inserting "(1) Subject to paragraphs (2) and (3), if any person liable to the corporation";

(2) by striking "section 4062" and inserting "section 4062(a)(1)";

(3) by striking the comma after "belonging to such person" and inserting a period;

(4) by striking "except that such lien" and inserting the following:

"(2) In the case of plan terminations under section 4041 with respect to which notices of intent to terminate under section 4041(a)(2) are provided before January 1, 1992, and plan terminations with respect to which proceedings are instituted by the corporation before January 1, 1992, the lien established under paragraph (1)"; and

(5) by adding at the end the following paragraph:

"(3)(A) In the case of plan terminations under section 4041 with respect to which notices of intent to terminate under section 4041(a)(2) are provided on or after January 1, 1992, and plan terminations with respect to which proceedings are instituted by the corporation on or after January 1, 1992, the lien established under paragraph (1) may not be in an amount in excess of the sum of—

"(i) the amount of benefits attributable to the occurrence of unpredictable contingent events valued as of the date of plan termination arising at any time during the 3 years preceding the date of plan termination (to the extent not funded prior to plan termination), plus

"(ii) the greater of—

"(I) 30 percent of the collective net worth of all persons described in section 4062(a), or

"(II) the currently applicable percentage of the excess of the amount of unfunded benefit liabilities under the plan as of the date of plan termination over the amount described in clause (i).

"(B) For purposes of this paragraph—

"(i) the term 'currently applicable percentage' means—

"(I) with respect to plan terminations initiated in calendar year 1992, 10 percent,

"(II) with respect to plan terminations initiated in any calendar year after 1992 and before 2012, the percentage determined under this clause with respect to plan terminations initiated in the preceding calendar year, plus 2 percent, and

"(III) with respect to plan terminations initiated in calendar years after 2011, 50 percent.

"(ii) The term 'amount of benefits attributable to the occurrence of unpredictable contingent events' means, with respect to any plan, the present value of unpredictable contingent event benefits (within the meaning of section 302(d)(7)(B)(ii)), determined as of the termination date on the basis of assumptions prescribed by the corporation for purposes of section 4044.

"(C) In applying subparagraph (A), the corporation may disregard subclause (I) of clause (ii) thereof if the corporation determines, in its sole discretion, that disregarding such subclause (I) is cost-effective.".

(b) CONFORMING AND CLARIFYING AMENDMENTS RELATING TO AMOUNT ENTITLED TO PRIORITY TREATMENT IN INSOLVENCY AND BANKRUPTCY CASES.—Section 4068(c)(2) of such Act (29 U.S.C. 1368(c)(2)) is amended by inserting "(A)" after "(2)" and by adding at the end the following new subparagraph:

"(B) Subparagraph (A) shall apply—

"(i) in the case of terminations described in paragraph (2) of subsection (a), only with respect to so much of the liability as does not exceed the amount determined under such paragraph (2), and

"(ii) in the case of terminations described in paragraph (3) of subsection (a), only with respect to so much of the liability as does not exceed the amount determined under such paragraph (3).".

(c) CLARIFICATION OF BANKRUPTCY AND INSOLVENCY CLAIM.—Section 9312(b)(2)(B) of the Pension Protection Act (Public Law 100-203, 101 Stat. 1330-361) is amended by adding at the end thereof the following new clause:

"(iii) Section 4068(c)(2) of ERISA (29 U.S.C. 1368(c)(2)) is amended—

"(I) by striking 'the lien imposed under subsection (a)' and inserting 'the liability to the corporation under section 4062(a)(1), 4063, or 4064'; and "(II) by inserting 'which is' after 'tax', and by inserting 'and assigned priority' after 'United States'.".

(d) EFFECTIVE DATES.—

(1) Section 4068(a)(2) of the Employee Retirement Income Security Act of 1974 (as amended by subsection (a)) and section 4068(c)(2)(B)(i) of such Act (as amended by subsection (b)) shall be effective with respect to plan terminations under section 4041 of such Act with respect to which notices of intent to terminate under section 4041(a)(2) of such Act are provided before January 1, 1992, and plan terminations with respect to which proceedings are instituted by the Pension Benefit Guaranty Corporation under section 4042 of such Act before January 1, 1992.

(2) Section 4068(a)(3) of the Employee Retirement Income Security Act of 1974 (as amended by subsection (a)) and section 4068(c)(2)(B)(ii) of such Act (as amended by subsection (b)) shall be effective with respect to plan terminations under section 4041 of such Act with respect to which notices of intent to terminate under section 4041(a)(2) of such Act are provided on or after January 1, 1992, and plan terminations with respect to which proceedings are instituted by the Pension Benefit Guaranty Corporation under section 4042 of such Act on or after January 1, 1992.

(3) The amendment made by subsection (a)(2) shall be effective as if included in the enactment of section 11011(a) of the Single-Employer Pension Plan Amendments Act of 1986 (Public Law 99-272; 100 Stat. 253).

(4) The amendment made by subsection (c) shall be effective as if included in the enactment of section 9312(b)(2)(B) of the Pension Protection Act (Public Law 100-203, 101 Stat. 1330-361).

SEC. 542. LIABILITY UPON LIQUIDATION OF CONTRIBUTING SPONSOR WHERE PLAN REMAINS ONGOING

(a) IN GENERAL.—Section 4062 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1362) is amended by adding at the end the following new subsection:

"(f) LIABILITY ON LIQUIDATION OF CONTRIBUTING SPONSOR.—

"(1) IN GENERAL.—In any case in which all or substantially all of the assets of a person who is a contributing sponsor of a single-employer plan are liquidated in a case under title 11, United States Code, or under any similar Federal law or law of a State or political subdivision of a State, and in the course of such liquidation another member of such person's controlled group remains a contributing sponsor of the plan or is liable for payment of contributions or installments under section 302(c)(11) of this Act or section 412(c)(11) of the Internal Revenue Code of 1986, such person shall be deemed liable under subsection (b) as if such plan had terminated under section 4041(c) in the course of such liquidation and as if the termination date were the date determined by the corporation as the date on which the liquidation was initiated.

"(2) APPLICABILITY OF OTHER PROVISIONS.—Any provision of this Act or any other provision of law that applies to liability under this section upon termination of a plan shall apply in the same manner and to the same extent to the liability established under this subsection. For purposes of this paragraph, the date referred to in paragraph (1) shall be deemed the date of plan termination.

"(3) TRANSFER OF LIABILITY PAYMENTS TO THE ONGOING PLAN.—The corporation shall pay to the plan amounts collected by the corporation in satisfaction of any liability established under this subsection in connection with such plan.

"(4) REGULATIONS.—The corporation may prescribe regulations under this subsection. Such regulations may—

"(A) prescribe rules governing—

"(i) the basis upon which the plan will continue as an ongoing plan maintained by other members of the controlled group,

"(ii) the determination of whether a liquidation referred to in this subsection has occurred, and

"(iii) the assignment of the corporation's claim to liability payments under this subsection to other members of the controlled group as a means of collecting such payments, subject to the transfer of such payments to the plan, and

"(B) provide alternative arrangements for making liability payments under this subsection.".

(b) Conforming Amendment.—Section 4062(a)(1) of such Act (29 U.S.C. 1362(a)(1)) is amended by striking "subsection (b) and inserting "subsections (b) and (f)".

(c) Effective Date.—The amendments made by this section shall be effective for liquidations initiated on or after the date of the enactment of this Act.

PART 2—AMENDMENTS TO TITLE 11, UNITED STATES CODE

SEC. 551. PENSION BENEFIT GUARANTY CORPORATION PERMITTED TO BE A MEMBER OF AN UNSECURED CREDITORS' COMMITTEE.

(a) Definition.—Section 101(41) of title 11 of the United States Code is amended by inserting "that guarantees pension benefits of the debtor or an affiliate of the debtor, or" after "governmental unit" the second time it appears.

(b) Effective Date.—The amendment made by subsection (a) shall not apply with respect to cases commenced under title 11 of the United States Code before the date of the enactment of this Act.

SEC. 552. CLARIFICATION OF PRIORITIES IN CONFORMITY WITH THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) Priority as Expenses Arising Before Commencement of Case.—

(1) in subparagraph (F), by striking "or" at the end;

(2) in subparagraph (G), by striking the period at the end and inserting a semicolon; and

(3) by adding after subparagraph (G) the following:

"(H) unpaid contributions (including interest) to pension plans for plan years beginning after December 31, 1987, which are attributable to the period prior to the date of the filing of the petition and treated as taxes owing to the United States under section 412(n)(4)(C) of the Internal Revenue Code of 1986; or

"(I) liability (including interest) arising under section 4062(a)(1), 4063, or 4064 of the Employee Retirement Income Security Act of 1974 to the extent it is treated as a tax under section 4068(c)(2) of such Act, if the date of pension plan termination is on or prior to the date of the filing of the petition.

"For purposes of subparagraph (I), the date of plan termination, the amount of the liability, and the extent to which the liability is treated as a tax shall be determined in accordance with the provisions of the Employee Retirement Income Security Act of 1974 and the regulations promulgated thereunder.".

(b) Priority as Administrative Expenses Arising After Commencement of Case.—Section 503(b) of such title 11 is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period and inserting "; and"; and

(3) by adding at the end the following;

"(7)(A) unpaid contributions (including interest) to pension plans for plan years beginning after December 31, 1987, which are attributable to the period beginning on the date of the filing of the petition and treated as taxes owing to the United States under section 412(n)(4)(C) of the Internal Revenue Code of 1986; and

"(B) liability (including interest) arising under section 4062(a)(1), 4063, or 4064 of the Employee Retirement Income Security Act of 1974 to the extent it is treated as a tax under section 4068(c)(2) of such Act, if the date of pension plan termination is after the date of the filing of the petition.

"For purposes of paragraph (7)(B), the date of plan termination, the amount of the liability, and the extent to which the liability is treated as a tax shall be determined in accordance with the provisions of the Employee Retirement Income Security Act of 1974 and the regulations promulgated thereunder.".

(c) Effective Date.—Sections 507(a)(7)(H) and 503(b)(1)(7)(A) of title 11 of the United States Code (as amended by this section) shall be effective as if included in section 9304(e) of the Pension Protection Act (Public Law 100–203; 101 Stat. 1330–348). Sections 507(a)(7)(I) and 503(b)(1)(7)(B) of such title (as amended by this section) shall be effective with respect to cases under such title which commence on or after the date of the enactment of this Act or cases under such title which are pending on the date of the enactment of this Act and in which claims for liability have not been resolved as of such date.

SEC. 553. NOTICE REQUIRED WHERE FEDERALLY INSURED PENSION PLAN IS ADMINISTERED BY THE DEBTOR OR ITS AFFILIATE.

(a) In General.—Rule 2002(j) of the Bankruptcy Rules (11 U.S.C. Appendix) is amended by inserting before the period at the end the following: "; (5) to the Pension Benefit Guaranty Corporation in any case in which the debtor or an affiliate of the debtor maintains a pension plan to which title IV of the Employee Retirement Income Security Act of 1974 applies.".

(b) Effective Date.—The amendment made by this section shall take effect one day after the date of enactment of title VI.

TITLE VI—FEDERAL INSURANCE ACCOUNTING ACT OF 1992

SECTION 601. SHORT TITLE.

This Act may be cited as the "Federal Insurance Accounting Act of 1992".

SEC. 602. INSURANCE ACCRUAL ACCOUNTING.

Title V of the Congressional Budget Act of 1974 is amended as follows:

(a) The title of title V is amended to read "TITLE V—CREDIT AND INSURANCE ACCOUNTING REFORM".

(b) Following the title, insert "Subtitle A—Credit Accounting".

(c) Substitute the word "subtitle" for "title" wherever it appears.

(d) Following section 507, insert the following:

"Subtitle B—Insurance Accounting

"SEC. 550. PURPOSES.

"The purposes of this subtitle are to—

"(1) measure more accurately the cost of Federal insurance programs;

"(2) place the cost of insurance programs on a budgetary basis equivalent to other Federal spending;

"(3) improve the allocation of resources among insurance programs and between insurance and other spending programs; and

"(4) encourage the provision of Federal insurance in a manner that adequately protects the insured at the least cost to the Federal Government.

"SEC. 551. EFFECTIVE DATES.

"The definitions and changes in budget treatment and accounting shall be effective as of the following dates:

"(a) October 1, 1991, for: the deposit insurance activities of the Federal Deposit Insurance Corporation, the Resolution Trust Corporation, and the National Credit Union Administration; and the pension guarantee program of the Pension Benefit Guaranty Corporation;

"(b) October 1, 1992, for all other insurance programs.

"SEC. 552. DEFINITIONS.

"For purposes of this subtitle, with respect to any Federal insurance program—

"(1) the term 'obligation' means a binding agreement by a Federal agency to indemnify a nonfederal entity against specified losses in return for premiums paid. This term does not include loan guarantees as defined in Subtitle A or obligations of social security, Medicare, and other social and medical insurance programs;

"(2) the term 'accrued cost' means the net present value of the insurance liabilities outstanding on the effective date and at the end of each successive reporting period;

"(3) the term 'accrual cost' means the increase or decrease in accrued cost during a fiscal year or from the beginning of a fiscal year to the time of the insured event, if one occurs during the fiscal year. Alternatively, for programs for which it is possible to make actuarial estimates, the accrual cost may be the estimated long-term average loss per fiscal year for periods of comparable exposure to risk of loss;

"(4) the term 'liquidating account' means the budget account for the accrued cost, as estimated on the effective date specified in section 551;

"(5) the term 'program account' means the budget account for the accrual costs, for all costs of administering the insurance program, and balances;

"(6) the term 'financing account' means the non-budget account that receives cost payments from the program account and the liquidating account, makes payments to the program account, includes all cash flows to and from the Federal Government, and holds balances;

"(7) the term 'insured event' means an event that results in an obligation of the Federal Government; and

"(8) the term 'Director' means the Director of the Office of Management and Budget.

"SEC. 553. OMB, CBO, AND AGENCY ANALYSIS, COORDINATION, AND REVIEW.

"(a) Director's Responsibilities.—For the Executive branch, the Director shall be responsible for the estimates required by this subtitle, in consultation with the agencies that administer insurance programs.

"(b) Delegation.—The Director may delegate to agencies authority to make estimates. The delegation of authority shall be based upon written guidelines, regulations, or criteria consistent with the definitions in this subtitle.

"(c) Coordination With the Congressional Budget Office.—In developing estimation guidelines, regulations, or criteria to be used by Federal agencies, the Director shall consult with the Director of the Congressional Budget Office.

"(d) Improving Cost Estimates.—The Director and the Director of the Congressional Budget Office shall coordinate the development of methods of estimating the costs of insurance programs. The Office of Management and Budget and the Congressional Budget Office shall have access to the agency data necessary to develop estimates of costs.

"(e) Accounting Support.—The Director shall coordinate the development by the Federal agencies that conduct insurance programs of such accounting methods and systems as are necessary to support accounting and budgeting for insurance programs on an accrual basis.

"SEC. 554. BUDGETARY TREATMENT.

"(a) BUDGET ACCOUNTING.—For any insurance program.—

"(1) Premiums and other income shall be credited to a finance account and available to finance program costs in the following priority:

"(A) administrative expenses, by reimbursement to the program account;

"(B) accrued costs, estimated as of the effective date specified in section 551, for insured events that occur during a fiscal year, before drawing on the resources of the liquidating account; and

"(C) accrual costs, before drawing on the resources of the program account.

"(2) Any balance of premiums and other income remaining after financing the program costs shall be paid to the program accounts.

"(3) All collections and payments by the financing accounts shall be a means of financing.

"(4) To the extent the accrued costs, estimated as of the effective date specified in section 551, for insured events that occur during a fiscal year, exceed the premiums and other income available in accordance with paragraph (1), an obligation equal to the amount of such excess shall be recorded in the insurance liquidating account. Such obligation shall be a charge, first, against any unobligated balances of the liquidating account and, second, against appropriations to the liquidating account for that year. Outlays from the liquidating account shall be made to the financing account at the time the insured event occurs. Any balances remaining in excess of accrued costs shall be transferred to the program account.

"(5) For any year in which there is an accrual cost that exceeds the premiums and other income available in accordance with paragraph (1), an obligation equal to such excess shall be recorded in the program account. Such obligation will be a charge, first, against any unobligated balances of the program account and, second, against appropriations to the program account for that year. An outlay in the amount of the obligation shall be made in the same fiscal year to the finance account for the program.

"(6) For the Bank Insurance Fund, any appropriations necessary under paragraphs (4) and (5) shall be repaid to the general fund from premiums and other income on a 15 year schedule as authorized under section 14 of the Federal Deposit Insurance Corporation Improvement Act of 1991. Premiums and other income available to the Bank Insurance Fund shall be available, first, to finance costs in the priority shown in paragraph (1) and, second, to finance these repayments.

"(b) MODIFICATIONS.—No action shall be taken to modify an insurance program in a manner that increases its accrual cost unless budget authority for the additional accrual cost is appropriated in advance, or is available out of existing appropriations or from other budgetary resources.

"(c) ADMINISTRATIVE EXPENSES.—All obligations for an agency's administration of an insurance program shall be displayed as distinct and separately identified subaccounts within the program account. To the extent that the administrative expenses of an insurance programs are authorized to be financed by premiums and other income, the financing account shall reimburse the program account for administrative expenses. The administrative expenses of the Resolution Trust Corporation shall be financed as authorized by section 501 of Public Law 101-73, in a program account established for the purpose, separate from the RTC Revolving Fund.

"SEC. 555. AUTHORIZATIONS.

"(a) AUTHORIZATION OF APPROPRIATIONS FOR COSTS.—There are authorized to be appropriated to each Federal agency authorized to conduct insurance programs, such sums as may be necessary to pay the accrued and accrual costs associated with such insurance programs. For the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, such appropriations shall be considered discretionary spending if the spending for a program was classified as discretionary spending by that Act. If such spending was not classified as discretionary spending, it shall be considered direct spending (entitlement authority).

"(b) AUTHORIZATION TO ESTABLISH FINANCING ACCOUNTS.—In order to implement the accounting required by this subtitle, the President is authorized to establish such non-budgetary accounts as may be appropriate.

"(c) TREASURY TRANSACTIONS WITH THE FINANCING ACCOUNTS.—The Secretary of the Treasury shall borrow from, receive from, lend to, or pay to the insurance financing accounts such amounts as may be appropriate. The Secretary of the Treasury may prescribe forms and denominations, maturities, and terms and conditions for the transactions described above. The authorities described above shall not be construed to supersede or override the authority of the head of a Federal agency to administer and operate an insurance program. All of the transactions provided in this subsection shall be subject to the provisions of subchapter II of chapter 15 of title 31, United States Code. Cash balances of the program, financing, and liquidating accounts in excess of current requirements shall be maintained in a form of uninvested funds, and the Secretary of the Treasury shall pay interest on these funds.

"(d) ELIGIBILITY AND ASSISTANCE.—Nothing in this subtitle shall be construed to change the authority or the responsibility of a Federal agency to determine the terms and conditions of eligibility for, or the amount of assistance provided by, an insurance program.

"SEC. 556. EFFECT ON OTHER LAWS.

"(a) This subtitle shall supersede, modify, or repeal any provision of law enacted prior to the date of enactment of this subtitle to the extent such provision is inconsistent with this subtitle. Nothing in this subtitle shall be construed to establish a limitation on any Federal insurance program.

"(b) The changes made by this subtitle shall be considered changes in budget concepts and definitions for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.".

SEC. 603. CONFORMING AMENDMENTS.

"(a) CONFORMING AMENDMENTS.—

(1) The last sentence of section 3(2) of the Congressional Budget Act of 1974 is amended by adding "and accrual costs of insurance programs," after "programs,".

(2) Section 1105(a) of title 31, United States Code, is amended by inserting at the end thereof the following:

"(29) the accrued and accrual costs of insurance programs.".

(b) EFFECTIVE DATE.—These changes are effective upon enactment.

TITLE VII—MEDICARE PREMIUM EQUITY AMENDMENTS OF 1992

SEC. 701. SHORT TITLE.

This title may be cited as the "Medicare Premium Equity Amendments of 1992".

SEC. 702. INCREASE IN MEDICARE PART B PREMIUM FOR INDIVIDUALS WITH HIGH INCOME.

Section 1839 of the Social Security Act is amended by adding at the end the following:

"(g)(1)(A) Notwithstanding the previous subsections, in the case of an individual who in a taxable year ending with or within a calendar year has an adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) exceeding the applicable amount (specified under subparagraph (B)), the amount of the monthly premium for the calendar year shall be increased by an amount such that the total monthly premium shall be equal to 150 percent of the monthly actuarial rate for enrollees age 65 and over determined for that calendar year.

"(B) For purposes of subparagraph (A), the applicable amount is—

"(i) $125,000, in the case of an individual who is a married individual (as defined in section 7703 of the Internal Revenue Code of 1986) who makes a single return jointly with his spouse under section 6013 of that Code, who is a surviving spouse (as defined in section 2(a) of that Code), or who is a head of a household (as defined in section 2(b) of that Code),

"(ii) $62,500, in the case of an individual who is a married individual (as so defined) who does not make a single return jointly with his spouse under section 6013 of that Code, and

"(iii) $100,000, in the case of any other individual.

"(2) Subsection (f) does not apply to the additional amount specified under paragraph (1).".

SEC. 703. COLLECTION OF ADDITIONAL PREMIUM.

Section 1840 of the Social Security Act is amended by adding at the end the following:

"(i)(1) Notwithstanding the previous subsections, the additional premium amounts specified in section 1839(g)(1) shall be paid in such manner and at such times as the Secretary may specify.

"(2) The Secretary may impose such interest and penalties for failure to comply with requirements developed under paragraph (1) as the Secretary may specify.

"(3) The Secretary of the Treasury shall provide to the Secretary information concerning taxpayers and tax returns as is needed to carry out this subsection and section 1839(g).".

SEC. 704. TERMINATION OF PART B ENROLLMENT.

Section 1838 of the Social Security Act is amended by adding at the end the following:

"(f) Notwithstanding the previous subsections, the Secretary may provide for termination of enrollment and coverage under this part at such times and in such manner as the Secretary may specify for failure to comply with requirements developed under section 1840(i).".

SEC. 705. INITIAL FUNDING OF PROGRAM MANAGEMENT.

Amounts appropriated for fiscal year 1992 or 1993 for the Health Care Financing Administration under the heading "Program Management" or for the Social Security Administration under the heading "Limitation on Administrative Expenses", and that are reserved to meet unanticipated costs or to process unanticipated workloads, may be expended and apportioned for use to meet the costs of administering the amendments made by this title.

SEC. 706. EFFECTIVE DATE.

The amendments made by this title apply to premiums for months after March 1992.

TITLE VIII—MEDICARE BUDGET AMENDMENTS OF 1992

SEC. 801. SHORT TITLE, REFERENCES IN TITLE, AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the "Medicare Budget Amendments of 1992".

(b) REFERENCES IN TITLE.—The amendments in this title apply to the Social Security Act unless otherwise specifically stated.

SEC. 802. ELIMINATION OF CERTAIN ANOMALIES IN PAYMENTS FOR ANESTHESIA.

(a) GENERAL RULE.—

(1) Part B of title XVIII is amended by inserting after section 1846 the following:

"ELIMINATION OF CERTAIN ANOMALIES IN PAYMENTS FOR ANESTHESIA

"SEC. 1847. (a) Payment under this part for anesthesia physicians' services, when a separate charge (on a fee schedule basis) is also made for the services of a certified registered nurse anesthetist, may not, when added to the payment made for the services of the nurse anesthetist, exceed the amount that would be paid for the anesthesia physicians' services if a separate payment were not made for the services of the nurse anesthetist.".

(2) Section 1848(g)(2)(D) is amended by inserting "(or the lower amount under section 1847)" after "subsection (a)".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to services furnished after September 1992.

SEC. 803. RATES FOR CERTIFIED REGISTERED NURSE ANESTHETISTS.

(a) NON-MEDICALLY DIRECTED CRNA'S.—

(1) Section 1833(1)(4)(A) is amended—

(A) in the matter preceding clause (i), by striking "subparagraphs (C) and (D)" and inserting "subparagraph (C)", and

(B) in clause (i)—

(i) in subclause (III), by striking "$16.00," and inserting "$18.00, and",

(ii) by striking subclauses (IV) through (VI),

(iii) in subclause (VII), by striking "1996" and inserting "1993", and

(iv) by renumbering subclause (VII) as (IV).

(2) Section 1833(1)(4) is further amended—

(A) by striking subparagraph (C), and

(B) by redesignating subparagraph (D) as (C).

(b) MEDICALLY DIRECTED CRNA'S.—Section 1833(1)(4)(B) is amended—

(1) in clause (i), by striking "subparagraph (D)" and inserting "subparagraph (C)", and

(2) in clause (ii)—

(A) in subclause (III), by striking "$11.00," and inserting "$8.60, and",

(B) by striking subclauses (IV) through (VI),

(C) in subclause (VII), by striking "1997" and inserting "1993", and

(D) by renumbering subclause (VII) and (IV).

SEC. 804. SECRETARIAL DISCRETION IN DETERMINING ANNUAL UPDATE IN PAYMENTS FOR DURABLE MEDICAL EQUIPMENT, PROSTHETIC DEVICES, ORTHOTICS, AND PROSTHETICS.

(a) DURABLE MEDICAL EQUIPMENT.—Section 1834(a)(14)(B) is amended by striking out "the percentage increase" and all that follows through "year" and inserting "a percentage change (or no change), which may be different for different kinds of equipment, as determined by the Secretary and published in the Federal Register by the end of the September preceding the year, after taking into consideration market factors and technological change".

(b) PROSTHETIC DEVICES, ORTHOTICS, AND PROSTHETICS.—Section 1834(h)(4)(A) is amended—

(1) by striking "and" at the end of clause (i),

(2) in clause (ii)—

(A) by striking "a subsequent year" and inserting "1992", and

(B) by striking the semicolon and adding a comma and "and", and

(3) by adding at the end the following:

"(iii) for a subsequent fiscal year, a percentage change (or no change), which may be different for different kinds of items, as determined by the Secretary and published in the Federal Register by the end of the September preceding the year, after taking into consideration market factors and technological change.".

SEC. 805. PAYMENTS CLINICAL DIAGNOSTIC LABORATORY TESTS.

(a) LOWER CAP.—Section 1833(h)(4)(B) is amended—

(1) by striking "and" at the end of clause (iii),

(2) in clause (iv), by inserting "and before October 1, 1992," after "1990,",

(3) by striking the period at the end of clause (iv) and adding a comma and "and", and

(4) by adding at the end the following:

"(v) after September 30, 1992, is equal to 76 percent of the median of all the fee schedules established for that test for that laboratory setting under paragraph (1).".

(b) SECRETARIAL DISCRETION IN DETERMINING ANNUAL UPDATE IN PAYMENTS FOR CLINICAL DIAGNOSTIC LABORATORY TESTS.—Section 1833(h)(2)(A)(ii) is amended—

(1) by striking "and" at the end of subclause (II),

(2) in subclause (III), by striking ", 1992, and 1993 shall be 2 percent." and adding "and 1992 shall be 2 percent, and", and

(3) by adding at the end the following:

"(IV) the annual adjustment in the fee schedules determined under clause (i) for each subsequent year shall be a percentage change (or no change), which may be different for different kinds of tests, as determined by the Secretary and published in the Federal Register by the end of the September preceding the year, after taking into consideration market factors and technological change.".

SEC. 806. UPDATES FOR INPATIENT HOSPITAL SERVICES ON A CALENDAR YEAR BASIS.

(a) PPS HOSPITALS.—Section 1886(b)(3)(B)(i) is amended—

(1) in the matter preceding subclause (I), by striking "fiscal year" and inserting "particular time period",

(2) in subparagraph (VII), by inserting "and the three succeeding months" after "fiscal year 1992",

(3) in subparagraphs (VIII) through (X), by striking "fiscal year", and

(4) in subparagraph (XI), by striking "for fiscal year 1996 and each subsequent fiscal year" and inserting "for 1996 and each subsequent year".

(b) OTHER HOSPITALS.—Section 1886(b)(3)(B)(ii) is amended—

(1) by renumbering subclause (IV) as (VI), and

(2) by inserting after subclause (III) the following:

"(IV) fiscal years 1989, 1990, 1991, and 1992, the market basket percentage increase,

"(V) fiscal year 1993, 75 percent of the market basket percentage increase, and"

"(c) CONFORMING AMENDMENT.—Section 1886(b)(3)(B)(iii) is amended—

(1) by striking "fiscal year" the first place it occurs and inserting "particular time period",

(2) by striking "period or fiscal year" the first place it occurs and inserting "cost reporting period or particular time period", and

(3) by striking "for the period or fiscal year" and inserting "for the cost reporting period or fiscal year ending in the particular time period".

TITLE IX—AID TO FAMILIES WITH DEPENDENT CHILDREN SAVINGS SET-ASIDE AMENDMENTS OF 1992

SHORT TITLE

SEC. 901. This title may be cited as the "AFDC Savings Set-Aside Amendments of 1992".

INCREASE IN RESOURCE LIMIT

SEC. 902. Section 402(a)(7)(B) of the Social Security Act is amended by striking out the semicolon at the end and inserting lieu thereof: "and at the option of the State disregard, in determining such combined value with respect to a family already receiving aid, resources the value of which do not exceed $10,000, but only if the State plan provides that (I) the State agency will determine that any such disregarded resources are being retained for later expenditure for a purpose directly related to improving the education, training, or employability (including self-employment) of a family member or for the purchase of a home for the family, (II) the value of any resources so disregarded will not be taken into consideration for purposes of determining eligibility for benefits under the Food Stamp Act of 1977, and (III) the State agency will not disregard under this paragraph any resource (or interest therein) owned by a family member within the preceding 12 months, if such resource (or interest) was disposed of at less than fair market value for the purpose of establishing eligibility for aid under the State plan (and any such transaction shall be presumed to have been for such purpose unless convincing evidence is furnished to establish that the transaction was for another purpose exclusively);".

DISREGARDS TO CARRY OUT A SELF-EMPLOYMENT PLAN

SEC. 903. (a) Section 402(a)(7) of the Social Security Act is amended by striking out "and section 415" in the matter preceding subparagraph (A) and inserting in lieu thereof "section 415, and section 482(b)".

(b) Section 482(b)(1) of the Act is amended by adding at the end thereof the following new subparagraphs:

"(C) The employability plan may, at the option of the State agency, provide for the retention and set-aside of such amounts of income and resources as the State agency determines necessary for carrying out an approved employability plan which includes self-employment as its employment goal, and the State agency must find that the specific form of self-employment for which the set-aside is intended is practical and attainable by the participant in light of all the surrounding circumstances. Income and resources set aside in order to carry out a self-employment plan shall not be considered to be income or resources for purposes of the participant's continued receipt of aid to families with dependent children, or for purposes of determining eligibility for or the amount of benefits payable under any other Federal or Federally assisted program providing benefits based on need, but only for months in which the State agency determines that the participant is making progress towards achieving the self-employment goal and otherwise satisfactorily participating in the program under this part.

"(D) The State agency may, at its option, develop an employability plan at the request of individual who is exempt from participation in the program under this part which has such individual's self-employment as its employability goal. The State agency may then approve the set-aside of income and resources, subject to the same terms and conditions as provided in subparagraph (C), to fulfill such plan.

"(E) Income may be disregarded under subparagraph (C) or (D) for no more than a 24-month period beginning with the first month in which self-employment income is produced under the plan, and such subparagraphs shall cease to apply to an employability plan 36 months after the State agency approves such plan.".

EFFECTIVE DATE

SEC. 904. The amendments made by this title shall become effective October 1, 1992.

TITLE X—FOOD STAMP AMENDMENTS OF 1992

SHORT TITLE

SEC. 1001. That this title may be cited as the "Food Stamp Amendments of 1992".

COOPERATION WITH CHILD SUPPORT ENFORCEMENT AGENCIES

SEC. 1002. (a) Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding a new subsection (i) at the end thereof as follows—

"(i) No natural or adoptive parent or other individual who is living with and exercising parental control over a child under the age of eighteen who has an absent parent shall be eligible to participate in the food stamp program unless such individual cooperates with the State agency administering the program under part D of title IV of the Social Security Act in (1) establishing the paternity of such child (if born out of wedlock) and (2) in obtaining support for such child or for herself/himself and for such child, unless good cause is found by the State agency for refusing to cooperate. The State agency responsible for administering the program under this title shall make determinations of good cause. For a determination of refusal to cooperate to be made, an individual must be able to cooperate, but clearly demonstrate that she or he will not take actions that she or he is able to take that are required to establish paternity and/or obtain support for such child or for herself/himself and for such child. Good cause for an individual's failure to appear for an interview at the State agency administering the program under part D of title IV of the Social Security Act to meet the requirements of this subsection shall include, but not be limited to, circumstances beyond the individual's control, including illness, illness of another household member requiring the presence of the individual scheduled for the interview, or a household emergency such as the death of a relative or fire. Good cause for refusal to cooperate with the agency administering the program under part D of title IV of the Social Security Act in meeting the requirements of this subsection shall include, but not be limited to, situations in which cooperation would be against the best interests of the child because such cooperation is reasonably anticipated to result in physical or emotional harm of a serious nature to the child or the parent or caretaker relative, the child for whom support is sought was conceived as a result of incest or forcible rape, or legal proceedings for the adoption of the child are pending before a court of competent jurisdiction or the applicant or recipient is currently being assisted by a public or licensed private social agency to resolve the issue of whether to keep the child or relinquish the child for adoption and discussions have not gone on for more than three months, or the applicant or recipient is pregnant or has given birth within the previous 60 days. Notwithstanding any other provision of law, in no event shall individuals subject to the requirements in this subsection be made to pay a fee for services provided under part D of title IV of the Social Security Act or be subject to cost recovery for services provided under such part D.".

(b) Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended by—

(1) striking "and" at the end of paragraph (24);

(2) striking the period at the end of paragraph (25) and inserting in lieu thereof "; and"; and

(3) adding a new paragraph (26) at the end of the subsection as follows—

"(26) that the State agency shall (A) furnish to the State agency administering the program under part D of title IV of the Social Security Act, the information required by that agency to establish and enforce support obligations pursuant to such part D with respect to households from which a parent is absent that include a child or children under the age of eighteen who are applying for or receiving food stamps under this Act and are not applying for or receiving cash assistance under the State plan under part A of title IV, or foster care maintenance payments under part E of title IV of the Social Security Act; (B) establish, in accordance with regulations issued by the Secretary, a conciliation procedure for the resolution of disputes involving determinations of refusal to cooperate with the State agency administering the program under Part D of title IV of the Social Security Act; and (C) inform individuals subject to section 6(i) of this Act of the benefits of cooperating with the State agency administering the program under part D of title IV of the Social Security Act.".

(c) The provisions of this section shall become effective with respect to a State agency at such time as it is implemented by the State agency after promulgation of implementing regulations by the Secretary, but in no event later than October 1, 1994. The Secretary shall consult with the Secretary of Health and Human Services prior to promulgation of such implementing regulations.

RETENTION OF FUNDS OR ALLOTMENTS RECOVERED OR COLLECTED BY STATES

SEC. 1003. Effective upon enactment, section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended by—

(1) striking in the provision of the first sentence the following: "during the period beginning October 1, 1990, and ending September 30, 1995, and 50 percent thereafter"; and

(2) striking in the provision of the first sentence the following: "during the period beginning October 1, 1990, and ending September 30, 1995, and 25 percent thereafter".

TITLE XI—CHILD SUPPORT ENFORCEMENT AMENDMENTS OF 1992

SHORT TITLE

SEC. 1101. This title may be cited as the "Child Support Enforcement Amendments of 1992".

APPLICATION FEES

SEC. 1102. Section 454(6)(B) is amended by striking out "an application fee for furnishing such services shall be imposed" and inserting in lieu thereof: "a $25 application fee (or, at the option of the State, a $50 application fee) for furnishing such services shall be imposed with respect to each individual applying for such services, but if the State elects to impose the $50 fee, no application fee may be charged to individuals whose income, as determined in such manner as the State may prescribe, does not exceed 185 percent of the poverty line as most recently revised by the Secretary pursuant to section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2))" and by striking out everything after "income to the program),".

SERVICES FEES

SEC. 1103. Section 454(6) of the Act is amended by—

(1) by redesignating clause (E) as clause (F), and

(2) by striking out "and" after clause (D) and inserting in lieu thereof the following:

"(E)(i) a $25 services fee (or, at the option of the State, a $50 services fee) shall be imposed with respect to each family for which a collection is made, but if the State elects to impose the $50 fee, no services fee may be charged with respect to families whose income does not exceed 185 percent of the poverty line as referenced in clause (B), (ii) such fee will be collected annually for each year in which support is collected at such time or times in accordance with such schedule as the State finds appropriate, and (iii) such fee shall be paid in any of the ways allowed under clause (B) (and shall be treated, when paid from State funds, in the same way as fees under clause (B) when so paid), and".

PERFORMANCE BASED INCENTIVES

SEC. 1104. (a) Section 458 of the Social Security Act is amended—

(1) by redesignating subsection (a) as subsection (a)(1),

(2) by redesignating subsection (b)(1) as paragraph (2)(A) (and subparagraphs (A) and (B) thereof as clauses (i) and (ii), respectively),

(3) by redesignating paragraphs (2), (3), and (4) of subsection (b) (prior to any redesignating by this section) as subparagraphs (B), (C), and (D), respectively,

(4) by redesignating subsection (c) as paragraph (3) and paragraphs (1) and (2) of such subsection as subparagraphs (A) and (B), respectively, and

(5) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(b) Section 458 is further amended by adding between subsection (a) and subsection (c) (as redesignated by the previous provisions of this subsection) the following new subsection:

"(b)(1) In order to encourage and reward States for activities that can be expected to increase paternity establishment and lead to increased support collections, the Secretary shall by regulation establish a schedule of incentive payments to be made with respect to each of the following measures of performance:

"(A) with respect to cases described in section 454 (4) or (6)—

"(i) the number of children in a fiscal year for whom the State has established paternity;

"(ii) the number of cases in which support orders were established or modified in a fiscal year;

"(B) the number of cases in a fiscal year in which payments of aid under part A were terminated by the State in a month in which child support was collected for each such case; and

"(C) such other performance standards as the Secretary may find appropriate.

"(2)(A) The Secretary shall, in accordance with the succeeding provisions of this subsection, determine the amount of the incentive payment or payments with respect to each category of performance enumerated in this subsection in a manner designed to best achieve the objectives of this section and, more generally, of this part, and shall from time to time review and revise the schedule of incentive payments as he finds appropriate to better achieve such objectives.

"(B) Notwithstanding any other provision of this subsection, the Secretary shall not provide any amount to a State for a fiscal year under this subsection in excess of 10 per centum of the State's total child support collections for such year with respect to children receiving aid under part A.".

(c)(1) Section 458(a)(2)(A) of the Act (as redesignated by subsection (a)) is amended by striking out "6 percent" in clauses (i) and (ii) and by inserting in lieu thereof "3 percent".

(2) Section 458(a)(3) of the Act (as so redesignated) is amended—

(A) in subparagraph (A), by striking out "6.5 percent" and inserting in lieu thereof "3.25 percent",

(B) in subparagraph (B), by striking out "one-half of 1 percent" and inserting in lieu thereof "one-quarter of 1 percent", and

(C) by striking out "10 percent" and inserting in lieu thereof "5 percent".

(d) Section 458(a) of the Act (as amended by the preceding provisions of this section) is further amended—

(1) in paragraph (1)(A) by striking out "subsection (b)" and inserting in lieu thereof "paragraph (2)",

(2) in paragraph (2)(A), by striking out "paragraphs (2), (3), and (4)" and inserting in lieu thereof "subparagraphs (B), (C), and (D)",

(3) in paragraph (2)(B), by striking out "subsection (c)" and inserting in lieu thereof "paragraph (3)", by striking out "paragraph (1) (A) or (B)" and inserting in lieu thereof "subparagraph (A) (i) or (ii)", by striking out "such subsection" and inserting in lieu thereof "such subparagraph" and by striking out "this subsection" and inserting in lieu thereof "this paragraph",

(4) in paragraph (2)(C), by striking out "paragraph (1)(B)" and inserting in lieu thereof "subparagraph (A)(ii)" by striking out "subsection (c)" (in two places) and inserting in lieu thereof "paragraph (3)", and by striking out "paragraph (1)(A)" and inserting in lieu thereof "subparagraph (A)(i)", and

(5) in paragraph (3), by striking out "subparagraph (A) or (B) of subsection (b)(1)" and inserting in lieu thereof "clause (i) or (ii) of paragraph (2)(A)".

USE OF INCENTIVES

SEC. 1105. Section 454 of the Social Security Act is amended—

(1) by striking out "and" after paragraph (23);

(2) by striking out the period after paragraph (24) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (24) (and before the last sentence of such section) the following new paragraph:

"(25) provide that incentive payments made to such State under section 458 shall be used to improve or protect the welfare of children within the State.".

MANDATORY SERVICES FOR RECIPIENTS OF CERTAIN NEED-BASED FEDERAL OR FEDERALLY ASSISTED PROGRAMS

SEC. 1106. (a) Section 454(4) of the Social Security Act is amended to read as follows:

"(4) provide that such State will undertake—

"(A) to establish the paternity of each child born out of wedlock with respect to whom an assignment under section 402(a)(26), 471(a)(17), or 1912 is in effect or with respect to whom a referral for services has been made to the State agency administering the program under this part because the child, or the family with whom he lives, is applying for or receiving or has been found eligible to receive need-based assistance pursuant to a Federal or Federally-assisted program under which continued cooperation with such State agency is required, and

"(B) to secure support for such child from his parent (or from any other person legally liable for such support), and from such parent for his spouse or former spouse (but only if a support obligation has been established with respect to such spouse, and only if the support obligation established with respect to the child is being enforced under the plan), utilizing any reciprocal arrangements adopted with other States, except that when such arrangements and other means have proven ineffective, the States may utilize the Federal courts to obtain or enforce court orders for support, unless (i) the agency administering the State plan approved under part A or part E of this title, or under title XIX, determines that it is against the best interests of the child to do so, in the case of a child with respect to whom an assignment under section 402(a)(26) or 471(a)(17), or under section 1912, respectively, is in effect, or (ii) the agency that has made such referral so determines pursuant to standards applicable to the Federal or Federally-assisted program involved;".

(b)(1) Section 464(a)(2)(A) of that Act is amended by striking out "which such State has agreed to collect under section 454(6)" and inserting instead ", other than support described in paragraph (1), which such State has undertaken to collect under section 454(4) or 454(6)".

(2) Section 466(a)(3)(B) of that Act is amended by striking out "overdue support which a State has agreed to collect under section 454(6)" and inserting instead "any other overdue support which a State has undertaken to collect under section 454(4) or 454(6)".

EFFECTIVE DATE

SEC. 1107. The amendments made by this title shall be effective with respect to fiscal years beginning after September 30, 1992.

TITLE XII—INCENTIVES FOR FAMILIES WITH ABSENT PARENTS TO COOPERATE WITH STATE AGENCIES UNDER THE SOCIAL SECURITY ACT IN SECURING CHILD SUPPORT FOR DEPENDENTS

SEC. 1201. Section 3(b)(4) of the United States Housing Act of 1937 is amended by read as follows:

"(4) The term 'income' means income from all sources of each member of the household, as determined in accordance with criteria prescribed by the Secretary, in consultation with the Secretary of Agriculture, including spousal support imputed to the family in the following situation. In accordance with regulations issued by the Secretary, a family that has a member residing in the household (other than the head of the household or his or her spouse) who is under 18 years of age or who is 18 years of age or older and is disabled or handicapped or a full-time student and whose parent is absent may have spousal support imputed to it. The amount imputed would be the amount of the established spousal support obligation, but no more than $550 a year. Spousal support may be imputed only where there is an established support obligation for child support and spousal support payable to the parent residing in the household and the family has failed, without good cause, to cooperate in securing spousal support with the State agency administering the program under part D of title IV of the Social Security Act for the collection of child and spousal support. With the exception of the imputation of spousal support described above, any amounts not actually received by the family may not be considered as income under this paragraph.".

SEC. 1202. Section 3(b)(5)(A) of the United States Housing Act of 1937 is amended by—

(1) inserting immediately after "student" the following: ", except that, in accordance with regulations issued by the Secretary, a family with an absent parent may be ineligible for this exclusion if the family has failed, without good cause, to cooperate in securing support for the dependent member of the family with the State agency administering the program under part D of title IV of the Social Security Act for the collection of child and spousal support"; and

(2) inserting immediately after "his" the following: "or her".

SEC. 1203. In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by sections 1201 and 1202 shall also apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian Housing Authority.

TITLE XIII—PURPOSES AND DURATION OF EMERGENCY ASSISTANCE UNDER THE AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM

PURPOSE AND DURATION OF EMERGENCY ASSISTANCE

SEC. 1301. (a) Section 406(e) of the Social Security Act is amended—

(1) by striking out in paragraph (1) "furnished for a period not in excess of 30 days in any 12-month period" and inserting in lieu thereof "furnished with respect to needs of one period that does not exceed 30 consecutive days in any 12-month period", and

(2) by redesignating paragraph (2) as paragraph (3), and

(3) by adding after paragraph (1) the following new paragraph:

"(2) Emergency assistance under paragraph (1) may include amounts necessary to satisfy shelter and utility arrearages for no more than 3 months in order to prevent evictions and utility shut-offs. Emergency assistance may also include amounts necessary to pay an initial month's shelter charges and security deposit necessary to secure permanent housing for homeless families. Any such amounts must be authorized by the State agency during the single 30-day period referred to in paragraph (1).".

(b) The amendments made by subsection (a) shall become effective October 1, 1992.

TITLE XIV—ENHANCE INSURANCE COVERAGE FOR CHILDREN UNDER THE AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM

SEC. 1401. REQUIREMENTS FOR HEALTH INSURANCE COVERAGE OF CHILDREN.

(a) STATE PLAN REQUIREMENTS.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) by redesignating the second paragraph (58) as paragraph (59);

(2) by striking out the period at the end of paragraph (59), as redesignated, and inserting instead "; and"; and

(3) by adding below paragraph (59) the following new paragraphs:

"(60) provide assurances satisfactory to the Secretary that the State has in effect laws applicable to health insurers and insurance policies or programs subject to the laws of the State that—

"(A) require insurers to permit enrollment at any time under the health insurance of a non-custodial parent, upon application either by such parent or (where such parent fails to make application) by the custodial parent or the State agency administering the program under this part, of any child for whom such non-custodial parent is required by court or administrative order to provide support; and

"(B) in any case where a child is covered under the health insurance of a non-custodial parent, require insurers, at the option of the custodial parent—

"(i) to permit the custodial parent (or service provider, with the custodial parent's approval) to submit claims for covered services without the approval of the non-custodial parent, and

"(ii) to make payment on claims submitted in accordance with clause (i) directly to the custodial parent or the service provider.

"(61) provide assurances satisfactory to the Secretary that the State has in effect laws authorizing the State agency to garnish the wages, salary, or other employment income of, and to withhold amounts from State tax refunds to, any person who—

"(A) is required by court or administrative order to provide coverage of the costs of medical services to an individual eligible for medical assistance under this title,

"(B) has received payment from a third party for the costs of medical services to such individual, and

"(C) has not used such payments to reimburse, as appropriate, either such individual or the provider of such services,

to the extent necessary to reimburse the State agency for expenditures for such costs under its plan under this title, but any claims for current or past-due child support shall take priority over any such claims for the costs of medical services.".

(b) EFFECTIVE DATE.—(1) IN GENERAL.—The amendments made by subsection (a) apply to calendar quarters beginning on or after October 1, 1992, except as provided in paragraph (2).

(2) EXTENSION FOR STATE LAW AMENDMENT.—In the case of a State plan under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by subsection (a), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

TITLE XV—CHILD NUTRITION AMENDMENTS OF 1992

SEC. 1500. This title may be cited as the "Child Nutrition Amendments of 1992".

Subtitle A—Budget-Related Provisions

INCREASED CASH SUBSIDY FOR REDUCED PRICE MEALS IN THE NATIONAL SCHOOL LUNCH PROGRAM

SEC. 1501. (a) Section 9(b)(3) of the National School Lunch Act (42 U.S.C. 1758(b)(3)) is amended by deleting "40" and inserting in lieu thereof "15".

(b) Section 11(a) of the National School Lunch Act (42 U.S.C. 1759a(a)) is amended—

(1) in paragraph (2)—

(A) by deleting "98.75" and inserting in lieu thereof "162.25"; and

(B) by deleting "40" and inserting in lieu thereof "15"; and

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) by deleting "1982" and inserting in lieu thereof "1993"; and

(ii) by deleting clause (iv);

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by adding a new subparagraph (B) to read as follows:

"(B) The Secretary shall prescribe on July 1, 1982, and on each subsequent July 1, an annual adjustment in the national average payment rates for supplements (as established under section 17(c) of this Act).".

INCREASED CASH SUBSIDIES FOR REDUCED PRICE MEALS IN THE SCHOOL BREAKFAST PROGRAM

SEC. 1502. (a) Section 4(b)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(B)) is amended—

(1) by deleting "57" and inserting in lieu thereof "96.25";

(2) by deleting "one-half of the national average payment for each free breakfast," and all that follows up to the period at the end of that sentence and inserting in lieu thereof "10 cents less than the national average payment for each free breakfast"; and

(3) by deleting "8.25" and inserting in lieu thereof "13.00".

(b) Section 4(b)(1)(C) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(C)) is amended by deleting "30" and inserting in lieu thereof "10".

(c) Section 4(b)(2)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(2)(B)) is amended—

(1) by deleting "the higher of—(i) the national average payment established by the Secretary for free breakfasts plus 10 cents, or (ii) 45 cents" and inserting in lieu thereof "114.25 cents"; and

(2) by deleting "January 1, 1978" and all that follows up to the period and inserting in lieu thereof "July 1, 1993".

(d) Section 4(b)(2)(C) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(2)(C)) is amended by deleting "thirty" and inserting in lieu thereof "ten".

INCREASED WIC RESEARCH FUNDS TO STUDY THE EFFECTS ON CHILDREN

SEC. 1503. Section 17(g)(5) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g)(5)) is amended by deleting "$5,000,000" and inserting in lieu thereof "$7,000,000".

Subtitle B—Effective Date

SEC. 1521. Except as otherwise provided in this section, the provisions of this title shall become effective on July 1, 1992. The amendments made by section 1503 of this title shall become effective on October 1, 1992.

TITLE XVI—SOCIAL SECURITY CROSS PROGRAM RECOVERY AMENDMENTS OF 1992

SEC. 1601. SHORT TITLE.

This title may be cited as the "Social Security Act Cross Program Recovery Amendments of 1992".

SEC. 1602. RECOVERY OF SUPPLEMENTAL SECURITY INCOME OVERPAYMENTS FROM SOCIAL SECURITY BENEFITS.

(a) IN GENERAL.—Title XI of the Social Security Act is amended by adding at the end of part A a new section as follows:

"RECOVERY OF SSI OVERPAYMENTS FROM SOCIAL SECURITY BENEFITS

"SEC. 1144. (a) Whenever the Secretary determines that more than the correct amount of any payment has been made to any person under the supplemental security income program authorized by title XVI of this Act (which includes, for purposes of this section, State supplementary payments which are made by the Secretary under an agreement pursuant to section 1616(a) of this Act or section 212(b) of Public Law 93-66), and the Secretary is unable to make proper adjustment or recovery of the amount so incorrectly paid as provided in section 1631(b) of this Act, the Secretary (notwithstanding section 207 of this Act) may recover the amount incorrectly paid by decreasing any amount which is payable under the Federal Old-Age and Survivors Insurance program or the Federal Disability Insurance program authorized by title II of this Act to that person or his estate.

"(b) Notwithstanding sections 1611 (a) and (b) of this Act, in any case in which the Secretary takes action in accordance with subsection (a) to recover an overpayment from any person, neither that person, nor any individual whose eligibility or benefit amount is determined by considering any part of that person's income, shall, as result of such action—

"(1) become eligible under the program of supplemental security income benefits under title XVI of this Act, or

"(2) if such person or individual is already so eligible, become eligible for increased benefits thereunder.".

(b) CONFORMING CHANGES.—

(1) Section 204 of such Act is amended by adding at the end a new subsection as follows:

"(f) For payments which are adjusted or withheld to recover an overpayment of supplemental security income benefits paid under title XVI of this Act (including State supplementary payments which were paid under an agreement pursuant to section 1616(a) of this Act or section 212(b) of Public Law 93-66), see section 1144.".

(2) Section 1631(b) of such Act is amended by adding at the end a new paragraph as follows:

"(6) For the recovery of overpayments of benefits under this title from benefits payable under title II, see section 1144.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect upon the date of the enactment of this Act and shall apply to overpayments outstanding on or after such date.

TITLE XVII—AMERICA 2000 EXCELLENCE IN EDUCATION ACT

SHORT TITLE

SEC. 1701. This title may be cited as the "AMERICA 2000 Excellence in Education Act".

TABLE OF CONTENTS

SEC. 1702. This title is organized as follows:

PART A—NEW AMERICAN SCHOOLS
PART B—MERIT SCHOOLS
PART C—TEACHERS AND SCHOOL LEADERS
Subpart 1—Governors' Academies for Teachers
Subpart 2—Governors' Academies for School Leaders
Subpart 3—Alternative Certification of Teachers and Principals
PART D—EDUCATIONAL REFORM AND FLEXIBILITY
Subpart 1—Educational Reform Through Flexibility and Accountability
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PART E—PARENTAL CHOICE OF SCHOOLS
Subpart 1—Findings
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Subpart 3—Assistance for Parental Choice Programs
Subpart 4—Parental Choice Programs of National Significance
PART F—NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS
PART G—NATIONAL COMMISSION ON TIME, STUDY, LEARNING, AND TEACHING
PART H—REGIONAL LITERACY RESOURCE CENTERS
PART I—GENERAL PROVISIONS

FINDINGS

SEC. 1703. The Congress finds that—

(1) nine years after the report of the National Commission on Excellence in Education, the Nation's schools have yet to show significant improvement;

(2) the educational reforms of the 1980's were too slow and too timid; a bolder and more comprehensive effort that involves the citizens of every American community is needed;

(3) the Federal Government should provide start-up funding to communities across the country to create their own high-performance New American Schools—schools where all students meet new World Class Standards;

(4) rewards for schools in which students make significant gains in learning can spur improvements in all schools;

(5) teachers and school leaders in every State should receive the additional training they need to deliver capable instruction in the core academic disciplines and to provide strong instructional leadership to their schools;

(6) new approaches to training and certifying teachers and principals would expand the pool of talent from which schools draw professional staff and would enable talented, qualified individuals who do not possess traditional credentials to enter teaching and the principalship;

(7) greater flexibility and accountability at the school site can enable educators to improve learning for all students;

(8) expanding parental choice among schools can help all schools to improve;

(9) an expanded National Assessment of Educational Progress can be used to provide clear and comparable information on the progress of States, school districts, and schools toward attainment of the National Education Goals;

(10) Americans need to know how much time their children should spend learning, and how that time should be used, in order for those children to develop the intellectual competencies necessary for a productive workforce and an enlightened citizenry;

(11) better coordination of adult literacy services, and access by service providers to information about the best practices in the field of literacy, will assist the Nation in meeting the goal that every adult American be literate by the year 2000; and

(12) therefore, national progress toward attainment of the National Education Goals by the year 2000 can be assisted by the Federal Government through initiatives that provide funds for the creation of the first of a new generation of American schools; reward schools that make demonstrated progress toward attainment of the National Education Goals; create academies for the training of teachers and school leaders; provide support for development of alternative teacher and school administrator certification programs in the States; provide schools with greater flexibility in exchange for accountability for results; encourage, test, and evaluate educational choice programs; expand the National Assessment of Educational Progress; create a National Commission on Time, Study, Learning, and Teaching; and establish Regional Literacy Resource Centers.

PART A—NEW AMERICAN SCHOOLS

STATEMENT OF FINDINGS

SEC. 1711. The Congress finds that—

(1) many American elementary and secondary schools—

(A) are structured according to models that are outmoded and ineffective;

(B) rely on notions about pedagogy, management, technology, staffing, and other resources that may be outdated or insufficient for the challenges of the next century; and

(C) are unsuccessful at equipping the majority of students with the knowledge and skills needed to succeed as citizens and in the workplace;

(2) new approaches to elementary and secondary education are needed. Without major reforms in elementary and secondary schools, the United States will lose its ability to compete fully and successfully in the world economy;

(3) although educational change must take place school by school, experience shows that the schools, on their own, will not alter themselves radically;

(4) there is an appropriate Federal role in providing seed money for the establishment of new types of schools in communities across the country; and

(5) the Nation is embarking on a major effort to support the invention of radically better forms of schooling, and to establish a network of American communities whose citizens are dedicated to the improvement of education.

PURPOSE

SEC. 1712. (a) The purpose of this part is to support the creation of new schools across the country—schools that reflect the best thinking about teaching and learning, employ the highest-quality instructional materials and technologies, and are designed to meet the National Education Goals, as well as the particular needs of their students and communities.

(b) In order to carry out this purpose, this part authorizes financial assistance for New American Schools in communities that have been designated "AMERICA 2000 Communities".

ALLOCATION OF FUNDS

SEC. 1713. (a) From the amount of funds appropriated to carry out this part for fiscal years 1992, 1993, and 1994, the Secretary shall reserve a total of up to $3 million for a national program evaluation.

(b)(1) The Secretary shall allocate the remaining funds among the several States in proportion to their respective numbers of members of Congress, including Senators, Representatives, and Delegates. For the purpose of this subsection, the Commonwealth of the Northern Mariana Islands and Palau (until the effective date of the Compact of Free Association with the Government of Palau) shall be treated as if they each had one member of Congress.

(2) If, within any State, a congressional district has no community that has been designated an AMERICA 2000 Community, or there are fewer such communities than members of Congress from such State, the Secretary shall proportionately reduce such State's allocation under paragraph (1), and shall proportionately increase the allocation of all other States.

STATE APPLICATIONS

SEC. 1714. In order for a State to qualify for its allocation under section 1713(b), the Governor shall submit an application at such time as the Secretary may determine, including—

(1) a description of the process the Governor has used, in accordance with section 1715, to nominate communities to create New American Schools;

(2) a list of the communities nominated by the Governor, and the name of the agency, institution, or organization designated by the Governor to receive a New American School grant on behalf of each such community;

(3) copies of the plans, prepared by each community nominated by the Governor for funding under this part, for establishing and operating a New American School, including, as necessary, a description of the steps to be taken to obtain recognition or accreditation from the State;

(4) an identification of non-Federal resources that will be available to establish and operate each New American School in the State; and

(5) such other information as the Secretary may require.

SELECTION OF COMMUNITIES TO CREATE NEW AMERICAN SCHOOLS

SEC. 1715. (a)(1) The Governor of each State shall nominate communities within the State to create New American Schools.

(2) The Governor may nominate only communities that have been previously designated by the Governor as AMERICA 2000 Communities, in accordance with the President's AMERICA 2000 initiative.

(b) In carrying out subsection (a), each Governor shall nominate—

(1) at least as many communities as there are members in the State's congressional delegation; and

(2) at least one community in each congressional district in the State.

(c)(1) Each Governor shall nominate communities on the basis of criteria established by the Secretary, based on the advice of the panel of experts established under section 1717, including, at a minimum—

(A) the level of commitment and activity displayed by the community through its participation in the AMERICA 2000 Communities initiative;

(B) the need for new and innovative educational programs in the schools of the community; and

(C) the quality of the application submitted by the applicant to the Governor.

(d)(1) The Secretary, with the advice of the panel of experts established under section 1717, shall approve some or all of the communities nominated by each Governor, and the agencies, institutions, and organizations designated by the Governor to receive New

American School grants on behalf of those communities, based on the Secretary's determination that such approval would be fully consistent with the purpose and requirements of this part.

(2) The Secretary shall ensure that—

(A) to the extent consistent with paragraph (1), a New American School is created in each congressional district and that the number of such schools created in each State is at least equal to the number of members in the State's congressional delegation; and

(B) communities with high concentrations of children from low-income families in each State receive an equitable share of awards under this part.

(e) The Governor may nominate other communities or recipients if—

(1) the Secretary does not approve one or more of the Governor's nominees;

(2) an approved community or recipient withdraws from the program; or

(3) the Secretary determines that the community or recipient is unable successfully to carry out its project or is not making adequate progress in carrying out such project.

AMOUNT OF AWARDS, OPERATION OF SCHOOLS, AND USES OF FUNDS

SEC. 1716. (a)(1) The Secretary shall make grants for New American Schools to agencies, organizations, and institutions selected by the Secretary under section 1715(d).

(2) The Secretary, after consultation with the Governor, shall determine the total amount of each award under this part, except that—

(A) no such award shall exceed $1,000,000; and

(B) the Secretary shall consider the expected student enrollment in the New American School in setting such amount.

(b) In establishing a New American School, the grantee is encouraged to adapt and implement one or more New American School designs developed by research and development teams funded by the New American Schools Development Corporation.

(c)(1) Funds made available under this part may be used only to meet the special start-up costs associated with the creation and establishment of a New American School, including—

(A) planning, curriculum development, and curriculum adaptation;

(B) training of teachers, administrators, and other staff, as well as parents and members of the community who are involved with the school;

(C) purchase of equipment and materials;

(D) minor renovation and remodeling of facilities; and

(E) obtaining the assistance of outside experts, including one or more of the teams described in subsection (b), to assist it in adapting and implementing one or more of the designs developed by such teams to the needs of the individual community and school.

(2) Such funds may not be used for construction or for the grantee's general administrative expenses.

(d) Each New American School shall have obtained State recognition or accreditation, as necessary, and be fully operating by the start of the 1996–1997 school year.

SECRETARY'S PANEL OF EXPERTS

SEC. 1717. Within 90 days of enactment of this Act, the Secretary shall convene an expert panel of educators, representatives of private business, and public representatives to advise on the administration of the program authorized by this part, including—

(1) the criteria to be used to nominate communities for New American Schools; and

(2) the approval of communities nominated by Governors to establish and operate New American Schools, and of the agencies, institutions, and organizations to receive grants for those schools.

NATIONAL EVALUATION

SEC. 1718. (a) The Secretary shall use the funds reserved under section 1713(a) to conduct a national evaluation of the impact of the New American Schools program on schools and communities, and on education generally.

(b) The Secretary shall submit such interim evaluation reports to the President and the Congress as may be appropriate, and shall submit a final report by September 30, 1998.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1719. For the purpose of carrying out this part, there are authorized to be appropriated $180 million for fiscal year 1992, $180 million for fiscal year 1993, and $185 million for fiscal year 1994. Such sums shall remain available for obligation by the Secretary for two fiscal years beyond the fiscal year for which they are appropriated.

DEFINITION

SEC. 1720. For the purpose of this part, the term "community" means—

(1) a unit of general purpose local government, such as a city, township, or village;

(2) a geographically distinct area, such as a school district, school attendance area, ward, precinct, or neighborhood; or

(3) an identifiable group of individuals, such as the members of a service organization, who generally reside in a particular geographic area.

PART B—MERIT SCHOOLS

FINDINGS AND PURPOSE

SEC. 1721. (a) FINDINGS.—The Congress finds that—

(1) all elementary and secondary schools in the United States should seek to attain the National Education Goals by the year 2000;

(2) achievable standards of excellence can and should be set for all students and for all schools;

(3) schools' progress in meeting those standards should be measured and made public;

(4) financial incentives can spur schools to rise to the challenge of meeting those standards; and

(5) demonstrated school-wide progress in achieving excellence, particularly in mathematics and science, deserves reward and recognition.

(b) PURPOSE.—The purpose of this part is to recognize and reward public and private elementary and secondary schools (including their faculty) that make documented progress in attaining the National Education Goals, particularly the goal of increasing students' mastery of the core academic subjects.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1722. For the purpose of carrying out this part, there are authorized to be appropriated $100,000,000 for fiscal year 1992 and such sums as may be needed for each of the four succeeding fiscal years. Such sums shall remain available for obligation by the Secretary for two fiscal years beyond the fiscal year for which they are appropriated.

ALLOCATION OF APPROPRIATIONS

SEC. 1723. (a) RESERVATIONS.—From the amount appropriated under section 1722 for any fiscal year, the Secretary may reserve—

(1) up to one quarter of 1 percent for grants to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau) for activities under this part; and

(2) up to two percent for evaluations and dissemination.

(b) ALLOCATION AMONG STATES.—(1) The amount remaining after any reservation of funds under subsection (a) shall be allocated among the States on the same basis as funds were allocated among such States under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 for the preceding fiscal year.

(2) For purposes of this subsection, the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

STATE APPLICATIONS

SEC. 1724. (a) APPLICATIONS.—The Governor of each State that wishes to receive a grant under this part shall submit to the Secretary an application for a three-year period, which may be followed by an application for the succeeding two years, at such time and in such manner as the Secretary may prescribe.

(b) APPLICATION CONTENTS.—Each State application shall contain—

(1) the criteria the Governor will use to select Merit Schools under section 1727;

(2) the criteria the Governor will use to determine the amount of awards;

(3) an assurance that the State will carry out this part in accordance with the requirements of this title and other applicable legal requirements; and

(4) other information the Secretary may require.

(c) GEPA PROVISIONS INAPPLICABLE.—Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

STATE USE OF FUNDS

SEC. 1725. (a) ADMINISTRATION.—Each State may use up to five percent of its annual allocation for the administrative costs of carrying out this part.

(b) MERIT SCHOOL AWARDS.—(1) Each State shall use at least 95 percent of its annual allocation for Merit School awards made in accordance with section 1727, except that the Governor may, by so notifying the Secretary, designate part or all of such amount to remain available to make such awards for two additional years.

(2) Of the amount used for Merit School awards, the Governor shall use at least 20 percent for awards to schools that demonstrate exceptional progress in improving students' performance in mathematics and science, in addition to meeting the national and State criteria under sections 1727 (b) and (c).

STATE ACTIVITIES AND RESPONSIBILITIES

SEC. 1726. (a) STATE REVIEW PANEL.—(1) Each Governor shall establish a State review panel to assist in the selection of Merit Schools.

(2) The State review panel shall be broadly representative of the following interests in the State—

(A) public and private elementary and secondary school teachers and administrators;

(B) college and university faculty and administrators;

(C) parents;

(D) students;

(E) State and local boards of education;

(F) State and local governments;

(G) labor;

(H) business; and

(I) the general public.

(b) ANNUAL REPORTS TO THE SECRETARY.—(1) Within 60 days of the end of each fiscal year, each Governor shall submit a report to the Secretary that—

(A) identifies the schools chosen as Merit Schools;

(B) states the reasons for their selection; and

(C) states the amount of the award to each school.

(2) Beginning with the second year for which any State makes awards under this part, the Governor's annual report shall also include a brief description of how schools selected in the previous year used their awards.

SELECTION OF MERIT SCHOOLS

SEC. 1727. (a) ELIGIBLE SCHOOLS.—(1) A Governor may designate as Merit Schools public or private elementary or secondary schools in the State that have been nominated through procedures established by the Governor.

(2) In selecting Merit Schools, the Governor shall apply the selection criteria described in subsections (b) and (c) uniformly to public and private schools.

(b) NATIONAL CRITERIA.—Each school selected through the nomination procedure established by the Governor under subsection (a) shall have—

(1) demonstrated progress over a period of at least three years in significantly increasing the number or percentage of students who meet the National Education Goal of leaving grades four, eight, and twelve, as applicable, having demonstrated competency in challenging subject matter, including English, mathematics, science, history, and geography;

(2) utilized objective measures of progress over the period that are established by the State in its plan and approved by the Secretary; and

(3) made public an annual "report card", which includes information about the progress the school is making toward achievement of relevant aspects of the National Education Goals.

(c) STATE CRITERIA.—(1) In selecting Merit Schools, each Governor may use selection criteria in addition to those set out in subsection (b).

(2) In setting these additional criteria, the Governor—

(A) may include other aspects of educational performance, including the school's progress in attaining the other National Education Goals;

(B) shall take into account differences in the composition of the student body of different schools;

(C) shall give special consideration to schools with substantial numbers or proportions of children from low-income families; and

(D) may set different criteria for awards for achievement in different grade levels.

(3) Each Governor shall develop State criteria for selecting schools to receive awards under section 1725(b)(2) for outstanding progress in student achievement in mathematics and science.

(4) In applying the criteria to a school in which a program is conducted under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, the Governor shall consider the desired outcomes identified for children in the application submitted under section 1012(b) of such Act by the local educational agency operating the school. No school that has received assistance under section 1021(b) of such Act for all of the years covered by a Merit Schools Award competition shall be eligible for a Merit School Award.

(5) In selecting Merit Schools and in setting the amount of their awards, the Governor may not consider a school's planned use of a Merit School award, if it is otherwise permitted by law.

(d) AMOUNT OF AWARD.—Each Governor shall establish criteria, subject to subsection (c)(5), for determining the amount of Merit School awards. Such criteria shall include criteria relating to the school size and the economic circumstances of the student body.

(e) BYPASS.—If a State is either prohibited by State law from providing funds made available under this part to private schools, or is unwilling to do so, the Governor shall notify the Secretary of such prohibition or unwillingness, as well as the private schools the Governor has designated as Merit Schools and the amount of their awards. The Secretary shall then provide those funds, from the State's allocation under this part, to the designated private schools, through such arrangements as the Secretary finds suitable. The Secretary shall also withhold from the State's allocation under this part the administrative costs of making such arrangements.

USE OF FUNDS BY MERIT SCHOOLS

SEC. 1728. A Merit School shall use its Merit School award for activities, otherwise permitted by law, that further the educational program of the school. Such activities may include, but are not limited to—

(1) development, implementation, or expansion of special programs, such as those focused on: dropout prevention or reentry, student transition to college or employment, preschool children, remedial services, or gifted and talented students;

(2) the purchase or lease of computers, telecommunications equipment, scientific instruments, instructional materials, library books, and other equipment and materials, except that a public agency shall have title to, and exercise administrative control of, all such equipment and materials;

(3) bonus payments for faculty and administrators;

(4) college scholarships for secondary school students;

(5) parental involvement activities;

(6) community outreach activities; and

(7) helping other schools replicate its success.

PROHIBITION ON STATE OR LOCAL REDUCTION OF OTHER ASSISTANCE

SEC. 1729. No Federal, State, or local agency may, in any year, take a Merit School award into account in determining whether to award any other assistance from Federal, State, or local resources, or in determining the amount of such assistance, to either the Merit School itself or the local educational agency, if any, that operates the school.

PART C—TEACHERS AND SCHOOL LEADERS

Subpart 1—Governors' Academies for Teachers

STATEMENT OF FINDINGS

SEC. 1731. The Congress finds as follows:

(1) Reform and restructuring of American education, and the Nation's ability to attain the National Education Goals, depend heavily on the quality of teaching in elementary and secondary schools, particularly in the core academic disciplines of English, mathematics, science, history, and geography.

(2) Experienced teachers need access to training of exceptional quality to keep current in the core academic disciplines, participate successfully in curriculum development, and act as master teachers.

(3) Governors' efforts to reform elementary and secondary education in the States should include a focus on ensuring that teachers have a firm grasp of, and keep current in, the core academic disciplines.

(4) Governors' Academies for Teachers can be a principal vehicle for providing the kind of high-level, intensive training essential to education reform and accomplishment of the National Education Goals.

(5) Excellent teachers in the academic subjects deserve public recognition and appropriate financial rewards in return for their efforts.

PURPOSE

SEC. 1731A. The purposes of this subpart are—

(1) to build the highest quality teaching force for the Nation's schools, by providing start-up funds for Governors' Academies that teachers from public and private elementary and secondary schools may attend to obtain advanced instruction focusing on the core academic disciplines; and

(2) to establish awards for outstanding teachers in the academic subjects covered by those Academies.

PROGRAM AUTHORIZED; ALLOCATION OF APPROPRIATIONS

SEC. 1731B. (a)(1) From funds appropriated under section 1731G (a) and (b), the Secretary shall make a one-time, five-year grant to each State, in accordance with this subpart, to establish and operate Governors' Academies for Teachers and to recognize outstanding teachers.

(2) The Governor of each State shall use the State's grant to make competitive awards to the State educational agency, local educational agencies, institutions of higher education, other public and private agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate Governors' Academies for Teachers.

(3) Such Academies may be operated in cooperation or consortium with those of other States.

(b)(1) From the funds appropriated for this subpart for any fiscal year, the Secretary—

(A) may reserve up to $500,000 for evaluations of, and dissemination of information about, activities conducted under this subpart; and

(B) shall reserve up to $175,000 for Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau), to be expended in such manner as the Secretary determines will best meet the purpose of this subpart.

(2) The Secretary shall proportionately allocate the remainder of such funds to each of the 50 States, the District of Columbia, and Puerto Rico, on the basis of the full-time equivalent number of public elementary and secondary school teachers in the most recent year for which satisfactory data are available.

(3) If the Secretary determines that any amount of a State's allotment for any fiscal year under paragraph (2) will not be needed for such fiscal year by the State, the Secretary shall reallot such amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

STATE APPLICATION

SEC. 1731C. (a) The Governor of each State wishing to receive a grant under this subpart shall submit an application to the Secretary, for a five-year period, at such time and in such manner, as the Secretary may prescribe.

(b) Each such application shall include—

(1) a description of how the Governors' Academies planned for the State will relate to the Governor's overall plan for the reform of elementary and secondary education and the attainment of the National Education Goals in the State, including, in particular, improvement of education in the core academic subjects;

(2) a description of the competitive process the Governor will use to select applicants to operate the Governors' Academies for Teachers in the State;

(3) an assurance that a separate Academy will be established in each of the five core academic subjects (English, mathematics, science, history, and geography), unless the Governor determines that it would be inefficient to use funds in this manner and the application describes the Governor's reasons for establishing Academies that focus on more than one subject. Nothing in this paragraph prohibits the same agency, institution, or organization from operating more than one Academy;

(4) a description of how Academy participants will be selected;

(5) a description of how the State will monitor the implementation of Governors' Academies for Teachers, including the awards to teachers under section 1731D(d), and the performance of teachers who have been trained in those Academies, and an assurance that it will comply with reasonable requests of the Secretary for information on these matters;

(6) a description of how the State will meet the cost-sharing requirements of section 1731F, and how the State will continue to operate the Academies when Federal assistance is no longer available; and

(7) such other assurances and information as the Secretary may require.

AUTHORIZED ACTIVITIES

SEC. 1731D. (a) Each Governor's Academy for Teachers assisted under this subpart shall conduct a program of intensive instruction, during the summer or the school year, focusing on the core academic disciplines of English, mathematics, science, history, and geography. Such instruction shall be provided to current elementary and secondary school teachers.

(b) The instruction provided by each such Academy shall include—

(1) renewal and enhancement of participant's knowledge of one of the five core academic disciplines described in subsection (a), except as provided in section 1731(b)(3);

(2) teaching skills and strategies needed to impart academic subject matter to students, including students who are economically disadvantaged, limited English proficient, or have disabilities, and other students from diverse backgrounds;

(3) at the Academy's discretion, the use of educational technologies in teaching the core academic disciplines;

(4) training needed to become a lead teacher or a master teacher in a core subject, consistent with State policies on teacher career ladders;

(5) training needed to participate in curriculum development in a core subject; and

(6) training in the development and use of assessment tools.

(c) Each Academy assisted under this subpart shall carry out activities consistent with the purpose of this subpart, which may include—

(1) review of existing teacher enhancement programs to identify the most promising approaches;

(2) development of a curriculum for use by the Academy;

(3) recruitment of teachers within the State to participate in the Academy's program, including, on a nondiscriminatory basis, recruitment of—

(A) minority group members;

(B) individuals with disabilities;

(C) individuals from areas with high numbers or concentrations of disadvantaged students; and

(D) other teachers who have a potential for leadership;

(4) follow-up activities for previous participants;

(5) dissemination of information about the Academy, including the training curricula developed; and

(6) evaluation of the impact of the Academy on the teaching practices of participants, and other evaluation activities designed to strengthen the Academy's program.

(d)(1) The Governor shall allocate to the Academies, in the same proportion as funds appropriated under section 1731G(a) are distributed to those Academies, the State's allocation under section 1731G(b). Each Academy shall use such allocation for a program of cash awards and recognition to outstanding teachers in the core academic subject or subjects covered by the program of the Academy.

(2) Academies shall select teachers to receive awards from nominations received from local educational agencies, public and private schools, teachers, associations of teachers, parents, associations of parents and teachers, businesses, business groups, and student groups.

(3) Any full-time public or private elementary or secondary school teachers of a core academic subject, including an elementary school teacher of the general curriculum, shall be eligible to receive an award under this subpart.

(4) The Academy shall select award recipients in accordance with criteria developed by the Academy and approved by the Governor. The selection criteria may take into account, but are not limited to, teacher's success in—

(A) educating disadvantaged children, children with disabilities, children of limited English proficiency, or homeless children, as well as the children of migrant agricultural workers, in a core academic subject;

(B) educating gifted and talented students in a core academic subject;

(C) encouraging students to enroll, and succeed, in advanced classes in a core academic subject;

(D) teaching a core academic subject successfully in schools educating large numbers of disadvantaged students, including schools in low-income inner-city or rural areas;

(E) introducing a new curriculum in a core academic subject into a school or strengthening an established curriculum; or

(F) acting as a "master teacher" in a core academic subject.

(5) The amount of a teacher's award under this subsection shall not exceed $5,000 and shall be available for any purpose the recipient chooses.

USE OF FUNDS

SEC. 1731E. Each recipient of funds appropriated under section 1731G(a) shall use those funds to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 1731D (a) through (c), which may include stipends and travel and living expenses for teachers who participate in the Academy's program if no other funds are available to pay those costs.

COST-SHARING

SEC. 1731F. Funds received under section 1731G(a) may be used to pay up to 75 percent of the cost of a Governor's Academy for Teachers in the first year, 65 percent of such cost in the second year, 55 percent in the third year, 45 percent in the fourth year, and 35 percent in the fifth year. The remaining share shall be provided from non-Federal sources, and may include in-kind contributions, fairly valued.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1731G. (a) For the purpose of carrying out this subpart, except for section 1731D(d), there are authorized to be appropriated $62,400,000 for fiscal year 1992, $54,170,000 for fiscal year 1993, $45,940,000 for fiscal year 1994, $37,710,000 for fiscal year 1995, and $29,480,000 for fiscal year 1996.

(b) For the purpose of carrying out section 1731D(d), there are authorized to be appropriated $7,600,000 for each of the fiscal years 1992 through 1996.

Subpart 2—Governors' Academies for School Leaders

STATEMENT OF FINDINGS

SEC. 1732. The Congress finds as follows:

(1) The role of the school principal and other school leaders is central to school performance, school reform, and achievement of the National Education Goals.

(2) School restructuring intensifies the need for effective school leadership as it locates greater authority and responsibility at the school building level. In this context, principals and other administrators need to cultivate strong collegial relationships among teachers and staff and effectively involve parents.

(3) School leaders must be well versed in the core academic disciplines, must provide instructional leadership to the teachers in their schools, and must be able to coordinate school services with those of social service agencies and other organizations, including businesses, in the community affecting students and their families.

(4) Over the next ten years, at least half of those individuals now serving as school principals will be eligible for retirement.

(5) Governors' efforts to reform elementary and secondary education in the States must include a focus on preparing a new generation of highly effective school leaders.

(6) The pool of talent from which to draw school leaders can be expanded substantially with well-designed training programs.

PURPOSE

SEC. 1732A. The purpose of this subpart is to improve the training and performance of public and private school principals and other school leaders, and increase the number of persons who are well trained and well qualified to be school leaders, by supporting the development and implementation of programs that offer—

(1) for prospective school leaders, recruitment, training, and, as appropriate, internships under experienced school leaders;

(2) for experienced school leaders, opportunities for professional renewal and enhancement of skills; and

(3) for all participants, a focus on instructional leadership, school-based management, school reform strategies, and implementation of school-level accountability mechanisms.

PROGRAM AUTHORIZED; ALLOCATION OF APPROPRIATIONS

SEC. 1732B. (a)(1) The Secretary shall make a one-time, five-year grant to each State, in accordance with this subpart, to establish and operate a Governor's Academy for School Leaders.

(2) The Governor of each State shall use the State's grant to make competitive awards to the State educational agency, local educational agencies, institutions of higher education, other public and private agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate a Governor's Academy for School Leaders.

(3) Such Academies may be operated in cooperation or consortium with those of other States.

(b)(1) From the funds appropriated for this subpart for any fiscal year, the Secretary—

(A) may reserve up to $500,000 for evaluations of, and dissemination of information about, activities conducted under this subpart; and

(B) shall reserve up to $55,000 for Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau), to be expended in such manner as the Secretary determines will best meet the purpose of this subpart.

(2)(A) Except as provided in paragraph (3), the Secretary shall proportionately allocate the remainder of such funds to each of the 50 States, the District of Columbia, and Puerto Rico, on the basis of the number of public elementary and secondary schools in each such jurisdiction in the most recent year for which satisfactory data are available.

(B) If the Secretary determines that any amount of a State's allotment for any fiscal year under subparagraph (A) will not be needed for such fiscal year by the State, the Secretary shall reallot such amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

STATE APPLICATION

SEC. 1732C. (a) The Governor of each State wishing to receive a grant under this subpart shall submit an application to the Secretary for a five-year period, at such time and in such manner as the Secretary may prescribe.

(b) Each such application shall include—

(1) a description of how the Governor's Academy for School Leaders planned for the State will relate to the Governor's overall plan for the attainment of the National Education Goals and the reform of elementary and secondary education in the State, including, in particular, improvement of school leadership in the State;

(2) a description of the competitive process the Governor will use to select the applicant to operate the Governor's Academy;

(3) a description of how Academy participants will be selected;

(4) a description of how the State will monitor the implementation of the Governor's Academy and the subsequent progress of individuals trained by the Academy, and an assurance that it will comply with reasonable requests of the Secretary for information on these matters;

(5) a description of how the State will meet the cost-sharing requirements of section 1732F and how the State will continue to operate the Academy when Federal assistance is no longer available; and

(6) such other assurances and information as the Secretary may require.

AUTHORIZED ACTIVITIES

SEC. 1732D. Each Academy assisted under this subpart shall—

(1) identify models and methods of leadership training and development that are promising or have proven to be successful;

(2) develop curricula, which focus on instructional leadership, school-based management, and the design and execution of school improvement strategies and accountability mechanisms, for the development of school leaders;

(3) identify, in a nondiscriminatory manner, candidates, including members of minority groups, individuals with disabilities, and individuals from schools with high numbers of concentrations of disadvantaged students, to be trained as new school leaders;

(4) provide intensive training and development programs both for persons desiring and demonstrating outstanding promise to become school leaders, and for current school leaders seeking enhanced and up-to-date knowledge needed to perform their jobs effectively;

(5) identify districts and schools with principal and other school leader vacancies and work with them to match Academy participants with such vacancies;

(6) as appropriate, facilitate internships for graduates of the program for new school leaders, under the guidance and supervision of experienced administrators;

(7) provide periodic follow-up development activities for school leaders trained through the Academy's programs;

(8) disseminate information about the Academy, including the training curricula developed; and

(9) evaluation of the impact of the Academy on the leadership practices of participants, and other evaluation activities designed to strengthen the Academy's program.

USE OF FUNDS

SEC. 1732E. Each recipient of funds under this subpart shall use those funds to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 1732D, which may include stipends, travel, and living expenses for participants in the Academy if no other funds are available to pay those costs.

COST-SHARING

SEC. 1732F. Funds received under this subpart may be used to pay up to 75 percent of the cost of a Governor's Academy for School Leaders in the first year, 65 percent of such cost in the second year, 55 percent in the third year, 45 percent in the fourth year, and 35 percent in the fifth year. The remaining share shall be provided from non-Federal sources, and may include in-kind contributions, fairly valued.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1732G. For the purpose of carrying out this subpart, there are authorized to be appropriated $22,500,000 for fiscal year 1992, $19,500,000 for fiscal year 1993, $16,500,000 for fiscal year 1994, $13,500,000 for fiscal year 1995, and $10,500,000 for fiscal year 1996.

Subpart 3—Alternative Certification of Teachers and Principals

FINDINGS

SEC. 1733. The Congress finds that—

(1) effective elementary and secondary schools require competent teachers and strong leadership;

(2) school systems would benefit greatly by recruitment pools of well-qualified individuals, such as scientists and engineers, from which to select teachers and principals;

(3) talented professionals who have demonstrated a high level of subject area competence or management and leadership qualities outside the education profession and who wish to pursue second careers in education often do not meet traditional certification requirements; and

(4) alternative certification requirements that do not exclude such individuals from teaching or school administration solely because they do not meet current certification requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers and principals.

PURPOSE

SEC. 1734. (a) It is the purpose of this subpart to improve the supply of well-qualified elementary and secondary school teachers and principals by encouraging and assisting States to develop and implement alternative teacher and principal certification requirements.

(b) As used in this subpart, the term—

(1) "alternative teacher and principal certification requirements" means State or local requirements that permit entry into elementary and secondary teacher and principal positions for individuals who have demonstrated a high level of appropriate subject area competence, or management or leadership qualities, in careers in or out of the education field, but who would not otherwise meet existing requirements for teaching or supervisory positions. Alternative teacher and principal certification requirements may recognize that—

(A) for teachers, a high level of demonstrated competence in an appropriate subject area may be substituted for traditional teacher certification requirements (such as teacher training course work); and

(B) for principals, a high level of demonstrated competence in administration and management may be substituted for traditional principal certification requirements (such as teaching experience or supervisory experience in the field of education); and

(2) "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

AUTHORIZATION OF APPROPRIATIONS

Sec. 1735. For the purpose of carrying out this subpart, there are authorized to be appropriated $25 million for fiscal year 1992.

ALLOTMENTS

SEC. 1736. (a)(1) From the amount appropriated to carry out this subpart, the Secretary shall allot to each State the lesser of either the amount the State applies for under section 325 or an amount that is proportional to the State's share of the total population of children ages five through seventeen in all the States (based on the most recent data available that is satisfactory to the Secretary).

(2) If a State does not apply for its allotment, or the full amount of its allotment, under the preceding paragraph, the Secretary may reallocate the excess funds to one or more other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds.

(b) Notwithstanding section 412(b) of the General Education Provisions Act, funds awarded under this subpart shall remain available for obligation by a recipient for a period of two calendar years from the date of the grant.

STATE APPLICATIONS

SEC. 1737. (a) Any State desiring to receive a grant under this subpart shall submit an application, through its Governor, at such time, in such manner, and containing such information, as the Secretary may reasonably require.

(b) Each State application shall—

(1) describe the programs, projects, and activities to be undertaken; and

(2) contain such assurances as the Secretary deems necessary, including assurances that—

(A) funds awarded to the State will be used to supplement, and not to supplant, any State or local funds available for the development and implementation of alternative teacher and principal certification requirements;

(B) the State has, in developing its application, consulted with the State or local agency that certifies teachers and principals, as well as representatives of elementary and secondary school teachers and principals, local school systems, parents, and other interested organizations and individuals; and

(C) the State will submit to the Secretary, through the Governor, at such time as the Secretary may specify, a final report describing the activities carried out with funds awarded under this subpart and the results achieved.

(c) Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this subpart.

USE OF FUNDS

SEC. 1738. (a)(1) A State shall use funds awarded under this subpart to support programs, projects, or activities that develop and implement new, or expand and improve existing, alternative teacher and principal certification requirements.

(2) A State may carry out such programs, projects, or activities directly, through contracts, or through subgrants to local educational agencies, intermediate educational agencies, institutions of higher education, or consortia of such agencies.

(b) Programs, projects, and activities supported under this subpart may include, but are not limited to, the—

(1) design, development, implementation, testing, and evaluation of alternative teacher and principal certification requirements;

(2) establishment of administrative structures necessary to the development and implementation of alternative teacher and principal certification requirements;

(3) training of staff, including the development of appropriate support programs, such as mentor programs, for teachers and principals entering the school system through the alternative teacher and principal certification program;

(4) development of recruitment strategies; and

(5) development of reciprocity agreements between or among States for the certification of teachers and principals.

PART D—EDUCATIONAL REFORM AND FLEXIBILITY

Subpart 1—Educational Reform Through Flexibility and Accountability

STATEMENT OF FINDINGS AND PURPOSE

SEC. 1741. (a) FINDINGS.—Historically, Federal education programs have addressed the Nation's most pressing educational problems by providing categorical assistance with detailed requirements relating to the use of funds. While this approach has proven generally successful, some program requirements may inadvertently impede educational achievement. The Nation's schools are being asked to deal effectively with increasingly diverse educational needs that current program structures may not be flexible enough to address. In an era when educational change and reform must prevail, it is more important than ever to provide programs that result in improved educational outcomes for all students; promote the coordination of education and related services that benefit children and their families; respond flexibly to the needs of a diverse student population; stop the proliferation of unnecessary Federal, State, and local regulation; and place less emphasis on measuring resources and reviewing procedures and more emphasis on achieving program results.

(b) PURPOSE.—The purpose of this subpart is to promote educational reform that leads to improved educational outcomes for participants in affected programs. Under this approach, the schools and other recipients of Federal funds would be held accountable for achieving specific educational improvement goals in exchange for increased flexibility in the use of their resources. This more flexible approach is intended to enable school and program administrators, teachers, parents, local agencies, and community groups to work together to develop effective education programs that lead to improved achievement and meet the needs of all participants, particularly those who are disadvantaged.

FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES

SEC. 1742. Subpart I of Part C of the General Education Provisions Act (20 U.S.C. 1221 *et seq.*) is amended by adding after section 421A a new section 421B to read as follows:

"FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES

"SEC. 421B. (a) PROGRAM AUTHORIZED.—(1)(A) The Secretary shall, in accordance with this section, assist elementary and secondary schools and other service providers to improve the achievement of all students and other participants, but particularly disadvantaged individuals, by authorizing waivers by which the Governors, State and local educational agencies, and other service providers can improve the performance of schools and programs by increasing their flexibility in the use of their resources while holding them accountable for achieving educational gains.

"(B) In support of these projects, the Secretary is authorized to waiver any statutory or regulatory requirement (except as provided in subsection (e)) applicable to a program administered by the Department of Education that the Secretary determines may impede the ability of a school or other service provider to meet the special needs of such students and other individuals in the most effective manner possible. The head of any other Federal agency is similarly authorized to waive such requirements applicable to a program administered by such agency if the agency head and the Secretary agree that such a waiver would promote the purpose of this section.

"(2) Projects conducted under this section, and any waivers associated with such projects, shall last no longer than three years, except that the Secretary may extend a project and any associated waivers for an additional two years if the Secretary determines that the project is making substantial progress in meeting its goals.

"(3) The Secretary shall terminate a project and its associated waivers if the Secretary, at any time, determines it is not making acceptable progress toward meeting its goals. The head of any other Federal agency who has granted waivers under this section shall determine whether to extend or terminate those waivers, but the Secretary shall have exclusive authority to extend or terminate the project.

"(b) ELIGIBILITY.—(1) Each project that involves elementary or secondary schools shall include the participation of a State educational agency and at least—

"(A) one local educational agency; and

"(B) two schools.

"(2) To the extent possible, each grade and academic program, including programs under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, in a participating school shall participate in the project.

"(3) If fewer than all the schools of a local educational agency participate in a project, available resources, including available Federal assistance, shall not be concentrated unreasonably in those schools that do participate.

"(4) Each project that does not involve elementary and secondary schools shall involve at least two programs, including at least one program administered by the Secretary.

"(c) APPLICATIONS.—The Governor of any State wishing to conduct a project under this section shall, after consultation with, as the Governor finds appropriate, the State educational agency, one or more local educational agencies, and other State and local agencies and service providers, submit an application to the Secretary for each such project. Each application shall include a plan that—

"(1) describes the purposes and overall expected outcomes of the project;

"(2) identifies, for each school or site participating in the project, those impediments to improved educational outcomes that would be removed by the proposed waivers;

"(3) identifies the Federal programs to be included in the project, the Federal statutory or regulatory requirements to be waived, and the purpose and duration of the requested waivers;

"(4) describes the State and local requirements that will be waived, the purpose of such waivers, and, if such requirements will not have been waived before the project begins, when those waivers will be obtained and take effect;

"(5) describes specific, measurable, educational improvement goals for each school or other site in the project and for each school year of the project, including—

"(A) goals for improving the achievement of all participants, including disadvantaged individuals, with respect to achievement in basic and advanced skills;

"(B) goals that reflect the broad purposes of each program for which a waiver is sought; and

"(C) an explanation of how the applicant will measure progress in meeting the goals set for each school or site in the project and for disadvantaged individuals participating in the project; and

"(6) for projects involving elementary or secondary schools—

"(A) identifies the schools to be included in the project and describes the student population at each school including—

"(i) current data regarding the achievement of the disadvantaged students as well as other students; and

"(ii) in the number of students who—

"(I) are of limited English proficiency, as defined in section 7003(a)(1) of the Bilingual Education Act;

"(II) are children with disabilities, as defined in section 602(a)(1) of the Individual with Disabilities Education Act;

"(III) are currently or formerly migratory;

"(IV) are educationally deprived, for the purposes of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(V) are eligible for a free or reduced price school lunch;

"(B) describes specific goals for enhancing coordination between the regular education program available to all students and programs serving disadvantaged students;

"(C) if fewer than all the schools in a local educational agency will participate in a project, describes the expected educational outcomes for disadvantaged students in schools that do not participate, and how those outcomes will be assessed; and

"(D) describes how school administrators, teachers, staff, and parents (including parents of educationally disadvantaged children) have been, or will be, involved in the planning, development, and implementation of the goals and program for each participating school.

"(d) APPROVAL OF PROJECTS.—(1) The Secretary shall approve an application for a project under this section if he determines that the project shows substantial promise of achieving the purposes of this section, after considering—

"(A) the comprehensiveness of the project, including the types of students, schools, programs, and activities to be included;

"(B) the extent to which the provisions for which waivers are sought impede educational improvement;

"(C) the State and local requirements that will be waived for the project;

"(D) the significance and feasibility of the proposed project's goals for each participating school or site; and

"(E) the quality of the plan for ensuring accountability for the proposed plan's activities and goals.

"(2) The Secretary shall consult with the heads of other appropriate Federal agencies, if any, in determining whether to approve a project. Each such agency head shall notify the Secretary of any waivers granted by such agency head as part of such project.

"(e) ALLOCATION OF FEDERAL FUNDS; RESTRICTION ON WAIVERS.—(1) Federal funds under any program that are used to support a project under this section shall be allocated to States and other recipients in accordance with the statutory and regulatory requirements that govern the operation of that program, except that, for the purpose of such a project, the Secretary (or the head of any other Federal agency) may extend the duration of, and provide continuation funding to, a project chosen on a competitive basis that a participating agency is conducting before the project under this section commences.

"(2) Neither the Secretary nor the head of any other Federal agency shall waive under this section any statutory or regulatory requirement in awarding a new competitive grant to a State educational agency, local educational agency, or other applicant participating in a project under this section.

"(3) Neither the Secretary nor, when applicable, the head of any other Federal agency shall waive under this section any statutory or regulatory requirement—

"(A) relating to—

"(i) maintenance of effort;

"(ii) comparability; or

"(iii) the equitable participation of students attending private schools;

"(B) under section 438 or 439 of the General Education Provisions Act;

"(C) under title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, or the Age Discrimination Act of 1975; or

"(D) under the Individuals with Disabilities Education Act—

"(i) relating to the availability of a free appropriate public education to children with disabilities (including the evaluation and placement of such children), or the procedural safeguards afforded such children and their parents, under part B thereof; or

"(ii) relating to the provision of early intervention services to infants and toddlers with disabilities, or the procedural safeguards afforded such infants and toddlers and their parents, under part H thereof.

"(f) REPORTS AND EVALUATIONS.—(1) Each project shall submit, no later than 90 days after the end of each year of the project, an annual report to the Secretary that—

"(A) summarizes the principal activities of the project;

"(B) contains school-by-school and other data, as described in the project plan, that show the extent to which the project is meeting its overall goals, including its goals for improving the achievement of all participants, particularly disadvantaged individuals, with respect to achievement in basic and advanced skills, and is meeting the goals for each school or other site;

"(C) describes the impact of the project on disadvantaged children in schools, if any, that are not participating in the demonstration; and

"(D) describes the effectiveness of efforts to coordinate programs and services for children and their families as appropriate.

"(2) The Secretary shall submit a report to the Congress every two years that summarizes and analyzes the project reports required by paragraph (1).

"(3) At the end of the 5-year period described in this section, and at such interim points as the Secretary deems appropriate, the Secretary shall report to the Congress on the evaluation of this section by the Department of Education and other affected Federal agencies. Such reports may include recommendations for amendments to program statutes that are based on the experience of projects that successfully raise educational achievement by eliminating or modifying statutory or regulatory provisions that impede educational improvement.

"(g) DEFINITION.—For the purpose of this section, the term 'disadvantaged students' includes students of limited English proficiency, children with disabilities, students who are currently or formerly migratory, and students who are educationally deprived.

"(h) BUDGET NEUTRALITY.—The authority provided by this section shall not be exercised in a manner that, for any fiscal year, increases total obligations or outlays of discretionary appropriations for programs subject to such authority, or that increases total obligations or outlays of funding for all direct-spending programs subject to such authority over those that would have occurred absent such authority.".

Subpart 2—Amendments to Chapter 2

ALLOCATION TO LOCAL EDUCATIONAL AGENCIES

SEC. 1745. Section 1512(a) of the Elementary and Secondary Education Act of 1965 is amended by striking out "not less than 80 percent" and inserting in lieu thereof "50 percent".

STATE USES OF FUNDS

SEC. 1746. Section 1521(b) of the Elementary and Secondary Education Act of 1965 is amended—

(1) in paragraph (1), by striking out "25 percent" and inserting in lieu thereof "10 percent"; and

(2) in paragraph (2)(A), by striking out "20 percent" and inserting in lieu thereof "8 percent".

STATE APPLICATIONS

SEC. 1747. Section 1522(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by submitting a comma and "approved by the Governor," after "an application"; and

(2) in paragraph (2), in the text following subparagraph (I), by striking out "(not to exceed 20 percent of the amount of the State's allotment)".

LOCAL USES OF FUNDS

SEC. 1748. Section 1531(b) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating paragraphs (1) through (6) as paragraphs (2) through (7), respectively; and

(2) by inserting before paragraph (2), as so redesignated, a new paragraph (1) to read as follows:

"(1) educational choice programs;".

AUTHORIZED ACTIVITIES

SEC. 1749. Section 1532(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively; and

(2) by inserting before paragraph (2), as so redesignated, a new paragraph (1) to read as follows:

"(1) any activities or expenses directly related to planning, implementing, operating, evaluating, and disseminating information about, the local educational agency's educational choice program, if any, including expenses of parents and children resulting from their participation in such program, to the extent otherwise permitted by law;".

PART E—PARENTAL CHOICE OF SCHOOLS

Subpart 1—Findings

SEC. 1751. The Congress finds that—

(1) parental choice in education creates market-based accountability, encourages school diversity and competition, and provides parents and their children with a sense of investment in their schools;

(2) economically disadvantaged children deserve the same educational choices, both public and private, as their more advantaged peers;

(3) educational choice programs and programs of compensatory education assisted under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 should be coordinated with, and be carried out so as to enhance, each other;

(4) local implementation of programs that enhance student and parental choice deserves national support and encouragement; and

(5) different methods for expanding educational choice should be tested and evaluated.

Subpart 2—Parental Choice and Chapter 1

CHAPTER 1 SERVICES FOR CHILDREN PARTICIPATING IN EDUCATIONAL CHOICE PROGRAMS

SEC. 1752. (a) Subpart 2 of part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new section 1022 to read as follows:

"CHILDREN PARTICIPATING IN EDUCATIONAL CHOICE PROGRAMS

"SEC. 1022. (a) SERVICES TO FOLLOW THE CHILD.—Notwithstanding any other provision of this chapter, a local educational agency that is carrying out an educational choice program shall, in accordance with this section, make available supplementary compensatory education services, paid for under this part, to each child residing in such agency who is afforded the opportunity to participate in that program and who, in the absence of the choice program, would receive services from that agency under this part.

"(b) FUNDS TO PARENTS.—(1) If the local educational agency determines that it is not feasible or efficient to make such services available to such a child directly or through arrangements with other service providers, it shall provide to the parents of such child a per-child share of funds received by such agency under subpart 1 of this part for the applicable fiscal year.

"(2) As used in paragraph (1), a 'per-child share' means—

"(A) the total amount of funds received by the local educational agency under subpart 1 of this part for the applicable fiscal year, minus amounts spent on administrative expenses including transportation provided under section 1011(a)(4); divided by

"(B) the number of children selected by such agency to receive services under this part.

"(3) Parents may use funds received from a local educational agency under paragraph (1) only for either or both of the following—

"(A) to purchase supplementary compensatory education services that meet the special educational needs of the parents' eligible child, as identified by the local educational agency, from any elementary or secondary school, or any other public or private agency, organization, or institution that the local educational agency determines is able to provide appropriate and effective supplementary compensatory educational services to the child; and

"(B) for the costs of transportation related to the child's participation in the educational choice program.

"(4) Payments received by parents under paragraph (1) are not income for Federal income tax purposes.

"(c) APPLICATION BY LOCAL EDUCATIONAL AGENCY.—Each local educational agency subject to this section shall include in its application under section 1012—

"(1) a description of its policies and procedures for carrying out this section;

"(2) an assurance that it will keep such records and provide such information to the State educational agency relating to the provision of funds to parents under subsection (b) as may be required for fiscal audit and program compliance; and

"(3) an assurance that it will exercise due diligence to—

"(A) ensure that payments made to parents under subsection (b)(1) will be used only for the purposes authorized by subsection (b)(3); and

"(B) recover such payments that are not so used.".

(b) Section 1011(a) of the ESEA is amended by adding at the end thereof a new paragraph (4) to read as follows:

"(4) A local educational agency may use funds received under this chapter for the additional transportation costs of children receiving services under this part who are participating in an educational choice program.".

PARENTAL INVOLVEMENT

SEC. 1752A. Section 1016(c) of the Elementary and Secondary Education Act of 1965 is amended—

(1) in paragraph (2), by adding the following sentence at the end thereof: "If the local educational agency is carrying out an educational choice program, representatives of such agency shall explain the availability of compensatory education services under the various available options."; and

(2) by adding at the end thereof a new paragraph (7) to read as follows:

"(7) Each local educational agency that is implementing an educational choice program shall provide an explanation in writing, and in such other manner as may be appropriate, to the parents of each eligible child selected to participate in the agency's program under this part of the options available to them under the educational choice program and this part.".

DEFINITION

SEC. 1752B. Section 1471 of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new paragraph (24) to read as follows:

"(24) The term 'educational choice program' means a program, including a desegregation plan, adopted by a State educational agency or a local educational agency under which parents select the school in which their children will be enrolled.".

Subpart 3—Assistance for Parental Choice Programs

PROGRAM AUTHORIZED

SEC. 1753. The Secretary shall make grants, in accordance with this subpart, to local educational agencies that carry out educational choice programs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1753A. For the purpose of carrying out this subpart, there are authorized to be appropriated $200 million for fiscal year 1992, and such sums as may be needed for each of the four succeeding fiscal years.

ELIGIBILITY

SEC. 1753B. (a) A local educational agency is eligible for a grant under this subpart if it will carry out an educational choice program during the year for which assistance is sought and carried out such a program during the preceding year.

(b) For the purpose of this subpart, an "educational choice program" is a program adopted by a State or by a local educational agency under which—

(1) parents select the school, including private schools, in which their children will be enrolled; and

(2) sufficient financial support is provided to enable a significant number or percentage of parents to enroll their children in a variety of schools and educational programs, including private schools.

ALLOCATION OF APPROPRIATIONS

SEC. 1753C. (a) From the amount appropriated under section 1753A for any fiscal year, the Secretary shall allot, to each eligible local educational agency whose application for a grant under this part has been approved, an amount that bears the same ratio to such amount as the amount allocated to such agency under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 for the previous fiscal year bears to the amounts so allocated to all such eligible agencies whose applications have been approved.

(b) No local educational agency's allotment shall exceed—

(1) the average per pupil expenditure of all local educational agencies in the State for the most recent fiscal year for which satisfactory data are available to the Secretary; multiplied by

(2) the number of children afforded the opportunity to participate in the educational choice program in the year preceding the year for which assistance is sought.

(c) Any funds appropriated under this subpart for any fiscal year that exceed the amounts that can be awarded under this section shall be returned to the Treasury.

AUTHORIZED ACTIVITIES

SEC. 1753D. (a) Each local educational agency that receives funds under this subpart may use those funds only for educational services provided to the students of such agency and for parental involvement activities, except that such services and activities must be in addition to services and activities that would otherwise be provided from State or local funds.

(b) A local educational agency may not use funds received under this subpart for general administrative expenses.

APPLICATIONS

SEC. 1753E. (a) Each local educational agency that wishes to receive a grant under this subpart shall submit an application to the Secretary, covering a period of one year, at such time and in such manner as the Secretary may prescribe.

(b) Each such application shall contain—

(1) a description of the educational choice program carried out in the year preceding the year for which assistance is sought, in sufficient detail for the Secretary to determine whether the agency is eligible under this subpart; and

(2) such other assurances and information as the Secretary may require.

(c) Before finally deciding not to approve a local educational agency's application under this subpart, the Secretary shall—

(1) provide a written explanation to such agency; and

(2) afford such agency a reasonable opportunity to respond.

Subpart 4—Parental Choice Programs of National Significance

PROGRAM AUTHORIZED

SEC. 1754. The Secretary shall make grants, in accordance with this subpart, to State educational agencies, local educational agencies, and other agencies, institutions, and organizations to conduct and demonstrate nationally significant model programs of educational choice.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1754A. (a) For the purpose of carrying out this subpart, there are authorized to be appropriated $30 million for fiscal year 1992 and such sums as may be needed for each of the four succeeding fiscal years.

(b) From the amount appropriated under subsection (a) for any fiscal year, the Secretary may set aside up to five percent for evaluation of, and dissemination of information about, educational choice programs assisted under this subpart.

ANNUAL COMPETITION

SEC. 1754B. In any fiscal year for which funds are available to make new awards, the Secretary shall announce the approaches to educational choice that will be considered for funding under this subpart. An application for assistance may be considered only if it complies with such announcement.

APPLICATIONS

SEC. 1754C. (a) Each agency, institution, or organization that wishes to receive a grant under this subpart shall submit an application to the Secretary, at such time, in such manner, and containing such assurances and information as the Secretary may prescribe.

(b) Each application under this subpart shall be for a period of up to five years.

AUTHORIZED ACTIVITIES

SEC. 1754D. (a) Each recipient of a grant under this subpart shall use the grant funds only for activities directly related to planning, implementing, operating, and evaluating, and disseminating information about, the educational choice demonstration program funded under this subpart.

(b) Such funds may be used, to the extent otherwise permitted by law, to meet expenses of parents and children resulting from their participation in such program.

EXPERT ADVICE

SEC. 1754E. The Secretary shall consult with educational practitioners with experience with educational choice programs, individuals with expert knowledge and experience in the area of educational choice, and other interested individuals, including parents, in determining which approaches to educational choice to support under, and in otherwise carrying out, this subpart.

DEFINITION

SEC. 1754F. For the purpose of this subpart, an "educational choice program" is a program adopted by a State or by a local educational agency under which parents select the school in which their children will be enrolled and that complies with the annual announcement under section 1754B.

PART F—NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

SEC. 1761. Section 406 of the General Education Provisions Act is amended—

(1) by amending subsection (f)(1) to read as follows:

"(1) There are authorized to be appropriated for the purposes of this section $86,160,000 for fiscal year 1992, and such sums as may be necessary for each of the four succeeding fiscal years.";

(2) in subsection (i)—

(A) in paragraph (2)(A)—

(i) by amending the first sentence to read as follows: "The National Assessment shall provide a fair and accurate presentation of educational achievement in skills, abilities, and knowledge in reading, writing, mathematics, science, history, and geography, and in other areas specified by the Board, and shall use sampling techniques that produce data that are representative on a national and on a State basis for those States that choose to participate.";

(ii) by amending clause (i) to read as follows:

"(i) collect and report data on a periodic basis, but at least once every four years in reading, writing, mathematics, science, history, and geography;"; and

(iii) in clause (ii), by striking out "every 2 years" and inserting in lieu thereof "annually";

(B) by striking out paragraph (2)(B);

(C) in paragraph (4)(B)(i), by striking out "and that information with respect to individual schools";

(D) by striking out paragraph (4)(C); and

(E) by amending paragraphs (8) (B) and (C) to read as follows:

"(B) Participation in assessments made on a State basis shall be voluntary. The Secretary shall enter into an agreement with any State that desires to carry out an assessment for the State under this subsection. Each such agreement shall contain assurances that the State will—

"(i) participate in the Assessment;

"(ii) perform the functions of conducting the Assessment at the school level for all schools in the State sample and coordinating within the State, subject to subparagraph (C);

"(iii) pay from non-Federal sources the minimum State contribution required in subparagraph (C)(i); and

"(iv) comply with the terms and conditions specified in subsection (i)(2)(C)(iv).

"(C)(i) The minimum State contribution for participation in the State assessments for each fiscal year shall be $100,000, which the State may meet by in-kind contributions, fairly valued.

"(ii) The Secretary shall pay the State for the cost, in excess of the minimum State contribution, of conducting the Assessment at the school level for all schools in the State sample and for the cost of coordination within the State an amount that shall be identified in the agreement reached under subparagraph (B), that shall be the product of the total number of hours of work and training of school staff the Secretary estimates is required to conduct the Assessment at the school level and the total number of hours of work of State staff the Secretary estimates is required to coordinate the Assessment within the State multiplied by a daily rate of pay, as determined by the Secretary.".

PART G—NATIONAL COMMISSION ON TIME, STUDY, LEARNING, AND TEACHING

SEC. 1771. (a) ESTABLISHMENT.—There is hereby established a National Commission on Time, Study, Learning, and Teaching (hereafter in this title referred to as the "Commission").

(b) MEMBERSHIP OF THE COMMISSION.—

(1) IN GENERAL.—The Commission shall consist of twelve members, of whom—

(A) six members shall be appointed by the President;

(B) three members shall be appointed by the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives; and

(C) three members shall be appointed by the President pro tempore of the Senate upon the recommendations of the Majority Leader and the Minority Leader of the Senate.

(2) REQUIREMENTS.—

(A) Members of the Commission shall be appointed on the basis of exceptional education, training, or experience from among—

(i) the Nation's Governors;

(ii) individuals from the business community;

(iii) representatives of nonprofit organizations or foundations committed to the improvement of American education;

(iv) individuals who are engaged in the profession of teaching;

(v) individuals engaged in school administration, members of school boards, and parents or representatives of parents or parent organizations;

(vi) State officials directly responsible for education;

(vii) Federal officials responsible for education policy; and

(viii) educational researchers with experience relevant to the Commission's work.

(B) The members of the Commission shall be appointed no later than 60 days after the date of enactment of this Act.

(3) VACANCIES.—A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(4) TERMS.—Members of the Commission shall be appointed to serve for the life of the Commission.

(5) COMPENSATION.—Each member of the Commission shall serve without compensation, but shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaged in the performance of Commission duties.

(6) ACTIVITY OF COMMISSION.—The Commission may begin to carry out its duties under this subsection when at least seven members of the Commission have been appointed.

(c) FUNCTIONS OF THE COMMISSION.—

(1) STUDY.—The Commission shall examine the quality and adequacy of the study and learning time of elementary and secondary students in the United States in an era when World Class Standards of achievement need to be met, including issues regarding the length of the school day and year, the extent and role of homework, how time is currently being used for academic subjects, year-round professional opportunities for teachers, and the use of school facilities for extended learning programs.

(2) REPORT.—The Commission shall submit a final report under subsection (d). The report shall include an analysis and recommendations concerning—

(A) the length of the academic day and the academic year in elementary and secondary schools throughout the United States and in schools of other nations;

(B) the time children spend in school learning the five core subjects of English, mathematics, science, history, and geography;

(C) the use of incentives for students to increase their educational achievement in available instructional time;

(D) how children spend the 91 percent of their time that is outside school, with particular attention to how much of that time can be considered "learning time" and how out-of-school activities affect intellectual development;

(E) the time children spend on homework, how much of that time is spent on the core curriculum subjects, the importance that parents and teachers attach to homework, and the extent to which homework contributes to student learning;

(F) year-round professional opportunities for teachers and how teachers can use their time to acquire knowledge and skills that will permit them to improve their performance and help raise the status of the profession;

(G) how school facilities are used for extended learning programs;

(H) the appropriate number of hours per day and days per year of instruction for United States elementary and secondary schools; and

(I) if appropriate, a model plan for adopting a longer academic day and academic year for use by United States elementary and secondary schools by the end of this decade, including recommendations regarding mechanisms to assist States, school districts, schools, and parents in making the transition from the current academic day and year to an academic day and year of a longer duration.

(d) COMMISSION REPORT.—Not later than one year after the Commission concludes its first meeting, the Commission shall submit a report to the President and the Congress on the study and any recommendations required pursuant to this section.

(e) POWERS OF THE COMMISSION.—

(1) HEARINGS.—The Commission may, for the purpose of carrying out this section, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) TESTIMONY; PUBLIC HEARINGS.—In carrying out this section, the Commission may receive testimony and conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public regarding the quality and adequacy of American students' study and learning time in an era when World Class Standards of achievement need to be met.

(3) INFORMATION.—The Commission may secure directly from any Federal agency such information, relevant to its functions, as may be necessary to enable the Commission to carry out this section. Upon request of the Chairman of the Commission, the head of the agency shall, to the extent permitted by law, furnish such information to the Commission.

(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of money, services, or property, both real and personal, for the purpose of aiding the work of the Commission.

(5) USE OF MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as the departments and agencies of the United States.

(6) SUPPORT SERVICES.—The Secretary shall provide to the Commission on a reimbursable basis such reasonable administrative and support services as the Commission may request.

(f) ADMINISTRATIVE PROVISIONS.—

(1) MEETINGS.—The Commission shall meet on a regular basis, as necessary, at the call of the Chairman or a majority of its members.

(2) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(3) CHAIRMAN AND VICE CHAIRMAN.—(A) The Chairman and Vice Chairman of the Commission shall be elected by and from the members of the Commission for the life of the Commission.

(B) The Commission shall appoint a staff director, who shall be paid at a rate not to exceed the maximum rate of basic pay under section 5376 of title 5, United States Code, and such professional and clerical personnel as may be reasonable and necessary to enable the Commission to carry out its functions without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to classification and General Schedule pay rates.

(4) OTHER FEDERAL PERSONNEL.—Upon request of the Chairman of the Commission, the head of any Federal agency is authorized to detail, with or without reimbursement, any personnel of such agency to the Commission to assist the Commission in carrying out its duties under this section. Such detail shall be without interruption or loss of civil service status or privilege.

(g) TERMINATION OF THE COMMISSION.—The Commission shall terminate 90 days after submitting the final report required by subsection (d).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated a total of $1,000,000 for fiscal years 1991 and 1992 to carry out this part.

PART H—REGIONAL LITERACY RESOURCE CENTERS

REGIONAL LITERACY RESOURCE CENTERS

SEC. 1781. Part B of the Adult Education Act (20 U.S.C. 1203 et seq.) is amended—

(1) by redesignating subpart 7 as subpart 8; and

(2) by inserting after subpart 6 the following:

"Subpart 7—Regional Literacy Resource Centers

"REGIONAL LITERACY RESOURCE CENTERS

"SEC. 356. (a) PURPOSE.—It is the purpose of this section to assist State and local public and private nonprofit efforts to improve literacy through a program of regional literacy resource center grants to—

"(1) stimulate the coordination of literacy services;

"(2) enhance the capacity of State and local organizations to provide literacy services.

"(b) REGIONAL RESOURCE CENTERS.—The Secretary, from funds available for this subpart, shall make grants to or enter into contracts with, State educational agencies, local educational agencies, State offices on literacy, volunteer organizations, community-based organizations, institutions of higher education, or other nonprofit entities to operate regional literacy resource centers in such regions of the United States as the Secretary determines are appropriate.

"(c) USE OF FUNDS.—Funds awarded under subsection (b) to carry out this section shall be used to conduct such activities as—

"(1) improving and promoting the dissemination and adoption of teaching methods, technologies, and program evaluations;

"(2) developing innovative approaches to the coordination of literacy services within and among States and with the Federal Government;

"(3) assisting public and private agencies in coordinating the delivery of literacy services;

"(4) encouraging government and industry partnerships, including partnerships with small businesses, private nonprofit organizations, and community-based organizations for the delivery of literacy services;

"(5) encouraging innovation and experimentation in literacy activities that will enhance the delivery of literacy services and address emerging problems;

"(6) providing technical assistance to State and local governments and service providers to improve literacy programs and access to such programs; and

"(7) providing training and technical assistance to literacy instructors in reading instruction and in—

"(A) selecting and making the most effective use of methodologies, instructional materials, and technologies such as—

"(i) computer-assisted instruction;

"(ii) video tapes;

"(iii) interactive systems; and

"(iv) data link systems; or

"(B) assessing learning styles, screening for learning disabilities, and providing individualized remedial reading instruction.

"(d) APPLICATIONS.—Each entity that desires to receive an award under this section for a regional adult literacy resource center shall submit to the Secretary an application that describes how the applicant will—

"(1) develop a literacy resource center or expand an existing literacy resource center;

"(2) provide services and activities with the assistance provided under this section;

"(3) ensure access to services of the center for the maximum participation of all public and private programs and organizations providing or seeking to provide basic skills instruction, including local educational agencies, agencies responsible for corrections education, service delivery areas under the Job Training Partnership Act, welfare agencies, labor organizations, businesses, volunteer groups, and community-based organizations;

"(4) develop procedures for the coordination of literacy activities conducted within the States of the region by public and private organizations, and for enhancing the systems of service delivery;

"(5) secure approval of the Governors of each State in the region, to ensure that the regional literacy resource center serves the needs of the State, as identified in the four-year plan developed under section 342 of this Act;

"(6) evaluate the effectiveness of the services and activities supported by the center, including the provision of such information as the Secretary may require; and

"(7) meet the cost-sharing requirements of subsection (e).

"(e) PAYMENTS; FEDERAL SHARE.—(1) The Secretary shall pay to each entity having an application approved pursuant to subsection (d) the Federal share of the cost of the activities described in the application.

"(2) The Federal share—

"(A) for each of the first two fiscal years in which the applicant receives funds under this section shall not exceed 80 percent;

"(B) for each of the third and fourth fiscal years in which the applicant receives funds under this section shall not exceed 70 percent; and

"(C) for the fifth fiscal year in which the applicant receives funds under this section shall not exceed 60 percent.

"(3) The non-Federal share of payments under this section may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the provisions of this section $5,000,000 for fiscal year 1992, and such sums as may be necessary for each of the four succeeding fiscal years.".

PART I—GENERAL PROVISIONS

DEFINITIONS

SEC. 1791. Except as otherwise provided, as used in this title—

(1) the terms "elementary school", "local educational agency", "secondary school", and "State educational agency" have the meanings given them in section 1471 of the Elementary and Secondary Education Act of 1965;

(2) the term "Governor" means the chief executive of each State;

(3) the term "Secretary" means the Secretary of Education; and

(4) the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau).

INSULAR AREAS

SEC. 1792. The provisions of Public Law 95–134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds received by such area under this title.

EFFECTIVE DATE

SEC. 1793. This title shall take effect on enactment.

TITLE XVIII—STUDENT FINANCIAL ASSISTANCE IMPROVEMENTS ACT OF 1992

SHORT TITLE

SEC. 1801. This title may be cited as the "Student Financial Assistance Improvements Act of 1992".

EXTENSION OF PELL GRANT PROGRAM AUTHORITY

SEC. 1802. Section 411(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.; hereinafter in this title referred to as the Act) is amended by striking out "September 30, 1992," and inserting in lieu thereof "September 30, 1993,".

AMOUNT OF PELL GRANTS

SEC. 1803. Section 411(b) of the Act is amended to read as follows:

"(b) AMOUNT OF GRANTS.—(1)(A) The amount of a basic grant for a student eligible under this subpart shall be the lesser of—

"(i) the maximum award specified in paragraph (2), less an amount equal to the amount determined in accordance with Part F of this title to be the expected family contribution with respect to that student for that year; or

"(ii) the percentage, specified in paragraph (3), of the amount of the student's need for financial assistance (as defined in section 471).

"(B) In any case in which a student attends an institution of higher education on less than a full-time basis (including a student who attends an institution of higher education on less than a half-time basis) during any award year, the amount of the basic grant for which that student is eligible shall be reduced in proportion to the extent to which that student is not so attending on a full-time basis, in accordance with a schedule of reductions established by the Secretary for this purpose and published in the Federal Register.

"(2) The maximum amount of an award under this subpart shall be $3,700 for award year 1993–1994 and the four succeeding award years.

"(3) The percentage of the amount of a student's need for financial assistance to be used in paragraph (1)(A)(ii) shall be—

"(A) 80 percent, if the family of the student has a total income (excluding the income of the dependent student) of $10,000 or less;

"(B) 75 percent, if the family of the student has a total income (excluding the income of the dependent student) of between $10,001 and $15,000, inclusive;

"(C) 69 percent, if the family of the student has a total income (excluding the income of the dependent student) of between $15,001 and $20,000, inclusive; and

"(D) 55 percent, if the family of the student has a total income (excluding the income of the dependent student) of $20,001 or more.

"(4) Except as provided in subsection (g)(2), no basic grant shall be awarded to a student under this subpart if the amount of that grant for that student as determined under this subsection for any award year would be less than $200.".

PERIOD OF ELIGIBILITY FOR PELL GRANTS

SEC. 1804. Section 411(c) of the Act is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking out "period required" through "attendance" and inserting in lieu thereof the following: "period normally required for the completion of the first undergraduate baccalaureate course of study,"; and

(B) by amending subparagraph (A) to read as follows:

"(A) such period may not exceed the full-time equivalent of—

"(i) three academic years in the aggregate in the case of all undergraduate degree or certificate programs normally requiring two years or less;

"(ii) five academic years in the aggregate in the case of all undergraduate degree or certificate programs normally requiring more than two years but not more than four years, including any period for which the student received a Pell Grant in accordance with clause (i); or

"(ii) six academic years in the aggregate in the case of all undergraduate degree or certificate programs normally requiring more than four years, including any period for which the student received a Pell Grant in accordance with clause (i) or (ii);"; and

(2) in paragraph (3), by striking out "is entitled to" and inserting in lieu thereof "shall".

PELL GRANT NEED ANALYSIS REPEALS

SEC. 1805. Sections 411A, 411B, 411C, 411D, 411E, and 411F of the Act are repealed.

LIMITATIONS ON AMOUNTS OF LOANS COVERED BY FEDERAL INSURANCE

SEC. 1806. Section 424(a) of the Act is amended by striking out "1992." and inserting in lieu thereof "1993.".

LOAN LIMITS; LESS THAN HALF-TIME ATTENDANCE

SEC. 1807. (a) Section 425(a) of the Act is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) in clause (i), by striking out "$2,625," and inserting in lieu thereof "$3,500,";

(ii) in clause (ii), by striking out "$4,000," and inserting in lieu thereof "$5,000,"; and

(iii) in clause (iii), by striking out "(as defined in regulations of the Secretary)";

(B) in subparagraph (B), by striking out the first sentence therein; and

(2) in paragraph (2)(A)—

(A) in clause (i), by striking out "$17,500," and inserting in lieu thereof "$22,000,"; and

(B) in clause (ii)—

(I) by striking out "$54,750," and inserting in lieu thereof "$59,500,"; and

(II) by striking out "as defined by regulations of the Secretary and".

(b) Section 427 of the Act is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) made to a student who (A) is an eligible student under section 484, and (B) has agreed to notify promptly the holder of the loan concerning any change of address; and"; and

(B) in paragraph (2)(B)(i), by striking out the semicolon at the end thereof and inserting in lieu thereof "and subsection (d)"; and

(2) by adding at the end thereof the following new subsection:

"(d) SPECIAL RULE FOR LESS THAN HALF-TIME STUDENTS.—A borrower who is attending an eligible institution on a less than half-time basis (as determined by the institution)—

"(1) shall be required to—

"(A) repay any loans received while attending an eligible institution on at least a half-time basis without regard to the borrower's less than half-time attendance; and

"(B) commence repayment of any loans received under this part while attending on a less than half-time basis immediately upon ceasing such attendance; and

"(2) may receive deferments under subsection (a)(2)(C)(ii) for loans received while attending on a less than half-time basis.".

(c) Section 428(b) of the Act is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by striking out "who is carrying at an eligible institution at least one-half the normal full-time academic workload (as determined by the institution)" and inserting in lieu thereof "who is enrolled at an eligible institution,";

(ii) in clause (i), by striking out "$2,625," and inserting in lieu thereof "$3,500,";

(iii) in clause (ii), by striking out "$4,000," and inserting in lieu thereof "$5,000,"; and

(iv) in the matter immediately following clause (iii), by striking out "in cases" through "but"and inserting in lieu thereof "that";

(B) in subparagraph (B)—

(i) in clause (i), by striking out "$17,250," and inserting in lieu thereof "$22,000,"; and

(ii) in clause (ii), by striking out "$54,750," and inserting in lieu thereof "$59,500,"; and

(2) by adding at the end thereof the following new paragraph:

"(7) SPECIAL RULE FOR LESS THAN HALF-TIME STUDENTS.—A borrower who is attending an eligible institution on at less than half-time basis (as determined by the institution)—

"(A) shall be required to—

"(i) repay any loans received while attending an eligible institution on a least a half-time basis without regard to the borrower's less than half-time attendance; and

"(ii) commence repayment of any loans received under this part while attending on a less than half-time basis immediately upon ceasing such attendance; and

"(B) may receive deferments under paragraph (1)(M)(ii) for loans received while attending on a less than half-time basis.".

(c) Section 428A(b) of the Act is amended by amending paragraphs (1) and (2) to read as follows:

"(1) ANNUAL LIMITS.—Subject to paragraphs (2) and (3), the amount a student may borrow in any academic year or its equivalent (as determined by the Secretary) may not exceed—

"(A) $2,500, in the case of a student who has not successfully completed the first year of a program of undergraduate education and who is enrolled in a program of less than one academic year (defined for this purpose as 24 semester or trimester hours, 36 quarter hours, or 900 clock hours);

"(B) $4,000, in the case of a student who has not successfully completed the first year of a program of undergraduate education and who is enrolled in a program of at least one academic year in length;

"(C) $6,000, in the case of a student who has successfully completed such first year, but who has not successfully completed the remainder of a program of undergraduate education; or

"(D) $10,000, in the case of a graduate or professional student.

"(2) AGGREGATE LIMITS.—The aggregate insured principal amount for insured loans made to any student under this section, exclusive of interest capitalized under subsection (c), shall not exceed—

"(A) $28,000, in the case of a student who has not successfully completed a program of undergraduate education; and

"(B) $50,000, in the case of a graduate or professional student, including any loans made to such student under this section before he or she became a graduate or professional student.".

GRADUATED REPAYMENT

SEC. 1808. (a) Section 427 of the Act is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (G), by striking out the "and" at the end thereof;

(B) by redesignating subparagraph (H) as subparagraph (J); and

(C) by inserting immediately following subparagraph (G) the following new subparagraph:

"(H) provides that, not more than 6 months prior to the date on which the borrower's first payment on a loan is due, the lender shall offer the borrower the option of repaying the loan in accordance with a graduated repayment schedule, provided that such schedule does not result in negative amortization of the loan, provides for the repayment of only accrued interest during the first 12 months of repayment, and, after the fourth year of repayment, requires the borrower to resume repayment on an equal installment basis in an amount sufficient to satisfy the requirements of subparagraph (B);".

(b) Section 428 of the Act is further amended—

(1) in subsection (a)(2)(A)(III), by striking out "and" at the end thereof; and

(2) in subsection (b)(1)—

(A) by amending subparagraph (E) to read as follows:

"(E) subject to subparagraphs (D) and (L), and except as provided by subparagraph (M), provides that (i) not more than 6 months prior to the date on which the borrower's first payment is due, the lender shall offer the borrower of a loan made, insured, or guaranteed under this section or section 428A the option of repaying the loan in accordance with a graduated repayment schedule, provided that such schedule does not result in negative amortization of the loan, provides for the repayment of only accrued interest during the first 12 months of repayment, and, after the fourth year of repayment, requires the borrower to resume repayment on an equal installment basis in an amount sufficient to satisfy the requirements of clause (ii), and (ii) repayment of loans shall be in installments over a period of not less than 5 years (unless the student, during the 6 months immediately preceding the start of the repayment period, specifically requests that repayment be made over a shorter period) nor more than 10 years, beginning 6 months after the month in which the student ceases to carry at least one-half the normal full-time academic workload as determined by the institution;".

LOAN CERTIFICATION BY ELIGIBLE INSTITUTIONS

SEC. 1809. Section 428(a)(2)(F) of the Act is amended by striking out "under this part," through the end thereof and inserting in lieu thereof "under this part."

DEFERMENTS

SEC. 1810. (a) Section 427(a)(2)(C) of the Act is amended—

(1) in clause (i), by striking out the subclause designations "(I)", "(II)", and "(III)";

(2) by redesignating clauses (i) through (xi) as subclauses (I) through (XI), respectively;

(3) by inserting immediately preceding subclause (I) (as redesignated in paragraph (2)) the following new clause:

"(i) for a loan made to cover a period of instruction beginning before October 1, 1992—";

(4) in subclause (XI) (as redesignated by paragraph (2)), by striking out the comma at the end thereof and inserting in lieu thereof a semicolon and "or"; and

(5) by inserting immediately after clause (i) the following new clause:

"(ii) except as provided in subsection (d), for a loan made to cover a period of instruction beginning on or after October 1, 1992—

"(I) during which the borrower is pursuing a full-time course of study leading to a degree or certificate at an eligible institution, is pursing at least a half-time course of study (as determined by the institution) leading to a degree or certificate during an enrollment period for which the student has obtained a loan under this part, or is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary; or

"(II) not in excess of three years in the aggregate, during which the borrower demonstrates a financial inability to make the required repayments of principal and interest because of exceptional circumstances that meet criteria established by the Secretary pursuant to regulations.".

(b) Section 428(b) of the Act is further amended—

(1) in paragraph (1)—

(A) in subparagraph (M)—

(i) in clause (i), by striking out the subclause designations "(I)", "(II)", and "(III)";

(ii) by redesignating clauses (i) through (xi) as subclauses (I) through (XI), respectively;

(iii) by inserting immediately preceding subclause (I) (as redesignated in paragraph (2)) the following new clause:

"(i) for a loan made to cover a period of instruction beginning before October 1, 1992—";

(iv) in subclause (XI) (as redesignated by paragraph (2)), by adding at the end thereof "or"; and

(v) by inserting immediately after clause (i) the following new clause:

"(ii) except as provided in paragraph (7), for a loan made to cover a period of instruction beginning on or after October 1, 1992—

"(I) during which the borrower is pursuing a full-time course of study leading to a degree or certificate at an eligible institution, is pursuing at least a half-time course of study (as determined by the institution) leading to a degree or certificate during an enrollment period for which the student has obtained a loan under this part, or is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary; or

"(II) not in excess of three years in the aggregate, during which the borrower demonstrates a financial inability to make the required repayments of principal and interest because of exceptional circumstances that meet criteria established by the Secretary pursuant to regulations."; and

(B) in subparagraph (V)—

(i) in clause (i), by striking out "and" at the end thereof;

(ii) in clause (ii), by striking out "clause (i)," and clause (i)." and inserting in lieu thereof "clause (i) or (ii)," and "clause (i) or (ii).", respectively;

(iii) by redesignating clause (ii) as clause (iii); and

(iv) by inserting immediately following clause (i) the following new clause:

"(ii) provides that, upon written request, a lender shall grant a borrower forbearance, renewable at 12-month intervals for up to three years, under which no payments of interest or principal may be required, but the interest that accrues shall be added to the principal amount of the loan, if the borrower—

"(I) is serving under the Peace Corps Act or the Domestic Volunteer Service Act of 1973; and

"(II) does not qualify for the deferment described in subparagraph (M)(ii)(II); and".

(c) Section 428A(c)(2) of the Act is amended by striking out "sections 427(a)(2)(C)(i) and 428(b)(1)(M)(i)" and inserting in lieu thereof "sections 427(a)(2)(C) and 428(b)(1)(M)".

(d) Section 428B(c)(1) of the Act is amended—

(1) by striking out "clause (i), (viii) or (ix)" and inserting in lieu thereof "subclause (I), (VIII), or (IX) of clause (i), or clause (ii)"; and

(2) by striking out "clause (i) of either such section." and inserting in lieu thereof "clause (i)(I) of either such section.".

CHANGES IN FEDERAL REINSURANCE COVERAGE

SEC. 1811. Section 428(c) of the Act is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking out the period at the end thereof and inserting in lieu thereof a comma and "or 45 days after the guaranty agency discharges its insurance obligation on the loan, whichever is later."; and

(B) by amending subparagraph (B) to read as follows:—

"(B) Notwithstanding subparagraph (A)—

"(i) if, for any fiscal year, the amount of such reimbursement payments by the Secretary under this subsection exceeds 5 percent of the amount of the loans which are insured by such guaranty agency under such program and which were in repayment at the end of the preceding fiscal year, the amount to be paid as reimbursement under this subsection for such excess shall be equal to 90 percent of the amount of such excess;

"(ii) if, for any fiscal year, the amount of such reimbursement payments exceeds 9 percent of such loans, the amount to be paid as reimbursement under this subsection for such excess shall be equal to 80 percent of such excess; and

"(iii) if, with respect to the end of any fiscal year, a guaranty agency is being reimbursed at the level described in clause (i) or (ii), the initial reimbursement payments by the Secretary with respect to the beginning of the next succeeding fiscal year shall be calculated at such level until the Secretary determines, based on data submitted by the guaranty agency, that it meets the requirements of this subsection for reimbursement at a different level. Upon the Secretary's determination, the reimbursement payments by the Secretary shall be adjusted accordingly, including any underpayment or overpayment of the initial reimbursement payments."; and

(2) in paragraph (7)—

(A) in subparagraph (A)(i), by inserting immediately following "1977" a comma and "but before October 1, 1992";

(B) in subparagraph (B), by inserting "or (B)" immediately following "(A)";

(C) by redesignating subparagraph (B) as subparagraph (C); and

(D) by inserting immediately following subparagraph (A) the following new subparagraph:

"(B) Notwithstanding paragraph (1)(B), the Secretary may pay a guaranty agency 100 percent of the amount expended by it in discharge of its insurance obligation for any fiscal year—

"(i) which begins on or after October 1, 1992; and

"(ii) which is either the fiscal year in which such guaranty agency begins to actively carry on a student loan insurance program which is subject to a guaranty agreement under subsection (b), or is one of the four succeeding fiscal years.".

DELAYED LOAN DISBURSEMENT

SEC. 1812. Section 428G(b) of the Act is amended—

(1) by amending the subsection heading to read as follows: "TIMING OF FIRST DISBURSEMENT.—"; and

(2) by amending paragraph (1) to read as follows:

"(1) LOANS TO FIRST-YEAR STUDENTS.—In the case of a borrower who is entering the first year of a program of undergraduate education—

"(A) at an institution with a cohort default rate equal to or greater than 30 percent, the institution shall not disburse the first installment of the proceeds of any loan made, insured, or guaranteed in accordance with section 427, 428, or 428A prior to 60 days after classes have begun for the period of enrollment for which the loan is obtained; or

"(B) at an institution with a cohort default rate less than 30 percent, the institution shall not disburse the first installment of the proceeds of any loan made, insured, or guaranteed in accordance with sections 427, 428, or 428A prior to 30 days after classes have begun for the period of enrollment for which the loan is obtained.".

LIMITATIONS, SUSPENSIONS, TERMINATIONS, OTHER HEARING PROCEDURES, AND FINES

SEC. 1813. Section 432 of the Act is amended—

(1) in subsection (a)(3), by striking out "on the record," and inserting in lieu thereof a comma;

(2) in subsection (g)—

(A) in paragraph (1), by striking out "on the record," and inserting in lieu thereof a comma;

(B) by striking out paragraphs (2), (3), and (4); and

(C) by redesignating paragraphs (5) and (6) as paragraphs (2) and (3), respectively;

(3) in subsection (h)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) in the first sentence therein, by striking out "shall, in accordance with sections 556 and 557 of title 5, United States Code," and inserting in lieu thereof "shall"; and

(II) in the second sentence therein, by striking out "The Secretary" through "disqualification—" and inserting in lieu thereof the following: "The Secretary shall impose any or all sanctions, imposed by the guaranty agency, on the participation of the lender in the student loan insurance program of each of the guaranty agencies under this part, and notify such guaranty agencies of the imposition of such sanctions—";

(ii) in subparagraph (B), by striking out "disqualification" each place it appears and inserting in lieu thereof "sanctions"; and

(iii) by redesignating subparagraph (B) as subparagraph (C); and

(iv) by inserting immediately following subparagraph (A) the following new paragraph:

"(B) The Secretary's review under this paragraph of the limitation, suspension, or termination imposed by a guaranty agency pursuant to section 428(b)(1)(U) shall be limited to—

"(i) a review of the written record of the proceedings in which the guaranty agency imposed such sanctions; and

"(ii) a determination as to whether the guaranty agency complied with section 428(b)(1)(U) and any notice and hearing requirements specified in regulations prescribed under this part."; and

(B) in paragraph (3)—

(i) in subparagraph (A)—

(I) in the first sentence therein, by striking out "shall, in accordance with sections 556 and 557 of title 5, United States Code," and inserting in lieu thereof "shall"; and

(II) in the second sentence therein, by striking out "The Secretary" through "disqualification—" and inserting in lieu thereof the following: "The Secretary shall impose any or all sanctions, imposed by the guaranty agency, on the participation of the institution in the student loan insurance program of each of the guaranty agencies under this part, and notify such guaranty agencies of the imposition of such sanctions—";

(ii) in subparagraph (B), by striking out "disqualification" each place it appears and inserting in lieu thereof "sanctions";

(iii) by redesignating subparagraph (B) as subparagraph (C); and

(iv) by inserting immediately following subparagraph (A) the following new subparagraph:

"(B) The Secretary's review under this paragraph of the limitation, suspension, or termination imposed by a guaranty agency pursuant to section 428(b)(1)(T) shall be limited to—

"(i) a review of the written record of the proceedings in which the guaranty agency imposed such sanctions; and

"(ii) a determination as to whether the guaranty agency complied with section 428(b)(1)(T) and any notice and hearing requirements specified in regulations prescribed under this part.".

(b) Section 428(b)(1)(T) of the Act is amended by striking out "as in effect on January 1, 1985".

RESTRICTIONS ON GUARANTY AGENCY OFFICERS AND EMPLOYEES

SEC. 1814. Section 428(b) of the Act is further amended by adding at the end thereof the following new paragraph:

"(7) RESTRICTIONS ON GUARANTY AGENCY OFFICERS AND EMPLOYEES.—No guaranty agency shall permit any of its officers or employees, or any member of their immediate families, to have a direct financial interest in, or serve as an officer or employee of, any lender, secondary market, contractor, or servicer with which the guaranty agency does business.".

GUARANTY AGENCY INFORMATION

SEC. 1815. (a) Section 428 of the Act is further amended—

(1) in subsection (c)(2)(B) by striking out "as the Secretary may reasonably require to carry out the Secretary's functions under this subsection," and inserting in lieu thereof "including financial information, as the Secretary may reasonably require to carry out the Secretary's functions under this part and protect the financial interest of the United States,"; and

(2) in subsection (f)—

(A) in paragraph (1)(B)—

(i) by inserting "subject to paragraph (3),"; and

(ii) by striking out "according to the provisions of this subparagraph." and inserting in lieu thereof "according to the provisions of this subsection.", respectively; and

(B) by adding at the end thereof the following new paragraph:

"(3) PROVISIONS OF FINANCIAL INFORMATION.—The Secretary is authorized to reduce or withhold payments under this subsection until the guaranty agency provides the information required under subsection (c)(2)(B).".

ADMINISTRATIVE COST ALLOWANCE

SEC. 1816. Section 428(f)(1)(B) of the Act is further amended, in the first sentence therein, by striking out "equal to" through the end thereof and inserting in lieu thereof "equal to the lesser of one percent of loan volume or actual administrative costs, as estimated in accordance with criteria prescribed by the Secretary.".

COLLECTION RETENTION ALLOWANCE

SEC. 1817. Section 428(c)(6)(A)(ii) of the Act is amended by striking out "30 percent of such payments (subject to subparagraph (D) of this paragraph)" and inserting in lieu thereof "the lesser of 30 percent of such payments, or the cost of collection on that loan, as estimated in accordance with criteria prescribed by the Secretary in regulations,".

GUARANTY AGENCY OVERSIGHT

SEC. 1818. Section 432 of the Act is amended by adding at the end thereof the following new subsections:

"(k) GUARANTY AGENCY MANAGEMENT PLANS.—(1) If the ratio of a guaranty agency's reserve funds to its outstanding guarantees is less than a level set by the Secretary, or the Secretary otherwise determines that the administrative or financial condition of the guaranty agency jeopardizes its continued ability to perform its responsibilities under its guaranty agreement, the Secretary may, in order to protect the financial interest of the United States, require the guaranty agency to submit and implement a management plan acceptable to the Secretary.

"(2) A management plan under this subsection shall include the means by which the guaranty agency will improve its financial and administrative condition. The management plan may include, but is not limited to, the limitation of administrative expenditures, the increase of the insurance premium charged to borrowers, up to the maximum prescribed in section 428(b)(1)(H), and the increase of the ratio of guaranty agency's reserve funds to outstanding guarantees.

"(3) If the guaranty agency fails to submit a management plan acceptable to the Secretary, or the Secretary determines that the guaranty agency has failed to improve substantially its administrative and financial condition in accordance with its management plan under this subsection, the Secretary may terminate the guaranty agency's agreement in accordance with subsection (l).

"(l) TERMINATION OF GUARANTY AGENCY'S AGREEMENT.—If the guaranty agency does not satisfy the requirements of subsection (k), or the Secretary otherwise determines that the guaranty agency is no longer able to perform its responsibilities under its guaranty agreement, the Secretary is authorized, in order to protect the financial interest of the United States, after notice and opportunity for a hearing, to terminate the guaranty agency's agreement under this part.

"(m) AUTHORITY OF THE SECRETARY TO ASSUME GUARANTY AGENCY FUNCTIONS.—(1) If a guaranty agency terminates its agreement under this part, or its guaranty agreement is terminated by the Secretary under subsection (l), the Secretary is authorized, to the extent the Secretary determines is necessary to protect the financial interest of the United States and carry out the purposes of this part, to—

"(A) assume responsibility for the functions of the guaranty agency under its loan insurance program, including, but not limited to—

"(i) ensuring the exercise of due diligence by lenders in making, servicing, and collecting loans;

"(ii) requiring lenders to submit the information necessary to determine the amount of interest benefits and special allowance payments payable on loans guaranteed under the guaranty agency's loan insurance program;

"(iii) requiring the timely filing by lenders of default, death, disability, and bankruptcy claims;

"(iv) paying default claims made by lenders;

"(v) monitoring the participation of institutions and lenders in the loan insurance program, including requiring the submission of any necessary information;

"(vi) the limitation, suspension, or termination of the participation of an institution or lender;

"(vii) monitoring the enrollment status of student borrowers; and

"(viii) reporting to national credit bureaus in accordance with section 430A;

"(B) require the guaranty agency to assign or otherwise provide, without compensation, to the Secretary any of the guaranty agency's assets, books, records, computer software, and equipment that the Secretary determines are necessary to carry out the functions assumed by the Secretary under subparagraph (A); and

"(C) take such other action as the Secretary determines is appropriate to ensure the continued availability of loans made under this part to residents of the State or States in which the guaranty agency did business, and the proper servicing of loans guaranteed by the guaranty agency prior to the Secretary's assumption of its responsibilities, including the transfer of such guaranty agency's functions and assets to another entity.

"(2) Nothing in this subsection shall require the Secretary to guarantee new loans as part of the guaranty agency functions assumed under paragraph (1), or to serve as a lender of last resort in accordance with section 428(j).

"(3) The Secretary's liability for any outstanding liabilities of a guaranty agency, the functions of which the Secretary has assumed, shall not exceed the fair market value of the assets assigned by the guaranty agency to the Secretary in accordance with paragraph (1)(B), minus any necessary liquidation or other administrative costs.".

COST SHARING BY STATES

SEC. 1819. Section 428 of the Act is amended by adding at the end thereof the following new subsections:

"(m) STATE BACKING OF GUARANTY AGENCIES.—(1) Notwithstanding any other provision of law, a State shall guarantee, with the full faith and credit of the State, or its equivalent, all loans guaranteed under this part by the guaranty agency designated for the State for borrowers who are attending eligible institutions in that State.

"(2) In addition to the designated guaranty agency specified in paragraph (1), a State may elect to guarantee, with the full faith and credit of the State, loans guaranteed under this part by any other guaranty agency for borrowers who are attending eligible institutions in that State.

"(3) In the event that a guaranty agency whose loan guarantees are guaranteed by a State under paragraph (1) or (2) is unable to discharge its insurance obligation incurred on loans under its loan insurance program, the State shall be responsible for discharging such obligations, as well as the administrative costs associated with transferring the operations of that guaranty agency to another entity.

"(4) If a State discharges the insurance obligations of a guaranty agency under paragraph (3), the Secretary shall pay the State the amount such guaranty agency would have otherwise received as reimbursement under subsection (c).

"(5) Unless a State demonstrates to the satisfaction of the Secretary that it has taken any steps necessary to satisfy the requirements of paragraph (1) by January 1, 1994, the Secretary shall assess institutions of higher education participating in the program under this part that are located in that State a fee based on the risk of financial loss to the Federal Government that the State would otherwise assume under this subsection. Such fees shall be deposited in student loan insurance fund described in section 431.

"(n) STATE SHARE OF DEFAULT COSTS.—(1) For any institution of higher education that has a cohort default rate, determined on the basis of the most recent fiscal years for which data are available, that exceeds the percentage specified in paragraph (3), the State in which such institution is located shall pay to the Secretary an amount equal to one half of the percentage of new loan volume attributable to such institution that is equal to the percentage by which such institution's cohort default rate exceeds the percentage specified in paragraph (3).

"(2) A State may charge a fee to an institution of higher education that participates in the program under this part and is located in that State according to a fee structure, approved by the Secretary, that is based on the institution's cohort default rate and the State's risk of loss under this subsection.

"(3) For purposes of paragraph (1), the cohort default rate percentage shall be—

"(A) 25 percent for fiscal year 1993; and

"(B) 20 percent for fiscal year 1994 and succeeding fiscal years.".

GUARANTEED STUDENT LOAN PROGRAM DEFINITIONS

"SEC. 1820. Section 435 of the Act is amended—

(1) by amending subsection (a) to read as follows:

"(a) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education, as defined in section 481.";

(2) by striking out subsections (b), (c), and (n);

(3) in subsection (m)—

(A) by inserting the paragraph designation "(1)" immediately following the subsection heading;

(B) in the first sentence, by striking out "The term" and inserting in lieu thereof "In general, the term"; and

(C) by adding at the end thereof the following new paragraphs:

"(2) For purposes of the definition in paragraph (1) only, a loan made in accordance with section 428A shall not be considered to enter repayment until after the borrower has ceased to be enrolled in a course of study leading to a degree or certificate at an eligible institution on at least a half-time basis (as determined by the institution) and ceased to be in a period of deferment based on such enrollment. Each eligible lender of a loan made under section 428A shall provide the guaranty agency with the information necessary to determine when the loan entered repayment for purposes of this subsection, and the guaranty agency shall provide such information to the Secretary.

"(3) For purposes of calculating the cohort default rates for lenders or other holders of loans made under this part, references to lenders or other holders, as the case may be, shall be substituted for references to institutions in paragraph (1)."; and

(4) by redesignating subsections (d) through (m) as subsections (b) through (k), respectively.

SPECIAL ALLOWANCE

SEC. 1821. Section 438(b)(2) of the Act is amended—

(1) in subparagraph (A), by striking out "subparagraphs (B), (C), and (D)" and inserting in lieu thereof "subparagraphs (B), (C), (D), (E) and (F)"; and

(2) by adding at the end thereof the following new subparagraphs:

"(E) In the case of a holder of loans for which the cohort default rate exceeds 20 percent, subparagraph (A)(iii) shall be applied by substituting '3 percent' for '3.25 percent'.

"(F) In the case of a lender who does not provide to the guaranty agency the information required under section 435(k)(2), subparagraph (A)(iii) shall be applied by substituting '3 percent' for '3.25 percent'.".

AMOUNT OF NEED

SEC. 1821. Section 471 of the Act is amended by striking out the parenthetical therein.

COST OF ATTENDANCE

SEC. 1822. Section 472 of the Act is amended—

(1) by amending the matter immediately preceding paragraph (1) to read as follows: "Except as provided in subsections (b) and (c) and subject to section 478, for purposes of this title, the term 'cost of attendance' means—"

(2) by amending paragraph (1) to read as follows:

"(1) tuition and uniform compulsory fees normally assessed a student carrying the same academic workload, as determined by the institution at which the student is in attendance for any award year, without regard to whether the student receives grant, loan, or work assistance under this title;"

(3) in paragraph (3)—

(A) in the matter immediately preceding subparagraph (A), by inserting immediately following "institution" the following: "without regard to whether the student receives grant, loan, or work assistance under this title";

(B) in subparagraph (A), by striking out "$1,500" and inserting in lieu thereof "$1,700"; and

(C) in subparagraph (C), by striking out "$2,500" and inserting in lieu thereof "$2,300";

(4) by inserting the subsection designation "(a)" immediately following "SEC. 472."; and

(5) by adding at the end thereof the following new subsection:

"(b) For the purpose of subpart 1 of part A of this title—

"(1) tuition and fees to be used in determining the student's cost of attendance in accordance with subsection (a)(1) shall be first calculated on the basis of a full-time academic workload, and then adjusted in accordance with section 411(b)(1)(B);

"(2) the allowance for room and board costs, books, equipment, supplies, transportation, and miscellaneous personal expenses incurred by the student to be used in determining the student's cost of attendance in accordance with subsection (a) shall not exceed—

"(A) $1,700 for a student without dependents residing at home with his or her parents; and

"(B) $2,300 for all other students;

"except that if, for an award year after award year 1992–1993, the standard maintenance allowances specified in sections 475(c)(4) and 477(b)(4) are increased or decreased by the Secretary in accordance with section 478, then the dollar amounts specified in paragraphs (1) and (2) shall be increased or decreased by a percentage equal to such percentage increase or decrease in such standard maintenance allowances; and

"(3) the allowance for dependent care to be used in determining the student's cost of attendance in accordance with subsection (a)(7) shall not exceed $1,000.".

FAMILY CONTRIBUTION DEFINED

SEC. 1823. Section 473 of the Act is amended by striking out "subparts 1 and 3" and inserting in lieu thereof "subpart 3".

DATA ELEMENTS

SEC. 1824. Section 474 of the Act is amended—

(1) by amending paragraphs (1), (2), and (3) to read as follows:

"(1) the available income of (A) the student and his or her parents, in the case of a dependent student, or (B) the student (and spouse), in the case of an independent student;

"(2) the number of (A) dependents of the parents of the student, in the case of a dependent student, or (B) dependents of the student (and spouse), in the case of an independent student;

"(3) the number of (A) dependents of the parents of the student, in the case of a dependent student, who are enrolled in, on at least a half-time basis, a program of postsecondary education and for whom the family may reasonably be expected to contribute to their postsecondary education, or (B) dependents of the student (and spouse), in the case of an independent student, who are so enrolled and for whom such contribution may reasonably be expected;";

(2) in paragraph (4)(B), by striking out "(and spouse)"; and

(3) in paragraph (6)—

(i) in subparagraph (A), by striking out "the student and the student's parents," and inserting in lieu thereof "the student's parents and the dependents of the parents, including the student,"; and

(ii) in subparagraph (B), by inserting "spouse and" immediately following "his or her".

FAMILY CONTRIBUTION FOR DEPENDENT STUDENTS

SEC. 1825. Section 475 of the Act is amended—

(1) in subsection (a), by striking out "(and spouse)" each place it appears;

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B), by adding "and" at the end thereof;

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(iii) by inserting the subparagraph designation "(A)" immediately following the paragraph designation; and

(iv) by adding at the end thereof the following new subparagraph:

"(B) if the amount determined under subparagraph (A) is a negative amount, setting the parents' adjusted available income at zero, and converting such negative amount to a positive number and using it to increase the adjustment to student income (determined in accordance with subsection (g)(2));"

(B) in paragraph (3), by striking out the semicolon at the end thereof and inserting in lieu thereof a period; and

(C) by striking out the matter immediately following paragraph (3);

(3) in subsection (c)—

(A) in paragraph (2), in the table therein, by striking out "$15,000 more" and inserting in lieu thereof "$15,000 or more";

(B) in paragraph (4), by amending the table therein to read as follows:

"Standard Maintenance Allowance

Family size (including student)	Number in College 1	2	3	4	5	For each additional subtract:
2	$10,520	$8,720				
3	13,100	11,310	$9,510			
4	16,180	14,380	12,590	$10,790		
5	19,090	17,290	15,500	13,700	$10,650	
6	22,330	20,530	18,740	16,940	15,150	$1,790
For each additional add:	2,520	2,520	2,520	2,520	2,520	";

(C) in paragraph (5)—

(i) by striking out "$2,100" each place it appears and inserting in lieu thereof "$2,500"; and

(ii) by striking out "1987–1988," and inserting in lieu thereof "1992–1993,"; and

(D) in paragraph (7), by striking out "instructional";

(4) in subsection (d)—

(A) in paragraph (1), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following:

"except that the amount determined under this paragraph shall not be less than zero.";

(B) in paragraph (2)—

(i) by amending subparagraph (B) to read as follows:

"(B) the net value of investments and real estate, including the net value of the principal place of residence, as defined in section 480(i); and "; and

(ii) in subparagraph (C)—

(I) by striking out "a business or farm" and "such business or farm" and inserting in lieu thereof "business or farm assets" and "such business or farm assets", respectively; and

(II) by amending the table therein to read as follows:

"Adjusted Net Worth of Business or Farm Assets

If the net worth of business or farm assets is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	$0 + 40 percent of NW
$75,001–$225,000	$30,000 + 50 percent of NW over $75,000
$225,001–$375,000	$105,000 + 60 percent of NW over $225,000
$375,001 or more	$195,000 + 100 percent of NW over $375,000";

and

(B) in paragraph (3), by amending the table therein to read as follows:

"Asset Protection Allowance for Families and Students

If there is one parent, and the age of that parent is, or if there are two parents, and the average age of both parents is—	And there are One parent	Two parents
	Then the asset protection allowance is—	
25 or less	$0	$0
26	400	1,600
27	700	3,200
28	1,100	4,800
29	1,500	6,400
30	1,900	8,000
31	2,200	9,600
32	2,600	11,200
33	3,000	12,800
34	3,400	14,400
35	3,700	16,000
36	4,100	17,600
37	4,500	19,200
38	4,900	20,800
39	5,200	22,400
40	5,600	24,000
41	5,800	24,600
42	5,900	25,100
43	6,000	25,700
44	6,200	26,100
45	6,300	26,800
46	6,500	27,400
47	6,700	28,000
48	6,900	28,600
49	7,100	29,300
50	7,200	30,000
51	7,500	30,800
52	7,700	31,500
53	7,900	32,300
54	8,200	33,200
55	8,400	34,000
56	8,600	34,800
57	8,900	35,800
58	9,200	36,700
59	9,500	37,800
60	9,800	38,800
61	10,100	40,000
62	10,500	41,100
63	10,800	42,300
64	11,200	43,400
65 or more	11,600	44,900";

(5) in subsection (e)—

(A) by striking out "under section 479):" and inserting in lieu thereof "under section 478):"; and

(B) by amending the table therein to read as follows:

"Parents' Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than zero	zero
$0 to $9,400	22% of AAI
$9,401 to $11,800	$2,068 + 25% of AAI over $9,400
$11,801 to $14,200	$2,668 + 29% of AAI over $11,800
$14,201 to $16,600	$3,364 + 34% of AAI over $14,200
$16,601 to $19,000	$4,180 + 40% of AAI over $16,600

"Parents' Assessment From Adjusted Available Income (AAI)—Continued

If AAI is—	Then the assessment is—
$19,001 or more	$5,059 + 47% of AAI over $19,000";

(6) in subsection (g)—

(A) by amending paragraph (1) to read as follows:

"(1) IN GENERAL.—The minimum student contribution from available income is equal to the greater of—

"(A)(i) in the case of a student who has not completed the first year of undergraduate studies—

"(I) zero, if the parents' total income is $12,000 or less;

"(II) $500, if the parents' total income is between $12,001 and $15,000, inclusive; and

"(III) $700, if the parents' total income is $15,001 or more; and

"(ii) in the case of any other student—

"(I) zero, if the parents' total income is $12,000 or less;

"(II) $600, if the parents' total income is between $12,001 and $15,000, inclusive; and

"(III) $900, if the parents' total income is $15,001 or more; or

"(B) an amount equal to 70 percent of the student's total income (determined in accordance with section 480) minus the adjustment to student income (determined in accordance with paragraph (2));

"except that, if the amount determined in accordance with subsection (b)(1)(B) results in a negative amount, then such negative amount shall be converted to a positive number and increase the adjustment to student income (determined in accordance with paragraph (2)), except that the dependent student's contribution from income shall not be reduced to less than zero.";

(B) in paragraph (2)—

(i) in the paragraph heading, by striking out "(AND SPOUSE)";

(ii) by striking out "(and spouse)" each place it appears; and

(iii) in subparagraph (A), by striking out "estimated"; and

(C) in paragraph (4), by striking out "(and spouse)";

(7) in subsection (h)—

(A) in subsection heading, by striking out "(AND SPOUSE)";

(B) by striking out "(and spouse)" each place it appears; and

(C) by striking out "35 percent," through the end thereof and inserting in lieu thereof "35 percent,"; and

(8) in subsection (i), in the matter immediately preceding paragraph (1), by striking out "For" and inserting "Except for purposes of subpart 1 of part A, for".

FAMILY CONTRIBUTION FOR MARRIED OR SINGLE INDEPENDENT STUDENTS WITHOUT DEPENDENTS

SEC. 1826. Section 476 of the Act is amended—

(1) by amending the section heading to read as follows: "FAMILY CONTRIBUTION FOR MARRIED OR SINGLE INDEPENDENT STUDENTS WITHOUT DEPENDENTS";

(2) in subsection (a)—

(A) in the matter immediately preceding paragraph (1)—

(i) by inserting "married or single" immediately following "For each"; and

(ii) by striking out "(including a spouse)," and inserting in lieu thereof a comma;

(B) in paragraph (1), by inserting "(and spouse's)" immediately following "student's"; and

(C) in paragraph (2), by inserting "(and spouse's)" immediately following "student's";

(3) in subsection (b)—

(A) by amending the section heading to read as follows: "STUDENT'S (AND SPOUSE'S) CONTRIBUTION FROM INCOME.—"

(B) by amending paragraph (1) to read as follows:

"(1)(A) IN GENERAL.—Subject to subparagraph (B), the student's (and spouse's) contribution from income is determined by—

"(i) adding student's (and spouse's) adjusted gross income and any income earned from work but not reported on a Federal income tax return, and subtracting excludable income (as defined in section 480);

"(ii) computing the student's (and spouse's) available taxable income by deducting, from the amount determined under clause (i)—

"(I) Federal income taxes;

"(II) an allowance for State and local income taxes, determined in accordance with paragraph (2);

"(III) the allowance for social security taxes, determined in accordance with paragraph (3);

"(IV) an employment expense allowance, determined in accordance with paragraph (4); and

"(V) a maintenance allowance of up to $610 per month, during periods of non-enrollment, for the independent student without dependents, and $5,310 per year, for the spouse of the independent student without dependents, or amounts established by the Secretary in accordance with section 478;

"(iii) assessing such available taxable income in accordance with paragraph (5); and

"(iv) adding to the assessment resulting under clause (iii) the amount of the untaxed income and benefits of the student (and the student's spouse), determined in accordance with section 480(c).

"(B) The student's (and spouse's) minimum contribution from income shall be the greater of—

"(i)(I) zero, if the student's (and spouse's) total income is $6,000 or less;

"(II) $780, if the student's (and spouse's) total income is between $6,001 and $12,000, inclusive; and

"(III) $1,200, if the student's (and spouse's) total income is $12,001 or more; or

"(ii) the amount calculated under subparagraph (A).";

(C) in paragraph (3), by inserting "(and the student's spouse)" immediately following "student";

(D) by redesignating paragraph (4) as paragraph (5);

(E) by inserting immediately following paragraph (3) the following new paragraph:

"(4) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows: If both the student and a spouse were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,500 or 35 percent of the earned income of the student or spouse with the lesser earned income. For any award year after award year 1992-1993, this paragraph shall be applied by increasing the dollar amount specified to reflect increases in the amount and percent of the Bureau of Labor Standards' budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-earner versus a one-worker family."; and

(F) in paragraph (5) (as redesignated by subparagraph (D))—

(i) in the matter preceding subparagraph (A)—

(I) by inserting "(and spouse's)" immediately following "student's"; and

(II) by striking out "paragraph (1)(A)" and inserting in lieu thereof "paragraph (1)(A)(i)";

(ii) in subparagraph (A), by striking out "$8,600," and inserting in lieu thereof "$10,800,"; and

(iii) in subparagraph (B), by striking out "$8,600,", "$6,020", and "$8,600." and inserting in lieu thereof "$10,800,", "$7,560", and "$10,800.", respectively; and

(4) in subsection (c)—

(A) in the subsection heading, by inserting "(AND SPOUSE'S)" immediately following "STUDENT'S";

(B) in paragraph (1), by inserting "(and spouse's)" after "student's" each place it appears;

(C) in paragraph (2)—

(i) in the paragraph heading, by inserting "(AND SPOUSE'S)" immediately following "STUDENT'S";

(ii) in the matter immediately preceding subparagraph (A) by inserting "(and spouse's)" immediately following "student's";

(iii) by amending subparagraph (B) to read as follows:

"(B) the net value of investments and real estate, including the net value of the principal place of residence, as defined in section 480(i); and

(iv) in subparagraph (C)—

(I) by striking out "a business or farm" and "such business or farm" and inserting in lieu thereof "business or farm assets" and "such business or farm assets", respectively; and

(II) by amending the table therein to read as follows:

"Adjusted Net Worth of Business or Farm Assets

If the net worth of business or farm assets is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	$0 + 40 percent of NW
$75,001–$225,000	$30,000 + 50 percent of NW over $75,000
$225,001–$375,000	$105,000 + 60 percent of NW over $225,000
$375,001 or more	$195,000 + 100 percent of NW over $375,000";

and

(D) by amending the table in paragraph (3) to read as follows:

"Asset Protection Allowance for Independent Students

If the age of the single student, or the average age of the student and spouse, is—	And the student is	
	Single	Married
	Then the asset protection allowance is—	
25 or less	$0	$0
26	400	1,600
27	700	3,200
28	1,100	4,800
29	1,500	6,400
30	1,900	8,000
31	2,200	9,600
32	2,600	11,200
33	3,000	12,800
34	3,400	14,400
35	3,700	16,000
36	4,100	17,600
37	4,500	19,200
38	4,900	20,800
39	5,200	22,400
40	5,600	24,000
41	5,800	24,600
42	5,900	25,100
43	6,000	25,700
44	6,200	26,100
45	6,300	26,800
46	6,500	27,400
47	6,700	28,000
48	6,900	28,600
49	7,100	29,300

"Asset Protection Allowance for Independent Students—Continued

If the age of the single student, or the average age of the student and spouse, is—	And the student is	
	Single	Married
50	7,200	30,000
51	7,500	30,800
52	7,700	31,500
53	7,900	32,300
54	8,200	33,200
55	8,400	34,000
56	8,600	34,800
57	8,900	35,800
58	9,200	36,700
59	9,500	37,800
60	9,800	38,800
61	10,100	40,000
62	10,500	41,100
63	10,800	42,300
64	11,200	43,400
65 or more	11,600	44,900";

FAMILY CONTRIBUTION FOR MARRIED OR SINGLE INDEPENDENT STUDENTS WITH DEPENDENTS

SEC. 1827. Section 477 of the Act is amended—

(1) by amending the section heading to read as follows: "FAMILY CONTRIBUTION FOR MARRIED OR SINGLE INDEPENDENT STUDENTS WITH DEPENDENTS";

(2) by amending subsection (a) to read as follows:

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each married or single independent student with dependents, the expected family contribution is equal to—

"(1) the sum of—

"(A) the family's contribution from income (determined in accordance with subsection (b)); and

"(B) the family's income supplemental amount from assets (determined in accordance with subsection (c)); divided by

"(2) the number of family members who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which assistance under this title is requested;

"except that the amount determined under this subsection shall not be less than zero.";

(3) in subsection (b)—

(A) by amending the subsection heading to read as follows: "FAMILY'S CONTRIBUTION FROM INCOME.—"

(B) by amending paragraph (1) to read as follows:

"(1)(A) IN GENERAL.—Subject to subparagraph (B), the family's contribution from income is determined by—

"(i) calculating the family's available income by deducting from total income (as defined in section 480)—

"(I) Federal income taxes;

"(II) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(III) an allowance for social security taxes, determined in accordance with paragraph (3);

"(IV) a standard maintenance allowance, determined in accordance with paragraph (4);

"(V) an employment expense allowance, determined in accordance with paragraph (5);

"(VI) a medical-dental expense allowance, determined in accordance with paragraph (6); and

"(VII) an educational expense allowance, determined in accordance with paragraph (7); and

"(ii) assessing the family's available income in accordance with subsection (d).

"(B) The family's minimum contribution from income shall be the greater of—

"(i)(I) zero, if the family's total income is $6,000 or less;

"(II) $780, if the family's total income is between $6,001 and $12,000, inclusive; and

"(III) $1,200, if the family's total income is $12,001 or more; or

"(ii) the amount calculated under subparagraph (A).";

(B) in paragraph (4)—

(i) by striking out "section 479):" and inserting in lieu thereof "section 478):"; and

(ii) by amending the table therein to read as follows:

"Standard Maintenance Allowance

Family size (including student)	Number in College					
	1	2	3	4	5	For each additional subtract:
2	$10,520	$8,720				
3	13,100	11,310	$9,510			
4	16,180	14,380	12,590	$10,790		
5	19,090	17,290	15,500	13,700	$10,650	
6	22,330	20,530	18,740	16,940	15,150	$1,790
For each additional add:	2,520	2,520	2,520	2,520	2,520	";

(C) in paragraph (5)—

(i) by striking out "$2,100" each place it appears and inserting in lieu thereof "$2,500"; and

(ii) by striking out "1987–1988," and inserting in lieu thereof "1992–1993,"; and

(D) in paragraph (7), by striking out "instructional";

(4) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (C), by striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(ii) by adding at the end thereof the following:

"except that the family's income supplemental amount from assets shall not be less than zero.";

(B) in paragraph (2)—

(i) by amending subparagraph (B) to read as follows:

"(B) the net value of investments and real estate, including the net value of the principal place of residence, as defined in section 480(i); and"; and

(ii) in subparagraph (C)—

(I) by striking out "a business or farm" and "such business or farm" and inserting in lieu thereof "business or farm assets" and "such business or farm assets", respectively; and

(II) by amending the table therein to read as follows:

"Adjusted Net Worth of Business or Farm

If the net worth of a business or farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	$0 + 40 percent of NW
$75,001–$225,000	$30,000 + 50 percent of NW over $75,000
$225,001–$375,000	$105,000 + 60 percent of NW over $225,000
$375,001 or more	$195,000 + 100 percent of NW over $375,000";

and

(C) by amending the table in paragraph (3) to read as follows:

"Asset Protection Allowance for Independent Students

If the age of the single student, or the average age of the student and spouse, is—	And the student is	
	Single	Married
	Then the asset protection allowance is—	
25 or less	$0	$0
26	400	1,600
27	700	3,200
28	1,100	4,800
29	1,500	6,400
30	1,900	8,000
31	2,200	9,600
32	2,600	11,200
33	3,000	12,800
34	3,400	14,400
35	3,700	16,000
36	4,100	17,600
37	4,500	19,200
38	4,900	20,800

"Asset Protection Allowance for Independent Students—Continued

If the age of the single student, or the average age of the student and spouse, is—	And the student is	
	Single	Married
39	5,200	22,400
40	5,600	24,000
41	5,800	24,600
42	5,900	25,100
43	6,000	25,700
44	6,200	26,100
45	6,300	26,800
46	6,500	27,400
47	6,700	28,000
48	6,900	28,600
49	7,100	29,300
50	7,200	30,000
51	7,500	30,800
52	7,700	31,500
53	7,900	32,300
54	8,200	33,200
55	8,400	34,000
56	8,600	34,800
57	8,900	35,800
58	9,200	36,700
59	9,500	37,800
60	9,800	38,800
61	10,100	40,000
62	10,500	41,100
63	10,800	42,300
64	11,200	43,400
65 or more	11,600	44,900";

and

(5) in subsection (d)—

(A) by striking out "adjusted";

(B) by striking out in the first parenthetical "subsection (a)(1) and hereafter referred to as 'AAI'" and inserting in lieu thereof "subsection (b)(1)(A)(i)"; and

(C) by amending the table therein to read as follows:

"Assessment From Available Income

If available income is—	Then the assessment is—
Less than zero	zero
$0 to $9,400	22% of AAI
$9,401 to $11,800	$2,068 + 25% of AAI over $9,400
$11,801 to $14,200	$2,668 + 29% of AAI over $11,800
$14,201 to $16,600	$3,364 + 34% of AAI over $14,200
$16,601 to $19,000	$4,180 + 40% of AAI over $16,600
$19,001 or more	$5,059 + 47% of AAI over $19,000";

UPDATED TABLES

SEC. 1828. Section 478 of the Act is amended—

(1) in the section heading, by striking out "REGULATIONS;";

(2) by striking out subsection (a);

(3) by striking out "academic year 1987–1988," and "1986" each place each appears and inserting in lieu thereof "academic year 1992–1993," and "1991", respectively;

(4) in subsection (b), by striking out "and 477(b)(4). Such revised table" and inserting in lieu thereof "and 477(b)(4), and revised maintenance allowances for purposes of section 476(b)(1)(B)(ii)(V). Such revisions";

(5) in subsection (c)(2), by striking out "'$24,000', '$84,000', and '$156,000'" and inserting in lieu thereof "'$30,000', '$105,000', and '$195,000'";

(6) by amending subsection (e) to read as follows:

"(e) ASSESSMENT SCHEDULES AND RATES.—For each academic year after academic year 1992–1993, the Secretary shall publish in the Federal Register revised tables of assessments for the purpose of sections 475(e), 476(b)(5), and 477(d). Such revised tables shall be developed—

"(1) by increasing each dollar amount that refers to adjusted available income, available taxable income, and available income in sections 475(e), 476(b)(5), and 477(d), respectively, by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary after consultation with the Advisory Committee on Student Financial Assistance) between December 1991 and the December next preceding the beginning of such academic year, rounded to the nearest $100; and

"(2) adjusting the other dollar amounts to reflect the changes made pursuant to paragraph (1)."; and

(7) by redesignating subsections (b), (c), (d), (e), and (f) as subsections (a), (b), (c), (d), and (e), respectively.

AID ADMINISTRATOR DISCRETION

SEC. 1829. Section 479A of the Act is amended—

(1) in subsection (a)—

(A) by striking out the subsection designation and "IN GENERAL.—"; and

(B) by striking out "subparts 1 and 2" each place it appears and inserting in lieu thereof "subpart 2"; and

(2) by striking out subsections (b) and (c).

INDEPENDENT STUDENT AND OTHER NEED ANALYSIS DEFINITIONS

SEC. 1830. Section 480 of the Act is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking out "paragraphs (2) through (4)," and inserting in lieu thereof "paragraphs (2) and (3), and subsection (e),";

(B) in paragraph (2), by striking out "subpart 2 of part A and parts B, C, and E of";

(C) by striking out paragraph (3); and

(D) by redesignating paragraph (4) as paragraph (3);

(2) in subsection (b), by amending the matter preceding paragraph (1) to read as follows:

"(b) UNTAXED INCOME AND BENEFITS.—The term 'untaxed income and benefits' when applied to parent contributions and the contributions of dependent students or independent students (with or without dependents) means—";

(3) by striking out subsection (c), and inserting in lieu thereof the following new subsection:

"(c) SECRETARIAL ADJUSTMENTS OF DATA ELEMENTS FOR SPECIAL CIRCUMSTANCES.—The Secretary may prescribe regulations specifying situations in which the data elements considered in determining a student's expected family contribution may be modified to accommodate the special circumstances of the student.";

(4) in subsection (d)—

(A) in paragraph (1)(A), by striking out "24" and inserting in lieu thereof "26";

(B) in paragraph (2)—

(i) in subparagraph (C), by striking out "who declares" through the end thereof and inserting in lieu thereof a semicolon;

(ii) in subparagraph (D), by striking out "who declares" through the end thereof and inserting in lieu thereof a semicolon; and

(iii) by amending subparagraph (F) to read as follows:

"(F) is a single undergraduate student with no dependents who—

"(i) did not live with his or her parents for more than six weeks in the aggregate during the calendar year preceding the award year;

"(ii) will not live with his or her parents for more than six weeks in the aggregate during the first calendar year of the award year; and

"(iii) prior to the disbursal of assistance under this title, demonstrates to the student financial aid administrator self-sufficiency during each of the two calendar years preceding the award year by demonstrating annual total income (excluding resources from parents and student financial assistance and living allowances from programs established under the National and Community Service Act of 1990) that is equal to or exceeds the amount specified in the Department of Labor's Lower Living Standard Income Level, adjusted for a family size of one; or";

(C) by striking out paragraphs (3) and (4); and

(D) by adding at the end thereof the following new paragraph:

"(3) An individual who meets the requirements of paragraphs (1) and (2) may, in unusual circumstances, be determined to be a dependent student by a student financial aid administrator, provided that such determination is documented.";

(5) by striking out subsection (e);

(6) by redesignating subsections (f), (g), (h), and (i) as subsections (e), (f), (i), and (j), respectively;

(7) by inserting immediately following subsection (f) (as redesignated by paragraph (6)) the following new subsections:

"(g) FARM ASSETS.—The term 'farm assets' means any property owned and used in the operation of a farm for profit, including real estate, livestock, livestock products, crops, farm machinery, and other equipment inventories. A farm is not considered to be operated for profit if crops or livestock are raised mainly for the consumption of the family, even if some income is derived from incidental sales.

"(h) BUSINESS ASSETS.—The term 'business assets' means property that is used in the operation of a trade or business, including real estate, inventories, buildings, machinery, and other equipment, patents, franchise rights, and copyrights.";

(8) by amending subsection (i) as redesignated in paragraph (6) to read as follows:

"(i) NET VALUE.—The 'net value' of assets means the current market value at the time of application of the assets described in subsection (f), minus the outstanding liabilities or indebtedness against the assets, except that in the case of the principal place of residence, the net value of such residence shall be calculated by subtracting the outstanding liabilities or indebtedness from the lesser of—

"(1) the value of such residence; or

"(2) the total income of the parents (or the student and the student's spouse, as the case may be), multiplied by three."; and

(9) by adding at the end thereof the following new subsections:

"(k) DEPENDENT OF THE STUDENT.—Except as otherwise provided, the term 'dependent of the student' means the student's dependent children and other persons (except the student's spouse) who live with and receive more than one-half of their support from the student and will continue to receive more than half of their support from the student during the award year.

"(l) DEPENDENT OF THE PARENT.—Except as otherwise provided, the term 'dependent of the parent' means the student, any of the student's dependent children, dependent children of the student's parents, including those children who are deemed to be dependent students when applying for aid under this title, and other persons who live with and receive more than one-half of their support from the parent and will continue to receive more than half of their support from the parent during the award year.

"(m) FAMILY SIZE.—(1) In determining family size in the case of a dependent student—

"(A) if the parents are not divorced or separated, family members include the student's parents, and the dependents of the student's parents including the student;

"(B) if the parents are divorced or separated, family members include the parent whose income is included in computing available income and that parent's dependents, including the student; and

"(C) if the parents are divorced and the parent whose income is so included is remarried, or if the parent was a widow or widower who has remarried, family members also include, in addition to those individuals referred to in subparagraph (B), the new spouse and any dependents of the new spouse if that spouse's income is included in determining available income or the student's contribution from income.

"(2) In determining family size in the case of an independent student with dependents—

"(A) family members include the student, the student's spouse, and the dependents of the student; and

"(B) if the student is divorced or separated, family members do not include the spouse (or ex-spouse), but do include the student and the student's dependents.

"(3) In determining family size in the case of an independent student without dependents—

"(A) family members include the student and the student's spouse; and

"(B) if the student is divorced or separated, family members do not include the spouse (or ex-spouse), but do include the student.".

STUDENT FINANCIAL ASSISTANCE DEFINITIONS

SEC. 1831. Section 481 of the Act is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A)—

(I) by striking out "Subject to subsection (e), for" and inserting in lieu thereof "For"; and

(II) by striking out "and part B," and inserting in lieu thereof a comma;

(ii) by striking out subparagraph (B); and

(iii) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(B) by adding at the end thereof the following new paragraph:

"(4)(A) An institution whose cohort default rate, as defined in section 435(k)(1), is equal to or greater than the threshold percentage specified in subparagraph (B) for each of the three most recent fiscal years for which data are available shall not be eligible to participate in a program under this title for the fiscal year for which the determination is made and for the two succeeding fiscal years, unless, within 30 days of receiving notification from the Secretary of the loss of eligibility under this paragraph, the institution appeals the loss of its eligibility to the Secretary. The Secretary shall issue a decision on any such appeal within 45 days after its submission. Such decision may permit the institution to continue its participation in a program under this part if—

"(i) the institution demonstrates to the satisfaction of the Secretary that the Secretary's calculation of its cohort default rate is not accurate, and that recalculation would reduce its cohort default rate for any of the three fiscal years below the threshold percentage specified in subparagraph (B); or

"(ii) there are, in the judgment of the Secretary, exceptional mitigating circumstances that would make the application of this paragraph inequitable.

"During such appeal, the Secretary may permit the institution to continue to participate in a program under this title.

"(B) For purposes of determinations under subparagraph (A), the threshold percentage is—

"(i) 35 percent for fiscal years 1991 and 1992;

"(ii) 30 percent for fiscal year 1993; and

"(iii) 25 percent for any succeeding fiscal year.

"(C) Until July 1, 1994, this paragraph shall not apply to any institution that is—

"(i) a part B institution within the meaning of section 322(2) of the Act;

"(ii) a tribally controlled community college within the meaning of section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978; or

"(iii) a Navajo Community College under the Navajo Community College Act.".

(2) in subsection (b), by adding at the end thereof the following: "If the Secretary determines that a particular category of proprietary institution of higher education does not meet the requirements of paragraph (4) because there is no nationally recognized accrediting agency or association qualified to accredit institutions in such category, the Secretary may, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by institutions in such category, which shall make recommendations to the Secretary concerning the standards of content, scope, and quality that must be met in order to qualify institutions in such category to participate in programs under this title, and whether particular schools not meeting the requirements of paragraph (4) meet the standards established by the Secretary after review of the standards recommended by the advisory committee.";

(3) by striking out subsections (c) and (e); and

(4) by redesignating subsection (d) as subsection (c).

AWARD MAXIMUMS FOR SHORT TERM PROGRAMS

SEC. 1832. Part G of Title IV of the Act is further amended by inserting immediately after section 481 the following new section:

"AWARD MAXIMUMS FOR SHORT TERM PROGRAMS

"SEC. 481A. The maximum grant or loan amount that may be awarded under any grant or loan program under this title to a student enrolled in any course of study of less than one academic year (defined for this purpose as 24 semester or trimester hours, 36 quarter hours, or 900 clock hours) shall not exceed the amount that bears the same relation to the annual statutory maximum for such grant or loan as the course of study measured in semester, trimester, quarter or clock hours bears to one academic year.".

STUDENT ELIGIBILITY

SEC. 1833. Section 484 of the Act is amended—

(1) in subsection (a), by amending paragraph (2) to read as follows:

"(2) satisfy the minimum academic achievement standards specified in subsection (c);";

(2) in subsection (b)—

(A) by amending paragraph (4) to read as follows:

"(4) Notwithstanding subsection (a)(1), a student who is enrolled or accepted for enrollment in a program at an eligible institution that is necessary for a professional credential or certification in a State that is required for employment as a teacher in an elementary or secondary school in that State shall be eligible to apply for loans under part B of this title."; and

(B) by adding at the end thereof the following new paragraph:

"(5) In order to be eligible to receive a loan under part B of this title (other than a loan under section 428C) a student who is enrolled at an institution on a less than half-time basis (as determined by the institution) shall be—

"(A) enrolled in a program of study leading to a degree or certificate; or

"(B) enrolled in training to prepare students for gainful employment in a recognized occupation.";

(3) by amending subsection (c) to read as follows:

"(c) MINIMUM ACADEMIC ACHIEVEMENT STANDARDS.—For the purposes of subsection (a)(2), a student shall meet minimum academic achievement standards established by the institution. Such standards shall be established in accordance with the regulations of the Secretary and shall be at least as rigorous as the equivalent of a cumulative "C" average, unless the institution demonstrates to the satisfaction of the Secretary that a different standard is more appropriate for its students.";

(5) in subsection (d), by striking out "approved by the Secretary." and inserting in lieu thereof "that meets such standards for development, administration, and scoring as the Secretary may prescribe in regulations.";

(6) by striking out subsections (f), (h), (i), and (j); and

(7) by inserting immediately preceding subsection (g) the following new subsection:

"(f) VERIFICATION OF IMMIGRATION STATUS.—(1) The Secretary shall implement a system under which the statements and supporting documentation, if required, of an individual declaring that he or she satisfies the requirements of subsection (a)(5) shall be verified prior to the individual's receipt of grant, loan, or work assistance under this title.

"(2) The Secretary is authorized to verify such statements and supporting documentation through a data match, using an automated or other system, with other Federal agencies that may be in possession of information relevant to such statements and supporting documentation.".

REPEAL; INSTITUTIONAL REFUNDS

SEC. 1834. (a) Section 486 of the Act is repealed.

(b) Part G of the Title IV of the Act is amended by inserting immediately following section 485B the following new section:

"INSTITUTIONAL REFUNDS

"SEC. 486. (a) Each institution of higher education participating in a program under this title shall have in effect a fair and equitable refund policy under which the institution refunds unearned tuition, fees, room and board, and other charges to a student who received grant, loan, or work assistance under this title, or whose parent received a loan made under section 428B on behalf of the student, if the student—

"(1) does not register for the period of attendance for which the assistance was intended; or

"(2) withdraws or otherwise fails to complete the period of enrollment for which the assistance was provided.

"(b) The institution shall provide a written statement containing its refund policy, together with examples of the application of this policy, to a prospective student prior to the student's enrollment, and make its refund policy known to currently enrolled students. The institution shall include in its statement the procedures that a student must follow to obtain a refund, but whether or not the student follows those procedures, the institution shall, in accordance with subsection (e), pay to the lender the portion of a refund allocable to the student's loans made, insured, or guaranteed under section 427, 428, 428A, or 428B, and return the portion of the refund allocable to another program under title IV of the Act to the appropriate account for that program. If the institution changes its refund policy, it shall ensure that all students are made aware of the new policy.

"(c) The institution's refund policy shall be considered to be fair and equitable for purposes of this section if that policy provides for a refund in an amount of at least the largest of the amounts provided under—

"(1) the requirements of applicable State law;

"(2) the specific refund requirements established by the institution's nationally recognized accrediting agency and approved by the Secretary;

"(3) if no such standards exist, the specific refund policy standards set by another association of institutions of postsecondary education and approved by the Secretary; or

"(4) the pro rata refund calculation described in subsection (d), except that this paragraph will not apply to the institution's refund policy for any student whose date of withdrawal from the institution is after the halfway point (in time) in the period of enrollment for which the student has been charged.

"(d)(1) As used in this section, the term 'pro rata refund' means a refund by the institution of not less than that portion of the tuition, fees, room and board, and other charges assessed the student by the institution equal to the portion of the period of enrollment for which the student has been charged that remains on the last recorded day of attendance by the student, rounded downward to the nearest 10 percent of that period, less any unpaid charges owed by the student for the period of enrollment for which the student has been charged, and less a reasonable administrative fee not to exceed the lesser of 5 percent of the tuition, fees, room and board, and other charges assessed the student, or $100.

"(2) For purposes of paragraph (1), 'the portion of the period of enrollment for which the student has been charged that remains' shall be determined—

"(A) in the case of a program that is measured in credit hours, by dividing the total number of weeks comprising the period of enrollment for which the student has been charged into the number of weeks remaining in that period as of the last recorded day of attendance by the student;

"(B) in the case of a program that is measured in clock hours, by dividing the total number of clock hours comprising the period of enrollment for which the student has been charged into the number of clock hours remaining to be completed by the student in that period as of the last recorded day of attendance by the student; and

"(C) in the case of a correspondence program, by dividing the total number of lessons comprising the period of enrollment for which the student has been charged into the total number of such lessons not submitted by the student.

"(e) For purposes of this section, a refund shall be credited against grant, loan, or work assistance awarded under this title on a pro rata basis.".

(c) Section 485(a)(1)(F) of the Act is amended by inserting a comma and "in accordance with section 486," immediately following "institution".

PROGRAM PARTICIPATION AGREEMENTS

SEC. 1835. Section 487 of the Act is amended—

(1) in subsection (a), by adding at the end thereof the following new paragraph:

"(13) The institution acknowledges the authority of the Secretary, guaranty agencies, accrediting agencies, and State licensing bodies under section 1214 to share with each other any information pertaining to the institution's eligibility to participate in programs under this title.".

(2) in subsection (b)(2), by striking out "on the record";

(3) in subsection (c)—

(A) in paragraph (1)(D), by striking out "on the record," and inserting in lieu thereof a comma; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking out "on the record," and inserting in lieu thereof a comma; and

(ii) in subparagraph (B)(i), by striking out "on the record," and inserting in lieu thereof a comma.

DATA MATCHING

SEC. 1836. Section 489A of the Act is amended—

(1) in subsection (a)(1), by inserting a comma and "or of any State," immediately following "the United States";

(2) in subsection (b)—

(A) in paragraph (1), by inserting "or of a State" immediately following "the United States"; and

(B) in paragraph (3)(A), by inserting "or of a State" immediately following "the United States"; and

(3) by adding at the end thereof the following new subsection:

"(c) The Secretary of Labor shall enter into an agreement with the Secretary to provide prompt access for the Secretary, in accordance with this section, to the wage and unemployment compensation claims information and data maintained by or for the Department of Labor or State employment security agencies.".

AMENDMENTS TO OTHER LAWS

SEC. 1837. Section 3(c) of the Higher Education Technical Amendments of 1991 (P.L. 102-26) is amended by striking out "that are brought before November 15, 1992".

HIGHER EDUCATION ACT DEFINITIONS

SEC. 1838. Section 1201(a) of the Act is amended—

(1) in paragraph (2), by adding at the end thereof the following: "subject to such minimum State licensing standards as the Secretary may prescribe in regulations, which the relevant State licensing body shall impose upon institutions that it licenses, and with which an institution of postsecondary education would be required to comply in order to be eligible to participate in programs under this Act,";

(2) by amending paragraph (5)(B) to read as follows:

"(B) if the Secretary determines that a particular category of institutions is not so accredited because there is no nationally recognized accrediting agency or association qualified to accredit institutions in such category, the Secretary may, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by institutions in such category, which shall make recommendations to the Secretary concerning the standards of content, scope, and quality that must be met in order to qualify institutions in such category to participate in programs under this Act, and whether particular institutions not so accredited meet the standards established by the Secretary after review of the standards recommended by the advisory committee.";

(3) by inserting immediately following the second sentence the following: "For purposes of title IV, such term also includes any school which provides not less than a six month (or 600 clock hour) program of training to prepare students for gainful employment in a recognized occupation, which has been in existence for at least two years, and which meets the requirements of clauses (1), (2), (4), and (5)."; and

(4) by adding at the end thereof the following: "If an institution is accredited by more than one accrediting body, the institution shall, for purposes of eligibility under this Act, designate one such accrediting body as its primary accreditor, either on an institutionwide basis or by program, and if the institution's accreditation is withdrawn, revoked, or otherwise terminated for cause by the primary accreditor, or the institution withdraws from accreditation by the primary accreditor voluntarily under a show cause or suspension order, the institution (or a program thereof) shall no longer be deemed to meet the requirements of clause (5) for 24 months from the date of such withdrawal, revocation or termination, unless during such period of time the institution's accreditation is restored by the same accrediting agency which had accredited it prior to such withdrawal, revocation or termination.".

SHARING OF INSTITUTIONAL ELIGIBILITY INFORMATION

SEC. 1839. (a) Title XII of the Act is further amended by adding at the end thereof the following new section:

"SHARING OF INSTITUTIONAL ELIGIBILITY INFORMATION

"SEC. 1214. SHARING OF INSTITUTIONAL ELIGIBILITY INFORMATION.—Notwithstanding any other provision of Federal or State law, the Secretary, a guaranty agency, an accrediting agency, or a State licensing body—

"(1) may provide any information in the Secretary's or its possession, as the case may be, if that information is relevant to an institution of higher education's eligibility to participate in programs under this title, to the Secretary, or any other entity specified in this section that accredits, licenses, or serves as the primary guaranty agency for that institution; and

"(2) shall provide any such information to the Secretary, or any other entity specified in this section that accredits, licenses, or serves as the primary guaranty agency for that institution, as the case may be—

"(A) if the Secretary or other entity in possession of such information is considering, or preparing for, an action that would adversely affect an institution's eligibility to participate in programs under this title; or

"(B) upon the request of the Secretary or such other entity, if the Secretary or such other entity is considering, or preparing for, an action that would adversely affect an institution's eligibility to participate in programs under this title.".

INELIGIBILITY FOR DEFAULT ON FEDERAL OBLIGATION

SEC. 1840. (a) Title XII of the Act is further amended by adding at the end thereof the following new section:

"INELIGIBILITY FOR DEFAULT ON FEDERAL OBLIGATION

"SEC. 1215. INELIGIBILITY FOR DEFAULT ON FEDERAL OBLIGATION.—Notwithstanding any other provision of law, an individual who is in default on any loan made, insured, or guaranteed by the Federal Government shall not be eligible to receive any assistance under this Act unless satisfactory repayment arrangements are made with regard to such default.".

EFFECTIVE DATES

SEC. 1841. (a) Except as otherwise provided in this section, the amendments made by this title shall be effective on October 1, 1993.

(b) The amendments made by sections 1807 and 1810 shall be effective for loans made in accordance with section 427 or 428 on or after the date of enactment to cover periods of instruction beginning on or after October 1, 1992, or made on or after October 1, 1992 in the case of loans made in accordance with section 428A, 428B, or 428C of the Act.

(c) The amendments made by sections 1803, 1804, 1820 (1), (2), and (4), 1833, and 1838 shall be effective for periods of enrollment beginning on or after July 1, 1993.

(d) The amendments made by sections 1805 and 1821 through 1830, inclusive, shall be effective for determinations of need for periods of enrollment beginning on or after July 1, 1993.

(e) The amendments made by sections 1813, 1814, 1815, 1818, 1834, 1835, 1839, and 1840 shall be effective 90 days after enactment.

(f) The amendments made by sections 1809, 1836, and 1837 shall be effective on enactment.

(g) The amendments made by section 1808 shall be effective for a loan made, insured, or guaranteed under part B of title IV of the Act, whenever made, for which the student borrower's first payment is due on or after 90 days after enactment.

TITLE XIX—NATIONAL ENERGY STRATEGY ACT

Subtitle A—Residential, Commercial and Federal Energy Use

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PART 1—CONSUMER AND COMMERCIAL PRODUCTS

DEFINITIONS

SEC. 1901. Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a)) is amended—

(1) in paragraph (1) by inserting "electric lights and" after "includes";

(2) in paragraph (2) by inserting "commercial or" before "consumer";

(3) in paragraphs (4), (5), (7), (12), (13), (14), and (15) by striking "consumer" wherever it appears and inserting "covered" in its place;

(4) in paragraph (6)(A) by striking "covered" and inserting "consumer" in its place;

(5) in paragraph (27) by inserting ", other than a commercial water heater," after "product"; and

(6) by adding "(30) The term 'commercial product' means an article which, to any significant extent, is distributed in commerce for commercial use." after paragraph (29).

COVERAGE

SEC. 1902. Section 322 of the Energy Policy and Conservation Act (42 U.S.C. 6292) is amended—

(1) in subsection (a)—

(A) by striking "IN GENERAL" and inserting "CONSUMER PRODUCTS" in its place;

(B) by redesignating paragraph "(14)" as paragraph "(15)"; and

(C) by inserting "(14) Electric lights." after paragraph (13); and

(2) by adding the following subsection:

"(c) COMMERCIAL PRODUCTS.—The following commercial products are covered products:

"(1) Commercial space heating equipment.

"(2) Commercial space cooling equipment.

"(3) Commercial ventilation equipment.

"(4) Commercial water heaters.

"(5) Commercial refrigeration equipment.

"(6) Electric motors less than 25 horsepower.

"(7) Office equipment.".

TEST PROCEDURES

SEC. 1903. Section 323(b)(1)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6293(b)(1)(B)) is amended—

(1) by inserting "commercial or" before "consumer"; and

(2) by striking "322(b)" and inserting "322(a)(14), (b), or (c)".

LABELING

SEC. 1904. Section 324 of the Energy Policy and Conservation Act (42 U.S.C. 6294) is amended—

(1) in subsection (a)(2) by adding the following subparagraph after subparagraph (B):

"(C) The Commission shall prescribe labeling rules under this section applicable to covered products specified in section 322(a)(14) or (c), except for a class of covered products for which the Commission determines—

"(i) under the second sentence of section 324(b)(5), labeling in accordance with this section is not technologically or economically feasible, or

"(ii) labeling in accordance with this section is not preferable to alternative approaches, including voluntary labeling programs, considering the benefits, burdens, and reliability of information of both approaches."; and

(2) in sections 324(a)(3), (b)(1)(B), (b)(3), and (b)(5) by striking "(14)" whenever it appears and inserting "(15)" in its place.

ENERGY CONSERVATION STANDARDS

SEC. 1905. Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) is amended—

(1) in subsection (a)(2) by striking "covered" and inserting "consumer" in its place;

(2) in subsection (i) by striking "(14)" whenever it appears and inserting "(15)" in its place; and

(3) by adding the following subsection:

"(r) ELECTRIC LIGHTS AND COMMERCIAL PRODUCTS.—The Secretary shall not prescribe energy conservation standards for electric lights or a commercial product specified in section 322(c).".

CONFORMING AMENDMENT

SEC. 1906. The catchline for part B, title III of the Energy Policy and Conservation Act is amended by inserting "Commercial and" before "Consumer".

PART 2—FEDERAL ENERGY MANAGEMENT

UTILITY INCENTIVE PROGRAMS

SEC. 1907. Part 3 of Title V of the National Energy Conservation Policy Act (42 U.S.C. 8251–8259) is amended by adding the following after section 549—

"SEC. 550. UTILITY INCENTIVE PROGRAMS.—Notwithstanding any other law, an agency may participate in any program conducted by a gas or electric utility for the management of energy demand or for the application of energy conservation measures to Federal buildings and may accept, retain, and use, without further appropriations, any financial incentive available from a gas or electric utility for the management of energy demand or for the application of energy conservation measures. Any cash incentive received from a gas or electric utility shall be credited to the same appropriations account from which an agency has paid, or is authorized to pay, funds needed to participate in the utility program.".

Subtitle B—Natural Gas

PART 1—NATURAL GAS PIPELINE REGULATORY REFORM

GAS DELIVERY INTERCONNECTION

SEC. 1908. Section 7(a) of the Natural Gas Act (15 U.S.C. 717f(a)) is amended to read as follows:

"(a)(1) Whenever the Commission, after notice and opportunity for hearing, finds such action necessary or desirable in the public interest, it may by order direct a natural-gas company or a person who has constructed, extended, or acquired, or is operating a facility under section 7(k) of this Act to extend or improve its transportation facilities; to establish physical connection of its transportation facilities with the facilities of, and sell natural gas to, any person or municipality engaged or legally authorized to engage in the local distribution of natural or artificial gas to the public; and for such purpose to extend its transportation facilities to communities immediately adjacent to such facilities or to territory served by such natural-gas company or person, if the Commission finds that no undue burden will be placed upon the natural-gas company or person thereby.

"(2) Upon the petition of any person, the Commission, by order, may direct a natural-gas company or a person who has constructed, extended, or acquired, or is operating a facility under section 7(k) of this Act to establish, at petitioner's expense, physical connection of its transportation facilities with the petitioner's facilities in order to receive natural gas from the petitioner's facilities.

"(3) The Commission shall have no authority to—

"(A) compel the enlargement of transportation facilities for purposes described in paragraphs (1) and (2) of this subsection, or

"(B) compel a natural-gas company or a person who has constructed, extended, acquired, or who is operating a facility under section 7(k) of this Act to establish a physical connection or sell natural gas,

when to do so would impair its ability to render adequate service to its customers.".

NEPA COMPLIANCE

SEC. 1909. (a) Section 7(c) of the Natural Gas Act (15 U.S.C. 717f(c)) is amended by adding the following after paragraph (2):

"(3) For purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the authorization of construction or extension of facilities by issuance of a certificate of public convenience and necessity by the Commission is the only Federal action that is considered a major Federal action requiring a detailed statement on the environmental impact of the proposed action in connection with the construction or extension of facilities.".

(b) Notwithstanding any other law, the Commission may charge an applicant directly for environmental documentation costs the Commission incurs in processing applications filed for permission to construct and operate natural gas pipeline facilities under the Natural Gas Act (15 U.S.C. 717 et seq.) and applications filed for hydroelectric licenses and relicenses under the Federal Power Act (15 U.S.C. 791 et seq.). Such a charge shall not be applied against the Commission's annual appropriations.

AMENDMENT TO SECTION 311 OF THE NATURAL GAS POLICY ACT OF 1978

SEC. 1910. Section 311 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3371) is amended by—

(1) amending the catchline to read as follows:

"SEC. 311. AUTHORIZATION OF CERTAIN SALES, TRANSPORTATION, AND CONSTRUCTION."

and

(2) in subsection (a)—

(A) amending paragraph (1)(A) to read as follows:

"(A) IN GENERAL.—The Commission shall authorize, by rule or order, any interstate pipeline to transport natural gas on behalf of—

"(i) any intrastate pipeline,

"(ii) any local distribution company, or

"(iii) any other person.";

(B) amending paragraph (2)(A) to read as follows:

"(A) IN GENERAL.—The Commission shall authorize, by rule or order, any intrastate pipeline to transport natural gas on behalf of—

"(i) any interstate pipeline,

"(ii) any local distribution company served by any interstate pipeline, or

"(iii) any other person."; and

(C) adding the following after paragraph (2):

"(3) CONSTRUCTION.—Upon 30 days notification to the affected State commission, an interstate pipeline may construct facilities for transportation service provided under this subsection. Rates, terms, and conditions for services provided through facilities constructed for transportation service authorized under this subsection are not subject to State regulation.".

OPTIONAL CERTIFICATE PROCEDURES

SEC. 1911. (a) Section 4 of the Natural Gas Act, (15 U.S.C. 717c) is amended—

(1) in subsection (a), by adding the following after "unlawful."—

"A rate or charge made, demanded or received by any natural gas company in connection with the transportation or sale of natural gas through facilities authorized under section 7(i) of this Act is just and reasonable and complies with subsection (b) of this section if the natural gas company and the person paying the rate or charge mutually agree to that rate or charge."; and

(2) by adding the following subsection after subsection (e)—

"(f) Subsections (c), (d), and (e) of this section do not apply to the transportation or sale of natural gas through facilities authorized by a certificate issued under section 7(i) of this Act.".

(b) Section 5(a) of the Natural Gas Act, (15 U.S.C. 717d) is amended by adding the following after the period—

"This subsection does not apply to any rate, charge, or classification by a natural gas company in connection with transportation or sale of natural gas through facilities authorized by a certificate issued under section 7(i) of this Act.".

(c) Section 7 of the Natural Gas Act, (15 U.S.C. 717f) is amended—

(1) in subsection (c)(1)(B), by striking the period after "interest" and inserting—

": *Provided further*, That the Commission shall issue a certificate for the construction, extension, or acquisition of facilities for the transportation or sale of natural gas and for the operation of those facilities for that purpose to a natural gas company that fulfills the terms and conditions contained in section 7(i) without requiring a hearing or further proof that the public convenience and necessity would be served by those facilities. Such a certificate shall be nonexclusive and nonprejudicial to an application for any other authorization under the Natural Gas Act or the Natural Gas Policy Act."; and

(2) by adding the following two subsections after subsection (h)—

"(i)(1) The Commission shall issue to an applicant a certificate of public convenience and necessity to undertake the construction or extension of any facilities if the following terms and conditions are attached to the issuance of the certificate and to the exercise of the rights granted under it—

"(A) The applicant shall not include any costs or expenses it incurs in relation to the operation, sale, service, construction, extension, or acquisition of facilities covered by the certificate issued under this subsection in the rates and charges of any schedule required to be filed with the Commission under section 4(c);

"(B) Notwithstanding section 15(a) of this Act, the holder of a certificate issued under this subsection shall not participate in any proceedings under this Act to consider the application for a certificate for the construction or extension of facilities that, upon completion, would serve the service area served by the facilities authorized by the holder's certificate issued under this subsection.

"(2) The Commission shall issue to any applicant a certificate of public convenience and necessity authorizing the acquisition or operation of any facilities for which a certificate for the construction or extension has been issued under this subsection or for which abandonment of facilities or services subject to the jurisdiction of the Commission, including any sales or service rendered by means of such facilities, has been approved by the Commission under subsection (b) of this section if the terms and conditions in paragraph (1)(A) and (B) are attached to the issuance of the certificate and to the exercise of the rights granted under it.

"(j)(1) If the Commission, after a hearing held upon the petition of a person who has made a bona-fide offer to enter into a contract, finds that the failure to provide a requested rate, charge, classification, or practice in connection with the transportation of natural gas through facilities constructed, extended, acquired, or operated under a certificate issued under either section 7(i) or section 7(k) of this Act is unduly discriminatory, the Commission, considering market conditions and, to the extent relevant, the entire range of rates and services provided to others for transportation through those facilities, shall determine the rates, charges, classifications, or practices which are not unduly discriminatory to be observed and in force with respect to transportation to be provided to the petitioner, and shall fix the same by order.

"(2) A petition filed with the Commission under subsection (j)(1) shall contain a description of the transportation service sought, including the rates, charges, classifications, or practices requested by the petitioner, and the basis for asserting that the failure to provide the requested rates, charges, classifications, or practices is unduly discriminatory. Unless the Commission determines that capacity, in whole or in part, is not available to provide the transportation service sought by the petitioner, it shall issue an order within sixty days after the filing of the petition directing the requested transportation service to commence on the terms sought. However, if within sixty days of the filing of the petition, the person against whom the petition is filed responds by filing with the Commission the rates, charges, classifications, or practices which that person considers to be not unduly discriminatory for the service sought by the petitioner, the requested service shall commence sixty days after the filing of the petition, based upon the rates, charges, classifications, or practices filed in response, except to the extent the Commission finds capacity is not available. Any rate or charge collected on the basis of the response is subject to refund, with interest, by the person providing the transportation service for that portion which is collected in excess of rates or charges requested in the petition and which the Commission finds, after hearing, to be unduly discriminatory. The burden of proof to show that any rate or charge in excess of those filed in the petition is not unduly discriminatory is upon the person filing in response to the petition.".

NONJURISDICTIONAL OPTION

SEC. 1912. (a) Section 7 of the Natural Gas Act, (15 U.S.C. 717f) is amended as follows—

(1) in subsection (c)(1)(A) by striking "No" and inserting in its place "Except as provided in section 311 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3371) or subsection (j) of this section, no", and

(2) adding the following after subsection (j), as added by this subtitle—

"(k)(1) A person may elect to construct, extend, acquire, or operate a facility for the transportation or sale of natural gas and engage in the transportation or sale of natural gas through that facility without a certificate of public convenience and necessity issued by the Commission under this section.

"(2) If a person elects under this subsection not to obtain a certificate of public convenience and necessity—

"(A) the person is not a natural-gas company for the purposes of this Act in relation to the construction, extension, acquisition, or operation of facilities under this subsection or any sales or services rendered by means of such facilities;

"(B) notwithstanding section 15(a) of this Act, the person shall not participate in any proceeding under this Act to consider an application for a certificate for the construction or extension of facilities that, upon completion, would serve the service area served by the facility or extension constructed under this subsection;

"(C) the construction or extension of a facility authorized under this subsection may be subject to regulation by a State; however, rates or charges for the transportation or sale of natural gas by means of a facility or extension authorized under this subsection are not subject to regulation by a State, except that they may be regulated if that facility or extension is engaged solely in activities described in section 1(c) of this Act (15 U.S.C. 717(c)).".

(b) Section 4 of the Natural Gas Act (15 U.S.C. 717c) is amended by adding after subsection (f) as added by this subtitle, the following new subsection—

"(g) After a hearing held upon the application of a natural-gas company, if the Commission finds that the natural-gas company has demonstrated that a market that the natural-gas company is authorized to serve is competitive and that the natural-gas company's transportation or sales services are offered in that market on a not unduly discriminatory basis, the Commission may issue an order finding that the rates and charges made, demanded, or received by the natural-gas company for or in connection with the transportation or sale of natural gas in that market are not subject to the jurisdiction of the Commission under this Act. A hearing held under this section is subject to section 15 of this Act.".

PART 2—NATURAL GAS IMPORT/EXPORT DEREGULATION

COVERAGE OF NATURAL GAS ACT

SEC. 1913. Section 1(c) of the Natural Gas Act (15 U.S.C. 717(c)) is amended by inserting "or exported from such State" after "State" the second time it appears.

DEFINITIONS

SEC. 1914. Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended—

(1) in paragraph (7) by inserting "including a foreign country," after "thereof," both places it appears, and

(2) by adding the following after paragraph (9):

"(10) "Importation" means the actions involved in bringing natural gas into the United States.

"(11) "Exportation" means the actions involved in taking natural gas out of the United States.".

NATURAL GAS IMPORTS AND EXPORTS

SEC. 1915. Section 3 of the Natural Gas Act (15 U.S.C. 717b) is amended to read as follows:

"EXPORTATION OR IMPORTATION OF NATURAL GAS

"SEC. 3. (a) Importation of natural gas is considered a first sale for purposes of this Act and the Natural Gas Policy Act of 1978 (15 U.S.C. 3301–3432).

"(b) Neither the Commission nor a State may prohibit on condition the exportation or importation of natural gas or treat exported or imported natural gas while it is within the United States differently than any other natural gas.

"(c) The President may prohibit or condition the exportation or importation of natural gas upon finding that it is in the national interest.

"(d) Upon finding that the exportation or importation of natural gas is in the national interest, the President may waive any law relating to the exportation or importation of natural gas or may specify, by schedule or otherwise, when a particular law relating to the exportation or importation of natural gas is considered satisfied if the appropriate Federal or State agency has not taken final action.".

PART 3—STRUCTURAL REFORM OF THE FEDERAL ENERGY REGULATORY COMMISSION

NATURAL GAS AND ELECTRICITY ADMINISTRATION

SEC. 1916. (a) Section 2(a) of the Department of Energy Organization Act (42 U.S.C. 7101(a)) is amended by striking ", including the Federal Energy Regulatory Commission".

(b) Section 204 of the Department of Energy Organization Act (42 U.S.C. 7134) is amended to read as follows:

"NATURAL GAS AND ELECTRICITY ADMINISTRATION

"SEC. 204. There shall be within the Department a Natural Gas and Electricity Administration established by title IV of this Act to be headed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for in level III of the Executive Schedule under section 5314 of title 5, United States Code.".

(c) Section 301(b) of the Department of Energy Organization Act (42 U.S.C. 7151(b)) is amended to read as follows:

"(b) There are transferred to, and vested in, the Secretary the functions of the Federal Power Commission, the Federal Energy Regulatory Commission, and the members, officers, or components thereof.".

(d) Section 306 of the Department of Energy Organization Act (42 U.S.C. 7155) is amended by striking "Except as provided in title IV, there" and inserting in its place "There".

(e) Title IV of the Department of Energy Organization Act is amended to read as follows:

"TITLE IV—NATURAL GAS AND ELECTRICITY ADMINISTRATION APPOINTMENT AND ADMINISTRATION

"SEC. 401. (a) There is established with the Department an Administration to be known as the Natural Gas and Electricity Administration.

"(b) The Secretary is responsible for the executive and administrative operation of the Natural Gas and Electricity Administration, including functions of the Natural Gas and Electricity Administration with respect to the appointment and employment of hearing examiners in accordance with title 5, United States Code.

"(c) The Secretary may require that hearing examiners appointed under this section conduct hearings on any matter within the Secretary's jurisdiction.

RULEMAKING PROCEEDINGS FOR RATES AND CHARGES

"SEC. 402. (a) Any function transferred to the Secretary under section 301(b) or section 306 of this Act which relates to the establishment of rates and charges under the Federal Power Act or the Natural Gas Act may be conducted by rulemaking procedures. Except as provided in subsection (b), the procedures in such a rulemaking proceeding shall assure full consideration of the issues and an opportunity for interested persons to present their views.

"(b) with respect to any rule or regulation promulgated by the Secretary to establish rates and charges for the first sale of natural gas by a producer or gatherer to a natural gas pipeline under the Natural Gas Act, the Secretary may afford any interested person a reasonable opportunity to submit written questions with respect to disputed issues of fact to other interested persons participating in the rulemaking proceedings. The Secretary may establish a reasonable time for both the submission of questions and responses.".

(f) Section 501(a) of the Department of Energy Organization Act (42 U.S.C. 7191(a)) is amended—

(1) by striking "(1)";

(2) by striking "other than the Commission,"; and

(3) by striking paragraph (2).

(g) Section 502 of the Department of Energy Organization Act (42 U.S.C. 7192) is amended—

(1) in subsection (a) by striking ", the Commission"; and

(2) in subsection (c) by striking "Subject to the provisions of section 401 of this Act, and notwithstanding" and inserting in its place "Notwithstanding".

(h) Section 503 of the Department of Energy Organization Act (42 U.S.C. 7193) is amended—

(1) by amending subsection (c) to read as follows:

"(c) If within thirty days after the receipt of the remedial order issued by the Secretary, the person notifies the Secretary that he intends to contest a remedial order issued under subsection (a) of this section, the Secretary shall stay the effect of the remedial order, unless the Secretary finds the public interest requires immediate compliance with the order. The Secretary, upon request, shall afford an opportunity for a hearing, including, at a minimum, the submission of briefs, oral or documentary evidence, and oral arguments. To the extent that the Secretary determines that the right of cross examination is required for a full and true disclosure of the facts, the Secretary shall afford it. The Secretary shall thereafter issue an order, based on findings of fact, affirming, modifying, or vacating the remedial order, or directing other appropriate relief, and such order shall, for the purpose of judicial review, constitute a final agency action."; and

(2) by striking subsection (d).

(i) Section 504 of the Department of Energy Organization Act (42 U.S.C. 7194) is amended—

(1) in subsection (b)(1) by striking "Commission" and inserting in its place "Secretary"; and

(2) in subsection (b)(2) to read as follows:

"(b)(2) The Secretary shall, by rule, establish appropriate procedures, including a hearing when requested, for review of a denial. Action by the Secretary under this section shall be considered final agency action within the meaning of section 704 of title 5, United States Code.".

(j) Section 605(a)(3) of the Department of Energy Organization Act (42 U.S.C. 7215(a)(3)) by striking "or the Commission, as the case may be,".

(k) Section 649(a) of the Department of Energy Organization Act (42 U.S.C. 7259(a)) is amended by striking "and the Federal Energy Regulatory Commission" and "or the Commission".

(l)(1) Section 705 of the Department of Energy Organization Act (42 U.S.C. 7295) is amended—

(A) in subsection (a)(1) by striking "or the Commission"; and

(B) in subsection (a)(2) by striking "the Federal Energy Regulatory Commission,"; and

(C) in subsection (b)(2) by striking "and the Commission" and "or the Commission".

(2) For purposes of the transfer of functions from the Federal Energy Regulatory Commission to the Secretary of Energy by this Act, the phrases "the time this Act takes effect", "the date this Act takes effect", and "the date on which this Act takes effect" in section 705 of the Department of Energy Organization Act (42 U.S.C. 7295) are considered to refer to the date of enactment of this Act.

(m) Section 707 of the Department of Energy Organization Act (42 U.S.C. 7297) is amended by striking "the Federal Energy Regulatory Commission,".

(n) Section 708 of the Department of Energy Organization Act (42 U.S.C. 7298) is amended by striking "Except as provided in title IV, nothing" and inserting in its place "Nothing".

(o) Title 5, United States Code, is amended—

(1) in section 5314 by striking the following item: "Chairman, Federal Energy Regulatory Commission." and inserting in its place "Administrator, Natural Gas and Electricity Administration."; and

(2) in section 5315 by striking the following item: "Members, Federal Energy Regulatory Commission.".

(p) Section 901 of the Department of Energy Organization Act (42 U.S.C. 7341) is amended by striking "and the Commission" and "or the Commission".

(q) The Table of Contents of the Department of Energy Organization Act is amended—

(1) by striking the item for section 204 and inserting in its place "Natural Gas and Electricity Administration."; and

(2) by amending the items relating to title IV to read as follows:

"TITLE IV—NATURAL GAS AND ELECTRICITY ADMINISTRATION

"Sec. 401. Appointment and administration.

"Sec. 402. Rulemaking proceedings for rates and charges.".

Subtitle C—OIL

PART 1—NAVAL PETROLEUM RESERVE LEASING

SHORT TITLE

SEC. 1917. This part may be cited as the "Naval Petroleum Reserve Leasing Act".

LEASING AUTHORIZATION

SEC. 1918. (a) Notwithstanding any other law, if the President finds that control and use of Naval Petroleum Reserve Numbered 1 by the United States is not necessary for national defense purposes or to assure its exploration, development, and operation, the Secretary of Energy (the "Secretary") may lease any or all of that reserve. As determined by the Secretary, portions of chapter 641 of title 10, United States Code, shall cease to apply with respect to the reserve from the effective date to be specified in a lease, and to the extent and under conditions that may be provided for elsewhere in this part.

(b) The President shall submit a finding under this section to the Congress, together with a report on the basis for the finding, at least 60 days before the effective date of a lease of the reserve.

(c)(1) The Secretary may use the United States' share of lease proceeds received to satisfy contractual obligations directly related to the accomplishment of a lease and to pay any liabilities of the Department of Energy arising with respect to the interests leased at Naval Petroleum Reserve Numbered 1 and with respect to the settlement of issues under the Unit Plan Contract at Naval Petroleum Reserve Numbered 1, including any liabilities relating to payment of just compensation and under any Federal statute concerning the environment. The balance of funds received shall be utilized as provided in section 1922 of this part.

(2) Before entering into a lease under this part, the Secretary shall determine that the rental price represents fair market value.

(d)(1) The Secretary shall notify the Attorney General of each proposed lease under this part. The notification shall contain information that the Attorney General may require in order to advise the Secretary as to whether the lease may substantially lessen competition. Within thirty days after the notification, the Attorney General shall advise the Secretary whether the lease may substantially lessen competition.

(2) Nothing in this part confers on any person immunity from civil or criminal liability, or creates defenses to actions, under the antitrust laws.

(3) As used in this section, the term "antitrust laws" means—

(A) the Sherman Act (15 U.S.C. 1 et seq.);

(B) the Clayton Act (15 U.S.C. 12 et seq.);

(C) the Federal Trade Commission Act (15 U.S.C. 41 et seq.);

(D) sections 73 and 74 of the Wilson Tariff Act (15 U.S.C. 8 and 9); and

(E) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a, commonly referred to as the "Robinson-Patman Act").

(e) The Secretary shall conduct a leasing action under this part using competitive procedures and may reject any and all offers or bids for leases even if the offers or bids meet or exceed minimum acceptable levels.

(f) Any lease under this part shall require that a royalty payment equal to not less than 12.5 percent of the value, as determined by the Secretary, of the oil, natural gas, and other hydrocarbon resources of the production removed or sold from the lease be paid to the "Naval Petroleum Reserve Lease Proceeds Special Account," provided for in section 1922 of this part.

(g) Any lease contract authorized under this part shall be so structured as to require parties leasing the reserve or any interest in the reserve to—

(1) retain all records pertaining to the production, transportation and sale of production for a period of not less than 6 years, or such longer period as the Secretary by notice may require;

(2) make all such records available to the Secretary for audit; and

(3) provide that, in the event of late payment of royalties, partial payment of royalties, or failure to pay any royalties due, the Secretary shall require the payment of interest and penalties and may cancel the lease.

(h) Any lease authorized under this part shall be so structured as to require parties leasing the reserve to set aside a portion of the crude oil produced to sell to small refiners for processing or use in such refineries except that—

(1) none of the production sold to small refiners may be resold in kind;

(2) production must be sold at a cost of not less than the prevailing local market price of comparable petroleum; and

(3) the set-aside portion shall not exceed 25 percent of the estimated annual production at the reserve.

PROCEDURES TO ARRANGE AND CONDUCT A LEASING ACTION

SEC. 1919. (a) Before and after the President's finding under section 1918(a) of this Act, the Secretary may take the steps the Secretary considers necessary to arrange the lease of Naval Petroleum Reserve Numbered 1.

(b) In order to arrange and conduct a leasing action, the Secretary may:

(1) create new corporations, partnerships, or other business entities, and transfer the United States' interest to the new entities;

(2) enter into contracts with State or private entities, including contracts for technical, financial, auditing or other professional services; and

(3) use funds appropriated to the Department of Energy under the Department of the Interior and Related Agencies Appropriations Acts, but not to exceed five percent from the Naval Petroleum Reserves account. Resources and expertise of other Federal agencies shall be used to lease the Reserve when doing so will reduce the cost to the Federal government of leasing.

(c) Unless otherwise determined in accordance with section 1918(e), all lands to be leased shall be leased to the highest responsible qualified bidder or bidders by competitive bidding under general regulations issued by the Secretary. The Secretary may establish bidding and lease terms and conditions the Secretary considers necessary or appropriate, including, but not limited to, the establishment of the acreage and units of lands to be leased and the minimum rental or royalty rates.

(d) A lessee of any of the United States' interest in Naval Petroleum Reserve Numbered 1 is not liable for any claim of liability arising exclusively from or during the ownership and operation of the interest by the United States. Such a claim may be asserted only against the United States to the extent and in the manner provided by law.

PRIVATELY OWNED LANDS AND PHYSICAL IMPROVEMENTS

SEC. 1920. (a) Whenever the Secretary is otherwise unable to make arrangements the Secretary considers satisfactory for a lease of Naval Petroleum Reserve Numbered 1, the Secretary may acquire, by purchase, condemnation, or otherwise, privately owned lands or physical improvements within Naval Petroleum Reserve Numbered 1, as the Secretary considers necessary to facilitate the leasing action.

(b) Before condemnation proceedings are instituted, an effort shall be made to acquire the property by negotiation, unless, in the judgment of the Secretary, the effort to acquire the property by negotiation would be futile, unduly time consuming, or otherwise not in the public interest.

STRATEGIC PETROLEUM RESERVE TIE-IN; DEFENSE PETROLEUM INVENTORY

SEC. 1921. (a) In the event of a lease of any part of Naval Petroleum Reserve Numbered 1 under this subtitle, sections 160 (a), (b), and (d) of the Energy Policy and Conservation Act (42 U.S.C. 6240 (a), (b) and (d)) shall cease to apply to the reserve.

(b)(1) Title I, part B, of the Energy Policy and Conservation Act (42 U.S.C. 6215 et seq.) is amended by adding after section 167 a new section 168 as follows:

"DEFENSE PETROLEUM INVENTORY

"SEC. 168. (a) Notwithstanding any other provision of this part, the Secretary may acquire or construct, operate, and maintain storage and related facilities to meet petroleum product requirements of the Department of Defense, and may acquire and store therein a Defense Petroleum Inventory of crude oil. This acquisition and storage shall be in addition to any acquisition or storage of crude oil for the Strategic Petroleum Reserve required by any other law, and crude oil acquired and stored under this section shall not be counted as part of the Strategic Petroleum Reserve. In carrying out the functions authorized by this section, the Secretary may exercise any authority available under this part.

"(b) The Secretary shall obligate the U.S. share of funds available in the Naval Petroleum Reserve Lease Proceeds Special Account created by section 1922 of the Naval Petroleum Reserve Leasing Act for the acquisition of 10 million barrels of crude oil for the Defense Petroleum Inventory. Until the acquisition of 10 million barrels of crude oil for the Defense Petroleum Inventory has been completed, the Secretary shall dedicate to the Defense Petroleum Inventory, crude oil contained in the Strategic Petroleum Reserve in sufficient quantities to maintain the Defense Petroleum Inventory at a level determined by multiplying 10 million barrels times the percentage of the United States' interest in Naval Petroleum Reserve Numbered 1 leased under the Naval Petroleum Reserve Leasing Act. Any crude oil so dedicated shall be considered to remain in storage for the purposes of any law relating to the rate of fill of the Strategic Petroleum Reserve.

"(c) Notwithstanding any other provision of this part, upon the request of the Secretary of Defense, crude oil acquired for or dedicated to the Defense Petroleum Inventory shall be drawn down and distributed by the Secretary to, or on behalf of, the Department of Defense for use, sale, or exchange. Crude oil in the Defense Petroleum Inventory may be drawn down and distributed, used, sold, or exchanged, without regard to—

"(1) whether the crude oil has been commingled with petroleum products of the Strategic Petroleum Reserve;

"(2) the requirements of this part concerning drawdown of the Strategic Petroleum Reserve; or

"(3) otherwise applicable Federal contracting statutes and regulations.

The Secretary of Energy shall exercise the authority provided by this subsection in a manner which does not adversely affect drawdown of the Strategic Petroleum Reserve.

"(d) Upon the request of the Secretary of Defense, and subject to the availability of funds from the Department of Defense, the Secretary shall acquire and store in the Defense Petroleum Inventory crude oil to replace crude oil drawn down under subsection (c).

"(e) An amendment to the Strategic Petroleum Reserve Plan relating to the exercise of this authority shall not be required.

"(f) The Department of Defense shall reimburse the Department of Energy for—

"(1) drawdown and distribution services provided under this section, in amounts that the Secretary determines to be reasonable;

"(2) all costs of acquiring crude oil for the Strategic Petroleum Reserve to replace crude oil drawn down and distributed under subsection (c); and

"(3) all costs of acquiring and storing in the Defense Petroleum Inventory any crude oil in excess of the initial 10 million barrels acquired for it or dedicated to it.

"(g) Crude oil acquired for the Defense Petroleum Inventory under subsection (a) shall be transferred to the Strategic Petroleum Reserve, pursuant to subsection (f)(2), in reimbursement on a barrel-for-barrel basis for the cost of replacement petroleum products acquired for the Strategic Petroleum Reserve.".

(2) The Table of Contents of the Energy Policy and Conservation Act is amended by inserting after the entry for section 167 the following:

"Sec. 168. Defense Petroleum Inventory.".

NAVAL PETROLEUM RESERVE LEASE PROCEEDS SPECIAL ACCOUNT AND REVENUE SHARING WITH THE STATE OF CALIFORNIA

SEC. 1922. (a) There is established in the Treasury of the United States a fund called the "Naval Petroleum Reserve Lease Proceeds Special Account" (referred to as the "Special Account" in this part) which shall be available to the Department of Energy without fiscal year limitation to carry out the purposes, functions, and powers authorized by this part.

(b) There shall be deposited in the Special Account all proceeds realized under this part from the lease of all or any part of the United States' interest in Naval Petroleum Reserve Numbered 1, including bonus and royalty payments.

(c) Fifty percent of the proceeds received from royalty payments and seven percent of the bonus payments from Naval Petroleum Reserve Numbered 1 under this part shall, notwithstanding any other provision of law, be paid to the State of California (to be credited by the State in accordance with California Public Resources Code, section 8711 and allocated in the manner provided in California Statutes 1988 ch. 985, section 3, as amended from time to time). The portion of the proceeds accruing to the State of California from the bonus payment shall be paid to the State of California in seven annual payments, beginning one year from the date that the Federal Government receives the first installment of the bonus payment. No interest shall be due on these amounts to the State. Each of the seven annual payments shall be equal to one-seventh of the lease bonus payment due to the State.

(d) The Secretary may make expenditures from the Special Account without further appropriation and without fiscal year limitation, but within specific directives or limitations that may be included in appropriation acts, for any purposes necessary or appropriate to carry out section 168(b) of the Energy Policy and Conservation Act or to satisfy obligations related to the lease of Naval Petroleum Reserve Numbered 1 as specified in section 1918(c)(1).

(e)(1) Upon a written notification from the Secretary to the Secretary of the Treasury that the Special Account contains funds in excess of the amounts considered necessary to fulfill the purposes specified in subsections (c) and (d), excess funds specified by the Secretary may be transferred from the Special Account to the miscellaneous receipts account of the Treasury of the United States. In the event funds are no longer required to fulfill the purposes specified in subsections (c) and (d), the Special Account shall be abolished and all remaining funds credited to the miscellaneous receipts account of the Treasury of the United States.

(2) Following abolition of the Special Account under subsection (e)(1), proceeds realized under this part from the lease of all or any part of the United States' interest in Naval Petroleum Reserve Numbered 1 shall be deposited in the miscellaneous receipts account of the Treasury of the United States; except for the portion of royalty, interest and bonus payments specified in section 1922(c) to be paid to the State of California, which shall continue to be paid to that State regardless of the status of the Special Account.

(f) The Secretary may collect lease proceeds on behalf of any private owner of Naval Petroleum Reserve Numbered 1 and may pay the owner its share of lease proceeds.

CONGRESSIONAL CONSULTATION

SEC. 1923. Compliance with the procedures specified in sections 1918 (b) and (d) of this part is considered to satisfy the requirements of sections 7431(a) and 7431(b) of title 10, United States Code.

EFFECT ON SCHOOL LANDS GRANT

SEC. 1924. (a) The authority to lease under this part extends to sections 16 and 36 within Naval Petroleum Reserve Numbered 1.

(b) A payment may be made under section 1922(c) of this part only after—

(1) the State of California files, on behalf of all party plaintiffs, a motion to dismiss, with prejudice, the lawsuit it filed against the United States and certain agency officials in November 1987 in the United States District Court, Eastern District of California (No. CV–F–87–665–EDP), and

(2) the State of California, by written agreement, forfeits any rights under section 6 of the Act of March 3, 1853 (Chapter CXLV; 10 Stat. 246) to sections 16 and 36, Township 30 South, Range 23 East Mount Diablo Base

and Meridian, located within Elk Hills, including all rights to indemnity lands under Revised Statutes 2275 and 2276 (43 U.S.C. 851 and 852).

The agreement referred to in paragraph (2) of this subsection is subject to the concurrence of the Attorney General of the United States.

CONFORMING AMENDMENTS

SEC. 1925. (a) Section 501 of Public Law 101–45 (103 Stat. 103) is repealed.

(b) Sections 7422 (a) and (b) of title 10, United States Code, are amended to read as follows:

"(a) The Secretary, directly or by contract, lease, or otherwise, shall explore, prospect, conserve, develop, use, and operate the naval petroleum reserves in his discretion, subject to the provisions of this chapter, except the authority to lease is not extended to Naval Petroleum Reserve Numbered 3.

"(b) Except as otherwise provided in this chapter, particularly subsection (c) of this section, and in the Naval Petroleum Reserve Leasing Act, the naval petroleum reserves shall be used and operated for—

"(1) the protection, conservation, maintenance, and testing of those reserves; or

"(2) the production of petroleum whenever and to the extent that the Secretary, with the approval of the President, finds that such production is needed for national defense purposes and the production is authorized by a joint resolution of Congress.".

(c) Section 7422(c)(1)(B) of title 10, United States Code, is amended to read as follows:

"(B) to produce such reserves at the maximum efficient rate consistent with sound engineering practices.".

(d) Sections 7422(c)(1)(C), 7422(c)(2), and 7426 (b), (c), (d), and (e) of title 10, United States Code, are repealed.

(e) Section 7430(a) of title 10, United States Code, is amended to read as follows:

"(a) In administering the naval petroleum reserves under this chapter, except for those reserves covered by leases executed pursuant to the Naval Petroleum Reserve Leasing Act, the Secretary shall use, store, or sell the petroleum produced from the naval petroleum reserves and lands covered by joint, unit, or other cooperative plans as provided in this section.".

(f) Section 7430(b)(1) of title 10, United States Code, is amended by striking "paragraph (2) and notwithstanding any other provision of law" and inserting "subsection (a) and paragraph (2)".

(g) Section 7430(f) of title 10, United States Code, is amended to read as follows:

"(f) The consultation and approval requirements of section 7431(a)(3) are waived for contracts to sell petroleum produced from Naval Petroleum Reserves Numbered 1, 2, and 3, and for contracts to sell petroleum from the Naval Oil Shale Reserves which is produced for their exploration, protection, conservation, maintenance, and testing.".

(h) Section 7430(l)(1) of title 10, United States Code is amended to read as follows:

"(l)(1) The Secretary, at the request of the Secretary of Defense, may provide any portion of the United States share of petroleum to the Department of Defense for its use, exchange, or sale in order to meet petroleum product requirements of the Department of Defense.".

(i) Section 7431(a) of title 10, United States Code, is amended by adding "Except for actions taken pursuant to the Naval Petroleum Reserve Leasing Act," at the beginning of the subsection.

(j) Sections 7431 (b) and (c) of title 10, United States Code, are amended by striking "During the period of production authorized by section 7422(c) of this title, the" and inserting "The".

(k) Section 7433(b) of title 10, United States Code, is amended to read as follows:

"(b) Except as provided in the Naval Petroleum Reserve Leasing Act, all money accruing to the United States from lands in the naval petroleum reserves shall be covered into the Treasury.".

PART 2—OIL PIPELINE DEREGULATION

SHORT TITLE

SEC. 1926. This subtitle may be cited as the "Oil Pipeline Regulatory Reform Act".

FINDINGS AND PURPOSES

SEC. 1927. (a) The Congress finds that—

(1) oil pipelines are of critical strategic and economic importance to the Nation;

(2) the Nation's interests are best served by encouraging the competitive and efficient operation of oil pipelines;

(3) economic regulation can impose unproductive costs, discourage and distort investment decisions, cause regulatory uncertainty, and often be only partially effective in achieving its goals;

(4) most markets served by oil pipelines are sufficiently competitive that, given application of the antitrust laws, economic regulation of pipelines in these markets is unnecessary to ensure reasonable rates and adequate service;

(5) for those oil pipeline markets for which competition and antitrust enforcement are not sufficient to ensure their efficient operation, continued economic regulation may be necessary to prevent abuse of significant market power;

(6) where continued economic regulation of oil pipelines remains necessary, that regulation must be reformed to maximize reliance on competition to benefit consumers, reduce regulatory costs, and encourage the efficient use and development of existing and new pipelines;

(7) for those oil pipeline markets for which continued economic regulation is necessary, consumers can best be protected, costs of regulation can best be reduced, and efficiency can best be enhanced by regulating the maximum rates that pipelines may charge and adjusting the maximum rates to reflect price changes in competitive markets while allowing pipelines freely to discount below those maximum rates; and

(8) this reformed rate regulation in markets in which there is significant market power will provide just compensation to a pipeline if the allowable rate is comparable to what that rate would be if the market were competitive and not subject to market power, as calculated by a method that establishes maximum rates, permits them to be revised if they had been enhanced by market power, and adjusts them over time by an index reflecting pipeline prices in competitive markets.

(b) It therefore is the policy of the Federal Government—

(1) to remove the burden of economic regulation from those oil pipeline markets that operate under competitive circumstances or for which that regulation would not be an effective or efficient remedy to constrain the exercise of market power; and

(2) to provide for continued economic regulation of only those oil pipeline markets for which regulation will increase economic efficiency and for which the benefits of regulation outweigh its costs.

REGULATORY REFORM AND DEREGULATION

SEC. 1928. The Department of Energy Organization Act (42 U.S.C. 7101–7352) is amended by adding after section 407 the following new sections:

"REGULATION OF PIPELINES

"SEC. 408. (a) As used in this section and sections 409 and 410—

"(1) 'adjudication' means an agency hearing, which, in the discretion of the Secretary, may be a hearing on the record governed by section 554 of title 5, United States Code;

"(2) 'Attorney General' means the Attorney General of the United States or the Attorney General's designee;

"(3) 'Commission rate regulation' means those functions and authorities set forth in section 410 of this Act;

"(4) 'existing Commission regulatory jurisdiction' means those functions and authorities transferred by sections 306 and 402(b) of the Department of Energy Organization Act (42 U.S.C. 7155, 7172(b));

"(5) 'existing pipeline' means a pipeline that was brought into service or was under construction before January 1, 1991;

"(6) 'interested person' means a person whose economic or business interests would be substantially affected by a finding that Commission rate regulation is in the public interest or that a base rate should be revised;

"(7) 'new pipeline' means a pipeline that was brought into service after January 1, 1991, and was not under construction before January 1, 1991;

"(8) 'pipeline' means a pipeline subject to existing Commission regulatory jurisdiction or which would be subject to existing Commission regulatory jurisdiction except for this section, but it does not include the Trans-Alaska Pipeline authorized by the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.) or a pipeline directly or indirectly delivering oil to the Trans-Alaska Pipeline; and

"(9) 'rate' means the price for transportation by pipeline, including all charges that the pipeline requires its customers to pay for the transportation and for any ancillary services set forth as part of that pipeline's tariff on file with the Commission on January 1, 1991, or approved by the Commission after January 1, 1991.

"(b)(1) Existing Commission regulatory jurisdiction over pipelines terminates sixty days after the effective date of the Oil Pipeline Regulatory Reform Act. On that date, pipelines become subject to sections 408, 409, 410, and 411 of this Act.

"(2)(A) Within 120 days after the effective date of the Oil Pipeline Regulatory Reform Act, the Attorney General may petition the Secretary for an adjudication of whether Commission rate regulation of an existing pipeline in any market is in the public interest. Upon receipt of such a petition, the Secretary shall conduct an adjudication in accordance with subsection (b)(3). In deciding whether to bring a petition, the Attorney General shall be guided by the methods, assumptions, standards, and definitions underlying and set forth in the report of the United States Department of Justice dated May 1986 entitled "Oil Pipeline Deregulation." None of the findings and conclusions of the report, and none of the methods, assumptions, standards, and definitions underlying and set forth in the report are binding on the Secretary in an adjudication conducted under this section.

"(B) Within 180 days after the effective date of the Oil Pipeline Regulatory Reform Act, an interested person may petition the Secretary for an adjudication of whether Commission rate regulation of an existing pipeline in any market is in the public interest. A person filing such a petition shall provide a reasonable basis for the conclusion that Commission rate regulation is in the public interest, and shall serve a copy of the petition on the Attorney General and on the pipeline for which Commission rate regulation is sought. Upon receipt of the petition, the Secretary, for good cause shown, may conduct an adjudication in accordance with subsection (b)(3). The Secretary may consult with the Attorney General in deciding whether to conduct an adjudication, and shall conduct an adjudication in accordance with subsection (b)(3) if the Attorney General so recommends.

"(C) Not later than 270 days after the effective date of the Oil Pipeline Regulatory Reform Act, the Secretary shall publish a list of all adjudications that the Secretary has determined will be held pursuant to this subsection, identifying in each case the pipeline and the market for which Commission rate regulation is sought. Pipeline rates for service to markets that are not identified in the list published by the Secretary shall no longer be subject to section 410 of this Act.

"(3)(A) The Secretary shall find that Commission rate regulation of an existing pipeline in a market is in the public interest only if it is demonstrated that regulation is necessary to constrain the exercise of substantial market power in the supply or demand of products transported by the pipeline in that market. If the Secretary finds that Commission rate regulation of an existing pipeline in a market is in the public interest, Commission rate regulation shall continue. If the Secretary finds that Commission rate regulation of an existing pipeline in a market is not in the public interest, regulation shall terminate at a time the Secretary designates, but in no event shall that regulation continue beyond sixty days after the Secretary issues the finding.

"(B) A finding under subsection (b)(3)(A) shall be issued within one year after the Secretary decides to conduct the adjudication, unless the Secretary, in the event of unusual circumstances, determines that the finding cannot be issued within one year. In such a case, the Secretary shall make specific findings as to the unusual circumstances necessitating the delay, and shall specify a date certain by which the Secretary will issue the finding, but in no event shall the Secretary's finding be issued more than two years after the Secretary decides to conduct the adjudication.

"(C) If parties to an adjudication conducted by the Secretary reach a settlement of the issues prior to the Secretary's finding that Commission rate regulation of a pipeline in a market is in the public interest, the settlement shall bind those parties. If all parties reach such a settlement, the Secretary shall terminate the proceeding by accepting the settlement.

"(c)(1) Upon petition of any interested person, the Secretary may conduct an adjudication of whether Commission rate regulation of an existing pipeline in any market subject to that regulation is in the public interest in accordance with subsection (b)(3). The Secretary shall notify the Attorney General of any petition for adjudication or decision to conduct an adjudication under this paragraph and may consult with the Attorney General in deciding whether to conduct an adjudication.

"(2) If the Secretary finds that Commission rate regulation of an existing pipeline in a market subject to that regulation is not in the public interest, Commission rate regulation over that pipeline in that market terminates when the Secretary designates, but in no event shall Commission rate regulation continue beyond sixty days after the Secretary issues the finding.

"(d) The Attorney General may participate in any adjudication initiated by petition from any interested person under this section, or upon the request of the Secretary. In participating, the Attorney General shall be guided by the methods, assumptions, standards, and definitions set forth in the report cited in section 408(b)(2)(A).

"(e) Except as provided under subsection (i), new pipelines are not subject to existing Commission regulatory jurisdiction or to Commission rate regulation, but are subject to section 409 of this Act.

"(f)(1) The termination pursuant to this section of existing Commission regulatory jurisdiction or Commission rate regulation does not apply to products transported before the termination.

"(2) Commission rate regulation of a pipeline in a market made subject to that regulation under this section shall be prospective only. Products transported by the pipeline before regulation becomes effective under this section shall not be subject to Commission rate regulation.

"(3) Existing Commission regulatory jurisdiction terminated under this section, including existing Commission regulatory jurisdiction over new pipelines, shall not revert back to, be delegated to, or otherwise transfer to, the Department of Energy, the Interstate Commerce Commission, or any other agency of the Federal Government except as provided under subsection (i).

"(4) Notwithstanding any other law, and except as otherwise provided in section 409 and 410 of this Act, no State, political subdivision of a State, or agency of the Federal Government may regulate a pipeline with respect to which existing Commission regulatory jurisdiction or Commission rate regulation has been terminated pursuant to this section, including existing Commission regulatory jurisdiction and Commission rate regulation over new pipelines, to the extent that the regulation is similar in nature to those functions and authorities constituting existing Commission regulatory jurisdiction or Commission rate regulation that are terminated under this section. This authority includes, but is not limited to, subsections 5(e) and 5(f) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(e) and (f)) and section 28(r) of the Mineral Leasing Act of 1920 (30 U.S.C. 185(r)). Nothing in this Act limits any authority vested in a State or political subdivision of a State to regulate pipelines engaged in intrastate commerce.

"(g) Notwithstanding section 501 of this Act (42 U.S.C. 7191), the Secretary and the Attorney General each may promulgate, in accordance with section 553 of title 5, United States Code, rules and regulations necessary or appropriate to carry out their respective responsibilities under this section. Rules and regulations proposed by the Secretary implementing this section or any other actions taken by the Secretary under this section are not subject to section 404 of this Act (42 U.S.C. 7174).

"(h)(1) Notwithstanding section 502 of this Act (42 U.S.C. 7192), the United States Court of Appeals for the District of Columbia Circuit has exclusive original jurisdiction over any petition for judicial review under this section.

"(2) Any action of the Attorney General under this section, including without limitation any participation of the Attorney General in any adjudication under this section, is an agency action committed to agency discretion by law, and is not subject to judicial review in any manner.

"(i)(1) The Secretary of Defense may petition the Secretary for an adjudication or whether Commission rate regulation of an unregulated pipeline would be in the national defense interest, except that the Secretary of Defense may not petition the Secretary earlier than two years after—

"(A) the termination of Commission rate regulation of a pipeline that is the subject of the petition, or

"(B) a prior adjudication under this section regarding a pipeline that is the subject of the petition.

"(2) In response to a petition under this subsection, the Secretary may hold an adjudication of whether Commission rate regulation of an unregulated pipeline would be in the national defense interest. If the Secretary finds that Commission rate regulation of the pipeline is in the national defense interest, the pipeline shall be subject to section 410 of this Act.

"COMMON CARRIER STATUS CONTINUED; CONTRACTS

"SEC. 409. (a) Notwithstanding any other provision of this Act, pipelines shall operate as common carriers, as follows:

"(1) provide transportation service to all persons upon reasonable demand and upon fair, equitable, and nondiscriminatory terms and conditions and establish through routes with other common carrier pipelines, except that a pipeline's charging different rates to different shippers does not constitute a violation of this paragraph;

"(2) establish and observe just and reasonable classifications of property for transportation and just and reasonable regulations and practices affecting that transportation, except that a pipeline's charging different rates to different shippers does not constitute a violation of this paragraph;

"(3) refrain from disclosing to any person, other than the shipper or consignee, without consent of the shipper or consignee, any information concerning the nature, kind, quantity, destination, consignee, or routing of any property tendered or delivered.

"(b) Pipelines shall publish and file with the Commission schedules setting forth applicable terms and conditions of carriage, but excluding the rates to be charged for carriage.

"(c) Contracts between pipelines and other persons on terms and conditions other than those filed pursuant to subsection (b) as applicable to basic common carriage shall be presumed conclusively to be in the public interest as long as, in regulated markets, the regulated service is available at no more than the maximum rate.

"(d) The Commission shall enforce compliance with the obligations set forth in this section, and may adopt rules and regulations necessary or appropriate for that purpose.

"COMMISSION RATE REGULATION

"SEC. 410. (a) Notwithstanding any other law, the rates of any pipeline in any market subject to this section shall be regulated as follows:

"(1) The base rates of the pipeline in any market subject to this section are;

"(A) those rates that were in effect and not subject to investigation by the Commission on January 1, 1991, increased or reduced by the percentage change in the Producer Price Index for total finished goods calculated by the Bureau of Labor Statistics in the United States Department of Labor from that date to the date that Commission rate regulation commenced pursuant to section 408(b)(1);

"(B) with respect to rates that were subject to investigation by the Commission on January 1, 1991, which investigation was not terminated by final adjudication or settlement approved by the Commission as of the termination of existing Commission regulatory jurisdiction pursuant to section 408(b)(1), those rates that were in effect upon the last rate change prior to January 1, 1991, that was not made subject to an investigation by the Commission, increased or reduced by the percentage change in the Producer Price Index from the effective date of that change to the date that Commission rate regulation commenced prior to section 408(b)(1);

"(C) with respect to rates that were subject to investigation by the Commission on or before January 1, 1991, which investigation was terminated by a final adjudication or a settlement approved by the Commission prior to the termination of existing Commission regulatory jurisdiction pursuant to section 408(b)(1), those finally adjudicated or settled rates, increased or reduced by the percentage change in the Producer Price Index from the effective date of the final adjudication or settlement to the date that Commission rate regulation commenced pursuant to section 408(b)(1);

"(D) with respect to pipelines not in service on January 1, 1991, those rates initially established by those pipelines.

"(2) The base rate for a pipeline subject to this section may be modified as follows—

"(A) Within 120 days after a finding by the Secretary pursuant to section 408(b) that Commission rate regulation of any pipeline in any market is in the public interest, the Attorney General may petition the Secretary for an adjudication of whether any base rate of that pipeline in that market should be reduced. Upon receipt of such a petition, the Secretary shall conduct an adjudication in accordance with subsection (a)(2)(D) of this section.

"(B) Within 180 days after a public interest finding, an interested person may petition the Secretary for an adjudication of whether any base rate of that pipeline in that market should be reduced. A person filing such a petition shall provide a reasonable basis for the conclusion that the base rate should be reduced, and shall serve a copy of the petition on the Attorney General and on the pipeline that is the subject of the petition. Upon receipt of such a petition, the Secretary, for good cause shown, may conduct an adjudication in accordance with subsection (a)(2)(D). The Secretary may consult with the Attorney General in deciding whether to conduct an adjudication, and shall conduct an adjudication if the Attorney General so recommends.

"(C) Not later than 270 days after a public interest finding, the Secretary shall publish a list of all adjudications that the Secretary has determined will be held pursuant to this paragraph, identifying in each case the pipeline, the market, and the base rate for which a reduction is sought.

"(D)(i) The Secretary shall order a reduction if the petitioner demonstrates that the pipeline's market power has resulted in a base rate that is significantly higher than the rate likely would be if the relevant market were not subject to market power. In making this finding, the Secretary shall consider only statistical evidence of rates charged by that pipeline in competitive markets, with appropriate recognition of the effects of factors such as the distance of a movement. For purposes of this subparagraph, a base rate is considered significantly higher than the rate likely would be if the relevant market were not subject to market power only if the difference is statistically significant under commonly accepted standards.

"(ii) A finding under clause (i) of this subparagraph shall be issued within one year after the Secretary decides to conduct an adjudication, unless the Secretary, in the event of unusual circumstances, determines that the finding cannot be issued within one year. In such a case, the Secretary shall make specific findings as to the unusual circumstances necessitating the delay, and shall specify a date certain by which the Secretary will issue the finding, but in no event shall the Secretary's finding be issued more than two years after the Secretary decides to conduct the adjudication.

"(iii) If parties to an adjudication conducted by the Secretary reach a settlement of the issues prior to the Secretary's finding, it shall bind those parties. If all parties reach such a settlement, the Secretary shall terminate the proceeding by accepting the settlement.

"(E) Any adjustment of a base rate ordered under this subsection shall be effective as of the date of the Secretary's finding pursuant to subsection (a)(2)(D)(ii).

"(F) The Attorney General may participate in any adjudication initiated by petition from any interested person under this section, and shall participate upon the request of the Secretary. In participating, the Attorney General shall be guided by the methods, assumptions, standards, and definitions set forth in the report cited in section 408(b)(2)(A).

"(3) The Commission shall calculate as follows a maximum rate for each rate subject to Commission rate regulation:

"(A) Following the commencement of Commission rate regulation pursuant to subsection 408(b)(1)—

"(i) For the first period, which shall be from the commencement of Commission rate regulation pursuant to subsection 408(b)(1) until the date of publication by the Secretary of the list of adjudications required by subsection 408(b)(2)(C), the maximum rate shall be the base rate established under section 410(a) (1) and (2).

"(ii) For each of the next two periods, each of which shall be six months, the maximum rate for pipeline rates serving markets which are subject to an adjudication shall be the base rate increased or reduced by the percentage change in the Producer Price Index from the date upon which the base rate became effective.

"(iii) For all subsequent six month periods, the maximum rate shall be the prior maximum rate increased or reduced by the percentage change in the Competitive Pipeline Price Index during the previous period, except that, with respect to a settlement approved by the Commission after January 1, 1991, which expressly governs maximum rates for any future period, the settlement rate shall be the maximum rate until the conclusion of that period. At the conclusion of that period, the rate in effect shall be the maximum rate increased or reduced by the percentage change in the Competitive Pipeline Price Index.

"(B)(i) The Secretary shall calculate a Competitive Pipeline Price Index to reflect relative changes in prices charged by pipelines in competitive markets not subject to Commission rate regulation. The Competitive Pipeline Price Index shall be derived from the average revenue per barrel-mile of a sample of pipelines in those markets. The Secretary shall select the sample of pipelines, markets, and revenues to be used in calculating the Competitive Pipeline Price Index, and the Secretary may exclude data from pipelines not subject to Commission rate regulation but whose rates for any reason may not reflect effective competition. The Secretary may require reports from pipelines for the purpose of calculating the Competitive Pipeline Price Index.

"(ii) The Secretary shall initially publish the Competitive Pipeline Price Index one year after the termination of existing Commission regulatory jurisdiction, and shall publish changes in it at intervals of not more than six months.

"(iii) The Secretary may substitute an appropriate existing index for the Competitive Pipeline Price Index if that substitute index accurately reflects increases in prices in competitive pipeline markets and if the Secretary determines that calculation of the Competitive Pipeline Price Index would be unduly burdensome.

"(4)(A) Any rate subject to Commission rate regulation under this section which does not exceed the maximum rate determined in accordance with subsection (a)(3) of this section is presumed conclusively to be lawful and is not subject to protest, complaint, suspension, investigation, or any other challenge or inquiry under Commission rate regulation.

"(B) Nothing in this Act makes it unlawful for a pipeline to charge a rate that is lower than the maximum rate determined in accordance with subsection (a)(3). A pipeline charging lower than the maximum rate to a shipper with which it is affiliated by means of common ownership or otherwise shall make the lower rate available to any shipper upon the same terms and conditions of service.

"(5) The Commission shall publish base rates, rate adjustments, and maximum rates determined in accordance with this section and make them available for public inspection.

"(b) A pipeline subject to Commission rate regulation in a market shall not condition pipeline services in that market on entering into any other transaction, or on taking or refraining from any action.

"(c)(i) In any market subject to Commission rate regulation, if a pipeline expands its available capacity, it may petition the Commission for a determination of the pre-existing capacity that will remain subject to Commission rate regulation. If such a determination is made, the additional capacity shall not be subject to Commission rate regulation. Interested persons may participate in the proceeding.

"(2) The Commission may promulgate any regulations necessary or appropriate to ensure that rights to use pre-existing capacity at rates governed by Commission rate regulation are allocated to shippers in a manner that both preserves the efficacy of Commission rate regulation of pre-existing capacity and is consistent with the requirements of section 409 of this Act.

"(d) The Commission shall enforce compliance with the obligations set forth in this section, and may adopt rules and regulations necessary or appropriate for that purpose.

"(e) Notwithstanding section 501 of this Act (42 U.S.C. 7191), the Secretary and the Attorney General each may promulgate in accordance with section 553 of title 5, United States Code, rules and regulations necessary or appropriate to carry out their respective responsibilities under this section. Rules and regulations proposed by the Secretary implementing this section or any other actions taken by the Secretary under this section are not subject to section 404 of this Act (42 U.S.C. 7174).

"(f)(1) Notwithstanding section 502 of this Act (42 U.S.C. 7192), the United States Court of Appeals for the District of Columbia Circuit has exclusive original jurisdiction over any petition for judicial review under this section.

"(2) Any action of the Attorney General under this section, including without limitation any decision to petition or not to petition for an adjudication under this section, is an agency action committed to agency discretion by law, and is not subject to judicial review in any manner.

"REPORT TO CONGRESS

"SEC. 411. At the conclusion of the fifth year after the completion of all adjudications conducted under section 410 of this Act, the Secretary shall provide to the appropriate committee of Congress a report setting forth the findings and conclusions of the Secretary on the results of the Oil Pipeline Regulatory Reform Act and its impact on the public interest. In this report, the Secretary shall make any recommendations that the Secretary considers appropriate.".

CONFORMING AMENDMENTS

SEC. 1929. (a) Section 402(b) of the Department of Energy Organization Act (42 U.S.C. 7172(b)), is amended by striking "There" and inserting in its place "Subject to sections 408, 409, 410, and 411 of this Act, there".

(b) Section 404(a) of the Department of Energy Organization Act (42 U.S.C. 7174(a)) is amended by striking "section 403" and by inserting in its place "sections 408 and 410".

(c) The Table of Contents of the Department of Energy Organization Act is amended by adding after the item for section 407 four new items as follows: "Sec. 408. Regulation of pipelines.", "Sec. 409. Common carrier status continued; contracts.", "Sec. 410. Commission rate regulation.", and "Sec. 411. Report to Congress.".

APPLICABILITY OF ANTITRUST LAWS

SEC. 1930. Nothing in this part affects the applicability to the transportation by pipeline of crude oil, refined oil, or other petroleum products of the laws of the United States relating to unlawful restraints and monopolies and to combinations, contracts, or agreements in restraint of trade.

SEVERABILITY

SEC. 1931. If any provision of this part or its application to any person or circumstances is held invalid, neither the remainder of this part nor the application of the provision to other persons or circumstances shall be affected.

Subtitle D—Electricity Generation and Use

PART 1—PUBLIC UTILITY HOLDING COMPANY ACT REFORM DEFINITIONS

SEC. 1932. For the purposes of this part:

(1) "Exempt wholesale generator" means any person who is engaged directly, or indirectly, through one or more of that person's affiliates as defined under section 2(a)(11)(B) of the Act, exclusively in the business of owning or operating all or part of one or more eligible facilities and selling electric energy at wholesale. The term excludes a registered holding company affiliate in existence on the date of enactment of the National Energy Strategy Act, unless the Commission has consented to its inclusion.

(2) "Eligible facility" means a facility, wherever located, that is used for the generation of electric energy exclusively for sale at wholesale (including interconnecting transmission facilities necessary to effect sale at wholesale). For purposes of sections 1932 and 1933, "facility" includes a portion of a facility. This term does not include a facility if a rate or a charge for, or in connection with, its construction or for electricity it produces (other than any portion of a rate or charge that represents recovery of the cost of a wholesale rate or charge) is in effect under the laws of any State.

(3) "Electric consumer" means any person, State or local authority or agency, or Federal agency to which electric energy is sold other than for purposes of resale.

(4) As used in sections 1932 and 1933, "the Act" means the Public Utility Holding Company Act. All of the terms used in sections 1932 and 1933 and defined in the Act have the meaning given in the Act.

EXEMPT WHOLESALE GENERATORS

SEC. 1933. (a) An exempt wholesale generator is not considered an "electric utility company" under section 2(a)(3) of the Act and, whether or not a subsidiary company, an affiliate, or an associate company of a holding company, is exempt from the Act.

(b) Notwithstanding any provision of the Act, the eligibility of a holding company for exemption under section 3(a) of the Act is not affected by whether an associate company, affiliate, or subsidiary company is an exempt wholesale generator, unless the Commission, by order upon application of an affected State commission or other interested party, and considering among other relevant factors any views submitted by each affected State commission, terminates the exemption upon determining that—

(1) the holding company has not established appropriate means to determine the allocation of costs between the exempt wholesale generator and any associate company, affiliate, or subsidiary company that provides electric service to electric consumers; or

(2) the exempt wholesale generator is a party to a contract, either directly or through an associate company, for the sale of electric energy to an associate company, affiliate, or subsidiary company that provides electric service to electric consumers without each affected State commission having given its prior approval of the contract under State law.

(c) For the purposes of this section, an "affected State commission" is any State commission that has jurisdiction to regulate a holding company's associate company, affiliate, or subsidiary company that provides electric service to electric consumers.

(d) Notwithstanding any provision of the Act and the Commission's jurisdiction under subsection (e) of this section, a registered holding company may acquire and hold, directly or indirectly, the securities, or interest in the business, of one or more exempt wholesale generators without applying for or receiving approval from the Commission and without being subject to any other conditions under the Act, so long as the exempt wholesale generator is not a party to a contract, either directly or through an associate company, for the sale of electric energy to an associate company, affiliate, or subsidiary company that provides electric service to electric consumers, unless each affected State commission has given its prior approval of the contract under State law.

(e) The direct or indirect issuance of securities by a registered holding company for purposes of financing the acquisition of an exempt wholesale generator; the direct or indirect guarantee of securities of an exempt wholesale generator by a registered holding company; the direct or indirect entering into service, sales, or construction contracts; and the direct or indirect creation or maintenance of any other relationship in addition to that described in subsection (d) between an exempt wholesale generator and a registered holding company, its affiliates, and associate companies, remain subject to the jurisdiction of the Commission under the Act, except that—

(1) section 11 of the Act does not prohibit the ownership of an interest in the business of one or more exempt wholesale generators by a registered holding company (regardless of the location of facilities owned or operated by the exempt wholesale generator), and that ownership is considered to be consistent with the operation of an integrated public utility system; and

(2) the ownership of an interest in the business of one or more exempt wholesale generators by a registered holding company (regardless of the location of facilities owned or operated by the exempt wholesale generator) is considered to be reasonably incidental, or economically necessary or appropriate to the operations of an integrated public utility system.

OWNERSHIP OF EXEMPT WHOLESALE GENERATORS AND QUALIFYING FACILITIES

SEC. 1934. The ownership by a person of one or more exempt wholesale generators does not result in that person being considered as being primarily engaged in the generation or sale of electric power within the meaning of sections 3(17)(C)(ii) and 3(18)(B)(ii) of the Federal Power Act (16 U.S.C. 796(17)(C)(ii) and (18)(B)(ii)).

FEDERAL AND STATE AUTHORITIES

SEC. 1935. (a) A rate or charge for the sale of electric energy at wholesale in interstate commerce by an exempt wholesale generator is not considered just and reasonable within the meaning of sections 205 and 206 of the Federal Power Act (16 U.S.C. 824d and 824e) if the rate or charge allows the exempt wholesale generator to receive undue advantage from the existence of an affiliate relationship between the exempt wholesale generator and the purchaser of that electric energy.

(b) A State commission may determine the prudence of a wholesale power purchase by an electric utility company that provides electric service to electric consumers and may disallow recovery of costs determined to be imprudently incurred, unless the wholesale purchaser has no alternative to accepting the amount of power or costs allocated to it by the Federal Energy Regulatory Commission in setting a wholesale rate or charge that is based on an allocation of power or costs among—

(1) companies of a registered holding company; or

(2) companies that operate on an integrated basis under an agreement approved by the Federal Energy Regulatory Commission.

Subtitle E—Nuclear Power

PART 1—LICENSING REFORM

COMBINED LICENSES

SEC. 1936. (a) Section 185 of the Atomic Energy Act of 1954 (42 U.S.C. 2235) is amended by—

(1) adding "and Operating Licenses" after "Permits" in the catchline;

(2) adding a subsection designator "(a)" before "All"; and

(3) adding the following new subsections:

"(b)(1) After holding a public hearing under section 189 of this Act, the Commission shall issue to the applicant a combined construction and operating license if the application contains sufficient information to support the issuance of a combined license and the Commission determines that there is reasonable assurance that the facility will be constructed and will operate in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. The Commission shall identify within the combined license the inspections, tests, and analyses that the licensee shall perform, and the acceptance criteria that the Commission shall use to determine their satisfactory completion.

"(2)(A) An application for a combined license shall include a State, local, or utility emergency plan. The combined license shall identify the inspections, tests, exercises, and analyses required for the emergency plan and the acceptance criteria for their satisfactory completion.

"(B) In finding reasonable assurance that adequate protective measures can and will be taken in a radiological emergency, the Commission may presume that States and localities in the emergency planning zones will use best efforts to protect their citizens by following an emergency plan determined by the Commission to be adequate.

"(C) Notwithstanding paragraph (4) of this subsection, questions which arise after combined license issuance, concerning offsite emergency planning issues relating to whether there is reasonable assurance of adequate protective measures including those from a decision by a State or locality not to participate in a previously approved State, local or utility plan, may be resolved only in a proceeding, either in response to a petition or at the initiative of the Commission, to modify or suspend operation under the combined license.

"(3) At appropriate intervals during construction or preoperational testing, the Commission shall publish in the Federal Register notices of the successful completion of inspections, tests, and analyses.

"(4)(A) Not less than 120 days before the date scheduled for initial loading of fuel into a plant by a licensee that has been issued a combined license, the Commission shall publish in the Federal Register notice of intended operation. That notice shall provide that any person whose interest may be affected by operation of the plant, may within 30 days request the Commission to hold a hearing on whether the facility as constructed complied, or on completion will comply, with the acceptance criteria of the license.

"(B) A request for a hearing under this paragraph shall show, prima facie, that one or more of the acceptance criteria in the combined license have not been, or will not be, met, and the specific operational consequences of nonconformance that would be contrary to adequate protection of the public health and safety.

"(C) After receiving a request for a hearing under this paragraph, the Commission expeditiously shall either deny or grant the request. If a hearing is held, commencement of plant operation shall not be delayed pending decision after hearing unless the Commission determines, after considering petitioners' prima facie showing and any answers thereto, that petitioners are likely to succeed on the merits and, as a result, there will not be adequate protection of the public health and safety in the interval prior to the decision.

"(D) A hearing under this paragraph shall be informal, but parties shall be allowed to offer evidence, under oath or affirmation. Discovery and cross-examination of witnesses are not permitted, but the presiding official may direct questions to any party.

"(E) The Commission shall, to the maximum possible extent, render a decision on issues raised by the hearing request within 120 days of the publication of the notice provided by subparagraph (A) or the anticipated date for initial loading of fuel into the reactor, whichever is later. Commencement of operation under a combined license is not subject to section 189(a)(1), but any final order of the Commission under this paragraph is subject to judicial review as provided in section 189(b).

"(5) The Commission also shall notify the Attorney General if significant changes in the licensee's activities or proposed activities have occurred subsequent to the previous review by the Attorney General and the Commission under section 105 c. in connection with issuance of the combined construction and operating licenses for the facility so as to warrant further review under that section under such procedures as may be established by the Commission.

"(c) In acting on a request by the holder of a combined license for an amendment to the combined license, the Commission shall apply the same procedures and criteria as it would under section 189(a) of this Act to a licensee request for an amendment to an operating license for a utilization facility. The Commission shall not delay preoperational activities or operation of a facility pending completion of a proceeding under this paragraph if the Commission determines that the amendment involves no significant hazards considerations.".

RULEMAKING

SEC. 1937. The Nuclear Regulatory Commission shall propose regulations implementing this part of the National Energy Strategy Act within 1 year of the date of its enactment.

CONFORMING AND TECHNICAL AMENDMENTS

SEC. 1938. (a) Section 105(c)(2) of the Atomic Energy Act of 1954 is amended by inserting "or both construct and operate" after "operate" the first time it appears.

(b) Subsection 182(b) of the Atomic Energy Act of 1954 is amended to read as follows:

"(b) The Advisory Committee on Reactor Safeguards shall review:

"(1) an application under section 103 or section 104 b. for a construction permit, an operating license, or a combined construction and operating license for a facility;

"(2) an application under section 104 c. for a construction permit or an operating license for a testing facility;

"(3) an application under section 104 a. or c. specifically referred to it by the Commission; or

"(4) an application for an amendment to a construction permit, to an operating license, or to a combined construction and operating license under section 103 or 104 a., b., or c. specifically referred to it by the Commission;

The Advisory Committee on Reactor Safeguards shall submit a report on the application which shall be made a part of the record of the application and be made available to the public except to the extent that security classification prevents disclosure.".

(c) Section 186(a) of the Atomic Energy Act of 1954 is amended by inserting "and 185," after "sections 182,".

(d) The table of contents of the Atomic Energy Act of 1954 (42 U.S.C. 2011 prec.) is amended by amending the item relating to section 185 to read as follows:

"Sec. 185. Construction Permits and Operating Licenses.".

EFFECT ON PENDING PROCEEDINGS

SEC. 1939. Sections 1936 through 1938 of this part apply to all proceedings pending before the Nuclear Regulatory Commission on the date of enactment of this part.

PART 2—NUCLEAR WASTE MANAGEMENT

REPOSITORY SITE CHARACTERIZATION

SEC. 1940. Section 113(a) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10133(a)) is amended to read as follows:

"(a) IN GENERAL.—(1) The Secretary shall carry out, in accordance with this section, appropriate site characterization activities at the Yucca Mountain site. The Secretary shall consider fully the comments received under subsection (b)(2) of this section and section 112(b)(2) of this Act and shall, to the maximum extent practicable and in consultation with the Governor of the State of Nevada, conduct site characterization activities in a manner that minimizes any significant adverse environmental impacts identified in those comments or in the environmental assessment submitted under subsection (b)(1) of this section.

"(2) Notwithstanding any other law, for the purpose of site characterization activities, a Federal agency administering a law, ordinance, or regulation that imposes a requirement for a permit, license, right of way, certification, approval, or other authorization, shall administer the application of that law, ordinance, or regulation to site characterization activities conducted by the Secretary under this Act without regard to whether its administration has been, or could be, delegated to a State or superseded by a comparable State law.

"(3)(A) A requirement for a permit, license, right of way, certification, approval, or other authorization imposed by a State, local, or tribal law, ordinance, or regulation does not apply to site characterization activities under this Act.

"(B) The Secretary shall carry out site characterization activities under this Act notwithstanding a denial of, or refusal to act on, an application for a permit, license, right of way, certification, approval, or other authorization required by a State, local, or tribal law, ordinance, or regulation.

"(4) Notwithstanding paragraph (3), in carrying out site characterization activities under this Act, the Secretary shall consider the views of State, local, and tribal officials regarding the substantive provisions of State and local laws, ordinances, and regulations.

"(5) An action to contest the constitutionality of a provision of this subsection must be brought within 60 days of the date of the enactment of the National Energy Strategy Act. A court may not enjoin site characterization activities carried out by the Secretary under this Act in an action brought to contest the constitutionality of a provision of this subsection except as part of a final judgment.

"(6) Paragraphs (2), (3), (4), and (5) of this subsection apply only to site characterization activities conducted or begun before the Secretary submits to the Commission under section 114(b) of this Act (42 U.S.C. 10134(b)) an application for a construction authorization for a repository.

"(7) The exclusion or inclusion of any provisions contained in paragraphs (2), (3), (4), or (5) of this subsection in a negotiated proposed agreement developed under title IV of this Act shall not affect any determinations regarding either the reasonableness or appropriateness of such an agreement.".

MONITORED RETRIEVABLE STORAGE FACILITY

SEC. 1941. Sections 145(b) and 148(d) (1) and (2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 1065(b) and 1068(d) (1) and (2)) are repealed.

Subtitle F—Renewable Energy

PART 1—PURPA SIZE CAP AND CO-FIRING REFORM

FEDERAL POWER ACT DEFINITIONS

SEC. 1942. Section 3(17) of the Federal Power Act (16 U.S.C. 796(17)) is amended—

(1) by amending paragraph (A) to read as follows:

"(17)(A) 'small power production facility' means a facility which—

"(i) is an 'eligible solar, wind, waste, biomass, hydroelectric, or geothermal facility';

"(ii) is an 'alternative power production facility'; or

"(iii)(I) produces electric energy solely by the use, as a primary energy source, of biomass, waste, renewable resources, geothermal resources, or any combination of those energy sources; and

"(II) has a power production capacity which, together with any other facilities located at the same site (as determined by the Commission), is not greater than 80 megawatts;";

(2) in paragraph (E)—

(A) by inserting ", biomass, hydroelectric," after "waste" the first time it appears; and

(B) by striking "or geothermal resources, and which would otherwise not qualify as a small power production facility because of the power production capacity limitation contained in subparagraph (A)(ii)" and inserting ", biomass energy, hydroelectric power, or geothermal resources, regardless of power production capacity" in its place; and

(3) by adding the following paragraph:

"(F) 'alternative power production facility' means a facility, regardless of power production capacity, which produces electric energy by using solar energy, wind energy, waste resources, biomass energy, hydroelectric power, or geothermal resources, but only if—

"(i) either an application for certification of the facility as a qualifying small power production facility or a notice that the facility meets the requirements for qualification is submitted to the Commission;

"(ii) the electric capacity of the facility is acquired through competitive acquisition; and

"(iii) at least fifty percent of the energy source used to produce electric energy is obtained through the use of solar, wind, waste, biomass, hydroelectric power, geothermal resources, or any combination of those energy sources.".

UTILITY PURCHASING AND EXEMPTIONS

SEC. 1943. Section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a-3) is amended—

(1) in subsection (a),

(A) by striking "and to encourage geothermal small power production facilities of not more than 80 megawatts capacity,"; and

(B) by inserting "In the case of an alternative power production facility, these rules shall require electric utilities to offer to purchase electric capacity from such a facility only through competitive acquisition." after "resale.";

(2) in subsection (e)(2) by striking "other than a qualifying small power production facility which is an eligible solar, wind, waste, or geothermal facility as defined in section 3(17)(E) of the Federal Power Act" and inserting "other than a qualifying small power production facility which is an alternative power production facility or an eligible solar, wind, waste, biomass, hydroelectric or geothermal facility" in its place; and

(3) in subsection (1) by inserting "alternative power production facility", "eligible solar, wind, waste, biomass, hydroelectric, or geothermal facility", "competitive acquisition", after ""qualifying small power producer",".

PART 2—HYDROELECTRIC POWER REGULATORY REFORM

REGULATORY REFORM

SEC. 1944. Section 4 of the Federal Power Act (16 U.S.C. 797) is amended by—

(1) inserting ", and for the purposes of subsections (h), (i), and (j), the Commission shall" after "empowered"; and

(2) adding the following after subsection (g):

"(h) Require each applicant who files an application for a license under this part after December 31, 1992, before filing the application to consult, concerning studies to be undertaken in connection with the licensing process, with those Federal and State agencies and Indian tribes the Commission requires to be consulted and then to have the applicant submit to the Commission a plan and schedule for conducting the studies and a summary of its consultation activities. The Commission shall approve or modify the plan and schedule taking into consideration the cost of the studies, the potential value to the licensing determination of the information the studies are likely to produce, and any other factors the Commission considers relevant and shall ensure that the plan includes all studies necessary to evaluate the proposed projects. Once a plan is approved by the Commission, the Commission may modify it only after determining that the public interest would be affected if it were not modified. This determination may include a finding that additional information is needed in order to address the provisions of this Act or other applicable law. Approval of the study plan and schedule does not constitute a formal Commission decision and is not subject to appeal.

"(i) Coordinate a single, consolidated review, including review under the National Environmental Policy Act of 1969, of a hydropower project which is the subject of an application for a license under this part, by all Federal agencies, State agencies and affected Indian tribes interested in the project that is the subject of the application. The Commission shall give reasonable notice of the application and the consolidated review to all Federal agencies, State agencies, and affected Indian tribes that may be interested in the project that is the subject of the application. The Commission shall be the lead agency for purposes of compliance with the National Environmental Policy Act of 1969. A review under the National Environmental Policy Act of 1969 completed by the Commission as part of this consolidated review is the only documentation needed by an agency to satisfy the requirements of the National Environmental Policy Act of 1969 for the project subject to the review. The Commission's decision concerning issuance of a license and the terms, conditions, and prescriptions of the license shall take into account the results of the consolidated review. An agency's decision concerning its recommendations, terms, conditions, and prescriptions for the license and any approvals within its authority related to the project shall take into account the results of the consolidated review. The Commission may establish reasonable time limits for submission of recommendations, terms, conditions, prescriptions, and reports by a Federal agency, State agency, or Indian tribe as part of the consolidated review. If an agency does not meet the Commission's time limitations, the Commission may continue to process and to take any appropriate action on the application.

"(j)(1) Notwithstanding any other provision of this Act or other law, have exclusive authority to determine which recommendations, terms, conditions, prescriptions, permits, and certifications are included in a license issued under this part for a hydropower project at an existing dam or conduit. If the Commission does not adopt in whole or part a recommendation, term, condition, prescription, permit, or certification promulgated by a Federal or State agency or an Indian tribe, the Commission shall state fully its reasons for its action.

"(2) If there is a conflict between the terms of a license issued under this part for a hydropower project at an existing dam or conduit and the terms of a permit, license, certificate, or other authorization required by another Federal agency or a State agency for the same project, the terms of the license issued under this part prevail. If the hydropower project at an existing dam or conduit has been issued a license under this part and has been denied a permit, license, certificate, or other authorization by another Federal agency or State agency, the licensee of the project may proceed under the license issued under this part.".

REMOVAL OF COMMISSION AUTHORITY OVER FIVE MEGAWATT PROJECTS

SEC. 1945. Section 10(i) of the Federal Power Act (16 U.S.C. 803(i)) is amended to read as follows:

"(i)(1) A constructed or proposed hydropower project with an installed capacity of five megawatts or less that has not received a license under this part by the effective date of the National Energy Strategy Act is not subject to this part.

"(2) The licensee of a project with an installed capacity of five megawatts or less licensed under this part as of the effective date of the National Energy Strategy Act may elect not to be regulated under this part by applying to the Commission for permission to surrender the license. The Commission shall permit surrender of the license unless the Commission determines it is not in the public interest to do so.

"(3) Notwithstanding this subsection, section 401 of the Federal Water Pollution Control Act of 1972 (33 U.S.C. 1341) applies to a project with an installed capacity of five megawatts or less as it did before the date of enactment of the National Energy Strategy Act.".

Subtitle G—Alternative Fuel

PART 1—DUAL AND FLEXIBLE FUEL VEHICLE CREDITS

DUAL AND FLEXIBLE FUEL CAP REMOVAL

SEC. 1946. Section 513(g) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2013(g)) is amended to read as follows:

"(g) AMENDMENT TO STANDARDS.—In carrying out section 502(a)(4) and (f) of this title, the Secretary shall not consider the fuel economy of alcohol powered automobiles or natural gas powered automobiles, and the Secretary shall consider dual energy automobiles and natural gas dual energy automobiles to be operated exclusively on gasoline or diesel fuel.".

PART 2—ALTERNATIVE TRANSPORTATION FUELS

DEFINITIONS

SEC. 1947. for the purposes of this part—

(1) "alternative fuel" means methanol, ethanol, and other alcohols; mixtures containing 85 percent or more by volume of methanol, ethanol, or other alcohol with gasoline or other fuels; natural gas; liquid petroleum gas; hydrogen; and electricity;

(2) "alternative fuel vehicle" means a motor vehicle that—

(A) operates solely on alternative fuel, or

(B) is a flexi-fueled vehicle;

(3) "covered person" means a person to whom section 1948 of this part applies;

(4) "fleet" means a number of motor vehicles, all or a part of which are centrally fueled or capable of being centrally fueled, that are owned, operated, leased, or otherwise controlled by a person. This term does not include—

(A) motor vehicles held for daily lease or rental to the general public;

(B) motor vehicles held for sale by motor vehicle dealers, including demonstration vehicles;

(C) motor vehicles used for motor vehicle manufacturer product evaluations or tests;

(D) law enforcement vehicles;

(E) emergency vehicles;

(F) military tactical vehicles; or

(G) non-road vehicles, including farm and construction vehicles;

(5) "flexi-fueled vehicle" means a motor vehicle that can operate on alternative or non-alternative fuel;

(6) "person" has the meaning given that term in section 1 of title 1, United States Code, but also includes a State government and a local government;

(7) "Secretary" means the Secretary of Energy; and

(8) "urban bus" has the meaning given that term in section 219 of the Clean Air Act (42 U.S.C. 7554).

ACQUISITION OF ALTERNATIVE FUEL VEHICLES

SEC. 1948. (a)(1) This subsection applies to a person who owns, operates, leases, or otherwise controls a fleet that—

(A)(i) contains at least—

(I) 10 automobiles;

(II) 10 trucks, except multi-unit trucks over 26,000 pounds gross vehicle weight; or

(III) 10 buses, except intercity passenger buses and urban buses; or

(IV) a combination of at least 10 motor vehicles of these types; and

(ii) is located in a metropolitan statistical area or consolidated metropolitan statistical area, as established by the Bureau of the Census, with a 1980 population of more than 250,000, which has been classified by the Environmental Protection Agency under part D of title I of the Clean Air Act as a serious, severe or extreme nonattainment area for ozone based on 1987, 1988, and 1989 data; or

(B)(i) contains at least—

(I) 20 automobiles;

(II) 20 trucks, except multi-unit trucks over 26,000 pounds gross vehicle weight;

(III) 20 buses, except intercity passenger buses and urban buses; or

(IV) a combination of 20 motor vehicles of these types; and

(ii) is located in any metropolitan statistical area or consolidated metropolitan statistical area, as established by the Bureau of the Census, with a 1980 population of more than 250,000.

(2) When a person to whom this subsection applies under paragraph (1) purchases, leases, or otherwise acquires vehicles for the fleet described in paragraph (1), in the years specified in this paragraph, the following percentage of the vehicles purchased, leased, or otherwise acquired shall be alternative fuel vehicles in the respective years—

(A) in 1995, 10 percent;

(B) in 1996, 15 percent;

(C) in 1997, 25 percent;

(D) in 1998, 50 percent;

(E) in 1999, 75 percent; and

(F) in 2000 and afterwards, 90 percent.

(b)(1) This subsection applies to a person who owns, operates, leases, or otherwise controls a fleet that—

(A)(i) contains at least 10 urban buses, except intercity passenger buses, and

(ii) is located in an area described in subsection (a)(1)(A)(ii) of this section, or

(B)(i) contains at least 20 urban buses, except intercity passenger buses, and

(ii) is located in an area described in subsection (a)(1)(B)(ii) of this section.

(2) When a person to whom this subsection applies under paragraph (1) purchases, leases, or otherwise acquires vehicles for the fleet described in paragraph (1), in the years specified in this paragraph, the following percentage of the vehicles purchases, leased, or otherwise acquired shall be alternative fuel vehicles in the respective years—

(A) in 2000, 50 percent;

(B) in 2001, 75 percent;

(C) in 2002, 80 percent; and

(D) in 2003 and thereafter, 90 percent.

EXCEPTION

SEC. 1949. This part does not apply to a covered person if the Secretary determines that no alternative fuel vehicles meeting the fleet requirements for that person are available for purchase, lease, or acquisition by other means when the part becomes applicable to the covered person. This part applies to that covered person when alternative fuel vehicles become available. This part does not apply to a person subject to section 1948(b) if the Secretary determines that no alternative fuel vehicle that is an urban bus complies with the warranty standards for urban buses.

CREDITS

SEC. 1950. (a) The Secretary shall allocate a credit to a covered person if that person purchases an alternative fuel vehicle in excess of the number that person is required to purchase under this part or purchases an alternative fuel vehicle before the date that person is required to purchase an alternative fuel vehicle under this part.

(b) In allocating credits under subsection (a), the Secretary shall allocate one credit for each alternative fuel vehicle the covered person purchases that exceeds the number of alternative fuel vehicles that person is required to purchase under this part or that is purchased before the date that person is required to purchase an alternative fuel vehicle under this part. The credit shall be allocated for the same type of vehicle, including an urban bus, automobile, or other vehicle subject to the requirements of this part, as the excess vehicle or earlier purchased vehicle.

(c) At the request of a covered person allocated a credit under this section, the Secretary shall treat the credit as the purchase of one alternative fuel vehicle of the type for which the credit is allocated in the year designated by that person when determining whether that person has complied with this part in the year designated. A credit may be counted toward compliance for only one year.

(d) A covered person allocated a credit under this section or to whom a credit is transferred under this section, may transfer freely the credit to another person who is required to comply with this part. At the request of the person to whom a credit is transferred, the Secretary shall treat the transferred credit as the purchase of one alternative fuel vehicle of the type for which the credit is allocated in the year designated by the person to whom the credit is transferred when determining whether that person has complied with this part in the year designated. A transferred credit may be counted toward compliance for only one year.

REPORTS

SEC. 1951. The Secretary may require a person to file with the Secretary the reports the Secretary determines necessary to implement this part.

ENFORCEMENT

SEC. 1952. (a) A person who violates a requirement or prohibition of this part is subject to a civil penalty of not more than $100,000 per violation. Each month in which a violation occurs constitutes a separate violation, unless the violator establishes that the vehicle necessary to comply with this part could not be purchased, leased, or otherwise acquired in that month. The first month of a violation of the yearly acquisition requirement of section 1948 is the month in which a person purchases, leases, or otherwise acquires vehicles that result in noncompliance with the yearly alternative fuel vehicle purchase requirement under that section. Each month in which compliance has not been achieved after the first month is a separate violation.

(b) The Secretary may request the Attorney General to commence a civil action for a permanent or temporary injunction or to assess and recover any civil penalty under subsection (a) of this section. An action under this subsection may be brought in the district court of the United States for the district in which the violation is alleged to have occurred or in which the defendant resides or has his principal place of business. The court in which the action has been brought may restrain a violation, require compliance, assess a civil penalty, collect any noncompliance assessment and nonpayment penalty owed the United States, and award any other appropriate relief. In such an action, subpoenas for witnesses who are required to attend a district court in any district may run into any other district.

(c)(1) Instead of commencing a civil action under subsection (b), the Secretary may assess an administrative penalty in the amount prescribed in subsection (a) of this section. The maximum amount of penalty sought against each violator in a proceeding under this subsection may not exceed $200,000, unless the Secretary and the Attorney General jointly determine that a larger amount is appropriate. A determination by the Secretary and the Attorney General on the appropriateness of a larger amount is not subject to judicial review.

(2) The Secretary shall assess an administrative penalty under this subsection by an order made on the record after opportunity for a hearing in accordance with sections 554 and 556 of title 5 of the United States Code. Before issuing such an order, the Secretary shall give to the person to be assessed an administrative penalty written notice of the Secretary's proposal to issue an order. That person has 30 days from the date the notice is received to request a hearing on the order. The Secretary shall issue rules for procedures for hearings under this subsection. The Secretary may compromise, modify, or remit, with or without conditions, an administrative penalty that the Secretary imposes under this subsection.

(3) An order issued under this subsection becomes final 30 days after its issuance un-

less a petition for judicial review is filed under paragraph (4).

(4) Within 30 days following the date an administrative penalty is issued under this subsection, a person against whom the administrative penalty is assessed may seek review of the assessment in the United States District Court for the District of Columbia or for the district in which the violation is alleged to have occurred, the person resides, or the person's principal place of business is located. That person shall send a copy of the filing seeking review by certified mail to the Secretary and the Attorney General on the day of the filing. Within 30 days of the date the Secretary receives a copy of the filing, the Secretary shall file in the court a certified copy, or certified index, as appropriate, of the record on which the order was issued. The court shall not set aside or remand the order unless there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or unless the Secretary's assessment of the penalty constitutes an abuse of discretion. In a proceeding under this subsection, the United States may seek to recover administrative penalties assessed under this subsection.

(5) If a person fails to pay an assessment of an administrative penalty imposed by the Secretary under this subsection—

(A) after the order making the assessment has become final, or

(B) after a court in an action brought under paragraph (4) has entered a final judgment in favor of the Secretary,

the Secretary shall request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed, plus interest at rates established under section 6621(a)(2) of the Internal Revenue Code of 1986 from the date of the final order or the date of the final judgment, as the case may be. In this action, the validity, amount, and appropriateness of the penalty is not subject to review. A person who fails to pay on a timely basis the amount of an assessment of an administrative penalty under this section shall be required to pay, in addition to the amount and interest, the United States' enforcement expenses, including but not limited to, attorneys fees and costs for collection proceedings, and a quarterly nonpayment penalty for each quarter during which the failure to pay persists. This nonpayment penalty shall be in an amount equal to 10 percent of the aggregate amount of that person's penalties and nonpayment penalties which are unpaid as of the beginning of the quarter.

(d) In determining the amount of a penalty to be assessed under this section, the Secretary or the court, as appropriate, shall take into consideration, in addition to other factors justice may require, the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of the violation as established by any credible evidence, payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, and the seriousness of the violation.

IMPLEMENTATION

SEC. 1953. The Secretary of Energy shall issue regulations to implement this part.

Subtitle H—Innovation and Technology Transfer

STEVENSON-WYDLER ACT AMENDMENTS

SEC. 1954. (a) Section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) is amended by adding the following new subsection after subsection (g):

"(h) COPYRIGHT OF COMPUTER SOFTWARE.—Each Federal agency may secure copyright on behalf of the United States as author or proprietor in any computer software prepared in whole or in part by employees of the United States Government in the course of work under a cooperative research and development agreement entered into under the authority of subsection (a)(1) of this section, or under any other equivalent authority, notwithstanding the limitations contained in section 105 of title 17, United States Code; and may grant or agree to grant in advance to a collaborating party, licenses or assignments for such copyrights, or options thereto, retaining a nonexclusive, nontransferable, irrevocable, paid-up license to reproduce, adapt, translate, distribute, and publicly perform or display the computer software throughout the world by or on behalf of the Government and such other rights as the Federal agency deems appropriate.".

(b) Section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703) is amended by adding at the end the following new paragraph:

"(14) 'Computer software' means a computer program, as defined in section 101 of title 17, United States Code, and any associated documentation, supporting materials, or user instructions.".

ROYALTY PAYMENTS TO AUTHORS

SEC. 1955. (a) Sections 14(a)(1)(A), 14(a)(2), and 14(a)(3) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710c(a)(1)(A), (a)(2) and (a)(3) are amended—

(1) by inserting "or computer software" after "inventions" each place it appears;

(2) by inserting "or computer software" after "invention" each place it appears;

(3) by inserting "or author" after "inventor" each place it appears;

(4) by inserting "or co-author" after "coinventor" each place it appears;

(5) by inserting "or authors" after "inventors" each place it appears;

(6) by inserting "or co-authors" after "coinventors" each place it appears; and

(7) by inserting "or author's" after "inventor's" each place it appears.

(b) Section 14(a)(1)(B) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710c(a)(1)(B)) is amended—

(1) by inserting "or computer software" after "income from any invention";

(2) by inserting "or computer software was developed" after "the invention occurred";

(3) by inserting "or computer software" after "licensing of inventions" in clause (i);

(4) by inserting "or computer software which was developed" after "with respect to inventions" in clause (i); and

(5) by inserting "or computer software" after "organizations for invention" in clause (i).

(c) Section 14(c) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)), is amended by inserting "or author" after "including inventor".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 1956. Section 12(c) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)), is amended by inserting "or computer software" after "inventions" each place it appears.

Subtitle I—Tax Incentives

ENERGY INVESTMENT TAX CREDIT

SEC. 1957. (a) The Internal Revenue Code of 1986 is amended in section 48(a)(2)(B) by striking "June 30, 1992" and inserting "December 31, 1993".

(b) The amendment made by subsection (a) applies after June 30, 1992.

PERMANENCE OF THE RESEARCH CREDIT

SEC. 1958. (a) The Internal Revenue Code of 1986 is amended—

(1) by striking section 41(h); and

(2) by striking subparagraph (D) of section 28(b)(1).

(b) The amendments made by subsection (a) apply to taxable years beginning after June 30, 1992.

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Subtitle E—Land Reclamation and Reclamation Liability Fund

Sec. 2029. Land reclamation.
Sec. 2030. Standard to govern land reclamation.
Sec. 2031. Coastal Plain Liability and Reclamation Fund.

Subtitle F—Disposition of Oil and Gas Revenues

Sec. 2032. Distribution of revenues.
Sec. 2033. Judicial review.

Subtitle A—Short Title and Statement of Purpose

SHORT TITLE

SEC. 2001. This title may be cited as the "Arctic Coastal Plain Competitive Oil and Gas Leasing Act".

STATEMENT OF PURPOSE

SEC. 2002. It is the purpose of this title to authorize competitive oil and gas leasing and development to proceed on the Coastal Plain in a manner consistent with protection of the environment, maintenance of fish and wildlife and their habitat, and the interests of the area's subsistence users.

Subtitle B—Definitions

DEFINITIONS

SEC. 2003. When used in this title—

(1) "Coastal Plain" means that area identified as such in the map entitled "Arctic National Wildlife Refuge", dated February, 1991, on file in the office of the Director of the United States Fish and Wildlife Service;

(2) "Secretary" means the Secretary of the Interior or the Secretary's designee; and

(3) "significant adverse effects" means those effects which, despite the reasonable application of mitigation measures, if any, involving appropriate technology, engineering, and environmental control measures, including siting and timing restrictions, would result in widespread long-term reductions in habitat quality or availability that cause, or are likely to cause, a widespread long-term reduction in the natural abundance of any species of fish, wildlife, or plant.

Subtitle C—Coastal Plain Competitive Leasing Program

LEASING PROGRAM FOR LANDS WITHIN THE COASTAL PLAIN

SEC. 2004. (a) The Secretary and other appropriate Federal officers and agencies shall take the actions necessary to establish and implement a competitive oil and gas leasing program that will provide for an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain. Activities pursuant to such program shall be undertaken—

(1) in accordance with the standards for protection of the environment required by subtitle D of this title; and

(2) in a manner to ensure that the public receives fair market value for the lands to be leased.

(b) This title shall be the Secretary's sole legislative authority for authorizing and conducting an oil and gas leasing program on the Coastal Plain and related activities.

(c) The Coastal Plain shall be considered "Federal land" for purposes of the Federal Oil and Gas Royalty Management Act of 1982.

RULES AND REGULATIONS

SEC. 2005. (a) The Secretary shall prescribe such rules and regulations as may be necessary to carry out the purposes and provisions of this title, including, but not limited to, rules and regulations relating to protection of the environment of the Coastal Plan, as required by subtitle D of this title. Such rules and regulations shall be promulgated within nine months after the date of enactment of this title and shall, as of their effective date, apply to all operations conducted under a lease issued under the provisions of this subtitle and all operations on the Coastal Plain related to the exploration, development and production of oil and gas and related activities.

(b) In the formulation and promulgation of rules and regulations under this title, the Secretary shall consult with appropriate officials of the State of Alaska and the Government of Canada. The Secretary shall also consult with the Environmental Protection Agency and the Army Corps of Engineers in developing rules and regulations relating to the environment.

(c) The Secretary shall periodically review and, if in the Secretary's judgment it is appropriate, revise the rules and regulations issued under subsection (a) of this section to reflect any significant biological, environmental, or engineering data which come to the Secretary's attention.

ADEQUACY OF THE DEPARTMENT OF THE INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT

SEC. 2006. (a) The "Final Legislative Environmental Impact Statement" (April 1987) on the Coastal Plain prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142), and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), is hereby found by the Congress to be compatible and consistent with the major purposes and policies of the National Environmental Policy Act of 1969 with respect to actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of a leasing program authorized by this title prior to conducting the first lease sale, and therefore, nothing in the National Environmental Policy Act of 1969 shall require any further environmental analysis or documentation in the development and promulgation of such regulations.

(b) Except as provided in subsection (a) of this section, nothing in this title shall be considered or construed as otherwise limiting, amending, or affecting in any way the applicability of section 102(2)(C) of the National Environmental Policy Act of 1969 or its implementing regulations to all phases of oil and gas leasing, exploration, development and production and related activities conducted under or associated with the leasing program authorized by this title, nor shall anything in this title, except as provided in section 2022 of this title, be considered or construed as in any way limiting, amending, or affecting the applicability of any other Federal law or State law not in conflict with Federal law relating to the protection of the environment.

LEASE SALES

SEC. 2007. (a) Lands may be leased pursuant to this title to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act, as amended (30 U.S.C. 181).

(b) The Secretary shall, by regulation, establish procedures for—

(1) receipt and consideration of sealed nominations for any area in the Coastal Plain for inclusion in, or exclusion from, a lease sale;

(2) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale;

(3) review and comment by the State of Alaska and local governments in Alaska which may be affected by oil and gas exploration, development or production activities on the Coastal Plain on the schedule, configuration, and terms and conditions of each proposed lease sale; and

(4) periodic consultation with the State of Alaska and local governments in Alaska, oil and gas lessees, and representatives of other individuals or organizations engaged in activity in or on the Coastal Plain including those involved in subsistence uses and recreational activities.

(c) The Secretary shall, by regulation, provide for lease sales of lands on the Coastal Plain. When lease sales are to be held, they shall occur after the nomination process provided for in subsection (b) of this section. For the first least sale, the Secretary shall, consistent with the requirements set forth in subtitle D of this title, offer for lease those acres nominated pursuant to subsection (b), giving preference to those acres receiving the greater number of nominations, but not to exceed a total of three hundred thousand acres. If the total acreage nominated is less than three hundred thousand acres, the Secretary shall include in such sale any other acreage which the Secretary believes has the highest resource potential, but in no event shall more than three hundred thousand acres of the Coastal Plain be offered in such sale. Thereafter, no more than three hundred thousand acres of the Coastal Plain may be leased in any one lease sale. The initial lease sale shall be held within eighteen months of the issuance of final regulations by the Secretary. The second lease sale shall be held twenty-four months after the initial sale, with additional sales every twenty-four months thereafter so long as sufficient interest in development exists to warrant, in the Secretary's judgment, the conduct of such sales.

(d) Areas of the Coastal Plain deemed by the Secretary to be of particular environmental sensitivity may be excluded from leasing by the Secretary. The Secretary shall notify the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives ninety days in advance of excluding any such areas from leasing. If the Secretary later determines that exploration, development, or production will result in no significant adverse effect on fish and wildlife, their habitat, and the environment, the Secretary shall, consistent with the provisions of subsection (c) of this section, offer such lands for leasing.

GRANT OF LEASES BY THE SECRETARY OF THE INTERIOR

SEC. 2008. (a) Consistent with the provisions of section 2004(a)(2) of this title, the Secretary is authorized to grant to the highest responsible qualified bidder by sealed competitive cash bonus bid any lands to be leased on the Coastal Plain upon payment by the lessee of such bonus as may be accepted by the Secretary. The royalty shall be fixed in the lease and shall be not less than 12½ per cent in amount or value of the production removed or sold from the lease.

(b) The Secretary shall not issue a lease or leases or approve the assignment of any lease or leases under the terms of this title to any person, association, corporation, or any subsidiary, affiliate, or person controlled by or under common control with such person, association, or corporation, during any period in which, as determined by the Secretary, such entity has failed or refused to comply in any material respect with the reclamation requirements and other standards established for any prior lease to which such requirements and standard applied. Prior to making such determination with respect to any such entity the Secretary shall provide such entity with adequate notification and an opportunity to comply with such reclamation requirements and other standards and shall consider whether any administrative or judicial appeal is pending. Once the entity has complied with the reclamation requirement or other standard concerned, the Secretary may issue an oil and gas lease to the entity under this title.

(c)(1) Following each notice of a proposed lease sale and before the acceptance of bids and the issuance of leases based on such bids, the Secretary shall allow the Attorney General, in consultation with the Federal Trade Commission, thirty days to review the results of such lease sale, except that the Attorney General, after consultation with the Federal Trade Commission, may agree to a shorter review period.

(2) The Attorney General may, in consultation with the Federal Trade Commission, conduct such antitrust review on the likely effects the issuance of such leases would have on competition as the Attorney General, after consultation with the Federal Trade Commission, deems appropriate and shall advise the Secretary with respect to such review. The Secretary shall provide such information as the Attorney General, after consultation with the Federal Trade Commission, may require in order to conduct any antitrust review pursuant to this paragraph and to make recommendations pursuant to paragraph (3) of this subsection.

(3) The Attorney General, after consultation with the Federal Trade Commission, may make such recommendations to the Secretary, including the nonacceptance of any bid or the imposition of terms or conditions on any lease, as may be appropriate to prevent any situation which may substantially lessen competition. If the Secretary determines, or if the Attorney General advises the Secretary, after consultation with the Federal Trade Commission and prior to the issuance of any lease, that such lease would create or maintain a situation which may substantially lessen competition, the Secretary may—

(A) refuse to accept an otherwise qualified bid for such lease, or refuse to issue such lease, notwithstanding subsection (a) of this section; or

(B) modify or impose terms or conditions on the lease, consistent with advice provided by the Attorney General.

(4) The Secretary may issue a lease notwithstanding adverse advice from the Attorney General, or refuse to impose recommended terms or conditions, if the Secretary makes specific findings that approval of the lease is necessary to carry out the purposes of this title, that approval is consistent with the public interest, and that there are no reasonably available alternatives that would have significantly less anticompetitive effects. In such event, the Secretary must notify the lessee and the Attorney General of his findings.

(5) Nothing in this subsection shall restrict the authority of the Attorney General, the Federal Trade Commission, or any other Federal department or agency to secure information, conduct reviews, make recommendations, or seek appropriate relief.

(d) Nothing in this title shall be deemed to convey to any person, association, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under any antitrust law.

(e) As used in this section, "antitrust review" means an "antitrust investigation" for the purpose of the Antitrust Civil Process Act (15 U.S.C. 1311).

LEASE TERMS AND CONDITIONS

SEC. 2009. An oil and gas lease issued pursuant to this section shall—

(1) be for a tract consisting of a compact area not to exceed two thousand five hundred and sixty acres, or four surveyed or protracted sections, whichever is larger, which shall be as compact in form as possible: *Provided*, That the Secretary is authorized to lease on a case-by-case basis units of up to 3,840 acres when necessary to consolidate partial tracts adjacent to the external boundaries of the Coastal Plain;

(2) be for an initial period of ten years and shall be extended for so long thereafter as oil or gas is produced in paying quantities from the lease or unit area to which the lease is committed or for so long as drilling or reworking operations, as approved by the Secretary, are conducted on the lease or unit area;

(3) require the payment of royalty as provided for in section 2008 of this title;

(4) require approval of an exploration plan, as provided for in section 2010 of this title;

(5) require approval of a development and production plan, as required in section 2010 of this title;

(6) require posting of bond required by section 2011 of this title;

(7) provide for the suspension of the lease during the initial lease term or thereafter pursuant to section 2012 of this title;

(8) provide for the cancellation of the lease during the initial lease term or thereafter pursuant to section 2013 of this title;

(9) contain the terms and conditions relating to protection of fish and wildlife, their habitat, and the environment, as required by subtitle D of this title;

(10) forbid the flaring of natural gas from any well unless the Secretary finds that such flaring is necessary to alleviate a temporary emergency situation or to conduct testing or work-over operations;

(11) contain such rental and other provisions as the Secretary may prescribe at the time of offering the area for lease; and

(12) contain such other provisions as the Secretary determines necessary to ensure compliance with this title and the regulations issued under it.

EXPLORATION AND DEVELOPMENT AND PRODUCTION PLANS

SEC. 2010. (a) All exploration activities pursuant to any lease issued or maintained under this title shall be conducted in accordance with an approved exploration plan or an approved revision of such plan. Prior to commencing exploration pursuant to any oil and gas lease issued or maintained under this title, the holder thereof shall submit an exploration plan to the Secretary for approval. Such plan may apply to more than one lease held by a lessee in any region of the Coastal Plain, or by a group of lessees acting under a unitization, pooling, or drilling agreement, and shall be approved by the Secretary if the Secretary finds that such plan is consistent with this title and other applicable law.

(b) All development and production pursuant to a lease issued or maintained pursuant to this title shall be conducted in accordance with an approved development and production plan. Prior to commencing development or production pursuant to any oil and gas lease issued or maintained under this title, the holder thereof shall submit a development and production plan to the Secretary for approval. Such plan may apply to more than one lease held by a lessee in any region of the Coastal Plain, or by a group of lessees acting under a unitization, pooling, or drilling agreement, and shall be approved by the Secretary if the Secretary finds that such plan is consistent with this title and other applicable law.

(c) Exploration plans and development and production plans shall include where applicable—

(1) the names and legal addresses of the following persons: the operator, contractors, subcontractors and the owners or lessees other than the operator;

(2) a map or maps showing—

(A) the location of a point of reference selected by the operator within the area covered by the plan of operations showing, in relation to that point, existing and proposed access routes or roads within the area, the boundaries of proposed surface disturbance and location of all survey lines;

(B) the location of proposed drilling sites, wellsite layout, and all surface facilities;

(C) sources of construction materials within the area including but not limited to water and gravel; and

(D) the location of ancillary facilities including but not limited to camps, sanitary facilities, water supply, disposal facilities, pipelines, fuel storage facilities, storage facilities, base of operations, and airstrips. A point of reference selected by the operator within the area of operations shall be marked with a ground monument;

(3) a description of—

(A) all surface and ancillary facilities, including but not limited to camps, sanitary facilities, water supply, disposal facilities, pipelines, fuel storage facilities, storage facilities, base of operations, and airstrips;

(B) the major equipment to be used in the operations, including but not limited to equipment and methods of transporting all waters used in or produced by operations, and the proposed method of transporting such equipment within the area covered by the plan of operations including to and from the site; and

(C) construction materials within the area including but not limited to water and gravel;

(4) an estimated schedule for any phase of operations of which review by the Secretary is sought and the anticipated date of operation completion;

(5) the nature and extent of proposed operations;

(6) a description of all licenses and permits necessary to carry out the plan;

(7) plans for reclamation, including:

(A) the anticipated reclamation work to be performed;

(B) a proposed schedule of reclamation activities to be performed; and

(C) a detailed estimate of reclamation costs;

(8) methods for the storage and disposal of all wastes and hazardous and toxic substances;

(9) an affidavit stating that the operations planned will be in compliance with all applicable Federal, State, and local laws and regulations;

(10) contingency plans in case of spills, leaks, or other accidents;

(11) certification that the plan complies with the State of Alaska's approved coastal zone management program, if required by the Coastal Zone Management Act of 1972, as amended, and the date such certification was submitted to the appropriate State agency for review pursuant to section 307(c)(3) of that Act; and

(12) such additional information as may be required by the Secretary to ensure that the proposed activities are consistent with this title, as well as other applicable Federal and State environmental laws.

(d)(1) After an exploration or development and production plan is submitted for approval, the Secretary shall promptly publish notice of the submission and availability of the text of the proposed plan in the Federal Register and a newspaper of general circulation in the State of Alaska and provide an opportunity for written public comment.

(2) Within one hundred and twenty days after receiving an exploration or develop-

ment and production plan; or when consistency certification is required under the Coastal Zone Management Act of 1972, within thirty days after the State of Alaska concurs, or is conclusively presumed to concur, with the consistency certification accompanying the plan pursuant to section 307(c)(B) (i) or (ii) of the Coastal Zone Management Act of 1972 or the Secretary of Commerce makes the finding authorized by section 307(c)(3)(B)(iii) of such Act, whichever period is later, the Secretary shall determine, after taking into account any comment received under paragraph (1) of this subsection, whether the activities proposed in the plan are consistent with this title and other applicable provisions of Federal law and State law not in conflict with Federal law. If that determination is in the affirmative, the Secretary shall return the plan along with a statement of any modification necessary for its approval. The Secretary, as a condition of approving any plan under this section—

(A) may require modifications to the plan that the Secretary considers necessary or appropriate to make it consistent with this title and other applicable law. The Secretary shall assess reasonable fees or charges for the reimbursement of all necessary and reasonable research, administrative, monitoring, enforcement, and reporting costs associated with reviewing the plan and monitoring its implementation; and

(B) shall require such periodic reports regarding the carrying out of the drilling and related activities as may be necessary or appropriate for purposes of determining the extent to which the plan is being complied with and the effectiveness of the plan in ensuring that the drilling and related activities are consistent with this title and other applicable provisions of Federal law and State law not in conflict with Federal law.

(e) If at any time while activities are being carried out under a plan approved under this section, the Secretary, on the basis of available information, determines that the continuation of any particular activity under the plan is likely to result in a significant adverse effect on fish or wildlife, or on their habitat, or on the environment, the Secretary, after consultation with the lessee, shall—

(1) make modifications to part or all of the plan as necessary or appropriate to avoid the significant adverse effect;

(2) temporarily suspend part or all of the drilling or related activity under the plan for such time as the Secretary considers necessary or appropriate to avoid significant adverse effect; or

(3) terminate and cancel the plan when actions under paragraphs (1) or (2) will not avoid the significant adverse effect.

BONDING REQUIREMENTS

SEC. 2011. (a) As a condition of approval of an exploration or development and production plan, the lessee shall be required to file with the Secretary a suitable performance bond. The bond shall be conditioned upon compliance with all the terms and conditions of the lease and all applicable laws. Such performance bond is in addition to and not in lieu of any bond or security deposit required by other regulatory authorities or required by any other provision of law. The lessee may file either a surety bond, or a personal bond consisting of cash or negotiable Treasury bonds of the United States. When negotiable Treasury bonds serve as the personal bond, they shall be accompanied by a proper conveyance to the Secretary of full authority to sell such securities in case of a default in the performance of the terms and conditions of the lease.

(b)(1) The performance bond shall be in an amount—

(A) to be determined by the Secretary to provide for the estimated full cost of reclamation of the lease site in accordance with an approved or revised exploration or development and production plan; plus

(B) an amount set by the Secretary, consistent with the type of operations proposed, to cover the estimated costs to provide the means for rapid and effective cleanup, and to minimize damages resulting from an oil spill; the escape of gas, refuse, domestic wastewater, or hazardous or toxic substances; or fire caused by oil and gas activities.

(2) The Secretary shall review, and adjust if he determines necessary, the amount of the performance bond at least every three years to ensure its adequacy in accordance with paragraph (1) of this subsection.

(c) In the event that an approved exploration or development and production plan is revised, the Secretary may adjust the amount of the bond to conform to such modified plan.

(d) The responsibility and liability of the lessee and its surety under the bond or security deposit shall continue until such time as the Secretary, after consultation with affected Federal and State agencies, determines that there has been compliance with the terms and conditions of the lease and all applicable law.

(e) Within sixty days after determining that there has been compliance with the terms and conditions of the lease and all applicable laws, the Secretary shall notify the lessee that the period of liability under the bond or security deposit has been terminated.

LEASE SUSPENSION

SEC. 2012. The Secretary may direct or assent to the suspension of operations and production under any lease granted under the terms of this title—

(1) in the interest of conservation of the resource;

(2) where there is no available system to transport the resource; or

(3) where there is a threat of significant adverse effect upon fish or wildlife, their habitat or the environment.

If such a suspension is directed or assented to by the Secretary, any payment of rental prescribed by such lease shall be suspended during such period of suspension of operations and production, and the term of the lease shall be extended by adding any such suspension period thereto.

LEASE CANCELLATION

SEC. 2013. (a) Whenever the owner of a nonproducing lease fails to comply with any of the provisions of this title, or of any applicable provision of Federal or State environmental law, or of the lease, or of any regulation issued under this title, such lease may be canceled by the Secretary if such default continues for the period of thirty days after mailing of notice by registered letter to the lease owner at the lease owner's record post office address.

(b) Whenever the owner of any producing lease fails to comply with any of the provisions of this title, or of any applicable provision of Federal or State environmental law, or of the lease, or of any regulation issued under this title, such lease may be forfeited and canceled by any appropriate proceeding brought by the Secretary in any United States district court having jurisdiction under this title.

(c)(1) In addition to the authority for lease cancellation provided for by subsections (a) and (b) of this section, any lease may be canceled at any time, if the Secretary determines, after a hearing, that—

(A) continued activity pursuant to such lease is likely to result in a significant adverse effect to fish or wildlife, their habitat, or the environment, or is likely to result in serious harm or damage to human life, to property, or to the national security or defense;

(B) the likelihood of a significant adverse effect will not disappear within a reasonable period of time or the threat of harm or damage will not disappear or decrease to any acceptable extent within a reasonable period of time; and

(C) the advantages of cancellation outweigh the advantages of continuing such lease.

(2) Such cancellation shall not occur unless and until operations under such lease shall have been under suspension, or temporary prohibition, by the Secretary, with due extension of any lease term continuously for a period of five years, or for a lesser period upon request of the lessee.

(3) Cancellation under this subsection shall entitle the lessee to receive such compensation as the lessee demonstrates to the Secretary to be equal to the lesser of—

(A) the fair market value of the canceled rights as of the date of cancellation, taking account of both anticipated revenues from the lease and anticipated costs, including the costs of compliance with all applicable regulations and operating orders; liability for cleanup costs or damages, or both, in the case of an oil spill or spill of other hazardous or toxic materials; fines, damages, penalties, or removal costs assessed pursuant to section 2018 of this title or other State or Federal environmental law; any fees paid pursuant to section 2031 of this title; and all other costs reasonably anticipated on the lease; or

(B) the excess, if any, over the lessee's revenues from the lease (plus interest thereon from the date of receipt to the date of reimbursement) of all consideration paid for the lease and all direct expenditures made by the lessee (exclusive of any fines, damages, penalties, or removal costs assessed pursuant to section 2018 of this title or other State or Federal environmental law, and any fees paid pursuant to section 2031 of this title) after the date of issuance of such lease and in connection with exploration or development, or both, pursuant to the lease (plus interest on such consideration and such expenditures from date of payment to date of reimbursement).

(d) Cancellation of a lease under this section shall in no way release the owner of the lease from the obligation to provide for reclamation of the lease site.

ASSIGNMENT OR SUBLETTING OF LEASES

SEC. 2014. No lease issued under this title shall be assigned or sublet, except with the consent of the Secretary.

RELINQUISHMENT

SEC. 2015. The lessee may, at the discretion of the Secretary, be permitted at any time to make written relinquishment of all rights under any lease issued pursuant to this title. The Secretary shall accept the relinquishment by the lessee of any lease issued under this title where there has not been surface disturbance on the lands covered by the lease.

UNITIZATION

SEC. 2016. For the purpose of conserving the natural resources of any oil or gas pool, field, or like area, or any part thereof and in order to avoid the unnecessary duplication of facilities, to protect the environment of the Coastal Plain, and to protect correlative rights, the Secretary shall require to the greatest extent practicable, that lessees unite with each other in collectively adopting and operating under a cooperative or unit plan of development for operation of such pool, field, or like area, or any part thereof including the construction of a common carrier pipeline to transport oil and gas to the exterior boundary of the Coastal Plain. The Secretary is also authorized and directed to enter into such agreements as are necessary and appropriate for the protection of the United States against drainage.

OIL AND GAS GEOLOGICAL AND GEOPHYSICAL INFORMATION

SEC. 2017. (a)(1) Any lessee or permittee conducting any exploration for, or development or production of, oil or gas pursuant to this title shall provide the Secretary access to all geological and geophysical data and information (including processed, analyzed, and interpreted information) obtained from such activity and shall provide copies of such data and information as the Secretary may request. Such data and information shall be provided in accordance with regulations which the Secretary shall prescribe.

(2) If interpreted information provided pursuant to paragraph (1) of this subsection is provided in good faith by the lessee or permittee, such lessee or permittee shall not be responsible for any consequence of the use or of reliance upon such interpreted information.

(3) Whenever any geological or geophysical data or information is provided to the Secretary, pursuant to paragraph (1) of this subsection—

(A) by a lessee or permittee, in the form and manner of processing which is utilized by such lessee or permittee in the normal conduct of business, the Secretary shall pay the reasonable cost of reproducing such data and information;

(B) by a lessee or permittee, in such other form and manner of processing as the Secretary may request, the Secretary shall pay the reasonable cost of processing and reproducing such data and information.

(b) The Secretary shall maintain the confidentiality of all geological and geophysical information obtained pursuant to subsection (a) of this section until such time as the Secretary determines that making such data available to the public would not be likely to damage the competitive position of the lessee or permittee.

REMEDIES AND PENALTIES

SEC. 2018. (a) Except as provided in section 2019 of this title, the district courts of the United States shall have jurisdiction of cases and controversies arising out of, or in connection with, any lease issued under this title. Proceedings may be instituted in the judicial district in which any defendant resides or has his principal place of business, or in the judicial district in which the Coastal Plain is located.

(b) At the request of the Secretary, the Attorney General may institute a civil action in the district court of the United States for the district in which any defendant resides or has his principal place of business, or in the judicial district in which the Coastal Plain is located, for a permanent or temporary injunction, or, in addition to the Secretary's authority under subsection (c), to assess and recover a civil penalty of not more than $20,000 per day for each violation, or for any other appropriate remedy to enforce any provision of this title, any regulation or order issued under this title, or any term of a lease issued pursuant to this title.

(c)(1) Except as provided in paragraph (2), if any person fails to comply with any provision of this title, or any term of a lease issued pursuant to this title or any regulation or order issued under this title, after notice of such failure and expiration of any reasonable period allowed for corrective action, such person shall be liable for a civil penalty of not more than $20,000 for each day of the continuance of such failure. The Secretary may assess, collect and compromise any such penalty. No penalty shall be assessed until the person charged with a violation has been given an opportunity for a hearing. The Secretary shall, by regulation at least every three years, adjust the penalty specified in this paragraph to reflect any increase in the Consumer Price Index (all items, United States average) as prepared by the Department of Labor.

(2) If a failure described in paragraph (1) constitutes or constituted a threat of an irreparable or immediate significant adverse effect on fish and wildlife or their habitat, property, any mineral deposit, or the marine, coastal plain, or human environment, a civil penalty may be assessed without regard to the requirement of expiration of a period allowed for corrective action.

(d) Any person who knowingly—

(1) violates any provision of this title, any term of a lease issued pursuant to this title, or any regulation or order issued under this title designed to protect health, safety, or the environment or conserve natural resources;

(2) makes any false material statement, representation, or certification in, or omits material information from, or knowingly alters, conceals, or fails to file or maintain any application, record, report or other document filed or required to be maintained under this title;

(3) falsifies, tampers with, or renders inaccurate any monitoring device or method of record required to be maintained under this title; or

(4) reveals any data or information required to be kept confidential by section 2017 of this title,

shall, upon conviction, be punished by a fine pursuant to title 18 of the United States Code, or by imprisonment for not more than ten years, or both. Each day that a violation under paragraph (1) of this subsection continues, or each day that any monitoring device or data recorder remains inoperative or inaccurate because of any activity described in paragraph (3) of this subsection, shall constitute a separate violation for purposes of imposition of a fine under this subsection.

(e) Whenever a corporation or other entity is subject to prosecution under subsection (d) of this section, any officer or agent of such corporation or entity who knowingly authorized, ordered, or carried out the proscribed activity shall be subject to the same fines or imprisonment, or both as provided for under subsection (d) of this section.

(f) The remedies and penalties prescribed in this title shall be concurrent and cumulative and the exercise of one shall not preclude the exercise of the others. Further, the remedies and penalties prescribed in this title shall be in addition to any other remedies and penalties afforded by any other law or regulation.

(g) In the case of any discharge of oil, hazardous or toxic substances, or any other pollutant that adversely affects the environment in the area of the Coastal Plain or adjacent waters from exploration, development, or production of oil or gas or related activities, conducted by, or on behalf of, a responsible party, each responsible party shall be jointly, severally and strictly liable for the removal costs and damages specified in this subsection that arise out of or directly result from such pollution. The Secretary shall make a determination with respect to such liability for all remedies and penalties prescribed in this title after notice to the responsible party and an opportunity for hearing. It is the responsibility of the responsible party adequately to control and remove the discharge consistent with the National Contingency Plan. Upon failure, inability or delay of the responsible party adequately to control and remove the pollutant, the Federal on scene coordinator, in cooperation with the Secretary, in the exercise of his discretion and in cooperation with other Federal, State, or local agencies or in cooperation with the responsible party, or both, shall have the right to accomplish the control and removal at the expense of the responsible party. Funds contained in the Coastal Plain Liability and Reclamation Fund, provided for by section 2031 of this title, may be used to accomplish such control and removal until such time as sufficient funds can be recovered from the responsible party. The removal costs and damages referred to in this subsection are the following—

(1) all removal costs incurred by the United States;

(2) damages for injury to, destruction of, loss of, or loss of use of, natural resources, including the reasonable costs of assessing the damage, which shall be recoverable by the Secretary for damages to Federal natural resources or the State of Alaska for damages to State natural resources;

(3) damages for injury to, or economic loss resulting from destruction of, real or personal property, which shall be recoverable by a claimant who owns or leases that property;

(4) damages for loss of subsistence use of natural resources, which shall be recoverable by any claimant who so uses natural resources which have been injured, destroyed, or lost, without regard to the ownership or management of the resources;

(5) damages equal to the net loss of taxes, royalties, rents, fees, or net profit shares due to the injury, destruction, or loss of real property, personal property, or natural resources, which shall be recoverable by the Secretary, where such damages are associated with Federal natural resources, or the State of Alaska, where such damages are associated with State natural resources;

(6) damages equal to the loss of profits or impairment of earning capacity due to the injury, destruction, or loss of real property, personal property, or natural resources, which shall be recoverable by any claimant; and

(7) damages for net costs of providing increased or additional public services during or after the removal activities, including protection from fire, safety, or health hazards, caused by the discharge, which shall be recoverable by the Secretary, the State of Alaska, or a political subdivision of that State.

With respect to any removal costs and damages recoverable under this title from the Fund or any other Federal compensation and liability fund, until the Fund has been exhausted, no claimant may bring an action for removal costs of damages available under such other funds.

(h)(1) An action for damages under this title shall be barred unless the action is brought within 3 years after—

(A) the date on which the loss and the connection of the loss with the discharge in question are reasonably discoverable with the exercise of due care, or

(B) in the case of natural resource damages under subsection (g), the date of completion of the natural resources damage assessment.

(2) An action for recovery of removal costs referred to in subsection (g) must be commenced within 3 years after completion of the removal action.

JUDICIAL REVIEW

SEC. 2019. Any compliant filed seeking judicial review of an action of the Secretary in promulgating any regulation under this title may be filed only in the United States Court of Appeals for the District of Columbia, and such compliant shall be filed within ninety days from the date of such promulgation, or after such date if such compliant is based solely on grounds arising after such ninetieth day, in which case the compliant must be filed within ninety days after the complainant knew or reasonably should have known of the grounds for the complaint. Except as provided in section 2021, any compliant seeking judicial review of any other actions of the Secretary under this title may be filed in any appropriate district court of the United States, and such compliant must be filed within ninety days from the date of the action being challenged, or after such date if such complaint is based solely on grounds arising after such ninetieth day, in which case the complaint must be filed within ninety days after the complainant knew or reasonably should have known of the grounds for the complaint. Action of the Secretary with respect to which review could have been obtained under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

ANNUAL REPORT TO CONGRESS

SEC. 2020. On March 1st of each year following the date of enactment of this title, the Secretary shall prepare and submit to the Congress an annual report on the leasing program authorized by this title.

INTERESTS OF ARCTIC SLOPE REGIONAL CORPORATION AND KAKTOVIK CORPORATION

SEC. 2021. (a) The prohibitions and limitations contained in section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) insofar as they have application to lands or interests therein owned by the Arctic slope Regional Corporation and the Kaktovik Inupiat Corporation within the Arctic National Wildlife Refuge, but outside the Coastal Plain are repealed.

(b) The prohibitions and limitations contained in section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) insofar as they have application to lands or interests therein owned by the Arctic Slope Regional Corporation and the Kaktovik Inupiat Corporation within the Coastal Plan are repealed as of the day after the first lease sale is held pursuant to this title. With respect to the lands and interests therein described in this subsection, no exploratory drilling activities shall be authorized until the day after such lease sale.

(c) The substantive provisions of the final regulations issued pursuant to this title which establish environmental stipulations, terms, and conditions for oil and gas leasing on the Coastal Plan shall apply to the exploration and development of all subsurface property interests owned by the Arctic Slope Regional Corporation within the Arctic National Wildlife Refuge: *Provided*, That prior to issuance of such regulations, oil and gas exploration and development activities on the land and interests therein described in subsection (a), shall be governed by the stipulations set forth in appendix 2 of the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States.

(d) Any claims for money damages brought by Arctic Slope Regional Corporation or Kaktovik Inupiat Corporation alleging that the provisions of this title constitute a taking of property rights under the fifth amendment to the Constitution of the United States may be brought within one hundred and twenty days of its enactment. A claim shall be barred unless a compliant is filed within the time specified. Any such complaint shall be filed in the United States Claims Court in accordance with 28 U.S.C. 1491. Any such proceeding shall be assigned for hearing at the earliest possible date, shall take precedence over all other matters pending on the docket of the district court at that time, and shall be expedited in every way by such court. Any review of an interlocutory or final judgment, decree, or order of such district court may be had only upon direct appeal to the Supreme Court of the United States.

Subtitle D—Coastal Plain Environmental Protection

NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES

SEC. 2022. (a) The Secretary shall administer this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions designed to ensure that the oil and gas exploration, development, and production activities on the Coastal Plain will be conducted in a manner that avoids significant adverse effect on fish and wildlife, their habitat, and the environment. Activities conducted under this title shall not be subject to findings or determinations of compatibility by the Secretary under the National Wildlife Refuge System Administration Act.

(b) The Secretary shall also require, with respect to any proposed drilling and related activities, that—

(1) a site-specific assessment be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, their habitat, and the environment;

(2) a plan be implemented to mitigate any adverse effect assessed under paragraph (1) of this subsection; and

(3) the development of the mitigation plan shall occur after consultation with the agency or agencies having jurisdiction over matters mitigated by the plan.

REGULATIONS TO PROTECT THE COASTAL PLAIN'S FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS AND THE ENVIRONMENT

SEC. 2023. (a) Prior to implementing the leasing program authorized by subtitle C of this title, the Secretary shall prepare and promulgate regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other measures designed to ensure that the activities undertaken in the Coastal Plain authorized by this title are conducted in a manner consistent with the purposes and environmental requirements of this title.

(b) The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program authorized by subtitle C of this title shall require compliance with all applicable provisions of Federal and State environmental law and shall also require—

(1) as the Secretary deems appropriate, the safety and environmental mitigation measures set forth in items one through twenty-nine (1 through 29) at pages 167 through 169 of the "Final Legislative Environmental Impact Statement" (April 1987) on the Coastal Plain;

(2) seasonal limitations on exploration, development and related activities, where necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning and migration;

(3) that exploration activities, except for surface geological and geophysical studies, be limited to the period between approximately November 1 and May 1 and that exploration activities will be supported by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, air transport methods, or any other method that would be at least as protective of the environment as the aforementioned: *Provided*, That such exploration activities may be permitted at other times if the Secretary determines, after affording an opportunity for public comment and review, that special circumstances exist necessitating that exploration activities be conducted at other times of the year and the Secretary finds that such exploration will have no significant adverse effect on the fish and wildlife, their habitat, and the environment of the Coastal Plain;

(4) design safety and construction performance standards for all pipelines and any access and service roads that—

(A) minimize adverse effects upon the passage of migratory species such as caribou to the maximum extent practicable; and

(B) minimize adverse effects upon the flow of surface water by requiring the use of culverts, bridges and other structural devices;

(5) prohibitions or restrictions on public access and use on all airfields, pipeline access, and service roads;

(6) stringent reclamation and rehabilitation requirements, consistent with the standards set forth in this title, requiring the removal from the Coastal Plain of all oil and gas development and production facilities, structures and equipment upon completion of oil and gas production operations: *Provided*, That the Secretary may exempt from the requirements of this paragraph those facilities, structures or equipment which the Secretary determines would assist in the management of the Arctic National Wildlife Refuge and which are donated to the United States for that purpose;

(7) appropriate prohibitions or restrictions on access by all modes of transportation;

(8) appropriate prohibitions or restrictions on sand and gravel extraction;

(9) consolidation of facility siting;

(10) appropriate prohibitions or restrictions on use of explosives;

(11) avoidance, to the extent practicable, of springs, streams and river systems; the protection of natural surface drainage patterns, wetlands, and riparian habitats; and the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling;

(12) avoidance or reduction of air traffic-related disturbance to fish and wildlife;

(13) treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling mud and cuttings, and domestic wastewater, in accordance with applicable Federal and State environmental law;

(14) fuel storage and oil spill contingency planning;

(15) research, monitoring and reporting requirements;

(16) field crew environmental briefings;

(17) minimization of adverse effect on subsistence hunting, fishing, and trapping by subsistence users;

(18) compliance with applicable air and water quality standards;

(19) appropriate seasonal and safety zone designations around well sites within which subsistence hunting and trapping would be limited;

(20) reasonable stipulations for protection of cultural and archaeological resources; and

(21) all other protective environmental stipulations, restrictions, terms, and conditions deemed necessary by the Secretary.

(c) In preparing and promulgating regulations, lease terms, conditions, restrictions, prohibitions, and stipulations under this section, the Secretary shall consider—

(1) the environmental protection standards which governed the initial Coastal Plain exploration program (50 Code of Federal Regulations 37.31–33);

(2) the land use stipulations for exploratory drilling on the KIC–ASRC private lands which are set forth in appendix 2 of the August 9, 1983, agreement between Arctic Slope Regional Corporation and the United States; and

(3) the operational stipulations for Koniag ANWR Interest lands contained in the draft agreement between Koniag, Incorporated and the United States of America on file with the Secretary on January 19, 1989.

SADLEROCHIT SPRING SPECIAL AREA

SEC. 2024. (a)(1) The Sadlerochit Spring Special Area, comprising approximately four thousand acres as depicted on the map referenced in section 2003 of this title, is hereby designated to be a special area. Such special area shall be managed so as to protect and preserve the area's unique and diverse character including its fish, wildlife, and subsistence resource values.

(2) Pursuant to subsection (d) of section 2007 of this title, the Secretary may exclude the Sadlerochit Spring Special Area from leasing.

(3) In the event that the Secretary leases the Sadlerochit Spring Special Area, or any part thereof, for purposes of oil and gas exploration, development, production, and related activities, there shall be no surface occupancy of the lands comprising the Special Area.

(b) The Secretary is authorized to designate other areas of the Coastal Plain as Special Areas if the Secretary determines that they are of unique character and interest so as to require such special protection. The Secretary shall notify the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives of the Secretary's intent to designate such areas ninety days in advance of making such designations. Any such areas designated as special areas shall be managed in accordance with the standards set forth in subsection (a) of this section.

FACILITY CONSOLIDATED PLANNING

SEC. 2025. (a) The Secretary shall, after providing for public notice and comment, prepare and update periodically a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of Coastal Plain oil and gas resources. This plan shall have the following objectives—

(1) avoiding unnecessary duplication of facilities and activities;

(2) encouraging consolidation of common facilities and activities;

(3) locating or confining facilities and activities to areas which will minimize impact on fish and wildlife, their habitat, and the environment;

(4) utilizing existing facilities wherever practicable; and

(5) enhancing compatibility between wildlife values and development activities.

(b) The plan prepared under this section shall supplement any comprehensive conservation plan prepared pursuant to the requirements of section 304(g) of the Alaska National Interest Lands Conservation Act of 1980 (94 Stat. 2394).

RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN

SEC. 2026. The Secretary is authorized to grant under section 28 of the Mineral Leasing Act (30 U.S.C. 185) rights-of-way and easements across the Coastal Plain for the transportation of oil and gas under such terms and conditions as may be necessary so as not to result in a significant adverse effect on the fish and wildlife, their habitat, and the environment of the Coastal Plain. Such terms and conditions shall include requirements that facilities be sited or modified so as to avoid unnecessary duplication of roads and pipelines. The regulations issued pursuant to this title shall include provisions regarding the granting of rights-of-way across the Coastal Plain. The provisions of title XI of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3161 et seq.) and the provisions of the National Wildlife Refuge System Administration Act relating to rights-of-way and easements shall not apply to rights-of-way and easements across the Coastal Plain.

ENVIRONMENTAL STUDIES

SEC. 2027. In addition to any other environmental studies required by law, subsequent to exploring or developing any area or region of the Coastal Plain, the Secretary shall conduct such additional studies to establish environmental information as the Secretary deems necessary, and shall monitor the human, marine, and coastal environments of such area or region in a manner designed to provide information which can be used for comparison with any previously-collected data for the purpose of identifying any effects on the fish or wildlife and their habitat and any significant changes in the quality and productivity of such environments, for establishing trends in the areas studied and monitored, and for designing experiments to identify the causes of such effects or changes.

ENFORCEMENT OF SAFETY AND ENVIRONMENTAL REGULATIONS

SEC. 2028. (a) The Secretary shall diligently enforce all regulations, lease terms, conditions, restrictions, prohibitions, and stipulations promulgated pursuant to this title.

(b) It shall be the responsibility of any holder of a lease under this title to—

(1) maintain all operations within such lease area in compliance with regulations intended to protect persons and property on, and fish and wildlife, their habitat, and the environment of, the Coastal Plain; and

(2) allow prompt access at the site of any operations subject to regulation under this title to any appropriate Federal or State inspector, and to provide such documents and records which are pertinent to occupational or public health, safety, or environmental protection, as may be requested.

(c) The Secretary shall promulgate regulations to provide for—

(1) scheduled onsite inspection by the Secretary, at least twice a year, of each facility on the Coastal Plain which is subject to any environmental or safety regulation promulgated pursuant to this title or such provisions contained in any lease issued pursuant to this title to assure compliance with such environmental or safety regulations; and

(2) periodic onsite inspection by the Secretary at least once a year without advance notice to the operator of such facility to assure compliance with all environmental or safety regulations.

Subtitle E—Land Reclamation and Reclamation Liability Fund

LAND RECLAMATION

SEC. 2029. The holder of a lease or leases on lands within the Coastal Plain shall be fully responsible and liable for the reclamation of lands within the Coastal Plain and any other Federal lands adversely affected in connection with exploration, development, or transportation activities on a lease within the Coastal Plain. The holder of a lease shall also be responsible for conducting any land reclamation required as a result of activities conducted on the lease by any of the lease holder's subcontractors or agents. The holder of a lease may not delegate or convey, by contract or otherwise, this responsibility and liability to another party without the express written approval of the Secretary.

STANDARD TO GOVERN LAND RECLAMATION

SEC. 2030. The standard to govern the reclamation of lands required to be reclaimed under this title, following their temporary disturbance or upon the conclusion of their use or prolonged commercial production of oil and gas and related activities, shall be reclamation and restoration to a condition capable of supporting the uses which the lands were capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as approved by the Secretary; except that in the case of roads, drill pads, and other gravel-foundation structures, reclamation and restoration shall be to a condition as closely approximating the original condition of such lands as is feasible. Reclamation of lands shall be conducted in a manner that will not itself impair or cause significant adverse effects on fish or wildlife, their habitat, or the environment.

COASTAL PLAIN LIABILITY AND RECLAMATION FUND

SEC. 2031. (a) Within six months of a commercial discovery within the Coastal Plain, the Secretary shall establish the Coastal Plain Liability and Reclamation Fund (the "Reclamation Fund").

(b) The Secretary shall collect from the operator a fee of 5 cents per barrel on commercially produced crude oil from the Coastal Plain at the time and point where such crude oil first leaves the Coastal Plain. The collection of the fee shall cease when $50,000,000 has been accumulated in the Reclamation Fund, and it shall be resumed at any time that the accumulation of revenue in the Reclamation Fund falls below $45,000,000.

(c) All revenues collected under subsection (b) shall be paid into the Reclamation Fund. The Secretary is authorized to pay, to the extent provided in annual appropriation Acts, reasonable costs of administration of the Reclamation Fund from the revenues in the Reclamation Fund. All sums not needed for administration of the Reclamation Fund or making authorized payments out of the Reclamation Fund shall be invested by the Secretary of the Treasury, at the request of the Secretary, in public debt securities with maturities suitable to the needs of the Reclamation Fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity. Income from such securities shall be added to the principal of the Reclamation Fund.

(d) The revenues in the Reclamation Fund shall be available, to the extent provided in annual appropriations Acts and with the approval of the Secretary, for the following purposes:

(1) oil removal costs incurred by the United States;

(2) to compensate promptly any person or entity, public or private, for any direct damages caused by oil and gas exploration, development and production activities on or in the vicinity of the Coastal Plain;

(3) to reclaim any area of the Coastal Plain not reclaimed in accordance with the standard set forth in section 2030 of this title, by the operator or the holder of a lease or leases;

(4) up to $15,000,000 annually to reclaim and restore—

(A) any area of the Arctic National Wildlife Refuge or other North Slope Federal lands affected by past or future oil and gas exploration, development, or production; and

(B) North Slope non-Federal lands affected by future exploration, development, or production on the Coastal Plain which are not reclaimed and restored in accordance with applicable Federal law and with applicable State law not in conflict with Federal law;

(5) up to $2,000,000 annually to the Secretary to monitor and conduct research on fish and wildlife species which utilize the land and water resources of the Coastal Plain; and

(6) to reclaim at the conclusion of the period of exploration, development and production with respect to any lease, any area of the Coastal Plain and related lands which have not been properly reclaimed by the operator or lease holder.

(e) The United States shall have legal recourse against any party or entity who is responsible for the reclamation of any area within the Coastal Plain, to recover any funds expended under paragraphs (1), (2), (3), (4), and (6) of this subsection due to a failure by the responsible party to reclaim such area as required by this title: *Provided*, That such right of recovery shall not be available against any Alaska Natives conducting traditional subsistence use activities. Any funds so recovered shall be deposited in the Reclamation Fund.

(f) Any moneys remaining in the Reclamation Fund fifty years after the period of active oil and gas exploration, development, production, and reclamation has been concluded in the Coastal Plain shall be paid into the miscellaneous receipts of the Treasury of the United States.

Subtitle F—Disposition of Oil and Gas Revenues

DISTRIBUTION OF REVENUES

SEC. 2032. (a) Beginning the first month of fiscal year 1993 and continuing each following month, the Secretary shall deduct from all money received that month from competitive bids, sales, bonuses, royalties, rents, fees (other than fees collected under section 2010(d)(2)(A) and section 2031(b) of this part, interest charges, or other income (other than Federal income tax) derived from leasing oil and gas resources within the Coastal Plain an amount equal to the percentage of the unreimbursed costs incurred by the Department of the Interior in carrying out the oil and gas program authorized by this part that the Secretary determines appropriate. The Secretary shall deposit the amount deducted into the miscellaneous receipts account in the Treasury.

(b) Notwithstanding any other law, after deducting the amount under subsection (a), the Secretary shall deposit 50 percent of the remaining money into a special fund in the Treasury, to be immediately available without fiscal year limitation, for payment to the State of Alaska and 50 percent into the miscellaneous receipts account in the Treasury.

JUDICIAL REVIEW

SEC. 2033. (a) Notwithstanding section 2019 of this title, any legal action, including action for declaratory judgment, to challenge section 2032 of this title, shall be assigned for hearing and completed at the earliest possible date; shall, to the greatest extent practicable, take precedence over all other matters pending on the docket of the court at that time; and shall be expedited in every way by such court. Any such action shall be brought in an appropriate United States district court within ninety days of enactment of this title. Such action shall be barred unless a complaint is filed within the time specified. Any review of an interlocutory or final judgment, decree, or order of the United States district court in such action may be had only upon direct appeal to the Supreme Court of the United States.

(b) Nothing in this section shall be construed to grant causes of action to any person or to waive any defenses which may be available to the United States.

(c) If any action is brought in accordance with subsection (a), no lease sale shall occur under section 2007 of this title until a final nonappealable decision has been issued in any such action.

TITLE XXI—COASTAL COMMUNITIES IMPACT ASSISTANCE ACT OF 1992

SHORT TITLE

SEC. 2101. This title may be cited as the "Coastal Communities Impact Assistance Act of 1992".

FINDINGS AND PURPOSES

SEC. 2102. (a) The Congress finds that—

(1) The Outer Continental Shelf (OCS) contains significant quantities of natural gas and oil resources that should be developed to meet national energy and economic needs in an environmentally sound manner.

(2) It is in the interest of the Nation for both economic and national security reasons to provide for the orderly and expeditious development of OCS natural gas and oil resources.

(3) The benefits from development of natural gas and oil resources on the OCS mostly accrue to the nation as a whole, while the actual and potential impacts—on infrastructure, services, competing uses and natural resources—are often localized.

(4) Current programs, such as the Land and Water Conservation Fund and the Historic Preservation Fund, do not provide a direct flow of OCS receipts to the coastal communities that are affected by OCS development.

(b) Therefore, the Congress declares that it is the purpose of this title to provide coastal States and eligible counties with impact assistance from revenues derived from proximate OCS natural gas and oil production activities.

Subtitle A—Coastal Communities Impact Assistance

SEC. 2111. DEFINITIONS.—For purposes of this title, the term—

(a) "coastline" has the same meaning that it has in the Submerged Lands Act (43 U.S.C. 1301 et seq.);

(b) "county" means a unit of general government constituting the local jurisdiction immediately below the level of State government. This term includes, but is not limited to counties, parishes, villages and tribal governments which function in lieu of and are not within a county, and in Alaska, borough governments. If State law recognizes an entity of general government that functions in lieu of and is not within the county, the Secretary may recognize such other entities of general government as counties;

(c) "coastal State" means any State of the United States bordering on the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Bering Sea or the Gulf of Mexico;

(d) "distance" means minimum great circle distance, measured in statute miles;

(e) "leased tract" means a tract, leased under the Outer Continental Shelf Lands Act for the purposes of drilling for, developing and producing oil and natural gas resources (43 U.S.C. 1337), which is a unit consisting of either a block, a portion of a block, a combination of blocks and/or portions of blocks, as specified in the lease, and as depicted on an OCS Official Protraction Diagram;

(f) "new revenues" means monies received by the United States as royalties (including payments for royalty taken in kind and sold pursuant to 43 U.S.C. 1353), net profit share payments, and related late-payment interest from natural gas and oil leases issued pursuant to the Outer Continental Shelf Lands Act, but only from leased tracts from which such revenues are first received by the United States after the date of enactment of this title.

(g) "Outer Continental Shelf" means all submerged lands lying seaward and outside of the area of "lands beneath navigable waters' as defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)), and of which the subsoil and sea bed are subject to the jurisdiction and control of the United States; and

(h) "Secretary" means the Secretary of the Interior or his designee.

IMPACT ASSISTANCE FORMULA AND PAYMENTS

SEC. 2112. (a) There is established a fund in the Treasury of the United States, which shall be known as the "Coastal Communities Impact Assistance Fund" (hereinafter referred to in this section as "the fund").

(b) The Secretary of the Treasury shall invest excess monies in the fund, at the request of the Secretary of the Interior, in public debt securities and maturities suitable to the needs of the fund, as determined by the Secretary of the Interior, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

(c) Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338), amounts in the fund, together with interest earned from investment thereof, shall be paid at the direction of the Secretary as follows:

(1) The fund shall consist of amounts deposited in the fund from new revenues received beginning with October 1, 1992, representing the amounts determined to be attributable to eligible coastal States and eligible counties pursuant to the formula contained in this section.

(2) The Secretary shall determine the new revenues from any leased tract or portion of a leased tract lying seaward of the zone de-

fined and governed by section 8(g) of the Outer Continental Shelf Lands Act, (43 U.S.C. 1337(g)), the geographic center of which lies within a distance of 200 miles from any part of the coast line of any coastal State (hereinafter referred to as an "eligible coastal State").

(3) The Secretary shall determine the allocable share of new revenues determined under paragraph (2) by multiplying such revenues by 12.5 percent.

(4) The Secretary shall determine the portion of the allocable share of new revenues attributable to each eligible coastal State (hereinafter referred to as the "eligible coastal State's attributable share") based on a fraction which is inversely promotional to the distance between the nearest point on the coast line of the eligible coastal State and the geographic center of the leased tract or portion of the leased tract (to the nearest whole mile). Further, the ratio of an eligible State's attributable share to any other eligible State's attributable share shall be equal to the inverse of the ratio of the distance between the geographic center of the leased tract or portion of the leased tract and the coast lines of the respective eligible coastal States. The sum of the eligible coastal States' attributable shares shall be equal to the allocable share of new revenues determined under paragraph (3).

(5) The Secretary shall pay from the fund 50 percent of the eligible coastal States' attributable share, together with the portion of interest earned from investment of the fund which corresponds to that amount, to that State.

(6) Within 60 days of enactment of this title, the Governor of each eligible coastal State shall provide the Secretary with a list of all counties, as defined herein, that are to be considered for eligibility to receive impact assistance payments. This list must include all counties with borders along the State's coast line and may also include counties which are at the closest point no more than 60 miles from the State's coastline and which are certified by the Governor to have significant impacts from OCS-related activities. For any such county that does not have a border along the coastline, the Governor shall designate a point on the coastline of the nearest county that does have a border along the coastline to serve as the former county's coastline for the purposes of this section. The Governor of any eligible coastal State may modify this list whenever significant changes in OCS activities require a change, but no more frequently than once each year.

(7) The Secretary shall determine, for each county within the eligible coastal State identified by the Governor according to paragraph (6) for which any part of the county's coastline lies within a distance of 200 miles of the geographic center the leased tract or portion of the leased tract (hereinafter referred to as an "eligible county"), the portion of the remaining 50 per centum of the eligible coastal State's attributable share which is attributable to such county (hereinafter referred to as the "eligible county's attributable share") based on a fraction which is inversely proportional to the distance between the nearest point on the coast line of the eligible county and the geographic center of the leased tract or portion of the leased tract (to the nearest whole mile). Further, the ratio of any eligible county's attributable share to any other eligible county's attributable share shall be equal to the inverse of the ratio of the distances between the geographic center of the leased tract or portion of the leased tract and the coast lines of the respective eligible counties. The sum of the eligible counties' attributable shares for all eligible counties within each State shall be equal to 50 percent of the eligible coastal State's attributable share determined under paragraph (4).

(8) The Secretary shall pay from the fund the eligible county's attributable share, together with the portion of interest earned from investment of the fund which corresponds to that amount, to that county.

(9) Payments to eligible coastal States and eligible counties under this section shall be made not later than December 31 of each year from new revenues received and interest earned thereon during the immediately preceding fiscal year, but not earlier than one year following the date of enactment of this title.

(10) The remainder of new revenues and interest earned in the fund not paid to an eligible State or an eligible county under this section shall be disposed of according to the law otherwise applicable to receipts from leases on the Outer Continental Shelf.

REGULATIONS

SEC. 2113. The Secretary may promulgate any necessary or appropriate regulations to implement this title.

TITLE XXII—ALASKA POWER ADMINISTRATION SALE AUTHORIZATION ACT

SHORT TITLE

SEC. 2201. This title may be cited as the "Alaska Power Administration Sale Authorization Act".

SEC. 2202. (a) The Secretary of Energy may sell the Snettisham Hydroelectric Project (referred to in this title as "Snettisham") to the State of Alaska Power Authority (now known as the Alaska Energy Authority and referred to in this title as the "Authority") in accordance with the terms of this title and the February 10, 1989, Snettisham Purchase Agreement between the Alaska Power Administration of the United States Department of Energy and the Authority.

(b) The Secretary of Energy may sell the Eklutna Hydroelectric Project (referred to in this title as "Eklutna") to the Municipality of Anchorage doing business as Municipal Light and Power, the Chugach Electric Association, Inc., and the Matanuska Electric Association, Inc. (referred to in this title as "Eklutna Purchasers") in accordance with the August 2, 1989, Eklutna Purchase Agreement between the United States Department of Energy and the Eklutna Purchasers.

(c) The heads of other affected Federal departments and agencies including the Secretary of Defense, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture shall assist the Secretary of Energy in implementing the sales authorized by this title.

(d) The Secretary of Energy shall deposit sale proceeds in the Treasury of the United States to the credit of miscellaneous receipts.

(e) There are authorized to be expended such sums as are necessary to prepare or acquire Eklutna and Snettisham assets for sale and conveyance, such preparations to provide efficient title to ensure the beneficial use, enjoyment, and occupancy to the purchasers of the assets to be sold.

SEC. 2203. (a) After the sales authorized by this title take place, Eklutna and Snettisham, including future modifications, shall continue to be exempt from the requirements of the Federal Power Act (16 U.S.C. 791a) including its requirements with respect to applications, permits, licenses, and fees, unless a future modification of Eklutna or Snettisham affects Federal lands not used for the two projects when this title takes effect. The foregoing exemptions are subject to the Memorandum of Agreement entered into between the State of Alaska, the Eklutna Purchasers, the Authority, and Federal fish and wildlife agencies regarding the protection, mitigation of, damages to, and enhancement of fish and wildlife, dated August 7, 1991, remaining in full force and effect. Nothing in this title or the Federal Power Act preempts the State of Alaska from carrying out the responsibilities and authorities of the Memorandum of Agreement.

(b) The United States District Court for the District of Alaska has jurisdiction to review decisions made under the Memorandum of Agreement and enforce the provisions of the Memorandum of Agreement, including the remedy of specific performance. An action seeking review of a Fish and Wildlife Program of the Governor of Alaska under the Memorandum of Agreement or challenging actions of any of the parties to the Memorandum of Agreement prior to the adoption of the Program shall be brought within 90 days of the time the Program is adopted by the Governor of Alaska, or be barred. An action seeking review of implementation of the Program shall be brought within 90 days of the challenged act implementing the Program, or be barred.

(c) With respect to Eklutna lands described in Exhibit A of the Eklutna Purchase Agreement:

(1) The Secretary of the Interior shall issue rights-of-way to the Alaska Power Administration for subsequent reassignment to the Eklutna Purchasers—

(A) at no cost to the Eklutna Purchasers;

(B) to remain effective for a period equal to the life of Eklutna as extended by improvements, repairs, renewals, or replacements; and

(C) sufficient for operation, maintenance, repair, and replacement of, and access to, Eklutna facilities located on military lands and lands managed by the Bureau of Land Management, including land selected by the State of Alaska.

(2) If the Eklutna Purchasers subsequently sell or transfer Eklutna to private ownership, the Bureau of Land Management may assess reasonable and customary fees for continued use of the rights-of-way on lands managed by the Bureau of Land Management and military lands in accordance with current law.

(3) Fee title to lands at Anchorage Substation shall be transferred to Eklutna Purchasers at no additional cost if the Secretary of the Interior determines that pending claims to and selections of those lands are invalid or relinquished.

(4) With respect only to approximately 853 acres of Eklutna lands identified in paragraphs 1. a., b., and c. of Exhibit A of the Eklutna Purchase Agreement, the State of Alaska may select and the Secretary of the Interior shall convey to the State improved lands under the selection entitlements in section 6(a) of the Act of July 7, 1958 (Public Law 85-508), and the North Anchorage Land Agreement of January 31, 1983. This conveyance is subject to the rights-of-way provided to the Eklutna Purchasers under paragraph (1).

(d) With respect to the approximately 2,671 acres of Snettisham lands identified in paragraphs 1. a. and b. of Exhibit A of the Snettisham Purchase Agreement, the State of Alaska may select and the Secretary of the Interior shall convey to the State improved lands under the selection entitlements in section 6(a) of the Act of July 7, 1958 (Public Law 85-508).

(e) For purposes of section 147(d) of the Internal Revenue Code, "1st use" of Snettisham shall be considered to occur pursuant to acquisition of the property by or on behalf of the State of Alaska.

(f) No later than one year after both of the sales authorized in section 2202 of this title have occurred, as measured by the Transaction Dates stipulated in the Purchase Agreements, the Secretary of Energy shall:

(1) complete the business of, and close out, the Alaska Power Administration;

(2) prepare and submit to Congress a report documenting the sales; and

(3) return unused balances of funds appropriated for the Alaska Power Administration to the Treasury of the United States.

(g) The Act of July 31, 1950 (64 Stat. 382), is repealed effective on the date, as determined by the Secretary of Energy, when all Eklutna assets have been conveyed to the Eklutna Purchasers.

(h) Section 204 of the Flood Control Act of 1962 (76 Stat. 1193) is repealed effective on the date, as determined by the Secretary of Energy, when all Snettisham assets have been conveyed to the Authority.

(i) As of the later of the two dates determined in subsections (f) and (g), section 302(a) of the Department of Energy Organization Act (42 U.S.C. 7152(a)) is amended—

(1) in paragraph (1) by striking subparagraph (C) and redesignating subparagraphs (D), (E), and (F) as (C), (D), and (E) respectively; and

(2) in paragraph (2) by striking, "and the Alaska Power Administration" and inserting "and" after the "Southwestern Power Administration,".

(j) The Act of August 9, 1955, concerning water resources investigations in Alaska (69 Stat. 618), is repealed.

TITLE XXIII—ACCESS TO JUSTICE ACT OF 1992

SEC. 2300. SHORT TITLE.

This title may be cited as the "Access to Justice Act of 1992".

SEC. 2301. FEDERAL DIVERSITY JURISDICTION; SUM IN CONTROVERSY.

Section 1332 of title 28, United States Code, is amended by redesignating subsection (d) as subsection (g) and inserting after subsection (c) the following new subsections:

"(d) In determining whether a matter in controversy exceeds the sum or value of $50,000, the amount of damages for pain and suffering or metal anguish, punitive or exemplary damages, and attorney's fees or costs shall not be included.

"(e) On February 1 of each year, the monetary amounts referred to in subsections (a), (b), and (d) shall each be adjusted to the nearest thousand dollars to reflect the change in the Consumer Price Index for All Urban Consumers (CPI–U), United States City Average, All Items, under its current official reference base as designated by the Bureau of Labor Statistics, United States Department of Labor. The adjusted amounts shall be attained by multiplying the relevant monetary amount by the annual average CPI–U for the most recent calendar year, and then dividing that sum by the annual average CPI–U for 1992.".

SEC. 2302. DIVERSITY OF CITIZENSHIP JURISDICTION; AWARD OF ATTORNEY'S FEES TO PREVAILING PARTY.

Section 1332 of title 28, United States Code, is amended by adding after subsection (e) the following new subsection:

"(f) For the purposes of this section:

"(1) The prevailing party shall be entitled to attorney's fees only to the extent that such party prevails on any position or claim advanced during the litigation. The sum of entitled attorney's fees shall be paid by the non-prevailing party but shall not exceed the attorney's fees of the non-prevailing party with regard to such position or claim. If the non-prevailing party receives services under a contingent fee agreement, the sum of the entitled attorney's fee shall not exceed the reasonable value of those services.

"(2) Counsel of record in actions under this section shall maintain accurate, complete records of hours worked on the matter regardless of the fee arrangement with his client.

"(3) The term 'prevailing party' means a party to an action who obtains a favorable final judgment (other than by settlement), exclusive of interest, on all or a portion of the claims asserted during the litigation.

"(4) The court may, in its discretion, limit the fees recovered under paragraph (1) of this section if the court finds special circumstances that make payment of such fees unjust.

"(5) This subsection shall not apply to any action removed from a state court pursuant to section 1441 of title 28, United States Code, or to the United States or any state, agency of the United States or any state, or any official, officer or employee of a federal or state agency.".

SEC. 2303. AMENDMENT TO EQUAL ACCESS TO JUSTICE ACT.

(a) Subsection (d)(2)(A)(ii) of section 2412 of title 28, United States Code, is amended by striking out "or a special factor, such as the limited availability of qualified attorneys for the proceedings involved," and inserting in lieu thereof "as reflected by the change in the Consumer Price Index for All Urban Consumers (CPI–U), United States City Average, All Items, under its current official reference base as designated by the Bureau of Labor Statistics, United States Department of Labor.".

(b) Subsection (d) of Section 2412 of title 28, United States Code, is amended by adding the following new paragraph after paragraph (d)(5):

"(6)(A) If a court determines that the cost of living adjustment permitted by paragraph (d)(2)(a)(ii) should be made in a particular case, it shall calculate the adjustment in accordance with this paragraph. When compensable services are rendered in more than one calendar year, an adjustment shall be made for each year in which compensable services are rendered.

(i) When compensable services are rendered in the present calendar year, the hourly rate shall be calculated by multiplying $75 times the CPI–U for the month in which the last compensable services were rendered, and then dividing that sum by the CPI–U for October, 1991.

(ii) When compensable services are rendered in more than one calendar year, the adjustment for services rendered in the present calendar year shall be calculated using the formula set forth in (i) above. The hourly rate for services rendered in each previous calendar year shall be calculated by multiplying $75 times the annual average CPI–U for the year in which the services were rendered, and then dividing that sum by the CPI–U for October, 1981.".

SEC. 2304. PRIOR NOTICE AS A PREREQUISITE TO BRINGING SUIT IN THE UNITED STATES DISTRICT COURT.

Title 28 of the United States Code is amended by adding a new section 483 as follows:

"§ 483 Prior Notice To Suit

"(a) At least 30 days before filing suit, a claimant shall transmit written notice to the intended defendant or defendants of the specific claims involved, including the amount of actual damages and expenses incurred and to be incurred. The claimant shall transmit such notice to the intended defendant or defendants at an address reasonably calculated to provide actual notice to each such party. For purposes of this section, 'transmit' shall mean to mail by first class-mail, postage prepaid, or contract for delivery by any company which physically delivers correspondence as a commercial service to the public in its regular course of business. A certificate of service evidencing compliance with this subsection shall be filed with the court at the commencement of the action.

"(b) In the event the applicable statute of limitations for that action would expire during the period of notice, the statute of limitations shall expire on the thirtieth day from the date written notice was transmitted to the intended defendant or defendants. The parties may by written agreement extend the tolling period not to exceed 90 days.

"(c) The requirements of this section shall not apply—

"(1) in any action to seize or forfeit assets subject to forfeiture or in any bankruptcy, insolvency, receivership, conservatorship, or liquidation proceeding;

"(2) where the assets that are the subject of the action or that would satisfy the judgment are subject to flight, dissipation or destruction, or where the defendant is subject to flight;

"(3) where a written notice prior to filing suit is otherwise required by law, or where the claimant has made a prior attempt in writing to settle the claim with the defendant;

"(4) in proceedings to enforce a civil investigative demand or an administrative summons;

"(5) in actions to foreclose liens; or

"(6) in actions pertaining to temporary restraining orders, preliminary injunctive relief, fraudulent conveyance of property, or in other types of actions which by their nature compel immediate resort to the courts.

"(d) In the event the district court finds that the requirements of subsection (a) of this section have not been fulfilled by the claimant, and such defect is asserted by the defendant within 60 days of service of the summons or complaint upon such defendant, the claim shall be dismissed without prejudice and the costs of such action, including attorney's fees, shall be imposed upon the claimant. Whenever an action is dimissed under this section, the claimant may refile such claim within 60 days after dismissal regardless of any statutory limitations period if: (1) during the 60 days after dismissal, notice is effected under subsection (a) of this section and, (2) the original action was timely filed in accordance with subsection (b).".

SEC. 2305. AWARD OF ATTORNEY'S FEES IN DISPUTES INVOLVING THE UNITED STATES.

Title 28 of the United States Code is amended by adding a new section 2412a following 2412 as follows:

"§ 2412a Award of Attorney's Fees in Disputes Involving the United States

"(a) Except as otherwise specifically provided by statute, the United States is authorized to enter into an agreement which provides that attorney's fees may be awarded against the United States or any other party to the litigation—

"(1) where the United States commenced the suit or

"(2) in civil litigation involving disputes pursuant to the Contract Disputes Act of 1978 (41 U.S.C. 601-613), including litigation before boards of contract appeals pursuant section 606 and 607 of title 41, United States Code; or

"(3) where the United States and another party have agreed to the use of outcome-determinative mediation, the mediation has resulted in a determination, and the United States or the other party has given notice pursuant to section 484(b)(8) of title 28, United States Code, pertaining to outcome-deteminative mediation, that either party accepts the determination. In this event, section 484(b)(8)(A)-(8)(C) of title 28, United States Code, pertaining to award of costs and attorney's fees, shall apply to the award of attorney's fees.

"(b) The following standards shall apply to the award of any attorney's fees pursuant to subsection (a) (1) or (2):

"(1) Attorney's fees may be awarded only to a prevailing party in the litigation, subject to paragraphs (b)(2) and (3). The prevailing party shall be entitled to attorney's fees from the non-prevailing party with respect to and only to the extent that such party prevails on any claim advanced during the litigation, except that the sum of entitled attorney's fees shall not exceed the attorney's fees of the non-prevailing party with regard to such claim.

"(2) In determining the amount of attorney's fees for a private party, the court or board shall take into account the degree of success obtained by that party relative to its original claim or claims, the prevailing market rates in the area for the kind and quality of the legal services furnished, and any other factors relevant to whether an award of attorney's fees would be reasonable and, if so, what a reasonable amount of attorney's fees would be.

"(3) In determining the amount of attorney's fees of the United States, the court or board shall determine the number of hours spent by the attorneys employed by the United States on the litigation multiplied by the salaries and benefits paid those attorneys, and an amount for overhead, computed as an hourly rate.

"(c) A party who files an application for an award of attorney's fees and expenses against the United States under any other provision of law may not pursue an award of attorney's fees under this section. A party who files an application for an award of attorney's fees under this section may not pursue an award of attorney's fees and expenses under any other provision of law. A party who agrees to mediation under section 484 of title 28, United States Code may seek an award of attorney's fees only under this section and section 484 of title 28, United States Code.

"(d) A party seeking an award of attorney's fees under this section shall file an application for fees within thirty days of final judgment in the action. The application shall show that the party is eligible to receive an award under this section and the amount sought, including an itemized statement from any attorney appearing on behalf of the party which sets forth the actual time expended and the rate at which fees are computed. Within thirty days after service of the fee application upon the party against whom the fees are sought to be awarded, that party may file a response setting forth its reasons why an award of fees would not be reasonable or why the amount of fees should be reduced. Where an award of attorney's fees is sought against any party, the attorney for that party shall submit a statement of the total amount of attorney's fees incurred in the litigation in order that the court or board may determine that the fees sought in the application do not exceed the amount of fees incurred by that party.

"(e) As provided in appropriations Acts, agreements may be entered into as authorized by this section. Awards of attorney's fees received by an agency on behalf of the United States pursuant to this section shall be credited to an appropriate account of that agency. To the extent provided in advance in appropriation Acts, such amounts shall be available only to pay awards of attorney's fees against that agency on behalf of the United States made pursuant to his section. Each such agency is authorized to pay any shortfall caused if amounts credited to such account are insufficient to pay amounts awarded against such agency on behalf of the United States from funds currently available in such account.

"(f) For the purposes of this section:

"(1) 'United States' includes any agency and any official of the United States acting in his or her official capacity;

"(2) 'final judgment' means a judgment that is final and not appealable; and

"(3) 'prevailing party' means a party to an action who obtains a favorable final judgment other than by settlement, exclusive of interest, on all or a portion of the claims asserted during the litigation.".

SEC. 2306. AVOIDANCE OF LITIGATION THROUGH MULTI-DOOR COURTHOUSES.

Title 28 of the United States Code is amended by adding a new section 484 as follows:

"§ 484 Multi-Door Courthouses

"(a) The chief judge of each Federal judicial circuit shall designate one district within the jurisdiction of the circuit to be a pilot Multi-Door Courthouse district; *Provided, however*, That the United States Court of Appeals for the District of Columbia Circuit shall not be included. The United States Court of Appeals for the Federal circuit shall designate the United States Claims Court to be a pilot Multi-Door Courthouse. Such designation, and the program established by this section, shall terminate at the expiration of a three-year period following such designation unless renewed by an Act of Congress.

"(b)(1) Every court which has been designated as a Multi-Door Courthouse, as set forth in subsection (a), shall, not later than 6 months after the effective date of this Act, establish an alternative dispute resolution plan.

"(2) The alternative dispute resolution plan shall include, but not be limited to—

"(A) procedures for limited discovery;

"(B) confidentiality of proceedings as to possible subsequent pretrial and trial actions; and

"(C) the selection, use, and payment of non-judicial personnel (also referred to in this section as neutrals, mediators, or arbitrators) who may be selected to conduct alternative dispute resolution procedures.

"(3) The plan shall also establish standards for determining which cases are appropriate for alternative dispute resolution, considering such factors as whether factual issues predominate over legal issues, whether the case involves complex or novel legal issues requiring judicial action, and any other factors the court considers relevant.

"(4) Each plan shall provide that each federal judge or, in a case assigned to a magistrate judge, magistrate judge in a Multi-Door Courthouse established under subsection (a) shall conduct a conference with counsel within 120 days after a complaint is filed to review non-binding, voluntary alternative dispute resolution procedures that may be used in lieu of litigation to resolve the claims in controversy.

"(5) Outcome-determinative mediation under this section means a procedure in which either a single mediator or a panel of three mediators selected by or under the direction of a federal district court provides the parties with a dollar amount determination that would be awarded if the case is tried.

"(6) Each plan shall authorize the parties, if they agree, to utilize non-binding alternative dispute resolution procedures that may be used in lieu of litigation to resolve the claims in controversy. These non-binding alternative dispute resolution procedures shall include, but are not limited to, early neutral evaluation, traditional mediation, outcome-determinative mediation, minitrials, summary jury trials, and arbitration.

"(7) Each plan shall provide that—

"(A) the parties may agree as to the use of any alternative dispute resolution procedure listed in the alternative dispute resolution plan to effectuate prompt resolution of the claims involved; and

"(B) the parties may choose to utilize the alternative dispute resolution procedures and neutrals made available by their court or may, if all parties and the court agree, utilize the services of other neutrals not designated in accordance with the court's alternative dispute resolution plan.

"(8) Each plan shall also provide that if the parties choose outcome-determinative mediation and in the event a determination is reached—

"(A) either or any party may give notice that it intends to accept that determination, while the other party or parties remain free to reject the determination and continue with the litigation. If all parties reject that determination, no costs or attorney's fees shall be assessed against any party;

"(B) a plaintiff, including the United States or an officer or agency thereof, who rejects the determination and fails to obtain a final judgment that is at least ten percent greater than the determination shall pay the defendant's costs, as set forth in section 1920 of title 28, United States Code, and reasonable attorney's fees, as set forth in section 2412a of title 28, United States Code, incurred after the rejection of the determination; and

"(C) a defendant, including the United States and officers and agencies thereof, who rejects the determination and fails to obtain a final judgment that is at least ten percent less than the determination shall pay the plaintiff's costs, as set forth in section 1920 of title 28, United States Code, and attorney's fees, as established in section 2412a of title 28, United States Code, incurred after rejection of the determination.

"(9) In carrying out their plans, the district courts are authorized to utilize the volunteer services of non-judicial personnel (also known as neutrals, mediators, and arbitrators) to conduct alternative dispute resolution procedures. The courts are also authorized to establish and pay, subject to amounts provided in advance in appropriations acts and to limits set by the Judicial Conference of the United States, the amount of compensation, if any, that each neutral shall receive for services rendered in each case.".

SEC. 2307. FLEXIBLE ASSIGNMENT OF DISTRICT COURT JUDGES.

(a) Section 292(d) of title 28, United States Code, is amended by striking out "upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises." and inserting in lieu thereof "whenever the business of that court so requires.".

(b) Section 604(a) of title 28, United States Code, is amended—

(1) by striking out "; and" in paragraph (23) and inserting in lieu thereof ";";

(2) by redesignating the two paragraphs currently both designated as paragraph (24) as paragraph (25) and paragraph (26), respectively;

(3) by striking the period at the end of new paragraph (25) inserting in lieu thereof "; and"; and

(4) by adding the following new paragraph immediately after paragraph (23);

"(24) Secure information as to the courts' need for temporary judicial resources to ease overcrowded dockets (including information on delays being encountered in the maintenance of civil suits) and prepare and transmit annually to the Chief Justice, the chief judges of the circuits, the Congress and the Attorney General, statistical data, reports and recommendations summarizing the results of this inquiry;".

SEC. 2308. IMMUNITY OF STATE JUDICIAL OFFICERS.

(a) Section 1988 of title 42, United States Code, is amended by inserting before the period at the end of the second sentence the following: ", except that notwithstanding any other provision of law, no state judicial officer shall be held liable for any costs, including attorney's fees, in any proceeding brought against such judicial officer for an act or omission taken in an official capacity".

(b) Section 1983 of title 42, United States Code, is amended by adding before the period at the end of the first sentence: ", except that in any action brought against a judicial officer for an act or omission committed in such officer's official capacity, injunctive relief shall not be granted unless a declaratory decree was violated or declaratory relief was unavailable".

SEC. 2309. AMENDMENT TO THE CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS ACT.

(a) Section 1997e of title 42, United States Code, is amended by—

(1) amending (a)(1) to read as follows:

"In any action brought pursuant to section 1983 of title 42, United States Code, by any adult convicted of a crime confined in any jail, prison, or other correctional facility, the court shall continue such case for a period not to exceed 180 days in order to require exhaustion of such plain, speedy, and effective administrative remedies as are available.";

(2) redesignating paragraphs (b) (1) and (2) as paragraphs (b) (2) and (3), respectively; and

(3) adding a new paragraph (b)(1) immediately after paragraph (a)(2) to read as follows:

"(b)(1) Upon the request of a State or local corrections agency, the Attorney General of the United States shall provide the agency with technical advice and assistance in establishing plain, speedy, and effective administrative remedies for inmate grievances.".

(b) Subsection (d) of section 1915 of title 28, United States Code, is amended to read as follows:

"(d) The court may request an attorney to represent any such person unable to employ counsel and may dismiss the case if the allegation of poverty is untrue, or if satisfied that the action fails to state a claim upon which relief can be granted or is frivolous or malicious.".

SEC. 2310. IMPROVEMENTS IN CASE MANAGEMENT.

Subsection (a) of section 623 of title, 28, United States Code, is amended—

(a) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively; and

(b) by adding the following new paragraph immediately after paragraph (4):

"(5) study and determine ways in which case and docket management techniques (including alternative dispute resolution techniques) may be applied to improve the cost-effectiveness of litigation and to eliminate unjustified expense and delay, and include in the annual report required by paragraph (3) of this subsection details of the results of the studies and determinations made pursuant to this paragraph;".

SEC. 2311. ASSIGNMENT OF JUDGES; PANELS; HEARING; QUORUM

(a) Subsection (c) of section 46 of title 28, United States Code, is amended to read as follows:

"(c) Cases and controversies shall be heard and determined by a court or panel of not more than three judges (except the United States Court of Appeals for the Federal Circuit may sit in panels of more than three judges if its rules so provide), unless a hearing or rehearing before the court in banc is ordered by a majority of the circuit judges of the circuit who are in regular active service. A court in banc shall consist of all circuit judges in regular active service, except that any senior judge of the circuit shall be eligible to participate, at his election, and upon designation and assignment pursuant to section 294(c) of this title and the rules of the circuit, as a member of an in banc court reviewing a decision of a panel of which such judge was a member.".

(b) Section 6 of Public Law 95-486 (92 Stat. 1633), is amended to read as follows:

"SEC. 6. Any court of appeals having more than 15 active judges may constitute itself into administrative units complete with such facilities and staff as may be prescribed by the Administrative Office of the United States Courts.".

SEC. 2312. SEVERABILITY.

If any provision of this Act or the amendments made by this Act or the application of any provision or amendment to any person or circumstance is held invalid, the remainder of this Act and such amendments and the application of such provision and amendment to any other person or circumstance shall not be affected by that invalidation.

SEC. 2313. EFFECTIVE DATE.

Except as expressly otherwise provided, this Act shall become effective 90 days after the date of enactment. This Act shall not apply to litigation commenced prior to the effective date except that sections 2308 and 2309 shall apply to civil actions pending in any court on the date of enactment.

TITLE XXIV—HEALTH CARE LIABILITY REFORM AND QUALITY OF CARE IMPROVEMENT ACT

SEC. 2400. SHORT TITLE.

This title may be cited as the "Health Care Liability Reform and Quality of Care Improvement Act of 1992".

Subtitle A—Findings and Purpose

SEC. 2401. FINDINGS.

The Congress finds that:

(a) The Federal Government is a direct provider of health care to many Americans; a source of payment for the health care of a much larger number of Americans through Medicare, Medicaid and other programs; and a promoter of quality assurance efforts. As a result, the Federal Government has a major interest in health care issues, including the availability, cost, and quality of health care.

(b) The rising costs of malpractice insurance, litigation, and liability are contributing significantly to increases in the cost of health care. These and other health care liability problems have adversely affected health care consumers and created tensions among the medical and legal professions, the insurance industry and consumers.

(c) The fear of medical malpractice liability has caused some health care providers to practice unnecessary defensive medicine, adding to health care costs.

(d) This fear of liability and the increased costs adversely impact the ability of health care professionals to continue to practice in high risk specialty areas and certain geographic areas of the country.

(e) Improving the effectiveness of activities to reduce the incidence of health care injuries would reduce the incidence of medical malpractice as well as medical liability.

(f) Improving the effectiveness of the civil judicial system would not only deter frivolous actions which increase health care costs but would result in fair and expeditious compensation for meritorious claims of health care malpractice.

(g) The Federal Government is designing a pilot project, using the Federal Employees Health Benefits Program, to promote alternative dispute resolution procedures on a voluntary basis.

SEC. 2402. PURPOSE

It is the purpose of this title to:

(a) Provide incentives to States to enact health care liability tort reforms and establish alternative dispute resolution mechanisms to achieve efficient, cost effective and expeditious disposition of health care disputes;

(b) Provide incentives to States to adopt quality assurance reforms to reduce the incidence of malpractice; and

(c) Incorporate these reforms on the Federal level through amendments to the Federal Tort Claims Act.

Subtitle B—Health Care Liability Reforms

SEC. 2411. DEFINITIONS.

For purposes of subtitles B and D,

(a) The term "economic damages" means losses for health care facility and medical expenses, lost wages and income, lost employment, burial expenses, and other pecuniary losses incurred by an individual as a result of negligence in the provision of health care services as recognized by State law;

(b) The term "non-economic damages" means losses for physical and emotional pain, suffering, physical impairment, emotional distress, mental anguish, disfigurement, loss of enjoyment, and loss of companionship, services, consortium and other nonpecuniary losses incurred by an individual as a result of negligence in the provision of health care services as recognized by State law;

(c) The term "health care provider" means any individual and any organization or institution that is engaged in the delivery of health care services, and is required by State or Federal law or regulation to be licensed or certified to engage in the delivery of such health care services;

(d) The term "health care liability action" means a civil action or proceeding in any judicial tribunal brought pursuant to State law against a health care provider, alleging that injury was suffered by the plaintiff as the result of any act or omission by a health care provider without regard to the theory of liability asserted in the action. This term excludes civil penalty actions by any State or State agency or officer or by the United States or by any Federal agency or officer;

(e) The term "injury" means an injury, illness, disease, or other harm suffered by an individual as a result of the provision of health care services by a health care provider;

(f) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, the Trust Territories of the Pacific Islands, and any other territory or possession of the United States.

(g) The term "Secretary" means the Secretary of Health and Human Services; and

(h) The term "person" means any individual, corporation, company, association, firm, partnership, society, joint stock company, or any other entity, including any governmental entity.

SEC. 2412. IN GENERAL.

To be eligible to participate in the incentive program provided for in section 2419, the States shall enact, adopt, or otherwise have in effect no later than three years from the date of enactment of this title the health care liability reforms set forth in sections 2413 through 2418.

SEC. 2413. JOINT AND SEVERAL LIABILITY.

(a) In any health care liability action, the liability of each defendant for non-economic damages shall be several only and shall not be joint. Each defendant shall be liable only for the amount of non-economic damages allocated to that defendant in direct proportion to that defendant's percentage of fault, and a separate judgment shall be rendered against that defendant for that amount.

(b) Subsection (a) shall not apply with respect to those persons participating in joint conduct in a common scheme by two or more persons who consciously and deliberately agreed to jointly participate in such conduct with actual knowledge of the wrongfulness of the conduct resulting in a tortious act and where such acts proximately caused the injury complained of by the plaintiff and for which one or more of such persons is found liable for damages.

SEC. 2414. LIMITATION ON NON-ECONOMIC DAMAGES.

(a) Non-economic damages may not be awarded in an amount in excess of $250,000 in any health care liability action. The Secretary, for good cause, may waive the requirement of this Section in determining a State's compliance with this title pursuant to section 2419.

(b) For purposes of this section, in addition to the parties within the purview of section 2411(d), "any health care liability action" includes all actions (including multiple actions) for damages, and includes all plaintiffs and all defendants in such actions, which arise out of or were caused by the same personal injury or death, whether or not each defendant is a health care provider.

(c) Cost-of-Living.—The amount described in subsection (a) shall be adjusted every three years to reflect changes in the cost-of-living index utilized by the Secretary in determination of adjustment in Old Age, Survivors, and Disability Insurance benefits. The first such adjustment shall be made three years after the date of the enactment of this title.

SEC. 2415. COLLATERAL SOURCE BENEFITS.

(a) Except as provided in subsection (c), the total amount of damages received by a plaintiff shall be reduced, in accordance with subsection (b), by any other payment which has been made or which will be made to such plaintiff to compensate such plaintiff for an injury, including payments under—

(1) Federal or State disability or sickness programs;

(2) Federal, State, or private health insurance programs;

(3) private disability insurance programs;

(4) employer wage continuation programs; and

(5) any other source of payment intended to compensate such plaintiff for such injury.

(b) The amount by which an award of damages to a plaintiff for an injury shall be reduced under subsection (a) shall be—

(1) the total amount of any payments (other than such award) which have been made or which will be made to such plaintiff to compensate such plaintiff for such injury, less

(2) the cost of incurred by such plaintiff (or by the spouse, parent, or legal guardian of such plaintiff) to secure the payments described in clause (1).

(c) Subsection (a) shall not apply to any payment which the individual is required by law to repay out of any damages recovered from a negligent health care provider.

SEC. 2416. PERIODIC PAYMENT OF JUDGMENTS.

(a) In any health care liability action subject to this title in which damages for future economic damages are awarded, no health care provider shall be required to pay for such future damages in a single, lump-sum payment but shall be permitted to make periodic payments based on when the damages are found by the court to be likely to occur or at the time such damages accrue.

(b) The court may require such health care provider to purchase an annuity or fund a reversionary trust to make such periodic payments, if the court finds a reasonable basis for concluding that the health care provider may be unable to or will not make the periodic payments.

(c) The judgment of the court awarding such periodic payments may not be reopened at any time to contest, amend, or modify the schedule or amount of the payments in the absence of fraud or any ground permitting relief to be granted after entry of a final judgment.

(d) This subsection shall not be construed to preclude a settlement providing for a single, lump-sum payment.

SEC. 2417. ALTERNATIVE DISPUTE RESOLUTION MECHANISMS.

(a) In General.—It is declared to be the policy of the United States to encourage—

(1) the creation, adoption, and use of alternative dispute resolution mechanisms to achieve the efficient, cost effective and expeditious disposition of civil disputes; and

(2) the modification of procedural and evidentiary rules to the extent feasible to accommodate such alternative dispute resolution techniques.

(b)(1) To encourage the resolution of claims prior to litigation of a health care liability action, the State shall establish at least one alternative dispute resolution mechanism. The Secretary, for the purpose of determining compliance under section 2419, shall deem a State to be in compliance with the requirements of this Section if the State has in effect at least one mediation or pretrial screening panel alternative dispute resolution mechanism specified in regulations issued by the Secretary in consultation with the Attorney General, or if the State has in effect another alternative dispute resolution mechanism which the Secretary, in consultation with the Attorney General, finds to be equally effective in deterring frivolous actions and resulting in fair and expeditious compensation for meritorious claims. The Secretary, in consultation with the Administrative Conference of the United States and the Attorney General, shall promulgate regulations that specify the Secretary's criteria for evaluating the effectiveness of these mechanisms.

(2) The time period during which a proceeding pursuant to this Section is pending shall not be included or counted in determining whether any statute of limitations bars a health care liability action.

SEC. 2418. QUALITY ASSURANCE REFORM.

(a) Promote State Cooperation With Federal Effectiveness Research Efforts.—The State, through the appropriate health authority, shall cooperate with Federal research efforts with respect to patient outcomes, clinical effectiveness and clinical practice guidelines.

(b) Improve the Performance of State Medical Boards.—(1) The State, through the appropriate health authority, shall collect, analyze and supply the Secretary with information and data, as specified in regulations to be promulgated by the Secretary, on staffing, revenue, disciplinary actions, expenditures, case-loads of the State Medical Board, and use of continuing medical education programs in order to demonstrate that the State medical boards meet performance criteria established by the Secretary in regulations.

(2) The State, through the appropriate health authority, shall impose a requirement on the State Medical Board to require a physician disciplined by the State Medical Board to take a certain number of continuing education courses as the board requires, with educational outcome measures required, in the subject areas in which the board determines that the physician's knowledge is deficient.

(c) Alternative Programs.—The Secretary, for purposes of determining compliance under section 2419 of this title, shall deem a State in compliance with the requirements of this Section if the State has in effect, instead of the programs described in subsection (b), a program to reduce the incidence of negligence which the Secretary finds to be at least as effective in reducing the incidence of negligence as compliance with the Secretary's standards promulgated under section 2418(b). The Secretary shall promulgate regulations that specify the Secretary's criteria for evaluating the effectiveness of alternatives to section 2418(b), including, for example:

(1) Requirements for risk management systems to be carried out by institutions providing health care in the State.

(2) Quality assurance systems, administered by the State or professional bodies, which review the quality of care rendered by the physicians of the State.

(3) State programs for the promulgation of standards of care in areas of medical practice in which the risk of negligence is greatest and assurance of satisfactory levels of compliance with such standards.

SEC. 2419. STATE IMPLEMENTATION OF HEALTH CARE LIABILITY REFORMS.

(a) IMPLEMENTATION.—The States shall have three years from the effective date of this title in which to enact, adopt, or otherwise comply with the provisions as set forth in sections 2412 through 2418 of this title.

(b) NOTIFICATION.—

(1) Notification by the State shall be submitted to the Secretary, with a Certification by the Chief Executive Officer of the State that, on the date the Notification is submitted, the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this title.

(2) The Notification shall be accompanied by documentation to support the Certification required by this subsection, including copies of relevant State statutes, rules, procedures, regulations, judicial decisions, State constitutional provisions, and opinions of the State Attorney General.

(3) The Notification shall contain such other information, be in such form, and be submitted in such manner, as the Secretary may require.

(c) REVIEW OF NOTIFICATION.—

(1) Within 90 days after receiving a Notification under subsection (b), the Secretary shall review the Notification and determine whether the Notification demonstrates that the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this title.

(2) If the Secretary determines that the Notification makes such a demonstration, the Secretary shall approve the Notification, authorizing the State to participate in the incentive program provided for in subsection (f).

(3) If, after reviewing a Notification under this subsection, the Secretary determines that the Notification does not make the demonstration required under such subsection, the Secretary shall, within 15 days after making such determination, provide the State which submitted such Notification with a written notice specifying such determination and containing recommendations for revisions which would cause the Notification of the State to be approved.

(4) Within 30 days after receiving a revised Notification, the Secretary shall review the revised Notification and determine whether the Notification demonstrates that the State has enacted, adopted, or otherwise has in effect the health care liability reforms set forth in this title. If the Secretary determines that the revised Notification makes such a demonstration, the Secretary shall approve the revised Notification, authorizing the State to participate in the incentive program provided for in subsection (f).

(d) NON-COMPLIANCE.—

(1) If a State fails to submit to the Secretary a Notification or revised Notification pursuant to this Section, the Secretary shall, within 15 days after the time period under subsection (b)(1) expires, send the State written notice of determination of noncompliance.

(2) If, during the time period determined by the Secretary under subsection (c), the Secretary determines that a revised Notification does not demonstrate that the State has enacted, adopted, or otherwise implemented the health care liability reforms set forth in this title, and that the State's revised Notification is not approved, or if a determination of noncompliance is made pursuant to subsection (d)(1)(A), the Secretary shall, within 15 days after making such determination, provide the State with written notice of noncompliance, including the determination of the Secretary and the reasons therefore.

(3) If, during any time period after a Notification is approved under subsection (c), the Secretary determines that the State does not have currently in effect the health care liability reforms upon which the Notification was approved, the Secretary shall within 30 days of making such determination provide the State with written notice of such determination and withdraw the approval of the Notification. Such notice shall specify—

(A) the determination of the Secretary and the reasons therefor;

(B) that the Secretary will require the State, within 60 days after receipt of such notice, to return all funds provided to the State under the incentive program provided for in this title in subsection (f) of this section which have not been expended by the State at the time such notice is received unless the State takes such corrective action as may be necessary to ensure that the State has such health care liability reforms in effect in the State and presents a Certification to this effect to the Secretary in accordance with subsection (b).

(e) CONSULTATION WITH THE ATTORNEY GENERAL.—In making determinations of compliance or noncompliance pursuant to this title, the Secretary shall consult with the Attorney General with respect to any issues of tort law or policy.

(f) INCENTIVE PROGRAM—DISTRIBUTION OF FUNDS.—The Secretary shall establish an administrative process to.—

(1) withhold from each State two percent of the amount computed under section 1396b(a)(7) of title 42, United States Code, and from each hospital one percent of the total amounts computed under section 1395ww(d)(1) of title 42, United States Code for each fiscal year beginning after the initial three-year period after the enactment of this title; and

(2) distribute that part of the withheld funds comprising two percent of the amount computed under section 1396b(a)(7) of title 42, United States Code, on a proportional basis among States whose Notifications have been approved by the Secretary pursuant to this Section, and that part of the withheld funds comprising one percent of the total amounts computed under section 1395ww(d)(1) of title 42, United States Code, on a proportional basis among hospitals otherwise entitled to those funds in States whose Notifications have been approved by the Secretary pursuant to this section.

"Proportional basis" means (i) with respect to funds withheld from amounts payable under section 1396b(a)(7) of title 42, United States Code, in proportion to the average Medicaid payments made to a State for the last three preceding fiscal years for which data is available to such payments to all States whose Notifications have been approved by the Secretary, and (ii) with respect to funds withheld from amounts computed under section 1395ww(d)(1) of title 42, United States Code, in proportion to the hospital's share of payments made under that section to all payments to hospitals operating in States whose Notifications have been approved by the Secretary.

(g) CONFORMING AMENDMENTS.—

(1) MEDICAID.—Section 1396b(a)(7) of title 42, United States Code is amended by adding at the end thereof the following sentence: "Effective the first day of the first fiscal year beginning at least three years after the enactment of the Health Care Liability Reform and Quality Care Improvement Act of 1992, a State shall only receive 98 percent of the amount of the payment to which it would otherwise be entitled under this paragraph."

(2) MEDICARE.—Section 1395ww(d)(1) of title 42, United States Code is amended by adding the following sentence at the end thereof: "Effective the first day of the first fiscal year beginning at least three years after the enactment of the Health Care Liability Reform and Quality of Care Improvement Act of 1992, a hospital shall only receive 99 percent of the amount of the payment to which it would otherwise be entitled under this paragraph."

SEC. 2420. In the case of any experimental, pilot, or demonstration project, as defined by regulations promulgated by the Secretary in coordination with the Attorney General, which, in the judgment of the Secretary, is likely to assist in promoting the objectives of this title, in a State or States, the Secretary may waive compliance with any of the requirements in this subtitle to the extent and for the period the Secretary finds necessary to enable such State or States to carry out such project.

Subtitle C—Federal Implementation of Health Care Liability Reforms

SEC. 2421. LIMITATIONS ON LIABILITY.

(1) Section 2674 of title 28, United States Code, is amended by inserting "(a)" at the beginning of the section, and by adding at the end of the section the following new subsections:

"(b)(1) Except as provided in paragraph (2) of this subsection, in any health care liability action the United States shall not be found jointly and severally liable for noneconomic damages, but shall be liable, if at all, only for those noneconomic damages directly attributable to its pro-rata share of fault or responsibility for the injury, and not for noneconomic damages attributable to the pro-rata share of fault or responsibility of any other person (without regard to whether that person is a party to the action) for the injury, including any person bringing the action.

"(2) This subsection shall not apply as between the United States and any person with which it is acting in concert where the concerted action proximately caused the injury for which either the United States or that person is found liable.

"(3) For the purposes of this subsection, 'concerted action' and 'acting in concert' mean the conscious acting together in a common scheme of two or more persons who consciously and deliberately agreed to jointly participate in such conduct with actual knowledge of the wrongfulness of the conduct resulting in a tortuous act and where such acts proximately caused the injury complained of by the plaintiff and for which one or more of such persons is found liable for damages.

"(c)(1) Except as provided in paragraph (3), the total amount of damages received by an individual shall be reduced, in accordance with paragraph (2), by any other payment which has been made or which will be made to such individual to compensate such individual for an injury, including payments under—

"(i) Federal or State disability or sickness programs;

"(ii) Federal, State, or private health insurance programs;

"(iii) private disability insurance programs;

"(iv) employer wage continuation programs; and

"(v) any other source of payment intended to compensate such individual for such injury.

"(2) The amount by which an award of damages to an individual for an injury shall be reduced under paragraph (1) shall be—

"(i) the total amount of any payments (other than such award) which have been made or which will be made to such individual to compensate such individual for such injury, less

"(ii) the amount paid by such individual (or by the spouse, parent, or legal guardian of such individual) to secure the payments described in clause (i).

"(3) Paragraph (1) shall not apply to any payment which the individual is required by law to repay out of any damages recovered from a negligent health care provider.

"(d)(1) No damages, other than damages for economic loss, shall be awarded in excess of $250,000 in any health care liability action against the United States.

"(2) For purposes of this Section, in addition to the parties within the purview of Section 2411(d) of the Health Care Liability Reform and Quality of Care Improvement Act of 1992, any 'health care liability action' includes all actions (including multiple actions) for damages, and includes all plaintiffs and all defendants in such actions, which arise out of or were caused by the same personal injury or death, whether or not each defendant is a health care provider.

"(3) COST-OF-LIVING.—The amount described in subsection (a) shall be adjusted every three years to reflect changes in the cost-of-living index. The first such adjustment shall be made three years after the date of the enactment of this title. For purposes of this subsection, the 'cost-of-living index' means the cost of living index utilized by the Secretary in determination of adjustment in Old Age, Survivors, and Disability Insurance Benefits."

SEC. 2422. PERIODIC PAYMENTS OF JUDGMENTS.

(1) Chapter 171 of title 28, United States Code, is amended by adding the following new section 2681:

"§ 2681. Periodic payments of judgments.

"In any health care liability action subject to this chapter in which the damages awarded for future economic loss exceed $100,000, the court shall, at the request of the United States, enter an order providing that damages for future economic loss be paid in whole or in part by periodic payments based on when the damages are found likely to occur rather than by a single lump-sum payment. The court shall make findings of fact as to the dollar amount, frequency and duration of the periodic payments. The United States at its discretion may pay the judgment periodically or purchase an annuity or fund a reversionary trust for the same purpose. The judgment of the court shall be final, and shall not be reopened at any time to contest, amend, or modify the schedule or amount of such payments in the absence of fraud or any ground permitting relief to be granted after entry of a final judgment."

(2) The table of sections of chapter 171 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"Sec. 2681. Periodic payments of judgments.".

SEC. 2423. APPLICABILITY OF AMENDMENTS.

(a) State alternative dispute revolution procedures shall not be applicable to the United States.

(b) For the purpose of subtitle C, the term "plaintiff" means any person who has allegedly suffered injury from professional services provided by a health care provider and who brings a health care liability action or who brings such an action on behalf of any person who has allegedly suffered injury from such professional services or who brings such an action because a person allegedly suffered injury from such services.

(c) The amendments made by this subtitle shall apply to all actions filed on or after, and all administrative claims pending on or presented on or after, the date of enactment of this title.

Subtitle D—Construction of Provisions

SEC. 2431. IN GENERAL.

Nothing in this title shall be construed—

(a) to waive or affect any defense of sovereign immunity asserted by any State under any law or by the United States;

(b) to preempt State choice-of-law rules with respect to claims brought by a foreign nation or a citizen of a foreign nation;

(c) to affect the right of any court to transfer venue, to apply the law of a foreign nation, or to dismiss a claim of a foreign nation or of a citizen of a foreign nation on the ground of inconvenient forum;

(d) to create or vest jurisdiction in the district courts of the United States over any health care liability action subject to this title (which is not otherwise properly in Federal district court); or

(e) to prevent the States from enacting, adopting, or otherwise having in effect more comprehensive or additional health care liability reforms than those set forth in this title.

SEC. 2432. SEVERABILITY.

If any provision of this title or the amendments made by this title or the application of the provision to any person or circumstance is held invalid, the remainder of this title and such amendments and the application of the provision to any other person or circumstance shall not be affected by that invalidation.

SEC. 2433. EFFECTIVE DATE.

This title shall become effective on its date of enactment.

TITLE XXV—PRODUCT LIABILITY FAIRNESS ACT

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Subtitle A

SHORT TITLE

SEC. 2501. This title may be cited as the "Product Liability Fairness Act".

DEFINITIONS

SEC. 2502. As used in this Act, the term—

(1) "Claimant" means any person who brings a civil action pursuant to this title, and any person on whose behalf such an action is brought; if such an action is brought through or on behalf of an estate, the term includes the claimant's decedent, or if it is brought through or on behalf of a minor or incompetent, the term includes the claimant's parent or guardian;

(2) "clear and convincing evidence" is that measure or degree of proof that will produce in the mind of the trier of fact a firm belief or conviction as to the truth of the allegations sought to be established; the level of proof required to satisfy such standard is more than that required under preponderance of the evidence, but less than that required for proof beyond a reasonable doubt;

(3) "collateral benefits" means all benefits and advantages received or entitled to be received (regardless of any right any other person has or is entitled to assert for recoupment through subrogation, trust agreement, lien, or otherwise) by any claimant harmed by a product or by any other person as reimbursement of loss because of harm to person or property payable or required to be paid to the claimant, under—

(A) any Federal law or the laws of any State (other than through a claim for breach of an obligation or duty); or

(B) any life, health, or accident insurance or plan, wage or salary continuation plan, or disability income or replacement service insurance, or any benefit received or to be received as a result of participation in any prepaid medical plan or health maintenance organization;

(4) "commerce" means trade, traffic, commerce, or transportation (A) between a place in a State and any place outside of that State; or (B) which affects trade, traffic, commerce, or transportation described in clause (A);

(5) "commercial loss" means economic injury, whether direct, incidental, or consequential, including property damage and damage to the product itself;

(6) "economic loss" means any pecuniary loss resulting from harm which is allowed under State law;

(7) "exercise of reasonable care" means conduct of a person of ordinary prudence and intelligence using the attention, precaution, and judgment that society expects of its members for the protection of their own interests and the interests of others;

(8) "harm" means any harm recognized under the law of the State in which the civil action is maintained, other than loss or damage caused to a product itself, or commercial loss;

(9) "manufacturer" means (A) any person who is engaged in a business to produce, create, make, or construct any product (or component part of a product) and who designs or formulates the product (or component part of the product) or has engaged another person to design or formulate the product (or component part of the product); (B) a product seller with respect to all aspects of a product (or component part of a product) which are created or affected when, before placing the product in the stream of commerce, the product seller produces, creates, makes, or constructs and designs or formulates, or has engaged another person to design or formulate, an aspect of a product (or component part of a product) made by another; or (C) any product seller not described in clause (B) which holds itself out as a manufacturer to the user of a product;

(10) "noneconomic loss" means loss caused by a product other than economic loss or commercial loss;

(11) "person" means any individual, corporation, company, association, firm, partnership, society, joint stock company, or any other entity (including any governmental entity);

(12) "preponderance of the evidence" is that measure or degree of proof which, by the weight, credit, and value of the aggregate evidence on either side, establishes that it is more probable than not that a fact occurred or did not occur;

(13) "product" means any object, substance, mixture, or raw material in a gaseous, liquid, or solid state (A) which is capable of delivery itself or as an assembled whole, in a mixed or combined state, or as a component part or ingredient; (B) which is produced for introduction into trade or commerce; (C) which has intrinsic economic value; and (D) which is intended for sale or lease to persons for commercial or personal use; the term does not include human tissue, blood and blood products, or organs unless specifically recognized as a product pursuant to State law;

(14) "product seller" means a person who, in the course of a business conducted for that purpose, sells, distributes, leases, prepares, blends, packages, labels, or otherwise is involved in placing a product in the stream of commerce, or who installs, repairs, or maintains the harm-causing aspect of a product; the term does not include—

(A) a seller or lessor of real property;

(B) a provider of professional services in any case in which the sale or use of a product is incidental to the transaction and the essence of the transaction is the furnishing of judgment, skill, or services; or

(C) any person who—

(i) acts in only a financial capacity with respect to the sale of a product; and

(ii) leases a product under a lease arrangement in which the selection, possession, maintenance, and operation of the product are controlled by a person other than the lessor; and

(15) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States, or any political subdivision thereof.

PREEMPTION

SEC. 2503. (a) This title governs any civil action brought against a manufacturer or product seller, on any theory, for harm caused by a product. A civil action brought against a manufacturer or product seller for loss or damage to a product itself or for commercial loss is not subject to this title and shall be governed by applicable commercial or contract law.

(b) This title supersedes any State law regarding recovery for harm caused by a product only to the extent that this title establishes a rule of law applicable to any such recovery. Any issue arising under this title that is not governed by any such rule of law shall be governed by applicable State or Federal law.

(c) Nothing in this title shall be construed to—

(1) waive or affect any defense of sovereign immunity asserted by any State under any provision of law;

(2) supersede any Federal law, except the Federal Employees Compensation Act and the Longshoremen's and Harbor Workers' Compensation Act;

(3) waive or affect any defense of sovereign immunity asserted by the United States;

(4) affect the applicability of any provision of chapter 97 of title 28, United States Code;

(5) preempt State choice-of-law rules with respect to claims brought by a foreign nation or a citizen of a foreign nation;

(6) affect the right of any court to transfer venue or to apply the law of a foreign nation or to dismiss a claim of a foreign nation or of a citizen of a foreign nation on the ground of inconvenient forum; or

(7) supersede any statutory or common law, including an action to abate a nuisance, that authorizes a State or person to institute an action for civil damages or civil penalties, cleanup costs, injunctions, restitution, cost recovery, punitive damages, or any other form of relief resulting from contamination or pollution of the environment, or the threat of such contamination or pollution.

(d) As used in this section, "environment" has the meaning given to such term in section 101(8) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(8)).

(E) This title shall be construed and applied after consideration of its legislative history to promote uniformity of law in the various jurisdiction.

JURISDICTION OF FEDERAL COURTS

SEC. 2504. The district courts of the United States shall not have jurisdiction over any civil action pursuant to this title, based on section 1331 or 1337 of title 28, United States Code.

EFFECTIVE DATE

SEC. 2505. (a) This title shall take effect on the date of its enactment and shall apply to all civil actions pursuant to this title commenced on or after such date, including any action in which the harm or the conduct which caused the harm occurred before the effective date of this title.

(b) If any provision of this title would shorten the period during which a manufacturer or product seller would otherwise be exposed to liability, the claimant may, notwithstanding the otherwise applicable time period, bring any civil action pursuant to this title within one year after the effective date of this title.

Subtitle B

EXPEDITED PRODUCT LIABILITY SETTLEMENTS

SEC. 2511. (a) Any claimant may bring a civil action for damages against a person for harm caused by a product pursuant to applicable State law, except to the extent such law is superseded by this title.

(b) Any claimant may, in addition to any claim for relief made in accordance with State law, include in such claimant's complaint an offer of settlement for a specific dollar amount.

(c) The defendant may make an offer of settlement for a specific dollar amount within sixty days after service of the claimant's complaint or within the time permitted pursuant to State law for a responsive pleading, whichever is longer, except that if such pleading includes a motion to dismiss in accordance with applicable law, the defendant may tender such relief to the claimant within ten days after the court's determination regarding such motion.

(d) In any case in which an offer of settlement is made pursuant to subsection (b) or (c) of this section, the court may, upon motion made prior to the expiration of the applicable period for response, enter an order extending such period. Any such order shall contain a schedule for discovery of evidence material to the issue of the appropriate amount of relief, and shall not extend such period for more than sixty days. Any such motion shall be accompanied by a supporting affidavit of the moving party setting forth the reasons why such extension is necessary to promote the interests of justice and stating that the information likely to be discovered is material, and is not, after reasonable inquiry, otherwise available to the moving party.

(e) If the defendant, as offeree, does not accept the offer of settlement made by a claimant in accordance with subsection (b) of this section within the time permitted pursuant to State law for a responsive pleading or, if such pleading includes a motion to dismiss in accordance with applicable law, within thirty days after the court's determination regarding such motion, and a verdict is entered in such action equal to or greater than the specific dollar amount of such offer of settlement, the court shall enter judgment against the defendant and shall include in such judgment an amount for the claimant's reasonable attorney's fees and costs. Such fees shall be offset against any fees owed by the claimant to the claimant's attorney by reason of the verdict.

(f) If the claimant, as offeree, does not accept the offer of settlement made by a defendant in accordance with subsection (c) of this section within thirty days after the date on which such offer is made and a verdict is entered in such action equal to or less than the specific dollar amount of such offer of settlement, the court shall reduce the amount of the verdict in such action by an amount equal to the reasonable attorney's fees and costs owed by the defendant to the defendant's attorney by reason of the verdict, except that the amount of such reduction shall not exceed that portion of the verdict which is allocable to noneconomic loss and economic loss for which the claimant has received or will receive collateral benefits.

(g) For purposes of this section, attorney's fees shall be calculated on the basis of an hourly rate which should not exceed that which is considered acceptable in the community in which the attorney practices, considering the attorney's qualifications and experience and the complexity of the case.

ALTERNATIVE DISPUTE RESOLUTION PROCEDURES

SEC. 2512. (a) In lieu of or in addition to making an offer of settlement under section 2511 of this subtitle, a claimant or defendant may, within the time permitted for the making of such an offer under section 2511 of this subtitle, offer to proceed pursuant to any voluntary alternative dispute resolution procedure established or recognized under the law of the State in which the civil action for damages for harm caused by a product is brought or under the rules of the court in which such action is maintained.

(b) If the offeree refuses to proceed pursuant to such alternative dispute resolution procedure and the court determines that such refusal was unreasonable or not in good faith, the court shall assess reasonable attorney's fees and costs against the offeree.

(c) For the purposes of this section, there shall be created a rebuttable presumption that a refusal by an offeree to proceed pursuant to such alternative dispute resolution procedure was unreasonable or not in good faith, if a verdict is rendered in favor of the offeror.

Subtitle C

CIVIL ACTIONS

SEC. 2521. A person seeking to recover for harm caused by a product may bring a civil action against the product's manufacturer or product seller pursuant to applicable State or Federal law, except to the extent such law is superseded by this title.

UNIFORM STANDARDS OF PRODUCT SELLER LIABILITY

SEC. 2522. (a) Notwithstanding the provisions of section 2521 of this subtitle, in any civil action for harm caused by a product, a product seller other than a manufacturer is liable to a claimant, only if the claimant establishes by a preponderance of the evidence that—

(1)(A) the individual product unit which allegedly caused the harm complained of was sold by the defendant;

(B) the product seller failed to exercise reasonable care with respect to the product; and

(C) such failure to exercise reasonable care was a proximate cause of the claimant's harm; or

(2)(A) the product seller made an express warranty, independent of any express warranty made by a manufacturer as to the same product;

(B) the product failed to conform to the warranty; and

(C) the failure of the product to conform to the warranty caused the claimant's harm.

(b)(1) In determining whether a product seller is subject to liability under subsection (a)(1) of this section, the trier of fact may consider the effect of the conduct of the product seller with respect to the construction, inspection, or condition of the product, and any failure of the product seller to pass on adequate warnings or instructions from the product's manufacturer about the dangers and proper use of the product.

A product seller shall not be liable in a civil action subject to this subtitle based upon an alleged failure to provide warnings or instructions unless the claimant establishes that, when the product left the possession and control of the product seller, the product seller failed—

(A) to provide to the person to whom the product seller relinquished possession and control of the product any pamphlets, booklets, labels, inserts, or other written warnings or instructions received while the product was in the product seller's possession and control; or

(B) to make reasonable efforts to provide users with those warnings and instructions which it received after the product left its possession and control.

(3) A product seller shall not be liable in a civil action subject to this subtitle except for breach of express warranty where there was no reasonable opportunity to inspect the product in a manner which would or should, in the exercise of reasonable care, have revealed the aspect of the product which allegedly caused the claimant's harm.

(c) A product seller shall be treated as the manufacturer of a product and shall be liable for harm to the claimant caused by a product as if it were the manufacturer of the product if—

(1) the manufacturer is not subject to service of process under the laws of any State in which the action might have been brought; or

(2) the court determines that the claimant would be unable to enforce a judgment against the manufacturer.

UNIFORM STANDARDS FOR AWARD OF PUNITIVE DAMAGES

SEC. 2523. (a) Punitive damages may, if otherwise permitted by applicable law, be awarded in any civil action subject to this subtitle to any claimant who establishes by clear and convincing evidence that the harm suffered was the result of conduct manifesting a manufacturer's or product seller's conscious, flagrant indifference to the safety of those persons who might be harmed by a product. A failure to exercise reasonable care in choosing among alternative product designs, formulations, instructions, or warnings is not of itself such conduct. Except as provided in subsection (b) of this section, punitive damages may not be awarded in the absence of a compensatory award.

(b) In any civil action in which the alleged harm to the claimant is death and the applicable State law provides, or has been construed to provide, for damages only punitive in nature, a defendant may be liable for any such damages regardless of whether a claim is asserted under this section. The recovery of any such damages shall not bar a claim under this section.

(c)(1) Punitive damages shall not be awarded pursuant to this section against a manufacturer or product seller of a drug (as defined in section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)(1)) or medical device (as defined under section 201(h) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(h)) which caused the claimant's harm where—

(A) such drug or device was subject to premarket approval by the Food and Drug Administration with respect to the safety of the formulation or performance of the aspect of such drug or device which caused the claimant's harm or the adequacy of the packaging or labeling of such drug or device, and such drug was approved by the Food and Drug Administration; or

(B) the drug is generally recognized as safe and effective pursuant to conditions established by the Food and Drug Administration and applicable regulations, including packaging and labeling regulations. The provisions of this paragraph shall not apply (i) in any case in which the defendant withheld from or misrepresented to the Food and Drug Administration or any other agency or official of the Federal Government information that is material and relevant to the performance of such drug or device, or (ii) in any case in which the defendant made an illegal payment to an official of the Food and Drug Administration for the purpose of securing approval of such drug or device.

(2) Punitive damages shall not be awarded pursuant to this section against a manufacturer of an aircraft which caused the claimant's harm where—

(A) such aircraft was subject to pre-market certification by the Federal Aviation Administration with respect to the safety of the design or performance of the aspect of such aircraft which caused the claimant's harm or the adequacy of the warnings regarding the operation or maintenance of such aircraft;

(B) the aircraft was certified by the Federal Aviation Administration under the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.); and

(C) the manufacturer of the aircraft complied, after delivery of the aircraft to a user, with Federal Aviation Administration requirements and obligations with respect to continuing airworthiness, including the requirement to provide maintenance and service information related to airworthiness whether or not such information is used by the Federal Aviation Administration in the preparation of mandatory maintenance, inspection, or repair directives.

The provisions of this paragraph shall not apply in any case in which the defendant withheld from or misrepresented to the Federal Aviation Administration information that is material and relevant to the performance or the maintenance or operation of such aircraft.

(d) At the request of the manufacturer or product seller, the trier of fact shall consider in a separate proceeding (1) whether punitive damages are to be awarded and the amount of such award, or (2) the amount of punitive damages following a determination of punitive liability. If a separate proceeding is requested, evidence relevant only to the claim of punitive damages, as determined by applicable State law, shall be inadmissible in any proceeding to determine whether compensatory damages are to be awarded.

(e) In determining the amount of punitive damages, the trier of fact shall consider all relevant evidence, including—

(1) the financial condition of the manufacturer or product seller;

(2) the severity of the harm caused by the conduct of the manufacturer or product seller;

(3) the duration of the conduct or any concealment of it by manufacturer or product seller;

(4) the profitability of the conduct to the manufacturer or product seller;

(5) the number of products sold by the manufacturer or product seller of the kind causing the harm complained of by the claimant;

(6) awards of punitive or exemplary damages to persons similarly situated to the claimant;

(7) prospective awards of compensatory damages to persons similarly situated to the claimant;

(8) any criminal penalties imposed on the manufacturer or product seller as a result of the conduct complained of by the claimant; and

(9) the amount of any civil fines assessed against the defendant as a result of the conduct complained of by the claimant.

UNIFORM TIME LIMITATIONS ON LIABILITY

SEC. 2524. (a) Any civil action subject to this subtitle shall be barred unless the complaint is filed within two years of the time the claimant discovered or, in the exercise of reasonable care, should have discovered the harm and its cause, except that any such action of a person under legal disability may be filed within two years after the disability ceases. If the commencement of such an action is stayed or enjoined, the running of the statute of limitations under this section shall be suspended for the period of the stay or injunction.

(b)(1) Any civil action subject to this subtitle shall be barred if a product which is a capital good is alleged to have caused harm which is not a toxic harm unless the complaint is served and filed within twenty-five years after the time of delivery of the product. This subsection shall apply only if the court determines that the claimant has received or would be eligible to receive compensation under any State or Federal workers' compensation law for harm caused by the product.

(2) A motor vehicle, vessel, aircraft, or railroad used primarily to transport passengers for hire shall not be subject to the provisions of this subsection.

(3) As used in this section, the term—

(A) "time of delivery" means the time when a product is delivered to its first purchaser or lessee who was not involved in the business of manufacturing or selling such product or using it as a component part of another product to be sold;

(B) "capital good" means any product, or any component of any such product, which is of a character subject to allowance for depreciation under the Internal Revenue Code of 1986, and which was—

(i) used in a trade or business;

(ii) held for the production of income; or

(iii) sold or donated to a governmental or private entity for the production of goods, for training, for demonstration, or for other similar purposes; and

(C) "toxic harm" means harm which is functional impairment, illness, or death of a human being resulting from exposure to an object, substance, mixture, raw material, or physical agent of particular chemical composition.

(c) Nothing in this section shall affect the right of any person who is subject to liability for harm under this Act to seek and obtain contribution or indemnity from any other person who is responsible for such harm.

UNIFORM STANDARDS FOR OFFSET OF WORKERS' COMPENSATION BENEFITS

SEC. 2525. (a) In any civil action subject to this subtitle in which damages are sought for harm for which the person injured is or would have been entitled to receive compensation under any State or Federal workers' compensation law, any damages awarded shall be reduced by the sum of the amount paid as workers' compensation benefits for such harm and the present value of all workers' compensation benefits to which the employee is or would be entitled for such harm. The determination of workers' compensation benefits by the trier of fact in a civil action subject to this subtitle shall have no binding effect on and shall not be used in evidence in any other proceeding.

(b) A claimant in a civil action subject to this subtitle who is or may be eligible to receive compensation under any State or Federal workers' compensation law must provide written notice of the filing of the civil action to the claimant's employer within 30 days of the filing. The written notice shall include information regarding the date and court in which the civil action was filed, the names and addresses of all plaintiffs and defendants appearing on the complaint, the court docket number if available, and a copy of the complaint which was filed in the civil action. A copy of written notice shall be filed with the court and served upon all parties to the action. A claimant's failure to comply with the requirements of this subsection shall suspend the deadlines for filing responsive pleadings and commencing discovery in the civil action, until the claimant complies with the requirements of this subsection.

(c) In any civil action subject to this subtitle in which damages are sought for harm for which the person injured is entitled to receive compensation under any State or Federal workers' compensation law, the action shall, on application of the claimant made at claimant's sole discretion, be stayed until such time as the full amount payable as workers' compensation benefits has been finally determined under such workers' compensation law.

(d)(1) Except as provided in paragraph (2) of this subsection, unless the manufacturer or product seller has expressly agreed to indemnify or hold an employer harmless for harm to an employee caused by a product, neither the employer nor the workers' compensation insurance carrier of the employer shall have a right of subrogation, contribution or implied indemnity against the manufacturer or product seller or a lien against the claimant's recovery from the manufacturer or product seller if the harm is one for which a civil action for harm caused by a product may be brought pursuant to this title.

(2) Paragraph (1) of this subsection shall not apply if the employer or the workers' compensation insurer of the employer establishes, and the trier of fact determines, that the claimant's harm was not in any way caused by the fault of the claimant's employer or coemployees. In order to establish this fact an employer or the workers' compensation insurer of the employer may intervene in a civil action filed by an employee at any time after the filing of a complaint. In the event that the civil action is resolved prior to obtaining a verdict by the trier of fact, any resolution of the action by settlement or other means shall afford the employer or the workers' compensation insurer of the employer an opportunity to participate and to assert a right of subrogation, contribution, or implied indemnity if the claimant's harm was not in any way caused by the fault of the claimant's employer or coemployees.

(e)(1) Except as provided in subsection (f), in any civil action subject to this subtitle in which damages are sought for harm for which the person injured is or would have been entitled to receive compensation under any State or Federal workers' compensation law, no third-party tortfeasor may maintain any action for implied indemnity or contribution against the employer, any coemployee, or the exclusive representative of the person who was injured.

(2) Nothing in this title shall be construed to affect any provision of a State or Federal workers' compensation law which prohibits a person who is or would have been entitled to receive compensation under any such law, or any other person whose claim is or would have been derivative from such a claim, from recovering for harm caused by a product in any action other than a workers' compensation claim against a present or former employer or workers' compensation insurer of the employer, any coemployee, or the exclusive representative of the person who was injured. Any action other than such a workers' compensation claim shall be prohibited, except that nothing in this title shall be construed to affect any State or Federal workers' compensation law which permits recovery based on a claim of an intentional tort by the employer or coemployee, where the claimant's harm was caused by such an intentional tort.

(f) Subsection (e) shall not apply and applicable State law shall control if the employer or the workers' compensation insurer of the employer, in a civil action subject to this subtitle, asserts or attempts to assert, because of subsection (d), a right of subrogation, contribution, or implied indemnity against the manufacturer or product seller or a lien against the claimant's recovery from the manufacturer or product seller.

SEVERAL LIABILITY FOR NONECONOMIC DAMAGES

SEC. 2526. (a) In any product liability action, the liability of each defendant for noneconomic damages shall be several only and shall not be joint. Each defendant shall be liable only for the amount of noneconomic damages allocated to such defendant in direct proportion to such defendant's percentage of responsibility as determined under subsection (b) of this section. A separate judgment shall be rendered against such defendant for that amount.

(b) For purposes of this section, the trier of fact shall determine the proportion of responsibility of each party for the claimant's harm.

(c) as used in this section, the term—

(1) "noneconomic damages" means subjective, nonmonetary losses including, but not limited to, pain, suffering, inconvenience, mental suffering, emotional distress, loss of society and companionship, loss of consortium, injury to reputation and humiliation; the term does not include objectively verifiable monetary losses including, but not limited, medical expenses, loss of earnings, burial costs, loss of use of property, costs of repair or replacement, costs of obtaining substitute domestic services, rehabilitation and training expenses, loss of employment, or loss of business or employment opportunities; and

(2) "product liability action" includes any action involving a claim, third-party claim, cross-claim, counterclaim, or contribution claim in a civil action in which a manufacturer or product seller is found liable for harm caused by a product.

DEFENSES INVOLVING INTOXICATING ALCOHOL OR DRUGS

SEC. 2527. (a) In any civil action subject to this title in which all defendants are manufacturers or product sellers, it shall be a complete defense to such action that the claimant was intoxicated or was under the influence of intoxicating alcohol or any drug and that as a result of such intoxication or the influence of the alcohol or drug the claimant was more than 50 percent responsible for the accident or event which resulted in such claimant's harm.

(b) In any civil action subject to this title in which not all defendants are manufacturers or product sellers and the trier of fact determines that no liability exists against those defendants who are not manufacturers or product sellers, the court shall enter a judgment notwithstanding the verdict in favor of any defendant which is a manufacturer or product seller if it is proved that the claimant was intoxicated or was under the influence of intoxicating alcohol or any drug and that as a result of such intoxication or the influence of the alcohol or drug the claimant was more than 50 percent responsible for the accident or event which resulted in such claimant's harm.

(c)(1) For purposes of this section, the determination of whether a person was intoxicated or was under the influence of intoxicating alcohol or any drug shall be made pursuant to applicable State law.

(2) As used in this section, the term "drug" means any non-over-the-counter drug which has not been prescribed by a physician for use by the claimant.

TITLE XXVI—CIVIL LIBERTIES ACT AMENDMENTS OF 1992

SHORT TITLE

SEC. 2601. This title may be cited as the "Civil Liberties Act Amendments of 1992".

SEC. 2602. The Civil Liberties Act of 1988 (Public Law 100-383, is amended in section 104(e) by replacing the amount "$1,250,000,000" with the amount "$1,500,000,000".

SEC. 2603. The Civil Liberties Act of 1988 (Public Law 100-383, title I, 102 Stat 903 (1988)) is amended in section 105(e) by deleting the phrase "when the Fund terminates" and inserting in lieu thereof the phrase "within 180 days after the termination of the Fund."

SEC. 2604. The Civil Liberties Act of 1988 (Public Law 100-383, title I, 102 Stat. 903 (1988)) is amended in section 108 by—

(a) deleting the word "and" at the end of subsection 5;

(b) replacing the period at the end of subsection 6 with "; and"; and

(c) inserting the following new subsection: "(7) the term of 'of Japanese ancestry' includes non-Japanese spouses and parents who were interned with their spouses or children of Japanese ancestry during World War II.".

SEC. 2605. The Civil Liberties Act of 1988 (Public Law 100-383, title I, 102 Stat. 903 (1988)) is amended in section 105(a)(7) by inserting the following new subparagraph after subparagraph (C):

"(D) Any person asserting a claim under the Act on account of an individual who is deceased shall be required to certify to the Department of Justice the names of any living spouse, child or parent of the decedent on account of whom the claim is asserted. In any case where the Federal Government pays compensation to a claimant based upon his or her certification that the claimant has informed the government of the identities of all living spouses, children or parents, the exclusive remedy of omitted spouses, children or parents, shall be against the claimant who received the payment.".

SEC. 2606. The Civil Liberties Act of 1988 (Public Law 100-383, title I, 102 Stat. 903 (1988)) is amended in section 105 by inserting at the conclusion of that section the following new subsection;

"(g) A claimant may seek judicial review of a denial of compensation solely in the United States Claims Court, which shall review the denial upon the administration record and shall hold unlawful and set aside the denial if it is found to be arbitrary, capricious, and abuse of discretion, or otherwise not in accordance with law.".

SEC. 2607. The Civil Liberties Act of 1988 (Public Law 100-383, title I, 102 stat. 903 (1988)) is amended in section 104(d) by deleting the phrase "10 years after the date of the enactment of this Act." and inserting in lieu thereof the phrase "September 30, 1994.".

SEC. 2608. The Civil Liberties Act of 1988 (Public Law 100-383, title I, 102 Stat. 903 (1988)) is amended—

(a) in section 104(c) by deleting the phrase "and by the Board under Section 106" and adding a period after the phrase "under section 105";

(b) in section 105(a)(4) by deleting the phrase "the amount of such payment shall remain in the Fund and";

(c) in section 105(a)(7) by deleting the sentence "If there is no surviving spouse, children, or parents described in clauses (i), (ii), and (iii), the amount of such payment shall remain in the Fund, and may be used only for the purposes set forth in section 106(b).";

(d) in section 108 by: inserting "and" after the semicolon in subsection (4); deleting subsection (5); and redesignating subsection (6) as subsection (5); and

(e) by deleting section 106 and redesignating the remaining section in title I as sections 106, 107, and 108, respectively.

SEC. 2609. Public Law 100-383 (102 Stat. 903 (1988)) is amended by deleting section 1(3) and redesignating subsections (4) through (7) as subsections (3) through (6), respectively.

TITLE XXVII—FEDERAL CREDIT AND DEBT MANAGEMENT ACT OF 1992

SEC. 2701. This title may be cited as the "Federal Credit and Debt Management Act of 1992".

SEC. 2702. Subsection 3701(c) of title 31, United States Code, is amended to read as follows:

"(c)(1) In sections 3711, 3716, 3717, 3720A, and 3720B of this title, "person" includes:

(A) an individual; and

(B) a sole proprietorship, partnership, corporation, non-profit organization, or other form of business association.

"(2) In sections 3711, 3716, 3717, 3720A, and 3720B of this title, "person" does not include an agency if the United States Government, a State government, or a unit of general local government.".

SEC. 2703. Subsection 3711(a) of title 31, United States Code, is amended—

(a) by amending paragraph (1) to read as follows:

"(1) shall take all appropriate and cost-effective actions to collect aggressively all claims of the United States Government for money or property arising out of the activities of, or referred to, the agency;".

SEC. 2704. Section 3720A of title 31, United States Code, is amended—

(a) by amending subsection (a) to read as follows: "(a) Any Federal agency that is owed a past-due legally enforceable debt (other than any past-due support) by a named person shall, in accordance with regulations issued pursuant to subsection (d), notify the Secretary of the Treasury of the amount of all such debt, including debt administered by a third party acting as an agent for the Federal government, at least once a year.";

(b) by striking "and" from paragraph (b)(3);

(c) by striking "and that the agency has made reasonable efforts to obtain payment of such debt." from paragraph (b)(4) and inserting in lieu thereof "; and"; and

(d) by adding the following paragraph at the end of subsection (b):

"(5) certifies that reasonable efforts have been made to obtain payment of such debt.".

SEC. 2705. Subsection 3720A of title 31, United States Code, is amended by adding at the end of the present text of subsection (c) the following sentence: "Such address information may be used by the Federal agency or the Department of Justice for any Federal agency-administered debt collection purpose in collecting or compromising that Federal debt, including, but not limited to, use for demand letters; by agency work-out groups; for tax refund offset, salary offset, and administrative offset; and for referral to the Department of Justice for litigation.".

SEC. 2706. Title 31, United States Code, is amended by adding Section 3720B, as follows:

"§ 3720B. Barring Delinquent Federal Debtors From Obtaining Federal Loans or Loan Guarantees

"Unless waived by the head of the agency, no person may obtain any Federal financial assistance in the form of a loan (except for a Commodity Credit Corporation price support loan) or loan guarantee if such person has an outstanding debt with an executive agency which is in a delinquent status as determined under standards prescribed by the Secretary of the Treasury. The head of the agency may delegate the waiver authority to the agency Chief Financial Officer. The waiver authority may not be redelegated. Any such person may obtain additional Federal financial assistance only after such delinquency is resolved under standards prescribed by the Secretary of the Treasury. Each executive agency shall develop a data base of information on outstanding debt which is in a delinquent status as determined under standards to be prescribed by the Secretary of the Treasury and may make such information available upon request to any other Federal agency for credit management and debt collection purposes.".

SEC. 2707. Section 4 of the Debt Collection Act of 1982 is amended to read as follows:

"(4)(a) Each Federal agency shall require any person doing business with the Federal government as—

(1) a lender or servicer in its guaranteed or insured loan programs;

(2) an applicant in its guaranteed, insured, or direct loan programs;

(3) a grant recipient;

(4) an insurance or license recipient; or

(5) a contractor—

to furnish such person's taxpayer identifying number. The Federal agency must disclose to the person its intent to use the taxpayer identifying number for purposes of collecting or reporting on any delinquent amounts arising out of the person's relationship with the Federal Government and must provide any other disclosure required by the Privacy Act of 1974, section 552a of title 5, United States Code.

"(b) For the purposes of this section, the term 'taxpayer identifying number' has the meaning given to such term by section 6109 of the Internal Revenue Code of 1986.".

SEC. 2708. Title 31, United States Code is amended by adding Section 3720C, as follows:

"§ 3720C. Guaranteed Loan Program Management

"(a) Except where waived by the Secretary of the Treasury, the head of each Federal agency guaranteeing or insuring loans shall:

"(1) establish agreements with lenders and loan servicers or guarantee agencies which cover requirements for program participation including requirements for originating, servicing, and collecting loans; requirements for providing agencies with timely and useful portfolio data; collateral requirements; and quantifiable lender performance standards;

"(2) monitor and collect information on the status of guaranteed loans from lenders and loan servicers or guarantee agencies; and

"(3) monitor and collect information regarding the performance of lenders and loan servicers or guarantee agencies and require lenders and loan servicers or guarantee agencies to provide quarterly reports on the status and condition of their guaranteed loan portfolio.

"(b) Except where prohibited by statute or waived by the Secretary of the Treasury, the head of each Federal agency guaranteeing or insuring loans may:

"(1)(A) certify and periodically recertify lenders, loan servicers, and guarantee agencies for participation in Federally guaranteed loan programs; and

"(B) assess and collect fees from lenders, loan servicers, and guarantee agencies to cover the cost of certification, recertification, and review of lenders, loan servicers, and guarantee agencies;

"(2) establish lender review boards, where economically feasible, to levy sanctions and penalties upon lenders, loan servicers, and guarantee agencies for failure to comply with agency regulations and provide lenders, loan servicers, and guarantee agencies with due process rights; and

"(3) establish a list of qualified loan servicers, require lenders to use qualified loan servicers, and establish penalties for failure to comply.

"(c) The head of each Federal agency guaranteeing or insuring loans shall establish any such procedures and systems required to carry out the provisions of subsections (a) and (b) in accordance with regulations promulgated by the Secretary of the Treasury.

"(d) The Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget shall—

"(1) promulgate regulations detailing specific Governmentwide information requirements regarding paragraphs (a)(2) and (a)(3) of this section; and

"(2) establish minimum standards to be followed by the agencies regarding paragraph (a)(1) and subsection (b) of this section.

"(e) This section is not intended to create any right or benefit, substantive or procedural, enforceable at law or in equity, and no court shall have jurisdiction to review any agency's compliance or noncompliance with the terms of this section.".

SEC. 2709. Section 3717 of title 31, United States Code, is amended to read as follows:

"§3717. Late Fee on Claims

"(a)(1) The head of an executive or legislative agency, or his designee, shall charge a late fee, in addition to scheduled principal and interest, on amounts of claims owed by a person that are in a delinquent status as determined under standards promulgated by the Secretary of the Treasury. The minimum late fee on an annual basis shall be equal to the Treasury bill rate for the four week period ending July 31 of the prior fiscal year plus 20 percentage points, rounded to the nearest whole percent. The Secretary of the Treasury or his designee shall publish such rate each year not later than August 31 and such rate shall become effective at the start of the next fiscal year, October 1.

"(2) In addition to the late fee provided in paragraph (a)(1), the head of an executive or legislative agency, or his designee, shall assess, with respect to delinquent claims owed by persons, any amounts necessary to cover the charges levied by another executive or legislative agency or a private contractor for collecting the agency's delinquent claims through Federal salary offset, tax refund offset, or private debt collection contractors, or other such explicit fees or charges.

"(b) The late fee and charges provided for under paragraphs (a)(1) and (a)(2) shall not apply if an applicable statute or a regulation required by statute either prohibits the charging of a late fee or charges or establishes the late fee or charges which apply to the claims arising under such statute or regulation required by statute. The head of an executive or legislative agency, or his designee, shall promulgate regulations identifying circumstances appropriate to waive charging or collection of the late fee in conformity with such standards as may be promulgated by the Secretary of the Treasury. Action in accordance with such regulations shall constitute compliance with the requirements of paragraphs (a)(1) and (a)(2).

"(c) This section shall not apply to any claim under a contract which is executed before the effective date of this section and which is in effect on that date. Such contracts shall be governed by the provisions of Section 3717 in effect immediately prior to the date of enactment of this Title.

"(d)(1) Subject to paragraph (e), the late fee under paragraph (a)(1) shall accrue—

"(A) except as provided in paragraph (d)(2), from the date on which notification of the amount due on the claim is first mailed to the debtor (using the most current address of such debtor that is available to the agency head);

"(B) if such notification was first mailed before the date of enactment of this Act, from the date on which notification was first mailed after such date of enactment;

"(C) where a debtor has entered into a written agreement for the repayment of the amount of a claim, from the date specified for payment in the agreement; or

"(D) where the claim has arisen as the result of a defaulted loan under a loan guarantee, from the date on which the agency pays the guarantee claim filed by the lender, or assumes assignment of or responsibility for the claim from the lender, whichever is earlier.

"(2) The late fee to be charged on a claim under paragraph (a)(1) shall be the rate in effect on the date from which the late fee accrues on the claim under subsection (d) and shall continue to accrue until such time as the late fee or claim is waived, a judgment is obtained, a court-imposed fee is levied, or the claim is written off or otherwise resolved. For reporting purposes, the agency shall cease recording the fee in its general ledger or reports to the Office of Management and Budget and the Department of the Treasury at the time the claim on which the fee is being charged is accelerated by the agency or at six months from the date the claim became delinquent, whichever is earlier.

"(e) The late fee under paragraph (a)(1) shall not be charged if the amount due on the claim is paid within thirty days after the date from which the late fee accrues under subsection (d). The head of an executive or legislative agency, or his designee, may extend such thirty-day period.

"(f) The late fee charged, under paragraph (a)(1) shall not be compounded or accrue on any charges assessed pursuant to paragraph (a)(2) of this subsection.

"(g) An executive or legislative agency shall report annually late fees charged under paragraph (a)(1), but subsequently written off, as income to the debtor to the Internal Revenue Service in such format as the Secretary of the Treasury shall determine.

"(h) Consistent with guidance issued by the Director of the Office of Management and Budget, agencies are authorized to retain one half of the late fees collected under these authorities, provided that:

"(1) these amounts are a direct result of executing the authorities provided under paragraphs (a)(1) and (a)(2) of this section, as determined by the Director;

"(2) retention of any amounts will be consistent with requirements of the Credit Reform Act of 1990, as determined by the Director;

"(3) the amounts will only be available for obligation in the year following collection, as apportioned by the Office of Management and Budget; and

"(4) after the one year of availability, unobligated amounts will be deposited to the miscellaneous receipts or the the appropriate trust fund of the Treasury.

"(i) Amounts retained under subsection (h) may be used by the agency (along with any amounts otherwise available for these purposes) only for the following purposes:

(1) the training of personnel in the agency in credit management and debt collection;

"(2) the purchasing or leasing of equipment or operating software for credit management and debt collection;

"(3) the purchasing of debt collection and/or additional/adjunct services provided by contracted collection services;

"(4) the purchasing of credit reports or other financial information, asset searches, debtor investigations, and related credit management and debt collection activities; or

"(5) reimbursable agreements with or charges levied by Federal or state agencies for services or service contracts for offset, skip-tracing, and related credit management/debt collection activities.".

SEC. 2710. Section 3711 of title 31, United States Code, is amended by amending subsection (f) to read as follows:

"(f)(1) The head of an executive or legislative agency shall disclose to a credit reporting agency information from a system of records on all persons responsible for claims of the Federal Government, except claims owed by State and local governments and claims arising under the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq), the Social Security Act (42 U.S.C. 301 et seq.), or the tariff laws of the United States. The head of the executive or legislative agency shall disclose information on all commercial and consumer claims related to Federal debt originated or previously guaranteed by that agency, without regard to whether the status of the account is current or delinquent. The information disclosed to the credit reporting agency is limited to—

"(A) information necessary to establish the identity of the individual or business association, including name, address, and taxpayer identification number;

"(B) the amount, status, and history of the claim; and

"(C) the agency or program under which the claim arose.

"(2) Claims will be disclosed under paragraph (1) when—

"(A) the head of the agency has reviewed the claim and decided that the claim is valid;

"(B) the head of the agency has established procedures to report all new claims within 60 days of the creation of the claim, including claims arising from the repayment, purchase, or assignment of a defaulted guarantee; and

"(C) the head of the agency has established procedures to—

"(i) disclose monthly for consumer claims and quarterly for commercial claims, to each credit reporting agency to which the original disclosure was made, a change in the status of the claim; and

"(ii) verify or correct promptly information about the claim on request of a credit reporting agency for verification of information disclosed; and

"(D) the Secretary of the Treasury has received satisfactory assurances (in a form to be determined by the Secretary) from each credit reporting agency that such agency is complying with laws of the United States related to providing credit information, as specified in regulations issued by the Secretary.

"(3) Information on delinquent consumer claims may not be disclosed unless—

(A) the head of the agency has notified the individual in writing—

(i) that payment of the claim is overdue;

(ii) that within not less than 60 days after sending the notice, the head of the agency intends to disclose to a credit reporting agency that the individual is responsible for the claim;

(iii) of the specific information to be disclosed to the credit reporting agency; and

(iv) of the rights of the individual to a complete explanation of the claim, to dispute information in the records of the agency about the claim, and to administrative repeal or review of the claim; and

(B) the individual has not—

(i) repaid or agreed to repay the claim under a written repayment plan that the individual has signed and the head of the agency has agreed to;

(ii) filed for review of the claim under paragraph (4) of this subsection.

"(4) The head of an executive or legislative agency shall provide, on request of a person alleged by the agency to be responsible for the claim, for a review of the obligation of the individual or form of business association.

"(5) For the purposes of subsection (f)—

"(A) the term 'credit reporting agency' means any person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer or commercial credit or other information on persons for the purposes of furnishing credit reports to third parties;

"(B) the term 'system of records' has the meaning given such term under section 552a(a)(5) of title 5, United States Code; and

"(C) the term 'head of the agency' includes a designee of the head of the agency.".

SEC. 2711. Section 3718 of Title 31, United States Code, is amended by—

(a) amending subsection (b) to read as follows:

"(b) The Attorney General may make contracts retaining private counsel to furnish legal services, including representation in negotiation, compromise, settlement, and litigation, in the case of any claim of indebtedness owed the United States. Each such contract shall include such terms and conditions as the Attorney General considers necessary and appropriate, including a provision specifying the amount of fee to be paid to the private counsel under such contract or the method for calculating that fee, which may include a percentage of the amount recovered.";

(b) striking out subsection (c); and

(c) renumbering subsections "(d)" and "(e)" as subsections "(c)" and "(d)", respectively.

TITLE XXVIII—REDUCE CERTAIN COMMODITY CREDIT CORPORATION SUBSIDIES TO THOSE WITH OFF-FARM INCOME OF $100,000 OR MORE

SEC. 2801. PAYMENT ELIGIBILITY.

Notwithstanding any other provision of law, no payments (as defined in section 2802(a)) shall be made to any person (as defined in section 2802(b)) with an adjusted gross income of $100,000 or more which is obtained from nonfarm sources, as determined by the Secretary of Agriculture. In addition, payments to entities specified in section 2802(b)(2) shall be reduced in proportion to the ownership interests of any person whose adjusted gross income from non-farm sources is $100,000 or more.

SEC. 2802. DEFINITIONS.

(a) As used in this title, the term "payments" means the following payments and benefits made by the Commodity Credit Corporation with respect to wheat, feed grains, upland and extra long staple cotton, honey, rice, wool, mohair, oilseeds and any other agricultural commodity:

(1) deficiency payments;

(2) paid land diversion payments;

(3) price support loans or purchases;

(4) production incentive payments; and

(5) loan deficiency payments.

The term "payments" shall not include any disaster program payment or any conservation program payment

(b) For purposes of this title, the term "person" includes—

(1) an individual, except that—

(i) a married couple shall be considered to be a person in the same manner in which they elect in accordance with section 1001(5)(b)(iii) of the Food Security Act of 1985, as amended;

(ii) a minor and the parent or anyone appointed by a court who is responsible for the minor shall be considered to be one person;

(iii) an irrevocable trust which has a sole income beneficiary shall be considered one person with such income beneficiary—where two or more irrevocable trusts have common income beneficiaries (including a spouse and minor children) with more than a 50 percent interest, all such trusts shall be considered to be one person;

(iv) if a deceased individual who leaves an estate would have been considered to be one person with respect to an heir, the estate shall also be considered to be one person with such heir; and

(v) a revocable trust is considered to be one person with the grantor of the trust; and

(2) any business entity including—

(i) a corporation;

(ii) an association;

(iii) a partnership; and

(iv) Any other legal entity required to file a Federal income tax return.

(c) In defining the terms "adjusted gross income" and "taxable income," the Secretary of Agriculture shall, to the maximum extent practicable, use such terms as they are defined in the Internal Revenue Code, except that the undistributed income of any legal entity in which a person or payment entity has an ownership interest must be included in calculating adjusted gross income or taxable income in proportion to such person's ownership interest.

TITLE XXIX—FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION REPAYMENT ACT OF 1992

SEC. 2901. SHORT TITLE.

This title may be cited as the "Farm Credit System Financial Assistance Corporation Repayment Act of 1992".

SEC. 2902. REFERENCES TO THE FARM CREDIT ACT OF 1971.

Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

SEC. 2903. CAPITAL PRESERVATION.

Section 6.9(e)(3)(D) (12 U.S.C. 2278a-9(e)(3)) is amended to read as follows:

"(D) ANNUAL PAYMENTS.—

"(i) IN GENERAL.—In order to provide for the orderly funding and discharge over time of the obligation of each System bank to the Financial Assistance Corporation under subparagraph (C), each System bank shall enter into or continue in effect an agreement with the Financial Assistance Corporation under which—

"(I) the bank will make annual payment to the Financial Assistance Corporation, beginning no later than October 31, 1992, in amounts designed to accumulate, in total, including earnings thereon, the obligation. Through September 30, 1999, such annual amounts shall be equal to 0.00057 times the bank's and its affiliated associations' average accruing retail loan volume in the previous year. Starting in fiscal year 2000, the Financial Assistance Corporation shall have authority to adjust the annual payment as necessary to accrue sufficient funds to retire debt issued under this subsection; and

"(II) the Financial Assistance Corporation will partially discharge the bank from its obligation under subparagraph (C) to the extent of each such payment and the earnings on the payment.

"(ii) INVESTMENT OF FUNDS.—The funds received by the Financial Assistance Corporation pursuant to agreements under this subparagraph shall be invested in Treasury securities. The funds and the earnings on the funds shall be available only for the payment of the principal of the bonds issued by the Financial Assistance Corporation under this subsection.".

SEC. 2904. REPAYMENT OF TREASURY-PAID INTEREST.

Paragraph (5) of section 6.26(c) (12 U.S.C. 2278b-6(c)(5)) is amended to read as follows:

"(5) REPAYMENT OF TREASURY-PAID INTEREST.—

"(A) IN GENERAL.—On the maturity date of the last-maturing debt obligation issued under subsection (a), the Financial Assistance Corporation shall repay to the Secretary of the Treasury the total amount of all annual interest charges on the debt obligations that Farm Credit System institutions, including the Financial Assistance Corporation, have not previously paid. The Financial Assistance Corporation shall not be required to pay any additional interest charges on the payments.

"(B) ASSESSMENT.—In order to provide for the orderly funding by the banks of the System of the repayment by the Financial Assistance Corporation to the Secretary of the Treasury, the Financial Assistance Corporation shall assess each System bank on or about October 31 of each year beginning in 1992, and each System bank shall promptly pay to the Financial Assistance Corporation, an annual amount equal to 0.0008 times the bank's and its affiliated associations' average accruing retail loan volume for the preceding year. Starting in fiscal year 2003, the Financial Assistance Corporation shall have authority to adjust the annual payment as necessary to accrue sufficient funds to make full repayment by the due date. Upon receipt, the Financial Assistance Corporation shall promptly pay annual amounts collected under this subsection to the Secretary of the Treasury.".

TITLE XXX—RECOVER COSTS OF CARRYING OUT FEDERAL MARKETING AGREEMENTS AND ORDERS

SEC. 3001. Effective October 1, 1992, section 10(b)(2) of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 610(b)(2)), is amended by redesignating subparagraph (iii) as subparagraph (iv) and by inserting a new subparagraph (iii) as follows:

"(iii) The Secretary shall recover the costs of carrying out the provisions of this Act by prescribing and collecting fees from handlers. Any such fees shall be apportioned among all handlers subject to marketing agreements or marketing orders by such method of apportionment as the Secretary finds will be equitable, giving due consideration to differences among the several marketing agreements and orders. Upon failure to pay such fees, a late payment penalty shall be assessed and such overdue fees shall accrue interest as required by section 3717 of title 31, United States Code. Such fees, late payment penalties, and accrued interest collected shall be payable to the authority or agency established to administer the marketing agreement or marketing order and shall be transmitted by each such authority or agency to the Secretary. Upon receipt by the Secretary, such fees, late payment penalties, and accrued interest collected shall be credited to the accounts that incur the cost, and shall be available without fiscal year limitation for the expenses incurred in carrying out this Act. Fees and charges so prescribed shall be effective with respect to each marketing agreement and each marketing order affected thereby and shall have the same force and effect with respect to handlers as though incorporated in such marketing agreement or marketing order. In the event that the expenses of carrying out the provisions of this Act are not recovered from the fees authorized by this subparagraph, and to provide operating capital prior to receipt of fees, such sums in amounts sufficient to cover such expenses may be transferred from the fund established pursuant to Section 32 of Public Law No. 320, 74th Congress, 49 Stat. 774 (7 U.S.C. 612c) without regard to limitations on the use of such fund contained in any appropriation Act: *Provided:* That sums so transferred shall be reimbursed to the fund established pursuant to section 32 from subsequent assessment of fees, except for costs associated with a proposed marketing order that is not approved or favored by producers as provided in section 8c of this Act or with a proposed marketing agreement that is not executed as provided in section 8b of this Act and except for accrued liabilities.".

TITLE XXXI—ELIMINATE PROVISIONS FOR PERMANENT ANNUAL APPROPRIATIONS TO SUPPORT LAND GRANT UNIVERSITIES

SEC. 3101. The Act of August 30, 1890, ch. 841, 26 Stat. 417 (commonly known as the "Second Morrill Act"), is amended:

(1) in section 1, by deleting "annually appropriated" and inserting in lieu thereof "annually authorized to be appropriated", by deleting "appropriation" and inserting in lieu thereof "authorization", by deleting "to be paid" the second time it appears and inserting in lieu thereof "authorized to be paid";

(2) in section 2, by deleting "appropriated" and inserting in lieu thereof "authorized to be appropriated", and in the proviso by deleting "the appropriation herein made" and inserting in lieu thereof "any appropriation herein authorized";

(3) in section 4, by deleting "the annual appropriation" and inserting in lieu thereof "any appropriation".

SEC. 3102. The tenth and eleventh paragraphs under the heading "Emergency Appropriations" of the Act of March 4, 1907, ch. 2907. 34 Stat. 1256, 1281-1282, are amended:

(1) by deleting "appropriated" where it first appears in each paragraph and inserting in lieu thereof "authorized to be appropriated";

(2) by deleting "appropriation" and inserting in lieu thereof "authorization"; and

(3) by deleting "to be paid" the second time it appears and inserting in lieu thereof "authorized to be paid".

TITLE XXXII—POWER MARKETING ADMINISTRATION TIMELY PAYMENT ACT

SEC. 3201. This title may be cited as the "Power Marketing Administration Timely Payment Act".

DEFINITIONS

SEC. 3202. For purposes of this subtitle—

(1) "Power marketing administration" means the Bonneville Power Administration, the Southeastern Power Administration, and the Western Area Power Administration.

(2) "Power investment" means a capital investment or other capitalized expenditure made by the United States that—

(A) is made using Federal appropriations;

(B) is for a project or separable feature of a project that is placed in service;

(C) is allocated to power and required by law to be repaid from the power revenues of a power marketing administration;

(D) is not allocated or suballocated to irrigation; and

(E) excludes an investment made using funds borrowed under section 13 of the Federal Columbia River Transmission System Act (16 U.S.C. 838k).

(3) "Interest rate" means:

(A) for power investments placed in service after September 30, 1992, a rate determined by the Secretary of the Treasury based on the average market yields on outstanding marketable obligations of the United States with the remaining periods to maturity comparable to the applicable repayment period during the month preceding the fiscal year in which the power investment is placed in service; and

(B) for power investments placed in service before October 1, 1992, the yield of long-term government securities for the year the power investment was placed in service, as shown in the following table:

Year	Yield	Year	Yield	Year	Yield	Year	Yield
1921	5.09	1939	2.36	1957	3.47	1975	7.00
1922	4.30	1940	2.21	1858	3.43	1976	6.78
1923	4.36	1941	1.95	1959	4.07	1977	7.06
1924	4.06	1942	2.46	1960	4.02	1978	7.89
1925	3.86	1943	2.47	1961	3.90	1979	8.74
1926	3.68	1944	2.48	1962	3.95	1980	10.81
1927	3.34	1945	2.37	1963	4.00	1981	12.87
1928	3.33	1946	2.19	1964	4.15	1982	12.23
1929	3.60	1947	2.25	1965	4.21	1983	10.84
1930	3.29	1948	2.44	1966	4.65	1984	11.99
1931	3.34	1949	2.31	1967	4.85	1985	10.75
1932	3.68	1950	2.32	1968	5.26	1986	8.14
1933	3.31	1951	2.57	1969	6.12	1987	8.63
1934	3.12	1952	2.68	1970	6.58	1988	8.98
1935	2.79	1953	2.95	1971	5.74	1989	8.59
1936	2.65	1954	2.55	1972	5.64	1990	8.50
1937	2.68	1955	2.84	1973	6.31	1991	8.37
1938	2.56	1956	3.08	1974	6.98	1992	7.23

(4) "Compound-interest repayment schedule" means a series of level annual payments of the principal and interest on the power investment paid over the repayment period. For each power investment, the level annual payment of principal and interest is derived by dividing the unpaid principal balance of the power investment by the interest factor for the present value of an annuity.

REPAYMENT OF PRINCIPAL

SEC. 3203. (a) Notwithstanding any other law, each power marketing administration shall provide for timely repayment to the Treasury of the United States of principal for power investments. A repayment of principal, to be made at or before the end of each fiscal year, shall be in an amount that is not less than would be determined under a compound-interest repayment schedule as defined in section 3202(4) for each power investment, with the schedule beginning on October 1, 1992, or the date the investment is placed in service, whichever is later. In computing the compound-interest repayment schedule—

(1) for each power investment placed in service after September 30, 1992, the repayment period for the unpaid power investment is the estimated average service life of the investment, as determined by the power marketing administration, not to exceed 50 years; and

(2) for each power investment placed in service before October 1, 1992, the repayment period for the unpaid power investment is the remaining average service life of the power investment or the number of years remaining in a 50 year repayment period which started on the date the power investment was placed in service, whichever is less.

(b) If in any year the principal payments made are more than the annual scheduled amounts, the excess payment shall be credited toward payments required in subsequent years. Until a power marketing administration, at its discretion, credits the excess payment toward payments in subsequent years, the excess payment accrues an interest credit at a rate as calculated in section 3204(c).

(c) Bonneville Power Administration's payments of principal as specified by this section and interest as specified by section 3204 of this Act are payable exclusively from Bonneville Power Administration's "net proceeds" as that term is defined in section 13(b) of the Federal Columbia River Transmission System Act (16 U.S.C. 838k(b)), after deducting Bonneville Power Administration's payments under section 11(b)(8) of the Federal Columbia River Transmission System Act (16 U.S.C. 838i(b)(8)).

PAYMENT OF INTEREST

SEC. 3204. (a) Notwithstanding any other law, each power marketing administration shall provide for the timely payment to the Treasury of the United States, at or before the end of each fiscal year, of interest on the unpaid principal of power investments, and of interest on any unpaid deferrals of principal and interest payments.

(b) The annual interest payments on the unpaid principal of power investments shall be computed based on the interest rate determined under section 3202(3).

(c) If in any year the interest or principal payments made are less than the amounts scheduled under this title, the shortfall shall be accounted for separately and paid before the scheduled payment in subsequent fiscal years together with interest calculated at a rate determined by the Secretary of the Treasury based on average market yields on outstanding marketable obligations of the United States with remaining periods to maturity of one year occurring during the last month of the fiscal year in which the shortfall occurred. A shortfall in principal or interest payments shall not affect the payment schedule for subsequent years, except as provided in section 3205.

CHANGING A SCHEDULE OF PAYMENTS

SEC. 3205. Notwithstanding any other law, a power marketing administration may establish a new schedule of payments of principal and interest on an unpaid power investment when there is a significant reduction in the availability of hydro-power resources because of unexpected natural events. Before changing a schedule of payments, in whole or in part, a power marketing administration shall submit a justification for the change to the Federal Energy Regulatory Commission for approval. Within 30 days from receipt of all necessary justification documents, the Federal Energy Regulatory Commission shall approve or reject a power marketing administration's request for a change in the schedule of payments. Interest on a rescheduled payment, even if the rescheduling is approved by the Federal Energy Regulatory Commission, shall be paid in accordance with section 3204 of this Act. This section does not apply to the Bonneville Power Administration.

EFFECTIVE DATE

SEC. 3206. This subtitle takes effect October 1, 1992.

TITLE XXXIII—EMERGING TELECOMMUNICATIONS TECHNOLOGIES ACT OF 1992

SEC. 3301. SHORT TITLE.

This title may be cited as the "Emerging Telecommunications Technologies Act of 1992".

SEC. 3302. FINDINGS.

The Congress finds that—

(1) spectrum is a valuable natural resource;

(2) it is in the national interest that this resource be used more efficiently;

(3) the spectrum below 6 gigahertz (GHz) is becoming increasingly congested, and, as a result entities that develop innovative new

spectrum-based services are finding it difficult to bring these services to the marketplace;

(4) scarcity of assignable frequencies can and will—

(A) impede the development and commercialization of new spectrum-based products and services;

(B) reduce the capacity and efficiency of the United States telecommunications system; and

(C) adversely affect the productive capacity and international competitiveness of the United States economy;

(5) the United States Government presently lacks explicit authority to use excess radiocommunications capacity to satisfy non-United States Government requirements;

(6) more efficient use of the spectrum can provide the resources for increased economic returns;

(7) many commercial users derive significant economic benefits from their spectrum licenses, both through the income they earn from their use of the spectrum and the returns they realize upon transfer of their licenses to third parties; but under current procedures, the United States public does not sufficiently share in these benefits;

(8) many United States Government functions and responsibilities depend heavily on the use of the radio spectrum, involve unique applications, and are performed in the broad national and public interest;

(9) competitive bidding for spectrum can yield significant benefits for the United States economy by increasing the efficiency of spectrum allocations, assignment, and use; and for United States taxpayers by producing substantial revenues for the United States Treasury; and

(10) the Secretary, the President, and the Commission should take appropriate steps to foster the more efficient use of this valuable national resource, including the reallocation of a target amount of 200 megahertz (MHz) of spectrum from United States Government use under section 305 of the Communications Act (47 U.S.C. 305) to non-United States Government use pursuant to other provisions of the Communications Act and the implementation of competitive bidding procedures by the Commission for some new assignments of the spectrum.

SEC. 3303. NATIONAL SPECTRUM PLANNING.

(a) PLANNING ACTIVITIES.—The Secretary and the Chairman of the Commission shall, at least twice each year, conduct joint spectrum planning meetings with respect to the following issues—

(1) future spectrum needs;

(2) the spectrum allocation actions necessary to accommodate those needs, including consideration of innovation and marketplace developments that may affect the relative efficiencies of different portions of the spectrum; and

(3) actions necessary to promote the efficient use of the spectrum, including proven spectrum management techniques to promote increased shared use of the spectrum as a means of increasing non-United States Government access; and innovation in spectrum utilization including means of providing incentives for spectrum users to develop innovative services and technologies.

(b) REPORTS.—The Secretary and the Chairman of the Commission shall submit a joint annual report to the President on the joint spectrum planning meetings conducted under subsection (a) and any recommendations for action developed in such meetings.

(c) OPEN PROCESS.—The Secretary and the Commission will conduct an open process under this section to ensure the full consideration and exchange of views among any interested entities, including all private, public, commercial, and governmental interests.

SEC. 3304. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

(a) IDENTIFICATION REQUIRED.—The Secretary shall prepare and submit to the President the reports required by subsection (d) to identify bands of frequencies that—

(1) are allocated on a primary basis for United States Government use and eligible for licensing pursuant to section 305(a) of the Communications Act (47 U.S.C. 305(a));

(2) are not required for the present or identifiable future needs of the United States Government;

(3) can feasibly be made available during the next fifteen years after enactment of this Act for use under the provisions of the Communications Act for non-United States Government users;

(4) will not result in costs to the Federal Government that are excessive in relation to the benefits that may be obtained from the potential non-United States Government users; and

(5) are likely to have significant value for non-United States Government uses under the Communications Act.

(b) AMOUNT OF SPECTRUM RECOMMENDED.—

(1) IN GENERAL.—The Secretary shall recommend as a goal for reallocation, for use by non-United States Government stations, bands of frequencies constituting a target amount of 200 MHz, that are located below 6 GHz, and that meet the criteria specified in paragraphs (1) through (5) of subsection (a). If the Secretary identifies (as meeting such criteria) bands of frequencies totaling more than 200 MHz, the Secretary shall identify and recommend for reallocation those bands (totaling not less than 200 MHz) that are likely to have the greatest potential for non-United States Government uses under the Communications Act.

(2) MIXED USES PERMITTED TO BE COUNTED.—Bands of frequencies which the Secretary recommends be partially retained for use by United States Government stations, but which are also recommended to be reallocated and made available under the Communications Act for use by non-United States Government stations, may be counted toward the target 200 MHz of spectrum required by paragraph (1) of this subsection, except that—

(A) the bands of frequencies counted under this paragraph may not count toward more than one-half of the amount targeted by paragraph (1) of this subsection;

(B) a band of frequencies may not be counted under this paragraph unless the assignments of the band to United States Government stations under section 305 of the Communications Act (47 U.S.C. 305) are limited by geographic area, by time, or by other means so as to guarantee that the potential use to be made by such United States Government stations is substantially less (as measured by geographic area, time, or otherwise) than the potential non-United States Government use to be made; and

(C) the operational sharing permitted under this paragraph shall be subject to procedures which the Commission and the Department of Commerce shall establish and implement to ensure against harmful interference.

(c) CRITERIA FOR IDENTIFICATION.—

(1) NEEDS OF THE UNITED STATES GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(2), the Secretary shall—

(A) consider whether the band of frequencies is used to provide a communications service that is or could be available from a commercial provider;

(B) seek to promote—

(i) the maximum practicable reliance on commercially available substitutes;

(ii) the sharing of frequencies (as permitted under subsection (b)(2));

(iii) the development and use of new communications technologies; and

(iv) the use of nonradiating communications systems where practicable; and

(C) seek to avoid—

(i) serious degradation of United States Government services and operations;

(ii) excessive costs to the United States Government and civilian users of such Government services; and

(iii) identification of any bands for reallocation that are likely to be subject to substitution for the reasons specified in section 3305(b)(2)(A) through (C).

(2) FEASIBILITY OF USE.—In determining whether a frequency band meets the criteria specified in subsection (a)(3), the Secretary shall—

(A) assume such frequencies will be assigned by the Commission under section 303 of the Communications Act (47 U.S.C. 303) over the course of fifteen years after the enactment of this Act;

(B) assume reasonable rates of scientific progress and growth of demand for telecommunications services;

(C) determine the extent to which the reallocation or reassignment will relieve actual or potential scarcity of frequencies available for non-United States Government use;

(D) seek to include frequencies which can be used to stimulate the development of new technologies; and

(E) consider the cost to reestablish United States Government services displaced by the reallocation of spectrum during the fifteen year period.

(3) COSTS TO THE UNITED STATES GOVERNMENT.—In determining whether a frequency band meets the criteria specified in subsection (a)(4), the Secretary shall consider—

(A) the costs to the United States Government of reaccommodating its services in order to make spectrum available for non-United States Government use, including the incremental costs directly attributable to the loss of the use of the frequency band; and

(B) the benefits that could be obtained from reallocating such spectrum to non-United States Government users, including the value of such spectrum in promoting—

(i) the delivery of improved service to the public;

(ii) the introduction of new services; and

(iii) the development of new communications technologies.

(4) NON-UNITED STATES GOVERNMENT USE.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(5), the Secretary shall consider—

(A) the extent to which equipment is commercially available that is capable of utilizing the band; and

(B) the proximity of frequencies that are already assigned for non-United States Government use.

(d) PROCEDURE FOR IDENTIFICATION OF REALLOCABLE BANDS OF FREQUENCIES.—

(1) SUBMISSION OF REPORTS TO THE PRESIDENT TO IDENTIFY AN INITIAL 45 MHZ TO BE MADE AVAILABLE IMMEDIATELY FOR REALLOCATION, AND TO PROVIDE PRELIMINARY AND FINAL REPORTS ON ADDITIONAL FREQUENCIES TO BE REALLOCATED.—

(A) Within six months after the date of the enactment of this Act, the Secretary shall prepare and submit to the President a report which specifically identifies an initial 45 MHz of spectrum, to be made available for reallocation upon issuance of this report, and to be distributed by the Commission pursuant to competitive bidding procedures;

(B) Within twelve months after the date of the enactment of this Act, the Secretary shall prepare and submit to the President a preliminary report to identify reallocable bands of frequencies meeting the criteria established by this section;

(C) Within twenty-four months after the date of enactment of this Act, the Secretary shall prepare and submit to the President a final report which identifies the target 200 MHz for reallocation (which shall encompass the initial 45 MHz previously designated under subsection (d)(1)(A)); and

(D) The President shall publish the reports required by this section in the Federal Register.

(2) CONVENING OF PRIVATE SECTOR ADVISORY COMMITTEE.—Not later than twelve months after the enactment of this Act, the Secretary shall convene a private sector advisory committee to—

(A) review the bands of frequencies identified in the preliminary report required by subsection (d)(1)(B);

(B) advise the Secretary with respect to—

(i) the bands of frequencies which should be included in the final report required by subsection (d)(1)(C); and

(ii) the effective dates which should be established under subsection (e) with respect to such frequencies;

(C) receive public comment on the Secretary's preliminary and final reports under subsection (d); and

(D) prepare and submit the report required by paragraph (d)(4) of section 3304.

The private sector advisory committee shall meet at least quarterly until each of the actions required by section 3305(a) have taken place.

(3) COMPOSITION OF COMMITTEE; CHAIRMAN.—The private sector advisory committee shall include—

(A) the Chairman of the Commission, and the Secretary, or their designated representatives, and two other representatives from two different United States Government agencies that are spectrum users, other than the Department of Commerce, as such agencies may be designated by the Secretary; and

(B) persons who are representative of—

(i) manufacturers of spectrum-dependent telecommunications equipment;

(ii) commercial users;

(iii) other users of the electromagnetic spectrum; and

(iv) other interested members of the public who are knowledgeable about the uses of the electromagnetic spectrum to be chosen by the Secretary.

A majority of the members of the committee shall be members described in subparagraph (B), and one of such members shall be designated as chairman by the Secretary.

(4) RECOMMENDATIONS ON SPECTRUM ALLOCATION PROCEDURES.—The private sector advisory committee shall, not later than twenty-four months after its formation, submit to the Secretary, the Commission, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science and Transportation of the Senate, such recommendations as the committee considers appropriate for the reform of the process of allocating the electromagnetic spectrum between United States Government users and non-United States Government users, and any dissenting views thereon.

(e) TIMETABLE FOR REALLOCATION AND LIMITATION.—The Secretary shall, as part of the final report required by subsection (d)(1)(C), include a timetable for the effective dates by which the President shall, within fifteen years after enactment of this Act, withdraw or limit assisgnments on frequencies specified in the report. The recommended effective dates shall—

(1) permit the earliest possible reallocation of the frequency bands, taking into account the requirements of section 3306(a);

(2) be based on the useful remaining life of equipment that has been purchased or contracted for to operate on identified frequencies;

(3) be based on the need to coordinate frequency use with other nations; and

(4) avoid the imposition of incremental costs on the United States Government directly attributable to the loss of the use of frequencies or the changing to different frequencies that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequencies.

SEC. 3305. WITHDRAWAL OF ASSIGNMENT TO UNITED STATES GOVERNMENT STATIONS.

(a) IN GENERAL.—The President shall—

(1) within three months after receipt of the Secretary's report under section 3304(d)(1)(A), withdraw or limit the assignment to a United States Government station of any frequency on the initial 45 MHz which that report recommends for immediate reallocation;

(2) with respect to other frequencies recommended for reallocation by the Secretary's report in section 3304(d)(1)(C), by the effective dates recommended pursuant to section 3304(e) (except as provided in section 3305(b)(4)), withdraw or limit the assignment to a United States Government station of any frequency which that report recommends be reallocated or available for mixed use on such effective dates;

(3) assign or reassign other frequencies to United States Government stations as necessary to adjust to such withdrawal or limitation of assignments; and

(4) publish in the Federal Register a notice and description of the actions taken under this subsection.

(b) EXCEPTIONS.—

(1) AUTHORITY TO SUBSTITUTE.—If the President determines that a circumstance described in section 3305(b)(2) exists, the President—

(A) may, within one month after receipt of the Secretary's report under section 3304(d)(1)(A), and within six months after receipt of the Secretary's report under section 3304(d)(1)(C), substitute an alternative frequency or band of frequencies for the frequency or band that is subject to such determination and withdraw (or limit) the assignment of that alternative frequency or band in the manner required by subsection (a); and

(B) shall publish in the Federal Register a statement of the reasons for taking the action described in subparagraph (A).

(2) GROUNDS FOR SUBSTITUTION.—For purposes of paragraph (1), the following circumstances are described in this paragraph:

(A) the reassignment would seriously jeopardize the national security interests of the United States;

(B) the frequency proposed for reassignment is uniquely suited to meeting important United States Governmental needs;

(C) the reassignment would seriously jeopardize public health or safety; or

(D) the reassignment will result in incremental costs to the United States Government that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequency.

(3) CRITERIA FOR SUBSTITUTED FREQUENCIES.—For purposes of paragraph (1), a frequency may not be substituted for a frequency identified by the final report of the Secretary under section 3304(d)(1)(C) unless the substituted frequency also meets each of the criteria specified by section 3304(a).

(4) DELAYS IN IMPLEMENTATION.—If the President determines that any action cannot be completed by the effective dates recommended by the Secretary pursuant to section 3304(e), or that such an action by such date would result in a frequency being unused as a consequence of the Commission's plan under section 3306, the President may—

(A) withdraw or limit the assignment to United States Government stations on a later date that is consistent with such plan, by providing notice to that effect in the Federal Register, including the reason that withdrawal at a later date is required; or

(B) substitute alternative frequencies pursuant to the provisions of this subsection.

(c) COSTS OF WITHDRAWING FREQUENCIES ASSIGNED TO THE UNITED STATES GOVERNMENT; APPROPRIATIONS AUTHORIZED.—Any United States Government licensee, or non-United States Government entity operating on behalf of a United States Government licensee, that is displaced from a frequency pursuant to this section may be reimbursed not more than the incremental costs it incurs, in such amounts as provided in advance in appropriation acts, that are directly attributable to the loss of the use of the frequency pursuant to this section. The estimates of these costs shall be prepared by the affected agency, in consultation with the Department of Commerce.

(d) There are authorized to be appropriated to the affected licensee agencies such sums as may be necessary to carry out the purposes of this section.

SEC. 3306. DISTRIBUTION OF FREQUENCIES BY THE COMMISSION.

(a) PLANS SUBMITTED.—

(1) With respect to the initial 45 MHz to be reallocated from United States Government to non-United States Government use under section 3304(d)(1)(A), not later than twenty-four months after enactment of this Act, the Commission shall complete a public notice and comment proceeding regarding the allocation of this spectrum and shall form a plan to assign such spectrum pursuant to competitive bidding procedures, pursuant to section 3309 of this Act, during fiscal years 1995 through 1997.

(2) With respect to the remaining spectrum to be reallocated from United States Government to non-United States Government use under section 3304(e), not later than two years after issuance of the report required by section 3304(d)(1)(C), the Commission shall complete a public notice and comment proceeding; and the Commission shall, after consultation with the Secretary, prepare and submit to the President a plan for the distribution under the Communications Act of the frequency bands reallocated pursuant to the requirements of this Act. Such plan shall—

(A) not propose the immediate distribution of all such frequencies, but, taking into account the timetable recommended by the Secretary pursuant to section 3304(e), shall propose—

(i) gradually to distribute the frequencies remaining, after making the reservation required by subparagraph (ii), over the course of a ten-year period beginning on the date of submission of such plan; and

(ii) to reserve a significant portion of such frequencies for distribution beginning after the end of such ten-year period;

(B) contain appropriate provisions to ensure—

(i) the availability of frequencies for new technologies and services in accordance with the policies of section 7 of the Communications Act (47 U.S.C. 157); and

(ii) the availability of frequencies to stimulate the development of such technologies; and

(C) not prevent the Commission from allocating bands of frequencies for specific uses in future rulemaking proceedings.

(b) AMENDMENT TO THE COMMUNICATIONS ACT.—Section 303 of the Communications Act is amended by adding at the end thereof the following new subsection (u) (indicating that the Commission shall):

"(u) Have authority to assign the frequencies reallocated from United States Government use to non-United States Government use pursuant to the 'Emerging Telecommunications Technologies Act of 1992': *Provided*, That any such assignment shall expressly be made subject to the right of the President to reclaim such frequencies under the provisions of section 3308 of the 'Emerging Telecommunications Technologies Act of 1992'.".

SEC. 3307. APPROPRIATION ACTION.

Of the initial 45 MHz to be reallocated from the United States Government to non-United States Government use under section 3304(d)(1)(A), 20 MHz shall be reallocated and made available for assignment by the Commission only to the extent provided in appropriations acts.

SEC. 3308. AUTHORITY TO RECLAIM REASSIGNED FREQUENCIES.

(A) AUTHORITY OF PRESIDENT.—The President may reclaim reallocated frequencies for reassignment to United States Government stations in accordance with this section.

(b) PROCEDURE FOR RECLAIMING FREQUENCIES.—

(1) UNASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have not been assigned by the Commission, the President may reclaim them based on the grounds described in section 3305(b)(2) of this Act.

(2) ASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have been assigned by the Commission, the President may reclaim them based on the grounds described in section 3305(b)(2) of this Act, except that the notification required by section 3305(b)(1) shall include—

(A) a timetable to accommodate an orderly transition for licensees to obtain new frequencies and equipment necessary for their utilization; and

(B) an estimate of the cost of displacing the licensees.

(c) COSTS OF RECLAIMING FREQUENCIES.—Any non-United States Government licensee that is displaced from a frequency pursuant to this section shall be reimbursed the incremental costs it incurs that are directly attributable to the loss of the use of the frequency pursuant to this section.

(d) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to limit or otherwise affect the authority of the President under section 706 of the Communications Act (47 U.S.C. 606).

SEC. 3309. COMPETITIVE BIDDING.

(a) COMPETITIVE BIDDING AUTHORIZED.—Section 309 of the Communications Act is amended to add a new subsection (j) providing that:

"(j)(1) The Commission shall use competitive bidding for awarding all initial licenses or new construction permits, including licenses and permits for spectrum reallocated for non-United States Government use pursuant to the 'Emerging Telecommunications Technologies Act of 1992', subject to the exclusions listed in subsection (j)(2).

"(A) The Commission shall require potential bidders to file a first-stage application indicating an intent to participate in the competitive bidding process and containing such other information as the Commission finds necessary. After conducting the bidding, the Commission shall require the winning bidder to submit a second-stage application. Upon determining that such application is acceptable for filing and that the applicant is qualified pursuant to subsection (j)(1)(B), the Commission shall grant a permit or license.

"(B) No construction permit or license shall be granted to an applicant selected pursuant to subsection (j)(1)(A) unless the Commission determines that such applicant is qualified pursuant to section 308(b) and section 309(a) of the Communications Act, on the basis of the information contained in the first- and second-stage applications submitted under subsection (j)(1)(A).

"(C) Each participant in the competitive bidding process is subject to the schedule of charges contained in section 8 of the Communications Act (47 U.S.C. 158).

"(D) The Commission shall have the authority in awarding construction permits or licenses under competitive bidding procedures to (i) define the geographic and frequency limitations and technical requirements, if any, of such permits to licenses; (ii) establish minimum acceptable competitive bids; and (iii) establish other appropriate conditions on such permits and licenses that will serve the public interest.

"(E) The Commission shall, within eighteen months after enactment of the 'Emerging Telecommunications Technologies Act of 1992', following public notice and comment proceedings, adopt rules establishing competitive bidding procedures under this subsection, including the method of bidding and the basis for payment (such as flat fees, fixed or variable royalties, combinations of flat fees and royalties, or other reasonable forms of payment); and a plan for applying such competitive bidding procedures to the initial 45 MHz reallocated from United States Government to non-United States Government use under section 3304(d)(1)(A) of the 'Emerging Telecommunications Technologies Act of 1992,' to be distributed during the fiscal years 1995 through 1997.

"(2) Competitive bidding shall not apply to:

"(A) license renewals;

"(B) the United States Government and State or local government entities;

"(C) amateur operator services, public radio broadcast services, public television broadcast services, public safety services, and radio astronomy services;

"(D) private radio end-user licenses, such as Specialized Mobile Radio Service (SMRS), maritime, and aeronautical end-user licenses;

"(E) any license grant to a non-United States Government licensee being moved from its current frequency assignment to a different one by the Commission in order to implement the goals and objectives underlying the 'Emerging Telecommunications Technologies Act of 1992';

"(F) any other service, class of services, or assignments that the Commission determines, after conducting public comment and notice proceedings, should be exempt from competitive bidding because of public interest factors warranting an exemption.

"(3) Monies received from competitive bidding pursuant to this subsection shall be deposited in the general fund of the United States Treasury, pursuant to the provisions enacted in appropriations acts."

"(b) RANDOM SELECTION NOT TO APPLY WHEN COMPETITIVE BIDDING REQUIRED.—Section 309(i)(1) of the Communications Act (47 U.S.C. 309) is amended by deleting the period after the word "selection" and inserting in lieu thereof: ", except in instances where competitive bidding procedures are required under section 309(j) of the Communications Act.".

"(c) SPECTRUM ALLOCATION DECISIONS.—Section 303 of the Communications Act is amended to add a new subsection (v):

"(v) In making spectrum allocation decisions among services that are subject to competitive bidding, the Commission is authorized to consider as one factor among others taken into account in making its determination, the relative economic values and other public interest benefits of the proposed uses as reflected in the potential revenues that would be collected under its competitive bidding procedures.".

SEC. 3310. DEFINITIONS.

As used in the Emerging Telecommunications Technologies Act of 1992:

(1) The term "Act" means the Emerging Telecommunications Technologies Act of 1992.

(2) The term "allocation" means an entry in the National Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more radiocommunication services.

(3) The term "assignment" means an authorization given by the Commission or the United States Government for a radio station to use a radio frequency or radio frequency channel.

(4) The term "Commission" means the Federal Communications Commission.

(5) The term "Communications Act" means the Communications Act of 1934, as amended (47 U.S.C. 151 et seq.).

(6) The term "Secretary" means the Secretary of Commerce.

TITLE XXXIV—ENTERPRISE FOR THE AMERICAS ACT OF 1992

SEC. 3401. This title may be cited as the "Enterprise for the Americas Initiative Act of 1991".

SEC. 3402. PROVISIONS RELATING TO THE ENTERPRISE FOR THE AMERICAS INVESTMENT FUND AT THE INTER-AMERICAN DEVELOPMENT BANK.

(a) UNITED STATES CONTRIBUTION.—

(1) CONTRIBUTION AGREEMENT.—The Secretary of the Treasury (hereinafter the "Secretary") is hereby authorized to contribute and to make payment of a grant of $500,000,000 to the Enterprise for the Americas Investment Fund (hereinafter the "Fund") to be administered by the Inter-American Development Bank (hereinafter the "IDB").

(2) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Secretary without fiscal year limitation and for the purposes of subsection (1), $500,000,000, to be paid in five annual installments of $100,000,000 each, beginning in Fiscal Year 1992.

(b) PURPOSE OF THE FUND.—The purpose of the Fund shall be to provide program and project grants that will advance specific, market-oriented investment policy initiatives and reforms to encourage domestic and foreign investment in Latin America and the Caribbean. The Fund will also finance technical assistance for privatizing government-owned industries; enterprise development and business infrastructure; and worker training and education programs to develop supporting human capital.

(c) CONTRIBUTIONS FROM OTHER COUNTRIES.—The Secretary may seek contributions to the Fund from other countries.

SEC 3403. ENTERPRISE FOR THE AMERICAS FACILITY.

(a) ESTABLISHMENT.—There is hereby established in the Department of the Treasury the Enterprise for the Americas Facility (hereinafter in this title referred to as the "Facility").

(b) PURPOSE.—The purpose of the Enterprise for the Americas Initiative is to encourage and support improvement in the lives of the people of Latin America and the Caribbean through market-oriented reforms and economic growth with interrelated actions to promote debt reduction, investment reforms, trade liberalization, and community-based conservation and sustainable use of the environment. The Facility will support these objectives through administration of debt reduction operations for those countries that meet investment reforms and other policy conditions.

(c) ELIGIBILITY FOR BENEFITS UNDER THE FACILITY.—

(1) REQUIREMENTS.—To be eligible for benefits under the Facility, a country must—

(A) be a Latin American or Caribbean country;

(B) have in effect, have received approval for, or, as appropriate in exceptional circumstances, be making significant progress toward—

(i) an International Monetary Fund ("IMF") standby arrangement, extended IMF arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, an IMF monitored program or its equivalent; and

(ii) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development or the International Development Association;

(C) have put in place major investment reforms in conjunction with an Inter-American Development Bank loan or otherwise be implementing, or making significant progress toward, an open investment regime; and

(D) if appropriate, have agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

(2) ELIGIBILITY DETERMINATIONS.—The President shall determine whether a country is an eligible country for purposes of paragraph (1).

SEC. 3404. DEBT REDUCTION.

(a) REDUCTION OF CERTAIN DEBT.—

(1) AUTHORITY TO REDUCE DEBT.—

(A) AUTHORITY.—The President may reduce the amount owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1991, as a result of concessional loans made by the United States pursuant to the Foreign Assistance Act of 1961 (or predecessor foreign economic assistance legislation) to a country eligible for benefits under the Facility.

(B) LIMITATION.—The authority of this section may be exercised beginning in fiscal year 1992 and only to such extent as provided for in advance in appropriations acts for fiscal year 1992 or thereafter.

(C) CERTAIN PROHIBITIONS INAPPLICABLE.—

(i) A reduction of debt pursuant to this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(ii) The authority of this section may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 and section 321 of the International Development and Food Assistance Act of 1975.

(D) DEFINITION.—Hereinafter in this title, a country with respect to which the authority of sub-paragraph (A) is exercised is referred to as the beneficiary country.

(2) IMPLEMENTATION OF DEBT REDUCTION.—

(A) IN GENERAL.—Any debt reduction authorized pursuant to subsection (1) shall be accomplished at the direction of the Facility by the exchange of a new obligation for obligations outstanding as of January 1, 1991.

(B) EXCHANGE OF OBLIGATIONS.—The Facility shall notify the Agency for International Development of the agreement with a beneficiary country to exchange a new obligation for outstanding obligations pursuant to this subsection; and at the direction of the Facility, the old obligations shall be canceled and a new debt obligation for the country shall be established, and the Agency for International Development shall make an adjustment in its accounts to reflect the debt reduction.

(b) REPAYMENT OF PRINCIPAL.—

(1) CURRENCY OF PAYMENT.—The principal amount of each new obligation issued pursuant to subsection 3404(a)(2) shall be repaid in United States dollars.

(2) DEPOSIT OF PAYMENTS.—Principal repayments of new obligations shall be deposited in the United States Government account established for principal repayments of the obligations for which those obligations were exchanged.

(c) INTEREST ON NEW OBLIGATIONS.—

(1) RATE OF INTEREST.—New obligations issued by a beneficiary country pursuant to subsection 3404(a)(2) shall bear interest at a concessional rate.

(2) CURRENCY OF PAYMENT; DEPOSITS.—

(A) LOCAL CURRENCY.—If the beneficiary country has entered into an Environmental Framework Agreement under subsection 3405(b), interest shall be paid in the local currency of the beneficiary country and deposited in the Environmental Fund provided for in subsection 3405(a)(1). Such interest shall be the property of the beneficiary country, until such time as it is disbursed pursuant to subsection 3405(a)(4). Such local currencies shall be used for the purposes specified in the Environmental Framework Agreement.

(B) UNITED STATES DOLLARS.—If the beneficiary country has not entered into an Environmental Framework Agreement under subsection 3405(b), interest shall be paid in United States dollars and deposited in the United States Government account established for interest payments of the obligations for which the new obligations were exchanged.

(3) INTEREST ALREADY PAID.—If a beneficiary country enters into an Environmental Framework Agreement subsequent to the date on which interest first became due on the newly issued obligation, any interest already paid on such new obligation shall not be redeposited into the Environmental Fund established for that beneficiary country pursuant to subsection 3405(a)(1).

SEC. 3405. ENTERPRISE FOR THE AMERICAS ENVIRONMENTAL FUNDS.

(a) ESTABLISHMENT OF, DEPOSITS INTO, AND DISBURSEMENTS FROM ENVIRONMENTAL FUNDS.—

(1) ESTABLISHMENT.—Each beneficiary country that enters into an Environmental Framework Agreement under subsection 3405(b) shall be required to establish an Enterprise for the Americas Environmental Fund (referred to in this title as the "Environmental Fund") to receive payments in local currency pursuant to subsection 3404(c)(2)(A).

(2) DEPOSITS.—Local currencies deposited in an Environmental Fund shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(3) INVESTMENT.—Deposits made in an Environmental Fund shall be invested until disbursed. Notwithstanding section 3302(b) of title 31, United States Code, any return on such investment may be retained by the Environmental Fund, without deposit in the Treasury of the United States and without further appropriations by Congress.

(4) DISBURSEMENTS.—Funds in an Environmental Fund shall be disbursed only pursuant to an Environmental Framework Agreement under subsection 3405(b).

(b) ENVIRONMENTAL FRAMEWORK AGREEMENTS.—

(1) AUTHORITY.—The President is authorized to enter into an agreement (referred to in this title as an "Environmental Framework Agreement") with any country eligible for benefits under the Facility concerning the operation and use of the Environmental Fund for that country. In the negotiation of such agreements, the President should consult with the Environment for the Americas Board in accordance with subsection 3405(c).

(2) CONTENTS OF AGREEMENTS.—An Environmental Framework Agreement with a beneficiary country shall—

(A) require that country to establish an Environmental Fund;

(B) require that country to make interest payments under subsection 3404(c)(2)(A) into an Environmental Fund;

(C) require that country to make prompt disbursements from the Environmental Fund to the administering body described in subsection 3405(b)(3);

(D) when appropriate, seek to maintain the value of the local currency resources of the Environmental Fund in terms of United States dollars;

(E) specify, in accordance with subsection 3405(b)(4), the purposes for which the Environmental Fund may be used; and

(F) contain reasonable provisions for the enforcement of the terms of the agreement.

(3) ADMINISTERING BODY.—

(A) IN GENERAL.—Funds disbursed from the Environmental Fund in each beneficiary country shall be administered by a body constituted under the laws of that country (referred to in this title as the "administering body").

(B) COMPOSITION.—The administering body shall consist of—

(i) one or more individuals appointed by the President,

(ii) one or more individuals appointed by the government of the beneficiary country, and

(iii) individuals who represent a broad range of environmental nongovernmental organizations of the beneficiary country, local community development nongovernmental organizations of the beneficiary country, and scientific or academic organizations or institutions of the beneficiary country.

A majority of the members of the administering body shall be individuals described in sentence (iii).

(C) Responsibilities.—The administering body—

(i) shall receive proposals for grant assistance from eligible grant recipients (as determined under subsection 3405(b)(5)) and make grants to eligible grant recipients in accordance with the priorities agreed upon in the Environmental Framework Agreement, consistent with subsection 3405(b)(4);

(ii) shall be responsible for the management of the program and oversight of grant activities funded from resources of the Environmental Fund;

(iii) shall be subject to fiscal audits by an independent auditor on an annual basis;

(iv) shall present an annual program for review each year by the Environment for the Americas Board; and

(v) shall submit a report each year on the activities that it undertook during the previous year to the Environment for the Americas Board and to the government of the beneficiary country.

(4) Eligible activities.—Grants from an Environmental Fund shall be used for activities that link the conservation and sustainable use of natural resources with local community development, including activities described in section 463 of chapter 7 of part I of the Foreign Assistance Act of 1961, Public Law 87-195, as added by the Global Environmental Protection Act of 1989, Public Law 101-240, title VII, section 711; 103 Stat. 2322.

(5) Grant recipients.—Grants made from an Environmental Fund shall be made to—

(A) nongovernmental environmental, conservation, development, educational, and indigenous peoples organizations of the beneficiary country;

(B) other appropriate local or regional entities; and

(C) in appropriate circumstances, the government of the beneficiary country.

(6) Review of larger grants.—Any grant of more than $100,000 from an Environmental Fund shall be subject to veto by the Government of the United States or the government of the beneficiary country.

(c) Environment for the Americas Board.—

(1) Establishment.—There is hereby established an Environment for the Americas Board (hereafter in this title referred to as the "Board").

(2) Membership.—The Board shall be composed of 11 members appointed by the President as follows:

(A) 6 officers or employees of the United States Government; and

(B) 5 individuals who are representatives of private nongovernmental environmental, community development, scientific, or academic organizations that have experience and expertise in Latin America and the Caribbean.

The chair of the Board shall be designated by the President from among the members of the Board appointed pursuant to subparagraph (2)(A).

(3) Responsibilities.—The Board shall—

(A) advise the President on the negotiations of Environmental Framework Agreements;

(B) ensure, in consultation with—

(i) the government of the beneficiary country,

(ii) nongovernmental organizations of the beneficiary country,

(iii) nongovernmental organizations of the region (if appropriate),

(iv) environmental, scientific, and academic leaders of the beneficiary country, and

(v) environmental, scientific, and academic leaders of the region (as appropriate),

that a suitable administering body is identified for each Environmental Fund; and

(C) review the programs, operations, and fiscal audits of each administering body.

(d) Oversight.—The President may designate appropriate United States agencies to review the implementation of programs under this title and the fiscal audits relating to such programs. Such oversight shall not constitute active management of an Environmental Fund.

(e) Encouraging Multilateral Debt Donations.—

(1) Encouraging donations from official creditors.—The President should actively encourage other official creditors of a beneficiary country whose debt is reduced under this title to provide debt reduction to such country.

(2) Encouraging donations from private creditors.—The President should make every effort to ensure that Environmental Funds established pursuant to subsection 3405(a) are able to receive donations from private and public entities and from private creditors of the beneficiary country.

SEC. 3406. SALES, REDUCTIONS, OR CANCELLATIONS OF LOANS OR ASSETS.

(a) Loans or Assets Eligible for Sale, Reduction, or Cancellation.—

(1) Notwithstanding any other provision of law, the President may, in accordance with this section—

(A) sell to any eligible purchaser any loan or portion thereof of an eligible country (as determined pursuant to subsection 3403(c) or any agency thereof, that was made pursuant to the Export-Import Bank Act of 1945, as amended;

(B) sell to any eligible purchaser any asset or portion thereof which is acquired by the Commodity Credit Corporation as a result of its status as a guarantor of credits in connection with export sales to an eligible country (as determined pursuant to subsection 3403(c), in accordance with export credit guarantee programs authorized pursuant to the Commodity Credit Corporation Charter Act, as amended, or section 4(b) of the Food for Peace Act of 1966, as amended; and

(C) upon receipt of payment from an eligible purchaser, reduce or cancel any loan or the amount of any asset or portion thereof reference in subparagraphs (A) or (B) of paragraph 1 of this subsection.

provided that any such loan or asset that is sold, reduced, or canceled under this subsection was made or acquired prior to January 1, 1991, and such sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan or asset.

(2) Notwithstanding any other provision of law, the President shall establish the terms and conditions under which loans or assets may be sold, reduced, or canceled pursuant to this section.

(3) Any sale made pursuant to this section by the Export-Import Bank of the United States or the Commodity Credit Corporation of a loan or asset (including any interest therein) to an eligible purchaser under subsection 3406(c) shall be a transaction not required to be registered pursuant to section 5 of the Securities Act of 1933. For purposes of the Securities Act of 1933, neither the Export-Import Bank of the United States nor the Commodity Credit Corporation shall be deemed to be an issuer or underwriter with respect to any subsequent sale of other disposition of such loan or asset (including any interest therein) or any security received by an eligible purchaser pursuant to any debt-for-equity swap, debt-for-development swap, or debt-for-nature swap.

(4) The Facility shall notify the Export-Import Bank of the United States or the Commodity Credit Corporation of purchasers the President has determined to be eligible under subsection 3406(c), and shall direct the Export-Import Bank of the United States or the Commodity Credit Corporation to carry out the sale, reduction, or cancellation of a loan or asset pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(5) The authorities of this subsection may be exercised beginning in fiscal year 1992 and only to such extent as provided for in advance in appropriations acts for fiscal years 1992 or thereafter, as necessary to implement section 13201 of the Budget Enforcement Act of 1990.

(b) Deposit of Proceeds.—The proceeds from the sale, reduction, or cancellation of any loan or asset sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account(s) established for the repayment of such loan or asset.

(c) Eligible Purchaser.—A loan or asset may be sold pursuant to this section only to a purchaser who presents plans satisfactory to the President for using such loan or asset for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps. A loan or asset may be reduced or canceled pursuant to this section only for the purpose of facilitating debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) Debtor Consultation.—Prior to the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section of any loan made to an eligible country, or asset acquired as the result of a credit guarantee made in connection with export sales to an eligible country, the President should consult with that country concerning, among other things, the amount of loans or assets to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

SEC. 3407. REPORTS.

(a) Annual Report to Congress.—Not later than December 31 of each year, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate an annual report on the operation of the Facility for the prior fiscal year.

TITLE XXXV—REPEAL THE TRADE ADJUSTMENT ASSISTANCE PROGRAM

Sec. 350. Subsection (b) of section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended to read as follows:

"(b)(1) No technical assistance may be provided under chapter 3 and no duty shall be imposed under section 287 after September 30, 1992. Except as provided in paragraph (2) of this subsection, no assistance, vouchers, allowances or other payments may be provided under chapter 2 after September 30, 1992.

"(2) To effectuate the provisions of paragraph (1) of this subsection in an orderly manner, notwithstanding any provision of chapter 2—

"(A) No petition for certification of eligibility to apply for adjustment assistance may be filed under section 221 after June 30, 1992, and any petition received by the Secretary of Labor after such date shall be dismissed and returned with written notice of such dismissal to the petitioner or petitioners;

"(B) A worker covered under a certification of eligibility to apply for adjustment assistance shall be paid (to the extent appropriated funds are available) for weeks which begin after September 30, 1992, any assistance, allowance or other payment the worker is determined to be entitled to receive under the provisions of such chapter 2 subject to the following additional conditions and limitations—

"(i) the worker shall be entitled to trade readjustment allowances for which the worker is otherwise eligible for weeks which begin after September 30, 1992, if the worker received a payment of a trade readjustment allowance to which the worker was entitled under such chapter 2 with respect to the last week which commenced immediately prior to September 30, 1992: *Provided*, that no payment shall be made under this clause for any week which ends after September 30, 1993;

"(ii) the worker shall be entitled to have the costs of training which is approved under section 236(a)(1) paid on his behalf (as provided in such section 236(a)) if such training is commenced and the funds to pay the full costs of the training were obligated prior to September 30, 1992, and shall be entitled to transportation and subsistence expenses during such training as provided under section 236(b): *Provided*, that no funds appropriated for carrying out activities under section 236 shall be used to pay for any training (or transportation or subsistence) with respect to any week which ends after September 30, 1993;

"(iii) the worker shall be entitled to payment of job search allowances as provided under section 237 if such expenses were incurred on or before September 30, 1992; and

"(iv) the worker shall be entitled to payment of a relocation allowance as provided under section 238 if such payment is approved on or before September 30, 1992, and the relocation is completed not more than thirty days after the date of such approval.".

TITLE XXXVI—VA MEDICAL CARE COST RECOVERY AMENDMENT OF 1992

SEC. 3601. This title may be cited as the "Medical Care Cost Recovery Amendment of 1992".

SEC. 3602. Section 1729 of title 38, United States Code, is amended in subsection (a)(2)(E) by striking out "before October 1, 1993,".

TITLE XXXVII—VETERANS' HOME LOAN IMPROVEMENT ACT OF 1992

SEC. 3701. This title may be cited as the "Veterans' Home Loan Improvement Act of 1992".

(a) Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

REVISION OF LOAN FEE

SEC. 3702. (a) Section 3729(a)(2) is amended by—

(1) Striking out "Except as provided in paragraph (6) of this subsection, the" and inserting in lieu thereof, "The";

(2) In clause (A)—

(A) Inserting "(other than a case referred to in clause (E) of this paragraph)," immediately after "case"; and

(B) Striking out "title or for any purpose specified in section 3712 of this";

(3) In clause (B)—

(A) Inserting "(other than a case referred to in clause (E) of this paragraph)" immediately after "case"; and

(B) Striking out "and" at the end of such clause;

(4) In clause (C)—

(A) Inserting "(other than a case referred to in clause (E) of this paragraph)" immediately after "case"; and

(B) Striking out "amount." and inserting in lieu thereof "amount;"; and

(5) Inserting at the end thereof the following new clauses

"(D) in the case (other than a case referred to in clause (E) of this paragraph) of a loan made for any purpose specified in section 3712 of this title, the amount of the fee shall be two percent of the total loan amount; and

"(E)(i) except as provided in subclause (ii) of this clause, in the case of a veteran who has previously obtained a loan guaranteed under this chapter, or made under section 3711 of this title, notwithstanding any other provision of this paragraph, and without respect to the purpose for which the loan is obtained or the amount of any downpayment made by the veteran, the amount of such fee shall be 2.5 percent of the total loan amount.

"(ii) This clause shall not apply to a person on active duty at the time the loan is closed, or to a loan obtained for the purpose specified in sections 3710(a)(8) or 3733(a) of this title.".

(b) Section 3729(a) is amended by striking out paragraph (6) in its entirety.

PROCEDURES ON DEFAULT

SEC. 3703. Section 3732(c)(1)(C)(ii) is amended by striking out "resale," and inserting in lieu thereof "resale (including losses sustained on the resale of the property),".

MANUFACTURED HOME LOAN DOWNPAYMENT

SEC. 3704. Section 3712(c)(5) is amended by striking out "95" and inserting in lieu thereof "90".

DOWNPAYMENT FOR MULTIPLE USE

SEC. 3705. Section 3710(b) is amended by—

(a) In clause (5) striking out "clause (7) or (8)" and inserting in lieu thereof "clause (7), (8) or (9)";

(b) In clause (8), striking out "title." and inserting in lieu thereof "title; and"; and

(c) Inserting at the end thereof the following new clause

"(9)(A) except as provided in subclause (B) of this clause, in the case of a veteran who has previously obtained a loan guaranteed under this chapter, or made under section 3711 of this title, notwithstanding any other provision of this subsection, and without respect to the purpose for which the loan is obtained, the amount of the loan to be guaranteed under this section or made under section 3711 of this title does not exceed 90 percent of the reasonable value of the dwelling or farm residence securing the loan as determined pursuant to section 3731 of this title;

"(B) this clause shall not apply to a person on active duty at the time the loan is closed, or to a loan obtained for the purpose specified in subsection (a)(8) of this section.".

EFFECTIVE DATES

SEC. 3706. (a) The amendments made by sections 3802, 3804, and 3805 of this Act shall apply to all loans closed on or after October 1, 1992.

(b) The amendments made by section 3803 of this Act shall apply to all liquidation sales conducted on or after October 1, 1992.

TITLE XXXVIII—PERMANENT EXTENSION OF CERTAIN VETERANS-RELATED INCOME VERIFICATION AND PENSION PROVISIONS IN THE OMNIBUS BUDGET RECONCILIATION ACT OF 1990

SEC. 3801. USE OF INTERNAL REVENUE SERVICE AND SOCIAL SECURITY ADMINISTRATION DATA FOR INCOME VERIFICATION.

(a) Section 6103(l)(7) of the Internal Revenue Code of 1986 is amended by striking out "Clause (viii) shall not apply after September 30, 1992." at the end thereof.

(b) Section 5317 of title 38, United States Code, is amended by striking out subsection (g).

SEC. 3802. REDUCTION IN PENSION FOR CERTAIN VETERANS RECEIVING MEDICAID-COVERED NURSING HOME CARE.

Section 5503(f) of title 38, United States Code, is amended by striking out paragraph (6).

TITLE XXXIX—TARGET ENTITLEMENT FOR VOCATIONAL REHABILITATION BENEFITS TO VETERANS WITH SERVICE-CONNECTED DISABILITIES RATED 30 PERCENT OR MORE; AND ADJUST MILITARY PAY REDUCTION FOR MONTGOMERY GI BILL PARTICIPANTS

SEC 3901. REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) REFERENCES TO TITLE 38.—Whenever in the title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 3902. LIMITATION OF REHABILITATION PROGRAM ENTITLEMENT TO SERVICE-DISABLED VETERANS RATED AT 30 PERCENT OR MORE.

(a) IN GENERAL.—Section 3102 (1) is amended by striking out "20 percent" each place it appears and inserting in lieu thereof "30 percent".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to veterans and other persons originally applying for assistance under chapter 31 of title 38, United States Code, on or after October 1, 1992.

SEC 3903. INCREASE IN BASIC MILITARY PAY REDUCTION FOR CHAPTER 30 MONTGOMERY GI BILL PARTICIPANTS.

(a) Chapter 30 of title 38, United States Code, is amended—

(1) in sections 3011(b) and 3012(c), by strking out "be reduced by $100" each place it appears and inserting in lieu thereof "(1) in the case of an individual who first entered on active duty before October 1, 1992, be reduced by $100, and (2) in the case of an individual who first entered on active duty on or after October 1, 1992, be reduced by $117,", respectively; and

(2) in section 3018A(b), by inserting before the period the following: "in the case of an individual whose involuntary separation is effective before October 1, 1992, and by $1400 in the case of an individual whose involuntary separation is effective on or after October 1, 1992."

TITLE XL—RETIREMENT MODIFICATION ACT OF 1992

SEC. 4001. This title may be cited as the "Retirement Modification Act of 1992".

SEC. 4002. Chapter 83 of title 5, United States Code, is amended—

(1) in section 8334—

(A) in section (a)(1)—

(i) by amending the first sentence to read as follows: "The employing agency shall deduct and withhold from the basic pay of an employee, a Congressional employee, a Member, a law enforcement officer, a firefighter, a bankruptcy judge, a judge of the United States Court of Military Appeals, a United States Magistrate, and a Claims Court judge, the appropriate percentage specified in subsection (c)."; and

(ii) by striking out the period at the end of the second sentence and inserting in lieu thereof ", provided that such amount shall not exceed the amount that would have been required to be contributed in accordance with the percentage in effect under subsection (c) for service performed on December 31, 1992."; and

(B) by amending subsection (c) to read as follows:

"(c) Deductions from the basic pay of each employee, Congressional employee, Member, law enforcement officer, firefighter, bankruptcy judge, judge of the United States Court of Military Appeals, United States magistrate, and Claims Court judge shall be made in accordance with the following table. Each individual credited with civilian service after July 31, 1920, for which retirement deductions or deposits have not been made, may deposit with interest an amount equal to the following percentages of his or her basic pay received for that service:

	"Percentage of basic pay	Service period
"Employee	2½	August 1, 1920, to June 30, 1926.
	3½	July 1, 1926, to June 30, 1942.
	5	July 1, 1942, to June 30, 1948.
	6	July 1, 1948, to October 31, 1956.
	6½	November 1, 1956, to December 31, 1969.
	7	January 1, 1970, to December 31, 1992.
	8	January 1, 1993, to December 31, 1993.
	9	After December 31, 1993.
"Member or employee for Congressional employee service.	2½	August 1, 1920, to June 30, 1926.
	3½	July 1, 1926, to June 30, 1942.
	5	July 1, 1942, to June 30, 1948.
	6	July 1, 1948, to October 31, 1956.
	6½	November 1, 1956, to December 31, 1969.
	7½	January 1, 1970, to December 31, 1992.
	8½	January 1, 1993, to December 31, 1993.
	9½	After December 31, 1993.
"Member for Member service.	1½	August 1, 1920, to June 30, 1926.
	3½	July 1, 1926, to June 30, 1942.
	5	July 1, 1942, to August 1, 1946.
	6	August 2, 1946, to October 31, 1956.
	7½	November 1, 1956, to December 31, 1969.
	8	January 1, 1970, to December 31, 1992.
	9	January 1, 1993, to December 31, 1993.
	10	After December 31, 1993.
"Law enforcement officer for law enforcement service and firefighter for firefighter service.	2½	August 1, 1920, to June 30, 1926.
	3½	July 1, 1926, to June 30, 1942.
	5	July 1, 1942, to June 30, 1948.
	6	July 1, 1948, to October 31, 1956.
	6½	November 1, 1956, to December 31, 1969.
	7	January 1, 1970, to December 31, 1974.
	7½	January 1, 1975, to December 31, 1992.
	8½	January 1, 1993, to December 31, 1993.
	9½	After December 31, 1993.
Bankruptcy judge	2½	August 1, 1920, to June 30, 1926.
	3½	July 3, 1926, to June 30, 1942.
	5	July 1, 1942, to June 30, 1948.
	6	July 1, 1948, to October 31, 1956.
	6½	November 1, 1956, to December 31, 1969.
	7	January 1, 1970, to December 31, 1983.
	8	January 1, 1984, to December 31, 1992.
	9	January 1, 1993, to December 31, 1993.
	10	After December 31, 1993.
"Judge of the United States Court of Military Appeals for service as a judge of that court.	6	May 5, 1950, to October 31, 1956.
	6½	November 1, 1956 to December 31, 1969.
	7	January 1, 1970, to September 23, 1983.
	8	September 24, 1983, to December 31, 1992.
	9	January 1, 1993 to December 31, 1993.
	10	After December 31, 1993.
"United States magistrate.	2½	August 1, 1920, to June 30, 1926.
	3½	July 1, 1926, to June 30, 1942.
	5	July 1, 1942, to June 30, 1948.
	6	July 1, 1948, to October 31, 1956.
	6½	November 1, 1956, to December 31, 1969.
	7	January 1, 1970, to September 30, 1987.
	8	October 1, 1987, to December 31, 1992.
	9	January 1, 1993, to December 31, 1993.
	10	After December 31, 1993.
"Claims Court judge	2½	August 1, 1920, to June 30, 1926.
	3½	July 1, 1926, to June 30, 1942.
	5	July 1, 1942, to June 30, 1948.
	6	July 1, 1948, to October 31, 1956.
	6½	November 1, 1956, to December 31, 1969.
	7	January 1, 1970, to September 30, 1988.
	8	October 1, 1988, to December 31, 1992.
	9	January 1, 1993, to December 31, 1993.
	10	After December 31, 1993.

"Notwithstanding the preceding provisions of this subsection and any provision of section 206(b)(3) of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983, the percentage of basic pay required under this subsection in the case of an individual described in section 8402(b)(2) shall, with respect to any covered service (as defined by section 203(a)(3) of such Act) performed by such individual after December 31, 1983, and before January 1, 1987, be equal to 1.3 percent, and, with respect to any such service performed after December 31, 1986, be equal to the amount that would have been deducted from the employee's basic pay under subsection (k) if the employee's pay had been subject to that subsection during such period.";

(2) in section 8342(a) by striking out "section 8343a or";

(3) by repealing section 8343a; and

(4) in the analysis by striking out the item relating to section 8343a.

SEC. 4003. Chapter 84 of title 5, United States Code, is amended—

(1) by repealing section 8420a;

(2) in section 8424(a) by striking out "Except as provided in section 8420a, payment" and inserting in lieu thereof "Payment"; and

(3) in the analysis by striking out the item relating to section 8420a.

SEC. 4004. The Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.) is amended by repealing section 807(e).

SEC. 4005. The Central Intelligence Agency Retirement Act of 1964 for Certain Employees (78 Stat. 1043; 50 U.S.C. 403 note) is amended in part K of title II by repealing section 294.

TITLE XLI—CONFORM THE DEFINITION OF COMPENSATION UNDER THE RAILROAD RETIREMENT TAX ACT TO THAT UNDER THE FEDERAL INSURANCE CONTRIBUTIONS ACT

SEC. 4101. Section 3231(e)(1) of the Internal Revenue Code is amended by striking out "money remuneration" in the first sentence and inserting in lieu thereof the phrase "remuneration, including the cash value of all remuneration (including benefits) paid in any medium other than cash,".

SEC. 4102. Section 3231(e)(3) of the Internal Revenue Code of 1986 is amended by striking all that comes before the word "term" and inserting in lieu thereof "The".

SEC. 4103. (a) Section 3231(e)(4)(A) of the Internal Revenue Code of 1986 is amended by striking all that comes before the word "the" the first place it appears and inserting in lieu thereof "In".

(b) Section 3231(e)(4)(B) of the Internal Revenue Code is amended by striking "the sections specified in subparagraph (A)," and inserting in lieu thereof "sections 3201(a), 3211(a), and 3221(a),".

SEC. 4104 Section 3231(e)(6) of the Internal Revenue Code of 1986 is amended by inserting the period "or 129".

SEC. 4105. Section 3231(e) of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraphs:

"(10) MOVING EXPENSES.—The term 'compensation' shall not include remuneration paid to or on behalf of an employee if (and to the extent that) at the time of the payment of such remuneration it is reasonable to believe that a corresponding deduction is allowable under section 217 (determined without regard to section 274(n)).

"(11) PAYMENTS ON ACCOUNT OF DEATH, DISABILITY OR RETIREMENT.—The term 'compensation' shall not include any payment or series of payments by an employer to an employee or any of his dependents which is paid—

"(A) upon or after the termination of an employee's employment relationship because of (i) death, or (ii) retirement for disability, and

"(B) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents),

other than any such payment or series of payments which would have been paid if the employee's employment relationship had not been so terminated.

"(12) PAYMENT TO AN ESTATE.—The term 'compensation' shall not include any payment made by an employer to a survivor or the estate of a former employee after the calendar year in which such employee died."

SEC. 4106. Section 3231(h) of the Internal Revenue Code of 1986 is revised to read as follows:

"(h) TIPS INCLUDED FOR BOTH EMPLOYEE AND EMPLOYER TAXES.—For purposes of this chapter, tips received by an employee in the course of his employment shall be considered remuneration for such employment (and deemed to have been paid by the employer for purposes of section 3221). Such remuneration shall be deemed to be paid at the time a written statement including such tips is furnished to the employer pursuant to section 6053(a) or (if no statement including such tips is so furnished) at the time received; except that, in determining the employer's liability in connection with the taxes imposed by section 3221 with respect to such tips in any case where no statement including such tips was so furnished (or to the extent that the statement so furnished was inaccurate or incomplete), such remuneration shall be deemed for purposes of subtitle F to be paid on the date on which notice and demand for such taxes is made to the employer by the Secretary."

SEC. 4107. Section 3231 of the Internal Revenue Code of 1986 is amended by adding a new subsection (j) to read as follows:

"(j) CONFORMING THE DEFINITION OF WAGES AND COMPENSATION.—Any time chapter 21 of Internal Revenue Code (Federal Insurance Contributions Act) is amended to include in the definition of 'wages' under that chapter or to exclude from the definition of 'wages' under that chapter remuneration previously not included or excluded, such shall be included in or excluded from, as the case may be, the definition of 'compensation', except as otherwise provided under this chapter, in the same manner as if chapter 21 applied to such remuneration."

SEC. 4108. The term "compensation" as defined in section 1(h) of the Railroad Retirement Act and section 1(i) of the Railroad Unemployment Insurance Act shall include or exclude, as the case may be, remuneration which is included in or excluded from the term "compensation" by reason of amendments made by this title, except that the term "compensation" as defined in section 1(i) or "remuneration" in section 1(j) of the Railroad Unemployment Insurance Act shall not include payments considered to be "compensation" under section 3231(c)(4) of the Internal Revenue Code of 1986.

SEC. 4109. The above amendments shall apply with respect to compensation paid after September 30, 1992.

TITLE XLII—EXTEND THE DURATION OF THE PATENT AND TRADEMARK OFFICE USER FEE SURCHARGE THROUGH 1997

SEC. 4201. Section 10101 of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508) is amended as follows:

(a) Subsection (a) is amended by striking "1995" and inserting therefor "1997".

(b) Subsection (b)(2) is amended by striking "1995" and inserting therefor "1997".

(c) Subsection (c) is amended—

(1) by striking "1995" in the first instance and inserting therefor "1997", and

(2) by inserting the following new subsections:

"(6) $107,000,000 in fiscal year 1996.

"(7) $107,000,000 in fiscal year 1997.".

TITLE XLIII—EXPAND EXISTING ARMY CORPS OF ENGINEERS USER FEES FOR USE OF DEVELOPED RECREATIONAL SITES

SEC. 4301. The second sentence of section 210 of the Flood Control Act of 1968 (82 Stat. 746; 16 U.S.C. 460d-3) is amended to read: "Notwithstanding section 4(b) of the Land and Water Conservation Fund Act of 1965, as amended (78 Stat. 897; 16 U.S.C. 460*l*-6a(b)), the Secretary of the Army is authorized to charge fees for the use of developed recreation sites and facilities, including, but not limited to, campsites, swimming beaches, and boat launching ramps; however, the Secretary shall not charge fees for the use or provision of drinking water, wayside exhibits, general purpose roads, overlook sites, toilet facilities, or general visitor information. The fees shall be deposited into the special Treasury account for the Corps of Engineers that was established by section 4(i) of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460*l*-6a(i)).".

SEC. 4302. Section 4 of the Land and Water Conservation Fund Act of 1965, as amended (78 Stat. 897; 16 U.S.C. 460*l*-6a) is further amended by deleting the next to the last sentence of subsection (b).

TITLE XLIV—EXTEND AUTHORITY TO COLLECT ABANDONED MINE RECLAMATION FEES

SEC. 4401 ABANDONED MINE RECLAMATION FEE.

Section 402(b) of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1232(b)), is amended by striking "September 30, 1995" and inserting in lieu thereof "September 30, 1997".

TITLE XLV—FCC USER FEES

SEC. 4501. This Title may be cited as the "Federal Communications Commission User Fee Act of 1992."

SEC. 4502. In fiscal year 1993, and each year thereafter, the Federal Communications Commission (FCC) shall collect, subject to section 3302 of title 31, United States Code, fees, which shall be set at a level sufficient to cover the total nonapplication processing operational costs of the Commission. Such fees shall be assessed against each class of FCC licensees and other users of these Commission services.

TITLE XLVI—LIMITATION ON MANDATORY SPENDING

SEC. 4601. AMENDMENTS TO THE BUDGET ENFORCEMENT ACT TO LIMIT MANDATORY SPENDING.

The Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding the following new section after Section 252:

"§252A LIMITATIONS ON DIRECT SPENDING.

"(a) ENFORCEMENT.—The purpose of this section is to assure that any increase in the annual amount of direct spending exceeding the amount resulting from the increase in beneficiary population, and changes in the consumer price index, plus 2.5 percent per year (1.6 percent after enactment of comprehensive health reform), will trigger an offsetting sequestration.

"(b) SEQUESTRATION.—Within 15 calendar days after Congress adjourns to end a session and on the same day as a sequestration (if any) under sections 251 and 252, and prior to any sequestration under section 253, there shall be a sequestration to offset the amount of any excess direct spending in that fiscal year. The amount of excess direct spending shall be calculated by OMB by subtracting from the aggregate of the baseline amounts for each direct spending account (excluding spending of the Social Security (OASDI) trust funds) for the fiscal year the amount of direct spending in such account for the previous fiscal year increased (or decreased) by a percentage equaling the sum of—

"(1) growth in beneficiary population (for programs with a beneficiary population) measured in percent per year, for that fiscal year compared to the previous fiscal year; and

"(2) growth in the consumer price index (all urban) in percent per year for that fiscal year compared to the previous fiscal year; and

"(3) 2.5 percent (1.6 percent in the fiscal years (or portion of fiscal year) following the effective date of legislation enacting comprehensive health reform).

"(c) ELIMINATING EXCESS DIRECT SPENDING.—The amount required to be sequestered in a fiscal year under subsection (b) shall be obtained from direct spending accounts. Each direct spending account shall be reduced by the uniform percentage necessary to make the reduction in direct spending required. The uniform reduction required shall be made without application of the exemptions, limitations and special rules set forth in sections 255 and 256, except for the following: Sections 255(a); 255(c); prior legal obligations of the government in sections 255(g)(1) and 255(g)(2); 256(g); 256(h); and 256(l).

"(d) REPORTS.—The requirements of Section 254 for reports and orders that are applicable to section 252 shall also apply to this section except that such reports and orders for this section shall refer to and apply the requirements, calculations, and sequestrations of this section.

"(e) RECONCILIATION PROCESS TO AVOID SEQUESTRATION.—Whenever an update report for this section indicates that a sequester would be necessary to eliminate excess direct spending, the special reconciliation process set forth in section 258(c) shall apply for consideration of alternatives to the order envisioned by such report."

TITLE XLVII—EXTENSION OF BUDGET ENFORCEMENT ACT AND APPLICATION TO CREDIT PROGRAMS

SEC. 4701. AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.

(a) Section 601(a)(1) of the Congressional Budget Act of 1974 is amended by:

(1) deleting "and" at the end of paragraph (D); and

(2) adding after paragraph (E) as following new paragraph:

"(F) with respect to fiscal year 1996, $284,300,000,000; and

(G) with respect to fiscal year 1997, $300,400,000,000;"

(b) Section 601(a)(2) of said Act is amended by:

(1) amending paragraphs (D) and (E) to read as follows:

"(D) with respect to fiscal year 1994—

"(i) for the defense category: $281,921,000,000 in the new budget authority and $283,657,000,000 in outlays;

"(ii) for the international category: $21,788,000,000 in new budget authority and $21,382,000,000 in outlays; and "(iii) for the domestic category: $203,519,000,000 in new budget authority and $229,300,000,000 in outlays;

"(E) with respect of fiscal year 1995—

"(i) for the defense category: $284,672,000,000 in new budget authority and $283,506,000,000 in outlays;

"(ii) for the international category: $21,300,000,000 in new budget authority and $21,335,000,000 in outlays, and

"(iii) for the domestic category: $202,871,000,000 in new budget authority and $232,184,000,000 in outlays;"

(2) adding after paragraph (E) the following new paragraphs:

"(F) with respect to fiscal year 1996—

"(i) for the defense category: $286,353,000,000 in new budget authority and $286,515,000,000 in outlays;

"(ii) for the international category: $21,981,000,000 in new budget authority and $22,017,000,000 in outlays; and

"(iii) for the domestic category: $209,354,000,000 in new budget authority and $239,604,000,000 in outlays; and

"(G) with respect to fiscal year 1997—

"(i) for the defense category: $291,080,000,000 in new budget authority and $289,754,000,000 in outlays;

"(ii) for the international category: $22,674,000,000 in new budget authority and $22,711,000,000 in outlays; and

"(iii) for the domestic category: $215,956,000,000 in new budget authority and $247,160,000 in outlays;".

(c) The amounts set forth in the amendments made by subsections (a) and (b) reflect adjustments through the OMB fiscal year 1993 sequestration preview report in the President's fiscal year 1993 Budget.

(d) Section 601(a) of said Act is amended by adding the following new paragraph at the end:

"(3) Aggregate credit limits.—The term "aggregate credit limit" means—

"(A) with respect to fiscal year 1993: $4,339,000,000 in subsidy costs; $17,787,000,000 in direct loan obligations; and $129,719,000,000 in loan guarantee commitments;

"(B) with respect to fiscal year 1994: $4,833,000,000 in subsidy costs; $17,432,000,000 in direct loan obligations; and $131,059,000,000 in loan guarantee commitments;

"(C) with respect to fiscal year 1995: $5,037,000,000 in subsidy costs; $17,333,000,000 in direct loan obligations; and $134,466,000,000 in loan guarantee commitments;

"(D) with respect to fiscal year 1996: $5,217,000,000 in subsidy costs; $17,284,000,000 in direct loan obligations; and $136,732,000,000 in loan guarantee commitments; and

"(E) with respect to fiscal year 1997: $5,329,000,000 in subsidy costs; $17,171,000,000 in direct loan obligations; and $139,750,000,000 in loan guarantee commitments;

as adjusted in strict conformance with sections 251, 252, and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985.".

(e) Section 601(b)(1) of said Act is amended by:

(1) deleting "or 1995" and inserting "1995, 1996, or 1997"; and

(2) deleting "1992 or 1993" and inserting "1992 through 1997".

(f) Section 602(c) of said Act is amended by deleting "1995" and inserting "1997".

(g) Section 602(d) of said Act is amended by:

(1) deleting "1995" in the heading and inserting "1997"; and

(2) deleting "1995" and inserting "1997".

(h) Section 606(a) of said Act is amended by deleting "or 1995" and inserting "1995, 1996, and 1997".

(i) Section 606(d) of said Act is amended by deleting "and 1995" and inserting "1995, 1996, and 1997".

(j) Section 607 of said Act is amended by deleting "1995" and inserting "1997".

SEC. 4702. AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.

(a) Section 250(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by deleting "1995" and inserting "1997".

(b) Section 250(c) of said Act is amended:

(1) in paragraph 3 by inserting a colon after "which", by inserting "(i)" before "new budget authority," replacing the period with a semicolon followed by "or", and by inserting the following:

"(ii) subsidy costs, direct loan obligations, or loan guarantee commitments for that year is above the aggregate credit limit for subsidy costs, direct loan obligations, or loan guarantee commitments for that year, as the case may be."

(2) by deleting paragraph (4) (except for the final sentence thereof) and inserting:

"(4) The term 'category' means, for fiscal years 1991 through 1997, any of the following subsets of discretionary appropriations: defense, international, or domestic. Discretionary appropriations in each of the three categories shall be those so designated in the joint statement of managers accompanying the conference report on the Omnibus Budget Reconciliation Act of 1990. New accounts or activities shall be categorized in consultation with the Committees on Appropriations and the Budget of the House of Representatives and the Senate.";

(3) in paragraph (6)(B) by deleting "or 1995" and inserting "1995, 1996, or 1997"; and

(4) in paragraph (14) by deleting "1995" and inserting "1997".

(c) Section 251(a) of said Act is amended:

(1) by deleting "1995" in the heading and inserting "1997";

(2) in paragraph (1) by inserting before the period "or in aggregate credit limits";

(3) in paragraph (2) by changing "(A)" to "(i)" and "(B)" to "(ii)", inserting "(A)" before "Each", and inserting the following new paragraphs at the end:

"(B) For a breach in aggregate credit limits, within each nonexempt credit account, the amount of subsidy costs, direct loan obligations, or loan guarantee commitments, as the case may be, shall be reduced by taking such of the following actions as are necessary to eliminate the breach—

"(i) first, with respect to each direct loan program: increase down-payments or upfront fees; increase interest rates on loans; decrease maximum loan levels for individual direct loans; decrease loan volume; and with respect to each loan guarantee program: reduce Federal guarantee as a percent of a guaranteed loan; reduce the maximum individual loan amount that can be guaranteed; increase fees or premiums; decrease the volume of loans that can be guaranteed; and

"(ii) second, reduce the budgetary resources available for subsidy costs by a dollar amount calculated by a uniform percentage.

"(C) Reporting requirements in this Act pertaining to budget authority and outlays under the discretionary spending limits shall also apply to subsidy costs, direct loan obligations, and loan guarantee commitments under the aggregate credit limits."

(d) Section 251(b) of said Act is amended:

(1) in paragraph (1):

(A) by deleting "or 1995" and inserting "1995, 1996, or 1997";

(B) by deleting "through 1995" and inserting "through 1997";

(2) in paragraph (2):

(A) by deleting "or 1995" and inserting "1995", 1996, or 1997";

(B) in subparagraph (D) by deleting "or 1995" and inserting "1995, 1996, or 1997"; and

(C) in subparagraph (F) by (i) deleting "or 1993" and inserting "1993, 1994, 1995, 1996, or 1997", and (ii) by deleting "and not to exceed $6,500,000,000 in fiscal year 1994 or 1995".

(e) Section 252 of said Act is amended:

(1) in subsection (a) by deleting "1995" in the heading and inserting "1997";

(2) in subsection (d) by deleting "1995" and inserting "1997";

(3) in subsection (e) by deleting "or 1995" and inserting "1995, 1996, or 1997" and by deleting "through 1995" and inserting "through 1997".

(f) Section 253 said Act is amended:

(1) in subsection (b) by deleting "or 1995" and inserting "1995, 1996, or 1997";

(2) in subsection (g)(1)(B) by deleting "and 1995" and inserting "1995, 1996, and 1997";

(3) in subsection (h)(1) by deleting "and fiscal year 1995" and inserting "through fiscal year 1997"; and

(4) in subsection (h)(2) by deleting "and fiscal year 1995" and inserting 1995, 1996, and 1997".

(g) Section 254 of said Act is amended:

(1) in subsection (d)(2) by deleting "1995" and inserting "1997";

(2) in subsection (g)(2)(A) by deleting "1995" and inserting "1997"; and

(3) in subsection (g)(3) by deleting "1995" and inserting "1997".

(h) Section 275(b) of said Act is amended by deleting "1995" and inserting "1997".

TITLE XLVIII—CONGRESSIONAL BUDGET REFORM ACT OF 1992

SECTION 4801. SHORT TITLE.

This title may be cited as the "Congressional Budget Reform Act of 1992".

SECTION 4802. AMENDMENTS TO THE BUDGET ACT TO CHANGE CONCURRENT BUDGET RESOLUTIONS INTO JOINT BUDGET RESOLUTIONS.

(a) Table of Contents.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "concurrent" each place it occurs therein and by inserting in lieu thereof "joint" and by striking out "Concurrent" and by inserting in lieu thereof "Joint" in the item relating to section 303.

(b) Definitions.—

Paragraph (4) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "concurrent" each place it occurs therein and by inserting in lieu thereof "joint".

(c) Title III of the Budget Act.—Title III of the Congressional Budget Act of 1974 is amended by striking out "concurrent" each place it occurs therein and by inserting in lieu thereof "joint" and by striking out "Concurrent" and by inserting in lieu thereof "Joint" in the heading of section 303.

(d) Title IV of the Budget Act.—Section 401(b)(2) of the Congressional Budget Act of 1974 is amended by striking out "concurrent" and by inserting in lieu thereof "joint".

(e) Title VI of the Budget Act.—Title VI of the Congressional Budget Act of 1974 is amended by striking out "concurrent" each place it occurs therein and by inserting in lieu thereof "joint".

(f) Title IX of the Budget Act.—Section 904(d) of the Congressional Budget Act of 1974 is amended by striking out "concurrent" and by inserting in lieu thereof "joint".

SEC. 4803. TECHNICAL AND CONFORMING AMENDMENTS TO THE RULES OF THE HOUSE OF REPRESENTATIVES.

(a) RULE X.—Clauses 1(e)(2), 4(a)(2), 4(b)(2), 4(g), 4(h), and 4(i) of rule X of the Rules of the House of Representatives are amended by striking out "concurrent" each place it appears therein and by inserting in lieu thereof "joint".

(b) RULE XXIII.—Clause 8 of rule XXIII of the Rules of the House of Representatives is amended by striking out "concurrent" each place it appears therein and by inserting in lieu thereof "joint".

(c) RULE XLIX.—Rule XLIX of the Rules of the House of Representatives is repealed.

SEC. 4804. TECHNICAL AND CONFORMING AMENDMENTS TO THE DEFICIT CONTROL ACT OF 1985.

(a) SECTION 254.—Section 258C(b)(1) of the Deficit Control Act of 1985 is amended by striking out "concurrent" and by inserting in lieu thereof "joint".

SEC. 4805. EFFECTIVE DATE.

This Act and the amendments made by it shall apply with respect to fiscal years beginning after September 30 of the calendar year of enactment of this title.

TITLE XLIX—LEGISLATIVE LINE ITEM VETO ACT OF 1992

SECTION 4901. SHORT TITLE.

This title may be cited as the "Legislative Line Item Veto Act of 1992".

SEC. 4902. ENHANCEMENT OF SPENDING CONTROL BY THE PRESIDENT.

The Impoundment Control Act of 1974 is amended by adding at the end thereof the following new title:

"TITLE XI—LEGISLATIVE LINE ITEM VETO RESCISSION AUTHORITY

"PART A—LEGISLATIVE LINE ITEM VETO RESCISSION AUTHORITY

"GRANT OF AUTHORITY AND CONDITIONS

"SEC. 1101. (a) IN GENERAL.—Notwithstanding the provisions of part B of title X and subject to the provisions of part B of this title, the President may rescind all or part of any budget authority, if the President—

"(1) determines that—

"(A) such rescission would help balance the Federal budget, reduce the Federal budget deficit, or reduce the public debt;

"(B) such rescission will not impair any essential Government functions; and

"(C) such rescission will not harm the national interest; and

"(2)(A) notifies the Congress of such rescission by a special message not later than 20 calendar days (not including Saturdays, Sundays, or holidays) after the date of enactment of a regular or supplemental appropriations Act or a joint resolution making continuing appropriations providing such budget authority; or

"(B) notifies the Congress of such rescission by special message accompanying the submission of the President's budget to Congress and such rescissions have not been proposed previously for that fiscal year.

The President shall submit a separate rescission message for each appropriations bill under paragraph (2)(A).

"(b) RESCISSION EFFECTIVE UNLESS DISAPPROVED.—(1)(A) Any amount of budget authority rescinded under this title as set forth in a special message by the President shall be deemed canceled unless during the period described in subparagraph (B), a rescission disapproval bill making available all of the amount rescinded is enacted into law.

"(B) The period referred to in subparagraph (A) is—

"(i) a Congressional review period of 20 calendar days of session under part B, during which Congress must complete action on the rescission disapproval bill and present such bill to the President for approval or disapproval;

"(ii) after the period provided in clause (i), an additional 10 days (not including Sundays) during which the President may exercise his authority to sign or veto the rescission disapproval bill; and

"(iii) if the President vetoes the rescission disapproval bill during the period provided in clause (ii), an additional 5 calendar days of session after the date of the veto.

"(2) If a special message is transmitted by the President under this section during any Congress and the last session of such Congress adjourns sine die before the expiration of the period described in paragraph (1)(B), the rescission shall not take effect. The message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the review period referred to in paragraph (1)(B) (with respect to such message) shall run beginning after such first day.

"DEFINITIONS

"SEC. 1102. For purposes of this title the term 'rescission disapproval bill' means a bill or joint resolution which only disapproves a rescission of budget authority, in whole, rescinded in a special message transmitted by the President under section 1101.

"PART B—CONGRESSIONAL CONSIDERATION OF LEGISLATIVE LINE ITEM VETO RESCISSIONS

"PRESIDENTIAL SPECIAL MESSAGE

"SEC. 1111. Whenever the President rescinds any budget authority as provided in section 1101, the President shall transmit to both Houses of Congress a special message specifying—

"(1) the amount of budget authority rescinded;

"(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved;

"(3) the reasons and justifications for the determination to rescind budget authority pursuant to section 1101(a)(1);

"(4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the rescission; and

"(5) all facts, circumstances, and considerations relating to or bearing upon the rescission and the decision to effect the rescission, and to the maximum extent practicable, the estimated effect of the rescission upon the objects, purposes, and programs for which the budget authority is provided.

"TRANSMISSION OF MESSAGES; PUBLICATION

"SEC. 1112. (a) DELIEVERY TO HOUSE AND SENATE.—Each special message transmitted under sections 1101 and 1111 shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committees of the House of Representatives and the Senate. Each such message shall be printed as a document of each House.

"(b) PRINTING IN FEDERAL REGISTER.—Any special message transmitted under sections 1101 and 1111 shall be printed in the first issue of the Federal Register published after such transmittal.

"PROCEDURE IN SENATE

"SEC. 1113. (a) REFERRAL.—(1) Any rescission disapproval bill introduced with respect to a special message shall be referred to the appropriate committees of the House of Representatives or the Senate, as the case may be.

"(2) Any rescission disapproval bill received in the Senate from the House shall be considered in the Senate pursuant to the provisions of this section.

"(b) FLOOR CONSIDERATION IN THE SENATE.—

"(1) Debate in the Senate on any rescission disapproval bill and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(2) Debate in the Senate on any debatable motion or appeal in connection with such a bill shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(3) A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 1, not counting any day on which the Senate is not in session) is not in order.

"(c) POINT OF ORDER.—(1) It shall not be in order in the Senate or the House of Representatives to consider any rescission disapproval bill that relates to any matter other than the rescission of budget authority transmitted by the President under section 1101.

"(2) It shall not be in order in the Senate or the House of Representatives to consider any amendment to a rescission disapproval bill.

(3) Paragraphs (1) and (2) may be waived or suspended in the Senate only by a vote of three-fifths of the members duly chosen and sworn.".

By Mr. COATS (for himself and Mr. D'AMATO):

S. 2218. A bill to amend section 1012 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 to authorize local governments that have financed a housing project that has been provided a financial adjustment factor under section 8 of the U.S. Housing Act of 1937 to use 50 percent of any recaptured amounts available from refinancing of the project for housing activities; to the Committee on Banking, Housing, and Urban Affairs.

USE OF CERTAIN RECAPTURED HOUSING FUNDS BY LOCAL GOVERNMENTS

• Mr. COATS. Mr. President, I rise today to ask my colleagues to support a measure I am introducing that will save the Federal Government millions of dollars and, at the same time, provide local public housing authorities [PHA's] with additional funds to improve their communities and empower their residents. This bill serves to correct an oversight which, in effect, excluded PHA's from a provision of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988.

Between 1979 and 1984, thousands of low-income housing units were financed with tax-exempt bonds. The Department of Housing and Urban Development subsidized these projects with section 8 Federal housing assistance payments contracts, thereby guaranteeing monthly rental payments on behalf of low-income tenants directly to the project owners. Both State housing finance agencies and local public housing authorities served as issuers of the bonds.

When tax-exempt interest rates climbed to 10 to 13 percent in 1982, HUD awarded additional section 8 budget authority to developers in return for a 4-percent upfront fee. These projects became known as FAF projects because of this financial adjustment factor. In 1987, tax-exempt interest rates fell, and HUD began to spur refundings to recapture significant savings in section 8 subsidy.

In 1988, the McKinney Act was amended to allow State housing finance agencies to split with HUD the savings from FAF refinancings. Due to a technical oversight, local PHA's were not included in this provision. While the McKinney Ac does not specifically prohibit splitting savings with public housing authorities, HUD has consistently refused to grant such requests without explicit congressional direction. As a result, PHA's have no incentive to refinance these bonds at the lower interest rates. Thousands of units are still being subsidized at the high rates, and millions of tax dollars are being wasted.

In addition to saving the Federal Government approximately $130 million, allowing public housing authorities to share section 8 savings would enable them to create new housing, rehabilitate existing units, and implement innovative programs that empower residents to move out of public housing.

The Evansville Housing Authority [EHA], in my own State of Indiana, has created the Resident Initiative Program which would assist residents in starting their own businesses. Currently, the housing authority does not have the resources to get this program off the ground; however, if the housing authority were to refinance its bonds and split the savings with HUD, it would receive as much as $100,000 which could be used to implement the Resident Initiative Program.

On behalf of Senator D'AMATO and myself, I ask my colleagues to support the bill I am introducing today to correct the oversight in the 1988 McKinney Act and grant public housing authorities the opportunity to share in savings from FAF refinancings.•

• Mr. D'AMATO. Mr. President, I am pleased to cosponsor the legislation being introduced today by my colleague from Indiana. By providing incentives to local governments to refinance certain tax-exempt bonds, Congress can save more than $130 million. Under this bill, these savings would be used to reduce the deficit by $65 million and generate $65 million to provide affordable housing for low-income households.

This legislation will achieve this by extending to local housing finance agencies a cost-saving mechanism that has been available to State housing finance agencies since 1988. Extending this mechanism to local housing finance agencies creates Federal budget savings by encouraging local housing authorities to refinance existing bonds at lower interest rates.

Because the Federal Government is making payments to support the interest cost of these bonds, refinancing at lower interest rates saves the Federal Government money. However, State and local housing finance agencies previously had no incentive to refinance these bonds because they wouldn't receive any savings. In the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, we allowed State housing finance agencies to share the savings generated by refunding financial adjustment factor [FAF] bonds. The McKinney law also requires that States use the income generated from the refunding for low-income housing programs.

The bill my colleague from Indiana and I are introducing today will encourage local housing finance agencies to refund their bonds at lower interest rates by applying the same revenue-sharing system to local housing finance agencies. HUD has indicated that between 1982 and 1983, 389 local agency FAF projects were financed, with an original section 11(b) tax-exempt bond total of $1.47 billion. The average bond yield is 11.57 percent. Since May 1989, more than 71 bond issues have been refunded, reducing debt service costs by $100 million.

This means that there are many eligible bonds held by State and local housing finance agencies that could be refunded. This bill will allow more than 20 communities within my State, with total bond amounts of approximately $78 million, to share in the savings from bond refundings, saving taxpayers' money and obtaining about $8 million for local housing programs. Nationwide, there are hundreds of eligible bonds that could be refunded at lower interest rates, saving the taxpayers money and providing additional housing resources.

This is a win-win situation for local governments and taxpayers. HUD supports this legislation, estimating that it will reduce debt service costs by approximately $130 million. I expect that this legislation will be included in this year's housing reauthorization or other appropriate legislation this session.•

By Mr. KASTEN:

S. 2219. A bill to make amendments to the Liability Risk Retention Act, as amended, and for other purposes; to the Committee on Commerce, Science, and Transportation.

LIABILITY RISK RETENTION ACT AMENDMENTS

• Mr. KASTEN. Mr. President, this morning I am introducing amendments to the Liability Risk Retention Act. The amendments have been developed by the administration based on a comprehensive report on the operations of the act since the adoption of amendments during the liability insurance crisis in 1986. The original act covered only product liability, but now covers virtually all types of commercial and professional liability insurance.

The Liability Risk Retention Act provides an important alternative insurance mechanism for business and professional organizations unable to find adequate insurance coverage in the standard marketplace. The Commerce Department has reported that problems in the operation of the act have restricted the formation of risk retention groups and purchasing groups under the act. During this period of a relatively calm, open casualty insurance market, the defects in the act have had a somewhat limited impact. Experience shows that the insurance market is cyclical and return to the hard conditions experienced in 1984 to 1986 could be just around the corner. It is important that we take advantage of this period of relative stability to consider these needed amendments.

During the past few years, we have seen several commercial insurers become insolvent as a result of bad management or failed investments coupled with adverse claims experience. While there is no indication of widespread financial collapse in the insurance industry as we have seen in banking, there has been heightened interest in the solvency of all insurers. There should be no less interest in the solvency of the companies using this act.

I am therefore pleased that the administration's amendments address the issue of solvency, particularly for the insurers of purchasing groups. Experience has shown that some small, undercapitalized insurers—both alien and domestic—have been insuring multiple purchasing groups. State insurance commissioners have expressed concerns about these operations and the potential losses to the public and policyholders if a failed insurer is unable or unavailable to cover claims. There is concern also that risk retention groups maintain adequate capital to meet obligations to their policyholder/owners. When we enacted this legislation, State regulation was to be the primary safeguard to the solvency of these groups. But we fully expected the self interest of the policyholder/owners to provide a strong dose of self regulation in the operations of these specialty insurers licensed in one State but able to operate in all States. Now we want to make certain that the group members maintain control of their organizations and that insurance regulators in all States are able to assess the financial condition of groups operating in their States.

The main elements of the proposal would amend the act to:

Require that the members themselves control both risk retention groups and purchasing groups so that they can achieve the bargaining power they need.

Permit single-State regulation of purchasing groups and their insurers while preserving the ability of other States to challenge the financial solvency of any group. Single-State regulation permits the realization of cost savings for groups and reduces regulatory redundancy.

Regulate purchasing group insurers through the establishment of minimum qualifying criteria to promote the use of financially sound insurers while maintaining a streamlined regulatory regime.

Strengthen notice and reporting requirements for risk retention groups and purchasing groups and their insurers.

There cannot be absolute certainty about the success or failure of any enterprise. But there can be clear ground rules that will at least enhance survival. Through passage of the Risk Retention Act we have opened new opportunities for liability insurance buyers to obtain needed, affordable coverage. Now we have the benefit of the experience gained over the past several years and we can fine tune the ground rules to assure a properly functioning act.

I ask unanimous consent that a copy of the bill, a section-by-section summary, and a copy of the changes that would be made to current law be printed in the CONGRESSIONAL RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2219

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE.

(a) This Act may be cited as the Liability Risk Retention Act Amendments of 1992.

(b) Whenever in this Act an amendment is expressed in terms of an amendment to a section, the reference shall be considered to be a reference to the Liability Risk Retention Act (15 U.S.C. 3901 *et seq*).

SEC. 2. DEFINITIONS.

(a) Section 2(a) is amended

(1) in subsection (1) by striking the phrase "surplus lines insurance,";

(2) in subsection (2)(B) by adding at the end the phrase "and employers liability insurance in excess of the minimum policy limits required under applicable State workers' compensation laws";

(3) in subsection (4)(E)(i) by adding after the words "its owners" the phrase "and is controlled by";

(4) in subsection (4)(E)(ii) by adding after the words "its sole owner" the phrase "and is controlled by";

(5) in subsection (4)(G)(ii) to add after "liability exposure of" the phrase "its own members";

(6) in subsection (5) by adding the word "and" at the end of subsection (D) and adding a new subsection (E) as follows:

"(E) is controlled by its members;"

(7) in subsection (6) by adding after "United States" the phrase ", the Commonwealth of Puerto Rico,";

(8) in subsection (7) by adding after "risk retention group" the phrase "or purchasing group insurer";

(9) by adding three new subsections as follows:

"(8) 'principal place of business' of a purchasing group means the State which has been designated by the purchasing group as its principal place of business and in which the purchasing group maintains an office and has and continues to have members;

"(9) a risk retention group or purchasing group is 'controlled' by its members when they retain the power to direct the affairs of the group and to enter at arms length into transactions with insurers and other suppliers of goods and services;

"(10) a 'purchasing group insurer' is any insurer providing insurance to a purchasing group pursuant to this Act."

SEC. 3. RISK RETENTION GROUPS.

(a) Section 3(a) is amended

(1) in subsection (1)(B) by striking the phrase "and surplus lines insurers, brokers, or policyholders";

(2) in subsection (1)(E) by striking subparagraph (ii) and inserting in lieu thereof the following:

"(ii) any such examination is coordinated to avoid unjustified repetition but no risk retention group shall be required to submit to more than one financial examination during any calendar year unless ordered to do so by a Federal court of competent jurisdiction upon a showing of reasonable cause to believe that the risk retention group may be in a hazardous financial condition or financially impaired and on a finding that a new examination would not be unjustifiably duplicative;"

(3) in subsection (1)(H) by adding the phrase "at least" before the phrase "10 point type".

(4) by striking subsection (1)(C) and redesignating subsections (1)(D)(1)(I) and the reference in subsection (1)(F)(i) accordingly.

(5) at the end of subsection (3) by striking the phrase "residing in the State";

(6) by redesignating subsection (4) as subsection (6) and adding new subsections (4) and (5) as follows:

"(4) prohibit a risk retention group from ceding any or all of the insurance issued to its members to any reinsurer which meets the requirements of the risk retention group's chartering State for allowing balance sheet credit;

"(5) refuse to recognize as an asset a letter of credit that has been issued by a bank that is a member of the Federal Reserve System and listed by the NAIC Security Valuation Office as meeting NAIC standards, if the letter of credit is drafted in a form that has been approved by the commissioner of the State in which the group is licensed as an insurer and that commissioner has recognized the letter of credit as an asset of the group;"

(b) Section (3)(c) is amended to read as follows:

"(c) A State may require licensing or qualification of a person acting or offering to act as an agent or broker for a risk retention group subject to the following—

"(1) Officers, directors and full time employees of a risk retention group may engage in the direct sale and servicing of insurance to members without regard to the brokers' and agents' licensing requirements of any State.

"(2) Other persons acting or offering to act as an agent or broker for a risk retention group must obtain a license from the chartering State. That State may not:

"(A) impose any qualification or requirement which discriminates against a nonresident insurance agent;

"(B) impose licensing requirements different from those applicable to insurance agents generally in that State; or

"(C) require such risk retention group to appoint a licensed insurance agent where no person is acting or offering to act in that capacity;

"(3) Any insurance agent licensed by the State in which a risk retention group is chartered may act as an insurance agent on behalf of such group in all States where it does business whether or not the insurance agent is licensed by such other States."

(c) Section (3) is amended by inserting new subsections (d) and (e) as follows:

"(d) A risk retention group may provide liability insurance coverage to a nonmember as an additional named insured under coverage issued to a member in order to provide insurance for the liability of such nonmember assumed under any contract entered into during the course of the business or activity described in Section 2(a)(4)(F) of this Act.

* * * * *

"(G) shall certify that all members of the purchasing group are engaged in similar or related business or activities as regards their liability exposure."

(d) Subsection (f) is stricken in its entirety and subsections (g) and (h) are redesignated accordingly.

A new section is inserted after SECTION 4 as follows:

"SEC. 5. PURCHASING GROUP INSURERS.

"QUALIFICATIONS AND CONDITIONS

"(a) Admitted insurers, approved surplus lines insurers and non-admitted insurers shall be permitted to provide insurance under this Act to purchasing groups pursuant to the following conditions and qualifications and subject to the other provisions of this chapter:

"(1) An insurer will be considered qualified to write purchasing group insurance under this Act if the insurer:

"(A) is admitted in at least one State, and:

"(i) has the capital and surplus required of an admitted insurer doing the same kind and amount of business under the laws and regulations of each State in which it is writing insurance for a purchasing group or its members;

"(ii) retains risk net of reinsurance in an amount less than the maximum permitted admitted insurers under the laws and regulations of each State in which it is writing insurance for a purchasing group or its members;

"(iii) maintains a premium to surplus ratio no greater than 3 to 1; and

"(iv) maintains minimum capital and surplus of at least $3 million as determined in accordance with the statutory accounting principles in the principal place of business of the purchasing group; or

"(B) is domiciled in a State certified by the NAIC as meeting NAIC financial regulatory standards; or

"(C) is an alien insurer and is listed on the most recent NAIC "Non-Admitted Insurers Quarterly Listing" or has been approved for listing subsequent to publication of the NAIC's most recent listing.

"REGULATION OF PURCHASING GROUP INSURERS

"(b) The provision of insurance to a purchasing group by a qualified purchasing group insurer shall be regulated by the State in which the purchasing group has its principal place of business and the authority of other States in which such insurance is provided to any group member is limited to those matters authorized by this section; provided, however, that the State of domicile of a domestic purchasing group insurer shall retain all its customary oversight responsibility of the purchasing group insurer as a licensee of the State.

"(1) The State in which a purchasing group has its principal place of business shall, with regard to the insurer's provision of purchasing group insurance, and subject to the exemptions contained in §4(a), apply the policy form, coverage and rating laws and regulations of the State in the same manner as if the purchasing group insurer were an admitted carrier in that State;

"(2) Any State may require a purchasing group insurer to—

"(A) comply with the unfair claim settlement practices law of the State;

"(B) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on admitted insurers under the laws of the State;

"(C) register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process;

"(D) submit to an examination by the State insurance commissioner in any State in which the purchasing group insurer is doing purchasing group business to determine the group's financial condition, if—

"(i) the commissioner of the jurisdiction in which the purchasing group insurer is domiciled has not begun or has refused to initiate an examination of the insurer; and

"(ii) any such examination is coordinated to avoid unjustified duplication and unjustified repetition but no purchasing group insurer shall be required to submit to more than one financial examination during any calendar year unless ordered to do so by a Federal court of competent jurisdiction upon a showing of reasonable cause to believe that the purchasing group insurer may be in a hazardous financial condition or financially impaired and upon a finding that a new examination would not be unjustifiably duplicative;

"(E) comply with a lawful order issued—

"(i) in a delinquency proceeding commenced by the State insurance commissioner if there has been a finding of financial impairment under subparagraph (E); or

"(ii) in a voluntary dissolution proceeding;

"(F) comply with any State law regarding deceptive, false or fraudulent acts or practices, except that if the State seeks an injunction regarding the conduct described in the subparagraph, such injunction must be obtained from a court of competent jurisdiction;

"(G) comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance commissioner alleging that the purchasing group insurer is in hazardous financial condition or is financially impaired; and

"(H) provide the following notice, in at least 10 point type, in any insurance policy issued to a purchasing group:

NOTICE

"This policy is issued by your purchasing group insurer which may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds may not be available for your purchasing group insurer.

"(3) No State may:

"(A) require any insurance policy issued to a purchasing group or any member of the group to be countersigned by an insurance agent or broker, or

"(B) require the submission of declinations or certificates of non-availability prior to or as a condition of writing purchasing group insurance;

"(C) require a purchasing group insurer to use a licensed agent with respect to the provision of insurance to a purchasing group if the purchasing group is represented by an agent qualified under section 4(c); or

"(D) otherwise discriminate against a purchasing group insurer, except that nothing in this section shall be construed to affect the applicability of State laws generally applicable to persons or corporations.

"(4) No State, other than the State in which the purchasing group has its principal place of business shall have the right to regulate policy forms, rates or coverage provided the purchasing group except as otherwise provided by Sec. 8 of this Act.

NOTICE REQUIREMENTS

"(c) Purchasing group insurers shall furnish

"(1) to the insurance commissioner of the State in which the purchasing group has its principal place of business—

"(A) the coverages, deductibles, coverage limits, rates and rating classification systems for each line of insurance the insurer intends to offer the purchasing group and its members; and

"(B) a copy of the insurer's annual financial statement, which statement shall be certified by an independent public accountant and contain a statement of opinion on loss and loss adjustment expense reserves made by—

"(i) a member of the American Academy of Actuaries, or

"(ii) a qualified loss reserve specialist approved by the insurance commissioner of the purchasing group insurer's State of domicile for a domestic purchasing group insurer or by the insurance commissioner of the purchasing group's principal place of business for an alien purchasing group insurer; and

"(C) such other information as the commissioner may require.

"(2) copies of all documents filed with the State in which the purchasing group has its principal place of business to its State of domicile and to all other States in which it is doing business. States other than that of the purchasing group's principal place of business may not require a purchasing group insurer to make any filings or provide any other information or submissions other than the submission of copies of documents filed with the State in which the purchasing group has its principal place of business except that:

"(A) any State may require that a purchasing group insurer doing business in the State conform to the National Association of Insurance Commissioners' standard when filing the Annual Statement; and

"(B) any State may require a purchasing group insurer doing business in the State to make submissions necessary to comply with those State laws from which purchasing group insurers are not exempt.

POWER OF COURTS TO ENJOIN CONDUCT

"(d) Nothing in this section shall be construed to affect the authority of any Federal or State court to enjoin—

"(1) the solicitation or sale of insurance by a purchasing group insurer to any person who is not eligible for membership in such group;

"(2) the solicitation or sale of insurance by, or operation of, a purchasing group insurer that is in hazardous financial condition or is financially impaired, or

"(3) any false, deceptive or fraudulent conduct by a purchasing group, purchasing group insurer, agents or brokers.

STATE POWERS TO ENFORCE STATE LAWS

"(e)(1) Nothing in this chapter shall be construed to affect the authority of any State to make use of any of its powers to enforce the laws of such State with respect to which a purchasing group insurer is not exempt under this chapter.

"(2) If a State seeks an injunction regarding the conduct described in paragraphs (1) and (2) of subsection (d) of this section, such injunction must be obtained from a Federal or State court of competent jurisdiction.

STATES' AUTHORITY TO SUE

"(f) Nothing in this chapter shall affect the authority of any State to bring an action in any Federal or State court.

DESIGNATION OF AGENT FOR SERVICE OF DOCUMENTS AND PROCESS

"(g) A purchasing group insurer shall register with and designate the State insurance commissioner of each State in which the purchasing group has insured members as its agent solely for the purpose of receiving service of legal documents or process."

SEC. 5. SECURITIES LAWS.

(a) Section 5 is redesignated Section 6 and is amended

(1) in subsection (a) by striking subsections (1) and (2) and by striking the dash (—) and by adding in lieu thereof the words, "deemed to be exempted securities for purposes of the Securities Act of 1933 and the Securities Exchange Act of 1934."

SEC. 6. CLARIFICATION CONCERNING PERMISSIBLE STATE AUTHORITY.

(a) Section 6 is redesignated as Section 7.

(b) Subsection (a) is amended by adding after the words "a risk retention group" the phrase ", purchasing group insurer."

(c) Subsection (b) is amended by adding after the words "a risk retention group" the phrase "or a purchasing group insurer" and adding after the words "by any such group" the phrase "or insurer"

(d) Subsection (c) is amended by adding after the words "risk retention group" the phrase "or purchasing group insurer pursuant to this Act"

(e) Subsection (d) is amended to read as follows:

"(d) Subject to the provisions of Sections 3(a)(5), 4(a)(8), and 5(b)(4) of this title relating to discrimination, nothing in this chapter shall be construed to preempt the authority of a State to specify acceptable means of demonstrating financial responsibility as a condition for obtaining a license or permit to undertake specified activities.".

(f) A new subsection (e) is added following subsection (d) as follows:

"(c) Any law, rule or regulation which would make unlawful the forming or joining of a risk retention group or a purchasing group by a State or any local government or agency or political subdivision thereof is preempted by this chapter in the absence of State legislation expressly prohibiting such forming or joining.

SEC. 7. INJUNCTIVE ORDERS ISSUED BY UNITED STATES DISTRICT COURTS.

(a) Section 7 is redesignated Section 8 and is amended by adding after the words "enjoining a risk retention group" the phrase "or purchasing group insurer".

SECTION-BY-SECTION SUMMARY: PROPOSED LEGISLATION TO AMEND THE LIABILITY RISK RETENTION ACT

SECTION 1: SHORT TITLE

This section provides that this Act may be cited as the Liability Risk Retention Amendments of 1992.

SECTION 2: DEFINITIONS

The following definitions are amended:

1. "Insurance."

The Sec. 2(a)(1) definition of "insurance" is amended by striking the reference to "surplus lines insurance". This change should have no substantive effect; it simply eliminates superfluous language.

2. "Liability."

The Sec. 2(a)(2) definition of "liability" is amended to clarify the fact that employers' liability insurance in excess of minimum policy limits required under workers' compensation statutes can be covered under the Act.

3. "Risk retention group."

The Sec. 2(a)(4) definition of "risk retention group" is amended to require that a risk retention group is not only owned by its members who are also provided insurance (or by an organization comprised of such members) but that it is also "controlled" by these members. "Controlled" is defined in a new section 2(a)(9) as occurring when the members of a risk retention group or purchasing group "retain the power to direct the affairs of the group and to enter at arm's length into transactions with insurers and other suppliers of goods and services."

The primary purpose of the amendment is to clarify the fact that risk retention groups are to be controlled by members, not outsiders. While non-members may run day-to-day activities of the organization, the power to direct the affairs of the group should rest with the members. This definition carries the concept of "shared control" among the members of the group but a specific formula was not deemed desirable. The definition of "risk retention group" is also amended in subsection (G)(ii) to clarify that risk retention groups can reinsure their own members.

4. "Purchasing group."

The Sec. 2(a)(5) definition of "purchasing group" is amended to add a requirement that a purchasing group be controlled by its members. The definition of "controlled" is the same as for risk retention groups. The issue of control is of particular concern with regard to purchasing groups. As detailed in the two Commerce reports on the Act, some purchasing groups are being formed and controlled by insurance entities whose interests may differ from those of purchasing group members. Insurance companies, agents and brokers may provide management services and assist in establishing purchasing groups but control should rest with the group members if the purpose of the Act and the needs of the members are to be well served. Insurer-controlled purchasing groups lack independence and cannot achieve the bargaining power a group needs to obtain sound insurance on the best terms.

5. "State."

The Sec. 2(a)(6) definition of "State" is amended to include Puerto Rico. The significance of this change is that it permits Puerto Rico to be the chartering State for a risk retention group or the principal place of business of a purchasing group.

6. "Hazardous financial condition."

The Sec. 2(a)(7) definition of "hazardous financial condition" is amended to extend its coverage to purchasing group insurers.

Three new definitions are provided as follows:

1. "Principal place of business."

The "principal place of business" of a purchasing group is referred to in the existing law but is not defined. The new definition, Section 2(a)(8), defines it as the State which has been designated as the principal place of business by the purchasing group and in which the group has and continues to have members and in which the group maintains an office. The purpose for the definition is to clearly identify the State with regulatory authority and to ensure that a purchasing group has a real connection to the State which will provide the regulation of its insurance coverage.

2. "Controlled."

The existing law does not address the issue of control of risk retention groups or purchasing groups. The new definition defines "controlled" as being when members retain the power to direct the affairs of the group and enter at arm's length into transactions with insurers and other suppliers of goods and services. The purpose of the definition is to clarify that both risk retention groups and purchasing groups are not only owned but are also controlled by their members.

3. "Purchasing Group Insurer."

The existing law does not directly address the insurers of purchasing groups. A new section on purchasing group insurers provides which insurers can insure purchasing groups under the Act and under what conditions. The new definition defines "purchasing group insurer" as any insurer providing insurance to a purchasing group pursuant to the Act.

SECTION 3. RISK RETENTION GROUPS

1. Exemptions and Requirements.

Section 3(a) itemizes the State laws, rules, regulations and orders from which a risk retention group is exempt and indicates what States may require of a group. The amendments modify three of the provisions, strike one and add two new provisions.

A. Premium Taxes.

Subsection (1)(B) currently provides that any State may require a risk retention group to pay premium and other taxes which are levied on admitted insurers, surplus lines insurers, brokers or policyholders. The amendments limit the taxing authority to those taxes levied on admitted insurers. This change will provide certainty and uniformity by assuring that all States treat risk retention groups the same by taxing them the same as admitted insurers.

B. Joint Underwriting Associations (JUA's).

Subsection (1)(C) currently allows a State to require risk retention groups to participate in JUA's. The amendments strike this subsection. The JUA provision is inconsistent with the definition of a risk retention group which requires that all insureds be owners and bars coverage to non-members. Risk retention groups are limited purpose insurers of specified liability coverage, generally in fields where availability and affordability of insurance are problems, therefore it does not seem that they should be forced to use funds to cover other problem areas.

C. Financial Examinations.

Subsection (1)(E)—to be revised as (1)(D)—requires a risk retention group to submit to financial examinations under certain conditions. The amendment limits such examinations to no more than one in any calendar year unless a Federal Court requires more. The purpose of the amendment is to permit risk retention groups to avoid harassment by the imposition of multiple financial examinations while at the same time permitting additional financial review with the approval of a Federal court.

D. Countersignature.

Subsection (3) provides that a risk retention group is exempt from any provision which would require an insurance policy issued to a risk retention group or member to be countersigned by an insurance agent or broker residing in the State. The amendment, by striking the words, "residing in the State", prohibits any countersignature requirement.

E. Ceded Insurance.

The amendments add a new Subsection (4) which allows a risk retention group to cede insurance to its reinsurer if it meets the requirements of the risk retention group's chartering State. The existing law does not specifically address this issue although many believe that ceding insurance is implicitly authorized if the chartering State allows it. This amendment would prevent regulators in other than the chartering State from challenging a group's financial condition solely on the grounds that it ceded insurance. Financial challenges should be based on the overall financial condition.

F. Letters of Credit.

The amendments add a new Subsection (5) that prohibits States from refusing to recognize a letter of credit as an asset provided that it meets specified conditions. Some States recognize letters of credit assets; others do not. The amendments reflect the position that, if the chartering State permits the use of letters of credits as assets, other States in which the group is doing business should also recognize them. At the same time, the amendment puts some qualifications on this by requiring that the letters be: 1) issued by a bank that is a member of the Federal Reserve System, 2) listed by the NAIC Security Valuation Office as meeting NAIC standards, 3) recognized by the commissioner of the licensing State and 4) approved as an asset of the group by the licensing commissioner. These conditions should provide the security necessary while permitting some latitude in the use of letters of credit as assets.

2. Licensing of Agents and Brokers.

The current language of Section 3(c) relating to the licensing of agents or brokers for risk retention groups is replaced by a new provision. The existing language permits a State to require an agent or broker for a risk retention group to obtain a State license but prohibits States from discriminating against nonresident agents or brokers.

The provision permits States to require licensing of agents and brokers for risk retention groups but provides some limitations; it exempts officers, directors, and full-time employees of risk retention groups from licensing; it requires others to get licenses but provides that the State may not discriminate against nonresident agents, impose different licensing requirements or require the appointment of a licensed agent when no one is acting in that capacity. It also permits an agent licensed in the chartering State to act on behalf of the group in all States in which it does business without requiring additional licensing.

3. Contractual liability coverage.

A new subsection 3(d) provides that a risk retention group may provide liability coverage to a nonmember under a member's coverage under certain limited conditions. This amendment is added to respond to certain situations where businesses such as hospitals and hotels have incurred contractual obligations to cover liability for contractors and retailers.

4. Determination of membership qualifications.

A new subsection 3(e) provides that only the chartering State has the authority to examine the membership qualifications of the risk retention groups. Non-chartering States can also seek clarification regarding the membership qualifications of a group from the group's chartering State and, as appropriate, can request the chartering State to conduct an examination of the qualifications.

5. Documents for submission to State insurance commissioners.

Subsection (d)—now (f)—identifies the documents to be submitted to a risk retention group's chartering State and to the other States in which it is doing business. The amendment modifies subsection (3)(B) by requiring that the qualified loss reserve specialist referred to be "approved by the insurance commissioner of the chartering State." The amendment also adds a new subsection (4) which requires risk retention groups to file copies of all documents filed with the chartering State with all other States in which it is doing business and limits the additional information those States can request.

6. Power of Courts to enjoin conduct.

This section is amended to add a new subsection (3) which indicates that thee is no restraint on the authority of any Federal or State court to enjoin false, deceptive or fraudulent conduct by a risk retention group, its agents or its brokers. The Act as currently written is generally believed to have the same effect. This amendment is intended to clarify the issue and emphasize that States retain the right to challenge false, deceptive and fraudulent conduct in risk retention groups.

SECTION 4. PURCHASING GROUPS

1. Exemptions.

Subsection (a) lists purchasing group exemptions. The amendments modify two of the subsections. Subsection (a)(2) is amended to indicate that an insurer may use a purchasing group's exposure as a basis for providing advantages to the purchasing group. Subsection (a)(7) is amended to exempt purchasing groups from any countersignature requirements.

2. Agent and broker licensing.

The amendments substitute a provision like that provided for risk retention groups. It allows States to require licensing of agents and brokers for purchasing groups but provides some imitations; it exempts officers, directors and full-time employees of purchasing groups from licensing; it requires others to get licenses but provides that the State may not discriminate against nonresident agents, impose different licensing requirements or require the appointment of a licensed agent when no one is acting in that capacity. It also permits an agent licensed in the State in which the purchasing group has its principal place of business to act on behalf of the group in all States in which it does business without requiring additional licensing.

3. Notice.

The amendments expand the information required to be provided in the required notice of intent to do business. The additional information includes the address and telephone number of the insurer, the principals or officers of the purchasing group and the identity and address of any managing or servicing organization. The purchasing group is also required to certify as to the membership qualifications of the members of the group.

4. Purchase of insurance.

Subsection (f) is stricken. This subsection was very ambiguous and resulted in conflicting opinions among the States regarding the regulation of insurers of purchasing groups. In lieu of this subsection, a new section dealing with the regulation of purchasing group insurers is provided.

SECTION 5. PURCHASING GROUP INSURERS

This is an entirely new section. As currently written, the law does not address the regulation of purchasing group insurers. The new section establishes qualifications for insurers writing purchasing group business and provides a system of regulation that is essentially the same as that provided for risk retention groups.

1. Qualifications and conditions.

Section 5(a) provides that, to qualify as a purchasing group insurer entitled to write purchasing group business subject to single-state regulation, an insurer must: 1) be admitted in at least one State and meet the minimum financial standards itemized in the subsection; 2) be domiciled in a State certified by the NAIC as meeting NAIC financial regulatory standards; or, 3) be listed or approved for listing on the NAIC's Non-Admitted Insurers Quarterly Listing. The qualifying standards are intended to strike the balance necessary to preclude financially-precarious insurers from providing insurance for purchasing groups while at the same time permitting smaller, specialized insurers to write the multi-state purchasing group coverage unlikely to be covered in the conventional market.

2. Regulation of purchasing group insurers.

Section 5(b) applies the same single-state regulation to purchasing group insurers as Section 3 applies to risk retention groups. The State in which the purchasing group has its principal place of business regulates the provision of insurance to a purchasing group by a qualified purchasing group insurer. That State may apply the policy form, coverage and rating laws and regulations of the State in the same manner as if the purchasing group insurer were an admitted carrier in the State. Other States in which the group has insured members may require the purchasing group insurer to comply with the unfair claim settlement practices law, pay taxes as levied on admitted insurers, register with the State, submit to financial examinations under certain conditions, comply with court orders and provide a specified notice. No State may require countersignatures or declinations or require the insurer to use a licensed agent if the purchasing group is represented or otherwise discriminate against a purchasing group insurer. Only the State in which the purchasing group has its principal place of business has the authority to regulate the policy forms, rates and coverage provided to the purchasing group and its members. The section also provides that the State of domicile of a domestic purchasing group insurer retains all its customary oversight responsibility for the purchasing group insurer as a licensee of the State.

3. Notice requirements.

The section 5(c) notice requirements for purchasing group insurers are essentially the same as for risk retention groups with the State in which the purchasing group has its principal place of business entitled to be furnished the same information as is given by a risk retention group to its chartering State. Furthermore, copies of documents must be provided to all States in which the purchasing group is doing business and also with the State of domicile of a domestic purchasing group insurer or the State which is the principal place of business of the purchasing group for an alien purchasing group insurer.

4. Power of courts to enjoin conduct.

These section 5(d) powers are identical to those contained in the risk retention section. The provisions emphasize that the section does not affect the authority of any Federal or State court to enjoin: 1) the solicitation or sale of insurance to an ineligible member; 2) the solicitation or sale of insurance by a purchasing group insurer in hazardous financial condition or financially impaired, or, 3) false, deceptive or fraudulent conduct by a purchasing group insurer.

5. State powers to enforce State laws.

Section 5(e) contains provisions which are identical to the risk retention group provisions.

6. States' authority to sue.

Section 5(f) provides that nothing in the section affects the authority of any State to bring an action in Federal or State court. This is identical to the risk retention group provision.

7. Designation of agent.

Also identical to the risk retention group provision, Section 5(g) provides for a purchasing group insurer to register with and designate the insurance commissioner of each State in which the purchasing group has insured members as its agent for service of process.

SECTION 6. SECURITIES LAWS

This section is amended to clarify that the ownership interests of members in a risk retention group are to be deemed exempted securities.

SECTION 7. CLARIFICATION CONCERNING PERMISSIBLE STATE AUTHORITY

1. Subsections (a)-(c) are amended to extend their application to purchasing group insurers.

2. Financial responsiblity.

The second sentence is subsection (d) is stricken for purposes of clarity.

3. Public entities.

A new subsection (e) is added which preempts laws, rules of regulations which would prevent public entities from using the Act to join risk retention groups or purchasing groups. Such preemption is only to occur in the absence of State legislation expressly prohibiting public entities from participating in such groups.

SECTION 8. INJUNCTIVE ORDERS ISSUED BY UNITED STATES DISTRICT COURTS.

The only change made in this section is to add a reference to indicate its applicability to purchasing group insurers as well as risk retention groups.

LIABILITY RISK RETENTION ACT OF 1986

[15 U.S.C. 3901-3906 (1981, as amended 1986)]

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

Sec.
3901. DEFINITIONS
3902. RISK RETENTION GROUPS
(a) Exemptions from State laws, rules, regulations, or orders
(b) Scope of exemptions

(c) Licensing of agents or brokers for risk retention groups

(d) Contractual liability coverage

(e) Determination of membership qualifications

(f)[(d)] Documents for submission to State insurance commissioners

(g)[(e)] Power of courts to enjoin conduct

(h)[(f)] State powers to enforce State laws

(i)[(g)] States' authority to sue

(j)[(h)] State authority to regulate or prohibit ownership interests in risk retention groups

3903. PURCHASING GROUPS

(a) Exemptions from State laws, rules, regulations, or orders

(b) Scope of exemptions

(c) Licensing of agents or brokers for purchasing groups

(d) Notice to State insurance commissioners of intent to do business

(e) Designation of agent for service of documents and process

(f) [Purchases of insurance through licensed agents or brokers acting pursuant to surplus lines laws] *Purchasing group insurers*

(g) State powers to enforce State laws

(h) States' authority to sue

3904. PURCHASING GROUP INSURERS

(a) Qualification and conditions

(b) Regulation of purchasing group insurers

(c) Notice requirements

(d) Power of courts to enjoin conduct

(e) State powers to enforce State laws

(f) States' authority to sue

(g) Designation of agent for service of documents and process

3905[3904]. SECURITIES LAWS

(a) Ownership interests of members in risk retention groups

(b) *Broker/Dealer licenses*

(c)[(b)] Investment companies

(d)[(c)] State blue sky laws

3906[3905]. CLARIFICATION CONCERNING PERMISSIBLE STATE AUTHORITY

(a) State motor vehicle no-fault and motor vehicle financial responsibility laws

(b) Applicability of exemptions

(c) Prohibited insurance policy coverage

(d) State authority to specify acceptable means of establishing financial responsibility

(e) Public entities

3907[3906]. INJUNCTIVE ORDERS ISSUED BY UNITED STATES DISTRICT COURTS

§3901. DEFINITIONS

(a) As used in this chapter—

(1) "insurance" means primary insurance, excess insurance, reinsurance, [surplus lines insurance,] and any other arrangement for shifting and distributing risk which is determined to be insurance under applicable State or Federal law;

(2) "liability"—

(A) means legal liability for damages (including costs of defense, legal costs and fees, and other claims expenses) because of injuries to other persons, damage to the property, or other damage or loss to such other persons resulting from or arising out of—

(i) any business (whether profit or nonprofit), trade, product, services (including professional services), permises, or operations, or

(ii) any activity of any State or local government, or any agency or political subdivision thereof; and

(B) does not include personal risk liability and an employer's liability with respect to its employees other than legal liability under the Federal Employers' Liability Act (45 U.S.C. 51 *et seq.*) *and employers liability insurance in excess of the minimum policy limits required under applicable State workers' compensation laws;*

(3) "personal risk liability" means liability for damages because of injury to any person, damage to property, or other loss or damage resulting from any personal, familial, or household responsibilities or activities, rather than from responsibility or activities referred to in paragraphs (2)(A) and (2)(B);

(4) "risk retention group" means any corporation or other limited liability association—

(A) whose primary activity consists of assuming and spreading all, or any portion, of the liability exposure of its group members;

(B) which is organized for the primary purpose of conducting the activity described under subparagraph (A);

(C) which—

(i) is chartered or licensed as a liability insurance company under the laws of a State and authorized to engage in the business of insurance under the laws of such State; or

(ii) before January 1, 1985, was chartered or licensed and authorized to engage in the business of insurance under the laws of Bermuda or the Cayman Island and, before such date, had certified to the insurance commissioner of at least one State that it satisfied the capitalization requirements of such State, except that any such group shall be considered to be a risk retention group only if it has been engaged in business continuously since such date and only for the purpose of continuing to provide insurance to cover product liability or completed operations liability (as such terms were defined in this section before the date of the enactment of the Risk Retention Act of 1986);

(D) which does not exclude any person from membership in the group solely to provide for members of such a group a competitive advantage over such a person;

(E) which—

(i) has as its owners *and is controlled by* only persons who comprise the membership of the risk retention group and who are provided insurance by such group; or

(ii) has as its sole owner *and is controlled by* an organization which has as—

(I) its members only persons who comprise the membership of the risk retention group; and

(II) its owners only persons who comprise the membership of the risk retention group and who are provided insurance by such group;

(F) whose members are engaged in businesses or activities similar or related with respect to the liability to which such members are exposed by virtue of any related, similar, or common business, trade, product, services, premises, or operations;

(G) whose activities do not include the provision of insurance other than—

(i) liability insurance for assuming and spreading all or any portion of the similar or related liability exposure of its group members; and

(ii) reinsurance with respect to the similar or related liability exposure of *its own members or* any other risk retention group (or any member of such other group) which is engaged in businesses or activities so that such group (or member) meets the requirement described in subparagraph (F) for membership in the risk retention group which provides such reinsurance; and

(H) the name of which includes the phrase "Risk Retention Group".

(5) "purchasing group" means any group which—

(A) has as one of its purposes the purchase of liability insurance on a group basis

(B) purchases such insurance only for its group members and only to cover their similar or related liability exposure, as described in subparagraph (C);

(C) is composed of members whose businesses or activities are similar or related with respect to the liability to which members are exposed by virtue of any related, similar, or common business, trade, product, services, premises, or operations; and

(D) is domiciled in any State; *and*

(E) is controlled by its members;

(6) "State" means any State of the United States, *the Commonwealth of Puerto Rico,* or the District of Columbia;

(7) "hazardous financial condition" means that, based on its present or reasonably anticipated financial condition, a risk retention group or purchasing group insurer is unlikely to be able—

(A) to meet obligations to policyholders with respect to known claims and reasonably anticipated claims; or

(B) to pay other obligations in the normal course of business;

(8) *"principal place of business" of a purchasing group means the State which has been designated by the purchasing group as its principal place of business and in which the purchasing group maintains an office and has and continues to have members;*

(9) *a risk retention group or purchasing group is "controlled" by its members when they retain the power to direct the affairs of the group and to enter at arms length into transactions with insurers and other suppliers of goods and services.*

(10) *A "purchasing group insurer" is any insurer providing insurance to a purchasing group pursuant to this Act.*

(b) Nothing in this chapter shall be construed to affect either the tort law or the law governing the interpretation of insurance contracts of any State, and the definitions of liability, personal risk liability, and insurance under any State law shall not be applied for the purposes of this chapter, including recognition or qualification of risk retention groups or purchasing groups.

§3902. RISK RETENTION GROUPS

Exemptions from State laws, rules, regulations, or orders

(a) Except as provided in this section, a risk retention group is exempt from any State law, rule, regulation, or order to the extent that such law, rule, regulation, or order would—

(1) make unlawful, or regulate, directly or indirectly, the operation of a risk retention group except that the jurisdiction in which it is chartered may regulate the formation and operation of such a group and any State may require such a group to—

(A) comply with the unfair claim settlement practices law of the State;

(B) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on admitted insurers [and surplus lines insurers, brokers, or policyholders] under the laws of the State;

[(C) participate, on a nondiscriminatory basis, in any mechanism established or authorized under the law of the State for the equitable apportionment among insurers of liability insurance losses and expenses incurred on policies written through such mechanism;]

(C)[(D)] register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process;

(D)[(E)] submit to an examination by the State insurance commissioner in any State in which the group is doing business to determine the group's financial condition, if—

(i) the commissioner of the jurisdiction in which the group is chartered has not begun or has refused to initiate an examination of the group; and

(ii) any such examination *is* [shall be] coordinated to avoid unjustified duplication and unjustified repetition *but no risk retention group shall be required to submit to more than one financial examination during any calendar year unless ordered to do so by a Federal court of competent jurisdiction upon a showing of reasonable cause to believe that the risk retention group may be in a hazardous financial condition or financially impaired and upon a finding that a new examination would not be unjustifiably duplicative;*

(E)[(F)] comply with a lawful order issued—

(i) in a delinquency proceeding commenced by the State insurance commissioner if there has been a finding of financial impairment under subparagraph *(D)*[(E)]; or

(ii) in a voluntary dissolution proceeding;

(F)[(G)] comply with any State law regarding deceptive, false or fraudulent acts or practices, except that if the State seeks an injunction regarding the conduct described in the subparagraph, such injunction must be obtained from a court of competent jurisdiction;

(G)[(H)] comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance commissioner alleging that the group is hazardous financial condition or is financially impaired; and

(H)[(I)] provide the following notice, in *at least* 10 point type, in any insurance policy issued by such group:

"NOTICE

"This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group."

(2) require or permit a risk retention group to participate in any insurance insolvency guaranty association to which an insurer licensed in the State is required to belong;

(3) require any insurance policy issued to a risk retention group or any member of the group to be countersigned by an insurance agent or broker [residing in the State];

(4) prohibit a risk retention group from ceding any or all of the insurance issued to its members to any reinsurer which meets the requirements of the risk retention group's chartering State for allowing balance sheet credit;

(5) refuse to recognize as an asset a letter of credit that has been issued by a bank that is a member of the Federal Reserve System and listed by the NAIC Security Valuation Office as meeting NAIC standards, if the letter of credit is drafted in a form that has been approved by the commissioner of the State in which the group is licensed as an insurer and that commissioner has recognized the letter of credit as an asset of the group;

(6)[(4)] otherwise discriminate against a risk retention group, except that nothing in this section shall be construed to affect the applicability of State laws generally applicable to persons or corporations.

Scope of exemptions

(b) The exemptions specified in subsection (a) apply to laws governing the insurance business pertaining to—

(1) liability insurance coverage provided by a risk retention group for—

(a) such group; or

(b) any person who is a member of such group;

(2) the sale of liability insurance coverage for a risk retention group; and

(3) the provision of—

(A) insurance related services,

(B) management, operations, and investment activities, or

(C) loss control and claims administration (including loss control and claims administration services for uninsured risks retained by any member of such group)

for a risk retention group or any member of such group with respect to liability for which the group provides insurance.

Licensing of agents or brokers for risk retention groups

(c) [A State may require that a person acting or offering to act, as an agent or broker for a risk retention group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.] *A State may require licensing or qualification of a person acting or offering to act as an agent or broker for a risk retention group subject to the following—*

(1) Officers, directors and full time employees of a risk retention group may engage in the direct sale and servicing of insurance to members without regard to the brokers' and agents' licensing requirements of any State.

(2) Other persons acting or offering to act as an agent or broker for a risk retention group must obtain a license from the chartering State. That State may not:

(A) impose any qualification or requirement which discriminates against a nonresident insurance agent;

(B) impose licensing requirements different from those applicable to insurance agents generally in that State; or

(C) require such risk retention group to appoint a licensed insurance agent where no person is acting or offering to act in that capacity;

(3) Any insurance agent licensed by the State in which a risk retention group is chartered may act as an insurance agent on behalf of such group in all States where it does business whether or not the insurance agent is licensed by such other States.

Contractual liability coverage

(d) A risk retention group may provide liability insurance coverage to a nonmember as an additional named insured under coverage issued to a member in order to provide insurance for the liability of such nonmember assumed under any contract entered into during the course of the business or activity described in Section 3901(a)(4)(F) of this act.

Determination of membership qualifications

(e) No State, other than the jurisdiction in which a risk retention group is chartered, may require a risk retention group to submit to an examination for the purpose of determining whether its members are engaged in similar businesses or activities pursuant to Section 3901(a)(4)(F) of this Act.

Documents for submission to State insurance commissioners

(f)[*d*] Each risk retention group shall submit—

(1) to the insurance commissioner of the State in which it is chartered—

(A) before it may offer insurance in any State, a plan of operation or a feasibility study which includes the coverages, deductibles, coverage limits, rates, and rating classification systems for each line of insurance the group intends to offer; and

(B) revisions of such plan or study if the group intends to offer any additional lines of liability insurance;

(2) to the insurance commissioner of each State in which it intends to do business, before it may offer insurance in such State—

(A) a copy of such plan or study (which shall include the name of the State in which it is chartered and its principal place of business); and

(B) a copy of any revisions to such plan or study, as provided in paragraph (1)(B) (which shall include any change in the designation of the State in which it is chartered); and

(3) to the insurance commissioner of each State in which it is doing business, a copy of the group's annual financial statement submitted to the State in which the group is chartered as an insurance company, which statement shall be certified by an independent public accountant and contain a statement of opinion on loss and loss adjustment expense reserves made by—

(A) a member of the American Academy of Actuaries, or

(B) a qualified loss reserve specialist *approved by the insurance commissioner of the chartering State*

(4) copies of all documents filed with the chartering State to all other States in which it is doing business. States other than the chartering State may not require risk retention groups to make any filings or provide any other information or submissions other than the submission of copies of documents filed with the chartering State except that:

(A) any State may require that a risk retention group doing business in the State conform to the National Association of Insurance Commissioners' standard when filing the Annual Statement; and

(B) any State may require a risk retention group doing business in the State to make submissions necessary to comply with those State laws from which risk retention groups are not exempt.

Power of courts to enjoin conduct

(g)[(e)] Nothing in this section shall be construed to affect the authority of any Federal or State court to enjoin—

(1) the solicitation or sale of insurance by a risk retention group to any person who is not eligible for membership in such group, [or]

(2) the solicitation or sale of insurance by, or operation of, a risk retention group that is in hazardous financial condition or is financially impaired; *or*

(3) any false, deceptive or fraudulent conduct by a risk retention group or its agents or brokers.

State powers to enforce State laws

(h)[(f)] (1) Subject to the provisions of subsection (a)(1)*(F)*[(G)] of this section (relating to injunctions) and paragraph *(h)*(2) nothing in this chapter shall be construed to affect the authority of any State to make use of any of its powers to enforce the laws of such State with respect to which a risk retention group is not exempt under this chapter.

(2) If a State seeks an injunction regarding the conduct described in paragraphs (1) and (2) of subsection *(g)*[(e)] of this section, such injunction must be obtained from a Federal or State court of competent jurisdiction.

States' authority to sue

(i)[(g)] Nothing in this chapter shall affect the authority of any State to bring an action in any Federal or State court.

State authority to regulate or prohibit ownership interests in risk retention groups

(j)[(h)] Nothing in this chapter shall be construed to affect the authority of any State to regulate or prohibit the ownership interest in a risk retention group by an insurance company in that State, other than in the case of ownership interest in a risk retention group whose members are insurance companies.

§3903. PURCHASING GROUPS

Exemptions from State laws, rules, regulations, or orders

(a) Except as provided in this section and section [3905] of this title, a purchasing group is exempt from any State law, rule, regulation, or order to the extent that such law, rule, regulation, or order would—

(1) prohibit the establishment of a purchasing group;

(2) make it unlawful for an insurer to provide or offer to provide insurance on a basis providing, to a purchasing group or its members, advantages, based on their *exposure and their* loss and expense experience, not afforded to other persons with respect to rates, policy forms, coverages, or other matters;

(3) prohibit a purchasing group or its members from purchasing insurance on the group basis described in paragraph (2) of this subsection;

(4) prohibit a purchasing group from obtaining insurance on a group basis because the group has not been in existence for a minimum period of time or because any member has not belonged to the group for a minimum period of time;

(5) require that a purchasing group must have a minimum number of members, common ownership or affiliation, or a certain legal form;

(6) require that a certain percentage of a purchasing group must obtain insurance on a group basis;

(7) require that any insurance policy issued to a purchasing group or any members of the group be countersigned by an insurance agent or broker [residing in that State]; or

(8) otherwise discriminate against a purchasing group or any of its members.

Scope of exemptions

(b) The exemptions specified in subsection (a) of this section apply to—

(1) liability insurance, provided to—

(A) a purchasing group; or

(B) any person who is a member of a purchasing group; and

(2) the provision of—

(A) liability coverage;

(B) insurance related services; or

(C) management services;

to a purchasing member of the group.

Licensing of agents or brokers for purchasing groups

(c) [A state may require that a person acting or offering to act, as an agent or broker for a purchasing group obtain a license from the State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.] *A State may require licensing or qualification of a person acting or offering to act as an agent or broker for a purchasing group subject to the following—*

(1) Officers, directors and full time employees of a purchasing group may engage in the direct sale and servicing of insurance to members without regard to the brokers' and agents' licensing requirements of any State.

(2) Other persons acting or offering to act as an agent or broker for a purchasing group must obtain a license from the State that is the principal place of business of the group. That State may not:

(A) impose any qualification or requirement which discriminates against a nonresident insurance agent;

(B) impose licensing requirements different from those applicable to insurance agents generally in the State; or

(C) require such purchasing group to appoint a licensed insurance agent where no person is acting or offering to act in that capacity;

(3) Any insurance agent licensed by the State in which the purchasing group has its principal place of business may act as an insurance agent on behalf of such purchasing group in all States where it does business whether or not the insurance agent is licensed by such other States.

Notice to State insurance commissioners of intent to do business

(d)(1) A purchasing group which intends to do business in any State shall furnish notice of such intention to the insurance commissioner of such State. Such notice—

(A) shall identify the State in which such group is domiciled;

(B) shall specify the lines and classifications of liability insurance which the purchasing group intends to purchase;

(C) shall identify the insurance company from which the group intends to purchase insurance and *the address, telephone number and* domicile of such company; [and]

(D) shall identify the principal place of business of the group;

(E) shall identify the principals or officers of the purchasing group;

(F) shall identify any organization engaged to manage or service the operation of the purchasing group and the address of any such organization; and

(G) shall certify that all members of the purchasing group are engaged in similar or related business or activities as regards their liability exposure.

(2) Such purchasing group shall notify the commissioner of any such State as to any subsequent changes in any of the items provided in such notice.

Designation of agent for service of documents and process

(e) A purchasing shall register with and designate the State insurance commissioner of each State in which it does business as its agent solely for the purpose of receiving service of legal documents or process, except that such requirement shall not apply in the case of a purchasing group—

(1) which—

(A) was domiciled before April 1, 1986; and

(B) is domiciled on and after September 25, 1981; in any State of the United States;

(2) which—

(A) before September 25, 1981, purchased insurance from an insurance carrier licensed in any State; and

(B) since September 25, 1981, purchases its insurance from an insurance carrier licensed in any State;

(3) which was a purchasing group under the requirements of this chapter before October 27, 1986; and

(4) as long as such group does not purchase insurance that was not authorized for purposes of an exemption under this chapter as in effect before October 27, 1986.

[Purchases of insurance through licensed agents or brokers acting pursuant to surplus lines laws]

[(f) A purchasing group may not purchase insurance from a risk retention group that is not chartered in a State or from an insurer not admitted in the State in which the purchasing group is located, unless the purchase is effected through a licensed agent or broker acting pursuant to the surplus lines laws and regulations of such State.]

State powers to enforce State laws

(f)[(g)] Nothing in this chapter shall be construed to affect the authority of any State to make use of any of its powers to enforce the laws of such State with respect to which a purchasing group is not exempt under this chapter.

States' authority to sue

(g)[(h)] Nothing in this chapter shall affect the authority of any State to bring an action in any Federal or State court.

§3904. PURCHASING GROUP INSURERS

Qualifications and conditions

(a) Admitted insurers, approved surplus lines insurers and non-admitted insurers shall be permitted to provide insurance under this Act to purchasing groups pursuant to the following conditions and qualifications and subject to the other provisions of this chapter:

(1) An insurer will be considered qualified to write purchasing group insurance under this Act if the insurer:

(A) is admitted in at least one State, and:

(i) has the capital and surplus required of an admitted insurer doing the same kind and amount of business under the laws and regulations of each State in which it is writing insurance for a purchasing group or its members;

(ii) retains risk net of reinsurance in an amount less than the maximum permitted admitted insurers under the laws and regulations of each State in which it is writing insurance for a purchasing group or its members;

(iii) maintains a premium to surplus ratio no greater than 3 to 1; and

(iv) maintains minimum capital and surplus of at least $3 million as determined in accordance with the statutory accounting principles in the principal place of business of the purchasing group; or

(B) is domiciled in a State certified by the NAIC as meeting NAIC financial regulatory standards; or

(C) is an alien insurer and is listed on the most recent NAIC "Non-Admitted Insurers Quarterly Listing" or has been approved for listing subsequent to publication of the NAIC's most recent listing.

Regulation of Purchasing Group Insurers

(b) The provision of insurance to a purchasing group by a qualified purchasing group insurer shall be regulated by the State in which the purchasing group has its principal place of business and the authority of other States in which such insurance is provided to any group member is limited to those matters authorized by this section; provided, however, that the State of domicile of a domestic purchasing group insurer shall retain all its customary oversight responsibility of the purchasing group insurer as a licensee of the State.

(1) The State in which a purchasing group has its principal place of business shall, with regard to the insurer's provision of purchasing group insurance, and subject to the exemptions contained in §3909(a), apply the policy form, coverage and rating laws and regulations of the State in the same manner as if the purchasing group insurer were an admitted carrier in that State;

(2) Any State may require a purchasing group insurer to—

(A) comply with the unfair claim settlement practices law of the State;

(B) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on admitted insurers under the laws of the State;

(C) register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process;

(D) submit to an examination by the State insurance commissioner in any State in which the purchasing group insurer is doing purchasing group business to determine the group's financial condition, if—

(i) the commissioner of the jurisdiction in which the purchasing group insurer is domiciled has not begun or has refused to initiate an examination of the insurer; and

(ii) any such examination is coordinated to avoid unjustified duplication and unjustified repetition but no purchasing group insurer shall be required to submit to more than one financial examination during any calendar year unless ordered to do so by a Federal court of competent jurisdiction upon a showing of reasonable cause to believe that the purchasing group insurer may be in a hazardous financial condition or financially impaired and upon a finding that a new examination would not be unjustifiably duplicative;

(E) comply with a lawful order issued—

(i) in a delinquency proceeding commenced by the State insurance commissioner if there has been a finding of financial impairment under subparagraph (E); or

(ii) in a voluntary dissolution proceeding;

(F) comply with any State law regarding deceptive, false or fraudulent acts or practices, except that if the State seeks an injunction regarding the conduct described in the subparagraph, such injunction must be obtained from a court of competent jurisdiction;

(G) comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance commissioner alleging that the purchasing group insurer is in hazardous financial condition or is financially impaired; and

(H) provide the following notice, in at least 10 point type, in any insurance policy issued to a purchasing group.

NOTICE

This policy is issued by your purchasing group insurer which may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds may not be available for your purchasing group insurer.

(3) No State may:

(A) require any insurance policy issued to a purchasing group or any member of the group to be countersigned by an insurance agent or broker, or

(B) require the submission of declinations or certificates of non-availability prior to or as a condition of writing purchasing group insurance; or

(C) require a purchasing group insurer to use a licensed agent with respect to the provision of insurance to a purchasing group if the purchasing group is represented by an agent qualified under section 3903(c); or

(D) otherwise discriminate against a purchasing group insurer, except that nothing in this section shall be construed to affect the applicability of State laws generally applicable to persons or corporations.

(4) No State, other than the State in which the purchasing group has its principal place of business, shall have the right to regulate policy forms, rates or coverage provided the purchasing group except as otherwise provided by Sec. 3906 of this Act.

Notice Requirements

(c) Purchasing groups insurers shall furnish

(1) to the insurance commissioner of the State in which the purchasing group has its principal place of business—

(A) the coverages, deductibles, coverage limits, rates and rating classification systems for each line of insurance the insurer intends to offer the purchasing group and its members; and

(B) a copy of the insurer's annual financial statement, which statement shall be certified by an independent public accountant and contain a statement of opinion on loss and loss adjustment expense reserves made by—

(i) a member of the American Academy of Actuaries, or

(ii) a qualified loss reserve specialist approved by the insurance commissioner of the purchasing group insurer's State of domicile for a domestic purchasing group insurer or by the insurance commissioner of the purchasing group's principal place of business for an alien purchasing group insurer; and

(C) such other information as the commissioner may require.

(2) copies of all documents filed with the State in which the purchasing group has its principal place of business to its State of domicile and to all other States in which it is doing business. States other than that of the purchasing group's principal place of business may not require a purchasing group insurer to make any filings or provide any other information or submissions other than the submission of copies of documents filed with the State in which the purchasing group has its principal place of business except that:

(A) any State may require that a purchasing group insurer doing business in the State conform to the National Association of Insurance Commissioners' standard when filing the Annual Statement; and

(B) any State may require a purchasing group insurer doing business in the State to make submissions necessary to comply with those State laws from which purchasing group insurers are not exempt.

Power of courts to enjoin conduct

(d) Nothing in this section shall be construed to affect the authority of any Federal or State court to enjoin—

(1) the solicitation of sale of insurance by a purchasing group insurer to any person who is not eligible for membership in such group;

(2) the solicitation or sale of insurance by, or operation of, a purchasing group insurer that is in hazardous financial condition or is financially impaired; or

(3) any false, deceptive or fraudulent conduct by a purchasing group, purchasing group insurer, agents or brokers.

State powers to enforce State laws

(1) Nothing in this chapter shall be construed to affect the authority of any State to make use of any of its powers to enforce the laws of such State with respect to which a purchasing group insurer is not exempt under this chapter.

(2) If a State seeks an injunction regarding the conduct described in paragraphs (1) and (2) of subsection (d) of this section, such injunction must be obtained from the Federal or State court.

States' authority to sue

(f) Nothing in this chapter shall affect the authority of any State to bring an action in any Federal or State court.

Designation of agent for service of documents and process

(g) A purchasing group insurer shall register with and designate the State insurance commissioner of each State in which the purchasing group has insured members as its agent solely for the purpose of receiving service of legal documents or process.

§ 3905[3904]. SECURITIES LAWS

Ownership interests of members in risk retention groups

(a) The ownership interests of members in a risk retention group or proposed risk retention group shall be *deemed to be exempted securities for purposes of the Securities Act of 1933 and the Securities Exchange Act of 1934.*

[(1) considered to be exempted securities for purposes of section 77q of this title and for purposes of section 78 of this title.**]**

[(2) considered to be securities for purposes of section 77q of this title and the provisions of section 78q of this title.**]**

Investment companies

(b) A risk retention group shall not be considered to be an investment company for purposes of the Investment Company Act of 1940 (15 U.S.C. 80a-1 *et seq.*).

State blue sky laws

(c) The ownership interests of members in a risk retention group shall not be considered securities for purposes of any State blue sky law.

§ 3906[3905]. CLARIFICATION CONCERNING PERMISSIBLE STATE AUTHORITY

State motor vehicle no-fault and motor vehicle financial responsibility laws

(a) Nothing in this chapter shall be construed to exempt a risk retention group, *purchasing group insurer* or purchasing group authorized under this chapter from the policy form or coverage requirements of any State motor vehicle no-fault or motor vehicle financial responsibility insurance law.

Applicability of exemptions

(b) The exemptions provided under this chapter shall apply only to the provision of the liability insurance by a risk retention group *or a purchasing group insurer* or the purchase of liability insurance by a purchasing group, and nothing in this chapter shall be construed to permit the provision or purchase of any other line of insurance by any such group *or insurer*.

Prohibited insurance policy coverage

(c) The terms of any insurance policy provided by a risk retention group *or purchasing group insurer pursuant to this Act* or purchased by a purchasing group shall not provide or be construed to provide insurance policy coverage prohibited generally by State statute or declared unlawful by the highest court of the State whose law applies to such policy.

State authority to specify acceptable means of establishing financial responsibility

(d) Subject to the provisions of section 3902(a)**[**(4)**]***(5), 3903(a)(8), and 3904(b)(4)* of this title relating to discrimination, nothing in this chapter shall be construed to preempt the authority of a State to specify acceptable means of demonstrating financial responsibility as a condition for obtaining a license or permit to undertake specified activities. **[Such means may include or exclude insurance coverage obtained from an admitted insurance company, an excess lines company, a risk retention group, or any other source regardless of whether coverage is obtained directly from an insurance company or through a broker, agent, purchasing group, or any other person.]**

Public Entities

(e) Any law, rule or regulation which would make unlawful the forming or joining of a risk retention group or a purchasing group by a State or any local government or agency or political subdivision thereof is preempted by this chapter in the absence of State legislation expressly prohibiting such forming or joining.

§ 3907[3906]. INJUNCTIVE ORDERS ISSUED BY UNITED STATES DISTRICT COURTS

Any district court of the United States may issue an order enjoining a risk retention group *or purchasing group insurer* from soliciting or selling insurance, or operating, in any State (or in all States) or in any territory or possession of the United States upon a finding of such court that such group is in hazardous financial condition. Such order shall be binding on such group, its officers, agents, and employees, and on any other person acting in active concert with any such officer, agent or employee, if such other person has actual notice of such order.•

By Mr. LAUTENBERG (for himself, Mr. BOREN, and Mr. RIEGLE):

S. 2220. A bill to amend the Internal Revenue Code of 1986 to make the targeted jobs tax credit available for a 1-year period to employers who hire long-term unemployed individuals; to the Committee on Finance.

LONG-TERM UNEMPLOYMENT REDUCTION ACT

• Mr. LAUTENBERG. Mr. President, today, along with the distinguished Senator from Oklahoma, Senator BOREN, and the distinguished Senator from Michigan, Senator RIEGLE, I am introducing legislation, the Long-Term Unemployment Reduction Act, to promote the hiring of the long-term unemployed.

The bill proposes a 1-year expansion of the targeted jobs tax credit, or TJTC, to include individuals who have been receiving unemployment compensation for at least 6 months.

Mr. President, our Nation is in an economic crisis. About 9 million Americans are out of work. Millions more are teetering on the edge.

Of those out of work, many have been jobless for several months or more, and have few realistic prospects. As bills mount and savings run dry, the pressures facing these Americans and their families are enormous.

The consequences of long-term unemployment are serious, both for the jobless themselves, and for the Nation as a whole. Studies indicate that unemployed people commit more crimes. They have more family and medical problems. And they have higher rates of suicide.

They also find themselves caught in a Catch-22. The longer they're out of work, the less attractive they become to prospective employers. Even in a recession, too many employers still think that if you've been out of work for a long time, there must be something wrong with you. That's not fair, but that's the reality. And so, the longer you're out of work, the harder it becomes to find a job. It's a vicious cycle that's very hard to escape.

The long-term unemployed need a helping hand to break out of that cycle. Particularly in our current economic climate.

This legislation provides that helping hand.

The bill is very simple, and builds on a well-established, existing program, the targeted jobs tax credit.

Under current law, the TJTC is available to employers who hire from among nine targeted groups. These include economically disadvantaged youth, Vietnam-era veterans, ex-convicts, vocational rehabilitation participants, AFDC recipients, and others. The credit generally is calculated by taking 40 percent of the first $6,000 of qualifying first year wages. In other words, when an employee earns at least $6,000 in the first year, the tax credit typically is worth $2,400.

Our legislation simply includes the long-term unemployed among the targeted groups for the TJTC. Under the proposal, employers who hire people who have been receiving unemployment compensation for at least 6 months will get the same benefits as those who hire ex-convicts or welfare recipients.

To qualify, employers must take reasonable steps to recruit the long-term unemployed, such as contacting their local employment service or JTPA office. In addition, employers must retain workers hired under the program for at least 120 days. The credit is available for workers whose wages are up to 130 percent of average wage rates, as determined by the Secretary of Labor.

Mr. President, encouraging employment of the long-term unemployed is more than a matter of basic compassion. It's also good economic and social policy.

The long-term unemployed represent what might be considered wasted human capital—resources that should be contributing to economic growth, but are not. Putting these people back to work, and increasing their spending power, should help stimulate the economy to the benefit of all Americans.

Moreover, the long-term unemployed impose real costs on working Americans. We lost the tax contributons they would normally make. And they require additional government outlays, through unemployment compensation, AFDC, and other social welfare programs.

In addition, reducing long-term unemployment should reduce the social problems associated with long-term joblessness, including spousal and child abuse, and other violent crimes.

Mr. President, this proposal will not, by itself, solve the problem of long-term unemployment. Much more must be done. I also have introduced legislation that would increase investment in our transportation infrastructure. That would mean not only more new jobs immediately, but greater national productivity in the long term. Many other proposals also will be considered in the weeks ahead.

Our legislation, however, has several notable advantages over some other antirecession plans.

First, this is a bill that can produce results quickly. It's a simple proposal. It's based on an existing program that has been in effect for well over a decade. It doesn't require a lot of planning, or development of new regulations by Government officials. And it can be understood by beneficiaries and businesses without a great deal of education and assistance.

Second, this bill would not require the establishment of an immense Government bureaucracy. That means greater efficiency and lower costs to taxpayers. It also ensures that we will not be stuck with an entrenched Government bureaucracy of limited usefulness once the economy turns around.

Third, the bill is well targeted. It helps those who have tried to help themselves. The bill is limited to those who have been receiving unemployment compensation. This will help ensure that beneficiaries were laid off against their will, and have been actively seeking employment.

Fourth, the bill proposes a temporary solution to deal with what we all expect will be a temporary problem. It will not create a permanent drain on the Federal Treasury. In fact, by pulling the long-term unemployed into the labor force, the legislation may well help generate additional revenues for Federal, State and local governments well into the future.

Finally, I am hopeful that this proposal can avoid the intense partisan wrangling that has characterized the debate on so many economically related proposals. the TJTC enjoys strong, bipartisan support in both houses of Congress. There are 53 cosponsors of Senator BOREN's legislation to make the credit permanent, and 269 cosponsors of companion House legislation. Cosponsors include many members of both parties. President Bush called for an extension of the TJTC in his fiscal year 1993 budget.

I offer this legislation in the hope that it will contribute to the upcoming debate on how to respond to our serious economic problems. As I said, it is not a comprehensive approach to the unemployment problem, and much more needs to be done. But it does represent a realistic, practical approach to a serious national problem that demands immediate action.

I hope my colleagues will support the bill, and I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2220

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Long-Term Unemployment Reduction Act".

SEC. 2. TAX CREDIT FOR HIRING LONG-TERM UNEMPLOYED.

(a) ALLOWANCE OF CREDIT.—Paragraph (1) of section 51(d) of the Internal Revenue Code of 1986 (defining members of targeted groups) is amended by striking "or" at the end of subparagraph (I), by striking the period at the end of subparagraph (J) and inserting ", or", and by adding at the end the following new subparagraph:

"(K) a long-term unemployed individual."

(b) LONG-TERM UNEMPLOYED.—Section 51(d) of such Code is amended by adding at the end thereof the following new paragraph:

"(17) LONG-TERM UNEMPLOYED.—

"(A) IN GENERAL.—The term 'long-term unemployed individual' means an individual—

"(i) who has been receiving unemployment compensation at all times during the 6-month period ending with the last day of the month preceding the hiring date, or "(ii) who—

"(I) was receiving unemployment compensation but exhausted all rights to such compensation, and

"(II) has remained unemployed during the period beginning on the date such rights were exhausted and ending on the day before the hiring date.

"(B) EFFECTIVE PERIOD.—Notwithstanding subsection (c)(4), in the case of a long-term unemployed individual, the term 'wages' shall include amounts paid or received for individuals who begin work for the employer during the 1-year period beginning on the date of the enactment of this paragraph.

"(C) UNEMPLOYMENT COMPENSATION.—For purposes of this paragraph, the term 'unemployment compensation' has the meaning given such term by section 85(b)."

(c) CERTAIN INDIVIDUALS ELIGIBLE.—Section 51(i) of such Code (relating to certain individuals ineligible) is amended by adding at the end of the following new paragraph:

"(4) SPECIAL RULES FOR LONG-TERM UNEMPLOYED.—

"(A) IN GENERAL.—No wages shall be taken into account under subsection (a) with respect to any long-term unemployed individual (as defined in subsection (d)(17)) unless—

"(i) notwithstanding paragraph (3), the individual is employed by the employer at least 120 days,

"(ii) at no time during the 120-day period do the hourly wages paid to the individual exceed 130 percent of the average hourly wages for nonfarm labor (as determined by the Secretary of Labor) for the calendar year preceding the calendar year in which the hiring date occurs in the State in which the principal place of employment is located (or, if greater, such average hourly wages for the standard metropolitan statistical area in which such place is located), and

"(iii) the employer certifies on the return of tax for the taxable year for which credit is claimed that the individual was hired after the employer took reasonable actions to specifically recruit long-term unemployed individuals.

"(B) REDUCTION IN WAGES.—If the requirements of subparagraph (A)(ii) would not be met for an individual if '120 percent' were substituted for '130 percent', the wages otherwise taken into account with respect to such individual under subsection (a) shall be reduced by 10 percent for each 1 percent (or fraction thereof) by which such individual's hourly wages exceed 120 percent of the average hourly wages applicable under subparagraph (A)(ii).

"(C) PERSONS PAID ON NONHOURLY BASIS.—If an individual's wages are not computed on an hourly basis, the hourly equivalent of such wages shall be used for purposes of this paragraph."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals hired on and after the date of the enactment of this Act.

• Mr. BOREN. Mr. President, I am pleased to introduce, with Mr. LAUTENBERG, legislation that presents an innovative expansion of the targeted jobs tax credit to address an immediate and serious problem in this country—the problem of long-term unemployment. My colleague has detailed the enormity of the problem: 9 million Americans are unemployed, and, as the recession drags on, more of our citizens will join their ranks. The challenge for the Congress is to provide them hope and help.

This legislation is one way to offer such aid. It expands a government program that is already very successful. Since the targeted jobs tax credit was enacted into law, it has resulted in the employment of over 4½ million Americans. This program has been an extraordinarily effective tool in encouraging the employment of members of target groups with severe barriers to employment, including economically disadvantaged youth, disabled persons, Vietnam veterans, ex-offenders, and AFDC, SSI, and general assistance recipients.

I have always been a great supporter of the tax credit. Indeed, I have introduced legislation that is pending before this Congress to make this credit permanent for the current targeted groups. My objective is to take a program that has been proven to be effective and to extend it so that it can help combat other unemployment problems.

The legislation we introduce today is consistent with that objective. It adds as a target group the long-term unemployed. Employers who hire people who have been receiving unemployment for at least 6 months will receive a 40-percent tax credit for the first $6,000 of qualifying first-year wages. It is temporary to deal with a short-term problem caused by the current economic downturn.

Together with other initiatives, this expansion of TJTC can begin to combat the problem of unemployment in these recessionary times. I urge my colleagues to study and support the bill.•

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 2221. A bill to amend the Emergency Unemployment Compensation Act of 1991 to correct certain inconsistencies between State and Federal unemployment compensation rules and assure that all eligible individuals will receive full unemployment benefits; to the Committee on Finance.

UNEMPLOYMENT BENEFITS ASSURANCE ACT

Mr. KENNEDY. Mr. President, I am today introducing legislation to correct a serious flaw in the design of the extended unemployment benefit program that has the anomalous effect of penalizing unemployed workers who have taken part-time jobs to help feed and house their families while they continue their search for full-time jobs.

Workers who have been unemployed for more than 1 year are finding that if they had earnings above a certain level from part-time work during the previous year, they are no longer eligible for Federal extended benefits. Instead they must revert to collecting regular State unemployment benefits, but at a level based on their part-time earnings rather than on what they were earning at their full-time jobs.

In Massachusetts, nearly 1,000 unemployed workers have had their benefits reduced by more than 50 percent, merely because they managed to earn more than $1,200 from part-time work during 1991. Those numbers will increase—in Massachusetts and many other high unemployment States—as more and more workers enter their second year of unemployment.

Current law requires workers who have had earnings over a certain specified amount in the year since they filed their initial claim for unemployment to file a new claim for benefits. At that point their benefits are recalculated, not on the basis of their earnings in their previous, full-time jobs, but on the basis of any income earned during the year.

The unfairness of this situation is illustrated by comparing the situation of two hypothetical workers who were laid off in January 1991. Each collected State unemployment benefits of $280 a week until benefits ran out in August. One, who desperately needed income while looking for full-time work, took the only job available, a part-time job in a restaurant paying $100 a week. The other passed up the chance for part-time work and continued to look full-time for a permanent job.

In November, when the Federal extended benefit program was enacted, both began collecting extended benefits of $280 a week. But in January, the worker with part-time earnings was informed that she no longer qualified for Federal extended benefits and instead could only receive State benefits of $25 a week, calculated on the basis of her 1991 part-time earnings. The other unemployed worker continues to collect extended benefits of $280 a week.

It was never Congress' intent to penalize unemployed workers who are enterprising enough and fortunate enough to find part-time work to help tide them over while they look for full-time employment. The legislation I am introducing today will correct that anomaly by giving workers who have come to the end of their first year of unemployment the option to continue to receive Federal extended benefits before they receive their State benefits. With this change, unemployed workers who, because of part-time earnings, would otherwise have their benefits slashed can receive the full benefits that Congress intended when it enacted the extended benefits program.

I urge my colleagues to correct this injustice by enacting this legislation at the earliest possible date, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2221

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Unemployment Benefits Assurance Act of 1992".

SEC. 2. ASSURANCE OF FULL BENEFITS.

(a) SPECIAL RULE FOR COMPUTING WEEKLY BENEFIT AMOUNT.—Section 101 of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) is amended by adding at the end thereof the following new subsection:

(f) SPECIAL RULE.—Notwithstanding any other provision of this section, an individual, who is receiving emergency unemployment compensation and who is eligible under State law to file a new claim for regular compensation (because such individual has sufficient wages or employment, or both) on the basis of which a subsequent benefit year can be established, may elect (notwithstanding any State law to the contrary) to continue to receive the maximum weekly benefit amount established for such individual pursuant to this Act, if such individual files a new claim for regular compensation and elects not to receive such regular compensation under any State law for a week of unemployment to which such new claim applies. Such election shall remain in effect until the individual has exhausted all rights to emergency unemployment compensation under this subsection."

(b) EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.—Section 102 of the Emergency Unemployment Compensation Act of 1991 is amended by adding at the end thereof the following new subsection:

(h) SPECIAL RULES.—No State shall establish a new emergency unemployment compensation account for any individual receiving emergency unemployment compensation under section 101(f) until such individual exhausts all rights to regular compensation as provided by section 101(c)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment to which the Emergency Unemployment Compensation Act of 1991 applies.

By Mr. BREAUX:

S. 2222. A bill to amend the Internal Revenue Code of 1986 to encourage the formation of, and donation of contributions to, apprenticeship education organizations; to the Committee on Finance.

LEADING EMPLOYERS INTO APPRENTICESHIP PARTNERSHIPS ACT

• Mr. BREAUX. Mr. President, I rise today to introduce the LEAP bill, leading employers into apprenticeships programs. This bill is identical to H.R. 2550 a bill introduced by Representatives GRANDY and RANGEL.

Mr. President, our children are our future. We need to make critical investments in human capital. There are many proposals now pending to help students going to college which I support. But this only takes care of half of our students. We also need to help those students that want to learn skills and go directly to the workforce after high school.

This bill is intended to bring together school, business, and community leaders to develop youth apprenticeship programs. These programs match high school students with businesses. An example of a youth apprenticeship program follows:

During 10th grade, interested students would be taken to tour various companies and see what types of jobs are available and what types of skills are needed. They could choose to take a youth apprenticeship track during the 11th and 12th grade, meaning they would spend part of their time taking their core graduation requirements and part of their time working for a minimum wage in a company and providing training. At the end of the apprenticeship, the student would receive a "Certificate of Apprenticeship" and be able to go right to work.

Mr. President, the key to a successful youth apprenticeship program is getting the business community involved.

The bill allows the establishment of a 501(c) tax exempt organization. Businesses would get a "super deduction" for contributing to the organization, meaning they could recover up to 50 cents on the dollar for contributions made to the youth apprenticeship organization. The tax exempt organization would be composed of State, local, officials, education officials, and members of the business community. They would be responsible for putting together qualified apprenticeship programs and for placing students with businesses.

Mr. President, I plan to work to revise this legislation, but wanted to introduce it today so that it can be considered as the Congress deliberates economic growth proposals. Let's not forget that human capital is the most important form of capital we have, and we need to invest in our people.●

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S.J. Res. 254. Joint Resolution commending the New York Stock Exchange on the occasion of its bicentennial; to the Committee on the Judiciary.

BICENTENNIAL OF THE NEW YORK STOCK EXCHANGE

Mr. MOYNIHAN. Mr. President, on May 17 of this year, the New York Stock Exchange will mark its 200th year of operation. Today I am introducing, together with my distinguished colleague from New York, Senator D'AMATO, a joint resolution to commemorate the bicentennial of the New York Stock Exchange.

Like many great institutions, the New York Stock Exchange was born in crisis—the financial and fiscal crisis that followed the American Revolution. State governments were virtually immobilized, having been impoverished by the war. In order to restore creditors' confidence, Alexander Hamilton proposed in his report on the public credit that the new National Government assume the Revolutionary War debt of each State. He recommended that $80 million in Federal Government bonds, or public stock as they were called at the time, be sold to refinance the debt.

Initially, the Southern States opposed Hamilton's plan. Virginia, which pretty much spoke for the South, had arranged to repay its debt. The Northern States had not paid theirs—and also had more debt—nearly a third of the battles of the Revolutionary War were fought on New York soil. Northern financiers had bought up a good deal of this debt in the form of much discounted bonds, and stood to profit handsomely if the new Federal Government assumed the obligation.

Also in dispute at the time was whether the Nation's capital would remain in New York or move south. Not just region but mores were at issue. Was ours to be a country run by southern farmers or by northern financiers? Something large and enduring was at stake.

On or about June 20, 1790, Thomas Jefferson, then Secretary of State, Alexander Hamilton, the Secretary of the Treasury, and James Madison, Member of the House of Representatives for the Fifth District of Virginia, met over Jefferson's dinner table at 57 Maiden Lane, in Manhattan. There they reached one of the momentous agreements of American political history.

Jefferson made the deal. The war debt would be assumed. In return, the capital would move to a swamp on the banks of the Potomac which turned malarial in April. Any congressman who lingered on into May might not be back in December, when Congress at that time convened.

The Compromise of 1790, as historians refer to the Jefferson-Hamilton agreement, resulted in the issuance of some $80 million in Federal Government bonds to refinance the States' war debts. These new Federal bonds, along with shares in a few banks and insurance companies, encouraged the growth of trading on downtown Manhattan's streets, which had gotten started earlier with the States' war bonds. But there were problems. Trading took place in assorted coffeehouses, auction rooms and offices. It was unorganized and liquidity was far from assured.

On May 17, 1792, 24 brokers and dealers in securities signed the Buttonwood Agreement, named after the buttonwood, or sycamore, tree on Wall Street that shaded the spot where they conducted business. The signers agreed to charge fixed commission rates and to abide by rules of fair practice. In 1817 the successors of the Buttonwood signers incorporated the New York Stock & Exchange Board which in 1863 became the New York Stock Exchange.

The exchange, which used to conduct all of its trading in a rented room at 40 Wall Street, today can handle volume of up to 800 million shares thanks to advances in electronic and computer technology. The largest stock exchange in existence, it is the best known symbol throughout the country and the world of America's free enterprise system. The NYSE model—a competitive agency-auction market, where buyers and sellers interact to establish price—

has inspired newly emerging stock exchanges in Asia, Eastern Europe, and Latin America.

As the New York Stock Exchange enters its third century, it continues to help finance the growth of our country's economy, contributing to job creation and the development of the Nation's industry, technology and infrastructure. I invite my fellow Senators to join me in commemorating the bicentennial of this distinguished national institution.

I ask unanimous consent that the full text of the resolution be printed at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 254

Whereas, on May 17, 1792, the New York Stock Exchange was founded by twenty-four merchants and brokers who gathered under a buttonwood tree in lower Manhattan to establish a reliable market for the trading of securities;

Whereas the New York Stock Exchange has helped finance American's growth from its very beginning, significantly contributing to job creation and to the development of the Nation's industry and technology;

Whereas the New York Stock Exchange is both the Nation's and the world's best known symbol of America's free enterprise system;

Whereas the New York Stock Exchange has committed its energy and expertise to advance our Nation's free market philosophy to other countries around the world; and

Whereas the New York Stock Exchange is a quasi-public institution, dedicated to the promotion of individual and institutional investor protection, and to just and equitable principles of trade: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the New York Stock Exchange is hereby commended on the occasion of its bicentennial. The President is authorized and requested to issue a proclamation acknowledging and commending this occasion.

Mr. D'AMATO. Mr. President I am pleased to cosponsor a joint resolution introduced by the senior Senator from New York [Mr. MOYNIHAN] to commemorate the New York Stock Exchange as it celebrates its 200th year in 1992. We urge other Senators to join us in cosponsoring this resolution.

The New York Stock Exchange has its origins in the so-called Buttonwood Agreement of May 17, 1792. On this day, 24 brokers and dealers in stocks and bonds agreed to trade with each other and to adhere to certain rules of fair practice.

The Buttonwood Agreement marks the commencement of an organized securities market. The New York Stock Exchange has, in turn, set the standard for securities trading around the world. Over the last 200 years, the New York Stock Exchange has maintained an open auction market—allowing buyers and sellers to determine the price of a security listed on the Big Board.

This open market is one of integrity and is ostensibly the inspiration for many emerging stock exchanges in such developing countries as Asia, Eastern Europe, and Latin America.

The story of the New York Stock Exchange is a prime illustration of the success of America's free market economy. The New York Stock Exchange allows large and small investors the opportunity to share in the growth of the finest companies in America and abroad.

Shares of 1,800 companies currently trade on the New York Stock Exchange. These shares represent an aggregate value of more than $3 trillion. Rapid advances in electronics and computer technology have helped make possible huge increases in trading volume. This trading system is supported by advanced electronic surveillance and self-regulatory safeguards. The exchange's electronic system withstood its toughest challenge on October 20, 1987, when 608 million shares changed hands. Currently, the New York Stock Exchange has the capacity to handle peak volume days of 800 million shares.

Approximately 40 billion shares of stock change hands in the stock market every year, a significant measure of the breadth and enormous liquidity available to American's 51 million investors.

As the New York Stock Exchange begins its third century of operation, I urge my colleagues to cosponsor this resolution that marks the celebration of the achievements of the American free enterprise system.

ADDITIONAL COSPONSORS

S. 101

At the request of Mr. SANFORD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 101, a bill to mandate a balanced budget, to provide for the reduction of the national debt, to protect retirement funds, to require honest budgetary accounting, and for other purposes.

S. 301

At the request of Mr. LEVIN, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 301, a bill to amend the Trade Act of 1974 to strengthen and expand the authority of the U.S. Trade Representative to identify trade liberalization priorities, and for other purposes.

S. 843

At the request of Mr. BREAUX, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 1423

At the request of Mr. DODD, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 2064

At the request of Mr. HATFIELD, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 2064, a bill to impose a one-year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

S. 2070

At the request of Mr. MOYNIHAN, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 2070, a bill to provide for the management of judicial space and facilities.

S. 2094

At the request of Mr. SIMON, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2094, a bill to repeal sections 601 and 604 of the Emergency Unemployment Compensation Act of 1991, relating to certain student loan provisions.

S. 2176

At the request of Mr. KASTEN, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 2176, a bill to provide that Federal tax reduction legislation enacted in 1992 be effective January 1, 1992.

S. 2183

At the request of Mr. SHELBY, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 2183, a bill to prohibit the Secretary of Veterans Affairs from carrying out the Rural Health Care Initiative.

S. 2185

At the request of Mr. KENNEDY, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 2185, a bill to suspend the forcible repatriation of Haitian nationals fleeing after the coup d'etat in Haiti until certain conditions are met.

SENATE JOINT RESOLUTION 113

At the request of Mr. LAUTENBERG, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of Senate Joint Resolution 113, a joint resolution designating the oak as the national arboreal emblem.

SENATE JOINT RESOLUTION 218

At the request of Mr. MITCHELL, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Idaho [Mr. CRAIG], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 218, a joint resolution designating the calendar year 1993 as the "Year of American Craft: A Celebration of the Creative Work of the Hand."

SENATE JOINT RESOLUTION 224

At the request of Mr. SIMON, the names of the Senator from New Mexico

[Mr. DOMENICI], the Senator from Missouri [Mr. DANFORTH], the Senator from Wisconsin [Mr. KOHL], the Senator from Hawaii [Mr. INOUYE], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from North Dakota [Mr. BURDICK], the Senator from Delaware [Mr. BIDEN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Indiana [Mr. COATS], the Senator from Ohio [Mr. GLENN], the Senator from Washington [Mr. ADAMS], the Senator from Illinois [Mr. DIXON], the Senator from Alabama [Mr. HEFLIN], the Senator from Massachusetts [Mr. KERRY], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Colorado [Mr. BROWN] were added as cosponsors of Senate Joint Resolution 224, a joint resolution designating March 1992 as "Irish American Heritage Month."

SENATE JOINT RESOLUTION 230

At the request of Mr. REID, the names of the Senator from Utah [Mr. GARN] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of Senate Joint Resolution 230, a joint resolution providing for the issuance of a stamp to commemorate the Women's Army Corps.

SENATE JOINT RESOLUTION 241

At the request of Mr. SPECTER, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resolution 241, designating October 1992 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 242

At the request of Mr. SPECTER, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of Senate Joint Resolution 242, a joint resolution to designate the week of September 13, 1992, through September 19, 1992, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 247

At the request of Mr. DOLE, the names of the Senator from Wisconsin [Mr. KOHL], the Senator from Virginia [Mr. WARNER], the Senator from Arizona [Mr. DECONCINI], the Senator from Texas [Mr. BENTSEN], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Joint Resolution 247, a joint resolution designating June 11, 1992, as "National Alcoholism and Drug Abuse Counselors Day."

SENATE CONCURRENT RESOLUTION 70

At the request of Mr. SANFORD, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of Senate Concurrent Resolution 70, a concurrent resolution to express the sense of the Congress with respect to the support of the United States for the protection of the African elephant.

SENATE CONCURRENT RESOLUTION 89

At the request of Mr. KERRY, the names of the Senator from Virginia [Mr. WARNER], the Senator from Maryland [Mr. SARBANES], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of Senate Concurrent Resolution 89, a concurrent resolution to express the sense of the Congress concerning the United Nations Conference on Environment and Development.

SENATE RESOLUTION 246

At the request of Mr. DOLE, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of Senate Resolution 246, a resolution on the recognition of Croatia and Slovenia.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

SENATE RESOLUTION 256—RELATIVE TO ASSISTANCE TO THE REPUBLICS OF THE FORMER SOVIET UNION

Mr. KASTEN (for himself, Mr. LEAHY, Mr. KOHL, Mr. HEFLIN, Mr. D'AMATO, Mr. DURENBERGER, Mr. JEFFORDS, Mr. WOFFORD, and Mr. GRASSLEY) submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. RES. 256

Whereas the President announced a major emergency humanitarian assistance program to the republics of the former Soviet Union called "Operation Provide Hope";

Whereas "Operation Provide Hope" aims to airlift food and medical supplies to each of the 12 newly independent republics of the former Soviet Union;

Whereas the objectives of "Operation Provide Hope" is to accelerate rapidly the disbursement of critically needed food and medical supplies;

Whereas food shortages due to shortfalls in agricultural production and to failures in distribution are causing hardship in the newly independent states, especially in large industrial cities and remote areas;

Whereas there are available to the republics of the former Soviet Union $165,000,000 in Department of Agriculture grant food assistance and $45,000,000 in Department of Defense donations of surplus food stocks, totaling $210,000,000 of food grants as part of the humanitarian assistance program to those republics;

Whereas the republics of the former Soviet Union have requested milk to feed their peoples' infants and children;

Whereas milk is a nutritional product that is crucial to the most vulnerable population in the republics of the former Soviet Union—the elderly, infants, and children;

Whereas the Commodity Credit Corporation stocks of nonfat dry milk (NDM) are 139.2 million pounds, as of January 1, 1992; and

Whereas nonfat dry milk is high in protein and is an extremely storable and stable product: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) dairy products from United States Government stocks should be used as part of the humanitarian assistance provided to the republics of the former Soviet Union;

(2) there is an immediate need by the peoples in the republics of the former Soviet Union for nonfat dry milk;

(3) nonfat dry milk from Commodity Credit Corporation-owned stocks should be used for "Operation Provide Hope";

(4) dairy farmers across the United States are barely surviving on the current prices they receive for their milk; and

(5) reducing United States Government surpluses of nonfat dry milk should inevitably promote higher milk prices for American dairy farmers; and

(6) "Operation Provide Hope" is the ideal opportunity for the United States to reach out and help families abroad, while at the same time helping American family farmers.

• Mr. KASTEN. Mr. President, all Americans can be proud of President Bush's decisive leadership on aid to the Commonwealth of Independent States, or CIS. On January 23, the administration announced Operation Provide Hope—a major emergency humanitarian assistance program to the former Soviet Union.

Shortfalls in agricultural production and failures in distribution are causing food shortages and serious hardship in the new independent states—especially in large industrial cities and remote areas. Operation Provide Hope will help provide emergency humanitarian food aid to help meet the critical food needs of the people in these areas.

Milk is one product that is essential to the health and nutrition of the most vulnerable citizens of the CIS—the elderly, infants, and children. This resolution encourages the administration to make these essential dairy products a central component of its emergency aid program.

One product that could be especially helpful in nonfat dry milk [NDM]. NDM is high in protein, and is an extremely stable and storable product. While all dairy products are needed and should be used for the humanitarian effort, I believe that NDM will be especially effective in helping address the immediate needs of the people in the new independent states.

As of January 1, 1992, the Commodity Credit Corporation owned an inventory of 139 million pounds of NDM. Partly as a result of this surplus, dairy farmers in Wisconsin and across the Nation are barely surviving on the current prices they receive for their milk. By reducing the Government surplus, we will inevitably promote higher prices for American farmers.

Operation Provide Hope is the ideal opportunity for the United States to reach out and help other families abroad, while at the same time helping some of our most valuable and threatened agricultural producers.

In the interest of avoiding famine in the CIS—and in the interest of our own family farmers—I urge my colleagues to support this resolution.•

SENATE RESOLUTION 257—RESOLUTION RELATIVE TO THE ALBANIAN POPULATION OF THE FORMER YUGOSLAV REPUBLIC OF KOSOVA

Mr. D'AMATO (for himself, Mr. DOLE, and Mr. PELL) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 257

Whereas since February 28, 1989, the Government of Serbia has imposed a state of martial law on Kosova, where two million Albanians live;

Whereas the Yugoslav Federal Constitution of 1974 affirmed the autonomous status of Kosova and defined it as one of the eight constituent territorial units of the Yugoslav Federation;

Whereas the Government of the Republic of Serbia illegally abolished the autonomous status of Kosova and the parliament of Kosova without the consent of the people of Kosova;

Whereas the Government of the Republic of Serbia has denied the majority Albanian population fundamental human rights, including the rights of free speech and free assembly;

Whereas a popular clandestine referendum was held in Kosova during the period of September 26–30, 1991, in which an overwhelming majority of those who participated voted in favor of declaring Kosova independent of the Socialist Federal Republic of Yugoslavia;

Whereas Albanian representatives of Kosova have been denied a seat at the EC Conference on the future of Yugoslavia;

Whereas the Albanian representatives of Kosova have informed the EC Conference and its Chairman Lord Carrington, of their wish for Kosova to be recognized as an independent state;

Whereas the United States has traditionally supported the rights of peoples to peaceful and democratic self-determination: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States—

(1) Press for the immediate inclusion of an Albanian representative from Kosova in the EC Peace Conference on Yugoslavia.

(2) Condemn the Government of Serbia on the occasion of the third anniversary of the imposition of martial law on the people of Kosova.

(3) Urge the United Nations to immediately send observers to Kosova to monitor the human rights situation there.

(4) Strongly support the aspirations of the Albanian people in Kosova for democracy and self-determination.

• Mr. D'AMATO. Mr. President, I rise today, along with Senators DOLE and PELL, to submit a resolution calling attention to the plight of the Albanian population in the former Yugoslav Republic of Kosova.

Like the people of Croatia, Slovenia, and Bosnia-Hercegovina, Albanians in Kosova suffer under the totalitarian boot of Serbian dictator Slobodan Milosevic. The Butcher of Belgrade has trounced upon the basic human rights of the Albanians. Kosova's Albanians have been subjected to arbitrary shootings, summary arrests and administrative detention without charge, denial of fair trials, forced job loss, and numerous other obscene violations of basic human rights.

Albanians form the third largest ethnic group in the former Yugoslav nation. While accounting for only 12 percent of the population, Albanians, however, comprise some 90 percent of the nation's political prisoners. Over 5,000 Albanians have been convicted and sentenced on criminal charges, serving long-term sentences solely for their political beliefs.

Over 300 Albanians, most from the intelligentsia, have been placed under isolation procedure in prison, without warrant or trial. Often they are beaten and abused.

Finally, over 37,000 Albanians have been dismissed from their jobs due to their political unfitness. Simply put, the treatment of the Albanian minority, at the hands of Serbian authorities, is a disgrace and a blot on humanity. Milosevic has assumed the role of Stalin in Yugoslavia.

Denied the rights of free speech and free assembly, and subjected to martial law, Albanians held a clandestine referendum in September 1991, and overwhelmingly voted to declare Kosova an independent republic. Even with this, they have been denied a seat at the European Community Conference on the future of Yugoslavia.

In all, the plight of the Albanians in Kosova is dismal. Their treatment is disgraceful and wrong. We must send the message that discrimination against the Albanian minority in Yugoslavia is wrong. It must end. As Yugoslavia breaks apart, we must recognize that there is no place in our world for the systematic dehumanizing treatment of a people. The Albanians of Yugoslavia deserve better. I encourage my colleagues to join us in cosponsoring this important resolution.•

SENATE RESOLUTION 258—RELATIVE TO SOMOLIA

Mr. SIMON (for himself, Mrs. KASSEBAUM, Mr. WOFFORD, Mr. WELLSTONE, Mr. LEAHY, and Mr. LUGAR) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 258

Whereas factional fighting continues to destroy the capital city of Mogadishu, and Somalia has been divided into separate spheres of influence with no recognized national government;

Whereas at least one-half of Somalia's population of eight million is considered at risk, about one-half million people are facing immediate starvation, and an unknown number of starvation deaths have already occurred, yet the provision of the needed level of humanitarian assistance is said to be blocked by the fighting in Mogadishu;

Whereas substantial numbers of needy Somalis live in areas which are relatively peaceful and secure, such as portions of the rural northwest, northeast, south, and central regions;

Whereas the United States Department of State, commendably, condemned the violence in Somalia in the strongest terms and has urged all parties to the conflict to adopt a cease-fire, and the call for a cease-fire has also been made by the United Nations, the Organization of African Unity, the Arab League, and numerous other states and organizations, but none of these appeals has yet met with success;

Whereas the visit of United Nations Undersecretary James Jonah to Somalia on January 3–4, 1992, revealed that the leaders of nearly all Somali factions are favorably disposed toward the United Nations role in promoting national reconciliation;

Whereas, on January 23, 1992, the United Nations Security Council, commendably, instituted an international arms embargo and requested the appointment of a special coordinator for humanitarian assistance, but the United Nations has yet developed a field plan for its activities, nor made arrangements to send a full-time, experienced, and neutral negotiations team to Somalia to implement the Security Council's call for a political settlement; and

Whereas, on January 31, 1992, the United Nations Security Council held a special summit for world leaders which supported the strengthening of the United Nations role in preventive diplomacy, peacemaking, and peacekeeping, as well as encouraged the United Nations Secretary General to identify potential threats to peace, and Somalia represents an immediate challenge for this stronger mandate: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should—

(1) again urge all parties to the conflict in Somalia to declare an immediate cease-fire so that negotiations may proceed and the needs of wounded and hungry civilians may be addressed;

(2) urge the United Nations to remain committed to the diplomatic and peacekeeping tasks in Somalia which fall under its mandate;

(3) urge the United Nations, as a matter of highest priority, to facilitate the distribution of emergency assistance, in conjunction with private voluntary organizations and in a manner which assures that it will reach those in need rather than being used as an additional weapon of war, to those areas of Somalia which are peaceful, and to explore options for assisting people in nonsecure areas;

(4) urge the United Nations to appoint mediators who will seek to identify the root causes of the violence in Somalia and the political goals of the combatants, so as to facilitate the achievement of the earliest possible cease-fire; and

(5) encourage, as well, other neutral mediation efforts, including those by Somali leaders not involved in the conflicts, by nongovernmental organizations and by regional organizations such as the Organization of African Unity, the Arab League, and the Islamic Conference Organization.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

• Mr. SIMON. Mr. President, I rise to introduce a resolution which would set forth the sense of the Senate on Somalia, a nation in the Horn of Africa in the midst of severe civil strife. This is a war which has not received as much attention as the civil war in Yugoslavia, yet nevertheless a war which is endangering the lives of hundreds of thousands of innocent civilians whom the International Committee of the Red Cross has said are in immediate danger of starvation. The war has forced nearly all relief organizations to leave Somalia, and slowed to a trickle the delivery of food aid. Adding to this over 20,000 war casualties to date in Mogadishu alone, and the continued failure of Somali and regional calls for peace, the situation is one of urgency.

I have been greatly concerned about Somalia. At the beginning of this year, I coauthored, with Senator KASSEBAUM, an opinion piece in the New York Times, which I would also like to introduce into the record. Later the two of us, along with several of our colleagues in both the Senate and the House, sent a letter to Secretary of State Baker, and then a letter to two of the combatants in Somalia. Most recently, I have held a hearing on Somalia in the Africa Subcommittee of the Senate Foreign Relations Committee. The principal focus of these efforts has been to encourage greater United Nations involvement.

The United Nations has been criticized by some nongovernmental organizations as having been slow to react to this situation. Although the latest phase in the civil war erupted in mid-November, it was only on January 23 that the Security Council passed a resolution which urged a cease-fire, established an arms embargo, and asked the new Secretary General to contact the parties to the conflict.

This resolution will demonstrate our support for administration efforts to encourage the United Nations to take the next steps in addressing this brutal conflict. In addition to calling for a cease-fire, we need to be providing the mechanism for successful negotiations. I believe that this calls for the naming of a special envoy for Somalia.

A representative of the International Medical Corps, the last American private voluntary organization remaining in Mogadishu, described the city's war this way: The conflict has gone so far that no one knows how to stop. At the various points since November, one Somali faction or another has called for a cease-fire. But they are not trusted by the other parties to the conflict. There is no one who is credible and trustworthy to all sides who can arrange contacts between the parties, or who can create and police safety zones which will enable civilians to shelter from the fighting and incidentally may help to draw combatants out of the war zones.

I understand that U.N. Secretary General Boutros-Ghali is trying to set up a peace meeting with some of the factions in New York. I commend all the energy and effort Mr. Boutros-Ghali has put into the Somalia problem thus far, sending Undersecretary James Jonah on a 2-day mission last month and helping to bring about the Security Council resolution. But there are doubts that all the combatants will be willing to leave Somalia, in the midst of a war, to travel overseas. Further, those who are not invited, be they in Mogadishu or in other regions of Somalia, may resent this choice of location.

Somalia has already made one major effort to secure an interim government and peace, and this was the Djibouti Conference held last July. The anger of those who did not participate in or agree to the outcome of this conference has led to the present breakdown of the state.

I hope that all the combatants will accept Mr. Boutros-Ghali's invitation and that this will lead to a cease-fire. I think we should also encourage the United Nations to facilitate negotiations and reconciliation meetings in Somalia.●

AMENDMENTS SUBMITTED

NATIONAL ENERGY SECURITY ACT

CHAFEE AMENDMENT NO. 1610

Mr. JOHNSTON (for Mr. CHAFEE) proposed an amendment to the bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes, as follows:

On page 327, line 22 strike ", including HCFC-22." and insert "."

DOMENICI (AND McCAIN) AMENDMENT NO. 1611

Mr. JOHNSTON (for Mr. DOMENICI, for himself and Mr. McCAIN) proposed an amendment to the bill S. 2166, supra, as follows:

On page 33, section 4202(4) strike line 16 and insert in lieu thereof: "sources of electric current, including, photovoltaic arrays;".

KASTEN AMENDMENT NO. 1612

Mr. JOHNSTON (for Mr. KASTEN) proposed an amendment to the bill S. 2166, supra, as follows:

On page 331, line 3 insert the following new paragraph:

"(3) Hybrid power trains incorporating an electric motor and recyclable battery technology charged by an onboard liquid fuel engine, designed to significantly improve fuel economies while maintaining comparable acceleration characteristics."

On page 331, line 21, after "technology," insert "and optimization of near-term technology."

McCAIN AMENDMENT NO. 1613

Mr. JOHNSTON (for Mr. McCAIN) proposed an amendment to the bill S. 2166, supra, as follows:

Page 109, line 10, add new subsection (e) as follows "(e) the provisions of this section shall apply to the United States Congress."

Page 109, line 11, between "Federal agency" and "shall adopt" insert, "and the Architect of the Capitol".

McCAIN (AND CHAFEE) AMENDMENT NO. 1614

Mr. JOHNSTON (for Mr. McCAIN, for himself and Mr. CHAFEE) proposed an amendment to the bill S. 2166, supra, as follows:

On page 108, line 20, strike "code, and" and insert "code;".

On page 108, line 23, strike the period and insert "; and".

On page 108, between lines 23 and 24, insert the following new paragraph:

"(3) consider, in consultation with the Environmental Protection Agency and other Federal agencies, and where appropriate contain, measures to mitigate the levels of radon and other indoor air pollutants in cases where such pollutants may exist."

On page 110, line 18, strike "and".

On page 110, between lines 18 and 19, insert the following:

"(4) assistance in identifying appropriate measures to mitigate the levels of radon and other indoor air pollutants; and"

On page 110, line 19, strike "(4) and insert "(5)".

On page 111, line 4, before the comma, insert the following: "including measures needed to mitigate the levels of radon and other indoor air pollutants in cases where such air pollutants may exist."

McCAIN AMENDMENT NO. 1615

Mr. JOHNSTON (for Mr. McCAIN) proposed an amendment to the bill S. 2166, supra, as follows:

Page 88, line five, after "in the United States" add, "including activities of the United States Government.".

WIRTH AMENDMENT NO. 1616

Mr. JOHNSTON (for Mr. WIRTH) proposed an amendment to the bill S. 2166, supra, as follows:

On page 109, line 19, amend section 6101(a)(2) by striking "guarantees" and inserting in lieu thereof the following: "expends Federal funds, or guarantees or insures a loan or".

On page 109, line 20, amend section 6101(a)(2) by inserting the following "other than a building covered by subsection (d)," after the word "building".

On page 109, line 22, amend section 6101(a)(2) by inserting after subsection (c), the following new subsections to section 306 of the Energy Conservation and Production Act (P.L. 94-385):

"(d) The head of each Federal agency that expends Federal funds, or guarantees or insures a loan or a mortgage, for a newly constructed residential building shall adopt procedures necessary to assure that, beginning on January 1, 1993, any such residential building meets the standards established in the most recent version of the Model Energy Code of American Building Officials that is effective on January 1 of the year in which construction of such building commenced.".

HATCH (AND OTHERS) AMENDMENT NO. 1617

Mr. JOHNSTON (for Mr. HATCH, for himself, Mr. SIMPSON, and Mr. WALLOP) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . RADIATION EXPOSURE COMPENSATION.

Section 6 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended by adding at the end the following new subsection:

"(l) JUDICIAL REVIEW.—An individual whose claim for compensation under this Act is denied may seek judicial review solely in a district court of the United States. The court shall review the denial on the administrative record and shall hold unlawful and set aside the denial if it is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.".

DOLE AMENDMENT NO. 1618

Mr. WALLOP (for Mr. DOLE) proposed an amendment to the bill S. 2166, supra, as follows:

On page 344, between lines 18 and 19, insert the following new section:

SEC. 13120. MIDCONTINENT ENERGY RESEARCH CENTER.

(a) FINDING.—Congress finds that petroleum resources in the midcontinent region of the United States are very large but are being prematurely abandoned.

(b) PURPOSES.—The purposes of this section are to—

(1) improve the efficiency of petroleum recovery;

(2) increase ultimate petroleum recovery; and

(3) delay the abandonment of resources.

(c) ESTABLISHMENT.—The Secretary shall establish the Midcontinent Energy Research Center at the University of Kansas in Lawrence, Kansas (referred to in this section as the "Center"), to—

(1) conduct research in petroleum geology and engineering focused on improving the recovery of petroleum from existing fields and established plays in the upper midcontinent region of the United States; and

(2) ensure that the results of the research described in paragraph (1) are transferred to users.

(d) RESEARCH.—

(1) IN GENERAL.—In conducting research under this section, the Center shall, to the extent practicable, cooperate with agencies of the Federal Government, the States in the midcontinent region of the United States, and the affected industry.

(2) PROGRAMS.—Research programs conducted by the Center may include—

(A) data base development and transfer of technology;

(B) reservoir management;

(C) reservoir characterization;

(D) advanced recovery methods; and

(E) development of new technology.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

LEVIN AMENDMENT NO. 1619

Mr. JOHNSTON (for Mr. LEVIN) proposed an amendment to the bill S. 2166, supra, as follows:

On page 31, line 20, after the period, insert the following new sentence: "The regulations governing compliance with sections 4102, 4103, and 4104 shall be developed in consultation with the Secretary of Commerce and shall require that the procurement practices of manufacturers of alternative fuel vehicles and diesel trucks that are purchased, leased, or otherwise acquired in order to meet the requirements of such sections do not discriminate against United States manufacturers of motor vehicle parts.".

On page 38, between lines 8 and 9, insert the following new paragraph:

(2) the openness of a manufacturer's procurement practices to United States manufacturers of vehicle parts;

On page 38, line 9, strike "(2)" and insert "(3)".

On page 38, line 17, strike "(3)" and insert "(4)".

On page 38, line 22, strike "(4)" and insert "(5)".

On page 39, line 3, strike "(5)" and insert "(6)".

On page 39, line 11, strike "(6)" and insert "(7)".

On page 39, line 14, strike "(7)" and insert "(8)".

On page 39, line 20, strike "(8)" and insert "(9)".

On page 40, between lines 4 and 5, insert the following new paragraph:

(2) the procurement practices of the manufacturer do not discriminate against United States manufacturers of vehicle parts;

On page 40, line 22, strike "(2)" and insert "(3)".

On page 40, line 22, strike "(3)" and insert "(4)".

On page 41, line 3, strike "(4)" and insert "(5)".

On page 334, between lines 13 and 14, insert the following new subsection:

(g) DOMESTIC PARTS MANUFACTURERS.—In carrying out this section, the Secretary, in consultation with the Secretary of Commerce, shall issue regulations to ensure that the procurement practices of participating vehicle and associated equipment manufacturers do not discriminate against United States manufacturers of vehicle parts.

On page 334, line 14, strike "(g)" and insert "(h)".

On page 334, line 22, strike "(h)" and insert "(i)".

On page 335, line 22, strike "(i)" and insert "(j)".

SANFORD (AND OTHERS) AMENDMENT NO. 1620

Mr. JOHNSTON (for Mr. SANFORD, for himself, Mr. BOND, Mrs. KASSEBAUM, and Mr. RIEGLE) proposed an amendment to the bill S. 2166, supra as follows:

On page 392, line 11, strike the quotation marks and the final period.

On page 392, between lines 11 and 12, insert the following:

"(C) Notwithstanding any other provision of Federal law, nothing in this paragraph shall prevent a State regulatory authority from taking such action, including action with respect to the allowable capital structure of exempt wholesale generators, as such State regulatory authority may determine to be in the public interest as a result of performing evaluations under the standards of subparagraph (A).

"(D) Notwithstanding section 124 and paragraphs (1) and (2) of section 112(a), each State regulatory authority shall consider and make a determination concerning the standards of subparagraph (A) in accordance with the requirements of subsections (a) and (b) of this section, without regard to any proceedings commenced prior to the enactment of this paragraph.

"(E) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standards set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.".

On page 391, line 7, before "consider," insert "hold a proceeding to".

On page 390, line 12, delete "incremental".

At the end of line 14 on page 390, add the following: ": (A)", and on line 22, after "utilities", add "(B) the impact on consumers arising from the fact that the exempt wholesale generator will own the eligible facility at the end of the term of a power sales contract."

NICKLES (AND BURNS) AMENDMENT NO. 1621

Mr. JOHNSTON (for Mr. NICKLES, for himself and Mr. BURNS) proposed an amendment to the bill S. 2166, supra, as follows:

It is the sense of the Senate that the Senate Committee on Finance should review the impact on the alternative minimum tax on domestic oil and gas producers and domestic oil and gas production and take such action as may be appropriate to promote domestic production.

GLENN (AND JOHNSTON) AMENDMENT NO. 1622

Mr. JOHNSTON (for Mr. GLENN, for himself and Mr. JOHNSTON) proposed an amendment to the bill S. 2166, supra, as follows:

At the end of title VI, subtitle B, add the following new section:

SEC. 6305. ENERGY AUDIT TEAMS.

(a) ENERGY AUDIT TEAMS.—The Secretary shall assemble from existing personnel with appropriate expertise, or, with particular utilization of the national laboratories, and make available to all Federal agencies, one or more energy audit teams which shall be equipped with instruments and other advanced equipment needed to perform energy audits of Federal facilities. Particular attention shall be given to exploiting expertise and resources that are not generally available in the private sector.

(b) MONITORING PROGRAMS.—The Secretary shall also assist in establishing, at each site that has utilized an energy audit team, a program for monitoring the implementation of energy efficiency improvements based upon energy audit team recommendations, and for recording the operating history of such improvements.

GLENN (AND KOHL) AMENDMENT NO. 1623

Mr. JOHNSTON (for Mr. GLENN, for himself and Mr. KOHL) proposed an amendment to the bill S. 2166, supra, as follows:

At the end of title VI, subtitle B, add the following new section:

SEC. 6305. GOVERNMENT CONTRACT INCENTIVES.

(a) ESTABLISHMENT OF CRITERIA.—Each agency, in consultation with the Federal Acquisition Regulations Council, shall establish criteria for the improvement of energy efficiency in Federal facilities operated by Federal government contractors or subcontractors.

(b) UTILIZATION OF CRITERIA.—To encourage Federal contractors, and their subcontractors, which manage and operate federally-owned facilities, to adopt and utilize energy conservation measures designed to reduce energy costs in Government-owned and contractor-operated facilities and which are ultimately borne by the Federal Government. Each agency head shall utilize the criteria developed under subsection (a) in all cost-plus-award-fee contracts.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that hearings have been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The first hearing will take place on Tuesday, March 3, 1992, beginning at 2:30 p.m. The second hearing will take place on Thursday, March 5, 1992, beginning at 2 p.m. Both hearings will be in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purposes of the hearings are to receive testimony on S. 1755, a bill to reform the concessions policies of the National Park Service, and for other purposes.

Because of the limited time available for the hearings, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks, and Forests, Committee on Energy and Natural Resources, 304 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearings, please contact David Brooks of the subcommittee staff at (202) 224-9863.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS AND SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. BUMPERS. Mr. President, on behalf of Senator BINGAMAN and myself, I would like to announce that a joint hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests and the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, February 25, 1992, beginning at 2:30 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on H.R. 3359, a bill to amend the Geothermal Steam Act of 1970 (30 U.S.C. 1001–1027), and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 304 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact Erica Rosenberg at (202) 224-7933 or Lisa Vehmas at (202) 224-7555.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on February 7, 1992, at 9:30 a.m. on the nomination of Andrew H. Card, Jr. to be Secretary of Transportation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE 125TH ANNIVERSARY OF WEST VIRGINIA UNIVERSITY

• Mr. ROCKEFELLER. Mr. President, it is with great pride that I rise today in celebration of West Virginia University's 125th anniversary.

The West Virginia Legislature established this land grant institution as the Agricultural College of West Virginia on February 7, 1867. And it is on this date that the university will officially launch its 125th anniversary's year long celebration, along with local businesses and organizations. In the words of Neil Bucklew, president of West Virginia University,

> A simultaneous nationwide event of this magnitude would certainly be indicative of the unique, special feeling that WVU alumni have for their alma mater.

West Virginia University has been dedicated to the education of students for 125 years. It was started in 1867 with two donated buildings and only a handful of students and faculty, and its status has grown to a first-class institution with a diverse curriculum. It now boasts 22,400 plus student body, 4,500 faculty and staff and offers over 176 degree programs—all on a beautiful 1,000-acre campus of rolling hills.

Realizing the importance of education, West Virginia University has established a scholars program ensuring that no student with superior ability is turned away because of financial needs. In adjunct to the financial needs of undergraduates, West Virginia University equally cares about providing resources to support graduate students.

I am proud to say that West Virginia University is ranked among the top 10 public State institutions for its large number of Rhodes scholars—a total of 23. The school also has 12 Truman scholars, and a British Marshall scholar. This is a strong symbol of the university's commitment to world-class scholarship.

The university also has a number of various programs that help tackle the variety of challenges facing West Virginia. It has a statewide network of extension programs which include economic and community development, dropout prevention, youth development and nutrition. Clinical programs like those in law and medicine provide hands-on experience to students and practitioners, while producing valuable services to West Virginians.

Mr. President, West Virginia University is a symbol of excellence within education which further enlightens the minds of our future. It has a clearly defined purpose; teaching, research, and public service.

I am proud to pay tribute to such an exceptional institution, dedicating itself to the education of students for 125 years and beyond, and I ask my colleagues to join me in wishing this fine institution a happy anniversary.•

HONORING THE NEW YORK STATE SENATE ADVISORY COMMISSION ON PRIVATIZATION

• Mr. D'AMATO. Mr. President, I rise today to congratulate the authors of an important new report. It is a report that is particularly compelling as we discuss the need to keep a tight rein on runaway spending and taxes, while providing services necessary to our Nation. The report I am talking about is "Privatization for New York: Competing for a Better Future" written by the New York State Senate Advisory Commission on privatization, chaired by Ronald S. Lauder.

One of the largest concerns we hear from our constituents, not only in New York, but across the Nation is that the middle class needs a tax break, and I agree. At the same time there are compelling demands for funding in a variety of services such as infrastructure repair, solid waste management, and housing.

The Senate of the New York State Legislature appointed a commission on privatization and charged it with finding creative alternatives to tax increases for the citizens of my State. The solution the commission raised was the privatization of Government entities and services. In the report, the commission looked for opportunities for public-private cooperation in a variety of areas. It found millions in potential savings to the State and to the taxpayer.

In this day and age of rising taxes and decreasing revenues, it is time to take a serious look at alternatives to increased public spending. We must begin to engage in a serious dialog about ideas like privatization and see where it can work.

I once again commend Chairman Lauder and His fellow commissioners, John Lamura, Gary Lavine, George G. Nemeth, Louis Pfeifle, Mary Lou Rath, E.S. Savas, and Geff Yancy, along with the project director Allen Roth, for putting together a forward looking report that will be a benefit to not only my State, but can serve as a roadmap toward the twin goals of balanced budgets and tax relief for the working men and women of this Nation.•

SADDAM HUSSEIN IS AT IT AGAIN

• Mr. LIEBERMAN. Mr. President, Saddam Hussein is at it again. We learned yesterday that the dictator of Iraq is thumbing his nose at the United Nations resolutions that are designed to curb his appetite for war.

Saddam is now unwilling to allow the United Nations to fully monitor his military forces. Specifically, Iraq has refused to submit a detailed report on its defense industries. Saddam does not want the world to know whether he still has the capacity to make nuclear, chemical, and biological weapons. But because he does not want us to know—we know.

We know he will turn again to acquiring weapons of mass destruction the minute our gaze is averted. Clearly, he is testing us. He is testing the resolve of the international coalition, less than a year after our victory in Operation Desert Storm. He is probing for weakness.

We must let him find only strength and preparedness. And strength lies in the unity of nations. And preparedness lies in our willingness to use force against Saddam again. As we have learned so well, it is only the believable threat, or actual application of force that gets Saddam's attention.

This turn of events—not surprising to those who understand the true nature of Saddam Hussein—underscores what I believe were crucial errors in American policy in the aftermath of Operation Desert Storm. I fully supported our actions following Saddam's invasion of Kuwait in 1990. I supported Operation Desert Shield, and I supported the massive buildup of forces in November 1990. I voted for the resolution authorizing the President to use force against Saddam.

But at the conclusion of the conflict, we missed several crucial opportunities to rid the world of Saddam's despotic rule. We could have destroyed more of his army in the final hours of Operation Desert Storm. And we could have used allied air power to protect the Kurds and the Shiites from the slaughter they endured at the hands of Saddam's army in the weeks and months following our victory in the gulf.

I understand that there were legitimate concerns at the time about igniting armed rebellions among Kurds in Turkey and creating a Shiite regime in southern Iraq that could have become an Iranian satellite. But all these considerations should have been outweighed by the opportunity to get Saddam Hussein out of power.

Saddam's aggression against the Kurds and the Shiites continues. Fighting has broken out again in southern Iraq, and the north has been largely blockaded by Saddam, who seems not to care if the Kurds freeze or starve to death. We should respond to his actions by providing weapons and other material support to Kurdish and Shiite guerrillas and Sunni dissidents, both inside and outside the army. There are also 20,000 Iraqi soldiers in Saudi Arabia, including hundreds of officers, who have up until now refused to return to their country. They might be urged to work with us and other opponents of Saddam within Iraq and form the basis of an opposition army. And, should Saddam's aggression against his own people escalate to widespread proportions, we should be prepared to introduce air power in their defense. We should not become involved in a full-scale land war again within Iraq, but we continue to dominate the skies, and can still wreak havoc on Saddam's forces from above. We must clearly state our willingness to do so if the need arises.

And the economic sanctions must continue. While Iraqi propaganda continues to blame those sanctions for malnutrition and disease among Iraqi children, we know where the blame lies for any such tragedy—it lies with Saddam himself, who has it within his power to provide immediate relief to all who suffer. Yet we also learn today that Saddam is not even interested in allowing Iraqi oil to be sold to provide food and medicine to his own people. He believes our guidelines for the money from such a sale are too stringent. Clearly that is because we would spend that money on Iraqi children, and not on Iraqi armaments, as he would like to do.

The economic noose must tighten; we must pressure Jordan to staunch the flow of goods from that nation into Iraq. We should consider having U.N. inspectors play a role in monitoring the borders to ensure that the tools of war are not entering Iraq.

A tight embargo must also be maintained because it can help us limit Saddam's ability to acquire weapons of mass destruction. David Kay, the American nuclear specialist who led the United Nations inspection team in Iraq after the war, has stated that the Iraqi nuclear program involved 20,000 people and that nearly all of them are still in Iraq. We cannot yet conclude that all of Iraq's nuclear equipment has been discovered and destroyed. We have not yet shut down Iraq's capacity to build nuclear bombs.

In the wake of Saddam's new violations of the United Nations resolutions, I hope the Security Council will take strong steps to counter Iraq's intransigence. Saddam needs a fresh reminder that we have the power to back up those resolutions with force.

Iraq is a test for the post-cold-war world. It is a test for the United Nations, and for the United States. We can only pass this test when we achieve the downfall of Saddam Hussein. Until that happens, true peace and stability will not prevail in the gulf and the Middle East. Until that happens, the gulf war will have been a great victory, but not a final one.•

HERBERT HOOVER AND THE FIRST RUSSIAN RELIEF EFFORT

• Mr. HATFIELD. Mr. President, let me share you with a scenario: Russia is unable to feed its people. Hundreds of thousands face starvation. The Russian leader says that without international help, "The government will perish."

America, however, is skeptical. Having recently emerged from a war, they were downscaling their military and focusing on domestic problems like unemployment. Foreign aid was not a priority. Those would be headlines from the newspapers of today. But they were also the headlines from the newspapers of 1921.

Despite its initial reluctance, American answered the call for help. And they answered it successfully because of one man, Herbert Hoover.

As chairman of the American Relief Administration, it was Herbert Hoover who led the effort which provided 700,000 tons of food, and vast amounts of medicines and other supplies. These supplies fed and nursed 18 million Russians and saved between 10 million and 20 million lives over a 3-year period.

Seven decades ago, America responded affirmatively to Russia's request for help. A request which came from Lenin. Today, the request comes from Boris Yeltsin, a man who is committed to democracy. Can there be any question that America's response must be the same?

Yes, we have to be sure that Russia does all it can to ensure that the aid gets to the people. Yes, American taxpayers already have shouldered the burden of the cold war and it is time for other countries to contribute to the building of a free world.

But we are the leader of this free world. The United States is what other countries and other people aspire to be. We are the best example of the superiority of free enterprise, and therefore, we must demonstrate leadership. In an article written for Collier's Magazine in 1942, Herbert Hoover wrote about the effort to feed Russia. And he offered these prophetic words, "We will need to do it all over again as part of our effort to bring peace to a weary world."

When the Russians first contacted Mr. Hoover, Russia had only recently admitted that 25 million of her citizens faced starvation. An international plea for bread and medicine had fallen on deaf ears as Western Europe struggled with post-war reconstruction and the United States endured a sluggish economy.

Russian citizens were forced to flee by foot or rail to cities already short on food. In Orenburg, up to 800 corpses a day were being buried in mass graves, Petrograd's population was reduced by starvation from 2 million to 700,000.

Herbert Hoover later wrote that the urgent human need could not be ignored. "The sole objective of relief should be humanity: It should have no political objective or other aim than the maintenance of life and order," he said.

The United States response to the needs of the Soviet Union already has been measured by a planned expenditure of over $5 billion in aid and credits. The international conference convened by the United States and encompassing nations as participants has set in motion an aid agenda. Many of us have been in communication with the State Department and the Department of Agriculture and the White House and the Defense Department regarding the needs of the people of the Confederation of Independent States.

This is a huge task and there will be additional United States relief assistance to the CIS. This is our responsibility as protectors of our own national security and as the nursemaid to new and fragile democracies.

As we accept this charge a look back to Herbert Hoover's ARA is necessary. "Fighting famine is a gigantic economic and governmental operation handled by experts and not "welfare" work of benevolent handing out food hit or miss to bread lines. There must be no waste, no inefficiency." Hoover said. The 27 point program, known as the "Riga Agreement," was tough. The tenants of the Riga Agreement and the organizational structure of the ARA operation in Russia were the time-tested products Herbert Hoover's experiences in feeding 23 other governments in the aftermath of World War I.

The economic, organizational, legal and political blueprint of the American Relief Administration's efforts in the Soviet Union was the Riga Agreement. It clearly stipulates that the conditions under which the ARA as an "unofficial volunteer American charitable organization" under the direction of Herbert Hoover, would provide relief to the Russian people.

The Riga Agreement stipulated that the Russian authorities would have to essentially step aside for this American effort. Red tape would be cut, authority would belong to Hoover, and the Russian authorities would give priority to shipments arriving from the ARA. In addition, transportation, storage and handling of the imported supplies were provided free of charge by the Russian Government.

The Riga Agreement created what could be called a "philanthropic state within a state" with rights and immunities of its own that were stipulated in writing and enforceable in a practical way: The ARA could cut off flow of food whenever Herbert Hoover decided the agreement had been violated.

In Hoover's mind, the essential elements of a relief effort were purchase, transportation and distribution of relief supplies. Purchase involved determining what to buy, where to buy it and how to pay for it.

The terms were harsh—as were the conditions in Russia—and it is not feasible that the United States should undertake such a massive bilateral relief effort instead of working in coordination with the other nations of the world. But there are lessons to be drawn from the efforts of Herbert Hoover in Russia. The first lesson is that America does not have to forsake its own best interests when undertaking a humanitarian response. The feeding of the Russian people was in our best interests just as paying for the dismantlement of Soviet nuclear weapons is in our interests now. And it is certainly in our interests to be sure that American farmers and businesses fully participate in the relief effort wherever possible.

The second lesson the Hoover experience illustrates is that those countries offering assistance to the Soviet Union can offer that assistance with terms. Our aid to the republics of the former Soviet Union should be extended in friendship but with a strong message that continued support can only be sustained if the commitment to democratic principles is maintained.

America may never again have humanitarian leadership embodied in one person as we had in Herbert Hoover, but the principles he developed for massive-scale relief efforts are as valuable today as they were 70 years ago. We would do well to take heed.

Mr. President, I would like to include for the RECORD an analysis of the Riga Agreement and President Hoover's leadership, prepared by Tom Walsh, the Executive Director of the Hoover Presidential Library Association. I also include for the RECORD a story by Washington Post reporter Haynes Johnson, entitled "U.S. Airlifts to Republics Pales Beside 1920's Aid."

FEEDING THE SOVIET UNION, 1921–23: AN OVERVIEW OF THE PROBLEMS, SOLUTIONS AND METHODS

PROLOGUE

"For thousands of years, the question 'Am I my brother's keeper?' has echoed in the conscience of mankind. The American people were the first in history to accept that obligation as a nation. Never before has a nation undertaken such burdens, consciously and collectively, that human life, and even civilization, might be preserved."—Herbert Hoover, Chairman, American Relief Administration

Section One: The Abyss

"It is impossible to picture a great famine to our American countrymen. We can have little understanding of its realities, for we have never seen real famine in our homeland since the suffering of the Pilgrims. Not even during the Civil War did famine in any town or city reach anywhere near the abyss that it reached in Central and Eastern Europe. * * *

"* * * No one who has not seen famine with his own eyes can have understanding of its hideous reality. Mothers at every meal watch the wilting away of their children. Gaunt mothers search for scraps of food, carrying emaciated children too feeble to walk. Long streams of refugees flee from the famine areas, carrying their children and a few possessions, with many dead lying at the roadsides. Few people die directly from starvation, for disease intervenes. The hospitals and children's refuges are crowded with all who can lie on the floors. The dead lie unburied in heaps. And even worse things happen which I do not repeat here.—Herbert Hoover, 1959

The area of eastern and southern Russia devastated in 1921–23 by a drought driven famine included 750,000 square miles of the Volga Valley and 85,000 square miles of the Ukraine. It included one of the most fertile and consequently most densely populated areas of Russia, with a population of 35 million. On June 26, 1921, Pravda admitted that 25 million Russians faced starvation. Without substantial and prompt foreign aid, it was likely that 15 or 20 million people would die of starvation, disease or exposure.

On July 13, 1921, the Soviet Government, through Maxim Gorky, issued an international plea for bread and medicine. It was a plea that largely fell on deaf ears; While Western Europe struggled with post-war reconstruction, the United States endured an anemic economy undermined by high unemployment, a wave of corporate bankruptcies and depressed farm prices. No less important to the public reception of any plea for sympathy and generosity was the hostility to all things Russian, which was embraced as an article of faith in the minds of most good Americans.

Food production in Russia in 1921 was less than half what it had been in the same territory in 1913. All Russia was hungry, not just those inhabiting the vast area of acute famine. It was not a question of seeking relief to supplement an existing, though inadequate supply of food, or of concentrating on a program for undernourished children. In parts of Russia there was no food at all, and the children had already begun to die.

The Russians could not effectively help themselves. Industrial centers in non-famine areas were in desperate straits; transport was demoralized; distribution machinery chaotic; private initiative destroyed by terror or suffering. Russia had only 25 miles of railway per 1,000 square miles of territory, compared to 83 miles per 1,000 square miles in the United States. In 1921, 60 percent of Russian locomotives were out of repair, as were 50 percent of freight cars. Most Russian ports were unusable for relief shipments, due to lack of equipment and storage facilities, the condition of rail connections or simply being too shallow or too prone to ice in winter, the period of greatest need.

In search of food, the panic-stricken populace—exhausted, sick, naked and starving—attempted to flee the famines on foot or by rail, moving into Russian cities that were already short of food, carrying infections with them. Cold and exposure finished the work of hunger and disease for thousands who froze to death on their way to nowhere. Roads and villages were populated by living skeletons, scarcely able to move, or completely exhausted and freezing to death where they lay, soon to be prey for birds and dogs. In Orenburg, up to 800 corpses a day were being pitched into mass graves. Pre-famine Petrograd had a population of 2 million. By early 1922, starvation and disease had reduced the city's population to 700,000.

In the cities, emaciated children—some orphaned, others deserted by their parents—were warehoused in pest holes termed "children's homes." In one such facility in the Orenburg district 1,000 children were housed in space for 400. Alive with vermin and wearing the remnants of the clothing in which they arrived, they huddled together on the floor like blind kittens, some sick, some starving, some dead. Ravaged by disease, with no wood for heat or food for sustenance, 40 to 50 died each day. But each day, more arrived, ghastly caricatures of childhood, with faces gaunt and yellow, or swollen and blue, their eyes burning with the terrible sparkle of hunger.

In the countryside, famine deaths were so common that village clerks no longer kept records. Of those who remained alive, nearly all subsisted on food substitutes. The fortunate few who had grain mixed it with chaff, ground weeds and acorns. Those without grain made bread from the leaves and bark of birch and elm trees, sawdust, shells of nuts, rushes, pea husks, potato peels, clay, straw, horse manure and blood. Cats and dogs were hungrily devoured, and in desperation the famine victims exhumed and ate dead animals. The first to fall ill and die from the effects of such food were the children.

For those driven to eating the putrid flesh of long-buried animals, the practice of eating human flesh was not such a long step. At first, there were only isolated reports. By early 1922, cannibalism was commonplace. Mothers killed and ate their own children. Unattended children were stolen, slaughtered and devoured. In some cases, the bodies of those murdered were butchered and sold in markets as meat, prompting an order forbidding the sale of meatballs, cutlets and all forms of hashed meats. Hunger and want forced the population to crimes, murders and thefts. In order to steal a cow, robbers would murder whole families, not sparing infants in arms.

Typhus, cholera, typhoid, smallpox and dysentery were epidemic due to lack of physical resistance and medical and sanitary services. In Iseave and Dedoval, when the bodies of those who died of typhus and other diseases proved too numerous to bury, they were piled in heaps in buildings, only to be stolen and boiled for food. At the First Soviet Hospital in Kazan, as many as four starvation patients shared a single bed. In other hospitals, shortages forced surgeries to be performed without anesthetic and wounds to be "dressed" with newspapers and stitched with threads from old clothing. Had the Soviet Union's estimated 26,000 surviving doctors and surgeons been evenly distributed, each would have to minister to 5,400 people. What medical personnel were able to fight the famine were themselves hungry, overworked and unremunerated while risking, and often succumbing to, infection and death.

Section Two: The Relief

"The sole objective of relief should be humanity. It should have no political objective or other aim than the maintenance of life and order.

"Tons and dollars do not express relief of suffering and saving of life."—Herbert Hoover, 1959

(Note: All dollar amounts are expressed in 1921–23 values. To calculate 1992 equivalents use 6.41 as a multiplier factor.)

Despite all economic, political and logistical obstacles, American Relief Administration (A.R.A.) feeding points were operational in 191 towns and villages in the regions of greatest need by December 1, 1921 70 days after the signing of the agreement permitting relief. In 2,997 locations from Petrograd on the Baltic to Astrakhan on the Caspian, 568,020 persons were receiving each day a balanced ration of American food. By the first week of February, 1922, the number of A.R.A. feeding stations had grown to over 6,000.

Within six months of the signing of the relief agreement, the A.R.A. had amassed $52.9 million in revenues to finance its Russian relief effort, an amount equivalent to $3.4 billion 1992 dollars. That amount included a $20 million Congressional appropriation, $4 million in military surplus medical supplies, $12.2 million in gold payments from the Soviet government, and millions more in support from affiliate organizations such as the American Red Cross, the National Lutheran Council, the Y.M.C.A., the American Jewish Joint Distribution Committee, the Southern Baptist Convention, the American Friends Service Committee and many others.

As of January 1, 1992, the ARA was feeding 1.2 million Russian children, after which the program was expanded to include adults and to provide wheat seed needed to help ensure future self-sufficiency. All commodities shipped throughout the life of the program were purchased from American suppliers on a competitive bidding basis and transported at cost by the American merchant marine.

During the month of January, 1992, five months after the relief agreement was signed, two dozen shiploads of American cargoes were dispatched to ports serving famine-stricken areas of the Soviet Union. These shipments included 301 million pounds of corn, 32 million pounds of seed wheat, and 25.7 million pounds of milk and sundry food and medical supplies, or a total of 160,000 tons.

By mid-July, 1992—11 months into the operation—the A.R.A. had purchased, transported and distributed 788,878 tons of relief supplies, among them 666,615 tons of cereals for seed and feed, 55,111 tons of condensed and evaporated milk, 15,464 tons of sugar, 9,277 tons of fats, 3,395 tons of cocoa and 29,721 tons of medical supplies, clothing and sundries.

By the summer of 1922, the A.R.A. had 200 administrative personnel at home and in Russia, supervising the efforts of 80,000 Russians. Together, they operated 15,700 kitchens and food distribution stations, feeding more than 8.5 million persons—3.25 million children and 5.3 million adults.

By the time famine conditions subsided in the summer of 1923, the A.R.A. had provided food relief to 20 million Soviet citizens, including 6.5 million children and 14 million adults.

The A.R.A., with the assistance of the Red Cross, staged during the Soviet famine of 1921–23 the greatest foreign peacetime medical crusade ever undertaken. Through the work of 40 American physicians and specialists, 21 American staffers and 800 Russian assistants, the A.R.A. operated treatment centers in each of the 17 famine districts and at points designed to intercept refugees. The $10 million spent helped to provide surgical instruments, pharmaceuticals and other medical supplies to 5,764 hospitals and sanitariums and nearly 11,000 other facilities providing medical care.

The A.R.A. inoculation and immunization effort reduced cases of typhus from 19 per 1,000 population in January 1922 to .22 per thousand in February of 1923. New cases of typhus for the whole of Russia decreased from 295,525 in April of 1922 to 6,684 in March of 1923.

A 1923 letter to A.R.A. Chairman Herbert Hoover from Maxim Gorky reads in part: "In the past year you have saved from death 3.5 million children, 5.5 million adults, 15,000 students and have now added 200 or more of the learned professions. * * * In all the history of human suffering I know of * * * no accomplishment which in terms of magnitude and generosity can be compared to the relief that you have actually accomplished * * *. Your help will be inscribed in history as a unique gigantic accomplishment worthy of the greatest glory and will long remain in the memory of millions of Russians * * * whom you have saved from death."

Section Three: Thickets and Swamps

"Fighting famine is a gigantic economic and governmental operation handled by experts and not 'welfare' work of benevolent handing out food hit or miss to bread lines. There must be no waste, no inefficiency.

"We had to pioneer through the thickets and swamps of governmental, social, financial and economic problems, including human nature in the raw."—Herbert Hoover, 1942

The economic, organizational, legal and political blueprint of the American Relief Administration's efforts in the Soviet Union was the 27-point "Riga Agreement," which is appended in full. It clearly stipulates the conditions under which the A.R.A., as a "unofficial volunteer American charitable organization" under the directorship of Herbert Hoover, would provide relief to the Russian people.

The Riga Agreement stipulated that Russian authorities would provide free transportation, storage and handling of imported supplies with priority over other traffic, as well as necessary buildings, equipment and fuel, free of charge. The A.R.A. agreed to provide food, clothing and medical relief in areas where relief could be administered most efficiently and secure the best results. All relief supplies remained the property of the A.R.A. until consumed. The A.R.A. agreed that its representatives and assistants in Russian would not engage in political activity, but insisted on an assurance of noninterference by the Soviet government in A.R.A. activities.

The Riga Agreement created a philanthropic state within a state with rights and immunities of its own that were stipulated in writing and enforceable in a practical way: The A.R.A. could cut off the flow of food whenever Herbert Hoover decided that the agreement had been violated.

The tenants of the Riga Agreement and the organizational structure of the A.R.A. operation in Russia were the time-tested products of Herbert Hoover's experiences in feeding 23 other governments in the aftermath of World War I. In each of these historic relief efforts, as in the Russian relief, the major objective was volume. In order to achieve maximum "production" Herbert Hoover applied the same principles he found most effective as a successful mining engineer: heavy outside financing, strict accounting, tight and economical administration and, above all, undisputed one-man authority. On this last point, Hoover was unflappable: "Some individual with great powers must direct and coordinate all this," he said. "Such an operation would be hopeless in the hands of international commissions or committees."

In Hoover's mind, the essential elements of a relief effort were purchase, transportation and distribution of relief supplies. Purchase involvement determining what to buy, where to buy it and how to pay for it. Transportation, in his era, involved both securing a fleet and coordinating the traffic control to ensure a constant flow of needed supplies. Distribution involved unloading, warehousing, accounting and allocation to local feeding stations, hospitals, individuals and to a network of thousands of indigenous employees paid with rations. Hoover also included in his list of tasks "disputing with dumbbells" and "listening to hourly advice from the well-intentioned but ill-informed."

The A.R.A.'s Russian relief effort was financed with a blend of private- and public-sector funding. With the U.S. in an economic depression that left 5 million Americans without jobs, no public appeal for funds was made. Instead, Hoover recruited a variety of religious charitable organizations and, as affiliates of the A.R.A., encouraged them to seek support under the A.R.A. umbrella. These A.R.A. affiliates were each allowed to select one of 18 famine districts in which relief supplies purchased with their funds would be distributed. The A.R.A. provided relief in areas not covered by the affiliates. Each of the affiliates was allowed to appoint one representative to the A.R.A. central staff in Moscow.

To minimize interference and to assure cooperation, Hoover drafted a letter to himself from President Harding, stipulating that distribution of American relief supplies in the Soviet Union would be conducted only by the A.R.A. as a matter of economy and efficiency. It further stipulated that the State Department would issue passports for Russian relief work only to those affiliated with the A.R.A.

U.S. Army Colonel William N. Haskell, a veteran of A.R.A. famine relief work in Eastern Europe, was assigned to serve as director of operations in Russia. The American Red Cross, as an affiliate, agreed to help coordinate the medical relief efforts and provided personnel and supplies. The U.S. Army Medical Corps assigned Colonel Henry Beeuwkes to direct the medical staff.

Congress appropriated $18.6 million that was used by the A.R.A. to purchase of food supplies on a weekly, competitive bidding basis from U.S. suppliers. Congress also authorized the transfer of $4 million in military surplus medical supplies to the A.R.A. From its own treasury, the A.R.A. appropriated $10.2 million. The affiliates provided $8 million. The Soviet Government provided $12 million in gold reserves and an estimated $14 million in cash, services and facilities.

The A.R.A.'s innovative "food draft" system attracted $23.5 million in donations and provided 55 million tons of food relief to nearly 950,000 individuals and families. Affiliates could purchase individual drafts for $10 each that provided 100-pound food packages that would feed one person for 19 weeks, or a family of five for five weeks. The typical contents of each package was 49 pounds of flour, 25 pounds of rice, 3 pounds of tea, 10 pounds of fats, 10 pounds of sugar and 20 tins of milk. This system was later expanded to include clothing drafts.

The vast majority of A.R.A. staff were volunteers, drawing only rations and, in some cases, expense reimbursement. The total number of Americans who worked in Russia was 327. Of these, 69 were members of affiliate organizations. Traveling by boat, train, road cart and sleigh, they estimated needs, secured warehouses, organized village committees, selected kitchen sites and arranged for medical care for children. Hoover described them as "stern administrators with tender hearts." This staff core supervised the work of nearly 100,000 Russian employees, from dock workers and railroad engineers to feeding kitchen staff, who were paid with rations.

EPILOGUE

"All this account may seem dry and statistical. But the high purpose was to meet the prayer of nations for a chance to live and the cry of mothers for their children. Beyond that, it was the hope that we were giving strength to the frail democracies which had been brought into being, that through them the world might find peace. We had won victory by arms, and we dreamed that this unparalleled generosity and service by a great nation would set new standards of human relationship in the world. And it expressed the Christianity that was within us. We will need to do it all over again as part of our effort to bring peace to a weary world."—Herbert Hoover, 1942

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APPENDIX ONE: RIGA AGREEMENT

(Agreement between the American Relief Administration and the Russian Socialist Federative Soviet Republic)

Whereas, a famine condition exists in parts of Russia, and

Whereas, Mr. Maxim Gorky, with the knowledge of the Russian Socialist Federative Soviet Republic, has appealed through Mr. Hoover to the American people for assistance to the starving and sick people, more particularly the children, of the famine stricken part of Russia, and

Whereas, Mr. Hoover and American people have read with great sympathy this appeal on the part of the Russian people in their distress and are desirous, solely for humanitarian reasons, of coming to their assistance, and

Whereas, Mr. Hoover, in his reply to Mr. Gorky, has suggested that supplementary relief might be brought by the American Relief Administration to up to a million children in Russia;

Therefore, it is agreed between the American Relief Administration, an unofficial volunteer American charitable organization under the chairmanship of Mr. Herbert Hoover, hereinafter called the A.R.A., and the Russian Socialist Federative Soviet Republic, hereinafter called the Soviet Authorities,

That the A.R.A. will extend such assistance to the Russian people as is within its power, subject to the acceptance and fulfillment of the following conditions on the part of the Soviet Authorities who hereby declare that there is need of this assistance on the part of the A.R.A.

The Soviet Authorities agree:

First: That the A.R.A. may bring into Russia such personnel as the A.R.A. finds necessary in the carrying out of its work and the Soviet Authorities guarantee them full liberty and protection while in Russia. Non-Americans and Americans who have been detained in Soviet Russia since 1917 will be admitted on approval by the Soviet Authorities.

Second: That they will, on demand of the A.R.A., immediately extend all facilities for the entry into and exit from Russia of the personnel mentioned in (1) and while such personnel are in Russia the Soviet Authorities shall accord them full liberty to come and go and move about Russia on official business and shall provide them with all necessary papers with as safe-conducts, laissez passer, et cetera, to facilitate their travel.

Third: That in securing Russian and other personnel the A.R.A. shall have complete freedom as to selection and the Soviet Authorities will, on request, assist the A.R.A. in securing same.

Fourth: That on delivery by the A.R.A. of its relief supplies at the Russian ports of Petrograd, Murmansk, Archangel, Novorossisk, or other Russian ports as mutually agreed upon, or the nearest practicable available ports in adjacent countries, decision to lie with the A.R.A., the Soviet Authorities will bear all further costs such as discharge, handling, loading, and transportation to interior base points in the areas where the A.R.A. may operate. Should demurrage or storage occur at above ports mutually agreed upon as satisfactory such demurrage and storage is for the account of the Soviet Authorities. For purposes of this agreement the ports of Riga, Reval, Libau, Hango, and Helsingfors are also considered satisfactory ports. Notice of at least five days will be given to Soviet representatives at respective ports in case the Soviet Authorities are expected to take c.i.f. delivery.

Fifth: That they will at their own expense supply the necessary storage at interior base points mentioned in paragraph (4) and handling and transportation from same to all such other interior points as the A.R.A. may designate.

Sixth: That in all above storage and movement of relief supplies they will give the A.R.A. the same priority over all other traffic as the Soviet Authorities give their own relief supplies, and on demand of the A.R.A. will furnish adequate guards and convoys.

Seventh: That they will give free import and re-export and guarantee freedom from requisition to all A.R.A. supplies of whatever nature. The A.R.A. will repay the Soviet Authorities for expenses incurred by them on re-exported supplies.

Eighth: That the relief supplies are intended only for children and the sick, as designated by the A.R.A. in accordance with paragraph (24), and remain the property of the A.R.A. until actually consumed by these children and the sick, and are to be distributed in the name of the A.R.A.

Ninth: That no individual receiving A.R.A. ratios shall be deprived of such local supplies as are given to the rest of the population.

Tenth: That they will guarantee and take every step to insure that relief supplies belonging to the A.R.A. will not go to the general adult population nor to the Army, Navy, or Government employees but only to such persons as designated in paragraphs (8) and (24).

Eleventh: That the Soviet Authorities undertake to reimburse the A.R.A. in dollars at c.i.f. cost or replace in kind any misused relief supplies.

Twelfth: That the A.R.A. shall be allowed to set up the necessary organizations for carrying out its relief work free from governmental or other interference. The Central and Local Soviet Authorities have the right of representation thereon.

Thirteenth: That the Soviet Authorities will provide:

A. The necessary premises for kitchens, dispensaries and, in as far as possible, hospitals.

B. The necessary fuel and, when available, cooking, distributing, and feeding equipment for the same.

C. The total cost of local relief administration, food preparation, distribution, et cetera, themselves are in conjunction with local authorities. Mode of payment to be arranged at later date.

D. On demand of the A.R.A. such local medical personnel and assistance, satisfactory to the A.R.A., as are needed to efficiently administer its relief.

E. Without cost railway, motor, water or other transportation for movement of relief supplies and of such personnel as may be necessary to efficiently control relief operations. The Soviet Authorities will for the duration of the A.R.A. operations assign to the A.R.A. for the sole use of its personnel, and transport free of cost, such railway carriages as the A.R.A. may reasonably request.

Fourteenth: In localities where the A.R.A. may be operating and where epidemics are raging, the A.R.A. shall be empowered by the Soviet Authorities to take such steps as may be necessary towards the improvement of sanitary conditions, protection of water supply, et cetera.

Fifteenth: That they will supply free of charge the necessary offices, garages, stormrooms, et cetera, for the transaction of the A.R.A. business and when available heat, light, and water for same. Further that they will place at the disposal of the A.R.A. adequate residential quarters for the A.R.A. personnel in all localities where the A.R.A. may be operating. All such above premises to be free from seizure and requisition. Examination of above premises will not be made except with knowledge and in presence of the chief of the A.R.A. operations in Russia or his representative and except in case of flagrant delit, when examiner will be held responsible in case examination unwarranted.

Sixteenth: That they will give to the A.R.A. complete freedom and priority without cost in the use of existing radio, telegraph, telephone, cable, post, and couriers in Russia and will provide the A.R.A., when available and subject to the consent of competent authorities, with private telegraph and telephone wires and maintenance free of cost.

Seventeenth: To accord the A.R.A. and its American representatives and its couriers the customary diplomatic privileges as to passing the frontiers.

Eighteenth: To supply the A.R.A. free of cost with the necessary gasoline and oil to operate its motor transportation and to transport such motor transportation by rail or otherwise as may be necessary.

Nineteenth: To furnish at the request of the competent A.R.A. Authorities all A.R.A. personnel, together with their impediments and supplies, free transportation in Russia.

Twentieth: To permit the A.R.A. to import and re-export free of duty and requisition such commissary, transport, and office supplies as are necessary for its personnel and administration.

Twenty-first: That they will acquaint the Russian people with the aims and methods of the relief work of the A.R.A. in order to facilitate the rapid development of its efficiency and will assist and facilitate in supplying the American people with reliable and non-political information of the existing conditions and the progress of the relief work as an aid in developing financial support in America.

Twenty-second: That they will bear all expenses of the relief operation other than:

A. Cost of relief supplies at port (see paragraph 4).

B. Direct expenses of American control and supervision of relief work in Russia with exceptions as above. In general they will give the A.R.A. all assistance in their power toward the carrying out of its humanitarian relief operations.

The A.R.A. agrees:

Twenty-third: Within the limits of its resources and facilities, to supply, as rapidly as suitable organization can be effected, food, clothing, and medical relief to the sick and particularly to the children within the age limits as decided upon by the A.R.A.

Twenty-fourth: That its relief distribution will be to the children and sick without regard to race, religion, or social or political status.

Twenty-fifth: That its personnel in Russia will confine themselves strictly to the ministration of relief and will engage in no political or commercial activity whatever. In view of paragraph (1) and the freedom of American personnel in Russia from personal search, arrest, and detention, any personnel contravening this will be withdrawn or discharged on the request of the Central Soviet Authorities. The Central Soviet Authorities will submit to the chief officer of the A.R.A. the reasons for this request and the evidence in their possession.

Twenty-sixth: That it will carry on its operations where it finds its relief can be administered most efficiently and to secure best results. Its principal object is to bring relief to the famine stricken areas of the Volga.

Twenty-seventh: That it will import no alcohol in its relief supplies and will permit customs inspection of its imported relief supplies at points to be mutually agreed upon.

The Soviet Authorities having previously agreed as the absolute sine qua non of any assistance on the part of the American people to release all Americans detained in Russia and to facilitate the departure from Russia of all Americans so desiring, the A.R.A. reserves to itself the right to suspend temporarily or terminate all of its relief work in Russia in case of failure on the part of the Soviet Authorities to fully comply with this primary condition or with any condition set forth in the above agreement. The Soviet Authorities equally reserve the right of cancelling this agreement in case of non-fulfillment of any of the above clauses on the part of the A.R.A.

Made in Riga, August Twentieth, Nineteen hundred and twentyone.

On behalf of Council of Peoples Commissaries of the Russian Socialist Federative Soviet Republic.

(Signed) MAXIM LITVINOV,
Assistant Peoples Commissary for Foreign Affairs.

On behalf of the American Relief Administration.

(Signed) WALTER LYMAN BROWN,
Director for Europe.

[From the Washington Post, Jan. 27, 1992]

U.S. AIRLIFT TO REPUBLICS PALES BESIDE 1920S AID

(By Haynes Johnson)

In an age of symbolism, where slogans often masquerade as deeds, the image of the world's last superpower airlifting emergency food and medical aid to its struggling erstwhile superpower rival commands prime news space as an international good deed—or good public relations act. In reality, it pales beside an effort launched by the United States to save the Soviet Union from starvation 71 years ago.

Today's emergency effort, announced Thursday, is dubbed by U.S. officials "Operation Provide Hope." It will provide 19,200 tons of food left over from the Persian Gulf War and medical supplies from the Defense Department.

The earlier, largely forgotten, relief provided 700,000 tons of food, plus a vast store of medicines and commodities. Those supplies fed and nursed 18 million Russians and saved between 10 million and 20 million lives over a three-year period.

It was one of the most successful humanitarian acts in history, and it contained one of history's notable ironies. That U.S. effort saved the new Soviet Union and enabled it to become this nation's great ideological rival and superpower enemy.

In another ironic twist, the man responsible for organizing the U.S. relief was the staunch anticommunist, Herbert Hoover, who as president during the Great Depression was blamed by the American people for not acting aggressively enough to alleviate suffering.

Starvation stalked the new Soviet Union in 1921 when Hoover's Russian relief effort began. Cities were filled with mobs crying for food. In Petrograd (St. Petersburg) alone, as many as 100,000 were dying of starvation each month. Then, as now, Russia possessed ample food resources. Then, as now, an incompetent bureaucratic administration system failed to deliver food where it was needed.

A stupendous famine, centered in the Ukraine and the Valley of the Volga, gripped the new society. It was caused in part by freaks of weather, but was mainly due to a halt in agricultural production while the Soviets were communizing the peasants. Vladimire Lenin, founder of the new Soviet state, wrote then that without international help "the government will perish."

That July, as Hoover was winding down his post-World War I European relief efforts as head of the American Relief Administration, he received a personal plea from Maxim Gorky, the Russian author.

Hoover, then commerce secretary under President Warren G. Harding, was one of the few distinguished Cabinet officers in an administration that became infamous for its pervasive corruption. He instantly responded and set American terms for aid. These included freedom of all American prisoners held inside Russia after a U.S. military expedition onto Soviet territory after World War I, and ability for Americans to operate without restrictions and travel without interference while administering the aid. He also demanded the power to organize local relief committees inside the Soviet Union and to be given free storage space, free offices and free transportation.

That Sept. 1 more than 100 American prisoners were released from Soviet dungeons; the U.S. government had known of only 20 U.S. prisoners. Three weeks later the first meals from American imported food were being served to the Soviet people.

Initially, Hoover conceived of the relief effort as aimed mainly at children. Americans working for him on the scene quickly told him of "appalling" conditions inside the Soviet Union. They estimated that 15 million to 20 million adults and children would die from starvation unless the U.S. undertook a far wider emergency operation.

Humanitarianism notwithstanding, Hoover was a tough dealmaker. He demanded that the Soviets place a substantial amount of gold they had seized from the czars during the Russian Revolution into U.S. hands to spend for food. The gold would provide capital to buy the food, and also keep that gold from being used to subsidize revolutions worldwide.

The Soviets resisted, but finally agreed. Of a total $78 million (about $500 million in today's terms) raised for the relief, the Soviets furnished $18 million from their gold. Another $20 million came from a congressional appropriation, with $8 million from U.S. Army surplus medical supplies. The rest came from public charities.

The operation itself was remarkably small given the scale of the suffering and the numbers to be assisted. Hoover named a close associate, Col. William N. Haskell, who had worked with him on European relief two years before, to take charge of the Russian effort. Haskell assembled a staff of about 200 Americans with experience in food and medical relief. At peak, about 600 Americans were involved. They, in turn, supervised local Soviet staffs employed by the U.S. agency that oversaw the movement of supplies from seaports by rail to distribution points throughout the country. Eventually, the relief effort was operating through a distribution network of nearly 18,000 stations.

In the best of times, it would have been a formidable undertaking. Then, with many rail lines still in need of major repair and a demoralized citizenry, it is remarkable that the mission accomplished its goal. But it was not without severe internal problems: At one point thousands of tons of American food stood piled on docks awaiting train transport inland.

Americans then, as now, were not enthusiastic about aiding the Soviet people. Neither did Americans then, as now, look favorably on foreign aid of any sort, though in the Hoover period there was no question that only America could furnish such an immense effort.

In one of many striking parallels with the present, Hoover described how America had withdrawn back into itself after the war. Its military force of 2 million was swiftly cut to the bone. "At home we were spending unprecedented sums," Hoover recalled. "We were undergoing unprecedented taxation. We were faced with unemployment and all the problems of demobilization of a country regimented to war. Our people clamored * * * to stop the expense."

Still, the massive U.S. Russian relief effort continued. By the spring of 1922, the American effort was feeding 18 million Russians. The diet consisted of American shelled corn—an unknown then in the Soviet Union—wheat, fats, condensed milk, stew and wheat bread.

"It was a ghastly task," Hoover wrote, "but our men carried it through with an estimated loss of fewer than a million lives. We shipped a considerable quantity of seed wheat, and the acute crisis ended with the harvest in 1922. But the Americans had to continue to care for millions of undernourished and homeless children over the winter of 1923."

When it was over, Gorky wrote Hoover:

"In all the history of human suffering I know of * * * no accomplishment which in terms of magnitude and generosity can be compared to the relief that you have actually accomplished. * * * Your help will be inscribed in history as a unique, gigantic accomplishment worthy of the greatest glory and will long remain in the memory of millions of Russians * * * whom you saved from death."

The humanitarian effort was quickly forgotten. Russians employed by the American Relief Administration, often for no wages but their daily bread, were imprisoned as soon as the Americans withdrew. "Our men have never since been able to get any news of them," Hoover noted.

As for the friendship between the United States and the U.S.S.R., ahead lay the bloody Stalin period and then the long decades of a Cold War only now concluded.●

LOS ANGELES DODGERS HELP NICARAGUAN LITTLE LEAGUE BASEBALL

● Mrs. KASSEBAUM. Mr. President, on January 18, the owner of the Los Angeles Dodgers, Mr. Peter O'Malley, joined Nicaraguan President Violetta Chamorro in opening the Dodgers Little League Baseball Friendship Field in Managua, Nicaragua. Built with the support of the Dodgers, this field will give thousands of Nicaraguan youngsters an opportunity to play little league baseball.

As many of my colleagues who have traveled to Central America know, Nicaraguans love the sport of baseball and closely follow the major leagues in the United States. Almost every Nicaraguan child grows up playing the sport in the street, often with nothing more than a bundle of tape and an old stick.

Clearly, the growth of baseball will not solve President Chamorro's difficulties. But, I do believe it is an important positive contribution we Americans can make to the people of Nicaragua.

Far too often, we in Congress focus on the millions of dollars in official aid and military assistance, and forget about the small ways to affect the lives of the everyday citizens in developing countries. Sharing resources, talent, and expertise should be an important part of our relations with other countries. We have much to teach—and much to learn.

Mr. President, I commend Mr. O'Malley and the Dodgers for their active support of baseball in Nicaragua. For many years, the Dodgers have promoted international baseball, both on a professional and amateur level. The team has sent coaches to many countries and hosted numerous baseball exchanges.

As our world becomes more interdependent, we need more organizations like the Dodgers, more people like Peter O'Malley, who are willing to share their time and resources with those in the developing world.●

FOOT-IN-MOUTH EPIDEMIC IN JAPAN

● Mr. BIDEN. Mr. President, on January 19, the Speaker of the lower House of the Japanese Parliament, Yoshio Sakurauchi, said that "American workers don't work but they demand high pay" and "about 30 percent of them cannot read." He also reportedly said that the source of American economic problems is the "inferior quality of U.S. labor." Other Japanese officials quickly denied the remarks, saying Sakurauchi had been misquoted, but the effect of his remarks was like gasoline poured over a fire.

The foot-in-mouth epidemic in Japan continued this past Monday when Prime Minister Kiichi Miyazawa said during debate in a parliamentary committee of the Diet that, regarding American work habits, he has long thought "that the work ethic is lacking as far as that area is concerned", that area being Wall Street and the American financial markets. He also said that Americans' determination to "produce goods and create value has loosened sharply" over the past 10 years, and that many people getting out of college have gone to Wall Street for very high salaries, with the result that the number of engineers who produce goods has gone down quickly." Miyazawa later apologized for creating a "misunderstanding", saying he had not intended to criticize American workers.

Was Sakurauchi misquoted? Was Miyazawa misunderstood? It really doesn't much matter. The fact is that a great majority of Japanese apparently share these negative views of Americans. A CBS-New York Times poll last November showed 66 percent of Japanese think Americans are "lazy". And in fact many Americans suspect there's some truth in such statements: 32 percent of the Americans polled by CBS also characterized us as "lazy."

We know we're not competing effectively with the Japanese, and we know our economic standing in the world is slipping. But what are the causes of our decline? Are our workers lazy or ignorant as portrayed by the Japanese comments? Do we produce too many investment bankers, bond dealers and lawyers, and not enough engineers, scientists, and inventors? Have we in fact lost the work ethic for which this country was long admired and emulated?

Mr. President, today I want to debunk the claims in Speaker Sakaurauchi's statements about the quality of the American work force, and point out a few relevant and enlightening statistics.

Fact No. 1: American productivity—output per worker—is still the highest in the world. In 1989, Japanese productivity was 75 percent of the United States rate, while Germany was at 73 percent. It is true that our competitors are catching up, but nevertheless, we are still the world's most productive people using the standard measure.

Fact No. 2: Americans are not a nation of illiterates. Our literacy rate is estimated at 95 to 97 percent; Japan's rate is slightly higher. Both nations have approximately 20 percent of their populations enrolled in elementary-secondary education, and we have far more higher ed students, 5.1 percent of Americans versus 1.9 percent of Japanese. By some education measures, the Japanese do work harder, for example, their elementary-secondary students attend school an average of 240 days a year, almost 2 months longer than American kids. I believe this is an area where we can and will improve. I have for many years advocated lengthening the American school year, along with other school reforms, in order to give our children the world's best education.

Fact No. 3: Americans work longer hours than people in any other country except Japan, Taiwan and Korea. The average Japanese works 2,100 hours per year, the average American 1,800 hours, and the average German 1,500 hours. And American work hours are increasing: Since 1972, the average work year has lengthened by 163 hours. Japanese work hours have been holding steady, and may be starting to drop, partially in response to government policies encouraging more consumption.

Fact No. 4: American workers are not overpaid by world standards. The average manufacturing labor cost in the United States [$10.83/hr] is lower than that of either Japan [$12.27] or Germany [$12.61].

Finally, what about quality? Can American workers make good products? Fact No. 5 is that American-made products are not necessarily inferior to Japanese made. Cars made in Japanese-owned plants in the United States, by American workers, have fewer defects than cars made in Japan.

Defect rate per 100 automobiles:	
American companies in United States	80
Japanese companies in Japan	50
Japanese companies in United States	49

Mazda Chairman Kenichi Yamamoto has said, "Our American suppliers—of auto parts—work incredibly hard. Their quality is top-notch. The only difference between the parts we buy in Japan and the parts we buy in America is the name stamped on the metal."

The Japanese themselves prefer many American-made products to their own. Most Japanese personal computers use microprocessors built in the United States. The best-selling computer software program in Japan last year was American-made. And IBM outsells nearly all Japanese computer makers in Japan. We also make the top-selling clothing lines, prescription drugs, and razors in Japan.

No one can deny that this Nation has significant and troublesome economic problems. But I hope that the facts I have just noted will lay to rest the notion that somehow American workers have lost their will to work and their ability to do good work. We have people out there across the country who are working harder and harder each year, frequently for less pay and fewer benefits, just to keep a roof over their heads, food on the table, and hope in their hearts that someday their children will have a chance at a better life. In all the feverish debate over the choices we must make to put this country back on the path to economic greatness, let us not be tempted to accept as truth the arrogant and misinformed statements of our rivals. When what they say is flat wrong, let us tell them—and ourselves—so.•

CLEAN WATER ACT STATE REVOLVING LOAN FUNDS

• Mr. CHAFEE. Mr. President, over the past 20 years the Federal Government has, under the Clean Water Act, provided more than $52 billion to State and local governments to help pay for the construction of waste water treatment plants. This has been one of our most successful environmental programs and is directly responsible for much of the improvement in water quality that has occurred since the Clean Water Act took its present form in 1972.

For many years this program was a grant program providing direct assistance to local governments building sewage systems. In 1987 the Congress made dramatic changes in the construction grants program. It was converted to a loan program. We no longer make grants to local governments. Rather the grants are made to the States. Each State has established a trust fund for this money. These funds are then used to make loans to local governments for construction of sewage treatment plants. The money is paid back by the cities and towns and returned to the trust funds. These trust funds are called State revolving loan funds or SRF's.

In addition to the Federal grants and the loan repayments from local governments, the State revolving loan funds also contain State money. The Clean Water Act requires at least a 20-percent State match for each Federal grant. But many States have gone way beyond the minimum and have used their revolving loan funds to leverage bonds and other financing mechanisms that have multiplied the impact of these Federal dollars manyfold.

When we created the State revolving loan funds in the Water Quality Act of 1987, we agreed to phase out the Federal role in the financing of sewage treatment plant construction. The authorization levels for the Federal contribution to the State revolving loan funds started at $2.4 billion per year in 1990, declined to $1.8 billion in 1992, $1.2 billion in 1993 and $600 million in 1994. Under current law, there is to be no Federal role, no additional Federal dollars, after 1994.

This phaseout is the result of an agreement that was made between the Congress and President Reagan in 1981. When he came to office, President Reagan proposed an immediate end to the construction grants program. At that time annual appropriations for grants were about $5 billion. Again, these were Federal grants directly to local governments that were not repaid. President Reagan proposed to abolish that program altogether.

And it must be said that there were problems with the program in 1981. Precious taxpayer dollars were in some cases being used to lay sewer collectors in affluent communities that could well afford to finance the projects locally. There were operational problems with some of the plants that had been financed with Federal dollars, and there were other issues that concerned the administration.

After much debate, the President and the Congress eventually reached a compromise that allowed the program to continue. The agreement that we reached included significant reforms in the program. We cut the Federal matching rate from 75 percent to 55 percent. We modified the eligibility criteria to exclude projects that were growth related. We cut the spending level in half.

For his part, President Reagan agreed to support a $2.4 billion per year appropriation for wastewater treatment construction for the next 10 years. After 10 years, the program was to be terminated. The Water Quality Act of 1987 that created the State revolving loan funds was designed to carry out that agreement. Rather than a flat termination of Federal funds in 1991, we provided for a more gradual phaseout of the program. But as we had agreed in 1981, there was to be an end date for Federal dollars sewage treatment grants of 1994. That date is now in sight.

Last year I joined with Senator BAUCUS to introduce S. 1081, the Water Pollution Prevention and Control Act of 1991. It would reauthorize the Clean Water Act through 1997. Like the 1987 Water Quality Act, this bill has also been designed to reflect the 1981 agreement between the Congress and President Reagan. It does not provide any more dollars for the State revolving loan funds beyond those authorized in 1987. The phaseout of the Federal support for SRF's is preserved in that bill.

Mr. President, it is time to reconsider that decision. I have come to the floor of the Senate today to urge that Federal support for the State revolving loan funds be continued at current levels for the foreseeable future. I make this recommendation for two reasons.

First, it appears that President Bush, unlike his predecessor, supports a continuation of the SRF Program. The President's budget for 1993 requests appropriations of $2.5 billion for the construction of wastewater treatment facilities. Most of this money is funneled to the State revolving loan funds, but for the second year in a row the Bush administration is proposing direct grants, not loans but grants, to several large cities with polluted harbors to assure that their sewage treatment problems are resolved at an early date.

The $2.5 billion request is more than twice the amount authorized for 1993 and more than was appropriated last year. Far from phasing out the State revolving loan fund grants, President Bush is asking that the Federal grants be increased. I agree with a budget that moves in that direction. I applaud it. On this score the President deserves high praise for recognizing the very great success that the States have made of the revolving loan fund opportunity.

The SRF's are working better than we had expected. Every State has established a fund. As I said a moment ago, many states have used them as the foundation for creative financing programs that multiply the impact of Federal dollars. And the flexibility built into the State revolving loan funds has allowed the States to use these dollars to address their highest priorities.

My second reason for suggesting a continuation of the SRF grant program was reflected in the hearings on S. 1081, the Water Pollution Prevention and Control Act, which the Environmental Protection Subcommittee held last summer. That bill terminates the Federal grants for State revolving funds. But it does not terminate the Federal role in water pollution control. S. 1081 would create several new categorical grant programs.

It includes a new grant program for combined sewer overflows, a new grant program for small communities, and a new grant program for river assessments. It resurrects an old categorical grant called the Rural Clean Water Program. These are only a few of the new grants that we would authorize if S. 1081 were to be enacted in its present form.

S. 1081 would take the money that we are currently putting into State revolving loan funds and spread it over a large number of new categorical grants. That approach was strongly opposed by State officials and others at the hearings on S. 1081 held by the Environmental Protection Subcommittee last summer. They don't want a proliferation of new Federal categorical grants. They want the flexibility already available to them in the State revolving funds to effectively address their highest priorities as they see them.

I must say that I agree with the States. It would be a mistake to drop our support for the State revolving funds that are working so well and return to the old era of Federal categorical grants. That would be going in the wrong direction.

On January 2 of this year I wrote to Bill Reilly who is the Administrator of the Environmental Protection Agency to make that point. Because we are reaching the end of the authorization for the State Revolving Fund Program and because the Environmental Protection Subcommittee is planning to take action on S. 1081 in the coming weeks, I asked Mr. Reilly if he and his colleagues in the administration could make a firm declaration of the President's plans for funding programs under the Clean Water Act in the future.

The answer to my letter came in the President's budget for 1993. Far from terminating the State revolving fund grants, the President proposes to increase the appropriations over the amounts spent last year. The President's request is more than double the amount authorized for 1993 in the Clean Water Act. That's a pretty clear signal to me. The 1993 budget for SRF grants is a significant departure from budgets of the past. It's not the kind of budget a President would send up if he thought a program had failed and should be terminated. The 1993 request can only be read as an expression of confidence in the State revolving funds and a recognition of the very great need which these grants address.

Therefore, I am today urging my colleagues on the Environment and Public Works Committee and here in the Senate to support a continuation of the State Revolving Loan Fund Program beyond 1994. These State trust funds should be the principal mechanism that we use to target Federal dollars toward important water quality problems. I will make every effort to assure that the clean water reauthorization bill that we report from the Environment Committee to the Senate continues Federal support for the State revolving funds recognizing the fine job States have done and very large need for water pollution control investments that remains unmet.

Mr. President, I would ask that my letter and the reply from Mr. Reilly be printed in the RECORD at the conclusion of my comments today.

The letter follows:

U.S. SENATE,
Washington, DC, January 2, 1992.

Hon. WILLIAM K. REILLY,
Administration, Environmental Protection Agency, Washington, DC.

DEAR BILL: Senator Baucus has announced his intention to begin markup of S. 1081, the Water Pollution Prevention and Control Act, when the Congress returns in February. One of the major issues to be considered by the Environmental Protection Subcommittee during those markup sessions will be the future of federal funding for State Revolving Funds (SRFs) and other clean water initiatives.

S. 1081 as currently drafted reflects an understanding reached between Congress and the Administration in 1981. The construction grants program was to be phased out after an annual appropriation of $2.4 billion over a ten-year period. That agreement was modified in 1987 with the establishment of the State Revolving Funds. Capitalization grants to the SRFs were scheduled through 1994, but the total amount of funding was consistent with the 1981 agreement. The authorization in the 1987 Water Quality Act for grants under titles II and VI of the Clean Water Act was $18 billion. Because we have not met the authorized levels with appropriations to date, S. 1081 includes new authorizations to assure that the full $18 billion will be appropriated.

Although we have held the line on extending SRF grants in S. 1081, the Subcommittee has heard considerable testimony indicating that the State Revolving Funds are the most efficient and effective means to meet the Nation's water quality goals. All states have established SRFs. Many states have created financing authorities that use federal dollars to guarantee state and local bonds or that leverage local financing in other ways. These financial arrangements multiply the impact of federal dollars far beyond the reach of the old categorical grant program.

With the exception of some minor technical complaints by states with respect to the strings attached to SRF grants, the program appears to work quite well. Many are urging that it be extended beyond 1994 and become a permanent mechanism to channel federal dollars for water quality protection.

At the initiative of Senator Baucus, S. 1081 takes a very different approach. It would continue federal spending for water quality at approximately current levels (with inflationary adjustments) through 1998. But the federal effort would be directed through a series of new categorical grants for nonpoint pollution, small communities, combined sewer overflows, river assessments and other water quality objectives. State officials have indicated to me that categorical grants are too restrictive and do not allow them to use Federal funds in the most effective way to meet their highest priorities.

When you testified before the Subcommittee on S. 1081 in May, you did not close the door on extending the authorization for SRF grants beyond 1994. You indicated that there may be a possibility that this Administration would seek to modify the 1981 agreement and continue some SRF financing. The Administration's 1992 budget request, that included grants for several coastal cities to build sewage treatment plants, also indicates a possible change in policy direction.

I am writing now to ask that the Administration declare its view on the future of SRF capitalization grants and other clean water funding at the earliest possible date. Because the authorization for SRF grants falls to $1.2

billion for fiscal year 1993 and because of the impending markup schedule, it is my hope that you would clearly set forth the Administration's views on these issues during January of the coming year.

Notwithstanding the 1981 agreement, I would urge the Administration to make a commitment to SRF financing at $1.5 billion per year for the foreseeable future. Grants at this level would leave room within the confines of a current services budget to make a substantial commitment to finance state programs to control nonpoint sources of pollution, as well. Unlike the small community and combined sewer overflow problems, nonpoint source pollution cannot be effectively addressed through revolving loan programs. Because nonpoint source pollution is the most serious unresolved water quality problem, states need the stimulus of substantial federal grants to put good programs in place.

I urge this course of action, in part, because I believe (1) that the Congress will continue to appropriate funds for water quality protection and (2) that capitalizing the SRFs would be more effective and efficient than the shift to a series of categorical grants as contemplated in S. 1081.

A clear statement by the Administration on these issues prior to the January 21, 1992 return of the Congress is vital. I would be happy to discuss this matter with you or other Administration officials and thank you for your personal attention to the course of action I am recommending.

Sincerely,

JOHN H. CHAFEE,
Ranking Member.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, January 31, 1992.

Hon. JOHN H. CHAFEE,
U.S. Senate, Washington, DC.

DEAR JOHN: Thank you for your letter of January 2, 1992, regarding future funding of the State Revolving Fund (SRF) program. I agree that the SRF program has been a very effective mechanism for financing State water quality needs because it both subsidizes necessary facilities and programs and provides a source of continued financing well into the future.

Although EPA and the States have made progress in meeting water quality objectives, funding needs continue to grow for wastewater treatment categories historically and newly eligible for Federal assistance. These needs include combines sewer overflows, storm water, nonpoint sources, toxics, and sludge disposal. We have recently discussed within the Agency funding options for the SRF program and other related initiatives, but I am not in a position to provide you with an Administration position on long term funding of the SRF and related programs yet. Further discussions within the Agency and the Administration are still necessary. However, I would like very much to discuss this issue with you when we get together next week.

Before closing, I would like to address the concern you raised about financing State nonpoint source programs. You correctly noted in your letter that, in some areas of the country, pollution from nonpoint sources represents the most important remaining water quality problem. Your proposal would provide $500 million or more in grants for nonpoint source programs with the assumption that SRF loans are not a viable source for financing for nonpoint source programs. I agree that the use of SRF loans to finance many nonpoint source needs may not always be practical, particularly for programs in rural and unincorporated areas. SRFs may prove to be viable financing mechanisms, however, where a general or special purpose governmental unit is willing to sponsor the nonpoint source program and has revenue sources in place to repay SRF loans. We are currently analyzing the issue of using SRFs to finance nonpoint source needs and will provide you with more information in the future.

I hope this letter addresses your concerns. Please call me if you have further questions, or have your staff contact LaJuana S. Wilcher, Assistant Administrator, Office of Water at (202) 260-5700. I look forward to meeting with you in the near future to discuss funding issues related to CWA Reauthorization.

Sincerely yours,

WILLIAM K. REILLY.•

OUR ECONOMY IS STALLED

• Mr. JEFFORDS. Mr. President, you do not have to be from New England to know that our economy is stalled, but it helps. While my State is faring a little better than some of its neighbors, its economy is still very, very weak.

I think we must begin by acknowledging that there are very real limits to what the Federal Government can do. This may be bad politics, but it is inescapable economics.

Throughout the past decade, when our economy went through an unprecedented peacetime expansion, our debts—governmental, commercial, and individual—ballooned. This year's deficit is predicted to be an eyelash shy of $400 billion. The national debt has increased from under $1 trillion to more than $3 trillion over the past 10 years. And the cost of servicing our debts is one of the fastest growing items in the budget, and is on the verge of surpassing our entire budget for domestic discretionary spending.

President Bush's critics barely let the ink dry on his budget before they started slamming it. I do not think it is perfect, and I, too, have criticisms of it. But I hope, and I know this may be a naive hope, that a sense of crisis will help lead to consensus rather than carping.

Just as I doubt that proposed tax cuts will produce miraculous recovery, so, too, am I skeptical that taxing the rich or slashing defense spending will be sufficient to close the gap between revenues and outlays. Our problems have become too big to yield to simple or painless remedies.

As the President's budget underscores, we really have two crises. Our immediate concern, as Vermonters and Americans know all too well, must be reviving our economy and putting people back to work. Bolstering unemployment insurance is a good step, but clearly there is much more that we can and must do.

Our second concern must be to reduce the deficit and achieve sound economic growth. To his credit, the President is willing to reduce defense spending and has put forward a proposal to rein in entitlement spending. Predictably, he has been assailed for trying to control mandatory spending. Privately, every Member of Congress knows he is right.

Given our massive accumulation of debt, steps we might wish to take must be balanced against their impact on our long-term economic health. This is by no means an easy task. The President has proposed his approach on how to achieve this, but to date his critics have not confronted the toughest issues, preferring instead to take political potshots. For my part, I do not believe that we can afford to take short-term steps that will add to the deficit.

How do you get out of a recession? Stimulate consumption. How do you achieve long-term economic growth? Stimulate saving. We want to prop up real estate values to help homeowners, but we want to make real estate more affordable to help home buyers.

There is more than a little schizophrenia in our economic debate. For years we have all decried the relatively low savings rate in our country and worried aloud about mounting consumer debt. Now that consumers seem to be reducing that debt, we worry that they are not spending enough. It is no wonder that the public is a bit uncertain.

We, too, are uncertain. Let us face it, none of us know if the Federal Reserve's actions will be sufficient, or what magnitude of tax changes will suffice to augment or accelerate economic recovery. Given this uncertainty, I think we should be cautious, avoiding the temptation to take actions designed to help today that will hurt tomorrow.

Ultimately, this can only result from reaching an agreement between the White House and Congress, Republicans, and Democrats.

The President has introduced his proposal, dividing it between short-term and long-term recommendations. He has asked us to act quickly on the former, and I believe we should do just that.

To this end, I have joined as a cosponsor of Senator DOLE's economic stimulus package, which he is introducing on behalf of the President. I believe this is a necessary step in bringing the two parties and two branches together in reaching an agreement.

Much of the President's short-term proposal makes sense. Even though homes are more affordable today than they have been in years, they still remain out of reach for too many Americans. I think it is useful to provide a $5,000 tax credit to first-time home buyers and to permit them to make a penalty-free withdrawal from their IRA's. While the latter might be seen as reducing retirement savings, I really do not think this is the case where the money is used to purchase an asset that is likely to appreciate.

The President's flexible IRA, or FIRA's, does raise some concerns in my mind with regard to its effect on retirement security. While it would be limited to individuals making less than $60,000 and couples making $120,000, and would thus promote some horizontal distribution of tax benefits, assets would be available well before retirement age on a tax-free basis.

I have no doubt this vehicle would be attractive to upper-middle income taxpayers with disposable income and lower-income taxpayers who currently hold IRA's. Indeed, I suspect that many IRA's would be rolled into FIRA's so they could be cashed out prior to retirement age. While this activity would produce a short-term revenue gain, it would be at the price of a long-term revenue loss with questionable effects on our retirement savings.

Clearly the most significant proposal of the President's short-term package is the reduction in the rate of taxation on capital gains. Like the President, I have long felt that it is fundamentally unfair and unwise to tax capital gains without regard to the effects of inflation. As any homeowner, or farmer, or small businessperson in Vermont knows, capital gains taxes are assessed on property even when there is no real gain at all.

Just as we indexed tax brackets to avoid inflation-induced bracket creep, so, too, should we index the basis on which assets are taxed.

If there is a real gain, I believe that it should be taxed at roughly the same rate as earned income, currently 28 percent. I do not oppose a temporary reduction in the capital gains rate, but I cannot support a permanent reduction.

Our tax system, largely due to the amendments to Social Security adopted in the late 1970's, became less progressive over the course of the 1980's. Yes, the wealthy are paying a larger share, but it is at a lower rate. There is nothing wrong with lowering rates and limiting tax shelters. But there is something wrong if a minimum wage earner is paying a higher marginal rate on his first dollar than a millionaire is paying on his last dollar.

By now we are all familiar with the numbers. Nearly two-thirds of all taxpayers with incomes below $60,000 realize capital gains. But two-thirds of the benefits of the proposed exclusion would go to the top 1 percent of all taxpayers.

It is less clear what the short-term impact would be, with a wide disparity between the estimates of the Treasury Department and the Congressional Budget Office. My guess is that the President's proposal on capital gains would result in increased revenue to the Treasury in the near term, as taxpayers, taught all too well that Tax Code provisions last in Washington only a little longer than snow, sell their assets.

But there is no disagreement as to the long-term impact. Such a reduction will mean reduced revenues—the only dispute is how much. Both Treasury and CBO agree on this.

Thus, I have very grave concerns about the President's package. But I have even graver concerns about doing nothing. We must move ahead, argue in good faith, and reach agreement on a proposal that will breathe life into the economy without suffocating our budget and future with debt. This will not be easy and, given election year politics, may not be possible. But we will have failed the public miserably if we produce nothing but sloganeering.•

GRAHAM-FOWLER AMENDMENT ON NUCLEAR REACTOR LICENSING

• Mr. KERREY. Mr. President, yesterday, the Senate accepted language that significantly modifies the Nuclear Regulatory Commission's procedure for licensing a nuclear reactor. These changes undercut the ability of States and citizens to participate in the licensing process. In light of the industry and Nuclear Regulatory Commission's poor record and lack of credibility, these changes send the wrong signal. I opposed streamlining the licensing process, and am disappointed that the effort by Senators GRAHAM and FOWLER to modify the committee's proposal was rejected.

The heart of the issue before the Senate is: Under what circumstances are citizens, who have met a rigorous standard, able to have a full hearing regarding their case that a nuclear reactor should not begin operation. In addition, whether the findings of such a hearing are subject to judicial review.

The committee's proposal grants the NRC unnecessarily broad discretion in determining what type of a hearing, if any, it grants to citizens who have brought forward evidence regarding whether a reactor should begin operating. We are not talking of frivolous claims about a reactor's safety, but rather when the petitioning citizen or group has marshalled sufficient evidence to meet the very high standard required by the NRC. The amendment by Senators GRAHAM and FOWLER would, at least, have granted a full adjudicatory hearing to petitioners who had met this standard.

Mr. President, we are making a mistake on this issue. We are telling citizens that, even if they manage to meet the required rigorous standards, the NRC has the discretion to deny them a full adjudicatory hearing, and then even to have the results of that full hearing then subject to judicial review.

These are obscure points. But they go to the heart of a democracy and citizens' rights in a democracy.•

PREEMPTION S. 12

• Mr. JEFFORDS. Mr. President, my State of Vermont is one of just six States in this country that regulates cable television at a State level, instead of leaving the job up to local municipalities. Right now, the Vermont Public Service Board has several investigations into the rates and tariffs of several cable companies in the State and has others in the works. Should this bill become law, the future of these investigations would be in doubt while jurisdiction is being reobtained from the FCC.

Mr. President, I would like to ask the managers of the bill if they believe S. 12 preempts individual States' ability to conduct investigations into violations occurring prior to enactment of this bill and to take appropriate enforcement actions.

Mr. DANFORTH. Mr. President, I would respond to the Senator from Vermont's question by saying that it is not the intent of this legislation to preempt such investigations. I would hope that the FCC in writing their regulations would be able to allow investigations into past violations initiated by the States, and corresponding enforcement activities, to continue.

Mr. NICKLES. Mr. President, I would like to bring to the attention of the managers of S. 12 a problem which I believe needs to be addressed by the Federal Communications Commission. The problem relates to the implementation of syndicated exclusivity rules across State borders. I ask my friend from Missouri, Senator DANFORTH, if he is aware of this situation?

Mr. DANFORTH. I say to my friend from Oklahoma, Senator NICKLES, that I am generally aware that the syndex rules have created some complaints and I would like to hear the specific explanation of your concerns.

Mr. NICKLES. To respond to my friend, let me briefly explain the problem and give a brief background. As you know, on January 1, 1990, the Federal Communications Commission implemented rules relating to the syndicated exclusivity, known as syndex, rights of programming owned by broadcasters. The purpose of the rules were to protect broadcasters who purchase the exclusive rights to transmit syndicated programs in their recognized market area.

The syndex rules were implemented in response to the complaints of broadcasters that distant stations brought into their market area over cable, were infringing upon their programming contractual rights. As a hypothetical example, say a television station in Oklahoma City has the exclusive rights within its market area to broadcast the series "Cheers." If the local cable operator imports a station from Atlanta that also carries "Cheers," then the exclusive contractual rights that the Oklahoma station purchased to broadcast the program has been violated.

The FCC syndex rules allow a broadcaster whose contractual programming rights are being violated by a cable operator bringing in a distant signal, to request that the cable operator remove the duplicated programming. The cable operator, upon receipt of such a notice, is required to blackout the duplicated programs on the distant station. Unfortunately, because of expense, channel underutilization, and related problems associated with blocking duplicated programming, the cable operator often takes the easier way out and simply drops the distant station entirely.

While I believe that broadcasters certainly should have their syndex rights protected, I am concerned about the problem created when broadcast stations have applied these rules across the State lines. In Oklahoma for example, a station in Wichita Falls, TX, requested the cable operator in Duncan, OK, to blackout several duplicated programs carried on an Oklahoma City station. The cable operator carried the Oklahoma City on its network, which is only 87 miles from Duncan and the information center for that part of the State. However, because the Wichita Falls station is approximately 40 miles from Duncan, the Oklahoma City station is considered to be the distant signal. Therefore, in order to comply with the syndex request of the Wichita Falls station, the cable operator, in Duncan was forced to delete the duplicated programming leaving entire portions of the broadcast day blacked out, underutilizing the operator's limited channel capacity.

In this case, the citizens of Duncan lost the consistent programming that they had come to rely upon from the Oklahoma City station. Of particular concern was the loss of the ability to receive important weather bulletins in an area known for its violent weather, as well as other important State-related information. Similar problems and concerns have been expressed by citizens in Poteau, Lawton, and Marlow, OK. In the case of Poteau, a Tulsa station was dropped entirely by the local cable operator when syndex rules were imposed by an Arkansas station.

Therefore, in an effort to address the extent of the problem, I am sending a letter to the Federal Communications Commission requesting that they initiate a study to determine the extent of this problem nationwide. My request is that they submit the results of this inquiry to the appropriate congressional committees within the next 6 months. If the FCC finds that this is a problem nationwide, I would like Congress to consider taking appropriate action to address the situation. I am submitting a copy of my letter to the FCC on this matter for the RECORD.

Mr. DANFORTH. Senator NICKLES, your explanation of the situation certainly gives cause for the FCC to initiate an evaluation of this problem. I can certainly understand why so many of your constituents are upset with the loss of their Oklahoma-based broadcasts, and share your interest in knowing whether this is a problem nationwide. In that regard, I join my colleague from Oklahoma in encouraging the FCC to report to Congress on this matter.

Mr. NICKLES. I thank my friend from Missouri for his support, and look forward to working with him and his staff in addressing this situation.

The letter follows:

U.S. SENATE,
Washington, DC, January 31, 1992.

Mr. ALFRED C. SIKES,
Chairman, Federal Communications Commission, Washington, DC

DEAR ALFRED: The purpose of this letter is to bring to your attention to a problem that is occurring in Oklahoma relating to the implementation of syndex rules, and to ask that the Federal Communications Commission initiate a study to determine if this is a problem nationwide. Briefly, let me explain. As you know, on January 1, 1990 the FCC implemented rules relating to the syndicated exclusivity (syndex) rights of programming owned by broadcasters. As you know, the purpose of the rules are to protect broadcasters who purchase the exclusive rights to transmit syndicated programs in their recognized market area.

While I believe that broadcasters certainly should have their syndex rights protected, I am concerned about the problem created when broadcast stations have applied these rules across state lines. In Oklahoma for example, a station in Wichita Falls, Texas requested the cable operator in Duncan, Oklahoma to blackout several duplicated programs on a Oklahoma City station carried on the cable system.

While Oklahoma City is only 87 miles from Duncan, it is considered a "distant" signal since the Wichita Falls station is less than 50 miles away. Therefore, in order to comply with the syndex request of the Wichita Falls station, the cable operator in Duncan was forced to delete the duplicated programming leaving entire portions of the broadcast day blacked out, underutilizing the operators limited channel capacity.

I am concerned because the citizens of Duncan lost the consistent programming that they had come to rely upon from the Oklahoma City station. Of particular concern was the loss of the ability to receive important weather bulletins in an area known for its violent weather, as well as other important State related information. Similar problems and concerns have been expressed by citizens in Poteau, Lawton and Marlow, Oklahoma. In the Poteau case, a Tulsa station was dropped entirely by the local cable operator when syndex rules were imposed by an Arkansas station.

Therefore, because of my desire to address this situation, I am requesting that the FCC initiate a study to determine the extent of this problem nationwide. The results of this evaluation should be submitted to the appropriate Congressional Committees within the next six months. Your cooperation will be most appreciated and I look forward to hearing from you soon on this matter. Enclosed are the specifics of my request.

Sincerely,

DON NICKLES,
U.S. Senator.

The Federal Communications Commission is requested to initiate a study to determine the following:

1. In what specific instances and in which geographical areas have broadcasters requested the enforcement of syndicated exclusivity rules across State lines.

2. In those instances where a broadcaster has requested the enforcement of syndex rules across State lines, the FCC is directed to investigate and report on the response of the cable operator to the broadcasters request. Specifically noted whether the cable operator blocked out the duplicated programming or dropped the distant station from its system entirely.

3. The study should also include the costs associated with the implementation of the syndex rules by those cable operators cited in the report.

This study should be provided to the appropriate Congressional Committees and Senator Nickles within six months of enactment of this legislation.•

TRIBUTE TO BILL MALLERIS

• Mr. DURENBERGER. Mr. President, I have the great honor today to pay a special tribute to Bill Malleris. Bill has devoted his life's work to helping those with mental and physical disabilities. Through SEMCIL [Southeastern Minnesota Center for Independent Living, Inc.] he has enabled thousands of disabled persons to live independently. His life's dream is to see the removal of all physical barriers to the disabled, and with the enactment of ADA [American Disabilities Act], Bill's dream is starting to become a reality.

What makes Bill successful is his outlook on life. Bill was born with congenital neuromuscular atrophy which confines him to a wheelchair. But that does not stop Bill, nor does he dwell on his condition. In fact, if there is anything he wants to do, he will find a way to do it/ For example, the idea of being handicapped and attending college in the early seventies did not inhibit him. In sufficing the problem, Bill drove a golf cart around campus. When the campus proved to be only partially navigable, he realized his solution lay in removing barriers to the physically disabled. Likewise, his love of sports and the outdoors led him to found Rochester Area Disabled Athletics and Recreation [RADAR] in 1985.

Bill's attitude toward life is one we all can learn from. From a friend who described him as a bowl of energy, we learn that no obstacle is too big for him to overcome. When SEMCIL board member, Jim Powers suffered a stroke, Bill encouraged Jim to get back in the saddle. Every minute of life is precious for Bill, and he does not want to miss out on it, nor does he want any other handicapped person to miss out.

For the past 3 years, Bill Malleris has fought for, monitored, and waited for the ADA bill to become law. Bill, the work is done, and with the law beginning to go into effect as of January 26, 1992, the challenge still lies ahead of us to implement and enforce that bill so that all Americans can enjoy life to the fullest.

Because of the work of people like Bill, 43 million disabled Americans will be able to enjoy simple activities for the first time that most of us take for granted: eating at a restaurant; going to a movie; riding a bus; visiting a doctor; shoping for groceries.

And in another 6 months, the ADA will begin dismantling barriers that have hit the disability community the hardest—unnecessary obstacles in the workplace. Two-thirds of the disabled population do not have jobs. Most of these people want to work and are extremely capable, but many employers have discriminated against them simply because they are disabled.

Wasting the talents of the disabled community is not only wrong from a moral standpoint; it costs the Federal Government billions of dollars each year in Social Security benefits and lost income tax revenues. The cost of making society accessible to all Americans will be minuscule compared to the payoff.

A disability becomes disabling because of the barriers we erect to major life activities. I believe that history will record the efforts of people like Bill—breaking down unnecessary barriers—as progress toward taking the "dis" out of "disability." As Bill has reminded me, we owe 43 million of our relatives, friends, and neighbors nothing less.●

TRIBUTE TO DICK SCHMIDT

● Mr. WIRTH. Mr. President, for nearly 20 years I have benefited from the counsel and wisdom of Dick Schmidt—lawyer, protector of the first amendment, host to all Coloradans in Washington, westerner, raconteur, and friend. Dick has helped so many and stood for so much.

On February 19, Dick will be honored by the National Press Foundation, I wanted to share with my colleagues some of the columns his colleagues in the press have devoted to this wonderful man.

Mr. President, I ask that the following articles from the Rocky Mountain News and the Denver Post be inserted in the RECORD following my remarks.

The articles follow:

[From the Rocky Mountain News, Jan. 12, 1992]

RICHARD M. WHO?

(By Tom Gavin)

You know Dick Schmidt. Well . . . I beg your pardon? You don't? Pause. May I take you by the hand? I have for 40 years been looking for someone—anyone!—who doesn't know Richard M. Schmidt Jr., and here you are at last.

Dick Schmidt dabbled in radio and politics and law and merriment in these parts for many years, and I think he used the city directory, starting at both ends and working toward the middle, to seek out and hunt down any citizen he might not have met. Then he went away to Washington and did the same thing there, returning to Denver just often enough—seven or eight times a year—to keep people like you from becoming smug and bragging to your neighbors that, heh heh, you'd never met this Schmidt person.

Here's an example of what knowing him is like:

Many years ago, not long after his departure for the District called Columbia, I found myself there and called him for lunch. He directed me to one of those lah-de-dah dining clubs where the elite meet to eat. These organizations abound in D.C. and have one thing in common: to gain admission you must know the location of three buried bodies and/or the details of at least five fresh congressional peccadillos.

What Schmidt did was take me counterclockwise through that dining room, introducing me to nabobs at each table and offering a thumbnail biography and sotto voce listing of each victim's shortcomings.

From table to table we went. Jokes were told, confidences exchanged, gossip traded. I had so many identities crammed into my brainpan that by the time we reached the second table I was lost and numb. ". . . tameetcha," I'd mumble. Then the next table. And the next. All I wanted was lunch.

"He's a big noise Washington lawyer now, but most of his friends have found it in their hearts to forgive that.

RMS Jr. has even taken his act to Japan, China, and Europe. China reciprocated with a university-age foster son, an engaging young man who lived with the family while attending college and who fit right in with all the other Schmidts.

"Are you getting the idea that ol' Dick is a man of unbounded friendliness and generosity? Yeah, that's him. The missus, too, who may hurt me the next time I see her for referring to her in that way. More than one Denverite has presented him or herself at the Schmidts' Capitol Hill doorstep, prepared to stay awhile. In fact, it's hard not to. One of their livelier weekend guests, if I have the story right, had only come to distribute handbills.

He also prepares great baby-back ribs.

Friends, coming upon him unexpectedly, visibly pause and steel themselves. They know they are about to hear from eight to 14 jokes, most of them bad.

Once in awhile, though . . .

Schmidt's the source of my New York joke, I've repeated it many times, I know, but it makes me laugh and I am unrepentant. This is it: "A Manhattan visitor, obviously on this second or third day in the big city approaches a New Yorker. "Excuse me sir," he says, "can you direct me to Grant's Tomb or should I go bleep myself?"

Why am I telling you all this? Because my friend—everybody's friend—Dick Schmidt has been chosen to receive the National Press Foundation's Award for Distinguished Contributions to Journalism at a whoop-deedoo black tie dinner in Washington on Feb. 19.

They say it's in recognition of all his pro bono—which as I understand it means unpaid—work on behalf of freedom of the press, and I can attest to some of that, for when I was working in that part of the country I never covered a meeting on that subject that I didn't hear a voice whisper, "Didja hear the one about. . ." and without looking up I'd say, "Hi, Dick."

It's a shame you don't know him.

[From the Rocky Mountain News, Jan. 12, 1992]

AWARD HONORS ONE OF THE GOOD GUYS

(By Gene Amole)

Crazies.

Let me set the stage for you. It is 1946 in Denver. Singer Mel Torme, the "Velvet Fog," comes to town. He is mobbed by adoring bobby-soxers wherever he goes. They even hide under his bed at the Brown Palace Hotel. When he makes a personal appearance downtown on radio station KMYR's Meet the Boys in the Band, they block traffic on Stout Street, trampling on the hoods of parked cars.

A year later, Falstaff Brewing Co. brings Jerome "Dizzy" Dean to town to broadcast a baseball game on KMYR between the Denver Bears and the Pueblo Dodgers. The Hall of Fame pitcher for the old St. Louis Cardinals "Gas House Gang" was notorious for his fractured-English broadcasting style.

Dean would say, "He slud into second base" or "Look at them arms! They is as big as a blacksmith's." He would sometimes sing The Wabash Cannonball during rain delays. When Dean arrived by train at Union Station, he was met by a gaggle of enraged English teachers carrying picket signs protesting his atrocious grammar and demanding that he be thrown off the air.

The mastermind of both events was Dick Schmidt, who then was working his way through the University of Denver as a disc jockey, part-time board announcer, sportscaster, promoter and anything else a 250-watt radio station needed. I know this because I was one of the crazies who worked with him.

Now, let us fast-forward to Feb. 19, 1992. It is the annual black-tie awards dinner of the National Press Foundation in Washington. A thousand people are in attendance to watch Richard Marten Schmidt Jr. receive the foundation's coveted award for Distinguished Contributions to Journalism. It is the first time the award has gone to a non-journalist.

Where have the years gone? It seems like yesterday when Dick graduated from DU Law School. He worked as a deputy to District Attorney Bert Keating. In private practice, he was the young lawyer the Denver media engaged to carry their successful fight to revise the Judicial Code of Ethics so that cameras and microphones could be used in courtrooms. John Gilbert Graham's 1956 murder trial was the first to be televised. He was convicted of planting a bomb on United Airlines DC-6, killing his mother and 43 others on the plane.

In Washington, Dick was appointed counsel of the Symington Agriculture Subcommittee, investigating commodities fraud. Then he became general counsel of the U.S. Information Agency, working with John Chancellor, who was on leave from NBC. He traveled all over the world, including war-torn Vietnam opening lines of communication that had been closed for decades.

His knowledge of communication law is second to none. He appears frequently before congressional committees and the U.S. Supreme Court on First Amendment issues. Dick is now general counsel for the American Society of Newspaper Editors and is also Washington counsel to the Association of American Publishers. He served as chairman of the Washington Journalism Center from 1980 to 1983.

There is a lot of talk these days about the shortcomings of our legal system, much of it deserved. But let me tell you something, Dick Schmidt is one of the good guys. He is proud to be an officer of the court and has brought distinction to his profession. He is an eloquent defender of the Bill of Rights.

As for Mel Torme and all those screaming teen-agers, I guess you had to be there.

[From the Denver Post, Dec. 18, 1991]

RECOGNITION FOR A FRIEND OF PRESS FREEDOM

(By Bill Hornby)

Richard M. Schmidt Jr., a well-known Denver attorney who has gone on to greater glory in Washington, D.C., will receive the National Press Foundation's prestigious award for Distinguished Contributions to Journalism at a black-tie affair in the Capitol Feb. 19. The Foundation citation said Schmidt is "the unquestioned leader among the relatively small number of attorneys who have devoted their careers and lives to protection of the freedom of the press * * * the newspaper editors of America and the First Amendment have no more dedicated and able advocate and defender."

Dick Schmidt's career as general counsel to the American Society of Newspaper Editors and numerous other professional publishing and broadcast organizations has particularly close linkages to this newspaper. When the former Denver deputy district attorney first went to Washington as a temporary counsel to Sen. Stuart Symington's investigation of the Department of Agriculture, he was an intimate of then Post Editor and Publisher Ep Hoyt, and the interplay of that indefatigable duo is a sparkling footnote to The Post's history.

Later, when Dick and his wife, Anne Downing Schmidt, moved to Foggy Bottom permanently—he first to be general counsel to the Voice of America and later a partner in the communications law firm of Cohn & Marks—they became Colorado's unofficial ambassadors to the national government. Anne was a mainstay of The Denver Post's Washington bureau, and somewhere along the way Dick began his long service as ASNE counsel, the friend on the other end of the line to every embattled newspaper editor in the country.

As the Foundation reads it, "every editor knows that if his or her newspaper has a serious First Amendment problem, Dick is only a phone call away * * * no First Amendment lawyer has performed as much pro bono work in behalf of freedom of the press. This includes presentation of innumerable amicus curiae briefs up to and including the U.S. Supreme Court and appearances before countless congressional committees * * *"

The Foundation's award usually goes to a working news professional—previous winners have included A.M. Rosenthal, retired ME of the New York Times; Gene Roberts of the Philadelphia Inquirer, John Seigenthaler of USA TODAY and the Nashville Tennessean; Bob and Nancy Maynard, owners of the Oakland Tribune; and Fred Friendly, the old sidekick of Ed Murrow at CBS.

This is illustrious journalistic company, but Schmidt, a former Denver broadcaster, has never been abashed or overly impressed in the legal or social courts of the mighty, and will absorb his new recognition with habitual humility. The Foundation citation notes his "seemingly boundless energy and good cheer that continues to astound his friends," an attribute well-known in Colorado, where he still frequents the press and University clubs and the countless confabs of the Colorado bar.

Dick Schmidt is a native of El Dorado, Kan., onetime home of that genius of small-town journalism, William Allen White, though both Schmidt and White had to leave town to amount to anything. At the University of Denver, he acquired the polish of education and his gracious goodwife, while surviving on the air with such suspects as Gene Amole, Ed Koepke, and Al and Bill Meyer. Later local law practice brought him such associates as Ned Van Cise, Dale Tooley, Roy Romer, Al Zarlengo, John Mott, Dan Lesher and Dick Eason, all names in the Denver history books. He also acquired more Denver in-laws than you can shake a brief at in Anne. Downing Schmidt's clan, which posts sentinels on every Colorado ridge.

Colorado historians have missed a bet in not pumping the Schmidts. For three decades they have been intimates of our congressional delegations and of visiting Front Range politicos, and their store of vignettes about this state's illuminati is fabulous. Somebody should do a book on Schmidt, if they could get him to slow down long enough, but meanwhile we settle for his long-overdue recognition as one of this nation's really distinguished friends of a free press.●

TAKING ADVICE AND CONSENT SERIOUSLY

● Mr. SIMON. Mr. President, for some time, I have had serious concerns about the administration's devaluation of the Senate's proper role in the judicial selection process. Stated simply, the President has ignored the "advice" portion of the Senate's "advice and consent" role under the Constitution.

This week, the majority leader's Task Force on the Confirmation Process released its report on the confirmation process for presidential nominees. Section I of the task force report directly addresses the history of the advice and consent clause, and makes clear that the framers expected the Senate to play an active role in the appointment process and to engage in both formal and informal consultations with the President, particularly in the selection of U.S. Supreme Court nominees.

The recent Thomas nomination process crystallized my own concerns about the lack of attention placed on the advice portion of the Senate's advice and consent responsibility under the Constitution. It is my opinion that the Senate has a responsibility to make its own judgment about nominees to the judicial branch, especially to the Supreme Court. Unlike the President's nominations to positions in the executive branch, appointments to the judiciary are to a branch of Government that is supposed to be independent of the President. What is more, these appointments will serve a lifetime, and can only be removed by impeachment. For the President to control such appointments unilaterally would be inappropriate, especially in a political system where checks and balances are so important.

The impact of Federal judges is so enduring that we cannot view approval of these appointees as a clerical or routine duty of the Senate. I am especially concerned that we lay the groundwork now for considering future nominees to the Supreme Court—that we think about our standards and processes before people are nominated and before the debate turns to specific personalities. I am pleased that the task force findings echo my beliefs about the importance of restoring true advice and consent to the judicial nomination process.

On October 15, 1991, I introduced Senate Joint Resolution 194, which makes note of the increasingly ideological nature of Supreme Court nominations, and which proposes informal, bipartisan consultation between Senate leaders and the White House before any Supreme Court nominees are submitted to the Senate. Deans of some of the Nation's major law schools have commented on my proposal and their replies were overwhelmingly favorable.

Guido Calabresi, the noted constitutional scholar and Dean of Yale University Law School, declared that an active Senate role in the appointment of Federal judges becomes absolutely critical in light of the unprecedented ideological single mindedness of the last two administrations. Peter Shane, a professor at the University of Iowa, commented: "What bipartisan consultation might well promote is excellence in qualifications, broad public confidence in nominees, and the avoidance of ideological rigidity on the Court." Donald Gifford, Dean of West Virginia University Law School, stated: "I believe your resolution would be a positive step toward having the executive and legislative branches work together to find well qualified judges and reverse the trend of making Supreme Court appointments a solely partisan political process," and Steven Smith, dean of Cleveland State University Law School, commented:

> Perhaps early consultation would lead both to an improved quality of appointment and to a confirmation process that is more in keeping with the dignity that should surround the United States Supreme Court.

I ask to insert into the RECORD at this point the complete responses from Dean Guido Calabresi, Dean Geoffrey R. Stone, Prof. Peter M. Shane, Dean Donald Gifford, and Dean Steve Smith.

The responses follow:

YALE LAW SCHOOL,
New Haven, CT, December 3, 1991.

Hon. PAUL SIMON,
U.S. Senate, Committee on the Judiciary, Washington, DC.

DEAR SENATOR SIMON: Thank you for your letter and the proposed Resolution on "advice and consent" in Supreme Court nominations. I totally agree both with the letter and with the Resolution.

For the past 24 years Presidents of one political party have made all the appointments to the Supreme Court. This is as long a time as there has been, at least since the Civil War and possibly in the history of the country. Moreover, while in the past, Presidents have been very careful to appoint Justices whose points of view were very different from the President's own, the last two administrations have been of an ideological single-mindedness that is virtually unheard of in our history.

The position you take in the letter and in the Resolution, correct in itself, becomes absolutely crucial in these circumstances. I thank you for it and would be happy to help in any way you think I might be useful.

Sincerely yours,
GUIDO CALABRESI.

THE UNIVERSITY OF CHICAGO,
Chicago, IL, December 12, 1991.
Senator PAUL SIMON,
U.S. Senate, Committee on the Judiciary, Washington, DC.

DEAR SENATOR SIMON: Thanks for your letter of November 26 seeking my advice concerning S. Res. 194. I certainly share your concern about the nature of the judicial selection process in recent years. My own view, however, is that the failure is that of the Senate as much as that of the President. This is so because the Senate has fallen prey to the unwarranted assumption that its appropriate role in reviewing judicial nominations—and particularly nominations to the Supreme Court of the United States—is "deference."

It is, of course appropriate for the Senate to grant considerable discretion to the President in nominating individuals to serve, for example, as Secretary of State or Attorney General, for such officials are personal advisors to the President and serve only as long as the President is in office. Such deference is wholly out of place, however, in the context of nominations of Justices to the Supreme Court. Such officials are not personal advisors to the President and they serve for life. In such circumstances, the Senate's responsibility is to make its own independent judgment as to whether the confirmation of each individual nominee is in the interest of the nation. There is simply no historical or logical basis for the assumption that the Senate should defer in the appointment of Supreme Court Justices. The appropriate constitutional stance for the Senate may take the form of "advice" as proposed in S. Res. 194 or it may consist of exercising the right to say "No."

The importance of the Senate's failure to meet its responsibilities in this regard has never been more evident than in the past quarter century. Indeed, in the past 23 years, we have seen 11 consecutive conservative appointments to the Court despite the fact that in almost all of those years we have had a divided government. Indeed, in 19 of the last 23 years Republicans have controlled the Presidency, and in 21 of those 23 years the Democrats have controlled the Senate. In such circumstances, which are historically unprecedented, the assumption of deference has proved disastrous to the nation. In an era in which there has been no consensus about the appropriate direction of the Supreme Court, the process has operated as if such a consensus existed.

Thus, although S. Res. 194 is a small step in the right direction, the right step in the right direction is for the members of the United States Senate to begin making the case for their right to meet their own responsibilities.

If I can be of any further assistance in this matter, please feel free to call on me at any time.

Sincerely yours,
GEOFFREY R. STONE.

THE UNIVERSITY OF IOWA,
Iowa City, December 19, 1991.
Senator PAUL SIMON,
U.S. Senate, Committee on the Judiciary, Washington, DC.

DEAR SENATOR SIMON: Dean Hines of this law school forwarded to me your November 26 letter concerning S. Res. 194 regarding nominations to the U.S. Supreme Court. In offering a brief comment on this proposal, I am presenting only my own view, not necessarily the views of Dean Hines or of any of my colleagues.

I share the position that I take to be implicit in S. Res. 194, namely, that the country has been ill served by the selection of recent nominees by Presidents Reagan and Bush for the clear purpose of yanking the Supreme Court into a dramatically different view of the U.S. Constitution than the general view that prevailed under the Warren and Burger Courts. Furthermore, bipartisan consultation may well be useful in identifying outstanding potential nominees who will steer the Supreme Court away from ideological rigidity. (Senatorial advice, for example, was highly significant in prompting Republican President Hoover to nominate to the Court the distinguished Democrat, Benjamin Cardozo.)

I would personally prefer, however, to avoid the metaphor of "balance" which S. Res. 194 uses. This suggests that, for every prochoice Justice on the Court, there should be an anti-choice Justice, or that, for every Justice committed to a strict separation of church and state, there should be some representation for the view that compulsory school prayer is permissible. In an extreme example, it might suggest that President Lincoln was wrong in seeking to stack the Court with Justices who would permit him to preserve the Union unimpeded. It might also suggest, if the Rehnquist Court successfully solidifies a New Right constitutional jurisprudence, that future Democratic President should hesitate before destabilizing that jurisprudence through a generally more liberal appointment. I would find none of these implications congenial.

What bipartisan consultation might well promote is excellence in qualifications, broad public confidence in nominees, and the avoidance to ideological rigidity on the Court. These, rather than "balance," are the virtues of which I would hope our residents would be mindful.

Sincerely,
PETER M. SHANE,
Professor of Law.

COLLEGE OF LAW,
WEST VIRGINIA UNIVERSITY,
Morgantown, WV, December 9, 1991.
Hon. PAUL SIMON,
U.S. Senate, Committee on the Judiciary, Washington, DC.

DEAR SENATOR SIMON: I am writing in support of proposed Senate Resolution 194, proposing Senate consultation with the White House prior to the selection of future nominees to the Supreme Court.

I recognize that the judicial and political philosophies of the Supreme Court nominees have always been at issue in both the appointment and confirmation process. Nevertheless, it appears that we have now reached a point where the Executive Branch and many members of the Legislative Branch employ differing "litmus tests" in the appointment and confirmation process. Further, inexperience and lack of strong expression of judicial views appear to have become a "plus" in the appointment and confirmation process.

I believe your resolution would be a positive step toward having the Executive and Legislative Branches work together to find well qualified judges and reverse the trend of making Supreme Court appointment a solely partisan political process.

I wish you well in your efforts.

Sincerely,
DONALD G. GIFFORD,
Dean.

CLEVELAND STATE UNIVERSITY,
CLEVELAND-MARSHALL COLLEGE OF LAW,
Cleveland, OH, December 20, 1991.
Hon. PAUL SIMON,
U.S. Senate, Committee on the Judiciary, Washington, DC.

DEAR SENATOR SIMON: Thank you for sending a copy of S. Res. 194 regarding appointments to the United States Supreme Court.

Your proposals are most intriguing and I hope that they will be considered seriously by the Senate. The proposed sense of the Senate resolution contains both a political and a procedural component. While I am fully in accordance with division 1 regarding philosophical balance, it seems to me that the second provision regarding consultation is the much more important. By putting the philosophical language in the resolution, it may dilute the impact of the procedural issue.

The procedural issues seems to me to be particularly critical. The current process of appointment is not producing particularly outstanding scholars or lawyers as Supreme Court justices. Perhaps early consultation would lead both to an improved quality of appointment and to a confirmation process that is more in keeping with the dignity that should surround the United States Supreme Court.

Thank you for sending me a copy of your resolution.

Best wishes.

Sincerely yours,
STEVEN R. SMITH,
Dean.•

SENATE CONCURRENT RESOLUTION 88, CONGRATULATING THE PRESIDENT AND PEOPLE OF ARMENIA

• **Mr. D'AMATO.** Mr. President, I rise today in support of Senate Concurrent Resolution 88, congratulating the President and people of Armenia for their achievement of independence.

Following their declaration of independence on August 23, 1991, Armenia set out on the road to building a stable and viable democracy based on the principle of human rights. On September 21, they held a referendum, and overwhelmingly affirmed their independence.

After 70 years of domination and subjugation by the totalitarian Soviet state, Armenia is now free. It's culture, dominated by warped Soviet mores, is free to flourish unhindered. Its people, now separated from their Soviet chains, can pursue a life free of foreign domination. Armenia's destiny is now it's own.

I join my colleagues in congratulating President Bush for recognizing the independence of Armenia and I also congratulate the people of Armenia and their achievement of independence. I welcome Armenia to the family of nations.●

ORDERS FOR TUESDAY, FEBRUARY 11; FRIDAY, FEBRUARY 14; AND TUESDAY, FEBRUARY 18, 1992

Mr. ROBB. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m., Tuesday, February 11; that when the Senate meets on Tuesday, it meet in pro forma session only; that at the close of the pro forma session, the Senate stand in recess until 11 a.m., Friday, February 14; that when the Senate meets on Friday, it meet in pro forma session only; that at the close of the pro forma session, the Senate then stand in recess until 9:30 a.m., Tuesday, February 18; that on Tuesday, following the prayer, the Journal of Proceedings be deemed approved to date; and following the time for the two leaders, there be a period for morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each; that on Tuesday, the Senate stand in recess from 12:30 p.m. to 2:15 p.m., in order to accommodate the regular party conference luncheons.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

RECESS UNTIL TUESDAY, FEBRUARY 11, 1992, AT 11 A.M.

Mr. ROBB. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 5:12 p.m., recessed until Tuesday, February 11, 1992, at 11 a.m.

EXTENSIONS OF REMARKS

MISUNDERSTANDING THE LESSONS OF WAR

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. ASPIN. Mr. Speaker, I address my colleagues today out of a concern that we have won a war only to run the danger of misunderstanding its lessons.

A year ago, the U.S. military brilliantly executed Operations Desert Shield and Desert Storm. The lessons we draw from this conflict are likely to have an enormous and long-lasting impact on the way we prepare our defenses for the future. There are two basic reasons for this.

First, there is the historical context. This campaign in Southwest Asia followed the collapse of the Warsaw Pact and preceded by only months the dissolution of the Soviet Union itself. That means the Moscow-ruled Eastern Bloc that for so long dominated our military thinking and our defense preparations is gone, and the threats we will face in the future will more closely resemble the regional conflict with Iraq than world war III in Europe.

Second, the war in Iraq decisively settled a longstanding argument in defense circles about high technology on the battlefield. Even while we pursued a high-technology strategy, there were those who said it was a mistake. The high-technology stuff would prove too temperamental for battle, they said. It would prove too difficult for the average GI to operate, they said. We couldn't buy it in enough numbers to do the job, they said. What we needed was simple, robust weapons in large numbers.

Well, the collapse of the Warsaw Pact dealt with the first issue and the war with Iraq settled the other. Our men and women in uniform kept their high-technology weaponry on line and on target. And when they did, something very welcome emerged. High technology saved American lives in this war. It saved lives by providing accuracy, lethality, and long range. And it's also a fact that simple weapons tend to require more human effort to make them work in battle, effort that is up close and dangerous. High-technology weapons less so.

All this places us at a crossroads. History has happily deprived us of our longtime enemy. Nevertheless, Saddam Hussein has shown us there are threats to our security. How we understand the war against Saddam will thus enormously influence how we prepare our defense for the future.

On April 30 of last year, I wrote President Bush asking that he consider appointing an independent commission to examine the planning and execution of the war. At the time, I wrote, "the nation needs a comprehensive, objective review from an overall perspective that cuts across service lines and is not bound to any one organizational approach."

I said that the review should have three main goals: An analysis of the military success in the war, an inventory of weak spots, and an assessment of the relevance of the war to future conflicts lest we be misled by the unique aspects of the conflict.

I suggested that the inquiry be structured along the lines of the U.S. strategic bombing survey of World War II, and headed by civilians of stature and ability.

If Mr. Bush did consider this request, no record of that consideration has escaped the White House. No independent commission was appointed. An important opportunity was lost.

Congress did mandate in the legislation authorizing funds for Operation Desert Storm that the Pentagon conduct a formal evaluation of the lessons of the war. The deadline specified for his report has long passed but we now hear that publication may be imminent.

It appears we are about to pay the price for failure to have an independent assessment of the war. Press and other accounts suggest that the report will not be rigorous, chips-fall-where-they-may analysis. Rather, these accounts suggest that the Pentagon assessment will be a document negotiated among the services so that no one comes off looking much worse than the other. If these reports are true, the war will turn out in Pentagon analysis to be closer to a one-third, one-third, one-third proposition than perhaps we remember it.

This is both understandable and predictable. The performance of technology in this war is going to have a big impact. The impact is so big that I believe it could alter the balance of roles and missions between the services. If that is true, we can certainly see why any one service would be very concerned that an official assessment of the war not reflect less favorably on its role than that of its sister services.

It's one thing to slug it out over future roles and missions in private. It's another thing to give your opponents a cudgel with which to beat you over the head in public.

This behavior isn't peculiar to our military services. No institution should be asked to act against its own interests. It just doesn't work. That's why we needed an objective, authoritative outside examination of conduct of the war. And it looks like that's just what we're not going to get from the Pentagon.

For those who are interested, I ask that my April 30, 1991, letter to the President, the May 3, 1991, White House reply, and a recent press account of the Pentagon assessment be included in this RECORD.

When the Pentagon report is published, I ask that you read it. There will be much that we can draw from it. But I ask that you read it with some skepticism. And I ask that you compare it with our own forthcoming effort to assess the lessons of the war.

The gentleman from Alabama [Mr. DICKINSON] and I will shortly publish an assessment of the war that, I suspect, will have a much different emphasis than the official Pentagon version. I make no claim that our assessment is the final word on Operation Desert Storm. I do say we have attempted a comprehensive, objective assessment of the major lessons of the war as they relate to our job of providing the right defense for America in the future. I commend it to your attention.

COMMITTEE ON ARMED SERVICES,
Washington, DC, April 30, 1991.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I believe you should consider appointing an independent commission to examine the planning and execution of U.S. military operations that resulted in victory in the war against Iraq. The Defense Department and its many components are deeply engaged in assessing various aspects of Operations Desert Shield and Desert Storm. These will be valuable. But the nation needs a comprehensive, objective review from an overall perspective that cuts across service lines and is not bound to any one organizational approach.

The review should have three main goals. First, it should analyze the ingredients of our military success in the Gulf, including the contribution of specific military strategies, tactics, weapons and support capabilities to accomplishing our military objectives. Second, it should identify any weak spots in our preparations, planning and performance. Third, it should examine the likely relevance of the Persian Gulf experience to other conflicts to help ensure that we do not over-generalize from the specific circumstance of this war.

Your August 2, 1990, Aspen speech emphasized the changes in the world that have caused your administration to begin to rethink U.S. national military strategy. The Gulf war has provided the nation an opportunity to examine how to shape a strategy and develop a military posture that focuses on the regional conflicts you identify as a major concern in the future. The review I am suggesting is intended to take advantage of this opportunity.

An independent commission, possibly structured along the lines of the World War II U.S. Strategic Bombing Survey, is a promising approach. It could initially report to the President and the Congress on a classified basis and then to the American people in a clear and comprehensive report on the war.

If, as was the case with the Bombing Survey, the commission is headed by civilians of impeccable reputation and supported by talented, knowledgeable staff, its findings and conclusions will achieve a credibility with the Congress and the American people. I am certain that the result will reinforce the nation's commitment to a strong defense posture in the future.

Respectfully yours,

LES ASPIN,
Chairman.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

WASHINGTON, DC,
May 3, 1991.

Hon. LES ASPIN,
House of Representatives,
Washington, DC.

DEAR LES: Thank you for your recent letter to the President regarding the establishment of an independent commission to examine U.S. military operations that resulted in the success of Operation Desert Storm.

We appreciate your suggestion. Please know that I have shared your comments with several of the President's advisors on this matter so that they, too, are aware of your recommendations.

Thank you again for your interest in writing.

With best regards,
Sincerely,
FREDERICK D. MCCLURE,
Assistant to the President for Legislative Affairs.

[From the Washington Post, Jan. 28, 1992]

DISPUTES DELAY GULF WAR HISTORY

(By Barton Gellman)

The Defense Department's official history of the Persian Gulf War, which missed a Jan. 15 deadline set by Congress, has been delayed by interservice and interagency disputes over the way the war was fought and the meanings to be extracted from its outcome, Pentagon officials said.

Occasionally bitter disagreements have ranged from the factual and technical, such as whether radar jammers supported the F-117A "stealth" attack plane, to semantic choices that touch on power, turf and prestige. As the first large-scale conflict since the Vietnam War and the last before major spending cuts begin to bite, the gulf war is being refought in thousands of pages of memoranda with a view toward coming conflicts over budgets and authority.

Prepared under the supervision of I. Lewis Libby, principal deputy undersecretary of defense for policy, the so-called lessons learned report is circulating in three thick binders containing eight chapters and 20 technical appendices. Now stamped "Secret/Noforn/Close Hold," the report will be released in classified form to Congress and in an unclassified version to the public.

Officers and civilians involved in its drafting said the final report, which went late last week to Defense Secretary Richard B. Cheney, will bear little trace of the discord that produced it. Most major disputes, they said, will be sidestepped or softened. "It looks like it was written by a committee, which it was," said one officer closely involved in its preparation.

Some knowledgeable officials, though acknowledging the interservice disputes, said their intensity has been exaggerated by some partisans. "This whole process has been characterized by a considerable degree of jointness," said an official involved in coordinating the effort.

But others said the collegiality of the drafting team, with colonel-grade representatives from the four principal military services, has not been matched by their superiors in the services and civilian defense agencies.

For example, a superficially minor semantic question—whether to call the bombing of Iraq an "air operation" or an "air campaign"—sharply divided the Army and the Air Force. In the parlance of U.S. military doctrine, a campaign is the main event in war and an operation merely serves the campaign.

"Terminology becomes very important," said an officer reflecting the views of Air Force Secretary Donald B. Rice. "If only the theater commander can have a 'campaign' and everyone else is a 'supporting operation.' it means that air power is limited forever to a supporting role."

The Air Force is pitching for star billing in future wars by arguing that it was the "decisive arm" of the last one. Gen. Merrill A. McPeak, the Air Force chief of staff, has been publicly expressing his "private conviction" since last March that Iraq's defeat marked "the first time in history that a field army has been defeated by air power."

A major obstacle to Air Force ambitions is the structure of war time joint command. Of the five regional commanders-in-chief, or CINCs, two are traditionally Army commands, two belong to the Navy, and one—the gulf war's Central Command—alternates between the Army and the Marines. The Air Force has recently created an Air Combat Command and seeks to use it for a greater operational role.

"Look at all the warfighting CINCs," said the Air Force officer. "They're all surface guys. If you can keep air power as a supporting operation you preempt air as a principal force."

Among the other points of contention in the Pentagon's war report:

The Pentagon's office of program analysis and evaluation (PA&E) engaged the Air Force in a heated dispute over the invisibility and independence of F-117A stealth strike planes.

In an effort to boost the fortunes of the controversial B-2 stealth bomber, the Air Force tried to give the impression that the F-117A was so nearly invisible to Iraqi detection that it required no escorts of fighter aircraft, radar jammers or anti-radar missile-launchers. The Air Force has said, for instance, that in comparable missions, eight F-117As flew without escort while twice as many F-111s needed escorts of 16 fighters and 12 "radar suppression" planes.

PA&E analysts said the Air Force had not substantiated the claim that the stealth planes needed no escort. In fact, the analysts said, the air campaign was intricately—even brilliantly—designed to provide indirect support for the F-117A. For example, F-117As sometimes flew into sectors in which U.S. radar jammers were operating to protect non-stealth aircraft. "They employed the F-117 in a very, very sensible way, and they took advantage of all the assets they had out there," one official said. "They are degrading the human achievement to hype the technology."

The Air Force, in a recent statement, wrote that "the majority" of F-117 strikes were launched without fighter or radar-jamming escorts "assigned specifically" to support them, but did not deny that the stealth planes received indirect support. Even so, sources said, the final Pentagon war report will emphasize the Air Force point of view.

The Marine Corps objects to saying that the three-star general in charge of the joint air campaign had "command" or "tasking authority" over Marine aircraft. The Marines prefer the term "coordinating authority," which an Air Force officer described as "denying reality." Here again the language stands for an important question of power.

"The Marine Corps integrates its close air support, logistics support and ground support under one [Marine] commander," said one Marine officer. "That's the way we've always done it and that's how we train to fight. If we lose that air-ground liaison, we become less effective."

The Army disagreed with the Air Force on the extent of damage done to Iraqi forces by the allied bombing campaign: The Air Force said more, the Army said less. At stake is who gets credit for destroying the Iraqi Republican Guard. A Jan. 9 Air Force memorandum said the Army's Central Command "greatly overestimated residual combat effectiveness" of the guard forces.

Along similar lines, the Air Force objected to Army and Marine language asserting that ground forces achieved "a great victory in 100 hours of combat." Air Force officers also ridiculed the Army headnote to the chapter on the ground campaign, taken from author P.R. Fehrenbach. Air power alone cannot defeat an enemy. Fehrenbach wrote, adding: "You must do this the way the Roman legions did, by putting your young men in the mud."

"I mean, get a grip!" one Air Force officer said. "The Roman legions! The point is to save lives."

All the services squabbled over the space allotted to their portions of the war. The Air Force, in particular, was dissatisfied with the compromise choice of one chapter each for the air, ground and maritime operations. "They took a war in which the principal force that was used was air and they're trying to treat it as a 33-33-33 war," an officer said.

WE CAN SAVE JOBS AND ANCIENT FORESTS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. STARK. Mr. Speaker, the timber industry would have you believe there is a dilemma in the Pacific Northwest that asks us to chose between jobs and ancient forests. They are wrong. The export of raw logs from private timber holdings to Pacific rim countries has left mills without logs to process, workers without jobs, and increased and pressure to cut our public ancient forests.

Currently, it is illegal to export logs that are cut on Federal land. Timber logged on private lands can be exported. Three billion board feet of timber is exported in the Pacific Northwest. Because of these exports, timber companies do not have logs for U.S. mills. The timber companies pressure the Federal Government to expand logging on Federal timber lands. If Federal timber lands are not opened up for companies threaten to shut the mills. A diversion of less than 25 percent of the timber from the export market to U.S. mills would keep the mills open and save 4,800 jobs. This would also relieve the pressure on our public ancient forests. It would allow the preservation of critical spotted owl habitat.

What is truly startling about this situation is the fact that the Tax Code subsidizes raw log exports by at least $100 million per year according to an analysis done by the Joint Committee on Taxation. This taxpayer subsidy results in export of good U.S. jobs. This taxpayer subsidized pressure to cut down our remaining public ancient forests must end. I am introducing legislation along with Congressman JONTZ and Congressman BROWN to remove these subsidies.

Mr. Speaker, I insist the legislation, a technical description of the provisions, and the analysis in the RECORD:

TECHNICAL EXPLANATION FOR LEGISLATION TO DENY THE BENEFITS OF CERTAIN EXPORT SUBSIDIES IN THE CASE OF EXPORTS OF CERTAIN UNPROCESSED TIMBER

PRESENT LAW

Foreign sales corporations

Foreign sales corporations (FSCs) are foreign corporations established under special export-incentive provisions of the Internal Revenue Code. A portion of the foreign trade income of an eligible FSC is exempt from Federal income tax. In addition, a domestic corporation is allowed a 100-percent dividends-received deduction for dividends distributed from the FSC out of earnings attributable to certain foreign trade income. Thus, there generally is no corporate level tax imposed on a portion of the income earned from exports through an FSC.

Typically, an FSC is owned by a U.S. company, such as a manufacturer, that produces goods in the United States. The U.S. company either sells its export goods to the FSC for resale abroad to unrelated persons, or pays the FSC a commission in connection with its own export sales to unrelated persons. Therefore, the income of the FSC, a portion of which is exempt under the FSC rules, equals the FSC's gross markup or gross commission income, less the expenses incurred by the FSC itself.

Foreign trade income is defined as the gross income of a FSC attributable to foreign trading gross receipts. Foreign trading gross receipts are receipts from, among other things, the sale of export property. Generally, export property includes property that is manufactured, produced, grown, or extracted in the United States, and is destined for use, consumption, or disposition outside the United States. Foreign trade income includes both the profits earned by the FSC itself from exports and commissions earned by the FSC from products or services exported by others.

The portion of foreign trade income that is treated as exempt foreign trade income depends on the pricing rule used to determine the amount of foreign trade income earned by the FSC. If the amount of income earned by the FSC is based on arm's-length pricing between unrelated parties, or between related parties under the rules of section 482, then exempt foreign trade income generally is 30 percent of the foreign trade income the FSC derives from a transaction. For this purpose, foreign trade income does not include any income attributable to patents and other intangibles which do not constitute export property. If the income earned by the FSC is determined under the special administrative pricing rules provided in the FSC provision, then the exempt foreign trade income generally is 15/23 of the foreign trade income allocated to the FSC from the transaction.

Domestic international sales corporations

A domestic international sales corporation (DISC) is a U.S. corporation that satisfies certain criteria designed to identify those corporations the income and assets of which are primarily related to exports. The DISC provisions are a modified version of the principal export incentive that was provided in the Code prior to the enactment of the FSC provisions. A DISC generally is not subject to current U.S. income tax. However, the shareholders of a DISC may be subject to current U.S. income tax on a portion of DISC income. The taxable income of the DISC is not currently taxable in the hands of the shareholders to the extent that the DISC income is attributable to $10,000,000 or less of qualified export receipts of the DISC. Shareholders must instead pay interest each year on an amount which is generally the hypothetical U.S. Income tax that is deferred by reason of DISC tax benefits.

Qualified export receipts are receipts from, among other things, the sale of export property. Generally, as in the case of the FSC provisions, export property includes property that is manufactured, produced, grown, or extracted in the United States, and is destined for use, consumption, or disposition outside the United States.

Source of income from sales of personal property

Subject to significant exceptions, income from the sale of personal property generally is sourced on the basis of the residence of the seller. Inventory property is subject to one such exception. Gains, profits, and income derived from the purchase of inventory property within the United States and its sale or exchange without the United States are sourced foreign. Income attributable to the marketing of inventory property by U.S. residents in other cases also has its source at the place of sale.

Title passage rule generally: The place of sale generally is the place where the seller's right, title, and interest in the property passes to the purchaser (the "title passage" rule). The title passage rule applies both to all income from the purchase and resale of inventory, and to the marketing portion of income from the production of inventory property in the United States and the marketing of that property abroad. Moreover, this rule applies regardless of whether the sale is to an unrelated purchaser or to a related person (for example, a foreign corporate subsidiary) that resells the property to an unrelated purchaser.

It may be noted that, in many cases, passage of title in a foreign country may not in itself generate a sufficient nexus under foreign law for the imposition of tax by that country on the income of the U.S. seller.

Production/marketing split: Income derived from the manufacture of products in the United States and their sale elsewhere is treated as having a divided source. Under Treasury regulations, 50 percent of such income generally is attributed to the place of production (in this case, the United States), and 50 percent of the income is attributed to marketing activities and is sourced on the basis of the place of sale (determined under the title passage rule). Under certain circumstances, the division of the income between production and marketing activities must be made on the basis of an independent factory or production price, rather than on a 50-50 basis, where a taxpayer sells part of its output to wholly independent distributors or other selling concerns in such a way as to establish fairly the independent factory or production price unaffected by considerations of tax liability (Treas. Reg. sec. 1.863-3(b)(2), Example (1); Notice 89-10, 1989-4 I.R.B. 10).

Income earned through foreign corporations

U.S. citizens and residents and U.S. corporations (collectively, "U.S. persons") that conduct foreign operations directly include income from those operations on their U.S. tax return for the year the income is earned. The United States taxes that income currently. The foreign tax credit may reduce or eliminate the U.S. tax on that income.

U.S. persons that conduct foreign operations through a foreign corporation generally pay no U.S. tax on the income from those operations until the foreign corporation repatriates its earnings to the United States. This delay in the imposition of U.S. tax is referred to as "deferral." The income appears on the U.S. owner's tax return for the year it comes home, the United States imposes tax on it then. The foreign tax credit may reduce or eliminate the U.S. tax.

Deferral of U.S. tax on undistributed income of a controlled foreign corporation is not available for certain kinds of income (sometimes referred to as "subpart F income") under the Code's subpart F provisions. Subpart F income consists of foreign base company income (generally, passive income as well as certain types of active income that are easily movable or tend to be subject to little foreign income taxation) and insurance income, and certain income relating to international boycotts and other violations of public policy.

When a controlled foreign corporation earns subpart F income, the United States generally taxes the corporation's 10-percent U.S. shareholders currently on their pro rata share of the subpart F income. In effect, the Code treats those U.S. shareholders as having received a current distribution out of the subpart F income. In this case, also, the foreign tax credit may reduce or eliminate the shareholders' U.S. tax on that deemed distribution.

EXPLANATION OF PROVISION

In general

In general, the bill repeals tax benefits afforded under the FSC, DISC, and inventory sales sourcing rules, and repeals the benefit of deferral on income earned through controlled foreign corporations, to the extent that those benefits would otherwise reduce U.S. tax on income from transactions involving any U.S.-grown unprocessed timber which is a softwood. The term unprocessed timber, as used in the bill, means any log, cant, or similar form of timber.

Foreign sales corporations

The bill provides that unprocessed softwood timber will not be treated as "export property" for purposes of the FSC rules. Thus, for example, under the bill, income that a FSC derives from the sale of U.S.-grown unprocessed softwood timber will not be eligible for the FSC export incentive. Rather, it will be subject to the other rules applicable to income of foreign corporations, as modified by the bill (see description below of provisions on income earned through foreign corporations). No income of the FSC from sales of such timber will be considered exempt foreign trade income.

Domestic international sales corporations

The bill provides that unprocessed softwood timber will not be treated as "export property" for purposes of the DISC rules. Thus, for example, under the bill, income that a DISC would derive from the sale of U.S.-grown unprocessed softwood timber will be currently taxable in the hands of the shareholder of the DISC. No tax payments may be deferred with respect to the income derived by the DISC from sales of such timber.

Source of income from sales of personal property

The bill provides that income from the sale of unprocessed softwood timber cut from an area in the United States will be sourced domestically. The bill also excludes such income from the Code rules under which income involving inventory property may be sourced foreign in part. Therefore under the bill, such income is not subject to the rule that gains, profits, and income derived from the purchase of inventory property within the United States and its sales or exchange without the United States are sourced foreign. Nor is such income eligible for the rule that income derived from the manufacture of products in the United States and their sale elsewhere is treated as having a divided source.

Income earned through foreign corporations

The bill provides that subpart F income includes any income, whether in the form of profits, commissions, fees, or otherwise, derived in connection with either the sale of unprocessed softwood timber, or the milling of any such timber outside the United States. Thus, to the extent that any controlled foreign corporation is owned by 10-percent or greater U.S. shareholders, the bill repeals deferral for income of the controlled foreign corporation from sales or milling (outside the United States) of unprocessed softwood timber.

EFFECTIVE DATE

The bill applies to sales, exchanges, or other dispositions after the date of the enactment of the bill.

JOINT COMMITTEE ON TAXATION,
Washington, DC, February 6, 1992.

Hon. FORTNEY P. STARK,
House of Representatives,
Washington, DC.

DEAR MR. STARK: This is in response to your request of October 29, 1991, for a revenue estimate of a proposal which would deny various tax benefits for exports of unprocessed "softwood" timber.

As the enclosed draft indicates, the proposal would deny tax benefits available for Foreign Sales Corporations and Domestic International Sales Corporations to the extent that their activities include the export of unprocessed softwood. In addition, such exports would be denied sourcing under the title passage rule, and foreign base company sales income under subpart F would include any income derived in connection with unprocessed softwood exports.

The proposal is to be effective for sales, exchanges, or other dispositions after the date of its enactment which, for the purpose of making this estimate, we have assumed would be March 31, 1992. This proposal would increase Federal fiscal year budget receipts as follows:

[Fiscal years, in billions of dollars]

1992	1993	1994	1995	1996	1997	1992–97
(1)	0.1	0.1	0.1	0.1	0.1	0.4

[1] Gain of less than $50,000,000.

Note:—Details do not add to total due to rounding.

Please note that in making this estimate, we have employed data on softwood log exports compiled by the Forest Service of the United States Department of Agriculture. It is assumed for this estimate that an administrable definition of such exports could be developed.

I hope this information is helpful to you. If we can be of further assistance, please let me know.

Sincerely,

HARRY L. GUTMAN.

H.R. 4208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENIAL OF CERTAIN EXPORT SUBSIDIES.

(a) FOREIGN SALES CORPORATIONS.—Paragraph (2) of section 927(a) of the Internal Revenue Code of 1986 (relating to exclusion of certain property) is amended by striking "or" at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting ", or", and by adding at the end thereof the following:

"(E) any unprocessed timber which is a softwood.

For purposes of subparagraph (E), the term 'unprocessed timber' means any log, cant, or similar form of timber."

(b) DOMESTIC INTERNATIONAL SALES CORPORATIONS.—Paragraph (2) of section 993(c) of such Code (relating to exclusion of certain property) is amended by striking "or" at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting ", or", and by adding after subparagraph (D) the following:

"(E) any unprocessed timber which is a softwood.

For purposes of subparagraph (E), the term 'unprocessed timber' means any log, cant, or similar form of timber."

(c) TITLE-PASSAGE RULE.—Subsection (b) of section 865 of such Code (relating to source rules for personal property sales) is amended by adding at the end thereof the following:

"Notwithstanding the preceding sentence, any income from the sale of any unprocessed timber which is a softwood and was cut from an area in the United States shall be sourced in the United States and the rules of sections 862(a)(6) and 863(b) shall not apply to any such income. For purposes of the preceding sentence, the term 'unprocessed timber' means any log, cant, or similar form of timber."

(d) ELIMINATION OF DEFERRAL.—Subsection (d) of section 954 of such Code is amended by adding at the end thereof the following new paragraph:

"(4) SPECIAL RULE FOR CERTAIN TIMBER PRODUCTS.—For purposes of subsection (a)(2), the term 'foreign base company sales income' includes any income (whether in the form of profits, commissions, fees, or otherwise) derived in connection with—

"(A) the sale of any unprocessed timber referred to in section 856(b), or

"(B) the milling of any such timber outside the United States.

Subpart G shall not apply to any amount treated as subpart F income by reason of this paragraph."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales, exchanges, or other dispositions after the date of the enactment of this Act.

CERTIFICATION OF PUERTO RICO REFERENDUM RESULTS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. LAGOMARSINO. Mr. Speaker, I have received a copy of the official certification of the results of the Puerto Rico referendum of December 8, 1991, when the voters rejected the propositions which would distance Puerto Rico and the United States. By a margin of 53.61 to 45.40 percent, the people of Puerto Rico affirmed their desire for a closer relationship to the United States and rejected any impediment to permanent union.

STATE ELECTORAL COMMISSION, SAN JUAN, PR

CERTIFICATION

In conformity with article 14 of the Enabling Act of the Referendum on the Reclamation of Democratic Rights Law No. 86, dated October 2, 1991, and subsequent to the General Vote on the referendum held December 8, 1991 on the island of Puerto Rico, I certify that the official results are as follows:

	Number of votes	Percent
Votes in favor of the reclamation of democratic rights (Yes)	559,163	45.40
Votes against the reclamation of democratic rights (No)	660,267	53.61
Blank votes	2,538	00.21
Votes declared null and void	9,554	00.78
Total	1,231,522	

The votes cast represent 60 percent of the total number of those able to vote on the referendum, which was 2,052,690.

Done at San Juan Puerto Rico, February 5, 1992

JUAN R. MELECIO,
Chairman.

TRIBUTE TO ALFRED RUSSO, FORMER MAYOR OF LOWELLVILLE, OH

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Alfred Russo, the former mayor of Lowellville, OH, in my 17th Congressional District. The Honorable Mr. Russo held the position of mayor longer than any in Lowellville history, 16 years of dedicated service.

During his eminent tenure as mayor, Alfred Russo brought over $2 million of Government moneys into the village of Lowellville for the purpose of housing rehabilitation, baseball fields, and parks for public recreation, and revitalization of the downtown area. Because of his efforts, Lowellville has maintained a senior citizen transportation program for 16 years. Most importantly, though, Alfred Russo procured Government aid for cleanup following a devastating flood years ago.

If that were not enough work for a public figure to take on, Mr. Russo has been married to the former Virginia Buongrazio for the past 42 years, and they have raised four sons, Anthony, Alan, Brian, and Christopher. The Russo's are also the proud grandparents of seven.

The venerable Alfred Russo has already been commended by his local constituents and peers, but because of his exceptional service to his community, I felt that he should be recognized on the national level.

That is why it gives me great pleasure and pride, Mr. Speaker, to rise here today to honor and congratulate Mr. Alfred Russo on his retirement.

MERCY HOSPITAL CELEBRATES 50 YEARS OF SERVICE

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. VISCLOSKY. Mr. Speaker, I rise today in honor of Our Lady of Mercy Hospital's celebration of 50 years of service in the First Congressional District of Indiana.

Over the last 50 years, Our Lady of Mercy Hospital has not only become a leader in the treatment of psychiatric disorders and substance abuse, but also have evolved into a technologically advanced general service hospital.

In 1923, the Sisters of Mercy began serving the Calumet region with St. Vincent's Homes for the Aged in Hammond and Mount Mercy Sanitarium in Munster. By 1942, Mount Mercy Sanitarium moved to a larger 75-bed facility in Dyer. Expanding into a 200-bed hospital in 1951 and 1952, Mount Mercy Sanitarium changed its name to Our Lady of Mercy Hospital and began to offer medical surgical services as well as psychiatric care. By 1968, Our Lady of Mercy Hospital offered such services as intensive care, emergency rooms, coronary care, nuclear medicine and pulmonary functions.

Since then, Our Lady of Mercy has developed its general and psychiatric services. They have established a department of behavioral medicine, a care unit, dedicated to the treatment of the chemically dependent, and have added a Center for Sports Medicine and a nationally acclaimed Dental Phobia Center.

Our Lady of Mercy is not only committed to healing the community, but is also dedicated to educating it through programs like "IMPACT", a community education program which has trained over 14,000 educators and adults.

Recently, Our Lady of Mercy merged with Saint Margaret Hospital and Health Center in Hammond, IN. This will allow Our Lady of Mercy to further increase their technology, operational efficiency and effectiveness, as well as serve a greater portion of the community.

Let us celebrate the 50 years of dedication, commitment, and innovation Our Lady of Mercy Hospital has provided to individuals throughout northwest Indiana. They have been and remain committed to healing the body, mind and spirit of the people throughout the area.

THE AMERICAN JEWISH CONGRESS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, late last year we put into the RECORD a description of the events which led me to introduce an amendment creating an affordable housing program for the Federal Deposit Insurance Corporation's Liquidation Program. I made a rather serious mistake when I did so—I neglected to mention the major role which the American Jewish Congress Boston chapter played in working on this idea and bringing it to my attention. The Boston chapter of the American Jewish Congress has been an outstanding fighter for social justice for American Jews and others for as long as I can remember. The role that the Congress has played in this effort to create an affordable housing program is just one example of the excellent work it does, under the leadership of Sheila Decter who heads up the staff of the chapter in Boston. Along with Ellen Feingold who has been a leader in housing efforts for many years, the American Jewish Congress operation in Boston deserves a great deal of credit for the advances we have been making.

COMMENDING THE DEDICATION OF THE GUAM NIH RESEARCH CLINIC STAFF

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. BLAZ. Mr. Speaker, for the past 50 years, the Territory of Guam has been at the center of the study of Alzheimer's related disorders similar to Lou Gehrig's Disease and Parkinson's Disease and known locally as Lytigo and Bodig. I would like to take this opportunity to recognize the services of a group of people whose body of work spans nearly an entire generation and whose devotion to curing these devastating maladies extends to this day.

The studies on Guam by these individuals laid the groundwork for much of what is now known about neurodegenerative diseases and they may eventually lead to the discovery of the causes and of the means of preventing these disorders. This would not only be a blessing to the people of Guam who have, in their own way, made very costly sacrifices to this research, but also to millions nationally and internationally who suffer from these illnesses. Their achievements are an inspiration to future generations of medical research professionals.

This important research began in the early 1950's when Navy doctors stationed on Guam noticed an unusually high incidence of neurodegenerative diseases among the native Chamorro population. Jose M. Torres, Lorenzo Iriarte, Francisco Leon Guerrero, and Manuel Cruz had been selected to participate in an intensive 3-year program at the U.S. Navy Medical Practitioners School. Upon graduation, the four were eventually recruited by the National Institutes of Health scientists to assist them with their investigation. Their knowledge of the Chamorro language and customs combined with their medical training made them an invaluable resource to the early research efforts. These four individuals along with Luis Munoz and Julieta V. Santos conducted hundreds of personal interviews, checked thousands of medical records, and did extensive study of the various illnesses afflicting the local population. Gradually, they began to understand the extent and significance of the situation and realized that Guam could hold at least part of the answer to the causes of Alzheimer's disease and related disorders. Ultimately, they assisted with the development of over 200 scientific articles and studies, many of which were considered major breakthroughs in determining the patterns and possible causes of these diseases. Simply put, the work on Guam could not have been accomplished without them.

The contributions which these individuals have made to research on Lytigo and Bodig is enormous and worthy of commendation and it is for this reason that I rise on the floor of this House to commend them, to thank them, and to focus attention on their contribution to eliminating a scourge that has affected us all either directly or indirectly in our own lives.

On a very personal note, I am proud to state for the record that I had been a classmate of most of these extraordinary individuals at the U.S. Navy Medical Practitioners School and I am humbled by the incredible coincidence that, thanks to the people of Guam, I am in the position to commend these friends, classmates, and compatriots for their outstanding work and unselfish devotion to the pursuit of a solution to a very complicated medical problem.

RESPONSE FROM PRIME MINISTER CARNOGURSKY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. HOYER. Mr. Speaker, 2 months ago Senator DENNIS DECONCINI and I, as the Chairmen of the Helsinki Commission, wrote a letter to the Prime Minister of the Slovak Republic, Mr. Jan Carnogursky. We were deeply disturbed to learn that a plaque had been erected in Slovakia honoring the memory of Father Josef Tiso—a Slovak leader during World War II, stripped of his religious rank by the Catholic Church and executed as a war criminal. Under Tiso's leadership, thousands of men, women, and children were sent to their deaths in Nazi labor and concentration camps.

In our letter, we urged Prime Minister Carnogursky to send a clear and unequivocal signal to those who would honor Tiso that the heinous crimes which Tiso perpetrated are incompatible with modern Slovak values; that the climate of fear and hatred which thrived under Tiso will not be tolerated today. Silence in the face of such an ignoble tribute would suggest approval of this man, his deeds, and his memorial.

This week, Mr. Speaker, we received a response to our letter. Prime Minister Carnogursky drew our attention to a declaration he signed in 1987, under the Communist regime, an act for which he was persecuted. In fact, Senator DECONCINI and I first became aware of this declaration when a copy of it was translated and sent to the Helsinki Commission in 1987, by Mrs. Anna Faltus. This declaration was also reprinted in the Israeli newspaper Davar. Because its content remains so relevant today, I request that it be reprinted in the CONGRESSIONAL RECORD with my remarks. We were pleased to receive the Prime Minister's assurance that he stands by this proclamation today.

Mr. Speaker, both Senator DECONCINI and I were delighted to receive this response from Prime Minister Carnogursky. After decades of repression, the United States now has an opportunity to renew our warm and historic ties with the Republic of Slovakia, as well at the Czech Republic. In this spirit, we welcome the dialog that is now underway with the Government of Slovakia. It is our firm belief that greater contact between our leaderships and our peoples will improve our relations and contribute to the achievement of the goals of the Helsinki Final Act.

DECLARATION CONCERNING THE DEPORTATION OF THE JEWS FROM SLOVAKIA

Not only individuals but also nations have a consciousness and a continuing history. They have the ability to do good or ill, and a conscience to approve the former and condemn the latter.

We bear all this in mind when we consider what happened here during the Second World War between our fellow citizens and our Jewish brothers. 45 years ago there were illegal deportations of ten thousand Jews—men, women and children—from Slovakia. These deportations were preceded by a law and by other measures introducing discrimination and violence against our Jewish fellow citizens. These measures were mainly adapted from the German race laws proclaimed at Nuremberg in 1935. The deportations and the other anti-Jewish measures were the work of Slovaks. The greater number of the Jews deported died in the concentration camps.

We, representatives of the younger generations, together with many persons over the age of 60 who were too young during the War to take part in public life, had no personal share in these crimes against our Jewish fellow citizens. Even so, the events of which we speak are a disgrace to humanity which we not only condemn but also deeply regret; and we wish herein—due to various reasons for the first time—to express our apologies to all living relatives of those offered up in inhuman sacrifice, and also to all the representatives of their nation.

This expression of regret and apology we do not wish to weaken by any analysis of the Slovak historical background. We also leave to the historians final judgment of the whole absurd international situation of this period—filled as it was with violence and with unprecedented pressures to limit full independence of action. Nor do we wish to speak about such resistance to the persecution of our Jewish fellow citizens as came from representatives of the Church, or of the help offered by many Slovaks to our inhumanly persecuted Jewish brothers. All this we reserve to the full judgment of history.

Nor do we wish at all to weaken in our Declaration what we feel it necessary to express—namely our deep sorrow and regret and genuine apology for all that happened to our Jewish fellow citizens and brothers.

For the deaths now we can only grieve, or the believers among us can deeply and with sorrow pray. To their living relatives and the representatives of their nation throughout the world we should like to apologize in the name of humanity, and those of us who believe in the name of faith, which we hope will survive, and the roots of which are common for us with the people of Israel through the Old Testament.

To this Declaration we are moved also by the fact that there is no dignified monument in Slovakia to commemorate this greatest tragedy in our history. Also synagogues—these former centres of Jewish community life in Slovakia—and Jewish cemeteries are in a poor state of repair and are gradually falling into ruin.

The anti-Jewish measures and mainly the deportations from Slovakia denied those principles which we should like to see enshrined in the creation of the Slovak future—equality for all without regard to race, tolerance, freedom of worship, democracy, legality, and mutual love. In the hope of such a future state among people and among nations, we before the whole world submit to the representatives of the Jewish nation this honest Declaration.

VA PROGRAMS REACH OUT TO THE HOMELESS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. MONTGOMERY. Mr. Speaker, it is estimated that, on any given night, there are anywhere from 500,000 to 700,000 homeless people on the streets of America and at least one-third of them are veterans. The Department of Veterans Affairs [VA] conducts a variety of programs to assist the homeless and, unlike many private efforts, these programs provide more than just food, shelter, and grooming; they provide total care. The two most prominent homeless assistance programs are the Domiciliary Care for Homeless Veterans Program and the Homeless Chronically Mentally Ill Program.

The Domiciliary Care for Homeless Veterans [DCHV] Program, which now operates at 27 VA medical centers, is designed to provide medical care and rehabilitation in a residential setting. The program consists of five phases: community outreach and referral; admission screening and assessment; medical and psychiatric evaluation; treatment, vocational counseling and rehabilitation; and postdischarge community support.

The Homeless Chronically Mentally Ill [HCMI] Program targets homeless veterans with psychiatric difficulties and operates from 45 VA medical care facilities located in 26 States and the District of Columbia. At each site, homeless veterans receive active outreach services, psychiatric and medical assessment and treatment, intensive case management and residential rehabilitation. Since the program began, more than 30,000 homeless veterans have been clinically assessed, and 8,000 have been placed in community-based facilities.

The VA has been both innovative and diligent in its efforts to serve the homeless. In addition to the two aforementioned programs, the VA regional benefits office in each State has a designated staff member who serves as a coordinator and point of contact for homeless veterans. These individuals visit shelters and work with community homeless groups.

The VA operates 196 psychological counseling centers—Vet Centers—in most urban areas of the country, a program that has distinguished itself in assisting veterans suffering from post-traumatic stress disorder [PTSD] and other mental illnesses. The centers also provide employment and health care referral services.

The VA has also implemented a program in which it sells acquired properties at discounted prices to State and local agencies, as well as nonprofit organizations, to provide shelter to the homeless. Under a compensated work therapy program, VA contracts with private industry to secure appropriate work for disabled veterans. Congress recently authorized the VA to provide veterans who are working under this program with structured and supervised independent living in community-based houses bought by VA. These are just a few of the VA undertakings to better serve the homeless.

The bottom line is that the authorizing committees of the Congress have given VA carte blanche to do what needs to be done to help all homeless veterans, and it has carried out its responsibilities admirably considering its limited resources.

I would like to share with my colleagues an article from the Ennis (TX) News which reports on the successful efforts of one VA medical center, the fine hospital in Dallas, to assist our homeless veterans:

VA HOMELESS PROGRAM WINS HONOR

The Dallas Department of Veterans Affairs (VA) Medical Center was recently named the winner of the Community Council of Greater Dallas' 1991 award for Excellence in Human Service Programming in the Adult Category. The medical center earned the honor for its Comprehensive Homeless Center for homeless veterans. "This is a terrific honor and one that belongs to the dedicated staff of our many therapeutic programs designed to help homeless veterans turn their lives around," said Alan G. Harper, Medical Center Director.

The Dallas VA Medical Center was selected from a host of outstanding community programs that help needy in Dallas. The medical center's homeless program offers outreach services to veterans in need and includes a 40 bed domiciliary and a Compensated Work Therapy program which puts veterans back to work and teaches them the skills necessary to obtain employment.

The medical center plans to expand its homeless programs in the near future through a joint venture with the City of Dallas. A work therapy program for homeless veterans will be established in the City's Day Resource Center. Activation of this expansion is anticipated in early 1992.

SAVE OUR SMALL PASSENGER VESSEL OPERATORS

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. JONES of North Carolina. Mr. Speaker, many small passenger vessel operators are being unfairly jeopardized because the Internal Revenue Service [IRA] is misconstruing a tax levied by Congress 2 years ago. Today, I am introducing H.R. 4198 to solve this inequity.

The problem arises from section 7504 of Public Law 101-239, the Omnibus Budget Reconciliation Act of 1989, codified in 26 United States Code 4471-72, and from the IRS rules implementing this provision. this statute imposes a ship passenger international departure tax of $3 per passenger on covered vessel voyages.

The idea which led to the enactment of section 7504 of Public Law 101-239 originated in the House Merchant Marine and Fisheries Committee in 1989. We proposed a $20 per-passenger user fee on certain vessels. Subsequently, Congress altered the proposal; ultimately, it became the tax codified in the Internal Revenue Code at sections 4471 and 4472.

Congress clearly intended for this tax to apply only to traditional passenger vessels and to vessels on "cruises to nowhere" in international waters offering gambling. The language of the statute was designed to parallel the departure tax on international airline passengers as evidenced by the word "International" in the title of section 7504 of the public law.

Unfortunately, the IRS construes the statute to cover certain vessels offering sport fishing, recreational diving, and whale-watching cruises. As of April 1990, the IRS required these small operators to pay this tax; however, as of this date, the IRS has not issued a final ruling on the tax. Smaller operators would be especially harmed by the $3 per-passenger tax since they charge much less per cruise than the traditional cruise vessel operator.

My bill clarifies congressional intent by adding the requirement that a vessel must be "over 100 gross tons" if it is to be subject to the tax. This would effectively exclude those smaller operators unfairly burdened by the tax coverage.

TRIBUTE TO DANNY OTSUGA

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Danny Otsuga, congratulating his achievement of the highest rank in the Boy Scouts of America, the Eagle Scout.

Danny Otsuga, of my Ohio 17th Congressional District, overcame a language problem in order to achieve this accolade. On his way toward becoming an Eagle Scout, Danny earned 26 merit badges, served as patrol leader, and now serves as an assistant senior patrol leader. If this were not enough for a young man to tackle, Danny has been very active in community projects.

Mr. Speaker, it is with great pleasure that I rise on this occasion to congratulate Danny Otsuga on achieving the Eagle Scout and the Western Reserve Council Boy Scout Troop 15 on helping to create the future leaders of America.

TRIBUTE TO CHERYL ADAMS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. VISCLOSKY. Mr. Speaker, I rise today to pay tribute to Ms. Cheryl Adams, a resident of Indiana's First Congressional District who has successfully completed the Sheet Metal Workers Local 20 Apprenticeship Program.

Cheryl Adams is the first woman to graduate from the Sheet Metal Workers Local 20 Apprenticeship Program in Gary. She also graduated from William A. Wirt High School in 1979 and Indiana Vocational Technical College in 1981, where she majored in industrial maintenance.

It has been my privilege and honor to work with the membership of local 20 over the last several years. They have, in no uncertain terms, played a key role in sustaining the growth, economy and development of northwest Indiana. From hospitals to homes, from school to steel mills, sheet metal workers have played a critical part in building northwest Indiana.

I commend Cheryl Adams, for completing the apprenticeship program. As the first woman to graduate from local 20, she will become part of the proud history of the skilled and dedicated tradesmen of local 20. I am confident that the commitment and skills that she has learned from her fellow workers will allow her to join with the other members of local 20, to make the region a better place to live.

BATTLE OF THE BULGE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, one of the best things the older generation can do for younger people is to help them remember the shaping events of our past. Among those is the Battle of the Bulge, an example of great heroism on the part of Americans, and a tragic reminder to us that war is an ongoing bitter and difficult activity. William J. Cavanaugh of Natick, MA is a military veteran who does a great deal to help inform his fellow citizens of the true reality of war. His recent article about the Battle of the Bulge in the Middlesex News is an example of the important educational efforts which Mr. Cavanaugh takes on himself, and because I was particularly struck by the article and because I know that it struck as well a very important positive tone among veterans of that battle, I ask that it be printed here.

[From the Middlesex News (MA.), Dec. 18, 1991]

REMEMBERING THE 'BATTLE OF THE BULGE'

(By William J. Cavanaugh)

On Dec. 16, 1944, just a little over three years after the infamous Japanese attack on Pearl Harbor, the German's launched their ultra-secret offensive operation called "Christ Rose." Thus began the decisive battle of World War II in Europe, which was to become known as the "Battle of the Bulge."

For 40 days men fought in the bitter cold, sleet and snow of the "worst in 20 years" winter of 1944-45 and, most ominously, "The Ghost of the Ardennes," a pervasive fog that impeded friendly and enemy forces alike, contributed to the final battle statistics: 81,000 American casualties and 100,000 German.

The battle included the Malmedy Massacre of U.S. prisoners, one of the worst atrocities of the northern European campaign, the classic American "Nuts!" response by surrounded General McAliffe of the 101st Airborne Division at Bastogne, and General George Patton's successful Christmas Eve relief column which signaled the return of U.S. forces to the offensive.

Without taking anything from the recent 50th anniversary celebration of Pearl Harbor, the later heroism and sacrifices of so many Americans must be remembered as well, including this decisive last desperate offensive engagement by the German army which led ultimately to the defeat of both Germany and Japan, and changed the course of history forever.

David Lainge, a survivor of the Ardennes "Bulge" with the 33rd Regiment, 84th Infantry ("Railsplitters") Division, and founder of the military order of the Ardennes, says that the battle is already extensively documented by historians, but its importance is still growing in the United States. Lainge predicts that eventually it's going to be known as the "Gettysburg" of World War II.

Like many families throughout the U.S., ours has a heroic survivor of the Bulge, my brother-in-law, James Campbell of West Roxbury. Jim was a 20-year-old engineer soldier pressed into service with the 26th Infantry ("Yankee") Division during the U.S. Third Army counterattack against the German stronghold at Wiltz, Luxembourg. Just after Christmas, on a hill overlooking Wiltz, Jim's squad, exhausted and out of ammunition, was overrun and captured when their relief failed to arrive. Jim, like so many WWII combat veterans, rarely speaks of his battlefield experience, and his bitter captivity at Stalag 12A in Germany which was "home" until his escape with two other POWs in mid-April 1945, just before Patton's Third Army advance in to the German heartland.

A year-and-a-half ago, Jim's family, with the help of Congressman Joseph Moakley, honored him with a presentation of long overdue Prisoner of War and Bronze Star medals and other decorations he had never formally received. Publication of Jim's story in the July 30, 1990 edition of the Middlesex News ultimately led to the family's becoming aware of the *Military Order of the Ardennes*, the exclusive organization of participants in the Battle of the Bulge who are eligible to be inducted into lifetime membership and to receive its "Grand Cross of Homage."

No one can be born into the military order of the Ardennes, no president or king can grant membership, and no amount of wealth can purchase admission. Membership is open *only* to those who possess an honorable discharge certificate from an Allied armed force indicating that they fought during the 40 days and nights of the Ardennes campaign. Unlike other organizations, associate members do not swell the ranks of membership and with each passing year the ranks of the living survivors grows thinner. Membership is an earned and noble right, a heroic homage for those who sacrificed above and beyond during those interminable days of enemy attack and American forces defense and counterattack.

At a Thanksgiving weekend family gathering, Jim Campbell, with customary modesty and tears of joy, was presented with his "Grand Cross of Homage." His extended family, at least, will know and never forget his sacrifices for freedom during that bitter winter of 1944-45.

All of us who enjoy the fruits of their sacrifices and victory in the Ardennes, remember and give homage to the veterans of this final decisive European battle of World War II—the Battle of the Bulge.

COMMENDING DR. ASAO AND KEIKO HIRANO

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. BLAZ. Mr. Speaker, for the past 50 years, the Territory of Guam has been at the center of the study of Alzheimer's related disorders similar to Lou Gehrig's Disease and Parkinson's Disease and known locally as Lytigo and Bodig. I would like to take this opportunity to recognize the services of a group of people whose body of work spans nearly an entire generation and whose devotion to curing these devastating maladies extends to this day.

The studies on Guam by these individuals laid the groundwork for much of what is now known about neurodegenerative diseases and which may eventually lead to the discovery of the causes and the means of preventing these disorders. This would not only be a blessing to the people of Guam who have, in their own way, made very costly sacrifices to this research, but also to millions nationally and internationally who suffer from these illnesses. Their achievements are in inspiration to future generations of medical research professionals.

In the early 1950's, Dr. Asao Hirano, a neuropathologist, and Mrs. Keiko Hirano, a graduate of Mount Holyoke College, traveled to Guam to establish the first neuropathology laboratory. Their intensive study led to a series of detailed descriptions of the devastating effects of Lytigo and Bodig. Remarkably, the Hiranos conducted their early research in the living room of their apartment which was converted into a laboratory. Their research, much of which was comprised of the meticulous and exacting science of preparing and studying slides, would be difficult even under the best of conditions. The fact that the Hiranos were able to produce studies of such high caliber under such conditions is truly a testament to their skill and commitment. These achievements did not go unnoticed and in 1961, Dr. Hirano received the prestigious Weil award from the American Neurology Association.

The Hiranos' work identified what is considered a standard feature of Alzheimer's disease known as the Hirano body. This discovery led to the realization that there are strong similarities and peculiar dissimilarities between the diseases found on Guam and other neurodegenerative diseases which affect millions of people worldwide. The Hiranos' effort brought to the forefront the idea that the work on Guam was even more important than anticipated and that it could very well hold the key to understanding the causes of some of the most common varieties of neurodegenerative disease.

These many years of research have seen an unprecedented collaboration between the people of Guam, the Government of Guam, the National Institutes of Health, and national and international research scientists like Dr. and Mrs. Hirano. This type of cooperation has contributed immensely to our understanding of Lytigo and Bodig. If a cure is to be found, it will undoubtedly require the continued efforts and same devotion and international cooperation exemplified by the Hiranos.

Mr. Speaker, Asao and Keiko Hirano have devoted their talents to destroying a group of diseases which have in one way or another touched us all. We only need imagine what it is like to watch a loved one suffer from one of these maladies to realize that we must do all we can to put an end to these diseases. It is my hope that by others hearing of the Hiranos' achievements and of the important work that is being done by these individuals that their efforts will be supported by this House and by elements of the medical research community until this malady is finally eliminated from Guam and from the world.

A TRIBUTE TO BLACK LAS VEGANS IN HONOR OF AFRICAN-AMERICAN HERITAGE MONTH

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. BILBRAY. Mr. Speaker, I rise today to pay tribute to a few of the remarkable African-American leaders who have contributed significantly to the Las Vegas community. This commemoration comes at a very unique time of year—African-American Heritage Month—a celebration designed to credit recognition to numerous individuals all over the United States for their cultural contributions to our country.

I would like to call attention to members of the community who have dedicated their careers to serving Las Vegas. By no means are these individuals alone in their accomplishments. They are a representation of the outstanding number of African-Americans in southern Nevada. This year I want to take the opportunity to mention three outstanding individuals; the Honorable Judge Addeliar D. Guy III, Mrs. Daisy Miller, and Dr. William H. (Bob) Bailey.

JUDGE ADDELIAR D. GUY III

Judge Addeliar D. Guy III, has worked extensively over the past 25 years in the U.S. District Court for Nevada. Judge Guy has been a licensed attorney for over 30 years beginning his legal experience in Nevada as a deputy district attorney in 1966 where I had the pleasure to serve with him. Presently he holds the district court judgeship, a position he has held since July 1975.

Judge Guy also served in the U.S. military where his career began with the Coast Guard (1942–46). He also served in the U.S. Army, retiring as a reservist in 1976 after achieving the rank of lieutenant colonel. During his tenure in the military, Judge Guy was decorated with the Purple Heart as well as other military service awards.

Judge Guy currently serves on the board of directors of many of the service organizations in the Las Vegas community; March of Dimes, United Way, Boy Scouts of America, Judicial Council of the National Bar Association, and the Community College of Southern Nevada.

Other awards and commendations he has received include: Housing Authority City of Las Vegas Addeliar D. Guy Youth Center, Clark County School District Addeliar D. Guy III Junior High School to be built, Social Action Award of Delta Sigma Theta, Outstanding Service Award of Cosmetique Inc., Good Fellow Award of City of Hope, Outstanding Achievement as Judge NAACP, Distinguished Nevadan University of Nevada, Distinguished Achievement Award National Bar Association, and the Chief Judge Eight Judicial District Court.

MRS. DAISY L. MILLER

Daisy L. Miller, presently assistant principal at R.O. Gibson Junior High School in Nevada, has served extensively in the Clark County School District implementing, advising, and developing various programs to benefit the Nevada school system. She has dedicated her career to improving educational institutions in the Las Vegas area. Mrs. Miller's ingenious activities are most significantly seen in her efforts in coordinating programs such as the planning program of the economic opportunity board which initiated immunization in the African-American community.

Mrs. Miller is a member of the Clark County Association of Secondary School Principals, NAACP, Academic School Curriculum Development, Delta Sigma Kappa, and Phi Delta Kappa. She is actively involved in the community through her involvement as past president of the Las Vegas Alliance of Black Educators and member and past president of the Doolittle Tutorial Board.

DR. WILLIAM H. (BOB) BAILEY

Dr. William H. (Bob) Bailey is currently the deputy director of the Minority Business Development Agency [MBDA]. In this capacity, he acts as a key Commerce Department advocate for minority business development issues. As former president of the Nevada Economic Development Company, Inc., in Las Vegas, Bailey has a proven history of assisting the minority business community. He gained national recognition for development of numerous outreach and training programs for the Minority Business Development Centers across the United States.

Bailey served 5 years as chairman of Nevada's Equal Rights Commission. As one of Nevada's most active African-Americans, Dr. Bailey has been responsible for establishing the first minority owned real estate development firm and became the developer of the first minority owned mortgage company, New Ventures.

I first had the pleasure of meeting Bob Bailey when he worked as a disc jockey in the 1950's at Reno Radio. He later moved to become one of Nevada's first African-American TV newscasters. He is currently listed in Who's Who in Black America and Who's Who in American Economics. He also served as a member of the rules committee of the White House Conference on Small Business in both 1980 and 1988.

Most recently, Bailey was instrumental in assuring one Nevada minority owned firm was selected to participate by the Department of Commerce sponsored trade mission to the Persian Gulf region. He is currently the recipient of over 100 awards including the proclamation of an official Bob Bailey Day in Nevada.

All three of these individuals have not only been a credit to African-Americans nationwide, but through their efforts have made a considerable difference in southern Nevada. I rise today to acknowledge and praise their accomplishments and ask my colleagues to join me in congratulating these credits to the Las Vegas community.

A TRIBUTE TO JOHN APOSTOLAKOS

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. NOWAK. Mr. Speaker, it is with great respect and admiration that I congratulate Mr. John Apostolakos upon his retirement as president of the Western New York Hospital Association, Inc.

Since 1962, John Apostolakos has offered his tremendous insight and experience in the health care field. After having earned a juris doctorate degree from the American University National Law Center and having been admitted to the Washington, DC bar, John began his professional career in government, working at the Veterans' Administration and then at the National Institutes of Health.

In 1965, Mr. Apostolakos was welcomed into the western New York area. His first employment in Buffalo was at Health Research, Inc., where his responsibilities included the management of grants for Roswell Park Memorial institute, one of the Nation's 25 comprehensive cancer institutes. He quickly accelerated up the ranks and, in 1969, was named executive director of Health Research, Inc. His career path would take John to Buffalo's Columbus Hospital where he would remain from 1970 to 1977. Mirroring his swift advancement at his previous employment, John Apostolakos was soon named administrator of Buffalo Columbus Hospital. His years at this hospital were marked by numerous achievements and expansions including a $10 million program establishing a nursing home as well as modernizing the hospital facility.

The Western New York Hospital Association, Inc., capitalized on John's expertise in the health care industry in 1977 naming him chief executive officer of their organization. His impressive interpersonal skills as well as his obvious wealth of knowledge in health issues were evidenced throughout his years at this association. He assumed massive responsibilities in coordinating multiple activities, agendas, and staff as the hospital association continued to grow. During a period of financial constraint for the health care industry John most effectively voiced the concerns and interests held by western New York health care providers.

His contributions to the community continue in the many councils, committees, and task forces in which he is an active participant and advisor. His affiliations with the Health Systems Agency of Western New York, the Buffalo Prenatal-Perinatal Comprehensive Network Development Task Force, Inc., and the Coordinated Care Management Corp., enabled these organizations to benefit from his acute insights.

John Apostolakos had a tremendous and constructive influence in the health care industry that was not only felt by hospitals but by Federal, State, and local government, the insurance industry, and numerous health care associations. The Western New York area is extremely fortunate to have had such an effective individual achieve so much in our area in developing a high quality health care network.

Mr. Speaker, my fellow colleagues, I congratulate Mr. John Apostolakos upon his retirement from the Western New York Hospital Association, Inc. I wish John the best of health, happiness, and success in all of his future endeavors.

TRIBUTE TO THE 125TH ANNIVERSARY OF TEMPLE, RODEF SHOLOM

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. TRAFICANT. Mr. Speaker, I rise on this occasion to pay tribute to the monumental achievements of Temple Rodef Sholom in my 17th District in Ohio. This year marks its 125th anniversary.

In 1867, Youngstown's substantial Jewish community erected this outstanding temple for worship and for the promotion of service and community activities. The cohesive personality of this congregation has, since then, served Youngstown with admirable dedication. Additionally, the efforts of the members of Rodef Sholom stretch beyond Youngstown to touch the activities and needs of others on a national level. I take my hat off to this group as they celebrate their anniversary.

The current atmosphere of celebration has prompted the Rodef Sholom congregation to publish a book of vignettes outlining the temple's history. I am proud to be invited to participate in such a publication. This reform Jewish community has assisted me in several projects and I am not only grateful, but I also have come to admire and respect the group as both a people and a culture.

Mr. Speaker, I congratulate the members of Rodef Sholom Temple as they celebrate the temple's 125th anniversary and wish them the best as they continue to make history from the temple doors throughout the community.

MEG ROTHMAN, AWARD-WINNING PAGE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, one of the most rewarding aspects of our jobs is having the opportunity to select young people from our districts to serve as pages in the House of Representatives. During my service in this body, I have been fortunate to have young men and women who were bright and hard-working serve as pages under my sponsorship. While I have appreciated the valuable contributions that all of them have made, I wanted to take a moment to recognize the especially fine performance of Meg Rothman, the most recent page from my district.

Meg, a resident of Newton, MA, began her stint last September and worked until January. At the graduation ceremony for her page class, Meg was given the Outstanding Citizenship Award. The highest honor a page can receive, the award is given each semester to one male and one female. Recipients are chosen by votes of the proctors in the page dormitories, the teachers in the page school, and the staff that supervises the pages as they carry out the important tasks they do for all of us.

In order to win this award, a page must excel in all three of these areas—legislative work, school, and dormitory life. In contacting my office to announce that Meg was receiving the award, the staff of the page program praised her performance, saying that she had displayed a commitment to excellence throughout her tenure, that she had often gone above and beyond the call of duty, that she was always willing to participate in page activities and frequently offered to do more, and that she consistently maintained a cheerful, uncomplaining attitude toward her work and her peers.

I can testify, having met with her and having seen her when she periodically stopped by my office, either to visit or when making her rounds, that she is indeed a hard-working, mature, professional young woman.

Mr. Speaker, too often our pages, who play such a key role in the effective operation of Congress, are seen as anonymous errand runners, rather than individuals performing challenging work. This is one reason I feel it is important for me to call attention to Meg's exemplary record as a page. Equally too often, people in this country are critical of the commitment and work ethic of our young people. Meg is living proof that this is not true, and I believe for this reason as well it is important to publicly recognize her achievement. I offer her congratulations on receiving the award and thanks for the superb work she did while she was here.

COMMENDING DR. LEONARD KURLAND AND DR. DONALD MULDER

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. BLAZ. Mr. Speaker, for the past 50 years, the territory of Guam has been at the center of the study of Alzheimer's-related disorders similar to Lou Gehrig's disease and Parkinson's disease and known locally as Lytigo and Bodig. I would like to take this opportunity to recognize the services of a group of people whose body of work spans nearly an entire generation and whose devotion to curing these devastating maladies extends to this day.

The studies on Guam by these individuals laid the groundwork for much of what is now known about neurodegenerative diseases and which may eventually lead to the discovery of the causes and the means of preventing these disorders. This would not only be a blessing to the people of Guam who have, in their own way, made very costly sacrifices to this research, but also to millions nationally and internationally who suffer from these illnesses. Their achievements are an inspiration to future generations of medical research professionals.

In 1953, two young scientists, Dr. Leonard Kurland and Dr. Donald Mulder, traveled to the territory of Guam to investigate an unusual epidemic and became the first neurologists to examine the many cases of Lytigo and Bodig on Guam. Their early investigation led to the establishment of a National Institute of Health Research Clinic in Guam. Through their research and that of their colleagues, over 200 different scientific papers have been published based on research at the NIH Research Center on Guam, vastly increasing the body of knowledge of neurodegenerative disorders.

Drs. Kurland and Mulder are as devoted as ever to determining the causes of these disorders. These two medical professionals have dedicated their lives to helping others and it is through their efforts that so much is known neurodegenerative diseases on Guam. But, more importantly, it is because of their persistence and sheer determination that this important research continues to this day. Dr. Kurland, who has been at the forefront of this effort since its inception, currently leads and ambitious 5-year research project which combines the resources of the Mayo Clinic in Rochester, MN, the University of Guam, and the Mount Sinai Hospital in New York. I have known Dr. Kurland long enough to realize that his contributions and commitment to the people of Guam and to those who suffer from Alzheimer's-related diseases is worthy of more recognition than I can possibly provide.

Mr. Speaker, Drs. Kurland and Mulder have devoted their talents to destroying a group of diseases which in one way or another touched us all. We only need imagine what it is like to watch a loved one suffer from one of these maladies to realize that we must do all we can to put an end to these diseases. It is my hope that by others hearing of Drs. Kurland and Mulder's achievements and of the important work that is being done by these individuals that these efforts will be supported by this House and by elements of the medical research community until this malady is finally eliminated from Guam and from the world.

SMALL BUSINESS PRESERVATION AND JOBS ACT OF 1992

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. IRELAND. Mr. Speaker, today our distinguished colleague from Wisconsin, Mr. GUNDERSON, and I are introducing the Small Business Preservation and Jobs Act.

Last January 3, I asked our colleagues in Congress to adopt an informal, but very important, resolution that will help create jobs, spur economic growth, and foster new opportunities at home and abroad. I asked our colleagues to adopt a new year's resolution: To do all we can to protect and promote our Nation's small businesses.

In explaining what that pledge meant, I suggested that, beyond protecting small enterprises from their own Government, Congress also had to look for programs and policies that actually helped small businesses thrive and expand.

Today, Mr. Speaker, Mr. GUNDERSON and I are honoring our pledge to help small businesses.

As you know, demand for two extremely successful Small Business Administration lending programs is running higher than expected this year. These programs will very likely run out of money sometime this summer if Congress does not act quickly.

We believe it would be unconscionable if Congress through inaction, effectively shut down two proven and productive SBA loan programs at a time when they can do the most good for our economy and our job market. We must honor our commitment to small enterprises and to their current and future employees.

And we can do that, Mr. Speaker, by simply keeping SBA's door open for qualified borrowers and increasing SBA's 7(a) loan guarantee authority and the agency's development company loan guarantee authority. That is the first goal of our bill. But we have an opportunity to do much, much more.

As we are all aware, bank foreclosures are precipitating disaster for many small businesses that have loans or lines of credit with banks that are taken over by the FDIC. If no buyer for these loans appears, the loans are called—even though the business may never have missed a payment. Needless to say, a few of these businesses are in a position to come up with the money to pay off the loan in full, so they must face the tragic possibility of shutting their doors to workers and customers alike.

We are all much too familiar with this sad, but avoidable story: Banks blame overzealous regulators for making it difficult, if not impossible, to make loans even to healthy, growing smaller firms. Regulators point to bad management and poor decisionmaking on the part of banking executives as the cause of the problem. And on it goes.

But, Mr. Speaker, while all this finger-pointing is going on, the SBA has initiated a smart, creative program that cuts to the chase by helping small enterprises, their workers, and our Nation's taxpayers all at the same time.

Through what is known as the New England Lending and Recovery Project, SBA is stepping in and servicing SBA-guaranteed loans held by banks that have been taken over by the FDIC. In addition, the SBA is examining the nonguaranteed portion of the failed bank's portfolio for good, performing small business loans that are in danger of being called. Upon identifying such a loan—a loan that meets SBA's lending criteria—the SBA is contacting the business and offering the opportunity to restructure its debt using private financial institutions and an SBA loan guarantee.

The result? Hundreds of small enterprises and the jobs they provide have been saved.

Mr. Speaker, Mr. GUNDERSON and I believe this is a win-win program that easily could be expanded to include the RTC and taken nationwide. By helping the SBA do this, small businesses across America can be rescued from foreclosure on loans whose only flaw is that the banks that made them have failed. The economy reaps the benefit of the continued productivity of those businesses. And the Government is able to turn what would have been a loss into a performing asset.

This is the second purpose of the Small Business Preservation and Jobs Act.

To accomplish these vital and eminently worthwhile goals, our bill seeks to raise the SBA's 7(a) loan guarantee authority by $3 billion this fiscal year and each of the 2 following fiscal years, and it encourages the Small Business Administration to use part of that increased authority to expand its New England Lending and Recovery Project throughout the United States. Further, it seeks $100 million more in loan guarantee authority for the same fiscal years for the SBA's development company loan programs.

Mr. Speaker, I urge our colleagues to join me as cosponsors of our bill so that we can begin now to help small businesses do what they do best: Create the new jobs, products, and services our country so desperately needs.

As a former colleague declared on the floor of this House more than 50 years ago, "If America will save small business, small business will save America." Mr. Speaker, we have the opportunity literally to save hundreds of small businesses—and the jobs of their employees—by passing the Small Business Preservation and Jobs Act.

H.R. 4197

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Preservation and Jobs Act of 1992".

SEC. 2. INCREASES IN SBA PROGRAM LEVELS FOR LOAN GUARANTEES.

(a) FISCAL YEAR 1992.—Section 20(e)(2) of the Small Business Act (15 U.S.C. 631 note) is amended to read as follows:

"(2) For the programs authorized by this Act, the Administration is authorized to make $7,303,000,000 in deferred participation loans and other financings; and of such sums, the Administration is authorized to make $6,500,000,000 in general business loans as provided in section 7(a) (including loans on a national basis under the Administration's Lending and Recovery Project), $53,000,000 in loans as provided in section 7(a)(12)(B), and $750,000,000 in financing as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958."

(b) FISCAL YEAR 1993.—Section 20(g)(2) of such Act is amended to read as follows:

"(2) For the programs authorized by this Act, the Administration is authorized to make $8,405,000,000 in deferred participation loans and other financings; and of such sum, the Administration is authorized to make $7,500,000,000 in general business loans as provided in section 7(a) (including loans on a national basis under the Administration's Lending and Recovery Project), $55,000,000 in loans as provided in section 7(a)(12)(B), and $850,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958.".

(c) FISCAL YEAR 1994.—Section 20(i)(2) of such Act is amended to read as follows:

"(2) For the programs authorized by this Act, the Administration is authorized to make $9,508,000,000 in deferred participation loans and other financings; and of such sums, the Administration is authorized to make $8,500,000,000 in general business loans as provided in section 7(a) (including loans on a national basis under the Administration's Lending and Recovery Project), $58,000,000 in loans as provided in section 7(a)(12)(B), and $950,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958.".

MEXICAN LABOR UNIONS AND THE FTA

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. PEASE. Mr. Speaker, I would like to submit for the RECORD the attached Journal of Commerce article describing the recent arrest of a Mexican labor leader, apparently in response to a workers' strike in maquiladora plants, many of which are majority-owned by American investors.

In discussions of the proposed free trade agreement [FTA] with Mexico and Canada, I have expressed my concern over Mexico's labor union regime. More specifically, I have noted my impression that labor unions do not operate freely—that is, without government intervention—in Mexico and that workers are not adequately represented through existing labor union structures in this Latin American country.

You might ask why such concerns are relevant to discussion of the merits of an FTA. Simply put, labor unions ensure the natural linkage between wage rates and productivity levels. With an FTA, Mexico will develop economically and productivity is likely to increase with such economic development. If unions do not function in Mexico, it is possible, even probable, that Mexican wages will remain abnormally low—that is, lower than productivity levels would warrant—over an extended period.

The movement of American investment capital to Mexico in the short run due to wage differentials is one thing. A sustained wage differential capable of catalyzing American investment in Mexico even years from now, after Mexico's economy has developed, is something else entirely.

This article suggests that there is something very wrong with the way labor unions function in Mexico. If we want to negotiate an FTA that will not devastate our domestic economy, we must seriously address this issue in the context of the FTA talks. Now, more than ever, we need to consider domestic employment effects when crafting international trade initiatives.

[From the Journal of Commerce, Feb. 5, 1992]

UAW PROTESTS MEXICO'S ARREST OF LABOR LEADER

(By Tim Shorrock)

WASHINGTON—The recent arrest of a prominent Mexican labor leader in the midst of a strike of thousands of U.S.-border plant workers has drawn a sharp protest from the United Auto Workers union and could become part of the ongoing debate over whether the United States should approve a free-trade agreement with its southern neighbor.

On Friday, Agapito Gonzalez Cavasos, leader of the Union of Journeymen and Industrial Workers in Matamoros, Mexico, was taken into custody by a "special team" from the Mexican federal judicial police and taken to Mexico City, according to Don Stillman, director of international affairs for the UAW.

The arrest led the UAW—an opponent of the proposed North American free-trade agreement, which would erase tariff barriers among the United States, Mexico and Canada—to question the commitment of the government of President Carlos Salinas de Gortari to trade union rights.

The U.S. labor movement generally has opposed the move to include Mexico in the pact because it fears that lower-wage workers in Mexico would take jobs from U.S. factory employees.

The arrest came several days after representatives of the Maquiladora Association of Matamoros, which represents 62 mostly U.S. owned manufacturing plants along the border, met with Mr. Salinas to discuss a rash of strikes at those plants, Mr. Stillman said.

"He basically was arrested two days before a strike deadline for 33 more maquila factories," said Mr. Stillman. "One would have to find the timing curious."

The autoworkers union was especially angered by press reports that the employers association lowered its wage offers to union workers after the arrest of their primary negotiator.

"The arrest of a top union leader in the midst of crucial negotiations is conduct we have come to expect in countries such as South Africa and Korea—countries known for their repression of workers and unions," wrote UAW President Owen Bieber in a Feb. 4 letter to Mexican Ambassador Gustavo Petrocioli.

A spokesman at the Mexican Embassy here said he had seen press reports of Mr. Gonzalez's arrest but could not officially confirm that it had taken place.

The arrest warrant, which listed charges of tax evasion, was several years old, "but they chose this time to take him off in the dead of night," Mr. Stillman said.

On Jan. 27 and Jan. 28, between 12,000 and 15,000 members of Mr. Gonzalez's union struck nine maquiladora plants in Matamoros.

Among the plants hit were three factories owned by General Motors Corp., including Componentes Mexicanos, Rimir and Deltronics.

A spokesman for GM said only one of its facilities in Matamoros had been affected by the strike.

At Deltronics, "there was talk of a strike, but it never happened," the spokesman said. According to press reports from Matamoros, however, 3,500 workers walked out of that plant on Jan. 28.

The strikers were seeking a 30% wage hike. Total compensation for maquiladora workers, including wages and benefits, is less than $1 an hour, according to the UAW, far below the prevailing wages at plants in the United States and Canada.

In talks leading up to the strike, the employers association had sought to eliminate a contract clause that would gradually raise wages. In addition to GM, U.S. companies involved in the negotiations include subsidiaries of Trico, Eaton, Zenith and United Technologies.

But nine companies had settled their strikes by Saturday after agreeing to wage increases of 25.5%. Other issues remain unresolved, however.

After Mr. Gonzalez's arrest, the deadline for the 33 other plants was extended to Feb. 10. As of Tuesday, no strikes were in progress.

Last week, the UAW sent $15,000 to assist the strikers.

MARTIN D. WESCOTT RETIRES AFTER MORE THAN 30 YEARS OF LEADERSHIP IN LAW ENFORCEMENT

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. SOLOMON. Mr. Speaker, it's truly the end of an era in Washington County, NY. Martin D. Wescott, or Marty, as he is known, retired the first of the year as county sheriff, a position he has held with great honor and the highest professionalism since 1978.

Mr. Speaker, when you think of dedicated, innovative law enforcement, you think of Marty Wescott. This native of Whitehall graduated from the New York State Police Academy in 1958 and was assigned to the substation in Salem, where his family has lived ever since. He retired from the State police in 1977.

During those 20 years Marty earned the respect not only of fellow law enforcement personnel but also that of the people he served. He was elected sheriff in November 1977, and from the day he took office in 1978 he began implementing numerous training programs. He began a Juvenile Aid Bureau and a DWI task force, and played a personally active role in his department's canine patrol. He had computers installed in the civil and records department. Sheriff Wescott also served on the traffic safety committee, the Washington County fair board, and the executive committee of the New York State Sheriff's Association.

Another thing that makes Marty Wescott special to me is his active involvement in Boy Scouts. He also has been active at Holy Cross Church in Salem.

And like other people who are pillars in their community Mary Wescott is a solid family man. He and Harriet, who celebrated their 40th anniversary last August, have 6 children—Dan, Len, Rich, Ron, Norene, and Linda—as well as 11 grandchildren.

Marty is going to take a well-earned vacation for a while. But if I know Marty, I doubt that he'll be idle for long. Whether his new career is in law enforcement or not, we can be sure he will be successful.

Mr. Speaker, a retirement party for his great public servant will be held on February 16. Let us rise today to add our voices in tribute to Martin Wescott, a model law enforcement officer, a great American, and a good friend.

WARREN AND PHYLLIS DORN—50TH WEDDING ANNIVERSARY

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. PANETTA. Mr. Speaker, Mr. LAGOMARSINO and I join today in honoring Warren and Phyllis Dorn on their 50th wedding anniversary, which they will celebrate on February 14, 1992. Warren and Phyllis have been actively involved in their communities in Pasadena, La Canada, and now Morro Bay. Over the years, those who have come to know them, including Mr. LAGOMARSINO and myself, appreciate their unfailing dedication to one another and the communities in which they have lived.

Warren Dorn was born in Pasadena, CA, where he attended Pasadena city schools and then the University of California at Santa Barabara. His long and distinguished political career has included serving as the mayor of the city of Pasadena from 1949 to 1956. After moving to the 16th Congressional District of California, Warren became involved in the local politics and served as mayor of the city of Morro Bay from 1980 to 1982. He served as president of County Supervisors Association of California, and three-time chairman of the platform committee of the National Association of Counties. Warren has been named twice as Man of the Year by his home town, once by the Pasadena Chamber of Commerce and once by the La Canada Chamber of Commerce. Warren has been honored for his outstanding contributions to the community by numerous organizations, including the Salvation Army and the Red Cross.

At the age of 5, Phyllis Dorn's art career began as she drew on the empty pages of her grandfather's hymn book. She enhanced her talents in high school and Pasadena College, and then at the University of California at Los Angeles and Pomona College. Although she explored all types of art expression, Phyllis discovered that her main interest was in watercolor. When Warren and Phyllis were married in 1942, Phyllis took time off from her training to raise their three children, but never lost sight of her true passion for art. In 1958, Phyllis returned to her art studies at the California College of Watercolor and in 1960, attended the Otis Art Institute in Los Angeles, presently the Parsons School of Art. In 1966, she earned a secondary teaching credential and began teaching as a substitute in the La Canada and Pasadena public schools, and in the art department of Pasadena City College. With her teaching credential and incredible artistic talent, Phyllis inspired and encouraged her students to exhibit their own hidden talents of self-expression.

Since moving to Morro Bay, Phyllis has been commissioned by a number of organizations to create works of art for display throughout the State. One of her most famous works is a collection of 22 paintings of different castles displayed in each of the 22 rooms of the Sea Coast Lodge in San Simeon, CA. Phyllis' work can also be seen at the Eisenhower Medical Center in Palm Springs, bringing color and beauty to those who come in contact with it. Her works are also contained in private collections, including that of Dolores and Bob Hope.

Warren and Phyllis have shared their hopes and dreams with each other for the last 50 years, each encouraging the other to strive for the very best. A perfect example of this strength is the establishment of Morro Bay Beautiful. In 1980, Phyllis founded Morro Bay Beautiful, an organization dedicated to improving the environment and economic quality of the Morro Bay Area. Phyllis served as founding president from 1980 to 1984, at which time Warren took over as president from 1984 to the present. Morro Bay Beautiful has been an incredible asset to the 16th Congressional District, making significant contributions of funds, materials, and volunteer labor to benefit the residents and visitors of the Morro Bay Area.

In their 50 years of marriage, Phyllis and Warren have been guiding forces in their family and in their community. They are blessed with 3 children, Daniel, Robert, and Jennie, and 14 loving grandchilden. Few couples are fortunate enough to share for over half a century the kind of love Warren and Phyllis have for one another. The occasion of their 50th wedding anniversary is truly a cause for celebration. Mr. Speaker, Mr. LAGOMARSINO and I now ask our colleagues to join us in congratulating Phyllis and Warren on this joyous day. It is our hope that they will continue to share their love for one another and their family, friends, and community for many years to come.

YEAR OF THE AMERICAN INDIAN

HON. ENI F.H. FALEOMAVAEGA

AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year I am providing today for the consideration of my colleagues a short biography of Pope, a medicine man from the Tewa Pueblo, taken from a Department of the Interior publication entitled Famous Indians, A Collection of Short Biographies.

POPE (PUEBLO)

For hundreds of years before the Spanish colonized the Southwest, Indians had lived along the Rio Grande in what is now New Mexico. They were successful farmers, made handsome pottery, and wove fine cotton cloth. Above all, they were extremely religious. The supernatural influenced everything they did.

In 1598, colonists and priests from Mexico under Don Juan de Onate established among these Indians the first Spanish community in the Southwest. The new settlers called the Indians "Pueblos" (the name by which they have since been known), because of the Indians' remarkable villages of large timber and adobe houses. Ornate, the new settlement's governor, had Catholic missions and churches built, and in 1610 established a territorial capital at Santa Fe.

The Pueblos' ancient way of life was soon threatened. Considered subjects of the Spanish crown, Indians were required to pay taxes in the form of cloth, corn, or labor. Their villages were renamed after Catholic saints, and their own ceremonies and religious practices were forbidden.

But although they gave lip service to Christianity, and pretended to submit to Spanish rule, the resentful Indians continued to follow their own sacred practices in the secrecy of their (underground ceremonial rooms).

In 1675 a leader arose among the Pueblo Indians in the person of Pope, a medicine man from a Tewa Pueblo renamed by the Spanish "San Juan." Pope had been one of several Indians imprisoned by the Spanish under suspicion of witchcraft and the killing of several missionaries, and he bitterly hated the white occupiers. Released from prison, he went into hiding in Taos Pueblo, and there planned and organized an all-Pueblo, an there planned and organized an all-Pueblo rebellion. The spirits, he said, had ordered him to bring back the Indians' traditional beliefs and customs. Runners secretly carried this message to all the Pueblos, and one by one, native towns enthusiastically joined the plot. Every precaution was taken to keep the Spanish from learning of the conspiracy: Pope, suspecting even his own brother-in-law of treachery, had him put to death.

August 13, 1680, was the date set for the attack. Somehow, however, the news leaked out, and Pope's only hope was to strike at once. On August 10, with the force of a long-suppressed hatred, the Indians attacked.

Nearly 500 of the 2,500 Spanish population were killed. About 30 priests were murdered in their missions, their bodies stacked upon the altars. Santa Fe, the Spanish capital, was beseiged, and its 1,000 inhabitants took refuge in official buildings for about 10 days. Then, after forcing the Indians to a temporary retreat, they abandoned Santa Fe, and, with the remaining Spanish population of the area, fled to El Paso del Norte (now El Paso, Tex.).

Having driven out the occupiers, the triumphant Pope then set out to erase all traces of them. Everything brought by the "Metal People" was ordered destroyed. Indians who had been baptized as Christians were washed with Yucca suds, and use of the Spanish language and all baptismal names was prohibited. In Santa Fe, cattle were herded into churches that had escaped burning. Pope did all he could to restore the old Pueblo way of life.

For a time, Pope was received with great honor as he traveled from Pueblo to Pueblo in ceremonial dress. But his success made him a despot. Hostilities broke out between pro- and anti-Pope Pueblos, and he was deposed. In 1688 he was reelected Pueblo leader, but shortly thereafter, he died.

The Pueblos were masters of their own country for 12 years. In 1692, after brief but brutal fighting, Spanish rule was reinstated under Vargas. There was peace in the Pueblos thereafter. The Spanish remained as occupiers for 150 years longer, but their domination was never again as strong as before.

TRIBUTE TO THE EUFAULA TRIBUNE'S GOOD CITIZENS OF 1991

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. DICKINSON. Mr. Speaker, today I would like to pay tribute to 10 Alabamians who have recently been named Good Citizens of 1991 by the Eufaula Tribune. The Tribune each year recognizes several citizens for outstanding volunteer service. The recipients for 1991 were:

Yamandu Acosta, recipient of the Governor's Hospitality Award. He and his family open their home for international visitors and students. Acosta has given distinguished service to Lions International and has helped to bring hundreds of people from his native Uruguay to the United States for medical treatment. He is president of the Eufaula Little Theatre.

Gloria Hagler, 1991 president of the Eufaula United Way. Ms. Hagler has also served as president of the RSVP board of directors and president of the Eufaula Business and Professional Women's Club. She was a leader in developing plans for the RSVP to open historic Fendall Hall for public tours.

Mildred Houston, member of the RSVP. Ms. Houston oversaw the purchase and wrapping of Christmas gifts for the young people who reside at the Eufaula Adjustment Center. She has also been a long-time central organizer of the First United Methodist Church's fall bazaar.

Jay Jaxon, former mayor of Eufaula. Mr. Jaxon was recognized for his leadership of the Eufaula for Education Committee, made up of 800 volunteers who sought passage of an 8-mill ad valorem tax increase to benefit Eufaula City schools. Eufaula passed this tax when other Alabama communities were rejecting such tax increases for education.

Carol Keefe, chairman of the 1991 Eufaula Pilgrimage. The 1991 pilgrimage brought in thousands of visitors and record receipts. Ms. Keefe coordinated the activities of hundreds of volunteer committee members, hosts, and hostesses. Ms. Keefe also is a member of the Eufaula Heritage Association board of directors and is active in a local garden club.

Father Killian Mooney, priest at Holy Redeemer Catholic Church. Father Mooney was recognized for going above and beyond the call of duty as a parish priest. As a leader in the Georgetown-Eufaula Ministerial Association, he directs the distribution of clothing and food to needy area families each month.

Don Sonnen, president of the Clean Lake Association. Mr. Sonnen directed activities of almost 1,000 volunteers in the second annual Operation Clean Shore, a September event held to clean up Lake Eufaula.

Elizabeth Wells, retired teacher. Ms. Wells taught in Eufaula city schools for 28 years and was recently active on the Eufaula for Education Committee to secure support for the millage increase.

June Wiggins, Boy Scout volunteer. Ms. Wiggins, an employee of Central Bank, received the Silver Beaver Award from the Alabama-Florida Council of the Boy Scouts of America. This is the highest award given for contributions to scouting. She currently serves as volunteer coordinator for troop 11 and is a leader in the Eufaula High School Choral Boosters.

Dr. Linda Young, president of Sparks State Technical College. Dr. Young was recognized for her volunteer service as chairman of the 1991 Eufaula-Barbour County United Way campaign.

It is people like these who make good neighbors, it is good neighbors who work together to create good communities, and it is good communities which make our Nation great. I ask Members of Congress to join with me in paying tribute to these exemplary citizens.

HELP NEEDED FOR AGRICULTURAL CONSERVATION EASEMENTS

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. KOSTMAYER. Mr. Speaker, a change in Federal tax policy is needed to eliminate the hardship imposed by estate taxes on farmers who wish to perpetually conserve their land for agriculture and other, compatible natural uses.

According to the Delaware Valley Regional Planning Commission, more than 82,000 acres of land in the 4 suburban Philadelphia counties were developed between 1980 and 1990. Each year, Pennsylvania loses over 70,000 acres of farmland. In Bucks County, we have lost more than 70 percent of our farms since 1960.

Section 2032A of the Tax Code permits farms to be "specially valued" for estate tax purposes at their agricultural value rather than highest and best use. The intent is to help preserve family farms by not taxing their development potential so long as the family continues to own and farm the land. A 10-year recapture provision ensures this result.

Preserving open land for agriculture, wildlife, scenery and similar purposes is also the objective of section 170(h) of the Tax Code. This allows an income tax deduction for "conservation easements," deed restrictions that limit the use of land to protect its natural features, so long as they qualify as consistent with State and local policies regarding land use and development.

Recently, in the case of a Lancaster County farm widow, the IRS interpreted these sections of the code together and came up with a totally opposite result. The Service said that the placing of a conservation easement over a farm to keep it in agriculture forever would result in a recapture of taxes foregone.

My legislation would correct this situation and remove further impediments to conservation of the farmland that the United States will need to feed itself and the world in the future.

The bill makes it clear that the donation or sale of a qualified conservation easement to protect farmland does not trigger a recapture of estate taxes or disqualify it from special use valuation in the first place. When land is permanently dedicated to agriculture under easement, the purpose of special use valuation is not defeated, but furthered. The law should recognize this fact.

AGAINST THE GULF WAR REVISIONISTS—UNITED STATES EMBASSY IN KUWAIT CONFIRMS IRAQI ATROCITIES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. LANTOS. Mr. Speaker, on the first anniversary of the beginning of hostilities in the Persian Gulf war, revisionist historians launched a grand campaign to rewrite the history of that war. Unfortunately, even the New York Times, which should have known better, allowed itself to be misused and misled by one of these revisionists rewriters of history.

We here in the Congress, who went through the very difficult decision to authorize the use of force to drive Iraqi occupation troops from Kuwait, know only too well the overwhelming preponderance of evidence that led us reluctantly to approve the use of our military forces against the Iraqi occupiers of Kuwait.

As my colleagues know well, Mr. Speaker, during my entire 11 years in the Congress, I have been an outspoken critic of Saddam Hussein's appalling human rights violations, his brutal use of terror, and his outrageous efforts at international intimidation. I regret that I have been so right in my criticism of his evil regime.

In view of the criticism that revisionists leveled against me and the Congressional Human Rights Caucus for a hearing we held in October 1990 which focused on human rights abuses in Iraqi-occupied Kuwait, I would like to place in the RECORD three important documents which deal with the particular issues which were raised.

First, I would like to place in the RECORD a letter from me to the editor of the New York Times which was published by the Times on January 27. My letter was in response to the initial revisionist Oped by John R. MacArthur.

Second, I ask that another letter be placed in the RECORD. This letter, dated January 27, is addressed to me from Edward W. Gnehm, Jr., our current American Ambassador to Kuwait. As my colleagues know, Ambassador Gnehm arrived in Kuwait City shortly after it was liberated from Iraqi occupation last spring. This letter focuses on Iraqi atrocities in occupied Kuwait which were discussed at the Congressional Human Rights Caucus hearing in October 1990. Ambassador Gnehm is particularly well-qualified to comment upon these matters based on his first-hand involvement in Kuwaiti affairs at the Department of State during the Iraqi occupation and his service as our Ambassador for the past 10 months.

The third document I would like to place in the RECORD is an unclassified diplomatic cable from Ambassador Gnehm to Secretary of State James Baker. This cable addresses directly the question of Iraqi atrocities in Kuwait, and specifically focuses on the reports that Iraqi occupation troops took premature infants off of vital life-support systems, which led to their deaths.

These are important issues, Mr. Speaker, and these documents are critical in order to fully understand the issue.

KUWAITI GAVE CONSISTENT ACCOUNT OF ATROCITIES

TO THE EDITOR: Hold on to your hats. The grand campaign to rewrite the history of the Persian Gulf War is on. And the campaign of revisionist history begins with rewriting the causes of that war.

If you thought that the cause of the war was Saddam Hussein's brutal invasion of Kuwait, you are wrong. If you thought that the cause was Saddam Hussein's reckless and premeditated aggression that gave him control of Kuwait's vast oil resources and imminent domination of the giant Saudi oil fields—giving him mastery of the energy jugular of the world—you are wrong. If you thought that the cause of the war was his horrendous human rights violations—the verified poison gassing of his own citizens, and verified torture and murder of thousands of innocent victims, including infants, children, handicapped, women and older persons—you are wrong. If you thought the cause of the war was Saddam Hussein's growing nuclear capability, his huge stock of biological and chemical weapons and the missile capabilities—you are wrong.

The real cause of the war, according to John MacArthur (Op-Ed, Jan. 6), was a concocted story by the 15-year-old daughter of the Kuwaiti ambassador to Washington! She allegedly fabricated a story about premature infants being taken from their incubators by the invading Iraqi military and left to die. The article's sinister innuendo suggests that the girl was not even in Kuwait at the time of the Iraqi invasion, and the whole gruesome incident was a diabolical plot by a U.S. public relations firm. So much for revisionist history—now for the facts.

The Congressional Human Rights Caucus decided to hold a hearing on Iraqi human rights abuses in Kuwait, and it sought individuals who could give eyewitness accounts of what was happening there. Among several individuals brought to its attention was a fifteen-year-old Kuwaiti girl, Nayirah.

At the time of the hearing, it was requested that her identity—and the identity of another witness—not be made public to protect friends and associates in Kuwait from Iraqi retaliation, including torture and murder. I felt then, and I feel now, that this was a legitimate and appropriate request given Iraqi atrocities in Kuwait. It would be hard to think of a more appropriate use of witness protection—an honored and universally accepted American practice under infinitely less dangerous circumstances.

The Congressional Human Rights Caucus has a Democratic and a Republican Cochairman, and each of us has one staff person. The staff work together in preparing Caucus hearings, and each Cochairman is briefed for caucus events by has staff person. The Cochairmen do not brief each other. We alternate chairing of Caucus events.

The fact that Nayirah was the daughter of the Ambassador of Kuwait made her a more credible witness. The Kuwaiti government would have considerably more to lose if the daughter of its Ambassador were not telling the truth than if some man-in-the-street lied. If anything, her relationship to the Ambassador and government enhanced here credibility.

Nayirah's account took a few minutes during a hearing that lasted several hours. Other eyewitnesses gave much longer and more extensive accounts of atrocities by Iraqi troops in occupied Kuwait. Her account was consistent with the information we received from other witnesses, with hundreds of other atrocity stories from Kuwait carried by media around the globe, and with reports by independent human rights organizations, such as Amnesty International, who also testified at our hearing and subsequently published accounts similar to Nayirah's.

Was Nayirah telling the truth? MacArthur's unsubstantiated innuendo that Nayirah was not even in Kuwait when the atrocities occurred was never checked. The State Department in fact, confirms that she was in Kuwait at the time of the Iraqi invasion and she remained in the country for several weeks until she was able to escape.

Given the countless cases of verified Iraqi human rights violations, including torture and murder, which have occurred before, during, and since the Iraqi invasion of Kuwait, it was hardly necessary for any government or any P.R. firm to manufacture false stories. There were so many appalling accounts, all sickeningly true, that it would have been totally unnecessary and counterproductive for them to invent atrocities.

The suggestion of some "special relationship" with the public relations firm Hill & Knowlton is absurd. The Caucus has held hearings on human rights abuses on countries around the globe—from the Soviet Union to South Africa, from Indonesia to Central America. We have exposed violations by our closest and most democratic allies, including Great Britain when we held hearings on human rights abuses involving the "Birmingham Six" and others in Northern Ireland. These Caucus actitivies are held without regard to whether these countries are represented by any law firm or public relations firm.

Mr. MacArthur's deceptive article serves only the cynics who seek to rewrite the history of the Persian Gulf War.

(REP.) TOM LANTOS,
Co-chairman, Congressional Human Rights Caucus, Washington, Jan. 23, 1992.

EMBASSY OF THE
UNITED STATES OF AMERICA,
Kuwait City, Kuwait, January 27, 1992.

Hon. TOM LANTOS,
House of Representatives, Washington, DC.

DEAR MR. CONGRESSMAN: I have been deeply disturbed by several recent media reports that focus on the hearings you held in the fall of 1990 regarding the Iraqi atrocities in occupied Kuwait. These attacks distort the truth and themselves fabricate fiction.

Media would have its audience believe that one of your witnesses, Nayirah Saud al-Sabah, daughter of Kuwait's Ambassador in Washington, was not in Kuwait in the period after the Iraqi invasion. That is simply false; she was in Kuwait until she escaped with her mother on September 21.

In the months of August and September, I was in Washington working with Ambassador Saud Nasir on a daily basis. I remember cautioning him on several occasions about the danger facing his family inside Kuwait as a result of his very high profile after the Iraqi invasion. His response repeatedly was that his country's liberation was paramount no matter what that meant for him and his family.

Yet, I knew he was worried and, as the days passed, the Iraqi noose began to close around the Ambassador's wife and daughter. I urged him again to get them out. He said his wife still refused to leave Kuwait. Then one day in early September, I was with him at his home in Washington when a satellite telephone call came from his wife inside Kuwait. She told him that she could no longer move around. She admitted it was only a matter of time before she and the family with her would be caught. She agreed to come out with Nayirah.

I began working on ways that we might assist in extricating the Ambassador's family. Ultimately, they were able to escape by using altered passports. I later met Abdul-al Al-Qenaee, the Kuwaiti who brought the Ambassador's wife and daughter out of Kuwait.

In addition to my own account, officers of my embassy have spoken to people who were in Kuwait in August and September 1990, and those people verify that they saw Nayirah in Kuwait at that time. I think it is incontrovertible that she indeed was in Kuwait during the time frame she spoke of when before your subcommittee. Efforts to imply otherwise are patent efforts to deceive.

Second, you and your colleagues who agreed to protect witnesses before your subcommittee by using only first names made, in my opinion, a very sound, correct and humane decision. Since liberation, I have heard a number of stories from Kuwaitis who remained under Iraqi occupation that they or friends suffered directly when inadvertently their relatives on the outside were quoted or innocently tried to send messages over the media to their families inside. The Iraqis monitored radio and television coverage of Kuwaitis and went after family members inside hoping to intimidate Kuwaitis outside from speaking out. Had your committee used full names you would have jeopardized other innocent people still in Kuwait.

I want also to mention Iraqi atrocities against premature and newly-born babies. There is no question that a number of premature babies died in Kuwait due directly to actions taken by Iraqi authorities. Those who were working in the hospitals and clinics tell multiple stories, not about one, but about several incidents where babies died. The numbers total in the several hundred. In some cases the Iraqis ordered babies taken out of the incubators and ventilators that provided life support. In other cases, nurses tell of electric cords being yanked from the machines or oxygen turned off. The resulting deaths are deplorable no matter what specific Iraqi actions led to the loss of life.

The world needs to understand that these atrocities against newborn infants was only small—but horrible—manifestation of the Iraqi mentality. Two hospital employees have told of attending a staff meeting called by the newly-arrived Iraqi doctor, a military colonel given command of the hospital. He announced that several wards of the hospital would be closed, including those for premature babies and the handicapped. He said the state should not spend valuable time and resources on those who should have died anyway. Only the fit and strong had a place in the new Iraq! That same day at least three premature babies died at that hospital when removed from ventilators. Hospital staff attribute five additional deaths to the actions ordered by the Iraqi colonel.

Mr. Congressman, in my very humble opinion, you and your colleagues deserve tribute for your initiative in holding those human rights' hearings. A few years ago in another war, if a few people had acted as you did now, millions of lives might have been saved. I have no doubt that many more Kuwaitis would have died at Iraqi hands if the world had not early on taken note of Iraqi atrocities. We will never know the number of Kuwaitis and others in the region who remain alive today because America confronted a regime which had no regard for human life. We should all be proud to be bold.

God bless you for your efforts, and let us pray that we learn from our past mistakes and always face tyrants who are willing to shed life indiscriminately.

Sincerely,

EDWARD W. GNEHM, Jr.,
Ambassador.

TEXT OF CABLE

The following is the text of a cable from the United States Embassy in Kuwait, sent to Secretary of State James A. Baker in Washington, D.C. The cable is dated February 3. It deals with Iraqi atrocities in occupied Kuwait, and focuses on the accounts of Iraqi troops removing infants from incubators. This cable is unclassified, with names of informants removed.

1. An incredible twist to press stories looking at Kuwait one year after the invasion is the rather smug and cynical casting of doubt on accounts of atrocities. The story that newborn babies had died after being removed from incubators by Iraqi soldiers has in particular been dismissed by some "revisionist historians". There have even been claims that such stories were fabricated deliberately for political ends. We would like to make a straightforward contribution to any discussion of this issue. Officers who have served at this post since the liberation of Kuwait are convinced that premature and newborn babies died when Iraqis removed life support systems from Kuwaiti hospitals. Whatever other twists this unseemly debate might take, their deaths and the pain of their families should not be in question.

2. In our view the most outrageous aspect of the recent media reports casting doubt on the "incubator story" is that at least two human rights groups, as well as a number of journalists affiliated with reputable organizations, at some point have claimed that after "investigating" they found no evidence of babies dying as a result of Iraq's taking incubators from Kuwaiti hospitals. We believe claims not to have found such evidence are either false or else the "investigation" was so cursory and biased that no other conclusion was possible. Our own experience simply allows no other conclusion.

3. Officers at Embassy Kuwait are not professional investigators and we have not systematically pursued accounts of the incubator atrocities to compile evidence that would stand up in a court of law. Nevertheless, since March 1991, we have had hundreds of conversations with Kuwaitis about their personal experiences of life in Kuwait during the occupation. In the course of these conversations, the "incubator story" has at times come up. Often it is told as a second-hand account—something that happened to a neighbor or a relative. The stories track generally with the accounts we all heard in August and September of 1990.

4. Occasionally though, chance encounters have placed an Embassy officer face to face with a Kuwaiti who relates a first-hand account of something he or she personally witnessed that supports the stories about the removal of incubators from the hospitals. Sometimes the story is of the death of their own child.

5. It is hard to convey the impact on the listener of eyewitness accounts of atrocities. You are told of the insignificant details of a sadist's accent or a father's idle thoughts the moment before he discovers his son's mutilated body on the doorstep. You hear something horribly true even though your own experience provides no context. Most of all, you feel you are speaking with someone whose life has been altered by the wound they carry inside. Something very real happened.

6. In support of the incubator story, we have heard such eyewitness accounts from nurses and doctors, morgue attendants, ambulance drivers, and cemetery caretakers. Thus we believe that a number of premature and newborn babies died as a direct result of orders given or actions taken by Iraqi officers and doctors. We are not referring blandly to an increased infant mortality rate due to shortages of equipment, medicine, medical staff, or power although that is a crime that can undoubtedly be laid at the feet of the Iraqis. We are speaking about babies who died when nurses were forced to remove them from life support systems or when Iraqi soldiers removed key components of the life support systems.

7. We cannot say how many babies died this way. We hope one day the Government of Kuwait and human rights groups will have an answer to that question. We have been told that approximately two hundred and fifty bodies of babies where buried in several mass graves in Riggae during August and September of 1990. The Kuwaiti ambulance driver who delivered the bodies and the caretaker who buried them kept track of the numbers but cannot say how or where the babies died. A woman who washed and wrapped the remains tells of receiving a container with nearly fifty bodies from one hospital morgue one evening in the latter half of August. Many of the bodies where of premature babies. She knew something extraordinary was taking place. Halfway through her grim task she found one baby still alive. She tried to save it but the baby died after twenty minutes.

8. (Name withheld), a nurse at Aladan Hospital, argued with a group of Iraqi soldiers who demanded that babies be removed from fifteen ventilators and incubators. (Not all of the incubators where in use.) The Iraqi officer, growing angry, reached out and disconnected the tube carrying oxygen to a ventilator. She began to scream. Another nurse ran into the ward and together they moved the babies onto cots. One baby died almost immediately. A total of four died within twenty-four hours. The ventilators and incubators were moved by the soldiers to another room in the hospital and locked away. Two weeks later, the equipment was brought out of the room and lined in the hallway to be filmed by a news crew.

9. At Al-Fahra Hospital, (names withheld) relate supporting accounts of the Iraqi doctor placed in charge of the hospital. his name was Colonel Khalil. He announced to the staff that three of the four pediatric wards of the hospital would be closed. He said the state should not spend valuable time and resources on those who should have died anyway. On the morning of August 26, (name withheld) was forced by the Iraqis to move twelve babies from the neo-natal intensive care unit (ward eight) to the regular pediatric ward. Eight of the babies were removed from incubators, two of the babies were disconnected from life support ventilators. (name withheld) tried to keep the babies alive but without the ventilators, two babies died that day. A third baby also died. Six of the eight incubators in ward eight were removed (the doctors did not witness by whom) and the doors were chained shut by order of Colonel Khalil.

10. Supporting these accounts, we have in our possession a number of official Iraqi documents ordering Iraqi officials in Kuwait to remove equipment from hospitals, labs, universities, and research centers. The documents do not mention incubators but other medical equipment is listed specifically. We know of course that the Iraqis systematicly removed computers, engineering equipment, laboratory equipment, and other machinery wherever they found it in Kuwait. (stripped labs at the university actually had written on the walls the names of the institutions in Iraq to which the trucks were to deliver the looted goods.)

11. We also have seen photographs of the bodies of babies from the hospitals. These sad photographs of course do not have anywhere near the impact of the first-hand accounts.

12. It is astonishing, sad, and ultimately unbelievable that an "investigator" could come to Kuwait and fail to find evidence supporting reports of this particular atrocity. A call to any one of several Kuwaiti organizations attempting to record the accounts of atrocities would have led to strong evidence and important leads. A chat with somebody in our Embassy would have directed them to some of the people we have met who can shed light on the stories. Any journalist or human rights investigator who asks will of course find us prepared to point them in the right direction on this story.

13. In conclusion, we should note that when one examines all the accounts of Iraqi brutality in occupied Kuwait, the story of the incubators begins to look relatively mild. It is abundantly clear that Iraqi policy was to terrorize and brutalize the population of Kuwait into a state of absolute fear and submission. Total disregard for human life has kept Saddam Hussein and the Baath party in power in Iraq and he clearly believed terror was the key to exerting his power over the population of Kuwait. Kuwaitis will not forget that the liberation of their country ended a reign of terror; from time to time we should recall that fact ourselves.

EDWARD W. GNEHM, Jr.,
U.S. Ambassador to Kuwait.

TRIBUTE TO GENE AMBS

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize a truly fine individual, Mr. Gene Ambs, from Cadillac, MI.

Gene Ambs has been a member of the Michigan State Police force for a quarter of a century. He started his career on December 11, 1966, as a road trooper in Bridgeport, MI.

After gaining experience in Bridgeport as well as a Jackson post and the scientific labs latent print unit in East Lansing, he was promoted to the rank of detective in 1972 while working in East Lansing. Mr. Ambs had many opportunities to move up in rank, but preferred to work in the field, a luxury he would not have had if he had been promoted.

He was transferred to the Cadillac post in 1981 where he worked for the rest of his career. Gene Ambs even earned national recognition for one of his cases through the television program "Top Cops."

Mr. Speaker, on December 11, 1991, Gene Ambs retired from the Michigan State Police force after 25 years of dedicated service. I know you will join with me in commending and thanking Gene Ambs for his commitment and service to the people of the State of Michigan.

THE PRESENTATION OF THE VICTORY OF FREEDOM AWARD

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. HORTON. Mr. Speaker, as the chairman of the Committee to Commemorate the 1956 Hungarian Revolution, I recently took part in the joyful celebration of the 35th anniversary of that historic event. As one of a series of commemorative observances, a delegation of the Hungarian Freedom Fighters' Federation U.S.A. met with First Lady Barbara Bush on January 14, 1992, in the White House. The delegation on behalf of the federation presented Mrs. Bush with the federation's Victory of Freedom Award established on the occasion of the 35th anniversary of the Hungarian Revolution and expressed its appreciation of her sustained support of the Alba Regia Memorial Chapel. The chapel was erected in memory of Hungarians who fell in the defense of their country's liberty. Gratitude was also expressed for the work Mrs. Bush is doing on behalf of the victims of tyranny, especially the children who were forced to leave their home.

Mrs. Bush, on behalf of the President, also received the Victory of Freedom Award presented to President Bush in recognition of his continuing support for the ideals of freedom and justice in Hungary. The award also sought to recognize President Bush for his indispensable efforts on behalf of freely elected governments which culminated in 1990 in the victory throughout Eastern Europe of the ideals of the 1956 Hungarian Revolution. We Americans who have labored on Hungary's behalf during the past decades feel a great joy that our support was not in vain.

With the award, Mr. Istvan B. Gereben, copresident of the Hungarian Freedom Fighters' federation U.S.A., presented a letter from the Federation to the President expressing the sentiments of its members and their views on the full implementation of the principles of democracy and a free market in Hungary. I would like to include a copy of this letter in the CONGRESSIONAL RECORD to share its message with my colleagues and my fellow Americans.

HUNGARIAN FREEDOM
FIGHTERS FEDERATION,
Rockville, MD, January 14, 1992.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: On the occasion of the 35th anniversary of the 1956 Revolution the Hungarian Freedom Fighters' Federation U.S.A. resolved to recognize those individuals and organizations whose continuous efforts on behalf of the principles of freedom and human rights contributed to the fulfillment of the ideals of 1956.

You, Mr. President, are among those whom we are privileged to honor with this special recognition. Your support of Hungary's fight for its freedom is evident in many of your statements and actions. The policies that you have supported and carried out both as vice President and President have substantially contributed to the disintegration of the Soviet Empire. We are grateful to the people and the leaders of the United States for their determination to stay the course and thus help the people of our land of origin to achieve the goals of the 1956 Revolution.

The issues which surfaced with the dramatic defeat of the Communist dictatorship and the election of a free government in Hungary are manyfold and seem almost unresolvable. Initial euphoria has given way to a growing desire for order, stability and security. We observe frustration, disillusionment and dissatisfaction among the Hungarian people. We fear that in the struggle to establish a free and just society the most essential elements of democracy may fail to take root. The appeal of populist, and exclusionary sentiments is widespread and growing. In these circumstances leaders may be tempted to adopt emergency authoritarian measures. To avoid the possibility of such a reversal of progress the United States must monitor and aid the development of democracy and a free market.

Our Federation by the presentation of its emblem wishes to express its gratitude for your support given to Hungary and Hungarians.

On this occasion our Federation thanks you, Mr. President, and the American people for the help and opportunities we, as refugees from tyranny, received.

Gratefully yours,
DR. ANDRAS POGANY,
President.
ISTVAN B. GEREBEN,
Copresident.
ILONA M.GYORIK,
Secretary General.

FRANCIS AND VESTA LYNE CELEBRATE 50TH WEDDING ANNIVERSARY

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. DELAY. Mr. Speaker, today, the 7th day of February 1992, Francis and Vesta Lyne of Clay Center, KS are celebrating their 50th wedding anniversary. I would like to extend sincere congratulations to them for reaching this monumental milestone of life. The lasting love of a husband and wife is a gift from God. I hope that life's most precious treasures will forever be within their grasp and that their love will be everlasting.

STABILIZING THE BANKING SYSTEM THROUGH INTERSTATE BANKING AND BRANCHING

HON. PETER HOAGLAND

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. HOAGLAND. Mr. Speaker, today Congressman MCCOLLUM and I, along with a number of colleagues, are introducing H.R. 4202 to further advance the reforms of the American banking system that the administration and the Congress began last year. Entitled the Nationwide Banking and Branching Act of 1992, our bill will enable banks to safely and profitably conduct additional banking activities across State lines. The bill we are introducing today is modeled on the proposal offered by the administration last year and the bill reported from the House Committee on Banking and Urban Affairs in June 1991.

LAWS ANTIQUATED

We have what is known as a dual banking system in America. Banks may be chartered as national banks and regulated by the Federal Government or they may be chartered as State banks and regulated by State governments. There are two laws that, in our view, make modern-day banking cumbersome: the McFadden Act enacted in 1927, and last amended in 1933, and the Douglas amendment enacted in 1956. The McFadden Act prohibits interstate branching by national banks. The Douglas amendment prohibits bank holding companies from chartering or acquiring a bank in another State unless expressly permitted to do so by State law.

The bill we are introducing today has three major features. First, it would authorize the Federal Reserve to approve interstate acquisitions by repealing the Douglas amendment upon enactment. Second, 2 years after enactment, it would allow banks to establish or acquire a branch outside their home State, unless the legislature of the receiving State passes legislation opting out or prohibiting out-of-state banks from branching into their State. Third, beginning 2 years from enactment, it would allow bank holding companies with bank subsidiaries in more than one State to combine two or more subsidiary banks into a single bank through merger, consolidation, or other transaction. A summary of the provisions of the bill appears at the end of this statement.

PROTECTING THE DEPOSITOR

Studies show generally that the more locations a bank has, the less likely it is to fail. Further, banks that are allowed to operate across State lines and into different regions of the country are less likely to fail because they can diversify their deposit base and their loan portfolios. A bank operating in more than one region with a diverse base, for instance, is less likely to become overly dependent upon a local economy, like agriculture, oil, or defense technology. Thus, if a downturn in a local economy occurs, or if an industry-specific business hits a slow period, the bank has other sources of deposits and customers. With interstate operations, banks are less vulnerable to vacillations in local economies. In a report prepared for the Financial Institutions Subcommittee dated December 17, 1990, entitled "The Banking Industry in Turmoil: A Report on the Condition of the U.S. Banking Industry and the Bank Insurance Fund," banking experts Robert E. Litan, James Barth and Dan Brumbaugh expressed it this way:

> There is virtually no other business in the United States that is so geographically restricted as the banking business * * * At a minimum, allowing banks to branch nationwide would permit them to diversify their risks and thus reduce the deposit insurance liabilities of the Federal Government. It is difficult to believe that 9 of the top 10 banks in Texas that failed during the 1980's would also have failed had they been part of larger nationwide operations. Similarly, had Continental Illinois been able to branch beyond the confines of Chicago and thus diversify its

funding sources, it is at least conceivable that the deposit run that helped trigger the bank's collapse would not have happened, or if it did, would have had the same disastrous effects.

Banks which are geographically diverse can diffuse losses over a broader base. As banks become broader and more diverse, failure is less likely. There will be fewer failures which will result in banks paying lower deposit insurance premiums and ultimately lower charges to customers.

AFFIRMING CURRENT ACTIVITY

Current law authorizes considerable interstate banking activity already. This legislation would allow it to expand further, but primarily would allow it to occur considerably more efficiently. This bill is authorizing what is basically happening already. In recent years, many States have enacted legislation permitting reciprocal interstate banking and the courts have upheld these laws. Thirty-four States have passed laws to permit nationwide banking through bank holding companies. Fourteen States permit regional banking. Thus, 48 States already permit some form of interstate banking. Only two States prohibit all forms of interstate banking.

In addition, modern technology makes it virtually impossible for a bank not to operate interstate. According to "Banking Law Manual" (Norton and Whitley):

> As a practical matter, today almost any type of financial institution can originate or acquire assets on a nationwide basis through many formal and informal avenues that extend its market reach beyond the traditional bank headquarters location: interstate ownership of banks and thrifts, lending through affiliated nonbank/nonthrift finance companies, mortgage companies and loan production offices, purchase of local participations and securitized assets through correspondent bank networks, credit card lending, statewide and interstate branching * * *

EFFICIENCIES

Interstate expansion saves costs for banks which in turn helps attract capital, increases profits and lowers charges to consumers. Under the current system, a bank holding company, if it is to operate interstate, must operate through a separately chartered bank in each State. Such a bank must set up a separate board of directors and management; prepare separate regulatory reports; undergo separate examinations; and install separate computer systems. Banks must satisfy capital requirements separately. Eliminating this duplication would mean tremendous cost savings for banks and ultimately for their consumers. More savings mean strengthened capital and more stable banking.

Former Treasury Undersecretary Robert R. Glauber cited in testimony a McKinsey & Co. study that interstate branching "could yield as much as $10 billion annually in cost savings." A study commissioned by the Congressional Budget Office conservatively estimates cost reductions of 3 percent to 4 percent. This study concludes that reducing real costs by 3 percent to 4 percent would be passed on to bank customers in the form of reductions in real prices for banking services. "A reduction in real costs would likely generate a 3 percent reduction in real prices (e.g., lower loan rates and/or higher deposit rates)," the study maintains.

CUSTOMER CONVENIENCE

An interstate network would be advantageous to the consumer especially in areas near State borders. For example, a customer could do all his or her banking in any State in which the bank operates. Because under current law banks have separate computer systems, a checking account with a bank in one State cannot be accessed in an affiliate bank in another State. Consolidating computer systems would be especially convenient for travelers. Who hasn't run short of cash while traveling?

Interstate branching would bring improved and cheaper services for both consumers and corporations. A CBO-sponsored study states that among the economies of scale is the fact that disbursing customers are more likely to do business with the same bank as collecting customers. This would reduce internal costs.

INTERNATIONAL COMPETITION

Finally, there is the issue of international competitiveness. Most European countries have already adopted full nationwide branching, which is soon to be expanded to unrestricted branching throughout the European Community. As the world economy continues to internationalize, we must keep our industry competitive with those abroad. According to Dr. Glauber:

> The United States remains the only major industrial country in the world that does not have a truly national banking system.

CONCLUSION

Banks today are hamstrung by antiquated Federal laws born in the era of the Great Depression. Federal law has prohibited banks from participating in the vast growth and diversification of their competitors in the financial services industry. For example, Sears Roebuck is involved in insurance, real estate, securities, credit cards, and numerous other financial services. Similarly, General Electric offers a vast array of financial services in the areas of insurance, real estate, securities, and other money management services. Banks have been prohibited from fully competing with these entities. As a result, they have lost market share, lost profitability, and become weaker during a period of time when other sectors of corporate America have flourished.

Comparing certain statistics from 1970 with 1990 illustrates the point. In 1970, banks had 31 percent of all commercial lending; in 1990, they had 10 percent. Commercial banks' return on average equity in 1970 was 12.36 percent on after-tax earnings; in 1990, it was 7.84 percent. In 1970, there were 251 banks on FDIC's problem list; from 1985 to 1990, that number topped 1,000 each year.

Congress has a responsibility to protect the taxpayer, the depositor, and the fund that insures customers' deposits by providing banks the modern tools they need to run a reliable, modern business. The statutory restrictions on interstate banking are artificial, serve no useful purpose, and weaken an industry vital to our Nation's health. The role of Congress should be to promote competition, not hinder it. This bill is an attempt to do that, and I hope my colleagues will join me in enacting it into law.

SUMMARY OF H.R. 4202, THE NATIONWIDE BANKING AND BRANCHING ACT OF 1992

NATIONWIDE BANKING

Authorizes the Federal Reserve Board to approve applications to acquire any insured depository institution or bank holding company in any state upon enactment of this bill. This has the effect of repealing the Douglas amendment enacted in 1956.

INTERSTATE BRANCHING BY NATIONAL BANKS

Authorizes the Comptroller of the Currency to approve applications to permit a national bank to establish or acquire a branch in a state outside the state in which the main office of the bank is located beginning two years after enactment unless the state "opts out" by passing legislation prohibiting out-of-state banks from establishing or acquiring branches in the state. This has the effect of repealing the interstate prohibitions of the McFadden Act enacted in 1927 and amended in 1962.

Allows interstate branching to begin early if a state "opts in."

Provides that any such branch is subject to the laws of the host state to the same extent as a national bank with its main office in that state.

INTERSTATE BRANCHING BY STATE-CHARTERED BANKS

Authorizes, beginning two years after enactment (unless a state "opts in" early), a state bank to establish or acquire a branch located outside the state in which the bank is chartered if authorized by the law of the state in which the bank is chartered.

Allows states for two years after enactment to enact legislation to "opt out" by passing legislation prohibiting out-of-state banks from establishing or acquiring branches in the state.

Provides that any branch of an out-of-state bank shall be subject to the laws of the host state as if it were a branch of a bank chartered by the host state.

Allows the host state to exercise supervisory, regulatory and enforcement authority over branches.

INTERSTATE BRANCHING BY FOREIGN BANKS

Allows foreign banks to establish and operate (a) a federal branch in any state outside the home state with approval of the Comptroller of the Currency in consultation with the Federal Reserve Board and (b) a state branch with the approval of the Board and the state regulatory authority.

Requires foreign banks to have a capital level equivalent to that required of domestic banks for branching purposes.

INTERSTATE CONSOLIDATION

Allows a bank holding company with bank subsidiaries in more than one state to combine two or more subsidiary banks into a single bank through merger, consolidation or other transaction beginning 2 years from the date of enactment, unless the states "opt in" early.

Allows a consolidated bank to acquire and operate additional branches pursuant to state law.

COMMUNITY REINVESTMENT REQUIREMENTS

Requires federal supervisory agencies to prepare for banks with interstate branches a written evaluation of the entire institution's record of performance in community reinvestment and for each state in which the bank has one or more branches, a separate written evaluation of the record of performance within each state.

GUIDELINES FOR MEETING CREDIT NEEDS

Requires federal supervisory banking agencies to publish regulations establishing guidelines to ensure that each interstate branch meets the credit needs of the community and market area in which the branch operates.

STATE TAXATION AUTHORITY

Provides that state taxation authority is not affected by this act.

A SALUTE TO THE ALVIN AILEY DANCE THEATER

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. MFUME. Mr. Speaker, I would like to commend the Alvin Ailey Dance Theater for its prestigious work within the world of fine arts, as well as its work throughout various communities, and for sharing their creative genius with the less fortunate. The group was founded in 1958 by Alvin Ailey who was a man of vision. His talents ranged from the preservation of African-American cultural heritage to incorporating social statements in the form of dance. Ailey wanted the world to realize that dance was not just a form of entertainment but it was indeed a means of communication.

In 1969, Alvin Ailey founded the Alvin Ailey American Dance Center. This official school of the Alvin Ailey American Dance Theater educates over 2,500 students per year in the art of dance. Originally, the company employed only black dancers but Ailey shaped it into one that was multiracial, reaching people of extended backgrounds. The members of this multiracial dance company serve as cultural ambassadors as they maintain an extensive touring schedule that has taken them to 48 States, 45 countries, and 6 continents.

Unfortunately, Ailey's contributions to the world of dance ended with his untimely death in 1989. His career died, but not his irreplaceable influence on dance and the community. His own protegee and former principal dancer of this company, Judith Jamison, became the new artistic director of Alvin Ailey Dance Theater. Not only did Ms. Jamison rejuvenate the dance company, but she has also planned to continue the establishment of several 6-week company residencies in cities throughout the United States. The Ailey Camp is an important component of the dance company's community outreach.

I am particularly proud of the Ailey Camp. This project is located in both Kansas City and in my own State of Maryland. The Kansas City Ailey Camp was founded by the Kansas City Friends of Alvin Ailey, and the Maryland Ailey Camp was founded by the Alvin Ailey Dance Theater Foundation of Maryland, Inc. The program is innovative and exciting in that it uses dance as a core curriculum to impact at-risk youth. Participants are middle-school-aged children who are primarily urban minorities of lower socioeconomic status and are in serious danger of becoming another dropout statistic due to a host of problems. They are given an opportunity to enhance their creativity and self-esteem and become motivated—all through the glorious experience of dance.

Mr. Speaker, I would like to applaud the Alvin Ailey Dance Theater Foundation of Maryland, Inc., for its superior work and commitment to bringing artistic excellence to the State of Maryland. It was their initiative in August of 1989 which established a unique and praiseworthy relationship with the Alvin Ailey American Dance Theater.

Thus, Mr. Speaker, I would like to salute the Alvin Ailey Dance Theater. Based in New York, this world-renowned modern dance company, under the leadership of Judith Jamison, is a stellar example of the American ideal, personified through artistic expression. The theater's dedication to the preservation and enrichment of American modern dance heritage and its community outreach deserve to be commended and should be emulated by other performing art companies. The Alvin Ailey Dance Theater is truly an example of an artistic performing arts organization with a social conscience and a devotion to artistic excellence.

BATTLE CREEK ACADEMY HIGH SCHOOL BAND

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. WOLPE. Mr. Speaker, I want to pay special tribute to members of the Battle Creek Academy High School Band located in Battle Creek, MI. The Battle Creek Academy Band was selected by the National Executive Board of Christian Instrumental Directors Association to perform the opening concert for the CIDA national conference scheduled for March 19–20, 1992, in Springfield, MO.

The selection of the Battle Creek Academy Band for this honor was based upon a recording of a live performance presented in Kettering, OH. The Battle Creek Academy has the distinction of being the only high school band invited to perform; all other bands selected will represent the collegiate level. The academy band will present a concert of sacred and classical music under the directorship of Ms. Nancy Steely to an audience of leading composers, directors, and musicians from all over the United States.

The members of the Battle Creek Academy Band have demonstrated remarkable musical talent and creativity to have been chosen for such an honor. This impressive accomplishment is eloquent testimony to the musical ensemble, dedication, and discipline.

I am certain my colleagues will want to join with me in saluting members of the Battle Creek Academy Band for their outstanding achievement.

SOCIAL SECURITY'S TELESERVICE REPRESENTATIVES ARE TRAINED PROFESSIONALS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. BURTON of Indiana. Mr. Speaker, in my last newsletter, I told my constituents about legislation that would require the Social Security Administration to list the phone number of its local offices in the telephone directory alongside the '800' number. I referred to employees of Social Security's teleservice centers as switchboard operators.

It has been brought to my attention that Social Security's teleservice representatives are trained professionals who receive extensive training to handle Social Security problems. They receive 6 weeks of initial training when they are hired, and they attend periodic training sessions after that to keep them up to date on Social Security rules and procedures.

I apologize to those Social Security employees who felt that my newsletter demeaned their position. I do believe they provide a valuable service. As a member of the House Post Office and Civil Service Committee, I would like to state for the record that I believe that the vast majority of Federal employees are dedicated public servants.

It was also brought to my attention that there are peak periods during the month when seniors have the most difficulty getting through on the '800' number. For instance, it is very difficult to get through at the beginning of the month when Social Security checks are issued. In addition to listing both the '800' number and the local phone number in telephone books, I would urge the Social Security Administration to do more to inform Social Security recipients when these peak periods are and when the best times to call are.

AN ALARMING RISE IN ANTI-SEMITISM ACROSS THE NATION

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. SCHUMER. Mr. Speaker, I rise today to bring to the attention of my colleagues and our Nation the release of the 1991 Audit of Anti-Semitic Incidents. This important study is compiled annually by the Anti-Defamation League, and it is the most comprehensive analysis we have to of the incidence of anti-Semitism in our country.

Sadly for our Nation, the numbers in 1991 are higher than ever before the 13 years this study has been conducted, up a full 11 percent since 1990. All Americans ought to be disgusted by these results. We are marching backwards rather than forwards. When we should be seeing the quashing of prejudice and anti-Semitism, we instead are witnessing a return to a climate in which anti-Semitism has become more acceptable. We see ugly signs of it ranging from our street corners to even our Presidential campaigns.

For the first time, there were more attacks on Jewish individuals than there were on their property: 950 cases of anti-Semitic harassment and assault compared to 929 cases of vandalism. Physical assaults doubled in 1990 to sixty.

The most tragic incident of all occurred in my own hometown of Brooklyn, where 29-year-old Yankel Rosenbaum was stabbed to death during the riots in Crown Heights. As Abe Foxman, the ADL's director, put it, this was the "first lynching of a Jew in the United States since Leo Frank in 1915." In another tragedy, a Holocaust survivor from Russia, Brocha Estrin, jumped to her death after being tormented by images that reminded her of Nazi Germany. In addition, 23 Jews suffered serious bodily injury in those riots, including beatings and slashings. Synagogues were fired upon, yeshiva and other cars were burned, and windows were broken in virtually every Jewish home on Crown Heights' President Street.

Anti-Semitic vandalism occurred around the country in 1991. A synagogue in Los Angeles was firebombed. A synagogue in Boca Raton, FL was smokebombed. A synagogue in Dayton, OH was desecrated with swastikas. And in Knoxville, TN, a Jewish-owned store was vandalized with anti-Semitic graffiti and a molotov cocktail by Skinheads.

1991 also saw a resurgence of politically related anti-Semitism attributable to the war in the Persian Gulf. A California country club with many Jewish members received this phone treat: "Kill every Jew * * * on behalf of the Iraqi people." Cars in Pennsylvania were painted with the words "Death to Israel" and "Saddam Rules." There were 52 such incidents during Operation Desert Storm alone.

For the fourth straight year, anti-Semitic acts on campuses increased. At Columbia University, for instance, 52 mezuzas were ripped from the doorposts of Jewish students. The reports also chronicles the "erosion of the taboo against such open bigotry," adding, "Nowhere is it reflected more clearly or disturbingly than in the proliferation of bigotry and violence in the lyrics of some of the best-selling popular music of the day."

Looking at the State-by-State analysis, I was chagrined that my own State led the country, with 254 anti-Semitic vandalism incidents in New York, an increase of 68. Community leaders in New York must redouble our efforts to put an end to this travesty, and law enforcement agencies must be vigilant in tracking down these criminals.

I am proud to have successfully sponsored the Hate Crimes Statistics Act in the last Congress. This new law requires law enforcement agencies to track crimes of such a hateful nature. We need a diagnosis of the illness to know where to attack it, and I'm glad to have given us this diagnostic tool. Similar to legislation that the ADL has successfully lobbied for in 46 States, this statute will help us eradicate all kind of hate crimes. As the chairman of the Subcommittee on Crime and Criminal Justice, I will be vigilant in monitoring the implementation and enforcement of these laws.

This report shows us in stark terms that our Nation is on the wrong track. In times of economic hardship, we cannot let ourselves slip into prejudice and divisiveness. We need leadership at the national level to fight these hateful undercurrents which tear at the fabric of our democracy. When anti-Semitism and racism rear their ugly twin heads, we must be ready to fight back with all that we have. Because behind these statistics are real people, innocent people, who have been threatened and harassed, attacked and injured, solely because of their heritage and their faith.

TREATMENT OF CHICKASAW, CHOCTAW, AND CHEROKEE NATIONS HAS BEEN SHAMEFUL

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. SYNAR. Mr. Speaker, for many years, the Chickasaw, Choctaw, and Cherokee Nations of Oklahoma have been seeking compensation for their losses caused by the construction of the McClellan-Kerr navigation project on the Arkansas River. The project was authorized in 1946, and completed in 1971, but the tribes were never compensated for the use and occupancy of the river bed to which they claimed ownership under treaties with the United States.

In 1970, the Supreme Court ruled, after years of litigation between the tribes and the State of Oklahoma, that the tribes and not the State owned the river bed. *Choctaw* v. *Oklahoma,* 397 U.S. 620 (1970). The Court has since stated that its decision is "literally a 'singular exception' in which the result depended 'on very peculiar circumstances'" of the "unusual history behind the Indian treaties at issue in that case," and a promise by the United States that no part of the tribes' lands would become part of a State.

After the Court's decision, the tribes sought compensation from the Federal Government. Negotiations broke down when the Interior Department and Corps of Engineers concluded that the navigational servitude precluded Federal liability.

In 1982, Public Law 97–385, which I had introduced, established jurisdiction in the Federal courts for the tribes' claims. The legislation authorized both legal and equitable claims, and specially authorized claims based on fair and honorable dealings that are not otherwise recognized by any existing rule of law or equity.

Since then, the Cherokee Nation has pressed its river bed claim all the way to the Supreme Court. But the Court has failed to reach the damages issue. Instead, it has upheld dismissal of the legal claims chiefly on the basis that the Federal Government is not liable for damages caused by the exercise of the navigational servitude. In my view, this ruling is most unfair because the United States holds the river bed lands in trust for the tribes. Moreover, even in cases where other tribes did not own the river bed, the United States has compensated them for similar losses caused by navigation project construction.

After 9 years, the Cherokee Nation is facing the challenge of returning to the Supreme Court a second time to petition for relief on its fair and honorable dealings claim. The other tribes have not even begun their claims litigation.

It was never my intention or expectation that Public Law 97–385 would be interpreted to deny the Chickasaw, Choctaw, and Cherokee Nations compensation for damage to their property. Accordingly, I am introducing legislation to amend Public Law 97–385 and to resolve this egregious injustice. This effort is supported by the Oklahoma congressional delegation. The amendment will ensure that the tribes have the opportunity to argue that they are entitled to damages resulting from the construction of the McClellan-Kerr project notwithstanding the Government's historical right to navigational servitude.

The history surrounding our Government's treatment of the Chickasaw, Choctaw, and Cherokee Tribes is shameful. After forcibly removing them from their aboriginal lands to what is now the State of Oklahoma, the Government proceeded to break the promises it had made to them. Regardless of whether the Government has a legal obligation to compensate these tribes, it certainly has a moral duty to do so. Valuable assets were removed from the Arkansas River by the Government. At a minimum the tribes deserve to be compensated for these losses.

THE INTRODUCTION OF LEGISLATION TO GRANT A FEDERAL CHARTER TO THE ORGANIZATION KNOWN AS THE SHEPHERD'S CENTERS OF AMERICA

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mrs. MEYERS of Kansas. Mr. Speaker, I am introducing legislation today to recognize and grant the organization known as the Shepherd's Centers of America, Inc., a Federal charter. Today, there are 96 Shepherd's Centers in 26 States, comprising an estimated network of 15,000 volunteers serving 175,000 older adults.

Shepherd's Centers of America is an organization of volunteers that brings older adults together within interfaith, community-based centers. They develop and provide programs and services which improve the quality of life for older Americans in their communities.

The first Shepherd's Center was established in Kansas City, MO, in 1972. It was founded by Dr. Elbert C. Cole, pastor of one of the 23 churches and synagogues that joined in an interfaith effort to provide a ministry by, with, and for older adults. The original center began with only six volunteers serving seven senior citizens.

Shepherd's Centers are guided by the following principles:

First, older people are seen as a potential resource rather than as a social problem;

Second, responsibility for their lives and the development of programs for their peers and community is vested in older adults themselves;

Third, the center acts as a voluntary watchful presence in the community, showing concern about older people;

Fourth, financial support comes from the private sector, especially from congregations, businesses, and foundations—but not from government; participants themselves contribute from 30 to 60 percent of the cost of operating a center; and

Fifth, a Shepherd's Center is cost effective: it uses church and synagogue space for its offices and delivery of programs, and is staffed by peer volunteers.

Shepherd's Centers allow seniors to use their skills and experiences to help them serve their neighbors. They help older adults to set and reach new learning goals that enable them to make positive lifestyle changes. Shepherd's Centers enable frail people to continue living in their own homes and apartments. They offer opportunities for lifelong learning, personal growth, and responsible citizenry. Shepherd's Centers also promote the building of strong and lasting friendships that buffer the challenges and losses of the later years.

Today, this innovative volunteer movement is at an exciting threshold. A Federal charter would provide the Shepherd's Centers of America greater visibility and increase its thrust nationwide.

There is no Federal cost associated with granting a Federal charter to Shepherd's Centers of America.

Mr. Speaker, I urge my colleagues to support this important legislation.

FRIENDS OF WARREN COUNTY

HON. DICK ZIMMER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. ZIMMER. Mr. Speaker, as a result of legislative redistricting in New Jersey, Senator Robert Littell, Assemblyman C. Richard Kamin and Assemblyman E. Scott Garrett will no longer represent Warren County.

On Sunday, February 16, 1992, the Warren County Republican Committee will honor the service of these three representatives at its annual Lincoln Day brunch.

Their dedication and commitment to improving the quality of life in Warren County has left a lasting impression on its residents. As individuals and as a delegation, they have served the interests of Warren County with distinction.

Warren County will surely miss the services of these three representatives.

Mr. Speaker, I ask my colleagues to join me and the residents of Warren County, NJ in honoring Senator Robert Littell, Assemblyman C. Richard Kamin, and Assemblyman E. Scott Garrett for their invaluable contribution to the betterment of Warren County.

RECYCLING OF USED OIL

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. SKELTON. Mr. Speaker, I rise today to share with my colleagues some important information regarding the recycling of used oil. Last March, I reintroduced H.R. 1411, the Used Oil Recycling Act of 1991, which emphasizes the importance of not listing used oil as hazardous waste. My bill would insure that individual citizens and other users will have no problem returning the used oil to proper used oil collection sites, such as gas stations, so that this precious, nonrenewable energy source can be recycled as a fuel or lubricant.

Recently, I contacted the States to request their comments on the bill, H.R. 1411, and on the concept of not listing used oil as a hazardous waste. Their support was overwhelming. Other States have written the Environmental Protection Agency pointing out that their voluntary recycling programs would be destroyed if used oil were listed as a hazardous waste.

I have edited their remarks but let me read to you what they say:

SUPPORT FROM STATE ENVIRONMENTAL OFFICIALS FOR H.R. 1411, THE USED OIL RECYCLING ACT OF 1991

STATE OF NORTH CAROLINA

"We strongly support the concept of not listing used oil as a hazardous waste and appreciate efforts to prevent such a listing.

"The encouragement of used oil recycling from do-it-yourselfers is the key to establishing a successful recycling program. We believe that public collection centers or incentives to the private sector to establish used oil collection centers is essential and this needs consideration in your bill. The encouragement of the use of used oil as a fuel will enhance markets for the used oil collected."—Excerpts from letter to Rep. Ike Skelton, dated November 21, 1991, from William L. Meyer, Director, Department of Environment, Health, and Natural Resources.

STATE OF TEXAS

"We heartily encourage and support your efforts to keep used oil off the hazardous waste list. We likewise feel that to list this valuable resource as a hazardous waste would discourage reuse or recycling of used oil and would require that it be disposed of as a hazardous waste. Do-it-yourselfers, in particular, would not have a convenient way to dispose of their used oil. They would most likely resort to improper disposal because they would have to pay an exorbitant fee to properly dispose of a hazardous waste.

"We thank you for your efforts and hope that used oil will not be listed as a hazardous waste."—Excerpts from letter to Rep. Ike Skelton, dated November 5, 1991, from Robert A. MacLean, M.D., Acting Commissioner of Health, Texas Department of Health.

STATE OF FLORIDA

"I wish to offer the Florida Department of Environmental Regulation's endorsement and support for H.R. 1411, the Used Oil Recycling Act of 1991. The bill establishes management standards for used oil that encourage recycling and reuse and protect the environment, without listing used oil as a hazardous waste.

"If used oil is listed as a hazardous waste, it will spell disaster for the state's used oil recycling program. According to surveys conducted of those businesses accepting used oil from the public, around 95% would not participate if a hazardous waste designation were placed on used oil. This would indeed dismantle the current recycling system in the State of Florida and leave our citizens without an appropriate means to recycle their used oil. The consequences for Florida's environment resulting from Illegal and inappropriate disposal and dumping of used oil would be severe.

"Education on used oil recycling and economical and accessible collection centers, coupled with sensible and responsible management standards, spell success for used oil recycling programs. The listing of used oil as a hazardous waste could spell the end for these programs.

"Once again I offer my support for your bill, which will provide for recycling, reuse, and environmental protection without listing used oil as a hazardous waste."—Excerpts from letter to Rep. Ike Skelton, dated November 4, 1991, from Carol M. Browner, Secretary, Florida Department of Environmental Regulation.

STATE OF IDAHO

"The State supports your view that used oil that is recycled shall not be listed as a hazardous waste."—Excerpts from letter to Rep. Ike Skelton, dated November 7, 1991, from Joy L. Palmer, Manager, Planning & Evaluation Division, Idaho Department of Health and Welfare.

STATE OF MISSOURI

"We are in strong agreement with your testimony before the Subcommittee on Transportation and Hazardous Materials of the Committee on Energy and Commerce that listing waste oil as a RCRA hazardous waste will discourage the legitimate reclamation of a valuable commodity.

"About half of all the virgin oil sold in Missouri is reclaimed. We believe this can be improved and H.R. 1411 could be the key.

"Overall, we feel H.R. 1411 is a positive step in developing a viable national waste oil program and support legislation which is not overly burdensome and will encourage the reclamation of a valuable resource."—Excerpts from letter to Rep. Ike Skelton, dated November 22, 1991, from G. Tracy Mehan, III, Director, Department of Natural Resources.

STATE OF WISCONSIN

"* * * we are in agreement with you that more needs to be done to recognize used oil as a resource, and to assure that it is managed properly to prevent harm to public health and the environment. We are also in agreement that it is possible to adequately regulate the management and recycling of used oil, without listing it as a hazardous waste."—Excerpts from letter to Rep. Ike Skelton, dated October 31, 1991, from Lyman F. Wible, Administrator, Division for Environmental Quality, Department of Natural Resources.

COMMONWEALTH OF KENTUCKY

"Your proposed legislation concerning used motor oil is very similar to our own statutes which established Kentucky's used motor oil recovery program in 1982.

"Because of the similarity of H.R. 1411 to KRS 224.895 and the positive experience we have had over the last 10 years, we feel the passage of the Used Oil Recovery Act of 1991 will reinforce our activities. We would support H.R. 1411—and its concept of voluntary, educational efforts—over a regulatory program which could be costly, burdensome, and potentially prohibitive to consumers."—Excerpts from letter to Rep. Ike Skelton, dated October 7, 1991, from Susan Bush, Director, Division of Waste Management, Natural Resources and Environmental Protection Cabinet.

"STATE OF ARKANSAS

"We concur with your assessment that, if managed properly, the health and environmental risk from used oil is significantly minimized. Recognized used oil has great potential as a resource, the course you are suggesting needs to be pursued."—Excerpts from letter to Rep. Ike Skelton, dated October 8, 1991, from Thomas W. Boston, Chief, Solid Waste Management Division, Department of Pollution Control and Ecology.

STATE OF CALIFORNIA

"Based on our California experience, I believe your bill would help decrease the amounts of used oil illegally disposed of and increase the amounts recycled. Developing comprehensive management standards and encouraging safe recycling practices and compliance throughout the industry should increase recycling."—Excerpts from letter to Rep. Ike Skelton, dated July 19, 1989, from John E. Gallagher, Chairman, California Waste Management Board.

STATE OF HAWAII

"* * * [T]he Hawaii Department of Health supports your proposed legislation to recycle used oil and recovery it as a valuable resource. The recovery of used oil is essentially of concern in Hawaii to prevent the pollution of our natural environment.

"The Department agrees with your proposed legislation that used oil should not be listed as a hazardous waste."—Excerpts from letter to Rep. Ike Skelton, dated July 13, 1989, from John C. Lewin, M.D., Director of Health, State of Hawaii.

STATE OF MINNESOTA

"This bill is extremely important for Minnesota since our collection network for do-it-yourself oil changers relies primarily on businesses allowing the public to deposit used oil in their collection tanks at little or no cost. Fortunately a large number of businesses in Minnesota currently provide such a service, and millions of gallons of used oil are collected. However, if used oil is listed as a hazardous waste these same businesses would probably charge a significant fee to the public to deposit used oil in their collection tanks, or worse yet, simply refuse to accept it. Either of these actions would increase illegal disposal of used oil and consequently increase environmental pollution."—Excerpts from letter to Rep. Ike Skelton, (undated), from Gerald L. Willet, Commissioner, Minnesota Pollution Control Agency.

STATE OF NEW YORK

"Based on several years of experience, New York State believes that waste oil which does not contain a listed hazardous waste and which is destined for recycling should not be subject to the same regulations applied to hazardous wastes. We base our belief on two considerations: (1) that waste oil which does not contain a listed hazardous waste poses essentially the same environmental concerns as virgin oil, and (2) that regulating such a waste as hazardous will deter establishment of used oil recycling and re-refining facilities in New York. * * *"—Excerpts from letter to Rep. Ike Skelton, dated July 28, 1989, from Thomas C. Jorling, Commissioner, State of New York Department of Environmental Conservation.

STATE OF MICHIGAN

"I have reviewed this comprehensive legislation and could not agree with you more that this Bill will effectively promote recycling of used oil in an environmentally sound manner through a nationwide education campaign, new management standards for recycling practices and a federal program of mandatory procurement of recycled oil."—Excerpts from a letter to Rep. Ike Skelton, dated July 24, 1989, from Hien Nguyen, Resource Recovery Section, Waste Management Division, Department of Natural Resources, State of Michigan.

EXCERPTS FROM COMMENTS OF STATE GOVERNMENT AGENCIES ON EPA'S PROPOSALS CONCERNING USED OIL NOVEMBER, 1991

STATE OF ALABAMA HIGHWAY DEPARTMENT

"I would like to express the opposition of the Alabama Highway Department to any changes in the regulation of used oil that would result in used oil being classified as a hazardous material."

STATE OF ALABAMA DEPARTMENT OF ECONOMIC AND COMMUNITY AFFAIRS

"I am writing to urge EPA not to list recycled oil or used oil that is to be recycled as hazardous waste. Instead, EPA should develop stringent rules and management standards which would prevent the contamination of used oil with hazardous wastes and to discourage do-it-yourself [DIY] oil changers and dumpers from careless disposal of used oil into the trash, backyard, or down the sewer.

"Properly managed, used oil is a valuable resource. It can be re-refined into lubricants or burned as an industrial fuel. Recycled oil reduces America's dependence on foreign oil, as well as, reducing the volume of waste which enters and contaminates our environment."

STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION, HAZARDOUS MATERIALS AND WASTE MANAGEMENT DIVISION

"It is the State of Alaska's opinion that used oil should not be listed as a hazardous waste if it is to be recycled or burned for energy recovery."

STATE OF CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL

"In regard to the options described on page 48020, it seems as though option #3, the no list option, would work best because you have the ability to regulate the management of the used oil and mixtures of used oils under special regulations."

STATE OF COLORADO DEPARTMENT OF HEALTH, HAZARDOUS MATERIALS AND WASTE MANAGEMENT DIVISION

"* * * we feel that the promotion of recycling and reuse as a general policy, would better serve the needs of Colorado and the nation than an across the board 'hazardous' designation."

STATE OF DELAWARE SOLID WASTE AUTHORITY

"If the agency [EPA] decides to pursue such listing, the agency will discourage waste oil collection and disposal programs.

"When a substance is listed as a hazardous waste, current regulations make it very onerous to collect, store, and dispose of the material, particularly in voluntary programs. We, therefore, respectfully urge you not to list used motor oil as a hazardous waste under Subtitle C of RCRA."

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL REGULATION

"Florida has more than 850 participating businesses accepting used oil from the public. In less than one complete year of operation, this statewide network has collected over 680,000 gallons of used oil. Without this network of convenient used oil collection centers, a large portion of this oil would have found its way into the environment via sewers, storm drains, landfills, and indiscriminate land and water disposal.

"I believe that listing used oil as a hazardous waste would seriously damage this very successful, nationally recognized program."

STATE OF GEORGIA DEPARTMENT OF NATURAL RESOURCES

"Of the three alternative approaches the agency proposes to the listing of used oil as hazardous, we support alternative three, which focuses on the promulgation of comprehensive management standards. We feel this alternative can best be used to maximize the recycling rather than disposal of used oil * * * the stigma of calling used oil "hazardous waste" will be detrimental to its recycling."

STATE OF HAWAII DEPARTMENT OF HEALTH

"We oppose the listing of used oil as hazardous waste because increased regulation, higher disposal costs, and the issue of hazardous waste liability are deterrents to private and public used oil collection programs. We believe listing of used oil as a hazardous waste will encourage the illegal disposal of used oil by both large and small generators. The listing will also damage public voluntary collection programs, many of which are just now starting on Kauai, Maui and Oahu."

STATE OF ILLINOIS OFFICE OF THE ILLINOIS STATE FIRE MARSHAL

"The most effective approach would be to encourage the collection and recycling of used oil.

"Listing used oil as a hazardous waste would erode the viability of recycling programs, forcing facilities to decide whether to collect used oil and face potential legal and financial consequences."

STATE OF KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

"Listing used oil as hazardous waste would discourage recycling and may worsen the problem of used oil mismanagement. Listing would not stop Do-It-Yourselfers from improperly dumping use oil. Listing may discourage small businesses from being collection sites due to increased record keeping, liability, and cost."

COMMONWEALTH OF KENTUCKY NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

"[L]isting of used motor oil will almost certainly be counterproductive, and allow used oil to enter the environment by unmanaged disposal practices."

STATE OF MARYLAND DEPARTMENT OF THE ENVIRONMENT

"The [Department of the Environment] categorically believes that the best way to address used oil is through the option of management standards. The listing of used oil as a hazardous waste will result in dislocation of an industry and of a working recycling system. This will also have detrimental impacts to the State both economically and environmentally."

STATE OF MICHIGAN DEPARTMENT OF NATURAL RESOURCES

"The Michigan Department of Natural Resources would like to go on record as supporting Suboption Option #3."

STATE OF MINNESOTA POLLUTION CONTROL AGENCY

"* * * listing all used oils would have a detrimental effect on Minnesota's used oil recycling system that Minnesota has worked five or more years to establish, substantially increase the amount of used oil that is mismanaged, and essentially force our state recycling system to start at "ground zero" on developing a new used oil recycling system.

"Listing all used oils does nothing to address the used oil management problems in Minnesota that are outlined above, and, as explained below, would actually compound these existing problems and sources of mismanagement."

STATE OF NEW YORK, DEPARTMENT OF ENVIRONMENTAL CONSERVATION

"Used oil which is destined to be recycled and is managed within a regulatory framework, poses little risk to the environment or human health. If managed properly, it poses no more threat than virgin oils.

Used oil (at the point of generation) which is destined for recycling should not be regulated as a hazardous waste."

STATE OF NORTH CAROLINA, DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

"Regarding your September 23, 1991 notice concerning used oil regulatory options, I want to write to urge that used oil not be classified as a hazardous waste.

"Because effective used oil programs are so dependent on voluntary action by do-it-yourselfers and the ready convenience of collection centers, we are positive that a hazardous waste "listing" would chill our efforts and doom the prospects of a quick solution to the disposal problems."

STATE OF OHIO, ENVIRONMENTAL PROTECTION AGENCY

"The State believes that listing used oil as a hazardous waste will have a significant adverse impact on used oil collection/recycling programs and therefore the State suggests, as an alternative, instituting appropriate management procedures in place of the listings for these waste streams.

STATE OF OREGON, DEPARTMENT OF ENVIRONMENTAL QUALITY

"Today's comments augment DEQ's previous positions, particularly our thought that used oil should not be listed as a Resource Conservation and Recovery Act [RCRA] listed hazardous waste due to the effect such listing may have on the recycling of household used oil. In our opinion, regulating used oil under RCRA Section 3014, as we previously suggested, will provide the necessary protection of the environment and human health from hazards associated with recycling used oil. We remain concerned that listing used oil as hazardous waste could significantly reduce the opportunities available to the public for recycling oil, and that greater environmental damage and waste of resources may result."

COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL RESOURCES

"The only option that should be acceptable to EPA would be the requirement to rely on the management of used oil within existing recycling networks utilizing appropriate management standards."

STATE OF SOUTH CAROLINA, DEPARTMENT OF CONSUMER AFFAIRS

"Presently, we are implementing a comprehensive program of capturing and reusing used lubricating oil in an environmentally sensitive manner. Hundreds of collection points have already been established throughout our state. Federal classification of used oil as hazardous waste would seriously undermine efforts already implemented.

"The increased permitting requirements and financial liability associated with a hazardous waste classification for used oil would have an adverse impact on our ability to dispose of used oil safely and economically.

"Therefore, I strongly urge EPA not to designate used oil destined for recycling as a hazardous waste."

STATE OF SOUTH DAKOTA, DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

"We believe that the listing of used oil would lead to adverse impacts to the environment due to improper disposal methods used to avoid the high cost of handling the material as a listed hazardous waste.

"Therefore, DENR believes used oil should not be classified as a listed hazardous waste."

STATE OF SOUTH DAKOTA, DEPARTMENT OF AGRICULTURE, DIVISION OF CONSERVATION

"The promotion of used oil as a recyclable resource should be the foremost priority of the new rules.

"Listing used crankcase oil as a hazardous waste without providing exemptions for recycling will in my opinion discourage recycling, instead of encouraging recycling."

STATE OF TEXAS, TEXAS WATER COMMISSION

"The TWC believes that all used oils should not be listed as hazardous waste. Used oil encompasses a varied universe of oil types, many of which do not warrant listing. Treatment and disposal capacity does not currently exist to handle such an increase in hazardous waste volumes.

"Imposition of management standards would provide protection from mismanagement without much of the increased burden from classification as hazardous waste."

COMMONWEALTH OF VIRGINIA, DEPARTMENT OF MINES, MINERALS AND ENERGY

"Since 1982, DMME has been working primarily with retail service stations to maintain a statewide network of used oil collection centers that voluntarily accept used motor oil for recycling from do-it-yourself oil changes [DIY's].

"We had the largest decrease in participating centers between 1985 and 1986. The reason for this was largely attributed to the lack of viable market for the used oil and the overall concern on the part of the collection operators that used oil would be declared a hazardous waste by the federal government.

"Many collection centers have stated that if recycled used oil is listed as a hazardous waste, they would no longer be able to participate in Virginia's Voluntary Used Oil Recycling Program.

"Most of the 'used oil recyclers' in Virginia who collect used oil from the voluntary collection centers have indicated that a hazardous listing for used oil would effectively put them out of business."

STATE OF WISCONSIN, DEPARTMENT OF NATURAL RESOURCES

"The State of Wisconsin believes that it is not necessary to list used oil as a hazardous waste in order to ensure adequate regulation."

STATE OF WYOMING, OFFICE OF THE GOVERNOR

"* * * we recommend that EPA adopt management standards which provides states with maximum latitude to institute waste oil regulations designed to meet the needs of those states. We do not recommend listing of waste oil as a hazardous waste. * * *"

NOEL PINCINCE CHOSEN AS THE CITIZEN OF THE YEAR

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize Noel Pincince who has been chosen as the Citizen of the Year by the Woonsocket Kiwanis Club.

Each year the Woonsocket Kiwanis Club recognizes a Greater Woonsocket resident for his achievements and contributions to his community and the State of Rhode Island. Noel Pincince has always shown his strong commitment to the community and fully deserves to be honored as the 1991 Citizen of the Year.

Noel's involvement in community service began two decades ago at age 17 when he became director of his church choir. Through his commitment to the community and his ability to motivate others, Noel transformed the St. Louis Chorale into one of the best known singing groups in Woonsocket. Twenty years later, the group is still performing for nursing homes and health centers in addition to their performances at civic and charitable events.

Noel Pincince is best known for his active involvement as chairman of the Woonsocket milk fund, an organization designed to provide milk to women, children, and needy families in Woonsocket. Under Noel's direction, the milk fund raised over $100,000 this year which was an all-time record for the fund. Noel's commitment to helping the Woonsocket community through the Milk Fund and his involvement in the St. Louis Chorale makes him an excellent choice for the 1991 Citizen of the Year.

Noel, I congratulate you on your achievement. Your energy and charisma are assets to the Woonsocket community. Once again, you have shown us that hard work and commitment to others will ultimately make Rhode Island and our Nation a better place to live in. I wish you all the best in your future endeavors.

IN HONOR OF MURRAY-REYNOLDS POST 76, NORTH HAVEN AMERICAN LEGION

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Ms. DELAURO. Mr. Speaker, all of us would like to think that we are generous, even selfless at times. We like to hope that we would give all we could to help another human being in need. But how many of us would actually sacrifice our lives so that others might live?

This year marks the 25 consecutive years that the North Haven American Legion offers a tribute to 4 of the most remarkable heros this country has ever known.

During the Second World War, an American troop ship traveling to Greenland was sighted by an enemy submarine, which sent a torpedo into the ship's boiler room. The instant explosion killed many aboard the USAT *Dorchester* immediately, and sent the rest of the crew scrambling for the lifeboats. Amid the chaos, four Army chaplains remained calm.

Rev. George L. Fox, Rabbi Alexander D. Goode, Rev. Clark V. Polling, and Father Johnny P. Washington led the soldiers and sailors to lifeboats and handed out lifejackets. The chaplains were credited with saving some 200 lives that day, even giving up their lifejackets to those who had none.

The chaplains, arms linked, went down with the ship, but their heroism is remembered each year on the anniversary of the disaster. Through their supreme sacrifice, the chaplains not only saved lives, but provided future generations with a powerful source of inspiration.

The men of Murray-Reynolds Post 76 have used the example of the 4 chaplains as inspiration for their community involvement. Their essential belief in the goodness of human nature, and the willingness of people to make sacrifices for the benefit of others, has given their post a reputation for kindness and generosity.

In these difficult times, with violence and suffering both abroad and in our own country, it helps us all to keep faith in the potential we all have to be heroes.

Each year for the past quarter of a century, Wallace Bassett and his fellow patriots have led the entire community in a moving tribute to the four chaplains. They have established a tradition that reminds us all, not only of the chaplains' willingness to sacrifice their lives for others, but of the good that we all can perform by joining together to help our neighbors.

The very first year of the four chaplains service provided a stirring example of this potential. As the small group stood together, shivering in the bitter February winds beside the Quinnipiac River, one of the group bent down to place a red rose in the icy, grey water. As he leaned forward on the river's edge, his footing gave way and he fell into the swift-running river. The men of the group quickly formed a human chain and plunged into the water to rescue him. This selfless act of bravery in the face of danger mirrored the values that moved the 4 chaplains.

For 25 years, this same group has led us all to reflect upon the virtues we treasure most. By remembering the four chaplains, we summon images of the best the human spirit has to offer. Inspired by their example, we realize what we can accomplish as individuals.

We find heroes like the four chaplains in peace as in war. The men of the North Haven American Legion are such peacetime heroes. Post 76 is the only American Legion group in the State of Connecticut with such a long and distinguished record of honoring the four chaplains. All of us in Connecticut's Third Congressional District are truly proud of this long-standing tradition, and we are grateful, both for the example set by the men of God aboard that ship, and by those in Post 76, who keep that spirit alive.

NATIONAL SYSTEM OF STATEWIDE CANCER REGISTRIES

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mrs. MORELLA. Mr. Speaker, I am pleased to be an original cosponsor of legislation introduced yesterday by Congressman SANDERS and Senator LEAHY to establish a national system of statewide cancer registries. Many of our States lack statewide cancer registries, and to launch a study of breast cancer in the States with the highest breast cancer mortality rates.

Maryland leads the Nation in cancer mortality, and ranks ninth in breast cancer mortality rates. At the same time, the top 10 States with the highest age-adjusted breast cancer mortality rates lie within the North and Mid-Atlantic regions. If we are to wage an effective campaign against cancer, it is critical that we establish a national system of statewide cancer registries. Many of our States lack statewide cancer registries. And the States with registries are often incomplete and lacking in the resources necessary to adequately track the incidence, stage, and treatment of cancer. A complete and uniform system would allow health professionals to effectively target and evaluate cancer prevention and control efforts.

A national system of registries would also allow us to move forward with a study of the higher incidence of breast cancer in certain States. We must understand the factors behind this phenomenon in order to reverse this tragedy and prevent future cancer deaths across the country.

I congratulate my colleagues from Vermont for taking the lead on this critical issue, and I look forward to working with them and the many organizations involved in the war on cancer to ensure the immediate passage of this legislation.

A CONGRESSIONAL SALUTE TO JIM LYNCH

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. ANDERSON. Mr. Speaker, today I rise to pay tribute to a man who has served the Lakewood community with great distinction. On Tuesday, February 11, 1992, the Lakewood Chamber of Commerce will be honoring their outgoing president, Mr. Jim Lynch.

It took Jim quite a few years to get to California but, once he arrived, he certainly made his mark. Born in Erie, PA, Mr. Lynch spent his early adulthood managing the roller skating rink, Skate Lodge. Leaving the security of a weekly paycheck behind, Jim left the roller rink to sell cable television door to door. He was one of the first six direct sales representatives for Erie Cablevision, which is owned by American Television and Communications Corp., a division of Time-Warner. Recognizing his superior sales ability and performance, Jim was offered the position of sales manager in Sheboygan, WI. This prompted the first of several moves. After only a year, he was promoted to regional sales manager and relocated to Appleton, WI. Shortly thereafter, Mr. Lynch was promoted to divisional sales manager in ATC's Savannah, GA, division. Following a brief stay, Jim returned to Kenosha, WI, as the marketing manager for Jones Intercable. Finally, in November 1986, Jim Lynch was named general manager of Jones Intercable of Lakewood and arrived in California.

Jim Lynch's touch can be felt in a broad spectrum of community organizations as well as in the cable television industry. As a supporter of the Special Olympics, he has helped raise over $20,000 for the Long Beach and southeast Los Angeles chapters. Jim has been a board member of the YMCA since 1987 and was named Man of the Year by the Lakewood YMCA in 1989. A job that may be envied by many, he serves as cochairman of the Miss Lakewood Pageant and was recently presented an award from the Lakewood Artist Guild for outstanding corporate support of community activities.

In the little spare time Jim has, he is an avid runner, having run the Los Angeles Marathon the past 3 years. He provides video production support for an outstanding musical talent soon to be signed by a major recording label, Tasha Scott and Simply Divine.

It is because of these and the many other accomplishments Jim Lynch has achieved that I take great pride in joining with all those attending this special occasion in expressing the gratitude he so richly deserves.

My wife, Lee, joins me in extending this congressional salute to Mr. Jim Lynch. We wish him all the best in the years to come and good luck in the New York Marathon.

TRIBUTE TO MAYOR H. ODELL WEEKS

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. DERRICK. Mr. Speaker, I am pleased to honor a very distinguished and committed leader in the public service of South Carolina. Mayor H. Odell Weeks wholeheartedly devoted 44 years to serving Aiken, SC. After the longest term ever served by a mayor in South Carolina, Mr. Weeks announced his retirement in October 1991.

Elected Aiken's chief executive in 1946, Odell Weeks loyally served until 1952. For the following 4 years, he was a member of the city council. Mr. Weeks was reelected mayor in 1957, holding the office until his retirement in 1991. His enthusiasm and effectiveness have been a source of inspiration for fellow leaders of South Carolina. Mayor Weeks, my dear and highly esteemed friend, will be deeply missed as the leader of the city of Aiken.

When Mr. Weeks announced he would not run for re-election he described the difficulty of letting go of something he loved dearly, serving his city. The H.O. Weeks Activities Center will serve as a hallmark of his dedication to Aiken.

Mr. Speaker, I ask that you and the Members of this distinguished body join me in saluting Mayor H. Odell Weeks as an outstanding public servant in his community. I know he will be long remembered in the history of South Carolina and country. I wish for him many happy years of retirement.

HAITIAN REFUGEES NEED COMPASSION

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. HAYES of Illinois. Mr. Speaker, I stand here today to ask the U.S. Government to have compassion on the Haitian refugees who have fled their country because of fear of political persecution. The actions that are being taken by the U.S. Government are deplorable. How can we live with ourselves? We are supposed to be a compassionate nation, a nation that cares about the world community, and now we refuse to take a moral stance to assist the Haitians simply because they are poor and black. There is no other explanation for this travesty, because there have been too many other situations where we have gladly opened our arms to refugees from other lands. When trouble erupted in Central America refugees were given the chance to apply for asylum in large numbers. I ask you what is the difference?

The United States Embassy in Haiti has noted that there have been reports of killings, police harassment, illegal searches, and looting of private homes and arrests without warrants, by Haiti's de facto Government. In addition, Amnesty International has reported hundreds of executions, beatings, and political arrest after the coup, with the repression centered on the supporters of the ousted President. What additional proof does the President need to show that these refugees are escaping political persecution and not economic persecution. Our own Embassy has provided proof enough.

Hundreds of Haitians have been returned without an adequate review process. We know that Haiti is closely monitoring these returns by fingerprinting each refugee. I'm saddened that the President can sleep at night with the blood of these suffering people on his hands. I call for immediate action by the Congress in response to this emergency. Let's stop these illegal deportations.

FRIENDS OF DADE COUNTY ELDERLY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, the Friends of Dade County Elderly is a new, not-for-profit organization formed to raise money to provide services to the elderly and disabled residents of Dade County. The hope is that Friends of the Elderly will be of added assistance to those who are helped by the elderly services division of the department of human resources of Dade County.

In recent times of financial difficulty, many State and locally funded programs for older Americans have remained static, or even cut. Friends of Dade County Elderly seeks to fill in any gap in services to promote health and independence among the elderly.

Friends of Dade County Elderly will focus its efforts on raising money for elderly services. According to its newsletter, Friend's News, the group will not only seek to maintain service levels, it will advocate expansion of many programs to keep pace with the growing elderly population.

The funds raised will be used to augment the programs of Dade County's Division of Elderly Services and to help to educate the community about the needs of older Americans. The elderly services division provides support for caregivers, families and friends of elderly, and for disabled adults. These programs include: retired senior volunteers program, residential homemaker program, adult day care/seniors center, and transportation programs.

Mr. Speaker, I commend the Friends of Dade County Elderly for its work to support and extend elderly services in south Florida. In particular, I want to recognize the leadership of the following individuals: Lawrence Nierenberg, Margaret Miller, Linda Flaherty, Dr. Martin Arostegui, Nancy Boggio, Fred Bonsteel, Lola Gonzalez, Andrew Horn, Lloyd Howard, Delores Kory, Norma Lemberg, Patricia Luis, Wayne Morris, Dr. Eduardo Padron, Miles A. Price, Dorothy Quintana, Dr. John M. Riley, Mark Rubin, Ginger Searle, Bernard Dane Stein, John Stokesberry, and Luis Wynn. I wish the Friends of Dade County Elderly much success.

THREATS AGAINST BISHOP TOKES

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. MICHEL. Mr. Speaker, the Right Reverend Laszlo Tokes, Bishop of Oradea—Nagyvard—has come under intense harassment and even death threats. Bishop Tokes was a hero of the revolution in Romania, and has been internationally acclaimed.

Unfortunately, democratic values and respect for human rights have not as of yet triumphed in Romania. That is why the bishop is receiving death threats, and that is why we should condemn terrorist threats against the cleric who was a spokesman both for the Hungarians of Transylvania, some 2.5 million strong, and for Romanian-Hungarian reconciliation.

We call on President Iliescu and the Romanian Government to proceed with a thorough investigation against those responsible for the death threats, and to provide adequate protection for Bishop Tokes.

The Romanian people broke the dictatorship of the Ceauesescu regime with the help of people like Bishop Tokes, who is an ethnic Hungarian. Romania still has far to go to attain the ideals for which the revolution was fought. Bishop Tokes' safety should be a primary duty of the Romanian Government.

PRESERVING THE INTEGRITY OF THE VA HOSPITAL SYSTEM

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. HARRIS. Mr. Speaker, recently, the Secretary of Veterans Affairs and the Secretary of Health and Human Services chose two veterans hospitals as experimental sites for a joint project entitled the "Rural Health Care Initiative." One of those hospitals is located in Tuskegee, AL.

The joint project would allow non-veterans to be served in veterans hospitals. Being from the State of Alabama and serving on the House Veterans Committee and the House Energy and Commerce Committee, I am fully aware of the problem our country has with rural health care. I have always been an advocate of high quality, affordable health care for rural Americans, but do not feel it should be at the expense of our veterans. Yes, we do have a tremendous problem with our health care system and yes, something needs to be done about it now, but not on the backs of our veterans who have dedicated their lives to our country.

The chairman of a select Commission appointed by the DVA to examine veterans' health care issues for the year 2000 and beyond told the members of the House and Senate Veterans Committees at a joint hearing that without more funding, the veterans system will not be able to meet all of its obligations in the next two decades. How can we justify placing an added burden on a health care system that is already overworked and underfunded?

That is why I have introduced legislation which would prohibit the Secretary of Veterans Affairs from implementing the Rural Health Care Initiative. My bill is a companion to S. 2183, sponsored by my colleague from Alabama, Senator RICHARD SHELBY.

THE TRUTH IN BUDGETING ACT

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. JACOBS. Mr. Speaker, I am today introducing H.R. 4192, the Truth in Budgeting Act of 1992. A summary of the bill, prepared by the staff of the Subcommittee on Social Security, follows:

H.R. 4192, THE TRUTH IN BUDGETING ACT

Social security and Medicare are independent, self-sustaining trust funds, financed through dedicated revenues designed to cover the costs of these programs. Like other federal trust funds that provide retirement, disability, health, and unemployment benefits, these funds are supported by taxes paid by employers and employees for the purpose of paying benefits specified by that program. Yet the special character and self-sustaining status of these funds are masked, and at times actually distorted, by their treatment in the federal budget.

The problems are three-fold. First, despite Congress's clear designation of social security as off-budget in 1990, the Office of Management and Budget continues to present a "consolidated budget." Under this representation, all spending adds to the deficit, and all revenue reduces it. This fuels continuing pressure to reduce spending for programs such as social security despite the surplus of dedicated revenues in these trust funds.

Second, social security and other trust funds must by law invest their balances in government securities; but the interest that the Treasury pays them does not show up in the bottom line of the federal budget. Rather, interest owed to trust funds is treated as an interfund transaction and excluded from the interest function (900) of the budget. This hides the true size of federal interest payments and understates the true cost of deficit spending.

Third, payments that the federal government makes as an employer are not offset against trust fund spending. Rather, an employing agency's payroll taxes are subtracted from federal budget totals in a special function called "Undistributed Offsetting Receipts." This practice masks an important component of federal spending and, together with the current treatment of dedicated revenues and interest, overstates entitlement spending from trust funds as a proportion of the federal budget.

H.R. 4192 would address these problems as follows:

It would prevent the lumping together of dedicated trust fund revenues and general funds in federal budget presentations. Specifically, it would stipulate that all revenues dedicated by law to a federal retirement, disability, health, or unemployment trust fund must be offset against spending from that fund and not against the total budget authority and outlays of the government.

It would reveal the true extent of the federal government's interest obligations to these trust funds. This would be accomplished by treating interest payments made by the Treasury as general spending in the budget and offsetting receipts to these trust funds.

Similarly, it would treat payments that the federal government makes as an employer as general spending in the budget and revenues to the trust funds. This would give government agencies the same budgetary treatment vis-a-vis the trust funds as private employers.

These changes would result in a dramatically different picture of the sources of deficit spending. As the following chart demonstrates, mandatory trust fund spending for retirement, disability, health and unemployment benefits would drop from 51 percent to 21 percent of federal spending, while discretionary spending would rise from 35 percent to 51 percent. At the same time, interest payments would rise significantly—from 14 percent to 28 percent of the budget—revealing the true extent of federal interest obligations. Most important, the myth that federal spending is driven by social security and other entitlements which are "out of control" would be effectively combatted by a realistic budgetary presentation of the extent to which these funds are self-sustaining.

[In percent]

	Current budget presentation	Truth in budgeting proposal
Defense	19	28
International	1	2
Domestic Discretionary	14	21
Subtotal: Discretionary	41	51
Interest payments	14	28
Mandatory, including mandatory trust funds	51	21

The following table compares the President's fiscal year 1993 budget presentation with the display required by H.R. 4192, the Truth in Budgeting Act.

[In billions of dollars]

	President's fiscal year 1993 budget[1]	Percent of total outlays	Truth in budgeting proposal	Percent of total outlays
Spending:				
Discretionary:				
Defense	$291.6	19.2	$291.6	27.8
International	20.6	1.4	20.6	2.0
Domestic discretionary	224.7	14.8	224.7	21.4
Total, discretionary	537.0	35.4	537.0	51.2
Mandatory:				
Government payment as an employer	NA	......	15.6	......
Gross mandatory outlays	466.2	......	466.2	......
Interest paid to mandatory trust funds	NA	......	−51.1	......
Government payments as an employer to mandatory trust funds	NA	......	−9.5	......
Government receipts to mandatory trust funds	NA	......	−136.9	......
Other	NA	......	.5	......
Net mandatory outlays	466.2	30.7	284.8	27.2
Social Security:				
Outgo from the trust funds[1]	302.3	......	(1)	......
Payments to Government entities and financial adjustments[1]	−2.6	......	−2.6	......
Net Social Security[1]	299.7	19.8	(1)	(1)
Interest:				
Interest on the public debt	339.1	......	339.1	......
Interest received by Social Security[1]	−27.0	......	NA	......
Interest received by on-budget trust funds	−51.1	......	NA	......
Interest received by other Government entities	−47.2	......	−47.2	......
Net interest	213.8	14.1	291.9	27.8
Total outlays	1,516.7	100.0	1,111.1	106.0
Revenues (excluding Social Security)	839.0	......	695.8	......
Social Security revenue[1]	325.8	......	(1)	......
Deficit	−351.9	......	−415.3	......
Increased Federal liability for interest payments to the public and to trust funds:				
Financed by mandatory on-budget trust funds	−54.9	......	......	......
Financed by Social Security trust funds	−63.4	......	......	......
Financed by the public[2]	−351.9	......	......	......
Total increased liability	−470.2	......	......	......
Social Security:				
Outlays	(3)	......	299.7	......
Interest received by Social Security[1]	(3)	......	299.7	......
Government payments as an employer to Social Security	......	......	−6.1	......
Payroll tax receipts	......	......	−325.8	......
Amount equivalent to taxation of Social Security benefits	......	......	−6.3	......
Other (including transfers to on-budget activities)	......	......	2.6	......
Net Social Security outlays	(1)	......	−62.9	−6.0
Revenue	NA	......	.5	......
Surplus	......	......	63.4	......
Trust Fund Surpluses (includes all collections by the trust funds, includes interest, tax receipts, government contributions as an employer and general fund transfers):				
On-budget:				
Hospital insurance	......	......	18.9	......
Supplementary medical insurance	......	......	−4.5	......
Federal civilian employee retirement funds	......	......	27.8	......
Military retirement	......	......	12.2	......
Black lung	......	......	......	......
Railroad retirement	......	......	.6	......
Unemployment trust fund	......	......	−.1	......
Subtotal, on-budget	......	......	54.9	......
Social Security	......	......	63.4	......

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[1] Although Social Security was taken off-budget by legislation, the summary tables in the President's budget include Social Security in revenues and outlays and in calculating the deficit. The truth in budgeting proposal excludes Social Security from the budget as required by current law.

[2] Some portion of the deficit is financed by Federal activities other than mandatory trust funds. About 3 percent of the estimated interest on the public debt will go to these activities in fiscal year 1993.

[3] Included in budget totals.

TRIBUTE TO WILLIAM POHL

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. MANTON. Mr. Speaker, on Wednesday, February 12, 1992, the Garden School, one of the highly respected educational institutions in the Ninth Congressional District of New York, is honoring one of its trustees, Mr. William Pohl, who is retiring after 40 years of dedicated service.

Mr. Speaker, William Pohl was born in Greece in 1905 and came to America at the age of 19 on a tramp steamer via Cuba. He immediately found work and 3 years after his arrival opened his own business which became one of the finest gourmet shops in the upper East Side of Manhattan. The family continues to conduct that business today.

William married his wife Christine in 1936 and they were blessed with seven children. All of the Pohl's children were educated at the Garden School. Mr. Pohl believed in parental concern for children and became an active participant in the work of the school. While his formal education was limited, he made certain that his own family was given the basic higher education necessary to carry on successful careers as gainfully employed citizens. He helped provide that education for many other young people as well.

Mr. Speaker, now at 87 years of age, William Pohl is entitled to retire from active duty. His efforts over the years have enriched our city, State, and Nation. As a modest, common man he has been a great contributor to the educational process.

TRIBUTE TO JOHN BENNETT

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. WELDON. Mr. Speaker, I am here today to commend the heroics of John Bennett, a young boy in Troop No. 487, who utilized training he received in the Boy Scouts to save the life of a mother and her child. It is actions like John's that make me proud to stand here today and recount his story to my esteemed colleagues.

This past April, John Bennett and his family were camping in the Shenandoah National Park when tragedy struck the group camping next to them as their car accidentally went over a ledge and fell approximately 100 yards before hitting a tree.

The man managed to free himself from the twisted wreckage but his wife and son were still trapped inside. John Bennett's Boy Scout experience and training enabled him to secure a rope and get down to the car with a first-aid kit.

Unable to open the doors of the car, John squeezed in through a broken window and was able to calm the panicked and badly injured woman. Bandaging a long, deep laceration on the woman's head, John was able to stop the bleeding. After the mother was stabilized, John carefully removed the young boy from the car and wrapped him in a blanket to keep him warm. John then climbed up the rope to wait for the Park Rangers.

When the rescue teams arrived, this courageous young man secured the ropes that they used to descend to the car. Also, at their request, he helped carry equipment and emergency gear to the crash site. Because of his size, John was asked to enter the car and secure the woman to the back board while emergency workers pried open the doors. The teams then lifted the women on John's ropes to the waiting ambulances.

When the smoke began to clear, rescue workers praised John Bennett's heroic and responsive actions. He sacrificed his safety to save the lives of others.

It makes me very proud to stand before you today and tell you about the heroics of a young man from my district. I hope that in the future I will have the privilege of working with the likes of John Bennett and Troop No. 487. Delaware County is proud to call John Bennett one of her own.

TRIBUTE TO HON. JOSEPH C. HOWARD

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 7, 1992

Mr. CARDIN. Mr. Speaker, today I rise to pay tribute to a man of many "firsts"—the Honorable Joseph C. Howard who presides on the U.S. District Court for the District of Maryland. A portrait hanging ceremony in honor of the judge will take place on February 14, 1992, where Judge Howard will be honored by his colleagues and his past and present law clerks.

Judge Howard became the first African-American to be appointed to the U.S. District Court in Maryland—appointed by President Carter. He was the first African-American to be inducted into the Phi Alpha Delta Legal Fraternity. He was the first African-American elected to citywide office in 1968 and the first to sit by designation on the Fourth Circuit Court of Appeals. He is truly a pioneer.

Judge Howard has played a leading role in Maryland's legal and political communities for over 25 years. He strongly believes that law is an instrument of empowerment and not control. Early in his career, he earned a reputation and high profile by challenging elitism and unfairness in the judicial system. He is regarded as a dedicated, hard-working, and learned jurist. He has been described as a paragon of what a judge should be.

The judge is extremely active in the community of Baltimore as well. He is particularly noted for his writings and teachings on the African-American community. In addition, his involvement in many worthy causes, along with his education and experience aids him in helping to solve the many difficult problems he faces on the bench each day.

Baltimore is fortunate to have Judge Howard sitting on the bench. He has graced this city, and the judicial system with personal and professional qualities that are truly unique. His colleagues, and especially his younger employees, are struck by his gentlemanly, friendly, open-door policy. Mr. Speaker, I hope that you and my colleagues will join me and the citizens of Baltimore in paying tribute to the Honorable Joseph C. Howard.

SENATE—*Tuesday, February 11, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN B. BREAUX, a Senator from the State of Louisiana.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 11, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN B. BREAUX, a Senator from the State of Louisiana, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BREAUX thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will stand in recess until 11 a.m. on Friday, February 14, 1992.

RECESS UNTIL 11 A.M., FRIDAY, FEBRUARY 14, 1992

Thereupon, at 11 o'clock and 38 seconds a.m., the Senate recessed, under the order of Friday, February 7, 1992, until Friday, February 14, 1992, at 11 a.m.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

HOUSE OF REPRESENTATIVES—*Tuesday, February 11, 1992*

The House met at 12 noon.

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

Teach us, O God, to do all we can with the gifts You have given us to strengthen those who are weak, to give guidance to those who have lost the way, to nourish those who are hungry, to give light to those who are in darkness, to share friendship to those who are alone, and to give peace to every person. May we, gracious God, confirm our unity with people about us by doing what we can to ease any hurt and to celebrate together Your gifts of life and love. This is our prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas [Mr. STENHOLM] please come forward and lead the House in the Pledge of Allegiance?

Mr. STENHOLM led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *February 6, 1992.*

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to notify you pursuant to Rule L (50) of the Rules of the House that I have been served with a subpoena *duces tecum* issued by the Superior Court of the District of Columbia.

After consultation with my General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

COMMUNICATION FROM THE HONORABLE LARRY COMBEST, MEMBER OF CONGRESS

The SPEAKER laid before the House the following communication from the Honorable LARRY COMBEST:

HOUSE OF REPRESENTATIVES,
February 10, 1992.

Hon. TOM FOLEY,
The Capitol,
Washington, DC.

DEAR MR. SPEAKER: This is to notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued by the Criminal District Court of Lubbock County, Texas.

After consultation with the General Counsel to the Clerk, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,
LARRY COMBEST.

COMMUNICATION FROM THE HONORABLE ROBERT A. ROE, CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following communication from the Honorable ROBERT A. ROE, chairman of the Committee on Public Works and Transportation:

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, DC, February 5, 1992.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, The Capitol,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, I am transmitting herewith the resolutions approved today by the Committee on Public Works and Transportation. In addition, enclosed are U.S. Army Corps of Engineers Committee Survey Resolutions also approved today.

With all good wishes.
Sincerely,
ROBERT A. ROE,
Chairman.

OUR FRIENDS CAN AND MUST DO MORE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the Department of Defense defends sending a half-million paychecks overseas every month by saying leaders around the world beg the United States to "stay engaged." But why can't DOD tell them the time has come for them to "get engaged"? Americans are tired of bearing the burden in a changed world.

For example, DOD needs to increase the contributions from our friends who can pay far more than they do for our collective security. In the gulf war, we went hat-in-hand like a poor country cousin, begging for burdensharing after we were already committed. Now is the time to plan ahead so we don't have to do after-the-fact begging.

DOD can't punt to the State Department to determine fundamental security needs—DOD must get engaged in the process. Burdensharing goes beyond cash contributions, because we shouldn't be the only ones providing security. For example, DOD needs to be in the loop as the United Nations frames a broader peacekeeping role for itself. There is an increasing consensus that U.N. peacekeeping forces are the way to go in the future.

DOD is still sending a half million paychecks overseas every month. That's far too many people to protect us against an enemy that's no longer there.

In direct costs alone, the United States pays billions of dollars for protecting the common interests we share with Germany, Japan, Korea, and other prosperous allies. We can't afford this subsidy. Our friends can and must do more.

Mr. Speaker, DOD needs to be planning for the future, not protecting their turf and perks or reacting to a long-gone bogeyman. Under DOD's plan, we'll still be overstaffed in Europe at least by half in 1995. There are many ways to remain engaged in Europe without sending hundreds of thousands of checks there every month.

H.R. 3626: A SOLID FIRST STEP TOWARD COMPREHENSIVE HEALTH CARE REFORM

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, those of us who had townhall meetings a month ago on the issue of health care came very quickly to the conclusion that there is unquestionably and undeniably a consensus that there is a problem with the Nation's health care system, particularly the cost of it. We did not probably achieve any consensus as to the solution. I hope that, because the problem seems to be so large and massive, that we do not get paralyzed into inaction.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

One step I think this House and this Congress could take, Mr. Speaker, is to adopt the bill that I am a cosponsor of that has been offered by the gentleman from Illinois [Mr. ROSTENKOWSKI]. H.R. 3626 seeks, unlike the President's work in the field of private health care insurance, to make sure that there is stern cost containment and that we get over this problem called job-lock where people are locked into jobs because they are afraid to leave for fear of losing insurance.

I hope that, while we attempt to get at the overall comprehensive solution to the health care problem, Mr. Speaker, we do not overlook some partial solutions, like the bill H.R. 3626. It would help America very much as we are looking for those long-term solutions.

THE PRESIDENT'S HEALTH CARE PROPOSAL

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, I have risen during this period of the House's gathering many times to urge this House to act this session to respond to the health crisis that is endangering health care for so many millions of Americans. There are things we can do to insure the uninsured, to guarantee universal access to all Americans this year. But there are also things that we can do to assure health care security to all those who currently have health insurance.

Mr. Speaker, the President's proposal has been poorly read to this point, and some of the most radical reforms that it is proposing have received virtually no attention.

So, I call to my colleagues' attention, as well as to the attention of all those listening, that the President's proposal is the only proposal that would solve the job-lock problem comprehensively. His is the only proposal that has been made that would forbid all health insurance providers from excluding for preexisting conditions.

Surely, surely, we can do that much.

□ 1210

CLOSING THE TRANSFER PRICING LOOPHOLE FOR FOREIGN COMPANIES

The SPEAKER pro tempore (Mr. STENHOLM). Under a previous order of the House, the gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 5 minutes.

Mr. KANJORSKI. Mr. Speaker, I rise today because I know that all of us in the Congress of the United States, along with the American people, are searching for an opportunity to solve some of our basic economic problems with the least hurt to the American people.

In examining the President's State of the Union speech the other day, I noticed that the taxes he indicated would have to be increased were taxes that would apply directly to the American people. The fees that would have to be increased to provide the revenues we need to pay for the outflow he has suggested would be fees that would be placed on the American people.

It struck me, Mr. Speaker, that it is time that the President and the Congress of the United States recognize that there are other people in this world who are not paying their fair share of taxes. I call my colleagues' attention, in particular, to the tens of billions of dollars of new revenue that could be raised by closing the transfer pricing loophole which allows foreign corporations to avoid U.S. income taxes by importing goods into the United States at artificially high prices.

This loophole allows foreign companies to transfer their income and profits from the United States to the country of origin. This is essentially an accounting shell game under which U.S. profits and taxes are improperly diverted overseas.

This subterfuge disadvantages the United States in two ways. First, it deprives the U.S. Treasury of revenue; and second, it gives an unfair price advantage to foreign companies as opposed to U.S. companies in American markets.

The transfer pricing loophole was exposed in excellent hearings held by the Oversight Subcommittee of the Committee on Ways and Means in July 1990, under the able leadership of the subcommittee chairman, the gentleman from Texas, Mr. J.J. PICKLE, and the ranking Republican, Mr. DICK SCHULZE of my State of Pennsylvania.

Among the startling statistics revealed at those hearings were: First, U.S. corporations report an average profit on overseas sales of 9 percent, while foreign companies who operate in the United States report an average profit on their sales in the United States of only two-tenths of 1 percent. It is just not plausible that U.S. companies are 45 times more profitable in their overseas sales than foreign companies are on their sales in the United States.

Second, foreign companies control over a trillion dollars of assets in the United States and had over $687 billion in sales in the United States in 1987, according to the most recent available data that we have. Yet they paid only $4.6 billion in U.S. taxes on $687 billion in sales. That means they paid an effective tax rate of less than seven-tenths of 1 percent of their sales.

Third, of the 36 foreign companies whose tax records for the entire decade were studied in detail by the Oversight Subcommittee, more than half paid little or no Federal income tax. One company reported $4 billion in sales over a 7-year period, yet only reported $15 million in tax liabilities.

Fourth, the IRS reported that one company claimed it owed only $5,272 in taxes over a 5-year period while the IRS calculated it owed over $127 million. That company paid only $123 in taxes in 1982 when the IRS said it should have paid $27 million in taxes.

Fifth, the investigation found that while a few foreign companies paid their fair share of taxes, most did not. It also found that it was through improper transfer pricing that most of these foreign-owned companies were able to avoid U.S. taxes.

Working men and women should not be forced to pay 15, 28, or 33 percent of their income in taxes when foreign companies can use accounting sleight of hand to pay less than 1 percent in taxes on their sales. Taxpayers in my State of Pennsylvania have to pay more than six times that much in just sales taxes alone when they go to the store.

Section 482 of the Internal Revenue Code is supposed to give the IRS the authority to clamp down on improper shifting of income and profits by multinational companies. Unfortunately, it is too easy for these companies to frustrate the efforts of the IRS, because the records of their parent corporations and the many shell corporations they establish are overseas and generally unavailable to the IRS. The IRS is further hampered by the fact that the few documents it can obtain are usually in foreign languages. Foreign companies have also become experts in dragging out cases for years in the U.S. tax courts.

The solution to this problem is to impose an alternative minimum tax on corporations with over $10 million in sales who either import products into the United States or who export products from the United States. The tax should be equal to somewhere between 5 and 10 percent of their net receipts on sales in the United States. Corporations would be given a credit against a tax for all Federal taxes they pay under current law. Consequently, they would only pay new taxes if their tax liability under the net business receipts tax exceeded their tax liability under current law.

In addition to bringing in tens of billions a year in new revenue for the Federal Government, this approach has several advantages. First, since it applies to both foreign and domestic corporations, it is consistent with our international trade obligations; many foreign nations have similar net business receipts taxes. Second, by including a $10 million annual sales threshold, and a requirement that the company either import or export products, we minimize the number of companies which will have to calculate whether or not they owe the alternative minimum tax. Small businesses, and businesses which only operate within our borders, will be exempt.

If my colleagues will examine the transfer pricing loophole and join me in sending a letter to the Ways and Means Committee urging it to close this multibillion dollar tax loophole. We cannot afford to have working families paying higher taxes than major multinational corporations.

Raising revenues is never easy or pleasant, but with this proposal we can tax those who have avoided paying in the past, and who can afford to pay. The tens of billions a year in taxes foreign companies are avoiding can be used to finance an economic recovery/jobs program, a tax cut for middle-class families, or a reduction in the Federal deficit, or some combination of all three of these needs.

Mr. Speaker, I include with my remarks a letter on the transfer pricing issue which I encourage all of my colleagues to join me in sending to the chairman of the Committee on Ways and Means, as follows:

Hon. DAN ROSTENKOWSKI,
Chairman, House Ways and Means Committee, Longworth House Office Building, Washington, DC.

DEAR CHAIRMAN ROSTENKOWSKI: As you work on tax legislation to stimulate our economy, provide tax relief for average working families, and reduce the deficit, we hope you will consider financing this legislation by closing the transfer pricing loophole which enables foreign companies to avoid paying their fair share of taxes.

A 1990 investigation by your Oversight Committee discovered that foreign companies, which reported $687 billion in sales in the U.S. in 1987, paid an effective tax rate of less than seven-tenths of 1% on sales. It is not reasonable for foreign corporations to pay a lower tax rate on their sales in the U.S. than most of our constituents do when they go to a department store.

We can raise tens of billions in revenue that is rightfully owed to the U.S. Treasury by imposing an alternative minimum tax to capture a portion of the profits which are currently being diverted overseas.

By providing an exemption for small and medium-sized businesses, and a credit for taxes paid under our current tax laws, we can target the scofflaws without imposing a burden on domestic businesses which are paying their fair share of taxes. Since the alternative minimum tax would technically be applicable to all businesses regardless of their nation of origin, it would be consistent with our international trade obligations.

Closing this egregious loophole gives us a unique opportunity to raise revenue while at the same time stimulating our domestic economy and making the tax code more equitable.

Sincerely,

———— ————.

FOREIGN POLICY AFTER THE COLD WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, the following is the last of the series published by the New York Times presenting national issues to be debated in the post-cold-war era. I commend the article and series to my constituents. Also, I offer my thanks to the Times for a superb presentation of many of the preeminent issues facing our Nation today.

[From the New York Times, Feb. 7, 1992]

RETHINKING FOREIGN AFFAIRS: ARE THEY STILL A U.S. AFFAIR?

(By Thomas L. Friedman)

WASHINGTON, February 6.—When the editors of Foreign Affairs magazine talk about the foreign policy article they would most like to publish today, they dream of "X."

That was the pseudonym George F. Kennan used for his classic Foreign Affairs article published in July 1947. In one word, it set the American foreign policy agenda for the next four decades, through the cold war. The word was containment.

The article simply argued that the West should simply try to contain the spread of Communism, rather than work to overthrow or soften it. Eventually, Mr. Kennan wrote, Communism would collapse from rot within.

BEAUTY OF CONTAINMENT

"Now that the cold war is over," said Peter Grose, Executive Editor of Foreign Affairs, "we are looking for another X—someone who can come along and write the single article laying down the architecture that will shape our foreign policy for the next 40 years."

But so far no one has come forward, and it won't be so easy.

The beauty of containment was that it provided a seemingly easy guide for policy makers, telling them what was important and what was not, what was a threat and what was not, where they should put their resources and where they should not. But with the passing of the cold war, no new byword has come along.

"We have a foreign policy today in the shape of a doughnut—lots of peripheral interests, but nothing at the center," said Michael Mandelbaum, a foreign-policy expert at Johns Hopkins School of Advanced International Studies. "There is no one central problem from which all others emanate and which can be used to galvanize the public."

Instead of one core issue, it appears that future American foreign policy will focus on at least three loosely related issues that were peripheral before: Coping with the disintegration of the former Communist world and the nationalist forces that it has unleashed; controlling the spread of missiles and nuclear technology, and making sure the United States has access to foreign markets at a time of increasing global economic integration.

None of those loosely related challenges can grab America's attention the way Khrushchev did when he pounded a table with his shoe, or tried to put nuclear missiles into Cuba. But the White House might end up missing those crude threats more than it thinks.

Without the specter of the cold war, isolationist tendencies are reappearing. Some voters are already beginning to see foreign policy as disconnected and irrelevant to their immediate lives—something that diminishes and detracts from domestic policy, rather than something that holds positive benefits worthy of support for their own sake.

Many Americans, in effect, are beginning to see foreign policy as a luxury they can no longer afford, even though America's economic involvement with the rest of the world has never been greater, and dangerous security concerns remain.

President Bush felt compelled to offer a domestic rationale for his trip to Japan last month, so he uttered the mantra "jobs, jobs, jobs." But jobs are not the only concern.

"Reducing foreign policy to 'jobs, jobs, jobs,' not only trivializes it, but it puts the focus on only one aspect of American interdependence with the rest of the world," said Joseph Nye, an international-relations expert at Harvard University. "There has to be a better way of defeating isolationist arguments and justifying an internationalist policy."

For instance, Mr. Nye said, the United States has a pressing interest in insuring stability in Europe and Asia—if for no other reason than to avoid getting drawn into conflicts there again. The American people, he said, have to be made to understand that maintaining NATO and the United States-Japan security alliance "is like having an insurance policy on your house—you don't expect it to be burned down, but you would be a damn fool not to have an insurance policy."

The new challenges that will make up American foreign policy are compelling, even if they don't easily fit on a bumper sticker. The most immediate of those will be dealing with the problems and opportunities arising from the crumbling of the Soviet Union.

The challenge for policy makers is to insure that whatever states emerge from the disintegrated Soviet empire will be stable, free-market societies, their nuclear weapons either destroyed or well controlled.

Traditional arms control and classic Kremlinology are almost irrelevant to such questions, and experts all over government are now having to retool.

The disintegration of the Soviet Union has greatly diminished the threat to the United States of nuclear annihilation in one blow. But Soviet nuclear scientists are now hungry for work, controls on Soviet weapons exports have been loosened, and the Chinese need to sell missiles for cash.

No wonder, then, that at least six third-world countries are expected to possess intercontinental ballistic missiles before the end of the decade, and that eight others already have or are close to developing nuclear weapons, according to a recent Administration study.

It was a sign of the times that when Vice President Dan Quayle recently tried to defend continued financing for the "Star Wars" program, he didn't mention Moscow. Instead, he said that a missile defense system was necessary to protect "law abiding" countries from "international outlaws, thugs and blackmailers" like Iraq or North Korea.

The third set of challenges results from the increasing integration of the world economy that has coincided with the end of the cold war.

Whether the United States is forging its own free-trade areas with Canada and Mexico or breaking down barriers with Japan and the European Community, American diplomats will be trying to insure that the United States has the widest access to markets around the globe. It means confronting what President Bush has named the new "Iron Curtain of protectionism."

Those three new issues are giving birth to a new style of American diplomacy. When

Washington has a problem today, it can no longer just get on the hot line and dial the Kremlin. Nor does it have the money to go it alone. Nor for that matter are its allies likely to give Washington its way as easily as before, now that they are less in need of American protection from the "Evil Empire."

Therefore, the new bywords of American foreign policy have grown to be "multilateral diplomacy"—lining up German, Saudi and Japanese money, United Nations endorsements and American muscle to do collectively what the United States or the Soviet Union might have once done alone, or in recent years together.

"We are simply not going to be able to get our way as often as before and we had better get used to it," said a senior American policy maker.

THE NEW ERA: FOREIGN AFFAIRS, MINUS SOVIETS

Edward P. Djerejian, the former American Ambassador to Syria, was in the garden of his residence in Damascus the evening of June 20, 1989. Most of the city's other foreign diplomats were there, as were many senior Syrian officials. Ambassador Djerejian was giving a surprise birthday party, but it wasn't only the guest of honor who was stunned. That was because Mr. Djerejian was giving the party for his close friend Aleksandr Zotav, the Soviet Ambassador.

"When the Syrians saw that party, they really got a microcosm of the new world," Mr. Djerejian said. "They understood that the relationship between the United States and the Soviet Union was really changing."

In the months after that, he said, "when I would come to them to talk about free-market reforms, terrorism, the peace process, they were much more responsive."

Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs, recalls that his first trip in his new post was not to Central or South America, but to Moscow.

"I went there precisely to deal with the problems of the region—mainly Nicaragua," he said. "Today, when I think of how to deal with the problems of the region, I am more likely to go down the street to the O.A.S. headquarters."

The first sign of that new emphasis was in the way the United States responded to the coup in Haiti in September, by mobilizing the Organization of American States to impose sanctions on the military-led Government in Port-au-Prince until it restored the democratically elected President.

"The Latins and Caribbeans are much more willing to cooperate with the United States because they recognize that the democratic game is the only game in town," Mr. Aronson said. "But we also have an interest in relying more on multilateral approaches to prove that we are not going to be bullies, and the new world order is not going to be an American imperium. Also, we alone cannot sustain the level of resources required to address the problems of the hemisphere."

As Assistant Secretary of State for African Affairs, Herman Cohen used to spend a lot of time in a seemingly incongruous place: Tampa, Fla. But that is the headquarters of the Pentagon's Central Command, which has responsibility for the Persian Gulf and Indian Ocean and saw East Africa as an area of competition with the Soviets.

"During the cold war, it was really non-African issues that dominated African policy," Mr. Cohen said. "We wanted a base in Somalia, use of an air field in Kenya, prepositioned equipment in Djibouti. That took up a lot of my time."

In the 1970's American military assistance to Africa hovered near $300 million a year. Today it is $30 million a year, and much of that is spent on coastal patrol boats to help African nations protect their fishing industries from Korean and other foreign poachers. Mr. Cohen is free to spend more time coordinating assistance to the continent's governments and trying to push them toward democracy.

That was supposed to be America's agenda in Africa all along. But it wasn't, because of competition with the Soviets in places like Angola and Ethiopia.

As for travel, Mr. Cohen says Tampa is now being replaced by Tokyo.

"Japan's aid budget to Africa is $1.2 billion a year," he said. "That is bigger than ours. We have an interest in getting them to spend in ways that are consistent with our own agenda."

THE NEW EXPERTS: BRINGING CIVICS TO EX-SOVIETS

Nowhere in the State Department has the end of the cold war had more of an effect than on the Soviet desk.

"The whole job of the Soviet desk changed over the three years I was there," said Alexander Vershbow, who headed the Soviet desk from 1988 until the fall of 1991. "When I took over, the principal task was still carrying out the policy of containment in all its aspects—fighting Soviet imperialism in Afghanistan, arms control, monitoring the travel of Soviet diplomats in the United States. Today, the central task of the Soviet desk is helping to refashion former Soviet society and bring it into the free world."

Since the breakup of the Soviet empire, the Soviet desk has reorganized itself more around expertise on individual republics, and also hung out a new shingle: "Office of Independent States and Commonwealth Affairs."

Previously expertise in the sub-nationalities "was a sidelight handled by a few odd folks who took an interest in Central Asia," as Mr. Vershbow put it. "Now we are creating desk officers to deal with the individual republics, and we're stocking our missions inside the former Soviet Union with Ukrainian and Turkmenistani speakers."

But not only do Soviet experts have to know more about Soviet nationalities, Mr. Vershbow said, they also have to be much more knowledgeable about basic American institutions, and concepts like federalism, taxation and separation of powers.

"One of the biggest skills you need now on the Soviet desk is basic American civics, because in a sense that is what the republics most want and need from us," Mr. Vershbow said. "They want to know how a judicial system really works and how our whole political process works. These republic leaders come parading through Washington everyday now and you have to be able to steer them to the right expertise."

THE CHOICES: DOMESTIC SUPPORT, MORAL CHOICES

When President Bush met with leaders of Jewish organizations in November, he made a strenuous appeal for help in supporting the Administration's foreign aid bill. With the cold war over, he said, the Jewish groups with their focus on Israel, might be the last political constituency in America backing foreign aid.

"The American people never really endorsed Harry Truman's support for NATO, Bretton Woods or the Marshall Plan," said Representative David Obey, the Wisconsin Democrat who chairs the House Foreign Operations subcommittee. "They acquiesced in them, though, because they knew he was engaged at home, because they were animated by the cold war and because Truman was operating in the context of a balanced budget and rapidly rising family income. All of those are absent today."

That has begun to force some hard choices. Since the cold war's end, foreign aid for countries like Pakistan, the Philippines, Turkey, Israel, and most of Sub-Saharan Africa—which were once thought of as essential chess pieces in the great cold-war game of nations—seems to many a wasteful luxury.

"What many internationalists don't understand," Mr. Obey said, "is that if they insist that we stay involved up to our elbows in all corners of the world, they will experience a backlash from the American public that will make it difficult to stay involved anywhere."

The Administration says "we need to defend ourselves against this risk and that risk," Mr. Obey continued. "But the average American family feels at risk every day when they walk out of the house with no health insurance. So you have to make choices."

Mr. Obey argued that the Administration must begin differentiating between immediate and important foreign policy issues and others that are marginal. If it does not, he said, the American public will not discriminate either.

The result, he suggested, will be a more isolationist country unless the foreign-policy managers "engage in the same self-discipline that people on the domestic side of the ledger have been asked to engage in for the past 15 years."

That is another reason, said Michael J. Sandel, a Harvard University political theorist, that America's role in the world "must be redefined with an affirmative purpose that will command domestic political support and the spending it would require to implement."

Containment was a negative definition of purpose. For Mr. Sandel, the obvious affirmative policy is to nourish emerging democracies in the former Communist world and elsewhere: that can be justified on security grounds using the argument that democracies rarely initiate aggressive wars, and on moral grounds because spreading democracy is the natural expression of America's deepest ideals.

But as worthy and logical as such goals might be, investing in the prevention of chaos in the former Soviet Union is nevertheless an abstraction to most Americans.

"What is peculiar to the United States," Deputy Secretary of State Lawrence S. Eagleburger said in a recent address, "is that every generation or so we debate not only the merits of this or that policy, but the existential purpose of American foreign policy itself.

"Such a debate would be almost unthinkable in most other countries, where foreign policy is deemed to serve national interests, which themselves are seen as timeless and immutable."

But in the United States, "we have tended to believe that our foreign policy must serve a moral purpose," Mr. Eagleburger said. Therefore, any time America finds itself unable to steer clear of foreign engagements, it needs to justify them by viewing them as some sort of moral crusade—whether at war, making the world safe for democracy after World War I, or against Communism after World War II.

"But crusades eventually run their course," he continued, "and we are then left without a rationale for policy once the crusade is over."

With the cold war's end, he concluded, "it may well develop that we are on the tip of a period of absence of clear purpose, as we enter the final years of the century."

AFTER THE THAW, "LEAD BY EXAMPLE"

(Interview by Felicity Barringer)

"The new world order in the next two years will feature two developments that are now being played out in Europe—increased national sentiment among countries in the East, and increased emphasis on political and economic integration among countries in the West.

"In the international arena, nationalism can prove to be destructive in the long run. Given that, the United States should work to curb the excesses of nationalism by promoting forms that buttress the mutual cooperation of nations. I think you can become a powerful giant if you lead by example. We're having severe problems with population growth in the world. The United States could step up and say: 'We recognize this. Here's what we should do.'

"I also have in mind the creation of some international economic policy whereby various countries would reach agreement on economic strategies that would maximize stability and growth in all nations. Our economies are so interdependent it's no longer possible for a modern nation to take steps to control economic downturns without taking into account economic policies in other countries.

"There is also a need to reach agreement on international solutions to such issues as the massive and growing immigration of citizens from poor to rich nations and the growing gap between rich and impoverished nations. The United States could in many ways try to strengthen the United Nations so it could adequately address these problems. It would be a serious mistake to return to isolationism cloaked in nationalist sentiment."

CONVERSION—THE KEY WORD TO ECONOMIC RECOVERY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I would like to take this time to talk a little bit about what I think we really need to be focusing on, and this is something I do not hear a lot of dialog about. What I hear from the average American worker is not that they want to know if they will get unemployment compensation for ever and ever, but they want to see real jobs come back, not burger-flipping jobs but real jobs.

It seems to me that now that we have had the President's budget over here and we have had some time to digest it, while in the 1980's we were all talking about economic development, in the 1990's, if those real jobs are going to come back, we only have one thing we can be dealing with, and that is economic conversion. Economic conversion has got to be the byword of the 1990's.

What do I mean by that? When we look at what happened in the 1980's, we find that we did not pay any attention to Eisenhower's warnings that we could become a military-industrial complex, and in the 1980's we became a military-industrial complex. And now when we look at it, we see that if we are not making weapons, we are not making anything because everything else is made overseas. Obviously if we keep making weapons, we will not get any money back because the only persons buying them are people like Qadhafi, and we do not want to sell to him.

So somehow we have to take this technology base and transfer it over to things that we need, things that the world is buying, if we are going to be competitive in this global economy. I do not hear anybody talking about that much. Instead, when we have the Defense Department in front of us in Armed Services and we ask, "Why in the world are we spending $4 billion again to pay for B-2's that we can't even figure out what to do with?" they say, "Because we are afraid to draw down our industrial base too fast. After all, we did things like that after each war."

All right, they are right. History shows that very often we celebrated too fast and built down too fast. But why is it that they have no other plan except throwing money into things that we do not need and things that we cannot figure out? Why are they afraid to say the C word, conversion? Why is it that we cannot find things to build that they can use?

Let us look at this. We see at the same time that we have Los Angeles out there trying to buy high-speed trains and they cannot find anyone in America that makes them. Is it inconceivable that people who make B-2's could not also make high-speed trains? If they could make them stealth, neighborhoods would even like them better.

But that is what we have got to be looking for, how we do conversion, and I have never seen people avoid a word so fast.

They have tried to make it sound like some leftish-cuckoo idea, but let me say that it is the only idea I see around here that helps us pay off our debt, gets our economy straightened out, and gets us back into the global market.

Also when we look at the tremendous amount of research and development we are doing in the overall Federal budget, we find out that most of it is in the Defense Department.

□ 1220

Other countries have come over, found out about that research and development, bought the patents, taken it back to their countries, and made things that we had to have in our homes. So why do we not start doing that?

What we have to do is find a way so that every American entrepreneur can find out what kind of research and development we have been doing in the Armed Services area so they can look at that, buy the patents, and figure out what kind of incentives it takes to then create the jobs here that the world needs.

Mr. Speaker, it seems to me that we have to stop protecting all of this turf. We have to start looking at the new ideas.

One also looks at the defense budget. Not only do we send half a million checks overseas every year, as I mentioned earlier, but you see we are going to spend $5.5 billion to build SDI in North Dakota. I guess that is in case the Canadians ever attack Lawrence Welk's home, we will be able to turn it back. But it does not make any sense when you look at all the priorities that are there.

So I am hoping that in this time crunch we are trying to work in, we in the Congress have the guts to deal with the C word, and that all communities start dealing with the C word. I hope we get on with figuring out how we take this high-technology base that we have in the military area, that the taxpayers have invested in, and get it transferred into the civilian area.

That is a win-win. If the world ever gets scary again, you can pull the workers back over and put them on the military side. You do not lose their skills. In the interim, it will help us get real jobs back, finally break our total dependence upon employment, and get the country on the right track.

If we do not do that kind of creative thinking, if we are not willing to be flexible and change, we are in real trouble.

COMPREHENSIVE HEALTH CARE REFORM NEEDED IN AMERICA

The SPEAKER pro tempore (Mr. STENHOLM). Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I rise today to speak about health care. I will not spend a lot of time on the President's proposal in which he outlined a series of tax vouchers and tax credits. It seems to me that these proposals speak for themselves. They are not comprehensive and do not control costs, which are the main element of concern for middle-income working families. Particularly they are not going to open up accessibility much and certainly are not going to do much to improve administrative waste. So I think they can be pretty quickly dismissed.

What I would like to do is talk about the elements that are needed in a comprehensive national health care strategy. I use the word strategy very carefully. I choose that word because what

I am talking about is an attempt to rationalize health care, to make it work, recognizing that it does not necessarily have to be a top-down Federal bureaucracy, but a strategy to provide cost control and accessibility to all.

First of all, there are several elements that have to be improved. Cost control is the first one.

Health care costs are the fastest rising part of our economy and gross national product. Health care costs for a business went up 15 percent last year. That is almost 3½ to 4 times the rate of inflation in other areas.

Health care costs are running about twice the rate of inflation for working Americans. So whereas inflation may be 4 or 5 percent a year, health care costs are 10 percent. So there are many areas that have to be dealt with in the area of cost control.

Controlling soaring health care costs, there are certainly areas that can be looked at. Reducing administrative waste, reducing pharmaceutical products that are grossly overpriced in this country, yet sold at a fraction of their cost in other countries, even though they are produced in this country, reducing health care cost inflation, and improving preventive medicine, so you put a few pennies into the front end to prevent having the disease that will cost dollars at the other end.

The second element is flexibility, giving local governments, local areas, the flexibility to deal with their own health care problems, and not imposing a top-down situation from Washington.

The third is making sure that any plan retains the quality for all Americans of our health care system today. America has the highest quality health care in the world for those that are able to afford it. We want to keep that quality and not sacrifice it in any way. The goal is to provide that quality health care for all.

Fourth is providing freedom of choice. Any health care plan, to be suitable and acceptable in this country, must guarantee that people can see the provider of their choice. They must not be mandated to go to a certain physician or treatment facility, but they must retain the ability to make that choice themselves.

Finally, the fifth element is accessibility. All Americans must have access to quality health care. That has to be written into stone, just as the other four elements are.

Presently 37 million Americans have no health insurance. Sixty to seventy million Americans are underinsured. Between underinsured and uninsured you are dealing with almost half of this Nation's population.

Make no mistake about it, Mr. Speaker, these people, three-quarters of those who are uninsured, are not loafing, not sitting on the sidelines waiting for the Government to give them a handout. Three-quarters of them are either working or a member of a working family, and they do not have health care.

Will such a plan cost more? Mr. Speaker, it is going to cost more if nothing is done. I know our personal insurance premium in our family went up about 26 percent last year.

We all know it is going to go up. The problem is that less and less people are paying more and more for less health care. So what kind of deal is that?

Administrative waste alone accounts for 24 percent of the health care dollar, it is estimated. So acting to reduce that waste, that paper shuffling, sending the forms back and forth to insurance companies, for instance, can mean considerable savings that can be put into certain areas such as preventive medicine.

So it is essential that this Congress and this administration work immediately at enacting a national health care strategy, because the costs are going to go up exponentially.

Finally, is it just a health care problem? It is not just a health care problem that affects people. This affects our economic health. The fastest growing undercutting of our competitiveness in this country or our health care cost.

When you see our health care cost in this country going up roughly 9 percent a year, minimum, versus 4 percent in Germany and roughly the same in Japan, and you realize that roughly $1,000 to $1,200 it is estimated of the cost of every automobile made in this country last year was for health care cost, then you see very quickly that failure to grapple with the health care dilemma, crisis, in this country not only affects our country's health care, but affects our country's jobs.

You are not only talking about my physical health, you are talking about my economic health. Now you are really threatening me.

So these are all the reasons that Congress must deal with health care, and hopefully in this session of Congress. This is why I would hope that just as the President has put down a March 20 deadline, we, in Congress, can put down a deadline of, say, Labor Day at least to have a major national health care strategy before the President of the United States.

I think the American people require this. Certainly it is the No. 1 issue everywhere I go, and it is certainly the No. 1 problem undercutting our economy at all levels. So I would hope that the Congress could do this.

Those elements again, very, very crucial, are cost control, maintaining quality of care, freedom of choice to pick your provider, providing accessibility for all, and providing flexibility so that our local governments, local entities, local districts, can work it out, can negotiate for health care prices on their own, and are able to adapt a health care plan to their particular needs.

They understand that what works in an urban area many not be what works in a rural area, and that the rural area and the urban area are given the flexibility to meet their own health care concerns.

Also there will have to be some adapting to needs, and one of those great needs, of course, is providing for shifting in certain health care priorities, preventive medicine, assisting people to get their care early. WIC, the Women-Infant-Children Program, for instance, and nutritional programs, prenatal screening. These are programs which the President acknowledged just a few days ago that a dollar spent today will save $14 or $15 in cost later. These are the areas that any health care plan must be concerned with.

Mr. Speaker, I am pleased because what I see happening in this country is that out of this sense of crisis, I see everyone coming to the table. People understand that this health care system is broken. It is not something where Band-Aids can work any more. It is broken. Putting Band-Aids on a hemorrhaging patient does not do any good, particularly if you do not put the Band-Aids in the right spot.

So what is called for today is a national health care strategy. I see that happening when I see, for instance, different provider groups coming to the table and saying this has to be fixed. Hospitals are closing, hospitals that cannot meet the cash flow, hospitals that cannot meet their patient needs, know that the system is drastically in need of fixing.

Physicians know that this program no longer provides the accessibility or even the affordability, and more and more of their time is being consumed in administrative costs.

Talk to any physician and you will find out that he or she probably has more people in their office concerned with billing and insurance forms than they do in administering patient care.

□ 1230

What kind of statement is that? We have 1,500 insurance companies in this country. We have something like, if we figure that each one has at least three variations of their health insurance plan, we have a $250 deductible here. We have a $500 deductible here. On alternate Wednesdays we also get the tonsillectomy.

If we get into that kind of situation, we see that physicians in hospitals are overwhelmed.

The other concern I have with the administrative problem that physicians face is that they are no longer able to practice medicine but they have to practice insurance. They have to look to see what it is that we are paid for. What it is that they can order that our insurance company will reimburse.

They are not sticking us with the entire tab. So our physicians, any health care plan I think also has to give back to our health care providers the ability to practice medicine and to practice medicine based upon best medical practices, not upon best insurance policies. That is what is so necessary and so vital for any health plan.

So those are some of the elements that are essential in a health care plan that we have. But going back to the physician for a second, who is sitting there in his office, his or her office, with a billing staff, and I spoke to one physician whom I have a lot of respect for at home who told me that he has to watch in his office 2,000 separate insurance plans.

West Virginia, it is not a large State in population, a great State but not a large State, so we do not have perhaps all the providers represented that are represented across the country. But that one physician has 2,000 insurance plans he has to monitor in the course of a day.

I do not know whether the software has been devised that can keep up with all the insurance plans that come out, but that is the kind of costs that we see building up. Then, of course, we get the problem of do not fill out the form properly or forget to make an entry and send it off to the company and, of course, that claim is not paid. And it comes back and we go through the whole process again.

Small wonder that a study printed in the New England Journal of Medicine many months ago concluded that American health care administrative costs in America's health care system were larger than any other nation by far, roughly 24 percent. Canada, I think, was around 11 percent. Other nations are in roughly the same area.

A lot of people ask what kind of system are we talking about. Are we talking about a British socialized system, the Scandinavian countries and British are government-run systems where the Government pays the doctors and tells a person where to go? Are we talking about a Canadian system which is not socialized medicine but it is a sole payer system? Or are we talking about an American system?

My answer is, We can devise an American system, a system that reflects the elements of cost control, quality of care, flexibility for local entities, freedom of choice to pick your provider and accessibility.

THE TAX BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognized for 60 minutes.

Mr. GEPHARDT. Mr. Speaker, when the President unveiled his economic program in this Chamber, the congressional leadership made two promises we intend to keep.

First, we assured the President that we would give his program prompt and fair consideration, because we believed the economic conditions of this country are too serious to permit delays.

Second, we promised the American people that we would fight to improve the program he submitted, because his ideas simply weren't up to the task of rebuilding the confidence of our citizens or the power of our economy.

We believed the interests of the middle class were abandoned by his program, and we pledged to remember and help the people who have always made America strong.

We stand by these commitments today.

One week after the President's State of the Union Address, we enacted extended unemployment benefits. In the coming days, House committees will begin writing a tax bill and budget resolution designed to get the recovery under way. These items will be scheduled promptly for floor consideration in the House and Senate.

We will act in good faith, and we hope that all Members will bring their best efforts and highest motives to the hard and necessary work which confronts us all.

Just a few months ago, the Bush administration maintained against all the available evidence that the recession did not exist, and that it would end real soon.

But the assault on the Nation's finances and the family values we hold dear was too brutal and too thorough to cling to this myth, and so the myth was finally discarded.

The once deflated currency of compassion is now the common coin of all elected officials who can pronounce the words: "I care." It is now acceptable Government policy to recognize this reality: America is in a recession, and our people are hurting, deeply hurting.

The United States is now in the second year of the longest recession since the Great Depression.

For the second straight month, nearly 9 million people are standing in unemployment lines. Layoffs are cascading throughout the economy. Missouri is losing good paying jobs, and families in my district are taking two and three part-time jobs just to meet their bills. Florida, once considered a boom State, has unemployment just shy of the jobless rate in Michigan.

California reports its worst job losses since 1938. During the Bush administration, real GNP has grown at an annual rate of 0.5 percent—the worst real growth for any administration since Herbert Hoover. The income gap between workers who have made it and workers who struggle is higher than it has been since the Truman administration.

These are the facts our citizens bring to us.

They want action, not delay; they want optimism, not cynicism; they want followthrough, not gamesmanship; and they want fairness, not a Reaganomics rerun of the 1980's. So, by these measures, how does the President's program stack up?

The President's budget has a deficit well in excess of the $400 billion claimed by the administration. It is riddled with gimmicks that push lower Government revenues into the last half of the decade, accounting tricks, and Reagan-style assertions about tax changes that mask revenue losses as revenue gains.

Its most significant idea for jump-starting the economy is the tired and discredited capital gains tax cut, a proposal which conveys 70 percent of the benefits to people earning over $100,000. The budget preserves cold war spending programs in the Pentagon, while neglecting essential investments in infrastructure, education, and other ideas that could promote long-term economic growth.

Small wonder, then, the President's budget has been dismissed by the public and economists alike. In the last few days, a University of North Texas economist called the President's program: "A real Christmas tree for everybody." A Nobel Prize winning economist said: "It sounds like bit and pieces paying off debts." The President's Housing Secretary called it a "gimmick."

And the consensus of the blue chip economists was, "It's too little, too late." The last time a budget received this kind of reception was in 1980, and the bipartisan reaction was so devastating that President Carter had to withdraw the document and send a better one back to Congress. But those were the days when deficits mattered to Democrats and Republicans alike.

We do not have the luxury of time. The President's allies tell us the March 20 deadline was a gambit—designed as a hurdle the House and Senate could not climb—to set up this institution for yet another round of Congress bashing. The velvet glove of bipartisanship conceals an iron political hand. Meanwhile, the Ways and Means Committee wants to consider the President's tax bill tomorrow. But where is, and what is, the President's bill?

Last week, the administration submitted tax proposals with nearly 50 provisions—many to benefit business, several to help the privileged, and a few aimed at the middle class—contained in a mammoth proposal that has been referred to 17 House committees.

For example, during the State of the Union Address, the President sounded like he had heard the public's despair and heeded their cries for help. "There's one thing we can do right away," he said; "ease the burden of raising a child. I ask you tonight to raise the personal exemption by $500 per child."

Under normal circumstances, it would be proper to sever the tax titles from this larger legislation and have provisions like middle-class tax relief considered by the Committee on Ways and Means. But our friends on the other side of the aisle do not want the President's tax bill considered by the Ways and Means Committee.

Instead, they now ask for something different—what a television commercial might refer to as a "slimmed down version of the regular beer."

It appears that the tax train is leaving the station and the middle class has been left behind.

What the administration now wants considered is short-term legislation, loaded with special interest tax relief measures, shorn of most relief for moderate-income Americans, and financed by phoney accounting changes. And they say only this minimal bill will do.

In fact, they now claim that we would be obstructing—I say again, obstructing—enactment of the President's recovery program if we considered the President's bill. If the public is confused, it is with good reason.

A good faith effort to consider what the President wants has now turned into the political equivalent of an Abbott and Costello routine.

The Republicans are now demanding action by a deadline they don't want met—for a program that will not work—for a bill they have changed—paid for by gimmicks we cannot afford—to deal with a recession that didn't exist—to help people that no longer count. This is not what the American people have in mind when they hear the word "leadership." This is cynicism. This is gamesmanship. This is Reaganomics all over again.

Congressman ROSTENKOWSKI has advised me that the Ways and Means Committee wants to take up the President's tax bill—in its entirety. Since our Republican colleagues will not introduce this legislation, I have chosen to do so at his request. I do not endorse the President's program, only his call for action.

Therefore, at the chairman's suggestion, I am introducing today the President's program "by request." The words "by request" will appear next to my name when the bill is formally printed. Under these circumstances, it would be entirely appropriate for the phrase "by default" to be printed instead. Under strict parliamentary rules, that is not in order—nor is it necessary, because our colleague's actions speak loudly enough.

The introduction of this legislation will enable the Ways and Means markup to begin tomorrow in an orderly way. I regret having to take this action, but these are extraordinary times and thus extraordinary actions are required.

During the committee markup, our colleagues will be free to offer any proposal to change the President's initial bill, or to reduce its scope and effectiveness as they see fit. The chairman has advised us there will be only one tax bill this year, and that is how it should be.

The business community needs some degree of stability, and the tax writing could literally go on forever. Under the chairman's formula, our Republican friends can fight for what they believe in and, Mr. Speaker, so will we, because the dream of opportunity in America, the common property of our free people, is at stake.

I believe we can consider economic recovery legislation in the regular order, meet the President's deadline, and have an informative debate between Democrats and Republicans over where to take this economy over the long term. Democrats believe in cutting taxes for the middle class, investing public resources to make the economy strong, and fighting foreign protectionism to give our goods a fair shot in overseas markets. These are the principles that will guide our efforts and our actions in the days and weeks ahead.

The American people don't ask for much. They play by the rules even when the system isn't working for them. They try to take care of themselves, but cannot afford health care. They make high quality products, but find their Government isn't fighting foreign trade barriers.

They want equal opportunity, but time after time official policy is dedicated to helping only the rich. This is the nature of their frustration today.

I am personally committed to prompt passage of an economic recovery program. Democrats will not obstruct, but we will try and improve the President's package. Democrats will cooperate, but we will not fold. Democrats will fight for what we believe in. We will provide a clear distinction between the allegiances and ambitions of the two political parties. Most of all, we will reach a conclusion out of respect for the people's demand for action.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KANJORSKI) to revise and extend their remarks and include extraneous material:)

Mr. KANJORSKI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

Mr. PEASE, for 5 minutes each day, on February 11, 14, 18, 19, 20, and 21.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. RUSSO, for 60 minutes, on February 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. JOHNSON of Connecticut) and to include extraneous matter:)

Mr. VANDER JAGT.

Mr. MACHTLEY.

Mr. DANNEMEYER.

Mr. GEKAS in two instances.

Mr. CLINGER.

Mr. BEREUTER.

(The following Members (at the request of Mr. KANJORSKI) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN in 10 instances.

Mr. MCDERMOTT in two instances.

Mr. ANNUNZIO in six instances.

Mr. MAZZOLI in two instances.

Mr. MONTGOMERY.

Mr. TRAFICANT.

Mr. FALEOMAVAEGA.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2927. An act to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On February 6, 1992:

H.R. 4095. An act to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

ADJOURNMENT

Mr. GEPHARDT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 47 minutes p.m.) under its previous order, the House adjourned until Friday, February 14, 1992, at 11 a.m.)

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GEPHARDT (by request):

H.R. 4210. A bill to amend the Internal Revenue Code of 1986 to provide incentives for increased economic growth and to provide tax relief for families; to the Committee on Ways and Means.

By Mr. ARMEY:

H.R. 4211. A bill to repeal the market promotion program of the Department of Agriculture; to the Committee on Agriculture.

By Mr. CLINGER (for himself, Mr. SYNAR, Mr. HORTON, and Mr. HOBSON):

H.R. 4212. A bill to amend the Solid Waste Disposal Act to require the preparation of a rural community impact statement prior to the issuance of a permit for the construction of an off site hazardous waste treatment, storage, or disposal facility in a rural area; to the Committee on Energy and Commerce.

By Mr. GALLO (for himself, Mr. ANNUNZIO, Ms. MOLINARI, Mr. PAYNE of New Jersey, Mr. LEWIS of Florida, Mr. HORTON, Mr. RAVENEL, Mr. SOLOMON, and Mr. MFUME):

H.R. 4213. A bill to amend the Federal Deposit Insurance Act to require insured depository institutions to notify depositors when the amount of their insured deposits are equal to at least 95 percent of the maximum insured amount of those deposits; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KOSTMAYER (for himself, Mr. FOGLIETTA, Mr. BORSKI, and Mr. BLACKWELL):

H.R. 4214. A bill to amend title XVIII of the Social Security Act to limit to $50,000,000 the aggregate amount of budget-neutrality adjustments in payments to urban hospitals for the operating costs of inpatient hospital services under the Medicare Program during fiscal year 1993 that are required as a result of decisions of the Medicare Geographic Classification Review Board, and for other purposes; jointly to the Committees on Ways and Means, Energy and Commerce, and Government Operations.

By Mr. LAGOMARSINO (for himself, Mr. REGULA, and Mr. TALLON):

H.R. 4215. A bill to amend the Land and Water Conservation Fund Act of 1965 to provide for the establishment of the America the Beautiful passport to facilitate access to certain federally administered lands and waters, and enhance recreation and visitor facilities thereon, to authorize the Secretary of the Interior and the Secretary of Agriculture to enter into challenge cost-share agreements, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. LANTOS (for himself, Mr. SHAYS, Ms. DELAURO, Mr. MARTINEZ, Mr. COYNE, Mr. OWENS of New York, and Mr. VENTO):

H.R. 4216. A bill to amend the Internal Revenue Code of 1986 and the Revenue Act of 1978 to revise the procedures applicable to the determination of employment status; to the Committee on Ways and Means.

By Mr. LEVIN of Michigan (for himself, Mr. VANDER JAGT, Mr. MCGRATH, Mrs. JOHNSON of Connecticut, Mr. PORTER, Mr. FORD of Michigan, Mr. KILDEE, Mr. WOLPE, Mr. CARR, and Mr. TRAXLER):

H.R. 4217. A bill to amend the Internal Revenue Code of 1986 to provide an inflation adjustment for the sale price at which the luxury tax on passenger vehicles applies; to the Committee on Ways and Means.

By Mr. MCDERMOTT:

H.R. 4218. A bill to amend the Social Security Act to provide for the approval of State demonstration projects for comprehensive health care reform, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SPRATT:

H.R. 4219. A bill to amend the Trade Act of 1974 to add sulfanilic acid to the list of import-sensitive articles that may not be designated as articles eligible for duty-free treatment; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself and Mr. LEWIS of California):

H.J. Res. 410. Joint resolution designating April 14, 1992, as "Education and Sharing Day, U.S.A."; to the Committee on Post Office and Civil Service.

By Mr. BROOKS:

H. Res. 360. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on the Judiciary in the 2d session of the 102d Congress; to the Committee on House Administration.

By Mr. CAMPBELL of California (for himself, Mr. OWENS of Utah, and Mr. ANNUNZIO):

H. Res. 361. Resolution calling for the deployment of United Nations peacekeeping forces in the Nagorno-Karabagh Autonomous Republic; to the Committee on Foreign Affairs.

By Mr. LAFALCE:

H. Res. 362. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Small Business in the 2d session of the 102d Congress; to the Committee on House Administration.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 551: Mr. CHANDLER, Mr. HERGER, Mr. STARK, Mr. DEFAZIO, Mr. RIGGS, Mr. KOLBE, and Mr. KOSTMAYER.

H.R. 747: Mr. SOLOMON, Mr. COSTELLO, Mr. DOOLITTLE, Mr. GAYDOS, and Mr. MCGRATH.

H.R. 776: Mr. BLAZ.

H.R. 1200: Mr. GLICKMAN.

H.R. 1261: Ms. SNOWE.

H.R. 1287: Mr. WEBER, Mr. LOWERY of California, Mr. ZIMMER, Mr. BLAZ, and Mr. SUNDQUIST.

H.R. 1536: Mrs. JOHNSON of Connecticut and Mr. MARTINEZ.

H.R. 1898: Mr. KOPETSKI, Mr. LAGOMARSINO, Mr. NUSSLE, Mr. CRAMER, Mr. MCCLOSKEY, Mr. FRANK of Massachusetts, Mr. HAMILTON, Mr. CHAPMAN, Mr. VALENTINE, AND Mr. BROWN.

H.R. 2012: Mr. COUGHLIN, Mr. BROWN, and Mrs. ROUKEMA.

H.R. 2149: Mr. WALKER, Mr. MURPHY, Mr. RITTER, and Mr. MCMILLAN of North Carolina.

H.R. 3128: Mr. MCMILLEN of Maryland.

H.R. 3138: Ms. KAPTUR, Mr. MCNULTY, and Mr. RANGEL.

H.R. 3278: Mr. DOOLITTLE.

H.R. 3373: Mr. NEAL of Massachusetts, Mr. PAYNE of New Jersey, Mr. SYNAR, Ms. ROS-LEHTINEN, Mr. WISE, Mr. SMITH of Florida, Mr. FASCELL, Mr. MCEWEN, Mr. HERGER, and Mr. RAMSTAD.

H.R. 3626: Mr. PANETTA.

H.R. 3702: Mr. SMITH of Florida and Mr. GUARINI.

H.R. 3844: Mr. DE LUGO, Mr. GILMAN, Mr. TOWNS, Mr. SERRANO, Ms. NORTON, and Mr. DORGAN of North Dakota.

H.R. 3981: Ms. NORTON, Mr. WELDON, Mr. BACCHUS, Mr. JEFFERSON, Mrs. LLOYD, Mr. LAFALCE, Mr. BEREUTER, Mr. GOODLING, Mr. LEVINE of California, Mr. ENGEL, Mr. KILDEE, and Mr. CAMP.

H.R. 4100: Mr. GAYDOS, Mr. PETERSON of Minnesota, Mr. MCCLOSKEY, Mr. OBERSTAR, Mr. DURBIN, Mr. SABO, Mr. JEFFERSON, Mr. LAUGHLIN, and Mr. COLEMAN of Texas.

H.R. 4168: Mr. SHAW and Mr. BACCHUS.

H.R. 4172: Mr. TRAFICANT.

H.J. Res. 258: Mr. MINETA.

H.J. Res. 293: Mr. LIVINGSTON, Mr. NAGLE, Mr. SMITH of Oregon, Ms. SNOWE, Mr. WOLF, Mr. HAYES of Louisiana, Mr. CARPER, Mr. BREWSTER, Mr. BENNETT, Mr. GUNDERSON, Mr. HEFNER, Mr. LEHMAN of Florida, Mr. GONZALEZ, Mr. SKELTON, Mr. GUARINI, Mr. MCHUGH, Mr. TAYLOR of Mississippi, Mr. VALENTINE, Mr. STOKES, Mr. PRICE, Mr. ERDREICH, Mr. YATRON, Mr. BEREUTER, Mr. ROYBAL, Ms. WATERS, Mr. SCHAEFER, Mr. SABO, Mr. BONIOR, Mr. FASCELL, Mr. HUBBARD, Mr. ROGERS, Mr. WAXMAN, Mr. LAROCCO, and Mr. WHITTEN.

H.J. Res. 334: Mr. SMITH of New Jersey, Mr. MCGRATH, Mr. PAYNE of New Jersey, and Mr. SERRANO.

H.J. Res. 390: Mr. CARDIN, Mr. SMITH of Florida, Mr. MACHTLEY, Mr. MANTON, Ms. HORN, Mr. CAMP, Mr. ROSE, Mr. FROST, Mr. KENNEDY, Mr. LEHMAN of Florida, Mr. COUGHLIN, and Mr. MOLLOHAN.

H. Con. Res. 252: Mr. WAXMAN.

H. Con. Res. 263: Mr. BEILENSON, Mr. ANDREWS of Maine, and Mr. SMITH of Florida.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the fourth calendar quarter 1991:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Is this an Amendment?
☐ YES ☐ NO

IDENTIFICATION NUMBER________________

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee"*.—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer"*.—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER —State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."◆

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1◆

Organization or Individual Filing	Employer/Client
Allan Robert Adler, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Cohn and Marks (For:Direct Marketing Assn)
John Aguirre, 1401 New York Avenue, NW Washington, DC 20005	National Food Processors Association
Airport Operators Council International, 1220 19th Street, NW, #200 Washington, DC 20036	
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	American Share Insurance Corporation
Do	Dow Jones & Co
Do	Mazda (North America), Inc
Do	Mazda Motor Corporation
Do	Ryder System, Inc
Alcalde Rousselot & Fay, 1901 North Ft. Myer Drive, 12th Floor Rosslyn, VA 22209	Colton Communities
Donna K. Alexander, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Mirage Resorts, Inc)
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	American Assn of Pharmaceutical Distributors
Do	Rand Eye Institute
Sarah Jane Amundson, 900 2nd Street, NE, #303 Washington, DC 20002	Doris Day Animal League
David J. Anderson, One KeyCorp Plaza P.O. Box 88 Albany, NY 12201-0088	KeyCorp
Jill C. Andrews, 1331-A Pennsylvania Ave., NW, Suite 217 Washington, DC 20004	Small Businesses for Advertising Choice
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	Aram Mardirosian
Do	Navajo Nation
Do	Republic Of Chile
John G. Arlington, 1130 Connecticut Ave., NW, Suite 1000 Washington, DC 20036	American Insurance Assn
Luther Glenn Arnette, 125 N. West Street Alexandria, VA 22314-2754	Fleet Reserve Assn
Susan M. Auther, 555 Thirteenth Street, NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corporation
Bronwyn Bachrach, 499 South Capitol Street, SW #507 Washington, DC 20003	Hecht Spencer & Associates (For:General Atomics)
Do	Hecht Spencer & Associates (For:MCI Telecommunications)
William W. Bailey, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	Bailey Morris & Robinson (For:American Council of Life Insurance)
Do	Bailey, Morris, & Robinson (For:American Imaging Assn)
Bailey Morris & Robinson, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	American Council of Life Insurance
Do	American Imaging Assn
Do	Maggio-Onorato & Assoc
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	Health Indistry Manufacturers Assn
Do	Rite Aid Corp
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Devilbiss Health Care, Inc
Do	IMEX
Baker Worthington Crossley Stansberry & Woolf, 801 Pennsylvania Ave., NW, #800 Washington, DC 20004	Grand Metropolitan, Inc
Do	Interturbine Corporate
Do	North Carolina Air Cargo Airport Authority
Ball Janik & Novack, 1101 Pennsylvania Avenue, NW, #1035 Washington, DC 20004	Oregon Department of State Lands
Do	Pacific Marine, Inc
Linda W. Banton, 1725 Jefferson Davis Highway #901 Arlington, VA 22202	Alliant Techsystems, Inc
Barbour & Rogers, 600 New Hampshire Ave., NW, Suite 1010 Washington, DC 20037	CBS, Inc
Michael F. Barrett Jr., 1079 Papermill Court, NW Washington, DC 20007	San Diego Gas & Electric
Kristin Bass, 1250 24th Street, NW, #300 Washington, DC 20037	Americans for Peace
Lana R. Batts, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc
Edward H. Baxter, 2000 M Street, NW, #700 Washington, DC 20036	Graham & James (For:Able Laboratories, Inc)
Do	Graham & James (For:Syntex USA, Inc)
Bayh Connaughton Fensterheim & Malone, PC, 1575 Eye Street, NW, Suite 1025 Washington, DC 20005	ALC Communications Corp
Do	Cook Group
Do	Joseph E. Seagram & Sons
Do	Jugopetrol
Do	Merrill Lynch & Company
Do	Milk Industru Foundation
Do	National Basketball Assn
Do	National Soft Drink Assn
Do	Real Estate Cappital Recovery Assn
Beacon Consulting Group, Inc, 1012 Pennsylvania Ave, SE Washington, DC 20003	Orton Dyslexia Society
Barbara Ann Bechberger, 9668 Hastings Drive Columbia, MD 21046	Harvest Church International
Mary C. Bennett, 815 Connecticut Avenue, NW Washington, DC 20006-4078	Baker & McKenzie (For:Horsham Corporation)
Bergner Boyette & Bockorny, Inc, 1101 16th Street, NW, #500 Washington, DC 20036	Enseco
Jules Bernstein, 1920 L Street, NW, #602 Washington, DC 20036	Federal Law Enforcement Officers Assn
Ann Beser, 2000 K Street, NW, Suite 800 Washington, DC 20006	National Committee to Preserve Social Security & Medicare
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	Health Industry Group Purchasing Assn
Beveridge & Diamond, P.C., 1350 Eye Street, NW, #700 Washington, DC 20005	Laurance S. Rockefeller
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Fish Alaska, Inc
Do	Holland American Lines, Inc
Do	Professional Sportfish Col. for Fairness in Fed. Regulations
Do	Soka University
Kelli Birtwell, 2012 Massachusetts Avenue, NW Washington, DC 20036	National Federation of Business & Professional Women's Clubs
Bituminous Coal Operators' Assn, 918 16th Street, NW, Suite 303 Washington, DC 20006	
Black Manafort Stone & Kelly, Inc, 211 North Union Street, #300 Alexandria, VA 22314	American Soc of Plastic & Reconstructive Surgeons
Do	Carolina Power & Light
Do	Centerior Energy
Do	Commonwealth Edison Co
Do	Houston Lighting & Power Company
Do	Jefferies & Company, Inc
Do	Military Audits of Market Information, Inc
Do	Textron
Do	United Way of America
Stephen J. Blair, 750 First Street, NE, Suite 900 Washington, DC 20002	Career College Assn, Inc
L. Thomas Block, 277 Park Avenue New York, NY 10172	Chemical Bank
Jennifer Blomstrom, 1531 P Street, NW, Suite 200 Washington, DC 20005	Sierra Club Legal Defense Fund
Jared O. Blum, 1731 Connecticut Ave., NW, 2nd Fl. Washington, DC 20009-1146	Polyisocyanurate Insulation Manufacturers Assn
Jennifer O. Boucher, 1600 Wilson Blvd., #1000 Arlington, VA 22209	American Waterways Operators, Inc
Thomas M. Boyd, 600 Pennsylvania Ave., SE, Suite 206 Washington, DC 20003	Federal Kemper Life Assurance Co
Do	Kemper Corp
Do	Kemper Financial Services, Inc
Do	Kemper Investors Life Insurance Company
Do	Kemper Reinsurance Company
John S. Boyden Jr., 1942 Yalecrest Ave. Salt Lake City, UT 84108	Zuni Indian Tribe
Stephen G. Boyden, 1100 South 1500 East Salt Lake City, UT 84105	Zuni Indian Tribe
Raymond F. Bragg Jr., 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	Legislative Strategies (For:Cogeneration & Independent Power Coalition of America, Inc)
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Environmental & Safety Data Exchange
Joel Brandenberger, 627 Edmonston Drive Rockville, MD 20851	National Turkey Federation
Stanley I. Bregman Law Offices, 1611 21st Street, NW, Suite 3 Washington, DC 20009	Air Transport Assn of America
Do	Car Rental Coalition
Do	Touro College
Do	Truck Renting & Leasing Assn (TRALA)
Peter E. Brereton, 1101 15th Street, NW, #400 P.O. Box 5937 Washington, DC 20005-5070	National Council of Community Bankers
Stephanie Breslin, 2300 M Street, NW, Suite 800 Washington, DC 20037	U.S. Independent Microwave Television Assn (USIMTA)
Michael F. Brinck, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS
Alvin Brown, 4573 MacArthur Boulevard, NW, #103 Washington, DC 20007	
Earline L. Brown, 5409 South Laflin Street Chicago, IL 60609	New City Community Counsil
Jerry M. Brown, Post Offie Box 1321 Springfeld, VA 22151	Bio-Technology General Corporation
William R. Brown Jr., 1630 Duke Street, 4th Floor Alexandria, VA 22314-3465	National Rural Letter Carriers' Association
Brownstein Hyatt Farber & Strickland, P.C., 410 17th Street, 22nd Floor Denver, CO 80202	Western Union Financial Services, Inc
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	Dal-Tile Corp
Do	Imco Realty
Do	Kimberly-Clark De Mexico, SA de CV
Bryant, Miller & Olive, PA, 201 South Monroe Street, Suite 500 Tallahassee, FL 32301	Fernandina Cruise Lines, Inc
Brydges Riseborough Morris Franke & Miller, 150 N. Michigan Ave. Chicago, IL 60601	School District 63, et al.
PerryAnne Buchanan, 3800 N. Fairfax Drive, Suite 4 Arlington, VA 22203	National Water Resources
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	McDonnell Douglas
Do	MAPCO
Butera & Andrews, 1275 Pennsylvania Ave., NW Washington, DC 20004	Anchor Savings Bank
Bruce Butterfield, 10703 Courthouse Rd. Fredericksburg, VA 22407	Scuba Divers Assn

Organization or Individual Filing	Employer/Client
C & C Consulting Group, Inc, 210 Cameron Street Alexandria, VA 22314	Advanta Corp
Do	Jones Motor Company
Do	Leo Eisenberg & Company
Do	MacAndrews & Forbes Holdings, Inc
Tony Calandro, 750 First Street, NW, #900 Washington, DC 20002	Career College Assn, In
Michael C. Camp, 1899 L Street, NW #1100 Washington, DC 20036	Exxon Corp
Jeanne Campbell, Campbell-Raupe, Inc 1010 Pennsylvania Avenue, SE Washington, DC 20003	Home Finance Coalition, Inc
James R. Cannon Jr., 808 Seventeenth Street, NW, #300 Washington, DC 20006-3910	Stewart and Stewart (For:Smith Corona Corp)
Capital Consultants, 1122 Colorado, #307 Austin, TX 78701	Madison Public Affairs Group
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	Nestle Foods
Do	U.S. Healthcare, Inc
Caplin & Drysdale, Chtd, One Thomas Circle, NW, #1100 Washington, DC 20005	Investors in Home-Stake Production Company
Career College Assn, Inc, 750 First Street, NE,Suite 900 Washington, DC 20002	
Linda E. Carlisle, 1000 Connecticut Ave. NW, Washington, DC 20036	McClure Trotter & Mentz (For:Government of Puerto Rico)
Do	McClure Trotter & Mentz (For:Mercedes-Benz of North America, Inc)
Fred Carter, 2929 Landrum Drive, #F39 Atlanta, GA 30311	RainBow Star Shipping Association
Frank H. Case III, 2600 Virginia Ave., NW, 10th Floor Washington, DC 20037-1905	Schmeltzer, Aptaker & Shepard, PC (For:Council of Nursing Home Suppliers)
Cassidy and Associates, Inc, 700 13th St., NW, #400 Washington, DC 20005	Albion College
Do	Best Buddies of America, Inc
Do	CenterPort International
Do	CertainTeed Corp
Do	Saunders, Snyder, Ross & Dickson, PC
Harold Theo Chambers Jr., 116 Highland Drive P.O. Box 329 Mays Landing, NJ 08330	Theo's Theory on Business Management
William J. Chandler, 1776 Massachusetts Avenue, NW, #200 Washington, DC 20036	National Parks & Conservation Association
Chernikoff & Company, 1320 18th Street, NW, #100 Washington, DC 20036	Isabella Stewart Gardner Museum
Child Care America, Inc, 14102 Warwick Blvd Newport News, VA 23602	
Christian Action Network, P.O. BOx 606 Forest, VA 24551	
Michelle C. Clay, 8630 Fenton Street, #615 Silver Spring, MD 20910	Federation of Postal Police Officers
Coal Industry Health Protection Coalition, 918 16th Street, NW, Suite 303 Washington, DC 20006	
Coffield Ungaretti Harris & Slavin, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	National Cooperative Bank
Cohn and Marks, 1333 New Hampshire Ave., NW Washington, DC 20036	Direct Marketing Assn
Randall I. Cole, 7900 Westpark Drive McLean, VA 22102	HFSI
Collier Shannon & Scott, 3050 K Street, NW, #400 Washington, DC 20007	International Crystal Federation
Geri Colombaro, 1776 F Street, NW Washington, DC 20006	IBM
Concord Associates, Inc, 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	Forest City Ratner Companies
Bruce R. Condit, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics
Conkling Fiskum & McCormick, 900 SW 5th Ave. Suite 2300 Portland, OR 97204-1268	Epitope
Do	Portland Community College
Do	Sisters of Providence
Richard M. Cooper, 839 17th Street, NW Washington, DC 20006	Williams & Connolly (For:PAR Pharmaceutical)
Chuck Corbett, 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' National Assn
Council of Nursing Home Suppliers, c/o Sshmeltzer, Aptaker & Shepard 2600 Virginia Ave., NW, 10th Floor Washington, DC 20037-1905	
Christopher D. Coursen, 1133 Connecticut Ave., NW, #900 Washington, DC 20036	Hauser Communications, Inc
Do	Ten-Ten General Partnership
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	Jones Financial Companies
Do	Private Benefits Alliance
W. Bruce Crain, 1101 15th ,Street, NW, Suite 400 Washington, DC 20005-5070	National Council of Community Bankers
Adrain Cronauer, 1301 Pennsylvania ave., NW, Suite 500 Washington, DC 20004	U.S. Independent Microwave Television Assn
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Canyon Resources Corp
Sharon M. Daly, 122 C Street, NW, 4th Floor Washington, DC 20001	Children's Defense Fund
Davidoff & Malito, 444 N. Capitol Street Washington, DC 20001	Ad Hoc Comm of Protective Services
Davis Wright & Tremaine, 2600 Century Squaree., NW, #600 1501 Forth Avenue Seattle, WA 98101	Seattle Times Company
Barbara Daye, 655 Fifteenth Street, NW 300 Metropolitan Square Washington, DC 20005-2	Blue Cross of California
Dewey Ballantine, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	PacifiCorp Financial Services
Do	US Golf Association
Jennifer S. DeAnna, 601 13th Street, NW, Suite 650 North Washington, DC 20005	Detroit Edison Company
Henry L. Diamond, 1350 I Street, NW, #700 Washington, DC 20005	Laurance S. Rockefeller
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Detroit Red Wings
Do	Magma Cooper Company
Do	National Assn of Chain Drug Stores
Robbi Rice Dietrich, P.O. Box 660634 Dallas, TX 75266-0634	Frito-Lay, Inc
Charles Vern Dinges Iv, 1325 G Street, NW, #1003 Washington, DC 20005	American Soc of Civil Engineers
Discovery Cruises, Inc, 1850 Eller Drive, Suite 402 Fort Lauderdale, FL 33316	
Lucia DiVenere, 925 15th St., NW Washington, DC 20005	Families USA
John D. Doherty Jr., 901 31st Street, NW Washington, DC 20007	Federal Legislative Associates, Inc (For:Olin Brass)
Daniel Dooley, 1001 Pennsylvania Ave., NW, Suite 1350 Washington, DC 20004	Kahn, Soares & Company (For:Mid-Valley Water Authority)
Linda Doorfee-Flaherty, 600 New Hampshire Avenue, NW, #1111 Washington, DC 20037	Appraisal Institute
Dow Lohnes & Albertson, 1255 23rd St., NW, Suite 500 Washington, DC 20037	Cox Enterprises, Inc, et al.
Ducheneaux Gerard & Associates, 1155 Connecticut Avenue, NW, #400 Washington, DC 20036	Minnesota Indian Gaming Assocation
Do	National Indian Gaming Association
John J. Dunn, 83 Concord Avenue Belmont, MA 02178	Research Development & Technical Employees' Union
Dykema Gossett, 1752 N Street, NW, 6th Fl. Washington, DC 20036	Discovery Cruises, Inc
Do	Magic Line, Inc
Do	Systems Control, Inc
Do	University of Michigan Medical Center
Ronald Ealey, 913 Drum Avenue Capitol Heights, MD 20743	Harvest Church International
Robert Eaves, 2214 Paddock Way, #900 Grand Prairie, TX 75050	Allied Pilots Association
Daniel C. Edmundson, 90 Park Avenue New York, NY 10016-1387	Walter Conston Alexander & Green, P.C. (For:Leybold Ag)
Education Legislative Services, Inc, 5855 Staduim Street San Diego, CA 92122	Oakland Unified School District
Do	San Diego Unified School District
Edwards & Antholis, 95 Madison Avenue Morristown, NJ 07960	New Jersey Assn of Independent Car Rental Companies
Gary Elmestad, P.O. Box 3153 St Peters, MO 63376	City of St. Peters
Michael Englehardt, 3535 Garrett Drive, GRI-35 Santa Clara, CA 95052	Intel Corp
Michael Evans, 444 North Capitol Street, Suite 711 Washington, DC 20001	Keefe Company (For:Alarm Industry Communications Committee)
Walter H. Evans III, 701 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Brix Maritime, Inc
Brian Ferguson, 1776 Eye Street, NW, Suite 1050 Washington, DC 20006	Eastman Kodak Co
H. David Fish, 5885 Stadium St. San Diego, CA 92122	Educationa Legislative Services, Inc (For:Oakland Unified School District)
John H. Fitch Jr., 1725 K St., NW, #1200 Washington, DC 20006	Federal Legislative Associates (For:Citizens Commission for Human Rights)
Do	Federal Legislative Associates (For:National Coalition of IRS Whistleblowers)
Clyde Fitzgerald, 815 Sixteenth Street Washington, DC 20006	International Longshoremen's Association, AFL-CIO
Ronnie G. Flippo, 701 Pennsylvania Ave., NW, #800 Washington, DC 20004	R.G. Flippo & Associates, Inc (For:United States Telephone Assn)
Joseph P. Foley, P.O. Box 61303 Potomac, MD 20859	Unified Industries, Inc
Foley & Company, Inc, P.O. Box 61303 Potomac, MD 20859	Storage Concepts, Inc
Edward H. Forgotson, 1020 - 16th Street, NW, Suite 300 Washington, DC 20036	Exhide Corporation
Donald L. Fowler, P.O. Box 50627 Columbia, SC 29250	Greenwood Development Corp
Phillip L. Fraas, 1 Massachusetts Avenue, N.W., #800 Washington, DC 20001	McLeod Watkinson & Miller (For:National Milk Producers Federation)
John Freshman Associates, Inc, 1625 K Street, NW, Suite 200 Washington, DC 20006	Alaska Department of Environmental Conservation
Do	Anheuser-Busch Companies, Inc
Do	James M. Montgomery Consulting Engineers, Inc
Do	Los Angeles County Sanitation District
Gay Friedmann, 555 13th Street, NW, #300W Washington, DC 20004	Interstate Natural Gas Assn of America
Pattison Fulton, 601 Pennsylvania Ave., NW, #900 Washington, DC 20004	Standord University
Kurt A. Furst, Searle Washington Office One Massachusetts Ave., NW, Suite 800 Washington, DC 20001	G.D. Searle & Co.
Kathleene E. Gallegos, 1155 15th Street, NW, #400 Washington, DC 20005	McNair Group, Inc
David H. Gay, 83 Concord Avenue Belmont, MA 02178	Research Development & Technical Employees' Union
David Wesley Gibbons, 1600 Rhode Island Ave. NW, Washington D.C., DC 20036	National Rifle Association of America
Martha A. Gibbons, 1155 Connecticut Ave., NW Washington, DC 20036	Laidlaw Waste Systems, Inc
Michelle Gibson, 1101 30th Street, NW, #500 Washington, DC 20007	Cement Kiln Recycling Coalition
Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Carpenters/Contractors Cooperation Committee, Inc
Brad Gilman, 2300 Clarendon Blvd., #1010 Arlington, VA 22201	Alaska Groundfish Data Bank
Do	All Alaskan Seafoods. Inc
Do	Robertson Monagle & Eastaugh (For:Transportation Institute)
Caesar A. Giolito, P.O. Box 5793 Carefree, AZ 85377	American Assn of Pastoral Counselors
Carolyn H. Giolito, P.O.Box 5793 Carefree, AZ 85377	American Assn of Pastoral Counselors

Organization or Individual Filing	Employer/Client
Donna Siss Gleason, 2001 L Street, NW, #1000 Washington, DC 20036	The Susan Davis Companies
Joseph Gloyd, 1023 15th Street, NW, Suite 300 Washington, DC 20005	American Veterinary Medical Assn
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	LEGI-SLATE
Mark J. Golden, 1019 19th Street, NW, Suite 1100 Washington, DC 20036	Telocator
Andrew Goldfarb, c/o Leadership Conference on Civil Right 2027 Massachusetts Avenue, NW Washington, DC 20036	Leadership Conference on Civil Rights
Michael Graham, 625 Slaters Lane, Suite 200 Alexandria, VA 22314	National Assn of Medical Equiptment Suppliers
Gates Grainger, 888 16th Street, NW Washington, DC 20006	Bannerman and Associates, Inc (For:Beirut University College)
Do	Bannerman and Associates, Inc (For:Embassy of the Republic of Djibouti)
Do	Bannerman and Associates, Inc (For:Government of the United Arab Emirates)
Do	Bannerman and Associates, Inc (For:Government of Egypt)
Kevin Grant, 1627 K Street, NW, Suite 400 Washington, DC 20006	National Newspaper Assn
Thomas V. Grasso, 1616 P Street, NW, Suite 310 Washington, DC 20036	Union of Concerned Scientists
Graves & Associates, Ed, 2001 M Street, NW, 4th Floor Washington, DC 20036	Correctional Education Consultants, Inc
Do	Hill & Knowlton
Scott H. Green, 1275 Pennsylvania Ave, NW, #220 Washington, DC 20004	National Center for Missing & Exploited Children
Do	PRC
Mary Louise Griffin, 2214 Paddock Way, #900 Grand Prairie, TX 75050	Allied Pilots Association
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Primerica Corp
Robert P. Hall, 701 Pennsylvania Ave., NW Washington, DC 20004	Naitonal Retail Federation
Tami Lou Hamilton, 419 7th Street, NW, #500 Washington, DC 20004	National Right to Life Committee, Inc
Hand Arendall Bedsole Greaves & Johnston, P.O. Box 123 Moblie, AL 36601	Alabama Department of Revenue
Deborah Harnesberger, 625 Slaters Lane, #200 Alexandria, VA 22314	National Assn of Medical Equipment Suppliers
Margaret V. Hathaway, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Profitt & Wood (For:American Council of Life Insurance)
Do	Thacher Proffitt & Wood (For:John Alden Asset Management Company)
Do	Thacher Proffitt & Wood (For:John Hancock Financial Services)
Do	Thacher Proffitt & Wood (For:Massachusetts Mutual Life Insurance Company)
Do	Thacher Proffitt & Wood (For:Prudential Insurance Company)
Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	Pacific Northwest Utility Conference Committee
William H. Hecht, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Colton Communities, Inc)
Do	Hecht Spencer & Associates (For:General Atomics)
Do	Hecht Spencer & Associates (For:MCI Telecommunications)
Hecht Spencer & Associates, Inc, 499 South Capitol Street, SW, #507 Washington, DC 20003	Colton Communities, Inc
Do	General Atomics
Do	MCI Telecommmunications
Jane E. Henriques, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc
Vern F. Highley, 1735 I Street, NW, #716 Washington, DC 20006	National Watermelon Association
Do	Whitefly Management Comm. of the Imperial Co. CO River Basin
Hinman Straub Pigors & Manning, P.C., 50 E Street, SE Washington, DC 20003	New York State Conference of Blue Cross & Blue Shield Plans
Nancy Hirshbein, 1400 P Street, NW Washington, DC 20036	Zero Population Growth
Ann F. Hoffman, 815 16th Street, NW, Suite 103 Washington, DC 20006	International Ladies' Garment Workers' Union
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	Carter Green Redd, Inc
Do	Flour Corporation
Do	Globe Nuclear Services adn Supply Limited (GNSS)
Do	Humane Society of the United States
Do	National Tissue Bank Council
Do	Nuexco Trading Corp
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Coalition for Economic Recovery
Holleb & Coff, 55 East Monroe, #4100 Chicago, IL 60603-4100	Monroe Communications, Inc
Howe Anderson & Steyer, 1747 Penn Ave., NW, #1050 Washington, DC 20006	National Assn of Bankruptcy Trustees
Thomas H. Hudson, P.O. Box 2787 Baton Rouge, LA 70821	Seneca Resources, Inc
F. H. Hutchison & Co, 901 King St., #101 Alexandria, VA 22314	City of Boise
Pamela Sue Hyde, 4301 North Fairfax Srive, #360 Arlington, VA 22203-1608	National Utility Contractors Association
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:American Public Transit Assn)
Do	Hill & Knowlton, Inc (For:Embassy of the People's Republic of China)
Do	Hill & Knowlton, Inc (For:Olin Brass)
Do	Hill & Knowlton, Inc (For:Sallie Mae)
Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037	American Osteopathic Hospital Assn
James W. Hlney, 6538 Bay Tree Court Falls Church, VA 22041	Noise Cancellation Technologies, Inc
Immigration Services Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Circuses, et al
Do	Fragomen, Del Rey & Bersen (PC) (For:IBM)
Do	The Search Group, Inc
Indian American Political Federation, 601 Pennsylvania Ave., NW North Building, Suite 700 Washington, DC 20004	
Edrie Irvine, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc
J/T Group, 2555 M Street, NW, #327 Washington, DC 20037	Coal Industry Health Protection Coalition
Eva Jack, 3535 Garrett Drive, GRI-35 Santa Clara, CA 95052	Intel Corp
Beverly Roberson Jackson, 3707 Ingomar Street, NW Washignton, DC 20015	National Center for Clinical Infant Programs
Jennifer M. Jensen, 777 North Capitol Street, NE, Suite 805 Washington, DC 20002	American Wind Energy Assn
Janet I. Jenson, 2600 Virginia Ave., NW, 10th Floor Washington, DC 20037-1905	Schmeltzer, Aptaker & Shepard (For:Council of Nursing Home Suppliers)
James Edward Johnson, 2816 Blue Spruce Ln Wheaton, MD 20906	World Benefit Services, Inc
Michael S. Johnson, Suite 1290 East 555 13th Street, NW Washington, DC 20004	McCamish Martin & Loeffler (For:American Golf Corp)
Jones Day Reavis & Pogue, 1450 G Street, NW, #700 Washington, DC 20005-2088	U.S. Sprint - United Telecom, Inc
Do	Upjohn Company
Jones Walker Waechter Poitevent Carrere & Denegre, 1776 Eye Street, NW, #245 Washington, DC 20006	Tad Gormley Project, Inc
Jan L. Kahn, 1001 Pennsylvania Ave., NW, #1350 Washington, DC 20004	Kahn Soares & Conway (For:California Bean Growers Assn)
Do	Kahn Soares & Conway (For:Mid-Valley Water Authority)
Kahn Soares & Conway, 1001 Pennsylvania Ave., NW, #1350-N Washington, DC 20004	California Bean Growers Assn
Do	Central Soya
Do	Mid-Valley Water Authority
Do	National Agricultural Chemicals Assn
Walter Kallaur, 801 Pennsylvania Ave.,NW, Suite 700 Washington, DC 20004	Northers Telecom, Inc
Martin B. Kanner, 2301 M St., NW Washington, DC 20037	Publica Power Council
Katten Muchin Zavis & Dombroff, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Future Water International
Do	National Assn of Independent Colleges & Universities
Do	Northwestern Memorial Hospital
Do	Software Publishers Assn
Paul C. Katz, 3900 Wisconsin Ave., NW Washington, DC 20016	U.S. League of Savings Institutions
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	Indeck Energy Services, Inc
Beth Keifer, 2251 Wisconsin Ave., NW Washington, DC 20007	Career College Assn, Inc
Burnett S. Kelly, Dow Corning Corp 1800 M Street, NW, Suite 325 South Washington, DC 20036	Dow Corning Corp
Thomas E. Kelly III, 1800 Diagonal Road, #400 Alexandria, VA 22314	Maxwell Laboratories, Inc
Todd E. Kemp, 1201 New York Avenie, NW Washington, DC 20005	National Grain & Feed Assn
Jackson Kemper, III, 1215 Jefferson Davis Highway, #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	State of Delaware
J. H. Kent, 1825 K Street, NW, #305 Washington, DC 20006	Liz Claiborne, Inc
Do	MBI, Inc
Do	Sigallo, Ltd
William P. Killmer, 1331 Pennsylvania Avenue, NW, #910 Washington, DC 20004	National Assn of Home Builders of the U.S.
Paul E. Kindinger, 1001 Pennsylvania Ave., NW, Suite 1350 Washington, DC 20004	Kahn, Soares & Conway (For:California Bean Growers Assn)
Do	Kahn, Soares & Conway (For:Central Soya)
Do	Kahn, Soares & Conway (For:Mid-Valley Water Authority)
Do	Kahn, Soares & Conway (For:National Argricultural Chemicals Assn)
Kreig, DeVault, Alexander & Capehart, 2800 One Indiana Square Indianapolis, IN 46204	Krieg, DeVault, Alexander & Capehart
Mark Kronenberg, 1735 Jefferson Davis Highway, #1200 Arlington, VA 22202	McDonnell Douglas Corp
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Education Resources Institute
Fern M. Lapidus, 6736 Hillandale Road Chevy Chase, MD 20815	Education Legislative Services, Inc
Nancy K. Lataif, 419 7th Street, NW, #500 Washington, DC 20004	National Right to Life Committee, Inc
Latham & Watkins, 1001 Pennsylvania Ave., NW, #1300 Washington, DC 20004-2505	Allen-Williams Corp
Do	Clean Air & Mobility Project (CAMP)
Paul Laxalt Group, 801 Pennsylvania Ave, NW, #750 Washington, DC 20004	Milliken & Company
Gilbert B. Lessenco, 1025 Connecticut Ave., NW #500 Washington, DC 20036	Semmes Bowen & Semmes (For:MBNA America Bank, NA)
Do	Semmes Bowen & Semmes (For:Provident Bank of Maryland)
Turna R. Lewis, 2101 E Street, NW Washington, DC 20037	American Foreign Service Assn
LeBoeuf Lamb Leiby & MacRae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	Mirage Resorts, Inc
Lawrence R. Liebesman, 10480 Little Patuxent Parkway, Suite 950 Columbia, MD 21044	Palisades Development, Inc, et al.

Organization or Individual Filing	Employer/Client
W. Timothy Locke, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Colton Communities, Inc)
Do	Hecht Spencer & Associates (For:General Atomics)
Do	Hecht Spencer & Associates (For:MCI Telecommunications)
Thomas G. Loeffler, P.O. Box 2999 San Antonio, TX 78299-2999	McCamish Martin & Loeffler (For:American Golf Corp)
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	Milliken and Company
M.J. Johnson Company, 1951 Seville Street Santa Rosa, CA 95403	California Urchin Producers Assn
Robert A. Macari, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	National Cooperative Bank
Madison Public Affairs Group/Earle Palmer Brown, 2033 M Street, NW, #900 Washington, DC 20036	National Power
Magic Line, Inc, 23400 Michigan Avenue Dearborn, MI 48124-1999	
Manatt Phelps & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Chemical Bank
Do	PriMerit Bank
Do	Thomas Cook, et al.
Marc Associates, Inc, 1101 17th Street, NW, #803 Washington, DC 20036-4704	American College of Foot Surgeons
Lawrence D. Markley, Rt. 1, Box 130-A Mt. Solon, VA 22843	INN Electric Cooperative
Do	Kotzbue Electric Association
Marlowe & Company, 1667 K Street, NW, #480 Washington, DC 20006	National Society of Fund Raising Executives
Do	Town of Longboat Key
Julie Marsh, 2030 M Street, NW Washington, DC 20036	Common Cause
Catherine A. Marshall, 2001 M Street, NW Washington, DC 20036	Capitoline International Group, Ltd (For:Scott Paper Company)
McAuliffe Kelly & Raffaelli, 1341 G Street, NW, 2nd Floor Washington, DC 20005	Kamm & Associates, Ltd
Charlie McBride Associates, Inc, 1730 M Street, NW, #800 Washington, DC 20036	HNSX, Supercomputers, Inc
Do	SOKA University
McCamish Martin & Loeffler, P.C., Suite 1290 East 555 13th Street, NW Washington, DC 20004	American Golf Corp
Do	South West Florida Enterprises, Inc
James A. McCarthy, 1711 King Street, #One Alexandria, VA 22314	Snack Food Assn
James S. McCloskey, 1001 Connecticut Ave., NW, Suite 20036 Washington, DC 20036	Simon and Company, Inc
McClure Gerard & Neuenschwander, Inc, 801 Pennsylvania Ave., NW, #820 Washington, DC 20004-2604	Echo Bay Mines
Do	FMC Corp
Maryanne McCormick, 1455 Pennsylvania Avenue, NW Washington, DC 20004-1007	American Institute of Certified Public Accountants
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006-2296	Tropicana
John P. McDonough, 99 Commerce Place Upper Marlboro, MD 20772	O'Malley & Miles (For:National Hockey League)
Raymond McElroy, 5600 Collins Ave #16A Miami, FL 33139	R. F. McElroy & Co. (For:R. F. M. Construction Inc)
Frank McKeever, 5409 South Laflin Street Chicago, IL 60609	New City Community Counsil
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt, Inc (For:Centocor, Inc)
Nancy L. McLernon, 816 Connecticut Avenue, NW, 7th Floor Washington, DC 20006	Organization for International Investment (OFII)
Rachel A. McMillan, 1850 K Street, NW, Suite 950 Washington, DC 20006	McDermott, Inc
George G. Mead, 1500 K St., NW, #375 Washington, DC 20005	National Beer Wholesalers Assn
John K. Meagher, 1333 New Hampshire Avenue, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Mirage Resorts, Inc)
James Gregory Means, 6252 15th Place Arlington, VA 22205	Salomon Brothers
Do	Systech Environmental Corporation
Howard A. Menell, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	National Cooperative Bank
Mark Menezes, 555 13th Street, NW, Suite 1290 East Washington, DC 20004	McCamish Martin & Loefler (For:American Golf Corp)
Do	McCamish Martin & Loefler (For:Central South West Corp)
Do	McCamish Martin & Loefler (For:Citicorp)
Do	McCamish Martin & Loefler (For:Electronic Data Systems Corp)
Do	McCamish Martin & Loefler (For:Hong Kong Trade Development Council)
Do	McCamish Martin & Loefler (For:National Assn of Broadcasters)
Do	McCamish Martin & Loefler (For:Sematech)
Do	McCamish Martin & Loefler (For:South West Florida Enterprises, Inc)
Do	McCamish Martin & Loefler (For:United Services Automobile Assn)
Paul K. Mengert, P.O. Drawer 10265 Greensboro, NC 27404	Real Estate Management Companies
J. Roger Mentz, 1100 Connecticut Ave., NW Washington, DC 20036	McClure Trotter & Mentz (For:Government of Puerto Rico)
Do	McClure Trotter & Mentz (For:Mercedes-Benz of North America, Inc)
Meyers & Associates, 412 First St., SE, #100 Washington, DC 20003	Plato Industries
Chaz Miller, 1801 K Street, NW, #1105-L Washington, DC 20006	National Solid Wastes Management Assn
David H. Miller, 900 17th Street, NW Washington, DC 20006	Federal Legislative Associates (For:American Public Transport Assn)
Do	Federal Legislative Partners (For:Boston Capital Partners, Inc)
Do	Federal Legislative Associates (For:Colonial Williamsburg)
Do	Federal Legislative Associates (For:National Coalition of IRS Whistleblowers)
Edward K. Miller, P.O. Box 2349 Hagerstown, MD 21741-2349	Mirek Research Services
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Blue Cross of California
Mitchell Williams Selig Gates & Woodyard, 1420 New York Ave., NW, #1050 Washington, DC 20005	Acxiom Corp
Carl A. Modecki, 1401 New York Ave., NW, Suite S-720 Washington, DC 20005	National Assn of Insurance Brokers
Powell A. Moore, 1133 Connecticut Ave., NW, #700 Washington, DC 20036	Equifax Corp
Do	Sekur SPA- Pirelli Group
Eugene Moos, Gene Moos & Associates 1000 16th Street, NW, #702 Washington, DC 20036	Burlington Northern Railroad Corp
John H. Morrill, 625 Slaters Lane, #200 Alexandria, VA 22314	Community Nutrition Institute
J. Wilson Morris, 1201 Connecticut Ave. #300 Washington, DC 20036	Bailey Morris & Robinson (For:American Imaging Assn)
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Mid America Federal Savings Bank
Margaret R. Murray, One Massachusetts Avenue, NW, #800 Washington, DC 20001	McLeod Watkinson & Miller (For:National Milk Producers Federation)
National Council of La Raza, 810 First Street, NE, #300 Washington, DC 20002	
National Motorists Assn, 6678 Pertzborn Road Dane, WI 53529	
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	GTECH, et al.
Joseph L. Nellis, 1350 I Street, NW, 9th Floor Washington, DC 20005	MAPI, Inc
David P. Nicoli, 1341 G Street, NW, 9th Floor Washington, DC 20005	Philip Morris Management Corp
Ellis T. Nottingham Jr., 7900 Westpark Drive, Suite A530 McLean, VA 22102	Honeywell, Inc
O'Bannon & Gibbons, 2550 M Street, NW, #275 Washington, DC 20037	Coalition for Tax Simplification
Michael J. O'Connor, 11 Dupont Circle, NW, Suite 300 Washington, DC 20036	Albers & Company (For:May Department Stores Company)
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Land Title Assn
Do	State Street Bank & Trust Company
Jim O'Neal, 4404 Fairfax Hill Plano, TX 75024	People for America
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	Southeast Toyota Distributors, Inc
John T. O'Rourke, 1129 20th Street NW #500 Washington, DC 20036	Securities Industry Assn
Do	Telecommunications Industries Assn
Do	The Limited, Inc
John O'Shaughnessy, 1001 G Street, NW, 7th Floor East Washington, DC 20001	Golden Rule Insurance Company
Erik Olson, 1350 New York Avenue, NW Washington, DC 20005	Natural Resources Defense Council, Inc
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Hill and Knowlton (for: Florida Department of Citrus)
Daryl Owen, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper, Hooper & Owen (For:Integrated Resources Group, Inc)
Joseph F. Page III, 201 W. Big Beaver Troy, MI 48084	Cox & Hodyman (For:Aetna Health Plans)
James A. Palmer, 1776 I Street, NW, Suite 1000 Washington, DC 20006	BP America, Inc
Jack C. Parnell, 1001 Pennsylvania Ave., NW, Suite 1350 Washington, DC 20004	Kahn, Soares & Conway (For:California Bean Growers Association)
Do	Kahn, Soares & Conway (For:Central Soya)
Do	Kahn, Soares & Conway (For:Mid-Valley Water Authority)
Do	Kahn, Soares & Conway (For:National Agricultural Chemicals Association)
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	American Newspaper Publishing Assn
Do	American Soc of Plastic & Reconstructive Surgeons
Do	Bluebonnet Savings Bank FSB
Do	Coalition for Fair Allocation of Interest
Do	STS Hydropower, LTD
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	HNSX Supercomputers, Inc
Do	Newsprint Section of the Canadian Pulp & Paper Assn
Bruce Peabody, 110 Maryland Ave., NE Washington, DC 20002	Council for a Livable World
People for America, 4404 Fairfax Hill Plano, TX 75024	
Anne Powers Perry, 5605 South 5th Road Arlington, VA 22204	Oryx Energy Co
Edmund F. Perry, 1301 K Street, NW, Suite 1100 Washington, DC 20005	IBM Corp
John C. Perryman, 333 Piedmont Avenue, 23rd Floor Atlanta, GA 30308	Georgia Power Company
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	Morton International
Do	New York State Thruway Authority
Lisa Piccione, 1220 19th Street, NW, #200 Washington, DC 20036	Airports Assn Council International
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Direct Marketing Assn
Do	Information Industry Assn
Do	Journal of Commerce, Inc
Do	Mead Data Central, Inc

Organization or Individual Filing	Employer/Client
Ronald L. Platt, 499 S. Capitol Street, #501 Washington, DC 20003	Fashion Accessories Shippers Assn
Jon Plebani, 555 13th Street, NW, Suite 1290 East Washington, DC 20004	McCamish Martin & Loeffler (For:American Golf Corp)
Do	McCamish Martin & Loeffler (For:Central South West Corp)
Do	McCamish Martin & Loeffler (For:Citicorp)
Do	McCamish Martin & Loeffler (For:Electronic Data Systems Corp)
Do	McCamish Martin & Loeffler (For:National Assn of Broadcasters)
Do	McCamish Martin & Loeffler (For:Sematech)
Stephen Pohlot, Box 888/11880-054 Ashland, KY 41101	
Anne L. Polansky, 777 North Capitol St., NE, Suite 805 Washington, DC 20002	Solar Energy Industries Assn
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor, S Washington, DC 20004	Dr. Pepper Co
Do	Hewlett-Packard Company
Do	Independent Mining Company, Inc
Do	Minorco (USA), inc
Do	Proctor & Gamble
Do	Schering-Plough
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Government of Rheinland-Pfalz
Preston Gates Ellis Rouvelas & Meeds, 1735 New York Avenue, NW, #500 Washington, DC 20006	Microsoft Corp
Public Strategies Washington, Inc, 1455 Pennsylvania Ave., NW, #1100 Washington, DC 20004	Boston Capital Partners, Inc
Do	GTECH
Everett Pyatt, 4560 North 25th Road Arlington, VA 22207	
Jeffrey L. Quyle, 720 N. High School Rd. Indianapolis, IN 46214	Indiana Statewide Assn of Rural Electric Cooperatives, Inc
John Vernon Rainbolt II, 655 15th Street, NW, Suite 300 Washington, DC 20005	Chicago Mercantile Exchange
Do	Rainbolt Law Office (For:National Futures Assn)
Diana Ramsay, 1383 Piccard Drive P.O. Box 1725 Rockville, MD 20849-1725	American Occupational Therapy Assn, Inc
Realistic Security for America, P.O. Box 764 Oshkosh, WI 54902	
Reed Smith Shaw & McClay, 1200 18th Street, NW Washington, DC 20036	Mid-America Transplant Association
Reid & Priest, 701 Pennsylvania Avenue, NW Washington, DC 20004	City of Cleveland, Department of Port Control
Research Development & Technical Employees' Union, 83 Concord Avenue Belmont, MA 02178	
Galen J. Reser, Pepsico, Inc Purchase, NY 10577	Pepsico, Inc
Lourdes A. Rivera, 122 C Street, NW Washington, DC 20001	Children's Defense Fund
Rivkin Radler Bayh Hart & Kremer, 1575 I Street, NW, #1025 Washington, DC 20005	Pennsylvania Savings Assn Insurance Corp
Peter D. Robinson, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	Bailey Morris & Robinson (For:American Imaging Assn)
Russell M. Robinson, 1900 Independence Center 101 North Tyron Street Charlotte, NC 28246	John Motley Morehead Foundation
Robinson Bradshaw & Hinson, P.A., 1900 Independence Center 101 North Tyron Street Charlotte, NC 28246	John Motley Morehead Foundation
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	American International Group, Inc
Do	Mesa Limited Partnership
Do	United States Banknote Corp
Barbara J. Rohde, 2440 Virginia Ave., NW, #D1203 Washington, DC 20037	Hubert Humphrey Institute of Public Affairs
Do	Small Business Exporters Assn
Linda A. Rokosky, 1250 24th Street, NW, Suite 300 Washington, DC 20037	Americans for Peace
Terry Cornwell Rumsey, 490 L'Enfant Plaza East, SW, Suite 4200 Washington, DC 20024	Xerox Corp
Anthony S. Rust, 515 Weaver Street Larchmont, NY 10538	Trust and Associates (For:Alternative Energy Advocacy)
Craig S. Sadick, 188-A Onville Road Stafford, VA 22554	Common Sense, Inc
Sagamore Associates, Inc, 1701 K Street, NW #400 Washington, DC 20006	Flash Technology Corporation of America
Do	Indiana University
Do	United Student Aid Funds
R. Gerard Salemme, 1250 Connecticut Avenue, NW, #401 Washington, DC 20036	McCaw Cellular Communications, Inc
Mike Sandifer, 2419 Chain Bridge Road, NW Washington, DC 20016	American Telemarketing Assn
Thomas Sauermilch, 90 Park Avenue New York, NY 10016-1387	Walter Conston Alexander & Green, P.C. (For:Leybold AG)
Rodger Schlickeisen, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife
Schmeltzer Aptaker & Sheppard, 2600 Virginia Ave., NW, #1000 Washington, DC 20037	Council of Nursing Home Suppliers
Richard M. Schmidt Jr., 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Career College Assn, Inc
Robert V. Schneider, 1250 24th Street,NW, #300 Washington, DC 20007	Americans for Peace
Leslie Schultz, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn
Schwabe Williamson & Wyatt, 2100 Pennsylvania Ave., NW, #670 Washington, DC 20037	Los Angeles Department of Water & Power
Christopher L. Schwartz, 2000 M Street, NW Washington, DC 20036	Graham & James (For:Able Laboratories, Inc)
Michael C. Sciacca, Jamin Ebell Bolger &Gentry 605First Avenue, #300 Seattle, WA 98104	Washington Oil Marketers Asn
Pamela Sederholm, 2300 N Street, NW, #600 Washington, DC 20037	International Council of Cruise Lines
Robert A. Seraphin, 1725 Jefferson Davis Highway, #901 Arlington, VA 22202	Alliant Techsystems, Inc
Warner H. Session, 1730 K Street, NW, Suite 304 Washington, DC 20006	Airport Minority Advisory Council
Stanley K. Shapiro, 1100 West Ave. #924 Miami Beach, FL 33139	R. F. McElroy & Co.
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW, #5121 Washington, DC 20037	Workplace Health and Safety Council
Karin P. Sheldon, 900 17th Street, NW Washington, DC 20009	Wilderness Society
Sheridan Group, 1775 T Street, NW Washington, DC 20009	Cities Advocating Emergency Aids Relief (CAEAR)
Lindsay Simmons, 1701 Pennsylvania Avenuem, NW Suite 650 Washington, DC 20006	Jackson & Kelly
Karen H. Simon, 2600 Virginia Ave., NW, 10th Floor Washington, DC 20037-1905	Schmeltzer, Aptaker & Shepard (For:Council of Nursing Home Suppliers)
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Amstel Hudson Management Corporation
Do	Armco, Inc
Do	Commonwealth of Puerto Rico
Do	San Diego Gas & Electric
Do	Summit Storgae, Inc
Do	U.S. Central Credit Union
Do	USX Corp
Small Business for Advertising Choice, 1331-A Pennsylvania Ave., NW, #217 Washington, DC 20004	
William Snape, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife
Thomas M. Sneeringer, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Katten Muchin Zavis & Dombroff (For:Future Water International)
Do	Katten Muchin Zavis & Dombroff (For:National Assn of Independent Colleges & Universities)
Do	Katten Muchin Zavis & Dombroff (For:Northwestern Memorial Hospital)
Do	Katten Muchin Zavis & Dombroff (For:Software Publishers Assn)
Andrea L. Solarz, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn
Sorensen & Edwards, PS, 1201 Third Avenue, #2900 Seattle, WA 98101-3028	Klukwan, Inc
Southeast Toyota Distributors, Inc, 100 Northwest 12th Avenue P.O. Box 1160 Deerfield Beach, FL 33443	
Mary Murray Staples, P.O. Box 660634 Dallas, TX 75266-0634	Frito-Lay, Inc
Law Offices of Deborah Steelman, 555 13th Street, NW, Suite 1220 East Washington, DC 20004-1109	Nonpresciption Drug Manufactures Assn
Do	Pension Benefits Assn
Do	Xoma Corp
William P. Stout, P.O. Box 1475 Nashville, TN 37202	United Paperworkers International Union
Jack B. Strong, 1122 Colorado, #307 Austin, TX 78701	Madison Public Affairs Group (For:Leadership Council on Advertising Issues)
Jerome A. Strong, 921 Pleasant Drive Ypsilanti, MI 48197	SAJ Consultants
Patricia Sullivan, 2251 Wisconsin Ave., NW Washington, DC 20007	Career College Assn, Inc
Rebecca M. Sullivan, 1199 N. Fairfax Street, Suite 204 Alexandria, VA 22314	International Council of Shopping Centers
Eileen P. Sweeney, 122 C Street, NW, 4th Floor Washington, DC 20001	Children's Defense Fund
Roxanne Sweeney, 1012 Pennsylvania Avenue, SE Washington, DC 20003	Beacon Consulting Group, Inc (For:Museum of Science & Industry)
Do	Beacon Consulting Group, Inc (For:National Coalition for Volunteer Protection)
Do	Beacon Consulting Group, Inc (For:National Crime Prevention Council)
Do	Beacon Consulting Group, Inc (For:National Museum of Health & Medicine Foundation)
Do	Beacon Consulting Group, Inc (For:Orton Dyslexia Society)
Do	Beacon Consulting Group, Inc (For:TDS Healthcare Systems Corp)
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	Chrysler
Do	Lorillard, Inc
Chris Ray Swonger, 1825 I Stret, NW, Suite 400 Washington, DC 20006	UST Public Affairs, Inc
Systems Control, Inc, l0240 Old Columbia Road Columbia, MD 21046	
SAJ Consultants, 921 Pleasant Drive Ypsilanti, MI 48197	
Nkechi Taifa, 122 Maryland Avenue, NE Washington, DC 20002	American Civil Liberties Union
Donna Templeton, 1020 16th Street, NW, #300 Washington, DC 20036	Exide Corporation
Do	GNB, Inc
Do	National Deposit Insurance Corporation
Do	RSR Corporation
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	American Council of Life Insurance
Do	John Alden Asset Management Company
Do	John Hancock Financial Services
Do	Massachusetts Mutual Life Insurance Company

Organization or Individual Filing	Employer/Client
Do	Prudential Insurance Company
Edlu J. Thom, 1825 Eye Street, NW, #400 Washington, DC 20006	W.R. Grace & Co.
Thompson & Company, 1001 G Street, NW, 7th Floor Washington, DC 20004	Golden Rule Insurance Company
Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006	Southern California Edison Company
Danielle Tinman, 2012 Massachusetts Avenue, NW Washington, DC 20036	National Federation of Buiness & Professional Women's Clubs
William J. Tobin, 3612 Bent Branch Ct. Falls Church, VA 22041	Child Care America, Inc
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Astra Pharmaceuticals)
Trust and Associates, 5 Highland Park Avenue, #2 Boston, MA 02119	
Michael A. Turner, 2000 M Street, NW, #5500 Washington, DC 20036	North American Telecommunications Association
U.S. Independent Microwave Television Assn, 2300 M Street, NW, Suite 800 Washington, DC 20037	
University of Michigan Medical Center, 300 North Ingalls, Room NI4A18 Ann Arbor, MI 48109	
Van Dyk Associates, Inc, 1250 24th St.,N.W. Suite 600 Washington, DC 20037	Pharmaceitical Manufacturers Assn
Van Fleet Metzner & Meredith Corp, 499 S. Capitol Street, #520 Washington, DC 20003	NCube
H. Stewart Van Scoyoc, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:Assn of Health Insurance Agents)
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW, #700 Washington, DC 20005-2301	Orbital Communications Corp
Lee L. Verstandig, 901 31st Street, NW Washington, DC 20007	Anheuser-Busch Companies, Inc
Howard A. Vine, Jefferson Group 1341 G Street, NW, #1100 Washington, DC 20005	Alliance for Corporate Growth
Do	Bobbie Brooks, Inc
Do	PubCo Corp
Do	Smith Corona Corp
Do	Torrington Company
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	BMC SOFTWARE, INC
Do	City of Port Angeles
Do	TIME-WARNER, INC
Do	UTILICORP UNITED, INC
Ian D. Volner, 1333 New Hampshire Ave., NW, #60` Washington, DC 20036	Cohn and Marks (For:Direct Marketing Assn)
Doug Walgren, 8312 Hunting Hill Lane McLean, VA 22102	Independent Bancservices Exchange
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	MBNA America Bank NA
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	American Paper Institute, Inc
Do	Edison Electric Institute
Do	Graham Resources
Do	Sumitomo Chemical Co, Ltd
Mary L. Wallace, 4630 Montgomery Avenue Bethesda, MD 20814	American Soc of Hospital Pharmacists
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	KLUKWAN, Inc
James Walter, 1750 K Street, NW, #210 Washington, DC 20006	Industrial Truck Assn
Walter Conston Alexander & Green, P.C., 90 Park Avenue New York, NY 10016-1387	Leybold AG
Washington Christian & Loafman, 1275 Pennsylvania Ave., NW, #301 Washington, DC 20004	City of Oakland
Weinberg Bergeson & Neuman, 1300 Eye Street, NW, #600 East Washington, DC 20005	Portable Rechargeable Battery Association
Walter F. Weiss, 1762 Church Street, NW Washington, DC 20036	American Foreign Service Assn
David W. Welles, 805 Third Avenue New York, NY 10022	Baker & McKenzie (For:Horsham Corporation)
Curtis E. Whalen, 1600 Wilson Blvd., #1000 Arlington, VA 22209	American Waterways Operators, Inc
Robert Wigington, 1220 19th Street, NW, #200 Washington, DC 20036	Airport Operators Council International
N. F. Wikner, 6716 Loring Court Bethesda, MD 20817	TSI
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Northwest Hydroelectric Assn
Do	Summit Energy Storage, Incut
Do	Turlock Irrigation District
Do	VISA USA, Inc
Clark Williams, 666 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society
Patrick H. Williams, 2001 Pennsylvania Ave., #800 Washington, DC 20006	MCI Communications Corp
Williams & Connolly, 839 17th St., NW Washington, DC 20006	Southeast Toyota Distributors, Inc
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	Metropolitan Washington Airports Authority
Willkie Farr & Gallagher, 1155 21st Street, NW, # 600 Washington, DC 20036	Browning-Ferris Industries, Inc
Do	Integrated Waste Services Assn (ISWA)
John P. Winburn, 50 E Street, SE Washington, DC 20003	Winburn Associates, Inc (For:Bell Atlantic Capital Corp)
Do	Winburn Associates, Inc (For:Bradford Exchange)
Winston & Strawn, 1400 L Street, NW Washington, DC 20005-3502	Government of the U.S. Virgin Islands
Do	Harpo, Inc
Do	Illinios State Medical Society
Do	Puget Sound Power & Light Company
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	Coalition for Responsible Waste Incineration (CRWI)
Do	Lower Elwha Klallam Tribe
Do	MCI Communications Corp
Do	Organization for International Investment (OFII)
Do	RAT Coalition
Marcia A. Wiss, 1215 l7th Street, NW Washington, DC 20036	Walter Conston Alexander & Green, PC (for: Leybold AG)
S.R. Wojdak and Associates, Inc, The Bellevue - Suite 850 200 S. Broad Street Philadelphia, PA 19102	Alleghany Health Services, Inc
Do	Crozer-Keystone Health System
Do	Episcopal Hospital
Do	Franklin Square Hospital
Do	Hospital of the Philadelphia College of Osteopathic Medicine
Do	National Down Syndrome Society
Do	North Philadelphia Health System
Do	Presbyterian University Hospital
Do	Systems Control, Inc
Do	Thomas Jefferson University Hospital
Charles V. Wollerton, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance
Charles A. Wood, 10 Lafayette Square Buffalo, NY 14203	National Fuel Gas Co, et al.
Jerry D. Woods, 1000 Wilson Boulevard Arlington, VA 22209	Northrop Corp
Workplace Health & Safety Council, 2300 N Street, NW Washington, DC 20037	
Patricia Maria Wright, 10500 Sager Avenue, Suite F Fairfax, VA 22030	
Wunder Diefenderfer Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Ashland Oil Company
Do	CSX Corporation
Do	Shell Oil Company
Do	Westinghouse Airship Industries
Barbara C. Zadina, 12500 Fair Lakes Circle Fairfax, VA 22033	Orbital Sciences Corporation
Zimmerman Edelson, Inc, 51 Middle Neck Road Great Neck, NY 11021	Coca Cola Distributors Association
Nancy Zirkin, 1111 16th Street, NW Washington, DC 20036	American Assn of University Women
John L. Zorack, 1111 14th St., NW, #1001 Washington, DC 20005	Dry Color Manufacturers Association

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the fourth calendar quarter 1991:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Is this an Amendment?
☐ YES ☐ NO

IDENTIFICATION NUMBER

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee"*.—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer"*.—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees*. An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER —State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."◆

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1◆

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value*. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............."Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* *("Period"* from Jan. 1 through........................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than Item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*____________

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates*	*Name and Address of Recipient—Purpose*
$1,750.00	7-11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15:	Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Ann Hadley vom Eigen, 1828 L Street, NW, #705 Washington, DC 20036	American Land Title Assn	3,375.00	
Robert J. Aagre, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	70.00	10.00
Ande M. Abbott, 2722 Merrilee Drive, #360 Fairfax, VA 22031	International Brotherhood of Boilermakers...	340.55	
Jean R. AbiNader, 1825 K Street, NW, #1107 Washington, DC 20006	National U.S.-Arab Chamber of Commerce		
Jeffery A. Abrahamson, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	294.38	
Adele L. Abrams, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Elliott Abrams, 1250 24th Street NW Suite 300 Washington, DC 20037	The Schmertz Co (For:Embassy of Greece)	3,000.00	200.00
Matthew J. Abrams, 1220 19th Street, NW, #202 Washington, DC 20036	CANAMCO (For:Aerospace Industries Assn of Canada)	2,000.00	
Do	CANAMCO (For:Canadian Shipowners Assn)	7,500.00	
Christopher Barclay Abukari, 1627 Lamont St., NW, #51 Washington, DC 20010	Rainbow Lobby, Inc	3,206.00	
Adrian Acevedo, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company		
Elaine Acevedo, 216 7th Street, SE Washington, DC 20003	Florist's Transworld Delivery Assn	2,000.00	
Rodney J. Ackerman, 1450 Poydras Street New Orleans, LA 70112-6000	CNG Producing Company	300.00	
Charles A. Acquard, 2301 M Street, NW, Washington, DC 20037	American Public Power Assn	2,000.00	
John J. Adams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Ethyl Corporation		
Do	Hunton & Williams (For:Vepco)		
John M. Adams, 909 N. Washington Street, #300 Alexandria, VA 22314	Retired Enlisted Assn	1,650.00	1,220.00
Wayne W. Adams, 501 Park Avenue Belleair, FL 34616			
Robert O. Aders, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Elmer E. Adkins, 89 East Avenue Rochester, NY 14649-0001	Rochester Gas & Electric Corp	1,025.00	
Allan Robert Adler, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Cohn & Marks (For:Association of American Publishers, Inc)	1,000.00	
Do	Cohn and Marks (For:Maclean Hunter Cable TV)		
Do	Cohn & Marks (For:USA Network)		
Terrance M. Adlhock, 1001 Pennsylvania Ave, NW, #450-N Washington, DC 20004	Southern California Edison Co	4,950.00	4,500.00
Advertising Mail Marketing Assn, 1333 F Street, NW, #710 Washington, DC 20004-1108		7,505.00	7,805.00
Advocates for Highway & Auto Safety, 777 N. Capitol Street, NE, #410 Washington, DC 20002		73,180.76	24,435.96
Aerospace Industries Assn of America, Inc, 1250 Eye Street, NW, #1100 Washington, DC 20005		9,121.00	9,121.00
Creigh H. Agnew, 2001 L St., NW, #304 Washington, DC 20036	Weyerhaeuser Company		
Catherine W. Ahmad, 516 First Street, SE Washington, DC 20003	Gryphon International	8,050.00	
David J. Aho, 1667 K Street, NW, #710 Washington, DC 20006	Baxter	2,000.00	280.00
Robert S. Aiken, 1735 I Street, NW, #916 Washington, DC 20006	Pinnacle West Capital Corp	10,000.00	1,260.08
Herbert Allen Ailsworth, 1615 L Street, NW, #420 Washington, DC 20036	Sandoz Corp		175.00
Air Conditioning & Refrigeration Institute, 1501 Wilson Boulevard, #600 Arlington, VA 22209			
Air Conditioning Contractors of America, 1513 16th Street, NW Washington, DC 20036		1,250.00	1,250.00
Air Products & Chemicals, Inc, 805 15th Street, NW, #330 Washington, DC 20005		13,500.00	
Air Traffic Control Assn, Inc, 2300 Clarendon Boulevard, #711 Arlington, VA 22201		97.50	97.50
Aircraft Owners & Pilots Assn, 421 Aviation Way Frederick, MD 21701		145,785.00	124,407.00
Randolf H. Aires, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	5,400.00	73.50
Airport Operators Council International, 1220 19th Street, NW, #200 Washington, DC 20036			20,441.80
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	A.E. Staley Manufacturing	1,075.00	19.00
Do	Amerada Hess Corp	690.00	
Do	American Airlines, Inc	8,210.00	152.00
Do	American Share Insurance Corporation	10,800.00	190.00
Do	American Telephone & Telegraph Co	555.00	
Do	Bank of Nova Scotia		
Do	Basis Point		
Do	Bolt Beranek & Newman, Inc	150.00	
Do	Burger King Corp		
Do	Business Round Table		
Do	Cambridge Information Group	610.00	
Do	Clark/Bardes Organization, Inc		
Do	Colombian Government Trade Bureau (PROEXPO)	15,300.00	285.00
Do	Consumers Power Company	5,470.00	95.00
Do	Cotton Bowl Athletic Assn	6,990.00	114.00
Do	Dow Jones & Co	850.00	
Do	First City Bankcorporation of Texas, Inc		
Do	Fujitsu America, Inc		
Do	General Instrument Corp		
Do	W. R. Grace & Co		
Do	Guardian Industries		
Do	Houston Oilers		
Do	Peter Kiewit Son's, Inc	565.00	
Do	Levi Strauss & Co		
Do	Long Island Lighting Co		
Do	MacAndrews & Forbes Holdings, Inc	9,465.00	171.00
Do	Mazda (North America), Inc	250.00	
Do	Mazda Motor Corporation	7,990.00	133.00
Do	Mesa Petroleum Co	6,440.00	114.00
Do	Metropolitan Transit Authority of Harris County	4,855.00	76.00
Do	Miller Brewing Company	7,280.00	133.00
Do	Morgan Stanley & Co, Inc	7,130.00	133.00
Do	Motion Picture Assn of America, Inc	2,135.00	38.00
Do	National Football League	6,380.00	114.00
Do	National Health Laboratories		
Do	Nestle Holdings, Inc	4,230.00	76.00
Do	New York Public Library	735.00	
Do	Pharmaceutical Manufacturers Assn	585.00	
Do	Riggs National Corp	3,225.00	57.00
Do	Ryder System, Inc	450.00	
Do	RJR Nabisco, Inc	1,890.00	19.00
Do	Shell Oil Co		
Do	Southern California Edison Co	1,750.00	19.00
Do	Texas National Research Laboratory Commission		
Do	Time-Warner	100.00	
Do	Upjohn Company	5,015.00	95.00
Do	Warner-Lambert Co	530.00	
Julia L. Akins, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
William E. Albers, 11 Dupont Circle, NW, #300 . Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		21,500.00
David Alberswerth, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	2,863.75	
James J. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Ambrosetti America)		
Do	Albertine Enterprises, Inc (For:American Business Conference, Inc)	1,800.00	105.00
Do	Albertine Enterprises (For:Castle-Harlan Delaware Management, Inc)		
Do	Albertine Enterprises, Inc (For:Exide Electronics)	5,400.00	450.00
Do	Albertine Enterprises (For:Fruit of the Loom)	7,500.00	1,080.00
Do	Albertine Enterprises, Inc (For:Great Lakes Transmission Company)	3,678.99	195.00
Do	Albertine Enterprises, Inc (For:Materials Research Corp of Sony USA, Inc)		450.00
Do	Albertine Enterprises, Inc (For:Millipore Corp)	1,000.00	105.00
Do	Albertine Enterprises, Inc (For:Rogerson Aircraft Corp)	2,006.25	45.00
Do	Albertine Enterprises, Inc. (For:Safety Kleen Corp)	6,000.00	210.00
Do	Albertine Enterprises, Inc (For:SMS Corp)	4,500.00	120.00
Do	Albertine Enterprises, Inc (For:West Point Pepperell, Inc)	10,000.00	700.00
Do	Albertine Enterprises (For:Western Digital, Inc)		
John M. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Ambrosetti America)		
Do	Albertine Enterprises, Inc (For:American Business Conference, Inc)	4,200.00	245.00
Do	Albertine Enterprises (For:American Precision Industries)	1,050.00	8.40
Do	Albertine Enterprises, Inc (For:Castle Harlan & Delaware Management Corp)		
Do	Albertine Enterprises, Inc (For:Exide Electronics)	12,600.00	1,050.00
Do	Albertine Enterprises, Inc (For:Fruit of the Loom, Inc)	10,500.00	2,520.00
Do	Albertine Enterprises, Inc (For:Great Lakes Transmission Company)	8,584.33	455.00
Do	Albertine Enterprises, Inc (For:Materials Research Corp of Sony USA, Inc)		1,050.00
Do	Albertine Enterprises, Inc (For:Millipore Corp)	2,000.00	245.00
Do	Albertine Enterprises, Inc (For:Rogerson Aircraft Corp)	4,681.25	525.00
Do	Albertine Enterprises, Inc (For:Safety-Kleen Corp)	14,000.00	600.00
Do	Albertine Enterprises, Inc (For:SMS Corp)	10,500.00	280.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Albertine Enterprises, Inc (For:West Point Pepperell, Inc)	21,000.00	1,400.00
Do	Albertine Enterprises, Inc (For:Western Digital Corp)		
Albertine Enterprises, Inc, 1250 24th Street, NW, #600 Washington, DC 20037	Ambrosetti America		150.00
Do	American Business Conference, Inc	6,000.00	350.00
Do	American Precision Industries	1,500.00	12.00
Do	Castle Harlan, Inc		
Do	Exide Electronics	18,000.00	1,500.00
Do	Fruit of the Loom, Inc	25,000.00	3,600.00
Do	Great Lakes Transmission Co	12,263.33	650.00
Do	Materials Research Corp of Sony USA, Inc		1,500.00
Do	Millipore Corp	3,000.00	350.00
Do	Rogerson Aircraft Corp	6,687.50	750.00
Do	Safety-Kleen Corp	20,000.00	700.00
Do	SMS Corp	15,000.00	400.00
Do	West Point Pepperell, Inc	30,000.00	2,000.00
Do	Western Digital Corp		
Alcalde Rousselot & Fay, 1901 North Ft. Myer Drive, 12th Floor Rosslyn, VA 22209	Alliance for Responsible CFC Policy	6,000.00	
Do	American Counsel of State Savings Supervisors	3,000.00	
Do	Bank of America, NT&SA	12,000.00	
Do	City of Las Vegas	4,000.00	
Do	City of Virginia Beach	11,250.00	
Do	Consolidated Freightways	5,000.00	
Do	Council on Audio Communications (COAC)	1,500.00	
Do	Credit Union National Assn	3,000.00	
Do	Jack Eckerd Corp	1,000.00	
Do	Elcon Enterprises	1,000.00	
Do	EMSA Limited Partnership	3,500.00	
Do	Hillsborough County	9,000.00	
Do	Home Shopping Network	30,000.00	
Do	International Council of Cruise Lines	30,000.00	
Do	Jim Walter Corp	3,000.00	
Do	Marin County	5,250.00	
Do	Metropolitan Dade County - Seaport Department	6,750.00	
Do	National Refrigerants Inc	3,750.00	
Do	Port of Jacksonville	3,000.00	
Do	Port of Sacramento	3,000.00	
Do	Regular Common Carrier Conference	2,000.00	
Do	Sonoma County	5,250.00	
Do	Tampa Electric Co	6,000.00	
Do	Tampa Port Authority	6,000.00	
Do	Towers Financial Corp	7,500.00	
Do	Walter Industries	2,000.00	
Do	Washington Workshops	2,000.00	
Do	Westside Water District	7,500.00	
Arthur J. Alexander, 1000 Connecticut Ave., NW Washington, DC 20036	Japan Economic Institute of America	500.00	
Donald C. Alexander, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Cadwalader Wickersham & Taft (For:Air Products & Chemicals, Inc)		
Do	Cadwalader Wickersham & Taft (For:Air Transport Assn of America)		
Do	Cadwalader Wickersham & Taft (For:American Financial Corp)		
Do	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)		
Do	Cadwalader Wickersham & Taft (For:Bechtel Investments, Inc)	55.25	
Do	Cadwalader Wickersham & Taft (For:Chiquita Brands International, Inc)		
Do	Calwalader Wickersham & Taft (For:Coalition for Pension Reform (CPR))		
Do	Cadwalader Wickersham & Taft (For:Disabled American Veterans)	55.25	
Do	Cadwalader Wickersham & Taft (For:Ladies Professional Golf Assn)	27.63	
Do	Cadwalader Wickersham & Taft (For:Management Compensation Group)		
Do	Cadwalader Wickersham & Taft (For:Mortgage Guaranty Insurance Corp)		
Do	Cadwalader Wickersham & Taft (For:Nationwide Mutual Insurance Co)	329.88	
Donna K. Alexander, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Federal Employees Tax Group)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Golden Nugget)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Groom & Nordberg (for: Chevron))		
Do	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR))		
Do	LeBoeuf Lamb Leiby & MacRae (For:Physicians Insurers Assn of America)		
Mary K. Alexander, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	100.00	68.69
Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002	Investment Company Institute	15,000.00	
Do	Merrill Lynch & Co., Inc		
Do	Washington Hospital Center		
Barbara Allen, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	14,269.00	1,024.09
Alliance for Medical Nutrition, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004		1,333.00	1,333.00
Alliance of American Insurers, 1629 K Street, NW, #1010 Washington, DC 20006			55,851.04
Alliance of Nonprofit Mailers, 2001 S Street, NW, #301 Washington, DC 20009		3,971.54	4,128.91
Alliance to End Childhood Lead Poisoning, 600 Pennsylvania Ave., SE Washington, DC 20003			
Victoria Almquist, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	3,709.40	
Michael J. Altier, 701 Pennsylvania Avenue, NW Washington, DC 20004	National Retail Federation	4,000.00	25.00
Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW Washington, DC 20016			5,000.00
John O. Ambler, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	230.79	
American Academy of Family Physicians, 8880 Ward Parkway Kansas City, MO 64114		22,005.95	22,005.95
American Agriculture Movement, Inc, 100 Maryland Ave, NE, #500 Box 69 Washington, DC 20002		6,000.00	6,000.00
American Amusement Machine Assn, 12731 Directors Loop Woodbridge, VA 22192		22,155.00	22,155.00
American Assn of Airport Executives, 4212 King Street Alexandria, VA 22302		563,000.00	44,251.00
American Assn of Equipment Lessors, 1300 North 17th St., #1010 Arlington, VA 22209			
American Assn of University Women, 1111 16th Street, NW Washington, DC 20036			176.24
American Bankers Assn, 1120 Connecticut Avenue, NW Washington, DC 20036		413,429.52	593,429.52
American Cemetery Assn, 5201 Leesburg Pike, #1111 Falls Church, VA 22041			
American Consulting Engineers Council, 1015 15th Street, NW, #802 Washington, DC 20005		41,575.00	38,342.35
American Council for Capital Formation, 1850 K Street, NW, #400 Washington, DC 20006		5,113.00	1,648.00
American Council of Life Insurance, Inc, 1001 Pennsylvania Avenue, NW Washington, DC 20004		51,129.29	60,889.00
American Farm Bureau Federation, 225 Touhy Ave Park Ridge, IL 60068		156,911.00	156,911.00
American Fiber Manufacturers Assn, Inc, 1150 17th St., NW, #310 Washington, DC 20036			
American Forest Resource Alliance, 1250 Connecticut Ave., NW, #200 Washington, DC 20036		2,500.00	50,000.00
American Frozen Food Institute, 1764 Old Meadow Rd., #350 Mclean, VA 22102		11,500.00	11,500.00
American Health Care Assn, 1201 L Street, NW Washington, DC 20005		334,604.34	86,884.27
American Hotel & Motel Assn, 1201 New York Ave., NW Washington, DC 20005		23,967.57	11,360.91
American Insurance Assn, 1130 Connecticut Avenue, NW, #I000 Washington, DC 20036		6,432.00	6,432.00
American International Group, Inc, 70 Pine Street New York, NY 10270			55,359.44
American Israel Public Affairs Comm, 440 First Street, NW, #600 Washington, DC 20001		242,737.00	192,074.69
American Land Title Assn, 1828 L St., NW, #705 Washington, DC 20036			3,925.00
American League for Exports & Security Assistance, Inc, 122 C St., NW, #740 Washington, DC 20001		152,500.00	15,336.23
American Library Assn, 50 E. Huron St. Chicago, IL 60611		6,410.00	9,448.00
American Life Lobby, Inc, P.O. Box 490 Stafford, VA 22554		22,000.00	20,950.00
American Malting Barley Assn, Inc, 735 North Water Street, #908 Milwaukee, WI 53202		10,621.82	3,551.28
American Managed Care & Review Assn, 1227 25th St., NW, #610 Washington, DC 20037			2,541.32
American Meat Institute, 1700 N. Moore Street Arlington, VA 22209		599,500.00	6,453.26
American Medical Assn, 535 North Dearborn St. Chicago, IL 60610			61,458.88
American Medical Peer Review Assn, 810 First Street, NE, #410 Washington, DC 20002			
American Methanol Institute, 815 Connecticut Ave., NW, #800 Washington, DC 20006		5,000.00	46,244.00
American Movers Conference, 1611 Duke Street Alexandria, VA 22314			1,714.50
American Nuclear Energy Council, 410 1st St., SE Washington, DC 20003		37,425.50	116,151.46
American Nurses' Assn, 1101 14th Street, NW, #200 Washington, DC 20005		34,351.94	34,351.94
American Occupational Therapy Assn, Inc, 1383 Piccard Drive P.O. Box 1725 Rockville, MD 20850-0822		11,262.70	11,252.70
American Optometric Assn, 1505 Prince Street, #300 Alexandria, VA 22314			
American Orthotic and Prosthetic Assn, 1650 King Street, #500 Alexandria, VA 22314-1885		4,485.00	51,438.00
American Paper Institute, Inc, 260 Madison Ave. New York, NY 10016			11,965.00
American Petroleum Institute, 1220 L St., NW Washington, DC 20005		223,645.56	280,237.64

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
American Physical Therapy Assn, 1111 N. Fairfax St. Alexandria, VA 22314		2,857.22	2,857.22
American Podiatric Medical Assn, 9312 Old Georgetown Road Bethesda, MD 20814-1621			28,794.61
American Postal Workers Union, AFL-CIO, 1300 L Street, NW Washington, DC 20005		64,061.24	76,739.00
American Public Transit Assn, 1201 New York Avenue, NW Washington, DC 20005		41,400.00	41,400.00
American Pulpwood Assn, 1025 Vermont Avenue, NW Washington, DC 20005			
American Radio Relay League, Inc, 225 Main St. Newington, CT 06111			11,901.00
American Retreaders' Assn, P.O. Box 17203 Louisville, KY 40217		500.00	500.00
American Short Line Railroad Assn, 2000 Massachusetts Ave., NW Washington, DC 20036			275.00
American Soc for Medical Technology, 2021 L Street, NW, #400 Washintgton, DC 20036			14,955.56
American Soc of Anesthesiologists, 1101 Vermont Ave, NW, #606 Washington, DC 20005			20,000.00
American Soc of Hospital Pharmacists, 4630 Montgomery Avenue Bethesda, MD 20814			13,170.00
American Soybean Assn, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107		16,566.82	3,729.29
American State of the Art Prosthetic Assn, 955 26th Street, NW, #208 Washington, DC 20037		5,000.00	
American Textile Manufacturers Institute, Inc, 1801 K Street, NW, #900 Washington, DC 20006		43,023.26	59,198.33
American Veterans of World War II, Korea & Vietnam (AMVETS), 4647 Forbes Boulevard Lanham, MD 20706			20,400.00
American Veterinary Medical Assn, 1023 15th Street, NW, #300 Washington, DC 20005		2,500.00	2,127.35
American Waterways Operators, Inc, 1600 Wilson Boulevard, #1000 Arlington, VA 22209		446,924.00	1,337.76
Americans for the High Frontier, 2800 Shirlington Road, #405A Arlington, VA 22206		45,807.75	53,958.54
Americans for Immigration Control, Inc, P.O. Box 738 Monterey, VA 24465		11,251.18	11,251.18
Joanne Ames, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Laurel W. Ames, 989 Tahoe Keys Blvd., #6 South Lake Tahoe, CA 96150	League to Save Lake Tahoe	1,760.14	
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	Coalition for American Energy Security	7,500.00	
Do	Free Angola Information Service		
Do	Northrop Corp	6,000.00	
Do	Thompson Medical Co	3,000.00	
Eiji Amito, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	American Honda Motor Co, Inc		
Anadarko Petroleum Corp, 16855 Northchase Drive Houston, TX 77251-1330			
Steven C. Andersen, 422 First Street, SE, #208 Washington, DC 20003	Pearson & Pipkin, Inc (For:Physicians Who Care)		
Anthony A. Anderson, 2100 Pennsylvania Avenue, NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:Community Transportation Assn of America).	8,865.00	
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Byron Anderson, 1001 Pennsylvania Ave, NW, #460(N) Washington, DC 20004-2505	New York Life Insurance Company	200.00	15.10
Carl A. Anderson, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004	Knights of Columbus	900.00	
Cynthia C. Anderson, 750 17th Street, NW 4th Floor Washington, DC 20006-4607	Enron Corp	3,000.00	
David J. Anderson, One KeyCorp Plaza P.O. Box 88 Albany, NY 12201-0088	KeyCorp	3,605.00	1,043.30
Debra J. Anderson, 1819 L Street, NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
H. Kim Anderson, Virginia Petroleum Council 701 E. Franklin St., #105 Richmond, VA 23219	American Petroleum Institute	50.00	
J. Lem Anderson, 4111 Franconia Rd. Alexandria, VA 22310	Temple-Inland		
Jon A. Anderson, 1100 Connecticut Ave., NW, #410 Washington, DC 20036	Eaton Corp		3,968.25
Kenneth William Anderson, 1629 K Street, NW, #503 Washington, DC 20006	Evergreen International Aviation, Inc		
Richard F. Anderson, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	586.24
Steven Anderson, 1764 Old Meadow Rd, #350 Mclean, VA 22102	American Frozen Food Institute	6,600.00	
Susan S. Anderson, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp		
Tobyn J. Anderson, 601 Thirteenth Street, NW, #320 South Washington, DC 20005	National Independent Energy Producers		196.67
Elaine Andrews, 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20004-0401	National Assn of Life Companies	200.00	12.00
Jill C. Andrews, 1331-A Pennsylvania Ave., NW, Suite 217 Washington, DC 20004	Small Businesses for Advertising Choice	4,206.25	231.29
William Robert Andrews, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	1,881.35
Andrews & Kurth, 1701 Pennsylvania Avenue, NW, #200 Washington, DC 20006	Association of Battery Recyclers	416.10	416.10
Do	Bedford Properties		
Do	Building Industry Assn of Southern California	23,448.41	
Do	Construction Industry Air Quality Coalition		508.60
Bill Angelo, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Animal Health Institute, 119 Oronoco Street P. O. Box 1417-D50 Alexandria, VA 22313			120.00
Decker Anstrom, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	9,750.00	
Ernest Antczak, 27777 Inkster Road Farmington Hills, MI 48334	Michigan National Corp		
Thomas D. Anthony, 2500 Central Trust Center 201 E. Fifth Street Cincinnati, OH 45202	Frost & Jacobs (For:Comprehensive Medical, Inc)		
Do	Frost & Jacobs (For:Louisville Imaging Services, Inc)		
Do	Frost & Jacobs (For:Western Hills Imaging Center, Inc)		
Virginia Antos, 1718 Connecticut Avenue, NW, 7th Floor Washington, DC 20009	Association of American Publishers		
Apple Computer, Inc, 1550 M Street, NW, #1000 Washington, DC 20005			544.30
Paul W. Arcari, 201 N. Washington Street Alexandria, VA 22314	Retired Officers Assn	6,441.00	
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	American Assn of Bioanalysts	33,888.42	1,746.00
Do	American Assn of Occupational Health Nurses	12,734.94	545.00
Do	Aram Mardirosian		23.32
Do	Associated General Contractors of America	13,921.31	429.29
Do	Association of Professional Flight Attendants	41,000.00	2,100.00
Do	Children With Attention Deficit Disorder (CHADD)		
Do	Independent Federation of Flight Attendants	6,000.00	370.00
Do	International Society for Clinical Laboratory Technology	4,000.00	7.30
Do	Mercy Hospital of Des Moines, Iowa	5,227.15	27.18
Do	National Assn of College Stores		
Do	National Field Selling Assn		
Do	National Parking Association	21,573.89	
Do	Popular Democratic Party		4.25
Do	Puerto Rico Federal Affairs Administration		46.39
Do	Second Street Limited Partnership	41,170.00	91.77
Do	SO-PAK-CO, Inc		32.20
John G. Arlington, 1130 Connecticut Ave., NW, Suite 1000 Washington, DC 20036	American Insurance Assn	425.00	
Fred Armstrong Jr, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Tertia R. Armstrong, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	91.00	
Luther Glenn Arnette, 125 N. West Street Alexandria, VA 22314-2754	Fleet Reserve Assn		
Carl F. Arnold, P.O. Drawer 7170 McLean, VA 22106	American Iron & Steel Institute	300.00	
Do	Ashland Oil Co	375.00	
Do	Corporate Property Investors	1,250.00	
Do	Goodyear Tire & Rubber Company	975.00	
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	American Institute of Certified Public Accountants	1,937.50	
Do	American Red Cross		
Do	Avatar Utilities, Inc		
Do	Avis, Inc		
Do	ACPC		
Do	AFL-CIO		
Do	Bank of Montreal	1,460.00	
Do	Building & Construction Trades Dept, AFL-CIO		
Do	Business Roundtable	850.00	53.29
Do	Continental Corporation	577.50	
Do	Fujisawa USA, Inc	1,282.50	2.09
Do	General Conference of Seventh-day Adventists	11,912.50	57.42
Do	Hoffmann-La Roche, Inc		
Do	Hopi Indian Tribe		
Do	International Commodities Clearing House		
Do	London Commodity Exchange		
Do	London International Financial Futures Exchange, Ltd		
Do	Michigan National Corp (for: Beverly Hills Fed Savings Bank)	4,125.00	18.50
Do	MCorp		
Do	National Coordinating Comm for Multiemployer Plans	10,937.50	461.16
Do	Penn Central Industries Group		
Do	Philip Morris, Inc	1,036.24	5.70
Do	Recording Industry Assn of America, Inc	742.50	
Do	Sacramento Municipal Utility District		
Do	Stanford University	891.00	
Do	State Farm Mutual Automobile Insurance Co	4,785.00	82.34
Do	Thomsom Corp of America		
Do	Unilever United States, Inc		
Arnold Grobmyer & Haley, P.O. Box 70 Little Rock, AR 72203	Arkansas Assn of Securities Dealers		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Mid-South International Trade Assn		
L. Wayne Arny & Company, 600 New Hampshire Ave., NW Washington, DC 20037	American Logistics Infrastructure Improvement Construction	6,000.00	200.00
Do	FMC Corp	5,000.00	400.00
Do	Guam Airport Authority	8,000.00	500.00
Do	Liberty Maritime	1,000.00	
Do	Technology for Communications, International	1,000.00	100.00
Thomas M. Arrasmith, 1301 K Street, NW, #1200 Washington, DC 20006	IBM Corp	1,310.40	189.93
Deborah Arrindell, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses Assn	2,975.00	400.18
Thomas Ludlow Ashley, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	10,000.00	
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippines			
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		22,500.00	
Associated Credit Bureaus, Inc, 1090 Vermont Avenue, NW, #200 Washington, DC 20005		1,500.00	
Associated General Contractors of America, 1957 E St., NW Washington, DC 20006			16,500.00
Association of American Foreign Service Women, P.O. Box 70051 Washington, DC 20024-0051		12,855.00	
Association of American Law Schools, 1201 Connecticut Avenue, NW, #800 Washington, DC 20036			
Association of American Publishers, 1718 Connecticut Avenue, NW Washington, DC 20009-1148		16,142.00	16,142.00
Association of American Railroads, American Railroads Building 50 F Street, NW Washington, DC 20001		152,343.40	152,343.40
Association of American Veterinary Medical Colleges, 1023 15th Street, NW, 3rd Floor Washington, DC 20005			
Association of Certified Trucking Schools, 3050 K Street, NW, 4th Floor Washington, DC 20007			
Association of Maximum Service Television, Inc, 1400 16th Street, NW, #610 Washington, DC 20036			523.40
Association of Oil Pipe Lines, 1725 K St., NW Washington, DC 20006			
Association of Trial Lawyers of America, 1050 31st St., NW Washington, DC 20007		9,458.50	9,458.50
Atlantic Richfield Co, 515 South Flower Street Los Angeles, CA 90071			1,851.00
Fritz E. Attaway, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,450.00	518.25
Leslie Aubin, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.00	200.00
Judith Auerbach, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn		80.00
Ronald R. Austin, 1201 16th Street, NW, #210 Washington, DC 20036	Overseas Education Assn, Inc	978.24	
Avon Products, Inc, 9 West 57th St. New York, NY 10019			
Merribel Symington Ayres, 601 Thirteenth Street, NW, #320 South Washington, DC 20005	National Independent Energy Producers		
ARCO Chemical Co, 3801 West Chester Pike Newtown Square, PA 19073			150.00
ATOCHEM North America, Three Parkway Philadelphia, PA 19102			6,387.08
Edward J. Babbitt, 400 Broadway Cincinnati, OH 45202	Western-Southern Life Insurance Co		
Geoffrey Bacino, 8145 Ridge Creek Dr., #101 Springfield, VA 22153	Bacino & Associates	5,000.00	1,360.00
Charlotte M. Bahin, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Community Banks	2,000.00	
William W. Bailey, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	Bailey Morris & Robinson (For:American Council of Life Insurance)		
Do	Bailey, Morris, & Robinson (For:American Imaging Assn)		
Do	Bailey Morris & Robinson (For:First American Bankshares, Inc)		
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)		
Do	Bailey Morris & Robinson (For:Investment Company Institute)		
Do	Bailey Morris & Robinson (For:Maggio-Onorato & Associates)		
Do	Bailey Morris & Robinson (For:Upjohn Corp)		
Bailey Morris & Robinson, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	American Assn of Discount Travel Brokers		
Do	American Council of Life Insurance		
Do	American Imaging Assn	8,000.00	
Do	First American Bankshares, Inc	20,000.00	
Do	Health Insurance Assn of America		
Do	Investment Company Institute	35,000.00	
Do	Maggio-Onorato & Assoc	1,200.00	
Do	Upjohn Company	5,000.00	
Judith L. Baird, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	100.00	
Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	587.50	
Gerald E. Baker, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,000.00	673.60
James Jay Baker, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	2,875.00	120.31
John D. Baker, 815 Sixteenth Street, NW Washington, DC 20006	International Longshoremens Assn, AFL-CIO	7,458.00	
R. Garrity Baker, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc		
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	Computer & Business Equipment Manufacturers Assn		
Do	Greater Houston Partnership	11,680.00	123.59
Do	Health Indistry Manufacturers Assn		
Do	National Machine Tool Builders' Assn		
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Allen Memorial Hospital	2,435.30	
Do	American Protestant Health Assn	19,000.00	28.00
Do	Amherst Hospital	579.52	
Do	Bayer AG		
Do	Cominco, Ltd	33.30	
Do	Committee on Problems of Drug Dependence, Inc	3,000.00	65.80
Do	Devilbiss Health Care, Inc	10,000.00	
Do	Hermann Hospital	28,800.00	8.00
Do	Huntleigh Technologies, Inc		
Do	Hyatt Corp		
Do	IMEX		
Do	INVACARE Corporation	8,025.00	276.92
Do	Life Gift Organ Donor Center	4,000.00	
Do	Lorain Community Hospital	1,597.89	
Do	Medasonics		8.00
Do	MMI Companies, Inc	2,828.27	60.24
Do	Renal Physicians of Texas	3,000.00	
Do	Soap and Detergent Association	8,080.00	300.46
Do	Society of Cardiovascular & Interventional Radiology	20,000.00	112.25
Do	St. Joseph Hospital & Health Center	1,265.45	
Do	Substance Abuse Management, Inc		8.00
Do	University of Texas Health Science Center at Houston	218.68	
Elizabeth Baldwin, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	430.00	
Stanley W. Balis, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	2,272.94	
Thomas L. Balkema, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron Companies	50.00	255.61
R. Brian Ball, P.O.Box 1320 Richmond, VA 23210-1320	Williams Mullen Christian & Dobbins (For:Investors Savings Bank)		
William L. Ball III, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn		
William Lewis Ball, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	3,049.14
Ball Janik & Novack, 1101 Pennsylvania Avenue, NW, #1035 Washington, DC 20004	City of Bellevue (Washington)	5,765.78	234.22
Do	City of Portland, OR	19,100.65	2,294.35
Do	City University	21,450.00	3,110.71
Do	Clackamas County	17,407.00	1,080.06
Do	Fresno County	1,084.00	97.85
Do	Greenbrier Leasing, Inc	18,244.50	3,123.35
Do	Gunderson, Inc	195.00	28.07
Do	Harsch Investment Corporation	6,484.50	608.79
Do	Mt. Hood Meadows Oregon, Ltd	3,119.50	354.86
Do	Northwest Industrial Gas Users	3,060.00	342.83
Do	Northwest Marine Iron Works	12,316.00	1,110.32
Do	Northwest Woodland Owners Council	30,000.00	5,071.60
Do	Oregon Department of Transportation	21,000.00	2,829.51
Do	Oregon Economic Development Department	8,150.50	1,009.37
Do	Oregon Graduate Institute of Science & Technology	6,394.50	654.47
Do	Pacific Marine, Inc	10,875.85	561.05
Do	Salzer Bingham		
Jack L. Ballard, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004	Central & South West Services, Inc	1,820.50	331.99
Thomas M. Balmer, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Association		
Sheila M. Bamberger, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform	2,100.00	563.95
Charles E. Bangert, P.C., 662 Mallard Court Arnold, MD 21012	Business Roundtable		
Bank of Boston Corporation, 100 Federal St. Boston, MA 02110			
Kathryn Bannan, 1300 I Street, NW, #520-W Washington, DC 20005-3314	Hoffmann-La Roche, Inc		
M. Graeme Bannerman, 888 16th St., NW Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)	3,000.00	290.86
Do	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)	750.00	
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)	2,500.00	67.41

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Bannerman and Associates, Inc (For:Government of Tunisia)	3,000.00	90.63
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	5,000.00	205.79
Martha G. Bannerman, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836-2568	NAC Re Corp		
James W. Bapple III, 5535 Hampstead Way Springfield, VA 22151	National Assn for Uniformed Services	886.88	
Emory W. Baragar, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	3,090.00	185.60
Haley R. Barbour, P.O.Box 960 Yazoo City, MS 39194	American Maritime Congress	22,500.00	52.63
Do	American Rice, Inc	15,000.00	206.58
Do	Priamerica Financial Services	16,000.02	345.87
Betsy F. Barclay, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	325.49
M. Camille Bares, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp, Inc		1,621.76
Robert H. Barker, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc		
William J. Barloon, 1850 M Street, NW, #1110 Washington, DC 20036	United Telecom/US Sprint	7,000.00	841.28
Thomas W. Barlow, P.O. Box 14000 Juno Beach, FL 33408	Florida Power & Light Company		
Iraline G. Barnes, 1900 Pennsylvania Ave, NW Washington, DC 20068	Potomac Electric Power Company		
Michael E. Baroody, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	280.00	
James C. Barr, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	3,150.00	
David C. Barrett Jr., 1201 New York Ave., NW, #830 Washington, DC 20005	National Grain & Feed Assn		1,000.00
Michael F. Barrett Jr., 1079 Papermill Court, NW Washington, DC 20007	San Diego Gas & Electric		
Robert W. Barrie, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	2,000.00	
Robert E. Barrow, 1616 H Street, NW Washington, DC 20006	National Grange	5,000.00	
Linda L. Bartlett, 1341 G Street, NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	750.00	246.62
Robert G. Bartlett, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
James E. Bartley, 1700 North Moore Street, #1900 Arlington, VA 22209-1904	National Industrial Transportation League	10,000.00	43.00
Jo-Anne R. Basile, 1133 21st Street 3rd Floor Washington, DC 20036	Cellular Telecommunications Industry Assn	7,500.00	7,444.54
Kristin Bass, 1250 24th Street, NW, #300 Washington, DC 20037	Americans for Peace	3,000.00	1,821.01
Robert W. Batchelder, 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	1,250.00	
Diane Bateman, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	9,000.00	2,658.06
Douglas P. Bates, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,000.00	
Catharine R. Batky, 801 Pennsylvania Ave., NW, #220 Washington, DC 20004-2604	Burlington Northern Railroad Co	1,750.00	829.29
Erica M. Battaglia, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	4,419.65	658.00
Robin Battaglini, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
Ellen Battistelli, 2010 Massachusetts Ave., NW, 5th Floor Washington, DC 20036	Planned Parenthood Federation of America	1,497.72	65.15
Gary Lee Bauer, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	875.00	
Patricia M. Bauer Carlen, 888 16th Street, NW Washington, DC 20006	Bannerman & Associates, Inc (For:Beirut University College)		55.00
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)	250.00	
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)		25.50
Do	Bannerman & Associates, Inc (For:Government of Egypt)	500.00	140.86
Do	Bannerman & Associates, Inc (For:Government of Tunisia)		
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for:Government of the Philippines)).		
Barbara Bauman, 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light Company, et al.	16,800.00	5,844.00
Richard 'Sandy' Beach, 805 15th Street NW, #300 Washington, DC 20005-2207	Credit Union National Assn, Inc	300.00	
Bruce A. Beam, 801 Pennsylvania Ave, #214 Washington, DC 20004	American Electric Power Service Corp	357.40	310.21
Hubert Beatty, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Robert G. Beckel, 1000 Potomac Street, NW, #301 Washington, DC 20007	Career College Assn	6,000.00	
Howard Bedlin, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	593.08	456.90
Beer Institute, 1225 Eye Street, NW, #825 Washington, DC 20005			
Robert M. Beers, 2101 E Street, NW Washington, DC 20037	American Foreign Service Assn	4,392.00	
William A. Behan, 1700 N. Moore St., #820 Arlington, VA 22209	Magnavox Electronics Systems Corp	3,800.00	1,580.94
Mark Belanger, 805 Third Avenue New York, NY 10022	Major League Baseball Players Assn		
Denise Bell, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	474.50
Winston Everett Bell, P.O. Box 26543 Las Vegas, NV 89126			
Trina Bellak-Bronfman, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries, Inc	1,500.00	519.00
Julia Jackson Bellinger, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	799.06
James P. Bellis, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Lisa Bellucci, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Terre Belt, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,250.00	
Jennifer L. Bendall, 1020 19th Street, NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc	4,000.00	
Mike Benner, 1300 L St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	4,025.00	83.38
Daniel J. Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
William M. Bennett, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	1,250.00	
John C. Bennison, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	8,500.00	
James M. Bensberg, 1225 Eye Street, NW, #500 Washington, DC 20005	American Motorcyclist Assn	11,818.80	1,118.60
Frederick S. Benson III, 2001 L Street, NW, #304 Washington, DC 20036	Weyerhaeuser Company		199.86
James E. Benton, N. J. Petroleum Council 150 W. State Street Trenton, NJ 08608	American Petroleum Institute	95.00	
Todd P. Bentsen, 1444 Rhode Island Ave., NW, #917 Washington, DC 20005	Rainbow Lobby, Inc	3,201.00	
Steven P. Berchem, 119 Oronoco Street P.O. Box 1417-D50 Alexandria, VA 22313-1480	Animal Health Institute		
Rebecca J. Berg, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	Sea-Land Corporation	168.75	
Douglas L. Berger, 1333 F Street, NW, #710 Washington, DC 20004-1108	Advertising Mail Marketing Assn	2,745.00	
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	122.82	
Bergner Boyette & Bockorny, Inc, 1101 16th Street, NW, #500 Washington, DC 20036	Avianca, Inc	2,000.00	150.00
Do	Bell Atlantic Corp	5,000.00	972.94
Do	China External Trade Development Council	2,000.00	150.00
Do	Flo-Sun Land Corp	5,000.00	1,960.00
Do	Fox Broadcasting Company	3,000.00	593.14
Do	Friendship in Freedom Assn	3,000.00	750.00
Do	Mallinckrodt, Inc	2,000.00	484.62
Do	McDonnell Douglas Corp	1,200.00	375.00
Do	Metpath	1,000.00	200.00
Do	Murry's, Inc	400.00	90.00
Do	National American Wholesale Grocers Assn (NAWGA)	500.00	180.00
Do	National Assn of Business & Educational Radio, Inc	3,000.00	1,003.00
Do	National Soft Drink Assn	4,000.00	1,104.74
Do	Newscorp	500.00	433.00
Do	Okeelanta Corp	5,000.00	1,770.00
Do	Orange & Rockland Utilities	6,000.00	1,758.01
Do	Philip Morris Co, Inc	2,000.00	888.35
Gene S. Bergoffen, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Edwin M. Bergsmark, 136 North Summit Street, #213 Toledo, OH 43604	Bergsmark & Associates (For:Rudolph/Libbe Companies, Inc & subsidiaries)		
Paul C. Bergson, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20004	Bergson & Company (For:Halon Research Institute)	1,000.00	
Do	Smokeless Tobacco Council	1,000.00	
Jessica Berk, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	195.70	432.40
Dayle Berke, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	4,600.56	738.58
Antoinette C. Berkely, P.O. Box 2972 Washington, DC 20013			
Peter M. Berkery Jr., 1010 N. Fairfax Street Alexandria, VA 22314	National Society of Public Accountants		
Nathan R. Berkley, 1611 Duke Street Alexandria, VA 22314	American Movers Conference	100.00	
Pamela M. Berkwitz, Norwest Center-Sixth & Marquette Minneapolis, MN 55479-1032	Norwest Corporation	15,000.00	9,179.53
Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Jason S. Berman, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc	4,500.00	
Richard B. Berman, 1025 Connecticut Ave. NW, #1010 Washington, DC 20036	Burger King Corp		
Do	FICA Fairness Coalition		
Do	S&A Restaurants Corp		
Joan Kovalic Bernard, 2100 Pennsylvania Avenue, NW, #755 Washington, DC 20037	BASF Corp	242.34	84.00
Mary E. Bernhard, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	225.00	
Elizabeth Bernstein, 2030 M Street, NW Washington, DC 20036	Common Cause	4,680.00	
Bernstein & Lipsett, 1920 L Street, NW, #602 Washington, DC 20036	National Assn of Police Organizations	24,000.00	14,968.27
Craig A. Berrington, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Max N. Berry, 3213 O St., NW Washington, DC 20007	American Importers Meat Products Group		
Do	Centre National Interprofessionnel de L'Economic Laitiere		
Do	Federation des Exportateurs de Vins & Spiritueux de France		
Do	Florida Department of Citrus		
Michael J. Bertelsen, Beneficial Management Corp. 453 New Jersey Ave., SE Washington, DC 20005	Beneficial Management Corp		
John F. Betar, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	9,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Ed Bethune, 210 East Vine Street Searcy, AR 72143	FBI Agents Assn (FBIAA)	13,500.00	571.93
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	Robert Betz Associates, Inc (For:Alabama Hospital Association)	3,100.00	75.28
Do	American Assn of Eye & Ear Hospitals	2,250.00	43.11
Do	AmeriNet	10,500.00	
Janice Bezanson, 601 Westlake Drive Austin, TX 78746	Texas Committee on Natural Resources	423.06	190.86
Joan T. Bier, 1726 M Street, NW, #701 Washington, DC 20036	IMCERA Group, Inc		
Heidi Biggs, 1250 Connecticut Ave, NW, #200 Washington, DC 20036	American Forest Resource Alliance	1,500.00	
Moe Biller, 1300 L St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	13,568.06	
Leon G. Billings, Inc, 901 15th St., NW, #570 Washington, DC 20005	South Coast Air Quality Management District	18,745.72	
Ray B. Billups Jr., 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	2,772.02	4,629.18
David Billy, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters	9,778.00	
Hugh L. Binford, 327 20th Street West Bradenton, FL 34205			
Stuart Binstock, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Peggy K. Binzel, 820 First Street, NE, #620 Washington, DC 20002	Turner Broadcasting System, Inc	2,118.00	
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Alaska Wetlands Coalition		
Do	Calista Corp		
Do	Central Bering Sea Fishermens Assn		
Do	Chugach Alaska Corp		
Do	City of Cordova		
Do	City of St. George		
Do	Duquesne Light		
Do	Entergy Services Corp		
Do	Fish Alaska, Inc		
Do	Globesat Express		
Do	Grand Targhee Ski Resort		
Do	MicroSat Launch Systems		
Do	North Slope Borough		
Do	Old Harbor Corp		
Do	Orange & Rockland		
Do	Pacific Gas & Electric Company		
Do	Sealaska Corp		
Do	Soka University		
Do	St. George Tanaq Corp		
Do	Tanadgusix Corporation		
Do	Turlock Irrigation District		
Do	Westinghouse Electric Corp		
Do	Wildlife Legislative Fund of America		
Do	Yukon Pacific Corp		
Susan Birmingham, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	8,076.90	
McNair Bishop, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Bituminous Coal Operators' Assn, 918 16th Street, NW, Suite 303 Washington, DC 20006		34,055.00	8,000.00
Gerrie Bjornson, 1825 Eye Street, NW, #400 Washington, DC 20006	B.F. Goodrich Co	100.00	
Judy Black, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers	200.00	
Wayne V. Black, Keller and Heckman 1001 G Street, NW, #500 West Washington, DC 20001	INDA, Assn of the Nonwoven Fabrics Industry		
Black Manafort Stone & Kelly, Inc, 211 North Union Street, #300 Alexandria, VA 22314	Aetna Life & Casualty	7,000.00	476.88
Do	Allied-Signal Corp	22,500.00	165.63
Do	American Mobile Satellite Corp	30,000.00	55.40
Do	American Soc of Plastic & Reconstructive Surgeons	125,000.00	170.31
Do	Bethlehem Steel Corp	22,500.00	
Do	Carolina Power & Light	7,500.00	50.80
Do	Casino Association of New Jersey	7,500.00	419.47
Do	Centerior Energy	7,500.00	50.80
Do	Clark Construction Group	9,000.00	
Do	Commonwealth Edison Co	7,500.00	50.80
Do	Gas Safety Action Council	1,000.00	251.71
Do	Gemico	31,250.00	49.00
Do	Government of Nigeria	12,500.00	
Do	GTech Corp	10,000.00	886.99
Do	D. George Harris & Associates	4,500.00	433.49
Do	Houston Lighting & Power Company	7,500.00	50.80
Do	Jefferies & Company, Inc	3,750.00	131.89
Do	Johnson & Johnson, Inc	30,000.00	445.07
Do	Kashmiri American Foundation	35,000.00	
Do	Katun Corp	11,250.00	140.45
Do	League of Leaders for Philippine Development	7,500.00	116.15
Do	MacAndrews & Forbes Holdings, Inc/Revlon Group, Inc	6,000.00	300.20
Do	Military Audits of Market Information, Inc	4,500.00	
Do	Northwest Indiana Forum	22,500.00	47.66
Do	NOVA University	30,000.00	1,956.59
Do	Puerto Rico Federal Affairs Administration	9,000.00	34.39
Do	Software Productivity Consortium	22,500.00	
Do	South Carolina Economic Development Board	2,000.00	168.84
Do	Textron	3,750.00	
Do	Tobacco Institute	22,500.00	151.60
Do	Trump Organization	18,000.00	
Do	Union Pacific Corp	22,500.00	
Do	United Way of America		
Do	UNITA	75,000.00	34.00
Joseph W. Blackburn, P.O. Box 55727 2222 Arlington Ave., So. Birmingham, AL 35255	Sirote & Permutt, PC (For:McAbee Construction)		211.60
Lisa E. Blackwell, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,250.00	56.85
Robert J. Blackwell Jr., 1025 Connecticut Avenue, NW, #1014 Washington, DC 20036	Ebasco Services, Inc	3,645.00	864.41
Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Roy Blake, 900 University Dr. Nacogdoches, TX 75961	Philip Morris, Inc	3,000.00	373.00
Helen Blank, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	2,071.54	
Julia M. Blankenship, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	631.25	690.66
Ernest Blazar, 122 C Street NW Washington, DC 20001	American League for Exports & Security Assistance (ALESA)	2,100.00	
Beatrice K. Bleicher, 1200 18th St. NW Washington, DC 20036	Owens-Illinois, Inc	5,000.00	100.00
Michael E. Bleier, Mellon Bank N.A. One Mellon Bank Center, #1915 Pittsburgh, PA 15258-0001	Mellon Bank N.A.	2,500.00	
David Bley, 1501 4th Ave., 19th Floor Seattle, WA 98101	Federal Home Loan Bank of Seattle	8,750.00	1,943.96
Richard W. Bliss, 1079 Papermill Court, NW Washington, DC 20007	Amax, Inc	915.00	76.76
Do	Figgie International	1,364.90	322.42
Do	FMC	300.00	18.99
Do	Hunter Industrial Facilities, Inc	4,712.00	271.99
Do	National Paint & Coatings Assn, Inc	1,187.00	112.59
Do	Spa & Pool Assn	600.00	74.75
John R. Block, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Peter L. Blocklin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Jennifer Blomstrom, 1531 P Street, NW, Suite 200 Washington, DC 20005	Sierra Club Legal Defense Fund	3,600.00	1,647.70
Patricia Blood, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,500.00	1,586.58
Mark Bloomfield, 1750 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	500.00	
Shirley A. Bloomfield, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	12,000.00	914.09
John B. Blount Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,187.55
Charles H. Blum, 1400 L Street, NW, #600 Washington, DC 20005	International Advisory Services Group, Ltd (For:Steel Service Center Institute)	125.80	
Joanne Blum, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	5,638.33	208.00
Robert A. Blum, 400 Sansome Street San Francisco, CA 94111	Orrick Herrington & Sutcliffe (For:Permanente Medical Group, Inc)		
Patti Blumer, 1225 Eye Street, NW, #1250 Washington, DC 20005	American Dietetic Assn	1,000.00	1,348.27
Boat Owners Assn of the U.S., 880 S. Pickett St. Alexandria, VA 22304		100,000.00	100,000.00
Judith Ann Boddie, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	1,866.07	304.13
Denise A. Bode, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		210.00
Larry A. Boggs, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	600.00	
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	American Dehydrated Onion & Garlic Assn	3,000.00	
Do	Cruiseship Alliance		
Do	National Apparel & Textile Assn	5,000.00	
Do	United Sport Fishermen	1,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Stacy A. Bohlen, 1830 Columbia Pike, #503 Arlington, VA 22204	Humane Society of the United States	6,750.00	535.13
John Bohm, 1800 Diagonal Road, #140 Alexandria, VA 22314	National Assisted Housing Management Assn	500.00	
John K. Boidock, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments	1,500.00	797.85
Patricia Boinski, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	100.00	
Michael J. Bolen, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
M. Joel Bolstein, 4000 Bell Atlantic Tower 1717 Arch Street Philadelphia, PA 19103-2793	Dechert Price & Rhoads (For:Monell Chemical Senses Center)	3,652.00	46.97
Naila Bolus, 305 7th Street, SE Washington, DC 20003	Womens Action for Nuclear Disarmament, Inc, et al.	4,300.00	
Benjamin C. Bolusky, 1250 Eye Street, NW, #500 Washington, DC 20005	American Assn of Nurserymen		
John E. Bonitt, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc	275.00	130.00
Brian C. Bonnet, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Edward Book, Two Layfayette Centre 1133 21st Street, NW Washington, DC 20036	Travel Industry Assn of America	4,450.00	
Gaylon B. Booker, 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America	660.00	7.66
Steven A. Bookshester, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	315.00	9.00
John K. Booth, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	100.00	
Mary Booth, 312 Massachusetts Ave., NE Washington, DC 20002	Trust for Public Land	3,240.00	43.85
Henry Borelli, 14589-053 P.O. Box 1000 Leavenworth, KS 66048-1000			
Lydia A. Borland, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	2,843.74	459.13
Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,681.25	
Ken Bossong, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	1,000.00	
G. Stewart Boswell, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc		
Charles G. Botsford, 1730 M St., NW, #911 Washington, DC 20036	McDonnell Douglas Helicopters, et al.	1,000.00	
John C. Bottenberg, 800 S.W. Jackson, #1120 Topeka, KS 66612	Philip Morris, Inc	2,500.00	137.08
Francis D. Bouchard, 1819 L Street, NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Claude P. Boudrias, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	272.30
Albert D. Bourland, 1350 I Street, NW, #800 Washington, DC 20005	Daimler-Benz Washington, Inc	7,500.00	360.00
Laura L. Bourne, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Wayne A. Boutwell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	1,250.00	
Albert D. Bowers, 1025 Conn. Ave., #200 Washington, DC 20036	Shell Oil Co	500.00	
John Bowers Jr., 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	16,380.00	508.91
M. Kenneth Bowler, 1455 Pennsylvania Ave., NW Washington, DC 20004	Pfizer, Inc	3,000.00	936.65
J. Laing Bowles, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	453.75	
Christopher Bowlin, 1331 Penn. Ave., NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	175.00	
Richard P. Bowling, 1020 Princess Street Alexandria, VA 22314	Truck Trailer Manufacturers Assn	1,000.00	
Jim D. Bowmer, P.O. Box 844 Temple, TX 76503	Bowmer Courtney Burleson Normand & Moore (For:Naman Howell Smith & Lee (for: Temple Junior College)).		
Bowmer Courtney Burleson Pemberton & Normand, P.O. Box 844 Temple, TX 76503	Namen Howell Smith & Lee (for Temple Junior College)		42.50
Joan Costain Bowyer, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	150.00	
John G. Boyd, 1301 K St., NW, #1200 Washington, DC 20005	International Business Machines Corp	495.00	83.00
Thomas M. Boyd, 600 Pennsylvania Ave., SE, Suite 206 Washington, DC 20003	Federal Kemper Life Assurance Co	40.00	7.50
Do	Kemper Investors Life Insurance Company	40.00	7.50
Do	Kemper Reinsurance Company	40.00	7.50
Philip B. Boyer, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn	2,250.00	
J. Patrick Boyle, 1700 N. Moore Street, #1600 Arlington, VA 22209	American Meat Institute	2,187.50	
Cynthia R. Boynton, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Gordley Associates (For:National Sunflower Assn)	65.00	
Do	Gordley Associates (For:U.S. Canola Assn)	65.00	
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Caribbean Marine, Inc		
Do	Centex Corp	1,500.00	900.00
Do	Chemical Manufacturers Assn, Inc		
Do	Edison Electric Institute		
Do	Enron Corp	1,750.00	1,050.00
Do	Enterprise Products Co		
Do	Genentech, Inc		
Do	Graham Resources, Inc		
Do	Higman Barge Lines, Inc		
Do	Louisiana Land & Exploration Co		
Do	Lyondell Petrochemical, Co		
Do	MEPC American Properties		
Do	National Cable Television Assn, Inc	750.00	450.00
Do	Pennsylvania Natural Gas Assn		
Do	Rohm & Hass Co		
Do	Joseph E. Seagram & Sons, Inc		
Do	Southdown/Pelto Oil Company		
Do	Sterling Chemicals, Inc		
Do	Texas Ophthalmological Assn		
Do	Torch Energy Advisors, Inc		
Do	Valero Energy Corporation		
Bradbury Bliss & Riordan, 431 West 7th Ave., #201 Anchorage, AK 99501	Akhiok-Kaguyak, Inc	27,114.03	
Do	Hans & Margaret Bucher		
Wayne W. Bradley, 515 North State Street Chicago, IL 60610	American Medical Assn		
Dennis M. Bradshaw, 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Lynn M. Bragg, 701 Pennsylvania Ave., NW Washington, DC 20004	Edison Electric Institute	1,477.27	238.09
Stuart J. Brahs, 1350 I Street, NW, #1030 Washington, DC 20005	Principal Financial Group	510.97	
Barbara Bramble, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	900.17	
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Environmental & Safety Data Exchange	64.50	
Do	LTB Associates		
Do	National Assn for Home Care		
Do	NCube	200.00	
Do	Olin Pantex, Inc	360.00	
Do	Oracle Corp	1,380.00	
Do	S.A.F.E.		
Do	Seafarers International Union		
Do	Unisys	1,722.00	22.35
Robert M. Brandon, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action Fund	1,660.00	224.00
Jean A. Brashears, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	275.00	
Christian N. Braunlich, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Roy Braunstein, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	18,379.38	
Donald H. Brazier, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al.		
Noel Brazil, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
George W. Breece, P.O. Box 2801 Fayetteville, NC 28302	American State of the Art Prosthetic Assn	3,000.00	
Carolyn J. Breedlove, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	3,479.32
Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	10,800.00	466.33
Peter E. Brereton, 1101 15th Street, NW, #400 P.O. Box 5937 Washington, DC 20005-5070	National Council of Community Bankers	10,000.00	91.76
Thomas M. Bresnahan III, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron Companies	4,000.00	50.00
William O. Bresnick, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	250.00	
F.H. Brewer III, 1913 Eye Street, NW Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc	1,350.00	53.46
Larry K. Brewer, 1235 Jefferson Davis Highway Arlington, VA 22202	ESCO Electronics Corp		686.35
John R. Brigance, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,000.00	
Sue M. Briggum, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	586.24
Craig S. Brightup, 206 E Street, NE Washington, DC 20002	National Roofing Contractors Assn	4,875.00	898.96
Robert J. Brinkmann, 1627 K Street, NW, #400 Washington, DC 20006	National Newspaper Assn	5,000.00	152.40
Mary Broderick, 1625 K St., NW, 8th Fl. Washington, DC 20006	National Legal Aid & Defender Assn	1,500.00	
William M. Brodhead, 900 Marquette Building Detroit, MI 48226	Plunkett & Cooney (For:NBD Bancorp, Inc)	5,250.00	1,978.14
Do	Plunkett & Cooney (for City of Detroit, Michigan)	8,625.00	
Do	Plunkett & Cooney (for Michigan Consolidated Gas Co)	9,000.00	2,174.78
David A. Brody, 1140 Connecticut Avenue, NW, #803 Washington, DC 20036	American Fiber Manufacturers Assn, Inc		
Do	Anti-Defamation League of B'nai B'rith		
Do	BASF Corp	500.00	
Do	Corn Coalition	1,000.00	
Do	Telecommunications Industry Assn		
Marcia D. Brody, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	622.50	
Michael J. Brokovich, 8201 Greensboro Drive McLean,, VA 22102	Paramax Systems Corporation	1,000.00	
Michael D. Bromberg, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	4,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Dale E. Brooks, 1401 I St., NW #1200 Washington, DC 20005	Chevron USA, Inc	1,000.00	
E. R. Brooks, P.O. Box 660164 Dallas, TX 75266	Central & South West Corp		
Mary E. Brooks, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	6,731.21	96.25
Edward J. Brothers, 5601 South High School Rd. Indianapolis, IN 46241			
Robert F. Brothers, 1776 I Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company	500.00	21.00
Cynthia L. Brown, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	15,000.00	
Dale E. Brown, 1801 Pennsylvania Ave., NW Washington, DC 20006	MCI Communications Corp	4,000.00	3,238.22
David S. J. Brown, 700 14th Street, NW Washington, DC 20005	Monsanto Co	700.00	274.31
Dianne C. Brown, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	300.00	33.75
Michael J. Brown, 18 East Custis Ave. Alexandria, VA 22301	Gold Institute	2,550.00	
Do	Klein & Saks (For:Silver Institute)		
Robert Craig Brown, P.O.Box 12285 Memphis, TN 38182	National Cotton Council of America		
Steven J. Brown, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn	2,000.00	
Vincent D. Brown, Nebraska Petroleum Council P.O. Box 95063 Lincoln, NB 68509	American Petroleum Institute	1,000.00	
Will Rolland Brown, 11 Dupont Circle, NW, #300 Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		131.25
William E. Brown, 1667 K Street, NW #420 Washington, DC 20006	Mead Corporation		
William Y. Brown, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	586.24
Clarence J. Brown and Co, Inc, 1101 Connecticut Avenue, NW, #1000 Washington, DC 20036	BHC, Inc	1,400.00	
Do	Chris-Craft Industries, Inc		
Do	Honda North America, Inc		
Do	Ohio Edison Co	5,500.00	
Do	United Television, Inc		
Arthur W. Brownell, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	10,000.00	997.15
Thomas H. Brownell, GE Aerospace 1331 Pennslyvania Ave., NW, #890 Washington, DC 20004	General Electric Company	1,981.00	174.00
Brownstein Hyatt Farber & Strickland, P.C., 410 17th Street, 22nd Floor Denver, CO 80202	Titanium Metals Corporation		
Do	Western Union Corp	2,112.34	
Do	Western Union Financial Services, Inc		1,911.99
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	Dal-Tile Corp	8,564.00	231.21
Do	Kimberly-Clark De Mexico, SA de CV		26.85
Do	New York City Housing Development Corp	9,254.00	
Do	New York State Mortgage Loan Enforcement & Admin Corp	3,027.50	
Do	Related Companies, Inc	3,000.00	694.69
Do	Vitro	19,642.50	5,496.11
Thomas P. Bruderle, 4630 Montgomery Ave. Bethesda, MD 20814	American Soc of Hospital Pharmacists		9,900.00
William K. Brunette, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	603.04	150.50
J. M. Brunkenhoefer, 227 Massachusetts Avenue, NE, #100 Washington, DC 20002	United Transportation Union	6,250.00	249.60
Michael E. Brunner, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	2,000.00	111.50
J. Charles Bruse, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Allstate Insurance Cos	1,360.00	589.31
Barbara L. Bryant, 1101 17th Street, NW, #1000 Washington, DC 20036	American Physical Therapy Assn, Private Practice Section		
Victor A. Bryant, 1801 K Street, NW #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	225.00	400.00
Brydges Riseborough Morris Franke & Miller, 150 N. Michigan Ave. Chicago, IL 60601	School District 63, et al.	3,683.72	4,062.00
Dawn M. Brydon, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Judith A. Buckalew, 1300 Eye Street, NW, #520-W Washington, DC 20005	Hoffmann-La Roche		
Robert Buckler, 405 Sibley St., #120 St. Paul, MN 55101	National Board of Fur Farm Organizations	9,000.00	
Michael Buckley, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn		34.00
Roy C. Buckner, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
David T. Buente Jr., 1722 Eye Street, NW Washington, DC 20006	Sidley & Austin (For:Commercial Finance Assn (CFA))	540.00	
Do	Sidley & Austin (For:General Electric Capital Corporation)	1,400.00	
J. Bruce Bugg Jr., 660 N. Main Ave., #350 San Antonio, TX 78205	J. Bruce Bugg, Jr., P.C. (For:Karnes Savings and Loan Assn)		
Building Owners & Managers Assn Int'l, 1201 New York Avenue, NW, #300 Washington, DC 20005			11,550.00
Douglas W. Bulcao, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	3,000.00	14.00
Darrel D. Bunge, Minnesota Petroleum Council 350 St. Peter Street, #1025 St. Paul, MN 55102	American Petroleum Institute	1,580.00	33.40
David A. Bunn, 1211 Connecticut Avenue, NW, #406 Washington, DC 20036	Hearst Corporation	1,000.00	
Do	Parcel Shippers Assn	2,000.00	
William D. Bunnell, 4660 Kenmore Ave., #1018 Alexandria, VA 22304	Cummins Engine Co, Inc	221.85	74.50
Bruce W. Burgess, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	11,757.00	65.03
Tonio Burgos, 909 Third Avenue, 17th Floor New York, NY 10028	Commonwealth of Puerto Rico/ P.R. Fed Affairs Admin		3,858.00
April L. Burke, 901 31st Street, NW Washington, DC 20007-3838	Hill & Knowlton (For:Association of Independent Research Institutes (AIRI))		
Do	Hill & Knowlton (For:California Institute of Technology)		
Do	Hill & Knowlton (For:University of Cincinnati)		
Gerard P. Burke, 1117 Spotswood Drive Silver Spring, MD 20904	International Air Leases, Inc		
J. J. Burke Jr., 40 E. Broadway Butte, MT 59701	Montana Power Co		136.07
Burley & Dark Leaf Tobacco Export Assn, 1100 17th St., NW Washington, DC 20036		73,001.25	2,000.00
Phillip C. Burnett, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America	4,125.00	12.85
Charles S. Burns, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	1,200.00	
Joseph E. Burnside, 1819 L Street, NW, #200 Washington, DC 20036	Matsushita Electric Corp of America	100.00	68.69
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Mobile Satellite Corp	5,000.00	
Do	Arthur Andersen & Co		
Do	Chicago & Northwestern Transportation Co		
Do	CEMEX		
Do	Eli Lilly & Company		
Do	Ethyl Corporation		
Do	Lever Brothers Company		
Do	National Assn of Professional Baseball Players (NAPBL)		
Do	Salomon Brothers, Inc		
Do	Thomson-CSF, Inc		
Do	Warner-Lambert Co		
Larry D. Burton, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	2,300.00	400.98
William Burton, 180 Maiden Lane New York, NY 10038	Continental Insurance Company		
Mark R. Burtschi, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,306.25	758.13
James D. Burwell, Governmental Affairs Dept. (051) Columbia, SC 29218	Scana Corp		7,086.28
Barbara L. Bush, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Donald G. Butcher, c/o N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute	1,275.00	
James J. Butera, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Federal Home Loan Bank of Boston	2,000.00	
Do	Federal Home Loan Bank of New York	500.00	
Do	Savings Bank of the Finger Lakes	1,500.00	
Buiera & Andrews, 1275 Pennsylvania Ave., NW Washington, DC 20004	Acacia Group	2,000.00	
Do	Advest Bank	2,000.00	
Do	Anchor Savings Bank	2,000.00	
Do	Bank of Baltimore		
Do	Citizens Financial Group, Inc	1,500.00	
Do	Dime Savings Bank of New York	1,500.00	
Do	Drayton Company	5,000.00	
Do	Edison Electric Institute	5,000.00	
Do	Emigrant Savings Bank	2,000.00	
Do	Federation for American Immigration Reform	1,278.50	
Do	HomeFed Bank	2,000.00	
Do	Household International	15,000.00	
Do	NVR Savings Bank	2,000.00	
Do	Peoples Bank	1,000.00	
Do	Pioneer Financial Services	1,000.00	
Do	River Bank America	1,500.00	
Do	Rochester Community Savings Bank	1,500.00	
Do	Savings Banks Assn of New York State	1,250.00	
Do	Savings Banks Life Insurance Fund	3,000.00	
Do	Texas Savings & Loan League	4,000.00	
Do	Wisconsin League of Financial Institutions, Ltd	1,500.00	
Mrs. H. E. Butt, 3700 Ocean Drive Corpus Christi, TX 78411			
John J. Byrne, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	3,000.00	
BBA, Inc, 1000 Potomac Street, NW, #301 Washington, DC 20007	Career College Assn	30,000.00	26,092.30
C & C Consulting Group, Inc, 210 Cameron Street Alexandria, VA 22314	Advanta Corp	5,000.00	
Do	EG&G/Dynatrend, Inc	7,500.00	
Do	Jones Motor Company	2,500.00	
Do	Kansas Gas & Electric Co, Inc	15,000.00	48.69

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	MacAndrews & Forbes Holdings, Inc	15,000.00	4.71
Patrick J. Cacchione, 11775 Borman Dr. St Louis, MO 63146-6905	Daughters of Charity National Health Systems		
Elizabeth B. Cady, 1400 L Street, NW, #600 Washington, DC 20005-3509	Steel Service Center Institute		
Mr. Mark Cahoon, 122 C Street, NW, Suite 330 Washington, DC 20001	Council of State Chambers of Commerce	399.60	
Christopher G. Caine, 1301 K St., NW, 11th Floor Washington, DC 20005	IBM Corp	1,548.00	840.01
Alan Caldwell, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,350.00	
Bonnie Caldwell, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	576.56
Antonio J. Califa, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	2,800.00	
Barbara J. Calkins, 1200 17th St., NW Washington, DC 20036	American Psychological Assn	787.50	
Calorie Control Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			360.00
Wayne J. Camara, 1200 17th St., NW Washington, DC 20036	American Psychological Assn	180.00	
Cambridge International, Inc, 2775 South Quincy Street, #520 Arlington, VA 22206	Allison Transmission	600.00	
Do	Eastern Technologies, Inc	750.00	
Do	FMC Corporation	500.00	
Do	General Dynamics Land Systems	1,000.00	
Do	McDonnell Douglas Helicopter Company	600.00	
Do	Oshkosh Truck Corp	300.00	
Do	Stewart & Stevenson Services, Inc	600.00	
Do	Textron Lycoming	800.00	
Do	Varo, Inc	600.00	
Arthur E. Cameron, 225 C Street NE, #A Washington, DC 20005	Lukens General Industries, Inc	1,500.00	
Do	National Greyhound Assn	4,500.00	
Do	Potters Industries, Inc	2,250.00	
Do	Radar Assn Defending Airwave Rights, Inc (RADAR)	5,250.00	
Do	Safetran Systems Corporation	7,275.00	
Do	Stimsonite Corporation	1,500.00	
Do	Syro Steel Co, et al.	1,875.00	
Do	3M Company	10,157.00	
Nancy Camm, 1101 17th St., NW, #1002 Washington, DC 20036	Bank of America	2,509.95	1,333.96
Michael C. Camp, 1899 L Street, NW #1100 Washington, DC 20036	Exxon Corp		
Camp Barsh & Tate, 2550 M St., NW, #275 Washington, DC 20037	Advance Petroleum, Inc		
Do	American Industries Trust Co		
Do	Associated Financial Corp		
Do	ARA Services, Inc		
Do	BellSouth Corp	250.00	
Do	Blue Cross & Blue Shield Assn	187.20	
Do	Campbell Soup Co	41.60	
Do	Chemical Manufacturers Assn, Inc	125.00	
Do	Coalition for Employment Opportunities	75.00	50.00
Do	Columbia Gas Systems, Inc		
Do	Committee for Equitable Compensation		
Do	Dean Witter Financial Services Group	1,300.00	
Do	Fashion Accessories Shippers Assn (FASA)		
Do	Harcourt Brace Jovanovich, Inc		
Do	Home Intensive Care, Inc	228.80	
Do	K-Mart Corp	457.60	
Do	McDermott Will & Emery for Group Health Insurance Assn of AM		
Do	Mobil Oil Corp		
Do	National Assn of Diagnostic Services (NADS)	249.60	
Do	Natural Gas Supply Assn	600.00	
Do	Olin Corporation		
Do	Pennzoil Co		
Do	PGA Tour		
Do	Rural Referral Centers Coalition	145.60	
Do	Russ Berrie & Co, Inc		
Do	Shell Oil Co	533.20	
Do	Southland Corporation	520.00	
Do	Texaco, Inc		
Do	Union Pacific Resources, Inc		
Do	World Airways		
Do	World Fuel Services		
C. R. Campbell Jr., 1850 M St., NW, #1200 Washington, DC 20036	GTE Corporation	3,000.00	
Carl C. Campbell, 1110 Vermont Avenue, NW, #430 Washington, DC 20005	National Cotton Council of America	624.00	
Charles O. Campbell, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	2,000.00	
David Campbell, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,523.61	
Jerry L. Campbell, 1201 Chestnut St. Chattanooga, TN 37402	Tennessee Valley Public Power Assn		
John G. Campbell, 9300-D Old Keene Mill Road Burke, VA 22015	John G. Campbell, Inc (For:ARCO Power Technologies, Inc)		
Do	John G. Campbell, Inc (For:BDM International, Inc)		
Do	John G. Campbell, Inc (For:Ebasco)		
Do	John G. Campbell, Inc (For:General Electric Co)		
Do	John G. Campbell, Inc (For:Hughes Aircraft Company)		
Do	John G. Campbell, Inc (For:Loral Corp)		
Do	ManTech International Corp		
Do	John G. Campbell, Inc (For:Sierra Nevada Corp)		
Do	John G. Campbell, Inc (For:SPACEHAB, Inc)	30,000.00	28,621.95
Do	John G. Campbell, Inc (For:3M Company)		
Marilyn E. Campbell, 517 2nd Street, NE Washington, DC 20002	David Turch & Asso	1,200.00	
Thomas D. Campbell & Associates, Inc, 113 South Alfred Street Alexandria, VA 22314	Cyprus Minerals Co	5,000.00	8,979.94
Anne C. Canfield, 1331 Pennsylvania Ave., NW, #800-South Washington, DC 20004	General Electric Co	580.00	
Sharon F. Canner, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	186.80	
Hugh C. Cannon, 1500 K Street, NW, #650 Washington, DC 20005	Glaxo, Inc	450.00	
James R. Cannon Jr., 808 Seventeenth Street, NW, #300 Washington, DC 20006-3910	Stewart and Stewart (For:Smith Corona Corp)	3,253.69	
Do	Stewart & Stewart (For:Timken Co)		
Do	Stewart & Stewart (For:Torrington Company)		
W. Dean Cannon Jr., 9800 S. Sepulveda Blvd., #500 Los Angeles, CA 90045	California League of Savings Institutions	3,000.00	
Francis J. Cantrel Jr, 1802 Pennsylvania, Ave., NW Washington, DC 20006	MCI Communications Corp	4,000.00	633.08
Capital Consultants, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunication Corp		
Capital Marketing Analytics, Inc, 2001 Jefferson Davis Highway , #1012 Arlington, VA 22202	Honeywell, Inc		
Do	Loral Corp		
Do	Rockwell International Corp		
Do	Sofec, Inc		
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	American Academy of Allergy & Immunology	500.00	
Do	American Assn of Cancer Research	300.00	
Do	American Biotechnology Companies	500.00	
Do	American Osteoporosis Alliance	100.00	
Do	American Soc of Nephrology	4,750.00	
Do	American Soc of Tropical Medicine and Hygiene	600.00	
Do	Arthritis Foundation	937.50	
Do	AMC Cancer Research Center	500.00	
Do	Carnation Co	5,000.00	
Do	Citizens Comm for Medical Research & Health Education	300.00	
Do	Cystic Fibrosis Foundation	1,200.00	
Do	Emergency Nurses Assn	250.00	
Do	FDA Council	10,237.50	
Do	Hutchinson Cancer Center	1,800.00	
Do	Illinois Collaboration on Youth	100.00	
Do	International Coordinating Council for Cancer Research	2,000.00	
Do	Joint Council of Allergy & Immunology	450.00	
Do	Massachusetts General Hospital	2,250.00	
Do	National Assn of Pediatric Nurse Associates & Practitioners	1,200.00	
Do	National Association of Addiction Treatment Providers	750.00	
Do	National Coalition for Cancer Research	375.00	
Do	National Multiple Sclerosis Society	675.00	
Do	Nestle Foods	3,250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Partnership for Organ Donation	1,500.00	
Do	Psychiatric Education & Research Foundation	100.00	
Do	Ringling Brothers	2,750.00	
Do	U.S. Healthcare, Inc	200.00	
Do	Wellman Laboratory	1,000.00	
Capitol Strategies, Suite 875 1747 Pennsylvania Ave., NW Washington, DC 20006	Equitable Capital Management Corp		363.60
Do	Equitable Life		190.76
Caplin & Drysdale, Chtd, One Thomas Circle, NW, #1100 Washington, DC 20005	American Methanol Institute (AMI)		
Denise A. Cardman, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Kate Carey, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Cos		
Norval E. Carey, 1100 17th St., NW, #1200 Washington, DC 20036	General Atomics	21,867.00	1,940.69
Robert R. Carey, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Company		
Maurice E. Carino Jr., 1667 K St. N.W., #600 Washington, DC 20006	Bethleham Steel Corp	50.00	
Linda E. Carlisle, 1000 Connecticut Ave. NW, Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)		
Do	Cadwalader Wickersham & Taft (For:Government of Puerto Rico)		
Do	Cadwalader Wickersham & Taft (For:GAF Corporation)		
Do	Cadwalader Wickersham & Taft (For:Institute of International Container Lessors).		
Do	Cadwalader Wickersham & Taft (For:Kern River Gas Transmission Company)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Do	Cadwalader Wickersham & Taft (For:Philadelphia Stock Exchange, Inc)		
Do	Cadwalader Wickersham & Taft (For:Princeton University Investment Company)		
Anne E. Carlson, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	7,650.00	
Catherine A. Carlson, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	2,051.02	
Carmen & Muss, 1901 Pennsylvania Ave., NW, #800 Washington, DC 20006	Carmen Group (for CareerCom)		
Carmen Group, 2100 Pennsylvania Ave., NW, #365 Washington, DC 20037	CareerCom Corp		
Do	Carter Footwear	10,000.00	15.44
Do	Kennametal, Inc		
Michael C. Carozza, 655 15th Street, NW Washington, DC 20005	Bristol-Myers Squibb Co	1,500.00	
Bertram W. Carp, 820 First Street, NE, #620 Washington, DC 20002	Turner Broadcasting System, Inc	7,655.00	
Fred A. Carr Jr., 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		
James M. Carroll, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	1,081.73	64.68
John R. Carson, 9312 Old Georgetown Rd. Bethesda, MD 20814-1621	American Podiatric Medical Assn	18,000.00	
R. D. Carson Jr., P.O. Box 2021 40 Franklin Rd., SW Roanoke, VA 24022	Appalachian Power Company		37.44
John R. Carter, 1001 19th Street, North, #800 Arlington, VA 22209	TRW, Inc	169.00	
Joseph L. Carter Jr., 50 F Street, NW, #1200 Washington, DC 20001-1564	Association of American Railroads	1,418.54	390.80
Melanie Carter-Maguire, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc	1,250.00	
James P. Carty, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Susan B. Carver, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	2,500.00	518.38
Frank H. Case III, 2600 Virginia Ave., NW, 10th Floor Washington, DC 20037-1905	Schmeltzer, Aptaker & Shepard, PC (For:Council of Nursing Home Suppliers)	20,000.00	
Winthrop Cashdollar, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	30,000.00	618.10
Cashdollar-Jones & Company, 1000 16th Street, NW, #702 Washington, DC 20036	Council on Education Development and Research	300.00	1.50
Do	Federal Agricultural Mortgage Corp	3,950.00	51.64
Do	First South Production Credit Assn	18,000.00	180.21
Do	United Foods, Inc		
Allen R. Caskie, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,500.00	
William E. Casselman II, 1300 I Street, NW, #500-East Washington, DC 20005	Popham Haik Schnobrich & Kaufman, (For:Peter S. Baldonado)	500.00	
Do	Popham Haik Schnobrich & Kaufman, Ltd (For:Ova Noss Family Partnership)		
Cassidy and Associates, Inc, 700 13th St., NW, #400 Washington, DC 20005	African American Panoramic Experience (APEX)	825.00	7.50
Do	Albion College		
Do	Alexander Graham Bell Assn for the Deaf		
Do	American Assn of Colleges of Podiatric Medicine	2,250.00	7.50
Do	American Dredging Co	1,050.00	12.13
Do	American Hospital in Shanghai Foundation	1,500.00	
Do	American Petroleum Institute		
Do	American Science and Engineering, Inc	1,800.00	137.50
Do	AmeriBrom, Inc	3,300.00	50.00
Do	AmeriFlora '92		
Do	Anatolia College Board of Trustees		
Do	Ron Ansin		
Do	Atlantic Drydock Corp	550.00	
Do	AT&T	300.00	6.00
Do	Barry University		
Do	Bay County Chamber of Commerce		
Do	Bean Dredging Company	1,050.00	12.13
Do	Best Buddies of America, Inc		
Do	Biopure Corp	425.00	
Do	Bishop Museum	600.00	15.00
Do	Boston Carmen's Union		
Do	Boston College	750.00	
Do	Boston University	7,100.00	6.00
Do	California Pacific Medical Center	1,500.00	
Do	Cardinal Hill Hospital		
Do	Catholic University of America		
Do	Center for Health Technologies, Inc		
Do	CenterPort International	1,350.00	70.50
Do	Centex Communications, Inc		
Do	CertainTeed Corp		
Do	Challenger Center		
Do	Chevron Chemical Company, Inc	600.00	
Do	Children's Hospital and Health Center of San Diego	2,475.00	
Do	Children's Hospital in Michigan	300.00	
Do	Children's Hospital of Pittsburgh	962.40	5.50
Do	Children's National Medical Center	675.00	
Do	Cities In Schools, Inc	300.00	
Do	Clark-Atlanta University		
Do	Columbia University	150.00	
Do	Community College Assn for Technology Transfer	2,100.00	
Do	Comprehensive Care Corp	225.00	13.10
Do	Critical Languages & Area Studies Consortium, Inc		
Do	CSO Partnerships	1,350.00	30.60
Do	Delaware State Dept of Transportation	450.00	
Do	Enichem Elastomers Americas, Inc	1,100.00	12.10
Do	Epcint		
Do	Experiment in International Living		
Do	Fairleigh Dickinson University		
Do	Federal League of Americans Around the Globe	900.00	6.00
Do	Florida Institute of Technology	1,250.00	
Do	Foundation for James Madison's Montpelier	3,125.00	3.00
Do	Fudan Foundation	1,500.00	
Do	Garden Isle Cablevision, L.P.		
Do	Gatx-Airlog		
Do	Gonzaga University	1,100.00	6.00
Do	Governor of Hawaii, Executive Office on Aging	300.00	
Do	Great Lakes Dredge & Dock Company	1,050.00	12.13
Do	Hahnemann University Hospital		
Do	Hawaii Dept of Business & Economic Development		
Do	Illinois Eastern Community Colleges	1,200.00	
Do	Illinois Institute of Technology	1,050.00	15.00
Do	Infirmary Health Systems, Inc		
Do	Intercontinental Energy Group	900.00	
Do	International Data Group		
Do	T.L. James & Company	1,050.00	12.13
Do	Jones Intercable, Inc	900.00	219.60

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	JBS & Associates, Inc		
Do	Kauai CableVision, L.P.		
Do	Kendall Square Research Corp	1,275.00	
Do	Kimberly Quality Care		
Do	LaSalle University	75.00	
Do	Lehigh University	375.00	
Do	Lodge Corp		
Do	Loma Linda University Medical Center, Inc	300.00	
Do	Loyola Marymount University		
Do	Maersk, Inc	3,825.00	182.40
Do	Marquette University	2,400.00	116.45
Do	Massachusetts League of Banks		
Do	Medical College of Wisconsin		
Do	Michigan Biotechnology Institute	375.00	
Do	Michigan Technological University	600.00	
Do	Ministry of Forestry of Indonesia		
Do	Monterey Institute of International Studies	975.00	
Do	Mt. Sinai Medical Center of Greater Miami	450.00	
Do	Multinational Business Development		
Do	National Assn of Proton Therapy		
Do	National Cable Television Assn		
Do	National Jewish Center for Immunology & Respiratory Medicine	75.00	
Do	NeoRx		
Do	New England Deaconess Hospital Corporation	1,375.00	
Do	New Jersey Instutute of Technology	650.00	
Do	Northwestern University	525.00	
Do	Ocean Spray Cranberries, Inc	2,350.00	71.30
Do	Pennsylvania Turnpike Commission	900.00	
Do	Piaggio Aviation, Inc	2,175.00	31.50
Do	Pine Bluff Sand & Gravel	1,050.00	12.13
Do	Pirelli Cable Co		
Do	Pirelli Industrial Products Corp	300.00	
Do	Polaroid Corp		
Do	Polytechnic University	300.00	
Do	PHH Corp		
Do	Rhode Island Hospital	1,400.00	13.10
Do	Rochester Institute of Technology	75.00	
Do	Ryland Group	2,100.00	39.90
Do	Saint Joseph's University	150.00	
Do	Saint Regis Mohawk Tribe		
Do	Salzburg Seminar		
Do	Saunders, Snyder, Ross & Dickson, PC	4,187.00	296.10
Do	Scott County Highway Department	600.00	
Do	Societa Cavi Pirelli S.p.A.		
Do	Southwest Marine, Inc	975.00	
Do	St. Norberts College	600.00	
Do	State of Indiana, Office of the Governor	2,100.00	16.00
Do	Tougaloo College	300.00	53.40
Do	Tri-State University		
Do	Tufts University	600.00	27.95
Do	U.S. Surgical Corp		
Do	Union Switch & Signal	1,425.00	
Do	United Brotherhood of Carpenters National Health & Sfty Fund	425.00	37.40
Do	United Hospital Medical Center	150.00	
Do	Universal Med Center/U of TX Health Science Center at Dallas		
Do	University of the Arts	600.00	
Do	University of Detroit Mercy	75.00	
Do	University of Hawaii	1,200.00	29.60
Do	University of Pennsylvania	1,699.80	
Do	University of Southern Mississippi	350.00	
Do	University of St. Thomas	750.00	
Do	University of Utah		
Do	University of Vermont	375.00	
Do	Waterman Health Care System (Lake Care)	525.00	
Do	Western Townships Utilities Authority	1,200.00	
Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	912.50	
Rita L. Castle, 100 NE Adams Street Peoria, IL 61629	Caterpillar, Inc	4,500.00	1,075.00
Harvey E. Cauthen Jr., 2 Dexter Ave. Montgomery, AL 36104	Alabama Power Co	17,550.00	
Gordon Cavanaugh, 122 C Street, NW, #875 Washington, DC 20001-2109	Reno Cavanaugh & Hornig (For:Council of Large Public Housing Authorities)	22,060.00	2,187.64
Do	Reno Cavanaugh & Horning (For:Housing Authority Insurance, Inc)	625.00	
Do	Reno Cavanaugh & Hornig (For:National American Indian Housing Council)	2,500.00	
Red Cavaney, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc	2,200.00	
Andrew F. Caverly, 180 South Clinton Ave. Rochester, NY 14646-0700	Rochester Telephone Corp	2,875.00	
Cement Kiln Recycling Coalition, 1101 30th Street, NW 5th Floor Washington, DC 20007			
David Certner, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	640.02	241.38
Chadbourne & Parke, 1101 Vermont Ave., NW, #900 Washington, DC 20005	American Paper Institute, Inc		
Do	AES Corporation		
Do	Napp Chemicals, Inc	910.00	10.00
Do	Ruan Transportation Management Systems		
Terry M. Chamberlain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Maxine Champion, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	3,000.00	100.00
William J. Chandler, 1776 Massachusetts Avenue, NW, #200 Washington, DC 20036	National Parks & Conservation Association	9,125.00	4.50
John Chandler Associates, Inc, 9816 Hillridge Drive Kensington, MD 20895	York International	500.00	60.85
Pete Chaney, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Linda Z. Chapman, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Manufacturers Assn		
Michael D. Chapman, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,690.00
Thomas B. Chapman, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	14,191.00	1,454.40
Byron Charlton, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	17,392.34	560.49
Charter Medical Corp, 577 Mulberry Street Macon, GA 31298			
Chemical Manufacturers Assn, Inc, 2501 M Street, NW Washington, DC 20037			123,573.00
Chemical Specialties Manufacturers Assn, Inc, 1913 Eye Street, NW Washington, DC 20006			1,696.04
William B. Cherkasky, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Chernikoff & Company, 1320 18th Street, NW, #100 Washington, DC 20036	American Museum of Natural History		
Do	Arena Stage	1,203.00	1,309.75
Do	Art Museum Princeton University		
Do	Bishop Museum		
Do	Capital Childrens Museum	1,062.50	1,169.25
Do	Carnegie Museum of Natural History		
Do	Cleveland Museum of Natural History		
Do	Corcoran Gallery of Art	1,156.00	1,262.75
Do	Directors Guild of America	24,186.00	1,050.65
Do	Field Museum of Natural History		
Do	Fine Arts Museums of San Francisco		
Do	Ford's Theater	1,062.50	1,169.50
Do	Hebrew Union College, Skirball Museum		9.00
Do	Illinois State Museum Society		
Do	International Photographers Guild	562.00	15.00
Do	Isabella Stewart Gardner Museum	750.00	500.00
Do	John F. Kennedy Center for the Performing Arts	1,203.00	1,309.75
Do	Meridian House International	1,062.50	1,169.25
Do	Metropolitan Museum of Art		
Do	Museum of American Textile History		
Do	Museum of Northern Arizona		
Do	Mystic Seaport Museum		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Museum of Women in the Arts	1,109.00	1,215.75
Do	National Symphony	1,203.00	1,309.75
Do	Natural History Museum of Los Angeles County		1,009.00
Do	New York Historical Society		
Do	Peabody Museum of Archeology & Ethnology		
Do	Peabody Museum of Salem		
Do	Phillips Collection	1,062.50	1,169.25
Do	Science Museum of Minnesota		
Do	Shakespeare Theater at the Folger	1,062.50	1,169.25
Do	Shelburn Museum		
Do	Textile Museum	1,062.50	1,169.25
Do	University of Pennslvania Museum		
Do	Washington Ballet	1,062.50	1,169.25
Do	Washington Opera	1,203.00	1,309.75
Do	Washington Performing Arts Society	1,109.00	1,215.75
Samuel D. Chilcote Jr., 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute, Inc	1,525.00	
John L. Child, 490 L'Enfant Plaza, #8206 Washington, DC 20024	Litton Industries	1,000.00	1,316.53
Peggy M. Childress, 811 W. Marvin Avenue Waxahachie, TX 75165	Housing Roundtable		1,171.00
Nam-Hong Cho, 1800 K Street, NW, #700 Washington, DC 20006	Korea Foreign Trade Assn	700.00	495.00
Joseph L. Choquette III, Vermont Petroleum Assn P.O. Box 566 Montpelier, VT 05602	American Petroleum Institute	275.00	7.34
Edward C. Chow, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron Companies		
Richard Chriss, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00
James T. Christy, 805 15th Street, NW, #330 Washington, DC 20005	Air Products & Chemicals, Inc	10,000.00	
Chubb Corporation, 15 Mountain View Road Warren, NJ 07061			27,416.77
Chugach Electric Assn, Inc, P.O. Box 196300 Anchorage, AK 99519-6300			
Alan L. Chvotkin, 14829 Dufief Drive Gaithersburg, MD 20878	Sundstrand Corporation	2,635.00	594.05
Chwat/Weigend Associates, 400 First Street, NW, #855 Washington, DC 20001	American Home Sewing Assn, Inc	750.00	750.00
Do	American Radio Relay League, Inc	4,500.00	4,500.00
Do	Associated Locksmiths of America	1,332.00	1,332.00
Do	National Licensed Beverage Assn	5,400.00	5,400.00
Do	National Weather Service Employees Organization	480.00	480.00
Jeffrey R. Cilek, 1001 Connectivut Ave., NW, #1001 Washington, DC 20036	Lanxide Corp	2,500.00	
Citizen Action Fund, 1300 Connecticut Ave., NW, #401 Washington, DC 20036		1,320.00	4,168.00
Citizens for Reliable and Safe Highways (CRASH), 81 Lansing Street, #106 San Francisco, CA 94105-1611		47,175.37	225.00
Citizens Comm for the Right to Keep & Bear Arms, Liberty Park, 12500 NE Tenth Place Bellevue, WA 98005		662,858.15	341,734.24
Donald D. Clancy, 6507 Leeds Lane Cincinnati, OH 45215	Tele-Press Associates, Inc (For:Japan Fisheries Association)	3,000.00	2,037.05
Marshall C. Clark, 7332 SW 21st Street P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc (KEC)	3,246.00	
Rudy I. Clark, 5342 Woodbury Woods Lane Fairfax, VA 22032	Air Force Sergeants Assn, Inc		
Thomas R. Clark, 919 18th Street, NW Washington, DC 20006	Federal Agricultural Mortgage Corp	14,374.00	845.77
Vernon A. Clark, 2100 Pennsylvania Ave, NW #600 Washington, DC 20037	Vern Clark & Associates (For:Coalition for Property Rights)	124,999.98	1,000.00
Do	Vern Clark & Associates (For:Fox Television Stations, Inc)	18,000.00	
Do	Vern Clark & Associates (For:Metromedia Company)	15,000.00	
Do	Vern Clark & Associates (For:RJR-Nabisco Washington, Inc)	60,000.00	
Vern Clark & Associates, 2100 Pennsylvania Ave, NW, #600 Washington, DC 20037-3202	Coalition for Property Rights	124,999.98	1,000.00
Do	Fox Television Stations, Inc	18,000.00	
Do	Metromedia Company	15,000.00	
Do	RJR, Nabisco Washington, Inc	60,000.00	
Richard Clarke, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn		1,014.60
Sara F. Clary, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	5,000.00	
Michelle C. Clay, 8630 Fenton Street, #615 Silver Spring, MD 20910	Brown & Associates (for Bi-State Development Agency)	10,000.00	2,000.00
Do	Federation of Postal Police Officers	2,420.00	200.00
Do	National Association of Minority Automobile Dealers	10,000.00	1,630.00
Joan Claybrook, 2000 P Street, NW, #605 Washington, DC 20036	Public Citizen, Inc	7,350.00	
Kenneth J. Clayton, 1120 Connecticut Ave, NW Washington, DC 20036	American Bankers Assn	493.14	
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Crompton & Knowles Corp		
Do	Day-Glo Color Corp		
Do	Fleet/Norstar Financial Group, Inc		
Do	Government Representatives Committee Securities Indstry Assn		
Do	Harry Frank Guggenheim Foundation		
Do	Ministry of Finance & Public Credit of the United Mexican St		
Do	Salomon Brothers, Inc		
Do	Security Pacific National Bank	792.00	8.00
Do	U.S. Bancorp		
Do	Union Oil Co of California, et al.		
Ronald D. Clements, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	2,629.87	551.90
Cleveland-Cliffs, Inc, 1100 Superior Avenue Cleveland, OH 44114-2589			1,053.00
Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006	Australian Meat & Live-Stock Corp	5,845.00	5,496.58
Do	Nonprescription Drug Manufacturers Assn	600.00	200.00
George Stephen Clifton, 1050 17th Street, NW, #550 Washington, DC 20036	Houston Industries, inc	5,000.00	
Climaco Climaco Seminatore Lefkowitz & Garofoli Co., 1228 Euclid Ave., #900 Cleveland, OH 44115	Carbon Fuels Corporation		
Clohan & Dean, 1101 Vermont Ave., NW, #400 Washington, DC 20005	Coalition for Higher Education Assistance Organizations	450.00	
Do	Consumer Bankers Assn	8,300.00	
Do	Student Loan Funding Corp of Ohio	6,000.00	
Do	Very Special Arts	280.00	
Stephen J. Cloud, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	2,300.00	
W. Dewey Clower, 1199 North Fairfax, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc		
Coal Industry Health Protection Coalition, 918 16th Street, NW, Suite 303 Washington, DC 20006		92,100.00	75,092.38
Coalition for an Undercharge Relief Bill, 2020 Pennsylvania Ave., NW, #626 Washington, DC 20006		6,350.00	1,645.00
Coalition for American Energy Security, 1050 Thomas Jefferson St., NW, 6th Floor Washington, DC 20007		125.00	
Coalition of Supporters of the Shipping Act, 1800 M Street, NW, 8th Floor North c/o Morgan Lewis & Bockius Washington, DC 20036.			
Coalition to Preserve the Low Income Housing Tax Credit, 2300 M St., NW Washington, DC 20037		2,000.00	2,000.00
Coalition to Promote America's Trade, c/o Steptoe & Johnson 1330 Connecticut Avenue, NW Washington, DC 20036			
Coalition Against Double Taxation, Inc, c/o Perkins Coie 607 14th Street, NW, 8th Floor Washington, DC 20005		12,500.00	
Coastal Advocate, 148 Topside Road Manahawkin, NJ 08050		3,880.00	9,631.33
Alan J. Cobb, 1120 Vermont Avenue, NW, #1130 Washington, DC 20005	Petroleum Marketers Assn of America	8,500.00	1,833.06
Richard B. Cobb, Petroleum Council of Ga 50 Hurt Plz., SE, #720 Atlanta, GA 30303-2923	American Petroleum Institute	50.00	
Robert D. Coble, P.O. Drawer 2426 Columbia, SC 29202	Nexsen Pruet Jacobs & Pollard (For:Greenwood Development Corp)		460.00
Coffield Ungaretti Harris & Slavin, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Comdisco, Inc		
Do	Metropolitan Mutual Life Insurance Company	7,500.00	
Do	National Cooperative Bank		
Do	Smokeless Tobacco Council, Inc	21,250.00	
Amy A. Coggin, 1201 New York Ave., NW, #400 Washington, DC 20005	American Public Transit Assn	2,300.00	
Dan Cohen, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	15,099.96	1,569.81
Daniel L. Cohen, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
David Cohen, 1616 P St., NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	7,709.38	
Edmund S. Cohen, 200 Park Avenue New York, NY 10166	Coudert Brothers	4,000.00	135.57
John Cohen, 1331 Penn Ave., NW, #1500-North Washington, DC 20004-1703	National Assn of Manufacturers	275.00	
Kenneth S. Cohen, 1295 State Street Springfield, MA 01111-0001	Massachusetts Mutual Life Insurance Company	576.00	351.56
Philip Q. Cohen, 8525 Edinkbrook Parkway Brooklyn Park, MN 55443	Goff/Wilkie & Associates (For:North Metro th 610/10 Crosstown Council)		39.06
Cohn and Marks, 1333 New Hampshire Ave., NW Washington, DC 20036	Maclean Hunter Cable TV	87.50	22.65
Do	USA Network		
Joseph L. Colaneri, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		531.66
Carol Thompson Cole, 1455 Pennsylvania Ave, NW, #525 Washington, DC 20004	RJR Nabisco, Inc	3,100.00	
Robert E. Cole, 900 17th St., NW Washington, DC 20006	Kaiser Aluminum & Chemical Corp	350.00	30.00
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Government of France		100.00
Do	Louisiana Land & Exploration Co		
Do	Matsushita Elec Corp (for Int'l Electron Mfgrs & Consum...)		
Colex & Associates, 2775 South Quincy Street, #520 Arlington, VA 22206	Cambridge International, Inc	2,000.00	
Do	Coalition for Employment Opportunities	4,000.00	
Do	Invacare	2,000.00	
Do	RGDC Inc	4,500.00	
Do	Triangle Group, Inc		
Jessie M. Colgate, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Emilio G. Collado III, Collado Associates 1405 Montague Drive Vienna, VA 22180	American Watch Assn	1,300.00	190.00
Calvin Evans Collier, 1010 Wisconsin Ave., NW Washington, DC 20007	Grocery Manufacturers of America, Inc		
Collier Shannon & Scott, 3050 K Street, NW, #400 Washington, DC 20007	Alliance for British & Australian Tax Equity (ABATE)		
Do	American Car Rental Assn	3,551.25	3,551.25
Do	American Couplings Coalition		
Do	American Iron & Steel Institute		
Do	American Textile Machinery Assn		
Do	Association of Certified Trucking Schools		
Do	Australian Wheat Board	400.00	400.00
Do	Bicycle Manufacturers Assn of America		
Do	Coalition for Safe Ceramicware	2,000.00	2,000.00
Do	Committee of American Ammunition Manufacturers		
Do	Crop Insurance Research Bureau	500.00	500.00
Do	Ferrous Scrap Consumers Coalition		
Do	Food Marketing Institute		
Do	Footwear Industries of America	1,000.00	1,000.00
Do	Footwear Procurement Coalition		
Do	Gerry Baby Products Co		
Do	Independent Lubricant Manufacturers Assn	2,896.25	2,896.25
Do	Inland Steel Corp	500.00	500.00
Do	International Crystal Federation	2,000.00	2,000.00
Do	Leather Industries of America		
Do	Lykes Brothers, Inc		
Do	Municipal Castings Fair Trade Council	911.25	911.25
Do	National Assn of Convenience Stores	10,822.50	10,822.50
Do	National Assn of Mutual Insurance Cos	375.00	375.00
Do	National Cosmetology Assn, Inc		
Do	National Juice Products Assn		
Do	National Pasta Assn		
Do	Nutriclean		
Do	Oneida Ltd.		
Do	Outdoor Power Equipment Institute		
Do	Petroleos de Venezuela, S.A.	5,600.00	5,600.00
Do	Pittsburgh Corning Corporation		
Do	Shipbuilders Council of America		
Do	Society of Independent Gasoline Marketers of America	16,032.50	16,032.50
Do	Specialty Steel Industry of the United States	1,127.50	1,127.50
Do	Zurich-American Insurance Companies		
Michael A. Collins, 13106 Ivy Drive Beltsville, MD 20705	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	6,000.00	824.63
Paula J. Collins, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	9,410.38	246.00
R. J. Collins, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
William P. Collins, 1001 G Street, NW 7th Floor East Washington, DC 20001	(For:R. Marc Nuttle)		
Do	Southern Company Services, Inc		
Camilla L. Collova, 1025 Connecticut Ave., NW, #1007 Washington, DC 20036	Armstrong World Industries, Inc		
Jeffrey Colman, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	15,124.98	166.22
Geri Colombaro, 1776 F Street, NW Washington, DC 20006	IBM	411.60	100.75
Dominique Colon, 555 13th Street, NW, #1260 East Washington, DC 20004	Medtronic, Inc		
Kent W. Colton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Mary Colville, 1155 15th St., NW Washington, DC 20005	National Broiler Council	1,375.00	
Jeffrey W. Combos, c/o Tennessee Petroleum Council 211 7th Ave. North Nashville, TN 37219	American Petroleum Institute		
Lori A. Comeau, 805 15th Street, NW #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	177.06
Commercial Finance Association, 225 W. 34th St. New York, NY 10122	National Commercial Finance Assn		12,565.00
Committee for America's Copyright Community, 1317 F Street, NW, #600 Washington, DC 20004		3,290.00	3,290.00
Committee for Humane Legislation, Inc, 1623 Connecticut Avenue, NW, 4th Floor Washington, DC 20036		5,709.00	9,065.69
Committee on U.S. Business Canadian Life & Health Insur Assn, C/O Dykema Gossett 800 Michigan National Tower Lansing, MI 48933.	Committee on U.S. Business Canadian Life & Health Ins. Assn		6,104.87
Committee to Support the Antitrust Laws, 1300 Eye Street, NW, #480E Washington, DC 20005		22,000.00	12,000.00
Common Cause, 2030 M St., NW Washington, DC 20036		2,790,417.00	414,047.94
Community Service Council of Central IN, Inc, 1828 North Meridian Indianapolis, IN 46202			
Competitive Enterprise Institute, 233 Pennsylvania Avenue, SE, #200 Washington, DC 20003		199,276.00	
Competitive Telecommunications Assn, 1140 Connecticut Avenue, NE Washington, DC 20002			
Compressed Gas Assn/Helium Advisory Council, 1725 Jefferson Davis Hwy, #1004 Arlington, VA 22202-4102		18,093.00	18,093.00
Concord Associates, Inc, 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	American Newland Associates		
Do	Kinetic Concepts		
Do	Maglev USA	12,900.00	12,900.00
Do	National Assn of Industrial & Office Parks		
Do	Southern Company Services, Inc	3,000.00	
Do	Texas TGV	25,000.00	25,000.00
Bruce R. Condit, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics	1,000.00	282.36
Gregory A. Conley, 9700 W. Higgins Rd. Rosemont, IL 60018	Covia Partnership	3,300.00	3,316.99
Charles Connelly, 4849 W Street, NW Washington, DC 20007			
Jeanne K. Connelly, 1875 Eye St., NW, #540 Washington, DC 20006	Champion International Corp		
Connerton Ray & Simon, 1920 L Street, NW, 4th Floor Washington, DC 20036-5004	Association of Univ Environmental Health Science Centers		
Do	Association of University Programs in Occupational Safety...	7,500.00	2,968.75
Do	International Assn of Fire Fighters	12,000.00	2,968.75
Do	International Chemical Workers Union	2,500.00	2,968.75
Do	Laborers Employers Cooperative & Education Trust	5,486.25	2,968.75
Do	Laborers National Health & Safety Fund	10,312.50	2,968.75
Do	Laborers/AGC Education & Training Fund	8,415.00	2,968.75
Do	Metal Trades Department, AFL-CIO	4,000.00	2,968.75
Do	National Coordination Committee for Multiemployer Plans	1,123.00	2,968.75
Brian L. Connor, Connor & Associates 8700 Bluedale Street Alexandria, VA 22308	American Road & Transportation Builders Assn	3,450.00	36.30
Catherine Connor, 555 13th Street, NW #460 West Tower Washington, DC 20004-1109	Parsons Brinckerhoff, Inc	405.00	
Richard J. Connor Jr., 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	822.60	
David Conover, 655 15th Street, NW, #444 Washington, DC 20005	CH2M Hill	1,000.00	
David R. Conrad, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	9,020.26	
Conservative Action Lobby, P.O. Box 931602 Los Angeles, CA 90093			
Consortium of Social Science Assns, 1522 K Street, NW, #836 Washington, DC 20005		23,675.00	3,176.00
Consumer Energy Council of America Research Foundation, 2000 L St., NW, #802 Washington, DC 20036			
Daniel J. Conway, One Massachusetts Ave., NW, #350 Washington, DC 20001	Chubb Corporation	10,000.00	613.97
John J. Coogan, 1776 Eye Steet, NW, #1050 Washington, DC 20006	Eastman Kodak Co	250.00	74.00
Alexandra W. Cook, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	192.00	377.47
Cheryl L. Cook, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	8,613.61	
Ruth E. Cook, 3309 Ridgecrest Court Raleigh, NC 27607	AT&T	4,187.50	1,604.01
Thomas M. Cook, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Cook Group, Inc, 300 Fountain Square P.O. Box 1608 Bloomington, IN 47402-1608			29,885.90
Charles E. Cooke, 1001 Pennsylvania Avenue, NW, #450-N Washington, DC 20004	Southern California Edison Co	5,625.00	4,500.00
Eileen D. Cooke, 110 Maryland Ave., NE, Suite 101 Washington, DC 20002	American Library Assn	2,054.00	
Bente E. Cooney, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	3,168.00	
Brian D. Cooney, 1455 Pennsylvania Ave., NW Washington, DC 20004-1007	American Institute of Certified Public Accountants	10,000.00	489.37
Edward R. Cooper, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Mitchell J. Cooper, 1001 Connecticut Ave., NW Washington, DC 20036	Rubber & Plastic Footwear Manufacturers Assn	28,000.00	225.00
Richard M. Cooper, 839 17th Street, NW Washington, DC 20006	Williams & Connolly (For:PAR Pharmaceutical)		4.00
Do	Williams & Connolly (For:Unilever United States, Inc)	61,072.50	4,372.03
Darrell Coover, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	2,000.00	584.00
James M. Copeland, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly Raffaelli & Siemens (For:County of Alameda)	19,700.00	
Jim Copeland & Associates, 1341 G Street, NW, #200 Washington, DC 20005	Pacific Mutual Life Insurance Co	6,014.00	
Heidi S. Coppola, 425 Park Avenue New York, NY 10043	Citibank N.A.	4,840.00	
Michael J. Copps, 1700 North Moore Street Arlington, VA 22209	American Meat Institute	6,312.00	2,025.78
Chuck Corbett, 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' National Assn		
Corn Refiners Assn, Inc, 1100 Connecticut Ave., NW, #1120 Washington, DC 20036		10,999.00	3,508.00
Mary Marcotte Corrigan, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Richard L. Corrigan, 655 15th Street, NW, Suite #444 Washington, DC 20005	CH2M Hill	2,500.00	
Marty Corry, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	796.16	400.84

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Allan D. Cors, 1455 Pennsylvania Avenue, NW, #500 Washington, DC 20004	Corning, Inc	600.00	
Philip S. Corwin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Barbara J. W. Cosgriff, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance		
Paul S. Cosgrove, 222 SW Columbia, #1600 Portland, OR 97201	Lindsay Hart Neil & Weigler (For:Anadarko Petroleum Corp)		
Cosmetic Toiletry & Fragrance Assn, Inc, 1101 17th Street, NW, #300 Washington, DC 20036		2,500.00	2,526.00
Gregory Costa, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn	7,500.00	
Donna J. Costlow, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004	National Assn of Manufactuers	250.00	
Cotten Day & Selfon, 1899 L Street, NW, #1200 Washington, DC 20036	American Samoa Government		
Coudert Brothers, 1627 I Street, NW Washington, DC 20006	British Columbia Stena Line Ltd	1,321.14	
Do	British Columbia, Province of, (Office of Attorney General)		
William K. Coulter, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp (COMSAT)		
Council for Responsible Nutrition, 1300 19th Street, NW #310 Washington, DC 20036-1609		1,993.00	3,697.00
Council for Rural Housing and Development, 2300 M St., NW Washington, DC 20036	Council for Rural Housing & Development	2,000.00	2,000.00
Council of Industrial Boiler Owners, 6035 Burke Centre Parkway, #360 Burke, VA 22015			
Council of Institutional Investors, 1616 P Street NW, #350 Washington, DC 20036			
Council of Nursing Home Suppliers, c/o Sshmeltzer, Aptaker & Shepard 2600 Virginia Ave., NW, 10th Floor Washington, DC 20037-1905.		38,000.00	
Council of State Chambers of Commerce, 122 C St., NW, #330 Washington, DC 20001		560.00	783.56
John F. Cove, 1114 Fallsmead Way Rockville, MD 20854	Cove Associates, Inc (For:Association of U.S. Night Vision Manufacturers)		
Do	Grumman Corporation		
Michael W. Cover, 1020 19th Street, NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc	1,350.00	
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	American PCS, L.P.		
Do	American Watch Assn	6,300.00	1,072.42
Do	Association of Maximum Service Telecasters, Inc		
Do	Bank of Boston Corp		
Do	Brown Brothers Harriman & Co	14,000.00	818.48
Do	Coalition to Preserve the Integrity of American Trademarks		
Do	Commonwealth of Puerto Rico	9,450.00	
Do	Council of American Survey Research Organizations (CASRO)	1,537.50	
Do	ERISA Industry Committee	270.00	7.00
Do	Illinois Department of Public Aid	1,250.00	1,250.00
Do	International Business Machines Corp		10.00
Do	Investment Company Institute	480.00	7.00
Do	Jones Financial Companies	13,127.50	302.70
Do	Lutheran Brotherhood		
Do	Midwest Television, Inc		
Do	National Football League	9,360.00	32.00
Do	NCNB Corp	1,782.50	10.50
Do	Private Benefits Alliance		18.00
Do	State of Alabama, Dept of Human Resources Legal Office		1,875.00
Do	State of California, Dept of Health Services		10,800.00
Do	State of California, Dept of Social Services		3,150.00
Do	State of Florida, Dept of Health & Rehabilitative Services		2,500.00
Do	State of Georgia, Division of Family & Children's Services		3,125.00
Do	State of Idaho	1,250.00	1,250.00
Do	State of Illinois, Dept of Public Aid	3,125.00	3,125.00
Do	State of Indiana		2,500.00
Do	State of Kentucky, Dept of Social Insurance		625.00
Do	State of Louisiana, Dept of Health & Hospitals		2,500.00
Do	State of Louisiana, Food Stamp Director	5,000.00	5,000.00
Do	State of Maryland		1,250.00
Do	State of Missouri, Dept of Social Services		1,250.00
Do	State of Nebraska, Dept of Social Services		3,125.00
Do	State of New York Bureau of Deferrals & Disallowances		6,250.00
Do	State of New York, Dept of Social Services		6,250.00
Do	State of Ohio, Dept of Human Services		1,562.00
Do	State of Oklahoma, Dept of Human Services	2,500.00	2,500.00
Do	State of Washington Office of Analysis & Medical Review		1,250.00
Do	State of West Virginia, Bureau of Human Resources		625.00
Do	State of West Virginia, Office cf Medical Services		1,250.00
Do	Sun Life Assurance Co of Canada (U.S.)	3,500.00	235.75
Do	Washington Post Company (for: Media Group)	2,480.00	
Sharon Cowan, 1825 K Street, NW Washington, DC 20006	American Soc of Mechanical Engineers		
Eugene S. Cowen, 2759 Unicorn Lane, NW Washington, DC 20015	Capital Cities/ABC, Inc	136.00	
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Pacific Marine Fisheries Commission	3,197.71	474.63
Archibald Cox, 2030 M St., NW Washington, DC 20036	Common Cause	6,540.00	
C. Richard Cox, 2801 West Tyvola Road Charlotte, NC 28217-4500	Belk Stores Services, Inc		
Cary L. Cox, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
John A. Cox Jr., 9300 Livingston Road Ft. Washington, MD 20744	National Tooling & Machining Assn	16,365.85	420.47
Gary D. Coxon, 1015 15th Street, NW, #700 Washington, DC 20005	Bechtel Group, Inc		
Bruce Craig, P.O. Box 677 Harpers Ferry, WV 25425	National Parks & Conservation Association	1,950.00	155.00
Daniel Craig, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	3,563.00	649.65
Roger J. Crain, 3506 Frederick Place Kensington, MD 20895-3405	Customs Science Services, Inc	6,500.00	445.00
W. Bruce Crain, 1101 15th ,Street, NW, Suite 400 Washington, DC 20005-5070	National Council of Community Bankers	13,000.00	
Dale A. Crane, 618 South 223rd Street Des Moines, WA 98198	National Parks & Conservation Association		
Donald A. Crane, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	3,000.00	
Gail Crane, 1704 Walnut Street Philadelphia, PA 19103	Lukens, Inc	450.00	2,565.00
Charles T. Crangle, 560 N Street, SW #N-609 Washington, DC 20024	District 2, MEBA-AMO		
Joseph F. Crangle, 1250 Statler Towers Buffalo, NY 14202	Block & Colucci, PC	15,000.00	4,229.00
Richard C. Crawford, 601 Pennsylvania Ave. NW Suite 500 North Building Washington, DC 20004	Adolph Coors Co	12,000.00	
Robin Crawford, Box M Allentown, PA 18105-5000	Mack Trucks, Inc		
Creative Coalition, 1100 Avenue of the Americas, 15th Floor New York, NY 10036			
Credit Union National Assn, Inc, 805 15th Street, NW, #300 Washington, DC 20005-2207		1,500.00	302.37
Douglas P. Crew, 1730 Pennsylvania Avenue, NW, #750 Washington, DC 20006	Caterpillar, Inc	3,000.00	63.27
Judy Crockett, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	1,856.00	
Robert W. Crolius, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	124.00	
Crop Insurance Research Bureau, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
James W. Cross, 125 N. West Street Alexandria, VA 22314-2754	Fleet Reserve Assn		
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	American Forest Resource Alliance	1,500.00	110.00
Do	Asarco, Inc		
Do	Associated Gas Distributors	510.00	
Do	Avon Products, Inc		
Do	Brooklyn Union Gas Co		
Do	Canyon Resources Corp	700.00	48.50
Do	City of North Miami		
Do	Communications Satellite Corp		
Do	Cook Inlet Region, Inc		
Do	Eagle-Picher Industries, Inc		
Do	Eli Lilly & Company	935.00	10.00
Do	Environmental Research Information, Inc		
Do	Helicopter Assn International		
Do	Lehn & Fink Products Group		
Do	Meridian Minerals Co		
Do	Minnesota Mining & Manufacturing Co		
Do	National Assn of Wholesaler-Distributors	2,550.00	10.00
Do	National Risk Retention Assn		
Do	Pan American World Airways, Inc, et al.		
Do	Regional Airline Association		
Do	Tiffany & Co		
Do	Trust for Public Lands		
Do	United Cities Gas Co		
Do	Western Governors' Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Wyatt Company		
Crowell & Moring International L.P., 1001 Pennsylvania Ave., NW, #1275 Washington, DC 20004-2505	Avon Products, Inc		
Do	Board of Foreign Trade, Gov't of the Republic of China		
Do	Singapore Trade Development Board		
James P. Crumley Jr., 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company	112.00	
John D. Cuaderes, 1235 Jefferson Davis Highway Arlington, VA 22202	ESCO Electronics Corp		238.66
Maura Cullen, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20849-1725	American Occupational Therapy Assn, Inc	2,500.00	168.75
Culley-Foster & Co, P.O. Box 17370 Washington, DC 20041			
Philip Cummings, 1101 Pennsylvania Avenue, NW Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:American Iron & Steel Institute)	42,182.00	
Do	McCutchen Doyle Brown & Enersen (For:Arco)		
Do	McCutchen Doyle Brown & Enersen (For:Browning-Ferris Industries, Inc)	4,082.00	
Do	McCutchen Doyle Brown & Enersen (For:Freeport-McMoRan, Inc)	2,730.00	
Do	McCutchen Doyle Brown & Enersen (For:General Electric Co)	11,856.00	
Do	McCuthchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Southern California Assn of Governments).	11,873.00	
Do	McCutchen Doyle Brown & Enerson (For:USS Technical Center)	1,508.00	
Law Ofs of Jonathan W. Cuneo, 1300 I Street, NW, #408-E Washington, DC 20005	Committee to Support the Antitrust Laws	12,000.00	21.00
Do	National Assn of Securities and Commercial Attorneys	12,000.00	148.00
Do	Service Station Dealers of America	2,500.00	11.00
Do	Songwriters Guild of America	6,375.00	28.00
William J. Cunningham, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,496.52	962.43
Anne M. Curry, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
Cutler & Stanfield, 700 14th Street, NW, 10th floor Washington, DC 20005	General Atomics		
Do	Mountains Recreation and Conservation Authority		
Do	Potomac Investment Associates		
Do	Raleigh-Durham Airport Authority	131.25	
Do	University of Colorado		
Ralf W.K. Czepluch, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Gulf Power Company	3,375.00	7,183.35
CF Industries, Inc, Salem Lake Dr. Long Grove, IL 60047			4,000.00
CM Services, Inc, 800 Roosevelt Boulevard, Bldg C, #20 Glen Ellyn, IL 60137-5833	Plumbing Manufacturers Institute	500.00	
Norman E. D'Amours, 1217 Evermay Court Mclean, VA 22101	American Council of State Savings Supervisors	450.00	
Do	Bank of America	1,350.00	
Do	City of Las Vegas	2,700.00	
Do	Credit Union National Assn, Inc		
William K. Dabaghi, Arter & Hadden 1801 K Street, NW, #400K Washington, DC 20006	Central Union of Agricultural Cooperatives (ZENCHU)		
Do	Houston Clearing House Assn		
Susan Dahlquist, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	17,677.00	2,195.26
Frank J. Daily, 411 East Wisconsin Ave. Milwaukee, WI 53202	Quarles & Brady (For:General Motors Corp)		
James G. Dalton, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	2,500.00	
Robert P. Daly II, 1000 Wilson Blvd, #2800 Arlington, VA 22209	Grumman Corp	625.00	208.15
Patrick E. Dandino, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Jim Daniels, 4759 S. Conway Rd. Orlando, FL 32812	National Assn of State Farm Agents		
David S. Danielson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Nancy Danielson, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers Educational and Co-Operative Union of America	6,270.17	
Jo-Ellen Darcy, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	131.85	80.47
Mark C. Darrell, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Linda Daschle, 4212 King Street Alexandria, VA 22302	American Assn of Airport Executives	8,100.00	
John C. Datt, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	14,669.00	
Becky Davenport, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Earl F. David, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
John C. David, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	140.00	
Davidoff & Malito, 444 N. Capitol Street Washington, DC 20001	Medallion Funding Corp	7,000.00	320.00
Do	Town of Orangetown	2,350.00	150.00
Seth Davidson, 1742 Massachusetts Ave., NW Washington, DC 20036	National Cable TV Assn	4,368.75	470.16
Davidson Colling Group, 1211 Connecticut Ave., NW, #610 Washington, DC 20036	American Advertising Federation	106.25	185.49
Do	American Assn of Advertising Agencies	106.25	185.49
Do	American Newspaper Publishers Assn	106.25	185.49
Do	Association of National Advertisers, Inc	106.25	185.49
Do	Direct Marketing Assn	106.25	185.49
Do	Dun & Bradstreet Corporation	375.00	
Do	Field Container Corp	952.50	35.11
Do	Garden State Paper Company	952.50	35.11
Do	Grocery Manufacturers of America	106.25	185.49
Do	Halltown Paperboard Co	952.50	35.11
Do	Homedco	1,262.50	108.84
Do	Magazine Publishers of America	106.25	185.49
Do	Media General, Inc	3,350.00	709.24
Do	Miller & Chevalier, Chtd	562.50	
Do	National Assn of Broadcasters	918.75	185.49
Do	Newark Group	952.50	35.11
Do	Newman & Company	952.50	35.11
Do	Newsletter Publishers Assn		
Do	Rock-Tenn Company	952.50	35.11
Do	Rouse Company		
Do	Sonoco Products Co	952.50	35.11
Do	Southeast Paper Manufacturing Co	952.50	35.11
Do	Waldorf Corp	952.50	35.11
Do	White Pigeon Paper Company	952.50	35.11
Do	Yellow Pages Publishers Assn	106.25	185.49
Dionne M. Davies, 1120 Connecticut Ave., NW, #727 Washington, DC 20036	American Bankers Assn	1,500.00	
Drew M. Davis, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn	181.36	45.00
Edwin H. Davis, 2030 M St., NW Washington, DC 20036	Common Cause	11,046.00	
Fred G. Davis, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	2,539.50	539.45
Kenneth E. Davis, 1667 K Street, NW, #210 Washington, DC 20006	Rohm & Haas Co	3,500.00	500.00
Lynda C. Davis, 1825 Eye Street, NW, #400 Washington, DC 20006	Florida Business Associates (For:Truckee Meadows Community College)	2,000.00	
Do	Florida Business Associates (For:Valencia Community College)	2,000.00	
Michael Davis, 735 North Water St., #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	1,425.00	
Robert Davis, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	1,200.00	660.00
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	Ad Hoc Comm of Life Insurance Companies	155.00	
Do	Alcoma Packing Company, Inc		
Do	American General Life Insurance Co	750.00	78.31
Do	American Horse Council	785.00	136.32
Do	American Integrity Insurance Company		
Do	American Investors Life Insurance		
Do	Armco Steel Co	2,200.00	201.20
Do	Bethlehem Steel Corp	2,200.00	201.20
Do	Chicago Board of Trade	3,202.50	271.77
Do	Committee of Annuity Insurers	787.80	
Do	First Penn-Pacific Life Insurance Co	1,500.00	25.00
Do	Florida Power & Light	425.00	142.00
Do	Florida Sugar Cane League, Inc		
Do	General Aviation Manufacturers Association	5,341.75	
Do	Hughes & Luce	4,477.50	13.00
Do	James Graham Brown Foundation		
Do	Lincoln National Life Insurance Co	12,150.00	501.81
Do	Marriott Corporation		
Do	National Assn of Life Companies		
Do	National Business Aircraft Association	5,000.00	
Do	National Cattlemen's Assn	300.00	82.50
Do	National Foreign Trade Council	800.00	
Do	Retired Lives Reserve Group	110.00	
Do	Stock Information Group		
Do	U.S. Sugar Corp	350.00	93.46

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Underwriters of Lloyd's London	250.00	
Do	Worldspan	3,675.00	
Davis Polk & Wardwell, 1300 Eye St., NW Washington, DC 20005	American Inst of Certified Public Accountants	375.00	14.00
Do	Brown Brothers Harriman & Co	2,550.00	17.00
Do	CoreStates Financial Corp	1,550.00	18.50
Do	Kohlberg Kravis Roberts & Co		
Do	LTV Corp		
Do	Manville Corporation		
Do	Morgan Guaranty Trust Co	9,250.00	103.70
Do	Morgan Stanley & Co, Inc		
Do	Norwest Corporation	7,125.00	97.50
Do	Occidental International Corp	1,275.00	227.88
Robert M. Dawson, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Brenda T. Day, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	6,249.00	840.33
Gaston De Bearn, 1300 Eye Street, NW, #520-W Washington, DC 20005-3314	Hoffmann-La Roche, Inc		
John Russell Deane III, 1317 F Street NW #550 Washington, DC 20004	Auto Internacional Assn	63.00	29.90
Do	Coalition of Automotive Assns	291.75	131.75
Do	Specialty Equipment Market Assn	1,167.00	526.98
Debevoise & Plimpton, 875 Third Avenue, 23rd Floor New York, NY 10022	American Airlines, Inc	6,600.00	1,232.83
Do	International Assn of Broadcast Monitors		
Do	Sony Corp of America		
Richard A. Deem, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Brian Deery, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George K. Degnon Associates, Inc, 6728 Old McLean Village Drive McLean, VA 22101	Association of State & Territorial Health Officials		1,000.00
William T. Deitz, 1629 K Street, NW, #1100 Washington, DC 20006	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)		
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	325.50	8.50
Do	New Jersey Turnpike Authority	3,555.00	58.50
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)	5,205.00	212.61
Gene A. Del Polito, 1333 F Street, NW, #710 Washington, DC 20004-1108	Advertising Mail Marketing Assn	1,698.00	
Edward N. Delaney & Associates, Chtd, 1629 K Street, NW, #1000 Washington, DC 20006	Association of Outplacement Consulting Firms, Inc	65,919.62	210.27
Do	National Assn of Independent Insurers	18,000.00	2,095.02
Do	National Council of Business Advisors		
Jonathan W. Delano, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:INDSPEC Chemical Corp)	8,295.00	
Delchamps Associates, 600 New Hampshire Ave., NW, #955 Washington, DC 20037	Alabama School of Mathematics & Science		
Do	Bishop State Community College		
Do	City of Mobile		
Do	Huntingdon College		
Do	Huntsville-Madison County Botanical Garden Society		
Do	Lawson State Community College		
Do	Spring Hill College		
Do	Technical Products, Inc		
Mitchell Delk, 1776 G Street, NW P.O.Box 37347 Washington, DC 20013	Federal Home Loan Mortgage Corp		
Deloitte & Touche, 1001 Pennsylvania Ave. Suite 350N Washington, DC 20004-2505	Bank Commissioner, State of Delaware		
Do	National Pacific Mortgage Companu		
Dan C. Delurey, One Bowdoin Square Boston, MA 02114	J. Makowski Associates, Inc		7,726.42
Tania Demchuk, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers		
William H. Dempsey, 50 F Street, NW Washington, DC 20001	Association of American Railroads	553.16	2.00
Perry Como Denby, 1301 Franklin Street Tank 6-B-1 Houston, TX 77002			
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	American Immigration Services	150.00	
Do	Amex International, Inc		
Do	Edison Electric Institute		
Do	General Atomics	1,000.00	
Do	(For:Government of Sierra Leone)		
Do	Westinghouse Electric Corp		
John H. Denman, Missouri Oil Council 428 E. Capital St., #203 Jefferson City, MO 65101	American Petroleum Institute		
Robert A. Denman, 600 Maryland Avenue, SW, #202w Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	8,350.63	
Daniel B. Denning, 1331 Pennsylvania Ave., NW, #930 Washington, DC 20004	General Electric Co	277.00	18.00
Patricia Diaz Dennis, 1850 M Street, NW, 11th Floor Washington, DC 20036	United Telecom/US Sprint	15,000.00	581.22
Thomas J. Dennis Sr., 1001 Pennsylvania Ave, NW, #450-N Washington, DC 20004	Southern California Edison Co	7,013.00	4,500.00
Robert Neal Denton, 2001 S Street, NW, #301 Washington, DC 20009	Alliance of Nonprofit Mailers	789.60	
Wells Denyes, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	1,150.00	364.50
Brian R. Detter, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers	1,000.00	
Jo Ellen Deutsch, 1625 Massachusetts Avenue, NW Washington, DC 20036	Association of Flight Attendants, AFL-CIO	4,000.00	
Caroline M. Devine, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp		38.00
R. Daniel Devlin, 808 17th Street, NW, #520 Washington, DC 20006	Trans World Airlines, Inc	600.00	
Brenda E. Dews, 30 Joyceton Way Upper Marlboro, MD 20772	Automated Sciences Group, Inc		50.00
David P. Dexter, 1000 Connecticut Ave., NW, #1202 Washington, DC 20036	Wildlife Legislative Fund of America	5,200.00	
Nicholas DeBenedictis, 2301 Market Street, #13-1 Philadelphia, PA 19101	Philadelphia Electric Company		
James U. DeFrancis, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Ebasco Services, Inc	4,012.50	630.75
Debra DeLee, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Martin L. DePoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,280.41
William R. DeReuter, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	2,000.00	
Christine DeVries, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,516.00	102.43
Bonnie S. DeWitt, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	500.00	19.04
Thomas R. DeYulia, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
Angel Diaz, 510 High Street Delano, CA 93215	Delano High School	19,520.05	
Chester T. Dickerson Jr., 700 14th Street, NW, #1100 Washington, DC 20005	Monsanto Co		430.08
Elaine Dickinson, 880 S. Pickett Street Alexandria, VA 22304	Boat Owners Assn of the U.S.	7,000.00	
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Advance Publications		
Do	American Greyhound Track Operators Assn	7,640.00	
Do	Apple Computer Corp		
Do	Avondale Industries, Inc		
Do	ABD Securities Corp		
Do	Bear Stearns & Co		
Do	BATMAN Corp		
Do	Car Audio Specialists Assn (CASA)		
Do	Detroit Red Wings	20,142.50	
Do	Federal National Mortgage Assn	1,929.69	
Do	Federated Cash Management Systems	10,000.00	
Do	Harbour Group Ltd		
Do	Home Box Office, Inc		
Do	Illinois Dept of Children & Family Services		
Do	Iroquois Gas, Inc	3,318.75	
Do	Malaysian Palm Oil Promotion Council		
Do	Medtronic, Inc	2,365.00	
Do	J. P. Morgan Securities, Inc		
Do	National Fed of Societies for Clinical Social Work	10,260.00	
Do	Newport Group		
Do	North Carolina Dept of Natural Resources and Community Devlp		
Do	Ocean State Power	53.75	
Do	Paulucci Enterprises	297.50	
Do	Sea Hawk Seafoods, Inc		
Do	State of Connecticut	500.00	
Do	States of Arkansas, et al.		
Do	Tobacco Institute	1,110.00	
Do	US Generating Company	550.00	
Rick Diegel, 1125 15th Street, NW Washington, DC 20005	International Brotherhood of Electrical Workers, AFL-CIO-CLC	2,281.25	150.00
Dorothea M. Diemer, 10550 Talbert Avenue Fountain Valley, CA 92728	Hyundai Motor America	220.00	1,602.71
Robbi Rice Dietrich, P.O. Box 660634 Dallas, TX 75266-0634	Frito-Lay, Inc		
Lisa M. Dinackus, 1455 Pennsylvania Avenue, NW Washington, DC 20004-1007	American Institute of Certified Public Accountants	5,000.00	258.40
Thomas A. Dine, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	26,800.00	1,346.87
Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003	Lumbermens Mutual Casualty Co (For:Federal Kemper Life Assurance Co)		
Do	Lumbermens Mutual Casualty Company (For:Kemper Corporation)	140.35	6.00
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Services, Inc)	315.79	71.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Lumbermens Mutual Casualty Co (For:Kemper Investors Life Insurance Co)		
Do	Lumbermens Mutual Casualty Company (For:Kemper Reinsurance Company)	105.26	10.00
Do	Lumbermens Mutual Casualty Company	2,100.00	149.05
James C. Dinegar, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Michael Dinnerstein, 900 15th Street, NW Washington, DC 20005	United Mine Workers of America	9,125.00	
Dale P. Dirks, 711 Second Street, NE, #200 Washington, DC 20002	Health & Medicine Counsel of Washington		
Mary Ann Dirzis, 9 West 57th Street New York, NY 10019	Avon Products, Inc		
Disabled American Veterans, 3725 Alexandria Pike Cold Spring, KY 41076		136,376.46	136,376.46
Discovery Cruises, Inc, 1850 Eller Drive, Suite 402 Fort Lauderdale, FL 33316			4,790.00
Patsy B. Dix, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,753.35	62.00
Barbara A. Dixon, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,290.00	142.96
Charles J. DiBona, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	5,000.00	
Gerard D. DiMarco, Two State Street, Crossroads Bldg, #400 Rochester, NY 14614	DiMarco Riley & Bulger (For:Tom Gosnell)	22,940.00	2,052.00
Do	Mackey & DiMarco (For:Greater Rochester Cable)		
Nicholas J. DiMichael, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	1,400.50	
Thomas B. Dobbins, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	6,750.00	72.48
J. Graham Dodson, P.O. Box 21106 Shreveport, LA 71156	Southwestern Electric Power Co	1,164.00	939.00
Julie Domenick Doerr, 1600 M St., NW Washington, DC 20036	Investment Company Institute	285.02	
J. Jon Doggett, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	6,321.00	481.47
Daniel P. Doherty, 2001 S St., NW, #301 Washington, DC 20009	Alliance of Nonprofit Mailers	2,341.80	22.00
John D. Doherty Jr., 901 31st Street, NW Washington, DC 20007	Federal Legislative Associates, Inc (For:Olin Brass)	8,562.50	210.02
Brian M. Dolan, 195 Montague Street Brooklyn, NY 11201	Brooklyn Union Gas Co	194.00	20.00
Stephan G. Dollinger, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Mark A. Dombroff, 1025 Thomas Jefferson St., NW East Lobby #700 Washington, DC 20007-5201	Katten Muchin Zavis & Dombroff (For:Associated Aviation Underwriters)		
Douglas Domenech, 1025 Vermont Avenue, NW Washington, DC 20005	American Pulpwood Assn		
Nancy A. Donaldson, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	11,073.00	99.50
Andrew J. Donelson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
Kevin J. Donnellan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	300.00	
Mary Elizabeth Donnelly, 1233 20th St., NW, #200 Washington, DC 20036	Newmont Mining Corp		
Thomas F. Donnelly, 3800 N. Fairfaxl Drive, #4 Arlington, VA 22203	National Water Resources Assn	1,000.00	
Sally S. Donner, 1341 G Street NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	1,666.67	56.87
Winfield L. Donoho, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
William Donovan, 3138 N. 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	2,500.00	30.16
Donovan Leisure Newton & Irvine, 1250 24th Street, NW, #700 Washington, DC 20037	Republic of Estonia		
Brad L. Doores, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Jeffrey D. Doranz, 1000 Connecticut Ave., NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	427.50	8.00
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	75.00	
Do	Palumbo & Cerrell, Inc (For:Government Employees Hospital Assn)	1,657.50	87.08
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)		
James R. Dorcy, 1666 Connecticut Avenue, NW Washington, DC 20009	Federation for American Immigration Reform	510.00	91.10
Michael C. Dorf, 130 East Randolph Street, #3800 Chicago, IL 60601	Schuyler Roche & Zwirner (For:Gabriella Rosenbaum Trust)	806.00	95.00
Kimberly Olson Dorgan, 2550 M Street, NW, #275 Washington, DC 20037	America's Public Television Stations, Inc	115.00	
Keith G. Dorman, 625 Liberty Ave., 7th Pittsburgh, PA 15222	Peoples Natural Gas Company	1,000.00	606.85
Dorsey & Whitney, 1330 Connecticut Ave., NW, #200 Washington, DC 20036	Association of International Automobile Manufacturers, Inc	30,638.50	
Do	City of St. Paul	3,307.50	32.00
Do	Guam Commission on Self Determination	2,895.00	
Do	Madison Public Affairs Group	315.00	1,028.00
Do	National Computer Systems	6,885.00	
Do	Regional Transit Board	1,777.50	
W. Carter Doswell, 1101 Pennsylvania Avenue, NW, #900 Washington, DC 20004	Goldman Sachs & Co	3,000.00	
Robert J. Dotchin, 2550 M Street, NW, #300 Washington, DC 20037	Smokeless Tobacco Council, Inc		
Dougherty Consulting, P.O. Box 819 Sioux Falls, SD 57101-0819	Philip Morris, Inc		
Dow Lohnes & Albertson, 1255 23rd St., NW, Suite 500 Washington, DC 20037	Directors Guild of America		
Michael G. Dowd, 1233 20th Street, NW, #400 Washington, DC 20036	Porter Wright Morris & Arthur (For:Coalition for Environmental-Energy Balance)		
Jane Lind Downey, 2200 Mill Rd Alexandria, VA 22314	American Movers Conference	500.00	
John P. Doyle Jr., 8600 Boundbrook Lane Alexandria, VA 22309	J. P. Doyle Enterprises, Inc	1,000.00	
Ronald W. Drach, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	21,252.40	437.20
James E. Drake, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	5,272.00	
John E. Drawz, 1100 International Centre 900 Second Ave., South Minneapolis, MN 55402-3397	Fredrikson & Byron (For:City of New Brighton)		
Paul A. Drazek, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	9,843.00	
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	General Dynamics Corp	250.00	
Do	Qual-Med, Inc	250.00	
Do	Science Applications Int'l Corp	250.00	
Charles T. Drevna, 4711 Old Kingston Pike Knoxville, TN 37919	Sun Coal Company	1,000.00	6,000.00
Stephen D. Driesler, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	254.37
William B. Driggers Jr., 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	174.00	349.16
Alvin Drischler, 3420 Reedy Drive Annandale, VA 22003	Leucadia National Corp	9,000.00	
Do	PHLCORP	18,000.00	246.79
Kevin J. Driscoll, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Lorraine Driscoll, 1300 Connecticut Avenue, NW, #401 Washington, DC 20036	Citizen Action Fund	575.00	55.00
Pamela J. Driver, 1025 Connecticut Ave., NW Washington, DC 20036	Foodservice & Packaging Institute, Inc		
Duberstein Group, Inc, 2100 Pennsylvania Ave., NW, #350 Washington, DC 20037	Aetna Life & Casualty	6,750.00	
Do	Anheuser-Busch Companies, Inc	2,250.00	
Do	Communications Satellite Corp	1,500.00	
Do	CompTel	5,250.00	
Do	Consolidated Rail Corporation	6,450.00	
Do	Federal National Mortgage Assn	750.00	
Do	Fiber Optic Competition US, Inc		
Do	General Motors Corp	5,250.00	
Do	Goldman Sachs & Co	27,000.00	
Do	McCaw Cellular Communications, Inc	375.00	
Do	Monsanto Company	1,500.00	
Do	National Cable TV Assn	10,500.00	
Do	Nevada Resort Assn	18,000.00	
Do	Shell Oil Company	3,750.00	
Do	United Air Lines, Inc	750.00	
Do	Warner Communications, Inc	15,750.00	
Ducheneaux Gerard & Associates, 1155 Connecticut Avenue, NW, #400 Washington, DC 20036	Ak-Chin Indian Community	375.00	
Do	Bois Forte Band of Chippewa Indians		
Do	Campo Band of Mission Indians	2,281.25	
Do	Commissioned Officers Assn of the U.S.P.H.S., Inc	300.00	
Do	Eight Northern Indian Pueblos Council	65.70	
Do	Leech Lake Tribal Council	870.75	
Do	Minnesota Indian Gaming Assocation	825.00	
Do	National Indian Gaming Association	937.50	
Do	Santa Clara Indian Pueblo	540.72	
Do	Siletz Tribal Council	307.65	
Do	Tohono O'Odham Nation	585.00	
Do	Tulalip Tribes	1,111.11	
Do	White Earth Tribal Council	562.50	
Jane McPike Dudley, 888 17th Street, NW, #400 Washington, DC 20006	Whiteford Taylor & Preston (For:Giddings & Lewis, Inc)	2,250.00	229.37
Do	Whiteford Taylor & Preston (For:National Constructors Assn)	4,000.00	175.41
Robert H. Dugger, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Mac S. Dunaway, Dunaway & Cross 1146 19th Street, NW Washington, DC 20036	Crown Control Corp		
Do	Industrial Truck Assn		
Do	Lord Corporation		
Do	Walbro Corp		
Amy K. Dunbar, P.O. Box 19230 Washington, DC 20036	National Assn of Bond Lawyers	20,000.01	
Charles N. Duncan, 708 Dawnwood Court Raleigh, NC 27609	Career College Assn	2,500.00	2,648.07
Don R. Duncan, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	5,000.00	
William C. Duncan, 1050 17th Street, NW, #410 Washington, DC 20036	Japan Automobile Manufacturers Assn	2,100.00	
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	Lake Andes-Wagner Water Systems, Inc		
Do	Mid-West Electric Consumers Assn		
Do	National Assn of State Energy Officials		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	State of Hawaii, Dept of Business & Economic Development		
Robert Dunkel, 1875 I Street, NW, #1110 Washington, DC 20006	Times Mirror Company		
Pauline Dunlap, 1201 McDuffie #222 Houston, TX 77019	Falcon Carriers	12,000.00	4,759.58
Mari Lee Dunn, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation		
Michael V. Dunn, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	15,465.66	1,019.07
John H. Dunne, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
James A. Dupree, 1350 Eye Street, NW, #1000 Washington, DC 20005	Ford Motor Co	3,500.00	1,320.00
Daniel T. Durham, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	606.86	303.94
Ed Durkin, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	650.00	
Lloyd L. Duxbury, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	18,846.00	1,907.88
Ernest DuBester, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,808.86	538.90
Robert F. DuPree Jr., 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	737.80	25.00
Denis J. Dwyer, 1155 15th St., NW, #400 Washington, DC 20005	McNair Group, Inc (For:Bombardier Corporation)	11,058.30	142.81
Do	McNair Group, Inc	9,375.00	182.47
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	American Lithotripsy Society		
Do	Apex Marine Corp		
Do	Liberty Maritime Corporation	86,630.00	2,376.46
Do	National Steel & Shipbuilding Co	27,730.00	134.30
Do	Surgical Care Affiliates, Inc		
Dykema Gossett, 800 Michigan National Tower Lansing, MI 48933	Committee on U.S. Business Canadian Life & Health Ins. Assn	3,947.50	2,157.37
Do	Discovery Cruises, Inc	4,790.00	
Do	Magic Line, Inc	892.50	
Do	Military Boot Manufacturing Assn	551.00	
Do	Systems Control, Inc	510.00	
Do	Total Petroleum, Inc	4,190.00	
Do	University of Michigan Medical Center	453.00	
Talis Dzenitis, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	500.00	
DGA International, Inc, 1133 Connecticut Avenue, NW Washington, DC 20036	Dir Intl Aff of the Gen Del for Armements		
Do	Societe Nationale D'Etude et de Const de Moteurs D'Aviation	5,125.00	803.73
Do	Sofreavia	2,369.00	760.60
Jeffrey P. Eagleson, 1001 Connecticut Ave., #1001 Washington, DC 20036	Lanxide Corporation		
Matthew C. Eames, P.O.Box 70 Boise, ID 83707	Idaho Power Company		
Anthony S. Earl, One South Pinckney Street P.O. Box 2113 Madison, WI 53701-2113	Quarles & Brady (For:Medical College of Wisconsin)	200.00	
Do	Quarles & Brady (For:Wisconsin Electric Power Co)	800.00	29.00
C. Renee Eastman, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Company, Inc	2,000.00	1,187.85
Robert E. L. Eaton, 4921 Essex Avenue Chevy Chase, MD 20815	Eaton Associates, Inc		
Eaton Associates, Inc, 4921 Essex Avenue Chevy Chase, MD 20815			
Robert E. Ebel, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	1,450.00	1,026.00
Brenda L. Eberly, 50 F Street, NW, #1050 Washington, DC 20001	Freeport-McMoRan D.C., Inc	2,750.00	47.00
Kevin James Echols, 425 2nd Street, NW Washington, DC 20001	American Determination for Peace Co		10.00
George Eckert, 12100 Sunrise Valley Drive Reston, VA 22091	Tandem Computers, Inc	2,550.00	130.00
Ed Graves & Associates, 2001 M Street, NW, 4th Floor Wasington, DC 20036	Jorden Schulte & Burchette	1,000.00	
Helen H. Edge, 700 N. Fairfax Street, #601 Alexandria, VA 22314	Railway Progress Institute	729.68	
Edison Electric Institute, 701 Pennsylvania Avenue, NW Washington, DC 20004		116.93	87,158.50
Daniel C. Edmundson, 90 Park Avenue New York, NY 10016-1387	Walter Conston Alexander & Green, P.C. (For:Leybold Ag)		
Edon Company, 600 New Hampshire Ave., NW #1010 Washington, DC 20037	Coca-Cola Foods	10,500.00	66.87
Do	Consolidated Seafood	10,500.00	181.72
Do	Kansas Department of Commerce	10,500.00	200.04
Do	Pinnacle Data Corporation	7,500.00	401.11
Do	Stephens Inc	6,000.00	208.00
Education Legislative Services, Inc, 5855 Staduim Street San Diego, CA 92122	San Diego Unified School District	3,925.00	3,784.62
Christine A. Edwards, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Dean Witter Financial Services Group	320.00	
J. Rodney Edwards, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Michael D. Edwards, 1201 16th Street, NW Washington, DC 20036	National Education Assn	4,160.65	160.00
Mr. Jack Edwards, 3000 First Natonal Bank Bldg. P.O. Box 123 Mobile, AL 36601	Societe Nationale d'Etude et de Const de Moteurs d'Aviation	660.41	
Do	Teledyne Industries, Inc	2,155.38	
Paul S. Egan, 1325 15th Street, NW, #503 Washington, DC 20005	Vietnam Veterans of America, Inc	13,587.00	50.72
William J. Ehrig, 700 Anderson Hill Road Purchase, NY 10577	PepsiCo, Inc		295.57
Peter J. Eide, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Eugene Eidenberg, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp		
Roy L. Eiguren, 702 West Idaho Street, #700 Boise, ID 83702	Davis Wright Tremaine (For:Idaho Cooperative Utilities Assn)		
Phyllis Eisen, 1331 Pennsylvania Ave., #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	250.00	
Robert Eisenbud, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	586.24
Earl B. Eisenhart, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Linda S. Eisnaugle, 225 W. 34th Street New York, NY 10122	National Commercial Finance Assn	12,000.00	565.00
Elias Matz Tiernan & Herrick, 734 15th Street, NW Washington, DC 20005	Federal Savings Bank		
Do	First Atlanta Investment Corporation		
J. Burton Eller Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Charles W. Elliott, Wisconsin Petroleum Council 25 W. Main St., #703 Madison, WI 53703	American Petroleum Institute	46.00	
Emily K. Elliott, 204 Whitehurst Hall Stillwater, OK 74078-0001	Oklahoma State University	2,423.75	433.61
Kenneth W. Ellison, 1001 Pennsylvania Ave., NW, #600-S Washington, DC 20004	Belz Investment Company, Inc		
Gary Elmestad, P.O. Box 3153 St Peters, MO 63376	City of O'Fallon	1,200.00	9.85
Do	City of St. Peters, Missouri	3,300.00	9.45
Do	St. Charles Co Economic Development Council	9,999.99	241.33
Nancy C. Elwood, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Alyson A. Emanuel, 2100 Pennsylvania Ave., NW #755 Washington, DC 20037	BASF Corp	312.50	
Emergency Committee for American Trade, 1211 Connecticut Ave., NW, #801 Washington, DC 20036		149,861.86	121,486.47
JoAnn Emerson, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Emerson Electric Co, 8000 W. Florissant St. Louis, MO 63136			1,729.27
John M. Emery, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Michael J. Emig, 1125 15th St., NW Washington, DC 20005	International Brotherhood of Electrical Workers	18,832.00	126.00
Randy Eminger, 5205 W. 37th Street Amarillo, TX 79109	Southwestern Public Service Co	1,563.75	239.51
Irene R. Emsellem, 1800 M Street, NW Washington, DC 20036	American Bar Assn	400.00	50.00
Energy Consumers & Producers Assn, Box 1726 Seminole, OK 74868		4,275.00	
Gary D. Engebretson, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		91.40
Ralph Engel, 1913 Eye Street, NW, Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc	245.58	47.00
English First, 8001 Forbes Place, #102 Springfield, VA 22151		279,207.91	289,734.52
Loretta E. Enloe, 8 Oak Hill Drive Edwardsville, IL 62025	Federation of American Consumers & Travelers (FACT)	750.00	
Environmental Tax Policy Alliance, 1704 Old Town Rd. Edgewater, MD 21037			8,225.82
David Eppler, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	7,250.00	
Cheryl Anthony Epps, 1110 North Glebe Road, #200 Arlington, VA 22201	International Assn of Chiefs of Police	11,643.30	2,307.97
Epstein Becker & Green, P.C., 1227 25th Street, NW, #800 Washington, DC 20037	American Managed Care & Review Assn	2,400.00	
Do	AEtna Life & Casualty	6,651.50	3,402.50
Do	MFJ Task Force	2,650.00	
Do	Northwestern National Life Insurance Co	2,527.50	1,722.50
Do	PKR Foundation	1,457.50	397.50
Do	Southern California Edison Co	5,962.50	1,590.00
Do	Voluntary Hospitals of America, Inc	11,250.00	
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	49,856.00	
Thomas J. Erickson, 1030 15th Street, #1020 Washington, DC 20005	National Grain Trade Council		
Erisa Industry Committee, 1400 L Street, NW, #350 Washington, DC 20005		900.00	11,266.56
Gregory D. Erken, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004	Knights of Columbus	7,750.00	
James L. Ervin, 1667 K Street, NW, #310 Washington, DC 20006	Baldt, Inc		
Do	Kaman Diversified Technologies Corp	9,013.22	13.22
Do	Mip Instadsetzungstriebe Gmbh	28,469.38	1,469.38
Ingolf G. Esders, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	12,895.00	321.41
John T. Estes, 2300 N St., NW, #600 Washington, DC 20037	International Council of Cruise Lines	2,400.00	689.00
Sherry Ettleson, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,500.00	
Stephen E. Eure, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	11,250.00	
Mary Jo Eustice, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
Brock Evans, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	4,400.00	165.00
Cindy Evans, 1250 Connecticut Ave., NW, #210 Washington, DC 20036	National Forest Products Assn		
Cleve Evans, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Company		
Donald C. Evans Jr., 655 15th St., NW, #310 Washington, DC 20005	American Family Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert D. Evans, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
William J. Evans Jr., 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc		
Evans Group, Ltd, 1010 Wisconsin Ave., NW, 8th Floor Washington, DC 20007	Interim Government for National Unity in Liberia		
Do	Matlack Systems, Inc	2,500.00	
Do	National Independent Automobile Dealers Assn	9,000.00	330.00
Do	Republic of Cyprus	14,000.00	
Do	Towers Financial Corp	3,100.00	
Fawn K. Evenson, 1420 K Street NW, #600 Washington, DC 20005	Footwear Industries of America	1,000.00	
Kellye A. Eversole, 4434 Indigo Lane Harwood, MD 20776	Agricultural Utilization Research Institute		10.61
Do	Department of Agriculture	2,500.00	10.61
Do	Eversole Associates (For:North Dakota Agricultural Products Utilization Commission).	7,183.00	44.40
Wayne S. Ewing, Associated Petroleum Industries of PA P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
ESCO Electronics Corp, 8100 W. Florissant St. Louis, MO 63136			925.01
F/P Research Associates, 1700 K St., NW, #1000 Washington, DC 20006	American Bus Assn		
Do	National Cable Television Assn, Inc	500.00	
Do	Wiley Rein & Fielding (For: BMW of North America, Inc)		
Dan L. Fager, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron Companies	1,600.00	
Darryl H. Fagin, 1511 K Street, NW, #941 Washington, DC 20005	Americans for Democratic Action	4,980.30	
Robert R. Fahs, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
Dale W. Fallat, P.O. Box 119 Maumee, OH 43537	Andersons		
David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	25,000.00	
Farmers' Educational & Co-Operative Union of America, 600 Maryland Ave., SW, #202w Washington, DC 20024		183,767.00	110,591.22
Dagmar T. Farr, 1750 K Street, N.W. Washington, DC 20006	Food Marketing Institute	300.00	
Michael Farrar, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc	200.00	
Richard T. Farrell, 1015 15th St., NW, #401 Washington, DC 20005	Syntex (USA) Inc	4,125.00	1,848.71
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	Central Utah Water Conservancy District	21,000.00	349.63
Do	Clark County Nevada-McCarran International Airport	20,718.75	279.21
Do	Geneva Steel	9,000.00	5.16
Do	Kirton McConkie & Bushnell	1,837.50	31.84
Do	Las Vegas Valley Water District	35,475.00	1,511.25
Do	Public Service Co of New Mexico	11,525.00	134.46
Do	Sierra Pacific Power Co	16,280.25	287.16
Do	State of Montana Dept of Natural Resources & Conservation	13,083.75	188.83
Jane Fawcett-Hoover, 801 Pennsylvania Ave., NW, #720 Washington, DC 20004-2604	Procter & Gamble Manufacturing Co	39.95	
Robert C. Fay, 12731 Directors Loop Woodbridge, VA 22192	American Amusement Machine Assn		
Elizabeth Fayad, 1033 Union Church Rd. McLean, VA 22102	National Parks & Conservation Association	3,075.00	89.50
Kenrick Fealing, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	8,286.85	141.45
Federation for American Immigration Reform, 1666 Connecticut Avenue, NW, #400 Washington, DC 20009			15,068.02
Federation of American Controlled Shipping, 50 Broadway New York, NY 10004		2,536.37	2,536.37
Federation of American Health Systems, 1111 19th St., NW, #402 Washington, DC 20036		9,000.00	9,000.00
Federation of American Scientists, 307 Massachusetts Ave., NE Washington, DC 20002			4,517.83
John D. Fedor, 2001 Jefferson Davis Highway, #1012 Arlington, VA 22202	Capital Marketing Analytics, Inc (For:Alliant Techsystems, Inc)	687.50	88.41
Donald M. Fehr, 805 Third Ave. New York, NY 10022	Major League Baseball Players Assn		
Scott Feierabend, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	1,539.52	
Douglas J. Feith, 2300 M Street, NW—#600 Washington, DC 20037	International Advisers Inc (For:Embassy of Turkey)	5,000.00	83.75
Laura Feldman, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,458.00	
Mark B. Feldman, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	5,000.00	
Mimi A. Feller, 1100 Wilson Blvd Arlington, VA 22209	Gannett Co, Inc	4,500.00	185.00
Kenneth E. Feltman, 927 15th St., NW, #1000 Washington, DC 20005	Employers Council on Flexible Compensation	200.00	
Melody H. G. Fennel, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Karen S. Fennell, 1522 K St., NW, #1000 Washington, DC 20005	American College of Nurse-Midwives		
Judith W. Fensterer, 242 E. 80th Street New York, NY 10021	Generic Pharmaceutical Industry Assn		
Edward T. Fergus, 100 Gold St. New York, NY 10292	Prudential Securities, Inc	750.00	
Brian Ferguson, 1776 Eye Street, NW, Suite 1050 Washington, DC 20006	Eastman Kodak Co		
Denise G. Ferguson, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	13,524.00	2,265.06
James H. Ferguson, 2310 Trott Avenue Reston, VA 22181	Institute of Electrical & Electronics Engineers	7,500.00	
DeDe Ferrell, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	550.71
Deeohn Ferris, 1400 Sixteenth Street, NW Washington, DC 20036-2266	National Wildlife Federation		
John L. Festa, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Fiber Optic Competition US, Inc, 804 W. Diamond Ave., 3rd Floor Gaithersburg, MD 20878			3,000.00
Donald L. Fierce, Fierce and Associates 600 New Hampshire Ave., NW #1010 Washington, DC 20037	Bender Shipbuiling & Repair Co., Inc		
Fierce & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	AB Hagglund & Sonar	13,500.00	796.80
Do	Bollinger Machine Shop & Shipyard, Inc	22,500.00	708.31
Do	Coca-Cola Foods		
Do	Liberty Maritime Company		
Do	Spar Aerospace, Ltd	22,500.00	741.54
Alan D. Fiers, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	4,000.00	135.00
Richard G. Fifield, P.O. Box 11000 Montgomery, AL 36198	Alabama Farmers Federation	1,775.00	834.89
Amy M. Finan, 818 Connecticut Ave., NW, #303 Washington, DC 20006	National Assn for Biomedical Research	86.00	
Financial Executives Institute, 10 Madison Avenue P.O. Box 1938 Morristown, NJ 07962-1938			
Lawrence A. Fineran, 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004	National Assn of Manufacturers	125.00	
Matthew P. Fink, 1600 M St., NW Washington, DC 20036	Investment Company Institute	192.30	5.00
Stephen Finley, 200 West Thomas, #310 Seattle, WA 98119	Emerald Seafoods, Inc		7,559.08
Thomas D. Finnigan, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
James J. Finnucan, 2 Hodio Drive Ansonia, CT 06401	Northeast Utilities Service Co	1,341.00	554.32
M. J. Fiocco, 1700 N. Moore Street, S-1900 Arlington, VA 22209-1904	National Industrial Transportation League	8,000.00	60.50
First National Bank of Boston, 100 Federal St. Boston, MA 02110		1,520.00	2,540.46
Richard L. Fischer, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Deborah A. Fischione, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
H. David Fish, 5885 Stadium St. San Diego, CA 92122	Education Legislative Services, Inc (For:San Diego Unified School District)		
Donald W. Fisher, 3814 Ivanhoe Lane Alexandria, VA 22310	American Group Practice Assn, Inc	1,263.80	
Gary K. Fisher, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron Companies	4,800.00	50.00
William P. Fisher, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn		
Fisher Wayland Cooper & Leader, 1255 23rd Street, NW, #800 Washington, DC 20037-1125	International Communications Assn		
Wendy S. Fishman, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,200.00	
Clyde Fitzgerald, 815 Sixteenth Street Washington, DC 20006	International Longshoremen's Association, AFL-CIO	7,458.00	
Mary Clare Fitzgerald, 1155 21st Street, NW, #850 Washington, DC 20036	Secura Group	15,000.00	2,047.07
Thomas H. Fitzpatrick, Connecticut Petroleum Council 60 Washington Street, #908 Hartford, CT 06106	American Petroleum Institute		
Donald Fix, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Hyjek & Fix, Inc (For:Canadair Challenger, Inc)	1,500.00	193.41
Do	Hyjek & Fix, Inc (For:Defence Equipment & Systems, Ltd)	975.00	
Do	Hyjek & Fix, Inc (For:NEI Thompson Ltd)	2,125.00	1,557.36
Do	Hyjek & Fix, Inc (For:Short Brothers (USA), Inc)	1,750.00	
Hilliard J. Fjord, 6725 Wooster Pike Cincinnati, OH 45227	Ohio River Co	3,000.00	258.00
Robert B. Flagg, 3214 White Flint Ct. Oakton, VA 22124	Chemical Manufacturers Assn, Inc	750.00	357.14
Steven H. Flajser, 1111 Jefferson Davis Highway, #811 Arlington, VA 22202	Space Systems/Loral	4,500.00	
Daniel V. Flanagan Jr., 1600 Wilson Blvd. Suite 200 Arlingtton, VA 22209	Flanagan Group, Inc (For:Dominion Resources, Inc)		
Do	Virginia Power		
Flanagan Group, Inc, 1600 Wilson Blvd., Suite 200 Arlington, VA 22209	Dominion Resources, Inc		
Do	Virginia Power		
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	Ad Hoc Coalition on Intermarket Coordination	9,000.00	
Do	American Ambulance Assn	27,000.00	372.31
Do	American Health Care Assn		
Do	American Optometric Assn	15,000.00	
Do	Americans for Energy Independence/Oklahoma Basic Economy...	26,000.00	142.55
Do	Anheuser-Busch Companies, Inc		
Do	Association of American Railroads	24,999.00	13.45
Do	Automotive Refrigeration Products Institute	7,500.00	116.18
Do	Centel Federal Systems		
Do	Certified Auctioneers Assn/National Auctioneers Assn	22,500.00	201.11
Do	Chickasaw Nation	5,000.00	
Do	Chiropractic Physicians Initiative Fund		
Do	Citizens for a Drug Free America		
Do	Esselte Pendaflex Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Eveready		
Do	EDS	6,000.00	6.50
Do	Ferrellgas		
Do	Institute of Scrap Recycling Industries	15,000.00	
Do	Jason Pharmaceuticals		
Do	LeGere Walking Stick Foundation	6,000.00	14.00
Do	Marazul Charters	45,000.00	329.00
Do	McDonnell Douglas	40,000.00	202.32
Do	National Collegiate Athletic Assn (NCAA)	36,000.00	226.73
Do	National Spiritual Assembly of the Baha'is of the U.S.	21,300.00	3,380.00
Do	Oklahoma Natural Gas	3,000.00	
Do	Oklahoma State Chamber of Commerce	6,000.00	
Do	Pathology Practice Assn	9,000.00	98.46
Do	Pharmaceutical Coalition		
Do	Public Broadcasting Service	15,000.00	47.55
Do	Sony Corp of America	60,000.00	860.03
Do	Spectacor Management Group		
Do	St. Louis NFL Partnership		
Do	Superstar Connection		
Do	Syva Company	45,000.00	302.27
Do	Third District Industrial Development Initiative Fund	12,000.00	
Do	United Homeowners		
Michael Fleming, 1300 N. 17th St., # 1010 Arlington, VA 22209	American Assn of Equipment Lessors		
Terry P. Fleming, Ohio Petroleum Council 88 E. Broad St., #1960 Columbus, OH 43215	American Petroleum Institute		
Ronnie G. Flippo, 701 Pennsylvania Ave., NW, #800 Washington, DC 20004	R.G. Flippo & Associates, Inc (For:Aetna Life & Casualty)	3,750.00	
Do	R.G. Flippo & Associates, Inc (For:Alabama Power Co)	2,100.00	
Do	R.G. Flippo & Associates, Inc (For:American Institute of Certified Public Accountants).	4,500.00	
Do	R.G. Flippo & Associates, Inc (For:AmSouth Bank)	1,200.00	
Do	R.G. Flippo & Associates, Inc (For:Colsa, Inc)	1,350.00	
Do	R.G. Flippo & Associates, Inc (For:Edison Electric Institute)	5,250.00	
Do	R.G. Flippo & Associates, Inc (For:Norfolk Southern Corp)	1,575.00	
Do	R.G. Flippo & Associates, Inc (For:RJR Nabiso Washington)	2,850.00	
Do	R.G. Flippo & Associates, Inc (For:United States Telephone Assn)	4,300.00	
Florida Business Associates, 1825 EYE Street, NW, #400 Washington, DC 20006	Control Data Corporation		
Do	Cray Research, Inc	30,562.55	
Do	MEDCO Containment	6,329.05	
Do	State University System	31,248.00	
Do	University of Alaska	34,999.34	
Do	University of Nevada-Las Vegas	16,094.33	
Do	Westinghouse Electric Corp	24,714.86	
John J. Flynn, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	7,500.00	742.73
Foley & Lardner, 1775 Pennsylvania Avenue, NW, #1000 Washington, DC 20006-4680	Aurora Health Care, Inc & Sinai Samaritan Medical Center,Inc		
Do	Coldwell Banker Real Estate Group		
Do	United Savings of America		
Alan C. Folmsbee, 3185 Tristian Avenue San Jose, CA 95127-1458	Democracy Movement USA		
Food & Allied Service Trades Dept, AFL-CIO, 815 16th Street, NW, #408 Washington, DC 20006		16,507.00	16,507.00
Food Marketing Institute, 1750 K St., NW Washington, DC 20006			5,050.00
Foodservice & Packaging Institute, Inc, 1025 Connecticut Ave., NW Washington, DC 20036			
Mari S. Forbes, 11 Dupont Circle, NW, #300 Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		
James E. Ford, 1333 New Hampshire Avenue, NW Washington, DC 20036	Atlantic Richfield Co	1,000.00	
Forest Farmers Assn, P.O. Box 95385 Atlanta, GA 30347			10,000.00
James R. Forrester, P.O. Box 94661 Cleveland, OH 44101	Centerior Energy Corp, et al.	2,666.39	3,666.43
Larry Forrester, 3601 Vincennes Road P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Richard D. Fortin, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	1,792.00	20.00
Nancy E. Foster, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107	American Soybean Assn	738.54	37.60
William L. Foster, 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	2,550.00	15.00
Donald L. Fowler, P.O. Box 50627 Columbia, SC 29250	Chem-Nuclear Systems, Inc	1,400.00	405.96
Do	Delaware Container Corporation	5,475.00	678.58
Do	Giant Cement Company	1,050.00	754.72
Do	Greenwood Development Corp	8,937.50	3,197.02
Geraldine Dietz Fox, 39 Fairview Road Narberth, PA 19072	National Instutute on Deafness & Other Communication Disord.		545.06
John R. Frahm, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
Richard L. Frank, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Olsson Frank & Weeda (For:Ad Hoc Pizza Standard Rulemaking Group)	650.00	
Stephen R. Frank, 607 Azure Hills Drive Simi Valley, CA 93065	Calcitek Dental Products		
Do	Church of Scientology	1,500.00	2,075.46
Faye B. Frankfort, 9312 Old Georgetown Road Bethesda, MD 20814-1621	American Podiatric Medical Assn	4,000.00	
Walter L. Frankland Jr., 1730 M Street, NW, #911 Washington, DC 20036	Silver Users Assn, Inc	1,080.00	
Ellis B. Franklin, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
James R. Franklin, One Highwoods Rd. St. James, NY 11780	Parkdale Mills, Inc, et al.	18,750.00	6,850.00
Kevin Frankovich, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		
Thomas C. Franks, 1220 L St., NW, #510 Washington, DC 20005	American Resort & Residential Development Assn	1,500.00	148.41
John B. Franz, P.O. Box 10568 Pompano Beach, FL 33061-6568			
Marian C. Franz, 2121 Decatur Place, NW Washington, DC 20008	National Campaign for a Peace Tax Fund	1,102.50	275.00
Charles L. Frazier, 777 North Capitol Street, #915 Washington, DC 20002	National Farmers Organization	5,417.00	4,939.00
Robert M. Frederick, 1616 H St., NW Washington, DC 20006	National Grange	6,000.00	
John S. Fredericksen, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Regional Airline Association	1,000.00	
Joel Freedman, 1600 M St., NW, 5th Floor Washington, DC 20036	Hartford Fire Insurance Co	15,000.00	
Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005	General Electric Co	356.00	
David W. Freer, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co	5,000.00	
Paula D. Freer, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corporation		
Verrick O. French, 1455 Pennsylvania Avenue, NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Mfgrs & Consumers of America, Inc).	300.00	
Do	French & Company (For:Montgomery Ward & Co, Inc)	250.00	
French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	International Electronics Mfgrs & Consumers of America, Inc	800.00	
Do	Montgomery Ward & Co, Inc	325.00	
Do	Wheels, Inc	125.00	
Robert H. Frenzel, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	1,000.00	50.00
Katherine L. Frey, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co, (3M)	1,000.00	
Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn (Fannie Mae)	13,500.00	1,706.53
G. William Frick, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute		
Ronald A. Fried, 888 17th Street, NW, #900 Washington, DC 20006	Holland & Knight (For:St. Johns Home Health)	2,000.00	
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004-2505	General Electric Co	1,260.00	0.80
Do	Goldrich & Kest		
Do	Lonza, Inc	1,100.00	107.67
Do	Virgin Islands Rum Industries, Ltd		
F. Michael Friedman, 321 West Front Street P.O. Box 1000 Media, PA 19063	Clouse Pagano & Friedman (For:Chem Service, Inc)	288.49	161.35
James M. Friedman, 1100 Citizens Bldg. Cleveland, OH 44114	Centerior Energy Corp	94.50	
Do	Environmental Standards Group		
Friends of NIDCD, Inc, 225 Haverford Ave., #1 Narberth, PA 19072		5,000.00	5,148.33
Edward O. Fritts, 1771 N Street Washington, DC 20036	National Assn of Broadcasters	2,500.00	
Charles H. Fritzel, 499 S. Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	430.00
Alan Front, 312 Massachusetts Ave., NE Washington, DC 20002	Trust for Public Land	3,733.50	4,621.22
Marcy Masters Frosh, 2030 M Street, NW Washington, DC 20036	Common Cause		
Fulbright & Jaworski, 801 Pennsylvania Avenue, NW Washington, DC 20004	Avis, Inc		
Do	Barrett Resources Corp	5,651.25	149.07
Do	Crysen Corp	1,625.00	41.00
Do	Rugby-Darby Group Companies, Inc	375.00	81.79
Do	Sound Refining, Inc		
Do	Systems Control, Inc		
Nancy R. Fulco, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Don Fuqua, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	3,500.00	
Harold W. Furman II, 3050 K Street, NW Washington, DC 20007	Collier Shannon & Scott (For:Basic Management, Inc)	100.00	
Do	Collier Shannon & Scott (For:Central Basin Municipal Water District)	7,468.08	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Collier Shannon & Scott (For:Central Utah Water Conservancy District)	12,591.03	
Do	Collier Shannon & Scott (For:Comdisco Medical Leasing Group, Inc)		
Do	Collier Shannon & Scott (For:Florida Lime & Avocado Trustees)	5,531.47	
Do	Collier Shannon & Scott (For:Granite Rock Company)		
Do	Collier Shannon & Scott (For:Odyssey International)		
Do	Collier Shannon & Scott (For:Riverside Resort & Casino)	5,253.84	
Do	Collier Shannon & Scott (For:South Dade Land Corp)	6,374.22	
Do	Collier Shannon & Scott (For:Spelman & Co)		
Do	Collier Shannon & Scott (For:Summit Engineering Corp)		
Do	Collier Shannon & Scott (For:West Basin Municipal Water District)	9,945.56	
FICA Fairness Coalition, P.O. Box 66674 Washington, DC 20036			15,117.73
James E. Gaffigan, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn	2,966.19	
Gage & Tucker, 2120 L Street, NW, #810 Washington, DC 20037	Black & Decker Corp		
Do	Pepsi Co, Inc		
Do	Pizza Hut, Inc		
Floyd D. Gaibler, 888 16th Street, NW Washington, DC 20006-4103	International Dairy Foods Assn		
Karl Gallant, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	4,200.00	705.68
Kathleene E. Gallegos, 1155 15th Street, NW, #400 Washington, DC 20005	McNair Group, Inc	4,687.50	144.40
Peter S. Gambel, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		484.00
Cheryl Gannon, 2000 K Street, NW #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	11,640.00	150.00
Sandra M. Garbrecht, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	17,287.50	7,102.90
Isabella Garcia, 1201 16th St., NW, #624 Washington, DC 20036	National Education Assn	3,340.40	62.50
Raymond Garcia, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	
Richard E. Gardiner, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
James N. Gardner, 121 S.W. Salmon, #1400 Portland, OR 97204-2924	Gardner Cosgrove & Gardner (For:Lindsay Hart Heil & Weigler (for: RENTRAK Corp)).	5,047.60	45.76
Lynda Nelson Gardner, 121 S.W. Salmon , #1400 Portland, OR 97204-2924	Lindsay Hart Neil & Weigler (For:Rentrak Corp)	5,047.60	45.76
Sherwin Gardner, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Gardner Carton & Douglas, 1301 K Street, NW Washington, DC 20005	Adventist Health System/Sunbelt Hospital System	13,725.75	163.38
Nancy Garland, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Anthony Garrett, 150 Andover San Francisco, CA 94110	Citizens for Reliable and Safe Highways (CRASH)	156.25	
Lee D. Garrigan, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,100.00	
Theodore J. Garrish, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	6,600.00	
John C. Gartland, 214 Massachusetts Ave., NE, #210 Washington, DC 20002	Amway Corp	8,250.00	
Garvey Schubert & Barer, 1000 Potomac Street, NW Washington, DC 20007	Canadian Embassy	6,089.53	
Do	City of Aberdeen	1,513.29	
Do	Early Winters Resorts, Inc		
Do	Interocean Management Company	2,331.00	
Do	Ministry of the Environment	14,708.37	
Do	Space Industries, Inc		
Do	Totem Ocean Trailer Express, Inc	7,391.00	
Gas Appliance Manufacturers Assn, Inc, 1901 North Moore Street Arlington, VA 22209			
Lillian B. Gaskin, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Philip Gasteyer, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	2,100.00	
Bruce A. Gates, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Jerome C. Gatto, 230 E Broadway #901 Salt Lake City, UT 84111-2451			
Fred Gebler, 1331 Pennsylvania Ave., NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	60.00	57.19
Robert C. Gelardi, 5775 Peachtree-Dunwoody Rd., #500-G Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)	360.00	
Do	Kellen Company (For:Infant Formula Council)		
Morton A. Geller, Corporate Tax Department 100 Federal Street Boston, MA 02110	First National Bank of Boston		
Elise Gemeinhardt, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Company		
General Instrument Corporation, 1899 L Street, NW, Fifth Floor Washington, DC 20036		1,500.00	
Generic Pharmaceutical Industry Assn, 200 Madison Ave., #2404 New York, NY 10016		11,533.00	11,533.00
Diane J. Generous, 1331 Pennsylvania Ave., NW, #1500 North Washington, DC 20004-1703	American Soc for Personnel Administration		
John Gentille, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
William A. Geoghegan, 1200 18th Street, NW Washington, DC 20036	Securities Industry Assn	3,700.00	
Nancy Whorton George, 555 13th Street, NW, #1010 E Washington, DC 20004-1109	Enron Corp		
Do	Natural Gas Alliance for the Generation of Electricity		
Do	Transco, Inc		
Joseph G. Gerard, 918 16th St., NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	1,500.00	1,404.51
Louis Gerber, 1925 K St., NW Washington, DC 20006	Communications Workers of America	7,032.00	115.10
Robin Gerber, 101 Constitution Ave. NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	1,254.50	
Richard C. Gergle, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	
Scott A. Gerke, 955 L'Enfant Plaza, SW #5300 Washington, DC 20024	Honda North America, Inc	200.00	
Katherine Doddridge Gerlach, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Matthew Gerson, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	4,265.00	454.21
John J. Gersuk, 3444 Valewood Dr. Oakton, VA 22124	Bechtel Group, Inc		
David Troy Saxton Getty, 3301 E. Garland Fresno, CA 93726			
Dorothy F. Gevinson, Market Square 801 Pennsylvania Ave., NW, #720 Washington, DC 20006-2604	Procter & Gamble Manufacturing Co	21.00	
Danny Ghorbani, 8014 Falstaff Road McLean, VA 22102	Association for Regulatory Reform	6,000.00	157.52
Clair Ghylin, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron USA, Inc	7,500.00	50.00
Christopher J. Giaimo, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	2,826.00	
Wayne Gibbens, 801 Pennsylvania Ave., NW, #840 Washington, DC 20004-2604	Mid-Continent Oil & Gas Assn	8,000.00	571.50
Martha A. Gibbons, 1155 Connecticut Ave., NW Washington, DC 20036	Laidlaw Waste Systems, Inc	2,500.00	22.00
Gary J. Gibbs, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004-2696	Central & South West Services, Inc	1,600.00	350.00
Michelle Gibson, 1101 30th Street, NW, #500 Washington, DC 20007	Cement Kiln Recycling Coalition		
Robert A. Gifford, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Robert C. Gilardi, 1725 Jefferson Davis Hwy, #1004 Arlington, VA 22202-4102	Compressed Gas Assn/Helium Advisory Council		
Pamela Gilbert, 215 Pennsylvania Avenue, SE Washington, DC 20003	Public Citizen	8,925.00	
Jacqueline Gillan, 777 North Capitol Street, NE, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	4,980.78	278.19
Mary Ann Gilleece, 1146 19th Street, NW, 3rd Floor Washington, DC 20036	Lepon McCarthy Jutkowitz & Holzworth (For:Astra Holdings Corp)	450.00	
Do	Lepon McCarthy Jutkowitz & Holzworth (For:DynCorp)	500.00	
Do	Lepon McCarthy Jutkowitz & Holzworth (For:NMP Corp)		
David Gillette, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	13,249.98	307.47
Brad Gilman, 2300 Clarendon Blvd., #1010 Arlington, VA 22201	Robertson Monagle & Eastaugh (For:Aleutians East Borough)	1,250.00	
Do	Robertson Monagle & Eastaugh (For:City of Kenai)	17,500.00	
Do	Robertson Monagle & Eastaugh (For:City of Kodiak)	6,000.00	
Do	Robertson Monagle & Eastaugh (For:Marco)		
Do	Robertson Monagle & Eastaugh (For:Ocean Shipholdings, Inc)		
Do	Robertson Monagle & Eastaugh (For:Transportation Institute)		
Jim Gilmore, 1735 New York Avenue, NW, #500 Washington, DC 20006	American Factory Trawler Assn	17,500.00	5,947.39
Tod I. Gimbel, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	425.00	
Ginn Edington Wade & Sanders, Inc, 803 Prince Street Alexandria, VA 22314	Allied Signal Aerospace Co	4,000.00	40.40
Do	Equifax		
Do	Firearms Training Systems, Inc	10,000.00	98.10
Do	Lockheed Corporation	12,000.00	108.30
Do	Oglethorpe Power Corp		
Do	Swedish Ordnance		
Do	Turner Broadcasting System, Inc	3,000.00	28.85
Do	U.S. Cane Sugar Refiners' Assn		
Do	Watkins Associated Industries, Inc		
Caesar A. Giolito, P.O. Box 5793 Carefree, AZ 85377	American Assn of Pastoral Counselors	2,000.00	
Do	U.S. Chamber of Commerce for Nat'l Info & Education Utility		451.29
Carolyn H. Giolito, P.O.Box 5793 Carefree, AZ 85377	American Assn of Pastoral Counselors	2,000.00	
Do	Capital International Communications (For:U.S. Chamber of Commerce for National Information & Ed. Ut.).		447.40
Gerard Giovaniello, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,207.59
Girl Scouts of the USA, 830 Third Avenue New York, NY 10022			
Earl E. Gjelde, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc		
Lawrence L. Gladchun, 27777 Inkster Road Farmington Hills, MI 48334	Michigan National Corp		
Nicholas J. Glakas, 1600 M Street, NW Washington, DC 20036	ITT Corporation	210.00	69.00
Matthew D. Glasser, 1919 Park Road, NW Washington, DC 20010	City of Broomfield, Colorado	25,000.00	2,073.93
Law Offices of Thos Gleason, 26 Broadway, 17th Floor New York, NY 10004	International Longshoremen's Assn, AFL-CIO		
Martha Cole Glenn, 4637B S. 36th Street Arlington, VA 22206	Humane Society of the U.S.	9,628.26	1,590.73

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Joanne Glisson, 700 14th Street, NW, Washington, DC 20005	Monsanto Company		116.18
Global USA, Inc, 2121 K St., NW, #650 Washington, DC 20037	All Nippon Airways Co, Ltd		
Do	Convex Computer Corp	32.21	
Do	Fanuc, Ltd		
Do	Hitachi, Ltd		
Do	Hyundai Motor America	360.57	
Do	Japan Fed of Construction Contractors, Inc		
Do	Komatsu Ltd		
Do	Kyocera Corporation		
Do	Mazak Corporation	432.69	
Do	Murata Machinery, Ltd	216.34	
Do	South Louisiana Port Commission		
Stephanie R. Godley, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	1,000.00	50.00
James W. Godlove, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,050.00	53.86
Jean C. Godwin, 1010 Duke Street Alexandria, VA 22314	American Assn of Port Authorities	17,000.00	2,000.00
Judith M. Goff, P.O. Box 130092 St. Paul, MN 55113	Farm Credit Services	500.00	535.98
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	Air & Space West, Inc		2,138.00
Do	Alaska Loggers Assn		2,138.00
Do	Amercan College of Cardiology	4,500.00	2,538.00
Do	American Academy of Dermatology	12,000.00	2,538.00
Do	American Academy of Ophthalmology	2,800.00	2,277.00
Do	American Trucking Assns, Inc	1,400.00	2,203.00
Do	Beretta U.S.A. Corp	3,260.00	2,538.00
Do	BAA plc	4,800.00	2,538.00
Do	Camp Barsh Bates & Tate		2,138.00
Do	Chemical Manufacturers Assn, Inc	788.00	2,200.00
Do	Coca Cola Company	4,800.00	2,281.00
Do	College of American Pathologists	5,000.00	2,538.00
Do	Copiat		2,138.00
Do	Electronic Data Systems Corp	8,515.00	2,388.00
Do	Energy Research Corp	9,240.00	2,463.00
Do	Equitable Life Assurance Society of the U.S.	31,250.00	2,538.00
Do	Eye Bank Assn of America	900.00	2,161.00
Do	Federated Investors, Inc	15,000.00	2,538.00
Do	Fiat USA	12,000.00	2,508.00
Do	Ford Motor Co	2,468.00	2,171.00
Do	Genentech, Inc	32,000.00	2,538.00
Do	Hopi Tribe	28,800.00	2,138.00
Do	Investment Company Institute	13,600.00	2,538.00
Do	LEGI-SLATE		2,138.00
Do	Martin Marietta Corp	535.00	2,308.00
Do	Museum Company	8,000.00	2,331.00
Do	MCI Communications Corp	12,800.00	2,538.00
Do	National Business Aircraft Assn, Inc	400.00	2,538.00
Do	National Football League	27,240.00	2,538.00
Do	National Restaurant Assn	29,250.00	2,538.00
Do	National School Transportation Assn	6,000.00	2,287.00
Do	Pacific Enterprises	6,600.00	2,538.00
Do	Pennzoil Co	4,000.00	2,538.00
Do	Philip Morris Co	25,000.00	2,538.00
Do	Salomon Brothers, Inc	7,805.00	2,538.00
Do	Sunrise Club, Inc	4,000.00	2,138.00
Do	Thomson-CSF, Inc	20,000.00	2,538.00
Do	Times Mirror Co	5,280.00	2,538.00
Do	Washington Metropolitan Area Transit Authority	16,757.00	2,138.00
Goldberg & Spector, 1229 19th St., NW Washington, DC 20036	Alpha Lyracom d/b/a Pan American Satellite		
Mark J. Golden, 1019 19th Street, NW, Suite 1100 Washington, DC 20036	Telocator	630.00	
Janlori Goldman, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	500.00	100.00
Max Goldman, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Steve Goldman, 1250 Connecticut Avenue, NW, #401 Washington, DC 20036	McCaw Cellular Communications Inc		
Goldman Sachs & Co, 1101 Pennsylvania Avenue, NW, #900 Washington, DC 20004			9,050.00
Robert H. Goldsborough, 5508 Lombardy Place Baltimore, MD 21210	Americans for Immigration Control, Inc	9,000.00	
Marva Goldsmith, 601 13th Street, NW, #650-North Washington, DC 20005	Detroit Edison Company	750.00	40.00
Richard S. Goldstein, 2300 M Street, NW Washington, DC 20037	Kelley Drye & Warren (For:Coalition to Preserve the Low Income Housing Tax Credit).		
John A. Gonzalez, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	5,000.00	4,999.44
Linda Goold, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	
John Gordley, 1150 Connecticut Avenue, NW, #507 Washington, DC 20036	Export Processors Industry Coalition (EPIC)	3,000.00	2,893.75
Do	Iowa Pork Producers Assn	1,500.00	643.39
Do	National Sunflower Assn	6,000.00	3,539.55
Do	U.S. Canola Association	9,000.00	2,410.12
Marvin N. Gordon, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	208.15
Mary S. Gordon, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc	1,250.00	
Randall C. Gordon, 1201 New York Ave., NW #830 Washington, DC 20005	National Grain & Feed Assn		
David W. Gorman, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	18,179.20	36.25
Faye A. Gorman, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	167.00
Mark S. Gorman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Peter Gossens, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics	1,000.00	433.19
Gover Stetson & Williams, 2501 Rio Grande Blvd., NW Albuquerque, NM 87104-3223	Campo Band of Mission Indians	1,973.50	
Do	Crow Tribal Housing Authority		
Do	Mescalero Apache Housing Authority	252.00	
Do	Minnesota Chippewa Tribe		
Do	Navajo Area School Board Assn		
Do	Pueblo of Laguna Housing Authority	30.00	
Do	Pueblo of Pojoaque	955.50	
Do	Pueblo of Tesuque		
Do	Pueblo of Zuni		
Do	Santa Clara Indian Pueblo	1,039.50	
Do	Santa Fe Indian School, Inc		
Do	Shoshone Tribe	8,424.00	
Do	Tonono O'odham Nation	87.50	
Do	Wind River Tax Commission		
Do	Zuni Housing Authority		
Edmund Graber, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
John R. Graff, 1448 Duke Street Alexandria, VA 22314	International Assn of Amusement Parks & Attractions		
Elaine Z. Graham, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Michael Graham, 625 Slaters Lane, Suite 200 Alexandria, VA 22314	National Assn of Medical Equiptment Suppliers	2,750.00	13.38
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Citibank, N.A.	63,908.00	520.00
Do	Investors in Industry		
Frances Turk Granahan, 1620 L Street, NW, #1200 Washington, DC 20036	Panhandle Eastern Corp		212.43
Nancy Granese, c/o P.O. Box 66674 Washington, DC 20035-6674	FICA Fairness Coalition		
Do	Partnership on Health Care & Employment		
Andrew N. Grass Jr., One World Trade Center, #4511 New York, NY 10048	Security Traders Assn, Inc	2,500.00	
Clifford S. Graul, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	
Graves & Associates, Ed, 2001 M Street, NW, 4th Floor Washington, DC 20036	Correctional Education Consultants, Inc	500.00	
Do	Emerald Resources Management		
Do	Hill & Knowlton	2,500.00	
Carol J. Gray, 1850 M Street, NW, #550 Washington, DC 20036	Securities Industry Assn	1,983.00	
Peter Gray, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp/Citibank	3,900.00	
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:AMR Corp)		
Do	Hill & Knowlton, Inc (For:First American Bank, N.A.)		
Do	Hill & Knowlton, Inc		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Tobacco Institute)		
Scott D. Grayson, 1828 L Street, NW, #1202 Washington, DC 20036	Institute of Electrical & Electronics Engineers (IEEE)	900.00	
Mary R. Grealy, 1111 19th Street, NW, #402 Washington, DC 20036	Federation of American Health Systems	1,500.00	
Greater Wash/MD Service Station & Automotive Repair Assn, 9420 Annapolis Rd., #307 Lanham, MD 20706		200.00	200.00
Greater Washington Educational Telecommunications Assn, P.O. Box 2626 Washington, DC 20013			
Donald R. Greeley, 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	4,500.00	430.85
Deborah Green, 610 W. 110th Street New York, NY 10025	Rainbow Lobby, Inc	4,000.00	
George R. Green, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	450.00	
James E. Green, 1100 Connecticut Ave., NW #620 Washington, DC 20036	Mobil Corp	2,500.00	701.74
Micah S. Green, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	1,303.95
Oliver W. Green, 5025 Wisconsin Ave, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Scott H. Green, 1275 Pennsylvania Ave, NW, #220 Washington, DC 20004	Boys & Girls Clubs of America	4,000.00	1,327.62
Do	National Center for Missing & Exploited Children	6,000.00	2,275.93
Do	PRC	15,000.00	4,012.78
William Green, 1455 Pennsylvania Ave, #575 Washington, DC 20004	MacAndrews & Forbes Holdings, Inc	3,000.00	
Fred Greene, 3434 Pinetree Terrace Falls Church, VA 22041	Denny Miller Associates	2,500.00	
H. Thomas Greene, 412 1st St., SE Washington, DC 20003	National Automobile Dealers Assn	10,000.00	
Suzanne Greenfield, 2030 M Street, NW Washington, DC 20036	Common Cause	7,053.36	35.88
Ronald K. Greenhalgh, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural ELectric Cooperative Assn	100.00	
Lynn Greenwalt, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	155.75	
Sarah Massengale Gregg, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Janet R. Gregor, 1331 H Street, NW, #300 Washington, DC 20005	H&R Block, Inc (For:Rosapepe & Spanos, Inc)	1,800.00	14.00
Janice M. Gregory, 1400 L St., #350 Washington, DC 20005	ERISA Industry Committee	5,750.00	96.50
David J. Gribbin IV, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,401.00	200.00
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Air Transport Assn of America	6,250.00	150.00
Do	American Assn of Equipment Leasors	1,750.00	42.00
Do	American Nuclear Energy Council	13,750.00	330.00
Do	American Petroleum Institute	2,000.00	48.00
Do	American Psychological Assn	11,750.00	282.00
Do	Appalachian Coalbed Methane Assn	4,250.00	102.00
Do	Arthur Andersen & Co	22,250.00	534.00
Do	Blue Cross & Blue Shield Assn	3,500.00	84.00
Do	City of Broomfield	2,750.00	66.00
Do	Covia Partnership	25,500.00	612.00
Do	CBS, Inc	14,500.00	348.00
Do	COMSAT Corp	4,750.00	114.00
Do	Ethyl Corporation	16,000.00	384.00
Do	Fireman's Fund Insurance Cos	5,250.00	126.00
Do	General Atomics	1,500.00	36.00
Do	W.R. Grace & Co	3,750.00	90.00
Do	Grumman Corporation	6,000.00	144.00
Do	Martin-Marietta	7,500.00	180.00
Do	McCaw Communications Cos	17,500.00	420.00
Do	Merck & Co, Inc	250.00	6.00
Do	Motorcycle Industry Council, Inc		
Do	National Music Publishers Assn	6,250.00	150.00
Do	NUS Corp	11,250.00	270.00
Do	Outdoor Advertising Assn of America		
Do	Primerica Corp	15,250.00	366.00
Do	Tobacco Institute	12,500.00	300.00
Edward D. Griffith, 3801 West Chester Pike Newtown Square, PA 19073	ARCO Chemical Co		
Gary W. Griffith, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	540.00	144.39
Randy Griggs, 1052 Highway 431 North Dothan, AL 36303	Alabama Farmers Federation	600.00	834.89
Philip M. Grill, 444 N. Capitol Street, NW, #514 Washington, DC 20001	Matson Navigation Company, Inc		
Craig N. Grimm, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Margo A. Grimm, 1000 Connecticut Ave., NW Washington, DC 20036	Japan Economic Instutute of America	500.00	
Norman E. Grimm Jr., 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		
Cynthia P. Grisso, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		20.00
Mark W. Grobmyer, P.O. Box 70 Little Rock, AR 72203	Arnold Grobmyer & Haley (For:Arkansas Assn of Securities Dealers)		
Do	Arnold Grobmyer & Haley (For:Mid-South International Trade Assn)		
Grocery Manufacturers of America, Inc, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007			761.17
James N. Groninger, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	181.73	
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Ad Hoc MGA Group		
Do	Ad Hoc PFIC Group		
Do	American Petroleum Institute		
Do	Amoco Corporation		
Do	Cargill, Inc		
Do	Chevron Corp	200.00	50.00
Do	Eli Lilly & Company		
Do	Goldman Sachs & Co		
Do	Murphy Oil USA, Inc		
Do	Nebraska Public Power District		
Do	New York City Teachers Retirement System		
Do	Phillips Petroleum Co		
Do	Physicians Mutual Insurance Co		
Do	Principal Financial Group		
Do	Prudential Insurance Co of America	250.00	50.00
Do	Prudential-Bache Securities, Inc		
Do	Puerto Rico, USA Foundation		
Do	Reading & Bates Corporation		
Do	Retired Lives Reserve Group		
Do	Southern California Edison Co		
Do	Sunflower Electric Power Corp		
Do	True Oil Company		
Do	Union Texas Petroleum Corp		
Do	Westinghouse Electric Corp		
George Gross, 1211 Connecticut Ave., NW, #406 Washington, DC 20036	Magazine Publishers of America, Inc	5,000.00	
Thomas P. Gross, 1627 Eye Street, NW, #1000 Washington, DC 20006	McGuire Woods Battle & Boothe (For:Appomattox River Water Authority)	25,414.40	
Steven A. Grossman, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Cetus Corp)		
Do	Hill & Knowlton (For:Gerber Products Corp)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
John T. Grupenhoff, 6410 Rockledge Drive, #203 Bethesda, MD 20817	Association of American Cancer Institutes		
Do	Cooley's Anemia Foundation	600.00	224.00
Gene Guerrero, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	1,250.00	
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	O'Connor & Hannan (For:Blanchfield & Moore)		
Do	Morris Communications	10,200.00	
Do	Naegle Outdoor Advertising		
Do	National Rifle Assn of America	5,000.00	
Do	O'Connor & Hannan	42,000.00	
Do	Bettis Rainsford		
Do	Riverton Investment Corp		
Do	Western Electrochemical Company		
Pamela D. Guffain, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	3,000.00	94.65
Clark J. Guild Jr., Guild & Hagen, Ltd 100 West Liberty St., #800 Reno, NV 89501	Motion Picture Assn of America, Inc		
Mark F. Guimond, 4659-C 28th Road Arlington, VA 22206	National Motorists Assn	5,000.00	4,300.00
John E. Guiniven, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	5,000.00	350.00
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419 Washington, DC 20036	BASF Corp	1,000.00	60.00
Do	McDermott, Inc	2,500.00	100.00
Do	Walk-Haydel & Associates, Inc	500.00	65.00
Deborah H. Gum, 9425 Cloverhill Road Manassas, VA 22110	Capital Cities/ABC, Inc		
Gun Owners of America, Inc, 8001 Forbes Place Springfield, VA 22151		228,651.84	214,942.62
Phyllis A. Guss, 1050 Thomas Jefferson Street, NW 6th Floor Washington, DC 20007	Citizens for Reliable & Safe Highways (CRASH)		
Alvin M. Guttman, 1924 N Street, NW Washington, DC 20036	Towing & Recovery Assn of America, Inc	600.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jocelyn A. Guyer, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	22,020.00	9,322.56
GLB, Inc, 1507 West 6th Street Austin, TX 78703	Jones Motor Co, Inc		
Do	MPPAA Solvency Coalition		
Do	Schneider National, Inc		
Do	Walsh Trucking Service, Inc		
GPIA Animal Drug Alliance, 200 Madison Ave., #2404 New York, NY 10016			
William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Lonnie E. Haefner, 10 Finlay Road Kirkwood, MO 63122	L.E. Haefner Enterprises, Inc (For:Cape Girardeau Regional Commerce & Growth Assn).		
Gene P. Haflich, Indiana Petroleum Council 714 Harrison Building Indianapolis, IN 46204	American Petroleum Institute	231.87	43.11
Thomas M. Hagan, 1005 Congress Ave., #795 Austin, TX 78701	Central & South West Services, Inc	821.70	1,331.06
Barry Hager, 1701 K St., NW, #900 Washington, DC 20006	Fund for Private Assistance in Internat'l Development (Paid)	2,000.00	60.00
Nancy A. Hailpern, 316 Pennsylvania Ave., SE, #200 Washington, DC 20003	American Cancer Society	2,250.00	
Jay D. Hair, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,047.81	
Thomas F. Hairston, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California	7,000.00	566.48
Mr. Randolph M. Hale, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Genetics Institute		
Do	Arthur D. Little, Inc	27.00	
Do	Medallion Oil Company	1,647.00	36.80
Do	Metalor USA Refining Corp		
Do	Micron Technology, Inc	3,595.20	107.00
Do	Northeastern University	3,078.00	93.25
Anne Hall, 100 East Broad Street Columbus, OH 43271-0251	Banc One Corporation		
Elliott S. Hall, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	7,500.00	1,320.00
Joseph Mitchell Hall, 2930 S. Buchanan Street, #A1 Arlington, VA 22230	Harris Corporation	1,475.00	1,312.50
Marian Hall-Crawford, 316 Pennsylvania Avenue, SE, #301 Washington, DC 20003	San Diego Gas & Electric	1,935.00	2,546.02
Sarah E. Haller, 1615 L Street, NW, #320 Washington, DC 20036	Sandoz Corp		25.00
Paul Hallisay, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,250.00	589.40
Morton H. Halperin, 122 Maryland Ave.,NE Washington, DC 20002	American Civil Liberties Union	16,000.00	100.00
Ellice Halpern-Barnes, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Martha R. Hamby, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	240.00	
David S. Hamilton, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,605.72	
J. Lee Hamilton, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703	National Assn of Manufacturers	281.00	
Joyce Hamilton, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Mark Hamilton, 5400 Carillon Point, #400 Kirkland, WA 98083	McCaw Cellular Communications, Inc	240.00	1,272.00
Philip W. Hamilton, 1825 K St., NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
William W. Hamilton Jr., 2010 Massachusetts Ave., NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	681.41	
Thomas A. Hammer, 2100 Pennsylvania Ave, NW, #695 Washington, DC 20037	Sweetener Users Assn	10,000.00	
Timothy A. Hanan, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp		
Hance & Gamble, PC, 400 West 15th Street, #320 Austin, TX 78701	Kinetic Concepts, Inc	9,000.00	376.70
Hand Arendall Bedsole Greaves & Johnston, P.O. Box 123 Moblie, AL 36601	Alabama Department of Revenue	3,104.18	
Do	General Electric Co	1,000.00	
Do	Ingalls Shipbuilding	142.50	
Do	Northrop Corp	316.66	
Do	Waste Management, Inc	159.17	
Thomas H. Hanna, 7430 Second Ave, #300 Detroit, MI 48202	Motor Vehicle Manufacturers Assn of the U.S., Inc	1,750.00	
Anneliz Hannan, 150 Glover Avenue Norwalk, CT 06856	United States Surgical Corp	1,000.00	
P. S. Hannas, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	300.00	
Richard L. Hanneman, 700 North Fairfax Street, #600 Alexandria, VA 22314-2040	Salt Institute		
M. Arnita Hannon, 1726 M Street, NW, #902 Washington, DC 20036-4502	American Lung Assn		
Dolly A. Hanrahan, 1200 G Street, NW, #400 Washington, DC 20005	Hima	1,820.00	367.95
Eric R. Hanson, 1321 Duke Street, #200 Alexandria, VA 22314-3563	U.S. Strategies Corp (For:Healthsouth Rehabilitation Corp)		
William S. Haraf, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	6,300.00	
Julie E. Harbin, 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company	32.00	
Stuart B. Hardy, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Dorcas R. Hardy & Associates, 2909A So. Woodstock Street, #100 Arlington, VA 22206	MCI Telecommunications Corp	36,000.00	12,065.00
Donna Akers Harman, 1875 Eye Street, NW, #540 Washington, DC 20006	Champion International Corp		
Patricia L. Harmening, 316 Pennsylvania Ave., SE, #402 Washington, DC 20003	San Diego Gas & Electric	1,220.00	2,460.70
Deborah Harnesberger, 625 Slaters Lane, #200 Alexandria, VA 22314	National Assn of Medical Equipment Suppliers	7,500.00	80.00
Kathleen Harnett, 1301 Pennsylvania Ave., NW #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Diane Harper, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation	625.00	571.62
Toni Harrington, 950 L'Enfant Plaza North, SW, #5300 Washington, DC 20024	Honda North America, Inc	466.00	
W. Brendan Harrington, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
A. J. Harris II, 1825 Eye Street, NW, #750 Washington, DC 20006	CIGNA Corp	4,938.00	607.18
Leslie Harris, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	6,500.00	
Marilyn A. Harris, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	150.00	
Ray Harris, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Nuclear Operating Company	1,650.00	8,830.59
Harris & Ellsworth, 2600 Virginia Avenue, NW, #1113 The Watergate Washington, DC 20037	American Railway Car Institute		
Do	Association of Food Industries, Inc		
Do	Cheese Importers Assn of America, Inc		
Do	Coalition of Food Importers Assn	2,600.00	112.00
Do	Committee of Domestic Steel Wire Rope & Specialty Cable Mfrs		
Jack E. Harrison, West Virginia Petroleum Council 1250 One Valley Square Charleston, WV 25301	American Petroleum Institute		
Joseph M. Harrison, 1611 Duke Street Alexandria, VA 22314	American Movers Conference	100.00	
L. Ray Harry, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc	360.00	4,108.29
Fruzsina M. Harsanyi, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri, Inc	3,500.00	328.76
Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005	College of American Pathologists	2,300.00	592.20
Lynn S. Hart, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	3,000.00	
Thomas D. Hart, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
William R. Hart, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	2,826.00	
Hartford Fire Insurance Co, Hartford Plaza Hartford, CT 06115			33,800.00
Gabriel A. Hartl, Arlington Courthouse Plaza II, #711 2300 Clarendon Boulevard Arlington, VA 22201	Air Traffic Control Assn, Inc		
Gerald S. Hartman, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)		
Mary M. Hartman, 10203 Vernlyn Drive San Antonio, TX 78230	Diamond Shamrock, Inc		
Rebecca J. Hartman, 1100 Citizens Building Cleveland, OH 44114	Centerior Energy Corp	33.00	
Carolyn Hartmann, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,515.38	
Frederick J. Hartwigsen, 1500 Paxton Street P.O. Box 3565 Harrisburg, PA 17105	UGI Corporation		
Fanny L. Haslebacher, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036	Hershey Foods Corp		
Jace Hassett, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Fred Hatfield, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly Raffaelli & Siemens (For:County of Merced)	4,500.00	
Do	McAuliffe Kelly Raffaelli & Siemens (For:ICF International Inc)	2,500.00	
Janet S. Hathaway, 1350 New York Ave., NW, #300 Washington, DC 20005	Natural Resources Defense Council	12,190.20	421.91
Howard M. Haug, 1270 Avenue of the America New York, NY 10020	National Foreign Trade Council, Inc	4,500.00	
James N. Haug, 55 E. Erie Street Chicago, IL 60611	American College of Surgeons		
Barbara S. Haugen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Marilyn Beth Haugen, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Barbara J. Haugh, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		819.58
Christina M. Hauptli, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Todd J. Hauptli, 4212 King Street Alexandria, VA 22302	American Assn of Airport Executives	4,700.00	
Charles W. Havens III, 1333 New Hampshire Avenue, NW, #1100 Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
Kathryn Joann Hawes, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Jennifer Hawk, 1722 Eye Street, NW, 4th Floor Washington, DC 20006	Barclays Bank, PLC	5,000.00	726.12
Sidney G. Hawkes, 1667 K St., NW, #420 Washington, DC 20006	Mead Corporation	650.00	50.00
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Paula Hawkins, P.O. Box 193 Winter Park, FL 32790	Genentech	30,000.00	762.25
F. William Hawley, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp/Citibank	1,710.00	
John F. Hay, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	
David J. Hayes, 1001 Pennsylvania Ave., NW Washington, DC 20004	Latham & Watkins (For:American Electronics Assn)	5,133.00	79.72
Do	Latham & Watkins (For:Semiconductor Industry Assocation)	3,036.25	10.61
Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	2,000.00	
Do	Coastal Conservation Assn	2,000.00	
Do	Natural Resources United	3,000.00	
Leah V. Haygood, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	586.24

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Mark F. Haynes, 1627 K Stret, NW, #300 Washington, DC 20006	Fluor Corporation	5,000.00	549.85
Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112	Harsco Corporation	23,808.00	587.36
Paul Hazen, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	10,000.00	1,226.71
Robert Healy Jr., 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	3,400.00	
Robert L. Healy, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	296.00	
Anne A. Heanue, 110 Maryland Avenue, NW, #101 Washington, DC 20002	American Library Assn	1,014.00	
David E. Hebert, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	5,000.00	364.00
James B. Hedlund, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Jay Hedlund, 2030 M St., NW Washington, DC 20036	Common Cause	14,095.02	
Edward D. Heffernan, 1019 19th St., NW, Penthouse #1 Washington, DC 20036	American Cast Iron Pipe Company	1,000.00	
Do	CSX Corporation	5,000.00	561.15
Do	DePaul University	3,000.00	116.70
Do	Renewable Fuel Assn	3,000.00	
Do	Sealaska Corp	1,000.00	
John Heffner, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
John F. Heilman, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	23,129.60	454.18
Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	115.28	
Scott E. Heisel, 735 N. Water Street, #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	675.00	
Helicopter Assn International, 1619 Duke Street Alexandria, VA 22314			21,900.00
Richard L. Hellwege, 1225 Jefferson Davis Highway, #1100 Arlington, VA 22202	Smiths Industries	700.00	
DeWitt F. Helm Jr., 155 East 44th Street New York, NY 10017	Association of National Advertisers, Inc		
Robert W. Helm, 1000 Wilson Boulevard, #2300 Arlington, VA 22209	Northrop Corp	3,000.00	
Thomas M. Helscher, 700 Fourteenth Street, NW, #1100 Washington, DC 20005	Monsanto Co		129.58
Mike D. Helton, Kentucky Petroleum Council 305 Ann St., #403 Frankfort, KY 40601	American Petroleum Institute		
Carol C. Henderson, 110 Maryland Ave., NE, #101 Washington, DC 20002	American Library Assn	1,329.00	
Donald E. Henderson, 130 E. Washington Street Indianapolis, IN 46204	Indiana Farm Bureau, Inc	6,000.00	244.00
William M. Hendon, Box 6863 McLean, VA 22106	Milliken & Company		
Do	National Rifle Assn		
Karen Hendricks, 1319 F Street, NW, #604 Washington, DC 20004	Association of Junior Leagues Int'l, Inc		
C. Dayle Henington, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
George H. Henry, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	484.00	159.41
John Hugh Henry, 1850 K Street, NW, #950 Washington, DC 20006	McDermott, Inc	9,400.00	2,807.13
Margaret C. Henry, 1410 Q Street, NW Washington, DC 20009	Arter & Hadden (For:Morgan Stanley & Co, Inc)		
LeAnn Hensche, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,450.00	77.85
Charlotte W. Herbert, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
M. Lyn Herdt, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
William Hermelin, 2215 Constitution Ave, NW Washington, DC 20037	American Pharmaceutical Assn	1,000.00	209.89
Catherine L. Heron, 1600 M St., NW Washington, DC 20036	Investment Company Institute	148.75	12.00
Julian B. Heron, 1025 Thomas Jefferson Street, NW, #407 Washington, DC 20007	Blue Diamond Growers	2,587.50	70.87
Do	Hawaii Macadamia Nut Assn	2,137.50	109.37
Do	Carl J. Maggio		
Do	Sunkist Growers, Inc	36,930.00	2,072.25
Do	Universal Leaf Tobacco		
Richard A. Herrett, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	15,000.00	
John A. Heslip, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn		6,433.54
Hessel & Aluise, PC, One Thomas Circle, NW, #1250 Washington, DC 20005	National Corp for Housing Partnerships	8,215.35	
Do	Riverview Towers Limited Partnership		
William S. Hettinger, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	208.15
Heublein, Inc, 16 Munson Road Farmington, CT 06034-0388		17,250.00	15,038.41
David B. Hickerson, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	360.00	505.00
Sydney Tally Hickey, 6401 Phillip Court Springfield, VA 22152	National Military Family Assn, Inc	2,158.13	
William D. Hickman, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Guy M. Hicks, 1000 Wilson Boulevard, #2407 Arlington, VA 22209	Northrop Corp	1,000.00	
Paul T. Hicks, Rhode Island Petroleum Assn 395 Smith Street, #2 Providence, RI 02908	American Petroleum Institute		
Barbara L. Hiden, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	173.07	8.00
J. Thomas Higginbotham, 1455 Pennsylvania Ave., NW Washington, DC 20004	American Institute of Certified Public Accountants		20,902.96
John S. Hightower, 5700 Florida Blvd., #310 Baton Rouge, LA 70806	Louisiana-Pacific Corp	7,125.00	1,372.00
Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
John Hildreth, 1300 Guadalupe, #100 Austin, TX 78701	Consumers Union of U.S., Inc	1,000.00	
Catherine J. Hill, 1640 Wisconsin Ave., NW, First Floor Washington, DC 20007	American College of Surgeons		248.20
Frederick Wells Hill, 1801 K Street, NW, #800 Washington, DC 20006-1378	Westinghouse Electric Corp	4,000.00	1,000.00
J. Eldred Hill Jr., 820 First St., NE, #400 Washington, DC 20002	URA, Inc	2,000.00	
Robert B. Hill, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	750.00	96.50
Thomas M. Hill, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	3,226.50	
Edward Joseph Hillings, 750 17th Street, NW, 4th Fl Washington, DC 20006	Enron Corp	7,500.00	
Arthur William Hillman, 1235 Jefferson Davis Highway, #606 Arlington, VA 22202	National Utility Contractors Assn	8,400.00	88.70
John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132	Sundstrand Corporation	1,320.00	811.14
Steven A. Hillyard, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron Companies		
Cynthia Hilton, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
John M. Himmelberg, 888 17th Street, NW, #900 Washington, DC 20006	Florida Fruit & Vegetable Assn	3,000.00	
Do	Florida Tomato Exchange	1,500.00	
Hinman Straub Pigors & Manning, P.C., 50 E Street, SE Washington, DC 20003	New York State Conference of Blue Cross & Blue Shield Plans	9,655.00	4,368.57
Tamara Hirschfeld, 2101 L Street, NW, #401 Washington, DC 20037	American Stock Exchange, Inc		
Dan L. Hitt, 1101 15th Street, NW Washington, DC 20005	3M Co (Minnesota Mining & Mfg)	400.00	
Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037	American Public Power Assn	1,000.00	
Philip M. Hocker, 20 West Chapman Street Alexandria, VA 22301	Mineral Policy Center		93.50
Scott Hodes, 180 North La Salle St., #3800 Chicago, IL 60601	Investment Company Institute		
Ann C. Hodges, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	8,904.00	508.00
A.R. 'Trey' Hodgkins, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	935.90	232.53
Jeanne E. Hoenicke, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance	1,000.00	
Kristin Hofeditz, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	1,140.00	
Glen D. Hofer & Associates, 1000 16th Street, NW, #702 Washington, DC 20036	National Barley Growers Assn	13,500.00	5,497.00
William L. Hoffman, 516 First Street, SE Washington, DC 20003	American University of Beirut	11,856.00	13,198.00
Walter F. Hoffmann, 418 7th Street, SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	776.25	
F. Nordy Hoffmann and Assoc, Inc, 400 N. Capitol St., NW, #327 Washington, DC 20001	Archer Daniels Midland Company		
Do	Coca-Cola Company		
Do	Crysen Corp		
Do	Interstate Natural Gas Assn of America		
Do	Keene Corp		
Do	Marine Engineers' Beneficial Assn		
Do	Sound Refining, Inc		
Elizabeth Hogan, 1801 Pennsylvania Ave., NW Washington, DC 20006	MCI Communications Corp	4,000.00	314.75
Joseph Michael Hogan Jr., 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	Alabama Construction Contractors	5,608.75	394.36
Do	American Academy of Pediatrics	1,012.50	28.00
Do	American Coke & Chemicals Institute		
Do	American College of Osteopathic Surgeons		
Do	American Frozen Food Institute		
Do	American Hellenic Chamber of Commerce		
Do	American Insurance Assn	18,269.37	215.35
Do	American Physical Therapy Assn		
Do	Amgen, Inc	26,627.50	243.00
Do	Auburn University		486.95
Do	Berg Steel Pipe Corp		
Do	Blount, Inc	9,108.33	1,334.36
Do	Bristol-Myers Squibb Company		
Do	BE&K Construction		
Do	California State Teachers Retirement System	6,765.00	
Do	Carter Green Redd, Inc	9,705.54	
Do	Damon Corp		
Do	Drummond Company, Inc	39,065.41	2,289.11
Do	Ductile Iron Pipe Research Assn	15,966.66	871.16
Do	First National Bank of Opelika		
Do	Fox Broadcasting Company		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Freightliner Corp		
Do	General Electric Company	3,637.50	147.18
Do	Glaxo, Inc	105.00	
Do	Globe Nuclear Services adn Supply Limited (GNSS)		
Do	Harbert Corp		
Do	Hardie-Tynes Mfg. Company	6,250.00	667.92
Do	Humane Society of the United States	975.00	
Do	Infectious Diseases Society of America, Inc		
Do	Intergraph Corp	12,231.25	2,225.04
Do	Manufacturers Hanover Trust Co		
Do	May Department Stores Co	20,245.00	
Do	Mercedes-Benz of North America, Inc	15,966.00	
Do	Michelin Tire Company	50,847.34	3,920.36
Do	Michigan Consolidated Gas Co		
Do	Mid Atlantic Company	9,000.00	226.68
Do	Mortgage Insurance Companies of America	16,435.00	205.41
Do	Mutual Life Insurance Co of New York		
Do	National Apparel	4,328.75	151.07
Do	National Broiler Council		
Do	National Child Care Assn	4,335.80	
Do	National Consumers Bankruptcy Coalition	22,380.00	729.50
Do	National Hospice Organization	2,305.62	
Do	National Industries, Inc		
Do	Nuexco Trading Corp	8,335.00	
Do	Ontario Ministry of Industry, Trade & Technology		
Do	PaineWebber Group, Inc	1,200.00	
Do	Payload Systems, Inc		
Do	Polyisocyanierate Insulation Manufacturers Assn (PIMA)	31,061.25	2,003.98
Do	Private Child Care Providers	27,205.08	1,416.80
Do	Product Liability Coordination Committee	16,162.50	4,370.09
Do	Robinson Terminal Warehouse Corp	937.50	
Do	Rust Engineering	52,302.58	1,287.86
Do	Security Savings & Loan Assn	37,169.81	
Do	Society of Critical Care Medicine		
Do	Southern Company Services	30,498.00	2,217.97
Do	Storage Technology Corp		
Do	Tektronix, Inc	1,683.00	213.37
Do	Timex Corporation		
Do	Toyota Motor Sales, USA, Inc	1,327.50	14.00
Do	University of Pennsylvania		
Do	Vulcan Materials Company	63,881.51	
Do	Jim Walter Corp	10,837.50	592.93
Philip A. Hogue, 2230 Gallows Rd., #200 Dunn Loring, VA 22027	International Technical Expertise Ltd		
Richard F. Hohlt, 209 Princess Street Alexandria, VA 22314	Silver Freedman & Taff		
Philip C. Holladay Jr., 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Robert A. Holland, 1020 19th Street, NW, #420 Washington, DC 20036	SmithKline Beecham Corp (Beecham, Inc)	2,000.00	800.00
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Alamo Rent-A-Car, Inc	1,400.00	
Do	Alyeska Pipeline Service Co	500.00	
Do	Carbon Fuels Corp & Subsidiaries	125.00	
Do	Citgo Petroleum Corp	1,500.00	
Do	Council for Solid Waste Solutions	1,500.00	
Do	Environmental Management Services		
Do	Grocery Manufacturers of America, Inc		
Do	Precious Metals Producers Group	1,500.00	
Do	Scott's Liquid Gold		
Do	Southland Corporation		
Do	Stillwater Mining Company		
Do	Styrene Information & Research Center	2,000.00	
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	American Commodity Distribution Association	2,500.00	
Do	Florida Celery Exchange		
Do	Florida High Speed Rail Transportation Commission		
Do	Florida International Bankers Association (FIBA) Inc.	1,155.00	
Do	General Mills Corp	3,797.50	
Do	Hospice Care, Inc		
Do	Pan American Satellite Corp		
Do	Town of Palm Beach	1,600.00	
Do	United Fresh Fruit & Vegetable Assn	3,000.00	
Patricia L. Hollis, 1300 L Street, NW, #950 Washington, DC 20005	American Soybean Assn	1,050.00	14.00
Wendell M. Holloway, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	3,448.35	2,273.79
Holly Corporation, 100 Crescent Court, #1600 Dallas, TX 75201	Holly Corp		
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	390.18	259.14
Moses D. Holmes Jr., 1201 16th St., NW Washington, DC 20036	National Education Assn	3,753.35	72.00
Fred H. Holt, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute		
John W. Holt, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	350.00	
John F. Holtz, NJ Petroleum Council 150 West State Street Trenton, NJ 08608	American Petroleum Institute		
Home Recording Rights Coalition, P.O. Box 33576 1145 19th Street, NW Washington, DC 20033		45,000.00	85,938.80
Gregory W. Homer, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)		
Tom Hoog, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:Colorado State University)		
Do	Hill & Knowlton, Inc (For:Grumman Corp)	15,000.00	
Do	Hill & Knowlton (For:McAndrews & Forbes Holdings, Inc)		
Do	Hill & Knowlton (For:Phillips Petroleum)		
Do	Hill & Knowlton (For:Tera Computer Company)		
Billy E. Hooper, 1023 15th Street NW 3rd floor Washington, DC 20005	Association of American Veterinary Medical Colleges		
Candice Shy Hooper, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Enserch Corp)	2,750.00	
Do	Hooper Hooper & Owen (For:John Hancock Mutual Life Insurance, Co)	15,000.00	
Do	Hooper Hooper & Owen (For:National Assn of Royalty Owners)	2,000.00	
Helen Hooper, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	814.47	
Lindsay Hooper, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Carbon Fuels Corp)	3,750.00	
Do	Hooper Hooper & Owen (For:ENSERCH Exploration)	1,800.00	
Do	Hooper Hooper & Owen (For:Hallmark Cards)	6,375.00	
Do	Hooper Hooper & Owen (For:Kansas City Southern Industries)	7,500.00	
Do	Hooper Hooper & Owen (For:Phlcorp)	5,813.00	
Do	Hooper Hooper & Owen (For:Software Publishers Assn)	3,000.00	
Do	Hooper Hooper & Owen (For:United Asset Management)		
Do	Hooper Hooper & Owen (For:UtiliCorp United, Inc)	6,750.00	
Do	Hooper Hooper & Owen (For:Western Resources Council)	6,300.00	
Stephen A. Hopkins, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	3,500.00	
Virginia E. Hopkins, 1302 Noble Street, #3H Anniston, AL 36201	Campbell & Hopkins (For:Wald Manufacturing Company, Inc)	385.00	424.92
Hopkins & Sutter (Washington), 888 16th Street, NW, 6th floor Washington, DC 20006	Alaska Joint Venture Seafoods, Inc		
Do	Cash Station	300.00	
Do	Cook Inlet Land Exchange, Inc		
Do	Estate of Helen Wodell Halbach		
Do	Geonex Corp		
Do	Grand Trunk Corp	33,377.75	176.90
Do	Infinite Research, Inc		
Do	Rogers American Cable Systems, Inc		
Do	United Video		
Deborah L. Horan, 777 N. Capitol Street, NE, #803 Washington, DC 20002	American Assn of Nurse Anesthetists	5,000.00	155.97
Darnell K. Horio, 801 Pennsylvania Ave., NW, #310 Washington, DC 20004	GPU Service Corporation	10,463.00	194.79
Robert Jack Horn, 1990 M St., NW, #480 Washington, DC 20036	Detroit Edison Company	1,320.00	50.00
John R. Horner, 8524 Bradford Rd. Silver Spring, MD 20901	Campbell-Raupe, Inc (for: NMTBA-Assn for Mfgr Technology)	3,000.00	
R. Kyle Horst, 122 C Street, NW #350 Washington, DC 20001	Armenian Assembly of America		
Marcia L. Horton, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Charles H. Hossack, 50 South First Avenue Coatesville, PA 19320	Lukens, Inc		1,428.52

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Russell Houston, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
John H. F. Hoving, 1575 Eye Street, NW #325 Washington, DC 20005	Society of American Value Engineers		
Hoving Group, 1575 Eye Street, NW, #325 Washington, DC 20005	American Film Marketing Assn	3,000.00	113.22
Do	Eagle-Picher Industries, Inc	79,800.00	2,760.88
Do	Western-Southern Life Insurance Co	10,500.00	1,168.17
Gerald M. Howard, 15th & M Street, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Robert M. Howard, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	2,187.60	1,588.69
Roger W. Howard, 3253 E. Chestnut Expressway Springfield, MO 65802	Burlington Northern Railroad Co		
Christopher W. Howe, 1401 Eye Street NW #1200 Washington, DC 20005	Chevron USA, Inc	1,050.00	
Jonathan Howe, 1200 18th Street NW, #200 Washington, DC 20036	National Business Aircraft Assn	1,250.00	
Susan Howe, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Gary Howell, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	150.00	
Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	1,500.00	280.00
Ronnie Allen Howell, 1620 Eye Street, NW, #700 Washington, DC 20006	International Paper	2,185.00	89.00
Howrey & Simon, 1730 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Tile Council of America, Inc		
Paul R. Huard, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	
Margaret Renken Hudson, 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.00	300.00
Stewart Hudson, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	4,272.85	
Gary E. Hughes, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Robert (Bob) Hughes, 333 Piedmont Ave., 23rd Floor Atlanta, GA 30308	Georgia Power Company	16,292.10	7,424.00
Sharon M. Hughes, 1735 I St., NW, Suite 704 Washington, DC 20006	National Council of Agricultural Employers	2,650.00	243.00
Vester T. Hughes Jr., 1717 Main Street, Suite 2800 Dallas, TX 75201	Mrs. H. E. Butt		
Do	Holly Corp		
Do	Sammons Enterprises, Inc		
William Hughes, 27357 Avonbourne Lane Easton, MD 21601-9147	National Assn of Federal Veterinarians	26.14	
Margot Smiley Humphrey, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc, et al.)	6,160.00	40.00
Frances A. Hunt, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	3,603.87	
Harriet Hunt-Burgess, 44 Montgomery Street, #4165 San Francisco, CA 94104	American Land Conservancy (ALC)	2,382.75	106.67
Angela M. Hunter, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	11,434.90	
Daniel J. Hunter, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America	14,375.00	1,726.14
Milton F. Huntington, Maine Petroleum Assn P.O. Box 2739 Augusta, ME 04338	American Petroleum Institute	46.00	1,157.33
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Edison Electric Institute		
Robert Hurley, 1317 F Street, NW Washington, DC 20004	Wall & Associates, R. Duffy	1,250.00	
Cathy Hurwit, 1300 Connecticut Avenue, NW, #401 Washington, DC 20036	Citizen Action Fund	10,600.00	285.00
Geoffrey B. Hurwitz, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	2,400.00	262.64
Mark Hurwitz, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,974.37
Philip A. Hutchinson, 490 L'Enfant Plaza, #7204 Washington, DC 20024	Volkswagen of America, Inc	150.00	20.00
Suzanne C. Hutchinson, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	7,375.00	1,052.79
William Hutnick, 1705-B N. Front Street Harrisburg, PA 17102	Bridge to the Future		
Randy Huwa, 2030 M St., NW Washington, DC 20036	Common Cause	12,493.13	
Kimberly Hyatt, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Pamela Sue Hyde, 4301 North Fairfax Srive, #360 Arlington, VA 22203-1608	National Utility Contractors Association	7,400.00	78.50
Steven M. Hyjek, 2100 Pennsylvania Ave., NW, #560 Washington, DC 20037	Hyjek & Fix, Inc (For:Canadair Challenger, Inc)	1,500.00	1,402.00
Do	Hyjek & Fix, Inc (For:Defence Equipment & Systems)	975.00	735.61
Do	Hyjek & Fix, Inc (For:NEI Thompson LTD.)	2,125.00	2,130.92
Do	Hyjek & Fix, Inc (For:Short Brothers (USA), Inc)	1,750.00	1,163.30
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:American Public Transit Assn)	150.00	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Ferruzzi Group)	500.00	
Do	Hill & Knowlton, Inc (For:Liberal Democratic Federation of Hong Kong)		
Do	Hill & Knowlton, Inc (For:Mazda (North America), Inc)		
Do	Hill & Knowlton, Inc (For:Nintendo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Olin Brass)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	800.00	
Do	Hill & Knowlton, Inc (For:Sallie Mae)	50.00	
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037	American Osteopathic Hospital Assn	4,400.00	91.76
Do	American Pharmaceutical Assn	500.00	331.00
HCA The Healthcare Co, One Park Plaza P.O. Box 550 Nashville, TN 37202-0550			
J. William Ichord, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Company of California		
Kris H. Ikejiri, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference	500.00	
Catherine L. Imus, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	Ketchum Public Relations		
Independent Insurance Agents of America, Inc, 127 S. Peyton Street Alexandria, VA 22314		58,888.00	58,888.00
Independent Lubricant Manufacturers Assn, 651 South Washington Street Alexandria, VA 22314		2,896.25	2,896.25
Industrial Biotechnology Assn, 1625 K Street, NW, #1100 Washington, DC 20006		2,029.15	2,029.15
Industrial Gas Cleaning Institute, Inc, 1707 L St., NW Washington, DC 20036			
Infant Formula Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Charles E. Ing, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc	13,120.00	96.56
Edwin T. C. Ing, 2000 Pennsylvania Ave., NW, #3310 Washington, DC 20006	Hawaiian Electric Industries, Inc		
Do	Kamehameha Schools/Estate of Bernice P. Bishop		
Do	U.S. Windpower, Inc		
Doug Inkley, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	3,527.62	
International Advisers, Inc, 2300 M Street, NW, #600 Washington, DC 20036	Embassy of Turkey	218,750.00	30,303.57
International Advisory Services Group, 1400 L Street, NW, #600 Washington, DC 20005	Steel Service Center Institute	647.50	125.80
International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006		17,864.63	28,564.63
International Brotherhood of Teamsters, 25 Louisiana Ave., NW Washington, DC 20001			76,662.53
International Council of Shopping Centers, 665 Fifth Ave. New York, NY 10022		3,608.40	3,608.40
International Longshoremen's Assn, AFL-CIO, 17 Battery Place, #1500 New York, NY 10004			116,760.52
International Taxicab Assn, 3849 Farragut Avenue Kensington, MD 20895			
International Union of Bricklayers & Allied Craftsmen, 815 15th St., NW Washington, DC 20005			6,229.00
International Union of Operating Engineers, 1125 17th St., NW Washington, DC 20036		10,500.00	842.73
Investment Company Institute, 1600 M St., NW Washington, DC 20036			72,879.87
Peter A. Iovino, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	2,275.00	1,434.84
Kathleen Ireland, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn	2,288.00	181.41
Thomas L. Irmen, P.O. Box 119 Maumee, OH 43537	Andersons		
William Robert Irvin, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	4,551.31	
Walter G. 'Skip' Irvine Jr., 34th & Civic Center Blvd. Philadelphia, PA 19104	Children's Hospital of Philadelphia	10,000.00	1,477.46
Sally D. Iskenderian, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Manufacturers & Consumers of Amer.).	100.00	
William A. Isokait, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Russel Iuculano, 1620 L Street, #800 Washington, DC 20036	Metropolitan Life Insurance Co	600.00	
Robert A. Jablon, 1350 New York Ave., NW, #1100 Washington, DC 20005-4798	Spiegel & McDiarmid (For:Michigan Municipal/Cooperative Group, et al.)	1,515.00	
Dennis J. Jackman, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	Du Pont Merck Pharmaceutical Company	7,000.00	461.21
Charles R. Jackson, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	9,300.00	22,358.85
Jacquelyn L. Jackson, 1875 I Street #1110 Washington, DC 20006	Times Mirror Co		
Joseph C. Jackson, 1600 Wilson Boulevard, #1008 Arlington, VA 22209	Suppliers of Advanced Composite Materials Assn	388.50	362.54
Stephen Jacobs, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	10,000.00	706.86
Rachel L. Jacobson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
E. A. Jaenke & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005	University of Kansas	3,750.00	3,099.03
Daniel L. Jaffe, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Jaffe Snider Raitt & Heuer, P.C., 1800 First National Building Detroit, MI 48226			
Edward L. Jaffee, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc		
Khalil E. Jahshan, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	1,750.00	1,200.00
Dennis James, 1215 17th Street, NW Washington, DC 20036	Gadot Petrochemical Industries	7,581.00	198.16
Harriet James, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business	3,189.00	200.00
Timothy P. James, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	2,500.00	
Jamin Ebell Bolger & Gentry, 323 Carolyn Street Kodiak, AK 99615	Old Harbor Native Corp	100,855.00	35,138.01
Do	Washington Oil Marketers Assn	289.65	
J. Jancin Jr., 1800 M Street, NW Washington, DC 20036	American Bar Assn	300.00	30.00
Russell A. Janis, 233 No. Pleasant St., #38 Amherst, MA 01002	Trust for Public Land	550.00	136.85
Mona M. Janopaul, 1101 14th Street, #1400 Washington, DC 20005	Miller Balis & O'Neil (For:American Public Gas Assn (APGA))	190.00	
Japan Economic Institute of America, 1000 Connecticut Ave., NW Washington, DC 20036		1,785.00	1,785.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Joseph J. Jaquay, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Dane B. Jaques, 1275 Pennsylvania Ave., NW #301 Washington, DC 20004	Katten Muchin Zavis & Dombroff (For:Associated Aviation Underwriters)		
Marc R. Jartman, 175 Admiral Cochrane Drive Annapolis, MD 21401	UNC, Inc		
Charles W. Jarvis, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management Environmental Services		
Jerry J. Jasinowski, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	
Judy Jaussi, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	12,000.00	1,473.72
Michael A. Jawer, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Jeford-McManus International, Inc, 513 Capitol Court, NE, #300 Washington, DC 20002	Aerojet-General Corp	50.00	
Do	Litton Data Systems	200.00	
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	ASARCO, Inc	206,894.00	9,625.00
Do	Los Angeles County Sanitation District	16,130.00	456.00
David M. Jennings, 115 West College Drive Marshall, MN 56258	Schwan's Sales Enterprises, Inc	1,250.00	1,161.32
James C. Jennings, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc		
Janet I. Jenson, 2600 Virginia Ave., NW, 10th Floor Washington, DC 20037-1905	Schmeltzer, Aptaker & Shepard (For:Council of Nursing Home Suppliers)	6,250.00	
Nancy H. Jessick, 1331 Pennsylvania Ave., NW, #720 Washington, DC 20004	Hiram Walker & Sons, Inc		
Jewish Peace Lobby, 8401 Colesville Road, #317 Silver Spring, MD 20910		38,544.68	17,720.97
Calvin P. Johnson, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,496.52	1,568.05
Carl T. Johnson, 1725 Jefferson Davis Hwy, #1004 Arlington, VA 22202-4102	Compressed Gas Assn/Helium Advisory Council		
George W. Johnson, 1156 15th Street, NW, #1201 Washington, DC 20005	NCR Corp		
James W. Johnson Jr., 1156 15th Street, NW, #1019 Washington, DC 20005	U.S. Beat Sugar Assn		
Jane Leonard Johnson, P.O. Box 19109 Greensboro, NC 27419	Unifi, Inc		
Joel L. Johnson, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	1,416.80	
Mark R. Johnson, 1667 K Street, NW, #350 Washington, DC 20006	Maersk, Inc	2,500.00	
Michael S. Johnson, Suite 1290 East 555 13th Street, NW Washington, DC 20004	McCamish Martin & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin & Loeffler (For:Citicorp)		
Do	McCamish Martin & Loeffler (For:Electronic Data Systems Corp)		
Do	McCamish Martin & Loeffler (For:Hong Kong Trade Development Trade Council)		
Do	McCamish Martin & Loeffler (For:National Assn of Broadcasters)	50.00	
Do	McCamish Martin & Loeffler (For:Sematech)		
Do	McCamish Martin & Loeffler (For:United Services Automobile Assn)		
Myrna Johnson, 2025 M Street, NW Washington, DC 20036	National Public Radio	8,185.25	102.10
Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	420.00	
Rady A. Johnson, 1615 M Street, NW, Suite 200 Washington, DC 20038	Amoco Corporation		
Richard W. Johnson Jr., 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	8,541.00	175.00
Thomas L. Johnson, P.O.Box 2185 Austin, TX 78768	Associated General Contractors of Texas		
Johnson & Gibbs, P.C., 1301 K Street, NW, #800 East Washington, DC 20005-3307	Centex Corp	44,931.25	
Do	Church Alliance	24,927.50	
Do	El Paso Health Care Systems, Ltd		
Do	Fermanente Medical Group, Inc	3,250.00	
Johnson Research Associates, 4429 Yuma Street, NW Washington, DC 20016	City of Virginia Beach	6,389.51	389.51
George A. Johnston, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	11,081.00	
James D. Johnston, 1660 L St., NW, #401 Washington, DC 20036	General Motors Corp	3,600.00	7,486.28
Mary K. Jolly, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,382.15	141.97
Herbert A. Jolovitz, 7531 Sebago Road Bethesda, MD 20817	Owens-Corning Fiberglas Corporation	1,500.00	
Barbara J. Jones, 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Earl Jones Jr., 401 West 18th Street Little Rock, AR 72206	Philip Morris, Inc	1,500.00	
Ernest W. Jones Jr., 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Robert L. Jones, 4647 Forbes Blvd. Lanham, MD 20706	Amvets	6,800.00	
T. Lawrence Jones, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Marsh & McLennan Cos, Inc		
Wiley N. Jones, 816 Connecticut Ave., NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Company	1,000.00	500.00
Jones Day Reavis & Pogue, 1450 G Street, NW, #700 Washington, DC 20005-2088	Affiliated Computer Systems, Inc		
Do	Anchor Savings Bank		
Do	County of Los Angeles	12,877.00	
Do	Embassy of the People's Republic of China		
Do	Ethyl Corporation		
Do	Federated Stores, Inc	37,216.05	986.00
Do	First American Bankshares		
Do	Genetech	3,562.50	47.49
Do	GNA Corp	24,881.00	24.00
Do	Lubrizol Corp		
Do	Nacco Industries, Inc	51,610.00	84.00
Do	National Assn of State Auditors Comptrollers & Treasurers		
Do	Norwest Corp	65,868.00	86.00
Do	Pfizer, Inc	4,610.00	
Do	Royal Trustco Ltd		35.00
Do	RJR Nabisco, Inc	10,879.00	
Do	State Assn of County Retirement Systems		
Do	U.S. Sprint - United Telecom, Inc		
Do	Upjohn Company	20,950.00	54.00
Do	Windham Community Memorial Hospital, Inc		
Jones Waldo Holbrook & McDonough, 2300 M Street, NW, #900 Washington, DC 20037	American Stores Company		
Do	Nevada Power Company		
Do	Utah State University		
Jones Walker Waechter Poitevent Carrere & Denegre, 1776 Eye Street, NW, #245 Washington, DC 20006	General Atomics		
Do	Turner Broadcasting System, Inc	650.00	
Alexander H. Jordan, 816 Connecticut Avenue, NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Company	500.00	250.00
Jorden Schulte & Burchette, 1025 Thomas Jefferson Street, NW, #400E Washington, DC 20007	Carteret Savings & Loan Association		
Do	City of Newark	67,334.00	3,341.33
Do	Colorado-Ute Electric Assn, Inc	2,000.00	187.12
Do	East Texas Electric Cooperative	73,656.00	411.65
Do	Federal Agricultural Mortgage Corp	900.00	
Do	International Geographical Congress	5,267.00	227.82
Do	Mutual Benefit Life		
Do	New York University	8,333.00	379.70
Do	Northeast Texas Electric Cooperative	149,866.00	860.73
Do	Paine Webber		37.43
Do	Sabine River Authority		
Do	Tex-La	363,422.00	2,058.27
Do	University of Medicine & Dentistry of New Jersey	12,891.00	607.52
Do	University of Miami	51,657.00	2,581.93
David C. Jory, 1101 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	500.00	
Mary Lou Joseph, 2025 M Street, NW Washington, DC 20036	National Public Radio	19,021.50	807.61
John J. Joyce, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	3,000.00	
Ardon B. Judd Jr., 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
John Steven Judge, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	2,521.00	
Justice Fellowship Advocates, P.O. Box 17500 Washington, DC 20041-0500			3,492.75
Laurel B. Kamen, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	11,842.88	11.00
John F. Kamp, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	1,250.00	
John E. Kane, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	5,000.00	
Thomas J. Kane Jr., 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	208.15
Miles F. Kanne, P.O. Box 1608 Bloomington, IN 47402	Cook Group, Inc		
Martin B. Kanner, 2301 M St., NW Washington, DC 20037	American Public Power Assn	4,500.00	
Gerald Kaplan, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		
Kaplan Russin & Vecchi, 1215 17th Street, NW Washington, DC 20036	Walter Conston Alexander & Green (for: Leybold AG)	18,698.00	776.49
Amy L. Kardell, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	900.00	
Phillip J. Kardis, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International	3,000.00	2,668.90
Gene Karpinski, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	8,307.72	
Barry Kasinitz, 1750 New York Avenue, NW Washington, DC 20006	International Assn of Fire Fighters	10,492.00	
Michael E. Kastner, 1350 New York Ave., NW, #800 Washington, DC 20005-4797	National Truck Equipment Assn	3,750.00	91.00
Alyce Katayama, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments	1,500.00	312.00
Katten Muchin Zavis & Dombroff, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Associated Aviation Underwriters		
Paul C. Katz, 3900 Wisconsin Ave., NW Washington, DC 20016	U.S. League of Savings Institutions	2,813.00	
Robert C. Kaufmann, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Ghana R. Kaulius, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:ASSE International)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hill & Knowlton (For:Colorado State University)	1,500.00	
Do	Hill & Knowlton (For:San Pellegrino)		
Do	Hill & Knowlton (For:Tera Computer Company)		
Everett E. Kavanaugh, 1101 - 17th Street, NW, #300 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Edward M. Kavjian, 1660 L. Street, NW Washington, DC 20036	General Motors Corp	3,000.00	921.94
Thomas O. Kay, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Kay Associates	17,500.00	
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	Benjamin Moore & Co		
Do	Robert Bosch Corp		
Do	Brown Brothers Harriman & Co		
Do	City of Newport Beach		
Do	Dow Chemical Co		
Do	Goldman Sachs & Co		
Do	Hartford Insurance Group		
Do	Kraft, Inc	693.00	173.25
Do	Londontown Corporation		
Do	Morgan Guaranty Trust Co of New York	300.00	75.00
Do	Pepsico		
Do	RSR Corp	316.00	91.00
Do	Siemens Medical Systems, Inc		
Do	Spanish Broadcasting System		
Do	Texaco, Inc		
Do	U.S. Industrial Fabric Institute		
Do	United Television, Inc		
Do	Westwood One, Inc		
John R. Keeling, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	6,980.00	167.46
Lana Keelty, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	15.00	
Melvin Keener, 1776 I Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Keith Keeney, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Joan F. Keiser, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	28.00	
Kendell W. Keith, 1201 New York Avenue, NW, #830 Washington, DC 20005	National Grain & Feed Assn		
William D. Kelleher, 1415 Elliot Place, NW Washington, DC 20007	Chamber of Commerce of the U.S.	4,000.00	500.00
Robert H. Kellen, 5775 Peachtree-Dunwoody Rd., Suite 500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Keller & Heckman, 1001 G Street, NW, #500 West Washington, DC 20001	Specialty Advertising Assn Int'l	245.00	26.00
John T. Kelley, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
W. Curtis Kelley, 1150 17th Street, NW, #600 Washington, DC 20036	Health Insurance Plan of Greater New York	3,437.50	
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	Business Roundtable		
Do	Coalition to Preserve the Low Income Housing Tax Credit	2,000.00	
Do	Council for Rural Housing & Development	2,000.00	
Do	Federal Legislative Associates, Inc		
Do	Great Western Financial Corp		
Do	Institute for Responsible Housing Preservation	2,000.00	
Do	Isotec, Inc		
Do	J.P. Morgan & Co, Inc		
Do	National Assn of Manufacturers		
Do	National Leased Housing Assn	2,000.00	
Do	Society for Human Resources Management		
Stephen S. Kellner, 1913 Eye Street, NW Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc		
Carol A. Kelly, 1620 L Street, NW, #800 Washington, DC 20036	Metopolitan Life Insurance Companies		
Ernest B. Kelly III, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	2,509.62	150.00
John A. Kelly, 1025 Thomas Jefferson St., NW, #105 Washington, DC 20007	Perdue Farms Inc	12,478.00	
John F. Kelly, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	2,000.00	
Paul A. Kelly, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	425.00	659.95
Paul T. Kelly, 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
Susan N. Kelly, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Mark L. Kemmer, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	998.91
Jackson Kemper Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	8,750.00	
Kemper Corporation, 1 Kemper Drive Long Grove, IL 60049			146.35
Kemper Reinsurance Company, One Kemper Drive Building 3, R-5 Long Grove, IL 60049-0015			162.76
Jackson Kemper, III, 1215 Jefferson Davis Highway, #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	2,000.00	
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	American Water Works Service Company, Inc	1,000.00	
Do	ALC Communications Corp		
Do	Manville Corporation	2,000.00	
Do	Toyota Motor Sales, USA, Inc	4,000.00	
John Kendrick, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	1,698.83
Joseph W. Kennebeck, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024	Volkswagen of America, Inc	650.00	60.00
Art Kennedy, P.O. Box 200576 Anchorage, AK 99520	Koniag, Inc		
David Kennedy, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	6,250.00	796.77
Jerry W. Kennedy, 1025 Thomas Jefferson Street, NW, #407 Washington, DC 20007	General Atomics	2,537.50	68.22
Do	Pemco Aeroplex	3,587.50	7.20
John Paul Kennedy, 57 W. 200 S, #400 Salt Lake City, UT 84101	Edwards McCoy & Kennedy (For:Western Shoshone Judgment Distribution Assn)		2,035.29
Michael E. Kennedy, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Robert P. Kennel, 12500 Fair Lakes Circle, #260 Fairfax, VA 22033-3822	Hadson Development Corp		
Do	National Wood Energy Assn, Inc		
Erica G. Kenney, 499 South Capitol St., SW, #520 Washington, DC 20003	Petroleum Marketers Assn of America	1,313.00	
Jeannine M. Kenney, 1840 Wilson Blvd., #400 Arlington, VA 22201	National Milk Producers Federation	718.10	
Brendan Kenny, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	5,050.00	673.60
Cathy Ann Kenny, c/o NYS Petroleum Council 39 Broadway, #2705 New York, NY 10006	American Petroleum Institute		
J. H. Kent, 1825 K Street, NW, #305 Washington, DC 20006	American Soc of Plastic & Reconstructive Surgery	9,902.66	3,659.26
Do	American Supply Association	2,645.83	1,004.50
Do	International Assn of Airport Duty Free Stores	2,200.00	789.21
Do	Liz Claiborne, Inc	8,345.00	3,085.21
Do	MBI, Inc	712.50	215.20
Do	National Customs Brokers & Forwarders Assn of America	7,957.50	2,942.76
Do	Sigallo, Ltd	5,595.00	2,080.74
Do	Kent & O'Connor, Inc (For:Vista Chemical Company)		
Michael C. Kerby, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	522.21
John P. Kerekes, P.O. Box 10070 Lansing, MI 48901	American Petroleum Institute	1,000.00	
Susan Akers Kernus, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	1,000.00	
Michael J. Kerrigan, 2550 M Street, NW, #300 Washington, DC 20037	Smokeless Tobacco Council, Inc		
G. Chandler Keys III, 1301 Pennsylvania Avenue, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Carolyn Kiely, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,031.25	
William S. Kies, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	200.00	
Ingolf N. Kiland Jr., 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	6,190.13
Thomas J. Kilcline, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	1,073.40	
John J. Killeen, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
James L. Kimble, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Kimmitt Coates & McCarthy, Inc, 1730 M Street, NW, #911 Washington, DC 20036	Avco Research Lab, Inc		
Do	Royal Teton Ranch		
Aubrey C. King, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,000.00	
Judith E. King, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	750.00	646.15
Lewis O. King, P.O. Box 10045 Austin, TX 78766	National Guard Assn of Texas	7,000.00	144.28
W. Russell King, 50 F St., NW, #1050 Washington, DC 20001	Freeport McMoran D.C., Inc	25,000.00	145.00
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Atlanta Committee for the Olympic Games (ACOG)		34.00
Do	Charter Medical Corp	2,922.50	10.00
Do	Fleet North Star Financial Group		
Do	General Motors Corp		
Do	Generic Pharmaceutical Industry Assn		
Do	GPIA-Animal Drug Alliance		
Do	Martin-Marietta		
Do	National Pharmaceutical Alliance		
Do	Union Camp		
Do	Woodruff Foundation		
King & Spaulding, 1730 Pennsylvania Ave., NW Washington, DC 20006	Montgomery County, MD/ Office of Economic Development	481.00	
Kinghorn & Associates, 900 2nd Street, NE, #109 Washington, DC 20002	Ferroalloys Association	3,333.00	1,391.99

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Nuclear Metals, Inc	6,000.00	600.00
Do	South Carolina Research Authority	9,400.00	915.48
Kathleen N. Kingscott, 1301 K Street, NW, #1100 Washington, DC 20005	IBM Corp	825.15	415.72
Richard J. Kinney, 1850 K Street, NW, #1195 Washington, DC 20006	Schering-Plough Corp	11,000.00	485.10
Walter M. Kiplinger, 901 15th Street, NW, #250 Washington, DC 20005	American Foundrymens Society, Inc		
Kevin Kirchner, 1531 P Street, NW, #200 Washington, DC 20005	Sierra Club Legal Defense Fund	7,425.00	2,172.23
John R. Kirk, Bingham, Dana & Gould 150 Federal Street Boston, MA 02110	First National Bank of Boston		
Sharon Kirk, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Dominion Bankshares Corporation	800.00	
Do	Dykema Gossett	1,012.50	110.16
Do	Glendale Federal Savings Bank	10,042.50	884.17
Do	Institute of International Bankers	4,940.00	1,219.32
Do	Investment Company Institute	5,720.00	833.00
Do	Investors Fiduciary Trust Co	585.00	
Do	Meridian Bancorp, Inc	2,165.00	73.00
Do	Republic National Bank of New York	1,732.50	48.06
Walter B. Kirkwood, 111 Monument Circle Indianapolis, IN 46277	Banc One Corp	10,938.00	12,371.01
Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	16,380.00	506.36
Robert A. Kirshner, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	500.00	
Sam Kito Jr., P.O. Box 210575 Anchorage, AK 99521-0575	Kito, Inc (For:Klukwan, Inc)		1,600.27
Do	Kito, Inc (For:Sealaska Corporation)	55,300.00	15,619.98
Do	Kito, Inc (For:Southeast Alaska Landless Native Coalition)	15,000.00	7,967.09
Do	Kito, Inc (For:SAALAC)	15,000.00	7,967.09
Sandra D. Kjellberg, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	3,550.98	
Dean Kleckner, 225 Touhy Avenue Park Ridge, IL 60068	American Farm Bureau Federation	4,025.00	
Douglas M. Kleine, 11479 Waterview Cluster Reston, VA 22090	Professional Assn Services		
Andre M. Kliczak, P.O.Box 1000-165 Duluth, MN 55814			
David M. Klucsik, 1415 Wyckoff Road Wall, NJ 07719	New Jersey Natural Gas Co		
Theodore Knappen, 1101 14th Street, NW, #1201 Washington, DC 20005	Greyhound Lines, Inc	30,000.00	
James E. Kneale, 2335 South Meade St. Arlington, VA 22202	Lockheed Corporation	4,000.00	173.41
Anthony J. Knettel, 1400 L Street, NW, #350 Washington, DC 20005	Erisa Industry Committee	750.00	
Knights of Columbus, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004-2404			8,849.00
Karen Theibert Knobloch, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Albert B. Knoll, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	2,000.00	1,744.05
Patricia C. Kobor, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	990.00	19.00
Karil L. Kochenderfer, 1801 K Street, NW, #900K Washington, DC 20036	American Textile Manufacturers Institute, Inc		
Blair Koehler, 1800 Diagonal Road, #140 Alexandria, VA 22314	National Assisted Housing Management Assn	500.00	
David G. Koenig, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Howard Kohr, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	7,775.00	110.50
Stanley E. Kolbe Jr., 305 4th Street, NE Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		465.68
Ann Kolker, 1616 P Street, NW, #100 Washington, DC 20036	National Women's Law Center		59.25
David Kolker, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	38,137.50	14,649.73
Diane J. Koller, 1101 17th St., NW, #600 Washington, DC 20036	American Airlines, Inc	2,500.00	318.41
Nicholas Kominus, 1001 Connecticut Ave., NW Washington, DC 20036	U.S. Cane Sugar Refiners' Assn		35.30
Stephen Koplan, 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	2,000.00	
George S. Kopp, 2121 K Street, NW, #650 Washington, DC 20037	Global USA, Inc (For:Earth Observation Satellite Co)	248.07	
Horace R. Kornegay, P.O. Box 3463 Greensboro, NC 27402	Adams Kleemeier Hagen Hannah & Fouts (For:American Tobacco Company)		
Ronald W. Kosh, 12600 Fair Lakes Circle Fairfax, VA 22033-4900	AAA Potomac		
Michael V. Kostiw, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco Inc	250.00	
Kostmayer Communications, Inc, 1667 K Street, NW, #605 Washington, DC 20006	Coalition for Auto Repair Equality	600.00	1,325.40
Barbara M. Kostuk, 1025 Thomas Jefferson Street, NW, #511 Washington, DC 20007	LTV Corp	1,575.00	150.00
Gerald J. Kovach, 1801 Pennslvania Ave., NW Washington, DC 20006	MCI Communications Corp	4,000.00	
Kenneth S. Kovack, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	13,832.30	
Jermone J. Kozak, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Malcolm A. Kram, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	1,442.50	
Andrea S. Kramer, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
Jeffrey H. Kramer, 1616 H Street, NW Washington, DC 20006	National Grange	5,750.00	
Alan M. Kranowitz, 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Stephen W. Kraus, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	1,000.00	
Raymond R. Krause, 712 Fifth Avenue, # 4600 New York, NY 10019	Grand Metropolitan, Inc	1,500.00	
Robert S. Krebs, 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		50.00
Earl R. Kreher, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	420.00	
Kreig, DeVault, Alexander & Capehart, 2800 One Indiana Square Indianapolis, IN 46204	Krieg, DeVault, Alexander & Capehart	26,556.15	3,385.61
Kroger Company, P.O. Box 1199 Cincinnati, OH 45201-1199			4,895.47
Robin L. Kropf, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	16.66	
Keith R. Krueger, 1527 Wisconsin Avenue, NW Washington, DC 20007	U.S. West Communications	4,400.00	239.48
Ronald W. Kuehn, 2 East Mifflin Street, #600 Madison, WI 53703	DeWitt Porter Huggett Schumacher & Morgan, SC (For:Becker CPA Review Courses).		
M. J. Kuehne, P.O. Box 11346 Tacoma, WA 98411	Northwest Independent Forest Manufacturers	8,300.00	2,774.00
Gerald F. Kuester, 2000 P Street, NW Washington, DC 20036	Public Citizen Health Research Group	12.94	
Jake Kuitwaard, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,688.78
Kurrus & Kirchner, P.C., 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	American Pilots' Assn		
Do	St. Lawrence Seaway Pilots Assn		
Ruth M. Kurtz, 5517 Chevy Chase Pkwy., NW Washington, DC 20015	Coordinadora de Organizaciones Empresariales de Comercio Ext	5,833.34	531.90
Ester Kurz, 440 First Street, NW, 6th Floor Washington, DC 20001	American Israel Public Affairs Comm	28,600.00	683.29
Peter Dev Kurze, 1753 Lanier Place, NW Washington, DC 20009	Daimler-Benz Washington, Inc		
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	America First		
Peter Kyros, 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	Allsup & Associates, Inc		
Do	Kyros Associates (For:American Soc for Cell Biology, et al)		
Do	Association of Administrative Law Judges, Inc		
Do	Board of Veterans Appeals Professional Assn		
Do	Cooperative of American Physicians, Inc		
Do	Merit Sustems Potectction Board Professional Assn		
James La Sala, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005			
Joseph L. Lach, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	500.00	
Marc E. Lackritz, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Securities Industry Assn	6,923.00	
John D. Lacopo, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	EDS Corporation	112.00	22.50
Robert A. Ladig, Scott Plaza Philadelphia, PA 19113	Scott Paper Co	2,150.00	638.96
Myron F. Laible, 1212 New York Ave., NW #1210 Washington, DC 20005	Outdoor Advertising Assn of America, Inc		
Nick L. Laird, 1050 17th Street, NW, #550 Washington, DC 20036	Electric Reliability Coalition		
Robert Lamb, 1627 Eye St., NW, #1000 Washington, DC 20006	McGuire Woods Battle & Boothe (For:Occidental Chemical Corp)		
Do	Potlatch Corp	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Solite Corp)	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Specialty Coatings Group, Inc)	2,000.00	
Do	McGuire Woods Battle & Boothe (For:Sun Co, Inc)	5,000.00	
Jennifer Lamson, 2030 M Street, NW Washington, DC 20036	Common Cause	7,250.04	
Ray H. Lancaster, 555 13th Street, NW, #430 West Washington, DC 20004	Texas Gas Transmission Corp	3,000.00	101.79
Dina Moses Land, 1764 Old Meadow Lane, #350 McLean, VA 22102	American Frozen Food Institute	500.00	
L. Charles Landgraf, 1333 New Hampshire Avenue, NW Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
Scott H. Lane, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
Adrienne C. Lang, 1101 Vermont Ave, NW, #606 Washington, DC 20005	American Soc of Anesthesiologists	12,000.00	
Roger W. Langsdorf, 1600 M Street, NW Washington, DC 20036	ITT Corporation	5,000.00	25.00
Fern M. Lapidus, 6736 Hillandale Road Chevy Chase, MD 20815	Association of Proprietary Colleges	12,266.70	1,388.67
Peter J. Larkin, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Richard Eugene Larochelle, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	750.00	
Christopher D. Larsen, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc (IIAA)	8,229.00	
Mary Ellen Larson, 1513 16th Sreet, NW Washington, DC 20036	Air Conditioning Contractors of America	1,250.00	
Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160	National Right to Work Committee		
Delbert L. Latta, 516 Hillcrest Dr. Bowling Green, OH 43402	Calderon Clean Coal Technology, Inc		694.42
Do	Glasstech, Inc	4,000.00	1,387.88
Do	Harold & Ronald McMaster DBA McMaster Motors	2,000.00	694.40
K.P. Lau, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	13,079.93	398.81
Karl F. Lauenstein, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	722.70

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Lorraine Lavet, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,100.00	15.50
Elizabeth Kepley Law, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	11,316.61	
Law Offices of Joe Vasapoli, 2989 S. Columbus Street Arlington, VA 22206	Skadden Arps Slate Meagher & Flom	3,800.00	3,600.00
Jonathan Lawniczak, 1331 F St. , NW, Washington, DC 20005	National Council of Senior Citizens	5,000.00	
M. S. Lawrence, 40 Franklin Rd, SW P.O. 2021 Roanoke, VA 24022	Appalachian Power Company	182.48	219.66
Elizabeth Lawson, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	5,580.31	
Keith Lawson, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Laxalt Corporation, 801 Pennsylvania Ave., NW, #747 Washington, DC 20004	Boone Co		
Do	Financial Services Coalition of America	3,500.00	
Do	Mesa Limited Partnership	2,000.00	
Do	Milliken & Company	2,560.00	
Do	Motion Picture Assn of America, Inc	1,500.00	
Do	Shernoff Bidart & Darras	1,000.00	
Paul Laxalt Group, 801 Pennsylvania Ave, NW, #750 Washington, DC 20004	Burlington Northern Railroad	2,000.00	
Do	Coalition for Affordable Housing	5,000.00	
Do	Harvey's Resort Hotel/Casino	2,000.00	
Do	Martin Marietta Corp	2,000.00	
Do	Milliken & Company	2,500.00	
Do	OPTUR	1,000.00	
Do	Standard Federal Savings Bank	5,000.00	
Do	Transcontinental Properties, Inc	2,000.00	
Randall R. LaBauve, P.O. Box 61000 New Orleans, LA 70161	Entergy Services, Inc	1,676.10	339.52
Sandra L. LaFevre, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
William N. LaForge, 1150 Connecticut Ave., NW, #900 Washington, DC 20036	Battelle Memorial Institute	10,631.41	101.02
Do	Coordination Council for North American Affairs	12,000.00	228.66
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Community Banks	13,000.00	115.05
Clifford C. LaPlante, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	1,850.00	
Joan H. LaVor, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Laurel Leach, 119 Oronoco Street P.O. Box 1417-D50 Alexandria, VA 22313-1480	Animal Health Institute		
League of Women Voters of the U.S., 1730 M St., NW Washington, DC 20036		51,577.67	51,577.67
League to Save Lake Tahoe, 989 Tahoe Keys Blvd., #6 P.O. Box 10110 South Lake Tahoe, CA 96150			3,506.32
Bruce Lear, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	5,714.00	254.20
Thomas B. Leary, Hogan & Hartson 555 13th St., NW Washington, DC 20004-1109	Business Roundtable	885.00	
Marvin Leath, One Massachusetts Ave, #330 Washington, DC 20001	General Dynamics Corp	3,000.00	
Do	Martin Marietta Corp	3,000.00	
Do	National Guard Assn	2,000.00	
Do	National Soft Drink Assn	3,000.00	
Do	Textron, Inc	3,000.00	
Wendy Lechner, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,401.75	100.00
Cara Lee, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Marsha P. Lefkovits, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,320.00	976.66
Bill B. Lefler, 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Mary James Legatski, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	500.00	
Jack Legler, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Leslie A. Lehmann, 500 NE Multnomah, #1500 Portland, OR 97232-2045	Nerco, Inc	1,500.00	
G. Timothy Leighton, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	American Dairy Products Institute		
Do	Cordage Institute	1,967.91	
Do	Visiting Nurse Assn of America	250.00	
Terry L. Leitzell, One Thomas Circle, NW, #900 Washington, DC 20005	Bogle & Gates (For:Wright Schuchart, Inc)	2,000.00	
Robert A. Lembo, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
Burleigh C. W. Leonard, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	3,340.00	781.39
Earl T. Leonard Jr., P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	1,144.00	1,816.29
Jerris Leonard, 1000 Thomas Jefferson St., NW, #609 . Washington, DC 20007	Leonard Ralston Stanton & Danks (For:Krueger, Inc)	13,503.75	
Lloyd Leonard, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	7,813.82	167.00
Lepon McCarthy Jutkowitz & Holzworth, 1146 19th Street, NW, Third Floor Washington, DC 20036	Chilean Exporters' Assn		
Do	Scandinavian Airlines System		
Charles Leppert Jr., 801 Pennsylvania Avenue, NW, #720 Washington, DC 20004-2360	Procter & Gamble Co	120.00	
Richard L. Lesher, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce		
William Gene Lesher, 517 C Street, NE Washington, DC 20002	Lesher & Russell, Inc	60,000.00	
Lesher & Russell, Inc, 1919 S. Eads Street, #103 Arlington, VA 22202-3028	Agricultural Policy Working Group		26,106.20
Do	Dairy Farmers for Responsible Dairy Policy		40,000.00
Do	Pizza Hut Inc	30,000.00	55,000.00
Daniel Lesmez, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	65.00	
William J. Lessard Jr., 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	4,631.00	
Gilbert B. Lessenco, 1025 Connecticut Ave., NW #500 Washington, DC 20036	Semmes Bowen & Semmes (For:Graco, Inc)	464.00	48.00
Do	Semmes Bowen & Semmes (For:MBNA America Bank, NA)	23,547.00	2,048.32
Do	Semmes Bowen & Semmes (For:Provident Bank of Maryland)		
Dale Lestina, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,753.35	779.61
Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809	Committee for America's Copyright Community	3,290.00	46.83
Robert B. Levethal, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Betsy Levin, 1201 Connecticut Avenue, NW, #800 Washington, DC 20036	Association of American Law Schools		
Peter Levine, 2030 M Street, NW Washington, DC 20036	Common Cause	5,400.00	
David R. Levinson, 1133 15th Street, NW, #1200 Washington, DC 20005	Office & Professional Employees Intl Union, Local 2, AFL-CIO		
Lawrence E. Levinson, 1875 Eye St., NW, #1225 Washington, DC 20006	Paramount Communications, Inc	3,000.00	500.00
Roger N. Levy, 901 15th Street, NW, #520 Washington, DC 20005-2301	Travelers Companies	4,000.00	
Frank J. Lewis, 307 9th Terrace Indialantic, FL 32903	Harris Corporation	135.00	
Howard Lewis, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	100.00
Richard Lewis, 1025 Vermont Ave., NW Washington, DC 20005	American Pulpwood Assn		
Robert J. Lewis, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,250.00	
Stuart A. Lewis, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006	First Interstate Bancorp	1,200.00	
Do	Manufacturers Hanover Corp	2,000.00	
William H. Lewis, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	U.S. Gypsum Co	1,000.00	50.00
John F. Leyden, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	5,399.16	
LeBoeuf Lamb Leiby & MacRae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	Federal Employees Tax Group		
Do	Feibel-Garek Realtors/Environmental Standard Group		
Do	Golden Nugget Corp		
Do	Groom & Nordberg (for: Chevron)		
Do	Maritrans Operating Partners, L.P.		
Do	National Assn of Chemical Recyclers (NACR)		
Do	Physicians Insurers Assn of America		
Do	Underwriters at Lloyd's London		
Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099	Westvaco Corporation		
Lynn H. LeMaster, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	1,737.40	660.74
Roger J. LeMaster, 1001 Pennsylvania Ave., NW, Washington, DC 20004	American Council of Life Insurance, Inc	4,000.00	
William J. Lhota, One Riverside Plaza Columbus, OH 43215	American Electric Power Service Corp		
Fern Z. Liang, 4630 Montgomery Ave. Bethesda, MD 20814	American Soc of Hospital Pharmacists		
Robert Y. Lider, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	500.00	
Richard A. Lidinsky Jr., 700 13th Street, NW, #220 Washington, DC 20005	Sea Containers America, Inc		
Diane S. Liebman, 1331 Pennsylvania Avenue, NW, #560 S Washington, DC 20004	CSX Corporation	4,500.00	43.24
Jennifer S. Lim, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Lincoln National Corp, 1300 South Clinton Street Fort Wayne, IN 46801			15,512.01
Karl W. Lindberg, 2322 Easter Lane New Orleans, LA 70114	Southern Forest Products Assn	3,206.61	
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton (For:American Public Transit Assn)	112.50	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Olin Brass)	37.50	
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)	112.50	
Lipe Green Paschal Trump & Gourley, P.C., 2100 Mid-Continent Tower 401 South Boston Avenue Tulsa, OK 74103	Thrifty Rent-A-Car System, Inc	270.00	1.78
Barbara A. Little, 1155 15th St., NW, #611 Washington, DC 20005	Ethyl Corporation	2,500.00	
Charles B. Little, 820 First St., NE, #400 Washington, DC 20002	UBA, Inc	1,000.00	
Jeanne Marie Little, 9300 Livingston Road Ft. Washington, MD 20744	National Tooling & Machining Assn	8,574.82	540.49
William F. Little, 1350 I Street, NW, #1000 Washington, DC 20007	Ford Motor Co	520.00	660.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Little Sandy Hunting & Fishing Club, P.O.Box 6950 Longview, TX 75608			506.23
Roy E. Littlefield III, 1707 Pepper Tree Court Bowie, MD 20716	American Retreaders' Assn	500.00	
Do	Greater Washington/Maryland Service Station Assn	200.00	
E. F. Livaudais Jr., 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Livestock Marketing Association, 7509 Tiffany Springs Parkway Kansas City, MO 64153		33,500.00	15,675.00
Wingate Lloyd, 1600 M Street, NW Washington, DC 20036	ITT Corp	500.00	50.00
Lobel Novins Lamont & Flug, 1275 K St., NW, #770 Washington, DC 20005	Generic Pharmaceutical Industry Assn	16,176.00	236.65
Do	San Francisco Bay Guardian		39.06
Michael A. Lobue, 1333 New Hampshire, NW Washington, DC 20036	Atlantic Richfield Company (ARCO)	125.00	
Debbie E. Locker, 3003 W. Dr. Martin Luther King Blvd. Tampa, FL 33607	St. Joseph's Health Care Center	6,749.50	729.19
Robert F. Lockhart Jr., 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Company	720.10	
Stephen G. Lodge, 7900 Westpark Drive, #A-320 McLean, VA 22102	National Confectioners Assn	300.00	100.00
Thomas G. Loeffler, P.O. Box 2999 San Antonio, TX 78299-2999	McCamish Martin Brown & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin Brown & Loeffler (For:Citicorp)	200.00	
Do	McCamish Martin Brown & Loeffler (For:Electronic Data Systems Corp)		
Do	McCamish Martin Brown & Loeffler (For:Hong Kong Trade Development Council)		
Do	McCamish Martin Brown & Loeffler (For:National Assn of Broadcasters)	600.00	
Do	McCamish Martin Brown & Loeffler (For:Sematech)		
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)		
William E. Loftus, 2000 Massachusetts Ave., NW Washington, DC 20036	American Short Line Railroad Assn		100.00
Lomurro Davison Eastman & Munoz P.A., 69 West Main Street Freehold, NJ 07728	Lomurro Davison Eastman & Munoz	13,342.91	
London & Satagaj, 1156 15th Street, NW, #510 Washington, DC 20005	Jewelers of America	6,000.00	
Do	National Home Furnishings Assn	6,000.00	
Do	Small Business Legislative Council	6,000.00	
G. Thomas Long, 1200 G Street, NW, #400 Washington, DC 20005	Health Industry Manufacturers Assn (HIMA)	1,295.00	175.32
Linda A. Long, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Coalition for Affordable Home Financing).	230.00	
Patricia Davitt Long, 1331 Pennsylvania Ave., NW, 1500 North Washington, DC 20004-1703	National Assn of Manufacturers	390.00	
Robert S. Long, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	7,500.00	1,997.69
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	Baker Manufacturing Company, Inc		
Do	Employee Stock Ownership Assn		
Do	Greater New York Hospital Assn		
Do	Medical Infusion Management, Inc	1,200.00	
Do	Metropolitan Life Insurance Co		
Do	MicroGeneSys, Inc		
Do	Milliken and Company	2,000.00	
Dennis Longoria, Central Power & Light Co P.O. Box 3400 Laredo, TX 78044	Central Power & Light Co		
Laura Loomis, 3030 N. Tuckahoe Street Arlington, VA 22213	National Parks & Conservation Association	157.71	
Peter A. Loomis, 1801 K St., NW Mezzanine Washington, DC 20006	C&S/Sovran Corporation	1,500.00	200.00
Gerald D. Lore, 1300 I St., NW, Suite 520 West Washington, DC 20005	Hoffmann-La Roche, Inc		
Philip J. Loree, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	1,000.00	449.72
Robert E. Losch, P.C., 1716 New Hampshire Ave., NW Washington, DC 20009	American Dredging Co, et al.	17,229.00	4,120.86
Franklin W. Losey, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	1,000.00	
Bill Loughrey, One Technology Parkway Box 105600 Atlanta, GA 30348	Scientific-Atlanta	275.00	
Timothy Lovain, 3713 Gunston Road Alexandria, VA 22302	Denny Miller Associates	5,000.00	
Darrcy A. Loveland, 3 Rockledge Road Laguna Beach, CA 92651	American Art Therapy Assn	2,917.50	79.53
Do	American Dance Therapy Assn	2,952.75	79.53
James Lovell, 20361 Middlebelt Livonia, MI 48152	National Hearing Aid Society		
Monica M. Lovell, 1331 Pennsylvania Ave., NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	200.00	
Arthur M. Luby, 1300 L Street, NW, #200 Washington, DC 20005-4178	O'Donnell Schwartz & Anderson (For:Transport Workers Union of America, AFL-CIO).	10,000.00	245.00
Paula D. Lucak, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	11,923.60	
Mrs. Freddie H. Lucas, 1660 L St., NW, Suite 400 Washington, DC 20036	General Motors Corp	3,000.00	1,613.53
Michael S. Lucy, One Bowdoin Square Boston, MA 02114	J. Makowski Associates, Inc		
Kenneth M. Ludden, 888 16th Street, NW Washington, DC 20006	Bannerman & Associates, Inc (For:Beirut University College)		
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)		
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)		
Do	Bannerman & Associates, Inc (For:Government of Egypt)	9,000.00	39.98
Do	Bannerman & Associates, Inc (For:Government of Tunisia)		
Do	Bannerman & Associates, Inc (For:Sawyer/Miller Group (for: Government of the Philippines)).		
Mary Riddle Ludke, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron USA, Inc	425.00	110.00
Leslie G. Ludwick, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	
David R. Lukens, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Sylvester Lukis, 24 Quincy Street Chevy Chase, MD 20815	Brevard County	3,000.00	
Do	City of Miami		
Do	City of Miami Beach	9,167.00	
Do	City of Palm Springs	4,000.00	
Do	Dade County, Florida	23,124.00	
Do	Florida Medical Center	15,000.00	
Do	School Board of Dade County, Florida	9,657.00	
Lumbermens Mutual Casualty Company, Long Grove, IL 60049			3,334.60
Lund & O'Brien, 1825 K St., NW, #1010 Washington, DC 20006	Pennsylvania Power & Light Co	2,040.00	225.46
Francis M. Lunnie Jr., 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		3,000.00
Beth Lyle-Durham, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	1,777.00	
Howard T. Lyman, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	8,113.42	433.31
Marshall L. Lynam, 101 D Street SE Washington, DC 20003	Dallas/Ft. Worth International Airport	18,333.00	
Do	Tandy Corp	10,500.00	
Kevin A. Lynch, 1275 K Street, NW, #1100 Washington, DC 20005	PacifiCorp Electric Operations	690.00	2,846.85
Timothy P. Lynch, 1600 Wilson Blvd. #807 Arlington, VA 22209	Roadway Services, Inc	500.00	200.00
Robert A. Macari, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
Do	Coffield Ungaretti Harris & Slavin (For:Metropolitan Mutual Life Insurance Co)	7,500.00	
Do	National Cooperative Bank		
Do	Coffield Ungaretti Harris & Slavin (For:Smokeless Tobacco Council, Inc)	21,250.00	
Olivia C. Mackin, 1776 Eye St., NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
Robert E. Mackin, 122 South Swan Street Albany, NY 12210	National Conference of Insurance Legislators	11,250.00	
Robert A. Macrory, c/o Alabama Petroleum Council P.O. Box 4220 Montgomery, AL 36103-4220	American Petroleum Institute	917.50	
Mark MacCarthy, 6305 32nd Street, NW Washington, DC 20015	Capital Cities/ABC, Inc	870.00	
Timothy MacCarthy, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc	15,000.00	
Gordan D. MacKay, 501 Boylston Street Boston, MA 02117	New England Mutual Life Insurance Co, ('The New England')	2,125.00	
Paul MacMurdy, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	395.89	
Madison Public Affairs Group/Earle Palmer Brown, 2033 M Street, NW, #900 Washington, DC 20036	Harbert Power Co		
Do	Philip Morris, USA		
Bill Magavern, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,580.77	
Magic Line, Inc, 23400 Michigan Avenue Dearborn, MI 48124-1999			892.50
James N. Magill, 200 Maryland Avenue, NE Washington, DC 20002	Veterans of Foreign Wars of the U.S.	4,500.00	
Paul J. Magliocchetti, 9527 Wallingford Drive Burke, VA 22015	Paul J. Magliocchetti Associates, Inc (For:Hughes Aircraft Company)		
Do	Paul Magliocchetti Associates, Inc (For:United Technologies Corporation)		
James J. Magner, 314 Massachusetts Ave, NE Washington, DC 20002	James J. Magner & Associates, Inc. (For:ASARCO, Inc)	16,761.00	234.12
Do	James J. Magner & Associates (For:Kaibab Forest Products Company)	8,307.72	585.61
Do	James J. Magner & Associates, Inc (For:Northern Arizona University Foundation)	9,000.00	986.53
James W. Magner, PWA-RAG PMB 4600 Rochester, MN 55903-4600	Prisoners With AIDS-Rights Advocacy Group (PWA-RAG)	700.00	1,800.00
James J. Magner and Associates, Inc, 314 Massachusetts Ave., NE Washington, DC 20002	Asarco, Inc	27,935.00	19,438.29
Do	Kaibab Forest Products Company	13,846.20	19,789.72
Do	Northern Arizona University Foundation	15,000.00	20,190.64
A. John Maguire, 1110 Vermont Ave. NW Suite 430 Washington, DC 20005	National Cotton Council of America	24,750.00	2,001.69
David L. Mahan, 1133 Connecticut Ave., NW Washington, DC 20036	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation).		
Do	DGA International, Inc (For:Sofreavia)		
Linda F. Maher, 9000 Montgomery Ave Chevy Chase, MD 20815	Turner Broadcasting System, Inc	550.00	
Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022			
Andrew T. Malleck, 400 North Capitol St., NW, #852 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	14,922.46	
Michelle Mallory, 453 New Jersey Ave., SE Washington, DC 20003	Beneficial Management Corp		
Robert H. Maloney, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae	15,000.00	3,358.04

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Manatos & Manatos, Inc, 1750 New York Ave., NW, #210 Washington, DC 20006	City of San Francisco		2,800.00
Do	United Hellenic Amer Congress & Amer Hellenic Alliance, Inc		2,400.00
Manatt Phelps & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Akhiok-Kaguyak, Inc	200.00	
Do	Appraisal Institute	4,175.00	116.00
Do	Bowling Proprietors Assn of America	450.00	
Do	Coalition for Continued Correctional Education	1,650.00	8.50
Do	Dual Banking Coalition	300.00	11.00
Do	EDU-DYNE Systems, Inc	650.00	
Do	Federal Express Corp	2,375.00	
Do	General Electric, et al.		
Do	Hansen Savings Bank SLA	3,543.75	18.00
Do	Holden Group		
Do	L.A. Gear, Inc		
Do	Melrose Company		
Do	Money Store		
Do	National Cable Television Assn, Inc	23,425.00	416.51
Do	NEC Corporation	2,762.50	
Do	Philip Morris Management Corp	8,837.50	252.00
Do	PriMerit Bank	893.75	
Do	Thomas Cook, et al.	500.00	
Do	United Airlines, Inc	137.50	
Anne Mancer, P.O. Box 530187 Birmingham, AL 35253-0187	Vulcan Materials Co		
Diane S. Mand, 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Susan Rachel Weiss Manes, 2030 M Street, NW Washington, DC 20036	Common Cause	16,075.02	107.43
Frank Mankiewicz, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Republic of Turkey)		
Mary Jo Manning, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Television Operators Caucus)	5,000.00	
Do	Hill & Knowlton, Inc (For:Thomson Consumer Electronics, Inc)		
Cynthia Mansfield, 801 Pennsylvania Ave., NW, Suite 310 Washington, DC 20004	GPU Service Corporation	22,909.00	163.36
Mark Mansour, 2033 M Street, NW, #300 Washington, DC 20036-3399	National Assn of Arab Americans	12,500.00	225.00
Margaret A. Manthe, P.O. Box 16614 Arlington, VA 22215	National Steel & Shipbuilding Company	1,177.88	109.78
Anthony Manzanares Jr., 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Maritime Institute for Research & Industrial Development, 1133 15th St., NW, #600 Washington, DC 20005			22,170.66
Patricia Markey, 1155 15th St., NW, #400 Washington, DC 20005	United Distribution Companies	3,915.00	205.00
Lawrence D. Markley, Rt. 1, Box 130-A Mt. Solon, VA 22843	Copper Valley Electric Assn		
Marc L. Marks, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp		
Ernest Robert Marlow, 1126 16th Street, NW, #200 Washington, DC 20036-1081	International Chemical Workers Union	2,500.00	
Cynthia L. Martin, 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic Retrieval Systems, Inc	6,500.00	
David F. Martin, Plumbing Manufacturers Institute 1655 N. Ft. Myer Drive, #700 Arlington, VA 22209	CM Services, Inc.	500.00	
E. Lee Martin, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		124.18
Fred J. Martin Jr., 1101 17th Street, NW, #1002 Washington, DC 20036	Bank of America	10,456.50	4,089.58
John M. Martin Jr., 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Katherine E. Martin, 50 F Street, NW Washington, DC 20001	Association of American Railroads	661.47	207.50
Larry K. Martin, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	2,600.00	75.00
Susan Roeder Martin, 700 Universe Boulevard, Rm. 3074 Juno, FL 33408	Florida Power & Light Company		1,050.64
Judith Marty, 1 Crane Place Bellevue Hill, NSW 2023 Australia			
Joseph J. Martyak, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc		
Robert A. Marzocchi, 15 Mountain View Road Warren, NJ 07061	Chubb & Son, Inc		
Mark A. Maslyn, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	7,587.00	201.00
Glen David Mason, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	6,354.00	562.30
Michael J. Mason, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	7,000.00	96.50
Daniel J. Massey, Huntington Center 41 South High Street Columbus, OH 43215-3406	Centerior Energy Corp	7,762.50	3,460.27
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:ARA Services)		
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Ferruzzi Group)	5,145.00	
Do	Gerber Products Corp		
Do	Hill & Knowlton (For:Liberal Democratic Federation of Hong Kong)		
Do	Hill and Knowlton, Inc (For:Ninentdo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Sandra Masur, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company		
Mary Cheryl Matheis, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	216.98	
Dawson Mathis, 1900 L Street, NW, #250 Washington, DC 20036	Dawson Mathis and Associates (For:AT&T)	2,000.00	
Do	Dawson Mathis & Associates (For:Crowley Maritime Corp)	1,000.00	
Do	Dawson Mathis & Associates (For:Massachusetts Mutual Life Insurance Co)	3,000.00	
Do	Dawson Mathis and Associates (For:Metropolitan Insurance Company)	3,000.00	
Do	United Parcel Service	3,000.00	
Dawson Mathis & Associates, 1900 L Street, NW Suite 300 Washington, DC 20036	AT&T	2,000.00	
Do	Crowley Maritime Corp	1,000.00	
Do	Massachusetts Mutual Life Insurance Co	3,000.00	
Do	Metropolitan Insurance Company	3,000.00	
Robert A. Matthews, 700 North Fairfax St. Alexandria, VA 22314	Railway Progress Institute	1,348.63	
Suzette Matthews, Arlington Courthouse Plaza II 2300 Clarendon Boulevard, #711 Arlington, VA 22201	Air Traffic Control Assn, Inc	97.50	
Joseph M. Mattingly, 1901 North Moore Street, #1100 Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc		
Harry D. Mattison, P.O.Box 660164 Dallas, TX 75266-0164	Central & South West Corporation		
Daniel J. Mattoon, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp	3,162.50	602.22
Marshall L. Matz, 888 17th Street, NW, #900 Washington, DC 20006	American School Food Service Assn	9,000.00	882.04
Do	Holland & Knight (For:City of Orlando)	2,250.00	
Do	Holland & Knight (For:Electronic Data Systems Corp)	3,000.00	
Robert V. Maudlin, 1511 K Street, NW Washington, DC 20005	C.V. & R.V Maudlin (For:Southern Company Services, Inc)	275.00	55.00
William W. Maurer, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	764.75
Michael Mawby, 2030 M Street, NW Washington, DC 20036	Common Cause	14,155.86	166.25
William A. Maxwell, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	4,000.00	
James C. May, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	30,000.00	12.00
Peter G. Mayberry, 1001 G Street, NW, #500 West Washington, DC 20001	Keller and Heckman (For:INDA (Association of the Nonwoven Fabrics Industry))		
Arnold Mayer, 4609 30th Street, NW Washington, DC 20008	Oil Chemical & Atomic Workers International Union	7,500.00	600.00
Joseph T. Mayer, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	18,135.00	2,283.00
Marion R. Mayer, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	705.38	
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Accountants' Liability Assurance Co, Ltd		
Do	Arthur Andersen & Co, Coopers & Lybrand, DeLoitte & Touche		
Do	Attorneys' Liability Assurance Society Ltd		
Do	Brunswick Corp		
Do	Cabot Partners Limited Partnership		
Do	Comdisco, Inc		
Do	Continental Bank, N.A.		1,451.85
Do	First Chicago Corp		
Do	FMC Corporation		
Do	GATX Corporation		
Do	Household Commercial Financial Services, Inc		
Do	Inland Steel Corp		
Do	JMB Realty Corp		
Do	LaSalle Partners, Inc		
Do	Lehndorff & Babson Real Estate Counsel		
Do	Mayer Brown & Platt Sentencing Commission Coalition		
Do	Merrill Lynch Capital Markets		
Do	Midway Airlines, Inc		
Do	Morton International		
Do	Nalco Chemical Co		
Do	Outboard Marine Corporation		
Do	Product Liability Coordinating Council		
Do	Quaker Oats Company		
Do	RJR Nabisco, Inc		
Do	Santa Fe Pacific Corp		
Do	Sara Lee Corporation		
Do	Sears Roebuck & Co		
Do	Solid Waste Agency of Northern Cook County		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Tele-Communications, Inc		
Do	Trinova Corp		
Do	Vulcan Materials Company, Midwest Division		
Martin Mayfield, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	950.00	74.25
Maurice W. Maynard, 44 Fifth Avenue Brooklyn, NY 11217			
Jeffrey G. Mays, 1505 Prince Street, Suite 300 Alexandria, VA 22314	American Optometric Assn		
McAdam Group, Inc, 1029 Vermont Ave., NW, #800 Washington, DC 20005	National Computer Systems	9,000.00	
H. Wesley McAden, 1155 15th St., NW, #504 Washington, DC 20005	J. G. Boswell Co	3,000.00	
Do	New York Cotton Exchange	2,000.00	
Do	Supima Association of America	2,000.00	
Timothy McAnarney, 413 West Edwards Springfield, IL 62704	Philip Morris, Inc	1,875.00	
Rebecca Craford McAuliffe, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	3,500.00	90.59
McAuliffe Kelly & Raffaelli, 1341 G Street, NW, 2nd Floor Washington, DC 20005	Bay Area Rapid Transit District	14,480.00	
Do	Cellular Telecommunications Industry Assn	2,044.00	
Do	Chabot Observatory & Science Center	300.00	
Do	City of Chattanooga	1,800.00	
Do	Clark County		
Do	Council of American Overseas Research Centers	100.00	
Do	Diagnostic Retrieval Systems	1,400.00	
Do	Electronic Data Systems Corp		
Do	Fairtax	1,400.00	
Do	General Atomics	400.00	
Do	Hamilton County	1,200.00	
Do	Harker Firm (For: International Bottled Water Assn)	2,500.00	
Do	International Franchise Assn	7,501.00	
Do	Johnson Controls, Inc	1,600.00	
Do	McDonnell Douglas Corp		
Do	Merritt Peralta Medical Center		
Do	Monarch Wine Comapny	3,000.00	
Do	MASSPORT/Commonwealth of Massachusetts	15,000.00	
Do	National Greyhound Assn	800.00	
Do	National Medical Care	15,000.00	
Do	Nevada Power	7,500.00	
Do	Nevada Resort Assn	7,000.00	
Do	Seafarers International Union	1,400.00	
Do	Texarkana Chamber of Commerce	2,800.00	
Do	University of Nevada/Las Vegas/Research Center	7,500.00	
Do	University of Nevada, Reno	12,000.00	
Ann McBride, 2030 M St., NW Washington, DC 20036	Common Cause	17,890.02	102.00
Susan P. McCaffrey, 1828 N. Meridian Indianapolis, IN 46202	Community Service Council of Central IN, Inc		
John D. McCallum, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
McCamish Martin & Loeffler, P.C., Suite 1290 East 555 13th Street, NW Washington, DC 20004	Central & South West Corp		
Do	Citicorp	500.00	200.00
Do	Electronic Data Systems Corp		
Do	Hong Kong Trade Development Council		
Do	National Assn of Broadcasters	1,250.00	650.00
Do	Sematech		
Do	United States Automobile Assn		
Carolyn Kim McCarthy, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	MetPath, Inc	30,000.00	1,000.00
James A. McCarthy, 1711 King Street, #One Alexandria, VA 22314	Snack Food Assn		
John B. McCarthy, 1023 15th Street, NW #300 Washington, DC 20005	American Veterinary Medical Assn		
Luckie L. McClintock, 901 Massachusetts Ave., NW Washington, DC 20001	United Assn of Journeymen & Apprentices of the P. & P.F.I.	6,000.00	448.00
Donald N. McClure Jr., 1500 N. Second St. Harrisburg, PA 17102	Pennsylvania Assn of Home Health Agencies		
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Coca-Cola Company	1,038.50	15.88
Do	Coca-Cola Enterprises, Inc	469.00	10.94
Do	MetFuel, Inc		
Do	Motion Picture Assn America, Inc	5,242.75	93.21
Do	Paramount Communications, Inc	766.31	36.40
Do	Rank Video Services America	783.06	30.60
McClure Gerard & Neuenschwander, Inc, 801 Pennsylvania Ave., NW, #820 Washington, DC 20004-2604	America Mining Congress		
Do	Asarco, Inc		
Do	Barrick Resources (USA, Inc)		
Do	Brush Wellman, Inc		
Do	Coeur d'Alene Mines Corp		
Do	Cray Research, Inc		
Do	Electric Reliability Coalition		
Do	General Atomics		
Do	Hecla Mines		
Do	Idaho Power Company	400.00	
Do	Lockheed Corp		
Do	National Rifle Assn		
Do	Nichols Enterprises		
Do	Phelps Dodge Corp		
Do	Potlatch Corp		
Do	World Cup USA 1994, Inc		
Robert S. McConnaughey, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Judith A. McCormick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
Maryanne McCormick, 1455 Pennsylvania Avenue, NW Washington, DC 20004-1007	American Institute of Certified Public Accountants	5,000.00	897.89
Edgar H. McCulloch III, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	10,256.68	207.25
John McDavitt, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	4,134.00	
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006-2296	Alaska Seafood Marketing Institute		
Do	American Dental Hygienists Assn	1,500.00	
Do	American Imaging Assn		
Do	American Meat Institute		
Do	American Soc of Outpatient Surgeons		
Do	Association of American Vintners		
Do	California Avocado Commission	3,587.00	96.00
Do	California Canning Peach Assn	2,625.00	106.00
Do	California Children's Hospital Assn	2,077.50	
Do	California Energy Commission	5,362.00	
Do	California Kiwifruit Commission		
Do	California Raisin Advisory Board	6,650.00	26.00
Do	Good Sam Club		
Do	Dorothy Holt Estate		
Do	Juvenile Diabetes Foundation, International	6,000.00	
Do	National Grocers Assn		
Do	National Potato Council	1,575.00	157.00
Do	Outpatient Opthalmic Surgery Society		
Do	Peter Plocki	2,712.00	51.00
Do	Public Employees Retirement Assn of Colorado		
Do	Tropicana	263.00	10.00
Do	U.S. Mink Export Development Council	2,362.00	9.00
Do	Welch Foods, Inc		
Craig McDonald, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	1,000.00	
Jack McDonald, 901 15th Street, NW, #700 Washington, DC 20005-2301	Dow Corning Corp		
Do	National Committee to Preserve Social Security & Medicare	500.00	10.00
Do	Jack McDonald Co (For:Outboard Marine Corp)		
Do	Outboard Marine Corp.	750.00	15.00
James E. McDonald, 410 First Street, SE, 3rd Floor Washington, DC 20003	American Nuclear Energy Council (ANEC)	2,720.96	947.83
Michael D. McDonald, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute		
Marian E. McDowell, 1275 Pennsylvania Ave., NW, 4th Floor Washington, DC 20004	Pacific Telesis Group	7,725.00	
Andrew S. McElwaine, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries		
Robert H. McFadden, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	4,080.00	
Pat L. McFerron, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Company	250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Bertra B. McGann, One Elmcroft Road Stamford, CT 06926-0700	Pitney Bowes, Inc	5,250.00	5,726.55
Paul J. McGeady, 27 Hampton Place Nutley, NJ 07110	Morality in Media, Inc	20.09	
Becky McGee, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company		
Donna Lee McGee, 1001 Connecticut Ave., #701 Washington, DC 20036	Burlington Industries, Inc	10,800.00	1,460.00
Meredith McGehee, 2030 M St., NW Washington, DC 20036	Common Cause	11,258.36	62.50
Patricia McGill, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,482.00	257.94
Robert M. McGlotten, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	21,975.38	2,820.56
Michael McGovern, P.O. Box 916404 Longwood, FL 32791-6404	Towing & Recovery Assn of America, Inc	4,915.24	4,915.24
Phyllis M. McGovern, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute		
Joseph M. McGrail, 52 Washington Ave. Williamstown, NJ 08094	Aircraft Owners & Pilots Assn	300.00	
Do	AT&T Federal Systems	340.00	
Do	Gamma-Metrics	800.00	
McGuiness & Holch, 400 North Capitol Street, NW, #585 Washington, DC 20001	Arch Mineral Corporation	2,925.00	
Do	RJR Nabisco		
McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005	American Sod Producers Assn	1,980.35	80.30
Do	Workers Compensation Integrity, Stability & Equity (WISE)	14,303.46	550.55
Joseph M. McGuire, 1501 Wilson Boulevard, #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Susan G. McGuire, P.O. Box 464 Cedar Crest, NM 87008	Bailey Morris & Robinson (for: Jack Eckerd Corp)	2,500.00	63.90
Do	National Center on Education & the Economy	13,250.00	4,496.07
Patrick J. McHugh, c/o NYS Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute		
James E. McInerney Jr., 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	7,083.00	9.41
Harrison D. McIver, 1625 K Street, NW, #725 Washington, DC 20006	Project Advisory Group		
John J. McKechnie III, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	92.20
Thomas J. McKee, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	208.15
Ira E. McKeever, 1224 17th Street, NW Washington, DC 20036	Western Coal Traffic League	17,499.99	3,239.90
McKenna & Cuneo, 1575 Eye Street, NW Washington, DC 20005	Cigar Assn of America, Inc		
Do	Fertilizer Institute		
Jan E. McKenzie, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	2,857.14	344.23
F.J. McKeown, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Company	2,500.00	125.00
Robert T. McKernan, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
William Colm McKeveny, Chadbourne Park Law Firm 30 Rockefeller Plaza New York, NY 10112	American Pulpwood Assn		
McKevitt Group, 1101 16th Street, NW, #333 Washington, DC 20036	Kelly Services, Inc	7,500.00	211.40
Do	ORACLE Corporation	7,500.00	976.39
C. A. 'Mack' McKinney, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	11,000.00	778.99
Monette McKinnon, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	3,056.00	
Timothy P. McKone, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	10,225.00	
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt, Inc (For:American Assn of Blood Banks)	3,318.75	
Do	Rowan & Blewitt, Inc (For:C.R. Bard, Inc)	3,487.50	
Do	Rowan & Blewitt, Inc (For:Bristol-Myers Squibb Company)		
Do	Rowan & Blewitt, Inc (For:Centocor, Inc)	281.25	
Do	Rowan & Blewitt Inc (For:Medtronic, Inc)	1,012.50	
Do	Rowan & Blewitt, Inc (For:Par Pharmaceutical, Inc)	5,287.50	
Do	Rowan & Blewitt, Inc (For:Upjohn Company)	12,431.25	
Francis X. McLaughlin Jr., 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
James D. McLaughlin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,750.00	
Bob McLean, 490 L'Enfant Plaza, SW, #3200 Washington, DC 20024-2120	National Assn of Postal Supervisors	7,518.00	22.88
Thomas J. McLeod, 50 West Kellogg Boulevard St Paul, MN 55164	West Publishing Company		
Kevin Patrick McMahon, 1001 19th St. N., #800 Arlington, VA 22209	TRW, Inc	11,062.00	784.00
William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	250.00	
P. E. McManus Associates, 513 Capitol Court, NE, #300 Washington, DC 20002	Hydroacoustics, Inc	50.00	
Do	McDonnell Douglas Corp	150.00	
James D. McMillan, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	2,400.00	
McNair Group, Inc, 1155 15th St., NW, #400 Washington, DC 20005	Harmon Industries, Inc	8,810.29	271.29
Do	Hercules, Inc	600.00	63.00
Do	McNair Law Firm, P.A. (for: Puerto Rico Ports Authority)	13,303.21	10.80
Do	State of Hawaii/Dept of Transportation	21,742.89	65.65
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Allied-Signal, Inc		
Do	American University of the Caribbean	1,037.50	50.00
Do	Association of Banks in Insurance (ABI)	4,105.50	30.00
Do	Coalition for Auto Repair Equality		
Do	Georgia-Pacific Corp		
Do	International Assn for Financial Planning		
Do	New York State Bankers Assn	6,200.00	60.00
Do	Norfolk Southern Corp	1,000.00	
Do	Phillips Petroleum Co	300.00	
Do	South Carolina Research Authority		
Do	State of Hawaii		
Do	Westinghouse Electric Corp		
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Dean Witter Reynolds, Inc	2,100.00	324.21
Laramie Faith McNamara, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	15,280.00	2,610.00
Michael J. McNamara, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	6,737.50	235.40
Peter F. McNeish, 1199 N. Fairfax Street, #200 Alexandria, VA 22314	National Assn of Small Business Investment Cos	3,000.00	
John P. McNerney, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
John P. McNicholas, 8008 Westpark Drive McLean ton, VA 22102	Unisys Corp	1,000.00	71.20
Michael J. McShane, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	12,090.00	434.00
Martha McSteen, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	17,291.00	
Kathleen P. McTighe, 485 Lexington Ave, New York, NY 10017	New York State Bankers Assn	9,600.00	4,153.52
John K. Meagher, 1333 New Hampshire Avenue, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Chevron)		
Do	Leboeuf Lamb Leiby & MacRae (For:Federal Employees Tax Group)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek/Environmental Standard Group).		
Do	LeBoeuf Lamb Leiby & MacRae (For:Golden Nugget Corp)		
Do	National Assn of Chem Recyclers (NACR)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Physicians Insurance Assn of America)		
Francis X. Meaney, 701 Pennsylvania Avenue, NW Washington, DC 20004	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co)		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)	3,000.00	
James Gregory Means, 6252 15th Place Arlington, VA 22205	Parry & Romani Associates, Inc		
Paul N. Means, P.O. Box 551 Little Rock, AR 72203	Arkansas Power & Light Company		
William A. Meaux, 1600 M Street, NW, #702 Washington, DC 20036	ICI Americas, Inc	5,000.00	
Ira Mehlman, 1666 Connecticut Avenue, NW, #400 Washington, DC 20009	Federation for American Immigration Reform		
Marilyn F. Meigs, 9300 Lee Highway Fairfax, VA 22031	ICF International, Inc	765.00	60.00
John Melcher, 230-B Maryland Avenue, N.E. Washington, DC 20002	Chicago Mercantile Exchange	11,250.00	7,117.00
Do	Humane Society of the U.S.		2,846.00
Do	Marine Engineers' Beneficial Assn	2,400.00	1,780.00
Do	National Rural Cooperative Bus. Center	3,000.00	1,780.00
Do	Philippine Coconut Authority	16,990.00	8,898.00
Do	Seaweed Industry Assn of the Philippines		13,117.00
Do	Society for Animal Protective Legislation	2,250.00	2,846.00
Kenneth F. Melley, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Margaret Mellon, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,773.44	
Joseph R. Membrino, 1120 20th Street, NW, #750 South Washington, DC 20036	Hall Estill et al (For:Cherokee Nation)	38,629.50	386.44
Do	Hall Estill et al. (For:Hoopa Valley Tribe)	7,890.00	778.60
Howard A. Menell, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
Do	National Cooperative Bank		
David Mengebier, 1016 16th St., NW, 5th Floor Washington, DC 20036	Consumers Power Company	6,000.00	6,998.00
William P. Mengebier, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc	540.00	670.68
Edward L. Menning, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians		
J. Roger Mentz, 1100 Connecticut Ave., NW Washington, DC 20036	McClure Trotter & Mentz (For:Government of Puerto Rico)	201.00	
Do	McClure Trotter & Mentz (For:Mercedes-Benz of North America, Inc)		
Jane Mentzinger, 2030 M Street, NW Washington, DC 20036	Common Cause	5,258.76	
Melinda Mercer, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses Assn	2,975.00	400.18
Sandra K. Meredith, 1133 Connecticut Avenue, NW Washington, DC 20036	DGA International, Inc. (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc. (For:Sofreavia)		
Do	DGA International, Inc. (For:SNECMA)		248.41

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Cynthia E. Merifield, 1101 Vermont Ave, NW Washington, DC 20005	American Medical Assn	3,750.00	
Merrill Lynch & Co, Inc, 3000 K Street, NW, #620 Washington, DC 20007			82,147.50
Gordon Merritt, 1100 Wilson Blvd., #2000 Arlington, VA 22209	Hughes Aircraft Company		
Richard P. Merski, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004	American International Group, Inc	5,000.00	259.44
Carol Messer, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	5,000.00	97.50
Neil T. Messick, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	1,500.00	195.16
Carol Messito, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	1,638.45	
Howard M. Messner, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	625.00	
Jean L. Mestres, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	1,149.39	116.06
Keith R. Mestrich, 815 16th Street, NW, #408 Washington, DC 20006	Food & Allied Service Trades Dept (FAST)	2,434.00	15.00
Matthew S. Metcalfe, P.O. Box 6422 Mobile, AL 36660	American Family Corp		
Jeremy Metz, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
David P. Metzger, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs	3,334.21	
Ferd. C. Meyer Jr., P.O. Box 660164 Dallas, TX 75266-0164	Central & South West Corp		
Sean Meyer, 1000 16th Street, NW, #810 Washington, DC 20036	One Percent for Peace	6,250.00	
John B. Meyers, P.O. Box 4067 Louisville, KY 40204			
Larry D. Meyers, 412 First Street, SE #100 Washington, DC 20003	American Beekeeping Federation	3,000.00	267.63
Do	International Assn of Refrigerated Warehouses		
Do	National Agricultural Chemicals Assn	9,000.00	148.63
Do	National Peanut Growers Group	13,200.00	195.53
Do	Ricebelt Warehouse, Inc	4,500.00	454.28
Do	Texas A&M Research Foundation	21,420.00	2,015.29
Meyers & Associates, 412 First St., SE, #100 Washington, DC 20003	Alnor Oil Company, Inc		
Do	American Sheep Industry Assn	16,833.00	1,795.19
Do	Centergas, Inc		
Do	College of Agriculture, New Mexico State University	9,000.00	446.94
Do	College of Engineering, New Mexico State University	9,000.00	598.67
Do	Federal Land Bank Assn	30,000.00	1,039.79
Do	Technology Services Group, Inc	1,815.00	
Do	Texas International Education Consortium	15,000.00	1,308.16
Do	Wellman, Inc	18,000.00	1,337.21
Daniel Mica, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	5,000.00	1,750.13
David R. Mica, Florida Petroleum Institute 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	19.79	
Mark A. Micali, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	5,000.00	750.00
Michael Best & Friedrich, 135 South LaSalle Street, #1610 Chicago, IL 60603	Corn Coalition		
Do	DePaul University	2,500.00	
Do	Sweetheart Cup Company, Inc		
David Michaud, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,072.03	
Frank G. Michelena, 1520 Nutmeg Place, #100C Costa Mesa, CA 92626	Landsdale Company	25,000.00	3,375.58
Kathleen Michels, 777 N. Capitol Street, NE, #803 Washington, DC 20002	American Assn of Nurse Anesthetists	5,000.00	111.49
Mid-Continent Oil & Gas Assn, 801 Pennsylvania Ave., NW, #840 Washington, DC 20004-2604		364.07	20,473.80
Mid-West Electric Consumers Assn, 999 18th Street, #1635 Denver, CO 80202			
Michael C. Middleton, 100 South Charles Street P.O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Edmund Mierzwinski, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	6,000.00	
Migrant Legal Action Program, Inc, 2001 S St., NW, #310 Washington, DC 20009			
Nelson L. Milder, 1825 K Street, NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Brent V. B. Miller, 4207 South 7th Road Arlington, VA 22204	American Group Practice Assn	494.27	
Carolynn E. Miller, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
Dale Miller, 4000 Reno Road, NW Washington, DC 20008	Texasgulf, Inc		
Deborah Imle Miller, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Denny Miller, 2343 South Meade Street Arlington, VA 22202	Denny Miller Associates	7,500.00	
Edward C. Miller, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance, Inc	1,000.00	
Linda B. Miller, 818 18th Street, NW, #900 Washington, DC 20006	Volunteer Trustees of Not-For-Profit Hospitals		
Richard G. Miller, 1101 14th Street, NW, #200 Washington, DC 20005	American Health Care Assn	16,000.00	966.12
Richard W. Miller, 1701 Clarendon Blvd. Arlington, VA 22209	American Chiropractic Assn		
Robert G. Miller, 29050 Fuller Heights Rd., #301 Triangle, VA 22172	Air Force Sergeants Assn, Inc		
Sandra Miller, 2343 South Meade Street Arlington, VA 22202	Denny Miller Associates	1,250.00	
Sarah Miller, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
William T. Miller, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Electronic Industries Assn		
Do	Export Source Rule Coalition		
Do	Government of British Columbia/Min. of Dev. Trade & Tourism		
Do	Great Northern Insured Annuity Corp		
Do	Hewlett-Packard Co	15,040.30	
Do	Organization for Fair Treatment of Int'l Investments	2,526.52	
Do	PHM Corporation	10,286.62	
Miller & Holbrooke, 1225 19th Street, NW, #400 Washington, DC 20036	City of Dubuque		
Do	City of Laredo	22,950.00	82.21
Do	City of St. Louis	14,934.84	103.00
Do	Kenton-Boone Cable Television Board		
Do	Lincoln Broadcasting Company		
Do	Montgomery County Government		
Denny Miller Associates, Inc, 400 North Capitol Street, NW, #325 Washington, DC 20001	Ace Novelty Company	1,000.00	826.00
Do	Boeing Company	3,000.00	2,460.00
Do	Comprehensive Health Education Foundation	1,875.00	1,530.00
Do	Gamma-Metrics	1,500.00	1,235.00
Do	Makah Tribal Council	300.00	245.00
Do	Marine Engineers' Beneficial Assn	4,000.00	3,265.00
Do	Momentum 91	1,875.00	1,530.00
Do	Olin Corporation	3,000.00	2,460.00
Do	Pacific Nuclear Systems, Inc	1,062.50	862.00
Do	Port of Tacoma	1,125.00	928.00
Do	Sabey Corporation	1,200.00	1,000.00
Do	State of Washington, Dept of Transportation	1,500.00	1,235.00
Do	Troutlodge, Inc	1,000.33	833.33
Kenneth Y. Millian, 919 18th Street, NW Washington, DC 20006	W. R. Grace & Co		1,485.40
Anna Minaya, 2632 Wagon Drive, #2D Alexandria, VA 22303	Helicopter Assn International	6,250.00	1,500.00
Richard V. Minck, 1001 Pennsylvania Ave., N.W. Washington, DC 20004	American Council of Life Insurance, Inc	1,750.00	
Dallas Miner, One Thomas Circle, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	19,000.00	
Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052	Prudential Insurance Co of America	5,001.00	538.31
Ray Allen Minnick, P.O. Box 1000, Apt.-A304 Leavenworth, KS 66048-1000			
J. Robert Minter, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	255.15	4,114.29
Jerry L. Mintz, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company		4,108.29
Lawrence H. Mirel, 1614 20th Street, NW Washington, DC 20009	Liberty Mutual Insurance Company	6,000.00	500.00
Douglas P. Miskew, 500 E. Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	8,250.00	1,622.40
Edward F. Mitchell, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	101.22	
Lawrence W. Mitchell, 100 Maryland Ave., NE, #500 Box 69 Washington, DC 20002	American Agriculture Movement, Inc	3,000.00	
Mitchell Williams Selig Gates & Woodyard, 1420 New York Ave., NW, #1050 Washington, DC 20005	Acxiom Corp		
Do	Entergy	3,254.50	2,794.50
Do	Innotek Corporation	2,731.22	
Martha Mohler, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,640.00	
Brian R. Moir, 1255 23rd Street, NW, #800 Washington, DC 20037	Fisher Wayland Cooper & Leader (For:International Communications Assn)		
Peter A. Molinaro, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
Robert M. Moliter, 1331 Pennsylvania Ave., NW, #865 Washington, DC 20004	General Electric Co		
John V. Moller, 1707 L Street NW, #725 Washington, DC 20036	Policy Consulting Services, Inc (For:Nissan Motor Company, Ltd)		
Do	Policy Consulting Services, Inc (For:Nissan Motor Manufacturing, U.S.A.)		
Do	Policy Consulting Services, Inc (For:Nissan North America, Inc)	2,855.00	20.00
Robert H. Mollohan, 912 Sylvan Avenue Fairmont, WV 26554	Airspace Technology, Inc	600.00	
Robert A. Molofsky, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO	5,000.00	248.00
C. Manly Molpus, 1010 Wisconsin Avenue, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	430.77	
Christopher Monek, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
John H. Montgomery, 2715 M St., NW, #300 Washington, DC 20007	Murray Scheer & Montgomery (For:National Assn of State Outdoor Recreation Liaison Officers).	800.00	
Do	National Rural Water Assn	3,800.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Murray Scheer & Montgomery (For:Oklahoma State Medical Assn)	700.00	
Do	Underground Injection Practices Council	500.00	
Kevin P. Montgomery, 1629 K Street, NW, #503 Washington, DC 20006	Evergreen International Aviation, Inc		
William J. Montwieler, 1750 K Street, NW, #210 Washington, DC 20006	Industrial Truck Assn		
James P. Mooney, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	17,509.00	
Alan J. Moore, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Atchison Topeka & Santa Fe Railway Co	1,000.00	
Allen Moore, 1730 Rhode Island Ave., #1000 Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Carlos Moore, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	180.00	20.00
Mark P. Moore, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	3,000.00	
Powell A. Moore, 1133 Connecticut Ave., NW, #700 Washington, DC 20036	Agusta Group		
Do	Independent Video Retailers Assn	1,000.00	
Do	Lockheed Corporation	1,500.00	
Do	Outdoor Advertising Assn of America	1,000.00	
Do	DGA International, Inc (For:Societe Nationale d'Etude et de Const de Moteurs d'Aviation).		
Do	STD Research Corp		
Do	U.S. Cane Sugar Refiners Assn of America		
Eugene Moos, Gene Moos & Associates 1000 16th Street, NW, #702 Washington, DC 20036	Burlington Northern Railroad Corp	2,000.00	814.17
Do	Harvest States Cooperative	7,500.00	1,941.51
Do	Kraft General Foods	7,500.00	1,941.51
Fred P. Moosally, 1745 Jeff Davis Highway Arlington, VA 22202	Rockwell International Corp	20,000.00	1,303.16
Richard M. Moose, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	14,867.50	
Morality in Media, Inc, 475 Riverside Dr., #239 New York, NY 10115		24.67	25.09
Dudley Digges Morgan III, 4900 Baronne Street New Orleans, LA 70115	Southern Forest Products Assn	16,001.00	
E.M. Chip Morgan, P.O. Box 257 Stoneville, MS 38776	Delta Council		
J. Railton Morgan, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	1,500.00	1,320.00
Peter Denis Morgan, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,000.00	33.34
Stephen L. Morgan, 5201 Leesburg Pike, #1111 Falls Church, VA 22041	American Cemetery Assn		
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	Ad Hoc Committee on NHTSA FMVSS 205 Standard		
Do	Association of American Railroads		
Do	Coalition for an Undercharge Relief Bill	1,645.00	20.00
Do	Coalition of Supporters of the Shipping Act		
Do	Consolidated Natural Gas Co		
Do	Hazardous Waste Action Coalition		
Do	Presbyterian Hospital City of New York, et al.		
Do	Scotch Whisky Assn		
Do	United Distribution Companies		
William G. Morin, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	24.00	
James A. Morrill, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	1,000.00	88.66
John H. Morrill, 625 Slaters Lane, #200 Alexandria, VA 22314	National Assn of Medical Equipment Suppliers		
J. Wilson Morris, 1201 Connecticut Ave. #300 Washington, DC 20036	Bailey Morris & Robinson (For:American Assn of Discount Travel Brokers)		
Do	Bailey Morris & Robinson (For:American Imaging Assn)		
Do	Bailey Morris & Robinson (For:First American Bankshares, Inc)		
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)		
Do	Investment Company Institute		
Do	Bailey Morris & Robinson (For:Upjohn Co)		
John W. Morrison, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	886.88	
William C. Morrison, 2001 North Adams St. Arlington, VA 22201	Meat Importers Council of America, Inc		
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	California Bankers Clearing House Assn		
Do	City and County of San Francisco	442.50	11.00
Do	Consolidated Freightways		
Do	Ford Motor Co		
Do	Mastercard International, Inc, et al.	6,330.00	39.50
Do	National Electrical Manufacturers Assn		
Valerie T. Morse, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	11,760.00	146.44
Evelyn M. Morton, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	573.81	321.14
Dorothy J. Moss, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Peyton H. Moss, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Moss Associates, Inc, 2450 Virginia Ave., NW Washington, DC 20037	Association of Bank Holding Cos	540.00	
Motion Picture Assn of America, Inc, 1600 Eye Street, NW Washington, DC 20006		17,096.00	18,482.67
John J. Motley, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	9,570.00	300.00
L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006	Adical		
Do	ABECITRUS - Brazilian Citrus Assn		
Do	ANIC - National Assn of Citric Industries		
Do	Sawyer/Miller Group (for Philippine Sugar Regulatory Admin)		
Motor Vehicle Manufacturers Assn of the U.S., Inc, 7430 Second Avenue, #300 Detroit, MI 48202		60,031.77	60,031.77
Katharine R. Mountcastle, 2030 M St. NW Washington, DC 20036	Common Cause	6,752.52	
Susan Connolly Moya, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri Inc	7,500.00	
Steve Moyer, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	4,551.01	
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Long Island Savings Bank	25,332.50	490.48
Do	Manufacturers Life Insurance Co	48,179.00	1,986.87
Do	Northeast Savings, F.A.	55,335.00	609.19
Do	Talman Home Federal Savings and Loan Assn	51,352.50	1,110.25
Mullenholz & Brimsek, 1150 Connecticut Ave., NW, #700 Washington, DC 20036	City of Fergus Falls	259.39	
Do	Delaware & Hudson Railroad	2,500.00	
Do	Florida East Coast Railway Co	1,000.00	
Do	North American Equipment Dealers Assn	1,500.00	
Do	Soo Line Corporation	5,000.00	
Do	TACA International Airlines		
John A. Mullett, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	2,400.00	41.00
Tracy Mullin, 701 Pennsylvania Ave., NW Washington, DC 20004	National Retail Federation	2,800.00	160.00
Michael L. Mullins, 1101 15th Street, NW, #1000 Washington, DC 20005	Cargill, Inc	1,250.00	
Morton L. Mullins, 700 14th Street, NW, #1100 Washington, DC 20005	Monsanto Company		
Cecilia Munoz, 810 First Street, NE, Suite 300 Washington, DC 20002	National Council of La Raza	13,360.23	13,360.23
James Brian Munroe, 1300 Eye Street, NW, #520 Washington, DC 20005	Hoffmann-La Roche, Inc		
Edward L. Murphy, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn Inc	3,000.00	
Jeanne Marie Murphy, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	210.17
Michael M. Murphy, 1101 17th St., NW, #400 Washington, DC 20036	American President Companies, Ltd, et al.	9,300.00	
Stephen P. Murphy, 715 South Fairfax Street Alexandria, VA 22314	Yellow Freight System, Inc of Delaware	54,908.93	
Daniel H. Murray, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp	2,955.00	1,218.43
Hyde H. Murray, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	8,594.00	87.10
James V. Murray, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
Richard D. Murray, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
Rosemary Griffin Murray, Crystal Park Four, 2345 Crystal Drive Arlington, VA 22207	USAir, Inc		
Murray, Scheer & Montgomery, 2715 M Street, NW, #300 Washington, DC 20007	American Assn of Dental Schools	1,000.00	35.00
Do	Atochem, N.A.		
Do	Bear Stearns & Co	500.00	20.00
Do	Benton Mortgage Company		
Do	City of Philadelphia		
Do	Cleveland Cliffs Iron Co	250.00	20.00
Do	Connecticut Mutual Life Insurance Co	500.00	30.00
Do	Delaware River Port Authority	600.00	25.00
Do	Home Life Insurance Co	500.00	20.00
Do	Independence Blue Cross	200.00	10.00
Do	Independent Laboratory Consortium		
Do	Industry Council for Tangible Assets	300.00	10.00
Do	Iron Ore Assn	250.00	25.00
Do	LTV Corporation	450.00	20.00
Do	National Council of Coal Lessors	300.00	25.00
Do	New England Mutual Life Insurance Co	500.00	25.00
Do	North American Philips Corp		
Do	Pacific Mutual Life Insurance Co	500.00	25.00
Do	Penn Mutual Life Insurance Co	500.00	25.00
Do	Philadelphia Port Corp	600.00	25.00

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Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Players Club International		
Do	Provident Mutual Life Insurance Co of Philadelphia	500.00	25.00
Do	Qualimetrics, Inc	400.00	25.00
Do	Shubert Organization, Inc	400.00	25.00
Do	Swaziland Sugar Assn	400.00	
Do	Sweetener Users Assn	800.00	20.00
Do	Temple University	1,500.00	65.00
Robert Musil, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	2,884.14	15,089.74
Robert J. Muth, 180 Maiden Ln. New York, NY 10038	Asarco, Inc		
Mutual Life Insurance Co Tax Committee, 720 East Wisconsin Avenue Milwaukee, WI 53202			
Fred Mutz Associates, 1200 New Hampshire Ave, NW, #200 Washington, DC 20036	American Bankers Assn	25,000.00	
Do	Communications Satellite Corp (Comsat)		
Do	Government of Romania		
Do	Trans World Insurance Brokers		
Lawrence D. Muzzy, 2200 W. Salzburg Road, Mail #W281 Midland, MI 48611	Dow Corning Corp		
Gary D. Myers, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	4,500.00	475.55
Karen Magee Myers, 1331 Pennsylvania Ave., #1300-N Washington, DC 20004	Electronic Data Systems Corp	208.00	217.28
Christopher Alton Myrick, 1155 15th Street, NW, #900 Washington, DC 20005	National AgriChemical Retailers Assn	137,320.00	13,761.88
Marci H. Nadler, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors	2,500.00	
Alan Y. Naftalin, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
Gerald F. Nalepa, 805 15th Street, NW, #330 Washington, DC 20005	Air Products & Chemicals, Inc	3,500.00	
David Scott Nance, 808 17th Street, NW, #300 Washington, DC 20006-3910	Stewart and Stewart		
Gary M. Nateman, 1225 Eye Street, NW, #825 Washington, DC 20005	Beer Institute		
Hardy L. Nathan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
National Air Carrier Assn, 1730 M St., NW, #806 Washington, DC 20036			
National Air Traffic Controllers Assn, 444 N. Capitol Street, NW, #845 Washington, DC 20001		12,309.00	1,697.50
National Assn for Biomedical Research, 818 Connecticut Ave., NW, #303 Washington, DC 20006		170,750.00	17,598.09
National Assn for Neighborhood Schools, Inc, 335 Locust St. Pittsburgh, PA 15218		460.43	331.65
National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151		1,539.59	8,542.24
National Assn of Air Traffic Specialists, 4740 Corridor Pl., Suite C Beltsville, MD 20705			7,083.29
National Assn of Broadcasters, 1771 N Stret, NW Washington, DC 20036		257,842.51	257,842.51
National Assn of Federal Veterinarians, 1023 15th Street, NW, #300 Washington, DC 20005			26.14
National Assn of Insurance Brokers, Inc, 1401 New York Ave., NW, #720 Washington, DC 20005			
National Assn of Life Companies, 1455 Pennsylvania Ave., #1250 Washington, DC 20004		2,200.00	2,232.00
National Assn of Manufacturers, 1331 Penn Ave., NW #1500-North Washington, DC 20004-1703		178,307.59	178,307.59
National Assn of Mutual Insurance Cos, 3601 Vincennes Road P.O. Box 68700 Indianapolis, IN 46268		100.00	100.00
National Assn of Realtors, 777 14th St., NW Washington, DC 20005			85,540.47
National Assn of Securities and Commercial Law Attorneys, 1300 I Street, NW., #480E Washington, DC 20005		72,000.00	12,000.00
National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314			
National Broiler Council, 1155 15th St., NW Washington, DC 20005		3,025.00	3,025.00
National Business Aircraft Assn, 1200 18th St., NW, #200 Washington, DC 20036-2598			31,251.23
National Comm for a Human Life Amendment, Inc, 1511 K Street, NW, #335 Washington, DC 20005		33.79	150.59
National Comm to Preserve Social Security & Medicare, 2000 K Street, NW, #800 Washington, DC 20006		1,677,093.00	1,677,093.00
National Comm Against Repressive Legislation, 236 Massachusetts Avenue, NE, #406 Washington, DC 20002		6,937.50	9,022.87
National Committee on Pay Equity, 1126 16th St., NW, #411 Washington, DC 20036		70,394.16	35.57
National Cotton Council of America, P.O. Box 12285 Memphis, TN 38182		76,173.51	76,173.51
National Council for Languages & Int'l Studies, 300 Eye Street, Suite 211 Washington, DC 20002		22,585.00	23,743.55
National Council of Agricultural Employers, 1735 I Street, NW, #704 Washington, DC 20006		1,000.00	1,000.00
National Council of Community Bankers, 1101 15th St., NW, #400 Washington, DC 20005		1,991,586.18	2,316.73
National Council on Alcoholism & Drug Dependence, 1511 K Street, NW, #926 Washington, DC 20005			3,875.00
National Electrical Manufacturers Assn, 2101 L Street, NW, #300 Washington, DC 20037		3,738.48	3,738.48
National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403		45,892.75	2,700.00
National Grain & Feed Assn, 1201 New York Avenue, NW, #830 Washington, DC 20005-3917			1,000.00
National Grain Trade Council, 1030 15th Street, NW, #1020 Washington, DC 20005			30.75
National Grange, 1616 H St., NW Washington, DC 20006		21,625.00	21,625.00
National Guard Assn of the U.S., One Massachusetts Ave., NW Washington, DC 20001		8,825.75	16,503.12
National Hearing Aid Society, 20361 Middlebelt Livonia, MI 48152			
National Independent Automobile Dealers Assn, 2521 Brown Blvd., Suite 100 Arlington, TX 76006-5299			9,330.00
National Industrial Transportation League, 1700 N. Moore St. S-1900 Arlington, VA 22209-1904		21,000.00	19,263.50
National Leased Housing Assn, 2300 M St., NW, #260 Washington, DC 20037		2,000.00	2,000.00
National Milk Producers Federation, 1840 Wilson Blvd. Arlington, VA 22201		15,118.10	
National Newspaper Assn, 1627 K St., NW, #400 Washington, DC 20006		582,405.00	7,147.90
National Pork Producers Council, 501 School Street, SW, #400 Washington, DC 20074		130,069.00	146,937.00
National Realty Committee, 1250 Connecticut Ave., NW, #630 Washington, DC 20036		7,384.00	7,384.00
National Retail Federation, 701 Pennsylvania Avenue, NW, #710 Washington, DC 20004			15,039.99
National Right to Work Committee, 8001 Braddock Rd., #600 Springfield, VA 22160		8,837.08	8,837.08
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			2,980.23
National Society of Professional Engineers, 1420 King Street Alexandria, VA 22314		11,100.00	11,100.00
National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036			407.43
National Spa & Pool Institute, 2111 Eisenhower Ave. Alexandria, VA 22314			
National Stone Assn, 1415 Elliot Place, NW Washington, DC 20007			
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	American International Group	7,521.87	570.89
Do	Consumer News & Business Channel	1,706.25	21.15
Do	GTECH, et al.		61.39
Do	Mothers & Others for a Livable World	2,906.62	63.19
Do	National Resources Defense Council		
Do	Reuters North America, Inc	8,718.75	10.52
Do	Trian Group	88.12	17.34
National Telephone Cooperative Assn, 2626 Pennsylvania Ave., NW Washington, DC 20037		27,000.00	3,173.03
National Truck Equipment Assn, 38705 Seven Mile Road, #345 Livonia, MI 48152			5,415.75
National Wildlife Federation, 1400 16th Street, NW Washington, DC 20036-0001			10,912.72
National-American Wholesale Grocers' Assn, 201 Park Washington Court Falls Church, VA 22046		9,000.00	
Michael W. Naylor, 1001 Pennsylvania Ave, NW, #700 Washington, DC 20004-2502	Allied-Signal, Inc		
Pamela Neal, 1301 Pennsylvania, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Rick J. Neal, 1800 South Baltimore Ave. Tulsa, OK 74119	Mapco, Inc	5,250.00	
Janet E. Neigh, 519 C Street, NE Washington, DC 20002	Hospice Assn of America/National Assn for Home Care	18.94	1,080.76
Frederick W. Neill, 600 5th Street Aurora, IL 60505			
Neill & Shaw, 815 Connecticut Ave., NW, #800 Washington, DC 20006	National Council Social Security Management Assns, Inc	6,000.00	184.00
Do	PHH Group		
Do	Senior Executives Assn	7,000.00	341.00
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Mark E. Nelson, 1825 I Street, NW, #400 Washington, DC 20006	SEMATECH, Inc	5,313.00	1,668.75
Scott E. Nemanich, 150 N. Michigan Ave., #2800 Chicago, IL 60601	Brydges Riseborough Morris Franke & Miller	3,342.00	370.00
Frederick H. Nesbitt, 1750 New York Avenue NW Washington, DC 20006	International Assn of Fire Fighters	16,326.00	
Mark Nestlen, 1300 L Street, NW, #950 Washington, DC 20005-4107	American Soybean Assn	6,000.00	247.00
Network, 806 Rhode Island Ave., NE Washington, DC 20018		61,183.00	45,581.00
E. John Neumann, 1130 Connecticut Avenue, NW, #830 Washington, DC 20036	Southern Company Services, Inc	3,901.10	6,362.95
New England Rehabilitation Hospital, 2 Rehab Way Woburn, MA 01801			1,866.66
New York State Bankers Assn, 485 Lexington Avenue New York, NY 10017		47,500.00	45,605.00
Peter E. Newbould, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn (APA)	887.50	95.00
Linton C. Newlin, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
George S. Newman, 7915 Jones Branch Dr. McLean, VA 22102	BDM International, Inc		
William B. Newman Jr., P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	5,500.00	
Newman & Holtzinger, P.C., 1615 L St., NW, #1000 Washington, DC 20036	Utility Nuclear Waste & Transportation Program		
Sharon Newsome, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	4,338.03	
Sara S. Nichols, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	7,075.00	
E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Marlene Nicholson, 1722 Eye St., NW, Fifth Floor Washington, DC 20006	Barclays Bank PLC	18,000.00	869.94
Robert J. Nickens, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	65.00
Nickerson & Stiner, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006-3404	Esstar Corp	32,882.88	
Patrick J. Nilan, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	16,000.00	3,577.14
Michael E. Nix, 231 W. Michigan Street, #P453 Milwaukee, WI 53203	Wisconsin Electric Power Co.	435.54	497.48
Jeffrey P. Noah, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Barbara D. Nocera, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	Honda North America, Inc	472.60	
Walker F. Nolan, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	11,038.96	421.49
Nonprescription Drug Manufacturers Assn, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036			4,618.75
David F. Norcross, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Coalition for Affordable Home Financing).	200.00	
Do	Montgomery McCracken Walker & Rhoads (For:Pilots Assn of the Bay and River Delaware).	500.00	
Julia J. Norrell, 1155 Connecticut Ave., NW, #300 Washington, DC 20036	American Council of Life Insurance, Inc	1,500.00	3,425.00
Do	American Insurance Assn	1,500.00	3,300.00
Do	American Land Title Associates	1,000.00	2,800.00
Do	Ameritas Life Insurance Corp	1,000.00	2,800.00
Do	Golden Rule Insurance Company	1,500.00	3,700.00
Do	Mutual of Omaha	1,500.00	3,625.00
Patrice North-Rudin, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,280.00	
J. Hallock Northcott, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	500.00	68.69
Northeast Utilities Service Co, Selden St. Berlin, CT 06037			1,895.32
Julie Noufer, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	4,800.00	70.00
Steven R. Nousen, P.O. Box 3529 Portland, OR 97208	Port of Portland	9,145.00	61.50
Christopher A. Novak, 501 School Street, SW, #400 Washington, DC 20024	National Pork Producers Council	1,200.00	121.67
Mary Ann Novak, 555 13th Street, NW #460 West Tower Washington, DC 20004-1109	Parsons Brinkerhoff Quade & Douglas, Inc	437.50	
Silas O. Nunn, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America		
Marcia Nusgart, 1200 G Street, NW, #400 Washington, DC 20005	Health Industry Manufacturers Assn (HIMA)		
Franklin W. Nutter, 1819 L Street, NW, 7th Floor Washington, DC 20035	Reinsurance Assn of America		
R. Marc Nuttle, c/o Marion Harrison 840 The Watergate 2600 Virginia Ave., NW Washington, DC 20037	Regent C&C Ltd., et al.		
Hubert K. O'Bannon, 50 F Street, NW Washington, DC 20001	Association of American Railroads	1,837.11	527.42
O'Bannon & Gibbons, 2550 M Street, NW, #275 Washington, DC 20037	Coalition for Tax Simplification	9,000.00	
Do	Kellogg Company		
Do	Mutual Life Insurance Co of New York	17,200.00	
Do	Polyisocyanurate Insulation Manufactuters Assn (PIMA)	3,000.00	
Do	Prince of Fundy Cruises, Ltd	6,000.00	
Do	TECO Energy, Inc	4,000.00	
Do	Underwriters at Lloyd's London		
Do	Jim Walter Corp	5,000.00	
Dinah K. O'Berry, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	15,974.00	
Coleman C. O'Brien, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	9,188.00	
David D. O'Brien, O'Brien & Associates 600 New Hampshire Avenue, NW, #1010 Washington, DC 20037	Harley-Davidson, Inc	15,000.00	429.69
Raymond V. O'Brien, 1600 M St., NW Washington, DC 20036	ITT Corporation	500.00	30.00
Rosemary L. O'Brien, 805 15th Street, NW, #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	114.37
David O'Brien & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Primerica Financial Services	12,000.00	361.18
Brenda O'Connor, 818 Connecticut Ave, NW, #303 Washington, DC 20006	National Assn for Biomedical Research		
Charles A. O'Connor, P.O.Box 2522 Arlington, VA 22202	Traymore Enterprises		
James E. O'Connor, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Community Bankers	20,000.00	150.04
K. James O'Connor Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc		
Kelley E. O'Connor, 216 7th Street, SE Washington, DC 20003	Florists' Transworld Delivery Association	2,000.00	
Michael J. O'Connor, 11 Dupont Circle, NW, Suite 300 Washington, DC 20036	Albers & Company (For:May Department Stores Company)		12,862.50
Patrick C. O'Connor, 1825 K Street, NW, #305 Washington, DC 20006	Kent & O'Connor, Inc (For:American College of Occupational Medicine)	1,668.75	670.07
Do	Kent & O'Connor, Inc (For:American Supply Association)	2,645.83	1,043.35
Do	American Warehousemen's Association		
Do	National Assn of Fleet Administrators	9,106.25	3,538.43
Do	Steel Tank Institute		
Do	Transportation Lawyers Assn		
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Clinical Laboratory Assn	5,000.00	
Do	American Family Life Assurance Co	5,360.00	
Do	American Insurance Assn		
Do	Bionox, Inc		
Do	Bobby Berosini LTD	496.85	
Do	Center for Marine Conservation, Inc		
Do	China External Trade Development Council	12,632.00	
Do	Coca-Cola Company	16,815.77	
Do	CNA Insurance Co	8,681.00	
Do	Distilled Spirits Council of the U.S., Inc	1,000.00	
Do	DKT Memorial Foundation	6,750.00	
Do	Eastern Michigan University	234.00	
Do	Ecomarine USA		
Do	Electronic Data Systems Corp	24,625.00	
Do	Glass Packaging Institute		
Do	Golden Nugget, Inc	3,000.00	50.00
Do	Government of El Salvador	25,000.00	
Do	Government of Israel Supply Mission		
Do	Government of Netherlands Antilles	22,070.06	
Do	Health Images, Inc	16,000.00	
Do	J.C. Penney Company, Inc		
Do	Kellogg Company	500.00	
Do	Liquidity Fund Management, Inc	5,076.65	
Do	Marine Mammal Interest Group		
Do	Martin Marietta Corp	3,220.41	
Do	Mercedes-Benz of North America, Inc	11,392.50	
Do	Minnesota Mutual Life Insurance Co		
Do	Mullendore & Tawney		
Do	National Assn of Optometrists and Opticians, Inc	3,000.00	
Do	National Assn of Portable X-Ray Providers	500.00	
Do	National Multi Housing Council	1,465.00	
Do	New York State Mortgage Loan Corp	3,677.00	
Do	Joseph E. Seagram & Sons, Inc	240.00	
Do	Solid Waste Agency of Northern Cook County	1,151.31	
Do	State of Alaska	3,508.50	
Do	U.S. Wild Horse & Burro Foundation		
Do	Wards Cove Packing Company	8,491.69	
Paul T. O'Day, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc		
Thomas A. O'Day, 1629 K St., NW, #1010 Washington, DC 20006	Alliance of American Insurers	800.00	
Wayne O'Dell, 6004 Wilmington Dr. Burke, VA 22015	Cable Television Assn of MD, DE & DC	32,500.00	
John F. O'Donnell, 1111 14th St., NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Bridget O'Grady, 3800 N. Fairfax Drive, #4 Arlington, VA 22203	National Water Resources Assn	7,000.00	
Jane O'Grady, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,808.86	571.89
Terri O'Grady, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	1,203.38	232.64
Barbara E. O'Hara, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	75.00	
Robert J. O'Hara Jr., 2 North 9th Street Allentown, PA 18101	Pennsylvania Power & Light Company	79.05	566.83
Dean O'Hare, 15 Mountain View Road Warren, NJ 07061	Chubb Corporation		
O'Keefe Ashenden Lyons & Ward, 30 North La Salle, #4100 Chicago, IL 60602	Mutual of America	78,243.60	6,166.99
Daniel J. O'Neal III, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,429.00	199.94
Joseph O'Neil, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	American Bankers Assn	3,700.00	
Do	Beth Israel Hospital		
Do	Boston College		
Do	Brandeis University		
Do	Brigham and Women's Hospital, Inc		
Do	Business Roundtable		
Do	Coalition of Boston Teaching Hospitals		
Do	CompuChem Corp		
Do	Cruise America Line, Inc		
Do	General Mills, Inc		
Do	Glass Packaging Institute		
Do	Massachusetts General Hospital		
Do	National Football League		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	New England Deaconess Hospital		
Do	New England Medical Center		
Do	Pyrotechnic Signal Manufacturers Assn		
Do	Southeast Toyota Distributors, Inc		
Do	Texas Utilities Co		
Do	University Hospital		
Do	USX Corporation		
Do	Viacom International, Inc		
John O'Shaughnessy, 1001 G Street, NW, 7th Floor East Washington, DC 20001	Golden Rule Insurance Company		
Do	Greater New York Hospital Assn	14,500.00	1,200.00
J. Denis O'Toole, 1709 New York Ave., NW Washington, DC 20006	U.S. League of Savings Institutions	25,200.00	
M. Diane O'Toole, 1000 Wilson B;vd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	368.62
Stephen E. O'Toole, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	2,735.22
Paul C. Oakley, 50 F Street, NW Washington, DC 20001	Association of American Railroads	1,187.26	
Harry R. Obley, One Mellon Bank Center, #1905 Pittsburgh, PA 15258-0001	Mellon Bank N.A., et al.	2,000.00	737.40
Office & Professional Employees Intl Union, Local 2, AFL-CIO, 8455 Colesville Road, #1250 Silver Spring, MD 20910-3320			1,332.50
Donald G. Ogilvie, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Ogilvy Adams & Rinehart, 1901 L Street, NW Washington, DC 20036	Ogilvy & Mather		
Marion Browne Oglesby Jr., 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	3,000.00	
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	148.00	
Larry O. Oliver, 2230 Gallows Road, #200 Dunn Loring, VA 22027	International Technical Expertise		
R. Teel Oliver, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	2,000.00	500.00
Austin P. Olney, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR))		
Van R. Olsen, 1156 15th St., NW, #1019 Washington, DC 20006	U.S. Beet Sugar Assn		
Erik Olson, 1350 New York Avenue, NW Washington, DC 20005	Natural Resources Defense Council, Inc	4,080.00	
Laura L. Olson, 12731 Directors Loop Woodbridge, VA 22192	American Amusement Machine Assn		
Richard C. Olson, 2000 Edmund Halley Drive, #400 Reston, VA 22091	Citibank, N.A.		
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Beef Products, Inc		
Do	Duramed Pharmaceuticals, Inc		
Do	Hill and Knowlton (for: Florida Department of Citrus)	3,000.00	
Do	Milk Industry Foundation	1,000.00	
Do	National American Wholesale Grocers Assn	500.00	
Do	National Assn of Margarine Manufacturers		
Do	National Food Processors Assn	6,000.00	
Do	National Frozen Pizza Instutute	7,000.00	
Do	Pillsbury Company	1,000.00	
Do	San Tomo Group	600.00	
Do	Schwan's Sales Enterprises, Inc	1,000.00	
Do	Tropicana Products Inc		
Do	U.S. Surgical Corporation		
Do	Vicam		
Do	Western States Meat Assn		
Olwine Connelly Chase O'Donnell & Weyher, 1701 Pennsylvania Ave, NW, #1000 Washington, DC 20006	Alexander & Alexander Services, Inc		
Do	CRS Capital, Inc		
Do	Insurance Solvency Coalition		
Do	Intercontinental Energy Corp		
Do	Long Lake Energy Corp		
Do	Manville Corporation		
Do	National Assn of Energy Service Companies		
Do	National Independent Energy Producers		
Do	Sithe Energies USA, Inc		
Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22034	General Atomic	500.00	
Do	Perkins Coie		
Philip C. Onstad, 333 Plainfield Road Edison, NJ 08820	International Communications Assn		
Edward R. Osann, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	261.76	
Sima Osdoby, 305 7th Street, SE Washington, DC 20003	Womens Action for Nuclear Disarmament, Inc, et al.	4,300.00	
Kaz Oshiki, 5600 Broad Branch Rd. Washington, DC 20015	Go for Broke National Veterans Assn	750.00	
J. F. Otero, 815 16th Street, NW Washington, DC 20006	Transportation Communications Union	1,000.00	
Alan R. Ott, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	800.00	
Michael F. Ouellette, 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn	8,790.00	
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Arthur R. Ouslander, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	2,667.00	
Overseas Education Assn, 1201 16th Street, NW Washington, DC 20036		1,000.00	1,161.25
Jack C. Overstreet, 1745 Jefferson Davis Highway Suite 1000 Arlington, VA 22202	General Dynamics	1,000.00	148.06
Daryl Owen, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Arkla, Inc)	13,500.00	
Do	Hooper Hooper & Owen (For:BP America, Inc)	5,000.00	
Do	Hooper Hooper & Owen (For:CSX Corp/Yukon Pacific)	9,000.00	
Do	Hooper Hooper & Owen (For:Ebasco Services, Inc)	9,000.00	
Do	Hooper Hooper & Owen (For:Entergy Corp)	9,000.00	
Do	Hooper Hooper & Owen (For:Lockheed Engineering & Sciences Co)	11,250.00	
Do	Hooper Hooper & Owen (For:Panhandle Eastern Corp)	13,500.00	
Stephen F. Owen Jr., 2600 Virgina Ave. NW, #840 Washington, DC 20037-1905	Classroom Publishers Assn		
Thomas E. Owens, 815 16th Street, NW, #309 Washington, DC 20006	AFL-CIO Dept of Legislation	14,918.89	400.16
Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102	Continental Savings Bank		
Do	Dollar Savings Bank, et al.	105,900.00	32,164.86
Joel Packer, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,753.35	200.75
Lee W. Paden, P.O. Box 201 Tulsa, OK 74102	Public Service Co of Oklahoma		
Anthony Padilla, 815 16th Street, NW, #511 Washington, DC 20006	Transportation Communications Union	3,000.00	
James A. Palmer, 1776 I Street, NW, Suite 1000 Washington, DC 20006	BP America, Inc		
Michael C. Palmer, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	1,077.00	
Benjamin L. Palumbo, 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	9,362.50	331.23
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	1,400.00	68.75
Do	Palumbo & Cerrell, Inc (For:Government Employees Hospital Assn.)	1,250.00	27.50
Do	New Jersey Turnpike Authority	650.00	7.00
Do	Soka University	1,237.50	12.00
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)	287.50	
Palumbo & Cerrell, Inc, 1000 Connecticut Ave. NW, #706 Washington, DC 20036	American Soc of Composers Authors & Publishers	33,750.00	25,581.40
Do	Atlantic Richfield Co	27,000.00	7,174.24
Do	Government Employees Hospital Assn	6,000.00	5,860.96
Do	New Jersey Turnpike Authority	39,996.00	7,495.44
Do	Soka University	42,343.75	4,896.41
Do	Southern California Rapid Transit District	17,615.40	8,264.63
G. Oliver Papps, N.J. Petroleum Council 150 W. State St. Trenton, NJ 08608	American Petroleum Institute		
Jonathan R. Paret, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	3,740.00	
Alan A. Parker, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	5,000.00	100.00
Bruce Parker, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Tom V. Parker, Arkansas Petroleum Council One Riverfront Place, #460 North Little Rock, AR 72114	American Petroleum Institute		
Carl M. Parks, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	15,000.00	509.39
Norman T. Parnes, 5503 Mako Court Waldorf, MD 20603	Air Force Sergeants Assn, Inc		
Ronald L. Parrish, 1800 One Tandy Center Fort Worth, TX 75102	Tandy Corporation	7,615.38	2,508.29
Partnership on Health Care and Employment, P.O. Box 27414 Washington, DC 20038		3,015.00	56,746.81
Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	3,256.56	
Jack Partridge, P.O. Box 1199 Cincinnati, OH 45201-1199	Kroger Company	2,500.00	934.47
Robert D. Partridge, 511 Janneys Lane Alexandria, VA 22302	Burns & McDonnell		
Richard E. Pasco, 501 School Street, SW, #400 Washington, DC 20024	National Pork Producers Council	10,000.00	258.65
Kevin Patrick, 1110 North Glebe Rd. Suite 200 Arlington, VA 22201	International Association of Chiefs of Police	8,414.80	3,195.85
M. Stephanie Patrick, 1101 15th Street, NW, #1000 Washington, DC 20005	Cargill, Inc	1,250.00	
Gary B. Patterson, Delaware Petroleum Council P.O. Box 1429 Dover, DE 19903	American Petroleum Institute	237.00	37.00
Jerry M. Patterson, 3200 Bristol St., Suite 640 Costa Mesa, CA 92626	City of Alhambra	50.00	
Do	City of Bell & Bell Community Redevelopment Agency	1,048.50	
Do	Burke Williams & Sorensen (For:City of Santa Ana)	1,482.00	
Do	Burke Williams & Sorensen (For:City of Santa Clarita)	176.00	
Kathleen F. Patterson, Kaplan Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Walter Conston Alexander & Green (for: Leybold AG)	18,698.00	776.49
Sally Patterson, 810 Seventh Ave. New York, NY 10019	Planned Parenthood Federation of America	483.79	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
C. James Patti, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	11,087.72	
Thomas B. Patton, 1300 I Street, NW, #1070 East Washington, DC 20005	North American Philips Corp	63,000.00	49,303.84
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Ad Hoc Coalition for Intermarket Coordination		
Do	Ad Hoc Coalition Administration for Native Americans	300.00	30.00
Do	Air Products & Chemicals, Inc	330.00	50.00
Do	Aiwa America, Inc	1.05	0.04
Do	Akai America, Ltd		
Do	Alabama Power Co		
Do	Amenco	235.00	
Do	American Congress on Surveying & Mapping		
Do	American International Automobile Dealers Assn		
Do	American Newspaper Publishing Assn	840.00	80.00
Do	American Soc of Plastic & Reconstructive Surgeons	270.00	30.00
Do	American Stock Exchange, Inc		
Do	Ares-Serono, Inc	625.00	
Do	Armco, Inc	330.00	20.00
Do	Association of Trial Lawyers of America	885.00	11.00
Do	Bath Iron Works Corp		
Do	Bethlehem Steel Corp	330.00	20.00
Do	Bic Corporation		
Do	Blair Corporation		
Do	Board of Mississippi Levee Commissioners		
Do	Bristol Myers/Squibb Corp		
Do	Casio	0.21	0.01
Do	Castle & Cooke, Inc		
Do	Center for Molecular Medicine & Immunology		
Do	Center City Inner Harbor		
Do	Chemfix Technologies, Inc		
Do	Cherokee Nation of Oklahoma	3,200.00	750.00
Do	Cherokee Nation Industries, Inc		
Do	Chicago Board Options Exchange		
Do	Chrysler Corporation		
Do	City & County of Denver	440.00	
Do	City of Baltimore		
Do	Climate Council	770.00	
Do	Coalition for Fair Allocation of Interest	990.00	50.00
Do	Coalition on State Use Taxes		
Do	College Savings Bank	132.50	9.00
Do	Columbia, Inc	1.89	0.06
Do	Corridor Broadcasting Corp		
Do	Council of Community Blood Centers		
Do	CUC International		
Do	Dairy Institute of California	302.50	10.00
Do	Dealer Action Association	87.50	
Do	Denver Colorado Planning Department		
Do	Discovery Channel		
Do	Dole Fresh Fruit Co		
Do	Doyon Corporation		
Do	Duty Free Shoppers Group, Ltd		
Do	Electric Reliability Coalition	18,945.00	140.00
Do	Encore Computer Corp		
Do	Falconwood Corp		
Do	Federation of Postal Police Officers		
Do	Federation Against Inequitable & Progressive Taxation	715.00	50.00
Do	Fiart Cantieri Italiani, S.P.A.	200.00	20.00
Do	Fishing Vessel Owner's Assn		
Do	Flexi-Van Leasing, Inc		
Do	Freedom to Advertise Coalition	540.00	100.00
Do	Fuji Photo Film USA, Inc		
Do	Gana-A'Yoo, Limited		
Do	General Electric Co		
Do	Genstar Container Corp		
Do	Charles Heilbronn, et al.		
Do	Hillenbrand Industries		
Do	Hitachi Sales Corp of America	52.43	1.80
Do	Institute of Scrap Recycling Industries	662.50	19.25
Do	International Fabricare Institute		
Do	International Swaps Dealers Assn., Inc.	3,343.75	129.50
Do	International Thomson, Inc	490.00	50.00
Do	Itel Containers International Corp		
Do	Jena Band of Choctau	2,050.00	100.00
Do	Johnson Controls World Services, Inc		
Do	Kaiser Aluminum & Chemical Corp		
Do	Kenwood USA Corporation	5.56	0.19
Do	KAO Infosystems	1.81	0.06
Do	Local Government Wetlands Coalition	410.00	32.50
Do	Loop, Inc		
Do	Loyloa University		
Do	Marathon Oil Co	1,665.00	20.00
Do	Mars, Inc	450.00	
Do	Mass Mutual	855.00	180.50
Do	Matson Navigation Co		
Do	Matsushita Electric Corp of America	158.76	5.44
Do	Maxell Corp of America	20.86	0.71
Do	Metropolitan Life	210.00	9.50
Do	Mitsubishi Electric Sales of America, Inc	42.77	1.47
Do	Mutual Legislative Committee		
Do	MCI Telecommunications, Inc	960.00	20.00
Do	Nakajima USA		
Do	Nakamichi USA	2.94	0.10
Do	National Assn of Life Underwriters	630.00	20.50
Do	National Assn of Retail Druggists		
Do	National Automatic Merchandising Assn	395.00	35.00
Do	National Cable Television Assn, Inc		
Do	National Marine Manufacturers Assn		
Do	National Soft Drink Assn		
Do	New York Life Insurance Company	210.00	10.50
Do	Northwestern Mutual Life	420.00	10.50
Do	Nutri/Systems, Inc	112.50	
Do	NCNB Texas National Bank		
Do	NEC Electronics (USA) Inc	1.64	0.06
Do	NMTBA-National Machine Tool Builder's Assn	330.00	20.00
Do	Onkyo USA Corp	3.99	0.14
Do	Options Clearing Corp		
Do	OSG Bulk Ships, Inc	210.00	20.00
Do	Pioneer Electronics (USA), Inc	10.57	0.36
Do	Reader's Digest Assn, Inc		
Do	Reinsurance Assn of America		
Do	Reliance Group Holdings, Inc		
Do	Republic of the Marshall Islands Development Authority	937.50	24.00
Do	Republic of Guatemala	1,765.00	330.00
Do	Retail Industry Trade Action Coalition		
Do	Royal Trustco Ltd		
Do	Sansui Electronics Corp	2.52	0.09

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Sanyo Electronics, Inc	52.18	1.79
Do	Raymond F. Schoenke Jr.		
Do	Sharp Electronics Corp	54.14	1.85
Do	Charles E. Smith Companies		
Do	Smokeless Tobacco Council, Inc	6,625.00	134.75
Do	Sony Corp of America	107.80	3.70
Do	Sprat Bay Corp		
Do	Standard Federal Savings Bank		
Do	State of Louisiana, Department of Conservation		
Do	Sultantate of Oman		
Do	STS Hydropower, LTD	135.00	20.00
Do	Toshiba America, Inc	28.77	0.99
Do	Trans Ocean Ltd		
Do	Triton Container		
Do	TDK USA Corp	31.18	1.06
Do	TEAC Corp of America	6.79	0.23
Do	U.S. Tobacco Company		
Do	Union Pacific Corp		
Do	US JVC Corporation	93.31	3.20
Do	USX Corporation	330.00	20.00
Do	Waste Management, Inc		
Do	Wayne County Michigan	58.75	
Do	Western Forest Industry Assn		
Do	Westinghouse Electric Corp		
Do	Yamaha Electronics Corp, USA	4.34	0.15
Andrew R. Paul, 225 Reinekers Lane, #600 Alexandria, VA 22314	Satellite Broadcasting & Communications Assn	5,500.00	77.62
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Allegheny Power System Inc, et al.	19,905.00	139.04
Do	Amdahl Corp		
Do	American Trucking Assns, Inc	4,417.50	
Do	Business Council on Indoor Air		
Do	CalMat Company		
Do	Government Affairs Policy Council of Reg Bell Operating Co's	9,690.00	
Do	Kawasaki Motors Corp, USA	570.00	
Do	Motor Vehicle Manufacturers Assn, Inc		
Do	Norfolk Southern Corp	2,066.25	
Do	Novo-Nordisk Pharmaceuticals, Inc	7,206.25	237.93
Do	Security Life of Denver		
Do	Siskiyou Co Board of Supervisors & Office of Education	9,713.50	
Do	Tobacco Institute	8,841.25	
Do	Union Pacific Corp		
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	Circuses	1,230.00	
Do	Ford Foundation		
Do	HNSX Supercomputers, Inc		1,003.00
Do	Newsprint Section of the Canadian Pulp & Paper Assn	10,000.00	15,232.29
Gwen Gampel Paulson, 711 Second Street, NE, #200 Washington, DC 20002	Congressional Consultants (For:American Assn of Retired Persons)		
Do	Dialysis Clinic, Inc		
Do	Kinetic Concepts, Inc		
Do	Congressional Consultants (For:National Renal Administrators Assn)		
Tommy J. Payne, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,800.00	725.51
Chris Peace, 500 E. Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	5,000.00	1,235.19
J. Leon Peace, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Norman E. Pearson, 125 N. West Street Alexandria, VA 22314-2754	Fleet Reserve Assn	100.00	
Ronald Pearson, 422 First Street, SE, #208 Washington, DC 20003	Pearson & Pipkin (For:Physicians Who Care)		
Pearson and Pipkin, Inc, 422 First Street, SE, #208 Washington, DC 20003	Physicians Who Care	1,500.00	
Joe P. Peck Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Robert Peck, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union		
Edward F. Pembleton, 666 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	2,200.00	455.00
Randall G. Pence, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn	5,583.00	850.54
James C. Pennington, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	3,244.06	
Pennsylvania Power & Light Co, 2 North 9th Street Allentown, PA 18101			2,911.34
Pepper Hamilton & Scheetz, 1300 19th Street, NW Washington, DC 20036	Association for Governmental Leasing & Finance		
Do	Consolidated Rail Corp	3,120.00	25.75
Barbara K. Pequet, 1755 Massachusetts Ave., NW, #418 Washington, DC 20036	American Soc for the Prevention of Cruelty to Animals	2,000.00	
Robert A. Perkins, 1100 Connecticut Avenue, NW Washington, DC 20036	Chrysler Corporation	15,000.00	450.00
Perkins Coie, 607 14th Street, NW #800 Washington, DC 20005-2011	American Coke & Coal Chemicals Institute		
Do	Arctic Alaska Fishing Corp		
Do	Boeing Company		
Do	Burlington Resources	700.00	3,437.50
Do	City of America		39,297.34
Do	Cook Inlet Region, Inc		
Do	General Electric Co		
Do	Krupp Atlas Elektronik GmbH		
Do	Wood Heating Alliance		
Gary J. Perkinson, 453 New Jersey Ave., SE Washington, DC 20003	Beneficial Management Corp		
Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,000.00	248.30
Anne Powers Perry, 5605 South 5th Road Arlington, VA 22204	Oryx Energy Co		
Beverly Perry, 1900 Pennsylvania Ave, NW Washington, DC 20068	Potomac Electric Power Company	250.53	
Susan Perry, 1015 15th Street, NW Washington, DC 20005	American Bus Assn	2,687.50	75.00
John W. Pestle, 171 Monroe Ave., #800 Grand Rapids, MI 49503	Michigan Municipal Cooperative Group	23,927.78	11,448.00
Phillips S. Peter, 3135 Easton Turnpike Fairfield, CT 06431	General Electric Co	250.00	
Gordon A. Peters, 9191 West Tulip Drive Columbus, IN 47201	Juvenile Products Manufacturers Assn	13,740.00	2,001.91
Robert R. Petersen, 1030 15th Street, NW, #1020 Washington, DC 20005	National Grain Trade Council		30.75
Alan Peterson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Helena Hutton Peterson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
J. Scott Peterson, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	1,621.93	
Kenneth W. Peterson, Kansas Petroleum Council 1005 Merchants Bank Tower Topeka, KS 66612	American Petroleum Institute		
Lars E. Peterson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Dayna Petete, 1666 Connecticut Ave, NW, #400 Washington, DC 20009	Federation for American Immigration Reform		
Susan F. Petniunas, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	500.00	
Michael J. Petrina Jr., 1101 17th Street, NW, #300 Washington, DC 20036	Cosmetic Toiletry & Fragrance Assn, Inc	2,500.00	26.00
Petroleum Marketers Assn of America, 1120 Vermont Ave., NW, #1130 Washington, DC 20005		20,000.00	19,328.57
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	45.00	
C. L. Pettit, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Brian T. Petty, 1901 L St., NW, #702 Washington, DC 20036	International Assn of Drilling Contractors		
Steven J. Pfister, National Retail Federation 701 Pennsylvania Avenue, NW #710 Washington, DC 20004	National Retail Federation	3,000.00	74.00
Marshall A. Pharr, 6103 Adirondack Amarillo, TX 79106	Southwestern Public Service Co	8,528.40	464.98
Dennis J. Phelan, 1101 17th St., N.W., #609 Washington, DC 20036	Pacific Seafood Processors Assn	20,500.00	519.00
Mary Frances Phelps, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		
William C. Phelps, 2929 Allen Parkway Houston, TX 77019	American General Corporation	4,840.00	8,437.28
William W. Phelps, P.O. Box 2159 Dallas, TX 75221	FINA, Inc	29,000.04	8,427.24
James B. Phifer, 1700 N. Moore St., #1801 Arlington, VA 22209	Magnavox Electronic Systems Co	5,501.86	3,214.45
Deirdre B. Phillips, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	1,520.00	2,540.46
Joseph M. Phillips, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,046.45	138.65
Dan Phythyon, 1771 N St., NW Washington, DC 20036	National Assn of Broadcasters	4,500.00	463.74
Lisa Piccione, 1220 19th Street, NW, #200 Washington, DC 20036	Airports Assn Council International		
Paulette C. Pidcock, 1100 Connecticut Avenue, NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	512.50	206.87
Stephen J. Piecara, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn (NRECA)	108.00	
Janice Pieper, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	76.86
Pierson Semmes & Bemis, 1054 31st Street, NW Washington, DC 20007	Mauritius Sugar Syndicate		
Do	Oklahoma Natural Gas Company		
Donna M. Pignatelli, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance	2,000.00	
Mary C. Pigott, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Piliero Mazza & Pargament, Farragut Square 888 17th Street, NW, #1100 Washington, DC 20006	Ad Hoc Committee of Mutual Fund Managers	1,208.76	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Fire Protection Assn		
Do	Villa Banfi, U.S.A		
Valerie F. Pinson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,237.00	124.65
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Edison Electric Institute		
William P. Pitts, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
Plains Cotton Growers, Inc, 4510 Englewood Lubbock, TX 79414			
Planned Parenthood Fed of America, Inc, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036		14,737.67	14,737.67
Reuben C. Plantico, 500 N.E. Multnomah, #1500 Portland, OR 97232-2045	Nerco, Inc	6,694.00	459.29
Wyll W. Pleger, 1150 Connecticut Ave., NW, #205 Washington, DC 20036	Brown & Root, Inc		
Martha Rachel Plotkin, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum	761.34	
E. R. Plourd, 227 Massachusetts Ave., NE, #100 Washington, DC 20002	United Transportation Union	2,500.00	
Rebecca S. Poe, P.O. Box 2450 Clarksburg, WV 26302-2450	CNG Transmission Corp	500.00	1,030.76
Policy Consulting Services, Inc, 1707 L Street, NW, #725 Washington, DC 20036	Nissan Motor Company, Ltd		
Do	Nissan Motor Manufacturing Corp, U.S.A.	875.00	859.00
Do	Nissan North America, Inc	3,806.00	3,683.50
Mindy Pollack, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836	NAC Re Corp		
Michele Pollak, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	630.23	643.42
Alfred M. Pollard, 1701 K Street, NW, #503 Washington, DC 20006	Security Pacific Corp	19,087.50	993.21
Thomas B. Pollard Jr., P.O. Drawer 2426 Columbia, SC 29202	Nexsen Pruet Jacobs & Pollard (For:Greenwood Development Corp)		2,055.45
William B. Pomeroy, 1255 23rd Street, NW, #800 Washington, DC 20037	International Communications Assn		
John F. Pontius, 130 North Carolina Avenue, SE Washington, DC 20003	Caron Foundation		
James J. Popham, 1200 18th Street, NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Joseph V. Popolo Jr., 1600 Wilson Boulevard, #807 Arlington, VA 22209	Roadway Services, Inc		
Port of Seattle, P.O. Box 1209 Seattle, WA 98111			5,261.40
Porter Wright Morris & Arthur, 41 South High Streetg Columbus, OH 43215	Coalition for Environmental-Energy Balance	4,765.00	
J. Craig Potter, 1020 19th Street, NW, #400 Washington, DC 20036-6101	Oppenheimer Wolff & Donelly		
Sara E. Potter, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
John C. Pouland, 5601 Winding Wood Trail Dallas, TX 75227	Philip Morris, USA	1,800.00	
John J. Power, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,808.86	531.82
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Banker's Assn for Foreign Trade	19,500.00	55.00
Do	Government of Rheinland-Pfalz	2,150.00	1,132.14
Do	John Hancock Mutual Life Insurance Co	9,250.00	634.00
Do	Preussag AG		542.67
David J. Pratt, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	810.00	225.00
Preston Gates Ellis Rouvelas & Meeds, 1735 New York Avenue, NW, #500 Washington, DC 20006	American Fisheries Coalition		
Do	American Forest Resource Alliance		
Do	American President Lines		
Do	Bay Ship Management		
Do	Bellingham Cold Storage		
Do	Brown Forman Corp		
Do	Browning Kaleczyc Berry & Hoven		
Do	Burlington Northern Railroad Co	5,059.00	
Do	Calista Corp		
Do	Chambers Development Co, Inc	300.00	
Do	Computer Systems Policy Project		
Do	Council on Research & Technology	210.00	
Do	Data General Corp		
Do	Earthquake Project	1,850.00	
Do	Hewlett-Packard Co		
Do	Intelsat		
Do	Jackson Laboratory		
Do	Kraft General Foods	3,934.00	
Do	Microsoft Corp	6,114.00	
Do	Mormac Marine Group, Inc/Mormac Marine Transport, Inc		
Do	National Council on Compensation Insurance		
Do	National Hydropower Assn	1,350.00	
Do	OMI Corp		
Do	Pacific Medical Center		
Do	Pitney Bowes		
Do	Port of Seattle		
Do	Software Pubishers Association		
Do	Sunmar Shipping, Inc		
Do	Tele-Communications, Inc	43,523.00	
Do	Transportation Institute		
Do	Tri-City Industrial Development Council	160.00	
Do	University of Washington		
Do	Westinghouse Electric Company		
Woodruff M. Price, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	CSX Corporation	6,000.00	557.59
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	General Electric Co		
Do	Investment Company Institute	390.00	16.50
Ann L. Pride, 1776 I Street, NW, #275 Washington, DC 20006	Entergy, Inc	812.49	206.27
Sheila M. Prindiville, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Waste Management Assn	500.00	
George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	1,875.00	258.50
Procompetitive Rail Steering Committee, c/o Vuono, Lavelle & Gray 2310 Grant Building Pittsburgh, PA 15219			
Profit Sharing Council of America, 20 N. Wacker Drive Chicago, IL 60606			
Peter D. Prowitt, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	11,874.00	
Prudential-Bache Securities, Inc, 100 Gold St. New York, NY 10292			750.00
James C. Pruitt, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Jerry Z. Pruzan, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	230.00	
George Prytula, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	685.86
Public Citizen Health Research Group, 2000 P St., NW, #700 Washington, DC 20036		17.07	17.07
Public Citizen, Inc, 2000 P Street, NW Washington, DC 20036		56,450.00	60,790.00
Public Employee Department, AFL-CIO, 815 16th St., NW Washington, DC 20006		71,518.65	25,245.91
Public Strategies, 620 Congress Avenue, #310 Austin, TX 78701	Sammons Enterprises, Inc		208.89
Do	Southwest Airlines Co	12,000.00	273.65
Public Strategies Washington, Inc, 1455 Pennsylvania Ave., NW, #1100 Washington, DC 20004	Boston Capital Partners, Inc	12,000.00	867.17
Theresa Pugh, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	1,000.00	
Philip N. Pulizzi Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	250.00	
David E. Pullen, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	1,000.00	
Brenda Pulley, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR))		
Julie F. Pulliam, 801 Pennsylvania Ave., NW, #620 Washington, DC 20004	Equifax, Inc	10,000.00	
Charles H. Purcell, 200 Park Avenue New York, NY 10166	Coudert Brothers	4,000.00	152.00
Earle W. Putnam, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Howard Pyle III, 1050 17th Street, NW, #1250 Washington, DC 20036	Houston Industries, Inc	7,500.00	
Robert N. Pyle & Associates, P.O. Box 3731 Washington, DC 20007	Elkem Metals Company	4,250.00	
Do	Independent Bakers Assn	3,000.00	
Do	Stratcor	3,000.00	
Do	Welch Foods, Inc	3,750.00	
William A. Quinlan, 3045 Riva Rd. Riva, MD 21140	Retail Bakers of America		
Harold P. Quinn Jr., 1130 17th St., NW Washington, DC 20036	National Coal Assn	8,400.00	
John E. Quinn, 11 Beacon Street, #415 Boston, MA 02108	American Petroleum Institute	2,500.00	
Lisa A. Quinn, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Community Bankers	2,000.00	
Todd Quisenberry, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition		
Earl C. Quist, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Mark J. Raabe, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,500.00	500.00
Theresa Rabel, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	7,000.00	605.13
Alex Radin, 1200 New Hampshire Ave., NW, #507 Washington, DC 20036	Tennessee Valley Public Power Assn	1,025.00	
Do	Radin & Associates Inc (For:Washington Public Power Supply System)	2,031.25	
Do	Radin & Associates, Inc. (For:Washington Public Utility Districts Assn)	1,800.00	
Radio-Television News Directors Assn, 1000 Connecticut Avenue, NW, #615 Washington, DC 20036		2,500.00	
Tess A. Rae, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Ragan & Mason, 1156 15th Street, NW, #800 Washington, DC 20005	Bechtel Corp		
Do	Security Pacific Leasing Corporation		
Do	Security Pacific National Bank		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Kelly Rahach, 3213 Roberts Drive Richfield, OH 44286			477.89
Railway Progress Institute, 700 North Fairfax St. Alexandria, VA 22314		250.00	834.12
John Vernon Rainbolt II, 655 15th Street, NW, Suite 300 Washington, DC 20005	Chicago Mercantile Exchange	33,887.82	928.82
Do	Rainbolt Law Office (For:National Futures Assn)		70.28
Rainbow Lobby, 1660 L Street, NW, #204 Washington, DC 20036		46,486.43	46,486.43
John C. Ramig, 222 SW Columbia, #1800 Portland, OR 97201	Lindsay Hart Neil & Weigler (For:Moex Corp)	18,570.00	7,354.02
Donald A. Randall, 321 D Street, NE Washington, DC 20002	Automotive Service Assn	5,175.00	
Do	National Independent Dairy-Foods Assn	137.92	
Rebecca G. Range, 1300 Eye Street, NW, #950 East Washington, DC 20005	Continental Airlines Holdings, Inc	11,250.00	8,100.00
Larry Rasky, 253 Summer Street Boston, MA 02210	Rasky & Company (For:National Cable Television Assn, Inc)	10,000.00	
Magda A. Ratajski, Three Commercial Place Norfolk, VA 23510-2191	Norfolk Southern Corp		
John W. Rauber Jr., 1250 Connecticut Ave., NW Washington, DC 20037	American Paper Institute, Inc	3,240.00	
Carol L. Raulston, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	5,750.00	
G. David Ravencraft, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Bruce A. Ray, Bruce Ray & Company 636 A Street, NE Washington, DC 20002	ABB Traction, Inc	4,397.57	
Do	Bayley Seton Hospital	8,836.30	
Do	Cumberland Packing Company	1,793.10	
Helene Rayder, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	4,995.00	423.38
David A. Raymond, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Ebasco Services, Inc	3,379.00	627.25
Joanna E. Reagan, 815 15th Street, NW Washington, DC 20005	International Union of Bricklayers and Allied Craftsmen	3,000.00	229.00
Linda S. Rearick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Recording Industry Assn of America, Inc, 1020 19th St., NW #200 Washington, DC 20036		26,967.50	26,967.50
John M. Rector, 205 Daingerfield Rd. Alexandria, VA 22314	National Assn of Retail Druggists	700.00	150.00
Fred J. Redeker, 811 Rusk, #200 Houston, TX 77002	Houston Bankers Association		
Donald L. Redfoot, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	569.36	300.64
Jo Reed, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	701.08	
Mary Reed, 600 Maryland Ave., Sw, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,189.00	200.00
Reed Smith Shaw & McClay, 1200 18th Street, NW Washington, DC 20036	High Speed Rail Assn	1,000.00	1,900.00
Do	Mid-America Transplant Association	1,000.00	
Do	Radio-Television News Directors Assn	3,000.00	
Robert K. Reeg, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	1,250.00	
Reese Communications Companies,Inc., 2111 Wilson Boulevard, #900 Arlington, VA 22201	Philip Morris, USA		
Benjamin F. Reeves, 1100 17th Street, NW Washington, DC 20036	Burley & Dark Leaf Tobacco Export Assn	2,000.00	
J. Ronald Reeves, 2345 Crystal Drive Arlington, VA 22227	U.S. Air, Inc	2,000.00	156.25
Martin A. Regalia, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Community Bankers	11,000.00	
R. Brent Regan, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		28.96
Timothy J. Regan, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning, Inc	1,000.00	597.00
John T. Reggitts Jr., 95 Boonton Avenue P.O. Box 470 Boonton, NJ 07005			
Regional Airline Association, 1101 Connecticut Ave., NW, #700 Washington, DC 20036		2,000.00	1,150.00
David K. Rehr, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	400.00
Reichler & Soble, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Interim Government of National Unity of Liberia	10,000.00	14,764.12
Do	People's Progressive Party		1,016.64
Do	United Coconut Assn of the Philippines	22,169.64	1,065.10
Michael W. Reid, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	4,230.00	189.33
Reid & Priest, 701 Pennsylvania Avenue, NW Washington, DC 20004	ABB Atom, Inc	1,595.00	76.08
Do	City of Philadelphia	19,826.25	9,833.21
Do	CIAC Group		
Do	Edison Electric Institute		
Do	Henschel, Inc	13,088.00	217.58
Do	Pride Refining, Inc		
Do	Robert E. Derecktor of Rhode Island, Inc		
Do	State of New Jersey		
Do	SPD Technologies		
Do	Utility Decommissioning Tax Group	488.43	10.50
Burke G. Reilly, 1350 I Street, NW Washington, DC 20005	Ford Motor Co	2,500.00	660.00
Reinsurance Assn of America, 1819 L St., NW, 7th Floor Washington, DC 20036			
Diane Rennert, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	6,500.00	1,250.39
Lee P. Reno, 122 C Street, NW, #875 Washington, DC 20001	Reno Cavanaugh & Hornig (For:Amerind Risk Management Corp)		
Do	Reno Cavanaugh & Hornig (For:Housing Authority Insurance, Inc)	375.00	484.50
Judy Rensberger, 2000 K Street, NW Washington, DC 20006	National Comm to Preserve Social Security & Medicare	12,015.00	
Edward Repa, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Barclay T. Resler, 1627 K St., NW, #800 Washington, DC 20006	Coca-Cola Company	700.00	1,068.71
Retired Officers Assn, 201 N. Washington St. Alexandria, VA 22314		100,391.96	75,420.28
Vincent P. Reusing, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Cos	1,000.00	
Allan R. Rexinger, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Nonprescription Drug Manufacturers Assn	4,468.75	150.00
Mark E. Rey, 1250 Connecticut Avenue, NW Washington, DC 20036	American Forest Resource Alliance	1,500.00	
Do	National Forest Products Assn	1,500.00	
Renee Reymond, 1331 Pennsylvania Ave, NW, #1500 N Washington, DC 20004	National Assn of Manufacturers		
Gregg M. Reynolds, 1441 Gardiner Lane Louisville, KY 40213	KFC Corp		800.00
Frederick W. Rhodes, 1111 Jefferson Davis Highway, #811-E Arlington, VA 22202	Loral Corporation	4,250.00	
James R. Ricciuti, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,500.00	500.00
James E. Rich Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Michael T. Richard, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	1,865.44	220.81
Richard Richards, Law Office of Richard Richards 1025 Thomas Jefferson Street, NW, #105 Washington, DC 20007	Hughes Aircraft Company		
Do	Pratt & Whitney	2,000.00	
Alan H. Richardson, 2301 M St., NW Washington, DC 20037	American Public Power Assn	1,000.00	
Donna Richardson, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	5,260.00	6.03
John C. Richardson, 101 Park Avenue New York, NY 10178	Morgan Lewis & Bockius (For:Underwriters at Lloyd's London)		
John G. Richardson, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	625.00	4,390.29
K. O. Richardson, 815 16th Street, NW, #511 Washington, DC 20006	Transportation - Communications Union	3,000.00	95.69
Mary Ann Richardson, 1455 Pennsylvania, NW, #500 Washington, DC 20004	Corning, Inc	300.00	77.00
Lois Richerson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,813.00	179.66
Max Richtman, 2000 K Street, NW 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	30,154.00	5,113.89
James G. Rickards, 600 Steamboat Road Greenwich, CT 06830-7149	Greenwich Capital Markets, Inc		
Larry D. Rickards, 1112 16th Street, NW, #100 Washington, DC 20036	National Assn of Area Agencies on Aging	2,500.00	30.00
Lowell J. Ridgeway, North Dakota Petroleum Council P.O. Box 1395 Bismarck, ND 58502	American Petroleum Institute	2,000.00	1,397.87
E. George Riedel, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
Dr. Mark J. Riedy, 1101 15th Street, NW, #400 Washington, DC 20005	National Council for Community Bankers	10,000.00	
Carol D. Rieg, 1511 K Street, NW, #335 Washington, DC 20005	National Committee for a Human Life Amendment, Inc	75.32	5.00
E. Philip Riggin, 1608 K St., NW Washington, DC 20006	American Legion	15,888.00	160.50
Wesley J. Riker, 4647 Forbes Blvd. Lanham, MD 20706	AMVETS	6,800.00	
Michael R. Riksen, 2706 Davis Ave. Alexandria, VA 22302	Harris Corporation	2,025.00	516.80
Karen Rindge, 1400 16th Street, NW Washington, DC 20036-2266	National Wildlife Federation	73.52	
Joan D. Ringel, 500 Independence Avenue, SE Washington, DC 20003		1,800.00	
John S. Rippey, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	12,000.00	
Carol A. Risher, 1718 Connecticut Ave., NW 7th Floor Washington, DC 20009-1148	Association of American Publishers	2,000.00	
Edward W. Rissing, 701 Pennsylvania Ave, NW Washington, DC 20004	Edison Electric Institute		
William R. Ritz, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	4,042.00	
Valentin J. Riva, 501 School Street, SW, 8th Floor Washington, DC 20024-2713	American Road & Transportation Builders Assn	15,000.00	1,000.00
Ivette E. Rivera, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Rivkin Radler Bayh Hart & Kremer, 1575 I Street, NW, #1025 Washington, DC 20005	ALC Communications Corp		
Do	Chemical Bank	25,905.33	5,350.00
Do	Cook Group, Inc	6,171.94	250.00
Do	Merrill Lynch & Co, Inc	1,600.00	925.00
Do	Milk Industry Foundation	2,473.53	225.00
Do	National Basketball Assn	1,200.00	750.00
Do	National Soft Drink Assn	2,258.53	100.00
Do	Pennsylvania Savings Assn Insurance Corp	8,324.23	200.00
Do	Real Estate Capital Recovery Assn	10,000.00	175.00
Do	Joseph E. Seagram & Sons	5,072.99	200.00
Andrew W. Robart, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	856.82	208.03
Michelle Robbins, 1825 Eye St., NW, #1100 Washington, DC 20006	Lockheed Corporation	2,000.00	543.67
Bill Roberts, P.O. Box 20406 Bloomington, MN 55420	National Computer Systems, Inc		
Carole T. Roberts, 901 15th Street, NW, #520 Washington, DC 20005	Travelers Companies	2,400.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David Gwyn Roberts, 411 Fayetteville Street Mall Raleigh, NC 27601	Carolina Power & Light Company	938.00	1,958.00
Perry A. Roberts, 8000 W. Florissant St. Louis, MO 63136	Emerson Electric Co		1,729.27
Rebecca Roberts-Malamis, 1 Massachusetts Ave., NW, #350 Washington, DC 20001	Chubb Corporation		
Steve A. Robertson, 1608 K Street, NW Washington, DC 20006	American Legion	9,702.00	65.58
H. Alexander Robinson, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	900.00	
Kenneth L. Robinson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions		
Mr. Davis R. Robinson, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek)		
Nancy J. Robinson, 7509 Tiffany Spgs. Pkwy. Kansas City, MO 64190-1402	Livestock Marketing Association	14,442.00	
Peter D. Robinson, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	Bailey Morris & Robinson (For:American Imaging Assn)		
Do	Bailey Morris & Robinson (For:First American Bankshares, Inc)		
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)		
Do	Bailey Morris & Robinson (For:Investment Company Institute)		
Do	Bailey Morris & Robinson (For:Upjohn Co)		
Thomas S. Robinson, 5955 49th SW Seattle, WA 98136	Greenpeace	1,860.00	121.60
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	Atari Games Corp		
Do	Commission on Self-Determination	500.00	
Do	Faulk & Co, Inc		
Do	Illinois Power Co	10,000.00	
Do	Ingersoll-Rand	5,000.00	
Do	Mesa Limited Partnership	500.00	
Do	Minolta Corp		
Do	Napa Flood Control and Water Conservation District	1,000.00	
Do	National Venture Capital Association	1,000.00	
Do	New York Mercantile Exchange (NYMEX)	1,000.00	
Do	Sun-Diamond Growers of California	2,000.00	
James Anthony Rock, 1730 M Street, NW, #607 Washington, DC 20036	Montana Power Co, et al.	2,500.00	1,150.90
James W. Rock, 1455 Pennsylvania Ave, NW, #560 Washington, DC 20004	American Resort & Residential Development Assn		
Quincy Rodgers, 1899 L Street, NW, Fifth Floor Washington, DC 20036	General Instrument Corporation	1,500.00	
Raymund Rodriguez, P.O. Box 982 El Paso, TX 79960	El Paso Electric Co		
James A. Rogers, 316 Pennsylvania Ave., SE Washington, DC 20003	United Parcel Service	2,000.00	856.21
Kevin Rogers, Two Union Square, 53rd Floor 601 Union Street Seattle, WA 98101	Washington Citizens for World Trade	16,983.00	1,119.00
Lawrence Rogers, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	American Express Co		
Do	Dreyfus Corporation	3,500.00	511.25
Do	Investment Partnership Assn	2,500.00	542.00
Do	Kamehameha Schools/Bishop Estate		
Do	Liga Agricola Industrial de la Cana de Azucar		
Do	Merrill Lynch & Co, Inc		
Do	National Assn of Beverage Importers		
Do	Republic National Bank		
Do	Rutgers, The State University of New Jersey		
Do	Shearson Lehman Brothers, Inc		
Do	Teachers Insurance & Annuity Assn/CREF		
Do	Wine & Spirits Wholesalers of America, Inc		
Barbara J. Rohde, 2440 Virginia Ave., NW, #D1203 Washington, DC 20037	City of Grand Forks	3,000.00	1,400.00
Do	Hubert Humphrey Institute of Public Affairs	3,000.00	536.08
Do	Small Business Exporters Assn		
Richard A. Rohrbach, 1615 M Street, NW, #570 Washington, DC 20036	Boise Cascade Corp	34,200.00	
Stephen F. Rohrkemper, 2230 Gallows Road, #200 Dunn Loring, VA 22027	International Technical Expertise Ltd		
Linda A. Rokosky, 1250 24th Street, NW, Suite 300 Washington, DC 20037	Americans for Peace	672.00	1,045.01
Ian M. Rolland, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Jackie Rollins, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn, Inc		
Emil A. Romagnoli, 180 Maiden Lane New York, NY 10038	Asarco, Inc	2,800.00	
Dennis G. Romano, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	208.15
Michael J. Romig, 1001 Pennsylvania Avenue, NW Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,000.00	
W. T. Rooker, 1301 K Street, NW, #1200 Washington, DC 20005-3307	IBM Corp		
Francis P. Rooney, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Mfgrs Assn		
Ropes & Gray, 1001 Pennsylvania Ave., NW, #1200 Washington, DC 20004	Industrial Development Authority of Ireland		
James C. Rosapepe, 1331 H Street, NW, #300 Washington, DC 20005	Rosapepe & Spanos, Inc (For:H&R Block, Inc)	1,200.00	
Rosapepe & Spanos, Inc, 1331 H Street, NW, #300 Washington, DC 20005	H&R Block, Inc	6,000.00	3,515.24
Clifton Peter Rose, 1101 Pennsylvania Ave., NW, #900 Washington, DC 20004	Goldman Sachs & Co	3,000.00	
Rose Communications, Inc, 901 15th Street, NW, #570 Washington, DC 20005	Johnson Matthey, Inc		
Burt E. Rosen, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Co	1,000.00	
Hilary Rosen, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America	6,250.00	
Lester L. Rosen, 7 Fulham Court Silver Spring, MD 20902	Miles, Inc	3,000.00	
Albert B. Rosenbaum III, 499 South Capitol Street, SW, #520 Washington, DC 20003	Allwaste, Inc	9,000.00	
Sara Rosenbaum, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	3,744.96	
Herb Rosenbleeth, 1811 R Street, NW Washington, DC 20009	Jewish War Veterans of the USA	15,346.31	13.00
Roger C. Rosenthal, 2001 S St., NW, #310 Washington, DC 20009	Migrant Legal Action Program, Inc		
Nancy Ross, 1830 17th Street, NW, #704 Washington, DC 20009	Rainbow Lobby	4,500.00	
William F. Ross, South Carolina Petroleum Council 1220 L Street, NW Washington, DC 20005-8	American Petroleum Institute	438.00	1,020.18
Ross & Hardies, 888 16th Street, NW, 3rd Floor Washington, DC 20006	Intertek Services International, Ltd		
Ross Marsh Foster Myers and Quiggle, 888 15th St., NW Washington, DC 20006	Church Alliance	27,441.25	1,155.31
Roth VanAmberg Gross Rogers & Ortiz, P.O. Box 1447 Santa Fe, NM 87504-1447	Pueblo de Cochiti	2,394.30	111.34
John C. Rother, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	1,500.00	
Lauren J. Rothfarb, 1126 16th St., NW Washington, DC 20036	Int'l Union of Electronic, Electrical, Salaried, Machine...	11,080.01	216.00
Emily B. Rothrock, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc		
Edwin Rothschild, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action Fund	600.00	194.00
Louis C. Rotundo, 4948 Courtland Loop Winter Springs, FL 32708	Central Florida Commuter Rail Authority		
Do	City of Altamonte Springs		
Do	Hawaii Natural Energy Institute		
Do	Technological Research & Development Authority		
Donald D. Rounds, South Dakota Petroleum Council 222 E. Capitol, #16 Pierre, SD 57501	American Petroleum Institute	1,184.80	2,993.86
Michael O. Roush, 600 Maryland Avenue, SW. #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	300.00
Deborah Rowell, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		10.00
Lori Groves Rowley, 1025 Connecticut Ave, NW, #1014 Washington, DC 20036	Enserch Corp	2,688.00	4,110.18
P. Norman Roy, P.O. Box 1938 (10 Madison Ave) Morristown, NJ 07962-1938	Financial Executives Institute		500.00
Eldon Rudd, Shimmel Hill Bishop & Gruender, P.C. 3700 North 24th Street Phoenix, AZ 85016	Central Arizona Project Assn		
Robert E. Ruddy, 9106 Drumaldry Drive Bethesda, MD 20817	Mortgage Insurance Companies of America	3,750.00	620.44
Do	MBNA American Bank NA	1,250.00	
Paul M. Ruden, P.O. Box 23992 Washington, DC 20026-3002	American Soc of Travel Agents		
Deborah K. Rudolph, 1828 L Street, NW, #1202 Washington, DC 20036	Institute of Electrical & Electronics Engineers	2,500.00	925.00
Henry C. Ruempler, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Terry Cornwell Rumsey, 490 L'Enfant Plaza East, SW, Suite 4200 Washington, DC 20024	Xerox Corp		47.92
Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	38,395.00	
R.K. Rushin, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	1,500.00	506.00
Barry Russell, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		75.00
Christine Faith Russell, 1331 Pennsylvania Ave., NW, #1500 Washington, DC 20004-1703	National Assn of Manufacturers	650.00	
Randall M. Russell, 1919 S. Eads Street #103 Arlington, VA 22202-3028	Lesher & Russell, Inc	60,000.00	
Shannon M. Russell, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
William Russell & Associates, Inc, 117 S. Columbus Street Alexandria, VA 22314-3003	Golbal Broadcasting System	8,000.00	198.55
Diann Rust-Tierney, 122 Maryland Ave. Washington, DC 20002	American Civil Liberties Union	3,137.50	
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	125.00	
J. T. Rutherford & Associates, Inc, 1301 N. Courthouse Rd., #1802 Arlington, VA 22201	American College of Radiology		520.40
Do	American Optometric Assn		475.30
Do	Boehringer Mannheim	1,200.00	101.50
Donald T. Ryan, 600 Pennsylvania Ave., SE, #100 Washington, DC 20003	Alliance to End Childhood Lead Poisoning		
John G. Ryan, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Co	1,000.00	
Olive M. Ryan, 39 Harriett Ave. Burlington, MA 01803	New England Rehabilitation Hospital	1,866.66	234.01
Paul D. Ryan, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc	6,900.00	
Kermit W. Ryman, 1401 I Street, NW, 1200 Washington, DC 20005	Chevron USA, Inc	37.00	5.00
RCF Group, 1200 19th Street, NW, #606 Washington, DC 20036	Mapco, Inc	30,000.00	16,800.00
RJR Nabisco, Inc, 1301 Avenue of the Americas New York, NY 10019			32,441.78
Craig S. Sadick, 188-A Onville Road Stafford, VA 22554	Common Sense, Inc	26,013.37	50,122.28

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
G. J. Thomas Sadler Jr., 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	1,175.28
Susan L. Sadtler, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	705.10
Anthony J. Saggese Jr., 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Kenneth J. Salaets, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Manufacturers Assn	4,000.00	328.84
R. Gerard Salemme, 1250 Connecticut Avenue, NW, #401 Washington, DC 20036	McCaw Cellular Communications, Inc	10,000.00	4,707.00
Shannon Salmon, 1350 Eye Street, NW, #810 Washington, DC 20005	Johnson & Johnson	1,000.00	108.00
David M. Saltz, 815 16th Street, NW Washington, DC 20006	AFL-CIO	13,568.94	566.90
Joel Saltzman, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	8,000.00	158.41
Sammons Enterprises, Inc, 300 Crescent Court Dallas, TX 75201			
Wendy B. Samuel, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Community Bankers	10,000.00	
Samuels International Associates, Inc, 1912 Sunderland Place, NW Washington, DC 20036-1608	Trend International	5,225.00	71.00
Brian Sanderoff, 7500 Jefferson St., NE #250 Albuquerque, NM 87109	Philip Morris, Inc	1,800.00	
James C. Sanders, 1225 Eye Street, NW, #825 Washington, DC 20005	Beer Institute		
Petronella C. Sanders, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	500.00	
Rose Marie Sanders, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	200.00	93.00
Sanders Schnabel & Brandenburg, P.C., 1110 Vermont Avenue, NW, #600 Washington, DC 20005	American Soc of Assn Executives		
Julie Sanderson-Austin, 4240 Brittany Court Woodbridge, VA 22192	American Group Practice Assn		
Stephen E. Sandherr, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	4,000.00	500.00
Mike Sandifer, 2419 Chain Bridge Road, NW Washington, DC 20016	American Telemarketing Assn	1,500.00	
Charles E. Sandler, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	6,000.00	
Peter G. Sandlund, 1730 M Street, NW, Suite 602 Washington, DC 20036	Council of European & Japanese National Shipowners' Assn	300.00	
Robert J. Saner II, 1156 15th Street, NW, #1100 Washington, DC 20005	Medical Group Management Assn	1,500.00	
Patricia Kopf Sanner, 1227 25th Street, NW, #610 Washington, DC 20037	American Managed Care & Review Assn		141.32
Eric Sapirstein, 1333 H St., NW, #400 Washington, DC 20005	California Assn of Sanitation Agencies	3,000.00	2,154.94
Do	Cure Corp		
Do	ENS Resources, Inc (For:East Bay Mud)	3,815.00	938.94
Do	ENS Resources, Inc (For:Orange County Sanitation Districts)		
Do	Western Research Institute	277.75	345.24
Leslie Sarasin, 1764 Old Meadow Lane, #350 McLean, VA 22102	American Frozen Food Institute	4,400.00	
Ronald A. Sarasin, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	500.00	
Susan Sarason, 2111 Wilson Boulevard, #1000 Arlington, VA 22201	Ebasco Services, Inc	2,865.00	1,563.96
Sartain Law Offices, 219 Boulevard, NE Gainesville, GA 30501	Philip Morris, Inc	1,500.00	
Satellite Broadcasting & Communications Assn, 225 Reinekers Lane, #600 Alexandria, VA 22314			5,500.00
Klara B. Sauer, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Thomas Sauermilch, 90 Park Avenue New York, NY 10016-1387	Walter Conston Alexander & Green, P.C. (For:Leybold AG)		
Charles P. Saunders, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc		
Save Our Children National Alliance, Inc, 1757-D-West Carson Street, #280 Torrance, CA 90501		1,871.33	437.38
Richard N. Sawaya, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Paulasue Sawyers, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Robert Wayne Sayer, 1742 N Street, NW Washington, DC 20036	Hampshire Instruments	7,500.00	307.87
Jeanne Schaaf, 1850 M Street, NW, 11th Floor Washington, DC 20036	United Telecom/US Sprint	10,000.00	319.89
Victoria V. Schaff, Missouri Electric Utitlies 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light, et al.	4,374.99	3,441.99
Amy Schaffer, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Patricia A. Schaub, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Company	545.10	
Robert H. Scheerschmidt, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp	1,500.00	
Marc J. Scheinesson, American Bar Assn Government Affairs Division 1800 M Street, NW Washington, DC 20036-5886	American Bar Assn	400.00	
Sam Schertz, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Company		
G. David Schiering, 625 Indiana Avenue, NW Suite 500 Washington, DC 20004-2901	Taft Stettinius & Hollister (For:Special Committee for Health Care Reforms)	1,030.00	70.45
James P. Schlicht, 1350 Eye Street, NW, #810 Washington, DC 20005-3305	Johnson & Johnson	915.00	175.00
Kenneth D. Schloman, 499 South Capitol, SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	
Schmeltzer Aptaker & Sheppard, 2600 Virginia Ave., NW, #1000 Washington, DC 20037	Council of Nursing Home Suppliers	38,000.00	39,808.00
Richard M. Schmidt Jr., 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Association of American Publishers	500.00	
John Noehl Schmitz, P.O. Box 475 Culbertson, MT 59218-0475			
Schnader Harrison Segal & Lewis, 1111 19th Street, NW, #1000 Washington, DC 20036	Mack Trucks, Inc	2,875.00	201.50
Do	Toyota Motor Corporate Services U.S.A., Inc	4,400.00	65.63
Mahlon C. Schneider, 1100 N.W. 14th Austin, MN 55912	Geo. A. Hormel & Company		
Richard C. Schneider, 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn	4,000.00	
Robert V. Schneider, 1250 24th Street,NW, #300 Washington, DC 20007	Americans for Peace	8,800.00	3,754.34
Abraham Schneier, 1101 16th Street, NW, #333 Washington, DC 20036	Kelly Services, Inc	6,000.00	367.36
Do	ORACLE Corporation	9,762.00	46.00
Frank Schneller, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Schnitzer Steel Industries, Inc, 3200 N.W. Yeon Avenue Portland, OR 97210			7.00
Jan Schoonmaker, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates (For:Coalition of EPSCoR States)	9,062.50	
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)	5,000.00	
Do	Van Scoyoc Associates, Inc (For:Tulane University)	10,500.00	
Do	Van Scoyoc Associates (For:University of Alabama System)	6,000.00	
Charles G. Schreiber, 1 Massachusetts Ave., NW Washington, DC 20001	National Guard Assn of the U.S.	9,132.00	647.40
H. B. W. Schroeder, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	8,000.00	6,998.00
N. Donald Schroeder, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute		
Judy Schub, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	724.61	694.60
Lynn M. Schubert, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Mark Schultz, 8607 Westwood Center Drive #204 Vienna, VA 22182	Professional Services Council	1,500.00	9.61
Richard F. Schultz, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	17,108.00	111.87
Benjamin R. Schuster, 1333 New Hampshire Ave., NW, #1001 Washington, DC 20036	Arco Chemical Company	150.00	
Neil D. Schuster, 2120 L Street, NW, #305 Washington, DC 20037	International Bridge Tunnel & Turnpike Assn	1,000.00	
Adam D. Schwartz, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Community Bankers	2,000.00	1,959.88
Arthur E. Schwartz, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204	California State Lands Commission		
Do	Washington State Department of Natural Resources	6,125.00	111.66
Phillip L. Schwartz, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Richard Schwartz, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	15,000.00	
Richard S. Schweiker, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	3,625.00	
Joseph A. Sciarrino, 10 Madison Ave., Box 1938 Morristown, NJ 07962-1938	Financial Executives Institute		500.00
Scientific-Atlanta, One Technology Parkway Box 105600 Atlanta, GA 30348			275.00
Michael Sciulla, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	16,000.00	
Melanie Scofield, 901 Main Street, #2555 Dallas, TX 75202	Greyhound Lines, Inc		
David A. Scott, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corporation	2,000.00	364.20
John Havens Scott, 1101 Vermont Ave., NW 12th Floor Washington, DC 20005	American Medical Assn	3,750.00	
R. Denny Scott, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	669.50	
Susan J. Scott, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20850	American Occupational Therapy Assn, Inc	2,500.00	89.51
Scribner Hall & Thompson, 1850 K Street, NW, #1100 Washington, DC 20006	CNA Financial Corp		
Do	Provident Life & Accident Insurance Co		
Do	Security Life of Denver Insurance Co		
Do	Transamerica Corporation		
Kerrill K. Scrivner, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	4,688.00	4,926.52
Timothy Scully, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	19,655.55	
Murray S. Scureman, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
Walter J. Sczudlo, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Co	500.00	
Securities Industry Assn, 1850 M Street, NW Washington, DC 20036			331,497.00
Security Traders Assn, Inc, One World Trade Center, #4511 New York, NY 10048			6,484.00
Pamela Sederholm, 2300 N Street, NW, #600 Washington, DC 20037	National Council of Chain Restaurants		
Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange	3,850.00	
Christopher C. Seeger, 655 15th Street, NW, #400 Washington, DC 20005	USAA		6,830.00
Jerome M. Segal, 8401 Colesville Road, #317 Silver Spring, MD 20910	Jewish Peace Lobby	3,000.00	75.00
Ruth L. Segal, 1212 New York Avenue, NW Washington, DC 20005	Outdoor Advertising Assn of America	26,500.00	201.68
Frances Seghers, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc		
Carl J. Seiberlich, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd.	1,000.00	
George H. Seidel Jr., Associated Petroleum Industries of PA P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
Mark K. Seifert, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		867.35
Jane Seigler, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	586.24
Gary B. Sellers, American Bar Assn 1800 M Street, NW Washington, DC 20036	American Bar Assn	400.00	50.00
J.P. Seman Jr., 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:Aseptic Packaging Council)	4,920.00	
Do	Hill & Knowlton (For:Colorado State University)		
Marlisa Senchak, 3900 Wisconsin Ave.,NW Washington, DC 20016	Federal National Mortgage Assn	18,000.00	3,064.42

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Wendy Senor, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	11,749.98	201.32
David Senter, 100 Maryland Avenue, NE, #500 Washington, DC 20002	American Agriculture Movement, Inc	3,000.00	
Robert A. Seraphin, 1725 Jefferson Davis Highway, #901 Arlington, VA 22202	Capital Marketing Analytics (For:Aerojet General Corp)		
Peter M. Seremet, 16 Munson Road Farmington, CT 06034-0338	Heublein, Inc	17,250.00	15,038.41
David P. Serwer, 11723 Tireside Place, #G Reston, VA 22080	Automated Sciences Group, Inc		50.00
Seward & Kissel, 818 Connecticut Avenue, NW, #800 Washington, DC 20006	Merrill Lynch Money Markets, Inc	5,313.00	
Seyfarth Shaw Fairweather & Geraldson, 815 Connecticut Ave., NW, #500 Washington, DC 20006	American Soc of Pension Actuaries	15,000.00	175.60
Thomas A. Shallow, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
James M. Shamberger, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Deborah L. Shannon, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Bernard M. Shapiro, 1801 K Street, NW, #700 Washington, DC 20006	Price Waterhouse (For:Investment Co Institute)	390.00	16.50
Mark R. Shapiro, 5 Darby Court Bethesda, MD 20817	Guam Office (For:Joseph George Bamba)	6,000.00	964.94
Do	Guam Office (For:Gordon Mailloux)	1,500.00	208.00
Do	Guam Office (For:Marilyn Manibusan)	6,000.00	851.94
Mark J. Sharp, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	100.00	68.69
Norman F. Sharp, 1100 17th Street, NW, #504 Washington, DC 20036	Cigar Assn of America, Inc	1,075.00	675.00
Do	Pipe Tobacco Council	580.00	460.00
Sharretts Paley Carter & Blauvelt, P.C., 1707 L Street, NW, #725 Washington, DC 20036	American Assn of Exporters & Importers		
Do	Schoeller Technical Paper, Inc		
Do	Toy Manufacturers of America		
Edward W. Shaw, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW, #5121 Washington, DC 20037	Apple Computer, Inc		
Do	Atlas Corp	4,880.00	199.94
Do	Emerson Electric Co		
Do	Equitable of Iowa		
Do	ESCO Electronics Corp		
Do	Gross Pointes-Harper Woods Study Comm for Detroit City Air..	420.00	
Do	Institute of International Bankers	29,153.13	36,753.01
Do	National Assn of Marine Manufacturers		
Do	National Automobile Dealers Assn		
Do	Robinson Terminal	11,992.50	4,093.50
Do	RJR Nabisco	5,356.24	274.84
Do	Utility Nuclear Waste and Transportation Program		
Do	Workplace Health and Safety Council		
Shea & Gardner, 1800 Massachusetts Avenue, NW Washington, DC 20036	Societe Generale de Surveillance, S.A.		
James V. Sheahan, P.O. Box 89000 Atlanta, GA 30356-9000	Siemens Corporation		
P. Scott Shearer, 1725 K Street, NW, #1405 Washington, DC 20006	Halfpenny Hahn Roche & Marchese (For:Automotive Service Industry Assn)	11,250.00	859.49
John J. Sheehan, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	15,891.43	
Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	1,300.00	
Shaun M. Sheehan, 1722 Eye Street, NW, Washington, DC 20006	Tribune Broadcasting Co	3,000.00	1,866.32
Kathleen Sheekey, 3rd Floor 2030 M Street, NW Washington, DC 20036	Common Cause	11,949.57	78.10
C. Douglas Shelby, Florida Petroleum Council 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	23.93	
Sher & Blackwell, 1255 23rd Street, NW, #500 Washington, DC 20037	A.P. Moller-Maersk		
Do	International Brotherhood of Teamsters Chauffers ...	160.00	12.00
Do	Joint Shipping Conference		
Sheridan Group, 1775 T Street, NW Washington, DC 20009	American Foundation for AIDS Research	30,000.00	43,570.45
Do	CFIDS Action Campaign for the U.S. (CACTUS)	7,500.00	43,570.45
Do	Harvard AIDS Institute		43,570.45
Do	San Francisco AIDS Foundation	9,000.00	43,570.45
Judith C. Sherman, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Peter B. Sherman, 1146 19th Street, NW Washington, DC 20036	Dunaway & Cross (For:Industrial Truck Assn)		
R. Parker Sherrill, P.O. Box 24350 4525 Harding Road Nashville, TN 37202-4350	Health Trust, Inc, et al.		
T. V. Shockley III, 2121 San Jacinto Street, #2500 P.O. Box 660164 Dallas, TX 75266-0164	Central & South West Corp		
John G. Shortridge, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation	475.00	
Harold A. Shoup, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	2,500.00	
A. Z. Shows, 1801 Columbia Rd., NW, #203 Washington, DC 20009			
Jennifer M. Shriver, 6200 Oak Tree Blvd. Independence, OH 44131	Centerior Energy Corp		
Walter Shur, 51 Madison Ave. New York, NY 10010	New York Life Insurance Company		
William H. Shute, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		3,021.43
Jane E. Sidebottom, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	292.50	
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Donrey, Inc	802.50	62.20
Do	W. K. Kellogg Foundation	130.00	10.50
Do	Newell Company	247.50	
Christine Sigler, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	4,846.00	
Lucinda Sikes, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	6,000.00	
Allan Silber, 365 Main Street Nashua, NH 03060	Recyclers of Copper Alloy Products	17,500.00	6,719.71
Stephan Silberfarb, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	18,000.00	253.83
Howard J. Silver, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assns		10.00
Steve Silver, 2300 Clarendon Blvd, #1010 Arlington, VA 22201	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)	1,500.00	
Do	Robertson Monagle & Eastaugh (For:Anchorage School District)	1,500.00	
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)		
Do	Robertson Monagle & Eastaugh (For:BP America, Inc)	2,500.00	
Do	Robertson Monagle & Eastaugh (For:City of Craig)	500.00	
Do	Robertson Monagle & Eastaugh (For:City of Kotzebue)	500.00	
Do	Robertson Monagle & Eastaugh (For:Echo Bay Mining Company)		
Do	Robertson Monagle & Eastaugh (For:Kennecott Corp)	2,500.00	
Do	Robertson Monagle & Eastaugh (For:Klukwan, Inc)	12,000.00	
Do	Robertson Monagle & Eastaugh (For:Municipality of Anchorage)	5,000.00	
Silver Users Assn, Inc, 1730 M St., NW, #911 Washington, DC 20036		3,379.00	1,875.00
Daniel Silverman, 215 Pennsyhlvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	2,076.90	
Curtis Silvers, 888 16th St., NW, #606 Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)		
Do	Bannerman and Associates, Inc (For:Beirut University College)		
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)		63.72
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)	1,500.00	150.75
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	750.00	
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	1,000.00	227.69
Silverstein & Mullens, 1776 K Street, NW, #800 Washington, DC 20006	American Newspaper Publishers Assn		
Do	Association for Advanced Life Underwriting	5,000.00	
Do	Bristol-Myers Co		
Do	Cushman & Wakefield		
Do	EDS		
Do	Goodwill Industries		
Do	Walter Harris, et al.	800.00	
Do	IEEE	6,000.00	
Do	Kelso & Company		
Do	Majestic Realty Co		
Do	Monrovia Nursery Company	4,000.00	
Do	MCA, Inc	10,000.00	
Do	National Assn of Home Builders Trade Assn		
Do	National Assn of Investment Companies	1,000.00	
Do	National Structured Settlements Trade Assn	3,000.00	
Do	Pacific Cargoes, Inc	400.00	
Do	R.S. Data Systems, Inc		
Do	Republic National Bank of New York		
Do	Rolls-Royce Motor Cars, Inc		
Do	Tropicana Energy Co		
Do	U.S. League of Savings Institutions		
Do	5600, Inc	300.00	
David J. Simon, 3017 South Hill Street Arlington, VA 22202	National Parks & Conservation Association	672.00	138.50
Karen H. Simon, 2600 Virginia Ave., NW, 10th Floor Washington, DC 20037-1905	Schmeltzer, Aptaker & Shepard (For:Council of Nursing Home Suppliers)	9,244.00	
Michael E. Simon, 1666 K St., NW Washington, DC 20006	Arthur Andersen & Co	1,654.00	40.00
Neil A. Simon, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
David C. Simons, 1100 Connecticut Ave, NW, #410 Washington, DC 20036	Eaton Corp		4,099.88

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Talmage E. Simpkins, 444 North Capitol Street, #801 Washington, DC 20001	Labor-Management Maritime Committee, Inc	1,875.00	255.00
Thomas D. Simpson, 700 N. Fairfax Street, #601 Alexandria, VA 22314	Railway Progress Institute	729.06	
Robert H. Sindt, 1001 22nd Street, NW, #700 Washington, DC 20037	Rhone-Poulenc, Inc	6,900.00	160.00
Donna L. Singletary, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition		
Stephen G. Sinkez, 1111 19th Street, NW, #408 Washington, DC 20036	Mitsubishi Motors America, Inc	39.75	5,265.48
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Air Transport Assn of America		
Do	Akzo America, Inc		
Do	American Electronics Assn		
Do	American International Group, Inc	2,000.00	
Do	Amoco Corporation		
Do	Amstel Hudson Management Corporation	1,000.00	
Do	Armco, Inc	2,000.00	
Do	Bethlehem Steel Corp	2,000.00	
Do	Computer & Business Equipment Manufacturers Assn		
Do	Council on Research & Technology		
Do	Enron Corporation	20,000.00	
Do	General Mills	1,000.00	
Do	Merrill Lynch & Co, Inc		
Do	National Assn of Energy Service Companies		
Do	Partida Popular Democratico		
Do	Riggs National Corporation	25,000.00	
Do	San Diego Gas & Electric	1,000.00	
Do	Sara Lee Corporation	1,000.00	
Do	Transco Energy Corp	20,000.00	
Do	U.S. Central Credit Union	10,000.00	
Edmund J. Skernolis, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	592.24
Mary Jacobs Skinner, 1722 Eye Street, NW Washington, DC 20006	La Radida Childrens Hospital & Research Center, et al.	9,700.00	20.00
Barney J. Skladany Jr., 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp		508.31
Scott Sklar, 777 N. Capitol St. NE #805 Washington, DC 20002	Solar Energy Industries Assn	5,775.00	6,288.98
Kathleen M. Skrabut, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	10,725.00	106.75
Paul A. Skrabut Jr., 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	6,982.50	147.70
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	1,950.00	40.00
Do	Palumbo & Cerrell, Inc (For:Soka University)	607.50	54.75
Dale D. Skupa, 3601 Vincennes Road P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Albert J. Slechter, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	4,998.00	688.67
William T. Slider, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Ronald J. Slinn, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Kirsten A. Sloan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	559.33	74.50
David P. Sloane, 1010 Wisconsin Ave., NW #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	185.90	
Kelly Campbell Slone, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Slover & Loftus, 1224 17th St., NW Washington, DC 20036	Western Coal Traffic League	11,805.00	18,095.14
Small Business Council of America, Inc, P.O. Box 4299 Columbus, GA 31904		9,156.83	23,345.57
Douglas T. Smalls, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	6,000.00	258.73
Donald E. Smiley, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation		
C. Douglas Smith, 1850 M St., NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Carlos C. Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Strang Fletcher Carriger Walker Hodge & Smith (For:Chattanooga Production Credit Assn, et al.).		
Douglas Allen Smith, #40223-080 P.O.Box 4200 Three Rivers, TX 78071-4200			
Elizabeth M. Smith, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	6,669.00	446.17
Frank Sumner Smith Jr., P.O. Box 1365 Columbia, SC 29202	Colonial Companies, Inc	9,000.00	2,370.00
Jennifer L. Smith, 900 17th Street, NW, #520 Washington, DC 20006	West Mexico Vegetable Distributors Assn	300.00	
Julian H. Smith Jr., 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	24,720.72	1,274.13
Keith H. Smith, 1455 Pennsylvania Ave, NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Manufacturers)	400.00	
Do	French & Company (For:Montgomery Ward & Co, Inc)	75.00	
Do	French & Company (For:Wheels, Inc)	25.00	
Kirkland Smith, Docs# 83-A-4548 Fishkill Correctional Facility P.O. Box 1245 Beacon, NY 12508			
Maureen Smith, 1200 G Street, NW, #400 Washington, DC 20005	Health Industry Manufacturers Assn (HIMA)	1,550.00	227.50
Michael E. Smith, P.O. Box 5000 Cleveland, OH 44101	Cleveland Electric Illuminating Co		
Michael P. Smith, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn	4,000.00	1,794.00
Patricia Smith, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	760.61	793.00
Richard F. Smith, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Rob Smith, 516 E. Portland Street Phoenix, AZ 85006	Sierra Club	6,346.23	8,590.69
Robert E. Smith, 1730 K St., NW, #1300 Washington, DC 20006	Olin Corporation	6,300.00	1,700.00
Susan Snyder Smith, 7900 Westpark Drive, #A320 Mclean, VA 22102	Chocolate Manufacturers Assn of the USA	300.00	208.32
Tim Smith, 410 1st St., SE Washington, DC 20003	American Nuclear Energy Council	3,196.92	70.55
W. Glenn Smith, One Merchants Plaza Indianapolis, IN 46255	Merchants National Bank & Trust Co		
David A. Smitherman, 1012 Fleming Building Des Moines, IA 50309	American Petroleum Institute		
Smokeless Tobacco Council, Inc, 2550 M Street, NW, #300 Washington, DC 20037		33,009.75	33,009.75
David F. Snyder, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Gene Snyder, 205 North Third Street LaGrange, KY 40031	American Assn of Railroads	21,000.00	858.32
Do	Arthur Cameron	4,000.00	
Do	Norfolk Southern Corp	15,000.00	1,320.58
Do	Radio Assn Defending Airwave Rights, Inc	15,000.00	1,184.31
Do	Scan	10,000.00	933.56
Do	United Parcel Service	18,000.00	1,544.19
John M. Snyder, 600 Pennsylvania Ave., SE, #205 Washington, DC 20003	Citizens Comm for the Right to Keep & Bear Arms	9,000.00	
Alan C. Sobba, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Society for Animal Protective Legislation, P.O. Box 3719 Georgetown Station Washington, DC 20007		61,199.21	59,407.64
Society for Nutrition Education, 2001 Killebrew Drive, #340 Minneapolis, MN 55425-1882			3,190.08
Thomas J. Soles Jr., 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Regina Solomon, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Frederick P. Somers, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20850-0822	American Occupational Therapy Assn, Inc	2,500.00	127.99
Judah C. Sommer, 1101 Pennsylvania Ave., NW, #900 Washington, DC 20004	Goldman Sachs & Co	3,000.00	
James E. Sommerhauser, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Sorensen & Edwards, PS, 1201 Third Avenue, #2900 Seattle, WA 98101-3028	Klukwan, Inc	25,000.00	25,000.00
Do	Shee Atika, Inc		
Do	Western Pioneer, Inc	10,000.00	10,000.00
Southern Forest Products Assn, P.O. Box 641700 Kenner, LA 70064-1700		113,605.52	113,605.52
Southwest Airlines Co, P.O. Box 36611 Dallas, TX 75235-1611			13,510.00
Thomas J. Spangler, 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
John S. Sparkman, 1100 Connecticut Ave., NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	953.00	791.55
Jonathan B. Spear, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,000.00	400.00
Richard L. Spees, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly & Raffaelli (For:Desert Research Institute)	1,000.00	
Do	McAuliffe Kelly & Raffaelli (For:Washoe County)	350.00	
Martha Louise Spencer, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform (FAIR)		
William B. Spencer, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Spiegel & McDiarmid, 1350 New York Ave., NW Washington, DC 20005-4798	City & County of Denver, Director of Aviation		
Do	Connecticut Municipal Electric Energy Coop		
Do	Former Residents of Centralia Pennsylvania		
Do	LeHigh-Northhampton Airport Authority		
Do	Minneapolis/St. Paul Metropolitan Airport Commission		
Do	Northern California Power Agency		
Larry N. Spiller, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
Lisa M. Sprague, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
David E. Springer, 1301 K Street, NW, #900 East Tower Washington, DC 20005	Gardner, Carton, & Douglas (For:American Telephone & Telegraph)	22,500.00	2,101.61
Do	Gardner Carton & Douglas (For:National Cable Television Assn)	12,500.00	578.49
Do	Gardner Carton & Douglas (For:Telecommunications Industry Assn)		144.29
Martha Ann Spudis, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	6,800.00	
Mark G. Spurrier, 400 Kenilworth Drive Towson, MD 21204	Baltimore County Police Department, et al.		
Philip Squair, 1501 Wilson Blvd., #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	American Chamber of Commerce in Germany		
Do	American Soc of Anesthesiologists		
Do	ADAPSO, the Computer Software & Services Industry Assn		
Do	Independent Data Communications Manufacturers Assn	3,000.00	100.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Collegiate Athletic Assn	12,727.50	7.00
Do	Public Securities Assn		
John W. Sroka, 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Charles A. St. Charles, 808 17th Street, NW, #300 Washington, DC 20006-3910	Stewart & Stewart (For:Libbey Glass)	1,270.94	
Vivian Escobar Stack, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	678.75	9.50
Roger Staiger Jr., 1220 L Street, NW, #450 Washington, DC 20005	Alyeska Pipeline Service Co	2,000.00	
David P. Stang, P.C., 2019 Park Rd., NW Washington, DC 20010	McDermott, Inc	5,970.13	
Theresa Stanion, 3150 Spring Street Fairfax, VA 22031-2399	International Communications Industries Assn	2,125.00	
Joseph M. Stanton, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	7,500.00	2,126.82
Michael J. Stanton, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	5,400.00	
Thomas J. Stanton Jr., 1000 Thomas Jefferson Street, NW, #609 Washington, DC 20007	Leonard Ralston Keyes & Danks (For:Krueger, Inc)	13,503.75	
Mary Murray Staples, P.O. Box 660634 Dallas, TX 75266-0634	Frito-Lay, Inc		
Jane Sutter Starke, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:Blockbuster Entertainment Corp)		
Do	Eckert Seamans Cherin & Mellott (For:Community Transportation Assn of America).		
James D. Staton, 320 Timberbrook Drive Waldorf, MD 20601	Air Force Sergeants Assn, Inc		
Robert E. Staton, P.O. Box 1365 Columbia, SC 29202	Colonial Companies, Inc	9,000.00	1,210.00
Julie A. Stauss, 1225 Eye Street, NW, Suite 1250 Washington, DC 20005	American Dietetic Assn	1,000.00	442.19
Randolph J. Stayin, 1815 H Street, NW, Suite 800 Washington, DC 20006	Barnes & Thornburg (For:Empire Resources, Inc)		
Do	Barnes & Thornburg (For:Indiana Glass Company)		
Do	Barnes & Thornburg (For:Special Comm for Workplace Product Liability Reform)	800.00	186.24
Daniel M. Steadley, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Barbara E. Steakley, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Company	205.00	
Kathryn A. Steckelberg, 701 Pennsylvania Ave, NW Washington, DC 20004-2696	Edison Electric Institute	2,028.57	393.95
Jeffrey V. Steele, 2033 M Street, NW, #300 Washington, DC 20036	National Association of Arab Americans	3,250.00	25.00
Steele Silcox & Browning, P.C., 1200 19th Street, NW, #604 Washington, DC 20036	K Mart Corp		
Allan Stein, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Dan Stein, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform		
Rena Steinzor, 1350 New York Ave., NW, #1100 Washington, DC 20005-4798	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	34,856.25	13,317.94
Kristin Stelck, 1111 16th Street, NW Washington, DC 20036	American Assn of University Women	5,000.00	
Charles W. Stellar, 1227 25th Street, NW, #610 Washington, DC 20037	American Managed Care & Review Assn		
John C. Stellman, 1725 Jefferson Davis Hwy, #500 Arlington, VA 22202-4102	Chrysler Technologies Corp	100.00	
Jack L. Stempler, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	75.00
Jackson T. Stephens, 111 Center Street Little Rock, AR 72201	Stephens Group, Inc		
Stephen O. Stephens, P.O. Box 3507 111 Center Street Little Rock, AR 72203	Stephens Group, Inc		
Stephens Group, Inc, 111 Center Street P.O. Box 3507 Little Rock, AR 72203			
Stephens Overseas Services, Inc, 111 Center Street P.O. Box 3507 Little Rock, AR 72203			
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Bear Stearns & Co	13,601.09	
Do	Christie's		
Do	Citizens Savings & Financial Corp	8,180.09	
Do	Co-Operative Central Bank	3,175.58	
Do	Coalition to Promote America's Trade		
Do	CSO Company	918.61	
Do	Mutual Life Insurance Company Tax Committee		
Do	National Antique & Art Dealers Assn of America		
Do	Sotheby's, Inc		
Do	Western Financial	4,900.80	
Gary M. Stern, 122 Maryland Ave, NE Washington, DC 20001	American Civil Liberties Union	4,000.00	50.00
J. Michael Stern, 1317 F Street, NW, #400 Washington, DC 20004	R. Duffy Wall & Associates	1,250.00	
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	100.00	
Cindy M. Stevens, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	6,967.35	345.00
Earl Stevenson, 1977 N. Olden Ave., Ext. Suite 222 Ewing Township, NJ 08628			
Michael E. Steward, 1730 M Street, NW, #607 Washington,, DC 20036	Puget Sound Power & Light Co	1,885.00	262.77
Eugene L. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Floral Trade Council		
Do	Monsanto Co		
Do	Timken Co		
Terence P. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Floral Trade Council		
Do	Stewart & Stewart (For:Hudson Industries Corp)		
Do	Stewart & Stewart (For:Kimble Glass, Inc)		
Do	Stewart & Stewart (For:Libbey Glass)	7,981.25	2,451.25
Do	Monsanto Co		
Do	PPG Industries, Inc		
Do	Smith Corona Corp	9,963.75	3,452.44
Do	Stewart and Stewart		
Do	Timken Co	1,795.67	4.00
Do	Torrington Company	1,795.67	4.00
Elizabeth Still, 1850 M Street, NW, #550 Washington, DC 20036	Securities Industry Assn	1,450.00	
Lee J. Stillwell, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	750.00	
Bonny S. Stilwell, 3803 Densmore Ct. Alexandria, VA 22309	National Vietnam Verterns Coalition	4,459.00	1,108.31
Neal Stine, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
John E. Stiner, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006	American Electronics Assn	16,000.00	
John J. Stirk, 1725 Jefferson Davis Hwy, #601 Arlington, VA 22202-3585	General Dynamics Corp		
Do	Litton Industries	2,000.00	2,313.15
Heidi A. Stirrup, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
John J. Stocker, 4301 North Fairfax Drive, #330 Arlington, VA 22203	Shipbuilders Council of America	3,300.00	
Steven F. Stockmeyer, 499 South Capitol Street, SE #103 Washington, DC 20004	Manville Corporation	400.00	
Do	National Assn of Business PACs	400.00	
Do	Springs Industries, Inc		
Robin E. Stombler, 1640 Wisconsin Avenue, NW, 1st Floor Washington, DC 20007	American College of Surgeons		494.00
Judith Lee Stone, 777 N. Capitol Street, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	2,423.08	
Floyd E. Stoner, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	3,800.00	
Sam E. Story Jr., 1700 N. Moore Street Arlington, VA 22209	American Meat Institute	12,750.00	2,856.44
Todd A. Stottlemyer, 7915 Jones Branch Drive McLean, VA 22102	BDM International, Inc		
Anna Stout, 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	5,000.00	153.82
Robert Francis Stout, 1825 I Street, NW, #400 Washington, DC 20006	Heublein, Inc	20,000.00	5,561.81
Susan M. Stout, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	87.18	
William M. Stover, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	1,000.00	
John L. Stowell, 1800 K St., NW, #1018 Washington, DC 20006	PSI Energy	15,250.00	11,579.70
Strang Fletcher Carriger Walker Hodge & Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Chattanooga Production Credit Assn, et al.		
Luther J. Strange III, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		100.00
Raymond L. Strassburger, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc	1,250.00	
Terrence D. Straub, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	250.00	
Stephen P. Strickland, 1835 K Street, NW, #610 Washington, DC 20006	National Peace Institute Foundation	142.84	
Carol Stroebel, 777 N. Capitol Street, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	9,611.56	118.45
Jack B. Strong, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunications Corp		
Stroock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036	J. Aron & Co, Inc		
Do	Dreyfus Corporation	185.00	97.77
Heather P. Stroup, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn (APA)	750.00	100.00
George Strumpf, 1150 17th St., NW, #600 Washington, DC 20036	Health Insurance Plan of Greater New York	12,000.00	12,050.00
Cory N. Strupp, Legal Dept., 38th Floor 60 Wall Street New York, NY 10260	Morgan Guaranty Trust Co of New York	13,292.46	871.80
Robert A. Stuart, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,884.62	
Donald B. Studley, 127 Brookmoor Road Avon, CT 06001	Yankee Gas Services Company	815.84	437.46
Glenn Sugameli, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	3,715.85	
Arthur E. Sullivan Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	3,250.00	
Austin P. Sullivan Jr., P.O. Box 1113 Minneapolis, MN 55440	General Mills, Inc		
Charles S. Sullivan, 11 15th Street, NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	4,287.00	4,519.24
Gael M. Sullivan, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	2,344.00	755.40
Harold R. Sullivan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	600.00	
Pauline Sullivan, #11 15th St., NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants		
Sullivan & Cromwell, 1701 Pennsylvania Ave., NW, #800 Washington, DC 20006	Massachusetts Bay Transportation Authority (MBTA)	3,000.00	38.40
Do	Massachusetts Port Authority (MASSPORT)	14,000.00	168.90
Sullivan & Worcester, 1025 Connecticut Ave., NW, #806 Washington, DC 20036	Hercules, Inc	45,832.00	
Do	Marion Laboratories, Inc	7,500.00	
Do	Monarch Wine Company of Georgia, et al.		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Wine Institute		
Scott M. Summers, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company	800.00	252.00
Charles Sunderlin, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc	225.00	
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:American Library Assn)		
Do	Ropes & Gray (For:Digital Equipment Corp)		
Do	Ropes & Gray (For:Barry Krock)		
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Federation for American Immigration Reform	24,826.83	2,897.51
W. Thomas Suttle, 1521 Vermont Avenue, NW Washington, DC 20005	Institute of Electrical & Electronics Engineers	1,675.00	
Stephen Sutton, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	329.00
Douglass W. Svendson Jr., 6443 Lily Dhu Falls Church, VA 22044	Hollywood Marine, Inc	1,500.00	
Deborah Swartz, 1225 19th Street, NW, #210 Washington, DC 20036	Luggage & Leather Goods Manufacturers of America, Inc	500.00	
Do	Neckwear Assn of America, Inc	500.00	
David A. Sweeney, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	26,015.50	
William R. Sweeney Jr., 1331 Pennsylvania Ave., NW, #1300-N Washington, DC 20004	Electronic Data Systems Corp	144.00	
Frederic H. Sweet, 720 East Wisconsin Avenue Milwaukee, WI 53202	Northwestern Mutual Life Insurance Co	500.00	
Leland H. Swenson, 10065 East Harvard Avenue Denver, CO 80251	Farmers' Educational & Co-Operative Union of America	11,250.00	522.97
Robert D. Swezey Jr., 1801 Pennsylvania Avenue, NW Washington, DC 20006	MCI Communications Corp		
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	Lorillard, Inc	36,497.00	121.06
Do	National Council of Community Hospitals	255.00	
Byron Swift, 1400 16th Street, NW Washington, DC 20036	(For:IUCN-US)		51.35
Ivan Swift, P.O. Box 607 Arlington, VA 22216	New England Anti-Vivisection Society	3,000.00	1,757.00
Ronald G. Sykes, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	3,207.63
David A. Sykuta, Illinois Petroleum Council P.O. Box 12047 Springfield, IL 62791	American Petroleum Institute		
Christopher U. Sylvester, 1831 Briar Ridge Court Mclean, VA 22101	Garrison Diversion Conservancy District	3,750.00	150.19
Systems Control, Inc, 10240 Old Columbia Road Columbia, MD 21046			510.00
Ronald P. Szabat, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	268.50
SJS Advanced Strategies, 1330 Connecticut Ave., NW Washington, DC 20036	Coordinadora de Organizaciones Empresariales de Comercio Ext	350.88	495.00
Janis Tabor, 1825 K Street, NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Robert Taft Jr., 625 Indiana Avenue, NW, #500 Washington, DC 20004	Taft Stettinius & Hollister (For:Dosimeter Corp of North America)		
Do	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
George C. Tagg, 300 Maryland Ave., NE Washington, DC 20002	Federal Express Corp	6,000.00	
Nkechi Taifa, 122 Maryland Avenue, NE Washington, DC 20002	American Civil Liberties Union	1,000.00	
Bruce B. Talley, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri Inc	8,500.00	42.81
Susan Tannenbaum, 2030 M St., NW Washington, DC 20036	Common Cause	7,185.00	137.00
Thomas N. Tate, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	3,462.20	
David R. Tatum, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
Graca Da Silva Tavares, 17 Perkins Street West Newton, MA 02165			310.00
Victor Tawil, 1400 16th Street, NW, #610 Washington, DC 20036	Association of Maximum Service Telecasters, Inc		
Charles A. Taylor III, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	1,500.00	
Gene Taylor, 453 New Jersey Ave., SE Washington, DC 20003	Gene Taylor Associates, Inc (For:Empire District Electric Company)	15,000.00	
Do	Gene Taylor Associates, Inc (For:FAG Bearings Corporation)	15,000.00	
Do	Gene Taylor Associates, Inc (For:Norfolk Southern Corp)	9,000.00	
Jefferson D. Taylor, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		687.45
Larry D. Taylor, P.O.Box 70 Boise, ID 83707	Idaho Power Company		
Marie Taylor, 1825 Eye Street, NW, #400 Washington, DC 20006	BF Goodrich Co	100.00	
Peggy Taylor, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	19,873.28	476.47
T. Daniel Tearno, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	272.12	
Norman J. Temple, 155 Dresden Avenue Gardiner, ME 04345	Central Maine Power Co, et al.		
Richard L. Templeton, P.O. Box 17500 Washington, DC 20041-0500	Justice Fellowship	2,921.60	636.59
Joshua P. Tenuta, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Cheryl Terio, 1957 E Steet, NW Washington, DC 20006	Associated General Contractors of America		
Betty-Grace Terpstra, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	6,000.00	98.37
John H. Terry, P.O. Box 4878 Syracuse, NY 13221	Hiscock & Barclay (For:Niagara Mohawk Power Corp)	4,712.00	840.20
Robert D. Testa, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	715.15	
Texas Committee on Natural Resources, 5934 Royal Lane, #223 Dallas, TX 75230		1,171.72	1,171.72
Textron, Inc, 40 Westminster St. Providence, RI 02903		4,650.00	1,030.00
Janelle C. Morris Thibau, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	1,500.00	
Douglas E. Thierwechter, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corporation		
Robert G. Thoma, 2100 Pennsylvania Ave., NW, #755 Washington, DC 20037	BASF Corp	550.00	22.00
Gordon M. Thomas, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
John L. Thomas, P.O. Box 796322 Dallas, TX 75379-6322	Visual Information Technologies, Inc		
John W. Thomas, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	120.00	
Peter William Thomas, 955 26th Street, NW, #205 Washington, DC 20037	American State of the Art Prosthetic Assn		
Brent Thompson, 1331 Pennsylvania Ave., NW #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Bruce E. Thompson Jr., 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	7,500.00	
Dana S. Thompson, 305 4th Street, NE, Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		
Duane R. Thompson, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Kenneth W. Thompson, 1250 24th Street NW, #240 Washington, DC 20037	BellSouth Corp	6,000.00	142.81
Do	Duke Power Co	18,000.00	1,579.58
Do	Great Lakes Gas Transmission Company	39,000.00	1,392.00
Do	National Funeral Directors Assn	3,000.00	432.66
Do	Safety-Kleen Corporation	10,666.67	
Law Offices of Fred Thompson, 12th Floor, Life & Casualty Tower 401 Church St. Nashville, TN 37219	Central States SE & SW Areas Health Welfare & Pension Funds	3,000.00	
Randell Thompson, 1704 Old Town Rd. Edgewater, MD 21037	Parsons Brinkerhoff Quade & Douglas, Inc	15,000.00	136.12
Richard L. Thompson, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Co	1,500.00	
Robert L. Thompson Jr., P.O. Box 70 Fort Mill, SC 29715	Springs Industries, Inc		1,482.68
W. Reid Thompson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
William Douglas Thompson, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	94.79
Thompson & Company, 1001 G Street, NW, 7th Floor Washington, DC 20004	Appalachian Coalbed Methane Assn		
Do	Chicago Research & Trading Group, Ltd	5,000.00	1,495.11
Do	Golden Rule Insurance Company	625.00	11.24
Do	Lifeshares Group, Inc		
Do	Mitsubishi Electronics America, Inc	8,250.00	3,267.23
Do	Morse/Diesel		184.51
Do	Republic of Turkey	20,000.00	4,654.25
Do	Robert Wang	30,000.00	10,279.14
Thompson Mann & Hutson, 3000 K Street, NW, #600 Washington, DC 20007	Fluor-Daniel, Inc	2,225.00	20.00
Do	International Paper Company		
Do	National Dual Shop Coalition		
Do	Ravenswood Aluminum		
Jill Thorne, 222 NW Davis, #309 Portland, OR 97209	Oregon Trail Coordination Council	750.00	
Margo Thorning, 1750 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	203.00	
John Thornton, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn	1,122.00	
C. Ridgely Thorp, 60 Wall Street New York, NY 10260	Morgan Guaranty Trust Company of New York		
Kathryne M. Thorpe, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	940.00	650.45
Susan K. Till, 3800 North Fairfax Drive, #4 Arlington, VA 22203	National Water Resources Assn	4,000.00	
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	136.00	
Patti A. Tilson, Suite 520 900 17th Street, NW Washington, DC 20006	Toyota Motor Sales, USA, Inc	500.00	
John W. Timmons, 1133 Connecticut Ave, NW, #1000 Washington, DC 20036	America West Airlines, Inc	10,000.00	5,215.00
Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006	Air Transport Assn of America	1,581.25	
Do	American Factory Trawler Assn	1,812.50	
Do	American Petroleum Institute	1,522.50	
Do	Amoco Corporation	1,377.50	
Do	Anheuser-Busch Companies, Inc	1,957.50	
Do	Association of Trial Lawyers of America	1,062.50	
Do	Capital Cities/ABC, Inc	1,377.50	
Do	Chrysler Corporation	1,522.50	
Do	Entergy Services, Inc	580.00	
Do	General American Life Insurance Co	206.25	
Do	H.J. Heinz Co	1,232.50	
Do	Major League Baseball	1,812.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Morgan Stanley & Co, Inc	2,682.50	
Do	National Rifle Assn of America	870.00	
Do	Northern Telecom, Inc	1,015.00	
Do	Northrop Corp	2,102.50	
Do	NutraSweet Co	1,014.97	
Do	Phoenix Mutual Life Insurance Company	206.25	
Do	G. D. Searle & Co	1,377.50	
Do	Union Pacific Corp	1,522.50	
Alan R. Timothy, 601 Pennsylvania Ave., NW, #500 Washington, DC 20004	Adolph Coors Co	12,109.50	340.00
Michael L. Tiner, 1317 Rhode Island Ave., NW, #502 Washington, DC 20005	Electric Reliability Coalition	500.00	
Michael L. Tiner and Associates, 1317 Rhode Island Avenue, NW, #502 Washington, DC 20005	Genentech, Inc	200.00	
Do	Parry & Romani, Associates	500.02	
Do	Joseph E. Seagram & Sons, Inc	1,800.00	
G. Wayne Tingle, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
William C. Tinklepaugh, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Association		
Constance E. Tipton, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Association		661.07
E. Linwood Tipton, 888 16th St., NW Washington, DC 20006	International Dairy Foods Association		193.50
Francis M. Tivnan, Massachusetts Petroleum Council 11 Beacon Street Boston, MA 02108	American Petroleum Institute	1,500.00	
Tobacco Associates, Inc, 1725 K Street, NW, #512 Washington, DC 20006			4,170.18
James S. Todd, 515 North State Street Chicago, IL 60610	American Medical Assn	16,000.00	
Nicholas C. Tolerico, 1025 Thomas Jefferson Street, NW, #511- West Washington, DC 20007	LTV Corporation	9,000.00	100.00
David R. Toll, 1155 Connecticut Ave., NW, #400 Washington, DC 20036	Public Service Co of Colorado		
Frank Toohey, 1317 F Street, NW, #400 Washington, DC 20004	Wall & Associates, R. Duffy	1,250.00	
Michael J. Toohey, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	417.78
William T. Torgerson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
Total Petroleum, Inc, 999 18th Street, #2201 Denver, CO 80202			4,190.00
Mary C. Toups, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,570.59	707.54
Wanda Townsend, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	2,550.00	121.64
Toy Manufacturers of America, Inc, 200 Fifth Ave., #740 New York, NY 10010			
Joseph P. Trainor, 400 North Capitol Street, NW, #850 Washington, DC 20001	Railway Labor Executives' Assn	1,500.00	
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Blue Cross Blue Shield of Florida)		
Do	Hill & Knowlton, Inc (For:Fujisawa/Lyphomed)		
Do	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:U.S. Agrichemicals (Sinochem))		
Transportation - Communications Union, 815 16th St., NW, #511 Washington, DC 20006		7,000.00	8,095.69
Thomas C. Trauger, 1350 New York Ave., NW Washington, DC 20005	Michigan Municipal/Cooperative Group	4,671.25	
Travel & Tourism Government Affairs Policy Council, 1133 21st Street, NW Washington, DC 20036		4,300.00	4,300.00
Travel Industry Assn of America, Two Lafayette Centre 1133 21st Street, NM Washington, DC 20036			8,750.00
Jeffrey C. Treeman, 3801 S. Sheridan Tulsa, OK 74145	United Video, Inc	8,000.00	25,792.77
Tripp Scott Conklin & Smith, 110 Tower, 28th Floor 110 Southeast 6th Street Fort Lauderdale, FL 33301	Alamo Rent-A-Car, Inc		5,493.95
Michael G. Troop, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	13,125.00	
George G. Troutman, Suite 1100 1090 Vermont Ave., NW Washington, DC 20005	Bell Helicopter Textron, Inc	150.00	
Gregory A. Troxell, 1800 K Street, NW, #1018 Washington, DC 20006	PSI Energy, Inc	5,000.00	4,767.91
Thomas L. Trueblood, 455 North Cityfront Plaza Drive Chicago, IL 60611	Navistar International Transportation Corp	1,000.00	553.00
Rowland V. Tucker, Box 133 Darby, PA 19023	Amtrack Conrail Pennsylvania Railroad Retirees	350.00	117.50
Tucker & Associates, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	New York Life Insurance Company		
Do	Regional Transportation District	3,000.00	
Shannon B. Tuel, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
David Turch & Asso, 517 2nd Street, NE Washington, DC 20002	City of Rialto	4,800.00	3,434.45
J. Terry Turner, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference	700.00	350.00
Pamela Turner, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	7,012.50	86.14
Turner Broadcasting System, Inc, 820 First Street, NE Washington, DC 20002		18,723.00	18,723.00
Mimi Turnipseed, 2301 M Street, NW, 3rd Fl Washington, DC 20037	American Public Power Assn	1,500.00	
John R. Tydings, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	8,500.00	
Joseph D. Tydings, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)		
Do	Anderson Kill Olick & Oshinsky (For:Population Crisis Committee)		
Craig Tyle, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	65.93	
George Randall Tyree, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	65.00	
U.S. Cane Sugar Refiners' Assn, 1001 Connecticut Ave., NW Washington, DC 20036			35.30
U.S. League of Savings Institutions, 111 E. Wacker Dr. Chicago, IL 60601			132,025.00
U.S. Public Interest Research Group, 215 Pennsylvania Avenue, SE Washington, DC 20003		166,760.58	118,738.62
U.S. Strategies Corp, 1321 Duke Street, #200 Alexandria, VA 22314-3563	American Day Treatment Centers, Inc		
Do	Continental Medical Systems		
Do	Healthsouth Rehabilitation Corp		
Do	Integrated Health Services, Inc		
Jerry G. Udell, 701 Pennsylvania Ave., NW Washington, DC 20004	National Retail Federation	145.00	25.00
Mark J. Ugoretz, 1400 L St., NW Ste. 350 Washington, DC 20005	Erisa Industry Committee	1,875.00	
Jon C. Uithol, 9623 Shipwright Dr. Burke, VA 22015	D.C. Metropolitan Subcontractors Assn		
Elizabeth Ulmer, 1531 P Street, NW, #200 Washington, DC 20005	Sierra Club Legal Defense Fund	1,158.88	441.82
Robert D. Umphrey Jr., 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	3,000.00	93.60
Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419			
United Brotherhood of Carpenters & Joiners of America, 101 Constitution Ave., NW Washington, DC 20001			2,574.00
United Gas Pipe Line Co, P.O. Box 1478 Houston, TX 77251-1478			
United International Consultants, 1800 Diagonal Road Alexandria, VA 22314	Republic of South Africa	40,000.00	6,000.00
United Shareholders Assn, 1667 K St., NW, #770 Washington, DC 20006		864.48	6,600.00
University of Michigan Medical Center, 300 North Ingalls, Room NI4A18 Ann Arbor, MI 48109			595.51
Anne I. Urban, 311 First Street, NW Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	6,000.00	891.05
Francis J. Vacca, 100 North Carolina Ave., SE Washington, DC 20003	Mid-America Dairymen, Inc	39,000.00	
Do	Western United Dairymen	6,000.00	
Robert E. Vagley, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Anthony Valanzano, 1825 I Street, NW, #400 Washington, DC 20006	American Insurance Assn	15,000.00	227.65
Do	American Land Title Assn	1,625.00	46.80
Do	Colonial Life & Accident Insurance Co	12,000.00	394.24
Jack J. Valenti, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,416.00	
Van der Voort Associates, Ltd, 1134 Westmoreland Road Alexandria, VA 22308	Orbital Sciences Corporation	500.00	
Do	Pharmaceutical Manufacturers Assn	500.00	
Do	Princeton University Office of Governmental Affairs	75.00	
Do	SPACEHAB	500.00	
William R. Van Dresser, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Van Dyk Associates, Inc, 1250 24th St.,N.W. Suite 600 Washington, DC 20037	American Gas Assn		
Joseph Van Eaton, 1350 New York Ave, #1100 Washington, DC 20005	Spiegel & McDiarmid (For:Gillette, Wyoming)		
Do	Spiegel & McDiarmid (For:Salina, Kansas)		
Matthew Van Hook, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Burkett Van Kirk, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Anheuser-Busch Companies, Inc		
Van Ness Feldman & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Alaska Eskimo Whaling Commission		
Do	American President Lines		
Do	Arctic Slope Regional Corp	3,024.00	
Do	Barron Collier Co		
Do	Blackfeet Tribe		
Do	Bumble Bee Seafoods, Inc		
Do	Clean Coal Technology Coalition		
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Electric Transportation Coalition	144.00	
Do	Fort Belknap Tribes		
Do	Geothermal Resources Assn	456.00	
Do	Intertribal Agricultural Council		
Do	Jicarilla Apache Tribe		
Do	Koncor Forest Products Company		
Do	Lower Colorado River Authority		
Do	LUZ International Ltd		
Do	McKesson Corp		
Do	National Wetlands Coalition	240.00	
Do	Natural Gas Supply Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Oneida Nation of New York		
Do	Seneca Resources, Inc		
Do	SCE Corp	1,032.00	
Do	Toyota Motor Sales, USA, Inc		
Do	TransAlta Resources Corp		
Do	Uranium Producers of America		
H. Stewart Van Scoyoc, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:Anheuser-Busch Companies, Inc)	15,000.00	
Do	Van Scoyoc Associates (For:Champion International Corp)	2,500.00	
Do	Van Scoyoc Associates (For:Coalition of EPSCoR States)	9,062.50	
Do	Van Scoyoc Associates, Inc (For:Dresser Industries, Inc)	2,500.00	
Do	Van Scoyoc Associates (For:Du Pont de Nemours & Company, E.I.)	2,500.00	
Do	Van Scoyoc Associates (For:International Paper)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)	5,000.00	
Do	Van Scoyoc Associates (For:Quanex)	8,025.00	
Do	Van Scoyoc Associates (For:Scott Paper Company)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:Tulane University)		
Do	Van Scoyoc Associates (For:University of Alabama System)	6,000.00	
Do	Van Scoyoc Associates (For:USF&G Insurance)	9,375.00	
Do	Van Scoyoc Associates (For:Weyerhaeuser)	2,500.00	
John A. Vance, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	3,222.00	
Marjorie Vanderbilt, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,614.00	491.70
Norman C. VanderNoot, New Hampshire Petroleum Council 15 N. Main Street Concord, NH 03301	American Petroleum Institute	323.00	227.88
Charlene Vanlier, 6203 A Waterway Drive Falls Church, VA 22044	Capital Cities/ABC, Inc	666.00	
Barbara J. Varca, 1015 15th Street, NW, #401 Washington, DC 20005	Syntex (U.S.A.), Inc	1,200.00	722.48
Donald R. Vaughan, P.O. Box 2909 Asheboro, NC 27203	Stedman Corporation		
Nicholas A. Veliotes, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	4,000.00	
Venable Baetje Howard & Civiletti, 1201 New York Ave., NW, #1100 Washington, DC 20005	American Insurance Assn		
Do	Compaq Computer Corporation		
Do	Computer & Business Association	1,000.00	
Do	International Mass Retail Association	500.00	
Do	Wal-Mart		
Carol Verby, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
Pamela Verick, 1666 Connecticut Ave., NW Washington, DC 20009	Federation for American Immigration Reform		
Frank Verrastro, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Co	1,084.00	
Linda Vickers, 1706 23rd St., South Arlington, VA 22202	Communicating for Agriculture, Inc		
Do	National Assn of Crop Insurance Agents		
David Vienna & Associates, 401 Wythe Street, #2-A Alexandria, VA 22314	American Assn of Classified School Employees	1,006.25	
Do	California Franchise Tax Board	6,383.75	
Do	California Public Employees' Retirement System	3,823.75	
Do	California State Senate		
Do	Executive Life Insurance Company of California		
Do	International Assn of Amusement Parks & Attractions		
Do	International Assn of Fairs & Expositions		
Do	Pacific Stock Exchange, Inc		
Do	State Board of Equalization (Calif)	5,027.50	
Ralph Vinovich, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,000.00	37.25
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Allied-Signal, Inc		
Do	Bank Tax Group		
Do	Citicorp Washington, Inc		
Do	City & County of San Francisco	97.50	
Do	E. M. Warburg Pincus & Co, Inc		3,225.00
Do	Federal Express Corp	7,192.50	
Do	Goldman Sachs & Co	9,035.25	6,271.00
Do	Guadalupe Valley Electric Cooperative	12,475.00	
Do	Gulf Coast Regional Blood Center		
Do	Merrill Lynch & Co, Inc		
Do	Panhandle Eastern Corp		
Do	Pennsylvania Engineering Company	13,033.75	
Do	Texas Veterans Land Board		
Do	United Savings Assn of Texas FSB	9,450.00	
Do	YWCA Retirement Fund	5,872.00	
Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006	Continental Insurance Companies	10.00	
Do	National Fraternal Congress of America	15.00	
Virginia Association of Railway Patrons, P.O. Box 867 Richmond, VA 23207		460.00	235.71
Dina Vizzaccaro, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	13,248.00	
David Vladeck, 2000 P Street, NW Washington, DC 20036	Public Citizen	1,200.00	
Nick J. Volcheff, 7325 Del Norte Drive Scottsdale, AZ 85258	AT&T		
Volkswagen of America, Inc, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024			800.00
Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006	Paralyzed Veterans of America	22,717.17	
Ian D. Volner, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Cohn & Marks (For:Maclean Hunter Cable TV)		
Do	Cohn & Marks (For:USA Network)		
Volpe Boskey & Lyons, 918 16th Street, NW, #602 Washington, DC 20006	American Assn of Equipment Lessors		
Voluntary Hospitals of America, Inc, 1150 17th Street, NW, #300 Washington, DC 20036			11,250.00
Volunteer Trustees of Not-For-Profit Hospitals, 818 18th Street, NW, #900 Washington, DC 20006		8,500.00	11,569.00
Ingrid A. Voorhees, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	125.00	100.00
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Bell Communications Research		
Do	Committee of Publicly Owned Companies	1,211.95	61.13
Do	Dale Michael A/K/A Riviera Bowling Lanes		341.29
Do	Grocery Manufacturers of America, Inc		
Do	Ohio Advanced Technology Center, Inc		
Do	Ohio Assn of Broadcasters	366.37	10.00
Do	Ohio Forestry Assn		
Do	Ohio Manufacturers Assn		
Do	Ohio Soft Drink	3.16	
Do	Recyclers of Copper Alloy Products	17,000.00	4,485.93
Do	Snow Aviation International, Inc		
Carmen Delgado Votaw, 1025 Connecticut Ave., NW, #309 Washington, DC 20036	Girl Scouts of the U.S.A.		2,723.26
Frank J. Voyack, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	17,864.63	858.24
John A. Vuono, Vuono Lavelle & Gray 2310 Grant Building Pittsburg, PA 15219	Procompetitive Rail Steering Committee		
Thomas D. Wacker, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	643.28
Rex B. Wackerle, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	79.12
Sadami Wada, 9 West 57th Street New York, NY 10019	Sony Corp of America		
Robert J. Wade, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Robert Waffle, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	1,250.00	
Joan Wages, 601 24th Street, NW #904 Washington, DC 20037	Association of Professional Flight Attendants	4,500.00	734.00
Do	Independent Federation of Flight Attendants	3,000.00	825.00
Do	Independent Union of Flight Attendants	4,125.00	687.00
Do	Union of Flight Attendants	1,500.00	185.00
Andrew F. Wahlquist, 1701 Pennsylvania Ave., NW Washington, DC 20006	McDonnell Douglas Corp	15,000.00	4,300.00
Frederick P. Waite, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs (For:American Wire Producers Assn)		
Herbert R. Waite, 2 Skipper Way Glousester, MA 01930	Citicorp	6,500.00	4,144.23
Donna Waks, 1627 Lamont St., NW, #51 Washington, DC 20010	Rainbow Lobby	2,690.00	
Michael Waldman, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	9,575.00	
Angela S. Waldorf, N.C. Petroleum Council P.O. Box 167 Raleigh, NC 27602	American Petroleum Institute		
Doug Walgren, 8312 Hunting Hill Lane McLean, VA 22102	Association of Chiropractic Colleges	15,000.00	
Do	Chambers Development Company, Inc	15,000.00	
Do	Independent Bancservices Exchange	3,000.00	
Do	Institute of Scrap Recycling Industies, Inc	15,000.00	
Do	Merck & Company	30,000.00	
Do	National Assn of Convenience Stores	3,000.00	
Do	Petroleum Marketers Assn of America	3,000.00	
Do	Society of Independent Gasoline Marketers of America	3,000.00	
Do	University of Pittsburg Medical Center	15,000.00	
Barbara J. Walker, P.O. Box 1417-D50 119 Oronoco Street Alexandria, VA 22313	Animal Health Institute		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John S. Walker, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	10,850.00	
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	American Institute of Certified Public Accountants	2,500.00	
Do	American Petroleum Institute	1,000.00	
Do	American Road & Transportation Builders Assn	1,000.00	
Do	American Telephone & Telegraph Co	3,750.00	
Do	Anheuser-Busch Companies, Inc		
Do	Atchison Topeka & Santa Fe Railway Co	2,550.00	
Do	Bankers Trust Company	1,000.00	
Do	Broadcast Music, Inc	3,750.00	
Do	BMW of North America, Inc	7,500.00	
Do	Columbia Pictures Entertainment, Inc	2,187.50	
Do	CSX Corporation	1,500.00	
Do	Federal Home Loan Mortgage Corp	5,400.00	
Do	Honeywell, Inc		
Do	Mexican Department of Commerce & Industrial Development	2,000.00	
Do	Mid Continent Oil and Gas Assn	7,200.00	
Do	MBNA America Bank NA	7,500.00	
Do	National Business Aircraft Assn	60.00	
Do	National Stone Assn	3,000.00	
Do	Northville Industries Corp	1,500.00	
Do	Northwestern Mutual Life Insurance Co	3,750.00	
Do	Sony Music Entertainment, Inc	4,375.00	
Do	Southern Company Services, Inc	3,750.00	
Do	Union Pacific Corp	1,800.00	
Do	Weyerhaeuser Company		
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Ad Hoc Comm on Coal Taxation	1,000.00	
Do	American Paper Institute, Inc		
Do	Bell Atlantic Corp	1,500.00	
Do	Chambers Development Co, Inc	2,250.00	
Do	Cominco, Ltd	2,200.00	
Do	Edison Electric Institute		
Do	Eli Lilly & Company	2,500.00	
Do	Footwear Distributors and Retailers of America	2,000.00	
Do	Graham Resources	1,000.00	
Do	Grocery Manufacturers Assn	2,250.00	
Do	Hong Kong Trade Development Council	2,000.00	
Do	IMC Fertilizer, Inc	1,000.00	
Do	Jackson National Life Insurance Co	1,000.00	
Do	National Agricultural Chemicals Assn		
Do	Peabody Holding Co, Inc	1,200.00	
Do	Pennsylvania Engineering	250.00	
Do	Pharmaceutical Manufacturers Assn	2,250.00	
Do	Pittston Group	1,250.00	
Do	Sandoz Corporation Protection Corp.	1,000.00	
Do	Securities Industry Assn	2,250.00	
Do	Torchmark Corporation	1,250.00	
Do	United Company	1,250.00	
Henry Scott Wallace, 1110 Vermont Ave., NW, #1150 Washington, DC 20005	National Assn of Criminal Defense Lawyers	15,000.00	50.00
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Alabama Farmers Federation	3,500.00	549.75
Do	Alaska Pulp Corp		
Do	American Soc of Farm Managers and Rural Appraisers	7,500.00	435.16
Do	American Sugar Cane League	19,375.00	5,487.72
Do	Calgene, Inc	3,750.00	270.51
Do	Cash America	5,000.00	
Do	Cotton Warehouse Assn of America	10,750.00	
Do	Domino Sugar Corp	7,500.00	10.00
Do	Fiber Fabric & Apparel Coalition for Trade		
Do	Flue-Cured Tobacco Cooperative Stabilization Corp	5,000.00	
Do	Merchants Grain & Transportation, Inc		
Do	Service Corporation International	7,500.00	
Do	U.S. Canola Association	5,000.00	50.00
Do	URCARCO		
Lori M. Wallach, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,575.00	
Lionel L. Wallenrod, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Charles S. Walsh, Fleischmen & Walsh 1400 16th Street, NW Washington, DC 20036	National Cable Television Assn, Inc	1,500.00	
Richard J. Walsh, 6770 Lake Ellanor Drive Orlando, FL 32859-3330	General Mills Restaurants, Inc	962.50	46.31
Walter Conston Alexander & Green, P.C., 90 Park Avenue New York, NY 10016-1387	Leybold AG		
Bonnie B. Wan, 1201 Pennsylvania Ave., NW, #220 Washington, DC 20004	Kimberly-Clark Corp		
Alan S. Ward, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Baker & Hostetler (For:Soap & Detergent Assn)		
Michael D. Ward, c/o Virginia Petroleum Council, 701 E. Franklin Street, #105 Richmond, VA 23219	American Petroleum Institute		
Stephen E. Ward, 801 Pennsylvania Avenue, NW, #804 Washington, DC 20004-2604	Mid-Continent Oil & Gas Assn	5,191.92	75.00
Robert A. Warden, 1331 F Street, NW, #400 Washington, DC 20004	Public Employees Retirement Assn of Colorado		
Michael A. Waring, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	649.66
Peter F. Warker, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	1,928.00	22.18
Ann D. Warner, 2120 L Street, NW, #305 Washington, DC 20037	International Bridge Tunnel & Turnpike Assn	2,710.00	2,710.00
Ernest R. Warner Jr., 1133 Connecticut Avenue, NW Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Sofreavia)		289.39
Do	DGA International, Inc (For:SNECMA)		555.32
James H. Warner, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
David E. Warr, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Company	1,000.00	
B. Jack Warren, P.O. Box 95385 Atlanta, GA 30347	Forest Farmers Assn		
Betsy R. Warren, 2001 Pennsylvania Avenue, NW, #600 Washington, DC 20006	Allied-Signal Inc		
Do	Edison Electric Institute		
Do	Schmertz Company, Inc for Gov't of the Republic of Greece	8,700.00	
Do	Warren & Company (For:Southern Company Services, Inc)		
Tristan Carter Warren, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	6,500.00	1,077.07
Barbara J. Washburn, 1660 L Street, NW, #400 Washington, DC 20036	General Motors Corp	3,000.00	781.83
Washington Christian & Loafman, 1275 Pennsylvania Ave., NW, #301 Washington, DC 20004	Bethune-Cookman College		
Do	City of Cleveland	9,350.00	770.16
Do	City of Philadelphia	11,250.00	920.24
Do	Coca-Cola Company	5,000.00	154.94
Do	Electronic Data Systems, Inc		
Do	Government of the People's Republic of Angola		
Do	Government of Antigua		
Do	Greater Cleveland Regional Transit Authority	6,600.00	264.94
Do	OPEDA		
Washington Public Affairs Group, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	National Union for the Total Independence of Angola (Unita)		
John L. Watson III, One World Trade Center, #4511 New York, NY 10048	Security Traders Assn. Inc	6,484.00	
Leroy Watson, 1616 H Street, NW Washington, DC 20006	National Grange	4,875.00	
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	30.00	
Douglas R. Watts, 1724 Massachusetts Avenue, NW Washington, DC 20036	Tele-Communications, Inc	3,750.00	
George B. Watts, 1155 15th St., NW, #614 Washington, DC 20005	National Broiler Council	1,650.00	
Philip A. Waxman, 2800 Quebec St., #536, NW Washington, DC 20008	Boehringer Ingelheim Pharmaceuticals, Inc	8,973.08	2,437.75
William H. Weatherspoon, North Carolina Petroleum Council PO Box 167 Raleigh, NC 27602	American Petroleum Institute		
A. Vernon Weaver, 111 Center Street Little Rock, AR 72201	Stephens Group, Inc		
Andrew H. Webber, 810 First Street, NE, #410 Washington, DC 20002	American Medical Peer Review Assn		
Frederick L. Webber, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions		
Phillip J. Weber, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn (Fannie Mae)	36,600.00	2,261.72
Webster & Sheffield, 237 Park Ave. New York, NY 10017	Mazda Motor Manufacturing (USA) Corp		
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Commercial Law League of America		
Do	International Taxicab and Livery Assn		
Do	INTERARMS		
Weidenfeld & Rooney, 1899 L Street, NW, #500 Washington, DC 20036	Southern Company Services, Inc		
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	Noranda, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	The Centennial Co	975.00	16.00
Steven A. Wein, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Weinberg Bergeson & Neuman, 1300 Eye Street, NW, #600 East Washington, DC 20005	Battery Council International		
Do	National Assn for Plastic Container Recovery (NAPCOR)		
Do	Portable Rechargeable Battery Association		
Robert A. Weinberger, 816 Connecticut Ave., NW Washington, DC 20006	Unilever U.S., Inc	8,000.00	260.00
Deborah Feldman Weiner, 11004 Petersborough Drive Rockville, MD 20852	American Soc for the Prevention of Cruelty to Amimals	1,500.00	
Roslyne D. Weiner, 1205 South Washington Street, Apt. #12A Alexandria, VA 22314	American Group Practice Assn		
Donald G. Weinert, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,500.00	
Anna Weinroth, 1666 Connecticut Ave., NW #400 Washington, DC 20009	Federation for American Immigration Reform		
Sandra G. Weis, 445 Hamilton Ave. White Plains, NY 10601	Prodigy Services Company		800.00
Arthur A. Weiss, One Woodward Avenue, Suite 2400 Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C.		
Don Welch, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John F. Welch, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		135.18
Suzanne Welch, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	2,000.00	100.00
Arnold Wellman, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	15,000.00	271.25
Kent M. Wells, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		2,709.43
Robert C. Wells, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	3,932.50	
Frederick C. Wendorf, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004	Central & South West Services, Inc	3,920.00	2,704.94
Fred Wertheimer, 2030 M St., NW Washington, DC 20036	Common Cause	19,617.54	156.00
James K. Wessel, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp	5,000.00	
Charles M. West, 205 Daingerfield Road Alexandria, VA 22314	National Assn of Retail Druggists	1,500.00	300.00
Ford B. West, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	25,000.00	822.58
G. Franklin West, 1530 North Key Blvd., #122 Arlington, VA 22209	Church Alliance	15,000.00	
Do	Oklahoma Natural Gas	9,000.00	
W. P. West Jr., 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	3,000.00	201.23
West Mexico Vegetable Distributors Assn, P.O. Box 848 Nogales, AZ 85621			
J. C. West, P.C., 1090 Vermont Ave., NW, #800 Washington, DC 20005	City of Detroit	38,905.00	13,869.56
Western Coal Traffic League, 1224 17th St., NW Washington, DC 20036		48,455.50	33,140.04
Michelle Westover, 1785 Massachusetts Ave., NW Washington, DC 20036	National Trust for Historic Preservation	984.00	
John F. Wetzel Jr., 50 F St., NW Washington, DC 20001	Association of American Railroads	360.68	30.24
Wexler Group, 1317 F Street, NW, #600 Washington, DC 20004	Allied-Signal, Inc		
Do	American Airlines, Inc	5,700.00	539.43
Do	American Institute for Foreign Study Scholarship Foundation	50.00	113.64
Do	American Public Transit Assn	1,200.00	5.45
Do	ARCO	5,000.00	10.90
Do	Columbia Hospital for Women Medical Center	5,775.00	7.00
Do	Communications Satellite Corp	1,575.00	23.45
Do	Consortium of State Maritime Schools		
Do	Coopers & Lybrand	1,850.00	
Do	Defense Rations Manufacturers Assn		
Do	Des Moines Chamber of Commerce		
Do	Foothills Pipe Lines (Yukon) Ltd	300.00	17.40
Do	FHP	1,350.00	5.45
Do	General Motors Corp		
Do	Intermountain Rural Electric Assn		
Do	Massachusetts Maritime Academy	160.00	
Do	Motion Picture Assn of America, Inc	8,460.00	
Do	MCI Communications Corp	4,000.00	
Do	National Gypsum Co	880.00	
Do	New England Aquarium	110.00	
Do	Oceanic Institute		
Do	Ohio Edison		
Do	State of Oregon, Office of the Governor		
Do	Training Media Distributors Assn		
Do	U.S. Bioscience	2,450.00	21.70
Brian B. Whalen Jr., 455 North Cityfront Plaza Drive Chicago, IL 60611	Navistar International Transportation Corp	4,000.00	11.77
Curtis E. Whalen, 1600 Wilson Blvd., #1000 Arlington, VA 22209	American Waterways Operators, Inc	5,000.00	1,337.76
Whalen Company, Inc, 1717 K Street, NW, #700 Washington, DC 20006	Equitable Life Assurance Society of the U.S.		
Do	Toyota Motor Sales, USA, Inc		
Ellan Wharton, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Carol Wheeler, 1650 30th Street, NW Washington, DC 20007	Media Enterprises Corp (For:National Assn of Public Television Stations)	900.00	572.85
David W. Wheeler, 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	23,721.87	13,372.33
Larry Wheeler, 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company	459.00	
Sandra Wheeler, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,913.00	
John C. Whitaker, 2021 L Street, NW, #320 Washington, DC 20036-4909	Union Camp Corporation	4,144.00	183.97
George E. White Jr., 706 Lowerline St New Orleans, LA 70118	Avondale Industries, Inc	21,996.00	7,646.53
Joyce White, 222 NW Davis, #309 Portland, OR 97209	Oregon Trail Coordinating Council	562.50	
Larry White, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	598.84	269.25
Leland J. White, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	124.98
Margita E. White, 1400 16th Street, NW, #610 Washington, DC 20036	Association of Maximum Service Telecasters, Inc	503.00	
Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041	Harris Corporation	3,500.00	1,515.06
Richard H. White, 1875 I Street, NW, #800 Washington, DC 20006	Tobacco Institute	600.00	39.57
Toni D. White, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	947.70	139.92
William R. White, Kaplan, Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Edison Electric Institute		
Do	Gadot Petrochemical Industries	7,581.00	198.16
Do	Walter Conston Alexander & Green (for: Leybold AG)	18,698.00	776.49
White Fine & Verville, 1156 15th St., NW, #1100 Washington, DC 20005	Association of Regionally Accred Priv Coll & Univ	30,000.00	
Whiteford Taylor & Preston, 888 17th St., NW, #400 Washington, DC 20006	Giddings & Lewis, Inc	17,325.00	5,404.00
Do	National Constructors Association	16,666.65	4,316.33
Brad Whitehurst, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	425.00	
Suzanne K. Whitehurst, 332 Constitution Ave., NE Washington, DC 20002	Marcus G. Faust, PC (For:Central Utah Water Conservancy District)	1,557.00	
Do	Marcus G. Faust, PC (For:Clark County Nevada-McCarran International Airport)	1,557.00	
Do	Marcus G. Faust (For:Geneva Steel)	1,557.00	
Do	Marcus G. Faust, PC (For:Las Vegas Valley Water District)	1,557.00	
Do	Marcus G. Faust, PC (For:Public Service Co of New Mexico)	1,557.00	
Do	Marcus G. Faust, PC (For:Sierra Pacific Power Co)	1,557.00	
Do	Marcus G. Faust, P.C. (For:State of Montana Dept of Natural Resources & Conservation).	1,557.00	
Wayne A. Whitham, 1021 East Cary Street, 17th Floor P.O. Box 1320 Richmond, VA 23210-1320	Williams Mullen Christian & Dobbins (For:Investors Savings Bank)		
Richard M. Whiting, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	7,500.00	
Elizabeth D. Whitley, 600 Maryland Ave., SW, #800 Washington, DC 20024	American Farm Bureau Federation	7,981.00	50.00
Cameron Whitman, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	FAIR		
Robert L. Whitmire, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	341.29
William F. Whitsitt, 1212 New York Avenue, NW, Suite 1200 Washington, DC 20005-6419	Oryx Energy Company	3,000.00	183.74
Larry H. Whitt, 9111 E. Douglas Wichita, KS 67207	Pizza Hut, Inc		
Robert Whittaker, c/o Fleishman Hillard, Inc 1301 Connecticut Ave., NW Washington, DC 20036	J. I. Gray & Associates		
Do	Arnold J. Lande MD.		
Whitworth & Associates, 801 Pennsylvania Ave., NW, #747 Washington, DC 20004	Mesa Limited Partnership	3,000.00	
William E. Wickert Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	200.00	
Gary L. Widman, 505 Montgomery Street San Francisco, CA 94111	Bronson Bronson & McKinnon (For:Sjoberg Industries, Inc)		
Helen C. Wiederhorn, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	3,382.80	2,978.02
Phillip R. Wiedmeyer, 600 North 18th Street Birmingham, AL 35203	Alabama Power Co	24,011.44	1,497.43
Wiggin & Dana, One Century Tower P. O. Box 1832 New Haven, CT 06508-1832	Villa Banfi, U.S.A.		
Robert Wigington, 1220 19th Street, NW, #200 Washington, DC 20036	Airport Operators Council International		
W. Scott Wilber, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,975.00	
Wildlife Legislative Fund of America, 1000 Connecticut Ave., NW, #1202 Washington, DC 20036			5,200.00
Cynthia H. Wiles Consulting, 10898 Woodleaf Lane Great Falls, VA 22066	Environmental Research Institute of Michigan	16,562.50	221.88
Do	Industrial Technology Institute		
Wiley Rein & Fielding, 1776 K Street, NW, 12th Fl. Washington, DC 20006	American Newspaper Publishers Assn	4,403.00	92.16
Do	Association for Public TV (APTV)		
Do	Association of Telemessaging Services, International	1,653.00	7.25
Do	Firemens Fund Insurance		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	J.C. Penney		
Do	Marine Mammal Coalition		
Do	Merchants National Bank	2,350.00	86.52
Do	National Assn for Information Services	830.00	
Do	National Health Care Anti-Fraud Assn		
Do	Olan Mills, Inc	8,781.00	157.94
Do	Operator Service Providers of America		
Do	Pharmaquest		
Do	Prodigy Services Company		
Do	United Parcel Service		
Guenther O. Wilhelm, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Carl B. Wilkerson, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Julia Bullard Wilkie, 206 E Street, NE Washington, DC 20002	National Roofing Contractors Assn	2,187.50	857.50
David A. Wilkinson, 1331 Pennsylvania Ave., NW, #890-North Washington, DC 20004	General Electric Co	1,050.00	
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Central States Health & Life Co of Omaha	2,500.00	
Do	Empire Blue Cross & Blue Shield		
Do	Fleet/Norstar Financial Group	98,277.77	6,656.74
Do	Hobbs Straus Dean & Wilder	14,412.00	654.44
Do	Northwest Hydroelectric Assn	5,000.00	35.00
Do	J.C. Penney Co, Inc	17,142.40	864.73
Do	Solano Water Authority	2,065.00	32.00
Do	Summit Energy Storage, Incut	1,185.00	25.00
Do	Turlock Irrigation District	1,900.00	200.00
Do	VISA USA, Inc	41,243.50	1,879.06
Faith Williams, 1001 Pennsylvania Ave., NW, #460 Washington, DC 20037	New York Life Insurance Company	315.00	
Jack L. Williams, 451 New Jersey Avenue, SE Washington, DC 20003	Ark-Best Co	1,450.00	350.00
Do	Arkansas Louisiana Gas Co (ARKLA)	1,500.00	350.00
Do	Coalition for American Energy Security	1,450.00	300.00
Do	Electro Com Automation, Inc	1,550.00	300.00
Do	Riceland Foods, Inc	1,500.00	250.00
Do	Tyson Foods, Inc	1,500.00	275.00
Leonard B. Williams, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	50.00	166.58
Lucinda L. Williams, 733 15th Street, NW, #700 Washington, DC 20005	National Medical Enterprises, Inc	4,980.00	
Michael E. Williams, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,046.45	518.54
Patrick H. Williams, 2001 Pennsylvania Ave., #800 Washington, DC 20006	MCI Communications Corp	4,000.00	993.63
Do	Telecommunications Industry Assn	1,500.00	
Perry F. Williams, 225 Main St. Newington, CT 06111	American Radio Relay League, Inc	1,706.00	1,195.00
Peter Williams, 2030 M St., NW Washington, DC 20036	Common Cause	450.00	
Richard T. Williams, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,000.00	
Robin L. Williams, 1667 K St., NW, #210 Washington, DC 20006	Rohm & Haas Co	500.00	162.59
Wade S. Williams, 1001 Pennsylvania Ave., NW Suite 350N Washington, DC 20004	Deloitte & Touche		38,200.00
Wanda Williams, 317 10th Street, NE, #8 Washington, DC 20002	Career College Assn	1,500.00	1,500.00
Williams & Connolly, 839 17th St., NW Washington, DC 20006	Gtech	281.75	376.25
Do	North American Assn of State & Provincial Lotteries	601.25	376.25
Do	Southeast Toyota Distributors, Inc		
Alan R. Willis, Box 3529 Portland, OR 97208	Port of Portland	12,055.00	
Roy W. Willis, 1101 16th Street, NW Washington, DC 20036	Independent Petroleum Assn of America		
Wayne D. Willis, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	663.62	262.76
Willkie Farr & Gallagher, 1155 21st Street, NW, # 600 Washington, DC 20036	American Nuclear Energy Council (ANEC)		
Do	Association of International Auto Manufacturers	2,433.75	
Do	Institute of Resource Recovery (IRR)	6,484.00	29.16
Do	Morgan Guaranty Trust Co	11,497.50	31.00
Do	National Assn of Independent Fee Appraisers	24,542.50	
Do	Standard Commercial Tobacco Co	1,032.50	
Do	Telecommunications Industry Assn		
Do	Westinghouse Electric Corp	5,230.00	86.69
Do	Yamaha Motor Co, Ltd, et al.	637.50	
Do	Yamaha Motor Manufacturing Corp of America	137.50	
Cindy J. Wilmer, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,500.00	50.00
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Aetna Life & Casualty Co		
Do	American Honda Motor Co, Inc		
Do	Association of American Universities		
Do	Business Roundtable	1,475.00	
Do	Capital Cities/ABC, Inc		
Do	Computer Systems Policy Project		
Do	Cook Inlet Communications, L.P.		
Do	G-IV Family Coalition, Inc	8,832.50	29.00
Do	Handgun Control, Inc		
Do	Intellectual Property Committee		
Do	International Metals Reclamation Company, Inc	590.00	
Do	Pepsico, Inc		
Ann Wilson, 1611 Duke Street Alexandria, VA 22314	American Movers Conference	1,000.00	
Charles D. Wilson, 1919 South Broadway, Box 19130 Green Bay, WI 54307-9130	Fort Howard Corp	615.36	795.61
G. Peter Wilson, 249 Maitland Avenue Altamonte Springs, FL 32701-4201	Institute of Internal Auditors, Inc		
Gary Wilson, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemens Assn	1,000.00	
Michael J. Wilson, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	4,375.00	185.67
Patricia M. Wilson, 818 Connecticut Ave, NW Washington, DC 20006	USX Corporation		
Robert Dale Wilson, 1900 L Street, NW, #500 Washington, DC 20036	Wilson & Wilson (For:Cadmium Council)		
Do	Wilson & Wilson (For:Hecla Mining Company)		
Robert Gary Wilson, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc	25.00	16.00
Tyler J. Wilson, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,000.00	121.32
William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201	Wisconsin Electric Power Co		
Mark V. Wimberly, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Mississippi Power Co	22,719.24	7,463.35
John P. Winburn, 50 E Street, SE Washington, DC 20003	Winburn Associates, Inc (For:American Assn of Equipment Lessors)	22,500.00	
Do	Winburn Associates, Inc (For:American Automotive Leasing Assn)	6,000.00	
Do	Winburn VanScoyoc & Hooper (For:American Insurance Assn)	45,000.00	
Do	Winburn Associates, Inc (For:Bell Atlantic Capital Corp)	5,000.00	
Do	Winburn Associates, Inc (For:Bradford Exchange)	5,000.00	
Do	Winburn Associates, Inc (For:Burlington Northern Railroad Co)	15,000.00	
Do	Winburn Associates, Inc (For:Burlington Northern Services, Inc)	15,000.00	
Do	Winburn Associates, Inc (For:Fag Bearings Corp)	15,000.00	
Do	Winburn Associates, Inc (For:Hartford, (The))	45,000.00	
Do	Winburn Associates, Inc (For:Leggett & Platt)	4,000.00	
Do	Winburn Associates, Inc (For:National Assn of County Office Employees)	3,000.00	
Do	Winburn Associates, Inc (For:Pennzoil)	9,000.00	
Do	Winburn Associates, Inc (For:Philip Morris)	54,000.00	
Stephen H. Wines, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	6,690.48	
Eileen M. Winkelman, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	600.00	146.00
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	Winkelmann & Associates, Inc (For:American Resort & Residential Development Assn).	6,000.00	
Do	Winkelmann & Associates, Inc (For:Four Seasons Group, Inc)	3,000.00	
Do	Winkelmann & Associates, Inc (For:National Assn of Mortgage Brokers)	1,500.00	65.10
David A. Winston, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	887.50	75.00
Winston & Strawn, 1400 L Street, NW Washington, DC 20005-3502	Cooper Tire & Rubber Company		
Do	Federal Intermediate Credit Bank of Jackson	36,793.75	775.13
Do	Harpo, Inc	14,248.25	104.00
Do	Illinios State Medical Society	10,950.00	
Do	International Council of Shopping Centers	172.50	
Do	Mississippi Department of Economic & Community Development	17,399.88	683.45
Do	National Private Cable Assn		
Do	Natural Gas Pipeline Coalition		
Do	Puget Sound Power & Light Company	2,000.00	
Do	Regional Transit Authority	1,120.00	32.00
Linda A. Winter, 1400 Sixteenth Street, NW Washington, DC 20036-2266	National Wildlife Federation	1,149.30	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	America West Airlines, Inc	516.25	
Do	Amoco Performance Products, Inc		
Do	Bowater, Inc		
Do	Bristol-Myers Squibb		8.00
Do	Brown & Bain		
Do	BASF Corp		
Do	BASF Structural Materials, Inc		
Do	Connecticut Liquidity Investment Fund, Inc	30,843.00	
Do	Fiberite Corp		
Do	Hercules Aerospace Co		
Do	IBJ Schroder Bank & Trust Co		
Do	Lower Elwha Klallam Tribe		
Do	Macrovision, Inc	4,580.00	8.00
Do	MCI Communications Corp		8.00
Do	MTN Coalition		
Do	National Vehicle Leasing Assn		
Do	Navajo Nation		
Do	Organization for International Investment (OFII)		30.50
Do	RAT Coalition		39.56
Do	Sabreliner Corp	3,000.00	
Do	Saloman Brothers, Inc		
Do	Snappy Car Rental		
Do	Thrifty Rent-A-Car System, Inc		
Elizabeth Wirick, 805 15th Street, NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	
Melanie Wisniewski, P.O. Box 520783, GMF Miami, FL 33152	Burger King Corp		1,360.77
Marcia A. Wiss, 1215 17th Street, NW Washington, DC 20036	Walter Conston Alexander & Green, PC (for: Leybold AG)	18,698.00	776.49
Robert V. Witeck, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Republic of Turkey)		
Lyn M. Withey, 1620 Eye Street, NW, #700 Washington, DC 20006	International Paper Co	1,042.00	154.76
Cynthia D. Witkin, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00
Hope R. Wittenberg, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	2,750.00	394.80
Judith A. Wittig, 1213 Jefferson Davis Hwy., #1414 Arlington, VA 22202	Defense Products Marketing, Inc		
Richard J. Wittig, 1213 Jefferson Davis Highway, #1414 Arlington, VA 22202	Defense Products Marketing, Inc	1,000.00	75.00
Sandra W. Wobbe, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	742.00	
J. Thomas Wolfe, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries	3,200.00	367.12
William H. Wolfe, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc		
Melissa A. Wolford, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	(For:American Insurance Assn)	350.00	
Charles V. Wollerton, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance	1,000.00	
Don Womack, Suite 303 1825 K St., NW Washington, DC 20006	Texas Utilities Services, Inc	3,375.00	53.31
Linda Womack, 2100 E. Exchange Place Tucker, GA 30085-1349	Oglethorpe Power Corp	2,840.00	109.01
Richard Marvin Womack, Market Square 801 Pennsylvania Ave., NW, #720 Washington, DC 20004-2604	Procter & Gamble Co	250.00	
Donna Y. Wood, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
Mildred Wood, 2000 K Street, NW #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,221.00	
S. Roy Woodall Jr., 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20005	National Assn of Life Companies	2,000.00	20.00
Mark E. Woodbridge, 1825 K Street, NW, #1107 Washington, DC 20006	National U.S. Arab Chamber of Commerce		
James H.B. Woodroffe III, 2805 Samara Drive Tampa, FL 33618	Teco Energy, Inc	16,250.00	1,907.71
Andrew L. Woods, 625 Indiana Avenue, NW Suite 500 Washington, DC 20004-2901	Taft Stettinius & Hollister (For:Special Committee for Health Care Reforms)		
Irvin M. Woods, P.O. Box 521 The Plains, VA 22171	National Assn of Air Traffic Specialists	3,000.00	1,400.00
Do	Woods Research Associates, Inc		
Jeanne M. Woods, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	2,315.00	
Robert W. Woody, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae		
Perry W. Woofter, Suite 530 1800 K St. NW Washington, DC 20006	Tesoro Petroleum Corp		
Noel C. Woosley, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	
Workers Compensation Integrity, Stability & Equity (WISE), P.O. Box 18300 Washington, DC 20036-8300		13,500.00	14,303.00
Workplace Health & Safety Council, 2300 N Street, NW Washington, DC 20037			
Worthington Associates, 2132 Southbay Lane Reston, VA 22091	HRM		
David L. Wray, 20 North Wacker Drive Chicago, IL 60606	Profit Sharing Council of America		
Alan D. Wright, 1700 Huntington Building Cleveland, OH 44115	Centerior Energy Corp, et al.	15,000.00	3,548.91
Andrew S. Wright, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	395.00	150.00
David L. Wright, Anderson Hill Rd. Purchase, NY 10577	Pepsico, Inc		197.74
Elizabeth L. Wright, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments	1,125.00	104.00
Wunder Diefenderfer Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Ad Hoc Comm for a Competitive Electric Supply System		
Do	American Bus Assn	5,284.62	
Do	American Iron & Steel Institute	11,586.04	1,000.00
Do	American Orthotic & Prosthetic Assn	11,455.61	
Do	American Soc of Assn Executives	2,500.00	
Do	Ares-Serono, Inc	2,575.22	
Do	Ashland Oil Company	2,000.00	
Do	BellSouth Corp		
Do	Bituminous Coal Operators Assn	4,000.00	13.25
Do	Committee Against Revising Staggers		
Do	Connaught Laboratories, Inc	12,558.73	
Do	Council of Industrial Boiler Owners	3,000.00	170.71
Do	Crescent Cities Jaycees Foundation, Inc	3,052.52	
Do	CSX Corporation	2,000.00	
Do	General Motors	7,009.50	3,304.62
Do	Grand Metopolitan/Pillsbury	4,500.00	
Do	Industrial Oil Consumers Group		
Do	Intermarine SpA	3,600.00	
Do	Keramont Corp	2,000.00	199.26
Do	Marina Paficia Oil Company	12,177.91	
Do	Maxxam		
Do	Montana Department of Highways	4,250.00	
Do	National Coalition of Alcoholic Beverage Licensees	2,688.26	
Do	National Funeral Directors Assn	11,500.00	
Do	National Retail Hardware Assn	2,469.53	
Do	Polaris Industries		
Do	Process Gas Consumers Group	8,177.50	1,505.13
Do	SmithKline Beecham	3,650.79	
Do	South Dakota Dept of Transportation	4,250.00	
Do	U.S. Telephone Assn	11,733.00	41.22
Do	Westinghouse Airship Industries	3,000.00	
Do	Westinghouse Electric Corp	4,610.41	
Tracy Wurzel, 600 Maryland Ave, #700 Washington, DC 20024	National Federation of Independent Business	3,401.00	300.00
Jeffery D. Wyatt, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron Chemical Company		
Thomas L. Wylie, 555 13th St., NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	1,519.00	10.00
Edward Wytkind, 400 North Capitol Street, NW, #861 Washington, DC 20001	Transportation Trades Department, AFL-CIO	2,138.00	
Marc D. Yacker, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	575.00	
Milan P. Yager, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
John W. Yago, 5101 River Rd. Bethesda, MD 20816	American Road & Transportation Builders Assn		
Nick Yaksich, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Deborah K. Yamada, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	7,612.13	325.53
T. Albert Yamada, Suite 520 900 17th St., NW Washington, DC 20006	Toyota Motor Sales, USA, Inc	500.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Dalton Yancey, 910 16th St., NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Yankee Gas Services Company, 599 Research Parkway P.O. Box 1030 Attn: Steve Piascik Meriden, CT 06450			1,253.30
Mary J. Yarrington, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	4,145.00	
Bruce Yarwood, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	22,500.00	1,489.76
Edward R. Yawn, 701 Pennsylvania Avenue, NW Washington, DC 20004-5475	Edison Electric Institute	1,126.73	366.88
Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910	Americans United for Separation of Church and State	12,797.43	72.55
Edward L. Yingling, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	10,000.00	265.65
John S. Yodice, 500 E Street, SW, #930 Washington, DC 20024	Yodice Associates (For:Aircraft Owners & Pilots Assn)	4,050.00	
Andrew Yood, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Thomas F. Youngblood, 1201 New York Avenue, NW Washington, DC 20005-3931	American Hotel & Motel Assn	2,233.84	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Betsy Younkins, 1220 L Street, NW, #1200 Washington, DC 20005	American Petroleum Institute	8,000.00	189.75
Eugene A. Yourch, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518	Jack Eckerd Corp		
Paulette Zakrzeski, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America	16,000.00	802.86
Paul j. Zanowski, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
John S. Zapp, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	4,900.00	
Shirley Zebroski, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	1,020.88
Philip F. Zeidman, 1401 New York Ave., NW, #900 Washington, DC 20005	American Business Conference, Inc		
Don J. Zeller, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	1,850.00	188.55
Arlene Zielke, 3724 West 107th Street Chicago, IL 60655	National Congress of Parents & Teachers		1,927.90
Kelly Ziglar-Clay, 805 15th Street, NW, #1110 Washington, DC 20005	Mortgage Insurance Companies of America	6,474.97	231.82
Fred Everett Zillinger II, 501 Second Street, NE Washington, DC 20002	Fertilizer Insititue	9,000.00	762.74
John H. Zimmerman, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Ziontz Chestnut Varnell Berley & Slonim, 2101 Fourth Avenue, #1230 Seattle, WA 98121	Fallon Paiute-Shoshone Tribes		
Do	Makah Indian Tribe		
Amy G. Zirkle, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	4,687.50	167.70
John L. Zorack, 1111 14th St., NW, #1001 Washington, DC 20005	Dry Color Manufacturers Association	15,000.00	
Do	Federal Express Corp	10,500.00	
Charles O. Zuver, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	
Steven E. 2umerickhouse, 333 Highway 100 North Minneapolis, MN 55422	Adoptive Families of America	1,500.00	1,143.48
965, Inc, 513 Capitol Court, NE, #300 Washington, DC 20002	Bath Iron Works Corp		
Do	General Electric Company	50.00	
Do	Intermarine USA	150.00	
Do	Kaman Diversified Technologies	100.00	
Do	Woods Hole Oceanographic Institution	200.00	

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the third calendar quarter of 1991 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Is this an Amendment?
☐ YES ☐ NO

IDENTIFICATION NUMBER____________________

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee"*.—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer"*.—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report." ◆

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1 ◆

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value*. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............“Expense Money” and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
    Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* (*"Period"* from Jan. 1 through............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than Item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*_______________

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates*	*Name and Address of Recipient—Purpose*
$1,750.00	7-11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15:	Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A-K Associates, Inc, 1024 10th Street, #300 Sacramento, CA 95814	City of South Lake Tahoe		2,035.07
Do	Golden Gate Bridge Highway & Transportation District	6,300.00	4,057.02
Do	Reclamation District 1000		
Do	Tobacco Institute	30,787.50	34,404.67
Leanne J. Abdnor, 1350 I Street, NW, #670 Washington, DC 20005	Koch Industries, Inc	3,000.00	900.50
Aborn & Anesi, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	9,000.00	
Nels Ackerson, 9915 S. Glen Road Potomac, MD 20854	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs).		
Ackerson & Feldman, 901 Fifteenth Street, NW, #1250 Washington, DC 20005-2301	Government of Quebec, Ministry of International Affairs		
Luis Acle Jr., P.O. Box 620146 San Diego, CA 92162-0146	San Diego Features		
Wayne W. Adams, 501 Park Avenue Belleair, FL 34616			
L. Wayne Addison, 5404 55th Place Riverdale, MD 20737			
Advertising Mail Marketing Assn, 1333 F Street, NW, #710 Washington, DC 20004-1108		7,092.00	7,092.00
Creigh H. Agnew, 2001 L St., NW, #304 Washington, DC 20036	Weyerhaeuser Company		
Herbert Allen Ailsworth, 1615 L Street, NW, #420 Washington, DC 20036	Sandoz Corp		110.00
Air Traffic Control Assn, Inc, 2300 Clarendon Boulevard, #711 Arlington, VA 22201		349.46	349.46
Air Transport Assn of America, 1709 New York Ave., NW Washington, DC 20006		227,179.35	227,179.35
Airport Operators Council International, 1220 19th Street, NW, #200 Washington, DC 20036			20,658.63
Michael A. Aisenberg, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	23,500.00	
Julia L. Akins, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Albanian American Civic League, 717 Second Street, NE, #303 Washington, DC 20002		25,085.00	3,322.00
Marjorie D. Allen, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,482.60	682.66
William E. Allen, 211 East Chicago Ave. Chicago, IL 60611	American Dental Assn	1,000.00	
Laura L. Allendorf, 1101 Vermont Avenue, NW, #500 Washington, DC 20005	American Soc of Internal Medicine	1,250.00	293.92
Alliance to Save Energy, 1725 K Street, NW, #914 Washington, DC 20006			
Harvey Alter, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	530.00	58.98
Thomas H. Altmeyer, 1130 17th St., NW Washington, DC 20036	National Coal Assn	13,000.00	648.60
Jerome A. Ambro Associates, 4734 Timber Ridge Dr. Mountclair, VA 22026	Associated Universities	10,000.00	10,806.18
American Advertising Federation, 1400 K Street, NW, #1000 Washington, DC 20005			
American Apparel Manufacturers Assn, Inc, 2500 Wilson Blvd., #301 Arlington, VA 22201		5,160.28	1,918.91
American Assn for Counseling & Development, 901 East Capitol Street, SE Second Floor Wahington, DC 20003		56,235.00	63,370.00
American Assn for Respiratory Care, 11030 Ables Lane Dallas, TX 75229		20,500.00	20,146.86
American Assn of Airport Executives, 4212 King Street Alexandria, VA 22302		33,181.00	44,506.00
American Assn of Boomers (AAB), 2621 W. Airport Frwy, #101 Irving, TX 75062			
American Assn of Early Childhood Educators, 3612 Bent Branch Court Falls Church, VA 22041		100.00	100.00
American Assn of Exporters & Importers, 11 West 42nd Street, 30th Fl. New York, NY 10036			605.00
American Assn of Museums, 1225 Eye Street, NW, #200 Washington, DC 20005		18,325.00	6,403.15
American Assn of University Women, 1111 16th Street, NW Washington, DC 20036			262.86
American Automobile Assn, 500 E Street, SW, #950 Washington, DC 20024			
American Fed of State County & Municipal Employees, 1625 L St., NW Washington, DC 20036			119,257.43
American Fiber Manufacturers Assn, Inc, 1150 17th St., NW, #310 Washington, DC 20036			1,621.78
American Financial Services Assn, 919 18th Street, NW Washington, DC 20006			1,000.00
American Gas Assn, 1515 Wilson Boulevard Arlington, VA 22209		39,421.00	39,421.00
American International Automobile Dealers Assn, 1128 16th Street, NW Washington, DC 20036		263,111.00	64,605.00
American Medical Peer Review Assn, 810 First Street, NE, #410 Washington, DC 20002			
American Radio Relay League, Inc, 225 Main St. Newington, CT 06111			12,498.00
American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005			14,385.00
American Soc of Cataract & Refractive Surgery, 3702 Pender Drive, #250 Fairfax, VA 22030			6,443.40
American Soybean Assn, l300 L Street, NW, Suite 950 Washington, DC 20005-4107		6,963.06	1,205.26
American State of the Art Prosthetic Assn, 955 26th Street, NW, #208 Washington, DC 20037		7,000.00	
American Subcontractors Assn, 1004 Duke St. Alexandria, VA 22314			7,800.00
Americans for the National Voter Initiative Amendment, 3115 N St., NW Washington, DC 20007			
Eiji Amito, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	American Honda Motor Co, Inc	150.00	
Suzanne L. Amra, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans		
Bette B. Anderson, 1030 15th St., NW, #700 Washington, DC 20036	KCI (For:SICPA Industries of America, Inc)		
Do	KCI (For:U.S. Banknote Corp)		
Byron Anderson, 1001 Pennsylvania Ave, NW, #460(N) Washington, DC 20004-2505	New York Life Insurance Company	200.00	15.10
J. Lem Anderson, 4111 Franconia Rd. Alexandria, VA 22310	Temple-Inland		
James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Scott G. Anderson, 801 Pennsylvania Ave., NW, #220 Washington, DC 20004-2604	Burlington Northern Railroad Co		
Margot Andrerws, 2033 M Street, NW, #905 Washington, DC 20036	National Assn of Arab Americans		
Michael Andrews, 1455 Pennsylvania Ave., NW, #325 Washington, DC 20004	Salomon Brothers, Inc	4,000.00	
Andrews & Kurth, 1701 Pennsylvania Avenue, NW, #200 Washington, DC 20006	Bedford Properties		31.38
Do	Building Industry Assn of Southern California	30,000.00	4,905.41
Do	Construction Industry Air Quality Coalition	17,500.00	177.90
Bill Angelo, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Apartment & Office Building Assn, 1050 17th Street, NW, #300 Washington, DC 20036			
Apple Computer, Inc, 1550 M Street, NW, #1000 Washington, DC 20005			556.20
Appraisal Institute, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037		2,362.00	2,362.00
John Archer, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	Motor and Equipment Manufacturers Association	750.00	161.05
Do	National Field Selling Assn		
Armenian Assembly cf America, 122 C Street, NW #350 Washington, DC 20001		10,522.50	10,808.00
John A. Armstrong, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Tertia R. Armstrong, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	63.00	
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	Hopi Indian Tribe		
Do	International Commodities Clearing House		
Do	London Commodity Exchange		
Do	London International Financial Futures Exchange, Ltd		
L. Wayne Arny & Company, 600 New Hampshire Ave., NW Washington, DC 20037	American Logistics Infrastructure Improvement Construction	6,000.00	100.00
Do	FMC Corp	5,000.00	400.00
Do	Guam Airport Authority	8,000.00	400.00
Do	Liberty Maritime	1,000.00	
Do	Technology for Communications, International	1,000.00	50.00
Nan Aron, 1601 Connecticut Avenue, NW Washington, DC 20009	Alliance for Justice	1,212.69	
Karen McGill Arrington, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	3,139.20	17.35
Asbill Junkin Myers & Buffone, 1615 New Hampshire Ave., NW Washington, DC 20009	Coalition on Smoking or Health	19,955.50	18,290.05
Association for Commuter Transportation, Inc, 808 17th Street, NW, #200 Washington, DC 20006-3953			118.05
George J. Aste, 1707 L St., NW, #300 Washington, DC 20036-4202	United Airlines, Inc	500.00	
Ater Wynne Hewitt Dodson & Skerritt, 1225 19th Street, NW, #200 Washington, DC 20036	Agriculture Ocean Transportation Coalition	6,484.50	3,544.72
Do	CFI	3,000.00	37.80
Do	First Technology Credit Union	3,000.00	112.89
Do	Marion & Polk County Schools Credit Union	1,500.00	40.18
Do	Maritime Fire and Safety Assn	7,500.00	99.22
Do	National Coalition for Abortion Providers (NCAP)	6,881.75	6,931.52
Do	Oregon Economic Development Dept, Marine Div	4,998.00	18.20
Do	Pacific Coast Coun of Custom Brokers & Freight Forwarders	9,000.00	1,321.14
Do	Port of Portland	10,000.00	435.15
Do	Port of Redwood City	6,500.00	87.85
Do	Reebok International Ltd	22,626.75	3,441.92
Victor Atiyeh & Co, 519 SW Park St., #208 Portland, OR 97205	Fujitsu, Ltd		
Do	Seiko Epson		
Judith Auerbach, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn		66.00
Automotive Parts Rebuilders Assn, 6849 Old Dominion Drive McLean, VA 22101			
Automotive Refrigeration Products Institute, 4600 East-West Highway Bethesda, MD 20814			
John S. Autry, 1146 19th Street, NW Washington, DC 20036	Susan Davis Companies	14,000.00	1,081.77
Michael G. Ayre, P.O. Box 130 Levis P.Q. Canada G6V 6N7	Mil Davie Inc		
AFL-CIO Maritime Committee, 444 North Capitol Street, #820 Washington, DC 20001		5,645.00	6,736.82
AIDS Action Council, Inc, 2033 M Street, NW, #803 Washington, DC 20036			14,682.86
APCO Associates, Inc, 1155 21st St., NW Washington, DC 20036	American Maritime Congress		
Do	American Red Cross		
Do	Asocolflores		
Do	Canadian Meat Council		
Do	City Utilities of Springfield		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Colorado River Energy Distributors		
Do	Fujisawa USA, Inc		
Do	Heart of America Northwest		
Do	Hoffmann-La Roche Inc		
Do	ITT Rayonier, Inc		
Do	Jay P. Altmayer		
Do	Minnesota World Trade Center Corp		
Do	Missouri Joint Municipal Electric Utility Commission		
Do	Pasminco		
Do	Philip Morris Companies, Inc		
Do	Profilo Holding A.S.		
Do	Sacramento Municipal Utility District		
Do	State Farm Mutual Automobile Insurance Co		
Do	Tennessee Valley Public Power Assn		
Do	World Trade Center of Orange County		
ATOCHEM North America, Three Parkway Philadelphia, PA 19102			6,412.99
Victor Bach, 105 East 22nd Street New York, NY 10010	Community Service Society	85.68	
Bronwyn Bachrach, 499 South Capitol Street, SW #507 Washington, DC 20003	Hecht Spencer & Associates (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:Mars, Inc)		
Do	Hecht Spencer & Associates (For:Mid-American Waste Systems, Inc)		
Do	Hecht Spencer & Associates (For:National Automatic Merchandising Assn)		
Richard Anthony Baenen, 1735 New York Avenue, NW, #600 Washington, DC 20006	NANA Regional Corp, Inc		
Do	People's Republic of Angola		
Do	Shee Atika, Inc		
Cynthia E. Bailey, 1000 Potomac Street, NW, #401 Washington, DC 20007	California State Department of Education	6,000.00	130.00
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Cominco, Ltd	65.00	
Do	Devilbiss Health Care, Inc	9,999.99	165.71
Do	Hyatt Corp		
Do	IMEX		
Do	Mitsui & Co (U.S.A.), Inc		
Do	Mitsui Plastics, Inc	812.50	
Baker Worthington Crossley Stansberry & Woolf, 801 Pennsylvania Ave., NW, #800 Washington, DC 20004	Argo Air	999.00	
Do	Aviall, Inc		
Do	Bremmer Industries		
Do	Burger King Corp	742.50	
Do	Contel Corp	337.50	
Do	Core Capital (BNAir)		
Do	Dallas/Fort Worth International Airport Board	6,246.00	
Do	Day & Zimmerman, Inc	225.00	
Do	Delaware Valley Science & Technology Assn	1,305.00	
Do	Dinamo		
Do	Dunigan Enterprises		
Do	Electric Data Systems, Inc		
Do	Federal Express Corp		
Do	International Business Machines Corp (IBM)	1,021.50	
Do	Landauer, Inc.	324.00	
Do	Lawler/Wood, Inc		
Do	Lockheed Air Terminal		
Do	Lordum International (Aviation Ventures, International)		
Do	Los Angeles County Transportation Commission	13,459.50	534.58
Do	Morrison Knudsen Corp	2,421.00	186.72
Do	MCA, Inc		
Do	National Business Aircraft Assn.	711.00	
Do	National Label Co., Inc		
Do	Occidental Petroleum Corp		
Do	Pennzoil Co		
Do	Philip Morris Management Corp	225.00	
Do	Pillsbury Company	733.50	
Do	Pratt & Whitney		
Do	Prudential Securities, Inc		
Do	Schering-Plough Corp	3,811.50	77.59
Do	Southern California Edison Co	81.00	
Do	State of California	14,125.50	60.00
Do	Tracinda Corp		
Do	U.S. Sprint/Contel	14,382.00	63.25
Do	U.S. Tobacco, Inc	823.50	127.27
Elizabeth Baldwin, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	430.00	
Stanley W. Balis, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	1,740.00	656.69
Michael Baly III, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	8,000.00	125.00
James T. Banks, 3003 Butterfield Road Oak Brook, IL 60521	Chemical Management, Inc	3,550.00	
Martha G. Bannerman, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836-2568	NAC Re Corp		
Robert D. Bannister, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.	22,701.93	51.71
Linda W. Banton, 1725 Jefferson Davis Highway #901 Arlington, VA 22202	Alliant Techsystems, Inc	1,700.00	
Do	Honeywell, Inc		
Gary C. Barbour, 507 2nd Street, NE Washington, DC 20002	Portland General Electric		61.38
Haley R. Barbour, P.O.Box 960 Yazoo City, MS 39194	American Maritime Congress	22,500.00	607.08
Do	American Rice, Inc	15,000.00	405.74
Do	Priamerica Financial Services	21,333.36	1,069.87
Robert H. Barker, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc	500.00	283.20
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Abbott Laboratories	7,085.81	292.32
Do	J.G. Durand International	3,366.14	5.00
Do	Florida Citrus Mutual	5,000.00	
Do	Industrial Fastener Equity Committee		30.75
Do	Marion Merrell Dow, Inc	6,271.57	113.80
Do	Polaroid Corp		205.15
Larry P. Barnett, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	19,220.60	
Sarah Barnett, 1101 15th Street, NW, #600 Washington, DC 20005	Sugar Assn, Inc	356.00	10.00
James C. Barr, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	3,150.00	
Thomas S. Barrett, 1815 H Street, NW, #600 Washington, DC 20006	Public Resource Associates	43.75	
Doyle C. Bartlett, 1015 18th Street, NW, #1100 Washington, DC 20036	Conference of State Bank Supervisors	987.00	
Linda L. Bartlett, 1341 G Street, NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	750.00	556.91
Patricia L. Bartlett, 700 13th Street, NW, #800 Washington, DC 20005	Georgia Institute of Technology	1,120.00	
Kristin Bass, 1250 24th Street, NW, #300 Washington, DC 20037	Robert V. Scnneider & Associates (For:S I M International Ltd)		
Bass and Howes, 1601 Connecticut Ave., NW, #801 Washington, DC 20009	Women's Legal Defense Fund	15,000.00	585.12
Richard M. Bates, 1101 17th St. NW, #501 Washington, DC 20036	Disney Worldwide Services, Inc	45,000.00	585.23
Catharine R. Batky, 801 Pennsylvania Ave., NW, #220 Washington, DC 20004-2604	Burlington Northern Railroad Co	1,750.00	1,035.62
Robin Battaglini, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
Ellen Battistelli, 2010 Massachusetts Ave., NW, 5th Floor Washington, DC 20036	Planned Parenthood Federation of America	1,536.52	27.23
John L. Bauer Jr., 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	1,700.00	1,096.01
Edward H. Baxter, 2000 M Street, NW, #700 Washington, DC 20036	Graham & James (For:American Academy of Cosmetic Surgery, Inc)		
Do	Graham & James (For:American Fed of Musicians)	3,867.96	
Do	Graham & James (For:American Hawaii Cruises)	940.00	
Do	Graham & James (For:R.R. Donnelley & Sons Company)		
Do	Graham & James (For:English Bay Corp)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)		
Do	Graham & James (For:Federal Judges Association)	186.67	
Do	Graham & James (For:Federal Magistrate Judges' Association)	492.86	
Do	Graham & James (For:National Assn of Immigration Judges)	466.67	
Do	Graham & James (For:Recording Industry Assn of America)	3,867.96	
Do	Graham & James (For:United Video, Inc.)	600.00	
Beacon Consulting Group, Inc, 1012 Pennsylvania Ave, SE Washington, DC 20003	National Coalition for Volunteer Protection	1,500.00	1,808.02
Kevin M. Beattie, 475 Riverside Drive #239 New York City, NY 10115	Morality in Media, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Virginia K. Beauchamp, 575 Ritchie Road Capitol Heights, MD 20743	Bennie L. Thayer	6,253.13	
Elizabeth W. Beckwith, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	5,000.00	
Howard Bedlin, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	691.92	
David Beier, 1747 Pennsylvania Ave., NW, #1223 Washington, DC 20006	Genentech, Inc	3,000.00	468.33
Donald K. Belch, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Stelco, Inc		339.44
Howard H. Bell, 1400 K St., NW, #1000 Washington, DC 20036	American Advertising Federation		
Stephen E. Bell, 1455 Pennsylvania Ave., NW, #350 Washington, DC 20004	Salomon Brothers, Inc	5,000.00	
Benoit Smith & Laughlin, 2001 Jefferson Davis Highway, #501 Arlington, VA 22202	Hughes Aircraft Company		
James M. Bensberg, 1225 Eye Street, NW, #500 Washington, DC 20005	American Motorcyclist Assn	13,352.24	587.45
Frederick S. Benson III, 2001 L Street, NW, #304 Washington, DC 20036	Weyerhaeuser Company		159.08
Rebecca J. Berg, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	Sea-Land Corporation	450.00	
Douglas L. Berger, 1333 F Street, NW, #710 Washington, DC 20004-1108	Advertising Mail Marketing Assn	2,745.00	
William Berger, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
Peter A. A. Berle, 950 Third Avenue New York, NY 10022	National Audubon Society	1,000.00	
Richard B. Berman, 1025 Connecticut Ave. NW, #1010 Washington, DC 20036	FICA Fairness Coalition		
William R. Berman, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Mary E. Bernhard, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	1,050.00	
Charles Bernhardt, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Willard M. Berry, 1625 K Street, NW, #1090 Washington, DC 20006	National Foreign Trade Council, Inc	5,000.00	1,100.00
Margot Bester, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:Cable & Wireless North America, Inc)	500.00	
Do	Murphy & Demory, Ltd (For:Prodigy Services Corporation)	500.00	
Do	Murphy & Demory, Ltd (For:U.S. Telephone Assn)		
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	Robert Betz Associates, Inc (For:Alabama Hospital Association)	3,100.00	71.31
Do	American Assn of Eye & Ear Hospitals	2,250.00	148.01
Do	AmeriNet	3,320.00	105.53
Beveridge & Diamond, P.C., 1350 Eye Street, NW, #700 Washington, DC 20005	Conference of National Park Concessioners		
Do	Pacific Dunlop-GNB		
Do	RSR Corp		
Sheldon D. Beychok, 2237 South Acadian Thruway, #801 Baton Rouge, LA 70808	Community Health Network of Louisiana, Inc		
Do	Lamar Corporation		
Do	Ramsay Hospital Corporation of Louisiana, Inc		
Rah Bickley, 2001 Pennsylvania Ave., NW Washington, DC 20006	Electonic Industries Assn	750.00	
John C. Biechman, 1215 Jefferson Davis Highway, #100 Arlington, VA 22202	National Assn of Industrial & Office Parks (NAIOP)		
David R. Bird, 185 S. State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Popular Democratic Party (PDP)		
Gerrie Bjornson, 1825 Eye Street, NW, #400 Washington, DC 20006	B.F. Goodrich Co	100.00	
Black Crotty Sims Hubka Burnett Bartlett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018	Aetna Life Insurance Company	75,000.00	
Do	Health Images, Inc		
Do	Midland Risk Insurance Company		
Do	Nascar, Inc		
Do	Security First Federal Savings & Loan Assn		
Helen Blank, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	1,140.16	
Beatrice K. Bleicher, 1200 18th St. NW Washington, DC 20036	Owens-Illinois, Inc	5,000.00	100.00
Douglas M. Bloomfield, 13712 Wagon Way Silver Spring,, MD 20906	Gadot Petrochemical Industries	5,724.00	51.38
Robert S. Bludworth, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesaler's Assn	3,500.00	
Charles H. Blum, 1400 L Street, NW, #600 Washington, DC 20005	International Advisory Services Group, Ltd (For:Steel Service Center Institute)	315.32	
Joanne Blum, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	4,913.85	252.00
Robert A. Blum, 400 Sansome Street San Francisco, CA 94111	Orrick Herrington & Sutcliffe (For:Permanente Medical Group, Inc)	75.00	
Louis Blumberg, 900 - 17th Street NW Washington, DC 20006	Wilderness Society	1,821.75	446.75
Wayne F. Boan, 13525 East 30th Street, Unit B Tulsa, OK 74134	Employers Council on Flexible Compensation	200.00	
Alice Bodley, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	1,580.32	
Seth M. Bodner, 386 Park Avenue South New York, NY 10016	National Knitwear & Sportswear Assn	1,875.00	
Doyce Boesch, 1317 F Street, NW, #400 Washington, DC 20004	R. Duffy Wall & Associates	1,250.00	
Timothy A. Boggs, 1133 21st Street, NW, #400 Washington, DC 20036	Time Warner, Inc	16,000.00	10,444.31
John Bohm, 1800 Diagonal Road, #140 Alexandria, VA 22314	National Assisted Housing Management Assn	500.00	
James E. Boland, 1341 G Street, NW, 9th Floor Washington, DC 20005	Philip Morris Management Corp	4,500.00	196.54
Mark P. Bolduc, 1125 15th Street, NW, #700 Washington, DC 20005	Mortgage Bankers Assn of America		
Benjamin C. Bolusky, 1250 Eye Street, NW, #500 Washington, DC 20005	American Assn of Nurserymen		
Edward N. Bond, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	2,700.00	35.00
Judith Bonderman, 1225 Eye Street, NW Washington, DC 20005	Handgun Control, Inc	10,769.00	
Robert Bonnie, 216 7th Street, SE Washington, DC 20003	Scenic America	1,000.00	550.00
Bostrom Corp, 808 17th Street, NW, #200 Washington, DC 20006	Association for Commuter Transportation, Inc (ACT)	118.05	
Do	Fire Equipment Manufacturers & Services Assn, Inc		
Kenneth A. Bouldin, 1212 Potomac Street, NW Washington, DC 20007	Computer Dealers & Lessors Assn		
Albert D. Bourland, 1350 I Street, NW, #800 Washington, DC 20005	Daimler-Benz Washington, Inc	7,500.00	672.55
Albert D. Bowers, 1025 Conn. Ave., #200 Washington, DC 20036	Shell Oil Co	500.00	
Jim D. Bowmer, P.O. Box 844 Temple, TX 76503	Bowmer Courtney Burleson Normand & Moore (For:Naman Howell Smith & Lee (for: Temple Junior College)).		
Bowmer Courtney Burleson Pemberton & Normand, P.O. Box 844 Temple, TX 76503	Namen Howell Smith & Lee (for Temple Junior College)		42.50
Lavinia Boxill, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	1,577.00	
Carolyn A. Boyer, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Henry E. Braden, 2122 N. Galvez Street New Orleans, LA 70119	Entergy Services, Inc	9,600.00	1,265.91
Cynthia P. Bradley, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,007.08	530.03
Dennis M. Bradshaw, 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Lawrence C. Brady, 2001 M Street, NW Washington, DC 20036	Capitoline International Group Ltd (For:City of America)	469.00	
Sarah Brady, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	13,749.00	
Raymond F. Bragg Jr., 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	Federal Strategies (For:American Independent Refiners Assn)	112.50	96.98
Do	Legislative Strategies (For:Bridge Products)		
Do	Legislative Strategies (For:Cogeneration & Independent Power Coalition of America, Inc).		
Do	Legislative Strategies (For:Consolidated Natural Gas Co)	262.50	
Do	Legislative Strategies (For:Donohue & Associates, Inc)	750.00	232.51
Do	Legislative Strategies (For:Globos International, Inc)		
Do	Legislative Strategies (For:National Hydropower Assn)	300.00	
Do	Legislative Strategies (For:Natural Gas Vehicle Coalition)		
Do	Legislative Strategies (For:State of New Mexico (Natural Gas Programs))		
Do	Texas-New Mexico Power Company		
Do	Legislative Strategies (For:Tosco Corp)	187.50	
David L. Brandon, 1129 Twentieth Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
William C. Brashares, Mintz Levin Cohn Ferris Glovsky & Popeo 1825 Eye St., NW, #1200 Washington, DC 20006	Smith Barney Harris Upham & Co, Inc		
Edward T. Breathitt, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
George W. Breece, P.O. Box 2801 Fayetteville, NC 28302	American State of the Art Prosthetic Assn	3,000.00	273.12
Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005	Air Transport Assn of America		
Do	Car Rental Coalition	5,000.00	
Do	Committee to Eliminate Equipment Giveaways	2,000.00	
Do	Trans World Airlines, Inc		
Do	Truck Renting & Leasing Assn		
William O. Bresnick, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	250.00	
Sue M. Briggum, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	
Mary E. Brooks, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	5,558.70	
Cynthia L. Brown, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	15,000.00	
Dianne C. Brown, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	300.00	
Donald K. Brown, 1121 L St., #610 Sacramento, CA 95814	Crowley Maritime Corp		
Do	Summa Corporation		
Doreen L. Brown, 1726 M Street NW Washington, DC 20036	Consumers for World Trade		
James P. Brown, 232 N. Kingshighway, #202 St. Louis, MO 63108	Bi-State Development Agency	4,700.00	1,715.00
Do	City of St. Louis - City Hall	7,900.00	3,670.00
Do	Lambert-St. Louis International Airport	22,000.00	7,640.00
Valerie L. Brown, New Jersey Law Center 1 Constitution Square New Brunswick, NJ 08901-1500	New Jersey State Bar Assn		
William Y. Brown, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	
Thomas H. Brownell, GE Aerospace 1331 Pennslyvania Ave., NW, #895 Washington, DC 20004	General Electric Company	3,553.00	528.00
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	Dal-Tile Corp	11,471.50	136.50
Do	Kimberly-Clark De Mexico, SA de CV	3,233.00	455.52
Do	Schochet Associates		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Vitro	8,000.00	3,555.13
Broydrick Broydrick & Dacey, 600 East Mason Street Milwaukee, WI 53202	Aurora Health Care	787.50	314.99
Do	Blood Center of Southeastern Wisconin	412.50	
Do	Children's Hospital of Wisconsin	6,887.50	800.90
Do	EDS Corp	1,500.00	509.40
Do	Meehan Seaway	100.00	
Do	Milwaukee Area Technical College	6,497.50	171.42
Do	Milwaukee Metropolitan Sewerage District	1,292.50	108.10
Do	Oneida Nation	10,667.50	309.87
Do	Plumbers Local #75	145.00	
Do	PrimeCare Health Plan	201.25	81.32
Do	Specialty Vehicle Institute of America	13,450.00	465.72
Do	Waste Management, Inc	10,562.50	1,555.82
Do	Watertown Memorial Hospital	193.75	
Jeanne Broyhill, 1776 G Street, NW, 3rd Floor Washington, DC 20006	Federal Home Loan Mortgage Corp	10,000.00	1,245.22
Wolf Brueckmann, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
J. M. Brunkenhoefer, 227 Massachusetts Avenue, NE, #100 Washington, DC 20002	United Transportation Union	6,250.00	
Kenley W. Brunsdale, 6071 Aries Drive Salt Lake City, UT 84118	Fabian & Clendenin (For:Envirocare of Utah, Inc)	15,000.00	1,000.00
Do	Fabian & Clendenin (For:Wasatch County)	6,000.00	1,000.00
Brydges Riseborough Morris Franke & Miller, 150 N. Michigan Ave. Chicago, IL 60601	School District 63, et al.	2,891.40	3,659.64
Don C. Buchanan, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	19,394.75	
Robert Buckler, 405 Sibley St., #120 St. Paul, MN 55101	National Board of Fur Farm Organizations	9,000.00	
Jeremiah S. Buckley, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Citicorp Mortgage Finance, Inc.)		
Do	Thacher Proffitt & Wood (For:Massachusetts Bankers Assn)		
Do	Thacher Proffitt & Wood (For:National Council of Savings Institutions)		
Do	Thacher Proffitt & Wood (For:Residential Services Corp of America)		
Do	Thacher Proffitt & Wood (For:Savings Bank of Life Insurance)		
John G. Buckley, 901 15th Street, NW, #700 Washington, DC 20005-2301	New England Fuel Institute	500.00	
Michael Buckley, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn		22.00
Thomas J. Bulger, Government Relations, Inc 1620 Eye Street, NW, #300 Washington, DC 20006	County of Fairfax	37,500.00	36,396.10
Do	County of San Mateo	15,000.00	8,385.98
Do	Metropolitan Transportation Commission	26,749.98	15,344.53
Do	Oakland County	8,721.21	4,875.69
Do	Robin Peripheral Developers	12,500.00	12,537.68
James D. Burge, 1350 I Street, NW, #400 Washington, DC 20005	Motorola, Inc	6,500.00	
Diane B. Burke, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	14,188.82	599.00
Gerard P. Burke, 1117 Spotswood Drive Silver Spring, MD 20904	International Air Leases, Inc		
J. J. Burke Jr., 40 E. Broadway Butte, MT 59701	Montana Power Co		
Francis X. Burkhardt, 1750 New York Ave., NW Washington, DC 20006	International Brotherhood of Painters & Allied Trades		
James N. Burroughs, 4301 Fairfax Drive, #340 way, #702 Arlington, VA 22203-1627	National Propane Gas Assn	500.00	
Larry D. Burton, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,700.00	310.00
James J. Butera, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Federal Home Loan Bank of Boston	2,000.00	
Do	Federal Home Loan Bank of New York	2,000.00	
Do	Savings Bank of the Finger Lakes	1,500.00	
Butera & Andrews, 1275 Pennsylvania Ave., NW Washington, DC 20004	Acacia Group	3,000.00	
Do	Advest Bank	2,000.00	
Do	Bank of Baltimore	1,500.00	
Do	Citizens Financial Group, Inc	1,500.00	
Do	Crossland Savings	2,000.00	
Do	Dime Savings Bank of New York	1,500.00	
Do	Drayton Company	3,000.00	
Do	Edison Electric Institute	4,000.00	
Do	Emigrant Savings Bank	2,000.00	
Do	Federation for American Immigration Reform	5,000.00	
Do	Financial Services Council	2,000.00	
Do	HomeFed Bank	1,500.00	
Do	Household International	3,000.00	
Do	NVR Savings Bank	1,500.00	
Do	Peoples Bank	1,000.00	
Do	Pioneer Financial Services	15,000.00	
Do	River Bank America	1,500.00	
Do	Rochester Community Savings Bank	1,000.00	
Do	Savings Banks Assn of New York State	1,250.00	
Do	Savings Banks Life Insurance Fund	3,000.00	
Do	Superior Federal Bank	4,000.00	
Do	Texas Savings & Loan League	3,000.00	
Do	Wisconsin League of Financial Institutions, Ltd	1,500.00	
William Byler Associates, Inc, 1155 Conn. Ave., NW, #300 Washington, DC 20036	Ak-Chin Indian Community Council	128.07	
Do	Havasupai Tribal Council	227.88	
Do	San Carlos Apache Tribe		
BP America, Inc, 1776 Eye Street, NW, Suite 1000 Washington, DC 20006			310.00
C & C Consulting Group, Inc, 210 Cameron Street Alexandria, VA 22314	EG&G/Dynatrend, Inc	7,500.00	
Do	Kansas Gas & Electric Co, Inc	15,000.00	142.94
Do	Leo Eisenberg & Company	3,000.00	12.75
Do	MacAndrews & Forbes Holdings, Inc	15,000.00	84.03
Elizabeth B. Cady, 1400 L Street, NW, #600 Washington, DC 20005-3509	Steel Service Center Institute		
John R. Cady, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	600.00	100.00
Morrison G. Cain, 1901 Pennsylvania Ave., NW, #200 Washington, DC 20006	International Mass Retail Assn	6,250.00	7,284.00
David B. Calabrese, 2001 Pennsylvania Ave, NW Washington, DC 20006	Electronic Industries Assn	750.00	73.57
Thomas Caldwell, 4-30-1-202 Nishi-Shinjuku Tokyo 160 Japan			
Barbara J. Calkins, 1200 17th St., NW Washington, DC 20036	American Psychological Assn	787.50	
Wayne J. Camara, 1200 17th St., NW Washington, DC 20036	American Psychological Assn	180.00	
Bruce P. Cameron, 1725 17th Street, NW, #109 Washington, DC 20006	Embassy of Mozambique	55,000.00	1,292.00
Do	Embassy of Nicaragua	10,500.00	2,155.00
Do	Estna Center		861.00
Paul A. Cammer, 1225 19th Street, NW Suite 300 Washington, DC 20036	Cammer & Associates (For:Business Council on Indoor Air)	810.00	34.06
C. Thomas Campbell, 1776 Eye Street, NW, #575 Washington, DC 20006	DowElanco		6,414.00
Clarke D. Camper, 1776 G Street, NW, 3rd Floor Washington, DC 20006	Federal Home Loan Mortgage Corp	4,000.00	2,954.38
Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America		
Candlelighters, 123 C St., SE Washington, DC 20003			
Richard R. Cape, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Capitol Strategies, Suite 875 1747 Pennsylvania Ave., NW Washington, DC 20006	Equitable Capital Management Corp		258.63
Do	Equitable Life		130.57
Capitoline International Group Ltd, 2001 M Street, NW Washington, DC 20036	City of America	30,640.00	13,779.00
Do	Professional Lawn Care Assn of America	34,136.00	11,414.00
Marie C. Carbone, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	8,292.00	
Denise A. Cardman, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Kate Carey, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Cos		
Melissa Coggeshall Carey, 3411 North 21st Ave. Arlington, VA 22207	Harris Corporation	907.24	888.82
Edward J. Carlough, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	37,827.50	
Phyllis D. Carnilla, 1700 17th Street, NW, #301 Washington, DC 20009	American Fisheries Coalition	756.97	188.73
Michael C. Carozza, 655 15th Street, NW Washington, DC 20005	Bristol-Myers Squibb Co	1,500.00	
Charles T. Carroll, 2011 Eye Street, NW, #601 Washington, DC 20006	National Association of Stevedores	650.00	
David Carroll, 1101 30th St. NW, 5th Washington, DC 20007	Lafarge Corp (For:Cement Kiln Recycling Coalition)		
John R. Carter, 1001 19th Street, North, #800 Arlington, VA 22209	TRW, Inc	169.00	307.51
Lawrence J. Cassidy, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	33,287.50	
Rita L. Castle, 100 NE Adams Street Peoria, IL 61629	Caterpillar, Inc	3,850.00	1,193.00
Al Catalano, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:American Mobile Satellite Co)		
Harvey E. Cauthen Jr., 2 Dexter Ave. Montgomery, AL 36104	Alabama Power Co	17,550.00	2,823.55
Red Cavaney, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc	2,400.00	
Cendrowski, Selecky & Reinhart, 2050 N. Woodward, #310 Bloomfield Hills, MI 48013	Taubman Company, Inc	2,929.75	
Chadbourne & Parke, 1101 Vermont Ave., NW, #900 Washington, DC 20005	American Paper Institute, Inc		
Do	AES Corporation	945.00	10.00
Do	Napp Chemicals, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Ruan Transportation Management Systems	105.00	
Deborah M. Chalfie, 1319 F St., NW, #300 Washington, DC 20004	Halt, Inc		
Megan Chambers, 1828 L Street, NW, #802 Washington, DC 20036	American Foundation for AIDS Research	1,000.00	21.00
William J. Chandler, 1776 Massachusetts Avenue, NW, #200 Washington, DC 20036	National Parks & Conservation Association	17,249.22	238.20
Nancy Chapman, 1629 K Street, NW, #1100 Washington, DC 20006	N. Chapman Associates, Inc (For:Society for Nutrition Education)	3,000.00	774.26
Richard A. Charter, 6947 Cliff Ave. Bodega Bay, CA 94923	County Administrative Office County of Santa Cruz	13,500.00	6,760.71
Christopher Chiames, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	13,496.91	
John L. Child, 490 L'Enfant Plaza, #8206 Washington, DC 20024	Litton Industries	1,000.00	3,149.06
Children's Television Workshop, One Lincoln Plaza New York, NY 10023			
Chwat/Weigend Associates, 400 First Street, NW, #855 Washington, DC 20001	American Home Sewing Assn, Inc	750.00	750.00
Do	American Radio Relay League, Inc	4,500.00	4,500.00
Do	Associated Locksmiths of America	1,332.00	1,332.00
Do	National Licensed Beverage Assn	5,400.00	5,400.00
Do	National Weather Service Employees Organization	480.00	480.00
Charisse Victoria Ciambrone, 1705 South 17th Street Las Vegas, NV 89104			
Jane Dunn Cirrincione, 555 13th Street, NW, #900-E Washington, DC 20004	National Hydropower Assn	8,874.99	
Citizens for Protection of the Constitution, P.O. Box 8711 San Jose, CA 95155-8711			
James F. Clark, P.O. Box 2121l Juneau, AK 99802-1211	Alaska Loggers Assn		
Lynn C. Clark, 1411 K Street, NW, #603 Washington, DC 20005	District of Columbia Chamber of Commerce	1,075.00	
Robert G. Clark, 400 Madison St., #1908 Alexandria, VA 22314	Ryder Systems, Inc		
William A. Clifford, 510-15 Revere Beach Blvd., #806 Revere, MA 02151	American Dispatchers Assn	193.98	
Edward T. Cloonan, 70 Pine Street, 39th Floor New York, NY 10270	American International Group, Inc		
Guy Clough, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	17,134.37	
Coalition for Vehicle Choice, 1440 New York Ave., NW, #320 Washington, DC 20005		1,213,011.36	72,834.97
Coalition to Stop Gun Violence, 100 Maryland Ave., NE Washington, DC 20002		24,575.00	48,130.00
Alan J. Cobb, 1120 Vermont Avenue, NW, #1130 Washington, DC 20005	Petroleum Marketers Assn of America	8,500.00	2,019.00
Cogeneration & Independent Power Coalition of America, Inc, 1025 Thomas Jefferson Street, NW Box 1 Washington, DC 20007.			
Philip Q. Cohen, 8525 Edinkbrook Parkway Brooklyn Park, MN 55443	Goff/Wilkie & Associates (For:North Metro th 610/10 Crosstown Council)		
Sharon Cohen, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,374.00	1,239.39
Jessie M. Colgate, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		
Collier Shannon & Scott, 3050 K Street, NW, #400 Washington, DC 20007	American Couplings Coalition		
Do	Lykes Brothers, Inc		
Do	Municipal Castings Fair Trade Council	842.50	842.50
Do	National Juice Products Assn	453.75	453.75
Do	National Pasta Assn		
Do	Nutriclean		
Dominique Colon, 555 13th Street, NW, #1260 East Washington, DC 20004	Medtronic, Inc		
Committee for Do-It-Yourself Household Moving, 2011 Eye Street, NW, #500 Washington, DC 20006			
Community Service Society, 105 East 22nd Street New York, NY 10010			191.08
Concerned Women for America, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024		37,031.70	37,031.70
Bert M. Concklin, 1203 N. Pitt Street, #1C Alexandria, VA 22314	Planning Research Corporation		359.45
Conference of State Bank Supervisors, 1015 18th St., NW Washington, DC 20036			1,381.00
Conkling Fiskum & McCormick, 900 SW 5th Ave. Suite 2300 Portland, OR 97204-1268	ATEQ Corporation		
Do	Electro Scientific Industries, Inc	3,164.25	
Do	Epitope	2,270.70	2,796.64
Do	Mentor Graphics Corporation	24,932.20	2,847.15
Do	Portland Community College	2,699.55	88.10
Do	Sequent Computer Systems	1,360.20	2,686.22
Do	Sisters of Providence	4,500.00	122.25
Do	Tektronix, Inc	18,750.00	2,865.15
Do	Unified Sewerage Agency	10,500.00	24.92
Do	Washington County	1,440.41	
Do	Western Coating Inc	1,133.92	
Michael Conlon, 1818 N Street, NW, #200 Washington, DC 20036	Automotive Parts Rebuilders Assn		
Do	Automotive Refrigeration Products Institute		
Jeanne K. Connelly, 1875 Eye St., NW, #540 Washington, DC 20006	Champion International Corp		
Francis J. Conners, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	5,547.44	
Connerton Ray & Simon, 1920 L Street, NW, 4th Floor Washington, DC 20036-5004	Association of Univ Environmental Health Science Centers	6,000.00	2,375.00
Do	Association of University Programs in Occupational Safety...	7,500.00	2,375.00
Do	International Assn of Fire Fighters	12,000.00	2,375.00
Do	International Chemical Workers Union	2,500.00	2,375.00
Do	Laborers Employers Cooperative & Education Trust	6,105.00	2,375.00
Do	Laborers National Health & Safety Fund	6,187.50	2,375.00
Do	Laborers/AGC Education & Training Fund	7,053.75	2,375.00
Do	Metal Trades Department, AFL-CIO	4,000.00	2,375.00
Do	National Coordination Committee for Multiemployer Plans	140.00	2,375.00
Richard J. Connor Jr., 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	822.60	
Jerry C. Connors, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	8,500.00	48.00
Consortium of Social Science Assns, 1522 K Street, NW, #836 Washington, DC 20005		63,100.00	5,104.88
Consumer Federation of America, 1424 16th St., NW, #604 Washington, DC 20036		68,397.00	69,592.00
Consumers for World Trade, 1726 M Street, NW Washington, DC 20036			500.00
John J. Contney, Suite B 1130 E. Beach Blvd. Hallandale, FL 33009	Textile Rental Services Assn of America		
Harry N. Cook, 1130 17th St., NW Washington, DC 20036	National Waterways Conference, Inc		
Josephine S. Cooper, 2001 M Street, NW Washington, DC 20036	Capitoline International Group Ltd (For:Professional Lawn Care Assn of America).	4,616.00	
Mark N. Cooper, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	300.00	
Stephen H. Cooper, 74 North Pearl St. Albany, NY 12207	Hospital Assn of New York State	875.01	5,151.57
Heidi S. Coppola, 425 Park Avenue New York, NY 10043	Citibank N.A.	2,664.00	
John F. Corcoran, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Tom Corcoran, 1111 30th Street, NW, #620 Washington, DC 20007	Wallace Associates Corp		
Maria C. Cordone, 1300 Connecticut Ave, NW Washington, DC 20036	International Assn of Machinists and Aerospace Workers	14,575.41	785.58
Anthony R. Corso, 3225 Gallows Road Fairfax, VA 22037	Mobil Corp	3,000.00	
Michael E. Costello, 1620 L Street, NW, #1200 Washington, DC 20036	Panhandle Eastern Corp		1,153.09
Cotten Day & Selfon, 1899 L Street, NW, #1200 Washington, DC 20036	American Samoa Government		
Walter Couillard, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	9,292.47	
Council for a Livable World, 110 Maryland Avenue, NE Washington, DC 20002		75.00	10,397.50
Council of Industrial Boiler Owners, 6035 Burke Centre Parkway, #360 Burke, VA 22015			
Christopher D. Coursen, 1133 Connecticut Ave., NW, #900 Washington, DC 20036	Coursen Group (For:Amdahl Corp)	500.00	100.00
Do	Chase Communications, Inc	500.00	50.00
Do	Coursen Group (For:Community Antenna Television Assn)	500.00	100.00
Do	Handgun Control, Inc		
Do	Hauser Communications, Inc		
Do	International Balloon Assn		
Do	Coursen Group (For:IDB Communications Group, Inc)	500.00	100.00
Do	Coursen Group (For:Pacific Bell)	250.00	
Do	Coursen Group (For:Pacific Telesis Group)	500.00	
Do	Coursen Group (For:United States Tobacco Company)		
Mark J. Covall, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
John F. Cove, 1114 Fallsmead Way Rockville, MD 20854	Cove Associates, Inc (For:Association of U.S. Night Vision Manufacturers)		
Do	Grumman Corporation		
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	NCNB Corp	525.00	7.00
Jerry W. Cox, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:Anglo American Auto Auctions, Inc)		
Do	Murphy & Demory, Ltd. (For:Cable & Wireless North America, Inc)		
Bruce Craig, P.O. Box 677 Harpers Ferry, WV 25425	National Parks & Conservation Association	1,350.00	125.00
Dale A. Crane, 618 South 223rd Street Des Moines, WA 98198	National Parks & Conservation Association		
Gail Crane, 1704 Walnut Street Philadelphia, PA 19103	Lukens, Inc	750.00	3,110.00
Charles T. Crangle, 560 N Street, SW #N-609 Washington, DC 20024	District 2, MEBA-AMO		
Joseph F. Crangle, 1250 Statler Towers Buffalo, NY 14202	Block & Colucci, PC		1,969.00
John P. Cregan, 220 National Press Building Washington, DC 20045	U.S. Business & Industrial Council	4,000.00	
Richard E. Cristol, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Charles H. Cromwell, Inc, 6709 Georgia Street Chevy Chase, MD 20815	EDO Corp	2,000.00	
Do	MTS Systems Corp		
Mark E. Crosby, 1110 N Glebe Rd #500 Arlington, VA 22201-4714	Special Industrial Radio Service Assn, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Pete Cruz, P.O. Box 1000-476 Duluth, MN 55814			
Enrique M. Cubillos, 818 Connecticut Ave., NW, #200 Washington, DC 20006	U.S. English		
John T. Curran, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	20,900.01	565.00
Do	National Coordinating Comm for Multiemployer Plans		
Jay B. Cutler, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	8,107.00	574.04
CM Services, Inc, 800 Roosevelt Boulevard, Bldg C, #20 Glen Ellyn, IL 60137-5833	Plumbing Manufacturers Institute	500.00	
CR Associates, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Alzheimer's Assn	1,831.25	
Do	American Assn for Dental Research	958.50	
Do	Association of Academic Health Sciences Library Directors	100.00	
Do	Association of University Programs in Health Administration	489.00	
Do	Conjoint Comm on Diagnostic Radiology	1,200.00	
Do	Delta Dental Plans Assn	1,200.00	
Do	Medical Library Assn	100.00	
Do	National Assn of State Long Term Care Ombusman Programs		
Stephen J. Daigler, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Dairy Farmers for Responsible Dairy Policy, 514 E Street, NE Washington, DC 20002		8,000.00	8,575.03
John E. Daniel, 1133 21th St., NW, #500 Washington, DC 20036	International Technology Corporation		
Mark C. Darrell, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Linda Daschle, 4212 King Street Alexandria, VA 22302	American Assn of Airport Executives	15,000.00	
Theodore S. J. Davi, 624 South Quincy Street Green Bay, WI 54301			
Charles Chandler Davis, 4029 Centerary Dallas, TX 75225	Vencor Inc		2,400.00
Lizanne H. Davis, 1627 K Street, NW, #500 Washington, DC 20006	FMC Corporation	1,375.00	267.89
Donald S. Dawson, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Michael Gaughan		
Do	Opticians Assn of America		
Do	Virgin Islands Gift & Fashion Shop Assn		
Do	Virgin Islands Merchants Assn		
Brenda T. Day, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	6,249.00	564.51
Harry F. Day, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
O. Mark De Michele, 400 N. 5th Street Phoenix, AZ 85004	Arizona Public Service Company		
Mark O. Decker, 1129 20th Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
Patricia L. Degennaro, 2033 M Steet, NW, #300 Washington, DC 20036	National Assn of Arab Americans		
Gene A. Del Polito, 1333 F Street, NW, #710 Washington, DC 20004-1108	Advertising Mail Marketing Assn	1,698.00	
Edward N. Delaney & Associates, Chtd, 1629 K Street, NW, #1000 Washington, DC 20006	Association of Outplacement Consulting Firms, Inc	55,029.52	1,180.25
Do	National Assn of Independent Insurers	18,000.00	1,530.43
Do	National Council of Business Advisors		
Delchamps Associates, 600 New Hampshire Ave., NW, #955 Washington, DC 20037	Alabama School of Mathematics & Science		
Do	Bishop State Community College		
Do	City of Mobile		
Do	Huntingdon College		
Do	Huntsville-Madison County Botanical Garden Society		
Do	Lawson State Community College		
Do	Spring Hill College		
Do	Technical Products, Inc		
Mitchell Delk, 1776 G Street, NW P.O.Box 37347 Washington, DC 20013	Federal Home Loan Mortgage Corp		
Willard L. Demory, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:Cable & Wireless North America, Inc)	500.00	
Do	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd. (For:Prodigy Services Company)	500.00	
Do	Murphy & Demory Ltd (For:U.S. Telephone Assn)		
Patricia Diaz Dennis, 1850 M Street, NW, 11th Floor Washington, DC 20036	United Telecom/US Sprint	15,000.00	556.81
Department for Professional Employees, AFL-CIO, 815 16th St., NW, #707 Washington, DC 20006		14,090.77	14,090.77
Judith Martin Desarno, 122 C Street, NW, #380 Washington, DC 20001-2109	National Family Planning & Reproductive Health Assn, Inc	86.00	
Dewey Ballantine, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Bell Atlantic Corp		
Do	Beneficial Corporation		
Do	Chrysler Corporation		
Do	Federal National Mortgage Assn		
Do	General Electric Co		
Do	General Reinsurance Corp		
Do	Glaxo, Inc		
Do	Health Insurance Assn of America, Inc		
Do	McCown De Leeuw & Company		
Do	Morgan Stanley Group, Inc	810.00	10.00
Do	Motion Picture Assn of America	1,440.00	25.00
Do	National Assn of Wholesaler-Distributors		
Do	Norfolk Southern Corp		
Do	NYNEX Corp		
Do	Premark International		
Do	Primerica, Inc		
Do	Prudential Insurance Co of America		
Do	Seton Hall University		
Do	SEMATECH	1,317.50	
Do	Teachers Insurance & Annuity Assn of America		
Do	Tribune Broadcasting Co		
Do	U.S. Coalition for Fair Lumber Imports		
Do	U.S. Telephone Assn		
Do	United States Surgical Corporation		
Do	Walt Disney Co		
Kendall P. Dexter, 9 Country Club Road Mobile, AL 36608	MacMillan Bloedel, Inc		
Fred R. DeLuca, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Henry L. Diamond, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Conference of National Park Concessioners)		
Angel Diaz, 510 High Street Delano, CA 93215	Delano High School	15,699.14	
Thomas C. Diederich, 2170 Piedmont Road, NE Atlanta, GA 30324	Orkin Exterminating Co, Inc		388.67
Walter E. Diercks, 1730 M St., NW, #412 Washington, DC 20036	Outdoor Advertising Assn of America, Inc		
David Dingee, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Employees		
Joseph J. DioGuardi, 50 Baraud Road Scarsdale, NY 10583	Albanian American Civic League		535.36
Direct Selling Association, 1776 K Street, NW Washington, DC 20006			
Vanessa Dixon, 818 Connecticut Ave., NW, #200 Washington, DC 20006	U.S. English	25.00	50.00
Jeffrey A. Dodson, 1700 North Moore Street Rosslyn, VA 22209	Boeing Company	120.00	284.25
Mark A. Dombroff, 1025 Thomas Jefferson St., NW East Lobby #700 Washington, DC 20007-5201	Katten Muchin Zavis & Dombroff (For:Associated Aviation Underwriters)		
Nancy A. Donaldson, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	11,917.00	199.99
Paul Donnellan, 1128 16th Street, NW Washington, DC 20036	American International Automobile Dealers Assn	7,875.00	
Sally S. Donner, 1341 G Street NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	1,666.67	
Winfield L. Donoho, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Thomas J. Donohue, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	11,000.00	
Donohue & Associates, Inc, 11240 Waples Hill Road, #100 Fairfax, VA 22030			
David L. Donovan, 1200 18th Street, NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Brad L. Doores, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Linda Doorfee-Flaherty, 600 New Hampshire Avenue, NW, #1111 Washington, DC 20037	Appraisal Institute	612.00	
Jeffrey D. Doranz, 1000 Connecticut Ave., NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	562.50	27.75
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	172.50	75.76
Do	Palumbo & Cerrell, Inc (For:Government Employees Hospital Assn)	1,215.00	20.00
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)		
Kimberly Olson Dorgan, 2550 M Street, NW, #275 Washington, DC 20037	America's Public Television Stations, Inc	230.00	
James A. Dorsch, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Dorsey & Whitney, 1330 Connecticut Ave., NW, #200 Washington, DC 20036	Guam Commission on Self Determination		
Dean R. Dort II, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	408.00	
R. J. Doubrava, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	170.00	110.60
Dow Lohnes & Albertson, 1255 23rd St., NW, Suite 500 Washington, DC 20037	Canadian Committee for National Treatment		
Do	Carlyle Group		
Do	Cellular Communications, Inc, et al.		
Do	Chicago City Colleges		
Do	Cox Enterprises, Inc, et al.		
Do	Directors Guild of America		
Do	Dofasco, Inc, et al.	945.00	267.51
Do	Dofasco, Inc	1,181.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Home Shopping Network, Inc	2,955.76	
Do	Johnson-Simmons Co		
Do	Life Care Services Corp		
Do	Marriott Corporation		
Do	Northwest Airlines, Inc		
Do	Profit Sharing Council of America		
Do	Washington Area Bankers Assn		
Do	Worldspan		
John P. Doyle Jr., 8600 Boundbrook Lane Alexandria, VA 22309	J. P. Doyle Enterprises, Inc	1,000.00	
M. Theresa Doyle, 1700 Pennsylvania Ave., NW #500 Washington, DC 20006	Mutual of Omaha Co		
Kevin J. Driscoll, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Stan Dublinske, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Morgan D. Dubrow, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Arianne M. Duddy, 1350 I Street, NW, #670 Washington, DC 20005	Koch Industries, Inc		
Juanita D. Duggan, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	600.00	100.00
John H. Dunne, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
William C. Dunning, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
Douglas A. Durante, 7315 Wisconsin Avenue, NW, #515 East Bethesda, MD 20814	Clean Fuels Development Coalition	6,000.00	
Chris Durbin, 1630 Duke Street Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	5,518.00	170.00
Stuart S. Dye, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)	240.00	
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	American Lithotripsy Society	5,000.00	123.73
Do	Bender Shipbuilding & Repair Co, Inc	1,800.00	
Do	Medical Care International, Inc	5,774.00	152.40
Do	T/2 Medical, Inc	11,000.00	340.17
Dykema Gossett, 1752 N Street, NW, 6th Fl. Washington, DC 20036	Military Boot Manufacturing Assn		
Do	Total Petroleum, Inc	547.50	
Matthew C. Eames, P.O.Box 70 Boise, ID 83707	Idaho Power Company		
Anthony S. Earl, One South Pinckney Street P.O. Box 2113 Madison, WI 53701-2113	Quarles & Brady (For:Medical College of Wisconsin)		
Do	Quarles & Brady (For:Wisconsin Electric Power Co)		
George H. Eatman, 1156 15th Street, NW, #525 Washington, DC 20005	Coal & Slurry Technology Assn		
Kevin James Echols, 425 2nd Street, NW Washington, DC 20001	American Determination for Peace Co		10.00
Edelman Public Relations Worldwide, 1420 K Street, NW 10th Floor Washington, DC 20005	Safety-Kleen		
Norman R. Eder, 19600 NW Von Neumann Drive Beaverton, OR 97006-1999	Oregon Graduate Institute of Science & Technology	7,070.95	1,659.74
Christopher Edley Jr., Harvard Law School Cambridge, MA 02138	Covington & Burling		
Edon Company, 600 New Hampshire Ave., NW #1010 Washington, DC 20037	Coca-Cola Foods	10,500.00	115.36
Do	Consolidated Seafood	10,500.00	137.95
Do	Kansas Department of Commerce	10,500.00	692.21
Do	Pinnacle Data Corporation	7,500.00	370.57
Do	Stephens Inc	6,000.00	3,585.73
Edwards Associates, 507 Second St., NE Washington, DC 20002	Confederated Tribes of Warm Springs Reservation		
Roy L. Eiguren, 702 West Idaho Street, #700 Boise, ID 83702	Davis Wright Tremaine (For:Idaho Cooperative Utilities Assn)		
Robert Eisenbud, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	161.13
Timothy L. Elder, 100 N.E. Adams Street Peoria, IL 61629-1430	Caterpillar, Inc	375.00	661.00
Electronic Industries Assn, 2001 Pennsylvania Avenue, NW Washington, DC 20006		42,742.92	68,802.77
Law Offices of Peter L Eleey, 304 Victory Road Marina Bay, MA 02171	Dana Farber Cancer Institute		
Do	Fox Chase Cancer Center		
Do	Fred Hutchinson Cancer Research Center		
Do	Kenneth Norris Jr. Comprehensive Cancer Center		
John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678	Alliance of Government Managers	281.00	281.00
Dorothy A. Ellsworth, 1300 Connecticut Ave., NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	16,657.61	409.00
Nancy C. Elwood, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Irene R. Emsellem, 1800 M Street, NW Washington, DC 20036	American Bar Assn	400.00	50.00
End Notch Discrimination, P.O. Box 3630 59 West La Sierra Drive Arcadia, CA 91006-3630			1,375.00
Richard Engram Jr., P.O. Box 506 Merchants & Miners Bank Bldg. Welch, WV 24801			
J. Barry Epperson, 324 Main Mall, #900 Tulsa, OK 74103	Associated Wire Rope Fabricators		1,414.97
Cheryl Anthony Epps, 1110 North Glebe Road, #200 Arlington, VA 22201	International Assn of Chiefs of Police	11,643.30	1,908.12
Erisa Industry Committee, 1400 L Street, NW, #350 Washington, DC 20005		1,800.00	9,821.88
Stephen E. Eure, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	11,250.00	
Mary Jo Eustice, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
Andreas W. Evans, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
David C. Evans, 1200 18th Street, NW, Washington, DC 20036	Building Owners & Managers Assn Int'l		
Elaine Evans, 555 13th Street, NW, #900-E Washington, DC 20004	National Hydropower Assn		
Rae Forker Evans, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Robert B. Evans, 919 18th Street, NW Washington, DC 20006	American Financial Services Assn	250.00	
Walter H. Evans III, 701 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Brix Maritime, Inc	7,172.38	113.95
Do	Oregon Economic Development Dept, Ports Div	9,600.00	514.83
Do	Oregon Housing Agency		3.56
Dave Evans Associates, 406 3rd Street, SE Washington, DC 20003	FIFE		
Robbie G. Exley, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Paul K. Eyer, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	2,600.00	
Darryl H. Fagin, 1511 K Street, NW, #941 Washington, DC 20005	Americans for Democratic Action	5,104.18	
Robert R. Fahs, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
Family Holding Company Advocacy Group, c/o George Helme Wilmington Trust Company Wilmington, DE 19890			3,208.34
Martin T. Farmer, P.O. Box 40789 Jacksonville, FL 32203-0789	Barnett Banks, Inc	26,125.00	8,020.58
Kenrick Fealing, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	7,930.00	154.55
Federal Judges Association, Suite 110 111 West Washington Street Chicago, IL 60602-2768		12,347.90	23,161.06
Federal Kemper Life Assurance Co, Kemper Bldg. D-3 Long Grove, IL 60049			
Federation for American Immigration Reform, 1666 Connecticut Avenue, NW, #400 Washington, DC 20009			24,568.79
Federation of Behavioral Psychological & Cognitive Sciences, 1200 17th Street, NW Washington, DC 20036			330.00
Robert Feenstra, 13545 Euclid Avenue Ontario, CA 91761	Milk Producers Council (For:Dairy Farmers for Responsible Dairy Policy)	150.00	150.00
Chai Rachel Feldblum, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union		
Elliot J. Feldman, 901 15th Street, NW, #1250 Washington, DC 20005-2301	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs).		
Claudia Feller, 1200 17th Street, NW Washington, DC 20036	Federation of Behavioral Psychological & Cognitive Sciences	330.00	
Mimi A. Feller, 1100 Wilson Blvd Arlington, VA 22209	Gannett Co, Inc	4,500.00	45.00
Stephen Fenoglio, P.O. Box 1148 Austin, TX 78767	Clark Thomas Winters & Newton (For:State Mutual Insurance Company)		99.06
William Ferguson Jr., 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Ferguson Company (For:City of Alhambra)	2,166.00	55.00
Do	Ferguson Company (For:City of Inglewood)	3,208.00	31.00
Do	City of Livermore, CA	2,500.00	715.00
Do	Ferguson Company (For:City of Norwalk)	3,720.00	74.00
Do	Ferguson Company (For:City of Oceanside)	1,220.00	142.00
Do	Ferguson Company (For:City of Provo)	3,000.00	74.00
Do	Ferguson Company (For:City of Redondo Beach)	1,849.00	11.00
Do	Ferguson Company (For:City of Santa Ana)	3,300.00	266.00
Do	Ferguson Company (For:City of South Salt Lake)	1,833.00	69.00
Do	Ferguson Company (For:Hamilton Partners)	6,000.00	116.50
Do	Ferguson Company (For:Imperial Irrigation District)	2,625.00	64.00
Do	The Ferguson Company (For:Interstate 5 Consortium)	4,500.00	709.00
Do	Ferguson Company (For:Irvine Company)	10,800.00	1,144.80
Do	Ferguson Company (For:Long Beach Transit)	2,750.00	76.00
Do	Ferguson Company (For:Oceanside Redevelopment Agency)	1,220.00	63.00
Do	Oceanside Small Craft Harbor, California	813.50	46.00
Do	The Ferguson Company (For:Southeast Water Coalition)	4,375.00	982.00
Do	Transportation Corridor Agencies	15,000.00	1,142.21
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Conoco, Inc	6,750.00	671.47
Do	Global Marine, Inc	4,750.00	700.94
Do	Haida Corporation	7,500.00	786.07
Do	Klukwan, Inc	2,500.00	669.95
Do	Northern Air Cargo	3,750.00	700.94
Michael J. Ferrell, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Sharon R. Fine, 1776 K Street, NW Washington, DC 20006	Washington Citizens for World Trade	1,875.00	278.33
Fire Equipment Manufacturers & Services Assn, Inc, 808 17th Street, NW, #200 Washington, DC 20006-3953			
Deborah A. Fischione, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
Mary Ellen Fise, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	6,014.00	85.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
J. Paris Fisher, 1801 K St., NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,500.00	
Alan M. Fitzwater, 3700 Continental Plaza 777 Main Street Fort Worth, TX 76102	Burlington Northern Railroad Co	25,000.00	
Donald Fix, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Hyjek & Fix, Inc (For:Canadair Challenger, Inc)	1,500.00	185.17
Do	Hyjek & Fix, Inc (For:Defence Equipment & Systems, Ltd)	975.00	
Do	Hyjek & Fix, Inc (For:NEI Thompson Ltd)	2,125.00	5,084.34
Do	Hyjek & Fix, Inc (For:Short Brothers (USA), Inc)	1,750.00	
Hilliard J. Fjord, 6725 Wooster Pike Cincinnati, OH 45227	Ohio River Co	3,000.00	1,127.00
Susan G. Flack, 1100 Connecticut Ave, NW, #1200 Washington, DC 20036	Dayton Hudson Corp	100.00	
Do	National Assn of Chain Drug Stores, Inc		
Do	Flack, Inc (For:Spiegel, Inc)	300.00	
Daniel V. Flanagan Jr., 1600 Wilson Blvd. Suite 200 Arlingtton, VA 22209	Flanagan Group, Inc (For:Dominion Resources, Inc)		
Do	Flanagan Group, Inc (For:Port of San Francisco)		
Do	Virginia Power		
Flanagan Group, Inc, 1600 Wilson Blvd., Suite 200 Arlington, VA 22209	Dominion Resources, Inc		
Do	Port of San Francisco		
Do	Virginia Power		
Mac A. Fleming, 12050 Woodward Ave. Detroit, MI 48203-3596	Brotherhood of Maintenance of Way Employes		
Karen Florini, 1616 P Street, NW, #150 Washington, DC 20036	Environmental Defense Fund	5,000.00	1,175.00
David L. Flory, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:American Mobile Satellite Consortium)		
Do	Murphy & Demory, Ltd. (For:Cable & Wireless North America, Inc)	500.00	300.00
Do	Murphy & Demory, Ltd. (For:California Energy Company)	5,750.00	300.00
Do	Murphy & Demory (For:MEBA II)	1,000.00	300.00
Veronica M. Floyd, 3306 Fallen Tree Court Alexandria, VA 22310	Brunswick Corp	5,525.00	116.60
Joseph P. Foley, P.O. Box 61303 Potomac, MD 20859	American Security Fence Corp		
Do	Coalition Against Noneffective Lighting Protection Tech		
Do	Foley & Co, Inc (For:Media, Inc)		
Do	National Assn of Orthopaedic Nurses		
Do	PolyPhaser Corp		
R. D. Folsom, 1317 F Street, NW, #400 Washington, DC 20004	Glaxo, Inc	1,000.00	
Do	R. Duffy Wall & Associates	1,250.00	
John P. Ford, One Kellogg Square Battle Creek, MI 49016	Kellogg Co	4,000.00	283.00
Foreman & Heidepriem, 1112 16th Street NW, #750 Washington, DC 20036	Coalition to Protect the Integrity of American Trademarks		
Do	United Food & Commercial Workers Int'l Union	1,470.00	113.88
Edward H. Forgotson, 1020 - 16th Street, NW, Suite 300 Washington, DC 20036	Enserch Corporation		
Do	GNB, Inc		
Do	National Deposit Insurance Corp		
Do	Northern Indiana Public Service Company		
Do	RSR Corp		
Do	Skidmore Owings & Merrill (SOM)		
Do	Superior National Insurance Group		
James R. Forrester, P.O. Box 94661 Cleveland, OH 44101	Centerior Energy Corp, et al.	2,432.50	3,430.47
Tracy Fortson, 818 Connecticut Ave., NW, #303 Washington, DC 20006	National Assn for Biomedical Research	79.00	
Richard C. Fortuna, 1440 New York Ave., NW, #310 Washington, DC 20005	Hazardous Waste Treatment Council	750.00	375.00
Maria Foscarinis, 918 F Street, NW, #412 Washington, DC 20004	National Law Center on Homelessness and Poverty		
Bruce Foster, 2100 Pennsylvania Ave, NW, #675 Washington, DC 20037	New England Power Service Co	4,750.00	325.84
Nancy E. Foster, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107	American Soybean Assn	348.56	
Fox Bennett & Turner, 750 17th Street, NW, #1100 Washington, DC 20006	American Soc of Clinical Oncology		
Do	Fisons Corp		
Do	Healthcare Management Alternatives, Inc		
Do	Hoffmann-La Roche, Inc		
Do	Lederle-Praxis Biologicals		
Do	Memorial Sloan-Kettering Cancer Center		
Do	New MediCo Associates, Inc		
Do	Serono Laboratories, Inc		
Fox Group, USA Ltd, P.O. Box 1831 Charleston, SC 29402	Camp Barsh Bates & Tate (for Sears Roebuck & Co), et al.		
Phillip L. Fraas, 1 Massachusetts Avenue, N.W., #800 Washington, DC 20001	McLeod & Pires (For:First South Production Credit Assn)	5,601.00	71.43
Stephen R. Frank, 607 Azure Hills Drive Simi Valley, CA 93065	Calcitek Dental Products		
Do	Church of Scientology	1,500.00	
Walter L. Frankland Jr., 1730 M Street, NW, #911 Washington, DC 20036	Silver Users Assn, Inc	1,080.00	
Ellis B. Franklin, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
George Franklin, 1 Kellogg Square Battle Creek, MI 49016-3599	Kellogg Company	1,500.00	150.00
Kevin Frankovich, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		13.00
James T. Freeman, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Freer & Alagia, Chtd, 1000 Thomas Jefferson St., NW, #600 Washington, DC 20007	Dairymen, Inc	10,780.00	1,837.67
Gay Friedmann, 555 13th Street, NW, #300W Washington, DC 20004	Interstate Natural Gas Assn of America	12,000.00	
Friends of the Columbia Gorge, 319 SW Washington, #420 Portland, OR 97204			
Elizabeth Fritschle, 555 13th Street, NW, #430W Washington, DC 20004	Transco Energy		
Charles H. Fritts, P.O. Box 37347 Washington, DC 20013	Federal Home Loan Mortgage Corp	1,900.00	63.96
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition of Burn Center Hospitals	2,500.00	
Do	Songwriters Guild of America	5,000.00	817.53
Wayne Gable, 1350 I Street, NW, #670 Washington, DC 20005	Koch Industries, Inc	3,000.00	
Gage & Tucker, 2120 L Street, NW, #810 Washington, DC 20037	Black & Decker Corp		
Do	Pepsi Co, Inc		
Do	Pizza Hut, Inc		
William C. Gager, 6849 Old Dominion Dr., #352 McLean, VA 22101	Automotive Parts Rebuilders Assn		
Curtis B. Gans, 421 New Jersey Avenue, SE Washington, DC 20003	Committee for the Study of the American Electorate	15,640.50	
Richard E. Gardiner, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Patrick J. Garver, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Gas Appliance Manufacturers Assn, Inc, 1901 North Moore Street Arlington, VA 22209			
Christie J. Gaskin, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Lillian B. Gaskin, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Kathy Gavett, P.O.Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores	500.00	
W. Mark Gavre, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Ruthann Geib, 1156 15th Street, NW, #1101 Washington, DC 20005	American Sugarbeet Growers Assn		
Elise Gemeinhardt, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Company		
General Aviation Manufacturers Association, 1400 K Street, NW, #801 Washington, DC 20005			13,698.00
Scott A. Gerke, 955 L'Enfant Plaza, SW #5300 Washington, DC 20024	Honda North America, Inc	225.00	27.54
Richard Gilbert, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,222.00	
Annelise Gillespie, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Daniel F. Gilligan, 1701 K Street, NW, #400 Washington, DC 20006	National Manufactured Housing Federation	1,000.00	
Maureen Gilman, 901 E St., NW, #600 Washington, DC 20004	National Treasury Employees Union	18,000.00	270.25
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	Chugai-Upjohn, Inc		
Brenda M. Girton, 901 East Capitol Street, SE Washington, DC 20003	American Assn for Counseling & Development	16,255.00	
Earl E. Gjelde, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc		
Katherine Gleeson, 1400 Sixteenth Street, NW, #320 Washington, DC 20036	Zero Population Growth, Inc	297.00	
Sara B. Glenn, 3225 Gallows Rd Room 3C 004 Fairfax, VA 22037-0001	Mobil Corp	2,250.00	
Global USA, Inc, 2121 K St., NW, #650 Washington, DC 20037	All Nippon Airways Co, Ltd		
Do	Convex Computer Corp	10.81	
Do	Fanuc, Ltd		
Do	Hitachi, Ltd		
Do	Hyundai Motor America	240.38	
Do	Japan Fed of Construction Contractors, Inc	72.11	
Do	Komatsu Ltd		
Do	Kyocera Corporation		
Do	Mazak Corporation	108.17	
Do	Murata Machinery, Ltd	36.05	
Do	South Louisiana Port Commission		
Richard D. Gluck, 1801 K Stret, NW, Suite 1200 Washington, DC 20006	Robins Kaplan Miller & Ciresi (For:International Federation of Freight Forwarders Assn).	29,000.00	1,229.80
Horace D. Godfrey, 910 16th St., NW, S-402 Washington, DC 20006	Godfrey Associates, Inc		
Godfrey Associates, Inc, 15 Golf Course Road Littleton, NC 27850			
Jean C. Godwin, 1010 Duke Street Alexandria, VA 22314	American Assn of Port Authorities	17,000.00	2,000.00
Donald G. Goff, 1400 K. Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	5,178.00	
Gold Fields Operating Co-Mesquite, HCR 76, Glamis 100 Brawley, CA 92227			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Andrew Goldfarb, c/o Leadership Conference on Civil Right 2027 Massachusetts Avenue, NW Washington, DC 20036	Leadership Conference on Civil Rights	3,750.00	20.00
Marva Goldsmith, 601 13th Street, NW, #650-North Washington, DC 20005	Detroit Edison Company	750.00	70.00
Jack Golodner, 815 16th St., N.W. Washington, DC 20006	Department for Professional Employees, AFL-CIO	5,618.57	
Judith E. Golub, 2027 Massachusetts Ave., NW Washington, DC 20036	American Jewish Committee	14,000.00	1,500.00
Stephen Gordon, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
William J. Gordon, 1700 K Street, NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Brenda J. Gore, 1000 Wilson Blvd., 2600 Arlington, VA 22209	TRW, Inc	43.50	244.02
John C. Gore, 1776 Eye Street NW Suite 1000 Washington, DC 20006	BP America, Inc		
James D. Gormley, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	3,254.00	
Barry Gottehrer, 1295 State Street Springfield, MA 01111-0001	Massachusetts Mutual Life Insurance Co.		
Margaret A. Gottlieb, 1101 17th Street, NW, #705 Washington, DC 20036	Direct Marketing Assn		
George B. Gould III, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	13,627.75	1,188.13
John R. Graff, 1448 Duke Street Alexandria, VA 22314	International Assn of Amusement Parks & Attractions		
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Contact Lens Manufacturers Assn		
Frances Turk Granahan, 1620 L Street, NW, #1200 Washington, DC 20036	Panhandle Eastern Corp		265.65
Gerald W. Grandey, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206			
James L. Granum, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Suzanne Granville, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	9,499.89	
Edwin C. Graves, 2001 M Street, NW Washington, DC 20036	Capitoline International Group Ltd (For:City of America)	8,375.00	
Do	Capitoline International Group, Ltd (For:Professional Lawn Care Assn. of America).	4,750.00	
Scott D. Grayson, 1828 L Street, NW, #1202 Washington, DC 20036	Institute of Electrical & Electronics Engineers (IEEE)	900.00	
Greater Washington Educational Telecommunications Assn, P.O. Box 2626 Washington, DC 20013			
John K. Green, 800 American Charter Center 1623 Farnam St. Omaha, NE 68102-2130	Papillion-Lavista School District		
David I. Greenberg, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	2,500.00	25.00
Phyllis Greenberger, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	3,481.00	1,685.91
H. Thomas Greene, 412 1st St., SE Washington, DC 20003	National Automobile Dealers Assn	10,000.00	
R.T. Gregg, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn	200.00	
Janice M. Gregory, 1400 L St., #350 Washington, DC 20005	ERISA Industry Committee	4,312.50	
Nancy Gregovich, 3050 K Street, NW, #330 Washington, DC 20007	National Club Association		
Greyhound Lines, Inc, 1101 14th Street, NW, #1201 Washington, DC 20005			10,100.00
Lori Gribbin, 1128 16th Street, NW Washington, DC 20036	American International Automobile Dealers Assn	19,167.00	
Jeffrey J. Grieco, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co Inc)		
Kathryn Griesinger, 2001 Pennsylvania Ave., NW Washington, DC 20006	Electronic Industries Assn	625.00	19.85
Steven A. Grossman, 901 31st Street, NW Washington, DC 20007	Hill Knowlton (For:Nintendo of America, Inc)		
John T. Grupenhoff, 6410 Rockledge Drive, #203 Bethesda, MD 20817	Association of American Cancer Institutes	690.00	352.00
Do	Cooley's Anemia Foundation	1,200.00	275.00
Gerald M. Guarilia, 70 North Main Street Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Gabriel Guerra-Mondragon, 444 North Capitol Street, #711 Washington, DC 20001	TKC International (For:Mexican Dept of Commerce & Industrial Development)	11,000.00	11,000.00
John E. Guiniven, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	5,000.00	350.00
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419 Washington, DC 20036	KMS Fusion, Inc	500.00	35.00
Lewis Gulick, 1911 Ft. Myer Drive, #703 Arlington, VA 22209	International Interests, Inc	5,000.00	100.00
Ned H. Guthrie, 209 Hayes Avenue Charleston, WV 25314	American Fed of Musicians	5,005.00	2,272.79
Alvin M. Guttman, 1924 N Street, NW Washington, DC 20036	Towing & Recovery Assn of America, Inc	6,000.00	
Z. Lou Guttman, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	1,000.00	
GLB, Inc, 1507 West 6th Street Austin, TX 78703	Jones Motor Co, Inc		
Do	MPPAA Solvency Coalition		
Do	Schneider National, Inc		
Do	Walsh Trucking Service, Inc		
Barry Hager, 1701 K St., NW, #900 Washington, DC 20006	Fund for Private Assistance in Internat'l Development (Paid)	4,000.00	45.00
John F. Haifley, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Nancy A. Hailpern, 316 Pennsylvania Ave., SE, #200 Washington, DC 20003	American Cancer Society	2,250.00	
Alma P. Hale, 1920 N Street, NW Washington, DC 20036	America Mining Congress	20.00	
Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	15,426.66	
Richard F. Hall, 1401 Eye Street, NW, #200 Washington, DC 20005	Pacific Resources, Inc		
Marian Hall-Crawford, 316 Pennsylvania Avenue, SE, #301 Washington, DC 20003	San Diego Gas & Electric	1,935.00	2,496.20
Sarah E. Haller, 1615 L Street, NW, #320 Washington, DC 20036	Sandoz Corp		20.00
Eliot J. Halperin, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)	225.00	
William W. Hamilton Jr., 2010 Massachusetts Ave., NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	872.21	
Handgun Control, Inc, 1225 Eye Street, NW, #1100 Washington, DC 20005		1,71,879.00	632,037.00
Christopher W. Hansen, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Company	1,879.80	623.04
Eric R. Hanson, 1321 Duke Street, #200 Alexandria, VA 22314-3563	U.S. Strategies Corp (For:Healthsouth Rehabilitation Corp)		
Stuart B. Hardy, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Harker Firm, 5301 Wisconsin Ave., NW, #740 Washington, DC 20015	International Bottled Water Assn	59,231.02	59,231.02
Charles A. Harkey, 919 18th Street, NW Washington, DC 20006	American Financial Services Assn	250.00	
Donna Akers Harman, 1875 Eye Street, NW, #540 Washington, DC 20006	Champion International Corp		
Patricia L. Harmening, 316 Pennsylvania Ave., SE, #402 Washington, DC 20003	San Diego Gas & Electric	1,220.00	2,402.36
Wiley C. Harrell Jr., 1776 Eye Street, NW, #200 Washington, DC 20006	Anheuser-Busch Companies, Inc		
Toni Harrington, 950 L'Enfant Plaza North, SW, #5300 Washington, DC 20024	Honda North America, Inc	828.00	31.85
Richard M. Harris, 501 School St., SW 8th Floor Washington, DC 20024	American Road & Transportation Builders Assn	20,000.00	671.56
Randolph C. Harrison, 1875 Connecticut Ave., NW, #300 Washington, DC 20009	Center for Science in the Public Interest	6,250.00	
Anne Harrison-Clark, 1828 L Street, NW, #802 Washington, DC 20036	American Foundation for AIDS Research	4,500.00	419.04
Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005	College of American Pathologists	2,300.00	
Gabriel A. Hartl, Arlington Courthouse Plaza II, #711 2300 Clarendon Boulevard Arlington, VA 22201	Air Traffic Control Assn, Inc		
Fred Hatfield, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly Raffaelli & Siemens (For:County of Merced)	4,500.00	
Do	McAuliffe Kelly Raffaelli & Siemens (For:ICF International Inc)	2,500.00	
Janet S. Hathaway, 1350 New York Ave., NW, #300 Washington, DC 20005	Natural Resources Defense Council	12,190.20	272.75
Todd J. Hauptli, 4212 King Street Alexandria, VA 22302	American Assn of Airport Executives	4,700.00	
Laura A. Havens, 1901 L Street, NW, #260 Washington, DC 20036	March of Dimes Birth Defects Foundation	1,100.00	20.00
Kathryn Joann Hawes, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Paula Hawkins, P.O. Box 193 Winter Park, FL 32790	Genentech	30,000.00	5,558.85
John F. Hayden, 1700 N. Moore Street, 20th Floor Arlington, VA 22209	Boeing Company	2,790.00	
Robert T. Hayden, 1201 New York Ave., NW, #850 Washington, DC 20005	Conway & Company (For:Academy of Rail Labor Attorneys)	2,550.00	
Steven L. Hayes, 100 N. Brand Blvd., #502 Glendale, CA 91203	Citizens for an Alternative Tax System		
Leah V. Haygood, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Mark F. Haynes, 1627 K Stret, NW, #300 Washington, DC 20006	Fluor Corporation	5,000.00	698.83
Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112	Harsco Corporation	23,808.00	2,539.95
Janis D. Hazel, 1250 Eye Street, NW, #200 Washington, DC 20005	Assn of Americas Public Television Stations	2,125.00	34.87
Health Insurance Assn of America, Inc, 1025 Connecticut Ave., NW Washington, DC 20036		617.15	617.15
William H. Hecht, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates, Inc (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates, Inc (For:Los Angeles Raiders)		
Do	Hecht Spencer & Associates (For:Mid-American Waste Systems, Inc)		
Do	Hecht Spencer & Associates (For:National Automatic Merchandising Assn)		
Do	Hecht Spencer & Associates (For:Charles E. Smith Management, Inc)		
Hecht Spencer & Associates, Inc, 499 South Capitol Street, SW, #507 Washington, DC 20003	Bixby Ranch Co	1,000.00	
Do	Boy Scouts of America	1,000.00	
Do	Brown & Williamson Tobacco Corp	2,500.00	
Do	Los Angeles Raiders		
Do	Mars, Inc	1,000.00	
Do	Mid-American Waste Systems, Inc	3,000.00	
Do	National Automatic Merchandising Assn	1,000.00	
Do	Charles E. Smith Management, Inc	1,000.00	
James B. Hedlund, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Barbara D. Heffernan, 1776 I Street, NW, #200 Washington, DC 20006	Anheuser-Busch Companies, Inc		
John Heffner, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Heideman Cardin, P.C., 1025 Connecticut Avenue, NW, #1017 Washington, DC 20036	Health Care for America, Inc		
Richard Helfer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
Helicopter Assn International, 1619 Duke Street Alexandria, VA 22314			21,900.00
Richard L. Hellwege, 1225 Jefferson Davis Highway, #1100 Arlington, VA 22202	Smiths Industries	700.00	
Lewis M. Helm, 7000 Millwood Road Bethesda, MD 20817	Associated Public Safety Communications Officers	7,200.00	
Donald E. Henderson, 130 E. Washington Street Indianapolis, IN 46204	Indiana Farm Bureau, Inc	6,000.00	235.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Keith E. Henderson, 1901 L Street, NW, #260 Washington, DC 20036	March of Dimes Birth Defects Foundation	2,625.00	4,025.00
Karen Hendricks, 1319 F Street, NW, #604 Washington, DC 20004	Association of Junior Leagues Int'l, Inc	6,125.00	580.00
Dennis A. Henigan, 1225 Eye Street, NW Washington, DC 20005	Handgun Control, Inc	17,617.00	
C. Dayle Henington, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
Cynthia A. Henneberger, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America	8,115.17	
Hercules, Inc, Hercules Plaza Wilmington, DE 19894			16,190.91
M. Lyn Herdt, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Jo-Ann T. Herrick, 1800 K Street, NW, #530 Washington, DC 20006	Tesoro Petroleum Corp	1,500.00	
Hessel & Aluise, PC, One Thomas Circle, NW, #1250 Washington, DC 20005	National Corp for Housing Partnerships	2,505.00	
Do	Riverview Towers Limited Partnership		
Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Frederick Wells Hill, 1801 K Street, NW, #800 Washington, DC 20006-1378	Westinghouse Electric Corp		
Gerald 'Jerry' Hill, 375 Northbridge Road, #350 Atlanta, GA 30350	Amoco Corporation		
Arthur William Hillman, 1235 Jefferson Davis Highway, #606 Arlington, VA 22202	National Utility Contractors Assn	9,600.00	34.00
John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132	Sundstrand Corporation	1,080.00	663.88
David Himmelstein, 2000 P Street, NW Washington, DC 20036	Public Citizen Health Research Group	23.32	
Grace L. Hinchman, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	18,590.50	
Nancy Hirshbein, 1400 P Street, NW Washington, DC 20036	Zero Population Growth	639.00	
Sheila E. Hixson, 1200 17th Street, NW, #106 Washington, DC 20036	American Psychological Assn (APA)		
Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037	American Public Power Assn	1,000.00	
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Alamo Navajo School Board	82.50	
Do	Aroostook Band of Micmacs	110.00	
Do	Association of Navajo Community-Controlled School Boards		
Do	Black Mesa Community School Board	121.00	
Do	Bristol Bay Area Health Corp	30.00	
Do	Evergreen Legal Services		
Do	Kodiak Area Native Assn		
Do	Maniilaq Assn		
Do	Menominee Indian Tribe		
Do	Metlakatla Indian Community	160.00	
Do	Miccosukee Tribe of Indians of Florida	400.00	
Do	Mississippi Band Choctaw Indians	130.00	
Do	Mooretown Rancheria		
Do	Narragansett Indian Tribe		
Do	National Indian Education Assn		
Do	National Native American Public Broadcasting Consortia	950.00	
Do	Navajo Nation		
Do	Norton Sound Health Corp		
Do	Oglala Sioux Tribe		
Do	Oglala Sioux Tribe Public Safety Commission		
Do	Pinon Community School Board	38.50	
Do	Pueblo de Cochiti		
Do	Ramah Navajo School Board	38.50	
Do	Rock Point Community School	38.50	
Do	Rough Rock Community School	55.00	
Do	Seminole Tribe of Florida		
Do	Shiprock Alternative Schools, Inc	55.00	
Do	Spokane Legal Services Center	90.00	
Deanna Hodge, 606 North Washington Street Alexandria, VA 22314	Society for Human Resource Management	15,000.00	
Irvin A. Hoff, 20 N. Live Oak Rd. Hilton Head Island, SC 29928	U.S. Cane Sugar Refiners' Assn		
Gail Hoffman, 1225 Eye St., NW #1100 Washington, DC 20005	Handgun Control, Inc	17,322.00	
F. Nordy Hoffmann and Assoc, Inc, 400 N. Capitol St., NW, #327 Washington, DC 20001	Archer Daniels Midland Company		
Do	Coca-Cola Company		
Do	Crysen Corp		
Do	Interstate Natural Gas Assn of America		
Do	Keene Corp		
Do	Marine Engineers' Beneficial Assn		
Do	National Education Assn		
Do	Sound Refining, Inc		
Joseph Michael Hogan Jr., 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	American Academy of Pediatrics	450.00	8.00
Do	American College of Osteopathic Surgeons	225.00	8.00
Do	American Physical Therapy Assn		
Do	Damon Corp		
Do	Infectious Diseases Society of America, Inc	168.75	
Do	PaineWebber Group, Inc		33.00
Do	Society of Critical Care Medicine	918.75	8.00
Do	The Gap, Inc, et al.		
Do	Timex Corporation		
Do	Toyota Motor Sales, USA, Inc		8.00
William J. Holayter, 1300 Connecticut Avenue, NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	9,161.68	
Philip C. Holladay Jr., 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co		
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	Florida International Bankers Association (FIBA) Inc.	2,100.00	
Do	Hospice Care, Inc	600.00	
Holleb & Coff, 55 East Monroe, #4100 Chicago, IL 60603-4100	Monroe Communications, Inc		13,275.00
Everett Boyd Hollingsworth Jr., 1341 G Street, NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	3,000.00	110.00
Patricia L. Hollis, 1300 L Street, NW, #950 Washington, DC 20005	American Soybean Assn	614.50	14.00
Michael J. Hoogendyk, 706 E. Bell Road, #101 Phoenix, AZ 85022	National Assn of Mortgage Brokers	2,850.00	2,850.00
Mark Hopkins, 1725 K St., NW, #914 Washington, DC 20006	Alliance to Save Energy		
Hopkins & Sutter (Washington), 888 16th Street, NW, 6th floor Washington, DC 20006	Cash Station	800.00	8.00
Do	Tandy Corporation	115.00	445.31
Do	Washington Consulting Group		
Bernard Horn, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	7,107.00	
Robert Jack Horn, 1990 M St., NW, #480 Washington, DC 20036	Detroit Edison Company	1,320.00	75.00
R. Kyle Horst, 122 C Street, NW #350 Washington, DC 20001	Armenian Assembly of America	828.68	
Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207		6,595.18	6,595.18
M'liss Solove Houston, MSH Consulting 5507 Ferndale Street Springfield, VA 22151	American Collectors Assn, Inc	6,000.00	
Do	Armour Pharmaceutical Company	10,500.00	
Do	MCI Communications Corp	6,000.00	
Roger W. Howard, 3253 E. Chestnut Expressway Springfield, MO 65802	Burlington Northern Railroad Co		
Allynn Howe, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Susan Howe, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
J. Martin Huber, 5301 Wisconsin Ave., NW, #450 Washington, DC 20015	National Assn of Surety Bond Producers		
Thomas H. Hudson, P.O. Box 2787 Baton Rouge, LA 70821	Coastal Corporation		
Do	Louisiana State University Foundation	2,000.00	
Do	Philip Morris, USA		
Do	Seneca Resources, Inc	675.00	341.83
Do	United Gas Pipe Line Co		
Sharon M. Hughes, 1735 I St., NW, Suite 704 Washington, DC 20006	National Council of Agricultural Employers	22,650.00	144.00
B. Jeanine Hull, 1001 30th Street, NW, #340 Washington, DC 20007	Hadson Power Systems		11,125.02
Brett Hulsey, Midwest Office 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	1,111.29	115.26
Francis M. Hunt, 1776 Eye Street , N.W. Suite 575 Washington, DC 20006	Dow Chemical Co	500.00	6,589.00
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Long Island Lighting Co	1,000.00	
William Hutnick, 1705-B N. Front Street Harrisburg, PA 17102	Bridge to the Future		
Steven M. Hyjek, 2100 Pennsylvania Ave., NW, #560 Washington, DC 20037	Hyjek & Fix, Inc (For:Canadair Challenger, Inc)	1,500.00	
Do	Hyjek & Fix, Inc (For:Defence Equipment & Systems)	975.00	431.48
Do	Hyjek & Fix, Inc (For:NEI Thompson LTD.)	2,125.00	
Do	Hyjek & Fix, Inc (For:Short Brothers (USA), Inc)	1,750.00	2,168.00
HCA The Healthcare Co, One Park Plaza P.O. Box 550 Nashville, TN 37202-0550			
Immigration Services Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Circuses, et al	6,110.50	111.76
Do	Citicorp/Citibank	637.50	7.06
Do	Fragomen Del Rey & Bernsen, PC (for National Hockey League)	232.50	
Do	(For:Irish Immigration Reform Movement (IIRM))	881.25	85.01
Do	Fragomen, Del Rey & Bersen (PC) (For:IBM)	1,218.75	13.66

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Independent Lubricant Manufacturers Assn, 651 South Washington Street Alexandria, VA 22314			2,581.25
Industry Council for Tangible Assets, 666 Pennsylvania Ave., SE, #301 Washington, DC 20003			
Edwin T. C. Ing, 2000 Pennsylvania Ave., NW, #3310 Washington, DC 20006	Hawaiian Electric Industries, Inc		
Do	Kamehameha Schools/Estate of Bernice P. Bishop		
Do	U.S. Windpower, Inc		
Amie Ingber, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	123.00	
Institute of International Bankers, 299 Park Avenue New York, NY 10171			159,424.66
Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (UAW) 8000 E. Jefferson Avenue Detroit, MI 48214.		162,323.28	162,323.28
International Advisory Services Group, 1400 L Street, NW, #600 Washington, DC 20005	Steel Service Center Institute	1,697.50	
International Assn of Machinists & Aerospace Workers, 1300 Connecticut Ave., NW Washington, DC 20036			40,394.70
International Business-Government Counsellors, Inc, 818 Connecticut Ave., NW, #1200 Washington, DC 20006	Hercules, Inc	10,140.00	492.92
Do	Procter & Gamble	4,087.50	95.59
Do	Totes, Inc	1,162.50	
Do	Uniroyal Chemical Company, Inc	525.00	
Do	USR Optonix, Inc		
Do	Xerox Corp		951.40
Edrie Irvine, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc	960.00	
Amy F. Isaacs, 1511 K Street, NW, #941 Washington, DC 20005	Americans for Democratic Action	8,502.30	
John Isaacs, 110 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	6,349.96	
Russel Iuculano, 1620 L Street, #800 Washington, DC 20036	Metropolitan Life Insurance Co	700.00	
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006	Family Holding Company Advocacy Group	3,208.34	
Kenneth M. Iwashita, 29400 Lakeland Boulevard Wickliffe, OH 44092	Lubrizol Corp		
Kelleen W. Jackson, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,060.00	731.98
Jeff P. Jacobs, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,200.00	
Khalil E. Jahshan, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	1,750.00	1,200.00
Claudia James, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	10,000.00	298.21
J. Jancin Jr., 1800 M Street, NW Washington, DC 20036	American Bar Assn	300.00	30.00
Mona M. Janopaul, 1101 14th Street, #1400 Washington, DC 20005	Miller Balis & O'Neil (For:American Public Gas Assn (APGA))		26.00
Japanese American Citizens League, 1765 Sutter Street San Francisco, CA 94115		4,165.00	6,108.00
Dane B. Jaques, 1275 Pennsylvania Ave., NW #301 Washington, DC 20004	Katten Muchin Zavis & Dombroff (For:Associated Aviation Underwriters)		
Jar-Mon Consultants, 208 N. Patriot St. Alexandria, VA 22314	American Business Council, Inc		
Do	American Freedom Coalition		
Do	Christian Voice, Inc	30,000.00	
Debra Levin Jardot, 1101 Connecticut Ave., NW, #404 Washington, DC 20036	Disney Worldwide Services, Inc	5,000.00	105.31
Charles W. Jarvis, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management Environmental Services		
Edwin S. Jayne Jr., 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	16,540.20	611.04
Kevin Jefferson, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	850.00	
Blake Jeffery, 1215 Jefferson Davis Highway, #100 Arlington, VA 22202	National Assn of Industrial & Office Parks		
Wendell Jeffreys, 245 N. Waco P.O. Box 2940 Wichita, KS 67201-2940	Wichita District Farm Credit Council		
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	ASARCO, Inc	304,072.00	11,658.00
Do	Los Angeles County Sanitation District	28,575.00	1,373.00
Linda Jenckes, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036	Adhesive & Sealant Council, Inc		
Do	American Assn of Electromyography & Electrodiagonosts		
Do	American Dental Trade Assn		
Do	American Diabetes Assn		
Do	American Film Marketing Assn		
Do	American Soc for Cataract & Refractive Surgery		
Do	Dental Gold Institute		
Do	Independent Insurance Agents of America, Inc	9,245.50	
Do	International Soc for Hybrid Microelectronics		
Do	National Assn of Casualty & Surety Agents	5,166.00	
Do	National Assn of Life Underwriters	9,040.50	
Do	National Assn of Professional Insurance Agents	9,040.50	
Do	National Assn of Surety Bond Producers		
Do	National Glass Assn		
Carole P. Jennings, 8904 First Avenue Silver Spring, MD 20910	American Academy of Nurse Practitioners	6,000.00	300.00
Dallin W. Jensen, 185 S. State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Karen Jettmar, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society		
Ronald P. Johnsen, 700 Thirteenth ,NW, #900 Washington, DC 20005	Columbia Gas System Service Corp	175.00	715.86
David H. Johnson, 1200 17th Street, NW Washington, DC 20036	Federation of Behavioral Psychological & Cognitive Sciences		
George W. Johnson, 1156 15th Street, NW, #1201 Washington, DC 20005	NCR Corp		
James W. Johnson Jr., 1156 15th Street, NW, #1019 Washington, DC 20005	U.S. Beat Sugar Assn		
Jane Leonard Johnson, P.O. Box 19109 Greensboro, NC 27419	Unifi, Inc		
Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	420.00	
Susan E. Johnson, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Coldwell Banker Real Estate Group	1,250.00	115.60
Johnson & Gibbs, P.C., 1301 K Street, NW, #800 East Washington, DC 20005-3307	El Paso Health Care Systems, Ltd		
Allan R. Jones, 2200 Mill Rd. Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Barbara J. Jones, 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Beverly E. Jones, 1819 L Street, NW, #900 Washington, DC 20036	Consolidated Natural Gas Co	1,500.00	851.62
David R. Jones, 105 East 22nd Street New York, NY 10010	Community Service Society	105.40	
Edwin M. Jones, 970 Summer Street Stamford, CT 06905-5518	Bentley Mosher & Babson, PC (For:United Engineering & Foundry Co)		
Theodore L. Jones, P.O. Box 65122 Baton Rouge, LA 70896	South Central Bell Telephone		
Do	United Companies Financial Corporation		
Do	United Illuminating Co		
Jones Day Reavis & Pogue, 1450 G Street, NW, #700 Washington, DC 20005-2088	Affiliated Computer Systems, Inc	496.70	
Do	Anchor Savings Bank		8.00
Do	County of Los Angeles		143.01
Do	Embassy of the People's Republic of China		
Do	Genetech		114.29
Do	GNA Corp		142.00
Do	Nacco Industries, Inc	16,199.00	817.15
Do	Norwest Corp		166.00
Do	Pfizer, Inc		
Do	RJR Nabisco, Inc	4,438.11	
Do	State Assn of County Retirement Systems		
Do	SCM Corp	1,645.75	
Do	Upjohn Company	3,026.00	
Jones Waldo Holbrook & McDonough, 2300 M Street, NW, #900 Washington, DC 20037	American Stores Company		
Jones Walker Waechter Poitevent Carrere & Denegre, 1776 Eye Street, NW, #245 Washington, DC 20006	Audubon Institute, Inc	175.00	
Do	Freeport-McMoRan Resource Partners	87.50	
Do	International Shipholding Corp		
Do	New Orleans Sports Foundation	175.00	
Patricia Jordan, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	City of Alhambra	850.00	30.00
Do	City of Inglewood		
Do	Ferguson Company (For:City of Livermore, CA)	1,500.00	79.00
Do	Ferguson Company (For:City of Norwalk)	2,500.00	27.00
Do	Ferguson Company (For:City of Oceanside)		
Do	City of Provo	1,300.00	52.00
Do	City of Redondo Beach		
Do	City of Santa Ana	2,000.00	198.00
Do	City of South Salt Lake	916.00	30.05
Do	Imperial Irrigation District		
Do	Irvine Company	700.00	229.00
Do	Long Beach Transit	990.00	63.00
Do	Oceanside Redevelopment Agency		
Do	Ferguson Company (For:Oceanside Small Craft Harbor)		
Do	The Ferguson Company (For:Southeast Water Coalition)	4,375.00	593.00
Do	Ferguson Company (For:West Valley City)	916.50	54.00
Mary Lou Joseph, 2025 M Street, NW Washington, DC 20036	National Public Radio	18,290.00	1,525.64
David Josephs, 2010 Massachusetts Ave., NW, 5th Floor Washington, DC 20036	Planned Parenthood Federation of America		
John J. Joyce, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	3,000.00	
Ardon B. Judd Jr., 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert E. Juliano Associates, 2555 M Street, NW, #303 Washington, DC 20037	American Express Co	15,000.00	181.55
Do	Hotel Employees & Restaurant Employees Int'l Union	37,500.00	1,564.54
Do	International Speedway Corp	9,000.00	
Do	Martech USA, Inc	15,000.00	
Do	Matson & Navigation Company, Inc		
Do	National Academies of Practice		
Do	Stock Information Group	15,000.00	
Do	U.S. Telephone Assn		
Jan L. Kahn, 1001 Pennsylvania Ave., NW, #1350 Washington, DC 20004	Kahn Soares & Conway (For:Westlake Farms)	3,600.00	904.43
Kahn Soares & Conway, 1001 Pennsylvania Ave., NW, #1350-N Washington, DC 20004	Westlake Farms	9,532.50	3,154.43
James L. Kane Jr., 1315 Vincent Place Mclean, VA 22101			
Donald J. Kaniewski, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	17,010.00	915.00
James W. Kanouse, 1700 North Moore Street, 21st Floor Rosslyn, VA 22209	Boeing Company	9,757.20	2,265.40
Gerald Kaplan, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		
David A. Karcher, 3702 Pender Drive, #250 Fairfax, VA 22030	American Soc of Cataract & Refractive Surgery	1,030.10	
Amy L. Kardell, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	900.00	
George Kassouf, 1601 Connecticut Avenue, NW, #600 Washington, DC 20009	Alliance for Justice	929.57	
Katten Muchin Zavis & Dombroff, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Associated Aviation Underwriters		
Do	Environmental Tax Policy Alliance		
Do	Future Water International	1,560.00	550.80
Do	Northwestern Memorial Hospital	4,972.50	1,755.93
Do	Regional Transportation Authority	2,827.50	998.47
Anthony P. Kavanagh, 2100 Penn. Ave., #675 Washington, DC 20037	Consolidated Edison Co of New York, Inc	2,400.00	1,451.39
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	Benjamin Moore & Co	231.50	56.25
Do	Robert Bosch Corp		
Do	Brown Brothers Harriman & Co		
Do	City of Newport Beach		
Do	Dow Chemical Co		
Do	Goldman Sachs & Co		
Do	Hartford Insurance Group		
Do	Kraft, Inc	675.00	168.75
Do	Londontown Corporation	257.00	56.25
Do	Morgan Guaranty Trust Co of New York		
Do	Pepsico	225.00	56.25
Do	RSR Corp	1,023.75	243.75
Do	Siemens Medical Systems, Inc		
Do	Spanish Broadcasting System		
Do	Texaco, Inc		
Do	United Television, Inc		
Do	Westwood One, Inc		
Richard F. Keating, 1776 I Street, NW, #200 Washington, DC 20006	Anheuser-Busch Companies, Inc		
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	Group Health, Inc	3,010.00	68.00
Jennifer L. Keehan, 1901 Pennsylvania Ave, NW 10th Floor Washington, DC 20006	International Mass Retail Assn		
J. Michael Keeling, ESOP Association 1100 17th Steet, NW, #1207 Washington, DC 20036	ESOP Association of America		
Melvin Keener, 1776 I Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004	U-Haul Intl, Inc	5,000.00	
Carol A. Kelly, 1620 L Street, NW, #800 Washington, DC 20036	Metopolitan Life Insurance Companies		
Donald E. Kelly, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Appraisal Institute	1,750.00	
Edward L. Kelly, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
John A. Kelly, 1025 Thomas Jefferson St., NW, #105 Washington, DC 20007	Perdue Farms Inc	9,075.00	
Paul T. Kelly, 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
Susan N. Kelly, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Jane Kelso, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	721.00	
James J. Kennedy Jr., 400 First St., NW, #804 Washington, DC 20001	Railway Labor Executives' Assn		
John Paul Kennedy, 57 W. 200 S, #400 Salt Lake City, UT 84101	Edwards McCoy & Kennedy (For:Western Shoshone Judgment Distribution Assn)		5,235.00
Patricia Cregan Kennedy, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	3,332.00	450.00
Jeannine M. Kenney, 1840 Wilson Blvd., #400 Arlington, VA 22201	National Milk Producers Federation	718.10	
J. H. Kent, 1825 K Street, NW, #305 Washington, DC 20006	American Soc of Plastic & Reconstructive Surgery	3,000.00	1,369.59
Do	International Assn of Airport Duty Free Stores	6,460.00	2,944.70
Do	Liz Claiborne, Inc		
Do	MBI, Inc	2,401.25	1,095.67
Do	National Customs Brokers & Forwarders Assn of America	5,500.00	2,533.55
Do	Sigallo, Ltd	4,032.50	1,327.61
Do	Kent & O'Connor, Inc (For:Vista Chemical Company)		
Vytautas Kerbelis, P.O. Box 336 Seal Harbor, ME 04675	ARAS		
Suzanne S. Kerr, 110 Maryland Ave., NE Washington, DC 20002	Peace Political Action Committee	9,249.96	
T. Michael Kerr, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	14,981.16	114.00
Richard F. Kibben, 200 Park Ave., #2222 New York, NY 10166	Business Roundtable		
Daryl G. Kimball, 1000 16th Street, NW, #810 Washington, DC 20036	Physicians for Social Responsibility	3,885.00	
Gene Kimmelman, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	9,602.00	825.00
Kimmitt Coates & McCarthy, Inc, 1730 M Street, NW, #911 Washington, DC 20036	Avco Research Lab, Inc		
Do	Royal Teton Ranch		
Kinghorn & Associates, 900 2nd Street, NE, #109 Washington, DC 20002	Ferroalloys Association	6,666.00	1,970.26
Do	Nuclear Metals, Inc	6,000.00	600.00
Do	South Carolina Research Authority	9,100.00	1,307.58
Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Janie A. Kinney, 1500 K Street., N.W #650 Washington, DC 20005	Merck & Co, Inc	3,000.00	
Marcia Y. Kinter, 10015 Main Street Fairfax, VA 22031-3489	Screen Printing Assn International		
Ronald Kipke, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Empolyees	1,505.28	
Peter C. Kirby, 900 17th Street, NW Washington, DC 20006	Wilderness Society		
Donald R. Kirtley, Hercules Plaza Wilmington, DE 19894	Hercules, Inc		
Frank D. Kittredge, 1625 K Street, NW Suite 1090 Washington, DC 20006	National Foreign Trade Council	6,000.00	1,100.00
Douglas M. Kleine, 11479 Waterview Cluster Reston, VA 22090	Professional Assn Services		
Jerry D. Klepner, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	25,617.78	508.64
Andre M. Kliczak, P.O.Box 1000-165 Duluth, MN 55814			
William J. (Bill) Klinefelter, 815 16th Street, NW, #301 Washington, DC 20006	International Brotherhood of Teamsters		
Glenn Knapp, 773 Dartmouth Ave. San Carlos, CA 94070			
Theodore Knappen, 1101 14th Street, NW, #1201 Washington, DC 20005	Greyhound Lines, Inc	10,000.00	
James E. Kneale, 2335 South Meade St. Arlington, VA 22202	Lockheed Corporation	4,000.00	256.45
Anthony J. Knettel, 1400 L Street, NW, #350 Washington, DC 20005	Erisa Industry Committee	750.00	
Bruce Knight, 415 Second Street, NE, #300 Washington, DC 20002	National Assn of Wheat Growers	1,125.00	
James L. Knowles Jr., P.O.Box 888 Sandstone, MN 55072			
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906	Firearms Coalition	10,000.00	1,100.00
Darrell Knuffke, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society	479.17	
Patricia C. Kobor, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	990.00	20.00
Blair Koehler, 1800 Diagonal Road, #140 Alexandria, VA 22314	National Assisted Housing Management Assn	500.00	
Kirk Koepsel, 23 North Scott Sherican, WY 82801	Sierra Club	2,402.98	2,402.98
Kogovsek & Associates, Inc, 1801 Broadway, #1420 Denver, CO 80202	Animas-La Plata Water Conservancy District, Durango County		
Do	Colorado Water Congress	7,500.00	1,608.30
Do	Conejos Water Conservancy District		556.23
Do	Dolores Water Conservancy District		211.30
Do	Greater Denver Corporation	6,249.99	
Do	National Water Resources Assn	22,500.00	6,749.72
Do	Public Employees Retirement Assn of Colorado	4,500.00	
Do	Regional Transportation District (Denver, Colorado)	10,749.00	
Do	Rio Grande Water Conservation District	3,000.00	318.12
Do	Rocky Mountain Health Care Corp	4,980.00	82.45
Do	San Juan Water Commission		810.56
Do	Southern Ute Indian Tribe	11,250.00	7,581.26
Do	Southwestern Water Conservation District, Durango County		7,145.80
Do	Ute Mountain Ute Tribe	21,666.00	
Diane J. Koller, 1101 17th St., NW, #600 Washington, DC 20036	American Airlines, Inc	2,500.00	163.98
Timothy S. Kolly, 2805 Meadow Vista Drive Charlottesville, VA 22906	Worrell Enterprises, Inc		
Koniag, Inc, 4300 B Street, #407 Anchorage, AK 99503			101,800.95

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Stephen Koplan, 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	2,000.00	
George S. Kopp, 2121 K Street, NW, #650 Washington, DC 20037	Global USA, Inc (For:Earth Observation Satellite Co)	432.69	
Michael V. Kostiw, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco Inc	250.00	
Anil Kothari, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Donald J. Kroes, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	6,500.00	34.35
Victor Krohn, 100 N. Brand Ave., S-502 Glendale, CA 91203	Citizens for an Alternative Tax System	4,056.19	4,056.19
Paul C. Kruger, 730 Fairlawn Dr. Columbus, OH 43214	Criminal Justice Oversight Committee		
Kurrus & Kirchner, P.C., 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	American Pilots' Assn		
Do	St. Lawrence Seaway Pilots Assn		
Ruth M. Kurtz, 5517 Chevy Chase Pkwy., NW Washington, DC 20015	Coordinadora de Organizaciones Empresariales de Comercio Ext	5,833.31	1,073.14
Peter Dev Kurze, 1753 Lanier Place, NW Washington, DC 20009	Daimler-Benz Washington, Inc		
James M. Kuszaj, P.O. Box 31608 Raleigh, NC 27615	Dow Chemical USA		
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Capital Markets Assurance Corporation		0.30
Do	Education Resources Institute	9,131.50	896.60
Do	Financial Security Assurance		0.30
Peter Kyros, 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	Allsup & Associates, Inc		
Do	Kyros Associates (For:American Soc for Cell Biology, et al)		
Do	Association of Administrative Law Judges, Inc		
Do	Board of Veterans Appeals Professional Assn		
Do	Cooperative of American Physicians, Inc		
Do	Merit Sustems Potectction Board Professional Assn		
John R. Kyte, 1455 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	New England Council, Inc		
Laborers' Intl Union of North America, AFL-CIO, 905 16th St., NW Washington, DC 20006			1,480.00
Bruce C. Ladd Jr., 1350 I Street, NW Washington, DC 20005	Motorola, Inc	16,500.00	51.00
Richard L. Ladd, 1 Massachusetts Ave. NW, #800 Washington, DC 20001	Allied-Signal Aerospace Co, Inc	340.00	340.79
Ellen C. Lamb, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors		
Gerard F. Lamb, 2341 Jefferson Davis Hwy, #1100 Arlington, VA 22202	Bath Iron Works Corp	5,000.00	
Robert Lamb, 1627 Eye St., NW, #1000 Washington, DC 20006	James River Corp		
Do	McGuire Woods Battle & Boothe (For:Occidental Chemical Corp)		
Do	Potlatch Corp	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Solite Corp)	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Specialty Coatings Group, Inc)	2,000.00	
Do	McGuire Woods Battle & Boothe (For:Sun Co, Inc)	5,000.00	
David F. Lambert III, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores	500.00	
David P. Lambert, 1800 K St., NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005	American Seed Trade Assn	5,000.00	
Stephen K. Lambright, One Busch Place St. Louis, MO 63118	Anheuser-Busch Companies, Inc		
Ray H. Lancaster, 555 13th Street, NW, #430 West Washington, DC 20004	Texas Gas Transmission Corp	3,000.00	154.72
Jill Lancelot, 7100 Sycamore Avenue Takoma Park, MD 20912	National Taxpayers Union	6,058.00	
Bruce Alan Landy, 2601 Virginia Avenue, NW Washington, DC 20037	B.A.L. Co		
Do	Cryogenic Vacuum Technology Co		
Do	FAA-Congress Watch		
Do			
Scott H. Lane, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460	Caterpillar, Inc	375.00	657.52
Robin W. Lanier, 1901 Pennsylvania Ave., NW, #200 Washington, DC 20006	International Mass Retail Assn	9,000.00	
Warren Lasko, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Nicole Laughlin, 444 North Capitol Street, #711 Washington, DC 20001	Dallas Area Rapid Transit	500.00	
Terry K. Laughlin, One Thomas Circle, NW, #900 Washington, DC 20005	Imrex Company, Inc		
Lorraine Lavet, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,100.00	66.00
Kathryn M. Lavriha, P.O. Box 1417-D49 Alexandria, VA 22313	National Association of Chain Drug Stores, Inc	500.00	
Law Offices of Deborah Steelman, Columbia Square 555 13th Street, NW, #1220 East Washington, DC 20004-1109	AEtna Life & Casualty	6,600.00	6,450.00
Do	Blue Cross & Blue Shield of Missouri	150.00	
Do	Grocery Manufacturers of America	600.00	600.00
Do	Johnson & Johnson	750.00	600.00
Do	Lockheed Corp	750.00	750.00
Do	National Association for the Support of Long Term Care	1,200.00	900.00
Do	National Health Labs, Inc	900.00	300.00
Do	Pfizer, Inc	1,050.00	600.00
Do	Pharmaceutical Manufacturers Assn	1,200.00	1,200.00
Bob Lawrence & Associates, 803 Prince St. Alexandria, VA 22314	Energy Partners	18,000.00	1,550.00
Do	Exergy, Inc	11,250.00	
Do	Fishermen's Committee	8,000.00	5,150.00
John M. Lawson, 1350 Connecticut Ave., NW #200 Washington, DC 20036	Assn of America's Public TV Stations	3,250.00	363.07
Richard L. Lawson, 1130 17th St., NW Washington, DC 20036	National Coal Assn	3,300.00	
Paul Laxalt Group, 801 Pennsylvania Ave, NW, #750 Washington, DC 20004	Burlington Northern Railroad	2,000.00	
Do	Coalition for Affordable Housing	5,000.00	
Do	Harvey's Resort Hotel/Casino	2,000.00	
Do	Martin Marietta Corp	2,000.00	
Do	OPTUR	1,000.00	
Do	Standard Federal Savings Bank	5,000.00	
Do	Transcontinental Properties, Inc	2,000.00	
William N. LaForge, 1150 Connecticut Ave., NW, #900 Washington, DC 20036	Paul Werth Associates, Inc (For:Grocery Manufacturers Association)	3,062.50	77.90
Leadership Conference on Civil Rights, 2027 Massachusetts Ave., NW Washington, DC 20036		120,593.75	98,942.09
Leadership Conference Education Fund, 2027 Massachusetts Ave., NW Washington, DC 20036		10,000.00	3,762.64
Edward R. Leahy, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Capital Holding Corp)		
Do	Chicago Board Options Exchange		
Alisa J. Learner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	4,725.00	5,772.00
Gerard Lavery Lederer, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn		
Franklin M. Lee, 300 Eye Street, NE, #200 Washington, DC 20002	Minority Business Enterprise Legal Defense & Education Fund		
James B. Lee, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
L. Courtland Lee, Inc, 3814 West Street Landover, MD 20785	Public Resource Assn	1,200.00	27.00
Peter A. Lefkin, 1730 Rhode Island Ave., NW, #1117 Washington, DC 20036	Fireman's Fund Insurance Cos	4,500.00	803.00
Legislative Strategies, 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	American Independent Refiners Assn	337.50	129.54
Do	Bridge Products		
Do	Cogeneration & Independent Power Coalition of America, Inc		
Do	Consolidated Natural Gas Service Co, Inc	787.50	302.26
Do	Donohue & Associates, Inc	2,400.00	936.32
Do	Globos International, Inc		
Do	National Hydropower Assn	900.00	345.44
Do	Natural Gas Vehicle Coalition	37.50	18.18
Do	State of New Mexico (Natural Gas Programs)		
Do	Texas-New Mexico Power Company		
Do	Tosco Corporation	562.50	215.90
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	American Dairy Products Institute		
Do	Cordage Institute		
Do	Visiting Nurse Assn of America	250.00	
Lesher & Russell, Inc, 1919 S. Eads Street, #103 Arlington, VA 22202-3028	Agricultural Policy Working Group		
Barbara W. Levine, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	634.50	
Leonard B. Levine, 601 13th Street, NW, #350-S Washington, DC 20005	TransCanada PipeLines	4,800.00	350.00
Peter Levine, 2030 M Street, NW Washington, DC 20036	Common Cause	5,400.00	
Herbert J. Levy, 1614 King St. Alexandria, VA 22314	National Assn of Housing Cooperatives		
Stuart A. Lewis, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006	First Interstate Bancorp	1,200.00	
Do	Manufacturers Hanover Corp	2,000.00	
William H. Lewis, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	U.S. Gypsum Co	1,000.00	50.00
Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099	Westvaco Corporation		
Lawson LeGate, 177 East 900 South, #102 Salt Lake City, UT 84111	Sierra Club	408.90	463.75
Robert G. Liberatore, 1100 Connecticut Avenue, NW, #930 Washington, DC 20036	Chrysler Corporation	6,252.00	353.00
Liberty Council, c/o Eligio Castro P.O. Box 21544 University Station San Juan, PR 00931-1544			
Diane S. Liebman, 1331 Pennsylvania Avenue, NW, #560 S Washington, DC 20004	CSX Corporation	4,500.00	490.61
Julienne Wood Lindley, 1725 17th Street, NW, #109 Washington, DC 20009	Bruce P. Cameron (For:Embassy of Mozambique)	1,204.00	
Do	Bruce P. Cameron (For:Embassy of Nicaragua)	2,006.00	
Do	Bruce P. Cameron (For:ESTNA Center)	802.00	
Kathleen M. Linehan, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	4,230.00	360.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Linton Mields Reisler & Cottone, 1225 Eye Street, NW, #300 Washington, DC 20005	Colorado School of Mines Foundation	15,467.99	
Do	Iowa Department of Transportation	4,298.11	
Do	Michigan Dept of Transportation	10,745.87	
Do	Northern States Power Company	5,436.00	
Do	State of Colorado, Dept of Highways	10,920.64	
Do	State of IL, Dept of Transportation	24,492.37	
Do	State of IL, Dept of Transportation, Div of Water Resources	2,585.24	
Do	Water Reclamation District of Greater Chicago	28,184.43	
Do	Wisconsin Electric Power Co	15,939.00	
Do	Wisconsin Power & Light Co	7,691.74	
Do	Wisconsin Public Service Corp	7,500.00	
Lipsen Whitten & Diamond, 1725 DeSales St., NW, #800 Washington, DC 20036	Chambers Development Co, Inc	10,000.00	77.58
Do	Federal Record Service Corp		
Do	Health Trust, Inc	9,100.00	
Do	McDonalds Corp	5,000.00	
Do	National Rural Letter Carriers Assn	6,000.00	
Do	Pioneer Seed Co, Inc	5,000.00	
Do	Rolls Royce, Inc	5,106.00	72.00
Do	RJR Nabisco Washington, Inc	4,000.00	
Do	Westinghouse Electric Corp		
Barbara A. Little, 1155 15th St., NW, #611 Washington, DC 20005	Ethyl Corporation	2,500.00	
E. Geoffrey Littlehale, 1500 K Street, NW, 650 Washington, DC 20005	Glaxo, Inc	5,000.00	
Livestock Marketing Association, 7509 Tiffany Springs Parkway Kansas City, MO 64153		33,500.00	16,467.00
Paul Locigno, 2001 M Street NW Washington, DC 20036	Capitoline International Group Ltd (For:City of America)		
W. Timothy Locke, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:Mars, Inc)		
Do	Hecht Spencer & Associates (For:Mid-American Waste Systems, Inc)		
Do	Hecht Spencer & Associates (For:National Automatic Merchandising Assn)		
Do	Hecht Spencer & Associates (For:Charles E. Smith Management, Inc)		
Frank P. Lombardo II, 317 Baronne Street, N-25 New Orleans, LA 70112	Entergy Services, Inc	3,250.00	1,674.18
Elizabeth Long, 1828 L Street, NW, #802 Washington, DC 20036	American Foundation for AIDS Research	1,000.00	101.00
Linda A. Long, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Coalition for Affordable Home Financing).		
Do	Montgomery McCracken Walker & Rhoads (For:National Assn of Maritime Organizations).		
Do	Montgomery McCracken Walker & Rhoads (For:National Republican Institute for International Affairs).		
Do	Montgomery McCracken Walker & Rhoads (For:Pilots Assn of the Bay and River Delaware).		
Do	Montgomery McCracken Walker & Rhoads (For:Ports of Philadelphia Maritime Exchange).		
Robert S. Long, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	7,500.00	966.38
Laura Loomis, 3030 N. Tuckahoe Street Arlington, VA 22213	National Parks & Conservation Association		
Brian C. Lopina, 470 L'Enfant Plaza, SW East Bldg, #7112 Washington, DC 20024	Citizens for a Sound Economy	1,000.00	268.00
Lord Day & Lord, Barrett Smith, 1201 Pennsylvania Avenue, NW, #821 Washington, DC 20004	Daniel F. Young, Inc		
Franklin W. Losey, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	1,000.00	
Bill Loughrey, One Technology Parkway Box 105600 Atlanta, GA 30348	Scientific-Atlanta	275.00	
Celia C. Lovell, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
James Lovell, 20361 Middlebelt Livonia, MI 48152	National Hearing Aid Society		
Gene A. Lucero, 633 West 5th Street, #3500 Los Angeles, CA 90071	Commercial Finance Assn (CFA)		
Do	Sidley & Austin (For:General Electric Capital Corp)		
Michael S. Lucy, One Bowdoin Square Boston, MA 02114	J. Makowski Associates, Inc		
Kevin A. Lynch, 1275 K Street, NW, #1100 Washington, DC 20005	PacifiCorp Electric Operations	690.00	3,725.92
Samuel A. Mabry, 1800 K St., NW Washington, DC 20006	Hercules, Inc	7,406.25	3,939.91
Robb S. Mackie II, 1004 Duke Street Alexandria, VA 22314	American Subcontractors Assn	3,000.00	
Robert E. Mackin, 122 South Swan Street Albany, NY 12210	National Conference of Insurance Legislators	11,250.00	
Robert MacKay, 901 East Capitol Street, SE, 2nd Floor Washington, DC 20003	American Assn for Counseling & Development	5,896.00	
Madison Public Affairs Group/Earle Palmer Brown, 2033 M Street, NW, #900 Washington, DC 20036	Harbert Power Co		
Do	Kraft General Foods	3,400.00	2,668.75
Do	Northern States Power Company	6,150.00	4,450.20
Do	Philip Morris, USA		
Do	Stratco, Inc		
Paul J. Magliocchetti, 9527 Wallingford Drive Burke, VA 22015	Paul J. Magliocchetti Associates, Inc (For:Hughes Aircraft Company)		
Do	Paul Magliocchetti Associates, Inc (For:United Technologies Corporation)		
James W. Magner, PWA-RAG PMB 4600 Rochester, MN 55903-4600	Prisoners With AIDS-Rights Advocacy Group (PWA-RAG)		1,800.00
Walter B. Maher, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	1,998.00	468.00
Lawrence R. Malone, 1211 Avenue of The Americas New York, NY 10036	Hoechst Celanese Corp		
Manatos & Manatos, Inc, 1750 New York Ave., NW, #210 Washington, DC 20006	City of San Francisco		2,050.00
Do	United Hellenic Amer Congress & Amer Hellenic Alliance, Inc		2,930.69
Anne Mancer, P.O. Box 530187 Birmingham, AL 35253-0187	Vulcan Materials Co		
Diane S. Mand, 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Ted Maness, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	9,875.00	265.61
Donald W. Mann, 60 B Fraklin Street Tenafly, NJ 07670	Negative Population Growth, Inc	500.00	
Mark Mansour, 2033 M Street, NW, #300 Washington, DC 20036-3399	National Assn of Arab Americans	12,000.00	1,310.00
Manufactured Housing Institute, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202			17,105.00
Robert Y. Maples, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	396.00	40.00
John V. Maraney, 324 East Capitol St., NE Washington, DC 20003	National Star Route Mail Contractors Assn		
Marc Associates, Inc, 1101 17th Street, NW, #803 Washington, DC 20036-4704	Affiliated Leadership League of & for the Blind		
Do	American Assn of Colleges of Osteopathic Medicine	1,666.00	
Do	American Lithotripsy Society	3,000.00	
Do	American Soc for Gastrointestinal Endoscopy	2,500.00	
Do	American Soc of Anesthesiologists	22,000.00	
Do	American Soc of Clinical Pathology	5,000.00	
Do	American Soc of Hematology	1,000.00	
Do	American Urological Assn/Amer Assn of Clinical Urologists	5,500.00	
Do	Health Industry Manufacturers Assn (HME)	21,000.00	
Do	Health Industry Manufacturers Assn (IOL)	9,000.00	
Do	Helen Keller National Center	250.00	
Do	International Society for Cardiovascular Surgery/Soc Vas Sur	4,500.00	
Do	Merck Sharp and Dohme	1,000.00	
Do	National Association of Epilipsy Centers	2,000.00	
Do	National Coalition oa Immune System Disorders		
Do	National Hemophilia Foundation	4,000.00	
Do	NI Industries	6,000.00	
Do	Recording for the Blind, Inc	1,000.00	
Do	Research Society on Alcoholism	2,000.00	
Do	Rorer Pharmaceutical Company		
Jeffery D. Marcoe, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Richard F. Mark, 1000 16th St., NW #810 Washington, DC 20036	20/20 Vision National Project, Inc		
Patricia Markey, 1155 15th St., NW, #400 Washington, DC 20005	United Distribution Companies	3,915.00	281.00
Luther A. Markwart, 1156 15th St., NW, #1101 Washington, DC 20005	American Sugarbeet Growers Assn		
Marlowe & Company, 1667 K Street, NW, #480 Washington, DC 20006	City of Venice, Florida	1,125.00	113.70
Do	Coalition to Keep Alaska Oil	1,480.00	36.15
Do	Coalition to Repeal the Wright Amendment	4,042.50	140.33
Do	End Notch Discrimination	1,375.00	41.00
Do	Independent Pilots Assn	425.00	20.00
Do	Memphis-Shelby County Airport Authority	150.00	
Chalmers H. Marquis, 1350 Connecticut Avenue, NW, #200 Washington, DC 20036	Association of America's Public Television Stations	3,000.00	184.69
Do	Children's Television Workshop		
Catherine A. Marshall, 2001 M Street, NW Washington, DC 20036	Capitoline International Group, Ltd. (For:Professional Lawn Care Assn of America).	2,049.00	
David F. Martin, Plumbing Manufacturers Institute 1655 N. Ft. Myer Drive, #700 Arlington, VA 22209	CM Services, Inc.	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Will Martin, P.O. Box 2960 Nashville, TN 37219-0960	Harwell Martin & Stegall		
Mike M. Masaoka, Suite 520, The Farragut Bldg. 900 17th St., NW Washington, DC 20006	Toyota Motor Sales, USA, Inc		
Do	West Mexico Vegetable Distributors Assn		
Anna M. Maschino, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	394.00	
Arthur K. Mason, 1220 19th Street, NW, #700 Washington, DC 20036	Robins Kaplan Miller & Ciresi (For:Assn of the United States Army)		
Glen David Mason, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	6,354.00	
Scott D. Mason, 1535 Oronoco Alexandria, VA 22314	Beer Drinkers of America Legislative Action Committee		
Mary Cheryl Matheis, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	648.32	15.50
Suzette Matthews, Arlington Courthouse Plaza II 2300 Clarendon Boulevard, #711 Arlington, VA 22201	Air Traffic Control Assn, Inc	349.96	
Joseph M. Mattingly, 1901 North Moore Street, #1100 Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc		
Maupin Taylor Ellis & Adams, 1130 Connecticut Ave., NW, #750 Washington, DC 20036	Glaxo Australia Pty. Ltd.	7,380.00	1,271.63
Arnold Mayer, 4609 30th Street, NW Washington, DC 20008	Oil Chemical & Atomic Workers International Union	7,500.00	1,660.00
Ellen Mazer, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	2,502.26	
Michael J. McAdams, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
H. Wesley McAden, 1155 15th St., NW, #504 Washington, DC 20005	J. G. Boswell Co	3,000.00	
Do	New York Cotton Exchange	2,000.00	
Do	Supima Association of America	2,000.00	
McAuliffe Kelly & Raffaelli, 1341 G Street, NW, 2nd Floor Washington, DC 20005	Clark County	15,000.00	
Do	Diagnostic Retrieval Systems	1,400.00	
Do	Fairtax	1,400.00	
Do	Harker Firm (For: International Bottled Water Assn)	2,500.00	
Do	International Franchise Assn		
Do	Monarch Wine Comapny	3,000.00	
Do	MASSPORT/Commonwealth of Massachusetts	15,000.00	
Do	National Greyhound Assn	800.00	
Do	National Judicial College		
Do	National Medical Care	15,000.00	
Do	Nevada Power	7,500.00	
Do	Nevada Resort Assn	7,000.00	
Do	Seafarers International Union	1,400.00	
Do	Texarkana Chamber of Commerce	2,600.00	
Do	University of Nevada/Las Vegas/Research Center	7,500.00	
Do	University of Nevada, Reno	12,000.00	
Charlie McBride Associates, Inc, 1730 M Street, NW, #800 Washington, DC 20036	American Electric Power Co, Inc	2,250.00	
Do	American Nuclear Energy Council	7,500.00	601.43
Do	Carolina Power & Light Co	2,250.00	
Do	Commonwealth Edison Co	2,250.00	
Do	Consolidated Edison Co of New York, Inc	3,000.00	
Do	General Atomics	7,000.00	701.27
Do	Louisiana Energy Services	6,000.00	325.03
Do	Oxford Energy Co	4,500.00	198.72
Do	Sealaska Corp	4,500.00	235.74
Do	SOKA University	9,962.50	509.74
Do	Turlock Irrigation District	4,500.00	361.44
Do	Westinghouse Electric Corp	8,800.00	4,496.52
Do	Yukon Pacific Corp	6,000.00	668.08
Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	2,566.00	
Stephen McConnell, 1334 G Street, NW Fifth Floor Washington, DC 20005	Alzheimer's Assn	4,280.00	150.00
Steven A. McCoy, 1030 15th Street, NW #1020 Washington, DC 20005	North American Export Grain Assn, Inc		
Charles J. McDermott, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	180.21
Daniel J. McDermott, 1155 Connecticut Ave, NW, #500 Washington, DC 20036	Capital Holding Corp	1,875.00	
Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005	Resources for Group Management, Inc (For:Greeting Card Assn)		
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006-2296	Association of American Vintners		
Do	Dorothy Holt Estate		
Do	National Grocers Assn		
Do	Public Employees Retirement Assn of Colorado		
Jack McDonald, 901 15th Street, NW, #700 Washington, DC 20005-2301	Dow Corning Corp		
Do	National Committee to Preserve Social Security & Medicare	500.00	7.50
Do	Outboard Marine Corp.	750.00	10.00
Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Paul J. McGeady, 27 Hampton Place Nutley, NJ 07110	Morality in Media, Inc	763.33	
Kate McGee, 1155 Connecticut Avenue, NW, #400 Washington, DC 20036	Oracle Corporation		1,000.00
Patricia G. McGinnis, Francis McGinnis & Rees 1000 Potomac St., NW, #401 Washington, DC 20007	California State Dept of Education	80,000.00	32,944.05
Sheryl Peterson McGrath, 919 18th Street, NW Washington, DC 20006	American Financial Services Assn	250.00	
Susan G. McGuire, P.O. Box 464 Cedar Crest, NM 87008	Bailey Morris & Robinson (For:Health Insurance Assn of America)		
Do	National Center on Education & the Economy	15,625.00	802.52
McHale Cook & Welch, P.C., 1100 Chamber of Commerce Building Indianapolis, IN 46204	Indiana Bell Telephone Co		
Robert McIntyre, 1313 L St., NW Washington, DC 20005	Citizens for Tax Justice	10,946.12	
Ira E. McKeever, 1224 17th Street, NW Washington, DC 20036	Western Coal Traffic League	17,499.99	5,283.96
Gerald J. McKiernan, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	15,000.00	
Lindsay McLaughlin, 1133 15th Street, NW Washington, DC 20005	ILWU	10,000.00	898.95
Bob McLean, 490 L'Enfant Plaza, SW, #3200 Washington, DC 20024-2120	National Assn of Postal Supervisors	7,518.00	
Michael R. McLeod, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	4,320.00	89.00
Do	McLeod Watkinson & Miller (For:American Mushroom Institute)	259.70	
Do	McLeod Watkinson & Miller (For:American Peanut Product Manufacturers, Inc)	6,859.00	
Do	McLeod Watkinson & Miller (For:Chicago Board of Trade)	7,550.00	159.04
Do	McLeod Watkinson & Miller (For:Coalition for Affordable Home Financing)	9,000.00	
Do	McLeod Watkinson & Miller (For:General Mills)	3,848.00	
Do	McLeod Watkinson & Miller (For:Mid-Valley Water Authority)		
Do	McLeod Watkinson & Miller (For:State of Florida Department of Citrus)	260.00	
Do	McLeod Watkinson & Miller (For:United Egg Producers)	2,517.00	198.93
Tara McMahon, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Mary T. McSorley, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	2,362.50	
Joseph F. Meadow, 7307 Baltimore Avenue, #112 College Park, MD 20740	United Action for Animals, Inc	1,000.00	
James Meadows, 600 Congress Ave., #1360 Austin, TX 78701	Capital Network System, Inc	1,200.00	
Francis X. Meaney, 701 Pennsylvania Avenue, NW Washington, DC 20004	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co)		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)	2,500.00	
Medtronic, Inc, 7000 Central Ave., NE Minneapolis, MN 55432			171.35
Stewart C. Megaw, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Larry Mehlhaff, 23 N. Scott, #27 Sheridan, WY 82801	Sierra Club	2,564.30	2,564.30
Vernon H. Meier, 1630 Duke Street——4th Floor Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	33,565.00	
Stanley Meierfeld, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
Susan R. Meisinger, 606 North Washington Street Alexandria, VA 22314	Society for Human Resource Management	15,000.00	
Carol Melton, 1133 21st St., NW, #400 Washington, DC 20036	Warner Communications, Inc	9,250.00	
Merle D. Menssen, 3M Center-Bldg 220-6E-02 St. Paul, MN 55144-1000	3M	1,000.00	320.00
J. Roger Mentz, 1100 Connecticut Ave., NW Washington, DC 20036	McClure Trotter & Mentz (For:Government of Puerto Rico)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Edward L. Merrigan, 6000 Connecticut Ave., NW Washington, DC 20815	Central Gulf Lines, Inc	112.50	
Harold E. Mesirow, 1801 K Street, NW, Suite 1200 Washington, DC 20006	Robins Kaplan Miller & Ciresi (For:International Federation of Freight Forwarders Assn).		
Jean L. Mestres, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	1,749.81	593.51
David A. Metzner, 499 S Capitol St., SW, #520 Washington, DC 20003	Van Fleet Associates	13,749.99	
Michael Best & Friedrich, 135 South LaSalle Street, #1610 Chicago, IL 60603	Estate of Edwin A. Gallun		
Michael C. Middleton, 100 South Charles Street P.O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Lisa Mihaly, 122 C Street, NW, 4th Fl. Washington, DC 20001	Children's Defense Fund	655.85	
Military Boot Manufacturers Assn, Belleville Shoe Manufacturing Co P.O. Box 508 Belleville, IL 62222			
Jeffrey T. Miller, 295 Madison Ave 19th Floor New York, NY 10017	Lead Industries Association, Inc		
Linda B. Miller, 818 18th Street, NW, #900 Washington, DC 20006	Volunteer Trustees of Not-For-Profit Hospitals		
Marc E. Miller, 1 Massachusetts Ave., #800 Washington, DC 20001-1431	McLeod & Pires (For:Coalition for Affordable Home Financing)	5,400.00	
Peggy Miller, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	7,984.00	244.00
Richard W. Miller, 1701 Clarendon Blvd. Arlington, VA 22209	American Chiropractic Assn		
William T. Miller, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Miller & Associates, Harris N., 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	American Council on International Personnel (ACIP)	3,855.40	487.92
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	American Nuclear Energy Council	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Association of Financial Services Holding Companies	12,000.00	
Do	Chevy Chase Savings Bank, FSB		
C.G. Pete Milligan, 1442 S.W. Troon Circle Palm City, FL 33490	American Telephone & Telegraph Co	1,100.00	585.67
Amy J. Millman, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Anna Minaya, 2632 Wagon Drive, #2D Alexandria, VA 22303	Helicopter Assn International	6,250.00	1,400.00
Minority Business Enterprise Legal Defense & Education Fund, 220 I Street, NE, #280 Washington, DC 20002			9.00
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	Houghton Mifflin Company	4,416.00	
Do	National Truck Weight Advisory Council	1,610.00	
Do	Smith Barney Harris Upham & Co, Inc		
Lawrence H. Mirel, 1614 20th Street, NW Washington, DC 20009	Liberty Mutual Insurance Company	6,000.00	500.00
Michael Monroney, 470 L'Enfant Plaza, SW East Building, #7112 Washington, DC 20024	Citizens for a Sound Economy		
Frank B. Moore, 3003 Butterfield Road Oak Brook, IL 60521	Waste Management, Inc	5,000.00	
Obie Moore, 1156 15th St., NW, #1015 Washington, DC 20005	JC Penney Co, Inc		
Randall B. Moorhead, 1300 I Street, NW, #1070E Washington, DC 20005	North American Philips Corp	4,000.00	1,030.00
Judith Morehouse, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Company	1,008.00	789.20
Anne L. Morgan, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
John Morgan, 501 3rd Street, NW Washington, DC 20001	Communications Workers of America		
James W. Morrison Jr., 815 Connecticut Ave., NW, #800 Washington, DC 20006	ARA Services, Inc	7,799.90	
Do	Morrison Associates (For:Blue Cross & Blue Shield Assn)	31,623.27	807.44
Mark E. Morrison, 1825 Eye Street, NW, #1100 Washington, DC 20006	Lockheed Corp	2,000.00	849.97
William C. Morrison, 2001 North Adams St. Arlington, VA 22201	Meat Importers Council of America, Inc		
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	California Bankers Clearing House Assn	730.83	
Evelyn M. Morton, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	640.75	457.77
Michael L. Morton, 910 16th Street, NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
Kenneth B. Moss, 701 Pennsylvania Ave., #720 Washington, DC 20004	Siemens Corp		
Paul W. Mousseau Jr., 3000 K Street, NW Penthouse 3-A Washington, DC 20007	Wealth Management Corp (For:Ampol, Inc)	7,000.00	
Do	Wealth Management Corp (For:Finryan International, Ltd)		
Ann Mulligan, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the United States	3,546.95	13.09
Daniel J. Murphy, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
James Jackson Murphy, 1720 I Street, NW 7th Floor Washington, DC 20006	American Academy of Actuaries		
Paul T. Murphy, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		200.00
Margaret R. Murray, One Massachusetts Avenue, NW, #800 Washington, DC 20001	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	477.00	
Do	McLeod Watkinson & Miller (For:Coalition for Affordable Home Financing)	9,000.00	
Do	McLeod Watkinson & Miller (For:General Mills)	1,181.00	
Do	McLeod Watkinson & Miller (For:National Rural Telecom Assn)	2,016.00	
Richard D. Murray, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
Robert J. Muth, 180 Maiden Ln. New York, NY 10038	Asarco, Inc	750.00	
Lawrence D. Muzzy, 2200 W. Salzburg Road, Mail #W281 Midland, MI 48611	Dow Corning Corp		
National Abortion Rights Action League, 1101 14th Street, NW, 5th Floor Washington, DC 20005			4,861.69
National Agricultural Chemicals Assn, 1155 15th St., NW Washington, DC 20005		200.00	7,881.30
National Assn for the Self-Employed (NASE), 575 Ritchie Road Capitol Heights, MD 20743		16,500.00	23,083.23
National Assn of Chain Drug Stores, Inc, P.O. Box 1417-D49 Alexandria, VA 22313			
National Assn of Federal Employees, 1140 N.W. 63rd Street, #301 Oklahoma City, OK 73116			
National Assn of Home Builders of the U.S., 15th & M Sts., NW Washington, DC 20005		62,479.07	127,119.53
National Assn of Letter Carriers, 100 Indiana Ave., NW Washington, DC 20001		5,934,119.52	132,748.88
National Assn of Margarine Manufacturers, 1101 15th St., NW, #202 Washington, DC 20005			
National Assn of Mortgage Brokers (NAMB), 706 E. Bell Road, #101 Phoenix, AZ 85022		8,470.57	4,240.22
National Assn of Real Estate Investment Trusts, Inc, 1129 20th St., NW, #705 Washington, DC 20036			
National Assn of Stevedores, 2011 I Street, NW, #601 Washington, DC 20006		3,300.00	4,200.00
National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002		7,900.00	10,025.00
National Automobile Dealers Assn, 8400 Westpark Drive Mclean, VA 22102			25,350.00
National Beer Wholesalers' Assn, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	19,000.00	13,981.22
National Cable Television Assn, Inc, 1724 Massachusetts Ave., NW Washington, DC 20036		107,468.52	107,468.52
National Child Care Assn, 1029 Railroad Street Conyers, GA 30207		1,000.00	1,000.00
National Childcare Parents Assn, 3612 Bent Branch Court Falls Church, VA 22041		100.00	100.00
National Coal Assn, 1130 17th Street, NW Washington, DC 20036		1,648,833.64	17,830.38
National Coalition for Fair Trade, 514 Clinton Street Grand Haven, MI 49417			
National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037		87,903.58	42,016.00
National Council for Languages & Int'l Studies, 300 Eye Street, Suite 211 Washington, DC 20002		16,587.50	30,248.86
National Council of Agricultural Employers, 1735 I Street, NW, #704 Washington, DC 20006			
National Council of La Raza, 810 First Street, NE, #300 Washington, DC 20002		29,360.21	29,360.21
National Education Assn, 1201 16th St., NW Washington, DC 20036		20,032.23	20,032.23
National Environmental Strategies, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	EcoMarine	40,000.00	
National Family Planning & Reproductive Health Assn, Inc, 122 C St., NW, #380 Washington, DC 20001		140,868.00	269.00
National Fed of Business and Professional Women's Clubs, 2012 Massachusetts Ave., NW Washington, DC 20036	National Fed of Business & Professional Womens Clubs		18,872.00
National Fed of Federal Employees, 1016 16th Street, NW Washington, DC 20036		26,911.36	26,911.36
National Food Processors Assn, 1401 New York Avenue, NW, #400 Washington, DC 20005		600.00	600.00
National Foreign Trade Council, Inc, 1270 Avenue of the Americas New York, NY 10020		70,334.00	70,334.00
National Hearing Aid Society, 20361 Middlebelt Livonia, MI 48152			
National Hydropower Assn, 555 13th Street, NW, #900-E Washington, DC 20004		12,950.00	71,934.97
National Knitwear & Sportswear Assn, 386 Park Avenue South New York, NY 10016			2,776.90
National League of Postmasters of the U.S., 1023 North Royal Street Alexandria, VA 22314			55,008.00
National Milk Producers Federation, 1840 Wilson Blvd. Arlington, VA 22201		15,118.10	
National Rifle Assn of America, 1600 Rhode Island Ave., NW Washington, DC 20036		253,658.64	421,809.22
National Rural Letter Carriers Assn, 1630 Duke St., 4th Floor Alexandria, VA 22314-3465		34,660.00	48,110.00
National Spa & Pool Institute, 2111 Eisenhower Ave. Alexandria, VA 22314			
National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508		54,096.00	54,096.00
Irene Natividad, 400 S Kensington Street Arlington, VA 22204	Natividad Associates (For:Philippine Embassy)	15,000.00	1,900.51
Ralph G. Neas, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	23,822.96	310.05
Shirley Neff, 555 13th Street, NW, #300W Washington, DC 20004	Interstate Natural Gas Assn of America	1,000.00	
Joshua E. Neiman, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	11,844.00	
Christine V. Nelson, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:United Egg Assn)	1,851.00	167.24
Do	McLeod Watkinson & Miller (For:United Egg Producers)	3,333.00	217.23
E. Colette Nelson, 1004 Duke St. Alexandria, VA 22314	American Subcontractors Assn	4,800.00	
Lisanne Nelson, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	2,500.00	
Scott E. Nemanich, 150 N. Michigan Ave., #2800 Chicago, IL 60601	Brydges Riseborough Morris Franke & Miller	3,009.64	
Mark Nestlen, 1300 L Street, NW, #950 Washington, DC 20005-4107	American Soybean Assn	6,000.00	392.86
Alexander Netchvolodoff, 1301 Connecticut Ave., #200 Washington, DC 20036	Cox Enterprises, Inc		134.01
Louis H. Nevins, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffett & Wood (For:Cape Cod Five Cents Savings Bank)		
Do	Thacher Proffitt & Wood (For:Castine Partners)		
Do	Thacher Proffitt & Wood (For:Dollar Bank, FSB)		
Do	Thacher Proffit & Wood (For:Emigrant Savings Bank)		
Do	Thacher Proffitt & Wood (For:National Council of Savings Institutions)		
Do	Thacher Proffitt & Wood (For:North Side Savings Bank)		
Do	Thacher Proffitt & Wood (For:Peoples Westchester Savings Bank)		
Do	Thacher Proffitt & Wood (For:Third Federal Savings & Loan Assn)		
Do	Thacher Proffitt & Wood (For:Ulster Savings Bank)		
William B. Newman Jr., P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	5,500.00	
Newman & Holtzinger, P.C., 1615 L St., NW, #1000 Washington, DC 20036	Utility Nuclear Waste & Transportation Program		
E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Nickerson & Stiner, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006-3404	Esstar Corp	10,000.00	
Nicholas K. Niemann, One Central Park Plaza, #1100 Omaha, NE 68102	McGrath North Mullin & Kratz, PC (For:Nebraska Catholic Conference)	30.00	
Do	McGrath North Mullin & Kratz, PC (For:Septemberfest Salute to Labor, Inc)	15.00	
Alan Nissalke, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
William A. Nitze, 1725 K Street, NW, #914 Washington, DC 20006	Alliance to Save Energy		
Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005	Ogden Martin Systems		
Do	Tetrapak, Inc		
Barbara D. Nocera, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	Honda North America, Inc	330.00	58.73
Robert I. Nooter, 600 Maryland Avenue, SW, #800 Washington, DC 20024	American Farm Bureau Federation	7,550.01	186.31
David F. Norcross, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Coalition for Affordable Home Financing).		
Do	Montgomery McCracken Walker & Rhoads (For:National Assn of Maritime Organizations).		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Montgomery McCracken Walker & Rhoads (For:National Republican Institute for International Affairs).		
Do	Montgomery McCracken Walker & Rhoads (For:Ports of Philadelphia Maritime Exchange).		
North American Export Grain Assn, Inc, 1030 15th Street, NW, #1020 Washington, DC 20005			1,394.04
North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036		1,560.00	2,875.00
James Norton, 900 17th Street, NW Washington, DC 20006	Wilderness Society		
Patrick J. Nugent, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp		
Silas O. Nunn, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America		
David D. O'Brien, O'Brien & Associates 600 New Hampshire Avenue, NW, #1010 Washington, DC 20037	Harley-Davidson, Inc	15,000.00	561.07
David O'Brien & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Primerica Financial Services	12,000.00	650.19
James J. O'Connell, Control Data Corporation 1201 Pennsylvania Avenue, NW, Suite 370 Washington, DC 20004	Control Data Corporation		
Terrence M. O'Connell II, 444 N. Capitol Street, NW, #711 Washington, DC 20001	TKC International (For:Mexican Dept of Commerce & Industrial Dev)	9,500.00	9,500.00
Do	Keefe Co (For:Sanders Associates, Inc)	59,500.00	1,608.34
Charles A. O'Connor, P.O.Box 2522 Arlington, VA 22202	Charles A. O'Connor Esq		
Patrick C. O'Connor, 1825 K Street, NW, #305 Washington, DC 20006	Kent & O'Connor, Inc (For:American Supply Association)	2,645.83	1,213.45
Do	National Assn of Fleet Administrators	11,156.25	4,988.71
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Inst of Certified Public Accountants		
Do	American Soc of Cataract & Refractive Surgery		
Do	Bionox, Inc		
Do	Citizens Savings and Loan	1,400.00	
Do	Health Care Financing Study Group		
Do	Home Finance Coalition, Inc	4,350.00	
Do	MasterCard International, Inc	4,800.00	
Do	Minnesota Mutual Life Insurance Co		
Do	Morgan Grenfell Group, PLC		
Do	National Apartment Assn	1,950.00	
Do	Pacific Telesis Group	5,475.00	
Do	Securities Industry Assn	10,875.00	
Do	UST	2,475.00	
Do	Visa, USA, Inc	4,800.00	
Do	Westinghouse Electric Corp		
Paul T. O'Day, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc		
J. Daniel O'Flaherty, 1625 K St., NW, #1090 Washington, DC 20006	National Foreign Trade Council	5,000.00	400.00
Janet O'Keeffe, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	3,000.00	89.02
Kathleen O'Leary, 700 13th Street, NW, #900 Washington, DC 20005	Columbia Gas Transmission Corp	4,100.00	
Law Offices of John O'Neal, P.C., 1455 Pennsylvania Ave., NW, #1200 Washington, DC 20004	National Rural Telecom Assn	2,450.00	
Joseph O'Neil, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	Boston College		
Do	Business Roundtable		
Do	Cruise America Line, Inc		
Do	General Mills, Inc		
Do	Glass Packaging Institute		
Do	National Football League		
Do	Pyrotechnic Signal Manufacturers Assn		
Do	Texas Utilities Co	400.00	
Obadal & O'Leary, P.C., 1612 K St., NW, #1400 Washington, DC 20006	Associated Equipment Distributors		
Thomas J. Oden, 1503 N. Filmore St. Arlington, VA 22201	National Milk Producers Federation		
Neil H. Offen, 1776 K Street, NW, #600 Washington, DC 20006	Direct Selling Association		
Larry O. Oliver, 2230 Gallows Road, #200 Dunn Loring, VA 22027	International Technical Expertise		
Van R. Olsen, 1156 15th St., NW, #1019 Washington, DC 20006	U.S. Beet Sugar Assn		
Olwine Connelly Chase O'Donnell & Weyher, 1701 Pennsylvania Ave, NW, #1000 Washington, DC 20006	Alexander & Alexander Services, Inc		
Do	CRS Capital, Inc		
Do	Insurance Solvency Coalition	2,000.00	
Do	Intercontinental Energy Corp		
Do	Long Lake Energy Corp		
Do	Manville Corporation	1,000.00	
Do	National Assn of Energy Service Companies	1,500.00	
Do	National Independent Energy Producers	5,000.00	
Do	Sithe Energies USA, Inc	1,200.00	
Do	Valsan Partners		
Ronald S. Oppenheimer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	6,000.00	
Charles J. Orasin, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	11,537.00	
Orbital Sciences Corporation, 12500 Fair Lakes Circle Fairfax, VA 22033			1,790.00
Organization of Professional Employees of USDA, Rm. 1414 S. Building U.S. Dept of Agriculture Washington, DC 20250		1,993.02	1,836.91
David S. Osterhout, 1825 Eye Street, NW, #1100 Washington, DC 20006	Lockheed Corporation	6,000.00	2,781.43
Karl Ottosen, 208 G Street, NE Washington, DC 20002	NL Industries/Baroid Corp	11,250.00	
Do	U.S. Federation of Small Businesses, Inc	1,500.00	
Arthur R. Ouslander, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	2,667.00	
William J. Owens, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	312.00	
Pagonis & Donnelly Group, Inc, 1620 Eye Street, NW, #202 Washington, DC 20006	Americans for National Dividend Act, Inc	42,000.00	
Do	Burroughs Wellcome Co	12,600.00	
Do	Government of the People's Republic of Ethiopia	16,000.00	183.59
Do	Government of the Republic of Transkei	52,500.00	
Do	National Association of Uniform Manufacturers & Distributors	7,875.00	
Do	Nord Resources Corp	6,255.00	
Do	Rowland Company		
Michael C. Palmer, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	1,077.00	
Stephen J. Paradise, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
John N. Parker, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	375.00	
Ann M. Parman, 1701 K Street NW, Suite 400 Washington, DC 20005	National Manufactured Housing Federation	100.00	
Ken Parmelee, 1630 Duke Street, 4th Floor Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	19,769.00	2,102.00
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	American Chiropractic Assn	1,200.00	
Do	Bell Helicopter Textron, Inc	1,500.00	
Do	Brown & Root U.S.A., Inc	4,000.00	
Do	Cessna Aircraft Compnay	1,200.00	
Do	Genentech	2,100.00	
Do	Generic Pharmaceutical Industry Assn	1,250.00	
Do	Herbalife International of America, Inc	500.00	
Do	International Assn of Broadcast Monitors	600.00	
Do	Ixtlan Corp		
Do	Lockheed Aeronautical Systems Co	1,650.00	
Do	Motion Picture Assn of America, Inc	3,600.00	
Do	National Assn of Independent Insurers	500.00	
Do	New Mexico State University	1,000.00	
Do	Pfizer, Inc	1,800.00	
Do	Port of Brownsville	1,780.00	
Do	Research Corp Technology, Inc	3,600.00	
Do	Richard V. Allen Co (for MBB Co of Pennsylvania)	2,800.00	
Do	Secured Systems International, Inc		
Do	Systech Environmental Corp	4,800.00	
Do	TCOM, L.P.	1,500.00	
Do	Upjohn Company	1,400.00	
Do	Westinghouse Electric Corporation		
Do	Won Door Corporation	1,125.00	
Richard N. Parsons, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	925.00	
Parsons Behle & Latimer, 185 South State Street, #700 Salt Lake City, UT 84147-0898	Energy Fuels		
Kevin Patrick, 1110 North Glebe Rd. Suite 200 Arlington, VA 22201	International Association of Chiefs of Police	8,414.40	1,939.86
Richard M. Patterson, 1776 Eye St., NW, #575 Washington, DC 20006	Dow Chemical Co	500.00	6,589.00
Sally Patterson, 810 Seventh Ave. New York, NY 10019	Planned Parenthood Federation of America	136.28	
David J. Pattison, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Thomas B. Patton, 1300 I Street, NW, #1070 East Washington, DC 20005	North American Philips Corp	5,000.00	47,877.36
Andrew R. Paul, 225 Reinekers Lane, #600 Alexandria, VA 22314	Satellite Broadcasting & Communications Assn	1,500.00	50.70
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Business Council on Indoor Air		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Paul Werth Associates Inc, 1150 Connecticut Ave, NW Suite 900 Washington, DC 20036	Coalition for Vehicle Choice	17,232.34	2,400.00
J. Leon Peace, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Peace Political Action Committee, 110 Maryland Avenue, NE Washington, DC 20002			17,506.53
Russell H. Pearson, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Lee Peckarsky, 1275 Pennsylvania Ave. NW #502 Washington, DC 20004	National Council of Savings Institutions	38,250.00	
Elin Peltz, 1155 15th Street, NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn		
Edward F. Pembleton, 666 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	2,200.00	470.00
Nicholas J. Penning, 1801 N. Moore Street Arlington, VA 22209	American Assn of School Administrators	8,715.00	
Pepper Hamilton & Scheetz, c/o Mr. A. Carl Kaseman 1300 19th Street,NW Washington, DC 20036	Consolidated Rail Corp	1,440.00	93.63
Robert A. Perkins, 1100 Connecticut Avenue, NW Washington, DC 20036	Chrysler Corporation	15,000.00	450.00
Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,000.00	124.50
Robert Peters, 15 Leroy Street, #19 New York, NY 10014-3975	Morality in Media, Inc	1,605.31	
Esther Peterson, 2001 S St., NW, #510 Washington, DC 20009	International Organization of Consumers Unions		
Petroleum Marketers Assn of America, 1120 Vermont Ave., NW, #1130 Washington, DC 20005		20,000.00	19,328.57
Laura M. Pettey, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical Co	500.00	6,389.00
Pettit & Martin, 601 13th Street, NW, #600 Washington, DC 20005	American Suzuki Motor Corp	12,496.00	133.00
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	National School Health Education Coalition	3,500.00	
Laura Phelps, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	1,142.00	124.04
Do	McLeod Watkinson & Miller (For:American Mushroom Institute)	5,507.10	
Do	McLeod Watkinson & Miller (For:General Mills)	1,088.00	
Patricia Lynn Phillips, P.O. Box 10891 McLean, VA 22102	National Assn of State Agencies for Food Distribution		
Phillips Nizer Benjamin Krim & Ballon, 31 West 52nd Street New York, NY 10019	Riverbay Corp		
Physicians for Social Responsibility, 1000 16th Street, NW, #810 Washington, DC 20036		14,830.00	14,913.00
Lisa Piccione, 1220 19th Street, NW, #200 Washington, DC 20036	Airports Assn Council International		
Joan Piccolo, 1350 I Street, NW, #400 Washington, DC 20005	Motorola, Inc	4,500.00	
Theodore M. Pierce, 5301 Wisconsin Ave., NW, #450 Washington, DC 20015	National Assn of Surety Bond Producers		
Wayne Pierce, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Susan G. Pikrallidas, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Jeffrey J. Pirruccello, One Central Park Plaza, #1100 Omaha, NB 68508	McGrath North Mullin & Kratz, PC (For:Nebraska Catholic Conference)	48.00	
Do	McGrath North Mullin & Kratz, PC (For:Septemberfest Salute to Labor, Inc)	48.00	
E. R. Plourd, 227 Massachusetts Ave., NE, #100 Washington, DC 20002	United Transportation Union	2,500.00	
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	Airport Operators Council International		
Do	Allied-Signal, Inc	2,525.00	123.73
Do	American Assn of Airport Executives		
Do	American Newspaper Publishers Assn	11,655.00	464.00
Do	Computer & Business Equipment Manufacturers Assn	6,712.50	93.74
Do	Digital Equipment Corp	3,000.00	222.07
Do	Eidak	2,000.00	462.98
Do	Genentech, Inc	4,200.00	687.38
Do	National Assn of Broadcasters	3,500.00	39.41
Do	National Conference of Bankruptcy Judges	3,465.00	193.76
David Poisson, 2001 Pennsylvania Ave., NW Washington, DC 20006	Electronic Industries Assn		
Mindy Pollack, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836	NAC Re Corp		
Michele Pollak, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	735.27	983.10
M. A. Polzin, 100 NE Adams Street Peoria, IL 61629-1430	Caterpillar, Inc		
Harry L. Ponder, 815 16th Street, NW, #707 Washington, DC 20006	Department for Professional Employees AFL-CIO	7,180.01	
James J. Popham, 1200 18th Street, NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor, S Washington, DC 20004	CORETECH	13,850.00	
Do	Destec Energy Incorporated	8,730.00	
Do	Dr. Pepper Co	3,648.00	
Do	Federal National Mortgage Assn	1,885.00	
Do	Independent Mining Company, Inc	371.00	
Do	Lockheed Engineering & Sciences Company	2,241.00	
Do	Westinghouse Electric Corp	31,312.00	
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Banker's Assn for Foreign Trade	26,000.00	1,411.00
Do	Cadmium Council, Inc		
Do	John Hancock Mutual Life Insurance Co	12,000.00	952.50
Do	Lead Industries Assn, Inc	1,600.00	15.00
Do	Preussag AG	3,979.75	138.09
James M. Price, 1330 21st Way South, #100 Birmingham, AL 35205	Sierra Club		
Woodruff M. Price, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	CSX Corporation	6,000.00	477.47
William Prindle, 1725 K St., NW, #914 Washington, DC 20006	Alliance to Save Energy		
Project Advisory Group, 1625 K Street, NW, #725 Washington, DC 20006			748.03
Gerald R. Prout, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	4,200.00	
James C. Pruitt, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Public Citizen Health Research Group, 2000 P St., NW, #700 Washington, DC 20036		550.90	55.09
Public Resource Associates, 1815 H Street, NW, #600 Washington, DC 20006			1,243.75
Public Strategies Washington, Inc, 1455 Pennsylvania Ave., NW, #1100 Washington, DC 20004	American Trucking Assns, Inc	12,510.00	45.00
Do	Mexican Department of Commerce & Finance	59,829.34	1,518.14
Do	National Assn of Chain Drug Stores	24,999.00	1,011.97
Do	Southwest Airlines	2,480.00	1,462.41
Sue P. Purvis, P.O. Box 14042 St. Petersburg, FL 33733	Florida Power Corp	2,750.00	388.68
Do	Florida Progress Corp	685.00	97.20
Harold P. Quinn Jr., 1130 17th St., NW Washington, DC 20036	National Coal Assn	8,400.00	28.00
George Gregory Raab, 555 13th Street, NW, #1260 East Washington, DC 20004	Medtronic, Inc		171.35
W. A. Radziewicz, 400 N. Capitol Street, NW, #860 Washington, DC 20001	Brotherhood of Railroad Signalmen	465.00	
Patrick J. Raffaniello, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	2,750.00	
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Academy of Cosmetic Surgery, Inc)		
Do	Graham & James (For:Ameritech, Bell Atlantic, BellSouth & et al)	3,576.92	
Do	Graham & James (For:R. R. Donnelley & Sons Company)		
Do	Graham & James (For:English Bay Corp)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)		
Do	Graham & James (For:Federal Judges Association)	260.00	
Do	Graham & James (For:Illinois Health Facilities Authority)		
Do	Graham & James (For:National Association of Immigration Judges)		
Do	Graham & James (For:National Council of U.S. Magistrates)	160.71	
James D. Range, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	
G. David Ravencraft, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Helene Rayder, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	8,541.38	230.60
Clark E. Rector Jr., 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	875.00	
Bill Redding, 214 N. Henry Street, #203 Madison, WI 53703	Sierra Club	2,800.00	234.85
Catherine C. Redpath, 1350 I Street, NW Washington, DC 20005	Beveridge & Diamond (For:Arvida Company)		
Donald W. Reed, 1776 I Street, NW, #575 Washington, DC 20006	Dow Chemical Co		6,337.00
Joseph M. Rees, 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition Burn Center Hospitals	2,500.00	
Do	Songwriters Guild of America	5,000.00	817.53
Robert S. Reese Jr., 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	3,200.00	753.21
Regional Commerce & Growth Assn, 1021 Kingsway, #6 Cape Girardeau, MO 63701		16,246.84	15,944.14
Reid & Priest, 701 Pennsylvania Avenue, NW Washington, DC 20004	Pride Refining, Inc		
Joan Reiss, 900 17th Street, NW Washington, DC 20006	Wilderness Society	479.17	52.55
Renewable Fuels Assn, One Massachusettes Ave, NW, #820 Washington, DC 20002		397,500.00	229,286.00
Riley Repko, 1627 Eye Street, NW #880 Washington, DC 20006	Oracle Corporation		35,000.00
Reserve Officers Assn of the US, 1 Constitution Ave., NE Washington, DC 20002		3,265.83	21,981.59
Vincent P. Reusing, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Cos	1,600.00	1,000.00
Michael S. Reynolds, 900 Threadneedle Houston, TX 77079	Vista Chemical Company		2,250.00
Grace Ellen Rice, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	8,887.50	74.55
James E. Rich Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Alan K. Richards, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Richard Richards, Law Office of Richard Richards 1025 Thomas Jefferson Street, NW, #105 Washington, DC 20007	Hughes Aircraft Company		
Kevin C. Richardson, 2001 Pennsylvania Avenue, NW Washington, DC 20006	Electronic Industries Assn	3,000.00	768.21
Mary Ann Richardson, 1455 Pennsylvania, NW, #500 Washington, DC 20004	Corning, Inc	500.00	
James G. Rickards, 600 Steamboat Road Greenwich, CT 06830-7149	Greenwich Capital Markets, Inc		
E. George Riedel, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
Mark Joesph Riedy Esq, 1667 K Street, NW, #750 Washington, DC 20006	RIPAC, Inc		
Norbert J. Riedy Jr., 900 17th Street, NW Washington, DC 20006	Wilderness Society	2,843.75	1,770.27

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
E. Philip Riggin, 1608 K St., NW Washington, DC 20006	American Legion	15,888.00	145.50
Michael R. Riksen, 2706 Davis Ave. Alexandria, VA 22302	Harris Corporation	2,025.00	355.83
Riselli & Pressler, P.C., 1225 19th Street, NW, #850 Washington, DC 20036	Professional Managers' Assn		
Valentin J. Riva, 501 School Street, SW, 8th Floor Washington, DC 20024-2713	American Road & Transportation Builders Assn	10,000.00	500.00
Ivette E. Rivera, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Rivkin Radler Bayh Hart & Kremer, 1575 I Street, NW, #1025 Washington, DC 20005	Merrill Lynch & Co, Inc	3,200.00	1,650.00
Do	National Basketball Assn	4,100.00	2,100.00
Michelle Robbins, 1825 Eye St., NW, #1100 Washington, DC 20006	Lockheed Corporation	2,000.00	555.06
William A. Roberts, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:AEG Westinghouse Transportation Systems, Inc)	1,500.00	
Do	Keefe Company (For:Broward County Governmental Center)	1,800.00	
Do	Keefe Co (For:City of Tampa)	1,500.00	
Do	Keefe Company (For:Dallas Area Rapid Transit)	1,250.00	
Do	Keefe Company (For:Greater Orlando Aviation Authority)	2,000.00	
Do	Keefe Company (For:Marriott Corp)	1,000.00	
Do	Keefe Co (For:Sanders Associates, Inc)	500.00	
Do	Keefe Company (For:Seminole Tribe of Florida)	1,500.00	
Do	Keefe Company (For:University of Miami)	1,000.00	
Steve A. Robertson, 1608 K Street, NW Washington, DC 20006	American Legion	9,702.00	149.09
Robins Kaplan Miller & Ciresi, 1801 K Street, N.W., #1200 Washington, DC 20006	International Group of P&I Clubs	31,823.50	682.06
Do	Polaris Industries	5,575.00	20.04
Do			
Anthony W. Robinson, 300 Eye Street, NE, #200 Washington, DC 20002	Minority Business Enterprise Legal Defense & Education Fund		17.75
Nancy J. Robinson, 7509 Tiffany Spgs. Pkwy. Kansas City, MO 64190-1402	Livestock Marketing Association	14,442.00	850.00
Thomas S. Robinson, 5955 49th SW Seattle, WA 98136	Greenpeace	1,860.00	
Bob John Robison, 1 Massachusetts Avenue, NW, #800 Washington, DC 20001	Robison International, Inc (For:General Atomics Technologies)	1,000.00	
Robison International, Inc, 1 Massachusetts Ave. NW, #800 Washington, DC 20001	FMC Corporation	1,600.00	1,603.73
Do	General Atomics Technologies	3,600.00	3,608.40
Do	McDonnell Douglas Corp	3,600.00	3,608.40
Do	Royal Ordnance, Inc	15,343.79	15,379.59
James Anthony Rock, 1730 M Street, NW, #607 Washington, DC 20036	Montana Power Co, et al.	2,500.00	412.13
David B. Rockland, 1705 DeSales Street, NW 8th Floor Washington, DC 20036	Times Mirror Magazines, Inc		
Phillip Rodenberg, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	5,077.00	
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	Futures Industry Association	52,238.84	
Carole M. Rogin, 1255 23rd Street, NW, Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Lori S. Rogovin, 9C1 East Capitol Street, SE Second Floor Washington, DC 20003	American Assn for Counseling & Development	8,700.00	
Richard A. Rohrbach, 1615 M Street, NW, #570 Washington, DC 20036	Boise Cascade Corp	34,200.00	
Emil A. Romagnoli, 180 Maiden Lane New York, NY 10038	Asarco, Inc	3,800.00	
Daniel Romanko, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Steel Producers Assn		
William A. Romjue, 1530 North Key Boulevard, #422 Arlington, VA 22209	Seafarers International Union	7,500.00	
Barbara Roper, 1424 16th Street, NW, #604 Washington, DC 20036	Consumer Federation of America	7,269.00	
Lester L. Rosen, 7 Fulham Court Silver Spring, MD 20902	Miles, Inc	3,000.00	
Sara Rosenbaum, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	4,330.11	
Marilyn Rosenthal, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States	5,538.46	92.00
Joe Ross, P.O. Box 1582 Little Rock, AR 72201			
Ross Marsh Foster Myers and Quiggle, 888 15th St., NW Washington, DC 20006	Church Alliance	8,587.50	311.84
Joseph L. Rosso, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Louis C. Rotundo, 4948 Courtland Loop Winter Springs, FL 32708	Central Florida Commuter Rail Authority	1,100.00	126.85
Do	City of Altamonte Springs		
Do	Hawaii Natural Energy Institute		
J. Patrick Rowland, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Rowland & Sellery (For:Baker Industries)	1,500.00	25.00
Do	Rowland & Sellery (For:Borg-Warner Automotive, Inc)	1,500.00	25.00
Do	Rowland & Sellery (For:Coalition for Uniform Product Liability Law)	2,000.00	25.00
Do	Rowland & Sellery (For:GE Plastics)	1,000.00	25.00
Do	Rowland & Sellery (For:National Armored Car Assn)	2,400.00	30.00
Do	Rowland & Sellery (For:National Check Cashers Assn, Inc.)	1,500.00	25.00
Rowland & Sellery, 1023 15th Street, NW, 7th Fl Washington, DC 20005	GE Plastics	2,000.00	50.00
Do	National Check Cashers Assn, Inc	3,000.00	50.00
Do	Security Companies Organized for Legislative Action (SCOLA)	1,004.00	25.00
Eric M. Rubin, 1730 M Street, NW, #412 Washington, DC 20036	Rubin Winston & Diercks (For:Outdoor Advertising Assn of America, Inc)	7,500.00	
Eldon Rudd, Shimmel Hill Bishop & Gruender, P.C. 3700 North 24th Street Phoenix, AZ 85016	Central Arizona Project Assn		
Lois J. Rude, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	500.00	238.29
Ruder Finn, Inc, 1615 M Street, NW, #220 Washington, DC 20036	Republic of Croatia, Washington Office	20,000.00	1,178.76
Christine Anne Russell, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	9,875.00	2,291.48
Shannon M. Russell, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc		
William Russell & Associates, Inc, 117 S. Columbus Street Alexandria, VA 22314-3003	Golbal Broadcasting System	12,000.00	286.45
J. T. Rutherford & Associates, Inc, 1301 N. Courthouse Rd., #1802 Arlington, VA 22201	American College of Radiology		836.20
Do	American Optometric Assn		416.10
Do	Boehringer Mannheim		111.40
Patricia Ryan, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Ryan-McGinn, Inc, 2300 Clarendon Blvd., #610 Arlington, VA 22201	American Dietetic Assocn		
Do	American Medical Record Assn Long Term Care Section		
Do	Baxter Healthcare Corporation	4,500.00	398.18
Do	Cathedral Healthcare System	3,000.00	339.55
Do	Council on Accreditation of Services for Families & Children		
Do	Dietary Managers Assn		
Do	Manor Care	3,630.00	13.90
Do	Puritan Bennett	11,250.00	105.07
Do	West Virginia Hospital Assn		
Do	West Virginia Independent Oil & Gas Assn	900.00	216.17
RBC Associates, 122 C Street, NW, #850 Washington, DC 20001	Ann Arbor Railroad		5,282.70
Do	Chicago & Northwestern Railroad	40,000.00	5,282.70
Do	Delaware Otsego System	23,851.25	5,282.70
Do	Illinois Central Railroad	22,000.00	5,282.70
Do	Investment Counsel Assn of America	7,200.00	5,282.72
Do	Regional Railroads of America	39,000.00	5,282.70
Do	Turbomeca Engine Corp	30,000.00	5,282.71
Lawrence E. Sabbath, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Rowland & Sellery (For:GE Plastics)	1,000.00	25.00
Do	Rowland & Sellery (For:National Check Cashers Assn, Inc)	1,500.00	25.00
Do	Rowland & Sellery (For:Security Companies Organized for Legislative Action (SCOLA)).	1,004.00	25.00
G. J. Thomas Sadler Jr., 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Sagamore Associates, Inc, 1701 K Street, NW #400 Washington, DC 20006	Ebasco Services Inc	6,000.00	52.03
Do	Indiana Electric Assn	13,550.00	536.49
Do	MSE Corp	3,980.00	85.56
Stephen Sale, 910 16th Street, NW Washington, DC 20006	Fehrenbacher Sale Quinn & Deese (For:CSC Credit Services, Inc)		
Frank Max Salinger, 919 18th Stret, NW Washington, DC 20006	American Financial Services Assn	250.00	
Stuart A. Sanderson, 1920 N Street, NW, Washington, DC 20036	American Mining Congress		
Peter G. Sandlund, 1730 M Street, NW, Suite 602 Washington, DC 20036	Council of European & Japanese National Shipowners' Assn	300.00	
C. Patrick Sankey, 501 School Street, SW, 8th Floor Washington, DC 20024-2713	American Road & Transportation Builders Assn	500.00	
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	American Escrow Assn	4,900.00	316.28
Do	Conference of National Park Concessioners	6,000.00	357.43
Do	National Tour Assn, Inc	21,663.00	9,197.02
Do	Truckee-Carson Irrigation District	475.00	36.83
Susan Sarason, 2111 Wilson Boulevard, #1000 Arlington, VA 22201	Ebasco Services, Inc	2,865.00	603.00
Satellite Broadcasting & Communications Assn, 225 Reinekers Lane, #600 Alexandria, VA 22314			1,550.70
Thomas J. Scanlon, 3248 Prospect Street, NW Washington, DC 20007	Benchmarks, Inc	9,000.00	224.12
Robert M. Scarberry, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Mark S. Schacht, 2000 O Street, #240 Sacramento, CA 95814	California Rural Legal Assistance, Inc		971.00
Harold A. Schaitberger, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters	22,490.46	
Thomas A. Schatz, 1301 Connecticut Ave., NW, #400 Washington, DC 20036	Council for Citizens Against Government Waste	2,575.00	27.50
Ronald A. Schechter, Goldfarb, Singer & Austern 918 16th Street, NW, #503 Washington, DC 20006	Washington Independent Writers, Inc		
Gerard F. Schiappa, 2300 M Street, NW #800 Washington, DC 20037	Gaum Uruno Resort Corp	6,000.00	1,750.00
Ella M. Schiralli, 2001 Pennsylvania Avenue, NW Washington, DC 20006	Electronic Industries Assn	625.00	39.84
Karin Schmerler, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum		64.40

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Schnader Harrison Segal & Lewis, 1111 19th Street, NW, #1000 Washington, DC 20036	Mack Trucks, Inc	6,600.00	101.50
Do	Toyota Motor Corporate Services U.S.A., Inc	5,250.00	377.88
Arnold M. Schneider, 2045 Lundy Ave. San Jose, CA 95106	American Assn of Classified School Employees	350.00	
Robert V. Schneider, 1250 24th Street,NW, #300 Washington, DC 20007	S I M International Ltd		
Schnitzer Steel Industries, Inc, 3200 N.W. Yeon Avenue Portland, OR 97210			17.00
Carl J. Schramm, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Leslie C. Schuchart Cahill, 1030 15th Street, NW, #964 Washington, DC 20005	American Seed Trade Assn	6,000.00	
Elizabeth Schueler, 1155 Connecticut Ave, NW Washington, DC 20036	Waste Management International, Inc	812.00	
Schwabe Williamson & Wyatt, 2100 Pennsylvania Ave., NW, #670 Washington, DC 20037	Nichols Institute	850.50	156.71
Do	Oregon Steel Mills, Inc	88.80	3.12
Do	Public Generating Pool	7,980.53	665.15
Do	Tri-Met	16,675.44	4,914.91
Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	2,875.00	
Scientific-Atlanta, One Technology Parkway Box 105600 Atlanta, GA 30348			275.00
Ellen Scott, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	8,750.00	
Gregory R. Scott, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	720.85	191.49
Michael Scott, 900 17th Street, NW Washington, DC 20006	Wilderness Society	473.44	
Anne Scully, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,725.00	2,055.85
Walter J. Sczudlo, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Co	500.00	
Pamela Sederholm, 2300 N Street, NW, #600 Washington, DC 20037	National Council of Chain Restaurants		
Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange	3,850.00	
Mark Seetin, 919 18th Street, NW Washington, DC 20006	New York Mercantile Exchange	5,000.00	460.00
Jane Seigler, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	
William H. Sells III, 1212 Potomac Street, NW Washington, DC 20007	Computer Dealers & Lessors Assn		
Seven Months Session for Congress, 4210 Spicewood Springs Road, #202 Austin, TX 78759			135.00
Norman F. Sharp, 1100 17th Street, NW, #504 Washington, DC 20036	Cigar Assn of America, Inc		
Do	Pipe Tobacco Council	580.00	460.00
Sher & Blackwell, 1255 23rd Street, NW, #500 Washington, DC 20037	A.P. Moller-Maersk	425.00	
Judith C. Sherman, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Peter B. Sherman, 1146 19th Street, NW Washington, DC 20036	Dunaway & Cross (For:Industrial Truck Assn)		
R. Parker Sherrill, P.O. Box 24350 4525 Harding Road Nashville, TN 37202-4350	Health Trust, Inc, et al.		
Carl Shipley, 1575 Eye Street, NW, #325 Washington, DC 20005	Western Southern Life Insurance	3,000.00	350.00
Scott Shotwell, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	2,475.00	
Pamela Hill Shouldis, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc	4,000.00	918.29
Jill Showell, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Jennifer M. Shriver, 6200 Oak Tree Blvd. Independence, OH 44131	Centerior Energy Corp		
Walter Shur, 51 Madison Ave. New York, NY 10010	New York Life Insurance Company		
David Todd Sidor, One Constitution Square New Brunswick, NJ 08901-1500	New Jersey State Bar Assn		
Sierra Club, 730 Polk Street San Francisco, CA 94109		425,545.04	425,545.04
Howard J. Silver, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assns		22.00
Silver Users Assn, Inc, 1730 M St., NW, #911 Washington, DC 20036		267.00	1,788.00
Bruce A. Silverglade, 1875 Connecticut Avenue, NW, #300 Washington, DC 20009	Center for Science in the Public Interest	9,166.00	517.00
Donald M. Simmons, 323 West Broadway, #404 Muskogee, OK 74401	Caltex Petroleum Corp	687.50	325.00
Gary D. Simms, 1720 Eye Street, NW, 7th Floor Washington, DC 20006	American Academy of Actuaries		
Michael E. Simon, 1666 K St., NW Washington, DC 20006	Arthur Andersen & Co	945.00	25.00
Talmage E. Simpkins, 444 North Capitol Street, NW, #820 Washington, DC 20001	AFL-CIO Maritime Committee	300.00	84.46
Charles W. Simpson, 555 13th Street, NW, #410-W Washington, DC 20004	Morrison Knudsen Corp		56.00
William G. Simpson, 1155 15th St., NW, #504 Washington, DC 20005	First Mississippi Corp	2,000.00	
Do	Mississippi Power & Light Company	2,000.00	
Do	State of Mississippi	4,000.00	
Albert M. Sims, 11006 Hampton Rd. Fairfax Station, VA 22039	Performance Engineering, Inc		
Robert H. Sindt, 1001 22nd Street, NW, #700 Washington, DC 20037	Rhone-Poulenc, Inc		
Edmund J. Skernolis, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	
William J. Skinner, 751 Rockville Pike, # 27B Rockville, MD 20852	U.S. Pharmaceopeial Convention, Inc	226.11	
Scott Sklar, 777 N. Capitol St. NE #805 Washington, DC 20002	Solar Energy Industries Assn	17,500.00	7,829.51
Glen J. Skovholt, P.O. Box 524 Minneapolis, MN 55440-0524	Honeywell, Inc	600.00	350.00
Kathleen M. Skrabut, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	10,410.00	106.75
Paul A. Skrabut Jr., 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	7,365.00	155.00
Jonathan Slade, 2000 L St., NW #200 Washington, DC 20036	MWW Strategic Communications (For:Associated Landscape Contractors of America).	3,000.00	241.00
Do	MWW Strategic Communications (For:Cuban American Foundation, Inc)	9,000.00	241.50
Do	MWW Strategic Communications (For:Hadassah Medical Organization)	10,500.00	187.50
Albert J. Slechter, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	4,998.00	525.24
R. Barry Sleight, P.O. Box 30199 Bethesda, MD 20824-0199	CFIDS Assn		408.70
Ronald J. Slinn, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Catherine Reiss Sloan, 120 Maryland Ave., NE Washington, DC 20002	Competitive Telecommunications Assn		
Slover & Loftus, 1224 17th St., NW Washington, DC 20036	Western Coal Traffic League	24,048.75	18,428.08
Smathers Hickey & Smathers, 1050 Connecticut Avenue, NW, #1230 Washington, DC 20036	Pennzoil Co	6,000.00	
Allen Smith, 900 17th St., NW Washington, DC 20006	Wilderness Society	1,527.75	1,215.88
Frank Sumner Smith Jr., P.O. Box 1365 Columbia, SC 29202	Colonial Companies, Inc	9,000.00	3,883.00
Jeffrey A. Smith, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Marc Smith, 200 Renaissance Place 714 Jackson Street Dallas, TX 75202			
Michael E. Smith, P.O. Box 5000 Cleveland, OH 44101	Cleveland Electric Illuminating Co		
Philip S. Smith, 10900 Wilshire Boulevard, #1600 Los Angeles, CA 90024	Castle & Cooke, Inc		
Do	Castle & Cooke (For:Dole Food Company)		
Do	Flexi Van Leasing, Inc		
Richard A. Smith, 7920 Robinson Road Bethesda, MD 20817	Hill and Knowlton (For:CBI Sugar Group)		
Rob Smith, 516 E. Portland Street Phoenix, AZ 85006	Sierra Club	1,874.97	3,004.73
Stephen Merrill Smith, 1899 L Street, NW, 5th Floor Washington, DC 20036	Ensco, Inc	17,500.00	15,862.00
Thomas M. Sneeringer, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Katten Muchin & Zavis (For:Environmental Tax Policy Alliance)		
Do	Katten Muchin Zavis & Dombroff (For:Future Water International)	520.00	
Do	Katten Muchin Zavis & Dombroff (For:Northwestern Memorial Hospital)	1,657.50	
Do	Katten Muchin Zavis & Dombroff (For:Regional Trasnsportation Authority)	942.50	
Larry S. Snowhite, 1825 Eye St., NW, #1201 Washington, DC 20006	Massachusetts Education Loan Authority	1,794.00	
Do	New England Education Loan Authority	3,392.00	
Wallace S. Snyder, 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	6,875.00	
Society for Human Resource Management, 606 North Washington Street Alexandria, VA 22314			30,000.00
Thomas J. Soles Jr., 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Vincent R. Sombrotto, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	6,043.94	
James E. Sommerhauser, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Sonnenberg Anderson O'Donnell & Rodriguez, 200 West Adam St., #2625 Chicago, IL 60606	Florsheim Shoe Co		
Walter Larke Sorg, 19110 Montgomery Village Ave., #225 Gaithersburg, MD 20879	American Assn of Small Dredging & Marine Construction Cos	170,000.00	1,878.80
Peter Sorum, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners		
Southwestern Power Resources Assn, P.O. Box 1360 1800 Canyon Park Cr., #403 Edmond, OK 73083-1360			
Space Industries, Inc, 711 West Bay Area Blvd., #320 Webster, TX 77598-4001			
Thomas J. Spangler, 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Sparber and Associates, Inc, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20006	National Volunteer Fire Council		
Do	Tobacco Institute		
Sandra Spence, 808 17th Street, NW, #200 Washington, DC 20006-3953	Bostrum Corp (For:Association for Commuter Transportation, Inc)	118.05	
Do	Bostrom Corp (For:Fire Equipment Manufacturers & Services Assn, Inc)		
William M. Spodak, 1801 K St., NW Washington, DC 20006	Westinghouse Electric Corp	2,500.00	75.00
Mark G. Spurrier, 400 Kenilworth Drive Towson, MD 21204	Baltimore County Police Department, et al.		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	ADAPSO, the Computer Software & Services Industry Assn		
Do	Independent Data Communications Manufacturers Assn	2,958.75	132.00
Do	Public Securities Assn		
Cecile Srodes, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
John W. Sroka, 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
James St. Pierre, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society	221.13	469.71
Vivian Escobar Stack, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	1,070.91	113.85
Melvin R. Stahl, 1235 Jefferson Davis Hwy., Suite 600 Arlington, VA 22202	Motorcycle Industry Council, Inc		
Do	Specialty Vehicle Institute of America		
Elvis J. Stahr Jr., 1815 H Street, NW, #600 Washington, DC 20006	Public Resource Associates		
Arlan Stangeland, 305 C Street, NE Washington, DC 20002	American International Group	15,000.00	2,770.00
Do	Crop Insurance Proffessionals of America	9,000.00	1,082.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Edison Chouest Offshore	9,000.00	1,320.00
Do	Pelican Rapids Economic Development Association	1,000.00	
Stanton & Associates, 1310 19th Street, NW Washington, DC 20036	National Spa & Pool Institute		
Lois Starkey, Suite 511 1745 Jefferson Davis Hwy. Arlington, VA 22202	Manufactured Housing Institute	8,125.00	120.00
Kent D. Starwalt, 501 School Street, SW, 8th Floor Washington, DC 20024	American Road & Transportation Builders Assn	500.00	
Jeffrey V. Steele, 2033 M Street, NW, #300 Washington, DC 20036	National Association of Arab Americans	6,250.00	25.00
William N. Steele, 1700 North Moore St., 21st Floor Arlington, VA 22209	Boeing Company	3,155.95	4,876.60
Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209	TRW, Inc	1,519.00	
Barry P. Steinberg, 1030 Fifteenth Street, NW, #500 Washington, DC 20005	Jordan Coyne Savits & Lopata (For:Calhoun County Chamber of Commerce)		
Susan M. Steinberg, 1455 Pennsylvania Ave, NW, #1000 Washington, DC 20004	New England Council, Inc		
Kristin Stelck, 1111 16th Street, NW Washington, DC 20036	American Assn of University Women	5,000.00	347.86
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Canadian Sugar Institute		
Do	Christie's		
Do	Coordinadora de Organizaciones Empresariales de Comercio Ext		
Do	National Antique & Art Dealers Assn of America		
Do	National Council on Teacher Retirement	495.00	
Do	Sotheby's, Inc		
Lawrence E. Stevens, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Michael E. Steward, 1730 M Street, NW, #607 Washington,, DC 20036	Puget Sound Power & Light Co	2,263.00	189.24
H. Donald Stewart, 188 W. Main Street Penns Grove, NJ 08069			
Warren E. Stickle, 1220 19th Street, NW, #202 Washington, DC 20036	Chemical Producers & Distributors Assn	580.00	156.03
Do	International Sanitary Supply Assn	638.50	21.00
Bonny S. Stilwell, 3803 Densmore Ct. Alexandria, VA 22309	National Vietnam Verterns Coalition	3,250.00	730.90
John E. Stiner, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006	American Electronics Assn	15,000.00	
Kenneth F. Stinger, 2200 Mill Rd Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
John J. Stirk, 1725 Jefferson Davis Hwy, #601 Arlington, VA 22202-3585	Litton Industries	2,000.00	4,173.15
John J. Stocker, 4301 North Fairfax Drive, #330 Arlington, VA 22203	Shipbuilders Council of America	3,300.00	
Alex Stoddard, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,200.00	
Raymond L. Strassburger, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc	1,250.00	
Strategic Resources Corp, 3000 K Street, NW, #300 Washington, DC 20007	Matsushita Electric Corp of America		
Richard H. Streeter, Federal Bar Building 1815 H Street, NW, #800 Washington, DC 20006	Cast North America (1983), Inc		
Stroock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036	J. Aron & Co, Inc		
Fred Sudak, 230 South Wacker Drive, #1000 Chicago, IL 60606	Dakko Integrated Resources		
Catherine Sullivan, 3050 K Street, NW, #330 Washington, DC 20007	National Club Assn		
Francis J. Sullivan, 16 W. Walnut Street Alexandria, VA 22301	Frank Sullivan Associates (For:Ingalls Shipbuilders)	236.00	
Do	Frank Sullivan Associates (For:ITT Defense Corporation)	252.00	
Do	Frank Sullivan Associates (For:Textron, Inc)	286.00	
Do	Frank Sullivan Associates (For:Waste Management Inc)	457.00	
Judy M. Sullivan, 1614 King Street Alexandria, VA 22314	National Assn of Housing Cooperatives		
Jeffrey Sumberg, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Donald B. Susswein, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Citicorp Washington (Banking))		
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW Washington, DC 20004	CompuServe, Inc		
W. Thomas Suttle, 1521 Vermont Avenue, NW Washington, DC 20005	Institute of Electrical & Electronics Engineers	1,675.00	
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	Akin Gump Hauer & Feld (for Drexel Burnham Lambert)		
Do	American Bakers Assn	1,108.75	
Do	American Hoechst Corporation		
Do	Business Coalition For RICO Reform	17,189.59	97.40
Do	California Energy Company		
Do	Design Protection Coalition	14,700.00	
Do	Hyundai Motor Company		
Do	Laidlaw Environmental Services		167.73
Do	Laidlaw, Inc	4,126.50	161.56
Do	MacAndrews & Forbes Group, Inc	2,307.50	76.40
Do	New England Power		
Do	Renewable Fuels Assn		
Do	Rivkin Radler Bayh Hart & Kremer (for Merrill Lynch & Co)	3,826.75	195.74
Do	Software Publishers Assn	4,410.00	
Byron Swift, 1400 16th Street, NW Washington, DC 20036	(For:IUCN-US)		138.00
Ivan Swift, P.O. Box 607 Arlington, VA 22216	New England Anti-Vivisection Society	3,000.00	1,795.00
Sarah L. Szanton, 122 C Street, NW, #380 Washington, DC 20001-2109	National Family Planning & Reproductive Health Assn, Inc	137.00	
Z. Michael Szaz, 7209 Monticello Blvd. Springfield, VA 22150	Transylvanian World Federation		
SJS Advanced Strategies, 1330 Connecticut Ave., NW Washington, DC 20036	Coordinadora de Organizaciones Empresariales de Comercio Ext	340.90	549.00
Taggart & Associates, Inc, 1155 15th Street, NW, #1108 Washington, DC 20005	Association of American Railroads		
Do	Johanna Farms, Inc		
Do	M&M/Mars		
Do	Marion Merrell Dow, Inc		
Do	National Agricultural Chemicals Assn		
Do	Telephone & Data Systems, Inc		
Mary T. Tavenner, 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Margaret J. Taylor, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	1,750.00	
Marie Taylor, 1825 Eye Street, NW, #400 Washington, DC 20006	BF Goodrich Co	100.00	
Randy Teach, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
Richard Tessier, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	Cape Cod Five Cents Savings Bank		185.50
Do	Capital Holding Corp		
Do	Castine Partners	34,640.00	918.14
Do	Chicago Board Options Exchange		742.00
Do	Citicorp Mortgage Finance, Inc.	1,834.00	742.00
Do	Citicorp Washington (Banking)		752.00
Do	Dollar Bank, FSB		185.50
Do	Emigrant Savings Bank		
Do	Massachusetts Bankers Assn	5,296.00	742.00
Do	National Council of Savings Institutions		875.90
Do	North Side Savings Bank		742.00
Do	Peoples Westchester Savings Bank		742.00
Do	Residential Services Corp of America		
Do	Savings Bank of Life Insurance	2,481.00	750.00
Do	Third Federal Savings & Loan Assn		185.50
Do	Ulster Savings Bank		185.50
Bennie L. Thayer, 575 Ritchie Road Capitol Heights, MD 20743	National Assn for the Self-Employed	14,586.25	6,253.13
Melissa Thomas, 3636 16th Street, NW, #B1010 Washington, DC 20010	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs).		
Peter William Thomas, 955 26th Street, NW, #205 Washington, DC 20037	American State of the Art Prosthetic Assn		532.69
Robert L. Thomas, 1319 F St., NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Kenneth W. Thompson, 1250 24th Street NW, #240 Washington, DC 20037	Great Lakes Gas Transmission Company		
Law Offices of Fred Thompson, 12th Floor, Life & Casualty Tower 401 Church St. Nashville, TN 37219	Central States SE & SW Areas Health Welfare & Pension Funds	4,000.00	
Otis N. Thompson, Room 1414-S, Ag. Building Washington, DC 20250	Organization of Professional Employees of USDA	780.00	
Patrick Thompson, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	5,000.00	284.00
Thompson & Company, 1001 G Street, NW, 7th Floor Washington, DC 20004	Lifeshares Group, Inc		
Do	MicroGeneSys		
Do	R. Marc Nuttle		
Thompson Mann & Hutson, 3000 K Street, NW, #600 Washington, DC 20007	Fluor-Daniel, Inc	5,656.25	52.00
Do	International Paper Company		
Do	National Dual Shop Coalition		
Do	Ravenswood Aluminum	881.25	10.00
Cindy C. Thorne, 4500 Vestal Parkway East P.O.Box 3607 Binghamton, NY 13902-3607	New York State Electric & Gas Corp	14,250.00	14,556.67
Anna Thronson, 1025 Thomas Jefferson Street, #700E Washington, DC 20007	Legislative Strategies (For:American Independent Refiners Assn)		
Do	Legislative Strategies (For:Bridge Products)		
Do	Legislative Strategies (For:Cogeneration & Independent Power Coalition of America, Inc).		
Do	Legislative Strategies (For:Consolidated Natural Gas Service Co, Inc)		
Do	Legislative Strategies (For:Donohue & Associates, Inc)	50.00	
Do	Legislative Strategies (For:Globos International, Inc)		
Do	Legislative Strategies (For:National Hydropower Assn)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Legislative Strategies (For:Natural Gas Vehicle Coalition)	12.50	
Do	Legislative Strategies (For:State of New Mexico (Natural Gas Programs))		
Do	Legislative Strategies (For:Texas-New Mexico Power Company)		
Do	Legislative Strategies (For:Tosco Corp)		
Timothy B. Tierney, 4600 East West Highway Bethesda, MD 20814	Automotive Refrigeration Products Institute		
Tobacco Associates, Inc, 1725 K Street, NW, #512 Washington, DC 20006			4,170.18
William J. Tobin, 3612 Bent Branch Ct. Falls Church, VA 22041	American Assn of Early Childhood Educators	100.00	9.00
Do	National Child Care Assn	1,000.00	18.00
Do	National Childcare Parents Assn	100.00	9.00
Do	National Hearing Aid Society		5.00
David R. Toll, 1155 Connecticut Ave., NW, #400 Washington, DC 20036	Public Service Co of Colorado		
Tony Poole, 1030 15th Street, NW, #700 Washington, DC 20005	Kelly Anderson & Associates, Inc (For:U.S. Banknote Corp)		
Jean R. Toohey, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc	105.00	190.24
Total Petroleum, Inc, 999 18th Street, #2201 Denver, CO 80202			547.50
Gilbert D. Tough, 70 North Main St. Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Charles H. Tower, 1026 16th Street, NW, #503 Washington, DC 20036	Dun & Bradstreet	12,500.00	
TransAfrica, 545 8th Street, SE, #200 Washington, DC 20003		36,902.10	65,563.88
S. Bradley Traverse, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	32.50	
Eugene M. Trisko, P.O. Box 596 Berkeley Springs, WV 25411	Stern Bros, Inc		
Gregory A. Troxell, 1800 K Street, NW, #1018 Washington, DC 20006	PSI Energy, Inc	5,000.00	1,700.55
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	American Insurance Assn		
Do	Cambridge Redevelopment Authority		
Do	Humane Society of the U.S., et al.		
Do	Iroquois Gas Transmission Systems		
Do	National Venture Capital Assn		
Do	Norton Company		
Do	Sierra Club of America		
Do	Thermedics, Inc		
Genevieve W. Tuchow, 700 13th Street, NW, #900 Washington, DC 20005	Columbia Gas Distribution Companies	4,100.00	
Tucker & Associates, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	New York Life Insurance Company		
Do	Regional Transportation District	3,000.00	
William J. Turenne, 1901 L Street, NW, Suite 705 Washington, DC 20036	Eli Lilly & Company	3,000.00	126.83
Jane L. Turner, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,200.00	
Michael A. Turner, 2000 M Street, NW, #5500 Washington, DC 20036	North American Telecommunications Association	1,560.00	
Max Turnipseed, 1155 15th Street, NW, #611 Washington, DC 20005	Ethyl Corporation	3,465.00	1,432.71
Larry Tuttle, 900 17th Street, NW Washington, DC 20006	Wilderness Society	743.75	698.88
U.S. Recreational Ski Association, 1315 East Pacifico Avenue Anaheim, CA 92805			
U.S. Strategies Corp, 1321 Duke Street, #200 Alexandria, VA 22314-3563	Healthsouth Rehabilitation Corp		
U.S. Telephone Assn, 900 19th Street, NW, #800 Washington, DC 20036		14,666.50	14,666.50
Stewart L. Udall, 1244 Camino Cruz Blanca Santa Fe, NM 87501	Claimants Under Proposed Radiation Exposure Compensation Act		
Mark J. Ugoretz, 1400 L St., NW Ste. 350 Washington, DC 20005	Erisa Industry Committee	1,875.00	
Elizabeth Ulmer, 1531 P Street, NW, #200 Washington, DC 20005	Sierra Club Legal Defense Fund	2,700.00	995.43
Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419			
United Gas Pipe Line Co, P.O. Box 1478 Houston, TX 77251-1478			
Nancy Van Duyne, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	13,141.93	
Van Dyk Associates, Inc, 1250 24th St.,N.W. Suite 600 Washington, DC 20037	American Gas Assn	2,900.00	
Van Fleet Associates, Inc, 499 South Capitol St., SW, #520 Washington, DC 20003	Cadillac Gage Co	6,000.00	
Do	Harsco Corporation	24,000.00	9,567.22
Do	Magnavox Government & Industrial Electronics Co	19,500.00	980.61
Van Fleet Metzner & Meredith Corp, 499 S. Capitol Street, #520 Washington, DC 20003	Electrospace Corporation	7,000.00	44.94
Do	General Instrument Corporation		
Do	Miltope Corp	7,500.00	
Do	NCube	7,500.00	486.02
Do	Thermo Electro Technologies	7,500.00	39.90
Robert C. Varah, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		904.57
Sheila K. Velazco, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Employees	1,946.56	
Robert J. Verdisco, 1901 Pennsylvania Avenue, NW, #10th Fl. Washington, DC 20006	International Mass Retail Assn	10,000.00	200.00
Jerry T. Verkler, 555-13th Street, NW, Suite 300 West Washington, DC 20036	Interstate Natural Gas Assn of America	6,250.00	454.35
Joseph B. Verna, 1800 K Street, NW Washington, DC 20006	Hercules, Inc	2,750.00	325.00
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW, #700 Washington, DC 20005-2301	American Museum of Natural History		
Do	Ameritech	575.00	
Do	Bell Atlantic Corp	6,893.75	
Do	Brown & Root, Inc		
Do	Burlington Northern, Inc	791.25	
Do	Central Gulf		
Do	General Dynamics Corp	1,325.00	
Do	GenCorp	6,125.00	
Do	Hughes Communications, Inc	868.75	
Do	Hughes Network Systems, Inc	3,506.25	
Do	Independent Bankers Association of America	662.50	
Do	Investment Company Institute	3,975.00	
Do	John F. Kennedy Center for the Performing Arts		
Do	K Mart Corp	3,775.00	
Do	Kellogg	437.50	
Do	Manville Corp	2,625.00	
Do	Mars, Inc	1,496.25	
Do	McDonnell Douglas Corp	1,325.00	
Do	Merrill Lynch & Co, Inc	1,010.00	
Do	New Progressive Party		
Do	Northwest Airlines	4,043.75	
Do	NBC		
Do	NYNEX Corp	3,812.50	
Do	Orbital Communications Corp		
Do	Rubber Manufacturers Assn	3,261.25	
Do	Travelers Companies	373.75	
Do	TRW, Inc		
Do	Uniroyal Chemical Company, Inc	1,700.00	
Do	Upjohn Co	1,137.50	
Verstandig & Associates, Inc, 1455 Pennsylvania Avenue, NW, #1180 Washington, DC 20004	Anheuser-Busch Companies, Inc		
David Vienna & Associates, 401 Wythe Street, #2-A Alexandria, VA 22314	American Assn of Classified School Employees	1,356.25	
Do	California Franchise Tax Board	4,548.75	
Do	California Public Employees' Retirement System	14,595.00	
Do	California State Senate	43.75	
Do	Executive Life Insurance Company of California	15,750.00	
Do	International Assn of Amusement Parks & Attractions		
Do	International Assn of Fairs & Expositions		
Do	Pacific Stock Exchange, Inc		
Do	State Board of Equalization (Calif)	3,543.75	
George A. Viverette Jr., 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Volunteer Trustees of Not-For-Profit Hospitals, 818 18th Street, NW, #900 Washington, DC 20006		16,800.00	10,613.00
Kurt Vorndran, 925 15th Street, NW Washington, DC 20005	National Council of Senior Citizens	8,000.00	
Jay J. Vroom, 1155 15th Street, NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn	200.00	7,881.30
Patricia A. Waak, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		420.00
James Wagoner, 1101 14th Street, NW, 5th Floor Washington, DC 20005	National Abortion Rights Action League (NARAL)	1,999.92	
Andrew F. Wahlquist, 1701 Pennsylvania Ave., NW Washington, DC 20006	McDonnell Douglas Corp	15,000.00	4,300.00
Michael Waldman, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	8,750.00	
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Cominco, Ltd	2,000.00	
Do	Sumitono Chemical Co	3,000.00	
Do	University of Oklahoma	1,500.00	
Henry Scott Wallace, 1110 Vermont Ave., NW, #1150 Washington, DC 20005	National Assn of Criminal Defense Lawyers	15,000.00	50.00
Anne Marie Walsh, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc	27.14	8.00
Michael O. Ware, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	2,500.00	
Washington Independent Writers, Inc, 733 15th St., NW, #220 Washington, DC 20005			
Ronald D. Waterman, 900 2nd Street, NE, #109 Washington, DC 20002	Milwaukee County-Intergovernmental Relations	13,650.00	9,827.07

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Wisconsin Counties Assn	11,625.00	7,369.70
Waterman & Associates, 900 2nd Street, NE, #109 Washington, DC 20002	All Industry Television Committee	9,000.00	
Do	Cast Metals Coalition	4,350.00	158.28
Do	North American Die Casting Assn (NADCA)	16,999.98	625.58
Jerry B. Waters, 777 14th Street, NW, #680 Washington, DC 20005	Farmland Industries, Inc	5,000.00	
Mary Kirtley Waters, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	5,200.00	
James B. Watt, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors		
Douglas R. Watts, 1724 Massachusetts Avenue, NW Washington, DC 20036	Tele-Communications, Inc	3,750.00	
David Weaver, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	4,759.00	
James D. Webb, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society	117.71	82.50
Laura Weber, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
Susan Weber, 1400 16th Street, NW, #320 Washington, DC 20036	Zero Population Growth, Inc	88.00	
Webster & Sheffield, 237 Park Ave. New York, NY 10017	Asarco Corporation		
Do	Magma Copper Corp		
Do	PG&E Bechtel Generating Company		
Do	Tobacco Institute		
Weidenfeld & Rooney, 1899 L Street, NW, #500 Washington, DC 20036	Southern Company Services, Inc		
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	The Centennial Co	1,300.00	16.00
Weiner McCaffrey Brodsky Kaplan & Levin, P.C., 1350 New York Ave., NW, #800 Washington, DC 20005	National Manufactured Housing Finance Assn		
Arthur E. Weisberg, 2200 First Bank Place East Minneapolis, MN 55402	Dorsey & Whitney		
L. H. Wells, Suite 200 1025 Connecticut Avenue, NW Washington, DC 20036	Shell Oil Co		
James K. Wessel, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp	5,000.00	5.00
Western Coal Traffic League, 1224 17th St., NW Washington, DC 20036		68,433.25	47,760.79
William H. Westhoff, 11240 Waples Mill Rd. Fairfax, VA 22030	Environmental Products Corp		10,200.00
Joseph J. Westwater, 1 Massachuseets Avenue, N.W., #800 Washington, DC 20001	McLeod Watkinson & Miller (For:American Peanut Product Manufacturers, Inc)	6,827.00	113.91
Do	McLeod Watkinson & Miller (For:California Cooperative Creamery)	1,387.00	
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Carol Wheeler, 1650 30th Street, NW Washington, DC 20007	Media Enterprises Corp (For:National Assn of Public Television Stations)	2,220.00	225.04
Gordon B. Wheeler, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Sandra Wheeler, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,249.00	
John C. Whitaker, 2021 L Street, NW, #320 Washington, DC 20036-4909	Union Camp Corporation	4,144.00	28.10
George E. White Jr., 706 Lowerline St New Orleans, LA 70118	Avondale Industries, Inc	21,996.00	5,604.97
Sam White, 1155 15th Street, NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn		
Steven C. White, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Ward H. White, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn	150.00	
James A. Whitman, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
Steven C. Whitney, 900 17th Street, NW Washington, DC 20006	Wilderness Society		2.00
Pamela J. Whitted, 1700 K Street, NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Wickwire Greene & Seward, 1008 Western Ave. Seattle, WA 98104	Arctic Slope Regional Corp		
Gary L. Widman, 505 Montgomery Street San Francisco, CA 94111	Bronson Bronson & McKinnon (For:Sjoberg Industries, Inc)	100.00	10.41
Andrew F. Wiessner, 1801 Broadway #1420 Denver, CO 80202	Kogovsek & Associates, Inc (For:Pioneer Mobile Homes)		
Do	Kogovsek & Associates, Inc (For:Pitken & Eagle Counties, Colorado)	10,495.74	2,545.74
Robert Wigington, 1220 19th Street, NW, #200 Washington, DC 20036	Airport Operators Council International		
Brian Wilcox, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	4,000.00	116.65
Thomas D. Wilcox, 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores	2,250.00	
Lanny F. Wiles, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:Mid-American Waste Systems, Inc)		
Wiley Rein & Fielding, 1776 K Street, NW, 12th Fl. Washington, DC 20006	Chaparral Steel Co		
Do	Club Car, Inc		
Do	Georgetown Industries		
Do	Raritan River Steel Co		
Do	Washington Citizens for World Trade	13,015.00	2,692.99
David A. Wilkinson, 1331 Pennsylvania Ave., NW, #890-North Washington, DC 20004	General Electric Co	1,050.00	
E. John Wilkinson, 1225 19th Street, NW, #300 Washington, DC 20036	Vulcan Materials Co	1,700.00	540.00
Ralph E. Willham, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	16,500.00	
Christopher D. Williams, 1 Massachusetts Avenue, N.W., #800 Washington, DC 20001	McLeod & Pires (For:Mid-Valley Water Authority)	2,574.00	
Faith Williams, 1001 Pennsylvania Ave., NW, #460 Washington, DC 20037	New York Life Insurance Company	135.00	78.77
Margie R. Williams, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	1,500.00	
Patrick H. Williams, 2001 Pennsylvania Ave., #800 Washington, DC 20006	Telecommunications Industry Assn	5,000.00	
Robert E. Williams, 1707 L Street, NW, #300 Washington, DC 20036-4202	United Airlines, Inc	1,500.00	
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	American Home Products	1,820.00	20.48
Do	Association of Family Farmers		
Do	Bank of America, NT&SA		11.69
Do	Robert M. Bass Group	655.00	5.85
Do	British Petroleum		2.92
Do	BMC Industries, Inc		
Do	Century 21 Real Estate Corp		
Do	College Construction Loan Insurance Assn		
Do	Colonial Pipeline Company		
Do	Continental Airlines Holding, Inc.	3,755.00	8.77
Do	CIGNA Corp	890.00	8.77
Do	Estee Lauder, Inc	540.00	5.85
Do	Executive Life Insurance		
Do	First Boston Corp	4,680.00	46.79
Do	Glaxo, Inc	1,310.00	13.16
Do	Greenwich Capital Markets, Inc		
Do	GAMMA Corp		
Do	Kelly Appleman Hart & Hallman		5.85
Do	Keystone Provident Life Insurance Co		
Do	Mustang Fuel Corporation		
Do	National Assn of Rehabilitation Agencies		
Do	National Board for Professional Teaching Standards		
Do	National Soft Drink Assn	270.00	2.92
Do	Norfolk Southern Corp		
Do	Oklahoma Gas & Electric Co	1,625.00	17.54
Do	Owens-Illinois Inc		
Do	Pharmaceutical Manufacturers Assn	540.00	5.85
Do	Pittston Co	2,350.00	23.40
Do	Recording Industry Assn of America, Inc	2,700.00	32.16
Do	Southern Pacific Transportation Co.	240.00	2.92
Do	Southwest Airlines		
Do	Student Loan Marketing Assn	2,047.50	13.16
Do	Texaco, Inc	1,040.00	10.23
Do	Trailer Train Co	240.00	2.92
Do	Turner Broadcasting System, Inc	5,200.00	48.24
Do	U.S. English		
Do	U.S. Telephone Assn		
Do	Universal Foods, Inc		
Do	USAA Financial Service Co		
Kirk Willison, 707 Broadway, #1200 San Diego, CA 92101	Home Federal Savings & Loan of San Diego		
Don A. Wilson, 106 Dartmouth Waxahachie, TX 75165			
Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	1,130.00	12.00
G. Peter Wilson, 249 Maitland Avenue Altamonte Springs, FL 32701-4201	Institute of Internal Auditors, Inc		
Randolph Wilson, One Merchants Plaza Indianapolis, IN 46255	Merchants National Corp	7,500.00	3,616.42
Tyler J. Wilson, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,000.00	319.17
Quentin Wilson & Associates, Inc, 25 North Brentwood Blvd. St. Louis, MO 63105	University of Missouri-Rolla	12,000.00	
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	Winkelmann & Associates, Inc (For:American Resort & Residential Development Assn).	6,000.00	
Do	Winkelmann & Associates, Inc (For:Four Seasons Group, Inc)	750.00	
Do	Winkelmann & Associates, Inc (For:National Assn of Mortgage Brokers)	1,500.00	74.99
Alexander Bradford Winslow, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance		
James L. Winston, 1730 M Street, NW, #412 Washington, DC 20036	National Assn of Black Owned Broadcasters		
Winston & Strawn, 1400 L Street, NW Washington, DC 20005-3502	Barr Laboratories, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Data Transformation Corp	1,700.00	1,700.00
Do	Government of the U.S. Virgin Islands	15,345.00	770.65
Do	National Bulk Vendors Assn	2,500.00	2,500.00
Do	Pyropower Corp	3,000.00	3,000.00
Do	Regional Transit Authority	6,500.00	39.42
Jim Wise Associates, 104 North West St. Alexandria, VA 22314	Kern County, CA	7,500.00	465.00
Do	National Assn of Credit Management	10,500.00	960.00
Do	San Francisco Bar Pilots Assn	6,000.00	380.00
Hope R. Wittenberg, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	2,750.00	
Judith A. Wittig, 1213 Jefferson Davis Hwy., #1414 Arlington, VA 22202	Defense Products Marketing, Inc		
Richard J. Wittig, 1213 Jefferson Davis Highway, #1414 Arlington, VA 22202	Defense Products Marketing, Inc	1,000.00	75.00
S.R. Wojdak and Associates, Inc, The Bellevue - Suite 850 200 S. Broad Street Philadelphia, PA 19102	Albert Einstein Medical Center	9,000.00	354.93
Do	Arden Hill Hospital	1,725.00	120.93
Do	Children's Hospital of Philadelphia	34,000.00	2,826.75
Do	Children's Hospital of Pittsburgh	21,000.00	1,239.63
Do	Cornwall Hospital	1,725.00	120.93
Do	Drexel University	7,500.00	841.19
Do	Healthcare Management Alternatives, Inc	9,000.00	751.12
Do	Heatheast	6,000.00	388.12
Do	Hill Group	24,000.00	1,309.89
Do	Horton Memorial Hospital	1,725.00	120.93
Do	Magee-Womens Hospital	7,500.00	638.83
Do	Mercy Catholic Medical Center	6,000.00	417.09
Do	Mercy Community Hospital	1,725.00	120.93
Do	Philadelphia Electric Company	2,250.00	501.30
Do	Public Financial Management	270,000.00	1,395.61
Do	Southeastern Pennsylvania Trans Authority	18,112.50	
Do	St. Anthony's Hospital	1,725.00	120.93
Do	St. Francis Hospital	1,725.00	120.93
Do	St. Luke's Hospital	1,725.00	120.93
Do	Systems Control, Inc	17,325.00	2,029.11
Do	University of Pennsylvania	22,500.00	2,309.61
Do	Vassar Brothers Hospital	1,725.00	120.93
James Wolf, 1725 K St., NW, #914 Washington, DC 20006	Alliance to Save Energy		
James E. Wolf, 2020 14th St., North Arlington, VA 22201	American Standard, Inc	1,000.00	
William H. Wolfe, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc		
Ronald Wolsey, 1615 M Street, #200 Washington, DC 20036	Amoco Corporation	1,200.00	42.47
Burton C. Wood, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America		
James H.B. Woodroffe III, 2805 Samara Drive Tampa, FL 33618	Teco Energy, Inc	16,250.00	6,298.61
Irvin M. Woods, P.O. Box 521 The Plains, VA 22171	Maule Air, Inc		
Do	Woods Research Associates, Inc		
Linda Anzalone Woolley, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	10,000.00	120.00
Workers Compensation Integrity, Stability & Equity (WISE), P.O. Box 18300 Washington, DC 20036-8300		16,900.00	19,427.00
World University Games (for 1993), 1701 K Street, NW #400 Washington, DC 20006	Greater Buffalo Athletic Corp	22,000.00	671.04
W. Robert Worley, 190 St. Clair Drive St. Simons Island, GA 31522	Southern Company Services, Inc	2,060.00	1,497.00
Wunder Diefenderfer Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	General Motors	7,400.00	1,662.00
Do	Intermarine SpA	2,400.00	
Do	Kelly Assisted Living/Kelly Services	2,500.00	
Do	Keramont Corp	3,000.00	1,206.86
Do	Manville Corporation	8,343.00	363.43
Do	Martin Marietta	3,333.33	14.86
Do	McDonnell Douglas	1,875.00	15.44
Do	Mylan Laboratories, Inc	32,198.25	1,300.84
Do	National Assn of Temporary Services	1,442.00	26.24
Do	Tobacco Industry Labor Management Committee	5,204.60	558.23
David S. Wynett, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	110.00	375.00
John W. Yago, 5101 River Rd. Bethesda, MD 20816	American Road & Transportation Builders Assn	3,333.33	
Dalton Yancey, 910 16th St., NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
D. Scott Yohe, 1629 K St., NW, #501 Washington, DC 20006	Delta Air Lines, Inc	450.00	117.75
Caryl Yontz, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,482.60	291.22
Roberta Lynn Youmans, 122 C Street, NW, #875 Washington, DC 20001	National Housing Law Project	2,765.86	
Robert A. Young, 12248 Turkey Creek Ct. Maryland Heights, MO 63043	Brown & Associates	4,500.00	
Do	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,500.00	
Barbara C. Zadina, 12500 Fair Lakes Circle Fairfax, VA 22033	Orbital Sciences Corporation	845.00	67.00
John R. Zagame, John R. Zagame Associates, Inc 7611 Virginia Lane Falls Church, VA 22043	National Music Publishers Assn	6,000.00	
Leo C. Zeferetti, 9912 Fort Hamilton Parkway Brooklyn, NY 11209	Building & Construction Trades Dept, AFL-CIO		
Do	New York Telephone		
Philip F. Zeidman, 1401 New York Ave., NW, #900 Washington, DC 20005	American Business Conference, Inc		
Zero Population Growth, Inc, 1400 Sixteenth St.,N.W.,#320 Washington, DC 20036		9,167.00	7,887.00
Carl A. Zichella, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	2,800.00	2,748.80
Ronald L. Ziegler, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,000.00	
Arlene Zielke, 3724 West 107th Street Chicago, IL 60655	National Congress of Parents & Teachers		1,944.20
David W. Zimmerman, 185 S. State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Mary Beth Zimmerman, 1725 K Street, NW, #914 Washington, DC 20006	Alliance to Save Energy		
John L. Zorack, 1111 14th St., NW, #1001 Washington, DC 20005	Federal Express Corp	10,500.00	
Zuckert Scoutt & Rasenberger, 888 17th St., NW, #600 Washington, DC 20006-3959	Coalition for Air Service to O'Hare	24,000.00	920.00

EXTENSIONS OF REMARKS

TRIBUTE TO DANIEL J. BRADBURY

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. WHEAT. Mr. Speaker, it is with great pleasure that I bring to the attention of my colleagues Daniel J. Bradbury, named Librarian of the Year for 1991 by Library Journal. National recognition was awarded to Dan Bradbury in the professional magazine's January 1992 issue.

These are times of tough challenges for our Nation's libraries, particularly our public libraries. It is vitally important to recognize the men and women in the field who show strong leadership and commitment to community service in their efforts to ensure that library resources are available to all in our communities.

Dan Bradbury has been identified as one who exhibited those leadership qualities necessary to keep our Nation's libraries both responsive and available to meet the changing needs of those who use our public libraries. The following article from Library Journal details Dan's successful efforts to revitalize the Kansas City Public Library which brought him to the Nation's attention.

[From Library Journal, January 1992]

DANIEL J. BRADBURY: LJ LIBRARIAN OF THE YEAR 1991

(By Judy Quinn)

If you ask Dan Bradbury how he resuscitated the foundering Kansas City Public Library (KCPL) (Mo.) during the 1980s, he tells you it was due to "luck and good timing." But colleagues and community members will tell you the real story: it was Bradbury's own brand of CPR—steady-handed and far-sighted management—that got this 127-year-old system in the Heart of America pumping again.

KCPL's recovery has been remarkable. Inheriting in 1983 a library crippled by two decades' worth of suburban exodus, failed tax levies, and thus reduced staff and operating hours, Bradbury quickly established a strategic plan, secured a short-term levy increase in 1984, and successfully won a major (86 percent) levy increase in 1986. Four new full-service branches have been set up, circulation dramatically increased (about 250 percent), and materials budgets doubled (from ten to 20 percent). To top it all off, the National Endowment for the Humanities (NEH) last month recognized KCPL's achievements by awarding it a $237,500 challenge grant, the only one given to a public library in 1991, to help build a $2 million back endowment.

"Such a satisfying and complete turnaround would not have taken place without him," asserts John Hammond, executive director of the Canton, New York-based North Country Reference and Research Resources Council and a former KCPL colleague who nominated Bradbury as LJ's Librarian of the Year. "He works at this most of his time, brings just the right balance of innovation and tradition, assumes risks without complaining, and promotes change with continual professionalism and good cheer. He was and continues to be the prime mover for every change cited in this nomination."

While modest, Bradbury is not an unassuming librarian who downplays the value of his work. Not afraid to be controversial or political, Bradbury will take the spotlight. He has tackled areas that would intimidate more timorous library directors, and he doesn't give up after one try. He's fought to extricate his system from school district rule, won the issue in 1988, and established a separate, more fiscally secure library district with an appointed board. He has made the decision, unpopular to some, to sell much of the library's rare book collection to raise money for more accessible materials. Aware that KCPL faces historically little state aid and a finite and in fact diminishing tax base—it's bounded by the Mid-Continent suburban library system on one side and the Kansas City, Kansas library system (where wife Jobeth works) on the other—Bradbury is building a $2 million endowment now to supplement funds in the future. He's even contemplating—purists beware!—a fee-based research service for local businesses for the new main library he's hoping to build by the year 2000.

Bradbury's faced many of the same economic battles now looming for other library systems, and he's done his best to beat them. For nominator Hammond, that's Bradbury's key credential for this LJ award. "At a time when the national library community shares a concern about the future of our big city libraries," notes Hammond, "the resurrection of the Kansas City Public Library is a hopeful model for what can be accomplished—even during hard economic times—by excellent professional administration and by citizens, staff, leaders, Friends, and others who value what libraries are and what they represent to a community."

"POOR KANSAS CITY LIBRARY"

Bradbury winces when he recalls taking over the KCPL directorship in 1983. "We had a lot of severe problems; it was pretty bleak," he admits. In addition or perhaps because of financial problems, general malaise was rampant. "The characteristic attitude, both internally and externally through the community, was what I called the 'poor Kansas City Library' syndrome. The staff had seen people leave, and when someone left, the job was eliminated. People in the community perceived that we were barely holding our own and, at worst, in a slight decline."

It also didn't help that KCPL had previously been approaching its problems in a negative fashion. "Back in the late 1970s, the library, which used to offer service to anyone in the central KC area, decided that it would impose a user fee on anyone not from the district," Bradbury recalls. "It was projected that user fees would raise half a million in projected revenue, but it was a dismal failure and probably purchased instead about $500,000 of bad will in the community."

Bradbury eliminated these fees when he took office. "While library jurisdiction may be meaningful for those who work in libraries," he observes, "average people just want to use the library closest to them, and they don't much care where the taxes are from or how it's funded."

Levies, while seemingly impossible to raise in this disheartened city, were Bradbury's goal. "It's never a good time to raise taxes," Bradbury says ruefully, but armed with his strategic plan, he quickly won a stopgap property tax levy increase and set about to prove the need for a significant levy increase in the near future. He first put a proposal, to almost double current levies, on the April 1986 ballot, but it failed. "It's always easy to analyze elections in retrospect," Bradbury says, "but what we did wrong in the April election was that we were in the process of developing plans for new libraries and focusing on areas to which we had not provided service in the past. In essence we said, 'Vote for this issue and this is what we'll do for you.' We paid lesser attention to our areas of traditional support, thinking that if this segment could come to understand that they already had libraries, and what we were doing was to further tax them to give someone else libraries."

It was a wrong assumption, but Bradbury, undaunted, changed tactics and tried again. He helped form the Alliance for Better Libraries, a lobbying caucus drawn in part from the Friends group he established (the first-ever for KCPL) and other community members. With this support, the levy issue passed in the next election in November 1986.

IT'S CRUEL TO BE WITH THE SCHOOLS

Now armed with an increased money flow to revitalize the system, Bradbury had one final stumbling block: the library system was considered under the jurisdiction of the school library district. Seven of KCPL's 14 branches resided in area schools, some very small and many not even staffed by professional librarians. For Bradbury, these libraries "were neither fish nor fowl. They weren't school libraries because they didn't match collections to curriculum. And they weren't very good public libraries because our dwindling resources had spread us too thin." The library was also supervised by an election Board of Education that was "poorly perceived by the public," claims Bradbury. "We thought if we can put some distance between us, we would have greater effect in reaching the community."

Here, some of Bradbury's fabled "good timing" clicked. As Bradbury came to KCPL, the Kansas City school system was in the midst of a desegregation suit in which one of the points of contention was poor library service. Because of the bad press of the suit, Bradbury's wish to separate seemed appropriate and began to draw public support.

Even the school officials didn't seem to hold Bradbury much ill will: when a school district supervisor was fired in 1985, Bradbury was asked to serve in that capacity, as well as continue as the library director, during a nine-month interim. It's a compliment to his managerial abilities that Bradbury has received before: in his previous job as director of the Janesville Public Library, Wisconsin, city officials expanded his role to be director of all leisure services—parks and recreation as well as libraries.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

"Although after giving me a chance to administer the district, [Kansas City school officials] then went ahead and went along with the separation plan!" Bradbury jokes. "Maybe they wanted to get rid of me!"

The ballot issue to set up a library district separate from the school district was passed in 1988. School libraries were eventually mandated, and Bradbury says that public and school libraries are more cooperative now than previously because professionals are in place in all library outlets, and school and library missions are more clearly delineated.

BETTER CUSTODY AFTER DIVORCE

Not clearly delineated was how to divvy up library and school assets after the break. "The Gordian knot of the whole thing was that there was joint ownership of all facilities of all property," Bradbury says. "It was like a divorce; often the property settlement is the most contentious part."

KCPL's main library, for example, resides in the first seven floors of a downtown building whose six additional floors house school administration offices. Bradbury and school officials finally settled on the library paying a $1 per square foot for its space, a compromise of Bradbury's bid for zero cost and the school board's initial request of $10 per square foot.

A boost to Bradbury's new mission for KCPL was the school district giving him a piece of property that turned into the Plaza Branch, one of four new branches constructed from 1987 to 1989. Second only in size to the 142,000 square foot Main Library, the 28,000 square foot Plaza Branch has state-of-the-art equipment, including an online catalog as well as a full range of materials, AV as well as book collections.

But perhaps the branch most symbolic of the KCPL revival is the Lucile H. Bluford branch, named for a local black leader and situated in the inner city. Bradbury helped spur downtown revitalization with the opening of this branch, and he followed through on his levy campaign promise to open downtown library facilities in the evenings and on Sunday, hours off the KCPL schedule since the 1960s. Bradbury issued "Downtown Dollars" around the city and told patrons they could "redeem" the printed "library tender" (entitling holders to video rentals or overdue fees and other services) only during the new hours. Intrigued by the promotion, the public used the library during these hours, which have been maintained ever since.

The Bluford branch is also the scene of some special programming: a reading club for inner city youth conducted by Kansas City Chiefs linebacker Derrick Thomas. Working under the auspices of his appropriately named Third and Long Foundation, Thomas and other Chiefs meet on Saturday afternoons during football season with a group of 58 children and give them some help in reading and, perhaps more important, offer positive role models. "As a youth, Thomas got some options pointed out to him that turned his life around, and he wanted to give back somehow," says Bradbury. "We're just lucky he chose the library as an outlet." So are Kansas City's disadvantaged youth, and the American Library Association recognized the importance of this KCPL program by awarding Thomas a "Library Hero" award at its 1991 annual conference.

PITCHING FOR FUNDS

While Bradbury calls the Derrick Thomas program another "lucky occurrence," the KCPL director definitely courted other celebrities to improve his library system. He and his fundraising committee made the shrewd move of attaching the name of Kansas City Royals owner Ewing Kauffman to the endowment fund. Contributing to the fund means honoring this esteemed local businessman at the same time, and books purchased by the Ewing Kauffman fund will have a special bookplate in them. Kauffman also provides Bradbury with a touching prolibrary anecdote: when Kauffman was sick with rheumatic fever as a child, his mother came to the library every day to get books to read to him. "It was a significant event in his life," says Bradbury.

The fund attracted significant contributions, raising about $1.2 million from such Kansas City corporate donors as H&R Block Chair Henry W. Bloch and Hallmark Cards Chair Donald J. Hall. The Friends group kicked in a healthy $10,000, raised through book sales and revenues from KCPL's volunteer-run Dewey Co. gift shops, housed in the Main and Plaza branch facilities.

Even the staff contributed its share. "That was a real test," Bradbury admits. "I quite honestly am not familiar with libraries that have used this sort of approach." Bradbury formed a staff committee of "true believers," whose members performed an Oliver Twist-inspired skit ("Please, sir, I want some more") at every branch. After the performance, the committee left pledge cards and promised anonymity to donors. Over $30,000 was raised, and Bradbury figures that with 200 people working in the KCPL system, this means staff contributed an average $150 of their own cash for the cause.

In his fundraising pitches, Bradbury always brought up the NEH grant as a work in progress. Like his initial levy issue, his first try at the NEH grant failed. He applied in April 1990 and was told the bad news in November 1990. "The judges said the application was strong but the fundraising activity was not sufficiently advanced yet," says Bradbury. "When we submitted this year we had in essence all the match in hand. We figured they would have to come up with a different excuse this time!" NEH didn't, and KCPL, with the grant and the growing endowment, will soon have an extra $2 million to build its collection.

RIDDING OF RARE BOOKS

At the same time, Bradbury is trying to tear down another collection: KCPL's rare books booty, whose sale Bradbury believes could bring in some $300,000 to feed into the endowment fund. While Bradbury got approval from his board on this matter, the rare book sale has raised the ire of some, including Dr. Fred Whitehead, who's on the faculty of the University of Kansas Medical Center. Whitehead has started a letter-writing campaign in protest and says some special libraries in the area should have the books. "Those of us who love books in this community are in shock," Whitehead wrote in a recent letter to LJ.

For Bradbury, this protest is disturbing, but one he can handle since he's secure about his library mission and, in general, community consensus. "In my mind it's clearly an issue of putting our money in our priorities, and our priorities include providing access to the maximum number of people," Bradbury says. "Because that's our impetus, it doesn't leave much room for devoting dollars to materials that sit on the shelf and to which there's no public access."

Bradbury says he will offer some of the books to special libraries (which he says have monies for these special purchases), and that he'll keep local history books, like a Lewis and Clark journal, that fit into KCPL's mission statement of being an archive of Missouri/Kansas history. As for first edition classics he's selling, he believes the multiple reprint copies KCPL already has are what the community needs and uses. "As for the rest, such as 17th-century religious tracts written in Spanish, do we really need them?" he queries.

For Bradbury, such debate is part of the dialog he'll always conduct with the Kansas City community. Some of his goals are still slightly out of reach—he's been struggling for years with the public sentiment and resistance to close a small, historical branch and create a new, more full-service facility—but other projects are nearing fruition. He's working with nine local colleges to create a regional bibliographic utility and catalog, for example, and he hopes a new main library will be approved to house such technology and more.

Every day, therefore, is like his first at KCPL. "I'm sure when I first came here, people thought, 'Well, here's a new guy. What's his pitch?' I'm sure there was some skepticism about thinking that we could do any of the things we set out to do. But I think people are starting to realize, 'By golly, we did do some of those things we set out to do. Maybe we should dream again and stretch a little bit more.' "

DOBROSLAV PARAGA

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. TRAFICANT. Mr. Speaker, I submit the following statement by Dobroslav Paraga, president of the Croatian Party of Rights, into the CONGRESSIONAL RECORD for consideration by the U.S. Congress.

ZAGREB, *February 10, 1992.*

To the U.S. CONGRESS,
Washington, DC.

I am obliged to report to you that a month ago in Croatia, we established the opposition's Committee for the Defense of Human Rights, due to the fact that the existing committee in Parliament, established by the ruling party in Croatia absolutely does not function (most likely for that reason). This newly-established committee which consists of representatives of all opposition parties, has its hands full, because complete lawlessness prevails in Croatia, spearheaded precisely by the leading party—the Croatian Democratic Union.

The violation of human rights by Croatian authorities and the conforming of laws and the Constitution to their daily needs began shortly after they came to power, such that today, the same has flourished in all respects. As you are already aware, the opposition in Croatia has come under particular attack, especially my party, which is a severe critic of the government. For example, on September 21, 1991, without any warning, the Croatian police killed my deputy, the Vice President of the Croatian Party of Rights, Ante Paradzik, and seriously wounded another member of the party, Branko Perkovic, having sprayed their automobile with over 50 bullets. To date, no one has yet been sentenced. As you also already know, Croatian police arrested me on November 22, 1991 in a gang-style, armed attack of over 30 policemen on orders of the parastate organ, the so-called Supreme State Council of Croatia. First, I was accused of armed rebellion, then of embezzling funds allegedly acquired in an arms sale deal, all of this eventually winding down to an accusation of illegal bearing of arms and my release on December 18, 1991.

The President of Croatia, Tudjman, personally and publicly accused me of these slanderous lies, prejudicing me prior to any judicial organ deciding whether or not to even open a criminal inquiry! He publicly sentenced me almost immediately upon my arrest.

Numerous defenders of the Croatian city Vukovar were also accused. Some were beaten and otherwise mistreated, such as Mile Dedakovic-Jastreb, about whom official medical documentation exists. There is also the case of Lillian Toth, who for 31 days was held captive as a civilian in a military prison without any type of warrant or judicial hearing. Marina Nuic, a member of the opposition Croatian Democratic Party, was killed in Zagreb in early November. No one has been charged or arrested for this murder, nor have the police made any information public. In Gospic, at least 64 citizens are now missing about whom Croatian authorities remain silent, and yet reports of others listed as missing continue to surface. Lawlessness is spreading, such that explosives have been planted around about 200 homes in the city of Osijek.

Last week, I stated that we must not keep silent about these incidents, otherwise we ourselves will become part of the missing. The weekly political magazine "Danas" declared this statement of mine, the quote of the week. After that, on Thursday, February 6, the Croatian police intercepted me and my personal security guards, on our way to the frontline at Vinkovci, disarmed my guards at gunpoint and confiscated four automobiles and all of their weapons, all of which belong to the Croatian Party of Rights. Four of my personal security guards, members of the Croatian Army, still remain illegally imprisoned. I attach herein a separate open letter about this incident and trust in your appeal to the Croatian authorities that they begin to respect elementary human rights, the Croatian Constitution and laws which they themselves have passed.

DOBROSLAV PARAGA,
President of the Croatian Party of Rights and Chairman of the Opposition's Committee for the Defense of Human Rights in Croatia.

CREATABILITY A SUCCESS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 11, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize two people, Carmen Rodriguez and Ritchie Lucas, who by consolidating their imaginations and business capabilities created a small advertising agency 2 years ago. The agency, CreatAbility, was recently featured in the Miami Herald for its incredible successes, which has surpassed the expectations of its owners and baffled recession analyst. The article "Stretching the Ad Dollar," by Derek Reveron, tells of how Ms. Rodriguez and Mr. Lucas have oppressed the hard times:

Carmen Rodriguez talks in measured doses. Ritchie Lucas talks in seamless bursts.

She paints only for pleasure. He wants her to sell the paintings.

She is Cuban. He is Anglo.

Yet, their compatibility created CreatAbility, a small advertising agency that has grown in an industry stunted by the recession. In the two years since the agency was founded, the business partners and live-in mates have taken it to $1 million in billings.

Here's how: They focus on small accounts that can't afford to hire large agencies and need to stretch their budgets. They specialize in accounts geared to those who speak Spanish as well as English. And they keep overhead low by not offering some of the services of larger agencies.

"The day of agencies living on large accounts is gone," Lucas says. "Because of the economy, you have to take a client and get the most for their money."

That's CreatAbility's recession survival technique. Says Sandra Tinsley, who owns an agency that bears her name, "It's not an unusual approach, but it can work." The reasons: Small agencies are often willing to work on a bare-bones profit margin just to get the client. Many small clients can't afford to go to a big agency.

CreatAbility's approach has helped it stay afloat in an advertising industry that "is in terrible shape," because large companies have cut overall advertising budgets, says Tere Zubizarreta, owner of Zubi Advertising.

From the beginning, Rodriguez and Lucas have run their business close to the bone. In April 1989, they opened a sparsely furnished office at 1550 Madruga Ave. They financed the start-up with savings and depended on billings to keep it going. So far, their only debt has been a $7,000 bank loan for computers.

With four employees, CreatAbility doesn't have the staff that specializes in buying advertising for clients. Indeed, the agency prefers that its customers do their own buying. The reason: It cuts the agency's overhead and saves the client a commission.

Of CreatAbility's nine clients, six advertise in both English and Spanish. Clients include the Miracle Center Shopping Complex, St. Thomas University, Great Western Bank and Wometco Enterprises.

Clients say they are impressed with CreatAbility's work. "CreatAbility gave me the most well-thought-out concept, perfectly capturing the identity of St. Thomas University," says St. Thomas spokeswoman Victoria Stuart.

The advertisement featured a graduation cap with a headline that said, *This is What We Mean By an Enrollment Cap.* The advertisement explained that there is no limit to the number of students who can enroll and that tuition is inexpensive.

CreatAbility attempts to get paid-advertisement results with free and inexpensive media such as special events, public service programs and talk shows. For example, in January, a Great Western executive will be among the guests on El Show de Christina, a talk show on WLTV-TV, Channel 23. The company is a sponsor of the D.A.R.E. anti-drug use program, which will be the focus on an hour long special on Channel 23.

CreatAbility's campaigns flow from the Lucus-Rodriguez consonance. Why are they so compatible? Their answer is illuminating. Without looking at each other for prompting, they reply in unison, "Because we finish each other's sentences."

Lucas, 31, has a degree in communications from the University of Miami. Rodriguez, 32, has a bachelor's degree in communications from Florida International University.

They met in 1988 through his sister.

Both had recently left their jobs to start their own advertising firms out of their homes.

She had resigned as producer at WLTV. He had resigned as director of operations for Wometco Enterprises.

Each advertising business had a cerebral name. Hers was Ideas in Media. His was The Think Factory. For about six months, they worked on projects together, sometimes in her home, sometimes in his home. The chemistry was there, both professionally and personally.

In their cubicle of a conference room, decorated by Rodriguez's three-dimensional art renderings, the couple is asked to describe their complementary differences. They launch right into it:

Lucas: "I'm a big-picture guy."

Rodriguez: "I refine the creative products. I'm quality control."

Lucas: "I'm a born salesman."

Rodriguez: "I'm shy. I'm not boastful."

Lucas: "I'm very boastful."

Mr. Speaker I commend Ms. Rodriguez and Mr. Lucas for their outstanding achievements in the business world. Their prosperous advertising agency, as well as their courage and leadership, is an inspiration to all new and future entrepreneurs, especially during these hard economic times.

HEALTH CARE REFORM: A NATIONAL PROBLEM THAT HITS HOME

HON. ROMANO L. MAZZOLI

OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 11, 1992

Mr. MAZZOLI. Mr. Speaker, one of the beneficial byproducts of a contentious election year is the opportunity it affords to expand and enhance the level of debate on one of the most vexing issues before the 102d Congress—national health care reform.

The dissatisfaction about the health care system—among providers, administrators, and consumers alike—is widespread in the third district of Kentucky and across the Nation. There is a broad belief that our health care system needs to be overhauled.

That message was clearly made by my constituents at the Health Care Forum I held on January 14 at Noe Middle School in Louisville. More than 300 people attended, more than 50 spoke, and for more than 3 hours we discussed the state of our health care system.

The sentiment expressed at my forum, I feel, accurately reflects the sentiment of the American people.

Frustration and fear are widespread. People worry that a lifetime of hard work and thrift can be wiped out as a result of one serious illness. People worry about whether long-term care means impoverishment and financial destitution. Seniors and those citizens living on limited, fixed income worry about drug costs and all costs.

In losing a job, people fear almost more than the lost paycheck, the lost health insurance coverage. People fear being frozen into a job because family health histories and preexisting health conditions could disqualify them for coverage at a new place of employment.

These are very real fears, and they are facing a new group of people as the result of a plant closure earlier this month in my congressional district.

On February 4, the Standard Gravure printing plant closed its doors after more than 70 years of operation; 244 people lost their jobs. Based on seniority, ex-employees of Standard Gravure may be eligible for up to 8 weeks severance pay and medical benefits; after that, no more.

This is a tough time to find a job, particularly for those who worked at Standard Gravure. Their average age is about 51. Their experience is the gravure process at the very time most printing is going to offset and desktop. Many had been with the company for most of their careers. And, the looming loss of health insurance is particularly dreadful for those workers who sustained injuries in September 1989, when a demented ex-employee shot-up the plant killing and injuring scores of people.

To deal with the well-founded fear employees have of losing health benefits along with their jobs, I am a cosponsor of H.R. 4109, which would enable workers to extend, for up to 60 months, coverage under their employer-provided group health benefits. Current law provides only an 18- to 36-month period of health coverage extension. Individuals, to remain under the policy coverage, would have to pay the full premium as they paid when employed, plus a 2-percent administrative cost to the former employer.

This is not an ideal solution, but it is a fair and equitable interim arrangement for those workers whose industries are shrinking and whose skills may be the most difficult to transfer to new employment.

In the business community—especially the small business sector—employers face soaring health care insurance premiums. These costs now have reached a sufficient level that many firms' competitiveness is at risk. Without fundamental change, many American firms will have yet another barrier to their entry into the global marketplace.

Health care is a national problem, but its impact is felt in every locality and in every family across the American landscape. Upward of 33 million Americans are either without health insurance or are underinsured. This is not only not acceptable in a nation of abundance, it is not economically wise, or efficient, or productive.

An ever-increasing percentage of our Nation's GNP—about $680 billion or 12 percent of GNP in 1990—is directed to health care, more than any other country in the world. Estimates project that this figure could reach 16 percent of GNP in the year 2000, and conservatively 26 percent by 2030.

In the United States, we have arguably the best, most skilled medical personnel and most advanced medical technology in the world. And yet these resources are too often out of reach for our citizens because of their cost.

These statistics illustrate that there is a health care problem in America. On that we all agree, but we profoundly do not agree on how to solve this problem. A solution will take every ounce of our cooperation, intellect, and effort as a people.

Congress will play a leadership role in this quest, and I am pleased that the bipartisan caucus on national health care reform, of which I am a member, is already sifting through the maze of reform proposals to locate, if possible, some common ground.

There may be no perfect solution, but this should not deter us from trying to solve the problem. It is pretty clear that the status quo is not good enough.

Mapping out a health care reform plan requires the understanding and forbearance of all concerned: consumers, medical professionals, insurers, business, and labor. Sacrifice and compromise all around will be necessary.

Regardless of where we start the quest, we will end on effective cost-containment or all the travail will have been empty and futile.

Last year the 1991 Kentucky Summit on Health Care Costs issued its report and plan for ensuring that all Kentuckians would have access to affordable, quality health care at reasonable cost.

Comprised of members of the business community, labor, health care providers, insurance companies, government and consumer interests, the summit urged the Kentucky general assembly to take up the issues of health care reform in its 1992 session and it made legislative recommendations to be studied by the assembly.

This undertaking in my home State reflects and parallels similar activities at the Federal level, and it underscores the need for government at all levels to participate and be partners in the overhaul of the health care system.

Not unlike other States, Kentucky's demographics are changing. The median age is rising and an increasingly elderly population is placing greater than ever demands on the Commonwealth's ability to deliver health services. As the graying of Kentucky continues, the urgency of health care reform grows.

In the myriad of suggestions for fundamental changes in the structure of our health care system, there are several common elements. Insurance costs must be reduced, availability of health services increased, preventive health measures expanded and medical care maintained.

These elements are central to a number of proposals before Congress, including H.R. 3626, the Health Insurance Reform and Cost Control Act of 1991. I am a cosponsor of this bill. It is not the final step, but it is a good first step.

Now, President Bush has come forward with his program for health care which emphasizes tax credits, deductions, and making health care vouchers available to Americans without existing health coverage. While there are shortcomings in this plan, President Bush has given this issue careful thought and deserves to have his proposals given equally careful study on Capitol Hill.

Mr. Speaker, there is a daunting task facing Congress in restoring confidence and cost-effectiveness to our health care system. But, as the saying goes, "a journey of 1,000 miles begins with the first step." I welcome the opportunity to join my colleagues in taking that first step.

TRIBUTE TO KELLY JO REICHEN

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to Kelly Jo Reichen, of Riverside, PA, as she receives the Gold Award, the highest honor a Girl Scout can receive.

Kelly is a member of the Hemlock Girl Scout Council Troop #1119 of Danville. She has been involved with Girl Scouts since the second grade. Kelly has already been a recipient of the Silver Award the second highest award a Girl Scout can receive. She currently is a senior at Danville Area High School, and plans on attending Luzerne Community College to study child development.

For her Gold Award, project, Kelly served as coordinator for collection of Scott Products UPC's for the past 2 years, to benefit the Ronald McDonald House in Danville. In that time, Kelly has sent over 45,000 UPC's to Scott Products, which donates ten cents to the Ronald McDonald House for every UPC it receives. Kelly received so many UPC's because she contacted over 100 organizations requesting them to save UPC's from Scott Products' labels and then send them to her. She also followed up every donation with a thank you note and a request to keep saving. Kelly's organization, social, and communication skills have served her well and contributed a great deal to an outstanding cause.

Mr. Speaker, I ask all of my colleagues to join me in honoring Kelly Jo Reichen, a remarkable young woman who has given so much of her time and effort to benefit others. I am sure that her family, friends, and fellow Girl Scouts are extremely proud of her accomplishments, and join me in wishing her much success in the years that lie ahead.

IN RECOGNITION OF REV. EDWARD L. PEET

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Ms. PELOSI. Mr. Speaker, I rise today to commemorate the 90th birthday of a remarkable San Franciscan, the Reverend Edward L. Peet. Reverend Peet, a Methodist minister since 1928, is the person most responsible for establishing senior power in the State of California.

He was born in the remote, rural town of Grantsburg, WI, in 1902. Inspired by religious leaders who were working for peace, racial harmony, and industrial reform during his time at the University of Minnesota, Peet realized that his social activist impulses could be channeled through religion, or, as he said in his own words, "religion is what you do to try to change the environment."

After being ordained into the Methodist ministry, Peet served as pastor of congregations throughout Connecticut, where he involved himself in improving public housing and working with the labor movement. Peet then moved to California. In Sacramento, he was chairman of the social action committee of the Council of Churches. In 1953, he became chaplain of the State senate, where he observed that legislators should be rated by their votes on issues, not on how much time they spent on their knees in prayer. He once remarked of one senator, "He may be good on his knees, but on his feet, his record is zero."

In 1967, Reverend Peet retired and was appointed minister to older persons at Glide Memorial Church in San Francisco, CA. During this time, he saw older people without the means to feed themselves or care for their needs. He saw the neglect of the elderly, and of seniors, and became determined to do something about it.

In 1970, with the assistance of Frank Manning, who established the Massachusetts Association of Older Americans, Reverend Peet founded the California Legislative Council of Older Americans. Under Peet's leadership, senior power became a reality.

Among the major accomplishments of the council were a 90-percent reduction in public transportation fares for the elderly and the repeal of relative responsibility legislation by which children were made to contribute to the support of parents on old age assistance. In 1974, the council, under Peet's leadership, helped establish a landmark SSI payment program in the State of California.

Reverend Peet continued his advocacy on the local and national levels as well. In 1972, he helped establish the San Francisco Commission on the Aging, and served as one of its commissioners in 1975. That same year, Reverend Peet served as a board member of the National Council of Senior Citizens.

Reverend Peet continues to be very active in the San Francisco community, including ministering to the poor and the sick. He continues his column in the publication Senior Power. Mr. Speaker, it is my privilege to bring to the attention of this body the life achievements of Rev. Edward Peet, 90 years young.

STATE-BASED COMPREHENSIVE CARE ACT

HON. JAMES A. McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. McDERMOTT. Mr. Speaker, the urgent need for comprehensive reform of our health care system is now clear to all Americans. This year we will spend over $800 billion, 14 percent of our gross national product, on a health care system that leaves 36 million Americans without coverage. Each year, we pay more and more for health care, and we seem to get less and less.

Now that President Bush has made a concrete proposal to address these problems. I hope we can begin a national debate about the best ways to resolve them—to control the costs of health care and assure access to care for all Americans. Although I doubt if the President's tax-credit plan would achieve anything. I welcome his interest in insurance market reform and improving the administrative efficiency of health care financing.

Democrats in Congress have proposed several comprehensive reform plans. Some of us believe employers should have a choice whether to cover their workers or contribute to a public health plan—the pay or play approach. Others favor extending the Medicare system to cover all Americans. A third approach, which I believe would work best, is a single-payer system that breaks the link between employment and health care, guaranteeing affordable coverage as the basic right it should be in any democracy.

Any of these reform strategies would work better than the pay and pray system we have now. I hope we can enact real health care reform this year, with the President's help if possible, and without it if necessary.

But I also know that there is intense concern about health care in our State capitals and in every community. The Federal Government is not the only source of initiative, creativity, or courage in reforming our health care system. Our history is filled with examples of States serving as laboratories of democracy, as Robert LaFollette called them. We must encourage State innovations and initiatives while we struggle to develop and enact a national health plan. The problems are too urgent to wait for a consensus in Congress or a President who will lead.

That is why I am introducing H.R. 4128, the State-Based Comprehensive Care Act of 1992. This bill, which I call State Care, encourages States to develop health care reform plans along either the pay or play model, the single-payer model, or some other approach. It authorizes the use of Medicare and Medicaid funds to support and participate in any State care demonstration project that meets three basic tests:

Offers universal statewide access to health benefits at least equal to those covered under Medicare;

Controls costs through a statewide health care budget, paying providers on the basis of negotiated rates;

Assures quality of care through licensing, practice guidelines, and other means.

A State care project would also be exempt from provisions in the Employee Retirement Income Security Act and the antitrust laws that could inhibit the development and operation of State plans for universal coverage.

This legislation resembles a similar bill introduced by Senator LEAHY of Vermont, which was included in the health America bill reported by the Senate Committee on Labor and Human Resources in January. Senator LEAHY and I represent States where there is strong interest in health care and strong leadership from Governors and legislators to enact major reforms.

For example, Washington State's Governor, Booth Gardner, has proposed a "pay or play" plan that would bring affordable health care to the great majority of State residents. I am especially gratified that Governor Gardner's proposal includes a major expansion of the Washington basic health plan, which I worked hard to enact when I served in the State legislature.

Another leader in my State, Representative Dennis Braddock, is proposing a universal coverage plan based on State residency instead of employment. By breaking the link between jobs and health coverage, this plan more closely resembles the single-payer approach I am cosponsoring in Congress—the Universal Health Care Act introduced by Congressman RUSSO of Illinois.

Last year, the National Governors' Association called for a Federal-State partnership in health care reform. In a resolution adopted at their annual meeting in Seattle, the Governors recommended that the Federal Government "work with States to facilitate and accelerate the development of comprehensive, statewide reforms to expand access and control costs." They called for greater flexibility in the use of Medicare and Medicaid funds within the States, and for authority to regulate self-insured employee health plans which ERISA now pre-empts.

The State Care Act is one response to the need expressed by the Nation's Governors. It is also a challenge to the States, to move decisively and effectively toward real health care reform. States can already do a great deal more than most of them are now doing to expand access to health care and control costs. No State should be able to use Federal inaction as an excuse for its own failure to act.

At the same time, the financial and legal flexibility offered in the State Care Act would help States to design and operate universal health plans. States accepting that challenge will help their own people and economies, and will provide valuable experience for other States and for the Federal Government, as we move toward national health care reform.

And, make no mistake, we must move rapidly on a national level. Just as Federal inaction should not be an excuse for State inaction, neither should the potential for State action serve as an excuse for Federal failure to act. As we move toward national health care reform, let us also encourage State-level reforms that can serve as models and as variations on national policy.

The State Care Act is intended to be budget neutral, neither adding nor reducing Federal health care spending. It would shift to State control the Federal funds Medicare and Medicaid spend within a participating State, but it would not provide additional funding for State programs. It would not directly affect funding under the Public Health Service Act or other Federal health programs, although facilities and services funded under those programs should be involved in State care demonstration projects.

I hope we can include the principles of the State Care Act in any health care legislation we enact this year. States willing and able to develop their own systems of universal coverage and cost control, or their own variations on a national system, should have the full support of the Federal Government. I urge my colleagues to support this important step toward affordable health care for all Americans.

STATE CARE: STATE-BASED COMPREHENSIVE CARE ACT OF 1992

SUMMARY OF PROVISIONS

The State-Based Comprehensive Care Act of 1992 adds a new title to the Social Security Act, authorizing federal participation in State Care Demonstration Projects.

To qualify for federal participation, a state must develop and enact a demonstration project that provides:

Universal statewide access to health benefits at least equal to those covered under Medicare;

Cost control through a statewide health care budget, negotiated provider payment rates, and other appropriate mechanisms determined by the state;

Assurances of quality of care through licensure, practice guidelines, and other means determined by the state.

A project may be a single-payer, pay-or-play, or some other model, as long as it meets these standards.

A project must be based on recommendations of a State Health Care Authority, including representatives of consumers, providers, insurers, small employers, and state government.

Federal participation in a State Care Demonstration Project will be authorized by the Secretary of Health and Human Services, based on recommendations of a bipartisan Universal Health Care Advisory Board appointed by the Secretary, Congressional leaders, and state governors. The Secretary must explain any decision not to follow Advisory Board recommendations to the Board and to appropriate Congressional committees.

Federal participation in a State Care Demonstration Project consists of:

Payment to the state of federal funds otherwise payable for care of state residents under Medicare and Medicaid;

Exemption from the Employee Retirement Income Security Act, which prohibits states from regulating self-insured employee benefit plans;

Exemption from the antitrust laws with respect to development and operation of a state project.

The Secretary of HHS is required to submit periodic reports to appropriate Congressional committees describing and evaluating approved State Care Demonstration Projects.

STATE CARE: STATE-BASED COMPREHENSIVE CARE ACT OF 1992

SECTION-BY-SECTION ANALYSIS

Section 1. Short title.

Section 2. Findings and purposes.

Section 3. Adds new Title XXI to Social Security Act:

Section 2101. Establishes program of State Care Demonstration Projects subject to approval of Secretary of Health and Human Services.

Section 2102. Prescribes application process for federal approval of state projects.

Section 2103. Establishes standards for approval of state projects: statewide applicability, inclusion of benefits at least equal to Medicare (and to Medicaid for Medicaid-eligible population), universal access for state residents, cost-control mechanisms, provider licensing, statewide health care budget, quality control procedures, transition procedures.

Section 2104. Requires states developing State Care Demonstration Projects to do so through a State Health Care Authority including representatives of affected interests. Requires state legislative approval of plan.

Section 2105. Provides for payment to participating states of amounts otherwise payable under Medicare and Medicaid. Assures budget neutrality by determining payments as if state project were not operating.

Section 2106. Establishes 9-member Universal Health Care Advisory Board to advise HHS Secretary on state project approvals. Board includes one health care expert appointed by President, six appointees of Congressional leaders (two majority, one minority from each House), two state governors (or designees) appointed by President (one from each party). Authorizes board to appoint executive director and staff.

Section 2107. Implementation of a State Care Demonstration Project does not violate federal or state antitrust laws, and is exempt from federal pre-emption of employee health benefit regulation under Employee Retirement Income Security Act.

Section 2108. Provides for periodic evaluation reports by Secretary to Congressional committees.

Section 2109. Defines terms.

H.R. 4218

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. SHORT TITLE.

This Act may be cited as the "State Care: State-Based Comprehensive Health Care Act of 1992".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) up to 37 million Americans are without health insurance;

(2) more than half of Americans without health coverage work full-time;

(3) health care costs the average American more than $2,400 a year;

(4) a single serious illness can financially devastate all but the wealthiest families; and

(5) as with social security and child labor protections, States can lead the way in testing ideas for national application.

(b) PURPOSE.—It is the purpose of this Act—

(1) to test ways to provide a more equitable and rational system of health care;

(2) to permit States to provide universal health coverage for their citizens using existing Federal funding; and

(3) to permit States to test effective cost-containment procedures to assure better health care.

SEC. 3. AMENDMENTS TO SOCIAL SECURITY ACT.

The Social Security act is amended by adding at the end thereof the following new title:

"TITLE XXI—STATE UNIVERSAL HEALTH COVERAGE AND COST CONTAINMENT DEMONSTRATION PROJECTS

"SEC. 2101. ESTABLISHMENT OF DEMONSTRATION PROJECTS.

"There is hereby established a program under which the Secretary shall select States to participate in demonstration projects designed to provide health coverage to individuals residing in such States under which payments are made to such States in accordance with section 2105.

"SEC. 2102. REQUIREMENTS FOR APPROVAL OF APPLICATIONS.

"(a) IN GENERAL.—

"(1) CONTENTS OF APPLICATIONS.—In order to participate in a demonstration project under this title, a State shall prepare and submit to the Secretary and the Advisory Board, at such time and in such form and manner as the Secretary (in consultation with the Advisory Board) may require, an application containing—

"(A) information and assurances that the State has enacted a comprehensive health care plan that meets the requirements of section 2103(b);

"(B) information and assurances that the State has established a State Health Care Authority in accordance with section 2104; and

"(C) such other information and assurances as the Secretary (in consultation with the Advisory Board) may require.

"(2) SUBMISSION OF REPORTS.—Each State participating in a demonstration project under this title shall prepare and submit to the Secretary and the Advisory Board such reports as the Secretary or the Advisory Board may require to carry out program evaluations.

"(b) APPROVAL BY SECRETARY.—

"(1) IN GENERAL.—Based on the recommendations of the Advisory Board, not later than 3 months after receipt of an application from a State, the Secretary shall approve the State's application if the application meets the requirements of subsection (a).

"(2) REJECTION OF RECOMMENDATIONS OF ADVISORY BOARD.—In each instance in which the Secretary does not adopt or otherwise follow the recommendations of the Advisory Board, the Secretary shall explain in writing the basis for such action and provide a detailed explanation of the circumstances to the Advisory Board and the Committees on Finance and Labor and Human Resources of the Senate and the Committee on Ways and Means and Energy and Commerce of the House of Representatives.

"(c) OTHER DUTIES OF THE SECRETARY.—The Secretary shall expeditiously carry out the requirements of this title, work closely with the Advisory Board, and shall provide such assistance to States as may be appropriate to further the purposes of this title.

"SEC. 2103. REQUIREMENTS FOR STATE CARE PLANS.

"(a) IN GENERAL.—In order to have its application for approval of a demonstration project approved under this title, a State shall develop and enact a comprehensive health care plan developed by the State Health Care Authority that meets the requirements of subsection (b).

"(b) REQUIREMENTS DESCRIBED.—A State health care plan meets the requirements of this subsection if the plan—.

"(1) is in effect in all political subdivisions of the State;

"(2) provides benefits and services that are at least equal to the benefits and services provided under title XVIII, except that, for individuals entitled to medical assistance under a State plan under title XIX as of the date of the enactment of this title, the plan shall provide benefits and services that are at least equal to the benefits and services provided to such individuals under such State plan as of such date;

"(3) provides that the State will ensure that all individuals residing within the State who are citizens or nationals of the United States or lawful resident aliens (as defined in subsection (c)) have access to health coverage through—.

"(A) a single State administered health plan;

"(B) a plan that requires employers to provide coverage for their employees through a private health insurance plan or a public insurance plan; or

"(C) any other plan approved by the State and determined appropriate by the Advisory Board;

"(4) provides for the development and implementation of appropriate cost-control mechanisms, which may include insurance market reforms, medical malpractice liability reforms, managed care plans, low-income cost-sharing protections, an emphasis on preventive health services, and others;

"(5) requires providers of services and insurance policies to meet licensure, certification, and other appropriate standards as established by the State;

"(6) provides for budgetary procedures to ensure that a statewide health care budget is established with respect to the benefits and services provided under the plan, including (but not limited to)—

"(A) a capital budgeting system to encourage the efficient distribution of funds,

"(B) the establishment of budgets for hospital and non-hospital expenditures, and

"(C) the establishment of provider reimbursement rates through negotiations between providers and the State Health Care Authority;

"(7) includes quality control procedures which may include—

"(A) the development and implementation of a system for the use of standardized insurance claim forms;

"(B) procedures to ensure that health care providers in the State provide services consistent with practice guidelines developed by the Agency for Health Care Policy and Research; and

"(C) the development and implementation of a program to make information available to educate the general public concerning the availability of comprehensive health insurance in the State; and

"(8) provides for any necessary phase-in or transition procedures, except that the plan shall be fully implemented not later than 6 years after the date of the approval of the State's application to participate in the demonstration project.

"(c) LAWFUL RESIDENT ALIEN DEFINED.—In this section, the term 'lawful resident alien' means an alien lawfully admitted for permanent residence and any other alien lawfully residing permanently in the United States under color of law, including an alien granted asylum or with lawful temporary resident status under section 210, 210A, or 245A of the Immigration and Nationality Act.

"SEC. 2104. STATE HEALTH CARE AUTHORITY.

"(a) ESTABLISHMENT.—In order to have its application for approval of a demonstration project approved under this title, a State shall establish a State Health Care Authority to prepare a comprehensive recommendation for the State Care plan.

"(b) COMPOSITION.—The State Authority shall be composed of individuals appointed by the Chief Executive Officer of the State from among representatives of—

"(1) health care provider organizations;

"(2) consumer organizations;

"(3) the State health department;

"(4) the State legislature;

"(5) insurance providers operating in the State;

"(6) low-income advocacy organizations;

"(7) senior citizen organizations;

"(8) small business entities and self-employed individuals; and

"(9) other organizations determined appropriate by the chief executive officer.

"(c) PREPARATION OF STATE PLAN.—The State Authority established under subsection (a) shall prepare and submit to the Chief Executive Officer of the State and the legislature of the State, a report containing a copy of the proposed State plan, a description of the benefits to which residents of the State would be entitled under the plan, and such other information as the Chief Executive Officer or the State Legislature may require.

"(d) APPROVAL.—The legislature of each State referred to in subsection (c) shall approve the plan contained in such report or modify such plan as the legislature considers appropriate.

"SEC. 2105. PAYMENTS TO PARTICIPATING STATES.

"(a) PAYMENT OF EXPENDITURES UNDER MEDICARE AND MEDICAID FOR SERVICES COVERED UNDER STATE CARE PLANS.—

"(1) NO PAYMENTS MADE UNDER MEDICARE AND MEDICAID.—Notwithstanding any other provision of law, no payment may be made during a year under title XVIII or title XIX for services provided to or on behalf of residents of a State participating in a demonstration project under this title during the year if payment for such services may be made to or on behalf of such individuals during the year under a State Care plan.

"(2) PAYMENTS TO PARTICIPATING STATES.—The Secretary shall pay each State participating in a demonstration project under this title during a year (on such a periodic basis as approximates the periods for which payments are made under titles XVIII and XIX) an amount equal to the amount of any payments that, as a result of paragraph (1), were not made under title XVIII or title XIX during the year because payment was made to or on behalf of residents of the State during the year under the State Care plan.

"(3) ENSURING BUDGET-NEUTRALITY.—For purposes of paragraph (2), the Secretary shall determine the amount of the payments that were not made under title XVIII or XIX during a year as if no payments were made during the year under any State Care plans.

"(b) WAIVER OF OTHER MEDICARE OR MEDICAID REQUIREMENTS.—To the extent necessary to permit a State to conduct a demonstration project under this title, the Secretary shall, with respect to residents and health care providers in a participating State, waive requirements or other provisions of title XVIII or title XIX.

"SEC. 2106. UNIVERSAL HEALTH CARE ADVISORY BOARD.

"(a) IN GENERAL.—There is hereby established the Universal Health Care Advisory Board to make recommendations to the Secretary regarding the approval of applications of States to participate in a demonstration project under this title.

"(b) VOTING MEMBERS.—The Advisory Board shall be composed of citizens of the United States who shall be appointed as follows:

"(1) 1 individual, who shall be an expert in the field of health care, shall be appointed by the President based on recommendations by the Secretary.

"(2) 6 individuals, who shall be experts in the field of health care, shall be appointed by the Congress, of whom—

"(A) 2 shall be appointed by the majority leader of the Senate;

"(B) 1 shall be appointed by the minority leader of the Senate;

"(C) 2 shall be appointed by the Speaker of the House of Representatives; and

"(D) 1 shall be appointed by the minority leader of the House of Representatives.

"(3) 2 individuals who are Chief Executive Officers of a State (or the designees of Chief Executive Officers of a State) shall be appointed by the President, except that such individuals may not belong to the same political party.

"(c) CHAIRPERSON.—The Secretary, or the Secretary's designee, shall be chairperson of the Advisory Board but shall not vote on any matters except in the event of a tie vote.

"(d) VACANCIES.—An individual shall be appointed to fill a vacancy on the Advisory Board in the same manner as the member whom the individual is replacing was appointed.

"(e) MEETINGS.—The Advisory Board shall meet on a regular basis at the call of the Chairperson, or on the written request of at least three voting members. A majority of the Advisory Board shall constitute a quorum.

"(f) EXECUTIVE DIRECTOR.—The Advisory Board shall select an executive director who shall serve at the pleasure of the Advisory Board and implement decisions of the Advisory Board and perform other administrative functions. The Executive Director is authorized to hire, at the direction of the Advisory Board, such staff as may be appropriate.

"(g) DUTIES.—The Advisory Board shall—

"(1) review each request for approval of a demonstration project under this title and make recommendations to the Secretary to approve, modify or disapprove such requests;

"(2) make recommendations and reports to the appropriate committees of the Congress regarding improvements in health care and cost-containment;

"(3) make recommendations to the Secretary regarding the implementation of this title;

"(4) make recommendations to the Secretary regarding the content of applications for approval under this title and the content of State Care plans; and

"(5) carry out any other activities related to this title that are necessary and appropriate.

"SEC. 2107. RELATION TO OTHER LAWS.

"(a) ANTITRUST LAWS.—

"(1) IN GENERAL.—Notwithstanding any provision of antitrust laws, it shall not be considered a violation of the antitrust laws for a State to develop or implement a State Care plan.

"(2) DEFINITION.—In paragraph (1), the term 'antitrust laws' means—

"(A) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890, commonly known as the Sherman Act (26 Stat. 209; chapter 647; 15 U.S.C. 1 et seq.);

"(B) the Federal Trade Commission Act, approved September 26, 1914 (38 Stat. 717; chapter 311; 15 U.S.C. 41 et seq.);

"(C) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies', and for other purposes, approved October 15, 1914, commonly known as the Clayton Act (38 Stat. 730; chapter 323; 15 U.S.C. 12 et seq.; 18 U.S.C. 402, 660, 3285, 3691; 29 U.S.C. 52, 53); and

"(D) any State antitrust laws that would prohibit the State from carrying out a State Care plan.

"(b) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—No provision of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.), may be construed to prohibit a State from implementing a State Care plan under this title.

"SEC. 2108. EVALUATIONS.

"The Secretary, in consultation with the Advisory Board, shall prepare and submit to the Committees on Finance and Labor and Human Resources of the Senate and the Committees on Energy and Commerce and Ways and Means of the House of Representatives periodic reports that shall contain—

"(1) a description of the effects of the reforms undertaken in States participating in demonstration projects under this title; and

"(2) an evaluation of the effectiveness of such reforms in—

"(A) providing universal health care coverage for individuals in such States;

"(B) reducing or containing health care costs in the States; and

"(C) improving the quality of health care provided in the States.

"SEC. 2109. DEFINITIONS.

"In this title, the following definitions shall apply:

"(1) The term 'Advisory Board' means the Universal Health Care Advisory Board established under section 2106.

"(2) The term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

"(3) The term 'State Authority' means, with respect to a State, the State Health Care Authority established in accordance with section 2104.

"(4) The term 'State Care plan' means a comprehensive health care plan of a State participating in a demonstration project under this title that meets the requirements of section 2103(b).".

WHY ARE CARS BUILT LESS EXPENSIVELY IN JAPAN THAN IN AMERICA?

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. BEREUTER. Mr. Speaker, this Member urges his colleagues to consider the comments of Mr. John T. Bennett, an economic consultant, found in an opinion editorial in the February 7, 1992, edition of the Journal of Commerce. In citing a study by the Economic Strategy Institute in Washington, DC, which shows that it costs an average $1,900 more to make an American car than a Japanese car, he offers the following description of their findings:

There are several reasons for this. First, the U.S. industry suffers from excess capacity, imposing extra overhead equal to $500 per car above what Japanese producers carry. Second, it pays $500 per car for employee health care, a cost borne by the government in Japan. Third, there is a $300 difference per car in higher wages and pension costs. Finally, a $600 difference arises from the lower cost of capital in Japan.

Thus, the Economic Strategy Institute study proves the obvious: The American auto industry needs to cut costs. The study implies the industry should reduce capacity, substitute less expensive stock for loans and lower wages and benefits—apparently including those executive salaries 10 times what Japanese companies pay.

CARDINAL MAHONY'S MESSAGE

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. ROTH. Mr. Speaker, I would like to share with my colleagues a speech presented by Cardinal Roger Mahony of the Los Angeles Archdiocese on February 1, 1992. In his keynote speech at the Public Forum on Pornography, Cardinal Mahony expressed deep concern for Hollywood's incessant glorification of evil.

Since the Hollywood production code was replaced in 1966, the motion picture and television industries have levied a heavy assault against traditional American values. It is the cardinal's opinion that these industries must shoulder a share of the blame for America's epidemic of crime, murder, drug use, abortion, and AIDS.

Hollywood is in a unique position to influence the morals and ethics of America's children. As the number of broken homes and single parents rises, decent, upstanding role models become increasingly scarce. Rather than resorting to gratuitous sex and violence, the motion picture and television industries have a moral obligation to encourage traditional American values.

I agree with the cardinal. Hollywood does own a share of the blame for our country's problems. However, Cardinal Mahony's speech transcends the motion picture and television industries. Responsibility and the results of one's actions are the heart of this speech. In the past, Hollywood has been quick to hide behind the first amendment. But often, this is nothing more than an attempt to evade responsibility for its actions.

Although the focus of the cardinal's speech is Hollywood, we all can benefit from it. I applaud Cardinal Mahony for his courage and conviction. In taking this stance, the cardinal has sent a message to us all.

I commend the cardinal's message to all people who are concerned about good, traditional values.

SPEECH BY CARDINAL ROGER MAHONY

I would like to express my deep gratitude to the Southern California Chapter of the Knights of Columbus, the Archdiocesan Commission on Obscenity and Pornography, and the Hollywood Anti-Pornography Commission for sponsoring today's forum and for inviting me to be with you.

I am delighted to see that our forum has received so much media attention and I welcome the members of the press to our gathering. I hope that you will be able to convey to your readers, listeners and viewers the concern shared by so many in this room and by so many of our parents, that the motion picture and television industries too often contribute to the assault against the values held by the vast majority of people in American society.

As a result of that assault, we are suffering a breakdown of social morality, public health and public safety in the United States, especially among our young people. This is clearly reflected in the rising number of teen-age pregnancies and abortions; the epidemic of sexually transmitted diseases, including AIDS; the terrible spread of violence among our young people, graphically confirmed by the death of 700 young people here in Southern California last year because of gang violence; the continuing problems of alcohol and drug abuse among our youth; and the tragedy of teen suicide.

While many factors have contributed to this breakdown of our social fabric, it is evident that the entertainment media and the values they preach to our young people play a significant role in this steady decline. Regrettably, the distinction between outright pornography and many of today's films and television productions has become blurred.

We must not forget that teenagers are at a very vulnerable stage in their development, a time when they experience tumultuous physical and emotional changes. Adolescence is a time of awakening and discovery, a time of establishing a greater sense of self-identity and autonomy. But it is also a time fraught with anxiety and a need to be accepted by the group.

Precisely because adolescence is the time when young people attain physical sexual maturity while still developing psychological, emotional and spiritual maturity, teenagers can be, and in fact are, easily exploited by those who portray nudity, illicit sexual relations and promiscuity as the norm. In addressing members of the Religious Alliance Against Pornography in Rome just last Thursday, Pope John Paul II stated: "By its very nature, pornography denies the genuine meaning of human sexuality as a God-given gift. By reducing the body to an instrument for the gratification of the senses, pornography frustrates authentic moral growth and undermines the development of mature and healthy relationships."

In fact, according to the National Family Foundation, 72 percent of junior high school boys say they want to imitate what they see in sexually-oriented, R-rated motion pictures.

Furthermore, many film makers traffic in gratuitous and graphic violence. As Dr. Aletha Huston, professor at the University of Kansas points out: "Virtually all independent scholars agree. We keep pumping children with the message that violence is the way to solve their problems—and some of it takes hold."

A United States Senate Subcommittee found that there is a direct correlation between television and movie violence and violent crime.

When we consider that the typical American teenager views fifty R-rated films each year, and that motion pictures, television programs and music videos are more graphic every year, it is no wonder that we are suffering a breakdown in our culture.

And when do our young people ever see the results of illicit sexual activity and violence? Too often, only when the consequences hit home are young people exposed to harsh reality—when their future plans are disrupted by an unwanted pregnancy, or when they discover that they have contracted an incurable disease, or when their schoolyard is littered with the bodies of friends shot down in some senseless act of violence.

The motion picture and television industries must accept their share of the responsibility for these tragic results of their exploitation of sex and violence. These industries cannot hide behind a misplaced cry for "freedom of expression." I would encourage the media to look upon calls for reform not as a censorship issue, but, rather, as an issue of human rights and dignity. Calling pornography a "serious threat to society," the Pope added that ". . . freedom, once detached from its moral foundations, becomes easily confused with license." The diffusion of pornography, he said, "is at times considered a legitimate expression of free speech with the consequent debasement of individuals, especially women."

However, we in the religious community cannot make excuses either. We have not made ourselves as available as we once did to assist the entertainment industry in developing standards capable of producing uplifting movies and television programs that do not resort to glorifying the evils we now see incessantly on our theater and TV screens.

The Christian Film and Television Commission has updated the Motion Picture Code. This is one response to the current absence of moral standards in the production and distribution of films and television productions. Perhaps the time is ripe for the entertainment industry to consider the advisability of having such a code, independent of industry control, free of the glaring conflict of interest industry control implies.

I do not propose that this is the only possible means to achieving the end of reforming movies and television, but I do ask the industry to consider that something must be done, including an effort to better police itself to curb the many attempts to test the limits of what is appropriate. Just open the Entertainment Section in any of our newspapers this weekend and you will find that 90 percent or more of the films now showing are R-rated, with the level of violence and sexual promiscuity expanding year after year.

I reiterate what I said in "We Are a Family Called Home by God," my Pastoral Letter on the family:

> I ask radio, television and movie decision makers, along with the advertising companies which support them, to evaluate and redirect your pervasive influence to constructive programming and advertising which will enhance positive social values and family life, rather than confirm and encourage antimoral and anti-social behavior. Your real talents are not found in simply reflecting what already exists, but in directing us to what we can become.

Pope John Paul urged families to "be the first champion of the battle against this evil" and stressed the "need for decisive intervention by the authorities charged with the promotion of the common good," and the need for family's rights to be safeguarded through appropriate legislation.

We who believe in God know that rights must always be balanced by responsibilities, and that it is possible in our pluralistic society to form a consensus on moral standards based upon values that transcend time and space, and are permanent in nature. I am talking about the Ten Commandments, the foundation of Western Civilization.

Thirty-five years ago, Cecil B. DeMille, that giant of Hollywood, said this at a gathering prior to the New York premiere of his epic film, "The Ten Commandments":

> The Ten Commandments are not the laws. They are the law . . . The Ten Commandments are the principles by which man may live with God and man may live with man. They are the expressions of the mind of God for His creatures. They are the charter and guide of human liberty, for there can be no liberty without law. . . In the final analysis, we do not break the Commandments. They break us if we disregard them. They are not rules to obey as a personal favor to God. They are fundamental principles without which mankind cannot live together.

Was there ever a time when we more urgently needed to return to these values than now, when our world is emerging from the bloodiest and most godless of all centuries?

Dear friends, may God bless you for the difference you are making in helping to shape a society and a world community in which God's design for the human person becomes the norm rather than the exception.

A TRIBUTE TO REMBERTO BASTANZURI

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, it is a pleasure to recognize Mr. Remberto Bastanzuri, an exile from Cuba and president of the Atlas Paper Mills. The Hialeah maker of paper products has come a long way from his roots in Cuba, moving to many cities before he had the opportunity to come to Miami and pursue his dream of owning a paper manufacturing plant. In a Miami Herald article entitled "Exile Businessman Seeing Dream Come True," Derek Reveron reports on the remarkable successes of Remberto Bastanzuri:

> Every day for three years, Remberto Bastanzuri cut sugar cane in the Cuban countryside. Every night, he salved his body's soreness with visions of paper manufacturing plants he dreamed of owning in the United States and Cuba.
>
> That was 20 years ago. Today, he is president of Atlas Paper Mills, a Hialeah maker of paper products. He can't open a plant in Cuba yet. But as Atlas expands and his stake in it grows, he can make his work life in the United States as Cuban as possible. Nearly all of Atlas' 150 employees are Cuban.
>
> "It's like a continuation of my life in Cuba," he says. "One month, a guy arrives on a raft, and the next month he has a car and is drinking beer with me. That makes me sleep well."
>
> OWNERSHIP STAKE RISES
>
> Bastanzuri sleeps better than ever these days. When Atlas was founded in 1982, he owned 5 percent of the company. Recently, his stake rose from 19 percent to 25 percent, when he teamed with three executives and Berkshire Partners, a Boston investment firm, for a leveraged buyout of Atlas from Michael Scheck, owner of Sweet Paper Sales Corp., a Miami distributor of paper products.
>
> "I feel like I'm in heaven," Bastanzuri says. "The mill is easy to handle. The only pressure I have is the recession."
>
> To cope with the sour economy, within the last year, Atlas has shaved 20 percent to 25 percent off the price of its products: toilet paper and paper towels. Employees haven't received a raise in two years. However, a pay hike is planned soon, Bastanzuri says.
>
> SALES KEEP CLIMBING
>
> The price cut and delayed raises were prompted by sluggish orders from the paper products distributors and brokers that account for almost all of Atlas' customers.
>
> Despite the slowdown, sales increased from $11.9 million in 1990 to $14.1 million in 1991, largely because of expanded production facilities. Atlas continues to grow, recently completing a $3.8 million expansion that almost doubled its capacity. The company expects 1992 sales to be in the $20 million range, Bastanzuri says.
>
> The company hasn't made a profit in two years. The reasons: expansion expenses and the recession. However, with growth plans completed and an expected turnaround in the economy, Atlas expects to make a profit this year, Bastanzuri says.
>
> Scheck, who has known Bastanzuri for 10 years, describes him as "a quiet man who is good with people and an easy-going person. He is second to none as an engineer."
>
> An engineer who owns paper mills. That's all Bastanzuri ever wanted to be. "I thought about owning my own paper mill every day I was cutting sugar cane and hauling bags of chicken feed," he says.
>
> LONG TRIP FROM CUBA
>
> He didn't always labor on farms in Cuba. A testament to his forbearance is how, under the Castro government, he was cast from his job as technical director of Cuba's paper mills to a job on the farms before being allowed to leave the country.
>
> Bastanzuri, 56, was born in Cardenas, Cuba, the fourth of five children. His father managed a sugar mill. By Cuban standards, the family was middle class.
>
> While studying for a degree in chemical engineering at the University of Havana, Bastanzuri got a part-time job as a machine operator at a paper mill. By his senior year, Bastanzuri was working in the laboratory, as a quality-control chemist. In 1960, just months after Fidel Castro seized Havana, Bastanzuri graduated and continued rising through the ranks at the paper mill, Empresa Consolidada del Papel. In 1962, he was asked by the Castro government to upgrade and design other paper-production facilities and was named technical director of the island's paper mills.
>
> In 1969, Bastanzuri asked the Cuban government for permission to live in the United States. The day after his request, he received a visit at work from a group of government, military and industry officials. They wanted to know why he wanted to leave. Politely, Bastanzuri said, "I am not a Communist, and I would like to live outside Cuba."
>
> Change your mind, the officials urged.
>
> Gently, he held firm, "I respect your point of view, but I am not a Communist."
>
> WEEKEND VISITS
>
> The next day, he was transported to a small ramshackle paper mill in the countryside. There he lived in a small room. He was allowed to visit the family on weekends.
>
> The separation didn't weaken his resolve. He clung to his feelings about communism, he says.
>
> "On a regular basis, a government person would come to my room to try change my mind. He was friendly. We drank together. He tried to get me to say good things about the revolution and communism. But I was firm in my ideas, without insulting the revolution.
>
> "One day, the guy didn't show up, and I said, 'Something must be wrong.'"
>
> The next day, he was sent to a farm to cut sugar cane. He was allowed to come home at the end of each sunup-to-sunset work day.
>
> "Every day, I was thinking that, soon, they are going to let me go."
>
> In 1973, after three years of cutting sugar cane, he received a telegram. It said report to immigration officials to arrange his departure from Cuba. The same day, all of Bastanzuri's possessions and money were confiscated. He spent the night with relatives, who gave him some money. The next day, Bastanzuri and his two daughters boarded a flight to Madrid.
>
> He had been to Spain and several other European nations before, as part of an effort to buy machinery and gain technological knowledge.
>
> "I knew practically everyone in Europe in the [paper] industry," Bastanzuri says.
>
> GETTING A FOOTHOLD
>
> Through his contacts, after one week in Madrid, he landed a job as a sales manager for Escher Wyss, a German paper manufacturer.
>
> With a foothold in the industry and a way to support his family, Bastanzuri continued to pursue his primary goal: To live in the United States and start his own business.
>
> "I was desperately looking for a job in the U.S.," he says. Finally, in 1974, he landed a slot in New York, with Parsons & Whittemore, as a senior project engineer. Immediately, he focused on his next goal: To start his own business in Miami.
>
> His chance came in 1979. He was transferred to Florida for what was to be a temporary assignment: help build a paper recycling plant. While doing that, he stayed up late at night writing a proposal for his own paper mill.
>
> After the proposal was completed, he shopped it to investors. Finally, he found an

American businessman who had lived in Cuba. Bastanzuri declines to name him.

They bought used manufacturing equipment and started Atlas in 1982. The investor owned 95 percent of the company. Bastanzuri owned 5 percent. In 1983, Scheck paid the investor $2 million for Atlas. Since then, Bastanzuri's stake has gradually increased.

He hopes to own most of the company. And he also hopes to own a paper mill in Cuba. He has even picked out the spot. It'll be near Cardenas, where he was born.

Remberto Bastanzuri's story is an inspiring one and I am pleased to bring him to my colleagues' attention. I want to wish Mr. Bastanzuri much success with Atlas Paper Mills and for all of his aspirations.

TESTIMONY BEFORE WAYS AND MEANS COMMITTEE CONCERNING EXPIRING TAX PROVISIONS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. MAZZOLI. Mr. Speaker, on January 28, 1991, I testified before the House Ways and Means Committee to offer my support for seven tax provisions which are scheduled to expire on June 30, 1992.

I insert my comments in the RECORD.

STATEMENT BY CONGRESSMAN RON MAZZOLI

Mr. Chairman, thanks to you and to the Members of this distinguished Committee for allowing me to offer my views on the important issues presented by the twelve tax provisions scheduled to expire June 30, 1992.

The hearings the Committee conducted in December concerning the state of the American economy were outstanding for their wealth and depth and for the quality of experts who spoke to the issue. The Committee was most generous in allowing me to testify and then allowing me to sit alongside the Members the remainder of the testimony. I am very appreciative and grateful for this hospitality.

But, now to the task at hand. The point of these hearings today is to decide which of the tax provisions scheduled to expire at the end of 1991 but extended to June 30, should be made permanent and which should be allowed to expire.

Mr. Chairman, I was happy to cosponsor Congressman Guarini's legislation last November which gave these provisions new life until they could be examined more carefully regarding their continued usefulness given today's economic conditions and heavy deficit. I commend you and your Committee for moving ahead on these proposals so early in this session of Congress.

I have consulted closely with political and business leaders in my community of Louisville and Jefferson County about these tax provisions in preparing my testimony. And, based on their comments and my own observations, Mr. Chairman, I urge the permanent extension for:

Tax credit for low-income rental housing;

Mortgage revenue bonds and mortgage credit certificates;

Exclusion from income of employer-provided educational assistance;

Deduction of the health insurance costs of self-employed individuals;

Targeted jobs tax credit;

Tax credit for research and experimentation; and,

Tax credit for orphan clinical drug testing expenses.

Since these tax provisions have been so successful in Louisville and Jefferson County, I wish to elaborate on some of them.

HOUSING AND COMMUNITY ASSISTANCE

During a recent meeting with City of Louisville Cabinet, Mayor Jerry Abramson and the Department Directors, James Allen, the Director of the City of Louisville Housing and Urban Development Department, detailed the benefits to our community of the Low-Income Housing tax credit (LIHTC) and Mortgage Revenue Bond (MRB) program.

For example, Mr. Allen reported that one-fourth of the 1,200 rental units built with City funds since 1986 utilized low-income housing tax credit. The City's experience is that developers and lenders are growing more accustomed to the tax credit and are relying less, therefore, on City funding for financing housing construction for low and moderate income citizens.

The Mortgage Revenue Bond (MRB) program assists low-income families by reducing home mortgage costs. It is estimated that the MRB program has made home ownership possible for 131,000 families last year in the nation. Letters I have received from constituents establish that, were it not for the MRB program, home ownership would remain a dream—not a reality—for many people in my District and the Commonwealth of Kentucky.

By making the LIHTC and the MRB programs permanent, some consistency and stability can be brought into the nation's housing policy. Placing these programs on solid foundation in my view, should be included in any economic recovery plan.

EMPLOYMENT AND EDUCATION

A strong case can be made for making permanent the status of the Targeted Jobs Tax Credit (TJTC). The TJTC provides an incentive for business owners to hire workers who need training and experience to overcome physical or economic disadvantage and become productive, efficient workers. TJTC makes the hiring of workers occupying the margins of the job market financially feasible. It is estimated that the TJTC is responsible for the employment of 5,000,000 low-income individuals a year.

In my state of Kentucky, it was estimated that as many as 9,000 jobs would have been lost in 1990 had not the TJTC been extended. Among these job fatalities would have been economically disadvantaged youths between ages of 18 and 22, economically disadvantaged Vietnam veterans, ex-convicts, and Social Security recipients.

Mr. Chairman, we need the TJTC made permanent to provide employment opportunities for those people who want to work, but otherwise would not be able to compete for jobs in today's marketplace.

Businesses have also made good use of the Employer-Provided Educational Assistance tax exclusion. This program allows employees to exclude up to $5,250 annually in tuition reimbursements received from their employer.

Mr. Chairman, I believe this program should be made permanent because the country needs a well-trained, well-educated workforce if it is to meet the challenges that the emerging global marketplace presents and because low-income persons—the very ones most threatened by the changing nature of the job market—are making good use of this program to update their job skills and to stay productive.

RESEARCH AND EXPERIMENTATION

The last tax provision I will comment upon is the Research and Experimentation tax credit (R&E). No one questions the need for more R&E—or R&D as we used to say—as one way to make America internationally competitive. The U.S. lags behind Germany and Japan in investing in R&E, and this trend simply cannot continue.

Among the major users of the R&E tax credit have been universities and colleges. For example, the University of Louisville's Telecommunications Research Center is partially funded by South Central Bell Company and is used by the University's faculty and students to research ways to improve business operations and solve specific business problems.

Mr. Chairman, the R&E tax credit marries businesses with other businesses, businesses with the public sector, and businesses with educational institutions. All these sectors separately and in tandem are going to be needed to maintain America's preeminence in technology.

In conclusion, Mr. Chairman, the seven tax provisions which I support for permanent status are needed for long-term economic growth. A major task for the Committee and for all Members is to find funds to pay for these tax provisions. I pledge my assistance to you in this task.

Again, thanks for allowing me to offer my views and I look forward to the work of the Committee.

IN RECOGNITION OF JAMES R. "JIMMY" HERMAN

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Ms. PELOSI. Mr. Speaker, I rise today to recognize the achievements of James R. "Jimmy" Herman, a man whose life has been dedicated to improving the lives of working men and women; who carries out in deed the ideals of compassion and justice; who makes headlines throughout the Nation and the world yet who is humble to a fault; who is also a dear and close personal friend.

Born and raised in Newark, NJ, Jimmy had trade unionism in his blood. At 14, he led a 2-day wildcat strike at a pie factory for a penny an hour wage increase. After the owner conceded the raise, he warned Jimmy that he had "better spend it wisely, because it would not last long," implying that Jimmy would soon be fired. "I knew then and there who my friends were and whose side I was on," recollected Jimmy. At age 17 he went to sea as a member of the National Union of Marine Cooks and Stewards. A self-educated man, Jimmy said his voyages "provided the opportunity to read everything in reach, and to talk with people who had seen it all."

In 1953, after 11 years as a seafarer, he came to San Francisco working first as a member of the ILWU Local 6, and later as a member of Ship Clerks Local 34. In 1960 he was elected vice-president of Local 34, and a year later, president of the local.

For the next 17 years, Jimmy was among the most active and dynamic west coast union leaders. In 1977, his leadership was recognized by his election to the presidency of the ILWU, succeeding the legendary Harry Bridges as the second president of the ILWU. Under his stewardship, wages for longshoremen doubled and the maximum monthly pension tripled. He steered the ILWU into an affiliation with the AFL–CIO in 1988, and above all, kept the union strong and viable during difficult times for the labor movement and for the maritime industry that is the backbone of the ILWU.

The labor movement offered me a chance to be a part of history, not just a passive observer," said Jimmy, "I'll never be able to repay that debt." In that spirit, Jimmy put the ILWU at the forefront of social activism, committing his unioin to affirm universal principles of human rights and justice through its actions, whether refusing to unload cargo from South Africa and El Salvador, or standing shoulder to shoulder with united farm workers in the fields.

This year, Jimmy retired from the presidency of the International Longshoremen's and Warehousemen's Union, an office he has held since 1977. Despite his retirement, we are fortunate that Jimmy will remain a leader in San Francisco, protecting his cherished waterfront and the bay area's maritime industries through his presidency of the port commission, and serving as a conscience to the community on social issues through his involvement with organizations such as Delancey Street.

Mr. Speaker, on Saturday, February 8, the San Francisco community honored Jimmy's achievements. On behalf of the thousands of workers and their families who benefited from his leadership, on behalf of the thousands touched by his good works in the community, I am pleased to share with this Congress the work of my friend, Jimmy Herman, for his devotion, service, and commitment to this great Nation.

CENTENNIAL ANNIVERSARY OF THE SOUTH CENTRAL SCHOOL DISTRICT

HON. JAMES A. McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. McDERMOTT. Mr. Speaker, it was with great pride that my congressional district commemorated the centennial anniversary of the South Central School District on February 6, 1992.

On its 100th birthday, South Central School District has much to celebrate. As one of the oldest districts in the State, South Central is a leader in educational excellence. The district's long tradition of community support and innovative instruction is reflected in the quality of its many distinguished graduates and in the variety of awards it has received over the years. In the same tradition, South Central now is forging ahead with completion of a state-of-the-art academic facility at Foster High School. This facility will allow South Central to enter its second century with the same commitment to outstanding education that has guided it for the past 100 years. I applaud the community and the district for their foresight in constructing this new facility—it confirms what many already know: that this community and this district are dedicated to educational excellence.

We know that, as a society and as an economic power, America is only as good as its educational system. A democracy can succeed only with an educated electorate. I am very proud to represent the South Central School District in Congress and I wish them the very best in the next century.

TRIBUTE TO THE UNITED VETERANS COUNCIL OF YOUNGSTOWN

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. TRAFICANT. Mr. Speaker, I rise to express my sincerest gratitude at having been named Citizen of the Year by the United Veterans Council of Greater Youngstown and its environs at their 50th installation of officers banquet on January 25, 1992.

It is truly a pleasure to be awarded such a distinction from an organization dedicated to both commemorating our Nation's veterans and carrying out many other honorable civic duties. For 50 years other members of the United Veterans Council have kept the torch of patriotism lit in my 17th Congressional District of Ohio. Undoubtedly, they provide this area with a kind of inspirational leadership that is imperative to the well-being of the whole community.

Special congratulations must be given to Edward Kundus, the United Veterans Council's chosen Veteran of the Year. Also to be congratulated are those noted for outstanding service in the community, such as Jim Tressel, Youngstown State University's championship-winning football coach; Vince Camp and Stacey Adger, the program directors of WBBW; Eugene Yusko of the Trialmobile Reviewing Stand; Clair Matuso, the director of Federal Plaza; John Tablac, veterans service director and Gregg Greenwood of Greenwood Chevrolet. Thanks should be attributed to WBBW, WFMJ, WKBN, WYTV, Larry Quinn and the Vindicator for their contribution to this organization.

The installation of officers banquet was held in honor of Robert A. Chesney, the new UVC commander. Other officers were announced as follows: Andrew J. Mehley, senior vice-commander; Charles Hawes, junior vice commander; Robert Davis, adjutant; Ken Nagel, treasurer, and Philip Shank, chaplain.

I rise today, Mr. Speaker, to thank the United Veterans Council for choosing me as their Citizen of the Year and to commend the recipients of UVC's other fine distinctions.

BISHOP JOSEPH F. MAGUIRE RETIRES

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. NEAL of Massachusetts. Mr. Speaker—

To heal not to injure,
To help not to hurt,
To strengthen and sustain,
With patience, compassion and trust.
To unite not divide,
To counsel not to condemn,
To reason and reconcile,
Through peace, understanding and love.

Joseph F. Maguire wrote these words and during the time he was the bishop of the Diocese of Springfield, MA, he followed them to the letter. He not only applied these beliefs to the members of his parish, but he also took them to heart when any person needed help.

Joseph F. Maguire was born on September 4, 1919, to Joseph T. Maguire and Grace Wenger Maguire. He grew up in the predominately Irish-Catholic neighborhood of Brighton, MA. Family and friends would say that Joey was always a good kid with just one weakness—sports. Every afternoon he could be found playing either football, baseball, or hockey. It was convenient for him because the playground was right outside the backyard and there were always plenty of other kids around to challenge him. It was in that small neighborhood park that Joey developed the skills that would make him a hero in high school and college sports.

He attended the St. Columbkille's School for his primary and secondary education. He graduated in 1937 as a three-sport athlete. The following semester, Joseph entered Boston College. He continued to excel in hockey and baseball where he was a top line defenseman and a 3-year starting shortstop. But it was his continuing tie with football that made the season special. Although he did not continue to play football while at BC, he attended every game to give support to his friends. They would say he was their best cheerleader, which he was voted in 1941, for at this time women were not allowed to attend BC. This kind of dedication was only a subtle hint of how helpful and supportive Joseph Maguire would eventually become to a number of people.

Upon graduating from Boston College in 1941, Joseph decided to enter the seminary. His friends were not shocked that he decided to do this. Lucey, one of his closest friends at BC said, "I wouldn't say I was surprised, a little I suppose. But it was written all over him. He didn't have to read the book, he was born with it." Little did he know how true this statement was.

Joseph chose to study for the priesthood at St. Joseph's Seminary back in Brighton, and was ordained at Holy Cross Cathedral in Boston, MA, on June 29, 1945, by Cardinal Cushing. Again, his commitment to the church shone through when then-Father Maguire reported to his first assignment as associate pastor at St. Joseph's in Lynn, MA. Within the last few weeks at the seminary, Joseph was playing in a baseball game and broke his leg sliding into second base. Rather than be shy about his first appearance in a cast, he used his injury to show his dedication to sports and was able to gain the love of his new parish. No matter what condition he was in when he appeared to the members of a new church, the people fell in love with Bishop Maguire.

Beginning with his assignment in the church in Lynn, MA, from 1946–47, then-Father Maguire held numerous other positions before coming to Springfield. From 1947–48, he was the associate pastor at St. Anne's in Readville, MA, and then at the Blessed Sacrament in Jamaica Plain from 1948–61. He took some time away from this job to be the chaplain with the National Guard from 1956–59. When he returned in the early part of 1960, he continued his position in Jamaica Plain and also became the associate pastor at St. Mary of the Hills in Milton, MA, until 1962.

He then was named secretary to then-Cardinal Richard Cushing, a post he held until the cardinal retired in 1970. He was reappointed secretary under Archbishop Humberto Medeiros. He was named monsignor on April 6, 1964. He held numerous service positions while serving as the secretary. His skill at managing time, showing concern, and taking care of people led to him being named parish priest of St. John the Baptist Parish in Quincy, MA, on May 4, 1971. He was still holding this position when he was appointed an auxiliary bishop on February 2, 1972. A month later, he was named regional bishop of the Brockton region. Again, his service and concern for his people made him the obvious choice for his next appointment.

According to an April 13, 1976, news release issued by the Archbishop of Boston, Boston Auxiliary Bishop Joseph F. Maguire, 56, was named coadjutor bishop of the diocese of Springfield. This appointment was made by Pope Paul VI at the Vatican. Upon accepting this appointment, he said he would go "with confidence and enthusiasm to the diocese of Springfield." With all that he would achieve as bishop of Springfield, no one realized just how much confidence and enthusiasm he would bring to the people in the area of western Massachusetts.

On May 7, 1976, Bishop Maguire entered the St. Michael's Cathedral to assume the formal role of assistant and future successor to Bishop Weldon. He was formally installed on November 4, 1977, at the Springfield Civic Center. After becoming acquainted with the people and the churches in the Springfield area, Bishop Maguire made numerous advancements for the church. For one, no member of his church would lose touch with God if they were bedridden or aged. On February 26, 1978, Bishop Maguire commissioned 300 people to represent more than 60 parishes and institutions in the diocese to be the visitors to the sick and elderly. As the bishop saw it, "parish visiting presents the opportunity for the concerned Christian to be a caring witness to those who by reason of age or infirmity experience a loss of contact with the parish community."

In May 1978, Bishop Maguire instituted another plan to improve his service to the people and priests of the 136 churches and 15 missions in the diocese. This plan would provide for the division of the diocese into four episcopal vicariates, each headed by a priest who would be second in command to the bishop. By distributing the work, the bishop felt his assistants would help him to be more accessible and more informed on all the happenings at the different parishes. And since this plan was a success, he furthered this idea by creating a cabinet for the diocese of Springfield in June 1989. The cabinet helps him with pastoral administration as well as furthering the means of promoting communication and collaboration among the officials. These are just some examples of the numerous things Bishop Maguire has done to improve the diocese of Springfield.

Bishop Maguire has also focused a lot of his attention on issues that are of importance to him. In April 1987, he made a statement about the disabled and their role in the church. He urged the people in the diocese to be aware of the handicapped and to make an effort to integrate them and allow them to the true members of the parish.

Outside the Springfield diocese, Bishop Maguire has shown concern for people unknown to him. His prayers were with the 110,000 victims of the earthquake that devastated Armenia. He gave support to the attempts to resettle the refugees from Poland, South East Asia, Cuba, Haiti, and Ethiopia.

Bishop Maguire is also known for his strong family ties. The importance of his family is exemplified on the personal side of the coat of arms, a long-standing tradition of the church for each bishop. Each member of the Maguire family is represented by some figure on the shield. More importantly, as soon as he got to know the members of his parish and diocese and got involved with the numerous everyday activities there, he could have easily set aside his family, but he never did. One afternoon, his sister called to ask him to pray for her son because he had recently fallen out of the car and he needed to have an operation. Instead of going to the church to pray, he immediately caught the next flight to Schenectady, NY. "In all the years, our family has had an awful lot of sickness and several serious accidents and my brother has always been there for us," says his sister, Grace Waystack.

Bishop Joseph F. Maguire is a man not only concerned with his family and friends, but with all the people he serves. He once said that he sees his role "as a unifier, a reconciler, a guardian of the faith, to recognize the gifts of his people, to generate enthusiasm, good will and hope, and to always be conscious of his spiritual mission and the supernatural." He has always succeeded in doing all of these things and so much more. The bishop will never be replaced in the hearts of the people he has touched, especially those of the people in the diocese of Springfield. I join with thousands of others in the Springfield area in wishing Bishop Joseph F. Maguire the very best in his retirement years.

AMERICA THE BEAUTIFUL PASSPORT BILL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. LAGOMARSINO. Mr. Speaker, I am very pleased today to be able to introduce on behalf of myself, Mr. REGULA, and Mr. TALLON, amendments to the 1965 Land and Water Conservation Fund Act which create the first substantial source of new funds for recreational use of our Federal lands in a number of years. Federal recreation facilities have been heavily impacted by increased use in recent years. Many such facilities have deteriorated and there are major backlogs in deferred maintenance with a significant reduction in the quality of recreation experiences available to the public.

This bill will expand the existing, successful entrance fee program at units of the National Park System to include all areas administered by the Secretary of the Interior and certain Forest Service recreation areas, and create a partnership with the private sector in the active marketing of the new America the Beautiful Passport. I estimate that sales of this new passport will increase at least 5 to 10 times over Golden Eagle Pass sales which totaled about 130,000 last year.

Based on the increased sales, and the slight increase in cost of the annual pass from $25 to $30, this proposal can be expected to generate at least $15 to $30 million in new funds annually. Further, because the receipts collected through private sector sales of the passport must be used for challenge cost share programs between Federal and non-Federal entities on a 1-to-1 matching basis, the total amount of new funds for recreation programs will be substantially higher.

The new America the Beautiful Passport would provide for free admission to all designated Federal recreation fee areas for the permit holder and family, as well as cover user fees, except for overnight camping. The permit would last for 12 months from the date of purchase as opposed to the current expiration of the annual pass at the end of the calendar year. All funds collected under this program would be covered into special Treasury accounts and available for expenditure by fee collection agencies for recreational facilities and services—trails, boat launch ramps, picnic areas, campgrounds, information facilities, et cetera—resource management, maintenance and fee collection. Surveys have consistently shown that the public is supportive of paying recreational fees when they know that the funds will be returned to those recreation areas.

There is little question that payment of a $10 entrance fee for a 2-week visit to Yellowstone, Grand Teton, or Grand Canyon is one of the truly great bargains in this country. While this bill does not propose to change the current reasonable fee structure, it will create a national advisory board to review user and entrance fees and provide recommendations to the Secretary of the Interior and the Secretary of Agriculture to ensure they are appropriately set. My bill will also provide increased information to the public about recreational opportunities on their Federal lands by replacing the existing Golden Eagle wallet card with a passport book filled with important information about America's Federal lands.

This bill will greatly benefit all affected parties. The public will benefit through payment of a single fee for access to hundreds of recreational sites and being provided increased awareness of opportunities to enjoy their Federal lands; the Federal agencies will benefit through the provision of increased funds in this time of limited funding and through the forging of public-private sector partnerships; and the private sector partners will benefit by being permitted to cover the actual cost of their sales on a commission basis and through the generation of spinoff business from customers who acquire passes from them.

I note that a similar fee proposal has been endorsed by President Bush in his fiscal year 1993 budget submittal. I hope that other Members of the House will join with myself and fellow cosponsors in pursuing this legislation in a timely fashion during the 102d Congress.

A SALUTE TO THE ALVIN AILEY DANCE THEATER FOUNDATION

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. MFUME. Mr. Speaker, I would like to commend the Alvin Ailey Dance Theater for its prestigious work within the world of fine arts as, well as its work throughout various communities, and for sharing their creative genius with the less fortunate. The group was founded in 1958 by Alvin Ailey, who was a man of vision. His talents ranged from the preservation of African-American cultural heritage to incorporating social statements in the form of dance. Ailey wanted the world to realize that dance was not just a form of entertainment but it was indeed a means of communication.

In 1969, Alvin Ailey founded the Alvin Ailey American Dance Center. This official school of the Alvin Ailey American Dance Theater educates over 2,500 students per year in the art of dance. Originally the company employed only black dancers but Ailey shaped it into one that was multiracial, reaching people of extended backgrounds. The members of this multiracial dance company serve as cultural ambassadors, as they maintain an extensive touring schedule that has taken them to 48 States, 45 countries, and 6 continents.

Unfortunately, Ailey's contributions to the world of dance ended with his untimely death in 1989. His career died, but not his irreplaceable influence on dance and the community. His own protegee and former principal dancer of his company, Judith Jamison, became the new artistic director of Alvin Ailey Dance Theater. Not only did Ms. Jamison rejuvenate the dance company, but she has also planned to continue the establishment of several 6-week company residencies in cities throughout the United States. The Ailey Camp is an important component of the dance company's community outreach.

In August 1989, my native State of Maryland established a unique and praiseworthy relationship with the Alvin Ailey American Dance Theater. Maryland has been designated as a second home for the Alvin Ailey American Dance Theater and the Alvin Ailey Dance Theater Foundation of Maryland, Inc., is the governing body. The program is innovative and exciting in that it uses dance as a core curriculum to impact at-risk youth. Participants are middle school-aged children, who are primarily urban minorities of lower socioeconomic status and are in serious danger of becoming another drop-out statistic due to a host of problems. They are given an opportunity to enhance their creativity and self-esteem and become motivated, all through the glorious experience of dance.

Mr. Speaker, I ask my colleagues to join me applauding the Alvin Ailey Dance Theater Foundation of Maryland, Inc., for its superior work and commitment to bringing artistic excellence to the State of Maryland.

PONTIAC, THE OTTAWA INDIAN CHIEF

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188—Senate Joint Resolution 217, House Joint Resolution 342—Congress and the President designated 1992 as the "Year of the American Indian." This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the "Year of the American Indian," and as part of my ongoing series this year, I am providing today for the consideration of my colleagues a short biography of Pontiac, an Ottawa chief who organized one of the greatest alliances of Indians in American history. This biography is taken from a Department of the Interior publication entitled "Famous Indians, A Collection of Short Biographies:"

PONTIAC (OTTAWA)

Pontiac, the Ottawa Indian chief who organized one of the greatest alliances of Indians in American history, was born in Ohio around 1720. His domain was the Great Lakes country, occupied by the French until their defeat by the English in Canada in 1760.

Ottawas and other Algonquian tribes of the area had lived peacefully among the French, and intermarried with them. Pontiac was at first inclined to be friendly to the new English occupiers, agreeing to acknowledge King George as an "uncle," if not as a superior. But the Indians soon discovered that the British were quite unlike the generous and easy-going French, regarding them as unwelcome squatters on lands rightfully English. With a decree forbidding them to buy rum, the Indians' grievances intensified until by 1763 the entire district was in turmoil.

Pontiac, who had been impressed by an Indian mystic known as the "Delaware Prophet," determined to lead an all-out campaign to right Indian wrongs. Having sent the war belt of red wampum to Indian tribes from Lake Ontario to the Mississippi River, the Ottawa chief, a powerful and persuasive speaker whose air of command marked him as a leader, called upon the Indians to throw the British out. The French were sure to help the Indian cause, he said, and they could stay. He persuaded the Indians to join a daring conspiracy: all British-held posts were to be attacked simultaneously. Detroit, key post of the Great Lakes forts, were to be the prime target.

The plot was launched on May 7, 1763, when a group of Pontiac's warriors, sawed-off muskets hidden under their blankets, entered Fort Detroit on a pretext. The fort was not captured, for its commander had been warned. Elsewhere, however, the conspiracy was successful.

Within a few months, 9 British forts had been captured, and a 10th abandoned by its occupants. Only Detroit, and Fort Pitt in Pennsylvania, still held. With great difficulty, British forces managed to hold off a combined Indian force of about 900 at Detroit, receiving occasional reinforcements through the water route to the Niagara. The Fort was almost exhausted when help came in October. In a bloody battle, Capt. James Dalyell and 220 men clashed with Pontiac at the head of 400 Ottawas and Chippewas. The Indians were victorious, and Dalyell, captured, was killed. But Detroit was reinforced. Pontiac, too, strengthened his forces, and the siege resumed.

At Fort Pitt, two Scottish regiments relieved the post, which had been under heavy attack by allied Delawares, Mingoes, Shawnees, and Hurons. After heavy losses on both sides, whites forced the Indians to retreat, and Fort Pitt was safe.

All this time, Pontiac, confident that French help would come, had not known that Great Britain and France had signed a peace treaty in London the February before. When he received a letter from the French commander at Fort de Chartres in Louisiana Territory, Pontiac knew there was no longer any real hope of Indian success. Written in fatherly terms, the letter urged "my French children" to bury the hatchet. The French would not abandon their children, but would supply them from across the Mississippi. Now, the letter concluded, the Indians must live in peace. Pontiac had no choice but to end the siege of Detroit. Although he continued to oppose the British through the fall and winter of 1764–65, his Indian allies rapidly lost the will to fight. One by one, Hurons, Senecas, Ottawas, and other tribes gave up.

In April 1765, Pontiac admitted defeat, and helped British forces to subdue scattered Indian bands. Winning the admiration and respect of the British, he lost much Indian support. By 1768, the man who had inspired the alliance and revolt of the great Algonquian tribes had become the target of their jealousy and hostility. In 1769, a Peoria Indian named Black Dog was assigned by a council of his tribe to murder Pontiac, and on April 20 of that year, in Cahokia, Ill., a stab in the back ended the life of the great Ottawa chief.

SEVENTY-FIVE YEARS OF SUCCESS

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. GALLO. Mr. Speaker, in honor of the 75th anniversary celebration of the founding of the Daniel L. McCormick Council 1831, Knights of Columbus of South Orange, on February 29, 1992, I request that the following history of the organization be read into the CONGRESSIONAL RECORD, with the special recognition of the House for the organization's many contributions to the community:

SEVENTY-FIVE YEARS OF SUCCESS

On May 17, 1916, the first meeting of the South Orange Council was held at Mayer's Hall in South Orange. The First Grand Knight, Joseph McGinity, presided. This Council was organized with seventy charter members. The organizers of the new Council included members of the then City of Orange Council who lived in South Orange. These men were supported in their efforts by the State Deputy John F. O'Neill.

The Council immediately received a setback in recruiting efforts with the start of World War I. Many of the members were drafted and left to serve their country. The Council waived dues for these men. Among the activities on the home front, the remaining members sponsored a rally at Columbia High School, then on Academy Street in South Orange, which was so large that many had to be turned away at the door. In October, 1917, the Council presented our Lady of Sorrows with a flag containing a star for every Council member in the service.

Following the first World War, the Council started to truly grow and prosper. A Columbian Club was organized to issue stock to members. In 1920, the Columbian Club purchased a building with a hall from the Harris estate on Fairview Avenue in South Orange. Continued prosperity followed the Council through the Twenties' as the Council membership grew.

However, during the Depression, the Council, along with other fraternal organizations, struggled through hard times. The Council leaders managed to recruit enough new members to offset the loss of the older members. The Columbian Club, through one emergency after another, managed to maintain the physical plant. In the depths of the Depression, the South Orange Council was designated the host Council for the 1934 Knights of Columbus State Convention in East Orange.

The Silver Anniversary banquet, in May 1941, was an occasion to look back and count the blessings of the first quarter-century. The banquet was held at the Mayfair in West Orange. While the plans were made for this Anniversary, another conflict loomed on the horizon. In December, 1941, the country found itself involved in World War II. Fifty-seven of the council members, over twenty percent, left the Council Home on Fairview Avenue, and answered their country's call to arms. Only one, James O'Hearn, Jr., died in combat. During the conflict, the Fairview was regularly mailed to our absent brothers, and their letters to the Council were included in this publication, thus keeping the members informed of the activities of our absent military. Also, the Council had a charge card from Bamberger's, Newark, and used it to send presents to the men in the service. In 1942, the Council sponsored a First Degree at Suton Hall, and one thousand men, from Councils throughout New Jersey, joined the Order.

After the War, Council membership again flourished, allowing the Columbian club to retire the mortgage. In 1966, at the Fortieth Anniversary Banquet, held in East Orange, the mortgage was finally burned.

Under a continuing line of dedicated, committed and persevering Grand Knights, the Council became one of the premiere Councils in New Jersey, culminating with the election, in July 1956, of Past Grand Knight Daniel McCormick as State Deputy. Dan's responsibility was to continue to lead the 50,000 Knights of Columbus in New Jersey forward in Charity, Unity, Fraternity and Patriotism. Subsequently, Dan was elected as a member of the Supreme Board of Directors and Supreme Treasurer of the Order. In 1984, after Dan's death, the Council petitioned the Supreme Council and the Supreme Board of Directors for permission to rename itself 'Daniel L. McCormick Council 1831'. The Supreme Council and the Supreme Board of Directors approved this change.

In 1960, the membership financed the construction of the beautiful shrine of the Immaculate Conception which still stands on Fairview Avenue, in front of the Council Home. The Council also made a contribution of $1,000 to the new school addition at Our Lady of Sorrows in South Orange, and a like amount was given to Sacred Heart, Vailsburg, for their new school.

In 1966, the Golden Anniversary Banquet was held. Over three hundred attended.

Over the years, the Council has contributed to many charities. The Right to Life Cocktail Party, in January each year, has raised over $10,000.00 to provide women with viable alternatives to abortion. Likewise, over $10,000.00 has been raised for the Retarded Citizens in New Jersey in our weekend collections in the spring of each year.

Any history such as this, is of necessity brief, and the contributions of many officers and members are omitted. The many unsung heroes of this Council know who they are and their reward awaits them in eternity. This Council has much to be proud of, and its members, through their personal lives and in their Council involvement, truly embody the principles of the Order, Charity, Unity, Fraternity and Patriotism.

IN HONOR OF 50 YEARS—BRUNO AND BELLA ODELLO

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. PANETTA. Mr. Speaker, I rise today in honor of Bruno and Bella Odello on their 50th wedding anniversary, which they will celebrate February 15, 1992. They have been good friends of my family for many years and I have come to greatly appreciate their dedication to each other, their family, and the community.

Bella and Bruno were married in Castroville on February 15, 1942. Bruno Odello was born in Iron Mountain, Shasta County, CA. At the age of 9, his family moved to Carmel Valley, where Bruno attended school and graduated from Monterey High School in 1933. After attending business courses in Pacific Grove and working for Bank of America in Monterey, Bruno, his brother Emilio, and others formed a new artichoke farming partnership which they would eventually call Odello Bros., a business which keeps Bruno busy to this day.

Bella Calcagno was born in San Francisco, and 6 years later her family moved to Moss Landing to become vegetable farmers. Bella attended Monterey High School and then graduated from Salinas High School in 1941. Bella worked on the family farm that would eventually become the Moon Glow Dairy owned by her brother Louis. After marrying Bruno, Bella raised their three children, who were born 2 and then 16 years apart.

In their 50 years of marriage, Bella and Bruno have been much more than husband and wife to one another, for they have been pillars of the community for many years. They have been mother and father to their children John, Claire, and Michael, and are now proud grandparents to four beautiful grandchildren. They have been active participants in local politics and supportive boosters of all Carmel High School sports. They have donated their time to such worthy organizations as the Knights of Columbus, Carmel Youth Programs, and the local Little League. More importantly, they have unfailingly loved one another for half of a century. A love that lasts this long is unusual and they have shared their commitment to each other with those they come in contact with.

Mr. Speaker, I now ask my colleagues to recognize Bruno and Bella for their outstanding support for the community and each other as we congratulate them on their 50th wedding anniversary. It is my hope that they will continue to share their love in the 16th Congressional District of California for many years to come.

COMMENDING DR. NARENDRA GUNAJI, U.S. COMMISSIONER OF THE INTERNATIONAL BOUNDARY AND WATER COMMISSION

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. HUNTER. Mr. Speaker, during the past 5 years I have had the pleasure of working closely with Dr. Narendra Gunaji, U.S. Commissioner of the International Boundary and Water Commission. In my long history with the IBWC, Dr. Gunaji has proved to be its most aggressively effective Commissioner. I would like to take this opportunity to commend his excellent work.

From the day President Reagan chose him to lead the Commission, Dr. Gunaji's expertise and old-fashioned know-how served to create an atmosphere of partnership with Mexico which led to a multitude of successes. It is no exaggeration to say that in his 5 years as Commissioner Dr. Gunaji has safeguarded the health and well-being of millions of American citizens.

His dynamism and innovative management style helped build the foundation of the Tijuana sanitation project, a project of utmost importance to my constituents in both the Imperial Beach and San Diego regions.

In 1987, when Dr. Gunaji took over as Commissioner, the citizens of Imperial Beach and San Diego faced a serious health threat arising from raw sewage flowing at a rate of over 10 million gallons per day into the Tijuana River and, eventually, into the Pacific Ocean. The flow eventually meant the quarantine of Imperial Beach.

Dr. Guanji acted quickly to address the immediate problem and has labored tirelessly since then to bring a permanent solution to the border sewage crisis. His initial efforts resulted in an emergency sewage conveyance pipeline which connected the Tijuana pumping plant to the San Diego sewage system. In addition, the defensive pumping stations he helped set up captured and returned a total of about 300,000 gallons of sewage per day from strategic points along the border to Mexico.

His crowning achievement to date, however, is the planned joint international waste water treatment plant which will eventually serve to eradicate the sewage problem on the border. The plan's very conception would not have been possible without him.

His job as Commissioner has not been an easy one as tragedies linked to sewage on both sides of the border have been depressingly frequent. In all he has done as Commissioner, however, Dr. Gunaji has proved himself to be an innovative, diplomatic manager who possesses the requisite technical ability to get things done. His unceasing dedication to the pursuit of a permanent solution to the border's sewage problems has yielded success after success. It is good to know that as we work toward the eradication of the sewage problem in our area we will be able to rely on Dr. Gunaji's expertise and commitment.

It is my hope that the administration will continue to give its solid support to Commissioner Gunaji as he seeks to supervise the effort to eliminate the threat of Mexican sewage to the United States.

Again, I commend Dr. Gunaji's work as Commissioner of the International Boundary and Water Commission and wish him every continued success in 1992.

VOLUNTEERS: THE HEART OF VA HEALTH CARE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. MONTGOMERY. Mr. Speaker, each year during the second week of February, the Department of Veterans Affairs conducts a national salute to the 60,000 veterans of our Nation who are hospitalized in VA medical facilities on any given day. It is to remind them that they are not forgotten. It is to remind them that they are appreciated. It is to remind ourselves that their deeds form the keystone to America's freedom.

I doubt there are any of us who do not have at least some idea of the loneliness and anxieties that can beset patients in the hospital environment; they are away from home—perhaps a great distance—many times away from family, and away from the familiar circumstances of everyday life. Seemingly insignificant things—magazines, toiletries, shared walks, a kind word or two, an attentive ear, or just the human touch—though no replacement for a doctor or nurse, can play a profound role in a patient's recovery and can make a beneficial impact on the well-being of both the veteran and his/her family.

I urge anyone who is interested in participating in the "National Salute to Hospitalized Veterans" this week—February 9 through 15—to contact the voluntary service at the nearest VA hospital. The voluntary service can accommodate any schedule; volunteer functions can be performed entirely at your convenience, whether for an hour, a day, a week or longer.

This year's national salute is chaired by entertainer Donald O'Connor and the program's honorary patron is First Lady Barbara Bush. It is particularly appropriate that Valentine's Day, a day of love and caring, is celebrated during this week-long event. Sharing time with hospitalized veterans is a wonderful way to express gratitude for the magnificent gifts they have given us. In turn, volunteers will be enriched, not only from a humanitarian standpoint, but by the enlightening experience of visiting with those who have so greatly influenced American and world history.

This unique volunteer effort provides an opportunity for many of our citizens to visit a VA hospital and witness the exceptional work of the dedicated health care, administrative and support staffs who take such good care of some of our most valuable citizens.

While this event is important, voluntarism should not be limited to a single week. Each year, thousands of volunteers—89,000 in 1991—donate millions of hours to aiding and providing comfort to the patients of our veterans' medical facilities.

I want to express my appreciation, and I am sure the appreciation of those who have experienced their benevolence, to those who so selflessly give their time and energy to complement the health care efforts of VA's physicians, nurses, and other health care professionals. Volunteers perform some 260 different types of duties, many of which you might not expect, including: education programs in which volunteers counsel, based on their own experiences, preoperative and postoperative surgical patients; group interaction in psychiatric and substance abuse programs; diversional and therapeutic recreational programs which employ the skills and interests of volunteers—woodworking, leather crafts, music, et cetera—patient feeding; and patient support in external care environments, that is, nursing homes or the veteran's own residence. There are, of course, more traditional volunteer tasks, from administrative support functions to transporting veterans within the hospitals or picking them up and taking them to clinical appointments.

It comes down to one thing: showing a veteran you care. Simply put, volunteers are just good people, and as I have said many times, we could not keep our veterans' hospitals open without them.

TRIBUTE TO CHARLES HENRY CLARK

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to Charles Henry Clark, of Williamsport, PA, who has been nominated for the Peter J. Salmon National Blind Worker of the Year Award. Mr. Clark was nominated by his coworkers at North Central Sight Services, Inc., in Williamsport, as a participant in the Javits-Wagner-O'Day Program.

Congress passed the Javits-Wagner-O'Day [JWOD] Act in 1938. The purpose of this landmark law was to provide employment opportunities for blind Americans. Today this program continues to provide employment and other support services to thousands of blind, multihandicapped blind, and other severely handicapped people throughout the United States.

Many of the individuals who participate in the JWOD Program are not capable of competitive employment or do not desire competitive employment. The JWOD Act has been a successful initiative which has provided gainful employment to many people who would otherwise have had no employment options.

Many of the blind persons served by this program have overcome many obstacles to lead very fulfilling lives. Each year, National Industries for the Blind [NIB], the central nonprofit agency for workshops for the blind participating in the JWOD Program, selects one outstanding blind worker as the Peter J. Salmon National Blind Worker of the Year.

In Williamsport, Charles Henry Clark, who is legally blind, produces pressure sensitive paper labels for sale to the Government. He has earned the admiration and respect of his coworkers, who have sought fit to nominate him for the prestigious Peter Salmon Award, who was a leader who helped improve employment opportunities for the visually impaired nationwide.

Mr. Speaker, I ask all of my colleagues to pay tribute to Charles Henry Clark for his accomplishments, and to wish him well in all of his future endeavors.

TRIBUTE TO COACH SPENCE McCRACKEN

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. DICKINSON. Mr. Speaker, today I would like to recognize Coach Spence McCracken for his outstanding work with the young people of Alabama. As athletic director and head football coach at Robert E. Lee High School in Montgomery, AL, Spence has led the Lee Generals to two Alabama State high school championships, in 1986 and 1991.

Spence's career in athletics began early in his life. He was an all-State high school player and lettered 3 years at Auburn University as center for Heisman Trophy winner Pat Sullivan. He began coaching at Decatur High School in 1973, and in his subsequent coaching career he has coached football, baseball, and track. He coached the Lee track team to four consecutive indoor and outdoor State championships between 1973 and 1978. His overall coaching record as a football coach is 117–40, which makes a winning percentage of 75.

Spence has collected many awards during his career. He was named High School Football Coach of the Year in 1986 by USA Today. That same year he was named Pizza Hut Outstanding Coach of the Year, National Coach of the Year by the Exchange Club, and Coach of the Year by the Birmingham Touchdown Club.

These are remarkable accomplishments in themselves, but Spence is more than a good football coach. He complements his professional career with one of outstanding community service. In 1981 the Montgomery Jaycees recognized him as Outstanding Young Man of the Year. In 1983 he was named YMCA Man of the Year, an award for which he has been nominated every year since then. These awards testify to his commitment to using his talents in the service of the young people of his community. He has been a T-ball and Little League coach for many years. He has been a Sunday School teacher for 7 years.

I ask Members of Congress to join me in paying tribute to Spence McCracken, whose activities exemplify that everyone's talents can be put to use to make our communities better places in which to live. Spence's career should remind us that our communities are made richer when each individual citizen is encouraged to cultivate and put to use his or his special skills and interests.

A CONGRESSIONAL SALUTE TO CHARLOTTE KENNEDY

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. BLACKWELL. Mr. Speaker, I rise today to pay tribute to a remarkable woman who has reached a momentous occasion. On February 18, 1992, Mrs. Charlotte Kennedy will have lived through an entire century, which included great periods of American history. She has seen good times and bad times but through it all, one thing has stayed constant in her life, her faith in God.

Mrs. Kennedy was born on February 18, 1892, in Aurora, NC. At an early age, Mrs. Kennedy showed her commitment to God, and since then has spent most of her life in mission spreading God's word. Along with Bishop White, Mrs.. Kennedy has traveled to a great many places, including Mexico, in order to reach the people to pronounce God's will. The zeal and enthusiasm that Mrs. Kennedy has exhibited over the years, places her in a real special category and serves as an example of that which we should seek to emulate.

Mrs. Kennedy has mothered four generations spreading love and compassion throughout her entire life. These generations are represented by 12 children, 19 grandchildren, 33 great grandchildren, and 15 great great grandchildren. These numbers are representative of the love and commitment that Mrs. Kennedy has shown her entire life. Although these numbers reflect that she has a large family, I nonetheless know that she is a member of a much larger family, one to which we all belong. Her love and commitment is an inspiration to all of us, and is an example of that which we can draw encouragement and learn a valuable lesson—that love is truly a powerful emotion and can conquer all obstacles in the way.

I would like to congratulate Mrs. Charlotte Kennedy on this momentous occasion and I wish my colleagues to do the same. It is fitting and proper that we offer our warm regards for an individual, who when asked how does she account for her long life, Mrs. Kennedy replied, "The Blessing of the Lord". This statement personifies Charlotte Kennedy and the life she has led.

NATIONAL SALUTE TO HOSPITALIZED VETERANS

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. ATKINS. Mr. Speaker, it is with much gratitude and appreciation that I join thousands of Americans in saluting our Nations' hospitalized veterans. In this time of tremendous political change, when nations around the wourld are experiencing the freedom of democracy, we reflect upon the tremendous degree of sacrifice and commitment offered by the brave men and women who have served in the U.S. military. In both times of war and peace, this special group of Americans have dedicated themselves to the safety and strength of our Nation and the right to self-determination abroad.

The 19th Annual National Salute to Hospitalized Veterans is an opportunity for us to take time, together with Veterans' Administration's medical facilities across the country, to recognize these fine individuals. It is a chance for us to let them know that their service to our country has not been forgotten.

Mr. Speaker, I ask that you join me, the staff, and volunteers of the Edith Nourse Rogers Memorial Veterans Hospital in Bedford, MA, in offering our sincere gratitude to America's hospitalized veterans.

HOOKED AND SLICED

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. VANDER JAGT. Mr. Speaker, the tradition of cutting a deal while hacking out a round of golf is, perhaps, more fiction that fact—but occasionally it is not only true, but notable.

A few years ago a fine gentleman from our Ninth District, Mr. Marve DeWitt of Holland, MI, found that the only hook on the local golf course was not in his swing. It was in the sales job that his golfing partners did in convincing him to participate in the development of a new arts center at a truly fine educational institution, Grand Valley State University. Just last fall that facility was dedicated, and I want to draw to the attention of my colleagues a news report on the event—and then I'll have more to say about hooks, and a few slices:

[From the Grand Rapids Press, Nov. 24, 1991]

ROUND OF GOLF HELPED FUND GVSU'S $2.1 MILLION ARTS CENTER

(By Jeanne Ambrose)

Little did Marvin DeWitt suspect a day on the links would lighten his wallet by about half a million.

He thought he was out for a round of golf. But before he left the green, he had been coaxed into making a major donation to Grand Valley State University.

DeWitt, co-founder and former chief executive officer of Bil Mar Foods, and his wife, Jerene, then joined with Peter C. Cook, chairman of the board of Mazda Great Lakes, and his wife, Emajean, to donate $1.6 million to help fund a performance hall at GVSU.

The 9,500-square-foot Cook-DeWitt Center was to be dedicated today in a private ceremony that included the conferring of honorary degrees on Cook and DeWitt.

"I got involved because somebody prodded me just a little bit—a guy by the name of Rich DeVbs (Amway Corp. co-founder) on the golf course one day," DeWitt said laughing.

His involvement also was made possible by the Chicago-based Sara Lee Corp., he says, tongue in cheek.

"Whenever we do these things I always thank Sara Lee for buying Bil Mar (in 1987). That gives us the capital to do what we like."

In all, 18 donors, including the Richard and Helen DaVos Foundation, funded the $2.1 million project. In addition to private dedication events today and Monday, there will be a series of performances Tuesday to show off the architecturally impressive facility.

The 26 sets of massive pipes of the Reuter organ dominate the front of the 250-seat hall.

"There is no other organ in the world like this. They built it for this room," says George Shirley, adjunct instructor in organ and organist/choirmaster at Park Congregational Church in downtown Grand Rapids.

The organ was "so desperately needed" on campus, Shirley says, because "they've never had a really good instrument out here."

Shirley, who has been teaching at GVSU about 20 years, says he is looking forward to finally being able to teach organ on campus. In the past, all his organ classes had to be taught at his church, he says.

"To hear the organ in this room is wonderful," he says. It has a lot of reverberation . . . This is one of the best acoustical environments I've ever played in."

Ellen Pool, conductor of the Grand Valley State University Singers, couldn't agree more.

Compared to the 500-seat Louis Armstrong Theatre where most of the college's performances took place, the Cook-DeWitt Center "is much more alive because of the ceiling and acoustics," Pool says. "Everything sounds fuller, the groups (performing) sound larger. It's very alive, but very intimate."

The performance hall has soaring ceilings, skylights and a wall full of picture windows that overlook a wooded ravine. It has a stage, complete with risers and a concert grand piano, in addition to the organ.

It is an ideal setting for smaller ensembles, including choirs and string quartets, Pool says. Student music majors will now have an intimate setting for their recitals.

In addition to musical recitals and performances, the Cook-DeWitt Center will be used for campus ministries services, weddings, music classes, and theatrical events. Offices of the campus ministry also are in the center.

Cook, who wasn't on the golf course when he was approached for funds, was convinced by GVSU President Arend Lubbers that the project was worthwhile.

"Most campuses have a place like that and Grand Valley didn't," Cook says. The school has "young people coming from all walks of life, all different religions. It had three chaplains on campus and no place for them," Cook says. Plus the college needed an auditorium for small gatherings, he says.

The center adds "a very personal building to the campus," Lubbers says. "It's a place dedicated to making the quality of life on our campus superior for our students . . . It's going to be a place of great music making."

Some of that music making is scheduled to take place from 11 a.m. to 2 p.m. Tuesday. At 11 a.m., math and computer science professor Phil Pratt will give an organ recital; at 11:30 a.m., the GVSU Madrigal Ensemble will perform; at noon, the Twisted Mime Company Ensemble will be featured; at 12:30 p.m., "A Sunday Sermon"—a comic monologue will be presented by Roger Ellis, associate professor of communications; at 1 p.m., the GVSU Faculty Woodwind Quintet will play; and at 1:30 p.m., the GVSU Chamber Orchestra will be conducted by Lee Copenhaver, assistant professor of music.

So Marve DeWitt, and his lovely wife Jerene, are committed to their community. As the above article notes, the DeWitt family is an example of hard working, dedicated folks who take seriously their responsibility to their neighbors—to the folks who helped them achieve their slice of life. The DeWitt story is worth reading, because it not only indicates that a sound work ethic is rewarding, but because it tells that, even when faced with getting his slice, Marve DeWitt, and his family, considered the long-term impact on his community—he allowed the hook of family and community service to influence the future. The story of BilMar, Mr. Turkey, and the Sara Lee Co. is worth a minute of our time and I offer it for my colleagues review:

FAMILY MARKS 50 YEARS AT BILMAR, A FIRM THEY RUN, BUT NO LONGER OWN

(By Nancy Crawley)

BORCULO.—A semi-truck filled with live turkeys overturns on an icy road several miles from BilMar Foods Inc. The news sparks a family debate in BilMar's executive suite.

Jack DeWitt, chief operating officer, and his father, Marve DeWitt, chairman, suspend their interview with a reporter to discuss the routes being taken by trucks rolling in and out of the huge turkey processing plant here.

Many top executives of a $275 million-per-year business might not get involved in such details. But the DeWitt family that founded BilMar believes in hands-on management—from raising the turkeys to making sure Mr. Turkey hotdogs show up at grocery stores on time.

"People who see me will wonder if I'm all dressed up just for my interview," says Marve DeWitt, 67, who is wearing a coat and tie. "I'm usually dressed for work."

But this interview is special. The DeWitt family is celebrating the 50th birthday of their business in 1988. The chairman has rummaged through the files and found old advertisements, a typewritten history of the company, and step-by-step instructions on how to kill and dress a turkey.

"We should have kept more of these things, but we were too busy," he says, passing them around.

Marve DeWitt and his brother, William DeWitt, 74, raised their first turkeys in 1938 on their parents' farm—the same 160 acres along 96th Avenue four miles north of Zeeland, where the company has its processing plant today. In fact, William DeWitt still lives on the property.

Now, three generations of DeWitts, including Marve's five sons, work at the company. In all, the company has 1,600 employees in Borculo and another 600 around the country.

But after 49 years, the DeWitts no longer own BilMar. Last may, it was sold in a merger with the Chicago-based conglomerate Sara Lee Corp. in hopes that such a big company could help BilMar grow and, in particular, expand Mr. Turkey into a national brand.

When the offer was made, "we called the family together" to talk about it, Marve DeWitt says. What sold them was Sara Lee's other acquisitions.

"They have a history of buying family businesses, like Hillshire Farms and Jimmy Dean sausages. We checked them out and we were told they allow you to run the business," Jack DeWitt recalls.

"We already had plans to expand, we always have. But we'll probably expand a lot faster now," he says. Indeed, the company has grown at a fast clip. In 1976, for example, its sales were $25 million. In 1987, sales approached $275 million.

Its Borculo plant covers 14 acres under one roof—"about the size of 13 football fields," the company says. In all, BilMar owns 5,000 acres in Michigan for raising turkeys and grain. It also owns turkey farms and plants in Iowa and Ohio.

Here, the company raises 3.5 million turkeys a year and processes more than 15,000 turkeys a day. Another 3 million gobblers are raised in Iowa and 1 million a year are processed in Ohio.

But 50 years ago, the DeWitt brothers were young men and all they knew about turkeys was their parents had tried to raise a few with little success. "They were always a problem," Marve DeWitt recalls.

Nonetheless, the brothers, then 18 and 24 and looking for a livelihood, bought 17 turkeys in Holland and put themselves in the poultry business.

But the business, then called Bill & Marve's Turkey Farm, was seasonal: they sold most turkeys at Thanksgiving, and only a few at Christmas and Easter. So they grew pickles and sugar beets on the side.

After World War II, the brothers added a hatchery business. "There were once 43 hatcheries in the Zeeland and Holland areas, but now there are only two left. When the chicken business got big, the industry moved South," he says.

It was during the 1960s that the second generation joined the business, including Gary DeWitt, now BilMar's president and chief executive officer, and his brother Don DeWitt, vice president of farms, and Jack DeWitt and William DeWitt Jr. Later would come Merle, Keith and Ray Dewitt.

In 1958, the once-cyclical business moved into year-round production when the company built a U.S.-government-inspected plant so it could ship across the country.

It was a strategic move. In a few years, the government began requiring that companies operate only in government-inspected plants. "There were 25 to 30 processing plants in Michigan in the '50s and early '60s. But a lot of them dropped out" when they had to meet the government's standards, Marve DeWitt recalls. "Now, we're the only one left" in Michigan.

In the 1960s, BilMar moved away from selling whole birds into a new trend coming out of the East, boneless turkey rolls, cold cuts and franks. "It was the start of the era of the convenience food," Jack DeWitt says.

In the 1970s, airlines became big business for BilMar which now sells more than 10 million dinners a year to companies such as United, American, Eastern and Northwestern. Out of Bilmar's kitchens came other dinners for the institutional markets, such as chicken stuffed with wild rice, beef stew and chicken ala king.

BilMar followed the convenience trend with lunch meats and pre-cooked hams and turkeys for the retail market in the '70s. But it wasn't until 1976 that an ad company came up with the character in top hat, white gloves and cane—Mr. Turkey.

"We'd been in retail as little as possible. In institutional sales, we could ask for a higher price because we had a better product and restaurants knew it. But it doesn't work that way in retail which is much more competitive," Jack DeWitt says.

Until Mr. Turkey's debut, BilMar's retail sales were only 10 percent of its sales. Now retail has grown to 40 percent as health-conscious Americans demand more turkey and less red meat. "The doctors did our selling for us," Marve DeWitt chuckles.

Two years ago, BilMar introduced a line of pre-cooked, vacuum-packed turkey, steaks and beef roasts under the DeWitt's Table Ready Meats label. They have had a slow start and are still in the early marketing stage.

In 1984, disaster struck. On a September night, Marve DeWitt was asleep in his ranch house on the BilMar grounds. A youngster knocked on the door and told him there was a small fire in the plant and did he want to know? He did and he didn't.

That small fire near the frying vats burst into a nightmarish inferno that 150 firefighters from 10 fire departments battled through the night. When it was out, the fire had consumed 90 percent of BilMar's production capacity and left the company crippled with $35 million in damages.

The devastation was so complete, the company could have closed up and quit, Marve DeWitt says. But it didn't. Within days, BilMar had help from competitors who offered BilMar space for processing. Eventually, BilMar was churning out products in 18 locations from Wichita to Philadelphia.

In six weeks time, construction had started on a new plant. In less than a year, BilMar matched its pre-fire production of 2.3 million pounds of food production a week.

Looking for a silver lining in the catastrophe, Marve DeWitt says in May 1985 that the family viewed the fire as an opportunity to build a better plant. And they did.

Now, with the backing of Sara Lee, the company sees a bright future ahead as Americans keep slicing into more turkey than ever.

"We've had three good years," Marve DeWitt says. "This past year, the industry raised 20 percent more turkeys and we consumed it all—that's a tremendous increase."

So Marve DeWitt is truly an individual, and a part of a family, which is committed to the community and to sharing of itself. And I'm so glad that he's a Republican—because whether he's been hooked into a new arts center for a local college, or has his slice of life from hard work and dedication to his community, he's a straight shooter on the values that we Republicans hold dear and has made that commitment into a lifetime of service to the GOP. This spring the Ottawa County Republican Party will honor Marve for his service. Fittingly, the event will take place in the Cook-DeWitt Center and I am proud to be a part of it. As my colleagues have noted, no one is more deserving, and I am honored to have this opportunity to bring Marve DeWitt, his wife, Jerene, and the story of his service and dedication to their attention.

HONORING JAMES DOOLEY

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. ENGEL. Mr. Speaker, the week of February 10 is Hospitalized Veterans Week, where we take the time to remember the men and women who have sacrificed so much for their country. It is also the time when we pay tribute to the doctors, nurses, and administrators who dedicate their time and energy to caring for our hospitalized veterans.

One such administrator is James Dooley, the director of the Kingsbridge Veterans Hospital in Bronx, NY. Many of my constituents receive excellent health care at the hospital, mainly because James Dooley strives to operate the finest institution possible. In particular, the hospitalized veterans receive the care and respect they deserve.

Our great Nation is stronger because of the efforts put forth by our veterans, and because of people like James Dooley and his staff who so ably support them.

ARMENIANS IN NAGORNO-KARABAGH

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. CAMPBELL of California. Mr. Speaker, the situation for the Armenians in Nagorno-Karabagh has steadily worsened since the formation of the Commonwealth of Independent States. In recent weeks, some 25,000 units of the newly organized Azerbaijani national army have massed outside of the Armenian villages and towns of Nagorno-Karabagh and have launched an artillery barrage on the area's capital, Stepanakert. Many Nagorno Armenians have been killed, including a member of Armenia's Parliament, Vigen Shirinyan, who was on an official factfinding tour of the region. These Azerbaijani troops are not just equipped with basic weaponry. They have many sophisticated tanks and munitions that were seized from the retreating Soviet military. The Azerbaijani forces have just acquired a powerful destructive weapon, the grad missile launcher [BM21], which could decimate Nagorno-Karabagh and threatens to dramatically escalate the violence in the region.

This gross asymmetry in arms and military forces in favor of the Azerbaijanis, coupled with the Azeri Defense Ministry's orders to expand their policy of slow strangulation, leaves the Karabagh Armenians more vulnerable each day. They are virtually isolated from the Western World—the region is quite mountainous making access very difficult. Their stories therefore go untold. If nothing is done, many more deaths could occur.

It is time for the world community to come together to end this political, economic, and cultural suppression. The Republic of Armenia and the legislature of the Republic of Mountainous Karabagh have appealed to international leaders and the United Nations for support and assistance. To aid in that goal, I am introducing bipartisan legislation today that urges the President to request for a U.N. peacekeeping force in Nagorno-Karabagh. The United Nations has deployed troops in a successful manner in similar situations, and can help once again by playing a constructive role in bringing peace to this war torn region of the world. My distinguished colleague from Utah, Congressman WAYNE OWENS, has taken an outstanding leadership role on this issue and is joining me as an original cosponsor of the bill. He has also introduced a measure which imposes trade sanctions on Azerbaijan, and I urge my colleagues to support his bill so we can end this unjust persecution of the population of Nagorno-Karabagh.

Mr. Speaker, we do not live in a ideal world, but we must stand up for basic, fundamental human rights and the right of self-determination. I hope my legislation will aid toward restoring these rights to the Armenians living in Nagorno-Karabagh; it could be our only chance.

MSGR. ANDREW J. McGOWAN HONORED AS PERSON OF THE YEAR

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. KANJORSKI. Mr. Speaker, I am pleased to pay tribute today to my personal friend, Msgr. Andrew J. McGowan. His name has become synonymous with community service in northeastern Pennsylvania.

Although Monsignor McGowan serves officially as the director of community relations for Mercy Hospital in Scranton, his presence and leadership are felt throughout Pennsylvania. He is an active member of many boards of directors. A short list includes: chair of the Hospital Association of Pennsylvania; Kirby Center for the Performing Arts, Wilkes-Barre; Economic Development Council of Northeastern Pennsylvania; Committee on Economic Growth; Hanover Bank; Leadership Lackawanna; Scranton Foundation; Northeastern PA Boy Scout Council.

Monsignor McGowan has an interest in almost every facet of our community and there seems to be no boundaries to his depth of knowledge and strength of commitment. He serves on the boards of seven colleges and universities, and eight health care facilities and agencies.

While Monsignor McGowan has dedicated his life to his vocation, his service to his fellow man is ecumenical. This is especially evident this year, as the S.J. Strauss Lodge of the B'nai B'rith honors Monsignor McGowan as their person of the year. I am proud to be a part of this fitting tribute.

If the Monsignor were not the honoree at this distinguished event, he would probably have been asked to be its toastmaster. Famous for his charm and wit, Monsignor McGowan has become the toastmaster general of northeastern Pennsylvania. When an invitation lists him as master of ceremonies, the room is sure to be filled and the event is certain to be a success. There are few personalities who can equal Monsignor McGowan, in fact, he has been known to stop even humorist Mark Russell in this tracks with his keen repartee.

Mr. Speaker, it is my pleasure to join with the S.J. Strauss Lodge of the B'nai B'rith in honoring this eminent humanitarian. We, in northeastern Pennsylvania, are most fortunate to have Msgr. Andrew J. McGowan among us.

IN HONOR OF LITHUANIAN INDEPENDENCE

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. VISCLOSKY. Mr. Speaker, it is with special pleasure that I rise today to commemorate Lithuanian independence. One year ago we commemorated the 73d anniversary of the Proclamation of Independence for Lithuania, and prayed for its realization.

Today, after centuries of struggle, it is heartwarming to know that this proud nation has finally achieved its cherished independence. On September 2, 1991, the United States granted Lithuania full diplomatic recognition, and 4 days later Lithuania's independence was officially recognized by a crumbling Soviet Union.

As we honor this hard-fought Lithuanian independence, I would like to recognize the hard work and dedication of the Lithuanian-American Council of Lake County, IN, and the East Chicago, IN, chapter of the Lithuanian-American Community of the U.S.A., Inc.

In particular, I would like to salute efforts of the officers and directors of these fine organizations: Vincent J. Gumulauskis, Peter D. Auksel, Casimir Balt, Birute Vilutis, Walter Ruzga, Reverend Ignatius Urbonas, Aleksas Degutis, Alex Navardauskas, Dan Pauls, Frank Petriles, Brone Tampauskas, Izidorius Tavaras, Joe Neverauskas, Vlade Damasius, Roma Dambruskas, and Sofija Holiusas.

Lithuanian-Americans maintain a strong and vital presence in Northwest Indiana, and these and other individuals have worked tirelessly over the years to keep our hope alive that one day Lithuania would finally achieve the independence it has so long deserved.

I also want to convey my sincere sympathies to the families of those who were killed in last year's bloody crackdown in Vilnius, as well as all those who lost their lives during the course of this noble battle. We now know that their ultimate sacrifice was not in vain.

DRUGSTORE OF ILLICIT DRUGS

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute to Chief Robert Sasso and the entire Central Falls, RI, Police Department, which on February 3 raided the house of Felix Anthony Ovalles. Ovalles had been operating what was described as a virtual drugstore of illicit drugs. What was most appalling was that Ovalles sold and distributed drugs right next to the schoolyard of St. Matthew's-Notre Dame Consolidated School. In fact, students personally witnessed the junkies and the strung-out virtually every day.

Mr. Speaker, the war on drugs continues to be a long and arduous task. It sometimes seems as though the more progress we make in this effort, the more new problems surface.

However frustrating this war is, the Central Falls bust is a bright spot that I did not want to see go unnoticed. In fact, Chief Sasso states that Ovalles' case was the first in which a dealer was dealing in everything from marijuana to cocaine to heroin. Efforts such as that of Central Falls are an encouraging sign that the drug dealers who peddle their poison to our children, breaking up families and communities, had better clean up their act or end up behind bars. I therefore take this opportunity to commend the Central Falls, RI Police Department for their recent success.

RURAL COMMUNITIES HAZARDOUS WASTE INFORMATION ACT

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 11, 1992

Mr. CLINGER. Mr. Speaker, today I am pleased to introduce the Rural Communities Hazardous Waste Information Act with my colleagues Mr. SYNAR, Mr. HOBSON, and Mr. HORTON. This bill provides our rural citizens with information about how a hazardous waste facility may impact their daily lives before the facility is built. In simple terms, this is called good planning.

Our rural communities are often times unfairly burdened with taking society's waste and are frequently targeted for the location of hazardous waste facilities. Hazardous waste is a serious problem and we must address disposal issues. But how many large hazardous waste facilities are built in the middle of a major urban area?

Yet hazardous waste facilities located in our rural communities often have multiple effects—both potential costs as well as benefits. These facilities impact both the social and economic fabric of the community. The intent of this bill is neither to help nor hinder construction of facilities, but to fully examine the impacts prior to decisions made about construction. It would allow citizens to weigh the risks and benefits and debate these issues based upon sound information.

Few rural communities have the resources and expertise to independently identify and evaluate the effects of such a facility on the community. In addition, many rural communities have difficulty getting information. This bill would simply require that an independent contractor approved by the community and the applicant prepare an impact statement that would analyze social and economic impacts, including but not limited to, impacts on employment, recreational amenities and tourism, emergency preparedness, and transportation systems. The study would be conducted within 1 year and would be taken into account when making a decision on an application for a permit. Citizens would have the opportunity to review and study 45 days prior to a public hearing. The costs of the study would be covered by the permit applicant. I should note that in the process of drafting the bill, staffs of other Members of Congress, waste management associations, and State and local groups were consulted.

I was very surprised to find that there is no requirement like this under current law. This seems very basic. In fact, under current law only public hearings are required. In some cases States already collect this information, but it is not disseminated to the community. What good is a public hearing if the public doesn't have any sound information that would allow them to allow them to knowledgeably participate?

Why provide rural impact statements for just hazardous waste? I certainly would have no objections to expanding this bill to cover municipal solid waste as well. However, we generate about 270 million tons of hazardous waste as compared to 180 million tons of municipal waste annually. In addition, at this time, Congress is actively addressing issues related to municipal solid waste and there are bills already introduced which would allow local government input into those decisions.

There are very few proposals in Congress addressing local community concerns about hazardous waste issues. At the same time, the fears are greater about construction of hazardous waste facilities. These fears are not unfounded. Everyone is concerned about hazardous waste accidents. By conducting a rural impact statement, the community would know in advance any changes which may be necessary, for example strengthening emergency preparedness systems or road improvements, prior to a decision on facility construction. We need to get these types of issues out in the open.

Mr. Speaker, I ask that a copy of the legislation be inserted into the RECORD. I urge my fellow Members to seriously consider this bill and look forward to working with members of the Energy and Commerce Committee to see that the bill is included into RCRA reauthorization. This is a bi-partisan issue. If our rural citizens are to assume more than their fair share of society's waste, then at a minimum they need to be treated fairly. The main purpose of this bill is to provide information. At the very least, this is what we owe rural Americans.

SENATE—*Friday, February 14, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 11:00 a.m., on the expiration of the recess, and was called to order by the Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 14, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BURDICK thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate stands in recess until 9:30 a.m. on Tuesday, February 18, 1992.

RECESS UNTIL 9:30 A.M., TUESDAY, FEBRUARY 18, 1992

Thereupon, at 11:01 a.m., the Senate recessed, under the order of Friday, February 7, 1992, until Tuesday, February 18, 1992, at 9:30 a.m.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

HOUSE OF REPRESENTATIVES—*Friday, February 14, 1992*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. SABO].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 13, 1992.

I hereby designate the Honorable MARTIN OLAV SABO to act as Speaker pro tempore on Friday, February 14, 1992.

THOMAS S. FOLEY,
Speaker, House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We offer this our prayer, gracious God, with all the concerns of the day before us—a day for some of problems or opportunities, a day of laughter or tears, a day with all the emotions of the human heart. Yet, O God, with all the things that must be done or undone, we pause to give to You what is above anything else we could ever ask or think and that is a spirit of thanksgiving and gratitude for Your gift of life and the opportunity of this day. As we are the recipients of Your gift of life, may we respond to that free gift with words of kindness, with acts of charity, and with deeds of justice. Bless us this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the Members and the staff please join me in the Pledge of Allegiance.

Mr. SABO led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
February 11, 1992.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 2:54 p.m. on Tuesday, February 11, 1992 and said to contain a message from the President wherein he makes a 6-month periodic report on the national emergency with respect to Iraq.

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

REPORT ON DEVELOPMENTS CONCERNING THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–189)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of July 26, 1991, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a U.S. person. In that order, I also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. I prohibited travel-related transactions and transportation transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724 that I issued in order to align the sanctions imposed by the United States with United Nation Security Council Resolution 661 of August 6, 1990.

1. Since my last report, important and rapid progress has been made in establishing the framework for processing U.S. and other nations' claims against Iraq for damages arising from its unlawful invasion and occupation of Kuwait. The Governing Council of the U.N. Compensation Commission has adopted criteria for various categories of claims, including small and large claims of individuals, claims of corporations, and claims of government and international organizations (including environmental damage and natural resource depletion claims). In addition, the Governing Council agreed to begin expedited consideration of claims of individuals for up to $100,000 as of July 1, 1992, and set July 1, 1993, as the deadline for filing this category of claims with the Commission.

In a claims census conducted by the Treasury Department's Office of Foreign Assets Control (FAC) during the first quarter of 1991 pursuant to section 575.605 of the Iraqi Sanctions Regulations, 31 CFR Part 575 ("ISR"), reports of claims from approximately 1,100 U.S. nationals were received. Included were claims for items such as personal property looted or destroyed in Kuwait, loans or other obligations on which Iraq has defaulted, and lost future business or concession rights. Inasmuch as these claims have not been submitted to a formal claims resolution body, much less adjudicated, their actual aggregate value is not known.

2. FAC has issued 199 specific licenses (51 since my last report) regarding transactions pertaining to Iraq or Iraqi assets. Specific licenses were issued for payment to U.S. or third-country creditors of Iraq, under certain narrowly defined circumstances, for pre-embargo import and export transactions. Additionally, licenses were issued for conducting procedural transactions such as the filing of legal ac-

tions and for legal representation. Pursuant to United Nations Security Council Resolutions 661, 666, and 687, specific licenses were also issued to authorize the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes.

To ensure compliance with the terms of the licenses that have been issued, stringent reporting requirements have been imposed that are closely monitored. Licensed accounts are regularly audited by FAC compliance personnel and by deputized auditors from other regulatory agencies. FAC compliance personnel have also worked closely with both State and Federal bank regulatory and law enforcement agencies in conducting special audits of Iraqi accounts subject to the ISR.

3. Various enforcement actions discussed in previous reports continue to be pursued, and additional investigations of possible violations of the Iraqi sanctions have been initiated. These are intended to deter future activities in violation of the sanctions. Additional civil penalty notices were issued during the reporting period for violations of the IEEPA and ISR with respect to attempted transactions involving Iraq, and substantial penalties were collected.

After investigation by FAC and the U.S. Customs Service, a Virginia corporation and its export director were convicted in U.S. District Court for conspiracy and violations of the ISR. Investigation revealed that the corporation and its export director continued to engage in activities that were in violation of the Executive orders and the ISR after August 2, 1990. The corporation and its export director performed contracts in support of a government industrial project in Iraq, and engaged in prohibited transactions relating to travel by a U.S. person to Iraq. After conviction, the corporation was fined $50,000 and the export director sentenced to 5 months' incarceration, 5 months' supervised work release, and 2 years of supervised release administered by the Department of Justice.

4. The various firms and individuals outside of Iraq in Saddam Hussein's procurement network continue to be investigated for possible inclusion in the FAC listing of individuals and organizations determined to be Specially Designated Nationals ("SDN's") of the Government of Iraq. In practice, an Iraqi SDN is a representative, agent, intermediary, or front (whether open or covert) of the Iraqi government that is located outside of Iraq. Iraqi SDN's are Saddam Hussein's principal instruments for doing business in third countries, and doing business with them is the same as doing business with Saddam Hussein himself.

Since the Iraqi government tends to operate its international fronts as interlocking networks of third-world countries and key individuals, the SDN program is an important tool in disrupting Saddam Hussein's nuclear, military, and technological acquisitions efforts. The impact is considerable: all assets with U.S. jurisdiction of parties found to be Iraqi SDN's are blocked; all economic transactions with SDN's by U.S. persons are prohibited; and the SDN individual or organization is exposed.

5. The expenses incurred by the Federal Government in the 6-month period from August 2, 1991, through February 1, 1992, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are estimated at $2,992,210, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State (particularly in the Bureau of Economic and Business Affairs and the Office of the Legal Adviser), and the Department of Commerce (particularly in the Bureau of Export Administration and the Office of General Counsel).

6. The United States imposed economic sanctions on Iraq in response to Iraq's invasion and illegal occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintain economic sanctions against Iraq because the Iraqi regime has failed to comply fully with binding United Nations Security Council resolutions calling for the elimination of Iraqi weapons of mass destruction, an end to the repression of the Iraqi civilian population, the release of Kuwaiti and other prisoners, and the return of Kuwaiti assets stolen during its illegal occupation of Kuwait. The U.N. sanctions remain in place; the United States will continue to enforce those sanctions.

The Saddam Hussein regime continues to violate basic human rights by repressing the Iraqi civilian population and depriving it of humanitarian assistance. The United Nations Security Council passed resolutions that permit Iraq to sell $1.6 billion of oil under U.N. auspices to fund the provision of food, medicine, and other humanitarian supplies to the people of Iraq. Under the U.N. resolutions, the equitable distribution within Iraq of this assistance would be supervised and monitored by the United Nations and other international organizations. The Iraqi regime has refused to accept these resolutions and has thereby continued to perpetuate the suffering of its civilian population.

The regime of Saddam Hussein continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The United States will therefore continue to apply economic sanctions to deter Iraq from threatening peace and stability in the region, and I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

GEORGE BUSH.

THE WHITE HOUSE, *February 11, 1992*.

REPORT OF THE NATIONAL SCIENCE BOARD ENTITLED "SCIENCE AND ENGINEERING INDICATORS, 1991"—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science, Space, and Technology:

To the Congress of the United States:

Pursuant to 42 U.S.C. 1863(j)(1), I am submitting to the Congress a report of the National Science Board entitled "Science & Engineering Indicators—1991." This report is the 10th in a continuing series examining key aspects of the status of American science and engineering.

The importance of scientific and engineering research to the well-being of our Nation is widely recognized. Science and engineering play a vital role in maintaining our Nation's defense, improving its health, and increasing its economic productivity.

GEORGE BUSH.

THE WHITE HOUSE, *February 14, 1992*.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, and pursuant to the previous order of the House of February 5, 1992, the Chair declares the House adjourned until Tuesday, February 18, 1992.

Accordingly (at 11 o'clock and 5 minutes a.m.), under its previous order, the House adjourned until Tuesday, February 18, 1992, at 12 noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various committees and miscellaneous groups of the United States House of Representatives concerning the foreign currencies used by them for official foreign travel during the third and fourth quarters of 1991, pursuant to Public Law 95–384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to Panama and Mexico, Aug. 4–8, 1991:											
Delegation expenses	8/4	8/6	Panama						832.05		832.05
Visit to Japan, Laos, and Thailand, Sept. 18–23, 1991:											
Delegation expenses	9/30	10/1	Thailand						70.70		70.70
Committee total									902.75		902.75

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Jan. 30, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Marcy Kaptur	12/2	12/4	Japan		487.00						487.00
Military transportation											
Hon. Martin Sabo	11/8	11/12	Norway		843.00						843.00
Military transportation							13,210.12				[3]13,210.12
Robert V. Davis	12/8	12/10	Czechoslovakia		520.00						520.00
	12/10	12/13	Yugoslavia		672.00						672.00
	12/13	12/14	Austria		190.00						190.00
Commercial transportation							6,423.00				6,423.00
John G. Osthaus	11/12	11/15	Italy		927.00						927.00
	11/15	11/19	Germany		1,036.00						1,036.00
	11/19	11/22	Poland		279.00						279.00
Commercial transportation							3,660.70				3,660.70
Edward E. Lombard	11/30	12/3	Germany		672.00						672.00
	12/3	12/6	Austria		657.00						657.00
	12/6	12/10	Switzerland		950.00		128.80				1,078.00
	12/10	12/13	Italy		804.00						804.00
Commercial transportation							5,930.70				5,930.70
Committee total					8,037.00		29,353.32				37,390.32
Appropriations, surveys and investigations staff:											
Richard H. Ash	10/28	11/1	Japan		849.00		3,737.10		83.55		4,669.65
	11/1	11/3	Hong Kong		353.50						353.50
	11/3	11/8	Thailand		708.75						708.75
	12/2	12/7	Korea		807.50		2,492.00		62.00		3,361.50
G. Carter Baird	10/31	11/8	Australia		1,580.00		8,963.00		67.40		10,610.40
	12/7	12/11	Germany		306.25		3,047.73		72.33		3,426.31
Charles T. Booth	12/7	12/15	Germany		1,045.25		3,047.70		49.50		4,142.45
Carroll L. Hauver	10/28	11/1	Japan		849.00		3,737.10		251.95		4,838.05
	11/1	11/3	Hong Kong		353.50						353.50
	11/3	11/8	Thailand		708.75						708.75
	12/2	12/7	Korea		807.50		2,492.00		108.00		3,407.50
William P. Haynes, Jr	10/24	10/30	Japan		827.75		8,508.95		95.85		9,432.55
	10/30	11/2	Guam		474.00						474.00
	11/2	11/8	Australia		1,125.00						1,125.00
Frank T. Lyons	10/24	10/30	Japan		827.75		8,508.95		143.82		9,480.52
	10/30	11/2	Guam		474.00						474.00
	11/2	11/8	Australia		1,125.00						1,125.00
Evan P. Reese	12/7	12/15	Germany		979.75		3,047.70		65.18		4,092.63
Thomas L. Van Derslice	12/2	12/7	Korea		807.50		2,492.00		37.60		3,337.10
R.W. Vandergrift	10/31	11/3	Hong Kong		390.50		7,931.27		350.27		8,672.04
	11/3	11/6	Thailand		418.00						418.00
	11/6	11/8	Australia		444.00						444.00
Thomas F. Ward	12/7	12/15	Germany		985.25		1,831.73		34.00		2,850.98
Vernon Westbrook, Jr	12/7	12/15	Germany		1,093.25		1,831.73		52.70		2,977.68
Kennedy L. Wilson	10/24	10/30	Japan		827.75		8,508.95		88.81		9,425.51
	10/30	11/2	Guam		474.00						474.00
	11/2	11/8	Australia		1,125.00						1,125.00
T. Peter Wyman	10/28	11/1	Japan		849.00		3,737.10		167.90		4,754.00
	11/1	11/3	Hong Kong		353.50						353.50
	11/3	11/8	Thailand		708.75						708.75
	12/2	12/7	Korea		807.50		2,492.00		53.92		3,353.42
Committee total					23,486.25		76,407.01		1,784.78		101,678.04

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military transportation.

JAMIE WHITTEN, Chairman, Jan. 31, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or Employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to Spain, Oct. 18–22, 1991:											
Hon. Norman Sisisky	10/18	10/21	Spain		1,020.00						1,020,00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991—Continued

Name of Member or Employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Commercial airfare							2,974.00				2,974.00
Hon. Floyd Spence	10/18	10/22	Spain		1,275.00						1,275.00
Hon. Richard Ray	10/18	10/22	Spain		1,275.00						1,275.00
Hon. Herbert H. Bateman	10/18	10/22	Spain		1,275.00						1,275.00
Hon. James H. Bilbray	10/18	10/22	Spain		1,275.00						1,275.00
Hon. Joel Hefley	10/18	10/22	Spain		1,275.00						1,275.00
Mr. Ronald J. Bartek	10/18	10/22	Spain		1,275.00						1,275.00
Ms. Georgia C. Osterman	10/18	10/22	Spain		1,275.00						1,275.00
Ms. Evelyn J. Mackrella	10/18	10/22	Spain		1,275.00						1,275.00
Visit to Philippines, Malaysia, Thailand, Indonesia, Brunei, Korea, Nov. 27–Dec. 8, 1991:											
Hon. William L. Dickinson	11/27	11/29	Philippines		364.00						364.00
	11/29	12/1	Malaysia		348.00						348.00
	12/1	12/3	Thailand		426.00						426.00
	12/3	12/5	Indonesia		398.00						398.00
	12/5	12/6	Brunei		236.00						236.00
	12/6	12/8	Korea		484.00						484.00
Hon. Solomon P. Ortiz	11/27	11/29	Philippines		364.00						364.00
	11/29	12/1	Malaysia		348.00						348.00
	12/1	12/3	Thailand		426.00						426.00
	12/3	12/5	Indonesia		398.00						398.00
	12/5	12/6	Brunei		236.00						236.00
	12/6	12/8	Korea		484.00						484.00
Hon. Owen B. Pickett	11/27	11/29	Philippines		364.00						364.00
	1/29	12/1	Malaysia		348.00						348.00
	12/1	12/3	Thailand		426.00						426.00
	12/3	12/5	Indonesia		398.00						398.00
	12/5	12/6	Brunei		236.00						236.00
	12/6	12/8	Korea		484.00						484.00
Hon. Ben Blaz	11/27	11/29	Philippines		364.00				38.00		402.00
	11/29	12/1	Malaysia		348.00						348.00
	12/1	12/3	Thailand		426.00						426.00
	12/3	12/5	Indonesia		398.00				79.50		477.50
	12/5	12/6	Brunei		236.00				8.40		244.40
	12/6	12/8	Korea		484.00						484.00
Mr. Peter M. Steffes	11/27	11/29	Philippines		364.00						364.00
	11/29	12/1	Malaysia		348.00						348.00
	12/1	12/3	Thailand		426.00						426.00
	12/3	12/5	Indonesia		398.00						398.00
	12/5	12/6	Brunei		236.00						236.00
	12/6	12/8	Korea		484.00						484.00
Mr. Steven A. Thompson	11/27	11/29	Philippines		364.00						364.00
	11/29	12/1	Malaysia		348.00						348.00
	12/1	12/3	Thailand		426.00						426.00
	12/3	12/5	Indonesia		398.00						398.00
	12/5	12/6	Brunei		236.00						236.00
	12/6	12/8	Korea		484.00						484.00
Mr. Henry J. Schweiter	11/27	11/29	Philippines		364.00						364.00
	11/29	12/1	Malaysia		348.00						348.00
	12/1	12/3	Thailand		426.00						426.00
	12/3	12/5	Indonesia		398.00						398.00
	12/5	12/6	Brunei		236.00						236.00
	12/6	12/8	Korea		484.00						484.00
Mr. Wade H. Heck	11/27	11/29	Philippines		364.00						364.00
	11/29	12/1	Malaysia		348.00						348.00
	12/1	12/3	Thailand		426.00						426.00
	12/3	12/5	Indonesia		398.00						398.00
	12/5	12/6	Brunei		236.00						236.00
	12/6	12/8	Korea		484.00						484.00
Delegation expenses	11/29	12/1	Malaysia				1,126.00		1,099.00		2,225.00
Visit to Bahamas, Dec. 9–12, 1991:											
Mr. Robert E. Schafer	12/9	12/9	Bahamas		2.50						2.50
	12/11	12/12	Bahamas		8.50						8.50
Visit to Cuba, Dec. 11–13, 1991:											
Mr. Williston B. Cofer, Jr.	12/11	12/12	Cuba		94.40						94.40
Mr. Stephen O. Rossetti	12/11	12/12	Cuba		90.70						90.70
Mr. Jean D. Reed	12/11	12/12	Cuba		94.29						94.29
Committee total					29,558.39		4,100.00		1,224.90		34,883.29

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[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Earl Rieger	10/12	10/18	Bangkok, Thailand		1,764.09		1,530.00		70.36		3,364.45
John Hardage	10/12	10/17	Bangkok, Thailand		1,470.07		1,530.00		70.36		3,070.43
Timothy Aiken	10/12	10/18	Bangkok, Thailand		1,610.49		1,530.00		70.36		3,210.85
Maureen Nagle	10/12	10/18	Bangkok, Thailand		1,164.09		1,530.00		70.36		2,764.45
Kathleen Sullivan	10/12	10/18	Bangkok, Thailand		1,164.09		1,530.00		70.36		2,764.45
Ann McCormick	10/12	10/18	Bangkok, Thailand		1,764.09		1,530.00		70.36		3,364.45
Michael Deagle	10/14	10/18	Bangkok, Thailand		882.04		1,530.00		70.36		2,482.40
Duncan Haggert	10/14	10/18	Bangkok, Thailand		882.04		1,530.00		70.36		2,482.40
Jan Shinpock	10/16	10/18	Bangkok, Thailand		294.00		2,144.00		70.36		2,508.36
Committee total					10,995.00		14,384.00		633.24		26,012.24

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[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

HENRY GONZALEZ, Chairman, Jan. 28, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
John Ridgeway Multop	10/12	10/18	Thailand		1,764.00		1,530.00		70.36		3,364.36
Joe Kennedy	10/11	10/18	Thailand		1,764.00		1,530.00		70.36		3,364.36
Joan Kois Woodward	10/11	10/18	Thailand		1,764.00		1,530.00		70.36		3,364.36
Committee total					5,292.00		4,590.00		211.08		10,093.08

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LEON PANETTA, Chairman, Jan. 29, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem**		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	*U.S. dollar equivalent or U.S. currency	Foreign currency	*U.S. dollar equivalent or U.S. currency	Foreign currency	*U.S. dollar equivalent or U.S. currency	Foreign currency	*U.S. dollar equivalent or U.S. currency
P. Abbruzzese	10/18	10/22	Spain		1,275.00						1,275.00
Commercial transportation							1,843.00				1,843.00
Military transportation											
Hon. D. Bereuter	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
S. Biegun	12/12	12/14	Spain		526.00						526.00
Commercial transportation							3,220.00				3,220.00
N. Bloomer	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
J.J. Brady	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
M.J. Camp	11/18	11/22	Senegal		1,070.00						1,070.00
Commercial transportation							6,434.60				6,434.60
F.M. Chambers	12/2	12/4	Venezuela		338.00						338.00
	12/4	12/11	Suriname		1,200.00						1,200.00
	12/11	12/13	Trinidad		250.00						250.00
Commercial transportation							2,015.00				2,015.00
Hon. M. Dymally	11/28	12/2	Nigeria		300.00						300.00
	12/3	12/4	Algeria		375.00						375.00
	12/5	12/6	Franch		165.00						165.00
	12/7	12/9	Japan		723.00						723.00
	12/9	12/10	Korea		484.00						484.00
	12/11	12/13	Japan		787.00						787.00
Commercial transportation							7,733.80				7,733.80
M. Ennis	10/18	19/21	Spain		1,020.00						1,020.00
Military transportation											
Hon. E. Faleomavaega	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
	10/25	10/28	New Zealand		744.00						744.00
Commercial transportation							4,774.00				4,774.00
Hon. D. Fascell	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
R.M. Finley	12/2	12/4	Austria		438.00						438.00
	12/4	12/6	France		506.00						506.00
Commercial transportation							4,549.90				4,549.90
B.A. Ford	12/2	12/4	Venezuela		338.00						338.00
	12/4	12/11	Suriname		1,200.00						1,200.00
	12/11	12/13	Trinidad		250.00						250.00
Commercial transportation							2,015.00				2,015.00
Hon. J. Fuster	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
R. Hathaway	10/11	10/13	Peru		594.00						594.00
	10/13	10/15	Colombia		[3]130.00						130.00
Military transportation											
G. Ingram	11/27	11/28	England		230.00		110.00				340.00
	11/28	12/1	France		430.00						430.00
Commercial transportation							5,227.90				5,227.90
V. Johnson	10/10	10/13	Peru		[3]474.00						474.00
	10/13	10/15	Columbia		[3]214.00						214.00
Commercial transportation, one-way							1,348.00				1,348.00
Military transportation, one-way											
	12/7	12/10	Brazil		462.00						462.00
Commercial transportation							4,814.00				4,814.00
C. Kojm	12/1	12/3	Kuwait								
	12/3	12/5	Saudi Arabia					420.00		21.22	441.22
	12/5	12/7	Bahrain		150.00						150.00
	12/7	12/8	Qatar								
	12/8	12/10	Unite Arab Emirates		324.50						324.50
	12/9	12/11	Oman		142.00						142.00
	12/12	12/13	England		280.00						280.00
Commercial transportation							7,490.00				7,490.00
Hon. R. Lagomarsino	10/11	10/13	Peru		150.00						150.00
	10/13	10/15	Colombia		294.00						294.00
Military transportation											
J. McCormick	12/10	12/15	Japan		1,696.00		100.89				1,769.89
	12/15	12/18	Korea		726.00						726.00
	12/18	12/22	Thailand		852.00						852.00
Commercial transportation							3,612.00				3,612.00
M. Murray	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
K. Nakamura	12/10	12/15	Japan		1,696.00		100.89				1,796.89
	12/15	12/18	Korea		726.00						726.00
	12/18	12/22	Thailand		852.00						852.00
Commercial transportation							3,612.00				3,612.00
R.S. Oliver	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
	12/12	12/14	Spain		526.00						526.00
Commercial transportation							3,220.00				3,220.00
B. Paolo	12/2	12/9	Algeria		750.00						750.00
	12/9	12/11	Tunisia		327.50						327.50
	12/11	12/12	Italy		168.00						168.00
Commercial transportation							4,605.90				4,605.90
M. Poloyac	12/1	12/3	Kuwait								

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991—Continued

Name of Member or employee	Date		Country	Per diem**		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	*U.S. dollar equivalent or U.S. currency	Foreign currency	*U.S. dollar equivalent or U.S. currency	Foreign currency	*U.S. dollar equivalent or U.S. currency	Foreign currency	*U.S. dollar equivalent or U.S. currency
	12/3	12/5	Saudi Arabia		420.00				21.22		441.22
	12/5	12/7	Bahrain		150.00						150.00
	12/7	12/8	Qatar		96.18						96.18
	12/8	12/10	United Arab Emirates		324.50						324.50
	12/9	12/11	Oman		142.00						142.00
	12/12	12/13	England		280.00						280.00
							7,490.00				7,490.00
P. Ravalgi	12/2	12/5	Thailand		852.00						852.00
	12/6	12/7	Laos								
	12/7	12/9	Vietnam								
	12/8	12/10	Hong Kong		504.00						504.00
Commercial transportation							2,871.70				2,871.70
A. Roberts	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
S. Roth	12/16	12/17	Hong Kong		252.00						252.00
	12/17	12/19	North Korea		500.00						500.00
	12/20	12/21	Japan		186.00						186.00
	12/21	12/23	South Korea		484.00						484.00
Commercial transportation							4,848.00				4,848.00
R. Scheunemann	11/13	11/19	El Salvador		544.00						544.00
Commercial transportation							1,128.00				1,128.00
D. Schlieker	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
M. Sletzinger	12/12	12/14	Spain		526.00						526.00
Commercial transportation							3,220.00				3,220.00
Hon. S.J. Solarz	10/11	10/13	Peru		150.00						150.00
	10/13	10/15	Colombia		294.00						294.00
Military transportation											
	12/16	12/17	Hong Kong		252.00						252.00
	12/17	12/17	China								
	12/17	12/19	North Korea		500.00						500.00
	12/30	12/21	Japan		186.00						186.00
	12/21	12/23	South Korea		484.00						484.00
	12/23	12/24	Thailand		75.00						75.00
Commercial transportation							9.275.60				9,275.00
I. Spalatin	12/10	12/12	Switzerland		442.00						442.00
Commercial transportation							2,828.00				2,828.00
M. Travlarides	12/2	12/4	Austria		438.00						438.00
	12/4	12/6	France		506.00						506.00
Commercial transportation							5,701.90				5,701.90
Hon. R. Torricelli	10/11	10/13	Peru		150.00						150.00
	10/13	10/15	Columbia		294.00						294.00
Military transportation											
	12/7	12/10	Brazil		462.00						462.00
Commercial transportation							4,655.00				4,655.00
M. Van Dusen	12/1	12/3	Kuwait								
	12/3	12/5	Saudi Arabia		420.00				21.22		441.22
	12/5	12/7	Bahrain		150.00						150.00
	12/7	12/8	Qatar		[3]85.24						85.24
	12/8	12/10	United Arab Emirates		324.50						324.50
	12/9	12/11	Oman		142.00						142.00
	12/12	12/13	England		280.00						280.00
Commercial transportation							7,490.00				7,490.00
R. Wilson	12/1	12/3	Kuwait								
	12/3	12/5	Saudi Arabia		420.00				21.22		441.22
	12/5	12/7	Bahrain		150.00						150.00
	12/7	12/8	Qatar		96.18						96.18
	12/8	12/10	United Arab Emirates		324.50						324.50
	12/10	12/11	Oman		142.00						142.00
	12/11	12/16	Egypt		935.00						935.00
Commercial transportation							7,764.70				7,764.70
J. Weber	10/18	10/21	Spain		1,020.00						1,020.00
Military transportation											
P. Weir	10/11	10/13	Peru		[3]505.00						505.00
	10/13	10/15	Colombia		[3]164.00						164.00
Military transportation											
	12/7	12/10	Brazil		[3]447.00						447.00
Commercial transportation							4,814.00				4,814.00
Hon. E. Faleomavaega	12/18	12/22	Taiwan		1,394.50				613.00		2,007.50
Commercial transportation							5,098.00				5,098.00
Grand total for 4th quarter											186,006.26

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refunds of unused per diem.

DANTE B. FASCELL, Jan. 31, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
James K. McCallum	11/9	11/16	Spain	148,881	1,435.00		[3]3,220.00				4,655.00
Charles O. Moore	12/14	12/21	Switzerland	1,849.80	1,326.00		[3]1,828.00				3,154.00
Jeffrey R. Pike	11/11	11/13	Spain	63,806	[4]503.00		3,220.00				3,723.00
Committee total					3,264.00		8,268.00				11,532.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Commercial airfare.
[4] Traveler returned $112 to U.S. Treasury upon return.

WALTER B. JONES, Chairman, Jan. 22, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Ben Jones	11/08	11/12	Norway		843.00						843.00
Hon. Helen Delich Bentley	11/08	11/11	Norway		562.00		[3] 1,107.00				1,669.00
Committee total					1,405.00		1,107.00				2,512.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military and commercial transportation.

ROBERT A. ROE, Chairman, Jan. 31, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Richard M. Obermann	10/6	10/13	Canada		1,550.41				570.00		2,120.41
Commercial air							277.70				277.70
Harry S. Dawson, Jr	11/12	11/14	French Guiana		500.00						500.00
NASA transportation											
Hon. George E. Brown, Jr	12/11	12/18	Israel		1,200.00						1,200.00
Commercial air							1,770.00				1,770.00
Michael D. Quear	12/11	12/18	Israel		1,200.00						1,200.00
Commercial air							1,770.00				1,770.00
Committee total					4,450.41		3,817.70		570.00		8,838.11

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

GEORGE E. BROWN, Jr., Chairman, Jan. 30, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Thelma Askey	12/8	12/12	Switzerland	1,564.70	1,105.70						1,105.00
	12/12	12/14	Great Britain	464.40	840.00						840.00
Commercial transportation							2,897.00				2,897.00
Franklin Phifer, Jr	11/19	11/20	Canada		271.61		388.00				659.61
Joanna Shelton	10/28	11/1	Switzerland	6,588.00	1,052.00		3,268.00				4,320.00
George Weise	12/16	12/20	Switzerland	1,238.90	884.00		2,548.00				3,432.00
Mary Jane Wignot	12/7	12/15	Switzerland	2,190.60	1,547.00		3,268.00				4,815.00
Bruce Wilson	11/13	11/22	Switzerland	2,874.15	1,989.00		3,268.00				5,257.00
Committee total					7,688.61		15,637.00				23,325.61

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, CHAIRMAN, JAN. 22, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Patricia Carley		12/26	United States				4,605.80				4,605.80
	12/27	1/4	Uzbekistan		465.00						465.00
Orest Deychakiwsky		11/28	United States				3,513.50				3,513.50
	11/29	12/7	U.S.S.R		450.00		44.50				494.50
David Evans		11/1	United States				2,630.00				2,630.00
	11/3	11/17	Norway		3,003.00				327.85		3,330.85
John Finerty		10/11	United States				4,057.80				4,057.80
	10/12	10/17	U.S.S.R		1,615.00						1,615.00
	10/17	10/18	France		185.00						185.00
		12/3	United States				3,509.80				3,509.80
	12/4	12/11	U.S.S.R		600.00						600.00
Mary Sue Hafner		11/8	United States				(3)				
	11/9	11/12	Norway		843.00						843.00
Hon. Steny Hoyer		11/8	United States				(3)				
	11/9	11/12	Norway		843.00						843.00
Heather Hurlburt		10/6	United States				1,854.10				1,854.10
	10/7	10/20	Austria		2,428.15						2,428.15
	10/21	10/24	Czechoslovakia		630.00						630.00
		11/5	United States				3,403.10				3,403.10
	11/6	11/28	Austria		3,055.80		1,621.55				4,677.35
	11/28	12/3	U.S.S.R		459.00						459.00
	12/3	12/8	Austria		845.00						845.00
	12/8	12/12	Czechoslovakia		840.00						840.00
	12/12	12/18	Austria		120.70						120.70
Jesse Jacobs			United States				(3)				
			Norway		843.00						843.00
Jeanne McNaughton		10/31	United States				2,336.50				2,336.50
	11/3	11/16	Norway		3,003.00		102.00				3,105.00
Michael Ochs			United States				3,636.00				3,636.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
			U.S.S.R		266.75						266.75
		11/28	United States				3,373.40				3,373.40
	11/29	12/8	U.S.S.R		650.00				45.78		695.78
		12/26	United States				4,605.80				4,605.80
	12/27	1/4	Uzbekistan		500.00						500.00
R. Spencer Oliver		11/8	United States				(3)				
	11/9	11/12	Norway		843.00						843.00
Erika Schlager		11/1	United States				2,489.00				2,489.00
	11/2	11/15	Norway		3,003.00						3,003.00
Samuel Wise		10/20	United States				1,854.10				1,854.10
	10/21	10/25	Czechoslovakia		1,040.00						1,040.00
		11/8	United States				(3)				
	11/9	11/12	Norway		843.00						843.00
Committee total					27,374.40		43,636.95		373.63		71,384.98

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military aircraft.

STENY H. HOYER, Chairman, Jan. 31, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Louis H. Dupart, staff	12/9	12/11	South America		225.00						225.00
Committee total					225.00						225.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAVE McCURDY, Chairman, Jan. 29, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, 86TH INTERPARLIAMENTARY UNION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 4 AND OCT. 11, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Elizabeth Davidson	10/4	10/11	Chile		956.67				[3]12.50		969.17
Commercial round trip Washington/Chile/Washington.							2,661.00				2,661.00
Deborah Burns	10/4	10/10	Chile		632.24				[3]12.50		644.74
Commercial round trip Washington/Chile/Washington.							3,266.00				3,266.00
Charles O'Regan	10/4	10/11	Chile		939.28				[3]12.50		951.78
Commercial round trip Washington/Chile/Washington.							2,661.00				2,661.00
Committee total					2,528.19		8,588.00		37.50		11,153,69

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Airport departure tax, Chile.

DANTE B. FASCELL, Chairman, Feb. 5, 1992.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[Omitted from the Record of February 11, 1991]

2801. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescessions and deferrals of budget authority as of February 1, 1992, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 102–186); to the Committee on Appropriations and ordered to be printed.

2802. A letter from the Assistant Secretary of Defense (Installations), transmitting a report on the extent of contractor performance of commercial and industrial functions during fiscal year 1991, pursuant to 10 U.S.C. 2304 note; to the Committee on Armed Services.

2803. A letter from the Chairman, National Credit Union Administration, transmitting the annual report on operations and financial information, pursuant to 12 U.S.C. 1752a(d); to the Committee on Banking, Finance and Urban Affairs.

2804. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–150, "D.C. Government Comprehensive Merit Personnel Act of 1978 Council Review Period Temporary Amendment Act of 1992," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on the District of Columbia.

2805. A letter from the National Council on Education Standards and Testing, transmitting the Council's final report covering the period from June 27, 1991 to January 15, 1991, pursuant to Public Law 102–62, section 405(a), (b) (105 Stat. 315); to the Committee on Education and Labor.

2806. A letter from the Inspector General, Department of Interior, transmitting a copy of the final audit report of payments, obligations, reimbursements, and other uses of the hazardous substance Superfund for fiscal year 1990, pursuant to 31 U.S.C. 7501 note; to the Committee on Energy and Commerce.

2807. A letter from the Secretary of Energy, transmitting the 16th report on enforcement actions and comprehensive status of Exxon and stripper well oil overcharge funds; to the Committee on Energy and Commerce.

2808. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report documenting the progress which has been made concerning the release of political prisoners in South Africa, pursuant to 22 U.S.C. 5061(b); to the Committee on Foreign Affairs.

2809. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the annual report containing an analysis and description of services performed by full-time USG employees during fiscal year 1991, pursuant to 22 U.S.C. 2765(a); to the Committee on Foreign Affairs.

2810. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the annual estimate and justification for arms sales program as of September 1991, pursuant to 22 U.S.C. 2765(a); to the Committee on Foreign Affairs.

2811. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notice that the report on the assistance related to international terrorism which was provided to foreign countries by the U.S. Government during fiscal year 1991 will not be finalized by February 1, 1992; to the Committee on Foreign Affairs.

2812. A letter from the Comptroller General of the United States, transmitting a report that Federal agencies accepted recommendations in all cases in fiscal year 1991, pursuant to 31 U.S.C. 720(b); to the Committee on Government Operations.

2813. A letter from the Deputy Director, Peace Corps, transmitting the Corp's report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2814. A letter from the Chairman, U.S. Systems Protection Board, transmitting the Board's annual report regarding the Government in the Sunshine Act, pursuant to 5 U.S.C. 552(j); to the Committee on Government Operations.

2815. A letter from the Director, Office of Personnel Management, transmitting the 13th annual report on the Federal Equal Opportunity Recruitment Program, pursuant to 5 U.S.C. 7201(e); to the Committee on Post Office and Civil Service.

2816. A letter from the Administrator, General Services Administration, transmitting a copy of a prospectus proposing a lease for the National Labor Relations Board in Washington, DC, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

2817. A letter from the Assistant Secretary, Conservation and Renewable Energy, Department of Energy, transmitting the 10th annual update on the ocean thermal energy conversion program and comprehensive program management plan, pursuant to 42 U.S.C. 9002(d); to the Committee on Science, Space, and Technology.

2818. A communication from the President of the United States, transmitting notice of his intention to add Estonia, Latvia, and Lithuania to the list of beneficiary developing countries under the Generalized System of Preferences [GSP], pursuant to 19 U.S.C. 2462(a) (H. Doc. 102–187); to the Committee on Ways and Means and ordered to be printed.

2819. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting the report regarding El Salvador; jointly, to the Committees on Appropriations and Foreign Affairs.

2820. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report on the nondisclosure of safeguards information for the quarter ending December 31, 1991, pursuant to 42 U.S.C. 2167(e); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

2821. A letter from the Inspector General, Department of Commerce, transmitting a report on the Commerce Department's compliance with, and the effectiveness of, the "Anti-Lobbying Act"; jointly, to the Committees on Government Operations and Appropriations.

2822. A letter from the Secretary of Energy, transmitting the annual determination regarding the viability of domestic uranium mining and milling industries, pursuant to 42 U.S.C. 2210b(a); jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

[Submitted February 14, 1991]

2823. A letter from the Comptroller General, the General Accounting Office, transmitting a review of the President's second special impoundment message for fiscal year 1992, pursuant to 2 U.S.C. 685 (H. Doc. No. 102–190); to the Committee on Appropriations and ordered to be printed.

2824. A letter from the Chairman, Federal Financial Institutions Examination Council, transmitting the Council's 1991 annual report of the appraisal subcommittee, pursuant to Public Law 101–73, section 1103(a)(4) (103 Stat. 512); to the Committee on Banking, Finance and Urban Affairs.

2825. A letter from the Secretary of Health and Human Services, transmitting the first report on prevention activities in the areas of alcoholism and drug abuse, pursuant to 42 U.S.C. 290aa(e)(2); to the Committee on Energy and Commerce.

2826. A letter from the Assistant Vice President (Government and Public Affairs), Department of Transportation, transmitting the annual report on activities of the Department, pursuant to 49 U.S.C. 308(a); to the Committee on Energy and Commerce.

2827. A letter from the Chairman, Consumer Product Safety Commission, transmitting a report made by the Commission under section 37 of the Consumer Product Safety Act, pursuant to Public Law 101–608, section 112(f)(2) (104 Stat. 3117); to the Committee on Energy and Commerce.

2828. A letter from the Federal Inspector, Alaska Natural Gas Transportation System, transmitting a report on its activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2829. A letter from the Deputy Assistant Secretary, Department of Interior, transmitting a draft of proposed legislation to amend subsection 17(j) of the Mineral Leasing Act to delete a reporting requirement; to the Committee on Interior and Insular Affairs.

2830. A letter from the Boy Scouts of America, transmitting the Scout's 1991 report to the Nation, pursuant to 36 U.S.C. 28; to the Committee on the Judiciary.

2831. A letter from the Assistant Attorney General (Legislative Affairs), Department of Justice, transmitting a draft of proposed legislation to amend the Voting Rights Act of 1965 to extend the minority language provision, and for other purposes; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 939. A bill to provide eligibility to members of the Selected Reserve for the veterans home loan program; with an amendment (Rept. 102–292, pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. Report on 1991 Comprehensive oversight initiative of the Committee on Ways and Means; (Rept. 102–431). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 4210. A bill to amend the Internal Revenue Code of 1986 to provide incentives for increased economic growth and to provide tax relief for families; (Rept. 102–432). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SHARP:

H.R. 4220. A bill to require manufacturers of passenger cars, light trucks, and sport utility vehicles to display on such cars, trucks, and vehicles sold in the United States a statement of estimated range of domestic content in such cars, trucks, and vehicles and for other purposes; to the Committee on Energy and Commerce.

By Mr. LAFALCE (for himself, Mr. IRELAND, Mr. MFUME, Mr. TOWNS, Mr. CONYERS, Mr. LEWIS of Georgia, and Mr. FRANKS of Connecticut:

H.R. 4221. A bill to amend the Internal Revenue Code of 1986 to provide incentives for investments in disadvantaged business enterprises; to the Committee on Ways and Means.

By Mr. ANDREWS of New Jersey:

H.R. 4222. A bill to prohibit the Department of Defense from contracting with foreign contractors for ship repair until a certification is made to Congress; to the Committee on Armed Services.

By Mr. BOEHLERT:

H.R. 4223. A bill to authorize a study of the struggle for American Independence within the northern frontier; to the Committee on Interior and Insular Affairs.

By Mr. FAWELL:

H.R. 4224. A bill to reduce the amounts available for the expenses of the House of Representatives and to effect certain reforms in the operations of the House of Representatives; jointly, to the Committees on House Administration, Rules, and Post Office and Civil Service.

By Mr. FRANK of Massachusetts:

H.R. 4225. A bill to amend title 28, United States Code, to modify the residency requirement for U.S. attorneys and assistant U.S. attorneys; to the Committee on the Judiciary.

By Mr. KLUG (for himself, Mr. DOOLITTLE, Mr. PETRI, Mr. PALLONE, Mr. GRANDY, Mr. ROEMER, Mr. BOEHNER, Mr. DREIER of California, Mr. FRANK of Massachusetts, Mr. MARLENEE, Mr. ABERCROMBIE, and Mr. CUNNINGHAM):

H.R. 4226. A bill to amend title 23, United States Code, to modify requirements that States have in effect laws requiring the use of motorcycle helmets; to the Committee on Public Works and Transportation.

By Mr. LEHMAN of California:

H.R. 4227. A bill to provide that the eligibility requirements applicable to regular unemployment compensation benefits shall apply in determining eligibility for emergency unemployment compensation benefits; to the Committee on Ways and Means.

By Mr. MFUME (for himself, Mrs. BENTLEY, Mrs. BYRON, and Mr. CARDIN):

H.R. 4228. A bill to make available to consumers certain information regarding automobiles; to the Committee on Energy and Commerce.

By Mr. PENNY:

H.R. 4229. A bill to provide for the termination of further production of the Trident II (D–5) missile; to the Committee on Armed Services.

By Mr. WELDON:

H.R. 4230. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require manufacturers and importers of motor vehicles to label vehicles as to place of final production and the value of parts produced in the United States; to the Committee on Energy and Commerce.

By Mr. RUSSO:

H. Con. Res. 275. Concurrent resolution expressing the sense of the Congress that the United States should reduce its military expenditures and use the savings from such a reduction to reinvest in American economic and human resources jointly, to the Committees on Armed Services; Education and Labor; the Judiciary; Public Works and Transportation; Science, Space, and Technology; and Energy and Commerce.

By Mr. CONYERS:

H. Res. 363. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Government Operations in the 2d sess. of the 102d Congress; to the Committee on House Administration.

By Mr. DELLUMS:

H. Res. 364. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on the District of Columbia in the 2d sess. of the 102d Congress; to the Committee on House Administration.

By Mr. FASCELL:

H. Res. 365. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Foreign Affairs in the 2d sess. of the 102d Congress; to the Committee on House Administration.

By Mr. McCURDY:

H. Res. 366. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Permanent Select Committee on Intelligence in the 2d sess. of the 102d Congress; to the Committee on House Administration.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 299: Mr. SUNDQUIST.

H.R. 308: Mr. COX of California.

H.R. 444: Mr. DOOLITTLE, Mr. KYL, and Mr. STUMP.

H.R. 710: Mr. HANSEN, Mr. GEJDENSON, and Mr. BACCHUS.

H.R. 766: Mr. HAYES of Illinois.

H.R. 888: Mr. SANDERS, Mr. VALENTINE, and Ms. NORTON.

H.R. 1067: Mr. ROBERTS, Mr. PASTOR, Mr. NICHOLS, and Mr. BLACKWELL.

H.R. 1406: Mr. WYDEN.

H.R. 1414: Mr. NICHOLS and Mr. BROWDER.

H.R. 1527: Mr. BLACKWELL.

H.R. 1541: Mr. SYNAR.

H.R. 2089: Mr. TRAXLER.

H.R. 2410: Mrs. MORELLA.

H.R. 2569: Mr. KOLBE, Mr. DORNAN of California, and Mr. BLAZ.

H.R. 2966: Mr. DEFAZIO, Mr. THOMAS of Georgia, Mr. MOODY, Mr. JENKINS, Mrs. SCHROEDER, and Mr. SHUSTER.

H.R. 3222: Mr. BACCHUS.

H.R. 3553: Mr. MFUME.

H.R. 3609: Ms. SNOWE.

H.R. 3690: Mr. LIPINSKI, Mr. RUSSO, and Mr. WILSON.

H.R. 3937: Mr. ZIMMER, Mr. ANDREWS of New Jersey, Ms. KAPTUR, and Mr. LANTOS.

H.R. 3943: Mr. HARRIS, Mr. LEHMAN of California, Mr. GUARINI, Mr. DORGAN of North Dakota, and Mr. CARPER.

H.R. 3952: Mr. SANDERS.

H.R. 4013: Mr. HARRIS, Mr. JONTZ, Mr. BEVILL, and Mr. TRAFICANT.

H.R. 4083: Mr. STAGGERS, Mr. SLATTERY, Mr. MCGRATH, Mr. MARTINEZ, Mr. SIKORSKI, Mr. STOKES, Mr. LANTOS, and Mr. BUSTAMANTE.

H.R. 4107: Mr. HORTON.

H.R. 4111: Mr. STUDDS, Mr. SMITH of Iowa, Mr. SERRANO, Mr. FLAKE, Mr. LAROCCO, Mrs. JOHNSON of Connecticut, Mr. ANDREWS of Maine, Mr. HALL of Ohio, Mr. PASTOR, Mrs. LLOYD, Mr. LAGOMARSINO, Mr. KOSTMAYER, and Mr. TORRES.

H.R. 4130: Mr. BLAZ, MR. BLILEY, Mr. HUNTER, Mr. DOOLITTLE, Mr. IRELAND, Mr. PORTER, and Mr. ALLARD.

H.R. 4150: Mr. BLAZ and Mr. MOORHEAD.

H.J. Res. 293: Mr. CONDIT, Mr. PERKINS, Mr. MONTGOMERY, Mr. HAYES of Illinois, Mr. BUSTAMANTE, Mr. HAMILTON, and Mr. PARKER.

H. Con. Res. 243: Mr. ABERCROMBIE, Mr. BUSTAMANTE, Mr. DEFAZIO, Mr. DORGAN of North Dakota, Mr. DYMALLY, Mr. ENGEL, Mr. GEJDENSON, Mr. HOCHBRUECKNER, Mr. KOPETSKI, Mr. KOSTMAYER, Mr. MARKEY, Mr. MARTINEZ, Mrs. MEYERS of Kansas, Ms. NORTON, Mr. OWENS of New York, Mr. SMITH of Florida, Mr. STARK, Mr. TORRICELLI, Mr. TOWNS, and Mr. WAXMAN.

H. Res. 322: Mr. HAMILTON, Mr. GILMAN, Mr. OWENS of Utah, Mr. PANETTA, Mr. MCNULTY, Mr. MCGRATH, Mr. COUGHLIN, Mr. BLAZ, Mr. LEACH, Mr. ANNUNZIO, Mr. UPTON, and Mr. LEVINE of California.

H. Res. 347: Mr. PAYNE of Virginia, Mr. SHAYS, and Mr. KOLBE.

PETITIONS, ETC.

Under clause 1 of rule XXII,

140. The SPEAKER presented a petition of Anheuser-Busch Cos., Inc. and Coors Brewing Co., St. Louis, MO, relative to drunk driving; which was referred to the Committee on Energy and Commerce.

EXTENSIONS OF REMARKS

AFRICA AND AFRICAN-AMERICANS: NEW CHALLENGES, NEW OPPORTUNITIES

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. DYMALLY. Mr. Speaker, recently it was my privilege to address the weekly convocation of Central State University, Wilberforce, OH.

I submit the address for Members' review.

AFRICA AND AFRICAN-AMERICANS: NEW CHALLENGES, NEW OPPORTUNITIES

(Convocation Address by Mervyn M. Dymally)

President Thomas, students and members of the faculty. I am happy to be here this morning at Central State University which has moved to the forefront of Historically Black Colleges in staking a place in the international arena. Arthur Thomas, whose vision has driven this university's international mission, is following in the footsteps of a distinguished line of African-American educators who have opened up for their students vistas which stretch far beyond their state and national borders.

Our current domestic economic problems have generated a backlash against involvement in foreign affairs. Now that the cold war has ended there are those who argue we should turn our back on the rest of the world and concentrate on our own deepening domestic crisis. They make it seem an either/or choice. If the world were as simple now, in the last decade of the Twentieth Century, as it was 100 years ago at the end of Nineteenth Century, then maybe we could afford to ignore the problems of those who live far from our shores. But we are too much an integral part of the world's economy to withdraw without serious consequences to our own well being. We need to pursue not an "either/or" but a "both/and" strategy. We can both mobilize our resources to solve our problems at home and remain engaged in the world. We can move billions which we have allocated to defense in the cold war to our cities in the domestic war which is raging at home. The greatest challenge to our national security is no longer the Soviet Union, but the rising poverty and unemployment in our cities which threaten to devastate a whole generation of young people who, for the first time since the end of slavery, have little hope that their lives will be better than that of their parents.

These calls for us to abandon foreign assistance come just at the time when we have been able to increase aid to Africa. Just as we in the Congressional Black Caucus have succeeded in flexing our muscle and getting Africa a fairer share of US aid the call comes to do away with aid all together. Thus would foreign policy mirror our domestic policy. Just as we get close to the front of the line they change the rules.

The bleak times we are going through now are nothing new to African-Americans. But even in our darkest hours we have never turned our back on our ancestral motherland. Indeed, it has been precisely during those times, when our crises here have been the most severe, that we have most proudly reaffirmed our ties with Africa. Ties which have survived the brutal efforts of slave masters to break them in the eighteenth and nineteenth century; ties which have endured thousands of images projected on movie screens to make us ashamed of them in this century. But all these attempts have failed. What is most remarkable about our long connection with Africa is that it has persisted despite the fact that unlike all other ethnic groups in this nation we do not know from which village, or even from which country our forbearers came.

The legacy of being first an enslaved people and then second class citizens, unable to claim the same constitutional protection as the descendants of Europeans, caused blacks to be torn between their African heritage and their American residency. Dr. W.E.B. DuBois summed up the dilemma in the *Souls of Black Folk* in 1903 when he wrote:

"One ever feel his two-ness—an American and a Negro; two souls, two thoughts, two unreconciled strivings; two warring ideals in one dark body * * *."

Free blacks in the north in the eighteenth century referred to themselves as African. They gave that name to their institutions such as the African Meeting House in Boston and the African Methodist Episcopal Church. Then African gave way to colored; colored to Negro; Negro to black; and now, coming almost full circle, black is yielding to African-American. But by whatever name we called ourselves, many among us continued to call Africans our brothers and sisters. Paul Cuffee, a shipbuilder, took an expedition of free blacks to Sierra Leone in 1815 in order to find a new homeland. Martin Delany, a doctor, in 1859, on the eve of the Civil War led a group of freemen to Nigeria and signed treaties with Nigerian Chiefs giving American blacks the right to emigrate and settle there.

By the early Twentieth Century, Americans of African ancestry began to see Africa less in terms of the haven it might provide for them, and more what they could do for it. American blacks took the lead in protesting against Belgian atrocities in the Congo and British and French designs on Liberia. Along with blacks in other parts of the diaspora, they formed the Pan-African Movement and saved the German colonies from being swallowed up by the victorious Allied powers at the end of the First World War. Historically black universities provided college education to generations of African leaders, from the founders of South Africa's African National Congress to the first Heads of State of Ghana, Malawi and Nigeria. In contemporary times African-Americans moved the American government and society away from complicity with the Apartheid regime in South Africa and towards greater relief to the drought stricken nations of the Continent's Sahel and Horn, even as we were struggling to hold onto the gains we had made during the Civil Rights Movement of the Fifties and Sixties.

The special relationship of black Americans with Africa has been a symbiotic one. We supported African self rule and independence. They supported our civil rights movement. When white missionaries were teaching Africans to be submissive to colonial rule, black missionaries were agitating for their rights. So subversive a force did they become that white missionary societies stopped sending blacks to Africa. So the black churches organized their own missionary societies. The AME churches were accused of being responsible for the 1906 uprising in Durban, South Africa, in the course of which Africans shouted the slogan they had first heard uttered by Bishop Henry McNeal Turner—"Africa for the Africans." Nine years later the British Colonial Office complained of the key role black missionaries had in the armed revolt of the African nationalist John Chilembe in Nyasaland, which we now know as Malawi.

The black churches contributed most significantly to the African liberation movement through the educational institutions they helped to establish in Africa, and the opportunities they offered for the best and brightest Africans to study in church related colleges in the United States.

Black American leaders from Booker T. Washington to Martin Luther King Jr. have opposed the colonial domination of Africa. Washington, whose ideas about vocational education, colonial administrators preferred to the militant gospel preached by missionaries, nevertheless was one of the most influential critics of the barbaric rule of King Leopold and the Belgians in the Congo. Washington was also the man to whom Liberians turned when they wanted to persuade the American government to intervene on their behalf against the attempts of European countries to encroach upon their independence.

Washington's involvement with African matters was sporadic and not at all central to his major concerns. However, his principal black critic, W.E.B. DuBois, linked black progress in the United States to black liberation to Africa. In 1900 at a London conference on Africa convened by a Caribbean lawyer, Henry Sylvester-Williams, the 32 year old DuBois made his famous declaration that "The problem of the Twentieth Century is the problem of the color line". He picked up Sylvester-Williams' phrase "Pan-Africanism" and turned it into the unifying philosophy which linked descendants of Africa wherever in the world they resided. As one writer has observed DuBois believed "that Africans at home and in the diaspora were the victims of same patterns of racism. The black man, whether in America or Africa, whether under segregation or colonialism, was in the same subservient relationship to white authority."

From that moment until the independence of Ghana, more than a half a century later, the leadership of the Pan-African movement was assumed by blacks in the United States and the Caribbean. The movement succeeded in keeping Germany's lost African empire from becoming colonies of her victorious European adversaries. Instead they were placed under the protection of the League of Nations and later the United Nations. Thus, for example, Namibia was kept from being incorporated into South Africa.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The Pan-African movement brought together the intellectual elite of the black world. But the Pan-African impulse reached much deeper into the ranks of African-Americans as Marcus Garvey was to prove. He tapped it to form the greatest black mass movement America had yet seen. It was a crusade whose numbers were to be exceeded only by the civil rights movement of the 1960s. Garvey's efforts to lead blacks back to an African promise land never succeeded. But his influence endured. Ghana placed his symbolic black star prominently on its flag when it became the first sub-Saharan African country to gain independence after the Second World War. The red, black and green colors that made up Garvey's own flag were incorporated into the standards of many of Africa's new nations. His book, "The Philosophy and Opinions of Marcus Garvey," inspired a whole generation of African nationalists. Kwame Nkrumah, Ghana's first president, wrote that of all the literature he had studied none did more to fire his enthusiasm for the liberation of his country than had "The Philosophy."

In what was to be a harbinger of government harassment of black leaders, Garvey was deported from the United States on what many believe to have trumped up charges of mail fraud. But the government could not deport the African consciousness which Garvey had engendered in the urban masses. That sensibility was rubbed raw when Benito Mussolini sent his Italian troops into Haile Selassie's Ethiopia. Reacting as if their own neighborhoods had been invaded, blacks rallied to the support of Ethiopia. When Joe Louis fought the Italian Primo Carnera for the heavyweight championship of the world their bout became a surrogate for the war itself. No fighter since then, not even Muhammed Ali, ever delivered a sweeter or more politically significant victory to his black followers than Louis did that night against Carnera.

It was the shock of Ethiopia's rape by Italy that led many black's into anti-Fascist activity and helped them resist the blandishments of the America firsters of the pre World War II years. They realized then, as we must now, that the right wing forces that are anti-African are also anti African-American. Those who most strongly opposed sanctions against South Africa also are those who have opposed every measure for black advancement in this country. They would have us abandon Africa now just when the continent is in the midst of great economic and political change which could finally reverse its long economic decline.

It is one of the supreme ironies of our time that the continent blessed with the earth's richest treasure chest of natural resources should also be the home of the world's poorest people. One has to examine the list of the world's poorest countries to see that most of them are in Africa. As the Chairman of the United Nation's Economic Commission for Africa, Prof. Adebayo Adedeji of Nigeria has observed:

"It is a measure of the socio-economic decay and retrogression on our continent that the number of African countries officially classified as least developed countries—the wretched of the earth as they have been categorized—rose to 29 in 1990 and many more, I regret to say, are still knocking at the door to join."

Africa's economic plight is worse than that of any other of the world's regions. According to the ECA's annual report "the average African continued for the 12th successive year, to get poorer."

Aid giving nations have become discouraged by what they see as the continent's intractable problems. Donor fatigue has set in leading to an abandonment of Africa in favor of the reforming nations of Eastern Europe.

Africa's share of world trade—has shrunk to a paltry 1.7 percent. It has become a negligible factor in the world economic order. It has fallen more and more victim to the prices others set on its primary products. Africa is in danger of becoming increasingly marginalized unless its leaders reverse the disastrous economic policies which brought it to this pass.

While wrong policy choices have contributed significantly to the continent's plight, there have also been forced at play outside Africa's control. The rise in oil prices in the nineteen seventies dealt a crippling blow to many economies just beginning an upward trend. The terms of trade have steadily moved against Africa. Commodity prices set in distant world capitals have fallen disastrously on the products Africa produces. During the Persian Gulf War the price of petroleum skyrocketed upwards once again like a Scud missile but there were no Patriots to defend Africa's bombarded economies from the fall out of a conflict they had no part in starting.

During the last two decades African governments have borrowed so heavily from international institutions, foreign governments and banks that the resulting debt has become a crushing burden on fragile economies. Debt servicing eats up an ever increasing percentage of the budgets of African governments. So great has the burden become that for many countries the amount of money spent to repay their debt obligations exceeds the value of external aid received. Africa is in the incongruous position of sending more money to the industrialized countries than it receives from them.

The last year has been one of considerable ferment. African leaders and their electorates have sought new answers to the continent's old problems. Africans in an increasing number of countries have become impatient with their leaders unsuccessful efforts to ameliorate their declining economic conditions and have gone to the polls to express their dissatisfaction. In Benin, Cape Verde, Sao Tome, and Zambia they have turned out administrations long entrenched in power. Whether the new leaders will be any better able to meet the rising expectations of their peoples than their predecessors will be the most important unfolding development in Africa during this last decade of the century.

More multi-party elections will have taken place during 1991 and this year than in any two year period in the continent's history. More than a dozen other countries will go to the polls in 1992. These elections are the culmination of a demand for change from Africans desperate to free themselves from the morass into which mismanagement, corruption and civil strife have led them. Disillusioned with failed socialist experiments which have resulted in economic stagnation, they are looking for another model which can bring both growth and development. Responding to pressures from the United States and other Western aid donors African nations have been moving to open up their economies to free market ideas. The African soil has never been more fertile for the planting of the seeds of private enterprise.

However, sowing those seeds may be a lot easier than reaping a crop of thriving capitalist societies. Left untended those plants can wither in the harsh African economic climate.

Democracy will take no greater hold than it did in the nineteen sixties if the new governments are unable to fulfill the rising expectations of their people that democracy will lead to a revival of economic growth and development. It will take time for a democratic culture to reinforce itself in many countries.

Democratic forces have been waging a lonely struggle against one party authoritarianism and military dictatorships for two decades. The democracy movements in Eastern Europe and the Soviet Union have crowded from the American consciousness the hopes, aspirations and considerable accomplishments of a no less worthy crusade in Africa. Apart from the anti-apartheid struggle in South Africa, little coverage is given in the press or on television to the efforts of dauntless democrats in the continent's other fifty countries.

Africa's two decades of single party rule and military governments resulted in state control of most of the private sector, both commercial and non commercial, in most countries. There was little civic space in which independent private organizations could operate. But in the new climate of political and economic experimentation that situation is changing. African countries are looking to sell off commercial enterprises that are owned by the state. Their preference would be that these businesses are bought by their own citizens. But in most African countries this is an unrealistic expectation for now. African socialism spawned some, but not nearly enough African capitalists. If the new owners of these enterprises cannot all be African then let them at least be black is the philosophy of an increasing number of leaders. They do not want to see the same European faces who dominated their economies during colonialism coming back to take over again. When African leaders look to see where are the people that can amass the private capital needed to invest in the continent they are increasingly looking to America.

Last April, an historic summit meeting between Africans and African-Americans took place in Abidjan. Convened by the Reverend Leon Sullivan and President Houphouet Boigny of the Cote d'Ivoire, the summit drew the participation of 5 Heads of State, 3 Prime Ministers, and more than a dozen foreign ministers. What made the meeting historic was its tone. So many public gatherings of this type in the past have been marked by the reluctance of African government representatives to make special pitches to black Americans for fear of ruffling the diplomatic feathers of the State Department or the White House. Also they were not quite sure African-Americans could deliver the goods. Black Americans on the other hand had used these meetings to vent their frustration at being bypassed by African governments who when they came to the United States hired white firms to lobby for them, handle their legal representation, and broker their financial deals. In Abidjan, in 1991, things were different. The high powered nature of the African delegations showed their new appreciation for the political and economic clout of black Americans. They Always knew that we would be more sympathetic to their needs and aspirations than any other foreigners but now they knew that we could deliver. They also knew that they were more isolated in the world than ever before. The end of the Cold War made many of them expendable to both the East and the West. They needed friends at the court of the last remaining superpower. So they openly asked black Americans to be their advocates and to invest in a continent which American businessmen have spurned out of either fear or ignorance. They asked us to do for Africa what Jews had done for Israel, Greeks for Greece, and what Americans of Eastern European stock are doing for their newly liberated ancestral homelands.

Africa today represents a new frontier of economic activity for American blacks with the vision and sensitivity to work in partnership with their African cousins. There is a real opportunity to do well while doing good.

But Africa offers opportunities also for those among you who are not budding entrepreneurs—for those of you who want to do good works in the non profit sector. The real test of democratic survival will be whether political change will bring meaningful change to the lives of the majority of Africa's people who are poor. And in Africa, as in America, those who are the poorest are women and the children they care for. Women are also the farmers who grow most of the food crops. Yet they and their children are the worst victims of the chronic famines which plague war torn areas of the continent. They die in greatest numbers from AIDS which has reached epidemic portions in several countries. AIDS has become the fourth Horseman of the Apocalypse, riding hard beside the ancient scourges of diarrhea, malaria and measles, striking down a heterosexual population in numbers we have not yet experienced in America. We have controlled three of these killer maladies in the United States. There is no reason we cannot help to wipe them from the face of Africa just as we did small pox a decade ago. In the meantime we need to devote more resources to AIDS education both there and here until we find the cure to the greatest health pestilence of the century.

Africa is a continent of great natural wealth from the gold and diamond mines of South Africa to the oil riches of Nigeria; from the coffee plantations of the Cote d'Ivoire and the cocoa farms of Ghana to the copper mines of Zambia, the cobalt mines of Zaire and the chromium mines of Zimbabwe. I could rattle off the names of yet more countries blessed with some of the world's greatest stores of natural resources. Yet in all of these countries the majority of the people live in poverty. That is partly because there has been so much mismanagement of their resources by governments who have grown alienated from their populations. But it is also because even the best run governments have little control over the prices of minerals and crops they export. The international terms of trade are stacked against Africa. But Africa must be able to get fairer prices for the goods it provides to the rest of the world if it is to pull itself out of its economic decline.

I am pledged as the Chairman of the committee of the U.S. Congress charged with the oversight of American policy on Africa to do all that I can to assure that the United States does its part to help those African states who take the lead in helping themselves. This is not the time to abandon Africa or to sit idly by while American government and private resources are diverted to Eastern Europe and the former Soviet Union. I challenge you to join me in that struggle—to show the kind of commitment to the freedom and well being of oppressed people everywhere that was the guiding principle of the man in whose honor the hall we gather in today is named—Paul Robeson. The world has need of educated and trained young people so continue to study hard so that you will be prepared to take your part in continuing the legacy that Robeson, DuBois, Washington, Delany, King and thousands of others have bequeathed to you.

THE TACCOLINI FAMILY OF TEACHERS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Taccolini family, a family of teachers who have devoted their lives to educating young minds. Gene Taccolini and his five daughters, Susan Erwing, Peggy Schule, Kathie Watson, Maripat Bon, and Joan Frawley, who were inspired by their father, are all dedicated educators. Three of the sisters have been honored by being selected Teachers of the Year at their schools. The family was recently featured in the Miami Herald for their extraordinary commitment to teaching. The article, "All in the Family" by Jon O'Neill, tells of their outstanding achievements:

For the five Taccolini sisters, education is a family affair.

The Cutler Ridge women are all, or have been, teachers at some point in their lives. Three of them have been selected as Teachers of the Year at their schools. All say they were inspired by their father, who was, of course, a teacher.

"I think it's probably genetic," said Maripat Bon, an art teacher at Arvida Middle School.

Dad Gene Taccolini is proud of his brood, though he never dreamed they all would end up in the classroom.

"I just wanted them all to have their own careers," he said. "I wanted them to be able to stand on their own two feet."

The girls grew up together in Cutler Ridge, graduated from Palmetto High School and haven't left the area. They still live within 20 miles of each other.

Their mom, Sue Taccolini, died 11 years ago.

"We're Ridge Rats and very proud of it," said sister Joan Frawley, an occupational specialist at Mays Middle School.

At 46, Kathie Watson is the oldest of the Taccolini clan. By the time she got to the University of Florida, she knew what she wanted to do—teach English and drama.

"That was my goal from the start," she said. "It was what I loved doing."

She worked at Hialeah Junior High and later moved to Palm Springs Junior, where she was Teacher of the Year. In 1976, she left the classroom and started her own family—but she still has her certification.

Susan Erwin, 43, was the next sister to teach.

"At various times in my life I wanted to be a nun, a social worker, a secretary and a nurse," Erwin said. "So I decided to combine them all and be an elementary school teacher."

She started her career at Holy Rosary School in 1971, then moved to Gulfstream Elementary the next year. She's been there ever since and was the school's Teacher of the Year in 1989.

"I love the little ones," Erwin said. "I'm very enthusiastic and they always return that. They love you back."

Peggy Schuler, 42, was the next in line. She attended Miami-Dade Community College and was planning to be a teacher, but started a family instead. Four years ago, she got the chance to teach Confraternity of Christian Doctrine at Holy Rosary.

"I love it," she said. "It's where I was meant to be."

It was after talking with Watson that Maripat Bon, 39, decided to stop switching her majors in college and become an art teacher. She started at Carol City High in 1976 and has since worked at American, Jan Mann, Mays—where she was Teacher of the Year in 1986—and Southridge. She moved to Arvida in 1989.

"Art is such an exciting subject," said Bon, a painter. "Some kids have no idea they're artistically inclined and it's great to bring that out of them."

Like her sisters, Bon is right where she wants to be.

"Once the light went on, I've had no regrets," she said.

Frawley, 35, was the last child and the last teacher. She spent seven years in the hotel business before she decided to change jobs. Frawley now works at Mays Middle and loves it. Last year she was given an award for her work at the school.

"I have a blast with the kids," she said. "I love the idea that I'm giving something back to them. At first, I wanted to change their lives, but now I just want to make their days better."

It seems as if the tradition will continue intact. Kelly Schuler, Peggy's 11-year-old daughter, wants to be a teacher, too.

"I love kids," said Kelly, president of the Future Educators of America club at Whispering Pines Elementary. "I had a great teacher in second grade and I just wanted to be like her. Besides, everyone in my family is a teacher."

Mr. Speaker, I commend the Taccolini family for its lifelong commitment to excellence in education. Their dedication to teaching is an inspiration to all teachers of America.

BOY SCOUTS OF AMERICA: REPORT TO THE NATION

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. GEPHARDT. Mr. Speaker, today I rise to welcome the members of the Boy Scouts of America delegation visiting Washington, DC, this week and submit their "Report to the Nation" for the RECORD. On behalf of my colleagues, I commend each of the representatives in the delegation for their fine report. This summary of the activities of the Boy Scouts of America in 1991 documents a year filled with achievement of which each Boy Scout should be very proud.

I want to personally congratulate each member of the delegation: Matthew Browning, Cub Scout representative; John Meranda, Boy Scout representative; James A. Cornett, National Court of Honor representative; Cheing La Thao, region representative; Brett Braithwaite, National Explorer president; Christine Pizzute, General Interest Explorer; Sean Cox, National Chief, Order of the Arrow; Randy Cline and Maryanne Cline, coadvisers, Volunteer Scouters; G. Allen Mossman, delegation director; Michael Browning and Carolyn Browning, parents of Cub Scout representative.

The 1991 REPORT TO THE NATION, BOY SCOUTS OF AMERICA

In 1991, the Boy Scouts of America moved in significant ways to meet the needs of the nation's youths. New programs were launched and many existing programs modified to bring Scouting to the lives of youths in an increasingly complex and diverse society. During 1991, more than 4.1 million youths participated in Scouting activities in 128,499 units. The success of these efforts reaffirms the moral, spiritual, and social values upon which all Scouting activity is based. The success also reaffirms the critical role that adult volunteers play in lives of youths.

Camping. Camping is one of the biggest reasons boys join Boy Scouts. Boy Scout councils operate 512 camps that conduct resident camping and more than 67 percent of our Boy Scout, Varsity Scout, and Explorer units participated in a resident camp. That translates to more than half of our registered Scouts having a long-term camping experience. In addition, at the 49 high-adventure camps operated by the Boy Scouts of America, participation was at an all-time high.

Family and Cub Scout Camping. The importance of outdoor activities as a central part of Scouting remains strong as more and more families participate in BSA camping programs. Camping activities for Cub Scouts and for families offer new ways of strengthening youth and helping families find ways to spend more time together. More than 800,000 boys and adults reportedly participated in the Cub Scout outdoor programs in 1991.

Eagle Scouts. The Eagle Scout Award is the highest rank that can be achieved by a Boy Scout, Varsity Scout, or Explorer. There were 32,973 boys who achieved this pinnacle, which represents the best of Scouting. This is an 11-percent increase over the previous year.

National Court of Honor. Outstanding acts of service by Scouting youth members and leaders were recognized by the National Court of Honor by authorizing the following: 3 Honor Medals were Crossed Palms, 51 Honor Medals, 133 Heroism Awards, 116 Medals of Merit, and 59 National Council Certificates of Merit. The Silver Beaver Award was presented to 2,147 leaders for distinguished service to youth in local councils.

Scouting for Food. Scouts, with the help of their leaders, continued to help gather food for distribution to those in need. For the fourth consecutive year, the BSA's National Good Turn, conducted by most councils November 9–17, resulted in the largest food-gathering effort in the United States. More than 57 million cans were collected. Approximately 1.2 million BSA youth members from nearly 54,000 Scouting units participated in the food drive by distributing collection bags November 9 and returning a week later to pick up the filled bags.

Ethics in Action. Ethics in Action was introduced to Scout leaders during the regional meetings in May. It is designed to help youth reflect upon how their decisions and actions affect others. Program materials offer training and support to help leaders guide youth to a better understanding of personal ethics and values. This program is part of the BSA's 1992 Program of Emphasis.

Conservation Handbook. A new Conservation Handbook was written by Robert Birkby, who also authored the Boy Scout Handbook. Conservation Handbook was written for those who realize the tremendous excitement and importance of involving young people in the care of the world around them.

Voluntarism in the U.S. BSA's reliance upon volunteers to run its local programs is benefitting from a spirit of voluntarism that seems to be emerging among the baby-boom generation. Recent polls show adults increasingly willing to donate larger amounts of time and money to causes they find worthy. A greater effort was made this past year to encourage recruitment of community leaders as district commissioners so that all Scouting units in the district receive regular, helpful service.

World Jamboree. More than 19,000 Scouts and Scout leaders from all over the world converged on the Republic of Korea August 8–16 to participate in the 17th world Jamboree. This program offers Scouts a once-in-a-lifetime opportunity to meet and visit with youths from other countries. It is part of the BSA's effort to promote understanding between the world's youth.

International Tours. Each year more than 10,000 Scouts and BSA leaders travel to other countries as part of Scouting tours, exchange programs, and other high-adventure events. International travel is part of BSA's effort to promote international understanding and harmony between countries. Also, Scouting groups from all over the world visit the United States. A highlight during 1991 was Scouts from Hungary and Czechoslovakia visiting six councils in the United States.

Learning for Life. The critical need to help youths overcome such problems as drugs, violence, and school dropout prompted the development of this new program. A school-based program, it teaches positive values and life skills to students in kindergarten through high school. Developed by educators and psychologists, the lesson materials are action-based, encouraging students to participate in activities that enhance their self-confidence. Appropriate recognition plans are incorporated into the program to enhance the students' self-image. At the junior high and high school levels, occupational-oriented activities help the students relate school skills to potential career choices. Learning for Life also involves members of the community in the program as role models and mentors for the students. The program was launched officially in September.

Publications in Spanish. As part of an effort to promote understanding and acceptance of cultural differences throughout our nation, BSA has increased the number of its publications in Spanish so that parents and adult leaders who speak Spanish only may participate immediately and fully in Scouting.

Scout Uniform Day/Scouting Anniversary Week. Communities value the role that Scouting plays in the lives of their youths. Scout Uniform Day and Scouting Anniversary Week celebrations are part of the effort by Scouting leaders to involve the community even further in Scouting.

Chartered Organizations. One thing that makes the Boy Scouts of America unique among youth-serving organizations is its involvement with churches, civic organizations, businesses, industry, and individuals who have a common goal of making our youth into better citizens. The Boy Scouts of America owns no Cub Scout packs, Boy Scout troops, or Explorer posts. Rather, we have a program that is designed to be used by the church on the corner or by the civic club downtown to further its own goals for youth. The beauty of it is that the program is adaptable to the goals and methods of just about any organization that has an interest in youth.

TRIBUTE TO ROSE HILL SENIOR ADULT CENTER AND SENIOR OF THE YEAR, RENA PURVIS

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. DICKINSON. Mr. Speaker, today I would like to pay tribute to the members of the Rose Hill Adult Center and to their newly selected Senior of the Year, Rena Purvis. Rose Hill, run by the Dothan, AL, Department of Leisure Services, offers people 60 and over a wide variety of social and physical activities. These activities range from bowling to less strenuous activities like quilting, checker playing, woodwork and other crafts.

Rose Hill Center first began serving Dothan area seniors in 1975, when it had about 45 participants. Today more than 80 seniors enjoy the activities offered by the center each day. The center plays an important role in the lives of its participants. It offers companionship and a chance to remain active, and many of the seniors come to look at the friends they have at the center as extended family. Mrs. Peggy McCord is director of the center and coordinates transportation, meal services, and special activities such as speakers on health costs, crime against the elderly, housing. The center also offers monthly health services such as blood pressure checks.

Rose Purvis, 1991–92 Senior of the Year, was chosen as the friendliest, most helpful volunteer with regular attendance. Mrs. Purvis is involved in a variety of activities. She volunteers in the craft room and the nutrition program, is a member of the Retired Senior Volunteers Program, and volunteers at the Southeast Alabama Medical Center. She encouraged all seniors to get out of their houses and become involved in their communities.

I ask Members of Congress to join with me in paying tribute to Rose Purvis and her fellow seniors of the Rose Hill Adult Center. By giving of their time and services to community activities, these seniors are setting an excellent example for us all.

INTRODUCTION OF THE COMPREHENSIVE CONGRESSIONAL REFORM ACT OF 1992

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. FAWELL. Mr. Speaker, today, I am announcing a reform bill which will radically improve the way Congress operates. It brings together themes and issues I have been fighting for since I came to Congress. The premise is simple—Congress must operate more openly, more efficiently, and play by the same rules it imposes on the private sector.

SIX-YEAR LIMIT ON COMMITTEE SERVICE

The most important provision would limit service on any standing committee to 6 years and require that one-third of the committee roll over every 2 years. This key reform would have the following benefits:

First, it would prevent any Member from acquiring too much control over a given committee. Second, this change would lessen turf battles and inefficient committee operations, because membership on a committee would regularly change, including the chairman and ranking Republican—it would reduce ownership and jurisdictional pride. This, in turn, could lead to less resistance to a reduction of the number of committees and subcommittees and their overlapping jurisdictions, thereby allowing for more efficient committee operation at less cost. There are currently 22 standing committees and some 240 subcommittees in the House.

Third, it would lessen the footholds of power accrued by special interests which have gained special relationships with key members of committees. Fourth, rotating committee slots would expand the knowledge base of most Members of Congress. Fifth, it would limit the regional parochial interests which plague the current committee system. Currently, Members from farm districts often get onto the Agriculture Committee; those from the coast, Merchant Marine and Fisheries; those from urban areas and banking centers, the Banking, Housing and Urban Affairs Committee, et ceteria. These people, with all their good intentions, may have trouble seeing past the good a particular program will do for their district—and the national interest may lose out.

Of course, some continuity is essential. The bill, therefore, provides for a rotation system which ensures that necessary experience is always at hand.

What I am suggesting is not without precedent in Congress. The House Budget Committee works on limited 6-year terms for its members, with one-third of its membership "rolling over" every 2 years.

REDUCING CONGRESSIONAL EXPENSES

Charity begins at home. If Congress is ever to get serious about reducing the budget deficit, it must start with its own budget. My bill would cut mail costs by 50 percent and congressional office expenses by 10 percent.

Over the last 7 years, I have voted every year to cut the mail and expense budgets in the House of Representatives. But the majority of my colleagues seem to think we need more and more. Last year, I used only 40 percent of my mail budget. I used this amount to send responses to constituents, mail my column of the week, to announce town meetings, and to announce my votes on the House floor.

On the other hand, some Members use the franked mail privilege as an incumbent protection device by sending out excessive unsolicited mailings. This practice must stop. My 50 percent cut will stop it—and save the taxpayers $40 million.

ENDING PAY RAISE ABUSE

In 1789, when James Madison proposed the Bill of Rights as an amendment to the Constitution, two amendments were rejected by the States because they did not pertain to individual liberties. The second stated that:

> [N]o law varying the compensation for the services of the Senators and Representatives shall take effect, until an election of Representatives shall have intervened.

In other words, if the Members vote for a pay raise, the taxpayers will vote whether or not they deserve it. In my bill, I intend to revise Madison's good idea.

PROSCRIBES CIRCUMVENTION OF HOUSE RULES

My reforms will prevent a recurrence of the ridiculous situation I encountered 2 years ago. When the infamous 1990 budget agreement legislation was about to be voted on, I called the Democratic and Republican Cloakrooms asking to get a copy of the bill. They told me that none was available. There was no printed bill. The measure contained the second largest tax increase in history and produced record setting deficits. Finally, one copy of the 1,600 plus page bill was available on the House floor 2 hours before the vote. Members voted on faith. I voted no. It is now universally acknowledged that the deal was a mistake. My bill will require a vote of not less than two-thirds of the Members voting in order to circumvent existing rules which required that a bill be printed and made available at least 3 days before a vote. It also requires the same two-thirds vote in order to waive the germaneness requirement with respect to an amendment added in a conference committee.

CONGRESSIONAL COVERAGE

Finally, Congress has for too long exempted itself from the laws it places on the private sector. If employees in the private sector deserve the protections of the Occupational Safety and Health Act and the Civil Rights Act, so do employees of Congress. If private business people must face the administrative burdens of complying with the minimum wage law, so should Congress. Full congressional coverage will force Members of Congress to understand how the laws they pass affect the typical small business.

I am pleased to announce that the following groups have endorsed the bill: Citizens Against Government Waste; the National Taxpayers' Union; the Senior's Coalition; the U.S. Business and Industrial Council; and the Taxpayers' Federation of Illinois. Additionally, eight Members of Congress have joined me in introducing the bill.

NATIONAL ENGINEERS WEEK 1992

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. BROWN. Mr. Speaker, I rise today to draw the attention of my colleagues to National Engineers Week 1992, which begins on February 16, 1992.

Engineers play a vital role in our world. Their contributions are immeasurable, affecting each of us everyday. Engineers help create almost everything we need and use. Every time we turn on a light, watch television, open a refrigerator, cross a bridge, or make a phone call, we are using the inventions and designs of engineers.

Engineers are also explorers, dedicated to discovering new ways to improve the quality of life. They have made our rivers cleaner, created computers, and opened new frontiers in space and under our seas. And tomorrow, engineers will have to make better artificial replacements for human organs and limbs, and find efficient ways to harness solar and fusion energy.

Unfortunately, the percentage of college graduates who earn a bachelor's degree in engineering has been dipping recently. This decline, at a time when our country is losing its competitive advantage in the world marketplace. As the pressure grows to get new products more quickly to the market, the Nation's fate will lie even more in the minds and hands of engineers.

To expose young students to the importance as well as opportunities and prestige of engineering, Jack D. Kuehler, honorary chairman of National Engineers Week and IBM president, has focused attention on the need for community involvement. He has called for help from companies and businesses, teachers and parents, to turn out in great numbers so the students can understand how engineers use math and science to invent the future. Therefore during National Engineers Week, engineers from corporations, Government agencies, and universities, representing as many as 30 different specialties, will be conducting teach-ins in elementary schools and up, across the country, to expose young people to the challenges and rewards of an engineering career.

National Engineers Week offfers participants a unique opportunity to cultivate interest in math, science, and engineering among the Nation's youth and engineers of tomorrow. Mr. Speaker, I would like to take this opportunity to urge my colleagues to increase public awareness of engineers' contributions by promoting National Engineers Week in every district in the country. Let's work together to make this week a success and show students that we care deeply about their future.

TRIBUTE TO THE GALLIA-JACKSON-VINTON JOINT VOCATIONAL SCHOOL DISTRICT

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. MCEWEN. Mr. Speaker, I rise today to pay special tribute to the Gallia-Jackson-Vinton Joint Vocational School District for their many years of outstanding service, and to congratulate them for their recent selection as a finalist in the 1991 National Search for Excellence Awards in Rehabilitation in the category of employability development.

This district is to be commended for its successful advancement of the disabled under special project Providing Alternatives for Community Employment [PACE]. Gallia-Jackson-Vinton has emerged as a trailblazer in employment assistance programs, and this award is indicative of their commitment and their innovative leadership.

Under the able leadership of adult services director, Mr. Ponney Cisco, the Gallia-Jackson-Vinton Joint Vocational School has assisted numerous persons with disabilities in job placement, work adjustment, job coaching, vocational evaluation, individual training schedules, and other related services. This is especially significant in light of the fact that employability of disabled persons has developed so successfully despite the current rate of unemployment.

Mr. Cisco, Catherine Wood, and Marty Short attended a reception in Washington DC, on December 9, 1991, where they were presented with the Search for Excellence Award '91 by the Jeremiah Milbank Foundation and Senator ROBERT DOLE of Kansas.

While I regret being unable to attend this ceremony, I am honored to share these words of tribute. I ask my colleagues to join me today in applauding this organization which spends countless hours working to assure that employment is earned by those who truly appreciate the value of steady work. May their efforts continue to yield such returns, and serve as a commendable example to us all.

TRIBUTE TO TEMPLE TIFERETH JACOB AND ITS BROTHERHOOD COMMEMORATIVE SERVICE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Temple Tifereth Jacob and its Brotherhood Commemorative Service to honor the four heroic chaplains of World War II who lost their lives when the S.S. *Dorchester* sank off Greenland on February 3, 1943. Temple Tifereth Jacob, a temple in my congressional district in Hialeah, FL, will be remembering chaplains George Fox, Alexander Goode, Johnny Washington, and Clark Poling on February 21, 1992.

On February 3, 1943, the S.S. *Dorchester* was heading for Greenland with the four chaplains and 902 American servicemen. She was close to her destination, but the S.S. *Dorchester* never made it to Greenland. She was struck by a torpedo of a Nazi submarine, which exploded in the boiler room.

Amidst the terror and confusion, the four U.S. Army chaplains directed soldiers to lifeboats, and distributed lifejackets. Unfortunately, there were not enough lifejackets, and four young soldiers stood waiting without them. The four chaplains stripped off their own lifejackets and gave them to the four soldiers. These four chaplains had given away their only means of survival.

These chaplains were of different faiths: George Fox and Clark Poling were Protestant ministers, Alexander Goode was a Jewish rabbi, and John Washington was a Roman Catholic priest. Yet, they worked together in brotherhood, praying to the one God whom each loved and served.

On February 3, 1943, the S.S. *Dorchester* sank in the North Atlantic carrying with it the four chaplains and 668 U.S. soldiers and sailors.

Chaplain Daniel Poling, an American clergyman and father of Chaplain Clark Poling, was in England when he learned of the his son's death and his three fellow chaplains. In memory of them, Chaplain Daniel Poling wanted to create, a chapel where people of all faiths could worship God in a spirit of unity without the need of uniformity.

On February 3, 1951, President Harry Truman dedicated the Chapel of Four Chaplains in Valley Forge, PA, in memory of the four chaplains. The Chapel of Four Chaplains opens its doors to people of all religions, and at each service the three faiths are represented and the story of the four chaplains is retold.

On February 21, 1992, I will have the honor of participating in Temple Tifereth Jacob's commemorative service recognizing these four valiant chaplains. I wish to thank Temple Tifereth Jacob, Rabbi Salomon Benarroch, and Nathan and Carolyn Ellis for enlightening us with this moving story of the four chaplains.

A TRIBUTE TO MATTHEW J. BOXER

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. LANTOS. Mr. Speaker, on January 20, 1992, Millbrae, CA, lost a dear friend. Matthew J. Boxer, a Millbrae city councilman and former mayor, died after a long illness. He was 78 years old. While Matt's death was not unexpected, it has hit our community very hard. His passing has left a void, and that void will never be filled.

Born August 27, 1913, in Irkutsk, Siberia, Russia, he and his family immigrated to the United States when he was 16 years of age. And what an American he became.

Matt was a talented soccer player and an avid enthusiast of the game. He was named president of the San Francisco Football/Soccer League and devoted much of his time to teaching the game to San Francisco youth. Matt always had time for children.

He was a member of the board of directors for the Russian-American Children's Home in San Francisco, director of the Booker T. Washington Community Center in San Francisco, the U.S. Soccer Federation Youth Commissioner of northern California. Matt was a member of the U.S. National Olympic Committee, and vice president and national chairman of Amateur and Open Cups Competition.

After opening his own repair shop in the 1940's, Matt became active in the Fillmore Merchants and Improvement Association of which he was a life member. He was elected the association's president for 9 years. Matt was also past president and honorary life member of Pacific Heights Merchant and Home Owners Association. He served as a member of the Chamber of Commerce and was on the executive board of the San Francisco Symphony Foundation.

Matt was a successful businessman, and in 1963, he developed a senior citizens community called Boxer's Mayfair Village in San Jose, where the elderly can live with dignity and pride. He managed to create a secure and close-knit community for his tenants, and for his efforts, they often honored him with plaques and other gifts in appreciation.

Both a Lion and a Shriner, Matt was a man of incredible energy and character. When he did something, it was done right. He was the driving force behind many charities and fundraisers and even open heart surgery in 1976 did not slow him down. He quickly joined the Mended Hearts and visited other heart patients.

Matt was eventually elected to the Millbrae City Council and after a successful tenure as a councilman, he was elected mayor of Millbrae. His achievements as a councilman and mayor will long be remembered. In recent years, he led the efforts to celebrate the bicentennial of the U.S. Constitution, a fitting task for this exemplary American.

In 1939, Matt married his wonderful wife, Marjorie. He was the proud father of two daughters, Paula and Pamela, and a son, Perry. He was grandfather to seven.

Mr. Speaker, while you may have not known Matthew, I know you would have been proud to call him a friend. His passing is an enormous loss, not just for Millbrae, but for the whole Peninsula community. His deep commitment to public service and to the betterment of his beloved town will remain as a model for all of us. Matthew Boxer was a wonderful man, and he will be sorely missed.

H.R. 2152—A BILL TO ENHANCE THE EFFECTIVENESS OF THE UNITED NATIONS INTERNATIONAL DRIFTNET FISHERY CONSERVATION PROGRAM, AS AMENDED

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rules of the Democratic caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of H.R. 2152, a bill to enhance the effectiveness of the U.N. International Driftnet Fishery Conservation Program, as amended.

MINORITY ENTERPRISE DEVELOPMENT ACT OF 1992

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. LAFALCE. Mr. Speaker, today I am introducing the Minority Enterprise Development Act of 1992, legislation which provides carefully targeted tax incentives for capital investment in minority-owned companies and venture financing firms. I am pleased to have Representative ANDY IRELAND, ranking minority member of the Small Business Committee, join as a cosponsor.

In the first session of this Congress I was very pleased to cosponsor H.R. 1741, the Enterprise Capital Formation Act of 1991, legislation designed to stimulate long-term growth-oriented venture and seed capital investments in small business enterprises. The bill I offer today is an important complement.

As chairman of the Committee on Small Business, I know firsthand the difficulty small businesses face in finding capital or financing—at any time. During the current credit crunch, this general problem has been greatly exacerbated. But during good times or bad, firms owned by socially disadvantaged persons generally ethnic minorities confront even greater barriers in gaining access to credit.

A decade ago, a Federal Reserve Board study fund what minority entrepreneurs had already known all along—without targeted help, private capital is generally nonexistent. In its recent interim report, the U.S. Commission on Minority Business Development reconfirmed this situation. The Commission cited lack of access to capital as "one of the most formidable stumbling blocks to the formation and development of minority business." In its report, the Commission recommended a national investment strategy to narrow the "capital gap" through reform of existing governmental programs and through the enactment of incentives for private-sector investment.

The legislation I am introducing today is aimed at helping to bridge this capital gap. As mentioned previously, the bill would complement H.R. 1741 by providing partial exclusion for capital gains realized from long-term investment in qualified small disadvantaged firms. The bill also contains two provisions similar to concepts included in enterprise zone legislation sponsored by my colleague, CHARLES RANGEL, and by the chairman of the Committee on Ways and Means, DAN ROSTENKOWSKI. The first provision provides income tax deductions for equity investments held for at least 3 years. The second permits tax deferral on long-term gain, if reinvested in qualified small disadvantaged businessess. In addition, the benefits provided by the bill would not be treated as preference items for purposes of the alternative minimum tax.

One of the unique and most important features of the bill is the incentive to invest in minority venture capital companies. Prior to 1970, the Federal Government had no dedicated sources of financing for socially disadvantaged businesses or entrepreneurs. However, in 1971 the Congress authorized the creation of the minority small business investment company—MESBIC—program administered by the U.S. Small Business Administration. Over the past two decades MESBIC's and the minority venture capital industry have been the primary source of capital exclusively dedicated to financing socially disadvantaged businesses. The industry has an outstanding record of accomplishment. In the face of tremendous obstacles, the industry has made a real difference.

In the last decade, over $1 billion has been invested and nearly half of all financing were for new firms; more than 15,000 African-American, Hispanic-American and Asian-American businesses have been financed; and in the 3-year period of 1987–89, approximately 50,000 new jobs were created across an entire spectrum of industries.

Notwithstanding the successes, there is a pressing need to augment existing governmental resources and develop new pools of targeted capital. The Minority Enterprise Development Act of 1992 would do so by providing incentives for private sector investment.

Mr. Speaker, capital targeted to minority and socially disadvantaged business is an essential but often overlooked, component of economic development. It is also one of the most creative tools to spur business growth and job creation, particularly in distressed communities. I hope that my colleagues will carefully review the legislation I am introducing today, and join Mr. IRELAND and several of our colleagues in helping to close the capital financing gap afflicting minority business.

SKYROCKETING PRESCRIPTION DRUG COSTS DEMAND A LEGISLATION SOLUTION

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. STARK. Mr. Speaker, U.S. pharmaceutical drug manufacturers are completely out of touch with their customers.

The issue of skyrocketing medication costs are frequently raised at public town meetings and forums. The reason: The highest out-of-pocket cost for three-fourths of all senior citizens is prescription medications. The Department of Labor price inflation data for 1991 shows that prescription drug prices increased at three times the rate of general inflation. It is becoming increasing difficult for the American senior citizen to afford their prescribed medications.

The following comments from a sample of calls and letters received by my office during the past week illustrate the public concern. As legislators, we owe it to our constituents to address this issue and fight for a fairer pricing system for pharmaceutical drugs:

PHONE CALL FROM MS. E.G. OF FREMONT, CA

"Upset about the rate at which drug prescriptions are going up. She must take a drug (Depakene) to survive. She will always have to take it.

"Ten years ago the cost was $19 per 100 tablets. Now it is $80 per 100 tablets. And that lasts 25 days."

LETTER FROM MS. M.S. OF FREMONT, CA

"I heard that you are checking on drug prices, and I have one for you to research.

"The drug is called Timoptice. It costs about $1.50 in Mexico and about $30.00 in California."

LETTER FROM MRS. H.M. OF SAN LEANDRO, CA

"In reply to your article on prescription prices, I am enclosing rises in prices I have paid at Long's Drugs.

"Example 1:

On 7–13–91, Erythromcin was $7.80.

On 10–6–91, Erythromcin went to $14.35.

"Example 2:

On 2–5–90, Tepanil (10 tab 100s) was $88.85.

On 4–20–90, Tepanil (10 tab 100s) was $106.65.

On 11–15–90 Tepanil (10 tab 100s), after I complained, cost $99.20.

On 1–16–92 this same drug was $112.25.

"Example 3:

On 3–24–90, Hygroton 60s cost $28.65.

On 6–28–91, Hygroton 60s cost $53.90.

On 11–4–91, Hygroton 60s cost $57.30.

"Example 4:

On 5–14–90, B–12 Vitamins were $1.79.

On 6–4–90, B–12 Vitamins were $6.05.

"Example 5:

On 6–28–91, Thyroid tablets were $10.70.

On 11–18–91, Thyroid tablets were $19.85.

"I hope this will help to bring prices down."

LETTER FROM D.S. OF HAYWARD, CA

"Sometime ago I wrote to you about the terrible price we pay for prescriptions. One I had filled last July—Tagmet 100 tablets at $115.00. In September, it was refilled for $123.00 and December it was $131.00. I wrote to the company but the letter from them said nothing. My husband just had a prescription (Augmentin 80 tablets) for $172.50, and another prescription (Rifampin 40 tablets) for $82.00.

"I cannot believe our pharmacy bills."

LETTER FROM D.C. OF SAN LEANDRO, CA

"Included is information on a prescription I have to take for the rest of my life. I am a cancer patient in remission for two years now but going for 100 years.

"The prescription is for Nolvadex 10 mg, by Stuart, 100 tablets.

"On 2–14–89 the price was $119.99 for 100 tablets.

On 5–30–89 the price was $127.99 for 100 tablets (increased for no reason).

On 2–5–90 the price was $138.99 for 100 tablets (increased for no reason).

On 2–22–91 the price was $145.99 for 100 tablets (increased for no reason).

"I am afraid of what 1992 will be. My doctor said that the reason the pills are so expensive is because the chemist who developed the Nolvadex Stuart has the say on the price for 5 years or more, then they go on the open market, so to speak. In the meantime, I'm at their mercy.

LETTER FROM MR. P.M. OF ALAMEDA, CA

"Talk about Greed! Greed! Greed!

"Last year I purchased 1 Coricidin 'D' 100 tablets for $9.99.

"This year I purchased 1 Coricidin 'D' 48 tablets for $9.39.

"Absolutely no justification for such increases except due to a universal plague of Greed that is permeating through every phase of industry and profession in our country today.

"Isn't there any leadership and decency and reasonableness anymore?"

LETTER FROM R.S. OF HAYWARD, CA

"I know fellow senior citizens who don't take their medicines as prescribed in order to save money. They simply can't afford it. Others will go without medicines and endure their discomfort.

"It's ironic. Social Security goes up a bit, $22 a month in most cases. Medicare goes up. AARP goes up. And if you have any savings, the interest has gone down. I'm fortunate that my home is paid for. The upkeep, insurance and taxes are a problem that takes borrowing from Peter to pay Paul.

"Price of needed prescription blood pressure medication, 3 months supply:

"Lozol 25 mg, 100 tablets in 1985, $32.15; in 1986, $36.75; in 1987, $40.85; in 1988, $51.65; in 1989, $57.65; in 1990, $62.65; in 1991, $69.85; in 1992, $75.95.

"Also, Betoptic eye drops, 0.5%, #10, for glaucoma, one month supply: In 1988, $27.25; in 1989, $29.65; in 1990, $33.75; in 1991, $38.15.

LETTER FROM J.U. OF HAYWARD, CA

"As a widow on a fixed income, drug prices are of great concern to me. I want to urge you to continue your quest to bring U.S. prices more in line with those in other countries.

"For the past 18 to 20 months I have been taking naprosyun for a knee problem. My physician has prescribed 500 mg naprosyn three times daily. Each naprosyn tablet costs $1 so I am facing $90 per month in drug cost. As you are no doubt aware, Medicare does not pay anything toward prescription drugs so this entire burden falls on me.

"If naprosyn were a so-called 'orphan drug' I could understand the high cost, but it is a very commonly prescribed, mass-produced drug. So why such an exhorbitant price?

"Keep after the GAO for a swift completion of the investigation, and follow up with the pharmaceutical houses. All Americans, particularly the senior citizen sector, would benefit greatly if you can in some way pressure the major U.S. drug companies to lower prices."

TRIBUTE TO RON PACELLA, 1991 PRESIDENT OF THE NATIONAL UTILITY CONTRACTORS ASSOCIATION

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. NOWAK. Mr. Speaker, it is my honor to recognize Ronald W. Pacella, an outstanding leader and advocate for clean water infrastructure, as he completes his term as president of the National Utility Contractors Association [NUCA]. It is fitting to reflect upon the many contributions Ron has made to our country through his relentless call for clean and adequate water supplies, which are essential to our quality of life. In addition to testifying before House and Senate committees on the need for continued Federal investment in sewer and water construction, Ron contributed insightful testimony to the House Water Resources Subcommittee which I am privileged to chair, concerning reauthorization of the Clean Water Act. During the past year, his message was heard throughout the Halls of Congress and the White House. Awareness of our Nation's water and wastewater treatment facility needs increased, as did funding for important clean water programs. Most importantly, Ron reminded us that our country's long-term productivity and economic strength depend upon clean water construction. Federal dollars for environmental infrastructure repay themselves via economic growth, an expanded tax base, environmental protection, and improved public health.

Ron Pacella's commitment to improving our Nation's water resources stems from his experiences as a third-generation underground utility contractor, and an owner of a small, family oriented construction business in Massachusetts for over 42 years. NUCA members have long recognized Ron's spirit and were served well by his voice in Washington over the past year.

TRIBUTE TO MRS. LOTTIE POWELL

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. VISCLOSKY. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to an extraordinary woman, Mrs. Lottie Powell, on the special occasion of her 100th birthday.

Lottie Powell was born on February 15, 1892, in Hankinson, MS. She received her B.S. degree in 1915 from Alcorn College, now Alcorn State University, in Alcorn, MS. She received additional training at both Indiana State Teacher's College in Terre Haute, IN, and at the University of Chicago. Lottie Powell's career in the Gary community school system spanned from 1924 to 1958. She began teaching at the 21st Avenue School and was an elementary teacher at Pulaski School when she retired. She taught special education at Froebel School, and was a librarian and home economics teacher at Roosevelt. She also taught night school for 14 years.

Since her retirement, Lottie Powell has remained actively involved in church and community work. As a long-time member and missionary of First A.M.E. Church, she worked with the conference workers to establish a hall of fame at Camp Baber, in Cassopolis, MI. Mrs. Powell is also a life member of the NAACP, a charter member of the Gary National Council of Negro Women, a member of the Gary Federated Women's Club, and the YWCA.

Lottie Powell is also a member of the Senior Citizen's Friendship Club, Friends of the Gary Public Library, and the Helping Hand Club which works to relieve suffering in the city of Gary.

During the mid-1980's Lottie Powell won Gary INFO newspaper's Outstanding Senior Citizens Award for 3 consecutive years. In addition, she was named Alcorn Alumni of the Year in 1986.

Lottie Powell's social commitment and leadership is a model for all of us. It is my distinct honor to ask my colleagues to join me in wishing her a very happy 100th birthday.

HOW AMERICAN IS IT?

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. MFUME. Mr. Speaker, today I am introducing legislation which would require every new car sold in the United States to carry a sticker indicating what percentage of the car was made in the United States. The purpose of this legislation is to certify for the American people that the automobile they are purchasing really is made in the U.S.A.

My legislation is identical to the bill being sponsored in the Senate by my friend and colleague Senator BARBARA MIKULSKI. I am also pleased to introduce this legislation with Maryland Representatives HELEN D. BENTLEY, BENJAMIN CARDIN, and BEVERLY BYRON.

Mr. Speaker, I made a commitment to myself over 20 years ago that I would buy only American made cars. I have stuck with my pledge and today after having driven a number of Lincolns, Fords, and General Motors automobiles I am more satisfied today with American ingenuity than I ever have been.

I am proud to show off America's labor and workmanship to everyone who may or may not believe that America's autos are among the best manufactured vehicles in the world. Today, the American Automobile Labeling Act will assist millions of committed persons like me and the cosponsors of this bill to distinguish where our autos were manufactured and where the parts were assembled and manufactured.

Mr. Speaker, this bill will show the auto industry and the thousands of auto workers in Maryland and all over the country that the U.S. Congress cares about their continued viability and employability. They deserve this support and I am proud to help my State congressional delegation lead the fight for the interests of hard-working American people.

TOP POSTAL BRASS GET FREE HEALTH INSURANCE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. BROOMFIELD. Mr. Speaker, while most workers pay handsomely for health insurance benefits, there are some who get a free ride—at the taxpayer's expense. More than 1,000 of the Postal Service's top executives, including the Postmaster General, get their health insurance free. The President of the United States doesn't even get that perk.

I was amazed when I read an article in last week's Washington Post stating that the Postal Service's top officials, who are paid from $64,000 to $130,000 a year, pay nothing for their insurance. Because this poor business decision affects the public's pocketbook, I wanted to share this information with my colleagues. I submit the Washington Post article for the CONGRESSIONAL RECORD.

POSTAL SERVICE PERKS

(By Mike Causey)

Postal officials who are trying to get their 600,000 underlings to pay a bigger share of their health insurance premiums have a valuable perk that isn't shared with other government workers: More than 1,000 of the top postal brass, including the postmaster general, get their health insurance free. The public pays the tab.

Other federal workers, from the president and members of Congress down to the lowest-paid clerk, pay about 35 percent of their total insurance premium. That can run from $300 to $5,000 a year, depending on the plan and coverage chosen.

In arbitration hearings last week, Postal Service officials asked that rank-and-file employees be required to pay more of the premium tab to cut operating costs. About 80 cents of every postal dollar is spent on salaries and benefits. The typical clerk-carrier is paid about $33,000 a year.

Under the old union contract, the quasi-government Postal Service pays 75 percent of its employee premiums. But the service's top officials, who are paid from $64,000 to $130,000 a year, pay nothing for their insurance.

The hearings are part of the wrap-up process to complete the current contract. The two issues not settled in an arbitration decision last June concerned transitional employees and health insurance premiums.

The arbitrator awarded postal workers a flat $351 payment, plus seven cost-of-living adjustments and four pay raises in a four-year period. The insurance issue will be decided next month based on data presented by unions and management. The American Postal Workers Union and National Association of Letter Carriers are representing most of the 600,000 unionized workers in the hearings.

Moe Biller, president of the Postal Workers Union, lashed out at the premium plan. "The same hypocrites who get free health insurance and want the workers to pay more . . . these very same honchos recently received fat pay raises ranging from 15 percent to 25 percent." Postal officials confirmed that 42 of the officials did get the raises.

RESTORING CREDIT AVAILABILITY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. LAFALCE. Mr. Speaker, our economy is now suffering from two debilitating and related problems. We continue to suffer the effects of a very serious credit crunch which is denying finance to creditworthy borrowers. At the same time, we are seeing the vast accumulation of assets by the Government which continues to depreciate asset values and seriously depress our real estate market. This adversely affects even the healthiest thrifts and banks, further reducing their lending capacity.

For some time, I have been concerned that unreasonable demands we are placing on our financial institutions in regard to the buildup of capital are only exacerbating these problems—forcing the closure of weak but viable institutions and precluding any improvement in credit flows and in our economic performance.

If our economy is to turn around, we must restore the flow of funds to creditworthy borrowers. But it will be impossible to restore credit availability unless we restore common sense to banking regulation.

Our financial institutions can spend any given dollar either on building capital, or on lending. Badly needed lending is now being sacrificed as our financial institutions are being forced to focus exclusively on a rapid buildup of capital in a market that makes such rapid capital accumulation virtually impossible. A far more balanced approach is called for.

Richard Syron, president of the Federal Reserve Bank of Boston, recently voiced these same concerns in testimony before the Senate Banking Committee on February 3. While Mr. Syron focuses on the economic difficulties currently being experienced in New England, the restraint on credit that he cites and the causes he identifies are universally applicable. As President Syron noted:

> Even if the outlook improves for the national economy, the low capital-to-asset ratios at New England's financial institutions are restraining economic prospects for the region. Our reserve bank research indicates that poorly capitalized institutions may not lend as economic activity picks up in the region. While firms with access to national credit markets or to banks outside the region are insulated from many of these problems, small and medium-sized businesses dependent on local lenders are likely to face continued restrained credit conditions * * *
>
> The primary role of capital should be to act as a shock absorber, something to be drawn down in bad times and built up in good times. However, as a result of a variety of factors, the fundamental role of capital has been altered in the last few years. Banks whose capital has become depleted are expected to achieve higher capital ratios than banks that have not had losses * * * While this might seem prudent for each institution in isolation, when it is required for a large number of banks in a region at the same time, the economic impact is perverse * * *
>
> * * * raising expected capital ratios for banks that are most vulnerable defies common sense. Substantially increasing the required capital ratio for viable banks that have just experienced large losses is equivalent to requiring the trailing team to go 115 rather than 100 yards for a touchdown * * *
>
> We have adopted a panoply of capital targets for banks, targets that are not always conceptually consistent and in application may be causing unwanted constriction of credit flows * * *
>
> * * * banks, which have experienced large but not fatal losses, must be given time to recover. They cannot be allowed to take additional large bets and banks supervisors must be satisfied with their management, but weak but stabilized banks should no longer be forced to shrink their institutions uneconomically * * *
>
> * * * we must find ways during the contraction to reconcile our treatment of individual institutions with our overall economic goals. It is clear that what may be an appropriate regulatory approach for individual institutions may not be appropriate when considering the needs of the economy as a whole. I realize that some might mistake this for the dreaded work "forbearance," the uttering of which is equivalent to professional suicide for a regulator. However, it is not. It is good economic policy.

As President Syron emphasizes, what might be good policy in regard to a few problem financial institutions, is not necessarily good policy when our entire system is under siege. We have an enormous systemic problem that cannot be cured by inflexible regulation and myopic micromanagement.

The abrupt and inflexible application of tough new capital standards has contributed and continues to contribute greatly to the current credit crunch and to the depressed state of our economy. It is time we balance the legitimate goal of achieving new, tougher standards against other equally important policy objectives: revitalizing our economy and ensuring the flow of credit to worthy borrowers.

When Congress reconvenes next week, I will be introducing legislation which will permit regulators to grant weak but stable financial institutions some flexibility in achieving the necessary improvement in their capital ratios. I urge that my colleagues seriously consider Mr. Syron's views, and ask your cosponsorship of this important legislation.

A TRIBUTE TO HUD INSPECTOR GENERAL PAUL ADAMS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. LANTOS. Mr. Speaker, I rise to recognize and pay tribute to Paul Adams, a dedicated, conscientious, and outstanding public servant, who later this month will be retiring as inspector general for the Department of Housing and Urban Development. It was Inspector General Adams who first brought the HUD scandal to light.

An accountant, Mr. Adams began his career in the Federal Government in 1962 in the Inspector Division of a HUD-predecessor agency in Atlanta, GA. Through hard work, he was promoted through the ranks, becoming a supervisory investigator at HUD's national headquarters in Washington in 1969, a senior inspector in the Investigations Division in 1973, Assistant Inspector General for Investigations in 1977, and Deputy Inspector General in 1980. In 1985 Paul Adams was named by President Reagan to be the inspector general for HUD.

On April 26, 1989, Inspector General Adams issued a report criticizing apparent favoritism by HUD in awarding Section 8 Moderate Rehabilitation Program funds between 1984 and 1988. The inspector general's audit report, based on a year-long investigation, revealed that the process for awarding moderate rehabilitation funds was undocumented and ignored existing standards and regulations, and that developers were paying consultants substantial fees of up to $1,500 per unit to influence awards of mod rehab units.

The HUD Inspector General's report triggered a series of 27 hearings and a lengthy investigation by the Government Operations Subcommittee on Employment and Housing, which I chair. The subcommittee's investigation of what came to be commonly referred to as the "HUD Scandal" revealed widespread abuses, influence peddling, blatant favoritism, monumental waste and gross mismanagement at HUD during the administration of Secretary Samuel Pierce, Jr. This led to the appointment of an independent counsel to investigate whether any crimes were committed by Secretary Pierce and others.

Inspector General Adams deserves a lot of credit. He detected problems in the administration of the coinsurance program early on. An inspector general audit in November 1985 found inappropriate lender underwriting practices, inflated appraisals, overestimates if income and occupancy rate to be achieved. However, the inspector general's warnings were dismissed by HUD officials who believed that his judgments were unwarranted, premature, and exaggerated, in that it was a new program and there were no foreclosures. The coinsurance program, which gives private lenders extraordinary discretion in making their own appraisals and estimates of property value and servicing costs, gave rise to many loan defaults and in effect became HUD's mini S&L crisis, and is expected to cost the American taxpayer more than $1 billion.

The HUD scandal helped make Congress, the administration, and the public aware of the important and critical work that inspectors general do in ferreting out waste, fraud, and abuse in Government. Soft-spoken and not flashy, Mr. Adams in effect put inspectors general on the map. Until the HUD scandal, when you mentioned "The Inspector General," most people thought you were referring to an old Danny Kaye movie.

Mr. Speaker, it is noteworthy that prior to May 1989, HUD Inspector General Adams testified before Congress on only one occasion—at an August 1988 hearing before my subcommittee on HUD spending $1 million to participate in an international trade show in Moscow. Since May 1989, he has testified before Congress more than 50 times.

One of the positive results of the HUD scandal has been better communication between congressional committees and inspectors general. Mr. Adams has set the standard for cooperation with Congress.

Mr. Speaker, the subcommittee staff and I have enjoyed working closely with Paul the past 3 years. We will miss him, and wish him and his lovely wife, Deanna, continued happiness and only the best.

RULE ON H.R. 4210, A BILL CONTAINING THE REVENUE PROPOSALS CONTAINED IN THE PRESIDENT'S FISCAL YEAR 1993 BUDGET

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rules of the Democratic caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of H.R. 4210, a bill containing the revenue proposals contained in the President's fiscal year 1993 budget.

WHY WE NEED A COMPREHENSIVE HEALTH CARE PLAN

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. STARK. Mr. Speaker, I recently received letters from two Americans, which explain why we need comprehensive health care reform—and why the President's proposals are woefully inadequate.

From Fox River Grove, IL, a woman wrote:

> (My insurance company) continues to raise their premiums for my major medical health policy. I have raised my deductible to the highest available. $2,500.00, and my premiums are back up to $410.00 per month.
>
> I simply cannot afford the expense until I am covered for Medicare in 1.5 years. I shall have to drop the policy. * * *

Tax deductions and tax credits don't do much for that kind of policy, Mr. President.

A woman from central California wrote with an even more difficult problem, one that is totally unaddressed by the President's plan:

> My adult son has a genetic immunity disorder, which is a full bloom "catch 22" regarding financial assistance. Our applications for S.S.I. and medi-cal have been denied. An appeal for medi-cal has also been denied.
>
> The basis for denial is that he is not disabled. Apparently disability is the only category, given his status, that would qualify him for financial aid from either federal or state funds.
>
> This immunity problem is called x-linked agammaglobulinemia, which is an inherited congenital defect, where the body does not manufacture any antibodies and leaves the person highly susceptible to numerous infections which are life threatening, per Dr. Dale Umetsu of Childrens Hospital at Stanford Medical Center.
>
> He requires 40 grams of gammaglobulin intravenously every four weeks for the rest of his life, at an annual cost of $40,000.00, plus antibiotics and other prescription drugs which must be administered each time he has one or more of the recurring infections that are applicable to this disease.
>
> The "catch 22" is this; without the medications Kevin would be seriously ill a good deal of the time and unable to work, therefore disabled. He would then qualify for assistance and treatment, which in turn, would healthwise enable him to work and therefore be disqualified for assistance. The denials for disability have been based on his health while he is receiving treatment.
>
> He is 31 years old, single, primarily unemployed because of health problems before this treatment was started in 1990. He has always resided in our home. The medical treatment he requires is totally beyond our ability to pay based on our retirement income of $20,000.00 annually.

These kinds of health disasters could happen to any of us—and we need to remove the fear of medical disaster from the American people—and while we are at it, we need to ask why medical charges and prescription drug costs are so outrageously high.erican people—and while we are at it, we need to ask why medical charges and prescription drug costs are so outrageously high.

INTRODUCTION OF LEGISLATION PROVIDING EMERGENCY UNEMPLOYMENT BENEFITS TO SEASONAL WORKERS

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. LEHMAN of California. Mr. Speaker, I rise before my colleagues today to introduce legislation that will correct an inequity in the Emergency Unemployment Compensation Act of 1991. Presently thousands of unemployed workers all over the country are unable to qualify for emergency Federal unemployment benefits even though they have exhausted their regular benefits. The Congress approved legislation—which was signed into law November 14, 1991—that stated that any worker who exhausted his or her regular benefits after March 1, 1991, was entitled to emergency Federal benefits. However, somewhere lost in the translation was the fact that workers needed to qualify under Federal eligibility requirements that were enacted under the Reagan administration.

So, Mr. Speaker, apparently it is not enough that a worker is unemployed and has exhausted his or her regular benefits, but they also must qualify under rigorous eligibility requirements that discriminate against them. The ones who are hurt most by this are the ones who can least afford to—lower-income seasonal workers. In my State of California, 29,000 workers who have run out of State benefits have applied for emergency Federal benefits only to be told that they do not qualify. They do not meet Federal eligibility requirements. Mr. Speaker, these people make less than $74 a week, they are seasonal agricultural or construction workers, and they do not qualify. We promised these people something back in November 1991 and we simply have not delivered.

Mr. Speaker, I received a letter from a constituent in my district, Mr. Gilbert Flores, who is a member of the Stockton International Longshoreman Union Local No. 6. Mr. Flores is a seasonal worker who has had a difficult time finding employment. He was entitled to 20 weeks of regular unemployment benefits which he depleted. Upon reading in a newspaper that the Congress had approved legislation for people who had run out of State benefits, he applied for emergency benefits only to find out that he was $60.32 short of qualifying for these benefits. Mr. Flores filed an appeal. After all, he had read that these benefits were available for people just like him. His appeal was denied. Mr. Flores wrote me a letter. He was confused and disillusioned. He wrote this letter not for himself, he said, but for the thousands of people just like him who are also suffering and do not understand what they need to do to qualify for emergency benefits. "How bad does it need to get for me," he asked.

Thousands of unemployed workers all over the United States are in the same position as Mr. Gilbert Flores. It is the result of a provision that was included in the Emergency Unemployment Compensation Act of 1991 [EUCA] regarding Federal eligibility requirements. EUCA used the same eligibility requirements for emergency benefits as are used under the extended compensation program of the Federal-State Unemployment Compensation Act of 1970, as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35, sec. 202(a)(5)). The requirements under section 202(a)(5) require that an EUCA claimant must have worked at least 20 weeks of full-time work or earned an equivalent amount of wages during the base period used to determine regular compensation eligibility and benefits. The law defines equivalent wages as either: First, base period earnings equal to 1½ times the wages earned in the highest quarter of the base period; or second, base period earnings equal to 40 times the claimant's weekly benefit amount.

In determining eligibility for the extended compensation program, most States must choose only one of three methods to apply to all cases. In California, the legislature chose the 40 times weekly benefit formula. This formula benefits a majority of the claimants who file for emergency benefits, however, it denies people who are seasonal and migrant workers. These worker's earnings are simply not high enough in the specified base period. They qualify for State benefits but they don't qualify under EUCA for emergency Federal benefits. The poorest of the working poor do not qualify for emergency benefits.

Mr. Speaker, the legislation I am introducing today would do one very simply thing. It would replace the Federal eligibility formula with the State's regular eligibility formula. If an unemployed worker qualifies under the State's regular unemployment compensation program, then they, after exhausting their 26 weeks of benefits, would qualify for Federal emergency benefits. This is, I believe, the way it should be. It is tragic enough to be unemployed, to want to work and not be able to find anything, to want to support your family and put food on the table, and not be able to do so. The unemployed low-income workers in this country deserve something better, Mr. Speaker. I believe the legislation I have introduced today will enable these people to qualify for emergency Federal benefits and not have to lose their dignity in the process.

SOUTHERN ILLINOIS UNIVERSITY STUDENTS RECOGNIZED

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. DURBIN. Mr. Speaker, I would like to recognize a group of students at Southern Illinois University at Edwardsville [SIUE] for turning a school project into a humanitarian relief effort for poor Guatemalan children.

A group of students at SIUE learned of an effort by the Catholic Campus Ministry to provide shoes to children living in a Guatemalan barrio and decided to join in. Many of these poor children couldn't afford shoes and went barefoot in a village where raw sewage ran through the streets.

The public relations students decided that helping the children would be a valuable community service project and would also give them practical experience for future careers. The students were required to develop and implement a publicity campaign for an advanced public relations course.

The students spent months organizing community support, collecting the shoes and then spent many hours washing and untangling the shoes before shipping them off to Guatemala. They washed 900 pairs of shoes and raised $611. Their recruitment and fundraising included talks at elementary schools and walk-a-thons.

The valuable contribution made by these students should be recognized. They went above and beyond what was required of them for their class project and will help make life a little easier for some less fortunate children in an improverished country.

A DEVOTED PROFESSIONAL HARVEY GROTRIAN

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. FORD of Michigan. Mr. Speaker, I would like to introduce to my colleagues a constituent of mine, Mr. Harvey Grotrian, the director of financial aid at the University of Michigan. In addition to his position at the University of Michigan, the National Association of Student Financial Aid Administrators [NAFSAA], is fortunate to have him serve as their national chairman. Dedicated to helping students obtain funding for college, he provides hope and assistance to many who were experiencing difficulty in continuing their education because of lack of money. A caring and effective administrator, Mr. Grotrian has led his staff in finding new and more efficient ways to help the students who come into the office needing financial aid. Harv Grotrian has built on these reforms nationally by proposing to form a NAFSAA Task Force on Institutional Leadership. An article which recently appeared in Student Aid Transcript which details Mr. Grotrian's commitment to assisting students and his task force follows:

HARVEY GROTRIAN: DEVOTED TO THE PROFESSION

(By Madeleine McLean)

Harvey Grotrian was teaching sub-Sahara and Southeast Asian geography at Valparaiso University in Indiana when he began the search for "something a little bit different to do." That something turned out to be the Director of Financial Aid.

There were students who had trouble attending the university, those who were low-income and needed financial help. Harv was told. He was intrigued. He decided to walk from the classroom into the administration building and into the world of student aid. "It was a jargon unto itself," Harv admits. "EOG sounded like a Soviet satellite country." That was 1970. Harv is now the Director of Financial Aid at the University of Michigan in Ann Arbor after a brief stint at Wayne State University in Detroit. He is also NASFAA's National Chairman for 1991-92.

Harv is looking forward to his year at the helm. Among his objectives you'll find fine-tuning NASFAA's member services through examining what members really think about the association. The recently completed Membership Survey will form the basis for this evaluation, but suggestions and comments are always welcome.

Harv's devotion to the profession is obvious. He really believes in what he and his colleagues do. Perhaps this is why people who, like Harv, seem to suddenly slip into student aid stay in the field. "The blend of duties associated with the work keeps it fresh," he says. Being able to intervene in a student's life to make a difference and having the opportunity to work in an educational setting are other reasons for staying. "I find that those with the greatest appreciation for what they do are very committed. They also recognize the uniqueness of individual student situations and they have a love of service."

Harv likes being at Michigan because of the philosophy there. He explains that there is a very strong commitment to keep the doors of Michigan open to all students who are qualified academically regardless of their financial situation. The university, in turn, is determined to maintain its strong academic programs. Also, the university, like other public schools in Michigan, enjoys a high degree of autonomy under the state constitution. And the spirit of sports on the Ann Arbor Campus certainly helps.

Student aid professionals are seen in many different ways, Harv believes. "We are seen by some as important catalysts for social change, by others as bureaucratic, and we are frequently accused of speaking a strange language that few can understand. Seldom are we seen as revenue producing." Interpreting our role is a challenge that we must face, says Harv.

"That's part of the reason why I've proposed a NASFAA Task Force on Institutional Leadership," he says. To serve on the Task Force, Harv would like to invite institution presidents and representatives from the student affairs, academic affairs, development, and fiscal offices, as well as other campus areas, to join with financial aid professionals.

The goal of the Task Force would be to produce a guide on how student aid and other administrators can work together more effectively to improve student access and retention, and program administration.

Harv sees an acute need for more money for students and the absence of a clear understanding of the role and responsibilities of the financial aid office on many campuses. Funding battles are constant, with financial support crucial to the success of every financial aid office. But improving understanding of the student aid process and the aid office's role is something to which many can and should contribute. Harv hopes that the Task Force can offer a blueprint for doing just that.

He admits that such mutual understanding and cooperation are critical to the image of the financial aid operations. "We are frequently hard to understand," he says, "and it doesn't take much to feed that image." He believes that, unfortunately, there are seldom short answers in dealing with students. "If an advisor can't answer a question, sometimes the entire office is considered aloof and uncaring."

At the University of Michigan, front-office staffers also process aid applications. This has helped the office's efforts to provide high-quality service to all who visit or call. Since most questions can often be answered by one person, this helps to leave students and their families with a sense of confidence.

Besides making sure that your front-line people are well-informed and have easy access to student records, another way to improve the image of financial aid is to monitor your procedures to make sure that they are simple and easily understood. "Many years ago we eliminated our Application our Financial Aid for incoming students. It is folded into our Admissions Application. Just this simple step eliminated 7,000 to 8,000 pieces of paper each year."

Harv also believes in the value of surveys. "You must do periodic assessments of your services to help you look at yourself. Such service assessments give you vitally important information to share with others who may have too narrow a view of your operations," he says. Also, efficiency of service is vital.

On a trial basis last year, his office eliminated the need for students to make appointments with counselors. All students are seen on a walk-in basis. So far the "experiment" has worked exceedingly well. As a result, students have their questions answered more quickly which, with a staff of 67 and up to 30 part-timers, is no easy task. The student aid office assists around 12,000 students each year from 15 different schools at the university.

There are always challenges in student aid, Harv feels. And someday he'll face the new challenge of being the parent of a college student. Will 11-year-old Jonathan follow his father's footsteps to Valparaiso University or will he be too immersed in University of Michigan, M Go Blue, lore to leave Ann Arbor? Harv and his wife Paulette say it's still too early to tell.

"The family was at the University of North Carolina in Chapel Hill several years ago," Harv relates, "and Jonathan drank out of the well there. Legend has it he will return." so much for predicting the future.

WHAT IS AN AMERICAN PRODUCT?

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. WELDON. Mr. Speaker, we've all heard about the buy American movement. This consumer campaign, however, is very difficult to comprehend. As the Wall Street Journal recently wrote, "Buy[ing] American is easier said than done."

As the media has extensively reported, the complexity of the auto industry makes it very difficult to precisely define what's an American car. Should a Ford Escort assembled in Mexico, or a Honda Accord coupe assembled by workers in the United States be considered American? Because of this confusion, I am very sorry to say that buying a purely American product is like "looking for a needle in a haystack."

For this reason, Mr. Speaker, I am introducing legislation requiring American and foreign automobile manufacturers to label cars as to the final place of assembly and the percentage value of the vehicle. The extension of content labeling to nonedible products is certainly reasonable.

Mr. Speaker, consumers have the right to know what an American product is.

STATEMENT BY CHARLES J. HAUGHEY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. MICHEL. Mr. Speaker, as cochairman of Friends of Ireland in the House of Representatives, I'd like to bring to the attention of our colleagues remarks made by Mr. Charles J. Haughey, former Irish Prime Minister. Mr. Haughey spoke of the recent violence in Northern Ireland and its meaning in the context of 20 years of killings resulting in almost 3,000 dead.

At this point I wish to enclose in the RECORD a statement by Mr. Charles J. Haughey, Taoiseach in Dail Eireann on February 6, 1992, on the recent atrocities in Northern Ireland.

STATEMENT BY MR. CHARLES J. HAUGHEY, TAOISEACH IN DAIL EIREANN ON FEBRUARY 6, 1992 ON THE RECENT ATROCITIES IN NORTHERN IRELAND

I can readily understand the wish of this House to express its views on the present dreadful situation that is developing in the North of Ireland. It is only natural that we would wish to place on record at least our total condemnation of these latest atrocities. Our hearts go out to the people of Northern Ireland. They deserve a lot better. To all the people of Northern Ireland let me say they have our deepest sympathy and understanding at this state of affairs that prevails throughout the Six County area.

We have all now become hardened to the statistics, but perhaps it is no harm to mention them again in their entirety. Over the past twenty years, almost 3,000 people have died. What we would like to do, apart from expressing our sympathy to all those who have been affected in one way or another by this appalling violence, is to appeal for an end to it all. It is quite clear to everybody that it has now assumed a self-feeding spiralling dimension and nobody can now attempt to forecast where it will end. We can only hope there are enough people of goodwill who have enough influence to try to ensure that some sanity will be restored to that demented part of our country.

I think we must also say—although this is no time for recriminations by anyone in this House—that we expect the British Authorities to take every possible measure open to them and to take all the steps available to them within the law to bring this period of horror to an end and to protect the lives and welfare of people on all sides of the community in Northern Ireland.

Words are lightly spoken and we must be very careful not to say anything here that would in any way exacerbate or inflame the situation. Nevertheless, we all wish to send our message of deepest sympathy to all the people in Northern Ireland and to express a hope that the agony to which they are now and have been for the past twenty years subjected will sooner rather than later be brought to an end.

SECRETLY TAPED TELEPHONE CONVERSATION OF YASSER ARAFAT REVEALS TRUE NATURE OF PLO LEADER—CONVERSATION OOZES ANTI-SEMITISM AND FRANCO-PHOBIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. LANTOS. Mr. Speaker, just 2 days ago, the CNN television network broadcast an incredible telephone conversation between PLO leader Yasser Arafat and the PLO's representative in Paris. That conversation, recorded by a Western law enforcement agency and obtained by CNN, raises the most serious questions about the nature of the PLO leader and brings into serious doubt the potential for negotiations with Palestinian representatives who are operating under the direction of the PLO and its leader.

As my colleagues in the Congress are aware, George Habash, a key member of the PLO's leadership in Tunis, was admitted to France on January 29 for medical tests. Habash has been accused by our own Government as well as other Western governments of involvement in numerous terrorist attacks over the past two decades. The massacre at Lod Airport in 1972, the hijacking of an Air France plane in 1976, and an attack on a bus in Israel just last year that left two people dead are only the better known terrorist acts with which he has been linked. These, I should add, are hardly minor incidents. Unfortunately, this is not the first time that he and other PLO terrorist leaders have quietly been admitted to France for medical or other reasons.

Shortly after Habash arrived in Paris, a French television station broadcast footage of Habash's arrival, which provoked a justified outburst of public outrage. Six senior French Government officials who were held accountable for Habash's entry into France lost their positions over the incident.

Publicly the PLO took a low profile during the controversy. Privately, however, Yasser Arafat was absolutely furious over the Habash affair, as was evident in the telephone conversation that was secretly recorded. The conversation took place just 2 weeks ago on January 30—when Habash had been in France for only 1 day. Arafat spoke with Ibrahim Al-Souss, the PLO's representative in France.

Arafat was obviously furious about the mounting criticism of Habash's presence in France. He instructed the PLO representative in Paris to protest to the French Foreign Ministry:

> ARAFAT. You officially inform the Foreign Ministry—what has just happened is shameful. And you know about the Lockerbie matter. It is very shameful what has happened. . . . Today, officially, you make a formal announcement to the Foreign Ministry: "Thank you very much! Thank you very much."

Al-Souss protested to Arafat that the furor over Habash's presence in Paris was not the fault of the Socialist government of France:

> AL-SOUSS. The government has nothing to do with this matter at all. It is the opposition and the Jews. The Jews, they are at work.

This comment apparently enraged Arafat, who then launched a vitriolic anti-Semitic harangue:

> ARAFAT. The Jews at work! Damn their fathers! Dogs! Filthy! Dirt! All this for one sick man. I took care and treated their ill and sick [POW's]. But, the trash is always trash. . . . Al-Souss, you inform the [French] Government that I have sent a communique that I have taken full responsibility for sending him over. . . . We are not going to allow this degradation. . . . And thanks to France. Thanks to French progressiveness and thanks to French civilization. And thanks to the rotten Jews with whom we will settle accounts in the future.

As Al-Souss continued to stress that the problem was with the French political right and not the French Government, Arafat then launched into a vitriolic attack on the French.

> ARAFAT. Who are those opposing this? What rotten person is opposing this?
>
> AL-SOUSS. The Right, the whole Right, all of them. . . . Le Pen and Chirac the Right. All of them. Especially the Jews, and the Jews exposed this matter, but this was to be expected.
>
> ARAFAT. You officially inform them [the Foreign Ministry]. . . . We do not need their medical treatment! And we do not need their low civilization, their arrogant civilization, and their dirty civilization.

The PLO leader then concluded his invective-filled harangue with a delightfully ironic comment:

> And there you have it. I am speaking to you on a bugged telephone, and let them re-

lease it on the television. Thank you, brother.

Mr. Speaker, this disgusting conversation, unfortunately, has implications that are very serious for our Nation's foreign policy, for the President's and the Secretary of State's efforts to reach peace in the Middle East through the negotiations that began in Madrid 4 months ago. This same Yasser Arafat—the man who uttered these vicious, intemperate, racist outbursts—is giving instructions to the Palestinian participants in the Middle East negotiations. This same man is the final authority behind the Palestinian negotiators.

Hanan Ashrawi, spokesperson of the Palestinian delegates participating in the peace negotiations, made clear that it is Arafat who is in charge. In an appearance on CNN's "Evans and Novak"—November 23, 1991—she was asked if Arafat was the "ultimate decisionmaker for the Palestinian delegation." Ms. Ashrawi responded:

> He is the president of the Palestinian state and the chairman of the PLO. . . . There is a decisionmaking body, which is the Executive Committee, and President Arafat is the head of that Executive Committee.

In an interview on NBC's "Today"—October 30, 1991—Ms. Ashrawi responded to a query about the PLO role in the peace talks by noting "any decisions, any agreements, cannot have legitimacy without the overall agreement and endorsement of the leadership."

Mr. Speaker, I am appalled by what this telephone conversation tells us about Yasser Arafat, the man who is directing the Palestinian representatives participating in the Middle East peace talks. Is this a man who can be trusted to make peace with Israel? Is this a man who can be trusted to enter into goodfaith negotiations? Is this a man who can be believed when he says the PLO will accept Israel's right to exist?

Mr. Speaker, I include the text of the telephone conversation I have referred to in the RECORD so that my colleagues can consider this appalling dialog in its entirety.

CNN ENGLISH TRANSCRIPT OF YASSER ARAFAT TELEPHONE CONVERSATION

Conversation between Yasser Arafat and Ibrahim Al-Souss (PLO Envoy to France) on January 30, 1992. Arafat is in his office in Tunis. Al-Souss is in his Paris office. Obtained by CNN Special Assignment.

ARAFAT'S ASSISTANT. Is Al-Souss there with you?

WOMAN AT AL-SOUSS RESIDENCE. Yes, just a minute, Susu. How are you?

ASSISTANT. Alright. Did you hear about our friend at the Red Cross? Poor thing.

WOMAN. Too bad what they did to her.

ASSISTANT. They are going to fire her. They are going to fire her tomorrow. Just hold on for a second—(Chimes sound on the telephone. Talking in background.)

ASSISTANT. Al Souss?

AL-SOUSS. Yes, how are you Susu (phonetic)?

ASSISTANT. Hi. How are you? I'm transferring you to brother Abu Ammar. Just a second. I want to listen to Bruguiere. They say he's going on the news. [Note: Bruguiere is the French anti-terrorism judge who sought to question Habash while he was in France.]

AL-SOUSS. We'll listen to it—no problem. We'll send it. We'll send it.

ASSISTANT. No. (unintelligible).

AL-SOUSS. Let me speak to him.

ASSISTANT. Here he is. Go ahead.

ARAFAT. Yes, Al-Souss.

AL-SOUSS. Hello, Abu Ammar. Did you receive my fax that I sent to you?

ARAFAT. No. In the name of God.

AL-SOUSS. I sent it to you, at 4 o'clock. Faxing full and complete details.

ARAFAT. For what?

AL-SOUSS. It has all the details, and it is reassuring.

ARAFAT. We do not need any details. We did not send him without authorization.

AL-SOUSS. The fax. The fax is very reasurring. I write to you about . . .

ARAFAT. You officially inform the Foreign Ministry.

AL-SOUSS. Yes.

ARAFAT. What has just happened is shameful. And you know about the Lockerbie matter. It is very shameful what has happened. I need not talk about this matter any further.

AL-SOUSS. We are not in disagreement . . .

ARAFAT. There you have it, if you please. I will send over a plane and take him back to the place he came from.

AL-SOUSS. They . . .

ARAFAT. Today, officially, you make a formal announcement to the Foreign Ministry: Thank you very much! Thank you very much!

AL-SOUSS. The government has nothing to do with this.

ARAFAT. You tell them, thank you very much. And return him back!

AL-SOUSS. Abu Ammar, the government, the government has nothing to do with this matter at all. It is the opposition and the Jews. The Jews, they are at work.

ARAFAT. The Jews at work! Damn their fathers! Dogs! Filthy! Dirt! All this for one sick man. I took care and treated their ill and sick (POW's). But, the trash is always trash.

AL-SOUSS. That's right. . . .

ARAFAT. Just as I am telling you, Al-Souss; you inform the government that I have sent a communique that I have taken full responsibility for sending him over.

AL-SOUSS. I know, I know. . . .

ARAFAT. There you have it. Please send back our leader. He is a leader of the Palestinian people. We are not going to allow this degradation.

AL-SOUSS. Of course.

ARAFAT. And thanks to France. Thanks to French progressiveness and thanks to the French civilization. And thanks to rotten Jews with whom we will settle accounts in the future.

AL-SOUSS. O.K., O.K., Let me tell you . . .

ARAFAT. Just as I am telling you. Thanks to the rotton Jews with whom we will settle accounts in the future.

AL-SOUSS. O.K., O.K. Yes, I will tell . . .

ARAFAT. You inform the Foreign Ministry. Do they have manners? Is this called manners? This is a sick person.

AL-SOUSS. But the government has nothing to do with this matter. It is the opposition . . .

ARAFAT. What opposition? Who are those opposing this? What rotten person is opposing this?

AL-SOUSS. The Right, the whole Right, all of them. . . .

ARAFAT. Len Pen? Le Pen? Le Pen . . . He was with the Iraquis . . .

AL-SOUSS. It is the Right. All of them. Len Pen and Chirac—the Right. All of them. Especially the Jews, and the Jews exposed this matter, but this was to be expected.

ARAFAT. For what? Just for a sick man. Just a sick man!

AL-SOUSS. The media campaign, by the Jews. . . .

ARAFAT. For what? A sick man?

AL-SOUSS. Even for a sick man—Israel chases us everywhere.

ARAFAT. For a sick man? Did we send him to have fun on the Champs Elysee? We sent him to the Red Cross.

AL-SOUSS. O.K. I will inform them. But the subject is . . .

ARAFAT. You officially inform them. They should accept responsibility for him. And please send us back our man. We do not need their medical treatment! And we do not need their low civilization, their arrogant civilization, and their dirty civilization! And there you have it. I am speaking on a bugged telephone, and let them release it on the television. Thank you, brother.

AL-SOUSS. O.K.

Click.

H.R. 939—A BILL TO PROVIDE ELIGIBILITY TO MEMBERS OF THE SELECTED RESERVE FOR THE VETERANS HOME LOAN PROGRAM

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rules of the Democratic caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of H.R. 939, a bill to provide eligibility to members of the Selected Reserve for the Veterans Home Loan Program, as amended.

DATES SIGNIFICANT IN DEVELOPMENT OF INDIAN POLICY

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102-188—Senate Joint Resolution 217, House Joint Resolution 342—Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we, as a Congress, have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing today for the consideration of my colleagues a partial history of Indian policy. This list was taken from a U.S. Department of the Interior publication "A History of Indian Policy." Submitted today are dates of significant development in Indian policy covering the years from 1000 A.D. through 1799.

DATES SIGNIFICANT IN THE DEVELOPMENT OF INDIAN POLICY [1000-1970]

1000 to 1006: Contacts between Native Americans and the Vikings.

1492: Contact between Native Americans and the Spanish resulting in first permanent settlement by Europeans.

1497 to 1606: Contacts between Native Americans and the English.

1524 to 1607: Contacts between Native Americans and the French.

1537: Pope Paul III by the Bull Sublimis Deus supports the doctrine promoted by Bartolome de las Casas and Francisco de Vitoria that Indians are "truly men" with the right to enjoy liberty and possess property.

1598: Establishment of Spanish settlement in New Mexico.

1602 to 1612: Contacts between Native Americans and the Dutch.

1607: First permanent English colony established at Jamestown.

1608: First permanent French colony established at Quebec.

1626: Dutch purchase Manhattan Island from the Indians and found New Amsterdam.

1633: Land allotted to Indians by General Court of Massachusetts Colony (establishes precedent that Colonial or Central rather than Local government is to deal with Indians).

1643 to 1684: New England Confederation attempts to provide mutual defense against Indians, Dutch, French, etc.

1664: The English inherit the Dutch holdings and their trade with the Indians.

1675 to 1676: King Philip's War results in an end of organized resistance to the colonies by tribes of southern New England.

1680: In a revolt led by the Pueblo Indians the Spanish were driven from New Mexico until the reconquest began in 1692.

1680's: In precedents set by men such as William Penn the idea is presented that Indian land should be acquired by purchase.

1680's: The French under LaSalle open the Mississippi region, expand their trade with Indians, and gradually settle this heartland of America.

1689 to 1763: In a series of wars stemming from English, French, and Spanish rivalry in both Europe and America, Indian tribes are allied with each of the three powers and against one another in the American theater.

1750's: French establish a string of forts in the Ohio country to consolidate their holdings and strengthen their ties with Indian allies. The English retaliate by establishing their own forts and improving relations with Indian friends.

1754: At the Albany Congress the English discuss ways of pacifying Indian leaders, and of achieving a unified Indian policy.

1755 to 1756: British government appoints superintendents of Indian Affairs for the northern and southern departments to centralize control of relations with Indians in the hands of representatives of the Crown.

1763: The English inherit French territory in Canada and East of the Mississippi River, as well as their contacts with Indian tribes in that area.

1763: Pontiac's Rebellion—an attempt by former Indian allies of the French to reclaim frontier posts held by the English.

1763: Proclamation of King George III attempting to keep settlers east of the Appalachian Divide, and establishing an "Indian country" or "reserved lands" not available for purchase from the Indians.

1764: Plan of the British Government, although not adopted, further centralizes control of Indian affairs in actual practice to superintendents appointed by the Crown and not responsible to the Colonial Government.

1775: Continental Congress assumes control of Indian Affairs and names commissioners for the northern, middle, and southern departments.

1775: Negotiations between Indian commissioners and Six Nations.

1775 to 1783: Revolutionary Government guides Indian policy and seeks continued support of Indian allies.

1778: New Government signs a treaty with the Delaware Indians.

1781 to 1789: Under the Articles of Confederation it was accepted in principle that the central government should regulate Indian affairs and manage Indian trade.

1783: Settlement on and attempts to secure title to Indian lands forbidden except under the direction and with the authority of the Congress.

1786: Secretary of War made responsible for Indian Affairs by an Ordinance of August 7th.

1786 to 1789: A series of treaties establishes a policy of acquiring Indian lands by purchase rather than by right of conquest.

1787: Northwest Ordinance of July 13, 1787: "The utmost good faith shall always be observed towards the Indians, . . ." etc.

1789: Under the new Constitution, Article I, section 8, clause 3, the Congress was given the specific authority "to regulate commerce with foreign nations, and among the several States, and with the Indian tribes."

1789: Under the Constitution the Congress continues the use of the Secretary of War to manage Indian affairs.

1789: In four statutes the Congress established Federal authority to make war (or presumably peace), to govern territories, to make treaties, and to spend money in dealing with Indians.

1789: Treaty refers to education for Oneida, Tuscarora, and Stockbridge Indians.

1796 to 1822: Indian trading houses established, operated, and maintained by the Government under the factory system.

INTRODUCTION OF THE TRIDENT II (D-5) MISSILE PRODUCTION TERMINATION ACT

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. PENNY. Mr. Speaker, today I am introducing the Trident II (D–5) Missile Production Termination Act. This legislation would end authorization of funding for the D–5 missile after fiscal year 1992. There are several reasons why I believe that it is necessary to take this action at this time.

First, the purpose of the D–5 missile was to provide the U.S. Navy a hard target kill system which could cover the entire spectrum of Soviet targets such as hardened Soviet ICBM silos and underground command bunkers. With the decline of the Soviet threat and with the recent Yeltsin proposal to reduce nuclear weapons—beyond START—it is time for the United States to rethink its strategic nuclear weapons priorities.

Second, even if we discontinue production of the D–5 after fiscal year 1992, the United States will still retain an important technological advantage over the new Commonwealth of Independent States in its submarine-launched ballistic missile force. We would still have 275 D–5 missiles. Even before the breakup, the Soviet military was never able to develop a submarine-launched ballistic missile with the hard-target-kill capability of a Trident II (D–5) missile. Certainly, the new states will not be able to modernize their military forces for some time.

Third, the much touted hard-target-kill capability of the D–5 missile was dependent on production of the high yield W–88 warhead. Safety problems at the Rocky Flats nuclear plant in Colorado where nuclear triggers are produced and the collapse of the Soviet Union recently led the Bush administration to cancel production of the W–88 warhead.

Fourth, without the W–88 warhead, the D–5 missile is almost identical to the Trident I (C–4) missile. Since the United States plans to retire its 12 Poseidon submarines—with 192 C–4 missiles—these C–4 missiles could be redeployed on the new Trident submarines. We already have 192 C–4 missiles on 8 Trident submarines in the Pacific Ocean.

Finally, and probably most important, we simply cannot afford to continue production of the D–5 missile. A GAO report, November 1988, estimated that the total lifetime cost of the Trident II (D–5) missile system would be $99.3 billion. According to other sources, the total savings gained from canceling production of the D–5 missile after fiscal year 1992 would be between $17 billion and $21 billion. While I cannot ignore the cost in jobs that this legislation would cause, I do believe that these savings are significant. Clearly, the United States will also need to address the issue of economic conversion assistance, additional unemployment benefits, and job retraining programs for individuals and communities affected by defense budget cuts.

We have entered an era in this Nation where one of the single greatest threats to our national security is our burgeoning Federal debt. This year alone, we expect to run a $400 billion deficit. It is time to establish clear Federal priorities and to face our greatest challenges and threats head on.

I urge my colleagues to cosponsor this legislation.

SUPPORT FOR BISHOP LASZLO TOKES, CHAMPION OF ROMANIAN FREEDOM

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. MCGRATH. Mr. Speaker, in December 1989, the world watched as the Communist stronghold in Romania fell to pieces. The people of Romania challenged the despotic, strongarm tactics of the Ceauesescu regime and were victorious. One of the leaders of this uprising of democracy was Bishop Laszlo Tokes. Bishop Tokes inspired the people to rise up to fight the oppression of the evil Ceauesescu. The bishop, a man of Hungarian ethnicity, has also been a champion of reconciliation between the Romanian and Hungarian peoples throughout Transylvania.

Today, many months after the successful uprising, ultranationalist feelings have erupted in Romania. Bishop Laszlo Tokes, beloved by many as a freedom fighter, now has a price on his head. A few radical Romanians from five different counties in Transylvania have vented their prejudicial feelings on the bishop, calling for his death. These representatives, as they call themselves, have offered an award of $150,000 for the bishop's life.

Mr. Speaker, I urge the administration to strongly condemn the actions of these adversaries of democracy. President Iliescu must extend government protection to Bishop Laszlo Tokes, and undertake an investigation into these extremist activities. Romania has been given a golden opportunity to create true democratic reform. However, those radical individuals who seek to destroy the bishop because of his ethnicity should be punished. Right to a fair trial must be offered to all. This death sentence is far from a fair trial. It is anarchic terrorism, the antithesis to democracy. Romania must create conditions of stability in order to keep favor with the United States.

IN HONOR OF THE MEMORY OF HOBOKEN POLICE CHIEF GEORGE W. CRIMMINS

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, February 14, 1992

Mr. GUARINI. Mr. Speaker, I ask you and my distinguished colleagues to join me today in saluting the memory of the late George W. Crimmins, who served for 20 years as chief of police for the city of Hoboken, NJ.

As a police officer, George Crimmins was a street cop who knew and loved his city. As chief, he was an administrator with vision who strived to improve the police department. As a husband and father, he was a devoted family man.

In all, Chief Crimmins was a man of honor, integrity, and vision. His life was dedicated to his family and to the public good.

In November 1991, Hoboken and the Crimmins family suffered a terrible loss when Chief Crimmins passed away. A favorite son of the city and a friend to many, Chief Crimmins has been sorely missed.

This Sunday, the Hoboken St. Patrick's Day Parade Committee will pay special tribute to Chief Crimmins at its annual party. This honor is fitting, as the Hoboken St. Patrick's Day parade held a special place in Chief Crimmins' heart.

In 1986, Chief Crimmins was named the first grand marshal of the Hoboken St. Patrick's Day parade. For an Irishman who took such pride in his heritage and the city in which he served, Chief Crimmins felt this was one of the greatest honors he could receive.

Edward Cunning, Jr., parade chairman and a police officer who served under Crimmins in the department, said Chief Crimmins was the natural choice for the first grand marshal.

"The chief was a leader in the city and the Irish-American community," Cunning said. "He gave his all for the city, and so it was only fitting that we gave something back to him."

"We wanted to recognize the chief's achievements and salute his family at this party, because it will be the first year that we celebrate the parade without him," Cunning said. "All of us will miss his friendship and warmth."

At the party, the parade committee will honor Chief Crimmins' wife, Phyllis; his two sons George and Joseph; and his three daughters, Phyllis Healy, Rosann, and Madeleine Halter. Chief Crimmins was also survived by three brothers, Thomas, John, and Walter; two sisters, Veronica Kiely and Loretta Kuchar and six grandchildren.

In addition to the parade, Chief Crimmins was also active in other areas, many of which stemmed from his dedication to the police department. He was a member of the police honor legion, a gold card member of the Hoboken Patrolman's Benevolent Association, past president of the Hudson County Chiefs of Police Association and the Mohr Christy VFW.

Chief Crimmins' love of the police department started when he was first appointed to the Hoboken force in December 1945. Born in 1923 to police officer Joseph "Smoky Joe" Crimmins and Loretta Crimmins, he graduated A.J. Demarest High School and served as a machinist mate in the U.S. Navy during World War II before becoming a cop.

A determined young man who continually sought to improve his education, Chief Crimmins rose quickly through the ranks, gaining his first promotion, to sergeant, in 1952. He became a lieutenant in 1959 and was made captain in 1961.

On January 7, 1970, George Crimmins was tapped to become chief, succeeding Chief Ambros Ryan. Chief Crimmins held this position for 20 years, retiring in 1990.

Under his administration, Chief Crimmins established the department's community relations unit and put officers back on foot patrols throughout the city. He stressed the importance of education for his officers and looked to modernize the police department. The officers who served under Chief Crimmins respected and admired him for his fairness and dedication.

Chief Crimmins was a cop's cop, who stood by the officers who served him and sought to protect the city that was his home.

Chief Crimmins exemplified the best qualities of police officers throughout our Nation, who each day place their lives on the line to make our streets and neighborhoods safe for all of us.

His work ethic, civic pride, and family values can serve as an inspiration to all Americans.

So, Mr. Speaker, I ask you and my distinguished colleagues to join me in offering our most heartfelt condolences to Chief Crimmins' family and in thanking the chief for his service to his city and his Nation.

HOUSE OF REPRESENTATIVES—*Tuesday, February 18, 1992*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May we learn, O God, all Your lessons that tell us to be faithful stewards of the resources of the land. Keep us, we pray, away from any waste and excess that threatens the whole creation. Remind us every day of our duty to be responsible as the caretakers of the resources of this world so those who follow us will inherit a good land filled with the beauty and bounty and magnificence of Your great creation. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Wyoming [Mr. THOMAS] come forward and lead the House in the Pledge of Allegiance.

Mr. THOMAS of Wyoming led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 206. Concurrent resolution providing for the printing of a revised edition of the pamphlet entitled "The Constitution of the United States of America" as a House document.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill and concurrent resolution of the House of the following titles:

H.R. 476. An act to designate certain rivers in the State of Michigan as components of the National Wild and Scenic Rivers System, and for other purposes, and

H. Con. Res. 268. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 3866.

The message also announced that, pursuant to Public Law 101–445, the Chair, on behalf of the President pro tempore, appoints Lynn Parker, of Virginia, to the National Nutrition Monitoring Advisory Council.

The message also announced that, pursuant to Public Law 94–201, the Chair, on behalf of the President pro tempore, appoints Juris K. Ubans of Maine, to the Board of Trustees of the American Folklife Center.

APPOINTMENT OF MEMBERS TO REPRESENT THE HOUSE AT APPROPRIATE CEREMONIES FOR OBSERVANCE OF GEORGE WASHINGTON'S BIRTHDAY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that it shall be in order for the Speaker to appoint two Members of the House, one upon the recommendation of the minority leader, to represent the House of Representatives at appropriate ceremonies for the observance of George Washington's birthday to be held on Friday, February 21, 1992.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. Pursuant to the order of the House of today, the Chair appoints the following Members to represent the House of Representatives at appropriate ceremonies for the observance of George Washington's birthday to be held on Friday, February 21, 1992:

Mr. MORAN of Virginia and
Mr. BATEMAN of Virginia.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. AIR FORCE ACADEMY

The SPEAKER. Pursuant to the provisions of section 9355(a) of title 10, United States Code, the Chair appoints as members of the Board of Visitors to the U.S. Air Force Academy the following Members on the part of the House:

Mr. DICKS of Washington;
Mr. BARNARD of Georgia;
Mr. HEFLEY of Colorado; and
Mr. DELAY of Texas.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. COAST GUARD ACADEMY

The SPEAKER. Pursuant to the provisions of section 194(a) of title 14, United States Code, the Chair appoints as members of the Board of Visitors to the U.S. Coast Guard Academy the following Members on the part of the House:

Mr. GEJDENSON of Connecticut and
Mrs. JOHNSON of Connecticut.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. MERCHANT MARINE ACADEMY

The SPEAKER. Pursuant to the provisions of section 1295(h) of title 46, United States Code, the Chair appoints as members of the Board of Visitors to the U.S. Merchant Marine Academy the following Members on the part of the House:

Mr. MANTON of New York and
Mr. BATEMAN of Virginia.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. MILITARY ACADEMY

The SPEAKER. Pursuant to the provisions of section 4355(a) of title 10, United States Code, the Chair appoints as members of the Board of Visitors to the U.S. Military Academy the following Members on the part of the House:

Mr. HEFNER of North Carolina;
Mr. LAUGHLIN of Texas;
Mr. FISH of New York; and
Mr. LOWERY of California.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. NAVAL ACADEMY

The SPEAKER. Pursuant to the provisions of section 6968(a) of title 10, United States Code, the Chair appoints as members of the Board of Visitors to the U.S. Naval Academy the following Members on the part of the House:

Mr. MCMILLEN of Maryland;
Mr. MRAZEK of New York;
Mr. SKEEN of New Mexico; and
Mrs. BENTLEY of Maryland.

APPOINTMENT OF MEMBER TO NATIONAL ADVISORY COUNCIL ON THE PUBLIC SERVICE

The SPEAKER. Pursuant to the provisions of section 5(a)(2) of Public Law 101–363, the Chair appoints the gentleman from Minnesota [Mr. SIKORSKI] to the National Advisory Council on the Public Service on the part of the House.

APPOINTMENT OF MEMBER TO TECHNOLOGY ASSESSMENT BOARD

The SPEAKER. Pursuant to the provisions of 2 U.S.C. 473(a), the Chair appoints on the part of the House the gentlewoman from Missouri [Ms. HORN] to the Technology Assessment Board to fill the existing vacancy thereon.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

APPOINTMENT AS MEMBER OF NATIONAL EDUCATION COMMISSION ON TIME AND LEARNING

The SPEAKER. Pursuant to the provisions of section 102(b) of Public Law 102–62, the Chair appoints on the part of the House Mr. Christopher T. Cross of Chevy Chase, MD, to the National Education Commission on Time and Learning to fill the existing vacancy thereon.

APPOINTMENT AS MEMBERS OF COMMITTEE ON THE HOUSE RECORDING STUDIO

The SPEAKER. Pursuant to the provisions of 2 U.S.C. 123(b), the Chair appoints as members of the Committee on the House Recording Studio the following Members of the House:

Mr. ROSE of North Carolina;
Mr. SWIFT of Washington; and
Mr. BOEHLERT of New York.

APPOINTMENT AS MEMBERS OF ADVISORY BOARD FOR THE HOUSE OF REPRESENTATIVES CHILD CARE CENTER

The SPEAKER. Pursuant to the provisions of section 312(b)(1)(A) of Public Law 102–90, the Chair appoints the following individuals to the Advisory Board for the House of Representatives Child Care Center:

Mrs. Paula Swift of Bellingham, WA;
Mrs. Debbie Dingell of Trenton, MI;
Mrs. Barbara Morris Lent of East Rockaway, NY;
Mrs. Suzanne Farmer of Washington, DC;
Mrs. Azar Kattan of Washington, DC;
Mr. David Caskey of Hyattsville, MD;
Mrs. Susan Coughlin of Plymouth Meeting, PA;
Mrs. Sara Davis of Falls Church, VA;
Mr. Ron Haskins of Rockville, MD;
Mr. Larry Irving of Washington, DC;
Mrs. Doris Matsui of Sacramento, CA;
Mrs. Nancy Piper of Alexandria, VA;
Mrs. Mary Beth Riordan of McLean, VA;
Mrs. Saralee Todd of Silver Spring, MD; and
Mrs. Rebecca Feemster Dye of Washington, DC.

INTRODUCTION OF THE OLIN CHILD HEALTH CARE BILL

(Mr. OLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matters.)

Mr. OLIN. Mr. Speaker, I would like to call all Members' attention to a bill I have just introduced, the Olin child health care bill.

This bill would establish a National Health Care Program for all pregnant women and all children under 7 years of age. The program would provide preventive, prenatal, major, and extended medical services.

It would be administered by a new National Childrens' Health Care Administration under the Department of Health and Human Services. All medically necessary costs would be covered. No other insurance would be needed.

It is long past time for this Nation to see to it that it is producing healthy children. We are way behind most industrialized nations. This bill would provide the basis for a healthy, productive Nation. In time, it will pay for itself.

Please take a look at it. Cosponor it.

OLIN CHILD HEALTH CARE BILL

(This bill would establish a National Health Care Program for all pregnant women and children under age seven. There would be no eligibility requirements. It would ensure that all America's children would get a healthy start.)

I. NEED

(a) Children

Children are the most vulnerable segment of our population, but are the least able to be advocates for themselves. They are the citizens of the future.

More than 25 percent of American children live in poverty:

Only half of Medicaid eligible children actually receive medical services.

Medicaid rules are complex and benefits are uneven, subject to various state regulations.

Health care services under Medicaid are often fragmented and crisis based, leading to wasteful duplication and inappropriate use of emergency rooms.

Determining Medicaid eligibility is demeaning to the family and costly and time consuming for health care providers.

Losing Medicaid eligibility is threatening to the family and acts as a negative incentive to finding employment.

Many children over the poverty level are uninsured:

Health insurance is not part of their working parents' benefits.

Insurance is too expensive for the family.

Many insured children are under-insured:

Regular check-ups, immunizations, and other preventive measures are not covered by many health insurance programs.

Costs of preventive shots and prescription drugs have increased greatly.

According to a January 1992 study released by the Children's Defense Fund, 40 percent of American children lack employer-provided health insurance. The study predicted that 43 percent of those who do have employer-provided health insurance will suffer a period during which they are not covered by the end of 1992. The numbers are much higher for minority children.

Investment in a comprehensive health program for children would minimize administrative costs and would save money in the long run. Lack of immunization and fragmented episodic health care delivery are costly to our society.

Comprehensive health care for children and pregnant women is workable and affordable now. It would get children off to a Healthy Start.

(b) Pregnant Women

Approximately 35 percent of pregnant women (50 percent of black women) receive minimal or no prenatal care, especially in inner cities and rural areas. Women who do not receive routine prenatal care are approximately three times more likely to deliver low birth weight infants. Lack of prenatal care leads to high infant mortality, low birth weight, and a high incidence of preventible birth defects and retardation.

A child born in Japan, Finland, Hong Kong, Ireland, Australia, Canada, Singapore or any of 12 other industrialized nations has a better chance of surviving his or her first year than a child born in the U.S. A child born in Czechoslovakia or Bulgaria has a better chance of celebrating its first birthday than a black child born in America's urban areas or the rural South. From 1989-2000, 520,000 infants will die if the U.S. infant mortality rate continues unchecked. This is more than the total number of battlefield deaths of American forces in World Wars I and II, Korea and Vietnam combined. Low birth weight (5.5 pounds or less) is a leading factor contributing to infant mortality. Since 1980, no progress has been made in reducing the overall rate at which babies are born too soon or too small.

Investment in comprehensive prenatal and maternal care would reduce the expenditures for neo-natal intensive care of low birth weight and/or high risk infants (which average over $20,000 per child at a cost of $1.5 billion a year). 11,000 low birth-weight babies are born in the U.S. each year with long term disabilities resulting from their fragile condition. The high cost of medical and remedial care continues for these children with life-long disabilities.

II. NATIONAL CHILDREN'S HEALTH CARE PROGRAM

(a) National Children's Health Care Administration

The bill would create a new agency within the Department of Health and Human Services, the National Children's Health Care Administration. The Administration would be a single payer, government provided health insurance provider for pregnant women and children six and under. All citizens and legal aliens who are permanent residents will be covered. There would be no income eligibility requirements. Coverage will be fully adequate; no other insurance will be needed.

(b) Advisory Commission

There will be a national advisory commission made up of physicians, nurses, public health administrators, hospital administrators, dental care providers and parents of covered children who will advise the administration on rate schedules and other aspects of the program.

The payment rates will be set up so that physicians and hospitals will not take an overall loss. Neither will any group of physicians or specialty take an overall loss, nor will any geographic region take a loss. Hospitals and physicians must accept payment from the Administration as payment in full. Balance billing would not be allowed.

(c) Covered Services

Services covered fall under three categories; preventive care services, major medical services, and extended medical services.

(1) Preventive care services consist of:

Child preventive care including routine office visits and periodic checkups, routine immunizations and routine laboratory tests, periodic vision and hearing screenings, periodic speech, language and developmental screenings according to the American Academy of Pediatrics standards. Preventive dental care for children, including oral examinations, cleaning, fluoridation, protective sealants, and dental hygiene instruction.

Prenatal care including periodic visits, tests, educational materials, and medications prescribed.

(2) Major medical services consist of:

For children

Inpatient and outpatient hospital services. Physicians' services including services of the primary care physician and referral to specialists. Provision of hearing aids, eye glasses or other prosthetic devices. Professional services of certified physician assistants, nurse practitioners, and other health professionals (to the extent authorized under state law). Diagnostic tests (including laboratory tests). Ambulance transportation. Short-term home health services. Medical and surgical supplies and durable medical equipment. Corrective eyeglasses and lenses and hearing aids. Prescription drugs, insulin, and medically recommended nutritional supplements. Dental services would include extractions, fillings and other necessary dental treatments.

For pregnant women

Hospital care, including delivery, care by physicians and/or nurse midwives, anesthesiologists, medications, supplies, and care for mother and child for a normal delivery, Cesarean, or complications of pregnancy.

Post-natal visits as recommended by the physician.

(3) Extended medical services consist of:

Treatment of mental illness and/or substance abuse and treatment of developmental and or learning disabilities. Speech, occupational and physical therapy. Nutrition counseling.

(4) Outreach Services:

Public health departments would set up a care coordinator system which would be a community based effort—nurses, physicians, social workers, and other community agencies—working together to help families gain access to appropriate health services.

Outreach services delivered by a care coordinator might include helping to find a physician, dentist, or pharmacy near the home, transportation, assistance in making and keeping appointments, and help in following up on treatments and medications. Home visits, infant and child care education, nutrition counseling, and other supportive services.

The goal of the outreach program will be to encourage independence and to develop parental skills and responsibility.

State health department expenditures for these services will be reimbursed by NCHCA, providing established guidelines are followed.

(d) Freedom of Choice of Health Care Providers

Patients will be free to choose any medical provider that is qualified to provide such services.

(d) Mechanism of Coverage

Health Insurance Card

Upon implementation of this law, pregnant women and children six and under would apply for an insurance card at their local health department. Newborn children would get cards at the hospital (or could obtain them from their local health department), as could women who become pregnant.

Health Department nurses would inform parents and pregnant women about services covered by this comprehensive health program and could offer to help them gain access to a primary care physician (a "medical home").

III. FINANCING

(a) Savings

According to the General Accounting Office, every dollar spent on federal immunization programs saves $10. Also, every dollar spent on prenatal care saves $3.38 in later medical costs. Fragmented, narrowly defined policies and programs often create financial, administrative and geographical barriers to early and regular care.

(b) Costs

Rough cost estimates from CBO and non-government sources range from $40 to $60 billion per year. Current spending for pre-natal and children's health care comes primarily from individual spending and employer spending (through business provided and sponsored health insurance plans). In addition, Medicaid spends about $6 billion per year for services to eligible individuals.

(c) Revenue

It is proposed that the revenue be raised by a combination of increasing corporate and individual income taxes.

Proposed rates

	(Percent)
Current individual income tax rates:	
15 percent	16
28 percent	30
31 percent	33
Current top corporate tax rate:	
34 percent	37

Revenue generated

	Billions
Individual taxes	$32.9
Corporate taxes	7.5
Current Medicaid spending	6.0
Total	46.4

HOUSE DEMOCRATS—CALL PAUL TSONGAS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, after much huffing and puffing, the House Democrats apparently have finally unveiled their so-called economic package, and after seeing it, we suggest they replace the veil.

Americans want jobs, but there are no jobs growth proposals in the Democratic proposal. Americans want a reduced deficit, but the Democratic proposal creates huge deficits up front. Americans want real growth, not 25 cents a day for a family of four for 2 years, as the Democratic proposal would give them.

It is kind of interesting that former Senator Paul Tsongas, who is obviously going to win the Democratic primary up there in New Hampshire tonight, says the House Democratic proposal is based on polling data, not real economic needs.

If in the unlikely event he were elected President after winning in New Hampshire, and of course he would have to go a long way beyond that, he would have to veto the House Democratic plan.

If the Democratic proposal were entered into the Olympics, it would receive no points for technical merit, no points for artistic merit, and top marks for downhill demagoguery.

☐ 1210

CONTINUE WORK ON CAMPAIGN FINANCE REFORM

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, the subject I am about to address does not have the drama, portent, nor passion that some of the other issues that will be discussed today here in the well or that appear on the front pages of today's paper have, such as the issue of homelessness in America, the talks between Secretary Baker and President Yeltsin on dismantling nuclear weapons, the New Hampshire primary, which was referred to a moment ago by the minority leader, Mr. MICHEL, or the issue of the competing tax plans which this body and the other body will deal with later this year.

But the issue I am addressing, that of campaign finance reform, unless dealt with will subject all of the other issues we take up to the criticism of not being treated on their merits.

Mr. Speaker, because of the stalwartness and resoluteness of the Speaker and the gentleman from Connecticut [Mr. GEJDENSON], we are very far down the path of reforming campaign finance laws. I just hope that, because of the other issues that are coming before us, we do not lost sight of the importance of reforming these laws, otherwise the American people may feel we are not dealing correctly with the issues which are on the front pages.

CONGRESS MUST DEVELOP SOLUTIONS TO PROBLEMS, NOT JUST TALK ABOUT ISSUES

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, as is the case with most Members of Congress, I haved just returned from spending a number of days in my home State, Wyoming, having town meetings in towns like Casper, our second largest city, and Aladdin, in which 45 percent of the voters turned out for breakfast, and that was 14 people.

Mr. Speaker, the folks in Wyoming are worried about the economy, are worried about health care, and they are worried about the Federal deficit. They want Congress to move to give some leadership to some of these issues.

What we need to do, Mr. Speaker, is develop some solutions, not just talk about the issues. With regard to the economy, I heard over and over that overregulation in small business is what is most on the minds of Wyoming people.

Mr. Speaker, we need a long-term solution, not a quick fix. We need to have more money invested in our infrastructure. With health care, we need to talk about a basic turn, a basic decision to deliver health care to the private sector.

Finally, under the deficit, we need to change some procedures here. We obviously do not have the discipline to balance the budget. We need a balanced budget amendment and we need a line-item veto.

The Congress needs to move on these items.

WHAT PRESIDENT SAYS IS NOT WHAT HE MEANS

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, President Bush in New Hampshire yesterday said he has never seen such negative ads. My, what a short memory this man has. Once again, do not read his lips, but read the negative ads of 4 years ago when he denigrated Governor Dukakis, and Senator DOLE. They were the pits, the absolute worst. Then he accuses the Democrats in Congress of being big spenders.

Mr. Speaker, let me tell you, it is the President of the United States who submits the budget, not Congress, and his for 1993 is over $1.5 trillion with $400 billion in deficit, the largest in the history of the country, as it was last year the largest.

Mr. Speaker, this is Bush's budget, and it is his deficit, not that of the Congress. Once again, what he says is not what he means.

DESTROYED AND DAMAGED CHURCHES IN CROATIA

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SENSENBRENNER. Mr. Speaker, the damage to religious edifices by Serbian forces in Croatia is appalling. I have seen some of this destruction first hand. Last week, I met with the Archbishop of Zagreb, Franjo Cardinal Kuharic, who provided me with a list of destroyed and damaged churches in Croatia. Among those damaged are Catholic, Orthodox, Reformed Christian churches, and Jewish synagogues. The list is compiled by the Director of Caritas of the Croatian Bishops Conference and I submit it for the RECORD.

DESTROYED AND DAMAGED CHURCHES IN CROATIA

ZAGREB DIOCESE

1. Bacin (Dubica Parish)—All Saints Chapel, Sept. 13, 1991—Shot through with holes by tank shelling.

2. Barlikovacki Cerovac—Holy Trinity Church—erected 1843—Sept. 18, 1991—damaged; Nov. 8, 1991—bombarded with 6 projectiles from stationary cannons; roof severely damaged.

3. Barilovecki Leskovac—Holy Mother of Lourdes & St. Joseph Church (1782)—Nov. 4, 1991—Church hit by 3 tank missiles, wall damaged, belltower hit by 2 shells, church roof destroyed; Nov. 5, 1991 church machinegunned.

4. Belaj—Chapel of St. Ann—Nov. 11, 1991—completely demolished.

5. Bljelovar—St. Therese Church—Sept. 9, 1991, damaged by attack from local barracks.

6. Brest Pokupski (Mala Gorica Parish)—Chapel of St. Barbara—Monument of prime category, 400 years old—Oct. 3, 1991 destroyed to foundation.

7. Galic—Church of St. George the Martyr, built 1869—Damaged at the beginning of Oct. 1991.

8. Cetekovec (Nova Bukovica Parish)—St. Nicholas Tavelic Church—built in 1970—Sept. 9, 1991—destroyed by hand grenades.

9. Cuntic—St. Anthony of Padua Church built in 1699, damaged during the II World War—rebuilt in 1990, new roof, steeple and structural framework restored.

Shelling attack began July 26 with no success, July 27, 1991 destroyed and burned along with the Franciscan monastery burned, fire so intense it is believed it was torched by benzene. The wooden roof totally burned, aluminum and wood roofing collapsed. All church inventory, statues, and altars removed. One of the parishioners assassinated in the church. The church bells dating from 1704 and 1936 were taken down and stolen previously.

10. Divusa—Church of St. Catherine (1719)—Roof, part of church and sacristy destroyed by howitzer fire.

11. Dobrovac—(Lipik Parish)—Chapel of the Sacred Heart Damaged.

12. Dolina (Mackovac Parish)—Chapel of St. Mark Tower demolished by howitzers and rockets.

13. Dvoriste (Didusevac Parish)—Chapel of Anthony—Heavily damaged by cannon fire.

14. Filipovac (Pakrac Parish)—Church of the Assumption—Oct. 4, 1991—completely destroyed to the foundation.

15. Gaj—Church of St. Catherine—built in 1804—Heavily damaged at the beginning of October, 1991.

16. Glina—Church of St. John Nepomocene (1830)—Bombed several times—Aug. 13, 1991, mined from all sides, and the tower all but destroyed—(no information can be obtained at this time as to the condition of the church and rectory.)

17. Gora—Church of the Assumption of the Blessed Virgin Mary—built in 1687 on the foundation of the antique church. Tower twice hit by grenades.

18. Gorice—(Gornji Bogicevci Parish)—Chapel of St. Vid demolished.

19. Gornja Bucica—Church of St. Anthony erected in 1836—Church and rectory damaged by grenades the end of September.

20. Gornji Bogicevci—Church of the Holy Spirit (1830)—On Sept. 7 & 10, 1991—side of church have destroyed by Jugo Army and chetniks by 4 grenades; on the 21st of Sept. belltower damaged; on October 1st, 1991, the entire village destroyed—church burned.

21. Gornji Rajic—St. Thomas Church built 1776—Sept. 6, 1991—belltower heavily damaged by grenades; again damaged on the 18th of Sept. 1991; rectory damaged also.

22. Gvozdansko—St. Philip & Jacob Church built in 1796—demolished.

23. Hrastovica—Church of St. Bartholomew (1843—Attacked numerous times by chetnik shelling, and after the shelling attacked by heavy artillery of the Yugosalv army on Sept. 3, 1991, damaged, tower damaged and the roof which still had the scaffolds of remodeling), roof and tower fell, only a portion of the walls remain, destroyed were also 5 chapels in this area.

24. Hrvatska Dubica—Holy Trinity Church (1771)—Hit by shelling, church burned, as was the neighboring villages churches.

25. Ivanovo Selo—sacred Heart of Jesus Church—Sep. 21, 1991—throughout the village chetniks ran rampant, firing at the church and bells, threw a hand bomb in the rectory, and with howitzers shelled the cemetery.

26. Jasenovac—St. Nicholas, the Bishop, Church—a Class I monument—Early part of November tower was destroyed as was the entire roof.

27. Kamensko (Karlovac)—Church of Our Lady of the Snows.—Sep. 21, 1991—northern tower damaged and facade of church partially damaged; Oct. 5, 1991—totally destroyed.

28. Karlovc—Holy Trinity Church—Oct. 7, 1991—tower of church hit.

29. Karlovac—(Svarca)—St. Francis Xavier Church built in 1752—remodeled in 1957 and 1964 Nov. 2, 1992—attached and damaged.

30. Karlovac—St. Joseph Church—Nov. 4, 1991—Church windows damaged by nearby explosion.

31. Karlovac—Church of Our Lady of the Snows in Dubovac. Roof and facade damaged.

32. Komarevo—Church of St. Catherine—Oct. 3, 1991—destroyed by phosphorous and cassette bombs, tower and roof destroyed and further under attack.

33. Kostajnica—St. Nicholas Church—Bufilt 1706—Hit by grenades.

34. Kostajnica—Franciscan Church of St. Anthony—mined and hit by grenades (otherwise—of the 8 churches in the Kostajnica parishes 4 are damaged and 4 totally destroyed)—again mined on the Feast of All Souls Day.

35. Kostajnica—Chapel of St. Anne in the cemetery—Mined before All Souls Day.

36. Ladvenjak—Church of St. Vid—a baroque church—Around Oct. 4, 1991—damaged by artillery fire, only the walls, remain; Oct 24, 1991—again attacked and damaged; Oct. 29, 1991—church totally demolished.

37. Lasinja—Church of St. Anthony of Padua—At the beginning of October, the roof and walls were hit by shells, one could pass through the tower with a tractor, the tower is now a chetnik sniper nest.

38. Lipik—Church of St. Francis of Assisi—Sep. 29, 1991—heavily damaged.

39. Lonja—Church of the Holy Spirit—Roof burned.

40. Lucica—(Barilovacki Cerovec Parish)—Chapel destroyed, women and children evicted.

41. Mackovac—St. Matthew the Apostle and Evangelist Church—Around the 23rd of Sep., 1991—tower leveled to ground, pastor and parishoners fled.

42. Maja—Church of St. Ilija—Heavily damaged by air attack and chetnik attack, and possibly destroyed completely (unaccessible).

43. Majur (Kostajnica Parish)—Chapel of St. Michael—Burned and bombed—11 people were killed.

44. Mala Gorica—Church of St. George—Shelled Oct. 4, 5, & 6, 1991—heavily damaged—roof destroyed, part of the tower also, wall facing the River Kupa—Oct. 10th a cluster bomb thrown nearby but did not cause further damage.

45. Martin (Nasice Parish)—St. Martin Chapel from the 13th century, a Class I category. Extensively damaged.

46. Moscenica (Petrinja Parish)—St. Jacob the Apostle Chapel—Sep. 18, 1991—extensively damaged.

47. Mracaj—Chapel of St. John the Baptist—Aug. 29, 1991—burned (on the day of the church feast.

48. Nasice—St. Anthony of Padua Church dating (1707), Class I monument—Very extensively damaged, roof burned and destroyed, tower damaged, around Sep. 24th the people have already started renovation.

49. Nova Gradiska—Church of St. Stephen the King—Sep. 30, 1991—church again hit; Oct. 13, 1991—rectory demolished.

50. Nova Gradiska—Church of St. Therese from (1742), Class I category—Nov. 8, 1991—damaged.

51. Nova Gradiska—Church of the Assumption of Mary—Damaged.

52. Nova Varos—Chapel of the Transfiguration of Jesus—Totally destroyed around Sep. 5, 1991.

53. Novska—Church of St. Luke the Evangelist—Damaged Oct. 4, 1991; Further damaged on Oct. 16, 1991; Nov. 13, 1991 again attacked and shelled—heavily damaged.

54. Novska—chapel of St. Joseph in the cemetery—razed in the middle of October, 1991 were the entrance door, west wall and the main altar. Only the statues of St. Anne and St. Joseph remain undamaged.

55. Okucani—Chapel of St. Vid—Damaged details unknown.

56. Orubica—Church of St. Elijah the Prophet damaged.

57. Pakrac—Church of the Assumption of Mary—Attacked several times by explosives and shelling starting already March of 1991; Sep. 22, 1991—church rectory damaged; Sep. 23, 1991—aerial bomb dropped on church—missed by 5 meters, damaged roof and corner of the church; Sep. 28, 1991 the church was burned.

58. Pakrac—Chapel of St. Joseph—Totally destroyed (March 1991).

59. Pakrac—Chapel of St. John—Damaged by shelling Sep. 22, 1991.

60. Petrinja—Church of St. Lawrence—Hit on Sep. 3, 1991 by the rampaging Jugoslav Army through Petrinja coordinating their attack right from the church courtyard, three shells hitting the belltower, more mines on the roof; Sep. 16, 1991—church again attacked; Sep. 19, 1991—again damaged.

61. Petrinja—Church of St. Catherine—Damaged Sep. 14, 1991; Again attacked on Sep. 19 & 20—heavily damaged.

62. Poljana Pakracka (Gaj Parish)—Chapel of St. Anne. Damaged in the beginning of October, 1991.

63. Poljane (Gornji Bogicevci Parish)—Chapel of St. Fabian and Sebastian—Totally destroyed.

64. Pokupsko—Church of St. Ladislav, the King (1739)—Oct. 3, 1991—heavily damaged, tower demolished and roof damaged. During the night of Oct. 3-4, journalists from Veliko Gorica took and salvaged valuable articles, roof structure was burned, the organ was burned, frescoes were damaged, the bells were melted, rectory damaged; Nov. 2, 1991 the tower demolished; Nov. 16, 1991—again damaged.

65. Recica—Church of St. John the Baptist (1739)—Tower damaged Sep. 21, 1991; again attacked on Nov. 1, 1991.

66. Savski Bok (Mackovac Parish)—chapel—Attacked on Oct. 6, 1991.

67. Sisak—Holy Cross Church—Nov. 5, 1991—heavily damaged, large hole in cupola, interior around altar destroyed.

68. Skela (Glina Parish)—Chapel of St. Nicholas—Burned, as was the entire village.

69. Slava (Sisinac Parish)—Chapel of St. Katherine—Totally demolished between Oct. 3 and 6, 1991.

70. Stari Farkasic—Visitation of the BVM Church—Damaged Oct. 5, 1991.

71. Stari Grabovac (Parish of NOVI)—Holy Cross Destroyed Oct. 17, 1991.

72. Stara Gradiska—St. Michael the Archangel Church—Damaged.

73. Staza (Sunja Parish)—Chapel of St. Martin—Damaged.

74. Strasnik (Parish of Gora)—Chapel of St. Simon and Jude Thadeus—From Oct. 4 to 6, 1991 leveled to the foundation.

75. Struga (Parish of Divusa)—Chapel damaged by shelling.

76. Sunja—Church of St. Mary Magdalen (1748)—Sep. 21, 1991—roof destroyed by howitzer and cannon fire; Nov. 1, 1991—church hit and burned.

77. Scula (Baril Cerovac Parish)—Chapel destroyed—women and children escaped.

78. Sisinac—Church of St. Martha (1771)—Sep. 9, 1991—Church damaged by cluster bombs; Oct. 5, 1991—2 nearby tanks from across the Kupa River shelled the church—bell cupola taken away, roof burned.

79. Sisljavic—St. Joseph Church—Church and church rectory damaged Oct. 5, 1991.

80. Taboriste (Hrastovac Parish)—Church of St. Peter (Early Baroque)—Oct. 4, 1991—burned.

81. Topusko (Church of St. Mary of the Visitation (1830)—Hit by grenades from the Chetniks and Yugo Army, leveled to the ground by dynamite, remainder plowed by bulldozer, parish rectory destroyed.

82. Varazdin—SS. Fabain & Sebastian Church—Tower and roof damaged Sep. 18, 1991.

83. Vidusevac—Church of St. Francis Xavier—Church and rectory hit and heavily damaged by tank shelling and grenades; Sep. 8, 1991 shelled from by cannons of the Jugoslav National Army from Glina; Sep. 9 and 10, 1991 totally destroyed; Sep. 30, a tank entered the church through a side wall.

84. Visoka Greda (Mackovac Parish)—Chapel of the Sacred Heart Demolished.

85. Vocarica (Novska Parish)—All Saints Chapel—Totally destroyed the beginning of October, 1991.

86. Vocin—Visitation of the BVM (15 century)—Church and rectory vandalized; a sniper nest posted in the church rafters and belltower; Sep. 26, 1991—totally looted the church and rectory and removed retire contents in several trucks.

87. Zabreb—St. Mark Church—Oct. 10, 1991—stained glass windows shattered, plaster walls insided damaged, some slate tile from roof destroyed as a result of air raids on Croatian government building.

DIOCESE OF DJAKOVO

1. Aljmas—Visitation of Mary Church, built in 1852—Damaged.

2. Bapska—St. George Church—Belltower and bells destroyed.

3. Berak—Church of the Beheading of John the Baptist—Damaged.

4. Bilje—Church of the Immaculate Conception of the Blessed Virgin Mary—Damaged.

5. Bogdanovci—Discovery of the Holy Cross Church—Church damaged Sep. 22, 1991.

6. Borovo—Our Lady of Fatima Church—First attacked on Aug. 2, 1991; Aug. 13, 1991—hit by 2 grenades, roof damaged and all church windows broken.

7. Borovo—St. Joseph the Worker Church—Damaged.

8. Ceric—St. Catherine Church—Damaged Sep. 22, 1991.

9. Celije (Tordinc parish)—Sacred Heart Church—Totally destroyed inside on July 7, 1991.

10. Dalj—St. Joseph Church—Aug. 1, 1991—damaged.

11. Dubosevica—Assumption of the BVM Church—Class I—Damaged, all property destroyed.

12. Djakovo—Cathedral Church of SS. Peter & Paul—Damaged Sep. 16, 1991, also damaged were the Bishop's quarters facade.

13. Delotovci—sister church of St. John Capistrano—Damaged.

14. Erdut—(Parish of Dalj)—All Saints Church—Damaged.

15. Hrastin (near Osijek)—Church damaged Sep. 24, 1991.

16. Ilaca—St. Jacob the Elder Church—built before 1780—Sep. 21, 1991—severely damaged, roof and belltower destroyed, walls damaged, rectory demolished.

17. Ilaca—Pilgrimate Church of the BVM (1866) just recently remodeled—Sep. 21, 1991—severely damaged; Sep. 23, 1991 tanks came with the sole purpose of razing the sanctuary.

18. Ilaca—Holy Cross Cemetery Church—Demolished on Sep. 23, 1991.

19. Ilok—Church of St. John Capistrano—Tower twice damaged by grenades.

20. Jarmina—Church of St. Vendelin, Abbott—Heavily damaged.

21. Lipovac—Church of St. Laurence, the Martyr—Heavily damaged.

22. Laslovo—Parish Church—Sep. 9, 1991, church heavily damaged, Oct. 1, church tower destroyed.

23. Lovas—St. Michael the Archangel Church—Burned and demolished in October, rectory demolished, about 40 houses in village were burned.

24. Marinci—Church of the Immaculate Conception of the BVM—Damaged.

25. Nijemci—Church of St. Catherine—Sep. 21, 1991, attack by Serbian Army reservists, first tank shelling in the village directed at church; Sep. 30th, church heavily damaged.

26. Novi Jankovci—neighboring All Saints Church—Damaged.

27. Nustar—Church of the Holy Ghost—Damaged.

28. Osjiek—SS. Peter and Paul Church—Aug. 19, 1991, damaged by two shells, stained glass windows broken; Sep. 5, 1991, damaged by 10 mines; Sep. 14, 1991—again damaged; Sep. 26, grenades from Baranja, almost all windows blown out from explosions, walls damaged and the roof the northern nave destroyed; Nov. 10, 1991, the facade of the church heavily damaged; Nov. 21st church hit and heavily damaged; Nov. 23, 1991—again under attack and since hit by over 100 missiles.

29. Osijek—Church of St. Michael the Archangel in Tvrdi (built in 1725.) Sep. 5, 1991—hole in roof made by mines; Sep. 14, 1991—again damaged; Sep. 26, 1991—grenade broke through wall behind the door and was stopped in the wall of the choir loft.

30. Osijek—Church of St. Anne—Damaged Sep. 14, 1991.

31. Osijek—Church of the Holy Name of Mary—Damaged.

32. Osijek—Sacred Heart Monastery—Sep. 13 to 16, 1991, bombs dropped nearby, all windows broken and numerous stained glass windows damaged.

33. Osijek—Church of St. Jacob, (property of the Capuchins)—Attacked by howitzers Nov. 1, 1991, on All Saints Day during Mass at 9:20 a.m. Despite all this Mass was continued, with 4 grenades damaging roof, inner church and monastery.

34. Osijek—Church of the Holy Family (Franciscan)—In September tower damaged.

35. Osijek—Holy Cross Church in Tvrdi—Damaged.

36. Osijek—Chapel of St. Rocco—Damaged.

37. Osijek—Chapel in Novograd Cemetery—Damaged.

38. Sarvas—Birth of St. John the Baptist Church—Hit by grenades, tower demolished.

39. Slakovci—Church of St. Anne—Damaged.

40. Slavonski Brod—Church of St. Nicholas Tavelic, not yet completed, damaged by mines from the Bosnian side, on several places the roof of the church is damaged.

41. Sotin—Church of Mary the Helper—Tower and roof damaged.

42. Stari Jankovci—Assumption of the BVM—Sep. 21, tower of church fell on church.

43. Tenja—Church of St. Mary Magdalen—Damaged.

44. Tompojevci—Church of St. Mary Magdalen—Heavily damaged.

45. Tordinic—Holy Trinity Church—Damaged.

46. Tovarnik—Church of St. Matthew the Apostle—Sep. 22, 1991 smoke seen from church, church totally demolished—no roof or tower left.

47. Vinkovci—Church of St. Euseubius & Poleon (from 1777)—Roof and tower hit Sep. 14, 1991, tower and roof again hit on Sep. 18, 1991. Sep. 24 directly hit by a cluster bomb and rectory completely destroyed, pastor saved parish records. Nov. 20, 1991, hole made in tower. Nov. 21, 1991 church again hit, steeple top entirely demolished.

48. Vinkocvi—St. Nicholas Church—Sep. 24, 1991 hit by mine.

49. Vinkovci—Church of SS. Cyril & Method—New Church. Sep. 24, 1991 hit by mine from Mirkovci.

50. Vinkovci—Church of St. Vincent Pellote—Sep. 24, 1991, a grenade hit the recently completed church, destroying the inner church, no trace of any stained glass windows left.

51. Vinkovci—Church of Sacred Heart of Mary—Oct. 7, 1991—the monastery and church hit by rockets; from hits, a hole was made in roof about 3 meters in diameter. All windows broken out.

52. Vukovar—Church of SS Philip & Jacob—Sep. 19-20, 1991. Church tower burned, later damaged heavily.

53. Vukovar—Cemetery Chapel—Destroyed.

KRIZEVAC DIOCESE (EASTERN-SLAVONIC RITE—UNIONITES)

1. Berak Chapel of St. John the Baptist—Damaged.

2. Miklusevci—Nativity of the BVM Church—Damaged.

3. Petrovci—Church of Blessed Mother—Damaged.

4. Vinkovci—Chapel of the Holy Cross—Damaged.

5. Vukovar—Christ the King Church—Damaged.

6. Zagreb—SS. Cyril & Methodius Church—Oct. 7, 1991, during the attack on government buildings, windows were shattered.

SPLIT—MAKARSKA DIOCESE

1. Bijac (Church of Queen of Angels, Trogir)—Church of St. Barabra—Roof damaged.

2. Gornje Selo (Isle of Solta)—Church of St. John the Baptist—Target of aerial attack Nov. 15, 1991.

3. Hrvace—All Saints Church—C category—On Sep. 26 damaged by howitzers, roof damaged and also the cemetery.

4. Jezevic (Vrlika)—Church of the Holy Savior—Chetniks vandalized and short rampantly.

5. Mastel Stafilic—Church of St. Bartholemew, class 1 category—Damaged around Sep. 26, 1991.

6. Poljud in the Kastel Bay—Holy Trinity Church (11th century) Prime category—Sep. 25, 1991 minor damage on the right door entrance.

7. Split—Church of the Visitation—old Christian church from the V/VI centruies—Nov. 15, 1991 hit by shelling from a ship. Large hole made in wall.

8. Vrlika—Church of Our Lady of the Rosary—(in July-August?); Sep. 17, 1991, vandalized and statues broken.

9. Zasiok-Bitelic—Church of St. John the Baptist—Demolished.

10. Zedno-Arbanija—(on the Isle Ciovo)—Holy Cross Church—monument of prime category—Damaged Sep. 21, 1991.

Oct. 27—shell damage to cemetery in Sinj; Nov. 15, 1991, Diocletian's Palace attacked and hit by sea attack—Satric,—Potravlie,—Maljkovo (churches believed to be damaged—information not confirmed.)

DUBROVNIK DIOCESE

1. Bosanka—Assumption of Our Lady—Damaged Oct. 1, 1991.

2. Brgat—Church of St. Anne (from 1348)—remodeled 1912—Hit by a shell Oct. 1, 1991, the following day hit by 10 shells; Oct. 27, 1991 arsoned by the jugo army.

3. Brecine—Church of St. Anne—Oct. 5, 1991—Damaged.

4. Cavtat—Church of Our Lady of the Snows (from 1484—franciscan)—Oct. 7, 1991 church tower damaged.

5. Cavtat—Racie family church-mausoleum designed by I. Mestrovic—Damaged Oct. 7, 1991.

6. Doli-Zaton—Church of SS. Peter & Paul—Nov. 7, 1991—shelled.

7. Dubrovnik-Boninovo—Church of St. Hilary—Nov. 11, 1991 and cemetery damaged.

8. Dubrovnik—Cathedral of the Assumption of Our Lady (1713) Hit by shells on Nov. 11, 1991.

9. Dubrovnik—Jesuit Church of St. Ignatius (1725)—Nov. 12, 1991 hit by shells.

10. Dubrovnik—Gruz—Holy Cross Church—Nov. 9, 1991—hit by grenades from the Jugo-army.

11. Dubrovnik—St. Jacob Church—Oct. 24, 1991—damaged.

12. Dubrovnik—St. Dominic Church (1314)—Oct. 24, 1991—damaged.

13. Dubrovnik—Church of St. Francis (1317)—Damaged Nov. 11, 1991.

14. Dubrovnik—LaPAD—Church of St. Michael (in arboribus)—Damaged Nov. 11, 1991.

15. Dubrovnik—Holy Saviour Church (1521)—Hit Nov. 11, 1991.

16. Dubrovnik—Church of St. Vincent de Paul—Nov. 10, 1991 damaged.

17. Dubrovnik—Dance—Church of the Immaculate Conception of the BVM (1457)—Nov. 2, 1991—damaged.

18. Dubrovnik—Pile—Church of St. Andrew—Damaged Nov. 12, 1991.

19. Dubrovnik—Holy Cross Church on Konal—Nov. 12, 1991—damaged.

20. Dubrovnik—New church and baptistry on Mihal—Nov. 11, 1991—damaged.

21. Gorica (Dubrovnik parish)—Chapel of St. Blaise—Nov. 7, 1991—damaged.

22. Gruda—Holy Trinity Church—Damaged Oct. 1, 1991.

23. Komolac—Church of the Holy Spirit—Damaged, and also the cemetery.

24. Komolac—Church of the Annunciation on the mouth of the river—Oct. 1, 1991—damaged.

25. Mandaljena—Church of St. Mary Magdalen—Oct. 1, 1991—belltower damaged; Oct. 20th more damage from tank shelling; Oct. 25, 1991 burned by the Jugo-army.

26. Mokosica—Church of the Holy Savior—Church, tower and cemetery damaged. Inhabitants saved the main altar picture of the Ascension of Our Lord, taking it to a safe place even though it had two bullet holes.

27. Osojnik—St. George Church (1925)—Oct. 1, 1991—Church and belltower damaged.

28. Plocice—St. John Church—Church and rectory damaged from Oct. 1-6, 1991.

29. Plocice—Church of St. Lazarus—Sep. 29, 1991, showered with grenades, tower and rectory hit.

30. Postranje—Church of Our Lady (1888)—Under attack from Oct. 1-6, 1991.

31. Privdorje—St. Blaise Church (XIV century)—Damaged Oct. 1, 1991.

32. Radovcici—Church of St. Luke—Under attack and damaged Oct. 1-6, 1991.

33. Rozat—Church of Our Lady (1115)—Under attack and damaged Oct. 1-6, 1991.

34. Rozat—Church of Visitation of the BVM (franciscan)—Damaged.

35. Sustjepan—Church of St. Stephen donated by the Croatian King Stephen Miroslava (948).

36. Visnjica—Church of St. Jacob and at one time a benedictine abbey—Damaged.

37. Vitaljina—Church of Holy Savior—Damaged Sep. 26, 1991; church cemetery plowed by mines.

38. Vitaljina—Church of St. Nicholas—Oct. 1-6, 1991—Under attack and damaged.

Among other church targets—damaged were the Bishop's palace on Nov. 11, 1991, the stone cross atop Srda hill, the parish house on Drzic Street and on Boskovic.

SIBENIK DIOCESE

1. Diocese of Knin—Church of St. Mary—a work of Mestrovic—Aug. 15 & 16, 1991—a dynamite explosion damaged the church door and Kljakovic frescoe "The Coronation of Croatian King Zvonimir), the altar cross pulled down and stolen.

2. Bulic (Lisan Parish)—Church of St. Anthony—The facade hit by grenades.

3. Drinovci (Miljev Parish)—Holy Name of Jesus Church—Damaged Sep. 17, 1991; again attacked Oct. 1, 1991; pastor escaped.

4. Drnis—Our Lady of the Rosary Church—Sep. 19 & 20, 1991—damaged by grenades.

5. Dubravice—Our Lady of Fatima Church built in 1986—Sep. 12, 1991 severely damaged (also the rectory) by 5 tank shells, demolished was the statue of Our Lady.

6. Dubravice—Church of St. Katharine (17th Cent.)—Damaged by bomb grenades on either the 30th or 31st of Oct. 1991.

7. Kijevo—Church of St. Michael, erected 1933, remodelled 1952.—Aug. 26, 1991—totally demolished by Jugo-army tank shelling and aerial bombing, and tower, 3 tank grenades fired from somewhere nearby.

8. Konjevrat—Church of St. John the Baptist (1832)—Attacked Sep. 24, 1991, on the northern facade there are 57 holes, one hole measures 1 meter, heavily damaged are the roof, ceiling, all windows are broken, on the northeast facade large hole all around the windows (church has been photographed).

9. Knin—Church of St. Ann—During the last half of May the church was completely destroyed by explosives.

10. Knin—Church of St. Anthony of Padua—March 11, 1991—explosives planted, hole in wall, broken windows.

11. Lisane—Church of St. Nicholas Tavelic—July 17, 1991—hand grenade attack, snipers, roof ripped open in 8 places; over 200 grenades were thrown at the church and church rectory.

12. Lisane—Church of St. Jerome—Roof ruptured.

13. Lisane—Cemetery Chapel of St. Anthony—Damaged; grenades also thrown throughout graveyard.

14. Lukar—Church of Our Lady of Catrnje in the cemetery in Lukar (close to Drnis)—Heavily damaged. The precise damage unknown.

15. Mikjevic—Church of SS. Peter and Paul—Attacked by howitzers and tanks Oct. 1, 1991.

16. Plastovo (Parish of Dubravice)—Church of St. Nicholas—Heavy damage to the church and rectory by Chetnik shelling, village was pillaged and burned.

17. Puticani (Parish of Stankovci)—Church of Our Lady of Carmel—Hit by grenades.

18. Rupe—Church of St. Anthony—July 30, 1991, grenade attack, inner doors blown out, clock in tower damaged.

19. Siveric—Church of St. Peter—Demolished Sep. 9, 1991 by Chetnik attack. Church first target, church and tower hit.

20. Skradin—Church of the birth of the BVM—July 10, 1991—statue of the Virgin Mary on the church damaged; Nov. 10, 1991—again damaged.

21. Srima—Church of St. Vitus near the Sibenik bridge—Sep. 17, 1991—hit by grenades, hole made in the facade.

22. Sibenik—Cathedral if St. Jacob—Sep. 17, 1991—Facade damaged, all windows broken, under attack from enemy ships; Sep. 18. 1991—cupola which was made from one stone, was ruptured.

23. Sibenik—Church of St. Francis—Under attack Sep. 19–20, 1991—as yet unable to assess damage.

24. Sibenik—Church of St. Michael in St. Anne Cemetery—Under attack Sep. 19–20, 1991—as yet unable to assess damage.

25. Sibenik—Church of St. Nicholas Tavelic—national place of pilgrimage—Sep. 20, 1991—roof and bells damaged.

26. Sibenik—Church of Our Lady of Griblja—Extent of damage unknown.

27. Vacani (Parish of Piramatovci)—St. Anthony Church—Extent of damage unknown.

28. Vrpolje Kninsko—St. Jacob Church—erected in the 18th century—Jan. 1, 1991—doors damaged; On Easter Sunday the parish rectory was attacked; Jul. 1 & 2—again attacked; Aug. 8, 1991—vandalized, tabernacle door taken, as well as the silver chalice, eternal flame, and the heating and air conditioning system.

29. Velim (Parish of Stankovic)—St. Anthony Church—Hits by grenades.

30. Vocide—Church of Our Lady—Demolished Sep. 21–22, 1991.

31. Vuksic (Lisan Parish)—St. Catherine Church—Windows shattered by explosion.

32. Zdrapanj (Parish of Piramatovac)—Church of St. Bartholomew—erected in the 15th Century—a cultural monument—Sep. 12, 1991—damaged by howitzer missile; Sep. 13, 1991—demolished to the foundation.

ZADAR DIOCESE

1. Bibinje—Church of St. Rocco—Sep. 23, 1991—hit by sniper bullets—decorative ornamentation on the facade damaged.

2. Biograd-Kosta—Church of St. John—new church (1988)—Sep. 18, 1991—damaged.

3. Brisevo—Church of Our Lady of the Rosary—Damaged Oct. 5–6, 1991.

4. Dracevac—Church of the Assumption of the BVM—cultural monument under the protection of the state.—Sep. 22, 1991—damaged by shelling from 2 tanks—north wall demolished; Oct. 6, 1991—structural walls totally destroyed and roof construction in two areas ruptured; graveyard destroyed.

5. Islam Latinski—Church of St. Nicholas—Sep. 18, 1991—heavily damaged; on the tower a Serbian flag was raised.

6. Jasenica—St. Jerome Church—Damaged Sep. 8, 1991; facade of church damaged.

7. Karin—Church of the Immaculate Conception of the BVM—Aug. 26, 1991—heavily damaged by mines.

8. Korlat—Assumption of Mary Church—Sep. 18, 1991—mined and roof burned.

9. Krusevo—St. George Church—Aug. 26–27, 1991—damaged by hand grenades—bombed by air attack.

10. Miocici—Sep. 20, 1991—Church totally demolished.

11. Murvica—Church of the Immaculate Conception of the BVM, built in 1892—Sept. 28, 1991—North wall, part of the facade and belltower damaged. Oct. 5–6, 1991—again attacked and damaged further.

12. Nadin—Church of St. Anthony of Padua—Sep. 20, 1991—Sacristy and contents burned.

13. Podgradina—Holy Souls Church—erected in 1990—Sep. 13, 1991—damaged by 3 special projectiles from Islam Grcki 2½ km away; Sep. 19–20, 1991—roof burned; Sep. 19–20 damaged further.

14. Podprag (Parish of Jasenac)—Church of St. Francis of Assisi—Damaged.

15. Polaca—Church of SS. Cosmas & Damian—dedicated in 1989. Sep. 18, 1991—damaged, also the rectory; largest bell in tower burned.

16. Pristeg—Presentation of the Virgin Mary Church—Damaged Oct. 5, 1991.

17. Rastane Donje—Church of St. John the Baptist—1988—Sep. 18, 1991—damaged; again attacked on Oct. 3, 1991.

18. Suhovar—Church of St. Anthony of Padua and cemetery—Sep. 14, 1991—damaged.

19. Sukosan—Church of St. Martin above Sukosan—Nov. 6, 1991—damaged.

20. Tinj (Polac Parish)—St. John the Baptist Church—Damaged Sep. 18, 1991—extent of damage as yet unknown.

21. Tinj (Polac Parish)—St. Pasqual Church—new Sep. 18, 1991—damaged.

22. Zadar—Cathedral of St. Anastasia—Oct. 2, 1991—hit by shelling; Nov. 18, 1991—during a night air raid by the Jugo-army church was rocketed—the middle and rear portions of the nave were heavily damaged, one can see the sky through a hole in the roof, and the right nave has crushed roof tile and large gap through which a projectile passed and lodged in the organ which had been rebuilt during the past year.

23. Zadar—Church of St. Chrisogonus—1175—Sep. 30-Oct. 1, 1991—hit by a rainfall of grenades, minor damage to the main roof and northern nave, all windows broken; Nov. 18, 1991 church further damaged by air attack.

24. Zadar—Church of Our Lady Queen of Peace in Stanovi—Sep. 21, 1991—damaged.

25. Zadar—Church of St. Peter in Ploce—pre-romanesque church, of the first category—Roof demolished; around Sep. 30, 1991 all windows and doors thrown to the ground; grenades made 2 holes about 1 m. wide in the belltower, cemetery damaged and again hit Oct. 5–6, 1991.

26. Zadar—Church of St. Simon—from the 12th century—Oct. 5, 1991—damaged; large hole in roof made by grenade.

27. Zadar—Church of St. Joseph and rectory on Plovanj.—Damaged Oct. 6, 1991.

28. Zadar—Church of SS. Simon & Thaddeus—on Bokanjac—Church and cemetery chapel totally destroyed and burned on Oct. 6, 1991; Oct. 23, 1991—cemetery damaged.

29. Zadar—Church of the Assumption of the BVM on Belefuza—Oct. 6, 1991—slightly damaged.

30. Zadar—Church of Our Lady of Loretto on Arbanasi—Oct. 10, 1991—slightly damaged.

31. Zadar—Church of Our Lady on Debeljak—Oct. 6, 1991—windows on church broken.

32. Zemunik Donji—Oct. 3, 1991—new bells heavily damaged on the yet uncompleted church; rectory damaged.

Of the remaining church owned buildings the seminary and priests' home in Zadar were damaged by aerial shelling at night by the Jugoslav Army (Nov. 18, 1991).

RIJEKA-SENJ DIOCESE

1. Bilaj—Church of St. Jacob—Sep. 8, 1991—heavily damaged by hand grenades; Sep. 11, 1991—totally destroyed.

2. Brlog—Church of the Visitation of the BVM—Damaged.

3. Cetingrad—Church of the Assumption of the BVM—Oct. 4, 1991—damaged; Nov. 5, 1991—demolished; Nov. 17, 1991—totally demolished and burned.

4. Canak—Church of the Holy Rosary—Damaged.

5. Dreznik—Church of St. Anthony of Pudua—Oct. 8, 1991—damaged.

6. Gospic—Annunciation of the BVM Church—Top of belltower demolished.

7. Kompolje—St. Stephen the Martyr Church—Sep. 23 or 24, 1991—damaged.

8. Kuterevo—Church of Our Lady of Carmel—Attacked on Oct. 17, 1991.

9. Licki Novi—Church of St. Anthony of Padua—Sep. 12, 1991 damaged; Sep. 17, 1991 arsoned—walls burned, statue of St. Anthony damaged—tower demolished.

10. Licki Osik—Church of St. Joseph—Attacked Aug. 29, 1991; bomb and hand grenade attack on Sep. 1, 1991; two local people saved the statues from the main altar, electric organ and some other items. The church had been heavily ruined during World War II, and during the last 20 years was undergoing restoration which had just been completed.

11. Licko Lesce—Church of Our Lady of the Holy Rosary—Damaged.

12. Lovinac—Church of St. Michael—Church destroyed between Sep. 16th–22nd, 1991; pastor and people escaped over Mt. Velebit.

13. Octocac—Holy Trinity Church—Totally damaged by tank attack on Sep. 15, 1991; contents burned; belltower 42 meters high entirely torn down to the ground.

14. Prizna—Chagel of St. Anthony—Damaged.

15. Prizor—Church of the Holy Cross—Sep. 23 or 24, 1991—damged.

16. Rakovica—Church of St. Helen—Nov. 15, 1991—totally destroyed.

17. Ribnik—St. Peter Church—Damaged.

18. Ricice—Church of St. Mary Magdalene—Demolished to its foundation.

19. Saborska—Church of St. John Nepomocene—Aug. 8, 1991—heavily damaged by grenades; Nov. 13, 1991—totally demolished and burned; massacres carried out.

20. Saborsko—Queen of the Rosary Chapel in the cemetery—Nov. 13, 1991—demolished and burned after a lengthy unsuccessful attacks.

21. Seliste—Oct. 8, 1991—new church damaged.

22. Sinac—St. Elijah Church—roof hit by grenades.

23. Smoljanac—Chapel of St. John the Baptist—Oct. 9, 1991—razed to its foundation.

24. SV. Rok—Church of St. Rocco—over 300 years old razed to its foundation.

25. Svica—St. John the Baptist Church—Sep. 15, 1991—damaged; damaged were old frescoes.

26. Vaganac—Holy Cross Church—Damaged on the 9th or 10th of Sep., 1991; October 8, 1991—village and church totally destroyed.

DESTROYED OR DAMAGED MONASTERIES AND FRIARIES

1. Borovo—Franciscan monastery

2. Cavtat—Our Lady of the Snow (1484) franciscan monastery—Oct. 7, 1991.

3. Cuntic—Franciscan monastery from 1699—In 1942—destroyed by chetniks (partizans); July 7, 1991—sacristy burned; Aug. 1, 1991—during orgy of the bandits—the monastery was burned, among items believed destroyed were a number of old books,

church records, church vestments from the 18th century, monastery chronicles, church kitchenware; before the fire the bandits for 5 days removed and took away all that was valuable.

4. Dubrovnik—Sigurata Monastery from the 11th century (owned by school sisters)—Nov. 10, 1991.

5. Dubrovnik—Monastery of the School sisters in Izvijacica—Nov. 10, 1991.

6. Dubrovnik—Claretian monastery—around Nov. 10, 1991.

7. Dubrovnik—Little Brothers fransiscan monastery from 1317—Nov. 11, 1991—hit by grenades.

8. Dubrovnik—St. Joseph, OFM—Damaged Nov. 11, 1991.

9. Dubrovnik—St. Dominic—dominican monastery from 1314—Damaged by grenades Nov. 11th & 12th, 1991.

10. Dubrovnik—Holy Cross—dominican monastery from 1437—Damaged Nov. 10, 1991.

11. Dubrovnik—Little Jesus—Our Lady's Field—Nov. 12, 1991.

12. Dubrovnik—Monastery of St. Catherine (now a school of music)—Nov. 10, 1991—damaged.

13. Dubrovnik—LAPAD—Our Lady of Mercy—capuchins—Nov. 7, 1991.

14. Dubrovnik—Daughters of Divine Charity—Salvator—Nov. 12, 1991.

15. Dubrovnik—KONO Sisters on Ciliae—Nov. 12, 1991.

16. Dubrovnik—PILE—Sisters on Cilae—Nov. 12, 1991.

17. Dubrovnik—DANCE—Sisters of the Immaculate Conception of the BVM.

18. Djakovo—Sisters of the Holy Cross—Damaged Sep. 16, 1991.

19. Hrvatska Kostajnica—Franciscan monastery damaged; mined before the Feast of All Saints.

20. Ilok—Franciscan monastery.

21. Kamensko—Paulist monastery—facade damaged; Nov. 5, 1991 heavily damaged.

22. Karin—Franciscan monastery dating to 1429—Damaged by mines on Aug. 26, 1991; monastery attacked and residents were searched and evicted; keys to monastery taken, automobile stolen.

23. Lokrum—Benedictine monastery from the XI century—Nov. 7, 1991—walls hit.

24. Mala Gorica—Convent of the Franciscan missionaries—Oct. 4-6, 1991—heavily damaged, roof and ceiling fell.

25. Nasice—Franciscan monastery—heavily damaged Sep. 20, 1991.

26. Osijek—Convent of the sisters of St. Vincent de Paul—Sep. 5, 1991.

27. Osijek—Capuchin monastery—Damaged Nov. 1, 1991.

28. Osijek—Franciscan monastery in Tvrda—Damaged by mines.

29. Osijek—Franciscan monastery of the Holy Family—Nov. 3, 1991—grenades penetrate roof and cement floorings.

30. Osijek—Jesuit residence—Damaged from Sep. 13-16, 1991.

31. Osijek—Sisters of the Holy Cross.

32. Petrinja. Daughters of Divine Charity—Hit Sep. 2, 1991.

33. Pridvorje. St. Vlaho—OFM—Oct. 1, 1991.

34. Rozat—Visitation of the BVM, Franciscan monastery—Oct. 2, 1991.

35. Sibenik—Franciscan monastery of St. Francis—Sep. 9, 1991—grenades penetrated the wall of the monastery from the seaside and the tower and windows damaged.

36. Vinkovci—Sisters of the Holy Cross—Sep. 24, 1991—hit by cassette bombs, damaging the newly restored house and house addition; house no longer inhabitable.

37. Vinkovci—conventuals, serving the church of the Immaculate Heart of Mary—Sep. 24, 1991—convent house hit by mines; Oct. 7, 1991 as a result of multi-barrel howitzer a large hole about 3 meters wide was made in the connecting structure between the church and the monastery.

38. Vinkovci—Convent of the Sisters of Servants of the Child Jesus.

39. Visnjica (Dubrovnik) formerly a Benedictine retreat of St. Jacob.

40. Vukovar—Franciscan monastery.

41. Vukovar—Convent of the Sisters of the Holy Cross.

42. Vukovar—Convent of the Basilian Sisters.

DAMAGED ORTHODOX CHURCHES—(BY THE ARMY AND CHETNIKS)

1. Donji Bogicenci.

2. Drdut—by air attack—roof damaged.

3. Glavina Donja (near Imotski)—Explosion destroyed the entrance doors, inner doors, stairway to choirloft, and several religious pictures (unknown artists).

4. Jasenovac—Sep. 25, 1991—damaged by grenades.

5. Medari—Church of the Holy Transfiguration—Damaged by grenades of Serbian extremists.

6. Nova Gradiska—Sep. 15, 1991, explosion damaged the church on the back side; on Sep. 21, 1991 church hit by grenades of the Jugo Army.

7. Pakrac—Sep. 28, 1991—church burned.

8. Rastovac—Around Sep. 21, 1991.

9. Rasenica—Around Sep. 21, 1991.

10. Skradin—Church of St. Spiridon—Hit by mines; roof construction damaged.

11. Tovarnik—Sep. 22, 1991—heavily damaged.

12. Vinkovic—Sep. 9, 1991—Church heavily defaced with graffiti.

EVANGELICAL CHURCHES

1. Osijek—Damaged by mines and grenades—heavily damaged Nov. 16, 1991.

2. Podravska Slatina—damaged from army attack.

3. Vinkovci—Church burned.

REFORMED CHRISTIAN CHURCHES

1. Daruvar—near Daruvar the Hungarian reformed church damaged.

2. Korod.

3. Laslovo.

4. Ratfala.

JEWISH SYNAGOGUES

1. Dubrovnik—Damaged—second oldest synagogue in Europe, and the Jewish cemetery in Boninovo.

2. Osijek.

3. Zagreb—in August, an explosive was set in the building of the Jewish Union and in the Jewish section of the Mirogoj cemetery (perpetrators unknown).

Cernik—Jewish cemetery, the oldest in Croatia, in two separate attacks was destroyed by howitzers from Okucani, under occupation, and the jugo-army (beginning of September).

Daruvar—Jewish cemetery, damaged.

CONGRESSIONAL COMMEMORATIVE MEDALLIONS FOR DESERT STORM VETERANS

(Mr. LaROCCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LaROCCO. Mr. Speaker, a year ago today, the United States was poised to begin ground combat in Kuwait. The ground war began on February 23 and ended on the 27th with Kuwait liberated.

Today the House will consider H.R. 3337. This bill is an assemblage of several commemoratives previously approved by the House which have been sent back from the Senate for our passage.

One part of today's bill provides for congressional commemorative medallions for Desert Storm veterans. The Desert Storm medallions will be funded through sales of a bronze dupllicate medallion and struck at no cost to U.S. taxpayers.

All over our Nation, people have expressed gratitude to the troops. This silver medal is Congress' opportunity to say thanks.

Congress awarded gold medals to Gens. H. Norman Schwarzkopf and Colin Powell for their roles in the victory in Kuwait. Having recognized the generals, I hope you will agree that it is fitting to pay respect to the troops, too.

The House approved this provision overwhemingly when it passed my billl, H.R. 1107, on suspension on July 31. I urge its passage as part of H.R. 3337 today.

SOMETHING TO REMEMBER

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, as Congress returns today from the Presidents' Day holiday recess, we are having a debate heating up concerning proper revisions to Federal tax policy. I want to share with Members of the House some words apparently written by and attributed to Abraham Lincoln. These 10 principles were sent to me by a Virginia constituent, and I think it appropriate for us to remember these views as we debate.

> You cannot bring about prosperity by discouraging thrift.
>
> You cannot strengthen the weak by weakening the strong.
>
> You cannot help little men by tearing down big men.
>
> You cannot help the wage earner by pulling down the wage payer.
>
> You cannot further brotherhood of man by encouraging class hatred.
>
> You cannot help the poor by destroying the rich.
>
> You cannot establish sound security on borrowed money.
>
> You cannot keep out of trouble by spending more than you earn.
>
> You cannot build character and courage by taking away man's initiative and independence.
>
> You cannot help men permanently by doing for them what they could and should do for themselves.

Mr. Speaker, these principles should be followed as we work together to improve our economy and set proper public policy.

CONGRESS RESPONSIBLE FOR DEFICIT AND ONLY CONGRESS HAS POWER TO SOLVE IT

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, someone earlier today in this well got up and said that this is Bush's deficit, not that of Congress. Now, that gentleman has been in this House of Representatives long enough to know better than that. The President presents a budget to us and we largely ignore it. We then do our own budget and we largely ignore that also. But Congress in all cases decides what is to be spent by this Government.

Mr. Speaker, the President cannot even save money and say, "We don't need this money for what you asked us to spend it for," unless he has our permission.

Mr. Speaker, make no mistake about it: The public is not fooled. If there is a deficit in the budget of the United States, it is Congress' deficit, and it is only Congress that has the power to solve that deficit.

YOU CAN'T GIVE THE PRESIDENT WHAT HE WANTS IF YOU DON'T KNOW WHAT HE WANTS

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, I rise to state my concern about the progress of the economic recovery package that has been advocated by the President. Whatever that package is, I do not know, because I understand the President's submission with regard to the budget is not really what he wants, that President Bush's recovery package continues to evolve.

The President's economic recovery package appears to be a moving target. I understand that he wanted a certain type of treatment for capital gains, but now I understand he has met with the minority Members in the House and has changed his package.

I understood initially he wanted a $500 personal exemption increase provision. Now I understand that the $500 personal exemption provision isn't in the Bush package today as it was yesterday.

Of most concern, I understand that the President is advocating changing accounting rules with regard to the savings and loan problem and the cost of that, and pension ERISA programs referred to an accrual accounting and that somehow, his budget will provide the money or saving in accounting gimmicks rather than by other conventional means.

This lack of Presidential leadership is resulting in a tax bidding war that this country does not need and which is not going to help economic development or the present recession our Nation is experiencing. The Presidential recession package is more geared to the events in New Hampshire and other Presidential primaries than to what the U.S. economy needs.

Mr. Speaker, it is hard to give the President what he wants when we do not know what the President wants. When it changes like the public opinion polling that has the President offering revisions and tax gimmicks instead of a sound policy path of stability which our Nation desperately needs today, not in November after the Presidential election.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken tomorrow, Wednesday, February 19, 1992.

☐ 1220

ALLEGHENY WILD AND SCENIC RIVER DESIGNATION

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 606) to amend the Wild and Scenic Rivers Act by designating certain segments of the Allegheny River in the Commonwealth of Pennsylvania as a component of the National Wild and Scenic Rivers System, and for other purposes, as amended.

The Clerk read as follows:

S. 606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF ALLEGHENY RIVER.

In order to preserve and protect for present and future generations the outstanding scenic, natural, recreational, scientific, historic, and ecological values of the Allegheny River in the Commonwealth of Pennsylvania, and to assist in the protection, preservation, and enhancement of the fisheries resources associated with such river, section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph at the end:

"( ) ALLEGHENY, PENNSYLVANIA.—The segment from Kinzua Dam downstream approximately 7 miles to the United States Route 6 Bridge, and the segment from Buckaloons Recreation Area at Irvine, Pennsylvania, downstream approximately 47 miles to the southern end of Alcorn Island at Oil City, to be administered by the Secretary of Agriculture as a recreational river through a cooperative agreement with the Commonwealth of Pennsylvania and the counties of Warren, Forest, and Venango, as provided under section 10(e) of this Act; and the segment from the sewage treatment plant at Franklin downstream approximately 31 miles to the refinery at Emlenton, Pennsylvania, to be administered by the Secretary of Agriculture as a recreational river through a cooperative agreement with the Commonwealth of Pennsylvania and Venango County, as provided under section 10(e) of this Act.".

SEC. 2. ADVISORY COUNCILS FOR THE ALLEGHENY NATIONAL RECREATIONAL RIVER.

(a) ESTABLISHMENT.—The Secretary of Agriculture (hereafter in this Act referred to as the "Secretary") shall establish within 120 days after the date of enactment of this Act 2 advisory councils to advise him on the establishment of final boundaries and the management of the river segments designated by section 1 of this Act (hereinafter referred to as the "Allegheny National Wild and Scenic River"), as follows:

(1) The Northern Advisory Council, to provide advice for the management of the segments of the Allegheny National Wild and Scenic River between Kinzua Dam and Alcorn Island.

(2) The Southern Advisory Council, to provide advice for the management of the segment of the Allegheny National Wild and Scenic River between Franklin and Emlenton.

(b) NORTHERN ADVISORY COUNCIL.—(1) The Northern Advisory Council shall be composed of 9 members appointed by the Secretary as follows:

(A) The Forest Supervisor of the Allegheny National Forest, or his designee, who shall serve as chair of the Council and be a nonvoting member.

(B) The Secretary of the Department of Environmental Resources of the Commonwealth of Pennsylvania, or his designee.

(C) 6 members, 2 from each county from recommendations submitted by the County Commissioners of Warren, Forest, and Venango Counties, of which no fewer than 2 such members shall be riparian property owners along the Allegheny National Wild and Scenic River.

(D) One member from a nonprofit conservation organization concerned with the protection of natural resources from recommendations submitted by the Governor of the Commonwealth of Pennsylvania.

(2) members appointed under subparagraphs (C) and (D) of paragraph (1) shall be appointed for terms of 3 years. A vacancy in the Council shall be filed in the manner in which the original appointment was made.

(3) Members of the Northern Advisory Council shall serve without pay as such and members who are full-time officers or employees of the United States shall receive no additional pay by reason of their service on the Commission. Each member shall be entitled to reimbursement for expenses reasonably incurred in carrying out their responsibilities under this Act.

(4) The Northern Advisory Council shall cease to exist 10 years after the date on which the Secretary approves the management plan for the Allegheny National Recreation River.

(c) SOUTHERN ADVISORY COUNCIL.—(1) The Southern Advisory Council shall be composed of 7 members appointed by the Secretary as follows:

(A) The Forest Supervisor of the Allegheny National Forest, or his designee, who shall serve as a nonvoting member.

(B) The Secretary of the Department of Environmental Resources of the Commonwealth of Pennsylvania, or his designee, who shall serve as chairman.

(C) 4 members from recommendations submitted by the County Commissioners of Venango County, of which at least one shall be a riparian property owner along the Allegheny National Wild and Scenic River.

(D) One member from a nonprofit conservation organization concerned with the protection of natural resources, from recommendations submitted by the Governor of the Commonwealth of Pennsylvania.

(2) members appointed under subparagraphs (C) and (D) of paragraph (1) shall be appointed for terms of 3 years. A vacancy of the county representatives on the Council shall be filed in the manner in which the original appointment was made.

(3) Members of the Southern Advisory Council shall serve without pay as such and members who are full-time officers or employees of the United States shall receive no additional pay by reason of their service on the Commission. Each member shall be entitled to reimbursement for expenses reasonably incurred in carrying out their responsibilities under this Act.

(4) The Southern Advisory Council shall cease to exist 10 years after the date on which the Secretary approves the management plan for the Allegheny National Recreation River.

SEC. 3. ADMINISTRATION OF ALLEGHENY NATIONAL WILD AND SCENIC RIVER.

(a) BOUNDARIES.—After consultation with the Commonwealth of Pennsylvania, advisory councils, local governments, and the public, and within 18 months after the enactment of this Act, the Secretary shall take such action with respect to the segments of the Allegheny River designated under section 1 of this Act as is required under section 3(b) of the Wild and Scenic Rivers Act.

(b) INTERIM MEASURES.—As soon as practicable after enactment of this Act, the Secretary, shall issue guidelines specifying standards for local zoning ordinances, pursuant to section 6(c) of the Wild and Scenic Rivers Act, with the objective of protecting the outstandingly remarkable values of the Allegheny Wild and Scenic River, as defined by the Secretary. Once issued, such guidelines shall have the force and effect provided in section 6(c) of the Wild and Scenic Rivers Act.

(c) ADMINISTRATION OF CERTAIN SEGMENTS.-(1) Land and mineral rights acquired by the Secretary for the purpose of managing the Allegheny National Wild and Scenic River segments located between Kinzua Dam and Alcorn Island shall be added to and become part of the Allegheny National Forest.

(2) Land and mineral rights acquired by the Secretary for the purpose of managing the Allegheny National Wild and Scenic River segment located between Franklin and Emlenton may be managed under a cooperative agreement with the Commonwealth of Pennsylvania.

SEC. 5. STUDY RIVERS.

(a) STUDY.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271–1287) is amended by adding the following new paragraphs at the end thereof:

"( ) CLARION, PENNSYLVANIA.—The segment of the main stem of the river from Ridgway to its confluence with the Allegheny River. The Secretary of Agriculture shall conduct the study of such segment.

"( ) MILL CREEK, JEFFERSON AND CLARION COUNTIES, PENNSYLVANIA.—The segment of the main stem of the creek from its headwaters near Gumbert Hill in Jefferson County, downstream to the confluence with the Clarion River.".

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. HEFLEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the legislation presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as our colleagues will recall, last year the House passed a bill—H.R. 1323—to designate about 85 miles of the Allegheny River, in northeastern Pennsylvania, for inclusion in the National Wild and Scenic Rivers system and to provide for a study of two tributaries of the Allegheny for possible future designation. That was a noncontroversial and bipartisan measure, sponsored by the gentleman from Pennsylvania [Mr. CLINGER] and our Interior Committee colleague, the gentleman from Pennsylvania [Mr. KOSTMAYER].

The Senate has not acted on that House-passed bill. Instead, later last year, they passed S. 606, a similar but not identical bill introduced by Senator Heinz prior to his tragic death. Notably, that bill differs from the one passed by the House by the omission from the Senate bill of the provisions for study of the Clarion River and Mill Creek.

Those study provisions have considerable local support, and were an important part of the House bill. Accordingly, we are moving to take up the Senate-passed bill and to amend it to conform to the House-passed bill.

That will give the Senate the opportunity to act on Senator Heinz's bill and also to provide for the study of the two tributaries, as proposed by Mr. CLINGER and Mr. KOSTMAYER and as approved by the Interior Committee and the House. I urge the adoption of this motion.

Mr. Speaker, I reserve the balance of my time.

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 606, a bill to designate 85 miles of the Allegheny River in northeastern Pennsylvania as a unit of the Wild and Scenic River System. This is an important measure which will protect certain outstandingly remarkable river values that were first recognized 13 years ago.

The Forest Service has studied this river and the provisions of this bill regarding specific river segments to be designated are consistent with the results of their studies. The administration has testified in support of non-Federal management for those river segments entirely outside the forest boundary. In my experience under this act, such an arrangement would have been preferable both fiscally and in terms of retaining as much control as possible at the local level.

As the chairman has explained, the amendments we are acting on today merely alter the Senate-passed bill to conform to what the House had previously passed. It is my understanding that these amendments are fully supported by Mr. CLINGER, whose district is directly affected, and in a bipartisan fashion by the entire Pennsylvania delegation.

Therefore, I urge my colleagues to join me in supporting this bill.

Mr. CLINGER. Mr. Speaker, today is a very important day for river protection. I am pleased that S. 606, as adopted by the other body, will designate the Allegheny River as a component of the National Wild and Scenic Rivers System. Enactment of permanent protection for the Allegheny is a wonderful tribute to the memory of Senator Heinz, who first introduced the bill.

However, today we are requesting that the other body enact the House version of this bill. In addition to designation of the Allegheny River for wild and scenic river status, the House version of the bill provides a study to determine if wild and scenic river status is appropriate for two additional Pennsylvania rivers that are tributaries of the Allegheny River, the Clarion and Mill Creek. By extension, these rivers are a part of the Allegheny River. Not only are they very scenic and undeveloped but also provide superb recreational opportunities for the area. They deserve to be studied for possible inclusion under the Wild and Scenic Rivers System. Thousands of hunters, fishermen, recreational boaters, and tourists annually enjoy these two rivers as they flow through portions of the Allegheny Forest. In fact, the definitive canoeing guidebook for Pennsylvania states that the "Clarion is a superb canoeing river * * * cradled in a wooden gorge, peace and quiet are the Clarion's trademark." (Gertler, "Keystone Canoeing," 1985).

It should be noted that the process to study these rivers started over 13 years ago. In fact, the Commonwealth of Pennsylvania recommended them for study in its 1980 water plan, giving it the highest possible priority ranking. America's leading canoeing and river conservation organizations have endorsed the study of the Clarion and Mill Creek for potential designation. These organizations include the American Whitewater Affiliation, American Canoe Association, and American Rivers. In addition, the leading canoeing clubs in Pennsylvania support the bill as well, such as the Three Rivers Paddling Club and the Philadelphia Canoe Club.

I wish that every Member of Congress would take the opportunity to visit the Clarion River and enjoy the gentle pools, swift rapids, and pristine shoreline of this American treasure. The State of Pennsylvania abounds with natural wonders, and the Clarion River and its tributary, Mill Creek, are truly jewels in this crown of environmental wonder. It's up to us to preserve this wilderness for our children and grandchildren, so that they too may enjoy the wonders of the natural world.

I would urge my colleagues to support the original House language for this bill and implore the Members of the other body to include the study provisions for these exquisite rivers in the bill we will send to President Bush. The Clarion River and Mill Creek deserve study, they deserve protection, and they deserve a favorable vote from both bodies of Congress.

Finally, I would like to thank my distinguished colleagues Chairman VENTO, Congressman MARLENEE, and Congressman KOSTMAYER for helping to protect these rivers. Without their invaluable assistance and hard work in bringing this legislation to the floor, this effort to protect these resources for future generations would not have been possible.

Mr. KOSTMAYER. Mr. Speaker, today the House of Representatives will approve legislation, authored by the gentleman from Pennsylvania, Representative WILLIAM CLINGER, and myself, to protect the beauty of western Pennsylvania. This will be the third time that the House has passed our legislation designating 85 miles of the Allegheny River as a component of the National Wild and Scenic Rivers System.

I would like to thank both Chairman VENTO for his support and Congressman BILL CLINGER for all his work and support, in protecting the beauty and scenery of the Allegheny River.

The Interior Subcommittee on Oversight and Investigations, which I chaired, held a hearing in 1989 in Pittsburgh to review operations and policies in the Allegheny National Forest [ANF]. One of the major focal points was the draft Forest Service report on recommending protection strategies for the Allegheny River. Congressman CLINGER and I became convinced that, indeed, the river was worthy of Federal protection and that there was substantial public support for such a proposal. Representative CLINGER, who represents that region of Pennsylvania, and I developed a piece of legislation that would bring 85 miles of the Allegheny River under the protection of the U.S. Forest Service, and yet it would be done so in cooperation with local communities and landowners.

Our legislation calls for Forest Service management both inside and outside the proclamation boundary of the ANF. But this should present no problem. The U.S. Forest Service can and should provide leadership in protecting resources in and near national forests. Additionally, the Forest Service plays a vital role in advising private landowners and communities how to protect important forests, watersheds, and open space through the State and Private Forestry Program.

Mr. Speaker, this would be only the second wild and scenic river designation in the Commonwealth of Pennsylvania, and I look forward to working with Congressman CLINGER and the rest of the Pennsylvania delegation to bring this kind of protection of many other rivers in our beautiful State.

Again, I appreciate the House acting on this bill at such a busy time, and I look forward to enacting this bipartisan effort this year.

Mr. HEFLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 606, as amended.

The question was taken.

Mr. VENTO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

MICHIGAN SCENIC RIVERS ACT OF 1991

Mr. VENTO. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 476) to designate certain rivers in the State of Michigan as components of the National Wild and Scenic Rivers System, and for other purposes.

The Clerk read as follows:

Senate amendments:

Page 11, line 7, strike out "river." and insert "river."".

Page 11, strike out lines 8 to 14.

Page 11, after line 18, insert:

"( ) BRULE, MICHIGAN AND WISCONSIN.—The 33-mile segment from Brule Lake in the northeast quarter of section 15, township 41 north, range 13 east, to the National Forest boundary at the southeast quarter of section 31, township 41 north, range 17 east.

Page 15, line 4, strike out "Carp," and insert: Brule, Carp,.

Page 17, after line 18, insert:

(g) BRULE RIVER STUDY COMMITTEE.—For the purposes of the Brule River Study Committee established pursuant to subsection (a), any reference in this section to the State of Michigan shall be deemed to be a reference to the State of Michigan and the State of Wisconsin.

Page 19, line 3, strike out "(16 U.S.C. 1271(b))." and insert "(16 U.S.C. 1277(b)).".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. HEFLEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the measure before the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, during the 1st session of the 102d Congress the House passed a bill to designate a number of rivers in Michigan for inclusion in the National Wild and Scenic Rivers System. That bill reflected the hard work and outstanding leadership of its principal sponsor, the gentleman from Michigan [Mr. KILDEE] and it had broad bipartisan support within the Michigan delegation.

Unfortunately, the Senate did not complete action on that bill before the end of the 101st Congress. Therefore, the legislation was reintroduced last year as H.R. 476, which was favorably reported from the Interior Committee and passed by the House on June 3.

The Senate has now returned H.R. 476 to the House with some amendments. My motion is to suspend the rules and concur in the Senate amendments, to send the bill to the President.

The most significant Senate amendment concerns a segment of the Brule River that is part of the boundary between Michigan and Wisconsin. The House-passed bill would have designated this segment for management as a recreational river under the Wild and Scenic Rivers Act. The Senate amended the bill to instead place this segment of the Brule in a study category, with a later report about possible designation to be submitted within 3 years.

I don't believe that enactment of the bill as passed by the House would have presented any real problems. But this relatively minor change is acceptable, so I urge the House to concur in the Senate's amendments and clear the bill for enactment into law.

Mr. Speaker, I reserve the balance of my time.

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am concerned that the Congress is once again bringing to the floor a wild and scenic rivers bill that is strongly opposed by the Member whose district is principally affected. I believe our committee system must make a better attempt at reaching a consensus rather than bringing a bill like this to the floor.

I would like to correct some fundamental misconceptions about H.R 476. Although proponents claim this bill is needed to prevent imminent development of these rivers, this is not the case. At the Subcommittee on National Parks and Public Lands' hearing on this bill, the Forest Service witnesses were not able to identify any threats to these rivers. This should not be surprising since the Upper Peninsula of Michigan has consistently lost population since the Second World War. It is an economically depressed area that is hundreds of miles away from major metropolitan areas.

Another common assertion by supporters of H.R. 476 is that most of these rivers are on Federal land so that impacts for private landowners are minimal. According to Forest Service statistics, 30 percent of the lands in the proposed river corridors—or 45,000 acres—are private property. Even though most of these rivers have over 50-percent public ownership thereby preventing condemnation through fee acquisition, the Federal Government still has unlimited authority to condemn through scenic easements. In fact, the mere threat of condemnation through scenic easement effectively results in Federal land use planning of private property along every river corridor in this bill.

Finally, we are told that since the rivers included in this bill are already managed as wild and scenic under existing forest plans, there is little or no reason for concern among local citizens. We should remember that the Ottawa forest plan was appealed partially because of its inclusion of the Ontonagon River as an area to be managed as a wild and scenic river. This appeal was supported by the boards of commissioners of all four counties surrounding the Ottawa National Forest and ultimately was decided in Washington, DC. This controversial river is included in H.R. 476.

I would like to commend the Senate for amending the House bill to remove the Brule River from an instant designation status and changing it to a study river. Congressman TOBY ROTH pointed out during Interior Committee consideration of this bill last year that such a designation would complicate the long-planned construction of a railroad bridge across this segment of the Brule. The bridge would connect Tipler, WI, with Iron River, MI. The Senate amendment would improve chances for striking a better balance between river protection and economic development along this segment of the Brule River.

☐ 1230

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE] the principal sponsor of this legislation and a member of the Committee on Interior and Insular Affairs on leave to the Committee on the Budget. We want him back, Mr. Speaker.

Mr. KILDEE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today to strongly support H.R. 476, the Michigan Scenic Rivers Act, which is coming before us because of minor changes that have been made since we passed this important legislation last June.

Mr. Speaker, this bill is critical in our efforts to protect and preserve more than 500 miles of free-flowing rivers in my home State of Michigan.

Since first introducing this legislation 3 years ago, I have worked with environmentalists, with conservationists, with the State of Michigan, with local landowners and with the timber industry to ensure that we have the best possible legislation to protect these rivers, which are one of our most precious natural resources.

We now have the opportunity today to pass this legislation into law, and I would urge my colleagues to do so.

Not only is this bill crucial environmentally in my own State, but by enacting the Michigan Scenic Rivers Act of 1992 into law, Congress will be taking a large step in protecting many of the rivers that flow into America's largest reservoir of freshwater, the five Great Lakes.

Mr. Speaker, I am deeply grateful for the support my colleagues have given this legislation in the past. With that continued support, we are on the verge of creating what is, for both Michigan and for this entire Nation, a tremendously important piece of environmental protection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume just to summarize and say this bill will not change the current management. Most of these rivers are within the national forests of Michigan and have been recommended by the National Forest Service and are supported by the administration. So this action is consistent with that and I fully expect that this bill will be signed. It represents a good, professional effort on the part of the Michigan delegation as well as the Forest Service, and the administration has endorsed it.

Mr. HEFLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and concur in the Senate amendments to H.R. 476.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MANZANAR NATIONAL HISTORIC SITE

Mr. VENTO. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 543) to establish the Manzanar National Historic Site in the State of California, and for other purposes.

The Clerk read as follows:

Senate amendments:

Page 1, strike out all after line 2, over to and including line 17 on page 6 and insert:

TITLE I—MANZANAR NATIONAL HISTORIC SITE

SECTION 101. ESTABLISHMENT.

(a) IN GENERAL.—In order to provide for the protection and interpretation of the historical, cultural, and natural resources associated with the relocation of Japanese-Americans during World War II, there is hereby established the Manzanar National Historic Site in the State of California.

(b) AREA INCLUDED.—The site shall consist of approximately 500 acres of land as generally depicted on a map entitled "Map 3—Alternative Plans—Manzanar Internment Camp" numbered 80,002 and dated February 1989. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service, Department of the Interior. The Secretary may from time to time make minor revisions in the site boundaries.

SEC. 102. DEFINITIONS.

As used in the title, the term—

(1) "Advisory Commission" means the Manzanar National Historic Site Advisory Commission established pursuant to section 105 of this title;

(2) "city" means the City of Los Angeles;

(3) "Secretary" means the Secretary of the Interior; and

(4) "site" means the Manzanar National Historic Site established pursuant to section 101 of this title.

SEC. 103. ACQUISITION OF LAND.

(a) IN GENERAL.—(1) Subject to the limitations set forth in paragraphs (2) and (3) of this subsection, the Secretary is authorized to acquire lands or interests therein within the boundaries of the site of donation, purchase with donated or appropriated funds, or by exchange.

(2) Lands or interests therein located within the boundaries of the site which are owned by the State of California, or a political subdivision thereof, may be acquired only by donation or exchange.

(3) The Secretary shall not acquire lands or interests therein located within the boundaries of the site which are owned by the city of Los Angeles until such time as the Secretary has entered into an agreement with the city to provide water sufficient to fulfill the purposes of the site.

(b) MAINTENANCE FACILITY.—The Secretary is authorized to contribute up to $1,100,00 in cash or services for the relocation or construction of a maintenance facility for Inyoe County, California.

SEC. 104. ADMINISTRATION OF SITE.

(a) IN GENERAL.—(1) The Secretary shall administer the site in accordance with this title and with the provisions of law generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2–4), and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–67).

(2) Nothing in this title shall create, expand, or diminish any authority of the Secretary over lands or activities of the city of Los Angeles outside the boundaries of the site.

(b) DONATIONS.—The Secretary may accept and expend donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of providing such services and facilities as the Secretary deems consistent with the purposes of this title.

(c) GENERAL MANAGEMENT PLAN.—Within 3 years after the date funds are made available for this subsection, the Secretary shall, in consultation with the Advisory Commission, prepare a general management plan for the site. Such plan shall be transmitted to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives.

(d) COOPERATIVE AGREEMENTS.—The Secretary is authorized to enter into cooperative agreements with—

(1) public and private entities for management and interpretive programs within the site; and

(2) the State of California, or a political subdivision thereof, for the rendering, on a reimbursable basis, of rescue, fire fighting, and law enforcement services and cooperative assistance by nearby law enforcement and fire preventive agencies.

(e) WATER.—Except as provided in section 103(a)(3) of this title, nothing in this title shall affect the water rights of the city of Los Angeles.

(f) TRANSPORT OF LIVESTOCK.—Any person who holds a permit from the Department of Water and Power of the City of Los Angeles to graze livestock on city-owned lands contiguous with the site may move such livestock across those Federal lands administered by the Bureau of Land Management which are located contiguous with the site, for the purpose of transporting such livestock from one city-owned parcel to the other.

SEC. 105. ADVISORY COMMISSION.

(a) ESTABLISHMENT.—There is hereby established an 11-member advisory commission to be known as the Manzanar National Historic Site Advisory Commission. The members of the Advisory Commission shall be appointed by the Secretary, and shall include former internees of the Manzanar relocation camp, local residents, representatives of Native American groups, and members of the general public.

(b) TERMS.—Members of the Advisory Commission shall serve for a term of 2 years. Any member of the Advisory Commission appointed for a definitive term may serve after the expiration of his or her term, until such time as a successor is appointed.

(c) CHAIRMAN.—The members of the Advisory Commission shall designate one of the members as Chairman.

(d) CONSULTATION.—The Secretary, or the Secretary's designee, shall from time to time, but at least semi-annually, meet and consult with the Advisory Commission with respect to the development, management, and interpretation of the site, including the preparation of a general management plan as required by section 104(c) of this title.

(e) MEETINGS.—The Advisory Commission shall meet on a regular basis. Notice of meetings shall be published in local newspapers. Advisory Commission meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

(f) EXPENSES.—Members of the Advisory Commission shall serve without compensation, but while engaged in official business shall be entitled to travel expenses, including per diem in lieu of subsistence in the same manner as persons employed intermittently in government service under section 5703 of title 5, United States Code.

(g) CHARTER.—The provisions of section 14(b) of the Federal Advisory Committee Act (86 Stat. 776) are hereby waived with respect to the Advisory Commission.

(h) TERMINATION.—The Advisory Commission shall terminate 10 years after the date of enactment of this tile.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this title.

Page 7, line 5, strike out "enactment" and insert "funds are made available for".

Page 7, line 20, strike out "Internment or concentration and temporary" and insert "Internment and temporary".

Page 9, line 17, strike out all after "preservationists." down to and including "lands." in line 19 and insert "In preparing the study, if the Secretary determines that it is necessary to have access to Indian lands, the Secretary shall request permission from the appropriate tribe.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. HEFLEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 543 and the Senate amendments thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 543 is legislation to designate the Manzanar National Historic Site in eastern California. This legislation was introduced by Representative MEL LEVINE and was passed by the House on June 24, 1991. The Senate made several minor amendments and passed the bill on November 26 of last year.

Mr. Speaker, tomorrow marks the 50th anniversary of the signing of Executive Order 9066. This order, signed by President Franklin D. Roosevelt, authorized the Secretary of War to exclude citizens and aliens of Japanese descent from designated areas. As a result of this order, over 120,000 people were removed to relocation camps located mostly in desolate areas of the West. Forced to take with them only what they could carry, these citizens had to endure not only the loss of property and liberty but the stigma of suspected disloyalty.—a crisis in our democracy in America.

Title 1 of H.R. 543 would designate the 500-acre Manzanar War Relocation Center as a national historic site. Manzanar was the first of 10 relocation centers and it held 10,000 people from the spring of 1942 to the end of 1945. Title 2 of the bill would provide for a Japanese-American landmark theme study. This provision was the work of Representative GEORGE MILLER, chairman of the Interior and Insular Affairs Committee. I commend Mr. LEVINE and Mr. MILLER for their work on this measure which will serve to remind present and future generations of this sad chapter in our history when our Government unjustly treated an entire group of its own citizens simply because of their background.

The amendments adopted in the Senate to H.R. 543 deal with the city of Los Angeles, which is the owner of the 500-acre parcel where Manzanar is located. The Senate language clearly states that nothing in title I of the bill shall effect the water rights of the city of Los Angeles, except for an agreement to be reached between the Secretary of Interior and the city of Los Angeles for the provision of sufficient water for the site. The Senate-passed bill has another section which states that nothing in this title shall create, expand, or diminish any authority of the Secretary of Interior over lands or activities of the city of Los Angeles outside the boundaries of the site. The intent of this language is that the Secretary's authority over lands outside the boundaries of the site should not be altered by the enactment of this legislation. However, it is not the intent of this language to prevent the Secretary from participating in any proceeding by any authority to protect the natural, cultural, or historical resources for which the park was established. Nor should this language prevent the Secretary from participating in any proceeding by any authority to protect the health, safety, and enjoyment of the visitors to the national historic site.

Mr. Speaker, 3 years ago, this body passed legislation which acknowledged the injustice of the internment policy and apologized on behalf of the people of the United States. Our willingness to make restitution when we departed from our founding principles of freedom and civil liberties is a sign of our humility and greatness as a nation. Today we have a unique opportunity to build on that record by establishing a national historic site which will serve as a permanent reminder of a time when our country denied its own people rights guaranteed in the Constitution and Bill of Rights. Passage of this bill today is an appropriate way to commemorate the 50th anniversary of the signing of the Executive order, and I urge members to support this bill, as amended by the Senate.

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 543 which provides for the establishment of Manzanar National Historic Site in Inyoe County, CA. This act would recognize and commemorate an important aspect of American history, the internment of over 110,000 Japanese-Americans during World War II without charges or a trial. It is appropriate that this important story be broadly interpreted to the American people, so that we can be sure to learn from our past actions.

Mr. VENTO has adequately described the historic significance of the events which took place at Manzanar and explained the details of the bill we are considering today. I would just like to point out that with this bill comes a recognition that we cannot expect, as a matter of course, that new park areas will be created on the backs of State and local government agencies. If the Congress wants to create a new park area, or expand an existing one, it will have to consider the full cost of its actions. In the case of Manzanar, we are creating a park from lands owned exclusively by the Los Angeles Department of Water and Power and facilities owned by Inyoe County.

While I would certainly not object to a donation of property interests on behalf of these or other government agencies, such donations are something that Congress should reward with distinction, not insist upon. Therefore, under this bill we have authorized payment for these non-Federal interests.

I would also like to note my support for amendments adopted in the Senate. Those amendments are very helpful in properly defining the role of the Federal Government in terms of land acquisition and management.

Finally, I would like to recognize the efforts of Mr. THOMAS who has done an excellent job of representing the interests of his constituents during the development of this measure.

I urge my colleagues to join me in support of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from California [Mr. MILLER] chairman of the Committee on Interior and Insular Affairs.

Mr. MILLER of California. Mr. Speaker, tomorrow marks the 50th anniversary of the signing of Executive Order 9066, President Roosevelt's directive allowing the Secretary of War to relocate Americans of Japanese descent against their will to 10 camps, including Manzanar in California. It's altogether fitting and appropriate that we use this anniversary to approve and send to the President H.R. 543, legislation to designate Manzanar a national historic site.

Aside from recognizing Manzanar, H.R. 543 also includes a provision I added directing the Secretary of the Interior to conduct a Japanese-American national historic landmark theme study of other key sites used during the internment period. Among the sites to be studied are places where Japanese-Americans were given military training and language lessons to aid in the defense of our Nation during World War II. The legislation initiates a process to give proper designation to the sites so that we may remind succeeding generations that they are not to lightly trample on the constitutional rights of citizens, even in times of war.

Mr. Speaker, H.R. 543 elevates Manzanar's present status as a national historic landmark to a national historic site. While both designations recognize a site's historical significance, national historic sites also have the benefit of interpretive facilities.

The legislation recognizes the important role Manzanar played in our history. One of 10 internment camps in the United States, Manzanar was the first site where Japanese-Americans were sent against their will because of their Japanese heritage during World War II. Approximately 10,000 persons were relocated to Manzanar in Inyo County, CA.

Today, many visitors traveling in the Owens Valley along Highway 395 stop at Manzanar. Unfortunately, the historic resources at Manzanar are not well protected. Vandalism frequently occurs on the site. H.R. 543 would help protect Manzanar by authorizing the Secretary to enter into cooperative agreements with public and private entities in California to manage the site and institute interpretive programs. By placing a small staff at the site, we will significantly reduce the graffiti and vandalism presently occurring at Manzanar.

Mr. Speaker, I also would like to address what the bill does not do. H.R. 543 does not create, expand, or diminish any authority of the Secretary over lands or activities of the city of Los Angeles outside the boundaries of the site.

As this legislation moved through the legislative process, the city of Los Angeles pushed for amendments which could have expanded the city's water rights and exempted the city from the Clean Air Act, Clean Water Act, and public trust doctrine. The city of Los Angeles did not succeed in this effort. The legislation is neutral in all respects; it neither expands or contracts the city's rights on lands outside the site.

Robert A. Jones' recent column in the Los Angeles Times sheds some light on the Los Angeles Department of Water and Power's interest in this legislation. My colleagues may be interested in reading his informative column.

I encourage my colleagues to join me in supporting this legislation which reinforces our commitment to civil liberties and the Constitution. As the historic marker at Manzanar says, "May the injustices and humiliation suffered here as a result of hysteria, racism and economic exploitation never emerge again."

MANZANAR AND THE BIG STALL

(By Robert A. Jones)

The mystery deepens. Six months ago, a bill was submitted in Congress to create a national historic monument at the old Manzanar internment camp. Fifty years after we rounded up the Japanese-Americans and put them behind barbed wire for the duration of WW II, the country finally seemed ready to commemorate the crimes committed there.

The Democrats supported the bill. The Republicans supported it. So did the White House. All the ducks had lined up.

But no bill has left the Congress. For six months it has stewed. And now, with the holiday adjournment. approaching, there is an increasing possibility that 1991 will come and go without congressional action on Manzanar.

Why the stew?

Because the current owner of the Manzanar site has stalled the legislation at every turn, demanding concessions that baffle the bill's supporters, threatening to block the transfer of the land. The current owner, and only the current owner, stands in the way of the bill's speedy passage.

That owner is the city of Los Angeles.

More specifically, the Los Angeles Department of Water and Power. The ruins of Manzanar happen to be located in the middle of the city's vast water farm in the Owens Valley. Of the 250,000 acres that the city owns in the valley, Manzanar comprises about 600.

Not a big deal, you might think. But the Owens Valley produces about 70% of the city's water supply. And the department manages that land like England once managed India. Impending change, any change, is greeted with suspicion. Threats are perceived everywhere.

When we first discussed the stall over Manzanar back in August, the department was claiming that its concerns were minor. All that was needed, said board President Michael Gage, was the addition of some "language" in the bill assuring the city that its water rights would not be handicapped.

If you have difficulty seeing how the creation of a 600-acre historic site could threaten the city's rights on its remaining quarter-million acres, join the crowd. No one in Congress understands either. The mystery is enhanced when you realize that the original legislation stated that the city's water rights "shall not be affected."

Nonetheless, everyone tried to solve the department's problem. First, Congressman Mel Levine had a go. Proposed changes flew back and forth between Washington and L.A.

Nothing doing, Finally, the House of Representatives went ahead and passed a version that the department deemed unacceptable.

Then the bill went to the Senate where Sen. Alan Cranston's office gave it a try. More changes, more new language.

Same result. At one point the department said no to this proposed version:

"Nothing in this Title shall provide any new authority of the Secretary over land or activities outside the boundaries of the site." The "secretary" in that sentence refers to the secretary of the Interior, who administers national historic monuments.

Somehow, in this language, the department saw the makings of mischief. But where? By whom?

A mystery. In fairness, it should be pointed out that the department did offer its own compromise proposals during the negotiations. These proposals, in fact, stand as the only clear statement of what the department really wants, and may offer a clue to the mystery.

Charles Warren, executive director of the State Lands Commission, scrutinized the proposals for Cranston, and then offered this: "[They] could have the effect of immunizing it [the department] from regulation under the Clean Water Act, the Clean Air Act, and the public trust doctrine."

In other words, the department appeared to be suggesting an exchange: It would spring Manzanar in return for an exemption from existing environmental laws in the Owens Valley.

This would have constituted no small boon to the department. The valley, you understand, currently suffers from some of the worst dust storms in the nation, thanks largely to the department's activities. There have been lawsuits, there will be more, and the federal Environmental Protection Agency is leaning on the department to heal some of the valley's wounds.

So maybe be that explains the mystery. In one sense, it is satisfying to think there is some rational basis, however unsavory, to the department's behavior.

In any case, the impasse continues. On Wednesday comes one more hearing on the Manzanar bill, probably its last chance for 1991.

That gives everyone three days to find a solution. Three days to prove that government can, at least, accomplish a simple, straightforward act of commemoration.

Or prove that it cannot.

□ 1240

Mr. Speaker, I would like to recognize the work of our colleague, the gentleman from California [Mr. LEVINE], who spent many long hours working on this legislation and to negotiate some of the problems which we had with various local agencies which are now cleared up in this legislation due to the work of the subcommittee, and also to thank the gentleman from California [Mr. MATSUI] and the gentleman from California [Mr. MINETA] for their support and participation in passage of this legislation.

I urge all of my colleagues to support it.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the chairman indicated, throughout the consideration of this measure, we had really the hard work of the gentleman from California [Mr. LEVINE], but also in tandem with some nonmembers of the committee who have brought a special sense of view and urgency to the action on it, the gentleman from California [Mr. MINETA] and the gentleman from California [Mr. MATSUI].

Mr. Speaker, I yield 6 minutes to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I am proud to rise in strong support of H.R. 543.

This bill would establish the Manzanar National Historic Site, and I urge my colleagues to concur with the Senate amendments and approve this legislation.

Our discussion today in the U.S. House of Representatives could not come at a more appropriate moment in history.

Tomorrow is the 50th anniversary of the Executive order that led to the establishment of the Manzanar internment camp, and to the unjust confinement of 120,000 Americans of Japanese ancestry in it and nine camps like it for much of the Second World War.

I was one of those interned, as a 10-year-old boy, at Santa Anita Racetrack in California and Heart Mountain, WY.

Three-and-a-half years ago, on August 10, 1988, President Reagan signed the Civil Liberties Act into law, lifting the stain of disloyalty that had clung to Americans of Japanese ancestry before then.

Today, by voting to designate Manzanar as a national historic site, Congress will continue to restore the honor and dignity of those who were interned.

After the empire of Japan attacked Pearl Harbor, HI on December 7, 1941, one of the first casualties of that attack was faith and trust within our American Nation.

America quickly saw little value in distinguishing between the attackers at Pearl Harbor and uniformly loyal Japanese-Americans who were every bit as much the target of that dawn air raid in Hawaii.

All too much effort was invested, instead, in expedience. And the search was on for scapegoats.

Newspaper headlines told this story. And by February 1942, those headlines had reached a fever pitch.

Wednesday, February 18, the San Francisco Chronicle. Headline:

> Enemy Aliens: Demand for State Martial Law Sent to General DeWitt by Impatient Congressmen.

Thursday, February 19. Headline:

> Enemy Aliens: Congressmen Demand All American-Born Japs be Moved from Coastal Areas.

Friday, February 20. Headline:

> Enemy Aliens: Second Generation Japs to be Evacuated from Coast, War Department Predicts. Civil Liberties May go By the Boards.

And finally, on Saturday, February 21. Headline:

> Drive Against Energy Aliens: FDR Orders Army Rule for All Strategic Areas. Even Citizen Japs May be Cleared from the Coast.

And that story in the Chronicle read, in part:

> Bringing California only a step short of martial law, the President slashed through a web of legal entanglements, directed military commanders to mark whatever zones they need, and to oust immediately any unwanted aliens and citizens.

The story continued:

> His orders smashed directly at 60,000 American-Born Japanese on the West Coast, all hitherto protected under a cloak of U.S. citizenship.

Mr. Speaker, part of the charge of the Civil Liberties Act of 1988 was to educate the American people about the tragedies and injustices of the internment.

The establishment of the Manzanar National Historic Site will direct the Secretary of the Interior to help meet that charge.

The families that were interned were derprived of the basic rights guaranteed them by the Constitution of the United States.

They were victims of prejudice, racism, and war time hysteria.

The myth that this forced relocation was for our own good was a lie exposed by the first sight of camp guard towers with their machine guns pointed in at us, instead of out.

Mr. Speaker, for America to avoid another such tragedy, it is up to Congress—as representatives of the American people—to promote continued awareness and discussion of past mistakes, and our efforts to restore personal justice denied.

Mr. Speaker, this legislation will help ensure that Americans know the full history of the Manzanar camp, and the people interned there.

H.R. 543 also authorizes the Secretary of the Interior to study other sites relevant to the internment.

For many of the people who were interned—including those who volunteered into our Army's 442nd Regimental Combat Team, and its 100th battalion, and the Military Intelligence Service—the names and places contained in this bill are living history.

Indeed, every site named in this legislation has great personal meaning for those who were interned, and for American history.

For many years after the War ended and the camps were closed, Mr. Speaker, Americans of Japanese ancestry tried to forget the internment.

Parents never spoke of it to their children.

But here there was an inescapable contradiction:

How can you prove your loyalty once and for all, as we had tried to do by cooperating with the Government, if you allow personal justice denied to stand?

The answer is, you can't.

And this lesson is today spreading around the world.

Earlier this year, my office received a call from representatives of Czechoslovak President Vaclav Havel, requesting information about redress so that they might try to redress injustices done to that nation's Hungarian minority.

This is our legacy to the world, Mr. Speaker.

It is a proud and uniquely American legacy of admitting a wrong as no other nation had ever done of its own accord, and then trying to right that wrong to the benefit of our higher aspirations as members of the human race.

And so again I ask my colleagues to approve this legislation, and I would like to pay special tribute to my colleagues Mr. LEVINE, Mr. MILLER, Mr. VENTO, Mr. LAGOMARSINO, Mr. THOMAS of California, and Mr. MATSUI for their leadership in crafting this bill, and bringing it to the House floor today.

Mr. VENTO. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MATSUI], a sponsor and architect of the measure before us and obviously an ardent supporter.

Mr. MATSUI. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I also would like to thank the gentleman from Minnesota [Mr. VENTO], the gentleman from California [Mr. MILLER], the chairman of the full committee, and certainly the gentleman from California [Mr. LEVINE], who is the sponsor of this legislation along with my colleague, the gentleman from California [Mr. MINETA], and, of course, the gentleman on the other side of the aisle, the gentleman from California [Mr. LAGOMARSINO], and the gentleman from California [Mr. THOMAS], who were instrumental in helping put this bill together. So we would like to thank all of these gentlemen for their efforts.

As the gentleman from California [Mr. MINETA] said, tomorrow, February 19, 1992, will be the 50th anniversary of the internment notice of Executive Order 9066.

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That order, as many people now know, required 120,000 Japanese ethnics, of which two-thirds or approximately 90,000 were American citizens, to be taken from their homes on the west coast and put in 10 internment camps throughout the United States, of which one was Manzanar.

The gentleman from California [Mr. MINETA] indicated that he was a 10-year-old child at the time he was interned, having been born and raised in the San Jose area.

My mother and father who at that time were in their twenties had a home located in Sacramento that they had purchased about 2 years previously. My father had a little wholesale produce business with his brother. I was a 6-month-old child. All three of us had been born and lived in Sacramento, CA.

We were given 72 hours notice to take only what we could carry and we were asked to report to downtown Sacramento, which we did.

My father, and it took him almost his entire lifetime before he was able to talk about this very sad period in American history, said that the night before he left, people came to his house and knocked on the door. They said, "You can't take your car with you. Give it to us for 3 or 4 dollars or 5 dollars."

The one thing he remembers vividly was a gentleman came by and said, "Quit claim your house for $50 and we will give you cash for that," which he did.

He abandoned his business. Obviously all his personal effects were gone, but he did have the $50 that he was able to take with him, along with whatever he and my mother could carry.

As we all know, this was a very sad and devastating chapter in American history. There were no charges filed against my mother or father or I as a child. We never went before a court of law. We were interned for 3½ years because of our race, and only because of our race.

In 1988, President Reagan along with the Congress decided to recognize this injustice, and as a result of that H.R. 442 had been signed into law, which provided a national apology to the 60,000 survivors of the 120,000 who were interned, and in addition monetary compensation.

This piece of legislation to declare Manzanar a national historical site will go not only a long way in healing the wounds that existed for those who survived the internment, but most importantly will allow future generations to understand what hysteria, what prejudice, and what time of war and time of national crisis can do to a country.

I think that this legislation has a major significance if one would truly understand what our country is doing. Our country, the United States of America, is willing to look back, is willing to look back 50 years and say we made a terrible mistake. It was a terrible tragedy that occurred, and we were willing to make compensation for it in 1988; but most importantly, we were able to recognize it for future generations. I think that shows the true value, the true worth, and true strength of a nation to be able to admit its errors and at the same time to make sure that future generations of Americans will understand the kinds of mistakes that we made.

So, Mr. Speaker, it gives me a great deal of pride as an American citizen to be able to stand here before my colleagues in the House and urge them to support this legislation. It really attests to what a great country we all are.

Mr. VENTO. Mr. Speaker, just briefly, I want to point out that I misspoke on the date. It is February 19, 1942. In my initial remarks, I stated a different date, and I regret that.

Mr. Speaker, I could not help when I listened to the gentleman from California [Mr. MINETA] comment about meeting with Vaclav Havel and the concern about dealing with redress, but also I think the experience that we have in Central Europe today is an experience really that Americans can relate to in terms of their effort to achieve a pluralist society and attempting to get along in our American society.

Obviously, the American effort throughout our 200-year history has not been one without pain. It has been with great pain. The experience of Japanese-Americans, of Asian-Americans, of black African-Americans, has been a very difficult one. But I think the genius of our Nation is in being able to recognize through redress, through the designation of national historic sites that stand as a beacon, as a reminder to past and future generations as to our national political and social errors and our efforts to recognize our strengths and faults.

Tomorrow, ironically, on February 19 in the Olympic games, the United States of America will be represented in the women's category by Kristi Yamaguchi who will be skating for the United States, and we hope attaining the Olympic Gold Medal on February 19, 1992, that special date that reflects and represents the strength of our American society—being able to draw from people of diverse backgrounds to fulfill and represent our Nation, to carry the mission and the idea of what our Nation is ideally about. We wish her well tomorrow night on that special day, February 19. I'm confident that Kristi will represent us well, whatever the outcome.

Mr. Speaker, I would commend this bill to my colleagues and hope that we can pass it tomorrow as an official recognition of an era in our history that hopefully will never again occur with regard to future American generations.

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the two gentlemen from California who have just spoken from their own personal real life experiences express better than any of us could looking at it from a hypothetical standpoint, from a distance, the tragedy of this situation, a situation that I think all Americans are ashamed of.

I think we ought to commemorate it. We ought to have it there to look at and to remind us that it is the kind of situation that we never, ever in the future of this country want to happen again. I think they have spoken from the heart. I would commend this bill to my colleagues and encourage them to support it.

Mr. LEVINE of California. Mr. Speaker, I would like to thank the chairman of the Parks and Public Lands Subcommittee, Mr. VENTO, and the chairman of the Interior Committee Mr. MILLER for bringing this legislation to the floor for a vote to concur with the Senate amendment.

On February 19, 1942, President Roosevelt signed Executive Order 9066 which led to the forced relocation and internment of 120,000 people simply because of their ancestry. As we near the 50th anniversary of the signing of Executive Order 9066, it is an appropriate time to pass this legislation creating a National Historic Site at Manzanar, and calling for a study of other sites which may be appropriate to be named as National Historic Landmarks.

The internment of Japanese-Americans during World War II was one of the most egregious mass violations of the civil liberties in American history. At Manzanar and nine other camps around the country, 120,000 persons of Japanese ancestry, most of them American citizens, were confined behind barbed wire for the duration of the war. Three years ago, the Federal Government—via Congress—formally apologized to the former internees for the injustices they endured.

Of all the internment camps, Manzanar is the best preserved and most suitable for designation as a historic site. However, the years have taken their toll on the physical remains of the camp. We have the chance to preserve the site and authorize the Park Service to protect the site from further deterioration.

Reminding future generations of Americans about this tragic period in our history, is one of the best ways to make sure that the grave injustices that Japanese-Americans suffered during World War II are never repeated. Designation of this historic site will be a powerful memorial to a tragic mistake in our history, and will serve as a long-standing reminder of what can happen if our national commitment to freedom waivers.

The Manzanar monument is an important first step in the preservation of an historic record of the Japanese-American community's experiences during the Second World War. Hopefully, it will help to ensure that no one else will be forced to endure the inhumane policies internees faced at Manzanar and nine other sites around the country.

Mr. Speaker, I urge the House to concur with the Senate amendment and send this bill to the President for signature as expeditiously as possible.

Mr. THOMAS of California. Mr. Speaker, tomorrow marks the 50th anniversary of the signing of the Executive order that created the relocation camps in which thousands of Japanese-Americans were interned during World War II. It was a tragic time. Those interned in the camps lost the rights and privileges we enjoy.

The bill before us, H.R. 543, will commemorate those events and remind us of how easily rights may be lost by making the Manzanar War Relocation Center a national historic site. No doubt there are still some individuals who believe that ignoring what Manzanar represents will somehow speed the healing of the wounds the Executive order created. As the representative of Inyo County, CA in which Manzanar is located, I strongly disagree. What the Nation needs is a reminder of the tenuous nature of the rights and privileges we all too often take for granted. Making Manzanar a national historic site will provide us with that reminder. I support the bill and urge my colleagues in the House to do the same.

Mrs. MINK. Mr. Speaker, I rise today in support of H.R. 543, legislation to establish the Manzanar National Historic Site.

It is appropriate that we are considering this legislation at this time, as tomorrow, February 19, marks the 50th anniversary of the signing of Executive Order 9066 by President Franklin D. Roosevelt, which set into motion the relocation and internment of Japanese-Americans during World War II.

During the war, 120,000 individuals of Japanese ancestry, 90,000 of which were American citizens, were forced from their homes, made to abandon all their possessions except what they could carry, and confined within the barbed wire of camps located in desolate deserts in the West.

This is not a proud chapter in our history, but it is one that must be remembered so that it will never be repeated again.

The cruel, unjust detention and confinement of 120,000 individuals is a painful reminder that when the constitutional rights of one group of people are violated, the rights of all Americans are jeopardized.

The establishment of the Manzanar National Historic Site and a comprehensive study on the internment of Japanese-Americans will help to preserve the memory of this tragic period of our history so that those whose lives were shattered by this great injustice will not have suffered in vain.

Mr. Speaker, this Nation has realized the mistake that was made during the war. And with the passage of the Civil Liberties Act of 1988 this Congress and the Nation acknowledged the fundamental injustice against Japanese-Americans, provided monetary restitution to every survivor, and began a healing process for the thousands of survivors still alive today.

The time has come to forgive the terrible mistakes made by misguided Government officials during the Second World War. But while we can forgive, we must never forget. Manzanar and the other internment sites will always be remembered as the places where our Government ignored at home the very freedoms we were fighting to uphold around the world.

Mr. Speaker, I urge my colleagues to concur with the Senate amendments and pass H.R. 543, so that we will always remember that whether in time of war or in peace, the precious rights guaranteed to every American citizen must not be jeopardized.

Mr. HEFLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 543.

The question was taken.

Mr. VENTO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

THE 1992 WHITE HOUSE COMMEMORATIVE COIN ACT

Mr. TORRES. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 3337) to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes.

The Clerk read as follows:

Senate amendment: Page 30, after line 21, insert:

TITLE V—COINS

SEC. 501. DENOMINATIONS, SPECIFICATIONS, AND DESIGN OF COINS.

Subsection (d)(1) of section 5112 of title 31, United States Code, is amended by striking the fourth sentence.

SEC. 502. DESIGN CHANGES REQUIRED FOR CERTAIN COINS.

Subsection (d) of section 5112 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(3) The design on the reverse side of the half dollar, quarter dollar, dime coin, 5-cent coin and one-cent coin shall be selected for redesigning. One or more coins may be selected for redesign at the same time, but the first redesigned coin shall have a design commemorating the two hundredth anniversary of the ratification of the Bill of Rights to the United States Constitution for a period of 2 years after issuance. After the 2-year period, the bicentennial coin shall have its design changed in accordance with the provisions of this subsection. The minting of the first selected coin shall begin January 1993, and the issuance shall begin as soon as practical thereafter. All such redesigned coins shall conform with the inscription requirements set forth in paragraph (1) of this subsection.".

SEC. 503. DESIGN ON OBVERSE SIDE OF COINS.

Subsection (d) of section 5112 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(4) Subject to paragraph (2), the design on the obverse side of the half dollar, quarter dollar, dime coin, 5-cent coin, and one-cent coin shall contain the likenesses of those currently displayed and shall be considered for redesign. All such coin obverse redesigns shall conform with the inscription requirements set forth in paragraph (1) of this subsection.".

SEC. 504. SELECTION OF DESIGNS.

The design changes for each coin authorized by the amendments made by this title shall take place at the discretion of the Secretary and shall be done at the rate of one or more coins per year, to be phased in over 6 years after the date of the enactment of this Act. In selecting new designs, the Secretary shall consider, among other factors, thematic representations of the following concepts from the Bill of Rights: freedom of speech and assembly; freedom of the press; the right to due process of law; and other appropriate themes. The designs shall be selected by the Secretary upon consultation with the United States Commission of Fine Arts.

SEC. 505. REDUCTION OF THE NATIONS DEBT.

Subsection (a)(1) of section 5132 of title 31, United States Code, is amended by inserting after the third sentence the following: "Any profits received from the sale of uncirculated and proof sets of coins shall be deposited by the Secretary in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt.".

TITLE VI—JAMES MADISON COINS

SEC. 601. SHORT TITLE.

This title may be cited as the "James Madison—Bill of Rights Commemorative Coin Act".

SEC. 602. COIN SPECIFICATIONS.

(a) FIVE DOLLAR GOLD COINS.—

(1) ISSUANCE.—The Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall mint and issue not more than 300,000 five dollar coins each of which shall—

(A) weigh 8.359 grams;

(B) have a diameter of .850 inches; and

(C) be composed of 90 percent gold and 10 percent alloy.

(2) DESIGN.—The design of the five dollar coins shall be emblematic of the first ten Amendments of the Constitution of the United States, known as the Bill of Rights. The Director of the United States Mint shall sponsor a nationwide open competition for the design of the five dollar coin beginning not later than 3 months after the date of the enactment of this Act. The Director of the United States Mint shall convene the Design Panel established under subsection (e) which shall select 10 designs to be submitted to the Secretary who shall select the final design.

(b) One Dollar Silver Coins.—

(1) Issuance.—The Secretary shall mint and issue not more than 900,000 one dollar coins each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.5 inches; and

(C) be composed of 90 percent silver and 10 percent copper.

(2) Design.—The obverse design of the one dollar coins shall be emblematic of James Madison, the fourth President of the United States. The reverse design shall be emblematic of James Madison's home, Montpelier, between the years 1751 and 1836. The Director of the United States Mint shall sponsor a nationwide open competition for the design of the one dollar coin beginning not later than 3 months after the date of the enactment of this Act. The Director of the United States Mint shall convene the Design Panel established under subsection (e) which shall select 10 designs to be submitted to the Secretary who shall select the final design.

(c) Half Dollar Silver Coins.—

(1) Issuance.—The Secretary shall mint and issue not more than 1,000,000 half dollar coins each of which shall—

(A) weigh 12.50 grams;

(B) have a diameter of 30.61 millimeters; and

(C) be composed of 90 percent silver and 10 percent copper.

(2) Design.—The design of the half dollar silver coins shall be emblematic of the first ten Amendments of the Constitution of the United States, known as the Bill of Rights. The Director of the United States Mint shall sponsor a nationwide open competition for the design of the half dollar coin beginning not later than 3 months after the date of the enactment of the Act. The Director of the United States Mint shall convene the Design Panel established under subsection (e) which shall select 10 designs to be submitted to the Secretary who shall select the final design.

(d) Inscriptions.—All coins minted and issued under this Act shall bear a designation of the value of the coin, an inscription of the year of issue and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(e) Design Panel.—The Design Panel referred to in subsections (a), (b), and (c) shall consist of the following members:

(1) The Chairperson of the Commission of Fine Arts.

(2) The president of the James Madison Memorial Fellowship Foundation.

(3) The Executive Director, National Numismatic Collection, the Smithsonian Institution.

(4) A representative member of the American Numismatic Association.

(5) A representative member of a national sculpture society or association.

(6) Two representatives of the United States Mint selected by the Director of the United States Mint.

The Secretary shall reimburse the members of the Design Panel for per diem expenses and other official expenses from the revenues received from the sale of the coins. The Design Panel shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.), and shall terminate following the selection process set forth in subsections (a), (b), and (c).

(f) Legal Tender.—The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

SEC. 603. SOURCES OF BULLION.

(a) Gold.—The Secretary shall obtain gold for minting coins under this title pursuant to the authority of the Secretary under existing law.

(b) Silver.—The Secretary shall obtain silver for minting coins under this Act only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).

SEC. 604. ISSUANCE OF COINS.

(a) Five Dollar Coins.—The five dollar coins minted under this Act may be issued in uncirculated and proof qualities and shall be struck at the United States Mint at West Point, New York.

(b) One Dollar Coins and Half Dollar Coins.—The one dollar and half dollar coins minted under this Act may be issued in uncirculated and proof qualities, except that not more than one facility of the United States Mint may be used to strike any particular combination of denomination and quality.

(c) Commencement of Issuance.—The coins authorized and minted under this title may be issued beginning on January 1, 1993.

(d) Termination of Authority.—Coins may not be minted under this title after December 31, 1993.

SEC. 605. SALE OF COINS.

(a) In General.—Notwithstanding any other provision of law, the Secretary shall sell the coins minted under this title at a price at least equal to the face value, plus the cost of minting and issuing the coins (including labor, materials, overhead, distribution, and promotional expenses).

(b) Bulk Sales.—The Secretary shall make any bulk sales of the coins minted under this Act at a reasonable discount.

(c) Prepaid Orders.—The Secretary shall accept prepaid orders for the coins minted under this title prior to the issuance of such coins. Sale prices with respect to such prepaid orders shall be at a reasonable discount.

(d) Surcharges.—All sales of coins minted under this Act shall include a surcharge of $30 per coin for the five dollar coins, $6 per coin for the one dollar coins, and $3 per coin for the half dollar coins.

SEC. 606. FINANCIAL ASSURANCES.

(a) No Net Cost to the Government.—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this title will not result in any net cost to the United States Government.

(b) Payment for Coins.—A coin shall not be issued under this Act unless the Secretary has received—

(1) full payment for the coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration Board.

(c) Reports to Congress.—Not later than fifteen days after the last day of each month, the Secretary shall transmit to the committee on Banking, Finance, and Urban Affairs of the House of Representatives and the committee on Banking, Housing, and Urban Affairs of the Senate a report detailing activities carried out under this title during such month. The report shall include a review of all marketing activities and a financial statement which details sources of funds, surcharges generated, and expenses incurred for manufacturing, materials, overhead, packaging, marketing, and shipping. No report shall be required after January 15, 1994.

SEC. 607. DISTRIBUTION OF SURCHARGES.

The surcharges received by the Secretary shall be transmitted promptly to the James Madison Memorial Fellowship Trust Fund established in 1986 by the James Madison Memorial Fellowship Act (20 U.S.C. 4501 et seq.). Such transmitted amounts shall qualify under section 811(a)(2) of that Act as funds contributed from private sources. In accordance with the purposes of the James Madison Fellowship Program, the funds transmitted to the Trust Fund shall be used to encourage teaching and graduate study of the Constitution of the United States, its roots, its formation, its principles, and its development.

SEC. 608. AUDITS.

The Comptroller General of the United States shall have the right to examine such books, records, documents, and other data as may be related to the expenditure of amounts transmitted under section 607 of this title. The expenditures and audit of surcharge funds deposited in the James Madison Memorial Fellowship Trust Fund under section 607 of this Act shall be done in accordance with section 812 of the James Madison Memorial Fellowship Act (20 U.S.C. 4511). Annual reports shall be submitted by the Chairman of the James Madison Memorial Fellowship Foundation to both Houses of Congress on all expenditures of surcharge funds.

SEC. 609. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) In General.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this title.

(b) Equal Employment Opportunity.—Subsection (a) shall not relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. Torres] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. Wylie] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. Torres].

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3337, the 1992 White House Commemorative Coin Act.

The House leadership on both sides of the aisle and the administration have worked together to fine tune this bill.

As the chairman of the House Banking Subcommittee on Consumer Affairs and Coinage, I would like to thank Mr. Gonzalez, Mr. Wylie, Mr. Gingrich, Mr. Sisisky, Mr. Baker, Mr. LaRocco, Mr. Fish, Mr. Annunzio, and Mr. Allard for their help in crafting this legislation.

The White House coin bill was amended in both the House and Senate and now includes six coinage programs which have broad support in the House.

In addition to the White House coin bill, the package includes the 1994 World Cup coin bill, the Persian Gulf Veteran Silver Medal bill, the Christopher Columbus Quincentenary coin bill, James Madison-Bill of Rights coin bill, and coin redesign.

The White House coin package is the product of long negotiation and compromise by many interested parties.

I believe it is a valuable package and deserves your support.

This bill will serve many worthwhile causes including economic recovery.

For example, the World Cup coin bill, which I introduced and has previously passed twice in the House, will generate funds to assist the U.S. effort to host the World Cup soccer games in 1994.

This is the first time in history that the United States has been selected to host the World Cup which is staged every 4 years.

Two dozen communities throughout the United States are currently competing for the chance to be one of the locations selected to host a portion of the games. Unlike the Olympics, teams from 24 finalist countries will compete over a 4-week period, June 17 through July 17, 1994, in as many as 12 locations around the country.

The U.S. Department of Commerce estimates that this soccer event—the largest single sport event in the world—will attract 1.5 million visitors to the United States in 1994. Furthermore, it is anticipated that these visitors will spend at least $1.5 billion while here. This event alone will increase the tourism dollars spent in the United States by 8 percent.

Therefore, we believe Congress should do its part to ensure the U.S. has sufficient funds to host the games.

The White House coin bill will generate funds to support its collection of fine arts and maintenance of historic public rooms.

The Christopher Columbus coin bill will establish the Columbus Fellowship Foundation Program to encourage and support research, study, and labor to produce new discoveries in all fields of endeavor. The Persian Gulf Veterans Medals will be minted in commemoration of the sacrifices made and service rendered by our U.S. Armed Forces during the Persian Gulf conflict.

The James Madison bill will generate funds in support of fellowships to high school teachers pursuing graduate studies of the founding and development of our Constitution.

Each one of these coinage programs will be minted at no net cost to the Federal Government.

In fact, the Treasury Department testified that coin redesign would generate $250 million in additional Mint profits over a 6-year period. CBO estimates that money would decrease interest payments on the Federal deficit by $29 million.

As Members can see, this package deserves your support and we look forward to your vote in favor of H.R. 3337.

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Mr. Speaker, I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume. I rise in strong support today of H.R. 3337, the White House Commemorative Coin Act, and urge its prompt adoption. Initially, I would like to praise Consumer Affairs Subcommittee Chairman TORRES for his work in getting this bill to the floor I express my appreciation to the gentleman from California [Mr. MCCANDLESS] for his helpful cooperation.

It has been a difficult task in crafting the legislation before us and I know that there are still Members who are not entirely happy with this package. On balance though, I believe that this is good legislation and would like to point out that the administration has no objection to the House passing this bill and sending it to the President for his signature.

The legislation before us is omnibus legislation and contains six coin programs, as mentioned, that have been under consideration by Congress for years. I would like to point out first, the White House commemorative coin which will mark the 200th anniversary this year of the laying of the White House cornerstone. The cornerstone ceremony took place on October 13, 1792, and celebrated the completion of the first Federal building to be constructed in the Nation's Capital. In order to commemorate this historical event and to provide funding for the preservation and refurbishing of the White House, H.R. 3337 authorizes the Secretary of the Treasury to mint and issue $1 silver coins.

The legislation requires that the sales price of the coin cover all costs to the Government and includes a surcharge of $10 per coin. Proceeds from the surcharge are to be paid to the White House endowment fund to help meet its goal of establishing a $25 million source of permanent funding for the White House. Such funding will be used to support the White House collection of fine art and antique furnishings and to preserve the public rooms of the White House. Funding provided by H.R. 3337 will help to ensure that the White House is preserved for the enjoyment of all people, standing as it has for 200 years as a symbol of American culture and heritage.

First Lady Barbara Bush and the White House strongly support this legislation to benefit the White House endowment fund, a fund established at the request of Mrs. Bush in January 1990. No taxpayer money is used for the preservation and refurbishing of the public rooms of the White House. Therefore, proceeds from the coins are needed to ensure the quality care and enhancement of the rooms which, on a yearly basis, are visited by over 1.5 million people.

Even as important to me is the fact that this omnibus coin legislation includes the World Cup USA 1994 Commemorative Coin Act. The World Cup is perhaps one of the greatest international sporting events and I believe it is an honor for our country to be able to host this tournament. The World Cup is watched by millions worldwide and I want our country to be a worthy host for this moment in the spotlight.

I am particularly happy that the World cup is considering holding games on the campus of Ohio State University in my home town of Columbus, OH. I know many of my good friends in Columbus are anxiously awaiting the opportunity to host these historic games and I share their support for the World Cup.

I believe the World Cup will have the same appeal to Americans as the Olympics and I think it is appropriate to authorize commemorative coins for these games in order to assist with their funding. I believe that such a program would be a great success and would demonstrate the commitment that the United States has to the World Cup.

Finally, I would like to indicate my strong support for the Christopher Columbus Coin and Fellowship Act included in H.R. 3337. I would like to praise the gentleman from Illinois, Congressman ANNUNZIO for the splendid work he has done on this bill over the last several years.

Christopher Columbus represents a special figure in America's history to me and one I believe is truly worth commemorating. I represent and live in Columbus, OH, which was named after the great explorer.

□ 1310

Indeed, Columbus, OH, is the largest city in the world named in honor of the great explorer, and Columbus has been designated as the flagship city for the quincentenary celebration this year.

Our town with its great university, Ohio State, and its other educational institutions is a place that I feel has captured the spirit of Christopher Columbus. It seems highly appropriate to me that not only does this bill commemorate the 500th anniversary of the discovery of America, but it also establishes an educational foundation to promote research designed to produce new discoveries in all fields of endeavor for the benefit of mankind. This idea was important to Christopher Columbus and it embodies the spirit of my hometown and his namesake, Columbus, OH.

I am hopeful that our university, Ohio State, will in the near future have several Columbus scholars that will be able to identify both with the explorer and our city. I am optimistic that the work and discoveries of this new generation of explorers will move our society ahead and have the same effect as the discovery of America 500 years ago.

Therefore, for all of these reasons, I urge Members to join me in voting to suspend the rules and pass H.R. 3337 and sent it to the President for his signature as quickly as possible.

Mr. TORRES. Mr. Speaker, I yield 3½ minutes to the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I want to commend the distinguished chairman of the Consumer Affairs and Coinage Subcommittee, Mr. TORRES, for his work in bringing this legislation to the floor today. He is to be commended for his leadership in the coinage field. As a former chairman of the subcommittee, I know just how hard it is to balance the many demands on the chairman. As a member of the subcommittee, I have seen firsthand how the distinguished gentleman from California has handled this demanding task.

Title VI of this legislation contains the Christopher Columbus Coin and Fellowship Act. This legislation, which I introduced last year as H.R. 500, would authorize the minting of coins in commemoration of the quincentenary of the discovery of the New World by Christopher Columbus.

The most important aspect of this program is not the commemorative coins, but the establishment of the Columbus Fellowship Foundation, which will award fellowships to assist modern day explorers in the search for discoveries that can benefit mankind.

There is no better way to honor the memory of the great explorer than to create an enduring legacy designed to produce new discoveries. The Christopher Columbus Foundation will award fellowships to outstanding individuals. These Columbus scholars will be selected on the basis of a nationwide competition. The scholars will receive stipends to pursue discoveries in fields of their choice.

And this program will be conducted at no cost to the Nation's taxpayers.

If all the coins are sold, the Foundation will begin operations with an endowment of $51.5 million. It is also authorized to accept contributions, and as the fame and benefits of Columbus scholars become well known, the Foundation should attract significant amounts of contributions.

H.R. 3337 also contains the World Cup U.S.A. 1994 Commemorative Coin Act. I was proud to be an original cosponsor of the legislation introduced by the distinguished chairman of this subcommittee authorizing these coins. This is a good program and it will enable the United States to host this most prestigious of soccer events. The money raised will go a long way to assisting the host cities for the World Cup games, including my hometown of Chicago, in presenting world class, World Cup soccer games.

There is one provision of this bill which was added by the other body that does concern me, however. That title would require the complete redesign of the reverse side of all our Nation's coins. In addition, it would require that the Treasury be required to consider redesigning all the portraits on the coins, as well. Indeed, one of the coins would be required to have its design changed twice between now and 1995.

Americans simply do not want our Nation's coins redesigned. Every survey conducted of the American public shows that by an overwhelming majority they are satisfied with our Nation's coin designs. If there is any desire to change our Nation's coins, the Secretary of the Treasury has the authority under current law to make those changes. Congress should not order the Secretary to change our Nation's coins without overwhelming evidence that the public wants such a change. To date, there is no such evidence.

This Congress is faced with many important issues. We have an economic crisis in this country. We have a recession. Millions of Americans are unemployed, and thousands are homeless. What kind of signal is this Congress sending by spending time on this frivolous and unnecessary artistic meddling?

Worrying about how our Nation's money looks, rather than how strong our money is, opens this House up to charges of wasting valuable time instead of dealing with our economic woes.

I realize what a hard position the distinguished subcommittee chairman is in. He has a bill here that has five good and laudatory programs. I wholeheartedly support those provisions. But coin redesign is an unnecessary and inappropriate addition to this bill. I want Members to be aware that support for those five excellent programs will require support for changing all our Nation's coinage. Members will have to make that choice in voting on this bill.

Mr. Speaker, I want to conclude by saying that if there were a separate vote, I would vote against the coin design section of the bill. There being no separate vote, I am going to vote for the entire bill under suspension of the rules.

Mr. WYLIE. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MCCANDLESS].

Mr. MCCANDLESS. Mr. Speaker, I thank the gentleman from Ohio, the ranking minority member of the full committee, for yielding me this time.

With all due respect to my subcommittee chairman, and to the ranking Republican of the full Banking Committee, I rise in opposition to H.R. 3337 as amended by the Senate.

Both gentlemen have outlined their support for the commemorative coin programs in the bill, and if the bill stopped there, I, too, would support it.

But, the bill before us goes much further. It mandates that the reverse, or tails, side of the penny, nickel, dime, quarter, and half dollar be redesigned. The bill also requires that the front side be considered for redesign.

What is wrong with the current designs? The answer is nothing. The Lincoln Memorial, Monticello, Liberty's torch, and the American eagle are timeless designs. They represent the stability and continuity of our Nation.

There is nothing to indicate that the American people are dissatisfied with our current designs. In fact, a recent survey indicated that 88 percent opposed coin redesign.

This is a nonpartisan issue, but it will be a controversial vote. Your constituents will want to know why you voted to redesign the coins that they carry and see every day.

There is no reason, other than—no pun intended—it is change merely for the sake of change.

The issue is straightforward. If you support coin redesign, you should vote yes. If you are opposed to coin redesign, you should vote no.

This bill will go from the House of Representatives straight to the President's desk. This will be your only opportunity to vote against coin redesign.

If H.R. 3337 does not pass, we can, and should, promptly enact the noncontroversial portions of the bill that have strong bipartisan support.

Mandatory coin redesign is one controversy that we can avoid.

There is nothing wrong with our coins. We should leave a good thing alone.

Therefore, I encourage my colleagues in joining me in voting against coin redesign and H.R. 3337.

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from California [Mr. MCCANDLESS] for his comments. I want to rise at this time to simply inform my colleagues that during the 101st Congress over 270 Members of the House cosponsored identical legislation. Over the past few Congresses support has grown for this idea and the coin redesign proposal has passed the Senate seven times on separate occasions.

I regret the gentleman's opposition, but there is simply no other way than this to pass this legislation.

Mr. MCCANDLESS. Mr. Speaker, will the gentleman yield?

Mr. TORRES. I yield to the gentleman from California.

Mr. MCCANDLESS. Mr. Speaker, I think it is important that we distinguish the 101st Congress from the 102d Congress.

The 102d Congress has one cosponsor.

□ 1320

Mr. TORRES. Mr. Speaker, reclaiming my time, I want to dispel this notion and indicate how the public often perceives a change in our coinage. There are polls taken. Obviously when you ask people do you want your coins changed, they see no reason for it. But contrary to popular belief, the coin redesign proposal will actually generate revenue, according to the 1988 CBO estimate.

Mr. Speaker, people do not know that. Approximately $120 million over the first 4 years would be generated to our Treasury. The profits would result from the difference between the cost to make a coin and its face value, or its worth as money and legal tender. These profits are known as seigniorage.

CBO anticipates that additional interest in the new design from both collectors and the public will create more seigniorage.

Mr. Speaker, as I said before, the minting of new coins, coin redesign, will actually bring in money to reduce the Federal deficit. But people are not aware of this. Once they understand that this will take place, then there is an acceptance of this type of change.

Mr. Speaker, this is not change for change's sake. It is in keeping with the traditions of this Nation, with the history of this Nation. Coins are the indicators of change.

Mr. Speaker, I include the following for the RECORD:

WORLD CUP USA 1994 COMMEMORATIVE COIN BILL

DESCRIPTION OF PROVISIONS

Section 2

This section sets forth the specifications of the gold, silver and clad coins. The specifications are identical to previous programs which will allow the Mint a smooth transition into this program.

The mintage levels established in the bill have been questioned by some claiming the level is too low while others argue it is too high. It is impossible to predict with perfect accuracy exactly what the level of sales may be. The mintage level set in the bill is designed to strike a balance.

Since the World Cup is the largest single-sport spectacle in the world, the Committee believes the potential markets are much larger which will present the Mint with a unique opportunity for international sales. The Committee expects the Mint to work closely with the World Cup Organizing Committee in marketing the coins. The Mint's experience combined with the World Cup's international sports and marketing skills will provide an opportunity to reach the sales levels specified.

Section 4

This section requires that Mint to sponsor a nationwide open competition for the design of each coin. This section was added to comply with the Mint's view that the American public should be allowed to participate in the design of these coins.

Section 5

Subsection (b): The Mint has been criticized for not issuing bulk sale information to dealers until after the programs have begun. In the case of the Korean Coin Program, the bulk purchase conditions were not released until the final quarter of the program. This does not provide adequate time for bulk dealers to plan marketing programs.

The Committee expects the Mint to consult with leading coin dealers and the respective trade associations in 1993 and to prepare suitable bulk sales terms and conditions. These terms and conditions should be released as soon as possible in 1993.

Subsection (c): The Committee expects the Mint to be very aggressive in marketing the coins. Since the World Cup tournament will not be held until 1994, it is very important that the Mint work closely with the World Cup to secure a substantial number of prepaid orders. The Committee directs the Mint to work closely with the World Cup Organizing Committee to take advantage of every opportunity for early sales.

The Committee expects the Mint to pay the surcharges from prepaid orders to the World Cup Organizing Committee within a reasonable time after they are received.

Subsection (e): The World Cup will be held in several cities across the nation. This affords excellent marketing opportunities for the Mint. The Committee expects the Mint to work with banks and retailers in those venue cities to establish distribution outlets. The Mint may designate these distributors as "Official U.S. Mint World Cup Coin Distributors." The Mint should include in their reports to Congress a report detailing their efforts to develop this distribution system.

Subsection (f): The World Cup is an international sporting event. The Committee believes there is an excellent opportunity for international marketing. The Committee expects the Mint to work with the World Cup Organizing Committee to establish international marketing and distribution systems. The Mint may designate international distributors as "Official U.S. Mint World Cup Coin Distributors" with concurrence of World Cup 1994.

Subsection (g): The Committee intends for the Mint to work in a cooperative fashion with the Congress and World Cup to provide timely information on the performance of the coin program.

The Committee would like to see a very successful program and believes that cooperative reporting will provide the information necessary to help the Mint and World Cup maximize the potential of this program.

Since coin programs are short-term (i.e. one year in duration), it is difficult to react quickly to any potential marketing opportunities unless there is an ongoing update of what is actually occurring with the program.

The Committee anticipates the format of the reports will follow the example provided by the Mint in the Mint Budget Authorization Report—H.R. 2631; July 15, 1987; Page 77. Furthermore, we acknowledge that the Mint was required to provide similar reports by the 1984 Olympic Coin Program (P.L. 97-220). This reporting amendment attempts to follow the earlier reporting requirements so as not to be unnecessarily disruptive to the Mint operations.

The Committee understands that it will be difficult for the Mint to provide actual numbers in the early days of the program. Therefore, we recognize that the Mint will have to estimate many of the early costs. However, the Committee expects the Mint to update their estimates with the actual costs when they become available. Even the estimates will be helpful to show early trends in the programs performance.

Section 6

The Committee's intent is to have coins available for sale January 3, 1994. The terms "issued" and "issuance" are to be interpreted broadly, not restrictively. The Committee understands that coins sold on December 31, 1994 cannot practically be delivered to customers until 1995. The Committee expects the Mint to push coin sales through the end of the calendar year even if some deliveries have to be made in 1995.

Section 8

Subsection (a): The Committee intends that the purpose of the World Cup 1994 Commemorative Coin Program is to raise surcharges for the World Cup USA 1994 Organizing Committee. However, it is also our intent that the program shall not result in any net cost to the Federal Government.

In prior coin programs, there has often been a residual operating profit at the conclusion of a program. This residual operating profit is the balance remaining from a specific program after the Federal Government has recovered all its costs to operate a program. The profit accrues because in order to comply with Section 11(a), the Mint must make sure it has raised sufficient funds from the sale of each coin to cover the costs associated with producing and marketing the coin. Since it is extremely difficult to predict exactly what those costs may be, the Mint must make sure their estimates are conservative so there is not a shortfall. In other words, this residual operating profit is the difference between the Mints estimated costs and their actual costs.

While the Committee accepts this practice as a means to insure that a coin program results in no net cost to the Federal Government, the Committee feels strongly that the Mint is subject to unfair criticism if the leftover funds are not spent on activities directly related to the particular program.

The Committee is concerned that the Mint is placed in a position of conflict and forced to choose between the legislative intent of a coin program (e.g. to raise surcharges for a specific cause) and its professional judgment on how to manage a coin program. For example, in prior programs, the Mint has been asked to expend these residual profit monies on marketing initiatives to sell more coins. However, in their professional judgment, the Mint has responded that the amount of money spent on marketing may actually exceed the surcharges generated as a result of the marketing. Therefore, the Mint concluded it was unsound to expend say $100,000 on a marketing ad which may only produce $25,000 in surcharges. We respect the Mint's professional judgment and recognize we must rely on their coinage expertise. We believe the language in Section 8(a) will remove the Mint from future criticism.

The surcharge language in Section 8(a) is designed to insure that decisions effecting a coin program are made in the best interests of the program. Furthermore, it eliminates the Mint's dilemma of having to make sound business decisions in which they are left open to unfair criticism because they are perceived to be promoting their own interests at the expense of the benefiting organization. Under this language, the remaining funds (e.g. the residual operating profits) will be deemed surcharges and distributed to the Secretary of the Organizing Committee.

Under our earlier hypothetical, if the Mint decided it was not in the best interest of the program to expend the $100,000 on a marketing ad, at the end of the program that $100,000 would be deemed a surcharge and transferred to the benefiting organization. This way the Mint could comply with the legislative intent of the program without being criticized that its decision not to expend the money was influenced by what the Mint stood to gain. At the conclusion of the program, the Committee directs the Mint to pay to the World Cup Organizing Committee all remaining funds from the sale of the coins.

Subsection (b): Ten percent of the funds made available by subsection 8(a) will be available to the United States Soccer Federation Foundation, Inc. for distribution to institutions for scholastic scholarships to qualified students. The scholastic scholarships shall go to any groups for distribution to qualified students that meet the following criteria:

Definition of "Institutions"—In selecting institutions to provide scholastic scholarships to qualified students, the Committee expects that the United States Soccer Federation Foundation shall select no more than five recipients, provided that the institution:

Is a 501(c)(3) non-profit which includes as its mission increasing the representation of qualified students, as defined in the following section, in higher education by providing scholarship assistance to students pursuing college degrees;

Serves all of the geographic and ethnic subgroups of a target population consisting principally of qualified students; and

Provides educational services, scholastic scholarships and related services to qualified students.

The Committee does not intend that institutions of higher learning, trade associations, for-profit institutions, units of state or local government, or other organizations or entities providing scholastic scholarships that are generally available to persons other than qualified students be considered by the United States Soccer Federation Foundation for participation in the programs authorized by this section.

Definition of "qualified student"—The Committee intends that the term "qualified students" be interpreted narrowly by institutions providing scholastic scholarships. The Committee intends to limit scholarships under this section to the most undereducated persons and groups in American society. The Committee expects that "qualified students" shall be identified based on the following criteria:

Individuals who are "first-generation" college students, i.e., whose parents did not complete a course of study at an accredited institution of higher learning; and

Individuals who are "economically disadvantaged", i.e., who come from families with incomes at or below the median family income of the U.S. population, or who are members of communities with median incomes at or below 70% of the median family income of the U.S. population; and

Individuals who are "educationally disadvantaged," because of developmental disability, national origin, nativity or limited-English proficiency, or attended school districts with dropout rates at least twice as high as the national average; and

The scholastic scholarship fund will be targeted to minority student groups that have a high school completion rate of less than 60 percent.

Provided further,

That at least one such institution serves as an umbrella organization for at least 125 affiliated local community-based organizations. Such institution provides capacity-building assistance, public policy analysis and advocacy, public information efforts, and special catalytic efforts on behalf of economically and educationally disadvantaged persons. Such institution is governed by organizational by-laws that require a Board of Directors reflective of the geographic, gender and ethnic composition of a target population consisting principally of qualified students and their families, as defined in this section. Such institution includes a corporate board of advisers composed of at least twenty senior executives of major corporations.

That at least one such institution is a 501(c)(3) nonprofit organization whose sole mission is to provide scholarship assistance to qualified students in all fifty states and Puerto Rico. Scholarship recipients are selected on the basis of academic achievement and personal strengths, and represent hundreds of both public and private colleges and universities across the nation. Recipients are also reflective of the composition of five national regions. Such institution annually selects scholarship recipients using a process of regional review committees. In addition, such institution is government by organizational bylaws which require a board of directors comprised of corporate and educational leaders.

That at least one such institution is a 501(c)(3) nonprofit organization with a national scope and a primary goal to provide post high school scholarship assistance to qualified students in all fifty states and the territories of the United States of America. Scholarship recipients are selected on the basis of academic achievement, community leadership and financial need. Such institution is governed by organizational by-laws that require officers, board of directors, and trustees who are business and community leaders throughout the nation and are dedicated to the educational advancement of a target population of qualified students as defined in this section.

STUDENT ELIGIBILITY

A qualified student who is in attendance or who has been accepted for admission, as a full-time undergraduate or graduate student at an accredited institution of higher education may apply.

The Committee recognizes that institutions must have some flexibility in the selection of scholarship recipients; however, we expect that, except in unusual or exceptional circumstances, each scholarship recipient shall meet the three of the four broad criteria in addition to other criteria set forth by the institution.

Section 11

As mentioned earlier, the Committee expects the Mint to use best efforts to insure this program results in no net cost to the Federal Government.

Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Speaker, I rise today in support of H.R. 3337, the 1992 White House Commemorative Coin Act, and urge my colleagues to join me in enacting this worthy legislation.

The measure before us today includes six coinage programs which enjoy strong bipartisan support in the House of Representatives. In addition to the White House coin bill, this package contains the World Cup USA 1994 coin bill, the Persian Gulf Veterans Silver Medals, the Christopher Columbus coin bill, coin redesign and the James Madison-Bicentennial of the Bill of Rights Commemorative Coin Act. As principal sponsor of the Madison-Bill of Rights coin bill, I wish to thank the chairmen and ranking minority members of the Banking Committee and Coinage Subcommittee for bringing this important legislation to the floor today. This package is the product of a great deal of hard work and compromise, and I want to express my deep appreciation to them for their efforts.

Mr. Speaker, last year this Nation commemorated the bicentennial anniversary of the Bill of Rights, and the role which James Madison, our Nation's fourth President, played as a principal author of this historic document. For 200 years, these first 10 amendments have withstood time's scrutiny and remain the cornerstone of basic human rights and liberties in this country. It is, therefore, only fitting that we should consider today legislation to honor James Madison and the Bill of Rights.

The measure before us this afternoon provides for gold and silver coins emblematic of James Madison and the Bill of Rights to be issued by the U.S. Mint in 1993. These coins will be minted at no net cost to the Federal Government, and a surcharge from the sale of the coins will go entirely into funding the fellowships of the James Madison Memorial Fellowship Foundation.

The James Madison Memorial Fellowship Foundation was established by Congress as part of the bicentennial commemoration of the U.S. Constitution. The Foundation will use the proceeds from the sale of these coins to fund fellowships which will be awarded nationwide to outstanding graduate students preparing to become secondary school teachers in the fields of American history and government. Fellowships will also be awarded to experienced high school teachers seeking to strengthen their knowledge in these same subjects. Upon receiving a fellowship, Madison fellows will agree to teach full-time in secondary schools for at least 1 year for each year of assistance they receive, and emphasize the U.S. Constitution in their teaching.

I hope that my colleagues will join me in support of this appropriate and worthwhile commemoration of James Madison and the Bill of Rights. I believe that the Madison Fellowship Program, which will foster greater awareness and understanding of the rights and responsibilities of citizens under the Constitution, particularly among educators and students, is strongly deserving of our support.

Vote "yes" on H.R. 3337.

Mr. WYLIE. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. ALLARD].

Mr. ALLARD. I would like to add my voice of support to H.R. 3337, the 1992 White House Commemorative Coin Act. I want to particularly address the James Madison-Bill of Rights commemorative coins which were added to this bill late last session in Congress. I, along with my distinguished colleague, NORM SISISKY, am principal sponsor of these coins.

The James Madison Memorial Foundation was established by Congress to encourage outstanding current and future high school teachers of American history, American government, and social studies to undertake graduate study of the roots, framing, principles, and development of the Constitution of the United States. The Foundation thereby also commemorates the bicentennial of the Constitution, and particularly the Bill of Rights, and James Madison, fourth President of the United States who is generally acknowledged as the Father of the Constitution.

In establishing the Foundation, Congress in effect declared that it would not stand idly by while their constituents lacked understanding of their Constitution. It saw the 200th anniversary of that document as the right occasion to set up a continuing legacy of Madison's work. But Congress' intent may be frustrated if the funds needed to implement the Foundation's enabling legislation are not available, and this is why we are seeking passage of this legislation.

Improving American education is at the forefront of the American agenda, and all of us, as legislators, are trying to do something to remedy the ills of our education system. Many proposed education reforms address the structure of school government, school financing, teachers' compensation, and the shape of the curriculum. The James Madison Memorial Foundation is focusing on something that is often left out of consideration: The actual knowledge—or lack of knowledge—that teachers bring to the classroom. The Foundation's purpose, simply stated, is to improve teachers' and children's knowledge of the Constitution of the United States.

The funds raised from the sale of these commemorative coins are critical to the ability of this Foundation to offer fellowships to deserving high school teachers. The Foundation will award its first fellowships in March 1992. The Foundation intends to award one fellowship per State this year. With additional funds from the coinage surcharge, they should be able to increase the number of fellowships to two per State and perhaps seven more. Madison Fellows must agree to teach full time in secondary schools for at least 1 year for each year of assistance. The Foundation will strongly encourage Madison fellows to teach in their home States.

The funds derived from the surcharge of these coins will be deposited in a special account for the Madison Foundation in the U.S. Treasury. The interest that this trust account bears provides the operating funds for the Foundation. I am encouraged that Colorado as well as every other State in this Nation will equally benefit from the Madison program. I am likewise confident that if Members look into their own districts, they will see great need for improving our constituents' understanding of the U.S. Constitution.

Those who take our Nation's history for granted should ask themselves how we might have come to have the constitution we have without the profound knowledge of our Nation's Founders, and without their ability to turn learning into law. It is imperative that this Nation has citizens who understand their history and the nature of their Constitution. For these reasons, I am a strong advocate of the James Madison-Bill of Rights commemorative coins.

I would like to briefly discuss the other provisions of H.R. 3337. The White House commemorative coins: Who in this body could not support a coin which commemorates the 200th year of the White House, the official home of our Presidents and one of America's symbols of freedom and democracy to the world. Millions of visitors to Washington list the White House as the No. 1 landmark they would like to visit. Our Presidents are expected to host world leaders and conduct the business of Government in this historic building. Certainly, we can support the cause of assuring this historical building remains in the condition befitting the honor of the Office of President.

The World Cup USA 1994 coins: Outside of the Olympics, no sporting event has generated such national excitment as the World Cup soccer tournament which will be held in the United States in 1994. We expect millions of foreign tourists to travel to the United States to see this event. I'm hoping that all of these tourists come to Denver, CO, one of the World Cup venue sights. In the tradition of commemorative coins funding national sporting events, certainly the World Cup soccer coins deserve the support of this body.

Persian Gulf veterans silver medals: Every member of this body witnessed the valor and courage of the men and women of our Armed Forces as they went to war in the Persian Gulf. These silver medals are small tokens of thanks we, as Members of Congress, can give to our outstanding personnel of the military.

Christopher Columbus quincentenary coins: With the adventures of Christopher Columbus 500 years ago, the great story of America began. The funds raised from these coins will support the activities of Americans in research, study, and labor to produce new discoveries in all fields of endeavor. These are the very endeavors that have made America a haven of creativity and excellence.

Coin redesign: The time has come for the thoughtful change of the design of the reverse side of our circulating coins. The new coin will commemorate the Bill of Rights. The Treasury has indicated that this proposal will be a revenue producer for the Government. Coin collectors throughout the Nation have strongly endorsed this proposal.

Mr. Speaker, I ask my fellow Members to join with us in passing this comprehensive coinage legislation.

Mr. TORRES. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. LAROCCO].

Mr. LAROCCO. Mr. Speaker, I rise in support of H.R. 3337. I would like to thank the chairman of the Subcommittee on Coinage and Consumer Affairs, the gentleman from California [Mr. TORRES], who has been instrumental in the passage of this legislation. Without his support and suggestions it would not have made it to the full House for overwhelming passage. I thank the chairman for his help.

Mr. Speaker, I would also like to thank the gentleman from California [Mr. McCANDLESS] for his suggestions and help during the deliberations on this bill in the subcommittee.

Mr. Speaker, this bill is simple. What it does is establish a silver medal for the veterans who served in the Persian Gulf conflict. How appropriate is it that now we are debating this bill and looking forward to its final passage. It was just a year ago that we commenced ground action in the Persian Gulf conflict. So this bill is a way of saying thanks from the Congress to the veterans of that conflict.

Mr. Speaker, the Pentagon said that perhaps 640,000 veterans will be eligible to receive this silver medallion, an expression of thanks from the Congress.

During the deliberations of this bill the Pentagon and the mint made fine suggestions in the crafting of this legislation. The Pentagon wants final say on who shall receive this medallion, and that is included in the legislation. The mint has said that they think that we should put together a bronze replica to pay for this bill. We have put that into the bill.

Mr. Speaker, most important is that we recognize that the Congress has already voted overwhelmingly to give gold medals to the generals of this conflict.

□ 1330

Now we are simply saying "Thank you" to the men and women, the Reservists, the National Guard, and Regular troops that served in Desert Storm.

My bill, H.R. 1107, which is now title III of H.R. 3337, passed overwhelmingly in the House. It had more than 200 cosponsors, and I supported its passage as part of this package which the gentleman from California, Chairman TORRES, has put together so wisely and so prudently.

I would also like to thank the gentleman from Ohio [Mr. WYLIE], the ranking minority member of the full Committee on Banking, Finance and Urban Affairs for his help in support of this legislation and the gentleman from Texas [Mr. GONZALEZ], chairman of the full Committee on Banking, Finance and Urban Affairs, and the gentleman from Illinois [Mr. ANNUNZIO], who has a great deal of knowledge about coins and medals and a great deal of institutional knowledge on bills that have passed through the Congress in prior years.

I stand in support of H.R. 3337, in particular in support of title III of that bill which will give a silver, glistening medal to the troops that served in Desert Storm.

Mr. WYLIE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in strong support of H.R. 3337, the 1992 White House Commemorative Coin Act. I applaud my colleagues who have spent so many months fine-tuning this legislation and bringing it to the floor.

H.R. 3337 is now an omnibus bill with provisions for four commemorative coin programs, redesign of our Nation's circulating coin, and a silver medal for all who served in the U.S. Armed Forces during the Persian Gulf war. As a Member with a mint in my district, I am very familiar with the importance of this type of legislation. Skilled mint employees will continue to have jobs because of the demand for commemorative coins and coins with new designs, and the U.S. Treasury stands to gain hundreds of millions of dollars in profits over the 6-year implementation period if coin redesign is undertaken. These funds will be applied directly to decreasing the deficit.

A delay in approving H.R. 3337 would jeopardize commemorative programs which celebrate events occurring in 1992: The 500th anniversary of the discovery of the New World the James Madison Fellowship Awards, and the bicentennial of the laying of the cornerstone of the White House. In addition, continued delay in approving the World Cup Commemorative Coin Program may have a detrimental effect on the planning of the World Cup soccer championships in 1994—an event which the Department of Commerce estimates could mean $1.5 billion in sales for the United States.

Mr. Speaker, we cannot let this opportunity pass us by. Countless dollars and hours have already been invested in the planning of these programs and the events which they commemorate, and I urge my colleagues to join me in supporting H.R. 3337.

Mr. WYLIE. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WELDON]

Mr. WELDON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I would like to enter into a colloquy with the distinguished chairman of the Subcommittee on Consumer Affairs and Coinage, someone that I have a great deal of respect for and whom I have come to appreciate the situation he is in and because of the willingness not to want to hold up a major portion of this bill any further, I have agreed to support this effort.

I would appreciate the gentleman responding to my concerns over a bill, a coin bill that has generated 290 cosponsors, the highest estimate of any bill in the House to recognize the Nation's fire service and Ben Franklin, the first American firefighter.

It is my understanding that the chairman of the subcommittee has agreed to support us in our renewed effort.

Mr. TORRES. Mr. Speaker, will the gentleman yield?

Mr. WELDON. I yield to the gentleman from California.

Mr. TORRES. Mr. Speaker, I appreciate the gentleman from Pennsylvania [Mr. WELDON] entering into this colloquy with me. I want to thank him for his tireless work on behalf of this Nation's 3 million firefighters.

These are men and women who put their lives on the line every day in the defense of Americans and their safety and their security.

I am pleased, Mr. Speaker, that after discussions with the gentleman from Pennsylvania that we could reach an agreement that will acknowledge how firefighters risk their lives every day for the American public, at least for the past 250 years.

I have promised support for the compromise medal package that will honor firefighters and their commitment to saving lives, and I want to assure the gentleman that as chairman of the Subcommittee on Consumer Affairs and Coinage, I have committeed to schedule a markup early in March.

I will also lend my assistance to guide the bill through the House by the end of this session. So the gentleman has my unequivocal, straight, strong support for his medal for firefighters.

Mr. WELDON. Mr. Speaker, I thank the gentleman for that commitment. I know the Nation's fire service does as well.

Let me repeat, Mr. Speaker, and thank the gentleman and the ranking member as well as the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE] who are both sponsors of the Ben Franklin bill.

It has never been my desire to hold up other major coin legislation. As a matter of fact, the RECORD will show that I am a cosponsor of the Christopher Columbus coin bill. I am a cosponsor of the World Cup coin bill, the Persian Gulf medal.

I am a supporter of the White House initiative, and I do not even have an objection to the redesign effort put forth by Senator CRANSTON.

I commend my colleague and the chairman of the subcommittee for attempting to bring up four of those initiatives in the waning hours of last year. Unfortunately, even though this House supported those, the Senate put two additional bills in, the redesign and the James Madison bill.

I have no problem with the redesign bill, Mr. Speaker. I do have a problem with the James Madison bill. I think it is not the issue of the scholarships. I am an educator myself by profession.

It is the manner in which this particular initiative came forward. Congress passed the James Madison Foundation legislation in 1986 and appropriated $20 million, which was to be matched by $10 million raised through the private sector.

When that amount was not reached, an attempt was made to put through a coin bill to serve as that revenue to offset what was supposed to have been raised in the private sector.

When the distinguished chairman of the Subcommittee on Consumer Affairs and Coinage said he would not include that bill in the package at the 11th hour, the final day of the session, a new bill was put in that had the Congress use the $4 million of the interest off of the original $20 million as a match to allow that money to be appropriated. That was not the intent of this Congress. That is not the way we should be considering coin legislation.

However, be that as it may, we are here today and I am here to say that on behalf of the Nation's 3 million firefighters from every State in the Union that we have won a victory. The gentleman from California [Mr. TORRES] is behind us, and I appreciate his support and his leadership and thank him on behalf of the International Association of Fire Fighters, the National Volunteer Fire Council, the International Association of Fire Chiefs, the Fire Service Instructors, Arson Investigators, and all of those other groups, Black Professional Fire Fighters, who represent the emergency responders of this country.

We will not forget our friends, and we will not forget our enemies.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

In closing, I would like to associate myself with the remarks of the gentleman from Illinois [Mr. ANNUNZIO], my good friend, and I think I would be remiss if I did not do that and express some of his concerns about the coin redesign portion of this bill.

Historically, I have opposed that portion of the bill; however, the coin redesign proposal must be evaluated now in terms of the overall package we are considering. I support the other parts of H.R. 3337, particularly the White House, World Cup, and Columbus coins.

The package is the way to get these worthy coin bills passed and, therefore, I support the package.

I would also note that the administration has no opposition to the bill in this form. Therefore, I would suggest that the good far outweighs the bad, and I urge my colleagues to adopt H.R. 3337.

Mr. Speaker, I yield back the balance of my time.

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Once again, I want to indicate to the Members assembled and, of course, to all the members of the subcommittee who were instrumental in this legislation that we have tried our best to bring this bill up, H.R. 3337. We want very much to see that this becomes legislation.

I just entered into a colloquy with the gentleman from Pennsylvania [Mr.

WELDON], who spoke eloquently about the need for firefighters to be recognized. I concurred with that. I believe that firefighters have to be recognized and for that reason, as I said, I will move forth in the subcommittee to bring forth a scheduled markup and attempt and help to guide the legislation through the House.

Ms. PELOSI. Mr. Speaker, I rise today in support of H.R. 3337, the 1992 White House Commemorative Coin Act. In addition to the White House coin bill, which will generate funds to support the collection of fine arts and maintenance of historic public rooms in the White House, this bill contains five other coinage programs which have a broad base of support.

I am particularly pleased that H.R. 3337 contains the Christopher Columbus Quincentenary Coin Act, introduced by our colleague Representative FRANK ANNUNZIO. I have been honored to work for the passage of this legislation to commemorate the quincentenary.

In furtherance of the spirit of discovery, this provision will establish a Christopher Columbus Fellowship Foundation Program to encourage and support research, study and labor designed to produce new discoveries. The fellowships will be awarded to scholars, inventors, and others who are working toward discoveries to benefit all humanity.

I would also like to note the inclusion of a provision authorizing the minting of coins to commemorate James Madison and the Bill of Rights, with the proceeds of coin sales supporting fellowships to high school teachers pursuing graduate studies related to the founding and development of the Constitution.

H.R. 3337 also contains the World Cup USA 1994 coin bill, designed to generate funds to assist the U.S. effort to host the World Cup in 1994. The World Cup is the largest single sport event in the world, and it is expected that it will attract 1.5 million visitors to the United States. These visitors will spend at least $1.5 billion while visiting our country. Promoting World Cup efforts is cost effective.

In fact, each of the coinage programs contained in this bill will be minted at no net cost to the Federal Government. The Treasury has even indicated that coin redesigned, which is contained in this package, would generate $250 million in additional profits for the U.S. Mint over 6 years.

As a former member of the Consumer Affairs and Coinage Subcommittee, I know that this coin bill has been the product of extensive negotiations. I commend Chairman TORRES for his hard work and success in bringing this measure before us and urge my colleagues to support it.

Mr. GONZALEZ. Mr. Speaker, I rise in support of H.R. 3337, the White House Commemorative Coin Act of 1992.

I want especially to note that this bill includes provisions for coin redesign. Our coinage has not been redesigned for many years, although in the past coins were regularly redesigned and our coinage included many prized issues as a result of that thoughtful and careful effort. I have long advocated redesign of our coinage—both because it will make money for the Treasury and because it should make our coinage once again a matter of pride among our citizens. Coins after all should be more than just a useful item; they should also be objects with a beauty that reflects our national pride. Redesign should also result in modernization of our coinage—make it more easily used and recognized, as well as more appealing. I have sponsored coin redesign and argued for it strongly, especially in the past 3 years. After all, I suggested the Kennedy half dollar, now a prized item; I know that new design, properly done, will enhance our coinage and be warmly received by the public. So I commend Mr. TORRES for including this element in H.R. 3337.

In the first session of the 102d Congress, a number of well conceived bills authorizing commemorative coins and medals were cosponsored by a majority of the Members of the House of Representatives. Commemorative coin and medal sales generally produced revernues over and above the costs involved in making these items and the profits from the public sale of these coins or medals are used to develop and promote various programs of significant public interest. This is certainly the case with the bill before us today.

Each of this bill's various coins or medals provisions deserves the attention of the House and the support of each Member in this House. I wish to publicly thank the distinguished chairman of the Subcommittee on Consumer Affairs and Coinage, Congressman ESTEBAN TORRES, for conducting the comprehensive hearings and markups necessary to bring this legislation to the floor of the House. Chairman TORRES and his fine staff have worked hard to put this package together. The other body amended the bill we sent over on the last day of the first session and the Senate insisted on additional provisions which they strongly feel are in the public interest as well.

There is not an inexhaustible demand for commemorative coins and medals. It is imperative that the program for the sale of these items be carefully planned to maximize profits for each item to be offered for sale. It is to the credit of Chairman TORRES that this will be done and funds will be available for the White House Endowment Fund, the organizing committee of the 1994 World Cup, the Christopher Columbus Foundation, the James Madison Memorial Fellowship Program and to honor those who served our country in the Persian Gulf conflict.

Once again I wish to commend Chairman TORRES and the sponsors of the bill contained in this package and I urge the adoption of H.R. 3337.

Mr. BILIRAKIS. Mr. Speaker, today we are voting on H.R. 3337, the White House Commemorative Coin Act. Overall, this bill is a good one. It includes provisions to authorize the minting of a number of important commemorative coins, including the White House coin, the Christopher Columbus coin, and the James Madison coin. The bill also provides for the minting of an Operation Desert Storm silver medal to recognize the brave veterans who served our Nation during the war in the Middle East.

Most importantly to me, however, is the provision dealing with the minting of a World Cup coin, which would generate funds for the United States to host the World Cup soccer games in 1994. The World Cup is the largest sporting event in the world, and it is estimated that it will attract 1.5 million visitors to the United States. Cities in my home State of Florida, including the city of Tampa, are bidding to host the World Cup games, and I strongly support their efforts.

However, I have grave reservations to one specific provision of H.R. 3337, namely the requirement that the tail side of the coins in circulation must be redesigned and that the front side of coins be considered for redesign. I simply believe that there is very little support among the American people for such a move. There is no mandate from the electorate to redesign the penny, nickel, dime, quarter, or half dollar. I oppose this amendment that was added in the Senate and wish that the House and Senate could agree to move ahead on the important provisions of this bill without having to agree to the unneeded and hasty move of coin redesign.

Mr. TORRES. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from California [Mr. TORRES] that the House suspend the rules and concur in the Senate amendment to the bill H.R. 3337.

The question was taken.

Mr. McCANDLESS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1340

GENERAL LEAVE

Mr. TORRES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3337 and the Senate amendments thereto.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DYMALLY (at the request of Mr. GEPHARDT), for today through February 21, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LAROCCO) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. LAFALCE, for 10 minutes, today.

Mr. ANDREWS of New Jersey, for 60 minutes each day, on February 19 and 26, and March 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ALLARD) and to include extraneous matter:)

Mr. BLAZ.

Mr. WELDON.

Mr. SCHULZE.

Mr. DICKINSON.

(The following Members (at the request of Mr. LAROCCO) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. LEVINE of California.

Mr. STARK.

Mr. RANGEL.

Mr. MARKEY.

A BILL PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On February 12, 1992:

H.R. 2927. An act to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes.

ADJOURNMENT

Mr. LAROCCO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 43 minutes p.m.) the House adjourned until tomorrow, Wednesday, February 19, 1992, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2832. A communication from the President of the United States, transmitting a request for fiscal year 1993 appropriations for the Department of Defense, revisions to fiscal year 1992 budget authority for the Small Business Administration and other agencies, and amendments to the pending request for various fiscal year 1993 appropriations, pursuant to 31 U.S.C. 1107 (H. Doc. No. 102–191); to the Committee on Appropriations and ordered to be printed.

2833. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting the fiscal year 1991 report on implementation of the support for East European Democracy Act [SEED] Program, pursuant to Public Law 101–179, section 704(c) (103 Stat. 1322); to the Committee on Foreign Affairs.

2834. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of reports of political contributions for Ints M. Silins, of Virginia, Robert C. Frasure, of West Virginia, and Darryl Norman Johnson, of Washington, Ambassadors-designate and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2835. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to clarify authority of the Secretary of the Interior to cooperate with non-Federal entities in the conduct of research concerning the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

2836. A letter from the Assistant Secretary (Civil Works), Department of the Army, transmitting the Secretary's views and recommendations on possible shore erosion protection improvements for Santa Barbara County, CA; to the Committee on Public Works and Transportation.

2837. A letter from the Director, Office of Management and Budget, transmitting the 12th report on U.S. costs in the Persian Gulf conflict and foreign contributions to offset such costs, pursuant to Public Law 102–25, section 401 (105 Stat. 99); jointly, to the Committees on Armed Services and Foreign Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BERMAN (for himself, Mr. FASCELL, and Mr. YATRON):

H.R. 4231. A bill to provide supplemental authorizations of appropriations for U.S. contributions to international peacekeeping activities for fiscal years 1992 and 1993, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ARCHER (for himself and Mr. DELAY):

H.R. 4232. A bill relating to the tariff treatment of 1,6-hexamethylene diisocyanate; to the Committee on Ways and Means.

By Mr. BLAZ:

H.R. 4233. A bill to extend the supplemental security income benefits program to residents of Guam, and for other purposes; to the Committee on Ways and Means.

By Mr. LAFALCE (for himself, Mr. MCCOLLUM, Mr. CAMPBELL of California, and Mr. FLAKE):

H.R. 4234. A bill to amend the Home Owners' Loan Act to provide greater flexibility in meeting capital standards; to the Committee on Banking, Finance and Urban Affairs.

By Mr. OLIN:

H.R. 4235. A bill to provide for comprehensive health care for pregnant women and children under 7 years of age through a Government insurance program; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. ORTON:

H.R. 4236. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities; to the Committee on Ways and Means.

H.R. 4237. A bill to amend the Internal Revenue Code of 1986 to reduce taxes on capital gains on certain tangible assets for all taxpayers, to allow an investment tax credit for manufacturing equipment, and to allow taxation of capital gains to be deferred by rolling the gain into an individual retirement plan, and for other purposes; to the Committee on Ways and Means.

By Mr. SCHULZE (for himself, Mr. VANDER JAGT, Mr. LEVIN of Michigan, Mr. CARDIN, and Mr. COYNE):

H.R. 4238. A bill to amend the Internal Revenue Code of 1986 to more fairly apportion interest expenses between domestic and foreign sources; to the Committee on Ways and Means.

By Mr. VANDER JAGT (for himself and Mr. HEFLEY):

H.R. 4239. A bill to amend the Internal Revenue Code of 1986 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee; to the Committee on Ways and Means.

By Mr. WALSH:

H.R. 4240. A bill to amend section 1126 of title 10, United States Code, to provide for the furnishing of gold star lapel buttons to the dependents of a member of the Armed Forces who dies as a result of an injury or illness sustained in the line of duty; to the Committee on Armed Services.

By Mr. WYLIE (by request):

H.R. 4241. A bill to provide funding for the Resolution Trust Corporation, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MCDADE (for himself, Mr. BATEMAN, Mr. BROWDER, Mr. CLINGER, Mr. COUGHLIN, Mr. DE LUGO, Mr. DORNAN of California, Mr. ERDREICH, Mr. FORD of Michigan, Mr. GALLO, Mr. GONZALEZ, Mr. HOBSON, Mrs. JOHNSON of Connecticut, Mr. KASICH, Mr. KOLTER, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. LIVINGSTON, Mr. LOWERY of California, Mr. MCMILLEN of Maryland, Mr. MANTON, Mrs. MEYERS of Kansas, Mr. MFUME, Mrs. MORELLA, Mr. PURSELL, Mr. RHODES, Mr. ROE, Mr. SAWYER, Mr. TRAXLER, Mr. WEBER, and Mr. YATRON):

H.J. Res. 411. Joint resolution to designate the week of September 13, 1992, through September 19, 1992, as "National Rehabilitation Week"; to the Committee on Post Office and Civil Service.

By Mr. SOLOMON:

H.J. Res. 412. Joint resolution authorizing and requesting the President to designate the second full week in March 1992 as "National Employ the Older Worker Week"; to the Committee on Post Office and Civil Service.

By Mr. BENNETT:

H. Con. Res. 276. Concurrent resolution commemorating the 50th anniversary of the Battle of Midway; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 431: Mr. DERRICK.

H.R. 774: Mr. JOHNSON of South Dakota.

H.R. 1300: Mrs. COLLINS of Michigan.

H.R. 1335: Mr. BUSTAMANTE and Mr. MCCLOSKEY.

H.R. 1400: Mr. LIPINSKI.

H.R. 1536: Mr. KOSTMAYER.

H.R. 1653: Mr. TAUZIN and Mr. DE LA GARZA.

H.R. 2254: Mr. RANGEL.

H.R. 2336: Mr. MCNULTY, Mr. PENNY, and Mr. BAKER.

H.R. 2492: Mr. HOCHBRUECKNER.

H.R. 2546: Mr. SERRANO and Mr. BREWSTER.

H.R. 2673: Mr. CAMPBELL of California.

H.R. 3164: Mr. KOLTER, Mr. PASTOR, Mr. RAY, Mr. WELDON, Mr. SPENCE, Mr. MYERS of Indiana, Mr. DELLUMS, Mr. ABERCROMBIE, Mr. MCMILLEN of Maryland, Mr. YOUNG of Alaska, Mr. WEBER, Mr. TAYLOR of Mississippi, Mrs. LOWEY of New York, Mr. TRAXLER, and Mr. GEKAS.

H.R. 3705: Mr. BOUCHER.

H.R. 3844: Mr. FLAKE, Mr. FORD of Tennessee, Mr. SANDERS, and Mr. MCDERMOTT.

H.R. 3864: Mr. THOMAS of Georgia, Mr. FROST, Mr. GORDON, Mr. EVANS, and Mr. HENRY.

H.R. 3972: Mr. NEAL of North Carolina.

H.R. 4100: Mr. SARPALIUS and Mr. BILBRAY.

H.R. 4206: Mr. DYMALLY, Mr. MAVROULES, and Mr. FAZIO.

4224: Mr. GOSS, Mr. RIGGS, Mr. GALLEGLY, Mr. HANCOCK, Mr. SHAYS, Mr. SANTORUM, Mr. BOEHNER, Mr. ARMEY, and Mr. RHODES.

H.J. Res. 351: Mr. OLIN and Mr. JONTZ.

H. Res. 87: Mr. SERRANO and Mr. LENT.

H. Res. 234: Mr. CAMP.

H. Res. 359: Mr. OBERSTAR, Mrs. SCHROEDER, Ms. OAKAR, Mr. LEHMAN of Florida, Mr. STUDDS, Mr. FLAKE, Ms. NORTON, Mr. MORAN, Mr. KOLTER, Mr. MFUME, Mr. LENT, and Ms. PELOSI.

SENATE—*Tuesday, February 18, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Eternal God of our fathers, following Presidents Day, help us hear the words of former Presidents:

George Washington: "It is the duty of all nations to acknowledge the providence of Almighty God, to obey his will, to be grateful for his benefits, to humbly implore his protection and favor * * * most humbly offering our prayers and supplications to the great Lord and Ruler of Nations * * * to promote the knowledge and practice of true religion and virtue."

Abraham Lincoln: "Intoxicated with unbroken success, we have become too self sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God who made us * * *. It behooves us, then, to humble ourselves, to confess our national sins, and to pray for clemency and forgiveness."

Woodrow Wilson: "The sum of the whole matter is this, that our civilization cannot survive unless it is redeemed spiritually. It can be saved only by becoming permeated with the spirit of Christ and being made free and happy by the practices which spring from that spirit."

Franklin Delano Roosevelt: "No greater thing could happen to our land than a revival of the spirit of religion—a revival that would sweep through the homes of the nation and stir the hearts of men and women of all faiths to a reassertion of their belief in God and their dedication to his will for themselves and for their world. I doubt if there is any problem—social, political, or economic—that would not melt away before the fire of such a spiritual awakening."

Lord of history, give us ears to hear and hearts to respond to this transcendent wisdom. In Yeshua's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 18, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. LIEBERMAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning, following the time for the two leaders, there will be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

When morning business closes at 10 this morning, the Senate will resume consideration of the energy bill. At that time, Senator MURKOWSKI will be recognized to offer his amendment on ANWR. That amendment will be considered under a 4-hour time limitation. When that time is used or yielded back, there will be a motion to table the amendment. Should the tabling motion fail, then the agreement governing the bill, which was agreed upon prior to the Senate's recess and which is printed on page 2 of the calendar, will be vitiated.

If the tabling motion succeeds, then the remaining amendments are identified in the order, and there are a number of them. So Senators can expect votes throughout the day and evening once action is completed on the Murkowski amendment.

The Senate will recess today from 12:30 p.m. until 2:15 p.m. to accommodate the respective party conferences.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I reserve all of the time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Chair recognizes the Senator from Tennessee [Mr. GORE].

CLIMATE CHANGE CONVENTION

Mr. GORE. Mr. President, today the fifth round of negotiations on a climate change convention will begin in New York City. These talks have been underway for well over a year now, and while all other countries have made concessions because of their understanding of the importance of galvanizing support in favor of a strong and effective strategy to combat the problem of global climate change, our Nation, the largest single contributor to the problem, is the only Nation refusing to allow progress in these talks.

Having returned not long ago from the last round of negotiations, I wish to report to the Senate what many of my colleagues know very well; that on a whole range of important questions, the lineup in these negotiations is 139 countries on one side, and one country, the United States, on the other side.

Mr. President, I do not believe the position being taken by our country in these negotiations truly reflects the wishes of the American people, but President Bush has insisted on stonewalling the entire world on this question.

An official communique from the State Department outlines the U.S. negotiating position as these talks begin today. There were some reports in the press and some intimations from the Environmental Protection Agency and others in the administration in favor of progress; some intimations that we might change our position as the talks get underway in this which may be the final round of negotiations before the Earth summit in Brazil this June.

But now we see from the official negotiating position that the hardliners in the White House have overruled all of the environmentalists and proenvironment spokesmen in the EPA and elsewhere. As the talks begin this morning, the official U.S. position is no progress, no concessions, no action, no treaty.

At this turning point in world history, Mr. President, the United States is obviously best positioned to lead the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

post-cold-war world. Just as the defeat of communism has been the central organizing principle for Western democracies for the last half century, the effort to save the global environment must become the central organizing principle for the post-cold-war world.

In the last 50 years, we saw proposals like the interstate highway bill become the defense interstate highway bill; Federal aid to education passed in response to the launching of Sputnik by the former Soviet Union. In the post-cold-war world, we must engender an international consensus that will sustain support for policies such as stabilizing population, accelerating the development of new alternative technologies, taking advantage of energy efficiency and renewable energy technologies, debt for nature swaps, and a wide range of other policies, by linking them to the new central organizing principle, which is the effort to save the global environment.

The first and most important step toward that goal is the step due to be taken in Brazil this June, and the centerpiece of that Earth summit is supposed to be the climate change treaty being negotiated again this morning in New York. So we are down to the wire. The one country best positioned to lead, the one country contributing most to the problem which needs to be solved is the one country refusing to take action. And, again, not because our people wish to see that position taken, but because President Bush is opposed to action on this question.

It is also the case, Mr. President, that of all the major political leaders in the entire world, only one—President Bush—has refused to commit to attend the Earth summit in June. What has the administration offered up until this point? Nothing.

The administration has offered nothing more than continued research and study of the problem. That is the same message the administration has been delivering for years, and since President Bush first called for more study of the problem, the international scientific community has undertaken a comprehensive review of the state of the science on this question. Their report, issued over a year ago, was unequivocal: If we continue to pump CO_2 and other greenhouse gases into the atmosphere at the current rate, we threaten climate disruptions greater than any witnessed in the past 10,000 years, and those changes threaten to take place quickly, overwhelming the capacity of our civilization to adapt. Those scientists met again just 2 weeks ago and have reaffirmed and underscored this message.

Mr. President, in closing, I think our Nation is embarrassed, as President Bush is embarrassed, by the unwillingness to speak out and take leadership on this question.

I ask unanimous consent that the text of the State Department communique to which I referred be printed in the RECORD.

There being no objection, the communique was ordered to be printed in the RECORD, as follows:

The United States has identified in the working text [Misc. 17] numerous substantive and institutional commitments, which it is prepared to undertake with other countries. Below we provide an outline with comments on how a revised text might be formulated with regard to the preamble, the objective, commitments and institutional and procedural arrangements. Where applicable, we have noted where items listed in the outline are drawn from sections of the working text. In general, after preambulatory language, the text should flow logically from a statement of the objective to goals to meet that objective, actions to meet the goals, ways and means by which actions can be implemented, and the procedures and institutional arrangements through which actions are tracked by the conference of the parties.

PREAMBLE

We need to tighten this section and ensure that it focuses on the subject of the convention—global climate change. It is symptomatic of drafting thus far that the first recalling relevant U.N. resolutions puts 44/228 on UNCED before those resolutions on climate, which began with 43/53.

[To the extent that there is a need to refer to general principles that might be reflected in commitments undertaken in the convention, we maintain that such references could be appropriately developed as preambular language once commitments are agreed.]

OBJECTIVE

The ultimate objective of the Convention is to control greenhouse gas concentrations in the atmosphere in order to prevent dangerous anthropogenic interference with climate.

GOAL

In support of this ultimate objective, a long-term goal of parties to the convention should be to take appropriate action with regard to sources and sinks that will contribute to the reduction of aggregate net omissions of greenhouse gases resulting from human activities to levels consistent with the objective.

COMMITMENTS

Take suitable measures, in accordance with their national circumstances, development priorities, and capabilities, to respond to climate change, including, as appropriate, cost effective measures aimed at:

The limitation of greenhouse gas emissions through, for example, improved energy efficiency and conservation, greater use of low emission energy and industrial technology, and improved agricultural practices;

The protection, preservation and enhancement of sinks and reservoirs of greenhouse gases through, for example, improved forestry practices;

Adaptation to the impacts of climate change through, for example, appropriate coastal zone management practices;

The implementation of sustainable land use in support of more efficient transportation, agricultural and forestry practices and adaptation changes and;

The development and diffusion of environmentally sound technologies and practices related to mitigating or adapting to climate change.

Base those measures on periodically reevaluated scientific, technical and economic information and considerations;

Seek to ensure through appropriate means that in implementing measures to address climate change, such measures are integrated in a balanced manner with other environmental and socio-economic objectives;

Engage in scientific and technical cooperation with respect to climate change, its impacts and potential responses thereto [currently Article V.1, Misc. 17, Add. 2];

Undertake, and cooperate in, research and systematic observation related to the climate system and climate change [currently Article V.2 and Annex I, M17-Adds. 2 and 6];

Facilitate and encourage the exchange of relevant scientific, technological, technical, socio-economic and legal information [currently Article V.3 and Annex II, M17-Adds. 2 and 7];

Promote education, training and public awareness related to climate change [currently Article V.4, M 17-Add. 2];

Prepare reports [currently Article VII.1 and Annex III, M17-Adds. 4 and 7] containing:

A description of relevant national circumstances;

A national inventory of all emissions of greenhouse gases and precursors developed in accordance with agreed criteria and methodology, and all greenhouse gas sink enhancement and destruction;

A description of national response strategies to mitigate and adapt to climate change, including those taken jointly with other parties; in this context, on a voluntary basis, a description of proposed projects in need of investment and an estimate of the costs and net greenhouse gas emissions reductions associated therewith;

Estimated changes and trends in net emissions of greenhouse gases, including estimates of net effects of national response strategy actions; and,

A description of methodologies used in making estimates.

WAYS AND MEANS

Promote technology cooperation to assist parties in implementing the Convention, including through means such as:

Technical assistance;

Capacity building;

Environmentally sound technology development;

Environmentally sound technology transfer;

Environmentally sound technology information exchange;

Consider providing, on a voluntary basis, financial resources for the purpose of assisting parties in implementing the Convention, particularly the preparation of reports under Article VII.1;

Seek ways and means, both bilateral and multilateral, to foster financial and technical cooperation between Parties to implement jointly cost-effective projects identified through the national report process [of Article — and —.]

Cooperate with, and participate as appropriate, in the programs of, competent international bodies to implement this Convention effectively.

PROCEDURAL AND INSTITUTIONAL ARRANGEMENTS

As referenced in Misc. 17, Add. 3:

Establish a Conference of the Parties as the Convention's supreme body to perform enumerated policy functions under the Convention, including reviewing policy aspects of the reports submitted by the parties [currently Article VI.1];

Establish a Secretariat to perform enumerated administrative functions under the Convention [currently Article Article VI.3];

Establish a multi-disciplinary Advisory Committee of appropriate government experts to ensure the provision of regular assessments to the Conference of the Parties on the state of knowledge in the fields of natural, technological, social and economic sciences pertaining to climate change and responses [currently VI.5];

Establish an Advisory Committee on Implementation of government experts to review, from a technical point of view, the reports submitted by the Parties and report to the Conference of the Parties [currently Article VI.5];

Designate a funding mechanism [the GEF] for the provision of financial resources, including financial resources for technology cooperation, related to the implementation of the Convention [currently Article VI.6]; and

Establish procedures for the resolution of questions/settlement of disputes that might arise under the Convention [currently VII.2].

Taken together, the procedural and institutional arrangements outlined in this section would establish a process that would embody the following:

Preparation of national reports based on individual country analyses and containing elements as required under the convention [It is understood that the negotiators would constructively address the issue of how to help needy parties meet obligations they might undertake in this regard.];

Technical review of national reports by the implementation committee, including an assessment of projects identified for assistance;

Subsequent policy review by the Conference of the Parties, taking into account information provided from the Implementation and Scientific Advisory Committees;

Identification by the Conference of the Parties of general guidelines and specific proposals for funding to be considered by the financial mechanism [GEF] responsible for promoting the implementation of the convention and facilitating implementation of projects proposed by parties in the context of their national response strategies.

Ability for Parties to raise questions about implementation of the convention through both a "friendly", multilateral procedure and a more traditional bilateral dispute settlement process.

Mr. GORE. I thank the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Missouri [Mr. BOND].

THE PRESIDENT'S ECONOMIC PLAN

Mr. BOND. Mr. President, I trust that my colleagues who have been in their home States during the Presidents Day recess have heard what I heard, and that is an anxiety, a concern among our citizens that this body move on an economic plan. People want to see a solid economic growth plan. I also think they are sufficiently wise and sophisticated that they are not interested in partisan quick fixes or the 30-second sound bite when it comes to matters of economic policy.

I believe the President has put forward a reasonable proposal on which we can work, and he has also set a deadline that is certainly achievable. Many people note the fact that we could authorize action in the gulf war in only 4 days. Obviously, this is more complicated; there have to be hearings, and the other body has to act. But I believe, now that we have taken 31 days to look at the message and the package, we have a good opportunity in the remaining 31 days to put a message on the President's desk that is reasonable and responsible, and we can do it by March 20.

As for the particular provisions, I commend the President's ideas for giving long-term savings and investment a boost, and I think these are the cornerstone on which our Nation must build for the future.

One of the things that I favor very strongly is the increase in the dependent-child exemption indexed for inflation. It can strengthen American families and provide meaningful, long-term tax relief to middle-income people with families. The President is correct when he says many of the problems in this country come about because our families are weak. We need to have Government policies that strengthen, not weaken them.

I also agree with the proposal to make the individual retirement account of up to $2,000 tax deductible to give middle-class taxpayers an opportunity to save and to invest for the future. The added features of allowing penalty-free withdrawals for first-time home buyers and for education and medical expenses should encourage savings. The Federal Reserve Chairman, Alan Greenspan, who in the past has not been a friend of IRA's, has said they are at least worth trying.

In addition, I commend the President for his push for a permanent extension of tax credits for low-income housing and research and development, among others. We ought to make those permanent rather than go through the annual extension battles because I think they provide significant boosts for our economy. The low-income housing credit encourages the private sector to construct and to rehabilitate the Nation's rental housing stock and make it available to the working poor and other low-income families.

Also, I agree with the proposal to encourage investment in plant and equipment this year by giving an added depreciation allowance in this current year. This will promote the capital investment, modernization, and growth that we need to provide jobs and get people working again.

The first-time credit for home buyers obviously would provide a significant boost to encourage building and growth in the housing industry. I think that is warranted under the circumstances.

Finally, I think the President's proposal to reduce capital gains held for a long term is right on target. We have suffered in this country since we went, under the 1986 Tax Act, back to a system where ordinary income tax rates apply to the long-term gains of inflation. This subject has been brought up to me more times by middle-income taxpayers than any other proposal on the desk.

I cannot tell you how many farmers have told me that they consider themselves locked in. They have bought a farm, worked it for many years, and they are nearing retirement age or at retirement age. They would like to be able to sell their property and to use the proceeds for their retirement. Unfortunately, under the current system, where a farm has been held 25, 30, or 40 years, the price in today's dollars the farmer would receive if he sold that property could be two or even three times what he paid for it, yet the value of that money would be less than he paid initially. In essence, if he were to sell it today, he would have to pay ordinary income tax rates on the phantom gains of inflation. That is just not fair.

In addition, lowering capital gains rates would provide a stimulus for the long-term commitment of savings to sound investers, giving to those willing to hold the assets over a period of time a signicant boost and avoiding the penalty of inflation and the taxation of phantom gains.

These are some of the proposals I think should and must be considered by this body. I hope we can work together without partisan rancor. There may be differences of opinion, but it is time we got moving on and adopting a solid economic plan. The people of this country expect us to do it, and we owe it to them.

Mr. President, I thank the Chair. I yield the floor. I note that absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SANFORD). Without objection, it is so ordered.

TRIBUTE TO WILLIAM E. STOUT

Mr. LAUTENBERG. Mr. President, on Tuesday, February 4, the State of New Jersey lost a remarkable individual, William E. Stout. Mr. Stout dedicated his life to serving his community, his State, and his country. He touched the lives of many people and will leave a lasting legacy to his family, students, and colleagues.

A native New Jerseyite, Mr. Stout was born in South Amboy and spent his young adulthood in South River where he went to South River High School. In high school, he starred in basketball, football and baseball. For the last 30 years, he has lived in North Brunswick.

After graduating, he went on to attend Valley Forge Military Academy and then Yale University where he received his bachelor of arts in English in 1956. While at Yale, he continued to excel in athletics and lettered in varsity football.

He served in the U.S. Navy from 1954 to 1956. As a Navy veteran, he was a member and service officer for Joyce Kilmer Post No. 25 of the American Legion, Milltown.

For the past 17 years, Mr. Stout devoted himself to teaching and coaching at the Hun School of Princeton. A devoted mathematics teacher, what Mr. Stout did not teach in the classroom, he taught on the field. As a baseball coach at the Hun School, Mr. Stout taught his players the art of competition, the importance of being a team player, self-respect and discipline.

Mr. Stout's devotion to his faith and to his church was always in evidence. He was a member of St. Paul's United Church of Christ, Millville. Mr. Stout served as an elder and a deacon. In addition, he put his teaching skills to work at St. Paul's by serving as a Sunday school teacher.

Despite his active schedule, Mr. Stout still found time to be an active member of the South River Lions Club. He was also a member of the Bill Denny Chapter of the National Football Hall of Fame.

Admired and loved by family, friends, colleagues, and students, William E. Stout leaves a rich legacy of contributions to his community.

I extend my deepest sympathies to Mr. Stout's parents, Elmer and Charlotte, his wife, Kathleen, his four children, Colleen, Heidi, Kenneth, and David, and his three brothers, Elmer, Donald, and David.

Mr. Stout was a special man who left a lasting mark on New Jersey and on the people whom he touched through his involvement in the community. He will be missed.

CONGRESS MUST AVOID FEEDING FRENZY

Mr. THURMOND. Mr. President, on January 28, 1992, President Bush in his State of the Union Address announced additional cuts in defense. Since that time Members of Congress from both sides of the aisle have criticized the President's cuts as being insufficient. Some of these critics are calling for cuts twice or more than the $50 billion recommended by the President.

I rise today to voice my strong opposition to any additional cuts in the President's proposed defense budget. There is no doubt that the dark cloud of confrontation, both nuclear and conventional, has lifted significantly. There is also no doubt that strife, weapons of mass destruction, and terrorism are still part of the global landscape that this Nation must be prepared to defend—and possibly strike—against. For these reasons it is imperative that our Nation maintain a strong and viable military force that is capable of responding instantly to any of these threats against the Nation.

Mr. President, I am not a lone voice in the wilderness in opposing those Members who are calling for larger cuts in our defense budget. On February 2, 1992, the Charleston Post & Courier carried an editorial titled: "Congress Must Avoid Feeding Frenzy." The article cautioned against Congress making additional cuts in our defense programs during this time of economic crisis and world instability. The editorial is best summarized in the last sentence which states: "Congress may be itching to get its hands on defense dollars, but as General Powell said, the watchword should be—no, it must be—prudence."

Mr. President, I ask unanimous consent that the entire editorial from the Charleston Post & Courier be inserted in the RECORD following my statement.

[From the Charleston Post & Courier, Feb. 2, 1992]

CONGRESS MUST AVOID FEEDING FRENZY

Defense Secretary Dick Cheney told the Senate Armed Services Committee on Friday that deep cuts in U.S. forces beyond the Pentagon's post-Cold War plan would be "too dangerous" and could undermine the nation's military capability. Nonsense, says committee member Carl Levin, D-Mich., who accused the military of having a "shop 'til you drop" mentality. He wants to take a chain saw to Defense Department appropriations.

Sen. Levin's comments are typical of those on Capitol Hill who believe the military is not slimming down fast enough since the disintegration of communism. Citing what he said were warehouses, depots and bases jammed with $250 billion worth of surplus military goods, the Michigan Democrat said that "it's mind-boggling" and proposed cutting additional billions of dollars from the Fiscal Year 1993 military budget.

Secretary Cheney responded that calls for deeper cuts, regardless of the rationale, are too steep and too dangerous. "If we fail to fund the training and high quality we have come to expect, we will end up with an organization that still outwardly may look like a military but that simply will not function," he told the Senate committee.

Not surprisingly, Gen. Colin Powell, chairman of the Joint Chiefs of Staff, agreed with Secretary Cheney and challenged the perception that the Defense Department is dragging its heels on cutting costs. "Let's take this new world with a bit of caution," he told The Associated Press earlier. "Let's move with some prudence." Gen. Powell said U.S. forces will fall to about 1.6 million by 1995 from current levels of 2 million.

That is not enough for some members of Congress, who take a dim view of the Pentagon's plan to cancel major weapons programs while proposing no additional troop cuts beyond the 25 percent reductions now under way. As part of those cuts, U.S. troop levels in Europe will drop to 150,000 by 1995. Two years ago, there were 314,000 Americans based in Europe. Some lawmakers see no need at all for U.S. troops in Europe, since the collapse of the Warsaw Pact and the Soviet Union.

The rush to slash U.S. troop commitments abroad may sound like a good idea in an election year, but "bringing the boys home" may not be all it's cracked up to be. For one thing, it could lead to a substantial increase in the unemployment rolls. Gen. Powell did not mince his words. "If you cut the force structure, I'm giving you unemployment, and I'm giving you unemployment among young people, who suffer with the highest rates, and I'm giving you unemployment that's 25 percent minority," he told the senators Friday during testimony.

The AP reported that you could have heard a pin drop in the committee chamber, and little wonder: Gen. Powell's point was well taken. With the economy struggling to work its way out of the recession, the last thing anyone should want is to needlessly take a large number of young people off the tax rolls and deposit them in the unemployment lines. Congress may be itching to get its hands on defense dollars, but, as Gen. Powell said, the watchword should be—no, it must be—prudence.

CLIMATE CHANGE NEGOTIATIONS

Mr. MITCHELL. Mr. President, and Members of the Senate, today in New York, the Intergovernmental Negotiating Committee, or INC, begins another round of discussions on a Framework Convention on Climate Change. This is a critical round of talks. Unless progress is made in New York, there will be no substantive international agreement on global warming.

Negotiations have progressed slowly in part because the United States refuses to commit to any controls on carbon dioxide, the dominant greenhouse gas. The European Community has committed to a policy of stabilizing CO_2 emissions at 1990 levels by the year 2000. Other nations have committed to actual reductions in emissions. The United States has isolated itself by refusing to commit to any controls on greenhouse gas emissions.

The administration says it needs more scientific certainty before acting to control global climate change. We have heard this before. The administration used a search for certainty to delay action accelerating phaseout of ozone-depleting chemicals. The additional scientific data shows that the problem was much more serious and widespread than previously believed. The administration should have acted earlier. The delay was harmful.

By the time we are certain of all the causes and effects of global warming, it will be too late. Even if we stop emitting all greenhouse gases today, we are committed to more warming of the Earth's atmosphere. Further delay means our children will pay an even higher price.

We are told by the administration that it will cost too much to act. But the cost of inaction is the cost that is too high.

To avoid increasing carbon dioxide emissions, we need to use our energy more efficiently. Energy efficiency creates jobs and saves money. Curbing emissions in concert with other nations will create global markets for American products and services that improve efficiency and reduce emissions. Some other nations, such as Japan and Germany, already see the opportunities.

We forfeit both an environmental and trade edge by hesitating for so long.

Climate change is not simply a matter of a few more warm days. Island nations today suffer adverse effects that some believe to be attributable to climate change. For example, four islands in the Maldives have been evacuated because they are being flooded by rising waters.

By itself, the United States contributes 20 percent of the entire world's carbon dioxide emissions. Yet the administration isolates the United States as it shrinks from leading the world with aggressive environmental diplomacy.

In June, leaders of the world will meet in Brazil for the Earth summit, the meeting of the U.N. Commission on Environment and Development [UNCED]. It has been 20 years since the last worldwide environmental conference. President Bush has made no commitment to attend, even though many other heads of state have.

Unless the U.S. position changes dramatically and quickly, the United States will be isolated from those who are willing to act now. We cannot afford environmental timidity on this crucial issue. The planet needs sustained and meaningful action.

I and other members of the UNCED Senate delegation, the observer group to the Commission on Environment and Development, will meet later today with State Department officials to discuss the prospects for the meeting in Brazil. At that meeting I plan to present my recommendation that the administration act in concert with our European allies to protect the earth from a changing climate.

I urge the administration to use the opportunity of the INC meeting in New York to change its course to one of environmental protection.

PROTECTING THE REGULATOR

Mr. WALLOP. Mr. President, the Wall Street Journal of today has an interesting article in it which reads, in the first paragraph, as follows:

> The Digital Revolution has reached Glasgow, KY.
>
> In this small town 100 miles south of Louisville, the local electric utility has installed a two-way monitoring system that can conserve electricity by automatically shutting off water heaters and taking other load-reducing steps. The same network can deliver video images, news and information. So, in 1990, the Glasgow Electric Board became the town's second cable-TV provider, feeding broadcasts to about 1,800 residents for a fee. In response, the original cable company slashed rates and unsuccessfully asked a court to evict the utility from its turf.

Mr. President, I raise this because, one, there are echoes of the energy bill in here in that we have asked people to invest in technology which will provide greater efficiency in America. But it is interesting, in light of the fact that we just passed a reregulation of the cable industry, that what we will probably end up doing is protecting the regulator. We will probably end up putting a fence around those who were re-regulated and the competition that the newspapers are now so desperate to avoid that will come from the electronics industry is also probably going to be denied other towns because under the regulations, my guess is that these new entrants will have to jump through hoops of regulatory requirements that will be uneconomic.

So probably, Mr. President, what we did when we passed that cable reregulation bill was basically to deny Americans the opportunities that are coming their way very quickly in an advancing technological age which they ought to benefit from but sadly will probably be protected from.

KENTUCKY RESOLUTION ON REGULATION OF CABLE TELEVISION

Mr. FORD. Mr. President, the Kentucky House of Representatives recently adopted a resolution regarding the regulation of cable television. Since the Senate acted on this issue on January 31, 1992, I would like to share with my colleagues the views of the Kentucky House of Representatives. I ask unanimous consent that House Resolution 67 be printed in the CONGRESSIONAL RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSE RESOLUTION NO. 67

Representative J. Dorsey Ridley introduced the following resolution which was ordered to be printed.

Whereas, the Cable Communication Act of 1984 stripped states and municipalities of any meaningful control over cable television providers; and

Whereas, cable companies enjoy service monopolies in most parts of Kentucky, a result of earlier franchise arrangements; and

Whereas, many cable operators have misused their freedoms under the 1984 Act to impose rate increases, of up to 300% in some localities, to arbitrarily change program offerings, and to reduce the quality of service to their captive customers; and

Whereas, the power of cable operators to control the information sent to viewers is easily abused and must be subjected to meaningful public control; and

Whereas, public outcry over excessive rate increases and other abusers of monopoly power by the cable industry has led the Congress to reconsider its 1984 deregulation of the industry; and

Whereas, the United States Senate has passed the Cable Television Consumer Protection Act of 1991 (S.12), to give local regulatory authorities more power to regulate cable television rates;

Now, therefore, be it

Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

SECTION 1. That the Kentucky House of Representatives supports the efforts of Congress to fashion fair and effective legislation to restore some state and local control over the cable television industry.

SECTION 2. That the House of Representatives urges the members of Kentucky's Congressional delegation to support revisions of the Cable Communications Act of 1984 which will restore regulatory authority to the states and localities.

SECTION 3. That a copy of this resolution shall be sent to each member of Kentucky's Congressional delegation.

COMMENDING EDWARD J. LIEBMAN

Mr. NUNN. Mr. President, on January 31, of this year, the Department of the Navy, the Congress, and the Nation lost the services of a dedicated public servant. On that day, Mr. Edward J. Liebman retired from the Secretary of the Navy's Office of Legislative Affairs. Mr. Liebman's retirement marked the end of 50 years of service to our country within the U.S. Navy.

Commissioned as a naval officer in 1942, Mr. Liebman interrupted his law studies to serve his Nation during World War II. Upon release from active duty after the war, he completed his legal education and later earned a master of law degree.

In 1962, Ed was assigned to the Secretary of the Navy's Office of Legislative Affairs. This assignment began what was to be an unbroken three decade period of service to both the Secretary and the Congress. Upon his retirement from active duty in 1967, Ed transitioned to a civilian position in that office, a position which he held until his recent retirement from Civil Service. During this entire period, Ed was the Navy's spokes person for a variety of issues, but particularly for its military construction and facility development programs.

During these 30 years, it is estimated that Mr. Liebman provided the rationale for some 8,000 individual construction projects around the world, with an estimated value of $25 billion. His even temper, wisdom, and extraordinarily long tenure gave him opportunities to help shape the Department's legislative strategy for numerous important seapower programs.

The Senate Armed Services Committee has been the recipient of a great deal of Mr. Liebman's counsel. No matter how controversial the issue, members of our committee could count on Ed Liebman to do his best to provide us with timely and accurate information.

A real gentleman, Ed Liebman was courteous to a fault. Regardless of the difficult questions we might ask about specific programs, no matter what our views might be, we always knew that Ed's integrity was behind any information he gave us or our staffs.

The Department of the Navy, the Congress, and the American people have been well served for over 50 years by this dedicated sailor. Ed Liebman will long be remembered as the voice of Navy facility construction. He will be sorely missed. We wish Ed and his wife Joan, who is a well-known artist, our very best as they begin this new chapter in their life together.

Mr. JOHNSTON. Mr. President, what is the pending business?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL ENERGY SECURITY ACT

The PRESIDING OFFICER. The Senate will now resume consideration of S. 2166, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

The Senate resumed consideration of the bill.

Mr. JOHNSTON. Mr. President, on last Friday, I alerted the Senate to the fact that we were reaching the final stages of this energy bill, and that the more difficult things had been worked out, including the matter with the distinguished Senator from North Carolina, the present occupant of the chair, which was a big breakthrough in terms of agreement on the bill. I also alert the Senate to the fact that we expected that the ANWR amendment probably would not require a debate and a vote, and that appears to be the case.

I see the distinguished Senator from Alaska [Mr. MURKOWSKI] on the floor, and he will soon seek recognition. He can speak for himself as to his intentions on that amendment.

As I put the Senate on alert last Friday, I repeat now, that when we finish with this ANWR amendment—and I expect we will probably have 30 minutes of debate; is that correct, I ask the Senator from Alaska?

Mr. MURKOWSKI. Mr. President, in response to my friend from Louisiana, I ask unanimous consent that I may be recognized to control up to, but not more than, 30 minutes.

Mr. JOHNSTON. Mr. President, so that at the conclusion of that 30 minutes of debate, when unanimous consent is granted—and I expect it to be granted—we will then be open for further amendments, and I hope that the distinguished Senator from Nevada [Mr. BRYAN] will come with his, which will be a fairly short debate followed by a vote, so that there should be a vote this morning.

We hope to have passage of this bill this evening. So I say to Senators that if they have some amendments they are thinking about offering, or thinking about drawing up, now is the time, because when the time comes for third reading, we have repeatedly urged and beseeched Senators to come with their amendments. Now is the final hour. This is the 11th hour, and we are open for business, ready to negotiate, ready to debate, ready to vote. We are also ready to go to third reading on this bill.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska is recognized.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may be recognized to control up to 30 minutes for debate in lieu of my offering an amendment under the consent order of February 6, 1992.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I thank my colleague, the chairman of the Energy Committee, Senator JOHNSTON, and the ranking member, Senator WALLOP, for accommodating the request of myself and Senator STEVENS.

As the Chair knows, we left the body Thursday afternoon and went to Alaska for a series of meetings with our Governor and legislature concerning the status of the ANWR amendment.

Mr. President, it is not my intent to tie up the Senate and endanger the passage of the chairman's bill which is before this body.

Further, Mr. President, I do not intend to talk at length about the size of ANWR's coastal plain or the development there as compared with the vastness of the entire Arctic range. I will not speak at length about ANWR's 19 million acres. The fact that ANWR is the size of the State of Maine is evidenced to many of my colleagues.

The proposal of development within ANWR would also affect a small area, 12,500 acres, or an area about the size of the Dulles International Airport.

I am not going to speak at length this morning over the fact that already oil and gas drilling and development exist in 53 national wildlife refugees. I do not know how many of my colleagues are aware of that, but it is a fact that 53 other national wildlife refugees already have oil and gas development.

I am not going to speak at great length on the porcupine caribou herd or the central Arctic caribou herd that we heard so much about in this body from so-called experts. Nor will I offer a comparison over the scenario that 15 years ago in the central Arctic herd, there were approximately 3,000 caribou animals and today there are some 18,000.

I am not going to dwell at length on the realization that only 145 tourists visited ANWR last year at a cost of about $5,000 each. Obviously, this is an elitist group with money to burn, not the average American.

I have raised these issues in the past, Mr. President, today I am going to talk about arguments that were raised in the early 1970's. Arguments over whether Prudhoe Bay could be developed safely. There are the same arguments that we are hearing today relative to the development that we anticipate might take place if there is oil an ANWR.

The concern then, Mr. President, was could a pipeline be built in permafrost, a pipeline that contained hot oil? Would it continue to melt the permafrost, would it break or sink? Somebody suggested it might melt a significant portion of the Earth.

There was another question, Mr. President, as to whether or not caribou and the moose would cross the pipeline or, would we be building a giant fence some 800 miles north and south along Alaska, a fence that no game could pass between?

Well, clearly, Mr. President, it was not the case. We have had some 15 years of operational experience with the Prudhoe Bay field and the 800-mile pipeline.

Furthermore, Mr. President, it is rather significant to note that in that 15 years Alaska North Slope oilfields have been producing nearly 20 percent of the total domestic crude oil produced in the United States. One wonders where our Nation would be without oil from Alaska.

These are some of the things that we are seeing reappear again to be addressed in the merits of ANWR, and I must say it is somewhat frustrating that here we have an actual experience—Prudhoe Bay I might add is the best oil field in the world. One can criticize it, but, nevertheless, from the standpoint of advanced technology, it is the best in the world. If we were lucky enough to be able to open ANWR, quite clearly the improvements that we have learned over the last 15 years in Prudhoe Bay could be applied to the new field.

I think it is appropriate to note once again the size of the footprint because much is made of the development in this area. It is estimated that that footprint would equal 12,500 acres. But people have said, "Well, you have heard that from the Senator from Alaska" truly, is there a comparison?

I suggest, Mr. President, that there is a comparison. Two years ago we brought in an extended field, the Endicott field. It was an extension of the Prudhoe Bay field and came in as the 10th largest producing field in United States at approximately 100,000 barrels a day.

Currently, the Endicott field is producing 100,000 barrels a day and it is now the 6th largest oilfield producing in the United States and the footprint is 56 acres.

So I would suggest the Endicott field proof that we have technology that can make the footprint manageable.

Mr. President, as we reflect on the action of this body, I think we can say that once again we have in this Senate avoided making the hard decision to do what is right for the Nation. Congress has failed to make the decision necessary to lead our Nation into the future in this time and in doing so Americans are condemned to the frustration, the pain, that results from our national energy policy to be set by countries other than the United States.

Open ANWR is good public policy, but the policy seems to have been lost to some degree by politics. We seem bent, almost hell-bent, Mr. President, to increase our dependence on OPEC. We have already seen the results of our dependence on OPEC as evidenced by our position in the gulf war. And as we look to the future, with the modest price of oil, we see it very, very easy to continue to import more oil. We are currently utilizing some 16 million barrels a day, importing approximately 8 million barrels a day, increasing all the time.

Mr. President, last year 23 Members of Congress and 223 congressional staffers visited ANWR at our invitation and that of our Governor. They saw the barren, treeless expanse of that coastal plain. They listened to the Eskimos who live there voice their support for ANWR development. Some of those visitors broke apart rock and smelled the oil trapped in sandstone outcrops. They also saw the comparative Alaskan oil development at Prudhoe Bay. They know oil can be developed in ANWR without destroying the wildlife or the environment.

Surely they recognize, Mr. President, that if we can send a man to the Moon, we can undertake a responsible program of development in the ANWR coastal plain.

It is kind of humorous, Mr. President. I had the opportunity to make some of these trips. I recall one of our Members got off the airplane at Dead Horse, which is the area surrounding Prudhoe Bay, got on a helicopter and flew out to the ANWR coastal plain. He got out of the helicopter, looked around, and the first question he asked was "Where is the wilderness?" Somehow the individual thought there would be a sign or some evidence that truly this was a wilderness. The wilderness is a state of mind. In fact, the coastal plain is treeless, it has no forest, no mountains.

Well, Mr. President, it is kind of interesting to reflect where we are on this issue. The President has indicated the ANWR will be forthcoming to this body in the economic recovery package.

The merits of that relative to jobs speak for themselves. I will talk about that a little later.

But I think it is quite evident by the debate that took place a week ago last Thursday that there are a number of my colleagues that are very, very uncomfortable about connecting ANWR in the economic recovery package and would feel much better if they had the assurance that ANWR were not coming up again.

Well, I assure you, Mr. President, ANWR will be up again and again and again, until eventually it becomes a reality, because it is the right thing to do.

Mr. President, I unfortunately have come to the conclusion that politics have overtaken policy. We realize that we are in an election year. Despite the truth that ANWR's potential oil reserves are vital to America, each of our five Democratic candidates for President has come out in opposition to ANWR development. On the other hand, both the President and Republican challenger support ANWR development.

Even here in the Senate, politics have overtaken policy. As we know, a filibuster, led by Members on the other side, by the ANWR opponents, killed last year's energy bill in the Senate—and that was in November of last year—by simply filibustering the motion to proceed.

Unfortunately, no alternative was proposed by the critics, and this year the leadership from the other side of the aisle will not allow an up or down vote on ANWR, which is what Alaskans have demanded. We wanted an up or down vote. We asked for unanimous consent. Unanimous consent was granted in the Republican Caucus, and six Democrats objected to it in the Democratic Caucus.

So Senate bill 2166, which is before us, offers no new domestic oil production without ANWR, and the best that we can get from the majority is 4 hours of debate on a procedural motion to table an ANWR amendment.

Well, Mr. President, where are we? If we look at what ANWR was supposed to do in the energy bill, I think it bears a reference, because it was to fund many of the things that we had from the technical point of view to reduce our dependence on imported oil. There were funds for research and demonstration programs, for alternative fuels, for advanced oil recovery, for energy efficiency, for clean coal, electric generation transmission, electric vehicles, solar energy. These are just a few, Mr. President. Now, without revenue from ANWR where do we fund these programs? The assumption is we will fund them through the appropriation process.

Mr. President, I hold in my hand an amendment to S. 2166, which is the National Energy Security Act of 1992. This amendment would allow the environmentally responsible development of the oil and gas resources of the Coastal Plain of the Arctic National Wildlife Refuge. This would encourage American oil production, preserve American dollars, and create American jobs.

Mr. President, this amendment contains the same language as reported out of the Energy Committee in May 1991, where a majority of Members of that committee voted out ANWR 17 to 3. This is the same language that was stripped out of the current version of the energy bill that is before us today.

But this amendment is not just language to be added to the bill. This amendment is not written with empty words. Mr. President, this represents some 755,000 jobs in our Nation, in some 47 States. This stack of paper I referred to represents one of the largest jobs projects ever placed before the U.S. Congress. And the best opportunity I am able to obtain on this energy bill is a limited debate on a motion to table. Well, Mr. President, I suggest that this body simply is ducking the issue.

Mr. President, last year some 500,000 Americans lost their jobs. In the last 10 years, 317,000 jobs have been lost in the petroleum industry. That is more than in the steel, chemical, electronics, textile, or automobile industries.

I ask unanimous consent that this notation from the Independent Petroleum Association of America be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

317,000 JOBS LOST; THAT'S NO ENERGY POLICY

More jobs have been lost in the U.S. oil and natural gas producing industry than almost any other U.S. industry over the last ten years. More than in the steel, chemical, electronics, textile or automobile industries.

More than 317,000 families lost their paychecks. Thousands of small businesses have closed—because America's energy policy doesn't make sense.

Why fight another desert war to protect America's energy future? Let's put Americans back to work developing energy here at home by eliminating the tax penalty on domestic drilling. We think that makes more sense.

We are the Independent Petroleum Association of America. We are visiting Congress this week with a plan to help put America's natural gas and oil workers back to work. Won't you help?

There are 317,000 reasons why you should.

Mr. MURKOWSKI. Mr. President, the situation is that there are approximately 317,000 jobs lost in the industries that I have mentioned. These are jobs that, with an energy bill that positively supported alternative energy development as well as recovery of existing oil wells, existing coverage in the overthrust belt, and more specifically, on those small stripper wells that could be rejuvenated, would provide new paychecks for some of the 317,000 Americans that have lost their jobs.

Mr. President, the amendment to open the Arctic National Wildlife Refuge to oil and gas leasing and development will create jobs in this country; it will stimulate the national economy; and it will reduce the trade deficit.

Mr. President, consider the merits of the largest single jobs project in North America. I am referring specifically to an ad that is currently running in Roll Call, and other articles throughout the country. This is done by the Wharton Forecasting Associates, who studied the economic impact of developing ANWR, and projected, by the year 2005, this development could create some 755,000 jobs. These are jobs that are spread through every State in the Nation: Some 80,000 in California; 31,900 in Ohio; 34,000 Florida; 60,000 in Texas; 22,000 in New Jersey; and even 2,000 in tiny Delaware.

These are real jobs for the men and women of America. Mr. President; unemployed workers looking for jobs, not handouts; jobs like engineers, welders, truckers, manufacturers, construction workers of all types. That is why labor supports opening ANWR. That is why the National Association of Manufacturers, the American Mining Congress, the Associated Builders and Contractors, the National Grange, and the U.S. Chamber of Commerce, to name a few, support opening ANWR.

And think again, Mr. President, of the challenge that we all have as a consequence of the reduction of our military forces in this country; highly trained personnel coming out of very responsible positions. We have an obligation to funnel them into a highly technical private sector that motivates our economy. That is not going to be easy. But nevertheless, it is a challenge that we have before us as we look to our international partners, some who are bent on controlling the world's high technology. And here we are, Mr. President, with an opportunity to funnel a portion of this work force into a highly technical area, and that is to reduce our dependence on imported oil and develop alternative energy sources so that we could become less dependent. It seems inconsistent to me, Mr. President, that we fail to address that challenge.

Mr. President, when we talk about jump starting the economy, we have many things to consider. One is the development of ANWR. From the standpoint of its contribution to the gross national product, it is estimated that contribution would be about $50 billion. ANWR development could provide billions of dollars of taxes and royalties to the Federal and State governments each year.

Mr. President, these are real dollars. Prudhoe Bay is proof. Since 1977, Alaska's North Slope oil companies have made direct purchases of supplies and services from every State, totaling in excess of $47 billion. The total contribution to the U.S. economy to date from this existing Prudhoe Bay oil development is over $300 billion. ANWR development could well be of a similar magnitude.

Unlike other proposals to stimulate the economy, the huge boost resulting from ANWR development can be realized without costing the U.S. Government one penny. Not one penny, Mr. President. In fact, lease sales, bonus bids, and royalties will actually raise billions of dollars for the Federal Treasury.

And the balance of trade, Mr. President. If one looks at the balance of trade, one finds that half is oil and the other half, for all practical purposes, is our trade deficit with Japan. American dependency on imported oil is once again over 50 percent. In 1990, our Nation spent $54.7 billion on imported oil. That is oil that came in in foreign ships, crewed by foreign sailors, built in foreign yards. That is more than one-half of our total trade deficit for imported oil. It is more than we spend, Mr. President, for all Japanese goods.

We hear cries of alarm in this body about Japanese cars. Mr. President, imported oil expenditures are more than 2 times what we spend on imported Japanese cars.

How would ANWR development affect the balance of trade? $180 billion would not be sent overseas. Imagine what $180 billion would do to this U.S. economy. Now imagine what $180 billion would be used for in oil-exporting countries like Iraq and Iran.

Without new domestic areas of potential oil discovery available for exploration, the petroleum industry will increasingly spend their exploration and subsequent development budgets in foreign countries. We are seeing that now, Mr. President. The U.S. oil industry is going overseas, establishing themselves, and simply operating under the theory that we will buy the imported product from overseas, and, indeed, we will. Unfortunately, as I said, "This is happening, and we are not doing anything about it."

In closing, let me ask how long must good policy lose to politics? How long will this body refuse to consider opening the coastal plain of ANWR? How high must the price of gas go up? Must we have gas lines again, or another war in the Middle East? The battle over ANWR is not about the loss of mystical wilderness values or manipulated rumors of environmental destruction. It is about real people, working people, people out of work. It is about having gasoline in our cars, turning on our lights in our schools, putting food on our tables.

Politics, Mr. President, must not defeat 755,000 jobs. Politics must not defeat $50 billion in the gross national product. Politics must not defeat $180 billion of economic boost to the American economy.

Mr. President, I simply refuse to allow an issue as important as the opening of the coastal plain of ANWR to be defeated by these politics. This amendment deserves to be fully debated on the merits, unfortunately, it will not happen on the energy bill. I will not offer this amendment to Senate bill 2166 because, Mr. President, it will be tabled. As we all know, a tabling motion is not satisfactory, it is indecisive. It simply means we would just as soon not talk about it and gives each of my colleagues an alternative. Alaskans demand an up-or-down vote. Unfortunately, Mr. President, that has been taken away from us by the political process.

But neither the senior Senator from Alaska nor I will give up on the effort to open ANWR, to do what is right for this Nation. I am confident that the opportunity for a full and fair debate on ANWR and its development will arise. This has been a long struggle. It is not over. The ANWR debate may be best framed in the context of a truly comprehensive bill such as the economic recovery bill that the President recently sent to the Congress.

Mr. President, the people of Alaska stand ready to do our part to get our national economy moving again. Congress must put politics aside and make the difficult decisions for the benefit of the working men and women of America.

During the last recess, I talked to the people of Alaska. The people of our State want an up-or-down vote. The people of our State are prepared to make a contribution to ensure that the public is aware of the merits of ANWR and the realization that it can be opened safely. The people of our State are willing to back that commitment up by encouraging a national effort to present the ANWR case before the people of this Nation, based on the merits, not the hearsay that we see from time to time, appearing on national media.

Mr. President, it is rather interesting to note today in Roll Call, there is a full page ad running. As Senator STEVENS is on the floor now, I am sure he would agree, the idea of running a full page ad that reads:

> The Same People Who Brought Thousands of Jobs to Prince William Sound Have a Great New Plan to Put America to Work. Oppose Any Amendment to Allow Drilling in the Arctic Refuge.

It shows, Mr. President, a picture of workers cleaning up the oilspill in Prince William Sound. I find such a connection very offensive because it does not relate to reality. The suggestion that because we had a tragic accident of the *Exxon Valdez* in Prince William Sound is some kind of evidence we cannot open ANWR safely has no logic whatsoever. There is a marine risk any time you move oil in a tanker. But the merits of finding oil in ANWR are simply that we have proven through the operation of Prudhoe Bay over the last 15 years that we are operating the finest oilfield in the world.

So, as a consequence of this type of response, I remind my colleagues to be sensitive to this propaganda. A harsh reality: Over 50 percent of our oil is imported into the United States in foreign tankers, crewed by foreign sailors, built in foreign yards. That is the reality, Mr. President. So that marine risk is there.

Finally, I ask each Member to reflect a moment and ask how could we not vote for something that would provide jobs and help for the economy of America? ANWR will provide jobs for the economy of America. It will help our Nation recover from our current economic problems. And it is the only major jobs issue before us that would not only address our balance of payments and reduce our dependence on imported oil, but also dramatically stimulate the economy.

Finally, Mr. President, I again want to thank the chairman of the Energy Committee, Senator JOHNSTON, for his continued support of this issue, as well as the ranking member, Senator WALLOP, for the courtesies that have been extended to me over this period of time.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Alaska, Mr. STEVENS.

Mr. STEVENS. Mr. President, what is the situation with regard to time?

The PRESIDING OFFICER. There is no control of time. The Senator from Alaska [Mr. MURKOWSKI] has exhausted his time except for 2 minutes. But time is uncontrolled.

Mr. STEVENS. Mr. President, I have just returned from Alaska where, along with my colleague who has just spoken, I traveled throughout our State to talk to our people about the parliamentary situation concerning ANWR and the energy bill that is pending before us. I am pleased to report to the Senate that Alaskans are most well informed now concerning that procedural situation. And they fully understand the action that has been taken by the chairman of the Energy Committee, Senator JOHNSTON, and by the ranking member, Senator WALLOP, in taking out of this bill the two most controversial sections: that pertaining to ANWR and to the CAFE standards. It was not an action—I am sure my colleagues realize—that the two of us from Alaska concurred in entirely. But we certainly do understand the necessity for that action if there is to be an energy bill.

We did something I do not think any other Members of the Senate do. We made our annual appearance before a joint session of the Alaska legislature. About 24 or 25 years ago I started the concept of appearing before our legislature, making a short statement, and then answering questions. We do have something in common with our neighbors to the south in Canada, in terms of having a very inquisitive legislature which wishes to know the status of the relationships between Alaska and our Federal Government. I find that to be an interesting experience every year.

But I was particularly pleased to see the level of understanding, by those members who are elected by our people and serve in the State legislature, of this parliamentary situation here.

So I come before the Senate this morning to congratulate my colleague. Senator MURKOWSKI is our member on the Energy Committee now and he has announced his decision not to offer the amendment pertaining to ANWR.

I concur in that decision and I think the overwhelming number of Alaskans who I visited with over the 8 days I was at home similarly concur in that decision.

I want the Senate to know that I also concur in Senator MURKOWSKI's statement that he has just made that we will pursue ANWR. It is an absolute necessity, in my opinion, for America to know what is the actual potential of what has been reported to us to be the largest sedimentary basin in the North American Continent that lies beneath this 1.5 million acres that has been set aside for oil exploration.

Let us make no mistake about that. In 1980, those of us who were working on the Alaska lands bill, led at that time by my late friend, the distinguished Senator from Washington, Senator Scoop Jackson, understood the great potential of this area. Mr. President, it was an area that was known in 1920 to have great oil potential. There were several teams out staking claims under the old mining law in the period preceding 1920 when the Congress passed the Mineral Leasing Act.

It was not possible for exploration to proceed in Alaska as it could in the rest of the public land west, because land in Alaska had to be made available for leasing. It had to be open for leasing since it was closed and remained closed for a substantial period of time under the Mineral Leasing Act. As a matter of fact, significant mineral leasing in my State did not start until the late fifties.

Mr. President, the impact of that delay from the 1920's to the 1980's was we had gathered a great deal of information from studies of the Coastal Plain. And Senator Jackson and all of us realized in 1980 the significance of this Arctic area, and that led to the section in the 1980 Lands Act that suspended temporarily the right to lease but did not close 1.5 million acres of the Arctic plains to oil and gas leasing. Instead, in an overabundance of caution, we once again asked for another environmental review. That made the third one in history, Mr. President.

That environmental review once again showed that oil and gas development could be pursued on the Arctic plains without endangering the Arctic's species that are there. Further, it developed that if the area is proven to be capable for producing oil and gas, the oil industry will use an area out of the 1.5 million acres, smaller than the Dulles Airport.

As a consequence, we have been embroiled in a controversy with the extreme environmental people, many of whom appear on the floor of the Senate, unfortunately, who want to delay further exploration in the Arctic, in my judgment, solely to sell slick-back magazines and propaganda to the American people.

This area is probably the last area on the North American Continent that has a substantial capability of producing oil and gas. I do not know whether there is oil there. I do not think anyone will until we explore it. But in 1980 we knew what the potential was and we set this area aside. We withdrew 100 million acres in Alaska for environmental reasons, and we left 1.5 million acres available for exploration.

Here we are in 1992 and that still has not been accomplished because of the dogged resistance of people who would rather increase the membership of these extreme environmental organizations than to pursue the security of the United States. I am talking about energy security now, and economic security.

Mr. President, there are a series of areas where we hear opposition to this proposal. Take, for instance, Minnesota and Washington. Minnesota consumes 260,000 barrels of oil per day and does not produce any at all. Development of ANWR would actually produce an additional 13,400 jobs in Minnesota between now and the turn of the century. As a farm State, which is home to many industries, I wonder how Minnesota can afford to send people to the Congress who want to wait until there is another embargo or other crisis that suddenly cuts off or inflates the price of imported oil.

We are now importing 55 percent of our daily consumption. Washington State consumes 372,000 barrels of oil a day and it also produces none. If this proposal to open ANWR were to be approved by Congress, there would be 12,000 new jobs created in the State of Washington.

In my statement, I have listed the jobs that would be created in critical States. We know those jobs would be created because of the pattern of employment that was created when we opened up Prudhoe Bay and the Congress allowed the Alaska oil pipeline to have a right-of-way across Federal lands.

Now this is just, mind you, Mr. President, the first hurdle for ANWR. If there is a discovery, we once again will have to have approval of Congress for a right-of-way across the Federal lands that must be crossed to connect up the ANWR discovery to the Alaska oil pipeline.

In other words, no matter what happens on this bill, or whenever we can get the subject before the Congress, ANWR is going to be back here year after year, assuming it is successful. Can you imagine an industry being willing to undertake such a proposal, to have to come back here for another permit yet? But Alaskans live in a permit society.

We have to have a permit to even pave a parking lot in the city of Juneau for the St. Vincent de Paul Society's project for the homeless. We have to have a permit to add to the Fairbanks International Airport so that we can have additional warehouse capacity to send more and more cargo to Japan as we increase our exports over there. We have to have a permit to do almost anything in Alaska because, unfortunately, the Federal Government still owns over 85 percent of our land. And I wonder sometimes how our people keep their sanity in having to deal with so many permits in order to just have routine development.

The new prospect, of course, is the wetlands permit. I will go into that sometime on the floor of the Senate at length when we get a chance to discuss that. But right now the real problem is we cannot understand, those of us from Alaska, why the Senate is afraid of knowledge. Why is it afraid to know if that enormous series of sedimentary basins on the North Slope contain oil or gas?

I am saddened that I had to go home and report to Alaskans that this energy bill that we thought was going to give us a chance to have the Senate finally decide in an up-or-down vote whether ANWR should proceed—all we are really doing is approving the environmental research that was done following the 1980 Land Act at the request of our late departed friend Scoop Jackson. That is all that was envisioned in 1980, was that there be an environmental report, and Congress had the authority and responsibility to approve it. If it disapproved the report, then there would be no oil and gas exploration in the 1.5 million acres.

These people do not have the courage to oppose the report because the report speaks for itself. It can only be approved. It is a very sound report. As a matter of fact, most of the arguments against proceeding are based upon portions of the report that the Congress is unwilling to approve as was the desire of our late friend, Senator Jackson.

In my judgment, it is a sad day when two Senators have to go to their home State, and report to their people the parliamentary situation is such that the opponents of progress and development just will not allow a vote.

We heard a lot when we got home, Mr. President, about a filibuster against this bill. I do not know who in his right mind thought that we were filibustering the motion to proceed on this bill. If this Senator ever filibusters a bill, there will not be just 5 votes against it, and there will not be a unanimous-consent agreement as to when the vote will take place. We did not filibuster this bill.

We have wanted this bill to move along all the time. We even offered a unanimous-consent agreement to limit our time for debate in order that we would get this ANWR amendment up for an up-or-down vote. What we wanted was for the Senate to go on record, not just have a procedural motion to table our amendment but to go on record and let the American people see where Senators stand on this issue.

But it is the opponents of ANWR who are filibustering, just as they did last fall. They filibustered the motion to proceed on the energy bill when ANWR was in the bill as it was reported from the Energy Committee.

Again, I commend my two friends, from Louisiana and from Wyoming, for their courage and persistence in arranging, and finally getting a bill that included the two most controversial issues in the country on energy. We should have had a vote on both of those. CAFE standards deserve a vote, and so does ANWR.

I do believe, Mr. President, it is important for everyone to understand that it is most difficult to filibuster to get an amendment in a bill. I really am critical of my friends in the news media for even implying that somehow or other we were filibustering to get an amendment in a bill. We faced a filibuster against our amendment and were trying to devise some means to have a fair playing field and an up-or-down vote. The time will come, I think, when we will reach that position.

Meanwhile, let me thank the leadership, because we did desire to have an opportunity to go home during the recent recess and explore this issue, and had our people wanted to have a vote we would proceed now. I have reported to Alaskans that it is not opposition to ANWR. As a matter of fact, the vote on the motion to proceed last year, if it is properly analyzed, shows we have a lot more support for ANWR than the opponents ever thought. I think that is why they are so entrenched now in their refusal to let us bring it up.

But the tide will turn. All it is going to take, unfortunately, is for Americans to pay the price; as the price of oil goes up, as we face the prospect for a decreasing supply of this energy that we bring in from off shore, then it will be time for those who believe that conserving oil is equivalent to producing oil to so explain to the millions of people who cannot drive to work or cannot have their vehicles for their own individual pleasures as part of our American lifestyle. The time will come when ANWR will face, I think, a fair up and down vote.

But for now, as I said at the beginning, I join my colleague in reporting to the Senate that the people of Alaska understand what is happening. It takes time for news to get to Alaska. When I came to the Senate there were five different papers that had full-time reporters. Now there is one. I really believe that person actually reports for other papers, too. We have a difficult time getting through the news curtain to Alaska with actual reports of what is occurring in the Senate. For that reason I think this new schedule which gives us an opportunity every month or so to go home and go throughout the State and answer questions and report is good. It is good for democracy in our State, and it is good for understanding the processes of Congress, and I am pleased we had the opportunity to do that.

ANWR CONTRIBUTION TO ENERGY

Mr. President, I have just returned from home where I consulted with Alaskans on whether we should offer an ANWR amendment to the energy bill.

We will not offer an amendment on ANWR to the energy bill. However, a comprehensive energy bill should include an ANWR provision.

The United States imports over 50 percent of its oil consumption. During the Arab oil embargo of 1973 we imported only 36 percent.

The United States imported $55 billion of oil in 1990—representing more than half of our total trade deficit.

The production from all major U.S. oil fields is dropping and is currently the lowest in 26 years.

However, the Department of Interior projects a 46 percent probability of finding significant oil and gas deposits in ANWR—and a high estimate of 9.2 billion barrels of oil.

ANWR CONTRIBUTION OF THE ECONOMY

It is estimated that development of ANWR would prevent $180 billion—petro-dollars—from being sent overseas for imported oil over the next 30 years.

ANWR would create jobs for Americans—rather than creating jobs overseas by importing more oil.

Studies have concluded that ANWR development would produce more than 735,000 jobs in the United States. I have a table that lists the States that would benefit most from the jobs produced by ANWR.

I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Jobs created by ANWR development by 2005

[Total for 50 States=735,000]

Top 10 States:	
1. California	79,793
2. Texas	60,168
3. New York	47,624
4. Pennsylvania	34,624
5. Florida	33,878
6. Ohio	31,842
7. Michigan	25,014
8. New Jersey	22,046
9. Massachusetts	20,260

10. Virginia	19,269

NOTE.—Potential jobs created by ANWR activity as forecasted by Wharton Econometrics Forecasting Associates.

Mr. STEVENS. Mr. President, these jobs are not just contrived. Over $21.4 billion have been spent in the United States for North Slope oil development in the last 10 years.

That is $21.4 billion in actual receipts and only for the past 10 years. Many more billions were spent before 1980—and billions more are spent each year.

All 50 States were recipients of this business. I have a table that lists the money spent in the top 10 States to develop Prudhoe Bay.

I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DOLLARS SPENT IN EACH STATE FOR NORTH SLOPE OIL DEVELOPMENT, 1980–91

[In millions of dollars]

State	Amount
Texas	$6,747.6
California	3,006.7
Pennsylvania	1,594.5
Washington	1,350.9
New York	679.6
Oklahoma	517.4
Colorado	291.6
Illinois	217.6
Oregon	209.0
Wisconsin	186.9

WHAT DOES THIS MEAN FOR INDIVIDUAL STATES

Mr. STEVENS. Mr. President, what does ANWR development mean for individual States. Let's take a look at Minnesota and Washington as examples.

Minnesota consumes 260,000 barrels of oil per day—and does not produce any. Exploration and development of ANWR would create 13,400 jobs in Minnesota.

Prudhoe Bay producers spent $81 million in the last 10 years to purchase goods and services from businesses in Minnesota—more than $8 million each year.

Washington consumes 372,000 barrels of oil per day—and produces none. If ANWR were developed, 12,000 jobs would be created in Washington.

Prudhoe Bay producers spent $1.35 billion in the last 10 years to purchase goods and services from businesses in Washington—more than $135 million each year.

Can Washington use the 12,000 jobs—and the $135 million spent in their State each year?

Some may say they would give up the jobs and money to protect the environment—but this is just not necessary.

ANWR exploration and development is compatible with the environment and wildlife. Prudhoe Bay has proven that. Thousands of studies have shown that no wildlife population has decreased due to oil production in Prudhoe Bay. In fact, the central Arctic caribou herd is six times larger than when Prudhoe Bay was first discovered.

The environment is not the issue—the issue is energy independence, jobs, and the economy.

ANWR would create jobs for working men and women including shipbuilders, freightloaders, truckers, laborers, factory workers, service providers, carpenters, refinery workers, autoworkers, and many others.

We are not talking about temporary jobs. We are talking about real jobs for working men and women. That is why unions, including the AFL–CIO building and construction trades department, support ANWR exploration and development.

ANWR development will also benefit many small businesses in all of the States, not just big businesses. That is why the chamber of commerce supports ANWR exploration and development.

ANWR would benefit our whole economy. There is no other project that can create more jobs and economic boost than exploration and development of ANWR.

Do we want to create jobs for our working men and women—or do we just want to extend unemployment benefits again?

Do we want to ship the 735,000 jobs and the $180 billion overseas that would stay in the United States if we developed ANWR? That is the issue.

I note my friend is on his feet. Does he seek recognition?

Mr. WALLOP. Mr. President, I do.

Mr. STEVENS. I yield the floor.

Mr. WALLOP. Mr. President, let me begin by sharing a sense of frustration that the Senator from Alaska just expressed. ANWR has never been a rational argument presented on the floor of the Senate and it is even less rational now. It is a pity that in a bill, among other things, the purpose of which is to back out America's dependency on foreign sources of energy, we increase that dependency by such a substantial amount by refusing to produce things which are the possessory right of the American people.

There is no other country in the world with as many resources as America that denies itself those resources to the point of dependence on foreign supplies. And that dependence on foreign supplies, Mr. President, is twofold damaging. One, it is not in the interests of our Arab neighbors, or Indonesian neighbors, and suppliers for America to get on with the business of conservation. It is in their interest to assure that we continue dependency by having large supplies of relatively cheap energy.

Second, it is not in the interest of our Arab suppliers and Indonesian suppliers, OPEC suppliers, world suppliers to have America's balance of payments deficit decline.

It is just absolutely unbelievable that the American public, watching this debate, would have to have their view of these events wrapped around the distortions that take place.

Americans are led to believe that it is a potential environmental catastrophe. And you have the ridiculous pictures such as those that appeared in the ads of the environmentalists today in the Roll Call paper, and I will speak to that in a second, suggesting that the American oil and gas industry is employing primarily those who just clean up messes that others make.

Mr. President, the *Exxon Valdez* was a transportation, not a production, fault. But more importantly, this advertisement lies, and even more importantly than that, it presents the most pinched logic in the world. It lies in this. It says: "The Interior Department says there is a 1-in-a-100 chance of finding that much oil." That is not the case and they well know it. What they are saying, there is about 1-in-a-100 chance of finding over 15 billion barrels of oil. That is not a figure that anybody has been claiming in the arguments here.

But these are the same people who said the same thing about Prudhoe Bay, precisely the same arguments in the same way, and they suggested that we were not going to find anything, that there was only going to be 1.3 years of U.S. oil consumption. Now, production has been underway for 13 years at Prudhoe Bay and will continue probably for another 19 years, longer if we were to produce this.

So it is a lie, and they know it. The fact is that there figured to be a 46-percent chance of discovering that much oil, almost 1 in 2, and they know that.

Then I would also say to my friends at Roll Call magazine that it may be cute editorial behavior to take the API editorial and alert the environmental community so they can put their answer on the page that follows right behind.

I say that with a good deal of confidence because Roll Call magazine once produced a picture of the Teton Mountains in my State as though they were ANWR. When somebody suggested to them that that was not exactly right, they suggested that the pictures of ANWR were too uninteresting.

So I would just suggest that there is a level of frustration that exists all around, and it is based on bad misinformation. Americans care about their environment. They are told that, by doing this, there are going to be more people sweeping up beaches in Alaska. That is not the case. If we do not do something about the transportation—but the transportation comes from everywhere, Mr. President. It comes from Venezuela, it comes from Saudi Arabia, it comes from Iraq, and it comes from Indonesia. Transportation is the threat that produces these kinds of things, not the production at Prudhoe Bay.

Let me say I said there were two areas where they had peculiarly pinched thinking; warped, I would call it. They say in this advertisement what the oil industry does not want you to know is that conservation and efficiency programs, including renewable energy sources, could generate many more jobs than expanding exploration. Why is that at cross-purposes with creating 700,000 American jobs in the oil industry? Why not create both?

They say, for example, by instituting a plan to weatherize all low-income households in America 1.4 to 1.8 million job years would be created. Why not do them both if that is in their interest? But no; they would have Americans believe that a massive, massive, massive Government-funded program to create jobs with taxpayers' money is a sole alternative to the creation of 700,000 jobs with private capital that reserves money to Americans through reduction in their balance of payments, and creates jobs and capital within this country.

Mr. President, those of us who care about these issues are prepared to understand that that is the way life is going to be. This is a distortion. America's alternative is not rape and ruin versus jobs. America's alternative is responsible production of resources that belong to America; that create; the creation of capital that is the rightful providence of the citizens of America.

Why should they be asked to pay a couple of hundred billion dollars in taxes or revenues to foreigners when that could produce oil and gas at home and jobs at home, Mr. President. These distortions will continue. But maybe somewhere, someday somebody will point out that the vapid inconsistencies in the environmental community will suggest Mr. George Frampton of the Wilderness Society out on the west coast is complaining because the people whose jobs were lost and threatened were allowed to speak at a hearing in front of the godfather. These are elegant, arrogant people who wish to control, Mr. President. They do not wish to conserve. They wish only to control the lives and reduce the prosperity of America.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, first of all, I would like to thank the Senators from Alaska for accommodating the Senate and not pressing forward with this amendment. I know the sincerity with which they propose that, and yet I think that their decision was a wise one. I think it shows this spirit of comity for the Senate.

Mr. WALLOP. Mr. President, will the Senator yield? I believe the Senator from Idaho would wish to speak on Alaska.

Mr. JOHNSTON. I was hoping, frankly, we could get by without too much debate on Alaska, but I will yield.

Mr. SYMMS. I just need a very few minutes.

Mr. JOHNSTON. I yield the floor, Mr. President.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I wish to thank the distinguished chairman and ranking member for allowing me to speak for a couple of minutes.

I think this occasion, this moment in history, should not go by without discussing oil development in the Arctic National Wildlife Refuge, and what is at stake. I wish we could have a good record vote on this issue, Mr. President.

I came here with the intention to vote for it. I understand they are not going to offer the amendment now. But I believe we voted on this same issue last year on a cloture vote.

Mr. President, I do not happen to agree with the decisions my friends have made to not push this to a vote and push it to a tabling vote, and let Senators tell the American people that they will drive American oil companies to Sakhalin, American oil companies to other places and to other countries to drill oil wells because they have this coersive utopian attitude that somehow we should not use our own natural resources that we have been blessed with in this country, that instead, we should force American companies to go outside the United States to drill oil wells.

Mr. President, I will be very brief because I have a briefing in my office at 11:15 by General Krulak and Colonel Metzer of the U.S. Marine Corps about the force structure of the Marine Corps. It is relevant to this. We just got through fighting a war where natural resources and oil was a partial reason for our intervention in the gulf a year ago. Yet we are so holier-than-thou in this country, so pristine in our outlook, that the coercive utopians—those people that masqueraded under the title of environmentalists—are blocking this country from the opportunity to drill oil wells in a small piece of ground out of 19 million acres. The oil companies only would need to use about the same amount of space that Dulles Airport takes up.

They have proven by the development of Prudhoe Bay and the pipeline that no damage is done to the environment. The caribou herds, the bear population and all the other wildlife are thriving very well with the development of Prudhoe Bay, but because of the fact that the radical greens in this country have developed enough of a following in areas of the country a long ways from Alaska, we are sitting here in this Congress and going home last week telling people—I am sure that the Senators here were telling their constituents at home—"Oh, this unemployment is a terrible problem." Yet when we have opportunity to do something that would put people to work in American jobs developing American resources, helping our balance of payments, we refuse to even get a vote on it in the U.S. Senate.

I think it is a travesty, Mr. President. I hope the American people will be discriminatory enough in voting this fall, and that they will start throwing people out of office that have given them this economic recession. What we have had is a Congress that refuses to do anything that might help someone produce some wealth in this country and continually passes laws that excessively regulate the industry, the work, and the production of the American people; and continues to lock up resources that we have been blessed with, continues, Mr. President, to not talk about what the real issues are.

I hope the President makes this an issue. I hope he makes a commercial that puts the Willie Horton commercial to shame about where was your Congressman, where was your Senator, when we tried to open up some oil drilling in Alaska to provide thousands of jobs for Americans, thousands of barrels of U.S. resources. I think it is an absolute travesty. It is a travesty, Mr. President.

In 1980, the Congress told Alaskans, "You will have to wait. You have to study the coastal plain some more and prove to us that there is oil there, and when you do that, then we will revisit this issue. Prove to us." Senator STEVENS spoke about this earlier, Mr. President.

Well, now its 1992. Ten years of studies—10 years of scientific discovery—have given us the answers. Every geologist in the Nation will tell you that if we want to find oil in the United States, the northern coast of Alaska is the most likely place to look for it. Despite these facts, S. 2166, the bill before us, actually locks the area up by not authorizing oil exploration.

It is just absolutely unexplainable to this Senator how we can have a natural energy bill and not allow for the discovery and the preparation to deliver oil to the American people, to the lower 48.

We should permit the drilling of some oil wells in Alaska. We have already demonstrated that the science is clear. There is absolutely no excuse for Congress not to do this, except they are yielding to the special interests of the radical greens, the coercive utopians, who are raising money by writing letters to block the opening up of the ANWR.

The science is clear; the economics are sound. If we really care about jobs and economic recovery to help the working men and women in this country who are unemployed, we should develop our resources. Otherwise, do not come and cry about unemployment to me. You cannot have it both ways, Mr.

President. This Senate likes to suck and blow in the same breath, and it does not work.

This is an absolute outrage to this country. If I were the two Alaska Senators—well, they have been very restrained. I cannot imagine how frustrated they must feel to know the facts and the science, and have the coercive utopians from the rest of the country blocking them from getting a vote on this.

I will be surprised if we do the right thing. We will not take the action needed; that is obvious. And we are not going to do it now. I think it is very understandable to preserve unique and undeveloped areas of this country, but many sections of the Coastal Plain area are already developed. There are settlements, air strips, Air Force bases, and offshore oil rigs already in place, and it has not hurt anything.

However, many of us are concerned about the impact that oil and gas development on the North Slope has had on wildlife. Yet, we heard the facts in the Environment and Public Works Committee about the Prudhoe Bay experience. In testimony before two of the committee's subcommittees in May of last year, the Secretary of the Interior and the Director of the Fish and Wildlife Service could not confirm any of the claims by environmental organizations that there have been terrible impacts to bears, caribou, birds, and fish since oil development began on the North Slope of Alaska. Secretary Lujan and Director Turner reported that the populations of bears, caribou, birds, and fisheries had either remained stable or increased dramatically since oil and gas operations began on the North Slope.

This should tell us that oil development and environmental protection can go hand in hand. We can do both. We can establish real energy policy that helps the economy while taking care of the environment

Also, Mr. President, we are talking about an area of the Coastal Plain that is 19 million acres. That is bigger than many of the States in the Union. We are talking about needing only a small amount of area to drill some oil wells, to develop the resources. And we already have a pipeline in place, extending down from the north coast hundreds of miles. We could actually use the resource, use the investment, extend the capital investment we have made by pumping more oil and continuing that flow of U.S. oil into the economy of the United States.

Mr. President, I think this is a sad, disgraceful day for the Senate, that we are not going to vote on whether or not we are going to open up the ANWR in Alaska.

I wonder what the late Henry Jackson would think to see what we have done here in the Senate, to go back on his word in the Alaska lands bill, that was passed in 1980, which laid out the proposition that in 10 years we would have the scientific studies in, and if all was in place, we would go ahead and allow the further development of the coastal plain.

I hope the public will start standing up in auditoriums where Congressmen and Senators are and ask them why it is that the Marathon Oil Co. has to go to Sakhalin Island, part of what used to be in the Soviet Union, to drill oil wells; why they are welcoming them there, and here in the United States we will not let anybody do anything that might help us out of our economic plight.

It is an absolute outrage. I hope the American people will wake up. I pray they will wake up and start voting people out of office that refuse to let the American people have access to their own resources. That is really what is at stake. It is about time that we have a class action suit filed against the U.S. Government for locking up resources from the American people. That is what is happening.

We wonder why we have a trade deficit. I invite the American people to go look at the resources—oil, gas, coal, other valuable minerals, timber interests, timber supplies—that are all locked up under Government ownership. They refuse to let anybody drill the oil, produce the oil, mine the coal, mine the precious minerals and other minerals critical to our Nation's economy. They are all locked up in wilderness areas, in Alaska and other places, so that the coercive utopians, sitting around in other Eastern Seaboard States, can tell people: Look what we did for the environment.

What we are doing is guaranteeing that this wonderful Republic of ours will fall into the dustbin of history, while the world is finding out that private ownership, capitalism, and investment and jobs through a free market are the way to give people a better opportunity to live.

I thank the Chair for his indulgence, and I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. WIRTH. Mr. President, in the last few weeks administration officials and Members of this body have been tossing around rather large estimates of the number of jobs that would be created by oil development in the Arctic refuge.

The President's budget message puts this number at around 200,000. Others in the administration claim 735,000 new jobs. My colleague from Alaska quoted the 735,000 figure a few days ago on this floor.

Some of my colleagues may have seen this full page advertisement in Roll Call, paid for by the American Petroleum Institute. The really striking thing about this ad is the breakdown of how many jobs will supposedly be created in each State. California supposedly will reap 80,000 new jobs. Florida and Illinois get about 30,000 new jobs.

But Alaska only gets about 13,000 jobs, Mr. President. The State where all this massive industrial development is to take place only gains 13,000 new jobs according to this study. All the construction crews, the drilling crews, all the people involved to transporting all that equipment to the Arctic Circle, the people needed to feed, clothe, and house those workers—all the real jobs that would be created if oil was even found—amount to only 13,000 jobs.

In fact, Mr. President, the Department of the Interior's environmental impact statement on oil development in the Arctic refuge states that the actual number of people who will be employed for the boom cycle of a few years of construction would be about 6,000 people; 6,000 jobs, or 13,000 jobs, is nothing to sneeze at. But here we are asked to believe that in the rest of the country, in Hawaii, Vermont, Kentucky, and every other State in the Nation, 700,000 other jobs would be created.

These absurdly inflated job estimates come from a study commissioned by the American Petroleum Institute back in 1990. We didn't hear much about it back then, Mr. President, because the study is embarrassingly flawed. But now job creation is the new political hot potato—so this study has been resurrected.

These numbers are not based on real jobs which might be created in construction or in the oil industry. They are, instead, based on a projection that finding oil in the Arctic would have a major effect on the whole national economy. But that projection, and the conclusion that opening the Arctic would create 700,000 jobs, is founded on two assumptions which we know are simply not true.

The first false assumption is that oil from the Arctic refuge would reduce world oil prices by $3.60 a barrel. That's simply wrong. ANWR production—if there was any—would range from 0.1 percent to 2.2 percent of total world demand. So it is not very much in the context of the world market.

But even more important to remember is that the Middle Eastern nations have the ability to swamp any effect that ANWR might have with their own ability to turn production up or down. Kuwait and Iraq produced nearly 10 percent of the world's oil—but their removal from the world market was quickly replaced by OPEC.

According to a February 12 report by the Congressional Research Service's Economics Division, the likely effect of additional supplies from ANWR would be that "OPEC may cut output * * * to offset the supply effect of ANWR, as it usually has in similar situations."

The result of that, Mr. President, would be little or no change at all in oil prices.

The second false assumption is that lower oil prices create jobs. In the first place, lower oil prices can cost us as many or more jobs as it may create. It is low oil prices that have cost us 300,000 real jobs in oil and gas production over the past decade.

If low oil prices mean jobs for this economy, why is our economy in the shape it's in, at a time when oil prices are lower than they were before the start of Desert Storm?

In December 1990 oil prices were about $26 a barrel. Today, they are $7 lower than that, about $19 a barrel. Has that added thousands of jobs to our economy? Does our economy look more robust now than it did a year ago?

The price drop over the past 14 months is twice what the authors of this study claim would produce 735,000 jobs. But where are the jobs, Mr. President? Right now, low oil prices are costing us jobs, as those low prices strangle our domestic oil and gas industry.

Mr. President, there are many other faulty assumptions that went into this job projection. The study simply assumes that we will find oil in ANWR, even though the Department of the Interior says the odds are that we won't. Then it assumes that we will find every potential oil field there chock full of oil—something the Department of the Interior says has less than a 1 in 100 chance.

Then, Mr. President, we should not forget that any jobs created by opening ANWR would not, for the most part, happen until sometime after the year 2000. The oil industry has testified that the earliest we could get oil from the Arctic refuge is 10 years after leasing—and that it could take even longer.

In short, Mr. President, talk of opening the Arctic refuge creating thousands upon thousands of jobs is unsupported by any reasonable analysis.

Of course oil development would create some jobs, as would OCS development off California or the Florida Keys, or damming the Grand Canyon to provide cheap hydroelectric power. But that doesn't mean we should do these things.

If we are interested in oil jobs, we should look at the Tax Code provisions that penalize investment in oil exploration and development when oil prices are low. We can and should change the alternative minimum tax so that independent oil companies in the United States can do what any other industry can do—deduct their business expenses from their income before calculating the taxes they owe.

This debate is not about jobs, Mr. President. It is about sacrificing the last great wilderness in North America for the benefit of a few very large international oil companies.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement entitled "Arctic Refuge Not Jobs Bonanza."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ARCTIC REFUGE NOT JOBS BONANZA

The new rallying cry of those aiming to sacrifice the wilderness ecosystem of the Arctic National Wildlife Refuge coastal plain for oil development is JOBS. The President's budget says such development could yield 200,000 jobs, while Alaska's Senators and the oil industry put the number at 735,000 jobs.

The implication that such jobs would meet the needs of today's unemployed workers is an opportunistic attempt to feed the current tide of public opinion. The American Petroleum Industry's [API] analysis which cooked up the high number doesn't show this peak number of jobs until the year 2005, or that a boom would even begin until after the year 2000. There is no immediate jobs benefit from Arctic Refuge development.

Most importantly, a look at the erroneous assumptions that were fed into the economists' black-box completely calls into question the drilling proponents' jobs estimate. These are but a few of the glaring flaws in API's study (The Economic Impact of ANWR Development, by the WEFA Group, May 1990):

It assumes the "high case" of 9.25 billion barrels of oil developed from the Arctic Refuge. Yet the Interior Department says there is only a 5% chance of recovering this much oil—if marketable oil is even found—and based its environmental analysis on the mean estimate of recoverable oil of 3.2 billion barrels.

It assumes that domestic oil supplies reduce U.S. import requirements, thus reducing world oil market prices by as much as $3.60/barrel at the peak of Arctic Refuge production. This, despite the record rate of U.S. imports during the 1980's that coincided with the peak of Prudhoe Bay oil production, and the fact that even the most optimistic scenario would only add 0.4% to world oil reserves, just a blip on the world oil chart.

Job estimates are primarily based on the economic influences of oil prices, rather than on an actual survey of oil industry-related employment. Most are existing jobs, not new positions.

It assumes that oil industry interest in the Arctic Refuge implies that the "industry believes that ANWR petroleum resources can be developed and delivered to domestic markets at a cost lower than that of purchasing an equivalent quantity of imported oil on the world market," yet this is contrary to the experience at Prudhoe Bay.

President Bush claims Arctic Refuge oil development could provide $125 billion in revenues over the field's duration, but ignores consideration of alternatives. In a similar period since 1973, energy efficiency improvements in the U.S. have produced energy savings worth $150 billion.[1]

Mr. WIRTH. Mr. President, I did not want the moment of the final discussion on the Arctic refuge to go by without thanking my colleagues from Alaska for agreeing to go ahead with this energy bill. I think it is very important that we get on with this major piece of legislation that I believe means so much to the future of the country, which has consumed a great deal of time and effort here, and certainly deserves to pass the Senate, to go to conference with the House and go to the President for his signature.

I think it was very important to remove the bookends of the bill, the provisions opening the Arctic refuge to oil drilling and provisions affecting the CAFE standard, which have held up this bill the last 6 months. Now that those are gone, we can move ahead with the remaining 14 titles of the original bill, which after amendment will be a very progressive and good piece of legislation. So I thank my colleagues from Alaska allowing us to move forward on energy legislation and thank Senators JOHNSTON and WALLOP for helping us get to this point.

I did want to respond, however, to the advertisement that the American Petroleum Institute paid to run in Roll Call and other newspapers. That advertisement states that opening the Arctic refuge to oil development will create jobs.

I should, first of all, remind those who may be watching this debate and those who may be looking at this and wondering about this particular claim by API, that this is not new data. This is not something that was done by the Wharton School at the University of Pennsylvania, but by a group of paid consultants called Wharton Econometrics, and was done in 1990. It is not a new study. It had no credibility then, and was not a conspicuous part of the public debate on this issue then, Mr. President, but now that people are talking jobs, jobs, jobs; and the President has made his trip to Japan a jobs trip and the Presidential candidates are, as they should be, focused on jobs and the economy; this study has been dusted off to make ANWR part of the jobs debate.

I think it is important to put this study in context; and then to talk a little bit about what is in it. First of all, it certainly does defy logic. The idea that oil drilling in the Arctic refuge would mean 735,000 jobs is a little bit startling by itself. But look at where all these jobs are going to be. First of all, only 13,000 jobs are projected for the State of Alaska. That is a lot of jobs, but against the 735,000 figure it does seem quite remarkable that all of the construction and all the support of this effort in the State of Alaska would account for only 13,000 out of the 735,000 jobs.

This study clearly has one of the largest economic multipliers that anybody has ever seen in any study, I am sure.

The Department of the Interior suggests that were oil development to occur in the Arctic National Wildlife Refuge, 6,000 jobs would be created there. Whichever is correct, 6,000 or

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[1] Schneider, Claudine, 1989. "Preventing Climate Change," Issues in Science and Technology, Summer, National Academy of Sciences, p. 58.

13,000, it certainly would be significant for the State of Alaska. But let us look further than that. Does it seem logical, Mr. President, that, in fact, if we create 13,000 jobs, assuming that this study is correct about Alaska, that that would generate 15,500 jobs in Indiana, 14,800 in Louisiana, 14,000 in Maryland, and 13,400 in Minnesota? There are even larger, enormous job projections for Florida, Illinois, New Jersey, Massachusetts, and Michigan. Is it really logical to assume we are going to have that kind of multiplier effect coming out of drilling in the Arctic? Obviously, that just defies common sense to begin with. But having looked at the common sense of this, let us look at the assumptions underlying the API study. The first one is that, if we drilled in the Arctic and found all of the oil that API says we would, that that would reduce the world price of oil by $3.60 a barrel. What API is telling us in this most remarkable set of assumptions is that a huge flood of oil from the Arctic refuge will come into the market and would so oversupply the market that it would drive down the price of oil by $3.60 a barrel. The only way in which world oil prices could be driven down by $3.60 a barrel is to have such an influx of oil that that would overwhelm demand and prices would go down. Therefore, the Arctic must be making huge contribution to world oil supply.

Let us examine that assumption. In fact, that is not correct. Look just at the simple facts, Mr. President, as to what world reserves look like. These are the reserves in the Middle East, 660 billion barrels; U.S. reserves are 26.5 billion, and the Arctic is this small blue line on my chart, 3.2 billion barrels. Do you believe that any economist would tell us that this small addition to the total amount of reserves would cause such a surplus of oil as to drive prices down by $3.60, or nearly 20 percent? The assumption the API study makes is that this insignificant addition to world oil reserves give us 20 percent leverage on the world oil price. That is just preposterous. Not only are the economics absurd; so are the assumptions about what OPEC would do.

If oil from the Arctic would create a glut, do you suppose that OPEC would allow that kind of glut on the market? Of course not. They would get together and cut production, as they have in the past, to stabilize world oil prices. So the first assumption of the API study that it will reduce world oil supplies by $3.60 a barrel is just ridiculous.

Let me say as an aside, Mr. President, I want to put these arguments out and on the table because I suspect that when we get to the point of debating the economic recovery legislation, that there will be an attempt to use the API study in support of an amendment to open the Arctic refuge on the economic recovery program. We should not do that. But some people may be taken in by these quite preposterous figures. So I think it is important to address this in the RECORD so that those who may be interested would know how absurd these figures are.

The first part of their argument that is made is that we are going to create all these jobs. Alaska would have 13,000 and dozens of States would have more jobs than Alaska. Well, that defies logic.

The second part of their argument that is that oil from ANWR would drive oil prices down by $3.60 a barrel because of the huge influx of supply. Well, of course, there is not such a huge influx of supply, and what supply additions there might be would never have that kind of an impact.

The third assumption of the API study is that by driving prices down by $3.60 a barrel—which would not happen, but let us assume that it did—that would cause a huge boom to the economy. Well, let us think about that one for a minute.

Do we remember what happened just about a year ago? After the Iraqi invasion of Kuwait, world oil prices went up to $26 a barrel. It has now dropped down to $19 a barrel. So in the last year, Mr. President, world oil prices have dropped by $7 a barrel, about twice the amount API's study says would cause a huge jump in economic activity.

If API's assumption of a huge amount of economic activity due to a $3.60 a barrel price drop is true, then we must be having a mammoth amount of growth now, twice this, because oil prices have dropped $7 a barrel. Does that not follow? If $3.60 a barrel, according to API, creates this huge economic boom, we certainly must have, in the last year, had a huge economic boom because of the $7 drop in oil prices in the past 14 months.

But, of course, we all know that that did not happen. Oil prices dropped by $7 a barrel and the economy continued its very significant slide. The impact of cheaper oil, twice the amount suggested by API, just did not occur.

In fact, the drop in oil prices has cost us jobs. Lower oil prices are the main reason the United States has lost 300,000 jobs in the oilfields over the past decade.

But let me go on to another problem with this study. The API assumed that oil would be found. But the chances are we won't. The predictions on oil being found in the Arctic range from 19 percent to 49 percent, not the 100 percent assumed by API. They also assume that the amount of oil to be recovered would be some 9¼ billion barrels while the Department of the Interior said the chances of that happening were between 1 and 5 percent, very small indeed. The Department of Interior's own projections are about a third of that amount.

And finally, let's talk about when this is going to happen. Even if we drilled in the Arctic and found the maximum amount of oil in the Arctic, even if we did, it would not do anything this year. Even if we did this, it would not do much of anything for the rest of this decade. According to British Petroleum—one of the largest producers up there on the North Slope, in their testimony in front of the Energy Committee—if oil were found, it would be 10 years and possibly longer before any oil reached the market.

This is not something that has any immediate stimulus at all. The statement was made earlier that Minnesota would have 13,400 more jobs by the year 2000. Well, that simply would not happen. Those jobs are supposed to be generated by the effect of ANWR oil on world prices. But even if there is oil, it wouldn't reach the market until after 2000.

The study that the API has put out, which is the basis of these advertisements that have appeared here and around the country is ridiculous.

There is no question that drilling in the Arctic would create some new jobs, but so would drilling in the Santa Barbara Channel; so would drilling in the Florida Keys; so would drilling in the Outer Banks off of Massachusetts; so would building hydroelectric dams in the middle of the Grand Canyon. All of those would also create jobs, but that does not mean that we should do these things.

Mr. President, I ask unanimous consent to have a full statement going into the details of the API study printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY CONSERVATION AND EFFICIENCY PROVISIONS—SENATE ENERGY BILL

The Senate will resume consideration of a major energy policy bill today, and I hope we will vote on final passage of the bill this evening.

BACKGROUND

The Senate started debating the new version of a comprehensive energy policy bill Friday, January 31st. The new bill, S. 2166, is a bill without provisions on CAFE (automobile mileage standards) or on the Arctic National Wildlife Refuge. This was the procedure I initially suggested last fall, when a bill with those controversial provisions failed to get the votes needed to move forward.

On February 3rd, I spoke in favor of taking the bill up, and emphasized the three areas I thought most important—conservation/efficiency, alternative fuels for vehicles, and increasing the role of natural gas as a fuel in our economy.

On Tuesday, February 4th, the Senate voted 90-5 to take up this new bill on and began to work on it in earnest.

EFFICIENCY

As chairman of the Energy Committee's Subcommittee on Energy Conservation and Regulations, was the author of many of the conservation provisions of the bill. Last week, the Senate approved 17 amendments to further strengthen the conservation/efficiency provisions in the bill.

The Senate Energy bill contains important legislative provisions advancing energy efficiency in residential and commercial buildings, in industry, in the way electric utilities conduct their business, and in the way the federal government itself—the nation's single largest energy consumer, with a $4 billion a year energy bill—uses energy.

We estimate that the energy efficiency provisions of S. 2166—most of which have already been adopted on the Senate floor—would cumulatively save approximately 46 Quads of energy between 1993 and 2010. 46 Quads is the energy equivalent of 2 billion tons of coal, or 7.8 billion barrels of oil (about three years worth of oil imports), or the annual output of 80 large electric (500 megawatt) power plants.

How much would that much energy cost? The energy saved under the bill's provisions is equivalent to 56 percent of America's annual $400 billion in energy use, or about $224 billion at today's low energy prices. This legislation will reduce the amount of money each of America's 93 million households pay for energy by an estimated $140 per year. That is an average over time—the savings a decade from now will be much greater.

The specific energy-saving provisions of the bill include:

Sec. 6101: Building Energy Efficiency Codes—establishes a federal energy efficiency standard for buildings, applies to all new homes purchased with federal mortgage assistance, all new federal buildings;

Sec. 6102: Home Energy Rating Systems—establishes a national program to establish uniform guidelines for home energy rating systems, which give consumers the information they need to make informed decisions when purchasing a home;

Sec. 6103: Manufactured Housing Standards, including an amendment to require HUD to issue regulations within 5 years.

Sec. 6104: Industrial Energy Efficiency Program—establishes a program to demonstrate new, energy saving processes in the most energy-intensive industries;

Sec. 6105: Report on reducing energy intensity;

Sec. 6106: Guidelines for Industrial Audits—establishes a program to help industry improve energy efficiency;

Sec. 6107: Energy Efficiency Window Labelling—provides federal support and timeline for the voluntary collaborative process underway among the window industry and environmental community to develop energy efficiency labels for window products;

Sec. 6108: Energy Efficiency Information—directs the Energy Information Administration to develop more data on energy efficiency;

Sec. 6109-6110: Energy Efficiency Product Standards—Amendments included provisions to set minimum energy efficiency standards for lamps, motors and commercial heating, ventilation and air conditioning equipment. The bill also directs the Department of Energy to determine efficiency standards for utility distribution transformers and to investigate the possibility of setting standards for commercial office equipment (such as copy machines), which account for the most rapid growth in commercial energy use;

Sec. 6111: Energy Efficiency Standards for Showerheads—sets maximum flow rates for showerheads, thus reducing the need for energy to heat water;

Sec. 6201-6203: Federal Energy Management—requires all federal agencies to make cost-effective (based on a 10-year payback) energy efficiency improvements; requires DOE to develop a demonstration plan to encourage federal use of newly developed technology; requires DOE to determine the power of the federal government to generate markets for emerging energy efficient technology. Most importantly, the bill incorporated an amendment that will allow the federal government to utilize innovative financing incentives. These programs—widely used by the private sector and state governments—allow the federal government to make energy efficiency at no initial cost, by allowing the government to pay for the improvements with savings realized from reduced energy bills.

Sec. 6301: Utility Incentives for Energy Efficiency—requires states to consider methods of ensuring that investments in energy efficiency are as profitable as investments in energy supply. This process, known as least-cost planning or integrated resource planning, is well known. If states adopt the reforms encouraged by this bill, utilities will have an enormous incentive to invest in energy efficiency. States such as California, which have already reformed their rate-making process, have seen utilities invest heavily in efficiency.

Sec. 6302: Conservation Grants to States—provides incentive funding to States that undertake proceedings to comply with Sec. 6301;

Sec. 6303: Power Marketing Authority Energy Efficiency—requires federal power marketing authorities to develop least-cost planning programs;

Sec. 6304: TVA Energy Efficiency—requires least-cost planning procedures by TVA;

Sec. 6501-6507: State, Local and Tribal Energy Assistance—establishes a program to assist state, local and tribal governments in encouraging energy efficiency;

ESTIMATED ENERGY SAVINGS OF ENERGY EFFICIENCY PROVISIONS OF S. 1220

Proposal	Savings in 2000 (quads/yr)	Savings in 2010 (quads/yr)	Cumulative savings	
			93–2000 (quads)	93–2010 (quads)
Building codes (if all States adopt	0	0.1	0.1	5.1
Home ratings (if all States adopt)	.2	.6	.9	5.4
Manufactured housing	0	.1	.1	.7
Industrial research centers	....	.1	....	.6
Industrial auditing	0	.1	.2	1.0
Window labelling	.1	.2	.2	1.7
Product standards	.7	1.1	2.8	12.0
FEMP	0	.1	.1	.4
Regulatory reform (if all States adopt)	.8	2.3	2.6	16.4
Grants/training	0	.2	.1	1.5
PMA/TVA efficiency	.1	.3	.4	1.9
Total	1.9	5.2	7.5	46.6

Source: staff estimates based on Alliance to Save Energy and American Council for an Energy Efficient Economy analysis.

Mr. WIRTH. Mr. President, I would like to go on and talk, if I might, just a little bit about what we ought to be doing.

We have decided not to open the Arctic refuge, which I think is the right thing to do.

Going on to the recovery package, if we really do want to help the oil industry, I think there are a number of things we ought to do. If we really want to help the oil industry, what we ought to be doing is changing the provisions of the alternative minimum tax, which are certainly punitive on the oil and gas business. That would be a major help for them.

They are not allowed to write off their cost of doing business, the so-called intangible drilling costs. That is their cost of doing business. They are not allowed, though, to write those off, unlike any other business. If we really want to do something for that industry, we ought to do something about the intangible drilling cost preference.

If we really want to do something for prices and to assure some kind of stability for oil prices in the country, we ought to have some kind of oil price stabilization, some kind of a floor. Imagine what would have happened in the country if we had put a basic kind of price floor on this at the time of the Arab oil embargo in the 1970's. Some of us argued for it then. If we had even done so last year, in 1990, at the time of the so-called economic summit, if we had just set the basic floor price at what the OPEC price was at that point, that would have provided a basic price stabilization which would have been very good for our oil and gas production and would have also helped alternative energy programs, because investors would then know against what they would be basing investment in alternatives to oil.

That would be a very smart thing to do. It would also be a very wise thing to do to enact an oil import fee which many of us have argued for for a long period of time. We ought to be penalizing the import of foreign oil and stimulating efficiency, alternative fuels, natural gas and enhanced oil recovery in our own country.

We ought to be doing all of those things. If we really want to help the industry, which I think we ought to be doing, those are some of the provisions that truly would make a difference, as opposed to giving the industry a lottery ticket—a chance on wildcat drilling in the Arctic National Wildlife Refuge.

Finally, Mr. President, as what I guess some would decry as a radical dreamer, or a coercive utopian, I want to spend a couple of minutes talking about some things we have just seen in the last few days. A week ago, 10 days ago, ominous evidence was brought to us about the hole in the ozone. It was an enormous surprise 15 years ago when a hole in the ozone was discovered over the Antarctic, and now we are again surprised, finding an ozone gap over heavily populated areas of Europe and the United States.

That has gotten the attention of the White House and the White House has decided to speed up the phaseout of ozone depleting CFCs. I am very supportive of that. It is absolutely imperative to do. But we should not believe that this is all we have to do. This is merely the first of many surprises which may be coming at us because of our continued onslaught on the global environment.

I ask my colleagues only to think back on what they have seen in the Washington Post and the New York Times in the last 2 days. The Washington Post had a very, very disturbing article on the boundary between the United States and Mexico—how hauntingly devastated the environment is on the Mexican side of the border, and how dreadful that environment is for human health. We have destroyed that environment, and are continuing to do so.

What kind of a toxic future does that suggest for the rest of the world? We are destroying this globe.

In the New York Times there have been a number of pieces on global climate change. I believe that yesterday or the day before, they printed a story about the impact of global climate change on rising sea levels and what this is going to do to a variety of island nations around the world who have gotten together and made an appeal to the rest of the world. They are saying, you are flooding us out. Our nations are being flooded away.

The Washington Post recently ran an article on the neem tree, which is being found to have all kinds of therapeutic effects and a wide range of possible uses. This again reminds us of the wonder of the diversity of species that are out there. And about the hidden costs of the destruction of species, a terrible trend running counter to our own interests as the human race.

Finally, in this morning's New York Times and in the Washington Post there are long articles on the United States being "the odd man out" in our deliberations with the rest of the world in the drafting of resolutions for the UNCED conference in June, in Brazil. That will be the world environmental conference. Unfortunately, the United States continues its lack of leadership there resisting doing what just about every nation in the world says we ought to do—set goals and timetables to fight global warming.

The issue of global climate change was referred to earlier this morning by the distinguished Senator from Tennessee. He was exactly right. We must move much more aggressively.

Mr. President we must recognize that the hole in the ozone is a metaphor. It was just the start of a series of very significant and alarming surprises we face in our relationship to the globe. They are coming in the destruction of species. They are coming in global climate change. They are going to come in toxic pollution. And they are coming in population—which I was delighted to see referred to in the debate of Presidential candidates on Sunday night in New Hampshire. It is imperative we in the United States take the leadership on addressing these issues. We do not want to be the leader in destroying species, the leader in polluting the atmosphere with the gases causing the greenhouse effect, the leader is exporting toxic substances, or the odd man out in achieving a global climate change convention.

We cannot bury our heads in the sand and assume these problems will not have serious consequences. It is enormously important that we in the United States take the lead in addressing these problems.

I have a final point. I thank the distinguished Senator from Louisiana for his continued support for a number of the very important provisions that allow us to begin to make a transition in this country, and those are the provisions in the energy legislation on energy efficiency, the provisions on natural gas, and provisions on alternative fuels.

A lot of people say we can just live as we did before. But I think the chairman has realized that the World is changing and we must change. Many of us would like to have that change come much more rapidly, but we live within a system that is incremental at best. And it is hard to start those changes.

But we have started to do that in this bill, particularly on the energy efficiency provisions in this legislation which begin us on a very constructive route to reduce our contribution to global climate change in a way that helps our economy. If we are not sending energy up the chimney, we have more money to use and invest in our own future here in the United States. It is a win/win proposition for us.

I will ask, Mr. President, unanimous consent to have an outline of the energy conservation and efficiency provisions currently found in the bill printed in the RECORD as part of my remarks, as well as a number of pieces that have appeared over the last weekend on these various environmental issues. These articles remind us of our responsibility to lead; remind us that we cannot bury our heads in the sand; remind us that the world is changing in a dramatic and sometimes very dangerous way; and they remind us that the world expects leadership from us in the United States. It expects us to lead, and we must.

Mr. President, I ask unanimous consent those all be printed in the RECORD, and I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 18, 1992]

GLOBAL SNUB ON GLOBAL WARMING

The United States heads into important environmental negotiations today with a heavy burden to overcome—the perception that it is unwilling to join the rest of the industrialized world in trying to reduce the threat of global warming.

Several European countries and Japan have proposed that all nations agree to cap their emissions of carbon dioxide, the chief gas implicated in the "greenhouse" effect that traps heat in the atmosphere. All five Democratic Presidential candidates support a cap. But the Bush Administration is balking, leaving the impression that America shrinks from doing its part.

Today, delegates will meet in New York City in one of the final negotiating sessions before a United Nations conference in June on a global climate treaty. With the departure of John Sununu, the skeptical White House chief of staff, there may now be new flexibility. Its good faith in question, the U.S. needs to show its commitment on a problem most experts deem potentially serious.

The Administration has contended that the U.S. is already pursuing strategies that will cap or reduce its combined emissions of all greenhouse gases—while allowing carbon dioxide emissions to increase.

Most of this reduction was to come from phasing out chlorofluorocarbons, the gases that have been eating up the ozone shield and also happen to be greenhouse gases. But new findings suggest that chlorofluorocarbons cause as much cooling, by eliminating ozone, as warming.

If the Administration hopes to stabilize or reduce greenhouse emissions, it needs to do more. But how much? Even after years of study, no one knows how much warming will occur and whether it is dangerous. Even so, experts consider it prudent to minimize the danger, assuming no huge cost.

The U.S. could readily provide more aid to developing countries to curb global warming activities. Such aid might help China, for example, adopt efficient technologies for mining and burning its vast reserves of coal. An American contribution of, say, $50 to $100 million a year to an international fund would seem a cost-effective way of reducing the world's risk.

Imposing firm caps on carbon dioxide emissions poses a more difficult issue. Other nations propose to hold their emissions in the year 2000 to 1990 levels. But Administration officials rightly warn that focusing on carbon dioxide alone could drive up energy costs and divert attention from other greenhouse gases.

Even so, setting targets and timetables for carbon dioxide would send a beneficial signal to all nations and all industries that the U.S. is serious. Why does the Administration hesitate?

One reason: a deep-seated suspicion that other countries are glibly endorsing caps without embarking on programs capable of achieving them. Another reason: potential cost. Though the Environmental Protection Agency believes it would be manageable, the Energy Department says it would be severe.

On such an important issue, the Administration needs to open its cost estimates to public scrutiny. If the cost seems tolerable, it would do well to sign on to common global goals. Goals, after all, can be defined as just that, targets subject to change if the cost becomes exorbitant.

Unless the Bush Administration quickly adopts a more reasonable course, it will cast the U.S. as an environmental pariah more concerned with its own comfort than with the well-being of the earth

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[From the Washington Post, Feb. 18, 1992]

PROTECTING THE SKY

Erosion of the Earth's protective ozone layer in the upper atmosphere is creating an environmental emergency and a rising threat to public health. It's being caused by man-made chemicals, and President Bush is absoutely right to speed up the ban on their production. Previously most of the countries with chemical industries had agreed to phase out these compounds—mostly chlorofluorocarbons, or CFCs—by the end of 1999. For the United States, Mr. Bush has now advanced this deadline four years to the end of 1995. Britain has followed, as other countries are likely to do.

That's a welcome response to scientific research that in recent months has shown an increasingly ominous trend. The ozone layer screens out much of the sun's ultraviolet radiation, which, in high doses, causes both cataracts and skin cancers.

The world's response to the holes in the ozone layer has been a model for other and more difficult environmental decisions ahead. Here in the United States the Bush administration has accelerated the shift to substitutes by imposing on CFCs an escalating tax. A president who dislikes both taxes and regulations in principle has used both, skillfully and successfully, to push a large industry away from dangerous products.

That's an interesting precedent. In New York this week negotiations will resume toward an international agreement to combat global warming. The goal is to sign the agreement at the U.N. Conference on Environment and Development next June in Rio de Janeiro. It's mainly up to the United States to decide whether that agreement is going to provide serious protection, setting real limits as the CFC treaty did, or turn into just another get-well-soon card.

Among the man-made gases that contribute to global warming the most important is, unfortunately, carbon dioxide—produced by burning all of humanity's favorite fuels from gasoline and coal to wood and camel dung. A mismanaged attempt to curb emissions of carbon dioxide could obviously cause enormous disruption. But since global warming could also cause enormous disruption, the issue is not whether but how to cut down on combustion.

The answer lies in raising fuel efficiency—a thing that this country should be doing anyway to protect its standard of living. To follow the successful example of the CFC tax, a tax on fuel—above all, on gasoline—looks like the place to start.

[From the New York Times, Feb. 18, 1992]

WASHINGTON, ODD MAN OUT, MAY SHIFT ON CLIMATE

(By William K. Stevens)

As delegates from around the world meet at the United Nations today to try to avert the threat of global warming, the Bush Administration finds itself in the hot seat, but there are signs that it may be preparing to wiggle out.

Negotiators from Europe and Japan are expected to continue putting pressure on the United States to agree that all industrialized countries should accept a limit on their emissions of carbon dioxide, the chief heat-trapping gas that scientists fear will bring on a possibly catastrophic warming of the earth's climate. The limit proposed is that by the year 2000 each country should reduce its emissions to 1990 levels.

The United States, the largest producer of carbon dioxide, has long resisted the concept of a limit. Under John H. Sununu, the recently departed White House chief of staff, Washington was committed to a position that the scientific basis for believing in global warming was flawed, that curbing carbon dioxide would restrain economic growth, and that in any case the United States had already taken all necessary actions to stabilize its contribution of world-warming gases by 2000.

Today's climate conference is the fifth negotiating session in series leading up to the "Earth Summit" in Rio de Janeiro this June. Although one more session is planned, for April, many experts believe a breakthrough must come now if there is to be time to achieve a treaty for signature at the June meeting.

New scientific findings about the role of ozone-destroying CFC chemicals in global warming have undercut one of the Administration's principal arguments, that this nation's sharp cutback on these gases would significantly reduce its contribution to greenhouse warming. The Environmental Protection Agency has dusted off economic analyses, shelved in the days of Mr. Sununu, that indicate the proposed cap might not be so costly to the United States. And all five Democratic Presidential candidates support caps on carbon dioxide emissions.

Under all these pressures, Washington is taking another look at the issue. "It's on the scope now," said an official close to the situation who spoke on condition of anonymity. Pressure is also being brought on behalf of the Administration's present stance, however, by energy and energy-related industries. Officials familiar with the discussions within the Administration say that the situation is fluid and that no decision on any policy change has yet been made. Nor, they say, will any change materialize when the treaty talks begin today in New York.

The American position paper for the opening of the session, made public on Sunday in a document obtained by Senator Al Gore, Democrat of Tennessee, includes no reference to targets and timetables. Rather, it calls for nations to take "cost-effective measures" to limit emissions of heat-trapping gases "in accordance with their national circumstances, development priorities and capabilities."

It is possible, some officials say, that a change in the United States position could take place before the New York session ends on Feb. 28. Otherwise it would have to surface, if at all, at a sixth session expected at the United Nations in April.

Environmentalists and some Europeans fear that this will not allow enough time to reach a meaningful convention on global warming that could be signed, as planned, at the Earth Summit dealing with a range of global environmental questions in Rio de Janeiro.

"In April it may be too late," said Dr. Michael Oppenheimer, a climate specialist at the Environmental Defense Fund in New York. "We're not leaving enough time to build an intelligent agreement unless the U.S. switches its position during this negotiation."

POSSIBLE CATASTROPHIC EFFECTS

If scientists are right, the stakes in the global warming talks are high. Carbon dioxide and other gases emitted as a result of human activity trap heat in the atmosphere much as glass panes trap it in a greenhouse.

Scientists convened by the United Nations to advise the negotiations predict that at present rates of emission, the buildup of greenhouse gases will increase the earth's average surface temperature by 3 to 8 degrees Fahrenheit by the end of the next century, with possibly catastrophic effects. These could include a rise in sea level, a shifting of climatic and agricultural zones, more frequent droughts, and severe ecological disruption.

Some dissenting scientists say that the predictions exaggerate the warming, and others say that whatever warming does come could be benign, occurring mostly at night and in the winter. But a panel of the National Academy of Sciences has concluded that the threat, though uncertain in severity and timing, is sufficient to justify a prompt response.

Environmentalists see the United States as essential to a climate convention with any teeth. As the world's biggest economy and largest single emitter of carbon dioxide, they say, the United States must take a leading role—not only because of its part in whatever greenhouse warming occurs but also as an example for developing countries.

Many developing countries, whose use of fossil fuels is rapidly expanding, have expressed skepticism about the global warming threat. Collectively, they are demanding that the developed countries foot the bill for their conversion to energy sources that produce less greenhouse gas. But many say they are reluctant to make commitments unless the United States makes them as well.

Environmentalists are casting Washington's performance in the climate talks, and at the Rio conference, as a litmus test of the Administration's willingness to take a leadership role on global environmental questions that are moving to prominence with the end of the cold war.

As discussion has opened up within the Administration, environmentalists have been able to follow the action much more closely than when Mr. Sununu controlled the debate. Several of them met last week with Samuel K. Skinner, the current White House chief of staff, to discuss global warming. Although Mr. Skinner reportedly made no commitments and said that industry pressure to avoid caps on carbon dioxide emissions had intensified, the meeting itself would have been inconceivable under Mr. Sununu.

Everything considered, "there will likely be a change" in the Administration's position in the climate negotiations, "but it has not been resolved yet," said another Administration official who, like others, spoke on the condition of anonymity.

The Environmental Protection Agency's analyses of the economic effects of a carbon dioxide cap, long in preparation against the day when they might be needed, are now being scrutinized in the White House. They indicate that under private forecasts of economic growth for the next decade, carbon dioxide emissions in the United States will grow only slightly or, on a per capita basis, not at all.

HOPES FOR A TREATY

The analyses indicate that a variety of actions now under way to promote energy efficiency, not taken into account by the economic forecasts, could rein in carbon dioxide enough to make it possible for the United States to sign a treaty that pledges to stabilize * * * include, for example, the adoption of more efficient lighting and appliances, incentives for public utilities to promote the more efficient use of electricity rather than build new power plants and the planting of a billion trees, which absorb carbon dioxide.

Advocates of caps on carbon dioxide see them as a first step toward an eventual cut in the amount of carbon dioxide in the atmosphere. Environmentalists have long promoted energy efficiency as a way to make a start on the control of global warming while reaping savings on energy, reducing air pollution and promoting energy independence.

Until now, the Administration has been arguing that any attempt to limit the emission of greenhouse gases should focus not on carbon dioxide but on the "full basket" of gases. These include methane, nitrous oxides and especially chlorofluorocarbons, or CFC's. The manufacture of CFC's, which are used as refrigerants and propellants in aerosol cans, is being phased out under a previous international agreement because they are destroying the stratospheric ozone shield. The shield protects living things from the sun's harmful ultraviolet rays.

ADMINISTRATION'S POSITION

On the basis of earlier analyses, the Administration has argued that although carbon dioxide emissions will rise somewhat in this country, the reduction in CFC's would stabilize this country's overall contribution to global warming by the end of the decade.

But a more recent scientific finding indicates that the greenhouse warming caused by CFC's is approximately offset by a cooling brought on by ozone depletion, also caused by CFC's. The CFC's, in effect, cancel out their own contribution to global warming. The finding has been cited in a report to be released soon by the Intergovernmental Panel on Climate Change, the international group of scientists convened by the United Nations to advise the climate negotiations.

"This undercuts the Administration position that it's not so important to concentrate on carbon dioxide," Dr. Oppenheimer said.

The panel also cited recent findings that sulfate aerosols created by the burning of the same fossil fuels that produce carbon dioxide are scattering sunlight and helping clouds to form, thereby cooling the Northern Hemisphere and limiting the warming there in recent decades.

Computerized mathematical models that simulate the workings of the atmosphere say the earth's climate should have warmed by about 2 degrees Fahrenheit in the last 100 years. In fact, it has warmed by about half that amount. Opponents of early auction to combat global warming, including those in the Administration, have cited this discrepancy as evidence that the models, which are the main tool in forecasting future warming, are too crude to be believed.

ACCURACY OF MODELS

The international panel, however, says the discrepancy could have been accounted for by the cooling effect of the sulfate aerosols. If so, it could mean that the models are more accurate than the critics say. The sulfates, which also cause acid rain, are being eliminated in the United States and Europe. As this is being done, the panel said, aerosol concentrations will rapidly diminish and no longer mask the warming. Carbon dioxide, by contrast, remains in the atmosphere for decades and will continue to warm the earth.

In large measure, the debate about a climate convention has moved beyond the science and is now verging on the purely political. In part, this may be because the Administration, despite the uncertainty of future warming, now accepts the basic science and sees warming as a potential problem.

"The line that science says 'do nothing' has sort of gone by the board," said Rafe Pomerance of the World Resources Institute, a Washington-based environmental organization. "They're not saying it's not a problem. They're just saying 'We don't know what our policy is going to be.'"

[From the Washington Post, Feb. 18, 1992]

GLOBAL WARMING PACT TALKS TO RESUME

(By Michael Weisskopf)

As diplomats resume negotiations today on an international treaty to curb global warming, the United States remains the largest emitter of heat-absorbing gases as well as the strongest opponent of specific goals for limiting them in a binding agreement.

Though there has been an ongoing review of U.S. policy, there will be "no appreciable change" in the U.S. position at the 10-day session at United Nations headquarters, Michael R. Deland, chairman of the White House Council on Environmental Quality, said in an interview last week.

After four uneventful rounds, the New York talks are expected to step up the pressure for a global warming agreement with concrete plans to stop the buildup of industrial gases that trap solar radiation like a greenhouse and threaten to raise the Earth's temperature 2 to 9 degrees by the middle of the next century.

The United Nations, which is sponsoring the negotiations of more than 130 nations, wants a treaty to serve as the centerpiece of its "Earth Summit" in Rio de Janerio this June.

Since the negotiations opened last February, U.S. officials have pushed for a "framework" convention to describe the problem and its potential remedies, leaving concrete measures for each nation to adopt on its own. Washington stands alone among industrialized capitals in opposing specific treaty commitments—targets and timetables—to curb emissions of carbon dioxide, the principal greenhouse gas. Scientists say that limits on carbon dioxide are vital to head off severe warming of the planet.

Instead, the administration has fashioned an "action plan" based primarily on control of less prevalent warming gases, such as methane from landfills and chlorofluorocarbons (CFCs) in consumer products.

Adminisration officials have heard new proposals by environmental officials that focused for the first time on carbon dioxide controls. The proposals received a better reception than expected, sources said, and may eventually spawn some shift in policy.

No one expects the United States to go as far as the European Community and Japan is calling for a stabilization of carbon dioxide emissions at 1990 levels by the year 2000.

But until the December resignation of White House Chief of Staff John H. Sununu, an engineer by training who questioned the scientific certitude of global warming, the very subject of carbon dioxide controls was considered off-limits within the administration. The pollutant arises from the burning of coal, oil and natural gas, which are more important to industry in this country because of the limited availability of nuclear energy as an alternative.

Sununu's replacement, Samuel K. Skinner, is not known for strong interest or views on global warming.

Environmental Protection Agency Administrator William K. Reilly moved into the policy vacuum quickly. Reilly's plan called for per capita stabilization of carbon dioxide at 1990 levels, allowing only for increases in emissions to match U.S. population growth, estimated at 6 percent by the year 2000. Carbon dioxide emissions are otherwise projected to increase 15 percent, based on current estimates of industrial growth.

The government could contain growth at 6 percent by promoting energy conservation measures for industry, according to the proposal circulated by Reilly. As an example, EPA officials cite an ongoing "greenlights" program designed to show large corporations how they can save at least 50 percent of their energy costs by switching to more efficient lighting. In the first year, companies representing 2 percent of the nation's commercial and industrial space have signed up for the program and many more are said to be considering it.

According to EPA planners, a series of such "green" initiatives could cut carbon dioxide emissions by more than 7 percent over the next decade.

Energy Department officials, however, argued in meetings that the EPA is far too optimistic that industry will adopt volunteer programs, sources said. While EPA planners contend that the "greenlights" program will eventually cut carbon dioxide emissions 180 million tons, Energy officials estimate cuts of 30 million tons.

The Reilly plan also was challenged by the president's Council of Economic Advisers because it was based on a lower rate of industrial growth than the CEA projects.

Officials said that by demonstrating the potential of energy conservation measures. Reilly may have given the administration a way of improving the image of its "action plan."

But officials cautioned that Reilly's plan is not seen as the basis for a U.S. commitment to stabilize carbon dioxide emissions.

[From the Washington Post, Feb. 17, 1992]

EXPANDING WASTE LINE ALONG MEXICO'S BORDER

(By Edward Cody)

NOGALES, MEXICO.—For the last 15 years, Armando Beltran has been pulling up in his green-and-white tanker truck and connecting to a six-inch pipe that gushes with free—and chemically polluted—drinking water.

Along with dozens of other piperos here, Beltran has made a business of trucking the municipal water around a city struggling with an exploding population and an outstripped water system. The contaminated output from Nogales's Tomatera well, he said, goes to water-starved local factories, where it runs through faucets, sinks and toilets, and into the city's sprawl of plywood-and-cinderblock shacks, where thousands of poor families without plumbing store it in metal barrels to drink and wash with.

Although Beltran professes not to know it, his daily trips to the Tomatera pipe have come to symbolize a legacy of fifth and toxicity along Mexico's border with the United States. The water that comes out there was found more than a year ago to contain potentially dangerous industrial solvents.

But hard-pressed city authorities have yet to cut off the flow.

All along the 2,000-mile frontier with the United States, Mexico's municipal, state and federal governments have been similarly slow to react to the accumulation of environmental horror stories that have become an important part of life in a string of dingy factory towns, industrial parks and slums from Matamoros on the Gulf of Mexico to Tijuana on the Pacific Ocean.

A week-long trip along that string made evident a tragic despoiling as industry—much of it American-owned—sprang up without effective enforcement of environmental controls. The new factories also have attracted hundreds of thousands of new workers, submerging the border strip's infrastructure and turning the Rio Grande from a river where children use to swim into a gently flowing cesspool.

As a result, the south side of the U.S.-Mexican border has become a picture of neglect, of factories leaking foul-smelling effluents into brackish green and yellow canals, of muddy lanes connecting rows of slapdash huts where workers' children drink polluted water from drums that used to hold toxic chemicals, of culverts spewing human feces into rivers and ditches while garbage and chemical leftovers putrefy nearby in open dumps.

As Mexico and the United States negotiate along with Canada for a North American Free Trade Agreement, environmental activists have voiced alarm that similar deterioration could occur in the Mexican interior over the coming decade unless environmental controls are enforced. Although comparatively low Mexican wages are the main attraction for American and other investors here, they have warned, some companies have moved plants to Mexico—and may again in the future—partly to take advantage of traditionally lax antipollution enforcement.

"Once these problems take place in the interior, no one will be able to do anything about them," said Richard Kamp, a longtime environmental militant who monitors border pollution as head of the Border Ecology Project in Naco, Ariz.

President Carlos Salinas de Gortari, who has made the free-trade accord his top foreign priority, repeatedly has pledged to get a grip on Mexico's environmental mess, in the smog-infested capital as well as along the border. He enacted tough new antipollution laws soon after coming to office and has set aside $460 million for his Ecology and Urban Development Secretariat (known by its Spanish acronym SEDUE) to strengthen enforcement over the next three years.

Mexico's enforcement practices to date are likely to provide ammunition for U.S. congressional opponents of a free-trade accord.

In part to meet environmental fears in Congress and bolster a free-trade accord, Mexico's ecology secretariat and the U.S. Environmental Protection Agency also have negotiated an Integrated Border Environment Plan due for publication late this month. Officials of the two environmental agencies have described the document as the first comprehensive survey of border pollution and recipe for cleaning it up.

Local activists on both sides of the border have dismissed the plan as a public relations ploy, however, asserting the governments are putting on a display to assuage congressional concerns and assure passage of the trade agreement once negotiations are completed, probably later this year. The critics have made their assessments on the basis of nearly complete drafts of the plan made available last week by SEDUE officials in Mexican border towns.

"I don't think there's any meat to this, how do you say, this circus between Mexico and the United States, between SEDUE and the EPA," said Fernando Medina, who heads the Civic Committee for Ecological Disclosure in Mexicali.

CAMPAIGNING FOR CHANGE

On both sides of the border, vocal environmental groups have expressed skepticism on promises from environmental officials because of what they say has been a historical refusal by Mexican authorities to move from declarations of good intent to actual enforcement.

"We don't trust the authorities to monitor this enough to know that we will be safe," said Laura S. de Durazo, part of a group opposing a seaside toxic-waste incinerator due to begin operation soon on the out-skirts of Tijuana.

On the other side of Tijuana, in a ravine filled with ramshackle houses along muddy streets without drainage, Muarilio Sanchez Pachuca also has concluded that getting authorities to deal with pollution can be difficult. Since 1983, he has been leading a petition-writing campaign, visiting offices and inviting officials to visit—all without response.

The 25,000 families of his Chilancingo neighborhood have been frightened by what happens when rain falls heavily on the Otay Mesa industrial park, a flat hilltop just above their homes where a number of American-owned factories have gone into operation over the last decade. A 48-inch drain pipe serves the mesa, Sanchez said, but it overflows during heavy downpours, sending factory wastes into three gulleys that lead directly into Chilancingo's rutted streets, past a kindergarten and on to the Canon del Padre River.

Sanchez said he started his campaign to eliminate the pollution by writing Tijauna health authorities. For three years he wrote and waited for answers, fruitlessly. Then he started writing to health authorities in the Mexican state of Baja California, also fruitlessly, and to the state governor.

"We didn't get an answer from him either, nothing," Sanchez said, flipping through a file of his letters.

Finally, after four more years of letter-writing, Sanchez was told President Salinas planned to come and see for himself. Local residents prepared for his visit. But it never happened, and they still do not know why.

"He could at least fly over in a helicopter, because I am sure he doesn't know about our case," Sanchez said. "We have confidence in the president. If he knew, we could get something done."

In his correspondence file, Sanchez also has a copy of some pages from a sampling he said was done by the Autonomous University of Baja California showing that the waters flowing into Chilancingo contain lead, copper, zinc, cadmium and chrome, all presumably from the factories up on the mesa and all presumably dangerous to the neighborhood's health.

Partly because of a tradition of confidentiality in the Mexican government and partly because Salinas's antipollution orders are only now beginning to take effect, shortage of official data has plagued cleanup efforts along the entire length of the border.

Kamp said, for example, that the 1990 binational study of Nogales drinking water remains the only comprehensive look at what has happened to city water since the rise of factories alongside a highway south of the city.

City authorities closed down two water wells after the study, he said, but have refused to accept the unofficial data as conclusive. The Tomatera facility was closed for several days, but reopened to whoever wants to draw water there even though it lies near the polluted Nogales River waters that run through town. After the river crosses into the United States, however, the garbage-lined wash has been posted by U.S. health authorities with a sign saying: "Danger, Keep Out, Polluted Water."

RISE IN BIRTH DEFECTS

Carmen Rocco, a physician and medical director at the Brownsville, Tex., Community Health Center, has encountered similar frustration in her efforts to determine why an unusually high number of babies are being born without brains in the city's Valley Regional Medical Center and Brownsville Medical Center hospitals, just across the Rio Grande from a zone of factories in Matamoros, Mexico.

She said her research has shown that 42 births troubled by neural tube defects, including 28 anacephalics, took place between November 1989 and January 1991. This is about six times the U.S. average, but nobody knows why, Rocco said.

She and some colleagues have an idea, however. They have begun pursuing the chemical wastes that she said regularly turn Matamoros canals into "orange and brown rivers" that empty into the Rio Grande and nearby lagoons that flow into the Gulf of Mexico.

Along the broad avenues of Matamoros's Finsa industrial park, where brightly painted factories are flanked by lawns and soccer fields for employees, the extent of filth has long been difficult to discern with scientific certainty.

Shampoo-like bubbles foamed one recent day, for instance, where wastes flowed directly into a canal from a concrete trough leading from an electrical-components factory. Juan Nicolas de Leon, an architect who until last week ran the local SEDUE office, said the factory has its own pretreatment plant for water-borne wastes that should make them "crystalline" when they pour into the canal.

Another, nearby plant that finishes automobile bumpers recently received certification from SEDUE that its operations are environmentally harmless, de Leon said. But a sampling taken just downstream from its discharge for a report last May by the U.S. National Toxic Campaign Fund showed 23.2 million parts per billion of the chemical xylene—which the researchers said is 52,700 times the U.S. standard for drinking water.

Xylene was identified as a solvent that has been connected to respiratory irritation and damage to the lungs, liver and kidneys. The discharge sampled for the report is released into a series of canals that eventually flow to the Rio Grande and the Gulf of Mexico.

The Baja California state SEDUE representative, Cesar Ruben Castro, said the problem with treatment equipment in many factories is that it is only partly effective, removing all waste in some cases but only half the waste in others.

SIGHTS FOR SORE EYES

Monitoring wastes has been easy at some spots along the border. The Mexican city of Nuevo Laredo, for example, with a population of more than 600,000, discharges about 27 million gallons of raw sewage a day directly into the Rio Grande at more than 25 points. Fecal matter can be seen floating in the current as the river curves southward—toward towns downriver that pump their drinking water from the same stream.

A new sewage-treatment plant has been scheduled for construction. But Nuevo Laredo's population has been growing so fast the plant's capacity will be inadequate even before it is completed, said Adolph Kahn, a retired veterinarian and environmental activist form Laredo, Tex., just across the river.

As Kahn looked on, pigs rooted contentedly in an open Nuevo Laredo dump only a few hundred yards from the river. Oily black residue covered some patches of the dump. Chalky yellow residue covered others.

Guillermo Giron, president of the environment committee of a national assembly-plant association, estimated recently that some 260,000 tons of toxic wastes produced by American-owned firms are dumped illegally in Mexico every year. U.S.-Mexican accords since 1986 have obliged assembly plants to return to the United States any toxic material brought into Mexico. In fact, authorities on both sides acknowledge no one has kept track of how much comes in or how much goes out, and the officials suspect much of it is dumped after use.

The U.S. General Accounting Office estimated that of the 1,449 assembly plants along the border, about 800 create hazardous wastes. Of these, only 446 have registered with authorities to allow tracking of incoming and outcoming materials as required by the U.S.-Mexican accords, the GAO reported.

Salinas, as part of his environmental push, has pledged to quadruple the number of inspectors along the border to 200 as part of the three-year binational plan.

In Matamoros, for example, SEDUE recently hired three university-trained inspectors to visit plants. When Castro took over SEDUE's Baja California operations two years ago, the state had 23 inspectors; it now has 43 and is recruiting 40 more.

Also as part of the new get-tough rules, the Matamoros SEDUE office ordered closure of Productos de Preservacion, an American-owned pesticide factory, and the Mexicali office closed Quimica Organica last month. Both factories had been cited for dangerous leaks of chemical gases.

These were among some 700 such closures, most of them temporary, ordered by SEDUE in the last year under the campaign by Salinas to crack down on offenders.

[From the Washington Post, Feb. 17, 1992]

Is Any Tree as Useful as a Neem?

(By Boyce Rensberger)

Consider the neem tree, a tropical species best known in India. if there could be but one answer to the world's problems, some scientists believe, it could well be this graceful member of the mahogany family.

In fact, according to an enthusiastic report issued earlier this month by the National Academy of Sciences (NAS), the neem tree "seems to be one of the most promising of all plants and may eventually benefit every person on the planet."

Extracts of neem seeds and leaves contained several "soft" pesticides that attack more than 200 species of insect pests as well as some kinds of mites and soil-dwelling worms called nematodes. But the extracts are harmless to birds, mammals and insects that do not eat plants, such as bees.

Neem seeds and leaves also contain substances with demonstrated value in human health care. Various neem extracts, for example, have antibacterial, antiviral and antifungal activities. There is also preliminary evidence that neem trees produce compounds with aspirin-like anti-inflammatory powers and others that may reduce high blood pressure. There are even neem compounds said to protect against ulcers.

In India, where the neem is grown widely, it is claimed that millions of people have excellent teeth and gums even though their only form of dental hygiene is to "brush" their teeth with the frayed end of a neem twig. When research in Germany confirmed that the neem releases substances that prevent tooth decay, neem toothpaste went on the market in India and Germany.

Moreover, there is also evidence that certain substances in neem seeds may have contraceptive value. Neem oil, pressed from the seed, is a strong spermicide. Placed inside the vagina, it has reduced the fertility of laboratory animals and a small number of women volunteers. Another neem compound is a candidate for a male birth control pill. Research in monkeys shows it reduces their fertility without inhibiting sperm production and the effect is reversible.

On top of all this, the neem is a fast-growing tree (reaching 30 feet in six years) that thrives on poor soils in semiarid lands, producing a large canopy that provides dense, year-round shade. So well does the neem grow that it is widely planted in Arabia and in Africa's drought-prone Sahel region as a way both to stabilize the land and to produce firewood.

The neem, with its unusually deep root system, grows well on worn-out crop lands and, as it sheds leaves and twigs, restores organic matter to the topsoil. It is being adopted in several parts of the Third World as a prime species for reforesting denuded lands.

The NAS report, written by the academy's Noel Vietmeyer, who has made a career of searching out obscure plant and animal species that the world needs more of, summed up the tree's virtues this way:

"For centuries, millions have cleaned their teeth with neem twigs, smeared skin disorders with neem-leaf juice, taken neem tea as a tonic, and placed neem leaves in their beds, books, grain bins, cupboards and closets to keep away troublesome bugs. The tree has relieved so many different pains, fevers, infections, and other complaints that it has been called 'the village pharmacy.'"

IMPEDIMENTS TO OVERCOME

On the other hand, the report notes that most of the claims for the neem have not been rigorously nailed down in solid, repeatable scientific studies, and that much of the research so far is tentative.

"The truth is," Vietmeyer's report allows, "that despite all its properties and promise, some impediments must be overcome and many uncertainties clarified before neem's potential can be fully realized."

For one thing, neem's ingredients vary from region to region (presumably because of genetic variations or environmental differences); and because there are no standardized methods of extracting them, experimental results may disagree from one researchers to the next.

Another problem is that, unlike conventional insecticides, neem's ingredients are not fast-acting. Some of its compounds inhibit feeding, causing insects to starve to death. Others disrupt the normal maturation of insects, preventing them from passing from larva to pupa to adult. Neem-treated insects can take two weeks to die.

And, even if the pesticide claims proved correct, the academy report notes, the economics and methods of manufacturing, distributing and applying neem pesticides have not been worked out.

Claims for medical uses are even trickier. Many are the substances, both natural and synthetic, that appeared promising in early tests but which faded after the most rigorous research to establish safety and efficacy.

Still, Vietmeyer contends that the neem's chief obstacle is that most Western scientists simply don't know about the tree and are skeptical of extravagant claims.

CLAIMS GO BACK CENTURIES

Some of those claims go back centuries. Sanskrit medical writings of a thousand years ago cite the neem's usefulness. Those with the most immediate relevance, however, cite the neem's pesticidal powers, something Indian farmers have known for generations. It is common practice, for example, to scatter neem leaves through grain bins to repel insects.

Formal scientific studies were begun as early as the 1920s when two Indian researchers, R.N. Chopra and M.A. Husain, found that a dilute suspension of ground neem seeds in water would repel the ravenous desert locust. As often happens to Third World scientists, their work was generally ignored in the larger scientific community.

Then in 1959 Heinrich Schmutterer, a German entomologist working in Sudan, watched as a plague of locusts swept through, devouring all the crops, weeds and trees in their path—except the neem trees. They were the only green things left. Schmutterer noticed that locusts landed on the neems but flew off without feeding. His report launched a new era of neem research, some of it in his own laboratory.

Today, according to Vietmeyer, hundreds of scientists in at least a dozen countries are working on neem. Research in the 1970s in England and Kenya, for example, showed that neem extracts protected against coffee, cotton and cabbage pests. One study showed neem extracts are as potent as malathion, a once popular synthetic pesticide. One neem compound appears to be a more potent insect repellant than "DEET," the substance favored in most commercial mosquito repellants. For all this, neem extracts appear harmless to birds and mammals, some of which feed on the tree.

The academy report concludes by urging more research on the neem, something that will have to happen in the tropics because the neem cannot take a freeze. Although only two mature neems are known to exist in the United States (both in Florida), an early form of neem insecticide is already on the market in this country. Curiously, it's called Margosan-O, a name derived from the Spanish term for the tree, *margosa*. Still, a neem by any other name should work as well.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I think it is appropriate that I respond to my friend from Colorado, relative to some of the generalizations that were made concerning ANWR.

First of all, I would like to commend my friend from Colorado. I think it is a real milestone that he is now talking about jobs instead of the bogus issue previously before the body when we talked about ANWR, and that was caribou. Unfortunately, my friend from Colorado does not know Alaska well enough to recognize that what we produce in Alaska associated with the estimate of some 13,000 jobs from ANWR is strictly oil. It is the association of that oil that results in the anticipated 13,000 jobs.

As one reflects on the realities, one can consider briefly the manner of shipping the oil. All that oil of course, as evidenced by 15 years at Prudhoe Bay, moves in U.S. ships. All of it must use U.S. ships because the authorization for the Prudhoe Bay development and the pipeline mandated that none of the oil could be exported outside the United States. It had to move in U.S. ships built in U.S. yards that were crewed by U.S. sailors.

So the multiple is quite significant. It is significant in Maryland where many of those ships sail from, as far as a port of registration. It is significant in California, where many of those ships come in and crew. It is significant in many, many areas. The unions train the crews in the State of Maryland. So the multiplier is very, very substantial.

As one looks at orders from the North Slope, one can look at the issue of modulars, and a major order has been placed in the State of Louisiana. The modulars will be built there. They will be put on barges and shipped by vessel through the Panama Canal and on up to the North Slope, providing thousands of jobs in Louisiana.

My friend from Colorado makes little note of the significance of Prudhoe Bay in regard to the contribution it has made to the economy of the United States, recognizing that it has contributed about 24 percent of the total domestic crude oil produced in this Nation for the last 15 years or thereabouts. Sometimes the issue is said—well, Prudhoe Bay is estimated to be a 600-day supply. Well, a 600-day supply is pretty significant, Mr. President.

It has been suggested that perhaps ANWR is only a 200-day supply. Well, if it were a 200-day supply it would be the third largest field ever found in the United States, next to Prudhoe Bay and the east Texas field. If it were a 600-day supply ANWR would be the largest field found in the United States.

There is some reference to a similarity between damming the Grand Canyon and exploring for oil in ANWR. I have seen the Grand Canyon. I assume my friend from Colorado has as well. Obviously, if you dam the Grand Canyon you are damming it permanently and the damage associated with that will last as a consequence.

On the other hand, there may or may not be oil in ANWR. If there is, the oil will be depleted over an extended period of time and there will be nothing left to show on the surface for that activity because the area, obviously, is covered with snow four-fifths of the year.

There are a couple of other things I think need correction. One is the question that was brought up about the accuracy of the Wharton econometric study. Is it important whether it is 755,000 jobs, 800,000 jobs, 400,000 jobs or 500,000 jobs? The important thing is that it is jobs.

I remind my good friend from Colorado that in his State of Colorado, the expenditure for a period from 1980 to 1986, by BP, ARCO, Conoco, and by BP Exploration, ARCO, from 1987 to 1991, as well—during that period, in other words from 1980 through 1991, $291 million was spent in the State of Colorado.

As a consequence, Mr. President, I am not going to argue how many jobs in Colorado were the result of an expenditure of $291 million. But I suggest it would be substantial.

I also remind my good friend from Colorado that the development of Prudhoe Bay took place prior to 1980. So we are looking at expenditures from 1980 to 1991. The field was developed in the mid-seventies and went on line late in the seventies and went into full production in the early eighties. As a consequence, Mr. President, the expenditures in Colorado or any State historically are a reality and they are represented here by expenditures that associate with jobs in those States.

So I do not get too excited about the question of whether the Wharton econometrics model is accurate to the point of 755,000 jobs in 47 States. The reality is that there has been factually expended $21.4 billion from 1980 through 1991 by BP, ARCO, and Conoco during that period of time when the North Slope production was producing approximately 2 million barrels a day. So that did not include the development of the field.

So I get a little incensed when the suggestion is that this is not real money or is not real jobs. It is real money and it is real jobs.

Furthermore, I think it is concrete proof of the reality of what we are talking about and that is that ANWR is the largest jobs issue in the United States that has been identified, assuming the oil is there. I will not differ with my friend if the oil is not there that there will not be any footprint.

I think it is also interesting, Mr. President, aside from ANWR, to show the predicament this country is in: that 317,000 jobs have been lost in the domestic industry in the stripper wells, and so forth.

The Independent Petroleum Association of America says: "Why fight another desert war to protect America's energy future. Let's put Americans back to work developing energy here at home by eliminating the tax penalty on domestic drilling." The independent oil producers claim that there are more jobs lost domestically in the energy industry than any other U.S. industry over the last 10 years—more than in steel, chemical, electronics, textiles or automobile industries.

Further, Mr. President, as we reflect on what we are going to do about it, it is clear we are not going to include ANWR in the energy bill. The senior Senator from Alaska and myself think that is a mistake, as do others, including the chairman of the Energy Committee, as well as, I am happy to say, the ranking member from Wyoming.

Make no mistake about it, Mr. President. We are talking about real dollars. Prudhoe Bay is proof. I have the figures. Since 1977, Alaskan North Slope oil companies have made direct purchase of supplies and services from every State totaling in excess of $47 billion. The total contribution to the U.S. economy to date—to date, factually having been spent—in existing Prudhoe Bay oil development is $300 billion. If that is not jobs, I do not know what is.

Let us remember that only oil is produced in the State of Alaska. Everything else associated with those rigs is shipped in from the other States.

So, Mr. President, as we again reflect on the merits of the energy bill, let the facts speak for themselves. We are talking about passing up the single most significant jobs issue that is identifiable before us at this time, and whether it is 755,000 jobs or 80,000 or 30,000, it is real jobs.

I yield the floor.

Mr. BAUCUS. Mr. President, earlier today, the Senate had been scheduled to consider an amendment from the Senators from Alaska to allow oil drilling in the Arctic National Wildlife Refuge. They have since decided not to offer the amendment .

I had hoped that the vote on their amendment would resolve the issue of oil and gas exploration and development in the Arctic refuge's coastal plain. But that will not be the case. For those of us who believe that the Arctic refuge should remain as it is, we must be prepared to argue our case at a future date. And it is, I believe, a compelling case.

Last August I traveled to Alaska's North Slope. I spent 3 days up there. I met with Native representatives of the Arctic Slope Regional Corp. who support development. I toured BP's new oil production facility at Endicott and visited the refuge's coastal plain with BP representatives. I discussed the future management of the refuge at length with U.S. Fish and Wildlife Service officials.

And I did what few of my colleagues have done. I took the time to fly to Arctic Village to meet with the Gwich'in Indians who oppose development because they have depended for thousands of years on the caribou that calve on the refuge's coastal plain.

I returned from this trip convinced that the coastal plain of the Arctic National Wildlife Refuge should be protected from development.

It should be protected not as a place for a few hundred people to do backpacking each year, but because the Interior Department called the refuge and its coastal plain "the only conservation system unit that protects, in an undisturbed condition, a complete spectrum of the arctic ecosystems in North America."

George Schaller, one of the world's greatest ecologists, recently listed the refuge and its coastal plain as one of just five areas on this Earth that "should be saved for their own sake" because they are so special.

The coastal plain of northeastern Alaska is home to musk ox, polar bears, and wolves. Millions of waterfowl dot the landscape.

Its pristine rivers and lakes and the lush vegetation of its meadows attract an abundant diversity of widlife.

Each spring nearly 200,000 caribou come from hundreds of miles away to give birth to young calves.

More than 100 species of waterfowl and other birds find their way from the

Chesapeake Bay, and as far away as Africa and Antarctica, to feed and nest among the coastal plain's wetlands.

Life continues to thrive in this wild, arctic ecosystem—often described as "America's Serengeti Plain"—because it currently is protected as part of the Arctic National Wildlife Refuge.

The exploration for oil and gas that would follow leasing would change forever a magnificent and wild national treasure.

In exchange for the certainty of that harm, the Nation's major oil companies would have gained the right to roll the dice, or to flip a coin, on finding oil.

And even if the oil companies win the coin toss, the amount of oil that could economically extracted would most likely provide this country with little more than 6 months supply of oil.

This amount of oil according to the Office of Technology Assessment would provide a "short-term and very small benefit" to us 10 to 40 years from now. I reject a policy that would sacrifice one of the five greatest natural areas on Earth for 6 months of oil.

We should not jeopardize dozens of species of rare wildlife and one of North America's last true wilderness areas for oil that can be replaced at a lower economic as well as environmental cost using available energy efficiency and conservation methods.

Ninety percent of the 1,100-mile northern coastline of Alaska—offshore and onshore—has been devoted to energy exploration and possible development. Only the 110 miles of the arctic refuge's coastal plain remains off limits.

We don't have to develop the last and best 10 percent to have a sound energy policy for this Nation. And the proponents of oil drilling in the Arctic refuge know it.

So now they have begun to argue that we should drill in the refuge's wilderness to provide jobs. They cite a report prepared by the American Petroleum Institute that predicts creation of 735,000 jobs.

But this study assumes that over 9 billion barrels of oil will be found under the refuge's meadows. Even the Interior Department thought that there was only 1 chance in 100 of there being that much oil.

More than 70 percent of the jobs claimed to be produced by the API report would result from a $3.60 drop in oil prices. This drop in oil prices is assumed to be due to increased production from the arctic refuge.

At most, the arctic refuge would provide 0.7 percent of the world's production. That amount is simply too little to influence world oil prices.

In addition, even if the arctic refuge's oil production could influence world oil prices, OPEC would likely cut production, as it has in the past, to keep oil prices high. But API's job estimates assume that OPEC will not behave as it has before.

The API report ignores the fact that improvements in energy efficiency are the quickest and cheapest way to reduce U.S. oil dependence and lower world oil prices. Improvements in energy efficiency also create jobs.

Weatherizing homes in the United States would produce as many jobs as the API report predicts for arctic refuge development. But these jobs would be created right away and in all regions of the country.

Finally, if drilling in the arctic refuge lowers world oil prices, as the API report claims, then existing marginal oil fields in Montana, North Dakota, California, Illinois, Texas, New Mexico, Louisiana, Oklahoma, Ohio, Pennsylvania, Kentucky, and West Virginia will be forced out of business and jobs will be lost in these States.

The truth of the matter is that opening the wilderness areas of the arctic refuge is a quick fix that has more to do with helping Big Oil than it does with helping the public—the big oil companies reaped more than $40 billion in profits from Prudhoe Bay production between 1969 and 1987.

This country's policy should be to aggressively develop enhanced recovery technologies so that we can put the oil rigs in Montana, Texas, and elsewhere around the country back to work extracting known oil reserves. That's where the jobs are. Our policy should encourage more thorough exploration and development of the tens of millions of acres already under lease in Alaska.

Significant new, and unexpected reserves have been found just this year on Alaska's North Slope and in the Gulf of Mexico.

Many promises have been made that there is no need to choose between having a wild, naturally functioning ecosystem and having extensive oil and gas development.

We should be extremely wary of these assurances.

In 1987, Interior Secretary Hodel promised in his report to Congress that the entire 1½ million acre coastal plain of the arctic refuge could be leased for oil and gas development without significant environmental harm. Secretary Lujan recently revised this report to increase the likelihood of finding oil.

Under the National Environmental Policy Act and title X of the Alaska Lands Act, the impacts of development must be assessed as fairly and definitively as possible before any decisions are made by Congress to change the present management of the refuge.

But last July, a Federal judge ruled that the Interior Department violated the law by failing to evaluate environmental impacts when it issued its revised oil and gas estimates for the arctic refuge. The judge also has asked whether similar violations occurred with respect to the original 1002 report.

The court found that the public was locked out of the process regarding this critical new report, while the Interior Department actively sought input from the oil and gas industry.

In short, the Interior Department has tried to operate behind closed doors. It has locked out the public from the debate at almost every step. And it has withheld critical information from the Congress about the real environmental impacts of its proposal.

The court decision confirms my concerns about the adequacy of the information presented to the Congress on this issue.

The oil companies also have promised that no harm will come to the arctic refuge. In 1987, a British Petroleum official told this committee that "the national benefits from hydrocarbon development in [arctic refuge] ANWR can be enjoyed without detriment to the biota of the region."

However, in 1971, a different British Petroleum official also told Congress that "tanker traffic to and from Port Valdez and operation of an oil port there will not cause any significant damage to the marine environment or to fisheries interests."

The Congress went ahead and approved the Valdez route for the trans-Alaska pipeline based largely on such assurances that the risk of an oilspill was remote and that it would be cleaned up quickly without serious environmental damage. The trust we placed in these assurances was violated.

The oilspill in Prince William Sound has taught us that the promise of not having to choose between an intact arctic ecosystem and extensive development is a promise, that no matter how well-intentioned, cannot be kept.

AGAINST OPENING ANWR TO OIL AND GAS EXPLORATION

Mr. ADAMS. Mr. President, I rise today to reaffirm my opposition to opening the Alaska National Wildlife Refuge to oil and gas exploration. I am pleased to see that the ANWR amendment will not be offered on S. 2166, the national energy security bill.

Opening ANWR to oil and gas exploration is not part of a responsible and meaningful national energy bill. But removing ANWR only to bring it up later in the context of a jobs bill is like sneaking around to the backdoor when the front door is double-bolted.

American workers are facing very tough times. Our Nation faces a tough economic future. I will make every effort to ensure passage of a jobs bill this year. But the American people want a bill that provides real, long-term jobs. Not one that offers a 1-in-5 chance of creating any jobs. Not one where the jobs last only as long as the nonrenewable resource they are based on. That is deceitful. To bring ANWR in that context is political gamesmanship. I oppose such games, and will oppose any discussion of ANWR in the context of a jobs bill.

Proponents suggest that the domestic oil in ANWR will save us from foreign dependency. They have also gone to great length to show that only 12,700 acres of the Coastal Plain, less than 1 percent, would be affected by development, a mere footprint in the Arctic. But, Mr. President, both of these rationales are dead wrong.

When we balance the slim possibility of finding economically recoverable oil against the imminent destruction of that fragile ecosystem, when we look at the size of the energy problem in light of the minimal solution ANWR could offer, there is no dilemma. ANWR is a drop in the bucket as far as oil production is concerned. We cannot let this precious refuge fall victim to these fallacies.

According to the Congressional Research Service, the mean estimate of oil reserves in ANWR is only 7 billion barrels, and there is only a 19-percent chance of finding that. The United States consumes 6 billion barrels of oil per year. The 7 million barrels in ANWR oil cannot begin to address our supply problem in the long term, even if we can eventually recover the maximum amount.

We can no longer delay the development of a long-term energy policy—a policy that would not only reduce our country's vulnerability to fluctuations in the price and supply of oil, but also our dependence on oil as a resource and on foreign oil as the supply. We can do this through conservation, increased efficiency and the rapid development of alternative energy sources. We can do this in a way that creates jobs without sacrificing one of the few remaining pristine environments in our Nation. Opening ANWR, whether in the context of an energy bill or a jobs bill, does not have a place in this policy. The numbers prove that we can save more oil than we can hope to find in ANWR without destroying that fragile refuge.

The auto fuel economy standards that we embraced in 1977 now save 2.5 million barrels of oil per day. If we further improve those standards, we can look forward to saving over 1 billion more barrels per day by the year 2001. If we switch to readily available high efficiency lights, motors, and appliances, we can save an amount of oil equivalent to the estimated reserves in ANWR every 16 years. And if we apply newly developed technologies to our existing U.S. reservoirs, we will have an additional 71 billion barrels of oil, a 40-year supply, available to us.

There are many reasonable and more efficient alternatives to developing ANWR. Over the long term, the economic and environmental health of our Nation depend on our efforts. We must not sacrifice the unique beauty and immeasurable value of the Arctic Coastal Plain without first pursuing every one of those alternatives to its fullest.

The oil industry may have rightly calculated that only 1 percent of the refuge would be marred by exploration. What they neglected to mention is that the Coastal Plain, that 1 percent, is the biological heart of the entire area. It is the strip of land through which the 185,000 tundra caribou migrate. It is the strip of land on which the most important onshore polar bear population make dens. It provides the cultural and economic lifeblood for a Native American tribe. You cannot drill, and dig and scrape the heart of a living system and not expect it to bleed to death.

Mr. President, we can in no way justify ravaging the unique beauty of that land, and the abundance and diversity of its wild habitat, for a shortsighted, stopgap measure to buy a few more days of oil. We need jobs. We need an answer to our energy crisis: But the development of ANWR is clearly not the solution.

AMENDMENTS NOS. 1624–1629

Mr. JOHNSTON. Mr. President, I ask unanimous consent that it be in order that I send six amendments to the desk and have them considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes amendments en bloc numbered 1624 to 1629.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 1624

(Purpose: To strike subsection (e) of section 8105)

Beginning on page 189, strike line 1 and all that follows through line 6.

AMENDMENT 1625

(Purpose: To establish a sustainable energy transition pilot program)

On page 179, after line 22, add the following new section:

SEC. . SUSTAINABLE ENERGY TRANSITION PILOT PROGRAM.

Part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.) is amended by adding at the end the following new section:

"SEC. 367. SUSTAINABLE ENERGY TRANSITION PILOT PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall provide financial and technical assistance to not more than four States, or regional consortia of States, to prepare State or regional sustainable energy transition strategies in accordance with subsection (b). If practicable, the Secretary shall require the submission of completed strategies not later than 2 years after the date of the award of any financial assistance under this section.

"(2) SELECTION.—

"(A) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary shall promulgate regulations setting forth procedures and criteria for the selection of States and regional consortia that will participate in the sustainable energy transition pilot program established by this section.

"(B) CRITERIA.—In carrying out subparagraph (A), the Secretary—

"(i) may require such applications as the Secretary considers appropriate;

"(ii) shall consider the ability of each applicant to prepare a sustainable energy transition strategy; and

"(iii) shall attempt to obtain regional diversity among the selected applicants.

"(3) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this section, the Secretary shall transmit a report detailing the Secretary's plan for conducting the pilot program to the Committees on Energy and Natural Resources of the Senate and the House of Representatives.

"(4) SUPPORT BY THE SECRETARY.—The Secretary may provide financial and technical support for the formation of regional consortia and consultative bodies, as necessary to carry out the purposes of this section.

"(b) CONTENT GUIDELINES.—

(1) IN GENERAL.—Each sustainable energy transition strategy shall consist of a strategy under which the State or regional consortium shall—

"(A) propose policies to increase—

"(i) energy efficiency in the residential, commercial, industrial, and transportation sectors; and

"(ii) the proportion of energy supplied to these sectors from renewable sources; and

"(B) establish long-term (20-year) energy efficiency and renewable supply goals that seek to achieve the maximum technologically feasible energy efficiency and renewable energy production levels that are economically justified.

"(2) EVALUATION AND PROGRAM.—

"(A) EVALUATION.—Each sustainable energy transition strategy shall be based on a comprehensive evaluation that shall include—

"(i) an assessment of the baseline energy use within the State or region, categorized by energy consuming sector for the most recent year feasible;

"(ii) an assessment of the technical potential for improving energy efficiency and increasing the proportion of energy from renewable energy sources;

"(iii) an assessment of alternative plans for achieving the maximum potential for energy efficiency and renewable energy sources,

"(iv) an assessment of the existing barriers and incentives to improving energy efficiency and expanding renewable energy supply, including utility rates and other financial structures; and

"(v) an assessment of the social, economic, environmental, employment, and other impacts of the alternative plans examined.

"(B) PROGRAM.—Each sustainable energy transition strategy shall include the following:

"(i) A proposed program for achieving, or exceeding, the energy goals established, under paragraph (1)(B) and, over the 5-year period beginning 2 years after the date of the enactment of this section. In developing the program, the State or regional consortium shall specifically consider—

"(I) investments in locally available renewable energy supply, energy efficiency and conservation, utility and transportation infrastructure, district heating and cooling, renewable energy and energy efficiency infrastructure, waste minimization, and recycling;

"(II) education and technical demonstration projects, public utility regulatory policies, transportation management and planning, education and training, and other programs that affect the development and adoption of energy technologies;

"(III) employment transition programs and policies for both individuals and communities affected by the transition to new energy sources, the depletion of fossil fuel resources, or other related economic changes; and

"(IV) other programs that the State or regional consortium considers appropriate to achieve the goals and purposes of this section.

"(ii) A proposal for evaluating the State's or regional consortium's progress towards achieving the goals of its sustainable energy transition strategy, including the quantitative measures of to be employed to evaluate the success and failure of specific programs and projects undertaken as part of the strategy.

"(3) CONSIDERATION OF COSTS.—In developing the sustainable energy transition strategy, the State or regional consortium shall evaluate, for the various technological options considered, their life cycle costs and the costs of compliance with environmental, public health, and other relevant laws and regulations considered likely to be imposed over the 20 years study period.

"(c) DEVELOPMENT AND SUBMISSION.—

"(1) IN GENERAL.—Except as otherwise provided in a regional consortium agreement, each sustainable energy transition strategy shall be developed and submitted by the State agency, or division of the agency, responsible for developing State energy conservation plans pursuant to section 364.

"(2) CITIZENS ENERGY COUNCILS.—Each State or regional consortium that prepares a sustainable energy transition strategy shall establish an advisory council to provide opportunities during the preparation of its strategy for participation by representatives of a wide range of social, economic, and community interest affected by the State's or regional consortium's sustainable energy transition strategy. Council members may receive financial assistance from the funds provided under this Section only for travel and reasonable per diem expenses incurred in an official capacity.

"(d) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.".

Mr. WELLSTONE. Mr. President, as America looks ahead into our children's future, we need a transition to an energy strategy based on conservation, efficiency, and sustainable sources. It is the right thing to do today. Without a long range plan, we as a nation will be forced to take a back seat as the technological, economic, and environmental leader of the world.

Our economy is in a severe recession today. We are relying far too much on foreign oil. Our reserves of domestic fossil fuels are limited and we must address a transition to our unlimited supply of renewables and work on conversion of jobs in States where our own fossil fuel supplies will eventually dry up.

As we import oil, we export dollars, we lose jobs, we lose in the global technological race as well. Today there are young, highly trained engineers in my State who want to work but can not find jobs. They know that given the chance to use their skills in research that they can lead us down the road of innovation for new renewable technologies. But they simply do not have the chance today and they join our long lines of unemployment.

Looking toward a transition to sustainable energy sources to help solve our economic problems does not have to be partisan. This will entail a bipartisan effort of true cooperation.

In June the U.N. Convention on Environment and Development will convene to discuss critical issues facing our global environment. From greenhouse gases caused by carbon emissions to deforestation, we must play a constructive and leading role in the world. A long-term transition to renewables will do just that.

Just how do I propose on doing this? Yesterday I met with the National Association of State Energy Officials and discussed my bill, S. 2020. I was gratified to find out the impressive interest and support that these officials have for S. 2020, the Sustainable Energy Transition Act.

I believe that innovation comes best from the State and local level. While it is absolutely necessary that the Federal Government provide the capital, the creativity and implementation of programs, be it sustainable energy, health care, or whatever, must be decentralized. When I first had discussions with energy experts and community leaders, I asked what can the Federal Government do to make a transition occur. S. 2020 is a result of many meetings with State and local people, not only in Minnesota but around the country. These are the people at the forefront of issues, they are challenged constantly and thus have the best realistic ideas on how to make things work on limited funding.

We must look at the long term and have a 20-year vision. S. 2020 is that vision. Today I propose a pilot program selecting four States or regions to initiate strategic planning. We can learn a great deal about what investments are out there, the potentials for restructuring, and the energy supplies and patterns. We need a serious and realistic and financially viable long-term study if we are to compete economically, export our sustainable technology, and protect our global environment.

I believe asking States to study their own potential resources is the right thing to do. States and regions know what is best for them, be it wind, biomass, crop based fuels, photovoltaics, solar. While we in Washington might know our own winds and tides, it is the States and regions who know their winds and tides and how best to harness them.

AMENDMENT NO. 1626

(Purpose: To provide for the application of certain provisions related to alternatively fueled vehicle fleets to the Congress)

Page 21; line 22 between "Services" and "shall," insert, "the Sergeant of Arms of the United States Senate, the Sergeant of Arms of the United States House of Representatives, and the Architect of the Capitol.".

Mr. MCCAIN. Mr. President, the amendment I am offering seeks to ensure that Congress is subject to each of the National Energy Security act's provisions dealing with vehicle fleets.

Congress operates a fleet of 122 vehicles, under the auspices of the House and Senate Sergeants at Arms and the Architect of the Capitol.

Title IV of S. 2166 requires all "Federal agencies," as well as private and municipal entities to phase in alternatively fueled vehicles into their vehicle fleets. The definitions section of the title lists Congress as a "Federal agency." So, I'm satisfied, that the phase-in provisions cover Congress as they do other public and private organizations.

However, I want to make sure that there is no ambiguity that Congress is also fully subject to section 1402(c). This subsection calls on the Administrator of the General Services Administration to arrange for the fueling of Federal fleet vehicles at publicly available alternative fuel facilities. The purpose of the provision is to stimulate alternative fuel markets which the public can take advantage of.

My amendment seeks to vest the Sergeant of Arms of the House, the Sergeant of Arms of the Senate, and the Architect of the Capitol, in addition to the GSA Administrator, with the responsibility for seeing that congressional vehicles are fueled in accordance with section 4102(c). Making the executive and legislative branch equally responsible for implementing the program at the congressional level, will ensure the job gets done.

Again, this is a modest but important clarification.

AMENDMENT NO. 1627

(Purpose: To establish a Solar Assistance Financing Entity)

On page 93, line 18, insert the following new section:

"SEC. 5206. ESTABLISHMENT OF THE SOLAR ASSISTANCE FINANCING ENTITY.—(a) PROGRAM.—The Secretary of Housing and Urban Development shall hereby establish the "Solar Assistance Financing Entity" hereafter referred to as "SAFE". SAFE shall be based on the provisions in the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3603(a)).

"(b) PURPOSE.—The Purpose of SAFE shall be to assist in the financing of solar and renewable energy building technology applications through increased loan amortizations (from non-Federal sources) and joint ventures. Schools and hospitals shall be considered eligible for loans for purposes of this program.

"(c) FUNDING.—Funding pursuant to this section shall be administered and distributed through one of the following agencies:

"(1) State agencies, or divisions of State agencies, responsible for developing the State energy conservation plan pursuant to section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322);

"(2) State government offices administered by the Department of Housing and Urban Development; or

"(3) an Agency authorized to specifically carry out the purposes of this section.

"(d) REGULATIONS.—Not later than 12 months after the date of the enactment of this Act, the Secretary of Housing and urban Development and the Secretary of Energy shall issue any regulations necessary to carry out the purposes of this section.

"(e) APPROPRIATIONS.—For purposes of this section, there are authorized to be appropriated not to exceed $10 million for fiscal year 1993, $10 million for fiscal year 1994, and $10 million for fiscal year 1995.".

Mr. FOWLER. Mr. President, I rise today to offer, on behalf of Senators HATFIELD, CONRAD, and myself, an extremely significant amendment to title V of S. 2166. This amendment establishes a Solar Assistance Financing Entity [SAFE] based on the model of the Solar Energy and Energy Conservation Bank, which was originally created back in 1980 under the Energy Security Act but not reauthorized after 1988.

Although the Solar Energy and Energy Conservation Bank was never fully supported under the Reagan administration and received only one appropriation during its 8-year tenure, it offered a very important financial mechanism for the commercialization of solar energy and energy-efficient technologies.

By establishing the Solar Assistance Financing Entity, we continue the work started with the Bank and we help restore confidence in the investment community that we do, indeed, support renewable energy development. I believe that the more forgiving political climate we have today toward environmentally friendly industrial markets will help to ensure the success of SAFE.

I would also point out that our international competitor nations sense a lessening of resolve by the United States to commercialize our solar technologies, and they are aggressively expanding their research, market development, and export promotion activities.

Bridging the gap between research and development, and commercialization of high-tech solutions to our environment and our economy is one of the primary challenges of our day. We need innovative market tools for financing these technologies. This entity could be used to help the conservation and renewable industry bring down the cost of production. The industry would then expand and grow to the size needed to meet consumer demand.

SAFE would help consumers overcome the initially high capital cost of residential applications of solar and energy efficiency technologies in order to clear the way for lower fuel costs. In addition, SAFE would provide financing for large residential construction projects, retrofitting of communities, or multipurchase programs supported by State energy offices. Schools and hospitals would also be eligible for assistance through SAFE.

Mr. President, I hope my colleagues will join with me and Senators HATFIELD and CONRAD in support of this important and worthwhile amendment.

Mr. HATFIELD. Mr. President, I rise today in support of an amendment to the Johnston-Wallop energy bill, S. 2166, which was introduced by my colleague, the Senator from Georgia [Senator FOWLER]. Throughout debate on this bill, I have had a personal focus—to work to create a balanced national energy strategy. Forging this balance means that production of fossil fuels and other finite energy sources must be coupled with measures designed to increase energy efficiency, energy conservation, and to help with the proliferation and development of clean, renewable energy resources. Hydropower, geothermal, solar, wind—all of these technologies, when folded into our Nation's energy mix, can supply clean, safe, reliable energy sources ad infinitum.

The promise of these technologies is hampered only by their prohibitive costs. Earlier today, however, the Senate adopted an amendment which will help make some specific renewable energy technologies more affordable to average American consumers. This amendment, offered by my distinguished colleague from Georgia, Senator FOWLER, establishes the Solar Assistance Financing Entity [SAFE].

The SAFE amendment was developed in conjunction with the Department of Energy, the Solar Energy Industries Association, and the Energy and Natural Resources Committee staff and is loosely framed after the old Solar Energy and Energy Conservation Bank created by Congress in 1980.

The SAFE amendment would assist homeowners, schools, and hospitals in financing solar and renewable energy building technology applications through increased loan amortizations and joint ventures. The recipients of assistance under the SAFE amendment will be those businesses and individuals who occupy the "renewable energy neutral ground"—in other words, they are not large enough to make use of renewable energy tax credits and do not financially qualify for the Low-Income Weatherization Program.

As chairman of the Senate Appropriations Committee during the early 1980's, I was instrumental in securing funding for programs similar to the approach which will be developed under the SAFE amendment. The programs of the early 1980's, however, had a number of problems. For example, loans which were supposed to be disbursed "at the earliest possible date," more often than not never reached their final destination—the American consumer.

Although the distribution of funds under the renewable energy assistance programs of the early 1980's was minimal, those programs which were in place, when given a chance, actually performed quite impressively. Programs such as the Solar Bank were utilized by a number of State energy offices, which encouraged over 350,000 homeowners to use solar energy systems, of which over 98 percent are working today displacing nearly 350 megawatts of energy equivalent.

The reasons for instituting the SAFE Program today, however, are even more important than they were back in the early 1980's.

Today's tough economic times are taking a toll on people's ability to pay their mortgage and utility bills. The proliferation of solar water heating and other solar-assisted applications through the SAFE Program can provide immediate savings to consumers in the form of significantly reduced utility bills. Additionally, this program will allow HUD to implement a program to actively encourage solar energy at a time they have no solar policy.

Although solar and renewable energy development programs experienced hardship during the early 1980's, thankfully in 1992 President Bush, Admiral Watkins of the Department of Energy, and HUD Secretary Kemp recognize the importance of diversifying our Nation's energy generating capacities. I hope they, in instituting the new solar assistance and financing entity, will look favorably upon the program and the benefits it can provide to America's consumers in a time of belt-tightening and thinner wallets.

I am encouraged by this amendment, Mr. President, as I am encouraged by the other renewable energy amendments Senator FOWLER and I were able to secure during consideration of this bill in the Energy and Natural Resources Committee.

And while I am troubled by several provisions in S. 2166, such as the streamlined nuclear licensing process and the lack of any increase in corporate average fuel economy standards, I feel that the inclusion of conservation, efficiency, and renewable energy amendments to S. 2166 on the Senate floor have improved the bill tremendously.

Therefore, I would like to thank the chairman and ranking member of the Energy Committee for being so open to reshaping this bill to reflect the wishes to the Senate, and, more specifically, I thank them for clearing the SAFE amendment as a part of this Nation's national energy strategy.

AMENDMENT NO. 1628

SEC. 4304.

On page 58, lines 15 through 16, strike ", the territories of the United States, or Canada" and insert "or the territories of the United States".

AMENDMENT NO. 1629

(Purpose: To provide for a Renewable Energy Research Program)

On page 93, between lines 15 and 16, insert the following new section:

SEC. 5206. RENEWABLE ENERGY RESEARCH.

(a) IN GENERAL.—Section 4 of the Renewable Energy and Energy Efficiency and Technology Competitiveness Act of 1989 (42 U.S.C. 12003) is amended—

(1) in subsection (a), by adding at the end of the subsection the following new paragraph:

"(5) RENEWABLE ENERGY RESEARCH PROGRAM.—In general, the goal of the Renewable Energy Research Program shall be to advance research and development concerning the production of ethanol. Research, development, and demonstration programs under the Renewable Energy Research Program shall include programs related to the following topics relating to the production of ethanol:

"(A) The conversion of corn fiber to ethanol.

"(B) The production of olefins (including isobutylene) from biomass.

"(C) The minimization of contamination to improve yields.

"(D) The recovery of enzymes and yeasts.

"(E) The improvement of distillation.

"(F) The use of membrane technology.

"(G) Value added uses of carbon dioxide.

"(H) Chemical production from corn components.

"(I) The minimization of by-products that foul processes and reduce ethanol yields.

"(J) Pretreatment processes."; and (2) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting "the Renewable Energy Research Program" after "the Ocean Energy Systems Program"; and

(B) in paragraph (3)—

(i) by striking "and" at the end of subparagraph (B);

(ii) by striking the period at the end of subparagraph (C) and inserting "and"; and

(iii) by adding at the end of the paragraph the following new subparagraph:

"(D) not to exceed $50,000,000 shall be available for the Renewable Energy Research Program.".

(b) PROGRAM TRANSFER.—The Secretary is authorized to transfer such research, development, and demonstration programs from the Biofuels Systems programs as are appropriate to the Renewable Energy Research Program established under subsection (a) of this section.

Mr. DOLE. Mr. President, I am pleased to offer a modest, yet important amendment to the energy strategy bill that addresses an important aspect of our domestic energy policy and serves to improve our position with regard to renewable fuels production in this country.

Right now it is a proven fact that ethanol, made from grain, is the only U.S. domestically produced transportation fuel that fulfills all the basic U.S. domestic policy goals of environmental protection, domestic energy security, increased domestic farm income, and decreased U.S. farm support program costs.

This amendment directs the Secretary of Energy, within the context of the Renewable Energy and Energy Efficiency Technology Competitiveness Act, to develop a renewable energy research program that advances research and development and demonstration programs concerning ethanol.

Mr. President, much research is being done now with regard to other types of alternative fuels including methanol. This is fine, to the extent that other types of fuel substitutes are also being addressed in the laboratory. Currently, much more needs to be done. We must look at new production techniques, new ways to address emissions standards, and new uses for by-products. The industry has had for a significant amount of time a long list of needed scientific research programs that need to be carried out. The name of the game is working to improve production techniques, and therefore reduce production costs; improve emissions testing to bring the greatest efficiency possible to engines that burn ethanol based fuels; and find new and cost-effective ways to create new markets for the by-products of ethanol production.

Mr. President, with nearly half of our domestic petroleum supplies coming from foreign sources, it is incumbent on us to find ways to enhance our own domestic production capability, particularly when it comes to renewable fuels like ethanol.

Mr. JOHNSTON. Mr. President, the first is a Wellstone amendment on advanced nuclear reactor. This would strike a provision relating to the Secretary's recommendations on advanced nuclear reactor demonstration projects.

The next amendment is by Senator WELLSTONE to establish a sustainable energy transition pilot program, and would authorize additional grants at selected existing State energy conservation programs or groups of State programs for the purpose of developing long-range plans for the transition to renewable energy supplies.

A McCain amendment on congressional fleet vehicles, to clarify that alternative fuel vehicle purchase requirements of the bill clearly apply to the congressional fleet; that is, the 122 cars and trucks operated by the House and Senate Sergeant at Arms and Architect of the Capitol.

A Fowler amendment to establish the solar assistance financing entity modeled after the solar bank. The entity is designed to help overcome the high initial capital costs of residential, commercial, and institutional renewable energy technology applications.

A Murkowski amendment on Canadian alternative fuels, which simply drops Canada from the definition of domestic in the alternative fuels title.

A Dole amendment to provide for a renewable energy research program for ethanol.

Mr. President, those six amendments are at the desk, and I urge their adoption.

Mr. WALLOP. The minority agrees with these amendments.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments (Nos. 1624-1629) were agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1630

Mr. WALLOP. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] for himself, Mr. FORD, Mr. BYRD, and Mr. MCCONNELL, proposes an amendment numbered 1630.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 379, after lien 21, add the following new subtitle:

Subtitle C—Innovative Technology Transfer

SEC. 14301. INNOVATIVE CLEAN COAL AND RENEWABLE ENERGY TECHNOLOGY TRANSFER PROGRAM.

(a) IN GENERAL.—The Secretary shall, in consultation with the Clean Coal Technology Export Coordinating Council and the Committee on Renewable Energy Commerce and Trade, undertake a clean coal and renewable energy technology transfer program designed to encourage the utilization of United States technologies in commercial demonstration energy technology projects to be proposed by United States firms in host nations.

(b) PURPOSE.—The purpose of the energy technology transfer program under this section is to—

(1) reduce the United States balance of trade deficit through the export of United States energy technologies and technological expertise;

(2) retain jobs in the United States through the manufacturing of capital goods associated with new energy technology projects located in other nations;

(3) encourage the foreign commerce in, and use of, commercially available United States technologies in those nations that have determined a need to construct facilities to provide useful energy derived from coal or renewable energy resources;

(4) develop markets for United States technologies and, where appropriate, United States coal resources, to be utilized in meeting the energy and environmental requirements of other nations;

(5) better ensure that United States participation in energy-related projects in other nations includes—

(A) participation by United States firms; and

(B) utilization of United States technologies that have been developed or demonstrated in the United States through publicly or privately funded demonstration programs; and

(6) provide for the accelerated demonstration of United States technologies that will serve to introduce into other nations United States technologies that—

(A) use coal or renewable energy resources in a cost-effective and environmentally acceptable manner; and

(B) serve to ensure the introduction of United States firms and expertise in those nations.

(c) IDENTIFICATION.—(1) The Secretary shall—

(A) after consultation with the Clean Coal Technology Export Coordinating Council and the Committee on Renewable Energy Commerce and Trade regarding the data and information obtained by the Council pursuant to section 1409(e) of this title, identify energy technology projects that may be developed in host nations that would be candidates for the application of a clean coal technology or a renewable energy technology;

(B) consult with appropriate government officials of a host nation, and, as appropriate, with representatives of non-United States electric utilities or other non-United States entities, to determine the interest in and support for an energy technology project that is identified under subparagraph (A).

(2) Within 240 days after the date of enactment of this Act, and subsequently as appropriate, the Secretary shall publish in the Federal Register and the Commerce Business Daily a list specifying those clean coal technology or renewable energy technology projects identified under paragraph (A) which, in the judgment of the Secretary, there is a reasonable likelihood will be proposed under the authorities provided by this section.

(d) SOLICITATIONS FOR PROJECT PROPOSALS.—(1) Within 120 days after issuance of the list in subsection (c)(2), and subsequently as appropriate thereafter, the Secretary shall issue a request for proposals from United States firms for the design, construction, testing, and operation of the energy technology project or projects specified on such list which propose to utilize a United States technology. Such request for proposals shall enable the Secretary to accept proposals on a continuous basis after the initial publication of the request for proposals.

(2) Requests for proposals shall include the following requirements:

(A) Unless otherwise herein specified, the request for proposals shall be governed by the requirements and procedure set forth in RFP No. DE-PS01-90FE62271 Clean Coal Technology IV as administered by the Department of Energy.

(B) The host nation in which the project is to be located shall be a participant in the proposed project and shall agree to provide, in combination with any non-United States entity participant, directly or indirectly, at least 50 percent of the cost of the project or such greater amount as may be warranted by the financial circumstances of the host nation and any non-United States entity participant, as determined by the Secretary.

(C) The project shall utilize a United States energy technology and, where appropriate, United States coal resources, in meeting the applicable energy and environmental requirements of the host nation.

(D) The project shall be proposed by and undertaken with a United States firm, although a joint venture or other teaming arrangement with a non-United States manufacturer or other non-United States entity is permissible.

(E) At least 50 percent of the cost of any equipment furnished in connection with a energy technology project authorized under this section shall be attributable to the components of such equipment manufactured in the United States. In determining whether the cost of United States components equals to exceeds 50 percent, the cost of assembly of such United States components in the host nation shall not be considered a part of the cost of such United States component.

(e) SELECTION OF PROJECTS.—(1) The Secretary, in consultation with the Clean Coal Technology Export Coordinating Council or the Committee on Renewable Energy Commerce and Trade, may, not later than 120 days after receipt of proposals in response to the initial solicitation under subsection (d), select at least two proposals for negotiation of cooperative agreements under this section.

(2) In selection a proposal and in negotiating a cooperative agreement under this section, the Secretary shall consider—

(A) the ability of the United States firm, in cooperation with the host nation, to undertake and complete the proposed commercial demonstration project;

(B) the degree to which the furnished equipment to be included in the energy technology project is manufactured in the United States;

(C) the long-term technical and competitive viability of the United States technology, and the ability of the United States firm to compete in the development of additional energy projects using such technology in the host nation and in other nations;

(D) the extent of technical and financial involvement of the host nation in the commercial demonstration project;

(E) the extent to which the proposed energy technology project meets the objectives stated in subsection (b) of this section; and

(F) such other criteria as the Secretary deems appropriate.

(3) The Secretary, in consultation with appropriate Federal officials, may establish eligibility criteria for host nations.

(f) COST-SHARING.—(1) The Secretary may provide financial assistance to any energy technology project for which a cooperative agreement is entered into pursuant to this section. Such financial assistance may be in the form of grants, or no interest or low interest loans.

(2)(A) Any financial assistance under this subsection may not be greater than 50 percent of the total costs directly and specifically related to any energy technology project which is the subject of a cooperative agreement under this section.

(B) Any financial assistance provided under this section shall be repayable to the United States if, in the judgment of the Secretary, such repayment will not jeopardize the competitive position of the United States firm with respect to the energy technology utilized and technological expertise associated with the selected project.

(g) REPORTS TO CONGRESS.—The Secretary shall report annually to the Committee on Energy and Natural Resources of the Senate and the House of Representatives on the progress being made, through the cooperative agreements under this section, to introduce clean coal technologies and renewable energy technologies into other nations.

(h) DEFINITIONS.—For purposes of this section, the term—

(1) "host nation" means that foreign country which is—

(A) the participant in or the site of the proposed clean coal technology or renewable energy technology project; and

(B) classified as either—

(i) a country eligible to participate in development assistance programs of the Agency for International Development pursuant to applicable law or regulation; or

(ii) a category II or category III country as classified under the guidelines of the export credit arrangement of the Organization for Economic Cooperation and Development followed by the Export-Import Bank of the United States.

(2) "United States firm" means—

(A) an individual possessing United States citizenship;

(B) a corporation incorporated under the laws of the United States; or

(C) a joint venture or partnership organized under the laws of the United States, each participant of which is an individual or corporation described in subparagraph (A) or (B).

(3) "United States energy technology" means—

(A) a clean coal technology or a renewable energy technology that is determined by the Secretary to be available for commercial use but not widely demonstrated in other than the United States;

(B) a technology which is either owned (50 percent or more) by a United States firm, licensed to a United States firm and owned by another United States firm, or in the public domain; and

(C) the intellectual property embodied in the process and in the furnished equipment being demonstrated.

SEC. 14302. CONVENTIONAL COAL TECHNOLOGY TRANSFER.

(a) If the Clean Coal Technology Export Coordinating Council determines that a United States conventional coal technology would constitute a substantial improvement in efficiency, costs, and environmental performance relative to the energy technology being used in a less developed country with significant indigenous coal resources, such technology shall, for purposes of sections 14109 and 14301, be considered a clean coal technology. In the case of combustion technologies, only the retrofit, repowering, or replacement of a conventional technology shall constitute a substantial improvement for purposes of this section.

(b) In carrying out this subtitle, the Council shall give highest priority to promoting the most environmentally sound and energy efficient technologies.

Mr. WALLOP. Mr. President, I offer this amendment on behalf of Senator FORD and Senator MCCONNELL and myself.

SUMMARY OF AMENDMENT

The amendment authorizes the Secretary of Energy to establish a program to foster the commercial demonstration of clean coal and renewable energy technologies in developing countries. The program will be governed by the same procurement procedures as the ongoing DOE clean coal program.

The Secretary is to identify such electric power projects in lesser developed and Third World countries. The Secretary is to then solicit proposals from U.S. firms to undertake the identified clean coal or renewable energy project in such countries.

The U.S. firms must propose U.S.-developed clean coal or renewable energy technologies. At least 50 percent of any project cost must be provided directly or indirectly by the host foreign government.

The U.S. share of the project cost may be in the form of a repayable loan.

OBJECTIVES OF AMENDMENT

Many countries of the world, particularly lesser developed nations, will use coal; growth in energy demand in these countries is expected to be exceptionally high.

By the year 2010, total world energy requirements will be 71 percent greater than today. Almost 60 percent of the energy consumed will be in what are now the developing nations, the former U.S.S.R. countries, and Eastern Europe.

To meet this demand the Electric Power Research Institute estimates that worldwide coal capacity will nearly double over the next 30 years.

If this expansion in energy use is to be undertaken in an environmentally acceptable manner, these countries need the benefits of the environmentally superior clean coal technologies that are being commercially developed in the United States.

Pressurized fluidized bed boilers and integrated gasification combined cycle powerplants, for example, are able to control very high percentages of SO_2 and NO_x compared to existing technology. These new technologies are more efficient in the conversion or combustion of coal.

The clean coal program is a success story—42 clean coal projects have been selected or are underway; a fifth solicitation is scheduled for 1992.

The Federal clean coal program is supported by $2.7 billion in U.S. funding and $3 to $3.5 billion in private sector funds. This joint effort is accelerating the commercial demonstration of new, cost-effective, and environmentally superior clean coal technologies.

By the year 2000, the worldwide market for clean coal technologies, according to the National Coal Council, could be $50 billion annually and $70 billion annually by the year 2010. There is a potentially enormous export market for U.S. clean coal technologies.

It is of interest to note that in 1988, 14 percent of U.S. economic aid was used for capital projects. In contrast, 61 percent of Japan's, 46 percent of Germany's, and 62 percent of Italy's economic aid went to capital projects.

A recent report by the Center for Strategic and International Studies estimates that $2.4 to $4.8 billion of U.S. exports are lost annually because of the discrepancy between the United States and foreign countries' tied aid credits. Tied aid credits are loans made to developing countries which must be used to import goods and services from the donor country.

Tied aid and tied aid receipts are a primary mechanism that West Germany, France, and Japan use as a wedge for economic influence around the world. For example, from 1984 to 1987, West Germany, France, and Japan spent 70 percent of aid on capital-intensive projects to create large markets for capital goods exported from the home country. During these same years, the United States dedicated 7 percent of its assistance to such projects.

CONCLUSION

This amendment supports efforts by the Secretary of Energy to foster the deployment of U.S.-supported clean coal or renewable energy technologies in developing countries.

The establishment of markets for U.S. clean coal and renewable energy technologies will enhance the U.S. competitiveness and its balance of trade. It is in our country's best interest to ensure that U.S. firms gain "footholds" in these countries.

ENERGY TECHNOLOGY TRANSFER PROGRAM

Section 14301(a) authorizes the establishment, within the DOE, of a clean coal and renewable energy technology transfer program designed to encourage the use of U.S. technologies in foreign countries.

Among the purposes of subsection (b) are establishment of a program which will reduce the foreign trade deficit, retain U.S. jobs, and encourage the use of U.S. technologies—clean coal and renewable energy—in countries requiring additional energy.

Under subsection (c) the Secretary is to consult the Clean Coal Technology Export Coordinating Council and the Committee on Renewable Energy Commerce and Trade to identify countries where clean coal or renewable energy technology projects would be candidates for use.

Subsection (d) requires that within 120 days after publication of the lists the DOE is to identify projects for which sponsors are solicited. The criteria for project selection include a requirement that at least 50 percent of the cost of equipment for the project must be manufactured in the United States. When selecting projects, consideration is to be given to such factors as whether the competitive position of any U.S. firm will be enhanced.

Subsection (f) limits the Department of Energy's financial assistance in a project to no greater than 50 percent of the direct costs of the project. In addition, the U.S. contributions are to be repaid unless the Secretary determines that such requirement would jeopardize the competitive position of the U.S. firm with respect to the further development of that technology.

Section 14302 permits the Clean Coal Technology Export Coordinating Council to recommend the use of conventional coal technologies where a finding is made that such technology would substantially improve efficiency, costs, and environmental performance relative to the technology being used in the foreign country.

Mr. BYRD. Mr. President, I rise in support of an amendment offered by the senior Senator from Kentucky, the majority whip [Mr. FORD], the Senator from Wyoming [Mr. WALLOP] who is the ranking minority member of the Senate Energy and Natural Resources Committee, and the junior Senator from Kentucky [Mr. MCCONNELL]. This amendment, the clean coal technology and renewable energy technology transfer program, is intended to help U.S. industry remain the world leader in the commercialization and worldwide use of innovative clean coal or renewable energy technologies.

For many years, I have encouraged and promoted the development of technologies to use coal more efficiently and cleanly. Those efforts culminated in the enactment and funding of the highly successful, multibillion-dollar Clean Coal Technology Program that is currently ongoing at the Department of Energy. Forty-two clean coal projects are underway around the country, demonstrating new and better ways to use coal, our Nation's most abundant fossil energy resource. Industry is cost sharing in the demonstration of these technologies and providing nearly 60 cents of each dollar required. The program also requires that the Government's contribution be repaid if a profit is made. Another solicitation for additional projects is in preparation and, as has been the case with the four preceding solicitations, it is expected that funding will not be sufficient to cover all of the projects likely to be proposed. America is leading the way in the development of these technologies that will enable us to use coal cleanly. And, government and industry have cooperated and structured a very effective program.

As we conclude this debate about U.S. energy policy and programs, we might pause to consider that coal remains the work horse of that energy policy. We know that at current rates of consumption the United States is blessed with enough coal to last for this century and the century beyond. West Virginia is a major producer of coal and my State remains an enthusiastic supporter of clean coal technologies. Effective stewardship of our coal resources includes the ability to use coal wisely by providing affordable energy at minimal impact to the environment. Clean coal technologies offer the means by which we can promise future generations that coal-derived energy to light our homes and run our factories will also be energy that minimally impacts the Earth's environment.

The amendment which I am cosponsoring seeks to assure that the advances the United States is making in clean coal technologies will be made available around the world wherever coal is used. Most importantly, this amendment also seeks to ensure that U.S. firms, responsible for the development of these innovative technologies, become the supplier of these technologies to the rest of the developed and developing countries that require energy. We also seek by this amendment to ensure that U.S. industry is helped by Government and that we do not fall victim to the predatory practices of international competitors who will take the good ideas and technologies, researched and developed, in part, with taxpayer dollars and profitably commercialize them around the globe.

Mr. President, in 1988, 14 percent of U.S. economic aid was used for capital projects. In contrast, 61 percent of Japan's, 46 percent of Germany's, and 62 percent of Italy's economic aid went to capital projects. A recent report by the Center for Strategic and International Studies estimates that $2.4 to $4.8 billion of U.S. exports are lost annually because of the discrepancy between the United States and foreign countries' tied aid credits.

Tied aid and tied aid receipts are a primary mechanism that West Germany, France, and Japan use as a wedge for economic influence around the world. For example, from 1984 to 1987, West Germany, France, and Japan spent 70 percent of aid on capital-intensive projects to create large markets for capital goods exported from the home country. During these same years, the United States dedicated 7 percent of its assistance to such projects.

Mr. President, the United States can simply no longer afford to ignore these opportunities. The National Coal Council has estimated that the worldwide market for clean coal technologies could reach $50 billion annually by the year 2000, and $70 billion annually by the year 2010. The export market for these technologies is enormous. We also know that Japan and Germany have targeted clean coal technologies as a potentially lucrative export market. Past experience would suggest that these governments will assist their domestic industries to gain important market positions in those areas of the world where coal is used and where clean coal technologies will be sought for purchase and use.

As a result, the amendment I am cosponsoring today would authorize the Secretary of Energy to enter into cost-sharing agreements with other industrialized and Third World nations to provide a U.S. contribution of not more than 50 percent of the cost for clean coal demonstration projects, provided that no less than 50 percent of the cost of the equipment for each of these projects is manufactured in the United States. The United States would, in short, be agreeing to cost-share the transfer of our technology, but at the same time insuring that U.S. jobs are protected and new opportunities created.

Finally, as one of the caretakers for our global environment, we can assist other nations by attempting to assure that environmentally superior clean coal technologies are introduced and used in those parts of the world intending to use coal. Many of these clean coal technologies can effectively control emissions of sulfur dioxide [SO_2] and nitrogen oxides [NO_x] as well as particulates. In addition, these advanced technologies are significantly more efficient than conventional technologies and, thus, less carbon dioxide will be emitted into the atmosphere.

This amendment, then is intended to make sure that U.S. companies, responsible for the research and development of clean coal technologies or renewable energy technologies, have an opportunity to profitably transfer those technologies to other countries. Given the potential energy markets worldwide, U.S. firms have an opportunity to capture important new export trading opportunities, thus assisting in our balance of trade. This amendment will help create jobs here at home and it will help the United States maintain our competitive position abroad. We must also recognize that coal will be used to power the economic engines of other countries. To the extent that we are also world leaders in promoting sensible worldwide environmental policies, the export of clean coal technologies and renewable energy technologies is sensible.

Mr. President, I urge the Senate to adopt this important amendment.

Mr. JOHNSTON. Mr. President, we find great merit in this amendment and accept it.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 1630) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, the bill is open for further amendment at this time.

Mr. President, do I understand now that the ANWR amendment is no longer eligible for consideration under the unanimous consent?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSTON. So, Mr. President, we, in effect, are ready for further amendments if any there be, and we urge Senators to come to the floor if they have those amendments and consider them at this time.

We have been put on notice that Senator CRAIG has an amendment, which we are prepared to debate. I think that will take a rollcall vote. I hope that Senator CRAIG will come to the floor right away. Or Senator BIDEN has a Nuclear Safety Board amendment, which we are ready to consider at this point.

Mr. WALLOP. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. WALLOP. Let me just echo the Senator's words. The bill is open for amendment, and we cannot make progress on it without these amendments except by going to third reading, and some of them deserve to be heard, we suspect. But if there is nobody here to offer them, I do not suppose either the chairman or myself would be at all reluctant to call for third reading.

Mr. JOHNSTON. I say that we would not call for third reading, certainly. Actually, we would not call for third reading. Third reading just occurs.

Mr. WALLOP. Yes.

Mr. JOHNSTON. But we will take steps not to let third reading occur, certainly, this morning, because I understand a couple of Senators are coming in this afternoon. Senators should be put on notice—they were put on notice last Friday and repeated today—that this train is leaving the station. And if they really are interested in their amendments, come to the floor. Otherwise, this afternoon sometime, third reading will occur.

Mr. President, I reiterate, we are open for business and ready for amendments, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BREAUX). Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I note the presence of the managers of the energy bill, and I would like to inquire of the distinguished Senator from Louisiana what the status of the bill is now. We have been back in session on the bill for over 2 hours. I inquire whether any of the remaining amendments have been offered during that time.

Mr. JOHNSTON. Mr. President, I thank the majority leader for his inquiry.

Our state of play is this: The list of eligible amendments are: A Biden amendment on the Nuclear Safety Board. We are not sure whether he is going to offer that or not. But we think he may. There are two Bryan amendments, one on PUHCA and one on industrial reporting. We know he is going to offer the PUHCA amendment. There is a Craig amendment on eminent domain. There is a set of Graham amendments relating to the OCS.

There is a Metzenbaum amendment relating to natural gas refunds.

Those are the only amendments that we know of that we think will require rollcall votes. There are a number of others that we hope to work out, if the Senators would tell us whether they are actually interested, and a whole set of other amendments that we understand probably will not be offered.

So, in effect, it is only about five amendments that are standing in our way of third reading, and those we are ready to do business on, all of those, at this time.

I would say, Mr. President, that we have put Senators on notice last Friday that the Murkowski amendment would probably not be offered. It was not offered. We have made repeated pleas on the floor here today for Senators to come to the floor. I said, in effect, we would not allow third reading to happen before lunch. But after that, if third reading occurs, it occurs. I do not know how many more times we should invite Senators to bring forth amendments.

Mr. MITCHELL. Mr. President, I thank the distinguished chairman for his report. I want to reaffirm what he has just said so that every Senator will have ample notice. This bill has been on the Senate floor now covering a calendar period of 3 weeks and a legislative period now into the second week.

No Senator can be unaware of the status of the bill. There has been ample opportunity for Senators to come and offer their amendments. If Senators are not going to do so, they should notify the managers promptly. If they do not notify the Senators and do not come to offer their amendments, then it seems to me that the only alternative is to proceed to third reading.

I think the Senator has appropriately deferred taking such action until after the caucus, but Senators either now watching, or their staffs should notify those Senators, they should immediately get in touch with respective staffs here on the floor to notify them of their intentions with respect to this amendment.

It is my hope that we can proceed to complete action on this bill today, and I encourage all Senators who have expressed an intention to offer amendments to be prepared to do so immediately following the completion of the caucuses at 2:15.

I thank the Senator very much for his report and his persistence in pursuing this measure.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that it be in order to consider an amendment by Senator CONRAD on the subject of renewable energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1631

(Purpose: To encourage existing lending programs within the Department of Agriculture to include renewable energy projects)

Mr. JOHNSTON. Mr. President, this amendment by Senator CONRAD was not included in the list, inadvertently, and I now send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. CONRAD, proposes an amendment numbered 1631.

On page 89, line 16, amend 5203 by deleting "(13) and (14)" and inserting in lieu thereof "(14) and (15)".

On page 89, line 17, amend section 5203 by inserting "and (13)" after "(12)".

On page 89, line 22, amend section 5203 by inserting a new paragraph (13) as follows:

"(13) programs to facilitate and encourage the voluntary use of renewable energy technologies for eligible participants in Department of Agriculture programs including the Rural Electrification Administration and the Farmers Home Administration;".

Mr. CONRAD. Mr. President, the amendment I am offering today will provide additional tools for existing borrowers in important rural lending programs to receive funding for renewable energy projects. The amendment authorizes States, in the development of their State energy plans under the Energy Policy and Conservation Act, to facilitate and encourage the voluntary use of renewable energy technologies for eligible participants in Department of Agriculture programs including the Rural Electrification Administration and the Farmers Home Administration.

These two lending programs—REA and Farmers Home—provide long-term financing in the agricultural sector. Currently, no prohibition exists for renewable energy projects in these programs, yet no loans are approved. This amendment will provide an additional carrot for existing borrowers to receive loans for renewable projects.

It is important to point out that this amendment allows for the voluntary use of these programs for renewable energy technologies. The amendment does not expand the definition of which individuals are eligible to participate in the REA and Farmers Home loan program—that stays the same. The amendment simply gives these borrowers more options to choose from should they decide to finance a renewable project.

Mr. President, the agricultural sector is one of the most energy-intensive sectors in this economy. Relatively sparsely populated areas often have intensive energy needs. There are numerous renewable technologies—that are already developed—which can be of assistance in these areas. The amendment will facilitate the utilization of these renewable technologies in this critical sector.

I appreciate the assistance of the chairman of the Senate Energy Committee, Senator JOHNSTON. He and his staff have been unfailingly helpful in my effort to have this amendment.

Mr. JOHNSTON. Mr. President, this amendment expands the ability of eligible participants to use existing lending programs within the Department of Agriculture to fund renewable energy projects.

The PRESIDING OFFICER. Is there any further debate on the amendment?

Mr. WALLOP. Mr. President, we have reviewed it and agreed completely with it, and it was an inadvertent nonlisting of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1631) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1548, AS MODIFIED

Mr. JOHNSTON. Mr. President, I ask unanimous consent that it be in order that clerical correction be made to amendment numbered 1548, an amendment to facilitate private sector financing of Federal Government energy efficiency projects.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I send the full text of the corrected amendment to the desk and ask unanimous consent that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1548), as modified, is as follows:

Amend the Glenn amendment in the nature of a substitute to subtitle VI–B, by inserting at the end the following new section:

SEC. 6220. ENERGY PERFORMANCE CONTRACTS.

(a) Title VIII of the National Energy Conservation Policy Act (Public Law No. 99-412) is amended by striking "TITLE VIII—SHARED ENERGY SAVINGS" and inserting in lieu thereof "TITLE VIII—ENERGY SAVINGS PERFORMANCE CONTRACTS".

(b) Section 801 of such Act (42 U.S.C. 8287) is amended by striking the word "may" the first place it appears and inserting "shall, to the extent practicable," in lieu thereof; and by redesignating such section as subsection 801(a)(1) and adding the following new text:

"(2)(A) Contracts under this title shall be energy savings performance contracts and shall require an annual energy audit and specify the terms and conditions of any government payments and performance guarantees. Such performance guarantee shall provide that the contractor is responsible for maintenance and repair services for any energy related equipment, including computer software systems.

"(B) Aggregate annual payments by the government may not exceed the guaranteed energy savings during each contract year.

"(C) Federal agencies may incur obligations to finance a project provided guaranteed savings exceed the debt service requirements.

"(b) IMPLEMENTATION.—(1)(A) The Secretary, in consultation with the Secretary of Defense, the Administrator of the General Services Administration, and the Administrator of NASA, within 90 days after the date of the enactment of the National Energy Security Act of 1992, shall develop appropriate procedures and methods for used by Federal agencies to select energy savings service contractors that will achieve the intent of this section in a cost-effective manner. The procedures and methods used for the calculation of energy savings shall be based on sound engineering practices, consideration of relevant variables such as applicable utility rate schedules, and fuel and utility billing cycles.

"(B) Notwithstanding any other procurement laws and regulations, such procedures and methods shall apply to the selection by each Federal agency of a contractor to provide energy savings services.

"(C) The process developed pursuant to this section may constitute adequate price competition, no cost justification shall be required, and waiver of the cost pricing and cost accounting standards shall be permitted.

"(2) In carrying out paragraph (1), the Secretary may:

"(A) request statements of qualifications, including financial and performance information, from firms engaged in providing energy saving services;

"(B) designate from the statements received, with an update at least annually, those firms that are qualified to provide energy savings services;

"(C) select at least three firms from the list of qualified contractors to conduct discussions concerning a particular proposed energy savings project, including requesting a technical and price proposal from such selected firms for such project; and

"(D) select from such firms the most qualified firm to provide energy savings services pursuant to such energy savings contractual arrangement that the Secretary determines is fair and reasonable, taking into account—

"(i) the qualifications, prior experience and capabilities of a contractor to perform the proposed type of energy savings services; and

"(ii) the estimated value of the energy savings services to be rendered and the scope and nature of the project.

"(3) In carrying out paragraph (1), the Secretary also may provide for direct negotiations by Federal agencies for energy savings services with contractors that have been selected competitively and approved by any gas or electric utility serving the agency involved.

"(c) DEFINITION.—For the purpose of this title, the terms "energy savings contract" or "energy savings performance contract" means a contract which provides for the performance of services for the design, acquisition, installation, testing, operation and, where appropriate, maintenance and repair, of an identified energy savings measure. Such contracts may provide for appropriate software licensing agreements.

"(d) Sunset and Reporting Requirements.

(A) The authority to enter into new contracts under this provision shall cease to be effective three years from date of enactment of this Act.

(B) Beginning six months after the date of enactment of this Act, and every six months thereafter, for a period of three years from enactment of this Act, the General Accounting Office shall report on the implementation of this section. These reports shall include, but not be limited to, an assessment of the following issues:

(i) the quality of the energy audits conducted for the Agencies.

(ii) the Government's ability to maximize energy savings.

(iii) the total energy cost savings accrued by the agencies that have entered into such contracts.

(iv) the total costs associated with entering into such contracts and having them performed.

(v) a comparison of the total costs incurred by agencies under such contracts and the total costs incurred under similar contracts performed in the private sector.

(vi) the number of firms selected as qualified firms under this section and their respective shares of awarded contracts.

(vii) the number of firms engaged in similar activity in the private sector and their respective market shares.

(viii) the number of applicant firms not selected as qualified firms under this section and the reason for their non-selection.

(ix) the frequency with which agencies have utilized the services of government labs to perform any of the functions specified in this section.

(C) Three years from enactment of this Act, the General Accounting Office shall provide a summary report on the efficacy of this section. In addition, the General Accounting Office shall provide recommendations for statutory or regulatory changes that may be necessary. In making such recommendations, the General Accounting Office shall consider whether the contracting procedures utilized under this section by agencies have been effective and whether continued use of those procedures, as opposed to the procedures provided by existing public contract law, is necessary for implementation of successful energy savings performance contracts.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2:15 P.M.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Senate stand in recess until 2:15 p.m. today.

There being no objection, the Senate, at 12:28 p.m., recessed until 2:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Pending is Senate bill 2166.

Mr. JOHNSTON. Mr. President, we will soon be ready to do business as soon as my staff shows up on the floor. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1632

(Purpose: To reiterate the standard for determining the legality of the formation or operation of an independent producer cooperative and to ensure the ability of a party to obtain an injunction against an independent producer cooperative)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. METZENBAUM, proposes an amendment numbered 1632.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 295, beginning on line 23, strike "not" and all that follows through line 25 and insert "be legal if the procompetitive effects outweigh the anticompetitive effects.".

On page 296, strike lines 1 through 6 in their entirety.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, we have worked out an amendment with Senator METZENBAUM regarding section 11107 of S. 2166 which deals with limited antitrust relief for independent gas producer cooperatives. The Metzenbaum amendment has been cleared on both sides of the aisle.

Mr. President, I would like to take this opportunity to explain the committee's intention in including this provision as part of S. 2166. Section 11107 is for the benefit of small independent natural gas producers whose volumes of gas production are insufficient to be readily marketable.

In drafting this provision, the Committee on Energy and Natural Resources was aware that on March 9, 1988, the Antitrust Division of the U.S. Department of Justice issued a business review letter to Petroleum Independents' Cooperative, Inc. [PIC]. After reviewing PIC's request for a business review letter, Assistant Attorney General Charles Rule found that "[g]iven the limitations on the size of individual PIC members and the total volume of gas marketed by firms qualified for PIC membership, the cooperative marketing by PIC of its members' gas is unlikely to raise competitive concerns." Mr. Rule concluded that "[o]n the basis of the information you have provided, the Department of Justice has no current intention to challenge the commencement of business activities by PIC under the antitrust laws." He added, however, as is usual in the case of such review letters, that "[t]his expression of the Department's current enforcement intention does not foreclose future enforcement action by the Department in the event that the actual operation of PIC proves anticompetitive in purpose or effect." Mr. President, I ask unanimous consent that copies of the Department of Justice business review letter issued to PIC and of PIC's request for a business review letter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JOHNSTON. While the PIC business review letter may provide some level of comfort to small independent natural gas producers contemplating cooperative marketing ventures, I believe that section 11107 is necessary to provide greater security to such producers. These are not the kind of producers that regularly retain big city law firms with antitrust expertise. These are not the kind of producers who can afford the time and expense of obtaining a Department of Justice business review letter every time they want to market their natural gas cooperatively.

Mr. President, natural gas producers, and particularly small independent producers, are in dire straits today. In constant dollars, last year's U.S. natural gas prices were at a 15-year low. So far this year, the prices are even lower. The spot market average is below $1 per thousand cubic feet [MCF], about $0.40 lower than a year ago. Virtually every barometer of oil and gas industry activity is down. The Independent Petroleum Association of America estimates that there are only 8,000 independent producers active in the United States today, down from 20,000 in the early 1980's.

In addition, the market for these producers also has changed dramatically. They formerly relied on interstate pipelines to serve as aggregators and marketers for their production. In today's market, pipelines are primarily gas transporters and in large part have gotten out of the business of reselling natural gas. This has left small independent natural gas producers in special need of assurance that, within the bounds of the law, they may act cooperatively to market their production.

Mr. President, section 11107 is the least we can do to help this vital segment of our economy in these difficult times.

EXHIBIT 1

U.S. DEPARTMENT OF JUSTICE,
Washington, DC, March 9, 1982.

JEROME J.C. INGELS,
Petroleum Independents' Cooperative, Inc., Dallas, TX.

DEAR MR. INGELS: This letter responds to your letter of May 22, 1987, requesting a statement, pursuant to 28 C.F.R. §50.6, of the current enforcement intentions of the Department of Justice with respect to the proposal of Petroleum Independents' Cooperative, Inc. ("PIC"), to establish and operate a natural gas marketing cooperative.

As we understand the proposal, PIC is an association of small and medium size producers of natural gas in the states of Texas, Louisiana, Mississippi, Oklahoma, and Colorado. It was organized as a cooperative corporation in March, 1986, but has yet to commence business operations. PIC membership is open to any small (under 50 million cubic feet per day ("mcfd")) or medium size (50 to 100 mcfd) producer of natural gas in the contiguous United States. Currently, PIC has 32 members. The purpose of the organization is to provide negotiation and marketing services that PIC members generally cannot provide for themselves, or purchase separately, because of their small size.

PIC will operate as a non-profit marketing cooperative. It will arrange for the gas produced by its members to be combined into larger "packages," which end-users prefer to purchase rather than small quantities from individual producers. After PIC has negotiated a price, each interested member will be afforded the opportunity to accept or reject the proposal. PIC may also act as a principal, offering to buy gas at a stated price from its members. PIC will seek to obtain preferred transportation rates from pipelines that normally are reserved to the largest transporters. As part of this service, PIC will arrange to hoop-up metering, transportation, and marketing, as well as volume rates, if so requested by the producer member. PIC will also advise its members of current rates and service offerings by gas pipelines as well as the requirements of end-users.

The management of PIC will be vested in a board of directors elected by the general membership. Each member of the cooperative will have one vote in the general membership meeting. PIC may use its own staff to provide marketing services or contract to purchase such services from marketing companies. Daily operations of PIC will be under the direct supervision of its marketing manager, an employee of, or a consultant retained by, PIC. PIC presently charges a one-time membership fee of $1,000. A processing fee per unit of gas will be charged by PIC to cover its operational and other expenses. If there are any earnings in excess of the cost of doing business and any necessary reserves, PIC will return those earnings to members as patronage dividends.

PIC members will be under no obligation to use PIC services and would be free to market their gas to other purchasers, route their own supplies, deal directly with end-users or market gas through other entities. PIC members will not be obligated to sell or transport any specific quantity of gas. PIC will entertain any offer from any responsible end-user or carrier. PIC's marketing manager will carry on negotiations on its behalf or delegate those negotiations to a nominated negotiator retained by PIC.

Neither the PIC marketing manager nor any individual or company negotiating on behalf of PIC members may be an employee of any member of the cooperative. Negotiations will be carried on in confidence, and no member, including members of PIC's board of directors, will have access to any information or communications relating to other members' capacities, prices and contracts. PIC will not allow any form of collective price making among its members, and PIC will not exercise any of its members' pricing discretion or have the power to commit any member's gas in advance of a firm contract. All discussions between PIC's marketing manager or its marketing and purchase nominee and any individual member will be confidential.

You have indicated that, based on current membership, PIC estimates that its volume will range between 50 and 200 mcfd. As such, it would represent only a small fraction of daily output of natural gas in the country, or in any of the major producing areas. Given the limitations on the size of individual PIC members and the total volume of gas marketed by firms qualified for PIC membership, the cooperative marketing by PIC of its members' gas is unlikely to raise competitive concerns. In particular, it appears that the cumulative market share of PIC members, even if the cooperative grew to include all producers qualified for membership, would be too small to permit PIC to exercise market power in any relevant market. In addition, PIC will be selling primarily to natural gas pipelines and large industrial customers, who likely will have adequate countervailing power and significant alternative supply sources.

PIC also has provided for safeguards against anticompetitive conduct by its members. Members are under no obligation to use PIC's services and are free to market their gas to and through others. PIC has also instituted procedures to protect the confidentiality of its individual members' pricing and output decisions. PIC will not permit any form of collective price making among its members and will not exercise any of its members' pricing discretion or have the power to commit its members' gas in advance of a firm contract.

Further, PIC appears to provide opportunities for its membership to achieve greater efficiency in the marketing of their gas. PIC intends to combine gas sales into a larger pool in order to increase the reliability of its members as a source of supply for end-users, thus increasing the demand for gas from its small members. In effect, PIC seeks to transform numerous sources, which individually may be perceived as unreliable, into a larger source having a potentially better perception of reliability. PIC also hopes to be able to negotiate with pipelines for lower transportation rates, and to reduce the cost to its members of hook-up, metering, and marketing services. PIC may also be a means for its members to obtain other services that may be too costly for them to obtain on an individual basis.

On the basis of the information you have provided, the Department of Justice has no current intention to challenge the commencement of business activities by PIC under the antitrust laws. This expression of the Department's current enforcement intention does not foreclose future enforcement action by the Department in the event that the actual operation of PIC proves anticompetitive in purpose or effect.

This statement of the Department's current enforcement intention is made in accordance with the Department's business review procedure, 28 C.F.R. §50.6. Pursuant to its terms, your business review request and this letter will be made available to the public immediately and any supporting data will be made publicly available within 30 days of the date of this letter, unless you request that any part of the material be withheld in accordance with Paragraph 10(c) of the business review procedure.

Sincerely,

CHARLES F. RULE,
Assistant Attorney General.

PETROLEUM INDEPENDENTS'
COOPERATIVE, INC.,
Dallas, TX, May 22, 1987.

Re Petroleum Independents' Cooperative, Inc. (PIC); Business Review Request.

Hon. CHARLES F. RULE,
Acting Assistant Attorney General, U.S. Department of Justice, Washington, DC.

DEAR MR. RULE: Pursuant to the Antitrust Division's review procedure, 28 C.F.R. 50.6, this letter is written on behalf of the Petroleum Independents' Cooperative, Inc. (PIC), a marketing cooperative of small and medium size natural gas producers, to request a statement of the Division's present enforcement intention regarding the proposed operation of PIC outlined below.

PIC was incorporated as a cooperative corporation in March, 1986, but it has not commenced business operations pending review of the antitrust issues by the Justice Department. Headquartered in Dallas, Texas, PIC has current membership of thirty-two (32) members from Texas, Louisiana, Mississippi, Oklahoma and Colorado. Membership is open to any small (under 50 million cubic feet per day) or medium size (50-100 MCF/D) producer of natural gas in the contiguous United States. To date, the small and medium size producers in the independent segment of the petroleum industry have been without any organization to provide negotiation and other marketing services. The gas production of small and medium size producers has decreased, and rates charged to them for transportation of domestic gas production have been increased substantially over the past several years. These producers are not large enough to engage individually in meaningful negotiations with gas purchasers.

PIC is a non-profit marketing cooperative. PIC, acting as a principal and/or as an agent for its members, will provide for domestic marketing and transportation of natural gas for its members at their request. PIC will negotiate with its producer members for the sale of their gas and will arrange for members' gas to be combined into larger gas packages in order to create a new, reliable source of supply for the end user (commercial and industrial purchasers of gas). PIC will also seek to obtain the economy of volume transportation rates from pipeline companies. PIC will arrange for hookup, metering, transportation, and marketing at volume rates if so requested by the producer. PIC will also keep its members current and conversant on rate and service offerings of gas carriers as well as requirements of end users. PIC will negotiate on behalf of its members with domestic carriers and end users for volume rates and contracts commensurate with the combined gas packages of its members. However, when PIC acts as an agent, no member will be bound in advance to accept the results of those negotiations. Once PIC has negotiated a price, each interested member will be afforded the opportunity to accept or reject the proposition. PIC may also act as a principal, offering to buy gas at a stated price from its members.

Small producers are considered by end users of gas to be unreliable suppliers. By combining small producers' gas into larger gas packages PIC hopes to increase the reliability of supply to end-users significantly.

The main business concept of PIC is to combine the relatively small reserves and production volumes of small and medium size gas producers to form a larger gas quantity to be marketed as a package to a diversified group of end users and gas transmission companies. Selling to end users and others with different needs will enable PIC to maintain a relatively steady demand across seasonal fluctuations by end users or areas. In summary, PIC plans to sell to both end users and transmission companies utilizing spot or long term contracts as the situation demands.

The management of PIC will be vested in a Board of Directors elected by the general membership. The Board of Directors will meet a minimum of four times a year. Each member of the cooperative has one vote in the general membership meeting. PIC will use marketing companies as independent contractors in conjunction with its own staff to provide the services for daily marketing operations. The daily operations of PIC will be under the direction of its Marketing Manager, an employee of, or a consultant retained by, PIC.

Members will be under no obligation to use PIC services and will be free to market their gas to other purchasers, route their own gas supplies and deal directly with the end users. PIC members will not be obligated to sell or transport any specific quantity. PIC presently charges a one-time membership fee of One Thousand Dollars ($1,000.00). A processing fee per unit of gas or BTUs will be charged by PIC to cover its operational and other expenses. Earnings in excess of the cost of doing business and any necessary reserves will be returned to members as patronage dividends.

PIC will negotiate with individual and users and users groups in order to obtain for its members advantageous marketing contracts. PIC does not intend to exclude any end users, or group and will entertain any offer from any responsible end user or carrier. Negotiations on behalf of PIC will be conducted by the Marketing Manager or nominated negotiator, retained or contracted for by PIC. This individual or company will not be an employee of any member of the cooperative. The entire PIC membership, including members who serve on PIC's board of directors, will be completely insulated from the marketing function and from data relating to any other individual members. All negotiations will be confidential, and no member will have access to any information or communications relating to other members' capacities, prices and contracts. The cooperative will not disclose to any member which of its other members are selling gas or purchasing transportation services under a particular rate or contract. PIC will prohibit negotiations on its behalf by individual members with buyers, transporters and other members, although any individual member will be free to negotiate an individual agreement on its own behalf.

PIC will not allow any form of collective price making among its members, and PIC will not exercise any of its members' pricing discretion or have the power to commit any member's gas in advance of a firm contract. All discussions between PIC's marketing manager or its marketing and purchase nominee and any individual member will be confidential. No PIC member will be required or allowed to commit reserves to be marketed by PIC in advance of a firm price offer by PIC. When acting as an agent, PIC will advise members that gas can be sold at a stated price, and members will be free to accept or reject participation in that contract. When acting as principal, PIC will offer to buy at stated prices for its own account. Members will then decide whether or not to sell. Members would not be obligated to utilize PIC services and would have the option of marketing to and through others.

The estimated volume which may be sold through PIC by present members ranges between fifty and two hundred million cubic feet per day or eighteen and seventy three billion cubic feet annually. Based upon source figures available, this represents approximately one-tenth to four-tenths percent of the total gas sold within the United States annually.

The Oil & Gas Journal publishes for subscribers an annual production review, the "OGJ400", which provides annual production statistics on the 400 largest public U.S. oil and gas firms. Membership in PIC will be open to all medium and small independent producers. medium size independents represent 4.75% of the total gas production reported for the OGJ400. Small independents represent 4.6% of the daily domestic gas production reported for the OGJ400. Because of the limit on size of firms that are eligible for membership in PIC and the fact that not all eligible firms are ever likely to join PIC, the market share of PIC is not likely to exceed six or seven percent.

PIC will not be involved with the pricing policies of its members or be empowered to exercise any pricing discretion on a member's behalf. Members will be free to accept or reject prices offered by PIC. No reserves will be committed to PIC in advance on a best-price-available basis as is common with other marketing cooperatives.

CONCLUSION

PIC submits that if the small and medium independent producers in the gas industry are to remain viable and be able to compete effectively with major companies, it is desirable for these producers to be able to combine their gas through a cooperative effort into larger packages to market to end users.

It is hereby requested that an expeditious and favorable Business Review Letter be forthcoming so that PIC may commence operations.

We would appreciate expedited handling of our request. If we can provide any further information, please contact our Washington, D.C. counsel, Ronald A. Bloch, McDermott, Will & Emery, 1850 K Street N.W., Suite 500, telephone (202) 778-8012.

Sincerely,

JEROME J.C. INGELS.

Mr. WALLOP. Mr. President, the minority has reviewed this amendment and finds it acceptable.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1632) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I see Senator METZENBAUM is on the floor. I am now advised we have agreed to a 1 hour time limitation on the Metzenbaum amendment with respect to natural gas refunds in rate proceedings before the FERC will be suitable with no second-degree amendments being authorized, the time to be equally divided between Mr. METZENBAUM and myself. That has been cleared with Senator JEFFORDS.

Mr. METZENBAUM. And with the understanding there would then be an up-or-down vote?

The PRESIDING OFFICER. Will the Senator from Ohio repeat his request?

Mr. JOHNSTON. We would want to preserve our option to move to table.

Mr. METZENBAUM. I am afraid I cannot agree. I thought we preserved our right to an up-or-down vote at that point.

Mr. JOHNSTON. We did not discuss it.

Mr. METZENBAUM. We did not but that was my understanding.

Mr. DOMENICI. Will the chairman yield for a question? I was going to ask the Chair—ask the Senate if they would agree to add 10 minutes to Leader DOLE's time if and when he seeks to use it during the day? He has 10 minutes.

Mr. JOHNSTON. Mr. President, with all due respect to my friend from New Mexico for whom I have not only deep respect but, indeed, deep affection, as he knows, the problem is we keep getting into these debates on economic policy. And a little debate there spurs a lot of debate here and spurs surrebuttal on the other side. Mr. President, we are going to try to finish this bill today.

I will tell my friend, if he would—there may be some downtime here. But I would hate to have a unanimous consent. If he will just wait around on the floor and in lieu of a—

Mr. DOMENICI. That was not what I wanted. I do not think I will do that. I merely said when Senator DOLE chooses to use his 10 minutes, if the Senator from New Mexico wants to add 10 minutes to his, I ask consent now that be in order.

Frankly, I know that is going to happen because we are not going to get very far on the bill unless something like that happens because we are going to speak in that regard. We will put an amendment on there and speak. So it would be easier on you to agree as we requested.

Mr. JOHNSTON. I will not object but I note we are constantly being hammered to get this bill done and get other business done by March 20, yet we are prevented from doing so because we debate extraneous matters. I will not object but let the responsibility, to the extent of 10 minutes, fall gracefully upon the shoulders of the Senator from New Mexico.

The PRESIDING OFFICER. Is there objection? The Senator from Wyoming.

Mr. WALLOP. Mr. President, let me make the observation that we did carve more than 2 hours off of the bill this morning that was allotted to it for the debate on the Alaska National Wildlife Refuge so it is not as if anything is seriously delayed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana.

AMENDMENT NO. 1633

(Purpose: To express the sense of the Senate that the Nuclear Regulatory Commission should review its policy for assessment of fees to licensees and make a recommendation to Congress on whether changes are required in existing law to prevent the placement of an unfair burden on certain NRC licensees)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. EXON, proposes an amendment numbered 1633.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

SEC. . NRC FEES.—It is the sense of the Senate that—

(1) the provisions of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508, section 6101) that require the Nuclear Regulatory Commission to recover essentially 100 percent of its budget authority through the imposition of fees may have caused an unfair burden to be imposed on certain NRC licensees; and

(2) the Nuclear Regulatory Commission should review its policy for assessment of fees and recommend to the Congress whether there is any need for changes in existing law to prevent the placement of an unfair burden on certain NRC licensees, in particular those that hold licenses to operate federally owned research reactors used primarily for educational training and academic research purposes.

Mr. JOHNSTON. Mr. President, this amendment expresses the sense of the Senate that the Nuclear Regulatory Commission should review its policy for assessment of annual fees on a continuing basis to assure that fees are based on fair and equitable allocation of costs.

It further expresses the sense of the Senate that the NRC should recommend to Congress any needed changes in existing law with respect to assessment of these fees to prevent any unfair burden on licensees, in particular those that hold licenses for federally owned research reactors used primarily for educational training and academic research.

Mr. EXON. Mr. President, I would like to express my support for the amendment regarding nuclear licensing fees. Senator KERREY and I have been working to get the NRC to rethink its fee structure as it applies to the Omaha Veterans Affairs research reactor.

Under current policy, the VA Medical Center is required to pay about $50,000 each year for its annual license. This amounts to nearly one-half of the annual operating budget for this small reactor.

Current NRC policy is an example of the Federal Government "robbing Peter to pay Paul." Given the tremendous demands already facing the Department of Veterans Affairs, we find this situation most unfortunate.

I appreciate the chairman's willingness to work with me on this matter and look forward to working with him in the months to come as we seek a logical solution to this illogical situation.

Mr. WALLOP. Mr. President, the amendment is acceptable.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1633) was agreed to.

Mr. WALLOP. Mr. President, while we are waiting for somebody to offer an amendment—and I certainly agree with the chairman we hope that occurs within minutes since we would like to make progress on this bill—I would like to point out some interesting facts, Mr. President.

For those who are constantly concerned about the state of the economy in the United States, and employment in the United States, I hold here in my hand a chart which shows that the expenditures for exploration and development in the United States have declined $34 billion in 8 years. Those $34 billion are jobs. That is capital investment. That is translated directly into the economy of the United States.

I would also like to point out that this is a chart—and I will show these perhaps later—that the exploration and development expenditures of the 23 major U.S. companies in America have crossed. We started in 1981, a year in which the domestic exploration budget was around $33 billion and the foreign exploration budget was around about $13 billion.

Now the domestic exploration budget, in 1991, is less than the foreign exploration budget.

These are the results of policies forced on American industry by this Congress. These are jobs. These are losses in balance of payments. These are the very kinds of things that the balance in the Senate energy strategy cosponsored by Senator JOHNSTON and myself seeks to redress.

You cannot do it all with conservation. You cannot do it all with alternatives. There must be a balanced element of production in there. Until we realize that, Mr. President, our jobs are going to decline; our balance of payments are going to increase. These companies will protect their stockholders, but this Congress is costing them jobs. Nearly a million jobs, Mr. President, have gone out of this industry in America in 10 years; nearly a million jobs.

People wring their hands about the automobile industry; wring their hands about how the Japanese are stealing

American jobs. It is and has been Congress stealing American jobs with tax policies and environmental policies that have simply denied America and Americans the use of their own resources.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1634

Mr. JOHNSTON. Mr. President, the distinguished Senator from Nevada has proposed that we strike a provision of our bill that deals with Public Utility Holding Company Act reform, and which requires State PUC's to approve or disallow a contract to an independent power producer, or as we call them, exempt wholesale generators; that they make that approval or disapproval at the early part of the process; and that they be bound by that approval or disapproval.

That language, Mr. President, was not intended to restrict the power of PUC's to condition or to exercise their full range of powers under State law of the PUC's, but simply was required to get them to say up front yes or no. Or if it was a conditional yes, then to state the conditions.

So, Mr. President, in an effort to bring about that desire on our part to reflect the power of the public utility commissions, we have redrafted that amendment, which I believe now is acceptable to the distinguished Senator from Nevada [Mr. BRYAN].

The operative language is this:

> That at the request of a utility which has been offered a sale of electric energy at wholesale from an exempt wholesale generator, any State commission with jurisdiction over the retail rates of such utility shall commit to allow or disallow recovery of costs attributable to the utility's proposed action with regard to the offer in advance of the effective date of the action, except that the State may include terms or conditions as a condition of cost recovery as it deems appropriate. The action of the State commission in allowing cost recovery or conditionally allowing cost recovery shall be binding (subject to the terms and conditions, if any, of such cost recovery) for purposes of the inclusion of costs in retail rates, except that such commission shall not be bound to the extent there is new information which the State commission believes is relevant and material to such cost recovery.

Mr. President, that does reflect our desire all along, and I think this more artfully states it.

I will withhold the sending of the amendment to the desk for the time being, and yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I thank the distinguished chairman of the Energy Committee. He correctly states the amendment which we have agreed to.

Let me put this in perspective, if I may, Mr. President. The concern that I had, shared by the National Association of Utility Regulating Commissioners, the National Association of State and Utility Consumer Advocates, various consumer groups, and others, was that as the language appeared in the text of the original bill, it was both preemptive from the standpoint of a State's ability to retain jurisdiction on an ongoing basis to see it, in fact, the prior approval that was sought continued to have validity from the standpoint of what was in the best interest of the rate payer over the long haul.

And by that I mean that a proposal submitted to the commission might at the time make eminent sense, but a change in market conditions reflecting that rates thereafter may have gone down, so that the original agreement for which prior approval had been sought and obtained may no longer be in the best interest of the rate payer.

Or still, in another circumstance, there may be intervening conditions dealing with environmental regulations or market demand. That is to say, load factors originally contemplated may not have proved to be as strong as was believed at the time that the prior approval was sought.

So the concern that I had was that it was preemptive of the State, and that it also casts an undue risk upon the ratepayer.

As the distinguished chairman has pointed out, the language that he has crafted addresses those concerns. It is clear from this language that the prior approval sought by the utility may be subject to such conditions and terms as the Public Service Commission or the Public Utility Commission deems fit and appropriate, and that those conditions of approval would provide for an opportunity on an ongoing basis to review the original agreement entered into.

The second substantive change that has been incorporated in the amendment provides that there may indeed be circumstances which are relevant and material to such approval or disapproval which were not then known at the time that the prior approval was sought, and so that a specific condition could not have been attached at that time. So it is equally clear that any new information which the State regulatory commission believes is relevant and material may also be a basis for the disallowance of the cost recovery.

So with those provisions, I believe we have addressed the concerns that I had. I will simply indicate for the record that we received letters from some 20 States or more, and their regulatory commissions, and from a number of consumer and environmental groups, all raising the concerns, Mr. President, that I have addressed here.

I thank the distinguished chairman for his cooperation in working this out. I believe that the language that has been provided will address the problems which brought the need for an amendment to my attention, and which no longer will require the original Bryan amendment.

Mr. President, I yield the floor.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, I ask unanimous consent to speak briefly as if in morning business.

The PRESIDING OFFICER. Is there objection?

Hearing no objection, it is so ordered. The Senator from Colorado.

SENATOR GORE'S LEADERSHIP

Mr. WIRTH. Mr. President, I would like to take a moment today to point out to my colleagues an outstanding column and the great contribution made by the Senator from Tennessee on the issue of global environmental protection.

During the first week of February, we witnessed a clear demonstration of Senate leadership. Our colleague from Tennessee, Senator GORE, acted decisively and correctly in response to new evidence of the deterioration of the Earth's protective ozone layer.

Based on new evidence of alarming concentrations of ozone depleting chemicals over our country and the Northern Hemisphere, Senator GORE immediately had before us a resolution urging the President to speed up the phaseout of ozone depleting chemicals. The following Sunday, the Washington Post published a thorough—and thoroughly moving—article on this issue adapted from the Senator's recent book, "Earth in the Balance."

Senator GORE's wisdom on these issues is apparent in the Post op-ed and in the Senate's unanimous approval of his resolution. And commendably, the President responded to Senator GORE's leadership last week, when he announced an accelerated phaseout schedule for the most potent ozone destroying chemicals.

I thank the Senator from Tennessee for his leadership. We will be counting on that leadership in the future—particularly as we approach the upcoming U.N. Conference on Environment and Development in Brazil this June.

The UNCED conference may well be the most important international gathering ever. In the face of rapidly changing perceptions of our place in the world—strategically, environmentally, economically—we must respond with decisive leadership. The United States must change to meet the challenges of a world transformed. And make no mistake, it is challenging to change. But change also presents opportunities for our future. Let us not forget that the future will belong to those best able to seize the opportunity and to respond to the challenge of a changing world. Senator GORE has helped point the way for us, and again I commend him on his leadership.

I ask unanimous consent, if I might Mr. President, to have printed in the RECORD Senator GORE's fine op-ed.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 9, 1992]

THE OZONE CATASTROPHE: WARNING FROM THE SKIES

(By Al Gore)

The rapid deterioration of the stratospheric ozone layer is but one signal of an environmental crisis that is revealing itself all over. Suddenly, the disturbing news carries with it a threat to all of us.

The infamous ozone "hole" that opens each winter over Antarctica is now threatening to open over Kennebunkport and a sizeable portion of North America, exposing densely populated areas for the first time to significantly increased doses of dangerous ultraviolet radiation. Scientists have recorded higher levels of ozone-depleting chlorine over northern New England and Canada than they have ever recorded over Antarctica or anywhere else. And the emergency described by NASA scientists is only going to get worse throughout the coming decade.

Indeed, a global ecological crisis is now banging down the door, announcing itself in various ways:

Increasing emissions of carbon dioxide and other greenhouse gases are fueling increases in Earth's temperature that foreshadow catastrophic consequences.

Forests are being destroyed at one and a half acres per second, and with them thousands of species that can never be replaced.

Each day, almost 40,000 children under the age of 5 are dying from hunger and malnutrition caused in significant part by ecological devastation.

We continue to generate waste in the United States at a rate that exceeds twice the average body weight of every American every day.

Dead dolphins wash up along the Mediterranean Coast, their immune systems weakened by too much pollution; within the last few years, several million star fish washed up over miles of the White Sea; thousand of seals washed up on the shores of the North Sea; our own children dodged hypodermic needles washing in with the waves.

It's beginning to resemble what the comedian A. Whitney Brown called, "A nature hike through the Book of Revelations."

All these ecological crises are symptoms of the same underlying crisis: a relatively recent and dramatic change in our relationship to Earth, which has led to a collision between industrial civilization and the ecological system of the planet. Like an alcoholic who has a string of drunk-driving accidents, but sees each one as an isolated incident with a separate explanation, we're failing to recognize the pattern connecting these environment catastrophes. Our civilization is, in effect, addicted to the voracious consumption of Earth itself.

We can discern this pattern better if we begin to think in terms usually used by the military. There are "local" skirmishes, "regional" battles and "strategic" conflicts. This third category is reserved for threats to a nation's survival and must be understood in a global context, like our long and successful struggle against Soviet communism.

In the same way, most instances of water pollution, air pollution and illegal waste dumping are essentially local in nature. And we now recognize that problems like acid rain and the contamination of large underground aquifers are fundamentally regional. But we now face a new class of environmental problems that affect the entire global ecological system and are fundamentally strategic in nature—the ozone "hole" now threatening to open above our heads is but one example.

Ozone depletion is, in fact, just one of three strategic threats to the entire global atmosphere; the others are diminished oxidation and global warming. All three have the power to change the makeup of the atmosphere and, in the process, disrupt its crucial balancing role in the global ecological system.

Ozone depletion changes the atmosphere's ability to protect Earth's surface from harmful quantities of short-wave (ultraviolet) radiation. Decreased oxidation potentially damages the atmosphere's ability to cleanse itself of pollutants like methane. Global warming increases the amount of long-wave (infrared) radiation retained in the lower atmosphere and thereby inhibits the atmosphere's ability to maintain temperatures within the relatively constant range that provides stability for the global climate system.

In all three cases, the changes are ubiquitous and persistent.

A thinner ozone layer allows more ultraviolet radiation to strike Earth's surface. Many life forms are vulnerable to large increases in this radiation, including plants that normally remove huge quantities of CO^2 from the atmosphere through photosynthesis. The scientific evidence indicates that these plants, when exposed to increased ultraviolet radiation, can no longer photosynthesize at the same rate, thus further raising the levels of CO^2 in the atmosphere.

We too are affected. The best known consequences of extra ultraviolet radiation include skin cancer and cataracts, both of which are increasingly common, especially in areas of the Southern Hemisphere such as Australia, New Zealand, South Africa and Patagonia.

Residents of the area already inside the Southern Hemisphere's ozone hole, in Patagonia, have been advised by the Argentine Health Ministry to stay indoors as much as possible during September and October. In Queensland, in northeastern Australia, more than 75 percent of citizens who have reached the age of 65 have some form of skin cancer, and children are required by law to wear large hats and neck scarves to and from school to protect against ultraviolet radiation. In Patagonia, hunters now report finding blind rabbits; fisherman catch blind salmon.

When the international Ozone Trends Assessment Panel reported its findings last fall—ozone depletion occurring 200 percent faster, during the summer months as well as winter, and over mid-latitudes and not just the poles—they warned it could mean hundreds of thousands of deaths and more than 1 million new cases of skin cancer.

Less well known are the effects of extra ultraviolet radiation on the human immune system. Still, it is clear that increased levels suppress the immune system and so may actually increase our vulnerability to diseases of the immune system, all of which, incidentally, have increased dramatically in the last two decades. The scientists said that skin pigmentation and most sun screens would offer little protection from this threat.

Although other chemicals have contributed to the ozone depletion crisis, the principal damage has been done by chlorofluorocarbons (CFCs). The fact that CFCs have been produced for fewer than 60 years and yet have had such a sweeping impact should make us consider how many of the other 20,000 chemical compounds introduced each year may, when mass-produced, cause other significant changes in the environment. Very few are extensively tested for environmental impact before they are used—although, ironically, CFCs were. It was their benign chemical stability in the lower atmosphere that enabled them to float slowly, unimpeded, to where ultraviolet rays finally sliced them into corrosive pieces.

Today, even as we try to understand the enormity of this, we continue putting the same chemicals into the environment. What does it mean to redefine one's relationship to the sky? What will it do to our children's outlook on life if we have to teach them to be afraid to look up?

Considering the Bush administration's slow response to ozone depletion, it is frightening to think what kind of environmental disaster it will take to get the White House moving on the even more serious threat of global climate change.

In the past, it was safe to assume that nothing we could do would have any lasting effect on the global environment. But it is precisely that assumption which must now be discarded so that we can think strategically about our new relationship to Earth.

We must do no less than make the rescue of the global environment the central organizing principle for our post-Cold War civilization. Adopting a central organizing principle—one agreed to voluntarily by nations around the world—means embarking on an all-out effort to use every policy and program, every law and institution, every treaty and alliance, every tactic and strategy.

Marginal adjustments in ongoing programs, moderate improvement in laws and regulations, rhetoric offered in lieu of genuine change—these are all forms of appeasement, designed to satisfy the public's desire to believe that a wrenching transformation of society will not be necessary. The Neville Chamberlains of his crisis carry not umbrellas but "floppy hats and sunglasses"—the palliative allegedly suggested by a former secretary of the interior as an appropriate response to the increased ultraviolet radiation caused by the thinning of the ozone layer.

What is needed is a plan—call it a Global Marshall Plan for the environment—that combines large-scale, long-term, carefully targeted financial aid to developing nations; massive efforts to design and then transfer to poor nations the new technologies needed for sustained economic progress, a worldwide program to stabilize world population and binding commitments by the industrial nations to accelerate their transition to an environmentally responsible pattern of life.

To work, however, any such effort will also require wealthy nations to make a transition that in some ways will be more wrenching than that of the Third World, simply because powerful established patterns will be disrupted. It must emphasize cooperation—in the different regions of the world and globally—while carefully respecting the integrity of individual nation states.

The world's most important supranational organization—the United Nations—has a role to play, though I am skeptical about its ability to do very much. The U.N. might, though, consider establishing a Stewardship Council to deal with matters relating to the global environment—just as the Security Council now deals with war and peace. Such a forum could be increasingly useful as the full extent of the environmental crisis unfolds.

Similarly, it would be wise to establish environmental summit meetings, much like the annual economic summits of today that only rarely find time to consider the environment.

The preliminary discussions of a Global Marshall Plan would, in any event, have to take place at the highest level. And, unlike economic summits, these discussions must involve heads of state from both the developed and developing world.

Some strategic goals are obvious. For example, world population should be stabilized, with policies designed to create the conditions necessary for the so-called demographic transition—the historical and well-documented change from a dynamic equilibrium of high birth rates and death rates to a stable equilibrium of low birth rates and death rates. This change has taken place in most of the industrial nations and in virtually none of the developing nations. It is no secret that President Bush has opposed an active U.S. role in population stabilization.

But we also need to rapidly create and develop environmentally appropriate technologies—especially in energy, transportation, agriculture, building construction and manufacturing.

In this regard, I have proposed a Strategic Environment Initiative (SEI), a worldwide program that would discourage and phase out older, inappropriate technologies and develop and disseminate a new generation of sophisticated and environmentally benign substitutes. As soon as possible, the SEI should be the subject of intensive international discussions, first among the industrial nations and then between them and the developing world.

And we need to re-think the economic "rules of the road," by which we measure the impact of our decisions on the environment. We must establish—by global agreement—a system of economic accounting that assigns appropriate values to the ecological consequences of both routine choices in the marketplace by individuals and companies and larger, macroeconomic choices by nations.

The nations of Earth need a new generation of agreements that will embody the regulatory frameworks, specific prohibitions, enforcement mechanisms, cooperative planning, sharing arrangements, incentives, penalties and mutual obligations necessary to make the overall plan a success. These agreements must be especially sensitive to the vast differences of capability and need between developed and undeveloped nations. The process will begin at the Earth Summit in Brazil this June. President Bush is the only major world leader who has refused to announce his participation there.

What is needed, finally, is this: an ecological perspective that does not treat Earth as something separate from human civilization. We, too, are part of the whole, and looking at the whole ultimately means also looking at ourselves. If we do not see that we are a powerful natural force like the winds and tides, we cannot see how we threaten to push Earth out of balance.

Mr. WIRTH. Mr. President, with that I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1634

Mr. JOHNSTON. Mr. President, what we want to clear up on this amendment is the meaning of the words "commit to allow." We have changed the language requiring that the public utility commission—initially we said that "they shall approve or disapprove." And now we say that "they shall commit to allow or disallow recovery of costs attributable to the utility's proposed action."

The question is, what is the difference between the words "commit to allow or disallow" and the words "approve or disapprove." I believe, Mr. President, the words "commit to allow or disallow" are more accurate in this context because we give to the PUC the power to condition their approval, in some cases, upon the happening of events or the ascertainment of facts which may not be known at the time. We specifically say, for example, that the commission shall not be bound to the extent that there is new information which the State commissions believe is relevant and material to such cost recovery. So they may condition approval or they may not know the facts, and what they are saying here is that they make a commitment to allow or disallow based upon these facts which they would state in the condition.

So in that sense it means that they make a commitment to allow or disallow based upon the terms and conditions which they put in that condition. Is that the understanding of the Senator from Nevada?

Mr. BRYAN. Responding to the distinguished chairman of the committee, that is the understanding. The language which the distinguished chairman read aloud, which is the subject of the agreement between this Senator and the Senator from Louisiana, is more accurately framed in terms of the actions that a public service commission takes.

Technically, the commissions do not approve or disapprove, as the chairman knows full well. They either allow or disallow the recovery of the costs of the utility. The language which the chairman has placed in the modified amendment, which is being offered, reflects the practice of the public utility commissions and does precisely what the Senator indicated.

AMENDMENT NO. 1634

(Purpose: To clarify State authority concerning advance review of power purchases from exempt wholesale generators)

Mr. JOHNSTON. Mr. President, I thank the Senator for his explanation. I now send that amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the modified amendment.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1634:

On page 388, line 2, beginning with "*Provided,*" strike all through line 11 and insert in lieu thereof the following: "*Provided*, That the State commission shall have no authority to determine the reasonableness of the wholesale rate or charge and (and the terms and conditions thereof): *Provided further*, That at the request of a utility which has been offered a sale of electric energy at wholesale from an exempt wholesale generator, any State commission with jurisdiction over the retail rates of such utility shall commit to allow or disallow recovery of costs attributable to the utility's proposed action with regard to the offer in advance of the effective date of the action, except that the State may include terms or conditions as a condition of cost recovery as it deems appropriate. The action of the State commission in allowing cost recovery or conditionally allowing cost recovery shall be binding (subject to the terms and conditions, if any of such cost recovery) for purposes of the inclusion of costs in retail rates, except that such commission shall not be bound to the extent there is new information which the State commission believes is relevant and material to such cost recovery".

Mr. SHELBY. As I understand the amendment proposed by the Senator from Nevada and the Senator from Louisiana, it would amend section 15106 to provide that a jurisdictional State utility commission will commit in advance to allow or disallow the costs attributable to a utility's proposed action with regard to an offer from EWG to sell electric capacity or energy. The amendment further provides that the State commission will be bound by its commitment except to the extent there is new information which the commission deems material and relevant. My question for the Senator is on the issue of new information which can properly be deemed material and relevant. It is my understanding that the new information that can properly be deemed material and relevant is the same kind of information that we referenced in the Senate Energy Committee report when we stated:

> * * * the Committee does not intend a State commission to be bound concerning the inclusion of costs in retail rates with respect to matters of which it is not aware at the time of its determination (e.g., material misstatements of fact or fraud). (p. 359)

Obviously, a commitment based originally on misstated, false or even fraudulent representations concerning the EWG offer, should be subject to change based on material information correcting the misstatements. It is my understanding that the provision is meant to address those circumstances. However, the provision on material new information in the amendment is not meant to create an opportunity for State commissions to use changed market circumstances to avoid the commitment made.

Thus, for example, when the commission has committed to the inclusion of certain costs, which were reasonable under the circumstances of the time, the commission could not 5 or 7 or 10 years later, void that commitment and disallow the costs because some other supplier now proposes to replace that capacity at a still lower cost. Similarly, where the commission has committed to the allowance of the costs of a particular facility using a particular fuel type, prudently purchased, the commission could not later disallow those prudently incurred costs because in the intervening 5- or 10-year period, other fuels have since become cheaper. Decisions of the sort I have just described would make a mockery of the regulatory process and undercut the reasonable contractual certainty required for companies to make capital expenditures.

As comanager of the bill and a supporter of the compromise amendment, does the Senator agree with my understanding of the amendment?

Mr. WALLOP. Yes. The Senator is correct. The new information provision is not intended to permit post hoc second-guessing of decisions reasonable made at the time, but is rather intended to assure that changes in the proposed action, or its costs, terms, and conditions, or misstatements by proponents of a particular action, are not insulated from appropriate scrutiny. Changes over time to fuel prices, and similar economic conditions are a known risk which should be judged at the time of the initial proposal. Any other test would compel utilities to include regulatory out clauses that would void the contract if the State commission later disapproved any cost inclusion. This would make it more difficult, not easier, for EWG's to obtain financing, a result that would be at cross purposes to our overall intent.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I think this amendment has been fully explained. I think the meaning of the words "commit to allow" are now clear in the legislative history and I would therefore yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, just briefly, the purpose of this section, as I think both Senators from Nevada and Louisiana realize, was to keep the exempt wholesale generators from undertaking a commitment and then finding, having spent a large amount of capital, there was no markeplace, or that the utility commission was not going to allow it.

So it was to be both efficient and fair that this original provision was included. And to the extent that it does that, I am quite prepared to accept it.

Mr. FOWLER. I raise with the distinguished Senator from Louisiana a concern I have with the provisions of the bill dealing with reform of the Public Utility Holding Company Act of 1935 [PUHCA]. Under the existing provisions of the bill, all companies would have the right, free from the restrictions of PUHCA, to own exempt wholesale generators, whether located in this country of not. That is fine as far as it goes. However, EWG's must by definition be exclusively engaged in the generation of wholesale power. This limitation makes sense with respect to the potential activities of EWG's in this country because it is consistent with our overall regulatory scheme. I do not believe, however, that the same limitation makes sense for investment by U.S. companies in foreign countries. Provided that there are appropriate protections against financial abuse and cross subsidy in place, why should the Congress be concerned if U.S. companies, whether utility or nonutility, invest in transmission and distribution, as well as wholesale generation, in a foreign country?

This issue is of more than passing interest. By last count there were 60 countries around the world that were either in the process of privatizing their utilities or actively encouraging independent power generation. The opportunities for investment right now stretch from Eastern Europe to the United Kingdom, from Australia to South America and the Pacific rim. Let us remember that we are the undisputed champions in this business. U.S. companies, and U.S. utilities in particular, are highly regarded around the world for their expertise in the management of electric power systems.

The remaining problem, of course, is that in foreign countries, U.S. companies have a difficult time using appropriate investment vehicles because of the restrictions of the Holding Company Act. While the obstructions of PUHCA to investment in a foreign utility business are not as bad as they are in the case of domestic investment, all U.S. companies have some degree of difficulty. In some cases, the impediments of PUHCA will clearly be a deal breaker.

As a result, we may lose out once again on opportunities for international trade and investment. What does that mean? It means loss of profits that would improve our balance of payments with other countries—probably on the order of billions of dollars a year. More importantly, it means the loss of jobs. An awful lot of the 60 countries I have mentioned are rebuilding or significantly expanding their systems. The new turbines, cables, and transformers for these systems have to be built someplace, and I would like to see it be right here. If U.S. companies are not in on the competition I can assure you that such a result will be very unlikely. In case anyone is wondering, I should point out that our international competitors, especially the Japanese, are already out there competing in this new market.

Given all that I have said, I ask the distinguished Senator from Louisiana why we should not remove the impediments under the Holding Company Act to investment in foreign utilities and utility operations in the same way we have removed the impediments to EWG's. I realize that this is an emerging and complex issue which may not be suitable for an amendment at this time, but can this matter be addressed in conference?

Mr. JOHNSTON. I would say to the Senator from Georgia that I agree wholeheartedly with his concerns. Unless we do something, we may lose out on what could be a golden opportunity for American companies and the American worker. To cite one example of which I am aware: Officials of the Government of Argentina recently took the unusual step of actually complaining to our State Department about the effect of the Holding Company Act of discouraging United States utilities from investing in Argentina's ongoing utility privatization effort. In another example, an American-led consortium headed by Intercontinental Electric is concluding negotiations with the Government of Indonesia on a project which will provide over 10,000 American jobs during its 2 to 3 year construction phase. The consortium will sell $1 billion in power annually to Indonesia, and the total profit repatriation potential—dollars returning to America—will be $30 billion over 30 years. These figures illustrate what sort of opportunities are out there. At the same time, however, the intercontinental group has been able to avoid PUHCA problems only with some difficulty. Other enterprises may not be so fortunate.

I think it is imperative, therefore, for Congress to address the issue of investment in foreign utilities and utility operations as part of PUHCA reform. Nonetheless, I am glad that the Senator from Georgia recognizes the inevitable difficulty and complexity of anything involving the Holding Company Act. At this point I believe the most appropriate action would be to take this matter up in conference with the House, but I would like to know the thoughts of the Senator from Wyoming on this subject.

Mr. WALLOP. I would say to the Senator from Louisiana that it is a tragedy for opportunities in international utility investment to be stymied by the Holding Company Act.

Nevertheless, I, too, recognize the complexity of this subject. Therefore, I concur in the Senator's intention to bring the issue up in conference.

Mr. RIEGLE. Mr. President, last week on my behalf, Senator JOHNSTON sent to the desk an amendment to title 15 of the pending bill S. 2166. This amendment was adopted by voice vote. I would like to take this opportunity to describe the need for this amendment.

Title 15 of the National Energy Strategy Act of 1992 amends the Public Utility Holding Company Act—better known as PUHCA—to allow a new class of independent power producers to generate and sell electric energy outside the restrictions of the Holding Company Act. While some commentators have suggested that these changes are minor, I believe the creation of these new independent power producers—called exempt wholesale generators—will result in fundamental transformation of the utility industry in this country.

My role as chairman of the Banking Committee gives me a special interest in this issue. As my colleagues know, and as Senator JOHNSTON has acknowledged, PUHCA is under the exclusive jurisdiction of the Banking Committee. At first blush, this may seem odd. Many people mistakenly believe that PUHCA deals solely with energy issues. In fact, PUHCA is a securities statute administered by the Securities and Exchange Commission and is concerned with the corporate structuring and financing of companies that own public utilities.

Enacted after the scandals in the utility industry in the 1920's and 1930's, PUHCA protects investors who hold securities of holding companies as well as consumers of electric energy and natural and manufactured gas. I would oppose legislation that has the effect of lessening these needed protections. However, as revised by my amendment, I do not believe that these protections are lessened.

As the law has developed, PUHCA has little impact on protecting investors. The Federal securities laws, enacted within a few months of PUHCA, require disclosure of corporate structures and financing that are subject to regulation under PUHCA. However, this statute still has a vital role to play in insuring that ratepayers—customers of electric energy—have access to sufficient energy at the lowest cost possible.

The Banking Committee held three hearings to consider their issue. My focus during those hearings—as it is today—is to insure that amendments to PUHCA advance the interests of energy customers. We must ensure that the customers of our public utilities have access to reliable, low cost energy.

After studying the complex issues surrounding PUHCA reform, I have become a cautious supporter of PUHCA reform. The concept underlying these amendments is that fair competition in the generation of electric power will reduce electricity rates for customers. I believe this is an achievable goal.

Moreover, exempting this new class of power producers from PUHCA will not leave these exempt wholesale generators unregulated. These facilities, referred to as EWG's, will be subject to all the provisions of the Federal Power Act and all State laws and regulations. This should be viewed in contrast to the qualifying facilities—created under the Public Utility Regulatory Policies Act of 1978—which are exempt from these laws. In fact, if this legislation is enacted, energy developers may prefer to build EWG's instead of QF's, thus increasing the degree of regulation in this industry.

For these reasons, I want to commend the efforts of Senator JOHNSTON and the Energy Committee for their work on title 15. I know they share my goal of insuring the lowest possible electricity rates for customers.

Nonetheless, title 15 left me with certain deep concerns. I was particularly troubled by the possibility of cross-subsidization or self-dealing between an EWG and an affiliated public utility. Amendments to the Holding Company Act must ensure that utilities cannot force their captive customer base to fund activities that do not directly benefit those customers. I was also concerned that the proposed legislation did not sufficiently clarify a State's regulatory authority over retail rates or allow the State to gain broad access to the books and records relevant to the exercise of the State's authority.

The amendment adopted last week deals with these issues. First, this amendment provides the States with greater authority and control over power sale transactions between public utilities and affiliated exempt wholesale generators. New paragraph (a) prohibits a public utility from entering into a contract to purchase electric energy from an affiliated exempt wholesale generators. New paragraph (b) provides that a public utility may enter into a contract to purchase electric power if every State commission having jurisdiction over the retail rates of such electric utility company makes a specific determination in advance of the electric utility company entering into such contract that the transaction will benefit consumers, is in the public interest, and does not violate any State law including where applicable, least cost planning. My amendment also prohibits reciprocal arrangements to avoid the affiliate transaction prohibitions.

The amendment also clarifies that Federal law does not limit the authority of a State commission to allow or disallow the inclusion of the cost of electric energy purchased at wholesale in retail rates subject to such State's commission's jurisdiction.

Finally, the amendment broadens access by State commissions to any records of the EWG and affiliated electric utility company relevant to the exercise of the State commission's authority. The amendment also makes clear that this right to the records of the EWG or its utility affiliates does not in any way limit the right to obtain records and other information under Federal law, contracts or otherwise.

I have received dozens of letters of support for this amendment from among other, Coleman Young, the mayor of Detroit, and 13 other mayors or city managers in Michigan; General Motors, the largest user of electric energy in Michigan; National Steel Corp., one of the largest users of electric energy in the country; and numerous consumer and environmentalist groups, including Consumer Federation of American, the National Wildlife Foundation, the Sierra Club, the Union of Concerned Scientists, the Wilderness Society and the U.S. Public Interest Research Group. I would like to place in the RECORD a list of supporters of this amendment in the RECORD immediately following my remarks.

In conclusion, I want to thank Senator JOHNSTON for his consideration of and agreement to this amendment. I believe these changes strengthen the pro-competitive purposes of title 15 while increasing protections available to energy customers. I also want to note the excellent efforts of Bill Conway, counsel to the Energy Committee, for his fine efforts and cooperation on this amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MICHIGAN LETTERS

MAYORS

City of Detroit, Coleman A. Young, Mayor.

City of Eaton Rapids, MI, Larry L. Holley, Mayor.

City of Dowagiac, MI, James E. Burke, Mayor.

Hillsdale, MI, Nicholas L. Ferro II, Mayor.

City of Coldwater, MI, Louise Wallace, Mayor.

City of Hart, MI, Alvin Klotz, Mayor.

City of Holland, MI, Neal Berghoef, Mayor.

CITY/VILLAGE MANAGERS

City of Saint Louis, MI, Larry A. Wernette, City Manager.

City of Harbor Springs, MI, Frederick W. Geuder, City Manager.

City of Marshall, MI, Chester E. Travis, City Manager.

Village of Chelsea, MI, Harry L. (Jack) Myers, Village Manager.

City of Coldwater, MI, William Stewart, City Manager.

City of Petoskey, MI, George Korthauer, City Manager.

Clinton Village Office—Clinton, MI, Kevin Cornish, Village Manager.

City of Portland, MI, Rex Wambaugh, City Manager.

MISCELLANEOUS CITY OFFICIALS: CLERKS/TREASURERS, ADMINISTRATORS, SUPERINTENDENTS, COUNCILMEN, AND CONSULTANTS

City of Eaton Rapids, MI, Marietta White, City Clerk/Treasurer.

City of Marshall, MI, Terry Smith, Electrical Administrator.

Village of Union City, MI, James E. Spencer, Superintendent.

Union City, MI, Bradley C. Waite, Councilman.

City of Petoskey, MI, Frank McCune, Staff Consultant.

Village of Paw Paw, MI, Charles R. Cusamano, Clerk/Comptroller.

LARGE INDUSTRIES

Dow U.S.A., Dow Chemical, Midland, MI, W.S. Stavropoulos, President.

General Motors Corp.—Detroit, MI (2/6/92), Gerhard Stein, Director of Energy.

UTILITIES IN MICHIGAN

Michigan South Central Power Agency, Litchfield, MI, J.P. Bierl, General Manager.

Wolverine Power—Cadillac, MI, Raymond G. Towne, Executive V.P. and General Manager.

Tri-County Electric Cooperative—Portland, MI, R.W. Matheny, General Manager.

O & A Electric Cooperative, Inc.—Newaygo, MI, Robert L. Lance, General Manager.

Thumb Electric Cooperative, Ubly, MI, Michael Krause, General Manager.

Public Lighting Department, Detroit, MI, George Cascos, P.E., Deputy Superintendent.

Consumers Power, William T. McCormick, Jr., Chairman & CEO.

Mr. D. Wayne MacDonald, Utica Michigan, Consumers Power Area Manager.

Wisconsin Electric Power Company, Michael E. Nix, Washington D.C. Representative.

Wisconsin Public Power Inc. System, Sun Prairie, WI.

Michigan Public Power Agency, Kentwood, MI, Gary L. Zimmerman, Jr.

Michigan Municipal Electric Association, Kentwood, MI, Gary L. Zimmerman, Jr.

Michigan Electric Cooperative Association, Lansing, MI, Raymond G. Kuhl, Executive Vice President and General Manager.

Northern States Power Company, Elaine M. Ziemba, Executive Director, Federal Government Affairs; Jim Howard, Chairman and Chief Executive Officer.

MUNICIPALLY OWNED UTILITIES

City of Niles, MI Utilities Department (Board of Public Works), Brian B. Day, Manager.

City of Dowagiac, MI Department of Public Services, Mel L. Lyons, Director.

The City of Traverse City, MI Light and Power Department, Charles R. Fricke, Executive Director.

Grand Haven, MI Board of Light and Power, Phil Trumpfheller, General Manager.

City of Charlevoix, MI, Edward Whitley, Electric & Water Superintendent.

Lansing Board of Water & Light, Lansing, MI, Joseph Pandy, Jr., General Manager.

City of Wyandotte, MI Municipal Service Commission, Thomas A. Kuzmiak, President.

City of Wyandotte, MI Department of Municipal Service, Ted S. Olszewski.

Hillsdale, MI Board of Public Utilities, Richard A. Kneen, President.

Hillsdale, MI Board of Public Utilities, Ronald D. Neer, Vice Chairman, MSCPA, Director of Utilities.

Hillsdale, MI Board of Public Utilities, David J. Lambert, CPA PC.

Coldwater, MI Board of Public Utilities, Dwight Woodman, Director.

City of Zeeland, MI Board of Public Works, David R. Walters, General Manager.

City of Marquette, MI Board of Light and Power, David E. Hickey, Executive Director.

Bay City Electric Light & Power, Bay City, MI, Thomas L. Kasper, Director of Electric Utilities.

Kent County, MI Board of Public Works, William R. Byl, Chairman.

City of South Haven, MI, Karl J. Dehn, Public Works Operations Manager.

Michigan Municipal Cooperative Group (MMCG), Joseph D. Wolfe, Chair, MMCG Steering Committee, Lansing, MI.

Board of Public Works, Holland, MI, Tim Morawski, P.E., General Manager.

MISCELLANEOUS: INDEPENDENT POWER PRODUCERS, CONSTITUENTS, SMALL BUSINESSES

Nordic Power, Inc., Ann Arbor, MI, John A. Baardson, President.

Howard M. Teeter, Former Mayor of Coldwater, MI.

J. G. Northrup, Clark Lake, MI.

Voltek, Division of Sekisui America Corp., Coldwater, MI, James M. Dostal.

Branch County Economic Growth Alliance, Coldwater, MI, Warren J. Cook, Jr., Executive Director.

Quality Spring/Togo, Inc., Coldwater, MI, Pamela L. Lampman, Section Manager Administrative Services.

Coldwater Rendering Co., Coldwater, MI.

Dart & Rumsey, P.C., Coldwater, MI, Keith R. Dart.

Graphics 3, Inc., Coldwater, MI, Larry Iveson, President.

Fireside-Pierce Associates, Coldwater, MI, Julie M. Younger, Broker.

Coldwater Public Utilities customers' letters to Riegle: E. Harold Munn, Jr., Charles Stearns, John Schroll, Walton Lane, David McKay, Stanley Reeder, Richard Straw, Julie M. Young, Steven Harris, Sue Rubley.

Mr. Charles Downey, Okemos, MI.

Mr. Paul N. Preketes, Rochester Hills, MI.

Mr. Lawrence T. Schuster, Frankenmuth, MI.

Mr. Phillip D. Flenner, PE.

Mr. David T. Lathrop, Jackson, MI.

Mr. John W. Hadder, Williamsburg, MI.

Mr. James L. Fontaine, South Haven, MI.

Jo Rand, Jackson, MI.

Mr. Tim Kowaleski, Plymouth, MI.

Mr. Brian K. Revels, Monroe, MI.

DC Bishop, Mason, MI (1/29/92).

LETTERS OF SUPPORT FROM OUTSIDE MICHIGAN

PUHCA Reform Coordinating Council, Washington, D.C.—L. Andrew Zausner, Coordinator: Ad Hoc Committee for a Competitive Electric Supply System (ACCESS); Natural Gas Supply Association (NGSA); Electric Generation Association (EGA); National Independent Energy Producers (NIEP); Interstate Natural Gas Association of America (INGAA); Utility Working Group (UWG).

Electricity Consumers Resources Council (ELCON), Washington, D.C.—John A. Anderson, Executive Director: Air Products and Chemicals; Airco Industrial Gases, Inc.; American National Can Corp.; Amoco Corp.; Anheiser Busch Companies, Inc.; Armco, Inc.; Bethlehem Steel Corp.; Cone Mills Corp.; Dow Chemical, U.S.A.; Eastman Chemical Co.; E.I. DuPont De Nemours & Co.; FMC Corp.; General Motors Corp.; Hoechst Celanese Corp.; LTV Steel Co.; Owens Corning Fiberglas; A.E. Staley Manufacturing Co.; The Timken Co.; Union Carbide Co.

National Independent Energy Producers (NIEP), Washington, D.C.—Steven D. Burton, General Counsel, Sithe/Energies Group, Chair, NIEP: Ahlstrom Development Corp.; American REF-FUEL; Bonneville Pacific Corp.; CRSS Capital; Coastal Power Production Co.; Cogen Technologies, Inc.; Consolidated Hydro, Inc.; Destec Energy, Inc.; Duke Energy, Inc.; Hadson Power Systems, Inc.; Intercontinental Energy Corp; Sithe/Energy Group; U.S. Generating Company; Westmoreland Energy, Inc.; Wheelabrator Technologies, Inc.

American Iron and Steel Institute, Washington, D.C.—Milton Deaner, President.

National Association of Regulatory Utility Commissioners (NARUC), Committee on Electricity, Washington, D.C.—Ashley C. Brown, Chair, Committee on Electricity.

Chemical Manufacturers Association, Washington, D.C.—Robert A. Roland, President.

Electric Generation Association (EGA), Washington, D.C.—Carlos A. Riva, J. Makowski Associates, Inc. President; ABB Energy Ventures, Inc.; BHP-Utah International, Inc.; BMc Strategies, Inc.; Brown & Root Energy Development, Inc.; Canadian Imperial Bank of Commerce; CMS Generation Company; CNG Energy Co.; Cogentrix, Inc.; Coopers & Lybrand; Diamond Energy, Inc.; Dominion Resources, Inc.; Duke Energy Corp.; ENERGY Investors Management, Inc.; Fru-Con Construction Corp.; Gas Energy, Inc.; HYDRA-CO Enterprises, Inc.; LG&E Power Systems, Inc.; J. Makowski Associates, Inc.; Reading Energy Company; Source Cogeneration Company; Tenneco Independent Power Company; Texaco Cogeneration and Power Company; Thermo Electron; TransCanada PipeLines Limited; U.S. Generating Company; Zurn/NEPCO.

BHP-Utah International Inc., Washington, D.C. (Member of EGA)—Barbara W. Johnson, Washington Representative.

American Public Power Association (APPA), Washington, D.C.—Larry Hobart, Executive Director.

Tenneco Gas, Washington, D.C. (Member of EGA)—Alex DeBoissiere, Washington Representative.

TransCanada Pipelines, Washington, D.C. (Member of EGA)—Leonard B. Levine, Director, U.S. Government Affairs.

Environmental Action, Takoma Park, Maryland—Leon Lowery, Environmental Action; Dr. Mark Cooper, Consumer Federation of America; Sharon Newsome, National Wildlife Federation; Michael Marriotte, Nuclear Information and Resource Service; Marty Gelfand, Safe Energy Council; David Gardiner, The Sierra Club; Alden Meyer, Union of Concerned Scientists; David Hamilton, U.S. Public Interest Research Group; Don Hellmann, The Wilderness Society.

Dominion Resources, Richmond, Virginia—Everard Munsey, Vice President, Public Policy.

Utility Working Group, Arlington, Virginia—Daniel V. Flanagan, Jr., Utility Working Group: Arizona Public Service Company, Baltimore Gas & Electric Company, CMS Energy/Consumers Power; Dominion Resources, Inc., Virginia Power; Duke Power Company; Entergy Corporation: Arkansas Power & Light Company, Louisiana Power & Light Company, Mississippi Power & Light, New Orleans Public Service; General Public Utilities Corporation: Jersey Central Power & Light Company, Metropolitan Edison Company, Pennsylvania Electric Company, Louisville Gas & Electric Company; New England Electric System: Granite State Electric Co., Massachusetts Electric Co., Narragansett Electric Co., New England Power Co., Northern States Power Company, Northern States Power Company—Wisconsin; Orange and Rockland Utilities, Inc.; Pacific Gas and

Electric Co.; Portland Gas and Electric Co.; PSI Energy, Inc.; Sierra Pacific Power Company.

Alabama Municipal Electric Authority, Montgomery, Alabama—Robert W. Claussen, General Manager.

Riviera Utilities, Foley, Alabama—H. Sewell St. John, Jr., General Manager.

Public Service Commission of Yazoo City, Mississippi—R.D. Priest, Manager.

City of New Martinsville, West Virginia Municipal Electric Utility, William L. Drennen, Manager.

Cogen Technologies, Inc., Houston, Texas—Robert T. Sherman, Vice President.

Destec Energy, Inc., Houston, Texas—C.F. Goff, President.

Brown & Root Power, Houston, Texas—Richard L. Sitton, Vice President, Marketing & Strategy Planning.

J. Makowski Company, Inc., Boston, Massachusetts—John B. Howe, Director, Regulatory and Government Affairs.

Cogentrix, Inc., Charlotte, North Carolina—James E. Franklin, Sr., Vice President, Manager of Utility Marketing.

ElectriCities of North Carolina, Inc., North Carolina; Alice Garland, Director, Government Affairs.

Fru-Con Construction Corporation, Fru-Con Engineering, Inc., St. Louis, Missouri—Bradley Lambert, Vice President, Energy & Environmental Group.

City of Homestead, Florida—Alex Muxo, Jr., City Manager.

Utility Board of the City of Key West, Florida—Robert R. Padron, General Manager.

Florida Municipal Power Agency, Orlando, Florida—John C. L'Engle, General Manager.

Fort Pierce Utilities Authority, Fort Pierce, Florida—Harry Schindehette, P.E., Director of Utilities.

City Utilities Commission, Corbin, Kentucky—George P. Rains, General Manager.

Frankfort Plant Board, Frankfort, Kentucky—Warner J. Caines, General Manager.

City of Bardstown, Kentucky—Charles J. Brauch, Mayor.

Falmouth Police Department, Falmouth, Kentucky—Dr. Peter Fullwood, Mayor.

City of Barbourville, Kentucky—Phillip E. Connley, Mayor.

National Steel Corp. Pittsburgh, Pennsylvania—Joseph Dudak, Director of Energy.

Mr. JOHNSTON. Mr. President, I thank the Senator from Michigan for his comments. His assistance and counsel on the provisions of the bill dealing with PUHCA reform have been invaluable. The amendment that we were able to develop cooperatively with him makes for a better bill. I also want to extend my thanks and respect to Sharon Heaton, one of the Senator's counsel on the Banking Committee. Her contributions have been critical to successful conclusion of PUHCA reform.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1634) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I sincerely thank the distinguished Senator from Nevada for working out this very difficult and important amendment.

Mr. RIEGLE. Mr. President, I want to take one more opportunity to clarify a possible misunderstanding. On February 6, the Senate adopted two amendments to section 15106 that operate together to codify the Narragansett doctrine and the Pike County doctrine.

The Wallop amendment codifies the Narragansett principle that Federal determination of the justness and reasonableness of wholesale rates and charges should not be open to change by a State's findings to the contrary.

The Sanford-Riegle amendment also adopted on February 6 carries forward the Pike County doctrine that, notwithstanding the Narragansett doctrine, State commissions may, under State law, oversee the wholesale purchasing activities of their native utilities. Thus, when combined with other State-authority EWG activities, including the right to operate facilities and conduct business within a particular State, must be, and will be, subject to the appropriate control of State regulatory authorities in accordance with applicable State law. For example, the Wallop amendment does not preclude a State regulatory commission from conducting proceedings or adopting standards in accordance with paragraph 15107 of the bill.

AMENDMENT NO. 1635

(Purpose: To permit registered public utility holding companies to own certain interests in qualifying cogeneration facilities and qualifying small power production facilities)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk on behalf of Senator NICKLES and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. NICKLES, proposes an amendment numbered 1635:

On page 394, between lines 14 and 15, insert:

SEC. 15109. That Public Law 99-186, 99th Congress, 99 Stat. 1180, as amended by Public Law 99-553, 99th Congress, 100 Stat. 3087, be amended to read as follows:

SECTION 1. Notwithstanding section 11(b)(1) of the Public Utility Holding Company Act of 1935, a company registered under said Act, or a subsidiary company of such registered company, may acquire or retain, in any geographic area, an interest in any qualifying cogeneration facilities and qualifying small power production facilities as defined pursuant to the Public Utility Regulatory Policies Act of 1978, and shall qualify for any exemption relating to the Public Utility Holding Company Act prescribed pursuant to section 210 of the Public Utility Regulatory Policies Act.

SEC. 2. Nothing herein shall be construed to affect the applicability of section 3(17)(C) or section 3(18)(b) of the Federal Power Act or any provision of the Public Utility Holding Company Act, other than section 11(b)(1), to the acquisition or retention of any such interest by any such company.

Mr. JOHNSTON. Mr. President, this amendment would remove certain restrictions on the ability of registered holding companies to invest in qualifying small power production facilities under PURPA.

Under PURPA, qualifying facilities [QF's] can receive exemption from the provisions of the Public Utility Holding Company Act of 1935. This provision is enough to allow most utilities and nonutilities to invest in QF's. However, investment by registered holding companies in QF's is independently restricted by the provisions of section 11(b)(1) of PUHCA which require registered companies to limit their operations to a single, integrated public utility system and only those businesses that are reasonably incidental, or economically necessary or appropriate to the operations of such a system. Under these provisions, registered holding companies, unlike other utilities, would largely be restricted to investing in QF's within their own service territories.

In 1986, Congress recognized the inherent conflict between section 11(b)(1) of PUHCA and the exemption provided in PURPA.

Public Law 99-553 allows registered holding companies to invest in qualifying cogeneration facilities notwithstanding the provisions of section 11(b)(1). However, that law—in an apparent oversight—does not apply to investment in qualifying small power production facilities, the other sort of facilities that can be QF's under PURPA.

There is no policy basis for the distinction between qualifying cogeneration facilities and qualifying small power production facilities under current law. Both are equally favored under PURPA, and there is no conceivable basis for distinguishing between them for purposes of investment by registered holding companies.

The proposed amendment repeats the exact language of Public Law 99-553 except for the inclusion of qualifying small power production with qualifying cogeneration.

It should be noted that both the amendment and Public Law 99-553 maintain the otherwise applicable limitation on utility ownership of QF's to 50 percent.

The amendment has been cleared.

Mr. WALLOP. Mr. President, the minority agrees with the amendment.

Mr. President, in using the phrase "commit to allow" it is my understanding that it is intended to have the same meaning as the word "approve." The only difference between the two is that the phrase "commit to allow" incorporates the concept of the terms and conditions that a State public utility commission may, in accordance with State law, place on the approval. With that understanding I think the amendment is acceptable.

Mr. FORD. Sections 6301, 6303, and 6304 impose similar integrated resource planning—or least cost planning—requirements on State regulatory authorities, nonregulated utilities, utilities that purchase long-term firm power from a DOE power marketing agency, and the Tennessee Valley Authority. It is my understanding that the coverage of these sections is intended to be mutually exclusive. They are not intended to impose independent or overlapping requirements on the same entity. For example, only the provisions of section 6304 are intended to apply to the TVA electric power system, even though TVA is also a State regulatory authority and a nonregulated utility under PURPA and purchases long-term firm power from SEPA.

Mr. JOHNSTON. The Senator's understanding is correct. TVA is subject only to the provisions of section 6304.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1635) was agreed to.

The PRESIDING OFFICER. The Senator from Kansas [Mr. DOLE] is recognized.

Mr. DOLE. Mr. President, I understand the leader time was reserved this morning.

The PRESIDING OFFICER. That is correct, the leader's time has been reserved.

Mr. DOLE. I thank the Chair.

DEMOCRAT DISARRAY—DEADLINE APPROACHES FOR ECONOMIC GROWTH PACKAGE

Mr. DOLE. Mr. President, 3 weeks ago President Bush challenged Congress, Republicans and Democrats, to enact his economic growth plan, a package of tax incentives designed to help stimulate the economy and get America moving. It is displayed on this chart. I will refer to that again later.

In his State of the Union Address the President called on Congress to work with him in a spirit of bipartisanship to deliver for the good of the country, and he asked us to put partisanship aside in an election year, and then he challenged Congress to do some things it is not used to doing: Acting quickly and meeting a deadline, a deadline that is now only 31 days away. It was much more. Now it is down to 31.

Well, the American people heard the President loud and clear, and they have been waiting for us in Congress to get the job done. If Congress did not do its work, the President said, "from the day after that, if it must be, the battle is joined."

But, unfortunately, we have already witnessed the first violation of the President's cease-fire by House Democrats who apparently have no other strategy than to embarrass the President at any cost.

No matter what they tell you it is clear now that some Democrats have absolutely no intention of cooperating with President Bush, nor any interest in working out a bipartisan plan to help the American people, no interest in saving jobs if they have to share credit with the President, no interest in helping businesses up and down Main Street if it means admitting the President might be right, and no interest in pumping up the economy if it means voting with the President for a change.

The truth is, when President Bush outlined his plan for America, his critics were caught with their plans down. And despite all the recent scrambling by Democrats—most of it behind closed doors, backed by a healthy dose of leaks—there is still no consensus on their side on just about anything—except of course to embarrass President Bush at any cost.

The truth is the Democrats are in total disarray, from New Hampshire to Capitol Hill. Congressional Democrats are now clearly out of step with their new Presidential frontrunner, Paul Tsongas. In fact, he has left them in the dust when it comes to the economy.

In fact, he was asked yesterday if he was going to save us from Bush. He said, "First I have to save you from the Democrats."

Paul Tsongas is calling on his fellow liberals to wake up—to abandon their cynical class-warfare strategy, and to give up their traditional antibusiness, anticonsumer, antigrowth agenda. That commonsense economic message may be picking up steam on the campaign trail. We will know that in a few hours. But it has had hardly any impact at all behind the closed doors where Democrats have been trying to figure out what the American people want—behind closed doors in the inner sanctum.

But if some Democrats do not want to support their new Presidential frontrunner, perhaps they should take some direction from the American people for a change.

In a new nationwide poll by the Los Angeles Times, Americans say they are more concerned about the soaring Federal deficit, unemployment, and jobs, than they are about some tax break cooked up in an election year. The headline over the Times poll says it all: "Tax Reductions Are Not Americans' Top Priority."

When asked by the L.A. Times poll which issues were most important in this year's Presidential race, 33 percent said the economy, 28 percent mentioned unemployment, 21 percent cited health care, and only 6 percent mentioned taxes.

John Brennan, director of the Times poll, was on target when he summed up the poll this way:

> If Bush and Congress are interested in increasing consumer confidence, they're going to have to do something about fears of unemployment, the perception that unemployment is rampant, and that people's jobs are at stake. This seems to be much more important than some kind of tax relief.

That was John Brennan. I do not know his politics but he was in charge of the L.A. Times poll.

Nevertheless, some Democrats will insist on embarrassing the President, and insist on pushing election-year tax cuts that will add about $0.55 to $1.10 a day to the average American family. In fact, I say to the Senator from New Mexico who is here on the floor, it is a little more than the cost of a candy bar, or a little less, depending on which candy bar you buy.

Mr. Tsongas, who is the frontrunner now in the Democratic Party, says it is 97 cents a day. He figured it out fairly carefully. TOM HARKIN, the Senator from Iowa and who is in the New Hampshire race—I do not agree with Senator HARKIN on many issues, but I remember him holding up the dollar bill in the debate saying: This is what the middle-income tax is going to be, $1 a person, or $1 a family per week.

So by giving them a few quarters a day, we may force the Federal deficit through the roof, keep them on the unemployment lines, and do absolutely nothing about creating new jobs. And it just does not add up to very much to most Americans regardless of their party, whether they are Democrats, Republicans, or maybe even Independents.

Now we hear the same old song from some of my colleagues from the other side, whining to the media, running up the media, talking about how we are going to protect the rich. The Republicans are protecting the rich; the President does not care about domestic issues; and the Democrats are the good guys; and they are ready to soak the rich, sock it to business, save the middle class, and all the other hype we have been hearing from the politics-first crowd.

While we welcome our Democratic friends' new-found concerns for the middle class, it is the same painful political strategy we say with the passage of the so-called luxury tax. You may remember the luxury tax. It was supposed to sock it to the rich, soak the rich when they buy an airplane, a boat, when they buy a fur, a piece of jewelry, when they buy an automobile—stick it to the rich.

Then some strange thing happened. Reality hit. It did not bother the rich. And the luxury tax turned into a workers' tax. When the rich stopped buying the yachts, the cars, the boats, the planes, and the assembly lines were closed, guess what? It was the middle-class worker heading to the unemployment line. This is exactly the kind of politics-first agenda the American people do not want.

But here we go again. Some Democrats now propounding another sounds-good idea that delivers much less than promised. This time it is a reduction of 1 percent in the tax rate of corporations. Yes, it sounds good. But what does it really do?

It does not promote growth. It does not create any jobs. It is an untargeted giveaway. I wonder what big corporation is going to get their 1-percent tax. Is this big business, the party of big business, the Democrats the party of big business, going to cut corporate taxes, and raise taxes on individuals? Try to explain that to the average American voter. It is a bonus. That is all it is. Many of the big businesses may not need the bonus. But it does not help the businesses out there struggling trying to keep people employed and trying to find work for a lot of their employees.

So we want to create some jobs. We need some incentives. We want to help struggling businesses who need real help, not some PR campaign.

The good news is the American people are always way ahead of Congress, as the L.A. Times poll demonstrated. That is why I think they are going to see through all of these games and gimmicks. That is where President Bush is head and shoulders above the crowd. He does have an antirecessionary blueprint for economic growth, job creation, and business opportunities. And if we meet his challenge, that program will be in place before the end of next month in time to help all Americans.

But let us face it. The only jobs program some Democrats seem to be pushing is a jobs protection program for congressional incumbents. It is politics first, politics second, and the American people last.

So now it is 31 days; 31 more days before we reach the March 20 deadline, and before it makes a difference for America and the American people.

In fact, I noted in this morning's paper the AFL-CIO, not known to be a strong supporter of Republican politics, saying they are not certain that a tax cut is going to do that much good. They are concerned about the deficit; about jobs. They are not antibusiness. They know if you are antibusiness you are not going to create any jobs.

So I would just suggest that we are back in session, and we are going to be dealing with this growth package. I hope on the Senate side we will deal with it in a commonsense way, in a bipartisan way, and we will stop the posturing on either side, and get down to doing something that will actually stimulate the economy, and be part of the solution instead of part of the problem.

Mr. DOMENICI. Mr. President, has my time arrived or does the leader have additional time?

Mr. DOLE. I reserve the remainder of my time.

The PRESIDING OFFICER. The leader's time has expired. The time of the Senator from New Mexico is 10 minutes.

Mr. DOMENICI. I thank the Chair.

I think if we follow our usual course someone on the other side will want to be heard, too.

I just suggest from the standpoint of the Senator from New Mexico, and the distinguished Republican leader, I hope the response has to do with all the good things that are in the Democratic package in the House because we are going to talk about all the things that are in it that are no good.

That is all we have been talking about—leadership in the U.S. House, Democrat, 102 more Democrats in the House than Republicans, have decided that they want their own economic recovery plan and not the President's. So they have decided there will be no bipartisanship, as they, I am sure, tell their people at home they want a bipartisan plan.

They have no idea whatsoever to have any kind of Presidential input or Republican input into the House. They want their plan.

I would like to make two points for the American people about the Democratic plan in the U.S. House. I was going to say that they want to give back to the American people a small reduction in taxes while they put on a huge new tax. They want to give back temporarily but put on the tax permanently.

But I was saying that, and one of my Senator friends—I will give him credit right now, Senator PHIL GRAMM from Texas—said I agree with Senator DOMENICI except for one thing. I would suggest that they are renting the tax cut, renting the tax cut, to the American people, while they permanently tax the American people.

You know when you go and rent a car, it is a lot different than buying it. You have to give it back. It only lasts for a certain period of time. Interesting, I say to Senators and fellow Americans. They are now touting a tax cut for the middle class which amounts to about 54 to 55 cents a day for each taxpayer, about a $1.08 for each taxpayer for the period of time, but they are putting on a new tax on Americans and they will argue putting it on the right people. But actually 90 billion dollars' worth of new taxes are put on and those taxes are permanent.

I thought when I first compared this plan that was in the air that it was like a Reese's candy bar because that cost 54 cents but actually I walked in today to see if I could not find another 54-cent candy bar. I found a 55-cent one, and it is a Snicker. I think they are going to give us a Snicker and try to snooker us.

They think the American people are going to believe that their taxes have been reduced and they are going to fix the American economy and produce jobs when all they are trying to do is buy votes. They already have the computers out to make sure they are just cutting enough Americans' taxes so when you add it up it is more in their favor than against. I have heard them say, with hands relishing the victory, 92 percent of Americans are going to love this plan. It is like eating candy bars or eating ice cream, meaning we are going to give you all a little bit of something and we really know you are going to vote for us on that score.

Frankly, I am absolutely amazed at the election in New Hampshire. While everyone is talking about the Bush race, I am amazed at the race for the Democratic Presidential nominee. I think some other Democrats looking at America are going to be interested in that because one candidate, a former Senator from Massachusetts, starts off by saying he is going to tell the truth. And he also starts out by saying you do not make America stronger and get more jobs if you weaken business. Or the flip side of that is, you better do something to strengthen American business, large and small, if you want to produce jobs. You see he has begun to understand that it is American business that produces jobs, not somebody sitting around the table talking a plan, not somebody wishing it, not somebody saying we want good jobs and if you elect us, we will give them to you. They do not give jobs to anyone. Jobs come because the private sector, ordinary business, makes money, and when it makes money, it hires people.

So I do not think the American people are going to be fooled. Frankly, if that bill that the House Democrats say is the centerpiece of putting America back on track jobwise got through the Senate, I would recommend that the President veto it. I actually believe it is far worse for the American economic recovery than if we did nothing. It will increase the deficit by a very large amount. It puts on a permanent tax which in the way outyears—3, 4, or 5 years from now—gives those here who want to spend more more to spend because they already have the taxes to do so.

So it seems to this Senator that the issue today for some may be New Hampshire; for the Senator from New Mexico, the issue today is, will we get a recovery plan that actually might help produce jobs? Or are we apt to get a political recovery plan? Instead of a stimulus for jobs, we are being given a political stimulus, a stimulus asking the American people to vote because they are giving them something back, something they already are entitled to, which is less taxes rather than more. But now they will contend that this will get the economy going again.

Mr. President, I want to close by suggesting that all is not gloomy. There are substantial stimuli in the American economy right now and they are very good stimuli.

One, the interest rate which has come catapulting down because the Federal Reserve Board's action is putting about $2,000 a year in the pockets of those who are refinancing their houses, on average about $2,000. I might say to my friends here in the Senate we think that amounts to $30 billion in the year we are in, and $10 billion last year.

Another thing that is being added to the American taxpayers in the normal course of things is each family in America is spending about $325 less on gasoline because the prices are so much lower than they were last year.

Those kinds of things and some others are working there.

The American economy is taking a hit, but it is moving forward and, surely, we do not want to do anything to set it back and, most of all, we have a responsibility on this side as Republicans to try our best to tell the American people what the Democratic plan in the U.S. House is all about.

Frankly, our distinguished leader on this side says 31 days. I thought after the President's speech, everyone wanted to get a plan put together within that timeframe of March 20. Let me suggest to those who want to delay things a pretty good economic history. You delay it much longer, if it had any good job stimulus, it will not work; it will come in next year instead of this year. It will not work to anyone's political gain if that is what people are looking for.

But, frankly, as I see it, we are not going to get a plan if the plan is predicated upon trying to find out how many people we can please with a tax cut only to keep the tax permanent, to keep the tax that we put on to pay for it on permanent thereafter and expect the American economy to recover.

As one of the candidates in New Hampshire said, we really do not have to be Santa Claus. People are not looking for Santa Claus. What they are really looking for is us telling the truth and doing some reasonably logical things to get American private sectors, to get American businesses, large and small, back into a growth mode so they can hire people.

That is where we are falling. That is why we are not doing what we have to do. Part of the recovery will be homebuilding and that is starting marvelously. We need to keep it going. It has a very big ripple effect. Even the big Santa Claus package in the House forgot to include the $5,000 credit for housing. It gave American corporations a 1 percent cut and forgot about anything like an investment tax credit, or an investment allowance, which is what the President recommended, toget businesses buying new equipment and new facilities now.

So I close where I started, asking those in this body on the other side to reject the plan that the Democrats have in the House, to put together a plan that will really do the job. And if they are interested—and I believe they are—I think there are some good ideas the President has come forward with and some good ideas on this side.

I yield the floor.

How much time do I have remaining?

The PRESIDING OFFICER (Mr. ROBB). The Senator has 28 seconds remaining.

Mr. DOMENICI. I yield the remainder of my time.

The PRESIDING OFFICER. The Senator yields back his time.

The Chair recognizes the majority leader, Senator MITCHELL.

Mr. MITCHELL. Mr. President, it has been suggested that the American people be told the truth. Let me state a few truths that were omitted in the previous discussion.

The United States has been in a recession for the past 597 days under the Bush administration. President Bush refused to acknowledge that this country was in recession for 533 days. Only after it became evident to every person in the country, other than the President, did he finally admit that this country was in recession, 533 days after the recession began. Also, 502 days elapsed, 502 days of recession, before the President would agree to extend unemployment insurance benefits.

We can talk about days. We can talk about various proposals. But I think it is a curious standard of bipartisanship that has been suggested here. The President insists that we adopt his plan. That is, according to the discussions recently held, not partisanship. Democrats would like to see their plan adopted. That is called partisanship.

Why is it bipartisan for the President to demand that his plan be adopted, but partisan for Democrats to ask that their plan be adopted? Do we live in a monarchy? Is the President a President, or is he a king? Are we required by some law to accept whatever the President proposes without any opportunity for discussion, debate, or suggestion of constructive alternatives? And if we so disagree with some aspect of the President's plan, if we believe it truly and sincerely harmful to the long-range interests of the country, are we somehow obligated to stand silent and adopt the President's plan lest we be accused of partisanship?

Why is it partisan for Democrats to propose a plan, but not partisan for Republicans to propose a plan? The difference escapes me.

I think it is significant that the President, in the State of the Union Address, said that he favored a tax cut for middle-income Americans. And then when he later sent up what is described on a chart prepared by our Republican colleagues as the Bush economic growth plan, he omitted any reference to the middle-class tax cut. He also omitted, by the way, any reference to repeal of the luxury tax on boats and planes, which I hope that our colleagues on the other side of the aisle will agree should be included in any plan that is enacted here.

Now let me discuss briefly the middle-income tax cut. For the past 12 years, the Reagan and Bush administrations have pursued an economic policy that has come to be known as the trickle-down policy. It is based on the belief that the way to help the vast majority of Americans in the middle class is to reduce the tax burden on the top 2 or 3 percent of wealthiest Americans, and that somehow, then, the benefit which they receive will trickle down to the middle class and others.

It is a consistent theory, consistent with the principles that the Bush and Reagan administrations have pursued, and which is represented in this economic growth plan described on this chart. The way to help middle-income Americans is not to help them directly, our Republican colleagues say, but let us take care of the very wealthy in America. Let us cut taxes; let us reduce the burden on the top 2 or 3 percent, the people who make more than $200,000 a year, and then somehow the workers who make $20,000, $30,000, $40,000 and $50,000 a year, they will get a benefit from it through the trickle-down theory.

Mr. President, I and many of my Democratic colleagues reject that theory. We believe that the American people have been trickled on long enough; that there have been no benefits for the middle class, but there has been an enormous unfairness created in the American tax system. What has happened as a result of 12 years of the Republican trickle-down economic theory is that the top 2 or 3 percent of income earners in our society have seen their tax burden dramatically reduced, while the tax burden on the 80 percent or so of Americans that we describe as the middle class, the real backbone of our society, has gone up.

And what this Republican plan now before us will do is to continue and further that trend. It will reduce still more the tax burden on the very top income earners in our society, and the inevitable result will be to increase further the tax burden on the middle class in our society.

Recently, Kevin Phillips, a prominent Republican analyst, published a book entitled "The Politics of Rich and Poor." And in it, he stated:

> The Republican party's historical role has been not simply to revitalize U.S. capitalism, but to tilt power, policy, wealth, and income toward the richest portions of the population.

This so-called economic growth plan is evidence of that policy. And the denunciation of an even modest tax cut for the middle-income members of our society is also further evidence of that. We are told that it is not enough to cut middle-income Americans $400 or $500 a year, but the answer offered is to cut their taxes nothing; to cause an increase in their taxes which will inevitably flow, as it always has, from the reductions of the tax burden on those at the very top.

In the past 10 or 12 years, the American tax system has become much, much more unfair. The middle class in America has been socked too long and too hard. The middle class in America has seen their taxes go up while the tax burden on those at the very top of the income scale has gone dramatically down.

Now, confronted with that unfairness, to a degree unprecedented in our Nation's history, the President proposes to further that unfairness, to make it even worse, to cut still more the tax burden on those at the very top of the income scale. And at the same time, we are told, at least by some of our colleagues, that there cannot be any tax cut for middle-income Americans because that would be playing Santa Claus. They would reserve Santa Claus to the very wealthiest and deny him to all other Americans, and especially those in the middle class.

So, Mr. President, we are going to proceed promptly; we are proceeding promptly. The long delay in dealing with the economic crisis in this Nation has been induced almost entirely by inaction on the part of the President. I believe that we ought to adopt promptly an economic growth plan. I hope we can get cooperation from our colleagues, because I agree with some of the proposals that have been made from the other side. I introduced legislation last year to establish a tax credit for first-time home buyers. I publicly supported a limited investment tax credit.

But we are going to act promptly not because of any phony political deadline, but rather because it is the right thing to do and because we recognize that the 597 days of recession under the President must come to an end. And in order to do so it will require action. We hope to act; we intend to act; we will act, because it is the right and necessary thing for our country.

Mr. President, I yield the floor.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Michigan [Mr. RIEGLE].

THE ECONOMIC PROBLEMS

Mr. RIEGLE. Mr. President, I thank the Chair.

I want to follow on in the frame of the remarks of the majority leader with respect to the economic problems facing the country, and the fact that the proposal that has been put forward recently by President Bush right on the eve of the New Hampshire primary does not begin in any serious way to really address the economic problems facing our country.

I have asked to have a chart brought over to the floor—I hope they have it here in a moment—that will indicate, in the 3-years-plus now that the Bush-Quayle administration has been in office, how many jobs have been created in America over that period of time.

The reason that is an important question is that when President Bush ran in 1988 and was elected, he made a pledge at that time, a public pledge, that he was going to create 30 million jobs in America over the next 8 years. That presumed that there would be a second Presidential term. And he set that out as a goal, 30 million jobs to be added to the work force over the 8-year period of time.

We are now over 3 years—we have 3 years, we are into the fourth year of that period of time. As this chart will illustrate, there have been, really, no additional jobs created in our economy. We should be up now at about 14 million of the 30 million promised that should have been created by now. And, in fact, there has been virtually no job creation in America. As a matter of fact, we are seeing jobs disappear every single day.

We saw the other day where General Motors announced eliminating 74,000 permanent jobs; United Technologies eliminating 14,000 permanent jobs; Sears and Roebuck getting rid of thousands of permanent jobs; IBM, AT&T, you name the company, almost everybody in America is eliminating jobs. So we are not seeing job growth.

As a matter of fact, when you look across the country—the other day, out in California they had a job fair in Los Angeles to advertise a few jobs that were available in some particular companies. Several thousand people showed up. So many people showed up desperate for work that the line of people waiting to get into the building to attend the job fair stretched for blocks, and many people were never even able to get in to try to find out what kind of a job opportunity there might be there.

The point is, there are not enough jobs to go around in America today. We have 16 million people in America today who need full-time work and cannot find it. We have engineers, who are out of work, driving taxicabs. We have teachers that should be in classrooms teaching; they cannot get jobs. They are working in hamburger stands.

We have veterans of Vietnam and of Korea and World War II and even of Desert Storm a year ago, unemployed, many of them homeless, because there are not any job opportunities in America.

At the last possible moment, right on the eve of an election, we hear about this plan, the plan that was laid out the other day in the State of the Union Message.

Interestingly, the other day we had the President's top economic people in before the Finance Committee. We had Secretary Brady and Budget Director Darman and the head of the Council of Economic Advisers, Mr. Boskin, to take a look at what this so-called plan was designed to accomplish.

Listen to this. The unemployment rate in America today is 7.1 percent. It is the highest it has been any time through this recession, now, that has gone on for many months. After the so-called plan was introduced at the State of the Union Message, the President and his advisers put out an economic analysis of what his plan was supposed to do. I have here the documents right out of the President's economic report, the President's budget. Here is the page out of the President's budget in my hand, part 1, page 37. It says here, according to their own analysis, that if this plan is put into effect this year, 1992, for the rest of the year the unemployment rate will drop from 7.1 percent down to only 6.9 percent; a very, very tiny change. That is still going to leave over 15 million people in this country out of work—people who need jobs now, who need to feed their families now. In many cases they are losing their homes. They are becoming vagabonds, having to just bounce around trying to find any place they can to live and scrape together a little food day to day—this in America, 1992.

This so-called plan is designed, if fully implemented, to bring the unemployment rate down two-tenths of 1 percent, from 7.1 percent to 6.9 percent.

When I saw this, I thought it was a misprint because I could not imagine that they would construct a plan that did so little. But this is what they say their plan will do.

Then something else happened on the way from the State of the Union Message to actually getting the proposal up here to the Congress. What do you suppose happened? The plan got cut in half by the President himself and by his economic advisers. So when the plan got up here it was not the plan that he talked about in the State of the Union Message. It was only half of that plan. And, as a matter of fact, one of the things that was left out was one of the things that was advertised as being worth something to families in this country, namely the increase in the personal exemption for children.

It turns out that the package they have actually asked for, that they want right now, does not include that. That got left behind.

Yes, they want the cut in the capital gains tax rate that helps, principally, wealthy people in this country become wealthier. That they want. That is in the package. But the increase in the exemption for children that was supposed to be there for families, mysteriously that disappeared somewhere between the White House and the trip down Pennsylvania Avenue here to the Congress.

Why did it disappear? It disappeared because that is not really very important to them. It is not very important to them because they do not understand what is going on in the lives of families across the country. They do not understand the hardship and the difficulty and the fact that in most families today it is taking two wage earners working virtually full time to earn about what one wage earner was able to earn 10 or 15 years ago.

It is a terrible situation. People are falling behind. They cannot afford health care, it is too expensive, and the cost is continuing to go through the roof. The administration now has a half-baked plan in that area.

Right now over in the Finance Committee, that is being testified to by the Secretary of Health and Human Services. They brought that plan in here. They do not even propose how to pay for it, let alone have one that would be implemented and cover everybody in the country.

So these proposals are not serious, but the problems are. We have very serious problems in America and we cannot wait any longer to do something about it.

This talk about setting a deadline in 31 days, it is almost laughable. First of all, you had Reagan and Bush, 8 years, sort of an 8-year trip to the movies. Supply-side economics, trickle down, the whole big economic miracle that was supposed to happen and so forth. Well, 8 long years went by and then that administration turned into the Bush-Quayle administration for another 3 years. So you had 8 years of this group; now another 3 years. That is 11 years. They have had 11 years to do something about these problems, 11 years to do something about creating jobs, 11 years to do something about health care.

We have not heard anything about it until right now on the eve of an election. All of a sudden there are problems up in New Hampshire and somebody jumps into the race on the President's side, Mr. Buchanan gets in there and, lo and behold, an awful lot of voters are looking for an alternative because nothing has been done on these issues.

It is not surprising because the administration has not come in here with a serious plan. To come in here and propose a plan that will take the unemployment rate down this year a microscopic two-tenths of 1 percent when you have 16 million people out of work around the country, it is like a bad joke. It is a bad joke. But there is no humor in it because you have a situation today where people are desperate.

I did not have the time in coming over to the floor just now, it is in my office—I read a letter yesterday. I was in the office yesterday and reading some of the mail. One of the letters there was from a person describing a fellow worker, 31 years old, who had been unemployed for some period of time, married with a family, so despondent about his lack of ability to find a job and provide for his family, he committed suicide.

These things are happening out in our society. This is what is going on. We have veterans of Desert Storm right now homeless, living in cardboard boxes and under bridges because they cannot find a place to work.

A year ago, parades; today, the Nation essentially has turned its back on those people who were asked to go and defend this country and carry the flag of this Nation into battle and put their lives on the line.

So it is like make believe. They put up a make-believe plan the other day in the State of the Union Message. Then they chopped it in half, dropped out the part of the personal exemption increase for children, for families—just tossed that right to the side. They are not even asking for that now in terms of the action they are asking for today.

That is not a serious plan and it is not going to move the country. What the President can do and his advisers can do, if they want to energize this country the way it needs to be energized to create the jobs that we desperately need, is to convene the leadership of America—business, Government, and labor—at the White House and put the focus on creating jobs in America, to have a meeting where business, and Government, and labor sit down together to hammer out a jobs program for America and stop this slide, and stop this situation where our economic future is being lost every single day.

We owe it to today's workers, and we owe it to our children and our grandchildren. Whole industries are disappearing. The Japanese last year had a trade surplus with us of $42 billion. They took $42 billion of wealth out of America, and took the jobs that go with it out of America. And since 1980, Japan alone has taken out of America $460 billion.

You wonder why we have a capital shortage? You wonder why businesses are closing? Why industries are being destroyed? That is part of the reason. Not the whole reason, but a significant part of the reason.

We have lost the computer industry, a large part of it, the computer chip industry. We have lost consumer electronics. We are losing a major part of the automobile and truck industry. Next will be aviation, and there is no plan to deal with it, there is no plan to look after the job future of America.

Yes, the Bush administration has a jobs program for Mexico—it is called the Free Trade Agreement With Mexico—to create a situation where American businesses can go down to Mexico, move their plants down there, shut them in the United States, and take advantage of 50-cent-an-hour labor and no environmental standards down in Mexico. That is a swell jobs program for Mexico, but it is not a jobs program for America.

And, yes, I see all the things that we are doing in other countries around the world. The Bush administration has an economic plan for every country in the world except this one, prepared to help virtually every other nation.

There is a plan for Kuwait. A plan for Mexico. A plan for the parts of the old Soviet Union. A plan for Singapore. No American plan.

Ask yourself why is that? Why can they not understand the gravity of the situation in this country and the desperate need for jobs?

I will tell you my theory. They do not understand the problem. They do not feel it. They do not think it is real.

Many of the top economic advisers for the administration have the advantage of family trust fund income, wealth that been accumulated over a period of years and over generations within families, and so every 30 days a trust fund check rolls in in the mail. So their income is fine. Some investment adviser somewhere is managing those assets. Maybe they are buying German currency today, or Mexican stocks tomorrow, or whatever in terms of the international financial markets, but they are doing fine, and their trust fund checks are rolling in every 30 days.

They say, what is the problem? Because they do not have a problem. They do not have a problem.

They do not have a problem with their children being out of work either. Their children by and large all have jobs. They have connections and the circumstances going for them where they are going to find work and have found work. They are not standing in unemployment lines. They are not feeling desperate about being able to feed their children each night, and to buy the clothes they need, and buy gas for the car, and try to just keep body and soul alive.

That is not the world they live in. They live off in a different world of privilege and isolation and detachment. They do not understand what is happening down here where real people live and have to survive every day.

That is why in the public opinion polls today the public is screaming at the Government to change the economic direction, get off this track that is not working and get on a new economic track that will work. A majority, 80 percent of the American people are saying America is on the wrong economic track going into the future; we need to move off that track and get on a different track.

I think you are going to see when all the votes are counted today up in that primary in New Hampshire, you are going to hear that sentiment given a voice through votes. People are going to say they want a change because we have to change because we are losing our economic future. It is slipping right through our fingers.

The Japanese today, the leadership in Japan, not the citizens of Japan, but the leadership, the business and Government leadership over there are laughing at us. They are laughing at America.

In fact, they belittle what is going on in this country, and belittle the work of our people in America. Ironically, over the last two or three decades, we have spent hundreds of billions of dollars, in fact, trillions of dollars, providing the national defense for Japan and the other countries in the free world while they, many of them, took a free ride. When we were spending all that money to provide that defense shield, and in fact fighting the wars with our young people rather than their young people, they were taking their money and they were investing it in their economy, investing it in their schools, investing it in their workers, investing it in their students in advanced mathematics and other areas, moving their economies ahead.

We took all that money and we invested it in national defense, a large part of it. We now have over 20,000 nuclear warheads in our arsenal, and we cannot use a single one, and we have paid for all of that.

So we are suffering a kind of financial exhaustion from that tremendous expenditure. Do you think we are going to get any help from some of the other countries around the world who took advantage of our defense spending? Of course not, they are looking after their future. They are looking after their future.

I asked Secretary of Defense Cheney and Colin Powell the other day when they were before the Budget Committee, and I asked them a year ago when Desert Storm took place, what percentage of the combat forces that went across the line to liberate Kuwait and went into Iraq, what percent of the combat forces on the ground risking their lives were American? And what percent represented the rest of the world who was there to help? They had to acknowledge in that hearing that over 90 percent—over 90 percent—of the ground combat forces that went in were Americans.

Where was the rest of the world? Where were the sons, yes, and some of the daughters from those other countries carrying their share of the load? No, they were not interested in doing that. They were interested in having us do it, and we did it. The losses on the ground were American losses. Thank God they were not higher than they were, but they were still very high for those families who lost a loved one.

No, the rest of the world has economic plans and they are moving ahead, they are concentrating on building their economies, and investing in their workers, and investing in their factories, investing in new technologies, investing in research, investing in advanced education. Here in America, we are not doing it. We do not have an organized plan. In fact, the people down at the White House today think it is un-American to have a plan; that we are better off without a plan.

So the rest of the world is laughing at us because they have plans and they are moving ahead with their plans. People in other countries have better job futures right now than is true in the United States and that has to be changed. That is what this issue is about.

So you would think that after 11 years of one administration being in power and not being able to create any jobs that they would be willing to come in and sit down with us and work out a strong, ambitious plan of size and scale that can really address this problem of 16 million people in America needing full-time work and not able to find it.

I made a reference earlier to this chart. This is the fundamental basic issue in America today. Everything depends on this chart.

This chart shows the promise that President Bush made when he first ran for the Presidency back in 1988. He said at that time America had to create over the next 8 years 30 million new jobs. He picked that figure, he and his advisers. And if we in fact were to get 30 million new jobs, it would be the area colored in blue on this chart, coming forward through 1992, but then going on for 8 more years. This is the line we should be on in terms of accumulating new jobs in our economy.

But this is what has happened. You see this yellow area right here? This was the amount of job creation. It went up a little bit and then fizzled out and it is down here. Here we are now out in 1992 and there have been no new net jobs created in our economy. So we are short the distance between the bottom of this line and where we are supposed to be. We are 14 million jobs short right now.

People need work. If there is one thing that is going to get this country back on the track, it is people having the chance to get up each morning and go to a job to be able to produce to provide for themselves, provide for their families, and provide for their country. We cannot have a strong nation, a strong national defense if we do not have a strong economy here at home. Everything depends upon our economic strength.

We need national health insurance in this country. We have to have a strong economy to be able to pay for that. We need a good educational system. We need to rebuild our infrastructure. We need to rebuild and strengthen and save our industrial base and make it the envy of the world in terms of how modern and technologically sophisticated it is.

We need to invest in those things. There is no plan here to do that. There is no plan to do that. That is why we are 14 million jobs short right now. That is why at night you go around this city, every park bench is filled with a homeless person. Go down and look at the hot air grates downtown. We have these heating ducts that run under the sidewalks between central heating plants to heat the Government buildings. One of them is near the Federal Reserve Building. Go down to the Federal Reserve Building tonight and look at those hot air grates around the outside of the Federal Reserve Building and people are standing in line to get on the hot air grates to keep from freezing to death in the middle of the winter. I am talking about homeless people.

This is America. This is 1992. Those are conditions that you associate with Third World countries. We need to do something about it. We need to have a plan, an economic plan, for America where the leadership of this country—business, Government, and labor—sit down around a table together and hammer out a plan and where we invest in ourselves and invest in our people.

And, yes, despite all the great love of foreign policy—and all the Presidents seem to have it, all of our Presidents in recent years. They chase out after foreign policy because it is their great love, none more so than this President. We need a President for domestic policy. We need a President for America. How do we get a President for America? We cannot just have a President for Kuwait and a President for Mexico and a President for the rest of the world. We have to have a President for this country.

The other day I came to the floor with a story out of the Detroit News about a woman there, a single parent, named Cynthia Fyfe. She is working to provide for herself and her 6-year-old son Anthony. She makes a very modest income. She is self-supporting but barely so. She gets a little bit of health insurance coverage for herself at work. She lives in a house trailer. The little coverage she gets on medical care at work does not cover her son Tony who is 6 years old. That little boy has not a penny of health insurance coverage living as he does in America today.

I have 400,000 children in just my State of Michigan in that situation.

Is there a plan to do something about his problem and her problem? She is worried sick about him getting sick because she does not have the money to pay his bills. That is not right. That should not be what is going on in America. We are capable of more than that. But we have to get off the kick of selfishness. We just cannot keep sending all the money up to the top of the income scale through unfair tax rates and justify it in the name of trickle-down economics.

Trickle-down economics was a bloody failure, and the evidence is everywhere. It was a failure, and it was a scam at the same time. It was a way to justify tilting the income distribution in this country very much in favor of high-income people, and that is exactly what has happened.

The Federal Reserve has put out studies—everybody has put out studies—to show how the middle class is running on a treadmill and sliding backward, the lower class has got less and less, and the people at the very highest reaches of our society have got more and more over the last decade or so.

It has not built a stronger America but a weaker America, a less fair America. And do you know how we paid for it? We did not pay for it because the Government was running a surplus. Do you know how we paid for the big tax cuts of the 1980's that went overwhelmingly to high-income people? Do you know where we got the money?

This will come as a surprise. I doubt that a single reporter in America will print this tomorrow, but it would be useful if they did. A large part of the money that we got to pay for the tax cuts for the wealthy in the 1980's came out of the Social Security trust fund. That is right, it came out of the Social Security trust fund.

You say, wait a minute, how can that happen? The Social Security trust fund is over here to the side. There is no way for that money to be spent on things other than Social Security.

That is the way it should be, but that is not the way it is. As a matter of fact, the rest of the Government has been borrowing the money from Social Security to cover everything else in the rest of the general Government expenditure area. What they do is they leave an IOU over in the cash drawer at the Social Security saying we will pay this back sometime in the future. They take the money from Social Security and they spend it on anything they want to spend it on, including tax cuts.

So for this crowd that walked off with this big tax cut over the last few years in this country, you wonder where it came from. Some of it came right out of Social Security.

Now, you might say to yourself, well, if that happened, what is going to happen in the future when we are going to need that money for Social Security, to pay for the Social Security benefits? Where are we going to get the money? Somebody in this country is going to have to pay the taxes to redeem the IOU's to send the money over to the Social Security fund to pay out the Social Security benefits.

Guess who is going to be asked to do that? The very same people who put the money in Social Security in the first place. That is one of the surprises that is down the road. And that is what people down the road are going to find out; they are going to be asked to pay for their Social Security not once but twice.

That is another one of the dirty little secrets out of the 1980's that you have not heard anything about—the fact that the Social Security trust funds have been taken and used for things that have nothing to do with Social Security. And the money is gone. There is an IOU there and it is going to have to be paid off in the future. If this administration crowd is around, I know who will be asked to pay off the tax liability. It will be the same middle class that they keep coming back to to pay for every increase they ask for.

So that is what is going on in the country. We need a change—we need tax fairness and a new economic plan to put our people to work.

I was reading an article today in the Wall Street Journal, very interesting, page A-22, talking about the campaign up in New Hampshire. I am going to read one paragraph because it relates to the minority leader, Mr. DOLE, who spoke earlier.

According to the Wall Street Journal, and I quote:

> Mr. Bush didn't help his cause over the weekend when in an interview with the Boston Globe he was asked about breaking his "no new taxes" pledge and replied "I never did take the pledge [in 1988], the New Hampshire pledge."
>
> Four years ago, campaigning in New Hampshire, he told voters again and again he wouldn't raise taxes and in a hugely successful negative ad aired on the final weekend; he called his chief opponent, Senator Bob Dole of Kansas, a "Senator straddle" who would raise taxes.

The minority leader is not on the floor right now, but it would be interesting to see his recollection of what pledges were or were not made back in that 1988 primary. My own memory is the same as what is related here in the Wall Street Journal.

But that is ancient history.

We need jobs in America. We are losing our economic future. We owe to our children opportunities for the future at least as good as the opportunities that were given to us by our parents and our grandparents and those who came before them.

We are not doing that today. We are breaking that trust. We are not handing off to the next generation opportunities that are as good as they should be or as good as the ones we had offered to us. That is not right. We cannot sell out America's future that way. We cannot do it to buy votes in the United Nations or to curry the favor of powerful international business interests or lobbyists that are all over this town. We have to pay attention to what is good for America. That is what the country wants.

It is not a partisan issue, I might say. It is not a partisan issue. I started out in the Congress 25 years ago sitting on that side of the aisle as a Republican. I changed my party affiliation nearly two decades ago, in 1973. But if I were on that side of the aisle or on this side of the aisle, I would make the same speech today in terms of the economic needs of America. In fact, I can remember a time in the Republican Party, when I was member of that party, when the priority of the administration at that time in the Eisenhower years was to pay attention to the job future of America. It was to look at how the industrial base was doing, to make sure we had high value-added jobs, and enough of them to keep the people in the country working and providing adequate family incomes and national income.

It was not until we got into the 1980's that that philosophy changed in the other party. It got into the era of financial manipulation, the trading of financial pieces of paper, all of the speculation, supply-side economics, and all the rest of it.

Now look at where we are a decade later. We are in a situation where we have a massive national debt, a massive number of unemployed people, other nations laughing at us, and no plan, no real plan to do anything about it, no plan of size and scale that really meets the problem and meets the challenge. I invite the administration to develop one, and invite leaders of the country to come in and sit down with them and work out such a plan.

I am confident that if Members of both parties and leaders in the private sector got together, and that was the No. 1 priority, we could come up with a plan; not a fake plan, not a make-believe plan, not a plan that falls 14 million jobs short, but a plan that gets the job done and gives America back its economic future.

I yield the floor.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, on Friday I alerted Senators that we were going to move to third reading today. I have repeated that some five different times this morning. I repeated it in the Democratic caucus. I suspect it has been repeated in the Republican caucus. I repeat it now.

We have some amendments to do here. I think after a period of time, after those amendments are done, say 20 minutes, if no Senator shows up, we are ready for third reading.

AMENDMENT NO. 1636

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Louisiana [Mr. JOHNSTON] for Mr. CHAFEE, proposes an amendment numbered 1636.

Section 5303, subsection (a), line 12 is amended by inserting after the word "perform" the following: "reconnaissance level".

Section 5303, subsection (a), line 18 is amended by inserting after the word "Resources" the following: "and the Committee on Environment and Public Works".

Section 5303, subsection (a), paragraph (4) is amended by inserting after the word "costs" the following: "and the economic and environmental consequences".

Mr. JOHNSTON. Mr. President, this amendment is submitted on behalf of Senator CHAFEE. The amendment would require the Secretary of Energy to include preliminary environmental and economic considerations, together with the preliminary costs, in his report on the potential for increased hydroelectric production at Government dams.

The amendment would not entail a detailed feasibility study, nor any additional time, expense, or effort beyond that required to estimate the hydroelectric potential. These considerations would be more fully fleshed out by the administering agency if a full feasibility study were authorized at a potential site.

The PRESIDING OFFICER. Is there additional debate?

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. I thank the Chair.

Mr. President, this amendment would not, as I understand it, entail a detailed feasibility study nor any additional time, expense, or effort beyond that required to estimate the hydroelectric potential. These considerations would be more fully fleshed out by the administrative agency if a full feasibility study were authorized at a potential site.

Our legislation here provides that where such a study has already been prepared within the last 10 years, the Secretary may choose to simply incorporate the results of that study. In that case, he should simply abstract whatever environmental and economic information is contained in the previous study.

With those understandings, I am quite content on our side to accept the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment (No. 1636) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I will shortly send to the desk an amendment on behalf of Mr. DOLE relating to stripper wells. The amendment says that if the President finds that declines in the production of oil from domestic resources poses a threat to the national security, he may direct the Secretary of Energy to acquire oil from domestic production of stripper well properties for the strategic petroleum reserve. He may set such terms and conditions as he deems appropriate for the acquisition, and the price paid by the Secretary shall take into account the cost of production, including the cost of reservoir and well maintenance.

So this is entirely discretionary with the President, both as to whether he shall acquire the stripper well, the amount that he shall acquire, and the terms and conditions upon which it shall be acquired, saving except that it must be by competitive bid.

So, Mr. President, with these new modifications to what was the original iteration of the Dole amendment, which are in accord, I now propose the amendment.

AMENDMENT NO. 1637

(Purpose: Authority to conduct enhanced oil recovery research and acquire stripper oil for SPR)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. DOLE, proposes an amendment numbered 1637.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is ordered.

The amendment is as follows:

On page 344, after line 18, insert the following:

"SEC. 131XX. DOMESTIC OIL SUPPLY ENHANCEMENT.

(a) PROGRAM.—(a) The Secretary shall carry out programs of research, development and demonstration to increase the recoverable crude oil resource base including, but not limited to, programs in the following areas—

(1) maintenance of the production of crude oil from stripper well property;

(2) enhanced recovery of crude oil from conventional resources; and

(3) economic recovery of unconventional domestic oil resources.

(b) COOPERATIVE AGREEMENTS.—The Secretary shall solicit proposals and may enter into cooperative agreements under this section.

(c) COST-SHARING.—The Secretary shall require at least 50 per centum of the costs directly and specifically related to any demonstration project under subsections (a) (2) and (3), including cash, personal services, equipment, and other resources, to be provided from non-Federal sources.

(d) The Secretary may reduce the amount of costs required to be provided by any non-Federal person under paragraph (1) upon application if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this section.

(e) AUTHORIZATION.—There is authorized to be appropriated such sums as may be necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this section.

(f) For the purpose of this section, the term—

(1) "stripper well property" means any well located in the United States which produces an average of 15 or less barrels of crude oil per production day.".

On page 397, after line 20, insert the following new subsection:

"(d)(1) If the President finds that declines in the production of oil from domestic resources pose a threat to national energy security, the President may direct the Secretary of Energy to acquire oil from domestic production of stripper well properties for storage in the Strategic Petroleum Reserve or the Defense Petroleum Inventory. Except as provided in paragraph (d)(2), the Secretary may set such terms and conditions as he deems necessary for such acquisition.

(2) Crude oil purchased by the Secretary pursuant to this section shall be by competitive bid. The price paid by the Secretary shall take into account the cost of production including costs of reservoir and well maintenance.

(3) The President may also direct the Secretary of the Interior to take such actions as are within his power to provide incentives for conservation of the oil production from stripper wells located upon the public lands.

(4) For the purpose of this section, the term—

(1) "domestic production" means any crude oil produced in the United States by any person; and

(2) "stripper well property" means any well located in the United States which produces an average of 15 or less barrels of crude oil per production day.

The PRESIDING OFFICER. Is there further debate?

Mr. WALLOP. Mr. President, I am glad we have been able to work this out. I would say that one of the major conservation efforts that should be undertaken by this country is to avail itself of the declining reservoirs of stripper oil. They cannot be produced ad infinitum at a cost below the cost of production, and yet once abandoned, they will never return to the reservoir of America's resources that are producible.

So it is my feeling, and I believe it to be that of the chairman, that this discretion should be exercised; that it is in the interest of the country so to do.

With that understanding, I would be happy to agree that on this side the amendment is acceptable.

Mr. DOLE. Mr. President, a very important component of the energy package that is being considered here today addresses additional oil purchases for the strategic petroleum reserve.

However, I believe that we must also address in a meaningful way a segment of the oil industry represented by small independent producers who have experienced serious problems because of low oil prices and is evidenced by years of well abandonments and business failures resulting in decreased domestic production.

My amendment, stated simply, would require the Secretary of Energy to carry out a research, development and demonstration program designed to increase the recoverable crude oil resource base including that of stripper wells.

Also, the President has the discretion, if it is determined that declines in the domestic production of oil are a threat to national security, to direct the Secretary of Energy to acquire oil dedicated to the strategic petroleum and defense petroleum inventory only from stripper well properties of 15 barrels per day or less and coming from U.S. domestic producers.

Mr. President, I understand the Department of Energy plans to purchase 30–35 million barrels of crude oil for the strategic petroleum reserve. The Department has approximately $671 million available from Desert Storm sales and a test sale, as well as other unobligated authority. If my amendment is adopted, this requirement could be met through domestic stripper well supplies.

Mr. President, stripper production makes up a small portion of overall domestic production, yet it is truly a vital component of a domestic energy production policy that must be preserved if we are to stop the slide toward increasing reliance on foreign sources for our energy needs.

According to the National Stripper Well Association, 14 percent of our domestically produced oil comes from stripper wells of 10 barrels per day or less. In 1990, total stripper well production exceeded 383 million barrels of oil and represents 463,000 producing wells in 28 states. Of all U.S. wells 74 percent are stripper wells with an estimated value of over $7 billion.

Estimated recoverable domestic reserves from stripper wells are over 3.6 billion barrels of oil by both primary and secondary recovery methods.

Mr. President, the vast majority of U.S. wells are small wells. We have witnessed a steady increase in my State of Kansas of well abandonments the past three years with 1,470 in 1980; 1,704 in 1990; and 1,837 in 1991. Total U.S. stripper well abandonments in 1990 were 17,235. This is production that is lost forever.

Mr. President, this amendment is a modest amendment that will go a long way toward keeping marginally producing wells active and preserving significant reserves here in this country.

It is inconceivable to me that this country's energy policy would not include significant incentives for domestic oil production. Once we shut this industry down, it is gone forever. I believe that my amendment is a significant step toward preserving the small, independent producer and maintaining the strategic inventory of stripper wells and recoverable reserves right here in the United States.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Kansas.

The amendment (No. 1637) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, we will shortly deal with the question of impact aid for affected States. There is a section of this bill relating to that which has had, in the opinion of some, two shortcomings. One, they thought that the size of the fund was too much; second, they thought that the fund was expended for States which had the principal amount of production, including my own State of Louisiana; third, that the money could be used for too broad a category, which was not strictly limited to environmental purposes.

Mr. President, I can now state that I believe we have agreement—at least, it is very close; if we can find the piece of paper on which it is written—that we have agreement worked out, I believe, with the Commerce Committee, particularly with Senators KERRY and STEVENS, and they are able to course to speak for themselves, and their staffs can. But I simply announce to the Senate, that we will take action on that as soon as the agreement is finally put together.

Mr. President, I would also propose as a second-agree amendment to that to include a moratorium on drilling off the Atlantic Coast, as proposed by the President, through the year 2000, and off the States of Washington and Oregon through the year 2000. We already have California included in the bill.

I do not include Florida in that, simply because the Senators from Florida, Mr. GRAHAM and Mr. MACK, will, I understand, have their own version of some kind of moratorium in Florida, which may or may not comport with what we would do in terms of the President's amendment. However, I simply say that to put Senators on notice that that will be the next order of business as soon as the i's are dotted and the t's are crossed.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE STATE OF THE ECONOMY

Mr. NICKLES. Mr. President, I rise to make a few comments in response to comments that were made earlier on the floor by my colleague from Michigan, Senator RIEGLE, talking about unemployment and the disastrous state of the economy.

I think maybe a few other facts should be presented in order to understand the whole picture. When we talk about the enormous rise of unemployment and the poor economy—and certainly the economy is more stagnant than this Senator would prefer. But Senator RIEGLE presents a picture of the worst economy that we have ever seen in recent history. That is not the case.

If one looks at a historical chart of the total number of unemployed we see that, during the Carter era of economics we had a very large unemployment rate. It was much higher, actually, in terms of total number of people unemployed because the Carter administration with a democratically controlled Congress the United States had unbelievable inflation rates, and we had an unbelievable unemployment rate. The total number of unemployed reached about 11 million during the seventies, compared to the 8.5 million that we have today. So there are still 2.3 million fewer people unemployed today than during the Carter administration.

If one looks at the total employment growth throughout the 1980's, we have actually had an increase of 18 million jobs. Although, I admit that we have had a downturn, and a slight decrease in growth.

The Council of Economic Advisers estimates that that growth will take off. I hope it will. We have a few things in place that should encourage that growth in the economy such as the fact that we have very low interest rates. Interest rates can be a real stimulus to the economy. We have a much lower inflation rate. The inflation rate in 1980 was 13.5 percent. Last year we had an inflation rate of 4.2 percent. Last year's inflation rate was one-third of the inflation rate in 1980, again, under a democratically controlled Congress and administration.

So when I hear my colleagues stand up and rave about how terrible the economy is, I think they forget the status of the economy back in 1979 and 1980. An economy where you had a prime interest rate of 21 percent and an inflation rate of 13½ percent. Those combinations certainly led to a significant recession. We came out of that recession and saw the economy grow significantly during the latter part of 1980's.

I might mention, too, the civilian unemployment rates reached a high of 10.8 percent in December of 1982. Again, it is down to 7.1 percent. That is significantly better than what it was.

Sure, there has been an increase in the unemployment rate and we need to work hard to get that back down. I think we should be working in a bipartisan fashion to put some economic policies together. The President challenged us to do so. He said he hoped Congress would enact policies and practices by March 20 that would really help stimulate the economy.

I can tell, you, from traveling in my State of Oklahoma, that people are not too concerned about Democrat or Republican. They want to see Congress act. When I look at the actions being taken by the Democrats in the House—I wish I could say the House of Representatives, but it is not a bipartisan issue—the Democrats are proposing a bill that would put in place permanent tax increases on our citizens.

How that helps the economy I do not know. If you ask any economist whether the Democratic package increases jobs or stimulates the economy, I think the answer will be no. All they do is redistribute wealth. They give a short-term tax cut for a few people, but the net result is a long-term, permanent tax increase on a lot of people in future generations. Basically, they are robbing Peter to pay Paul. They are taking from a few people to give to other people in order to buy votes. As the Senator from Texas said today, maybe to rent their votes.

They do not give the so-called middle class a permanent tax cut. They give them a temporary tax cut, just enough to get their vote, and then they sock it to them with a higher tax rate. I do not think that is fair, or that it will help the economy.

Frankly, I do not think Congress should be doing anything except to enact changes that will help stimulate the economy. There are a lot of things we can, and should do. I hope we can work in a bipartisan fashion to accomplish true economic stimulus. Maybe the changes we should be talking about, such as allowing manufacturers to write off their equipment over a shorter period of time, would help.

As a business person, I can tell you that a businessman is a lot more likely to invest in plant equipment and machinery, if they are able to expense these items over a shorter period of time. If you have to write out the check, you want to be able to get your deduction over a short period of time. That will make a difference and it will create jobs.

The President proposed a tax allowance along that line. I compliment him for it. The President proposed making changes in the alternative minimum tax, so if you have accelerated depreciation, you can take that and recoup your investment quicker. Under the present Tax Code, if you have anything on accelerated appreciation above straight line, it is very punitive. That discourages investment and costs jobs. That makes us less competitive. That is not in the Democrats' proposal.

The President called for significant changes in alternative minimum tax. However, I think we should do more. I believe we should not treat intangible drilling costs which are out of pocket, nonrecoverable business expenses as preference items. Because of the changes made in the 1986 Tax Code the net effect on the energy industry is a 20-percent tax surcharge on major corporations and a 24-percent tax surcharge on independents for sinking the cost into the ground. We are putting a tax surcharge on a business expense. That makes no sense.

So we have a chance now with this tax bill to change that. We have a chance to stimulate the economy and create jobs.

The drilling industry, as my colleagues from Wyoming and Louisiana know, is at an almost all-time low. We need to make some changes to stimulate the drilling industry. I call it fairness and equity in the Tax Code and allowed expenses to be expensed and not added as a surcharge. We can make changes in passive losses. I hope we can work together to do that.

The net result I see coming from the Democrats in the House Ways and Means Committee is they want to play politics and give the President a bill they know he will veto, because it is a massive redistribution of wealth policy, that will not create jobs. As a matter of fact, it will probably cost jobs and hurt the economy, and that is something we should not be doing. The President will veto it, and he is right to do so.

So instead of playing partisan games, why do we not work together and try to pass some common sense approaches to fix some of the mistakes that were made in 1986, whether you are talking about alternative minimum tax, passive loss, or being able to expense equipment over a shorter period of time. Let us take some of these common sense business-type approaches that will make us more competitive internationally. A bill that we can pass in a bipartisan fashion and not a tax bill so expensive, so punitive, so much a redistribution-of-wealth scheme that we know the President is going to veto it.

I do not think the House Ways and Means proposal is going to help the Democrats politically like they think it will, and certainly it will not help the economy, because no changes will have been made.

I think it is time that we get away from some of the rhetoric that I heard from my colleague from Michigan, and let us try to work together to pass some positive, common-sense approaches that will truly stimulate the economy and not just help politicians.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. GRAMM. Mr. President, I want to say a few words about the energy bill. I want to talk in particular about utility regulation. But I would like to begin by congratulating our two colleagues who have been the leaders on this bill. For somebody like me from an energy-producing State, I look at the bill and I see a lot of things that I am disappointed in. In fact, I think we are in the process of seeing the death of a major national industry.

When I look at the fact that we have 370,000 fewer jobs in the American petroleum industry than we had 10 years ago, when I look at the fact that rig count operating in the continental United States is at its lowest level ever recorded, when I look at the fact that we are not even going to vote on opening up ANWR for new exploration and drilling, and when I look at the fact that we still face amendments that would close down offshore drilling in some areas of the country, I am alarmed by what we are not doing in this bill to get on with the job of producing energy here at home at a price the consumer can afford to pay.

But, Mr. President, I am encouraged by some of the things we are doing, especially in the area of natural gas, and I want to congratulate our two leaders for making possible this progress.

I want to talk a little bit about utility regulation and about PUHCA. We have all of these symbols which denote various bills and often confuse what we are saying rather than enlighten, but let me outline my concern that I want to share with the committee.

I have reserved the right to offer an amendment. As of now I do not intend to do that, but I want to raise a concern. The concern basically is as follows: In the 1930's, we looked at public utilities and in particular we looked at electric power generation and transmission and we concluded that electric power generation and transmission was a natural monopoly. As a natural monopoly, we set out regulations and requirements. One of the requirements was a high level of equity investment.

We now have come along and concluded that while the transmission of power is a natural monopoly, the generation of power is not a natural monopoly. In this bill we are setting out provisions that allow independent generators to come in and compete.

Now, Mr. President, I believe that that is a correct policy. I think that we can have competition in power generation. I think we are moving toward a long-term change in the industry. I think we are moving into unchartered water here, and I think it is very important that we know what we are doing each step of the way. The bill before us moves a very small distance in the direction of allowing independent power producers to come in and to make investments without being tied to the equity requirements that exist for regulated monopolies, and that makes sense.

I think we need to look long and hard at what we are doing before we proceed farther down that road, but I support the step we are taking.

The concern I have is this: We are trying to promote competition in power generation, but I do not see how we can have competition unless we have a level playing surface. What I want to do is to find a way to say that if the State regulator allows an independent power producer to come in with a level of equity and debt is in funding an investment in a new electric power facility, then an electric company engaged in the act of investing to create new electric generation capacity may use whatever level of equity and debt is required of the independent power producer. An electric company facing competition should not be bound by an old set of rules that were imposed when it had been granted a monopoly.

In essence, what is happening is we are allowing in competitors. I believe that generation of power is not a natural monopoly, and I think we are moving in the right direction.

But I ask the distinguished chairman of the committee to look long and hard at this issue.

We are setting out exemptions from the rules imposed on a natural monopoly for independent power producers, and I support that policy. But it is very important that as we move toward this restructuring and competition, we ensure that the power company is not bound by a set of rules that were imposed when it was a monopoly but where it is now competing against the independent power producers.

The amendment that I thought about offering was an amendment that said, in essence, that if the State regulator sets an equity level that has to be achieved by an independent power producer in making an investment in power generation, the utility company under Federal law will not be required to a higher level of equity. In looking at this and trying to get input, quite frankly, those involved in the debate are more concerned about who is going to have an advantage than they are about trying to have a flat playing surface. So I have decided rather than trying to tread into this area that I would simply raise the concern here today on the floor of the Senate so that as we move further toward opening up competition we can assure that we do not have the participants operating under two sets of rules, one applied to new entrants, and one applied to the utility company.

So, Mr. President, I hope that we look at this closely. I think it is an important area. I support the direction we are moving in. I think we need to be careful what we are doing. We do have the best power generation and transmission system in the world. I think competition where it can exist can make it better, but it is absolutely imperative that everybody is competing under the same rules.

I yield the floor.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I thank the distinguished Senator from Texas for his comments. I would say in reply that the question of capital ratios addresses itself principally to the States, to their State law, and their State regulatory commissions, and we did not want to intrude upon that area of traditional State regulation.

What we did do is put directions that the State regulatory commission shall look at the question of debt equity ratio, and we specifically spelled out that they have the power under State law to order whatever debt equity ratios with respect to exempt wholesale generators to make such orders as they wish pursuant to State law. So we require that they look at it, preserving their powers to do so.

Having said that, I would say that we have now a pretty broad experience since 1978 on this question of independent power producers, the funding of those debt equity ratios, weighted cost of capital, those kinds of things. And what we have found—I say "what we have found," it has been found in studies—one published recently which I put in the RECORD from Public Utilities Fortnightly. Another was an Energy Committee staff study. What we found is that the weighted average cost of capital for IPP's, for independent power producers, and utilities is similar. It is tailored to the individual project, depending on the degree of risk, the terms, et cetera. But it is a comparable amount.

The utilities typically finance on 30- to 40-year, long-term bonds, and they get a lower interest rate. The IPP's tend to finance on more like 12 years to 15 years, and therefore their capital costs are slightly higher.

There are fewer uncertainties with respect to IPP's. They are doing one thing. They are generating a certain amount of electricity to be delivered over a certain period of time. The regulatory uncertainty is taken out because the regulator will make its decision up front.

With respect to a utility, there are many other uncertainties, such as the public utility commissions granting or not granting rate increases at the retail level, such as fire, storm, flood, et cetera, such as the economic uncertainty of an area, whether it grows or does not grow. And really those kinds of uncertainties which are not involved in the generation of electricity are that which has motivated some State public utility commissions and in some cases State legislatures to require equity amounts that are higher for utilities. It is to ensure the reliability of the service and the financial stability of the utility.

In the case where you have an IPP that wants to build a plant to generate a certain kind of electricity, I mean electricity generated with a certain technology, they get all their permits up front. They get their contracts up front. They know what they are going to receive from the power. They know how long the contract is for. When they have all of that approved up front, then there is no reason for them to have 50 percent equity invested because they have a predictable revenue stream against which they can borrow.

The Wall Street lenders will typically require that IPP's have sinking funds to ensure that there is money there for maintenance, for operation, for debt service, for any uncertainties, such as they may be, to cover the cost of insurance and that kind of thing. But other than that sinking fund and the operating requirements, there really is no reason that they have 50 percent equity. And that is what experience has shown, that IPP's are required only to have such capital as the discipline of the market will require.

What we have found is that the discipline of the market has sorted out these risks very well, that the reliability of independent power producers has been even higher than that of utilities. When I say "reliability," the percentage of operating capacity used has been higher than that of utilities. In fairness, I would say some of these IPP units are maybe newer and that may account for it, but they have been at least as reliable or actually more reliable.

Mr. GRAMM. Will the distinguished Senator yield?

Mr. JOHNSTON. Yes.

Mr. GRAMM. I thank the chairman for his comments. The utilities may argue that they have to have excess capacity because they have to supply the customer when the customer has surge needs and the independent power producer does not. But the point I was trying to make is this: I agree with the conclusion that we are now capable of having competition in power generation. I support the decision to allow the independent power producer to be exempt from the provisions of law that were meant to apply to a monopolist who had a monopoly on supplying electric power and was protected from competition.

The only concern I have—and I think it is a thing we need to look at very closely—is that we look at Federal statutes that might produce a situation where we have let the independent power producer come in to compete but where we may still be regulating the utility as if it were a monopolist.

Now I do not doubt that at the margins, the cost of expanding by equity and the cost of expanding by debt are quite similar. But my view is this: If we say we have competition in power generation and therefore the independent power producer does not have to meet the equity requirements of the electric company, why should the electric company have to meet the capital requirements that were relevant only when the electric company was a monopolist?

Having looked at this now, trying to come up with a level playing surface, and trying to not bias the competition in either direction, I am not sure to what extent there is a problem. But I think there is a potential for a problem. It is one that we need to look at because what we really want to produce is competition in power generation. Where the electric company can build a new facility cheaper, we want them to do it. Where an independent producer can build it cheaper, we want them to do it. We want basically the market to decide.

So we do not want any artificial impediment where they are operating under different sets of financial conditions. That is the only and simple point I want to make.

Mr. JOHNSTON. Mr. President, I understand the point the Senator is making. I might add that this is consensual purchase. There is no requirement in this statute, unlike the PURPA statute, for a purchase.

But I thank the Senator for his very penetrating remarks.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1638

(Purpose: To provide for coastal communities impact assistance, coastal resources enhancement, and for other purposes)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. KERRY, proposes an amendment numbered 1638.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

OUTER CONTINENTAL SHELF

(1) Strike sections 12101 and 12102 of S. 2166 and insert in lieu thereof the following:

Subtitle A—Coastal Communities Impact Assistance

SEC. 12101. DEFINITIONS.

For purposes of this subtitle only, the term—

(1) "coastline" has the same meaning that it has in the Submerged Lands Act (43 U.S.C. 1301 et seq.);

(2) "county" means a unit of general government constituting the local jurisdiction immediately below the level of State government. This term includes, but is not limited to, counties, parishes, villages and tribal governments which function in lieu of and are not within a county, and in Alaska, borough governments. If State law recognizes an entity of general government that functions in lieu of and is not within a county, the Secretary may recognize such other entities of general government as counties;

(3) "coastal State" means any State of the United States bordering on the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Bering Sea or the gulf of Mexico;

(4) "distance" means minimum great circle distance, measured in statute miles;

(5) "leased tract" means a tract, leased under the Outer Continental Shelf Lands Act for the purpose of drilling for, developing and producing oil and natural gas resources, which is a unit consisting of either a block, a portion of a block, a combination of blocks and/or portions of blocks, as specified in the lease, and as depicted on an Outer Continental Shelf Official Protraction Diagram;

(6) "new revenues" means monies received by the United States as royalties (including payments for royalty taken in kind and sold pursuant to section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353)), net profit share payments, and related late-payment interest from natural gas and oil leases issued pursuant to the Outer Continental Shelf Lands Act, but only from leased tracts from which such revenues are first received by the United States after the date of enactment of this Act;

(7) "Outer Continental Shelf" means all submerged leands lying seaward and outside of the area of "lands beneath navigable waters" as defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)), and of which the subsoil and seabed are subject to the jurisdiction and control of the United States; and

(8) "Secretary" means the Secretary of the Interior or the Secretary's designee.

SEC. 12102. IMPACT ASSISTANCE FORMULA AND PAYMENTS.

(a) There is established a fund in the Treasury of the United States, which shall be known as the "Coastal Communities Impact Assistance Fund" (hereinafter referred to in this section as "the fund").

(b) The Secretary of the Treasury shall invest excess monies in the fund, at the request of the Secretary, in public debt securities with maturities suitable to the needs of the fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

(c) Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338), amounts in the fund, together with interest earned from investment thereof, shall be paid at the direction of the Secretary as follows:

(1) The fund shall consist of amounts deposited in the fund from new revenues received beginning with October 1, 1992, representing the amounts determined to be allocable to eligible coastal States and eligible counties pursuant to the formula contained in this section.

(2) The Secretary shall determine the new revenues from any leased tract or portion of a leased tract lying seaward of the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act, (43 U.S.C. 1337(g)), the geographic center of which lies within a distance of 200 miles from any part of the coastline of any coastal State (hereinafter referred to as an "eligible coastal State").

(3) The Secretary shall determine the allocable share of new revenues determined under paragraph (2) by multiplying such revenues by 12.5 percent.

(4) The Secretary shall determine the portion of the allocable share of new revenues attributable to each eligible coastal State (hereinafter referred to as the "eligible coastal State's attributable share") based on a fraction which is inversely proportional to the distance between the nearest point on the coastline of the eligible coastal State and the geographic center of the leased tract or portion of the leased tract (to the nearest whole mile). Further, the ratio of an eligible State's attributable share to any other eligible State's attributable share shall be equal to the inverse of the ratio of the distances between the geographic center of the leased tract or portion of the leased tract and the coastlines of the respective eligible coastal States. The sum of the eligible coastal States' attributable shares shall be equal to the allocable share of new revenues determined under paragraph (3).

(5) Subject to appropriation, the Secretary shall pay from the fund 50 percent of the eligible coastal States' attributable share, together with the portion of interest earned from investment of the fund which corresponds to that amount, to that State.

(6) Within 60 days of enactment of this Act, the Governor of each eligible coastal State shall provide the Secretary with a list of all counties, as defined herein, that are to be considered for eligibility to receive impact assistance payments. This list must include all counties with borders along the State's coastline and may also include counties which are at the closest point no more than 60 miles from the State's coastline and which are certified by the Governor to have significant impacts from Outer Continental Shelf-related activities. For any such county that does not have a border along the coastline, the Governor shall designate a point on the coastline of the nearest county that does have a border along the coastline to serve as the former county's coastline for the purposes of this section. The Governor of any eligible coastal State may modify this list whenever significant changes in Outer Continental Shelf activities require a change, but no more frequently than once each year.

(7) The Secretary shall determine, for each county within the eligible coastal State identified by the Governor according to paragraph (6) for which any part of the county's coastline lies within a distance of 200 miles of the geographic center of the leased tract or portion of the leased tract (hereinafter referred to as an "eligible county"), 50 percent of the eligible coastal State's attributable share which is attributable to such county (hereinafter referred to as the "eligible county's attributable share") based on a fraction which is inversely proportional to the dis-

tance between the nearest point on the coastline of the eligible county and the geographic center of the leased tract or portion of the leased tract (to the nearest whole mile). Further, the ratio of a any eligible county's attributable share to any other eligible county's attributable share shall be equal to the inverse of the ratio of the distances between the geographic center of the leased tract or portion of the leased tract and the coastlines of the respective eligible counties. The sum of the eligible counties' attributable share for all eligible counties within each State shall be equal to 50 percent of the eligible coastal State's attributable share determined under paragraph (4).

(8) Subject to appropriation, the Secretary shall pay from the fund the eligible county's attributable share, together with the portion of interest earned from investment of the fund with corresponds to that amount, to the county.

(9) Payments to eligible coastal States and eligible counties under this section shall be made not later than December 31 of each year from new revenues received and interests earned thereon during the immediately preceding fiscal year, but not earlier than one year following the date of enactment of this Act.

(10) The remainder of new revenues and interest earned in the fund not paid to an eligible county under this section shall be disposed of according to the law otherwise applicable to receipts from leases on the Outer Continental Shelf.

(11) The total amount in the fund shall not exceed $300,000,000 during any fiscal year.

SEC. 12103. USES OF FUNDS.

Funds received pursuant to this subtitle shall be used by the eligible coastal States and eligible counties for—

(a) projects and activities and that protect or enhance air quality, water quality, fish and wildlife, wetlands, or other coastal resources;

(b) other activities of such State or county, authorized by the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), the provisions of subtitle B of title IV of the Oil Pollution Act of 1990 (104 Stat. 523), or the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.); and

(c) administrative costs of complying with the provisions of this subtitle, including the costs associated with the audit required by section 12105.

SEC. 12104. OBLIGATIONS OF ELIGIBLE COUNTIES AND STATES.

(a) PROJECT SUBMISSION.—Prior to the receipt of funds pursuant to this subtitle for any fiscal year, an eligible county must submit to the Governor of the State in which it is located a plan setting forth the projects and activities for which the eligible county proposes to expend such funds. Such plan shall state the amounts proposed to be expended for each project or activity during the upcoming fiscal year.

(b) PROJECT APPROVAL.—Prior to the payment of funds pursuant to this subtitle to any eligible county for any fiscal year, the Governor must approve the plan submitted by the eligible county pursuant to subsection (a) and notify the Secretary of such approval. State approval of any such plan shall be consistent with any State wetlands plan, habitat plan, or environmental restoration plan in effect in such State and with all applicable State and Federal law. In the event that the Governor disapproves any such plan, the funds that would otherwise be paid to the eligible county shall be placed in escrow by the Secretary pending modification and approval of such plan, notwithstanding the provisions of section 12102(c)(10), at which time such funds together with interests thereon shall be paid to the eligible county.

(c) CERTIFICATION.—No later than 60 days after the end of the fiscal year, any eligible county receiving funds under this subtitle must certify to the Governor: (1) the amount of such funds expended by the county during the previous fiscal year; (2) the amounts expended on each project or activity; and (3) the status of each project or activity.

SEC. 12105. AUDIT.

(a) REQUIREMENT FOR AUDIT.—Under regulations promulgated by the Secretary, any coastal State that receives payments under section 12102 shall, for each fiscal year that it receives payments, provide that amounts received thereunder, including amounts paid to eligible counties of such State under section 12102, be subject to audit in accordance with chapter 75 of title 31, United States Code. The audit shall be submitted to the Secretary.

(b) CONTENTS OF AUDIT.—Each audit submitted by a State under subsection (a) shall—

(1) contain a statement of all amounts paid under section 12102 to such State for the fiscal year;

(2) include a statement of all amounts paid to eligible counties of such State pursuant to section 12102.

(c) PRELIMINARY DETERMINATION BY SECRETARY.—(1) After receiving a State's report under this section, the Secretary shall make a preliminary evaluation of each audit submitted pursuant to this section, and determine whether any portion of the amounts received has not been used as required by this subtitle. The Secretary shall publish notice of such determination in the Federal Register.

(2) If the Secretary determines under paragraph (1) that any portion of the amounts received under section 12102 has been misused, the Secretary may suspend, and place in escrow, an amount from any future payment due to the coastal State or eligible county charged with misusing the amounts under section 12102 which is equivalent to the amount misused, pending a final determination pursuant to subsection (d).

(d) FINAL DETERMINATION BY SECRETARY.—If the Secretary, after providing a State or eligible county with an opportunity for a hearing, makes a final determination that any portion of the amounts paid to such State or eligible county under section 12102 was not used as required by this subtitle, the Secretary shall—

(1) provide in writing to the State or eligible county that misused the funds the reasons for the determination and the exact amount that was misused; and

(2) take appropriate action to recover an amount from the State or eligible county that misused the funds equal to that determined to have been misused, including the withholding of such amount from that State or eligible county's future payment under section 12102 or of the amount which may have been suspended under subsection (c)(2). In no event shall funds be withheld from a State due to misuse of funds by an eligible county within such State, or from an eligible county in an instance where the State in which it is located has misused funds.

(e) DISPOSITION OF AMOUNTS WITHHELD.—(1) If no appeal of a final determination under subsection (d) is filed within 60 days following the notification described in subsection (d)(1), any amounts withheld or otherwise recovered by the Secretary under subsection (d)(2) shall be returned to the Coastal Communities Impact Assistance Fund.

(2) If an appeal of the final determination is filed within the 60-day period specified in paragraph (1), any amounts withheld by the Secretary shall be held in escrow until such time as a final determination is made of the appeal.

(3) In the event that amounts withheld under this section are subsequently paid to the State or eligible county from which they were withheld, such State or county shall also receive interest on such amounts.

SEC. 12106. REGULATIONS.

The Secretary may promulgate any necessary or appropriate regulations to implement this subtitle.

Subtitle B—Coastal Resources Enhancement Fund

SEC. 12201. DEFINITIONS.

For the purposes of this subtitle only, the following definitions apply:

(1) "Block Grant" means a Coastal Resources Enhancement Block Grant described in section 12203(a);

(2) "coastal State" means any State of the United States bordering on the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Bering Sea or the Gulf of Mexico, if such State has a coastal zone management program approved by the Secretary;

(3) "coastal zone management program approved by the Secretary" means—

(A) a coastal zone management program that is approved by the Secretary under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455); or

(B) a coastal zone management program that is being developed by a coastal State, with respect to which the Secretary determines (in no more than 2 fiscal years for which a Block Grant is awarded) that such State is making satisfactory progress toward the development of a program approvable by the Secretary under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455);

(4) "energy facilities" has the meaning given that term under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.);

(5) "Enhancement Fund" means the Coastal Resources Enhancement Fund established pursuant to this subtitle;

(6) "leased tract" means a tract, leased under the Outer Continental Shelf Lands Act for the purpose of drilling for, developing and producing oil and natural gas resources, which is a unit consisting of either a block, a portion of a block, a combination of blocks and/or portions of blocks, as specified in the lease, and as depicted on an Outer Continental Shelf Official Protraction Diagram;

(7) "local government" has the meaning given that term in section 304(11) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(11)) and, with respect to the State of Alaska, the term includes unincorporated communities, including Alaska Native Villages;

(8) "new revenues" means monies from any leased tract or portion of a leased tract lying seaward of the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337 (g)), the geographic center of which lies within a distance of 200 miles from any part of the coastline of any coastal State and received by the United States as royalties (including payments for royalty taken in kind and sold pursuant to 43 U.S.C. 1353), net profit share payments, and related late-payment interest from natural gas and oil leases issued pursuant to the Outer Continental Shelf Lands Act, but only

from leased tracts from which such revenues are first received by the United States after the date of enactment of this Act;

(9) "proportionately" means in the same ratio as Block Grants would be apportioned among the coastal States if only on the basis of the formula established under section 12203(d) of this subtitle; and

(10) "Secretary" means the Secretary of Commerce or the Secretary's designee.

SEC. 12202. ESTABLISHMENT OF FUND.

There is established in the Treasury of the United States a fund to be known as the Coastal Resources Enhancement Fund composed of 4 percent of new revenues. The Enhancement Fund shall not exceed **$100,000,000** during any fiscal year.

SEC. 12203. (a) BLOCK GRANTS TO STATES.

Subject to the provisions of this section, for fiscal year 1992 and for each subsequent fiscal year, the Secretary shall award to each coastal State a Coastal Resources Enhancement Block Grant from the monies paid into the Enhancement Fund. The Block Grant shall include the amounts separately paid by the Secretary to the local governments of such State under section 12205.

(b) ALLOCATION REPORT.—(1) No coastal State may receive a Block Grant for a fiscal year unless such State has submitted to the Secretary a report for such fiscal year that—

(A) specifies the proposed allocation by such State of the Block Grant among the activities specified in paragraphs (1) through (4) of section 12204;

(B) prescribes the allocation of the local government portion of the Block Grant to specified local governments, for separate payment by the Secretary as provided in section 12205; and

(C) describes each proposed activity receiving funds provided by the Block Grant and the amounts proposed to be expended for each activity.

(2) In order to be eligible for a Block Grant and before submitting the report required under paragraph (1), each coastal State shall provide opportunities for the public to review and comment on the report and shall hold at least one public hearing on such report at a site in the State convenient for encouraging maximum public participation.

(c) STATE TRUST FUND.—No amount of a Block Grant shall be paid from the Enhancement Fund to a coastal State until the State has established a trust fund for the receipt of the portion of such Grant that is paid directly to the State.

(d) FORMULA.—The amount of each Block Grant awarded under subsection (a) shall be determined by the Secretary under a formula established by the Secretary which gives the following weighted consideration to each of the following criteria:

(1) A weight of 50 percent shall be given to the number, location, and impact of the energy facilities located within the coastal zone of each State during the fiscal year immediately preceding the fiscal year for which the grant is to be awarded;

(2) A weight of 25 percent shall be given on the basis of shoreline mileage; and

(3) A weight of 25 percent shall be given on the basis of coastal population.

(e) MINIMUM GRANT LEVELS.—(1) A coastal State shall receive not less than 1.62 percent of the total amount available for Block Grants under this section during any fiscal year.

(2) If, after the calculations required under subsection (d), any coastal State is to receive a Block Grant that is less than the minimum grant level established under paragraph (1), the Secretary shall increase such State's Block Grant to the minimum level. Amounts necessary to make such increases shall be derived by reducing proportionately the Block Grant of each State which, as determined under subsection (d), exceeds the minimum level under paragraph (1).

(f) MAXIMUM GRANT LEVELS.—If, after the calculations required under subsections (d) and (e), any coastal State would receive a Block Grant which is greater than 8 percent of the funds appropriated under this section, the Secretary shall reduce such State's Block Grant to 8 percent. The amounts resulting from such reduction shall be reallocated proportionately among States receiving less than 8 percent so such funds are more than the minimum grant levels under subsection (e).

(g) USE OF FUND.—As provided in advance by appropriation Acts, the Secretary shall use the total amount of any amounts deposited in the Enhancement Fund during each fiscal year to carry out the proposes of, and in accordance with, this section.

SEC. 12204. REQUIREMENTS ON THE USE OF BLOCK GRANTS

(a) Block Grants awarded to a State under section 12203(a), including the portion separately distributed to such State's local governments under section 12205, shall be used only for one or more of the following activities:

(1) Amelioration of any adverse environmental impacts that result from the siting, construction, expansion, or operation of energy facilities;

(2) Administrative costs such State or a local government of such State incurs in the energy leasing and energy permitting process under any applicable law, including but not limited to the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) and the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.);

(3) Other activities of such State, or a local government of such State, authorized by the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), the provisions of subtitle B of title IV of the Oil Pollution Act of 1990 (104 Stat. 523), or the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.); and

(4) Projects and activities that protect or enhance air quality, water quality, fish and wildlife, wetlands, or other coastal resources.

SEC. 12205.

(a) LOCAL GOVERNMENTS.—The report submitted by each coastal State under section 12203(b) shall prescribe an allocation among its local governments of not less than one-third of each Block Grant proposed to be awarded to such State.

(b) SEPARATE DISTRIBUTION.—The portion of a State's Block Grant that the State prescribes for allocation to specific local governments shall be paid by the Secretary directly to each such local government.

SEC. 12206. AUDIT.

(a) REQUIREMENT FOR AUDIT.—Under regulations promulgated by the Secretary, any State awarded a Block Grant under section 12203(a) shall, for each fiscal year that it is awarded such Grant, provide that amounts received under such Grant, including amounts separately distributed to local governments of such State under section 12205, be subject to audit in accordance with chapter 75 of title 31, United States Code. The audit shall be submitted to the Secretary. The income derived for each fiscal year from such State's trust fund, as established under section 12203(c), shall be included in the audit required by this section.

(b) CONTENTS OF AUDIT.—Each audit submitted by a State under subsection (a) shall—

(1) contain a statement of all funds provided under the Block Grant received by such State for the fiscal year; and

(2) include a statement of all funds paid to the local governments of such State pursuant to section 12205.

(c) PRELIMINARY DETERMINATION BY SECRETARY.—(1) After receiving a State's audit under this section, the Secretary shall make a preliminary evaluation of each audit submitted pursuant to this section, and determine whether all or any part of the Block Grant has not been used as required by this subtitle. The Secretary shall publish notice of such determination in the Federal Register.

(2) If the Secretary determines under paragraph (1) that any portion of the Block Grant has been misused, the Secretary may suspend, and place in escrow, an amount from any future Block Grant which is equivalent to the amount misused, pending a final determination pursuant to subsection (d).

(d) FINAL DETERMINATION BY SECRETARY.—If the Secretary, after providing a State with an opportunity for a hearing, makes a final determination that all or any part of the Block Grant funds paid to such State or its local governments were not used as required by this subtitle, the Secretary shall—

(1) provide in writing to the State the reasons for the determination and the amounts of funds misused; and

(2) take appropriate action to recover an amount equal to that determined to have been misused, including the withholding of such amount from a State's future Block Grant or the amount which may have been suspended under subsection (c)(2).

(e) DISPOSITION OR WITHHELD FUNDS.—(1) If no appeal of a final determination under subsection (d) is filed within 60 days following the notification described in subsection (d)(1), any amounts withheld or otherwise recovered by the Secretary under subsection (d)(2) shall be returned to the Enhancement Fund.

(2) If an appeal of the final determination is filed within the 60-day period specified in paragraph (1), any funds withheld by the Secretary shall be held in escrow until such time as a final determination is made of the appeal.

(3) In the event that any amounts withheld under this section are subsequently paid to the State from whose block grant they were withheld, such State shall also receive interest on such amount.

SEC. 12207. RULES AND REGULATIONS.

Within 180 days after the date of enactment of this Act, the Secretary shall promulgate, after notice and opportunity for comment, such rules and regulations as may be necessary to carry out the provisions of this subtitle.

Subtitle C—Relationship to Other Law

SEC. 12301. RELATIONSHIP TO OTHER LAW.

The payment of funds pursuant to this subtitles A and B of this title shall be in addition to any payments made to a State under any other provision of this Act or any other provision of law.

SEC. 12302. RELATIONSHIP TO OTHER FUNDS.

Nothing in subtitles A and B of this title shall reduce any amounts required to be credited to the Land and Water Conservation Fund, pursuant to the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 to 4601-11), or to the Historic Preservation Fund, pursuant to the Historic Preservation Act (16 U.S.C. 470h), from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act. To the extent that the crediting of such amounts into the Land and Water Conservation Fund or the Historic Preservation Fund makes monies otherwise payable under subtitles A and B of this title unavailable, payments to the states and local governments pursuant to such subtitles shall be reduced on a pro rata basis.

Mr. JOHNSTON. Mr. President, this amendment I referred to about 30 minutes ago is the amendment with respect to impact aid, which has been worked out with the Senators and their staffs, and this is submitted on behalf of Senator KERRY.

This amendment to title XII of the legislation has three main components.

First, it substitutes new local impact assistance provisions for States and communities affected by offshore leasing and development. These provisions are essentially the same as those proposed by the administration with some changes which I will note later.

Second, the amendment provides for the program of block grants to coastal States and local governments for environmental and other specified purposes.

Finally, the amendment strikes the OCS report provision contained in S. 2166.

IMPACT ASSISTANCE PROVISIONS

The legislation establishes a coastal communities impact assistance fund comprised of 12.5 percent of new revenues as defined in the bill. These new revenues are essentially royalty payments received from tracts coming into production after the date of enactment.

The fund is allocated among States and counties based on the distance of each State or country from the producing lease. All States and counties within 200 miles of a producing lease will receive funds. Half of the fund is distributed to coastal States and the remaining half is distributed to coastal counties.

This subtitle replaces the coastal State and community impact aid provisions of section 12101 of the bill. The amendment is very similar to legislation proposed by the administration, with the following exceptions. First, the direct spending provisions and findings in the administration's proposal have been removed. Second, the funds will be earmarked for environmental and natural resources activities and projects and the amendments provides for an audit procedure. Finally, the amendment caps the fund at $300 million per fiscal year.

The administration's proposal was transmitted subsequent to the reporting of the energy legislation from the Energy and Natural Resources Committee. I believe that the proposal is meritorious and worthy of enactment.

These funds will be important to the coastal States with OCS activity. By far the majority of impacts from OCS leasing and development are incurred in the central and western Gulf of Mexico. Ninety-nine percent of the gas produced on the OCS and 90 percent of the oil produced on the OCS is produced offshore Louisiana and Texas. The only other State with any OCS production at this time is California.

I am pleased that these funds will be used for environmental and natural resources projects. The State of Louisiana has in place a trust fund under which 50 percent of the funds received under this provision will be used for coastal environmental protection.

Louisiana has 40 percent of the coastal wetlands in the continental United States and suffers 80 percent of the Nation's total loss of coastal wetlands. It is my hope and expectation that the funds provided for by this subtitle will be used to protect this important national resource, as well as be used for other important environmental and natural resources projects. I understand that the State of Louisiana intends to use a portion of these funds for activities such as barrier island retoration, projects for channel bank stabilization to protect threatened wetlands, water quality improvement, and for regulatory programs relating to wetlands protection, habitat protection, water quality, and other environmental matters.

COASTAL ENVIRONMENTAL ENHANCEMENT FUND

Subtitle B of the amendment provides for block grants to be paid to all coastal States, as defined by the subtitle, with approved coastal zone management plans. At least one-third of the funds are to be paid to local governments within such States. The provision establishes a coastal resources enhancement fund comprised of 4 percent of new revenues from the OCS.

Funds are to be used for activities including amelioration of adverse environmental impacts from energy facilities; activities of the State or local government authorized by the Coastal Zone Management Act, certain provisions of the Oil Pollution Act, or the Federal Water Pollution Control Act; and other environmental projects in the coastal zone.

CLARIFYING PROVISIONS

Subtitle C of the amendment clarifies that nothing in the provisions shall reduce any amounts required to be credited to the land and water conservation fund or the historic preservation fund. This concern had been raised by some regarding section 12101 of the bill. Given the amount of OCS revenues, this is not a real-world concern, since there is ample funding for both programs. However, to allay any concerns, we have included a clarification in the amendment.

DELETION OF REPORT

Finally, the amendment deletes from S. 2166 a provision requiring a report on Outer Continental Shelf development. This provision has proved controversial because some have construed it to require the President to revisit his decision deferring large areas of the OCS from leasing until the year 2000. This was not the intent of the report. However, given the level of controversy that it has engendered, I believe it is acceptable to delete it from the legislation.

Mr. President, this amendment addresses several important issues relating to the Outer Continental Shelf. I hope that my colleagues will join me in supporting it.

Mr. KERRY. Mr. President, this is a substitute amendment to title XII the Outer Continental Shelf [OCS] section of the energy bill. This amendment is designed to require that a portion of funds generated by OCS activities be used to mitigate environmental impacts of oil and gas activities as well as provide environmental funds to coastal areas throughout the Nation. The amendment also codifies into law a moratorium on all OCS preleasing and leasing activities on Georges Bank off of the New England coast, and coastal areas off of Oregon and Washington State until after January 1, 2000.

Mr. President, my involvement in OCS activities is not new. I have been a staunch supporter of the OCS moratorium on oil and gas activities, particularly with respect to the Georges Bank off the Massachusetts coast. And last year I included in the Coastal Zone Management Act reauthorization a provision granting States Federal consistency review authority over OCS activities affecting their coastal zone.

My interest in OCS activities stems from my parochial concern to protect Georges Bank. Georges Bank is home to one of the richest fishing grounds in the world. It supports a commercial and recreational fishery worth billions of dollars. In addition, the coastal and recreational resources from Gloucester to Cape Cod provide Massachusetts with some of its greatest economic as well as historic treasures. Any major oil mishap on our coast would wreak economic havoc to our coastal economies.

OCS IMPACT ASSISTANCE

I am supportive of the concept of impact assistance with regard to offshore oil and gas lease sales. Areas vulnerable to potential environmental damage caused by oil and gas activities can make good use of some earmarked funds to permit planning and preparation to mitigate such damage.

Mr. President, I was not, however, able to support title XII as originally drafted. My reasons were simple: It would have provided huge sums of impact aid to a handful of coastal States and communities affected by OCS leasing and development. The title called for 37.5 percent of revenues generated by new activities on the OCS to go to affected coastal States and communities. This would result in revenues going primarily to three States, Louisiana, Texas, and California, and later Alaska. The money had no strings attached; in essence it could be spent on anything. In addition, there was no cap on the money. The Congressional Budget Office estimated that $200–$300 million immediately would have been taken from the Treasury in the first few years; and the amount would grow to reach over a billion dollars by 2000.

In my view these revenues should not be used as a payoff for local communities who engage in OCS activities but to ameliorate environmental impacts resulting from oil and gas activities. This could include environmental improvements and restoration. Further, I believe, such funds should be shared by all coastal States involved in shipping or drilling for oil.

Basically I had three concerns with the original language in S. 2166. First, as I stated already, a huge sum of money would go to only a few States, despite the fact that all coastal States have oil and gas shipped in their waters and pumped at their energy facilities. Second, the amount of money diverted from the Treasury was so large that it could act as a buy off to States in tough fiscal times. Third and most importantly, the money would not have to be used to mitigate environmental impacts.

Eligibility for awarded funds should not be dependent on State generation of new OCS revenues, thus establishing a strong incentive for States to engage in new OCS activities such as offshore exploration and drilling. And revenues should not be awarded only to those coastal States that participate in OCS development. These are States that already reap the benefits of America's dependence on petroleum.

That is why I am pleased that we have been able to craft a compromise amendment that places a cap on the amount of money going to States, and requires that the money be spent only on activities designed to mitigate environmental problems. Our amendment says that the funds can only be used for the following four purposes: To address the adverse environmental impacts of energy development; for activities authorized by the Coastal Zone Management Act, the Clean Water Act, or the Oil Pollution Act; for projects and activities that protect or enhance air quality, water quality, fish and wildlife, wetlands, or for other coastal resources projects; and for State and local administrative costs to address environmental concerns related to energy leasing or permitting.

Should new fund receipts increase over the next decade, as this legislation contemplates, money generated not only would be shared by all coastal States but also would go to preserving and protecting our valuable coastal resources. Our oceans, coastal waters, estuaries, and wetlands have come under extreme stress from a combination of human activities such as population growth, improper waste disposal, dumping of toxics, agricultural and urban runoff, overfishing, development, and OCS oil and gas activities.

While we can often estimate the dollars lost to a shellfish bed closure, or jobs to a fishery closed due to an oilspill, no one can put a price tag on the incalculable treasure of a single seashore refuge, or a coastal barrier. One cannot measure the loss of wildlife and fish that for millennia have inhabited our coastal areas.

Much work needs to be done to protect and enhance our coastal areas, and revenues derived from OCS activities should be used to pay for environmental coastal programs, increased scientific and economic research to determine the impacts of oil and gas activities associated with OCS oil and gas development. With these caveats and conditions, I can support the proposed impact assistance package.

In addition, Mr. President, my amendment will also delete the section of title XII which would have called for study of, and reopened an entire set of issues regarding offshore oil leasing which had previously been laid to rest. Such a study would have mandated a new look at areas which have been set off limits by the President or Congress. As you know, Massachusetts fish-rich Georges Bank is currently off limits to any oil and gas activities, a situation the citizens of Massachusetts strongly support.

Finally, my amendment coupled with provisions in S. 2166 extends a moratorium on OCS activities. It extends the prohibition of OCS preleasing and leasing activities to areas off the New Jersey and California coasts until after January 1, 2000. As you know, 2 years ago the President announced that he would place Georges Bank and other coastal areas under a moratorium until the year 2000. This protection however, has never officially been codified into law. My amendment places into law a moratorium on all OCS preleasing and leasing activities in the North Atlantic region which includes Georges Bank. The amendment also extends the moratorium to areas off of the coast of Oregon and Washington State.

Lastly, Mr. President, I want to raise a technical jurisdictional issue related to my amendment. The Commerce Committee has had a long history of involvement in OCS revenue-sharing issues. Under the Standing Rules of the Senate, the Commerce Committee has jurisdiction over coastal zone management, commerce aspects of OCS lands, and general oceans activities. Accordingly, legislation dealing with OCS revenue sharing, has been referred to the Commerce Committee over the years. As recently as this Congress two bills, S. 49 and S. 2175, both dealing with OCS revenue sharing, were solely referred to the Commerce Committee. These bills embody the elements of the OCS revenue-sharing proposals included in my amendment. To that end it seems appropriate for Commerce Committee members to be included as conferees on the portion of this bill that addresses OCS activities. I feel confident that we will be able to work this issue out to the satisfaction of the two interested committees.

Finally, I commend Senator JOHNSTON for working with me to develop this compromise which will provide badly needed additional resources to enhance the environmental protection of our coastal areas.

AMENDMENT NO. 1639 TO AMENDMENT NO. 1638

(Purpose: To provide for leasing moratoria)

Mr. JOHNSTON. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. KERRY, for himself, Mr. KENNEDY, Mr. MITCHELL, and Mr. COHEN, proposes an amendment numbered 1639.

Amend the pending amendment by adding at the end thereof the following:

Subtitle D—Prohibition of Leasing and Preleasing Activity

SEC. 12401. LEASING MORATORIA

"The Secretary of the Interior shall not prepare for or conduct any preleasing or leasing activity under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) until after January 1, 2000, in the following areas placed under restriction in the President's moratorium statement of June 26, 1990: the North Atlantic Planning Area; and the Washington and Oregon Planning Area".

Mr. JOHNSTON. Mr. President, the amendment has been read and explained. It is an amendment on behalf of Senators KERRY, KENNEDY, MITCHELL and COHEN, and carries forward now in statutory language as proposed in this second-degree amendment the moratorium on the Atlantic coast, as well as Oregon and Washington, and provides for that moratorium on preleasing activities as well as leasing activities in production through the year 2000.

Excuse me; it does not apply to production, since there is no production there.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, let me say I completely agree with the impact aid amendment, and in the interests of seeing the energy strategy passed, will not try to stand in the way of, or block consideration of, the moratorium. But as the occupant of the chair well knows, the Senator from Wyoming cannot find the logic behind an energy strategy that denies further access to America's own resources. To me, I find a certain level of environmental hypocrisy in that posture.

That notwithstanding, I recognize where the tea leaves are, and would not insist on a vote, but would ask the RECORD show that the Senator from Wyoming is against the addition of moratoria to a national energy strategy, thinking that it does not add to, but detracts from policy.

Mr. President, there is one additional point which should not be lost in this debate, and that is the environmental hypocrisy involved in the lust of some to end any form of domestic energy production.

The majority leader just this morning spoke about how the President is not doing enough to curb carbon dioxide. Does it not strike anyone as curious that you can get an environmental vote on legislation dealing with global warming and then flip flop to the other side of the issue and get another gold star for supporting moratoria to put the gas reserves of this country out of reach?

In the North Atlantic planning area, we are talking about over 2.54 trillion cubic feet of natural gas. That is the equivalent of over 450 million barrels of oil. But no—let us not develop the gas. Let us simply import the oil in tankers that ply the coast of Maine, Massachusetts, Connecticut, Rhode Island, and New York. Besides, when there is a tanker spill, we can all blame the administration for its recovery response.

We already have a moratorium in this legislation off New Jersey. The Mid-Atlantic planning area has an estimate of 5.35 trillion cubic feet of natural gas. That is over 950 million barrels of oil equivalent. But many who give speeches on global warming do not want us to develop the natural gas reserves off their shores which could mitigate the effects of global warming.

There has been active exploration for over 10 years off New Jersey with over 45 wells drilled with no, let me repeat, no adverse environmental impact. A natural gas discovery was made in the mid-1980's, but it was roughly 100 miles offshore and was considered to be uneconomic at the time.

And to my friends who want to buy back producing leases off the coast of Florida I would ask, "where do we get the petrochemical feedstocks to manufacture those ever popular mouse ears?"

Mr. President, at some point there has to be an end to the environmental game of political gamesmanship. If we are ever to get serious about our energy dependency and our legitimate environmental concerns, then we need to look to our natural gas reserves. Senators simply can not come to the floor and demand that we convert the Federal fleet to natural gas and at the same time oppose onshore and offshore production of natural gas.

At some point the so-called environmental community has to come forward with something positive. They hate hydro, they despise OCS, they get apoplectic over ANWR, they denounce coal, and they become catatonic about nuclear. They are appalled that we could wind up in a war in the Mideast which they made almost inescapable. All you need do is look around the Chamber and count the votes.

Think of the hypocrisy. Some of my colleagues argue against offshore drilling because they believe offshore drilling is more dangerous than onshore drilling and because a majority of the voters in their States don't want it.

Yet in November, many of these same colleague voted against cloture on S. 1220 because of ANWR, which was onshore and had the support of a majority of the citizens of Alaska.

Against the war, against OCS, against ANWR, against nuclear, against hydro. Mr. President, theirs is not an energy policy. Theirs is not a national security policy. It is the essence of no policy at all.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment to the amendment.

The amendment (No. 1639 to amendment No. 1638) was agreed to.

Mr. STEVENS. Mr. President, was that the final amendment?

The PRESIDING OFFICER. The Senate has just voted on the amendment to the amendment.

Mr. STEVENS. Thank you.

Mr. JOHNSTON. Mr. President, the posture is now that this amendment, the underlying amendment, has not been adopted. I am just advised that Senator GRAHAM, the Senator from Florida, does not want the amendment adopted at this time. So I guess we will have to hold it up.

But if the Senator from Alaska wishes to speak on this, that would certainly be in order. Otherwise, I would move to temporarily lay this aside.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, one hesitates to point out to the majority side and the majority leader whence this delay has arisen. Senator JOHNSTON and I have been asking all day for people to comment upon or come down and offer their amendments.

Now, here at the 11th hour, with an amendment that has been worked on and is agreed upon by the leadership, we are asked to delay it. I make that statement from the floor.

Mr. STEVENS. Mr. President, I have been reviewing this amendment and I do thank my good friends once again from Louisiana and Wyoming for their patience. I would like to cosponsor this amendment but I still have some questions about basic interpretations.

About 80 percent of the Outer Continental Shelf of the United States is off Alaska. If there is to be substantial production in the OCS in the future, it will be off Alaska. Currently, I believe it is primarily off Texas and Louisiana. There may be some isolated finds elsewhere. But as a practical matter, if new production is going to be off Alaska, as I read this amendment, it puts a cap of $300 million on the fund that would be shared with the States where the production has already come on line. My State, for instance, has no OCS-producing wells right now. There are several areas being explored.

I ask the Senator from Louisiana if this cap of $300 million in the fund is reached because of the existing production in Louisiana and Texas, and I have the printout that shows that that will happen under the projections so far without any new production, it would come somewhere around 2007 or 2008. If that happens and then there is an enormous find off my State, how much will my State get of the 12½ percent that this bill would give to the State that is onshore from new production on the OCS?

Mr. JOHNSTON. I will say to my friend that this applies only to new production, not existing production. And new production is defined as production from tracts coming into production after the effective date of this act.

Mr. STEVENS. As a practical matter, between now and 2008, because it takes so long to bring in new wells in the OCS, it is my assumption that the income will come from wells in the existing areas where leases currently exist and are productive.

Let us just assume, in any event, that the chart is right that I have been provided, and that in 2008 that $300 million cap is reached, and in 2009 the new find off Alaska comes in and it is a bonanza and there is overwhelming income and my State expects to get 12½ percent of that. It will not, will it, because you have already reached the cap from other production?

Mr. JOHNSTON. If the cap is reached, then everyone would get a reduced pro rata.

Mr. STEVENS. But my State is already reduced pro rata because at that time we would be getting $19 million out of the fund. But if we have the substantial new production, we will not get the full 12½ percent.

I am concerned about a defect in this proposal because the cap really will keep on providing income to those areas that have had the production in the past, and I think they deserve to have a continued share of whatever moneys come into this fund, whether it is from Alaska or anywhere. But I do think the State that is onshore from the new production ought to get its 12½ percent.

Mr. JOHNSTON. Is the Senator speaking of 12½ percent royalties?

Mr. STEVENS. Yes.

Mr. JOHNSTON. This does not affect the States' rights to royalties. This is from OCS revenues.

Mr. STEVENS. I am talking about OCS revenues. As I understand it, this provides for 12½ percent of the new royalties from the new receipts which go into this fund. The fund has a cap of $300 million.

Mr. JOHNSTON. With respect to those revenues that are eligible, it would be reduced proportionately. Now it does not apply to 8(g) funds.

Mr. STEVENS. I understand that. I am talking about bona fide OCS receipts from new discoveries off my State. As I read this, Alaska, because of the cap, will not get the full 12½ percent from the new production.

I have been studying it and I might say to my friend—and I urge the Senator take a look at the way it is drawn because there is a cap of $300 million. Once the cap is reached, all States share proportionately, who are eligible. We would end up—if there were two or three producing States at that time—we would end up in Alaska by having an increase in the amount perhaps each year as the older States become less eligible, but at the time when we really need money, which is in the beginning of an oilfield when the onshore impact of offshore development is acute, it appears to me would be limited in getting receipts from this limited fund. If I am incorrect I would be happy to have that explained to me. That is the way I read it this afternoon.

Mr. JOHNSTON. Let me see if I can explain it to the Senator. I was confused by what he meant by the 12½ percent. I understand now he is referring to the 12½ percent in our amendment.

What it provides is that all States that are within 200 miles of the production—receive their pro rata share of the 12½ percent and you get the full amount until the cap is reached. When the cap is reached, if the cap is reached on new production, then all States are reduced pro rata so that Alaska would never be frozen out. If Alaska's share of the new production is one-half, then Alaska gets one-half times the 12½ percent times the eligibility. So it is entirely pro rata.

Mr. STEVENS. Mr. President, I call the attention of the Senator from Louisiana to subsection 11 of section 12102 of this bill, impact assistance in the form of payments. The total amount of funds shall not exceed $300 million in any fiscal year.

We are talking, in terms of that limitation, an absolute limit that is now calculable based on existing production.

Mr. JOHNSTON. This does not cover existing production.

Mr. STEVENS. I understand. But in terms of looking at the States that have production—it is my understanding this was provided to us by the Minerals Management Service. They are rough estimates but their estimate is that by 2007 or 2008, the $300 million limit will be reached.

If the Senator reads this section 12102 the funds that come into that are those that are derived from the 12½ percent. The moneys that are payable into the fund are from the 12½ percent.

Mr. JOHNSTON. That is correct.

Mr. STEVENS. So that if the Senator's State, being an older producing State from the OCS, is already receiving, as the estimate is, more than half of the fund in 2007, and Alaska comes in with a bonanza, Alaska will not get money out of that fund until Louisiana is no longer entitled to money out of the fund.

Mr. JOHNSTON. That is not correct. Mr. President, it is very simple. It is if the $300 million is reached, then the entitlement of a State will be based on a proportion and if, for example, the amount otherwise to come into the fund is $600 million, then the $300 million cap applies and all States would be reduced by 50 percent. There is no advantage by virtue of first come, first served. All States are treated equally and will be reduced pro rata. I think it is very clear. If the Senator would like to put in a clarifying amendment, we certainly would accept that.

Mr. STEVENS. I would like to reserve the right to do that. As the Senator knows, twice the Senate has passed, Mr. President, a proposal that I have authored that would pay the onshore States 37.5 percent of the revenues from the Outer Continental Shelf off their State. That was in the days preceding the Budget Act, I might add.

I understand the restrictions that are on this proposal because of the Budget Act. I do think it ought to be so phrased that there is an incentive to production from new areas. And as I read this, there is no incentive for new areas because the cap does not increase with increased production.

When you have production from Louisiana, and Texas, and California—there is not much left off California but there is some—and then suddenly a State like Alaska comes in and matches them all, it means that you either have to reduce all of those States down to almost half of what they have been getting or you have to lift the cap. We ought to raise the bridge in order to have an incentive for more production.

Mr. JOHNSTON. Mr. President, it is very simple. There is no aging of States. It is an annual calculation, as the amendment indicates. There would be a reduction pro rata if the amount is exceeded—by the way, this is subject to appropriations. But I will tell the Senator if he is not satisfied with what we think is clear language, we would accept an amendment to clear that up. I think it is quite clear but we would be glad to accept that amendment.

Mr. STEVENS. Very well. I will work on that. It is my understanding from the dialog that has just taken place, Mr. President, that the amendment will not be finally disposed of this evening anyway.

Mr. JOHNSTON. Mr. President, it will be disposed of this evening. We are just holding up for the time being. The whole bill is to be disposed of, we hope, within the next couple of hours.

Mr. STEVENS. Mr. President, I think that is not going to be quite possible to comply with because I am going to have to get on the phone to Alaska and fax this to Alaska and get some interpretations there. As I said, I have 80 percent of the Outer Continental Shelf off my State. I am prepared to wholeheartedly support what the Senator is doing, and for over 2 decades I have wished that the Senate would address the OCS revenue-sharing concept. I do believe that the Senator has worked out, under really the strict requirements, a different proposal, and I commend him for that, and I am prepared to ask to cosponsor the amendment, but I also have to check with the attorney general and the office of oil and gas in the State of Alaska before I do that.

Mr. JOHNSTON. Mr. President, I would say it is a very simple matter of statutory interpretation. We certainly do not want to hold this bill open. We have been on the floor, Mr. President, since 10 o'clock asking for amendments, and we are about to go to third reading.

Now, this matter, certainly from the legislative history, is very clear, and it is a simple matter of reading the language. The language I think jumps off the page at you. But if it does not——

Mr. STEVENS. Will the Senator read that to me? I would like to have someone jump off the page at me and tell me my State is going to get 12½ percent of the funds derived from production off its shores when we have a bonanza in 80 percent of the Continental Shelf off the State of Alaska. As a matter of fact, as the Senator knows, we have not been able to get to it yet. We have had so many problems. We have had a few first shots so far at an area that is about three times the area of the United States.

I do believe it is going to be a very prolific area for oil and gas development in the future but it takes, from my understanding, 10 to 15 years to bring a well in production out there once we have that find.

I see that fund is going to be subject to appropriations. It is going to be subject to a limit. And the Budget restrictions are not going to get any less as time goes by, the way the debt is accelerating now.

I would like to make sure that my State has a fair shot at this. And I say to my friend, respectfully, I came back from Alaska this morning, and I have been going through these things. I have been looking at this since it got to me about noon. I was in the process of getting in touch with my people up there. It is, after all, just 1 o'clock up there. I do not see any rush for the day to get over too rapidly here when I have to get ahold of these people and get their interpretation. It is being faxed to them right now.

Mr. WALLOP. Mr. President, will the Senator yield for an attempt at an answer.

Mr. STEVENS. Yes.

Mr. WALLOP. I think what the Senator has identified is correct, although his fears for his State being treated unfairly I do not think are there. There are two caps. There is the 12½-percent cap, which, I would say to my friend, looks pretty good to those of us from Wyoming who now have been charged with paying the bills of the Federal Government for the collection of those things, but it is a 12½-percent cap on the one side and a $300 million cap on the other side. If you reach the $300 million cap—say it is double that, $600 million, to use the Senator's example—then what each of the States would get is 6¼ percent. There is a proportional reduction that goes right down through that figure that is contained therein. There is not a locking out of Alaska to the exclusion of Louisiana, or Texas, or hopefully any of the other States that may become part of that offshore production at some moment in time.

Mr. STEVENS. Mr. President, I appreciate that explanation, and that is why we asked this question, and the information has been provided to us from Minerals Management Service, in my absence, I might add. It shows that, for instance, from Gulf of Mexico receipts alone it is possible to have an increasing balance in this fund to where the fund gets over $300 million because it is not all paid out in any one year, and as a practical matter when the $300 million is reached, as I said, the question then is what happens. As I understand this section, it requires the funds for those eligible for sharing to be reduced.

Mr. WALLOP. Proportionately and in any one year, so it would be $300 million in any one year and a proportionate reduction.

Mr. STEVENS. Right, and it is to be a proportionate reduction but it really does not address the question of a new entrant into this picture.

Mr. WALLOP. I would say to my friend that it does. It does not reject, by any stretch of the imagination, new entrants into it. It is all offshore production, and it is the total amount of funds entering into the capped fund in any given year, and the reductions in the 12½ percent are proportional to all production, new, or old, or existing.

Mr. STEVENS. The Secretary determines the new revenues, Mr. President, from any leased track in the OCS that is within a distance of 200 miles from any State. Then the Secretary multiplies that by 12½ percent and determines the allocable share of the new revenues to each coastal State. The sum of the eligible coastal State's attributable share shall be equal to the allocable share of new revenues as determined under paragraph 3. Now, that is the 12½ percent.

Then it goes through and decides how to share moneys with eligible coastal States. That is the sharing. That is not the direct coastal State involved. Then it goes into paragraph 7 for sharing with the counties. Then subject to appropriations, the Secretary shall pay the funds to the eligible counties. I do not dispute that. Then the payments will be made by December 31. When you look at it, paragraph 11 says the fund shall not exceed $300 million in any year. I do not see any allocable distribution concepts at all for a new State. I really do not see——

Mr. WALLOP. Does the Senator see anywhere in there that any new production is not eligible?

Mr. STEVENS. No.

Mr. WALLOP. It is all U.S. production.

Mr. STEVENS. It is eligible but you cannot get any more money out of it after you reach $300 million.

Mr. WALLOP. That is correct.

Mr. STEVENS. If there are already $300 million annually paid out of the fund, by the time my State gets production, how does it get its portion of the fund?

Mr. WALLOP. Because the proportionate level of funds distributed under the formula in the act is reduced precisely the same amount by the proportionate share the State would have in the first place.

Mr. STEVENS. That is what I am asking.

Mr. WALLOP. It gets reduced.

Mr. STEVENS. Would the Senator point that out to me in the amendment?

Mr. WALLOP. I would point out that is what the whole amendments says, that the Senator is trying to construct a piece of language in there that does not exist.

Mr. STEVENS. I am looking for the provision that is in the amendment that does what the Senator is saying and that is that the new State gets its share based upon its pro rata total production from the OCS.

I think that is what the Senator is saying. If there were 6 million barrels a day being produced from the Outer Continental Shelf, and my State comes in with a new find of 3 million barrels a day, we now have 9 million barrels a day, where does one see in this amendment that my State is going to get a third of that $300 million? I do not read it that way.

Mr. WALLOP. I do not see how one could read it any other way. The Senator is presuming that that new 3 million barrels covers 6 million barrels coming in on the December 31. That is not an event that would take place. The production is going to be prorated throughout the year.

Mr. STEVENS. Mr. President, I am not sure it we are getting anywhere with this discussion.

Again, I call the Senator's attention to subparagraph 11, section 12102, on page 7, and its says "The total amount of funds shall not exceed $300 million." I do not see anything in this amendment that says that the newly producing State will get a prorata share of the moneys in that fund based upon the amount of production off their shores.

Mr. WALLOP. Would the Senator think that it would be appropriate to have language to the effect that, provided in the event that the total amount of revenues which would otherwise be deposited in the fund exceed $300 million, the Secretary shall provide each eligible State and eligible county the same percentage of $300 million as such State or county would have received had there not been a cap?

Mr. STEVENS. Yes.

Mr. WALLOP. Would that answer the question?

Mr. STEVENS. Yes.

Mr. WALLOP. It is not in it. I say to my friend that if he would permit me, I would enter into a quorum call and we might be able to work that out.

Mr. JOHNSTON. Mr. President, I have some language here which I think would reassure the Senator.

Mr. STEVENS. The Senator from Wyoming just read some language which addresses the concern I am raising.

Mr. WALLOP. Subparagraph 11:

> Provided in the event that the total amount of revenues which would otherwise be deposited in the fund exceed $300 million, the Secretary shall provide each eligible State and eligible county the same percentage of $300 million as such State or county would have received had there been no cap.

Mr. JOHNSTON. Yes.

Mr. STEVENS. I understand that, Mr. President. I find that acceptable.

Mr. JOHNSTON. Mr. President, the Senator has that written up.

AMENDMENT NO. 1640 TO AMENDMENT NO. 1638

Mr. JOHNSTON. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1640 to amendment No. 1638.
>
> At the end of section 12102(c)(11) on page 7, at the end of line 9 insert: "*Provided*, That in the event that the total amount of revenues which would otherwise be deposited in the fund exceed $300,000,000 the Secretary shall provide each eligible State and eligible county the same percentage of $300,000,000 as such State or county would have received had there not been a cap.".

Mr. JOHNSTON. Mr. President, this is the amendment drafted by the distinguished Senator from Wyoming and fully described. So I urge its adoption.

The PRESIDING OFFICER. Is there further debate?

If there is no further debate, the question is on agreeing to amendment 1640 to amendment No. 1638.

The amendment (No. 1640) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, my statement merely restates the history of the involvement of Alaskans in seeking OCS impact assistance.

As I say, I regret that the budget limits the ability of the Senate to consider anything more than 12½ percent at this time. And because of the Budget Act again we have to have a limit even of the $300 million. But as an old friend of mine in my economics class used to say, "Another step down the road to hell is still progress."

So at least we ought to start the Senate thinking again about the concept of trying to give compensation to those people who were in the area of production so that they can have the moneys that are necessary to meet the impacts that will come to their people from substantial increase in development activities in this country.

Mr. President, I am cosponsoring this amendment offered by my friend from Massachusetts. For over two decades, I have worked on the issue of OCS impact assistance. OCS impact assistance minimizes the economic impacts caused by OCS development by providing coastal States and local governments funds from revenues derived from OCS natural gas and oil production.

Currently, States do not share revenues from OCS development in Federal waters. However, States share in at least 50 percent of revenues from the development of minerals on Federal lands within their State. I believe it is only equitable that States receive impact assistance from OCS development revenue.

This amendment is basically the administrations' proposal which I introduced on January 31, 1992. However, there are a couple additions such as a cap on the fund at $300 million and restrictions on how the State and local governments may use the moneys. The impact assistance can only be spent on projects to protect the environment and natural resources.

This amendment provides a reasonable and workable formula for OCS impact assistance. It would distribute 12.5 percent of all new oil and natural gas revenues from leased tracts that lie outside the 8(g) zone and up to 200 miles from the nearest State's coastline to the coastal States and local communities.

Under this legislation the impact assistance from a given tract is distributed to all coastal States within 200 miles of such tract, weighted inversely according to each State's minimum distance from the tract. The State receives 50 percent of the total impact assistance. The other 50 percent of the State's share is distributed among local governments located within the State and within 200 miles of the development.

The North Slope Borough and other Alaskan boroughs where potential OCS activity exists stand to benefit from this legislation. This amendment will go a long way to securing Alaska's ability to provide domestic oil and protect her coastal environment.

This legislation would also provide a coastal resources enhancement fund comprised of 4 percent of revenues from the OCS for environmental and other purposes. At least one-third of the funds are to be provided to local governments. This amendment also clarifies that the land and water conservation fund and historic preservation fund have priority over the programs of the OCS impact assistance.

Impact assistance from OCS activities would allow coastal States and communities the opportunity to participate in the OCS permitting process and to undertake projects to protect our environment and natural resources.

The Senate has passed OCS impact assistance legislation before, but unfortunately we were unable to enact it into law because past administrations opposed it. Now we have the administrations's support.

It is time to provide impact assistance funds to the States and local governments and mitigate the impacts they sustain from OCS development. State and local governments who contribute to our goal of energy independence must not be forced to bear all of the costs without compensation.

I thank the Chair and the Senators from Wyoming and Louisiana for their patience once again.

I want to make sure the time does not come when someone says that it is time for Alaska to be able to push one of those buttons on the cash register and find that it is stuck shut. So I would be happy to have this, as I consider it, amendment to open the cash register to us once we get some production.

Mr. President, I ask unanimous consent that I be permitted to be a cosponsor of the basic amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I have now talked to the distinguished Senator from Florida [Mr. GRAHAM] who has voiced no objection to this amendment, as amended, being approved at this time. He will come in with his own freestanding amendment which he is authorized to do. So we are ready to adopt the amendment.

Mr. WALLOP. Mr. President, I ask unanimous consent that Senator MURKOWSKI be added as a cosponsor as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. If there is no further debate, amendment 1638, as further amended, without objection the amendment (No. 1638), as amended, is agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I have received a letter from the President opposing certain amendments relating to the Outer Continental Shelf that may be offered by Senator GRAHAM. I ask unanimous consent that that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, February 18, 1992.

Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR BENNETT: I understand that during the Senate's consideration of S. 2166, the "National Energy Security Act of 1992," Senator Graham plans to introduce amendments that would prevent development of oil and gas resources potentially totalling more than 5 billion barrels of oil and 28 trillion cubic feet of natural gas. These resources are equivalent to almost one-fifth of our proven oil reserves and one-sixth of our proven natural gas reserves. These amendments are simply unacceptable.

In 1990, I decided to exclude from consideration environmentally sensitive areas off California and Florida until after the year 2000. I directed the Department of the Interior to undertake additional oceanographic, ecological, and socioeconomic studies, with outside review, to improve our knowledge of these environmentally sensitive areas. The adoption of Senator Graham's amendments would not materially advance the protection of these sensitive OCS areas.

The Nation's domestic oil production has declined to its lowest level in three decades. We are now importing more than 40 percent of our oil. Imports are projected to increase to 57 percent by the year 2000, with an estimated cost of $120 billion annually.

Over the last ten years, employment in the U.S. oil and gas industry has declined by 350,000 jobs. During this same period, companies representing two-thirds of the exploration and development activity in the United States spent almost three times as much on domestic exploration and development as they did on foreign. Today, however, their foreign expenditures slightly exceed their domestic expenditures for exploration and development. Exploration drilling and leasing bans, like those in Senator Graham's amendment, will only accelerate the exodus of U.S. jobs and investment overseas and increase oil imports.

My National Energy Strategy has laid the foundation for a more efficient, less vulnerable, and environmentally sustainable energy future. So far, the Senate, under your leadership, is making substantial progress in meeting these goals. To adopt Senator Graham's amendments would undermine our energy security and energy industry.

Sincerely,

GEORGE BUSH.

The PRESIDING OFFICER. Who seeks recognition?

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

AMENDMENT NO. 1641

Mr. CRAIG. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 1641.

Mr. CRAIG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 271, following the period "." on line 23 add the following: "Such a certificate shall not confer the right of eminent domain pursuant to section 7(h) of this act unless the Commission finds, in a proceeding separate from the issuance of the certificate, that the granting of eminent domain would be in the public convenience and necessity: *Provided*, That the Commission shall give to the proceeding and decision thereof preference over all other matters pending before it, and shall complete and decide the same as speedily as possible.".

Mr. CRAIG. Mr. President, the amendment now before the Senate amends the optional certificate provision of S. 2166, the small gas title, in order to protect private property rights.

The crux of the issue before the Senate, I believe, is whether or not a private project should be given use of Federal eminent domain without a project-specific review and determination of public need. The optional certificate provision of S. 2166 says, yes, private property can be taken without any showing of public need. My amendment says, no, public need must first be shown before private property is allowed to be taken by use of Federal eminent domain.

This amendment, in essence, protects property owners from having their property taken through Federal eminent domain where no public interest in doing so has been shown.

In other words, what is happening, Mr. President, with the certificate, is an automatic granting. Without this amendment, a pipeline which obtains an optional certificate will automatically be able to use Federal eminent domain to take private property without any showing of public need.

If adopted, my amendment would make the optional certificate provision of S. 2166 consistent with the way eminent domain is granted under existing law. Last week, I sent to all of my colleagues a letter which gives my reason for offering this amendment.

I ask unanimous consent that that letter be printed in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRAIG. Mr. President, in order to understand why the pending amendment is necessary, let me first summarize how Federal eminent domain is exercised under existing law for the construction of interstate natural gas pipelines. I will then explain how S. 2166's optional certificate provisions are different than existing law with respect to eminent domain.

Under the existing section 7 of the Natural Gas Act, if a pipeline applicant obtains a certificate of public convenience and necessity, it is given the use of Federal eminent domain to acquire all property necessary to construct the pipeline. However, unlike the optional certificate provisions of S. 2166, a traditional Natural Gas Act section 7 certificate is granted only if the Federal Energy Regulatory Commission finds, after review—and it is very important for all of my colleagues to remember this—after review, that the proposed project is in the public convenience and necessity.

This decision by FERC is made on the basis of the information presented to it. The review process includes hearings for interested and affected persons, including landowners, reviewing possible adverse consequences, particularly environmental, and considerable alternative routes, including the possibility of not building the pipeline at all. So under current law and section 7, that review process has a variety of options that are looked at by FERC.

It is important to note that under existing provisions of the Natural Gas Act, FERC is not required—and here again, another important word to remember—to issue a certificate. It is up to FERC to decide whether or not the proposed project is within the public convenience and necessity.

Let me explain how the optional certificate provision of S. 2166 diverges from the Natural Gas Act, section 7, certificate practices, and what is wrong with that. Under S. 2166, optional certificate provisions, FERC is directed to grant a certificate without a project-specific review of public need. Let me read a part of the relevant provisions of S. 2166. Section 11101 states as follows:

> Upon application, the Commission shall issue a certificate of public convenience and necessity for the construction of facilities, without requiring a hearing or further proof that the public convenience and necessity would be served by those facilities.

In other words, if two parties agree that a line ought to be built, they make application, the Commission grants it, and eminent domain by that is granted. In other words, the Congress, by passage of S. 2166, has made the determination on this floor that in all instances of an application and granting of a certificate, eminent domain is important and necessarily granted.

Thus, 2166's optional certificate provision makes a congressional finding that any pipeline project which files for an optional certificate is per se in the public interest. FERC is not allowed to review the need of a project or to weigh that need against the adverse consequences of the proposed project. S. 2166's optional certificate provision makes an automatic presumption of public convenience and necessity, and with that comes an automatic granting of Federal eminent domain.

Although S. 2166's optional certificate provision will allow FERC to make adjustments to the pipeline route to minimize disruption and environmental damage, they do not allow FERC to reject the applicant if the project's harm outweighs the public benefit.

In short, FERC can decide whose property is to be taken, but not whether the property is to be condemned. I believe that before the Federal Government authorizes private property to be taken through Federal eminent domain, there must be a project-specific determination that the public benefit outweighs the private harm and the social cost. That is currently the law under the existing section 7 certificate procedure of the Natural Gas Act, and that is the policy my amendment will continue.

Before I summarize the changes in S. 2166's optional certificate provisions that my amendment proposes to make, let me first say what changes my amendment will not make to the optional certificate provisions that are in the legislation now before the Senate.

First, my amendment will not eliminate the light-handed economic regulation given to the optional certificate pipeline, which is the most important aspect of S. 2166's optional certificate provisions.

Second, my amendment will not slow down the issuance of optional certificates. In the committee, when an amendment, like this was considered, that was part of the concern on the part of the chairman and ranking member.

FERC will have no authority to deny an optional certificate. Upon application FERC must issue an optional certificate, true under the law as the bill before us, true under my amendment.

Now for what my amendment will do: In the event that the pipeline needs to use Federal eminent domain to acquire property, my amendment requires the FERC to hold very expedited, full-fledged proceedings to determine whether or not "the granting of eminent domain will be in the public convenience and necessity." And it is important to recognize that I am specifying an expedited procedure.

If the project's sponsors already own or are able to purchase the necessary private property, nothing more need occur and construction can commence. In this situation private property rights are already protected. In other words, if all is well and all is worked out, then of course nothing changes, nothing happens.

But if private property needs to be obtained by use of Federal eminent domain, then under my amendment the project sponsor will have to prove that the taking of that private property for that project is in the public convenience and necessity. It is important to note that under my amendment this would be done in a procedure separate and apart from the automatic procedure to obtain the optional certificate, thus not holding up the issuance of an optional certificate and consequently the granting of the high-handed economic regulations for the pipeline.

My amendment will not kill the pipeline projects through regulatory delay. I fully recognize that regulatory delay can kill a project just assuredly as the denial of the certificate. And to address that concern you will note that my amendment specifically requires a very expedited, yet full-fledged review and decision by FERC.

My amendment says that FERC must—and I quote from the amendment text itself:

> Give to the proceedings and decision therefor preference over all other matters pending before it, and shall complete and decide the same as speedily as possible.

If this is unsatisfactory, the applicant still retains the right to apply for a traditional Natural Gas Act application under section 7 certificate which carries with it eminent domain.

Let me now speak briefly——

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. CRAIG. I am happy to yield.

Mr. JOHNSTON. The Senator just read the language about preference and expedition and all that. Is the Senator aware that those terms are precisely the same as that contained in the Natural Gas Act for rate cases which, on the average, take 45 months? Is the Senator aware of that fact?

Mr. CRAIG. The concept is in the law. The actual language is not. They only have beefed it up to avoid that problem that the Senator has just expressed, because it was my concern, as it is the Senator's. So that what we have done is attempted to beef it up to what we call full-fledged, and I think we have accomplished that within the language itself.

Mr. JOHNSTON. If the Senator will not mind me reading from the Natural Gas Act, section 4(e), speaking of the rate cases, it says that: "The commission shall give to the hearing and decision of such questions"—that is the rate cases—"preference over other questions pending before it, and decide the same as speedily as possible." In the real world this translates into an average of 45 months to resolve a rate case.

Now, the language of the Senator from Idaho's amendment says:

> The commission shall give the proceedings and decision therefor preference over all other matters pending before it and shall complete and decide the same as speedily as possible.

That looks like it is word for word the same language.

Mr. CRAIG. Except for one very important word there. Instead of "other matter," it says "all other matters." In other words, when this issue comes before it and there is a question as it relates to property, they must stop at that point in time and make that decision. We are saying that by law.

I recognize the Senator's concern, and it is a very legitimate concern about time, because that is exactly what the Senator has tried to create through the optional certificate concept. I recognize that and I do not want to slow the process. But what I want to guarantee in that process is that we do not run over top of private property owners when we have in fact not made the determination that I think my colleague recognizes is important, and that is the question of whether there is a need.

Now, let me continue then in this explanation because I think it is important that we understand the kind of balance that I am trying to strike in this amendment.

Before Congress authorizes private property to be taken through Federal eminent domain by a private person for a private project, there ought first to be a project-specific finding of public need, a finding which must be proven not just presumed. And, of course, if we pass S. 2166 as is without my amendment, we make that presumption across the board without any finding. My amendment will allow Federal condemnation. I am not denying that but only if such taking is in the overall public interest.

Is that not only being fair with the private property owner who will have their property taken? I think it is. The amendment will restore the balance between public and private interests in constructing new pipeline facilities. It expedites the process but without allowing the rights of the people to be trampled upon.

If my amendment is adopted, the new optional certificate authority will still enable the pipelines to be built more quickly and with less regulatory interference than under current law. But it will not allow private property to be taken without a public purpose being determined.

Mr. President, it is for these reasons that I am proposing this amendment, and I urge my colleagues to support it. There is no question that the proposed law that we are debating today is so fundamentally necessary and important for our country and that the optional certificate provisions are critical and necessary, but we also must recognize that as we move toward energy self-sufficiency in this country, we must not trample on the rights of our citizens and the rights of private property.

I also have a letter from the National Association of Regulatory Utility Commissioners in support of this amendment, and I ask unanimous consent that that be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

EXHIBIT 1

U.S. SENATE,
Washington, DC, February 12, 1992.

DEAR COLLEAGUE: When the Senate resumes consideration of the National Energy Security Act of 1992 (S. 2166), I plan on offering an amendment to prevent the taking of private property by Federal eminent domain without a finding of public need. I ask for your support.

WHY THIS AMENDMENT IS NEEDED

S. 2166's "Optional Certificate" provisions automatically grant without a project-specific review of public need a certificate of "public convenience and necessity" that authorizes the construction of a natural gas pipeline. S. 2166 simply assumes that any such project is in the public interest. And under the Natural Gas Act, a pipeline certificate confers the right of Federal eminent domain, thus allowing private property to be taken through condemnation. Section 11101 reads:

"Upon application the Commission shall issue a certificate of public convenience and necessity for the construction . . . of facilities . . . without requiring a hearing or further proof that the public convenience and necessity would be served by those facilities . . . ." (S. 2166: p. 271.)

In other words, S. 2166 makes a Congressional finding that any pipeline project which files for an Optional Certificate is per se in the public interest.

Although S. 2166's Optional Certificate provisions will allow the Federal Energy Regulatory Commission to make adjustments to the pipeline's route to minimize disruption and environmental damage, they do not allow FERC to deny the application if the project's harm outweighs its public benefits. In short, FERC could decide whose property is to be taken, but not whether property is to be condemned.

I believe that before the Federal Government authorizes private property to be taken through eminent domain, there must first be a project-specific determination that its public benefits outweigh its private harm and social costs. That is currently the law under the Natural Gas Act; and that is the policy my amendment will continue.

WHAT THE AMENDMENT DOES

My amendment adds the following to S. 2166's Optional Certificate provisions:

"Such a certificate shall not confer the right of eminent domain pursuant to section

7(h) of this act unless the Commission finds, in a proceeding separate from the issuance of the certificate, that the granting of eminent domain would be in the public convenience and necessity; *Provided*, That the Commission shall give to the proceeding and decision thereof preference over all other matters pending before it, and shall complete and decide the same as speedily as possible."

My amendment will not "gut" S. 2166's Optional Certificate provisions. The Optional Certificate will still give lighthanded economic regulation, as in S. 2166, but without automatic eminent domain.

If the project sponsors already own or are able to purchase the necessary private property, nothing more need occur and construction can commence. However, if private property needs to be obtained through eminent domain, then the project sponsors will have to prove that the taking of that private property for that project is in the "public convenience and necessity." If this is unsatisfactory, the applicant still retains the right to apply for a traditional Natural Gas Act section 7(c) certificate which, if granted by FERC, carries with it eminent domain.

My amendment will not kill pipeline projects through regulatory delay. I fully recognize that regulatory delay can kill a project just as surely as a denial. To address that concern, you will note that my amendment specifically requires a very expedited—yet full-fledged—review and decision by FERC. My amendment says that FERC must:

". . . give to the [eminent domain] proceeding and decision thereof preference over all other matters pending before it, and shall complete and decide the same as speedily as possible."

PUBLIC POLICY

I firmly believe that before Congress authorizes private property to be taken through Federal eminent domain, there must first be a project-specific finding of public need—a finding which must be proven, not just presumed. My amendment will allow condemnation, but only if such taking is in the overall public interest. Isn't that only being fair to property owners who will have their property taken?

In conclusion, my amendment will restore the balance between public and private interests in constructing new pipeline facilities. It expedites the process without allowing the rights of people to be trampled upon.

In this connection, please note that my amendment raises the same kind of issue with respect to private property as does S. 50, the Private Property Rights Act, which has passed the Senate as an amendment to two separate pieces of legislation.

If my amendment is adopted, the new Optional Certificate authority will still enable pipelines to be built more quickly and with less regulatory interference than is currently the case. But it will not allow private property to be taken without a public purpose.

I ask for your support when I offer this amendment to S. 2166. Please let Nils Johnson (4-2752) of my staff know if you would like to be added as a cosponsor.

Sincerely,

LARRY CRAIG,
U.S. Senator.

EXHIBIT 2

NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS, INC.,
February 13, 1992.

Re NARUC Favorable Comments About the Craig-Wellstone Amendment to S. 2166.

Hon. J. BENNETT JOHNSTON,
SH-136 Hart Senate Office Building Washington, DC.

Hon. MALCOLM WALLOP,
SR-237 Russell Senate Office Building, Washington, DC.

DEAR SENATORS: This letter provides the favorable comments of the National Association of Regulatory Utility Commissioners (NARUC) concerning an amendment that Senators Craig and Wellstone will offer to Title XI of S. 2166 when the Senate continues its consideration of this important legislation. Their amendment is consistent with the NARUC position that gas pipelines not subject to traditional regulation should not be granted rights, such as Federal eminent domain, that accompany such traditional regulation.

The Craig-Wellstone amendment would permit the right of eminent domain to be granted to an optional certificate pipeline applicant if the Federal Energy Regulatory Commission finds that granting this right is warranted by the public convenience and necessity. This basic public interest test is absent from the current language on optional certificates, and therefore makes the gas pipeline title of S. 2166 inconsistent with the fundamental protections for third parties as was envisioned under the Natural Gas Act of 1938.

As the State officials charged with the responsibility of regulating the rates and services of local distribution companies that are supplied by the gas pipeline industry, the NARUC would not want the procedures for building new pipeline facilities under this bill to result in the economically or environmentally unsound exercise of the right of eminent domain. The Craig-Wellstone amendment would ensure that this does not happen, while maintaining the goal of this legislation, which is expediting the process for enhancing the availability and reliability of gas supplies to consumers.

In closing, the Craig-Wellstone amendment would be a positive addition to Title XI of S. 2166. As always, the NARUC is willing to work with you and your fine staff in seeing this important legislation through the United States Congress this year.

Sincerely yours,

PAUL RODGERS,
General Counsel.
THOMAS CHOMAN,
Director of Congressional Relations.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, in a word the Craig amendment would nullify the so-called optional certificates which we seek under this bill.

Mr. President, one of the thrusts of the National Energy Security Act is to speed up the licensing of pipelines at the Federal Energy Regulatory Commission because there is a need for natural gas. There is in effect a clogging of the system which prevents natural gas from getting to the areas that it needs to get to. And, as we know, Mr. President, natural gas is less than half the price on a Btu basis as heating oil, it is much more environmentally benign, it has only a fraction of the NOx and other pollutants that other fossil fuels have. So, Mr. President, we have recognized in this bill the necessity or the advisability, the desirability of burning more natural gas in lieu of other fuels.

Now, Mr. President, my colleagues, particularly those in the Northeast. We have had a big brouhaha about the Iroquois pipeline; some opposing it, some strongly for it, the Northeast needing very much the natural gas. So what we have done in this section of the bill with respect to optional certificates, Mr. President, is to provide a speedy way to get a pipeline certified.

Ordinarily, Mr. President, in order to get a pipeline built, you must get a certificate of public convenience and necessity from the Federal Energy Regulatory Commission. In order to get that certificate the FERC requires a showing that there is gas behind the pipe, that there is a market for that gas, that the pipeline can be built at a reasonable cost and, therefore, that the rates to the consumer will be just and reasonable.

That proceeding, Mr. President, is rather involved and takes a long time. However, once you make those showings, then you can build your pipeline and get the right of eminent domain.

Mr. President, the right of eminent domain for any pipeline is absolutely essential. We know, for example, in another context, the coal slurry pipeline bill which has rattled around the Energy Committee now for many years, that you do not have coal slurry pipelines because you do not have the right of eminent domain, and unless you have the right of eminent domain the pipeline does not get built. The same thing is true with natural gas pipelines. You simply cannot build the pipeline. There are a lot of parties at interest. There are competitors at interest. In the case of the Iroquois pipeline, for example, many southern producers were against the Iroquois because it would be supplied with Canadian gas. So the first point is, you must have eminent domain in order to get a pipeline built.

Now what is this optional certificate pipeline? Well the optional certificate, Mr. President, is where the applicant for the pipeline is willing to take all of the financial risk himself. In other words, he does not want to put the pipeline into his rate base. With an application under the current section 7 procedure, an applicant must make a case-specific showing of public convenience and necessity; once he makes that showing and the FERC issues a certificate, the cost of the pipeline may be included in his rate base. He therefore gets a guaranteed recovery of his investment and his ratepayers in effect bear the risk of the pipeline.

The optional certificate is a procedure where the pipeline owner is willing to bear the risk of recovering his investment. In return for bearing that risk he does not have to show to the Commission, but he has to show to himself, that he has enough gas and enough customers guaranteed in advance to make the pipeline a going deal. And if it is not a going deal, he cannot charge his existing ratepayers. He has to bear that risk himself. But in those instances where there is gas, and a market for the gas, and he is willing to bear the cost of it, there is no need, Mr. President, for him to make a case-specific demonstration of public convenience and necessity because he has already proved that the public is not going to bear the risk of the pipeline. In effect, the market has validated that the pipeline is in the public convenience and necessity.

Again, Mr. President, the same thing applies to the optional certificate as applies in the case of the existing section 7 procedure to obtain a certificate of public convenience and necessity, in that you must have the right of eminent domain, otherwise your pipeline cannot go, it cannot succeed, it cannot be built within a reasonable time.

Now the Senator from Idaho has voiced concerns about the conditioning of the pipeline for environmental reasons. Mr. President, both the optional certificate as well as existing section 7 certificates require an environmental impact statement. They require an examination of alternatives. And the FERC has the right to condition the certificate for the pipeline, for example, saying you do not go through the pristine lake but rather you go around the lake, or you avoid the town, or you take whatever environmental mitigation steps that the Commission should order. All of those protections are in place.

Really what the Senator from Idaho would do here is to require a separate proceeding at the Commission. It usually takes about a year to make a public convenience and necessity finding for a pipeline. It would slow down this process by about an estimated year while the applicant went in and made the case on public convenience and necessity for the exercise of the right of eminent domain.

In effect, Mr. President, here we come with a procedure in which we are trying to expedite the building of pipelines so that we can get in clean fuel to the markets which need it—and the Senator from Idaho would attach to that an amendment which would slow the process down.

The issue is not alternatives. That is provided for in the NEPA process and in the conditioning authority of the authority of the FERC to condition the permit. All this is about is delay. And, Mr. President, you can be sure there would be plenty of delay.

Now the answer of the Senator from Idaho is that this would not be delayed because of the language in which he said that this would be given "preference over other questions pending" before the Commission and decide the same as speedily as possible. Mr. President, as I pointed out, in section 4 of the Natural Gas Act relating to rate cases, that precise exact language is contained save from the word "all" which is added to other. No other words. The present statute states "preference over other questions" and he would change that to "preference over all other questions."

Mr. President, I submit to you that it has the same meaning. It certainly was what the Congress intended at the time when they said, other matters pending before it and as speedily as possible. You cannot be more speedy than as speedily as possible, and they are already dictated and mandated to be as speedy as possible in section 4, which in the case of section 4 means, on the average, 45 months.

Mr. President, both State law and Federal law is replete with these kinds of admonitions to courts and commissions, and they do the best they can. For example, the FERC could not drop everything on the so-called mega-NOPR which is now pending. We have hearings in Congress on the question of the mega-NOPR practice. There are billions of dollars at stake. The whole industry is waiting for an answer to this. And obviously the Commission cannot drop everything while they go and deal with some optional certificate. They are going to treat that just the way they do all these other section 4 proceedings and decide it as speedily as they can in their own wisdom. In effect, what I am saying, Mr. President, is those words do not mean very much if they mean anything, and in effect they cannot mean anything. It is almost impossible for the mind of man to draw up language which tells the Commission to move faster than good sense dictates, and hard work dictates, that they can move. It just simply slows the whole matter down, Mr. President.

If you want an optional certificate, that is to say if you want to make possible the building of these pipelines which are not at the risk of the ratepayers but they are at the risk of the builder of the pipelines, which is clearly, Mr. President, in the public interest, clearly in the interest of consumers, clearly in the interest of the environment, then you ought to reject the amendment of the distinguished Senator from Idaho.

Mr. President, I will shortly move to table, when the Senator has had a chance to reply further on this matter.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho [Mr. CRAIG] is recognized.

Mr. CRAIG. Mr. President, there are few things that my chairman has said that I will disagree with as it relates to the need for an optional certificate. I think we all recognize the importance of bringing natural gas to the market. I have stood side by side with my chairman in the crafting of this legislation to assure that happening.

I recognize the need that the process be expedited when it so requires. But I also recognize that that need for expediting today based on supply is argumentative as it relates to current supply.

What we are talking about is future process. What we are also talking about are two distinctively different processes that I think my colleagues must clearly understand here. And we ought not play the game of confusion by technicality to try to understand it or to smoke it.

The section 7 provision of the Natural Gas Act says that a certificate will be granted following all the findings and that certificate will have eminent domain. And all these findings will be made and public convenience and necessity will be determined based on all the things that are necessary including the economics, the availability, the marketplace, the consumer, and all of that. Now that, we understand. That does take a good deal of time, sometime. And a lot of other kinds of issues can become a part of that. I do not argue that.

But what the optional certificate says is the certificate will be granted upon application. Yes, there are some determinations to be made including an environmental impact statement, but there tends to be a gray area, very clear in this law that it is gray, as to the specifics of what will or will not happen.

What I am suggesting is that we do not deny that, that we do not deny that a certificate be granted before the fact unlike section 7 which is after the fact.

But what I am saying is that after we have granted in a before-the-fact environment, in a light-handed economic way—and that is very important to understand here because we are not expecting the findings to be as extensive under the optional certificate as we do under section 7—we, by the law, say that it will be light-handed economics.

That gives greater options, greater flexibility. And I think what it says to a supplier and a customer is "You better get out there and work it out with those people when you might cross their property and in some way you might damage their property or their property rights." And I suspect that will happen because we have expedited, we have created flexibility, we have done a lot of things in the proposed law that has not existed.

But the one thing we have not done is said that in that individual situation or case where there could be clear property damage, we have denied the right of a finding. I do not think we ought to allow that.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. CRAIG. I will be happy to yield in just a moment.

You can argue the technicality of the law or you can ask the simple question that as you expedite the process, as you clear away all the regulatory morass so you move the issue, should you in that deny the right of a private property owner in this country his or her protection, even though it is expedited?

My argument is, no, that we do a lot of important things around here but the one thing that is most important—and our law consistently has demonstrated that and my colleague, the chairman, has assured that over time—is that we recognize the right of the private property owner through process and procedure. And that is what my amendment does.

I will be happy to yield.

Mr. JOHNSTON. Mr. President, I think the Senator misconceives the process under section 7, that is the public convenience and necessity finding. Where that is required, the question of public convenience and necessity involves for the FERC, four findings: The gas behind the pipe; the market for the pipe; the cost of the pipeline; and the rates at which it is granted.

There are no findings with respect to the rights of the property owner. There are separate provisions with respect to the right and the duty of the FERC to condition that route on alternatives. There is a NEPA proceeding which looks at the alternatives. That is not part of the convenience and necessity finding.

The convenience and necessity finding is based on supply, markets, cost of the pipeline, and rates to the customer. So that to require a public convenience and necessity finding does not add anything to the rights of the property owner. What gives the property owner protection is the NEPA proceeding and the right of the Commission to condition its certificate.

As part of the optional certificate we have given that right to the Commission—in fact, the duty of the Commission under NEPA—to look at the alternatives. And we give them the right to condition the certificate on taking the path of least resistance.

I think what my friend from Idaho has in mind is that the Commission ought to do something further, like think about whether the property owner has a right to his property.

Under eminent domain, in effect, if there is no other way to go, to put the route of the pipeline, then you do take private property and you do not consider whether or not that takes the private property owner's right. In effect, what you are saying is it is the right of the general public—in this case to a pipeline or in other cases a highway or in other cases a dam or a waterway or whatever is in the public interest—to require that those things be built.

So under the optional certificate the protections of the property owner are there to the same extent that they are under the existing section 7, that is the certificate of public convenience and necessity. They are there because of NEPA which requires the examination of alternatives, and they are there because of the authority of the FERC to condition the pipeline certificate. And I think therein lies the protection of the property owner, not in the finding of public convenience and necessity.

I believe that with the amendment of the Senator, the only protection would be that this process would be so unwieldy, it would delay the matter so that nobody would use the process. If it protected the property owner, it would simply be by delay and not by consideration of his rights.

Mr. CRAIG. I appreciate my colleague's review of what he thought I said because I think some of what he thought I said is right. But clearly some of what he thought I said is not what I said. And it needs to be made very clear because that expression that I just gave is somewhat as confusing as the issue we are dealing with.

I am not suggesting nor does my amendment suggest that we deny eminent domain. What I am suggesting and what my amendment specifically says is that we weigh it when there is an objection. And I think that is very important.

I am not saying the Federal Government, when there is a finding of convenience and necessity, is tied from granting eminent domain—I do not say that at all. What I am saying is that when there is a question of whether the pipeline ought to move a little bit to the right or a little bit to the left and you can do that and it is a convenience and it works out for the property owners involved, that that ought to be part of the consideration. What the certificate does not do is just exactly that and therein lies the difference.

Is it minute? Probably not to the property owner. It is my conclusion, Mr. President, if my amendment is agreed to, we will see the optional certificate become an extremely valuable tool. Because those parties involved will make the kind of findings that are necessary and simply will not ride roughshod over the property owner as might be the risk today.

I am not suggesting we deny eminent domain in this issue. I am simply saying it be conditioned in an expedited way, as is necessary. And I would also agree that FERC is not going to drop major issues before it. But what I am going to suggest is that in the issue of a pipeline and in the kinds of pipelines we are talking about—in some instances, we are talking major but in some instances we are not—that staff, and there is plenty of staff available to do the necessary findings, provide it to the Commission for a decision to be made. That is what I am suggesting, and I understand how that process works quite well, and I do believe they could handle it in an expedited way, and we would not simply see a grinding down, if you will, or the 1-year delay. It would not be a delay.

If it were, and for some reason it guaranteed the right of a private property owner not to be trampled on, then maybe it would be justifiable.

Mr. President, I think with the flexibility I have offered within the amendment, we do not deny automatic issuance of the certificate, No. 1. Most important to S. 2166, we do not deny the lighthanded economic regulation process of the optional certificate.

There are a good many things that we do along with expediting, in a highly recognized way, the proposed taking of private property for the review of public convenience and necessity. And in the end, if the certificate as amended by my amendment simply was a nonfunctional approach for a given pipeline interest, section 7 still exists—section 7 and that process would exist for that purpose.

So I think we are really offering great flexibility within the law that did not exist. We are giving the options. At the same time we are not walking away from the right of the private property owner.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I will be brief.

Few Senators have fought any longer or harder than has the Senator from Wyoming to protect and shield the rights of private property owners from an overenthusiastic, heavyhanded, abusive Government. But I would say in this instance that I do not see the rights of the private property owner being enhanced.

What I do see is that there will always be an objection. There will never be a time when an objection is not lodged if for no other reason than the lawyers of this country will see to it. It is just too tempting a process to shut that spigot off and forego the income.

But the most important part, and why I say I do not believe it adds in any way to the rights of the private property holder, is that the NEPA process and all the other processes which must precede this are the time when questions of routing and fairness and other issues take place.

My guess is that the Senator would agree with me that domain will always be granted. Who will benefit are those who seek to delay, because the results can only be delay and not elimination of the process.

So I would say to my friend that the rights of the property holder are far better addressed in the proceedings which lead up to this granting of the optional certificate and not subsequent to it. I hope he understands that I agree with him that the rights of property owners ought to be foremost. But in this instance, I think the right to be protected intervenes and interferes with the processes and the efficiency which we have set up.

Mr. President, I yield the floor.

Mr. JOHNSTON. Mr. President, the distinguished Senator from Idaho [Mr. CRAIG] proposes an amendment that makes the granting of an alternate certificate contingent upon the FERC conducting a proceeding in which they find that the granting of eminent domain would be in the public convenience and necessity.

Mr. President, those words "public convenience and necessity" are words or art, well understood under the Natural Gas Act. There are literally volumes of case law and years of litigation that have gone into defining that term "public convenience and necessity." Basically, with FERC and pipelines, it means a determination of the supply of gas behind the pipe, the market for it, the cost of the pipeline, and the rates which would be charged.

What we have done here, Mr. President, or what we seek to do in our bill, is to provide an alternate certificate procedure that avoids the need for a case-specific administrative finding of public convenience and necessity and the delay attendant in that proceeding. What the Senator from Idaho would do would be to say that, yes, you are entitled to an optional certificate whereby you have to bear all of the financial risk of the pipeline, but in order to get that alternate certificate, you have to go through exactly the same test as you would if you were trying to put your pipeline in the rate base and make the ratepayers bear the risk.

In effect, Mr. President, what the amendment of the Senator from Idaho would do would be to nullify the whole optional certificate process, because the only difference would be the fact that in the case of the alternate certificate, you would bear the risk, you the builder of the pipeline, whereas in the case of a regular section 7 certificate, you would be able to rate-base it and have your rate holders bear the risk.

So obviously, Mr. President, this is a killer amendment insofar as our bill is concerned and, therefore, Mr. President, I move to table the amendment of the Senator from Idaho, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. CRAIG. Mr. President, I ask if the Senator will withhold.

Mr. JOHNSTON. Mr. President, I will withhold.

The PRESIDING OFFICER. The motion is withdrawn. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I thank my chairman for withholding for a moment.

I will be very brief in concluding. At least, I hope the arguments on both sides of this issue are clear, and that my colleagues can come to the floor and vote, understanding it better than, I think, before.

My amendment is not a killer amendment. That is an easy argument to use in the end when all else fails, and I do not think anything has failed here. I think my amendment does, in fact, improve the optional certificate to the extent that it provides a modicum, a very small amount, but a very important amount of procedure in protection of private property rights when there is at issue that very issue. it does not deny eminent domain. It does not deny the right of a company to build a pipeline, and we believe that it clearly expedites it because it does not deny all of the other kinds of things that are built into the optional certificate that I happen to agree with and believe are necessary. And, in fact, I believe the procedure of the past has been too cumbersome and too bureaucratic.

Therefore, I ask my colleagues to support me in this amendment that I think clarifies an area that remains gray as it relates to a question of recourse if there is a dispute of property.

With that, I yield back the remainder of my time.

Mr. WELLSTONE. Mr. President, the philosophy behind the optional certificate provisions of S. 2166 is to allow gas pipeline companies, and others, to proceed with pipeline construction outside of normal FERC regulations assuming they proceed at their own risk. This is, in a manner of speaking, a free-market approach to pipeline regulation.

This provision would allow pipelines upon application to obtain a certificate of convenience and necessity. With such a certificate, the National Gas Act provides the company with Federal eminent domain rights. It would also trigger State eminent domain authority. State courts have traditionally taken pipeline construction undertaken pursuant to FERC authority to be prima facie evidence that the pipeline is required by public convenience and necessity, the usual requirement for condemnation under State law.

Thus, under the scheme proposed S. 2166, either Federal or State condemnation authority can be utilized without the necessity of any public hearing or review of the need for, routing of, or other public interests in the pipeline proposal.

That is why I strongly object to this proposal. Farmers, ranchers, State land authorities, and others will be denied due process. Under S. 2166, we will be arming gas pipelines with the heavy club of eminent domain while denying the public its chance to be heard.

History is replete with examples of abuse of eminent domain authority by railroads and utilities. By adopting this provision we would be turning our back upon these lessons, in the name of expediency—and worst of all an expediency necessitated by the gas companies themselves.

Who is it that is delaying the FERC proceedings; what groups are intervening to delay decisions on pipeline applications? According to the Department of Energy's national energy strategy, the problem is being caused by the pipelines themselves. It is all part of the competitive gaming before FERC, and for that reason we are being asked to adopt streamlined procedures which places a severe burden on ranchers, farmers, and other landowers. That is simply not right.

Mr. President, I hope that my colleagues understand that under our Constitution private property rights are not sacrosanct. The Federal Government can take private property, but it must afford people due process and just compensation. Where are due process and just compensation provided under these provisions of S. 2166.

JUST COMPENSATION

That will be provided by the courts under condemnation proceedings, assuming that the landowner does not agree to some other arrangement under the threat of eminent domain. Not surprisingly they do often make a deal, knowing full well that condemnation proceedings are not likely to preserve their interest or return the value of their property once the attorney's fees are paid.

DUE PROCESS

Where will landowners be provided due process under this proposal? Right here. The people's elected representatives are giving them due process by debating this provision today.

As a result, someday in the future, when a farmer or rancher in your State is facing condemnation proceedings, he may ask why he doesn't get a chance to be heard. He may even hire a lawyer and petition the courts for his constitutional right to due process. And when he does, the court is likely to point to this vote today and say "that was your due process. Your elected representatives decided that expediting pipeline construction was more important to the national interest than preserving your right to be heard."

I, for one, cannot justify denying the public a chance to be heard in order to save the gas pipelines from themselves. Moreover, I believe this amendment is a fair compromise. While it denies an automatic right to eminent domain power to those companies who choose to use the optional certificates procedures, it also directs FERC to establish an expedited, separate procedure to consider granting eminent domain authority when necessary.

Mr. JOHNSTON. Mr. President, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to table the Craig amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN] is necessarily absent.

The PRESIDING OFFICER (Mr. WOFFORD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 60, nays 35, as follows:

[Rollcall Vote No. 21 Leg.]

YEAS—60

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Breaux
Brown
Bumpers
Burdick
Burns
Byrd
Cochran
Cranston
Danforth
Daschle
Dixon
Domenici
Exon
Ford
Fowler
Glenn
Gorton
Graham
Gramm
Heflin
Hollings
Johnston
Kassebaum
Kennedy
Kerry
Leahy
Lott
McCain
McConnell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Robb
Rockefeller
Roth
Sanford
Sasser
Seymour
Shelby
Simon
Simpson
Stevens
Thurmond
Wallop
Warner
Wirth
Wofford

NAYS—35

Bradley
Bryan
Chafee
Coats
Conrad
Craig
D'Amato
DeConcini
Dodd
Dole
Durenberger
Garn
Gore
Grassley
Hatch
Hatfield
Helms
Jeffords
Kasten
Kohl
Lautenberg
Levin
Lieberman
Lugar
Mack
Metzenbaum
Mikulski
Mitchell
Riegle
Rudman
Sarbanes
Smith
Specter
Symms
Wellstone

NOT VOTING—5

Cohen
Harkin
Inouye
Kerrey
Pryor

So the motion to lay on the table the amendment (No. 1641) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1642

(Purpose: To provide fair refunds to consumers of natural gas who are found to have been overcharged)

Mr. METZENBAUM. Mr. President, I send an amendment on behalf of myself and Senator JEFFORDS to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself and Mr. JEFFORDS, proposes an amendment numbered 1642.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following new section:

SEC. 3. REFUNDS FOR OVERCHARGES.

(a) AMENDMENT OF SECTION 4(e) OF THE NATURAL GAS ACT.—The third and fourth sentences of section 4(e) of the Natural Gas Act (15 U.S.C. 717c(e)) are amended to read as follows: "Where changes in rates or charges are thus made effective, the Commission may, by order, require the natural-gas company to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such changes, specifying by whom and in whose behalf such amounts were paid, and, upon completion of the hearing and decision, to order such natural-gas company to refund, with interest, the portion of such rates or charges by its decision found not justified. At any hearing involving a rate or charge sought to be changed, the burden of proof to show that the changed rate or charge is just and reasonable shall be upon the natural-gas company, and the Commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.".

(b) AMENDMENT OF SECTION 5 OF THE NATURAL GAS ACT.—Section 5 of the Natural Gas Act (15 U.S.C. 717d) is amended by redesignating subsection (b) as subsection (c) and inserting the following new subsection following subsection (a):

"(b) At the conclusion of any proceeding under this section, the Commission shall order the natural-gas company to make refunds of such amounts as have been paid, for the period subsequent to the refund effective date, in excess of those which would have been paid under the just and reasonable rate, charge, classification, rule, regulation, practice, or contract, which the Commission orders to be thereafter observed and in force. The refunds shall be made, with interest, to those persons who have paid those rates or charges which are the subject of the proceeding. The Commission shall establish the refund effective date. In the case of a hearing instituted on complaint, the refund effective date shall not be earlier than the date that is 60 days after the date of filing of the complaint or later than 5 months after the expiration of such 60-day period.".

(c) EFFECTIVE DATE.—(1) The amendments made by this section shall not apply to any proceeding under the Natural Gas Act commenced before the date of enactment of this Act.

(2) A proceeding to which the amendments made by this section does not apply by reason of paragraph (1) may be withdrawn and refiled without prejudice.

(d) STUDY.—(1) Not earlier than 3 years and not later than 4 years after the date of enactment of this Act, the Commission shall perform a study of the effect of the amendments to the Natural Gas Act made by this Act.

(2) The study required by paragraph (1) shall analyze—

(A) the impact, if any, of such amendments on the cost of capital paid by natural-gas companies;

(B) any change in the average time taken to resolve proceedings under sections 4 and 5, and

(C) such other matters as the Commission may deem appropriate in the public interest.

(3) Upon completion the study required by paragraph (1) shall be submitted to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

Mr. METZENBAUM. Mr. President, this energy bill does quite a bit for the natural gas and natural gas pipeline industry—it streamlines certificate procedures and permits expedited pipeline construction to serve new and expanded markets. It encourages use of natural gas as an alternative vehicle fuel.

It is, in many parts, a good bill for the natural gas pipeline industry.

And I am glad that it is a good bill for the natural gas pipeline industry because it has suffered some problems in connection with its own economy. Not all gas pipeline companies are doing well, and many of them are experiencing problems by reason of take-or-pay contracts that they entered into some years ago and as a consequence they have been hurt. Columbia Natural Gas is one such company.

But it is not such a good bill for the natural gas consumer. That is because the bill does not address the most egregious practice of the natural gas pipeline industry—the overcharging of customers and the failure to make refunds when FERC has decided and determined that there has been an overcharge.

The bill does nothing to ensure that overcharged customers get their money back. Our amendment would do something about that.

I am talking about the residential customers who purchase natural gas to heat their homes, their hot water, and for cooking—the very basics of life. There is not much more for them in this bill.

Our amendment has one objective: to ensure that refunds are made to consumers after the Federal Energy Regulatory Commission has determined they have been overcharged.

Now that is reasonable and logical, is it not? If there has been an overcharge and FERC determines there has been an overcharge, it is not reasonable that there be a refund?

But that is not the way it is in the law today. This is a matter of simple honesty and equity. If the consumer has been overcharged, he or she should receive a refund.

But the law today limits gas consumers' refund rights in ways that result in the pipelines retaining millions of dollars in admitted overcharges. It is a chronic problem. Pipelines are permitted to overcharge and keep the excess rates. Current law permits pipeline companies to impose rate increases before a hearing and then keep the higher rate with only a partial refund obligation. This amendment would correct that, and it is an absurd procedure as it is today.

In other circumstances, where the FERC or a State commission or a local gas company serving residential consumers brings a successful complaint and proves that the pipeline has been charging an unjust rate, there is no refund obligation whatsoever. This amendment would also correct that.

In the Regulatory Fairness Act of 1988, we corrected a similar problem just 4 years ago for electric consumers. How we would be unwilling to do the same thing for natural gas consumers that we did 4 years ago for electric consumers is beyond me. Gas consumers still have no refund rates in complaint proceedings.

Mr. President, I can only say to you the present situation is absurd, it is unfair, and it is illogical. If there is an overcharge and the company has received the money and FERC says it is an overcharge and FERC says the company can afford to make the refund, then FERC ought to have the authority to make the refunds it does not have to make. It ought to have the authority to make it and that is what this amendment provides.

These overcharges have produced millions of dollars in unjustified subsidies to the gas pipeline industry from the consumer. This is as wrong as it can be and it encourages companies actually to overcharge.

Let me make it very clear. I do not want to damage the financial integrity of the interstate natural gas pipeline industry. There may be economic problems in the industry, and this bill will do many things to help the pipeline industry. I have no problem with that and am not attempting to change it at all. I just want them to make their money the old-fashioned way—I want them to earn it. Keeping unearned overcharges are totally unwarranted.

Pipelines are entitled to a just and reasonable rate and a fair return, but not 1 cent more.

The amendment is identical to an amendment I offered in 1989 except that we have corrected typographical errors and corrected some language relating to a study to be conducted by FERC of the impact of the bill.

At that time, 43 Members of this Senate voted against tabling the amendment. I hope that there will be a majority on our side this evening, Senator JEFFORDS and myself.

This amendment is not novel; it is not radical. It incorporates provisions which were either originally part of S. 341, the Johnston-Wallop energy security bill, or were previously adopted by Congress to protect electric consumers.

The sponsors of the pending bill were originally supportive of this provision. They included it in their proposal. It lost out somewhere along the line or was dropped in the committee.

Our amendment would increase refund rights to natural gas consumers who FERC has determined have been overcharged, and it does it in three ways:

First, it authorizes FERC to order refunds in so-called section 4 cases anytime the pipeline company seeks an increase or a decrease in its rates.

In the 54 years since Congress enacted the Natural Gas Act, the industry has matured and a central issue of many rate cases today is how much lower, not higher, pipeline rates should be in order to be just and reasonable.

It is not that the pipelines want to give away any money. They are in a competitive industry. They compete with other pipelines. They are competing with other forms of fuel.

Rates should be lower, in view of the fact that today there are lower interest costs, additional depreciation, higher volumes, and new competitive conditions that often cause the pipeline company to seek a decrease.

Recently, Mr. President, one pipeline filed for a $15 million rate reduction. The FERC staff reviewed the pipeline's cost data and concluded that the decrease should be not $15 million but approximately $150 million. The two sides are off by a factor of 10. You can be sure that the FERC-approved rate will ultimately reflect a decrease higher than $15 million. And there is no refund obligation under the law as it is today.

The second part of our amendment also eliminates the use of the pipeline's previous FERC-approved rate as an artificial limit on the size of refunds—the so-called refund floor.

And third, in so-called section 5 cases, the amendment mandates that the FERC order refunds from a date to be set by the FERC within 60 to 210 days after a successful overcharge complaint is brought. Under current law, in complaint cases there are no refund rights and, as a consequence, no refunds. After years of hearings and complaint proceedings, all a successful party today receives are future reduced rates after a FERC order. Our amendment corrects this.

In summary, our amendment will provide for refunds of all—not just some—overcharges in all—not just some—circumstances, with one exception: That it will only provide for those refunds in those cases where it is ordered by FERC. If FERC concluded that a company was not financially able to make the refund, then FERC would not have to order the refund. It would be a discretionary matter with FERC.

If a pipeline company does not seek a change in its rate but wants to continue collecting the rate previously approved by FERC, it may do so without refund obligation, unless a complaint case is filed by a gas company or a State commission.

Utility rate regulation involves a great deal of data and appears very mysterious to many citizens. Although it is complex, it is not such a mystery. Essentially, utility rates are a function of the utility's costs divided by the volume of product it sells or transports.

Since 1938, the natural gas industry has developed and matured under the standards of the Natural Gas Act. A natural gas pipeline operates as a public utility. It provides an essential service. It operates as a monopoly or near monopoly, and therefore it is subject to Government regulation.

In 1938, Congress instructed the Federal Power Commission, in the Natural Gas Act, to ensure that pipeline rates be "just and reasonable." The amendment does not change the law in any way with respect to those aspects of it. It merely seeks to ensure that rate payers should pay no more than the just and reasonable rate after FERC has made that determination. And only the admitted overcharge can be refunded if ordered by FERC.

Mr. President, this amendment is supported by the National Association of State Utility Consumer Advocates, the American Public Power Association, the Consumer Federation of America, Citizen Action, Environmental Action, and a whole host of other groups.

I am frank to say there are many more individual companies and associations who want this amendment, but they cannot support it publicly, including gas distribution companies, gas producers, industrial gas users and their associations. I can tell you this: They do not oppose this amendment.

In 1989, I offered this amendment on the floor of the Senate. It was tabled by a vote of 53 to 43. Opponents of the amendment at that time pointed to the lack of a hearing. We had such a hearing. Nothing in that hearing convinced me that natural gas consumers should continue to pay overcharged rates without being given the opportunity to obtain a refund.

Mr. President, this amendment is about fairness. It is neither novel nor is it radical. It is a fair, balanced measure—fair to consumers and pipelines. Rate payers should pay just and reasonable rates and nothing more. Pipelines should be able to earn fair rates of return. This amendment does not change that fundamental balance in any way.

On behalf of my colleague, Senator JEFFORDS, and myself, we urge our colleagues to support the amendment.

Mr. President, I yield the floor.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I rise in strong opposition to the amendment offered by the Senator from Ohio. It is an amendment which has been offered here before. It would amend sections 4 and 5 of the Natural Gas Act to provide for retroactive refunds from interstate natural gas pipelines. It is a lovely theoretical idea, but it has no place in business. It has no place in the financial markets which must undertake this.

It professes to be an amendment for consumers, when in fact it will make the consumer's life more expensive and his access to gas less frequent and less opportune.

I oppose the amendment because, if it is adopted, it harms both the natural gas consumer and the natural gas pipeline. It is asserted that this amendment is needed to protect consumers against pipelines that charge too much. But if adopted, the amendment increases, not decreases, natural gas prices. Most consumers would not find that a favor.

I, like the proponents of the amendment, do not believe that the consumer should be gouged. It should be noted, however, that existing law already provides consumers with adequate protection. In order for me to explain why this is so, it is necessary to briefly describe existing law.

Mr. President, before a natural gas pipeline can put a rate into effect permanently under section 4 of the Natural Gas Act, it must first prove, to the satisfaction of the Federal Energy Regulatory Commission, that the proposed rate is just and reasonable.

Under section 4(d) of the Natural Gas Act, a pipeline must give the Federal Energy Regulatory Commission and the public 30 days' notice of a proposed change in rates, after which the new rate takes effect unless suspended or rejected by FERC.

Under section 4(e), FERC may set the rate filing for hearings and suspend its effectiveness for up to 5 months. If, at the end of the suspension period, Mr. President, the rate proceeding has not yet concluded, the pipeline may file a motion to make the new rate effective, which FERC is required by law to grant.

Now, if a rate increase has been made effective at the end of the suspension period without having been found just and reasonable under section 4(e) of the act, FERC may order the company to post a bond. At the conclusion of the proceeding, it may order a refund with interest of any portion of the rate increase not found to be just and reasonable.

Now, Mr. President, that is where the protection exists today.

On this point, it should be noted that the Natural Gas Act assigns the burden of proof on the pipeline to prove that the rate increase requested is just and reasonable.

Section 5 of the act authorizes FERC, upon its own motion or upon complaint of another person, to institute proceedings to determine whether a pipeline's rates have become unjust and unreasonable.

If the rates are found by the Commission to be either unjust or unreasonable, then FERC can order, on a prospective basis, a rate reduction to the level which it finds to be just and reasonable. Thus, any rate which has been approved by FERC continues to be just and reasonable until a new rate, be it higher or lower, be subsequently approved by FERC. And that is an obligation of the company to prove.

This is the fundamental basis upon which the pipeline ratemaking is predicated, and it simultaneously protects consumers against unjustified rates and pipelines against regulatory uncertainty. It is an important part.

The pending amendment would amend sections 4 and 5 to change the rate filing and refund provisions. Section 4 would be amended to provide that the bonding and refund obligations attach to all changes in rates, and the pipeline making the rate filing carries the burden of proof on all rate changes, not just the rate changes as it is under existing law.

It would also amend section 5 to require that, upon the conclusion of a proceeding under that paragraph, a pipeline would be required to refund amounts it had collected in excess of a just and reasonable rate, which has not been defined in the amendment by the Senator from Ohio.

FERC would be authorized to establish a refund effective date no earlier than 60 days and no later than 210 days after the filng of the complaint to initiate the proceeding. While it might appear that the pending amendment would benefit consumers, in fact, over the long run, they could only be harmed. By removing the previous standard of "just and reasonable" as the benchmark against which any revision to a newly refiled rate is calculated, pipelines would suddenly become exposed to a theoretically unlimited refund obligation. No company in America, Mr. President, especially one subject to the regulatory vagaries of FERC, could possibly be expected to operate, attract capital, or even continue in business under such an exposure.

Without the last FERC-approved rate providing the basis for the refund floor, the refund exposure would no longer be limited to the difference between the previous approved rate and the proposed increase. That potential exposure would increase financial uncertainty, which would lead the capital and securities markets to conclude they are riskier investments. The pipeline's ability to borrow money, to say nothing about the interest rates which they pay, is adversely affected. That would translate directly into either needed pipelines not being built or into higher gas prices for consumers when pipelines pass through these higher interest rates.

Moreover—and this is important, Mr. President—the pending amendment would actually have the unintended—I assume it is unintended—and undesired effect of discouraging natural gas pipelines from filing for rate decreases. The exposure would just simply not be something that any sensible corporate head would willingly expose his company to. It is not a consequence that the proponents of the amendment probably intend, but it is very likely the result of that amendment.

Finally, one of the more pernicious aspects of the amendment is that at any time any person could file a complaint at FERC and put the entire revenue stream of a pipeline into question pending their action on a complaint. This might not be such a serious problem if FERC were able to act quickly, but this is not the case. More likely, their quickest action is something in the neighborhood of 45 to 50 months, which is an enormous exposure of uncertainty to any operation in the private sector. Moreover, even if this complaint is ultimately dismissed by FERC—which happens more frequently than not—while it is pending before the FERC, the pipeline's entire earnings are placed under a cloud for months and even years. So for an industry that is today already financially troubled, this makes it even more difficult to raise capital.

Sections 4 and 5 of the Natural Gas Act have been in place for over 50 years and have worked well. They have been amended on occasion. If there is any problem, it is not with these provisions of the act, but it is with the speed by which the Commission acts on pending cases. That is a valid issue, and it is one which we seek to address in other parts of S. 2166. That is the consumer protection. It is to force FERC into action.

The pending amendment had been considered in committee, and the committee refused to include it. The full Senate considered an identical provision in 1989, and it was rejected. For these reasons, and in particular the uncertainty that it provides to an industry that is financially troubled as well as the consumer whose interest is primarily served by the construction of and the placing into service of these pipelines, anything we do here—and this particularly does that—that impedes the confidence that the financial community has in underwriting these programs, that the companies may have in seeking to operate these pipelines, can only badly serve the consumer. Sadly, Mr. President, also, only badly serve the natural gas producer whose avenue to market is the pipeline.

So, on both sides of this, saying in the name of protecting one or the other, we are threatening both—the producer and the consumer, providing nothing to make FERC more efficient, and providing real danger and threat to an industry that poses one of the great possibilities as an answer to the many, many problems that America has in its energy policy.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded and, Mr. President, I ask unanimous consent to speak to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, the words of the ranking member of the Energy Committee certainly sound quite reasonable because, when you get involved with handling the problems of regulatory agencies, it is easy to wind around the regulations and the procedures and the terminology and make it sound like everything is in good hands. But as one who spent a significant part of his life working with regulatory agencies in the control of the prices of electricity and telephones, I can assure you that there are, I would say, equally responsive answers which my friend from Ohio brought up earlier. Let me just run through some of those before you now.

First, it must be remembered and taken into context when you understand that the ranking member of the Senate subcommittee introduced a bill with these identical provisions in it. Thus, it is very difficult, I think, to feel that this is somehow some horrendous and terrible problem which we are creating with this amendment.

Second, FERC, which is a regulatory agency, has very broad discretion, not only overall but under our amendment specifically. We do not say "FERC shall," we say "FERC may," and thus all the dire problems and circumstances which have been conjured up in opposition to this amendment, FERC would take into consideration and they would not concur. If there was an overcharge, but for some reason or other there was insufficient funds to pay those overcharges back, then there is no requirement, in our amendment, that that be done or that in any way the gas company, the pipeline, be put in any jeopardy by having to pay back those overcharges.

Let us take the examples to which our amendment refers and ask yourself what you believe would be appropriate and proper. In doing the first one—I point out it was brought up in opposition to our amendment—that this would discourage a utility from bringing an action to decrease its rate, I suggest it almost encourages the company to bring a rate decrease, but a much smaller rate than is obvious—under the amount of money they are collecting and spending—would be appropriate.

For, by bringing a rate decrease, you establish your own floor by saying that, "OK, we will reduce a nickel," and when it turns out that it should be 15 cents, say, when you are all through, after the many, many months that were brought up, without the amendment all they would have to return would be the nickel. And then prospectively.

Whereas we would say, if you collected all that money over and above what was necessary to make a reasonable and just profit, you should return it all and you should not allow that money to fall back into the company to be utilized without consumers having an opportunity to get their money back.

Also, a provision in our bill provides for another factor which has occurred because what we have seen over the past few years that in view of the tremendous amount of gas that has been available that the price to the pipelines have come down rather than gone up, as would have been anticipated normally by utilities.

Thus, originally the provision of FERC that said the last FERC-approved rate acts as a floor may well have been reasonable during those periods when the rates for gas were going up. But when those rates are falling, to have a floor that says that you cannot refund below the floor, is not at all in line with what ought to be done under those circumstances and certainly is a serious detriment to the consumer receiving the funds back to which it is entitled.

The third area that we seek to correct is related to similar types of situations. But suppose a State commission or a customer brings a rate reduction act. These proceedings can go on for months and months and months. So finally FERC agrees that there should be a rate reduction, but under those circumstances, notwithstanding the millions and millions of dollars that have been collected by an unjust and unreasonable rate, that money belonging to the consumers, all that FERC can do is make the order prospective and cannot make it retroactive.

We do not make it retroactive in the sense going back before the case was filed, but rather from some months after it started. So the argument that it would be unfair because they do not know in the company as to how much money is going to be paid, they know what rate decrease was requested, they know how much they are making, they know what their expenses are, they can figure out how much they are going to have to pay back and, thus, it does not create any hardship to allow that to go back to sometime after the rate hearing was filed.

So I hope that my colleagues will realize and remember also, of course, that this was part of the original bill which was put in by the chairman and the ranking member of the Energy committee. That is first. And, secondly, that what we are doing is only asking, under the circumstances which are reasonable and appropriate, where there is definitely an excess of amount of revenue collected which truly belongs to the consumers, that they ought to get that money back. But then again only after FERC, after looking at the situation, agrees that the money can be refunded without creating any undue hardship or requiring anything which might jeopardize the company which is collecting the rates.

So, Mr. President, I urge all of my colleagues to support this amendment. It was provided before. I hope now, since you recognize it was even a part of the bill originally, that others will come and join us. It was a close vote the last time and it seems now, with the additional information and arguments that you have heard, that you will agree with us that this is an appropriate amendment to help the consumers of the pipelines to get a fair, reasonable and just charge and return of their money which was unreasonably and unjustly collected.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I think we, who have offered the amendment, are prepared to move forward. I do not believe that the opposition is. I think there is some talk about a vote on this tomorrow morning.

I am not managing the floor. I am just managing this amendment with my colleague from Vermont. But I hope that those who are managing the bill or managing the Senate as to when we recess or adjourn, or whatever the procedure may be, might hear my voice and come to the floor so that we not sit here in a long, drawn-out quorum call. The Senator from Ohio and the Senator from Vermont are prepared to act this evening. It is my understanding the leadership does not desire any action on this amendment at this point.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I rise to speak 5 minutes on an issue related to the bill, but I do not have an amendment. I just want to address an issue.

Mr. President, I rise tonight as a Senator from a State that is now in fourth position in the United States in terms of natural gas reserves; seventh place in these United States in terms of production of crude oil.

Mr. President, I am fully aware that my State and this country of ours cannot return to the days when we were producing huge quantities of crude oil for our economy. I understand that it is more and more difficult to produce crude oil in the United States from primary drilling. However, as has been pointed out before in various periodicals that relate to oil and gas production, and probably here on the floor heretofore, the United States right now has less rigs in the field drilling oil wells than it has ever had in the history of recording rigs as a method of estimating activity for the production of oil and gas.

Having said that, one has to be honest and say there are a number of reasons, but one must also acknowledge that there is a tax law on the books of the United States that has literally savaged those who want to invest money in drilling oil and gas.

First of all, natural gas is so cheap today. We have to acknowledge that is a problem, and certainly the price of oil is relatively cheap, comparatively speaking, and we have to take that as a problem. But, Mr. President, in an effort to make sure that Americans who are making money by drilling oil wells and the like, were also paying a fair share of taxes, and concept was related to law that is called the alternative minimum tax. I am sure it is not only applying today in a negative manner to those who would invest in oilfields in New Mexico and oil wells in New Mexico and Wyoming and California. I am sure there are other aspects of American business that are feeling the negative effect of the alternative minimum tax.

Mr. President, let me suggest the alternative minimum tax which was meant to make sure that those who were drilling oil, speaking now of just that part of American enterprise, where they had to take intangible costs and drilling costs and the like, that they were not escaping some amount of tax. That alternative minimum, Mr. President, has turned into a punitive tax. We can show case after case of people in the business of drilling for oil where the tax is now punitive at 60, 70, and even 80 percent because of the way the alternative minimum tax operates against these expenditures which, in turn, are not given the credit as being expenditures but rather are part of the tax.

Frankly, I am not one who is trying to convince the Senate or the Finance Committee as they do their work, that we ought to change our laws and give a big gift to those who are involved in this kind of activity, nor do I believe we can drill so many wells that we will return to a position where we are no longer dependent, not at all. It seems to me we have to minimize our dependence and wherever we can permit American business to help us do that.

It is absolutely amazing how many thousands of workers and how many tons of steel went into American drilling principally by independent oil and gas operators. The numbers on the amount of steel kind of slip me from tonight; I have not locked them in, but it is somewhere in the range of using as much steel as Ford Motor Co. annually when we were drilling as we were at our peak—some rather incredible amount of steel. We have lost an estimated 300,000 workers across America as these field activities shriveled.

Now, everyone in the business will tell you one of the reasons we are not drilling, and one of the reasons the rig counts are down, is plain simple investment quality of drilling. And the investment quality, that is, when people look at putting money in, what is the quality of the investment—the quality has degenerated because of the alternative minimum tax that outsiders investing their money with independents to produce oil is literally illogical and from the standpoint of making a prudent use of money has absolutely reached the point where you cannot talk anyone into it.

Frankly, I happen to think that is bad. Maybe some think it good. Maybe some think we should not even drill wells. There are still some around who think every time you do that you harm something, but frankly we were built on oil, we were built on the energy from oil wells and from oilfields. That is what made us strong early on as a nation.

This particular product was found in abundance, and it actually fueled the American industrial merit. We have not found out how to do without it yet, so we import huge amounts from overseas. We take our hard-earned money and we send it elsewhere.

The truth of the matter is, Mr. President, that American investment and American companies are not giving up on producing oil. What they are doing is giving up on producing it here. So they are moving quickly to do their investing in Malaysia and countries we never heard of because they can get a return. Frankly, I am not particularly upset with their investment——

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. DOMENICI. Surely.

Mr. JOHNSTON. I think we have a unanimous consent which would give everybody the ability to go home.

Mr. DOMENICI. I am finished, if the Senator does not mind. I will not take but 30 seconds.

I am not particularly angry at our American companies going overseas. In fact, I think it is the quality of the investment. But I think we ought to be angry at a law that is on the books that has served its useful purpose, if it ever had one, and now is serving a very negative purpose in Americans producing American oil and gas.

I thank the Chair, and I yield the floor.

Mr. JOHNSTON. Mr. President, I believe we now have agreement as to finishing the energy bill tomorrow which is as follows: That the only amendments in order are a Metzenbaum amendment shortly to be accepted relative to antitrust, a Metzenbaum amendment related to natural gas refunds, which shall be laid down at 10 a.m.

Mr. WALLOP. It has been laid down.

Mr. JOHNSTON. Which has been laid down and will be considered at 10 a.m., with 30 minutes of debate equally divided, that at 10:30 a vote occur on the Metzenbaum amendment without any intervening motions, second-degree amendments, or quorum calls; that other amendments in order would be a Biden amendment with respect to the Nuclear Safety Board, on which there would be a 30-minute time agreement when offered, if offered; that there be such Graham and Mack amendments with respect to the OCS as has already been reserved in the unanimous consent. In effect we are not affecting the unanimous consent already agreed to with respect to Graham and Mack amendments relating to the OCS; that there be a Johnston amendment relevant relating to energy. That amendment is a place holder just in case we need it; that there be a—did Senator BRYAN want the amendment on industrial reporting?

Mr. BRYAN. Yes. In responding to the inquiry by the distinguished chairman, we will need some time set aside for the amendment which I talked to the distinguished chairman and others about earlier today on establishing a voluntary program.

Mr. JOHNSTON. Would 30 minutes be all right?

Mr. BRYAN. Thirty minutes would be fine.

Mr. JOHNSTON. That there be an amendment by Senator BRYAN on industrial reporting, with 30 minutes equally divided; that other amendments in order would be—will Senator WALLOP read those?

Mr. WALLOP. That there be a Dole amendment on, I think it is alternative fuels—energy related, 30 minutes; a Grassley amendment, the same topic, 1 hours; a Mack PUHCA amendment of 1 hour; a Specter PUHCA amendment of 1 hour; and Wallop relevant amendment that is the same sort as the Johnston amendment, a sort of place holder.

Mr. President, I would also say then all of those Senators have indicated, but for Senator GRASSLEY, that is might well be that they would take less time.

Mr. JOHNSTON. Mr. President, I incorporate the amendments read by Senator WALLOP into my unanimous-consent request with a further proviso that no amendment may relate to CAFE or to ANWR, and that, Mr. President, these amendments have to be offered on tomorrow because we expect to finish this bill tomorrow.

Mr. METZENBAUM. Reserving the right to object, and I have no intention of objecting, I wonder, in view of the fact that we are locking in each of these amendments and the Senators know what is in each amendment, whether it is necessary and whether it is not asking those of us who have concerns about this bill a little bit much to permit each of the Senators to have an open door to offer an amendment undescribed at this point while the rest of us would not have any rights in that relationship? I wonder if the Senator could not give that up in view of the parliamentary situation at the moment.

Mr. JOHNSTON. Mr. President, I can tell the Senator there is no ulterior motive. It is simply a place holder in case some Senator has—I can assure the Senator we are not going to put in any important amendment that is not otherwise important. I had already had a place-holder amendment.

Mr. METZENBAUM. And the Senator also speaks for the Senator from Wyoming?

Mr. WALLOP. Mine is the same sort of purpose. An example would have been an amendment by the Senator from Nebraska this morning, Senator EXON, that was inadvertently left out of the list. But it is just important when you are trying to put the last of it together.

Mr. METZENBAUM. I thank my colleagues. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement is as follows:

Ordered, That at 10:00 a.m. on Wednesday, February 19, 1992, the Senate resume consideration of S. 2166, the National Energy Security Bill, and that there be 30 minutes of debate, equally divided and controlled in the usual form on amendment No. 1642, proposed by the Senator from Ohio (Mr. Metzenbaum).

Ordered further, That no second degree amendments be in order to amendment No. 1642, and that at the conclusion or yielding back of time, the Senate vote on the amendment, without intervening action or debate.

Ordered further, That the only amendments remaining in order to S. 2166, be the following amendments which must be proposed on Wednesday, February 19, that the amendments be subject to relevant second degree amendments, and that the time for debate be limited as indicated: *Provided,* That no CAFE or ANWR amendment be in order as a first or second degree amendment.

Biden, Nuclear Safety Board, 30 minutes.

Bryan, industrial energy reporting, 30 minutes.

Dole, alternative fuels, 30 minutes.

Graham/Mack, strike sections 12101, and 12102.

Graham, S. 736, amend this bill with provisions (make lease cancellation easier to accomplish, give States veto power over OCS).

Graham, OCS.

Grassley, alternative fuels amendment, 1 hour.

Johnston, relevant (not CAFE or ANWR).

Mack, PUHCA, 1 hour.

Specter, PUHCA amendment, 1 hour.

Wallop, relevant (not CAFE or ANWR).

Mr. JOHNSTON. Mr. President, we now I think can proceed with the Metzenbaum amendment.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, in view of the agreement, there will be no further rollcall votes this evening. It is my expectation that we will complete action on the bill tomorrow, indeed. Under the terms of the agreement, no amendments would be in order after tomorrow. So all of the amendments have to be offered tomorrow.

I anticipate there will be several rollcall votes during the day based upon the statements made by the managers and the other interested Senators during the course of preparing this agreement.

So I commend my colleagues for their perseverance and cooperation. Senators should expect that there will be rollcall votes throughout the day tomorrow and, pursuant to this agreement, we will complete action on the energy bill tomorrow.

Mr. WALLOP. Beginning at 10:30?

Mr. MITCHELL. That is correct. Senator WALLOP is correct.

The first vote will occur at 10:30 sharp on the Metzenbaum amendment which was debated this evening and which will be debated for an additional 30 minutes between 10 a.m. and 10:30 a.m. tomorrow morning.

Mr. JOHNSTON. Mr. President, I ask the majority leader for his advice. On tomorrow, if Senators do not show up, I do not mean we should immediately go to third reading. But is it the leader's feeling that, after the passage of a reasonable period of time, Senators have a right to be protected throughout all of the day?

Mr. MITCHELL. No. I believe there has been more than ample notice to Senators with respect to this bill. There has been substantial period for consideration as is appropriate since it is an important and comprehensive measure. But it seems to me that every Senator is well advised now as to what the situation is. The amendments are identified, and Senators simply must assume the responsibility of being present to offer their amendments. Otherwise, the managers will certainly be justified after giving notice tomorrow during the day to go to third reading.

Mr. JOHNSTON. I thank the leader.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Metzenbaum amendment previously pending be temporarily set aside in order to consider the present amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1643

(Purpose: To clarify the application of antitrust laws to persons)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1643.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 243, line 13, after the period, insert the following new sentence: "Nothing in this Act shall be considered to convey to any person other than the Corporation immunity from civil or criminal liability, or to create a defense to an action, under the antitrust laws.".

Mr. METZENBAUM. Mr. President, this amendment deals with the question of certain antitrust concerns that have been indicated. We worked out the language of the amendment. It is my understanding that it is acceptable to both managers of the bill.

Mr. JOHNSTON. Mr. President, this amendment will clarify the application of the antitrust laws with respect to the Uranium Enrichment Corporation established by title X. We cleared this all around, including Senator FORD. We are willing to accept it.

Mr. WALLOP. As to the minority, we are quite prepared to accept it as well.

The PRESIDING OFFICER. Without objection, the amendment (No. 1643) is agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATURAL GAS END-USE TECHNOLOGIES

Mr. WIRTH. Mr. President, I would like to clarify one point in section 13103 of the bill, and give emphasis to another, as the result of new data recently made public, that seriously affects the world's environment.

First, I want to clarify that the technologies enumerated in this section are not intended to be exclusive of other technologies not mentioned. For example, the triple-effect absorption chiller [3AC] technology was initially developed by Oak Ridge National Laboratory [ORNL] with funds provided by this Congress. This technology derives the heat which drives its thermochemical reaction from a high efficiency, natural gas fired cogeneration system. Using the same amount of heat energy, the 3AC system will produce about 50 to 60 percent more refrigeration than the existing double absorption chiller technology currently dominated by three Japanese companies, but developed in the United States. Furthermore, this is a cooling technology that does not use CFC's. On the basis of new information provided by NASA scientists, President Bush issued an Executive order which will speed up the phase-out of CFC's by the end of 1995, rather than the year 2000, exercising the option we provided in the Clean Air Act of 1990. This action is long overdue, and creates an even greater urgency for the United States to provide a clean, nontoxic substitute for conventional cooling systems. The changeover from conventional air-cooling systems to systems that are environmentally clean will be a multibillion dollar transition. Current plans are for models to be tested on the market in 12 to 18 months, and commercial models available in 36 months. The Federal Government invested many millions in the creation and development of the 3AC system, sold the patent rights to an energy company, and will receive a 6-percent royalty from the sale of 3AC systems. The dollars will be spent on new cooling technology by American businesses and citizens. The question is, do we want this to be a U.S. industry where the technology was invented, and create thousands of jobs in manufacturing, production, and installation; or simply sit back and allow another imported product to increase our trade deficit even further?

I would strongly urge the Congress and the DOE to help encourage the development of a commercial 3AC system under the authority of section 13103.

Mr. JOHNSTON. I want to thank the Senator from Colorado for bringing this matter to the attention of this body, and concur that the technologies enumerated in section 13103 of the bill are a nonexclusive list. The particular technology Senator WIRTH has just spoken of, and other promising technologies, would be eligible for funding under this section.

Mr. WIRTH. I want to thank the chairman for that clarification.

ADVANCED REACTOR DEMONSTRATION

Mr. WALLOP. Mr. President, one of the most significant challenges facing the United States during the 1990's will be assuring reliable and affordable supplies of electricity to sustain economic growth and prosperity, consistent with environmental protection, thereby preserving America's competitive position in the world.

According to various projections and forecasts, there will be a need to construct from 82,000 MW to 152,000 MW in baseload capacity by the turn of the century to meet increased electricity demand. These figures are based on demand growth projections of 2 percent per year by the North American Electric Reliability Council and 2.7 percent per year by the DOE, respectively. While these estimates already incorporate assumptions concerning demand side management [DSM] programs and increases in efficiency, future electricity demand could grow more slowly due to even more aggressive DSM and energy efficiency measures than those assumed. On the other hand, while utility plans for compliance with the Clean Air Act Amendments of 1990 are still evolving, it is likely that these capacity estimates may very well increase as a result of the derating or retirement of fossil plants due to compliance with that act.

Beyond this decade, the need for new baseload capacity additions becomes even more dramatic. According to projections in administration's national energy strategy report, 190,000 MW to 275,000 MW of capacity must be added by 2010. Approximately 85 percent of this additional capacity will be baseload capacity—or electricity needed around the clock.

While the administration's NES finds that the need for utilities to have additional baseload capacity will be most pronounced after the turn of the century, the need for utilities to begin planning this capacity, making resource selections and beginning construction is more immediate. These decisions must be made within this decade. In fact, baseload additions are being considered now.

If a reasonable amount of needed electrical capacity is to be provided from baseload plants to assure stable, low-cost electric supply, an average of more than 20 to 30 units of midsized capacity, 600 MW, or more than half that range for large size, 1,300 MW, capacity increments, should be ordered each year beginning in the mid-1990's since baseload units will take 5 to 6 years to begin producing energy after plant construction begins.

In cooperation with the Department of Energy [DOE], the nuclear energy industry has made impressive progress in developing advanced nuclear energy plants to meet a significant part of this demand for the 1990's and beyond. The goal of this effort is to have commercially standardized designs available for order by 1995 to ensure nuclear energy's contribution in meeting the Nation's future electrical generation requirements. As significant progress toward this goal is being made, the importance of the nuclear energy option as a vital element of the Nation's energy mix becomes increasingly clear to us.

Beyond the baseload generating plants, the renewed interest in nuclear energy and in advanced nuclear energy plants is driven by a growing awareness of: First, the dramatic improvement in nuclear energy plant performance nationwide; second, the need to develop secure, domestic energy sources to lessen our dependency on foreign oil; and third, the environmental advantages of nuclear energy as a clean energy source that does not contribute to such environmental problems as air pollution, acid rain, and greenhouse gases. Advanced nuclear energy plants are being designed to incorporate knowledge gained from extensive operational experience as well as design improvements to enhance plant safety, reliability, economics, and construction time.

Unfortunately, even with their promise of enhanced safety, improved reliability and competitiveness with other forms of electrical generation, the advanced nuclear energy plants will not by themselves ensure their use in the United States. This is because of nontechnical, or so-called institutional barriers.

The commercial nuclear energy industry is committed to develop the next generation of advanced nuclear energy plants. Nuclear utilities, supported by all segments of the nuclear energy industry, issued a "Strategic Plan for Building New Nuclear Power Plants" in November 1990. This comprehensive plan is a blueprint for building a new institutional framework of laws, regulations, financing arrangements, technology development, and public support that will permit utilities and investors to make the investments needed to build and operate new plants. Under that framework, the industry has assembled a comprehensive, integrated set of actions required to be taken for enabling new plants to be ordered by the mid 1990's.

In concert with the industry's effort to develop standardized advanced, nuclear energy plants, NRC's standardization rule, 10 CFR 52, which provides for early site permits, certification of advanced designs and the issuance of combined construction permit and operating license, and DOE's nuclear

R&D program—which supports a 50/50 cost shared program with commercial sectors to develop standardized designs—are crucial to the effort to make advanced commercial nuclear energy plants available by the mid-1990's, when utilities must have the option of ordering nuclear energy plants to meet a significant part of U.S. demand.

Title VIII of S. 2166 will provide the guidance of DOE's Nuclear Energy Office to ensure necessary resources are focused on civilian nuclear R&D to accomplish first-of-a-kind engineering on advanced light-water reactors, and to support the development and submission for certification by the NRC of completed standardized designs by 1995.

The first application for certification was submitted more than 5 years ago by GE on its advanced light-water reactor [ALWR] design. The Tokyo Electric Co. of Japan signed a contract with GE for two ALWR units and will begin the construction on the second unit in 2 months. Initially, TEPCO wanted GE to obtain NRC certification before the commencement of construction at their Kashiwazaki-Kariwa site. However, with the continuing delay on ALWR design approval, TEPCO finally proceeded with the commencement of construction last year when it obtained design approval from the Japanese Government.

However, domestic utilities will not be able to consider nuclear energy as a viable option unless design certification for ALWR's is completed by 1995, when decisions on new generation sources must be made. Besides GE's ALWR, ABB/Combustion Engineering's System 80 plus and other passive designs such as Westinghouse's AP 600 and GE's simplified boiling water reactor must be certified.

In its fiscal year 1993 budget request, DOE has requested $130 million, including $34 million unobligated balances from the prior year for advanced reactor R&D. Even though DOE each year has consistently requested approximately $300 to $350 million for programs in the Office of Nuclear Energy, the major percentage of the funding is directed toward R&D for space and defense programs and the operating costs for DOE facilities. Only 35 percent of the Nuclear Energy Office's budget is earmarked for R&D programs related to nuclear energy. The percentage of civilian nuclear energy program budgets for fiscal year 1991 and fiscal year 1992 were 33 and 37 percent, respectively.

We simply cannot allow DOE to squander U.S. technologies if we do not do our share to hasten revival of the nuclear energy option when the country needs them.

I am equally concerned about the pace of NRC efforts toward completion of the design certification reviews. Since Ivan Selin was confirmed as NRC Chairman there has been noticeable improvement, but we must give priority to completion of the review of this proven technology.

To keep DOE and NRC on track, this title would require the agencies to adhere to establish schedules and submit annual reports on the progress made in meeting these goals.

In addition to the ALWR's, title VIII requires the Secretary of Energy to complete the necessary R&D on the other advanced nonlight-water reactor designs, such as the modular high temperature gas-cooled reactor and the advanced liquid metal reactor. The completion of these R&D activities will support the design for prototype demonstration projects. DOE must submit a recommendation by January 31, 1996, on whether to build one or more full scale prototype demonstration reactors. The decision for prototype demonstration projects can then be made by Congress. The Energy Secretary is further required to prepare a detailed 5-year program to carry out the program and update the report annually.

Nuclear energy already has made a substantial contribution to our energy security. Since 1973, nuclear energy plants have displaced the equivalent of more than 4 billion barrels of imported oil and, in so doing, lowered our trade deficit by $125 billion. In 1991, nuclear energy provided approximately 21 percent of the Nation's electricity need. If our Nation is to enjoy continued economic prosperity, we must have viable options for additional generating capacity and to replace aging capacity. Even with increased efficiency, conservation and contribution from renewable sources of energy, our country will need additional nuclear and coal plants to avoid growing even more dependent on foreign oil. Standardization and licensing reform are essential to encouraging future advanced nuclear energy plant orders.

In closing, Mr. President, title VIII will ensure that standardized, advanced reactor designs will be available when needed. Certification of standard designs is an important step in lowering the cost of nuclear plants through providing greater certainty to the quality of equipment, shorter construction time and standardization in operating procedures.

THE ENERGY BILL

Mr. LIEBERMAN. Mr. President, as this legislation moves toward final passage, I would like to extend my congratulations to Senators JOHNSTON and WIRTH for their outstanding work in putting together a very strong energy efficiency title. This legislation takes major steps forward in the field of energy conservation in many sectors including the Federal Government, commercial and industrial equipment, and buildings. I would also like to extend my congratulations and gratitude to the Alliance to Save Energy and the American Council for an Energy Efficiency Economy for their excellent work on these provisions and for successfully working with industry to reach agreement in so many areas. While the bill does not address the auto fuel economy issue, it does take other important steps. Senator WIRTH has set forth earlier this morning a detailed summary of the energy conservation provisions. Let me take a few moments to discuss some aspects for this section.

First, I am particularly pleased that this legislation includes provisions on Federal Government energy conservation drawn in part from S. 417, legislation I introduced last February requiring the implementation in federally owned and leased facilities of all energy conservation measures with payback periods of 10 years or less. I greatly appreciate Senator JOHNSTON's willingness to tackle these issues, and for the first-rate assistance and advice on them I received from Allan Stayman of the Energy Committee staff.

In a recent report, the Congressional Office of Technology Assessment estimates that the Federal Government spent nearly $4 billion in fiscal year 1989 for energy in Federal facilities. OTA further estimates that commercially available, cost-effective measures including high efficiency lighting and carefully operating heating, ventilating, and airconditioning systems could save 25 percent of that cost without any sacrifice in comfort or productivity.

Yet our Federal Government has failed to implement conservation measures in its facilities that would ultimately save the taxpayers billions of dollars in energy savings. For example, OTA points out that inefficient, costly to operate lighting is still common throughout the millions of square feet of office space owned or leased by the Federal Government and its contractors. The Department of Energy has admitted that just reducing Federal lighting energy needs by 25 percent would save taxpayers up to $930 billion per year.

S. 2166 also adopts provisions from my legislation establishing a framework for Federal agencies to develop innovative financing options that will minimize the need for upfront Federal investments, known as shared energy savings contracts. For the last 15 years, State and local governments have been retrofitting government buildings with energy conservation improvements without any capital investment. Our friends at the State and local government level have been taking advantage of beneficial public-private partnerships. Now, under S. 2166, a private energy services company can come in and make a contract with a Federal agency to install and pay for energy conservation measures. The Federal agency will not be required to make any expenditure and the amount the Federal Government has to pay for electricity is immediately reduced because of the energy conservation measures. Private companies will recoup their investment from energy savings resulting from the energy improvements.

These provisions on Federal Government energy conservation are as close to a win/win situation as I can imagine and should go a long way toward ensuring that the Federal Government is a model energy consumer.

Second, I believe that the Federal Government also must be a leader in developing new energy conservation and clean energy alternatives. These are tremendous market opportunities both at home and abroad for these technologies and the Federal Government should be taking an aggressive role in ensuring that American companies are meeting these market demands. It is critical to our competitiveness and to American jobs.

One of the Nation's most promising clean energy alternatives is fuel cells. Last March, the Report of the National Critical Technologies Panel listed fuel cells as one of the Nation's promising technology applications which responds to the pressing national need to reduce the use of fossil fuels, reduce the import of liquid fuels and minimize adverse environmental impacts of modern industrial society.

I'm pleased that the legislation includes provisions authorizing demonstration programs for energy conservation technologies which are ready for commercialization in Federal facilities. Additionally, the title on renewable energies contains a provision authorizing the Secretary of Energy to enter into a joint venture for the demonstration of fuel cell technology with the purpose of designing, testing and demonstrating the production of energy from fuel cells. Again, I want to thank Chairman JOHNSTON for including these provisions.

Third, S. 2166 contains very important new standards for commercial and industrial equipment. I would particularly like to note the long and hard work of Senator WIRTH in reaching an agreement with industry on standards for motors and lamps which will ensure that the least efficient products are gradually removed from the market, and of Senator JOHNSTON for pressing for their inclusion.

Electric motors account for 55 percent of national energy use. The standards in S. 2166 will result in a savings of about 1.2 quads of energy through 2010—eliminating the need for six very large power plants by 2010. Economic savings over this time period should be approximately $5 billion.

Lamps account for approximately 16 percent of national electricity use. The most energy efficient lamps have a pay back period of less than 2 years. The standards in S. 2166 will result in a savings of 6.1 quads of energy between now and 2010—an amount equivalent to 1 year's use of oil at the rate of 3 million barrels of oil per day. The savings to consumers will be about $25 billion through the year 2010.

Energy efficiency standards are also included for showerheads and commercial heating, ventilation, and air conditioning equipment.

Fourth, the legislation requires States to consider methods of ensuring that energy efficiency, energy conservation, and demand side management are as profitable as investments in energy supply. This process, known as least-cost planning, will provide enormous incentives to invest in energy efficiency. The legislation also provides incentive funding to States that undertake proceedings to implement least cost planning.

The Electric Power Research Institute estimates that demandside management programs could reduce annual electric use by 3 percent by the year 2000. That is the equivalent of 24 big power plants' worth of electricity.

According to a recent article in the Hartford Courant, New England utilities have pursued conservation and demand management more aggressively than any other region in the country in the past 4 years. By the year 2006, the region's utilities estimate that their investments in conservation programs will have saved them building the equivalent of 3.5 power plants—the size of one of Connecticut's nuclear reactors.

Finally, the legislation contains important provisions establishing a Federal energy efficiency standard for new Federal buildings and buildings receiving federally guaranteed mortgages, with the requirement that the code be reviewed every 5 years.

According to a recent study by the Alliance to Save Energy, buildings account for more than a third of national energy use, and homes use more than half of this amount. Over the last two decades, new technologies and building methods have shown that much of the energy used in new homes can be avoided through cost-effective efficiency features. The Alliance to Save Energy estimates that adopting a widely accepted energy code would save 7.24 trillion Btu of energy in each year's new home production. This would serve the energy needs of about 65 to 70,000 single-family homes.

Mr. President, I refer my colleagues to Senator WIRTH'S statement this morning on the energy efficiency provisions for a more complete description and I would like to again congratulate Senator JOHNSTON and Senator WIRTH for their excellent work in this area.

TRIBUTE TO FRANK CARRINGTON

Mr. THURMOND. Mr. President, I rise today to pay tribute to a great patriot and champion of justice, Frank Carrington, who was killed in a tragic fire last month. Mr. Carrington was a man of character, compassion, and courage, and he will be deeply mourned.

The life of Frank Carrington is a classic illustration of the fact that one man can make a difference. During his years as a law enforcement officer and attorney, Mr. Carrington observed the trauma of crime victims on a daily basis. It became increasingly clear to him that the rights of criminals were all too often given more consideration than the rights of their innocent victims, and he determined to do something about this appalling inequity.

Mr. Carrington went on to become a one-man army fighting on behalf of crime victims. His keen legal mind, compelling personality, and determination to succeed made him a powerful advocate for victims, and his efforts are considered to be a pivotal factor in making our legal system more responsive to their needs.

Mr. Carrington was born in Paris, the son of Frank Gamble Carrington, Sr., and Edith Rule Carrington. After graduating from Hampden-Sydney College in Virginia, he entered the Marine Corps, serving with great pride as a criminal investigator in the corps criminal investigation division until 1963. During his years in the Marine Corps, he earned a degree from the University of Michigan Law School; and he later earned a degree in criminal law from Northwestern University and served with distinction as a U.S. Treasury agent.

Mr. Carrington was a distinguished attorney, admitted to the bars of several States and a number of U.S. Circuit Courts of Appeal, district courts, and the Supreme Court of the United States. He was also a noted author and lecturer on topics related to criminal law and victims' rights, and he created a comprehensive data bank for the use of attorneys representing victims of crime.

He filed numerous amicus curiae briefs with the Supreme Court and worked tirelessly for various victims' organizations, including Security on Campus, a nonprofit organization promoting crime prevention and victims' assistance on the campuses of our Nation's colleges and universities. He was the director of the crime victims' litigation project of the National Victim Center, a nonprofit organization dedicated to promoting victims' rights; and the executive director of the Victims' Assistance Legal Organization [VALOR]. In addition, he served as executive director and later president of Americans for Effective Law Enforcement.

Mr. Carrington was appointed to President Reagan's Advisory Task Force on Victims of Crime as well as the Advisory Task Forces on Law Enforcement and Administration of Justice. He also served on Attorney General William French Smith's Task Force on Victims of Crime and as Vice-Chairman of the U.S. Department of Justice National Institute of Justice Advisory Board.

Mr. President, Frank Carrington was an outstanding man in every way. His charming personality and sense of humor endeared him to his many friends and acquaintances, and he was a loving and devoted husband and father. He was also a formidable champion on behalf of victims of crime, and all those who worked with him in pursuit of his goals respected and admired him.

Although he was a young man, Mr. Carrington accomplished more than some men could achieve in several lifetimes. In remembering him, I am particularly reminded of some lines by Theodore Roosevelt, that great American individualist:

> The credit belongs to the man who is actually in the arena; whose face is marred by dust, sweat and blood. A man who knows great enthusiasm and great devotion. Who spends himself in a worthy cause. Who, in the end knows the triumphs of high achievement, and, if he fails, at least fails while daring greatly. So that his place shall never be with those cold and timid souls who know neither victory nor defeat.

Like Roosevelt, Frank Carrington was a fighter, and we honor the memory of his many achievements. The loss of men like Frank diminishes all of us, and we shall miss him.

I would like to take this opportunity to extend my deepest condolences to his lovely wife, Mary Olson Carrington; his daughters, Christine Carrington Winters and Clare Carrington McDowell of California; his stepson, Daniel Robert Willey, and his stepdaughter, Christine Willey Miller; his sister, Maggie Carrington; and the rest of his fine family.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

MORNING BUSINESS

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar No. 488, Kevin E. Moley, to be Deputy Secretary of Health and Human Services; Calendar No. 433, Arnold R. Tompkins, to be an Assistant Secretary of Health and Human Services; and Calendar No. 474, Arnold R. Tompkins to be Chief Financial Officer of Health and Human Services.

I further ask unanimous consent that the Senate proceed to immediate consideration, and that the nominees be confirmed, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Arnold R. Tompkins, of Maryland, to be an Assistant Secretary of Health and Human Services.

Arnold R. Tompkins, of Maryland, to be Chief Financial Officer, Department of Health and Human Services.

Kevin E. Moley, of Louisiana, to be Deputy Secretary of Health and Human Services.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 102–22

Mr. MITCHELL. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the protocol on environmental protection to the Antarctic Treaty—Treaty Document No. 102–22—transmitted to the Senate on February 14, 1992, by the President; and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Protocol on Environmental Protection to the Antarctic Treaty, with Annexes, which was done at Madrid October 4, 1991, and an additional Annex, done at Bonn October 17, 1991. I also transmit for the information of the Senate the report of the Department of State with respect to the Protocol.

The Protocol designates Antarctica as a natural reserve, devoted to peace and science, and provides for an indefinite ban on mineral resource activities there. It specifically prohibits all activities relating to Antarctic mineral resources, except for scientific research, with the proviso that this prohibition cannot be amended by less than unanimous agreement of the Antarctic Treaty Consultative Parties for at least 50 years after entry into force of the Protocol.

The Protocol requires Parties to protect Antarctic fauna and flora and imposes strict limitations on disposal of wastes in Antarctica and discharge of pollutants into Antarctic waters. It also requires application of environmental impact assessment procedures to activities undertaken in Antarctica, including nongovernmental activities, for which advance notice is required under the Antarctic Treaty. Parties are further required to provide for response to environmental emergencies, including the development of joint contingency plans.

Detailed mandatory rules for environmental protection pursuant to these requirements are incorporated in a system of annexes, forming an integral part of the Protocol. Specific annexes on environmental impact assessment, conservation of Antarctic fauna and flora, waste disposal and waste management, and the prevention of marine pollution were adopted with the Protocol. A fifth annex on area protection and management was adopted October 17, 1991, by the Antarctic Treaty Consultative Parties at the Sixteenth Antarctic Treaty Consultative Meeting. Provision is also made for additional annexes to be developed following entry into force of the Protocol. The Protocol establishes a Committee on Environmental Protection to provide advice and recommendations to the Antarctic Treaty Consultative Meetings on the implementation of the Protocol.

The Protocol incorporates provisions to ensure effective compliance with its requirements, including compulsory and binding procedures for settlement of disputes relating to mineral resource activities, environmental impact assessment and emergency response action, as well as over the detailed rules included in the annexes.

I believe the Protocol, with its Annexes, to be fully in the U.S. interest. Its provisions advance basic U.S. goals of protecting the environment of Antarctica, preserving the unique opportunities Antarctica offers for scientific research of global significance, and maintaining Antarctica as a zone of peace. Its conclusion represents an important step in strengthening the Antarctic Treaty and the unique form of international cooperation it has fostered.

I recommend that the Senate give early and favorable consideration to the Protocol on Environmental Protection to the Antarctic Treaty, with Annexes, and give its advice and consent to ratification.

GEORGE BUSH.

THE WHITE HOUSE, *February 14, 1992.*

APPOINTMENT BY THE REPUBLICAN LEADER

The PRESIDING OFFICER. The Chair, on behalf of the Republican leader, pursuant to Senate Resolution 143 (102d Congress, 1st session), appoints the Senator from Idaho [Mr. SYMMS] as a member of the World Climate Convention Observer Group, vice the Senator from Oklahoma [Mr. NICKLES].

ORDER OF PROCEDURE

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, if I might have the attention of the distinguished managers and the distinguished Senator from Wyoming, so there can be no misunderstanding, the agreement propounded by the Senator from Louisiana and accepted by the Senate does not by its terms preclude relevant second-degree amendments.

So that all Senators may be aware, relevant second-degree amendments are in order under the agreement, lest there by any question about that. I wanted to make certain so that no Senator will have any misunderstanding.

Mr. JOHNSTON. Mr. President, the Senator is correct, save with the Metzenbaum amendment. We will vote that up or down exactly at 10:30.

Mr. MITCHELL. That is correct.

Mr. JOHNSTON. And no amendment may relate to CAFE or ANWR. The leader is correct.

Mr. MITCHELL. I wanted to make certain that there was no misunderstanding.

DEADLINE FOR APPOINTMENT OF THE DIRECTOR OF THE OFFICE OF SENATE FAIR EMPLOYMENT PRACTICES EXTENDED THROUGH MARCH 31, 1992

Mr. MITCHELL. Mr. President, I ask unanimous consent that the deadline in Public Law 102-166, section 303(b)(4) for the appointment of the Director of the Office of Senate Fair Employment Practices by the President pro tempore, upon the recommendation of the majority leader in consultation with the minority leader, be extended through March 31, 1992; and that the Director's appointment take effect within 30 days following that person's appointment, as agreed to by the President pro tempore, upon the recommendation of the majority leader in consultation with the minority leader.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on February 14, 1992, during the recess of the Senate, received a message from the President of the United States transmitting sundry nominations and a treaty, which were referred to the appropriate committees.

(The nominations and treaty received on February 14, 1992 are printed in today's Record at the end of the Senate proceedings.)

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 107

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on February 11, 1992, during the recess of the Senate, received the following message from the President of the United States; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of July 26, 1991, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a U.S. person. In that order, I also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. I prohibited travel-related transactions and transportation transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724 that I issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution 661 of August 6, 1990.

1. Since my last report, important and rapid progress has been made in establishing the framework for processing U.S. and other nations' claims against Iraq for damages arising from its unlawful invasion and occupation of Kuwait. The Governing Council of the U.N. Compensation Commission has adopted criteria for various categories of claims, including small and large claims of individuals, claims of corporations, and claims of government and international organizations—including environmental damage and natural resource depletion claims. In addition, the Governing Council agreed to begin expedited consideration of claims of individuals for up to $100,000 as of July 1, 1992, and set July 1, 1993, as the deadline for filing this category of claims with the Commission.

In a claims census conducted by the Treasury Department's Office of Foreign Assets Control (FAC) during the first quarter of 1991 pursuant to section 575.605 of the Iraqi Sanctions Regulations, 31 CFR Part 575 ("ISR"), reports of claims from approximately 1,100 U.S. nationals were received. Included were claims for items such as personal property looted or destroyed in Kuwait, loans or other obligations on which Iraq has defaulted, and lost future business or concession rights. Inasmuch as these claims have not been submitted to a formal claims resolution body, much less adjudicated, their actual aggregate value is not known.

2. FAC has issued 199 specific licenses—51 since my last report—regarding transactions pertaining to Iraq or Iraqi assets. Specific licenses were issued for payment to United States or third-country creditors of Iraq, under certain narrowly defined circumstances, for pre-embargo import and export transactions. Additionally, licenses were issued for conducting procedural transactions such as the filing of legal actions and for legal representation. Pursuant to United Nations Security Council Resolutions 661, 666, and 687, specific licenses were also issued to authorize the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes.

To ensure compliance with the terms of the licenses that have been issued, stringent reporting requirements have been imposed that are closely monitored. Licensed accounts are regularly audited by FAC compliance personnel and by deputized auditors from other regulatory agencies. FAC compliance personnel have also worked closely with both State and Federal bank regulatory and law enforcement agencies in conducting special audits of Iraqi accounts subject to the ISR.

3. Various enforcement actions discussed in previous reports continue to be pursued, and additional investigations of possible violations of the Iraqi sanctions have been initiated. These are intended to deter future activities in violation of the sanctions. Additional civil penalty notices were issued during the reporting period for violations of the IEEPA and ISR with respect to attempted transactions involving Iraq, and substantial penalties were collected.

After investigation by FAC and the U.S. Customs Service, a Virginia corporation and its export director were convicted in U.S. District Court for conspiracy and violations of the ISR. Investigation revealed that the corporation and its export director continued to engage in activities that were in violation of the Executive orders and the ISR after August 2, 1990. The corporation and its export director performed contracts in support of a government industrial project in Iraq, and engaged in prohibited transactions relating to travel by a U.S. person to Iraq. After conviction, the corporation was fined $50,000 and the export director sentenced to 5 months' incarceration, 5 months' supervised work release, and 2 years of supervised release administered by the Department of Justice.

4. The various firms and individuals outside of Iraq in Saddam Hussein's procurement network continue to be investigated for possible inclusion in the FAC listing of individuals and organizations determined to be Specially Designated Nationals ("SDN's") of the Government of Iraq. In practice, an Iraqi SDN is a representative, agent, intermediary, or front—whether open or covert—of the Iraqi government that is located outside of Iraq. Iraqi SDN's are Saddam Hussein's principal instruments for doing business in third countries, and doing business with them is the same as doing business with Saddam Hussein himself.

Since the Iraqi government tends to operate its international fronts as interlocking networks of third-world countries and key individuals, the SDN program is an important tool in disrupting Saddam Hussein's nuclear, military, and technological acquisitions efforts. The impact is considerable: all assets with U.S. jurisdiction of parties found to be Iraqi SDN's are blocked; all economic transactions with SDN's by U.S. persons are prohibited; and the SDN individual or organization is exposed.

5. The expenses incurred by the Federal Government in the 6-month period from August 2, 1991, through February 1, 1992, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are estimated at $2,992,210, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State (particularly in the Bureau of Economic and Business Affairs and the Office of the Legal Adviser), and the Department of Commerce (particularly in the Bureau of Export Administration and the Office of the General Counsel).

6. The United States imposed economic sanctions on Iraq in response to Iraq's invasion and illegal occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with binding United Nations Security Council resolutions calling for the elimination of Iraqi weapons of mass destruction, an end to the repression of the Iraqi civilian population, the release of Kuwaiti and other prisoners, and the return of Kuwaiti assets stolen during its illegal occupation of Kuwait. The U.N. sanctions remain in place; the United States will continue to enforce those sanctions.

The Saddam Hussein regime continues to violate basic human rights by depressing the Iraqi civilian population and depriving it of humanitarian assistance. The United Nations Security Council passed resolutions that permit Iraq to sell $1.6 billion of oil under U.N. auspices to fund the provision of food, medicine, and other humanitarian supplies to the people of Iraq. Under the U.N. resolutions, the equitable distribution within Iraq of this assistance would be supervised and monitored by the United Nations and other international organizations. The Iraqi regime has refused to accept these resolutions and has thereby continued to perpetuate the suffering of its civilian population.

The regime of Saddam Hussein continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The United States will therefore continue to apply economic sanctions to deter Iraq from threatening peace and stability in the region, and I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

GEORGE BUSH.

THE WHITE HOUSE, *February 11, 1992.*

SCIENCE AND ENGINEERING INDICATORS—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 108

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on February 14, 1992, during the recess of the Senate, received a message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

Pursuant to 42 U.S.C. 1863(j)(1), I am submitting to the Congress a report of the National Science Board entitled *Science & Engineering Indicators—1991.* This report is the 10th in a continuing series examining key aspects of the status of American science and engineering.

The importance of scientific and engineering research to the well-being of our Nation is widely recognized. Science and engineering play a vital role in maintaining our Nation's defense, improving its health, and increasing its economic productivity.

GEORGE BUSH.

THE WHITE HOUSE, *February 14, 1992.*

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on February 11, 1992, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker had signed the following enrolled bill:

H.R. 2927. An act to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes.

Under the authority of the order of the Senate of January 3, 1991, the enrolled bill was signed on February 11, 1992, during the recess of the Senate, by the President pro tempore [Mr. BYRD].

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

Andrew H. Card, Jr., of Massachusetts, to be Secretary of Transportation and

Barbara Hickman Franklin, of Pennsylvania, to be Secretary of Commerce.

Mr. HOLLINGS. Mr. President, for the Committee on Commerce, Science, and Transportation, I also report favorably two nomination lists in the Coast Guard, which were printed in full in the CONGRESSIONAL RECORD of January 22, 1991, and ask unanimous consent, to save the expense of reprinting on the

Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. SHELBY:

S. 2223. A bill to treat certain mutual fund shares held by a financial institution as an item of ordinary income; to the Committee on Finance.

Mr. MOYNIHAN:

S. 2224. A bill to extend until January 1, 1995, the temporary suspension of duty on leucovorin calcium powder; to the Committee on Finance.

Mr. MOYNIHAN:

S. 2225. A bill to suspend until January 1, 1995, the duty on Ethambutol hydrochloride; to the Committee on Finance.

Mr. MOYNIHAN:

S. 2226. A bill to suspend until January 1, 1995, the duty on beta lactamase inhibitor (Tazobactam); to the Committee on Finance.

Mr. HELMS:

S. 2227. A bill to suspend temporarily the duties on sumatriptan succinate (bulk and dosage forms); to the Committee on Finance.

Mr. HELMS:

S. 2228. A bill to suspend temporarily the duties on ondansetron hydrochloride (bulk and dosage forms); to the Committee on Finance.

Mr. HELMS:

S. 2229. A bill to suspend temporarily the duties on cefuroxime axetil (bulk and dosage forms); to the Committee on Finance.

Mr. BREAUX (for himself and Mr. CHAFEE):

S. 2230. A bill to amend title XVIII of the Social Security Act to provide coverage of outpatient education services under part B of the medicare program for individuals with diabetes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SHELBY:

S. 2223. A bill to treat certain mutual fund shares held by a financial institution as an item of ordinary income; to the Committee on Finance.

TAX TREATMENT OF CERTAIN MUTUAL FUND SHARES

• Mr. SHELBY. Mr. President, I am pleased to introduce legislation to correct an inequity in the Internal Revenue Code with respect to the tax treatment of certain mutual fund shares held by financial institutions. It is a problem that is shared by all financial institutions but has a particularly harsh impact on smaller banks.

The Tax Equity and Fiscal Responsibility Act of 1986 took away the ability of banks to invest in tax free bonds. Since that time, banks have looked for taxable investments that will partially offset the loss of their tax-free investments. In 1987 the comptroller of the currency began allowing banks to invest in mutual funds. This includes mutual funds which are comprised of U.S. Government securities or Government guaranteed mortgages. Unfortunately, the Internal Revenue Service treats these investments as capital assets as opposed to bonds. Because of this, if a bank sells such fund investments at a loss it cannot deduct the loss except to offset capital gains. However, as we all know, a bank does not have capital gains because securities gains are ordinary gains to banks.

Section 582 of the code sets forth certain special rules relating to gains and losses of financial institutions. In particular, section 582(c) provides that a financial institution is denied capital asset treatment for sales or exchanges of bonds, debentures, notes or certificates or other evidences of indebtedness. In effect, the financial institution therefore incurs either ordinary income, or ordinary loss, from the sale or exchange of such property. The rationale for this rule is simply that a financial institution, by its nature, is in the business of lending money. While the sale or exchange of a debt instrument by most taxpayers is treated as a capital asset transaction, for financial institutions it is, in substance, a loan made in the ordinary course of business and, as a consequence, produces either ordinary gain or ordinary loss. Moreover, it has been Congress' clear intent to treat appropriate conduit vehicles or, stated differently, indirect means of accomplishing the same functional result, precisely in the same manner as the direct transaction.

Consistent with this conduit theory, when Congress enacted the 1986 tax bill it promptly amended section 582(c)(1) to make clear that interests in real estate mortgage investment conduits [REMIC's] are evidences of indebtedness, the sale or exchange of which produces ordinary gain or loss. Although Congress consistently has sought to treat mutual funds like REMIC's, it failed to make clear in the 1986 act that a financial institution's interest in a mutual fund with a portfolio limited to bonds, debentures, notes, or certificates or other evidences of indebtedness likewise should be treated as "evidence of indebtedness" for purposes of section 582(c)(1). As a result, the tax treatment of mutual funds is different for REMIC's, producing capital gains or losses instead of ordinary gains or losses for financial institutions.

If a bank were to purchase the underlying securities that the mutual fund holds they would be treated as bonds not capital assets and the losses would be deductible against ordinary income. But if a bank buys mutual fund shares representing the same assets, the IRS treats them as capital assets or stocks.

The best solution to this problem is to treat shares in the mutual fund as bonds and not capital assets. This will make sale losses deductible against ordinary income as in the case of direct ownership of individual mortgages and securities. The bill I am introducing today would amend section 582(c) of the code to state that the sell or exchange of a bond, debenture, note, or certificate or other evidence of indebtedness held by a financial institution directly or indirectly through shares in a mutual fund shall not be considered a sale or exchange of a capital asset.

Mr. President, there is widespread support among the independent banks of this Nation for this legislation and I urge my colleagues to support it.•

By Mr. BREAUX (for himself and Mr. CHAFEE):

S. 2230. A bill to amend title XVIII of the Social Security Act to provide coverage of outpatient education services under part B of the medicare program for individuals with diabetes; to the Committee on Finance.

MEDICARE OUTPATIENT DIABETES EDUCATION COVERAGE ACT OF 1992

• Mr. BREAUX. Mr. President, I rise today to introduce the Medicare Outpatient Diabetes Education Coverage Act of 1992. I am joined by Senator CHAFEE, who is an original cosponsor of this bill.

Currently, outpatient diabetes education is covered by Medicare's fiscal intermediaries in some States but not in others. The only settings in which diabetes education services may be covered are hospital-based or rural health clinic settings. Outpatient education in a doctor's office or most other primary care settings is not covered.

The Medicare Outpatient Diabetes Education Coverage Act would extend Medicare coverage of outpatient programs beyond hospital-based programs and rural health clinics to allow services to be performed in physicians' offices that have met approval criteria established by the Secretary of Health and Human Services or the National Diabetes Advisory Board or which are certified by the American Diabetes Association.

Our bill would direct the Secretary of Health and Human Services to develop and implement payment amounts for outpatient diabetes education programs and to adopt quality standards for outpatient diabetes education programs. Only qualified programs, as described earlier, would be eligible to receive Medicare reimbursement.

There are two types of diabetes; Insulin-dependent or "juvenile" diabetes which affects about 1 million Americans and non-insulin dependent or "maturity onset" diabetes which affects about 10 million Americans. The Medicare Outpatient Diabetes Education Coverage Act would generally benefit individuals who have the second type, the onset of which usually occurs in people over the age of 40.

The cause of non-insulin dependent diabetes is not known, but the tendency is generally inherited and often characterized by obesity. Blacks and Hispanics have much higher rates of diabetes incidence than whites. In Louisiana alone, it is estimated that over 250,000 people have this disease and about 2,500 are likely to die from it each year.

It is well-established that individuals with diabetes can avoid serious complications through "self-management". that is, they can inject themselves with insulin and balance their diet and daily activities so that they avoid complications.

When individuals do confront complications from diabetes, the results can be devastating. Diabetes is the third leading cause of death from disease in the United States. Deaths accountable to diabetes or resulting complications number about 250,000 each year. The disease also results in about 12,000 new blindnesses each year, and greatly increases an individual's chances of heart disease or stroke. It is also one of the major causes of kidney failure; end stage renal disease.

Over the long term it is estimated that $2-$3 can be saved for every $1 spent on diabetes education. As I mentioned earlier, some fiscal intermediaries cover the costs of outpatient diabetes education and some do not—but all must limit such coverage to hospital or rural health clinic settings. Allowing the same kind of education programs to be conducted by properly qualified physicians or other education centers will bring down the cost of diabetes education and improve the return to the taxpayer on this preventive approach. I urge my colleagues to join me in supporting this legislation.

I ask unanimous consent that a copy of the bill be printed in the CONGRESSIONAL RECORD immediately following my statement, and I yield the floor.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Outpatient Diabetes Education Coverage Act of 1992".

SEC. 2. MEDICARE COVERAGE OF OUTPATIENT DIABETES EDUCATION SERVICES.

(a) IN GENERAL.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2) is amended—

(1) by striking "and" at the end of subpagraph (O);

(2) by adding "and" at the end of subparagraph (P); and

(3) by adding at the end of the following new subparagraph:

"(Q) outpatient diabetes education services (as defined in subsection (ll)).".

(b) DEFINITION.—Section 1861 (42 U.S.C. 1395x) is amended—

(1) by redesignating the subsection (jj) added by section 4163(a)(2) of the Omnibus Budget Reconciliation Act of 1990 as subsection (kk) and;

(2) by inserting after such subsection the following new section:

"OUTPATIENT DIABETES EDUCATION SERVICES

"(ll) (1) The term 'outpatient diabetes education services' means educational and training services furnished to an individual with diabetes by or under arrangements with a certified provider (as described in paragraph (2)(A) in an outpatient setting by an individual or entity who meets the quality standards described in paragraph (2)(B), but only if the physician who is managing the individual's diabetic condition certifies that such services are needed under a comprehensive plan of care related to the individual's diabetic condition to provide the individual with necessary skills and knowledge (including skills related to the self-administration of injectable drugs) to participate in the management of the individual's condition.

"(2) In paragraph (1)—

"(A) a 'certified provider' is an individual or entity that, in addition to providing outpatient diabetes education services, provides other items or services for which payment may be made under this title; and

"(B) an individual or entity meets the quality standards described in this paragraph if the individual or entity meets quality standards established by the Secretary, except that the individual or entity shall be deemed to have met such standards if the individual or entity meets applicable standards established by the National Diabetes Advisory Board or is certified by the American Diabetes Association as qualified to furnish the services.".

(c) CONSULTATION WITH ORGANIZATIONS IN ESTABLISHING PAYMENT AMOUNTS FOR SERVICES PROVIDED BY PHYSICIANS.—In establishing payment amounts under section 1848(a) of the Social Security Act for physicians' services consisting of outpatient diabetes education services, the Secretary of Health and Human Services shall consult with appropriate organizations, including the American Diabetes Association, in determining the relative value for such services under section 1848(c)(2) of such Act.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished on or after January 1, 1993.●

ADDITIONAL COSPONSORS

S. 327

At the request of Mr. BOREN, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 327, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war.

S. 474

At the request of Mr. DECONCINI, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 474, a bill to prohibit sports gambling under State law.

S. 625

At the request of Mr. BRYAN, his name was added as a cosponsor of S. 625, a bill to amend the Trade Act of 1974 in order to require reciprocal responses to foreign acts, policies, and practices that deny national treatment to United States investment.

S. 703

At the request of Mr. ROCKEFELLER, the names of the Senator from Missouri [Mr. DANFORTH], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 703, a bill to amend the Harmonized Tariff Schedule of the United States to correct the tariff rate inversion on certain iron and steel pipe and tube products.

S. 736

At the request of Mr. GRAHAM, the names of the Senator from Massachusetts [Mr. KENNEDY], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of S. 736, a bill to amend the Outer Continental Shelf Lands Act.

S. 747

At the request of Mr. PRYOR, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 747, a bill to amend the Internal Revenue Code of 1986 to clarify portions of the Code relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 762

At the request of Mr. REID, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 762, a bill to amend title II of the Social Security Act to provide for an increase of up to 5 in the number of years disregarded in determining average annual earnings on which benefit amounts are based upon a showing of preclusion from remunerative work during such years occasioned by need to provide child care or care to a chronically dependent relative.

S. 879

At the request of Mr. DASCHLE, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment of certain amounts received by a cooperative telephone company indirectly from its members.

S. 1245

At the request of Mr. DASCHLE, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1245, a bill to amend the Internal Revenue Code of 1986 to clarify that customer base, market share, and other similar intangible items are amortizable.

S. 1423

At the request of Mr. DODD, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

At the request of Mr. CHAFEE, his name was added as a cosponsor of S. 1423, supra.

S. 1614

At the request of Mr. GRAHAM, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1614, a bill to amend the Rehabilitation Act of 1973 to revise and extend the program regarding independent living services for older blind individuals, and for other purposes.

S. 1731

At the request of Mr. MCCONNELL, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1731, a bill to establish the policy of the United States with respect to Hong Kong after July 1, 1997, and for other purposes.

S. 1755

At the request of Mr. BUMPERS, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1755, a bill to reform the concessions policies of the National Park Service, and for other purposes.

S. 1786

At the request of Mr. BAUCUS, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1786, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment.

S. 1862

At the request of Mr. GRAHAM, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1862, a bill to amend the National Wildlife Refuge System Administration Act of 1966 to improve the management of the National Wildlife Refuge System, and for other purposes.

S. 1902

At the request of Mr. ADAMS, the names of the Senator from California [Mr. SEYMOUR], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 1902, a bill to amend title IV of the Public Health Service Act to require certain review and recommendations concerning applications for assistance to perform research and to permit certain research concerning the transplantation of human fetal tissue for therapeutic purposes, and for other purposes.

S. 1966

At the request of Mr. BIDEN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1966, a bill to establish a national background check procedure to ensure that persons working as child care providers do not have a criminal history of child abuse, to initiate the reporting of all State and Federal child abuse crimes, to establish minimum guidelines for States to follow in conducting background checks and provide protection from inaccurate information for persons subjected to background checks, and for other purposes.

S. 2019

At the request of Mr. PRESSLER, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 2019, a bill to prohibit all United States military and economic assistance for Turkey until the Turkish Government takes certain actions to resolve the Cyprus problem.

S. 2085

At the request of Mr. PRYOR, the names of the Senator from Idaho [Mr. CRAIG], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Washington [Mr. GORTON], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 2085, a bill entitled the Federal-State Pesticide Regulation Partnership.

S. 2106

At the request of Mr. CRANSTON, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from California [Mr. SEYMOUR] were added as cosponsors of S. 2106, a bill to grant a Federal charter to the Fleet Reserve Association.

S. 2109

At the request of Mr. BAUCUS, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Alabama [Mr. SHELBY] and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 2109, a bill to amend the Internal Revenue Code of 1986 to permit certain entities to elect taxable years other than taxable years required by the Tax Reform Act of 1986, and for other purposes.

S. 2167

At the request of Mr. SEYMOUR, the names of the Senator from Vermont [Mr. JEFFORDS], the Senator from Iowa [Mr. HARKIN], the Senator from Illinois [Mr. DIXON], the Senator from Arizona [Mr. MCCAIN], the Senator from Tennessee [Mr. GORE] and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 2167, a bill to restrict trade and other relations with the Republic of Azerbaijan.

S. 2169

At the request of Mr. LAUTENBERG, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 2169, a bill making supplemental appropriations for programs in the fiscal year that ends September 30, 1992, that will provide near-term improvements in the Nation's transportation infrastructure and long-term benefits to those systems and to the productivity of the United States economy.

S. 2176

At the request of Mr. KASTEN, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 2176, a bill to provide that Federal tax reduction legislation enacted in 1992 be effective January 1, 1992.

S. 2183

At the request of Mr. SHELBY, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from New Hampshire [Mr. SMITH], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 2183, a bill to prohibit the Secretary of Veterans Affairs from carrying out the Rural Health Care Initiative.

SENATE JOINT RESOLUTION 236

At the request of Mr. D'AMATO, the names of the Senator from Missouri [Mr. DANFORTH], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Joint Resolution 236, a joint resolution designating the third week in September 1992 as "National Fragrance Week."

SENATE JOINT RESOLUTION 240

At the request of Mr. MITCHELL, his name was added as a cosponsor of Senate Joint Resolution 240, a joint resolution designating March 25, 1992 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

At the request of Mr. SPECTER, the names of the Senator from Indiana [Mr. LUGAR], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of Senate Joint Resolution 240, supra.

SENATE JOINT RESOLUTION 241

At the request of Mr. SPECTER, the names of the Senator from Oregon [Mr. PACKWOOD], the Senator from Arkansas [Mr. BUMPERS], and the Senator from Colorado [Mr. BROWN] were added as cosponsors of Senate Joint Resolution 241, designating October 1992 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 242

At the request of Mr. SPECTER, the names of the Senator from Virginia [Mr. WARNER], the Senator from Utah [Mr. HATCH], the Senator from South Dakota [Mr. DASCHLE], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 242, a joint resolution to designate the week of September 13, 1992, through September 19, 1992, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 248

At the request of Mr. CONRAD, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from South Dakota [Mr. PRESSLER], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Hawaii [Mr. INOUYE], the Senator from South Carolina [Mr. THURMOND] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of Senate Joint Resolution 248, a joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day."

SENATE JOINT RESOLUTION 254

At the request of Mr. D'AMATO, the names of the Senator from Connecticut [Mr. DODD], the Senator from Utah [Mr. GARN], the Senator from Michigan [Mr. RIEGLE], the Senator from Texas [Mr. GRAMM], the Senator from Illinois

[Mr. DIXON], the Senator from Nevada [Mr. BRYAN], the Senator from Tennessee [Mr. SASSER], the Senator from Alabama [Mr. SHELBY], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Utah [Mr. HATCH] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 254, a joint resolution commending the New York Stock Exchange on the occasion of its bicentennial.

SENATE CONCURRENT RESOLUTION 70

At the request of Mr. SANFORD, the names of the Senator from California [Mr. CRANSTON] and the Senator from Kentucky [Mr. FORD] were added as cosponsors of Senate Concurrent Resolution 70, a concurrent resolution to express the sense of the Congress with respect to the support of the United States for the protection of the African elephant.

SENATE CONCURRENT RESOLUTION 89

At the request of Mr. KERRY, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Concurrent Resolution 89, a concurrent resolution to express the sense of the Congress concerning the United Nations Conference on Environment and Development.

SENATE RESOLUTION 204

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Resolution 204, a resolution expressing the sense of the Senate that the United States should pursue discussions at the upcoming Middle East Peace Conference regarding the Syrian connection to terrorism.

SENATE RESOLUTION 246

At the request of Mr. DOLE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Resolution 246, a resolution on the recognition of Croatia and Slovenia.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the names of the Senator from Ohio [Mr. GLENN] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

AMENDMENT NO. 1545

At the request of Mr. CHAFEE his name was added as a cosponsor of amendment No. 1545 proposed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

AMENDMENT NO. 1608

At the request of Mr. BURDICK his name was added as a cosponsor of amendment No. 1608 proposed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

AMENDMENTS SUBMITTED

NATIONAL ENERGY SECURITY ACT

WELLSTONE AMENDMENTS NOS. 1624 AND 1625

Mr. JOHNSTON (for Mr. WELLSTONE) proposed two amendments to the bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes, as follows:

AMENDMENT NO. 1624

Beginning on page 189, strike line 1 and all that follows through line 6.

AMENDMENT NO. 1625

On page 179, after line 22, add the following new section:

SEC. . SUSTAINABLE ENERGY TRANSITION PILOT PROGRAM.

Part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.) is amended by adding at the end the following new section:

"SEC. 367. SUSTAINABLE ENERGY TRANSITION PILOT PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall provide financial and technical assistance to not more than four States, or regional consortia of States, to prepare State or regional sustainable energy transition strategies in accordance with subsection (b). If practicable, the Secretary shall require the submission of completed strategies not later than 2 years after the date of the award of any financial assistance under this section.

"(2) SELECTION.—

"(A) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary shall promulgate regulations setting forth procedures and criteria for the selection of States and regional consortia that will participate in the sustainable energy transition pilot program established by this section.

"(B) CRITERIA.—In carrying out subparagraph (A), the Secretary—

"(i) may require such applications as the Secretary considers appropriate;

"(ii) shall consider the ability of each applicant to prepare a sustainable energy transition strategy; and

"(iii) shall attempt to obtain regional diversity among the selected applicants.

"(3) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this section, the Secretary shall transmit a report detailing the Secretary's plan for conducting the pilot program to the Committee on Energy and Natural Resources of the Senate and the House of Representatives.

"(4) SUPPORT BY THE SECRETARY.—The Secretary may provide financial and technical support for the formation of regional consortia and consultative bodies, as necessary to carry out the purposes of this section.

"(b) CONTENT GUIDELINES.—

(1) IN GENERAL.—Each sustainable energy transition strategy shall consist of a strategy under which the State or regional consortium shall—

"(A) propose policies to increase—

"(i) energy efficiency in the residential, commercial, industrial, and transportation sectors; and

"(ii) the proportion of energy supplied to these sectors from renewable sources; and

"(B) establish long-term (20-year) energy efficiency and renewable supply goals that seek to achieve the maximum technologically feasible energy efficiency and renewable energy production levels that are economically justified.

"(2) EVALUATION AND PROGRAM.—

"(A) EVALUATION.—Each sustainable energy transition strategy shall be based on a comprehensive evaluation that shall include—

"(i) an assessment of the baseline energy use within the State or region, categorized by energy consuming sector for the most recent year feasible;

"(ii) an assessment of the technical potential for improving energy efficiency and increasing the proportion of energy from renewable energy sources;

"(iii) an assessment of alternative plans for achieving the maximum potential for energy efficiency and renewable energy sources;

"(iv) an assessment of the existing barriers and incentives to improving energy efficiency and expanding renewable energy supply, including utility rates and other financial structures; and

"(v) an assessment of the social, economic, environmental, employment, and other impacts of the alternative plans examined.

"(B) PROGRAM.—Each sustainable energy transition strategy shall include the following:

"(i) A proposed program for achieving, or exceeding, the energy goals established, under paragraph (1)(B) and, over the 5-year period beginning 2 years after the date of the enactment of this section. In developing the program, the State or regional consortium shall specifically consider—

"(I) investments in locally available renewable energy supplies, energy efficiency and conservation, utility and transportation infrastructure, district heating and cooling, renewable energy and energy efficiency infrastructure, waste minimization, and recycling;

"(II) education and technical demonstration projects, public utility regulatory policies, transportation management and planning, education and training, and other programs that affect the development and adoption of energy technologies;

"(III) employment transition programs and policies for both individuals and communities affected by the transition to new energy sources, the depletion of fossil fuel resources, or other related economic changes; and

"(IV) other programs that the State or regional consortium considers appropriate to achieve the goals and purposes of this section.

"(ii) A proposal for evaluating the State's or regional consortium's progress towards achieving the goals of its sustainable energy transition strategy, including the quantitative measures of to be employed to evaluate the success and failure of specific programs and projects undertaken as part of the strategy.

"(3) CONSIDERATION OF COSTS.—In developing the sustainable energy transition strategy, the State or regional consortium shall evaluate, for the various technological options considered, their life cycle costs and the costs of compliance with environmental, public health, and other relevant laws and regulations considered likely to be imposed over the 20 years study period.

"(c) DEVELOPMENT AND SUBMISSION.—

"(1) IN GENERAL.—Except as otherwise provided in a regional consortium agreement, each sustainable energy transition strategy shall be developed and submitted by the State agency, or division of the agency, responsible for developing State energy conservation plans pursuant to section 364.

"(2) CITIZENS ENERGY COUNCILS.—Each State or regional consortium that prepares a sustainable energy transition strategy shall establish an advisory council to provide opportunities during the preparation of its strategy for participation by representatives of a wide range of social, economic, and community interests affected by the State's or regional consortium's sustainable energy transition strategy. Council members may receive financial assistance from the funds provided under this section only for travel and reasonable per diem expenses incurred in an official capacity.

"(d) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.".

McCAIN AMENDMENT NO. 1626

Mr. JOHNSTON (for Mr. MCCAIN) proposed an amendment to the bill S. 2166, supra, as follows:

Page 21; line 22 between "Services" and "shall," insert, "the Sergeant of Arms of the United States Senate, the Sergeant of Arms of the United States House of Representatives, and the Architect of the Capitol.".

FOWLER (AND OTHERS) AMENDMENT NO. 1627

Mr. JOHNSTON (for Mr. FOWLER, for himself, Mr. HATFIELD, and Mr. CONRAD) proposed an amendment to the bill S. 2166, supra, as follows:

On page 93, line 18, insert the following new section:

"SEC. 5206. ESTABLISHMENT OF THE SOLAR ASSISTANCE FINANCING ENTITY.

(a) PROGRAM.—The Secretary of Housing and Urban Development shall hereby establish the "Solar Assistance Financing Entity" referred to as "SAFE". SAFE shall be based on the provisions in the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3603(a)).

"(b) PURPOSE.—The purpose of SAFE shall be to assist in the financing of solar and renewable energy building technology application through increased loan amortizations (from non-Federal sources) and joint ventures. Schools and hospitals shall be considered eligible for loans for purposes of this program.

"(c) FUNDING.—Funding pursuant to this section shall be administered and distributed through one of the following agencies:

"(1) State agencies, or divisions of State agencies, responsible for developing the State energy conservation plan pursuant to section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322);

"(2) State government offices administered by the Department of Housing and Urban Development; or

"(3) an Agency authorized to specifically carry out the purposes of this section.

"(d) REGULATIONS.—Not later than 12 months after the date of the enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Energy shall issue any regulations necessary to carry out the purposes of this section.

"(e) APPROPRIATIONS.—For purposes of this section, there are authorized to be appropriated not to exceed $10 million for fiscal year 1993, $10 million for fiscal year 1994, and $10 million for fiscal year 1995.".

MURKOWSKI AMENDMENT NO. 1628

Mr. JOHNSTON (for Mr. MURKOWSKI) proposed an amendment to the bill S. 2166, supra, as follows:

SEC. 4304.

On page 58, lines 15 through 16, strike. ", the territories of the United States, or Canada" and insert "or the territories of the United States".

Background: This is a technical amendment to clarify the definition of "domestic" with regard to the alternative fuels provisions contained within Section 4304 of S. 2166.

DOLE AMENDMENT NO. 1629

Mr. JOHNSTON (for Mr. DOLE) proposed an amendment to the bill S. 2166, supra, as follows:

On page 93, between lines 15 and 16, insert the following new section:

SEC. 5206. RENEWABLE ENERGY RESEARCH.

(a) IN GENERAL.—Section 4 of the Renewable Energy and Energy Efficiency and Technology Competitiveness Act of 1989 (42 U.S.C. 12003) is amended—

(1) in subsection (a), by adding at the end of the subsection the following new paragraph:

"(5) RENEWABLE ENERGY RESEARCH PROGRAM.—In general, the goal of the Renewable Energy Research Program shall be to advance research and development concerning the production of ethanol. Research, development, and demonstration programs under the Renewable Energy Research Program shall include programs related to the following topics relating to the production of ethanol:

"(A) The conversion of corn fiber to ethanol.

"(B) The production of olefins (including isobutylene) from biomass.

"(C) The minimization of contamination to improve yields.

"(D) The recovery of enzymes and yeasts.

"(E) The improvement of distillation.

"(F) The use of membrane technology.

"(G) Value added uses of carbon dioxide.

"(H) Chemical production from corn components.

"(I) The minimization of by-products that foul processes and reduce ethanol yields.

"(J) Pretreatment processes."; and (2) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting "the Renewable Energy Research Program" after "the Ocean Energy Systems Program"; and

(B) in paragraph (3)—

(i) by striking "and" at the end of subparagraph (B);

(ii) by striking the period at the end of subparagraph (C) and inserting "and"; and

(iii) by adding at the end of the paragraph the following new subparagraph:

"(D) not to exceed $50,000,000 shall be available for the Renewable Energy Research Program.".

(b) PROGRAM TRANSFER.—The Secretary is authorized to transfer such research, development, and demonstration programs from the Biofuels Energy Systems programs as are appropriate to the Renewable Energy Research Program established under subsection (a) of this section.

WALLOP (AND OTHERS) AMENDMENT NO. 1630

Mr. WALLOP (for himself, Mr. FORD, Mr. CRAIG, Mr. BYRD, and Mr. MCCONNELL) proposed an amendment to the bill S. 2166, supra, as follows:

On page 379, after lien 21, add the following new subtitle:

Subtitle C—Innovative Technology Transfer

SEC. 14301. INNOVATIVE CLEAN COAL AND RENEWABLE ENERGY TECHNOLOGY TRANSFER PROGRAM.

(a) IN GENERAL.—The Secretary shall, in consultation with the Clean Coal Technology Export Coordinating Council and the Committee on Renewable Energy Commerce and Trade, undertake a clean coal and renewable energy technology transfer program designed to encourage the utilization of United States technologies in commercial demonstration energy technology projects to be proposed by United States firms in host nations.

(b) PURPOSE.—The purpose of the energy technology transfer program under this section is to—

(1) reduce the United States balance of trade deficit through the export of United States energy technologies and technological expertise;

(2) retain jobs in the United States through the manufacturing of capital goods associated with new energy technology projects located in other nations;

(3) encourage the foreign commerce in, and use of, commercially available United States technologies in those nations that have determined a need to construct facilities to provide useful energy derived from coal or renewable energy resources;

(4) develop markets for United States technologies and, where appropriate, United States coal resources, to be utilized in meeting the energy and environmental requirements of other nations;

(5) better ensure that United States participation in energy-related projects in other nations includes—

(A) participation by United States firms; and

(B) utilization of United States technologies that have been developed or demonstrated in the United States through publicly or privately funded demonstration programs; and

(6) provide for the accelerated demonstration of United States technologies that will serve to introduce into other nations United States technologies that—

(A) use coal or renewable energy resources in a cost-effective and environmentally acceptable manner; and

(B) serve to ensure the introduction of United States firms and expertise in those nations.

(c) IDENTIFICATION.—(1) The Secretary shall—

(A) after consultation with the Clean Coal Technology Export Coordinating Council and the Committee on Renewable Energy Commerce and Trade regarding the data and information obtained by the Council pursuant to section 1409(e) of this title, identify energy technology projects that may be developed in host nations that would be candidates for the application of a clean coal technology or a renewable energy technology;

(B) consult with appropriate government officials of a host nation, and, as appropriate, with representatives of non-United States electric utilities or other non-United States entities, to determine the interest in and support for an energy technology project that is identified under subparagraph (A).

(2) Within 240 days after the date of enactment of this Act, and subsequently as appropriate, the Secretary shall publish in the Federal Register and the Commerce Business Daily a list specifying those clean coal technology or renewable energy technology projects identified under paragraph (A) which, in the judgment of the Secretary, there is a reasonable likelihood will be proposed under the authorities provided by this section.

(d) SOLICITATIONS FOR PROJECT PROPOSALS.—(1) Within 120 days after issuance of the list in subsection (c)(2), and subsequently as appropriate thereafter, the Secretary shall issue a request for proposals from United States firms for the design, construction, testing, and operation of the energy technology project or projects specified on such list which propose to utilize a United States technology. Such request for proposals shall enable the Secretary to accept proposals on a continuous basis after the initial publication of the request for proposals.

(2) Requests for proposals shall include the following requirements:

(A) Unless otherwise herein specified, the request for proposals shall be governed by the requirements and procedure set forth in RFP No. DE-PS01-90FE62271 Clean Coal Technology IV as administered by the Department of Energy.

(B) The host nation in which the project is to be located shall be a participant in the proposed project and shall agree to provide, in combination with any non-United States entity participant, directly or indirectly, at least 50 percent of the cost of the project or such greater amount as may be warranted by the financial circumstances of the host nation and any non-United States entity participant, as determined by the Secretary.

(C) The project shall utilize a United States energy technology and, where appropriate, United States coal resources, in meeting the applicable energy and environmental requirements of the host nation.

(D) The project shall be proposed by and undertaken with a United States firm, although a joint venture or other teaming arrangement with a non-United States manufacturer or other non-United States entity is permissible.

(E) At least 50 percent of the cost of any equipment furnished in connection with a energy technology project authorized under this section shall be attributable to the components of such equipment manufactured in the United States. In determining whether the cost of United States components equals to exceeds 50 percent, the cost of assembly of such United States components in the host nation shall not be considered a part of the cost of such United States component.

(e) SELECTION OF PROJECTS.—(1) The Secretary, in consultation with the Clean Coal Technology Export Coordinating Council or the Committee on Renewable Energy Commerce and Trade, may, not later than 120 days after receipt of proposals in response to the initial solicitation under subsection (d), select at least two proposals for negotiation of cooperative agreements under this section.

(2) In selection a proposal and in negotiating a cooperative agreement under this section, the Secretary shall consider—

(A) the ability of the United States firm, in cooperation with the host nation, to undertake and complete the proposed commercial demonstration project;

(B) the degree to which the furnished equipment to be included in the energy technology project is manufactured in the United States;

(C) the long-term technical and competitive viability of the United States technology, and the ability of the United States firm to compete in the development of additional energy projects using such technology in the host nation and in other nations;

(D) the extent of technical and financial involvement of the host nation in the commercial demonstration project;

(E) the extent to which the proposed energy technology project meets the objectives stated in subsection (b) of this section; and

(F) such other criteria as the Secretary deems appropriate.

(3) The Secretary, in consultation with appropriate Federal officials, may establish eligibility criteria for host nations.

(f) COST-SHARING.—(1) The Secretary may provide financial assistance to any energy technology project for which a cooperative agreement is entered into pursuant to this section. Such financial assistance may be in the form of grants, or no interest or low interest loans.

(2)(A) Any financial assistance under this subsection may not be greater than 50 percent of the total costs directly and specifically related to any energy technology project which is the subject of a cooperative agreement under this section.

(B) Any financial assistance provided under this section shall be repayable to the United States if, in the judgment of the Secretary, such repayment will not jeopardize the competitive position of the United States firm with respect to the energy technology utilized and technological expertise associated with the selected project.

(g) REPORTS TO CONGRESS.—The Secretary shall report annually to the Committee on Energy and Natural Resources of the Senate and the House of Representatives on the progress being made, through the cooperative agreements under this section, to introduce clean coal technologies and renewable energy technologies into other nations.

(h) DEFINITIONS.—For purposes of this section, the term—

(1) "host nation" means that foreign country which is—

(A) the participant in or the site of the proposed clean coal technology or renewable energy technology project; and

(B) classified as either—

(i) a country eligible to participate in development assistance programs of the Agency for International Development pursuant to applicable law or regulation; or

(ii) a category II or category III country as classified under the guidelines of the export credit arrangement of the Organization for Economic Cooperation and Development followed by the Export-Import Bank of the United States.

(2) "United States firm" means—

(A) an individual possessing United States citizenship;

(B) a corporation incorporated under the laws of the United States; or

(C) a joint venture or partnership organized under the laws of the United States, each participant of which is an individual or corporation described in subparagraph (A) or (B).

(3) "United States energy technology" means—

(A) a clean coal technology or a renewable energy technology that is determined by the Secretary to be available for commercial use but not widely demonstrated in other than the United States;

(B) a technology which is either owned (50 percent or more) by a United States firm, licensed to a United States firm and owned by another United States firm, or in the public domain; and

(C) the intellectual property embodied in the process and in the furnished equipment being demonstrated.

SEC. 14302. CONVENTIONAL COAL TECHNOLOGY TRANSFER.

(a) If the Clean Coal Technology Export Coordinating Council determines that a United States conventional coal technology would constitute a substantial improvement in efficiency, costs, and environmental performance relative to the energy technology being used in a less developed country with significant indigenous coal resources, such technology shall, for purposes of sections 14109 and 14301, be considered a clean coal technology. In the case of combustion technologies, only the retrofit, repowering, or replacement of a conventional technology shall constitute a substantial improvement for purposes of this section.

(b) In carrying out this subtitle, the Council shall give highest priority to promoting the most environmentally sound and energy efficient technologies.

CONRAD AMENDMENT NO. 1631

Mr. JOHNSTON (for Mr. CONRAD) proposed an amendment to the bill S. 2166, supra, as follows:

On page 89, line 16, amend section 5203 by deleting "(13) and (14)" and inserting in lieu thereof "(14) and (15)".

On page 89, line 17, amend section 5203 by inserting "and (13)" after "(12)".

On page 89, line 22, amend section 5203 by inserting a new paragraph (13) as follows:

"(13) programs to facilitate and encourage the voluntary use of renewable energy technologies for eligible participants in Department of Agriculture programs including the Rural Electrification Administration and the Farmers Home Administration;".

METZENBAUM AMENDMENT NO. 1632

Mr. JOHNSTON (for Mr. METZENBAUM) proposed an amendment to the bill S. 2166, supra, as follows:

On page 295, beginning on line 23, strike "not" and all that follows through line 25 and insert "be legal if the procompetitive effects outweigh the anticompetitive effects.".

On page 296, strike lines 1 through 6 in their entirety.

EXON AMENDMENT NO. 1633

Mr. JOHNSTON (for Mr. EXON) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place in the bill, add the following:

SEC. . NRC Fees.

It is the sense of the Senate that—

(1) the provisions of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508, section 6101) that require the Nuclear Regulatory Commission to recover essentially 100 percent of its budget authority through the imposition of fees may have caused an unfair burden to be imposed on certain NRC licensees; and

(2) the Nuclear Regulatory Commission should review its policy for assessment of fees and recommend to the Congress whether there is any need for changes in existing law to prevent the placement of an unfair burden on certain NRC licensees, in particular those that hold licenses to operate federally owned research reactors used primarily for educational training and academic research purposes.

JOHNSTON AMENDMENT NO. 1634

Mr. JOHNSTON proposed an amendment to the bill S. 2166, supra, as follows:

On page 388, line 2, beginning with "*Provided*, strike all through line 11 and insert in lieu thereof the following: "*Provided*, That the State commission shall have no authority to determine the reasonableness of the wholesale rate or charge (and the terms and conditions thereof): *Provided further*, That at the request of a utility which has been offered a sale of electric energy at wholesale from an exempt wholesale generator, any State commission with jurisdiction over the retail rates of such utility shall commit to allow or disallow recovery of costs attributable to the utility's proposed action with regard to the offer in advance of the effective date of the action, except that the State may include terms or conditions as a condition of cost recovery as it deems appropriate. The action of the State commission in allowing cost recovery or conditionally allowing cost recovery shall be binding (subject to the terms and conditions, if any of such cost recovery) for purposes of the inclusion of costs in retail rates, except that such commission shall not be bound to the extent there is new information which the State commission believes is relevant and material to such cost recovery".

NICKLES AMENDMENT NO. 1635

Mr. JOHNSTON (for Mr. NICKLES) proposed an amendment to the bill S. 2166, supra, as follows:

On page 394, between lines 14 and 15, insert:

SEC. 15109. That Public Law 99-186, 99th Congress, 99 Stat. 1180, as amended by Public Law 99-553, 99th Congress, 100 Stat. 3087, be amended to read as follows:

SECTION 1. Notwithstanding section 11(b)(1) of the Public Utility Holding Company Act of 1935, a company registered under said Act, or a subsidiary company of such registered company, may acquire or retain, in any geographic area, an interest in any qualifying cogeneration facilities and qualifying small power production facilities as defined pursuant to the Public Utility Regulatory Policy Act of 1978, and shall qualify for any exemption relating to the Public Utility Holding Company Act prescribed pursuant to section 210 of the Public Utility Regulatory Policies Act.

SEC. 2. Nothing herein shall be construed to affect the applicability of section 3(17)(C) or section 3(18)(B) of the Federal Power Act or any provision of the Public Utility Holding Company Act, other than section 11(b)(1), to the acquisition or retention of any such interest by any such company.

CHAFEE AMENDMENT NO. 1636

Mr. JOHNSTON (for Mr. CHAFEE) proposed an amendment to the bill S. 2166, supra, as follows:

Section 5303, subsection (a), line 12 is amended by inserting after the word "perform" the following: "reconnaissance level".

Section 5303, subsection (a), line 18 is amended by inserting after the word "Resources" the following: "and the Committee on Environment and Public Works".

Section 5303, subsection (a), Paragraph (4) is amended by inserting after the word "costs" the following: "and the economic and environmental consequences".

DOLE AMENDMENT NO. 1637

Mr. JOHNSTON (for Mr. DOLE) proposed an amendment to the bill S. 2166, supra, as follows:

On page 344, after line 18, insert the following:

SEC. 131XX. DOMESTIC OIL SUPPLY ENHANCEMENT.

(a) PROGRAM.—(a) The Secretary shall carry out programs of research, development and demonstration to increase the recoverable crude oil resource base including, but not limited to, programs in the following areas—

(1) maintenance of the production of crude oil from stripper well property;

(2) enhanced recovery of crude oil from conventional resources; and

(3) economic recovery of unconventional domestic oil resources.

(b) COOPERATIVE AGREEMENTS.—The Secretary shall solicit proposals and may enter into cooperative agreements under this section.

(c) COST-SHARING.—(1) The Secretary shall require at least 50 per centum of the costs directly and specifically related to any demonstration project under subsections (a)(2) and (3), including cash, personal services, equipment, and other resources, to be provided from non-federal sources.

(d) The Secretary may reduce the amount of costs required to be provided by any non-Federal person under paragraph (1) upon application if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this section.

(e) AUTHORIZATION.—There is authorized to be appropriated such sums as may be necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this section.

(f) For the purpose of this section, the term—

(1) "stripper well property" means any well located in the United States which produces any average of 15 or less barrels of crude oil per production day.

On page 397, after line 20, insert the following new subsection:

(d)(1) If the President finds that declines in the production of oil from domestic resources pose a threat to national energy security, the President may direct the Secretary of Energy to acquire oil from domestic production of stripper well properties for storage in the Strategic Petroleum Reserve or the Defense Petroleum Inventory. Except as provided in paragraph (d)(2), the Secretary may set such terms and conditions as he deems necessary for such acquisition.

(2) Crude oil purchased by the Secretary pursuant to this section shall be by competitive bid. The price paid by the Secretary shall take into account the cost of production including costs of reservoir and well maintenance.

(3) The President may also direct the Secretary of the Interior to take such actions as are within his power to provide incentives for conservation of the oil production from stripper wells located upon the public lands.

(3) For the purpose of this section, the term—

(1) "domestic production" means any crude oil produced in the United States by any person; and

(2) "stripper well property" means any well located in the United States which produces any average of 15 or less barrels of crude oil per production day.

KERRY AMENDMENT NO. 1638

Mr. JOHNSTON (for Mr. KERRY) proposed an amendment to the bill S. 2166, supra, as follows:

OUTER CONTINENTAL SHELF

(1) Strike sections 12101 and 12102 of S. 2166 and insert in lieu thereof the following:

Subtitle A—Coastal Communities Impact Assistance

SEC. 12101. DEFINITIONS.

For purposes of this subtitle only, the term—

(1) "coastline" has the same meaning that it has in the Submerged Lands Act (43 U.S.C. 1301 et seq.);

(2) "county" means a unit of general government constituting the local jurisdiction immediately below the level of State government. This term includes, but is not limited to, counties, parishes, villages and tribal governments which function in lieu of and are not within a county, and in Alaska, borough governments. If State law recognizes an entity of general government that functions in lieu of and is not within a county, the Secretary may recognize such other entities of general government as counties;

(3) "coastal State" means any State of the United States bordering on the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Bering Sea or the gulf of Mexico;

(4) "distance" means minimum great circle distance, measured in statute miles;

(5) "leased tract" means a tract, leased under the Outer Continental Shelf Lands Act for the purpose of drilling for, developing and producing oil and natural gas resources, which is a unit consisting of either a block, a portion of a block, a combination of blocks and/or portions of blocks, as specified in the lease, and as depicted on an Outer Continental Shelf Official Protraction Diagram;

(6) "new revenues" means monies received by the United States as royalties (including payments for royalty taken in kind and sold pursuant to section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353)), net profit share payments, and related late-payment interest from natural gas and oil leases issued pursuant to the Outer Continental Shelf Lands Act, but only from leased tracts from which such revenues are first received by the United States after the date of enactment of this Act;

(7) "Outer Continental Shelf" means all submerged lands lying seaward and outside of the area of "lands beneath navigable waters" as defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)), and of which the subsoil and seabed are subject to the jurisdiction and control of the United States; and

(8) "Secretary" means the Secretary of the Interior or the Secretary's designee.

SEC. 12102. IMPACT ASSISTANCE FORMULA AND PAYMENTS.

(a) There is established a fund in the Treasury of the United States, which shall be known as the "Coastal Communities Impact Assistance Fund" (hereinafter referred to in this section as "the fund").

(b) The Secretary of the Treasury shall invest excess monies in the fund, at the request of the Secretary, in public debt securities with maturities suitable to the needs of the fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

(c) Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338), amounts in the fund, together with interest earned from investment thereof, shall be paid at the direction of the Secretary as follows:

(1) The fund shall consist of amounts deposited in the fund from new revenues received beginning with October 1, 1992, representing the amounts determined to be allocable to eligible coastal States and eligible counties pursuant to the formula contained in this section.

(2) The Secretary shall determine the new revenues from any leased tract or portion of a leased tract lying seaward of the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act, (43 U.S.C. 1337(g)), the geographic center of which lies within a distance of 200 miles from any part of the coastline of any coastal State (hereinafter referred to as an "eligible coastal State").

(3) The Secretary shall determine the allocable share of new revenues determined under paragraph (2) by multiplying such revenues by 12.5 percent.

(4) The Secretary shall determine the portion of the allocable share of new revenues attributable to each eligible coastal State (hereinafter referred to as the "eligible coastal State's attributable share") based on a fraction which is inversely proportional to the distance between the nearest point on the coastline of the eligible coastal State and the geographic center of the leased tract or portion of the leased tract (to the nearest whole mile). Further, the ratio of an eligible State's attributable share to any other eligible State's attributable share shall be equal to the inverse of the ratio of the distances between the geographic center of the leased tract or portion of the leased tract and the coastlines of the respective eligible coastal States. The sum of the eligible coastal States' attributable shares shall be equal to the allocable share of new revenues determined under paragraph (3).

(5) Subject to appropriation, the Secretary shall pay from the fund 50 percent of the eligible coastal States' attributable share, together with the portion of interest earned from investment of the fund which corresponds to that amount, to that State.

(6) Within 60 days of enactment of this Act, the Governor of each eligible coastal State shall provide the Secretary with a list of all counties,, as defined herein, that are to be considered for eligibility to receive impact assistance payments. This list must include all counties with borders along the State's coastline and may also include counties which are at the closest point no more than 60 miles from the State's coastline and which are certified by the Governor to have significant impacts from Outer Continental Shelf-related activities. For any such county that does not have a border along the coastline, the Governor shall designate a point on the coastline of the nearest county that does have a border along the coastline to serve as the former county's coastline for the purposes of this section. The Governor of any eligible coastal State may modify this list whenever significant changes in Outer Continental Shelf activities require a change, but no more frequently than once each year.

(7) The Secretary shall determine, for each county within the eligible coastal State identified by the Governor according to paragraph (6) for which any part of the county's coastline lies within a distance of 200 miles of the geographic center of the leased tract or portion of the leased tract (hereinafter referred to as an "eligible county"), 50 percent of the eligible coastal State's attributable share which is attributable to such county (hereinafter referred to as the "eligible county's attributable share") based on a fraction which is inversely proportional to the distance between the nearest point on the coastline of the eligible county and the geographic center of the leased tract or portion of the leased tract (to the nearest whole mile). Further, the ratio of a any eligible county's attributable share to any other eligible county's attributable share shall be equal to the inverse of the ratio of the distances between the geographic center of the leased tract or portion of the leased tract and the coastlines of the respective eligible counties. The sum of the eligible counties' attributable share for all eligible counties within each State shall be equal to 50 percent of the eligible coastal State's attributable share determined under paragraph (4).

(8) Subject to appropriation, the Secretary shall pay from the fund the eligible county's attributable share, together with the portion of interest earned from investment of the fund with corresponds to that amount, to the county.

(9) Payments to eligible coastal States and eligible counties under this section shall be made not later than December 31 of each year from new revenues received and interests earned thereon during the immediately preceding fiscal year, but not earlier than one year following the date of enactment of this Act.

(10) The remainder of new revenues and interest earned in the fund not paid to an eligible county under this section shall be disposed of according to the law otherwise applicable to receipts from leases on the Outer Continental Shelf.

(11) The total amount in the fund shall not exceed $300,000,000 during any fiscal year.

SEC. 12103. USES OF FUNDS.

Funds received pursuant to this subtitle shall be used by the eligible coastal States and eligible counties for—

(a) projects and activities and that protect or enhance air quality, water quality, fish and wildlife, wetlands, or other coastal resources;

(b) other activities of such State or county, authorized by the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), the provisions of subtitle B of title IV of the Oil Pollution Act of 1990 (104 Stat. 523), or the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.); and

(c) administrative costs of complying with the provisions of this subtitle, including the costs associated with the audit required by section 12105.

SEC. 12104. OBLIGATIONS OF ELIGIBLE COUNTIES AND STATES.

(a) PROJECT SUBMISSION.—Prior to the receipt of funds pursuant to this subtitle for any fiscal year, an eligible county must submit to the Governor of the State in which it is located a plan setting forth the projects and activities for which the eligible county proposes to expend such funds. Such plan shall state the amounts proposed to be expended for each project or activity during the upcoming fiscal year.

(b) PROJECT APPROVAL.—Prior to the payment of funds pursuant to this subtitle to any eligible county for any fiscal year, the Governor must approve the plan submitted by the eligible county pursuant to subsection (a) and notify the Secretary of such approval. State approval of any such plan shall be consistent with any State wetlands plan, habitat plan, or environmental restoration plan in effect in such State and with all applicable State and Federal law. In the event that the Governor disapproves any such plan, the funds that would otherwise be paid to the eligible county shall be placed in escrow by the Secretary pending modification and approval of such plan, notwithstanding the provisions of section 12102(c)(10), at which time such funds together with interests thereon shall be paid to the eligible county.

(c) CERTIFICATION.—No later than 60 days after the end of the fiscal year, any eligible county receiving funds under this subtitle must certify to the Governor: (1) the amount of such funds expended by the county during the previous fiscal year; (2) the amounts expended on each project or activity; and (3) the status of each project or activity.

SEC. 12105. AUDIT.

(a) REQUIREMENT FOR AUDIT.—Under regulations promulgated by the Secretary, any coastal State that receives payments under section 12102 shall, for each fiscal year that it receives payments, provide that amounts received thereunder, including amounts paid to eligible counties of such State under section 12102, be subject to audit in accordance with chapter 75 of title 31, United States Code. The audit shall be submitted to the Secretary.

(b) CONTENTS OF AUDIT.—Each audit submitted by a State under subsection (a) shall—

(1) contain a statement of all amounts paid under section 12102 to such State for the fiscal year;

(2) include a statement of all amounts paid to eligible counties of such State pursuant to section 12102.

(c) PRELIMINARY DETERMINATION BY SECRETARY.—(1) After receiving a State's report under this section, the Secretary shall make a preliminary evaluation of each audit submitted pursuant to this section, and determine whether any portion of the amounts received has not been used as required by this subtitle. The Secretary shall publish notice of such determination in the Federal Register.

(2) If the Secretary determines under paragraph (1) that any portion of the amounts received under section 12102 has been misused, the Secretary may suspend, and place in escrow, an amount from any future payment due to the coastal State or eligible county charged with misusing the amounts under section 12102 which is equivalent to the amount misused, pending a final determination pursuant to subsection (d).

(d) FINAL DETERMINATION BY SECRETARY.—If the Secretary, after providing a State or eligible county with an opportunity for a hearing, makes a final determination that any portion of the amounts paid to such State or eligible county under section 12102 was not used as required by this subtitle, the Secretary shall—

(1) provide in writing to the State or eligible county that misused the funds the reasons for the determination and the exact amount that was misused; and

(2) take appropriate action to recover an amount from the State or eligible county that misused the funds equal to that determined to have been misused, including the withholding of such amount from that State

or eligible county's future payment under section 12102 or of the amount which may have been suspended under subsection (c)(2). In no event shall funds be withheld from a State due to misuse of funds by an eligible county within such State, or from an eligible county in an instance where the State in which it is located has misused funds.

(e) DISPOSITION OF AMOUNTS WITHHELD.—(1) If no appeal of a final determination under subsection (d) is filed within 60 days following the notification described in subsection (d)(1), any amounts withheld or otherwise recovered by the Secretary under subsection (d)(2) shall be returned to the Coastal Communities Impact Assistance Fund.

(2) If an appeal of the final determination is filed within the 60-day period specified in paragraph (1), any amounts withheld by the Secretary shall be held in escrow until such time as a final determination is made of the appeal.

(3) In the event that amounts withheld under this section are subsequently paid to the State or eligible county from which they were withheld, such State or county shall also receive interest on such amounts.

SEC. 12106. REGULATIONS.

The Secretary may promulgate any necessary or appropriate regulations to implement this subtitle.

Subtitle B—Coastal Resources Enhancement Fund

SEC. 12201. DEFINITIONS.

For the purposes of this subtitle only, the following definitions apply:

(1) "Block Grant" means a Coastal Resources Enhancement Block Grant described in section 12203(a);

(2) "coastal State" means any State of the United States bordering on the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Bering Sea or the Gulf of Mexico, if such State has a coastal zone management program approved by the Secretary;

(3) "coastal zone management program approved by the Secretary" means—

(A) a coastal zone management program that is approved by the Secretary under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455); or

(B) a coastal zone management program that is being developed by a coastal State, with respect to which the Secretary determines (in no more than 2 fiscal years for which a Block Grant is awarded) that such State is making satisfactory progress toward the development of a program approvable by the Secretary under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455);

(4) "energy facilities" has the meaning given that term under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.);

(5) "Enhancement Fund" means the Coastal Resources Enhancement Fund established pursuant to this subtitle;

(6) "leased tract" means a tract, leased under the Outer Continental Shelf Lands Act for the purpose of drilling for, developing and producing oil and natural gas resources, which is a unit consisting of either a block, a portion of a block, a combination of blocks and/or portions of blocks, as specified in the lease, and as depicted on an Outer Continental Shelf Official Protraction Diagram;

(7) "local government" has the meaning given that term in section 304(11) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(11)) and, with respect to the State of Alaska, the term includes unincorporated communities, including Alaska Native Villages;

(8) "new revenues" means monies from any leased tract or portion of a leased tract lying seaward of the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337 (g)), the geographic center of which lies within a distance of 200 miles from any part of the coastline of any coastal State and received by the United States as royalties (including payments for royalty taken in kind and sold pursuant to 43 U.S.C. 1353), net profit share payments, and related late-payment interest from natural gas and oil leases issued pursuant to the Outer Continental Shelf Lands Act, but only from leased tracts from which such revenues are first received by the United States after the date of enactment of this Act;

(9) "proportionately" means in the same ratio as Block Grants would be apportioned among the coastal States if only on the basis of the formula established under section 12203(d) of this subtitle; and

(10) "Secretary" means the Secretary of Commerce or the Secretary's designee.

SEC. 12202. ESTABLISHMENT OF FUND.

There is established in the Treasury of the United States a fund to be known as the Coastal Resources Enhancement Fund composed of 4 percent of new revenues. The Enhancement Fund shall not exceed $100,000,000 during any fiscal year.

SEC. 12203. (a) BLOCK GRANTS TO STATES.

Subject to the provisions of this section, for fiscal year 1992 and for each subsequent fiscal year, the Secretary shall award to each coastal State a Coastal Resources Enhancement Block Grant from the monies paid into the Enhancement Fund. The Block Grant shall include the amounts separately paid by the Secretary to the local governments of such State under section 12205.

(b) ALLOCATION REPORT.—(1) No coastal State may receive a Block Grant for a fiscal year unless such State has submitted to the Secretary a report for such fiscal year that—

(A) specifies the proposed allocation by such State of the Block Grant among the activities specified in paragraphs (1) through (4) of section 12204;

(B) prescribes the allocation of the local government portion of the Block Grant to specified local governments, for separate payment by the Secretary as provided in section 12205; and

(C) describes each proposed activity receiving funds provided by the Block Grant and the amounts proposed to be expended for each activity.

(2) In order to be eligible for a Block Grant and before submitting the report required under paragraph (1), each coastal State shall provide opportunities for the public to review and comment on the report and shall hold at least one public hearing on such report at a site in the State convenient for encouraging maximum public participation.

(c) STATE TRUST FUND.—No amount of a Block Grant shall be paid from the Enhancement Fund to a coastal State until the State has established a trust fund for the receipt of the portion of such Grant that is paid directly to the State.

(d) FORMULA.—The amount of each Block Grant awarded under subsection (a) shall be determined by the Secretary under a formula established by the Secretary which gives the following weighted consideration to each of the following criteria:

(1) A weight of 50 percent shall be given to the number, location, and impact of the energy facilities located within the coastal zone of each State during the fiscal year immediately preceding the fiscal year for which the grant is to be awarded;

(2) A weight of 25 percent shall be given on the basis of shoreline mileage; and

(3) A weight of 25 percent shall be given on the basis of coastal population.

(e) MINIMUM GRANT LEVELS.—(1) A coastal State shall receive not less than 1.62 percent of the total amount available for Block Grants under this section during any fiscal year.

(2) If, after the calculations required under subsection (d), any coastal State is to receive a Block Grant that is less than the minimum grant level established under paragraph (1), the Secretary shall increase such State's Block Grant to the minimum level. Amounts necessary to make such increases shall be derived by reducing proportionately the Block Grant of each State which, as determined under subsection (d), exceeds the minimum level under paragraph (1).

(f) MAXIMUM GRANT LEVELS.—If, after the calculations required under subsections (d) and (e), any coastal State would receive a Block Grant which is greater than 8 percent of the funds appropriated under this section, the Secretary shall reduce such State's Block Grant to 8 percent. The amounts resulting from such reduction shall be reallocated proportionately among States receiving less than 8 percent so such funds are more than the minimum grant levels under subsection (e).

(g) USE OF FUND.—As provided in advance by appropriation Acts, the Secretary shall use the total amount of any amounts deposited in the Enhancement Fund during each fiscal year to carry out the proposes of, and in accordance with, this section.

SEC. 12204. REQUIREMENTS ON THE USE OF BLOCK GRANTS

(a) Block Grants awarded to a State under section 12203(a), including the portion separately distributed to such State's local governments under section 12205, shall be used only for one or more of the following activities:

(1) Amelioration of any adverse environmental impacts that result from the siting, construction, expansion, or operation of energy facilities;

(2) Administrative costs such State or a local government of such State incurs in the energy leasing and energy permitting process under any applicable law, including but not limited to the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) and the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.);

(3) Other activities of such State, or a local government of such State, authorized by the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), the provisions of subtitle B of title IV of the Oil Pollution Act of 1990 (104 Stat. 523), or the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.); and

(4) Projects and activities that protect or enhance air quality, water quality, fish and wildlife, wetlands, or other coastal resources.

SEC. 12205.

(a) LOCAL GOVERNMENTS.—The report submitted by each coastal State under section 12203(b) shall prescribe an allocation among its local governments of not less than one-third of each Block Grant proposed to be awarded to such State.

(b) SEPARATE DISTRIBUTION.—The portion of a State's Block Grant that the State prescribes for allocation to specific local governments shall be paid by the Secretary directly to each such local government.

SEC. 12206. AUDIT.

(a) REQUIREMENT FOR AUDIT.—Under regulations promulgated by the Secretary, any State awarded a Block Grant under section 12203(a) shall, for each fiscal year that it is awarded such Grant, provide that amounts received under such Grant, including amounts separately distributed to local governments of such State under section 12205, be subject to audit in accordance with chapter 75 of title 31, United States Code. The audit shall be submitted to the Secretary. The income derived for each fiscal year from such State's trust fund, as established under section 12203(c), shall be included in the audit required by this section.

(b) CONTENTS OF AUDIT.—Each audit submitted by a State under subsection (a) shall—

(1) contain a statement of all funds provided under the Block Grant received by such State for the fiscal year; and

(2) include a statement of all funds paid to the local governments of such State pursuant to section 12205.

(c) PRELIMINARY DETERMINATION BY SECRETARY.—(1) After receiving a State's audit under this section, the Secretary shall make a preliminary evaluation of each audit submitted pursuant to this section, and determine whether all or any part of the Block Grant has not been used as required by this subtitle. The Secretary shall publish notice of such determination in the Federal Register.

(2) If the Secretary determines under paragraph (1) that any portion of the Block Grant has been misused, the Secretary may suspend, and place in escrow, an amount from any future Block Grant which is equivalent to the amount misused, pending a final determination pursuant to subsection (d).

(d) FINAL DETERMINATION BY SECRETARY.—If the Secretary, after providing a State with an opportunity for a hearing, makes a final determination that all or any part of the Block Grant funds paid to such State or its local governments were not used as required by this subtitle, the Secretary shall—

(1) provide in writing to the State the reasons for the determination and the amounts of funds misused; and

(2) take appropriate action to recover an amount equal to that determined to have been misused, including the withholding of such amount from a State's future Block Grant or the amount which may have been suspended under subsection (c)(2).

(e) DISPOSITION OR WITHHELD FUNDS.—(1) If no appeal of a final determination under subsection (d) is filed within 60 days following the notification described in subsection (d)(1), any amounts withheld or otherwise recovered by the Secretary under subsection (d)(2) shall be returned to the Enhancement Fund.

(2) If an appeal of the final determination is filed within the 60-day period specified in paragraph (1), any funds withheld by the Secretary shall be held in escrow until such time as a final determination is made of the appeal.

(3) In the event that any amounts withheld under this section are subsequently paid to the State from whose block grant they were withheld, such State shall also receive interest on such amount.

SEC. 12207. RULES AND REGULATIONS.

Within 180 days after the date of enactment of this Act, the Secretary shall promulgate, after notice and opportunity for comment, such rules and regulations as may be necessary to carry out the provisions of this subtitle.

Subtitle C—Relationship to Other Law

SEC. 12301. RELATIONSHIP TO OTHER LAW.

The payment of funds pursuant to this subtitles A and B of this title shall be in addition to any payments made to a State under any other provision of this Act or any other provision of law.

SEC. 12302. RELATIONSHIP TO OTHER FUNDS.

Nothing in subtitles A and B of this title shall reduce any amounts required to be credited to the Land and Water Conservation Fund, pursuant to the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 to 4601-11), or to the Historic Preservation Fund, pursuant to the Historic Preservation Act (16 U.S.C. 470h), from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act. To the extent that the crediting of such amounts into the Land and Water Conservation Fund or the Historic Preservation Fund makes monies otherwise payable under subtitles A and B of this title unavailable, payments to the states and local governments pursuant to such subtitles shall be reduced on a pro rata basis.

KERRY (AND OTHERS) AMENDMENT NO. 1639

Mr. JOHNSTON (for Mr. KERRY, for himself, Mr. KENNEDY, Mr. MITCHELL, and Mr. COHEN) proposed an amendment to amendment No. 1638 proposed by Mr. JOHNSTON (for Mr. KERRY) to the bill S. 2166, supra, as follows:

Amend the pending amendment by adding at the end thereof the following:

"SUBTITLE D—PROHIBITION OF LEASING AND PRELEASING ACTIVITY

"SEC. 12401. LEASING MORATORIA.—

"The Secretary of the Interior shall not prepare for or conduct any preleasing or leasing activity under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) until after January 1, 2000, in the following areas placed under restriction in the President's moratorium statement of June 26, 1990: the North Atlantic Planning Area; and the Washington and Oregon Planning Area.".

JOHNSTON (AND OTHERS) AMENDMENT NO. 1640

Mr. JOHNSTON (for himself, Mr. WALLOP, Mr. STEVENS, and Mr. MURKOWSKI) proposed an amendment to amendment No. 1638 proposed by Mr. JOHNSTON (for Mr. KERRY) to the bill S. 2166, supra, as follows:

At the end of section 12102(c)(11) on page 7, at the end of line 9 insert "*Provided*, That in the event that the total amount of revenues which would otherwise be deposited in the fund exceed $300,000,000, the Secretary shall provide each eligible State and eligible county the same percentage of $300,000,000 as such State or county would have received had there not been a cap.".

CRAIG AMENDMENT NO. 1641

Mr. CRAIG proposed an amendment to the bill S. 2166, supra, as follows:

On page 271, following the period "." on line 23 add the following: "Such a certificate shall not confer the right of eminent domain pursuant to section 7(h) of this Act unless the Commission finds, in a proceeding separate from the issuance of the certificate, that the granting of eminent domain would be in the public convenience and necessity: *Provided*, That the Commission shall give to the proceeding and decision thereof preference over all other matters pending before it, and shall complete and decide the same as speedily as possible.".

METZENBAUM (AND JEFFORDS) AMENDMENT NO. 1642

Mr. METZENBAUM (for himself and Mr. JEFFORDS) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place insert the following new section:

SEC. 3. REFUNDS FOR OVERCHARGES.

(A) AMENDMENT OF SECTION 4(e) OF THE NATURAL GAS ACT.—The third and fourth sentences of section 4(e) of the natural Gas Act (15 U.S.C. 717c(e)) are amended to read as follows: "Where changes in rates or charges are thus made effective, the commission may, by order, require the natural-gas company to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such changes, specifying by whom and in whose behalf such amounts were paid, and, upon completion of the hearing and decision, to order such natural-gas company to refund, with interest, the portion of such rates or charges by its decision found not justified. At any hearing involving a rate or charge sought to be changed, the burden of proof to show that the changed rate or charge is just and reasonable shall be upon the natural-gas company, and the Commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.".

(b) AMENDMENT OF SECTION 5 OF THE NATURAL GAS ACT.—Section 5 of the Natural Gas Act (15 U.S.C. 717d) is amended by redesignating subsection (b) as subsection (c) and inserting the following new subsection following subsection (a):

"(b) At the conclusion of any proceeding under this section, the Commission shall order the natural-gas company to make refunds of such amounts as have been paid, for the period subsequent to the refund effective date, in excess of those which would have been paid under the just reasonable rate, charge, classification, rule, regulation, practice, or contract, which the Commission orders to be thereafter observed and in force. The refunds shall be made, with interest, to those persons who have paid those rates or charges which are the subject of the proceeding. The Commission shall establish the refund effective date. In the case of a hearing instituted on complaint, the refund effective date shall not be earlier than the date that is 60 days after the date of filing of the complaint or later than 5 months after the expiration of such 60-day period.".

(c) EFFECTIVE DATE.—(1) The amendments made by this section shall not apply to any proceeding under the Natural Gas Act commenced before the date of enactment of this Act.

(2) A proceeding to which the amendments made by this section does not apply by reason of paragraph (1) may be withdrawn and refiled without prejudice.

(d) STUDY.—(1) Not earlier than 3 years and not later than 4 years after the date of enactment of this Act, the Commission shall perform a study of the effect of the amendments to the Natural Gas Act made by this Act.

(2) The study required by paragraph (1) shall analyze—

(A) the impact, if any, of such amendments on the cost of capital paid by natural-gas companies;

(B) any change in the average time taken to resolve proceedings under sections 4 and 5, and

(C) such other matters as the Commission may deem appropriate in the public interest.

(3) Upon completion the study required by paragraph (1) shall be submitted to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

METZENBAUM AMENDMENT NO. 1643

Mr. METZENBAUM proposed an amendment to the bill S. 2166, supra, as follows:

On page 243, line 13, after the period, insert the following new sentence: "Nothing in this Act shall be considered to convey to any person other than the Corporation immunity from civil or criminal liability, or to create a defense to an action, under the antitrust laws.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. PRYOR. Mr. President, I would like to announce that the Subcommittee on Federal Services, Post Office, and Civil Service, of the Committee on Governmental Affairs, will hold a hearing on Thursday, February 20, 1992. The focus of the hearing will to examine the adequacies of the Department of Defense's programs to assist Federal employees affected by the proposed base closing and realignment policy. The subcommittee will hear witnesses from the Department of Defense, the Office of Personnel Management, the Department of Labor, and Federal employee groups.

The hearing is scheduled for 9:30 a.m., in rook 342 of the Senate Dirksen Office Building. For further information, please contact Ed Gleiman, subcommittee staff director, on 224-2254.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry Subcommittee on Agricultural Research and General Legislation will hold a hearing on the alternative uses of agricultural commodities: investigating impediments to commercialization. The hearing will be held on Friday, March 6, 1992, at 9:30 a.m. in SR-332. Senator THOMAS DASCHLE will preside.

For further information please contact Wade Fauth at 224-2321.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on February 18, 1992, at 2:15 p.m. to hold a hearing on economic growth and the President's budget proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Tuesday, February 18, 1992, at 10 a.m. to conduct a hearing on the causes and implications of the failures of First Executive Life Insurance of California, First Executive Life of New York, First Capital Life of California, and Fidelity Banks Life of Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COURTS AND ADMINISTRATIVE PRACTICE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Courts and Administrative Practice of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Tuesday, February 18, 1992, at 2 p.m., to hold a hearing on problems in asbestos litigation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, February 18, 1992, at 2 p.m., to hold a hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on February 18, 1992, at 2:30 p.m. on pending committee business.

AGENDA

1. Nomination of Barbara Hackman Franklin, of Pennsylvania, to be Secretary of the Department of Commerce (Loretta Dunn, Becky Kojm).
2. Nomination of Andrew H. Card, Jr., of Massachusetts, to be Secretary of the Department of Transportation (Sheryl Washington, Becky Kojm).
3. Routine Coast Guard nominations (PN's 816-817) (Becky Kojm).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Governmental Affairs Committee be authorized to meet on Tuesday, February 18, 1992, at 9:30 a.m., for a hearing on the subject of: Energy Conservation Development: The Federal Government's Role.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

LITHUANIAN INDEPENDENCE DAY

• Mr. BUMPERS. Mr. President, February 16 was a day of great significance for the Lithuanian people, and those of Lithuanian descent throughout the world: it marked the 741st anniversary of the founding of the Lithuanian state in 1251. However, this day was even more special than in years past, as we celebrate the reemergence of Lithuania as an independent state. This day was a celebration of the triumph of democracy over authoritarian rule, and thus is significant for the cause of democracy worldwide. I would like to take this opportunity to convey my congratulations, respect and admiration to the Lithuanian people for their diligence, dedication, and courage in their long struggle for freedom.

On March 11, 1991, the Lithuanian Parliament adopted a Declaration of Independence by a vote of 124 to 0, with only 6 abstentions. The very words of this historic statement testify to the long struggle of the Lithuanian people:

> The Supreme Council of the Republic of Lithuania, expressing the will of the nation, resolves and solemnly proclaims that the execution of the sovereign power of the Lithuanian state, heretofore constrained by enemy forces in 1940, is restored, and henceforth Lithuania is once again an independent state.

The last 200 years have indeed been a time of trial and hardship for the Lithuanian people. Lithuania was annexed by Russia in 1795 during the third partition of Poland after existing as a sovereign state since its birth in 1251. For over 100 years, Lithuania intensely fended off the onslaught of czarist "Russification." Their intense nationalism enabled them to successfully maintain their religion, culture, and language.

Lithuania enjoyed a brief period of independence between the two world wars, where it flourished as a sovereign state, establishing equitable labor laws, achieving land reform and improving education and arts; however, Lithuania would once again fall under the oppressive tyranny of a foreign power. Lithuania was stuck between a "rock and a hard place," a victim trapped by the collusion between Nazi Germany and the Soviet Union in World War II. Through secret accords between Adolf Hitler and Joseph Stalin, Lithuania once again lost its freedom, falling under Soviet rule in 1940.

The United States has always denounced this forcible and illegal assimilation of Lithuania and the other Baltic States into the Soviet Union. I have long agreed with this position, and was distressed by the brutal subjugation that the Lithuanian people suffered under Communist rule. The efforts of various Lithuanian groups both in Lithuania and the rest of the world deserve the respect and admiration for their dedication and tireless efforts in their fight for Lithuania's independence and freedom. There are many such groups in the United States. One that I would like to pay special tribute to is located in the city of Hot Springs, AR. The fine Lithuanian-American people there formed a chapter of the Lithuanian-American Community of the U.S.A., under the leadership of Steve Ingaunis. They have played an important and continuing role in this struggle, and I thank them for the assistance they have provided me on this issue over the years.

Following the leadership of groups like the Supreme Committee for the Liberation of Lithuania [VLIK], the Lithuanian people tirelessly strived to maintain their culture and history against Communist rule. The Lithuanian people have fought for decades through passive resistance until they would finally regain control of their ancestral homeland. The historic vote last March for independence came from a parliament which had shaken off the noose of a Communist political monopoly and attained a democratic majority through nationwide popular elections.

Under former Soviet leader Mikhail Gorbachev's policies of glasnost and perestroika, the Lithuanian people were slowly able to regain control of their nation, despite serious risks to their safety in the face of antidemocratic forces. After the failed coup of August, Lithuanians won international recognition of the sovereignty of their country. Within a mouth, more than 50 nations, including the United States, recognized the independence of all three Baltic States. Lithuania, Latvia, and Estonia were all rightly granted admittance to the United Nations and the Conference on Security and Cooperation in Europe [CSCE] in September of last year. The rock of Nazi Germany had been broken decades before, and now the hard place of the Soviet Union has fallen. Lithuania is once again a free nation.

My only regret is that independence for Lithuania did not come sooner. The United States has always defended the right of nations to self-determination. I am glad to see independence and freedom once again restored to Lithuania. Lithuania still has a long road ahead as it tries to implement market reforms and establish stable democratic practices. The path to democracy is a difficult one, but I am confident that the Lithuanian people will once again show that through their resolution and diligence, they can overcome their hardships and attain their goals.

I am proud to commemorate this day of independence along with the Lithuanian people and the rest of the world, and I join free people everywhere in welcoming Lithuania and its fellow former Soviet Republics into the family of free nations.•

AMERICAN EDUCATION CENTER FOR EXCELLENCE

• Mr. MACK. Mr. President, as we have recently completed debate on S. 2 and issues related to elementary and secondary education, I take pride in knowing there are schools in this country already exhibiting exceptional ability to educate our children.

The American Education Center for Excellence, located in Pensacola, FL, is a model school dedicated to helping to make America the leader in state of the art technology education in the nineties.

The American Education Center for Excellence is a national center which will house a model middle school recognizing exceptional standards of performance, providing instructional materials and technology on the cutting edge, and allowing for individuality in public education. Recognizing the center's unique potential, the U.S. Department of Education has awarded it a $2.7 million grant.

The center will be composed of a five part program integrating a high-tech magnet middle school, a technology showcase, a private-sector partnership foundation, an education hall of fame, and a national museum of education.

The magnet program uses state of the art technologies to enable students to learn and work with the most recent advances in computer hardware and software. The facility will also be incorporated as a summer institute, and will be open to all students nationwide for specialized programs taught by trained educators from all over the United States.

The center has also created a Partnership Foundation focusing on private sector involvement and contributions to public education. In addition, the center will construct a National Museum of Education to provide visitors with the opportunity to explore America's educational heritage, and a National Education Hall of Fame recognizing individuals who have made significant contributions to the education of young Americans.

Consistent with America 2000, the center fosters the goals of reducing minority isolation, increasing parental involvement, and developing and implementing a fluid and dynamic education program for the future.

The center is an innovative program which can be used as a model for implementing the President's America 2000 strategy. I am convinced that this model will be of tremendous benefit for students and educators across the country as we strive to provide the highest quality education in the world.

Mr. President, I offer my hearty congratulations to the American Education Center for Excellence.•

TRIBUTE TO FLORIDA NATIONAL GUARD GEN. ROBERT F. ENSSLIN, JR.

• Mr. GRAHAM. Mr. President, I am honored to offer a tribute to an outstanding American from Florida: Maj. Gen. Robert R. Ensslin, Jr., adjutant general of the Florida National Guard. After 36 years in the Guard—10 years as adjutant general—Bob Ensslin is retiring. He is the personification of the citizen soldier that makes our National Guard part of the foundation of America's security and strength.

Today in Jacksonville, FL, Bob Ensslin's place of birth, the general will be honored by the Air National Guard unit within his jurisdiction. The general started his day this morning by completing the Guard's required run at the Air National Guard facility near Jacksonville Airport.

That speaks volumes about the Guard and about this general. Bob Ensslin, who will be 64 on Saturday, February 22, stays in shape three decades after military service in Korea. He is prepared. He is ready. As general, he runs the same laps as the other dedicated men and women of the National Guard.

In our State of Florida, the Guard is more than prepared, more than ready. Time after time, it has been called to duty in some of the most challenging circumstances in our history. The Florida National Guard has performed with distinction, and thanks to people like General Ensslin, it will be ready the next time it is activated.

The Florida National Guard has preserved public safety after natural disasters such as hurricanes. Just as important, the Guard helped preserve human dignity.

In June 1979, the motorists of Florida faced fuel shortages and long lines at the pump due to a breakdown in fuel distribution. More than 1,000 Florida National Guardsmen were activated, averting crisis. I was proud to be their Governor. The Florida National Guard also has been a full partner in the war on drugs, a tribute to General Ensslin's leadership. Nearly 100 Air National Guardsmen from Florida, with special skills, volunteered to be mobilized for stateside and foreign duty in Operation Desert Storm. Some 1,600 Army National Guardsmen from Florida—from Fort Lauderdale to Apalachicola—were mobilized for the war effort.

Bob Ensslin joined the Florida Army National Guard 36 years ago, in February 1956, serving as a battery officer and battery commander of the 116th Field Artillery Battalion. He rose through the ranks to become director of the State Area Command in 1980 and was appointed adjutant general of Florida on January 1, 1982, the year he was promoted to major general.

General Ensslin is an effective advocate for the Guard in Florida and nationwide, serving as president of the

National Guard Association of the United States. Like most Guardsmen, Bob Ensslin was also a leader in civilian life. He was chairman of the board and chief operating officer of Ensslin & Hall Advertising Agency in Tampa, and was president of the Tampa Advertising Federation.

We're proud to call Bob Ensslin a Floridian, because we know he has made our State a better place. We salute his leadership, his dedication to duty, his love of family and his contributions to the National Guard.•

RUNNING OUT OF ROOM AND PATIENCE

• Mr. COATS. Mr. President, last year, the residents of my hometown, Fort Wayne, became victims of a trash spill along a main throughway. Another community, LaPorte, suffered the same fate when a truck dumped its trash along the roadway. Both of these incidents had one thing in common—the trucks that spewed their distasteful cargo were from out of State, and were carrying trash generated by people outside of Indiana.

These events were unpleasant reminders of Indiana's recurrent problem of being used as a dumping ground for out-of-State waste. They were vivid examples of why States need the authority to say no to garbage from outside their borders—authority legislation I have introduced would give them.

Well, recently, Hoosiers were given another wake-up call by east coast trash haulers. This time, the people of Wabash County were treated to 300 feet of New York garbage strewn along railroad tracks running near Indiana State Route 13.

Enough is enough. I have agreed to work with the Senate Environmental Protection Subcommittee to implement my proposals giving States the authority to ban or regulate out-of-State trash shipments and to raise the dumping fees for out-of-State garbage vendors. I have agreed to work within the Resource Conservation and Recovery Act [RCRA] to implement my legislation.

But the time is running short. In my agreement with Senator BAUCUS, I said I would wait until April 30 to see RCRA enacted—and then move in whatever way I deem necessary to enable Hoosiers to close their borders to out-of-State trash.

The time is running down, as this week's spill in Wabash County illustrates. Indiana has only about 7 years of landfill capacity left—we are running out of room. And as the people of Wabash County can testify, we are also out of patience.•

PRIORITY U.S.A.

• Mr. KOHL. Mr. President, I rise today to praise a patriotic and innovative new program recently announced by the Wisconsin Counties Association [WCA]: Priority U.S.A.

Priority U.S.A. is the WCA's way of recognizing and supporting quality U.S. workmanship and products. I am particularly proud of this program because Wisconsin's county governments have pledged to do more than just talk about "buying American." They have committed to putting their substantial spending power behind quality American products.

Priority U.S.A. is a set of principles which the WCA has adopted as a guide to their members who are in charge of country purchasing. The good sense behind these principles is evident, and I think is worthwhile to repeat them here in full:

Recognize and support the value of the American worker.

Initiate and maintain support for the longstanding tradition of quality American workmanship.

Work with businesses, labor, and other levels of Government to improve access to economic markets in other countries.

Direct county government's substantial buying power toward the purchase and use of American products.

Recognize and support transactions of mutually beneficial nature where international cooperative business and economic ties exist.

Recognize and promote the vitality of America's work force in our Nation's economic recovery efforts.

These principles are as praiseworthy for what they do not say as for what they do say. They do not say we should "buy American" out of sympathy or out of some misguided notion of public service. They say we ought to "buy American" when America produces the best products, and we ought to recognize that that happens more often than many naysayers would have us believe. American workers do not need charity to compete—they just need a fair chance.

And second, the Priority U.S.A. principles are not a quick, patriotic statement in an election year speech; they are a long-term commitment to American products by the local government decisionmakers in a position to make such a commitment. Politicians can issue press releases about buying American, and we can designate this day or that month as "American Worker Day" or "American Worker Month." But these actions pale in light of the WCA's commitment to make every day "buy American Day."

Priority U.S.A. recognizes that "Buy American" is not a slogan; it is a commitment. I call the attention of my colleagues to this commitment—and the unique way the WCA has articulated it—and urge you to share it with businesses and governments in your State. I hope WCA has started a movement here—a movement toward American products. That is a movement that is more than good politics; it is also good business sense.•

ACCEPTING THE CHALLENGE OF A CHANGING WORLD

• Mr. LAUTENBERG. Mr. President, I rise to call my colleagues' attention to a speech delivered recently by Samuel J. LeFrak, chairman of the LeFrak Organization, one of the world's leading building firms.

The LeFrak Co. developed such communities as LeFrak City, one of the largest privately financed housing developments in the United States; Battery Park City; and Kings Bay Housing. The LeFrak Organization is currently building Newport in Hudson County, NJ. It is one of the world's largest planned communities and a $10 billion multiuse complex on the Hudson River.

Samuel LeFrak has also dedicated himself to providing shelter for the homeless and has had a longstanding commitment to the habitat for humanity.

I recently read an inspirational speech that he delivered last year to 500 high school scholars who were honored with "Golden Eagle" Awards for academic excellence and community service. The speech entitled "Accepting the Challenge of a Changing World" was given at the United Nations. I would like to share this speech with my colleagues and I ask that the speech be printed in the RECORD at this time.

The speech follows:

ACCEPTING THE CHALLENGE OF A CHANGING WORLD

(By Samuel J. LeFrak)

Ladies and gentlemen, distinguished guests. Cicero once said: "I approve of a youth who has something of the old man in him . . . as I approve of the old man who has something of the youth in him. He who follows this rule may be old in body but can never be old in mind."

Welcome and congratulations to all of you honorees and over-achievers here today: past and present . . . young and old . . . in mind and body!

You deserve the world's applause and recognition for what you have achieved and for what you will be achieving!

The hallowed halls of this great building are most appropriate for today's meeting because this is a sacred place. Alone among the institutions of international politics, the United Nations is the preeminent forum where words—not guns—are the weapons of choice for settling disputes and avoiding war.

One of the greatest strengths of our democracy is that we can, on occasion, act like a community. We can become a group, sharing its strengths to overcome our weakness, a group accepting diversity as a precious source of creativity and using conformity as a ladder for communication. It is always restoring to have a visible manifestation of this idealistic concept. Thus, I predict that we are on the threshold of the Golden Age of the United Nations.

Indeed, all of us here today who experienced the glory and victory of Operation Desert Storm also witnessed the global cooperation which brought about the downfall of an aggressor state.

Through rapid communications, high technology, and reason, a relentless and immediate focus on Saddam Hussein's madness rallied the world behind the United States and leaders like President George Bush and U.N. Ambassador Thomas Pickering.

Truly, the 'Global Village" is a reality; and the microcosm of this volatile reality is here at the United Nations. We are One world! One people!

It was for just such purposes that this complex of buildings and its altruistic doctrines were created forty years ago: to study, evaluate, and respond quickly to world strife with practical solutions.

Today, as we approach the 21st Century, the scope of changes taking place compels us to resolve international issues at an even faster pace than before.

Instant TV replay of shattering events like Tienamin Square and the Kurdish disaster are immediate reflections of global problems that must be solved at once.

My remarks today, therefore, will be addressed to you: the next generation of young, bold leaders who must yet confront and unravel the monumental conflicts that have plagued mankind throughout the modern era . . . a generation that must reshape the future of the world as we enter a new millennium.

And I must say that I am happy to be here today to speak to such an outstanding group of overachievers.

For you are not a lost generation! Or a silent generation! Or an indifferent generation! You are a concerned and committed generation. And I, for one, believe adult America should be proud and thankful that you, young America—youthful America—is concerned for our country, dedicated to genuine understanding of world problems, and fearless in your determination to be a part of the solutions we seek.

Never before has youth been so informed, assertive, articulate and well educated. Poetry and art, philosophy and science, religion, politics, economics and the environment will be affected by you. It is you who must eventually cure cancer, homelessness, AIDS, and the common cold, lay out blight-proof and smog-free cities, enrich the underdeveloped world, and write "the end" to poverty and war.

As we stand on the threshold of the Twenty-first Century, our ability to survive and flourish as a civilization will depend upon your enthusiasm, creativity and hard work. For you are the future explorers, scientists, artists, inventors, and innovators who must change the way we live. Many of you someday may even return here to the United Nations to represent our great country as its diplomats and world statesmen.

For it is your generation that will be called upon to correct the effects of this vast explosion of technology, rapid communications, and knowledge . . . to satisfy our growing needs for education, health, culture, and improved living conditions. Your mission, therefore, is to accept the challenge of a swiftly changing world.

No other generation of Americans has ever had go great an opportunity and so great a responsibility.

Chekhov said we live today to improve tomorrow. Albert Einstein summed up the challenge. He said the most incomprehensible thing about the world is that it is comprehensible.

Any attempt to understand international relations today therefore must begin by considering the speed with which the modern world has been unmoored from its own past. An exuberant new vitality has stirred the human species, altering patterns of life set in the daybreak of civilization. Moved by ideals of individual dignity and worth, millions of people in countries around the world have questioned and changed age-old hierarchies of power and influence. Empires have disappeared, new nations have been born. There is today the technical paucity to do away with poverty, disease and homelessness.

A wise man once wrote: "The worst sin toward our fellow creatures is not to hate them but to be indifferent to them." Indifference can no longer be tolerated. Throughout history there has been no better time than now to correct the world's inequities.

Only one choice faces us. And that is to act! The 80-year-old Voltaire, when told that a tree he favored would take 40 years to bloom, said to his gardener, "Well, then, plant it this afternoon."

As we look to the next century, shortages, poverty, upheavals, environmental disasters seem all too possible. How can we survive, much less prosper, in a complex and turbulent world?

We should remember that the Chinese ideograph for "crisis" is composed of two picture-characters: one means "danger" and the other means "opportunity."

I stress the significance of the word "crisis." For each disappointment, each disaster, each crisis offers us a window of opportunity to advance science and culture, to extend human kindness and caring to others less fortunate. . . . to keep bright the torch of reason and concern in a world too often dark with despair and doubt.

More than 125 years ago, a group of French partners decided to break from the artistic traditions they inherited. These rebels became known as the Impressionists. From the beginning, critics denounced them as if they were attacking the very basis of French life, instead of merely trying to capture the effects of light as they saw it.

It took twenty years for their works to become popular, and, by that time, the movement has come to an end . . . but not without having achieved a permanent and honored place in world history.

Seventy-five years ago new ideas were being broached and old frontiers were being breached in music, literature, and science. Debussy was paving the way for the sounds of 20th Century music and audiences more than once broke up concerts with noisy demonstrations and riots. Men like James Joyce and T.S. Eliot were bringing a new realism to fiction and poetry in a society that had grown all too satisfied with the old ways of viewing the world. In physics, Ernest Rutherford was beginning to unlock the secrets of the atom. And soon afterward, Sigmund Freud would open new windows on the inner conflicts of man.

In short, this period was much like our own, but with one significant difference—and this difference has a vital bearing on you young people gathered here today. For you, the intellectual vanguard of your generation, are the Impressionists of today.

Recall for a moment the work of one distinguished innovator born more than 300 years ago: Galileo. In a dramatic demonstration, Galileo climbed to the top of the leaning Tower of Pisa and dropped objects of varying weights to the ground to prove that the mass of an object had no effect on its velocity under free-fall conditions.

Yet for two thousand years, man had believed the reverse because Aristotle, the great Greek philosopher, had said so! Before Galileo, no one had asked for proof or sought to disprove Aristotle's theory.

Today, we are moving through a period of splendid hope. We are on the verge of a Second Age of Enlightenment. New horizons, new challenges, new opportunities abound. Your commitment to balancing business needs with environmental concerns, in seeing that higher education addresses real-world issues and problems, and in attempting new forms of artistic and social expression, represent democratic areas where truth and absolute freedom exist with no holds barred.

You seek to bring new flavor into our lives. You ask to be directed and guided in a manner that will not turn you into carbon copies of previous generations, for you are tomorrow's leaders. Yet, the proliferation of knowledge required today by our highly technical society demands that you think fast, run fast, write fast, and act fast.

You are a generation of Galileos poking holes in the Aristotles of the older generation. However, you face difficulties Galileo did not encounter, for, after all, no one's life then depended upon relative velocities of falling objects. In a sense, mankind could afford to wait two thousand years for Galileo.

However, today's world being what it is, we cannot afford to wait 2,000 or 500 or even 50 years for answers to problems facing our society. This urgency will create added burdens and tensions. But you cannot let this deter you from your intended course.

Moreover, do not expect to have only one crucial confrontation with truth as Galileo did. Your problems will not lend themselves to simple solutions. You will have to take that lonely walk up hundreds of towers; and even then the results will often create contradiction and uncertainty.

Consider for a moment the radical and turbulent changes you have lived through in just a few short years.

We're seen man land on the moon; the Berlin Wall torn down; the winds of change blowing throughout world; Russia forsaking Communism and moving toward the West; peace talks abound; China evolving toward a market economy.

We saw the United Nations band together to destroy an unjust and cowardly enemy threatening world peace. We saw American forces in a desert war use modern technology to defeat an enemy within a relatively short period of time. We hailed a dauntless General Norman Schwarzkopf. And applauded a brilliant general staff under the command of General Colin Powell. Victory brought us together. Made us proud. Gave us strength and hope. Yes, even the "flag-burners" were denounced! And a tremendous swell of American patriotism was reborn!

Now a new world order faces us today. New dreams. New aspirations. New challenges. The international community seeks our help, guidance, direction, and cooperation.

And with whom does all this new hope and promise reside?

With you . . . America's greatest resource: its young, bright leaders and scholars.

No one knows, no one can be sure, what great talent lies within you. The reinforcement and nourishment you derive from the academic world is only the foundation upon which you must build the superstructure of your future lives.

Historically, our past generations have dependent upon hard work and resourcefulness. It was this resourcefulness that helped our forefathers develop America. Their ingenuity and enterprise enabled our people to enjoy those luxuries we now take for granted.

The entire world is now looking for your help, your resourcefulness, your ingenuity, and for this reason you must be ready to lead.

For better or for worse, the world today is committed to accelerating change—radical, wrenching, erosive of both traditions and old values. You, its inheritors, have grown up with rapid change and are better prepared to accommodate this change than any young men and women in history.

With your skeptical, yet humanistic outlook, your disdain for fanaticism, and your scorn for the superficial, you will infuse the future with a new sense of morality, a contemporary ethical concept that will further enrich our society and keep our great nation paramount in the eyes of the world.

Mark Twain once said to another group of overachievers: "You have won your places, not by heredities, and not by family influence or extraneous help, but by the natural gifts that God gave you at your birth, made effective by your very own energies."

So, remember this well—your energies and abilities have brought you this far. It is even more important that you rely on these same energies and abilities from this point on! Each of you can make something of yourselves because by your very presence here today you have proven that you have within yourselves the ability, the desire, and aspirations to reach for the stars.

But now the responsibility is yours. You have demanded it. It is up to you to know all. It is up to you to dare all.

Tomorrow's challengers are the greatest reason for your existence. You are the hope for our future.

God Bless You . . . and God Bless our Wonderful Country!

Thank you.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received a request for a determination under rule 35 for Mary A. Irace, a member of the staff of Senator SARBANES, to participate in a program in Japan, sponsored by the Japan-United States Friendship Commission, from February 8–15, 1992.

The committee has determined that participation by Ms. Irace in this program, at the expense of the Japan-United States Friendship Commission, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Maria Baratta, a member of the staff of Senator DOLE, to participate in a program in Croatia, sponsored by the Congressional Human Rights Foundation, from February 10–15, 1992. The committee understands that food and lodging in Croatia were paid by the Croatian Government, and round-trip transportation from Washington, DC was paid by the Congressional Human Rights Foundation, a domestic institution.

The committee has determined that participation by Ms. Baratta in this program, at the expense of the Congressional Human Rights Foundation and the Croatian Government, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Brian J. Riendeau and Jeffrey S. Hall, members of the staff of Senator MCCONNELL, to participate in a program in Taiwan, sponsored by the Chinese National Association of Industry and Commerce, from February 8–13, 1992.

The committee has determined that participation by Mr. Riendeau and Mr. Hall in this program, at the expense of the Chinese National Association of Industry and Commerce, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Senators WARREN B. RUDMAN, WILLIAM S. COHEN, TRENT LOTT, WILLIAM V. ROTH, Jr., JOHN MCCAIN, JOHN GLENN, RICHARD G. LUGAR, and LARRY PRESSLER to participate in a program in the Federal Republic of Germany, sponsored by the Europaische Wehrkunde Organization and the United States Government, from February 7–9, 1992.

The committee has determined that participation by the above-named Senators in this program, at the expense of the Europaische Wehrkunde Organization and the U.S. Government, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Clare Thorne, a member of the staff of Senator CRANSTON, to participate in a program in Paris, sponsored by the Franco-Americaine and the German Marshall Fund, from February 8–16, 1992.

The committee has determined that participation by Ms. Thorne in this program, at the expense of the Franco-Americaine and the German Marshall Fund, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Senator NUNN, and Senator WARNER, and employees of the Senate Armed Services Committee, Andrew Effron, and Patrick Tucker, to participate in a program in the Persian Gulf, sponsored by the United States Government and the Governments of Saudi Arabia and Bahrain from February 16–20, 1992.

The committee determined that participation by Senators NUNN and WARNER and Messrs. Effron and Tucker in this program, at the expense of the United States Government and the Governments of Saudi Arabia and Bahrain, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Greg Schnacke, a member of the staff of Senator DOLE, to participate in a program in Paris sponsored by the Franco-Americaine and the German Marshall Fund, from February 9 to 16, 1992.

The committee has determined that participation by Mr. Schnacke in this program, at the expense of the Franco-Americaine Foundation and the German Marshall Fund, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Elizabeth Gardner, a member of the staff of Senator BIDEN, to participate in a program in France, sponsored by the Franco-American and the German Marshall Fund, from February 8 to 16, 1992.

The committee has determined that participation by Ms. Gardner in this program, at the expense of the Franco-American and the German Marshall Fund, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Leonard Weiss, a member of the staff of Senator GLENN, to participate in a program in Paris, sponsored by the Franco-Americaine and the German Marshall Fund, from February 8 to 16, 1992.

The committee has determined that participation by Mr. Weiss in this program, at the expense of the Washington Foundation for European Studies and the German Marshall Fund, is in the interest of the Senate and the United States.•

ARC OF BENTON COUNTY

• Mr. PACKWOOD. Mr. President, I rise today in honor of the Arc of Benton County, OR, which has been chosen as the President's 677th daily point of light. The Arc is an organization that advocates and provides services for individuals with developmental disabilities and their families.

The Arc of Benton County is the second-largest organization of its kind in Oregon. It recruits community volunteers to interact with and offer assistance to many of the area's developmentally disabled citizens.

It has served the Benton area community for the past 32 years. It has taught and encouraged its developmentally impaired charges to participate in meaningful activities. It has offered much needed respite to the families of the impaired. It has given comfort and support to both the impaired and their families in times of personal crisis.

But the most exciting aspect of the Benton County Arc is its continuing success in bringing the disabled into the community and teach them to contribute to it. In the past year alone, the Arc of Benton County has kicked off at least three new programs that help their charges get out into the community, where they can learn from other area residents.

The most important of these new programs may well be the "Terrific Twenties Program, which is geared especially to those with disabilities who have left the public school system. By Federal law, the developmentally disabled are allowed to remain in public schools until they reach the age of 21. Then they must leave the school system and try to make it on their own. All too often, though, the disabled lose their social contact with people when they leave school. This program aims to encourage social contact, improve personal skills, and teach students the abilities needed to live alone. Participation has more than doubled in this program since it began a year ago.

The Arc of Benton County well deserves the honor of being chosen as a point of light. The volunteers who participate in the daily activities of the Arc are role models not only for the community's developmentally disabled, but for the rest of us, too.•

TRIBUTE TO THE ELEANOR ROOSEVELT INSTITUTE

• Mr. WIRTH. Mr. President, I would like to take this opportunity to commemorate the 30th anniversary of the Eleanor Roosevelt Institute. The Eleanor Roosevelt Institute [ERI] was founded in 1961 in Denver, CO, through a grant from the Eleanor Roosevelt Cancer Foundation. During the last 30 years, ERI has earned a reputation as one of the world's most innovative laboratories because of its work in biochemistry, molecular biology, and genetics research.

The research at ERI is focused primarily on disease prevention through discovery of the biochemical problems that underlie disease. Aside from being one of the Nation's premier research institutions on cancer and the immune system, ERI's principal investigators are also currently studying heart disease, Parkinson's disease, autism, AIDS, Down syndrome, and amyotrophic lateral sclerosis, better known as Lou Gehrig's disease. Moreover, ERI is playing a key role in the human genome initiative. The establishment of the Center for the Study of the Human Genome at ERI demonstrates the institute's continued commitment to unlocking the secrets of human genetics.

Under the direction of Dr. Theodore Puck, the Eleanore Roosevelt Institute has made important advances in cancer research. These include the discovery that the amount of x-ray dosage necessary to destroy cancer cells is 1,000 times less than previously thought, as well as the discovery that certain genes suspected of causing cancer change in chromosomal location. In addition, ERI is credited with establishing that the human cell contains 46 chromosomes, not 48 as previously assumed and the creation of the Denver classification system—the chromosome classification system used throughout the world.

The institute has also been a center for training upcoming young scientists and physicians in modern genetic and medical research. Groups ranging from high school students and teachers to senior scientific investigators from around the world can benefit from the expertise of the scientists at ERI.

I applaud the successes of those at the Eleanor Roosevelt Institute in establishing new fields of medical investigation and in making discoveries which have been instrumental in disease prevention. Through the work of the outstanding biomedical scientists at ERI, we are closer to beating a variety of major public health threats, particularly cancer. We are proud to have such a well-renowned and successful medical research institute in our State of Colorado.•

COMMITMENT TO THE HUNGRY

• Mr. SIMON. Mr. President, today I would like to insert a timely article concerning food relief for the Commonwealth of Independent States written by a good friend of mine, Larry Minear. In light of President Yeltsin's request this weekend for additional loan guarantees for American grain, Larry Minear's article points out some lessons we should have learned from famine assistance to Africa in the 1980's and the Asian subcontinent in the 1960's and 1970's. I ask that Mr. Minear's article be inserted into the RECORD at this point. The article follows:

[From the Roanoke Times & World News, Jan. 10, 1992]

TO HELP HUNGRY SOVIETS, TAKE TIPS FROM THIRD WORLD

(By Larry Minear)

With winter, alarm increases about food shortages and possible hunger in the former Soviet Union. So, too, does the debate about whether and how the United States should help.

Cold Warriors maintain that structural changes in the Soviet economy must precede food aid: In effect, let them eat perestroika. Others insist on fewer preconditions, seeing aid as an investment in Soviet reforms and an improved international political climate.

Third World experience with emergency aid helps weigh such conflicting counsel. After all, this is not the first time that U.S. perceptions of human need have been filtered through political lenses; that hunger has been created by recipient government policies; that central-government authorities are poorly positioned to mount a major relief undertaking. Third World experience suggests that although the international community should indeed be prepared to act, a focused intervention of quite modest proportions may be best.

A long humanitarian tradition affirms the world's obligation to assist people who are starving, or likely to, when the necessary resources are otherwise unavailable. Relief efforts on the Asian subcontinent in the '60s and '70s, and in the African Sahel in the mid-'80s, demonstrate that carefully planned and well-executed programs can make a life-and-death difference.

Conversely, the absence of outside aid can figure in massive human displacement and death: Witness the loss of some 250,000 lives to famine born of drought and civil strife in the Sudan in 1988.

If what awaits the Soviet people is serious food shortages but no famine, widespread hunger but no actual starvation, the targeting of food to vulnerable groups becomes particularly essential. Third World experience suggests that with home-grown food commodities unavailable and outside assistance limited, priority should go to infants, pregnant and lactating mothers, and the aged and infirm.

In some emergencies, there is no substitute for massive food imports. But megatonnage can create more problems than it solves. The experience of Bangladesh in the mid-'70s and of Egypt over the past decade dramatizes the havoc that food aid can cause for domestic producers and economic planners.

By contrast, relief officials' decision in the late '80s to buy grain in a food-surplus region of Tigray for use in a food-deficit area of the same Ethiopian province saved lives and spurred production. External help with internal purchases and distribution might also make a difference in the Soviet Union.

Effective programs must also work around other major bottlenecks. An evaluation of food aid during the devastating African emergency of the mid-'80s concluded that "if the [recipient] government plays a positive pivotal role in managing and coordinating an emergency effort, the program is likely to have greater impact." At the same time, the review noted that the government itself "may not be the best implementing agency."

With United Nations agencies and private relief groups largely absent, some pivotal roles they play in Third World emergencies would need to be assumed by officials in the republics. Intensive international monitoring, which has proved essential but costly in developing countries, would be required.

Because reports suggest the Soviet Union's ability to distribute food aid is a more formidable obstacle than the West's ability to supply it, any plan for food aid should place a premium on creatively confronting internal bottlenecks.

The vastness of the territory, the size and scattered whereabouts of the population, and the entrenched state of the bureaucratic apparatus and economic controls may make relief efforts an even more imposing challenge than in many Third World countries.

Also on a cautionary note, dramatizing hunger in the Soviet Union could divert attention from equally or more serious needs elsewhere. Revolutionary changes in Eastern Europe have already contributed to waning international interest in Third World countries. Putting hungry people in the Soviet Union at the head of the international queue could further unbalance worldwide priorities.

If Third World experience is any indication, the major value of an eventual relief intervention in the former Soviet Union might turn out to be not its direct nutritional impact but its indirect and sometimes serendipitous consequences.

These include the breaking of monopolies on foodstuffs, the solidarity expressed with those in need, the eyes-and-ears role of international personnel and the opening of serious dialogue on broader policy concerns. Such benefits make focused relief efforts, however expensive, a sound investment.

With the waning of the Cold War, considerations of humanity are struggling to reassert precedence over ideology. What better occasion than the Soviet crisis to reinstate the basis idea that people who are hungry should receive assistance? What better place than the Soviet Union to build upon experience in developing countries?

Doing so, however, might reduce the scale of what is attempted there and reinvigorate commitment to the hungry elsewhere.●

THE ISRAELI ATTACK ON THE HEZBOLLAH SHEIK

● Mr. D'AMATO. Mr. President, I rise today to congratulate Israel for its bravery and dedication to fighting terrorism. As in 1981, Israel has struck at the heart of radical Arab terrorism. Sheik Abbas Musawi, the Hezbollah leader, stood in contrast to everything for which we in the civilized world stand. His death sends a warning to all those who kill innocents. Murder and terrorism will not go unpunished.

Responsible for the deaths of hundreds of people, Hezbollah, under Musawi's leadership brutally hunted down Americans in Lebanon. He is responsible for the deaths of 241 U.S. marines, killed in the Marine barracks bombing of October 1983; the bombing of the American Embassy in Beirut, the kidnaping of the American hostages and the deaths of Col. William Higgins and William Buckley. Musawi is also responsible for the disappearance of six Lebanese Jews.

Time after time, Israel has taken on terrorism and has been chastised by the United States State Department for her actions. This man represented evil incarnate. This man murdered Americans, Musawi was as much an enemy of the United States as he was of Israel. Israel's daring raid deserves praise, not condemnation. The United States should thank Israel for removing a cancer from the world.●

LITHUANIAN INDEPENDENCE DAY

● Mr. SIMON. Mr. President, on Sunday, February 16, 1992, the Republic of Lithuania celebrated its 74th anniversary of independence—its first fully free independence celebration since 1940. Today, I salute the people of this nation for their fortitude and commitment to freedom and democracy.

Sunday's celebration was especially important since it was the first celebration since 1940 where Lithuania was not occupied by a foreign power. The people of Lithuania bravely resisted Soviet occupation for 41 years. The Lithuanian will to be free from Soviet occupation was also a key ingredient in dissolving the entire Soviet empire.

When the independence celebrations are over, the people of Lithuania face a tough task of rebuilding their nation after living under 41 years of the Soviet economic system. From our experiences in Poland, Czechoslovakia, Hungary, and East Germany we have learned that the road to recovery from communism is not easy. The United States was resolute in opposing the Soviet occupation of Lithuania. Today we should be equally determined to see that democracy and a free market economy take a firm hold in Lithuania.

The United States should also be resolved to see that all Commonwealth troops withdraw from Lithuania as soon as possible. Although the threat is very small that these troops will repeat atrocities against Lithuania, their symbolic presence in this free and sovereign country is an anachronism.

The people of the United States and Lithuania share the same ideals of freedom and democracy. In the months and years to come let us remain committed to our friends on the Baltic Sea, the free people of Lithuania.●

LITHUANIAN INDEPENDENCE DAY

● Mr. DECONCINI. Mr. President, on February 16, 1992, Lithuanians all over the world celebrated Lithuanian Independence Day. This year's celebration was thankfully different from the recent past, however. For the first time in 51 years, Lithuanian Independence Day in the homeland was celebrated in freedom. Lithuania has been emancipated, rising from the ashes of fascism and communism to regain its rightful place among the family of free nations.

It has been a long time coming and the cost has been high. We will probably never know the exact number of Lithuanians who lost their lives, their families, their homes, and their freedom in the struggle. How we all wish that Romas Kalanta and Father Laurinavicius could have lived to see the day, or that Balys Gajauskas and other members of the Lithuania Helsinki Monitoring Group and the Lithuanian Catholic Committee should not have had to spend dozens of years in the gulag waiting for it. And how many Lithuanians, remembered only dimly by friends and loves ones, lie buried in the wastes of Siberia, victims of unspeakable cruelty.

Regrettably, the struggle of the Lithuanian people was not always understood or appreciated in the West. When the Supreme Council of Lithuania reaffirmed its nation's independence on March 11, 1990, too many sophisticated onlookers saw it as another Quixotic quest by a hopelessly outnumbered, idealist people challenging the mighty empire that stretched from Poland almost to Alaska. But neither the people of Lithuania nor the Lithuanian community abroad would be denied. The Lithuanian-American community never let the world forget the struggle taking place in Lithuania, even while the world's attention was turned to struggles taking place elsewhere. In the first half of 1991, reactionary forces in the dying empire lashed out furiously to claim at least 19 more victims, and for a while the struggle hung in the balance. But with determination, truth, and prayer, men and women in Lithuania persevered to the ultimate victory.

When, in September 1991, Lithuania's independence finally became a reality, I had the great pleasure as cochairman of the Helsinki Commission to visit Vilnius. During that time we visited the heroic and tragic sites of Lithuania's struggle. We met with members of the Lithuanian Government, and of course, with President Landsbergis, whose courage filled the Free world with inspiration during the dark, final days of the Soviet empire.

Yet despite independence, the last vestiges of empire remain. Thousands of former Soviet troops, now under command of the Russian Federation, are still stationed in Lithuania. Progress in their removal has been painfully slow. Rest assured, I will not consider the cold war over or the Soviet occupation of Lithuania completely ended until those troops have been removed.

Lithuania faces great challenges. But I know the people of Lithuania will meet the challenge, and long in the future their grandchildrens' grandchildren will celebrate the independence of a free, prosperous, and democratic Lithuania.●

REGARDING DISPLACED HOMEMAKERS

● Mr. MCCAIN. Mr. President, last year, at approximately this time, I called on the Senate to appropriate funds for the training of displaced homemakers. Now, apparently due to the inaction of the appropriate Senate committees, this program has still—2 years after the Senate passed the Displaced Homemaker Self-Sufficiency Assistance Act—not been funded.

It is wrong that when the Senate can find the funds to restore Lawrence Welk's childhood home, it cannot seem to address the issue of displaced homemakers. Certainly, Mr. President, it would seem that the Congress needs to reassess its spending habits.

I have called on the Senate to do exactly that. I have proposed the line-item veto so that the President can do what 41 Governors can: eliminate porkbarrel, wasteful spending so that useful, legitimate programs will have the funds they require.

Mr. President, the Senate has an obligation to give displaced homemakers the training they require to be model employees. Unfortunately, it has become clear that the majority in the Senate, those who control the committee responsible for appropriating funds, believe that lipservice for displaced homemakers is sufficient. I, for one, think that it is an insult.

Mr. President, our constituents have justifiably grown frustrated with the rhetoric from Washington. As I stated, last year I called on the Senate to fund this program. Now I am compelled to do the same again. Let us end the games. Let us introduce some fiscal sanity into the system and do what is right.•

GLOBAL WARMING

• Mr. LIEBERMAN. Mr. President, as the world community begins a key round of negotiations on global warming, I want to again express my outrage at how little the administration will tolerate in the way of action on global warming.

The U.S. position at the final negotiating session opening today in New York became clear over the weekend. According to an administration paper released by Senator GORE, the administration has no intention of adopting timetables, goals, or targets for reductions of carbon dioxide emissions. Rather, the United States calls for nations to take suitable cost-effective measures to respond to global climate change in accordance with their national circumstances, development priorities, and capabilities. In other words, it is another piece of inaction.

The U.S. total intransigence on global warming was made crystal clear during consideration of this energy bill. Along with Senator WIRTH, I prepared a simple amendment, virtually identical to one offered by Representative COOPER to H.R. 776, the House energy bill which was adopted unanimously on a bipartisan basis by the House Subcommittee on Energy and Power.

That amendment would have provided the Administrator of EPA with the power to establish a system to reward the good work of industries that voluntarily—and I stress voluntarily—either reduced their own greenhouse gas emissions or undertake programs to reduce emissions from other sources.

This was a simple amendment. It did not set goals or mandates. It did not establish timetables. It did not impose a requirement on firms to obtain credits or reduce emissions. But it did provide that good corporate citizens who voluntarily contribute to greenhouse gas emissions will have an opportunity to let the Government record their efforts at reducing those emissions in a data bank.

I was shocked when Energy Secretary Watkins wrote to Senator JOHNSTON on February 4, 1992, and said that the administration opposed the inclusion of a voluntary certification and registration scheme for greenhouse gas reductions—administration opposition even to a voluntary system to simply certify and record the good corporate citizenship of greenhouse gas emitting industries that act to reduce those emissions.

Mr. President, my amendment would have preserved American competitiveness as the United States begins negotiations over a global greenhouse gas reduction agreement.

Last week, the U.N. Conference on Trade and Development released a report in Geneva that proposed a global system for controlling greenhouse gas emissions through a plan of pollution allowances. In the first stage, the proposal calls for a binding international treaty to set a global limit on carbon dioxide emissions. Quotas would then be set for how much cargon dioxide each country would be allowed to produce. Countries that produced less than their quotas would earn pollution credits that could be traded or sold to countries wanting to exceed their quotas. According to an article in the February 8, 1992, New York Times, the experts who worked on this proposal believe it satisfies both rich industrial countries where rules and standards are expensive to put into force and developing countries which would get pollution rights above their current needs and thus build up a surplus. The surplus would leave a margin for future use so as not to inhibit industrial growth, but in the meantime they could be sold or leased to other countries. I ask unanimous consent that this article be included in the RECORD.

Mr. President, historically the United States has sought to demonstrate that past achievement deserves credit as international emissions levels are negotiated. My amendment would have ensured that U.S. negotiators would be able to demonstrate conclusively that past achievements deserve credit as international emissions levels are negotiated.

Unfortunately, as we begin the final round of negotiations on a global climate change agreement, the United States remains isolated from other industrialized countries which have made unilateral commitments to stabilize or reduce carbon dioxide outside of the United Nations negotiating process. The European Community, Japan, and all other Organization for Economic Cooperation and Development countries, except Turkey and the United States, have adopted stabilization or reduction goals. An editorial in today's New York Times sums up the message that must be sent to the administration: "Unless the Bush Administration quickly adopts a more reasonable course, it will cast the United States as an environmental pariah more concerned with its own comfort than with the well-being of the earth."

The editorial follows:

[From the New York Times, Feb. 8, 1992]

U.N. GROUP OFFERS PLAN TO CONTROL POLLUTION THROUGH A QUOTA SYSTEM

(By Marlise Simons)

PARIS, February 7.—A group of experts sponsored by the United Nations is proposing cheaper and more efficient ways to control global air pollution by creating a worldwide market in pollution permits.

The plan is the most ambitious yet in the effort to control harmful emissions through the forces of the free market. It would for the first time put a worldwide price on one or more of the pollutants blamed for global warming.

The plan, commissioned by the United Nations Conference on Trade and Development and released in Geneva last week, would set national quotas on emissions. Those governments or private groups that found it too difficult or too costly to meet their limits could buy pollution allowances abroad. Countries that polluted less than their quota could sell their allowances to other nations.

Proponents of the plan hope the concept will be approved in June at the United Nations Conference on Environment and Development in Rio de Janeiro. Lawyers, economists and energy specialists have worked for more than a year to prepare the plan.

GLOBAL PLAN FOR GLOBAL PROBLEM

The proposal is a break with the common practice of tackling environmental problems through national and local regulations and rules.

People who prepared the plan acknowledge that a global system for pollution licenses and quotas for rich and poor nations will be difficult to negotiate. But they say that as long as there are clear benefits and incentives, the rapidly growing concern about climactic change does make such a plan possible.

Supporters note that the world's governments are already moving toward a consensus: limits must be placed on gases that can warm the earth. But there is wide disagreement on the size of the necessary cuts.

"Everyone recognizes that climate change is a global problem, so this is a first practical mechanism that can work on a global scale," said Frank Joshua, coordinator of the group that produced the plan.

SMALLER STEPS EXPECTED FIRST

Even if a universal system cannot be put into place in the near future, those who have worked on the plan say they are confident that limited bilateral or multilateral agreements among countries could start in a matter of months.

Pollution experts say they are encouraged because the concept of trading pollution allowances is already gaining ground among policy makers. The European Community is discussing a 12-country plan for trading sulfur-emissions permits, and the concept is actually working on a small scale in the United States, where the Clean Air Act gave companies the right to trade in sulfur-dioxide allowances to reduce acid rain.

And last week, regulators in Southern California tentatively approved a plan to let companies trade pollution rights, beginning with emissions of nitrogen oxides.

"AN ENORMOUS CHANGE"

Some environmentalists have reservations about the United Nations plan because it would effectively grant companies and governments permission to continue polluting. They argue that it would also let sellers of pollution entitlements make money off the fact that people elsewhere kept using so-called dirty energy like coal and oil.

But proponents, among them several longtime environmentalists, argue that pollution happens anyway and has long been free. By creating permits and credits, the plan would put a price on carbon dioxide, the initial target. Emissions could be valued in units of 100 or 1,000 tons produced.

"This would be an enormous change," said Tom Tietenberg, an American economist and expert in tradable permits who has worked on the global plan. "This means using the market to pursue environmental objectives rather than just economic objectives. Until now, the market has been seen as a powerful adversary, and environmentalists have wanted to block it at every turn. It's an attempt to make this powerful force work for you rather than against you."

QUOTAS FOR CARBON DIOXIDE

In its first stage, the United Nations proposal calls for a binding international treaty to set a global limit on carbon dioxide emissions, which makes up the bulk of the so-called greenhouse gases widely thought to be warming the earth's atmosphere.

Quotas would then be set for how much carbon dioxide each country would be allowed to produce. Countries that produced less than their quotas would earn pollution credits that could be traded or sold to countries wanting to exceed their quotas.

"The purpose is to reduce waste, to get as much control as possible for the same dollar spent," said Mr. Tietenberg, an economics professor at Colby College in Waterville, ME. "If the United States has to cut emissions and it can look only within its own borders, there will be limited opportunities to do this at low cost. In Eastern Europe and other developing countries there are many opportunities to reduce emissions more cheaply."

Planners recommend starting off with carbon dioxide because, Mr. Joshua said, "its properties are well known; it's the largest proportion of gases produced; it can be measured."

A nation's output of carbon dioxide can be relatively easily estimated through its energy consumption. Other factors would be considered, like the seasonal fires in some parts of the world to clear fields and forests. If a system works for carbon dioxide, planners envision expanding it to cover other polluting gases.

ALL NATIONS MAY BENEFIT

The experts who worked on the plan, which was financed by Norway and the Netherlands, said one basic guideline was that a global pollution-control program would have the best chance for success if all the participants saw benefits. Thus, the authors stress that buying or leasing emission permits can suit rich industrial countries where rules and standards can be very expensive to put into force and may not work anyway.

For developing countries, on the other hand, the plan would respond to a persistent demand: that the wealthy, industrialized nations, which are the world's greatest polluters, must provide expertise and money if they want the power nations to change environmentally harmful practices. Developing countries, which pollute less, would get pollution rights above their current needs and thus build up a surplus.

This surplus would leave a margin for future use so as not to inhibit industrial growth. But in the meantime they could lease or sell their surplus credits to other nations.

Some private projects of this kind are already under way. A Dutch utility, which was paying heavy taxes for exceeding its quota of carbon and sulfur emissions, is now financing a $35 million plant in Poland. The utility found that by spending that amount on its already finely tuned Dutch power stations, it could remove only 6,000 tons of sulfur—just a small percentage. But for the same amount of money in Poland, it can remove 45,000 tons of sulfur a year. To finance this effort, the utility got Government approval to increase its rates to consumers and to use part of its money that would otherwise go toward taxes.●

ORDERS FOR WEDNESDAY, FEBRUARY 19, 1992

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m. on Wednesday, February 19; that following the prayer, the Journal of proceedings be deemed approved to date; that the time of the two leaders be reserved for their use later in the day; and that under the previous order, the Senator from Pennsylvania [Mr. WOFFORD] be recognized to read Washington's Farewell Address; that, upon the conclusion of the reading of the address, there be a period for the transaction of routine morning business not to extend beyond 10 a.m. with Senators permitted to speak for up to 5 minutes each; and that at 10 a.m., the Senate resume consideration of S. 2166 under the provisions of the agreement just entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, for the information of Senators, we will complete action on the energy bill tomorrow.

I have attempted today to obtain consent to proceed immediately thereafter to the bill to reauthorize the Higher Education Act but have been unable to obtain that consent. We will renew that effort tomorrow. It is my hope that we will be able to gain consent to proceed to the higher education bill on Thursday morning.

If we are unable to obtain consent, we will, of course, have no alternative but to be required to move to proceed to it and file cloture on that motion to proceed. I hope that will not be necessary as I believe the bill is an important one that deserves consideration by the Senate.

Again, we will finish the energy bill tomorrow, and hopefully, proceed by consent to the higher education bill on Thursday morning.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. MITCHELL. Mr. President, if there are no Senators seeking recognition and no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess under the previous order until 9 a.m. tomorrow, Wednesday, February 19.

Thereupon, the Senate, at 7:31 p.m., recessed until Wednesday, February 19, 1992, at 9 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate February 14, 1992, under authority of the order of the Senate of January 3, 1991:

DEPARTMENT OF STATE

ROBERT C. FRASURE, OF WEST VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ESTONIA.

INTS M. SILINS, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO LATVIA.

DARRYL NORMAN JOHNSON, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO LITHUANIA.

AFRICAN DEVELOPMENT FOUNDATION

HERMAN JAY COHEN, AN ASSISTANT SECRETARY OF STATE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING SEPTEMBER 22, 1997. (REAPPOINTMENT)

IN THE AIR FORCE

THE FOLLOWING PERSON FOR RESERVE OF THE AIR FORCE APPOINTMENT, IN THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 593, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM THE DUTIES INDICATED.

MEDICAL CORPS

To be lieutenant colonel

SUSANN J. STEINBERG [redacted]

THE FOLLOWING AIR NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 593 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE. (EFFECTIVE DATE FOLLOWS SERIAL NUMBER)

LINE OF THE AIR FORCE

To be lieutenant colonel

MAJ. JAMES D. BARKER, [redacted] 08/20/91
MAJ. LENDELL F. BOUDREAU, [redacted] 08/03/91
MAJ. SAMUEL J. CAUSEY, III, [redacted] 10/29/91
MAJ. GLEN R. CERNIK, [redacted] 10/08/91
MAJ. DANIEL F. CHEESEMAN, [redacted] 10/28/91
MAJ. ALAN H. COCKRELL, [redacted] 11/03/91
MAJ. TIMOTHY T. DEARING, [redacted] 11/14/91
MAJ. MICHAEL F. LILYA, [redacted] 11/06/91
MAJ. JOHN L. LITZENBERGER, [redacted] 10/25/91
MAJ. JERRY W. MANESS, [redacted] 10/15/91
MAJ. MICHAEL P. ROWMAN, [redacted] 09/25/91
MAJ. MICHAEL A. RUSSELL, [redacted] 11/25/91
MAJ. ROBERT J. SLUSSER, [redacted] 11/12/91

CHAPLAIN CORPS

To be lieutenant colonel

MAJ. EDWIN G. MORRISON, JR., [redacted] 11/02/91

BIOMEDICAL SCIENCES CORPS

To be lieutenant colonel

MAJ. RICHARD T. DIPENTIMA, [redacted] 11/03/91
MAJ. TERRENCE P. DONNELLY, [redacted] 11/03/91
MAJ. CLIFTON J. PANDLE, III, [redacted] 09/25/91
MAJ. GREGORY H. SMEAD, [redacted] 11/03/91

NURSE CORPS

To be lieutenant colonel

MAJ. GAIL E. RICE, [redacted] 10/30/91

DENTAL CORPS

To be lieutenant colonel

MAJ. WILLIAM W. MANNING, [redacted] 11/03/91

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED

IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICER INDICATED BY AN ASTERISK IS ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

CHAPLAIN

To be lieutenant colonel

JAMES A. BUCKNER, [redacted]
RICHARD COOPER, [redacted]
NEIL DENNINGTON, [redacted]
HAYNES W. DUGAN, [redacted]
ANDREW HAGEN, JR., [redacted]
ROSS B. JACKSON, [redacted]
ARTHUR F. JENSEN, [redacted]
KENNETH KNUTSON, [redacted]
JERRY LEVERETT [redacted]
HERBERT MARBURY, [redacted]
JOHN A. MELENDEZ, [redacted]
RICKEY NEEDHAM, [redacted]
SCOTT FRANK NEW, [redacted]
LEO J. OKEEFFE [redacted]
PAUL I. PEASE, [redacted]
JAMES ROBINSON, [redacted]
GLENN C. SAMMIS, [redacted]
GREGORY SCHANNEP, [redacted]
SIR WALTER SCOTT*, [redacted]
FRANCISCO SOMERA, [redacted]
REDDICK WALKER, [redacted]
ROGER C. WELSH, [redacted]
LARRY WILLIAMS, [redacted]

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR PROMOTION IN THE UNITED STATES AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

LINE OF THE AIR FORCE

To be lieutenant colonel

JAMES A. ABBOTT, [redacted]
DONALD S. ABEL, [redacted]
DANNY J. ACOCK, [redacted]
JODY D. ACRES, [redacted]
JAMIE L. ADAMS, [redacted]
ROBERT R. ADAMS, [redacted]
RONALD C. ADAMS, [redacted]
TIMOTHY W. ADDISON, [redacted]
MICHAEL H. ADDY, [redacted]
DAVID J. ALBERICO, [redacted]
LESLEY L. ALBERS, [redacted]
ROYCE W. ALBRIGHT, [redacted]
EDWARD T. ALEXANDER, JR, [redacted]
GERALD F. ALEXANDER, JR, [redacted]
KENNETH K. ALEXANDER, [redacted]
FRANCIS J. ALFTER, [redacted]
JOSEPH P. ALLECA, [redacted]
GERALD D. ALLEN, [redacted]
JAMES Y. ALLEN, [redacted]
WILLIAM H. ALLEN, JR, [redacted]
ROBERT C. ALLGOOD, JR, [redacted]
JAMES D. ALLSHOUSE, [redacted]
RICHARD J. ALQUIST, [redacted]
C. D. ALSTON, [redacted]
STJOHN MINERVA ANAYA, [redacted]
CHRISTOPHER G. ANDERSON, [redacted]
JACK L. ANDERSON, [redacted]
JOHN I. ANDERSON, JR, [redacted]
MARK C. ANDERSON, [redacted]
THOMAS M. ANDERSON, [redacted]
JOHN M. ANDREW, [redacted]
DAVID E. ANDREWS, [redacted]
JOHN J. ANDRICHAK, III, [redacted]
HAMMOND N. ANSTINE, III, [redacted]
RICHARD E. E. ANTAYA, [redacted]
THOMAS J. APPOLLONI, [redacted]
ROBERT L. ARBETTER, [redacted]
STEVEN D. ARGO, [redacted]
PAMELA A. ARIAS, [redacted]
JOHN A. ARMOR, [redacted]
RICHARD M. ARMOUR, [redacted]
CARL E. ARMSTRONG, [redacted]
LESLIE C. ARNOLD, [redacted]
JOSEPH WALTER ARVAI, [redacted]
AUGUST V. ARVIN, JR, [redacted]
STEPHEN A. ASHLEY, [redacted]
SHERYL G. ATKINS, [redacted]
JOHN A. AUSINK, [redacted]
WILLIAM G. AUTH, [redacted]
FRANK V. AVENT, IV, [redacted]
VERNE W. AVERY, [redacted]
STEVEN C. AYTES, [redacted]
BRUCE W. BABB, [redacted]
KEVIN C. BACHER, [redacted]
PETER M. BAILEY, [redacted]
PHILIP J. BAILEY [redacted]
ANTHONY E. BAIR, [redacted]
JOE G. BAKER, [redacted]
LARRY L. BAKER, [redacted]
GILBERT T. BALL, [redacted]
WESLEY A. BALLENGER, JR, [redacted]
THOMAS R. BALTES, [redacted]
WILLIAM M. BANKS, [redacted]
RUBEN BARBACHANO, [redacted]
RICHARD E. BARFIELD, [redacted]
KEVIN R. BARLEY, [redacted]
DAVID A. BARNES, [redacted]
GRADY R. BARNETT, JR, [redacted]
RONALD S. BARON, [redacted]
ROBERT W. BARRIER, [redacted]
VERNON J. BASGALL, [redacted]
DAVID R. BATES, [redacted]
KENNETH W. BAUER, JR, [redacted]
CHARLES I. BAULAND, [redacted]
ROGER M. BAXTER, III, [redacted]
WILLIAM D. BAXTER, [redacted]
WILLIAM A. BAYER, JR, [redacted]
DANIEL J. BEATTY, JR, [redacted]
HAROLD J. BEATTY, [redacted]
MARTHA M. BEATTY, [redacted]
MARCUS J. BEAUREGARD, [redacted]
JEFFREY D. BECKER, [redacted]
MICHAEL F. BELCHER, [redacted]
JAMES E. BELK, [redacted]
DOUGLAS V. BELL, [redacted]
KENNETH A. BELL, [redacted]
SUZANNA L. BELL, [redacted]
BRADLEY A. BELLACICCO, [redacted]
DENIS E. BELLER, [redacted]
MICHAEL J. BELZIL, [redacted]
ROBERT H. BENNETT, [redacted]
STEWART D. BENNIE, [redacted]
CHARLES L. BENSON, JR, [redacted]
STEPHEN L. BENSON, [redacted]
MICHAEL L. BERRIAN, [redacted]
KEVIN E. BEST, [redacted]
JOHN M. BETTS, [redacted]
RICHARD B. BETZ, [redacted]
LARRY L. BIGLER, [redacted]
MARC W. BILLINGHAM, [redacted]
MICHAEL J. BILLINGS, [redacted]
BRUCE A. BINGLE, [redacted]
HARRY K. BIRCH, [redacted]
TERRY M. BIRDWELL, [redacted]
MARTIN E. BISCHOFF, III, [redacted]
ROBERT L. BIVINS, [redacted]
SIDNEY T. BLACK, [redacted]
JOHN L. BLACKWELL, [redacted]
CHARLES W. BLANKENSHIP, [redacted]
ROBERT R. BLANKENSHIP, [redacted]
JANET C. BLOOM, [redacted]
CARL T. BLUM, [redacted]
GREGORY K. BOOMGAARD, [redacted]
DENNIS H. BOONE, [redacted]
GORDON R. BOOTH, [redacted]
DWIGHT L. BORGSTRAND, [redacted]
GEORGE J. BOROWSKY, [redacted]
JOHN T. BOWEN, [redacted]
THOMAS A. BOWERMEISTER, [redacted]
KERRY D. BOWERS, [redacted]
THOMAS G. BOWIE, JR, [redacted]
CHARLES D. BOWKER, [redacted]
JON R. BOYD, [redacted]
RICHARD P. BOYER, [redacted]
PATRICIA M. BOYLAN, [redacted]
NOLAN G. BOYLE, [redacted]
JAMES R. BOZARD, [redacted]
JOHN D. BRAMBLETT, [redacted]
DANNY M. BRANCH, [redacted]
SHARON A. BRANCH, [redacted]
STEVEN A. BRANDT, [redacted]
RUSSELL P. BRAUDIS, [redacted]
PHILIP M. BREEDLOVE, [redacted]
FREDERICK L. BREITINGER, JR [redacted]
JEFFREY L. BREUNIG, [redacted]
GREGORY A. BRICKER, [redacted]
REX E. BRINKER, [redacted]
BRUCE G. BROCKHAGEN, [redacted]
VINCENT R. BRODERICK, [redacted]
BRIAN P. BRODFUEHRER, [redacted]
JOHNNY F. BRONER, [redacted]
WARREN J. BROOKHART, [redacted]
TERRENCE W. BROTHERTON, [redacted]
CHARLES T. BROWN, [redacted]
JAMES E. BROWN, [redacted]
JOHN S. BROWN, [redacted]
JOSEPH K. BROWN, [redacted]
MARY J. BROWN, [redacted]
STEVEN W. BROWN, [redacted]
THERON J. BROWN, [redacted]
RONALD E. BROWNELL, [redacted]
ROBERT A. BRULEY, JR, [redacted]
WILLIAM H. BRUNDAGE, [redacted]
BARRY C. BRYAN, [redacted]
JOHN R. BRYANT, [redacted]
MICHAEL A. BRYANT, [redacted]
HOWARD J. BUCKLEY, [redacted]
JOHN A. BUDELIER, [redacted]
MARK D. BUDGEON, [redacted]
ALAN L. BUHLER, [redacted]
RONNIE J. BULLOCK, [redacted]
THOMAS J. BURGIE, [redacted]
EDWARD D. BURKART, JR, [redacted]
LAWRENCE D. BURKE, [redacted]
DANNY J. BURROWS, [redacted]
WILLIAM F. BURWELL, [redacted]
JOHN A. BURZYNSKI, [redacted]
ROBERT L. BUSHMAN, [redacted]
MICHAEL W. BUTLER, [redacted]
RICARDO S. CABALLERO, [redacted]
JAMES R. CADY, [redacted]
RORY B. CAHOON, [redacted]
JOEL D. CAIN, [redacted]
KELLY A. CAIN, [redacted]
LESTER R. CALAHAN, [redacted]
JAMES T. CALLENDER, [redacted]
ANTHONY J. CALVANO, [redacted]
JAMES R. CAMERON, [redacted]
STEVEN E. CAMERON, [redacted]
ADRIENNE R. CAMPBELL, [redacted]
JOHN O. CAMPBELL, [redacted]
KAREN L. CANNON, [redacted]
STEPHEN J. CANZANO, [redacted]
HERBERT J. CARLISLE, [redacted]
WILLIAM J. CAROLAN, [redacted]
FLOYD L. CARPENTER, [redacted]
JOSEPH A. CARRETTO, JR, [redacted]
RAY D. CARROLL, [redacted]
BRUCE M. CARSON, [redacted]
HOMER A. CARTER, [redacted]
JAMES E. CARTER, [redacted]
KEVIN C. CASEY, [redacted]
RICHARD L. CASEY, [redacted]
RICHARD P. CASHMAN, [redacted]
TIMOTHY H. CASWELL, [redacted]
JAMES S. CAVALIER, [redacted]
DAVID R. CHAFFEE, [redacted]
RANDY Y. U. CHANG, [redacted]
ALBERT V. CHAPMAN, III, [redacted]
DANIEL W. CHAPMAN, [redacted]
JOHN M. CHASTAIN, [redacted]
RICHARD E. CHATEL, [redacted]
VAN F. CHATRAW, [redacted]
MARK W. CHAVEZ, [redacted]
RONALD D. CHILCOTE, [redacted]
JOHN S. CHILSTROM, [redacted]
JOHN H. CHRIST, [redacted]
MICHAEL A. CHRISTENSEN, [redacted]
MARK C. CHRISTIAN, [redacted]
CRAIG D. CHRISTMAN, [redacted]
WILLIAM C. CHRISTMAS, [redacted]
DAVID R. CISCEL, [redacted]
DOLPHUS T. CLARK, JR, [redacted]
GEORGE D. CLARK, III, [redacted]
RICHARD L. CLARKE, [redacted]
JOHN T. CLATANOFF, [redacted]
MAUREEN M. CLAY, [redacted]
CHARLES P. CLAYTON, [redacted]
MARTIN J. CLEMENT, [redacted]
DONALD W. CLEMENTS, [redacted]
MICHAEL B. CLEVELAND, [redacted]
JOHN R. CLOTFELTER, [redacted]
DAVID J. CLOUD, [redacted]
THOMAS W. COCHRAN, [redacted]
MICHAEL J. COCHRANE, [redacted]
CHARLES M. COFFIN, JR, [redacted]
RONNIE L. COKE, [redacted]
MICHAEL W. COLE, [redacted]
CRAIG H. COLES, [redacted]
EILEEN M. COLLINS, [redacted]
JAMES D. COLLINS, [redacted]
JOHN W. COLLINS, IV, [redacted]
MONA L. COLLINS, [redacted]
WALLACE A. COLLINS, III, [redacted]
ROGER D. COLVIN, [redacted]
MELVIN L. COMPTON, [redacted]
NORTON L. COMPTON, [redacted]
ROBERT J. CONGELLI, [redacted]
JOHN CONKEL, [redacted]
JOHN R. CONLEY, [redacted]
DONNA M. CONNOLLY, [redacted]
WILLIAM C. CONRAD, [redacted]
DALE G. COOK, [redacted]
DAVID E. COOK, [redacted]
DOUGLAS P. COOK, [redacted]
MARVIN E. COOK, [redacted]
WILLIAM L. COOL, [redacted]
JAMES C. COOPER, [redacted]
THOMAS H. COOPER, [redacted]
EDWARD T. COPE, [redacted]
ERIC P. COPPIN, [redacted]
STEVEN A. CORNELISON, [redacted]
PAUL S. CORREIA, [redacted]
STANLEY C. CORREIA, [redacted]
ROBERT M. CORRIE, [redacted]
JOHN J. CORTESE, [redacted]
MICHAEL J. COSTIGAN, [redacted]
JACK D. COULTER, JR, [redacted]
CARL L. COX, [redacted]
RAYMOND S. COX, [redacted]
STEWART G. COX, [redacted]
WESLEY R. COX, [redacted]
WILLIAM R. CRAIG, [redacted]
DAVID O. CRAIGHEAD, [redacted]
DANIEL L. CRAMER, [redacted]
MICHAEL D. CRANE, [redacted]
WILLIAM C. CRAVER, [redacted]
KELLEY R. CREAMER, [redacted]
WILLIAM M. CREAMER, [redacted]
LAWRENCE P. CREIGHTON, JR, [redacted]
GARY W. CREWS, [redacted]
GARY J. CROLLA, [redacted]
ROBERT B. CROMBIE, [redacted]
WILLIAM CROOKSHANKS, [redacted]
DREW E. CROUCHER, [redacted]
DAVID T. CROUSER, [redacted]
DANIEL L. CUDA, [redacted]
FELIPE A. CUESTA, [redacted]
STEPHEN G. CULLEN, [redacted]
CHRISTOPHER B. CUNNINGHAM, [redacted]
MICHAEL G. CUNNINGHAM, [redacted]
DAVID E. CURTIS, [redacted]
WILLIAM K. CURTIS, [redacted]
SCOTT A. CURTON, [redacted]
DANIEL A. CVELBAR, [redacted]
PATRICK CVITANOVICH, [redacted]
RONALD H. DABROWSKI, [redacted]
SHARON KRZYWICKI DALY, [redacted]
DENNIS J. DAMIENS, [redacted]
KAREN DANEU, [redacted]
LEO E. DANEY, JR, [redacted]
JAMES M. DANIELS, [redacted]
LAWRENCE A. DARDZINSKI, [redacted]

WALTER W. DARNALL, JR [redacted]
ALFRED M. DAVENPORT, JR [redacted]
JAMES M. DAVENPORT [redacted]
RICHARD DAVILA, JR [redacted]
JAMES W. DAVIS [redacted]
JOHN P. DAVIS [redacted]
DAN A. DAY, [redacted]
JOHN B. DAYWALT, [redacted]
WILLIAM F. DEA [redacted]
KATHY L. DEAN, [redacted]
WILLIAM N. DEAN, JR [redacted]
CHARLES C. DEANO, JR [redacted]
VIRGIL L. DEARMOND [redacted]
JAMES D. DEAUX, [redacted]
LARITA M. DECKER [redacted]
CARL W. DEEMS, [redacted]
STEPHEN M. DEFRANK, JR [redacted]
STEVEN E. DELANEY [redacted]
JAMES W. DELK, III [redacted]
MICHAEL A. DELPINTO [redacted]
MICHAEL A. DELVECCHIO [redacted]
THEODORE E. DERRICK, III [redacted]
ARTHUR D. DESLAURIERS [redacted]
ANDREW L. DETRICK [redacted]
RICHARD T. DEVEREAUX [redacted]
SAMEUL R. DICK [redacted]
JAMES F. DIEHL [redacted]
DAVID A. DIENER [redacted]
JEFFREY W. DIESING [redacted]
MICHAEL M. J. DIETVORST [redacted]
DAVID P. DILLER [redacted]
ROBERT D. DILLMAN, [redacted]
DAVID K. DINGLEY [redacted]
THOMAS J. DININO [redacted]
KARL K. DITTMER, JR [redacted]
EDWARD T. DIXON, [redacted]
JOHNIE M. DOAN, [redacted]
ROBERT H. DOBSON, [redacted]
BYRON C. DODGEN, [redacted]
STEPHEN H. DOERR [redacted]
LUIS A. DOMINGUEZ, [redacted]
HOWARD DON, [redacted]
ANGELO A. DONISI, JR [redacted]
JOHN D. DOOLOS, [redacted]
GLENN A. DORMAN, [redacted]
THOMAS DOUGHERTY, [redacted]
PHILIP W. DOVE [redacted]
ROBERT J. DOWD, [redacted]
JOSEPH G. DREW [redacted]
BRADLEY J. DUCHEIN, [redacted]
WILLIAM M. DUNCAN, [redacted]
KENNETH S. DUNPHEY [redacted]
JOHN O. DUNSTAN [redacted]
RONALD C. DURBIN, [redacted]
HENRY S. DURON, [redacted]
HARRY V. DUTCHYSHYN, JR [redacted]
KATHLEEN D. DWYER, [redacted]
MICHAEL G. DZIUBINSKI [redacted]
GARY M. EBERLING [redacted]
JOHN M. EDENS, [redacted]
DAVID M. EDWARDS, [redacted]
LENNIE O. EDWARDS, JR [redacted]
WILLIAM L. EGGE [redacted]
LARRY D. EICKHOFF [redacted]
CECILIA H. EIFERT [redacted]
THOMAS J. EISENHUT [redacted]
DAVID C. EITING, [redacted]
JOHNNIE B. ELLIOTT, JR [redacted]
MICHAEL V. ELY, [redacted]
KENNETH R. EMERY, II, [redacted]
DWIGHT E. ENGLE [redacted]
DONALD R. ERBSCHLOE, [redacted]
RAYMOND S. ERESMAN, [redacted]
TODD L. ERICKSON, [redacted]
LARRY E. ERIKSEN [redacted]
KENT A. ESBENSHADE [redacted]
CARMEN M. ESCRIBANO, [redacted]
FRANK L. ESTIS [redacted]
EILEEN F. EUDY [redacted]
DELWYN R. EULBERG [redacted]
JON E. EVANS, [redacted]
MARK W. EVANS, [redacted]
GILBERT FAIRLEY [redacted]
THOMAS E. FALCONER [redacted]
MICHAEL J. FALVEY [redacted]
ERIC W. FANKHAUSER, [redacted]
JERRY FAULK [redacted]
KEITH A. FEIGH [redacted]
LLOYD R. FELDER [redacted]
CHARLES R. FELLOWS [redacted]
JAMES A. FELLOWS [redacted]
ERNEST E. FELTS [redacted]
RICKY J. FERGUSON [redacted]
DALLAS H. FERNEAU [redacted]
RYAN F. FERRELL, JR [redacted]
ROBERT M. FERRERA [redacted]
MICHAEL P. FESKO [redacted]
RICHARD D. FETZER, JR [redacted]
LESLIE D. FIELDER [redacted]
KIMBLE N. FIELDSTAD [redacted]
MICHAEL J. FINAN [redacted]
CLIFFORD E. FINDLEY, JR [redacted]
MICHAEL L. FINNERN [redacted]
ALAN D. FISHER, [redacted]
ROBERT R. FISHER [redacted]
WILLIAM N. FLANNIGAN, [redacted]
GARRISON H. FLEMINGS [redacted]
RICHARD L. FLERRA [redacted]
CHARLES D. FLETCHER [redacted]
GLENDA R. FLICK [redacted]
BRADLEY T. FLINDERS [redacted]
SCOTT K. FLOOD, [redacted]
CESAR FLORES [redacted]
MICHAEL F. FOLEY, JR [redacted]
GREGORY W. FORAKER, [redacted]
SHERMAN GUY FORBES, III [redacted]
DOUGLAS J. FORD, [redacted]
JAMES M. FORD [redacted]
WILLIAM A. FORMWALT, [redacted]
JOHN J. FOY, [redacted]
GREGORY J. FRANK [redacted]
WILLIAM H. FRANKLIN, [redacted]
JOHN J. FRASER [redacted]
MICHAEL G. FRASER [redacted]
STEVEN R. FRAZIER [redacted]
JERRY L. FREE [redacted]
DOUGLAS W. FRENCH, [redacted]
CHARLES J. FRENIERE [redacted]
JEFFREY E. FREY [redacted]
MICHAEL FRICANO, [redacted]
RICKY W. FRIESEN, [redacted]
GARY A. FRITH, [redacted]
MARC W. FRITH, [redacted]
MICHAEL A. FROESCHLE, [redacted]
DOUGLAS W. FRY, [redacted]
THOMAS A. FUHRMAN, [redacted]
ROY W. FULLER, [redacted]
HOWARD P. FUNKHOUSER, [redacted]
JOHN L. FURR, [redacted]
THOMAS A. GAJ, [redacted]
ANTONE E. GAJESKI [redacted]
EDWARD A. GALLAGHER, [redacted]
JAMES M. GALYON, [redacted]
TIMOTHY D. GANN, [redacted]
CRAIG D. GARDNER, [redacted]
DANNY K. GARDNER, [redacted]
RALPH E. GARDNER, [redacted]
STEPHEN J. GARDNER [redacted]
WILLIAM G. GARDNER, [redacted]
DEBERAH J. GARNER [redacted]
LARRY E. GARNER [redacted]
JERRY D. GARRETT [redacted]
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CARLOS GARZA, JR, [redacted]
JAMES M. GAUVREAU, [redacted]
CAROLYN A. GAVARES, [redacted]
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JAMES J. GEERY [redacted]
MICHAEL P. GEGG, [redacted]
JOHN S. GENTRY, [redacted]
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HARDIN E. GWIN, [redacted]
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SHIRLEY J. HAMILTON [redacted]
PAMELA A. HAMILTONPOWELL, [redacted]
PAUL R. HANDWERKER, JR [redacted]
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LEON M. HOFFSETTE [redacted]
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JAMES P. HUNT [redacted]
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ERNEST E. INFINGER, JR [redacted]
RICHARD J. INGENLOFF [redacted]
VICTOR J. IPPOLITI [redacted]
WOODROW M. IVANDICK, [redacted]
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STEVEN E. JACKSON [redacted]
VERA M. JACKSON, [redacted]

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FORREST K. JAMES [redacted]
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ALAN M. JANISZEWSKI, [redacted]
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HOMER L. JEFFERS, JR [redacted]
GERALD E. JELUSICH [redacted]
TRICIA M. JENNINGS [redacted]
ALAN N. JENSEN, [redacted]
CRAIG R. JENSEN [redacted]
KENNETH W. JEWETT [redacted]
RALPH J. JODICE, II [redacted]
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CHASE J. JOHNSON, [redacted]
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WALTER H. JOHNSTON, JR [redacted]
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JAN M. JOUAS [redacted]
DONALD R. JOZAYT, [redacted]
STEPHEN JUBINSKI, JR [redacted]
PHILIP A. JULIEN [redacted]
GEOFFREY W. JUMPER, [redacted]
GARY V. KAHN, [redacted]
NEIL D. KAHN, [redacted]
MICHAEL P. KARR, [redacted]
MICHAEL C. KARRAKER, [redacted]
SUSAN J. KAUFMAN, [redacted]
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TERRY J. KELLNER [redacted]
GEORGE C. KELLY, [redacted]
HENRY F. KELLY, IV [redacted]
MICHAEL K. KELLY, [redacted]
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THOMAS K. KEMP, [redacted]
ROBERT J. KENEALLY [redacted]
KEVIN J. KENNEDY, [redacted]
PAUL A. KENNEY, [redacted]
WILLIAM F. KEPLESKY, JR [redacted]
DANIEL H. KERBS, JR [redacted]
BRIAN R. KERINS, [redacted]
JOHN F. KERL, [redacted]
ROBERT J. KERN [redacted]
MICHAEL H. KETTERING, JR [redacted]
LAWRENCE E. KEY, [redacted]
MARIJO KIDD, [redacted]
MICHAEL S. KIDD, [redacted]
RAYMOND L. KILLGORE, [redacted]
ROY M. KING, [redacted]
TEDDY J. KING [redacted]
JAMES E. KIRBY, JR [redacted]
JAMES H. KIRBY, III [redacted]
JOHN E. KIRKPATRICK, JR [redacted]
JAMES W. KIRLIN [redacted]
MIKEL L. KLACKLE, [redacted]
DAVID H. KLAUS, [redacted]
DALE KLEINERTZ, [redacted]
MARK E. KLINGAMAN, [redacted]
WILLIAM R. KNELLINGER, II [redacted]
DONALD P. KNIGHT, [redacted]
DELORES J. KNIPP [redacted]
MICHAEL J. KOCH, [redacted]
THOMAS W. KOCHAN, [redacted]
DONALD J. KOCIAN, [redacted]
LYLE M. KOENIG, JR [redacted]
JAMES T. KOGLER, [redacted]
RICHARD S. KOHL, [redacted]
ALLEN E. KOHN, JR [redacted]
ROGER E. KONTAK, [redacted]
JAMES C. KONYHA, [redacted]
BRUCE W. KORB, [redacted]
DANIEL K. KOSLOV, [redacted]
JOHN KOTCH, [redacted]
STUART C. KRAMER, [redacted]
ROBERT H. KRAUSE, [redacted]
CHARLES M. KRAUSHAR, [redacted]
MARY D. KRINGER, [redacted]
DAVID H. KRISTENSEN, [redacted]
ROGER F. KROPF [redacted]
BARBARA A. KUCHARCZYK, [redacted]
WILLIAM G. KULLER, [redacted]
DAVID P. KUNKEL, [redacted]
GREGORY E. KUNTZ, [redacted]
DOUGLAS A. KUPERSMITH [redacted]
BARRY M. KURAMOTO, [redacted]
JOHN A. KURTZ [redacted]
ROBERT KWIATKOWSKI, [redacted]
GARY A. KYLE, [redacted]
KENT K. KYSAR, [redacted]
EDWIN F. LABARRE, [redacted]
RONALD R. LADNIER, [redacted]
TERRY LAING, [redacted]
DUANE A. LAMB, [redacted]
ROBERT G. LAMOND, JR [redacted]
TIMOTHY J. LAMPE [redacted]
DAVID W. LANDRY, [redacted]
THEODORE T. LAPLANTE [redacted]
PATRICK J. LARKIN, [redacted]
JEFFREY A. LARSEN [redacted]
STEVEN S. LARSH [redacted]
BRIAN S. LAURENCE, [redacted]
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MARK S. LAVIGNE, [redacted]
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STEPHEN W. LAWTON, [redacted]
GERALD M. LAZAR, [redacted]
LERAY L. LEBER [redacted]
HARRY E. LEBOEUF, JR [redacted]
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JAMES E. LEIST [redacted]
RALPH M. LENTZ, [redacted]
NORMAN K. LEONPACHER, [redacted]
ERWIN F. LESSEL, III [redacted]
MICHAEL J. LETICA, [redacted]
DAVID G. LEUPP, [redacted]
EDWARD B. LEVY, [redacted]
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JAY H. LINDELL [redacted]
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CHRISTINE N. LOFBERG [redacted]
GLEN T. LOGAN, [redacted]
DANIEL M. LOMBARDI, [redacted]
JOHN R. LONDON, III, [redacted]
CECIL A. LONGINO, JR [redacted]
SAM A. LOPEZ, [redacted]
GARY L. LORENZEN, [redacted]
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DONNIE L. LOVE, [redacted]
STEPHANIE R. LOVERRO, [redacted]
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RAYMOND R. LUNGER, JR, [redacted]
AUGUST S. LUZZI, [redacted]
MARILYN J. LYTHGOE [redacted]
GLENN A. MACKEY, [redacted]
WINFRED H. MACKLIN, JR [redacted]
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ROBERT A. MANSFIELD, JR [redacted]
MARK M. MANSHIP, [redacted]
JOSEPH M. MARCHINO, II, [redacted]
JAMES M. MARG, [redacted]
JAMES L. MARSDEN, JR [redacted]
JOHN R. MARSH, [redacted]
DOUGLAS M. MARSHALL, III, [redacted]
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JOSEPH T. MCANDREW, [redacted]
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WILLIAM C. MCCAMMON, [redacted]
GRACE D. C. MCCANN, [redacted]
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HARRY B. MCCARRAHER, III, [redacted]
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LARRY E. MCNEW, [redacted]
SYDNEY G. MCPHERSON, JR [redacted]
BARRY A. MCQUEEN, [redacted]
WADE E. MCROBERTS, [redacted]
PATRICK A. MCVAY, [redacted]
JAMES MECSICS, [redacted]
SCOTT D. MEFFORD, [redacted]
JAMES E. MEIER [redacted]
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JEANETTE H. MINNICH [redacted]
PETER L. MISUINAS [redacted]
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ERIC R. MOLNER, [redacted]
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VICTORIA A. MOORE, [redacted]
CAROL C. MOREHOUSE, [redacted]
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PAUL R. MULL, [redacted]
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BYRON S. NASH, [redacted]
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JOHN C. NEWSOM, [redacted]
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DARRYL L. NII, [redacted]
STEPHEN A. NIPPERT [redacted]
GEORGE J. NIXON, [redacted]
MARK M. NOBILE, [redacted]

RICHARD S. NOLET, [redacted]
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NEIL C. NORMANDIN, [redacted]
MICHAEL D. NORRIE, [redacted]
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DON M. NOVAK, [redacted]
DENNIS E. NOVY, [redacted]
PAUL Y. NOZAKI, [redacted]
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ANN M. OCONNOR, [redacted]
RANDY T. ODLE, [redacted]
TIMOTHY OHAGAN, [redacted]
SHAWN D. OKEEFE, [redacted]
MICHAEL H. OLEARY, [redacted]
ROBERT J. OLEKSY [redacted]
ROBERT C. OLMSTEAD [redacted]
BRUCE D. OLSON, [redacted]
MARK S. OLSON, [redacted]
RICHARD J. OLSON, [redacted]
JOHN D. OMALLEY, [redacted]
JERRY W. ONEY, [redacted]
DANIEL R. OREAR, [redacted]
STEPHEN C. ORNELLAS [redacted]
DALE R. OSTROWSKI, [redacted]
DAVID F. C. OTTO, [redacted]
MARK S. OVERHOLTZER, [redacted]
DOUGLAS W. OWENS, [redacted]
JOHN F. OWENS, [redacted]
ALAN D. OXLEY, [redacted]
BONNIE C. PAGE, [redacted]
RICHARD L. PAINTER [redacted]
MICHAEL A. PALELLA [redacted]
GLENN A. PALLAZZA, [redacted]
STEVEN C. PALM, [redacted]
GARLAND J. PANNELL [redacted]
CHARLES A. PARK, [redacted]
WILLIAM R. PARK, [redacted]
DAVID W. PARKER, [redacted]
PHIL W. PARKER, JR [redacted]
RICHARD P. PARKER [redacted]
ROBERT E. PARKER, [redacted]
ROBERT M. PARKER, [redacted]
TIMOTHY A. PARKER, [redacted]
WOODY W. PARRAMORE, [redacted]
EZEQUIEL PARRILLA, JR [redacted]
BOBBY R. PARRISH, [redacted]
JOHN A. PASQUAL, [redacted]
JAMES L. PASQUINO [redacted]
STEPHEN M. PASSARELLO [redacted]
DONNA L. PASTOR, [redacted]
SEAN K. PATRICK, [redacted]
ROGER J. PATRY [redacted]
CHRISTOPHER J. PATTERSON [redacted]
BARBARA E. PAWLOWSKI, [redacted]
RONALD R. PAYEUR, [redacted]
JAMES C. PEARSON [redacted]
TODD D. PECKMAN, [redacted]
JOHN T. PEDDY [redacted]
KENNETH N. PENNINGTON, [redacted]
LESTER T. PEPIN [redacted]
NELSON O. PEREZOTERO [redacted]
CARL E. PERME [redacted]
MARK D. PERODEAU, [redacted]
VINCENT J. PERRONE [redacted]
RICHARD A. PERRY, [redacted]
THOMAS E. PERRY, [redacted]
WILLIAM A. PERRY, [redacted]
MARYETTA D. PESOLA [redacted]
PAMELA L. PETERS [redacted]
STEPHEN J. PETERS [redacted]
ALVIN W. PETERSON [redacted]
GREGORY P. PHILLIPS [redacted]
JAMES R. PHILLIPS, JR [redacted]
SCOTT R. PHILLIPS [redacted]
JAMES D. PINC [redacted]
CHARLES W. PINNEY, [redacted]
JESS B. PITTS [redacted]
MARK R. PLATT [redacted]
DANIEL K. POE [redacted]
GILBERT A. POHL [redacted]
EDWARD J. POKORA, [redacted]
THOMAS A. POLAKOWSKI, [redacted]
JOSEPH R. POLASEK, III [redacted]
GEORGE A. POLLICK, [redacted]
SIDNEY P. POLLOK [redacted]
ROY A. POOLE, [redacted]
RONALD J. POPOLA, [redacted]
ORVAL W. PORRITT, [redacted]
JEFFREY A. PORTER [redacted]
THOMAS POULOS, JR, [redacted]
EUGENE H. POWELL, JR [redacted]
ROBERT D. PREISSINGER [redacted]
DARWIN P. PREWITT [redacted]
JOSEPH S. PRICE [redacted]
GARY D. PROCTOR, [redacted]
GEORGE S. PUGH, JR [redacted]
JAMES PUHEK [redacted]
QUINCY D. PURVIS, [redacted]
CRAIG A. PUZ, [redacted]
DAVID E. PYSHORA, [redacted]
MICHAEL J. QUINN, [redacted]
DOUGLAS L. RAABERG, [redacted]
DAVID W. RABERN, [redacted]

STANLEY P. RADER, [redacted]
RAIFORD E. RAINEY, [redacted]
MICHAEL C. RAITT, [redacted]
OTTO P. RAMM, [redacted]
WILLIAM J. RAMSEY, [redacted]
DAVID L. RANDLE, [redacted]
CHARLES R. RATHKE [redacted]
JAMES M. RAU, [redacted]
ALAN D. RAY, [redacted]
DENNIS A. REA, [redacted]
CARL D. REBARCHAK, [redacted]
ROGER W. RECHSTEINER, [redacted]
EDWARD G. REDMON, [redacted]
LAWRENCE A. REED, [redacted]
MICHAEL A. REED, [redacted]
DANIEL J. REESE [redacted]
DONALD F. REESE, [redacted]
DAVID E. REGEHR, [redacted]
WILLIAM J. REH, JR [redacted]
JOSEPH FRANCIS REICH [redacted]
JAMES E. REIMAN [redacted]
MICHAEL D. REINERT, [redacted]
THOMAS E. REW, [redacted]
CARMEN A. REYNOLDS, [redacted]
RANDY L. REYNOLDS, [redacted]
RICHARD H. REYNOLDS, [redacted]
WILLIAM M. REYNOLDS, [redacted]
GEORGE M. RICE, [redacted]
RANDAL L. RICHEY, [redacted]
JEFFREY S. RICKS [redacted]
STEVEN D. RIENTS [redacted]
JAMES F. RIGGINS [redacted]
ROBERT N. RIGGINS, JR [redacted]
RONALD D. RIVARD, [redacted]
JOHN R. ROADCAP, [redacted]
STEPHEN M. ROARK, [redacted]
JAMES A. ROBB, [redacted]
ROBERT H. ROBERTS, [redacted]
CHARLES D. ROBERTSON, [redacted]
THOMAS S. ROBERTSON, III [redacted]
EARL ROBINSON, JR, [redacted]
STEVEN E. ROBINSON, [redacted]
ALLEN D. ROBY, [redacted]
WILLIAM L. ROCHE, [redacted]
MARK E. ROGERS, [redacted]
MICHAEL L. ROGERS, [redacted]
WENDY J. ROGERS, [redacted]
EDWARD N. ROHLOFF, [redacted]
GREGORY A. ROMAN, [redacted]
JAMES J. ROONEY, JR [redacted]
MICHAEL R. ROSANBALM, [redacted]
CURTIS L. ROSS [redacted]
DAVE M. ROSS, [redacted]
WILLIAM A. ROSS, [redacted]
LLOYD J. ROWE, II, [redacted]
CHARLES H. ROWELL, JR, [redacted]
DEWAYNE A. RUDD, [redacted]
DON D. RUIZ, [redacted]
MARK M. RUMOHR, [redacted]
JIMMY W. RUTH, [redacted]
JOHN L. RUTH, [redacted]
EDWARD J. RYDER, [redacted]
ROBERT RYKACZEWSKI, [redacted]
ENRIQUE A. SAA, [redacted]
MARSHALL K. SABOL, [redacted]
JERRY G. SALAZAR, [redacted]
SAMMY T. SALIBA, [redacted]
JOHN T. SALLEY, JR, [redacted]
JOHN A. SALVADOR, [redacted]
DAVID SALZ, [redacted]
RICHARD C. SAMPLE, [redacted]
WALTER SANCHEZ, [redacted]
JAMES F. SANDBOTHE [redacted]
GREGG SANDERS, [redacted]
JAMES D. SANDERS [redacted]
JAMES A. SANDS, [redacted]
ROBERT R. SARNOSKI, [redacted]
ROBERT S. SATRE, JR [redacted]
GARRY G. SAUNER, [redacted]
MICHAEL J. SAVANA, [redacted]
ROBERT A. SBERNA, [redacted]
ROBBIN R. SCHELLHOUS, [redacted]
JAMES B. SCHEPLEY [redacted]
PHILLIP M. SCHLENER [redacted]
STEPHEN D. SCHMIDT, [redacted]
RAYMOND K. SCHNABEL, [redacted]
GREG R. SCHNEIDER, [redacted]
SUSAN K. SCHNEIDER, [redacted]
HERBERT A. SCHOCK, JR, [redacted]
BARRY A. SCHOEN, [redacted]
JOSEPH C. SCHOTT, [redacted]
CHARLES F. SCHRECK, [redacted]
BRUCE A. SCHROEDER, [redacted]
RICHARD A. SCHROEDER, [redacted]
TERRY L. SCHRUM, [redacted]
STEVEN G. SCHULTZ, [redacted]
CARL R. SCHWEINFURTH, [redacted]
JONATHAN E. SCOTT, [redacted]
WAYNE R. SCOTT, [redacted]
GERALD R. SCROGGINS, [redacted]
JOHN H. SEADER, [redacted]
RICHARD A. SEARFOSS, [redacted]
ROBERT E. SEARS, [redacted]
RODGER F. SEIDEL, [redacted]
GARY R. SEIFERT [redacted]
WELLINGTON A. SELDEN, JR [redacted]
MICHAEL P. SETNOR, [redacted]
JERRY L. SEXTON [redacted]
MONTY D. SEXTON, [redacted]
THOMAS H. SHAFER, [redacted]
TIMOTHY A. SHAFFER, [redacted]
JAMES F. X. SHANLEY, JR [redacted]

JOSEPH E. SHARPLESS [redacted]
WILSON E. SHEFFIELD [redacted]
LARRY E. SHELTON, [redacted]
ROBERT J. SHERRILL [redacted]
KELLY V. SHERWIN, [redacted]
GEORGE R. SHERWOOD, [redacted]
DUNCAN M. SHIELDS, [redacted]
DAVID K. SHILLER, [redacted]
RODNEY L. SHRADER, [redacted]
RICHARD A. SIEBERT, [redacted]
CAROL S. SIKES, [redacted]
STETSON M. SILER, [redacted]
BENARD H. SIMELTON, [redacted]
EARL C. SIMMONS, JR, [redacted]
LARRY J. SIMMONS, [redacted]
P. K. SIMMONS, [redacted]
JAMES H. SIMPSON, [redacted]
TONY SIMPSON, [redacted]
KENNETH R. SINGEL, [redacted]
FRANK R. SIZEMORE, [redacted]
MARCIA V. SKAER, [redacted]
PAUL E. SLABODA, [redacted]
MITCHELL P. SLATE [redacted]
TAYLOR A. SLATE, [redacted]
STEVEN L. SLOUGH, [redacted]
MARK D. SLOWN, [redacted]
JOHN M. SMILEK, [redacted]
CLIFFORD R. SMITH, [redacted]
CLIFTON L. SMITH, [redacted]
DANA C. SMITH, [redacted]
DAVID R. SMITH, [redacted]
EMMITT G. SMITH, [redacted]
FORREST E. SMITH, [redacted]
GREGORY D. SMITH, [redacted]
GREGORY L. SMITH, [redacted]
HERBERT R. SMITH, [redacted]
JAMES E. SMITH [redacted]
JOHN J. SMITH, JR [redacted]
KENNETH S. SMITH, JR [redacted]
RANDY A. SMITH, [redacted]
SANDRA L. SMITH, [redacted]
WESLEY M. SMITH, [redacted]
WILLIAM B. SMITH, [redacted]
DONALD E. SMOOT, [redacted]
EDWARD B. SMYTH, [redacted]
DANIEL R. SNEAD, [redacted]
JOHN C. SNIDER, [redacted]
KENNETH R. SNIDER, [redacted]
DUANE E. SNOW, [redacted]
DAVID M. SNYDER, [redacted]
CRAIG W. SODERQUIST, [redacted]
JEFFREY J. SOGARD [redacted]
DOUGLAS B. SOIFER, [redacted]
LLOYD M. SOMERS, [redacted]
DAVID L. SOUTH, [redacted]
MARC A. SOUTIERE, [redacted]
MARK S. SPACHER, [redacted]
ROBERT E. SPATH, [redacted]
GENE A. SPENCER, [redacted]
KATHLEEN M. SPENCER, [redacted]
JOSEPH E. SPIVEY [redacted]
JEFFREY A. SPONSLER [redacted]
DENNIS F. SPRAY, [redacted]
WILLIAM R. SQUIRES, [redacted]
DAVID M. SRULOWITZ, [redacted]
WAYNE W. STANLEY, [redacted]
LARRY J. STARKEY, [redacted]
BERNARD M. STEARNS, [redacted]
CARL A. STEEL, [redacted]
GEORGE W. STEELE, JR [redacted]
JON H. STEEVES, [redacted]
JEFFREY T. STEIG [redacted]
KARL F. STEINER [redacted]
JOHN E. STEINKE, [redacted]
JAY S. STEINMETZ [redacted]
MARK L. STEPHENS, [redacted]
NELSON I. STEPHENS, JR [redacted]
ROBERT E. STEVENS [redacted]
CHARLES R. STEWART, [redacted]
DOUGLAS E. STEWART, [redacted]
JOHN R. STEWART, III [redacted]
ROBERT C. STEWART, [redacted]
KIMBLE D. STOHRY, [redacted]
DONALD H. STOKES, JR, [redacted]
JONATHAN S. STOLSON, [redacted]
LYNN J. STONE, [redacted]
CHERYL L. STOREY, [redacted]
DOUGLAS A. STORY, [redacted]
STEPHEN H. STOVER, [redacted]
EFREN C. STRAIN, [redacted]
FREDERICK R. STRAIN [redacted]
ALVIN B. STRAIT, [redacted]
FRANK J. STRASBURGER [redacted]
NANCY C. STRASSER, [redacted]
LARRY D. STRAWSER, [redacted]
CHARLES G. STREET, IV, [redacted]
RANDIE A. STROM, [redacted]
MARK O. STROTHER, [redacted]
THOMAS S. STUMPF, [redacted]
LAWRENCE A. STUTZRIEM [redacted]
RAYMOND D. SULLIVAN, JR, [redacted]
WILLIAM SULLIVAN, [redacted]
CLARENCE G. SUMMERLIN, JR [redacted]
PAUL G. SUTLIFF [redacted]
BRIAN L. SUTTER, [redacted]
KEITH C. SVENDSEN, [redacted]
STEVEN H. SWARD, [redacted]
DAVID A. SWEAT, [redacted]
FRANK J. SWEHOSKY, [redacted]
DANIEL G. SWENSON, [redacted]
ULYSSES C. SWIFT, [redacted]
JAMES E. SWIGART, [redacted]

ROY B. SWYGERT, JR, [redacted]
LARRIE N. SYKES, [redacted]
RUTH A. SYKES, [redacted]
CHARLES K. TAFT, JR, [redacted]
JOHN F. TALIAFERRO, [redacted]
DAVID O. TATE, [redacted]
STEPHEN M. TATE, [redacted]
TERRENCE L. TAUBERT, [redacted]
CHARLES E. TAYLOR, [redacted]
RICHARD J. TEDESCO, [redacted]
JAMES R. TEEPLE, [redacted]
DAVID J. TEMPLE, [redacted]
JOSEPH J. TERRANOVA, [redacted]
SANFORD S. TERRY, [redacted]
MICHAEL G. THERRIEN, [redacted]
CHARLES H. THOMAS, JR, [redacted]
CHARLES W. THOMAS, [redacted]
JEFFREY A. THOMAS, [redacted]
JOHN P. THOMAS, JR, [redacted]
STEPHEN W. THOMAS, [redacted]
WILLIAM S. THOMAS, [redacted]
DON G. THOMPSON, [redacted]
ERNEST S. THOMPSON, III, [redacted]
JOHN H. THOMPSON, JR, [redacted]
MARCUM L. THOMPSON, [redacted]
BENJAMIN L. THORNSON, [redacted]
ROBERT R. THUNKER, [redacted]
RANDY G. TILLERY, [redacted]
VINCENT J. TOBOLA, JR, [redacted]
CHARLES L. TOMPKINS, [redacted]
WILLIAM H. TONEY, JR, [redacted]
CHRIS L. TOPE, [redacted]
MATHEW S. TOTH, [redacted]
ROBERT R. TOVADO, [redacted]
JAMES N. TOWERY, [redacted]
JEFFREY S. TRACZYK, [redacted]
EBEN H. TREVINO, JR, [redacted]
ROBERT G. TRIBOLET, [redacted]
GLENN A. TRIMMER, [redacted]
JOHNNIE L. TRIVETTE, [redacted]
RANDALL L. TROTT, [redacted]
PETER M. TRUMP, [redacted]
GREGORY A. TSCHUPP, [redacted]
JAMES N. TUCKER, [redacted]
MARK B. TUCKER, [redacted]
THEODORE L. TUCKERMAN, JR, [redacted]
CLIFFORD E. TUDAY, [redacted]
ROGER T. TURCOTTE, [redacted]
WILLIAM M. TURNER, [redacted]
GARY A. TURNIPSEED, [redacted]
RAYMOND J. TYC, [redacted]
WARD E. TYLER, III, [redacted]
LONZER K. TYNES, [redacted]
MERRI B. UCKERT, [redacted]
MICHAEL A. UNDERWOOD, [redacted]
VICTOR J. VACCARO, [redacted]
WILLIAM D. VAHLE, [redacted]
JOHN E. VALLIERE, [redacted]
CHARLES M. VANDERBERG, [redacted]
JOSEPH E. VANDERPOORTEN, JR, [redacted]
PHILIP J. VANESS, [redacted]
TIMOTHY W. VANSPLUNDER, [redacted]
SCOTT VANTONNINGEN, [redacted]
RAYMOND E. VARNEY, [redacted]
ROBERT J. VAUGHN, [redacted]
DONALD J. VAZQUEZ, [redacted]
ROBERT T. VEALE, [redacted]
JAMES M. VENUS, [redacted]
GLENN VERA, [redacted]
JOHN C. VIGNETTI, [redacted]
DENNIS C. VINCENT, [redacted]
JOHN C. VINCENT, [redacted]
SUSAN B. VINCENT, [redacted]
STEPHEN D. VINING, [redacted]
PHILIP A. VOLLELUNGA, [redacted]
RICHARD W. VONBERCKEFELDT, [redacted]
JOHN H. VOSS, [redacted]
RICHARD L. VOUK, [redacted]
WILLIAM B. WACKER, [redacted]
DOUGLAS M. WADDELOW, [redacted]
JOHN F. WAGNER, III, [redacted]
ANTHONY WAISANEN, [redacted]
RICHARD G. WAITON, [redacted]
EDWARD A. WALBY, [redacted]
DAVID C. WALDEN, [redacted]
DAVID E. WALKER, [redacted]
SYLVIA D. WALKER, [redacted]
WILLIAM C. WALKER, [redacted]
LANCE WALLEN, [redacted]
JEFFREY W. WALLS, [redacted]
JEFFREY J. WALTERS, [redacted]
CARL E. WALZ, [redacted]
BRADFORD E. WARD, [redacted]
DENNIS C. WARD, [redacted]
PAUL G. WARGOWSKY, [redacted]
CHRISTOPHER G. WARNER, [redacted]
RICHARD F. WARNKE, [redacted]
VAUGHN D. WASEM, [redacted]
JOHN D. WASKIEWICZ, [redacted]
DONALD T. WATKINS, [redacted]
JAMES I. WATKINS, [redacted]
THOMAS A. WAWRYNOVIC, [redacted]
SPENCER WAY, JR, [redacted]
STEVEN E. WAYNE, [redacted]
JAMES F. WEATHERS, [redacted]
RICHARD B. WEATHERS, [redacted]
DAVID WEAVER, [redacted]
LARRY A. WEAVER, [redacted]
SCOTT E. WEAVER, [redacted]
STEPHEN A. WEAVER, [redacted]
JAMES M. WEBB, [redacted]
SHERRY D. WEBB, [redacted]
STEPHEN R. WEBBER, [redacted]
REBECCA G. WEBSTER, [redacted]
THOMAS D. WEBSTER, [redacted]
JAMES A. WEDERTZ, [redacted]
EDDIE D. WEEKS, [redacted]
CHARLES J. WEISS, [redacted]
STEVEN M. WELCH, [redacted]
GILBERT M. WENDT, [redacted]
STEPHEN D. WENNINGER, [redacted]
RANDY S. WENZEL, [redacted]
WILLIAM D. WESSELMAN, [redacted]
JAMES JAY WESTLAKE, [redacted]
DAVID R. WETTERLIN, [redacted]
MARK T. WHALEN, [redacted]
KENNETH L. WHEELER, [redacted]
LYNN B. WHEELESS, [redacted]
THOMAS J. WHITACRE, [redacted]
GLENN T. WHITAKER, [redacted]
KATHLEEN A. WHITE, [redacted]
THOMAS P. WHITE, [redacted]
WILLIAM R. WHITE, [redacted]
MARK C. WIDO, [redacted]
THOMAS P. WIEDERRECHT, [redacted]
PAUL R. WIES, [redacted]
NYCKLE WIJBRANDUS, [redacted]
JACK W. WILDER, JR, [redacted]
MILES C. WILEY, III, [redacted]
DENNIS G. WILLECK, [redacted]
CHARLES WILLIAMS, [redacted]
CRAIG W. WILLIAMS, [redacted]
DALE R. WILLIAMS, [redacted]
L. C. WILLIAMS, [redacted]
MARK R. WILLIAMS, [redacted]
MICHAEL A. WILLIAMS, [redacted]
RICHARD R. WILLIAMS, [redacted]
TERRY L. WILLIAMS, [redacted]
ZENEO B. WILLIAMS, [redacted]
MARY E. WILLIAMSON, [redacted]
MICHAEL S. WILLS, [redacted]
DAVID J. WILSON, [redacted]
JAMES M. WILSON, [redacted]
JOE A. WILSON, [redacted]
BRYAN L. WINDHAM, [redacted]
STEVEN R. WINEGARDEN, [redacted]
GREGORY C. WINN, [redacted]
TIMOTHY G. WISE, [redacted]
BRUCE C. WITHERS, [redacted]
DONALD J. WITT, [redacted]
GERALD B. WITTERS, [redacted]
CHARLES W. WOOD, [redacted]
MICHAEL WOODMAN, [redacted]
PAUL D. WOODS, [redacted]
ERNEST V. WOOLLARD, II, [redacted]
ROBERT L. WORLEY, JR, [redacted]
FREDERICK L. WRIGHT, [redacted]
JAMES W. WRIGHT, [redacted]
MARK C. WRIGHT, [redacted]
ROBERT L. WRIGHT, [redacted]
RONNIE D. WRIGHT, [redacted]
STEVEN A. WRIGHT, [redacted]
WILLIAM H. WRIGHT, [redacted]
WILLIAM H. WRIGHT, JR, [redacted]
LARRY D. WRINKLE, [redacted]
EARL C. WYATT, [redacted]
THOMAS T. WYMAN, [redacted]
MARCUS W. YANAROS, [redacted]
FRED A. YARBOROUGH, JR, [redacted]
DAVID W. YAUCH, [redacted]
ROGER G. YAUCHZY, [redacted]
JOHN T. YOUNG, [redacted]
PHILLIP N. YOUSE, [redacted]
DOUGLAS W. ZACOUR, [redacted]
CHERYL L. ZADLO, [redacted]
STEVEN J. ZAMPARELLI, [redacted]
JEROME D. ZANE, [redacted]
RONALD L. ZELMS, [redacted]
VANCE P. ZIDER, [redacted]
JOSEPH J. ZLOTKOWSKI, [redacted]

THE FOLLOWING NAMED OFFICERS FOR PROMOTION IN THE UNITED STATES AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE, AND THE OFFICER IDENTIFIED BY AN ASTERISK FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES INDICATED PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A GRADE HIGHER THAN INDICATED.

JUDGE ADVOCATE

To be lieutenant colonel

DOUGLAS E. ACKLIN, [redacted]
RICHARD C. ALIS, [redacted]
DEBORAH A. BAKER, [redacted]
JEFFREY E. CHOSTNER, [redacted]
PAUL M. CUNNINGHAM, [redacted]
RICHARD P. DEAVEL, [redacted]
DARTT J. DEMAREE, [redacted]
JOHN B. ECHOLS, [redacted]
RICHARD C. HARDING, [redacted]
CHARLES W. HASSKAMP, [redacted]
FRASER B. JONES, JR, [redacted]
KARL A. KASZUBA, [redacted]
KATHERINE M. KENNEDY, [redacted]
JAY A. LAUER, [redacted]
WILLIAM C. LOVE, [redacted]
TIMOTHY J. MALLOY, [redacted]
MICHAEL I. MARK, [redacted]
DEBORAH H. MCLAUGHLIN, [redacted]
EDWARD J. MONAHAN, [redacted]
LINDA S. MURNANE, [redacted]
DAVID A. NORTHUP, [redacted]
FRANK A. POSEY, [redacted]
MICHAEL J. RENNER, [redacted]
PATRICK M. ROSENOW, [redacted]
JAMES A. ROWE, [redacted]
GARY L. ROWELL, [redacted]
BARRY K. SIMMONS, [redacted]
KEVIN K. SPRADLING, [redacted]
JAMES O. SUTTON, III, [redacted]
KATHRYN I. TAYLOR, [redacted]
RICHARD W. TOBIN, II, [redacted]
CONRAD M. VONWALD, [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

CHARLES H. ALLEN, [redacted]
THERESA S. BAKER, [redacted]
GEORGE C. BONHAM, JR, [redacted]
ROBERT J. BUNKER, [redacted]
JOHN A. BUTLER, [redacted]
RICHARD W. CLARKE, [redacted]
ROBERT E. CLOVER, [redacted]
PATRICIA M. FRENCH, [redacted]
BYRON A. GEER, [redacted]
ANTHONY GELISH, [redacted]
DAVID D. GILBREATH, [redacted]
RONALD B. HALE, [redacted]
KEITH L. JOENS, [redacted]
NORMAN J. LATINI, [redacted]
ANDREW F. LOVE, [redacted]
ROBERT J. MASON, [redacted]
FRANK L. NELSON, [redacted]
JAMES K. NOA, JR, [redacted]
KENNETH W. PASCH, [redacted]
EUGENE H. RAYNAUD, [redacted]
STEVEN H. REGNER, [redacted]
TED JIM WILLIAM ROGERS, [redacted]
THOMAS N. ROMEYN, [redacted]
THOMAS J. SCRIPTURE, [redacted]
HARVEY SIETSEMA, [redacted]
RICHARD D. SILVERNAIL, [redacted]
ARCHIE J. SUMMERLIN, [redacted]
JAMES E. TART, [redacted]
J. JUNIOR TILLEY, [redacted]
EDWARD F. TORRES*, [redacted]
ROBERT P. VALLIERE, [redacted]
PAUL T. WILLIAMSON, [redacted]
THEOTIS WILSON, [redacted]
LESLIE M. WOOD, [redacted]
ANTHONY L. WOODSON, [redacted]

Executive nominations received by the Senate February 18, 1992:

DEPARTMENT OF JUSTICE

GEORGE J. TERWILIGER, III, OF VERMONT, TO BE DEPUTY ATTORNEY GENERAL, VICE WILLIAM PELHAM BARR.

DEPARTMENT OF STATE

MARC ALLEN BAAS, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ETHIOPIA.

NUCLEAR REGULATORY COMMISSION

KENNETH C. ROGERS, OF NEW JERSEY, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM OF 5 YEARS EXPIRING JUNE 30, 1997. (REAPPOINTMENT)

FOREIGN SERVICE

THE FOLLOWING NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS 1, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF STATE

ROGER ALLEN MEECE, OF WASHINGTON

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 4, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF STATE

RUBEN R. ALCANTARA, OF HAWAII
JOHN R. BASS, II, OF CALIFORNIA
MELINDA M. BRIAN, OF LOUISIANA
ROBERT CRAIG BRYSON, OF OKLAHOMA
KAREN KASKA DAVIDSON, OF TEXAS
CONSTANTINE A. DE BODISCO, OF FLORIDA
KURT DAMON DONNELLY, OF OREGON
ABIGAIL SARAH FRIEDMAN, OF COLORADO
ETHAN AARON GOLDRICH, OF NEW YORK
DOUGLAS M. GRIFFITHS, OF TEXAS
D. BRENT HARDT, OF FLORIDA
JOHN F. HOOVER, OF MASSACHUSETTS
GERALDINE L. KAM, OF CALIFORNIA
SUSAN ELIZABETH KIRK, OF NEW YORK
CHIRSTOPHER LAYCOCK, OF WASHINGTON
LONG NGUYEN LEE, OF COLORADO
ANN M. LOW, OF NEW YORK

MICHAEL BRUCE MARTIN, OF CALIFORNIA
MARGARET E. MCGUINNESS, OF NEW JERSEY
CLARIE KNOX OXLEY, OF TEXAS
GEORGE FRANCIS PAIK, OF MASSACHUSETTS
ROBIN S. QUINVILLE, OF CALIFORNIA
MICHAEL ARTHUR RAYNOR, OF MARYLAND
ARNOLD SIERRA, OF TEXAS
R. BYRON SIGEL, OF CALIFORNIA
BRIAN J. SILER, OF WASHINGTON
STUART MADGETT SMITH, OF OHIO
DANIEL CHARLES STOLL, OF VIRGINIA
JAMES C. SWAN, OF THE DISTRICT OF COLUMBIA
MELINDA TABLER-STONE, OF VIRGINIA
MARTIN BORYS TATUCH, OF FLORIDA
JEFFREY A. VANDREAL, OF TEXAS

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE AND THE U.S. INFORMATION AGENCY TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

JANET ANNE BOZZI ANDERSON, OF VIRGINIA
DOUGLAS JOSEPH APOSTOL, OF VIRGINIA
VIRGINIA LYNN BENNETT, OF GEORGIA
KRISTAN E. BENTLEY, OF CALIFORNIA
PATRICIA B. BLYSTONE, OF FLORIDA
MYRON P. BOON, OF NORTH CAROLINA
DENNIS J. BOWDEN, OF VIRGINIA
SHARON T. BOWMAN, OF THE DISTRICT OF COLUMBIA
R. JEROME BROWN, OF THE DISTRICT OF COLUMBIA
ANGIE BRYAN, OF TEXAS
LORI BUNGARZ, OF CALIFORNIA
CHRISTOPHER K. BUSH, OF WEST VIRGINIA
JENNIFER LEE CATHCART, OF OHIO
PATRICK LIANG CHOW, OF NEW YORK
CHRISTIAN R. DE ANGELIS, OF NEW JERSEY
SUSAN E. DETHLEFSEN, OF VIRGINIA
ALAN STESSIN DRIMMER, OF OHIO
PATRICK MICHAEL DUNN, OF PENNSYLVANIA
MAEVE SIOBHAN DWYER, OF MARYLAND
KATHARINE T. ELLAM, OF MASSACHUSETTS
BERNARD B. EZZELL, OF MARYLAND
PAUL JEFFREY FARLEY, OF OKLAHOMA
SCOTT H. FEWIN, OF THE DISTRICT OF COLUMBIA
THOMAS D. FLETCHER, OF VIRGINIA
RICHARD B. GAFFIN, III, OF ARIZONA
FORREST J. GOULD, OF MASSACHUSETTS
TRACY ALAN HALL, OF NORTH CAROLINA
JOHN PETER HIGGINS, OF MINNESOTA
DAVID ANDREW HODGE, OF TEXAS
IRMA JANE HOPKINS, OF INDIANA
EVAN T. HOUGH, OF VIRGINIA
JEREMIAH H. HOWARD, OF VIRGINIA
STEPHEN A. HUBLER, OF PENNSYLVANIA
CLARENCE M. JEFFRES, OF VIRGINIA
GREGORY F. LAWLESS, OF MASSACHUSETTS
CHERLY S. LESTER, OF VIRGINIA
PAUL RAMSEY MALIK, OF VIRGINIA
BRIAN J. MCHUGH, OF VIRGINIA
KIN WAH MOY, OF MINNESOTA
EDWARD VINCENT O'BRIEN, OF FLORIDA
ROBERT E. OLSEN, OF COLORADO
MICHAEL JOSEPH PETRUCELLI, OF MARYLAND
DAVID JEREMY RANZ, OF THE DISTRICT OF COLUMBIA
DAVID A. REYNOLDS, OF VIRGINIA
DONALD ROSS ROGERS, OF VIRGINIA
PETER SAWCHYN, OF VIRGINIA
JOHN PAUL SCHUTTE, OF THE DISTRICT OF COLUMBIA
STEPHEN M. SCHWARTZ, OF NEW YORK
JEFFREY J. SCUDDER, OF VIRGINIA
GRACE WHITAKER SHELTON, OF GEORGIA
SARA ELIZABETH SIEVERS, OF MASSACHUSETTS
ROBERT SILBERSTEIN, OF THE DISTRICT OF COLUMBIA
RAYMOND ALLAN SMITH, OF VIRGINIA
MARTIN H. STEINER, OF CALIFORNIA
SARA L. STOVER, OF VIRGINIA
JOHN STEPHEN TAVENNOR, OF TEXAS
JACOB GREGG THIESSEN, OF MASSACHUSETTS
GREGG J. TIERNEY, OF VIRGINIA
RAYMOND DANIEL TOMA, JR, OF MISSISSIPPI
PAMELA M. TREMOND, OF TEXAS
JAMES J. TURNER, OF MARYLAND
LAURIE A. UNAITIS, OF VIRGINIA
GREGORY W. VOGLE, OF FLORIDA
BRIAN THOMAS WALCH, OF ILLINOIS
JAMES MICHAEL WALLER, OF MISSOURI
JAN LIAM WASLEY, OF NEW JERSEY
VALERIE Y. WEBSTER, OF MARYLAND
SUSAN E. WHITEMAN, OF VIRGINIA
DENNIS WILDER, OF MARYLAND
JAMES SYMINGTON WILSON, OF VIRGINIA

SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

ROBERT E. DAVIS, JR, OF WASHINGTON
SIDNEY GRAEME SMITH, OF THE DISTRICT OF COLUMBIA

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE NOVEMBER 19, 1989:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

DAVID MEREDITH EVANS, OF PENNSYLVANIA

CONFIRMATIONS

Executive nominations confirmed by the Senate February 18, 1992:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

KEVIN E. MOLEY, OF LOUISIANA, TO BE DEPUTY SECRETARY OF HEALTH AND HUMAN SERVICES.

ARNOLD R. TOMPKINS, OF MARYLAND, TO BE A ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

ARNOLD R. TOMPKINS, OF MARYLAND, TO BE AN CHIEF FINANCIAL OFFICER, DEPARTMENT OF HEALTH AND HUMAN SERVICES.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

PONTIFICAL CONFERENCE: DRUGS AND ALCOHOL AGAINST LIFE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. RANGEL. Mr. Speaker, as chairman of the Select Committee on Narcotics Abuse and Control, I would like to recognize and praise Pope John Paul II for his tremendous leadership in the war against drugs. The Pontifical Council for Pastoral Assistance to Health Care Workers held a Conference on Drug Abuse and Alcoholism at the Vatican in late November.

At the close of this conference, His Holiness addressed scientists, doctors, government leaders, and pastoral workers from over 100 nations. In his address, he declared drug addiction and alcoholism as "two phenomena which threaten the human race," and stated that "taking drugs is * * * always illicit because it involves an unjustified and irrational renunciation of thinking."

I would like to submit this important speech, to be published at this point in the RECORD, so that our colleagues can more fully appreciate the efforts made by His Holiness to end the human suffering caused by the abuse of illegal drugs and alcohol.

RESPONDING TO THE CONTAGION OF DRUG ABUSE AND ALCOHOLISM

(Speech by Pope John Paul II)

Alcoholism and drug abuse are closely connected to despair, Pope John Paul II told participants in the Nov. 21-23 Vatican conference titled "Drugs and Alcoholism Against Life." The conference was sponsored by the Pontifical Council for Pastoral Assistance to Health Care Workers. Scientists, doctors, government leaders and pastoral workers from more than 100 nations participated in the conference. In his address closing the conference, the pope said that while the moderate use of alcohol as a drink does not "clash with moral prohibitions, and only abuse is to be condemned, taking drugs is, on the contrary, always illicit because it involves an unjustified and irrational renunciation of thinking, willing and acting as free persons." Even medical use of psychotropic substances "to mitigate suffering in carefully determined cases must itself abide by extremely prudent criteria," he observed. It is not possible to speak of the freedom to use drugs or the right to drugs, he said. Responding to these problems, the pope said, requires a "therapy of love." He explained, "The phenomena of drugs and alcoholism cannot be combated, nor can effective action be taken for the healing and recovery of their victims unless the human values of love and life are first restored." A Vatican translation of his Italian-language address follows.

1. I am especially pleased to be present once again at the internatioinal conference for study and reflection which the Pontifical Council for Pastoral Assistance to Health Care Workers has organized each year since it was instituted to call the attention of Christians and, more generally, all men of good will to central questions of considerable current interest affecting medical science, ethics and pastoral care in health.

My cordial greeting is addressed, first of all, to Cardinal Fiorenzo Angelini and the members of his team, to whom this meeting should be credited; and my greeting at the same time goes out to the illustrious guests from different nations, to the scientists, researchers, doctors, sociologists and theologians who are taking part in this important symposium devoted to a specific problem which in our days impresses itself with supreme urgency on the attention of society as a whole.

Drugs and alcoholism against life: This is the topic to which your reflection is directed. Quite appropriately it is preceded and in a sense prefaced by the meaningful phrase of St. Paul, *contra spem in spem* (hoping against hope), as if to claim for those who, following the example of the aged patriarch Abraham, trustingly believe in God's promises, the right not to abandon hope ever, even when humanly speaking such hope might seem empty and groundless. Drug addiction and alcoholism, in view of their intrinsic seriousness and devastating spread, are two phenomena which threaten the human race, shattering—in the individual, in the family environment and in the social fabric—the deepest motivations for the hope which, to be such, must be hope in life—hope of life.

2. On careful consideration, indeed, it is easy to discover a twofold connection between these phenomena and despair. On the one hand, at the root of alcohol and drug abuse—though a painful complexity in causes and situations exists—there is usually an existential void due to the absence of values and a lack of self-confidence, of confidence in others and in life in general; on the other, the difficulties which are encountered to get out of that situation, once established, aggravate and amplify the sense of despair, and the victims, their families and the surrounding community are thereby led to an attitude of resignation and surrender.

Over the course of the years, moreover, the alcoholism and drug picture has grown out of all proportion, and today we are faced with insidious social plagues, which have spread throughout the world, fostered by vast economic interests and sometimes political ones as well. While many lives are thus consumed, the powerful drug lords arrogantly abandon themselves to luxury and dissipation. If considered in human terms, the reasons for despair (*contra spem*) would seem to prevail, especially for the families which, having been marked and directly stricken by the sad phenomenon, do not feel sufficiently assisted and protected. With deep affection I am close to them and share their sorrow; I would like to meet them one by one, take them some of Christ's consolation (cf. 2 Cor. 1:5) and spur them to react against the sense of abandonment and the temptation to become discouraged.

Very often when thinking of the victims of drugs and alcohol—generally young people, though their spread among adults is a source of growing concern—I am led to recall the man in the Gospel parable who, when assaulted by criminals, was robbed and left half-dead along the road to Jericho (cf. Lk. 10:29-37). In fact, these too strike me as people "on a journey" who are searching for something in which to believe in order to live; they instead run up against the merchants of death, who assault them with the allurement of illusory freedoms and false propects for happiness. These victims are men and women who, unfortunately, find themselves robbed of the most precious values, profoundly wounded in body and in spirit, violated in the depth of their consciences and offended in their dignity as persons. In these situations the reasons leading one to abandon all hope might really appear strong.

3. While aware of this, you and I nevertheless wish to testify that there are reasons to go on hoping, and they are much stronger than those against hope (*contra spem in spem*). Indeed today too, as in the Gospel parable, good Samaritans are not lacking who, with personal sacrifice and sometimes at a risk to themselves, are able to "become the neighbor" of those in difficulty. For this reason, I want to say to the families touched by trial: Do not despair! Rather, pray with me that these good Samaritans working at public facilities and in volunteer groups will multiply among private citizens and the leaders of nations, and a united front will thus be formed, engaged increasingly not only in prevention and the rehabilitation of drug addicts, but also in denouncing and legally prosecuting those trafficking in death and in demolishing the webs of moral and social disintegration.

We are now faced with a phenomenon of terrifying scope and proportions not only because of the very high number of lives brought to an end, but also because of the worrisome spread of moral contagion, which for some time now has been reaching the very young as well, as in the case—unfortunately, not uncommon—of children forced to become dealers and, along with their peers, consumers themselves. I thus repeat the heartfelt appeal I addressed several years ago to the different public bodies, both national and international, that they "curb the expansion of the drug market. To this end, the interests of those speculating on that market must first of all be brought to light; the instruments and mechanisms they make use of should then be identified; and, finally, the coordinated, effective dismantling of these ought to begin. In addition we must work for the integral development of those populations which, in order to subsist, devote themselves to the production of such substances. At the same time, an attempt must be made to promote interconnected service networks working for real prevention of this evil and sustaining the rehabilitation and reintegration of the young people affected by it" (Address Sept. 23, 1989).

4. There is certainly a clear difference between resorting to drugs and turning to alcohol: Whereas the moderate use of alcohol as a drink does not, in fact, clash with moral prohibitions and only abuse is to be condemned, taking drugs, is, on the contrary, always illicit because it involves an unjusti-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

fied and irrational renunciations of thinking, willing and acting as free persons. Moreover, recourse to psychotropic substances by medical prescription to mitigate suffering in carefully determined cases must itself abide by extremely prudent criteria to avoid dangerous forms of habituation and dependence. The task of health authorities, physicians and the officers of research centers is to work to reduce such risks to a minimum through measures for prevention and information.

Drug addiction and alcoholism are against life. We cannot speak of the "freedom to take drugs" or the "right to drugs," for the human being has no right to harm himself and neither can nor should ever abdicate the personal dignity which comes to him from God! These phenomena—it must always be remembered—are not only detrimental to physical and psychic well-being, but frustrate the person precisely in his or her capacity for communion and self-giving. All of this is particularly serious in the case of the young. Theirs is, in fact, the age which opens to life, the age of the great ideals, the season of sincere, oblational love.

I wish therefore to say once more to the young with heartfelt solicitude: Beware of the temptation of certain illusory, tragic experiences! Do not surrender to them! Why head into a deadend street? Why renounce the full maturation of your years, accepting an early senescence? Why waste your lives and your energies, which can instead find joyful affirmation in the ideals of honesty, work, sacrifice, purity and true love?

That's it—love! For the victims of alcoholism, for the family and social communities which suffer so much on account of this infirmity of their members, the church in the name of Christ proposes as an answer and an alternative the therapy of love: God is love and whoever lives in love achieves communion with others and with God. "He who does not love remains in death" (1 Jn. 3:4). But whoever loves tastes life and remains therein!

Dear brothers and sisters, the phenomena of drugs and alcoholism cannot be combated nor can effective action be taken for the healing and recovery of their victims unless the human values of love and life are first restored—the only ones capable, especially if illuminated by religious faith, of giving full meaning to our existence. Society cannot and must not oppose its indifference against the sense of being outsiders which so often afflicts drug addicts or regard itself as absolved simply because it supports the action of volunteers, which is indeed irreplaceable but inevitably insufficient by itself. Laws are needed! Facilities are needed! Bold action is required!

5. As it is up to the church, then, to work on a moral and pedagogical level, intervening with great sensitivity in this specific area, so it is up to public institutions to adopt a serious policy aimed at healing situations of personal and social unease, among which the crisis in the family—the principle and foundation of human society, unemployment among young people, housing problems, social and health services and the educational system stand out. In this campaign for prevention, treatment and recovery the interdisciplinary research to which this conference has made such a significant contribution has a decisive role to play.

In congratulating you on the efforts and results of this helpful scientific colloquium, I also wish to address a word of sincere appreciation to the vast multitude of young and not-so-young people participating in rehabilitation programs and every other endeavor directed toward this noble purpose. With the assurance of my fervent prayer and my heartfelt solidarity, I reiterate my invitation for them to look trustingly at life, to believe in the inestimable greatness of the destiny of the human person, who—I love to repeat—is a reflection of the very image of God. In a word, I repeat once again the invitation to hope against all hope—contra spem in spem—and I particularly address it to those who, with admirable generosity and in a Christian spirit, become neighbors to their brothers and sisters in need of help because they have been affected and overwhelmed by these two deplorable phenomena.

The church, which desires to work in society as the leaven of the Gospel—and this is her duty—is and will continue to be ever at the side of those facing the social plagues of drugs and alcoholism with responsible dedication to encourage and support them with the words and the grace of Christ. He is the light that illuminates man and can lead him to the port of a more mature and worthy existence.

May the Most Blessed Virgin accompany the generous efforts of all who devote their energies to this arduous and valiant service. Upon them, in the hope of supernatural assistance, I wholeheartedly bestow my blessing.

FARM AND RANCH AWARD HONOREES FROM SOUTH TEXAS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. DE LA GARZA. Mr. Speaker, I had the pleasure of participating in the presentation of the third annual Fort Worth Star-Telegram Farm and Ranch Awards on January 24, 1992. These awards recognize some of Texas' most skilled producers and marketers of food, fiber, and timber.

More than 1,100 people were nominated by fellow farmers and ranchers, the Texas Agricultural Extension Service, Texas Tech University, Texas A&M University, the Texas Agricultural Experiment Station, the Texas Parks and Wildlife Department, the Texas Department of Agriculture, agribusiness leaders, and others. The Star-Telegram selected the honorees on the basis of production, management, and marketing criteria, and relies on the advice of hundreds of agricultural experts.

One of this year's 26 honorees was the Beckwith family of Progreso, TX, who live in the 15th District which I represent. As chairman of the House Committee on Agriculture, I know that their success in agriculture has not come easily. The late Art Beckwith, Sr., a good and dear friend of mine, was one of the pioneers in reestablishing the Rio Grande Valley's sugarcane industry. I have many fond memories of our association. His legacy is a family that follows his path of innovation, hard work, and love for the land.

I am pleased to bring to my colleagues' attention the business success stories of the Beckwith family that was published in the January 26, 1992, edition of the Forth Worth Star-Telegram:

[From the Fort Worth Star-Telegram, Jan. 26, 1992]

SUGAR CANE: HOW PERPETUAL MOTION CREATES STEADY PROFITS

PROGRESO.—Arthur E. Beckwith may be the archetypal workaholic manager of modern Texas agriculture.

Arthur is a cowboy fluent in Spanish, a former rodeo performer, a farmer and rancher, equally at home evaluating agricultural economics and computer programs, the merits of sheep, goats, cattle or horses and research on pesky insects that suck sugar cane and help turn the sugar to acid.

Based on eyewitness, associates' and his wife's testimony, Beckwith rarely stops long to rest as he gyrates among his agricultural, agribusiness, civic and other chores. He's on the regional sugar mill's board of directors and the local school board.

His and his wife's farming and ranching operations are split between this area where many of their farm fields abut the Rio Grande levee and the desert-like region between Sonora and Del Rio in southwest Texas.

Nan Wardlaw Beckwith, Arthur's wife, says that when they go north to manage the Wardlaws' goat and sheep ranch, they work so long that she finds herself wearing chaps and boots while doing the cooking chores.

Arthur, 50, trained the favorite horse of his professional rodeo-riding son, Benton Beckwith, 24. Benton has returned from college to work and train under his father to manage the farm business someday.

Beckwith Farms' sugar cane production normally ranks among the highest volumes grown and harvested by the 114 Texas sugar producers in the Lower Rio Grande Valley.

Arthur said he keeps about 1,400 acres in sugar cane and 1,400 acres divided into a large sector of cotton, smaller acreage of seed corn and occasionally, some grain sorghum.

Two years ago he bought more land and almost doubled his cane acreage from the previous 750 acres. And he was able to do that despite the cane-killing freeze of 1989, which slashed 65 percent of Beckwith Farms' sugar income.

Arthur has been one of the cane growers' leading supporters of research to control the rice borer, an insect that loves sugar cane as much as rice.

His farm provided a field laboratory for scientists to develop a natural product to curb the rice borer. Insecticides and parasites had failed to do the job, industry experts said.

The new weapon developed from that research is laced with the female borer's own pheromone that prompts the male to mate during the moth stage of the borer's lifecycle. Year-round emissions of the pheromone leave almost all male moths confused and unable to find females; so they can't reproduce.

Arthur said he expects the product to be approved for commercial use.

For now, he said, the best defense against the borers is a good offense, growing lush cane. The insects prefer to attack weakened cane.

His farm's average yields of sugar cane, which grows back annually from roots and stubble as permitted, normally range from 45 to 50 tons an acre in each of the first two years of each field's production to about 35 tons an acre in the fourth or fifth years, Arthur said.

The farm's cane normally averages yielding from 170 to 200 pounds of sugar per ton of cane, with most harvests at 180 pounds or more.

The cane yields usually place Beckwith Farms in the top 15 percent of Valley growers, and the sugar yields, in the top 10 percent to 25 percent of the growers.

The 114 growers are member-owners of the Rio Grande Valley Sugar Growers Association, which owns and operates the cane sugar mill and markets the sugar for the farmers.

Arthur serves on the milling association's field operations and sales committees. Field operations duties required him to help other mill officials and growers to resolve a brief strike by the mill's harvesting and trucking workers last November.

Arthur's chores on the sales committee were easier because of his past as a cattle raiser. He and his father, the late Arthur Beckwith Sr., were commercial cattle ranchers and among the pioneers in importing registered purebred Charolais cattle from France to the United States from the late 1950s through the 1960s. Arthur also worked briefly as a livestock feed supplements salesman.

The experience helped him land contracts with cattle feed mills needing molasses as an additive. The sugar mill's lower quality sugar is marketed as feed-grade molasses.

Arthur Sr. was one of the mill's founders and a 1960s pioneer in reestablishing the Valley's cane farming industry. Insects, low prices and other problems had destroyed the region's first cane venture in the 1920s.

The key to growing good sugar, Arthur said, is "timeliness" of management.

That means planting new cane after two rounds of cotton. He doesn't have to fertilize the first-year cane because the crop reaps carryover nitrogen and other nutrients applied to the cotton.

Arthur also times his applications of herbicides and cultivations to get the best weed and grass control possible.

Using heavy-duty, collapsible plastic irrigation systems and more traditional pipe, Arthur's employees put 0.4 acre foot of Rio Grande water across the 1,400-acre crop every two weeks from May to early September, unless it rains.

The collapsible pipe doesn't have to be picked up; so, it cuts labor costs. It can be traversed with heavy tractors and not damaged.

In 1990-91, still recovering from the 1989 freeze, Arthur's timely management paid off. Beckwith Farms produced 30 percent more cane per acre and almost 20 percent higher sugar content than the industry averages that season.

But, said Arthur, "It takes two to three years to recover from freezes."

TRIBUTE TO JOHN R. OSWALD

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize a truly outstanding citizen, Detective John R. Oswald, from Midland, MI.

Detective Oswald began his law enforcement career as a police officer for the city of Detroit in 1978. In 1980, he began his service to the city of Midland as a police officer and was promoted to the rank of detective in August 1990. Detective Oswald is recognized for his diligent manner, performing his duties not only with a high standard of professionalism, but also a sense of fairness and an ever-present friendly smile. In the words of none of his fellow workers, Detective Oswald is "an excellent example of what a police detective should be."

Active in all phases of criminal investigations, Detective Oswald has assumed all of the duties which relate to fraud and bad check investigations. Additionally, Detective Oswald has proven to be a vital link to the Midland community by sponsoring several programs for its members, covering topics ranging from bad check policies to personal and home safety.

This year has only exemplified Detective Oswald's distinction. In addition to his professional duties, Detective Oswald played the role of Mr. Mom by caring for his twin 8-year-old daughters in order that his wife, Lori, could attend classes in the Detroit area. Although he assumed these extra duties, his efficiency as an officer remained unaffected. His contributions to his family and to his community most certainly cannot be measured.

Mr. Speaker, Detective Oswald was awarded the Carl and Esther Gerstacker award for Police Officer of the Year for 1991. I am certain that you will join me in honoring and thanking John Oswald for his genuine commitment to the people of mid-Michigan.

IN TRIBUTE TO ELEANOR L. SCHER

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. PORTER. Mr. Speaker, I rise today to offer my condolences to the family of Eleanor L. Scher, who passed away on November 6, in Santa Barbara, CA, after a sudden illness, and to place in our Nation's permanent RECORD a few words about this outstanding individual. Ele will always be remembered as a woman of remarkable grace, determination, and inspiration.

It is difficult to sum up any one part of Ele's life. There is simply too much that is good about Ele to fit on one page. Born in Chicago in 1927, Ele was a graduate of Northwestern University, at a time when higher education was an unusual pursuit for most women.

Her life as a wife, mother, civic leader, and community leader was filled with concern and action on the behalf of others.

Ele believed in solving problems. She prodded, cajoled, organized, and followed through on a variety of educational, social service, health and art projects.

In Highland Park, Ele played a key role in creating the Focus on the Arts Program for Highland Park High School, where young people could study and perform dance, theater, and music under the watchful eye of professionals.

As president of the North Shore's chapter of the Brandeis University National Women's Committee, Ele helped build her chapter into the Nation's largest and most productive while she lived in Highland Park.

When her family moved to Santa Barbara, Ele single handedly pushed and ultimately established the Family Service Division within the Jewish Federation. As the director of this project, Ele understood that just because someone lived in Santa Barbara, it did not mean that the family was wealthy or without problems. Ele pursued community service not for recognition, but to get the job done, and she excelled.

In addition to her public service roles, Ele and her husband Joe worked to support their daughter-in-law, Sharan Monsky Scher, in her fight against scleroderma, through the research foundation which Sharan founded.

Ele's family was the central part of her life. She and Joe raised four talented children, and Ele's spirit, vitality, and determination lives on in her children and grandchildren.

Mr. Speaker, Eleanor Scher set an example of selfless community service and a concern for the welfare of others which we all should admire and pursue.

RURAL DOCTOR RETIRES AFTER 44 YEARS OF SERVICE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. ALEXANDER. Mr. Speaker, on Sunday, January 26, rural Arkansas celebrated the retirement of a much-loved and highly respected family physician.

Dr. Herd, Stone, of Holly Grove, AR, cared for patients in northeast Arkansas for 44 years. I would like to take a moment to pay homage to his valuable service in meeting the health care needs of rural Arkansans. Medicine was much more than a job for Dr. Stone. He cared for the people he served and it showed in his work every day.

Mr. Speaker, I would like to insert the following article from the Monroe County Sun into the CONGRESSIONAL RECORD as a tribute to Dr. Stone.

[From the Monroe County Sun, Clarendon, AR, Jan. 30, 1992]

DR. HERD STONE HONORED WITH RETIREMENT RECEPTION IN HOLLY GROVE SUNDAY, JANUARY 26

Dr. Herd E. Stone, who retired recently after providing medical care to patients in Holly Grove and the surrounding areas for 44 years, was honored Sunday afternoon at a reception at the Holly Grove Legion Hut. Many friends, former patients and a number of his fellow physicians visited and spoke with Dr. and Mrs. Stone during the afternoon hours.

Raymond Abramson, Holly Grove attorney, directed a brief recognition service midway of the reception. He related that Dr. Stone "healed us when we were sick; consoled, counseled, showed compassion and concern when needed; and affected our lives in many ways—not just in health areas." He also said that on the Super Bowl Sunday Dr. Stone was "the winner of the Super Bowl of Life."

The Holly Grove City Council had unanimously approved a proclamation officially designating Sunday, January 28, as "Dr. Herd E. Stone Day" and Mayor Donna Hill presented him a plaque in honor of his day. She also presented him a street sign like ones to be placed on North Main Street renaming it as Dr. Herd E. Stone Street.

Others presented gifts including a plaque from the First Baptist Church and a trip and new boat from a group of friends and associates. The last gift presentation was made by Bill Reynolds, president of the Holly Grove Bank.

Special remarks concerning Dr. Stone's medical expertise were given by Dr. Pat McCarty. Dr. McCarty recently retired from the Helena Medical Center. Dr. McCarty and Dr. Stone were in the armed services together.

Dr. Stone graciously accepted the gifts and many expressions of love from those attending the reception. He then received a prolonged ovation from the group that filled the Legion Hut and overflowed to the outside.

RESTORING CREDIT AVAILABILITY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. LAFALCE. Mr. Speaker, today I am introducing the Credit Availability Act of 1992.

We remain in the midst of a serious credit crunch. Creditworthy borrowers are increasingly being denied the means to buy homes, meet family needs, start small businesses, build or renovate necessary plant and equipment, undertake important research and development, and perform any one of a number of other functions that would improve the lives of our citizens, increase our productive capacity, and help renew economic growth in this country.

We must turn our economy around and must restore the flow of funds to creditworthy borrowers. But our economy is only as good as the financial system which must fund its growth. It will be impossible to restore credit availability unless we restore common sense to the regulation of our financial institutions.

Responsible regulation of our financial institutions requires balancing safety and soundness concerns with the goal of achieving a free flow of funds to productive effort. These goals are compatible and, indeed, mutually reinforcing.

But, in recent years, because of the problems we have experienced in our financial sector, we have focused exclusively on the need to build capital in our financial institutions, ignoring the impact of such a single-minded focus on our economy. Capital strength is an important goal and must not be sacrificed. But some greater flexibility is appropriate and necessary.

Our financial institutions can spend any given dollar either on building capital, or on lending. Badly needed lending is now being sacrificed as our financial institutions are being forced to focus exclusively on a rapid build-up of capital in a market that makes such rapid capital accumulation virtually impossible. It is time we balance the legitimate goal of achieving new, tougher standards against other equally important policy objectives; revitalizing our economy and ensuring the flow of credit to worthy borrowers.

My legislation would simply grant the regulators discretion to allow our profitable community lending institutions that are clearly building capital more time to fully meet new standards. This will allow them to continue to channel badly needed funds to housing, business start-ups, community development, improvement in productive capacity and other important community needs. The legislation would not change the standards institutions are ultimately required to meet. It simply recognizes the serious economic difficulties we face and grants the regulators the flexibility to respond appropriately.

Our deteriorating economy has already forced the regulators to consider new and, in the minds of some, controversial approaches to the resolution of financial institutions. In recent days, to prevent the endless build-up of assets in Government hands, the Government has actually channeled funds into weak institutions to buy time to work out their problems. I believe this is a useful and innovative approach which merits our serious consideration. But, surely, if we are willing to channel Government money into weak institutions to keep assets in the private sector and buy time to minimize loss, we should be willing to provide stable, profitable institutions more time to turn their own profits into building their capital strength, so they can ultimately be resolved at no cost to the Government.

A number of Members on both sides of the aisle have already expressed an interest in cosponsoring this legislation and I am grateful for their encouragement and support. Rather than delay introduction to solicit a complete list of cosponsors, I am introducing the legislation today to get the process moving and provide more time for the discussion of this issue. I ask the support of my colleagues for this important legislation in the days ahead and urge their cosponsorship.

The text of the bill follows:

H.R. 4234

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 5(t) of the Home Owners' Loan Act (12 U.S.C. 1464(t)) is amended—

(a)(1) in subparagraph (1)(C), by striking "The standards" and inserting "After December 31, 1996, the standards";

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) by inserting "until January 1, 1997," after "shall"; and

(ii) by striking "not less than" and inserting "equal to";

(B) in subparagraph (C), by adding at the end the following new sentence: "Notwithstanding the preceding sentence, until January 1, 1997, the risk-based capital requirements prescribed under paragraph (1) shall be 90% of the risk-based capital requirements applicable to national banks.";

(3) in paragraph (5)(D), by striking clause (iii).

(b) by adding to the end thereof the following new paragraph:

"(11) EXCEPTIONS GRANTED BY DIRECTOR—

(A) IN GENERAL.—The Director may grant exceptions from paragraphs 1, (3)(A) and (5) of this subsection for eligible institutions in accordance with the provisions of this paragraph.

(B) ELIGIBILITY CRITERIA.—A savings association is eligible for exceptions from paragraphs (1), (3)(A) and (5) of this subsection if the association satisfies the conditions in paragraph (7)(C)(i) and demonstrates—

(i) increasing capital ratios for at least 2 of the 3 preceding calendar quarters;

(ii) profitability for at least 2 of the 3 preceding calendar quarters;

(iii) substantial compliance with an approved capital plan if the institution is otherwise required to submit such a plan;

(iv) an agreement not to pay dividends on capital stock during the period of the exception without the approval of the Director; and

(v) support for the credit needs of its community.

(C) EXCEPTIONS.—An exception may be granted:

(i) for an eligible institution from complying with any of the scheduled reductions beginning after December 31, 1991 under paragraph (3)(A) until after December 31, 1996, after which the institution shall comply with such reductions;

(ii) for an eligible institution from complying with any of the scheduled reductions beginning after June 30, 1992 under paragraph (5) until after June 30, 1996, after which the institution shall comply with such reductions.

SIGNIFICANT DATES IN DEVELOPMENT OF INDIAN POLICY

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing today for the consideration of my colleagues a partial history of Indian policy. This list was taken from a U.S. Department of the Interior publication "A History of Indian Policy." Submitted today are dates of significant development in Indian policy covering the years from 1800 A.D. through 1899.

DATES SIGNIFICANT IN THE DEVELOPMENT OF INDIAN POLICY

1803: As a result of the Louisiana Purchase from France a vast new territory with a large Indian population is added to the United States, and Thomas Jefferson proposes the removal of eastern Indians to the area west of the Mississippi.

1803 to 1806: The Lewis and Clark Expedition contacts many new Indian tribes as it explores the region from the Mississippi River to the Pacific Ocean for the United States.

1806: Office of Superintendent of Indian Trade created in the War Department to administer Federal Indian trading houses.

1812 to 1819: West Florida, then East Florida acquired from Spain, and the United States is involved in the Seminole War.

1819: Fund created by the Congress for the "civilization of the Indians."

1822: Indian trading houses and Office of Indian Trade abolished by Congressional action.

1824: The Secretary of War creates a Bureau of Indian Affairs within the War Department.

1830: Indian Removal Act passed by the Congress.

1831: Landmark decision by the Supreme Court in Cherokee Nation vs. Georgia.

1832: The Supreme Court hands down another landmark decision in Worcester vs. Georgia.

1832 to 1842: Federal Government removes portions of "Five Civilized Tribes" from southeastern states to Indian Territory.

1832: Office of Commissioner of Indian Affairs created within the War Department.

1834: Indian Trade and Intercourse Act redefines Indian country and introduces significant changes through reorganization of the Indian Service.

1845 to 1846: Republic of Texas enters Union and Texas Indian tribes are brought under Federal control.

1846: The Oregon Country with its Indian tribes becomes part of the United States as a result of a settlement with England.

1848: The Treaty of Guadalupe Hidalgo ends the war with Mexico and the "Spanish Southwest" with its Indian tribes becomes part of the United States.

1849: By Congressional action the Bureau of Indian Affairs is transferred from the War Department to the new Department of the Interior.

1850's: With the opening of Indian Territory west of the Mississippi to settlement it became Government policy to set aside reservations for Indian tribes.

1853: By the Gadsden Purchase the United States acquires additional territory and Indian lands from Mexico.

1866: As punishment for their support of the Confederacy, the Five Civilized Tribes were compelled to accept new treaties by which they relinquished the western half of Indian Territory some 20 tribes from Kansas and Nebraska were settled in 13 new reservations.

1867 to 1868: Indian Peace Commission negotiates final treaties with Indians (last of 370 with the Nez Perce on August 13, 1868).

1869: President Grant's so-called "Peace" policy inaugurated.

1869: Act creating Board of Indian Commissioners (continued until eliminated by Executive Order in 1933).

1869: The completion of the Transcontinental railroad and the beginning of the end of the buffalo herds bring great change in the lives of the Plains Indians.

1870 to 1876: Following Federal Indian policy the remaining tribes were placed on reservations, with the help of the military when necessary. Rations of food and clothing were made available in lieu of the privilege of hunting in "customary places."

1870's: Beginnings of a Federal program to provide schools for the education of Indians.

1871: The negotiation of treaties between the United States and Indian tribes is ended by Congressional action.

1878: Congress authorizes the establishment of a United States Indian Police.

1883: Courts of Indian Offenses were authorized to allow tribal units to administer justice in all but the major crimes.

1885: United States courts were given jurisdiction over Indian cases involving major crimes (murder, manslaughter, rape, assault with intent to kill, arson, burglary, and larceny).

1887: The General Allotment or Dawes Severalty Act makes the allotment of land to individual Indians and the breaking up of tribal landholdings the official policy of the United States.

1889: Two million acres of Oklahoma Territory was bought from the Indians and thrown open for settlement.

1891: Provision is made for the leasing of allotted Indian lands.

1898: The Curtis Act extends the effect of the Allotment Policy to the Five Civilized Tribes in Indian Territory.

SALUTE TO JOHN AND MARY COYNE OF PROJECT CHILDREN

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. FEIGHAN. Mr. Speaker, "Love of life, fierce of pride in national heritage, strong religious belief, a sparkling sense of humor—all of these are qualities associated with the Irish people," according to one long-time observer of Ireland. No words could better describe John and Mary Coyne. It is my great pleasure to recognize the achievements of these two remarkable people on the 10th anniversary of Project Children in Cleveland.

Through their leadership, over 135 children from Northern Ireland have learned what it is like to be a young Irish-American in Cleveland: Watching an Indians game, riding a roller coaster at Geauga Lake, visiting our East- and West-side Irish-American clubs, picnicking at the Gilmour Academy, and joining the festivities at the summer Irish-American Festival.

For 6 weeks each summer, Project Children takes children from the violence-ridden neighborhoods of Northern Ireland and places them with American families. There, these children learn how to be kids again—playing baseball, soccer, and taking picnics without worrying about being a casualty of the troubles that continue to plague their country.

Over the years, John and Mary have recruited over 100 host families in neighborhoods throughout the Greater Cleveland area. These families have unselfishly opened their homes and hearts to these children. Through donations provided by the Greater Cleveland Irish community, Project Children covers the $900 transportation and insurance costs while our community supplies the love these children need once they arrive.

For the children of Northern Ireland, Project Children is a chance to learn that their world is larger than the turmoil at home. For the Irish-American community, the success of Project Children is a concrete demonstration of their commitment to the future of both our countries and to the heritage that we proudly share. I commend John and Mary Coyne and each of the host families for their work in making Project Children in Cleveland a continuing success.

INTRODUCTION OF LEGISLATION TO MORE FAIRLY APPORTION INTEREST EXPENSE

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. SCHULZE. Mr. Speaker, today, along with my colleagues GUY VANDER JAGT, SANDY LEVIN, BILL COYNE, and BEN CARDIN, I am introducing legislation to amend the Internal Revenue Code of 1986 to more fairly apportion interest expense between domestic and foreign sources. This bill should be an essential part of any tax act intended to speed the economic recovery.

At a time when the Federal Reserve Board, the administration and the Congress have taken various actions intended to drive down interest rates and the cost of new business investment, our tax law includes a provision causing real interest rates for U.S.-based multinational businesses to remain artificially high. At a time when we are encouraging U.S.-owned multinationals to invest more in plant and equipment in the United States, our tax law includes a provision causing the real cost of borrowing to be higher for U.S.-owned multinational corporations than for U.S. subsidiaries of foreign-owned companies.

By allocating too much interest expense to foreign assets and foreign sources, the provision denies multinational companies a fair interest deduction for the interest on debt incurred to finance their U.S. investments. My bill would help reduce this penalty by allocating interest expense to assets on a fairer basis.

Officials from the Treasury Department, staff of the Joint Committee on Taxation and tax practitioners on and off Capitol Hill have examined the problem and my bill. They agree that the problem is real. No experts have disputed that my solution is workable. The Ways and Means Committee and this House must decide whether Congress has the political will to incur a small revenue loss to correct this unintended inequity.

We have now reached the time when the inequity must be eliminated. America will be rewarded for our actions: By increasing the portion of interest expense that is deductible to a U.S.-based multinational corporation, my bill will reduce the real cost of new investment and thereby increase investment in the United States.

I am submitting for the RECORD an explanation of the bill, but let me briefly describe the bill and the problem that it will rectify. Section 864(e) of the Internal Revenue Code requires interest expense to be allocated on the basis of the assets of a consolidated group. Treasury regulations require the allocation to be based on the fair market value of assets or on the adjusted tax basis of assets. Because the fair-market-value option requires expensive annual appraisals, most taxpayers opt for the adjusted-tax-base. But this base results in an apples and oranges comparison. Because assets used in the United States are depreciated for tax purposes more rapidly than assets used outside the United States, assets used outside the United States have higher adjusted tax bases than similar assets used in the United States. Therefore, more interest is allocated to foreign assets than would be allocated if the basis for allocation were neutral.

Foreign assets generally generate foreign source income, so interest expense allocated to foreign assets generally become deductions against foreign income. This reduces the amount of foreign tax credit a company can use—without reducing foreign taxes because the foreign countries may not use the same allocation method. The foreign source interest expense has no net tax effect for a company in foreign tax credit carryover position. The direct tax savings from the interest deduction is offset by a reduction in credits that can be used. In effect, a foreign-source interest deduction is not deductible.

Suppose as a result of these problems, 70 percent of company's interest expense under the present apples and oranges rule would be allocated to foreign sources, while under a neutral rule 30 percent would be allocated to foreign resources. The company loses a deduction of 40 percent of its interest expense. If interest rates are at 10 percent, the company pays an after-tax rate of interest of (10 percent − [0.3 x 0.34 x 10 percent]) equals 9 percent rather than (10 percent − [0.7 x 0.34 x 10 percent]) equals 7.6 percent. Meanwhile, foreign-owned U.S. companies do not face this problem because the U.S. company generally has no foreign subsidiaries and foreign assets to which its interest is allocated. So in the above example, the foreign-owned U.S. company has an after-tax interest rate of 6.6 percent.

My bill restores some fairness by allowing taxpayers to use a neutral basis for allocation—one that applies the same rules for determining the basis of a domestic asset as it applies for determining the basis of a foreign asset. Interest expense would be allocated to assets using the base applicable for determining earnings and profits.

I urge my colleagues to join me in cosponsoring this technical but very important change in tax law. I insert in the RECORD following my remarks a technical explanation of the bill:

TECHNICAL EXPLANATION OF AN AMENDMENT TO ALLOCATE AND APPORTION INTEREST EXPENSE BASED ON THE EARNINGS AND PROFITS BASES OF ASSETS

BACKGROUND

Section 864(e)(2) of the Internal Revenue Code (the "Code") requires all interest expense to be allocated and apportioned "on the basis of assets rather than gross income" for purposes of sourcing the interest expense. With some narrowly drawn exceptions, Treasury regulations require that interest expense be allocated based on either the "tax book value" (generally, the regular adjusted tax basis) of assets or the fair market value of assets. See Reg. §§1.861-8T—1.861-11T.

A corporation must allocate its interest expense to its assets in proportion to the tax book values or fair market values of the assets.[1] Interest allocated to an asset is apportioned in accordance with the income from the asset.

Most corporations do not allocate on the basis of fair market value because the regulations require annual valuations "using generally accepted valuation techniques" to sustain the fair market values. Such valuations are expensive and time consuming. Therefore, most taxpayers use "tax book value" (adjusted tax basis) for allocation and apportionment.

Different rules apply for determining the adjusted tax basis for assets used in the United States ("domestic assets") than apply for assets used outside the country ("foreign assets"). Domestic assets generally are depreciated using accelerated methods while foreign assets are depreciated on a straight-line basis over longer lives. Accordingly, domestic assets have lower adjusted tax bases than comparable foreign assets. This results in disproportionately large interest allocations to foreign assets.

Since foreign assets generally generate foreign source income, the interest allocated to foreign assets generally results in foreign source deductions. Thus, foreign source income is understated. This reduces the foreign tax credit that a company can use because, as a general rule, the credit allowable in any year for foreign tax may not exceed the U.S. income tax computed on foreign source income. If a company is in an excess foreign tax position, the interest deduction that is allocated to foreign sources has no tax value. For every dollar that the deduction reduces tax liability, the foreign tax credit that the company can use is reduced by a dollar; the company's net tax liability is not reduced.

These allocation rules place U.S.-based multinational corporations at a competitive disadvantage relative to U.S. subsidiaries of foreign corporations. If a U.S. subsidiary of a foreign corporation has no foreign assets, interest incurred by the subsidiary to build its American business will be fully deductible against U.S. taxable income. On the other hand, if an American-owned multinational corporation borrowed to build its U.S. business, a disproportionate amount of that interest would be allocated to foreign sources and would be essentially nondeductible if the multinational corporation were in an excess foreign tax position.

These allocation rules also discourage U.S.-based multinational corporations from investing at home. The rules increase a U.S.-based multinational corporation's real cost of debt-financed investment in the United States by effectively denying an interest deduction for a disproportionate amount of the interests on the debt. This additional cost could be the factor that causes a company not to build a plant in the United States.

EXPLANATION OF THE AMENDMENT

The amendment would permit taxpayers to elect to use the earnings and profits (E&P) bases of assets, rather than the adjusted tax bases, for purposes of allocating interest expense. The E&P basis of an asset is the basis of the assets, as determined under the rules of section 312, used (or that would be used if the taxpayer were a corporation) for purposes of determining E&P. E&P basis would reflect both depreciation rules under section 312(k) and the special rules under section 312(n) on items such as intangible drilling costs, mineral exploration and development costs, and LIFO inventory adjustments.

Domestic assets have higher E&P bases than regular tax bases. For example, under regular tax rules, assets used in the United States in the manufacture of automobiles are depreciated over 7 years using 200 percent declining balance, switching to straight-line method. Under E&P rules, the assets are depreciated ratably over 12 years. Thus, $1 million of automobile manufacturing assets placed in service in 1988 would have a regular tax basis of $223,000 in the beginning of 1993 and an E&P basis of $625,000. This would also be the regular tax basis if the assets were used outside the United States.

The legislation would be effective for taxable years beginning after December 31, 1991.

RATIONALE FOR USE OF E&P BASIS

This amendment uses E&P basis for several reasons.

This would not be a new computation. Corporations must compute E&P for various purposes, including to determine whether payments to shareholders are taxable dividends or return of capital.

The E&P rules are similar to the rules now in effect for determining the tax bases of foreign assets. For example, the alternative depreciation system of section 168(g) now applies for determining both E&P depreciation and regular tax depreciation of assets used abroad.

A U.S. corporation's tax basis in a controlled foreign corporation is adjusted for the E&P of the CFCs. Since CFCs are major assets of many U.S. based international corporate groups, the bases of other assets should be determined consistently with the bases of the CFCs.

The rules apportion and allocate on the basis of assets because debt is fungible; a corporate borrower essentially uses all of its assets to secure its debt. Lenders look at the value of assets. For many assets, E&P basis is a more realistic estimate of value than is adjusted tax basis.

REVENUE ESTIMATE

The staff of the Joint Committee on Taxation estimated that a proposed similar to the amendment described above would lose approximately $100 million per year. In an August 22, 1991, response to a request from Representative Michael Andrews, the Joint Committee staff provided the following revenue estimate for proposed legislation enacted October 1, 1991, and effective for tax years beginning after 1990:

Fiscal year:	*Revenue loss*
1992	[1]$200,000,000
1993	100,000,000
1994	100,000,000
1995	100,000,000
1996	100,000,000
Total	700,000,000

[1] The assumed October 1 date of enactment shifted what would otherwise have been a fiscal year 1991 loss into fiscal year 1992. This figure reflects the loss from 1.75 calendar years—all of 1991 and the first 9 months of 1992.

It can be argued that this proposal should have no revenue loss at all because Treasury has sufficient power to achieve the proposed result though regulations.

TRIBUTE TO THOMAS HALEY

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize a truly outstanding citizen, Deputy Thomas Haley, from Midland, MI.

Deputy Haley began working for the Midland County Sheriff Department in 1980 in the records department. He was quickly promoted to the lein/dispatcher position after taking a competitive examination for the position. Since taking the new job he has proven himself an effective dispatcher with a very special gift that not only allows him to stay calm in stressful situations, but it also gives him the ability to calm others down and transmit life-saving information over the telephone.

More than once this gift has saved the lives of infants and children who were in mortal danger. He has given CPR instructions to near-hysterical mothers in order to revive infants. He has also given instructions to frantic parents whose children were choking or having seizures. Deputy Haley was recently honored for this ability by the Midland County Board of Commissioners.

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[1] This rule applies to a consolidated group as if it were a single corporation that owned the assets owned by its members.

Deputy Haley currently lives with his wife and four children in the city of Midland. He was born in Midland County and has lived there his entire life, taking an active role in the community. He is a past vice president of the Plymouth Elementary PTO and is involved in numerous other activities at his children's school.

Mr. Speaker, Deputy Haley was awarded the Carl and Esther Gerstacker award for Deputy Sheriff of the Year for 1991. I know you will join with me in honoring and thanking Thomas Haley for his commitment to the people of mid-Michigan.

IN HONOR OF STATE SENATOR VIRGINIA B. MACDONALD

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. PORTER. Mr. Speaker, the people of Illinois, and in particular the residents of our 27th State Senatorial District, have had the good fortune to be served by State Senator Virginia B. Macdonald for almost 20 years. Since Senator Macdonald has indicated she will retire at the end of her current term, I want to pay tribute to her outstanding career of leadership and dedicated service.

I am particularly pleased to enter these remarks on behalf of Ginny, as she is known to all of her friends. We began our careers in public office together as part of the class of 1972, freshman legislators elected to the Illinois House of Representatives. Ginny was a member of the house for a decade before being elected to the State senate in 1983, and she has served with great distinction in both chambers.

As a member of the senate judiciary committee, public health, welfare and corrections committee, and finance and credit regulations committee, Ginny demonstrated her leadership and legislative skill in addressing a wide range of difficult public policy issues. Her hard work and involved advocacy has won the respect and admiration of her colleagues, as well as a long list of outstanding legislator awards from organizations throughout Illinois.

Ginny's contributions to Illinois include her vital rile in shaping our State's current constitution, as a delegate to the Sixth Illinois Constitutional Convention. Her efforts helped ensure that the underlying law of our State adhered to the basic principles of essential citizens rights and freedoms while providing an open, responsible State government.

In addition, Ginny has been forceful voice in the Illinois Republican Party. She has served as the president of the Illinois Federation of Republican Women and was the Republican county chairwoman for Cook County. A founding member of the Wheeling Township Women's Republican Club, Ginny was also a former Republican committeewoman of Wheeling Township.

Ginny's work on behalf of the community is impressive by anyone's standards. She has served on the boards of many social service organizations, including: the advisory council, community counseling center, suburban branch of the Salvation Army Family Division; the citizens advisory council, Elk Grove-Schaumburg Townships Mental Health Center, and numerous others.

Ginny and her husband Alan have been residents of Arlington Heights for over 30 years and are the parents of two children, Alan Jr. and Susan. Ginny's retirement from the senate will allow her to spend more time with her family, and while we in Illinois send her and Alan our very best wishes for all the years ahead, we also know that we are losing one of our State's finest public servants.

I want to join Ginny's constituents, and all the residents of Illinois, in congratulating her for her exemplary service to our State and thanking her for all of her wonderful contributions. Ginny has set enduring standards of excellence in government for the rest of us to admire and pursue.

BILL WEAVER CELEBRATES 100TH BIRTHDAY

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. ALEXANDER. Mr. Speaker, I rise today to recognize the 100th birthday of a respected member of the Jonesboro, AR, community. Bill Weaver, former city councilman, charter member of the Elks Lodge No. 498 and active Chamber of Commerce member, has played a major role in helping to make Jonesboro the strong northeast Arkansas community it is today.

Mr. Speaker, I would like to insert the following article from the Jonesboro Sun into the CONGRESSIONAL RECORD as tribute to Bill Weaver.

[From the Jonesboro Sun, Jan. 29, 1992]

100TH BIRTHDAY FOR AUTO DEALER

(By Wendy Reiser)

How does it feel to be 100 years old?

"Not more than what I felt at 50," said Bill Weaver, owner of Central Chevrolet Company Inc., 330 South Union.

Weaver, who celebrated his 100th birthday by giving $100 to everyone who bought a car or truck Tuesday, bought the dealership in 1932 and still manages to show up for work, health permitting.

Bud Gregson, Central's general manager, said Weaver often told him when business was bad not to worry.

"He'd pat me on the back and say, 'Don't let bad business bother you. I've seen it worse'," Gregson recalled.

"When he first started, it (Central) wasn't very large," Doyle "Pete" Yarborugh, Weaver's nephew, said.

"At the time, all the banks in Jonesboro had failed (during the Depression)," Yarbrough said. "He (Weaver) would have to go to Bono—Citizens Bank. He would take the receipts in the afternoon because he was afraid to leave them here."

In addition to taking precautions with the receipts, Yarbrough said Weaver had trouble selling cars during the Depression, then getting cars to sell during World War II.

"He couldn't get any automobiles to sell (during the war)," Yarbrough said. "He had to lay off salesman. After World War II, he began to sell cars."

Weaver, the oldest Chevrolet car dealer in the United States, started out in the Jonesboro area as a school teacher at Ridge Station on Arkansas 1 south of Jonesboro.

After college, first attending a college in Heber Springs, then at Vanderbilt University in Nashville, Tenn., Weaver became a pharmacist.

"Evidently it (selling cars) looked more attractive," Yarbrough said. "He studied medicine and had on his mind to be a doctor. I guess it wasn't fast enough for him."

Gregson said one of the things Weaver expects his employees to do is to arrive on time each day.

"Mr. Weaver gives a good day's pay, but expects a good day's work in return," Gregson said.

In addition to arriving for work each day, Gregson said Weaver has the ability to say "yes" or "no" on business decisions instead of second guessing.

"He (Weaver) doesn't have to double think it (business)," Yarbrough said. "He thinks about it. His mind is made up before he says it. He doesn't second guess it."

Jay Raybuck, the pastor at First Presbyterian Church, 710 Southwest Drive, said Weaver is a goal-oriented and industrious person.

"When they completed another five year contract with GM, Bud (Central's general manager) asked what was next. Mr. Weaver answered, "We'll do another contract," Raybuck said.

Raybuck also said when a person reached 90, he could pretty much do what he wanted.

"At 12, noon, (Sundays) if I wasn't done, he (Weaver) was," Raybuck said. "He and his wife would get up and leave the church. They sat in the front."

Weaver, who was born and reared in Craighead County near Valley View, served on the Jonesboro City Council from April 8, 1929, until April 11, 1949.

In addition to his tenure as alderman, Weaver worked with the Greater Jonesboro Chamber of Commerce and was one of the charter members of the Jonesboro Elks Lodge No. 498.

"He and his wife (Marguerite, 88) were regular lunch customers at the Elks Lodge," Gid Massey, current exalted ruler of the lodge, said. "One time, somebody had sat at their table. Mr. Weaver told the person, 'You got my table.'"

Massey said the Elks Lodge was planning to present Weaver with a plaque marking his 77 years of service to the lodge both as secretary for 20 years and exalted ruler, top officer of the lodge, for four years.

Despite the lodge's social aspects, Massey said Weaver remained committed to the lodge itself and its benevolent programs.

"If we (the Elks) ever needed any money, Mr. Weaver would always reach in his pocket," Massey said. "He might look to see how much, but he would always contribute."

Until three years ago (1988-89), Weaver still drove himself wherever he needed to go.

However, his last driving trip occurred when Weaver drove himself to the hospital for kidney surgery, Mrs. Anita Yarbrough, his nephew's wife, said.

"The former sheriff, Floyd Johnson, told the people he bumped—he'd had a few fender benders on the way in—'Be calm. Mr. Weaver will be more than happy to fix your car,'" Mrs. Yarbrough said.

For the celebration of Weaver's birthday, the staff at Central decorated the showroom with red, white and blue balloons. Two Chevrolet officials from Memphis sent Weaver 100 red roses.

In addition to the party decorations, approximately 300 people attended a reception held in Weaver's honor.

Weaver also received a City of Jonesboro proclamation from Mayor Hubert Brodell declaring Tuesday, "W.R. 'Bill' Weaver Day," a letter from President Bush and a citation from Gov. Bill Clinton.

CONGRATULATING THE CONCH OUT CLUB OF AMERICA

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. DOWNEY. Mr. Speaker, it is my pleasure to introduce a group of individuals who have found a novel way to promote physical fitness and exercise through the simple art of having fun. I am speaking of the Conch Out Club of America, Inc., which was officially formed last year by a group of ordinary people from the Washington, DC, area who were inspired to do some extraordinary things.

The Conch Out Club of America was established as a result of a noncompetitive triathlon that was held in Freeport, Grand Bahama in 1988. This event was the culmination of months of cross training that began because of a column in the Washington Post entitled "Fit Over 40," written by Remar Sutton, a self-proclaimed "former couch potato." In this column, Mr. Sutton challenged his more sedentary readers to emulate his own personal story, and change their lifestyle by training for a winter triathlon. He then provided a training calendar and enticed his readers to join him for dinner under the Caribbean stars once it was over. From this column, over 400 individuals from the Washington, DC, area took Remar up on his offer—and completed the first annual conchathon on November 23, 1988. Most had never even seen a triathlon before.

Many would have been happy to have been just a spectator until they experienced crossing that finish line. For many, participating in the triathlon changed their lives and put them on the path to a healthier and more active way of life.

This event was the beginning of a series of events that has sparked great interest in the noncompetitive triathlon—a triathlon where everyone who finishes is a winner.

As someone who enjoys exercise, and who depends upon physical fitness to keep me healthy, alert, and productive, I want to commend this fine group of people. I am concerned about the number of people in this country who do not recognize that physical fitness and sound nutrition are ways to prolong and improve their lives. On February 25, the Subcommittee on Human Services of the House Select Committee on Aging which I have the privilege to chair is holding a hearing on physical fitness and aging. The purpose of this hearing is to promote and advance the benefits of physical fitness for people 55 years of age and older. The Conch Out Club shows that it recognizes this priority for people of all ages, and I am proud to say that I am an honorary member of this club.

The Conch Out Club of America is a nonprofit charitable and educational organization. Its entire board of directors is made up of veterans of past conchathons—who call themselves Conch Outs—pronounced "conk"—and who upon learning that the "Fit Over 40" column would not be continued decided to continue the spirit of conchdom as an incorporated organization. Since the formation of the club, its membership has soared and application requests are being processed every day in record numbers. Besides holding events in very inviting tropical climates that have included two trips to the Bahamas and one to Key West, the Conch Outs publish a regular newsletter, hold seminars, provide educational information on nutrition, training, health, motivation, coordination, and organize noncompetitive athletic events such as bike trips, biathlons, and swimming parties.

There is even a database used by the club to match training partners. The Conch Outs have also participated and assisted in two Washington, DC, based minitriathlons. And, of course, there is the social aspect. Conch Outs do know how to have fun.

Within the ranks of the Conch Outs are people of all ages and professions, people who are disabled or who are recovering from illness or surgery, entire family units, and individuals from all over the country. Because of the success of the national Conch Out Club, a chapter is currently being formed in northwest Florida with a promise of more to come.

The Conch Out Club should be very proud of its accomplishments. There has been a change in attitude in this country about physical fitness and health in the last several decades. The American Heart Association used to list three risk factors for heart disease—smoking, high blood pressure, and high cholesterol. Now the medical community has added another risk factor—inactivity. The Conch Outs, while a fun-loving group, take their mission very seriously. They strive to put an end to inactivity by setting realistic goals and then reaching them. By taking that first step toward reaching their goal, they are already experiencing victory.

I congratulate this creative organization and its membership on its continuing success, and I hope that they will continue to use their influence to improve the quality of life for all Americans.

INTRODUCTION OF H.R. 4231, THE INTERNATIONAL PEACEKEEPING ACTIVITIES SUPPLEMENTAL AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. BERMAN. Mr. Speaker, I am today introducing H.R. 4231, the International Peacekeeping Activities Supplemental Authorization Act for fiscal years 1992 and 1993. This legislation responds to an executive branch request for supplemental funding for peacekeeping activities undertaken by the United States in conjunction with the international community. It fulfills statutory requirements for supplemental authorization set out in section 15(a) of the State Department Basic Authorities Act of 1956.

A TRIBUTE TO A DEDICATED WORKER AND GOOD FRIEND: JOSEPH JENNINGS, JR.

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. BLACKWELL. Mr. Speaker, I rise today to pay tribute to Mr. Joseph A. Jennings, Jr., upon his retirement from the Pennsylvania Department of Revenue. As a close and personal friend of Joe Jennings, I would like to take a moment to reflect on the achievements of this remarkable and esteemed man.

Throughout the course of his employment with the Pennsylvania Department of Revenue, Joe Jennings consistently set new standards for department employees. Joe served in the capacity of revenue investigator from September 1971 until 1989 when the department reorganized and awarded him the title of revenue enforcement collections agent—the highest position in his employment classification. Joe's extensive knowledge of the rules pertaining to taxation laws and his ability to work under extreme pressure made him a tremendous asset to the department until his retirement on December 31 of last year.

In addition to his accomplishments at the Department of Revenue, Joe has been a major player in the hectic, yet never dull world of Philadelphia politics. As a committeeman of the 46th ward, Joe Jennings has presided over countless elections and meetings, always seeking to keep his neighbors will informed. Joe has also been instrumental in the election of many State representatives and senators, city councilpersons, U.S. Representatives and Senators, and even Presidents. I certainly credit Joe for introducing me to politics, and it is, indeed, safe to say that I would not be standing here before you today were it not for the invaluable counsel and advice I have received over the years from this most special man.

Even though Joe Jennings has retired from the department of revenue, I know that he will be even more entrenched as he faithfully spreads his time between his family, the church, and his political duties. As a model to his friends and neighbors, Joe will always be a pillar of strength for those around him. I cannot thank my friend "Slim" enough for all that he has done for the city of Philadelphia, the Commonwealth of Pennsylvania, and the United States of America. I ask my colleagues to rise and pay tribute to Mr. Joseph A. Jennings, Jr.

TRIBUTE TO THE BARBOUR COUNTY, AL, RETIRED SENIOR VOLUNTEERS

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. DICKINSON. Mr. Speaker, today I would like to pay tribute to the 510 members of the Retired Senior Volunteer Program of Barbour County, AL, and their director, Barbara Crapps. The RSVP is very active in Barbour County and makes an outstanding contribution to the life of the Barbour County community.

RSVP provides meaningful volunteer opportunities for people who are retired or semiretired. In turn, these volunteers happily donate their time and perform valuable services for the community. Each RSVP member must give 12 hours of volunteer work each year to be counted an active member.

In 1991, the Barbour County RSVP volunteers held a successful daylong seminar on drug abuse among the elderly. They also served as hosts and hostesses for the "Nights Before Christmas," 2 nights of open house held at historic Fendall Hall, where visitors enjoyed refreshments and seasonal music performed by local choirs.

In 1992, the volunteers will continue to serve as guides at Fendall Hall. They will also continue their work with youth at the Eufaula Adolescent Center and the Alabama Sheriff Boys' Ranch at Clayton.

I ask members of Congress to join me in recognizing the Barbour County Retired Senior Volunteers, Director Barbara Crapps, and her staff for their accomplishments in helping to make Barbour County a wonderful place to live.

THE DAWN REDWOOD SALUTES AMERICA'S QUINCENTENARY

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. QUILLEN. Mr. Speaker, I rise today to commemorate the 500th anniversary year of Christopher Columbus' first voyage to North America in a most appropriate way, through trees. I refer not to the stately shade and ornamental trees which are familiar to all of us, but to some very special trees planted 2 years ago in my own First Congressional District of the State of Tennessee especially for the quincentenary.

The F.A. Bartlett Tree Expert Co. of Connecticut, which has extensive operations in Tennessee and other States coast to coast, made the decision to select the dawn redwood as a quincentenary commemorative tree over 2 years ago. An arrangement was made with Greenwood Nursery of McMinnville, TN, to propagate some 10,000 seedlings, which are about to be distributed for planting during 1992—free of charge—to recipients in all 50 States and our territories, as well as several foreign countries.

The Bartlett Co. has been responsible for planting and distributing several thousand liberty centennial memorial trees—London plants grown from seed of existing trees on Liberty and Ellis Islands in New York Harbor—in 1987 for the centennial observance of the Statue of Liberty, which was written into the CONGRESSIONAL RECORD in 1987.

The story of Columbus' accidental discovery of America in 1492 while seeking a westward route to the riches of the Spice Islands off the southeastern coast of Asia is familiar to all of us. The discovery of the dawn redwood is an equally fascinating story, but it is not well known.

Neither the tree nor our continent required discovery. Each had been well known and in productive use by native people for many centuries prior to its official discovery by outsiders.

The very existence of the tree was unknown until 449 years after Columbus' voyage. In 1941 Japanese paleobotanist Shigeru Miki confirmed the new genus through fossil evidence collected in Japan and other places in the Northern Hemisphere. He named it metasequoia because of its close botanical relationship to the coastal redwoods, sequoias, of California. Meta is derived from the Greek and means beyond, while Sequoya was a Cherokee Indian scholar whose name had been assigned to the American redwood by German botanist Endlicher in 1847.

Miki and his associates collected evidence that the extinct deciduous conifer had at one time been widely distributed throughout the temperate zones of the Northern Hemisphere back to the Cretaceous period, which occurred near the end of the Mesozoic era some 130 million years ago. Like the dinosaurs, the reason the dawn redwood became extinct was unknown .

By a coincidence of incredible magnitude, during the same year that Miki first found fossil evidence of the supposedly extinct tree, a Chinese botanist named Kan came across three living conifers of unknown genus in a rugged mountain valley of remote Szechwan Province along its border with Hupeh Province. War was raging in China at that time in 1941, so no action was taken on Kan's discovery until 1945 when another Chinese botanist, T. Wang, journeyed to Szechwan to collect material from the trees. While there he located a few more trees of the same unknown genus nearby.

Prof. Wan-Chung Cheng of the National Central University of Nanking and his assistant, C.J. Hseuh, led a 1964 expedition to the area and expanded the census of known live trees to 25 specimens. These botanists confirmed the genus as metasequoia and assigned the botanical species name glyptostroboides. Also derived from the Greek, glyptos means engraved or grooved and strobus means pine cone. The tongue-twisting name describes the distinctive slit that runs along the edge of each metasequoia cone scale.

The Arnold Arboretum of Harvard University, Boston, became interested in the newly discovered trees in late 1946. They extended a small monetary grant to Dr. H.H. Hu of Peiping, who had trained at the Arnold Arboretum and earned his Sc.D. at Harvard, for a more extensive third expedition. Dr. Hu learned that the recently named metasequoia had been known to the farmers of this remote region for centuries as shui-san, which means water larch. They used it as feed for livestock.

Dr. Hu collected a small number of seeds from the trees and sent them to the Arnold Arboretum, where they were received on January 5, 1948, and immediately propagated. A larger seed shipment arrived a few weeks later.

The Arnold Arboretum, in an effort to reestablish metasequoia glyptostroboides over its prehistoric range, distributed seeds or seedlings to universities, arboretums, botanists, and organizations throughout the temporate zones of the Northern Hemisphere. The resulting trees have done well in cultivation. Some examples of the original 1948 seedlings have grown to 90 to 100 feet in height and are still going strong.

The common name, dawn redwood, gives this tree its deserved mystique by suggesting its long history to the dawn of time and its close relationship to the great redwoods of the western coastal regions of North America.

The dawn redwoods that we plant in 1992 may very well live to benefit our descendants several generations from now. These trees maintain a graceful, thin, pyramidal silhouette with very light, twiggy branches. Their foliage holds its delightful light green color until late in the season when it turns to creamy gold, sometimes tinged with pink, then to shades of amber before dropping. Remember, this is a deciduous conifer, not an evergreen.

Trunks of larger specimens take on a rich, ginger red color and are often a maze of deep flutings that writhe down the trunk for 2 or 3 feet and stop. There is some shedding of outer bark. These characteristics make it a beautiful addition to the winter landscape, especially after snowfall.

Metasequoia glyptostroboides has few natural enemies, having simply outlived them. It is not prone to insect damage or disease and requires little maintenance. The dawn redwood has a definite liking for water. The original trees in China are located beside rivers, streams, and ponds. Those planted in North America seem to grow faster if planted near water, but this does not imply that specimens planted elsewhere are struggling. The species has proven to be hardy as far north as New England and even in some of the lower reaches of Canada.

Allow your imagination to transport you back in time to the era of dinosaurs and spiny tailed reptiles lumbering through a misty wetland in what may now be a large American city, feeding on ancestors of the very trees that we will plant in 1992 to commemorate Columbus' voyage. Let your mind conjure up the catastrophic events that must have occurred in intervening eons that resulted in the extinction of almost all of the life forms of that time. How did it come to be that this tree, this living bond to those ancient times, survived only in a single remote mountain valley in far off China?

The dawn redwood is not merely a living link to prehistory, but also a bond to future generations of our descendants who will live in its shadows. As these special trees from my home State grow and mature, they will experience events that we can't even imagine.

May these Tennessee trees survive to be part of the millennium of Columbus' voyage in the year 2492.

In closing, it is fitting that I recognize the interest and help of certain people who have contributed to the success of this special Quincentenary commemoration. They include:

R. A. Bartlett, chairman, the F.A. Bartlett Tree Expert Co.

Steve Jones, Greenwood Nursery.

J.B. Grant, former executive secretary, NASDA.

Robert Amato, assistant executive secretary, NASDA.

Terry D. Strueh, president, NASDA.

S. Mason Carbaugh, former commissioner of agriculture, Virginia.

L.H. "Cotton" Ivy, commissioner of agriculture, Tennessee.

Mrs. Marie H. Yochim, president general, NSDAR.

Mrs. Frederick J. Bernhardt, regent, commonwealth chapter, NSDAR.

Dr. Michael Deckwitz, First Secretary (Agriculture). Embassy of Germany.

Manuel de la Camara, Minister (Economic and Commercial Affairs). Embassy of Spain.

Thomas L. Sansonetti, Solicitor, Department of the Interior.

James Ridenour, Director, National Park Service.

Walter E. Dages, the F.A. Bartlett Tree Expert Co.

Dr. Bruce Fraedrich, director of research, Bartlett Tree Research Laboratories.

Bob Hoskins, corporate director, the F.A. Bartlett Tree Expert Co. and Frances Light Currie, my administrative assistant.

A TOAST FOR THE TOASTMASTERS CLUB OF SAN LEANDRO

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. STARK. Mr. Speaker, I would like to recognize the 45th anniversary of the San Leandro Toastmasters Club. It is the oldest such club in a Toastmasters district which stretches from Fremont, CA, to the Oregon border. The San Leandro Toastmasters Club has been a success at providing a supportive environment for people to develop the ability to become effective public speakers.

The Toastmasters are a national public speaking organization which provides a constructive forum for building communication and leadership skills. Open to all, some people join Toastmasters simply to confront and overcome their fear of appearing before an audience. Others become members in order to network and make new friends. And many join to develop and refine the subtle components of speech required for persuasive and inspiring expression. But all who join Toastmasters gain the opportunity to transform themselves into superior orators.

Each speech given at every meeting receives a structured, supportive review which provides positive reinforcement and constructive criticism. Such insight helps people to appreciate and study the vital elements of effective delivery. Members learn to master eye contact, a sense of timing, pronunciation, humor, composure, and persuasiveness. While also learning to accept and benefit from the assessments of others, members develop and refine the ability to productively impart positive feedback. In addition to prepared speeches, each person is encouraged to speak extemporaneously, so as to be better prepared for impromptu situations. Each meeting of the Toastmasters is an opportunity for people to conquer stage fright, hone their speaking skills, and gain confidence.

Many members have testified to the merits of the Toastmasters organization, having found greater success in their jobs as a direct result of their participation in it. In particular, the San Leandro Club has earned more distinguished club honors than any other club in its district.

Mr. Speaker, I rise today to observe the 45th anniversary of the San Leandro Toastmasters Club and salute their success.

INTRODUCTION OF BILL TO EXTEND SUPPLEMENTAL SECURITY INCOME TO GUAM AND THE TERRITORIES

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. BLAZ. Mr. Speaker, today, I am introducing a bill to extend the supplemental security income [SSI] coverage to the residents of Guam and the territories.

When President Bush stated during his State of the Union Address on January 26, 1992 that he was not subjecting Social Security benefits for the elderly to reduction, he demonstrated once more how sensitive that subject is and how volatile it would have been had he attempted to reduce these benefits. In the entire Federal budget no program is protected from budget cuts more vigorously than Social Security and its related program, the supplemental security income (SSI).

About 20 years ago, Congress enacted SSI to provide the most needy of our citizens with a minimum income. The SSI Program provides benefits to low-income (age 65 and above), disabled or blind individuals who satisfy both income and asset eligibility requirements. These benefits are extended to Americans residing in each of the 50 States, the District of Columbia, and the Commonwealth of the Northern Mariana Islands; however, they are not extended to residents in other U.S. territories such as Guam which is located a few dozen miles south of the Northern Marianas. Affording these benefits to residents of one island and not to another is tantamount to extending benefits to residents of Chicago's North Side but not to fellow Americans in the South Side.

For over a decade, Guam and the territories have sought amendment to the Social Security Act for extension of SSI benefits to their residents. Our many efforts have been rebuffed at every turn. This program is no less sacred to the needy of Guam than to the needy of the rest of our Nation. While there may be constitutional reasons why Guamanians do not enjoy the right to vote for the President and why I do not vote in the House floor, there is no constitutional prohibition to prevent the people of Guam—U.S. citizens all—from receiving SSI benefits. It is particularly galling for the citizens in Guam to realize that they do not receive these benefits even though their fellow citizens immediately to the north in the Northern Mariana Islands do.

It is time for Congress to reverse this meaningless discrimination. The poor, elderly, disabled and the blind on Guam are as deserving as their fellow citizens in the 50 States, the District of Columbia, and the Commonwealth of the Northern Marianas.

TRIBUTE TO THE "WOMEN'S YELLOW PAGES"

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. WELDON. Mr. Speaker, I rise today to draw my colleagues' attention to a remarkable book which helps women entrepreneurs from all over the Delaware Valley. The book to which I refer is the "Women's Yellow Pages."

Founded in 1982 by Ellen T. Fisher, the "Women's Yellow Pages" is a critical resource for women business owners. Women entrepreneurs have attained new-found financial success and a great deal of that success is owed to the "Women's Yellow Pages." The "Women's Yellow Pages" of Greater Philadelphia has promoted more than 4,000 women-owned businesses to over 100,000 agencies, corporations, and consumers. Also, it has set a standard for the rest of the country.

For 10 years now, women have turned to this book in order to support their colleagues in business. The book is a useful guide to a wide array of women businesses from auto body repair shops to therapists. Even with the state of today's economy, women's businesses continue to grow. This particular "Women's Yellow Pages" is the most widely used on the entire east coast.

In addition to the business listings, the "Women's Yellow Pages" yields advice as it serves as an invaluable guide to starting a business. The service also provides hot lines for legislators and the media.

I stand here today and applaud the accomplishments of the "Women's Yellow Pages." The book has broken down barriers that once impeded upon women's businesses and has allowed these businesses to prosper.

RECOGNITION OF THE NCRC/AODA FOR 10 YEARS OF SERVICE

HON. BILL ZELIFF

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1992

Mr. ZELIFF. Mr. Speaker, the Congress has promoted its latest war on drugs through the passage of the Omnibus Drug Act of 1986. It has sought to enhance law enforcement and correctional activities in regard to illegal drug use, distribution and sales through increases in moneys to the States for Justice related activities. Yearly increases to the alcohol, drug abuse, and mental health block grant has fostered treatment services expansion. Establishment of the Office for Substance Abuse Prevention and the Office for Treatment Improvement, within the last 5 years has allowed for targeted grants for services to special populations, women and pregnant addicts, youth at risk, dual diagnosed individuals and community partnerships.

Predating all of the above, however, has been the work of a number of local and State level boards who have been in the business of consumer protection for over 10 years. Last year, the National Certification Reciprocity Consortium, Alcohol and Other Drug Abuse, Inc. held its 10th annual meeting as an incorporated entity. This organization composed currently of 41 State certification boards and certification boards of the U.S. Air Force, the U.S. Navy and Marines, and Canada represents over 25,000 alcoholism and/or drug abuse counselors who have been conducting their own war on drugs through the provision of quality services to all our constituents who may be in need.

The consortium, incorporated in 1981, was created to promote uniform professional standards and quality of treatment for the alcoholism and other drug abuse counseling profession and to give the profession greater visibility. The activities leading to the formation of the consortium actually began back in 1977 when 10 State boards met to discuss establishment of appropriate criteria for quality care. In 1979, Wisconsin, Indiana, and Michigan met and after deciding upon mutually agreeable standards, signed the first reciprocity agreement.

The multiboard/multi-State collaboration fosters increased credibility and visibility for the alcoholism and other drug professional and has allowed for the joint development of testing procedures by which to effectively measure counselor competency. A role delineation study completed in 1982 by the consortium resulted in the identification and defining of the 12 counselor core functions. A recently updated role delineation study has resulted in the production of the first national written test for substance abuse counselors. The testing procedure now in place, compliments the findings of the federally funded Birch/Davis Report of 1984.

It is fitting that at this 10th anniversary of an organization which has grown from 3 members to 44, the annual meeting was held in Milwaukee, WI, home of one of the founding boards. As we enter a new decade, we applaud your work NCRC/AODA and wish you continued success.

HOUSE OF REPRESENTATIVES—*February 19, 1992*

The House met at 2 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, for all the blessings that we have experienced in our land and the gifts of freedom and personal responsibility that have been our heritage. May we not lose the birthright we have received nor squander the richness of our inheritance. We pray, gracious God, for wisdom to see the truth, strength to lead, responsibility for our actions, tolerance toward each side, and enthusiasm to be about our tasks. Bless us this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California [Mr. MINETA] please come forward and lead the House in the Pledge of Allegiance.

Mr. MINETA led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON TODAY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with today.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

JUSTICE AND FAIRNESS CALLED FOR IN UNITED STATES-JAPAN RELATIONS

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, 50 years ago today, President Franklin Roosevelt signed Executive Order 9066 into law.

This law—born of wartime hysteria, racism, and weak political leadership—led to the unjust internment of 120,000 Americans of Japanese ancestry by the United States Government.

Forty-six years later, Congress approved the Civil Liberties Act of 1988. Another law. But unlike the law of 1942, this law restored the honor and dignity of Americans of Japanese ancestry.

Today, Japanese-Americans are reflecting on these events, and what they have meant in the life of our Nation.

And Mr. Speaker, I am very proud to stand here today and thank my colleagues in Congress for lifting the stigma of shame from Americans of Japanese ancestry.

Americans of Japanese ancestry had an abiding faith that our Nation would ultimately redress the injustices of the internment, and that faith was wholly justified.

But today, Mr. Speaker, Japan-bashing and America-bashing are again threatening Americans of Asian ancestry with a backlash steeped in hatred.

So on this day, Mr. Speaker, my prayer is that what we do and say in this Chamber will be as wise as it was in 1988, and that Congress will continue to speak out as a force for justice and fairness.

AMERICANS WANT TAX RELIEF—PERIOD

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the American people are angry. They are tired of Congress piling ever higher taxes upon their shoulders. They are frustrated that Congress keeps passing bills which create an ever-increasing bloated Federal Government.

Moreover, the Democrat-controlled Congress, whether out of arrogance or ignorance of the will of the American people, has once again offered the failed policies of more traditional pump-priming spending policies to end the recession and get the economy back on its feet. Once again, the sound advice of tax relief, tax cuts, is being ignored.

Mr. Speaker, it is not morning in America anymore, In fact, there are very few signs of economic sunshine. We have ducked the responsibility for the recession. In doing so we have squandered months that could have been used enacting legislation to create jobs. Instead, we have engaged in a partisan political battle over extending unemployment benefits.

The American people want tax relief, period. Let's cut taxes not only for the middle class, but across the board. Today, I stand to challenge this body to enact a growth package. We now have only 30 days until the March 20 Presidential deadline. Perhaps by getting to work, we might cool some of the anger within the American people, and with it bring a much-needed measure of respectability to this body.

THE PLIGHT OF AMERICANS WITH HEAD INJURIES

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, serious head injuries resulting from accidents and violence are an epidemic in this country. Two million Americans suffer serious head injuries every year. The annual cost of their care is nearly $25 billion.

Earlier today I chaired a hearing about the plight of people with head injuries. We learned that too often patients are warehoused in outrageously overpriced, resort-like facilities. We heard testimony that some unscrupulous operators are defrauding insurance companies and ripping off Medicaid and Medicare. Patients in these facilities receive substandard care, while paying $30,000, $40,000, $50,000 a month.

These institutions receive scant attention from Federal and State regulators. It is time that we cracked down on these entrepreneurs who profit from the grief of others. These greedy companies are driving health care costs further out of control, in addition to the human suffering they cause.

We must take away, legislatively, what today in far too many instances is tantamount to a license to steal.

WORKFARE FAVORED OVER FAILED WELFARE SYSTEM

(Mr. PAXON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, last evening in the Niagara County Court

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

House at Lockport, NY, hundreds of taxpayers joined to protest a welfare system that has failed.

Today's welfare system has encouraged the breakup of families, the destruction of communities, and the undermining of the very values of our Nation. The focus of last evening's hearing: 600 new welfare cases opened last year when out-of-staters moved there seeking higher benefits.

Our Nation's failed welfare system encourages families to move from State to State, not in search of jobs but rather, simply in search of bigger and easier welfare checks. In response, Niagara and other upstate New York counties are planning residency laws and other tough steps to regain control over welfare.

I am sponsoring legislation to cap welfare benefits for those who move seeking higher welfare checks. Each and every American taxpayer is footing the bill for these people, and I welcome cosponsorship of my legislation.

Mr. Speaker, I am convinced that the time has come for the complete elimination of the welfare system and its replacement with workfare. In Lockport, NY, and across America the message is clear. Taxpayers want action on welfare now.

WHY BUCHANAN FOUND SUPPORT IN NEW HAMPSHIRE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, it is not hard to figure out Pat Buchanan's success in New Hamsphire. Taxpayers are fed up with a government that continues to spend over $20 billion a year in foreign aid while cutting food stamps back home in America, a government that closes the Philadelphia navy yard but did not close one military base in Japan or China and still spends over $150 billion a year protecting Japan and Germany, a government that turns its back on illegal trade causing our workers to lose their jobs and jobs going overseas.

That is why Buchanan did well. I think it is time for the Democrats to take a look at some of those issues, because America's workers do not want a tax cut once a year, they want a job five days a week and a paycheck.

Mr. Speaker, it would be wise for the Democrats to visit some of those issues Buchanan is talking about.

□ 1410

THE BLOB THAT ATE YOUR PAYCHECK

(Mr. MICHEL asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, this morning an editorial in the Washington Post captured the essence of the Democratic tax bill in these words:

> This is a shapeless bill, itself the product of vote-buying within the committee.

I like the word "shapeless" to describe this bill because the bill has the qualities of one of those grade B horror movies of the 1950's. It could be titled "The Blob That Ate Your Paycheck," or "I Was a Vote-Buying Vampire."

Shapeless, bulging this way and that with special interest goodies, hissing the rhetoric of class warfare, the Democrat bill slouches and lurches its way toward the petrified taxpayer.

But wait—Paul Tsongas, the Democrat Presidential front runner, ran against the Democrats' bill in New Hampshire, and he won.

It would appear for the next few weeks, we will be treated to Paul Tsongas bashing his own party's tax bill in the horror epic entitled, "Mr. Excitement Versus the Democratic Tax Godzilla."

Mr. Speaker, it should be indeed an entertaining, as well as enlightening, performance.

ELIMINATION OF BUREAU OF LABOR STATISTICS WILL NOT ELIMINATE BAD STATISTICS

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, the Bush administration is embarrassed by continuing morbid statistics from the Bureau of Labor Statistics. What does the Bureau of Labor Statistics do? They come out and tell you how many people are unemployed. They categorize them into women, into young people, into blacks.

But the President is going to do something about it. Do you know what he is going to do? He is going to eliminate the money that funds the Bureau of Labor Statistics so that there will not be any statistics any more. Out of sight, out of mind.

I remind the President that it is not going to go away. Now he can add to the statistics the unemployed that are working for the Bureau of Labor Statistics.

So what are you going to do, Mr. President? It just ain't going to disappear, and you had better wake up.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). Members are reminded to address their remarks to the Chair.

FEW PEOPLE WILL SUPPORT DEMOCRAT BUDGET PROPOSAL

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, the first response to what happened yesterday in New Hampshire is that one party has a battered candidate for President and the other party does not have a candidate at all.

Second, and I think perhaps more significant, is that the leading vote getter on the Democrat side and the President's opponent on the Republican side both criticized the President's economic recovery program for not doing enough.

So perhaps the real message of New Hampshire is not to the presidential politics at all, but to the Congress. We ought to understand the desire of the American people to enact a real economic recovery plan.

I would especially want to draw to the attention of my farm friends across this country that the Committee on Ways and Means proposal will do two things. First of all, it will deny any farmer the opportunity to have a capital gains tax benefit on the sale of their farm. Second, it will turn around and have an 84.5-percent sequestration on all farm support programs to pay for the other programs within that Democratic package.

As we learn more about it, I am sure we will see there are even fewer people than Paul Tsongas that support this.

PATRICK BUCHANAN: THE MOST DANGEROUS DEMAGOGUE OF THE DECADE

(Mr. AUCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AUCOIN. Mr. Speaker, no President has been reelected after losing at least 35 percent of the vote to a single rival in the New Hampshire primary. It happened to Harry Truman, to Lyndon Johnson, to Gerald Ford, and to Jimmy Carter.

Yesterday it happened to George Bush. So I think it is about time that, among other things, we took a close look at Patrick Buchanan. No, not the Patrick Buchanan who is the TV personality, not the Patrick Buchanan who clearly understands why people are angry with George Bush's economic mess, but the real Patrick Buchanan. The one who says he would accept terrorist Yasser Arafat as the "first president" of the new Palestinian homeland as the price for peace in the Middle East, the one who says that the survivors of the Holocaust have exaggerated their suffering, the one who says that South Africa has been misunderstood, and the one who says that gays are the cause of the decay of this society.

Mr. Speaker, Mr. Buchanan appeals to the dark, mean, intolerant underbelly of the United States. I think these facts make him the most dangerous demagogue of the decade.

PRESIDENT'S GROWTH POLICY NEEDED TO HELP SMALL BUSINESS

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, the National Federation of Independent Business has pointed out that the Democrats' $91 billion tax bill that appears headed to the floor next week contains a $17 billion tax cut for the giant corporations of America, while it has a tax increase for most of the small mainstream businesses of the United States. I think that is really remarkable, that the Democrats are producing that kind of a bill, a big bill for big corporations of America, and a bill that hurts small business.

The way we understand that that is to be presented out here is that you have to first of all realize that 90 percent of America's businesses are not incorporated. They are sole proprietorships or they are partnerships. They pay their taxes as individuals. Only 10 percent of businesses in America today are incorporated.

So the Democrats propose a tax cut on corporations in America, but they propose a 4-percent increase in the taxes for individuals in the income tax bracket where most of these businesses pay their taxes.

Mr. Speaker, that is not the way to stimulate economic growth in this country. That is not the way to get small businesses working, to have tax increases for 90 percent of them.

Mr. Speaker, what we need is a growth policy such as the President's proposal with investment tax allowances, and to have something with respect to capital gains.

Mr. Speaker, I urge my colleagues to take a serious look at the flaws of the Democratic tax proposal.

PUT AMERICANS BACK TO WORK ON CONSTRUCTION JOBS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, occasionally we have to go backward in order to go forward. And, sometimes we have to study the past to get a glimpse of the future.

If we study the past, in the mid-1970's, we will find that public works programs were the quickest and best way to put Americans back to work and to move our Nation out of recession. Then, we went through a period where people did not use the term "public works programs." They talked about infrastructure, about public investment.

Now, 20 years later, we are back where we started saying that public works programs are the best way to put people back to work.

Today I testified before the Committee on the Budget urging the committee to institute such a program. I introduced into the RECORD the February 12 letter I received from Mayor Jerry Abramson of Louisville advancing a program called Ready To Go endorsed by the Nation's mayors, which will put Americans to work quickly in public works projects.

Mr. Speaker, there are $100 million worth of Ready To Go projects in Louisville. There is no better way to put Louisvillians and all Americans back to work than on construction jobs. H.R. 4175 introduced by the gentleman from New Jersey [Mr. ROE] will help do that trick. Let us all get behind that bill.

HOW MUCH DOES IT COST? WHO PAYS?

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, in my congressional office, our motto may strike some as simplistic—but it gets to the heart of the matter. When soliciting me or my staff for support on proposed legislation, you can expect us to ask two basic but critical questions: How much does it cost? And who pays? If the answers don't add up, the legislation will not get my support. It is that simple. No more big deficit spending proposals—no more socking it to the American taxpayer.

I don't want to sound like the innocent who always asks "why," but in days of $400 billion annual deficits and in a Congress that cavalierly casts its blessing on $375 billion in appropriations by voice vote—maybe "why" is not such an innocent question.

I know many of my colleagues are serious about fiscal discipline, and for them I have had reminders made—at my own personal cost—displaying our straight forward message. I think it is about time we got back to budget balancing basics and reading the fine print. "How much does it cost? And who pays?"

The people we work for want to know.

DEMOCRAT TAX PACKAGE FAVORS SMALL BUSINESS

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOAGLAND. Mr. Speaker, I have a statement prepared which criticizes the President's budget because of the $350 billion deficit he proposes. We have an administration that year after year says it is in favor of balanced budgets, but it never offers one. In 11 years of Reagan-Bush economics, the administration has never offered a balanced budget.

Mr. Speaker, let me instead address a comment that one of my colleagues made about the provisions of the Democratic tax package that is allegedly antismall business.

Mr. Speaker, let me tell Members that the Committee on Ways and Means has adopted a provision, first authored by Senator BUMPERS and introduced in the Senate in 1987 and here by me in the House in 1989 which targets capital directly to small business. It allows a capital gains cut for investments made directly in businesses with gross assets of $100 million or less that are held for 5 years.

□ 1420

This is in direct response to President Bush's capital gains proposal, and this will revolutionize the flow of capital into small businesses in America. This is a dramatic proposal and would help our small business community greatly.

BUSH'S BUDGET: MORE DEFICITS

President Bush's fiscal year 1993 budget that came to Congress last month contains some proposals worth considering to revive our faltering economy. But there is one glaring omission in the President's plan: No plan to eliminate the Federal deficit.

The President's budget proposes a fiscal year 1993 deficit of $352 billion. But this is nothing new. The President's proposed budget for the current year had a deficit of $281 billion. He has now revised that estimate to $399 billion. The President's proposed budget for the last fiscal year had a deficit of $63 billion. These are from the President who promised us a balanced budget by fiscal year 1993. This is from an administration who always campaigns for a balanced budget, but never proposes one.

Barry Bosworth, a noted economist from the Brookings Institution, testified earlier this month before the Economic Stabilization Subcommittee that the Government borrows two-thirds of all private savings for current expenditures. Those private savings would otherwise be used for investment, which in turn would increase productivity. America saves only 3 percent of earnings while our international competitors save 10 to 15 percent. The Federal Government leads the list of dissavers. We simply must put an end to this borrowing because it is corroding our economy. But we must have leadership from the administration. It is not acceptable to submit a budget with a $350 billion deficit.

I have introduced a bill to require the President to propose and the Congress to pass a balanced budget. I call on the President to exercise his leadership and to join Congress in developing a budget that ends deficit spending, a practice that do in American households in short order.

MR. PRESIDENT—NO MORE NEW HAMPSHIRES

(Mr. GREEN of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of New York. Mr. Speaker, yesterday's primary in New Hampshire proved that however much President Bush may try, he never will be able to please or move to the right of the far right. If he keeps trying, he will just see more New Hampshires.

As a progressive Republican, I plead with President Bush to return to the George Bush who rose to national prominence as a man concerned with the environment, family planning, the world population explosion, and civil rights—the George Bush who eschewed voodoo economics. That is the real George Bush, the George Bush who can appeal to the vast majority of Americans and who can provide our Nation and the world with the leadership they need in the critical days ahead.

A MESSAGE FOR PRESIDENT BUSH

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the American public is very forgiving. For more than 12 years they have endured policies that ignored the middle class, gave tax breaks to the rich, and have thrown the Nation into a deep recession.

But yesterday the voters of New Hampshire told the country that their patience had run out. They sent a strong message—a message shared by Americans across the country: They are tired of government that works against them, government that looks out for the rich but not the working middle class, government that ignores our pleas for affordable health care and a fair tax system.

It has been said that the President has lost touch with the people of this country. That this is a common belief was made clear by the votes cast yesterday in New Hampshire. Yesterday's voting returns demonstrate that even members of the President's party are skeptical of the course he has set to ease the burden of recession.

I hope this is a message the President will heed. I hope that he will reconsider his tax proposal that rewards the wealthy and again ignores the middle class; I hope he will reconsider his health care plan, that does nothing to control costs or answer the fears of Americans worried about their ability to keep their families healthy; and I hope he will reconsider his budget, which looks to the past and has no vision of the future.

ANOTHER MESSAGE FROM NEW HAMPSHIRE

(Mr. WEBER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEBER. Mr. Speaker, there were lots of messages out of New Hampshire yesterday. The message for all of us is that the economy is weak. The people want us to act quickly to strengthen it. But the message for House Democrats is, "Scrap your misguided tax proposal and start over."

The man who is today the Democratic front runner for President, Paul Tsongas, won the primary by running against the policies of House Democrats. Listen to Tsongas' position recorded on Saturday by the Washington Post.

> Tsongas told reporters today that if he were President, he would veto a House Democratic proposal that would give tax credits of up to $400 to most Americans. He said the proposal grew out of polling data, not sound economics.
>
> If that is where the Democratic Party wants to go, either by the candidates or the Congressional leadership, then leave me out."

The front runner of the Democratic Party's nomination said.

He went on to make a prediction about what his victory would mean. "All the old Democrats who are into give away, give away, give away, antibusiness, corporate bashing, that will end," said Paul Tsongas, predicting what would happen to the Democratic Party in the event that he won the New Hampshire primary.

Really, come visit us, Mr. Tsongas. You will find your enemy is not George Bush; it is the House Democratic leadership.

THE WHITE HOUSE COMMEMORATIVE COINS BILL

(Mr. LAROCCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAROCCO. Mr. Speaker, today the House will vote on H.R. 3337, the White House commemorative coins bill. I urge all Members to support it.

Title III of that bill is my legislation to grant a silver congressional commemorative medallion to Desert Storm veterans. The Desert Storm Medal, which will be provided at no cost to taxpayers, passed the House overwhelmingly on suspension in July.

In the heat of this year's battles up in New Hampshire and over in the Ways and Means Committee room, it's easy to forget that just a year ago today, the United States was in an air war in defense of Kuwait. On February 23, the ground war began. On the 27th, Kuwait was liberated.

Last year, Congress took the opportunity to thank two of the architects of that victory. General Powell and General Schwarzkopf, with special gold medals. Today, let's thank the troops.

Mr. Speaker, I would like to thank the administration for its support of H.R. 3337. And, let me express once again my appreciation for the help of the chairman and ranking Republican member of the Subcommittee on Coinage. I urge Members to vote for H.R. 3337 today.

DEFEAT H.R. 3337

(Mr. McCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCANDLESS. Mr. Speaker, today we will vote on the issue of coin redesign. Why would we want to take Monticello off the nickel? For that matter, why take the Lincoln Memorial off the penny; Liberty's torch off the dime; and the American eagle off the quarter and half dollar?

Mr. Speaker, the American people do not want their coins redesigned. If H.R. 3337 is defeated, we can strip out coin redesign, added by the Senate, and pass the White House coin, the Columbus coin, the World Cup coin, the Madison coin, and the Desert Storm Medal by unanimous consent.

Mandatory coin redesign should not be a part of this legislation. If Members are opposed to coin redesign, they should not vote against H.R. 3337. We should reject coin redesign and then pass the commemorative coin programs. But first we must defeat 3337.

IMPORTANT COMPONENTS OF A SENSIBLE BUDGET

(Mr. SANDERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANDERS. Mr. Speaker, the Congress is now beginning to develop the budget for the next fiscal year, and it seems to me that any sensible budget must contain at least three important components.

No. 1, we must immediately break the unfair and regressive budget agreement of 1990. No. 2, now that the cold war is over, we must reduce military spending by at least 50 percent over the next 5 years. And No. 3, and most importantly, we must use those hundreds and hundreds of billions of dollars in savings to reinvest in the United States of America so that finally we can begin to address the enormous economic problems facing this country which have been ignored for so many years.

The Soviet Union is no longer our enemy. The Warsaw Pact is no longer our enemy. They do not exist. But hunger, 9 million Americans who are unemployed, a decline in our educational system, 20 percent of our kids living in poverty, a decline in our standard of living, those are our enemies.

We now have a historic opportunity to deal with these issues during this budget session. Let us do it.

NEW HAMPSHIRE VOTERS REJECT LIBERAL ECONOMICS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the bad news for America is that House Democrats have offered their economic reform package. But the good news is that their own candidate for President, Paul Tsongas, who won the New Hampshire primary yesterday would veto it.

Yesterday's primary clearly showed rejection of liberal economic principles. Out of all votes cast in both the Democratic and Republican primaries, almost 70 percent supported the probusiness economic plans of President Bush, Buchanan, or Tsongas.

The message in New Hampshire from both Democrats and Republicans is this—we are a nation with a government, not the other way around.

Judging by the tax bill offered by Ways and Means Committee Democrats, that is a message Congress hasn't heard.

The Ways and Means Democrats offered what the Washington Post called "a shapeless bill * * * that will hurt more than help the economy."

That is because the Democratic package is based on outdated ideas, gimmicks, and out-of-touch views from career politicians.

The New Hampshire primary demonstrates that when Democrats address our economy they should heed the advice of one of their own Presidents—Woodrow Wilson. He said: "The history of liberty is the history of the limitation of government, not the increase of it."

After all, 70 percent of New Hampshire's voters can't be wrong.

□ 1430

HUMAN RIGHTS IN THE NORTH OF IRELAND

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, today, the gentleman from Massachusetts [Mr. KENNEDY] and I are introducing a resolution which addresses the human rights situation in British-controlled areas of Ireland. Senator DODD is planning to sponsor a similar resolution in the other body. The international community has become increasingly critical of British policy in what is commonly referred to as Northern Ireland as evidenced by recent reports from the Norwegian Helsinki Committee, Amnesty International, and the Helsinki Watch Committee.

I had originally intended to speak in general terms about human rights in the north of Ireland. However, I learned this morning that Joe Doherty has been deported to Britain. His long fight here in the American court system is finally over, not because he lost his case on its merits, but because the Reagan and Bush administrations refused to allow him a political asylum hearing. They would not allow him a hearing because they were convinced that he would win and by winning would highlight the appalling human rights policy in the north of Ireland and American complicity in that policy.

When it comes to Ireland, American policy is made in London, not at the State Department. I think this is shameful and disgraceful. The British Government refuses to admit that its rule in the north of Ireland is based on repression and refuses to admit that there are persons who legitimately fear for their lives if they are forced to return to the six counties.

My resolution focuses on British human rights violations in the north of Ireland. In honor of Joe Doherty's long struggle here in the United States, I urge my colleagues to support this measure.

DEMOCRAT TAX BILL PATENTLY UNFAIR

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, the tax bill emanating from the Democrat caucus is patently unfair to millions of Americans who operate and own small businesses. While you grant a multibillion dollar tax break to the largest 10 percent of U.S. corporations, you stick it to the little guy. You hang American small business, the backbone of our economy, out to dry with a huge tax increase.

Let us not forget that over 90 percent of businesses in America are unincorporated. Your bill increases taxes for the vast majority of America's small businesses which pay at individual tax rates.

As a former small business owner, I find it hard to believe at this critical juncture in our economic future, that the Democrat caucus could come up with a bill that would slam American small business and cost jobs.

Mr. Speaker, your bill has over a dozen tax increases in it. Rather than an economic stimulus, it penalizes the fruits of free enterprise. On top of this, it violates the budget agreement and increases the budget deficit.

I urge my colleagues to reject the failed Carter-esque policies of punishing American small business with higher taxes.

PRESIDENT SHAKEN BY NEW HAMPSHIRE VOTE

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, the voters of New Hampshire in 1 day did what a year of prodding and pushing could not: Convince the President to believe that the recession was real, families are truly suffering, and big changes are in the cards. New Hampshire voters have tagged the President in a way that no economic indicator, no unemployment figure, or blue chip forecaster could ever do.

No amount of pride doctoring or expectation lowering will change the fact that this President has rightfully been shaken to the core by the outcome of yesterday's vote in New Hampshire, and the man who shook him the most was Pat Buchanan, who made the President's bait and switch on middle-class tax relief his most cutting issue. Pat understands the middle class are in a squeeze. He understands it even if the man he calls King George does not.

THE LATE HONORABLE JOE FISHER

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I regret to inform the House that our former colleague—Joe Fisher—has passed away. Joe died of cancer at his home in Arlington, VA. His death is a tremendous loss to all of us here and to the State of Virginia.

Joe served in Congress from 1974 to 1980 as the Representative of Virginia's 10th Congressional District. He also served on the Arlington County Board, the Arlington Planning Commission, the Northern Virginia Transportation Commission, the Northern Virginia Regional Planning Authority, the Washington Metropolitan Council of Governments, and numerous other government, civic, and charitable organizations.

In addition to his public service, Joe Fisher was an amateur boxer; he enjoyed white water canoeing; he was active in the Unitarian Church; and he was a devoted husband and father.

I extend my deepest sympathies and condolences to Joe's wife, Peggy, their seven children, and the entire family.

For information about funeral arrangements, please contact my office.

DAVID DUKE'S MESSAGE ALIVE IN PAT BUCHANAN

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, the airwaves today are loaded with pundits expressing shock and surprise at Pat Buchanan's formidable showing in New Hampshire, but they should not be surprised at all. The people of New Hampshire were frustrated, and Pat Buchanan reaped the bitter harvest. He got a free ride there.

President Bush refused to lay a glove on Buchanan about his ugly 20-year track record of unrelenting race-baiting, anti-Semitism and rightwing politics. Buchanan is the man who beamed when presented with an AR-15 assault weapon by the extremist gun owners of America, and yet the President refused to repudiate him.

The question is why? Why did not the President call Buchanan to task on his extremist record? Was he scared at alienating the rightwing of the Republican Party?

David Duke is not in most of the Republican primaries from here on out, but his message is. It is being carried in large part by Pat Buchanan.

Mr. Speaker, Pat Buchanan represents more of a danger than David Duke because he has risen through the establishment of the Republican Party.

But he must be seen and repudiated for what he is: A provocateur who is to be feared and not embraced.

CONGRATULATIONS BONNIE BLAIR

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. EWING. Mr. Speaker, I want to take a moment on a lighter more pleasant subject than the economy to congratulate someone who all of us from central Illinois are very proud of—Bonnie Blair. On Friday, Bonnie won her second gold medal in the 1992 winter Olympics. This came on top of her extraordinary gold medal victory in the 500-meter race earlier in the week, making her the first woman to win the medal in two consecutive Olympic competitions, and the best female speedskater America has ever sent to the Olympics.

Bonnie, who grew up in the all-American city of Champaign, IL, has shown the world those great midwestern values of hard work, determination, sacrifice, and a commitment to being the very best she can be. Bonnie has worked long and hard to be the greatest speedskater, and she has certainly achieved that goal. To Bonnie and her family, all the sacrifices over the years must now seem well worth it.

Those of us who are Bonnie's friends and neighbors in central Illinois are very, very proud of her. Bonnie has lifted our spirits and brought us closer together as we cheered her on in Albertville. We as a community had a lump in our throat and a tear in our eye as Bonnie crossed the finish line, the greatest lady skater in American history.

Bonnie, you are a heroine to all Americans. Congratulations.

Mr. Speaker, I include an article from the Champaign News-Gazette concerning Bonnie's performance, as follows:

[From Champaign (IL) News-Gazette, Feb. 11, 1992]

BLAIR'S 500 PERFORMANCE WON'T BE EASY TO FORGET

(By Dave Anderson)

ALBERTVILLE, FRANCE.—Every four years they move in and out of the American sports consciousness as quickly as they move on their long blades. Their celebrity is usually measured in their time on the ice.

Even when Eric Heiden flashed through Lake Placid in 1980 with a record five gold medals, he soon seemed to vanish.

They are speedskaters, and even if one wins an Olympic gold medal, the face might be familiar but the name is not, as the 1988 women's 500-meter Olympic gold medalist discovered not long after returning from Calgary, Alberta.

"I know you," a New York cop told her, "I know you."

"I'm the speedskater," she replied, "Bonnie Blair."

"That's it," the cop said. "You're the speedskater."

The speedskater from Champaign is 27 now. But with her cute face that appears to have been drawn by a Disney artist, Bonnie Blair looks as if she is still a teen-ager. Her high-pitched voice always seems to be on the verge of cracking. Before every race she has a peanut butter and jelly sandwich and a back rub.

But now Bonnie Blair is more than just the speedskater. She's the best female speedskater the United States has ever produced.

By winning another 500 gold medal Monday, she created a historic women's double in what is primarily a European sport: the first to win the 500 in successive Winter Olympics and the first American to win two gold medals.

Only three other American women have won speedskating gold medals—Anne Henning in the 500 and Dianne Holum in the 1,500, in 1972, and Sheila Young in the 500, in 1976.

In those years, American speedskaters stopped competing at a younger age because there was no financial future in it. But under Olympic rules now there's commercial money out there.

As she swooped around the outdoor oval in 40.33 seconds, Blair wore Oakley sunglasses, to keep, she explained later, her eyes from watering once she glides onto the ice. She also has contracts with Visa, Xerox, Evian, Chrysler, Kraft and Mizuno that added to the burden of trying to be the first women's Olympic 500 champion to repeat.

"That's what I wanted to do more than anything," she said.

As the world record-holder in the 500, Blair was considered a lock. Her teammate, Dan Jansen, had even said, "after Bonnie wins . . ." And before Monday's race, U.S. coach Peter Mueller, the 1976 gold medalist in the men's 1,000, had only a few words of advice for her.

"I just told her, 'Be yourself, be Bonnie Blair out there,'" Mueller said. "The only way she could lose the race was to beat herself."

And when Blair burst the first 100 meters in 10.71 seconds, the best of any of the other 33 skaters, Mueller thought the gold was hers.

"We had worked on that; she had done a lot of sprints with Dan Jansen, Nick Thomets and David Besteman," he said, referring to three members of the men's team. ". . . And when she gets into this kind of condition, nobody can beat her."

Not in the 500. And maybe not in Friday's 1,000, in which she won a bronze medal four years ago. She also has a shot in the 1,500 on Wednesday.

"She has a chance to be the greatest woman skater in history," Mueller said. "Lydia Skoblikova won six Olympic gold medals, but Bonnie's got a shot at that."

Skoblikova won two golds in 1960 and four golds in 1964 while representing the Soviet Union. But if Blair were to add another gold medal or two here and two or three more in 1994 at Lillehammer, Norway, she would approach that record total, if not surpass it.

"I don't know about Lillehammer yet," Blair said. "I want to wait until the end of the season before I decide."

But with the next Winter Olympics only two years away instead of the usual four, Blair also would have an opportunity to return to the American sports consciousness that much sooner. Next time that New York cop might even remember her name.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. McEWEN. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of House Resolution 194.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

DEMOCRATS, AMERICA DOES NOT TRUST YOU WITH THE ECONOMY

(Mr. RIGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIGGS. Mr. President, former Senator Paul Tsongas, the clear winner in yesterday's Democrat primary in New Hampshire, said it best: "Democrats, America does not trust us with the economy, and that is the hard truth."

Mr. Tsongas won the Democrat primary with 34 percent of the vote. George Bush, our President, won the Republican primary with 58 percent of the vote. Both have probusiness philosophies.

The New Hampshire primary tells us one thing, despite all of the rhetoric we hear coming from the other side of the aisle today: The American people want jobs and real economic incentives for home ownership, investment and savings, not class warfare. But the Democrats, with the notable exception of Paul Tsongas, promised more sock-the-rich philosophy and less create more jobs policy.

Mr. Tsongas is right when he says the American people do not trust the Democrats when it comes to the economy, but the American people are absolutely correct in their distrust. The Democrats will not deliver more jobs, only more rhetoric, as we will see next week on this floor as we take up the tax bill. And sorry, Mr. Tsongas, your party in this House is not about to change.

Only the Republican Party will deliver more jobs. Only the Republican Party can be trusted with the economy, and only the Republican Party, consistently, has the interest of American small business at heart. Mr. Tsongas knows it, and in their hearts so do the American people.

□ 1440

H.R. 355—THE EMERGENCY DROUGHT RELIEF ACT OF 1992

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, I rise in strong support of H.R. 355 and wish to thank Chairman MILLER for his efforts to bring relief to the drought-ridden Western States. Mr. Speaker, we are all aware of the devastating impact of the recent heavy rains in southern California and lesser amounts in southern Nevada. But what is less appreciated is that the snowpack feeding the depleted reservoirs in northern California and Nevada is still far below its normal water content.

An important provision of this bill is the technical assistance section authorizing the Secretary of the Interior to conduct a precipitation management technology transfer program to help alleviate problems caused by long-term drought in the West. Mr. Speaker, this is a fiscally responsible measure for the Bureau of Reclamation because State and local interests will share the costs of conducting the studies necessary to quantify the effects of weather modification technology. If the studies prove that stream flows can be augmented by this technology, it will be transferred to non-Federal interests for operation.

We need this type of applied science for the benefit of our thirsty municipalities and for our irrigation farmers. I am grateful that Chairman MILLER and ranking Republican member, JIM HANSEN of Utah, have seen fit to include the authorization for the Bureau's participation in this bill.

INTRODUCTION OF LEGISLATION GIVING INDIVIDUALS AND FAMILIES INCENTIVE TO SAVE AND INVEST

(Mr. JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of Texas. Mr. Speaker, we Americans are saving almost 50 percent less than we did in 1975. Who can blame us? Savings are overtaxed, dividends are overtaxed, almost everything we do is overtaxed.

This has to stop.

Today, I introduced legislation which will give individuals and families the incentive to save and invest again. This bill will allow taxpayers to deduct up to $5,000 of interest and dividends from their gross income.

This proposal would benefit more than 82 percent of all taxpayers. That is over 93 million Americans.

A tax deduction on interest and dividends will have an immediate impact on our economy. It will put more capital into our banks, create new jobs, and spur long-term economic growth.

Mr. Speaker, let us give Americans a tax policy that makes sense—one that puts money back where it belongs, in the hands of the American people. Let's go America.

REMOVAL OF NAME OF MEMBER OF COSPONSOR OF H.R. 33

Mr. SANTORUM. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 33.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THIS IS NOT ECONOMIC RECOVERY

(Mr. SANTORUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANTORUM. Mr. Speaker, I stand here in disgust and anger, and that disgust and anger is what I felt from my constituents in Moon and Marshall townships over the weekend when I had my town meetings.

They are disgusted and angry with a Congress that is mismanaged and corrupt as a result of the uncovering of the House Post Office scandal and, of course, we have our kiting of checks in the House bank, and, of course, we have our restaurant scandal. They are upset with these things, but at the same time they consider this sort of an insider folly, that this place is just poorly mismanaged. They can get angry about it, but I tell you what they are really angry about, they are angry about the mismanagement of this institution by the leaders of this institution, of not coming to grips with the problems facing this country. They are not coming to grips.

They come to the floor with a proposal that their own leading candidate from their party says he would veto that gives 60 cents a day to Americans, and this is an economic recovery plan; this, Mr. Speaker, is a joke. This is not economic recovery. This is the wide-eyed waiting for the economy to deteriorate even more.

Why? Because they want to elect a President over there. That is exactly what is going on here, ladies and gentlemen. It is a reason to be disgusted. It is a reason to be angry, and it is a reason to change this institution.

CAPITAL GAINS TAX REDUCTION

(Mr. CAMPBELL of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CAMPBELL of California. Mr. Speaker, when the good-minded people of New Hampshire voted in the primary, Republicans chose George Bush, and Democrats chose Paul Tsongas. This is a clear referendum for economic growth policies, and I would like to point out today, for a cut in the capital gains tax. Capital gains tax reduction is front and center in President Bush's economic platform, and so it is for Paul Tsongas.

Mr. Speaker, the people of New Hampshire—Democrats and Republicans—know that if the United States is to compete successfully in world markets into the 21st century, the capital gains tax rate must come down.

Capital gains are taxed at a peak marginal rate of 28 percent. Such a high rate serves as a strong disincentive for investment; people are more likely to use their disposable income for consumption—or investment overseas.

There once was a day when there was only one place in the world where risk would be rewarded—the United States. That is no longer true. If you have a good idea and you would like to see it developed, take it to West Germany, and your capital gains will be taxed at zero percent. Take it to Japan, and your capital gains will be taxed at 5 percent. Or keep it in America, and if you are successful, you will be rewarded with a 28-percent marginal tax rate.

Those who would distort this issue—I can only think for political benefit—have argued that a capital gains cut is nothing more than robbing from the poor to give to the rich. Nothing could be further from the truth. One cannot deny that this will indeed help wealthy individuals who have money invested. But this help does not come at the expense of the poor.

Indeed, I believe that most of my colleagues who favor of a cut in the capital gains tax would strongly oppose any measure that would take money from the person struggling to put food on the table and give it to the wealthiest sector in the country. But the evidence shows that a cut in the capital gains tax will not take from the poor; rather it will help all Americans by spurring the economy and keeping many jobs in America.

The American economy needs a boost, and a cut in the capital gains tax is a good place to start. I thank the voters of New Hampshire for putting aside the politics of distortion and demagoguery and endorsing this much needed measure for job creation and international competitiveness.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WALKER. Mr. Speaker, if a Member has reason to believe that the Chair has made an inaccurate ruling, and if, further, that Member has reason to believe that that inaccurate ruling was further made problematic by the addition of words to the RECORD spoken by the Chair or the deletion of words in the RECORD spoken by the Chair, what is the recourse of action available to the Member to bring about the appropriate correction?

The SPEAKER pro tempore. Would the Member discuss the nature of the concern with the Chair so that he can further understand the concern?

Mr. WALKER. I will be glad to, Mr. Speaker. On Wednesday, February 5, the Chair was asked to rule on the matter of the rule on the task force concerning the holding of hostages by Iran in 1980.

At that time, this Member suggested that the Chair had ruled inaccurately by suggesting that this matter did not apply, because we were dealing with a subunit of the Committee on Foreign Affairs.

When I go back and find the RECORD, I discover that that is precisely what the Chair ruled. I at that point challenged the ruling of the Chair. We had a vote. The Chair was upheld despite the fact that the ruling is inaccurate.

Later on, in raising questions about that, the Chair then made a number of statements to clarify its position. When I put the RECORD of the House, the written RECORD of the House, against the tapes of that day, I find that words were added to the Chair's message. I also find that things were deleted from what the Chair actually said in the course of clarifying its decision.

My question is: Given the nature of the fact that there was a ruling that I believe may have substantial precedents to it, as far as I know it was the first ruling of its kind, I believe that it was done inaccurately, I would now like to figure out how it is we can go about correcting both the ruling of the Chair and the fact that the RECORD has been changed with regard to the words of the Chair.

The SPEAKER pro tempore. The Chair would remind the gentleman from Pennsylvania that the ruling of the Chair that day was sustained by a vote, and that the Chair subsequently has the right to clarify his ruling.

Mr. WALKER. I have a further parliamentary inquiry.

The SPEAKER pro tempore. And it did not change the thrust of the ruling.

Mr. WALKER. In clarifying its ruling, does not the Chair have an obligation to the House to accurately reflect his ruling in the presentation to the House and not then modify that statement later on by both adding words and deleting words from the Chair's statement as the official RECORD appears?

□ 1450

The SPEAKER pro tempore. The Chair believes that the gentleman who was occupying the Chair that day accurately reflected his views when he responded to the statement of the gentleman.

Mr. WALKER. Well, Mr. Speaker, I have a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WALKER. Well, if that is the case, then why does the permanent RECORD of the House as reflected on the videotape differ with the RECORD reflected in the printed RECORD of the House?

The SPEAKER pro tempore. Because the gentleman was attempting to clarify his ruling as a result of the inquiry from the gentleman from Pennsylvania.

Mr. WALKER. So a further parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Even in matters then where precedent is being set, we can have the person who occupies the Chair modify their words in the RECORD and thereby change, in my opinion, the intent of the ruling.

The SPEAKER pro tempore. Without changing the ruling, the Chair may do that.

Mr. WALKER. A further parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Is it not true that Members are not granted that right, so therefore that is a special right that has now been created for the Chair.

The SPEAKER pro tempore. Members have the right to revise and extend their remarks continuously.

Mr. WALKER. A further parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Under recent rulings, Members have been admonished very clearly that they are not to change in any way the substantive value of what they say in those revisions and extensions. In my opinion, the Chair has done that here.

The SPEAKER pro tempore. To the best of the knowledge of the Chair, the person who was in the Chair on that day did not change the substance of his ruling.

Mr. WALKER. Well, by eliminating certain words, I would say to the Chair that he has, because he refers to an entity which would in fact then clarify the fact that his original ruling was wrong.

The SPEAKER pro tempore. The gentleman from Pennsylvania is entitled to his opinion.

Mr. WALKER. Well, I thank the Chair for that. At least that has not been taken away from me.

RESCISSION AND DEFERRALS OF BUDGET AUTHORITY MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–193)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one rescission proposal, totaling $16.7 million, one revised deferral, and one new deferral of budget authority. Including the revised and the new deferrals, funds withheld in fiscal year 1992 now total $5.6 billion.

The proposed rescission affects the Department of Housing and Urban Development. The deferrals affect the Agency for International Development and the Department of Agriculture.

The details of the proposed rescission and deferrals are contained in the attached report.

GEORGE BUSH.

THE WHITE HOUSE, *February 19, 1992.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed on Tuesday, February 18, 1992, in the order in which that motion was entertained.

Votes will be taken in the following order:

S. 606, by the yeas and nays;

H.R. 543, by the yeas and nays; and

H.R. 3337, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

ALLEGHENY WILD AND SCENIC RIVER DESIGNATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate bill, S. 606, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 606, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 3, not voting 22, as follows:

[Roll No. 14]

YEAS—409

Abercrombie
Alexander
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Scheuer
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—3

Crane
Stearns
Stump

NOT VOTING—22

Ackerman
Blackwell
Boxer
Chandler
Chapman
Collins (IL)
Dannemeyer
de la Garza
Dreier
Dymally
Gallegly
Gillmor
Hansen
Lantos
Levine (CA)
Lipinski
Moakley
Mrazek
Ray
Savage
Schiff
Whitten

☐ 1513

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent for rollcall vote 14. Had I been present during this vote, I would have voted "nay" on rollcall vote 14.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

MANZANAR NATIONAL HISTORIC SITE

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and concurring in the Senate amendments to the bill, H.R. 543.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 543, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 400, nays 13, not voting 21, as follows:

[Roll No. 15]

YEAS—400

Abercrombie
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Hopkins
Horn
Horton
Houghton

Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Scheuer
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zimmer

NAYS—13

Allen
Coble
Crane
Duncan
Ewing
Hancock
Hastert
Holloway
Hunter
Nichols
Stearns
Stump
Zeliff

NOT VOTING—21

Ackerman
Blackwell
Boxer
Chandler
Collins (IL)
Dannemeyer
de la Garza
Dreier
Dymally
Gallegly
Hansen
Lantos
Levine (CA)
Lipinski
Moakley
Mrazek
Ray
Savage
Schiff
Washington
Whitten

☐ 1524

Messrs. ZELIFF, HASTERT, and HOLLOWAY changed their vote from "yea" to "nay."

Mr. GEKAS changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent for rollcall vote 15. Had I been present during this vote, I would have voted "nay" on rollcall vote 15.

THE 1992 WHITE HOUSE COMMEMORATIVE COIN ACT

The SPEAKER pro tempore (Mr. McNULTY). The unfinished business is the question of suspending the rules and concurring in the Senate amendment to the bill, H.R. 3337.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. TORRES] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 3337, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 172, nays 241, not voting 21, as follows:

[Roll No. 16]

YEAS—172

Allard
Anderson
Andrews (NJ)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Baker
Barnard
Berman
Boehlert
Bonior
Boucher
Brooks
Brown
Bruce
Bunning
Bustamante
Callahan
Campbell (CA)
Campbell (CO)
Cardin
Carper
Clay
Clement
Coleman (MO)
Coleman (TX)
Collins (MI)
Combest
Conyers
Cox (IL)
Darden
DeFazio
DeLauro
Dellums
Dickinson
Dingell
Dixon
Dooley
Early
Edwards (CA)
Espy
Fascell
Fazio
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Gonzalez
Green
Guarini
Gunderson
Hall (OH)
Hatcher
Hayes (LA)
Hefner
Hobson
Hochbrueckner
Horton
Hoyer
Hubbard
Huckaby
Hyde
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (NC)
Kaptur
Kildee
Kolbe
Kolter
Kopetski
Lancaster
LaRocco
Lehman (FL)
Lent
Lewis (GA)
Machtley
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
McCrery
McDade
McMillen (MD)
McNulty
Meyers
Michel
Mineta
Morella
Nowak
Ortiz
Owens (NY)
Owens (UT)
Oxley
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pickett
Rangel
Reed
Richardson
Ridge
Rinaldo
Roe
Rose
Rowland
Roybal
Sanders
Sangmeister
Sarpalius
Sawyer
Schumer
Serrano
Shays
Sisisky
Skaggs
Skeen
Slattery
Smith (FL)
Smith (IA)
Smith (TX)
Solarz
Staggers
Stallings
Stokes
Studds
Stump
Sundquist
Swift
Synar
Tauzin
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traxler
Valentine
Vander Jagt
Vucanovich
Washington
Waxman
Weiss
Weldon
Williams
Wilson
Wyden
Wylie

NAYS—241

Abercrombie
Alexander
Allen
Andrews (ME)
Andrews (TX)
Applegate
Archer
Armey
Ballenger
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehner
Borski
Brewster
Broomfield
Browder
Bryant
Burton
Byron
Camp
Carr
Chapman
Clinger
Coble
Condit
Cooper
Costello
Coughlin
Cox (CA)
Coyne
Cramer
Crane
Cunningham
Davis
DeLay
Derrick
Dicks
Donnelly
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Duncan
Durbin
Dwyer
Eckart
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Evans
Ewing
Fawell
Feighan
Fields
Franks (CT)
Gaydos
Glickman
Goodling
Gordon
Goss
Gradison
Grandy
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Harris
Hastert
Hayes (IL)
Hefley
Henry
Herger
Hertel
Hoagland
Holloway
Hopkins
Horn
Houghton
Hughes
Hunter
Hutto
Inhofe
Ireland
Jacobs
James
Jefferson
Johnson (TX)
Jones (GA)
Jontz
Kanjorski
Kasich
Kennedy
Kennelly
Kleczka
Klug
Kostmayer
Kyl
LaFalce
Lagomarsino
Laughlin
Leach
Lehman (CA)
Levin (MI)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Martin
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
Mfume
Miller (CA)
Miller (OH)
Mink
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Orton
Packard
Panetta
Parker
Patterson
Paxon
Pease
Penny
Perkins
Peterson (FL)
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Regula
Rhodes
Riggs
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Russo
Sabo
Santorum
Saxton
Schaefer
Scheuer
Schroeder
Schulze
Sensenbrenner
Sharp
Shaw
Shuster
Sikorski
Skelton
Slaughter
Smith (NJ)

Smith (OR)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Swett
Tallon
Tanner
Taylor (MS)
Taylor (NC)
Thomas (CA)
Traficant
Unsoeld
Upton
Vento
Visclosky
Volkmer
Walker
Walsh
Waters
Weber
Wheat
Wise
Wolf
Wolpe
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—21

Ackerman
Blackwell
Boxer
Chandler
Collins (IL)
Dannemeyer
de la Garza
Dreier
Dymally
Gallegly
Hansen
Lantos
Levine (CA)
Lipinski
Miller (WA)
Moakley
Mrazek
Ray
Savage
Schiff
Whitten

□ 1533

Messrs. BRYANT, GORDON, TALLON, and KOSTMAYER, Mrs. ROUKEMA, Mr. PERKINS, Mr. CRAMER, Mrs. LOWEY of New York, Mr. MONTGOMERY, Mrs. UNSOELD, Mr. ENGLISH, Mr. LEACH, Mrs. KENNELLY, Ms. WATERS, Mr. EDWARDS of Oklahoma, Ms. HORN, and Messrs. KLECZKA, YATES, MORAN, TANNER, SAXTON, THOMAS of California, ALEXANDER, and SHAW changed their vote from "yea" to "nay."

Mr. BACCHUS changed his vote from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. GALLEGLY. Mr. Speaker, I regret that pressing business in my district prevented me from being present. Had I been present, I would have voted for S. 606 and H.R. 543, and against H.R. 3337.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent for rollcall vote 16. Had I been present during this vote, I would have voted "nay" on rollcall vote 16.

LEGISLATIVE PROGRAM

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I take this time for the purpose of engaging in a colloquy with the majority whip concerning the schedule for the rest of the week.

Mr. BONIOR. Mr. Speaker, if the gentleman will yield, there are no further votes scheduled for the rest of the week, although there will be committees that will be meeting. And we will have other activities on the Hill on legislation. But in terms of House action, there are no anticipated votes on the floor.

Mr. SOLOMON. Mr. Speaker, I know that the schedule for next week is clouded at this point, but I would just ask the majority whip as a member of the Committee on Rules, too, if the membership is going to be given 3 days in which to review any tax bill that might come on the floor; that is, according to the rules of the House?

Mr. BONIOR. Mr. Speaker, the President has suggested we move expeditiously on the tax bill. We are trying to do that. We anticipate at this point in taking the tax bill up next week, and I cannot tell the gentleman exactly what day that will be. But we anticipate action next week.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for enlightening the membership.

CORRECTING ERRORS IN ENROLLMENT OF H.R. 3866, FLOWER GARDEN BANKS NATIONAL MARINE SANCTUARY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H. Con. Res. 268) entitled "Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 3866," with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

Senate amendment: Page 3, strike out lines 6 through 24.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from North Carolina?

Mr. YOUNG of Alaska. Mr. Speaker, reserving the right to object, I shall not object, and yield to the chairman of the committee, the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, this has been cleared with the minority on the Merchant Marine and Fisheries Committee.

Back on January 28, the House passed H.R. 3866, the flower garden banks national marine sanctuary bill.

We then immediately passed House Concurrent Resolution 268 to make certain technical corrections to that bill.

As passed, H.R. 3866 contained a title implementing the United States-Soviet Union maritime boundary agreement of June 1, 1990.

Because of recent world events, in a number of places in this title, the word "Russia" had to be inserted in place of the reference to the Soviet Union. These changes were suggested by the administration.

Also, some cross-reference problems needed to be corrected.

The Senate has accepted our technical correction resolution but made one very minor change.

In effect, the Senate has sent us back a purely technical change to a purely technical correcting resolution.

I urge the adoption of this concurrent resolution.

□ 1540

Mr. YOUNG of Alaska. Mr. Speaker, further reserving the right to object, I want to explain to my colleagues that this resolution merely corrects technical problems in a bill that we passed earlier.

H.R. 3866, as originally enacted, contains several references to the Soviet Union. As we all know, the Soviet Union no longer exists. This resolution makes the proper references to the new non-Communist nations in Eastern Europe.

This resolution is fully supported by the administration, and I urge its approval.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

RECLAMATION STATES EMERGENCY DROUGHT RELIEF ACT OF 1991

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 355), to provide emergency drought relief to the Reclamation States, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate Amendment: Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reclamation States Emergency Drought Relief Act of 1991".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "Federal Reclamation laws" means the Act of June 17, 1902 (32 Stat. 388) and Acts supplementary thereto and amendatory thereof.

(3) The term "Federal Reclamation project" means any project constructed or funded under Federal Reclamation law. Such term includes projects having approved loans under the Small Reclamation Projects Act of 1956 (70 Stat. 1044).

TITLE I—DROUGHT PROGRAM

SEC. 101. ASSISTANCE DURING DROUGHT; WATER PURCHASES.

(a) CONSTRUCTION, MANAGEMENT, AND CONSERVATION.—Consistent with existing contractual arrangements and applicable State and applicable Federal law, and without further authorization, the Secretary is authorized to undertake construction, management, and conservation activities that will minimize, or can be expected to have an effect in minimizing, losses and damages resulting from drought conditions. Any construction activities undertaken pursuant to the authority of this subsection shall be

limited to temporary facilities designed to minimize losses and damages from drought conditions, except that wells drilled to minimize losses and damages from drought conditions may be permanent facilities.

(b) ASSISTANCE TO WILLING BUYERS AND SELLERS.—In order to minimize losses and damages resulting from drought conditions, the Secretary may provide nonfinancial assistance to willing buyers in their purchase of available water supplies from willing sellers.

(c) WATER PURCHASES BY BUREAU.—In order to minimize losses and damages resulting from drought conditions, the Secretary may purchase water from willing sellers, including, but not limited to, water made available by Federal Reclamation project contractors through conservation or other means with respect to which the seller has reduced the consumption of water. Except with respect to water stored, conveyed or delivered to Federal and State wildlife habitat, the Secretary shall deliver such water pursuant to temporary contracts under section 102: Provided, That any such contract shall require recovery of any costs, including interest if applicable, incurred by the Secretary in acquiring such water.

(d) WATER BANKS.—In order to respond to a drought, the Secretary is authorized to participate in water banks established by a State.

SEC. 102. AVAILABILITY OF WATER ON A TEMPORARY BASIS.

(a) GENERAL AUTHORITY.—In order to mitigate losses and damages resulting from drought conditions, the Secretary may make available, by temporary contract, project and nonproject water, and may permit the use of facilities at Federal Reclamation projects for the storage or conveyance of project or nonproject water, for use both within and outside an authorized project service area.

(b) SPECIAL PROVISIONS APPLICABLE TO TEMPORARY WATER SUPPLIES PROVIDED UNDER THIS SECTION.—

(1) TEMPORARY SUPPLIES.—Each temporary contract for the supply of water entered into pursuant to this section shall terminate no later than two years from the date of execution or upon a determination by the Secretary that water supply conditions no longer warrant that such contracts remain in effect, whichever occurs first. The costs associated with any such contract shall be repaid within the term of the contract.

(2) OWNERSHIP AND ACREAGE LIMITATIONS.—Lands not subject to Reclamation law that receive temporary irrigation water supplies under temporary contracts under this section shall not become subject to the ownership and acreage limitations or pricing provisions of Federal Reclamation law because of the delivery of such temporary water supplies. Lands that are subject to the ownership and acreage limitations of Federal Reclamation law shall not be exempted from those limitations because of the delivery of such temporary water supplies.

(3) TREATMENT UNDER RECLAMATION REFORM ACT OF 1982.—No temporary contract entered into by the Secretary under this section shall be treated as a "contract" as that term is used in sections 203(a) and 220 of the Reclamation Reform Act of 1982 (Public Law 97–293).

(4) AMENDMENTS OF EXISTING CONTRACTS.—Any amendment to an existing contract to allow a contractor to carry out the provisions of this title shall not be considered a new and supplemental benefit for purposes of the Reclamation Reform Act of 1982 (Public Law 97–293).

(c) CONTRACT PRICE.—The price for project water, other than water purchased pursuant to section 101(c), delivered under a temporary contract entered into by the Secretary under this section shall be at least sufficient to recover all Federal operation and maintenance costs and administrative costs, and an appropriate share of capital costs, including interest on such capital costs allocated to municipal and industrial water, except that, for project water delivered to nonproject landholdings, the price shall include full cost (as defined in section 202(3) of the Reclamation Reform Act of 1982 (Public Law 97–293; 96 Stat. 1263; 43 U.S.C. 390bb)). For all contracts entered into by the Secretary under the authority of this title—

(1) the interest rate used for computing interest during construction and interest on the unpaid balance of the capital costs expended pursuant to this Act shall be at a rate to be determined by the Secretary of the Treasury based on average market yields on outstanding marketable obligations of the United States with remaining periods to maturity of one year occurring during the last month of the fiscal year preceding the date of execution of the temporary contract or,

(2) in the case of existing facilities the rate as authorized for that Federal Reclamation project or,

(3) in the absence of such authorized rate, the interest rate as determined by the Secretary of the Treasury as of the beginning of the fiscal year in which construction was initiated on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which were neither due nor callable for redemption for fifteen years from date of issue: Provided, That for all deliveries of water for municipal and industrial purposes from existing facilities to nonproject contractors, the rate shall be as set forth in paragraph (1) of this subsection.

(d) FISH AND WILDLIFE.—The Secretary may make water from Federal Reclamation projects and nonproject water available on a nonreimbursable basis for the purposes of protecting or restoring fish and wildlife resources, including mitigation losses, that occur as a result of drought conditions or the operation of a Federal Reclamation project during drought conditions. The Secretary may store and convey project and nonproject water for fish and wildlife purposes, and may provide conveyance of any such water for both State and Federal wildlife habitat and for habitat held in private ownership. The Secretary may make available water for these purposes outside the authorized project service area. Use of the Federal storage and conveyance facilities for these purposes shall be on a nonreimbursable basis. Water made available by the Secretary in 1991 from the Central Valley Project, California, to the Grasslands Water District for the purpose of fish and wildlife shall be nonreimbursable.

(e) NONPROJECT WATER.—The Secretary is authorized to store and convey nonproject water utilizing Federal Reclamation project facilities for use outside and inside the authorized project service area for municipal and industrial uses, fish and wildlife, and agricultural uses. Except in the case of water supplied for fish and wildlife, which shall be nonreimbursable, the Secretary shall charge the recipients of such water for such use of Federal Reclamation project facilities at a rate established pursuant to section 102(c) of this Act.

(f) RECLAMATION FUND.—The payment of capital costs attributable to the sale of project or nonproject water or the use of Federal Reclamation project facilities shall be covered into the Reclamation Fund and be placed to the credit of the project from which such water or use of such facilities is supplied.

SEC. 103. LOANS.

The Secretary of the Interior is authorized to make loans to water users for the purposes of undertaking construction, management, conservation activities, or the acquisition and transportation of water consistent with State law, that can be expected to have an effect in mitigating losses and damages, including those suffered by fish and wildlife, resulting from drought conditions. Such loans shall be made available under such terms and conditions as the Secretary deems appropriate: Provided, That the Secretary shall not approve any loan unless the applicant can demonstrate an ability to repay such loan within the term of the loan: Provided further, That for all loans approved by the Secretary under the authority of this section, the interest rate shall be the rate determined by the Secretary of the Treasury based on average market yields on outstanding marketable obligations of the United States with periods to maturity comparable to the repayment period of the loan. The repayment period for loans issued under this section shall not exceed fifteen years. The repayment period for such loans shall begin when the loan is executed. Sections 203(a) and 220 of the Reclamation Reform Act of 1982 and sections 105 and 106 of Public Law 99–546 shall not apply to any contract to repay such loan. The Secretary shall notify the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives in writing of any loan which the Secretary intends to approve not less than thirty days prior to granting final approval.

SEC. 104. APPLICABLE PERIOD OF DROUGHT PROGRAM.

(a) IN GENERAL.—The programs and authorities established under this title shall become operative in any Reclamation State only after the Governor or Governors of the affected State or States, or on a reservation, when the governing body of the affected Tribe has made a request for temporary drought assistance and the Secretary has determined that such temporary assistance is merited, or upon the approval of a drought contingency plan as provided in title II of this Act.

(b) COORDINATION WITH BPA.—If a Governor referred to in subsection (a) is the Governor of the State of Washington, Oregon, Idaho, or Montana, the Governor shall coordinate with the Administrator of the Bonneville Power Administration before making a request under subsection (a).

(c) TERMINATION OF AUTHORITY.—The authorities established under this title shall terminate ten years after the date of enactment of this Act.

TITLE II—DROUGHT CONTINGENCY PLANNING

SEC. 201. IDENTIFICATION OF OPPORTUNITIES FOR WATER SUPPLY CONSERVATION, AUGMENTATION AND USE.

The Secretary is authorized to conduct studies to identify opportunities to conserve, augment, and make more efficient use of water supplies available to Federal Reclamation projects and Indian water resource developments in order to be prepared for and better respond to drought conditions. The Secretary is authorized to provide technical assistance to States and to local and Tribal government entities to assist in the development, construction, and operation of water desalinization projects, including technical assistance for purposes of assessing the technical and economic feasibility of such projects.

SEC. 202. DROUGHT CONTINGENCY PLANS.

The Secretary, acting pursuant to the Federal Reclamation laws, utilizing the resources of the Department of the Interior, and in consultation with other appropriate Federal and State officials, Indian tribes, public, private, and local entities, is authorized to prepare or participate in the preparation of cooperative drought contingency plans (hereinafter in this title referred to as "contingency plans") for the prevention or mitigation of adverse effects of drought conditions.

SEC. 203. PLAN ELEMENTS.

(a) PLAN PROVISIONS.—Elements of the contingency plans prepared pursuant to section 202 may include, but are not limited to, any or all of the following:

(1) Water banks.

(2) Appropriate water conservation actions.

(3) Water transfers to serve users inside or outside authorized Federal Reclamation project service areas in order to mitigate the effects of drought.

(4) Use of Federal Reclamation project facilities to store and convey nonproject water for agricultural, municipal and industrial, fish and wildlife, or other uses both inside and outside an authorized Federal Reclamation project service area.

(5) Use of water from dead or inactive reservoir storage or increased use of ground water resources for temporary water supplies.

(6) Water supplies for fish and wildlife resources.

(7) Minor structural actions.

(b) FEDERAL RECLAMATION PROJECTS.—Each contingency plan shall identify the following two types of plan elements related to Federal Reclamation projects:

(1) those plan elements which pertain exclusively to the responsibilities and obligations of the Secretary pursuant to Federal Reclamation law and the responsibilities and obligations of the Secretary for a specific Federal Reclamation project; and

(2) those plan elements that pertain to projects, purposes, or activities not constructed, financed, or otherwise governed by the Federal Reclamation law.

(c) DROUGHT LEVELS.—The Secretary is authorized to work with other Federal and State agencies to improve hydrologic data collection systems and water supply forecasting techniques to provide more accurate and timely warning of potential drought conditions and drought levels that would trigger the implementation of contingency plans.

(d) COMPLIANCE WITH LAW.—The contingency plans and plan elements shall comply with all requirements of applicable Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321), section 715(a) of the Water Resource Development Act of 1986 (33 U.S.C. 2265(a)), and the Fish and Wildlife Coordination Act, and shall be in accordance with applicable State law.

(e) REVIEW.—The contingency plans shall include provisions for periodic review to assure the adequacy of the contingency plan to respond to current conditions, and such plans may be modified accordingly.

SEC. 204. RECOMMENDATIONS.

(a) APPROVAL.—The Secretary shall submit each plan prepared pursuant to section 202 to the Congress, together with the Secretary's recommendations, including recommendations for authorizing legislation, if needed.

(b) PACIFIC NORTHWEST REGION.—A contingency plan under subsection (a) for the State of Washington, Oregon, Idaho, or Montana, may be approved by the Secretary only at the request of the Governor of the affected State in coordination with the other States in the region and the Administrator of the Bonneville Power Administration.

SEC. 205. RECLAMATION DROUGHT RESPONSE FUND.

The Secretary shall undertake a study of the need, if any, to establish a Reclamation Drought Response Fund to be available for defraying those expenses which the Secretary determines necessary to implement plans prepared under section 202 and to make loans for nonstructural and minor structural activities for the prevention or mitigation of the adverse effects of drought.

SEC. 206. TECHNICAL ASSISTANCE AND TRANSFER OF PRECIPITATION MANAGEMENT TECHNOLOGY.

(a) TECHNICAL ASSISTANCE.—The Secretary is authorized to provide technical assistance for drought contingency planning in any of the States not identified in section 1 of the Reclamation Act (Act of June 17, 1902, 32 Stat. 388), and the District of Columbia, Puerto Rico, the Republic of the Marshall Islands, the Federated States of Micronesia, the Trust Territory of the Pacific Islands, and upon termination of the Trusteeship, the Republic of Palau, the United States Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

(b) TECHNOLOGY TRANSFER PROGRAM.—The Secretary is authorized to conduct a Precipitation Management Technology Transfer Program to help alleviate problems caused by precipitation variability and droughts in the West, as part of a balanced long-term water resources development and management program. In consultation with State, Tribal, and local water, hydropower, water quality and instream flow interests, areas shall be selected for conducting field studies cost-shared on a 50–50 basis to validate and quantify the potential for appropriate precipitation management technology to augment stream flows. Validated technologies shall be transferred to non-Federal interests for operational implementation.

TITLE III—GENERAL AND MISCELLANEOUS PROVISIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Except as otherwise provided in section 303 of this Act (relating to temperature control devices at Shasta Dam, California), there is authorized to be appropriated not more than $90,000,000 in total for fiscal years 1992, 1993, 1994, 1995, and 1996.

SEC. 302. AUTHORITY OF SECRETARY.

The Secretary is authorized to perform any and all acts and to promulgate such regulations as may be necessary and appropriate for the purpose of implementing this Act. In carrying out the authorities under this Act, the Secretary shall give specific consideration to the needs of fish and wildlife, together with other project purposes, and shall consider temporary operational changes which will mitigate, or can be expected to have an effect in mitigating, fish and wildlife losses and damages resulting from drought conditions, consistent with the Secretary's other obligations.

SEC. 303. TEMPERATURE CONTROL AT SHASTA DAM, CENTRAL VALLEY PROJECT.

The Secretary is authorized to complete the design and specifications for construction of a device to control the temperature of water releases from Shasta Dam, Central Valley Project, California, and to construct facilities needed to attach such device to the dam. There is authorized to be appropriated to carry out the authority of this section not more that $12,000,000.

SEC. 304. EFFECT OF ACT ON OTHER LAWS.

(a) CONFORMITY WITH STATE AND FEDERAL LAW.—All actions taken pursuant to this Act pertaining to the diversion, storage, use, or transfer of water shall be in conformity with applicable State and applicable Federal law.

(b) EFFECT ON JURISDICTION, AUTHORITY, AND WATER RIGHTS.—Nothing in this Act shall be construed as expanding or diminishing State, Federal, or Tribal jurisdiction or authority over water resources development, control, or water rights.

SEC. 305. EXCESS STORAGE AND CARRYING CAPACITY.

The Secretary is authorized to enter into contracts with municipalities, public water districts and agencies, other Federal agencies, State agencies, and private entities, pursuant to the Act of February 21, 1911 (43 U.S.C. 523), for the impounding, storage, and carriage of nonproject water for domestic, municipal, fish and wildlife, industrial, and other beneficial purposes using any facilities associated with the Central Valley Project, Cachuma Project, and the Ventura River Project, California, the Truckee Storage Project, and the Washoe Project, California and Nevada. The Secretary is further authorized to enter into contracts for the exchange of water for the aforementioned purposes using facilities associated with the Cachuma Project, California.

SEC. 306. REPORT.

There shall be included as part of the President's annual budget submittal to the Congress a detailed report on past and proposed expenditures and accomplishments under this Act.

SEC. 307. FEDERAL RECLAMATION LAWS.

This Act shall constitute a supplement to the Federal Reclamation laws.

Mr. MILLER of California (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from California?

Mr. LAGOMARSINO. Mr. Speaker, reserving the right to object, I yield to the gentleman from California [Mr. MILLER] to explain the legislation.

Mr. MILLER of California. Mr. Speaker, I am hopeful that the House this afternoon will pass and send down to the White House H.R. 355, the Reclamation States Emergency Drought Relief Act.

The House originally passed this legislation on March 21, 1991, nearly 1 year ago, while California and much of the West were enduring their fifth year of severe drought. Regrettably, the Senate took more than 8 months to pass a compromise version of H.R. 355, and did not send the bill back to the House until after this Chamber had adjourned following completion of the 1st session of the 102d Congress.

Despite that delay, and despite the rains that have inundated portions of California over the past week, this legislation is more urgent than ever. The drought is now in its sixth year, and the recent rainfall did not occur in areas that feed into the reservoir storage system of the Sierras and northern California. Even if we have a normal rain year, which is extremely unlikely, the collective impact of 5 years of drought will leave much of the economy, and the ecology, of California in shambles in 1992.

That is why it is essential to pass H.R. 355 without further delay.

The severity of the continuing drought crisis was illustrated by the announcement last week of the U.S. Bureau of Reclamation that water deliveries for all uses—agricultural, municipal, industrial, and environmental—will be severely curtailed again this year—even more substantial reductions than in 1991. Most agricultural deliveries will be eliminated altogether, and urban customers will face a 50-percent reduction. These restrictions, while necessary, will have massive impacts on employment, on local economies, on industrial production, and on individual residents.

The legislation before us today will help to cushion the impacts of this continuing drought.

H.R. 355 authorizes the Bureau of Reclamation to take various actions, on a temporary basis, to allow water districts, contractors, and others to address some of the severe drought conditions in the Western States. It also gives the Bureau permanent authority to prepare contingency plans and take other steps to prevent or mitigate the adverse effects of future drought conditions.

The bill authorizes a total of $90 million for these activities. It also authorizes $12 million for design and partial construction of water temperature control facilities at California's Shasta Dam, in order to protect a valuable salmon fishery.

There are several differences between the bills as passed by the House and the Senate, most of them minor and technical in nature. While I am not in total agreement with several of the Senate provisions, I am prepared to accept them in the interest of expediting enactment of this important bill. There are two significant differences between the bills.

First, H.R. 355 now includes a loan program for water users wishing to augment supplies. Loans would be made on terms and conditions deemed appropriate by the Secretary of the Interior, but, unlike most other Reclamation loans to irrigators, would be interest bearing. This concession to fiscal reality is as welcome as it is unique in the Bureau's water development legacy.

Second, the House bill limits the temporary drought relief authority to 1 year; the Senate bill extends this authority to 10 years.

The Senate bill also makes 1991 water deliveries from California's Central Valley project to the Grasslands Water District nonreimbursable. The Bureau of Reclamation's policy of assessing charges for this water ignores the fact that local landowners in Grasslands make significant financial contributions to making wetlands in the district an invaluable source of waterfowl habitat, and I support this change.

Following passage of H.R. 355 by the Senate, I asked the Bureau of Reclamation to clarify several provisions of the bill, including the bill language authorizing the loan program. It must be clearly recognized, as we vote on this bill today, that the Commissioner of Reclamation clearly responded that the bill as passed by the Senate requires that all loans—including loans for agricultural users—be interest bearing. I ask unanimous consent to include in the RECORD at this point the exchange of correspondence between myself and the Commissioner of Reclamation on this matter.

Before we vote, I want to make an additional, important point about this legislation, and water policy in general.

Drought is a catastrophe that we, in this Chamber, cannot prevent despite our best efforts. But misallocation of water, misuse, and waste are another matter. The unsound fiscal and water management policies of the Bureau of Reclamation have not caused the drought. But they have undoubtedly worsened the impact of drought by squandering limited water resources on unnecessary crops and marginal lands that should never have been irrigated; by subsidizing water prices far beyond any rational public policy; by dragging its bureaucratic feet on the issues of water conservation, water management, drainage improvements, and water marketing.

Last year, I warned repeatedly that the Bureau was behaving shortsightedly in dispersing water to irrigators to grow rice and other highly consumptive crops. I called for emergency measures because I knew—based on years of experience—that the Bureau's drought policy was little more than opening the floodgates and praying for rain. We went through this during the drought of the 1970's; we are reliving the experience today because the fundamental policies of water management and conservation have not changed.

In the next few weeks, I am hopeful that this House and the Senate will have an opportunity to pass comprehensive water management legislation that will change the way that the Bureau does business. We are finalizing legislation that will attempt to undo the archaic allocation system, that will remedy the ecological genocide that the Central Valley project in California has committed on our environment, and that will, once and for all, cut the subsidies that are costing taxpayers tens of millions of dollars a year.

Passage of that legislation will end the bureaucratically imposed water shortage and misallocation of the past half century. That is another fight; it is coming, and it deserves the support of every Member in this Chamber.

Today's effort is different. This House cannot wait longer to address the catastrophic needs of millions of Americans throughout the West whose livelihood, economic security, and even health are being undermined by an enduring drought.

The House acted promptly on this measure last year, in the fifth year of shortage. It was the fault of no Member of this Chamber that it was not on the President's desk 11 months ago. So let us move now, in this sixth year, to have this legislation enacted without further delay.

Mr. Speaker, I would like to recognize the valuable input on this legislation by all of the members of the committee and Members not on the committee, the gentleman from California [Mr. LAGOMARSINO] who has been involved in working out some of the transfers between agriculture and urban areas in trying to facilitate the use of Federal facilities by municipalities and other agencies in this legislation. I appreciate the gentleman yielding.

I also want to recognize the input of the gentleman from Arizona [Mr. RHODES] who worked very hard on this legislation, recognizing that the drought is westwide and not simply within the State of California.

Mr. Speaker, I include letters pertaining to this legislation with my remarks, as follows:

DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION, WASHINGTON,
DC, FEBRUARY 12, 1992.

Hon. GEORGE MILLER,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of January 30, 1992, seeking Reclamation's interpretation of certain provisions of H.R. 355 as passed by the Senate on November 27, 1991. Your questions and our responses follow.

"Sections 102(b)(3), 102(b)(4), and 103 all include language that excludes certain activities from the provisions of the Reclamation Reform Act of 1982. Does the Bureau of Reclamation believe that these exclusions are necessary, proper and appropriate? If these provisions were removed from the bill, would the Bureau enforce the requirements of the Reclamation Reform Act?"

It appears that these provisions, like section 102(b)(2), were crafted to maintain the status quo. Water users subject to the Reclamation Reform Act (RRA) would remain so. Water users not already subject to the RRA would not be made subject to that Act solely by virtue of receiving temporary water as a drought relief measure. Given the emergency and temporary character of drought assistance to be provided by this legislation, we believe that those provisions are necessary, proper and appropriate to enable Reclamation to meet emergency needs expeditiously and in an equitable fashion. If they were removed, we believe Reclamation would be obligated to enforce the requirements of the RRA with regard to temporary contracts, amendments to existing contracts of loan repayment contracts entered into pursuant to this legislation.

"Paragraphs (1), (2), and (3) of section 102(c) describe procedures for setting interest rates. Are these procedures justified and appropriate? Do these procedures unfairly favor certain categories of water users with lower rates?"

Paragraphs (1), (2), and (3) of section 102(c) unnecessarily complicate the legislation. We believe, as reflected in the Administration's drought relief bill (S. 586), one interest rate criterion consistent with current Federal borrowing rates would be sufficient.

"Section 103 describes the terms and conditions to be used by the Secretary in making loans to water users. How would the Bureau interpret the second sentence of this section, which states: "Such loans shall be made available under such terms and conditions as the Secretary may deem appropriate . . . ?" Does this sentence suggest that the Secretary could decide that costs allocated to irrigation should be interest-free?"

Section 103 of the Senate version also provides that "for *all* loans approved by the Secretary under the authority of this section, the interest rate shall be the rate determined by the Secretary of the Treasury based on average market yields on outstanding marketable obligations of the United States with periods to maturity comparable to the repayment period of the loan." (Emphasis added). Thus, we interpret the provision to mean that even though the Secretary may establish other terms and conditions for loans, the proposed legislation would establish that the loans will bear interest and how the interest rare should be determined. So, the answer is "No," the sentence referred to in your question does not suggest that the Secretary could decide that costs allocated to irrigation should be interest-free.

Again, thank you for your letter.

Sincerely,

DENNIS B. UNDERWOOD,
Commissioner.

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS,
Washington, DC, January 30, 1992.

Mr. DENNIS UNDERWOOD,
Commissioner, Bureau of Reclamation, Department of the Interior, Washington, DC.

DEAR MR. UNDERWOOD: As you know, H.R. 355, the Reclamation States Emergency Drought Relief Act, was passed by the Senate on November 27, 1991 and is currently awaiting consideration in the House of Representatives.

Before the House considers this bill, I would appreciate receiving your assessment of exactly how the Bureau of Reclamation would interpret and implement certain provisions of this legislation, should those provisions be enacted in their present form. The provisions in question are the following:

Sections 102(b)(3), 102(b)(4), and 103 all include language that excludes certain activities from the provisions of the Reclamation Reform Act of 1982. Does the Bureau of Reclamation believe that these exclusions are necessary, proper and appropriate? If these provisions were removed from the bill, would the Bureau enforce the requirements of the Reclamation Reform Act with regard to temporary contracts, amendments to existing contracts, or loan repayment contracts entered into pursuant to this legislation?

Paragraphs (1), (2), and (3) of section 102(c) describe procedures for setting interest rates. Are these procedures justified and appropriate? Do these procedures unfairly favor certain categories of water users with lower rates?

Section 103 describes the terms and conditions to be used by the Secretary in making loans to water users. How would the Bureau interpret the second sentence of this section, which states: "Such loans shall be made available under such terms and conditions as the Secretary deems appropriate . . ."? Does this sentence suggest that the Secretary could decide that costs allocated to irrigation should be interest-free?

In view of the need to expedite consideration of this legislation, I would appreciate your prompt attention to this matter. Thank you for your cooperation.

Sincerely yours,

GEORGE MILLER,
Chairman.

Mr. LAGOMARSINO. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Arizona [Mr. RHODES], the ranking member of the subcommittee.

Mr. RHODES. Mr. Speaker, I thank the gentleman for yielding. Just very briefly I want to express my appreciation to the chairman of the full committee and the gentleman from California [Mr. LAGOMARSINO] and others for seeing to it that this bill has been brought up this early in this session of the 102d Congress.

As the chairman mentioned, the bill was passed early last year and sent to the Senate. Unfortunately, it became entangled in other matters over there, and it took the Senate several months to untangle it and get it sent back over here.

This is a very important piece of legislation to the entire West and contains very badly needed authority for the Bureau of Reclamation to deal with drought situations, and I urge the House to adopt H.R. 355.

Mr. LAGOMARSINO. Mr. Speaker, further reserving the right to object I rise in support of H.R. 355, a bill which authorizes a comprehensive package of projects to serve Californians and residents throughout the West who have suffered greatly under prevailing drought conditions.

Despite recent storms which have resulted in extensive flooding and storm dangers in my district and other portions of California, the State remains in its fifth straight year of a drought unprecedented in recent history. Perhaps no region of the State has been more severely impacted by this drought than Santa Barbara and Ventura Counties, which I represent. In those counties, residents have been on strict water rationing for over 18 months. The current rationing was designed to achieve a 43-percent decrease below predrought usage levels for domestic consumption.

Like many regions around the country, especially in the West, south central California does not get an adequate supply of annual rainfall to meet its needs. Rather, in order to meet all the needs of the region, water storage and transfer/distribution systems are critical elements of our water supply program. I am pleased that many features of this bill address the water supply issues for regions like south central California.

There are a number of important sections in this bill which will aid my constituents and other persons who have been impacted by the drought. This bill provides for both short-term emergency actions and implementation of appropriate permanent solutions. Such activities as authorizing Federal participation in water banking, authorizing minor construction projects to get the limited water supply to where it is needed most, facilitating conveyance of water between willing sellers and buyers, and participation in long-term drought response contingency planning will all prove beneficial. I am also pleased that this bill includes provisions to provide for protection of fish and wildlife values.

I would like to thank Chairman MILLER for including my amendment to the Warren Act in the bill before the House today. Under my amendment, the Federal Government will be authorized to use its reclamation facilities to transport and store, non-Federal water used for other than irrigation. Use of Federal reclamation facilities for transport and storage of non-Federal irrigation water has been authorized for 60 years. Such use was authorized because it was recognized that Federal facilities often had excess capacity, and in order to avoid the costs and environmental impacts of constructing duplicative systems. This same logic applies to use of Federal facilities for nonirrigation water.

The city of Santa Barbara, and the county water agency for example, propose to use Lake Cachuma and Lake Casitas for water storage, along with other Federal facilities to transfer water from the State water project and the city's new desalination plant.

One other section of this bill which is of special interest to persons in the south central coastal area is the authorization of feasibility studies for desalination projects. In the area which I represent, such technological approaches to water supply issues are likely to become even more important in meeting future water demands. Therefore, I would like to thank my friend, Mr. PANETTA, for authoring this section of the bill.

Overall, H.R. 355 is a very good bill which deserves the support of my colleagues. I would like to thank the chairman, Mr. MILLER, and the gentleman from Arizona [Mr. RHODES] and others for bringing this comprehensive package to the floor. I am hopeful that the President will sign this bill into law in the near future.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

H.R. 3337, COMMEMORATIVE COIN BILL

(Mr. MCCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

The SPEAKER pro tempore. Without objection, the gentleman is recognized for 1 minute.

There was no objection.

Mr. McCANDLESS. Mr. Speaker, the last vote taken in the House was under suspension of the rules, and a two-thirds vote was necessary in order for H.R. 3337 to pass. It was defeated on a two-thirds to one-third vote.

That bill contains six sections, one dealing with the Columbus commemorative coin, a World Cup coin and a White House coin, and the Desert Storm medal, along with the Madison commemorative coin. The Senate at the last minute prior to our adjournment passed an amendment in that bill which would have required the redesign of our coins, even though currently under law the Secretary of the Treasury has that authority.

It is my intent, subject to the rules of the House and the concurrence of my subcommittee chairman and those who are responsible, to support an action on the part of this House when we convene tomorrow that would strike that section of the bill which was just defeated dealing with the coinage part, that being the redesign section, and to support the balance of the bill as originally brought to the floor of the House prior to adjournment.

I wanted to make this information available because I think it is important that we move ahead with the positive part of that bill.

□ 1550

LEGISLATION TO AMEND HOUSE RULES TO CREATE HOUSE ADMINISTRATOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN], is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, Last November, I joined my friend DAVID OBEY in a special order. The point I raised then is one he raised 15 years ago when he chaired the Obey Commission, that the House of Representatives needs a professionally administrator.

Essentially, the House of Representatives is professionally managed the way it was 100 years ago, and I think we are paying the price, from a public relations perspective, for our failure to bring operations into the modern world. I believe now is the time we need to take action to create effective, modern systems of congressional management, similar to what most large institutions in this country have done.

The recent revelations over the House bank, restaurants, and services viewed as perks have focused scrutiny on certain practices that would not stand up to normal business standards. I think these unfortunate events reflect the fact there is no one professional administrator overseeing the running of an enterprise with about 25,000 employees and a budget of almost $1.8 billion. Someone should be asking whether certain practices make any sense in 1992, instead of perpetuating a system simply because that is the way we have always done it.

I do not mean to denigrate the performance of the many dedicated public servants who work in the House, nor are my remarks meant to be critical of the Democratic and Republican leadership, or any Member of this body. While none of us is perfect in this body, most of us perform our duties honorably. But what makes me uneasy is the lack of an authoritative administrator, hired for his or her expertise in finance, management, and personnel, looking to see whether the House of Representatives is run in an efficient, sound manner.

The House of Representatives has changed a great deal in 200 years, running the Capitol complex has become a huge operation. We are a city within a city. We have dozens of buildings, a police force, restaurants, shops, mass transit system, library and research service, television station, car wash, post office, first aid stations, doctor's office, ambulance service, barber, hair salon, credit union, printer, paint shop, furniture factory, telephone system, moving company, and more. We cannot continue to run such an operation loosely, the way it was run 100 years ago.

Without modern management controls, the House could be spending millions of dollars unnecessarily. The current system is accountable to no one, yet, every one of us is held accountable when something goes wrong.

Another thing that has changed is the level of public scrutiny focused on the House of Representatives. Our floor debate is televised, our committee meetings are public, our buildings are open, and our bills and reports are readily available for anyone to read. Virtually everything we do is public and open to criticism, but everyone here is caught by surprise when the public reacts badly to practices to which we have become accustomed.

Each of us is held accountable for how we run the House, because we are all full-time legislators now. It used to be that Members of the House were citizen legislators, carrying on lives and professions at home apart from their functions in the legislature. They could not be expected to know the nuts and bolts of the Capitol complex.

But now, this is our job, we are responsible for how taxpayer dollars are spent. We are held accountable for any aspect of this operation that does not pass the test of public scrutiny.

We need to realize the public views how we run the House as a microcosm of the whole country. The public correctly demands that we manage well a $2 billion entity over which we have direct control, so they can have confidence in our ability to manage well a trillion dollar entity, the U.S. Government. It is clear we need to get our House in order as we can begin to tackle the daunting societal problems that face us. Let us not wait for the next shoe to drop which will further damage the reputation of this institution.

I am working on a resolution to amend the House rules to create a House Administrator. This person would be the manager of the House, nominated by the Speaker and confirmed by the House, on the basis of his or her experience in running a major institution, whether public or private, according to modern business practices. The administrator would plan, coordinate, and direct all the administrative support operations of the House. Serving under and hired by the administrator would be an auditor and a comptroller.

The comptroller would be the chief financial officer and oversee all financial aspects of the House, including spending and accounting practices by the Clerk, Sergeant at Arms, Doorkeeper, Postmaster, and individual Members' offices and committees.

The auditor would conduct financial audits to see whether financial systems were working and would also pursue allegations of fraud, waste, or abuse, in much the same manner as the inspectors general do in Federal agencies. I think the inspectors general have proven their worth time and time again in various agencies and the same concept could work here in the House.

The administrator would report to the Committee on House Administration, which would put many aspects of running the House in bipartisan hands, thus avoiding allegations of one party concealing something from the other. Since both parties are held accountable for the actions of the House, both should share equally in the oversight and management functions.

While covering the finances of individual Members and committee offices may raise some hackles, I want to be sure we do not create this office and then promptly exempt ourselves from its reach. That would be a huge mistake and would be perceived as a hollow gesture.

I think it will actually be a big relief for all of us to know that this institution is being run in a sound financial manner, so we are not waiting for the other shoe to drop. Each of us needs to focus our attention on important issues of policy, like health care, and job creation, and not on whether the barber shop is charging enough for a haircut or if there is favoritism in the assignment of parking spaces.

I want to emphasize that the purpose of this proposal is to prevent future problems, and to ensure that tax dollars are being spent wisely, in a way we would be comfortable reading about on the front page of our hometown newspapers. I should have a bill ready to introduce in about a week and I hope my colleagues will lend their support to bringing it to the floor in the coming months.

ADMINISTRATION POLICY ON HAITI IS IMMORAL AND CRUEL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, I rise to join my colleagues in calling on the administration in the strongest possible terms to reverse itself and provide sanctuary to Haitians who are fleeing that island nation for safety. The military coup which stole from the people of Haiti the democracy they have sought for decades is illegitimate; it is immoral; it is cruel. The people of Haiti are suffering economically, but also through the loss of liberties. As the administration is forcing people to return, we are hearing more and more about the tragic reaction of the Haitian dictatorship.

Immediately after the coup, I came to the well of the House and called on the administration to move aggressively to return President Aristide to office. I commend the fact that the administration initially worked with other nations in the hemisphere to isolate the harsh regime which has taken power. The measures initially taken against Haiti are harsh, there can be no doubt about that. But strong ongoing action is necessary if we are to restore to the Haitian people the freedom and democracy they have given so much to secure. It is deeply troubling now to see the administration move away from that strong multilateral approach to begin what can only be interpreted as an opening of relations with the illegitimate regime which expelled Aristide.

It is clear that those who have stolen control of that nation have no concern for their own people. Today, repression and violence have once again taken over Haitian society. The Haitian people live in fear. To return those who have fled is an outrage. To move toward some sort of routine relationship with the perpetrators of this horror is an outrage.

To have heard the administration say that they could not permit those who are fleeing to have temporary asylum here because they are fleeing economic, not political repression leaves me wondering if our State Department has made any attempt at all to understand what is happening to the Haitian people. I call on them to look—to listen—to the Haitian people and to realize that they want democracy and freedom.

Many of the Haitian people are being imprisoned in their own land. Why? Because they want to live in freedom. After decades of totalitarian rule, Americans praised their resolve in successfully holding the elections which led to President Aristide's election. Now, we have a responsibility to stand with the Haitian people. To work to restore their freedoms, and, in the meantime, to adopt policies which provide the Haitian people help and safe haven.

NATIONAL PRAYER BREAKFAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, on January 30, I had the opportunity to be on the program of the 40th annual National Prayer Breakfast. This wonderful event was attended by President and Mrs. Bush, Vice President and Mrs. Quayle, a large number of Senators and Members of Congress, as well as religious and government leaders from 50 States and 140 foreign countries.

I wanted to share the remarks of several Members of Congress who took part in this event, as well as a copy of the program.

This year the Prayer Breakfast was chaired by Senator TED STEVENS of Alaska, who did an outstanding job in coordinating the program and making it run smoothly.

The remarks follow:

OFFICIAL GREETING

(By Hon. Ted Stevens)

I'm Ted Stevens from Alaska. Welcome to the 40th annual National Prayer Breakfast. As chairman of the Senate Prayer Breakfast, I report on illness within our Senate family and ask Senators to offer silent prayers for those in special need. This morning, I report that former Senator John Stennis, long a leader of the Senate prayer group, now in retirement, is not well. Please remember his love of God and service to our nation in your silent prayers.

Ms. Shoshana Cardin, chairman of the National Conference on Soviet Jewry and the Conference of Presidents of Major Jewish Organizations will offer our pre-breakfast prayer. Soon after Ms. Cardin, the West Point choir will sing for us. Enjoy your breakfast.

OPENING PRAYER

(By Hon. G.V. Montgomery)

Let us pray.

Good Lord, thank You for this new day and for giving us the opportunity to gather this morning to express our love for You and for our neighbor. To our friends from overseas, welcome to our country. We are proud that you are a part of this great National Prayer Breakfast.

In 1991, the world changed so much for the better. Many people in other lands can now worship without fear. Please give them the strength and courage to keep these new freedoms.

Bless our President and Barbara Bush and thank you for helping our President work through the many problems he faces each day. Bless Vice President and Marilyn Quayle, the Congress and all of the officials in our great government.

Lord, we are so proud of Doug Coe, his staff, and all the volunteers who work so hard to make this the most wonderful event held in our Nation's Capital.

Bless this food to the nourishment of our bodies and let us remember that every good and perfect gift comes from You.

Amen. Amen.

REMARKS OF SENATOR STEVENS

Mr. President, Mrs. Bush, Mr. Vice President, Mrs. Quayle, distinguished heads of state, honored guests, and friends. Coming from all walks of life, every political persuasion, and every corner of our globe, we gather together to pray. The book of Matthew tells us that where two or three are gathered in God's name, He is among them. And where two or three agree in prayer, our Father in heaven will answer those prayers.

We have much for which to be thankful: a world earnestly seeking peace, the end of walls separating mankind, the rebirth of democratic freedoms—and almost all of our United Nations forces have returned after liberating Kuwait. Our prayers offered here in this room a year ago have been answered.

But while we may differ on issues of policy and politics, foreign affairs and business and commerce, our faith in God unites us. As we come closer together and our world is at peace, God will listen. Ask, and it will be given you. Seek, and you shall find. Knock, and it will be open to you.

INTRODUCTION OF GUEST SPEAKER

On August 19, 1991, dark clouds literally hung over Red Square in Moscow. It was the first day of the Feast of the Transfiguration for Russian Orthodox true believers—and one of the first days for open religious freedom in the capitol of the Soviet Union.

But, a coup was underway—as the patriarch of the Orthodox Church, Alexi the Second, was addressing his religious flock in Red Square, Soviet tanks rolled into that square, threatening the protectors of the Russian white house, in which Boris Yeltsin, the first elected leader of Russia, and the Russian Parliament were meeting.

That night, the cellist was in Paris. He went to the airfield, bought a ticket for Tokyo on a flight he knew stopped in Moscow. Upon arrival in Moscow, he went to the Russian white house and jointed Yeltsin. And, he joined Father Beurkov—who gave out 2,000 bibles to young soldiers in the tanks—only one refused to accept a bible.

That trip of faith was taken by Mstislav Rostropovich. He returned to the country of his birth to defend freedom. We have asked maestro Rostropovich, the music director of national symphony orchestra for the past fifteen years, and a true believer, to be our speaker today.

Ladies and gentlemen, I present a great patriot, maestro Mstislav Rostropovich.

GREETINGS FROM THE HOUSE PRAYER BREAKFAST GROUP

(By Congressman Charles Stenholm)

"Grace and peace to you from God our Father and the Lord Jesus Christ. I thank God for you because of his grace given you in Christ Jesus. . . . I appeal to you, brothers and sisters, in the name of our Lord Jesus Christ, that all of you agree with one another so that there may be no divisions among you and that you may be perfectly united in mind and thought."

From the reports you hear on the news, it may be difficult for you to believe that Members of Congress ever agree with one another or find it possible to be "perfectly united in mind and thought" as Saint Paul admonished us to do.

But it is my pleasure and privilege to bring you greetings from the House of Representatives Prayer Breakfast Group, where we try to take those instructions seriously. Like Saint Paul, I greet you in the name of Christ with thanksgiving for everyone gathered here from all across the world and from many different walks of life. And I want to share with you the good news of God's work in our House Prayer group.

Looking out across this impressive crowd this morning, I am reminded of the Prophet Isaiah's words when he said, "My house will be called a house of prayer for all Nations." This room may normally be a ballroom, but this morning it is definitely "a house of prayer *for all Nations*" and it is a wonderful sight.

Normally on Thursday mornings at this hour I am sitting in a little room in the Capitol Building with about 40 or 50 of my colleagues. We meet without fanfare, without staff at our elbows, without the press ready to take down our words and read them on the nightly news—slightly improved, of course. We meet simply to find Christian fellowship with each other, to share each others burdens of joys, and to pray.

I have to tell you that prayer is something I don't totally understand, even though I am convinced of its power. The Holy Spirit, which the Bible says guides us in our prayers, is a lot like the wind that sweeps across the rolling plains of West Texas. The wind itself is invisible but its effects are undeniable.

The hostages, for whose release we praise God this year, have all told us about the power of prayer which sustained them through their long, lonely years. Those who were able to link hands in prayer while in their cells, which they called the "Church of the Locked Door," have testified that the strength they gained from each other and from the Holy Comforter was what kept them alive.

In the House Prayer Breakfast group, we have seen the power of prayer and the Holy Spirit at work as well. Through the report which we affectionately call "The Sick and Wounded Report" which General Sonny Montgomery brings us each week, we share our daily concerns with and for our fellow colleagues and their families. Through Jake Pickle's colorful explanations of the background of the hymns we sing, we both lift our voices in praise and gain a sense of how God has worked through the lives and experiences of past Christians. Through the message brought by a different Member of Congress each week—alternating between Republican and Democrat—we learn something of our colleagues' own spiritual journeys.

I personally have felt the impact which the fellowship and prayer can have on those of us who meet together. As a conservative farmer from the rural Southwest, it's not always obvious to me how I might relate to a liberal New Yorker. When we meet together on Thursdays, however, all the other labels are left at the door and we are transformed into simply being two men seeking fellowship and God's guidance. Even when we leave the room and re-attach our labels, something of that connection through fellowship remains with us.

Just as we Representatives meet every Thursday morning, asking God to direct us while we debate the laws of our Land, I ask that you pray for us as we make those decisions so that our words and deeds might be pleasing to God.

It is now my privilege to introduce to you Ms. Cissy Houston, who will bring us her rendition of "Sweet Hour of Prayer." While many people may be tempted to boast of a successful recording career, Grammy award nominations, or numerous other awards, I suspect that the one which may be most special to Cissy was being named Mother of the Year in 1991. While we don't know her other children, we do know that Cissy did a marvelous job of raising and training her daughter, Whitney. May I now introduce Ms. Cissy Houston.

INTRODUCTION OF PRESIDENT GEORGE BUSH

(By Hon. Howell Heflin)

Last April, I had the privilege of representing the Senate prayer breakfast at the dedication of the Camp David chapel, which serves as a house of worship for the presidential party and over two hundred permanent residents, most of whom are naval and marine security personnel and their families. At a worship service, our nation's highest leaders will be co-mingled with average people like foresters, sailors, and marines. A marine "gunny" sergeant might stare at the President as he passes the collection plate.

When the President arose to give his remarks at the dedication service, a young mother took her crying baby out of the chapel. The President remarked that the first crying baby to be removed from the chapel just happened to be his grandson.

In 1789, George Washington, in his inaugural address, said, ". . . it would be peculiarly improper to omit in this first official act my fervent supplications to that almighty being who rules over the universe . . . that his benediction may consecrate to the liberties and happiness of the people of the United States a government instituted by themselves . . ."

Some 200 years later, in 1989, the second "George" to occupy the office made his first act as President a prayer: "Heavenly Father, we bow our heads and thank you for your love. Accept our thanks for the peace that yields this day . . . make us strong to do your will, and write on our hearts these words: 'use power to help people.' There is but one use of power, and it is to serve people. Help us to remember it, Lord."

Since this national prayer breakfast has a meaningful international attendance, let me mention another George, King George VI of Great Britain. During a World War II broadcast, he encouraged his countrymen, many in bomb shelters seeking protection from the Luftwaffe, by evoking words from Louise Haskins' poem, "The Gate of the Year":

I said to the man who stood at the gate of the year:

"Give me a light, that I may tread safely into the unknown!"

And he replied:

"Go out into the darkness and put your hand into the hand of God.

That shall be to you better than light and safer than a known way."

Throughout our history, we have been fortunate to have leaders who have sought God's guidance. How comforting it is to know that so many of our great leaders, including our President, George Bush, have placed their full confidence in his power.

It is my high privilege and distinct honor to present the President of the United States.

Lord, make me an instrument of Your peace,
Where there is hatred, let me sow love;
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light;
and where there is sadness, joy.

O Divine Master, grant that I may not so much seek
to be consoled, as to console;
not so much to be understood, as to understand;
not so much to be loved, as to love.

For it is in giving that we receive,
it is in pardoning that we are pardoned,
it is in dying that we are born again to eternal life.

FRANCIS OF ASSISI.

NATIONAL PRAYER BREAKFAST

Chairman: The Honorable Ted Stevens

Pre-Breakfast Prayer: Ms. Shoshana Cardin, Chairman, National Conference on Soviet Jewry, Conference of Presidents of Major American Jewish Organizations

Opening Prayer: The Honorable G.V. "Sonny" Montgomery, U.S. Representative, Mississippi.

Opening Song: Savoonga Eskimo Singers, Saint Lawrence Island, Alaska

Breakfast

Welcome: The Honorable Ted Stevens, U.S. Senator, Alaska

Remarks—U.S. Senate: The Honorable Larry E. Craig, U.S. Senator, Idaho

Remarks—U.S. House of Representatives: The Honorable Charles W. Stenholm, U.S. Representative, Texas

Solo: Ms. Sissy Houston

Remarks: The Honorable Dan Quayle, Vice President of the United States

New Testament Reading: The Honorable Al Gore, U.S. Senator, Tennessee

Mesage: Maestro Mstislav Rostropovich, Music Director, National Symphony Orchestra

Prayer for Armed Services: General Colin Powell, Chairman, Joint Chiefs of Staff

Remarks: The Honorable Howard Heflin, U.S. Senator, Alabama

The President of The United States

Group Song: Cadet Doug, McInvale, United States Military Academy

Closing Song: United States Military Academy

Closing Prayer: Dr. Billy Graham

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. EMERSON. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Resolution 194.

The SPEAKER pro tempore (Mr. RAHALL). Is there objection to the request of the gentleman from Missouri?

There was no objection.

FUNDAMENTAL REFORM NEEDED IN HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Mr. Speaker and colleagues, a few weeks ago I received a rather heartbreaking letter from a woman in my district. Her husband is a highly skilled machine builder who has not been able to find steady work for the last 3 years. This woman has four sons between the ages of 3 and 16 years of age.

Her husband can get work for a few months at a time working 70 hours a week; then he just gets laid off. "Just when we get caught up," she writes, "we start to drown again."

☐ 1600

This family's greatest fear is not about jobs or income, precarious as those are. No, her greatest fear is about health care.

We have heard across the breadth of this country from towns in New Hampshire and towns in Michigan, all over America, people scared literally to death about the inability to provide for their families because of the lack of adequate health care and the lack of adequate health care planning in this country.

Listen to what she writes:

> My husband's current employer is making us wait 7 months for benefits. We have been without insurance for over a year and a half. We owe the Port Huron Hospital almost $1,000 and we have been threatened by collection agencies. They want payment in 60 days. There is no possible way we can pay that. We can't get any social services, even when we are laid off, because we have too many assets. We have a boat and a camper and we have been trying to sell them for 3 years, but no one can afford the down payment. We are selling our boat for what we owe on it. We have gone five weeks without food shopping because we have no unemployment checks, but we still couldn't get food stamps. We have exhausted our savings because of layoffs. Not only that, we are scared to death every time one of the kids get hurt. My 14-year-old was involved in an auto accident. Since we didn't have health insurance, they want $300 before they will pay any bills. We just don't have it.

I cannot tell my friends and colleagues how many letters I get like this over the course of a week or a month. They are more frequent, they are more desperate. People are frustrated. They are frightened, and they are fed up with a system that makes no sense, provides no coverage and does not insure them against the rising costs of health care.

This woman went on to sum up the problems better than any of the pundits I have heard. She wrote:

> I am not looking for a handout. When middle class skilled trades people can't make it, something is wrong. We need help with health care. It is urgent now.

Well, of course, she is right. The health care system in this country needs a fundamental reform, not tinkering on the edges, not fooling around with a little adjustment here, but a fundamental reform, something we have not been able to face up to in this country, something every other industrialized democracy in the world has taken the steps to meet in terms of their obligation to their citizenry.

The Germans started in 1870 under Bismarck with a national health insurance plan. Every major industrial nation in this world has done the same.

The health care system in this country needs fundamental reform, and the heart of that problem, the guts of this whole issue, is soaring costs.

In 1980, health care for the average American family cost $2,500 per year. Today it is about $6,500 per year, and if we continue on this same path that we are on, it will be $14,000 a year per family by the end of this decade. That will not only bankrupt families like the family that I just alluded to in the letter, it will bankrupt businesses, and I daresay will bankrupt this country. We cannot afford that.

No American family is immune from these soaring costs. Health care is rising three and four times the rate of inflation, and more and more employers are not paying the cost.

Nearly one out of every two working households had benefits cut by the employer, or they had been required to contribute more for coverage. Such costs are a cruel and a hidden tax on American families.

Mr. Speaker, after you have worked hard all day like the family that I just alluded to in the letter that I read from my district, you should not have to stay up all night worrying about whether your kid's health care is covered.

I had another group of women visit me in my congressional office about 1½ years ago. I will never forget that visit because it demonstrates to me now utterly desperate people are for insurance, and how ironic situations are that put people in a situation of not being able to provide for their children. These five women worked in nursing homes. There cared for your parents, my parents, our grandparents. They bathed them. They changed their bedpans. They took care of them. They belonged to a union, but not one of them had health insurance. They were by and large, single parents. One woman told me she goes to bed every night and says a prayer that her son does not become ill.

And what about the problem of those who are trapped in their jobs, afraid to accept new positions. We all know somebody out there who would like to move on to a different employer, but they cannot because they are worried about maintaining adequate health insurance. The other day I heard a story about a man who desperately wanted to change jobs, but he could not. It turns out he had a son with Downs syndrome and if he changed, the new company's insurance would not pick up the tab. Downs syndrome, as people know, is a preexisting condition.

The experts call this job lock, and that has got to change. Nobody should be locked out of a job because of a system we could change with just a little bit of common sense.

And what about quality? You know, people will tell you that we have got the best health care quality in the world. I do not know that I buy that. I know that we have some very competent and capable providers of health care in this country and we do some wonderful things, but you know, when you really look at the system of health care in this country, you find out there is a lot we can do to improve it. If we spend more money than any other nation on Earth for health care, then why does the United States, for instance, rank 21st out of 23 developed countries when it comes to infant mortality? A child born in Japan or West Germany, France, Canada, Great Britain, or any other industrialized nation has a better change of surviving its first year than a child born here in the United States. Even a baby that is born in poverty-stricken Honduras, one of the poorest countries in the Americas, has a better chance of surviving than a child born in Detroit, MI.

Why does the United States rank 23d in recovery from heart attacks? Why do Canadians and the Japanese and the Germans live an average of 2 and 3 years longer than Americans?

In many cases we do have quality health care in this country, but we cannot be lulled into accepting second-rate care in other areas.

America's working families have a right to expect affordable, high quality health care. I believe that is a right. I do not think that is something that is extra. It is as basic as earning a living, and they have the right to expect that high quality care is available to all Americans.

And speaking of all Americans, let us talk for a second about the uninsured. Even with our enormous health care budget, 34 million Americans have no health care insurance at all. Every one of us knows somebody in our families, in our neighbors, in our churches who falls into that category. Over a 2-year period of time, up to 60 million will be without coverage at some point. These are not just poor people, by the way. In fact, the majority of the uninsured, 85 percent live in families headed by a full-time worker.

In other words, no American family, regardless of income, can be sure that a job loss, a job change or a serious illness will not push them to the ranks of the uninsured.

The health care crisis is not just a tragedy for individual families. It is also an enormous drag on the Nation's economy and our ability to compete internationally.

□ 1610

We spent in this country $671 billion, that is billion with a "b"—$671 billion on health care in 1990, which is about 12.3 percent of our entire gross national product.

Compare that with the Japanese, who spend about 6.5 percent of their GNP, or the Germans at 8.1 or the Canadians at 9.0 percent, and they insure everybody.

If the United States continues at this rate, our health care costs will pass the $1 trillion mark by 1994 and will approach $2 trillion by the end of the decade. On the competitive side, General Motors spends more money on the health care of its workers and those who retire than it spends on steel for its automobiles.

One study by the University of Michigan found that health care adds $1,083 to the sticker price of a car built in Detroit. That is more than the cost of the engine of that automobile.

In Canada that sticker price cost is about $223 because they have organized their country around a system that makes a little bit of sense and that controls costs.

We cannot continue to raise the prices of our products to keep pace with skyrocketing health care costs, not if we want to remain competitive.

A part of this whole uneasiness that the country feels, as demonstrated last night as it voted in New Hampshire, is the health care issue.

I watched the exit polls and I watched the polls that were done on the people who had voted, and they expressed that health care was right behind, and closely behind, the jobs issue as the most important issue that faces the people of New Hampshire.

Now, what is the President's plan to get us out of this health care mess? It is not a comprehensive plan to correct its laws; it is not a rigorous proposal to hold down costs; and it is not a comprehensive program to guarantee the health of the American families.

Instead, President Bush's big idea is a tax credit, a small amount of money to some lower income families who have no insurance. That is not a plan at all. It tinkers around the edges of a system that needs fundamental reform. It is a piecemeal election-year charade.

The President's approach completely ignores the crux of the problem facing the lower income families, which is soaring costs.

His plan does nothing to reform the network of hospitals, drug companies, insurance firms, doctors, all of which play a part in these skyrocketing expenses.

Take the cost of drugs, which the President did not mention in his speech: We are paying double, triple, and in some cases, seven times as much for prescription drugs here in the United States than people just across the border from us in Canada.

Mr. Speaker, my district borders Canada, and right across the river from my district people get good, decent prices on prescription drugs. A bottle of Tylenol with codeine, for example, costs $18 in the United States. Do you know what the cost is in Canada? $5.50. Same drug, same manufacturer, $18 versus $5.50; and not generic, the same pills, the same company.

Ativan, $48 for a bottle of pills in the United States; same drug, same manufacturer, $7 across the river in Canada.

Keflex, $55 here; $16 over there. Valium, over there Valium is $8, and here $24. Restoril, $42 over here and $14 over there.

I could go on and on, and everybody knows what I am talking about. The cost of prescription drugs in this country needs to be controlled.

No wonder drug company profits are triple the national average. Over the last 10 years the cost of prescriptions has shot up 152 percent. That is triple the inflation rate. As I have just demonstrated by the numbers that I read, it is still going up.

And what about the insurance companies? Do you know how many private health insurance companies we have? One thousand five hundred, and all of them have different forms.

No wonder they spend five times more on overhead than Medicare; no wonder out of every dollar on health care we spend 12 cents on overhead, and in Canada it is less than a penny.

I have heard retirees from my district whose pensions are being eaten up by insurance costs. In one case, retirees of a company were notified that their health insurance premiums had tripled and that it was all they were going to get; all of this was going to be taken out of their pensions.

I had a fellow come up to me during the Christmas holidays, and this man had 40 years' experience, hard work in a factory, where when you come home, you are dirty, your muscles ache, and all you want to do is sit in the chair and just try to catch your breath. Forty years, he earned a pension and he was retired.

Every month he would go to his mailbox to get that pension check. It amounted to $500 a month. One day several months ago he went to his mailbox and there was a check, but not for $500—$32, with a letter that said that is all he is going to get from now on because his health insurance premium had tripled.

Mr. Speaker, that is happening every day across this country, and people are fed up and they are frustrated and they are frightened and they want us to do something about it.

I want to tell you, when we are done with this tax bill—and we will be done with it in a relatively short time—we have got to move on to this health care issue. This is intertwined with the success of where we go as a country as much as the tax bill that will come out of this House—and probably more so.

What about doctor bills, which the President did not mention? Between 1971 and 1985, American doctors raised their fees 22 percent over inflation. Doctors' offices are bloated beyond belief. Forty-eight percent of a doctor's income goes for professional expenses. That means billing patients, filling out forms, collecting bad debts. Is that what we want our medical people to be engaged in, to be concentrated in?

None of these problems are addressed in the President's plan. Meanwhile, middle-income families are being priced out of the health care system, and the costs are bankrupting families, businesses, and if we do not stop, the average American families are going to be paying more and more for less and less coverage.

The President's plan will do nothing, nothing to address these basic health care problems faced by most families. The absence of cost control is not the only glaring omission in the President's proposal. The President says he wants to give low-income families a $3,750 tax credit, a plan that would exclude most middle-income Americans. The full benefits of the President's tax credit would only be available to families at 50 percent of the poverty level. And even if the full tax credit were available to middle-class families, it would only pay for a fraction of the cost of health care.

For instance, a family of four with an income of $28,000 would receive about $500 under President Bush's plan. But everybody knows that health care costs, as I said earlier, have risen from $2,500 for a family of four in 1980 up to about $6,500 today. The President gives them $500.

With insurance costs rising at about 14 percent per year, this halfway measure would provide even less coverage with each passing year.

With the tax credit that is too small and no curb on future growth of premiums, how can the President claim he is providing coverage for all Americans? It is beyond me. What does his plan do about the other major problems, as I mentioned earlier; those of job loss, for example? Nothing.

Long-term care for our parents and grandparents who need it? Nothing.

Most important, his plan does nothing for middle-income families who live in constant fear they will lose their health insurance. It does not give our families the peace of mind that comes with guaranteed health insurance coverage.

Instead, the President's plan takes care of his own, the doctors, the insurance companies, the health care providers, those who simply gobble up his meager tax credits, without making the necessary reforms; no assurances, no assurances that there is going to be any control on costs.

□ 1620

Where will the President find the $100 billion to pay for his misdirected tax credits? Well, he did not say. He did not say.

Now I ask my colleagues: Is that responsible leadership? He proposes a patchwork response to a comprehensive problem and then calls on someone else to find the money to pay for it. He gives us a menu of things. "Pick it out." What kind of leadership is that?

Mr. Speaker, we need someone to step up to the plate, outline the problem, tell us where he needs to take the country or where we should be going, provide the means to restructure and to finance through premiums, if necessary, to get the job done. We need a national health care plan that will control cost so that it never increases more than wages. We need a plan that will make sure that no job—no job—is without health insurance. We need a plan that will insure that we can choose—choose our own doctor—and a plan that will include long-term care, a plan that will improve the quality of all Americans, not just for us here, not just for the middle class, but those people in Detroit who have got to worry about that staggering, disgraceful infant mortality rate, a plan that reforms the network of insurance companies, and drug companies, and doctors so that they cannot charge $48 for Ativan here when it is sold in Canada for $7.50, and we need a plan that passes the savings on to the patient.

This Nation, Mr. Speaker, American families, paid a tremendous price for our failure to act in the Reagan-Bush years. The status quo is no longer working, if it ever did work. We need change, we need fundamental change, we need change that addresses the basic structure of the major problems in this country.

It is time for that change. Each day we delay, the costs rise, and I implore my colleagues, when we are finished, and we will be finished soon with the tax proposal to provide middle-income Americans with dollars for their pocket, and hopefully jobs, that we get on to this most important ingredient in healing the wounds that are so abundant in America in health care.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 330

Mr. BUSTAMANTE. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor from the bill (H.R. 330).

The SPEAKER pro tempore (Mr. RAHALL). Is there objection to the request of the gentleman from Texas?

There was no objection.

SALUTE TO THE PROUD AND PERSEVERING PEOPLE OF LITHUANIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. RUSSO] is recognized for 60 minutes.

Mr. RUSSO. Mr. Speaker, a year ago this month the Soviet Union was conducting military maneuvers in illegally annexed Lithuania. The Soviet Union had cracked down on the Lithuanian independence movement usurping Government buildings and communications services and declaring invalid a Republic-wide nonbinding ballot on independence. In January of last year, 14 people were killed and 200 injured when Soviet troops stormed a television tower in Vilnius, Lithuania's capital. It is a great blessing to see the transformations that have occurred in Lithuania, the other Baltic Republics, and the Soviet Union over the last year.

Now, 12 months later, a free and independent Lithuania is fielding a four-person team at the winter Olympics under their own tricolored flag. The national flag of Lithuania has three horizontal stripes of equal width—yellow, green, and red. The yellow is representative of the fields of ripening rye or wheat, symbolizing freedom from want; green is for the beautiful evergreen forests of Lithuania, symbolizing hope; and red symbolizes the blood shed for freedom. Although the display of this tricolored flag was illegal throughout the 50-year Soviet occupation of Lithuania, every Lithuanian believed in the freedoms and inspiration represented in that flag.

For many decades Americans have paused at this time of year to glory in Lithuania's 22 years of self-rule and express the fervent hope that Lithuania would someday be a free country again. Although a country barely the size of West Virginia, Lithuania has had no vacation from pain and suffering over the last 50 years. Soviet tyranny has cost many lives, broken up families, and imposed economic hardships on many Lithuanians. Yet their suffering has never been forgotten and the perils facing Lithuanians every day during their illegal annexation has been remembered each year on February 16, Lithuanian Independence Day.

While the Lithuanians may have been physical captives of their Soviet occupiers, the Soviets could never capture the dreams so deeply imbedded in Lithuanian hearts. The thirst for freedom cannot be quenched and the collective voice of the Lithuanian people could not be silenced.

This year for the first time in 50 years, Lithuania is truly free. And for the first time since 1941, Lithuanians can actually celebrate their freedom and their opportunity for self-rule under a constitution which recognizes the freedoms of speech, religion, and communication. While the tremendous personal tragedies suffered by the Lithuanian people, along with the countless repressive acts and tyrannical nature of the Soviet Union cannot be erased, this year's commemoration provides hope, inspiration, and celebration for the future of Lithuania. In the past we in the United States and others around the world have sent a message of support and brotherhood to the captive people of this Republic on Lithuanian Independence Day. Today we thankfully send our heartfelt congratulations to the brave citizens of an independent Lithuania for their perseverance, their strength, their devotion to democratic principles, and their peaceful transition to democracy.

Throughout Lithuania's occupation, the United States Congress has strongly supported the Lithuanian people's valiant struggle for independence. Our recognition of Lithuanian independence was important not only to Lithuanian-Americans, but to the Lithuanian people, serving as a symbol of our support for the Lithuanian people's just aspirations for freedom and independence. Evoking an image of a similar, bold, proud, and courageous declaration at the beginning of our own Nation over 200 years ago, their subjugation served as a clarion to the American people, heralding messages of support for the Lithuanian people's basic right of self-determination and messages of condemnation to the Soviet Government for their subjugation of an independent republic.

To demonstrate the Congress' support for and celebration of Lithuanian independence, the House Foreign Affairs Committee today approved House Concurrent Resolution 239. This bill, which I authored, congratulates Lithuania and its people for their successful peaceful revolution and their continuing commitment to the ideals of democracy. Our support for the Lithuanian people cannot end here, however. Many Lithuanian-Americans are upset because they cannot yet receive their Social Security checks in Lithuania. I have contacted the State Department and will be working with the State Department and the Lithuanian Government to settle this problem as quickly as possible. I ask those of Lithuanian-American extraction to join me in contacting their Lithuanian leaders in an effort to solve this problem.

Two years ago in a speech I gave right here on this floor, I remarked that it was once written that: "The greatest glory of a free-born people is to transmit that freedom to their children." For those who were born free in Lithuania and then forced under Soviet control, this dream has finally come true. From now on, every free and independent Lithuanian citizen will be able to give the gifts of freedom, choice, and self-determination to his or her children. A nation cannot ask for a more basic right.

Mr. Speaker, I salute the proud and perservering people of Lithuania.

Mr. ANNUNZIO. Mr. Speaker, for many years I have joined with my colleagues each February to commemorate Lithuanian Independence Day. In the past, this event has dramatized our support for those Lithuanians who longed to cast off the yoke of Soviet totalitarianism.

We now may look upon these earlier meetings and say, "What a difference a year makes."

Lithuania today is free and her people have begun a noble effort to rebuild their homeland after nearly 50 years of Soviet exploitation. The challenges the Lithuanians face are enormous, but the task before them is a labor of love because the people are now in control of their own destiny.

I must confess that at the height of the cold war, there were times when I wondered if we would ever see the return of freedom to Lithuanian. I am now delighted to note that Soviet rule in Lithuania collapsed last August following the attempted coup against the central government.

You will recall, however, Mr. Speaker, that just 1 year ago Members of this Congress were grappling with a desperate situation in

Lithuania. Soviet tanks were stationed throughout the country, and storm troopers in black berets were wreaking havoc on innocent people. At least 14 people died in Lithuania during peaceful protests in January 1991, and the threat of renewed bloodshed hung over the country like a pall.

Today, the Lithuanians have begun the task of consolidating their democratic gains by making plans for a new constitution. We must never forget the sacrifices that made this possible. And as Lithuania makes progress in areas ranging from international trade to competition in Olympic sports, it is fitting for us to pay tribute to those heroes who helped restore Lithuania's freedom.

As supporters of Lithuania's drive for independence, the United States has an obligation to nurture Lithuanian democracy and to assist in her economic reconstruction. Lithuania needs American logistical and technical help so she can begin revitalizing her economy. And to survive a difficult winter, Lithuania needs expanded shipments of food and medicines from the United States. American industries can help by expanding trade links with Lithuania. The country has a well-educated work force that is eager for joint ventures with U.S. firms.

Mr. Speaker, the United States of America stood by Lithuania throughout her long struggle against totalitarianism. Now we must recommit ourselves to helping her establish democracy. A half-hearted effort would dishonor the memory of those who risked all during Lithuania's struggle for freedom.

Ms. OAKAR. Mr. Speaker, I would like to thank Congressman RUSSO for organizing this special order to congratulate the courageous people of Lithuania on achieving true independence.

On February 16, 1918, Lithuanian delegates proclaimed their independence. For a full generation, Lithuanians enjoyed freedom and independence. When the Red Army occupied the Baltic States in 1940, we refused to recognize their incorporation into the Soviet Union. The Soviet annexation of the Baltic States—the result of a cynical deal between Stalin and Hitler—was enforced with mass arrests, deportations, and executions. The Lithuanian people resisted courageously. Just a little over a year ago tanks rolled into Vilnius and Soviet paratroopers killed and wounded brave Lithuanians who were guarding their parliament.

But the Lithuanian people didn't give up; and the Lithuanian people's movement, Sajudis, continued onward with their nonviolent campaign for democracy and independence, despite an economic blockade and armed assaults on their border posts.

For more than 50 years, Congress remained united in our support for Lithuania's right to self-determination and in our opposition to Soviet occupation. Today, we congratulate them as they celebrate their independence day.

Mr. GUARINI. Mr. Speaker, for over half a century, Lithuanian Independence Day was a day to gather together to gain strength in the face of sadness and adversity as Lithuanians struggled to cope with the Soviet occupation of their homeland. Today, Lithuanian Independence Day is a time for celebration, for finally Lithuania is free from the yoke of Soviet oppression—free to pursue its own destiny. At long last, its people are free to live under their own government, their own laws, and their own religion. In 1992, Lithuanian Independence Day is truly a time to rejoice.

The history of the Lithuanian people is marked by a struggle against oppression. Lithuania was an independent state for over 500 years, from 1251–1795. In 1795, Lithuania was conquered by the czar of Russia. Having developed a deep cultural and political identity which could not easily be crushed, Lithuanians struggled for over a century for independence, mounting repeated rebellions against the Russians. They finally succeeded in overthrowing Russian rule on February 16, 1918, and temporarily won their freedom. That day, a council of Lithuanian leaders proclaimed their country's independence—temporarily freeing themselves from oppressive Russian rule. After their victory, the February 16 has been set aside as the day to commemorate Lithuanian's national and cultural identity.

However, there were to be dark times ahead for Lithuania. As a people they would mourn, instead of celebrate on February 16. On August 3, 1940, the U.S.S.R. technically incorporated Lithuania into its union, and so began another period of pain and subjugation. Lithuanians were to suffer under the Soviet dictatorship for almost another 50 years, deprived of freedoms of religion and speech, and their basic human rights. In March 1990, Lithuania became the first of the Baltic Republics to declare independence.

To remember their heroic struggle, many people of Lithuanian descent attended a special mass in my district on February 16. This mass, in honor of Lithuanian Independence Day, was conducted in the Lithuanian language by Reverend Monsignor Dominic Pocus at the Our Lady of Sorrows Lithuanian Roman Catholic Church in Kearny, NJ. At the service, a wreath was placed at the church's wayside cross. Erected approximately 30 years ago, this cross is a full-sized, about 30 feet tall, hand-carved replica of the crosses used in Lithuania to mark prayer sites along roadways.

After the laying of the wreath, a celebration was held at the Kearny town hall park where the Lithuanian flag was raised, and the Lithuanuan national anthem was sung. In addition to celebrations like this which were held all over the country, on February 23, Lithuanian-Americans from New Jersey will hold an independence day celebration at the Lithuanian Catholic community club, also in Kearny, NJ.

I would like to join together with my distinguished colleagues and Lithuanians all over the world in celebrating Lithuanian Independence Day. This year, all Lithuanians will celebrate their independence and freedom. Lithuanians will also face many challenges in rebuilding their country's economy and seeing that Soviet military forces are properly and quickly removed from their territory. However, knowing of the many struggles they have overcome throughout their history, I am confident that Lithuanians will succeed in their efforts to build a strong, vibrant country. As one would say in Lithuanian, I wish them sviekas or best wishes on the glorious road they will travel ahead.

Mr. COUGHLIN. Mr. Speaker, I am pleased to take the opportunity of today's special order commemorating Lithuanian Independence Day to note the dramatic positive turn of events that has taken place in that nation over the course of the last year.

One year ago, Mr. Speaker, those of us who take an interest in the affairs of Lithuania were expressing our grave concern about developments that were occurring there, the most egregious of these being the use of Soviet Interior Ministry troops—the so-called Black Berets—to suppress the newly resurgent democratic movement in Lithuania. With a deep sense of outrage, we condemned the repressive actions of Soviet hardliners who sought to reimpose Stalinist rule in the wake of the first truly democratic elections in Lithuania in 50 years.

What a remarkable series of events has unfolded since that time. The Soviet Union, its Communist Party, and the corrupt and cruel security apparatus that was their underpinning, utterly collapsed—though not before a venal group of conspirators sought to turn back the clock and reimpose the rule of the gun one last time. Lithuanians, who clashed with Soviet central authorities over holding a national referendum on independence just last February, suddenly found themselves free from the clutches of Soviet power when, 8 months later, the Soviet State Council had no choice but to face reality and recognize Baltic independence.

Today, Lithuania is a vibrant parliamentary democracy, committed to a market economy and the strictest respect for human rights. Freedom of speech, the press, assembly, association, and religion have been guaranteed. Under the leadership of Vytautus Landsbergis, the courageous and able statesman who presides over the affairs of his nation, Lithuania has been rightfully restored to its place as a full participant in the family of nations.

Though the proud people of Lithuania have succeeded in reasserting their independence, much remains to be done there. The former Soviet-orchestrated command economy has left Lithuania, like the other former Soviet republics, in economic tatters. Lithuania is in better economic condition than most of the other ex-Soviet Republics, but that is not saying much.

Along these lines, I am pleased to note that President Bush has taken steps to assist Lithuania in its efforts to get back on its feet and assume its proper place in the world. He has established a Peace Corps Program in the Baltic States, and has granted them most-favored-nation trading status. He has also provided United States technical, medical, and other humanitarian assistance for Lithuania and has called for making Lithuania eligible for further assistance under the Support for East European Democracy [SEED] Program.

More can and will be done in the future. I am confident that the Congress will support continued efforts to assist Lithuania. Not the least of these efforts should be a renewed commitment to see all remaining Red army troops withdrawn from Lithuania and her Baltic neighbors at the earliest possible time.

Mr. Speaker, it is just and fitting, given the historic events of 1991, that we now pay tribute to those brave Lithuanians who refused to back away from the many grave challenges posed by the former Soviet regime—including those Lithuanian heroes who paid the supreme sacrifice in seeking to make their nation free.

I would be remiss, however, if in closing I did not also mention the many Lithuanian-Americans who worked diligently for many years to keep the attention of this nation and the world's other democracies focused on Lithuania's plight. They refused to give in even in the darkest times, and their good work kept the flame of hope burning brightly for millions of their brothers and sisters in Lithuania. They, too, deserve great credit for the happy and wondrous outcome that has occurred in their ancestral homeland.

Mr. ATKINS. Mr. Speaker, I rise today to commemorate the rebirth of Lithuanian independence, and to congratulate the people of Lithuania for their brave efforts toward self-determination.

Each year in February, a contingent of Lithuanian-Americans meet in front of city hall in Lowell, MA, to raise the yellow, green, and red colors of their homeland's flag to honor the Republic's Declaration of Independence in 1918. This year marks the 74th anniversary of that declaration and the 1st anniversary of Lithuania's newly found freedom in the post-Soviet era. Last Sunday, the Lithuanians in Lowell marked this important event by once again raising the Lithuanian flag in front of city hall.

In February 1918, the modern Republic of Lithuania was born, complete with a peace treaty and a nonaggression pact with the Soviet Union. From 1939, until late last year, Lithuania has been occupied by outside forces, from the Nazis to the Soviets. In March 1990, the Lithuanian Parliament declared the reestablishment of its independence, and this was bolstered by 90.5 percent of Lithuania's voters last February.

A year ago at this time, Soviet black beret forces in Lithuania and Latvia left over a dozen civilians dead. At that time, Lithuania was under a state of seige: Concrete barricades protected the parliament buildings; tanks were pointed at publishing houses and television stations; and the leaders and people of that fragile democracy were desperately seeking help from the West. We all shared the hopes of the people of Lithuania for freedom and independence. We passed resolutions and wrote letters in support of Lithuania's freedom. But who among us would have guessed that a year later, we would be seeing the Lithuanians participating under their own flag in the Olympic games?

Lithuania, along with the neighboring Baltic States of Estonia and Latvia, now faces the tremendous task of restoring itself from five decades of Soviet dominance. Lithuania must now work to restore its economy and its environment. And we in the West will quite rightfully continue to follow through with our promise to support democracy by providing the necessary technical assistance to the Baltic Republics.

Mr. RINALDO. Mr. Speaker, Lithuania proves that a proud and determined people can end foreign domination. Last year at this time, Vilnius was under virtual siege. Soviet forces occupied the television station, and killed many civilians in the process. An economic blockade cut off almost all of Lithuania's imported energy and raw materials, and a number of factories were forced to close. It appeared to be only a matter of time before Soviet troops moved against the Parliament building and overthrew the Government of President Landsbergis.

However, Lithuania still refused to submit. Despite constant Soviet economic and military pressure, Lithuania continued to defy Moscow and to demand her right to rejoin the free world.

Today, we see the results of Lithuania's courage. The Soviet Union is gone, and the Republic of Lithuania has regained its historic independence. It is recognized internationally, and it is a member of the United Nations. Foreign troops are rapidly leaving the Republic, and both an American Embassy and a Russian Embassy have opened in Vilnius.

As a consistent supporter of Lithuania, I am proud to join my colleagues today in saluting the first Lithuanian Independence Day since the end of the Soviet occupation.

Lithuania has a proud heritage dating back over 1,000 years. At one time, she was the predominant power in the Baltic region, but lost her freedom after being defeated in a series of wars with Russia and Sweden. Despite brutal repressions, the Russian Empire's attempts to stamp out Lithuania's language and culture failed.

On February 20, 1918, the renewed Republic of Lithuania was proclaimed. Unfortunately, that independence only lasted 22 years, because on August 3, 1940, Soviet troops again crushed Lithuania's freedom and renewed her subjugation to Moscow.

In the next few years, scores of Lithuanian patriots were summarily executed, and thousands of her citizens disappeared into a Siberian exile from which few ever returned. Stalin again tried to eliminate the Lithuanian language and replaced the exiled Lithuanians with thousands of Russian colonists.

However, this effort failed, and the Republic of Lithuania proclaimed its resumed independence on March 11, 1990. Despite the best efforts of the Soviet Union, the Lithuanian people's will to be free could not be crushed by economic boycotts or military threats.

Mr. Speaker, freedom is not a gift. It must be earned and constantly defended. The people of Lithuania have worked, and suffered, and died for the rights that many of us in the United States take for granted.

Lithuania reminds us that freedom is the most precious possession of any nation, and is worth whatever sacrifices are necessary. I am proud to salute the Lithuanian people on their Independence Day, and to pledge my continued support to the free and independent Republic of Lithuania.

Mr. DWYER of New Jersey. Mr. Speaker, I would like to thank my friend and colleague from Illinois, the Honorable MARTY RUSSO, for taking time today to focus on Lithuanian independence.

For those of us who have participated in these special orders in past years, we are acutely aware of the difference in this year's tone.

Today, there is no more Soviet Union. There is a Commonwealth of Independent States which is totally absorbed with resolving its own internal framework.

It is difficult to believe the scope of things which have happened inside the Soviet Union in less than a year. Last year Lithuanians went to the polls and voted overwhelmingly for freedom as an independent and democratic state. Within a few months of those elections, Congress was pushing the administration to formally recognize Lithuania. By early September, the President had, indeed, extended full diplomatic recognition to the Lithuanian Government.

The people of the former Soviet Republics are now negotiating with other governments on an equal footing and have successfully taken their place in the international community as a free society.

It is a great pleasure, Mr. Speaker, to be able to stand here today and see that the fruits of our labors have been rewarded. The persistence and dedication of Lithuanians to be free will certainly be a beacon of hope to those nations still enjoined in their struggle.

Mr. MCGRATH. Mr. Speaker, I rise today on behalf of the thousands of Lithuanian descendants in my district to recognize Lithuanian Independence Day.

Since I came to Congress nearly 12 years ago, our annual plea for Lithuanian independence has fallen on deaf ears. Now, however, our cries have paid off. The events of the past year in the former Soviet Union have led to the crumble of communism and dictatorial rule in the Baltics. I am proud that this year, unlike years past, we can truly proclaim that Lithuania is free.

For more than 45 years, Lithuania was incorporated into the Soviet bloc. The hardships and religious persecution that plagued the people of Lithuania were unmeasureable. Lithuania, however, was never a stranger to repression. In 1795, Lithuania was annexed by Russia and came under complete Russian domination. While World War I took a great toll on Lithuania, independence was proclaimed on February 16, 1918. Independence, however, was short lived. In January 1919, the Red Army entered Lithuania and installed a Communist government. Independence was soon settled with Moscow but Lithuania again fell to Soviet occupation in 1944.

The United States has always recognized Lithuanian independence and has supported efforts to restore basic human rights in that area. As we celebrate a genuine Lithuanian Independence Day here in the House of Representatives, let us remember those who gave their lives in the name of freedom. In addition, it is paramount that we continue to unequivocally support the free Government in Lithuania. Maintaining stability and credibility will be an enormous task for the Lithuanian Government over the next several years. Lithuania must always know that they have a trusted friend in the United States, a friend who will continue to assist them in their striving for democracy.

Mr. LAFALCE. Mr. Speaker, on February 16, 1918—74 years ago—Lithuania declared its independence from Russia—which had ruled Lithuania since 1795—and from Germany—which had occupied Lithuania during World War II. Though that date has remained in the hearts of the Lithuanian people as the anniversary of their country's independence, sadly, that moment of triumph was not in reality long lived.

For 22 years, Lithuania clung to its sovereignty, through surely without a sense of security and permanence. For its neighbors, Lithuania was a territory with strategic value and economic assets, not a budding democracy with a long, proud, and distinct cultural heritage. It was a pawn that could be used for geopolitical bartering, not a homeland to its people.

After retaking Lithuania in 1944, Moscow sovietized Lithuania's economy by nationalizing industry and imposing collectivization on the agricultural sector. It banned Lithuanian religious traditions and substituted Russian for Lithuanian in classrooms and as the official language of the state. It administered governmental operations from the Kremlin and outlawed all political organizations except the Communist Party.

In spite of this, the Lithuanian spirit, culture, language, and—most important—hope for independence survived. As a result, when the political climate afforded an opportunity in March 1990, Lithuania declared full independence from the Soviet Union.

As before in its history, however, independence was not simply there for the taking, and well over a year of uncertainty passed before the Soviet Union recognized Lithuania as a sovereign state.

Their sovereignty is now secure, but the years ahead will be difficult for the people of Lithuania. This time, however, their struggle will not be in fending off those who would eradicate what we value. Rather, it is the struggle that so often accompanies the birth of a democracy. It is the struggle to rebuild political institutions and economic systems and to bring to the citizens the privileges and responsibilities of freedom.

I am sure all of my colleagues join me in wishing the people of Lithuania peace, prosperity, and liberty, and in pledging to do all that we can to ensure that this is what their future holds.

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to congratulate Lithuania on the recent celebration of its independence. The Lithuanian people have struggled for their right to freedom and self-determination for much of this century, despite the hardships of imposed Communist dictatorship and the repression of their culture. The Lithuanians' impressive, nonviolent resistance against foreign rule makes their independence especially significant to Americans. Czechoslovakia may have had a velvet revolution, but Lithuania had a singing revolution.

On February 16, 1918—nearly 75 years ago—200 Lithuanian delegates first declared that their country was independent and that their Government would be based upon democratic ideals. It is for this reason that February 16 is considered to be Lithuania's true Independence Day.

In 1939, the now infamous Molotov-Ribbentropp Pact marked the beginning of foreign rule in Lithuania a short 21 years after their declaration of independence. The people of Lithuania were subjected to 51 years of oppression and suffering under the former Soviet regime.

Despite the power of the former Soviet Union, the Lithuanians courageously resisted Communist dictatorship by mobilizing and forming Sajudis, a nonviolent movement for social and political change. Through citizen action, Sajudis promoted a peaceful transition to independence and democracy by participating in the first democratic election in Lithuania in over 50 years on February 24, 1990. The Lithuanian people, declaring the restoration of Lithuania's independence and the establishment of a democratic state on March 11, 1990.

For over 17 months, the Lithuanians persevered in the building of a democratic government under conditions of economic blockade and armed assault. In January 1991, the Lithuanians withstood a bloody assault by Soviet troops that brought worldwide attention to their plight.

Mr. Speaker, the tenacity in their fight for freedom of the Lithuanian people under these severe circumstances is worthy of great praise, and I am proud to extend my sincere congratulations to the people of Lithuania as they celebrate their renewed and hard-won independence.

Mr. ROE. Mr. Speaker, I rise today to join my colleagues in a tribute to Lithuanian Independence Day, February 16, 1992.

I join today with Lithuanians who have regained their freedom after years of foreign domination and suppression, and with my many Lithuanian-American friends residing in my district, in the State of New Jersey, and in the United States, and with all Americans in saluting Lithuania on its successful, but painful efforts in achieving independence and freedom.

On March 11, 1991, the former Soviet Republic of Lithuania, located on the shore of the Baltic Sea, declared its independence from what was then the Soviet Union. With the tidal wave of democracy that swept across Eastern Europe, Lithuania's declaration of independence was by no means startling. It was quite natural that they should have wished to free themselves from the dark days of Communist government and Soviet bloc oppression and to take pride in their freedom and national identity. Since then, and following Soviet persecution and killing of Lithuanian citizens, Lithuania has achieved independence, is recognized as a free state, and the Soviet Union is no more.

Mr. Speaker, the successful drive for Lithuanian independence reminds one of America's efforts to free itself from British colonial rule in the 18th century. Americans were discriminated and persecuted by the British then, as the Lithuanians were suppressed by first the Nazis and then the Soviets. The colonies rose up in revolt against the British, as the Lithuanians did against the Soviets. The Communists put trade and other restrictions against the Lithuanians, as the British did against the settlers of colonial America. The American people fought to win their independence, as the Lithuanians have. Indeed, the thoughts of freedom and equality expressed in the American Declaration of Independence have inspired the Lithuanians in their half a century long quest for independence.

In closing, I wish to congratulate Lithuania and the Lithuanians on their Independence Day, and to endorse their successful efforts of having once again made Lithuania a free and independent country.

Mr. DURBIN. Mr. Speaker, I rise today to join my colleagues in extending my congratulations to a country that is commemorating the 74th anniversary of independence, Lithuania. I have celebrated this anniversary with Lithuanian-Americans across the country for more than a decade, but today I do so with a new found joy, for today we are no longer celebrating an independence that was but one that is again.

After 51 long years of Soviet repression, Lithuania and her Baltic sisters, Latvia and Estonia, stand free again. They are the victors of a long but peaceful battle against a brutal communistic regime. They are truly a model to all who seek freedom and democracy.

And yet, sadly, this celebration is marred by continuing memories of the Soviet occupation, for even today, Lithuanians hear the footsteps of troops from the former Soviet Union marching across their soil. Estimates of the number of these troops reach well into the tens of thousands. While many of the troops are recent arrivals from former bases in what was East Germany, the fact is clear that they are trespassing on foreign soil in blatant violation of Lithuania's newly won sovereignty.

As the United States seeks to forge new relations with the Russian Federation and the Commonwealth of Independent States, we have insisted on the dismantling of the former Soviet military machine, respect for human rights everywhere and the development of democratic reforms. Evidence of a commitment to these goals can only be demonstrated by the immediate withdrawal of troops from Lithuania, Latvia, and Estonia.

Today, I congratulate Lithuania on the realization of an independence that has been celebrated for over 70 years, but tomorrow I will continue to press for the removal of the last remaining vestiges of Soviet repression.

Mr. KLUG. Mr. Speaker—

> One Saturday afternoon—it was June 1940—we were going for a walk down the main street of Kovno when suddenly we heard loud noises. From all sides there appeared military tanks. They came across the two bridges over the rivers, they were moving fast. They were closed so we couldn't see anyone. We thought the Germans were coming. We didn't know what was happening.
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> We knew, from the newspapers and radio, that the Germans were trying to take over all of Europe. They had taken Poland, France, everybody, so we thought these were the Germans. Right away panic started. People were running into their homes to hide, especially the Jewish population, because we had heard, we knew, what they were doing in other countries—they were coming in and sending Jews to ghettos, to concentration camps. We thought that if they were coming, that was what they were going to do with us, too. After all, we Lithuanian Jews were no better than any other Jewish population. But as the tanks slowed down and we looked more carefully out our windows, we saw the red stars and knew these were not the Germans but the Russians.

This account of the Russian invasion of Lithuania was written by Harry Gordon in his book "The Shadow of Death, the Holocaust in Lithuania." Harry spent his childhood in Kovno, Lithuania and emigrated to the United States in 1949. He currently resides in Madison, WI, a city at the heart of my congressional district. His book describes his life in prewar Kovno, the Russian invasion, and his experience as a Lithuanian Jew during WWII. It is because of the strength of Lithuanians like Harry Gordon that that nation is once again free.

I am pleased to take this opportunity to commemorate the rebirth of Lithuanian independence. My Wisconsin congressional district has a proud Lithuanian heritage and today I would like to honor the Lithuanian people and their relatives in the United States who have made independence possible. The people of Lithuania have regained their right to self-determination after more than 50 years of Soviet domination and have done this in a remarkably peaceful manner. They deserve our acclamations and congratulations for their resolve.

Now that Lithuania has assumed its rightful place as an independent nation, it will be important to assist in developing the country's economy and culture. Programs such as the Sister City Relationship that was established between Vilnius, Lithuania and Madison, WI will be instrumental in providing assistance and promoting development in that country. Since the program began in 1988, over 250 Lithuanians have come to Madison to participate in cultural events and take advantage of the resources provided by the University of Wisconsin [UW]. In the spring of 1991, I met with a dozen Lithuanian journalists to talk about the things we could do in Congress to guarantee freedom of speech in the then-occupied country. More than 100 residents of Wisconsin have gone to Lithuania to provide assistance with development projects. Professors from the UW lecture at the University of Vilnius and future trips will center on agriculture and construction.

On behalf of all of the residents of Wisconsin's Second Congressional District, I would once again like to extend congratulations and best wishes to the people of the free and independent nation of Lithuania.

☐ 1630

GENERAL LEAVE

Mr. RUSSO. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. RAHALL). Is there objection to the request of the gentleman from Illinois?

There was no objection.

GIVE AMERICAN CHILDREN ACCURATE INFORMATION ON AIDS RISK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I have a couple of subjects I would like to talk to my colleagues about tonight. I hope they are paying attention to some of these things. I think they are very important.

Today on the front page of the Washington Times there is an article that says, "HIV Or Aids Scare Wracks Small Town in Texas." It says:

> There is big trouble in Paradise, in the small Texas towns east of Dallas that have traditionally been a refuge from the drugs, gangs, and gunfire of Dallas. A report last week from tiny Bogota, about 40 miles southwest of where Arkansas, Oklahoma and Texas meet, disclosed that six of the students, high school students, in the 197-member Rivercrest High School had tested positive for HIV, which causes AIDS.

That is 6 out of 197.

The article goes on to say,

> Susan Tabb, president of Rivercrest High School's Drug-Free Youth in Texas Club, said, "Everyone is scared to death. I can't believe it has happened here," she said. "This is really touchy when it comes to dating."
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> Roy Truley, of Texas, a Greenville truck driver who stopped for coffee at the Amadillo Store in Bogota yesterday, reflected matter-of-factly on the new reality in paradise. He says, "All this does is tell the world the AIDS problem is everywhere. We can't run away from it forever."

The reason I bring this to the attention of my colleagues is, we continue to get misinformation about the AIDS pandemic. Young people in high school and even grade school are told that condoms are a panacea for the AIDS virus. They are told that there is such a thing as safe sex. That is an out-and-out lie. There is no such thing as safe sex, outside of a monogamous relationship; none, zero, zippo.

You do cut down your risk. It is like playing Russian roulette with a couple of fewer bullets in the gun, but the fact of the matter is there is still risk in having sex outside of a monogamous relationship or marriage. Young people need to know that.

I am going to introduce legislation that will put a warning on condoms saying, "This is not 100 percent safe. There are risks involved." Young people need to know that.

The other thing is, the CDC has continually told the American people we only have a million and a half people infected. They said that 5 years ago, they said it 4 years ago, they said it 3 years ago, they said it 2 years ago, they said it last year, and before that they told us it was doubling every year to 18 months.

I have talked to scientists in this country who believe we have 4 to 6 million infected. I personally believe that is the figure, but we don't know for sure because the only way you can find out if somebody is infected with AIDS or HIV is to be tested, so probably 98 percent of the people in the country that are infected with AIDS don't even know it, so they are going on continually participating in activities that may have gotten them infected in the first place, and they are going to be infecting others in the future because they don't even know they have it.

The CDC said that we probably have a million and a half infected, and that the epidemic has leveled off. There is no problem any more.

Well, the fact of the matter is, they told us we would have about 200,000 people dead or dying by last year. We projected there would be 250,000 dead or dying by the end of last year, and when they reevaluated their position, the Center for Disease Control in Atlanta, they came up with a new formula that said, "No, we don't have 200,000 or 250,000, we have 300,000 plus that are dead or dying of the AIDS virus." So we are ahead of the projections that we made about 3 years ago on the AIDS virus by leading scientists and people who are using computers to draw graphs to show where we are going.

I believe, according to our statistical data, that we will have 1 million people or more dead or dying by 1996 or 1997 in this country, and the big problem is the people who are going to be hit the hardest in the years to come are the young people who are sexually active today, who are getting misinformation from the Centers for Disease Control and our health agencies.

Most of the universities, and one in my district, Ball State University, did a survey. They found that 80 percent of the college students at that university were sexually active, even though they know of the AIDS pandemic and the HIV problems. I presume that is true of probably every major university in the country, and it is true in high schools. A high percentage of our young people are ignoring the dangers and going on being sexually active.

We are not giving them the right message. We are saying, "Use condoms. That is safe sex." That is not the answer. They have to know that there is risk no matter what you do outside of a monogamous relationship. That has to be driven home very, very clearly.

Here we have, in a very small town in Texas, not a metropolitan area, this is a town 40 miles outside Dallas, and they don't have a high crime rate, they don't have a high drug rate, they don't have gang wars, and they have 6 students out of 197 in the high school who are infected with AIDS. That is a pretty high percentage.

Here in Washington, DC, we just found out that there was a 300-percent increase in the number of teenagers that were infected. It went from, I think, three-tenths or four-tenths of 1 to 1½ percent of the teenage population was infected in Washington, DC, in a 4-year period. That is a 300-percent increase, a 400-percent increase. Yet we don't hear anything about it.

Those young people are the future of America. The future of this country are the young people in high school and grade school and college today. If we have a large percentage of them dying of AIDS in the next decade or two decades, we are going to have a terrible problem not only economically but healthwise in dealing with the health care problems.

The gentleman from Michigan [Mr. BONIOR] was down here just a few minutes ago talking about the health care problems we have in this Nation. We have 1.3 million hospital beds, and if our projections are right and we have over 1 million people dead or dying of AIDS by the late 1990's, the mid to late 1990's, where are you going to put all those people? What is that going to do to health care costs? For each person who gets active AIDS, it costs $90,000 to $120,000. Put a pencil to 1 million people at $100,000 apiece and see what this does to our health care delivery in this country. You ain't seen nothing yet.

Yet CDC continues to say, "There is no big problem. We only have a million and a half infected," which is what they said 5 years ago. They have their head in the sand. They have also been sending out other information that I think is highly questionable.

I called Italy not long ago because I read an article in the paper where two soccer players ran into each other, and one was infected with AIDS and they butted heads and the blood was exchanged, and they both died of AIDS. Our NCAA and our Olympic Committee says there is no danger from people colliding and getting AIDS, it is a very small risk. So I called Italy and I talked to the doctor in question. He says, "There is no question that the person who was uninfected was infected during the collision in this athletic event."

I don't know how many people watch boxing, but I have yet to see a boxing match where blood does not go everywhere. These people are beating each other to death, and if one of those participants has the AIDS virus and he hits somebody else and that blood exchanges, there is a definite risk factor.

In basketball, Isaiah Thomas was elbowed in the head and had to take 40 stitches, and there was blood all over the place not long ago, and you folks know that. You see that in professional athletics, especially in contact sports.

In ice hockey the other day in the Olympics the Swedish player, Sweden's player, high-sticked one of our guys, and there was 40-some stitches in his face. If you looked at that, there was blood all over that ice and everybody had their hands in it. I want to tell you if any one of those people had the AIDS virus and there was an open cut on somebody's hand that was working with them, they are at risk, real risk.

For the NCAA and the Olympic Committee to say, and our professional athletes to say that there is no danger of transmission from contact is just dead wrong. There is a risk. That is why I have said that we need in contact sports, where there is an exchange of blood possible, to have testing so that the people who have the AIDS virus will take precautions and not give it to other people.

I am a great admirer of Magic Johnson. I think his position, the position he has taken in telling people about AIDS, telling young people that the best thing to do is to abstain, but if you are going to have sex, use condoms, and so forth, he is sending the right message by saying "abstain."

□ 1640

But when they were talking about him playing in the All-Star Game, and he was the most valuable player, and I applaud him for that, when they talked about him playing in the All-Star Game they said there was no danger of any communication of the AIDS virus. If he had hit Isaiah Thomas or some other player with his elbow and there were stitches and there was an exchange of blood, there would have been a risk. There is no question about that.

Young people need to know the facts. We need an education program to deal with this problem, particularly where the future of this country is concerned. Young people need to know all the facts, and we need to know the facts in athletics and so on and so forth.

I believe that 97 or 98 percent of the people infected with AIDS do not even know it. I believe there are 4 million or 5 million of them. I believe that the AIDS virus is continuing to spread in a very rapid way, particularly among the young people in this country.

That is borne out when you find that 6 out of 197 kids in a small town high school in a real rural area of Texas get the virus. There is a problem. That is why I say again today to my colleagues, and this is not why I came down here tonight, but I say to my colleagues we need a comprehensive program to deal with AIDS, not some head in the sand approach like we have been taking.

We need education, of course. We need more scientific research, of course. We need to have penalties for people who know they have AIDS and continue to go out and spread it, and there are people like that.

There needs to be psychological help for those who have AIDS, because it is a terrible thing to cope with. We need to protect the civil rights and health benefits and housing rights of people with AIDS so they are not a pariah, are not outcasts like lepers in the old days.

Finally, we need testing. We need a routine testing program in this country so we know where the problem is. If we had a routine testing program, we could find out within a year how bad it is, where it is spreading the fastest, how rapidly it is spreading, who is spreading it, what portion of our population is most at risk. I think it is teenagers and college kids, people in their young formative years. Then we would be able to grasp this problem and deal with it. Right now we are not.

One of the problems that was brought out in this article is they were criticizing the lady who pointed out there were 6 people who had AIDS in this high school out of 197 students. One of the authorities down there said that is the kind of information you are not supposed to give out.

We cannot even tell those kids' parents they have AIDS if they are over 14 years old. Now, that about that. In some parts of the country if a husband has AIDS and he goes to the doctor, and California is one of those States, and the doctor tells his wife that he has AIDS, that doctor is guilty of a crime.

Yet if there is another venereal disease in that community and it is reported to that doctor, that doctor must report syphillis, gonorrhea, or some other disease, to all the health agencies in the State.

If you have AIDS, which is lethal, you cannot even tell the guy's wife he has it without their being a criminal penalty.

We have stood this whole epidemic on its head. This is a pandemic that we have never faced in the annals of world history. It is going to take 10 million people's lives they estimate in the next 5 to 10 years around the world. Ten million in the next decade.

We have to come to grips with it. We need a comprehensive program to deal with it. This small town is one manifestation of the problem.

I submit to all my colleagues in the days and weeks and months to come, in the next 5 or 6 years, you are going to see a lot of young kids coming down with AIDS in areas where you would never have believed it possible. There probably will be very few families in this country that will be untouched by the AIDS virus.

For every person who catches the AIDS virus we know they have it, there are tens or hundreds of others that are infected that we do not know about. They do not know they have it and they continue to spread it in an exponential manner, in my opinion.

So we need to find out where it is spreading and how and so forth. That means we need a routine testing program as the cornerstone, coupled with education, scientific research, and all of the other things I have talked about.

I cannot think of anything that is more important than this. We are talking not just about people of my generation, people older than me, or a little younger than me, but we are talking about the future of America and the world.

We are the leaders in this world in the area of defense, economics, and health care and so forth. One thing we must do is address the most critical problem facing us in the health care area, and that is AIDS.

It is the most critical area because it is insidious. You do not know who has it. We see the top of the iceberg, this high, and underneath it there is a huge amount that you cannot see. That is what AIDS is and we have to deal with it and deal with it in a comprehensive way.

I want to talk about one other thing real quickly. My colleagues who were going to come down here and talk with me about some of the economic problems facing the country are not able to be here so I will not get into a lengthy discussion about that.

I want to talk about health care, which the gentleman from Michigan [Mr. BONIOR] talked about a few moments ago.

The gentleman from Michigan [Mr. BONIOR] and most of the Democrat majority are supporting one of two plans in the area of health care. One of those is called pay or play.

Pay or play is a plan which has received a pretty good amount of popularity in this country. What it does is it allows or mandates that an employer provide health insurance for his employees or put 8 percent or some percentage of his payroll into a side fund to pay for a Government plan.

It sounds good. It sounds like a solution to our problem.

But the real problem is you are going to see discrimination against older employees. They are going to be opting for the younger employee who will not have the health problems or whose problems will be much less of a risk to the financial stability of the country.

I think you are going to see discrimination caused by that. I think you will ultimately end up with a socialized medicine type of approach which they have in Canada.

Socialized medicine is something I do not think the people of this country want. If you look at the Canadian plan, the other plan that many Democrats are supporting, national health care, this is a socialized medicine approach. There are all kinds of horror stories that people in this country ought to really study when they think about a socialized approach to medicine.

There are people up in Canada for bypasses, for kidney transplants, for other procedures, who go back week after week, month after month. They go into the hospital for 6 or 7 days, wait for 2 or 3 days, and keep going back home. Many of them die before they have the procedure.

You do not have that problem here, but we do have problems.

Now, one innovative idea that I would like to just touch on tonight, which I hope my colleagues will look at, is the plan which was originated by an insurance company in my district, the largest individual insuring company in the country. It insures individuals, not corporations, primarily. So they are the largest insurer of individual policy holders in the country.

They suggested this plan, and it was embraced by William Raspberry, one of the liberal columnists in this town, because he said it was a commonsense approach to solving the problem.

Most people in this country spend about $4,500 a year or their company pays $4,500 a year for their health insurance. What happens is when people get a health insurance program that is comprehensive, they go out and, if they have a problem in their family, their kids have a bad cold or a cut finger or something, they go to the doctor because they have first dollar coverage.

There is no incentive for them not to go to the doctor because they have first dollar coverage. If it was their money they would evaluate whether or not they should really go to the doctor every time they have a problem like this.

So what Mr. Pat Rooney, the chairman of the board of this company, is suggesting is instead of paying $4,500 for comprehensive health care, you start off with a $3,000 deductible, for instance.

Now, that $3,000 deductible is covered by $3,000 of the premium. What you do is you say the first $3,000 is the employee's concern, but we are going to put $3,000 into an escrow account to cover that $3,000 deductible every year.

Now, that is the employee's money. If his child or he gets sick and they go to the doctor, they take the money out of that escrow account to cover the deductible.

Let us say at the end of the year they have spent $500 or $1,000. The remainder of that money that is in that escrow account is in their pocket. They keep it. They pay taxes on it, but it is their money.

So there is an inducement for them to evaluate their health care provider and doctor and whether or not they ought to go to the doctor themselves. They are not going to go there for every little procedure, which is very costly.

The administrative costs for small claims is about 35 percent. That is what most health care insurers will tell you.

What you do is cut out a lot of the small claims and paperwork in the health insurance industry and give people the $3,000 to cover their deductible. If they spent it for health care, they have the money to pay for that $3,000 deductible. If they do not spend it, it is in their pocket at the end of the year.

□ 1650

I guarantee you, if people know that it is their money they are going to be careful how they spend that because they will know they have that at the end of the year. Then if you take the other $1,500 of the $4,500 and you buy a million dollar excess policy that will give you first dollar coverage above the $3,000 all the way up to $1 million, and you can do that for that amount of premium in most cases. You certainly can, if you evaluate this on a nationwide basis.

The Rooney plan that I am talking about, which we will be looking at in the weeks to come, if it is adopted nationwide, would cut down those people who are uninsured right now down to about 7, or 8, or 9 million people. They would still be covered by Medicaid and Medicare, but the preponderance, the vast majority of the people of this country would have a plan that gives them coverage, better coverage than they have right now.

If they do not spend the money, they put it in their pocket, and they are covered up to $1 million with an excess insurance policy over the $3,000 deductible, which they can put in their pocket if they do not spend it at the end of the year.

That is one answer to the health care problem, but I do believe that it is a much preferable approach than the socialized medicine approach which they have in many countries in the world which has not worked.

If you think socialism works in any form, look at all of the Eastern European countries that were under this heel of communism. They all had socialistic systems, they had socialized medicine, government control over everything. And one can see, they are running as fast as they possible can away from socialism. And we in this country in a very critical area, health care, should not be running toward socialism.

Granted, we have health problems in this Nation, but the socialism approach is not the right one. We need to have quality health care. We have that in this country. We need to tinker with the system to get it corrected, and I think the Rooney approach is the right one. Make people responsible and accountable for the spending of their health care dollars, but I do not believe we need socialism.

I would like to say to my colleagues tonight, we need a comprehensive program to deal with AIDS. We need a realistic approach to solving our health care problems, and we can do it. All we have to do is get down to brass tacks and work together, and we can get this job done.

THE PHONY MIDDLE CLASS TAX CUT

The SPEAKER pro tempore (Mr. RAHALL). Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, I think it is important for the American people to listen to the rhetoric that has been emanating from New Hampshire over the last several months, particularly to listen to one gentleman who is extraordinarily honest. And that is Paul Tsongas, the present Democrat front runner for the Presidential nomination.

Mr. Tsongas has looked honestly and candidly at the so-called package for economic growth and jobs that has been offered by the Democrat leadership in the House of Representatives. What has he said about this package? Well, very simply, he said that he would veto that package, if in fact it was placed in front of him, and he was President of the United States.

I think that says 2 things. It says a lot about Mr. Tsongas' honesty, which obviously has appealed to the voters on the Democrat side in New Hampshire. But it also says a lot about this phony package that has come from the Democratic leadership.

At a time when unemployment is going up, when the American people are looking forward to leadership from both the President and the Congress and looking forward to a partnership being formed between Democrats and Republicans in working for a common goal, that is to pull us out of the recession, put people back to work, it is sad that we see on the Democrat side of the aisle not an attempt to work with the President of the United States but rather an attempt to make a political statement while pretending to work with him but make a political statement in offering up a package that is not realistic and that will not create jobs.

How sad that we tell the American people that jobs is our No. 1 issue and our No. 1 goal and then we, when I say "we," I am talking about the Democrat leadership and the members of the party that support that particular package, then offer up a package that their Presidential front runner says is so phony that he himself, the Democrat front runner for President, would veto.

If we look at the elements of that package, I think it is clear why Mr. Tsongas has been so honest and so candid with the American people.

We have this 1 percent cut in corporate taxes. That will have, according to the analysts that have studied this package, a trivial effect or a negligible effect with respect to stimulating the economy. It does not do anything good.

With respect to the so-called middle class tax cut, the $300 or so per year that the Democrats would give to the American people, the middle class families, Mr. Tsongas said it very well. He said:

> These people want a job. They don't want a 60 cents a day handout from the Democrat leadership. They want a job, and nothing in that middle class tax cut goes toward creating jobs in America.

Now, President Bush understands what it takes to create jobs. It takes motivating the people who have money. And we all have to acknowledge that blue collar workers cannot hire themselves. They cannot hire each other. But the people who have the investment capital in this country have to be motivated to turn loose that capital, to put it to work, to invest it, to create construction, to create manufacturing operations, to create jobs so that American families can sit down around the breakfast table knowing that their breadwinner or breadwinners are employed, can look forward to employment, that their children can go to school, can look forward to a college education, that they can buy a house and a car and fulfill their part of the American dream.

Mr. Bush realizes this and that is why he put forward a package that had a capital gains tax cut. It is interesting that even the Democrats that have been trying to create this class war with the President for the last several years now acknowledge, yes, we do need to motivate investors in America to start the wheels of American industry turning to start those factories working, to start those construction projects by motivating people who have money, investors who have money and employers who have money to turn loose with that capital. And that is the package that the Republicans have offered.

It is an honest package, and it goes toward economic growth. And that is why the American people trusted a Republican President for the last 12 years or so, because they know that the Republican idea of creating growth and thereby creating jobs is a sound one. And this phony idea of creating a class war by putting together some phony so-called middle-class tax cuts is just what Mr. Tsongas called it, phony.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEARS 1992–96

(Mr. PANETTA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PANETTA. Mr. Speaker, on behalf of the Committee on the Budget and as chairman of the Committee on the Budget, pursuant to the procedures of the Committee on the Budget and section 311 of the Congressional Budget Act of 1974, as amended, I am submitting for printing in the CONGRESSIONAL RECORD the official letter to the Speaker advising him of the current level of revenues for fiscal years 1992 through 1996 and spending for fiscal year 1992. Spending levels for fiscal years 1993 through 1996 are not included because annual appropriations acts for those years have not been enacted.

This is the third report of the 102d Congress for fiscal year 1992. This report is based on the aggregate levels and committee allocations for fiscal years 1992 through 1996 as contained in House Report 102–69, the conference report to accompany House Concurrent Resolution 121.

The term "current level" refers to the estimated amount of budget authority, outlays, entitlement authority, and revenues that are available—or will be used—for the full fiscal year in question based only on enacted law.

As chairman of the Budget Committee, I intend to keep the House informed regularly on the status of the current level.

COMMITTEE ON THE BUDGET,
Washington, DC, February 18, 1992.

Hon. THOMAS S. FOLEY,
Speaker, U.S. House of Representatives, Washington, DC.

Dear Mr. Speaker: To facilitate enforcement under sections 302 and 311 of the Congressional Budget Act, as amended, I am herewith transmitting the status report on the current level of revenues for fiscal years 1992 through 1996 and spending estimates for fiscal year 1992, under H. Con. Res. 121, the Concurrent Resolution on the Budget for Fiscal Year 1992. Spending levels for fiscal years 1993 through 1996 are not included because annual appropriations acts for those years have not been enacted.

The enclosed tables also compare enacted legislation to each committee's 602(a) allocation of discretionary new budget authority and new entitlement authority. The 602(a) allocations to House Committees made pursuant to H. Con. Res. 121 were printed in the statement of managers accompanying the conference report on the resolution (H. Report 102–69).

Sincerely,

LEON E. PANETTA,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1992 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 121

REFLECTING COMPLETED ACTION AS OF FEB. 14, 1992

[On-budget amounts, in millions of dollars]

	Fiscal year 1992	Fiscal years 1992–96
Appropriate level:		
Budget authority	1,269,300	6,591,900
Outlays	1,201,600	6,134,100
Revenues	850,400	4,832,000
Current level:		
Budget authority	1,276,896	NA
Outlays	1,207,449	NA
Revenues	853,364	4,829,000
Current level: over (+)/under (−) appropriate level:		
Budget authority	+7,596	NA
Outlays	+5,849	NA
Revenues	+2,964	−3,000

Note.—NA=not applicable because annual appropriations acts for those years have not been enacted.

BUDGET AUTHORITY

Any measure that (1) provides new budget or entitlement authority for fiscal year 1992 that is not included in the current level estimate for that year, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 121, to be exceeded.

OUTLAYS

Any measure that (1) provides new budget or entitlement authority that is not included in the current level estimate for fiscal year 1992, and (2) increases outlays in fiscal year 1992, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 121, to be exceeded.

REVENUES

Any measure that would result in a revenue loss that is not included in the current level revenue estimate and exceeds $2,964 million for fiscal year 1992, if adopted and en-

acted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 121. Any measure that would result in a revenue loss that is not included in the current level revenue estimate for fiscal years 1992 through 1996, if adopted and enacted, would cause revenues to be less than the appropriate level for those years as set forth in H. Con. Res. 121.

DIRECT SPENDING LEGISLATION

[Fiscal years, in millions of dollars]

	1992		New entitlement authority	1992–96		New entitlement authority
	Budget authority	Outlays		Budget authority	Outlays	
House committee:						
Agriculture:						
Appropriate level	0	0	0	3,720	3,540	4,716
Current level	−2	−2	−1	−1	−1	[1]
Difference	−2	−2	−1	−3,719	−3,539	−4,716
Armed Services:						
Appropriate level	0	0	0	0	0	0
Current level	0	−7	−7	0	−83	−83
Difference		−7	−7		−83	−83
Banking, Finance and Urban Affairs:						
Appropriate level	0	0	0	0	0	0
Current level	28	28	0	177	177	0
Difference	+28	+28		+177	+177	
District of Columbia:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Education and Labor:						
Appropriate level	0	0	56	0	0	20,153
Current level	−46	−46	0	0	4	0
Difference	−46	−46	−56	0	+4	−20,153
Energy and Commerce:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Foreign Affairs:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Government Operations:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
House Administration:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Interior and Insular Affairs:						
Appropriate level	0	0	0	0	0	0
Current level	−2	−2	0	5	5	0
Difference	−2	−2		+5	+5	
Judiciary:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	16	16	16
Difference				+16	+16	+16
Merchant Marine and Fisheries:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	[1]	0	0	[1]
Difference			[1]			[1]
Post Office and Civil Service:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Public Works and Transportation:						
Appropriate level	16,358	0	0	117,799	0	0
Current level	18,514	0	0	113,048	0	0
Difference	+2,156	0	0	−4,751	0	0
Science, Space, and Technology:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Small Business:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						

DIRECT SPENDING LEGISLATION—Continued

[Fiscal years, in millions of dollars]

	1992		New entitlement authority	1992–96		New entitlement authority
	Budget authority	Outlays		Budget authority	Outlays	
Veterans' Affairs:						
Appropriate level	0	0	484	0	0	6,811
Current level	0	5	378	0	19	2,182
Difference	0	+5	−106	0	+19	N4,629
Ways and Means:						
Appropriate level	0	0	0	0	0	620
Current level	7,036	7,036	8,036	7,458	7,458	9,098
Difference	+7,036	+7,036	+8,036	+7,458	+7,458	+8,478
Permanent Select Committee on Intelligence:						
Appropriate level	0	0	0	0	0	0
Current level	+(1)	+(1)	+(1)	+(1)	+(1)	+(1)
Difference	+(1)	+(1)	+(1)	+(1)	+(1)	+(1)

[1] Less than $500,000.

DISCRETIONARY APPROPRIATIONS, FISCAL YEAR 1992

[In millions of dollars]

	Revised 602(b) subdivisions		Latest current level		Difference	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Commerce-Justice-State-Judiciary	21,070	20,714	21,029	20,708	−41	−6
Defense	270,244	275,222	269,860	275,038	−384	−184
District of Columbia	700	690	700	690	0	0
Energy and water development	21,875	20,770	21,875	20,720	0	−50
Foreign operations	15,285	13,556	14,262	13,200	−1023	−356
Interior	13,102	12,050	13,105	12,198	3	148
Labor, health and human services, and education	59,087	57,797	59,085	57,832	−2	35
Legislative	2,344	2,317	2,343	2,310	−1	−7
Military construction	8,564	8,482	8,563	8,433	−1	−49
Rural development, agriculture, and related agencies	12,299	11,226	12,299	11,223	0	−3
Transportation	13,765	31,800	13,762	31,799	−3	−1
Treasury-Postal Service	10,825	11,120	10,824	11,119	−1	−1
VA-HUD-independent agencies	63,953	61,714	63,942	61,711	−11	−3
Grand total	513,113	527,458	511,649	526,981	−1464	−477

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 18, 1992.
Hon. LEON E. PANETTA,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the on-budget current levels of new budget authority, estimated outlays, and estimated revenues for fiscal year 1992 in comparison with the appropriate levels for those items contained in the 1992 Concurrent Resolution on the Budget (H. Con. Res. 121). This report is tabulated as of close of business February 14, 1992 and is summarized as follows:

[In millions of dollars]

	House current level	Budget resolution (H. Con. Res. 121)	Current level +/− resolution
Budget authority	1,276,896	1,269,300	+7,596
Outlays	1,207,449	1,201,600	+5,849
Revenues:			
1992	853,364	850,400	+2,964
1992–96	4,829,000	4,832,000	−3,000

Since my last report, dated January 22, 1992, the President has signed the Emergency Unemployment Compensation Extension (P.L. 102–244) and the Congress has cleared for the President's signature H.R. 1989, the American Technology Preeminence Act. These actions changed the estimates of budget authority, outlays and revenues.

Sincerely,
ROBERT D. REISCHAUER,
Director.

PARLIAMENTARIAN STATUS REPORT 102D CONG., 2D SESS., HOUSE ON-BUDGET SUPPORTING DETAIL FOR FISCAL YEAR 1992 AS OF CLOSE OF BUSINESS FEB. 14, 1992

	Budget authority	Outlays	Revenues
ENACTED IN PREVIOUS SESSIONS			
Revenues			853,364
Permanents and other spending legislation	807,617	727,237	
Appropriation legislation	686,331	703,643	
Continuing resolution authority	13,992	5,454	
Mandatory adjustments [1]	(1,208)	950	
Offsetting receipts	(232,542)	(232,542)	
Total previously enacted	1,274,190	1,204,743	853,364
ENACTED THIS SESSION			
Emergency unemployment compensation extension (Public Law 102–244)	2,706	2,706	
PENDING SIGNATURE			
American Technology Preeminence (H.R. 1989)			(2)
Total current level	1,276,896	1,207,449	853,364
Total budget resolution	1,269,300	1,201,600	850,400
Amount remaining:			
Over budget resolution	7,596	5,849	2,964
Under budget resolution			

[1] Adjustments required to conform with current law estimates for entitlements and other mandatory programs in the concurrent resolution on the budget (H. Con. Res. 121).

[2] Less than $500,000.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCCANDLESS) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 5 minutes, today.

Mr. WALKER, for 60 minutes, on February 20.

Mr. DELAY, for 60 minutes each day, on February 25, 26, and 27.

Mr. RIGGS, for 60 minutes each day, on February 25, 26, and 27.

Mr. RIGGS, for 5 minutes, today.

Mr. MCCOLLUM, for 5 minutes, on February 20.

(The following Members (at the request of Mr. GLICKMAN) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mrs. COLLINS of Illinois, for 60 minutes each day, on February 20, 25, 26, and 27.

Mr. WOLPE, for 60 minutes, on February 25.

(The following Member (at the request of Mr. BONIOR) to revise and extend his remarks and include extraneous material:)

Mr. MORAN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HUNTER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCCANDLESS) and to include extraneous matter:)

Mr. GOODLING.
Mr. DORNAN of California.
Mr. MCEWEN.
Mr. IRELAND.
Mr. MILLER of Washington.
Mr. BROOMFIELD.
Mr. COUGHLIN.
Ms. ROS-LEHTINEN in seven instances.
Mr. LAGOMARSINO.
Mr. GUNDERSON.
Mr. SOLOMON in two instances.
Mr. GILMAN.
Mr. PACKARD.

(The following Members (at the request of Mr. GLICKMAN) and to include extraneous matter:)

Mr. LAFALCE.
Mr. VENTO.
Mr. YATRON.
Mr. NEAL of Massachusetts.
Mr. HAMILTON in two instances.
Mr. LEHMAN of California.
Mr. LANTOS in two instances.
Mr. ATKINS.
Mr. BROWN.
Mr. PALLONE.
Mr. GLICKMAN.
Mr. NATCHER.
Mr. MARTINEZ.
Mr. HUBBARD.
Mr. PENNY.
Mr. SCHUMER.
Mr. MORAN.
Mr. FAZIO.

ADJOURNMENT

Mr. HUNTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 59 minutes p.m.) the House adjourned until tomorrow, Thursday, February 20, 1992, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2838. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 92-11, reporting that it is in the national interest for the Export-Import Bank to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product by, for use in, or for sale or lease to Latvia, Lithuania, and Estonia, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

2839. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Marc Allen Baas, of Florida, to be Ambassador to Ethiopia, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2840. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2841. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to authorize appropriations for the Nuclear Regulatory Commission for fiscal year 1993 and for other purposes; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 2152. A bill to enhance the effectiveness of the United Nations international driftnet fishery conservation program; with amendments (Rept. 102-262, Pt. 2). Referred to the Committee on the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New Jersey:

H.R. 4242. A bill to amend title VII of the Civil Rights Act of 1964 to require a reasonable attorney's fee to be awarded to the Equal Employment Opportunity Commission as a prevailing party; to the Committee on Education and Labor.

By Mr. WYDEN:

H.R. 4243. A bill to amend title XIX of the Social Security Act to provide for optional coverage under State Medicaid plans of case-management services for individuals who suffer traumatic brain injuries, and for other purposes; to the Committee on Energy and Commerce.

By Mr. APPLEGATE (for himself, Mr. MONTGOMERY, and Mr. STUMP):

H.R. 4244. A bill to amend title 38, United States Code, to increase, effective as of December 1, 1992, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans; to the Committee on Veterans' Affairs.

By Mr. AUCOIN (for himself, Mr. WYDEN, Mr. DEFAZIO, and Mr. KOPETSKI):

H.R. 4245. A bill to establish a national demonstration program providing increased flexibility for schools in order to promote improved educational achievement for all students; to the Committee on Education and Labor.

By Mr. BROWN:

H.R. 4246. A bill to amend the Internal Revenue Code of 1986 to increase the availability of individual retirement accounts, to increase amount deductible for contributions to such accounts, and to permit penalty-free withdrawals from such accounts to pay educational, medical, and business startup expenses; to the Committee on Ways and Means.

By Ms. DELAURO:

H.R. 4247. A bill to suspend until January 1, 1995, the duty on Acarbose and on Nimodipine granulated blend and tablets; to the Committee on Ways and Means.

H.R. 4248. A bill to extend until January 1, 1995, the existing suspensions of duty on ciprofloxacin hydrochloride, ciprofloxacin, and nimodipine; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 4249. A bill to temporarily permit penalty-free withdrawals from individual retirement plans and section 401(k) plans; to the Committee on Ways and Means.

By Mr. SWIFT:

H.R. 4250. A bill to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DUNCAN:

H.R. 4251. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for two-earner married couples; to the Committee on Ways and Means.

By Mr. FORD of Tennessee:

H.R. 4252. A bill to provide for a 3-year extension of a certain Medicaid health maintenance organization waiver; to the Committee on Energy and Commerce.

By Mr. GEREN of Texas:

H.R. 4253. A bill to amend title XVIII of the Social Security Act to provide waiver of late enrollment penalty and establishment of a special enrollment period under part B of the Medicare Program for certain military retirees and dependents living near military bases that are closed; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. GOODLING:

H.R. 4254. A bill to amend the Internal Revenue Code of 1986 to exclude certain employee productivity awards from gross income; to the Committee on Ways and Means.

By Mr. EDWARDS of California (for himself, Mr. BEILENSON, Mr. BENNETT, Mr. BERMAN, Mrs. BOXER, Mr. CARDIN, Mr. CONYERS, Mr. DELLUMS, Mr. GILCHREST, Mr. JONTZ, Mr. MILLER of California, Mr. MINETA, Mr. OBERSTAR, Ms. PELOSI, Mr. RICHARDSON, Mr. SABO, Mr. STARK, Mr. VENTO, Mr. WAXMAN, Mr. WELDON, and Mr. YATES):

H.R. 4255. A bill to amend the Federal Water Pollution Control Act to further the protection of wetlands, and for other purposes; jointly, to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

By Mr. GUNDERSON (for himself, Mr. ROBERTS, Mr. BLAZ, Mr. WEBER, Mr. WELDON, Mr. COMBEST, Mr. CAMP, Mr. UPTON, Mr. WALSH, Mr. BEREUTER, and Mr. LIGHTFOOT):

H.R. 4256. A bill to amend the Public Health Service Act to establish an Office of Emergency Medical Services, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HUCKABY (for himself and Mr. GLICKMAN):

H.R. 4257. A bill to amend the Consolidated Farm and Rural Development Act to improve the operation of farm loan programs; to the Committee on Agriculture.

H.R. 4258. A bill to amend the Solid Waste Disposal Act to provide for State management of solid waste; to reduce and regulate the interstate transportation of solid wastes; and for other purposes; to the Committee on Energy and Commerce.

By Mr. JEFFERSON (for himself, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Mr. RAMSTAD, Mr. MCCLOSKEY, Mr. PETERSON of Minnesota, Mr. RIDGE, Mr. HOLLOWAY, Mr. GILCHREST, Mr. BILBRAY, Mrs. UNSOELD, Mr. CARDIN, Mr. HAYES of Louisiana, and Mrs. JOHNSON of Connecticut):

H.R. 4259. A bill to amend title I of the Rehabilitation Act of 1973 to provide each individual with handicaps who is eligible for services under such title with the right to select the entities that are to provide services pursuant to the individualized written rehabilitation program developed for the individual; to the Committee on Education and Labor.

By Mr. WISE:

H.R. 4260. A bill to amend the Higher Education Act of 1965 to increase the maximum Pell grant and to improve determination of need for such grants; to the Committee on Education and Labor.

H.R. 4261. A bill to establish a deficit reduction trust fund and a build America trust fund in the Treasury of the United States; to the Committee on Ways and Means.

H.R. 4262. A bill to amend the Internal Revenue Code of 1986 to extend the credit for increasing research activities, and to restore the investment tax credit for a temporary period; to the Committee on Ways and Means.

H.R. 4263. A bill to require the Secretary of the Treasury to conduct a study of a value added tax; to the Committee on Ways and Means.

H.R. 4264. A bill to amend the Federal Water Pollution Control Act to reauthorize the State water pollution control revolving fund program, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 4265. A bill to encourage the establishment of rural telecommunications zones; jointly, to the Committees on Government Operations and Agriculture.

H.R. 4266. A bill to establish a National Trade Council, and for other purposes; jointly, to the Committees on Ways and Means, Rules, Foreign Affairs, and Banking, Finance and Urban Affairs.

H.R. 4267. A bill to provide for an increase in the number of United States and foreign commercial services officers in certain countries for the purpose of promoting U.S. exports to those countries, and for other purposes; to the Committee on Foreign Affairs.

By Mr. JOHNSON of Texas:

H.R. 4268. A bill to amend the Internal Revenue Code of 1986 to provide a partial exclusion of dividends and interest received by individuals; to the Committee on Ways and Means.

By Mr. JONTZ:

H.R. 4269. A bill relating to the congressional procedures that apply to any bill to implement a free-trade agreement between the United States and Mexico; jointly, to the Committees on Ways and Means and Rules.

By Mr. MORAN:

H.R. 4270. A bill to ensure that law enforcement officers and agencies are responsive to the public by establishing minimum standards designed to promote effective and responsible policing and to provide for the rights of law enforcement officers and citizens in alleged cases of police misconduct; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 4271. A bill to reform the system under which compensation for overtime customs inspectional services is determined; to amend chapters 83 and 84 of title 5, United States Code, to provide that customs inspectors and canine enforcement officers be treated as law enforcement officers for purposes of those chapters; and for other purposes; jointly, to the Committees on Ways and Means and Post Office and Civil Service.

By Mr. RIDGE (for himself, Mr. SLATTERY, Mr. FRANK of Massachusetts, Mr. BENNETT, Mr. PENNY, Mr. RIGGS, Mr. CHANDLER, Mr. PORTER, Mr. BEREUTER, Mr. SHAYS, Mr. WOLF, and Mr. KOLTER).

H.R. 4272. A bill to establish the Congressional Office of Inspector General; to the Committee on House Administration.

By Mr. SARPALIUS (for himself and Mr. RICHARDSON):

H.R. 4273. A bill to permit adequately capitalized banks and savings associations to branch interstate to the extent expressly authorized by State law, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SMITH of Texas:

H.R. 4274. A bill to amend the Internal Revenue Code of 1986 to repeal certain minimum tax preferences relating to energy production; to the Committee on Ways and Means.

By Mr. VANDER JAGT:

H.R. 4275. A bill to amend the Immigration and Nationality Act to establish a nonimmigrant status for the spouses of aliens lawfully admitted for permanent residence; to the Committee on the Judiciary.

By Mr. VENTO (for himself, Mr. LAGOMARSINO, Mr. MILLER of California, Mr. ANDREWS of Maine, Mr. FASCELL, Mr. FAWELL, Mr. HEFLEY, Mr. KOLTER, Mr. MURPHY, Mr. OWENS of Utah, Mr. STARK, and Mr. UPTON):

H.R. 4276. A bill to amend the Historic Sites, Buildings, and Antiquities Act to place certain limits on appropriations for projects not specifically authorized by law, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GILMAN (for himself, Mr. MANTON, Mr. FISH, Mr. ACKERMAN, Mr. BOEHLERT, Mr. CLEMENT, Mr. DORNAN of California, Mr. DOWNEY, Mr. ENGEL, Mr. FORD of Michigan, Mr. HARRIS, Mr. HORTON, Mr. KOLTER, Mr. LENT, Mr. MCDADE, Mr. MCMILLEN of Maryland, Mr. MCNULTY, Mr. MONTGOMERY, Mr. SKEEN, and Mrs. UNSOELD):

H.J. Res. 413. Joint resolution to designate September 13, 1992, as "Commodore John Barry Day"; to the Committee on Post Office and Civil Service.

By Mr. COUGHLIN (for himself, Mr. RANGEL, and Mr. GILMAN):

H.J. Res. 414. Joint resolution to honor, on the eve of the second drug summit, the hundreds of South Americans and North Americans who have lost their lives while defending their nations and the world community from the threat of drug trafficking and drug-related crime and violence; to the Committee on Foreign Affairs.

By Mr. GOODLING:

H.J. Res. 415. Joint resolution designating July 4, 1992, through July 11, 1992, as "Buy American Week"; to the Committee on Post Office and Civil Service.

By Mrs. JOHNSON of Connecticut:

H.J. Res. 416. Joint resolution designating March 2, 1992, through March 7, 1992, as "National Saleswoman Week"; to the Committee on Post Office and Civil Service.

By Mr. WEISS (for himself, Mr. GREEN of New York, Mr. MCDERMOTT, Ms. WATERS, Ms. PELOSI, Mr. MATSUI, Ms. NORTON, Mr. DELLUMS, Mr. MFUME, Mr. KOSTMAYER, Mr. MILLER of California, and Mr. ROE):

H.J. Res. 417. Joint resolution designating the 8-day period beginning on February 14, 1992, as "National Condom Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Texas (for himself, Mr. JOHNSON of Texas, Mr. SCHIFF, Mr. TRAFICANT, Mr. SHAYS, Mr. ARCHER, Mr. GONZALEZ, and Mr. BUSTAMANTE):

H. Con. Res. 277. Concurrent resolution expressing the sense of the Congress that the President should work with the participants at the San Antonio summit toward stopping the trade in illicit drugs; to the Committee on Foreign Affairs.

By Mr. ENGEL (for himself and Mr. KENNEDY):

H. Con. Res. 278. Concurrent resolution concerning human rights in the north of Ireland; to the Committee on Foreign Affairs.

By Mr. FOGLIETTA (for himself, Mr. PENNY, Mr. BILBRAY, Mr. OWENS of New York, Mr. SERRANO, Mr. WALSH, Mr. JONTZ, Mr. RANGEL, Mr. TOWNS, and Mr. TRAXLER):

H. Con. Res. 279. Concurrent resolution expressing the sense of the Congress regarding the importance of the Bill of Rights; to the Committee on the Judiciary.

By Mr. GOODLING:

H. Con. Res. 280. Concurrent resolution encouraging employee achievement awards; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. MCGRATH (for himself, Mr. MCNULTY, Mr. SCHUMER, Mr. JONES of Georgia, Mr. AUCOIN, Mr. FRANK of Massachusetts, Mr. HOCHBRUECKNER, Mr. LENT, Mr. SCHEUER, Mr. FEIGHAN, Mr. LOWERY of California, Mr. CARDIN, and Mr. KOSTMAYER):

H. Con. Res. 281. Concurrent resolution expressing the sense of the Congress that the Government of France should be strongly rebuked for allowing infamous Palestinian terrorist George Habash to enter and leave France unimpeded and without detaining him for questioning for several terrorist attacks; to the Committee on Foreign Affairs.

By Mr. RIDGE (for himself, Mr. CLINGER, Mr. MURTHA, Ms. SNOWE, Mr. MARTINEZ, Mr. ASPIN, Mr. MURPHY, Mr. HORTON, Mr. OBERSTAR, Mr. GAYDOS, Mr. PAXON, Mr. WEISS, Mr. KOLTER, Mr. LAFALCE, Mr. HOUGHTON, Mr. SANTORUM, and Mr. PETRI):

H. Con. Res. 282. Concurrent resolution expressing the sense of the Congress that the low income home energy assistance program should be funded for fiscal year 1993 at a level greater than or equal to its funding for fiscal year 1992; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. CLAY:

H. Res. 367. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Post Office and Civil Service in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. EDWARDS of Oklahoma:

H. Res. 368. Resolution to amend the rules of the House of Representatives to require a three-fifths majority on passage of any bill, amendment, or conference report that increases revenues or the statutory limit on the public debt, and for other purposes; to the Committee on Rules.

By Mr. MILLER of California:

H. Res. 369. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Interior and Insular Affairs in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. RIDGE (for himself, Mr. WALKER, Mr. SANTORUM, Mr. BALLENGER, Mr. CAMP, Mr. BOEHNER, Mr. SHAYS, Mr. RIGGS, and Mr. KOLBE):

H. Res. 370. Resolution to provide that postal services and operations with respect to the House of Representatives shall be carried out by employees of the U.S. Postal Service; to the Committee on House Administration.

By Mr. ROSE:

H. Res. 371. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on House Administration in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. SCHUMER:

H. Res. 372. Resolution urging the Government of Syria to resolve the issue of Israelis who are prisoners of war or missing in action, and for other purposes; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS:

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 53: Mrs. MINK, Ms. PELOSI, Mr. MORRISON, Mr. JONTZ, Mr. HOBSON, Mr. MAVROULES, Mr. BILIRAKIS, Mr. SOLARZ, Mr. ATKINS, Mr. AUCOIN, and Mr. BEREUTER.

H.R. 187: Mr. BRUCE, Ms. PELOSI, Mr. SERRANO, Mr. SCHUMER, Mr. PERKINS, Mr. SLATTERY, Mr. GEJDENSON, Mr. MCHUGH, Mr. HOCHBRUECKNER, and Mr. VISCLOSKY.

H.R. 384: Mr. BROWDER.

H.R. 394: Mr. SCHAEFER, Mr. BREWSTER, Mr. PETERSON of Florida, Mr. FRANKS of Connecticut, and Mr. WELDON.

H.R. 413: Mr. COLEMAN of Texas.

H.R. 520: Mr. MCCURDY, Mr. SYNAR, and Mr. DEFAZIO.

H.R. 576: Mr. SOLARZ.

H.R. 755: Mr. SMITH of Florida.

H.R. 780: Mr. HAYES of Illinois.

H.R. 812: Mr. POSHARD, Mr. HUGHES, Mr. ANTHONY, Mr. SANGMEISTER, Mr. HYDE, Mr. GEJDENSON, Mr. DOWNEY, Mr. FRANK of Massachusetts, Mr. WISE, Mr. GUARINI, Mr. ECKART, Mr. LEWIS of Georgia, Mr. KOLTER, Mr. HORTON, Mr. OLVER, Mr. REED, Mr. BACCHUS, Mr. PALLONE, Ms. SLAUGHTER, Ms. LONG, Mr. MOODY, Mr. NEAL of North Carolina, Mr. AUCOIN, Mr. WELDON, Mr. SABO, and Mr. ERDREICH.

H.R. 858: Mr. KYL.

H.R. 911: Mr. SAVAGE, Mr. RANGEL, Mr. WALKER, and Mr. LAFALCE.

H.R. 918: Mr. KOSTMAYER.

H.R. 976: Mrs. KENNELLY.

H.R. 1000: Ms. NORTON.

H.R. 1161: Mr. WYDEN.

H.R. 1168: Mr. LANTOS and Mr. STUDDS.

H.R. 1241: Mr. SMITH of Oregon, Mr. HOAGLAND, Mr. MCCANDLESS, Mr. LEHMAN of Florida, Mr. ESPY, Mr. SCHAEFER, and Mr. CRAMER.

H.R. 1245: Mr. SCHAEFER, Mr. FIELDS, and Mr. VOLKMER.

H.R. 1334: Mr. WILSON.

H.R. 1339: Mr. KILDEE.

H.R. 1380: Mr. EWING.

H.R. 1435: Mr. ALLARD.

H.R. 1483: Mr. HASTERT.

H.R. 1572: Mr. DE LA GARZA, Mr. CONDIT, Mr. HEFLEY, Mr. CAMPBELL of California, Mr. HAYES of Louisiana, and Mr. SENSENBRENNER.

H.R. 1692: Mr. EMERSON and Mr. SMITH of New Jersey.

H.R. 1693: Mr. CAMPBELL of California.

H.R. 1771: Mr. PARKER and Mr. SMITH of Texas.

H.R. 2338: Mr. PURSELL, Mr. ZELIFF, Mr. GILLMOR, Mr. DICKINSON, and Mr. THOMAS of Wyoming.

H.R. 2363: Mr. LANTOS, Mr. COMBEST, Mr. MURTHA, Mr. HOCHBRUECKNER, Mr. SANDERS, Mr. OXLEY, Mr. WEISS, Mr. CLINGER, Mr. ASPIN, Mr. BLACKWELL, and Mr. SCHAEFER.

H.R. 2448: Mr. BLACKWELL.

H.R. 2561: Mrs. BOXER.

H.R. 2571: Mr. WASHINGTON and Mr. JACOBS.

H.R. 2580: Mr. BLACKWELL, Mr. FLAKE, and Mr. DOWNEY.

H.R. 2861: Mr. TORRICELLI.

H.R. 2872: Mr. HOBSON, Mr. MCMILLAN of North Carolina, Mr. MCCLOSKEY, and Mr. MORAN.

H.R. 2879: Mr. HOPKINS, Mr. LANCASTER, Mr. EMERSON, Mr. KANJORSKI, and Mr. NAGLE.

H.R. 2880: Mr. STAGGERS, Mr. GORDON, and Mr. RINALDO.

H.R. 2906: Mrs. JOHNSON of Connecticut and Mr. FROST.

H.R. 2945: Mr. KILDEE and Mr. JAMES.

H.R. 3013: Mr. JENKINS.

H.R. 3132: Mr. IRELAND and Mr. BILBRAY.

H.R. 3176: Mr. EVANS.

H.R. 3230: Mr. NAGLE.

H.R. 3281: Mr. KOLTER.

H.R. 3286: Mr. SLATTERY.

H.R. 3425: Mrs. ROUKEMA.

H.R. 3438: Mr. DANNEMEYER.

H.R. 3439: Mr. DANNEMEYER.

H.R. 3440: Mr. DANNEMEYER.

H.R. 3441: Mr. DANNEMEYER.

H.R. 3442: Mr. DANNEMEYER.

H.R. 3473: Mr. BERMAN, Mr. KOLTER, and Mr. ATKINS.

H.R. 3509: Mr. COYNE, Mr. DURBIN, Mr. JONTZ, Mr. TORRES, Mr. GILLMOR, Mr. MATSUI, Mr. SYNAR, Mrs. LLOYD, Mr. BROWN, Mr. EVANS, and Mr. ATKINS.

H.R. 3526: Mr. PETERSON of Minnesota.

H.R. 3542: Mr. TOWNS.

H.R. 3553: Mr. CONYERS.

H.R. 3602: Mr. SPENCE.

H.R. 3603: Mr. KOPETSKI, Mr. HAYES of Illinois, Mr. JEFFERSON, Mr. LEWIS of Georgia, Ms. SLAUGHTER of New York, Ms. PELOSI, Mr. STARK, and Mr. LAFALCE.

H.R. 3654: Ms. LONG, Mr. PAYNE of Virginia, and Mr. RANGEL.

H.R. 3661: Mr. HAMILTON.

H.R. 3662: Mr. SCHAEFER, Mr. LIPINSKI, and Mr. MACHTLEY.

H.R. 3783: Mr. KOPETSKI.

H.R. 3844: Mr. HALL of Ohio, Mr. ATKINS, Mr. LANTOS, and Mr. WASHINGTON.

H.R. 3857: Mr. RITTER.

H.R. 3861: Mr. FOGLIETTA.

H.R. 3939: Mr. DEFAZIO, Mrs. LLOYD, Mr. STAGGERS, Ms. SLAUGHTER, Mr. GILMAN, Mr. ANDREWS of Maine, Mr. PERKINS, Mr. SANDERS, Mr. KOLTER, Mr. BERMAN, Mr. DICKS, Mr. MARTINEZ, Mr. ATKINS, Mr. FRANK of Massachusetts, Mr. MOODY, Mrs. BOXER, Mr. LEVINE of California, Mr. HAYES of Illinois, and Mr. CONYERS.

H.R. 3954: Mr. CHAPMAN.

H.R. 3957: Mr. FUSTER, Mr. TOWNS, Mr. HORTON, Mr. LAGOMARSINO, and Mr. MILLER of California.

H.R. 4002: Mr. SMITH of Florida, Mr. WAXMAN, Mr. BRUCE, Mrs. LOWEY of New York, and Mr. ZIMMER.

H.R. 4051: Mr. SARPALIUS, Mr. WILSON, and Mr. HUGHES.

H.R. 4079: Mr. WYDEN, Mr. COX of Illinois, Mr. MARKEY, Mr. KOPETSKI, and Mr. WILLIAMS.

H.R. 4089: Mr. GORDON, Ms. NORTON, Mrs. LOWEY of New York, Mr. SERRANO, and Mr. KOLTER.

H.R. 4093: Mr. ROGERS.

H.R. 4104: Mr. JACOBS, Mr. PAYNE of Virginia, Mr. PEASE, Mr. STUDDS, Mr. SANDERS, Mr. ALLEN, Mr. BATEMAN, Mr. CAMPBELL of California, Mr. DELAY, Mr. GRANDY, Mr. IRELAND, Mr. KOLBE, Mr. LEACH, Mr. LEWIS of Florida, Mr. LOWERY of California, Mr. MCCANDLESS, Mr. NUSSLE, Mr. PACKARD, Mr. RHODES, and Mr. ZIMMER.

H.R. 4109: Mr. ACKERMAN, Mr. EVANS, Mr. FRANK of Massachusetts, Mr. RAHALL, Mr. WALSH, Mr. HORTON, Mr. SCHUMER, Mr. HOCHBRUECKNER, Mr. BRYANT, Mr. SHAYS, Mr. TOWNS, Ms. KAPTUR, and Mr. FOGLIETTA.

H.R. 4121: Mr. EWING.

H.R. 4127: Mr. LAGOMARSINO, Mr. BLAZ, and Mr. COX of California.

H.R. 4130: Mr. LEWIS of Florida, Mr. CAMP, Mr. EDWARDS of Oklahoma, and Mr. KOLBE.

H.R. 4136: Mr. RANGEL, Mr. GEJDENSON, Mr. ABERCROMBIE, Mr. DELLUMS, Mr. OWENS of New York, Mr. MCNULTY, Mr. WILSON, and Mr. LANTOS.

H.R. 4155: Mr. COX of California.

H.R. 4169: Mr. KOLTER and Mr. JEFFERSON.

H.R. 4186: Mr. WISE and Mr. KOSTMAYER.

H.R. 4207: Mr. CUNNINGHAM, Mr. THOMAS of Wyoming, and Mr. JOHNSON of South Dakota.

H.R. 4230: Mr. RIGGS, Mr. ANDREWS of New Jersey, Mr. KOLTER, and Mrs. JOHNSON of Connecticut.

H.J. Res. 19: Mr. ROBERTS.

H.J. Res. 29: Mr. DICKINSON.

H.J. Res. 69: Mr. MINETA.

H.J. Res. 121: Mr. GREEN of New York, Mr. FORD of Michigan, Mr. DE LA GARZA, Mr. DWYER of New Jersey, Mr. TRAFICANT, Mr. LIVINGSTON, Mr. JEFFERSON, Mr. WHITTEN, Mr. FROST, Mr. CHAPMAN, Mrs. MORELLA, Mrs. LOWEY of New York, Mr. WAXMAN, Mr. FAZIO, and Mr. TRAXLER.

H.J. Res. 283: Mr. SMITH of Oregon.

H.J. Res. 378: Mr. DOWNEY and Mr. WAXMAN.

H.J. Res. 384: Mr. GALLO, Mr. RIGGS, Mr. OXLEY, Mr. BALLENGER, Mr. SENSENBRENNER, Mr. SANTORUM, and Mr. SOLOMON.

H.J. Res. 390: Mr. SAWYER, Mr. WAXMAN, Mrs. MEYERS of Kansas, Mr. WEISS, Mr. HOCHBRUECKNER, Mr. SPENCE, Mr. FOGLIETTA, Mr. VISCLOSKY, Mr. CRAMER, Mr. RINALDO, Mr. TALLON, Ms. LONG, Mr. ERDREICH, Mr. HARRIS, Mr. MCGRATH, Mr. JONTZ, Mr. HUTTO, Mr. ESPY, Mr. RUSSO, Mr. MINETA, Mr. CARR, Mr. JOHNSON of South Dakota, Mr. CONYERS, Mr. ASPIN, Mr. GREEN of New York, Mr. HALL of Ohio, Mrs. JOHNSON of Connecticut, Mr. PICKETT, Mr. CALLAHAN, Mr. ATKINS, Mr. BILBRAY, Mr. COYNE, Mrs. BOXER, Mr. GAYDOS, and Mr. ENGEL.

H.J. Res. 394: Ms. SLAUGHTER of New York, Mr. MORAN, Mr. LANTOS, and Mr. GOSS.

H.J. Res. 397: Mr. DE LA GARZA, Mr. DORNAN of California, Mr. ERDREICH, Mr. JEFFERSON, Mr. LEACH, Mr. MCMILLEN of Maryland, Mr. MANTON, Mr. SCHEUER, Mr. WALSH, Mr. WAXMAN, Mr. BILIRAKIS, Mr. LEWIS of California, and Mr. SOLOMON.

H.J. Res. 402: Mr. CAMPBELL of California, Mr. ERDREICH, Mr. SKEEN, Mr. PETRI, Mr. BACCHUS, Mr. RAVENEL, Mr. BATEMAN, and Mr. OWENS of Utah.

H.J. Res. 403: Mr. PAYNE of New Jersey, Mr. RAVENEL, Mr. CLEMENT, Mr. PERKINS, Mr. ROYBAL, Ms. HORN, Mr. HORTON, Mr. LIPINSKI, Mr. WOLF, Mr. NAGLE, Mr. WALSH, Mr.

PASTOR, Mr. RANGEL, Mr. DOOLITTLE, Mr. DE LA GARZA, Mr. ERDREICH, Mr. SKEEN, Mr. SAXTON, Mr. OWENS of Utah, Mr. KOLTER, Mr. MCDADE, Mr. WAXMAN, Mrs. MEYERS of Kansas, Mr. FORD of Michigan, and Mr. MAVROULES.

H.J. Res. 404: Mr. MCMILLEN of Maryland, Mr. FORD of Michigan, Mr. TRAFICANT, Mr. RIGGS, Mr. DORNAN of California, Mr. ROE, Mr. SKEEN, Mr. SARPALIUS, Mr. TOWNS, Mrs. ROUKEMA, Mr. LEHMAN of Florida, Mr. MURTHA, Mr. BENNETT, Mr. MCNULTY, Mr. TRAXLER, Mr. RANGEL, Mr. CAMP, Mr. CLEMENT, and Mr. GUARINI.

H.J. Res. 411: Mrs. VUCANOVICH, Mr. MORAN, Mr. INHOFE, Mr. HARRIS, Mr. SKEEN, Mr. GILMAN, Mr. LIGHTFOOT, Mr. RANGEL, Mr. LAFALCE, Mr. JEFFERSON, Mr. WOLF, and Mr. HORTON.

H. Con. Res. 70: Mr. SHAYS.

H. Con. Res. 233: Mr. PACKARD, Mr. HERGER, Mr. ZIMMER, Mr. OXLEY, Mr. WEBER, Mr. MOODY, Mr. DANNEMEYER, Mrs. BENTLEY, Mr. LOWERY of California, Mr. CUNNINGHAM, and Mr. BENNETT.

H. Con. Res. 239: Mr. GILMAN, Mr. MANTON, Mr. BEREUTER, Mr. LEACH, and Mr. LAGOMARSINO.

H. Con. Res. 245: Mr. WEISS.

H. Con. Res. 246: Mr. SLATTERY, Mr. TOWNS, Mr. BEILENSON, Mr. FRANK of Massachusetts, Mr. SPRATT, Mr. STARK, Mr. BRYANT, Mr. LAROCCO, Mr. GONZALEZ, Mr. KOLTER, Mr. MANTON, Ms. NORTON, Mr. FEIGHAN, and Mr. EVANS.

H. Con. Res. 274: Mr. SMITH of New Jersey, Mr. KOLTER, Mr. MURPHY, Mr. SAXTON, Mr. HORTON, Mr. DEFAZIO, Mr. QUILLEN, Mr. HUBBARD, and Mr. ROTH.

H. Res. 26: Mr. RIDGE.

H. Res. 204: Mr. SCHAEFER and Mr. DORNAN of California.

H. Res. 322: Mr. CUNNINGHAM, Mr. ENGEL, Mr. PORTER, Mr. BILBRAY, and Mr. ABERCROMBIE.

H. Res. 332: Mr. RAMSTAD, Mr. KOLBE, Mr. ZELIFF, Mr. DICKINSON, Mr. ZIMMER, and Mr. SAXTON.

H. Res. 350: Ms. LONG, Mr. OWENS of Utah, Mr. SCHUMER, Mr. BROWN, Mr. TOWNS, Mr. COSTELLO, Mr. KLUG, Mr. HOCHBRUECKNER, Mr. MCDERMOTT, Mr. SHAYS, Ms. SNOWE, Mr. GILMAN, Mr. ANDERSON, Mr. JOHNSON of South Dakota, and Mr. BEREUTER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 330: Mr. BUSTAMANTE.

H. Res 194: Mr. MCEWEN and Mr. EMERSON.

SENATE—*Wednesday, February 19, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable HERB KOHL, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

God of Abraham, Isaac, and Israel, of Moses and the prophets, Jesus and the Apostles. God of our Fathers, your servant Moses the great law giver warned of the peril in prosperity:

"Beware that thou forget not the Lord thy God * * *, lest when thou has eaten and art full, and hast built goodly houses, and dwelt therein; and when thy herds and thy flocks multiply, and thy silver and thy gold is multiplied, and all that thou hast is multiplied; then thine heart be lifted up, and thou forget the Lord thy God, and walk after other gods, and serve them, and worship them, I testify against you this day that ye shall surely perish. As the nations which the Lord destroyeth before your face, so shall ye perish * * *."—Deuteronomy 8:11-20.

Gracious patient God open our minds to comprehend that the real crisis is spiritual, not economic, forgive us for the ease with which we abandon the spiritual and embrace the material. Forgive us Lord and help us put our priorities in order.

In the name of Jesus, Light of the world. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 19, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HERB KOHL, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KOHL thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order the leadership time is reserved.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. Under the order of January 24, 1901, the Senator from Pennsylvania [Mr. WOFFORD] will now read George Washington's Farewell Address.

Senator WOFFORD.

Mr. WOFFORD, at the rostrum, read the Farewell Address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite movement, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head; they have seen, in the negotiations by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political system is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presupposes the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of factions, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reigns of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of fraction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding of them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one party against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchial cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by unsurpation; for through this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, but ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation within its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachment for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumberable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defense posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our Nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of Congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible to my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. THURMOND. Mr. President, I ask unanimous consent that I be allowed to speak up to 7 minutes, if necessary.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TEXTILES IN THE GENERAL AGREEMENT ON TARIFFS AND TRADE [GATT] NEGOTIATIONS

Mr. THURMOND. Mr. President, since September 1986, representatives of 74 countries have been meeting under the auspices of the General Agreement on Tariffs and Trade [GATT]. These negotiations have focused on continuing the seven previous GATT rounds which were intended to reduce the barriers of international trade. The major areas of negotiation have focused on agricultural trade, textile trade, services and trade related to foreign investment, as well as protection of intellectual property rights.

The GATT Director-General, Arthur Dunkel, tabled a draft final text on December 20, 1991 and issued a January 13, 1992, deadline for countries to state their position on this text. It is my understanding that many industries, including the textile industry, are not supportive of the draft text.

Mr. President, while the current draft text as proposed may be helpful to some of the industries of this country, it will be devastating to the domestic textile industry. Two studies, one by the WEFA Group, formerly known as the Wharton Econometrics, and one by Trade Research & Analysis, have been conducted to survey the impact of the draft text proposal on the domestic textile industry. Both of these studies estimate that the 10-year phaseout period of the Multifiber Arrangements, which the draft proposes, the domestic textile and apparel industry could lose as many as 1.4 million jobs. Further, the industry could lose two-thirds of its production capacity. Some sectors of the textile industry would be opened immediately to unrestricted imports, so they would not have a phaseout period to adjust to the agreement.

The WEFA group study projects a loss of 745,000 jobs in the U.S. textile and apparel industry. It also projects a loss of 305,000 jobs in the related manufacturing industries such as chemicals, rubber, transportation, furniture, and electrical machinery. Further, this study predicts a loss of 340,000 jobs in the service and agricultural sectors related to the textile industry.

Mr. President, last spring when the administration requested and received a 2-year extension of fast-track procedures for consideration of trade agreements entered into before May 31, 1993, I expressed serious concern that the GATT negotiations would produce a proposed text that could cause these tremendous job losses. It appears to me that the current protections for the domestic textile industry have been used as the bargaining chip to gain concessions for other industries.

Mr. President, the GATT negotiations should create fairness in trade. This means that if we open our markets to imports other countries should open their markets to our goods. The textile industry continues to suffer from increased imports because the American industry is not competing with foreign countries on an equal basis. We are not competing on an equal basis because our domestic textile and apparel industry does not have equal access to foreign markets, our industry is not subsidized, and we have worker safeguards and minimum wage standards that other countries do not have to follow. If the U.S. textile and apparel industry did not have to battle these unfair advantages, I am confident that this industry could compete with that of any other nation. However, the domestic textile industry cannot be expected to compete or should it have to, with foreign industries that have such an unfair advantage.

Mr. President, I believe the current position of the United States in the GATT negotiations is harmful to the domestic textile and apparel industry. In the report submitted to Congress asking for the extension of fast track procedures, it states that the U.S. position with regard to textiles will among other things help "ensure an orderly increase in imports." Any agreement that could cause 1.4 million people to become unemployed and an industry to lose two-thirds of its production capacity does not provide for an orderly increase.

Mr. President, imports have already caused much damage to the domestic textile and apparel industry. During the last 10 years, the national textile and apparel industry has lost approximately 400,000 jobs. Further, 332 textile plants were closed, with 174 of these plants located in South Carolina. All of these lost jobs and disruptions have occurred with our current trade laws and policy. We cannot allow this industry to be further harmed by the current draft text. I will continue my efforts to ensure that this industry is not further harmed by the GATT negotiations.

A DRAMATIC RESCUE AT SEA

Mr. MITCHELL. Mr. President, on January 16, a remarkable drama unfolded in the darkened waters off the coast of Maine. The tugboat *Harkness* found itself taking on water fast, at night, in the middle of a winter storm, off the island of Matinicus. Through a miraculous combination of courage and luck, the crew of the sinking vessel was saved by three lobstermen who happened to pick up the sinking boat's distress signal, and who ventured into the stormy night to rescue three men they had never met.

The tale of this dramatic rescue was retold in the January 26 edition of the Maine Sunday Telegram. It is a story worth reading. So much of the news that each of us hears every day reminds us of man's inhumanity to man, it is worth being reminded of the reservoir of courage and concern for our fellow human beings that exists within us all.

The extraordinary heroism of these three men, Vance Bunker, Rick Kohls, and Paul Murray, aboard the boat *Janellen*, deserves special notice.

And yet, events such as this one probably happen every day, though perhaps on a less dramatic scale—in Maine, and I am sure in every community, in every land. One of the enduring strengths of a feeling of community, be it large or small, is that it gives us the freedom to be bold, to reach out to others around us who are in need.

The lobstermen who made this rescue knew the waters, they knew the weather, they knew the risk. Men like them have been fishing for lobsters in these waters for many, many years. Their allegiance to the community of seagoing fishermen meant that when the distress call came, there was no question about what they needed to do. Their act of bravery was unquestionably heroic. And yet it flowed almost inevitably from the sense of community that they shared.

I ask unanimous consent that the article, entitled "Sea Risk a Mix of Grit and Good Fortune," by Margot Brown McWilliams, be printed in the RECORD at this time. There is much for us all to appreciate in the story it tells.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEA RESCUE A MIX OF GRIT AND GOOD FORTUNE

(By Margot Brown McWilliams)

On Matinicus, the first warning came at 6 p.m. on Jan. 16. Clayton Philbrook heard on the VHF radio that the tugboat Harkness had taken on about a foot and a half of water over its stern.

Philbrook, one of the handful of lobstermen who lives year-round on the island of Matinicus, knew a rough night lay ahead.

"It was blowing 40 (mph), and I had 3 or 4 below (zero) at the house, so I knew it was thick with vapor out on the water," said Philbrook. "The Rockland Coast Guard station was reporting winds at 10 miles per hour, but out here it was screeching."

Three island lobstermen would venture into the cold, wind and sea smoke last night. Before it was over, they would help drag the crew of the Harkness out of the freezing ocean.

Matinicus is a tiny island—a mile long and half a mile wide—and at 20 miles out to sea, it's isolated. It's the outermost inhabited island on the eastern seaboard.

At the first signs of trouble, the three-man crew aboard the Harkness radioed Coast Guard authorities at Southwest Harbor that they would head for Frenchboro on Long Island.

At that point, a local skipper got on the radio and told the Harkness to turn and run for Matinicus instead. There would be a better chance of getting help there.

"The skipper of the Harkness didn't know anyone lived out here," Philbrook said, slightly surprised.

Albert and Vance Bunker are brothers who fish for lobsters off Matinicus.

Vance Bunker had also picked up the communications between the Harkness and the mainland. He radioed the distressed boat to see what kind of trouble it was in.

By this time, Philbrook said, the Harkness reported that it had 2 feet of water over the stern. Vance Bunker radioed back that he was on his way in his boat, the Janellen.

Philbrook called Bunker on the phone and offered to go along. But Bunker had already rounded up Rick Kohls, another lobsterman, and Paul Murray, who tends to everything that runs on island—boat engines, furnaces, water systems, and the telephone lines.

Murray, he figured, would come in handy if anything went wrong with the Janellen.

Philbrook's task was to remain on land manning the radios and standing by in case Bunker got into trouble and someone with a boat was needed to come after him.

"There weren't very many of us left on the island," Philbrook said, "and it was quite a wild night, weather-wise." There had to be someone manning the home base.

When Bunker steered into the night, he didn't know exactly where the Harkness was.

"He started out thinking they were off Northeast Point, off the (north) of the island instead of where they actually were, which was off Zephyr Ledge, further to the northeast," Philbrook said.

Part of the confusion stemmed from the Harkness' use of latitude-longitude navigational information in giving its location. The Matinicus lobstermen rely on a Loran navigational system, and told the Harkness to start giving its location in both systems.

"When we had those," Philbrook said, "Rick knew roughly where they were because he fishes traps in that area. I ran the numbers on the chart that I have here on the wall, and gave Vance an exact position for the Harkness."

The information was critical, because Bunker couldn't see where he was going. In the wind at sea, spray turned instantly to ice on the boat's windows.

"Vance had Paul and me watching the Loran and telling him which way to steer," Kohls said, "and Paul was writing down the numbers as the Harkness was giving them on the radio." Bunker had to be content with watching the compass and keeping on course.

The Harkness was fighting for its life.

The tugboat's captain, Rudi Musetti, had only suspicions about what made the *Harkness* start to take on water. Possibly it was the rudder ports, he thought, or maybe the stuffing box.

Since leaving Ogunquit for a 20-hour trip to Northeast Harbor, Musetti had routinely checked everything on the boat every two hours. "The water started coming aboard just half an hour after my last check," he recalled later. "Everything had been riding high, as it should be. Then I looked back, and we were submerged."

Musetti threw the switches for the pumps, but could only trust that they were working, as the decks were too icy to walk on. "But every time I looked back," he continued, "we were going down, not up."

As the *Harkness* sank, Bunker developed a new worry. Radio communications had revealed that the *Harkness* had two 500-foot tow ropes that had been coiled on the stern, but they had been washed overboard as the boat took on water.

If the ropes got tangled in Bunker's propeller and the *Harkness* was sinking, it would have pulled Bunker's boat down with it. "And of course," Philbrook said, "nobody could see a thing."

These ropes, in fact, had played the final role in the disabling of the *Harkness*. They had washed off the stern when Musetti headed for Frenchboro, but they had trailed directly behind, keeping well clear of the boat's propellers.

When Musetti changed course for Matinicus, though, the ropes were pulled underneath the boat, fouling both propellers and killing both engines. With no power, the *Harkness* was adrift.

"Things were getting tense," Philbrook said. "We'd finally figured out where they were, and were on the way to those coordinates, and the guy was on the radio saying that he knew he was going to lose the boat, and that he and his crew were going to have to go into the water . . . Then the skipper said that the water was up to his chest in the wheelhouse."

It was 7:02, just over an hour since the tugboat's first distress call. It was the last signal that would come from the *Harkness*.

"When we heard that silence," said Kohls, "I knew I was going to puke. It was a terrible, terrible feeling. Of course the battery might have gone dead, but we knew they were in the water."

As Bunker's boat approached the *Harkness'* location, a mile and a half to two miles off Matinicus, the Coast Guard arrived on the scene.

The *Janellen* backed off, and went back to the last set of numbers the *Harkness* had given. "By then," Kohls said, "we knew there wasn't much of a chance them boys would still be alive. It was jeezly cold, and that sea smoke lay right over the water like a . . . blanket."

Kohls and Murray kept at it, looking over the sides of the *Janellen* down into the water. But the sea smoke was impenetrable, and they could see nothing.

For some reason, Kohls looked up instead of down. "I couldn't believe my eyes," he said. "I saw a light shining straight up into the sky above the sea smoke."

It wasn't much of a light, but its effect was huge. "It was like Charlie Brown's Christmas," Kohls said. "We knew at least one of them was out there." Kohls guided Bunker to the light.

The unlikely, if not the impossible had happened. A wooden ladder had floated free of the *Harkness* as it went down, and all three men had grabbed onto it.

One of the three, Arthur Stevens happened to be carrying a little three-cell battery flashlight that his daughter had given him for Christmas.

"I don't think Arthur was even aware that he still had the flashlight," Musetti said, "because his hands were too cold to hold onto anything. What had happened was that the flashlight had frozen right to Arthur's glove."

Then the three men in the water saw the *Janellen*'s searchlight coming through the sea smoke.

"We couldn't see the boat itself," Musetti said, "and it was blowing too hard for us to hear its engine."

Still, it was a struggle for the angels to save the men.

"We held the gaff out to one of them," Kohls said. "He kind of hooked onto it with his arms, because he had lost the use of his hands. He looked up at us and said, 'Boy, are we glad to see you.'"

"It seemed like a lifetime getting the first two aboard," Kohls said. "Paul and I were pulling on one of them." Bunker got the other aboard himself. "Vance is a big boy," Kohls said. "He's stronger. Also, fear motivates everybody."

The Coast Guard boat rescued the third man.

When the *Harkness*' crew was pulled from the water, the combination of wind and temperature created a wind-chill factor of 55 below zero. Murray and Kohls stripped off their clothes and gave them to the two men they had pulled onto the *Janellen*.

"You have never seen such cold human beings," Kohls said. "They couldn't walk, they couldn't move, except to vibrate like they were coming apart at the seams. We took them down below and had to cut the clothes off them." Luckily, Bunker kept a stove going down below.

Musetti said that neither he nor his two crew members gave in to panic, though when they finally abandoned ship he was certain that rescuers would not be able to find them in time.

"You can't survive more than a few minutes in that water," he said, "and we were already right on the verge of hypothermia. We talked to each other as we went into the water.

"I didn't feel fear, particularly. Maybe because there was no point in it. I thought about my four daughters and my grandchildren. And my parents. All I could think about was that I wouldn't see them again. It made me sad."

All six men involved—the three in the water and the three aboard the *Janellen*—figured something beyond just themselves was involved.

Kohls calls it luck.

"Everything happened just right. One man's daughter just happened to give him a flashlight for Christmas instead of anything else you could think of.

". . . A wooden ladder just happened to float right up to those men.

"And that flashlight just happened to freeze itself to his glove when he couldn't hold on to anything anymore.

"But what's most miraculous is the direction that little flashlight was pointing in. What are the chances that the beam of a flashlight that's frozen onto the glove of a drowning man would point straight up into the sky? By all logic it should have been submerged."

But it wasn't. And the beam did point straight up. And Kohls did just happen to lift his head up from his sightless staring into the sea smoke in time to see it. And he just happened to be on the right side of the boat.

"I don't want to go out on any more rescue missions this year," Kohls said, "because whatever there was in the luck bank, we used it all up this time."

ZAIRE'S MOBUTU MUST STEP DOWN

Mr. BOREN. Mr. President, there were times during the superpower confrontation when America faced a mortal threat from communism and its agents, when we involved ourselves in some unsavory relationships for what was viewed by some as the larger good of containing Soviet influence. That era is behind us, and we should be proud that it was America's ideals which secured the ultimate victory over communism. But Mr. President, we should reevaluate some of those alliances of convenience consummated in those uncertain days.

I am speaking in particular of Zaire. Over the last quarter-century, the United States has not pursued serious problems in the regime of Zaire's President Mobutu Seke Seko.

Zaire is a country endowed with plentiful natural resources. It has a talented and hard-working population. It has the potential to be an economically strong country, a model for the continent. Why, then, has inflation in just the last 3 months gone over 23,000 percent? Why have consumer goods become virtually impossible to find in Zaire? Why is there no soap in the hospitals? Why, in fact, has the Government of Zaire not built a hospital in over 20 years?

There is ample reason to believe that widespread corruption within the Mobutu government is a large part of the answer. Actions by President Mobutu are also clearly out of step with any real commitment to democracy. Even though his official Presidential term expired last year, Mobutu has refused to release the reins of power. Last year, he agreed to a national conference with opposition parties and elections to follow. Just weeks ago, however, the conference was canceled and threats have been made on the life of the archbishop who was running it.

If there was any remaining doubt that the United States should do all it can to bring pressure on President Mobutu to step down and allow for a democratic government, the events of the past few days should have removed it. The brutal and senseless firing by Mobutu security forces on prodemocracy demonstrators, killing several demonstrators, must not be tolerated by the world community. Mr. President, the United States must not remain silent on the sidelines when confronted with such blatant disregard for democracy and human rights.

We must do all that we can to facilitate President Mobutu's removal from power and a transition to true democracy in Zaire. I have been in contact with the National Security Advisor, Mr. Scowcroft, and many of my colleagues, especially my colleagues from Kansas and Illinois, have taken the lead in making this an issue. However, judging from recent testimony by an Assistant Secretary of State about the situation in Zaire, I can only hope that the administration is doing a lot more behind the scenes to ensure a peaceful transition than it is publicly. Because publicly, Mr. President, the administration is dragging its heels.

At the height of the cold war, the great columnist Walter Lippmann warned that the United States had to bring its commitments in line with its capabilities. And the end of the cold war, it is also time to bring our commitments in line with our ideals. There is no better place than Zaire to set a positive precedent for a common sense international policy, based on freedom and democracy and opportunity. It is time for us to act.

TRIBUTE TO CARTER MANASCO

Mr. HEFLIN. Mr. President, Alabama lost one of its foremost favorite son politicians and spokesmen for its coal industry on February 5, 1992, when former Congressman Carter Manasco died at the age of 90 in Arlington, VA. The Alabama Democrat became a Capitol Hill legend as an aide, Congressman, and legislative counsel.

Born in Townley, in Walker County, AL, to a tenant farmer, Carter Manasco attended what is now Samford University, in Birmingham. He later graduated from the University of Alabama School of Law. He was admitted to the State bar in 1929 and began his practice in Jasper. He served in the State legislature from 1930–34.

Cater began his long and distinguished career in Washington as secretary to then-House Speaker William Bankhead. He served in that capacity for 7 years. After Bankhead died in office, Carter won his boss' old seat in a special election. He served four terms in the House of Representatives, leaving in 1949 to join the National Coal Association as its legislative counsel.

During his tenure in Congress, Carter served as chairman of the Government Operations Committee, then called the Committee on Expenditures in Executive Departments. He was also a member of the first Hoover Commission on the Reorganization of the Executive Departments. He was a conservative Democrat, a friend of the veteran and a constant booster of Alabama interests. As a friend of the veteran, he fought diligently for their right to purchase surplus wartime goods after World War II.

While at the National Coal Association, until his retirement in 1986, Carter used his floor privileges and access to Members' lounges to become one of Washington's best-known lobbyists. His trademark cigar in mouth, he would often spend as much as 16 hours on his daily rounds, sometimes stopping by the press gallery for a poker game. He always knew what was going on and was a great vote counter. He frequently visited the most senior Member of the House and only current Member with whom he served, Mississippi's JAMIE WHITTEN. He loved TOM BEVILL, his Congressman, and TOM loved him. I can remember his visits to my office, when, in his late eighties, he would insist on climbing the long flight of stairs to the second floor of the suite rather than using the elevator because he said it posed a challenge. His long time friend Carlton Betenbaugh's office was upstairs. If he was your friend he showed his loyalty. Loyalty was one of his hallmarks.

Even in these later years, Carter still relished and sought out challenges. This drive and determination is what made Carter Manasco the success that he was. But, he also became an institution on Capitol Hill because of his likability and honesty and the many lasting friendships and high degree of respect they brought him. As the current Congressman from Carter's home district, my good friend TOM BEVILL, remarked upon his death, "Everybody who knew him loved him. And just about everybody knew him." Another said, "He became an institution on the Hill. It was difficult to tell if he was a Member of Congress or not."

We will miss this friend, favorite son and consummate politician, public servant, and public relations executive who brought so much color and flavor to the world we know as Capitol Hill. I extend my sincere condolences to Carter Manasco's family, including his son, John Carter, of Front Royal, VA. Thank you, Mr. President.

MEL AND NORMA BURGENER—50TH WEDDING ANNIVERSARY

Mr. REID. Mr. President, I first met the Burgeners in Nevada many years ago, but got to know them on a personal basis when we moved to a new home in 1975. We were then in the same ward. It has here that Landra and I got to know two unique individuals, Mel and Norma Burgener.

It is with pleasure I spread on the record of congressional proceedings this message of congratulations on the occasion of the 50th wedding anniversary of Mel and Norma Burgener. They deserve all of the accolades that can be presented to them. They are representative of what is good in our country.

The Burgeners stand in stark contrast to the startling statistics that plague our country. For example: one out of every two marriages in our country end in divorce, with the rate of divorce tripling between 1960 and 1982; one-half of divorced fathers fail to visit their children, with two-thirds failing to pay their child support. It has also been established that the single most important reason for the decline of the family is the parents not being at home.

We need more Mel and Norma's to set a good example for our children. They are the example of a loving husband and wife, with strong parental concern and oversight. With more of this, there would be less participation in gang activities, less narcotics use, less child abuse, less spousal battery, less divorce, and less alcoholism.

I am glad to call the Burgeners my friends.

Mr. CRAIG addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Idaho.

THE READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. CRAIG. Mr. President, under morning business, I first of all wish to react to my colleague from Pennsylvania and his reading of Washington's Farewell Address. It is not only appropriate and proper that it be read at this time but I think as importantly it ought to be reflected on a bit.

I say that because it was a message delivered in Washington's time to Washington's countrymen in 1796—a message that talked about frugality, that talked about the security of a nation, that talked about political factionalism and sectionalism within this country; but more importantly spoke to the maintenance and the security of a Constitution and the stability of a nation.

THE NEW HAMPSHIRE PRIMARY

Mr. CRAIG. Mr. President, yesterday, February 18, 1991, the citizens of New Hampshire spoke once again very loudly and clearly to the Nation, and I think not to George Bush, nor to Clinton, nor to Tsongas, but to this Congress, and it said it was fed up, Mr. President, with business as usual; that Congress in its pursuit of equality and justice for all was rendering the working men and women of this country inevitably unequal and unemployed. It spoke out loudly and clearly to our President George Bush, and to the Congress of the United States that no longer can the citizens of this country accept business as usual.

So last night, I do not think we can point a finger at anyone except ourselves, and say that the message from the voters of New Hampshire was profound when it said, Mr. President, Saddam Hussein invaded a nation and you acted decisively. Now the Congress has invaded our pocketbooks, our homes, our business, and our jobs with a recession self-induced by a budget agreement of 1990, by a tax reform of 1986

I think that it said to our President last night is you have a bully pulpit, and you ought to use it. You have an economic reform package, and you ought to demand it of Congress. And you have a line-item veto, and you ought to try it. You ought to test to see in fact whether the Constitution allows you what many of us think you have, Mr. President. There are free enterprise zones, and you ought to target them for implementation. You ought not let Congress continue to debate and do nothing. You have a deadline of March 20, and you ought to enforce it.

I believe that was the message of the voters of New Hampshire last night and yesterday. I am sure there will be others who will choose to interpret it differently because of their political interests or because of the liabilities they have voted themselves into over the course of the last several years, Mr. President.

But the message is profound, and the message is that the citizens of this country are speaking out more loudly and clearly than they have in a good number of years.

In the recess just past I and I am sure many of my colleagues traveled around their home States. If they did not, they should have. They should have visited with their citizens, and listened to them because the message is very clear.

American working men and women are hurting because the Congress of the United States and this Senate day in and day out over the course of the last 12 months have simply failed to act. They have failed to act on a capital gains provision that would have allowed an investment in this country's infrastructure again and the creation of jobs. They have disallowed the kind of incentives that we would expect our Government to step back and allow us to have.

George Bush was sent a message yesterday, but the Congress of the United States I believe was sent an even louder message. This is the 30th day before March 20. Our leader has said we will stay here and we will work. Well, we darned well better. We should have stayed here a month, 2 months, 3 months ago, 12 months ago, when capital gains was introduced by myself and a good number of others, when investment tax credits and other kinds of incentives were introduced but committees failed to act.

Instead, Members from the other party came to the floor and demagoged it as a game for the rich. I am proud that there are rich people in this country who are continually willing to invest in creating jobs and putting men and women to work who want to work. That is part of the message we must listen to. And we ought not fail to hear what was sent to us by the voters of New Hampshire—and that is Congress react and act, put again within the system the kinds of incentives that in the decades of the eighties created the longest extended period of prosperity and job creation this country has ever seen.

George Bush, use your Presidency, lead us, use the bully pulpit, speak out and demand that Congress respond and act as they have only failed to do in the past months. March 20 is coming. The clock is ticking. We are 30 days out. And if we fail to act, this country will recognize that leadership of this body is not of the President's party, and leadership of the other body is not the President's party, and that for some strange reason there must have been an alternative reason not to act.

I believe that is the message of New Hampshire, and I think time will record that as being reasonably accurate. Yes, our President was sent a message, Mr. President, but so was the Congress of the United States. Business as usual; not anymore. Day 30, and March 20 is before us. Let us act now so that we can put our people back to work doing what they know how to do best, and that is getting on with providing for themselves and their families, and creating a wealth base for this country to operate from.

I yield the remainder of my time.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, morning business is closed.

NATIONAL ENERGY SECURITY ACT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S. 2166, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

Pending:

Metzenbaum/Jeffords amendment No. 1642, to provide fair refunds to consumers of natural gas who are found to have been overcharged.

The Senate resumed consideration of the bill.

AMENDMENT NO. 1642

The PRESIDING OFFICER (Mr. BINGAMAN). Under the previous order, there will now be 30 minutes of debate, equally divided and controlled in the usual form, on amendment No. 1642 proposed by the Senator from Ohio [Mr. METZENBAUM].

Who yields time?

Mr. JOHNSTON. Mr. President, point of order. The amendment must first be offered.

The PRESIDING OFFICER. The amendment is pending.

Mr. JOHNSTON. Mr. President, the Metzenbaum amendment would seriously hurt an industry which is already very sick; that is to say, the interstate natural gas pipeline industry in America.

Mr. President, on this chart we have here selected natural gas stocks and their 1991 total common stock returns. There are only three healthy pipelines in America—Enron, Williams, and Panhandle Eastern. The other pipelines in America have been devastated. United Gas Pipeline has just come out of chapter 11. Columbia Gas is now in chapter 11. As this chart shows they have been losing money at the rate of minus 63 percent for Columbia; 27 percent down for Tenneco; 30 percent loss for Transco; 2 percent gain, actually, for Consolidated Natural Gas; Arkla lost 32 percent, and so on.

On the average, when you put in the good pipelines with the bad, the average return was 7.72 percent.

Mr. President, when you look at my second chart which compares natural gas stocks with the Standard & Poor's 400 over the past 10 years, Standard & Poor's gets, on the average, a return of about 17 percent; natural gas pipelines are about 10 percent. So, Mr. President, we have an industry which is sick, an industry which has been devastated, an industry which is getting much less in terms of return than their competitors.

Mr. President, natural gas is a great bargain for the American public. As my third chart shows. The Citygate price of natural gas per million Btu's has been going down. This chart also shows that the wellhead price has also been going down. It is a highly competitive industry where the consumer is getting a great break. Mr. President, in terms of the comparison, 1 million Btu's delivered to New York in natural gas is $1.47. For No. 2 fuel oil, delivered to New York harbor, it is $3.80.

Mr. President, what these three charts demonstrate is that we have a sick industry that is serving the public well, and which is highly competitive compared to others.

What does the Metzenbaum amendment do? To answer this, first it would be helpful to explain what happens under the current law. Under the Natural Gas Act there are two kinds of rate proceedings: a section 4 rate proceeding in which the pipeline itself asks for an increase in its rates. In today's section 4 rate proceeding, frequently a pipeline is able to file with FERC and begin charging an increased rate before the rate proceeding is finished.

Under the present law, if a pipeline asks for an increased rate, and 45 months later—which is the average amount of time that one of these section 4 rate proceedings takes—if the FERC finds that they are not entitled to that, they can order a refund up to the date that they began charging; in other words, they can order a retroactive refund of that increased rate.

The change that the Metzenbaum amendment would make is to allow the FERC to order a retroactive refund not only of the increased rate, but go back below the rate which previously had been determined to be just and reasonable by the FERC. In other words, Mr. President, the pipeline thinks it ought to be entitled to more, and 45 months later it finds out it is not only entitled to more, but what it was previously charging and previously set by the Federal Energy Regulatory Commission as just and reasonable, that that rate was too high as well, and they would have to refund the whole thing.

Mr. President, the problem with this is that it adds great uncertainty to the revenue stream for pipelines which are already hurting. The result would be that pipelines could not finance future growth; they could not finance future transmission facilities, because they would go to Wall Street and say: Look, we have just obtained a new rate filing, and the worst we can do under the present law is to keep what we have.

But if the Metzenbaum amendment passed, Wall Street would say: Not only can you not count on that increased rate, which will take you 45 months to find out about, but FERC may go back previously and cut you below what it previously had found to be just and reasonable.

The second kind of rate proceeding under the Natural Gas Act is what they call a section 5 rate proceeding, and that is one initiated either by FERC or an intervenor seeking to reduce present rates—again, those present rates already having been found by FERC to be just and reasonable.

Mr. President, under the present law, once a rate is found to be just and reasonable by the FERC, then the relief that can be granted in a section 5 rate proceeding is prospective only. Once you have been through that and in effect obtained your decision by FERC and somebody wants to cut you back, then you do not cut it back retrospectively but only prospectively—again, to give some predictability in rates.

Mr. President, if a pipeline, already a sick industry, which does not have the ability to get money on Wall Street as it is, because of the sickness of the industry, cannot count on their present rates, we are going to put them all in bankruptcy.

Mr. President, this is not a problem that needs fixing. The natural gas industry is highly competitive. It serves the consumer well, and it is not a problem. We would create a problem with the Metzenbaum amendment, a serious problem, and it is not a problem now.

I reserve the remainder of my time.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. I yield myself 5 minutes.

Mr. President, the argument is made that the gas industry is a sick industry and that, therefore, people who have been overcharged should somehow be called upon to bail out the industry. I think that is an absurd argument. If you are overcharged, you ought to get the money back. We are not even saying that it is mandatory. We are giving FERC the authority to order the refund.

I just think to come on this floor and say that this is a sick industry and therefore people who have been overcharged are not entitled to get a refund is beyond my belief.

But having said that, let me attack the premise itself because it is not a sick industry. It was a sick industry and had problems because of the take-or-pay contracts that the industry had entered into. But the fact is that now the industry has made a very strong comeback.

According to the Oil and Gas Journal, despite the Oil and Gas Journal 400 Group's 8.6-percent profit decline in 1989, the top 400 saw a 6.1-percent gain in revenues to $459 billion. Let me quote from the Oil and Gas Journal:

> Group income is still well above levels of a few years ago * * * profits recovered to $9.4 billion in 1987 and $22.3 billion in 1988.

Does that sound like a sick industry? Continuing on the quote:

> In 1986, only 116 of the 400 [top companies] recorded profits. In 1989, 224 companies posted profits.

One company actually went into bankruptcy. It is a company that is headquartered in Ohio, a good company. Columbia Gas System, Inc., and its principal pipeline subsidiary, Columbia Gas Transmission Corp., filed for bankruptcy protection last July.

At the time of the bankruptcy filing, the vice president, Richard Casali, expressed confidence that:

> Absent the contract problems—

Those are the take-or-pay contracts—

> Columbia should be able to compete effectively.

One industry analyst after that, quoted in the Cleveland Plain Dealer on August 1, 1991, said in his opinion:

> The filing was a good move, a negotiating ploy.

The filing for bankruptcy was a way of getting rid of these take-or-pay contracts. To get producers to settle for a lower gas price or wait a long time to get their money, they went into bankruptcy. But the company is healthy, and that individual who was quoted said:

> The company is not going out of business by any stretch of the imagination.

So when my distinguished colleague talks about the financial problems of the industry, let me make it clear the financial problems were something of yesteryear. They were there because of these take-or-pay contracts, which the gas pipeline are still working out of. But there is something behind us.

But even if the argument were true, even if there were validity to Senator JOHNSTON's argument, the fact is that the people who have been overcharged should not be expected to be called upon to bail out the company. If they are entitled to a refund, and if FERC orders them—orders the company—to make a refund, then and only then is the refund made.

And if FERC looks at the capital situation or the economic situation of the company and decides they are not going to order a refund even though they have been overcharging, FERC has the right to do that. This is simply an element of fairness. This is the right thing to do, and I have difficulty in understanding how any Senator could look his or her constituents in the face and say: I know you are entitled to a refund, but I was not willing to give it to you on the floor of the Senate because of some gas company concerns.

If they are entitled to the refund, give it to them. Or at least give FERC the right to give it to them. And it is not even mandatory.

Mr. President, I reserve the remainder of my time.

Mr. JOHNSTON. Mr. President, I yield myself 1 minute.

The amendment of the Senator from Ohio says: "shall order." If the Commission orders, the refund shall be made with interest. To say it is not mandatory runs counter to his amendment. These are mandatory refunds that he talks about.

Second, Mr. President, the Senator from Ohio says these problems in the natural gas pipeline industry are problems of yesteryear. Mr. President, I am quoting from the Energy Daily of Friday, February 7, 1992, which in turn quotes from John Olson, vice president for equity research at Goldman Sachs:

> The pipeline sector is not doing much better, he added, pointing to dividend cuts, asset sales and the Columbia Gas bankruptcy.
>
> Return on equity, set by the Federal Energy Regulatory Commission, should be about 12 percent to 15 percent. But in reality, it amounts to more like 7.5 percent, and bond ratings for many pipelines are at 'BBB' levels—just above those of junk bonds.
>
> Pipelines are the most overregulated segment of the industry, he continued. And the companies' low return on equity "is a dog—a dog that will not hunt on Wall Street." What Wall Street wants, he said, is more stability.

Mr. President, I ask unanimous consent that this article from the Energy Daily of February 7, 1989, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WALL STREET WARILY EYES NATURAL GAS INDUSTRY

(By Mary O'Driscoll)

PHOENIX, AZ.—Worried that the worst is yet to come, Wall Street has adopted an extremely cautious approach toward the natural gas industry, a financial analyst told regulators and industry officials Tuesday.

The gas industry "needs a Natural Gas Act of 1993 more than we need a Mega-NOPR, as far as Wall Street is concerned," John Olson, vice president for equity research at Goldman Sachs, told attendees at the Department of Energy-National Association of Regulatory Utility Commissioners conference here.

Olson said Wall Street's gloomy outlook can be traced to rock-bottom producer prices and poor return on equity for pipelines. "The bad news is, no one is making any money," he said.

In fact, depressed producer prices have caused several major gas producers to liquidate their holdings and move out of the country altogether, he said. Some companies are getting $3.15 per thousand cubic feet (mcf) of gas in the North Sea, while domestic producers are getting at or below $1 per mcf.

The pipeline sector is not doing much better, he added, pointing to dividend cuts, asset sales and the Columbia Gas bankruptcy.

Return on equity, set by the Federal Energy Regulatory Commission, should be about 12 percent to 15 percent. But in reality, it amounts to more like 7.5 percent, and bond ratings for many pipelines are at 'BBB' levels—just above those of junk bonds.

Pipelines are the most overregulated segment of the industry, he continued. And the companies' low return on equity "is a dog—a dog that will not hunt on Wall Street." What Wall Street wants, he said, is more stability—which can be achieved through long-term gas supply contracts. A gas company seeking financing "can't go to the bathroom without a long-term contract," Olson said.

Looking at the three gas industry segments, local distribution companies are doing the best, he said. Still, their return on equity is too low to complete in an increasingly global capital market.

The companies' low returns on equity, he said, could "keep the LDC industry in the background in a very large universe of investing alternatives," Olson said. Around the world, "deals are being set up that would make your teeth fall out," he said, adding that restrictions on the gas industry could hurt its global competitiveness.

The complexity of federal and state regulatory policies does not help, Olson continued. After having been burned during the gas curtailments in the late 1970s and the policy changes in the early 1980s, industry analysts are "sadder and wiser now," he said. "Hardly a day goes by when I fear I am not looking at somebody's PGA [purchased gas adjustment clause] close enough."

Worse, it is likely to become increasingly difficult to liberate the gas industry from these problems, he said. The industry "cannot operate on the basis of 'If you build it, they will come,'" he said.

Nevertheless, Olson, who has been watching the industry for about 25 years, said he thinks the gas industry "has a great future. You just have to give them the ability to earn a return on their investments."

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, will the Senator from Louisiana yield for a question?

Mr. JOHNSTON. Yes, on the Senator's time.

Mr. METZENBAUM. On my time.

The Senator makes the point that the word "shall" is used in complaint cases. But the fact is, there are very few complaint cases that are heard by the Commission. But if you look at the fourth line of the amendment, it says: The Commission may, by order, require the natural gas company to furnish a bond. And then it goes on to say that it may order the refund.

My question to my colleague is: If the language—with respect to the complaint cases with the Commission—where the word "shall" is used were changed to "may," would that make the amendment more acceptable to the Senator from Louisiana?

Mr. JOHNSTON. Mr. President, it would make a bad amendment slightly less bad. And it would be some improvement. The problem here is, as I quoted from the Energy Daily, the instability in the natural gas industry. As the director of equity research for Goldman Sachs said, the problem here is that many gas pipelines have junk bond ratings. And you know, when you have junk bond ratings, that hurts the consumer.

Mr. METZENBAUM. The Senator is on my time.

Mr. JOHNSTON. So that is the problem. It would help, but would not help the problem of stability.

Mr. METZENBAUM. Mr. President, since the Senator from Louisiana feels that that would help, I have no problem about giving all of the authority and discretionary basis to the Commission, so that may make an order for refund if they want, or do not have to if they do not want to.

Therefore, Mr. President, I ask unanimous consent that I be permitted to amend the language where it provides the Commission—on the second page, page 2, where it says "the Commission shall order"; that is, in those complaint cases—"shall" be changed to "may".

The PRESIDING OFFICER. Is there objection to that unanimous consent request?

Mr. JOHNSTON. Mr. President, reserving the right to object, and I will not object, is the Senator making the change in two places?

Mr. METZENBAUM. No; I only need to make it in one. I think only in one place, it is necessary. If it needs to be made in another, I will be glad to do that, as well, because I want FERC to have the authority.

Mr. JOHNSTON. I have no objection.

The PRESIDING OFFICER. Without objection, the Senator may send that modification to the desk, and it will be agreed to.

The Senator from Ohio is recognized.

Mr. METZENBAUM. I reserve the remainder of my time.

Mr. JOHNSTON. Mr. President, I yield 2 minutes to the distinguished Senator from Arkansas.

The PRESIDING OFFICER. Will the Senator from Ohio please send his modification to the desk so that that can be noted?

The amendment (No. 1642), as modified, is as follows:

On page 303 after line 14, insert the following new section:

SEC. 3. REFUNDS FOR OVERCHARGES.

(a) AMENDMENT OF SECTION 4(e) OF THE NATURAL GAS ACT.—The third and fourth sentences of section 4(e) of the Natural Gas Act (15 U.S.C. 717c(e)) are amended to read as follows: "Where changes in rates or charges are thus made effective, the Commission may, by order, require the natural-gas company to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such changes, specifying by whom and in whose behalf such amounts were paid, and, upon completion of the hearing and decision, to order such natural-gas company to refund, with interest, the portion of such rates or changes by its decision found not justified. At any hearing involving a rate or charge sought to be changed, the burden of proof to show that the changed rate or charge is just and reasonable shall be upon the natural-gas company, and the Commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.".

(b) AMENDMENT OF SECTION 5 OF THE NATURAL GAS ACT.—Section 5 of the Natural Gas Act (15 U.S.C. 717d) is amended by redesignating subsection (b) as subsection (c) and inserting the following new subsection following subsection (a):

"(b) At the conclusion of my proceeding under this section, the Commission may order the natural-gas company to make refunds of such amounts as have been paid, for the period subsequent to the refund effective date, in excess of those which would have been paid under the just and reasonable rate, charge, classification, rule, regulation, practice, or contract, which the Commission orders to be thereafter observed and in force. The refunds shall be made, with interest, to those persons who have paid those rates or charges which are the subject of the proceeding. The Commission shall establish the refund effective date. In the case of a hearing instituted on complaint, the refund effective date shall not be earlier than the date that is 60 days after the date of filing of the complaint or later than 5 months after the expiration of such 60-day period.".

(c) EFFECTIVE DATE.—(1) The amendments made by this section shall not apply to any proceeding under the Natural Gas Act commenced before the date of enactment of this Act.

(2) A proceeding to which the amendments made by this section does not apply by reason of paragraph (1) may be withdrawn and refiled without prejudice.

(d) STUDY.—(1) Not later than 3 years and not later than 4 years after the date of enactment of this Act, the Commission shall perform a study of the effect of the amendments to the Natural Gas Act made by this Act.

(2) The study required by paragraph (1) shall analyze—

(A) the impact, if any, of such amendments on the cost of capital paid by natural-gas companies;

(B) any change in the average time taken to resolve proceedings under sections 4 and 5, and

(C) such other matters as the Commission may deem appropriate in the public interest.

(3) Upon completion the study required by paragraph (1) shall be submitted to the Commission on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

Mr. JOHNSTON. Mr. President, I yield 3 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 3 minutes.

Mr. BUMPERS. Mr. President, I thank the distinguished floor manager.

Mr. President, this issue should be put in historical perspective. The pipelines have been stuck with what we call take-or-pay contracts. Back when everybody thought there was going to be a great shortage, the pipeline companies contracted for gas at very high prices. Suddenly, the gas market collapsed, and they are stuck with paying 2 and 3 times more for gas than they can sell it.

The chart the distinguished Senator from Louisiana showed reflects their loss of earnings, and illustrates that they are in a terrible condition. But that is not the real problem here. I just say that as a historical reference.

The real problem is that this amendment would create further chaos in an industry that is barely keeping its head above water. But so that my colleagues will have no doubt about what we are talking about, let me walk through a hypothetical case.

Say a pipeline company 10 years ago went to FERC when they first started operating. FERC gave them a rate of $1 per mcf, thousand cubic feet, for transporting gas. Ten years later, the company comes in and files for a new rate of $1.10, and they start charging their customers $1.10. Three years later, FERC finds, under the amendment of the Senator from Ohio, that they are not entitled to $1.10. The situation has changed and they are only entitled to 95 cents. Under the amendment of the Senator from Ohio, they can order a 15 cents refund as far back as 3 years.

Now, under current law, FERC can order a 10 cents refund back to the time of filing, but they cannot go beyond that. Now, to adopt his amendment and say, no, you can order refunds of 15 cents, you cannot do that and keep these people viable. They issue bonds. They get credit based upon the stability of a rate.

This amendment simply says to the pipeline companies and the financial community that there will be less stability. There will be more uncertainty. I do not like the idea of voting against a refund, but the current law is more than adequate to balance the concerns of consumers and the pipeline companies.

In addition, Mr. President, the argument that this amendment would just subject pipeline companies to the same requirements made applicable to the electric utilities, under the Regulatory Fairness Act, does not wash. Most electric utilities receive the bulk of their revenues at the State level. The pipeline companies are 100 percent FERC jurisdictional. The financial risk of the RFA is therefore far less significant than the current amendment would be for the pipelines. The RFA does not apply to rate charges proposed by a utility. On the other hand, the amendment would impose a substantial risk upon a pipeline company which wants to reduce its rates, but knows that if it proposes such a reduction it could be required to make large refunds.

And so I find myself in the position of reluctantly disagreeing with the Senator from Ohio. I sit in the Energy Committee day after day after day and follow these issues, and I can tell you, if you vote for the Metzenbaum amendment, you are creating more chaos, more instability in an industry that is already suffering.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I am frank to admit that I am a little bit surprised at the remarks of my colleague from Arkansas for two reasons. One is he voted for this very same amendment in 1988. But more important than that is he is the author of similar legislation to permit the consumer to get a refund in the electric industry. And how he distinguishes the rights of consumers who use electricity and the consumers who use natural gas is incomprehensible to me. We passed legislation authored by the Senator from Arkansas permitting consumers to get a refund who use electricity. And now he is saying that the natural gas users should not be entitled to the same refund. To me, it is illogical.

Mr. President, how much time does the Senator from Ohio have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes and 12 seconds.

Mr. METZENBAUM. Mr. President, I yield 4½ minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I find the debate somewhat enlightening, but I think it is important to try to get back to what the basic issue is here. No one is trying to kill a pipeline company. We are not trying to. So the arguments about companies and industries in trouble are irrelevant to what we are discussing here today.

What we are talking about are the situations where there is a pipeline company which is collecting what is determined to be an unjust and unreasonable rate of return on the sale of their gas. We are not talking about an industry that is in trouble. What we are talking about is a situation where FERC, the regulatory agency, determines that what has been and is being charged is unreasonably high and that, therefore, the money which truly belongs to the consumer has been taken out of their pockets and put into the pipeline's corporate treasury.

We are also talking about an agency which has the responsibility for the health of that company. To give FERC the discretion to order a refund of consumer's money that was collected through unreasonably high rates is certainly not anything that is going to injure the industry, but should give more confidence to the public in that industry itself. The various situations that we are talking about here are ones which I think are similar to other industries if you look at it from a reasonable perspective and comparison with how other industries, like the electricity industry, are treated, this is not an amendment which should give you any trouble whatsoever. In fact, it did not give the chairman of the committee any trouble when he put it in the original energy bill he introduced. Since that time, I do not know what happened, but I do know that it certainly does lead you to wonder why something which was good when the bill was introduced suddenly has become so destructive to the industry that it can no longer be supported.

There are three situations that we are talking about here. One, where a pipeline company comes in and says, "We admit we have been collecting too much money and so we are going to be nice guys, and we are going to give a refund. But we are going to give a refund that is quite a bit smaller than we really ought to."

And then FERC comes through and says, "Hey, not only were you a nickel high on the mcf, but you were 15 cents high on the mcf, and you have been collecting it for 40 months."

Now, they would say, "Well, we have to give them the nickel back, but we can keep the 10 cents, which was an unjust and high rate, and that should not go back to the consumers."

This amendment says from the time the filing was made, they got money piling up in the treasury, and that money belongs to the consumer and should go back.

Second, because there have been declining costs in the industry due to decrease in the cost of gas, there is a provision in the law now that says that the last approved rate by FERC must act as a floor. So under the situation I just described, if FERC found that that floor was really way too high, there is no authority for FERC to give back to the consumers the money that was taken from that unreasonably high and unjust rate.

And, third, under the one where consumers come in or State commissions come in and say, "Hey, that rate is too high," under present law, you go through the 40 months, and FERC says, "Yes, you are right. The money has been piling up in that company. The rate is at least 10, 15 cents higher than it should have been. We have looked at the health of company. The company is healthy. It is fine. It can afford to repay that to the consumer. OK, we will go back to near the beginning of the filing of the rate because we feel in our reasonable judgment that this money should be restored to the consumers," and the company will be healthy and everybody will live happily ever after.

The opponents of the amendment would deny that. They would say, you can keep the unjust and unreasonable rate which was collected and from now on we will make the charge a just and reasonable rate.

Well, we believe very strongly that that money, like it does in other situations, belongs to the consumer and should be restored to the consumer.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. JOHNSTON. Mr. President, I yield 1 minute to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. WIRTH. I thank the Senator for yielding.

Mr. President, last July I had the privilege of chairing the hearing on the Metzenbaum amendment. I had voted against the Metzenbaum amendment earlier and thought that maybe I made a mistake and wanted to hear all the witnesses. I sat through what is, as you can tell, an enormously complicated process. But it was very enlightening, and let me explain why.

I came away from the hearing even more convinced that my vote against the Metzenbaum amendment before was correct. Why? Because while the Metzenbaum amendment might help a few consumers, it is certainly certain to hurt all consumers. All consumers are going to have a negative on their rates as a result of this amendment.

How does that work? Because so much uncertainty is cast into the financing of these pipelines, their ratings are going to decline, according to the financial industry, which means that their rates are therefore going to be up.

Might the chairman yield an additional 25 seconds?

Mr. JOHNSTON. Yes.

Mr. WIRTH. The final point is, that that is what the financial industry says. Then NARUC, the regulatory commissioners, came in and told us exactly the same thing. The State regulators had unanimously opposed a very similar kind of provision. So the financial people and the rate regulators all said this is going to cost every consumer. I hope that our colleagues will vote against the Metzenbaum amendment.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. METZENBAUM. What is the time situation?

The PRESIDING OFFICER. The Senator from Ohio has 1 minute, 36 seconds, and the Senator from Louisiana has 45 seconds.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, the issue here is a very simple one. Once the FERC has determined finally a rate to be just and reasonable, the question is should a pipeline be able to rely on that and issue bonds based upon it.

According to the Metzenbaum amendment the answer to that question would be no; that they could come back and order a refund below that just and reasonable rate, which has been determined by FERC.

Mr. President, once the FERC makes that judgment, pipelines ought to be able to rely on that and go to the capital markets. Pipelines are a very sick industry. They have BBB ratings in many cases, junk bond ratings. What they need is stability and predictability and the Metzenbaum amendment takes away from that stability and predictability and hurts an already sick industry in its efforts to get additional capital to bring clean and cheap energy to America's markets. We should defeat the Metzenbaum amendment.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired. The Senator from Ohio is recognized.

Mr. METZENBAUM. The distinguished Senator from Colorado just made a statement on the floor that, as I understand it, does not comport with the facts. He indicated that the National Association of Regulatory Utility Commissioners oppose this amendment. That is just not true.

A letter dated February 13, 1992, addressed to me says:

> No resolutions regarding Sections 4 or 5 of the Natural Gas Act have been endorsed by the NARUC membership or the executive committee. Therefore, at this time, the National Association of Regulatory Utility Commissioners does not have a position or recommendation regarding proposed refund amendments to Sections 4 or 5.

With respect to the Senator from Arkansas who made the statement in opposition to this, let me point out what he said about the electrical refund issue.

> The committee bill will amend the Federal Power Act to ensure that consumers of wholesale electric power receive timely and effective relief when their electric rates are too high.

He goes on to say:

> In my view the current law is patently unfair to the customers of these small utilities. Rate increases sought by these utilities go into effect subject to refund while the FERC considers the merits of the request.

We are talking about an identical situation. Therefore I feel, Mr. President, that all we are saying on this amendment is what already is the law as far as electric utility consumers are concerned. What we are saying is that if FERC decides there should be a refund, FERC has the authority—it does not have to, because I have amended the amendment—it does not have to but has the right to order to refund. I think that is patently fair.

Mrs. KASSEBAUM. Mr. President, I sympathize with the amendment being offered by the Senator from Ohio. In fact, I have even voted for similar amendments in the past. But the circumstances that surround the natural gas industry have changed, and I do not believe that this is the time or the place for this amendment.

A primary purpose of the energy bill we are debating today is to reduce our

Nation's dependence on foreign sources of energy. Since natural gas is a clean, efficient, and proven domestic energy source, I think its production and distribution should be encouraged, rather than hindered, by this bill.

If natural gas is going to be part of our national energy strategy, it will have to be distributed from the field to consumers through pipelines. Unfortunately, passage of the Metzenbaum amendment will have the unintended affect of making expansion by pipeline companies more difficult. The amendment will inject uncertainty into current rate structure, and this uncertainty will increase the cost of capital for pipeline projects.

Given the financial upheaval that is already being experienced by pipeline companies as a result of natural gas deregulation and the credit crunch, I do not think Congress should be placing additional roadblocks to pipeline expansion. Consequently, I will vote against the Metzenbaum amendment.

The PRESIDING OFFICER. All time has expired on this amendment. The question is on agreeing to the amendment. The yeas and nays have not been ordered.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER (Mr. ROBB). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 41, nays 57, as follows:

[Rollcall Vote No. 22 Leg.]

YEAS—41

Adams
Baucus
Biden
Bradley
Bryan
Coats
Cohen
Cranston
D'Amato
Daschle
Dixon
Dodd
Durenberger
Glenn
Gore
Graham
Grassley
Inouye
Jeffords
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
McCain
Metzenbaum
Mitchell
Moynihan
Pell
Reid
Riegle
Robb
Rudman
Sarbanes
Seymour
Simon
Specter
Wellstone

NAYS—57

Akaka
Bentsen
Bingaman
Bond
Boren
Breaux
Brown
Bumpers
Burdick
Burns
Byrd
Chafee
Cochran
Conrad
Craig
Danforth
DeConcini
Dole
Domenici
Exon
Ford
Fowler
Garn
Gorton
Gramm
Hatch
Hatfield
Heflin
Helms
Hollings
Johnston
Kassebaum
Lott
Lugar
Mack
McConnell
Mikulski
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Rockefeller
Roth
Sanford
Sasser
Shelby
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner
Wirth
Wofford

NOT VOTING—2

Harkin
Kerrey

So the amendment (No. 1642), as modified, was rejected.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. ROBB). Does any Senator seek recognition?

Mr. JOHNSTON. Mr. President, I will suggest the absence of a quorum, but this is not to say that we will be doing this the rest of the day, because we will be going to third reading soon. I suggest the absence of a quorum.

Mr. WALLOP. Mr. President, will the Senator withhold for just a second?

Mr. JOHNSTON. Yes.

Mr. WALLOP. Just to echo that, I think the majority leader made it quite clear yesterday that these amendments which have been agreed to be considered were agreed to be considered today, not sometime in the distant future. I agree with the Senator from Louisiana.

Mr. JOHNSTON. Actually this morning.

Mr. WALLOP. This morning.

The PRESIDING OFFICER. Does any Senator seek recognition?

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that I be able to proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Maryland is recognized.

Ms. MIKULSKI. I thank the Chair.

(The remarks of Ms. MIKULSKI pertaining to the introduction of S. 2232 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOLE. Mr. President, was my leader time reserved?

The PRESIDING OFFICER. Leader time was reserved.

INVITATION TO PAUL TSONGAS

Mr. DOLE. Mr. President, I would like to use just a minute or two of the leader time to extend an invitation to my good friend and colleague, Paul Tsongas. And I have another chart here in the form of a gift certificate to Paul Tsongas: One free trip to Washington, and that would be tourist class, all expenses paid, with one night's lodging.

The purpose of the trip would be to confer with my colleagues on the other side, particularly the leadership on the other side, to convince them to abandon class warfare, to give up the antigrowth, the antibusiness, the anticonsumer agenda.

I think Mr. Tsongas, as the clear frontrunner following the New Hampshire primary, is out there making sense. He is being listened to by my people in New Hampshire and all across America—Democrats, Republicans, and Independents.

I cannot think of a better service he could perform today—if he can get away today or maybe tomorrow or over the weekend—to come to Washington to sit down with the leaders in the Senate, the House, and talk to them in the same way he has been talking to the voters.

He has been out there with the real people. They understand his message. That is why he was the clear winner in yesterday's New Hampshire primary.

Mr. JOHNSTON. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. JOHNSTON. Is this an endorsement?

Mr. DOLE. It is an endorsement for him to come to Washington, which may not be something he wants to do, because he is sort of running as the outsider.

In any event, I hope Mr. Tsongas will make himself available. We have a very small fund on this side. We are a minority group and do not have a lot of money. Maybe we have enough to rake up to get him some nice lodging and maybe even one aide. I would be happy to host a meeting in my office, if we cannot prevail on the others to host a meeting. He is a former colleague, and I know he will be treated with respect if he comes. I congratulate him, primarily on the message. Once that message reaches Congress, we may have an economic growth package to make some sense, rather than nonsense.

I reserve the remainder of my leader time.

The PRESIDING OFFICER. Without objection, the Republican leader's time is reserved.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. JOHNSTON. If no one is interested in bringing forth an amendment, I will say that in the next 15 minutes we will go to third reading. I have said it at least 10 times on the floor; the leader has said it at least 3 times on the floor; and my distinguished Republican colleague has said it at least 5 times on the floor, that we are going to third reading. Just so people think I am not kidding, I am telling you that by 11:30, if no amendments are here, we are going to third reading.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NOS. 1586 AND 1587, AS MODIFIED

Mr. JOHNSTON. Mr. President, I ask unanimous consent to make technical clarifications to amendments numbered 1586 and 1587 dealing with the Bonneville Power Administration. These corrections are needed because, after approval of the Hatfield amendments, the Budget Committee asked that the portion of both amendments dealing with Budget Act sequestration procedures be rewritten to clarify that the expenditures authorized by the amendments be included in the annual sequestration calculation.

Senator HATFIELD has rewritten his amendments to satisfy the Budget Committee's concerns and has submitted two substitute amendments that reflect these changes.

CLARIFICATION OF COLUMBIA RIVER HYDROPOWER AND WATER CONSERVATION AMENDMENTS NOS. 1586 AND 1587

Mr. HATFIELD. Mr. President, on February 6, 1992, during the Senate's earlier consideration of S. 2166, I offered two amendments—No. 1586 and No. 1587—dealing with the Bonneville Power Administration which were approved by voice vote. Following passage of my amendments, my staff was informed by the Budget Committee staff that a particular provision in both amendments was problematic. In particular, the amendments exempted certain expenditures from the Bonneville fund from being included in the annual budget law deficit calculations. While it was my intention to ensure that, in accordance with current law, expenditures from the Bonneville fund are not subject to sequestration, it was not my intent to exempt the expenditures from the sequestration calculation. Accordingly, today I am offering amendments to clarify the intent of my original amendments.

As most of my colleagues know, BPA is a self-financed entity, meaning BPA's obligations are met with revenue generated from the sale of electric power and other services to its customers. My amendments permit the transfer of funds from the BPA fund to the Secretary of the Interior and the Secretary of the Army for certain purposes relating to Federal projects in the Pacific Northwest. Each Secretary would be authorized to accept and expend such funds without further appropriation.

The original amendment contained language relating to the treatment of such transfers and expenditures from the BPA fund in the budget process. The Budget Committee asked that this language be clarified. The revised language makes clear that BPA's expenditures are not subject to any sequestration order, including any sequestration of discretionary spending. The revised language also makes clear that funds transferred to the Secretary pursuant to this section are available for obligation and expenditure, notwithstanding a sequestration. The reason for this is simple. BPA's obligations, including its obligation to repay the U.S. Treasury for the appropriated investment in the Federal Columbia River Power System and to repay the U.S. Treasury for borrowed moneys, are the responsibility of BPA's ratepayers, not taxpayers.

The language also makes clear that any sequestration order would apply only to that portion of the Secretary's budget exclusive of any funds transferred to the Secretary from the BPA fund pursuant to this section. This assures that the remainder of the Secretary's budget is not adversely affected by such transfers. This is consistent with the separate treatment of ratepayer and taxpayer obligations.

Mr. JOHNSTON. Mr. President, I send these two corrected amendments to the desk and ask that they be so modified.

The PRESIDING OFFICER. Without objection, the amendments are modified.

The amendments (Nos. 1586 and 1587), as modified, are as follows:

AMENDMENT NO. 1586 AS MODIFIED

On page 106, after line 20, insert the following new section 5308:

"SEC. 5308. Without further appropriation and without fiscal year limitation, the Secretaries of the Interior and Army are authorized to design, construct, operate and maintain generation additions, improvements and replacements, at their respective Federal projects in the Pacific Northwest Region as defined in the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), P.L. 96-501, 16 U.S.C. Sec. 839a(14), and to operate and maintain the respective Secretary's power facilities in the region that the respective Secretary determines necessary or appropriate and that the Bonneville Power Administrator subsequently determines necessary or appropriate, with any funds that the Administrator determines to make available to the respective Secretary for such purposes. Each Secretary is authorized, without further appropriation, to accept and use such funds for such purposes: *Provided*, That, notwithstanding any other provision of law, no sequestration order, including a sequestration of discretionary spending, shall reduce expenditures from the Bonneville Power Administration Fund or reduce the expenditures of the Secretary from Fund transfers made pursuant to this section: *Provided further*, That any application of a sequestration order shall apply only to non-Bonneville Power Administration Fund transfers: *Provided further*, That this section shall not modify or affect the applicability of any provision of the Northwest Power Act. This provision shall be effective on October 1, 1993."

AMENDMENT NO. 1587 AS MODIFIED

On page 104, after subsection (e), insert the following new subsection (f):

"(f) Without further appropriation and without fiscal year limitation and notwithstanding subsections (b) and (d) of this section, the Secretary of the Interior is authorized to design, construct, operate and maintain water conservation features that the Secretary and the Administrator of the Bonneville Power Administration determine necessary or appropriate at Federal Reclamation projects in the Pacific Northwest Region as defined in the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), P.L. 96-501, 16 U.S.C. Sec. 839a(14) pursuant to subsection (a), with any funds that the Administrator determines to make available to the Secretary for such purposes. The Secretary is authorized, without further appropriation, to accept and use such funds for such purposes: *Provided*, That, notwithstanding any other provision of law, no sequestration order, including a sequestration of discretionary spending, shall reduce expenditures from the Bonneville Power Administration Fund or reduce the expenditures of the Secretary from Fund transfers made pursuant to this section: *Provided further*, That any application of a sequestration order shall apply only to non-Bonneville Power Administration Fund transfers: *Provided further*, That this section shall not modify or affect the applicability of any provision of the Northwest Power Act. This provision shall be effective on October 1, 1993."

Mr. JOHNSTON. Mr. President, there are 15 minutes left before we go to third reading.

Mr. WALLOP. If the Senator will yield, Mr. President, with regard to the Hatfield amendments, it is my understanding that the substitute amendments are consistent with the Deficit Control Act of 1985 in that they reiterate that Bonneville Power Administration funds are exempt from sequestration. Of course, I have no objection to that.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, we have made several entreaties about the fact that we are going to third reading at 11:30. There are now about 5 or 6 minutes until the witching hour of third reading.

I say that to alert my colleagues that 11:30 is third-reading time, and I hope if anyone has an amendment—and I hear that we have some; I hear that there is some interest. I also hear others say they might not offer their amendments. After 11:30, after we go to third reading, amendments are no longer eligible. So a word to the wise should be sufficient.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. JOHNSTON. Mr. President, the hour of 11:30, pursuant to warning, has now transpired. I wonder what the wishes of the majority leader are at this point?

Mr. MITCHELL. Mr. President, I am advised by staff that one of the Senators who has an amendment on the list is currently on his way to the Senate floor.

Mr. JOHNSTON. Taking the long way around.

Mr. MITCHELL. We have heard that story often in this Chamber; I think I, more than anyone, have heard it.

But I think, if that is the case, we ought to provide that Senator and others with the opportunity to present their amendments. I know we have had several warnings and this is another one. There are now I think six or seven amendments left on the list of Senators not having appeared to present them; am I correct in that?

Mr. JOHNSTON. I believe there are seven that we expect.

Mr. MITCHELL. Mr. President, I want to reiterate what the distinguished managers have said and what I have said previously, that in a few more minutes, if those Senators who have amendments are not present, we are going to go to third reading. There has been more than ample notice to everybody. Senators have been told over and over again in the past 24 hours that this will occur.

And so I am going to ask the Senators if they would forbear for just a few more minutes and let us attempt to ascertain whether Senators are actually en route to offer their amendments. If they are in fact, I do not want to foreclose them from the opportunity of presenting their amendment if that is possible.

Mr. JOHNSTON. Mr. President, if the leader will yield, we certainly do not want to foreclose; in fact we have been beseeching Senators to come to the floor to offer their amendments. But I wonder if we should set a real time for third reading?

Mr. MITCHELL. Mr. President, if the Senator will yield, I prefer not to do that at this moment. Let me make a determination as to the status of the Senators and then I will return in just a few moments to discuss it further with the managers, if that is agreeable.

Mr. JOHNSTON. I thank the leader.

Mr. WALLOP. If the leader will yield further, with a 15-minute rollcall vote, the farthest away you can possibly be from this floor is only 15 minutes. That might be sort of the outer edge.

Mr. MITCHELL. I appreciate that. I thank the Senators.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask unanimous consent that I may proceed as if in morning business for not to exceed 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection the Senator is recognized as if in morning business for up to 5 minutes.

Mr. DECONCINI. I thank the Chair.

(The remarks of Mr. DECONCINI pertaining to the introduction of S. 2231 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1644

(Purpose: To establish a voluntary program to encourage industrial energy efficiency improvements)

Mr. BRYAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. BRYAN] proposes an amendment numbered 1644.

Mr. BRYAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 125, strike line 15 and all that follows through page 126, line 2, and insert the following new subsection:

(c) INDUSTRIAL ENERGY INFORMATION, SAVINGS TARGETS AND GRANTS.—(1) The Secretary shall establish a program to compile information on energy consumption by corporations in major energy consuming industries and energy intensity trends relating to the corporations. The Secretary shall ask and encourage each corporation that consumes at least 500 billion Btu's of energy in a calendar year within one or more major energy consuming industries to submit an annual report to the Secretary or a qualified sponsor pursuant to paragraph (4) on a standard reporting form, as described in paragraph (2).

(2) Each annual report described in paragraph (1) shall include, with respect to the calendar year described in the report—

(A) information on the quantity of energy consumed by the reporting corporation, including information on the quantity of energy consumed per unit of output, by fuel type and estimates of energy consumption by major industry types;

(B) a comparison of each quantity described in subparagraph (A) with comparative information based on energy consumption in a reference year that the Secretary shall determine; and

(C) information on any significant energy efficiency measure, process improvement, or product change by the corporation that led to a reduction in energy consumption per unit of output.

Not later than 6 months after the date of the enactment of this Act, the Secretary shall publish a standard reporting form.

(3) For the purposes of this subsection, the term "major consuming industry" shall include the following industries:

(A) Food and kindred products.
(B) Textiles.
(C) Lumber and wood products.
(D) Paper.
(E) Chemicals.
(F) Petroleum.
(G) Stone, clay, and glass.
(H) Primary metals.
(I) Fabricated metal products.
(J) Transportation equipment.
(K) Such other industries as the Secretary determines to be appropriate.

(4)(A) Each corporation which meets the conditions of paragraph (1) shall be asked to submit an annual report required under this subsection to the Secretary or to a qualified sponsor by not later than July 1 of the calendar year following the calendar year that is the subject of the report. Reporting shall be voluntary.

(B) For the purposes of this paragraph, the term "qualified sponsor" means a trade association that collects data from one or more corporations, compiles the data, and reports the aggregate data to the Secretary in accordance with requirements established by the Secretary.

(5)(A) The Secretary shall publish and submit to Congress a comprehensive annual report for each calendar year with respect to which the Secretary receives reports pursuant to paragraph (4).

(B) The report described in subparagraph (A) shall include aggregate energy consumption data, energy intensity data (including calculations of changes in energy intensity from the preceding calendar year, and from a reference year that the Secretary shall determine) and a discussion of energy conservation trends for each major energy consuming industry for which the Secretary receives data.

(6) In carrying out the program under this subsection, the Secretary shall ensure that no trade secrets or other proprietary information are disclosed as part of the program.

(7)(A) Within 18 months after the date of enactment of this Act, the Secretary shall establish voluntary energy efficiency improvement targets for each major energy consuming industry specified in paragraph (3). The targets shall represent a percentage reduction in energy consumption per unit of production that the Secretary determines is cost effective and achievable by 1997.

(B) The Secretary may also set voluntary energy efficiency improvement targets within each major energy consuming industry. Targets within major industries can be either at a three-digit or four-digit SIC code level.

(C) The Secretary shall seek input from affected industries and provide an opportunity for public comment in setting voluntary energy efficiency improvement targets.

(D) The Secretary shall assess the degree to which industries have achieved the targets and shall modify the targets every 5 years, beginning in 1997 for targets that apply in 2002.•

(8) The Secretary shall establish an annual award program to recognize firms who have significantly improved their energy efficiency relative to industry trends.

(9)(A) The Secretary shall provide grants for educational and promotional projects, implemented through industry associations or otherwise as appropriate, that support achievement of the voluntary energy efficiency improvement targets. Each grant shall be no more than $250,000 and shall pay for up to 75 percent of the total project cost. Projects eligible for grants shall include the following:

(i) Workshops.
(ii) Training seminars.
(iii) Handbooks.
(iv) Newsletters.
(v) Data bases.

(B) The Secretary shall request project proposals and provide grants on a competitive basis each year. In evaluating grant proposals under this paragraph, the Secretary shall consider—

(i) potential energy savings;
(ii) potential environmental benefits;
(iii) the degree of cost sharing;
(iv) the degree to which new and innovative technologies will be encouraged;
(v) the level of industry involvement; and
(vi) estimated project cost effectiveness.

(C) In order to qualify for a grant, an industry association must establish a reporting program (or continue with an existing reporting program) and provide energy efficiency information to the Secretary. The reporting program should enable the industry association to determine the average energy consumption per unit of production among a majority of its members and the progress these companies are making toward reaching voluntary savings targets. The industry association shall provide the Secretary information on energy intensity improvements among its members and their progress toward reaching the voluntary savings targets, on an aggregate basis each year.

(10) There are authorized to be appropriated such sums as are necessary to carry out this section.

The PRESIDING OFFICER. Under the previous order, time for debate on this amendment is 30 minutes, to be equally divided.

Who yields time?

Mr. BRYAN. I thank the Chair.

Mr. President, I yield myself as much time as needed within the confines of the unanimous-consent agreement.

The PRESIDING OFFICER. The Senator is recognized for up to 15 minutes.

Mr. BRYAN. Mr. President, I had hoped we might be able to resolve this. Our staff was in consultation with the staff of the distinguished chairman. Apparently, we were led to believe we were to come at 1 this afternoon if we were unable to work this out. I have since been advised we want to accelerate consideration of this and I am delighted to oblige.

The proposed amendment establishes voluntary reporting requirements—and I emphasize the word "voluntary", which asks medium and large companies to fill out a simple two-page reporting form on annual energy use and energy efficiency improvement.

Similar reporting was required for about 8 years unit it was eliminated as part of the 1986 Budget Act. The report is not burdensome, the reporting form was simplified through a Federal Register notice and rulemaking process, a number of times.

Industries cooperated and complied while the reporting requirement was in effect.

Industries that choose to participate can report either directly to the Federal Government or through industry associations.

This provides flexibility and makes it easier for large, diversified corporations to comply.

Reporting focuses the attention of senior management on energy use and it motivates some companies to show progress in reducing energy intensity.

The reporting program could provide the Federal Government with basic data on industrial energy use and efficiency trends, something it is now lacking.

Secretary Watkins stated in congressional testimony at a hearing on the National Energy Strategy in 1990:

> We don't have ready answers in some cases because we don't have the data that we should have.

New energy savings targets would be established by DOE with input from the private sector.

Targets would be for specific sectors as a whole—for example, steel production—and it would be, I emphasize, entirely voluntary. Savings targets were adopted for 1980 as part of the original program, and the targets, typically a 16-percent reduction in energy use per unit of output, were met by most of the industries.

I offer that insight, Mr. President, to indicate how effective this can be in achieving energy savings.

The Department of Energy considered establishing new savings targets for 1985, but unfortunately they were never issued. New savings targets are needed because there is an enormous potential for cost-effective energy efficiency improvements in the industrial sector. Many industries fail to pursue efficiency projects with more than a 1- or 2-year payback.

The grants program would cofund education, training, and other programs that industry associations undertake in order to promote the achievement of the voluntary savings targets by their members. The grants would be provided by the Department of Energy to industry corporations on a competitive basis.

In order to qualify, industry associations must establish a reporting program that a majority of their members voluntarily participate in. Industry associations are not required to participate.

I emphasize, Mr. President, that this is a voluntary program. No one need participate: Reinstating a reporting program, but making it voluntary rather than mandatory; adopting new savings targets for major industries and providing grants to industry associations to promote achievement of the targets should prompt some industries to adopt additional energy-efficiency measures, measures which they would not previously have done. But the potential energy savings are enormous, estimated cumulatively to be 9.3 quads from the years 1993 to 2010, and the net economic savings during this same period could reach upward of $25 billion.

The original program was repealed in part because the Energy Information Administration wanted to start its own survey of energy use by manufacturers, but the EIA survey is not an effective substitute for reporting and a savings target program. That is done only once every 3 years. It reaches a relatively small number of companies, and it does not encourage energy-efficiency improvements.

Mr. President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The remainder of the Senator's time is reserved. Who yields time?

Mr. JOHNSTON. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for up to 5 minutes.

Mr. JOHNSTON. Mr. President, this country is in a serious recession, largely because of noncompetitiveness with our competitors—Japan, Sweden, Germany, et cetera.

One of the reasons that this country has become noncompetitive is overregulation: Too many forms, too much paperwork. When we get into the field of health care, we find that so much money is going into forms and paperwork, and not enough to health care, and that is what makes the cost go up.

Here we have a proposal to have energy reporting. Oh, it sounds good, Mr. President. It is one of those things that makes you feel good, where you say, if we can get these figures and have these voluntary targets, somehow somebody is going to save some energy.

Mr. President, we had a mandatory program for about 10 years in this country, and there is no evidence that we saved 1 pound of coal, 1 kilowatt of electricity, or 1 gallon of gasoline. We simply cannot wish energy conservation by requiring that forms be filled out, records be kept, bureaucrats be hired, and redtape be increased.

Mr. President, we are told: Do not worry; this is only a voluntary program. The name of this game is to get into conference. The House has a mandatory program, and they want to get into conference with this voluntary program, so that we will be battered into having a mandatory program in conference.

Mr. President, the distinguished Senator from Nevada says he is willing to say in conference we can have only a voluntary program, he will not control the conference. The proponents of this amendment, those who are seeking to get it passed, those who have brought it to the distinguished Senator from Nevada will not make that commitment, because we have asked them. So essentially, this ought to be regarded as a mandatory program.

At a time when this country is reeling in recession, at a time when we are searching for competitiveness, at a time when we are trying to increase productivity by cutting down on redtape, bureaucracy, the cost of Government, and the cost of private enterprise doing business, we should not be getting into another program which has been proven to be ineffective. When I say it has been proven to be ineffective, there is no proof that all of the millions of dollars that were spent on the program during its 10 years of existence, produced any kind of energy other than the energy that it took to produce the paper on which to write all these figures.

Mr. President, the industry is dead set against this program. To quote in part from a letter to me, dated February 14, from H. Richard Seibert, Jr., who is vice president for the Resources and Environment Department of the National Association of Manufacturers:

> The data the Bryan amendment compels industrial respondents to provide is at best useless and at worst misleading. Energy consumption is a completely dependent variable for manufacturers—that is, energy use is tightly integrated with manufacturing processes and cannot be singled out as an individual factor. Thus, because manufacturers' energy use is dynamic and constantly changing, energy consumption data is outdated by the time consumption surveys are completed and results published.
>
> Making matters worse, DOE cannot guarantee the confidentiality of the data it collects. For many manufacturers, energy consumption data is highly proprietary. A recent Department of Justice ruling further erodes the confidentiality of energy data collected by the DOE by making such data available to other federal agencies.
>
> Moreover, the energy efficiency improvement targets called for in the Bryan amendment are a throwback to the discredited "command and control" policies of the past and are simply not necessary.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION
OF MANUFACTURERS,
Washington, DC, February 14, 1992.

Hon. J. BENNETT JOHNSTON,
Chairman, Senate Energy and Natural Resources Committee, Washington, DC.

DEAR MR. CHAIRMAN: The National Association of Manufacturers strongly opposes Senator Bryan's (D-NV) industrial energy reporting amendment to S. 2166, the National Energy Security Act. The amendment would essentially reinstate a burdensome and redundant reporting program that was abolished by Congress in the mid-1980s for, among other things, not providing useful information.

Specifically, Senator Bryan's amendment would subject companies that consume at least 500 billion BTUs of energy per year (a relatively small amount) to an annual reporting requirement established by the Department of Energy (DOE). In addition, DOE would be compelled to set "voluntary" energy efficiency improvement targets for major energy consuming industries that DOE determines would be achievable by 1997.

The data the Bryan amendment compels industrial respondents to provide is at best useless and at worst misleading. Energy consumption is a completely dependent variable for manufacturers—that is, energy use is tightly integrated with manufacturing processes and cannot be singled out as an individual factor. Thus, because manufacturers' energy use is dynamic and constantly changing, energy consumption data is outdated by the time consumption surveys are completed and results published.

Making matters worse, DOE cannot guarantee the confidentiality of the data it collects. For many manufacturers, energy consumption data is highly proprietary. A recent Department of Justice ruling further erodes the confidentiality of energy data collected by the DOE by making such data available to other federal agencies.

Moreover, the energy efficiency improvement targets called for in the Bryan amendment are a throwback to the discredited "command and control" policies of the past and are simply not necessary. U.S. industry has made giant strides in saving energy in the past 20 years. The United States now uses 37 percent less energy per unit of GNP than in 1973. In addition, targets make no sense given the complex interplay between energy factors, such as other capital investments (e.g. pollution control), external events such as changes in product demand and weather, and fuel price swings that necessitate fuel switching.

Finally, the real value of the data collected by the current Manufacturing Energy Consumption Survey (MECS) program, must be evaluated before any new data collection program is considered. MECS already imposes a significant burden on manufacturers by diverting significant manpower and other resources to non-productive information gathering tasks in addition to many other burdensome governmental reporting obligations. These obligations ultimately distract domestic manufacturers from concentrating on improving business operations, increasing profitability and maintaining and improving competitiveness.

The Bryan industrial energy reporting amendment is burdensome, redundant, and unnecessary. NAM strongly urges you to vote against it.

Sincerely,

RICHARD SEIBERT.

Mr. JOHNSTON. Mr. President, we frequently do not adhere to the views of industry on the grounds that they are special interests, and I frequently vote against them. But here is a case, Mr. President, where the costs are very clear. You simply cannot gather up this changeable, variable, difficult, complex, comprehensive data without hiring a lot of people, expending a lot of money, and using a lot of paper. And contrariwise, the Government cannot do it, either, without a lot of bureaucrats to oversee it.

Here we have the National Association of Manufacturers which, in addition to making those complaints, complains about the proprietary nature of this information, about the correlation between energy consumption, manufacturing processes, and its importance as trade secrets.

Mr. President, it seems to me that this case ought to be compelling, unless we can show some benefit would be obtained from this bureaucratic paperwork load. The fact of the matter is, Mr. President, in the 10 years in which this program was a mandatory program in the Government, it did not produce anything, so far as the proof relates, and that ought to be an overwhelming reason to reject this amendment.

The PRESIDING OFFICER (Mr. SHELBY). Who yields time?

Mr. JOHNSTON. Mr. President, I yield to the Senator from Wyoming 4 minutes.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 4 minutes.

Mr. WALLOP. Mr. President, let me echo the chairman's anxiety about yet another level of bureaucracy, although this is professed to be voluntary. According to the Office of Management and Budget, Americans spent, in 1990, before the Clean Air Act, 5 billion hours filling out forms, to the tune of $400 billion a year or $4,000 per household.

Now, I must say that in the scheme of 5 billion hours, this probably would only add a couple hundred thousand and not be noticeable, but the fact is it provides information which is essentially unusable, which is essentially proprietary, which will be subject to the Freedom of Information Act, and the current energy reporting had to go through the Census Bureau in order to protect it from the Freedom of Information Act.

So what the Senator is proposing is to collect information which is essentially not usable by the Department of Energy. Where it to be used, it could only be used in the most frightening way. We would return somehow to a program where, because of the collected information, the Government would start setting energy targets and try to go into some sort of socialist command-and-control kind of energy thing.

Second, the data that it collects is essentially outdated before it is in any useful form. Energy usage is completely dependent; it is tightly integrated with the manufacturing process and simply not segregatable as a factor. The shifts in energy usage, I would say to my friend from Nevada, and the demand are not caused just by energy price changes but by all kinds of other factors.

So, given the dynamic nature of the energy-consuming industry, energy consumption data is outdated before it becomes available in any usable format. By the time the survey is completed and the results are published, the data will be stale. Besides, it is redundant data; there is already reporting that takes place. So why should we require American industry to comply with a whole new set of reporting requirements to produce information which in a usable form is already collected?

Mr. President, this Congress indulges itself often enough with reports. This is one instance when we ought to forego the temptation to add to the burden of Americans.

So I say again, lest anybody forget it, 5 billion man-hours were used by Americans to comply with Government paperwork requirements—5 billion of them, $4,000 per household in America. I say to the Senate it is my hope, before we add to that paperwork burden, we might find some information out of there that is genuinely useful to the American public, that this burden is not useful and that we resist the temptation at this time.

Mr. President, I reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. BRYAN. May I inquire, Mr. President, the amount of time that I have remaining?

The PRESIDING OFFICER. The Senator from Nevada has 9 minutes, 54 seconds remaining.

Mr. BRYAN. I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 4 minutes.

Mr. BRYAN. I thank the Chair.

Mr. President, I frankly agree with a good bit of the rhetoric I have heard. Unfortunately, it is misdirected and is not applicable to this piece of legislation. No one, I repeat no one, who feels burdened by this option would be required to participate in any way, shape, or form; it is entirely voluntary. So those who suggest that somehow this amendment is akin to a command-and-control philosophy may be committed to ideological purity, but they are not discussing the measure that is before the Senate in the form of the Bryan amendment.

It is argued there are three reasons why we ought not to support it. One is that it is costly; two, that it is anticompetitive; and, three, that there is proprietary information that may be divulged.

First of all, it ought to be clear there are enormous energy savings that could be achieved in energy conservation, savings that could far outstrip any minute costs which may be involved with respect to companies that would choose voluntarily to participate. So I think the cost argument, upon proper analysis, simply fails to be persuasive.

Second, it is argued that it is anticompetitive. Let me disagree in very strong terms, Mr. President, because, clearly, to the extent you can improve energy efficiency, you can be more competitive, because we all know that the 1990's involve global competition and the improvements and achievements made by our competitors in the international marketplace make it increasingly difficult for American goods to reach their way into the international stream of commerce. The Japanese industrial base is more energy efficiency than our own. They are productive, they are efficient, and they are major challengers, as we know. Clearly, it makes sense in terms of America's competitive position internationally to achieve improved energy efficiency and, by so doing, become more competitive in goods and services.

Finally, with respect to the proprietary information, any company that has such a concern has an easy answer: They choose not to participate. Nothing in this amendment requires it.

It is argued, Mr. President, that this was totally ineffective when it was tried in the past. The Department of Energy recently issued a report on industrial energy intensity trends during the 1980 to 1988 time period. The report shows a dramatic slowdown in energy reduction after 1985 when the former program was stopped.

During 1980 to 1985, the average rate of reduction in industrial energy intensity was around 5 percent a year. During 1985 to 1988, this rate of improvement slowed to about 1 percent, and thereafter, when the reporting requirement was eliminated entirely, under the old system, has virtually disappeared.

I urge my colleagues to set aside the ideological arguments of command and control and all of this sort of nonsense, which, in my judgment, has no application to the measure we are discussing. I emphasize to my colleagues this is a voluntary program. Can it be denied it is desirable to achieve energy efficiency? Can it be denied that, if there are voluntary targets out there, industry ought to be encouraged to do so for themselves as well as for the national interest? Can it be denied that, if we can achieve energy reduction, it is better for American business in its competition globally and it is better for the American taxpayer ultimately?

Mr. President, I hope we have an opportunity to have this amendment adopted so that those who wish to participate can do so. With respect to the Attorney General's opinion, this information is so exceedingly general——

The PRESIDING OFFICER. The Senator from Nevada has used his 4 minutes.

Mr. BRYAN. I ask for another minute.

The PRESIDING OFFICER. Without objection, the Senator from Nevada is recognized.

Mr. BRYAN. I thank the Chair. I ask to have incorporated in the RECORD the form contemplated. It is a two-page form, and I do not see how that possibility could disclose any proprietary information.

That is a judgment that I would defer and leave up to any business that because of its own concern might choose not to participate. It is absolutely their right.

I ask unanimous consent that this two-page form, this alleged educationally burdensome and costly undertaking, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Federal Register, Vol. 45, No. 40, Feb. 27, 1980]

Energy Efficiency Improvement and Recovered Material Utilization Report, U.S. Department of Energy

SPONSOR REPORTING FORM

DOE FORM CS 189-S

SPONSOR ____________ SIC ____________ REPORT YEAR ____________ PAGE ______ OF ______

SECTION B: ENERGY CONSUMPTION AND EFFICIENCY IMPROVEMENT

Part 3

A. Energy Consumption Data

For Each Energy Source Below, Enter The Consumption Data Requested	For Corporations Using 1972 as the Reference Year		For Corporations Using 1978 as the Reference Year	
	(A) Current Reporting Period Consumption (Billion Btus)	(B) 1972 Consumption (Billion Btus)	(C) Current Reporting Period Consumption (Billion Btus)	(D) 1978 Consumption (Billion Btus)
1. Electricity				
2. Natural gas				
3. Propane				
4. LPG				
5. Bituminous coal				
6. Anthracite coal				
7. Coke				
8. Gasoline				
9. Distillate fuel oil				
10. Residual fuel oil				
11. Petroleum coke				
12. Purchased steam				
13. Other (specify)				
14. Other (specify)				
15. Other (specify)				
16. Total energy consumption				

Part 4

A. Energy Efficiency Improvement

	For Corporations Using 1972 as the Reference Year	For Corporations Using 1978 as the Reference Year
1. Energy consumption during current reporting period (enter from Worksheet Col. C)	Billions of Btu	
2. Calculated consumption based on reference year energy efficiency (enter from Worksheet Col. B)	Billions of Btu	
3. Energy efficiency improvement relative to reference year: Line 2 minus line 1 divided by line 2 times 100	%	%

B. Narrative Commentary

Provide the information requested below on separate sheet(s), as indicated on the instructions to this form.

1. What significant energy conservation measures have been adopted in this reporting period and have contributed to the improvement shown on line 3 above?

2. Signify the aggregate effect each of the following factors had on your respondents' energy use when compared to their reference year use:

	(1) Increase	(2) Decrease	(3) Unknown
a. Capacity utilization	☐	☐	☐
b. Fuel switching	☐	☐	☐
c. Governmental regulations	☐	☐	☐
d. Product mix	☐	☐	☐
e. Product quality	☐	☐	☐
f. Raw material and feedstock changes	☐	☐	☐
g. Weather	☐	☐	☐
h. Other—Specify	☐	☐	☐

3. Provide any other comments desired.

Mr. BRYAN. I thank the Chair. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I yield to the Senator from Wyoming such time as he may consume.

Mr. WALLOP. Mr. President, I say to my friend from Nevada that, if he thinks that anybody in the bureaucracy will stay with a two-page form, he has a much more optimistic view of how bureaucracies behave than does the Senator from Wyoming.

I would also say that two things genuinely bother me. One, I do not believe that it will stay voluntary; two, the information is essentially unusable and, to the extent that it is usable, it is redundant of information that is already collected under our bill and by the industrial sector.

So I say again that what this Congress does not need to indulge itself in is further requirements of reports which, one, nobody reads, and, if they read, cannot use, and, if they use, can only lead to a heavy government intervention in the American economy.

Mr. President, I thank the chairman.

Mr. JOHNSTON. Mr. President, it seems to me that this amendment is fairly simple and straightforward. It is a reenactment, on voluntary terms, of the program that was in existence for 10 years and that did not provably save any energy. To the extent it is utilized, it will require time, effort, bureaucratic employees, and will lead inevitably to some reduction in productivity.

Mr. President, I think we made the case against it. I am prepared to yield the remainder of my time unless anyone else wants to be heard.

Mr. BRYAN. Mr. President, responding to the chairman, I need 1 more minute and then I will be prepared to yield back the time.

Mr. President, I want to respond to at least one point that was made by those who oppose this measure. To suggest that somehow it is redundant relating to the measure which we are being asked to consider, of which these provisions would be incorporated, that simply is not the case as I know my friend from Louisiana and my friend from Wyoming understand.

Mr. WALLOP. Mr. President, will the Senator yield for a clarification of what I said? I think he misunderstood. I said to the Senate that the information gathered under the reports that the Senator would see as usable is redundant, to the extent it is not usable. I agree. It would be an individual company requirement. But what we require under our bill is by industrial sector, and to the extent that we can use this information, the industrial sector information is already available and, therefore, redundant.

Mr. BRYAN. I thank the Senator. I believe I understand the Senator's point. The point this Senator is trying to make is under this proposed legislation, of which the Senator has played a key role in drafting, the reporting requirement contemplates every 3 years. This would contemplate a voluntary report every year.

The Senator's legislation contemplates a random survey as opposed to individual reporting as is contemplated in this on a voluntary basis. So I would not want my colleagues to think that in effect we have the same thing.

It is my view that this could be useful and helpful in setting these voluntary targets, voluntary participation on an annual basis.

I respect the right of my friend from Louisiana to disagree, but I do not think anyone ought to be confused in terms of what we are trying to accomplish.

Having said that, I yield back the remainder of my time, and I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. JOHNSTON. Mr. President, if the Senator will withhold——

Mr. BRYAN. I certainly will do so.

Mr. JOHNSTON. I move to table and ask for the yeas and nays.

Has the Senator yielded back?

Mr. BRYAN. Yes.

Mr. JOHNSTON. Mr. President, I yield the remainder of my time. I move to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana to lay on the table the amendment of the Senator from Nevada.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER (Mr. SHELBY). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 58, nays 40, as follows:

[Rollcall Vote No. 23 Leg.]

YEAS—58

Akaka
Bentsen
Biden
Bond
Boren
Breaux
Brown
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Conrad
Craig
Danforth
DeConcini
Dole
Domenici
Durenberger
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Inouye
Johnston
Kassebaum
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Nickles
Pell
Pressler
Riegle
Robb
Rockefeller
Roth
Sanford
Sasser
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—40

Adams
Baucus
Bingaman
Bradley
Bryan
Bumpers
Cohen
Cranston
D'Amato
Daschle
Dixon
Dodd
Exon
Fowler
Glenn
Gore
Gorton
Graham
Hollings
Jeffords
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mitchell
Nunn
Packwood
Pryor
Reid
Rudman
Sarbanes
Simon
Wellstone
Wirth
Wofford

NOT VOTING—2

Harkin
Kerrey

So the motion to lay on the table the amendment (No. 1644) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, for the edification of my colleagues, let me say what we expect to do. We expect that Senator SPECTER will be recognized shortly and will make a statement. Then I believe he is prepared not to offer his amendment, which will then leave a Biden amendment on which we hope to have 30 minutes equally divided, two Graham-Mack amendments on which we expect to be probably an hour each with maybe one second-degree amendment, maybe 2½ hours total, and other than that, we do not expect or we do not know of other amendments that definitely will be offered. There are some others that are eligible to be offered.

So, Mr. President, in effect we have three amendments to be dealt with of which we are aware.

So we should finish fairly early this afternoon. And if anyone does have an amendment other than those, I would urge them to let us know about them.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, as the distinguished manager noted, I do not intend to offer an amendment for which I had reserved space.

On February 6, when we were considering this bill before the recess, I made an extended statement concerning some reservations I had with the provisions of the pending legislation which amends the Public Utility Holding Company Act of 1935.

I noted at that time that there were very complex issues here, where I have constituents in Pennsylvania on both sides of the bill's proposals, and I inserted into the RECORD two possible amendments which would have deferred implementation of the pending legislation on the Public Utility Holding Company Act to see what support there might be for some deferral and some further study of these very complex issues.

Since February 6, there has been an addition to the legislation which would permit the State public utility commissions to make an inquiry into the capitalization of these new companies, which is some assurance on some of the concerns which I have raised, but there are still other concerns. After talking to a number of my colleagues and consulting with my constituents, however, I have decided not to offer either of those amendments at this time.

As a matter of fact, I have had continuing requests on both sides from a State like Pennsylvania, with many, many diverse interests, some wanting the amendments to the Public Utility Holding Company Act and others not wanting them.

But there are some other issues which I would like to discuss very briefly this afternoon concerning matters which may be taken up by the House of Representatives, or matters which might be taken up in conference, or matters which might await legislation on another day.

Mr. President, there has been a concern expressed to me over provisions of the pending legislation which would permit foreign holding companies' ownership of American power companies. The issue has been raised that it might be highly desirable to have further study by the SEC and related agencies to determine whether foreign holding companies, created in the United States after the 1992 public utilities subsidiaries, whether that is desirable.

A second issue which has been raised is whether there is really a need at the present time to have additional generating companies in light of the very substantial efforts which are being made in the area of conservation. And the question has been raised as to whether it might not be desirable for the SEC and related agencies to study and investigate ways to improve on conservation before these rather far-reaching amendments are made for the Public Utility Holding Company Act of 1935.

Another concern, Mr. President, relates to the exemptions and whether, before abandoning all of the Public Utility Holding Company Act requirements that the SEC or related agencies determine, all public utilities serving America now ought to buy power from an exempt company at its competitive price or from a PURPA company at a utility's avoided cost.

These are very complex matters, Mr. President, and constituents of mine have raised an issue as to whether these matters have been adequately considered in the legislation which is currently pending.

Another factor which has been raised relates to the potential anticompetitive effects of the potentially disparate corporate capital structures where new companies may come in with such low capitalization. The issue arises as to whether allowing these new public utilities, created after 1992, to use a high tax-deductible debt-capital financing structure, and then to compete with preexisting companies, which have much more extensive capital structure, less debt and less deductions, whether the anticompetitive effects may ultimately harm the consumers of America.

Another factor which has been raised relates to whether it is desirable to allow these new public utilities to sell power wholesale in interstate commerce, regulated only by FERC, where the State commissions will no longer have any authority to determine the reasonableness of the wholesale rate or charge. And that leaves the entire regulatory process, with very limited applicability, here in Washington, DC, contrasted with the traditional method of allowing States to have some greater input as to what is or is not desirable.

Another issue has been raised about whether there is a sufficient determination of public convenience and necessity, because questions arise concerning the maintenance and reliability of these proposed new public utilities over their long-term contracts, with the inquiry being made only on their prospective ability to perform during their early years when they are virtually brand new. So the issue has been raised as to whether the SEC and related agencies should investigate and recommend whether a subsidiary public utility, created after 1992, which supplies power to another public utility in the same State, should be required to obtain a certificate of public convenience and necessity from that State.

Mr. President, I do not purport to provide answers to these questions. As I noted in my earlier statement on February 6, I am not on the committee and have not had the benefit of attending the lengthy hearings held on this subject. But I have reviewed a fair amount of the written material and do have the lingering question as to whether some additional study might not be desirable.

My sense of this body is, Mr. President, as I suggested before, that there is not support for delaying the provisions which relate to the Public Utility Company Act of 1935 on its proposed repeal, and that there has been a step taken by allowing State commissions to examine the capital of the new companies if they choose to do so.

So I am going to let it stand at this point, Mr. President, with the questions that I raised on the February 6 statement and with the additional questions which may be examined by the House of Representatives, or may be inquired to at a later date.

But at least, in putting these issues in the RECORD, there is an opportunity for public examination, scrutiny, and further debate. But I do not think it will serve any useful purpose to carry either of the earlier suggested amendments to a floor vote today.

I thank the Chair and yield the floor.

Mr. JOHNSTON. Mr. President, I sincerely thank the distinguished Senator from Pennsylvania. The subject of Public Utility Holding Company Act reform is one of the most technical and difficult subjects to be considered on the floor of this Senate this year. It is also one of the most important.

We are dealing with a multi-hundred-billion-dollar industry which affects every consumer and every household in America. I fervently believe, Mr. President, that the reforms which we have incorporated in this bill will dramatically help every consumer of electricity in America by giving him cheaper and more reliable electric rates.

There were some great concerns, and the Senator from Pennsylvania has touched on some of those, such as debt/equity ratios, reliability, stranded investment, self-dealing, et cetera. And I think we have allayed those fears, both by the debate on the matter, revealing what our studies have shown—and I might say we have had rather extensive consideration of this in the Energy Committee over a period of 3 years. We have also accommodated many of those concerns by legislation which tightened down and ensured, for example, that PUC's will look at the question of debt/equity ratios and retain their traditional powers to order up any debt/equity ratio, which, under State law, they are authorized to do.

We also have stated, Mr. President, that in the conference we would look at such things as foreign investment. Some of our colleagues, particularly Senator BENTSEN, have stated that American companies ought to be able to invest abroad. It is a fairly technical subject, and we hope to be able to deal with that, at least consider it very seriously, in the conference committee.

So, Mr. President, I am very pleased the Senator from Pennsylvania is willing not to bring up his amendment at this time, and I hope he will find that his decision to do so was vindicated by the future success of this new Public Utility Holding Company Act reform.

Do I take it that the Senator will now withdraw his request for unanimous consent for an amendment?

Mr. SPECTER. Mr. President, if I have not made that explicit up to now, I do make it explicit that I relinquish the reservation on the amendment which I had asked for in the unanimous-consent agreement.

I thank my distinguished colleague from Louisiana for his comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. The Energy Committee has made an exhaustive study on these issues. I acknowledged that in the comments I made.

I have had many constituents come to me, some consumers and some electric companies. They are very much in favor of the pending legislation. Others have come to me and said there was a requirement for the inquiry by the SEC, which has not been completed, and that there are many complex questions. You may have stranded companies, and it may work to the detriment of consumers.

I think that by raising these issues, they may be referenced at a later time when some of these matters come before FERC or other regulatory agencies. This was a matter of floor debate, and there was a concern about these items, which ought to be considered, perhaps by a State public utility commission, on assessing appropriate debt/equity, or in a variety of ways. These issues have been examined and debated, and it is suggested that even though the Senate has not gone to a vote on these matters, they ought to be considered by other governmental entities at a later time. I think it serves a useful purpose to that effect.

However, I sense that the mood in this body is not to act today on any one of these items but, instead, to leave the process to other governmental agencies or, perhaps, the House. So I think having illuminated these concerns and setting the stage for others to act at a future time if it is warranted, is about as much as can be accomplished. So I thank my colleague and yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

AMENDMENT NO. 1645

Mr. JOHNSTON. Mr. President, I send an amendment to the desk on behalf of Senator MACK and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. MACK, proposes an amendment numbered 1645.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 391 strike beginning on line 21 through line 4 on page 392, and insert in lieu thereof the following:

"(v) require as a condition for the approval of the purchase of a particular long term wholesale power supply that the seller provide reasonable assurance of its access to sources of fuel adequate to perform its obligations under the terms of the contract for the sale of such power supply.".

Mr. JOHNSTON. Mr. President, the existing PURPA consideration requirements in title 15 require State commissioners to consider requiring a long-term seller of wholesale power to have access to adequate fuel supplies as a condition of approving a purchase of power from such seller. This amendment simply rewords this provision to make it more reasonable.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Mr. President, I want to take a moment to say to the Senator that, as far as I am concerned, that wording is agreed to on this side. We have no problems.

Mr. JOHNSTON. I thank the Senator from Florida for his cooperation and for offering an excellent amendment.

Mr. BOND. Mr. President, as the Senate concludes its consideration of S. 2166, the National Energy Security Act, there is an important issue which is not addressed by this bill—that of transmission access. My colleagues on the Energy and Natural Resources Committee deliberately did not include the issue in S. 2166 because they believed, and rightly so, that this legislation was not the proper place to address so sensitive and complicated an issue. I strongly affirm their decision.

It is my understanding that the energy bill which will soon be considered by the House Energy and Commerce Committee contains several provisions relating to transmission access. If these provisions remain in the bill when it is reported by the full committee, then this issue will be an item for conference. I am extremely concerned that such an important issue would be decided in conference without any Senate deliberation on the matter. There are many in my State, and other States, who believe that mandatory transmission access would compromise the integrity, reliability, and efficiency of the electric transmission grid, which is one of the most essential elements of our Nation's energy infrastructure. This is an issue which deserves a thorough and extensive examination by both the committee of jurisdiction and by individual Members on the Senate floor. To dispose of it in conference would be irresponsible.

For this compelling reason, I strongly urge the Senate conferees to reject any House provisions which allow mandatory transmission access.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1645) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. MACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Louisiana.

UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSTON. Mr. President, I think we are now ready for the Graham-Mack amendments. I have two time agreements with respect to those that I believe have been agreed to. I think these have also been hotlined.

Mr. President, with respect to the first Graham-Mack amendment, which has to do with offshore drilling in Florida, I ask unanimous consent that with respect to the Graham-Mack amendment relating to the Florida OCS, there be 1 hour divided and controlled as follows: 15 minutes for Senator GRAHAM, 15 minutes for Senator MACK, and 30 minutes under the control of Senator JOHNSTON or his designee; that one perfecting amendment be in order to the Graham-Mack amendment to be offered by Senator JOHNSTON, and that there be 1 hour equally divided and controlled between Senators JOHNSTON and GRAHAM; and that on the conclusion or yielding back of time, there be a vote on or in relation to the perfecting amendment followed, without any intervening action or debate, by a vote on or in relation to the Graham-Mack amendment, as amended, if amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSTON. Mr. President, further, I ask unanimous consent that with respect to the Graham amendment relating to the provisions of S. 736, there be 2 hours equally divided and controlled in the usual form; that one second-degree amendment to the Graham amendment be in order, to be offered by Senator JOHNSTON or his designee; that there be 1 hour on the second-degree amendment; and that, at the conclusion or yielding back of time on the second-degree amendment, the Senate proceed to vote on or in relation to the amendment, followed by a vote on or in relation to the underlying Graham amendment, as amended, if amended, with all of the above occurring without intervening action or debate.

Mr. MACK. Reserving the right to object, and it is not my intention to object, but to inform the Senator that on this side, apparently there is some concern. If we could have some time; there is apparently one individual who has some concern about this amendment.

If the Senator would agree to just withhold this unanimous consent until we can get clearance?

Mr. JOHNSTON. Mr. President, I withhold the second unanimous-consent request.

Mr. MACK. I thank the Senator.

EXEMPTION OF PIPELINE SALES OF NATURAL GAS FROM NATURAL GAS ACT REGULATION

Mr. BENTSEN. Mr. President, I would like to engage the floor managers in a colloquy concerning section 11111 of S. 2166. This section concerns the deregulation of the natural gas cost component of the rates that interstate pipelines charge for natural gas sales service. Section 11111 specifies certain conditions that must be satisfied in order for the Federal Energy Regulatory Commission to exempt the natural gas cost component of a pipelines sales rates from regulation under the Natural Gas Act.

In particular, I would like the floor managers to clarify for me that the conditions for deregulation are continuing conditions that a pipeline must always meet. I also would like them to clarify for me the Commission's authority to take action should a pipeline whose gas cost component has been deregulated no longer satisfy the statutory preconditions for deregulation.

Mr. JOHNSTON. Mr. President, I would be pleased to respond to the Senator from Texas' question. First, the conditions specified in section 11111 are continuing conditions. An interstate pipeline must satisfy the specified conditions in order for the Commission to exempt the natural gas cost component of its sales rates from regulation under the Natural Gas Act and must continue to satisfy such conditions in order for the exemption to remain valid. In drafting section 11111 the committee purposely used the word exempt rather than the word deregulate. This word was chosen because it was the committee's intention that such an exemption could be rescinded if the Commission determined that a pipeline no longer continued to meet the conditions for exemption.

Second, the Commission clearly would have authority, either upon a complaint or on its own initiative, to investigate whether a pipeline continued to satisfy the conditions for this exemption from jurisdiction. The conditions specified in section 11111 pertain to the terms under which a pipeline renders natural gas transportation service. Even where the Commission has exempted a pipeline's natural gas cost component from regulation, the Commission would retain the full scope of its authority under the Natural Gas Act to regulate such transportation service. Therefore, there should be no question as to the Commission's ability to ascertain whether a pipeline continued to meet the conditions for an exemption granted by the Commission under the authority of section 11111. And, as already mentioned, the Commission would have authority to rescind the exemption if it found that the pipeline no longer met the conditions.

Mr. WALLOP. Mr. President, I concur in the response of the Senator from Louisiana.

Mr. BENTSEN. Mr. President, I thank the floor managers for their clarification of this point.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORE). Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, I will shortly be sending to the desk an amendment relative to the coastal environment of the State of Florida. This amendment has two parts. The first part deals with an unhappy history in our State and in the Nation's Outer Continental Shelf leasing process.

During the period of the early 1980's, there was a surge of granting offshore leases in the vicinity of the State of Florida. A number of these leases were granted in areas that had previously been considered inappropriate for such leasing, particularly in the area south of the 26th latitude which, for reference purposes, is a lone that runs through Everglades National Park, would contain south of that line the park, Florida Bay, Florida Keys, and the only remaining corral reef system in North America.

All of those areas had previously, Mr. President, been considered inappropriate for oil ad gas drilling because of the inherent jeopardy that would be faced by those very fragile environmental resources. However, leases were granted and there was an indication of an intention to pursue a drilling permit to utilize those leases.

Fortunately, in 1990, President Bush indicated that he had concluded that

that Department of the Interior action of a decade earlier had been improper and, therefore, by Executive order entered a prohibition on any new leases being granted in the area south of the 26th latitude through the year 2000, and directed the Secretary of the Department of the Interior to begin a process of buying back the existing 73 leases south of the 26th latitude.

The first part of this amendment, Mr. President, is a codification of that Presidential action to provide by statute that protection would be available, and to spell out the conditions under which the Secretary of the Interior would proceed with the development of a report on the cancellation of leases and the authority to the Secretary of the Interior, subject to the availability of appropriate funds for that purpose, to cancel and buy back leases and to also consider other forms of compensation.

The second part of the amendment relates to the rest of the State of Florida. Mr. President, by amendment either in committee or on the floor, we have provided a moratorium off the coast of the following States as a part of this energy bill: The States of California, New Jersey, Washington, Oregon, and Massachusetts have received protection through January of the year 2000.

The judgment of the Senate to do so, I think, was based on two considerations. The first consideration was environmental consideration and that is, given the uneven recent history of our Outer Continental Shelf drilling and leasing program, that it would be improvident to allow new leases to be granted off the shores of these States.

The second reason is the energy reason. Mr. President, I will be discussing this point in more detail later, but I believe that the rationale that the United States has a limited amount of domestic petroleum; that our national policy should be to husband, to conserve that limited amount of domestic petroleum to last as long as possible. Part of that husbanding and conservation of our domestic resources ought to be to not leap forward and drain America first, particularly in its most environmentally sensitive areas.

We decided that issue last year as it related to drilling in the Arctic National Wildlife Refuge. That issue was not even brought before the Senate during this consideration of the energy bill for a further Senate vote. I believe that the decision that has been made in committee and by the full Senate relative to the States of California, New Jersey, Washington, Oregon, and Massachusetts reflect a similar position of the Senate, that it is improvident to be drilling in these areas at a time when national policy should be to conserve and husband our domestic resources as long as possible. These are the areas that should be looked to last, not first, in terms of a national energy policy which is more than just a policy for the next decade, but a policy for the next century.

Mr. President, a State that has the special combination of fragile environment, the only State in the Nation with a subtropical environment peculiarly sensitive to the potential of an oil or gas accident, and a State whose economy is so inextricably tied to the purity of its water, feels especially in need of the kind of protection that has already been afforded to California, New Jersey, Washington, Oregon, and Massachusetts, and which this amendment would provide to the State of Florida.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Chair would like to advise the senior Senator from Florida that under the previous unanimous-consent agreement, the 1 hour of time on the Senator's amendment does not begin running until the amendment has been offered.

AMENDMENT NO. 1646

(Purpose: To protect the coastal environment of the State of Florida)

Mr. GRAHAM. Mr. President, I send to the desk my amendment and ask unanimous consent that the time I have just used be charged against my time under the previous unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM], for himself and Mr. MACK, proposes an amendment numbered 1646.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . FLORIDA OUTER CONTINENTAL SHELF.

(a) PROHIBITION OF LEASING AND PRELEASING ACTIVITY.—

(1) IN GENERAL.—Prior to January 1, 2000, the Secretary of the Interior may not prepare for or conduct any preleasing or leasing activity under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) off the coast of the State of Florida with respect to those portions of the Eastern Gulf of Mexico Planning Area, the Straights of Florida Planning Area, and the South Atlantic Planning Area located seaward from the State of Florida.

(2) EXCLUSION.—This subsection shall not apply to any area of the Outer Continental Shelf located—

(A) west of a line that begins at the point where the boundary between the State of Florida and the State of Alabama intersects with the Gulf of Mexico, and which extends seaward to the south;

(B) north of a line that begins at the point where the boundary between the State of Florida and the State of Georgia intersects the Atlantic Ocean, and which extends seaward to the east.

(b) EXISTING LEASES.—

(1) REPORT.—With respect to all leases issued under the Outer Continental Shelf Lands Act for locations off the coast of the State of Florida east of the longitude of 86 degrees west, and south of the latitude of 26 degrees north, the Secretary of the Interior shall prepare a report that includes an analysis of the alternatives for exchanging such leases for any other land owned by the United States or interest in land of the United States (including submerged lands), as a means of providing compensation for the cancellation of such leases. Not later than 1 year after the date of the enactment of this section, the Secretary of the Interior shall submit a copy of the report to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives.

(2) BUY BACK.—The Secretary of the Interior is authorized and directed, subject to the availability of funds appropriated for that purpose to cancel and buy back leases issued under the Outer Continental Shelf Lands Act for any location off the coast of the State of Florida east of the longitude of 86 degrees west, and south of the latitude of 26 degrees north.

The PRESIDING OFFICER. Who seeks time?

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. I thank the Chair.

Senator GRAHAM and I have offered this amendment because we believe strongly we must protect Florida's environment, protect it for its own sake, and protect it because it is our way of life. It is our economy.

Our amendment would do several things. It would codify the President's moratorium for new leases south of 26 degrees and authorize the buy-back of the 73 leases, subject to appropriations. It creates a buffer zone around the State of Florida for new leases until the year 2000. It authorizes a study of alternative methods for compensation for the leaseholders south of 26 degrees.

As Senator GRAHAM indicated a few moments ago, the President last year, through Executive order, put in place a moratorium south of 26 degrees north latitude. What we are saying is there is very little difference between south Florida and north Florida, or east Florida for that matter; that we think there ought to be a protection provided for Florida's environmentally fragile coastline, which goes all around the State.

On the gulf coast, we are basically talking about an area which goes from the gulf coast of the State of Florida out to a line that would be directly running south from the Alabama-Florida coastline. We think this is important, as I mentioned a moment ago, for the protection of the environment of our State.

My family and I moved to Florida 40 years ago, and I remember as a youngster having the opportunity to travel with my father on a shrimp boat from St. Augustine down along the east coast of Florida through the St. Lucie Canal, into Lake Okeechobee, down the Coloosahatchee River, across the entire State to Fort Myers, and later having the opportunity to take my son out into the interior of the State of Florida, out into Fish Eating Creek where he had his opportunity to come eyeball to eyeball with Florida's alligators, and an opportunity to see what the environment in Florida was all about.

I spent time in north Florida at the Oklawaha River that leads into Silver Springs, have traveled down through the Everglades and White Water Bay. My point is I have experienced the fragile environment of our State.

There are many things we have done over the years—when I say we, I am talking about the State of Florida, I am talking about the Congress, I am talking about the U.S. Senate—to protect and restore the environment of our State, examples like improving the flow of water through the Kissimmee River into Lake Okeechobee.

All the protection that we desire to provide for the Everglades and Florida Bay, beginning at the headwaters of the Kissimmee River, working its way down to Lake Okeechobee, and as the waters flow into Lake Okeechobee and then into the Everglades and eventually into Florida Bay, it is important that we see that those waters are protected. Expanding the Everglades, again to improve water quality and the quantity in the system, expanding Big Cypress National Preserve, once again to improve the water flow through the system and into the Everglades, and finally creating the largest marine sanctuary just south of the Everglades in order to protect the only living coral reef in the continental United States.

My point for raising that is, what sense does it make to have those kinds of commitments to spend the dollars that are necessary to bring all of that about only to continue to keep Florida Bay and its coastline at risk because of the potential disaster that could be created as a result of drilling off of Florida's coasts?

The economic health of the people of our State depends almost entirely on the coastline and the waters surrounding our State. The pristine beaches of Florida are the primary attraction to the tourists who supply our State with its single greatest source of revenue. Our waters support a multimillion-dollar seafood industry as well as recreation and boating. The Everglades are lined with mangroves which provide sheltered, nutrient-rich water for many rivers. Their above-ground maze of roots would make cleanup of an oil spill almost impossible. And I do not think it is difficult for people to imagine the difference between dealing with an oilspill in Alaska and an oilspill off the coast of Florida with that sensitive mangrove environment.

We have allocated a substantial amount of money toward rebuilding the environment of our State. Millions of dollars will be spent to improve the water flow from the Kissimmee River into Lake Okeechobee which then flows down through the Everglades and into the largest marine sanctuary in the country. It makes no sense to risk all the progress by allowing drilling for what could be a negligible pool of oil.

As I indicated, I have traveled all around our State from Key West up to Pensacola, and I have been fortunate to have taken my family with me so they could experience our beautiful environment. Some of the most beautiful beaches in the world are located in the State of Florida. It is my understanding that a University of Maryland study concluded that several of the top 10 beaches in the United States are in the panhandle of Florida. I realize it is difficult and may be dangerous for me to try to determine which of the beaches in the State of Florida are the most beautiful, but I must say to you, if you have not had the opportunity to travel to north Florida and see the beaches of the panhandle, Pensacola, Panama City, Fort Walton Beach, all along that area, they are some of the most beautiful beaches in the world.

Mr. President, the amendment we have offered is one that must be passed. Again, we are spending literally hundreds of millions of dollars to restore Florida's environment. I ask my colleagues in the Senate to support this amendment, to help us protect a very important environment in the State of Florida.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, as with so many areas of energy, this amendment involves a collision between science and logic on the one hand and politics and emotion on the other hand. You can guess which side I claim for our side. I believe it is a question of logic and science being on our side. The reason I say that, Mr. President, is very plain. We have a little chart here which shows the amount of oil spilled into the oceans—this is according to the National Academy of Sciences—from offshore oil production as opposed to transportation and other uses. Transportation is the principal part of this.

Mr. President, the chart shows that 2 percent of the oil spilled in the oceans is from offshore oil production and 98 percent is from other causes, principally from tanker spills.

Mr. President, you would look at this chart and say there is overwhelming logic to that chart, overwhelming. Who can argue with that? There is no trick to it. It is a fact. What this amendment poses is the question of whether or not we should produce oil and particularly gas off an area that is rich in that or whether we ought to import more and have a 98-percent chance.

Mr. President, I will, after this, invite my colleagues to refute this logic because it is rather overwhelming.

We recognize that politics and emotion are part of this and, as a matter of fact, I will plead guilty to voting for and sometimes sponsoring such amendments myself. If that does not come as too much of a shock to my colleagues, I am willing to admit that politics occasionally creeps into the equation. And it does with all of us.

What I would like to do, Mr. President, is get, in effect, a compromise that recognizes the politics and the emotion, that gives our friends from Florida most of a loaf, the principal part of a loaf, but still recognizes a little of this. At the appropriate time—and as I understand it, it is not now in order to put in a substitute or perfecting amendment. I think we are perfecting. It amounts to the same thing.

What our amendment will do, Mr. President, is three things. This is a Department of Interior historic leasing and infrastructure map. This 100-mile limit is not particularly relevant here. It just gives you a scale.

The yellow part, Mr. President, is expired or not active leases. So what you will see is that the areas where there is activity are below the 26th parallel down here. This is the area that the Senators were talking about so eloquently as being the Everglades area, and the sensitive areas down here.

This red line is the 26th parallel. The areas of activity are below that, and in the panhandle area of Florida. Those are the two principal areas. Along here is not particularly active at this time.

What we will propose in this, I will call it a substitute amendment, is that we put the area below the 26th parallel off limits. What is the basis of that? The basis of that is the President has said it is a sensitive area, and there are some coral reefs and other grassy areas down in this area.

While some argue very strongly that a case has not been made that offshore drilling hurts that kind of area, we are willing to accept that case for the really sensitive areas below the 26th parallel.

Mr. President, this really is a sensitive area in Florida. This is what the environmentalists really argue about. I do not mean to suggest that this is all they want. I mean there is never enough. It is like John L. Lewis, the labor leader, when asked what he wanted. He said "more."

So they always want more. But I can tell you that this is the principal area of concern, and we are willing to give them yes as an answer to their request for below the 26th parallel.

We are also, in the amendment that we will propose, willing to give a lease buy-back provision which will state that the Secretary of the Interior is authorized and directed to buy back these existing leases up through December 31, 1993, with moneys appropriated therefor.

We have some language that says that some costs shall be presumptive evidence of the amount of the buy back unless the government can prove the lessee is entitled to less or unless the lessee can prove it is entitled to more.

What we mean there is that if there has been some drilling close to the lease and there was a dry hole, that would lessen the value of the lease. Or obviously, if they have drilled something or had something particularly encouraging, such as seismic information, the lessee would be able to come in, really, under the fifth amendment and prove the value of its lease.

In any event, we provide lease buy back and a leasing moratorium below the 26th parallel.

We also provide for a study, Mr. President, on alternative means of buy backs such as trades in leases or alternative means of buy back other than appropriations. It is the same study that the Senators from Florida had in their proposal.

Mr. President, when you are talking drilling in Florida, you really are talking about the panhandle. When you are talking about the panhandle, you are talking natural gas. This is presently a discovered and ready-to-produce area. I say "ready to produce." It is a discovered area with reserves of a trillion cubic feet of natural gas. A trillion cubic feet of natural gas is worth at $1 an mcf $1 billion.

There is also an expectation in the same area on the same formation of an additional trillion cubic feet. These are not proven reserves. The second trillion cubic feet would be in the category of what we call "probable reserves."

So you have a trillion proven, a trillion probable, and some other activity in the area of the Florida panhandle.

Mr. President, why do I emphasize natural gas?

First of all, obviously, because it has been discovered, because it is worth at least $1 billion at $1 an mcf, and we expect over time that price will be up. But at $1 an mcf, it is worth a $1 billion plus an additional $1 billion to the found plus such additional amounts as may or may not be found through additional leasing.

Mr. President, it is also notable to understand that with natural gas it cannot spill. There has never been a beach in the history of mankind that has been sullied by natural gas. There has never been a bird whose feathers have been oiled by natural gas. There has never been a fish that has been hurt by natural gas.

The fact of the matter is, Mr. President, that natural gas, not only in the production of it, but in the consuming of it, in the burning of it, is our cleanest fossil fuel. It is one reason that we have so many provisions in this bill to encourage natural gas.

Our provisions on alternative fuels in which we will require some 4 million alternatively fueled vehicles to be on the road by the year 2000, I believe, will greatly encourage the use of compressed natural gas and in the process will: First, give the consumers a break; and second, will improve the environment immeasurably and dramatically because of the lower degree of pollutants contained in natural gas.

So, Mr. President, natural gas cannot spill. Also very interestingly and very importantly, that trillion cubic feet that I am talking about is not serviced out of Florida but rather serviced out of Mobile. That is to say that the workers go out in crew boats which are headquartered in Mobile. All of the activity is from Mobile because it is very close to Mobile Bay and the gas will be landed at Mobile Bay by pipeline. The pipeline is not yet constructed, but when constructed it will be landed at Mobile Bay.

So, Mr. President, you sort of scratch your head and say, "Well, you know, it really does seem that logic and science is on your side," and it is, Mr. President. It is. Ninety-eight percent of the spills come from transportation, 2 percent from offshore drilling—and we are talking natural gas which cannot spill. We are talking in the terms of the 2 trillion cubic feet that will be serviced and landed not from Florida.

Mr. President, I fully understand that my colleagues are compelled by perhaps citizens of Florida who do not understand the logic of what I am saying, who may have an emotional attachment to tankers as opposed to natural gas and pipelines. Who knows? But the logic is there, Mr. President. So at the appropriate time, I will offer that amendment.

While I am at it, I would like to give my colleagues a pop quiz. The pop quiz is on the economy; that is the general subject. And the specific subject is: where have we lost the most jobs? The possible answers are: Textile mill products and the answer is no, we have not lost the most jobs in textile mill products, because since 1981, we have only lost 156,000 jobs in this country from textile products.

Well, if you wanted to answer chemicals and allied products, you would also be wrong, because we have only lost 20,000 jobs there since 1981.

Well, how about motor vehicles and equipment? We have only lost there, since 1985, 108,000 jobs. So, obviously, that cannot be right.

Electronics and electrical equipment; if you guessed that, you would also be wrong, even though we have seen the Japanese take over televisions and VCR's and computer chips, and all of those things. But the loss of jobs is only 277,000 jobs.

Well, how about steel? Everybody knows that steel and blast furnaces and that sort of thing, once America's great premier industry, is now a mere whisper of its former self. But you would be wrong, Mr. President, if you guessed that, because we have only lost 246,000 jobs.

If you are getting close to the answer now, and guess what I am about to say, you are right. The fact of the matter is, the industrial sector that has suffered the greatest job loss of all is oil and gas extraction, which since 1982 has lost 317,000 jobs.

Mr. President, job loss is also an important factor to consider at a time when this economy is in a tailspin, and Pat Buchanan is in New Hampshire with a TV ad that says "The people in Washington act like they do not care." Pat Buchanan says, "I care."

Well, Mr. President, we care. And this is the area of greatest job loss of any industrial sector in the United States. So what we are saying is, yes, consider the environment, but let us do it from the standpoint of logic. And logic says that pollution comes from tankers, not from offshore oil drilling. Logic says that pollution comes from oil, not from natural gas. The pollution concerns of Florida come from activity undertaken from the Florida coast, not that taken from another State—Mobile, AL.

Mr. President, I know it is hard to vote against anything that has any kind of environmental label on it, even if it costs jobs, even if it is not in the national interest; it is still hard to vote against such an amendment. When it comes to natural gas—clean burning, nonpolluting, both in its burning and in its production—I say it is time that we are governed by science and logic.

Mr. President, I yield the floor.

Mr. GRAHAM. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Florida has 12 minutes remaining.

Mr. GRAHAM. Mr. President, let us talk about logic and emotion. The President did not act out of emotion when he ruled in 1990 that a previous Secretary of the Interior had acted against the national interest in leasing 73 sites south of the 26th latitude, in some of the most environmentally and economically related to the environment and sensitive areas in America, for oil and gas exploration. The President did so out of what he thought was the national interest, and what he implicitly said was a failure to take into full consideration the national interest when those leases were originally granted.

Mr. JOHNSTON. Will the Senator yield?

Mr. GRAHAM. Yes.

Mr. JOHNSTON. The Senator is aware that we are agreeing with him on that?

Mr. GRAHAM. The Senator is agreeing in part. When we start to debate the Senator's amendment, we will see whether he has carried the logic of his protection of this area as fully as is consistent with the President's assessment of the special importance.

Second, the Senate Energy Committee voted in committee to provide for a moratorium off the coast of New Jersey and California. The full Senate, by amendment, has extended that moratorium to the States of Washington, Oregon, and Massachusetts.

Is someone going to defend the logic of saying that those States deserve a moratorium against any re-leasing or leasing activities to the year 2000, but to the State of Florida, with the longest coastline in the continental United States; with the only subtropical area within the United States; with a rich treasury of environmental resources; with an economy which is inexorably tied to the protection of those environmental treasures, and that the State of Florida does not deserve a moratorium on new lease activity through the year 2000?

Someone will need to defend the logic of that distinction.

Mr. President, the issue has been raised about natural gas; that natural gas is a benign resource and is not environmentally threatening. I point out that there is no limitation in this series of leases that have been granted that they can only be used for natural gas. They are available to be explored and extracted for whatever is found. I am certain that if petroleum is found, it will be pursued as aggressively as natural gas.

Second, if the issue is natural gas—unlike petroleum, in which the United States has a finite amount of resources remaining, and which I think a very legitimate objective of U.S. national energy policy is to husband and conserve our remaining petroleum resources—the fact is that the United States has an abundance of natural gas. There is no issue that the United States needs to be exploring and extracting in these highly environmentally sensitive areas in order to meet any legitimate national need—energy, economic, or otherwise—relative to its supply of natural gas. What is threatened is the economy of Florida.

Our State is one which depends upon areas of the economy such as tourism, fishing—both commercial and recreational—on second homes, persons coming for retirement. Those are fundamental to our economy. All of those are at jeopardy by improvident activities such as those that have taken place within the last decade.

What we are essentially saying, as are California, Massachusetts, New Jersey, Oregon, and Washington, is let us have a hiatus, a hiatus from now until the year 2000 to see if we cannot make this Outer Continental Shelf Program a program that is compatible with the diverse needs and interests of our Nation, incompatibility, which was certified by the President's imposing by Executive order prohibitions on actions that had been taken just a decade earlier by the then Secretary of the Department of the Interior.

Mr. President, I believe that the logic is that if this Senate has decided it is appropriate for other States to have the benefit of a hiatus to the year 2000 for new oil and gas exploration and leasing, it is clearly appropriate for the State of Florida to have that same protection.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

The junior Senator from Florida.

Mr. MACK. I thank the Chair.

I wonder if I might be permitted to use the map of the State of Florida.

Mr. JOHNSTON. Yes.

Mr. MACK. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes and 40 seconds remaining.

Mr. MACK. Thank you, Mr. President.

Mr. President, I would first like to address my comments to the point that was made about science and logic being on one side and politics and emotion being on the other.

In taking a look at the comments made with respect to job loss, I suggest that job loss in this particular industry came more as a result of the decline in the value of oil prices as opposed to some moratorium off the coast of Florida. The Senator is absolutely right, there is emotion in it. There is a great deal of emotion in it. You go down to the Florida Keys and youngsters no taller than that, the only thing they are concerned with is their future, their environment. You talk about loss of jobs, their concern is loss of jobs in the fishing industry, the loss of jobs in recreation. So, yes, the Senator is right. There are some scientific aspects to this and economic aspects, and when we look at it from the standpoint of the State of Florida, the environment is our economy.

The Senator refers to southern Florida as being the areas of sensitivity, and again I agree with him. But we also think that the areas up around the panhandle are sensitive, sensitive both from emotional and from the economic perspective. There is what is referred to as the loop current, which comes up from the Yucatan Peninsula, works its way up into the gulf and back down across this very sensitive area. As far as I know, there is a possibility that oil could be struck, and if ever there was to be a spill, it could come down into this very, very sensitive area in south Florida.

So, again, I say that I agree with the Senator in the sense that science and logic is part of it, but also there is the emotion.

Mr. JOHNSTON. Will the Senator yield for a question?

Mr. MACK. I am delighted to yield.

Mr. JOHNSTON. With respect to the Florida Panhandle, the Senator is aware that there is no oil now being produced, and is he further aware that the statement on behalf of the American Petroleum Institute before the Energy and Natural Resources Committee states that north of the moratorium area, this being the moratorium area, the industry has 234 active leases, of which 165 are within the 100-mile buffer zone proposed in S. 734. In fact, Chevron and its partners have already made a significant gas discovery which extends over several leases within the 100-mile buffer zone. This discovery is dry natural gas, and Chevron does not even expect to find traces of liquid hydrocarbon with future drilling.

The Senator is aware that it is the position of API that there is not only dry natural gas found but that is what they expect from the standpoint of geology.

Mr. MACK. I appreciate those comments and would say to the Senator that we have heard many cases in the past where statements were made that there would not be oil found or something would not occur, but, in fact, it does take place. Again, our concern is protecting our coast. We do have concerns about what may occur in that area, and it seems to me both logical and important for our State, for us, to pursue this particular issue.

The Senator mentioned earlier, also, about the thrust of the argument being that there is more damage as a result of transportation as opposed to drilling. I think that, at least from my perspective, a number of us have tried to approach that issue by supporting the concept of double hull tankers. It is not as if we are ignoring that issue.

Again, we see potential danger in many different areas with respect to our environment, and wherever we see that potential danger, we are going to pursue it.

So, again, I agree with the issue about loss of jobs. We say in our State the potential loss of jobs in areas of recreation, fishing, and so forth are very important to us.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I yield to the Senator from Wyoming such time as he may desire.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, one of the ultimate ironies in these kinds of debate is that a vote can make you green and at the same time make Florida brown. The amendment raises serious issues which the Senate should consider. Potential threats from oil and gas leasing on the Outer Continental Shelf on the coastal environment of Florida or any other State are certainly legitimate subjects of inquiry. I have no quarrel with that. That inquiry cannot start with the premise that any development is inherently destructive, which this amendment does. That is a fallacy of this as well as the other threatened moratoria.

Now, another fallacy that has already been mentioned is the equation of oil and gas. Whatever the potential concern may be with respect to oil production, the situation is far different, and the Senators from Florida simply do not recognize or will not admit to that difference. Production from the Destin Dome off the panhandle would be gas which, as Senator JOHNSTON said, would likely go to Mississippi.

Another element which the sponsors avoid mentioning is that Florida currently imports most of its energy in tankers at three major ports: Port Everglades, Jacksonville, and Tampa. Petroleum and petroleum products account for slightly more than one-third of all the freight handled at those three ports and almost 80 percent of the traffic at Port Everglades. The Senators would not, I suggest, vote for an amendment that would stop that tanker and barge traffic off the coast. Double hulls or no double hulls, I suggest they would not accept such an amendment.

According to the information received by the committee, in 1987 that amounted to 2,174 tanker trips and 4,433 barge trips. There is nothing in this legislation, nothing proposed by either of the Senators that would protect Florida's environment by prohibiting this traffic. The effect, however, of this continuing rush to terminate all onshore and offshore energy production is that the Nation grows ever more dependent on imports of foreign energy and that importation will come in increased, not decreased, tanker and barge traffic, and at some point we are delighted to consider that environmental tradeoff.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. WALLOP. I will yield for a question on the Senator's time.

Mr. GRAHAM. Yes. To maintain separation between natural gas and petroleum, the argument that the Senator from Louisiana is making is that we are only talking about natural gas, that there is not a consideration that these leaseholds had been developed for petroleum.

What is the current U.S. domestic reserves and resources of natural gas?

Mr. WALLOP. I say I cannot give the Senator the answer to that figure right here. I suppose one could obtain it. I do not see what point that has on the argument. The argument that I have been making is that neither Senator from Florida is at all interested in eliminating barge or tanker traffic, which is a far greater threat to their environment than is the production of oil offshore.

Mr. GRAHAM. We dealt with that issue last session.

Mr. WALLOP. I say to my friend we did no such thing.

Mr. GRAHAM. Under legislation that was designed to enhance the safety of vessels transporting oil into our ports, which we strongly support.

Mr. WALLOP. I agree with my friend, but it did not eliminate the risk, and it did not eliminate the 1,500 times the risk—nor will it—that there is in offshore production. What the Senator is doing is raising a false flag with the environment.

Mr. GRAHAM. It seems to me it is inconsistent to argue that there will be no oil produced in these leaseholds and yet that the legislation is deficient because it does not deal with it.

Mr. WALLOP. Mr. President, I would say to the Senator——

Mr. GRAHAM. The question I would like to ask as it relates——

Mr. WALLOP. I reserve my right to the floor.

The PRESIDING OFFICER. The time is controlled by the Senator from Wyoming.

Mr. WALLOP. I would say to the Senator from Florida, I am simply not arguing that there will be no oil production up there. The likelihood is minimal. But whether or not it is produced, the fact is that the Senators from Florida make no case for eliminating the barge and tanker traffic which is 1,500 times more dangerous than the production of oil and gas.

So I say that it is posturing to say that in this instance you are looking out for the environment of Florida. If you are, you have to take the environmental tradeoff of transportation.

Now my concern is sincere. And the Florida Senators will know that in 1988 the barge off Tampa lost more than 126,000 gallons of diesel fuel into the ocean. Mr. President, that single spill was nine times larger than all the oil spilled from all the Outer Continent Shelf production facilities throughout that year from the entire Outer Continental Shelf. Let me say that again: Nine times larger in one barge spill. If potential natural gas production off the panhandle is such a threat, then Congress should respond immediately by prohibiting the far greater threat from tankers and barges.

A final concern is the cost of enactment of this measure. Mr. President, Florida quite understandably believes that the Federal Government should assume the full cost of lease cancellation. Florida's position is understandable but not persuasive. Not only will the Federal Government lose future revenues based on royalties of the production, but will also incur significant costs to the compensation of lessees. Those costs, Mr. President, are not free. The argument here is made as though this thing can take place and at no expense to anything else. They come at the expense of funding for alternative energy.

They come at the expense of wetland protection. They will come at the expense of funding for the Everglades and Big Cypress, as well as Biscayne National Park and Gulf Islands National Seashore, as well as matching funds available for local efforts under the land and water conservation fund. Is the potential threat from production of gas at Destin Dome and other leases worth that tradeoff?

Just so that we understand the magnitude of the figures we are talking about, the GAO and Mineral Management Service figures for the 73 leases south of 26 degrees north latitude and east of 84 degrees west longitude range from $270 to $497 million assuming cancellation in 1995. If we include all the leases off Florida, including those off the panhandle, we are talking about an order of magnitude larger.

The Appropriations Committee better be listening because this Senator has no intention of eliminating all funding for the land and water conservation fund, the historic preservation fund, the land acquisition for the National Park System, the Wildlife Refuge, and other areas as well as a cutting back on the Park Service, Bureau of Indian Affairs, and other agencies just so we can buy back those leases.

While the issues presented in the legislation are interesting and they are worthy of consideration, I hope the sponsors are prepared to tell us why that potential production is more of an environmental threat to Florida than the 11.3 million tons of the petroleum and petroleum products which annually enter at Port Everglades and what Federal programs under the Interior account should be zeroed out so the Federal taxpayers can assume the cost of lease cancellation.

Let me just say something else. The junior Senator from Florida was quite correct, Mr. President, when he said that the price has something to do with the decline in American production and jobs. But it does not have to do with this line, Mr. President, which shows domestic exploration for oil and gas declining, and is now less than the foreign exploration, of American companies.

We are driving America's companies offshore. Japan did not make us do that, Mr. President. Congress made us do that. We are driving American companies and American jobs offshore. This money is going to be spent. Make no mistake about it. And when you buy the leases back from Texaco, they are going to spend the money in Indonesia, not America. That is the real issue here.

There is the issue of the threat of Florida's environment, but it is not satisfied by increasing tanker and barge traffic to the exclusion of domestic production. And it is not satisfied by accepting a risk that is literally 1,500 times greater than that posed by the production off their shores.

I yield the floor.

Mr. JOHNSTON. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 4 minutes remaining. The Senator from Florida has 6 minutes and 20 seconds remaining. The junior Senator from Florida has 4 minutes remaining. And that is all the time remaining on the first-degree amendment.

Mr. JOHNSTON. Mr. President, I am prepared to go ahead and offer the amendment, unless the Senators have further to talk about on their amendment at this point.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I understand once the second-degree amendment is offered by the Senator from Louisiana, there would be no further debate for the underlying amendment.

I would like to use some of my remaining time to respond to a couple of points that have just been made.

One, there is absolutely no relationship between the issues raised in this amendment and tanker traffic into the State of Florida. No case can be made that whatever we do on this amendment will have one scintilla of impact on the number of barrels of oil that will be brought into the State of Florida or any other State by tanker traffic.

It is an interesting issue. It is an issue that we have dealt with in the past. And if, as the Senator from Wyoming suggests, we have not adequately dealt with it, we have not provided sufficient safety in terms of tanker traffic, then he sets an important agenda that we should continue to pursue.

Whatever we do on this amendment will have absolutely no impact on the number of barrels of oil that will be imported into the State of Florida or any other place in the United States or elsewhere by tanker.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. GRAHAM. Yes.

Mr. JOHNSTON. I do not understand that. Because to the extent that we pipeline natural gas in from the OCS, it will be an energy source which will displace crude oil. As a matter of fact, one of the central themes of this bill is to displace gasoline with compressed natural gas, to displace other fuels with natural gas in the generation of electricity. In that sense, I think it would clearly displace the importation of crude oil.

Mr. GRAHAM. I will ask the Senator from Louisiana the question I was going to ask the Senator from Wyoming relative to natural gas. What is our current annual consumption of natural gas in the United States?

Mr. JOHNSTON. I believe it is about 20 trillion cubic feet per year, as I recall. I cannot give you an exact figure. But that is correct within one trillion cubic feet.

Mr. GRAHAM. According to the information we have been provided by the Congressional Research Service, there is currently in the United States a total reserve of natural gas of 169.346 trillion cubic feet, and there is an estimated undiscovered natural gas resource within the domestic United States of 399.2 trillion cubic feet, or approximately 569 trillion cubic feet of natural gas available in the United States. Are those numbers consistent with what the committee has?

Mr. JOHNSTON. Mr. President, I have from the Minerals Management Service a reserve estimate. It says the reserve estimates, defined as known quantities of oil and gas found and in place, it says offshore is 41.7 trillion cubic feet, and onshore is 134.5 trillion cubic feet, or a total of 176.2 trillion cubic feet. Now those are reserve estimates. I do not think that is proven reserves; I think that is estimated reserves.

Mr. GRAHAM. The information we have would indicate that we have well over 100 years of domestic supply of natural gas at current levels of consumption.

Mr. JOHNSTON. This would not indicate that. This would indicate that reserve estimates would be, if it is 20 trillion cubic feet, that is about 7½ years of supply according to the Minerals Management Service.

Mr. GRAHAM. Is my colleague just talking about offshore resources or all resources?

Mr. JOHNSTON. Offshore was 41.7 tcf, or the equivalent of about 2 years; the onshore was 14.5 tcf, or 6-plus years.

I think what the Senator has heard, from my friends at AGA—the American Gas Association—for whom I have great respect, they are talking not about proven reserves but about what they hope to discover.

I think the potential natural gas base is very great. I think you will find that a large part of that is contained, the potential natural gas base, off the Florida panhandle. So it is that which they hope to discover, and I think they can if they are allowed to drill, and if we do not put it all off limits.

Mr. GRAHAM. My position relative to the energy policy implications in this would be that with this substantial domestic reserve of natural gas, there is no compulsion for us at this time to be offering new leases. We are talking about new leases during the period from now to the year 2000 in one of the most sensitive areas of the country, having already made the policy judgment that it was inappropriate to offer new leases in those areas in California, New Jersey, Washington, Oregon, and Massachusetts.

Mr. JOHNSTON. I will tell my friend this is not a sensitive area in terms of geology, in terms of drilling. It may be politically sensitive.

So far as we know, out off the Florida panhandle is a smooth bottom that does not have difficulties. There are no reefs, grass areas, those kinds of things such as you have down below the 26th parallel. That is why we treat differently and we would put off limits in the amendment I proposed that below the 26th parallel, from that above it, particularly in the panhandle.

The PRESIDING OFFICER. The time of the senior Senator from Florida has expired. The Senator from Louisiana has 3 minutes and 46 seconds remaining.

The junior Senator from Florida has 4 minutes remaining.

Mr. MACK. Mr. President, it would be my intention to yield back some of my time to my colleague, Senator GRAHAM, if he so planned to use it.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I appreciate the courtesy of Senator MACK. I would just conclude by saying that we have, I think, a basic issue of equity. Having already granted a moratorium to the year 2000, for reasons that were persuasive first to the committee and now the full Senate, to other coastal States, then there would have to be in my judgment a standard of fair treatment applied to the State that has one of the most sensitive environments to Outer Continental Shelf drilling.

Second, we are talking about a resource of which the United States has an abundance. Drilling this is not an urgent national energy necessity. I would argue national energy policy ought to be one that looks deep into the 21st century, and that such a policy would be consistent with husbanding our resources, particularly in the areas that have the greatest environmental economic, safety sensitivity.

Finally, I believe that we are dealing here with an issue that is a mixture of what is good environmental policy, what is good energy policy, and what is the policy that will best serve the long-term interests of this Nation. The answer to those questions in my judgment is to place, as we have already done for other significant coastal States, the coast of Florida off limits from now until the year 2000 for new oil and gas leases or prelease activities and use this period of time to do the kind of studies that were not done in the early 1980's and that have largely created the very problem that we now are having to deal with.

We would not be talking about these potential serious expenses to the national Government, expenses that the President of the United States has found to be appropriate and called for, because a previous Secretary of the Interior had leased areas where they should not have done so.

That is the kind of behavior we are trying to put at least a temporary halt to while we can arrive at a more intelligent environmentally and economically sensitive policy, in terms of the use of our Outer Continental Shelf.

The PRESIDING OFFICER (Mr. BRYAN). The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I will shortly yield the remainder of my time to the Senator from Arkansas, and I will tell him, if he runs out of time on this amendment I am going to put in a second-degree amendment on which I will have additional time, so he can speak on that.

The second-degree amendment which I will put in will put off limits everything below the 26th parallel, which is all that sensitive area that we all know so well that we are concerned about. It will authorize a direct buy-back for those leases. So with that I yield the remainder of my time to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, it is always with reluctance I oppose my good friend, the Senator from Florida [Mr. GRAHAM]. In this case there is an equitable argument that can be made. I have a constituent in my State who, along with Conoco and Chevron, has invested $63 million and found 1 trillion cubic feet, 40 miles south of Pensacola, 23,000 feet down. This find—which is dry gas, no condensate is as environmentally safe as anything on the Outer Continental Shelf. These companies, and others, believe that significant additional amounts of dry gas is likely located in other tracts off the Florida peninsula.

To now say to those people we are going to take such additional finds away from you even though you went out and did what we have been telling you to do, explore and find, is preposterous.

The Senator from Florida, I do not know where on Earth the figure of 100-year gas supply came from, when I came to the Senate and joined the Energy Committee, along with my colleague from Louisiana, the reserves at that time were considered to be 216 trillion cubic feet, and we were consuming about 17 trillion cubic feet a year. Today we are consuming more and we have less than 200 trillion cubic feet of gas in reserve.

We now have the Clean Air Act to comply with. The demand for natural gas is certainly going to escalate as we implement that bill. In addition, we are importing over 40 percent of our oil today. The pressure to eliminate that trade deficit, or lower it, is going to become irresistable. And the only way we can do that is to start using more natural gas.

This amendment would be terribly unfair, not just to their people but to the American public. The gas is likely there. It is dry. It is producible. And to come along and say that you cannot do anything with that reservoir now is just so blatantly unfair, environmentally you cannot have a better find.

I have always voted for these bounds on Outer Continental Shelf drilling and so on, but I simply cannot this time. I cannot in the name of fairness, I cannot in the name of environment, I cannot in the name of a serious energy policy in this country, support this amendment.

Mr. GRAHAM. Mr. President, will the Senator yield to a question?

Mr. BUMPERS. I will be happy to.

Mr. GRAHAM. Does the Senator understand the amendment only deals north of the 26th latitude with new leases between now and the year 2000? It would not affect leases which are already in place.

Mr. BUMPERS. Yes.

The PRESIDING OFFICER. The Chair informs the Senator the time under the previous agreement allocated to Senator JOHNSTON has expired.

Mr. JOHNSTON. Mr. President, has all time expired on this amendment?

The PRESIDING OFFICER. The junior Senator from Florida [Mr. MACK] has 1 minute allocated to him.

Mr. GRAHAM. Mr. President, Senator MACK yielded the remainder of his time to me. Can I yield that time to the Senator from Arkansas for purposes of a question?

The PRESIDING OFFICER. That will be the order.

Mr. BUMPERS. My information is there is such a tremendous amount of natural gas there I would be reluctant to say we cannot explore for that gas right now.

Mr. JOHNSTON. Will the Senator yield?

Mr. BUMPERS. Yes; I am yielding the time he gave me.

Mr. JOHNSTON. There is a difference in protecting the reservoir and protecting the lease.

Under the amendment of the Senators from Florida, then, that trillion cubic feet which has been found—there is no prohibition on producing that. That is true.

But the same reservoir, the same province, the same natural gas supply which is indicated by this could not be leased.

Mr. BUMPERS. Is the Senator talking about other leases on the same reservoir?

Mr. JOHNSTON. That is exactly right, and the Department of the Interior does, in fact, want to have more leases for natural gas.

The PRESIDING OFFICER. The Chair informs the Senate that the time allocated under the previous order has expired with respect to both sides of the debate.

AMENDMENT NO. 1647 TO AMENDMENT NO. 1646

(Purpose: To provide for a leasing moratorium off southern Florida and for other purposes)

Mr. JOHNSTON. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1647 to amendment No. 1646.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment, strike all after "SEC. ." and insert in lieu thereof the following:

"FLORIDA MORATORIUM.—The Secretary of the Interior shall not prepare for or conduct any preleasing or leasing activity under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) until after January 1, 2000, with respect to that area offshore Florida south of 26 degrees north latitude and east of 86 degrees west longitude placed under restriction in the President's moratorium statement of June 26, 1990.

"SEC. . BUYBACK OF CERTAIN LEASES.—Notwithstanding the provisions of the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the Secretary of the Interior is authorized and directed, subject to the availability of funds appropriated for that purpose, to cancel and buyback leases issued under the Outer Continental Shelf Lands Act offshore Florida south of 26 degrees north latitude and east of 86 degrees west longitude, consistent with the provisions of this subsection. Any lease canceled pursuant to this provision shall require full compensation. Such compensation shall include all expenses incurred on the lease, with interest, including expenditures made prior to lease issuance unless the lessee proves that it is entitled to greater damages, including but not limited to, lost profits, or the Secretary proves that the lessee is entitled to lesser damages. Any other leases canceled pursuant to the Outer Continental Shelf Lands Act shall require compensation in accordance with that Act. The authorization contained in this subsection shall expire on December 31, 1993.

"SEC. . REPORT.—With respect to all leases issued under the Outer Continental Shelf Lands Act offshore Florida east of 86 degrees west longitude and south of 26 degrees north latitude, the Secretary of the Interior shall prepare a report analyzing the alternatives for exchanging such leases for any other land or interest in land, including submerged lands, owned by the United States as a means of providing compensation for the cancellation of such leases. Such report shall be submitted to the Committee on Energy and Natural Resources of the United States Senate and the United States House of Representatives within one year after the date of enactment of this provision."

The PRESIDING OFFICER. The Senator from Louisiana is recognized under the terms of the previous order.

As I understand, the Chair is informed that there is 1 hour equally divided, with 30 minutes under the control of Senator JOHNSTON and 30 minutes under the control of Senator GRAHAM.

The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, I was talking about this discovery off Florida has a trillion cubic feet, as the Senator from Arkansas says—and I think you call it proven reserves—it has been discovered, it is ready to go.

There is in the same immediate area, I think I am correct in saying on the same structure—I do not know whether it is the same reservoir or whether the same structure—an additional trillion cubic feet, and the Department of the Interior thinks that we have now a very, very rich area for natural gas for which they want to have additional leases and which those who have made this great discovery would certainly be interested in.

So in terms of the Nation's need for natural gas, this resource is there.

Mr. President, again, what the amendment which I have just sent to the desk does is three things: First of all, it puts off limits from further leasing all of this, below this 26th parallel which is the sensitive areas. Those leases which have already been granted down there and, believe me, there is a very hot difference of opinion as to whether they can be produced safely or not. We are not arguing that. We are saying we will go along with those who say you cannot drill down there and we authorize and direct a buyback of those leases. That authorization and direction is subject to appropriations and lasts through 1993 under that special authority.

But under authority already granted in the OCS Lands Act, if you can comply with the conditions thereof which shows that there is an environmental problem, that authority to buy back lasts virtually forever, as long as the OCS Lands Act lasts.

What we are saying is we are going to cut through all the science, cut through the geology, cut through the biology, and we are going to make that determination right now and just authorize and direct the buyback of those leases.

We do permit this very rich offshore area in the panhandle of Florida, which is natural gas, to go forward.

Mr. President, as I stated at the outset, here are the facts. The problem with oilspills is on tanker traffic and related matters, 98 percent of oilspills are due to that, according to the National Academy of Sciences. Only 2 percent are from offshore production. None of this 2 percent is due to natural gas because natural gas does not spill, cannot spill, cannot pollute beaches, cannot be of any harm at all.

There are sometimes natural gas liquids produced with natural gas. The natural gas off the Florida panhandle, as we have heard described, is dry gas. That means it does not have natural gas liquids. However, even when there are natural gas liquids, these are very light fractions of the petroleum barrel. They are basically like gasoline.

In effect, you can take natural gas liquids and put them right in your gas tank. They do not pollute beaches because they are so light, there are no tar balls connected with them. If there was a discovery that contained natural gas liquids off Florida, which there is not, first of all, the natural gas liquids would be a very light fraction.

Second, it would be subject to the 98 to 2 proportion, that is, 2 percent comes from oil spills and 98 percent comes from other areas. But even if you were in that 2 percent probability, natural gas liquids simply evaporate and do not become a problem with beaches.

So, Mr. President, I say to my colleagues, it is time to be logical and it is time for my friends from Florida—I wish they could declare a victory because we are giving them, believe me, a very big victory for those who wish to restrict drilling in Florida. We are saying no production south of that 26th parallel, and we are going to buy that back, we are going to direct that that be done.

What we do is proceed with natural gas up in the Florida panhandle, again considering that is not even landed in Florida. It is going to be pipelined in Mississippi. It is not even serviced from Mobile. It is serviced, that is the crew boats go out, the drilling rigs, whatever, go out from Mobile Bay and not from Florida.

So, Mr. President, I think the case for this amendment is overwhelming, and I wish that my colleagues from Florida would accept yes for an answer, declare a victory, and let us proceed to final passage.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, just one additional point.

We talked about the 98 and 2, 2 percent of oilspills come from offshore production.

I might point out in the State of Florida, it appears they have a serious spill there every 2 or 3 years. For example, there was a vessel named *Exxon 503* which was a barge that in 1988 spilled off Tampa with 126,000 gallons. We have had spills from the *Garbis* tanker off the Straits of Florida in 1975; a barge named *New York* spilled in 1977. Apparently, the same barge spilled in 1980; another big spill in 1984.

Mr. WALLOP. Will the Senator yield just for an observation on that?

I point out that Tampa barge spilled nine times more than was spilled in the entire Outer Continental Shelf production in that year. That one transportation accident was nine times more than what was spilled of the entire production off the continental United States.

Mr. JOHNSTON. Will the Senator agree with me that there was not one teaspoon of natural gas spilled on beaches?

Mr. WALLOP. Absolutely.

Mr. JOHNSTON. Mr. President, I yield to my colleague from Wyoming such time as he may wish.

Mr. WALLOP. I thank the Chair.

Mr. President, I am reluctant to support this amendment although I do because it is so much better than the underlying amendment.

I say to my friends from Florida the Senator from Wyoming is at least consistent. I opposed the moratorium in committee, and I opposed the other one for the simple reason that they are done solely on the basis of emotional politics, which I understand and every one of us in here understands. But we have had no hearings, we have had no demonstration of threat, we have had no information presented that would weigh in the balance, one threat versus another, that which comes from transportation or that which comes from production.

So the most important thing to recognize here, Mr. President, is that what Senator JOHNSTON, the chairman, is seeking to do is to maintain some equilibrium for the taxpayer of the United States and the citizens of the United States who are entitled to the resources of which they are the owner and beneficiary. What is bad about these moratoria is they pit States against one another without benefit of hearing and without demonstrated risk.

Now, the production off the shores of Louisiana, I would say to my friend, the chairman, has been going on some time now, and my guess is that Louisiana would not have traded that for a perfectly benign environment off their shores.

Is that a fair judgment?

Mr. JOHNSTON. That is correct.

Mr. WALLOP. Mr. President, therein Louisiana has been the beneficiary, but so, too, have been Americans—Americans in Wyoming, Americans in Idaho, Americans in Maine, Americans in Florida. And each time we go to this, I would say to my friend, the senior Senator, you are robbing money, literally money, from the natural resources accounts of America that goes to pay for things in Florida, as well as other places, for no demonstrable risk diminution—no demonstrable risk diminution—and I think that is the most important statement that you can make.

We all understand the politics of it, but in this instance my guess is that Floridians have no diminished chances of spoilage on their reefs and beaches if this amendment or the underlying amendment were to pass, because the risk of damage to the reefs and beaches comes from transportation. And the more we deny ourselves production of the clean fuel, natural gas, the more likely it will be replaced by imported oil and petroleum products, all of which are extremely dangerous and threatening to those reefs and beaches and marine life.

Mr. President, I hope this amendment of the Senator from Louisiana prevails, and I hope the Senators from Florida take him up on his offer to declare victory and let us move to final passage.

Mr. President, as I stated before, it is with considerable reluctance that I support the amendment offered by the chairman of the Energy and Natural Resources Committee. I do so because it recognizes the current reality for continuing offshore production and because it is honest in its approach to lease cancellation. That does not make it good policy, but it is infinitely preferable to the alternatives being cast about by those who want to keep consuming, at taxpayer expense, but who flinch from sharing in the burdens of production.

In committee, I voted against the two moratoria contained in the legislation. I think both were bad policy and had the single redeeming social value of having actually been considered by the committee of jurisdiction. I am equally opposed to moratoria for Florida, Washington, Massachusetts, or elsewhere. I find it inconceivable that those States which are so dependent on petroleum and which already have so much tanker and barge traffic along their coasts would think that increasing that traffic rather than developing offshore resources—especially gas resources—is an environmental plus. The logic completely escapes me.

I wonder whether the next time a tanker goes aground in Puget Sound, or at Port Everglades, or off the coast of Maine or Cape Code, the Senators from those States will go home and say that everyone should be happy because they stopped production of natural gas 70 or 100 miles offshore? Perhaps, but I think not.

There is a difference between the discretion exercised by the President in wanting to conduct further environmental studies and the motives of those who forced this amendment. The difference lies in the chasm between responsible review leading to decisions which may or may not involve future leasing and a wholesale flight from responsibility toward ever greater energy dependence and the environmental threat which increased tanker traffic will bring to our shores.

I do want to congratulate the Senator from Louisiana in his approach to lease cancellation and buyback. I do not agree that we should do that, but he is honest that if we go down that road it will require appropriations. The original legislation offered by the Senator from Florida played fast and loose with both the budget and the Constitution. The idea that we could simply freeze the use of private property and then somehow borrow from future possible lease sales to compensate for an eventual buyback simply is not workable.

The Supreme Court was fairly clear in the First English case that a taking is a taking, even when it is only for a brief period. I understand compromise, but compromising on the Constitution causes me some considerable heartburn.

Mr. President, I support the amendment offered by Senator JOHNSTON and I urge its adoption. The alternatives simply have no bearing on any rational national policy and most certainly have no business being even discussed in the context of legislation which is designed to decrease not increase our dependence on imported energy.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida [Mr. GRAHAM].

Mr. GRAHAM. Mr. President, I certainly wish we could declare victory, but it would be a hollow and insincere victory.

The reality is that just as this Senate has already decided for the States of California, New Jersey, Oregon, Washington, and Massachusetts that protection of their coasts against new lease activities to the year 2000 is in the national interest, no one suggested we split New Jersey someplace north and south of Atlantic City, or split California between Santa Barbara and Ventura, or other internal divisions; rather, they were dealt with as States because not only of the sensitivity of their areas, sound energy and economic policy, but also in consideration of the State totality of interest involved.

Mr. President, the issue has been raised as to the protection of the area south of the 26th latitude, the area that is covered today by a Presidential prohibition against both new leases and the extraction from existing leases, and further a Presidential directive to the Secretary of the Interior to commence the process of buying back those leases.

Under the current law, it would be assumed that that buyback would take place under the provisions of current section 1334 of the Submerged Land Act, which outlines what will be the standards for compensation in the event the lease is canceled.

At this point, Mr. President, I want to insert my own concern about the assumption that compensation is going to be required. As we will be discussing later this afternoon, it could be interpreted that the current Outer Continental Shelf Lands Act gives to the holder of a leasehold interest on Outer Continental Shelf Federal lands a property right; and if that property right is not allowed to mature into a drilling permit, therefore the holder of the lease is entitled to compensation.

I personally disagree with that interpretation. The way in which the Outer Continental Shelf drilling law is structured, many of the most important reviews of the safety and environmental appropriateness of a lease occur after the lease has been granted. For instance, the States have what is called a coastal zone management plan, a plan that is a Federal-State partnership for appropriate management of our coastal resources. One of the requirements of the granting of a drilling permit is consistency with the coastal zone management plan, a judgment which today resides ultimately in the Secretary of Commerce to decide whether there has been a consistent application of the drilling permit to the coastal zone management plan.

All that occurs after the lease has been granted. The position that some would take is that even if it were found to be inconsistent with the coastal zone management plan or with some other environmental or safety requirement, the owner of the lease would be in all cases entitled to compensation.

I think that is a stupid conclusion. And if you want to talk about a result that is a direct attack on the Federal Treasury, it is to give the Secretary of the Interior the right to issue leases without constraint, with the expectation that some of those leases are not going to be usable because they will fail to meet tests such as coastal zone management consistency or other environmental and safety considerations. And then to say to the taxpayers of the United States: You have to pay the company which bought that lease compensation, I think that is an absurd conclusion.

Later this afternoon, we will be discussing a generic reform of the coastal zone management system in order to avoid that conclusion.

Mr. JOHNSTON addressed the Chair.

Mr. GRAHAM. Mr. President, that was all in the nature of an aside to what we are about to discuss, but it relates to the issue that I am going to discuss, which is the difference in the compensation standards in the amendment that had been offered and the compensation standards which are applicable in the underlying OCS amendment.

Mr. JOHNSTON. I will withhold my question. My question was also on an aside.

Mr. GRAHAM. Mr. President, the current Outer Continental Shelf law says that if a lease is canceled and if compensation is required, "such cancellation shall entitle the lessee to receive such compensation as he shows the Secretary as being equal to the lessor"—to the lessor—"of the fair value of the canceled rights as of the date of cancellation, taking account of both anticipated revenues from the lease and anticipated costs, including costs of compliance with all applicable regulations and operating orders, liability for cleanup cost or damages, or both, in the case of an oil spill, and all other costs reasonably anticipated on the lease."

That is one measure of compensation. The other measure is, "The excess, if any, over the lessee's revenue from the lease plus interest thereon from the date of receipt to the date of reimbursement of all consideration paid for the lease and all direct expenditures made by the lessee after the date of issuance of such lease, and in connection with the exploration or development." Whichever is the lesser of those two standards is what the leaseholder is entitled to upon cancellation.

Now, the amendment that has been submitted does not follow that language in terms of compensation for this one area of America, south of the 26th latitude, an area that is of such environmental sensitivity that the President of the United States in 1990 put it off boundary for both new leases and drilling on existing leases, and directed the Secretary of the Interior to commence the process of buying back those leases. Here is what the compensation will be:

Any lease canceled pursuant to this provision shall require full compensation. Such compensation shall include all expenses incurred on the lease, not as the current law refers to direct expenditures made by the lessee. It will include all expenses incurred by the lease with interest, including expenditures made prior to lease issuance, unless the lessee proves that it is entitled to greater damages, including but not limited to lost profits, or the Secretary proves the lessee is entitled to lesser damages.

So we are going to have a different standard of compensation for these leases south of the 26th latitude than is provided for any other place in the Nation, I would suggest a standard that is likely to result in higher compensation to the holders of those leases in the event they are canceled than to which they would be entitled under existing law.

Mr. JOHNSTON. I wonder if the Senator would like me to explain why there is a difference at this point, on my time.

Mr. GRAHAM. I would like to make the second point and then maybe we could enter into a discussion of how this amendment, relative to the areas south of the 26th latitude, would treat the American taxpayer and treat the interest of protecting this unique area of our Nation.

Before we proceed to compensation, the perfecting amendment carries forward a provision which was in the base amendment relative to directing that a report be conducted. And the report relative to those leases south of the 26th latitude shall analyze the alternatives for exchanging such leases for any and all land or interest in land, including submerged lands owned by the United States, as a means of providing compensation for the cancellation of such leases.

Such reports shall be submitted to the Committee on Energy and Natural Resources of the Senate and the committee in the House of Representatives within 1 year after the date of the enactment of this provision.

So let us assume that this bill should become law by, say, the 1st of June. So within 1 year after the enactment that report would be available.

Then we provide that the provision relative to the direction of the Secretary of the Interior to provide compensation shall be an authorization that will expire on December 31, 1994.

I suggest that the combination of those two provisions, the provision that says a report will be available a year after enactment of this Act—I doubt that the President or the Congress would be prudent in recommending compensation, in whatever form, until that report had been completed. Also, during that period, there would have to be a determination as to whether compensation was entitled, and what the extent of that compensation is. Then, our protection in terms of an authorization for compensation, should that be required, expires on December 31, 1993.

The combination of all of those things, to me, Mr. President, is that we do not have much; that, in fact, there is not any real guarantee that, if compensation is found to be necessary, there will be a sufficiently reasonable period of time under which this alleged authorization to pay for the cost of that compensation would be available.

The fact is it is almost totally unlikely, if not totally impossible, for the steps and conditions of this to be met by December 31, 1993. The amendment that we have offered does not contain any such time limitation on the authority of the Secretary of the Interior to make such payment. Rather, it would be that time which was appropriate, given the directive to conduct a study; the time required to legally determine the extent, if any, of compensation due; and then the time required for the legislative process to enact its will relative to compensating those persons who have leases.

So, Mr. President, in summary, the perfecting amendment is imperfect. It is imperfect, first, in that it does to Florida what it has done to no other State which has been accorded a hiatus in Outer Continental Shelf drilling to the year 2000. That is, it splits the State. In this case, it carves off the southernmost tip of Florida and grants it protection against new leases to the year 2000, which is, frankly, what the President has already granted by Executive order.

Yes, we would like to have that Presidential order elevated to the level of codification in law, but it is not a great additional protection that we are securing. That limited amount of additional protection is diluted by the fact that we are going to have to operate under a different compensation standard than is applicable elsewhere and a standard which, on its face, would appear to be less advantageous to the American taxpayers than is the current law; also, a compensation process which is almost impossible to meet in terms of the time requirements. The report will not be available until a year after the bill is enacted. Then, on December 31, 1993, the authorization to appropriate expires.

The Presiding Officer is an experienced Member of this body. He can estimate when he thinks this bill is likely to become law, and when that 1-year clock is going to tick. He can evaluate whether he thinks it is likely that the Congress is going to be appropriating substantial amounts of money in advance of getting this report. He can evaluate whether there are any reasonable prospects that by December 31, 1993, Congress would be willing and in a position, in terms of the basic information and policy considerations, to make such an appropriation. That relates to the area south of the 26th latitude. To the area north of the 26th latitude, we are naked; no protection against new lease activity.

What is of great concern and distress to me is the aggressive campaign which has been launched in the last few days by the American Petroleum Institute, which indicates that their interest in this is not just theoretical. I do not think they are buying full-page ads in newspapers attacking—and I suggest in a distorted, and I will use the term, "misinformed" manner—the amendment that is being offered unless they had a real and, apparently, a timely interest before the year 2000 in pursuing new leases in the waters offshore of Florida.

Why we would say that Florida is open territory north of the 26th latitude for new lease activities while we have decided that it is inappropriate for California, Oregon, Washington, New Jersey, and Massachusetts to be subjected to that kind of a risk under the current standards of Outer Continental Shelf drilling is a difference of treatment, an unfairness of treatment, that I can neither understand nor tolerate.

Thank you, Mr. President.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the Senator from Florida has discussed the question of the moratorium, and he has described as a fault or defect in our amendment the fact that it treats differently compensation amounts under the OCS Lands Act and under this amendment.

Mr. President, first of all, it is not a great difference, but it is a necessary difference in order to be legal. Let me explain.

Mr. President, we provide that, with respect to the area below the 26th parallel, which is the central area of Florida, the Secretary of the Interior is authorized and directed to acquire and buy back and cancel those leases. Authorized and directed. He need not make any finding. He may not make any finding, indeed. He may not pass go. He must go directly toward a cancellation, subject only to the availability of money appropriated therefor.

Mr. President, what we say is that, in that instance, he must pay full value. Why must he pay full value? Because the Constitution and the fifth amendment so require it. That is what the due process clause means, that there shall be no taking of private property for public purposes without due process of law, which means full compensation.

We know in the OCS Lands Act that they need not pay full compensation. Why is that? It is because it is a contract between the leaseholder and the Federal Government. The leaseholder buys or bids for the lease, subject to the terms of the lease, and the lease, in turn, takes into consideration the terms of the OCS Lands Act, which specifies certain conditions under which the Secretary may cancel a lease and provides for a formula for compensation in the event that those terms are met and he chooses to exercise those terms.

The terms of that cancellation are, if the Secretary determines after a hearing, that continued activity pursuant to such lease or permit would probably cause serious harm or damage to life, including fish or other aquatic life, that threat of the harm or damage will not disappear or decrease to an acceptable extent, that the advantages of cancellation outweigh the advantages of continuing such lease.

Every lease is made subject to those conditions. It is a condition which binds the Secretary; it is a condition which binds the lessee. The Secretary is bound not to cancel that lease unless, after a hearing, he can make these findings. These are tough findings. They have not been made with respect to that area below the 26th parallel; they simply have not been made. And many people for whom I have great respect say they cannot be made.

You cannot make a case of proving probable harm to the environment below the 26th parallel. We do not make that argument, Mr. President. I say the finding has not been made, and certainly has not been made after a hearing.

The OCS Lands Act is binding on the Secretary, and he may not cancel the lease, unless after a hearing he makes that finding. And it is also binding on the lessee because the lessee must accept a lesser degree of compensation in the event those findings are made. What is the lesser degree of compensation? Well, he gets the lesser of his sunk costs, not including his prelease activity, or market value, which is the lesser.

Our amendment simply says that if you do not use the OCS Lands Act, but rather relay upon this authority which requires no findings at all, not only does it not require any findings, it is mandatory and just tells the Secretary to go do it. Then you have to have full compensation. That is hornbook constitutional law, Mr. President.

Mr. President, it is important to understand that we do not affect the OCS Lands Act in any way. This authority and direction to cancel these leases below the 26th parallel expires at the end of 1993. But the OCS Lands Act lasts forever, or at least until it is repealed. So that the Secretary may at any time utilize his authority under the OCS Lands Act and make the triple findings as required by that act, after a hearing, and cancel the lease pursuant thereto, and pay whatever lesser amount there is between that and fair market value. I submit that lesser amount is probably not going to be much less, but it may be less. In any event, we do not affect that authority at all.

Mr. President, it is really important to understand what our amendment is about. Our amendment says: Cancel and do not lease below the 26th parallel; cancel the leases in this sensitive area. You do not have to make any findings or anything. But up here in the panhandle, where there has been discovered only natural gas, only dry natural gas, that we should proceed, and that we should proceed not only with leases where it has been found, but those where it is likely to be found.

Mr. President, if I may read just a few sentences from a statement submitted by David Lott, vice president of exploration, Chevron, on behalf of the American Petroleum Institute, submitted at our hearing last year on this issue.

He says:

> North of the moratorium area industry has 234 active leases of which 165 are within the 100-mile buffer zone proposed in S. 734. In fact, Chevron, with partners, has already made a significant natural gas discovery, which extends across several leases within the proposed 100-mile buffer zone. The discovery is dry natural gas, and Chevron does not expect to find even traces of liquid hydrocarbons with future drilling.

He goes on to say that:

> If permitted, Chevron plans to transport the gas by pipeline westward and onshore at Chevron's Pascagoula, Mississippi refinery. Florida will be virtually unaffected by our activities.

I said it was Mobile Bay from which they were servicing this. It is even west of that. They will pipeline it all the way to Pascagoula, MS.

He goes on to speak of the Gulf of Mexico:

> We have drilled more than 25,000 wells on the OCS and produced from OCS leases more than 8 billion barrels of oil and 83 trillion cubic feet of gas with no major accident causing significant damage to the environment.

He further says:

> The Minerals Management Service estimates that the northern portion of the eastern gulf may contain 2 trillion more cubic feet of natural gas. Chevron's exploration to date suggests that these estimates are conservative.

Mr. President, the issue is very clear and very simple. We have discovered dry natural gas in the panhandle. It would be pipelined to Mississippi, not to Florida. It will be serviced from Mississippi and Alabama, not from Florida. It cannot even be seen from the beaches. It is natural gas which cannot spill. It is dry natural gas which has no liquids. It is natural gas which has a value, if there are only 2 trillion cubic feet, of $2 billion, or $3 billion, if it is 2 to 3 trillion cubic feet.

If, as expected, these are conservative estimates, it is in the multibillions of dollars. I am advised that there are some industry estimates of gas in the panhandle of 20 trillion cubic feet, which would be $20 billion. The fact of the matter is we do not know.

So, Mr. President, can we not let logic and science triumph in this case over politics and emotions? Here is the problem, Mr. President: Tankers and other uses cause 98 percent of the oilspills, offshore oil production causes 2 percent of the oilspills. Offshore gas production covers no percent of the oilspills.

Mr. President, we are asking to go forward only with that area that is the known gas region. As Chevron says we do not expect to find even a trace of liquid hydrocarbons in this area. Yet there may be as much as 20 trillion cubic feet of natural gas.

Mr. President, I frankly do not know where the environmental community is on this matter. I would assume they would probably be against drilling just sort of as a reflex action. But I can tell you, Mr. President, that the interest of the environment is to harvest this natural gas from the panhandle area.

We are going to need it to comply with the Clean Air Act, and most of us voted enthusiastically for the new Clean Air Act. We need to displace those liquid hydrocarbons. We need to burn clean natural gas to generate electricity, to fuel vehicles, and for a host of other reasons.

Mr. President, it is clearly in the interest of the environment to get natural gas by pipeline rather than liquid hydrocarbons by tanker.

I do not see, frankly, the other side of this argument with respect to the panhandle and natural gas. Again we are talking panhandle and we are talking natural gas. We are talking billions of dollars that belong to the American taxpayers, not to mention the thousands of jobs. So at a time of economic slowdown, at a time of environmental sensitivity, at a time when we need to replace liquid hydrocarbons with natural gas, let us once do what is right for the American taxpayer, what is right for the American worker who needs jobs, at least those who work in this area. Let us do what is right for the balance of payments of this country, for the economy of this country. Let us do what is right for the environment of this country. That is what our amendment does, Mr. President. And I urge that it be adopted.

The PRESIDING OFFICER. Who yields time?

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, how much time does the Senator from Florida have remaining?

The PRESIDING OFFICER. The Senator from Florida has 13 minutes and 58 seconds.

Mr. GRAHAM. Mr. President, I reserve most of my time for some closing argument, but to focus first on the area south of the 26th latitude, the President of the United States on June 26, 1990, issued his statement in which he stated:

> I have often stated my belief that development of oil and gas on the Outer Continental Shelf [OCS] should occur in an environmentally sound manner.
>
> I have received the report of the interagency OCS Task Force on Leasing and Development off the coasts of Florida and California, and have accepted its recommendation that further steps to protect the environment are needed.
>
> Today, I am announcing my support for a moratorium on oil and gas leasing and development in Sale Area 116, Part II, off the coast of Florida, Sale Area 91 off the coast of northern California, Sale Area 119 off the coast of central California, and the vast majority of Sale Area 95 off the coast of southern California, until after the year 2000.
>
> The combined effect of these decisions is that the coast of southwest Florida and more than 99 percent of the California coast will be off limits to oil and gas leasing and development until after the year 2000.

That is what the President found not just out of a sense of this is a nice thing to do, or an emotional thing to do, but as he stated after a study of the OCS Task Force on Leasing and Development off the coast of Florida and California, he reached the conclusion that it would be appropriate national policy to prohibit both new and existing leases to be developed in the areas south of the 26th latitude until after the year 2000.

Frankly, I think we would be better off letting the Secretary of the Interior go through the process in the current law for cancellation of the leases, apparently a process that already is largely in place since the President's action was based on the same type of information that the Secretary of the Interior would use in making his judgment as to appropriateness of cancellation and rely on the current standards of compensation rather than set up a new form of compensation which will almost surely cost the American taxpayers more money, make it less likely that Congress will in fact appropriate the money because they will see it as being excessive, and setting up a time schedule that makes it almost impossible for the authorization to actually have any meaningful effect.

So, Mr. President, as it relates to the areas south of the 26th latitude, frankly, we would be better off doing nothing than passing the perfecting amendment and let the impact of the President's directives be the governing standards by which we operate.

In my concluding time, after any further comments by the proponents of the perfecting amendment, I would like to reserve time to talk about the issues of the 26th latitude.

Mr. JOHNSTON. I am ready to yield back the remainder of my time if the Senator is ready to vote on this amendment.

Mr. GRAHAM. Mr. President, if there is no further comment by the Senator from Louisiana, I would like to take a few moments to talk about the issue of the areas north of the 26th latitude. I emphasize again, and I have made this statement now at least a dozen times, and I will repeat it yet another time, we have granted a full moratorium on new lease activities to the year 2000 for the States of California, Oregon, Washington, New Jersey, and Massachusetts.

We are now suggesting that for Florida only the southern tip of the State south of the 26th latitude is deserving of that same protection. I would ask someone to explain for me the logic, the basic fairness of that type of an argument. How can we say that it is appropriate to do so for those States and not make it that same protection to the year 2000 while we are I hope working out a more appropriate OCS policy to be applicable to the State which is arguably at greatest risk from the current policy?

I underscore that we are talking about in this amendment new leases being ordered, not as the Senator from Arkansas has suggested, affecting current leases. Current leases will be processed under the current law. We are now making new law as it relates to new leases to the year 2000.

Mr. President, I recently had a very wonderful experience occur in my family. Our daughter, Cissy, and her husband Bill, made us grandparents for the second time 4 weeks ago. As I look into the face of my new granddaughter, Caroline, she makes you aware of your own responsibilities to the future. She has the opportunity of living through most of the 21st century. I believe a fundamental issue that we are debating here today is not just whether we are going to take care of our needs in the next few years but how well we are going to be taking care of America's needs and of Caroline's needs deep into the 21st century.

Frankly, I am operating on some information which says that the United States has an abundant supply of natural gas. That is what knowledgeable spokesmen for the industry and the academic community have stated. Frankly, if that is not the case, then I think we ought to be revisiting whether we should be accelerating the use of natural gas in areas such as electrical generation.

The whole theory of opening up natural gas for uses such as electrical production has been that we have a lot of it, that it is an environmentally desirable source of energy, and that we can and ought to be, therefore, using it. If in fact we have a very limited supply that is expected within the United States, I think we need to go back and revisit those issues. There clearly is no question that we have a limited supply of petroleum and, therefore, the need to adopt a policy that husbands and conserves that petroleum as long as possible.

But I believe that we need to think about what we are doing here for the Carolines of the 21st century. I believe that the policy that we are suggesting, the hiatus to the year 2000 on new leases off the coast of Florida as we have already provided off the coasts of California, Oregon, Washington, New Jersey, and Massachusetts is an appropriate policy in terms of protecting valuable national and in many cases international environmental resources.

It is a desirable policy in terms of conserving our valuable remaining treasury of domestic energy resources. We should certainly be holding those resources that are in the most sensitive areas to the end of our Nation's need for energy, not committing them at a premature state.

Finally, in terms of economic policy, if there is a policy that will certainly beggar the United States, it is a policy of profligate use of our limited fossil fuel. What would America be like if we were totally dependent on foreign sources for natural gas, for petroleum, for the other basic essentials of our industrial and agriculture economy?

I believe that this policy, which says let us hold from now until the year 2000, let us look carefully at these States that have been identified as having special conditions that warrant that defense against improvident new oil and gas exploration, and then let us relook at what our national energy policy should be. Having made that decision for other sensitive coastal States, I suggest it is appropriate to do so for Florida.

It is appropriate, therefore, to defeat the perfecting amendment that would have the effect of denying this protection to the vast majority of one of America's most sensitive States in terms of the combination of environmental, energy, and economic policy.

Mr. President, it has been suggested that there is some defect in people who are emotional about this issue. Yes; I am emotional about this issue. I recognize, as one who has lived in our State for all of my life, the special qualities that are at risk, the special qualities which have supported and sustained our State throughout its recent history.

I am emotional about the protection of Florida. I believe that it is a State which offers its qualities to the Nation and to the world and that this U.S. Senate would also share that sense of commitment and trusteeship to its protection and in so doing to the long-term energy and economic interests of the United States.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, the Senator from Florida has suggested that we are somehow doing violence to the President's moratorium and treating Florida differently than we have treated other States.

With the State of California, we are essentially carrying out the President's moratorium. He was in fact, faced with a tough political race last time, sensitive to—well, I think the reason, to a large extent, he did it was that California had 52 votes. In any event, he declared a moratorium on all of California, save 87 tracts which had been put under moratorium to the year 1996. And in the Energy Committee, we said, let us do the whole thing until the year 2000.

If that is a departure from the President's moratorium, Mr. President, it is only a slight departure. We have included Massachusetts. Massachusetts was included as part of the North Atlantic. We included New Jersey. I have heard it both ways with New Jersey. I had thought when we included New Jersey it was included as part of the North Atlantic. But in any event, Mr. President, New Jersey is not an oil province. So far as we know, there is no interest. The question, again, is really irrelevant. Again, it is one of these questions of emotion more than reality. There is no oil to be found off New Jersey.

There is, in fact, a difference in how we treated other States, and how we are treating Florida. Because, in addition to giving the moratorium below the 26th parallel which the President has done, we are giving an authorization and direction for a buy back beyond the question of whether or not it is environmentally harmful. No regard for making findings. No need to demonstrate harm. We just tell the Secretary to buy back these leases subject to appropriations below the 26th parallel.

So we are going beyond the President's moratorium.

Mr. President, it is said that you cannot make a silk purse out of a sow's ear. You cannot make an oil spill out of a natural gas well with dry natural gas. We have found 1 trillion cubic feet of natural gas off the Florida Panhandle. There may be 2, 3, as much as 20 trillion cubic feet of dry natural gas off the Panhandle of Florida which, as we have demonstrated from what I have read from those who have found it, will be landed in Pascagoula, MS. It will also be serviced not from Florida, not seen from Florida, incapable of spilling. What it is capable of doing is solving America's environmental problems, in part; solving our balance of trade problems, in part; solving our employment problems, in part; and I think the Senate ought to go with that overwhelming case and approve our amendment.

The PRESIDING OFFICER (Mr. LIEBERMAN). Who yields time?

Mr. GRAHAM. Mr. President, we yield back the remainder of our time.

Mr. JOHNSTON. Mr. President, I yield back the remainder of my time, and ask for the yeas and nays on the second-degree amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the perfecting amendment offered by the Senator from Louisiana.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 24 Leg.]

YEAS—53

Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Brown
Bumpers
Burdick
Burns
Byrd
Coats
Cochran
Conrad
Craig
Danforth
Daschle
DeConcini
Dole
Domenici
Exon
Ford
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Johnston
Kohl
Levin
Lott
Lugar
McCain
Mikulski
Murkowski
Nickles
Packwood
Pressler
Pryor
Robb
Sasser
Shelby
Simpson
Stevens
Symms
Thurmond
Wallop
Warner
Wirth
Wofford

NAYS—45

Adams
Akaka
Biden
Bradley
Bryan
Chafee
Cohen
Cranston
D'Amato
Dixon
Dodd
Durenberger
Fowler
Glenn
Gore
Graham
Hollings
Inouye
Jeffords
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Lieberman
Mack
McConnell
Metzenbaum
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Seymour
Simon
Smith
Specter
Wellstone

NOT VOTING—2

Harkin
Kerrey

So the amendment (No. 1647) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I wonder if we would need a vote on the amendment, as amended, now.

Mr. GRAHAM. No.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the rollcall vote on the underlying amendment be dispensed with.

The PRESIDING OFFICER. The Chair advises the Senator that the yeas and nays were not ordered on the underlying amendment.

The question is on agreeing to the underlying amendment, as amended.

The amendment (No. 1646), as amended, was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSMISSION ACCESS

Mr. FORD. Mr. President, transmission access is a very complex technical issue. It is very important that we should not forget the technical and reliability issues involved when we discuss transmission access as a matter of public policy. U.S. utilities today provide a highly reliable electric power system that is the envy of the world. Let us not do anything to make it a system of power outages, power shortages, frequency and voltage dips. U.S. economy and our national security depend on a highly reliable electric power system that provides electricity of the highest quality.

The flow of electricity follows the laws of physics. Electricity does not worry about legal contracts and goes wherever the electrical characteristics of the power system determine it should go. We also need to remember that electricity is consumed the moment it is generated.

The U.S. electric power transmission system is highly interconnected. Basically there are two very large interconnected electric power systems, the eastern system and the western system. Nearly all the utilities in the United States are electrically connected to power pools that make up the eastern and western systems. In this way, if a utility has a sudden need for power that it cannot meet from its normal sources, it goes outside its system and buys power from other utilities and these may not be the neighboring utilities. These supply and demand transactions happen every day in the United States.

Wheeling transactions can affect those utilities who are not parties to the contractual agreement between buyer, seller, and the wheeling utility. As I stated earlier, electricity will flow where the laws of physics say it should go. Unless all the transactions are done very carefully and monitored by technical experts, electric power quality and reliability of parties not involved in the legal contract may suffer.

One of the biggest problems with mandatory transmission access is the quality of service to a utility's own native load customers. The utility is obligated to meet all existing and future needs of its customers. If a utility is forced to offer transmission access to others, the reliability of service to its own customers may suffer.

Further, if a utility's large native load customers are allowed to buy power from other sources and force the utility to provide the necessary transmission access, the utility will have to recover its investment from the remaining customers, raising their utility rates. In the event this other power source turns out to be unreliable, the native utility will have to come with the additional electric power. This may turn out to be a problem.

Mr. President, the number of independent power producers in this country is on the increase. We should continue to monitor all segments of the electric power industry to see if there are any significant problems with voluntary transmission access. If problems are found, the Congress should revisit the issue at an appropriate time in the future.

UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSTON. Mr. President, I ask unanimous consent that with respect to the Graham amendment relating to the provisions of S. 736, there be 2 hours of debate equally divided and controlled in the usual form; that one second-degree amendment to the Graham amendment be in order to be offered by Senator JOHNSTON or his designee, if offered; that there be 1 hour on the second-degree amendment; that at the conclusion or yielding back of time on the second-degree amendment, the Senate proceed to vote on or in relation to the amendment, followed by a vote on or in relation to the underlying Graham amendment, as amended, if amended; and that there be 30 minutes equally divided and controlled in the usual form on any debatable motion that might be raised, and I say to my colleagues such as a point of order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada.

Mr. BRYAN. Mr. President, I would like to inquire of the managers; I had previously informed the distinguished chairman of the Senate Energy Committee I wanted to make a brief statement of about 5 or 6 minutes as it relates to this legislation and the reason why CAFE legislation is not being attached.

I am informed by the distinguished Senator from Florida that he has no objection if I proceed at this time. I am happy to accommodate the managers and chairman at this time, but I would like 5 or 6 minutes to make such a statement. If we could not do so now, I would be willing to agree at some time that is more convenient for the floor managers, recognizing their time constraints. This request has been previously submitted and made available to the staffs.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, let me say I have no objection to the Senator from Nevada proceeding and, in fact, could not stop him if I wanted to. He has the floor.

But I would say this to other Senators: There will be time for all manner of speeches after the bill has concluded, and they are, as usual, to be placed in the RECORD at appropriate spots within it. So I hope all Senators do not take 6 minutes or we will be here until midnight.

The PRESIDING OFFICER. Is there objection? Hearing none, that will be the order.

The Senator from Nevada [Mr. BRYAN] is recognized now.

Mr. BRYAN. I thank the Chair, and I thank the floor managers for their consideration.

AUTOMOBILE FUEL ECONOMY STANDARDS

Mr. President, debate on this legislation is winding to a conclusion. It is a debate on America's energy future. At first glance it would appear that this legislation would be the logical vehicle to advance improving automobile fuel economy standards. Any observer of the struggle to improve the corporate average fuel economy, the CAFE standards, will acknowledge that this has been a tough fight. When the Senate considered improving automobile fuel standards in the fall of 1990 a clear majority of 57 Senators voted to move to the legislation, but we fell 3 votes short of cutting off a filibuster. Any future vote on this issue will be equally tough and equally contentious.

It is my view that had we succeeded in attaching this important proposal to this bill the advocates of advancing CAFE standards would then see their goals in the hands of many who do not share the goals and objectives of those of us who have consistently supported improved fuel economy standards. Many things may happen on the road to a conference report, and as every parent understands, you do not want your kids in just any vehicle that comes along. So I reluctantly acknowledge that this is not the vehicle on which to attach improving automobile fuel economy standards.

But it is the time. Our dependence on foreign oil, slackening only due to a recessionary drop in demand, is a growing risk to our national energy security and the competitive position of America in the world. Industry observers indicate that our dependence on foreign oil will grow to as high as 70 percent by the year 2010. Such a dangerous dependence on foreign oil will only increase the likelihood of more military involvement in the Middle East and not less.

Can any thinking observer of that troubled region believe that increased dependence on foreign oil will improve a future President's options in a crisis? Of course not. I speak as one Senator who is proud to have supported the President's initiative in the gulf last year. Yet by not moving ahead with improved automobile fuel economy standards we are dooming a future President to just such a terrible dilemma.

Should anyone be under the illusion that our recent success in the gulf has brought us energy security, I call the attention of my colleagues to a recent event in Geneva. Last week the ministers of OPEC met to reduce production of oil in an attempt once again to raise the price of oil, including a massive reduction in oil production in Saudi Arabia, recently saved by America's military forces from Saddam Hussein's legions. While the optimists point to the fact that OPEC has had difficulty in enforcing these kind of marketing restricting quotas in the past, the realists point out that they keep trying. Our energy future should not be left to the high-stakes gamble that OPEC will not again be able to dominate oil prices.

We should not fool ourselves as we move forward with this energy bill. It will do dramatically little to reduce the number of foreign tankers setting sail for our ports. It cannot because it does not adequately address the single largest consumer of oil, the automobile. The alternative fuels provisions will help, but they cannot come close to achieving the savings improving fuel economy standards would accomplish.

By passing our fuel economy bill, raising the automobile fleet fuel efficiency to 40 miles per gallon by the year 2001, we would save 2½ million barrels of oil each and every day. That will be permanent savings, savings to the American consumer, and a real plus for America's competitive position.

Not only will getting more miles to the gallon help our economy and our energy security, but we will also reduce the growing environmental threat. Carbon dioxide is the principal greenhouse gas, and a major tailpipe pollutant.

Last week the President announced a change of position with the revelation that the critical ozone layer of our atmosphere is in greater jeopardy than heretofore we realized. There will be much talk on the floor about the depletion of the ozone layer, the threat of the greenhouse effect, and long-term climate change, and much posturing. The fact remains that the most immediate and dramatic step we can take on this floor to arrest global warming is to vote for stronger automobile fuel economy standards. We can prevent literally hundreds of millions of tons of CO_2 from going into our atmosphere if we move aggressively in passing improved CAFE standards.

The public should not wait for some additional alarming environmental revelation to move the Congress to adopt these tougher CAFE standards. For a host of reasons—energy security, the trade deficit, the environment—we should move on improving automobile fuel economy. The most immediate however is our concern about the economy, and in particular the American automobile industry.

Every Senator has read the alarming news about the domestic auto industry's plight. The President's ill-fated trip to Japan only underscored the growing concern about the declining competitive position of the domestic automobile industry. These concerns are real and they should be the concern of every Senator, because a healthy, competitive automobile industry is the critical ingredient to our long-term economic health.

Yet, it is now argued that improving automobile fuel economy is a threat to the domestic auto industry. Mr. President, nothing could be further from the truth. Last year's Tokyo auto show should dispel any notion that improving automobile fuel economy is not critical to our future. The Japanese auto giants unveiled a series of new models that trumpeted the new battle plan: The Japanese auto industry will compete against us not only on quality and price, but they will open up a new front by making dramatic new improvements of fuel economy.

With a confidence bordering on arrogance, they do not even attempt to conceal the fact that the next wave of automobiles to break against our shores will be high-quality, fuel-efficient automobiles.

Is this a surprise to anyone but the leaders of America's automobile industry? To ignore this clear warning would be to repeat the mistakes of the immediate past which have let the Japanese auto industry capture an increasing share of our market each and every year.

Yet the domestic auto industry ignores the warning. There are those who say that they should know best, and certainly the Government ought not to interfere. Mr. President, I suggest that we look at the record. The corporate mandarins from Detroit have led this industry to the precipice by refusing to address the competitive threat of Japan.

Common sense would dictate that even if leaders of this industry are willing to ignore the looming threat, we in Congress cannot.

Some of the palliatives now proposed to deal with the Japanese auto industry will impose dramatic sacrifices on the American consumer. We should not be under any illusions that, however justified by Japan's unfair trading practices, restrictions on Japanese auto imports will not cost our consumers dearly. If Congress is going to ask our consumers to come to the table to make sacrifices it is not unreasonable to have Detroit come to the table. Moving ahead on a competitive game plan, which includes improving automobile fuel economy, should be part of any legislation that seeks to deal with the auto industry's competitive position.

Mr. President, I yield the floor. I thank my colleagues, the floor managers of this bill and the distinguished senior Senator from Florida, for their consideration in permitting me to proceed at this time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAHAM addressed the Chair.

AMENDMENT NO. 1648

(Purpose: To restore balance to the Outer Continental Shelf Lands Act)

Mr. GRAHAM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 1648.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . RESTORATION OF BALANCE TO THE OUTER CONTINENTAL SHELF LANDS ACT.

(a) CONGRESSIONAL DECLARATION OF POLICY.—Section 3(3) of the Outer Continental Shelf Lands Act (43 U.S.C. 1332(3)) is amended by striking "expeditious and".

(b) ADMINISTRATION OF LEASING.—Section 5(a)(2) of such Act (43 U.S.C. 1334(a)(2)) is amended—

(1) by amending subparagraph (A) to read as follows:

"(A) that such cancellation shall occur if the Secretary determines, after a hearing, that—

"(i) activity pursuant to such lease or permit has resulted in serious harm or poses a serious threat of harm or damage to life (including fish and other aquatic life), to property, to any mineral (in areas leased or not leased), to the national security or defense, or to the marine, coastal, or human environment; and

"(ii) the environmental or other resources harmed or placed at risk are of substantial value;";

(2) in subparagraph (B)—

(A) by inserting "or pursuant to an Act of Congress" after "Secretary"; and

(B) by striking "five years" and inserting "1 year"; and

(3) in subparagraph (C), by striking "such compensation as he shows" and inserting "such compensation (in the form of currency, forgiveness of the lessee's obligation to pay rents or royalties on another lease issued pursuant to this Act, or credits against bonus payments for future lease purchases pursuant to this Act) as the lessee shows".

(c) COORDINATION AND CONSULTATION WITH AFFECTED STATE AND LOCAL GOVERNMENTS.—The second sentence of section 19(c) of such Act (43 U.S.C. 1345(c)) is amended to read as follows: "For purposes of this subsection, the national interest shall be determined by application of a balancing process that gives equal weight to obtaining oil and gas supplies and to protection of the environment.".

(d) ENVIRONMENTAL STUDIES.—Section 20(a)(2) of such Act (43 U.S.C. 1346(a)(2)) is amended by adding at the end the following new sentence: "Each study required by paragraph (1) of this subsection shall be completed, subjected to peer review by at least three qualified scientists not employed or compensated by the Secretary, and published, not later than 180 days before the date on which the lease sale is announced.".

Mr. GRAHAM addressed the Chair.

Mr. WALLOP. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GRAHAM. I yield.

Mr. WALLOP. I thank the Senator from Florida.

Mr. President, yesterday I asked that Senator BYRD be added as an original cosponsor of my amendment No. 1630. While the official record so indicates, the CONGRESSIONAL RECORD does not. Therefore, I ask that the permanent RECORD be so modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. I thank the Chair. I thank the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida has the floor.

AMENDMENT NO. 1648

Mr. GRAHAM. Mr. President, we have just had a long debate on the application of the Outer Continental Shelf laws that currently exist for one State. What we learned in that debate was that we have been through a recent history of the granting of Outer Continental Shelf leases without adequate attention to their environmental, energy, or economic consequences. We have been through a period that was characterized by national policy of drain America first: Let us allow the development anywhere anytime.

That approach has been met by a counterforce which is almost as polar, which is, do not drill anywhere anytime.

I believe we need a balanced approach which recognizes the fact that we have important national resources in our Outer Continental Shelf, and that at the appropriate time in our Nation's need for energy those resources should be developed but that they should be developed in areas that are appropriate environmentally, meet high safety standards, and are part of a national strategy of conserving and husbanding our limited finite resources, particularly of petroleum, to the longest possible extent.

The current system of Outer Continental Shelf has demonstrably failed.

We have just adopted an amendment which, if it were to come into effect, a highly unlikely event, would result in the Federal Government being responsible potentially for tens, maybe hundreds of billions of dollars to pay off leases that never should have been granted in the first place, granted in areas that any reasonable assessment of their appropriateness would have found them to be not areas that should have been offered for oil and gas exploration.

But because of the attitude and actions of a Secretary of the Interior, the taxpayers of America are now faced with enormous costs of cancellation and buy-back, or the American environment is subject to devastating potential damage.

I believe that what we should do, Mr. President, is use this energy bill as an opportunity to revisit our national Outer Continental Shelf policy with a series of amendments.

The amendment which I have just offered contains most of those changes, with one principal exception, which I will discuss later. The amendment says that we will amend what is the current national law. The current congressional declaration of policy relative to the development of our Outer Continental Shelf is found in section 1332 of the United States Code. Paragraph 3 of that section reads as follows:

> The Outer Continental Shelf is a vital national resource reserve held by the Federal Government for the public, which should be made available for expeditious and orderly development, subject to environmental safeguards, in a manner which is consistent with the maintenance of competition and other national needs.

Mr. President, what we have is a statement of congressional intent that we want to expeditiously develop our Outer Continental Shelf. I believe that is a wrongheaded policy, wrongheaded in the terms that it is not consistent with the national energy policy that is built around the premise of stretching our national resources as long as possible; and it weighs the determination as to the appropriateness of leasing, tilts dramatically toward granting the right to lease and, therefore, drill for oil and gas.

The second provision of the amendment relates to the standards for cancellation. The current law states that if the Secretary of the Interior makes certain findings, that a lease may be canceled. In order to cancel a lease, he now has a three-part standard which is used.

Mr. President, that standard is that continued activity pursuant to such lease or permit would probably cause serious harm or damage to life, including fish and other aquatic life, to property, to minerals in any areas leased or not leased, to the national security or defense, or to marine, coastal, or human environment.

Second, that the threat of harm or damage will not disappear or decrease to an acceptable extent within a reasonable period of time. And, third, the advantages of cancellation outweigh the advantages of continuing such lease or permit.

That standard, Mr. President, is a highly subjective one. That standard is one in which it has proven to be very difficult, or the Secretary is unwilling to make the effort to cancel improvident leases.

We have the case of the Florida Keys where it has taken a Presidential directive some 10 years after leases have been granted in order to move the Secretary toward the process of cancellation.

The amendment we have offered would provide for a different standard. It would say that such cancellation shall occur if the Secretary determines, after a hearing, that the activity pursuant to such lease or permit has resulted in serious harm, or poses a serious threat of harm or damages to life, including fish and aquatic life; to property; to other minerals in areas leased or not leased; to the national security or defense; or to marine, coastal, or human environment.

Second, that the environment or other resources harmed or placed at risk are of substantial value.

Those would be the two tests that the Secretary would now look to in terms of making the judgment as to whether a lease that has been granted should now be canceled.

Next, we expand, under the area of lease cancellation, the options in terms of how to compensate for a canceled lease. By allowing compensation for canceled leases to be in any combination of cash, forgiveness of rents, royalties, or credits against future lease bids.

All of that relates to trying to clean up the past and, frankly, to begin to move away from the legacy of James Watts.

But let us look to the future. What should be our future policy in terms of Outer Continental Shelf leases? We would require under this amendment that the Department of the Interior, in determining the national interest, give environmental protection the same weight as production of oil and gas in rendering a judgment as to whether the lease was provident in the first instance.

Second, we would provide a process, and the process would require that the already required environmental studies be subject to peer review and available for public comment 180 days before the lease sale.

Under the existing law, the only requirement is that studies be commenced, not completed, before the leases are sold. That puts us in the situation that the Secretary of the Interior can lease properties prior to the environmental studies that will be necessary for the granting of a drilling permit, and place the treasury of the United States at risk in terms of its liability for future compensation, if an improvidently rented lease is canceled; and threaten the environment by creating a tilted process that has resulted, and is likely to continue to result, in leases being granted in areas which are environmentally inappropriate.

By requiring that the environmental studies be done prior to the lease granted, by requiring that there be peer review by qualified scientists, and the opportunity for public comments at least 180 days before the lease is announced, we will have a lease policy which is rational and makes decisions in the proper sequence. The policy will give to the public the assurance that if a new lease is going to be granted, and if as a result of the perfecting amendment that was adopted, new leases are going to be made available off the coast of the panhandle of Florida, they will be subject to these kinds of environmental tests before they are granted—not after they are granted. This amendment moves toward that balanced policy in the use of our Outer Continental Shelf resources.

Mr. President, I said that there was an area that was eliminated from this amendment. One of the provisions that had been contained in an original bill, introduced as S. 736, would have given to the Governors of the States that are adjacent to the Outer Continental Shelf additional power in terms of the decisionmaking process, which has been characterized as a Governors' veto, that the Governors would abuse this power.

I point out, Mr. President, that S. 736 clearly stated that if the Governors acted in an arbitrary or capricious manner, their right to make the judgment would have been lost; they could not act in a manner which was inconsistent with the national interest.

But because that one issue has become a flash point for an emotional response to what is otherwise, I think, an unassailably sound reconfiguration of the process and the considerations in Outer Continental Shelf drilling, I have determined that the appropriate course of wisdom would be to eliminate that provision, thus allowing the decisionmaker to continue to be as it is today, the Secretary of the Interior.

Mr. President, we are making a decision by the passage of this general energy bill to promote the further development of America's limited domestic oil and gas resources. We have made a decision that, with the exception of the States of California, Oregon, Washington, New Jersey, and Massachusetts, the rest of the continental United States will be available for new leases, that they will not have the benefit of a year-2000 protection, a hiatus in new leases around their States.

Therefore, I think that the citizens of this country deserve the kind of thoughtful protection, protection against new leases which do not meet the environmental standards that any reasonable policy would require, and they should meet those standards before—not after—leases are granted; and a new policy that will help us rectify inappropriate leases that have been granted in the past.

Mr. President, I believe that this amendment will contribute to a more environmentally appropriate use of our Outer Continental Shelf resources, will contribute to an energy policy of conversion of those resources, but will still make them available under these conditions and under these circumstances, to serve America's needs where appropriate and when appropriate.

Thank you, Mr. President.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, this reminds me of the old story about the preacher who was preaching one day, and he finally gets on the subject that affects this particular member of the congregation. The member of the congregation says: "Preacher, you've quit preaching and gone to meddling."

Mr. President, our friends from Florida have quit preaching about Florida, and they have gone to meddling with the basic organic law of this country which controls the whole country, controls a $3.15 billion revenue stream that comes from the Outer Continental Shelf, and seriously would affect the ability to extract oil and gas from all over the country, but particularly from those areas which are now producing and leasing: Offshore Louisiana, offshore Texas, offshore Alabama, Mississippi, and coincidently, the natural gas production from Florida.

But, Mr. President, this would amend the basic organic law, the Outer Continental Shelf Lands Act, which is an act put together under the aegis of the late, great Scoop Jackson in the Energy Committee, which has been the law of the land since I think it was last amended in the 1970's, and has been the basic law for a long, long time.

Mr. President, there is nothing wrong with the law. Our friends from Florida suggest that Secretary Watt made some improvident decisions about leasing certain lands that are sensitive below the 26th parallel in Florida.

Mr. President, that may or may not be true. We were willing to concede it for the purpose of the last Johnston amendment, which we adopted, and we did concede that. So that in effect, whatever mistakes were made below the 26th parallel in Florida, if any—and I must say that has not been proven yet, but we accept the conclusion without proof—nevertheless, it was not the fault of the Outer Continental Shelf Lands Act that made that mistake.

Or, in any event, an amendment to the Outer Continental Shelf Lands Act is not necessary to cure the mistake. That mistake has been cured, if not by the President's moratorium, then by the Johnston amendment amending the Graham amendment just adopted.

What we are dealing with now is an amendment to the generic Outer Continental Shelf Lands Act that applies to Louisiana, Texas, Mississippi, Alabama, and to other areas from which we extract 3.15 billion dollars' worth a year of oil and gas revenues.

So Mr. President, we are fixing something that is not broken. There has been no showing, no suggestion, no hearings, no evidence, no testimony, no outcry for change of the Outer Continental Shelf Lands Act. The Outer Continental Shelf Lands Act is working well as an ongoing law, and it has worked well from the time it was first enacted in 1954 through the time it had been amended in the early 1970's.

Mr. President, under the Outer Continental Shelf Lands Act, it is entirely possible, as I have spoken about in the last amendment, to cancel a lease. What the law says is that a cancellation may occur at any time if the Secretary determines, after a hearing, that continued activity pursuant to such lease would probably cause serious harm or damage to life, including fish and aquatic life; the threat of harm will not disappear or decrease to an acceptable extent within a reasonable period of time; and the advantages of cancellation outweigh the advantages of continuing such lease or permit in force.

Mr. President, with all deference to our friends from Florida, this seems to me to be the soul of reasonableness. If millions—indeed billions—of dollars are paid for a lease, the Secretary at least prior to cancellation ought to have to make some showing, such as it will probably cause harm to aquatic life and it is not in the national interest.

Mr. President, the present organic OCS Land Act has worked well. This changes the test dramatically for cancellation of a lease. It changes that test dramatically without being of any need for Florida in its sensitive areas. We have taken care of Florida in the sensitive areas. The President took care of it under his moratorium. We seal that into the law by the amendment just adopted. So we have solved Florida's problems.

Now we have gone to meddling in Louisiana's problems, Texas' problems, the other areas that are producing natural gas and producing liquid hydrocarbons.

What the amendment of the Senator from Florida says is that cancellation shall occur—shall occur—as opposed to may occur. The OCS Lands Act over here says cancellation may occur; the amendment says it shall occur. Instead of saying it would probably cause serious harm to life, all it need do in order to have a mandatory cancellation is pose a serious threat of harm.

What is the difference between the serious threat of harm and a probable cause? If you were going to take an airplane flight and there was a 1-in-1,000 chance that that plane was going to crash, you would say that is a serious threat of harm, as opposed to the present law, which says you must have a probable harm, probable serious harm.

So, Mr. President, you take the discretion out. You change that standard. They have taken out the test that says that there be no time for mitigation. In other words, under the present OCS law, if the passage of time would allow you to mitigate that harm or eliminate the harm, then you could go ahead with the lease. There is no such test in the amendment.

There is a change in the balancing test relating to State consultation. The present law defines the national interest as—the phrase is that you take into consideration the national interest, and then it defines that national interest to be a balancing test between the need for energy and the need for environmental protection.

Section 19 of the current law says that:

> For purposes of this subsection, a determination of the national interest shall be based on the desirability of obtaining oil and gas supplies in a balanced manner, and on the findings, purposes, and policies of this subchapter.

That test is changed to be the need for energy versus the environment, which are given equal standing. What that means, again, Mr. President, is that it would be much easier to meet that test.

Further, under the present law, a lease must be under suspension for 5 years before it is canceled. In this instance, if you make that finding of a threat or posing of a threat, the lease must be canceled after only 1 year of suspension.

Mr. President, it also provides, with respect to environmental studies, that all the environmental studies must be completed before the lease is made. Now, I must say there is some ambiguity here, but we know that there are ongoing environmental studies in the gulf, always have been. Some of those will not be completed until 1996. If what the amendment means is—and I suppose it is—that all of the studies must be completed before you do your leasing, then, it means that you cannot lease until 1996 or perhaps thereafter.

There is a down side to that, as well, Mr. President. Really, what you want to do is have ongoing studies. We require, under the present law, that before there be a lease sale, there be a NEPA, National Environmental Policy Act, impact study, an EIS, and that is designed to test the environmental sensitivity, to test the alternative ways of getting the energy or getting the oil or gas from the area.

Mr. President, under the present law, you sequence the various impact studies. First, you have the NEPA study. Then you come in and have a separate study for the drilling plan, because a drilling plan, in the sequence of things, is always done after you get your lease and after you make your discovery well. Now, I guess, Mr. President, what they require here is that, at the time you bid, you have a drilling plan.

I might ask my friend from Florida, does he mean to require a drilling plan at the time you bid for your lease?

Mr. GRAHAM. Mr. President, my intention would be to provide that all of those environmental studies that are a prerequisite to receiving a drilling permit that can be conducted prior to the grant of a lease itself. As an example, current law requires a showing of consistency with the coastal zone management plan of the adjacent State before drilling can be permitted. That consistency study is not conducted until after the lease has been granted. And the definition that the Senator and others have given is that once the lease is granted, then the leaseholder has a compensable property right in the event that that lease is not allowed to be drilled upon. So you have a catch-22 situation.

Mr. JOHNSTON. Well, I tell my friend that the way these things work is that you get your lease and you first do exploration, so you submit a plan for exploratory wells. That is to determine whether or not there is oil or gas there. Usually, what is done in the gulf is, frequently, they have semisubmersible platforms or they have drilling ships, sometimes, which are not designed to produce oil or gas; they are simply designed to test whether or not there is oil in the area. And it is neither necessary nor appropriate nor even possible to submit at that time a production plan, and, therefore, the request for the drilling permits that would go with that drilling plan, until you know whether or not there is oil and gas there, where it is, and in what quantity. And I might also add that, as part of that, you must also submit your plan to land the oil and gas. In other words, how are you going to pipeline it. Are you going to lighter it on ships, or just how are you going to unload it?

If I understand the amendment of the Senator, it would require that before you get your lease, you go in with your whole plan as if you knew how much oil and gas was there, where it was, in what quantity, how you are going to locate your drilling platform, how you are going to locate your pipelines, if any. Talk about a catch-22, Mr. President, this is the ultimate one, because it requires you to know the unknowable and to do the undoable. You just cannot do it. I mean, there is a sequence to these things under the Outer Continental Shelf Lands Act. That is why a production plan comes after an exploration plan. That is why you first get your lease and then you apply for your exploration plan and then you have your drilling plan.

Mr. President, it just will not work. I mean, that is the problem when you deal with this kind of organic law. It is very complicated, very well thought out. And here we would change the basic fundamental law of a $3.15 billion a year business, and it just does not fit the way the industry works.

Mr. GRAHAM. I say to the Senator, the question is still outstanding. Here is what the current law says. Section 1346(a):

> (1) The Secretary shall conduct the study of any area or region included in any oil or gas lease sale in order to establish information needed for assessment and management of environmental impacts on the human, marine and coastal environments of the Outer Continental Shelf and the coastal areas which may be affected by oil and gas development in such area or region.

Current law.

> (2) Each study required under paragraph (1) of this subsection shall be commenced not later than six months after September 18, 1978 * * * and not later than six months prior to the holding of a lease sale with respect to any area or region where no lease has been held or scheduled before September 18, 1978. The Secretary may utilize information collected in any study prior to September 18, 1978.

The key word there is "commence." The study has to have commenced 6 months prior to the sale. The amendment that we offer would add an additional sentence stating that, "Each study required in paragraph (1) of this subsection shall be completed, subject to peer review by at least three qualified scientists not employed or compensated by the Secretary, and published, not later than 180 days before the date on which the lease sale is announced."

Now, if we reach the conclusions that this information needed for the assessment and management of environmental impacts or the human, marine, and coastal environments of OCS and coastal areas that are affected is important, it seems to me it ought to be of sufficient value to be available before the decision is made to lease rather than after the decision. To me, it is nonsensical to have the studies only be required to be commenced 6 months before the lease and not have the availability of the information for purposes of making a judgment as to whether the lease should be or should not be granted.

Mr. JOHNSTON. Mr. President, the problem is that this is an ongoing process. It is a sequence process. You do these things seriatim. You do not know what kind of study to make on the environmental impact of a pipeline, for example, until you know whether you have oil and gas and are producing quantities sufficient to fill up a pipeline of a given dimension or which goes to a given refinery which has a given capacity.

The same thing is true of a drilling plan. The environmental studies necessary for a drilling plan may be in addition to the environmental studies necessary for an exploration plan. Because the techniques in exploration drilling are frequently—usually, should I say—different from the techniques of drilling for exploration; you use different equipment, different safety factors, you do not even land your production platform until you have made your discovery.

I had the opportunity, Mr. President, to fly over the gulf when the Cognac drilling platform was being landed off southern Louisiana. This was, at the time, the platform which was going to be in the deepest water yet drilled. As I recall it was 1,000 feet at that time. It was some years ago. It was this huge platform.

They did not just bring the platform in and make that investment. As I recall just from memory it was an investment in excess of half a billion dollars. I could be off by—I do not know how much factor. But it was a big thing even from the air. It was a thrill to see this huge thing, bigger than the biggest ocean liner, going out to be anchored out in the Gulf of Mexico and to drill in over 1,000 feet of water.

They have since drilled in much deeper water and had much bigger platforms than that, but it made quite an impression on me to see that done.

But, Mr. President, they did not do that, they did not make that commitment, in order to drill an exploratory well. That was done for the purpose of drilling a production well—not just a production well, to effectuate a whole production plan.

The environmental studies for a production plan on something like that are in addition to that which would be required for exploration. You want to require studies for exploration. You want to have an environmental impact statement which the present law requires. But you do not want to say in effect: Do all your studies before you sink the first pipe, and do not do any after that.

In fact I interpret the amendment of the Senator from Florida that way. That is, you finish it all before you drill your first well and thereafter you do not have any ongoing or continuing studies. The problem, really, that the Senator has with Florida is what he regards—and indeed what my amendment just agreed to regards—as improvident drilling and improvident decisions below the 26th parallel in Florida.

Those improvident decisions, which my amendment accepts as being improvident but which, I hasten to say, have not been proved to have been improvident, but which we accept for the purpose of the law as being improvident—that problem has been solved.

We should not go back and deal with this very complicated law that has been working very well, that has been the law of this country for decades. The first OCS Lands Act was 1954. The amendments were 1978. And it has been operating without complaint since that time.

I may be wrong, but it seems to me this is the first request for an amendment to the OCS Lands Act that we have had on the procedure since 1978.

We took 6 years, Mr. President, to get the 1978 amendments. This is a complicated business. To build in all the environmental protections, to sequence those—you have to have the environmental impact statement before you lease. You also have to have an updated environmental impact statement before you do your drilling plan. You have these overlapping environmental studies all through the process.

We do not want to have very smart and very able legislative assistants—but those who are not skilled in this arcane business of OCS drilling, and without the benefit of the 6 years that we had to draw up this law—come in and say well, would it not be a good idea to complete all these environmental studies before you get your lease?

Mr. President, it would not be a good idea. It would be, in fact, impossible to do. And if you tried to do it, it would deprive this country of a whole lot of revenue because you just could not lease. It just would not work. He would be required to cancel leases to which he has discretion now, and required to cancel them according to a test which is entirely different from that which he now uses.

Indeed, if he tried to do that, he would be hit with a fifth amendment taking suit. He would not be able to cancel those pursuant to the OCS Act. It is elemental hornbook law that once you have a contract you are entitled to enforce your rights according to the letter of the contract. The contract made on these leases is that according to the terms of the lease, which take into consideration the OCS Lands Act of 1978, and to the extent that is fundamentally and radically changed, you have a taking under the fifth amendment which would entitle you to more compensation than that to which you would be entitled under the OCS Lands Act of 1978.

Mr. President, the OCS Lands Act put together in 1978 under the aegis of Scoop Jackson and the Energy Committee after 6 years of work is working well. It is not necessary to fix it to take care of Florida's problem. We have taken care of Florida's problem.

I say if that act is to be amended, let us do so in the full light of day and after we have established a need to do so, and not on this bill as this kind of amendment.

The PRESIDING OFFICER. Who yields time? The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, my colleague and fellow southerner from Louisiana has suggested the old standard that "if it ain't broke, don't fix it."

So a fundamental question is, Is this vehicle which was last administered maintenance in 1978, still functioning? Is it getting us to our destination? Or is it, in fact, in need of some repair?

My answer is, It is in need of repair, that it is broke and that it needs to be fixed. I suggest at least three areas.

One thing it is not, this is not a geographic breakdown. This is not a car which has only fallen in a pothole as it drove from Pensacola to Fort Walton Beach.

This is not a Florida, this is not a California, this is not a Louisiana, this is not a North Carolina or any other coastal State's specific problem. It is an inherent generic problem with the OCS, and I suggest the problem has three parts.

One, it has encouraged inappropriate lease granting. My evidence of that is the President of the United States himself. In June 1990, the President announced that after having reviewed the results of Outer Continent Shelf task force on leasing practices, he determined that a prior Secretary of the Interior had inappropriately leased areas off the States of Florida and California and that he was announcing his support for a moratorium on further leasing and development and steps would be taken to roll back those leases that had been granted. The program was broken as certified and recognized by the President of the United States in two of our significant coastal States.

Second, the consequences of this broken program is to put American taxpayers at great risk. A lease once granted has been held to be a property right and, therefore, if canceled requires substantial compensation. And if it is to be canceled in an expeditious manner requires supercompensation, as witnessed by the amendment that we just adopted. We just adopted an amendment which as relates to the area south of the 26th latitude in Florida is going to provide for compensation beyond that which the basic law provides. If the law is sanctimonious and if we should avoid any intrusions into it, then we have just within the last hour violated that by setting up a new and more detrimental to the American taxpayer form of compensation for an area that demonstrably had been subjected to inappropriate leasing practices. So the taxpayers are at risk as long as this system continues in effect.

And third, there is a great ambiguity in the current law as to just what is the sequence of decisionmaking. We have a law which says that certain studies are important, studies that relate to providing the information needed for the assessment and management of the environmental impacts on human, marine, and coastal environments in the OCS and the coastal areas that would be affected by oil and gas development in such areas or regions.

We state that information is important and yet we then go on to say that all that has to happen is that the study has to have been commenced before the lease is granted. That is like saying, Mr. President, it is important to know you are in good health before you undertake a marathon run, that if you have some physical disability, you should know that before you start that 26-plus mile trek. Under this, you would only have had to make the appointment at the doctor and you could run the race and only after the race was over find out whether the results indicated you just put your life and health at risk by so doing. The system is broken in providing for information on an untimely basis, on a basis which is inherently inconsistent with the very purposes of the studies in the first place.

So, Mr. President, we propose an amendment which I think is not an amendment that is inconsistent with the basic objectives of utilizing our Outer Continental Shelf for a variety of energy and environmental purposes, but rather would lead to its better protection and the protection of the wallet of the American taxpayer by providing for know before you lease, and providing for a more rational system of the cancellation of leases which have demonstrably proved to be inappropriate.

Would someone wish to argue the case that we should continue a lease in effect where it has been demonstrated that the activities pursuant to such lease or permit has resulted in serious harm or poses a serious threat of harm or damage to life, to property, to other minerals, to the national security or defense or to marine coastal and human environments and where those environmental or other resources are subject to harm are of substantial value? That is what we say. If you can make that finding then a lease which has been granted in the past should be terminated.

Mr. President, the system is clearly broken. This represents the opportunity for those of us who can be physicians for the day to render some prescription, some assistance to a program that is important to our country and that needs to be brought back to a state of health that will justify the confidence of the American people.

Mr. President, if the Senator from Louisiana has no further comments, I will be prepared to yield back the remainder of my time.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

Mr. WALLOP. Will the Senator yield me a couple minutes?

Mr. JOHNSTON. I withhold that and yield to the Senator from Wyoming such time as he may desire.

Mr. WALLOP. Mr. President, I thank the chairman and I shall not be long.

When the chairman of our committee said that the OCS Lands Act was working well, someone said it was working too well. Someone would say it is a greater impediment to leasing than a facilitator of leasing, but this is one of those amendments, Mr. President, which has a surface appeal but falls apart on closer examination. I say to my friend it may not be its intention but it definitely will be its effect.

It is exporting jobs. It is exporting capital. It is exporting American technology. It is putting at risk the environment because it simply means more imported oil, more imported fuel. And it is exporting the thing that we do best in the country without anyone in the world having any use for it, and that is our competence in really sound environmental exploration and production.

The Senator from Florida would agree with me that it is not going to be required when American companies go in the world and it is expensive to do. Yet we require it, and we do it, and we do it well and safely.

The Senator from Florida is willing to ignore the fact that one small barge accident off his coast near Tampa produced nine times the environmental damage that the entire Outer Continental Shelf drilling program did in that year. One small barge accident. He is willing to ignore that and start us down what is rather a crazy road, a restructuring of an act which is working well.

Like it or not, Mr. President, the Outer Continental Shelf remains the largest domestic source of oil and gas, and the Senator's amendment will stop it. It may not be his intention. The expeditious and orderly—that is the phrase from the existing act which is changed by the Senator's amendment—the expeditious and orderly development of those reserves is critical to a domestic energy future. It is also job producing, and it is also balance of payments reducing. Both effects of the amendment laying before the Senate now would be specifically the opposite effect.

I will say, Mr. President, that the statistics show that for every 10 jobs that are crated offshore, there are 37 onshore. When the current downturn in the petroleum industry flattens out, as is projected, the number of lost jobs will be 700,000 and, Mr. President, the Japanese will not have done it. Amendments like this will have done it. Amendments specifically like this.

There is a myopia born of political expediency present in all the moratoria we have considered but let us not extend it to the overall leasing program. If the Florida delegation wishes to retreat behind a moratorium and subject their environment to increased anchor and barge spills, that is their option. But they should not have the ability to cripple the entire program and subject the rest of the Nation to risk.

The second section would substantially impair the President's discretionary authority with respect to lease cancellation. Two of the criteria for lease cancellation that the threat of harm or damage does not diminish in a reasonable time and that the advantages of cancellation outweigh the advantages of maintaining the lease are simply deleted.

In exchange we get a lawyer's dream, an absolute lawyer's dream. They are replaced with a criterion that mandates cancellation. It mandates it. If the activity has resulted in, or poses a serious threat of harm or damage, is there an environmental lawyer in America that would not assert that every single lease poses such a threat, I ask my friend? Not a one.

America spends billions, and billions, and billions of dollars paying lawyers to challenge American's rights to access to their own domestic source and this makes it worse by producing vague language that can be played with by lawyers until hell freezes over, poses a serious risk of harm or damage to life, including fish, or to property, or to any other mineral that is leased or not leased. These are not defined words, these are not words tested in case law. This is a brand new iteration of a law which has been thoroughly tested in the courts and been found to work.

Mr. President, the State has to ask itself when it goes to questions of this sort what purpose is served by canceling a lease where a temporary suspension would alleviate a problem that has been identified? What possible purpose? But the Senator's proposal has no flexibility along that line. Is it any wonder that the chart we showed earlier shows that American oil companies are now spending more in exploration and production abroad than they are at home? We cannot comply with these kinds of criteria and still maintain an industry.

I know the Senator is a Harvard lawyer, and I think probably that law school, as many others, uses the phrase "bad cases make bad law." And I would say to the Senate that this is an invitation to bad cases. It is an invitation to draw up any fanciful kind of assault and take it on.

Language: "Environmental or other resources harmed or placed at risk." Risk is not defined, level of risk—any risk is unacceptable, according to the terms of this amendment, and they may be of substantial value.

You go down to the bottom of the page, and it says that the compensation may be in the form of currency, spending the taxpayers' dollars, forgiveness of the lessee's obligation to pay rents or royalties on another lease issued pursuant to this act. Basically that says that is an appropriation without the Appropriations Committee having anything to do with it. That is just giving them the flexibility to spend taxpayers' dollars, take it out of the Federal Treasury to pay Texaco back so they can go explore in Indonesia. And it says that those would be on any other lease issued pursuant to this act. I would say that after a few years' time there will be no lease issued pursuant to this act.

The fact that certain areas such as the Florida panhandle are gas poor and the environmental threat is virtually nil is also irrelevant. It is not part of this amendment to pay attention to that. The provision is nothing more than an invitation, as I said, to litigation and we sure need help to employ more lawyers. If we have heavy unemployment, maybe we can get it all back by training people to be lawyers because they will be needed under the terms of this amendment.

Reducing the time period prior to lease cancellation is also foolish. There is a tremendous amount of information which should be considered and the present 5-year suspension allows for an orderly consideration. The 1-year period that is contained in this amendment simply does not allow the type of reasoned decision necessary prior to acts of canceling a lease, so it will be canceled. And once more Americans are simply not allowed access to their own resources.

The last provision may be the most troublesome one. It requires that environmental studies be completed and subjected to peer review—and the Senator from Louisiana has touched on this—not later than 180 days prior to the announcement of a lease sale.

The objective of this is simply to delay lease sales. But if it is implemented, it would completely frustrate the ongoing and continuing nature of environmental studies. It is bad science, it is bad law, it is bad economics, and it is sensational green pandering.

It may come as a surprise to sponsors of this amendment and probably most of the Senate, that the Minerals Management Service has spent over $530 million in environmental studies; many of which are continuing reviews affecting existing leases. The Minerals Management Service, I would say to the sponsors, has done more marine studies than has NOAA, the Fish and Wildlife Service, and the National Marine Fisheries Service combined.

Four million dollars a year is spent by MMS on whale studies off the west coast alone. They are the only whale studies being done.

The reason, I would say to the sponsors of this amendment, for the continuing monitoring and environmental review is to supervise when drilling and production would be allowed, not to stop it. But the effect of the Senator's amendment is to do precisely that.

So it is not simply an effort to delay any new leases. It just simply spells an end to the ability of the Secretary to monitor and administer existing leases. For those who want only to terminate the entire offshore program, this is a very useful provision.

For those who care about the environment of our coastal waters and our coasts and for those who care about tourism and commerce enterprises on the coasts and for those who care about the whales and the fish and the proper development of other offshore resources, this amendment, Mr. President, is a disaster.

The language the Senator from Wyoming has used is harsh, but the effect of this amendment is harsh, make no mistake about it. This is essentially an attempt to sound the death knell of offshore oil and gas production in America and certainly any new, because terms are too vague and the response too rigid for any other result to take place.

I urge the Senate to defeat this amendment.

I yield back the time.

The PRESIDING OFFICER. Who yields time?

The Senator from Florida is recognized

Mr. GRAHAM. Mr. President, just a few words in closing to respond to the remarks that have just been made.

In all deference to my good friend from Wyoming, I would suggest that a clear reading of the current law and of the amendment be undertaken in order to understand the limits and the objectives of the amendment.

As an example, in what I frankly consider to be one of the most important, if not, in my judgment, the single most important, aspects of this amendment, the environmental studies being completed prior to their use—if he would read the current law, 1346 stipulates that the Secretary shall conduct these studies—it indicates the importance of these studies to making an informed judgment as to the appropriateness of granting the oil or gas development lease and then seems to negate all of the above by saying all that is required is that the studies be commenced 6 months before the lease is granted. If there is some justification for such a foolish dichotomy of the importance of the studies, the importance of the information that the studies are going to make available to affect judgment and then to say that the only requirement is the study be commenced before the decision is made, I cannot see the logic or the value of that is accomplished by that.

What we would say is simply that this information which has already been determined to be of value to the judgment would be available, subject to peer review and published at least 180 days before the date the lease sale is announced.

Mr. WALLOP. Mr. President, will the Senator yield for a question?

Mr. GRAHAM. Yes.

Mr. WALLOP. Is the Senator aware that the EIS is completed before the leases are issued, and that only the studies go on afterward?

Mr. GRAHAM. If this study that is called for in section 1346 is to be of utility, then it seems to me it ought to be available for part of the judgment process. The current law infers its importance, gives a sense of confidence to the public that this scientific information be available and then undercuts all of those expectations by saying all that is required is the study be commenced.

Mr. WALLOP. Mr. President, if the Senator will yield again, I suggest that he is not familiar with the operation. The studies that are contemplated there are those monitored not only for the existence of the activity, but the EIS will have identified those studies which are necessary to be commenced. The EIS is the thing which provides the decision upon which the lease is issued or not, not the studies.

Mr. GRAHAM. Mr. President, if a poignant reading of the law shows in fact not what the law is, another defect has been uncovered. I believe that reasonable American citizens should be able to read what the law requires and draw a conclusion as to what type of protection is accorded.

In my judgment, clearly, the current law does not provide that protection, and the examples as stated by the President of the United States in June 1990, are the best evidence that the current attempt to assess environmental impacts prior to leasing are not accomplishing the objective of discerning those areas that are inappropriate for such.

Mr. WALLOP. Mr. President, I say again to my friend that there is more than one law which affects this activity, the first of which is NEPA, and that is where the EIS requirement comes in.

Mr. GRAHAM. Yes, Mr. President, and unfortunately, another law that is not covered by this is the coastal zone management consistency which occurs well after the lease has been granted, which is under control of the Secretary of Commerce and which has almost no capability of being influential on decisions, particularly if the position is taken that once a lease is granted, a property right is created that requires compensation for its cancellation.

Mr. WALLOP. Again, if the Senator will yield for one more observation, the consistency with the Coastal Zone Management Act is required of the lease.

Mr. GRAHAM. But the consistency study is not conducted until after the lease has been granted and before a drilling permit is issued.

Mr. WALLOP. Mr. President, I say to my friend I do not know what sequence he would like to have it take, but you cannot drill before a drilling permit is issued, and you cannot get a drilling permit until——

Mr. GRAHAM. Mr. President, if the Senator from Wyoming shares the opinion of the Senator from Louisiana, which is once a lease is granted, a property right is created; in order to cancel that lease, compensation is required. Then you have set up a catch-22 for the U.S. Treasury, an out-of-control Secretary of the Interior. And we have had such an out-of-control Secretary of the Interior grant leases in areas that clearly are inappropriate, cannot be permitted, cannot meet the standards to be drilled upon, and yet the holder of those leases will come back to the American taxpayers and say they ought to be paying because we successfully bid to get this lease, and now we are being denied the right to use it.

Mr. WALLOP. If the Senator will yield one final time, that simply is not an understanding of the way this process works. The leases are issued subject to compliance with the law; and, as though there is no information, by the issuance of the lease that you are permitted thereby to evade the criteria of the laws of the United States—none.

Mr. GRAHAM. Mr. President, I wish the Senator's opinion were the law, and I hope that it might be found to be the law. That is not the position of the chairman of the committee. The opinion—I believe I accurately stated it; I will not speak for him—is that if a lease is to be canceled, it is canceled under the provisions that require compensation.

I would agree with the Senator. I think when a lease is granted, what clearly should be is the exclusive right to do the necessary scientific environmental and safety studies to apply for a drilling permit. And if you cannot meet those standards for a drilling permit, then you have failed to meet the conditions of the lease, and are owed no compensation.

That is exactly the position that I have taken on all of those leases south of the 26th latitude; that none of them to date has met the test to be available for drilling. Therefore, I have been unwilling to accept the proposition that compensation is called for. Others take a different view of the law. My amendment attempts to deal with that degree of ambiguity.

Moving on to the second point, we do not alter the language relative to suspension. The language that is in the law today authorizing a suspension of the leasehold, a restriction for a period of time that it is used, continues in effect.

Mr. WALLOP. Mr. President, I apologize. I assure the Senator this is the last time, but I think he is again playing with apples and oranges in this debate. The issuance of the lease is not compensated under the terms of existing law. If no permit to drill is forthcoming, and a mere permit to drill cannot be forthcoming unless one has complied with the terms of the law, that is not compensatable.

That is not the position of the chairman. It is as if other criteria are discovered which are not part of this, then that is compensatable. But failure to issue a permit to drill because of noncompliance with the requirements of law is not a compensatable event.

Mr. GRAHAM. Mr. President, if nothing else positive happens today, the statement of the law by the Senator from Wyoming is a very appreciated event, because his statement and understanding of the law is exactly that which I have held, which I consider to be the only reasonable way to sort out this convoluted process.

I just wish that the position of the Senator from Wyoming and the Senator from Florida were universally held, and if that were the case, then we would not have to have had that long debate relative to compensation of areas south of the 26th latitude, areas that were improperly granted in the first place, and in my judgment should not be considered as qualified for compensation because they could not meet the test to have been granted a drilling permit, and therefore were not a property right that warrants compensation.

Mr. President, on one other area, the issue of are we about to export American jobs:

The fact is that America has a limited amount of oil and gas. In our earlier debate, we had some ambiguity as to just how much natural gas. I frankly have been operating under the impression, based on what had been presented to me as reliable information, that we had an abundance of natural gas, and therefore issues such as opening up the use of natural gas for electrical generation, which had been prohibited at an earlier period in our energy history, was now provident.

If that is not the case, then I think we have more serious problems than I thought we had to begin with. But as it relates to petroleum, there is no question that we have a finite American resource. Some would argue that our resource is as low as in the mid-40 billion barrels; others would say it may be as high as in the 80 billions of barrels of oil. That is the range of the best experts, the most knowledgeable people, as to what our resource is. We are currently using about 6½ billion barrels of petroleum per year in the United States, of which roughly half is domestic and half is imported.

That means that if we continue at the current rate of 3 billion-plus domestic barrels of petroleum per year, against the most extended estimate of our domestic supply, we are looking at roughly 25 years of domestic use.

To me, an intelligent energy policy has to involve the issue of how do we stretch that remaining domestic resource as long as possible, as long as it will be required for us to fully implement the measures that will make us less dependent on petroleum; as long as it will take us to install transportation systems that are not as petroleum-intensive as those that we have today; as long as it takes for us to develop industrial mechanisms that will not be as dependent on petroleum as they are today.

That is the challenge I see of our national energy policy, one of husbanding, conserving, and providing for an aggressive transition to a less oil-dependent America. That is my definition of the problem. I believe the amendment that I have offered is consistent with that objective, while providing a higher standard of environmental protection also, and by eliminating a statement of congressional policy that it is the Nation's goal to expeditiously develop our Outer Continental Shelf oil and gas resources when, in my judgment, we ought to be prudently trying to conserve our Outer Continental Shelf, as well as our interior petroleum resources, in order to make them last as long as possible, so that not only will our generation, but our children and grandchildren will be able to live in an America that is not totally dependent upon foreign sources because we have been so foolish as to totally deplete our domestic resources.

Mr. President, that concludes my comments on the amendment. I urge its adoption.

Mr. JOHNSTON. Mr. President, if, in fact, it is the purpose of the Senator from Florida to conserve domestic resources because you would not be able to produce them pursuant to this change in the fundamental Outer Continental Shelf Lands Act, then I suspect he will achieve his purpose, because, in fact, the production, the exploration, the getting of bonuses from that Outer Continental Shelf production will be delayed and made the subject of litigation and be more difficult ever to get, according to these amendments.

I suspect when he says that he wants to conserve domestic resources, he means not through this amendment, but I fear that this amendment would conserve by being unable to produce and really not conserve, but import, and in the process of importing, subject the country to the 98-percent risk from transportation and other causes as opposed to the 2-percent risk from production on the Outer Continental Shelf.

Mr. President, I believe we have demonstrated that this amendment to the fundamental law would be a grave mistake, is unworkable, and has not been appropriately considered in all of its sequencing and in its relationship to the real world of production on the OCS, and certainly is not necessary in order to protect what the Senator from Florida regards as improvident leases issued below the 26th parallel in Florida.

So consequently, Mr. President, I think this has been fully discussed, maybe even over-fully discussed, and I am ready to yield the remainder of my time.

Mr. SANFORD. Mr. President, I rise in support of amendment No. 1648 to S. 2166 offered today by Senator GRAHAM. I am a cosponsor of this amendment and believe the provisions spelled out in this measure should be a part of our energy package.

Many of my colleagues are aware of the problems that have emerged since the sale of a lease to drill for natural gas off North Carolina's coast. Our waters can be volatile and our marine ecosystems are fragile. Because of these factors, Congress created in 1990 a team of experts to study the impact that drilling might have on my State's coastal environment; the panel has yet to reach a final conclusion.

As pressure to drill increases off North Carolina, the mid-Atlantic States, and those areas most prominent in the recent MMS 5-year plan, we cannot afford the money and time that might be required to establish a separate scientific panel to investigate the coastal impact of each controversial lease sale. This amendment will require the MMS to utilize their human and technical resources to systematically review the possible affects of drilling on citizens and their environment; this proceeding must be completed and subjected to peer review 6 months before the announcement of the lease sale.

Mr. President, this makes good sense for the Treasury, coastal communities, and marine wildlife and their habitats.

The two Senators from Florida know the problems associated with the present system. Just as North Carolina is presently under a congressional moratorium, portions of Florida were included in the President's 1990 moratoria. Had the language in this amendment been established policy several years ago, we might have avoided the prospect of having MMS buy back inactive leases, with considerable interest, and at the taxpayers' expense.

This amendment will give the Department of the Interior further direction in determining when an existing lease should be canceled, and it properly allows for the lesees to be compensated for such leases expeditiously and at a minimal cost to the Government.

If this Nation is to continue to reclaim fossil resources off its shores, Outer Continental Shelf drilling must take place only after adequate consideration is given to complete environmental information and to the concerns of those most affected by such activities. I support these criteria as stated in the amendment now before the Senate.

Mr. GRAHAM. I yield the remainder of my time.

Mr. JOHNSTON. Mr. President, I move to table the amendment.

The PRESIDING OFFICER. The question is on the motion to table.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER (Mr. FOWLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 47, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—51

Bentsen
Bond
Boren
Breaux
Brown
Bumpers
Burdick
Burns
Byrd
Coats
Cochran
Conrad
Craig
Danforth
DeConcini
Dole
Domenici
Exon
Ford
Garn
Glenn
Gorton
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Inouye
Johnston
Kasten
Lott
Lugar
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Pryor
Roth
Rudman
Sasser
Shelby
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—47

Adams
Akaka
Baucus
Biden
Bingaman
Bradley
Bryan
Chafee
Cohen
Cranston
D'Amato
Daschle
Dixon
Dodd
Durenberger
Fowler
Gore
Graham
Hollings
Jeffords
Kassebaum
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mack
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Seymour
Simon
Specter
Wellstone
Wirth
Wofford

NOT VOTING—2

Harkin
Kerrey

So the motion to table the amendment (No. 1648) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I say for the benefit of my colleagues, I know of one more amendment, and that is by the Senator from Delaware [Mr. BIDEN] with a 30-minute time limit. I know of no other amendments that were planned to be offered. There are some others that would be eligible but that is the only one I know of and I wish any Senators who plan to bring in amendments other than the Biden amendment would let us know.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

AMENDMENT NO. 1649

(Purpose: To make improvements in nuclear regulation)

Mr. BIDEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN] proposes an amendment numbered 1649.

Mr. BIDEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 189, between lines 11 and 12, insert the following new heading:

SUBSTITLE A—NUCLEAR REACTOR LICENSING

On page 193, between lines 6 and 7, insert the following new subtitle:

Subtitle B—Independent Nuclear Safety Investigations Board

SEC. 9201. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) there exists a potential for conflict of interest in the investigation of significant safety events arising out of activities licensed or otherwise regulated by the Nuclear Regulatory Commission (hereafter in this subtitle referred to as the "Commission"), where the Commission's prior action or inaction may have been a partial contributor to the cause of such event;

(2) an independent organization for the investigation of such events will inspire greater pubic confidence in the investigatory process for such incidents; and

(3) the increased stature and enhanced visibility of the investigations conducted by such an independent organization, and the recommendations made as a result of such investigations, will help to ensure timely consideration and implementation of the recommendations of such an organization.

(b) PURPOSE.—The purpose of this subtitle is to establish an Independent Nuclear Safety Investigations Board to—

(1) conduct independent investigations of significant safety events arising out of activities at production or utilization facilities licensed by the Commission under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133 and 2134, respectively); and

(2) submit to the Commission and to the Congress the results of any such investigation, including any recommendations for actions to be taken by the Commission to prevent the recurrence of such events.

SEC. 9202. ESTABLISHMENT OF NUCLEAR SAFETY INVESTIGATIONS BOARD.

(a) IN GENERAL.—There is hereby established within the Commission an independent board to be known as the Independent Nuclear Safety Investigations Board (hereafter in this subtitle referred to as the "Board").

(b) MEMBERS.—The Board shall consist of three members who shall be appointed by the President, by and with the advice and consent of the Senate. The members shall be appointed on the basis of technical qualification, professional standing, and demonstrated competence and knowledge relevant to the investigative functions of the Board. No more than two members of the Board shall be of the same political party. Not later than 90 days after the date of enactment of this Act, the President shall submit to the Senate the nominations for appointment to the Board. The President shall designate one member to serve as the Chairperson of the Board.

(c) TERMS.—The terms of office of members of the Board shall be 3 years, except as otherwise provided in this subsection. Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term of office for which his or her predecessor was appointed shall be appointed for the remainder of the term. Upon the expiration of his or her term of office, a member shall continue to serve until his or her successor is appointed and shall have qualified. Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance of office.

(d) CHAIRPERSON.—

(1) IN GENERAL.—The chairperson shall be the chief executive officer of the Board and shall exercise the executive and administrative functions of the Board with respect to the appointment and supervision of personnel employment by the Board, the distribution of business among such personnel and among administrative units of the Board, and the use and expenditure of funds.

(2) CONFORMING AMENDMENT.—Section 5314 of title 5, United States Code, is amended by adding at the end the following: "Chairperson, Independent Nuclear Safety Investigations Board.".

SEC. 9203. DUTIES AND AUTHORITIES.

(a) IN GENERAL.—The Board shall have the following functions and authorities described in this section.

(b) INVESTIGATIONS.—

(1) IN GENERAL.—The Board shall investigate or cause to be investigated those significant safety events, as defined by the Board, arising out of activities at production or utilization facilities licensed by the Com-

mission under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133 and 2134, respectively) that the Board determines are important because of possible adverse effects on the health or safety of the public, and may investigate or cause to be investigated other safety events upon the request of the Commission.

(2) PURPOSE.—The purpose of any investigation initiated pursuant to this subsection shall be to determine the facts, conditions, and circumstances of the events investigated, including—

(A) an assessment of the implications of such event for public health and safety;

(B) a determination of whether such event is part of a pattern of similar events at production or utilization facilities licensed by the Commission under section 103 or 104 of the Atomic Energy Act of 1954 (43 U.S.C. 2133 and 2134, respectively) that could adversely affect the public health or safety; and

(C) an assessment of the root causes of such event, including the contribution, if any, of any action (or inaction) of the Commission with respect to such event.

(3) REPORTS.—The Board shall report in writing, and shall submit such report to the Commission, on the facts, conditions, and circumstances of each event investigated pursuant to this subsection, including—

(A) the date and place of the event;

(B) the nature and probable consequence of the event;

(C) the cause or causes of the event; and

(D) any action recommended to prevent the recurrence of the event, including any recommendations for actions to be taken by the Commission with regard to regulatory requirements or practices.

(4) RESPONSE TO RECOMMENDATIONS.—(A) The Commission shall respond in writing to any recommendations of the Board within 120 days of receipt of such recommendations. Such written response shall detail specific measures adopted or to be adopted by the Commission in response to such recommendations, and explanations for the Commission's inaction on any recommendations not adopted.

(B) The recommendations of the Board made pursuant to paragraph (3) and the response of the Commission to such recommendations shall be made available to the public and shall be submitted to Congress.

(5) PROCEDURE FOR INVESTIGATIONS.—Except for investigations initiated at the request of the Commission, the Board shall, prior to the initiation of an investigation pursuant to this section, consult with the Chairman of the Commission and, if an investigation is warranted, the Board shall set forth in writing the basis for the Board's determination that the event constitutes a significant safety event, as defined by the Board. The written statement of the Board's basis for initiating an investigation shall not be subject to judicial review. The written statement shall be made available to the public and shall be submitted to the Congress.

(6) EXCLUSION.—No part of the conclusions, findings, or recommendations of any report of the Board relating to any event or the investigation of such event shall be admitted as evidence or used in any suit or action for damages growing out of any matter mentioned in such report.

(c) INSPECTION.—Following the issuance of a written determination pursuant to subsection (b)(5), or upon the initiation of an investigation requested by the Commission, any employee of the Board, upon presenting appropriate credentials, including any security clearance required by the Commission, and a written notice of inspection authority, may enter the facility where the event has occurred and do all things appropriate for a proper investigation. The employee may inspect, at reasonable times, records, files, papers, processes, controls, and facilities relevant to the investigation of such event. Each inspection shall be commenced and completed with reasonable promptness.

(d) INFORMATION.—Subject to section 552a of title 5, United States Code, the Board may secure directly from any agency or instrumentality of the United States such information as that agency or instrumentality may already possess as may be necessary to enable the Board to carry out an investigation pursuant to this subtitle. Upon request of the Board, the head of such agency or instrumentality shall furnish such information to the Board. The information that the Board may secure under this subsection may include any material designated as classified material pursuant to the Atomic Energy Act of 1954, or any materials designated as safeguards information and otherwise protected from disclosure under section 147 of the Atomic Energy Act of 1954 (42 U.S.C. 2167).

(e) GENERAL AUTHORITIES.—

(1) IN GENERAL.—Following the issuance of a written determination pursuant to paragraph (b)(5), or upon the initiation of an investigation requested by the Commission, the Board, or, upon authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Board, may, for the purpose of carrying out this subtitle, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise attendance and testimony of such witnesses and the production of evidence as the Board or such officer or employ considers advisable. Subpoenas shall be issued only under the signature of the Chairperson and may be served by any person designated by the Board.

(2) PENALTY.—Any person who willfully neglects or refuses to qualify as a witness, or to testify, or to produce any evidence in obedience to any subpoena duly issued under the authority of this paragraph shall be fined not more than $5,000, or imprisoned for not more than 6 months, or both. Upon certification by the Board of the facts concerning any willful disobedience by any person to the United States Attorney for any judicial district in which the person resides or is found, the attorney may proceed by information for the prosecution of the person for the offense.

(f) ADMINISTRATION.—

(1) IN GENERAL.—Subject to such rules as may be prescribed by the Board, the Board may appoint and fix the pay of such officers and employees (including investigators and attorneys) as the Board considers necessary to carry out the powers and duties of the Board. Appointments shall be made under this paragraph in such manner that not more than the equivalent of 55 full-time officers and employees are employed by the Broad at any time.

(2) STAFF.—The staff of the Board shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(g) TEMPORARY AND INTERMITTENT SERVICES.—Subject to such rules as may be prescribed by the Board, the Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code. The amount of consultant services that may be obtained by the Board under this subsection shall not exceed, during any fiscal year period, the amount of services that would be obtained if the Board procured on a full-time basis the services of 12 consultants.

(h) COOPERATIVE ACTIVITIES.—Upon request of the Board, the Commission, or the head (or governing authority) of any other Federal agency or instrumentality may—

(1) detail to the Board, on a reimbursable basis, such personnel as may be desirable to assist the Board in carrying out its duties; and

(2) make available to the Board, on a reimbursable basis, such facilities, equipment, or other administrative support services as may be desirable to assist the Board in carrying out its duties.

(i) STAFF.—The Commission shall provide the Board with appropriate and adequate office space, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of the Board and shall provide necessary maintenance services for such offices and the equipment and facilities located therein.

(j) LOCAL GOVERNMENTS.—The Board may confer with employees of State or local government agencies and may use, on a reimbursable basis, such services, records, and facilities as such agencies may make available to the Board.

(k) MAIL.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(l) REPORTS.—

(1) IN GENERAL.—The Board shall report annually to the Congress on the activities of the Board. Such report shall contain—

(A) a summary of the significant safety events (as defined by the Board) investigated by the Board during the preceding calendar year; and

(B) a summary, in such detail as the Board considers advisable, of the recommendations made by the Board pursuant to subsection (b)(3)(D), together with the observed response of the Commission to each such recommendation.

(2) AVAILABILITY.—Such reports shall be made available to Federal, State, and local government agencies concerned with safety at production or utilization facilities licensed by the Commission under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133 and 2134, respectively). Upon request, such reports shall be made available to other interested persons.

(m) OPERATION.—The Board is authorized to establish rules, procedures, or other appropriate guidance governing the operations of the Board and the conduct of Board investigations.

(n) TRANSFER OF AUTHORITIES.—There shall be transferred to the Board such offices of the Commission, or functions, powers, or duties of such offices, as the Commission may determine are properly related to the functions of the Board and will further the purposes of this subtitle, except that there shall not be transferred to the Board any program operating responsibilities.

(o) TERMINATION.—The Board shall terminate at the end of fiscal year 1997.

SEC. 9204. AUTHORIZATION.

There are hereby authorized to be appropriated to carry out this subtitle, for each of fiscal years 1993, 1994, 1995, 1996, and 1997, an amount equal to $6,000,000.

SEC. 9205. EFFECTIVE DATE.

This subtitle shall take effect on such date during the 6-month period beginning on October 1, 1992, as the President may direct in an Executive order. If the President fails to issue an Executive order for the purpose of this section, this subtitle shall take effect on March 1, 1993.

Mr. BIDEN. Mr. President, I have agreed to a time agreement on this amendment.

Parliamentary inquiry. I believe the time is one-half hour equally divided; is that correct.

The PRESIDING OFFICER. The Senator is correct.

Mr. BIDEN. Mr. President, this is an amendment that has been raised before some years ago. It is very straightforward and simple.

My amendment establishes an independent safety board for the Nuclear Regulatory Commission. Not unlike, I might add, the independent agency that exists with the FAA. There is an independent organization, the National Transportation Safety Board, that deals with inspections as opposed to the licensing. It goes out and determines whether or not the rules are being kept, whether safety is being maintained at the Federal Aviation Administration or the airline industry. And it functions the same way.

Right now, to use that old cliche, "We have the fox guarding the henhouse."

The purpose of my amendment is to eliminate a structural problem in our nuclear regulatory system that requires the NRC to sit in judgment on itself.

I believe we presently have a fundamentally flawed system. The public cannot, and I must suggest does not, have confidence in a system in which the NRC makes the final determination on the appropriateness of their earlier licensing and regulatory decisions.

It is public confidence that is the greatest hurdle the nuclear energy community has to clear if it is to make a recovery. Our regulatory system has done nothing to restore public confidence in the 12 years since the accident at the Three Mile Island reactor. And there is nothing in this bill that addresses this critical problem.

It seems to me, it is time that we change. The board I am proposing will be the lead investigation unit in the event of an accident at a nuclear powerplant. It would have broad authority to look into all events leading to the accident and lay blame where it belongs—whether it is the utility, the reactor manufacturer, or the licensing outfit, the NRC.

Right now, the NRC is virtually absolved of any blame in an accident because the inspection teams are not allowed to look into the agency's role or decisions. The board that I am proposing will have no regulatory authority. Let me make that clear to my colleagues. It will have no regulatory authority. The ultimate decision on whether or not to require changes in a reactor after an accident, or for that matter before, will be made by the NRC. But in the event of an accident, the NRC will have to clearly state the reasons for its actions or inactions in response to the board's recommendation.

It is real simple. If the board comes along and says this particular aspect of the functioning of this nuclear reactor is flawed and should be changed, the licensing operation that I am proposing—and the Senator from Minnesota will be speaking to—does not have the authority to say: Shutdown. It, in fact, is required that we turn around and go to the NRC and the NRC says we are either going to follow the recommendation of this independent safety board that we are talking about setting up, or we are not going to follow the recommendation and here is the reason why we are not going to follow it.

Finally, the board will not increase the NRC's budget or duplicate other efforts. To the extent there is any overlap, my amendment makes it clear that those responsibilities presently within the NRC that relate to the inspection programs after an accident be shifted to the safety board. In effect, the board is taking over just one part of what the NRC is trying and failing to do today. They key is that it is independent. It is independent of the NRC.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator reserves the remainder of his time.

The Senator from Louisiana, the chairman of the committee.

Mr. JOHNSTON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator is so recognized.

Mr. JOHNSTON. The deficit of the United States exceeds $350 billion, local taxpayers are screaming for relief, the Presidential campaign on both the Democratic and the Republican sides is over the question of money, not having enough of it, how to get the money for health care, for WIC, for Head Start, for college educations, for a whole host of other important programs.

Mr. President, in the midst of that we have here an amendment that fixes something that is not broken, that requires redundant investigations, and that creates a whole bureaucracy with virtually nothing to do.

In the last 2 years, there have been two nuclear events of significance. No one was harmed. No property damage was done in either one. But there was a nuclear event which by some definitions you could consider to be serious enough to investigate.

Mr. President, we are creating a bureaucracy here which is required to do precisely and exactly the same thing that the Nuclear Regulatory Commission presently does but at an additional cost of $6 million as specified in the bill. The indications are it would actually cost twice that to do it, to hire this many experts, 73 full-time staffers.

If there was ever a buzzard's roost, if there was ever a deadhead dump, this would be it. Because it would be doing something that is already required to be done under the Atomic Energy Act, and that not only is already required to be done, there is darned little of it to be done because there were only two such incidents in the last 2 years.

Mr. President, we do not need to spend this money on doing something that is already being done.

As far as the independence of the NRC, they have solved that problem by establishing independent investigatory boards. My colleagues remember the one big incident which we had, which was Three Mile Island. We created a special Kemeny Commission.

I suspect even if this board were created and we had another big Three Mile Island or something like it, you would not want to investigate it under this board. Because no scientist who was self-respecting, who had ambition, would want to be a member of a board with nothing to do. If there were such as incident, you would want to have some real experts who were independent so you would probably avoid this board altogether.

We do not need this redundant board.

Mr. President, the Senator from Rhode Island desired 4 minutes. I yield to him, 4 minutes.

The PRESIDING OFFICER. The Senator from Rhode Island [Mr. CHAFEE] is recognized for 4 minutes.

Mr. CHAFEE. Mr. President, I rise in opposition to the amendment by the Senator from Delaware. I do not think we need an additional layer of bureaucracy at the Nuclear Regulatory Commission.

The Commission's current instant investigation teams—that is the name of this group that they have within the NRC—perform the very same function as the proposed investigations board. So, rather than encumbering the safety process with layer after layer of bureauracy, I think we ought to work within the structure of the NRC to address any concerns that the public has about safety.

The efforts of the NRC to improve safety standards and to deal with the long-term problems in waste disposal are certainly moving in the right direction. More needs to be done, but this amendment is not the answer to those challenges. I am aware of the safety questions arising from the operation of our nuclear plants, and certainly no one can accuse me of being an advocate of nuclear power. But this amendment is not a pronuclear or antinuclear issue. It seems to me the issue is about fiscal soundness and good government.

In addition to the three board members, as has been pointed out by the floor manager of this bill, the staffing could include up to 50 full-time employees, costing about $6 million a year for another layer that we plain just do not need.

Mr. President, the interesting thing is that the members of the Nuclear Regulatory Commission are currently appointed by the President of the United States, and that would remain the same. In addition, this board that is proposed by the Senator from Delaware would be appointed by the President of the United States. So what are you getting? You are getting another layer on top of a layer that already exists, that are appointed by the President, and the supervisory group would be appointed by the President.

If the President does not like what the NRC is doing, get rid of those people. Do not keep them. He has the power to make the appointments, and certainly if he approves of what they are doing, I cannot see that the people he appointed on top of them would contravene what the members of the NRC are doing.

Finally, Mr. President, I would just like to point out as a member of the Committee on Environment and Public Works, I have strong feeling about jurisdiction in connection with this legislation. I know the Environment Committee has dealt with this issue in the past, as the distinguished Senator from Delaware mentioned. But that was a different issue. That was in connection with having a single member in charge of the NRC, instead of the current board that exists there. So it is quite a different situation than that which came before the Environment Committee several years ago.

Mr. President, I think this is not a useful amendment, and I hope my colleagues will defeat it.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. I yield myself a minute.

Mr. President, let me point out my colleagues are very good debaters, and deliberately missing the point. I emphasize deliberately missing the point. The point has nothing to do with whether or not we are being redundant. It has to do with independence. There is no redundancy if in fact there is independence.

The whole purpose of this provision is to have the very people who make a mistake in licensing, and they do, when they go back to check out their own mistake, human nature dictates in most instances that they are not likely to say, we messed up. We, the NRC, when we licensed this reactor, we made a mistake, and the reason why there is this accident that occurred is because of the mistake that we made.

The same thing existed with the FAA until about 30 years ago. A U.S. Senator was killed, and then the FAA was able to whitewash the investigation because they were investigating themselves. And then the Senate woke up and said: "Hey, wait a minute; we have a problem here, and the problem is the same people who are making the decisions are later inspecting their own decisions when an accident occurs."

There are many examples—starting from the Salem nuclear power plant—across the Nation, whereby there is no followup by the NRC. It has nothing to do with the appointing of anybody. It has to do with independence; a simple direct notion: Independence.

My friend from Louisiana said that the taxpayers are screaming for relief. What people are screaming for is assurance from the nuclear industry. That is what they are screaming for. That is what they are screaming for in the Delaware Valley, where so many darn mistakes have been made—at the Salem plant, and Peach Bottom, and other places. They want assurance, and the notion that the same outfit that tells you you can go in business, when you find yourself in trouble after having been in business, turns around and says that they made a mistake when they let you go in business, it is not the way human nature functions.

Mr. JOHNSTON. Will the Senator yield?

Mr. BIDEN. I certainly will, on the Senator's time.

Mr. JOHNSTON. Mr. President, the Senator is familiar with the incident investigation program set up in the NRC, which involves independent people appointed by the NRC, people who have not been involved with licensing or inspection activities related to the affected facility.

Mr. BIDEN. I am, Mr. President. That is kind of an oxymoron, by the way, independent people appointed by the NRC. But go ahead.

Mr. JOHNSTON. You are also familiar with the fact the Congress set up an Inspector General for the NRC.

Mr. BIDEN. I am.

Mr. JOHNSTON. Mr. President, does the Senator seriously think there is enough to do, with only two incidents in the last 2 years, to keep this group busy——

Mr. BIDEN. Oh, there are a lot more than two incidents, Mr. President. There are two incidents that rose to the highest level used by the NRC. If you read the Inspector General's report, it reads in part:

> The IIT finds are not tracked to resolution, and no independent group equivalent to the group that conducted the IIT investigation follows up to assure that the action taken by the licensee and the NRC staff meet the intent of the IIT findings.

Mr. JOHNSTON. Mr. President, according to the NRC, and I am reading from a letter dated February 13, 1992.

Mr. BIDEN. Is that the NRC letter?

Mr. JOHNSTON. "In the last 2 years, two events at operating reactors, one event relating to a materials licensee, and one event at a fuel fabricating facility were of sufficient significance to warrant an IIT investigation."

Mr. BIDEN. Mr. President, if the Senator will read on, they go on to say there are 14 other incidents characterized as lesser significance, as characterized by the very——

Mr. JOHNSTON. The Senator defines these incidents in his amendment—the board would only investigate a significant safety event.

Mr. BIDEN. Correct.

Mr. JOHNSTON. Would the Senator agree with me, Mr. President, that an IIT investigation is required of any significant safety event? You are not saying these 14 events would all be significant safety events?

Mr. BIDEN. Yes, I would.

Mr. JOHNSTON. Mr. President, I will submit the Senator needs to look further into those events. Those have not all been significant events. If you want to keep somebody busy, this is the way to do it.

Mr. President, I ask unanimous consent to print the letter dated February 13, 1992 in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NUCLEAR REGULATORY COMMISSION,
Washington, DC, February 13, 1992.

Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR SENATOR JOHNSTON: I am responding to your oral request for the Nuclear Regulatory Commission's (NRC's) comments on a proposal to create an independent Nuclear Safety Investigations Board within the Commission. We understand that the proposal may shortly be offered by Senator Biden as an amendment to S. 2166, the National Energy Security Act. For the reasons discussed below and summarized in the penultimate paragraph, previous Commissions have opposed similar amendments in the past, and we see no basis to change our strong opposition to the enactment of the proposed amendment.

As we understand it, the Board in question would be headed by three Presidential appointees, who would be supported by a staff of up to 55 full-time employees and intermittent or temporary employees equivalent to up to 12 full-time consultants. The primary functions of the Board would be to investigate significant safety events arising out of activities at production or utilization facilities licensed by the Commission under section 103 or 104 of the Atomic Energy Act, and to issue a written report providing the Board's findings and recommendations regarding each event investigated. For each fiscal year of the Board's existence, six million dollars would be authorized to be appropriated to support the work of the Board.

It is not clear to us what current Commission regulatory problem is intended to be resolved by the creation of the proposed Nuclear Safety Investigations Board. The NRC's Incident Investigation Program already provides for investigation of operational events and accidents in the nuclear industry. The Commission's Office of Inspector General has found this program "to be a useful regulatory tool enabling the NRC to objectively investigate significant operational events at operating nuclear power plants." OIG Review of NRC's Incident Investigation Program, OIG 88A–11, August 1989.

NRC's sensitivity to conflict of interest considerations is reflected in the operation of this program. Under the NRC program, Incident Investigation Teams (IITs) are established by the Commission's Executive Director for Operations to investigate significant operational events from two perspectives. The first is to fully understand the implications of the event for public health and safety. Of equal importance is the need to fully evaluate and understand any NRC shortcoming that contributed to the incident. (Augmented Inspection Teams are established by Regional Administrators to inspect those events whose implications for public health and safety are of a lesser safety or safeguards significance, and these teams do not necessarily focus on NRC shortcomings.) IITs are staffed with NRC employees who have had no significant involvement with licensing and inspection activities associated with the event or the affected facility. A special NRC office that is independent of the program staff, the Office for Analysis and Evaluation of Operational Data,[1] provides management and administrative support to each IIT. Current protocol provides that at least one member of the nuclear industry or an outside consultant with unique expertise in an area significant to an incident is asked to serve on an IIT, and that individual is also screened to avoid a conflict of interest situation.

IITs issue reports on their findings to the Executive Director for Operations and to the Commission. The reports are available to the public and excerpts are included in the NRC's quarterly report to Congress on abnormal occurrences. Directed action by the Executive Director for Operations to the NRC staff in response to the report is also available to the public and is referenced in the quarterly report to the Congress. In addition, the Office for Analysis and Evaluation of Operational Data issues an annual report to the Commission that includes a compilation of all IIT actions (resolution, status, and disposition) during the past year.

The Commission therefore believes that the goals of Senator Biden's proposed amendment to S. 2166 are already being accomplished by the NRC. Under the aegis of an office that is independent of the program staff, IITs provide a timely, structured, objective, and in-depth investigation of significant operational events for the purpose of providing a complete technical and regulatory understanding of each such event. IIT team members are specifically selected to avoid conflict of interest problems. IIT findings and recommendations are made public, they are reviewed by the NRC, and the status and disposition of directed action resulting from such review are tracked and reported.

Further, experience with the frequency of significant safety events in recent years indicates that the establishment of a Nuclear Safety Investigations Board, along with its support structure, would also be an extremely inefficient use of limited Federal resources. In the last two years, two events at operating reactors, one event relating to a materials licensee, and one event at a fuel fabrication facility were of sufficient significance to warrant an IIT investigation. Augmented Inspection Teams, which investigate events of lesser safety significance, averaged only 14 events per year. In virtually all cases, these lesser events would not warrant an investigation by the newly created Board. Thus, recent experience indicates that the workload would not be sufficient to fill the time of three Presidential appointees and the full-time staff envisioned by the proposed amendment.

In addition, the creation of an additional Board within the NRC would have significant resource implications that go beyond the six million dollar authorization of appropriations that is included in the proposed amendment. The only sure way to avoid charges that the Board's activities may be undermined by dual loyalties (to the Board and to the Commission) would be to build up a staff and facilities devoted only to its activities. The amendment seems to acknowledge this by mandating transfer to the Board of such offices of the Commission as are "properly related to the functions of the Board" (proposed section 9203(n)), and authorizing the Commission (or any other Federal agency) to detail personnel to the Board and to provide facilities, equipment, and other administrative support services to assist the Board in carrying out its duties (proposed section 9203(h)). Even though there is a provision for reimbursement, inevitably this will entail a loss of services and facilities for other NRC functions, which will have to be made up by additional NRC expenditures.

Finally, contrary to the "findings" of the proposed amendment in section 9201(a) (2) and (3) of what we understand to be the proposed amendment, the NRC believes that the creation of such a Board would not inspire greater public confidence or ensure timely consideration and implementation of the recommendations of such an organization. Rather, it will further diffuse Government responsibility for ensuring that commercial nuclear activities are carried out in this country in such a way as to ensure the health and safety of the public and industry workers. In addition, the Board's activities would hinder the Commission from acting during the pendency of the Board's investigation since the Board would be the only fact-finding body. Thus, instead of reassuring the public, the difficulties inherent in the approach visualized by the proposed amendment would create a loss of confidence in the ability of the Government to handle the issues under consideration promptly.

In summary, we do not support the creation of the proposed Nuclear Safety Investigations Board. There is no current NRC regulatory problem that would be solved by creation of a Nuclear Safety Investigations Board. The NRC, itself, is an independent regulatory agency, already has an Incident Investigation Program that meets the goals intended to be achieved by creation of this new Board. Moreover, creation of a separate organization devoted to investigation of significant safety events would be an inefficient use of Federal resources. It would inevitably lead to an increase in NRC expenditures. In addition, the introduction of the proposed Board into the investigative process would actually undermine the ability of the NRC to respond promptly to significant operational events.

Please let us know if we can be of any further assistance in your consideration of the proposed amendment.

Sincerely,

IVAN SELIN.

The PRESIDING OFFICER. The Senator from Delaware has the time, and has 8 minutes remaining. The Senator from Louisiana has 6 minutes remaining.

Mr. BIDEN. Mr. President, my friend is seeking 5 minutes, and I yield 5 minutes.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. WELLSTONE] is recognized for 5 minutes.

Mr. WELLSTONE. Mr. President, I probably will not even need the full 5 minutes. Let me just say, I do rise to express my support for Senator BIDEN's amendment to establish an independent nuclear safety investigations board. I do this in the context of this legislation.

The Senate has adopted in this bill a so-called one-step licensing procedure wherein we have made a decision that we need to address one of the problems that the nuclear industry has, namely the distrust of the public, by cutting the public out of part of the process.

I have to say, Mr. President, that one of the reasons—there are a number of reasons—but one of the reasons I oppose one-step licensing is because I think it is precisely the wrong direction to go in. What I think citizens are asking for—and this might be a definition of relief, I would want to say on the floor—is some assurance that when they have concerns about nuclear powerplants, concerns about the health and safety of their own families and their own children, that they will have some way of expressing those concerns; that they will not be cut out of the process. That is one of the things that I think makes most people angry about Government and Government agencies today.

So I believe that Senator BIDEN's very moderate amendment would add some sorely needed balance to this legislation, and I think it is a very constructive measure which really addresses some of the public concerns that we see.

Mr. President, we can debate NRC's record in addressing safety issues forever, and we probably will not agree, but that will not change the public's perception. Many people around this country and many people in my State of Minnesota do not believe that the NRC is doing its job well. They believe that the NRC is far too sympathetic to the industry it is supposed to regulate.

This independent safety board, which is what this amendment proposes, just gives people in the country greater assurance that existing and future nuclear powerplants will operate safely. The Senator from Louisiana talked about people wanting to have some relief from bureaucracy, and talked about the cost of it.

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[1] This office was established pursuant to Three Mile Island "lessons learned" to provide independence within the NRC for reviewing operational experience and events and to feed back important lessons both to industry and other NRC offices.

But there is, I suggest, Mr. President, a pretty terrible cost when these nuclear powerplants, as a matter of fact, prove not to be safe; and there is a terrible cost when people feel cut out of the process. And there is a terrible cost when people believe that they have no real way of seeking redress of grievances.

Mr. President, you attempted to introduce an amendment which was a very moderate amendment to give people some avenue for redress and judicial appeal in the nuclear licensing process. I really believe that the Senator from Delaware has, on the floor of the Senate now, introduced an amendment which I hope Senators will support because I think this is an amendment that gives people in the country the assurance they need. This is precisely the kind of relief for which people hope.

I yield the remainder of my time.

Mr. JOHNSTON. Mr. President, I yield 4 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming [Mr. SIMPSON], is recognized.

Mr. SIMPSON. Mr. President, I thank the Chair.

This amendment of my good friend and chairman on the Judiciary Committee, with whom I have served and whom I enjoy and admire greatly, is not a new idea. This amendment to create an Independent Nuclear Safety Investigation Board is something we have seen before. We have considered it over many Congresses in the past, under both Democrat and Republican leadership of the Nuclear Regulation Subcommittee. This is the subcommittee on which I have served for 13 years, both as ranking member and as chairman.

Such a Safety Investigation Board has historically been coupled with the NRC single-administrator legislation which I had championed in previous years. I have had concerns regarding the commission form of organization—a collegial body that I thought it did not "college"—but those days are gone. I am very satisfied and impressed with the composition of the NRC Commission today. I feel that the single-administrator legislation may not be necessary at this time, but I also feel that the Independent Nuclear Safety Investigations Board is not merited at this time.

The concept of such a Board gained support at a time when safety events occurred more frequently than they do now. The chairman of the Energy and Natural Resources Committee has described very well what has occurred in the last few years. In the past 2 years, only two events at operating reactors have merited investigation by the independent NRC incident investigation team. These events occur at a lesser rate than ever before. We have found that the industry has learned its lessons since Three Mile Island. The improved record of safe operation is attributable to operating and maintenance programs as overseen by the NRC, and the Institute of Nuclear Power Operations, and is the reflection of a maturing industry.

In any event, the NRC has an existing program called the Incident Inspection Program, which has been part of the recent debate. The Commission's Office of Inspector General has reported that the incident inspection program "is a useful regulatory tool enabling the NRC to objectively investigate significant operation events."

The Board is unnecessary. The Board would duplicate a function that is already and appropriately performed by the NRC. I venture to say that shared responsibility by the NRC incident inspection team and the proposed Board would, indeed, be duplicative. It is something we should reject. It would be costly. The Board is unnecessary and may even interfere with the NRC's ability to ensure safe nuclear facilities operation.

And, finally, some have equated the need for this Board with the need for a National Transportation Safety Board, but that is not analogous, I can assure you. The transportation industry does not have an independent regulatory commission such as the NRC. Let us not forget that the sole mission of the NRC—and why this fact is ignored is rather puzzling to me—is protection of the public health and safety and the protection of the environment. Why, then, create yet another bureaucracy?

In my judgment, the NRC is currently doing an exemplary job, and I have been one of its critics over the years, I assure you, and I assure my friend from Minnesota. And when I think they need to have the attention of oversight and detailed scrutiny, we should certainly give it as we have in the past. Now, plants are operating more safety then they ever have before. I just do not see the justification for creating a new Board with redundant responsibilities. We should use the dollars in wiser fashion.

When considering nuclear licensing, we do, finally as a result of the recent vote, have a licensing, construction, and operating license procedure, which is fair and rational. We are never going to satisfy people who are not comfortable with nuclear power, but what we have passed is good and fair; we passed it and we need it. I think people should turn their attention to what we should do with the high-level nuclear waste, which is spent fuel, from 111 operating reactors temporarily stored in a deep pool of demineralized water. There is approximately 43,000 metric tons and accumulating, and we still just babble here in the Chamber and say, "Not here, not there, not anywhere." Get in and play if you really want to do something for your country. What are we going to do with spent fuel from 111 reactors, which is stored at the reactor site? That is what we ought to be paying attention to.

I thank the Chair.

Mr. JOHNSTON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Louisiana has 2 minutes remaining. The Senator from Delaware has 4½.

Mr. BIDEN. Mr. President, let me respond to a couple of things that have been said. First of all, if this amendment passes, there would be no duplicative function because the function now performed by the NRC would be eliminated and it would be transferred to the independent safety Board as it relates to the IIT's No. 1.

No. 2, there is no net cost. The amendment reduces by $6 million the money the NRC is spending and shifts that $6 million to this new independent regulatory agency. So there is no net cost to the taxpayer.

No. 3, the 14 events that I made reference to, those events are 14 of which were not viewed as being serious. Let me just name two of them for you. At the Salem nuclear powerplant a valve failed shutting down a turbine and it caught fire. The fact is that it blew up, and only because there was a dedicated fire brigade on the facility at Salem did it not, according to the NRC itself, turn into a very serious problem. Most plants do not have their own dedicated fire brigades on site.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point?

Mr. BIDEN. Let me finish and I will yield.

At the Surry plant in Virginia, water eroded the pipe from inside, totally unexpected. It exploded and killed four workers. That was considered not to be a serious event? I think that is fairly serious. Four workers were killed by that little accident. So that is why I say I think they are nonetheless serious incidents.

But let me sum up briefly and maintain the remainder of my time by saying there is no net cost, no duplicative function if this amendment were to pass.

I reserve the remainder of my time.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. I simply wanted to ask the question, or make the point that the Salem incident referred to occurred in 1984 and resulted in an investigation, which, in turn, resulted in a study to determine whether the independent Board was needed. And the recommendation came back that the Board was not needed.

Mr. WALLOP. Will the Senator yield just 30 seconds for a further observation? The event that the Senator talked about of a fire was totally nonnuclear related. It was nonnuclear reactor related. If the turbine fans had fallen off entirely, it still would not have affected the reactor. It was just a mechanical event.

Mr. JOHNSTON. I yield the remainder of my time to the Senator from New Mexico.

Mr. DOMENICI. How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 1 minute, 20 seconds.

Mr. DOMENICI. It might come as a surprise to some that Japan—we always talk about what does Japan do better than us—licenses nuclear powerplants in a period of time between 5 and 7 years. We take between 10 and 14 years. Japan has experts on their Commission. We would rather have nonexperts. Japan does not use lawyers to see that they are safe; they use scientists. It should not surprise anyone that they are doing better than we are.

This amendment will just load up the process of involvement after the decisions are made, and we will not be any safer. What we will do is say we do not want nuclear power, we make it so difficult that we will not spend the money on it when, indeed, other countries that are beating us in many respects with reference to jobs and prosperity are busy doing it right, doing it quicker, and doing it safely. I think that is what this bill does without this amendment. It gives us at least a chance at that with all the safety you can build into a process.

I yield the floor.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. I seldom say this about my friend from New Mexico, but he has just dropped in the big hearing that does not have anything to do with anything about this amendment. He talked about Japan and lawyers and delays. This has nothing to do with that. The Safety Board does not license. It does not have lawyers. It does not do any of those things. He can talk about Japan all he wants. It has absolutely no relationship, anything he said, to what is before us with this amendment.

Is all time expired?

Mr. DURENBERGER. Mr. President, I rise in opposition to the amendment offered by my colleague from Delaware, Senator BIDEN.

I understand the purpose of the Biden amendment is to provide independent oversight of safety events that may occur at nuclear energy plants. I too am interested in assuring the American public that adequate protective measures are in place to investigate nuclear accidents. However, the Nuclear Regulatory Commission has already taken steps to ensure that such precautions are being taken.

The issue of creating an enhanced safety investigation program at the NRC was first addressed during examination of the NRC's regulatory structure following the 1979 accident at Three Mile Island.

Subsequent to the recommendations of President Carter's Commission on the Three Mile Accident, and the NRC's own independent review, the NRC established the Office for the Analysis and Evaluation of Operational Data. The AEOD, which reports to the NRC's Executive Director for Operations and the Commission itself, is responsible for evaluating the root cause of significant safety events and making recommendations for changes to regulatory programs to avoid future accidents.

In addition, the NRC has established a program for the immediate dispatch of independent incident investigation teams [IIT] when there are significant operational events requiring immediate intervention by the agency. Each IIT is composed of regulatory and inspection/enforcement personnel who have had no previous involvement in Commission decisions regarding the respective plant. Further, Mr. President, this group is assisted by staff from the AEOD office. In short, the purpose behind the Biden amendment has already been achieved by previous actions taken by the NRC.

Finally, Mr. President, the board as created by the Biden amendment is not comparable to the Chemical Safety and Hazardous Investigation Board that I created under the Clean Air Act. The Chemical Safety and Hazardous Investigations Board was created to accomplish work not being done by the EPA. Also, the need for the Biden board is not analogous to the National Transportation Safety Board because, unlike the nuclear industry, the transportation industry did not have an independent regulatory commission conducting safety investigations. It is also important to note that the Environmental Protection Agency and the Department of Transportation are executive level agencies, both of which answer to the President of the United States. The NRC, however, already stands as an independent agency. As such, it is capable to independently investigate nuclear safety incidents.

Certainly I understand that there may be room for improvement in the NRC's completion of its nuclear investigation duties. I do not think, however, that another independent agency is necessary, and I urge my colleagues to oppose the Biden amendment.

The PRESIDING OFFICER. All time has expired. Does the Senator yield his time back?

Does the Senator yield his time?

Mr. BIDEN. I yield and ask for the yeas and nays.

Mr. JOHNSTON. If the Senator will withhold, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana to lay on the table the amendment of the Senator from Delaware.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER (Mr. WOFFORD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 63, nays 35, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—63

Bond
Boren
Breaux
Brown
Bumpers
Burdick
Burns
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dole
Domenici
Durenberger
Ford
Fowler
Garn
Glenn
Gorton
Graham
Gramm
Grassley
Hatch
Heflin
Helms
Hollings
Jeffords
Johnston
Kassebaum
Kasten
Lott
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Robb
Roth
Rudman
Sasser
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wofford

NAYS—35

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bradley
Bryan
Byrd
Dixon
Dodd
Exon
Gore
Hatfield
Inouye
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Metzenbaum
Mikulski
Mitchell
Pell
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Simon
Wellstone
Wirth

NOT VOTING—2

Harkin
Kerrey

So the motion to lay on the table the amendment (No. 1649) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, I was not seeking to be recognized.

The PRESIDING OFFICER. Are there further amendments?

The Senator from Iowa.

AMENDMENT NO. 1650

(Purpose: To make improvements in the replacement and alternative fuel program)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 1650.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 60, line 1, strike "establish a program to promote" and insert ", by not later than 1 year after the date of the enactment of this section, establish, by regulation, a program that ensures the promotion of".

On page 60, line 3, strike "Such program shall promote" and insert "In carrying out such program, the Secretary shall require".

On page 60, line 6, strike "ticable." and insert "ticable, but not later than the applicable date specified in the following sentence. The Secretary shall require the replacement of conventional petroleum motor fuels with replacement and alternative fuels, on an energy equivalent basis, in an amount equal to 10 percent of the consumption of motor fuel in the United States by the calendar year 2000, and 30 percent of the amount of such consumption by the calendar year 2010. The Secretary shall require that not less than one-third of the amount of replacement and alternative fuels used to meet the requirements of the preceding sentence shall be from domestically produced renewable sources.".

Beginning on page 60, line 21, strike "technical" and all that follows through page 61, line 2, and insert "most cost-effective means of achieving the replacement of conventional fuels pursuant to subsection (a);".

On page 62, line 2, strike "and".

On page 62, line 4, strike the period and insert "; and".

On page 62, between lines 4 and 5, insert the following new paragraph:

(4) the amount of domestically produced renewable fuels used in replacement and alternative fuels applications.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I may consume.

Mr. President, last week I circulated a letter——

Mr. WALLOP. Will the Senator yield for a second on our time?

Mr. GRASSLEY. I yield.

Mr. WALLOP. I wonder if he would mind having copies of that amendment prepared. We have one but there are not enough for both sets of staff.

Mr. GRASSLEY. We will get a copy.

Mr. WALLOP. I thank the Senator.

Mr. GRASSLEY. Last week I circulated a letter and materials to all Senate colleagues announcing that I intended to offer a domestic alternative fuels amendment. So nobody should be surprised that I am offering this amendment, although it was just recently that I finally got it put together with the exact language I wanted.

That letter that I sent had three objectives:

First, to dispel the nonsense about mandates. Oil companies support mandates. But, of course, they only support mandates if they are for the oil companies' benefits. Oil companies oppose mandates that end up creating competition for them.

My letter highlighted the mandate that oil companies secured in this bill. It mandates that liquid petroleum gas be included under our alternative fuel fleet purchase program.

The oil industry, of course, should be congratulated. Their mandates make it likely the oil companies will monopolize our alternative fuel fleets and at the same time it is going to undermine the Alternative Motor Fuels Act.

My colleagues should remember that it was this act by which Congress in 1988 declared, and I quote:

> The Nation's security, economic, and environmental interests require that the Federal Government should assist cleanburning nonpetroleum transportation fuels to reach a threshold level of commercial application and consumer acceptability at which they can successfully compete with petroleum-based fuels.

It is simple as this, Mr. President. By adding liquid petroleum gas, we are apparently throwing those findings of this Congress out the window and the goals of that 1988 legislation out the window.

So, quite simply, some mandates are acceptable. For that matter the word "shall," indicating mandate, is used at least 700 times in this pending energy bill. If "shall" does not mean "mandate," then you know we ought to strike all "shalls" and replace them with "mays."

The second point of my letter was to highlight the hidden petroleum subsidies, estimated at $200 per barrel for imported oil and $3 per gallon for imported gasoline depending upon which source you use.

This exposes two important points: The marketplace does not work for petroleum. Furthermore, the above-board subsidies provided for alternative fuels are really quite small in comparison to what we provide petroleum products and the oil industry.

Finally, I wanted to highlight the oil industry's billions of dollars of investment in MTBE plants overseas, so far estimated at about 70 percent of new MTBE investment.

One MTBE industry executive estimated—and I quote:

> Eighty-five percent of known world-scale (MTBE) plant capacity will be located in areas which are already exporting petroleum products to the North American market.

Mr. President, my amendment merely strengthens section 4305 of the bill which mandates that the Secretary establish a program to promote the development and use of domestically produced replacement and alternative fuels.

By my count, my amendment increases the use of the word "shall" by only three times in the bill so instead of about 700 "shalls" we will have about 703.

But, since my amendment uses the word "shall" according to the oil industry, it is a mandate, and it is a mandate that the oil companies in this case strongly oppose. They oppose it because it mandates domestic competition.

My amendment simply strengthens section 4305 to ensure that this program to promote the development and use of replacement and alternative fuels will be more than mere window dressing.

S. 2166, reported by the Senate Energy Committee, mandates the Secretary establish a domestic alternative and replacement fuels program.

My amendment says that the program will require, and I quote: "the replacement of conventional petroleum motor fuels with replacement and alternative fuels on an energy equivalent basis."

My amendment says that by the year 2000, 10 percent, and by the year 2010, 30 percent of our conventional motor fuels will be replaced by domestically produced alternative and replacement fuels. Of these totals, one-third will be produced by domestically produced renewable fuels.

By building upon existing committee bill language, this amendment is as uncomplicated as it can possibly be.

Support or opposition to my amendment hinges upon a handful of questions: Do we want to guarantee that a modest percent of our alternative fuels be produced by Americans in America, or do you want them imported into this country?

Or are we satisfied to leave it to the so-called market forces that are driving us dangerously toward 75 percent foreign dependency?

It hinges upon whether or not we believe in double standards regarding the subject of mandates. Do you believe it is OK for oil to have mandates; that it is OK to have 700 other mandates in the energy bill? If not, strike them all. But if 700 are OK, what is drastic about adding three more that guarantee serious steps toward real energy independence?

Support or opposition to my amendment hinges upon whether we want to ignore the hidden subsidies such as military expenditures to protect OPEC oil supply lines.

How can the oil industry criticize aboveboard subsidies for alternative and replacement fuels to encourage domestic production when they get so much through hidden subsidies?

Mr. President, the U.S. imports almost 50 percent of its oil. Oil imports are to blame for 60 percent of our trade deficit. Some predict our dependency upon foreign oil will be 75 percent soon.

In the 1950's—now, this is in the 1950's—just 10 percent dependency was considered by the Congress of the United States a threat to national security, and it is this simple. We are heading for 75 percent dependency on foreign oil. And everyone's answer to that is, "Well, just let the market make the decision."

Industry experts predict much of our methanol and MTBE will come from the very same oil exporting countries that now hold us hostage; and let me say, with a lot of American investment in that production overseas.

Section 4305, the Replacement and Alternative Fuel Program, provides no assurances, no assurances whatsoever, that alternatives and replacement fuels will be produced in America nor that we are going to be more energy independent as a result of it. It does little to lead us out of dangerous dependence upon foreign energy.

The committee bill suggests a goal of 30 percent domestic displacement by the year 2010, but it does not assure it. It just does not assure it at all. The Grassley amendment makes certain that we meet those goals.

It is very modest—really, maybe, I could be criticized because it is too modest of a goal. In 1955, the oil companies sought mandates to protect 90 percent of their markets. My amendment sets aside only 30 percent, and it does it 18 years from now.

Under my amendment, the Secretary of Energy is given additional instructions beyond section 4305. The Secretary is instructed to create a program that assures that 10 percent of the Nation's transportation fuels are met by domestically produced alternative fuels by the year 2000, with one-third of that being from renewable sources. This guarantees our appetite for imported oil will, in fact, be reduced.

My amendment assures that renewable fuels, such as ethanol, will be used—improving air quality, reducing our trade deficit, and creating jobs and economic development, particularly in rural America. Is this Congress really concerned about domestic job creation and spurring on our economy? Consider these facts: 5,000 jobs are created for every 100 million gallons of ethanol production. At current stock levels, corn utilization for ethanol production provides a 15- to 20-cent-per-bushel increase in the value of corn. The impact of one 75-to-100 million-bushel-per-year ethanol plant with about 300 employees creates an additional 14,000 jobs and $68 million in personal income.

Does this Congress care about the trade deficit? In the 1990's, the United States spent $54 billion for imported oil. By replacing 10 percent of our Nation's oil use with alternative fuels such as ethanol produced in the United States, our trade deficit then would drop by $12 billion. Our problem is dependency upon foreign energy, not just foreign oil.

What good does it do to exchange dependency upon foreign oil for dependency upon foreign alternative fuels? But that is what is going to happen if we do not do something about it.

Imports of methanol in 1988 shot up 71 percent from the 400 million gallons imported the year before. Industry analysts indicate that the level of imported methanol to be used for production of MTBE is likely to continue to grow to as much as 1.3 billion gallons by 1995. This is an increase of three times the methanol imported just 4 years ago.

And as we know from our debate of the Clean Air Act, ethanol-blended gasolines dramatically reduce carbon monoxide particulates, exhaust hydrocarbons, and slow the formation of urban ozone. In fact, ethanol use has a beneficial impact on greenhouse gases, and thus helps slow the global warming trend.

Mr. President, I think I should not take more time of the Senate. But I want to emphasize that the last few days, if I do not emphasize anything else, has caused some serious questions about where we are really headed in our country with the so-called National Energy Security Act. It might promote some use of alternative energies, but from foreign sources. What does that do for the trade balance? What does that do for our national security, our defense security? We need to produce more alternative fuels at home. We have the capability. We need to declare, through this act, independence from all sources of foreign energy.

I hope this bill lives up to its title, but I am skeptical. I hope that the amendment that I offer will correct some of the flaws in this legislation.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Is there further debate?

Who yields time?

Mr. GRASSLEY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 15 minutes.

Mr. GRASSLEY. I yield 6 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise in strong support of the amendment of the Senator from Iowa. I believe very strongly that we must approve this bill before we leave here, for the most critical question facing us in this Nation with respect to energy is relieving our dependence upon the importation of foreign oil.

The percentage of our trade deficit, which is the result of motor fuels, is now a little over 50 percent. If we go along with this bill and do nothing more, by the year 2010, it is going to rise to an incredible amount, about $170 billion of the cost of imports, which will raise it way, way up to almost 80 or 90 percent of our trade deficit, assuming the rest is not altered or changed.

I think it is important to remember that if we do not do anything more than what we have done, that the dependency upon Mideastern oil, in that perilous and precarious area which now has two-thirds of the world's oil reserves and which will be experiencing a doubling of population by the year 2010, to rely upon that as our source of fuel is a dangerous mission.

I would say that the Grassley amendment is a very flexible one.

You voted on a Jeffords amendment some time ago which was much more complicated and much more restrictive on the options facing the Secretary of Energy. This one merely says that the Secretary shall create a system wherein we will replace 10 percent by the year 2001 and 30 percent by the year 2010 and that a third of that shall be renewable resources and it all should be domestic sources. By doing that we will give ourselves the option of being energy independent.

I know my colleagues remember that my amendment lost. But I would like to point out that with the 39 votes that we received on it, if you added to that the number of cosponsors of my original bill who were on the committee and who felt restricted by the committee's, shall we say, policy or custom of sticking by the committee's bill and therefore not being able to follow their wishes, my amendment would have been agreed to by 4 votes.

So I hope my colleagues will realize the will of the Senate, as expressed by both the cosponsoring of my amendment and the vote on my amendment, and would say that this body believes we should move toward energy independence. My colleagues now have another opportunity to state that policy, which, unfortunately, was not stated because of the constrictions placed upon members of the committee.

Also, I point out this one does not get us into the problems which were raised by the chairman of the Energy Committee with respect to stripper well oil. Most all of the discussion was based upon that. There is nothing in here that in any way refers to stripper well oil to complicate the conclusion. It is a very simple approach. It is one which gives complete flexibility to the Secretary to come up with a program.

I also point out the cost of the program probably would be minimal, because, by utilizing our excess corn, we actually reduce the cost of the agriculture programs, probably more than any subsidies would be, especially in view of the expiration dates which are presently in the law, which would be unnecessary after a certain point.

I would also like to say that what the Senator from Iowa has done here is he has given to us an option to relieve ourselves from this incredible dependence upon foreign oil and to develop and give us the option, which I think we all want and I know from the polls conducted after Desert Storm 86 percent of the people in this Nation believe we should have. And that is an option to develop our internal resources to the extent that we can have an energy independent future if we do desire to do so and if we choose to do so.

I am hopeful this body will take this final opportunity to do what is so incredibly important to this Nation, and that is give us an option in the future to be able to relieve ourselves of the incredible dependence on foreign oil. Nothing else in this bill will do it. Only the Grassley amendment will do it.

Mr. President, by now, hopefully, everyone knows how strongly I believe that this country must reduce its energy dependency. I've also listened to many of my colleagues argue about how we need to reduce our energy dependency. Some have even offered amendments on this subject. None of these amendments are binding. Now is yet another chance to see who is for reducing our energy independence and who is for just talking about it.

Over the past few months, I have received letter after letter from the domestic energy industry telling of the loss in domestic jobs. Over and over these letters tell of the need to protect domestic energy production. Oil industry experts tell of the further loss of over half a million more jobs as a result of our growing dependence on foreign oil. There has been a lot of talk recently about a jobs bill—an infrastructure or public works program. I hear numbers of roughly $7 to $10 billion invested in America. Well, each year we send roughly $50 billion overseas for oil. And that number could triple in the next 10 years.

Based on all the floor speeches, I believe there are a few points we can agree on. First, domestic energy production is good. I think we can all agree on that.

Domestic energy production creates jobs. I believe we can agree on that. For example, I doubt my colleagues in Alabama, New Mexico, and Colorado would believe the coalbed methane projects underway in their States would disagree that these projects are good for their States. I understand that the wait for a table in a Tuscaloosa, AL, restaurant can be over an hour because of the booming energy economy in this area.

I believe we can also agree that the domestic energy industry is hurting. I believe that my colleagues from Texas, Oklahoma, or Louisiana would agree that OPEC's low prices have devastated the oil industry in their States. I believe the facts clearly show this to be true. One need only look at the over 100 refineries that closed in the United States in the 1980's to know that our domestic energy industry has been devastated.

And now, we are embarking on a new energy course. Through the Clean Air Act and this legislation, we are requiring new fuels and new vehicles to use these fuels. But guess what. The new fuels are not going to be made here. In my earlier amendment, I showed that 85 percent of the MTBE is going to come from foreign countries. Here we are starting on a new energy future, and right from the start, some people want to give the whole industry over to OPEC and other foreign interests.

What in the world is in this for Americans? When are we going to take care of our own? We have a national energy strategy which relies on international suppliers. More chances to send our constituents' hard earned money overseas.

Was it anyone's intention when passing the Clean Air Act or in supporting the fleet provisions to be encouraging yet another form of energy dependence? I think not.

A few weeks ago an amendment I offered with my colleague was defeated. It was too complex some said. Well, what could be more simple than this amendment. Simply put, this amendment offers American workers a chance to participate in providing the fuels of tomorrow. Again, we can create a domestic free market where Americans can have a chance to earn a living.

Years ago, the oil industry thought nothing of setting aside 90 percent of the oil market for American workers. Now they go ballistic if you mention even setting aside 10 percent of the market for Americans. Doesn't that make you wonder whose side they are on? Many of my colleagues heard from one particular oil company about my amendment. This oil company talked about how they know best for American workers. I predict within a few months this company will be laying off several more hundred and perhaps well over a thousand jobs. So much for caring for American workers.

Now is the time to act. Are we a body that is not even willing to take this one step for our citizens. Can we not ensure at least a minimal level of domestic production? If we are not willing to make one purpose of this bill to help domestic workers, then what is a national energy strategy for? We've seen what the current policies have done to the domestic oil and gas industry. Can't we learn from our mistakes and help the new industries we created right here in this room get a foothold in America?

I urge, urge, my colleagues to vote for this amendment. I could drag out my charts again. I only used half of them last time. But we all know the score. America is losing energy jobs overseas, and this has to stop. This amendment is simple. Ten percent of the alternative and replacement fuels have to be made here. By 2010, 30 percent have to be made here. I believe that is a very, very modest goal. Some say they didn't like the complexity of my amendment. Well, it's gone. This amendment is simple. Let us see who is for Americans and who is for oil companies.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, we have waited several days to find out whether this amendment would be offered and what it would say. We have made entreaties to the office of the distinguished Senator from Iowa, particularly yesterday and particularly today. Staff was not able to get through. I know they were busy, but the phone calls were not returned. The content of the amendment could not be produced.

A "dear colleague" was read which described another amendment, other than that presented. It dealt generally with the subject matter, but it really dealt with something else.

Finally, tonight, Mr. President, as the amendment is produced, as it was given to the President, we were able to get one copy, and we have since made copies, and we now, finally, with great suspense, know what the amendment is.

Mr. President, in all due respect, this amendment does not pass the straight-face test. The amendment says in its total operative amount as follows:

> The Secretary shall require the replacement of conventional petroleum motor fuels with replacement and alternative fuels, on an energy equivalent basis, in an amount equal to 10 percent of the consumption of motor fuel in the United States by the calendar year 2000, and 30 percent of the amount of such consumption by the calendar year 2010. The Secretary shall require that not less than one-third of the amount of replacement and alternative fuels used to meet the requirements of the preceding sentence shall be from domestically produced renewable sources.

Read that ethanol, read that corn, read that corn States.

Mr. President, he does not say how this is to be done. He would turn over to the Secretary the power to require 10 percent replacement of fuels by the year 2000 without any foggy notion, first of all, of even what "replacement" means.

Are we talking about replacing vehicles? Are we talking about the consumption? Are we talking about the sale? Are we talking about the production? Are we talking about the storage? The amendment does not tell us. And, I guess, the Secretary, in his infinite wisdom, is given the authority and, indeed, the mandate to replace the U.S. Congress as the policymaking body.

This is not a "merely" amendment, Mr. President. The Department of Energy states that replacing 10 percent of current fuel demand would cost $21.4 billion if you used flexi-fueled methanol vehicles; it would cost $37.3 billion if you used compressed natural gas vehicles; or it would cost $269.7 billion if you used electric vehicles.

The amendment does not say whether these vehicles will be required or which vehicles would be required or whether, indeed, any vehicles would be required. We do not know what the amendment means. All we know is, according to the Department of Energy, it would take somewhere between $21 billion and $269 billion in order to have the vehicles which would use the energy.

Well, maybe it does not require vehicles. Maybe it just requires producing the fuels without the vehicles—that would be a fine how do you do—to the tune of billions of gallons, literally billions of gallons of fuel produced for which there are no vehicles.

In the underlying energy bill we have a very strong, indeed some will say revolutionary, indeed some have already said too prescriptive, requirement that requires fleets to use alternatively fueled vehicles and will result in, by the year 2000, 4 million alternately fueled vehicles. That goal, as strong as it is and as ambitious as it is, is not even 25 percent of this goal. This would require 18 million vehicles. There are 180 million vehicles on the road now. Ten percent of that by the year 2000 would be 18 million vehicles by the year 2000.

How does the Secretary figure out how to do that? The amendment does not tell us how. The Secretary has to figure that out. What is he going to do, Mr. President? How is he going to take upon himself the huge authority and responsibility and tremendously expensive set of decisions, to decide how to do that kind of expensive thing? And if that is not enough, 18 million vehicles by the year 2000, by 2010 it has to be three times that amount. It has to be—what is three times 18—54 million vehicles by the year 2010.

How is he going to do that? We do not know. We will have to wait and find out. Mr. President, that would be a real game of suspense. Nothing need happen at all until the year 2000, and suddenly in the year 2000 we would find out from the Secretary how he has produced this result.

It would not happen. Really, what this is is the Jeffords amendment without the machinery. Senator JEFFORDS submitted an elaborate amendment which had elaborate machinery to it which was really very complicated. It made the entitlements program which we had after the first energy crisis look like a very simple set of rules by comparison. But at least we knew what we were getting into. This has no direction, no guidelines, no definitions, not the faintest idea of how the Secretary would produce this dramatic result, this unachievable result. This result could cost as much as $269 billion to the economy and we leave it to the Secretary as to how to figure that out.

Mr. President, we have debated the elaborate version of this amendment and this unfilled—blank amendment. I think it is very clearly not going to be voted in by the Senate. So I would be ready to yield back the remainder of my time if the proponents are ready.

Mr. GRASSLEY. Mr. President, I want to yield 4 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Iowa yields 4 minutes to the Senator from Vermont.

Mr. JEFFORDS. Mr. President, I wish to respond to my friend, the chairman of the committee, who attacked mine as being too elaborate and too restrictive and now is attacking the simplified version as being too uncomplicated and too unsophisticated. So I hope he will realize there may be an inbetween ground.

It is important to remind everyone that the Secretary of Energy gave to the President a program similar to this which indicated that the Department of Energy was ready to implement such a program. That was defeated at the White House in January of 1991. So to say it would be impossible for the Department of Energy to do so would be to ignore the fact that they were ready to do so but were turned down by the administration.

Second, I think it is important to keep in mind that what we are talking about is making this a domestic fuel bill. The primary purpose of the Grassley amendment is to look toward domestic fuels. So much of this can be done under the present law, but with respect to reformulated gasoline, for instance, it allows no domestic product to be used. That is not going to get us anywhere near any kind of a program that will put us in a position where we can become energy independent.

I also point out that the clean air amendments will get us to the 10 percent anyway. Thus, what we would only require is that those fuels be domestic, and that is where the big part of this bill is on relying on the domestic industry. So the 10 percent goal, without too much alteration or spreading, will be accomplished by the clean air amendments reformulated gasoline which counts.

So this is not something which needs to be amplified any further. The Department of Energy is fully capable of designing a program to fulfill the desires and the purposes of the Grassley amendment.

I remind everyone that if the cosponsors of my original amendment had not been restricted by the policy of not voting against something in the bill, the Jeffords amendment would pass and carry by four votes.

In other words, the will of the Senate body is to do something here. Senator GRASSLEY has wisely given us the option to try again. OK, we have taken the stuff out about stripper wells, we have taken the complicated machinery out. We leave it up to the Secretary of Energy to design a program and put it in place and put this country where it wants to be and where this body has expressed its will to be, in a position to become energy independent by the year 2010. If we do not, things are going to get worse and worse and worse, jobs are going to be lost, jobs that could be created in this country. Hundreds of thousands of jobs could be created with the Grassley amendment, hundreds of jobs will be lost without it. Mr. President, I yield back the reminder of my time.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, the distinguished chairman of our committee has spoken to the fact that this amendment is a fill-in-the-blank amendment in which it gives a great deal of authority, turns the process over to the Secretary to make a determination of how it should be implemented.

I want this body to understand very clearly that the chairman, in his legislation, has already turned over to the Secretary the authority to do this because from section 4305 it says:

> The Secretary shall establish a program to promote and develop the use of domestically produced replacement and alternative fuel.

Not CHUCK GRASSLEY, but the legislation before us gives the Secretary this authority. All my amendment does is add to the bill and the program that is already mandated by this legislation, so that this legislation will, in fact, have some teeth in it to accomplish what the chairman of the committee wants to accomplish.

So, why have section 4305 at all if it is only supposed to be window dressing? Maybe they do not want 4305 to accomplish anything. But if we expect 4305 to work, the goals of this legislation to have this country become energy independent and for the alternative fuels section to mean something and to accomplish something, we have to have these goals. And, most important, if we are going to be energy independent, those goals have to be tilted towards domestic production of alternative fuels.

This amendment of mine puts teeth in the legislation that already gives to the Secretary the authority to set up such a program.

I reserve the remainder of my time.

The PRESIDING OFFICER. Is there further debate? If no one yields time, time will run equally.

Mr. GRASSLEY. Mr. President, the Senator asked if I would yield back my time. If he still wants to do that, I will do that. I want to ask for a rollcall vote. That is the only thing I want to do.

Mr. JOHNSTON. Mr. President, I am ready to yield back the remainder of my time.

Mr. GRASSLEY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. All time has been yielded back. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. JOHNSTON. Mr. President, I make a point of order that the amendment strikes the bill in more than one place and it is therefore out of order.

The PRESIDING OFFICER. The amendment does strike the bill——

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. GRASSLEY. I want to know what are my rights; to have a rollcall on this amendment or to raise an appeal of the Chair if the ruling is favorable to the Senator from Louisiana?

The PRESIDING OFFICER. When and if the Senate votes on the amendment, it will be by rollcall vote. Once the Chair rules on the point of order, it is appealable.

Mr. GRASSLEY. It is appealable.

The PRESIDING OFFICER. And the Chair rules that the point of order is well taken.

Mr. GRASSLEY. Mr. President, I appeal the ruling of the Chair and ask for the yeas and nays.

Mr. JOHNSTON. Mr. President, this point of order is indeed well taken, but if the vote should overrule the ruling of the Chair, then there would be a further vote on a motion to table, and I think we may save the Senate some time if I withhold the point of order and move to table.

So, Mr. President, I withdraw my point of order and move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Without objection, the point of order is vitiated.

Mr. JOHNSTON. I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER (Mr. WELLSTONE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 64, nays 34, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—64

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Burdick
Burns
Byrd
Coats
Cochran
Conrad
Craig
Danforth
Dodd
Domenici
Durenberger
Ford
Garn
Gorton
Gramm
Hatch
Hatfield
Heflin
Helms
Hollings
Johnston
Kassebaum
Kasten
Kennedy
Kohl
Lautenberg
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mitchell
Murkowski
Nickles
Nunn
Pryor
Riegle
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wirth
Wofford

NAYS—34

Bryan
Bumpers
Chafee
Cohen
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dole
Exon
Fowler
Glenn
Gore
Graham
Grassley
Inouye
Jeffords
Kerry
Leahy
Metzenbaum
Mikulski
Moynihan
Packwood
Pell
Pressler
Reid
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone

NOT VOTING—2

Harkin
Kerrey

So the motion to lay on the table the amendment (No. 1650) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROPANE

Mr. GRASSLEY. Mr. President, I rise to address a concern about propane.

I ask two basic questions: Do we wish to interdict the supply and to raise the price of propane to American consumers? Do we wish to reduce reliance on imports of foreign crude oil and petroleum products or do we wish merely to achieve the cosmetic result of reducing use of motor gasoline?

In our shared zeal to find an acceptable mechanism to encourage the development of substitute fuels for gasoline for motor vehicles, we may be called upon to share the blame for including propane. I am satisfied that there is not a domestic supply of propane capable of meeting consumer needs as well as a new demand for motor vehicle use. I am satisfied that diverting propane to motor fuel use will not diminish reliance on imported crude oil and petroleum products.

If we create a new demand for propane that can only be met at the expense of householders, agricultural, and industrial consumers, for whom supply may be interdicted or, equally perverse, for whom supply may be driven to a price beyond their ability to pay, we will have done the American consumers a disservice and done nothing toward effecting a sound national energy policy.

Some Senators may say: we did not include propane in any legislation, such as S. 2166. That, if said, is part of the problem; the issue was buried in legislative language. Propane is a liquefied petroleum gas and, as such, is included in S. 2166.[1] If propane is going to be included, let us at least take the time to focus on the potential consequences.

Propane is the fourth largest source of energy for American householders, there being some 7.7 million households dependent on propane.[2] True, most of these will be in more rural areas, but rural Americans should not be called upon to forfeit their fuel for home heating and cooking so that some motorists can drive on propane. Propane, installed for home or agricultural use, is comparable to natural gas. You can cook with propane, you can dry crops, you can process foods,[3] something you had better not try with home heating oil. In addition, in the urban areas, propane is also used as a supplement to natural gas when demand exceeds the delivery capability to the cities, so the issue is not strictly rural.

Propane is already the most expensive of the homeowners' fuels, with electricity being first. Creating a new mandatory demand when the supply is already so tight that the Federal Government had to issue a red flag[4] alert on propane for the last heating season means higher and higher prices for those who can access a supply, if available.

The irony is that propane is just as much a refined petroleum product as motor gasoline. About half of the propane in this country is derived from refining crude oil.[5] It makes little sense to say that this Nation will reduce reliance on imported crude oil by reducing reliance on motor gasoline refined from crude oil and that we will achieve this result by substituting propane refined from crude oil in place of motor gasoline refined from crude oil.[6] George Orwell would have had a name for this: Circular refining fuel—it acts like motor gasoline, it is refined like motor gasoline, but it is not motor gasoline and thus is a substitute for motor gasoline. While demand for imported crude oil is not materially affected, the demand for motor gasoline is. Absurd.

The double irony is that almost a third of our propane supply, directly or indirectly, is already dependent on imports.[7] The only real source of purely domestic propane comes from those natural gas wells that have propane and other lighter hydrocarbons mixed into the stream. And that source has never been able to meet domestic supply requirements.

We have a number of options for alternative motor fuels, each with its own set of champions. Who are the champions for propane as a motor fuel use? Not the consumers, not the agricultural organizations, not the independent petrochemical companies. No. The champions are the large oil companies, those whose sales of motor gasoline will be replaced by sales of propane, and the dealers in propane.

Footnotes at end of article.

Let us not be misguided. Let us not sacrifice our propane consumers on the highways of America. They did not cause the problem; they should not be punished.

Before S. 2166 becomes the law of the land, let us each and everyone be satisfied that propane is truly abundant as a natural resource in this country, that propane is not dependent on imports of either crude oil or propane itself, and that no American consumer will be harmed by a program that diverts propane supply and raises the prices in an artificial way. In sum, let us be certain that any alternative fuels mandated or encouraged by legislation are truly domestic substitutes for motor gasoline and are not, like propane, just another product heavily dependent on the refining of crude oil.

That, Mr. President, is the least we can do. Additionally, Mr. President, I ask unanimous consent to insert in the RECORD at this point a "Dear Colleague" letter and additional material pertinent to the debate on the Grassley amendment today.

FOOTNOTES

[1] S. 2166 §4101(1) and §4304(6).

[2] Energy Information Administration, *Winter Fuels Report*, September 27, 1991 (DOE/EIA-0538(91/92-1)).

[3] *Id.*

[4] Energy Information Administration Petroleum Supply Monthly, September 1991 (DOE/EIA-0109 (91/09)). Energy Information Administration Winter Fuels Report, October 25, 1991 (DOE/EIA-0538 (91/92-5)).

[5] Energy Information Administration, Winter Fuels Report, September 27, 1991 (DOE/EIA-0538(91/92-1)).

[6] Second Interim Report of the Interagency Commission on Alternative Motor Fuels, September 1991, page 18.

[7] *Id.*

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, February 14, 1992.

DEAR COLLEAGUE: If any of the following troubles you, please co-sponsor my alternative fuels amendment to S. 2166, the so-called "National Energy Security Act of 1991."

Does it trouble you—

That the oil industry is taking command and control of America's fledgling alternative fuels sector?

That while the oil industry cuts thousands of American jobs it invests billions in foreign sources of alternative fuels such as methanol and MTBE, thus increasing our dangerous dependency on foreign energy?

That in 1987 petroleum corporations paid Uncle Sam a mere $665 million in income taxes, while they took over $7 billion in U.S. tax credits to pay foreign governments and oil sheiks?

That the oil industry believes that "mandates" are good if they benefit oil companies (e.g., sections 4221 and 4222 of S. 2166), but bad if they create competition for oil companies?

That the oil industry's market mandate (sections 4221 and 4222) subverts the "Alternative Motor Fuels Act of 1988" that states:

"(4) The Nation's security, economic, and environmental interests require that the Federal Government should assist cleanburning, nonpetroleum transportation fuels to reach a threshold level of commercial application and consumer acceptability at which they can successfully compete with petroleum-based fuels;"

That in the name of national security, the oil industry secured government-mandated market quotas to protect it from competition? They argued 10 percent reliance on foreign oil risked our national security. Today, foreign reliance is 50 percent, heading for 75 percent, yet now oil people say "trust the marketplace . . mandates are un-American."

That the oil industry enjoys huge, backdoor import subsidies of almost $200 per barrel based upon estimates by Chairman Johnston, and up to $3 per gallon of gasoline based upon GAO data? Yet, oil people have the audacity to attack aboveboard subsidies to encourage alternative fuels such as ethanol.

If none of this troubles you, read no further, and plan on opposing my domestic alternative fuels amendment to S. 2166.

If this does trouble you, and you once and for all want to take serious, definite steps toward independence upon foreign energy, not just foreign oil, then I may have found the answer.

And it is one that oil people surely will not oppose, because my amendment is fashioned after one of the oil industry's favorite bills!

Attached you will find a copy of and materials relating to H.R. 4892, introduced on March 14, 1955, by the Congressman Edward H. Rees, Republican from Kansas.

This bill was pushed by America's oil companies who sought, and ultimately obtained protection from outside competition. It mandated that 90 percent of America's oil supply had to be domestically produced. Compromise legislation was eventually enacted that led to mandatory import quotas instituted by President Eisenhower in 1959.

If fencing off and protecting 90 percent of the domestic oil market was good enough for the oil industry, surely it is good enough for our fledgling alternative fuels sector.

"What's good for the goose, is good for the gander!"

And when our dependency on foreign oil has climbed five-fold, no one can argue there is any less of a national security risk!

With the enactment of the Alternative Motor Fuels Act of 1988, as well as the Clean Air Act, Congress went squarely on record that we need domestically produced, cleanburning, nonpetroleum alternative fuels that can compete with petroleum fuels. But it seems wheresoever you turn—EPA, DOE, Congress—you find the oil lobby trying to undue or control our efforts.

It has to stop. Time is running out. Time is running out for our national energy security, as well as for our environment. Congress must take dramatic, forceful action.

If you would like to join me in this amendment, please have your staff call my Legislative Director, Ken Cunningham, at 224-3744.

Sincerely,

CHARLES E. GRASSLEY
U.S. Senator.

H.R. 4892

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended", approved July 1, 1954 (19 U.S.C. sec. 1352a), is hereby amended by inserting "(a)" after "Sec. 2", and by adding at the end thereof a new subsection as follows:

"(b) In order to further the policy and purpose of this section—

"(1) the President of the United States is directed to take such action as is necessary to restrict imports of commodities whenever such imports threaten to retard the domestic development and expansion of natural resource industries and such other industries as he may determine to be essential to the national security;

"(2) the total quantity of crude petroleum and petroleum products which may be imported into the United States (including oil for supplies for vessels at United States ports but excluding oil for manufacture and reexport) in any quarter of a year shall not exceed 10 per centum of the total domestic petroleum demand for the corresponding quarter of the previous year, as determined by the United States Bureau of Mines: *Provided*, That the total quantity of residual fuel oil which may be imported for consumption within the United States in any quarter of a year shall not exceed 10 per centum of the domestic demand for residual fuel oil for the corresponding quarter of the previous year, as determined by the United States Bureau of Mines: *Provided further*, That the quotas established under this subsection may be suspended by the President during any period in which he finds that there is an inadequacy of fuel supplies to meet current national consumption; and

"(3) the provision of this section shall be exercised notwithstanding the authority granted in section 1351 of this title or any foreign trade agreement wherein the United States is a party."

[From the CONGRESSIONAL RECORD; Feb. 18, 1955]

Mr. REES of Kansas. Mr. Chairman, yesterday I voted against the rule that would not permit amendments to this proposed legislation. It is my opinion that Members of the House should have a right to propose amendments to this measure whether they are for or against the legislation. If they do not see fit to support such amendments, they can vote them down. I think the House of Representatives should have a right to work its will in dealing with this far-reaching proposed legislation.

When it goes to the other end of the Capitol it will be open for full and complete discussion and debate. Members of this body are just as reasonable and just as fair as the Members of the other body. Suppose it would take a day or two longer. We have no pressing program ahead of us. I think more Members will feel a whole lot better about this situation if they, at least, had a chance to give consideration to amendments that many of us think should be considered.

I would not be misunderstood; I am not one who believes in so-called high tariff walls. I am in favor, however, of protecting the American producer and the American workingman against importations of materials at such cheap prices as to injure their economy and earning power. I had hoped to have a chance to submit an amendment that would provide against excessive imports of crude oil from foreign countries. I know consumption of crude oil is growing in the United States, but not nearly in proportion to the amount of imports from foreign countries.

At the end of World War II, the United States was supplying all but 377,000 barrels per day of the oil which it consumed. It was also exporting oil. Today it imports about 1,200,000 barrels of oil daily.

On the surface this increase in the importation of oil would seem to indicate that the

United States is running out of oil, and that it has no choice but to use oil from foreign sources. This is not the case, however. This Nation is today capable of producing at least 1,750,000 barrels of oil each day more than it is producing. This excess capacity to produce, however, comes at a time when the use of foreign oil is at an all-time high.

Much of this increased importation can be explained by the fact that the same firms that are importing the oil, are producing it overseas at much lower costs than are prevalent in this country. Five American firms own or control most of the oil that is brought into this country. Taken together, these firms form a huge international oil-trading group. About 9 out of 10 barrels of their proved reserves are located overseas. Nearly 2 out of 3 barrels of their production lies outside this country. Much of these companies' reserves lie in the Middle East. This oil is within the shadow of Russia.

If this Nation uses more of this imported oil it will at the same time encourage further concentration of control in the hands of a few companies. It will also stimulate increased oil production capability in the Russian orbit. The most disheartening aspect of increased foreign-oil use, however, is that it impairs the capability of the domestic oil-producing industry. Imports have already made serious inroads on markets for domestic oil. Further increases in imports could cause serious and permanent injury to domestic oil exploration activity, and could cause a reversal in the Nation's traditional ability to be self-sufficient in oil.

Independent producers of oil, and incidentally 75 percent of oil explorations are by small independent producers, are not asking that importation of crude oil be entirely suspended. They do ask for a fair chance at the American market. They ask only for reasonable restrictions to protect them in that market.

It hardly seems right that foreign imports be permitted to increase every week and every day. They run at the rate of approximately a million and a half barrels a day. While that is going on oil wells in the great Midwest are throttled to where they are allowed to produce at about 15 percent of their capacity. That cannot be right. It is unfair to thousands of American citizens engaged in discovery and production of oil.

Congress should act to restrain oil imports. It should be done by legislative means. Other methods have been tried and found wanting. Congress, in this matter, is the court of last resort. This Congress should act before it is too late.

[From the CONGRESSIONAL RECORD, Mar. 29, 1955]

WHY AN OIL IMPORT QUOTA?

Mr. REES of Kansas. Mr. Speaker, I am including in the RECORD today an article entitled "Why an Oil Import Quota?" It is prepared by the Independent Petroleum Association of America and is in the form of answers to 10 basic questions dealing with this problem. I believe Members of the House will be interested in the information outlined in this brief statement:

"Rising oil imports present a critical and growing problem. In the first 5 months of 1955, total oil imports are scheduled at 1,240,000 barrels daily, 16 percent higher than last year, about double the 1949 rate, and three times the 1946 volume of imports This trend, unless corrected, can only mean discouragement of domestic oil activities and inadequate oil supplies for our Nation's future needs.

"The effects on the domestic producer, while critical, are only secondary. The primary consideration is the ultimate effect on our national security and defense. To avoid increasing dependency on foreign oil and to preserve a strong domestic industry, a solution to the oil import problem must no longer be postponed.

"Therefore, 21 associations of oil and gas producers have joined in supporting a proposed amendment to the Trade Agreements Act which would (1) direct the President to restrict imports of any commodity whenever they threaten necessary domestic supplies of a natural resource or other material essential to national security; (2) limit oil imports to 10 percent of United States oil demands to assure an expanding domestic industry capable of providing future supplies.

"The following basic questions and answers explore Why an Oil Import Quota is the most effective, practical, and acceptable method to combat the ever-increasing rise in imports:

"Question. How would the proposed oil import quota work?

"Answer. It would hold total petroleum imports to 10 percent of total United States oil consumption, and restrict residual fuel-oil imports to 10 percent of United States consumption of that product. Quotas would be established quarterly, based on United States Bureau of Mines figures for the same quarter of the previous year.

"Question. What would be the net effect of such quotas?

"Answer. Total petroleum imports would be reduced about 300,000 barrels daily from 1954 levels. Unnecessary Middle and Far East imports alone add up to about this amount.

"Question. What is the basis for the 10-percent limitation?

"Answer. Experience. During the 6-year period 1946 through 1951 total petroleum imports averaged 10 percent of United States consumption, and residual imports were also 10 percent of residual consumption.

"Question. How about the quota on residual fuel oil?

"Answer. The domestic industry has always supplied most of the 1,500,000-barrel daily demand for residual fuel oil, and can continue to do so. The 10-percent residual import quota would be much more realistic and practical than the 5-percent limitation in the 1953 Simpson bill. The quota would not only be doubled, but fuel-oil imports for vessels would be permitted in addition.

"Question. Is there a precedent for the quota system?

"Answer. Yes. Import quotas are now being used by our Government on a number of commodities such as cotton, sugar, cattle, fish, wheat, cigars, etc. In fact, quotas on oil imports were in effect from December 1939, to January 1943, and again in 1951–52.

"Question. Would quotas conflict with our trade agreements program?

"Answer. No. The escape clause provisions of the Trade Agreements Act specifically provides that quotas may be established to prevent injury to domestic industries. The oil-import quota would merely implement this principle.

"Question. Would such a quota mean Federal control of the domestic oil industry?

"Answer. Absolutely not. The Federal Government has always controlled foreign trade by quotas and tariffs. This has never involved or led to Federal control of domestic industries. The law would merely limit imports, just like Texas and other States set allowables on domestic supply but with much less difficulty.

"Question. Is the quota preferable to other types of import legislation?

"Answer. Yes, for several reasons:

"Quotas would not disrupt the present trade agreements program.

"Oil import quotas, unlike tariffs, would allow both oil importers and domestic producers to share in future domestic market growth.

"Flexible import quotas would permit our Government to recognize Western Hemisphere solidarity, trade with other nations, and defense considerations.

"Question. Are other industries supporting the proposed quota?

"Answer. Yes. Coal, railroads, and others have already done so. Also, the amendment contains language which will attract support from other basic defense industries. In addition to specific oil import quotas, it would direct the President '* * * to take such action as is necessary to restrict imports of commodities whenever such imports threaten to retard the domestic development and expansion of natural resource industries and such other industries as he may determine to be essential to the national security.* * *'

"Question. Why should the quota be adopted as an amendment to the Trade Agreements Act?

"Answer. Because, as the Trade Agreements Act itself recognizes, essential defense materials should be treated separately in foreign trade policies. This principle was established in section 2 of the 1954 extension of the act. The quota amendment would make effective this congressional policy.

"Also, because all other means of solving the problem of excessive oil imports have proven unsuccessful. Continuing efforts have been made over a long period to find a solution within the industry. Despite these efforts, imports have taken a larger and larger share of the United States market. The executive branch of government has studied the problem and urged restraint necessary to the health and security of the Nation. Imports have not been restrained and it is now clear that only the Congress can provide an assured solution in the interest of national welfare and security."

1986 CORPORATION SOURCE BOOK OF STATISTICS OF INCOME, INCOME TAX RETURNS OF ACTIVE CORPORATIONS WITH ACCOUNTING PERIODS ENDED JULY 1986 THROUGH JUNE 1987—BALANCE SHEET, INCOME STATEMENT, AND SELECTED ITEMS, BY MINOR INDUSTRY, BY SIZE OF TOTAL ASSETS

[All figures are estimates based on samples—money amounts and size of total assets are in thousands of dollars]

Major group 18 returns with net income	Total	Size of total assets											
		Zero assets	1 under 100	100 under 250	250 under 500	500 under 1,000	1,000 under 5,000	5,000 under 10,000	10,000 under 25,000	25,000 under 50,000	50,000 under 100,000	100,000 under 250,000	250,000 or more
1 Number of returns	1,296	169	207	266	246	143	184	23	21	9	5	6	18

1986 CORPORATION SOURCE BOOK OF STATISTICS OF INCOME, INCOME TAX RETURNS OF ACTIVE CORPORATIONS WITH ACCOUNTING PERIODS ENDED JULY 1986 THROUGH JUNE 1987—BALANCE SHEET, INCOME STATEMENT, AND SELECTED ITEMS, BY MINOR INDUSTRY, BY SIZE OF TOTAL ASSETS—Continued

[All figures are estimates based on samples—money amounts and size of total assets are in thousands of dollars]

	Major group 18 returns with net income	Total	Size of total assets											
			Zero assets	1 under 100	100 under 250	250 under 500	500 under 1,000	1,000 under 5,000	5,000 under 10,000	10,000 under 25,000	25,000 under 50,000	50,000 under 100,000	100,000 under 250,000	250,000 or more
2	Total assets	328,763,294	......	10,651	36,162	98,403	93,570	395,676	190,727	282,780	406,793	401,191	2,344,200	324,503,141
3	Cash	3,728,596	......	4,976	8,047	21,716	31,304	40,210	14,148	15,369	16,274	30,410	28,202	3,517,941
4	Notes and accounts receivable	38,863,698	......	5,129	11,043	23,477	14,877	95,769	56,274	56,973	76,107	89,500	734,282	37,700,267
5	Less: Allowance for bad debts	618,624	......	......	......	103	98	1,209	1,160	1,126	2,112	832	11,227	600,758
6	Inventories	11,631,064	......	......	6,601	2,703	20,401	46,192	39,272	37,283	49,907	97,018	229,482	11,102,205
	Investments in Government obligations:													
7	Total	565,977	......	......	......	......	......	1	......	......	652	......	1,184	564,140
8	Other current assets	7,870,174	......	......	8,591	2,000	3,823	55,213	2,521	16,710	26,556	11,512	124,511	7,618,737
9	Loans to stockholders	1,738,255	......	......	......	6,908	......	208	......	52	916	1,022	2,890	1,726,257
10	Mortgage and real estate loans	54,805	......	......	......	......	......	136	......	243	104	......	1,343	52,980
11	Other investments	132,998,434	......	......	......	17,908	11,699	19,013	4,992	36,482	62,827	28,898	404,473	132,412,144
12	Depreciable assets	151,586,420	......	2,129	7,074	35,195	43,203	264,150	158,040	182,873	315,219	226,120	1,714,081	148,638,337
13	Less: Accumulated depreciation	67,377,380	......	1,583	5,194	23,067	33,015	141,689	99,305	85,935	159,914	138,464	1,069,564	65,619,649
14	Depletable assets	29,790,666	......	......	......	26	......	......	......	737	153	40,746	97,264	29,651,742
15	Less: Accumulated depletion	11,606,406	......	......	......	......	......	......	......	681	144	37,555	18,976	11,549,049
16	Land	5,035,234	......	......	......	......	1,025	13,068	4,564	15,766	4,535	21,295	64,513	4,910,469
17	Intangible assets (amortizable)	27,547,440	......	......	......	61	1,668	8,392	1,596	351	5,564	347	21,015	27,508,446
18	Less: Accumulated amortization	13,693,618	......	......	......	61	1,566	5,138	339	4	3,070	95	6,680	13,676,667
19	Other assets	10,648,558	......	......	−0	11,641	251	1,359	10,122	7,688	13,220	31,271	27,407	10,545,599
20	Total liabilities	328,763,294	......	10,651	36,162	98,403	93,570	395,676	190,727	282,780	406,793	401,191	2,344,200	324,503,141
21	Accounts payable	32,321,696	......	448	1,507	3,446	10,450	68,358	36,004	35,944	44,457	125,291	440,548	31,555,242
22	Mort, notes, and bonds under 1 yr	11,025,466	......	......	......	19,454	14,499	51,366	11,175	19,573	24,364	60,267	55,540	10,769,227
23	Other current liabilities	14,447,131	......	2,836	1,953	15,238	7,644	20,687	11,708	8,486	44,977	28,321	249,414	14,055,867
24	Loans from stockholders	1,300,060	......	......	......	3,606	3,479	14,156	......	6,869	4,871	......	951	1,266,128
25	Mort, notes, bonds, 1 yr or more	52,862,070	......	......	......	......	2,908	56,711	18,157	60,924	86,139	90,824	236,958	52,309,449
26	Other liabilities	42,486,030	......	121	−0	......	......	32,025	1,210	6,191	41,514	25,465	77,941	42,301,561
27	Capital stock	11,048,190	......	2,014	3,494	16,355	3,619	14,164	397	14,995	5,074	20,254	154,705	10,810,120
28	Paid-in or capital surplus	74,564,251	......	......	......	10,353	−10,386	13,305	1,950	34,222	51,516	56,518	200,577	74,206,196
29	Retained earnings, appropriated	718,889	......	......	......	......	......	......	......	......	2,159	......	136,670	580,060
30	Retained earnings, unappropriated	101,112,214	......	5,231	30,791	29,950	60,461	85,373	70,655	97,820	107,625	3,506	817,946	99,802,857
31	Other retained earnings (1120S)	81,090	......	......	......	......	......	41,618	39,471	......	......	......	......	......
32	Less: cost of treasury stock	13,203,793	......	......	1,582	......	2,103	2,080	......	2,244	5,904	9,255	27,049	13,153,568
33	Total receipts	239,021,625	213,186	109,325	70,408	137,092	259,177	1,075,009	602,185	473,418	638,023	1,232,337	3,692,297	230,519,169
34	Business receipts	212,992,920	162,875	94,910	69,801	82,641	257,071	1,066,862	595,131	464,403	588,383	1,214,238	3,551,006	204,845,598
35	Interest	6,102,123	2,550	77	......	1,493	1,374	1,996	90	3,530	6,282	4,532	25,268	6,054,932
	Interest on Govt. obligations:													
36	State and local	5,722	......	......	......	......	358	......	......	3	46	752	5	4,559
	Nonqualifying interest & dividends:													
37	Forms 1120S	3,683	......	......	......	......	......	1,983	1,700	......	......	......	......	......
38	Rents	1,548,225	......	......	......	......	......	877	1,508	1,847	1,455	1,203	5,107	1,536,228
39	Royalties	333,444	......	......	......	......	......	......	......	188	−0	8	663	332,585
40	Net S–T cap gain less net lt loss	11,323	......	......	......	......	24	......	......	106	33	......	1,578	9,581
41	Net L–T cap gain less net st loss	3,725,660	......	13,823	......	21	180	564	52	524	3,839	6,111	49,100	3,651,447
42	Net gain, noncapital assets	1,626,296	43,440	409	......	73	41	1,026	1,743	1,073	3,480	73	4,091	1,570,847
43	Dividends, domestic corporations	517,507	−0	......	607	......	......	......	......	125	1,776	2	22,441	492,556
44	Dividends, foreign, corporations	5,739,085	......	......	......	......	......	......	......	......	......	......	7,973	5,731,107
45	Other receipts	6,415,637	4,321	106	......	52,865	129	1,701	1,961	1,619	32,729	5,419	25,060	6,289,728
46	Total deductions	224,469,655	198,569	97,728	60,396	79,940	241,364	1,006,023	587,040	428,541	580,103	1,187,410	3,415,400	216,587,140
47	Cost of sales and operations	147,626,373	131,920	80,043	37,880	22,966	177,289	804,561	433,166	340,008	470,632	1,088,857	2,633,411	141,405,641
48	Compensation of officers	365,654	4,694	9,063	6,545	10,597	23,763	31,048	25,061	8,431	5,972	4,242	19,311	216,928
49	Repairs	3,308,939	688	21	......	394	161	2,031	8,872	1,036	521	400	130,692	3,164,122
50	Bad debts	470,779	4,524	27	325	......	289	3,186	1,433	1,112	861	1,550	9,215	448,258
51	Rent paid on business property	2,534,372	200	1,129	1,117	2,640	1,497	6,497	4,667	5,199	4,578	2,347	46,288	2,458,213
52	Taxes paid	10,088,288	3,194	1,172	1,941	3,810	6,230	13,215	17,208	9,145	6,583	5,596	34,544	9,985,647
53	Interest paid	10,995,533	5,157	636	184	2,852	1,990	14,910	2,905	8,153	22,429	14,917	35,353	10,886,047
54	Contributions or gifts	113,477	417	1	21	7	24	126	764	372	227	131	3,295	108,093
55	Amortization	470,818	......	51	......	63	142	738	......	108	254	62	384	469,017
56	Depreciation	11,693,896	1,708	426	618	5,780	3,428	25,856	12,287	18,652	21,651	21,779	130,249	11,451,462
57	Depletion	15,922,254	......	......	......	6	1,551	2,137	......	1,752	1,836	5,576	14,829	1,564,567
58	Advertising	842,270	341	......	900	94	269	3,336	1,844	800	427	243	7,654	826,362
59	Pension, prof SH, stock, annuity	746,059	93	1,208	462	1,103	557	2,658	1,899	1,542	1,605	388	23,776	710,766
60	Employee benefit programs	1,371,840	115	373	96	......	333	1,865	1,686	1,388	1,629	1,546	4,084	1,358,726
61	Net loss, noncapital assets	30,697	......	......	......	573	......	76	54	61	......	23	138	29,771
62	Other deductions	32,218,407	45,519	3,580	10,307	29,053	23,841	93,785	75,193	30,782	40,898	39,753	322,176	31,503,519
63	Total receipts less total deducts	14,551,970	14,617	11,596	10,012	57,153	17,812	68,985	15,145	44,877	57,920	44,927	276,897	13,932,029
64	Const taxble inc frm rel frn corps	5,158,583	......	......	......	......	......	......	......	......	......	......	3,662	5,154,921
65	Net income, total	19,704,831	14,617	11,596	10,012	57,153	17,454	68,985	15,145	44,874	57,875	44,175	280,554	19,082,391
66	Net income, forms 1120, F, L, M	19,671,633	14,617	11,596	5,696	57,153	17,454	40,222	15,026	44,874	57,875	44,175	280,554	19,082,391
67	Net income, form 1120–A	4,316	......	......	4,316	......	......	......	......	......	......	......	......	......
68	Net income, forms 1120S	28,882	......	......	......	......	......	28,764	119	......	......	......	......	......
69	Net income, form 1120–IC–DISC	......	......	......	......	......	......	......	......	......	......	......	......	......
70	Net income, form 1120–FSC	......	......	......	......	......	......	......	......	......	......	......	......	......
71	Statutory special deductions, total	1,192,915	−0	10,757	516	50,123	......	8,732	......	13,764	23,771	4,894	93,941	986,418
72	Net operating loss deduction	735,253	......	10,757	......	50,123	......	8,732	......	13,658	22,262	4,892	69,325	555,505
73	Dividends received deduction	457,661	−0	......	516	......	......	......	......	106	1,509	2	24,616	430,912
74	Public utility div paid deduction	......	......	......	......	......	......	......	......	......	......	......	......	......
75	Income subject to tax, total	18,508,443	14,617	839	9,496	7,030	17,454	31,490	15,026	31,110	34,103	40,303	195,301	18,111,672
76	Net L–T cap gn taxed at alt rates	3,499,900	......	......	......	......	......	564	52	322	918	5,353	48,198	3,444,493
77	Inc tax (before cred), total (TX I)	8,043,125	7,481	136	1,714	1,284	5,719	12,283	6,799	14,040	15,788	18,262	85,055	7,874,564
78	Reg and alternative tax (TX II)	7,871,924	3,549	136	1,714	1,284	5,707	12,232	6,687	14,011	15,460	17,576	81,163	7,712,406
79	Tax frm recomp prior yr. inv cr	69,553	3,932	......	......	......	13	51	111	29	93	5	1,998	63,320
80	Additional tax for tax prefs	101,649	......	......	......	......	......	......	......	......	235	681	1,894	98,839
81	Foreign tax credit	7,071,083	......	......	......	......	......	......	......	......	......	......	7,450	7,063,632
82	U.S. possessions tax credit	38,833	......	......	......	......	......	......	......	......	6,186	......	22,592	10,055
83	Orphan drug credit	......	......	......	......	......	......	......	......	......	......	......	......	......
84	Nonconventional source fuel credit	32,349	......	......	......	......	......	......	......	......	......	......	......	32,349
85	General business credit	237,073	327	......	......	......	4	720	160	1,130	421	2,500	12,950	218,861
86	Invest credit: cost of property	4,911,709	......	......	......	165	......	17	......	10,897	345	3,287	27,100	4,869,898
87	Investment qualified for credit	4,869,420	......	......	......	132	......	......	......	10,113	275	2,599	26,739	4,829,561

Net income tax paid=Line 77—lines 81–85.

[From the Washington Post, Feb. 1, 1992]

Two Chemical Industry Giants Are at Odds Over Senate Bill

(By Thomas W. Lippman)

There are plenty of David vs. Goliath stories in Washington, but this one is Goliath vs. Goliath: Dow Chemical Co. and the Du Pont Co., giants of the chemical industry, on opposite sides of a bill in Congress.

Dow is trying to get rid of three words in the massive energy bill the Senate is expected to take up next week. The same three words are just fine with Du Pont.

The bill would require most urban fleets of 20 or more cars and light trucks to run on fuels other than gasoline. The permitted alternative fuels would be compressed natural gas, alcohol fuels such as methanol, electricity and "liquefied petroleum gas," or LPG.

LPG includes propane. Dow is a major consumer of propane as a feedstock, or raw material, at its petrochemical plants. The firm fears that increased demand would drive up the price. Du Pont, which uses no propane at its chemical plants but is a producer and aggressive marketer of propane through its Conoco Inc. subsidiary, would benefit.

"Of all the fuels in the bill, propane is the only one where you have existing consumers that would be hurt," said Paul N. Cicio, Dow's energy lobbyist.

Cicio is the voice of the Propane Consumers Coalition, which includes Dow, Union Carbide Co., several other chemical companies and the National Grange. The Grange is interested because farmers use about 13 percent of the nation's propane to dry crops and heat coops. Chemical companies such as Dow use about 28 percent.

But the people who stand to be hurt most, Cicio contended, are the residents of 7.7 million mostly rural homes that heat with propane. Citing Energy Department projections that the energy bill would eventually result in the consumption of 13.7 billion gallons of propane annually as a motor fuel, he said, "That's about 95 percent of today's production. * * * Prices are going to rise" with demand.

Cicio's position is "complete baloney, that's what it amounts to," said Robert E. Meyers, president of the LP Gas Clean Fuels Coalition, which is supported by Conoco.

"He just wants to protect a cheap feedstock," he said. "It has nothing to do with the 7 million homeowners."

Meyers said there is no shortage of propane, partly because companies such as Dow build up stocks of it in the summer, when it is cheap, then resell it at a profit and switch to other raw materials when the price goes up in the winter.

"The petrochemical industry has always determined the prices because they load up when the price is cheap, then they back out and use anything short of buffalo chips when the price goes up," he said. "Don't tell me this sad story about how we're going to run out of fuel."

Len Teich, manager of Conoco's natural gas liquids division, said his company is operating on the assumption that compressed natural gas, not propane, will be the fuel chosen by most fleets but "in certain parts of the country we are looking for fairly good penetration."

Past Policies and Energy Security

Ostensibly, the United States has considered energy a security problem for at least the past three decades. In reality, however, American policies have tended to address price and economic effects more than energy security. During the two decades before 1973, the main preoccupation of American energy policy was the glut of inexpensive oil on world markets: Persian Gulf oil was a threat to higher priced American oil.

Faced with rising demand for foreign oil, President Eisenhower instituted mandatory import quotas in 1959 to limit oil imports to roughly 12 percent of total consumption (Cabinet Task Force 1970). Although the import quota program had an explicit national security goal, its real political roots were in trade protectionism. The program was a failure as a security measure because it stimulated production levels that eroded domestic reserves rather than creating stockpiles and spare capacity.

In 1970, a Cabinet Task Force recommended the gradual elimination of the quotas on the grounds that they were costly to U.S. consumers and did little for national security; but the group did not urge a national stockpile policy. Ironically, this recommendation came at the same time that U.S. consumption was increasing rapidly and domestic oil production was peaking at 11.2 million barrels per day. U.S. spare capacity of 4 million barrels per day in 1960 had represented 44 percent of U.S. demand and 21 percent of free world demand (DOE March 12, 1980). By 1973, imports had risen to 30 percent of oil consumption.

The United States was ill-prepared for the 1973 Arab oil embargo. Although the government had attempted to play a conciliating role between OPEC nations and the major oil companies early in the 1970s, it had done little to prepare effectively for an embargo. When it came, the U.S. government encouraged oil companies to spread the burden equally among all consuming countries; it accelerated diplomatic efforts toward a Middle East peace settlement; and it took the lead in organizing the International Energy Agency (IEA). Domestically, the newly created Federal Energy Administration (FEA) administered oil price controls and allocated oil among refiners. These domestic activities actually aggravated the situation. The general public lacked real understanding of the U.S. energy security situation and tended to blame the Nixon Administration and the oil companies for the crisis (McKie 1975).

Between 1973 and 1979, the official objective of U.S. energy policy was to reduce dependence on imported oil. In 1973, President Nixon's "Project Independence" set the unrealistic goal of eliminating imports by 1980. One year later, the FEA realized the need for a strategic petroleum reserve along with their efforts to reduce import levels (which could be reduced painfully by stopping economic growth). But little changed in practice. In 1975, Congress passed an Energy Policy and Conservation Act which provided for the Strategic Petroleum Reserve; but American vulnerability continued to increase. Filling of the Strategic Reserve was delayed and domestic price controls continued to encourage oil imports to rise to a peak of 47 percent of oil consumption by 1977.

After a period of coordinated creativity marked by the formation of the IEA, U.S. policymakers kept energy policy and overall political-military strategy largely separate in the mid-1970s (Nau 1978). They expected the enormous 1973 price increase to stimulate exploration for new energy supplies, restrain demand, and eventually reduce the real price of imports. It was widely believed that the price of $10 per barrel would create a glut in the market and dissolve OPEC. At one point, ironic in retrospect, U.S. diplomacy in the IEA was focused on establishing a $7 floor price so that cheaper oil would not destroy incentives for investing in long-term energy alternatives. Preoccupied with price, the United States paid insufficient attention to the international political determinants of oil supply.

To an extent, the strategy worked despite the price controls imposed in the United States. Energy efficiency in American industry improved 10 percent from 1973 to 1977. Europe and Japan—which did better at passing oil price increases through to consumers—curtailed the rate of growth in their energy use, even after adjusting for recession. From 1975 to 1979, the real dollar price of oil dropped slightly, and even more in yen and deutschmarks. But these price decreases encouraged oil consumption and left Western nations even less prepared for the consequences of the Iranian revolution in 1979. Lower prices had perverse effects on governments' ability to take necessary actions and consumers' willingness to restrain demand.

[From the Congressional Record, May 26, 1955]

Effects of Major Senate Amendment to Reciprocal Trade Agreements Bill

Mr. **Johnson** of Texas. Mr. President, the Sunday, May 15, edition of the New York Times carried an article by Mr. J.H. Carmical on the effects of the major Senate amendment to the reciprocal trade agreements bill. As it sums up the situation very well, I ask unanimous consent to have the article printed in the Appendix of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Oil Compromise Suits Both Sides—No Import Quotas Adopted, but Presidential Powers Back Voluntary Curbs

(By J. H. Carmical)

The bitter fight for Federal legislation to restrict oil imports has ended with a compromise amendment to the reciprocal trade bill. And, curiously enough, the oil industry, both importers and domestic producers, and the coal interests are generally pleased with the outcome.

The amendment, as passed by the Senate, does not mention oil imports. However, it grants to the President authority to take whatever action he deems necessary to adjust imports of commodities should they threaten to impair the national-defense industries.

In view of the fight being waged by domestic oil producers and the coal industry for some restriction on oil imports, the consensus is that it was pressure from these groups that led the Senate to adopt that amendment. It is understood that the amendment had the support of the administration and consequently likely will be approved by the House-Senate conference that is scheduled this week.

If the amendment remains unchanged in the reciprocal trade bill, the President will have the implicit power to restrict oil imports should they be in excess of the ratio to domestic production that existed in 1954. That would mean that crude oil imports would be restricted to around 10 percent of domestic production.

Senator **Frank Carlson**, Kansas, Republican, said in the debate on the amendment that there was no doubt in his mind that the intent of the Senate Finance Committee was to limit oil imports to the average daily rate of 1954, based on the report of the President's

Commission on Energy Supplies and Resources Policy.

"I can assure the Senate that I would not have agreed to the amendment dealing with imports of commodities which are of national defense interest, had I not been assured that it would be the policy of those who administer the act to follow the intent of those who participated in preparing the report of the (President's) Advisory Committee."

Senator HARRY F. BYRD, Democrat, of Virginia, said the Finance Committee, believed the amendment "will provide a means for assistance to the various national-defense industries which would have been affected by the individual amendments presented."

"Congress can initiate and adopt such legislation as it might deem advisable," he said, "should the action needed to protect these essential industries not be taken."

PRODUCERS YIELD

The Independent Petroleum Association of America, which spearheaded the drive of the domestic producers for direct legislation restricting oil imports, said the Senate had fully recognized the problem involved and "it deferred legislative limitations only on the assurance of similar limitations through administrative action."

"While we believe the 1954 levels of oil imports to be too high," the association statement continued, "we must reconcile ourselves that, if the Senate provision becomes the law, imports can be held to that and, in the meantime, we can in good faith try to live within those levels and observe the effects. If it works, well and good; if it does not we must try again for more definite relief."

The consensus in the industry is that the plan will work. Already, the five major American oil companies operating abroad have gone on record to the effect that they will hold imports in line with that suggested by the President's Committee. In fact before the amendment was passed by the Senate, the heads of each of these companies individually announced that they had or would put such restraint on imports into effect.

Actually what the amendment seeks is to give the President authority to restrict oil imports should they exceed significantly the 1954 level. Without such amendment, there is some doubt that the imposition of restrictions could be put into effect if the companies were unwilling to do so voluntarily.

COAL GROUP SEES A GAIN

Following the passage of the reciprocal trade bill by the Senate, the National Coal Association noted that the amendment by Senator Mathew M. Neely, Democrat, of West Virginia, to restrict imports of oil to 10 percent of domestic consumption had been rejected by a standing vote of about 3 to 1. However, the association said:

"Although Senator Neely's amendment failed to be accepted either by the committee or on the floor, the companies which was substituted in its stead can be hailed as victory for those who have fought so long to protect coal and other United States industries from unfair foreign competition.

"As the bill waited for conference action, there was every reason to believe the compromise section on limitation of damaging imports could prove workable in halting such commodity deliveries. It was said that assurances had been given that its provisions would be used to limit oil imports to 1954 levels in relation to United States production. Only the administration pledge made acceptance of the compromise possible."

After the passage of the trade bill by the Senate, Secretary of the Interior Douglas McKay has occasion to address the National Petroleum Council, a body consisting of the heads of oil companies. Secretary McKay told the council that the industry must limit imports by voluntary, individual action to the 1954 level as had been recommended by the President's Commission, or that Government action would become necessary.

Previously, the National Petroleum Council had adopted a report submitted by Hines H. Baker, president of the Humble Oil and Refining Co. and vice chairman of the council's committee on petroleum imports to the effect that "fair and equitable relationship should obtain at all times between total imports of crude oil and its products and total demand for oil in the United States."

In its conclusion, the council's committee noted that the recent report of the President's Commission on Fuel Resources had recognized the problem of oil imports and had specific suggestions for dealing with the problem, and said that the report was worthy of careful study and consideration.

TEN PERCENT RATIO LIKELY IN 1955

With all interests involved in oil imports now in agreement that they should be limited to about the 1954 level with respect to domestic production, the consensus is that the importing companies will keep deliveries from foreign sources at that level.

Early this year, when it was thought likely that direct legislation limiting imports might be enacted, there was a sharp increase in foreign oil shipments here. In 1 week, such deliveries, including oil products, exceeded 1,500,000 barrels, compared with an average of 1,052,000 in 1954.

With the report of the President's Commission, the companies voluntarily started to restrict imports. In the week ended on April 22, they dropped to slightly below 1 million barrels a day. Currently, they are running about 1,100,000 barrels a day, but further cuts have been scheduled by some companies. The consensus is that the major importing companies will restrain their imports for the balance of 1955 at a level that will match the 1954 ratio for the full year.

[From the CONGRESSIONAL RECORD, Apr. 29, 1959]

OIL IMPORTS AND GRAVY TRAINS

Mr. MCDOWELL. Mr. Speaker, at the time of the Executive order which restricted the importation oil by the mandatory import program, I issued a press release voicing my concern for the effect of the program upon the eastern seaboard consumers. Soon after the printing of this release, I was pleased to receive from Mr. Harry B. Hilts, secretary of the Empire State Petroleum Association, a letter with some pertinent data which vindicates my position. Mr. Hilts' letter contained an enclosure—a copy of a statement to its shareholders by American Petrofina, Inc., a Belgian controlled corporation which started operation in the U.S. market in October of 1956.

Because I feel, as does Mr. Hilts, that "the eastern seaboard consumers will be required to foot the bill involved in this gravy-train operation," I feel it necessary to bring to the attention of my colleagues, a description of my position, and the information conveyed to me supporting my stand. Consequently, I under unanimous consent, introduce the following material as an extension of remarks in the CONGRESSIONAL RECORD.

First. My press release of March 26, 1959.

Second, Mr. Hilts' letter of April 13, 1959, describing the position of the Empire State Petroleum Association which Mr. Hilts represents.

Third, a statement of March 30, 1959, issued to its stockholders by American Petrofina, Inc.

Fourth. My reply of April 17, 1959, to Mr. Hilts.

Fifth. Mr. Hilts latest communication of April 20, 1959.

MCDOWELL ATTACKS PRESIDENT'S DECISION TO CUT OIL IMPORTS

Congressman Harris B. McDowell, Jr. Democrat, of Delaware, in a strong indictment of President Eisenhower's move to protect large American oil corporations, made the following statement:

"We have been hearing a lot of talk lately about inflation from the administration. Prevention of inflation seems to have been the main thing on Mr. Eisenhower's mind as we have seen from his policy of a balanced budget and tight money. He has insinuated that the Democratic Congress is composed of nothing but spendthrifts and budget busters who are bent on destroying the economy by producing inflationary conditions.

"And yet, this same President has seen fit to cut the amount of oil which this country can import. This will definitely cause more inflation than any move the Congress could make if it were bent upon producing inflation, and of course, the Congress is not." McDowell went on, saying:

"While the President's order cuts crude oil imports about 25 percent, it slashes the import of gasoline and other refined oil products more drastically. To the ordinary consumer, this means the price of gasoline will go up since with less gasoline on the market, more money is required to buy it. It means the consumer's heating bill will become larger if he heats his home with oil or any oil product.

"To the businessman, this decision means a rise in the cost of manufacturing since he must pay a greater price for oil which he consumes in large quantities. By increasing the cost of doing business, this will increase the cost of buying every article that American business manufactures. Then too, when products of American industry must be sold at a higher price, our domestic manufacturers will be at a disadvantage on the world market since they cannot sell their products as cheaply as other nations with whom they are competing.

"We can easily see that the President's decision is totally inconsistent with his previous demand to eliminate inflationary tendencies from the economy. It is also inconsistent with the President's expressed desire to aid foreign countries and increase our prestige in the international arena. As a member of the House Foreign Affairs Committee, I am deeply concerned with the effect the oil import cut will have upon our relations with friendly producer nations. Our good trade relations with Canada essentially will be destroyed, and the damage this decision will do to our already strained relationships with South America and the Middle East will be irreparable. The economic stability of these countries, whose friendship we need so badly, depends to a great extent upon the money they receive from selling oil to the United States. The President's action can do nothing but cause a loss of friendship, and a weakening of these countries' economy, making them even more susceptible to Communist influence and infiltration. This we absolutely cannot afford.

"The President has attempted to give reasons for the decision. He stated that we must cut oil imports and develop America's ability to produce oil so that in the event of a major war, the United States would not have to depend upon foreign markets. This argument is so ill advised that it becomes ridiculous."

Congressman MCDOWELL pointed to its weaknesses by stating:

"First of all by cutting off oil imports we may be increasing the American oil industry's capacity to produce more oil by increasing its employees and the size of its production plants, but along with this we are depleting the available supply of domestic oil. Secondly, the United States has sufficient oil-producing capacity right now to fight a big war. Our worry is not whether we have enough oil for war * * * we have that. The real problem is whether or not we have an adequate amount of defense to prevent a major war from starting. Thirdly, in case of a limited war, the United States would not be severed from all foreign oil sources. Oil from Canada is piped into this country, and consequently would be free from enemy action on the high seas. Fourthly, it is true that some of our foreign sources of oil would be cut off in time of war, but, with this in mind, should we not allow at least part of America's oil to lie underground and should we not take advantage of the opportunity, which may not always be with us, to bring in oil from the Middle East and South America?"

Congressman MCDOWELL went on to say: "The President's decision is harmful to every State in this Union which depends upon oil imports. This means that his decision is harmful to all but a handful of western oil-producing States. It is a devastating blow to every consumer in this country, especially those east of the Mississippi River, for both business and consumers in this area depend heavily upon imported oil.

"The only people to benefit from the President's decision are those running our large oil companies and, I might add, it is not only the Democrats who are saying that the President is looking out for the oil interests which are financially well off to start with. Senator GEORGE AIKEN, Republican, of Vermont, delivered a scorching criticism of the President's plan."

MCDOWELL said, in conclusion: "Although politics is not the reason for criticism of the decision, politics can be the only reason for the President's order. It looks as if there is collusion between certain people in both political parties to protect the oil producers in exchange for their political support. I, for one, however, will voice my disgust when I see politics played to this extent. This decision, by annihilating a major source of oil, the lifeblood of our Nation, can do nothing but cause unjustified hardship to the consumer, weaken our defenses, and decrease our stature in the field of international relations."

EMPIRE STATE PETROLEUM
ASSOCIATION, INC.,
New York, N.Y., April 13, 1959.

Hon. HARRIS B. MCDOWELL, Jr.,
House of Representatives,
Washington, DC.

MY DEAR MR. MCDOWELL: We are enclosing herewith a copy of a letter sent recently to its shareholders by American Petrofina, Inc., a Belgian-controlled concern which began operating in the U.S. market on October 1, 1956.

We call your attention to the following quotation which we have underlined in the attached letter—

"* * * upon the basis of negotiations just concluded, should result in a substantial improvement in earnings."

Since the refineries owned by this company are located at inland sites, far removed from ports of entry used by oversea tankers, they cannot readily use imported oil in their operations. Thus, we assume that the substantial improvement referred to above will result from the sale of American Petrofina's oil imports under the quota system to refiners whose locations permit them to process imported oil.

So that you may more fully understand the gravy-train aspect of the situation referred to above, we estimate the windfall profit to this company as follows: Based on the going market price for foreign oil brought in under the quota system, when transferred from the quota holder to another refiner in need of the oil, we assume the additional sums accruing to American Petrofina, Inc., will total between $1 and $1.5 million this year.

We have, of course, no bone to pick with American Petrofina per se. We submit their letter only as a typical illustration of how former nonimporting refiners stand to benefit from current import restrictions.

This type of transaction is legal under the quota restrictions, but is assuming all the aspects of a "black market" operation. To substantiate this, the McGraw-Hill Publishing Co.'s daily Oilgram on March 20 pointed out that this traffic will add approximately $30 million to the coffers of formerly nonimporting refiners this year, thereby creating an inflationary impact on consumer oil prices.

We call your attention to the fact that eastern seaboard consumers will be required to foot most of the bill involved in this gravy-train operation.

Sincerely,

HARRY B. HILTS,
Secretary.

AMERICAN PETROFINA, INC.,
New York, N.Y., March 30, 1959.

To the Shareholders:

The mandatory import program recently approved by President Eisenhower, and to which reference was made in the company's 1958 annual report, extends long-awaited benefits to American Petrofina, Inc.

Under the license just received from the Department of the Interior, dated March 11, 1959, the company is authorized to import 4,050 barrels of foreign crude oil per day during the initial quota period. The effect to the company of this allocation is of real significance and, upon the basis of negotiations just concluded, should result in a substantial improvement in earnings.

During 1958, refinery realizations on manufactured products were severely depressed as a result of the availability of low-cost foreign crudes and products to various authorized companies operating under the voluntary import program, as well as to others who elected to ignore the requirements of that plan.

The controls established under the mandatory program should now prevent many of the costly abuses of the past and contribute thereby to an improvement in market conditions.

The prospects for your company for the remainder of the year are brightened by the Government's action, and I thought the information would be interesting and welcome to you.

HARRY A. JACKSON, *President.*

APRIL 17, 1959.

Mr. HARRY B. HILTS,
Secretary, Empire State
Petroleum Association, Inc.,
New York, NY.

DEAR MR. HILTS: I appreciate your letter and enclosure of April 13 for it gives factual information backing my objections to the mandatory import program. Any further information of this nature, dealing particularly with the effects of this program on the eastern seaboard consumer would be most helpful to me.

It is my feeling that your letter is the type which would be extremely effective as an extension of my remarks in the CONGRESSIONAL RECORD, and I would like to introduce it with its enclosure as such. I will, however, be guided by your feelings on this proposal and I would appreciate your expressing them to me as quickly as possible.

I truly hope that I may be of assistance to you in finding a remedy to this situation.

Sincerely,

HARRIS B. MCDOWELL, Jr.,
Member of Congress.

EMPIRE STATE PETROLEUM ASSOCIATION,
New York, NY, April 20, 1959.

Hon. HARRIS B. MCDOWELL, Jr.,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN MCDOWELL: Thank you for your letter of April 17 in which you acknowledge my letter to you of April 13 and its enclosure concerning our objection to the mandatory restrictions on petroleum imports.

I note your suggestion concerning the extension of this letter and its enclosure to your remarks in the CONGRESSIONAL RECORD and would be very happy to have you use my letter and its enclosure in this way.

Sincerely,

HARRY B. HILTS, *Secretary.*

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

ETHANOL AMENDMENT

Mr. DOLE. Mr. President, I had been intending to offer an amendment with respect to providing for cleaner air and increased use of a renewable, domestically produced energy source—ethanol.

When the Congress passed the Clean Air Act in 1990, much of the debate and negotiations concerned title 2, Mobile Sources. During those deliberations, a large number of Senators were concerned that we were forcing energy production overseas, and we wanted to ensure that ethanol—a domestic product—would be given at least equal footing with imported methanol. And we were successful.

Unfortunately, the regulations being drafted by the Environmental Protection Agency do not reflect what I believe to be the congressional intent with respect to ethanol. Rather, this agency seems bound and determined to force America to become even more dependent on less secure foreign sources and increase even more our foreign trade deficit.

At issue is whether EPA will permit ethanol to be blended with gasoline. The EPA has already decided that emissions form ethanol are far less likely to result in the creation of smog than are emissions from a wide variety of other motor gasoline components. Therefore, gasoline blended with ethanol should be given credit for this fact.

The Congress restated this in the Clean Air Act. Now, the EPA is taking the position that we did not restate it often enough in the Clean Air Bill.

The issue is fairly complicated, so I will not take the time of my colleagues at this point to go into the details. But I will not allow regulations to defy the actions of Congress. The EPA is attempting to completely shut a domestic resource out of a major portion of the market in America.

Mr. President, I have been assured by the distinguished majority leader, Senator MITCHELL and the ranking member of the Committee on Environment and Public Works, Senator CHAFEE, that they will sit down with the sponsors of this amendment, including Senator DURENBERGER—the Senator most responsible for drafting this title of the Clean Air Act, Senator DASCHLE, Senator GRASSLEY, Senator PRESSLER, myself and other interested Senators to attempt to resolve this problem.

I have, therefore, decided not to offer this amendment this evening. I do look forward to our negotiations and hope a successful conclusion can be reached. If not, I do want to alert my colleagues that the amendment will be offered in the near future.

Mr. SIMPSON. Mr. President, I will vote to pass this historic piece of legislation. For too long now, our country has been without a national energy policy that will look to our Nation's long term energy needs. This legislation does that, and I am pleased to support it.

I want to commend the fine floor managers, Senator BENNETT JOHNSTON of Louisiana, and my fine life-long friend and able colleague, the senior Senator from Wyoming, Senator MALCOLM WALLOP. These two steady statesmen have worked doggedly on this legislation. They have slaved long hours, together with their fine staffs, and have crafted one of the most solidly bipartisan bills I have ever seen on such a contentious matter: Our Nation's energy security.

Mr. President, the ranking member on the Energy Committee, Senator WALLOP, is one fine man. You know that. He is also a very close friend. He was here when I first arrived, nearly 13 years ago, and was already a true leader. Senator MALCOLM WALLOP is also a "man of Wyoming" in every sense. He is in touch with all that occurs in our fine State. He is in touch with the needs of the people and the needs of the State. But, Mr. President, as we can see here on the floor today, Senator MALCOLM WALLOP is very much aware that the needs of the State of Wyoming and its people are most effectively addressed at the Federal level with sound, bipartisan legislation that is also in the best interests of our country. In that sense, the Senior Senator from Wyoming—my old friend and colleage—is also a "man of the Nation." The people of Wyoming—indeed, the country—are very fortunate to have such a man as U.S. Senator. He has my utmost respect and admiration and, I would surely feel, the utmost respect and admiration of all Members of this body for the fine work he has done these past years on this particular legislation. Senator BENNETT JOHNSTON also deserves the very highest praise. He is such a splendid legislator.

While I am somewhat disappointed the provisions from the original energy bill, S. 1220, which would have permitted oil and gas exploration within ANWR were not voted on by the Senate, I am pleased, Mr. President, with what this body is passing today.

There is much in this legislation that will help our Nation's economy, improve our energy security while maintaining our dedication to protecting the environment, and also to help the economies of every State. I know that the people of Wyoming will benefit from the coal provisions in this legislation. Wyoming leads the country in clean coal production, and this legislation carves out a whole new area of research into clean coal technology and use. That is good for the country, our environment, and the economy of my home State of Wyoming.

I am pleased also about the provisions in this bill which will operate to expand the uses of natural gas and natural gas markets. Wyoming is also a leader in natural gas production. Besides encouraging production and efficient use of our natural resources—particularly oil, gas, and coal—this legislation will permit on-site development of power generation facilities. Natural Gas is the cleanest burning fuel we have. By using natural gas, on-site, to generate electrical power, Wyoming can grow to be a leader in the field of electrical generation as well. I am pleased to tell my colleagues that one company has already announced tentative plans to build just such a facility.

This legislation will provide much needed support to that portion of my State's economy. The Federal Government—the taxpayers—will also benefit, since most of the natural gas produced in Wyoming lies beneath public lands. That means that Wyoming will continue to provide significant revenues in royalty payments to the Federal Treasury.

We in Wyoming have always been proud of the fact that our State provides more to the Federal Government than we receive from the Government. Wyoming—indeed, the entire energy producing West—has always been a profit center for the Nation. So, with that in mind, I am especially pleased to note that the provisions which I have mentioned, and others, will also directly benefit the great State of Wyoming and, in doing so, benefit the entire country.

So again, Mr. President, I want to extend my most heartfelt congratulations to the able floor managers of this bill and to the members of the committee. This is truly a moment that the Senate can be proud of.

Mr. SEYMOUR. Mr. President, I rise in strong support of S. 2166, the National Energy Security Act, and praise the Republican and Democrat leaders of the Energy Committee, Senators WALLOP and JOHNSTON, for moving expeditiously to pass this vital legislation.

Following the defeat of S. 1220, I stood in this chamber and demanded that the Senate end its usual partisan infighting and adopt a comprehensive framework for America's energy future. Today, almost 4 months later, it looks like the Senate will act.

S. 2166 is not a perfect bill. It leaves many of our Nation's toughest energy questions unanswered. The bill contains no mention of modified corporate average fuel economy [CAFE] standards, and it avoids the politically difficult issue of drilling on Alaska's Arctic coastal plain. Some may feel that these two omissions balance each other out—one a conservation measure popular with environmentalists, and the other a domestic production measure unappealing to many environmental groups.

Unfortunately, the deletion of these two provisions does not create a balance. In fact, the lack of one actually exacerbates the omission of the other. Low fuel efficiency standards mean that our Nation will continue to increase its consumption of oil. Eliminating oil production in the Arctic coastal plain ensures that the oil we use to fulfill this increased need is imported.

During consideration of the energy bill in committee, I supported the provision in S. 1220 which required the administration to set "maximum feasible average fuel economy level[s]" for cars and light trucks in model year vehicles 1996 and beyond. I also supported exploratory drilling in Alaska. I believe that together these two measures enhance our Nation's energy security.

Even without these provisions, though, S. 2166 is an important step toward a sound national energy strategy for the United States. Passage of S.

2166 will help to provide cheaper cleaner energy to American consumers well into the 21st century.

Mr. President, I would like to take a moment to highlight several measures in S. 2166 which are of great importance to the people of my State of California.

S. 2166 contains the Seymour Year-2000 Outer Continental Shelf [OCS] moratorium amendment. The Seymour amendment, which was adopted by the Energy Committee during consideration of the National Energy Security Act, bars all new Federal oil and gas lease sales off the coast of California through the end of the century.

The amendment not only codifies President Bush's partial moratorium off the California coast but also includes the 87 tracts in the Santa Barbara Channel and Santa Marina Basin which are in the Department of the Interior's 5-year leasing plan. The passage of S. 2166 will take these lease sales off the table for at least the remainder of the decade.

Along with my OCS amendment, the committee approved a provision I offered to speed the purchase by State governments of alternative fueled vehicles. My amendment requires States to make 10 percent of all the new fleet vehicles they purchase alternate fuel vehicles by 1995. This requirement increases to 15 percent by 1996; then 25 percent by 1997; 50 percent by 1998; 75 percent by 1999; and 90 percent by 2000. I believe such increased State government purchases of alternative fuel vehicles will help create a market for these vehicles, and make the transition to alternative fuel vehicles easier for private companies and individuals.

The committee, with my strong support, also added amendments to establish electric and electric-hybrid vehicle research and development programs, enact strict showerhead efficiency standards, and grant the Secretary of Energy the authority to buy-down or subsidize interest rates on bank loans to finance renewable energy projects.

During earlier floor consideration of S. 2166, I offered another amendment to remove the exclusion of home garaged vehicles from the definition of fleet vehicles for State and Federal Government fleets. Under the previous language in S. 2166, Federal and State vehicles which meet all the necessary criteria to be considered fleet vehicles, were exempted from the alternative fuel fleet provisions of the act if they were garaged at home.

Excluding home garaged fleet vehicles runs directly counter to the current trend in California. Currently, the State of California has fleets of alternative and flex-fueled vehicles. These vehicles are often garaged in private homes at night, and then driven to work. Without the inclusion of my language, S. 2166's definition of fleets would not have covered many of the alternative fuel fleet vehicles currently used by the State of California. Realizing that such an exclusion might adversely impact the development of alternative fuel vehicles, the Senate unanimously adopted the home garaging amendment.

These are just a few of the important measures that have been included in S. 2166.

It is clear that this Nation needs a comprehensive energy strategy. Today, I am hopeful the Senate will finally act on this important legislation.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I rise to congratulate Senator JOHNSTON, the chairman of the Energy Committee, and Senator WALLOP, the ranking minority member. I have been on that committee for 17 years, and I think it is fair to say that we have never had such a visionary piece of legislation, and legislation that is more due for our day.

It is time that we change many laws regarding energy, and they are all accomplished in this measure. Maybe there are a few more that we could have accomplished, but I think they deserve the gratitude of the Senate, and congratulations.

I also note that Secretary of Energy Watkins is in the gallery, and I think he deserves credit for sticking with this very complicated and difficult bill. He is entitled to some measure of congratulations, and I believe we will all recognize this in years to come.

I yield.

Mr. JOHNSTON. Mr. President, I will be very brief. This is the most comprehensive, the most effective, the most balanced energy bill ever considered by either House of Congress in the history of the Congress. It is entitled "the Energy Security Act of 1992." We believe it will be just that, by changing our energy policy from one based upon imports to one based upon made-in-America energy. We emphasize energy efficiency; we emphasize conservation; we emphasize both the production and the conservation side of the energy equation.

We have revolutionized the way electricity is generated by requiring competition, which will insure to the benefit of the consumer. We streamlined the way we license natural gas pipelines. We streamlined the way that nuclear plants are licensed by taking the litigation and delay out and leaving the safety in.

Mr. President, we promote alternative fuels by putting on the road over 4 million alternatively fueled vehicles by the year 2000.

Mr. President, they say the devil is in the details, and there are a lot of details in this bill. We expect it to cover some 600 pages. But it is only by a detailed, comprehensive pattern for energy that we are going to get energy security in this country.

Mr. President, it may not be everything we can do, because we do not have jurisdiction over tax matters and a few other matters that could be considered. But everything that makes sense, outside of that which the Senate has rejected earlier that is really in Alaska and CAFE, is contained within this bill. We believe it is comprehensive and workable.

One final word, Mr. President. It would not have been possible without the excellent work—great cooperation and tremendous work—of the distinguished Senator from Wyoming, who has done a magnificent job.

Mr. President, the majority leader and the majority whip, Mr. FORD, have both been very strong in their leadership, along with Senator DASCHLE, who has shown great leadership. It would not have been possible without them.

Mr. President, finally, I want to thank, on our committee, Senator WIRTH, who has shepherded through the energy efficiency and energy conservation sections; Senator BUMPERS, who has been a tremendous source of help on this bill; Senator CONRAD, who has been strong all through this bill, and all of the other members of our committee on the majority side.

I will ask Senator WALLOP to speak for his side, which has been very strong. It has been a strong bipartisan effort. I thank all Senators for their cooperation.

Mr. WALLOP. Mr. President, the Senate is very adept at pontificating, particularly about those issues on which we are unwilling or unable to act. Few Members have passed on the opportunity to express outrage over the absence of a national energy policy. They have decried the economic, trade, and human consequences of our country's dependence on oil imported from the politically unstable Persian Gulf. They have described their indignation about the lack of a program to develop alternative fuels to replace our dependence on petroleum-based energy. The clamor for an energy policy reached a crescendo last year during the debate on the Persian Gulf War Resolution. I recall one Member lamenting that, "not a single American soldier should lose his life in the Persian Gulf because America has no energy policy worthy of the name to reduce our dependence on foreign oil."

Another colleague commented on the failure of Congress to formulate an energy policy and challenged Congress, "to lead this Nation to the formation of a comprehensive national energy policy with the goal of eliminating our dependency on foreign oil, thereby assuring that this type of crisis will not ever again happen."

And, there were many similar comments describing the need for the enactment of a long-term, comprehensive, effective national energy strategy. Yet, last winter, we encountered another of our periodic energy crises. Not only did the crisis demonstrate our growing vulnerability to foreign oil, but it tipped our economy into recession. The economic damage to all Americans has been immense. Congress now has a chance to repair some of that damage. Unfortunately, it has taken us forever to act. We refused to debate a comprehensive energy policy last fall. Now, we are moving forward, but our proposal is stronger on consensus than on scope.

This bill makes great strides in advancing the development of new energy sources and the efficient use of all available energy supplies. Yet, we continue to exhibit a reluctance to develop existing domestic energy resources—a flaw that means our Nation will remain vulnerable to the same economic and energy repercussions experienced during the last three energy crises.

After the outbreak of the Persian Gulf conflict, many of us thought there was a clear mandate from the American people to formulate a national energy strategy. Instead the Congress became bogged down in jurisdictional squabbles among rival committees and between individual Members for adoption of their particular silver bullet; be it energy efficiency, CAFE standards, alternative fuels, nuclear power, PUHCA reform, or renewable energy.

What hypocrisy. The American people deserve better from their elected officials than they witnessed during debate on the motion to proceed to consideration of S. 1220, the Energy Security Act of 1991. By that vote on November 1, the Senate actually refused to debate our national energy policy. No country in the world has the luxury of being so rich or stupid as to deny itself the use of its own resources.

For the 15 years I have been in the Senate, I have observed special interests vigorously pursuing opposite philosophies, and effectively tieing up congressional debate on energy policy. With the exception of an unworkable CAFE standard, environmentalists would rather do without a bill than fashion a strategy that reflects a balance between conservation and production. What they have going for them is public indifference. The political reality is that the gulf war did not last long enough for public sentiment to force the enactment of an energy strategy. And, today, with temporarily low energy prices, there is a vast public indifference to energy issues.

Meanwhile, because of our failure to adopt a national energy strategy, imports now supply 42 percent of our oil needs. More than one-half of our balance-of-trade deficit—$65 billion—can be attributed to oil imports. And, our continuing failure to enact a national energy strategy will leave the United States dependent upon foreign sources for almost 75 percent of its oil in less than 20 years, according to the congressional Office of Technology Assessment.

We seldom take into account the true cost of our dependence on foreign oil. For instance, there are the $15 billion in external costs associated with the United States military presence in the Persian Gulf, that economist Harold King claims add $23.50 to the actual cost of each imported barrel into the United States.

Finally, well over a year after we began drafting this bill, the Senate is ready to pass a national energy strategy for the United States. The National Energy Security Act of 1992, now known as S. 2166, is a stripped-down version of the legislation we were unwilling to debate last year, S. 1220. There are four differences between S. 2166 and its predecessor, S. 1220. We have omitted provisions on ANWR, CAFE, WEPCO, and used oil.

The only fault is that in seeking a consensus on S. 2166, we have had to weaken the opportunity to produce oil domestically. This is an issue which we will have to face again. Despite this shortcoming, the measure does accomplish much of what critics have demanded from a national energy plan. It enhances our national security interests by decreasing dependence on foreign oil. The foreign oil that will be backed out of by this bill would help our balance of payments by at least $200 billion. S. 2166 will generate 700,000 additional American jobs. S. 2166 also will strengthen our economy consistent with national environmental protection policies. Any objective analysis of S. 2166 must conclude that it is a balanced and comprehensive national energy strategy, notwithstanding the omission of ANWR.

Early critics of S. 1220 have tried to prevent Senate consideration of this bipartisan effort with an onslaught of misinformation. The Senate debate which we are about to conclude has demonstrated the merits of S. 2166 and the weakness of opposing arguments.

The merits of the bill can be summarized in six major areas involving energy conservation and energy supply initiatives.

First, the measure provides incentives which foster a more efficient and expanded use of domestic supplies of natural gas, oil, and coal—all of which we have in abundance. This bill will encourage the use of domestic energy resources consistent with national environmental concerns.

Second, this measure encourages the greater use of renewable energy and energy efficiency alternatives throughout our economy. In the transportation sector, for example, the measure contains a broad range of energy efficiency and alternative fuels initiatives including the commercialization of electric and electric-hybrid vehicles and the conversion of fleets of 20 or more vehicles to alternative fuels.

The economic viability of the American economy rises and falls with the economic viability of the American automobile industry. The last thing the American auto industry needs right now is more Federal regulatory burdens. This measure, correctly, does not contain a CAFE provision.

Third, in response to increasingly tough international competition, the measure contains initiatives to more effectively deliver advanced energy technologies developed in the United States to the marketplace as a source for business and jobs. These technologies can serve as a critical component in the growth of the U.S. economy. I have further improved this section through an amendment to promote transfers to developing countries of clean coal and renewable energy technologies. This is perhaps more important than establishing an arbitrary cap on economic growth for developing countries—an idea now being discussed in the context of the "UNCED" conference. By promoting clean coal projects, we will assist developing countries to use, in an environmentally safe manner, the largest energy resource available to those countries.

Fourth, in support of this objective, the measure restructures many Federal energy research and development programs to place greater emphasis on commercialization of energy technologies. For example, the measure authorizes a broad range of cooperative agreements and joint ventures in such areas as energy efficiency, renewable energy, electric and electric-hybrid vehicles, advanced nuclear reactor technologies, and the use of natural gas.

Fifth, and an important area, the bill promotes safe nuclear power as an energy option. Nuclear power must be a viable energy option. If not, our dependence on imported oil will remain a threat to our Nation's economic health and energy security. The bill enhances the safety of nuclear powerplants by codifying the nuclear licensing process already being implemented by the Nuclear Regulatory Commission. The measure preserves opportunities for citizens to raise significant safety concerns and for the courts to review NRC licensing decisions.

Finally, the National Energy Security Act removes regulatory barriers that unreasonably restrict the use of domestic energy supplies and hamper the development of new, more environmentally benign energy technologies. These provisions, combined with the efficiency and alternative fuels requirements, represent a substantial investment in the protection of our environment. As I have already indicated, the bill fosters the development of alternative, renewable, clean fuels. The bill also contains extensive initiatives on motor vehicle fleets, alternative fuels, reuse of used oil, natural gas regulatory reform, and energy research and development.

In our transportation section alone, the measure contains major initiatives absent from other proposals. For example, it provides for natural gas vehicle research and development, for the demonstration of hybrid-electric vehicles relying on alternative fuels, for the demonstration of electric vehicles, for an expanded battery research program, and for Federal, State, and private alternative vehicle fleet programs in 131 cities compared to the Clean Air Act's 9-city program.

Our Senate bill is now supported by a broad cross section of Americans because the measure is balanced. This support includes energy consumers, industrial users, energy producers, labor, and public officials. There is a recognition that this measure fosters energy efficiency and conservation in buildings, transportation, and industry. And there is support for our energy supply initiatives such as enhanced oil and gas production, solar and renewables, coal refining, and alternative fuels.

I remain perplexed as to why our harshest critics have ignored the environmental safeguards in our bill. S. 2166 enhances environmental values by fostering the development and deployment of more environmentally responsive energy technologies consistent with efforts to address global climate concerns.

In fact, this bill strengthens environmental policies. Contrary to a devious misinformation campaign, it does not override the Clean Water Act, nor the National Environmental Policy Act, nor the Endangered Species Act. Rather, it encourages the more efficient and environmentally sensitive use of fossil fuels. For example, the measure requires formulation of a national energy strategy to stabilize greenhouse gas emissions. When implemented, the provisions in the bill on emissions will place the United States in a leadership position in this area. Once again, we will lead the world on environmental issues. And, we will have the basis for a response to the devastating policies which some are promoting at the United Nations on global environmental issues.

It is ironic that many of the same groups who are promoting the anti-economic growth agenda for the United Nations Conference on Environment and Development are the same people who continue to oppose the National Energy Security Act. They have little interest in America's development of energy resources, such as nuclear, which reduce greenhouse gas emissions. They successfully opposed production proposals which would have provided the Federal revenues for the development of what currently are still esoteric renewable energy resources. Obviously, these groups are driven by a political agenda designed to enhance their own power—not to provide Americans with the energy we need.

It is not just our own country, but also the developing world, which would be environmentally hurt by the failure to pass this bill. We are the leader in terms of environmental technology. Our corporations, universities, and governmental agencies contain a wealth of scientific information about the environment. If we cannot bring this technology into operation, and share the benefits with developing countries, the only result will be to further damage our planet. We need a good dose of environmental realism—by Congress, industrial, and environmental interests if we ever expect to address national energy needs. There is no silver bullet which will miraculously solve our energy needs—there is only the realism that the National Energy Security Act provides.

Despite years of floors speeches and an abundance of rhetoric, this legislation is the first major energy initiative debated in the Senate and, indeed the Congress, in over 10 years. The measure represents a truly bipartisan effort that is supported by the White House.

Without this bill, the United States will have nearly a 40-percent increase in primary energy demand by the year 2010. Moreover, compared to today, oil imports will have increased some 85 percent to over 14 million barrels a day.

By comparison, enactment of S. 2166 will hold oil imports in the year 2010 at essentially today's level of about 8 million barrels a day—despite a 30-percent increase in primary energy demand. We've accomplished this by energy efficiency initiatives which by the year 2000, will reduce primary energy demand by approximately 1.6 quads—or the oil equivalent of 75,000 barrels of oil a day. By the year 2010, primary energy demand will be reduced by at least 8.1 quads (or the oil equivalent of 3.8 million barrels a day).

By encouraging such steps as the use of alternative fuels for transportation through deployment of natural gas and electric vehicles by Federal, State and private fleet operators, S. 2166 will achieve more energy efficiency and conservation than production of domestic energy supplies. This is a point often ignored by our green critics.

S. 2166 also contains major production initiatives which, according to preliminary analyses, will substantially increase domestic primary energy supplies. By the year 2000, the measure increases primary domestic energy supplies by the oil equivalent of 2.2 million barrels a day—or 4.3 quads—of which 1.7 million barrels is from increased oil production. This production is exclusive of the ANWR provisions that no longer are in S. 2166—provisions which were estimated to produce 200,000 barrels a day.

The new technologies provisions of the bill will increase oil production in the year 2000 by 1.5 million barrels a day and in 2010 by 3.3 million barrels a day. Without this bill, domestic production would significantly decline, and foreign dependence will simply grow.

As a consequence of these energy efficiency and production initiatives, oil imports are expected to be reduced in the year 2000 by an estimated 2.9 million barrels a day and in the year 2010 by at least 6 million barrels a day.

Our country is fortunate to have a broad spectrum of energy resource choices—coal, uranium, oil, gas, renewables, and energy conservation. A successful energy strategy should provide sufficient flexibility for all of these alternatives to compete in the marketplace. This one does.

Our bill is not only good for the environment, but also for the economy. S. 2166 would create jobs, lower the unemployment rate, and encourage economic growth. Our GNP in the year 2000 would be $30 billion higher annually if S. 2166 is enacted. About 315,000 more jobs would be created in the year 2000 and about 485,000 by the year 2005. The cumulative increase in GNP by the year 2010 would be more than $550 billion.

Last July, President Bush stated that "on the legislative front, we've made a substantial headway since we released the energy strategy last February * * * we need Congress to act wisely and, I think, act soon on this important domestic policy initiative. Unfortunately, some critics don't seem to see the big picture. They focus on one or two issues that admittedly are controversial."

Seven months later, we have taken much of the controversy out of the bill. But, we still have hurdles to cross before a national energy strategy is signed into law. It is time to drop the speechmaking and move forward with this legislation. We finally have a national energy policy. Now is the time for my colleagues to vote, vote in favor of S. 2166, the National Energy Security Act of 1992.

Mr. President, completion of this measure with only 11 rollcall votes was possible through the time and efforts of a cadre of committee staff members. Through their efforts we have been able to resolve and adopt over 108 amendments dealing with all elements of a national energy strategy for the United States. Among those staff members deserving special recognition for their leadership in bringing this bill to final passage are the minority staff director, Rob Wallace; minority chief counsel, Gary Ellsworth; and the senior minority staff member for energy, Richard Grundy. Also an integral part of the team on which I have heavily relied are the senior minority counsel for natural resources, Jim Beirne; Howard

Useem, professional staff member; Judy Pensabene and Jodi Brayton, counsels; and Jim O'Toole, professional staff member. And immediately behind them are the able support staff, who deserve a special thanks: Carol Craft, Gerry Hardy, Alison Spalding, and Gigi Beall.

I also wish to acknowledge the work of Ben Cooper, Mike Harvey, Patty Beneke and the rest of the majority staff.

Mr. JOHNSTON. Mr. President, as my colleagues will recall, the bill we are completing action on today (S. 2166) as introduced by Senator WALLOP and myself is identical to S. 1220 as reported by the Committee on Energy and Natural Resources on June 6, 1991 with the following changes:

First, all provisions relating to the Arctic National Wildlife Refuge [ANWR] contained in title VII of S. 1220 have been deleted;

Second, all provisions relating to corporate average fuel economy [CAFE] contained in title III of S. 1220 have been deleted;

Third, all provisions relating to the WEPCo issue—contained in section 14201 of S. 1220—have been deleted; and

Fourth, all provisions relating to used oil energy production—contained in title VI, subtitle D of S. 1220—have been deleted.

The committee's report on S. 1220 (S. Rept. 102-72) contains the legislative history applicable to S. 2166.

TITLE IX NUCLEAR LICENSING REFORM

Mr. WALLOP. Mr. President, as we conclude consideration of S. 2166, it behooves us to reflect for a moment on the reasons Senator JOHNSTON and I included title IX, nuclear licensing reform, in the bill. This country is faced with the likelihood of the need for up to 150,000 megawatts of additional baseload electrical generating capacity by the turn of the century. Even with aggressive development of conservation programs and alternative electricity generation technologies such as solar, wind, and geothermal, fossil-fuel and nuclear sources of electricity will be required for the foreseeable future if we are to have reliable electrical service to meet the anticipated increase in demand. We simply cannot afford to throw away any option we have. However, we are precipitously perched on the edge of the demise of nuclear power because we have persisted in our refusal to craft a new licensing procedure that provides a rational format and that will instill public confidence in the safety of these plants.

Nearly 40 years ago, two esteemed Members of this body argued to their colleagues the illogic of a two-step licensing process like that which we are burdened with today. The occasion was the debate on the Atomic Energy Act of 1954. Senators Hubert Humphrey and Henry "Scoop" Jackson urged that the two-step licensing concept be abandoned because of the plain silliness of deferring safety determinations to the operational stage after millions of dollars have been invested in building the plant.

Now here we are four decades later, caught up in this bizarre deja vu, grappling with the same problem. The only difference is that, in the interim, we have made a compelling case for revamping a system that even at its inception was recognized as undesirable. The promise of new advanced designs and the expertise that has come from 30 years of successful operating experience underscore the wisdom of the approach we have taken in title IX.

To our shame, our inaction on this front prior to today, has reaped the bitter harvest of extensive delays in new plant construction and operation resulting in exorbitant increases in plant costs, loss of investor confidence and skepticism in the public about our ability to safely build and operate these facilities. All of this evolved because licensing issues that should be resolved before construction begins can be raised after construction under the old licensing process.

There have been no nuclear plant orders in this country since 1978, and little wonder. It takes an average of 14 years to build and license a plant in the United States, with licensing delays increasing the cost of the plant by as much as 50 percent.

I do not understand how anyone could advocate leaving the old system in place when it has failed so miserably. Why would we deprive ourselves of an option for electricity generation that is virtually inexhaustible in supply and that we have used successful for over 30 years? Where is the logic in wringing our hands over global warming and dirty air while ignoring a technology that promises electricity generation with no air pollution?

Why would we do this to ourselves? France and Japan can build a plant in a third of the time it takes in the United States at half the cost without sacrificing a whit of safety. France expects to have 77 percent of its electricity generated by nuclear power by the year 2010. The crux of the problem has been our antiquated licensing system that permits delays occasioned by procedure alone. We put that problem to rest today by our adoption of title IX.

If we are serious about including nuclear power in the mix of options for electricity generation, we cannot belie the good judgment evinced in adoption of this reform of the licensing process. The provisions of title IX accomplish reform in a way that provides at least three opportunities for public participation in hearings on every aspect of the licensing decision before a spade of dirt is ever turned to construct the plant. The advantage of this approach is that the public will be involved from the very beginning in decisions about safety so that concerns can be addressed long before billions of dollars are invested in building the plant.

The provisions in title IX are a perfect balance between the public's interest in ensuring safety of these plants and the industry's need to have a reasonable expectation that a plant will be permitted to operate after it is built.

If the distinguished Senator from Louisiana would yield. One of the provisions in the substitute to title IX of S. 2166 is to clarify the judicial reviewability of certain licensing decisions by the NRC. Do we agree that the intent of this amendment to make clear that a decision by the NRC to allow a nuclear energy plant to begin operating is subject to judicial review, even though the decision is made in accordance with the combined construction and operating licensing procedures of proposed new section 189(a)(1)(B)?

Mr. JOHNSTON. Yes; the distinguished Senator from Wyoming is quite correct. Let me add, however, that the provision does not alter existing requirements for exhaustion of administrative remedies by an aggrieved party as a condition of judicial review.

Mr. WALLOP. The substitute is intended to apply to an NRC decision that either allows or prohibits a newly-constructed nuclear energy plant to begin operating under a combined construction and operating licensing. Is it the understanding of the distinguished Senator from Louisiana that this is the case under existing law and that this amendment merely confirms the purpose and intent of this existing law?

Mr. JOHNSTON. That is correct. As an example, if a party petitions the NRC to prohibit operation of a newly constructed nuclear energy plant based upon significant new information about the plant safety that has come to light since the NRC issued a combined construction and operating license for the plant, as NRC regulations now provide, an NRC decision denying the petition would be judicially reviewable. The NRC has stated that this would be the case under existing law. The substitute merely confirms the NRC reading of existing law and does not in any way change existing law with regard to agency actions after the authorization of initial operation. It should be noted that only a final order granting or denying a petition would be reviewable as provided in section 189b.

Mr. WALLOP. And is it also true that an NRC decision granting this kind of petition and prohibiting operation of this newly constructed nuclear energy plant would be judicially reviewable?

Mr. JOHNSTON. Yes; the intent of the substitute is to work both ways so that the party aggrieved by the NRC decision can have that decision reviewed in the court system.

Mr. WALLOP. Now with respect to the amendment to new proposed section 185(b), it appears that instead of requiring the Commission to satisfy itself that the prescribed inspections, tests, and analyses are performed and that the acceptance criteria are met, the substitute now requires a finding by the Commission to the same effect. Are we agreed that in making this finding the Commission need not hold any additional hearings, whether formal or informal, but retains the full flexibility to establish how this finding will be reached?

Mr. JOHNSTON. Yes. That is clearly the purpose of the sentence in the amendment that says, "Any finding made under the subsection shall not require a hearing except as provided in section 189(a)(1)(B)." Let me stress, too, that the underlying principle of this title is that full and comprehensive inspections, tests, and analyses, and acceptance criteria necessary for compliance with the combined construction and operating license, the Atomic Energy Act, and the regulations of the Commission will be established in the combined license after a public hearing. Because of this, the additional preoperational hearing opportunity provided by the legislation is only to address non-conformance with the acceptance criteria in these ITAACS. This legislation is intended to achieve this very important goal.

Mr. WALLOP. Like the distinguished Senator from Louisiana we, too, recognize the value of public input in the licensing process, but are cognizant that unnecessary and unproductive hearings which inject only delay in operating a safely constructed nuclear energy plant should not be tolerated. Licensing stability and certainty can only be achieved if a utility and the investment community know that a combined license is a real license that affords its holder the protection provided by other licenses. Indeed, we believe it is of paramount importance in health and safety regulation matters that a licensee who complies with its license may perform the licensed activity absent extraordinary conditions. Is this also the intent of this amendment?

Mr. JOHNSTON. Yes; it is. A basic concept imbedded in the Administrative Procedure Act, and intended to be implemented by this legislation, is to secure for the license holder the benefit of compliance with the license. This new section 185(b) is not intended to disturb this important administrative law precept.

Mr. WALLOP. The substitute, like the original title IX of S. 2166, allows a plant to begin operation notwithstanding a request for a hearing and a decision by the Commission to grant a hearing. With respect to this process, does the distinguished Senator from Louisiana agree that, despite the pendency of a hearing, the NRC shall permit interim plant operation if it concludes that there will be reasonable assurance of adequate protection of public health and safety?

Mr. JOHNSTON. This is correct. An important point, though, is that the Commission need not hold any hearing nor is it required to engage in any formal process to make the determination required by the statute. Indeed, it is the intent of this section that even if the Commission allows a hearing on the nonconformance issues, plant operation can commence if, after expeditiously considering any prima facie showing by the petitioner and the licensee response, the Commission determines that plant operation during an interim period is safe. If it does this, then the hearing process will not interfere with or delay plant operation. It is a very important principle of license reform to eliminate the past abuses whereby fully constructed nuclear plants whose generation was needed by the utility customers were nonetheless required to remain idle while endless hearings were conducted. No longer will this be the case. If the Commission determines that a plant is safe to operate during an interim period, then it shall let it do so while a hearing is conducted on any allegations of license non-conformance.

Mr. WALLOP. It appears clear from the text of the amended section 189(a)(1)(B)(iv) that the NRC has complete discretion to determine the appropriate hearing procedures at any preoperational hearing. Is it the intent of the legislation to restrict the NRC authority to determine whether discovery is appropriate, whether there should be examination or cross examination of witnesses or to restrict NRC authority to effectuate any other procedure which would expedite the decision process?

Mr. JOHNSTON. No. The NRC retains full authority to determine those matters. The legislation only requires that the NRC state its reasons for determining the appropriate hearing procedures; however, neither this requirement nor anything else in the legislation is intended to create a right to an interlocutory appeal of the NRC's decisions on these matters.

Mr. WALLOP. Does the Senator from Louisiana also agree that passage of this legislation is not intended to imply that the existing Atomic Energy Act is not sufficient statutory authority for the licensing reforms the NRC has attempted to implement in its promulgation of part 52 of its regulations?

Mr. JOHNSTON. Yes, it is very important to emphasize that this legislation is intended to explicitly clarify the Commission's existing authority under the Atomic Energy Act for the licensing reforms contained in part 52. It should also be noted that reforms in addition to those contained in part 52 that might further streamline the licensing process would not necessarily be outside the bounds of the Commission's authority under the existing Atomic Energy Act.

TRANSMISSION ACCESS

Mr. CRAIG. Mr. President, in light of the recent colloquy addressing transmission access, I wish to state that I agree it would be premature to consider mandatory access legislation. At this point, neither the Senate Energy and Natural Resources Committee nor the Senate as a whole has had an opportunity to fully consider the need for, or the ramifications of, mandated open access to the electric transmission system.

When addressing issues of this importance, it is my belief that we should only consider legislation that is a product of the deliberative legislative process of the committee. It is fundamental that governmental action affecting basic components of our society should be the product of deliberative and well-founded political judgment. In that regard, there is no question that this Nation's electric grid is such a basic component.

Mr. President, in view of the Senate having not considered this issue I strongly object to any attempt to make sweeping changes in the operation of the Nation's power grid without thorough consideration of this body. It would be ill advised to run the risk of disrupting the national energy grid by rushing forward with legislative action that has not been completely considered.

COMMENDING THE ADMINISTRATION'S SPEED-UP OF CFC ELIMINATION

Mr. DOMENICI. Mr. President, last week, President Bush announced an important change in U.S. policy to address the rapid shrinking of the stratospheric ozone layer, our shield against the Sun's damaging rays. I am pleased at the President's quick response to the news of the worsening of a problem about which I have been worried for many years.

In 1975—17 years ago—Senator DALE BUMPERS and I formed a subcommittee and held nine hearings on CFC's and the ozone layer. At these groundbreaking hearings, scientists told us that the seemingly benign chlorofluorocarbons [CFC's], which were then widely used as aerosol propellants and refrigerants, turned into ozone destroyers when they floated up to the stratosphere. The scientists warned that the thinning ozone would let through the Sun's damaging ultraviolet rays, and that this would lead to increases in skin cancer and cataracts.

In 1977, as a result of the many hearings, amendments to the Clean Air Act included a section on ozone protection. This section set up a research program on atmospheric effects, control technologies, and the economic impacts of regulation. It also authorized international negotiation; however, back then no other countries were interested.

By 1978, enough concern had developed that the FDA and EPA, under the Toxic Substances Control Act, banned CFC's in aerosol sprays and other nonessential uses.

In the years that followed, I continued to advocate expansion of research programs to investigate the negative effects of ozone loss, the mechanisms by which CFC's and other chemicals destroy the ozone and the many ways CFC's and other ozone destroyers are used in the United States and in the world.

In 1985, the Antarctic ozone hole was discovered. This hole, as the 50-percent depletion in ozone was called, was unexpected. Scientists had not realized that the unique wind patterns and ice clouds in the Antarctic would intensify chlorine's destruction of ozone molecules. This new threat brought the industrialized nations of the world together, and in 1986, the Senate ratified the Vienna accord, an international agreement to work toward protection of the ozone layer.

In 1987, the connection between CFC's and the ozone hole was scientifically confirmed and the largest ozone hole ever was recorded. That same year, 47 countries agreed to the Montreal Protocol on Substances that Deplete the Ozone Layer. This first ozone treaty froze consumption of CFC's and would have reduced the use of CFC's by 50 percent in the industrialized nations by the end of the century. The U.S. Senate quickly ratified this important treaty, and we met our treaty obligations with the passage of clean air and tax legislation.

In 1989, the President proposed to auction off the limited rights to produce CFC's. As part of the 1989 budget, I worked with other members of the Senate Committee on Environment and Public Works as well as administration officials, to ensure that we imposed a charge, either through marketable permits or fees, to provide an incentive to reduce emissions of harmful CFC's. The resulting 1989 Omnibus Budget Reconciliation Act established a tax on ozone-depleting chemicals. Congress authorized annual increases in this tax as part of the 1990 Budget Reconciliation Act.

Meanwhile, evidence mounted that the increasing ultraviolet rays could also harm the human immune system, photosynthesis in crops, and the growth of the phytoplankton at the bottom of the ocean food chain.

In 1990, the Clean Air Act amendments, which many of us worked on, strengthened the regulatory provisions on substances affecting the ozone layer. In particular, title VI of the act accelerated the phaseout of CFC's and other ozone destroyers.

At the same time, delegates from over 100 nations met in London and agreed to accelerate the phaseout of CFC's to a complete phaseout in 2000. The London conferees also agreed to set up an international fund to help developing nations switch to CFC-free technologies and comply with the new protocol. When these negotiations stalled over the U.S. resistance to this ozone layer fund, 12 of us in the Senate signed a letter to President Bush urging reconsideration. The United States reconsidered and the fund was created. This was a critical factor in China's decision to sign the agreement the following year.

Last spring, NASA scientists who had analyzed data from global satellite transmissions announced that concentrations of ozone in the temperate zones in both the Northern and Southern Hemispheres were declining about twice as fast as previously believed.

Finally, we have this latest disturbing news. On February 3, 1992, NASA scientists announced their January measurements of very high concentrations of ozone-destroying chemicals. The data implied that the ozone layer above 50 degrees latitude, about where the United States-Canada border is, could be disappearing at the rate of 1–2 percent a day. If conditions are right, a Northern Hemisphere ozone hole could form. On February 6, we in the Senate voted unanimously to recommend a speedup of the CFC reduction level. On February 11, little more than a week after the announcement of this disturbing news, President Bush announced a phaseout of ozone-destroying CFC's by the end of 1995—5 years earlier than we agreed in the Montreal protocol treaty.

I would like to commend the President for this rapid action as well as commend the Congress for its foresight in passing a Clean Air Act which authorized the President's action.

But the news is not all bad. There has been a 40-percent drop in CFC consumption since 1986. Many of the industries which used CFC's are ahead of schedule in replacing them; some of the CFC replacements work better and are cheaper than CFC's. The entire private sector is committed to replacing CFC's and the need for rapid transition has spurred innovative research.

I am reminding my fellow colleagues of this history because there's been considerable talk in this Chamber about how the administration, and we in the Senate have not done enough to respond to the ozone-depletion threat. On the contrary, we have accomplished a great deal. We, in the Senate, have understood the need to regulate and study ozone destroyers since 1975. The administration has responded to our concerns, and in this latest CFC phaseout initiative, it has properly assessed the problem, and implemented its policies accordingly.

I look forward to the United States once again leading the nations of the world in the upcoming negotiations to speed up the elimination of CFC's and other ozone-destroying chemicals worldwide.

Mr. JEFFORDS. Mr. President, soon, we will be voting on final passage of this legislation. I sincerely want to thank the chairman and ranking member for their consideration and assistance over the past year and especially in the past few weeks.

I believe the Energy Committee worked very hard and diligently on this legislation. I am however, still concerned regarding this legislation. In my opinion, this legislation does nothing to reduce our dependence on foreign energy sources for our country's transportation fuels.

I know that a number of amendments have been accepted related to energy independence and to alternative or renewable fuels. Resolutions calling on the Finance Committee to take action or setting nonbinding goals for energy independence will not accomplish this goal. Our dependence on foreign oil will grow under S. 2166. Information provided to me by the Department of Energy confirms that oil dependency will grow. Several of my Republican colleagues made the same argument with respect to drilling in ANWR.

The fact is our country is going to become more dependent on oil. More American dollars are going to be sent overseas to finance the growth of foreign economies. Again, the American worker loses.

A year ago American soldiers died to keep the oil flowing to the United States. How can we in good conscience tell the American people and in particular those families, that we have just passed a national energy strategy that will not decrease our dependence on this oil? I cannot. We must address this problem before final passage.

I am also concerned about many issues raised during consideration of this bill. Some argued against so-called mandates while in the same breath pointing to how great the vehicle mandates are. I fail to understand how mandating vehicles helps create a domestic alternative fuels industry. Sure there will be new fuels, but with the exception of natural gas, these new fuels will be produced in foreign countries. The U.S. Senate has created through this act and through the Clean Air Act a brand new fuels industry. Then, the U.S. Senate handed this industry over to foreign governments.

A number of my colleagues have spent considerable time blaming the President for our trade imbalance, yet, a majority failed to take any action to reverse this trend. Who is to blame here?

Again, my colleagues point to new automobile fleet requirements as proof that we do not need to bring in the oil companies. Yet these fleet mandates could place many, many more burdens on other parties. And, if past history is any guide, Americans probably won't even be making these new cars. We're going to hand not only the new fuels industry to our competitors, but we may even be giving them a new car industry?

What in the world are we doing?

This bill does provide for some commercialization of new fuels technologies. But where is the money going to come from to finance these technologies? The United States of America is broke. Nothing in this bill addresses where the money will come from. I believe this leaves us with hollow promises.

I've heard my colleagues argue about why we need the free market, yet, we all know a free market doesn't exist.

Some have argued that we should not pick the winners in the fuels industry. Yet, this legislation does indeed pick winners.

Portions of this bill support the development of new nuclear reactors. American taxpayer money, if appropriated, will go to finance a technology few Americans are comfortable with. Can we then say we are doing this for the American people?

I think not, particularly when the Senate then limits these citizens rights to review nuclear plant licenses.

I've heard the arguments about why we need nuclear power. Some say it's good for global warming. Well, that's rubbish. We know how to solve the global warming problem. We could do that right now with a little resolve. We do not know what to do with nuclear waste. Nuclear waste will be around for thousands and thousands of years. Long after we're gone, our progeny will be dealing with our wastes.

The argument is made that we should let the market decide. Yet, S. 2166 states that in terms of uranium enrichment, it's a matter of national security that this enrichment be done here. Yet, somehow it is not a matter of national security that we set some limits on foreign energy imports.

Let me quote from S. 2166 regarding uranium production:

> The United States uranium industry has long been recognized as vital to the United States energy independence and as essential to United States national security, but has suffered a drastic economic setback, including a 90 per centum reduction in employment, closure of almost all mines and mills, more than a 75 percent drop in production, and a permanent loss of uranium reserves.

Let me continue:

> A variety of economic factors, policies of foreign governments, foreign export practices, the discovery and development of low cost foreign reserves, new Federal regulatory requirements, and cancellation of nuclear power plants have caused most United States producers to close or suspend operations over the past 6 years * * *

This is used to justify a program to protect domestic producers.

Earlier today, the chairman quizzed us about which industry has lost the most jobs. That industry is the oil and gas industry that the chairman states has lost over 317,000 jobs. At no time was the uranium industry mentioned. Yet, S. 2166 offers protection to domestic uranium production. And most Americans don't even like nuclear power. I ask, how can we tell the American people that we cannot protect domestic oil and alternative fuel jobs here in this country in the same legislation that protects the domestic nuclear industry.

What are we doing here?

Mr. President, we need to stop thinking short term and start thinking long term. We need to set aside a certain portion of our energy demand for domestic producers. Even more that it is an issue for uranium workers, it is important to our other energy industries. They need to know they can count on the United States of America to support their efforts to create domestic jobs. Right now, we are all but telling them it's OK to move offshore, in fact, we're just plain encouraging them to do so. And then we call this a national energy policy.

We've seen America decline over the last 20 years. I think much of this decline can be tied to our dependence on oil. The oil price disruptions lead to inflation and a perverse economic situation where rather than invest, America consumed. We have to change this.

I hope, Mr. President, that when this bill goes to conference, the conferees will set a limit on our dependence. A binding limit. Not some feel good talk of goals, non-binding goals, but a definite, firm, no-nonsense guarantee of domestic production.

I know there is strong support for energy independence. A majority of the Energy Committee cosponsored my original alternative fuels amendment. Add the cosponsors to those voting for energy independence and you have a majority of the Senate supporting energy independence and protecting domestic jobs. I strongly hope that in conference, the conferees will work to strengthen the protections for domestic workers, domestic industry, and energy independence. My vote on the conference report will depend upon the efforts made to reduce our dependence on foreign oil.

Mr. JOHNSTON. Mr. President, the bill we are about to pass is the most effective and comprehensive energy policy legislation ever considered by the U.S. Senate. S. 2166 is one of the most important bills the Senate will consider this year. Few issues have a broader effect on national security, the economy, and our everyday lives than energy policy.

This bill will affect the life of every American. With its enactment, we will move toward greater control of our energy future and a stronger and more secure economy.

Mr. President, this bill means jobs. It means jobs in construction: Pipelines and power plants, but also energy-efficient housing and appliances and infrastructure for alternative fuels. It means jobs in producing domestic energy resources: Natural gas and coal, but also biomass, hydropower, and solar energy.

This bill means a lower trade deficit. Instead of sending dollars overseas, we can keep them at home to invest in our own economy. We paid $50 billion for oil imports in 1991. Unless we change things, in 2000 we will pay more than $100 billion. With this bill, we have a chance to reduce this enormous tax that American business is paying to foreigners.

Finally, this bill means enhanced competitiveness. We must continually move toward an economy that is more efficient, an economy with lower costs. This bill provides economic efficiency by streamlining regulation without compromising the goals of regulation. The bill provides for energy efficiency by accelerating introduction energy-efficient equipment and practices. This bill also accelerates introduction of new natural gas and renewable energy technologies. All these actions improve our capital stock, reduce costs, and enhance economic competitiveness.

More specifically, the legislation we are passing this afternoon:

Creates a bold new program to shift Federal, State, and private business fleet vehicles from gasoline to alternative fuels;

Promotes solar, biomass, photovoltaic, wind, hydropower, and geothermal energy sources;

Promotes energy efficiency in Federal, State, industrial, commercial, and residential uses;

Promotes the development of improved nuclear reactors, provides for a more rational nuclear licensing process, and puts the Federal uranium enrichment business on a sounder footing;

Promotes the use of clean-burning natural gas;

Provides impact aid for States and communities affected by OCS leasing and protects sensitive coastal areas from oil and gas leasing until the year 2000;

Calls for research and development efforts on coal, natural gas, electric vehicles, and a host of other energy technologies;

Amends our Depression-era system of utility regulation, the Public Utility Holding Company Act of 1935 [PUHCA], to remove obstacles to wholesale power competition; and

Accelerates filling the strategic petroleum reserve and creates a new defense petroleum inventory.

Mr. President, in the almost 2 weeks that the Senate has actively considered this legislation, we have adopted numerous amendments which have significantly strengthened and expanded the energy efficiency and alternative fuels provisions of the reported bill. We have adopted other amendments which I think have improved the bill and I commend my colleagues for their diligence and hard work in making S. 2166 a better bill.

Mr. President, in the past 19 years, we have endured three energy crises and fought a war largely over oil. We have had our share of energy bills, policies, programs, goals, and initiatives. Every President since Richard Nixon has had a solution to our Nation's energy problems. Although these plans differed in many respects, they have had one thing in common—they didn't work.

The primary reason they didn't work is because they were not balanced. They did not deal with energy in a comprehensive framework. Today, finally, we are recognizing this fatal flaw in previous plans and are addressing the energy issue in a balanced and comprehensive manner. This is truly a historic day for energy policy in this country and I urge my colleagues to join me in voting for this legislation.

ENERGY EFFICIENCY IN HOUSING

Mr. CRANSTON. Mr. President, I would like to congratulate the chairman of the Committee on Energy and Natural Resources, Senator JOHNSTON, and the chairman of the Subcommittee on Regulation and Conservation, Senator WIRTH, for their leadership on energy policy. I am privileged to serve on the Banking Committee with Senator WIRTH and I have worked with him to promote energy efficiency in housing, including the use of energy efficient mortgages under several Federal housing programs.

I would like now to engage the Senators in a colloquy concerning two provisions of S. 2166 that promote energy efficiency in housing. The first provision, section 6101 of the bill as reported by the Senate Energy Committee, requires Federal agencies that guarantee mortgages for newly constructed buildings to ensure that the properties comply with a Federal building energy code to be promulgated by the Department of Energy. The second provision, a floor amendment adopted by the Senate on February 5 requires the Department of Housing and Urban Development and the Department of Veterans Affairs to conduct a pilot program of energy efficient mortgages in five States.

I am concerned that these provisions potentially conflict with provisions enacted by Congress in the National Affordable Housing Act.

Let me first discuss the problems presented by section 6101.

Section 6101 appears to conflict with section 109 of the National Affordable Housing Act. The latter provision requires the Department of Housing and Urban Development to promulgate energy efficiency standards for new construction of public and assisted housing and FHA insured single family homes and multifamily housing. Such standards are required to, first, meet or exceed the most recent edition of the Model Energy Code of the Council of American Building Officials and second, be cost effective with respect to construction and operating costs. The provision requires the HUD Secretary to consult with an advisory task force composed of homebuilders, housing agencies, and other groups.

Section 6101 would continue the Department of Energy's authority to promulgate a Federal building energy code as originally enacted under title III of the Energy Conservation and Production Act (Public Law 94-385) in 1976 and duplicating authority granted to HUD in the National Affordable Housing Act in 1990. The provision links the Federal code to standards promulgated by the private sector and would require the code to "assure the inclusion in Federal buildings of all energy efficiency measures that are technologically feasible and economically justified." Finally, the provision would require the Secretary of Energy to consult with several specific organizations.

I am concerned that if section 6101 becomes law, the Federal Government runs the risk of having multiple, perhaps conflicting, energy efficiency standards—despite the need for uniformity and consistency in this area.

I believe we must pursue a cooperative strategy—involving the Energy, Banking, and Veterans' Affairs Committees—to develop a coherent national policy in this area. I think we should use this opportunity to explore the status of implementing section 109 of the National Affordable Housing Act—perhaps in a joint letter to HUD Secretary Jack Kemp—and to resolve, prior to conference on this bill, a series of issues regarding the promulgation of energy efficiency standards in housing.

For example, which Federal agency should have the primary responsibility of promulgating energy efficiency standards—HUD or DOE? What relation should such standards have to the existing DOE code and to the existing private energy efficiency standards such as the CABO Model Energy Code? What cost effectiveness measure should the standards have? Which organizations should be consulted?

I propose that we allow section 6101 to stand as is and use the energy bill as an opportunity to reach consensus on the issues described above among the interested committees. I also propose that issues raised by other housing-related provisions in the energy bill—such as sections 6102 and 6103—be resolved on a consensus basis. Do the two chairmen agree that this is a satisfactory way to proceed?

Mr. WIRTH. I appreciate the distinguished Chairman of the Veterans Affairs Committee and the Housing Subcommittee bringing these issues to our attention. And I am happy to join him in working on these provisions as this bill moves toward a conference with the House of Representatives.

I think there is general agreement—in this bill, in the National Affordable Housing Act, and in an amendment that I intended to offer on this subject—that we want to work toward basing efficiency standards for new housing on the standards developed by the Council of American Building Officials. I believe there is general agreement on that point and I hope we can work toward consensus in that area.

The chairman is correct about the need to resolve the issue of which Federal agency, HUD or DOE, should have primary responsibility for promulgating energy efficiency standards. We also need to explore further some very legitimate concerns that have been raised about the need to ensure that any Federal standards are cost effective and promote, not harm, housing affordability. In this regard, I would call my colleagues' attention to a resolution recently adopted by the National Association of Homebuilders on these issues. I applaud NAHB for this resolution and, in general, I think it is a good resolution and I will ask that the resolution be included in the RECORD following our remarks.

With reference to new residential construction, particularly housing programs geared to first-time homebuyers, energy efficiency standards should be cost effective and affordable. By cost effective, I mean that the economic benefits—the savings in utility costs—of any code should equal or exceed the economic costs of that code. And there are a variety of factors associated with this issue that the National Association of Homebuilders has addressed in its resolution. The homebuilders have done an outstanding job of addressing some controversial issues regarding this matter, particularly addressing the needs of first-time homebuyers. I hope that as we move into the conference on this bill that all will agree that cost-effective standards should guide the development of our policy.

I agree with the chairman's suggestion that we let section 6101 stand as is with the understanding that we will be working on these provisions to reach consensus among the committees and other interested Senators on the issues we have discussed.

Mr. JOHNSTON. I agree with the recommendations of both Senators and I look forward to working with the senior Senator from California to resolve issues raised by sections 6101, 6102, and 6103. Let me reassure the Senators of my desire to work closely with them in building a consensus on these issues before and during conference. What are the Senator's concerns with respect to the pilot program amendment?

Mr. CRANSTON. There are two problems posed by the pilot program amendment. First, the National Affordable Housing Act contains several provisions to improve and expand energy-efficient mortgages and establishes a task force on the issue to provide recommendations for additional measures to encourage the use of this special mortgage financing.

Second, the pilot program appears to contradict fundamental elements of the Department of Veterans Affairs Guaranteed-Loan Program. The pilot program amendment would "permit the final loan amount to exceed the normal VA, FHA loan limits." However, VA-guaranteed loans are not subject to a statutory limit on the loan amount. Only the amount of the guaranty is limited by law; the private lenders who make the loans and the Government National Mortgage Association—Ginnie Mae—set the effective limit on VA-guaranteed loans. Authorizing higher guaranty limits would not ensure the availability of higher-value loans, since Ginnie Mae, which controls over 90 percent of the market in VA-guaranteed loans, would have to agree to increase its limits.

I am also concerned about the additional workload that this new pilot program would impose on VA's already strained loan guaranty staff. VA could use hundreds of additional employees just to service existing loans and manage its large portfolio of foreclosed properties.

Finally, with respect to the provision in the amendment allowing lenders to override current underwriting standards, I note that the current standards already allow lenders to consider reduced energy costs associated with energy efficiency measures. I believe we need to exercise care that any changes in underwriting not increase the likelihood of the veterans defaulting.

I would suggest that—building upon my earlier recommendation—we use the existence of the pilot program amendment as an opportunity to explore how best to encourage the use of energy-efficient mortgages.

Mr. WIRTH. Mr. President, I would appreciate the opportunity to work on these provisions with my colleague, Senator CRANSTON. As chairman of both the Veterans' Affairs Committee and the Housing Subcommittee, he is in a unique position to ensure that legislation concerning energy-efficient housing is effective in conserving energy without significantly restricting the affordability of housing.

Mr. WALLOP. Mr. President, I would like to add that I am pleased that we will revisit the issue of residential energy efficiency standards. I have always been opposed to mandatory energy efficiency standards for private housing, particularly if they are linked to federally guaranteed mortgages. However, if we are to have them, at the very least we must ensure the technical feasibility of such standards and their positive effects within the private housing market. In that regard, I note that the Department of Energy has been working in this area for over 10 years. It seems prudent that we utilize the Department's expertise in this area in the formulation of any new standards. Similarly, those in private industry, such as the Council of American Building Officials and the National Association of Homebuilders, who have been working for years on this issue should have input into the development of a cost-effective, workable energy code that will not prove burdensome to the building industry. It is imperative that we do not link these standards to mortgage financing programs in a manner that will have deleterious effects on mortgage markets and home buyers. Finally, I would also like to state my intention to work with the Senators from Colorado and California to reach a consensus on these provisions as this legislation moves forward.

Mr. JOHNSTON. I share the sentiments of the Senators from Colorado and Wyoming. I would like to make one additional point regarding the statement of the Senator from California. I want to emphasize that the Energy Efficient Mortgage Pilot Program is intended to make housing more affordable by reducing utility costs and thus allowing purchasers to have more money available for housing costs. The Pilot Program is intended to compliment existing energy efficient mortgage programs within the Department of Veterans Affairs.

In conclusion, I think that what has been proposed here today offers the Senate a unique opportunity for collaboration and cooperation. I reiterate my intention to work closely with the Senators from Colorado and California to develop a consensus on these energy efficiency provisions before and during the conference on this legislation. The end product of such cooperation will be a significantly improved statute and, most importantly, a renewed commitment of the Federal Government to energy efficiency in housing.

Mr. WIRTH. Mr. President, I ask unanimous consent that the resolution to which I referred be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

NAHB RESOLUTION—COST EFFECTIVE AND AFFORDABLE ENERGY CODES

Whereas, Congress is considering legislation mandating energy efficiency requirements for new homes;

Whereas, the housing industry has already voluntarily made significant strides towards reducing the nation's overall energy consumption as demonstrated by Energy Department studies indicating that houses built between 1980-1984 are almost twice as energy efficient as older homes;

Whereas, the Senate reported out legislation which would authorize the U.S. Department of Energy to develop a performance based code which would apply to new homes insured or guaranteed by FHA, FmHA, and VA, as well as federally owned and leased buildings;

Whereas, the Department of Energy has not yet revealed this federal building energy code, which could dramatically affect the cost of new federally insured or guaranteed homes that must comply with the code;

Whereas, HUD is already under a statutory mandate to adopt the Council of American Building Officials (CABO) Model Energy Code (MEC) or its equivalent as its minimum property standard;

Whereas, the House of Representatives is considering legislation requiring *all* states to adopt an energy code that meets or exceeds the most recent version of the CABO MEC for all new home construction; and

Whereas, there are constant efforts to increase energy standards through the model code and ASHRAE processes,

Now, therefore, be it resolved that NAHB will support only those energy codes that are cost effective and affordable,

Be it further resolved that NAHB defines increases in thermal performance standards to be "affordable" only if:

1. A buyer of a home who qualifies to purchase the home before the addition of the thermal performance standards would still qualify to purchase the same home after the additional cost of the energy-saving construction features,
2. The buyer can include the cost of the energy-saving construction features in the mortgage,
3. The buyer is not required to provide the incremental increase in the down payment due to the additional cost of the energy-saving construction features,
4. The maximum mortgage limit has been increased to cover the additional cost of the energy-saving construction features, and
5. Principal, interest, taxes, and insurance plus utilities will be no greater after the inclusion of the cost of the additional energy-saving construction features required by any new energy code than before,

Be it further resolved that NAHB considers increases in energy code requirements to be "cost-effective" only where their economic benefits exceed their economic costs, based on a multi-year analysis that:

1. Bases all assumptions from the perspective of a typical first-time home buyer,
2. Includes benefits and cost over a time period that does not exceed the typical period of occupancy by the first time buyer, which is approximately seven years,
3. Evaluates the benefits and cost of successive increases in code requirements on an incremental basis, rather than comparing multiple alternatives to a fixed "base case",
4. Uses a discount rate that accurately reflects the limited resources of first-time home buyers,
5. Does not assume any fuel price increases that exceed the assumed general rate of price inflation, and
6. Assigns a realistic residual value to the energy construction features at the end of the analysis period based on recognized appraisal methods for the energy-saving construction features.

Be it further resolved that where the federal government mandates energy codes for federally insured or guaranteed housing, such codes must be cost effective and affordable, and

Be it further resolved that NAHB support replacing the requirement in the House legislation that all states adopt an energy code that meets or exceeds the most current version of the CABO MEC for all new home construction with the provision that new federally insured or guaranteed homes be built to energy codes that are cost effective and affordable.

TRANSMISSION ACCESS

Mr. MACK. Mr. President, during the debate on S. 2166 there was discussion by some of my colleagues concerning the issue of transmission access. The Energy Committee discussed this matter and decided not to include any provisions mandating transmission access in S. 2166.

The companion bill in the House, however, contains language dealing with transmission access. My colleague, the chairman of the Energy Committee, has suggested that the issue of including a transmission access provision in S. 2166 be considered in the possible Senate and House conference on a National Energy Strategy bill.

Transmission access is a very complex issue. Neither the Senate Energy Committee nor the Senate as a whole has had the opportunity to consider fully the need for or ramifications of mandating open access to the Nation's electric grid. There are a number of questions that I would like to have answered on this issue, and if the issue of transmission access is too contentious to be dealt with in the Senate or in the Senate Energy Committee, then, with all due respect, I think it inappropriate for us to delegate this policy decision to the conference committee.

If it should become necessary at some point to deal with the issue of transmission access, I would stress that many legitimate concerns have been brought to my attention regarding this issue. I want to have the opportunity to evaluate whether these concerns can be addressed. Frankly, I do not think this is possible in the context of the conference.

Mr. BENTSEN. Mr. President, I rise in support of S. 2166, the national energy package, the product of many months of work and negotiation by my friends, the Senator from Louisiana [Mr. JOHNSTON] and the Senator from Wyoming [Mr. WALLOP]. There is no area of policymaking where leadership is more difficult, or more desperately needed, than in energy policy, Mr. President. More than a decade of inaction from Washington bears witness to how tough it is to build a consensus around any effort to address our growing dependence on foreign oil. Senators JOHNSTON and WALLOP are to be commended for crafting a bill that represents our last, best chance to finally enact a national energy strategy this year.

S. 2166 comes to the floor of the Senate at a critical time for our domestic oil and gas industry. Natural gas prices have plunged to the lowest levels in over a decade and now stand at the equivalent of $7.50 per barrel. Rig counts, the industry's index of leading economic indicators, are at the lowest levels since records were first kept in 1940, and stand at almost half the level necessary to maintain gas supplies for America's future needs. Eleven years ago more than 4,500 drilling rigs were in operation in the United States; today there are 650, and the number continues to fall. Last year, U.S. oil production fell to it's lowest fourth-quarter level in 30 years, and we are now losing production at an annual rate of 300,000 barrels a day.

The energy exploration and development capacity of our country is fleeing the United States in search of survival in foreign markets. Many observers believe this shift in capital from the United States to international markets will be permanent. Virtually everywhere else in the world, oil and gas are considered to be strategic commodities—except here in the United States. An increasing number of countries, which in the past had strictly limited foreign investment in their oil and gas industries, are now offering U.S. companies opportunities that are no longer available here at home. The entire world, from the former Soviet Republics to countries in Asia and South America, is looking to American technology and know-how to ensure their own energy security.

We must wake up to the fact, as virtually every other nation in the world has done, that—at least for the next decade—oil and gas will remain the primary energy source for the economies of the world.

In truth, what is now occurring is nothing short of the systematic destruction of our Nation's domestic energy exploration and production infrastructure. If we were not doing it to ourselves, Mr. President, it would be an act of war.

The great irony, of course, is that no other nation on Earth is more dependent on oil that we are. Our per capita consumption of oil is more than twice that of Japan, France, and Brazil. And all Americans pay a very dear price for this dependence.

Last year, we had a trade deficit in oil of over $50 billion—nearly equal to our entire trade deficit with Japan and all other Asian countries combined. And by some estimates, our oil trade deficit could reach $100 billion by 1995 as the world economy rebounds, driving U.S. demand and world oil prices upward.

Mr. President, S. 2166 is not a perfect bill. It does too little to halt the decade-long decline of the independent segment of our oil and gas industry. Our independents drill 85 percent of all domestic wells and find more than half of all new oil and gas reserves in the United States. They bear the risk of the six-out-of-seven new-field wildcat wells that turn out dry.

In Texas over the past 10 years, we've seen the number of exploratory wells plunge by 75 percent, and since 1985, we've seen fully one-third of all independent producers go out of business.

Within the straitjacket of U.S. energy politics, S. 2166 represents real progress. Critics who claim this bill is solely a conventional fuels, production-oriented measure are seriously misled. There are important mandates for the purchase of alternative fuel vehicles by public and private fleet owners and strong provisions encouraging the development of renewable energy resources from biofuels, geothermal, wind, and solar technologies.

With the addition of amendments brought by the Senator from Colorado [Mr. WIRTH] and the Senator from Ohio [Mr. GLENN], along with amendments by my friend from Louisiana, S. 2166 also includes aggressive energy conservation and efficiency measures for Federal, State and private sector buildings; industrial and commercial equipment; and electrical appliances.

Even where the bill focuses on production-oriented measures, S. 2166 recognizes the need to develop supply-side options in an environmentally responsible manner. S. 2166 contains important provisions encouraging the use of clean-burning natural gas and the development and use of clean coal technologies.

The natural gas provisions of S. 2166 are especially significant because they recognize the unique role gas can play in reducing our dependence on foreign oil while meeting the rigorous new requirements of the Clean Air Act. S. 2166 takes a big step forward in dispelling the notion leftover from the Federal Fuel Use Act of 1978 that gas supplies are so limited that it's use must be restricted by Federal law. In fact, natural gas supplies are abundant. Despite the fact that producers are receiving such low prices, improved production technology has caused known domestic supplies to increase faster than consumption.

The Department of Energy Estimates there is at least a 25-year supply of gas in the lower 48 States at prices equivalent to $17.50 a barrel oil and a 40-year supply at prices equal to $29.00 oil.

S. 2166 recognizes these facts by making natural gas a cornerstone of the Nation's energy policy. It does so by promoting gas as a clean fuel for automobiles and power generation, removing Federal regulatory obstacles to the efficient transportation and pricing of natural gas, and greatly expanding Federal R&D programs for natural gas end-use and resource recovery technologies. Some 90 percent of the gas consumed in the United States comes from domestic production and virtually all the rest from Canada. Moreover, natural gas is our cleanest fossil fuel and can play a critical role in cleaning up the air of our polluted cities, reducing acid rain, and clearing the haze that obscures the views of many of our national parks.

Mr. President, I agree with my friend from Louisiana that the only way to provide America with an effective energy policy is to consider comprehensive legislation, like S. 2166, that covers a wide range of energy supply and demand-side alternatives. There has been a great deal of second-guessing of the decision to move a comprehensive energy package. Critics have claimed that we should not complicate matters by putting so many proposals in a single bill.

Mr. President, we will never make progress if we try to deal with these issues one at a time. There are powerful opponents to virtually every meaningful step we can take. Our only hope for overcoming this opposition is to combine our efforts, for the good of the Nation, and press the adoption of a broad energy bill. This approach makes sense from another perspective as well, Mr. President. No single production or demand-side alternative will free us from our vulnerability to the Saddam Husseins of the world.

If we fail to act now, we will lose any opportunity—perhaps for years—to secure our future against dependence on foreign sources for 50, 60, and even 70 percent of our oil supplies.

S. 2166 represents a long-term investment in our Nation's economic security. Many of these measures will not have a major impact until the end of the decade and beyond. But if we fail to act now, we will extend our growing vulnerability well into the next century. We can't let that happen, Mr. President. We must get on with the business of securing America's energy future.

Mr. DODD. Mr. President, I rise today to express my support for the National Energy Security Act, S. 2166, as amended.

The urgent need for this legislation is clear—today, our Nation is heavily dependent on fossil fuels, and is increasingly dependent on imported oil. We consume more energy than any other; the United States, with only 5 percent of the world's population, uses nearly 25 percent of the world energy output. Our Nation also falls behind other nations in efforts to conserve and use energy efficiently. Our environment is suffering; recent studies point to an alarming thinning in the ozone layer—not over some far distant continent, but over New England. If we need further proof of the high price we pay for our Nation's lack of an energy policy, we need only glance back to headlines from 1 year ago, when Americans were overseas patrolling the oil fields of Kuwait and Saudi Arabia.

While the problems we face are clear, the answers are not. This legislation has been long in reaching the floor, certainly longer than I had hoped. But, Mr. President, as we move to pass this measure, the Senate has recognized that we as a Nation cannot bury our head in the sand any longer when it comes to our Nation's energy security—or we will yet again find our Nation's young men and women dug into the sands of the Persian Gulf.

As amended, S. 2166 begins to put the Nation on the right track toward a secure energy future. Although there were few rollcall votes on this measure, this legislation has truly undergone a transformation on the floor. One only need glance at the list of accepted amendments for evidence of the Senate's progress toward a bipartisan, environmentally sound energy policy. To a great extent, credit for this progress must be given to the managers of this measure, Senator JOHNSTON and Senator WALLOP, who have accommodated the concerns expressed by many Senators, myself included, regarding the original provisions of this measure. On the whole, I believe that the Senate has produced a strong, comprehensive bill that balances environmental and energy concerns.

Perhaps as important as the provisions included in the bill are some of those not included. In particular, this bill, does not open the Arctic National Wildlife Refuge to drilling—for now, ANWR, one of our Nation's premiere wildernesses, is safe. Although unlikely, I hope that the Senate will take up and pass a measure I have cosponsored, S. 39, which would permanently protect the refuge and thereby close off the possibility of opening up this fragile arctic wilderness to development. But in the meantime, I am most pleased that the effort made in the ANWR provision of the original energy bill to drill our way out of oil dependence has been removed from this bill.

S. 2166 moves forward on several other important fronts. It includes important initiatives for increased conservation and efficiency in our use of energy. The demand-side management provisions included will help our utilities to realize the full potential of energy savings through conservation. Additionally, I was pleased that Senators WIRTH and GLENN'S amendments, which I cosponsored, to increase efficiency for motors and lighting and for Federal buildings, were adopted by the Senate significantly strengthening the efficiency measures in this bill. It is unfortunate that agreement could not be reached to include increased corporate average fuel economy standards for cars and trucks—I firmly believe that increased CAFE standards alone could serve as the cornerstone of our Nation's energy security.

Important steps forward were made with respect to the development of renewable and alternative fuels. Certainly, renewables are our future, and we must, as we have done in this bill, continue to strengthen Federal support for these critical programs. I was disappointed that Senator JEFFORDS alternative fuels amendment was defeated in the Senate's consideration, as I strongly believe that it would have gone a long way to ensuring the future of an alternative fuels industry in our nation. However, the increased Federal commitment to R&D in the alternative and renewable fuels sector is of critical importance.

Another important environmental provision included in S. 2166 is Senator GORE'S resolution recommending an accelerated timetable for the phaseout of ozone depleting substances. I have worked with Senator GORE, as a cosponsor of the original resolution and am pleased that on a 96-to-0 vote it was included in this measure.

Significant changes were also made to the title on the licensing of nuclear plants. While these changes did not go far enough for some, I felt strongly that the amendment adopted went a long way to meeting the concerns and needs of the public in the nuclear plant licensing process. As amended, S. 2166 provides for judicial review of Nuclear Regulatory Commission decisions. In regard to interim operations, the bill specifies that no operations can take place until the NRC determines a plant is safe—an assurance that was unclear in the original measure. While the bill does not guarantee an adjudicatory hearing to resolve all preoperational issues, it does guarantee that these issues will be resolved in a hearing—either formal or informal—with full judicial review of the NRC's findings.

Other important provisions of the energy bill were also improved in floor consideration. Amendments substantially improved the titles of this bill relating to hydropower and natural gas pipeline development and, to a lesser extent, addressed some of the problems with the Outer Continental Shelf title. Given the jurisdiction of the Securities Subcommittee, which I chair, over the Public Utilities Holding Company Act [PUHCA], I was deeply concerned regarding the long-term affects of the changes to PUHCA originally proposed in this measure. In this regard, I was pleased to work with Senator RIEGLE and Senator JOHNSTON to include important consumer protection and self-dealing amendments to the PUHCA title. On another matter, I was pleased that the language affecting imported natural gas was removed from the bill—this provision would have unfairly penalized regions of the country, like New England, where reliance on Canadian gas imports is high.

Mr. President, S. 2166 is not perfect, it is not the answer to all our energy problems. It works to achieve a balance between environmental concerns and energy concerns. Comprehensive in scope, it acknowledges today's realities, but looks beyond to meeting tomorrow's needs with renewable and alternative fuels. The bottom line is it is a start in the right direction. In this regard, I urge my colleagues to join me in voting for its adoption.

Mr. MITCHELL. Mr. President, today the Senate takes a historic step in passing comprehensive energy legislation. In my view, this legislation has improved considerably since its original introduction early last year.

The energy conservation and efficiency provisions are much stronger than originally proposed and significantly stronger than the proposals first advanced by the President. The legislation improves energy efficiency standards for lighting, appliances, motors, commercial heating, and air conditioning equipment. The bill establishes efficiency standards for new, federally insured housing. The legislation expands research and development programs for alternative and renewable energy resources. These are important steps forward.

Improved energy efficiency and conservation enhances our competitiveness, creates jobs, and can curb emissions of greenhouse gases. Similarly, increased reliance on renewable sources of energy provides many environmental benefits and has the potential for creating new jobs.

I am also pleased this legislation now includes a provision that I sponsored with Senators COHEN, KENNEDY, and KERRY to protect the offshore waters of New England, including the Georges Bank. These environmentally sensitive waters provide irreplaceable fisheries resources for Maine and the Nation.

I am, however, disappointed that the nuclear licensing provisions streamline the process for the applicants but impose new roadblocks on the public. The public is entitled to hearings on the safety of the plant before it begins operation. These provisions, in my view, will only add to the public's skepticism of the safety of nuclear power and should be modified.

While it is unfortunate that these nuclear licensing provisions are included in this legislation, I believe the bill as amended takes steps toward reducing U.S. dependence on oil, providing for the needs of future generations, protecting the environment, and assuring this Nation's leadership on sustainable development.

These were the goals of energy legislation I set forth last year. The bill is significantly improved over its original form. Taken as a whole in its current form, I will vote for this important measure.

I appreciate the efforts of the managers of the bill and the many Senators who worked so hard to fashion a comprehensive package.

Mr. BYRD. Mr. President, I congratulate the chairman of the Committee on Energy and Natural Resources, Senator JOHNSTON, and the ranking minority member, Senator WALLOP, for their determination in bringing this measure, S. 2166, the National Energy Security Act of 1992, to the Senate floor, and shepherding it through to final passage.

I have spoken many times on this floor over the years on the need for a national energy plan. We have been forcefully reminded on a number of occasions during the last 20 years that our national security and our economic security are highly dependent upon our energy security. Yet, even faced with this truism, this Nation has suffered a piecemeal approach to solving its energy problems, the center of which was a blind faith in free market forces. The consequence of this failed policy has been years of delay in pursuing legitimate opportunities to free ourselves from the stranglehold of foreign oil through the pursuit of new technologies and new energy sources.

The legislation before us, S. 2166, establishes a comprehensive and balanced plan that plots a course for this Nation to begin reducing its excessive dependence on foreign sources of energy. This legislation will help stimulate the production and use of our own domestic energy resources, such as coal, as well as encourage greater conservation and the more efficient use of energy. It will enhance our energy security and, by reducing our use of imported oil, will help reduce our balance of payments deficit, making our economy stronger and the goods that we produce more competitive. In this sense, S. 2166 is an important element of a comprehensive economic growth program for America.

I believe that S. 2166 will put our Nation on a sensible course of energy efficiency, conservation, and domestic energy development that will forever reduce our dependence on foreign oil. S. 2166 is a comprehensive bill, and it includes a variety of approaches to achieving these goals. I endorse the concept of relying on multiple approaches because I do not believe that we should base our national energy policy on a single fuel source or a single strategy.

In this regard, I am pleased that one of the strategies included in S. 2166, and one of the resources acknowledged as fundamental to our energy independence, is coal—our Nation's most abundant and lowest cost energy resource. The recoverable coal reserves of the United States total 168 billion tons, an amount nearly equal to the energy value of the known petroleum reserves of the entire planet. Coal represents almost 90 percent of this Nation's fossil fuel reserves, the remaining amount coming from oil and natural gas.

We are blessed by our abundant reserves of coal so long as we have the good sense to continue to use this resource wisely and to pursue the commitments embodied in S. 2166 to invest in the development and implementation of innovations that will enhance efficiency and address environmental concerns.

S. 2166 recognizes our reliance upon coal as a primary energy source for the production of electricity. Coal is especially suited for the generation of electric power and coal currently supplies the fuel for 55 percent of the Nation's electric output. It is projected that the United States will need as much as 100,000 megawatts of new electrical generating capacity by the end of the decade, and as much as 320,000 megawatts by 2010. It is estimated that, in 20 years, electricity will supply 41 percent of our total energy needs.

How will we meet this challenge and satisfy this growing demand for electric power? Clearly, energy efficiency and conservation must play a role in restraining growth in our requirements for energy. In addition, increased consideration and development of natural gas, nuclear, hydro, solar, and other alternative fuels must also be part of the package. However, the realities of our Nation's current and projected energy needs are clear. If America is to possess the electric-generating capacity necessary for economic growth and prosperity, we must continue to develop our immense coal resources. In so doing we must redouble our commitment to developing and using these resources in ways that address environmental concerns.

S. 2166 contains provisions to make these goals achievable without resorting to costly subsidies or efficiency distorting government mandates. S. 2166 provides strong incentives for the deployment of efficient, clean, state-of-the-art technologies for coal-fired electric power generation. These technologies will save money and enable demonstrable reductions in atmospheric emissions. The adoption of these technologies will be good for business, and will be good for the environment.

S. 2166 also seeks to advance the state of the art in the use of coal for power generation and as an alternative transportation fuel by authorizing a program of research, development, and demonstration. I commend the managers of the bill for the vision shown in this regard.

Finally, just as S. 2166 will help put America on the road to energy independence, as well as help achieve important environmental and economic goals, it will also encourage the transfer and sharing of these same benefits to other nations in both the industrialized and developing worlds.

Current estimates are that the demand for energy in the years ahead will grow significantly faster in the developing world than among industrialized nations. It is likewise projected that developing nations will rely heavily on the use of coal to meet their energy needs. If the global environment is of concern to us, as it should be, we should work to make available to the developing nations of the world the most advanced, efficient, and cleanest generating technologies available. Such efforts and investments will be repaid manyfold over through environmental improvements, reduced worldwide dependence on unstable sources of oil, and increased opportunities for the export of American coal and related technology.

In closing, I again want to express my sincere gratitude to Senators JOHNSTON and WALLOP for the countless hours that they have toiled to bring this bill to the floor. This is a good bill; it is comprehensive, it is balanced, it looks to the future, and it deserves our support. I urge my colleagues to vote for this measure.

TRIBUTE TO SENATOR WALLOP

Mr. DOLE. Mr. President, I rise to congratulate the distinguished Senator from Wyoming, Senator WALLOP, for his tireless efforts to obtain the first comprehensive energy legislation considered by the Senate in a dozen years.

The Persian Gulf crisis taught us again just how vulnerable America is to supply disruption and price aberrations in the international oil market. Where we once led the way in drilling for and producing hydrocarbons, we now dangle on the end of a supply network over which we have no control. Energy is the lifeblood of our economy, yet we are now forced to rely on others for the source of that lifeblood.

My colleagues and citizens throughout our Nation owe a deep debt of gratitude to Senator WALLOP for his perseverance, dedication, and tenacity in guaranteeing this bill would be approved by the Senate.

I know the Senator from Wyoming would have liked to have additional provisions included in this comprehensive bill, provisions which would allow even greater production of domestic resources. He fought hard for them, but in the end he did and we did the best we were able.

Once again, Mr. President, I want to congratulate my friend and colleague for a job well done.

Mr. WELLSTONE. Mr. President, let me begin by expressing my appreciation to the chairman and ranking minority member of the Senate Energy Committee for their leadership and cooperation during the Senate consideration of S. 2166. Chairman JOHNSTON and Senator WALLOP, and their respective staffs, have made tremendous efforts to secure passage by the Senate of the National Energy Security Act, as now amended, for which they deserve significant credit.

Ten months ago, almost to the day, we began the process of marking up the legislation which stands before us today. On the first day of markup, I expressed my views on S. 341 which was then before the committee. My remarks went into some detail about energy policy, and the need for a far-reaching, forward-looking, positive energy strategy.

As I stated then, I believe that energy is crucial to all our national priorities—to our economic prosperity and competitiveness, to our national security, to our public health, and above all of the future survival of our life-support systems on this planet. For all of these reasons, I have viewed the committee and Senate floor action on this bill as vitally important.

It is well known that I authored extensive minority views in the committee report on S. 1220. Those remarks built upon my opening statement to detail what I felt were the many shortcomings of S. 1220—shortcomings so severe that I voted against reporting the bill from committee and joined a filibuster to prevent its consideration by the Senate.

Today, the bill which the Senate is about to report is greatly improved. It no longer hinges national energy policy on opening the Arctic National Wildlife Refuge to development. It includes enhanced efforts to promote energy efficiency, including a pilot program for States to prepare sustainable energy transition plans. It no longer threatens thousands of miles of rivers with provisions exempting hydroelectric facilities from environmental regulation. This bill no longer seeks to weaken the Clean Air Act by allowing reconstruction of coal burning power plants that do not meet new source performance standards.

These are all notable improvements, and I applaud the managers of the bill for adopting amendments to improve these provisions of S. 2166. These, and other amendments, mark real steps forward toward a positive energy policy.

Yet, I do not believe that this bill meets our urgent national needs for a new direction in energy policy. I hope that in the months and weeks ahead that the Senate Energy Committee will begin an examination of the measures needed to begin an energy transition in this country and throughout the world.

There is no question that we need to begin a transition to sustainable energy use, but there remain many questions about how to proceed in that direction. In legislation which I introduced late last year, S. 2020, I made one proposal to move our Nation in that direction. I am sure there are other constructive proposals which can be fashioned into a comprehensive new energy plan.

While many Members of the Senate would support moving in such a direction, there is not yet a majority in the Senate committed to this change. We can go further to develop renewable resources and become more energy efficient. But, without the support of the White House and the Department of Energy, it is not possible for the Senate to go much further than it will today.

While I wish to recognize the many improvements which have been made in the bill before us, I also must submit that it still has serious problems. It does not contain any significant provisions to improve the efficiency of two-thirds of our Nation's energy use—the energy used in transportation and industry. Most significantly, it does not include provisions to adopt corporate average fuel economy standards such as those proposed in S. 279 of which I am a cosponsor.

Discussions about an amendment proposed by Senators SEYMOUR, CRANSTON, and myself to allow States to adopt incentive programs for more efficient automobiles led to a stalemate. The major U.S. automakers opposed any efforts, even incentive programs by the States, to improve automobile fuel economy. Even offering such an amendment was viewed as a major deal-breaker which would have brought about the complete unraveling of the measure before us.

In addition, S. 2166 still adopts an incomplete approach to reform of the electric utility industry—so called PUHCA reform. Not only do I believe that the provisions must deal with the problem of access to the electric utility grid, but the self-dealing amendment adopted should be stronger. Furthermore, I still believe that the provisions adopted do not adequately protect against monopolistic practices, may undermine State efforts to achieve least cost electric utility service, and will encourage the construction of unnecessary generating capacity.

Finally, I strenuously object to the provisions of this bill which represent an attempt to resuscitate the nuclear power industry at the expense of the taxpayer and the public—subsidizing uranium milling, writing off the billions of dollars in debt owed for enrichment services, authorizing a new quasi-government enrichment authority, and cutting the public out of the licensing process. When the Senate voted, by a narrow margin, to support a modified version of so-called one-step licensing it undercut efforts to reform these provisions.

I did not fight against building a huge DC powerline across Minnesota that threatened farmers health and property only to turn around now and vote for a bill that encourages construction of hundreds of new powerplants, and does so largely by cutting the public out of the process. I did not run for the U.S. Senate on an environmental platform that called for conservation and the development of alternative energy sources only to turn around and vote for more subsidies to the coal and nuclear industry.

Based upon these provisions alone, I could justify voting against final passage of this legislation.

When some view this situation they would surmise that we must not let the perfect become the enemy of the good. In some ways, that statement has truth to it. It is in large part because of my belief in our democratic institution that I agreed to vote in favor of the consideration of this measure—of course, the other part was the clear assurance that any provision regarding ANWR would be defeated.

However, in voting on final passage of this bill I must weigh in my own mind its totality. What is the sum total of this bill? In reaching this conclusion, I believe that my vote should be one of judgment, not of expediency.

When all is said and done, I believe that while this bill has been improved, it still retains serious flaws. It violates many of the principles I believe are important, principles of public participation in decisionmaking, principles of protecting the consumer and taxpayer, principles of preserving due process for farmers and ranchers. Further, on balance S. 2166 proposes too much support for nuclear power and coal, and too little for renewable energy and efficiency. Finally, I cannot defend this legislation as representing an energy policy which responds to our most urgent problem—global climate change.

Our planet is threatened by the wasteful and unnecessary burning of fossil fuels, which according to the great majority of the world's scientists could lead to catastrophic changes in the global environment. The United States is the largest single contributor of carbon dioxide emissions. With less than 5 percent of the world's population, we contribute almost one-quarter of the greenhouse gases.

This bill does not alter that picture. As we prepare to join the nations of the world in the Earth summit this June, it is morally indefensible that we are not facing up to this problem. When our European allies have committed themselves to targets and timetables for stabilizing and reducing their output of carbon dioxide and have agreed in principle to impose a new European Community carbon tax to accomplish this, I cannot defend this bill as responsible energy policy.

Mr. President, in conclusion, I will cast my vote against final passage of this bill, and in the months and years ahead will continue to work toward adoption of a sustainable energy policy for the sake of our Nation and the world.

Mr. BRADLEY. Mr. President, it is with great pleasure that I rise today to support S. 2166, the national energy strategy bill. The Energy Committee chairman especially deserves praise.

Last fall, Chairman JOHNSTON was unsuccessful in his efforts to bring his bill before the full Senate. At a time when many others would be laying blame, Senator JOHNSTON was laying a foundation for a successful return to the Senate floor. He met assiduously, diligently with Members to understand and address their problems. Both the chairman and the ranking member, Senator WALLOP, showed a willingness to converse, negotiate, and compromise, if needed. The result is a much improved bill.

We all know that the chairman was quick to recognize that the initial Senate vote was predominantly about a single issue: The development of the arctic coastal plain. Senator JOHNSTON was responsive to the concerns of the Senate. In spite of his own unambiguous position and convictions, the chairman argued successfully to jettison the ANWR title. With this one act, the bill was transformed. With ANWR as its centerpiece, the bill represented a business-as-usual strategy of more and more oil development. Without it, the door was opened to turn the bill into a blueprint for a more progressive, proactive policy.

Mr. President, we can't drill our way out of our predicament. And we shouldn't try. Instead, we need to reorient our economy to less dependence on oil. We need a diversity of energy supplies and greater efficiency in their use.

On the Senate floor, we've strengthened the bill significantly. We have deleted provisions which sought to penalize consumers of reliable Canadian natural gas supplies. We've added new Federal energy standards for increased energy efficiency in lighting and electric motors. We've strengthened the provisions on alternative fuels. We've added reasonable consumer and environmental safeguards to the committee's efforts to streamline the development of independent power generation and hydropower. And, we've retained my provision which put the brakes on Outer Continental Shelf oil leasing that promised energy consumers next to nothing, in exchange for endless anxiety in our coastal communities.

This is a bill that is easily oversold. It's far from a perfect bill. It will not solve our Nation's energy problems. But it will improve our collective security. More importantly, it points us on a path that we can build on. For that reason alone, I thank my colleagues on the Energy Committee for their efforts.

Mr. DURENBERGER. Mr. President, today the Senate will finally pass S. 2166, the National Energy Security Act of 1992. I will, as I have several times in the past, vote against this bill.

Once again, Mr. President, we in the Senate have been panicked into the elusive goal of energy independence, and once again we are being asked to support expensive, exotic, and foolish solutions.

I am, of course, encouraged that the leadership of the Energy Committee removed the ANWR provisions from S. 2166. I have long believed that drilling the Arctic National Wildlife Refuge is not sustainable, environmentally prudent energy policy.

However, S. 2166 still represents a flawed attempt at energy policy. On several occasions over the past 20 years, this Nation has spasmodically responded to Middle East turmoil with efforts to establish a comprehensive energy policy. Each unfortunately has produced disaster.

President Nixon gave us Operation Independence, and put price controls on domestic oil. This, as my colleagues know, actually encouraged our use of oil, and increased our dependence on it.

President Ford gave us Project Independence. President Carter called it the moral equivalent of war. In 1977, as some of my colleagues will recall, we acted to limit the use of natural gas, especially in the generation of electricity. When this too failed to decrease our energy dependence, we repealed that measure.

The National Energy Security Act of 1980 led to the creation of the Synthetic Fuels Corporation, which was authorized to spend up to $80 billion to get liquid fuel from shale oil and coal. That too failed and was repealed.

Mr. President, the list of failed energy policies goes on and on and on. Solar and wind energy tax credits and conservation tax credits accomplished little and have also been repealed.

Now, Mr. President, we have the National Energy Security Act of 1992. This bill, like many of its predecessors, is intended to reduce our dependence on foreign oil.

What speaks most loudly to me, though, is that by passing this bill, we in the Senate will prove that we have learned nothing from our mistakes. This bill is stuffed with the same type of extravagant policies that we have rushed to enact in the past.

For example, we have set a national goal of 30 percent alternative fuels in the transportation sector by the year 2010. Have any of my colleagues taken the time to consider that reaching this goal will be prohibitively expensive and that attaining it would cost considerable more that importing the equivalent amount of oil?

Importing a million barrels of oil per day results in a $9 billion per year trade imbalance. The capital investment that would be required to replace that oil with natural gas would be $60 billion, and to replace it with ethanol or methanol would be $80 billion. Spending $60 to $80 billion to save $9 billion is in a word, Mr. President, stupid.

The attitude in the Senate has been for far too long that cost does not matter; and that we must stop importing Middle East oil at all costs. The more expensive the scheme, and the more bizarre the solution, the longer the line of Senate supporters. Somewhere, Mr. President, this body has lost its common sense.

Do my colleagues really believe that American consumers are going to be willing to give up their $1 per gallon Middle East oil for $2 per gallon ethanol derived from corn, or $3 per gallon liquid fuel from coal, or $4 per gallon from some of the proposed conservation technologies proposed in this bill? The answer to me is quite obviously no.

Passing this bill will again force us to sometime quietly repeal measures that for the last week have been loudly proclaimed. Passing this bill will not solve our Nation's economic hardship and it will certainly not decrease our dependence of imported oil.

Mr. President, I am opposed to spending millions of taxpayer dollars in the elusive quest for energy independence. This bill is a formula for foolishness that we in this body have followed too often in the past and I encourage my colleagues to oppose this measure.

Mr. BIDEN. During the past two decades, our Nation has been told in no uncertain terms, again and again, that we need to develop a national energy strategy. The oil embargoes of the 1970's were the initial warning signals. The relative quiet of the 1980's may have convinced some that we could do just fine without one. That misguided notion was destroyed as Iraqi tanks rolled in Kuwait in August 1991.

The focus rightly returned to the absence of a national effort to reduce our dependency on imported oil. This time no one continued to dispute the need for a national strategy, but, of course, titanic struggles ensued over the details. And that is where an effective strategy is made or lost.

I believe the bill the Senate passed, and I supported, is a step in the right direction, but I cannot make the argument that it represents a final product that our Nation can rely on for the next decade. The bill rightly raises the attention paid to conservation and energy efficiency, but we could and should establish bolder programs in these areas.

We have raised the profile of conservation and efficiency, the so-called demand side of the energy equation, but it was largely the Senate's doing that resulted in these provisions. The administration did not place the priority on reducing demand as they did on efforts to produce our way out of our situation.

The clearest example of this misguided emphasis was the administration's position in the early part of this debate on drilling in the Alaska National Wildlife Refuge. Word was passed that if drilling was not allowed in ANWR, the President would veto the bill. I was struck by the threats of a veto over a provision that might or might not reduce our dependency on imported oil, but silence on other provisions that absolutely and unquestioningly would reduce oil imports.

We saw no threats of vetoes if the Congress failed to strengthen energy efficiency or energy conservation programs. Vetoes were not threatened if we did not increase support for solar energy. The President did not promise to return a bill to Congress if it did not require energy savings from motors, lighting equipment or appliances.

Of course, no one expected that the administration would put the weight of a veto behind those provisions, but it is on the demand side that we can make the most progress in balancing our energy conditions. Perhaps in the future, stronger backing will be provided to these proven programs.

I have other concerns about the bill. As I stated during debate on my amendment to create an independent nuclear safety board, there are improvements that need to be made in the way our Nation produces its energy, in the disparate levels of support we provide some energy sources, while seeming to hinder the development of others.

But the Senate has made progress. We have turned a corner from arguing over whether a strategy is needed, to arguing over the details of one. We have also turned a corner in recognizing the demand side of the energy equation, one that will take on added importance in the future. Production obviously has an important role in an energy strategy, but we no longer look solely to supply to save us from our woes.

This bill represents a policy that we will undoubtedly have to build upon in the future. I would like to think that our latest oil shock has finally convinced us of the importance of action on energy issues. Unfortunately, history has indicated otherwise. I hope we can avert future disasters both through effective use of the tools in this bill, and a memory of past economic shocks will prevent us from falling into an energy trap for a fourth time.

Mr. COHEN. Mr. President, after much debate, the Senate has passed the first comprehensive national energy strategy legislation to be debated in over 10 years. This bill has had a long and complicated history, and, because of serious shortcomings, I did not support its consideration last fall.

However, much has changed since that November vote, and I supported passage of this revised energy bill. I was pleased that the provisions allowing oil drilling in the Arctic refuge were removed from the bill before its consideration, as I remain unconvinced that encouraging our present levels of consumption with tenuous assurances of domestic oil production is the best way to go about reducing our dependence on foreign oil.

Moreover, this bill improved tremendously during the Senate's debate. Several amendments were adopted to improve energy efficiency, including three that I cosponsored which target the Federal Government's energy use and procurement processes. The bill also includes new provisions to encourage renewable energy, through research and development funding and the addition of solar-powered cells to the list of alternative fuels permitted in vehicle fleets.

The bill does contain strong provisions to improve the development and use of alternative fuels. I supported amendments to improve the bill's standards, but, unfortunately, those amendments were defeated. Substantially increasing production and use of alternative fuels may not be the stated will of the Senate at this time, but I know that this issue will continually resurface as long as we profess to be uncomfortable with our reliance on oil. I particularly commend my colleague from Vermont, Senator JEFFORDS, for his tireless pursuit of this important goal.

I was pleased that my colleagues and I were successful in removing the bill's provisions which would restrict the import of Canadian natural gas. While this section was meant to redress anticompetitive practices against United States gas producers, importers from my State have found that Canadian gas producers are willing to accept competitive gas prices under long-term contracts. Moreover, I believe that the energy security of heavy oil-importing regions, such as the Northeast, depends on our uninhibited access to all available energy sources at competitive prices.

I also cosponsored an amendment to codify the current moratorium on oil drilling in the North Atlantic planning area, which includes the coast of Maine. The adoption of this amendment will further protect the Georges Bank fishing ground from drilling until the year 2000.

I supported my colleagues from Florida in their attempts to extend bans on drilling in the outer continental shelf off the coast of Florida, and to expand the Department of the Interior's lease cancellation options and increase the Department's emphasis on environmental protection in leasing decisions. Unfortunately, the amendment the Senate adopted did not go as far as I would have liked to protect this region.

I should point out that the bill we have adopted still contains some significant flaws. Despite the Senate's debate on amendments that I supported which would have given the public a greater say in the issue of nuclear licensing, the bill still contains a streamlined licensing process. This concerns me, as I believe that the public should have every opportunity to comment on an issue that could so directly affect health and safety.

I am disappointed that corporate average fuel economy standards were not a part of this debate, as I believe that increased CAFE standards would go a long way toward increasing our energy efficiency. As a nation, we must look for sensible energy production measures, but we must also aggressively pursue ways to use our current resources more wisely.

Overall, Mr. President, I am confident that this bill provides the basis for a strong energy strategy for our country, and I will continue to work on many of these unresolved issues. This debate was long overdue, and I am pleased that we have taken this important step.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered.

The clerk will call the roll.

The assistant bill clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER (Mr. WELLSTONE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 4, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—94

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wirth
Wofford

NAYS—4

Durenberger
Graham
Smith
Wellstone

NOT VOTING—2

Harkin
Kerrey

So the bill (S. 2166) was passed.

The text of S. 2166, as amended, as passed by the Senate on this date will appear in a future edition of the RECORD.)

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, I rise today to congratulate the chairman of the Energy and Natural Resources Committee, Senator JOHNSTON, on the passage of the National Energy Security Act of 1992. This legislation will move the Nation a long way toward the goal of energy independence. The bill successfully addresses alternative energy sources, both in terms of research and development, it places an important priority on conservation, and it takes needed steps in the area of energy efficiency.

Title XII of the bill addresses Outer Continental Shelf [OCS] activities. I am pleased to say that the Commerce Committee, which I chair, played an important role in crafting the OCS revenue sharing provisions of this title as recently adopted by the Senate.

The Commerce Committee has been involved in revenue sharing legislation for a number of years. As recently as this Congress, two bills, S. 49 and S. 2175, both dealing with OCS revenue sharing, were referred solely to the Commerce Committee. S. 55, in the 99th Congress, was also solely referred to the committee. In addition, in the 98th Congress, Senator JOHNSTON joined me in introducing S. 872, a revenue sharing proposal, which was referred to the Commerce Committee. In the same Congress, another revenue sharing bill, S. 800, was introduced by Senators STEVENS, PACKWOOD, GORTON, and MURKOWSKI. This legislation was also referred to the Commerce Committee.

The provisions included in title XII of S. 2166 establish two revenue sharing funds. The first fund is comprised of 12.5 percent of new revenues from the OCS. New revenues are defined as "royalties and miscellaneous payments received from tracts coming into production after the date of enactment." The fund is allocated among States and counties based on their distance from the producing lease. All States and counties within 200 miles of a producing lease will receive moneys from the fund. Half of the fund is distributed to States, and the remaining half is distributed to counties. The moneys from this fund are to be used for designated environmental and natural resource uses.

The second fund is comprised of 4 percent of new revenues from the OCS. Coastal States, as defined in the legislation, with an approved Coastal Zone Management Program are eligible to receive moneys from this fund. Moneys are provided through block grants to the States based on the presence of energy facilities in the coastal zone, shoreline mileage, and coastal population. At least one-third of the moneys from this fund is to be allocated to local governments. Grants are to be used for environmental or other specified purposes.

Mr. President, the provisions in title XII represent an important effort to craft a sound OCS revenue sharing program.

Mr. JOHNSTON. Mr. President, this is my 20th year in the U.S. Senate. I have never seen a staff operation as well done as I have seen on this bill by the majority staff as well as the minority staff. And it is appropriate to pay short tribute at this time to that staff.

Ben Cooper, our staff director, and Mike Harvey, our chief legal counsel, have been incredible in the job they have done in coordinating this whole bill and in seeing it through and overseeing a very talented staff.

Tom Williams worked on ANWR as well as other parts of this bill and is the conscience of the staff. Patty Beneke worked on Outer Continental Shelf and organized the whole effort.

Tom Jensen has worked on hydro. Bill Conway worked on Public Utility Holding Act reform, and is without peer in that field anywhere in the Nation.

Lisa Vehmas worked on Outer Continental Shelf. Don Santa, our incredible expert on natural gas, as well as the parliamentarian on the majority side.

Leslie Cordes on renewables and global warming did such a good job, as well as Al Stayman on energy efficiency, that we did not have a single vote, as I recall, on that whole area, even though it is many, many, many pages in length.

Karl Hausker on CAFE and the strategic petroleum reserve. Karl, our economist.

Mary Louis Wagner on all nuclear issues, as well as coal research and development.

Sam Fowler on nuclear licensing, on alternative fuels and fleets, as well as the CAFE amendment.

Marilyn Pedretti and Wanda Freeman came early and stayed late and produced the documents. Vicki Thorne, our chief clerk deserves special recognition as do all of the support staff including, Marjorie Gordner, Heather Hart, Diane Nagel, Clay Nelson, Raymond Paul, Celeste Miller, Anne Svoboda, Pat Temple, and Becky Murphy.

Mr. President, it is an effort by the staff which is really notable. We generally compliment staffs around here on bills. But this time we really mean it. They really did an incredible, incredible job, and we appreciate it very much.

Just because we have success, please do not anybody leave the staff, because we are going to have future battles. This is not the last one.

Congratulations to you. It is hats off to the staff.

Mr. FORD. Mr. President, just before we go to closing, I want to add my voice to the compliments of the two leaders for a terrific job they have done and the staff on both sides of the aisle. We could not ask for anything any better. I started a long time ago when I was Governor to become interested in new sources of energy. In the 17 years I have been here, our response to the energy crisis has been basically Band-Aid. Today we embark on a new journey after a long and hard fought debate.

Mr. President, there have been three major oil crises in 1973, 1979, and 1990 plus a few minor ones in between. Yet, we never had a comprehensive national energy policy. Our response to energy crises so far has been piecemeal and short term.

Today we embark on a new journey. After a long and hard fought debate, the U.S. Senate has passed a comprehensive energy bill. It is not perfect but it represents the best attempt by the Senate in the present political climate. I sincerely hope the House acts soon so that we can go to conference and pass a law this year. Mr. President, implementation of energy options takes a long time. Early action by the Congress is important for the economic security of the United States.

In the 1990 gulf crisis, the United States risked and uprooted the lives of hundreds of thousands of Americans in order to protect its Mideast oil supply. While our gulf war allies have paid for a substantial portion of war expenses, the United States has spent billions of dollars on the conflict in order to maintain a secure energy supply. Even in peacetime, the Pentagon spends billions to maintain the foreign oil supply.

We would be much further ahead in energy self sufficiency and national energy security if we had used the money spent by the Pentagon to protect our foreign oil supply on areas such as clean coal technology, alternative fuels, renewable energy, energy efficiency improvement, energy conservation, natural gas, advanced oil recovery, and other energy options.

The United States has vast natural resources. It does not make sense that we are so heavily dependent on foreign oil supply. What we should be doing is making a national commitment to use domestic resources in an environmentally sound manner. For example, we should invest heavily in natural gas, clean coal technology, and advanced oil recovery.

To achieve national energy security, we need a multipronged approach. We need to do all we can possibly do in energy efficiency and conservation, but that alone will not take care of our growing energy needs. By the year 2010, we need nearly 200,000 MW of new electrical generation to meet our domestic power requirements. This cannot be met by energy efficiency and conservation alone. We need to explore all primary energy sources such as coal, nuclear, natural gas, and others. These are all domestic sources and we have vast quantities of them.

For example, the United States has about 30 percent of the world's recoverable coal which is enough for more than 2 centuries. In terms of energy reserves, this is more than the world's entire oil or natural gas reserves in terms of oil equivalency. America is the Saudi Arabia of coal but sadly still heavily dependent on others for its energy supply.

The question is not whether the United States will use coal in the future but rather how to utilize it in an even more efficient and environmentally sound manner. Since 1970, the United States has increased its use of domestic coal by 90 percent and has reduced sulfur dioxide emission by 28 percent. Further reductions will result due to the clean coal technology, CCT initiative.

It is estimated that worldwide CCT market will be about $80 billion per year by 2000. Total coal-fired generating capacity worldwide is expected to nearly double over the next 30 years. All this new capacity will be a candidate for clean coal technology. We need to invest in CCT now so that we can compete in the world market.

We need to adopt a refining-based approach to coal utilization. In other words, we should develop integrated processing facilities to use coal for electricity, transport fuel, and chemical feed stocks. We can process coal, urban, and biological waste resource into an array of products including electricity.

The geopolitical importance of coal is also likely to increase since the world's resource is predominantly controlled by three nations: the United States, China, and the U.S.S.R.

Besides coal, United States has a vast amount of natural gas reserves. We should use this enormous domestic resource for our power and other needs. The demand for peak electrical power can be met by the use of gas turbines. It is estimated that 40,000MW of new peak electric power generation can be made by the use of natural gas.

S. 2166 proposes a major effort in the design and licensing of nuclear power reactors. Nuclear power is and will continue to be an integral and important part of our national energy supply. It presently supplies about 20 percent of our electric power. It is important that we continue our effort to design the next generation of nuclear reactors that are inherently safe and will be an essential component in meeting our growing energy needs.

Some people have suggested that the bill is tilted toward production and does not have enough for energy efficiency, energy conservation, renewable energy, and alternative fuels. While there is always a scope for improvement, the basic premise of these statements is not correct. For example, the bill requires 90 percent of all Federal and qualified State fleets that are purchased in 2000 to be alternative-fuel vehicles. There is a major emphasis on the development of electric and electric-hybrid vehicles.

Research, development, and demonstration activities are essential in order for the United States to stay competitive. It is also necessary so that we develop new energy options. The bill encourages research, development, demonstration, and commercialization in many areas of energy.

Unless we take immediate action to move the new uranium enrichment technology AVLIS out of the laboratory and into the marketplace, we will lose another critical technology to our foreign competitors. Due to our lack of foresight, the United States has lost its leadership in many technologies to Japan and Western Europe. At present, the United States has an edge in uranium enrichment R&D. However, the Congress has taken no action in this area even though the Senate has passed the uranium enrichment bill seven times. Besides the need to stay competitive, there is also the question of reliability of foreign suppliers. For reasons of national and economic security, it is urgent that the Congress take immediate action on uranium enrichment.

For our national energy and economic security, we need to invest in technology-intensive industries, strengthen our manufacturing base, and improve the Nation's technical infrastructure in the area of energy. S. 2166 is taking a step in this direction.

This Nation is losing its competitive edge. Half of our trade deficit is due to oil imports. We cannot and should not let this continue any more. For the sake of this Nation's economic security and its future, we need to adopt a national energy policy now. It will not be perfect. It will not please every one. We all need to compromise otherwise this debate will go on for another 20 years and there still will be no energy policy. Mr. President, the country needs and demands a comprehensive national energy act passed by the Congress in this session.

Mr. JOHNSTON. Mr. President, I thank the Senator from Kentucky for his comments.

MORNING BUSINESS

AN INNOVATIVE SUGGESTION FOR U.N. PEACEKEEPING

Mr. PELL. Mr. President, the New York Times recently published an article by its eminent columnist Flora Lewis concerning the idea of a standing U.N. peacekeeping force. I ask unanimous consent that the full text of the column be printed at the conclusion of my remarks.

In 1945, I was present at the San Francisco conference which drew up the United Nations Charter, and as a member of the conference secretariat, I worked on the articles providing for the creation of a U.N. peacekeeping force. In the 47 years since that time, I have been a strong supporter of U.N. efforts to promote peace and stability through the concept of collective security.

Mr. President, supporting the United Nations has not always been easy. For much of its history, the United Nations—in particular the Security Council—was hamstrung by the cold war rivalry between the two superpowers. I also recall vividly the General Assembly's passage of the infamous "Zionism Is Racism" resolution on November 10, 1975, arguably the darkest day in the United Nations' history. Finally, during the early 1980's, the United Nations' unwieldy budget and administration procedures threatened the viability of the entire organization.

Notwithstanding these setbacks, however, the United Nations has also known great success. The United Nations has made important contributions in preserving the international environment, in halting the spread of nuclear weapons, and in protecting the health and well-being of the world's children. But perhaps nowhere has the United Nations' success been more evident than in the field of peacekeeping and mediation.

In the last decade, under the capable stewardship of Secretary General Javier Perez de Cuellar, the United Nations experienced an incredible surge in popularity and effectiveness. In my view, the successful U.N. operations in the Persian Gulf, Afghanistan, Namibia, and Angola, and the ongoing U.N. efforts in Cyprus, Yugoslavia, El Salvador, the western Sahara, and Cambodia are the foundation of the United Nations' rebirth.

As a result, the United Nations has evolved into one of the most important and effective instruments in the world's quest for stability. Where the international community—and the United States in particular—once scorned the notion of turning to the United Nations in a crisis, it is now depending on the United Nations in a crisis, it is now depending on the United Nations in a crisis, it is now depending on the United Nations to intervene in the most important and pressing issues of the day.

If we are to continue to rely upon the United Nations in times of crisis, however, we must be certain that it has the support, resources, and tools to do the job properly. In these recessionary times, it is crucial that we consider new and creative ideas to promote effectiveness and to save money.

Flora Lewis, in her recent column, suggests that the United Nations follow through on a longstanding proposal to create a permanent peacekeeping force, and do so by enlisting the services of the Gurkhas—the hardy Nepalese units of the British Army. Ms. Lewis develops a cogent and convincing argument in favor of her idea, and I commend her piece to my colleagues.

[From the New York Times, Feb. 8, 1992]

GURKHAS CAN SOLVE THE U.N.'S PROBLEM

(By Flora Lewis)

The idea of a U.N. standing force to intervene where fighting threatens isn't new. It was included in the Charter in 1945 but was never carried out because of the cold war. Now it is being cautiously revived but along the old lines of traditional military contributions from members. The idea is still good, but today's circumstances show that a new approach is needed.

President Francois Mitterrand of France has offered to send 1,000 men on 48 hours' notice and 1,000 more with a week's notice. That's helpful, but it's a piecemeal approach.

Instead, the U.N. should have a permanent force in readiness, loyal to its flag and to no state, that would be supplemented by national contributions, particularly in logistics. It just so happens that a perfect base exists—the Gurkhas, the doughty units from Nepal's martial tribes who have served with the British Army since 1814 and have given a good account of themselves.

There are many reasons why the Gurkhas can form the heart of the world's first real police force. A major reason is that nobody hates them and they don't hate any ethnic group, country or religion.

There are 7,500 well-trained Gurkhas in the British Army—1,000 in Brunei; 1,500 based in the United Kingdom, with some deployed in Cyprus, Kuwait and Belize, and 5,000 in Hong Kong. When Hong Kong reverts to China in 1997, all British forces presumably will have to withdraw.

In any case, the British Army is to be drastically cut, including the Gurkhas. Current plans call for a reduction to 2,500 by the year 2000. Those who have served 15 years will be sent home with a pension of a little under $500 a year, others with somewhat less money. The subsistence income in Nepal is estimated at $450 or less a year. Gurkhas are not expensive to hire.

There are 65,000 more Gurkhas in the Indian Army, paid on a similar scale, and no shortage of recruits eager to take on a foreign military career.

The Gurkhas have a reputation for being well disciplined, doggedly loyal to their superior officers, respectful of families and not at all mean. Gurkhas don't go berserk on the battlefield and commit atrocities, as soldiers from other countries have done for ethnic or other reasons of enmity.

Some would call them mercenaries; the British Army gags at the thought, pointing out that they have been enlisted by agreement with the Government of Nepal. But mercenaries—troops serving no state—are exactly what the U.N. needs, for the same reason that the Vatican hired Swiss Guards in medieval times so that its protectors would be beholden to no other master.

The French Foreign Legion operates on a similar principle. Those are probably the troops President Mitterrand has in mind. They were among the professional French forces sent to fight in Operation Desert Storm; for domestic political reasons, no conscripts could be included in the forces France sent to Saudi Arabia and Iraq.

In addition to logistical support, a Gurkhas force would need a command structure. The highest rank any has reached under the British is lieutenant colonel. Most are in the infantry, and some are in engineers' units and some are signal specialists. None are men of the high-tech rocketry, armor and aviation forces that overwhelmed Iraq, but that isn't what a standing U.N. force is most likely to require.

It needs well-trained professional soldiers willing to go in and restore peace, primarily in brush-fire wars in difficult parts of the world. Should they be sent without the invitation of a host government? That big political decision underlies the idea of a new world order—new, purposeful international law that puts certain principles above untouchable national sovereignty.

The Gurkhas are just what is needed for the base of a U.N. force, and no doubt they are willing. Certainly, they are able.

APPOINTMENT BY THE REPUBLICAN LEADER

The PRESIDING OFFICER. The Chair, on behalf of the Republican leader, pursuant to Public Law 101–649, appoints the following individuals as members of the Commission on Legal Immigration Reform: Mr. Richard Estrada, of Texas, and Mr. Michael Teitelbaum, of New York.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 102–23

Mr. JOHNSTON. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Protocol Amending the 1974 Extradition Treaty with Australia, Treaty Document No. 102–23, transmitted to the Senate today by the President and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol Amending the Treaty on Extradition between the United States of America and Australia, signed at Seoul on September 4, 1990. I also transmit for the information of the Senate the report of the Department of State with respect to the Protocol.

The Protocol supplements and amends the Treaty on Extradition between the United States of America and Australia, signed at Washington on May 14, 1974. It is designed to update and standardize the conditions and procedures for extradition between the United States and Australia. Most significant, it removes an outdated list of extraditable offenses from the 1974 Treaty and expands upon the dual criminality approach contained in that Treaty. The Protocol also provides a legal basis for temporarily surrendering prisoners to stand trial for crimes against the laws of the requesting State. The provisions in this Protocol follow generally the form and content of extradition treaties recently concluded by the United States.

This Protocol will make a significant contribution to international cooperation in law enforcement. I recommend that the Senate give early and favorable consideration to the Protocol and give its advice and consent to ratification.

GEORGE BUSH.
THE WHITE HOUSE, *February 19, 1992.*

MEASURE INDEFINITELY POSTPONED—S. 739

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Calendar Order No. 74, S. 739, a bill to authorize the Architect of the Capitol to accept certain gifts on behalf of the U.S. Botanic Garden be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

WORKERS' FAMILY PROTECTION ACT

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 388, S. 353, the Workers' Family Protection Act.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 353) to require the Director of the National Institute for Occupational Safety and Health to conduct a study of the prevalence and issues related to contamination of workers' homes with hazardous chemicals and substances transported from their workplace and to issue or report on regulations to prevent or mitigate the future contamination of workers' homes, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Workers' Family Protection Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) hazardous chemicals and substances that can threaten the health and safety of workers are being transported out of industries on workers' clothing and persons;

(2) these chemicals and substances have the potential to pose an additional threat to the health and welfare of workers and their families;

(3) additional information is needed concerning issues related to employee transported contaminant releases; and

(4) additional regulations may be needed to prevent future releases of this type.

(b) Purpose.—It is the purpose of this Act to—

(1) increase understanding and awareness concerning the extent and possible health impacts of the problems and incidents described in subsection (a);

(2) prevent or mitigate future incidents of home contamination that could adversely affect the health and safety of workers and their families;

(3) clarify regulatory authority for preventing and responding to such incidents; and

(4) assist workers in redressing and responding to such incidents when they occur.

SEC. 3. EVALUATION OF EMPLOYEE TRANSPORTED CONTAMINANT RELEASES.

(a) Study.—

(1) In general.—Not later than 18 months after the date of enactment of this Act, the Director of the National Institute for Occupational Safety and Health (hereafter in this Act referred to as the "Director"), in cooperation with the Secretary of Labor, the Administrator of the Environmental Protection Agency, the Administrator of the Agency for Toxic Substances and Disease Registry, and the heads of other Federal Government agencies as determined to be appropriate by the Director, shall conduct a study to evaluate the potential for, the prevalence of, and the issues related to the contamination of workers' homes with hazardous chemicals and substances, including infectious agents, transported from the workplaces of such workers'.

(2) Matters to be evaluated.—In conducting the study and evaluation under paragraph (1), the Director shall—

(A) conduct a review of past incidents of home contamination through the utilization of literature and of records concerning past investigations and enforcement actions undertaken by—

(i) the National Institute for Occupational Safety and Health;

(ii) the Secretary of Labor to enforce the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.);

(iii) States to enforce occupational safety and health standards in accordance with section 18 of such Act (29 U.S.C. 667); and

(iv) other government agencies (including the Department of Energy and the Environmental Protection Agency), as the Director may determine to be appropriate;

(B) evaluate current statutory, regulatory, and voluntary industrial hygiene or other measures used by small, medium and large employers to prevent or remediate home contamination;

(C) compile a summary of the existing research and case histories conducted on incidents of employee transported contaminant releases, including—

(i) the effectiveness of workplace housekeeping practices and personal protective equipment in preventing such incidents;

(ii) the health effects, if any, of the resulting exposure on workers and their families;

(iii) the effectiveness of normal house cleaning and laundry procedures for removing hazardous materials and agents from workers' homes and personal clothing;

(iv) indoor air quality, as the research concerning such pertains to the fate of chemicals transported from a workplace into the home environment; and

(v) methods for differentiating exposure health effects and relative risks associated with specific agents from other sources of exposure inside and outside the home;

(D) identify the role of Federal and State agencies in responding to incidents of home contamination;

(E) prepare and submit to the Task Force established under subsection (b) and to the appropriate committees of Congress, a report concerning the results of the matters studied or evaluated under subparagraphs (A) through (D); and

(F) study home contamination incidents and issues and worker and family protection policies and practices related to the special circumstances of firefighters and prepare and submit to the appropriate committees of Congress a report concerning the findings with respect to such study.

(b) Development of Investigative Strategy.—

(1) Task force.—Not later than 12 months after the date of enactment of this Act, the Director shall establish a working group, to be known as the "Workers' Family Protection Task Force". The Task Force shall—

(A) be composed of not more than 15 individuals to be appointed by the Director from among individuals who are representative of workers, industry, scientists, industrial hygienists, and government agencies including the National Research Council, except that not more than one such individual shall be from each appropriate government agency and the number of individuals appointed to represent industry and workers shall be equal in number;

(B) review the report submitted under subsection (a)(2)(F);

(C) determine, with respect to such report, the additional data needs, if any, and the need for additional evaluation of the scientific issues related to and the feasibility of developing such additional data; and

(D) if additional data are determined by the Task Force to be needed, develop a recommended investigative strategy for use in obtaining such information.

(2) Investigative strategy.—

(A) Content.—The investigative strategy developed under paragraph (1)(D) shall identify data gaps that can and cannot be filled, assumptions and uncertainties associated with various components of such strategy, a timetable for the implementation of such strategy, and methodologies used to gather any required data.

(B) Peer review.—The Director shall publish the proposed investigative strategy under paragraph (1)(D) for public comment and utilize other methods, including technical conferences or seminars, for the purpose of obtaining comments concerning the proposed strategy.

(C) Final strategy.—After the peer review and public comment is conducted under subparagraph (B), the Director, in consultation with the heads of other government agencies, shall propose a final strategy for investigating issues related to home contamination that shall be implemented by the National Institute for Occupational Safety and Health and other Federal agencies for the period of time necessary to enable such agencies to obtain the information identified under paragraph (1)(C).

(3) Construction.—Nothing in this section shall be construed as precluding any government agency from investigating issues related to home contamination using existing procedures until such time as a final strategy is developed or from taking actions in addition to those proposed in the strategy after its completion.

(c) Implementation of Investigative Strategy.—Upon completion of the investigative strategy under paragraph (2)(C), each Federal agency or department shall fulfill the role assigned to it by the strategy.

SEC. 4. REGULATIONS.

(a) In General.—Not later than 4 years after that date of enactment of this Act, and periodi-

cally thereafter, the Secretary of Labor, based on the information developed under section 3 and on other information available to the Secretary, shall—

(1) determine if additional education about, emphasis on, or enforcement of existing regulations or standards is needed and will be sufficient, or if additional regulations or standards are needed to protect workers and their families from employee transported releases of hazardous materials; and

(2) prepare and submit to the appropriate committees of Congress a report concerning the results of such determination.

(b) ADDITIONAL REGULATIONS OR STANDARDS.—If the Secretary of Labor determines that additional regulations or standards are needed under subsection (a), the Secretary shall promulgate such regulations or standards as determined to be appropriate not later than 3 years after such determination.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out this Act.

AMENDMENT NO. 1651

(Purpose: A technical corrections amendment)

Mr. WALLOP. Mr. President, I send a Jeffords technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP], for Mr. JEFFORDS, proposes an amendment numbered 1651.

Mr. WALLOP. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 18, strike "F", and insert "E".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1651) was agreed to.

Mr. HATCH. Mr. President, will the Senator from Vermont yield for a quick question before we proceed? I believe my friend will agree that any research of the type addressed in S. 353 must be free from bias and based on good science. As the Senator is aware, concerns over whether this legislation adequately assures this result have been brought to our attention. I would like to explore these concerns before proceeding further and would the Senator comment on how he would ensure the best possible product?

Mr. JEFFORDS. The easiest way I believe to address this concern is to have NIOSH include the National Academy of Sciences or the National Research Council in the peer review process. This would provide an additional scientific check on the strategy. I strongly support peer review, as I would hate to find out halfway through the implementation of the strategy that the strategy was not well through out. Including the Academy or the Council in the peer review process should ensure that everyone has confidence in the results.

I am concerned about NIOSH's budget, however. The bill attempts to minimize NIOSH's costs. By using an independent party like the National Research Council for peer review, NIOSH's costs could increase. Since several agencies will have a role in implementing this strategy, I believe each agency should contribute to these costs. This should not pose a problem for these agencies as the maximum annual cost of the entire bill is estimated to be less than $300,000. Thus, the costs for each agency would be very small. Does this proposal sound agreeable to my colleague?

Mr. HATCH. I thank my colleague for addressing these concerns.

Mr. JEFFORDS. In addition, we need to correct a small typographical error in the bill as printed. The task force is to review the background information complied by NIOSH, not the firefighter study. I, of course, hope the task force will also review the firefighter study. Thus, a small technical amendment has been drafted.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Workers' Family Protection Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) hazardous chemicals and substances that can threaten the health and safety of workers are being transported out of industries on workers' clothing and persons;

(2) these chemicals and substances have the potential to pose an additional threat to the health and welfare of workers and their families;

(3) additional information is needed concerning issues related to employee transported contaminant releases; and

(4) additional regulations may be needed to prevent future releases of this type.

(b) PURPOSE.—It is the purpose of this Act to—

(1) increase understanding and awareness concerning the extent and possible health impacts of the problems and incidents described in subsection (a);

(2) prevent or mitigate future incidents of home contamination that could adversely affect the health and safety of workers and their families;

(3) clarify regulatory authority for preventing and responding to such incidents; and

(4) assist workers in redressing and responding to such incidents when they occur.

SEC. 3. EVALUATION OF EMPLOYEE TRANSPORTED CONTAMINANT RELEASES.

(a) STUDY.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Director of the National Institute for Occupational Safety and Health (hereafter in this Act referred to as the "Director"), in cooperation with the Secretary of Labor, the Administrator of the Environmental Protection Agency, the Administrator of the Agency for Toxic Substances and Disease Registry, and the heads of other Federal Government agencies as determined to be appropriate by the Director, shall conduct a study to evaluate the potential for, the prevalence of, and the issues related to the contamination of workers' homes with hazardous chemicals and substances, including infectious agents, transported from the workplaces of such workers'.

(2) MATTERS TO BE EVALUATED.—In conducting the study and evaluation under paragraph (1), the Director shall—

(A) conduct a review of past incidents of home contamination through the utilization of literature and of records concerning past investigations and enforcement actions undertaken by—

(i) the National Institute for Occupational Safety and Health;

(ii) the Secretary of Labor to enforce the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.);

(iii) States to enforce occupational safety and health standards in accordance with section 18 of such Act (29 U.S.C. 667); and

(iv) other government agencies (including the Department of Energy and the Environmental Protection Agency), as the Director may determine to be appropriate;

(B) evaluate current statutory, regulatory, and voluntary industrial hygiene or other measures used by small, medium and large employers to prevent or remediate home contamination;

(C) compile a summary of the existing research and case histories conducted on incidents of employee transported contaminant releases, including—

(i) the effectiveness of workplace housekeeping practices and personal protective equipment in preventing such incidents;

(ii) the health effects, if any, of the resulting exposure on workers and their families;

(iii) the effectiveness of normal house cleaning and laundry procedures for removing hazardous materials and agents from workers' homes and personal clothing;

(iv) indoor air quality, as the research concerning such pertains to the fate of chemicals transported from a workplace into the home environment; and

(v) methods for differentiating exposure health effects and relative risks associated with specific agents from other sources of exposure inside and outside the home;

(D) identify the role of Federal and State agencies in responding to incidents of home contamination;

(E) prepare and submit to the Task Force established under subsection (b) and to the appropriate committees of Congress, a report concerning the results of the matters studied or evaluated under subparagraphs (A) through (D); and

(F) study home contamination incidents and issues and worker and family protection policies and practices related to the special circumstances of firefighters and prepare and submit to the appropriate committees of Congress a report concerning the findings with respect to such study.

(b) DEVELOPMENT OF INVESTIGATIVE STRATEGY.—

(1) TASK FORCE.—Not later than 12 months after the date of enactment of this Act, the Director shall establish a working group, to be known as the "Workers' Family Protection Task Force". The Task Force shall—

(A) be composed of not more than 15 individuals to be appointed by the Director from among individuals who are representative of workers, industry, scientists, industrial hygienists, and government agencies including the National Research Council, except that not more than one such individual shall be from each appropriate government agency and the number of individuals appointed to represent industry and workers shall be equal in number;

(B) review the report submitted under subsection (a)(2)(E);

(C) determine, with respect to such report, the additional data needs, if any, and the need for additional evaluation of the scientific issues related to and the feasibility of developing such additional data; and

(D) if additional data are determined by the Task Force to be needed, develop a recommended investigative strategy for use in obtaining such information.

(2) INVESTIGATIVE STRATEGY.—

(A) CONTENT.—The investigative strategy developed under paragraph (1)(D) shall identify data gaps that can and cannot be filled, assumptions and uncertainties associated with various components of such strategy, a timetable for the implementation of such strategy, and methodologies used to gather any required data.

(B) PEER REVIEW.—The Director shall publish the proposed investigative strategy under paragraph (1)(D) for public comment and utilize other methods, including technical conferences or seminars, for the purpose of obtaining comments concerning the proposed strategy.

(C) FINAL STRATEGY.—After the peer review and public comment is conducted under subparagraph (B), the Director, in consultation with the heads of other government agencies, shall propose a final strategy for investigating issues related to home contamination that shall be implemented by the National Institute for Occupational Safety and Health and other Federal agencies for the period of time necessary to enable such agencies to obtain the information identified under paragraph (1)(C).

(3) CONSTRUCTION.—Nothing in this section shall be construed as precluding any government agency from investigating issues related to home contamination using existing procedures until such time as a final strategy is developed or from taking actions in addition to those proposed in the strategy after its completion.

(c) IMPLEMENTATION OF INVESTIGATIVE STRATEGY.—Upon completion of the investigative strategy under paragraph (2)(C), each Federal agency or department shall fulfill the role assigned to it by the strategy.

SEC. 4. REGULATIONS.

(a) IN GENERAL.—Not later than 4 years after that date of enactment of this Act, and periodically thereafter, the Secretary of Labor, based on the information developed under section 3 and on other information available to the Secretary, shall—

(1) determine if additional education about, emphasis on, or enforcement of existing regulations or standards is needed and will be sufficient, or if additional regulations or standards are needed to protect workers and their families from employee transported releases of hazardous materials; and

(2) prepare and submit to the appropriate committees of Congress a report concerning the results of such determination.

(b) ADDITIONAL REGULATIONS OR STANDARDS.—If the Secretary of Labor determines that additional regulations or standards are needed under subsection (a), the Secretary shall promulgate such regulations or standards as determined to be appropriate not later than 3 years after such determination.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out this Act.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a treaty.

(The treaty received today is printed at the end of the Senate proceedings.)

REPORT ON BUDGET RESCISSIONS AND DEFERRALS—MESSAGE FROM THE PRESIDENT—PM 109

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, as modified on April 4, 1986, referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one rescission proposal, totaling $16.7 million, one revised deferral, and one new deferral of budget authority. Including the revised and the new deferrals, funds withheld in FY 1992 now total $5.6 billion.

The proposed rescission affects the Department of Housing and Urban Development. The deferrals affect the Agency for International Development and the Department of Agriculture.

The details of the proposed rescission and deferrals are contained in the attached report.

GEORGE BUSH.

THE WHITE HOUSE, *February 19, 1992.*

MESSAGES FROM THE HOUSE

At 12:01 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 476) to designate certain rivers in the State of Michigan as components of the National Wild and Scenic Rivers System, and for other purposes.

The message also announced that pursuant to the provisions of section 4355(a) of title 10, United States Code, the Speaker appoints as members of the Board of Visitors to the U.S. Military Academy the following Members on the part of the House: Mr. HEFNER, Mr. LAUGHLIN, Mr. FISH, and Mr. LOWERY of California.

The message further announced that pursuant to the provisions of section 6968(a) of title 10, United States Code, the Speaker appoints as members of the Board of Visitors to the U.S. Naval Academy the following Members on the part of the House: Mr. MCMILLEN of Maryland, Mr. MRAZEK, Mr. SKEEN, and Mrs. BENTLEY.

The message also announced that pursuant to the provisions of section 102(b) of Public Law 102-62, the Speaker appoints Mr. Christopher T. Cross of Chevy Chase, MD, from private life to the National Education Commission on Time and Learning on the part of the House, to fill the existing vacancy thereon.

The message further announced that pursuant to the provisions of section 9355(a) of title 10, United States Code, the Speaker appoints as members of the Board of Visitors to the U.S. Air Force Academy the following Members on the part of the House: Mr. DICKS, Mr. BARNARD, Mr. HEFLEY, and Mr. DELAY.

The message also announced that pursuant to the provisions of section 194(a) of title 14, United States Code, the Speaker appoints as members of the Board of Visitors to the U.S. Coast Guard Academy the following Members on the part of the House: Mr. GEJDENSON and Mrs. JOHNSON of Connecticut.

The message further announced that pursuant to the provisions of section 1295b(h) of title 46, United States Code, the Speaker appoints as members of the Board of Visitors to the U.S. Merchant Marine Academy the following Members on the part of the House: Mr. MANTON and Mr. BATEMAN.

The message also announced that pursuant to the provisions of section 5(a)(2) of Public Law 101-363, the Speaker appoints Mr. SIKORSKI to the National Advisory Council on the Public Service on the part of the House.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2593. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated February 1, 1992; pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Armed Services, the Committee on Energy and Natural Resources, the Committee on Finance, the Committee on Foreign Relations, and the Committee on Commerce, Science, and Transportation.

EC-2594. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the President's second special impoundment message for fiscal year 1992; pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Foreign Relations, the Committee on Energy and Natural Resources, and the Committee on Veterans' Affairs.

EC-2595. A communication from the Assistant Secretary of Defense (Production and Logistics), transmitting, pursuant to law, an analysis of the supply depot consolidations that occurred through calendar year 1991; to the Committee on Armed Services.

EC-2596. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on training and certification of executive directors and other officers and members of local, regional, and State public housing agencies; to the Committee on Banking, Housing, and Urban Affairs.

EC-2597. A communication from the Chairman of the Board of the National Credit Union Administration, transmitting, pursuant to law, the annual report of the National Credit Union Administration for calendar year 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC-2598. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report on the administration of the Marine Mammal Protection Act for calendar year 1991; to the Committee on Commerce, Science, and Transportation.

EC-2599. A communication from the Assistant Secretary of the Interior (Land and Minerals Management), transmitting, pursuant to law, a report on compensatory royalty agreements for oil and gas involving unleased government lands entered into during fiscal year 1991; to the Committee on Energy and Natural Resources.

EC-2600. A communication from the Commissioner of the Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, "Hydropower 2002", Reclamation's energy initiative to help secure America's energy future; to the Committee on Energy and Natural Resources.

EC-2601. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to clarify authority of the Secretary of the Interior to cooperate with non-Federal entities in the conduct of research concerning the National Park System, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2602. A communication from the Administrator of General Services, transmitting, pursuant to law, a proposed prospectus for the lease of space for the National Labor Relations Board in Washington, D.C.; to the Committee on Environment and Public Works.

EC-2603. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on services performed by full-time USG employees for which reimbursement is provided for fiscal year 1991; to the Committee on Foreign Relations.

EC-2604. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the status of each loan and each contract or guaranty or insurance to which there remains outstanding any unpaid obligation or potential liability and the status of each extension of credit for the procurement of defense articles or defense services; to the Committee on Foreign Relations.

EC-2605. A communication from the Chairman of the Commission on Agricultural Workers, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Commission during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2606. A communication from the Secretary of Labor, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Department of Labor during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2607. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission on competition advocacy for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2608. A communication from the Secretary of the Commodity Futures Trading Commission, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2609. A communication from the Chairperson of the Retirement Trust, Navy Exchange Service Command, Department of the Navy, transmitting, pursuant to law, the annual pension report of the Trust for the 1990 plan year; to the Committee on Governmental Affairs.

EC-2610. A communication from the President of the James Madison Memorial Fellowship Foundation, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Foundation during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2611. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Department during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2612. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report under the Indian Health Care Improvement Act for fiscal year 1990; to the Select Committee on Indian Affairs.

EC-2613. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the annual report of the Bureau for fiscal year 1991; to the Committee on the Judiciary.

EC-2614. A communication from the Federal Inspector, Alaska Natural Gas Transportation System, transmitting, pursuant to law, the annual report of the System under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2615. A communication from the Director of the Office of National Drug Control Policy, Executive Office of the President, transmitting, pursuant to law, the Administration's 1992 National Drug Control Strategy; to the Committee on the Judiciary.

EC-2616. A communication from Members of the National Council on Education Standards and Testing, transmitting, pursuant to law, the final report of the Council covering the period from June 27, 1991 to January 15, 1992; to the Committee on Labor and Human Resources.

EC-2617. A communication from the Assistant Attorney General (Civil Rights Division) as Chairperson of the Interagency Coordinating Council, transmitting, pursuant to law, the annual report on the activities of the Council for the period July 1, 1990 to August 1, 1991; to the Committee on Labor and Human Resources.

EC-2618. A communication from the Secretary of Education, transmitting, pursuant to law, notice of Final Interpretations and Designation of Critical Foreign Languages, Foreign Languages Assistance Program; to the Committee on Labor and Human Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DECONCINI:

S. 2231. A bill to establish a new educational assistance program for veterans who served during the Persian Gulf War and to make benefits under that program comparable to those provided to veterans of other wars, to provide comparability between the Persian Gulf War educational assistance program and the educational assistance program provided under chapter 30 of title 38, United States Code, and for other purposes; to the Committee on Veterans Affairs.

By Ms. MIKULSKI (for herself, Mr. LEVIN and Mr. RUDMAN):

S. 2232. A bill to make available to consumers certain information regarding automobiles; to the Committee on Commerce, Science, and Transportation.

By Mr. SANFORD:

S. 2233. A bill to extend until January 1, 1995, the existing suspension of duty on Cefixime; to the Committee on Finance.

By Mr. GORTON:

S. 2234. A bill to make it unlawful to offer for sale or distribute certain pyrotechnic devices to individuals under the age of 16 or to any other person without a required warning label; to the Committee on Commerce, Science, and Transportation.

By Mr. MOYNIHAN:

S. 2235. A bill to extend until April 1993 the demonstration project under which influenza vaccinations are provided to medicare beneficiaries; to the Committee on Finance.

By Mr. SIMON (for himself, Mr. HATCH, Mr. DECONCINI, Mr. SPECTER, Mr. KENNEDY, Mr. INOUYE, Mr. MCCAIN, Mr. DASCHLE, Mr. DURENBERGER, Mr. CRANSTON, Mr. BINGAMAN, Mr. WIRTH, Mr. METZENBAUM and Mr. DIXON):

S. 2236. A bill to amend the Voting Rights Act of 1965 to modify and extend the bilingual voting provisions of the Act; to the Committee on the Judiciary.

By Mr. D'AMATO:

S.J. Res. 255. A joint resolution to designate September 13, 1992 as "Commodore Barry Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DECONCINI:

S. 2231. A bill to establish a new educational assistance program for veterans who served during the Persian Gulf war and to make benefits under that program comparable to those provided to veterans of other wars, to provide comparability between the Persian Gulf War Educational Assistance Program and the Educational Assistance Program provided under chapter 30 of title 38, United States Code, and for other purposes; to the Committee on Veterans' Affairs.

DESERT STORM SERVICEPERSONS READJUSTMENT ACT

Mr. DECONCINI. Mr. President, I rise to introduce important legislation for America's Persian Gulf war veterans. This legislation simply seeks to increase the level of educational benefits for Persian Gulf war era veterans from the level currently provided to eligible veterans to a level comparable to that provided veterans who fought for their country in prior wars. In short, the Desert Storm Serviceperson's Readjustment Act of 1992 would increase the full-time GI bill educational assistance payments to $777 from $350 per month, and also would eliminate the present requirement for individual contribution while on active duty.

Mr. President, the current level of educational assistance benefits authorized for individuals who served during the Persian Gulf war are not comparable to the GI bill benefits provided to veterans of World War II, the Korean or Vietnam war. Instead, current veterans' educational assistance benefits have been scaled back to address specific needs and purposes related to peacetime military service and our Nation's growing budget deficit.

Nonetheless, the Montgomery GI bill has served our peacetime needs fairly well. Testimony after testimony given before the Senate and House Committees on Veterans' Affairs and Armed Services in recent years indicated that the services attracted a significantly higher caliber recruit as a direct result of the Montgomery GI bill. The Nation profited as well from the Montgomery GI bill, or new GI bill as many refer to it. Some estimates even indicate that the new GI bill, like the original, will return far more than what the Nation expends on it.

However, the sad truth is full-time new GI bill educational assistance for veterans at today's rate of $350 per month may not even cover tuition costs at State colleges. To make matters worse, book costs have risen into the hundreds of dollars, and lab fees and other university-required charges have skyrocketed. The combined effect of inflation and lower levels of Federal assistance to higher education has eroded more than half the value of the GI bill. The latest data reveal that a veteran with active duty service of 3 years or more will receive only about 42 percent of the average cost of a college education.

In short, benefits under the new GI bill simply don't measure up to those provided under the old GI bill. The current educational assistance available to the Desert Storm veteran is inconsistent with the longstanding commitment of a grateful nation to provide a comprehensive program of benefits, including educational assistance, to each and every person who serves in defense of our freedoms during periods of war. When the veterans of these former wars came home, they could rely upon their country via the old GI bill to pay its fair share. The Desert Storm veteran cannot.

Mr. President, my purpose today is not to argue what amount of benefits constitutes a fair share for these Desert Storm veterans nor which veterans should be considered as beneficiaries. In the weeks and months to come, I will be speaking to those issues and others in the Senate Committee on Veterans' Affairs as well as on the floor. My purpose today is solely to lay a much broader issue before the Senate as we begin to consider what our domestic budget priorities will be in light of a reduced foreign military threat. My purpose today is to remind my colleagues that the peace dividend we may be spending is the product of the sweat and blood of the men and women of the armed services. I want to assure the men and women who served their country at home and abroad during the Persian Gulf war that their Nation has not forgotten them, even though all the ticker tape and yellow ribbons have been swept up and thrown away.

Mr. President, I want to acknowledge the leadership efforts by the American Legion in the development of this legislation. Once again, the American Legion, the Nation's largest veterans service organization, is at the forefront of issues affecting the veterans community. I am indebted to them for all the assistance they have provided to date on this important veterans legislation and look forward to working closely with them as this legislation works its way through Congress.

Mr. President, I strongly urge all my colleagues to cosponsor this legislation which is so important to the men and women of the Armed Forces who served during the Persian Gulf war. I urge its expeditious enactment.

Mr. President, I note on the floor the ranking member of the Veterans' Affairs Committee, the Senator from Pennsylvania, who has been a leader in veterans' affairs for as long as he has been in the Senate.

I wanted to include in my statement here recognition of his support, although he has not become a cosponsor of this bill, his strong support for the education of our veterans. He has indeed taken the lead in the Appropriations Committee as well as on the Veterans' Affairs Committee to see that our veterans are fairly treated. I am grateful for his leadership on that matter.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Arizona for those very kind remarks. I have not yet had an opportunity to examine the legislation to which he has referred but I shall do so and we share common objectives. I am delighted to work with him on all these matters in the future.

Mr. DECONCINI. Mr President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2231

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Desert Storm Servicepersons' Readjustment Act of 1992".

FINDINGS AND DECLARATIONS

SEC. 2. (a) The Congress finds that—

(1) The members of the active, reserve and national guard forces of the United States carried out their responsibilities in Operations Desert Shield and Desert Storm in an exemplary manner;

(2) The men and women who served in the Armed Forces during the Persian Gulf War deserve a comprehensive program of veterans' benefits, as provided by a grateful nation, no less than their forebears who served during World War II and the Korean and Vietnam Wars;

(3) The benefits currently provided through the Department of Veterans Affairs and other Federal agencies were established in some instances to address specific needs or purposes related to peacetime military service;

(4) The veterans of World War II, and the Korean and Vietnam Wars, received proportionally more educational assistance as readjustment assistance than currently is available for Persian Gulf War veterans under chapter 30 of title 38, United States Code; and

(5) The members of the Armed Forces who served during the Persian Gulf War are now entitled to educational assistance benefits at least equivalent to those received by veterans of previous wars.

(b) The Congress therefore declares that the purpose of this Act is to provide, on behalf of a grateful nation, educational assistance benefits to individuals who served during the Persian Gulf War which are comparable to those benefits provided to veterans of others wars, to establish educational assistance programs that are adequate to ensure a high degree of participation by eligible veterans, and to provide for comparability of benefits under the Montgomery GI Bill.

PERSIAN GULF WAR EDUCATIONAL ASSISTANCE PROGRAM

SEC. 3. (a)(1) Title 38, United States Code, is amended by inserting after chapter 43 the following new chapter:

"CHAPTER 44—PERSIAN GULF WAR EDUCATIONAL ASSISTANCE PROGRAM

"SUBCHAPTER I—PURPOSE—DEFINITIONS

"Sec.
"2101. Purpose.
"2102. Definitions.

"SUBCHAPTER II—ELIGIBLITY AND ENTITLEMENT

"2110. Eligibility; entitlement; duration.
"2111. Time limitations for completing a program of education.
"2112. Educational and vocational counseling.

"SUBCHAPTER III—ENROLLMENT

"2120. Selection of program.
"2121. Applications; approval.
"2122. Disapproval of enrollment in certain courses.
"2123. Discontinuance for unsatisfactory conduct or progress.
"2124. Education outside the United States.

"SUBCHAPTER IV—PAYMENTS TO ELIGIBLE VETERANS; VETERAN-STUDENT SERVICES

"2130. Educational assistance allowance.
"2131. Computation of Educational assistance allowances.
"2132. Approval of courses.
"2133. Apprenticeship or other on-job training; correspondence courses.
"2134. Work-study allowance.

"SUBCHAPTER V—SPECIAL ASSISTANCE FOR THE EDUCATIONALLY DISADVANTAGED

"2140. Purpose.
"2141. Elementary and secondary education and preparatory educational assistance.
"2142. Tutorial assistance.
"2143. Effect on educational entitlement.

"SUBCHAPTER VI—GENERAL AND ADMINISTRATIVE PROVISIONS

"2151. Bar to duplication of educational assistance benefits
"2152. Allocation of administration and of program costs
"2153. Reporting requirement

"SUBCHAPTER I—PURPOSE—DEFINITIONS

"§ 2101. Purpose

"The Congress of the United States hereby declares that the educational assistance program created by this chapter is for the purpose of (1) providing veterans who served on active duty during the Persian Gulf War with educational assistance benefits comparable to those enjoyed by their forebears who served in other wars, (2) extending the benefits of a higher education to qualified and deserving young persons who might not otherwise be able to afford such an education, (3) providing vocational readjustment and restoring lost educational opportunities to those service men and women whose careers have been interrupted or impeded by reason of active duty during the Persian Gulf War, and (4) aiding such persons in attaining the vocational and educational status which they might normally have aspired to and obtained had they not served their country.

"§ 2102. Definitions

"For the purposes of this chapter and chapter 36 of this title—

"(a) The term "incremental costs associated with Operation Desert Storm" means costs referred to in section 251(b)(2)(D)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(D)(ii)).

"(b) The term "Persian Gulf War" means the period beginning on August 2, 1990, and ending thereafter on the date prescribed by Presidential proclamation or by law.

"(c)(1) The term "eligible veteran" means any veteran who—

"(A) served on active duty for a period of more than 90 days during the Persian Gulf War, and was discharged or released there from under conditions other than dishonorable; or

"(B) contracted with the Armed Forces and was enlisted in or assigned to a reserve component (including the Army National Guard of the United States and the Air National Guard of the United States) prior to August 2, 1990, and as a result of such enlistment or assignment served during the Persian Gulf War on active duty, any part of which commenced within 12 months after August 1, 1990, and was discharged or released from such active duty under conditions other than dishonorable; or

"(C) was discharged or released from active duty, any part of which was performed during the Persian Gulf War, or following entrance into active service from an enlistment or assignment provided for under subparagraph (B) of this paragraph, because of a service-connected disability.

"(2) The requirement of discharge or release, prescribed in paragraph (1) (A) or (B), shall be waived in the case of any individual who served more than 90 days in an active-duty status for so long as such individual continues on active duty without a break therein.

"(3) For purposes of paragraph (1)(A) and section 2110(a), the term "active duty" does not include any period during which an individual (A) was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, (B) served as a cadet or midshipman at one of the service academies, or (C) served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve unless at some time subsequent to the completion of such period of active duty for training such individual served on active duty for a consecutive period of 90 days or more during the Persian Gulf War (not including any service as a cadet or midshipman at one of the service academies).

"(d) The term "program of education" means any curriculum or any combination of unit courses or subjects pursued at an educational institution which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective. Such term also means any curriculum of unit courses or subjects pursued at an educational institution which fulfill requirements for the attainment of more than one predetermined and identified educational, professional, or vocational objective if all the objectives pursued are generally recognized as being reasonably related to a single career field. Such terms also means any unit course or subject, or combination of courses of subjects, pursued by an eligible veteran at an educational institution required by the Administrator of the Small Businesss Administration as a condition to obtaining financial assistance under the provisions of section 7(i)(1) of the Small Business Act (15 U.S.C. 636(i)(1)).

"(e) The term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, university, or scientific or technical institution, or other institution furnishing education for adults.

"(f) The term 'dependent' means—

"(1) a child of an eligible veteran;

"(2) a dependent parent of an eligible veteran; and

"(3) the spouse of an eligible veteran.

"(g) The term 'training establishment' means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training.

"(h) The term 'institution of higher learning' means a college, university, or similar institution, including a technical or business school, offering postsecondary level academic instruction that leads to an associate or higher degree if the school is empowered by the appropriate State education authority under State law to grant an associate or higher degree. When there is no State law to authorize the granting of a degree, the school may be recognized as an institution of higher learning if it is accredited for degree programs by a recognized accredit agency. Such term shall also include a hospital offering educational programs at the postsecondary level without regard to where the hospital grants a postsecondary degree. Such term shall also include an educational institution which is not located in a State, which offers a course leading to a standard college degree, or the equivalent, and which is recognized as such the secretary of education (or comparable official) of the country or other jurisdiction in which the institution is located.

"(i) The term 'standard college degree' means an associate or higher degree awarded by (1) an institution of higher learning that is accredited as a collegiate institution by a recognized regional or national accrediting agency; or (2) an institution of higher learning that is a 'candidate' for accreditation as that term is used by the regional or national accrediting agencies; or (3) an institution of higher learning upon completion of a course which is accredited by an agency recognized to accredit specialized degree-level programs. For the purpose of this section, the accrediting agency must be one recognized by the Secretary of Education under the provisions of section 1775 of this title.

"SUBCHAPTER II—ELIGIBILITY AND ENTITLEMENT

"§ 2110. Eligibility; entitlement; duration

"(a) Except as provided in the second sentence of this subsection, each eligible veteran shall be entitled to educational assistance under this chapter or chapter 36 for a period of 36 months (or the equivalent thereof in part-time educational assistance). If an eligible veteran has served a continuous period of 18 months or more on active duty after August 1, 1990, and has been released for such service under conditions that would satisfy the veteran's active duty obligations, the veteran shall be entitled to educational assistance under this chapter for a period of 45 months (or the equivalent thereof in part-time educational assistance). In the case of any person serving on active duty on the date that the period of the Persian Gulf War is ended by Presidential proclamation or by law, or a person whose eligibility is based on section 2102(d)(1)(B) of this chapter, the ending date for computing such person's entitlement shall be the date of such person's first discharge or release from active duty after the ending date of such Persian Gulf War.

"(b) Whenever the period of entitlement under this section of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester, such period shall be extended to the termination of such unexpired quarter or semester. In educational institutions not operated on the quarter or semester system, whenever the period of eligibility ends after a major portion of the course is completed such period shall be extended to the end of the course or for twelve weeks, whichever is the lesser period.

"(c) Except as provided in subsection (b) and in subchapter V of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of 45 months.

"§ 2111. Time limitations for completing a program of education

"(a)(1) Subject to paragraph (4) of this subsection, no educational assistance shall be afforded an eligible veteran under this chapter beyond the date 10 years after the veteran's last discharge or release from active duty after August 2, 1990; except that, in the case of any eligible veteran who was prevented from initiating or completing such veteran's chosen program of education with such time period because of a physical or mental disability which was not the result of such veterans's own willful misconduct, such veteran shall, upon application made within one year after the last date of the delimiting period otherwise applicable under this section, or the termination of the period of such mental or physical disability, whichever is the latest, be granted an extension of the applicable delimiting period for such length of time as the Secretary determines, from the evidence, that such veteran was so prevented from initiating or completing such program of education. When an extension of the applicable delimiting period is granted a veteran under the preceding sentence, the delimiting period with respect to such veteran will again begin running on the first day following such veteran's recovery from such disability on which it is reasonably feasible, as determined in accordance with regulations which the Secretary shall prescribe, for such veteran to initiate or resume pursuit of a program of education with educational assistance under this chapter.

"(2)(A) Notwithstanding the provisions of paragraph (1) of this subsection, any veteran shall be permitted to use any such veteran's unused entitlement under section 2110 of this title for the purpose of eligibility for an education loan, pursuant to the provisions of subchapter III of chapter 36 of this title, after the delimiting date otherwise applicable to such veteran under such paragraph (1), if such veteran was pursuing an approved program of education on a full-time basis at the time of the expiration of such veteran's eligibility.

"(B) Notwithstanding any other provision of this chapter or chapter 36 of this title, any veteran whose delimiting period is extended under subparagraph (a) of this paragraph may continue to use any unused loan entitlement under this paragraph as long as the veteran continues to be enrolled on a full-time basis in pursuit of the approved program of education in which such veteran was enrolled at the time of expiration of such veteran's eligibility (i) until such entitlement is exhausted, (ii) until the expiration of the delimiting date otherwise applicable to such veteran under paragraph (1) of this subsection, or (iii) until such veteran has completed the approved program of education which such veteran was enrolled at the end of the delimiting period referred to in paragraph (1) of this subsection, whichever occurs first.

"(3)(A) Subject to subparagraph (C) of this paragraph and notwithstanding the provisions of paragraph (1) of this subsection, an eligible veteran who served on active duty during the Persian Gulf War shall be permitted to use any of such veteran's unused entitlement under section 2110 of this title for the purpose of pursuing—

"(i) a program of apprenticeship or other on-job training;

"(ii) a course with an approved vocational objective; or

"(iii) a program of secondary education, if the veteran does not have a secondary school diploma (or an equivalency certificate).

"(B) Upon completion of a program or course pursued by virtue of eligibility provided by this paragraph, the Secretary shall provide the veteran with such employment counseling as may be necessary to assist the veteran in obtaining employment consistent with the veteran's abilities, aptitudes, and interests.

"(C)(i) Educational assistance shall be provided a veteran for pursuit of a program or course described in clause (i) or (ii) of subparagraph (A) of this paragraph using eligibility provided by this paragraph unless the Secretary determines, based on an examination of the veteran's employment and training history, that the veteran is not in need of such a program or course in order to obtain a reasonably stable employment situation consistent with the veteran's abilities and aptitudes. Any such determination shall be made in accordance with regulations which the Secretary shall prescribe.

"(ii) Educational assistance provided a veteran for pursuit of a program described in clause (iii) of subparagraph (A) of this paragraph using eligibility provided by this paragraph shall be provided at the rate determined under section 2141(b)(2) of this title.

"(D) Educational assistance may not be provided by virtue of this paragraph after a date to be determined by the Secretary, pursuant to regulations which the Secretary shall prescribe.

"(4) For purposes of paragraph (1) of this subsection, a veteran's last discharge or release from active duty shall not include any discharge or release from a period of active duty of less than 90 days of continuous service unless the individual involved is discharge or released for a service-connected disability, for a medical condition which preexisted such service and which the Secretary determines is not service connected, for hardship, or as a result of a reduction in force as described in section 1411(a)(1)(A)(ii)(III) of this title.

"(b) In the case of any eligible veteran who has been prevented, as determined by the Secretary, from completing a program of education under this chapter within the period prescribed by subsection (a), because the veteran had not met the nature of discharge requirements of this chapter before a change, correction, or modification of a discharge or dismissal made pursuant to section 1553 of title 10, the correction of the military records of the proper service department under section 1552 of title 10, or other corrective action by competent authority, then the 10-year delimiting period shall run from the date the veteran's discharge or dismissal was changed, corrected, or modified.

"(c) In the case of any veteran (1) who served on or after August 2, 1990, (2) who became eligible for educational assistance under the provisions of this chapter or chapter 36 of this title, and (3) who, subsequent to the veteran's last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, there shall be excluded, in computing the veteran's 10-year period of eligibility for educational assistance, any period during which the veteran was so detained and any period immediately following the veteran's release from such detention during which the veteran was hospitalized at a military, civilian, or Department of Veterans Affairs medical facility.

"(d) No educational assistance shall be afforded any eligible veteran under this chapter or chapter 36 of this title after a date to be determined by the Secretary, pursuant to regulations which the Secretary shall prescribe.

"§ 2112. Educational and vocational counseling

"The Secretary shall make available to any eligible veteran, upon such veteran's request, counseling services, including such educational and vocational counseling and guidance, testing, and other assistance as the Secretary deems necessary to aid such veteran in selecting (1) an educational or training objective and an educational institution or training establishment appropriate for the attainment of such objective, or (2) an employment objective that would be likely to provide such veteran with satisfactory employment opportunities in light of such veteran's personal circumstances. In any case in which the Secretary has rated the veteran as being incompetent, such counseling shall be required to be provided to the veteran prior to the selection of a program of education or training. At such intervals as the Secretary deems necessary, the Secretary shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions. Facilities of other Federal agencies collecting such information shall be utilized to the extent the Secretary deems practicable. The Secretary shall take appropriate steps (including individual notification where feasible) to acquaint all eligible veterans with the availability and advantages of such counseling services.

"SUBCHAPTER III—ENROLLMENT

"§ 2120. Selection of program

"Subject to the provisions of this chapter, each eligible veteran may select a program of education to assist the veteran in attaining an educational, professional, or vocational objective at any educational institution (approved in accordance with chapter 36 of this title) selected by the veteran, which will accept and retain the veteran as a student or trainee in any field or branch of knowledge which such institution finds the veteran qualified to undertake or pursue.

"§ 2121. Applications; approval

"Any eligible veteran, or any person on active duty (after consultation with the appropriate service education officer), who desires to initiate a program of education under this chapter shall submit an application to the Secretary which shall be in such form, and contain such information, as the Secretary shall prescribe. The Secretary shall approve such application unless the Secretary finds that (1) such veteran or person is not eligible for or entitled to the educational assistance for which application is made, (2) the veteran's or person's selected educational institution or training establishment fails to meet any requirement of this chapter or chapter 36 of this title, (3) the veteran's or person's enrollment in, or pursuit of, the program of education selected would violate any provision of this chapter or chapter 36 of this title, or (4) the veteran or person is already qualified, by reason of previous education or training, for the educational, professional, or vocational objective for which the program of education is offered. The Secretary shall notify the veteran or person of the approval or disapproval of the veteran's or person's application.

"§ 2122. Disapproval of enrollment in certain courses

"(a) The Secretary shall not approve the enrollment of an eligible veteran in—

"(1) any bartending course or personality development course;

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field;

"(3) any type of course which the Secretary finds to be avocational or recreational in character (or the advertising for which the Secretary finds contains significant avocational or recreational themes) unless the veteran submits justification showing that the course will be of bona fide use in the pursuit of the veteran's present or contemplated business or occupation; or

"(4) any independent study program except one leading to a standard college degree.

"(b) The Secretary shall not approve the enrollment of an eligible veteran in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible veteran is seeking.

"(c) The Secretary shall not approve the enrollment of an eligible veteran in any course to be pursued by radio or by open circuit television, except that the Secretary may approve the enrollment of an eligible veteran in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through open circuit television.

"(d)(1) Except as provided in paragraph (2) of this subsection, the Secretary shall not approve the enrollment of any eligible veteran, not already enrolled, in any course for any period during which the Secretary finds that more than 85 percent of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or by the Department of Veterans Affairs under this title or under chapter 106 of title 10. The Secretary may waive the requirements of this subsection, in whole or in part, if the Secretary determines, pursuant to regulations which the Secretary shall prescribe, it to be in the interest of the eligible veteran and the Federal Government. The provisions of this subsection shall not apply to any course offered by an educational institution if the total number of veterans and persons receiving assistance under this chapter or chapter 30, 31, 32, 34, 35, or 36 of this title or under chapter 106 of title 10 who are enrolled in such institution equals 35 percent or less, or such other per centum as the Secretary prescribes in regulations, of the total student enrollment at such institution (computed separately for the main campus and any branch or extension of such institution), except that the Secretary may apply the provisions of this subsection with respect to any course in which the Secretary has reason to believe that the enrollment of such veterans and persons may be in excess of 85 percent of the total student enrollment in such course.

"(2) Paragraph (1) of this subsection—

"(A) does not (except as provided in section 2141(c) of this title) apply with respect to the enrollment of a veteran in a course offered pursuant to subchapter V of this chapter;

"(B) does not apply with respect to the enrollment of a veteran in a farm cooperative training course; and

"(C) does not apply with respect to the enrollment of a veteran in a course described in section 1789(b)(6) of this title.

"§ 2123. Discontinuance for unsatisfactory conduct or progress

"The Secretary shall discontinue the educational assistance allowance of an eligible veteran if, at any time, the Secretary finds that according to the regularly prescribed standards and practices of the educational institution, the veteran's attendance, conduct, or progress is unsatisfactory. The Secretary may renew the payment of the educational assistance allowance only if the Secretary finds that—

"(1) the veteran will be resuming enrollment at the same educational institution in the same program of education and the educational institution has both approved such veteran's reenrollment and certified it to the Department of Veterans Affairs; or

"(2) in the case of a proposed change of either educational institution or program of education by the veteran—

"(A) the cause of the unsatisfactory attendance, conduct, or progress has been removed;

"(B) the program proposed to be pursued is suitable to the veteran's aptitudes, interests, and abilities; and

"(C) if a proposed change of program is involved, the change meets the requirements for approval under section 1791 of this title.

"§ 2124. Education outside the United States

"An eligible veteran may not enroll in any course at an educational institution not located in a State unless such course is pursued at an approved institution of higher learning and the course is approved by the Secretary. The Secretary may deny or discontinue educational assistance under this chapter in the case of any veteran enrolled in an institution of higher learning not located in a State if the Secretary determines that such enrollment is not in the best interest of the veteran or the Federal Government.

"SUBCHAPTER IV—PAYMENTS TO ELIGIBLE VETERANS; VETERAN-STUDENT SERVICES

"§ 2130. Educational assistance allowance

"(a) The Secretary shall, in accordance with the applicable provisions of this section and chapter 36 of this title, pay to each eligible veteran who is pursuing a program of education under this chapter an educational assistance allowance to meet, in part, the expenses of the veteran's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

"(b) The educational assistance allowance of an eligible veteran pursuing a program of education, other than a program exclusively by correspondence, at an educational institution shall be paid as provided in chapter 36 of this title.

"§ 2131. Computation of educational assistance allowances

"(a)(1) Except as provided in subsection (b), (c), or (g) of this section or section 1787 of this title, while pursuing a program of education under this chapter of half-time or more, each eligible veteran shall be paid during the period beginning on October 1, 1991, and ending on September 30, 1993, the monthly educational assistance allowance set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the applicable type of program as shown in column I:

Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional training:				
Full-time	$777	$925	$1,054	$66
Three-quarter time.	583	692	789	49
Half-time	389	463	528	35
Cooperative	629	735	836	48

"(2) With respect to the fiscal year beginning on October 1, 1993, the Secretary shall pay, in lieu of the rates payable under paragraph (1) of this subsection, the monthly rates payable under such paragraph and shall provide a percentage increase in such rates equal to the percentage by which the Consumer Price Index (all items, United States city average, published by the Bureau of Labor Statistics) for the 12-month period ending June 30, 1993, exceeds such Consumer Price Index for the 12-month period ending June 30, 1992.

"(3) With respect to any fiscal year beginning on or after October 1, 1994, the Secretary shall pay, in lieu of the rates payable under paragraph (1) of this subsection, the monthly rates payable under this subsection for the previous fiscal year and shall provide, for any such fiscal year, a percentage increase in such rates equal to the percentage by which—

"(A) the Consumer Price Index (all items, United States city average) for the 12-month period ending on the June 30 preceding the beginning of the fiscal year for which the increase is made, exceeds

"(B) such Consumer Price Index for the 12-month period preceding the 12-month period described in subparagraph (A).

"(4) A 'cooperative' program, other than a 'farm cooperative' program, means a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion.

"(b) The educational assistance allowance of an individual pursuing a program of education—

"(1) while on active duty, or

"(2) on less than a half-time basis,

shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same program to pay, or (B) $777 per month (or such rate as adjusted pursuant to subsection (a)(2) of this section) for a full-time course, whichever is the lesser. An individual's entitlement shall be charged for institutional courses on the basis of the applicable monthly training time rate as determined under section 1788 of this title.

"(c)(1) An eligible veteran who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within 44 weeks of any period of 12 consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of 7 clock hours per week), or

"(C) a half-time basis (minimum of 5 clock hours per week), shall be eligible to receive an educational assistance allowance at the appropriate rate provided in the table in paragraph (2) of this subsection, if such eligible veteran is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Secretary. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the veteran is enrolled.

"(2) The monthly educational assistance allowance of an eligible veteran pursuing a farm cooperative program under this chapter during the period beginning on October 1, 1991, and ending on September 30, 1993, shall be paid as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

Column I	Column II	Column III	Column IV	
Basis	No dependents	One dependent	Two dependents	Column V More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$629	$735	$836	$48
Three-quarter time	472	551	627	37
Half-time	315	369	419	25

"(3) With respect to the fiscal year beginning on October 1, 1993, the Secretary shall pay, in lieu of the rates payable under paragraph (2), the monthly rates payable under such paragraph and shall provide a percentage increase in such rates equal to the percentage by which the Consumer Price Index (all items, United States city average, published by the Bureau of Labor Statistics) for the 12-month period ending June 30, 1993, exceeds such Consumer Price Index for the 12-month period ending June 30, 1992.

"(4) With respect to any fiscal year beginning on or after October 1, 1994, the Secretary shall pay, in lieu of the rates payable under paragraph (2), the monthly rates payable under this subsection for the previous fiscal year and shall provide, for any such fiscal year, a percentage increase in such rates equal to the percentage by which—

"(A) the Consumer Price Index (all items, United States average) for the 12-month period ending on the June 30 preceding the beginning of the fiscal year for which the increase is made, exceeds

"(B) such Consumer Price Index for the 12-month period preceding the 12-month period described in subparagraph (A).

"(d)(1) Notwithstanding the prohibition in section 2121 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has 'already qualified,' a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit such veteran to update such veteran's knowledge and skills and to be instructed in the technological advances which have occurred in such veteran's field of employment during and since the period of such veteran's active military service.

"(2) A veteran pursing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate prescribed in the table in subsection (a)(1) or subsection (c)(2) of this section, whichever is applicable.

"(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 2110(a) of this title.

"(e) The educational assistance allowance of an eligible veteran pursuing an independent study program which leads to a standard college degree shall be computed at the rate provided in subsection (b) of this section. If the entire training is to be pursued to independent study, the amount of such veteran's entitlement to educational assistance under this chapter shall be charged in accordance with the rate at which the veteran is pursuing the independent study program but at not more than the rate at which such entitlement is charged for pursuit of such program on less than a half-time basis. In any case in which independent study is combined with resident training, the educational assistance allowance shall be paid at the applicable institutional rate based on the total training time determined by adding the number of semester hours (or the equivalent thereof) of resident training to the number of semester hours (or the equivalent thereof) of independent study that do not exceed the number of semester hours (or the equivalent thereof) required for the less than half-time institutional rate, as determined by the Secretary, for resident training. A veteran's entitlement shall be charged for a combination of independent study and resident training on the basis of the applicable monthly training time rate as determined under section 1788 of this title.

"(f) The educational assistance allowance of an eligible veteran pursing a course in part by open circuit television shall be computed in the same manner that such allowance is computed under subsection (e) of this section for an independent study program.

"(g)(1) Subject to the provisions of paragraph (2) of this subsection, the amount of the educational assistance allowance paid to an eligible veteran who is pursuing a program of education under this chapter while incarcerated in a Federal, State, or local penal institution for conviction of a felony may not exceed such amount as the Secretary determines, in accordance with regulations which the Secretary shall prescribe, is necessary to cover the cost of established charges for tutition and fees required of similar circumstances nonveterans enrolled in the same program and to cover the cost of necessary supplies, books, and equipment, of the applicable monthly educational assistance allowance prescribed for a veteran with no dependents in subsection (a)(1) or (c)(2) of this section or section 1787(b)(1) of this title, whichever is the lesser. The amount of the educational assistance allowance payable to a veteran while so incarcerated shall be reduced to the extent that the tuition and fees of the veteran for any course are paid under any Federal program (other than a program administered by the Secretary) or under any State or local program.

"(2) Paragraph (1) of this subsection shall not apply in the case of any veteran who is pursuing a program of education under this chapter while residing in a halfway house or participating in a work-release program in connection with such veteran's conviction of a felony.

"§ 2132. Approval of courses.

"An eligible veteran shall receive the benefits of this chapter while enrolled in a course of education offered by an educational institution only if such course is approved in accordance with the provisions of subchapter I of chapter 36 this title.

"§ 2133. Apprenticeship or other on-job training; correspondence courses

"Any eligible veteran may pursue a program of apprenticeship or other on-job training or a program of education exclusively by correspondence and be paid an educational assistance allowance or training assistance allowance, as applicable, under the provisions of section 1787 or 1786 of this title.

"§ 2134. Work-study allowance

"(a)(1) Individuals utilized under the authority of subsection (b) of this section shall be paid an additional educational assistance allowance (hereafter referred to as "work-study allowance"). Such work-study allowance shall be paid in an amount equal to the applicable hourly minimum wage times the number of hours worked during the applicable period, in return for such individual's agreement to perform services, during or between periods of enrollment, aggregating not more than a number of hours equal to 25 times the number of weeks in the semester or other applicable enrollment period, required in connection with (1) the out-reach services program under subchapter IV of chapter 3 of this title as carried out under the supervision of a Department of Veterans Affairs' employee, (2) the preparation and processing of necessary papers and other documents at educational institutions or regional offices or facilities of the Department of Veterans Affairs, (3) the provision of hospital and domiciliary care and medical treatment under chapter 17 of this title, (4) any other activity of the Department of Veterans Affairs as the Secretary shall determine appropriate, or (5) in the case of an individual who is receiving educational assistance under chapter 106 of title 10, activities relating to the administration of such chapter at Department of Defense facilities. An individual shall be paid in advance an amount equal to 40 per centum of the total amount of the work-study allowance agreed to be paid under the agreement in return for the individual's agreement to perform the number of hours work specified in the agreement.

"(2) For the purposes of paragraph (1) of this subsection, the term "applicable hourly minimum wage" means (A) the hourly minimum wage under section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)), or (B) the hourly minimum wage under comparable law of the State in which the services are to be performed, if such wage is higher than the wage referred to in clause (A) and the Secretary has made a determination to pay such higher wage.

"(b) Notwithstanding any other provision of law, the Secretary shall utilize, in connection with the activities specified in subsection (a)(1) of this section, the service of individuals who are pursuing programs of rehabilitation, education, or training under chapter 30, 31, 32, or 34 of this title or chapter

106 of title 10, at a rate equal to at least three-quarters of that required of a full-time student. In carrying out this section, the Secretary, wherever feasible, shall give priority to veterans with disabilities rated at 30 percent or more for purposes of chapter 11 of this title. In the event an individual ceases to be at least three-quarter-time student before completing such agreement, the individual may, with the approval of the Secretary, be permitted to complete such agreement.

"(c) The Secretary shall determine the number of individuals whose services the Department of Veterans Affairs can effectively utilize and the types of services that such individuals may be required to perform, on the basis of a survey, which the Secretary shall conduct annually, of each Department of Veterans Affairs regional office in order to determine the numbers of individuals whose services can effectively be utilized during an enrollment period in each geographical area where Department of Veterans Affairs' activities are conducted, and shall determine which individuals shall be offered agreements under this section in accordance with regulations which the Secretary shall prescribe, including as criteria (a) the need of the individual to augment the individual's educational assistance or subsistence allowance; (2) the availability to the individual of transportation to the place where the individual's services are to be performed; (3) the motivation of the individual; and (4) in the case of a disabled veteran pursuing a course of vocational rehabilitation under chapter 31 of this title, the compatibility of the work assignment to the veteran's physical condition.

"(d) While performing the services authorized by this section, individuals shall be deemed employees of the United States for the purposes of the benefits of chapter 81 of title 5 but not for the purposes of laws administrated by the Office of Personnel Management.

"SUBCHAPTER V—SPECIAL ASSISTANCE FOR THE EDUCATIONALLY DISADVANTAGED

"§ 2140. Purpose

"It is the purpose of this subchapter (1) to encourage and assist veterans who have academic deficiencies to attain a high school education or its equivalent and to qualify for and pursue courses of higher education, (2) to assist eligible veterans to pursue postsecondary education through tutorial assistance where required, and (3) to encourage educational institutions to develop programs which provide special tutorial, remedial, preparatory, or other educational or supplementary assistance to such veterans.

"§ 2141. Elementary and secondary education and preparatory educational assistance

"(a) In the case of any eligible veteran who—

"(1) has not received a secondary school diploma (or an equivalency certificate), or

"(2) is not on active duty and who, in order to pursue a program of education for which the veteran would otherwise be eligible, needs refresher courses, deficiency courses, or other preparatory or special educational assistance to qualify for admission to an appropriate educational institution, the Secretary may, without regard to so much of the provisions of section 2121 of this title as prohibit the enrollment of an eligible veteran in a program of education in which the veteran is "already qualified," approve the enrollment of such veteran in an appropriate course or courses or other special educational assistance program.

"(b)(1) The Secretary shall pay to an eligible veteran pursuing a course or courses or program pursuant to subsection (a)(2) of this section, an educational assistance allowance as provided in sections 2130 and 2131(a) or (b) of this title.

"(2) The Secretary shall pay to an eligible veteran described in subsection (a)(1) of this section who is pursuing a course or courses or program under this subchapter for the purpose of attaining a secondary school diploma (or an equivalency certificate) an educational assistance allowance (A) at the rate of established charges for tuition and fees required of similarly circumstanced nonveterans enrolled in the same course, courses, or program, or (B) at the institutional full-time rate provided in section 2131(a) of this title, whichever is the lesser.

"(c) The provisions of section 2122(d)(1) of this title, relating to the disapproval of enrollment in certain courses, shall be applicable to the enrollment of an eligible veteran who, while serving on active duty, enrolls in one or more courses under this subchapter for the purpose of attaining a secondary school diploma (or an equivalency certificate).

"§ 2142. Tutorial assistance

"(a) In the case of any eligible veteran who—

"(1) is enrolled in and pursuing a postsecondary course of education on a half-time or more basis at an educational institution; and

"(2) has a deficiency in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education, the Secretary may approve individualed tutorial assistance for such veteran if such assistance is necessary for the veteran to complete such program successfully.

"(b) The Secretary shall pay to an eligible veteran receiving tutorial assistance pursuant to subsection (a) of this section, in addition to the educational assistance allowance provided in section 2131 of this title, the cost of such tutorial assistance in an amount not to exceed $400 per month, for a maximum of twelve months, or until a maximum of $4,800 is utilized, upon certification by the educational institution that—

"(1) the individualized tutorial assistance is essential to correct a deficiency of the eligible veteran in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education;

"(2) the tutor chosen to perform such assistance is qualified and is not the eligible veteran's parent, spouse, child (whether or not married or over eighteen years of age), brother, or sister; and

"(3) the charges for such assistance do not exceed the customary charges for such tutorial assistance.

"§ 2143. Effect on educational entitlement

"The educational assistance allowance or cost of individualized tutorial assistance authorized by this subchapter shall be paid without charge to any period of entitlement the veteran may have earned pursuant to section 2110(a) of this title.

"SUBCHAPTER VI—GENERAL AND ADMINISTRATIVE PROVISIONS

"§ 2151. Bar to duplication of educational assistance benefits

"(a) An individual entitled to educational assistance under a program established by this chapter who is also eligible for educational assistance under a program under chapter 30, 31, 32, 34 or 35 of this title, under chapter 106 or 107 of title 10, or under the Hostage Relief Act of 1980 (Public Law 96-449; 5 U.S.C. 5561 note) may not receive assistance under two or more of such programs concurrently but shall elect (in such form and manner as the Secretary may prescribe) under which program to receive educational assistance.

"(b) A period of service counted for purposes of repayment under section 90 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141 note), of an education loan may not also be counted for purposes of entitlement to educational assistance under this chapter.

"§ 2152. Allocation of administration and of program costs

"(a) Except to the extent otherwise specifically provided in this chapter, the educational assistance programs established by this chapter shall be administered by the Department of Veterans Affairs.

"(b) The payments for entitlement under this chapter are hereby designated as incremental costs associated with Operation Desert Storm. Except as provided in section 5 of the Desert Storm Servicepersons' Readjustment Act of 1991, payments for entitlement earned under this chapter shall be made from funds appropriated to, or otherwise available to, the Department of Veterans Affairs for the payment of readjustment benefits.

"§ 2153. Reporting requirement

"(a) The Secretary shall submit to the Congress at least once every two years a report on the operation of the program provided for in this chapter.

"(b) The Secretary shall include in each report submitted under this section—

"(1) information concerning the level of utilization of educational assistance and of expenditures under this chapter; and

"(2) such recommendations for administrative and legislative changes regarding the provision of educational assistance under this chapter to members of the Armed Forces and veterans as the Secretary considers appropriate.

"(c) The first report by the Secretary under this section shall be submitted not later than January 1, 1993.".

(2) The table of chapters at the beginning of Part III of title 38, United States Code, is amended by adding the following new item:

"44. Persian Gulf War Educational
Assistance Program .... 2101".

(b) Chapter 44 of title 38, United States Code, as added by subsection (a), shall take effect on the date of enactment of this Act.

MONTGOMERY GI BILL EDUCATIONAL ASSISTANCE ADJUSTMENTS

SEC. 4(a) Section 1411 of title 38, United States Code, is amended—

(1) in subsection (a) by striking out "Except as provided in subsection (c)" and by inserting in lieu thereof "Except for an individual who is entitled to basic educational assistance under chapter 44 of this title, and except as further provided in subsection (c)".

(2) in subsection (b) by inserting "(1)" prior to the text thereof, and by inserting the following new paragraphs:

"(2)(A) The amount by which an individual's basic pay is reduced on or after August 1, 1990 pursuant to paragraph (1) of this subsection shall be deemed to be payable to such individual as readjustment assistance, and shall be paid by the Secretary pursuant to regulations which the Secretary shall prescribe.

"(B) In the event that an individual's basic pay was reduced prior to August 1, 1990 pursuant to paragraph (1) of this subsection, and such individual subsequently demonstrates that, for good cause shown, he or she was unable to receive educational assistance under this chapter, the Secretary shall pay to such individual as readjustment assistance the amount by which such individual's basic pay was reduced prior to such date. Payment under this subparagraph shall be made by the Secretary pursuant to regulations which the Secretary shall prescribe.

"(3) The authority provided by paragraph (1) of this subsection to reduce basic pay shall terminate on the date of enactment of the Desert Storm Servicepersons' Readjustment Act of 1991. Notwithstanding the provisions of subsection (c)(1) of this section, any individual who made an election pursuant to such subsection not to receive educational assistance under this chapter shall be entitled to such assistance: *Provided*, That the monthly rate of educational assistance to such an individual for an approved program of education shall be reduced by an amount not to exceed $50 for an approved program pursued on a full-time basis, or by proportionally lesser amounts for approved programs pursued on a less-than-full-time basis, as determined by the Secretary pursuant to regulations that shall be prescribed by the Secretary, until the cumulative amount of such reduction in basic educational assistance paid to such individual totals that amount by which such individual's basic pay would have been reduced prior to August 1, 1990, had such individual not made such election pursuant to subsection (c)(1) of this section.".

(3) in subsection (c)(1) by adding at the end the following new sentences: "The provisions of this paragraph shall not apply to an individual who initially enters on active duty as a member of the Armed Forces on or after August 2, 1990. Any individual who initially enters on active duty as a member of the Armed Forces on or after August 2, 1990, shall be deemed to have elected to receive educational assistance under this chapter.".

(b) Section 1412 of title 38, United States Code, is amended—

(1) in subsection (a) by striking out "Except as provided in subsection (d)" and by inserting in lieu thereof "Except for an individual who is entitled to basic educational assistance under chapter 44 of this title, and except as further provided in subsection (d)".

(2) in subsection (c) by inserting "(1)" prior to the text thereof, and by inserting the following new paragraphs:

"(2)(A) The amount by which an individual's basic pay is reduced on or after August 1, 1990 pursuant to paragraph (1) of this subsection shall be deemed to be payable to such individual as readjustment assistance, and shall be paid by the Secretary pursuant to regulations which the Secretary shall prescribe.

"(B) In the event that an individual's basic pay was reduced prior to August 1, 1990 pursuant to paragraph (1) of this subsection, and such individual subsequently demonstrates that, for good cause shown, he or she was unable to receive educational assistance under this chapter, the Secretary shall pay to such individual as readjustment assistance the amount by which such individual's basic pay was reduced prior to such date. Payment under this subparagraph shall be made by the Secretary pursuant to regulations which the Secretary shall prescribe.

"(3) The authority provided by paragraph (1) of this subsection to reduce basic pay shall terminate on the date of enactment of the Desert Storm Servicepersons' Readjustment Act of 1991. Notwithstanding the provisions of subsection (d)(1) of this section, any individual who made an election pursuant to such subsection not to receive educational assistance under this chapter shall be entitled to such assistance: *Provided*, That the monthly rate of educational assistance to such an individual for an approved program of education shall be reduced by an amount not to exceed $50 for an approved program pursued on a full-time basis, or by proportionally lesser amounts for approved programs pursued on a less-than-full-time basis, as determined by the Secretary pursuant to regulations that shall be prescribed by the Secretary, until the cumulative amount of such reduction in basic educational assistance paid to such individual totals that amount by which such individual's basic pay would have been reduced prior to August 1, 1990, had such individual not made such election pursuant to subsection (d)(1) of this section.".

(3) in subsection (d)(1) by adding at the end the following new sentences: "The provisions of this paragraph shall not apply to an individual who initially enters on active duty as a member of the Armed Forces on or after August 2, 1990. Any individual who initially enters on active duty as a member of the Armed Forces on or after August 2, 1990, shall be deemed to have elected to receive educational assistance under this chapter.".

(c) Section 1413 of title 38, United States Code, is amended by amending subsection (c) to read as follows:

"(c) Subject to section 1795 of this title, each individual entitled to basic educational assistance under section 1418 of this title shall be entitled to 36 months of educational assistance under this chapter (or the equivalent thereof in part-time educational assistance).".

(d) Section 1415 of title 38, United States Code, is amended—

(1) in subsection (f)(1) by striking out "$350 and $275" and inserting in lieu thereof "$777 and $518";

(2) in subsection (f)(2) by striking out "may" each time it appears and inserting in lieu thereof "shall"; and

(3) in subsection (f)(3) by striking out "may" each time each appears and inserting in lieu thereof "shall".

(e) Section 2131 of title 38, United States Code, is amended—

(1) in subsection (b)(2)(A) by striking out "$170, $128, and $85" and inserting in lieu thereof "$377, $284, and $189";

(2) in subsection (b)(2)(B) by striking out "may" each time it appears and by inserting in lieu thereof "shall"; and

(3) in subsection (b)(2)(C) by striking out "may" each time it appears and by inserting in lieu thereof "shall".

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FROM DEFENSE COOPERATION ACCOUNT.—

(a) AUTHORIZATION.—There is hereby authorized to be appropriated from the Defense Cooperation Account such sums as may be necessary for payment in fiscal years 1992 through 1995 of the costs of educational assistance programs established in chapter 44 of title 38, United States Code.

(b) INCREMENTAL COSTS ASSOCIATED WITH DESERT STORM.—Notwithstanding the requirement of Presidential designation in section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, the educational assistance benefits described in subsection (a) of this section are hereby designated as incremental costs associated with Operation Desert Storm, and as such are costs referred to in section 251(b)(2)(D)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(D)(ii)).

COORDINATION WITH OTHER VETERANS' EDUCATION AND TRAINING PROGRAMS

SEC. 6. (a) Section 708 of title 10, United States Code, is amended in subsection (e) by striking out "chapter 30" and inserting in lieu thereof "chapter 30 or 44".

(b) Section 135 of title 26, United States Code, is amended in subparagraph (d)(1)(B) by striking out "Chapter 30, 31, 32, 34, or 35" and inserting in lieu thereof "chapter 30, 31, 32, 34, 35 or 44".

(c) Section 113 of title 38, United States Code, is amended in subsection (c)(2) by striking out "or 36" and inserting in lieu thereof "36, or 44".

(d) Section 1508(f)(1) of title 38, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking out "chapter 30 or 34" and inserting in lieu thereof "chapter 30, 34 or 44"; and

(B) by striking out "chapter 30 or chapter 34" and inserting in lieu thereof "chapter 30, chapter 34, or chapter 44"; and

(2) in subparagraph (B), by striking out "30 or 34" and inserting in lieu thereof "30, 34 or 44".

(e) The third sentence of section 1673(d)(1) of title 38, United States Code is amended by striking out "or 36" and inserting in lieu thereof "36, or 44".

(f) Section 1685 of title 38, United States Code, is amended in subsection (b) by striking out "chapter 30, 31, 32 or 34" and inserting in lieu thereof "chapter 30, 31, 32, 34 or 44".

(g) Section 1774 of title 38, United States Code, is amended in subsection (a)(1) by striking out "chapter 30 through 35" and inserting in lieu thereof "chapter 30 through 35 and chapter 44".

(h) Section 1781 of title 38, United States Code is amended—

(1) in subsection (a) by striking out "or 36" and by inserting "36, or 44" in lieu thereof; and

(2) in subsection (b)(1) by striking out "and 36," and inserting in lieu thereof "36, and 44".

(i) Section 1784 of title 38, United States Code, is amended in subsection (c) by striking out "chapter 31, 34 or 35" and inserting in lieu thereof "chapter 31, 34, 35 or 44".

(j) Section 1790(b)(3) of title 38, United States Code, is amended in subparagraph (A) by striking out "chapter 30, 32, 34, or 35" and inserting in lieu thereof "chapter 30, 32, 34, 35 or 44".

(k) Section 1792 of title 38, United States Code, is amended in subsection (a) by striking out "or 35" and inserting in lieu thereof "35, or 44".

(l) Section 1793 of title 38, United States Code, is amended—

(1) in subsection (a) by striking out "chapters 30 through 36" and inserting in lieu thereof "chapters 30 through 36 and 44"; and

(2) in subsection (b) by striking out "chapters 30 through 36" and inserting in lieu thereof "chapters 30 through 36 and 44".

(m) Section 1795(a) of title 38, United States Code, is amended by striking out "and 36," in clause (4) and inserting in lieu thereof "36, and 44".

(n) Section 1797 of title 38, United States Code, is amended in subsection (a) by striking out "chapter 30, 32, 34 or 35" and inserting in lieu thereof "chapter 30, 32, 34, 35 or 44".

(o) Section 3013 of title 38, United States Code, is amended by striking out "and 35" and inserting in lieu thereof "35, and 44".

(p) Section 3103A of title 38, United States Code, is amended in subsection (b)(3)(F) by striking out "chapter 30" and inserting in lieu thereof "chapter 30 or 44".

By Ms. MIKULSKI (for herself, Mr. LEVIN, and Mr. RUDMAN):

S. 2232. A bill to make available to consumers certain information regarding automobiles; to the Committee on Commerce, Science, and Transportation.

AMERICAN AUTOMOBILE LABELING ACT

Ms. MIKULSKI. Mr. President, today I want to talk about introducing legislation called the American Automobile Labeling Act of 1992. I call this my stick up for America legislation.

Mr. President, we are in a war for America's future. We need jobs today, and we need jobs tomorrow. It is time for us to stick up for America, and I believe it is time for us to stand up for American jobs. I believe we do that by practicing pocketbook patriotism. Here is how I would like to do it.

I am introducing legislation called the American Automobile Labeling Act calling upon the car industry in the United States of America, and anyone who sells a car in the United States of America, to put a label on their cars telling us how many parts are produced and how much labor is generated here in the United States of America; to tell us what portion of those cars are built in the United States of America, and what portion of the parts are from the United States of America.

My bill defends not only the automobile worker but the American car buyer. American auto workers want to preserve their jobs, and American car buyers have a right to know where their cars are made.

They need to know and have a right to know where their Toyota or their BMW is made; how many parts does the car have that have been made in America; how much of the actual hands-on labor in their car was here in America?

At the same time, if you walk into a dealer and the name has Chevrolet, or Dodge, or any of the American names, you have a right to know. Was this car made in the United States of America according to its component parts and its component labor?

So I am calling on us today to stick up for America, to practice pocketbook patriotism, and make sure we have on our cars the label "Made in the U.S.A."

Millions of Americans want to buy American cars because our economy depends upon jobs in the auto industry. And they want to do that because they believe it is the patriotic thing to do. They want to practice pocketbook patriotism.

Mr. President, we can label anything in America. We now label our clothing. When you walk in to buy your trousers, or I walk in to buy my blouse, there will be a label that will tell us where it is made. When we go into a grocery store, we will be able to read a label that tells us how many calories are in that can of soup or vegetables. And certainly when we walk in to buy a $12,000 or $15,000 or $30,000 automobile, we have the right to know what amount of parts are made in the United States of America, and how much labor is from the United States of America.

When I talk to consumers, they tell me they would like to buy American, they would like to build America, they would like to practice pocketbook patriotism but they cannot tell whether their car has been made in Mexico. I understand some Dodges are made in Korea. Yet at the same time we have Hondas that are made in Ohio.

Mr. President, in Baltimore, they build a General Motors minivan. If you take a look at it, as I did, and read the label, you will see that 94 percent of the parts come from the United States of America: 94 percent of the labor is in the United States of America—most of it right here from Baltimore, on Broening Highway.

The minivan is primarily an American car. I know that the auto workers on Broening Highway in Baltimore build some of the best minivans anywhere. I am proud of that. I want to be able to advocate that.

My legislation meets consumer needs, and I believe it will preserve American jobs. I know that, given the choice, many Americans will buy American. They want to build America, and practice pocketbook patriotism. I believe my legislation is a good salvo in this war for America's future.

Mr. President, I ask unanimous consent that the text of the bill and a summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2232

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Automobile Labeling Act".

SEC. 2. DISCLOSURE.

(a) LABEL REQUIREMENT.—(1) Each manufacturer of a new automobile distributed in commerce for sale in the United States shall cause to be affixed, and each dealer shall cause to be maintained, on each such automobile manufactured in any model year after model year 1992, in a prominent place, a label—

(A) indicating the percentage (by value) of automobile equipment on such automobile which originated in the United States;

(B) indicating the percentage (by manhour) of labor on such automobile performed by workers in the United States in assembling such automobile; and

(C) indicating the name of any country, other than the United States, where at least one-third of the automobile equipment (by value) in such automobile originated.

(2) Percentages required by this Act may be rounded to the nearest 10 percent.

(b) FORM AND CONTENT OF LABEL.—The form and content of the label required under subsection (a), and the manner in which such label shall be affixed, shall be prescribed by the Secretary by rule. The Secretary may permit a manufacturer to comply with this Act by permitting such manufacturer to disclose the information required under this Act on the label required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232).

(c) REGULATIONS.—The Secretary, in consultation with the Secretary of Commerce and the Secretary of the Treasury, shall promulgate such regulations as may be necessary to carry out this Act.

SEC. 3. VIOLATIONS AND PENALTIES.

Any manufacturer of automobiles distributed in commerce for sale in the United States who willfully fails to affix to any new automobile so manufactured or imported by him for sale in the United States the label required by this Act, or any dealer who fails to maintain such label as required by this Act, shall be fined not more than $1,000. Such failure with respect to each automobile shall constitute a separate offense.

SEC. 4. DEFINITIONS.

For purposes of this Act—

(1) The term "manufacturer" means any person engaged in the manufacturing or assembling of new automobiles, including any person importing new automobiles for resale and any person who acts for and is under the control of such manufacturer, assembler, or importer in connection with the distribution of new automobiles.

(2) The term "person" means an individual, partnership, corporation, business trust, or any organized group of persons.

(3) The term "automobile" includes any passenger car, passenger van, or any other vehicle with respect to which the labeling requirements of section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) apply.

(4) The term "automobile equipment" means any system, part, or component of an automobile installed on or attached to such automobile at the time of its initial shipment by the manufacturer to a dealer for sale to an ultimate purchaser.

(5) The term "new automobile" means an automobile the equitable or legal title to which has never been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser.

(6) The term "dealer" means any person or resident located in the United States, including any territory of the United States, or the District of Columbia, engaged in the sale or the distribution of new automobiles to the ultimate purchaser.

(7) The term "commerce" means commerce between any place in a State and any place in another State, or between places in the same State through another State.

(8) The term "Secretary" means the Secretary of Transportation.

(9) The term "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone and American Samoa.

AMERICAN AUTOMOBILE LABELING ACT OF 1992

Requires that all automobiles sold in the U.S. include a label which identifies the percentage of parts and assembly labor which originate in the U.S.

Also requires that the label identify any country where at least ⅓rd of parts in the auto originate.

To make it easy to administer, percentages identified in the label could be rounded off to the nearest 10% and only the percentage of U.S. labor and parts would be required (not the percentage of foreign parts).

An example of a label might be: "Parts: USA (60%), Korea. Labor: USA (70%)."

The bill does not specify where the label would appear—it could be part of the window sticker which also includes EPA mileage information.

Enforcement by U.S. Dept. of Transportation.

By Mr. SANFORD:

S. 2233. A bill to extend until January 1, 1995, the existing suspension of duty on Cefixime; to the Committee on Finance.

EXTENSION OF DUTY SUSPENSION ON CEFIXIME

• Mr. SANFORD. Mr. President, I rise today to introduce a simple duty extension for cefixime, the active ingredient in an orally administered antibiotic. Currently, there is no domestic manufacturer of this product and we have heard no objections to a 2-year duty suspension.

Lederle Laboratories, a Division of American Cyanamid Co., is the importer of cefixime. Lederle-Praxis Biologicals has 127 employees at its plant right outside of Raleigh, NC which manufactures biopharmaceutical products, primarily vaccines and antibiotics.

Due to the fact that there is no domestic producer of this important component to a necessary antibiotic, the extension will offset the cost of the product to the U.S. consumer and continue to provide important jobs to over 100 North Carolinians.

Companion legislation, H.R. 1701, was introduced in April 1991 and was referred to the House Ways and Means Committee. I urge my colleagues to support this noncontroversial duty suspension extension.•

By Mr. GORTON:

S. 2234. A bill to make it unlawful to offer for sale or distribute certain pyrotechnic devices to individuals under the age of 16 or to any other person without a required warning label; to the Committee on Commerce, Science, and Transportation.

SIGNAL FLARE SAFETY ACT

• Mr. GORTON. Mr. President, today I am introducing the Signal Flare Safety Act. This legislation is designed to keep dangerous pyrotechnic signal flares out of the hands of children.

Mr. David Hoins, one of my constituents from Vancouver, WA, learned that his fifth grade son purchased a magnesium signal flare launcher without his knowledge or consent at a clearance outlet in Vancouver.

Upon examination, Mr. Hoins discovered that this signal flare launcher, which resembles an ordinary highlighter pen, is actually a high powered, flammable device capable of firing a red meteor approximately 500 feet in the air.

Even more disturbing than the fact that a 10-year-old could purchase such a dangerous device, is that nowhere on the exterior packaging of this signal flare launcher was there so much as a warning label.

The bill I am introducing today will require the Consumer Product Safety Commission to enforce the following provisions. The bill will prohibit the sale of these pyrotechnic signal flares to individuals who have not attained the age of 16. It will also require specific warning labels to be printed on the exterior packaging which state: the sale or distribution to children under 16 is prohibited, as well as this product is dangerous and flammable, should be used with extreme care, and kept away from children.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2234

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Signal Flare Safety Act".

SEC. 2. DEFINITIONS.

In this Act, the term "pyrotechnic signal device" means any device listed in Table 175.130 under section 175.130 of title 46, Code of Federal Regulations (as in effect on January 1, 1992).

SEC. 3. BANNED HAZARDOUS PRODUCT.

Notwithstanding section 3(a)(1)(G) of the Consumer Product Safety Act (15 U.S.C. 2052(a)(1)(G)), a pyrotechnic signal device shall be considered a banned hazardous product under section 8 of the Consumer Product Safety Act (15 U.S.C. 2057) if—

(1) such device is offered for sale or is distributed in commerce to an individual who has not attained the age of 16; or

(2) such device does not bear the following label statements, the placement, conspicuousness, and contrast of which shall comply with section 1500.121 of title 16, Code of Federal Regulations:

(A) "WARNING: Sale or other distribution to children under 16 is prohibited by law.".

(B) "CAUTION: This product is dangerous and flammable, should be used with extreme care, and should be kept away from children.".

SEC. 4. EFFECTIVE DATE.

This Act shall take effect on the 180th day after its date of enactment.•

By Mr. MOYNIHAN:

S. 2235. A bill to extend until April 1993, the demonstration project under which influenza vaccinations are provided to Medicare beneficiaries; to the Committee on Finance.

EXTENSION OF MEDICARE INFLUENZA VACCINATION DEMONSTRATION PROJECT

• Mr. MOYNIHAN. Mr. President, I rise today to introduce health legislation that will maintain influenza vaccination coverage for nearly 2 million older Americans. The bill that I propose today would establish a 1-year extension for the Medicare influenza vaccination demonstration projects currently in effect in New York, Pennsylvania, Michigan, Ohio, Oklahoma, Arizona, Massachusetts, North Carolina, Texas, and Illinois.

The demonstration projects were mandated by Congress to run for 4 years between October 1988 and September 1992. Based on their success, it is expected that Medicare coverage of the vaccine will become permanent. A final report on cost effectiveness and recommendation for permanency to Congress is due in April 1993. If the demonstration is discontinued in September 1992, 6 months before the report to Congress is due, however, 1.9 million Medicare recipients will be without vaccine coverage for the 1992–93 influenza season.

Influenza is an uncomfortable disease for even the healthiest individuals. For some it can be very serious indeed. Flu epidemics have led to thousands of deaths and tens of thousands of hospitalizations nationwide. In 1989, over 75,000 people died from pneumonia or influenza and the Federal Government spent $69 million on influenza research, education, and prevention. For the Medicare population, particularly for those with conditions such as heart disease and upper respiratory ailments, the effects of influenza can be devastating. Among the elderly and chronically ill, influenza can cause pneumonia and other serious complications. Eighty to ninety percent of all reported deaths from influenza occur among persons aged 65 and older. Annual vaccination of elderly and chronically ill persons against influenza to prevent morbidity and mortality has long been recommended by the Public Health Service.

In New York State's Monroe County health care providers have already reached over 60 percent of the Medicare population and expect that number to reach 70 percent during the current year. While the success of the demonstration has yet to be thoroughly documented, preliminary results are promising. Mr. President, the 1-year extension for the Medicare influenza vaccination demonstration projects will permit us to find out with greater certainty. I urge my colleagues to support this legislation.•

By Mr. SIMON (for himself, Mr. HATCH, Mr. DECONCINI, Mr. SPECTER, Mr. KENNEDY, Mr. INOUYE, Mr. MCCAIN, Mr. DASCHLE, Mr. DURENBERGER, Mr. CRANSTON, Mr. BINGAMAN, Mr. WIRTH, Mr. METZENBAUM, and Mr. DIXON):

S. 2236. A bill to amend the Voting Rights Act of 1965 to modify and extend the bilingual voting provisions of the act; to the Committee on the Judiciary.

VOTING RIGHTS ACT LANGUAGE ASSISTANCE AMENDMENTS

• Mr. SIMON. Mr. President, I rise today to introduce the Voting Rights Act Language Assistance Amendments of 1992, legislation to extend the Voting Rights Act language assistance provisions for 15 years and to clarify the coverage of American Indians living on Indian lands. Without passage of this legislation, the language assistance provisions will expire on August 6 of this year.

The Voting Rights Act of 1965 has been described as our most important piece of civil rights legislation ever. As chairman of the Judiciary Subcommittee on the Constitution, I am pleased to be joined in this extension bill by my distinguished colleagues Senator ORRIN HATCH, our ranking member Senator ARLEN SPECTER, and the other distinguished members of our subcommittee.

In 1975, Congress amended the Voting Rights Act to extend its coverage to jurisdictions in which more than 5 percent of the citizens of voting age are members of a single-language minority and the illiteracy rate of that group exceeds the national average. American Indians, Asian-Americans, Alaska Natives, and persons of Hispanic ancestry are considered language minorities under the act. The amendments were designed to address one result of the unequal educational opportunities experienced by these groups.

The bilingual election provisions have successfully enfranchised American citizens who, because of their inability to fully speak, write or understand English, were blocked from exercising the most fundamental civil right in our representative government—the right to vote. In 1982, Congress extended the bilingual election provisions to their current expiration date. Since the original enactment of the language minority provisions, as was true for African-Americans under the Voting Rights Act, voter participation among Hispanics, Asian-Americans, and others covered under the act has increased dramatically. By making available the same written and oral voting assistance that English-speaking voters get from election officials, the Voting Rights Act provisions ensure that these voters can cast intelligent votes.

Mr. President, I believe that there is a continuing need for bilingual elections. Although great strides have been made in language minority communities since we originally enacted these provisions, the need continues. With one exception, our bill is a simple 15 year extension of the current provisions. The only change made by this legislation relates to the coverage of Native Americans on Indian lands.

Currently, non-English speaking residents of Indian reservations are covered under the act if they account for 5 percent of the county or political subdivision in which they reside. However, some Indian reservations cross county or even State lines. In these instances, some parts of a reservation are covered but others, where there is the same need in the same election, are not. Our bill will afford coverage to Indian lands where 5 percent of a reservation is non-English speaking in the same native language.

It is fitting that the Voting Rights Act Language Assistance Amendments of 1992 engender vigorous bipartisan support and I encourage my colleagues to cosponsor this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2236

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Voting Rights Act Language Assistance Amendments of 1992".

SEC. 2. BILINGUAL VOTING.

Section 203(b) of the Voting Rights Act of 1965 (42 U.S.C. 1973aa–1a(b)) is amended—

(1) in the first sentence—

(A) by striking "Prior to August 6, 1992" and inserting "(1) Except as provided in paragraph (2), prior to June 29, 2007";

(B) by striking "determines (i)" and inserting "determines—

"(A)(i)";

(C) by striking "and (ii) that" and inserting "; or

"(ii) if a political subdivision contains all or any part of an Indian reservation, that more than 5 percent of the American Indian, or Alaska Native, citizens of voting age of the Indian reservation are members of a single language minority; and

"(B) that"; and

(D) by striking "rate: *Provided,*" and all that follows through "which" and inserting "rate.

"(2) Within a State described in paragraph (1)(A)(i), the prohibitions of this subsection shall not apply in a political subdivision described in paragraph (1)(A)(i) that";

(2) beginning with the next to last sentence, by striking "For purposes" and all that follows through "The" and inserting the following:

"(3) The"; and

(3) by adding at the end the following:

"(4) For purposes of this subsection:

"(A) The term 'illiteracy' means the failure to complete the fifth primary grade.

"(B) The term 'Indian reservation' means a reservation, as defined in—

"(i) section 3(d) of the Indian Financing Act of 1974 (25 U.S.C. 1452(d)); or

"(ii) section 4(10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(10)).".•

ADDITIONAL COSPONSORS

S. 360

At the request of Mr. BUMPERS, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 360, a bill to authorize the Small Business Administration to provide financial and business development assistance to military reservists' small businesses, and for other purposes.

S. 703

At the request of Mr. ROCKEFELLER, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 703, a bill to amend the Harmonized Tariff Schedule of the United States to correct the tariff rate inversion on certain iron and steel pipe and tube products.

S. 972

At the request of Mr. BRADLEY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 972, a bill to amend the Social Security Act to add a new title under such Act to provide assistance to States in providing services to support informal caregivers of individuals with functional limitations.

S. 1102

At the request of Mr. MOYNIHAN, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1102, a bill to amend title XVIII of the Social Security Act to provide coverage of qualified mental health professionals services furnished in community mental health centers.

S. 1332

At the request of Mr. BAUCUS, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1332, a bill to amend title XVIII of the Social Security Act to provide relief to physicians with respect to excessive regulations under the Medicare Program.

S. 1883

At the request of Mr. HOLLINGS, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1883, a bill to provide for a joint report by the Secretary of Health and Human Services and the Secretary of Agriculture to assist in decisions to reduce administrative duplication, promote coordination of eligibility services and remove eligibility barriers which restrict access of pregnant women, children, and families to benefits under the food stamp program and benefits under titles IV and XIX of the Social Security Act.

S. 2064

At the request of Mr. HATFIELD, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 2064, a bill to impose a one-year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

S. 2070

At the request of Mr. MOYNIHAN, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 2070, a bill to provide for the management of judicial space and facilities.

S. 2077

At the request of Mr. MOYNIHAN, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2077, a bill to amend title XIX of the Social Security Act to provide for optional State coverage of coordinated care, and to improve Federal requirements with respect to the provision of coordinated care by health maintenance organizations in order to allow States to reduce costs and improve quality care in contracting for managed care services under the medicaid program.

S. 2109

At the request of Mr. BAUCUS, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 2109, a bill to amend the Internal Revenue Code of 1986 to permit certain entities to elect taxable years other than taxable years required by the Tax Reform Act of 1986, and for other purposes.

S. 2204

At the request of Mr. DURENBERGER, the names of the Senator from Montana [Mr. BURNS] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2204, a bill to amend title 23, United States Code, to repeal the provisions relating to penalties with respect to grants to States for safety belt and motorcycle helmet traffic safety programs.

SENATE JOINT RESOLUTION 214

At the request of Mr. RIEGLE, the names of the Senator from New Mexico [Mr. BINGAMAN], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of Senate Joint Resolution 214, a joint resolution to designate May 16, 1992, as "National Awareness Week for Life-Saving Techniques."

SENATE JOINT RESOLUTION 222

At the request of Mr. DASCHLE, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Wisconsin [Mr. KASTEN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Joint Resolution 222, a joint resolution to designate 1992 as the "Year of Reconciliation Between American Indians and non-Indians."

SENATE JOINT RESOLUTION 230

At the request of Mr. REID, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Missouri [Mr. BOND], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Montana [Mr. BURNS], the Senator from Arizona [Mr. DECONCINI], the Senator from Tennessee [Mr. GORE], the Senator from Alabama [Mr. HEFLIN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 230, a joint resolution providing for the issuance of a stamp to commemorate the Women's Army Corps.

SENATE JOINT RESOLUTION 233

At the request of Mr. BIDEN, the names of the Senator from West Virginia [Mr. BYRD], the Senator from Kansas [Mr. DOLE], the Senator from Arkansas [Mr. BUMPERS], the Senator from Michigan [Mr. RIEGLE], the Senator from Vermont [Mr. LEAHY], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of Senate Joint Resolution 233, a joint resolution to designate the week beginning April 12, 1992, as "National Public Safety Telecommunicators Week."

SENATE JOINT RESOLUTION 247

At the request of Mr. DOLE, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Montana [Mr. BURNS], the Senator from Missouri [Mr. BOND], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of Senate Joint Resolution 247, a joint resolution designating June 11, 1992, as "National Alcoholism and Drug Abuse Counselors Day."

SENATE JOINT RESOLUTION 254

At the request of Mr. D'AMATO, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Indiana [Mr. LUGAR], the Senator from Florida [Mr. GRAHAM], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 254, a joint resolution commending the New York Stock Exchange on the occasion of its bicentennial.

SENATE CONCURRENT RESOLUTION 17

At the request of Mr. HATCH, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Delaware [Mr. ROTH], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Tennessee [Mr. SASSER], the Senator from Oregon [Mr. HATFIELD], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Washington [Mr. ADAMS], the Senator from Alaska [Mr. STEVENS], the Senator from Illinois [Mr. SIMON], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Concurrent Resolution 17, a concurrent resolution expressing the sense of Congress with respect to certain regulations of the Occupational Safety and Health Administration.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

AMENDMENT NO. 1629

At the request of Mr. DOLE the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Amendment No. 1629 proposed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

AMENDMENTS SUBMITTED

NATIONAL ENERGY SECURITY ACT

BRYAN AMENDMENT NO. 1644

Mr. BRYAN proposed an amendment to the bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes, as follows:

Beginning on page 125, strike line 15 and all that follows through page 126, line 2, and insert the following new subsection:

(c) INDUSTRIAL ENERGY INFORMATION, SAVINGS TARGETS AND GRANTS.—(1) The Secretary shall establish a program to compile information on energy consumption by corporations in major energy consuming industries and energy intensity trends relating to the corporations. The Secretary shall ask and encourage each corporation that consumes at least 500 billion Btu's of energy in a calendar year within one or more major energy consuming industries to submit an annual report to the Secretary or a qualified sponsor pursuant to paragraph (4) on a standard reporting form, as described in paragraph (2).

(2) Each annual report described in paragraph (1) shall include, with respect to the calendar year described in the report—

(A) information on the quantity of energy consumed by the reporting corporation, including information on the quantity of energy consumed per unit of output, by fuel type and estimates of energy consumption by major industry types;

(B) a comparison of each quantity described in subparagraph (A) with comparative information based on energy consumption in a reference year that the Secretary shall determine; and

(C) information on any significant energy efficiency measure, process improvement, or product change by the corporation that led to a reduction in energy consumption per unit of output.

Not later than 6 months after the date of the enactment of this Act, the Secretary shall publish a standard reporting form.

(3) For the purposes of this subsection, the term "major consuming industry" shall include the following industries:

(A) Food and kindred products.
(B) Textiles.
(C) Lumber and wood products.
(D) Paper.
(E) Chemicals.
(F) Petroleum.
(G) Stone, clay, and glass.
(H) Primary metals.
(I) Fabricated metal products.
(J) Transportation equipment.
(K) Such other industries as the Secretary determines to be appropriate.

(4)(A) Each corporation which meets the conditions of paragraph (1) shall be asked to submit an annual report required under this subsection to the Secretary or to a qualified sponsor by not later than July 1 of the calendar year following the calendar year that is the subject of the report. Reporting shall be voluntary.

(B) For the purposes of this paragraph, the term "qualified sponsor" means a trade association that collects data from one or more corporations, compiles the data, and reports the aggregate data to the Secretary in accordance with requirements established by the Secretary.

(5)(A) The Secretary shall publish and submit to Congress a comprehensive annual report for each calendar year with respect to which the Secretary receives reports pursuant to paragraph (4).

(B) The report described in subparagraph (A) shall include aggregate energy consumption data, energy intensity data (including calculations of changes in energy intensity from the preceding calendar year, and from a reference year that the Secretary shall determine) and a discussion of energy conservation trends for each major energy consuming industry for which the Secretary receives data.

(6) In carrying out the program under this subsection, the Secretary shall ensure that no trade secrets or other proprietary information are disclosed as part of the program.

(7)(A) Within 18 months after the date of enactment of this Act, the Secretary shall establish voluntary energy efficiency improvement targets for each major energy consuming industry specified in paragraph (3). The targets shall represent a percentage reduction in energy consumption per unit of production that the Secretary determines is cost effective and achievable by 1997.

(B) The Secretary may also set voluntary energy efficiency improvement targets within each major energy consuming industry. Targets within major industries can be either at a three-digit or four-digit SIC code level.

(C) The Secretary shall seek input from affected industries and provide an opportunity for public comment in setting voluntary energy efficiency improvement targets.

(D) The Secretary shall assess the degree to which industries have achieved the targets and shall modify the targets every 5 years, beginning in 1997 for targets that apply in 2002.

(8) The Secretary shall establish an annual award program to recognize firms who have significantly improved their energy efficiency relative to industry trends.

(9)(A) The Secretary shall provide grants for educational and promotional projects, implemented through industry associations or otherwise as appropriate, that support achievement of the voluntary energy efficiency improvement targets. Each grant shall be no more than $250,000 and shall pay for up to 75 percent of the total project cost. Projects eligible for grants shall include the following:

(i) Workshops.

(ii) Training seminars.

(iii) Handbooks.

(iv) Newsletters.

(v) Data bases.

(B) The Secretary shall request project proposals and provide grants on a competitive basis each year. In evaluating grant proposals under this paragraph, the Secretary shall consider—

(i) potential energy savings;

(ii) potential environmental benefits;

(iii) the degree of cost sharing;

(iv) the degree to which new and innovative technologies will be encouraged;

(v) the level of industry involvement; and

(vi) estimated project cost effectiveness.

(C) In order to qualify for a grant, an industry association must establish a reporting program (or continue with an existing reporting program) and provide energy efficiency information to the Secretary. The reporting program should enable the industry association to determine the average energy consumption per unit of production among a majority of its members and the progress these companies are making toward reaching voluntary savings targets. The industry association shall provide the Secretary information on energy intensity improvements among its members and their progress toward reaching the voluntary savings targets, on an aggregate basis each year.

(10) There are authorized to be appropriated such sums as are necessary to carry out this section.

MACK AMENDMENT NO. 1645

Mr. JOHNSTON (for Mr. MACK) proposed an amendment to the bill S. 2166, supra, as follows:

On page 391 strike beginning on line 21 through line 4 on page 392, and insert in lieu thereof the following:

"(v) require as a condition for the approval of the purchase of a particular long term wholesale power supply that the seller provide reasonable assurance of its access to sources of fuel adequate to perform its obligations under the terms of the contract for the sale of such power supply.".

GRAHAM (AND MACK) AMENDMENT NO. 1646

Mr. GRAHAM (for himself and Mr. MACK) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . FLORIDA OUTER CONTINENTAL SHELF.

(a) PROHIBITION OF LEASING AND PRELEASING ACTIVITY.—

(1) IN GENERAL.—Prior to January 1, 2000, the Secretary of the Interior may not prepare for or conduct any preleasing or leasing activity under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) off the coast of the State of Florida with respect to those portions of the Eastern Gulf of Mexico Planning Area, the Straights of Florida Planning Area, and the South Atlantic Planning Area located seaward from the State of Florida.

(2) EXCLUSION.—This subsection shall not apply to any area of the Outer Continental Shelf located—

(A) west of a line that begins at the point where the boundary between the State of Florida and the State of Alabama intersects with the Gulf of Mexico, and which extends seaward to the south;

(B) north of a line that begins at the point where the boundary between the State of Florida and the State of Georgia intersects the Atlantic Ocean, and which extends seaward to the east;

(b) EXISTING LEASES.—

(1) REPORT.—With respect to all leases issued under the Outer Continental Shelf Lands Act for locations off the coast of the State of Florida east of the longitude of 86 degrees west, and south of the latitude of 26 degrees north, the Secretary of the Interior shall prepare a report that includes an analysis of the alternatives for exchanging such leases for any other land owned by the United States or interest in land of the United States (including submerged lands), as a means of providing compensation for the cancellation of such leases. Not later than 1 year after the date of the enactment of this section, the Secretary of the Interior shall submit a copy of the report to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives.

(2) BUY BACK.—The Secretary of the Interior is authorized and directed, subject to the availability of funds appropriated for that purpose, to cancel and buy back leases issued under the Outer Continental Shelf Lands Act for any location off the coast of the State of Florida east of the longitude of 86 degrees west, and south of the latitude of 26 degrees north.

JOHNSTON AMENDMENT NO. 1647

Mr. JOHNSTON proposed an amendment to amendment No. 1646 proposed by Mr. GRAHAM (and Mr. MACK) to the bill S. 2166, supra, as follows:

In the pending amendment, strike all after "Sec. ." and insert in lieu thereof the following:

"FLORIDA MORATORIUM.—The Secretary of the Interior shall not prepare for or conduct any preleasing or leasing activity under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) until after January 1, 2000, with respect to that area offshore Florida south of 26 degrees north latitude and east of 86 degrees west longitude placed under restriction in the President's moratorium statement of June 26, 1990.

"SEC. . BUYBACK OF CERTAIN LEASES.—Notwithstanding the provisions of the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the Secretary of the Interior is authorized and directed, subject to the availability of funds appropriated for that purpose, to cancel and buyback leases issued under the Outer Continental Shelf Lands Act offshore Florida south of 26 degrees north latitude and east of 86 degrees west longitude, consistent with the provisions of this subsection. Any lease canceled pursuant to this provision shall require full compensation. Such compensation shall include all expenses incurred on the lease, with interest, including expenditures made prior to lease issuance unless the lessee proves that it is entitled to greater damages, including but not limited to, lost profits, or the Secretary proves that the lessee is entitled to lesser damages. Any other leases canceled pursuant to the Outer Continental Shelf Lands Act shall require compensation in accordance with the Act. The authorization contained in this subsection shall expire on December 31, 1993.

"SEC. . REPORT.—With respect to all leases issued under the Outer Continental Shelf Lands Act offshore Florida east of 86 degrees west longitude and south of 26 degrees north latitude, the Secretary of the Interior shall prepare a report analyzing the alternatives of exchanging such leases for any other land or interest in land, including submerged lands, owned by the United States as a means of providing compensation for the cancellation of such leases. Such report shall be submitted to the Committee on Energy and Natural Resources of the United States Senate and the United States House of Representatives within one year after the date of enactment of this provision.".

GRAHAM (AND OTHERS) AMENDMENT NO. 1648

Mr. GRAHAM (for himself, Mr. MACK, and Mr. SANFORD) proposed an amendment to the bill S. 2166, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . RESTORATION OF BALANCE TO THE OUTER CONTINENTAL SHELF LANDS ACT.

(a) CONGRESSIONAL DECLARATION OF POLICY.—Section 3(3) of the Outer Continental Shelf Lands Act (43 U.S.C. 1332(3)) is amended by striking "expeditious and".

(b) ADMINISTRATION OF LEASING.—Section 5(a)(2) of such Act (43 U.S.C. 1334(a)(2)) is amended—

(1) by amending subparagraph (A) to read as follows:

"(A) that such cancellation shall occur if the Secretary determines, after a hearing, that—

"(i) activity pursuant to such lease or permit has resulted in serious harm or poses a serious threat of harm or damage to life (including fish and other aquatic life), to property, to any mineral (in areas leased or not leased), to the national security or defense, or to the marine, coastal, or human environment; and

"(ii) the environmental or other resources harmed or placed at risk are of substantial value;";

(2) in subparagraph (B)—

(A) by inserting "or pursuant to an Act of Congress" after "Secretary"; and

(B) by striking "five years" and inserting "1 year"; and

(3) in subparagraph (C), by striking "such compensation as he shows" and inserting "such compensation (in the form of currency, forgiveness of the lessee's obligation to pay rents or royalties on another lease issued pursuant to this Act, or credits against bonus payments for future lease purchases pursuant to this Act) as the lessee shows".

(c) COORDINATION AND CONSULTATION WITH AFFECTED STATE AND LOCAL GOVERNMENTS.—The second sentence of section 19(c) of such Act (43 U.S.C. 1345(c)) is amended to read as follows: "For purposes of this subsection, the national interest shall be determined by application of a balancing process that gives equal weight to obtaining oil and gas supplies and to protection of the environment.".

(d) ENVIRONMENTAL STUDIES.—Section 20(a)(2) of such Act (43 U.S.C. 1346(a)(2)) is amended by adding at the end the following new sentence: "Each study required by paragraph (1) of this subsection shall be completed, subjected to peer review by at least three qualified scientists not employed or compensated by the Secretary, and published, not later than 180 days before the date on which the lease sale is announced.".

BIDEN AMENDMENT NO. 1649

Mr. BIDEN proposed an amendment to the bill S. 2166, supra, as follows:

On page 189, between lines 11 and 12, insert the following new heading:

SUBSTITLE A—NUCLEAR REACTOR LICENSING

On page 193, between lines 6 and 7, insert the following new subtitle:

Subtitle B—Independent Nuclear Safety Investigations Board

SEC. 9201. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) there exists a potential for conflict of interest in the investigation of significant safety events arising out of activities licensed or otherwise regulated by the Nuclear Regulatory Commission (hereafter in this subtitle referred to as the "Commission"), where the Commission's prior action or inaction may have been a partial contributor to the cause of such event;

(2) an independent organization for the investigation of such events will inspire greater pubic confidence in the investigatory process for such incidents; and

(3) the increased stature and enhanced visibility of the investigations conducted by such an independent organization, and the recommendations made as a result of such investigations, will help to ensure timely consideration and implementation of the recommendations of such an organization.

(b) PURPOSE.—The purpose of this subtitle is to establish an Independent Nuclear Safety Investigations Board to—

(1) conduct independent investigations of significant safety events arising out of activities at production or utilization facilities licensed by the Commission under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133 and 2134, respectively); and

(2) submit to the Commission and to the Congress the results of any such investigation, including any recommendations for actions to be taken by the Commission to prevent the recurrence of such events.

SEC. 9202. ESTABLISHMENT OF NUCLEAR SAFETY INVESTIGATIONS BOARD.

(a) IN GENERAL.—There is hereby established within the Commission an independent board to be known as the Independent Nuclear Safety Investigations Board (hereafter in this subtitle referred to as the "Board").

(b) MEMBERS.—The Board shall consist of three members who shall be appointed by the President, by and with the advice and consent of the Senate. The members shall be appointed on the basis of technical qualification, professional standing, and demonstrated competence and knowledge relevant to the investigative functions of the Board. No more than two members of the Board shall be of the same political party. Not later than 90 days after the date of enactment of this Act, the President shall submit to the Senate the nominations for appointment to the Board. The President shall designate one member to serve as the Chairperson of the Board.

(c) TERMS.—The terms of office of members of the Board shall be 3 years, except as otherwise provided in this subsection. Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term of office for which his or her predecessor was appointed shall be appointed for the remainder of the term. Upon the expiration of his or her term of office, a member shall continue to serve until his or her successor is appointed and shall have qualified. Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance of office.

(d) CHAIRPERSON.—

(1) IN GENERAL.—The chairperson shall be the chief executive officer of the Board and shall exercise the executive and administrative functions of the Board with respect to the appointment and supervision of personnel employment by the Board, the distribution of business among such personnel and among administrative units of the Board, and the use and expenditure of funds.

(2) CONFORMING AMENDMENT.—Section 5314 of title 5, United States Code, is amended by adding at the end the following: "Chairperson, Independent Nuclear Safety Investigations Board.".

SEC. 9203. DUTIES AND AUTHORITIES.

(a) IN GENERAL.—The Board shall have the following functions and authorities described in this section.

(b) INVESTIGATIONS.—

(1) IN GENERAL.—The Board shall investigate or cause to be investigated those significant safety events, as defined by the Board, arising out of activities at production or utilization facilities licensed by the Commission under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133 and 2134, respectively) that the Board determines are important because of possible adverse effects on the health or safety of the public, and may investigate or cause to be investigated other safety events upon the request of the Commission.

(2) PURPOSE.—The purpose of any investigation initiated pursuant to this subsection shall be to determine the facts, conditions, and circumstances of the events investigated, including—

(A) an assessment of the implications of such event for public health and safety;

(B) a determination of whether such event is part of a pattern of similar events at production or utilization facilities licensed by the Commission under section 103 or 104 of the Atomic Energy Act of 1954 (43 U.S.C. 2133 and 2134, respectively) that could adversely affect the public health or safety; and

(C) an assessment of the root causes of such event, including the contribution, if any, of any action (or inaction) of the Commission with respect to such event.

(3) REPORTS.—The Board shall report in writing, and shall submit such report to the Commission, on the facts, conditions, and circumstances of each event investigated pursuant to this subsection, including—

(A) the date and place of the event;

(B) the nature and probable consequence of the event;

(C) the cause or causes of the event; and

(D) any action recommended to prevent the recurrence of the event, including any recommendations for actions to be taken by the Commission with regard to regulatory requirements or practices.

(4) RESPONSE TO RECOMMENDATIONS.—(A) The Commission shall respond in writing to any recommendations of the Board within 120 days of receipt of such recommendations. Such written response shall detail specific measures adopted or to be adopted by the Commission in response to such recommendations, and explanations for the Commission's inaction on any recommendations not adopted.

(B) The recommendations of the Board made pursuant to paragraph (3) and the response of the Commission to such recommendations shall be made available to the public and shall be submitted to Congress.

(5) PROCEDURE FOR INVESTIGATIONS.—Except for investigations initiated at the request of the Commission, the Board shall, prior to the initiation of an investigation pursuant to this section, consult with the Chairman of the Commission and, if an investigation is warranted, the Board shall set forth in writing the basis for the Board's determination that the event constitutes a significant safety event, as defined by the Board. The written statement of the Board's basis for initiating an investigation shall not be subject to judicial review. The written statement shall be made available to the public and shall be submitted to the Congress.

(6) EXCLUSION.—No part of the conclusions, findings, or recommendations of any report of the Board relating to any event or the in-

vestigation of such event shall be admitted as evidence or used in any suit or action for damages growing out of any matter mentioned in such report.

(c) INSPECTION.—Following the issuance of a written determination pursuant to subsection (b)(5), or upon the initiation of an investigation requested by the Commission, any employee of the Board, upon presenting appropriate credentials, including any security clearance required by the Commission, and a written notice of inspection authority, may enter the facility where the event has occurred and do all things appropriate for a proper investigation. The employee may inspect, at reasonable times, records, files, papers, processes, controls, and facilities relevant to the investigation of such event. Each inspection shall be commenced and completed with reasonable promptness.

(d) INFORMATION.—Subject to section 552a of title 5, United States Code, the Board may secure directly from any agency or instrumentality of the United States such information as that agency or instrumentality may already possess as may be necessary to enable the Board to carry out an investigation pursuant to this subtitle. Upon request of the Board, the head of such agency or instrumentality shall furnish such information to the Board. The information that the Board may secure under this subsection may include any material designated as classified material pursuant to the Atomic Energy Act of 1954, or any materials designated as safeguards information and otherwise protected from disclosure under section 147 of the Atomic Energy Act of 1954 (42 U.S.C. 2167).

(e) GENERAL AUTHORITIES.—

(1) IN GENERAL.—Following the issuance of a written determination pursuant to paragraph (b)(5), or upon the initiation of an investigation requested by the Commission, the Board, or, upon authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Board, may, for the purpose of carrying out this subtitle, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise attendance and testimony of such witnesses and the production of evidence as the Board or such officer or employ considers advisable. Subpoenas shall be issued only under the signature of the Chairperson and may be served by any person designated by the Board.

(2) PENALTY.—Any person who willfully neglects or refuses to qualify as a witness, or to testify, or to produce any evidence in obedience to any subpoena duly issued under the authority of this paragraph shall be fined not more than $5,000, or imprisoned for not more than 6 months, or both. Upon certification by the Board of the facts concerning any willful disobedience by any person to the United States Attorney for any judicial district in which the person resides or is found, the attorney may proceed by information for the prosecution of the person for the offense.

(f) ADMINISTRATION.—

(1) IN GENERAL.—Subject to such rules as may be prescribed by the Board, the Board may appoint and fix the pay of such officers and employees (including investigators and attorneys) as the Board considers necessary to carry out the powers and duties of the Board. Appointments shall be made under this paragraph in such manner that not more than the equivalent of 55 full-time officers and employees are employed by the Broad at any time.

(2) STAFF.—The staff of the Board shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(g) TEMPORARY AND INTERMITTENT SERVICES.—Subject to such rules as may be prescribed by the Board, the Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code. The amount of consultant services that may be obtained by the Board under this subsection shall not exceed, during any fiscal year period, the amount of services that would be obtained if the Board procured on a full-time basis the services of 12 consultants.

(h) COOPERATIVE ACTIVITIES.—Upon request of the Board, the Commission, or the head (or governing authority) of any other Federal agency or instrumentality may—

(1) detail to the Board, on a reimbursable basis, such personnel as may be desirable to assist the Board in carrying out its duties; and

(2) make available to the Board, on a reimbursable basis, such facilities, equipment, or other administrative support services as may be desirable to assist the Board in carrying out its duties.

(i) STAFF.—The Commission shall provide the Board with appropriate and adequate office space, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of the Board and shall provide necessary maintenance services for such offices and the equipment and facilities located therein.

(j) LOCAL GOVERNMENTS.—The Board may confer with employees of State or local government agencies and may use, on a reimbursable basis, such services, records, and facilities as such agencies may make available to the Board.

(k) MAIL.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(l) REPORTS.—

(1) IN GENERAL.—The Board shall report annually to the Congress on the activities of the Board. Such report shall contain—

(A) a summary of the significant safety events (as defined by the Board) investigated by the Board during the preceding calendar year; and

(B) a summary, in such detail as the Board considers advisable, of the recommendations made by the Board pursuant to subsection (b)(3)(D), together with the observed response of the Commission to each such recommendation.

(2) AVAILABILITY.—Such reports shall be made available to Federal, State, and local government agencies concerned with safety at production or utilization facilities licensed by the Commission under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133 and 2134, respectively). Upon request, such reports shall be made available to other interested persons.

(m) OPERATION.—The Board is authorized to establish rules, procedures, or other appropriate guidance governing the operations of the Board and the conduct of Board investigations.

(n) TRANSFER OF AUTHORITIES.—There shall be transferred to the Board such offices of the Commission, or functions, powers, or duties of such offices, as the Commission may determine are properly related to the functions of the Board and will further the purposes of this subtitle, except that there shall not be transferred to the Board any program operating responsibilities.

(o) TERMINATION.—The Board shall terminate at the end of fiscal year 1997.

SEC. 9204. AUTHORIZATION.

There are hereby authorized to be appropriated to carry out this subtitle, for each of fiscal years 1993, 1994, 1995, 1996, and 1997, an amount equal to $6,000,000.

SEC. 9205. EFFECTIVE DATE.

This subtitle shall take effect on such date during the 6-month period beginning on October 1, 1992, as the President may direct in an Executive order. If the President fails to issue an Executive order for the purpose of this section, this subtitle shall take effect on March 1, 1993.

GRASSLEY AMENDMENT NO. 1650

Mr. GRASSLEY proposed an amendment to the bill S. 2166, supra, as follows:

On page 60, line 1, strike "establish a program to promote" and insert ", by not later than 1 year after the date of the enactment of this section, establish, by regulation, a program that ensures the promotion of".

On page 60, line 3, strike "Such program shall promote" and insert "In carrying out such program, the Secretary shall require".

On page 60, line 6, strike "ticable." and insert "ticable, but by not later than the applicable date specified in the following sentence. The Secretary shall require the replacement of conventional petroleum motor fuels with replacement and alternative fuels, on an energy equivalent basis, in an amount equal to 10 percent of the consumption of motor fuel in the United States by the calendar year 2000, and 30 percent of the amount of such consumption by the calendar year 2010. The Secretary shall require that not less than one-third of the amount of replacements of the preceding sentence shall be from domestically produced renewable sources.".

Beginning on page 60, line 21, strike "technical" and all that follows through page 61, line 2, and insert "most cost-effective means of achieving the replacement of conventional fuels pursuant to subsection (a);".

On page 62, line 2, strike "and".

On page 62, line 4, strike the period and insert "' and".

On page 62, between lines 4 and 5, insert the following new paragraph:

(4) the amount of domestically produced renewable fuels used in replacement and alternative fuels applications.

WORKER'S FAMILY PROTECTION ACT

JEFFORDS AMENDMENT NO. 1651

Mr. WALLOP (for Mr. JEFFORDS) proposed an amendment to the bill (S. 353) to require the Director of the National Institute for Occupational Safety and Health to conduct a study of the prevalence and issues related to contamination of workers' homes with hazardous chemicals and substances transported from their workplace and to issue or report on regulations to prevent or mitigate the future contamination of workers' homes, and for other purposes, as follows:

On page 15, line 18, strike "F", and insert "E".

NOTICES OF HEARINGS

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. NUNN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold a hearing on current trends in money laundering.

This hearing will take place on Thursday, February 27, 1992, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building. For further information, please contact Eleanore Hill of the subcommittee staff at 224-3721

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Wednesday, February 19, 1992, at 10 a.m. to conduct a hearing on the nomination of J. Carter Beese, Jr., to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS, SUSTAINABILITY AND SUPPORT

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Readiness, Sustainability and Support of the Armed Services Committee be authorized to meet on Wednesday, February 19, 1992, at 10 a.m. to receive testimony on S. 2066, a bill to require the Secretary of Defense to provide financial assistance to local educational agencies administering public school districts where military installations are located.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENTAL AND PUBLIC WORKS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Wednesday, February 19, beginning at 10 a.m., to conduct an informational hearing to receive testimony from Andrew H. Card, Jr., nominated by the President to be Secretary of Transportation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, February 19, 1992, at 2 p.m., in open session, to receive testimony on the long range fiscal outlook for Defense and the Federal budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, February 19, 1992, at 10 a.m. to hold a hearing on the nomination of Mary Little Parell, to be U.S. district judge for the District of New Jersey, Garland E. Burrell, Jr., to be U.S. district judge for the Eastern District of California, Roderick R. McKelvie to be U.S. district judge for the District of Delaware and William B. Traxler, Jr., to be U.S. district judge for the District of South Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, February 19, at 10 a.m. to hold a hearing on strategic nuclear reductions in a post-cold war world.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL OPERATIONS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Foreign Relations Committee be authorized to meet during the session of the Senate on Wednesday, February 19, at 2 p.m. to hold a hearing on the regulatory response to the BCCI affair.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TAXATION

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Taxation of the Committee on Finance be authorized to meet during the session of the Senate on February 19, 1992, at 2 p.m. to hold a hearing on alternative minimum tax.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., February 19, 1992, to receive testimony on S. 780, S. 1105, H.R. 1592, S. 801, H.R. 479, S. 1064, S. 1360, H.R. 1642, S. 1811, S. 1919, H.R. 1216, H.R. 2896, and S.J. Res. 219.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Wednesday, February 19, 1992, at 10 a.m., for a hearing on the subject: waste and financial management problems at Air Force.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on February 19, 1992, at 10 a.m. to hold a hearing on economic growth and the President's budget proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TIKKUN

• Mr. SIMON. Mr. President, I am catching up on my reading, and recently I came across the prayer and commentary designed for Yom Kippur by Michael Lerner, the editor of Tikkun magazine, a relatively new magazine that I hope gets a larger and larger readership. It deserves it. It is a magazine that calls on all of us to be more sensitive to everything and everyone around us.

The introduction and the prayers are composed by Mike Lerner, and it is designed specifically for those of the Jewish faith. I happen to be a Lutheran. My wife is Roman Catholic.

But whether you are a Lutheran, Roman Catholic, Jewish, Muslim, Buddhist, or what your religious leaning, if any, the spirit that I sense of sensitivity, as well as contrition, in this prayer and introduction is something that is applicable not simply to the Jewish community.

I ask to insert it into the RECORD at this point.

The prayer follows:

FOR OUR SINS

For all our sins, may the force that makes forgiveness possible forgive us, pardon us, and make atonement possible.

For the sins we have committed before you and in our communities by being so preoccupied with ourselves that we ignored the social world in which we live;

And for the sins we have committed by being so directed toward the political and social world that we ignored our own spiritual development;

For the sins of accepting the current distribution of wealth and power as unchangeable;

And for the sins of giving up on social change and focusing exclusively on personal advancement and success;

For the sins of feeling so worn out when we hear about oppression that we finally close our ears;

And for the sins of dulling our outrage at the continuation of poverty and oppression and violence in this world;

For the sins of participating in a racist society and not dedicating more energy to fighting racism;

And for the sins we have committed by allowing our food and our air to be poisoned;

For the sins of allowing our government to continue the arms race;

And for the sins of squandering the resources of the planet in order to produce frivolous goods;

For the sins of not doing enough to challenge sexist institutions and practices;

And for the sins of turning our back on—or participating in—the oppression of gays and lesbians;

For the sins of allowing our society to give low priority to the fight against AIDS, cancer, Alzheimer's and other diseases;

And for the sins of allowing homelessness, poverty, and world hunger to continue;

For all these sins we ask God and each other to give us the strength to forgive ourselves and each other.

For the sins we have committed by not forgiving our parents for what they did to us when we were children;

And for the sins of having too little compassion or too little respect for our parents or for our children;

For the sins of not seeing the spark of divinity within each person we encounter and within ourselves;

And for the sins of not learning from and giving adequate respect to our elders;

For the sins of being jealous and trying to possess and control those whom we love;

And for the sins of being judgmental of others and ourselves;

For the sins of withholding love and support;

And for the sins of doubting our ability to love or to get love from others;

For the sins of not trusting others or ourselves;

And for the sins of thinking that we didn't really need to rely on others and could do everything ourselves;

For the sins of fearing to lose ourselves in a commitment to another person or to a cause;

And for the sins of insisting that everything we do have a payoff;

For sins of not allowing ourselves to play;

And for the sins of being manipulative or hurting others to protect our own egos;

And for the sins of not recognizing the humanity and pain of the Israeli people or for blaming the conflict with the Palestinians entirely on the Jewish people or Israelis or Zionism;

For the sins of not fostering a dialogue between Israelis and Palestinians;

And for the sins of ignoring the racism of Jews towards Arabs;

For the sins of allowing the beating, gassing, shooting, and killing of Palestinians to continue;

And for the sins of denying Palestinians in the Territories fundamental human rights;

For the sins of focusing only on Israel's sins without also acknowledging the intransigence and insensitivity of the PLO and the violence against suspected collaborators;

And for the sins of ignoring the victims of Palestinian terrorism;

For the sins of allowing conservative or insensitive leaders to speak on behalf of all American Jews;

And for the sins of being critical of Jewish life from a distance rather than from personal involvement and commitment;

For the sins of not learning more of our Jewish heritage and tradition;

And for the sins of not giving enough time and energy to building the kind of Jewish community we desire but instead expecting things to happen without contributing to make them happen;

For the sins of thinking we are more conscious or more intelligent or more ethical or more politically correct than everyone else;

And for the sins we have committed by being insensitive or insulting to non-Jews;

For the sins of not sharing responsibility for child-rearing;

For the sins we have committed by not publicly supporting the Jewish people and Israel when they are being treated or criticized unfairly;

And for the sins we have committed by not publicly criticizing Israel or the Jewish people when they are acting as oppressors;

For the sins of not doing enough for Soviet Jews or other Jews fleeing anti-Semitism;

And for the sins of caring only about the oppression of Jews and not giving energy and attention to helping others who are fleeing oppression;

For the sins of not recognizing the humanity and pain of the Palestinian people;

And for the sins of not taking care of each other;

For the sins of not having compassion for each other;

And for the sins of always having to be right;

For the sins of focusing only on our sins and not on our strengths and beauties;

And for the sins of not adequately rejoicing and celebrating the beauty and grandeur of God's creation;

For all these, Lord of Forgiveness, forgive us, pardon us, grant us atonement.●

HONORING OLYMPIC SILVER MEDALIST, HILARY LINDH

● Mr. MURKOWSKI. Mr. President, over this past weekend, a milestone was reached in Alaskan history. On Saturday, February 15, 1992, Hilary Lindh of Juneau, AK, became Alaska's first winter Olympic medalist. In fact, she was the first American woman to win a medal in the Olympic downhill in 16 years.

Hilary Lindh grew up in Juneau and learned to ski at Eaglecrest ski area. She went on to win the Silver Medal for the United States in the women's downhill competition—only missing the gold by six-hundredths of a second.

Over the years, Hilary Lindh has proven herself in the skiing world. In 1986, Hilary was the first American to ever win a gold medal in the world junior championships. She also brought home a gold medal from the U.S. alpine championships.

Skiing is an important part of Juneau, but is clear that its importance will grow as other young Alaskans try to emulate Hilary's terrific success. While it will be difficult for anyone to match her most recent accomplishment, I have no doubt that Alaskans will rise to the challenge and produce more world class athletes—like Hilary.

As Hilary heads off to Vail, CO, to compete in the world cup races, I know I join with her parents, her many friends and indeed, all of Alaska as they wish here the very best in the races and I am honored to share in the pride that all of Alaska feels in their own Olympic medalist, Hilary Lindh.●

PERU'S VIOLENCE

● Mr. HATFIELD. Mr. President, where there is human need there is often violence. I have always believed this to be true and have spent a good deal of time working with many of my colleagues in the attempt to create programs which ease the needs of our people and citizens abroad.

A Peruvian woman lost her life recently because she would let nothing stand between her and her work to end the hunger of children and the difficulties of women and men in Peru's poor areas, known as pueblos jovenes. In Villa El Salvador on Saturday, Maria Elena Moyano fell victim to a bombing attack which has been blamed on the Sendero Luminoso, also known as the Shining Path.

Maria Elena Moyano, as vice mayor of Villa El Salvador, led me through her village last September. The community is a remarkable feat of central planning and neighborly spirit. These people are poor but survive because they have each other to rely upon for economic assistance, for emotional and spiritual support, for education and for health. Ms. Moyano took the time to show me her glass of milk program which operates throughout the village, delivering milk to all needy children.

Peru is an extremely poor country and the severe effects of an economic restructuring program have left the government with few resources to help people such as those who lived with Ms. Moyano. Yet the residents of Villa El Salvador wore their independence from government programs proudly. They are proud to be able to help themselves.

Villa El Salvador proclaimed its independence from the influences of Sendero just as defiantly. The emphasis in the community not political, but rather the informal motto is "Peace and Life." But only a few days after I left Lima, the warehouse of the glass of milk program was bombed. This destructive act, which destroyed the powdered milk intended for the children, was blamed on Sendero.

Maria Elena Moyano and the other women of Villa El Salvador were not easily intimidated and marched to protest the bombing. Now, a few months later, it appears that she has been made to pay for her actions.

I am saddened by the violence which is perpetrated by all sides of the conflict in Peru. But today I am especially sorry to know that the violence has claimed the life of a woman who understood that the best hope for peace lies with the effort to meet the needs of the poor. I hope that her death does not mean the end of Villa El Salvador's community spirit and admirable success.●

TRIBUTE TO EARL PHILLIPS

• Mr. MACK. Mr. President, as a Senator from Florida, it has been my pleasure to know Earl Phillips. Earl has served as the executive director of Dade County's Department of Housing and Urban Development [DCHUD] in Miami, FL. Given my appointment to the Senate Housing and Urban Affairs Subcommittee, I have depended on Earl for his advice and counsel on low income housing issues.

Over the last 20 years, Earl has built an impressive record as an outstanding public housing administrator and manager. Earl is now completing his third term as the president of the Council of Large Public Housing Authorities [CLPHA] Board. Given Earl's record, I know his successor will have a great challenge ahead of him.

Before coming to Miami, Earl restored the integrity of the Housing Authority of the city of Houston in Texas. Under his leadership, Houston's rent collection rate rose to 99 percent. Most importantly, Earl succeeded in bringing a renewed sense of optimism and hope to low income families who are living in public housing.

After having accomplished his goal of removing DCHUD from the troubled list of the U.S. Department of Housing and Urban Development, Earl will now go to Atlanta to head up that city's housing efforts. DCHUD manages a $200 million budget which serves approximately 30,000 residents. DCHUD's 600 employees, who have been stimulated by Earl's presence, I trust will carry on his legacy of hard work and dedication to the families the Federal Government has committed to assist.

I will miss Earl and greatly and I know Dade County will also sense his absence. But his integrity and his ability to move those around him will continue to mean positive change for low income families throughout the country.•

SOUND COAL TECHNOLOGIES

• Mr. WALLOP. Mr. President, the formulation of a national energy strategy that is responsive to environmental concerns is a challenge for all nations. This is particularly true for those developing nations that must rely on indigenous coal resources to support sustainable economic development.

Much has been said about on-going negotiations on a global climate change convention. An integral part of these deliberations has been the United Nations efforts to examine the policy issues and options for environmentally sound coal technologies. An international conference on this subject was held by the U.N. Centre for Science and Technology for Development in Beijing, China, from December 1 to 6, 1991.

Among the participants at that conference was a member of the professional staff of the Committee on Energy and Natural Resources, Richard Grundy, who presented a paper discussing congressional deliberations on a U.S. energy strategy that is responsive to national and international environmental concerns. I ask that his paper be reprinted in the RECORD at this point.

The paper follows:

UNITED STATES ENERGY STRATEGY: CONGRESSIONAL DELIBERATIONS

(By Richard D. Grundy)

INTRODUCTION

Americans owe their standard of living to an abundance of indigenous natural resources. Spurred on by the Industrial Revolution, the United States used its wealth of low-cost natural resources to improve its standard to living to a level now sought by developing countries. Coal has been crucial to our industrialization, as I am sure it will be in China. China's proven coal resources are ranked third in the world behind the Soviet Union and the United States. We in the United States share with China an abundance of indigenous coal reserves that enabled our industrialization.

Our respective economic futures depend on finding the means to continue to our use these abundant coal resources so as to provide for sustainable economic development consistent with environmental protection. This should be a matter of common concern to both developed and developing nations. As the 18 June 1991 Beijing Ministerial Declaration on Environment and Development aptly observes, the issues require effective actions by the international community and provide an opportunity for global cooperation. The subject of this International Conference on Environmentally Sound Coal Technologies is timely in light of on-going global climate change negotiations.

Coal, the world's most abundant fossil fuel, provides one-third of all primary energy consumption and 44 percent of the world's electricity. In the United States, coal supplied 57 percent of the electricity generated in the United States in 1989, and will still constitute 54 percent by the year 2010. The deployment of clean coal technologies is going to be crucial if the United States is going to meet its energy needs consistent with environmental concerns. Since China is facing a similar challenge, it is only fitting that we should share with you the benefits of our energy and environmental experiences; in particular, our expertise with clean coal technologies.

After 25 years of national attention to our environmental problems, we in the United States have made significant progress in dealing with our past mistakes. The cost to correct these mistakes has been expensive, and these costs are adversely effecting our competitive position in the world economy. Our experience is that the costs of abatement of environmental pollution after it has occurred are greater than the costs of prevention of pollution before it occurs. Therefore, greater attention is now being placed on the adoption of control strategies that emphasize preservation and enhancement of environmental quality.

Sustainable economic development demands that the technologies deployed not contribute to degradation of the environment which, in turn, will undermine the development process itself. Each country has a sovereign right to use their indigenous resources in keeping with their national priorities. This was the case for the United States during its industrial development. We are now dealing with the environmental consequences of our actions. However, one way for developing countries to avoid our mistakes is through technology cooperation.

Any convention or agreement on global climate change must encourage participation of the largest number of countries possible. It is essential that each country commit itself to specific actions that make sense in the context of its own political and economic situation. If an international agreement requires only industrialized nations to act, any reductions in greenhouse gas emissions are likely to be transitory if the projected increased emissions by developing countries actually occur. Therefore, we all need to do our part.

The costs to the United States of further reducing our own emissions could be quite high because of our major dependence on the use of indigenous coal resources. These costs can be reduced through greater use of clean coal technologies, which will enable us to continue to use our most plentiful domestic fuel source. However, even with the use of clean coal technologies these costs will still be significant.

If we are to reduce these costs, we need to be more creative—clean coal technologies offer us that possibility. We need a methodology that produces a win-win solution to our emissions reduction problem. That is to say, we need a problem solving approach to global climate change in which all parties can benefit or at least perceive themselves as benefiting. Right now that is not the approach being taken in current discussions.

Approaches that center on the establishment of quantitative targets and timetables do not take diversity into consideration and move us toward a system that creates advantages for some and disadvantages for others—winners and losers. If a flexible approach is adopted each country can select those actions that are most cost effective in its own national context. Clean coal technologies can play an important role in both China and the United States in this regard.

We also need a cooperative partnership between developed and developing countries to achieve environmental benefits, including global climate change benefits, at minimum cost. There is finite pool of capital, and we must expend it wisely. This capital is needed not just for environmental expenditures but for other urgent development priorities throughout the world. The point is, we need to integrate these two concerns and aim for a pattern of economic growth that sacrifices neither economic growth nor environmental quality.

BACKGROUND

In the United States, the final responsibility for the incorporation of national policies into law resides with the Congress (which is comprised of the Senate and the House of Representatives). Where international policies are involved the responsibilities of the Executive Branch and the Congress are not as clear. While the President is responsible for foreign affairs, treaties must be specifically approved by the United States Senate and the necessary statutory authorities to implement treaties and international agreements within the United States must be enacted by the Congress. For example, the Canadian Free Trade Agreement required enactment of implementing legislation. Therefore, it was to be expected that the Congress would eventually become engaged in the debate over any international agreement on global climate change.

In the early 1960's, in the United States there emerged a crescendo of human concern for the adverse environmental and public health consequences that, in the industrialized countries, has become almost synonymous with economic development. Feeling threatened by a deterioration in the quality of the environment around them, the American public began to demand that their national leaders do something about it.

Prior to enactment of the landmark 1967 Clean Air Act, in the United States, responsibility for abatement of the environmental effects of man's activities were viewed to rest with individual State governments. The Federal government's enforcement powers were considered restricted to situations of interstate pollution. Even then, the Federal government exercised its enforcement powers only in situations where a governor of one State requested abatement actions against polluters in an adjacent State.

With enactment of the Clean Air Act the Federal government began to assume responsibility for not just the abatement, but the prevention of environmental pollution in what was to become a plethora of laws encompassing all environmental media: air, water, and land. Any human activity affecting the environment is now addressed in public law to some degree, both from the standpoint of abatement of existing activities and the assurance that new activities are more environmentally benign than current practices.

Even in 1967, the Congress was aware that because of environmental controls the United States would be faced in the 1980's and 1990's with more expensive energy supplies. The Clean Air Act thus launched a major Federal research program on clean fuels and pollution control technologies. This program was the predecessor of our current Clean Coal Technology Program which is being discussed at this conference.

After two decades of debate in the Congress, there now is universal acceptance of an "environmental ethic" that needs to be applied to both domestic and international economic activities. Unfortunately, however, economic growth and environmental quality too frequently are still portrayed as fundamentally antagonistic, when in fact economic progress cannot be sustained unless it is responsive to environmental concerns. When the environment is degraded to allow for economic progress, the resultant environmental degradation eventually impedes economic development.

Many lessons, both positive and negative, can be learned from the United States' experience. Foremost among these is that prevention of environmental degradation is more consistent with the achievement of sustainable economic activity and is also more cost-effective. Abatement of pollution is more costly and can easily become a drag on economic activity.

I am a senior staff advisor on energy policy to the United States Senate. I work for the Committee on Energy and Natural Resources which is currently considering legislation to implement President Bush's National Energy Strategy. The observations in the paper are based on 25 years of participation in Congressional deliberations during the formulation of sustainable energy and environmental policies for the United States.

THE UNITED STATES' NATIONAL ENERGY STRATEGY

Members of the United States Congress are fully aware of the potential consequences of global climate change. The Congress is similarly aware that the United States needs to formulate a national energy policy that facilitates an orderly transition to the efficient use of all energy resource, the environmentally sound use of fossil fuels and renewable energy resources, and a reduction of oil imports.

Early in 1971, the Congress became concerned with the United States' dependence on uncertain foreign sources of energy. Under the leadership of Senator Henry M. Jackson, the Committee on Energy and Natural Resources launched the Senate's National Fuels and Energy Policy Study to address the creation of an integrated energy policy for the development of energy and the maintenance and enhancement of environmental quality. At the time I was the Study's Executive Secretary.

In the intervening 20 years, five Presidents and the Congress have labored with the complexities of these issues. Presidents Nixon and Ford pursued the goals of Project Independence, while President Carter's 1977 National Energy Plan placed its major emphasis on energy conservation and the substitution of indigenous coal for oil and natural gas. A major set-back was realized when the Reagan Administration, over the objections of the Congress, attempted to abolish the Department of Energy. Efforts to formulate a national energy policy for the United States fell on hard times, and much of the earlier progress toward greater energy efficiency and use of renewable energy resources was lost. Naturally, the United States' dependence on imported oil increased.

Our perspective on energy and environmental goals deteriorated so badly that what many policy makers and American industry previously considered Bad News was embraced as Good News. For example, it was considered Good News when the Energy Information Administration reported that crude oil and natural gas reserves fell slightly in 1990 and the decline was lower than previous years. We ignored the truly Bad News that since 1973 domestic crude oil production, excluding Alaska, had fallen by 38 percent (or 19 percent if Alaskan oil production is counted).

From 1981 through 1988, following President Reagan's decontrol of oil prices, energy prices in the United States declined. Little national attention was devoted to energy concerns. However, proposals to merge the Department of Energy into the Department of Commerce did not receive Congressional support. During this period, the programs of the Department were restructured to place greater emphasis on energy efficiency and the commercialization of new energy technologies, particularly solar and renewable energy technologies. Another exception was establishment of the clean coal technology program and completion of the United States strategic petroleum reserve.

With President Bush's election in 1988 the political climate changed. Political concern emerged for the national security implications of our growing dependence on oil imports, which were approaching 560 percent of our consumption. Congressional and Administration priorities immediately focused in 1989 on reauthorization of the Clean Air Act while awaiting formulation of the Bush Administration's national energy strategy. Nevertheless, the Senate immediately began consideration and passed the National Energy Policy Act of 1990. This bill addressed many of the initiatives that were later included in President Bush's national energy strategy, including global climate change, integrated resource planning, energy conservation and alternatives fuels.

Concurrently, the Congress and the Bush Administration hammered out an agreement on the 1990 Clean Air Act Amendments. Throughout debate particular attention was devoted to such associated energy issues as acid rain, clean coal technologies, and alternative transportation fuels. In the electricity sector of our economy, the final law commits the United States to major improvement in energy efficiency that will produce significant reductions in greenhouse gas emissions over the next ten years. The statute also mandates reductions in emissions of volatile organic compounds which are precursors for the formation of tropospheric ozone. In addition, the final legislation contained major energy initiatives promoting the use of transportation fuels, other than gasoline, and electric vehicles.

CURRENT CONGRESSIONAL DEBATE

Thus in early 1991 the Congress and, in particular the Senate, remained poised to begin consideration of President Bush's National Energy Strategy announced in February 1991. For the first time in over 10 years, the Congress and the Administration now are actively engaged in bipartisan discussions on the elements of a national energy strategy for the United States that will both boost domestic energy production and improve efficiency in our use of energy.

When the new Congress convened in 1991, Senate Bennett Johnston (D) from Louisiana (a major oil producing state), and Senate Malcolm Wallop (R) from Wyoming (a major coal, natural gas and uranium producing state) continued the Energy and Natural Resources Committee's legislative agenda with the introduction of the National Energy Security Act of 1991. The measure expanded the scope of the previous National Energy Policy Act of 1989, which had passed the Senate on 4 August 1990.

The so-called "Johnston/Wallop" bill (S. 1220) incorporates provisions dealing with domestic energy production, including advanced nuclear reactor commercialization, uranium enrichment, expediting the construction of natural gas pipelines, and oil and gas leasing in the Arctic National Wildlife Refuge (ANWR). What is at stake in this effort is our nation's economic security, our foreign policy flexibility and our defense preparedness.

Consistent with this approach, there is a general consensus between the Congress and the Bush Administration in support of the following objectives.

Development not only of domestic supplies of fossil fuels—natural gas, oil, and coal, of which we have an abundance, but development of the means to use them consistent with national environmental concerns.

Greater use of renewable energy and energy efficiency alternatives throughout our economy, in the construction and renovation of buildings, including Federal buildings, and throughout industry.

Establishment of energy research and development goals and objectives that emphasize the transfer of new energy technologies into the marketplace as consumer goods and services.

Revitalization of nuclear power as a domestic energy alternative by commercialization of "passively" safe reactor designs in which the American people have confidence.

Removal of certain regulatory barriers that unreasonably restrict the availability of domestic energy supplies such as natural gas or hydro-electic power, or constrain the deployment of new, advanced and often more environmentally benign energy technologies.

And, perhaps the greatest challenge, we must find an equitable balance between our national environmental and energy objectives—which does not now exist.

Significantly, our energy strategy is being constructed from the "bottom-up" by the incorporation of specific actions in the strategy, rather than the more common "top-down" approach based on the adoption of targets set by the government on the basis of political, rather than economic, considerations. Targets established by government tend to be static and inflexible; they also lack for accountability. An essential feature of the approach being used by the United States is that its national energy strategy is flexible. Specific program objectives can be changed as circumstances warrant.

The National Energy Strategy being formulated by the Congress is sufficiently broad and comprehensive to result in a significant reduction in the United States' contribution to greenhouse gases. This is due to the reliance being placed on integrated resource planning, energy conservation, and the expanded use of renewable resources and nuclear power. As a result of the strategy, the United States' total greenhouse gas emissions are estimated to decline from 1990 levels after 2015.

COAL AND CLEAN COAL TECHNOLOGIES

Significantly, both the Senate and the House of Representatives advocate Federal support for energy research and development. Support is especially strong for the commercial demonstration of advanced coal-based technologies that build upon success of DOE's on-going clean coal technology cost-share program. This program was established in 1984 when the Congress directed the Department of Energy to solicit proposals for innovative clean coal technology projects that would be jointly funded by the Federal government and private industry. Subsequently, in March 1986, at the U.S.-Canadian Summit meeting, President Reagan committed his administration to seek the creation of a five-year, $5 billion cost-shared program to demonstrate innovative clean coal technologies. The Congress and the Administration have followed through on that commitment.

In the intervening five years, the Department has conducted five solicitations and a sixth is provided for by law. The 42 projects selected so far for commercial demonstration represent an aggregate investment of $4.6 billion. Clean coal projects are underway or planned in 22 states. At the conclusion of the fifth solicitation, the total investment by government and industry will approach $6 billion.

The current clean coal technology program, with its emphasis on joint industry and government funding, provides a link to commercialization of new energy technologies. Because of the success of this program, it is receiving broad Congressional support and is being promoted as a model for similar joint Federal/industry funded activities in energy efficiency, renewable energy, and electric vehicle.

The Senate bill (S. 1220) supports an expanded commercial demonstration program with an emphasis on those clean coal technologies that will achieve high sulfur dioxide or nitrogen dioxide control; will be capable of converting coal into cost-competitive transportation fuels; will be capable of converting coal into synthetic gaseous, liquid, and solid fuels; will achieve greater energy efficiency; and will be commercially available by 2010.

Other coal initiatives in the Senate bill include expanded programs to—

Advance DOE's coal research and development program to assure the commercialization by 2010 of clean coal technologies which achieve greater energy conversion efficiencies consistent with national environmental control requirements;

Commercialization coal refining and nonfuel coal technologies, for example, for the production of coke and carbon-based chemical intermediates;

Commercialization underground coal gasification technologies;

Foster the export of clean coal technologies manufactured by American industry.

In recognition of the important trade and global climate change benefits that can accompany the utilization of clean coal technologies, both Senate and House legislation support establishment of a Clean Coal Technology Export Coordinating Council to facilitate and expand the exportation and use of clean coal technologies, with a priority on such transfer and use in developing countries. The United States thus would to become the principal supplier of clean coal technologies to the world.

Clean coal technologies can provide an effective mechanism for the prevention of environmental pollution in developing countries. Clean coal technologies are also a cost-effective means for producing electricity from coal. From a global perspective, coal is going to be the predominant fuel of choice in countries such as China. It therefore is eminently sensible for the United States and China to work together to reap environmental benefits derived from the use of clean coal technologies, for which the United States is the acknowledged leader.

NATIONAL RESEARCH PRIORITIES

Beginning in the early 1980's, American industry has been encountering increasingly tough international competition. Our trade deficit is partially explained by new foreign competition. The challenge is whether we can be more effective in delivering American developed energy technologies to the marketplace as a source for new businesses and jobs.

With the phase down of the Cold War, proposals abound for making the scientific and technological capabilities of the national laboratories of the Department of Energy available to the private sector to jointly commercialize new technologies. These laboratories possess significant capabilities in the areas of computers, human health, the environment and manufacturing, to name a few. These laboratories provide a unique opportunity to address many of the problems facing technological man, including his energy and environmental problems.

Consistent with this objective, energy legislation working its way through both houses of the Congress encourages American industry to utilize the capabilities in our national laboratories to jointly commercialize new energy technologies in the areas of energy efficiency, renewable energy, coal refining and high-efficiency heat engines, to mention a few areas. Initiatives are being launched to enhance production from existing natural gas and oil reserves, as an energy conservation measure.

In addition, the legislation builds on our experience with the Committee on Renewable Energy Commerce and Trade which was created in 1976 to foster the export of renewable energy technologies to developing countries. Similar export programs are now being launched in the areas of energy efficiency and clean coal technology.

While greater emphasis is being given to research and development, I would be remiss if I didn't mention that we also have budgetary problems. Last fall the Congress and the White House crafted a 5-year budget. Perhaps the most significant implication of this Budget Agreement is its effect on the availability of funds for any Federally funded activity, including research and development. The total Federal funds for research and development are effectively frozen for five years. For every dollar allocated for new research and development activities there will be a corresponding reduction somewhere within the Federal government in science and engineering research and development. For the most part this fact has been totally overlooked.

What is significant about current legislation pending before the Senate is that the Federal royalties from development of oil in the Arctic National Wildlife Refuge (ANWR) in Alaska would be dedicated to energy research and development, with particular emphasis on energy efficiency and renewable energy resources. Consequently, if ANWR is not included the national energy strategy enacted by the Congress, there may well be insufficient funds for the very programs that the environmentalists are advocating as an alternative to development of ANWR oil development.

For whatever reason, we in the United States have not done well in establishing national research and development priorities that reflect enhancement of technological competitiveness. Both industry and government are reluctant to enter into joint research and development programs. A major exception is the Department of Energy's clean coal technology program, which was initiated in response to a political concern, acid rain. The legislation mentioned earlier (S. 1220) attempts to build on this experience in the areas of energy efficiency, renewable energy, coal refining, and battery and electric vehicle commercialization. The outcome remains to be seen. In each of these areas the program initiatives are being driven by environmental concerns, as was clean coal, which may well be the reason for their success.

INTERNATIONAL TECHNOLOGY COOPERATION

If sustainable economic development is to be achieved consistent with environmental quality, and in response to global climate change concerns, there needs to be greater technology cooperation. I use the term technology cooperation because, unlike the term "technology transfer", in the broadest context, technology cooperation includes not only hardware and equipment, but also the operational practices, know-how and methodologies that are often taken for granted.

We are talking about ways to share experiences that have broad economic implications. What I am talking about is a partnership in which a developing country might participate in the joint development of a technology that has commercial significance within an extended region. The developing country, in cooperation with the industrialized country, could then jointly market the technology. Success in this regard will require that representatives of both the developed and developing countries sit down and define their respective capabilities and needs.

Clean coal technology offers such an opportunity. In recognition of benefits from clean coal technologies for combustion efficiency improvements and reduced greenhouse gas emissions, there is broad support in the United States for promoting the export of such technologies. The role of the Federal government is to support the efforts by private industry companies to market their products.

In support of such activities, the Congress proposes establishment of a Clean Coal Technology Exporting Council. Among its activities would be financial support for prefeasibility and feasibility studies by U.S. companies for international trade and development activities.

If developing countries invest in traditional coal combustion technologies, their actions are likely to inhibit the deployment of the clean coal technologies and thus transfer the burden of global climate change remediation to others. Clearly, as this conference suggests, the preferable course of action is to keep in mind the objective of avoiding unnecessary emissions of greenhouse gases through the use of clean coal technologies.

However, it must be recognized that in the United States these technologies and the knowledge that accompanies them is owned by individuals, not the government. Private funds, not government funds, developed many of the more environmentally benign energy technologies, such as clean coal. Under our laws it is not possible for the Federal government to make these technologies available to others without their owners being compensated.

Mandating transfer of technology by the private sector under an international agreement clearly would serve as a disincentive to development of the very technologies being sought by developing countries. In effect the government would be appropriating the technology without compensation. Faced with this possibility, industry would have not incentive, in fact would have a disincentive, to apply the resources and expertise to develop the technology in the first place.

INTEGRATED RESOURCE PLANNING

A critical area of concern to policy makers in the United States is in the area of so-called, "integrated resource planning" or "least-cost energy planning". The concept is to incorporate the negative external societal costs into the price of any good or service. It is a way of incorporating individual market incentives (micro-economics) to be more consistent with societal goals (macro-economics). While current discussions emphasize environmental costs, there are many other considerations such as national security costs, land use impacts, and health effects, to name a few.

In practice, societal cost pricing is as much an exercise in practical politics than the application of economic science. What are really qualitative considerations, such as environmental effects or national security concerns, are frequently assigned quantitative values. In the case of global climate change, this practice often is being politically driven because the stakes are both significant and well understood. But we must not delude ourselves into thinking that by such quantification that we actually understand the social, economic, energy, or environmental consequences of proposed actions.

Several different countries are investigating how macroeconomic measure can be modified to incorporate resource and environmental factors. Economists generally agree that national income, rather than gross national product, is a useful indicator of economic progress. Economists also would agree that per capita national income is a measure of economic well-being. However, there is no agreement on how to incorporate environmental factors into national income measurements. Nevertheless, quality of the environment is universally perceived as an intrinsic and necessary part of the standard of "quality of life".

Attempts to use the market system to encourage environmental progress continue. Considerable time is being spent in the United States discussing the concept of "least-cost" planning. In the context of debate on a national energy strategy, what is envisioned is the formulation of a "Least Cost National Energy Plan" that reflects an analysis of the energy, social, economic and environmental consequences of the energy options available to the United States. What also is being sought is an analysis of the implications of the various proposed energy strategies for global climate change. Consistent with this thinking, President Bush's National Energy Strategy speaks of this concept as one of "Integrated Resource Planning".

The interests of both developed and developing countries must be accommodated within any strategy intended to address global climate change or other environmental issues. For example, efforts to reach an international agreement on global climate change must be structured to reflect overall global economic development considerations in such a way as to not diminish the economic development objectives of either developed and developing countries.

For example, where there is need for development of an energy or transportation infrastructure, it is far more effective from an environmental perspective and from an economic perspective to address both these concerns up front and determine the best overall system. The alternative is to build the infrastructure and then be faced with the added costs of making it environmentally acceptable.

Admittedly, the developed countries have a responsibility to take those actions necessary to enable sustainable economic growth and development for both developed and developing countries. However, developing countries share in this obligation; otherwise they are likely to become the constraining force on even their own economic development. Critical to the success of our joint obligation is the establishment of funding mechanisms that reflect environmental concern.

The recent report of the International Institute for Energy Conservation on "The Least Cost Energy Path for Developing Countries" concludes that "at a time when borrowers confront growing financial and environmental constraints on their pursuit of the traditional path of energy development, the banks must ensure that every dollar of investment yields the greatest return in energy services. Integrated energy-efficiency in borrowers' energy development strategies and investment plans offers that assurance; better energy services for billions of people, at lower economic and environmental costs." However, out of the more that $5 billion obligated by the multilateral development banks annually, less than one percent goes toward improving end-use efficiency.

The World Bank estimates that investments of $1 trillion will be needed in the next decade, and over $4 trillion over the next three decades, to meet developing countries' needs alone. Investment costs aside, such increases in energy generation and consumption pose enormous environmental and health costs if not addressed. Pollution levels in many developing countries already exceed World Health Organization standards and much of this is due to energy use.

Trade-environment interactions are difficult to sort out. Forging agreements that protect both free trade and environmental quality will be a challenge. Again, however, we must seek both. Trade is important because it can reinforce environmental aims through the export and consequently the deployment of environmentally sensitive products. To the extent that freer trade means greater economic growth for all, we can reduce at least one important source of environmental degradation, and that is poverty.

To pursue only economic growth without respect for the environment is foolish, however. Experience has taught us that the price of rectifying our environmental mistakes is much greater than the cost of avoiding them in the first place. The Brundtland Report concludes that the sources and causes of pollution are far more diffuse, complex and interrelated—and the effects of pollution more widespread, cumulative and chronic—than hitherto believed. The ability of ordinary human activities to disrupt environmental systems continues to be a surprise; so whether it be trade, economics, health, or human settlements, we must begin to think environmentally before we act.

Likewise, our national leadership is aware of the tremendous pace of population growth in the world; for example, it took until about the year 1800 for the world to reach its first billion in population, we are now at 5.3 billion and in just 10 years we will add another one billion. Over the next century, 95 percent of the growth in world population will occur in developing countries; 85 percent in urban areas. Coupled with lower mortality rates as a result of improvements in health, hygiene and sanitation, the potential impacts on both the natural and human environments are tremendous. This will be particularly true if developing countries emulate the development style of the developed countries.

CONCLUSION

As a trading nation, the United States requires the unhindered flow of resources to sustain its economic viability. And no commodity is more essential to a modern society than energy. The United States has no shortage of domestic energy alternatives; what is missing is a long-term, comprehensive, and consensus-based national energy strategy based on the use of available energy supplies as well as the development of new energy resources for the future.

Together the Congress and the Bush Administration seek a national energy strategy for the United States in which the American people can have confidence. What we seek is a national energy policy that reflects a balance between energy supply and demand (or energy efficiency) initiatives that are responsive to national and international environmental concerns. We also are looking for a strategy that is sufficiently flexible for all energy alternatives, including coal, to compete in the marketplace.

Environmental protection, economic development and human well-being are interdependent. If we are going to achieve an acceptable quality of life for all peoples, mankind must carry out its activities in an ecological, economical and stainable manner.

The environmental efficacy of a particular strategy to meet these needs and aspirations depends on the cost-effectiveness of environmental strategies; the rate of economic growth, the management of financial and natural resources and the extraction, production, use and disposal practices and technologies. Technological cooperation, both technical and economic, between developed and developing countries will help the developing countries avoid the environmental degradation that the developed countries are not being forced to correct.

There is an ancient Chinese proverb worth repeating here: "If we do not change our direction, we are likely to end up where we are heading."•

ESTONIAN INDEPENDENCE DAY

• Mr. LEVIN. Mr. President, this coming Monday, February 24, 1992, marks the 74th anniversary of the Republic of Estonia's declaration of independence. The February 24, 1918, declaration began a too brief period of independence for Estonia that was ruthlessly and illegally extinguished as a result of the secret 1939 Molotov-Ribbentrop pact between Hitler and Stalin.

Through the long, dark 50 years of Soviet domination, the Estonian people never lost their dream of renewed independence. And the United States shared that dream and determination, never recognizing the illegal Soviet annexation.

This year's observation of Estonian Independence Day is special. This year's commemoration is a true celebration. This is the first year, finally, that on Estonian Independence Day true freedom, sovereignty, and independence have been restored to Estonia. The struggle was long and the sacrifices were great. But now the victory is final, and freedom won.

This is the year all freedom-loving people were determined to witness. We are privileged to share the celebration of the steadfast people of Estonia, who have struggled, sacrificed, and won. Estonia is free.•

ARMED SERVICES COMMITTEE HEARING ON IMPACT AID

• Mr. SIMON. Mr. President, I support S. 2066. This important bill, sponsored by my colleague from Illinois, directs the Secretary of Defense to administer impact aid funding for local education agencies in areas affected by Federal military installations. I am pleased to be an original cosponsor of this legislation, and I commend my colleague and friend from Illinois for his outstanding leadership on this crucial issue.

Impact aid is intended to compensate financially local school districts that are adversely affected by activity of the Federal Government. Unfortunately, impact aid is not achieving its purpose because inadequate funding prevents federally impacted districts from meeting the additional costs incurred by educating military students, and the consequences are devastating.

These school districts are being shortchanged by the Federal Government. For example, in Illinois, North Chicago District No. 187 and Highland Park District No. 111 are losing up to $4,000 per year for each military child. This has forced North Chicago to cut 45 of 140 teachers in order to meet payroll. Our students deserve better, and it is time for the Department of Defense to do its part to ensure that military students receive the quality education they deserve.

Our Federal defense budget is nearly 10 times larger than our education budget. I am pleased that the Department of Defense now helps pay for educating children of members of the Armed Forces who are still stationed in Europe to protect it from being invaded by the former Soviet Union. As a result of the end of the cold war, most of these families will soon return to American soil. At that time, the Department of Defense should shift some of these resources to help pay for educating our military students at home.

I have tried to persuade Secretary Cheney that the Department of Defense should take over the military portion of the Impact Aid Program. Impact aid funds appropriated for this year are roughly equivalent to the cost on one B-2 bomber. I don't have to ask what is more important to our future, manufacturing another bomber or providing access to a quality education for 600,000 students.

In short, transferring the military portion of impact aid to the Department of Defense makes sense. What better way to show our appreciation to the individuals who serve in our Armed Forces—many of whom served so bravely in the Persian Gulf—than to contribute to full and fair funding for educating their children?•

IN RECOGNITION OF LT. ORLEY R. "BUTCH" BARTON

• Mr. SEYMOUR. Mr. President, it is always a pleasure to come before my distinguished colleagues in the Senate to honor individuals in my State who have demonstrated a selfless dedication and commitment to the public service.

One of these individuals is Lt. Orley R. "Butch" Barton, one of the thousands of local police officers who have put their lives on the line daily to protect the very freedoms we hold so dear. Our local law enforcement officers are on the front lines of our war on crime and drugs, and it is important that we take time out of our legislative schedules to recognize the accomplishments of those heroes who have spent a lifetime executing the hand of justice.

From his days as a rookie on the Los Angeles Police Department [LAPD] back in 1962, to his retirement this past January, Lieutenant Barton has exemplified the very pride and passion associated with a successful career in law enforcement.

During a career spanning more than 29 years, Lieutenant Barton received numerous commendations for his outstanding work as a police officer. The experience he gained on the streets of Los Angeles and various duty assignments helped him to attain the knowledge and expertise necessary to take an active, leading role in the Organized Crime and Intelligence Division of the LAPD.

Over the years, Lieutenant Barton fought to cure the city of Los Angeles of a cancer that has gradually infected the metropolis with an unending flood of crime, drugs, and gangs. Without the courage of men like Lieutenant Barton, the people of Los Angeles would most certainly have no hope for the future.

Each day, Lieutenant Barton confronted the challenge of fighting our Nation's incredibly violent war of attrition against crime and drugs. And, his long and distinguished career has demonstrated that the word surrender was not a part of his vocabulary. Our police officers in Los Angeles, as well as other major metropolitan areas around the country, face increasingly difficult odds. These men and women in blue are being outgunned and outmanned, and it takes a true hero to stand strong and fight this battle head-on as Lieutenant Barton did for almost 3 decades.

Mr. President, Lieutenant Barton embodies the very spirit of what a police officer should be. And, I am positive that if his wife Mary Ann, his children, his fellow officers, and the people of Los Angeles were here in Washington today, they would all join me in commending his unrelenting years of service. Lieutenant Barton, we salute you.•

A TRIBUTE TO CHICAGO'S LOUIS SUDLER

• Mr. SIMON. Mr. President, next week, one of Chicago's most trusted and respected supporters of the arts and other civic activities will celebrate his 89th birthday. Louis Sudler has spent much of his adult life combining the careers of real estate and music with distinction, bringing joy to music lovers in and outside of Illinois.

While born on Maryland's Eastern Shore, he moved to Chicago when he was 10. He began his singing career at Yale, where he was a member of both the Glee Club and the infamous Whiffenpoof Singers. He returned to Chicago to start a real estate firm with his brother, a firm that has been involved in some of the biggest commercial and residential real estate projects in Chicago, including the John Hancock Center.

But music had always been essential to Louis Sudler and in 1945, 20 years after returning to Chicago, Louis began an operatic career, a career that has seen him sing a number of roles with the Chicago Opera, as well as other companies throughout the country. Prior to exploring an operatic career, Louis Sudler began a love affair with marching bands, an affair that started with his exposure to John Philip Sousa's band playing at the Steel Pier in Atlantic City and ended with the establishment of the Sudler Trophy for the outstanding college marching band of the year. The trophy is awarded annually to a college band that has demonstrated high musical standards and innovation in its marching routines and ideas.

In addition to chairing the Chicago Symphony Association, Louis Sudler has given so much of his time and energy to music and community affairs. For 14 years he ran a television program that gave aspiring young Chicago area artists an opportunity to appear before the public. He has made a significant contribution to his alma mater, Yale, to help them develop one of the finest fine arts undergraduate and graduate programs in the country. And, as he approaches his 89th birthday, he continues to be a vital, critical force in Chicago, respected and appreciated by so many of us. We in Illinois, and throughout the country's music community, owe Louis Sudler our thanks and appreciation.●

JEWISH NATIONAL FUND'S 90TH ANNIVERSARY

● Mr. DECONCINI. Mr. President, I rise today to congratulate the Jewish National Fund [JNF] on its 90 years of environmental achievement. Since its formation at the First Zionist Conference in Basel, Switzerland, it has been an integral part of the State of Israel. One cannot travel in that country without marvelling at a once desolate land now thriving with forests, urban greenbelts, agricultural communities, parks, and industrial areas. I was introduced to the JNF through their collaboration with arid land researchers at the University of Arizona. My admiration for their work has grown ever since.

The JNF does not limit its activities to Israel alone. The fund has joined forces with the University of Arizona, other universities, and the U.S. Department of Agriculture to discover ways to arrest arid land development and to then apply that research in the United States and elsewhere. The International Arid Lands Consortium strives to focus world attention on the challenge of human survival in these lands, to create a program reversing the trend of man-made deserts, and to help developing nations foster sustainable agriculture.

In the near century of its existence, the JNF has planted over 190 million trees, reclaimed 250,000 acres of difficult terrain for farming, housing, and industry, prepared land for 820 rural villages, built 3,750 miles of roads, and created 14 major parks and hundreds of picnic areas. Every tree in Israel, whether in a forest or on a city street, was planted by the fund in an effort to make Israel a better place to live for all of its people.

In the next 90 years, the Jewish National Fund hopes both to continue and expand its work on increasing the water supply, preparing land suitable for housing, and the other tasks necessary to improve the Israeli people's quality of life. Its accomplishments are a beacon of light in a region heavily shadowed by conflict. I wish them continued success through the next century.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. SIMON. Mr. President, I am pleased to once again participate in the Congressional Call to Conscience.

For the people of the former Soviet Union, these are hopeful times. With the fall of communism and the rise of democracy, the promise of freedom is being extended to millions of people.

For 1½ million more, though, these are also harrowing times. Political instability, economic uncertainty and ethnic strife all threaten their new found freedoms.

The people I speak of are the Jewish people of the Commonwealth of Independent States. In the weeks and months ahead, as we struggle to forge new ties and help to foster the growth of democracy in these republics, we must not forget the plight of these people. We owe them this responsibility.

Throughout the republics of the CIS, the specter of anti-Semitism has reared its ugly head and threatens not only freedom for Jews, but also their very lives. Aniti-Semitism is an evil deeply rooted in Soviet society, and today, in the climate of economic, political and national instability, it is becoming a more and more powerful force in many areas.

Despite tremendous strides toward equality, an insidious view of Jews as being the root of both past and current difficulties is again manifesting itself in the public's consciousness. In the present state of hardship and strife in the CIS, many are looking for someone to blame. It is politics of hate, echoed by a variety of emerging right wing groups, that blames Jews for everything from the rise of communism to Stalin's purges to the collapse of communism and the present economic problems. As Grigory Kanovich of Vilnius, a noted Russian author and a self-described Soviet realist, stated, "Russia never had better scapegoats than Jews."

Former President Mikhail Gorbachev recognized as recently as October of last year that in Soviet society today "social expressions of anti-Semitism have not been surmounted and certain reactionary circles are exploiting this fact."

Among those reactionary circles are such extremist groups as Pamyat and the Union of Writers of the Russian Republic. With the emergence of such political mouthpieces, hatred of Jews has emerged as a consolidating force among the Russian new right.

These groups and others have given rise to fears that a revival of turn-of-the-century pogroms may be at hand. Unfortunately, those fears are not without justification.

Especially threatening are the nationalistic movements that have come to the forefront of several of the states. We must beware that mounting nationalism in these regions is not subverted for the purposes of anti-Semitism. Anti-Semitism, though cloaked in the guise of nationalism, is still anti-Semitism.

Thomas Jefferson said, "Eternal vigilance is the price of liberty." I urge my colleagues, as the Soviet people struggle toward the once distant goals of freedom and democracy, to remember that we must stand on guard against the vicious specter of anti-Semitism and work to stamp it out wherever it rises, whether at home or abroad.●

NATIONAL ENGINEERING WEEK

● Mr. D'AMATO. Mr. President, I rise today to honor the accomplishments of our Nation's engineers. February 16–22, 1992, is National Engineers Week, a national celebration of the engineering profession. The purpose of this designation is to increase public awareness of the contributions engineers make, through innovation and technology, to our quality of life.

We honor our Nation's engineers this week because of the significant role they have played in conquering many frontiers: on the Moon, in the operating room, on the ocean floor, and on the Earth. Although engineers and scientists make up only 4 percent of America's workers, their accomplishments touch all of our lives. As we progress through the 1990's, we will continue to depend on our engineers to conquer new frontiers.

As our Nation's spotlight shines on engineers, the focus is on those who have had starring roles in dynamic projects. However, National Engineering Week is also a time to focus on our school-age citizens because this is a unique opportunity to cultivate interest in math, science, and engineering among the engineers and scientists of tomorrow.

Engineering involves the invention, design, and building of tools, machines, structures, and devices in an efficient manner. It poses problems and suggests possibilities. Every industrial area, be it nuclear energy, waste disposal, computers, or ceramics, requires specially trained engineers to meet the disparate needs of an ever-advancing society.

It is only right that we take this time to honor our engineers and express our gratitude for all that engineers have done to better our world.●

CONGRATULATIONS TO EPA ADMINISTRATOR REILLY

● Mr. DURENBERGER. Mr. President, last night, in the face of a U.S. Appeals

Court order to vacate two critically important hazardous waste rules, the Administrator of the Environmental Protection Agency [EPA] made the right decision and signed an interim final rule repromulgating the rules until April 28, 1993. By that date, the EPA expects to have final revisions to the rules in place.

These rules, the so-called mixture and derived-from rules, are critically important underpinnings of EPA's hazardous waste program. The mixture rule provides that if a generator mixes a hazardous waste and a nonhazardous waste together, the entire mixture becomes hazardous. This rule was developed to prevent hazardous waste generators from simply diluting hazardous waste to a level no longer legally hazardous under RCRA but which nevertheless remains a threat to human health and the environment.

The derived-from rule provides that residues from the treatment, storage, or disposal of hazardous waste remain hazardous. For example, as a residue from the burning of hazardous waste, incinerator ash from hazardous waste incinerators is itself considered a hazardous waste because of the derived-from rule.

Had the Administrator allowed these rules to lapse, it is possible that hundreds of thousands of tons of hazardous waste could have been removed from regulation as hazardous waste.

In a recent decision by the U.S. Appeals Court for the District of Columbia, in the case of Shell Oil Company versus EPA, the court ordered the rules vacated as of January 21, 1992. In its decision to vacate the rules, the court found that EPA had not given Shell Oil an opportunity to comment on the rules prior to their becoming final.

On January 21, 1992, we were all hoping that EPA would have repromulgated the rules at that time. Instead, in a decision designed to address apparent opposition to the rules by the administration, the Agency asked the court to rehear the case—a move, acknowledged by all, to buy more time for the Agency to work out these conflicts.

Unfortunately, EPA and other administration officials were unable to come to an agreement on the rules prior to the court's order becoming effective. Despite suggestions to repromulgate the rules on an interim basis made by the appeals court itself, several Members of the Senate, the attorneys general of 25 States, the environmental community, the hazardous waste treatment industry, and many in the regulated community, most notably, the American Petroleum Institute, some in the administration apparently remain opposed to this temporary reissuance.

Fortunately, in the interest of public health, safety, and the environment, Administrator Reilly decided to repromulgate the rules on an interim basis.

Administrator Reilly is to be congratulated as are all the EPA employees who worked so hard to address the concerns raised about these rules. Allowing the mixture and derived-from rules to lapse would have at best created chaos in the EPA hazardous waste program and at worst, could have resulted in serious damage to public health or our environment.•

THE 75TH ANNIVERSARY OF NATHAN'S FAMOUS

• Mr. D'AMATO. Mr. President, it is with great pleasure that I rise today to acknowledge the 75th anniversary of Nathan's Famous.

Established in 1916 by Nathan and Ida Handwerker in Coney Island, NY, Nation's Famous has become a national restaurant chain with plans to expand internationally.

Best known for its frankfurters, the Coney Island restaurant has been a favorite stop for entertainers, elected officials, kings and queens during its 75 years of operations.

Nation's Famous remains an important part of the economic community of New York City and its metropolitan area by employing thousands of New Yorkers.

Nation's Famous has become an indispensable piece of history for Brooklyn and New York City as a whole. Therefore, it is with great pride that I salute Nation's Famous for its achievements and wish it continued growth for the next 75 years.•

WEPCO

• Mr. SIMPSON. Mr. President, the Clean Air Act conferees agreed at the end of 1990 to delete provisions regarding WEPCO in order that the Environmental Protection Agency could promulgate regulations on the issue. WEPCO refers to Wisconsin Electric Power Co. litigation against EPA. That litigation addresses the question of when a plant modifying its operations should be treated as a new facility. This is a complex and contentious issue.

Consistent with this agreement, EPA last year proposed a rule on WEPCO. Many persons commented on the proposal and the administration testified before Congress on the matter. The time has come for the administration to promulgate final regulations on this issue.

Mr. BAUCUS. I agree with the distinguished Senator from Wyoming that the administration should publish final WEPCO regulations. I understand that EPA has revised its proposed rules, based on public comments and based on administration testimony before Congress. EPA is circulating its revised proposal for comments by other executive agencies. I understand that EPA has received no written comments from any other agency.

Mr. SIMPSON. It is imperative that this issue be resolved so that I would not have to resort to a legislative remedy. I would hope that the administration could promulgate a final rule on this important issue as soon as possible and publish the final rule.

Mr. BAUCUS. I strongly urge the agencies to submit their written comments to EPA and to work together on the revised draft and publish the final rule.•

TRIBUTE TO AN OUTSTANDING FIGURE IN YOUNGSTOWN

• Mr. D'AMATO. Mr. President, I rise today to pay tribute to a very special person who has made many great contributions to numerous New Yorkers, Nancy Price. Her selfless giving to her community as recreation director for the village of Youngstown is only superseded by her courage and determination. Ms. Price has been recreation director for the past 14 years and has recently been informed that she has cancer and is undergoing treatments.

She grew up in a foster home with loving and nurturing foster parents. This experience crystallized her knowledge that children need to feel loved and wanted. This is the special gift that Ms. Price brings to the Youngstown Community Center. She has been a true leader to the young people of her community. She has helped hundreds of the Youngstown youth with her excellent programs.

Her many accomplishments are great, her approach is selfless caring and loving, and we might say that Nancy Price is a model individual. She has done much for her community—she was instrumental in creating the youth center in the Red Brick School—and for New York State. At this time, despite illness, she is still active in making sure that the youth center continues to thrive.

I am grateful to Ms. Price for her relentless dedication to the Youngstown community for 14 years as recreation director and for many more years as bus driver for Ransomville Bus Lines.

I am also grateful to the Kiwanis Club of Lewistown, NY, for sponsoring a benefit for Nancy Price. Their kindness will help to defray some of Ms. Price's medical and living expenses.

For all she has done and all she has yet to do to make the world a little better place to live, I am grateful. Thank you, Nancy Price.•

IN HONOR OF THE ADVERTISING COUNCIL

• Mr. DOMENICI. Mr. President, this year marks the 50th anniversary of the founding of an organization that changed the lives of all Americans. The organization is the Advertising Council, established at the start of World War II by the advertising and media industries.

This volunteer coalition has saved and improved thousands of lives, brought us better schools, fewer forest fires, and a greater understanding of the way our Government works. It has reduced the toll of polio, TB, cancer, crime, and addictions; helped abused children, the handicapped, veterans, minorities, and got us started on protecting the environment. And who can forget the tear on the cheek of the crying Indian in Ad Council TV messages as he focused national attention on the necessity of reducing pollution and litter.

During its first half century, the Advertising Council, volunteer driven, has provided $20 billion in donated advertising to causes for the public good.

Public service advertising messages have helped the Federal Government in campaigns for savings bonds, the census, physical fitness, Social Security, and voting. The Council serves both private nonprofit organizations and Government. The National Safety Council reported that its Ad Council messages prevented accidents that would have taken 600,000 lives in the post war years. Today, its TV crash dummies, Vince and Larry, labor around the media clock for the U.S. Department of Transportation with their constant reminders to buckle up.

The Ad Council is a three-way pro bono partnership of advertisers, who lend their expertise and financial support; ad agencies, which contribute creative work; and, the media, donating the time and space to deliver critical messages to all Americans.

This uniquely American institution got public service advertising started three weeks after Pearl Harbor. It was then known as the War Advertising Council. It mobilized Americans to buy $30 billion in war bonds, nurture 50 million victory gardens, recycle millions of tons of paper, fats, rubber, tin, and steel, as well as urged our citizens to protect this country's vital secrets. It recruited women for war jobs and influenced the trend toward more females in positions of importance in the workplace.

When the war ended, the Ad Council continued its fine work. It developed campaigns to advise veterans in buying homes and keeping their GI insurance, for support of the armies of occupations, victory bonds, the Red Cross, Radio Free Europe, the Freedom Train, and prevention of forest fires.

Ad Council artists created Smokey Bear and McGruff, the crime prevention hound. Copywriters coined such slogans as "A mind is a terrible thing to waste" for the United Negro College Fund and "The toughest job you'll ever love" for the Peace Corps. Some of you recall their nagging question, "Is this trip necessary?" that saved gasoline and the worn-out family flivver in wartime.

The nonprofit Ad Council generated $1.5 billion in donated media for public service messages last year, ranking as the fifth largest national advertiser.

I am confident you will want to join me in gratitude to the Advertising Council for its many contributions in the past half century, and in offering our best wishes for its next 50 years of public service.●

SENATE QUARTERLY MAIL COSTS

● Mr. FORD. Mr. President, in accordance with section 318 of Public Law 101–520, I am submitting the summary tabulations of Senate mass mail costs for the first quarter of fiscal year 1992, that is the period of October 1, 1991 through December 31, 1991, to be printed in the RECORD, along with the quarterly statement from the U.S. Postal Service setting forth the Senate's total postage costs for the quarter.

The tabulations follow:

SENATE QUARTERLY MASS MAIL VOLUMES AND COSTS FOR THE QUARTER ENDING DEC. 31, 1991

Senators	Original total pieces	Pieces per capita	Original total cost	Cost per capita
Adams	293,299	0.06027	$51,111.83	$0.01050
Akaka	596	.00054	531.63	.00048
Baucus	147,050	.18403	23,054.69	.02885
Bentsen	150,860	.00888	27,859.98	.00164
Biden	....	....	....	....
Bingaman	141,920	.09367	25,163.86	.01661
Bond	50,841	.00994	14,444.84	.00282
Boren	....	....	....	....
Bradley	1,090,700	.14110	162,497.75	.02102
Breaux	113,400	.02687	18,992.53	.00450
Brown	18,015	.00547	3,162.04	.00096
Bryan	....	....	....	....
Bumpers	127,400	.05420	22,522.37	.00958
Burdick	96,200	.15059	16,773.29	.02626
Burns	76,236	.09541	15,657.12	.01959
Byrd	888	.00050	213.34	.00012
Chafee	6,300	.00628	904.08	.00090
Coats	....	....	....	....
Cochran	....	....	....	....
Cohen	90,409	.07363	14,953.47	.01218
Conrad	38,537	.06033	17,194.58	.02692
Craig	16,450	.01634	2,740.38	.00272
Cranston	3,027,950	.10175	519,859.82	.01747
D'Amato	220,693	.01227	42,991.83	.00239
Danforth	37,250	.00728	5,111.33	.00100
Daschle	174,322	.25046	24,803.62	.03564
DeConcini	....	....	....	....
Dixon	12,910	.00113	3,165.07	.00028
Dodd	26,495	.00806	12,240.35	.00372
Dole	....	....	....	....
Domenici	....	....	....	....
Durenberger	118,900	.02718	21,478.99	.00491
Exon	....	....	....	....
Ford	....	....	....	....
Fowler	748,691	.11557	111,314.61	.01718
Garn	....	....	....	....
Glenn	....	....	....	....
Gore	....	....	....	....
Gorton	131,780	.02708	25,054.58	.00515
Graham	95,900	.00741	17,890.61	.00138
Gramm	2,500	.00015	447.30	.00003
Grassley	8,850	.00319	1,392.99	.00050
Harkin	321,600	.11582	50,298.12	.01811
Hatch	....	....	....	....
Hatfield	....	....	....	....
Heflin	....	....	....	....
Helms	....	....	....	....
Hollings	....	....	....	....
Inouye	....	....	....	....
Jeffords	82,050	.14580	11,678.23	.02075
Johnston	....	....	....	....
Kassebaum	....	....	....	....
Kasten	426,609	.08721	75,709.56	.01548
Kennedy	....	....	....	....
Kerrey	....	....	....	....
Kerry	189,350	.03147	27,928.29	.00464
Kohl	....	....	....	....
Lautenberg	17,750	.00230	3,495.49	.00045
Leahy	44,050	.07828	7,282.16	.01294
Levin	3,210	.00035	639.95	.00007
Lieberman	131,596	.04003	25,406.55	.00773
Lott	1,050	.00041	198.96	.00008
Lugar	109,650	.01978	18,389.58	.00332
Mack	2,285,800	.17667	386,396.35	.02987
McCain	200,123	.05460	41,943.22	.01144
McConnell	....	....	....	....
Metzenbaum	....	....	....	....
Mikulski	174,650	.03653	25,392.34	.00531
Mitchell	445,450	.36277	63,424.08	.05165
Moynihan	10,300	.00057	2,280.06	.00013
Murkowski	3,197	.00581	2,535.05	.00461
Nickles	651,378	.20708	118,358.31	.03763
Nunn	....	....	....	....
Packwood	365,200	.12849	62,635.51	.02204
Pell	....	....	....	....
Pressler	75,502	.10848	13,826.80	.01987
Pryor	136,840	.05821	21,990.96	.00935
Reid	....	....	....	....
Riegle	1,146,987	.12339	173,492.69	.01866
Robb	....	....	....	....
Rockefeller	156,250	.08712	21,457.09	.01196
Roth	....	....	1,968.36	.00295
Rudman	....	....	....	....
Sanford	2,349	.00035	2,111.74	.00032
Sarbanes	28,775	.00602	6,069.11	.00127
Sasser	634,630	.13012	99,768.76	.02046
Seymour	1,900,100	.06385	308,986.99	.01038
Shelby	691,700	.17119	101,158.22	.02504
Simon	74,000	.00647	13,736.52	.00120
Simpson	20,000	.04409	2,839.74	.00626
Smith	....	....	....	....
Specter	2,597,875	.21865	369,859.76	.03113
Stevens	....	....	....	....
Symms	17,650	.01753	3,527.13	.00350
Thurmond	....	....	....	....
Wallop	5,985	.01319	1,751.61	.00386
Warner	16,135	.00261	4,674.76	.00076
Wellstone	4,000	.00091	801.44	.00018
Wirth	207,702	.06305	43,357.18	.01316
Wofford	....	....	....	....

Other offices	Pieces	Cost
The Vice President	....	....
The President pro-tempore	....	....
The Majority Leader	....	....
The Minority Leader	....	....
The Assistant Majority Leader	....	....
The Assistant Minority Leader	....	....
Secretary of Majority Conference	....	....
Secretary of Minority Conference	....	....
Agriculture Committee	....	....
Appropriations Committee	....	....
Armed Services Committee	....	....
Banking Committee	....	....
Budget Committee	....	....
Commerce Committee	....	....
Energy Committee	....	....
Environment Committee	....	....
Finance Committee	....	....
Foreign Relations Committee	....	....
Governmental Affairs Committee	....	....
Judiciary Committee	....	....
Labor Committee	....	....
Rules Committee	....	....
Small Business Committee	15,042	$3,720.58
Veterans Affairs Committee	....	....
Ethics Committee	....	....
Indian Affairs Committee	595	243.39
Intelligence Committee	....	....
Aging Committee	....	....
Joint Economic Committee	....	....
Joint Committee on Printing	....	....
Democratic Policy Committee	....	....
Democratic Conference	....	....
Republican Policy Committee	....	....
Republican Conference	....	....
Legislative Counsel	....	....
Legal Counsel	....	....
Secretary of the Senate	....	....
Sergeant at Arms	....	....
Narcotics Caucus	....	....

U.S. POSTAL SERVICE,
Washington, DC, February 4, 1992.

Hon. WENDELL H. FORD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Detailed data on franked mail usage by the U.S. Senate for the first quarter, Fiscal Year 1992, is enclosed. Total postage and fees for the quarter is $3,616,503.

A summary of Senate franked mail usage based upon the first quarter of actual data for Fiscal Year 1992 is as follows:

Volume 19,573,452

Revenue per piece	$0.1848
Revenue	$3,616,503
Provisional payments (prorated to Dec. 13, 1991)	$6,451,613
Excess in provisional payments	$2,835,110

The First Postal Quarter results, when projected to an annual figure based upon historical trends for Senate franked mail activity, provide the following estimates for FY 1992:

Volume	75,836,699
Revenue per piece	$0.1902
Total Revenue	$14,425,620
Current Appropriation	$32,000,000
Estimated Surplus	$17,574,380

However, the validity of these projections does remain questionable due to substantial variances in Senate quarterly mailing patterns over the past several years.

If you or your staff have any questions, please call Tom Galgano of my staff on 268-3255.

Sincerely,

JAMES S. STANFORD,
General Manager, Official and International Mail Accounting Division, Office of Accounting.

SENATE FRANKED MAIL POSTAL QUARTER I, FISCAL YEAR 1992

Subcategories	Pieces	Rate	Amount
1. Letters: 1st class (total)	2,375,549	$0.2900	$688,909
2. Flats: 1st class (total)	121,988	1.1133	135,809
3. Parcels:			
Priority—up to 11 oz	....	....	....
Priority—over 11 oz	13,194	4.7365	62,493
4th class—regular	22,507	4.0257	90,606
Total	35,701	4.2884	153,099
4. Orange bag pouches:			
1st class	121,365	.3665	44,480
Priority—up to 11 oz	2,290	2.8991	6,639
Priority—over 11 oz	8,281	4.1920	34,714
Total	131,936	.6506	85,833
5. Agriculture bulletins:			
First class	....	....	....
Priority—up to 11 oz	....	....	....
Priority—over 11 oz	3	20.3500	61
3d class	....	....	....
4th class special (Bk)	12	10.3502	124
4th class regular	75	8.5333	640
Total	90	9.1667	825
6. Yearbooks: 4th class special (Bk) (total)	0	....	0
7. Other (odd size parcels):			
Priority—up to 11 oz	....	....	....
Priority—over 11 oz	514	34.8204	17,898
4th class special (Bk)	....	....	....
4th class regular	3,094	12.5046	38,689
Total	3,608	15.6838	56,587
Total outside D.C.	325,565	.4766	155,177
Permit imprint mailings:			
3d class bulk rate	16,848,100	.1163	1,959,947
Parcel post—PI	466	8.6996	4,054
1st class single piece—PI	....	....	....
Address corrections (3,547's)	743	.3499	260
Address corrections (3d Cl)	34,214	.2900	9,922
Mailing list correction (10 names or less)	....	....	....
Mailing list correction (more than 10 names)	....	....	....
Mailgrams:			
IPA—international priority airmail	....	....	....
Mailing fees (registry, certified, etc.)	....	....	....
Postage due/short paid mail	....	....	550
Permit fees	....	....	75
Miscellaneous charges/adj	....	....	....
Express mail service	....	....	502,855
Subtotal	19,877,960	.1888	3,753,902
Adjustments (PFY to GFY 1991)	-304,508	.4512	-137,399
Grand total	19,573,452	.1848	3,616,503 •

SELECTION OF HANFORD TO SITE THE LASER INTERFEROMETER GRAVITATIONAL WAVE OBSERVATORY

• Mr. ADAMS. Mr. President, I rise today to applaud the decision of the National Science Foundation to locate one of two laser interferometer gravitational wave observatories at the Hanford reservation in Washington State.

I am delighted about this news. LIGO will be a tremendous boon to Hanford and the Tri-Cities. The competition for LIGO has been very intense. I am pleased to see that the NSF has come to share my belief that, of all of the possible sites across the Nation, Hanford is the best possible location for LIGO.

This news is not only exciting scientifically, it is very exciting personally. Scientifically, LIGO will provide unprecedented insights into the nature and origin of the universe. Personally, siting LIGO at Hanford signifies that the mission I have advocated for Hanford for the last 5 years is truly becoming a reality.

Hanford was conceived in the birth of the nuclear age, and molded into one of the Nation's leading defense-production facilities. That time is clearly over. Though the transition has not been easy, Hanford is now emerging as one of the Nation's leaders on another front: environmental restoration and basic and applied science.

Siting LIGO at Hanford will solidify Hanford's reputation as a leader in scientific research. The facility, in conjunction with a similar observatory to be constructed in Louisiana, will detect cosmic gravitational waves and harness these waves for scientific research. When it is completed, it will be open for use by the national research community, and will become part of a planned worldwide network of gravitational wave observatories.

Hanford and the Tri-Cities provide the ideal community for this groundbreaking research. The scientific infrastructure at Hanford is unparalleled in the Nation and is growing every day. The site is remote enough so that city noises will not interfere with the delicate wave sensors. At the same time, the human community at the Tri-Cities—including some of the most knowledgeable nuclear scientists in the world and most committed supporters—are in place to make LIGO the best possible research center.

LIGO will also provide resources to Hanford. Between Hanford and Louisiana, the project is planned to cost $211 million over 5 years. It will provide significant employment to these sites and the surrounding communities, both during construction and in operation.

I am very pleased to have been able to help to make this project a reality at Hanford.•

TRIBUTE TO ACCESS

• Mr. RIEGLE. Mr. President, the Detroit Metropolitan area is home to the largest concentration of Arabic-speaking people in the United States. Approximately 300,000 Arabic-speaking people reside in the State of Michigan. This figure continues to grow as families are reunited, skilled, and talented professionals immigrate and refugees enter into our State and begin to call it home.

A critical factor in the effective resettlement of the Arabic-speaking population has been the emergence of socially active organizations. In the Detroit metropolitan area, the best known is the Arab Community Center For Economic and Social Services, or ACCESS. Currently located in the city of Dearborn, MI, ACCESS was founded 21 years ago with volunteers providing help to immigrants from an office located in a small store. Today, the organization operates from a new center that will service tens of thousands of people annually through a variety of programs designed to address individual and family needs.

ACCESS is the doorway to support for many new Americans. Its skilled and trained staff offer counseling on immigration and family matters, education, and health concerns. These services are important not only because they are often made available in the Arabic language, but also because they are given with a particular sensitivity to Arab-Americans. ACCESS has clearly shown that its service to people is done with heart and a genuine concern that the people who seek help receive it in an atmosphere of dignity and multicultural awareness.

In addition to the wide variety of services it offers to the Arab-American community, ACCESS engages in other activities that benefit the entire metropolitan area. It sponsors festivals, exchange programs, dances, and summer activities for the community in general, and gives Americans the chance to learn the Arabic language as well as attend lectures and view films that highlight Arabic culture and its contributions to the world. ACCESS has also begun the ambitious project of establishing an Arab-American museum. This museum will provide Michigan with a center for learning about the rich and diverse Arabic cultural arts.

ACCESS has faced a number of challenges during its history. Natural tragedies have destroyed property and endangered lives. There have been misunderstandings about the work of its staff and the goals of its founders, and the group has encountered prejudices that face almost all ethnic and racial groups as they become a part of the American society. Yet ACCESS has survived and has thrived, gaining credence and credibility in its work.

As Senator from the State of Michigan it gives me great pleasure to salute

ACCESS, its organizers, leaders, workers and volunteers. Years of devotion, determination, and hard work have helped to establish an organization that has helped tens of thousands of people on the road to stability and citizenship. Economic and job training programs sponsored by ACCESS have benefited all of our communities, and I am aware of the many success stories in which the students of yesterday are, today, the productive business, educational and political cornerstones of cities across our State.

It is my sincere hope that ACCESS will continue its critically important work in the State of Michigan for many years to come. With the help of associations like ACCESS, members of the Arab-American community will have the opportunity to develop and prosper, and, in so doing, enrich the lives of all of our citizens.•

REMEMBERING EXECUTIVE ORDER 9066

• Mr. ADAMS. Mr. President, today marks the 50th anniversary of President Roosevelt's signing of Executive Order 9066. With one stroke of a pen, over a hundred thousand Japanese-Americans were suddenly designated a threat to national security and were stripped of their citizenship, their property, and their rights.

In my own State of Washington, some 24,000 were affected by the relocation order. I can remember, as a high school student, coming to school one day to discover that my Japanese-American friends had simply disappeared. Close to one-third of my class was rounded up and sent to camps in the deserts of Idaho and California. The gross unfairness of this event remains with me to this day. It was perhaps my earliest and most keenly felt experience of racial discrimination.

I am proud to have been an original cosponsor of legislation in the 100th Congress to make reparations to the Japanese-Americans who were interned during the Second World War. With my friends and colleagues DANIEL INOUYE and the late Spark Matsunaga, I helped to persuade this body to reaffirm the principles our country was founded on: equal justice for all. Moreover, as a member of the Appropriations Committee, I worked to secure the funding that made the reparations possible. I am only sorry that the thousands of Issei and Nisei who were wrongfully interned had to wait so long for restitution.

We cannot undo what has been done. Reparations legislation went a long way in apologizing for the wrong that was committed. More important than an apology, however, is the promise never to forget and the vow never to repeat the sins of the past. On this day, we should all remember the injustice that was perpetrated in the name of national security and should renew our efforts to preserve the civil liberties and the human rights of all our citizens. Ultimately, the real security of our Nation lies in the strength of our commitment to all the members of our society.•

ORDER OF BUSINESS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senator AKAKA be recognized to address the Senate, and that at the conclusion of his remarks, the Senate stand in recess as ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Hawaii is recognized.

OBSERVANCE OF THE 50TH ANNIVERSARY OF EXECUTIVE ORDER 9066

Mr. AKAKA. Mr. President, a great society gains wisdom from the recognition of its failures and grows stronger by ensuring that the lessons of history are never forgotten. While we cannot alter events gone by, we must remember the consequences of allowing hysteria and racial prejudice to override the civil liberties of our citizenry.

Today marks the 50th anniversary of Executive Order 9066. This is not an occasion which will be observed with parades and pageants or revelry. Yet, this anniversary, much like that of Pearl Harbor, affords us the opportunity to reflect on our national character—past, present, and future.

On February 19, 1942, President Roosevelt signed Executive Order 9066, and thus began the relocation of over 120,000 citizens and resident aliens of Japanese ancestry. Within months, thousands of Japanese-Americans were compelled to leave their homes and businesses, abandon their livelihood, and resettle in internment camps and temporary detention centers located in eight Western States. Once relocated, evacuated residents were forbidden from leaving designated internment sites without express approval from military authorities.

Solely on the basis of race, all persons of Japanese ancestry, regardless of citizenship or loyalty, without proof or justification, were denied their civil rights. In addition to the denial of their personal liberty, those Americans were deprived of other basic constitutional guarantees and fundamental human rights. Freedom of speech and assembly was denied. The right to vote in Federal and local elections was denied. Religious freedom was restricted. Living conditions were crowded and inhumane.

Mr. President, in 1988, after 46 years of hindsight and unjust recrimination, America recognized its act of grave injustice and affirmed its commitment to liberty and justice for all in the enactment of the Civil Liberties Act of 1988.

One key purpose of the act was to inform the public about the internment of Japanese-Americans in order to prevent the recurrence of any similar event. To further this objective, Congress recently acted to preserve the tragic record and lesson of interment for this and future generations by passing the Manzanar National Historic Site and Japanese American Theme Study Act. As this important bill now goes on to the White House, I urge President Bush to sign it into law.

This legislation designates the Manzanar War Relocation Center as a national historic site. As the first of 10 relocation centers, Manzanar is the only national historic landmark commemorating the internment of over 120,000 Japanese-Americans during World War II. Manzanar's designation as a national historic site will facilitate the appropriate preservation of a visible reminder of the internment.

The second part of the act directs the Secretary of the Interior to conduct a national historic landmark theme study of all key sites that exemplify this sad and shameful chapter in American history. The Secretary is then directed to recommend suitable locations for designation as national historic landmarks.

The theme study would also examine other locations of significance in Japanese-American history during World War II such as Camp Shelby, MS, where the 442d Infantry Regimental Combat Team was trained, and Camp McCoy, WI, training installation for the 100th Infantry Battalion. Japanese-American volunteers in both units served with distinction and valor and are among the most decorated combat units in American history. I can think of no greater example of patriotism and love of country than the service offered by those in defense of a constitution and nation that failed them.

By designating these significant locations as national historic sites and landmarks, we commemorate this unfortunate period in our Nation's history. We remember the broader consequences of allowing hysteria and racial prejudice to override constitutional rights, and we teach this lesson to our children, to avoid a repetition of our mistakes of the past.

Mr. President, I yield the floor.

ORDERS FOR TOMORROW

Mr. JOHNSTON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m., Thursday, February 20; that following the prayer, the Journal of proceedings be approved to date; that following the time for the two leaders, there be a period for morning business not to extend beyond 12:30 p.m., with Senators permitted to speak therein for up to 5 minutes each, with the following Senators recognized to speak for up to 10 minutes each: Senators PRESSLER, WIRTH, ROCKEFELLER, SARBANES; further, that Senator GORTON be recognized for up to 15 minutes; and that Senator SIMPSON be recognized for up to 5 minutes; that on Thursday, the Senate stand in recess from 12:30 p.m. until 2:30 p.m. I further ask unanimous consent that at 2:30 p.m., Thursday, February 20, the Senate proceed to the consideration of Calendar Order No. 310, S. 1150, the higher education reauthorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 11 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 11 a.m., Thursday, February 20.

Thereupon, the Senate, at 8:11 p.m., recessed until Thursday, February 20, 1992, at 11 a.m.

EXTENSION OF REMARKS

INVESTING TO MAKE THE FUTURE WORK: REAUTHORIZATION OF THE HIGHER EDUCATION ACT

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. MARTINEZ. Mr. Speaker, attending high school was once thought a luxury; today, it is mandatory. In today's competitive world of high skills or low wages—where cars now have more computing power than the first lunar lander—reserving higher education to a few is a prospect that America simply cannot afford. Too many American families are finding that the cost of education is putting college out of reach.

America must invest in education, or be left behind. Jefferson's Northwest Ordinance schools, Lincoln's land grant colleges, Truman's GI bill education benefits, and Johnson's student aid programs invested in education. H.R. 3553, sustains our great American heritage by pragmatically reforming and expanding access to the quality higher education needed to make the future work.

Education remains America's best investment, transforming lives as well as economies. A recent study finds the net present value of each dollar invested in student aid was $4.30 for the high school class of 1980. This result is not new: Investment in the GI bill education benefits after World War II returned between $5 and $12.50 for each dollar invested—and built the foundations for our modern American economy. International studies show education among the most powerful generators of growth and development—and its significance is growing.

Congressman WILLIAM FORD, chairman of the Committee on Education and Labor, has authored legislation which reauthorizes the Higher Education Act and takes necessary steps to meet the challenge of investing to make the future work. I commend to my colleagues his insightful statement on "Rebuilding the Economy Through Education":

REBUILDING THE ECONOMY THROUGH EDUCATION

(By Hon. William D. Ford, chairman, Committee on Education and Labor)

With the end of the cold war and the collapse of the Soviet Empire, the national strength and status of the United States as a great power now depends on our ability to compete economically rather than militarily. The productivity and performance of our economy are inextricably linked to our investment in our human capital. Education and training are central to developing the nation's human capital.

It is clear that the workplace of the future will demand more people with education and training beyond high school. The "Second Industrial Revolution"—the revolution in technology—leaves little place for those without skills in reading comprehension, mathematics and problem solving, without the habits and attitudes that make them reliable employees and without specific skills related to available jobs. While 40 percent of today's jobs are in low skill occupations, only 27 percent will fall into that category in the year 2000. At the same time, jobs in high skill occupations will rise from 24 to 41 percent of the workforce.

Looking at new jobs, more than half of the new jobs created between now and the year 2000 will require some education beyond high school. The median years of education required by the new jobs will be 13.5 years, a year and a half beyond high school graduation. In the 1990s, it is estimated that jobs requiring college degrees will grow 1.5 percent per year while those requiring only high school diplomas will grow 0.6 percent per year, less than half as much. Thus, some academic/technical education beyond high school, if not a four-year undergraduate education, is essential for the workers of the future, particularly in the high wage, high skill jobs at the cutting edge of economic growth and productivity.

The job market provides an increasing college wage premium. The average pay of entry-level workers with a four-year or advanced college degree rose from one third more than the pay of workers with only a high school diploma in 1975 to 80 percent more in 1988. A recent study estimates that the value of the increased tax revenue to the Federal Government for each dollar of student aid is $4.30. Estimates for the return in increased Federal taxes for each dollar provided by the post-World War II G.I. bill range from $5 to $12.50.

It is clear that those in the education pipeline are increasingly from disadvantaged, low-income, minority and limited-English speaking backgrounds. In the 1990's, the white non-Hispanic college-age population will decrease by 18 percent while the minority college-age population increases by 11 percent. The fastest growing groups in the education pipeline are those from backgrounds where they are least likely to pursue the education beyond high school which they need to fill the jobs of tomorrow and which the nation needs in order for them to be the foundation of the nation's wealth.

In addition, working and middle-income families, the traditional source of reliable and productive workers, are seeing the dream of higher education for their children slip away. In the last decade those with incomes below the top 20 percent saw their incomes either stagnate or decline in inflation-adjusted dollars. Meanwhile costs at public and private colleges have increased from two to three times faster than the growth in median family income. For example, an 18 to 24 year old from a family with an income between $15,000 and $30,000 is less than half as likely to be in college as an 18- to 24-year old from a family with an income above $50,000.

Middle-income families can also no longer call on their traditional financial reserve, sending mom to work, to meet the costs of higher education for their children. Mom has already gone to work and for the families fortunate enough to have two wage earners, these dual incomes are barely sufficient to maintain their current standard of living.

A recent Gallup poll found that 93 percent of the American public believes that having a college degree is important in order to get a job or to advance in one's career. At the same time, 87 percent of the American public agrees with the statement: "College costs are rising at a rate which will put college out of reach of most people." And, 74 percent of the public agrees with the statement: "I would be able to afford college costs at this time, only with low interest loans or grants." It is, therefore, not surprising that 90 percent of the public supports grants to low income students and 93 percent support low-interest loans to middle income students.

Since the Federal government provides 75 percent of the student financial aid from all sources, we must look to changes in the Federal student aid programs to respond to the need for increased grants and low-interest loans to students.

H.R. 3553, the "Higher Education Amendments of 1992" provides this response. It would lower the financial barriers to higher education for students from working and middle-income families and open the doors of educational opportunity for millions of students. This bill, which has been ordered reported by the Education and Labor Committee and which awaits floor action, would significantly expand eligibility for student financial aid (in part by eliminating consideration of the family home or farm in determining eligibility for aid). In specific, enacting H.R. 3553 would ensure that:

In the first year, 3.1 million students would either be newly eligible to borrow under the low-interest Guaranteed Student Loan program or would be eligible to borrow an increased amount;

1.7 million of these borrowers would be from middle-income families (incomes above $30,000);

6 million families of students would be able to borrow increased amounts under the PLUS (Parent Loans to Undergraduate Students) program;

Well over half of these families would be middle income;

In the first year, 5 million students would either be newly eligible to receive a Pell Grant or would be eligible for an increased grant; and

1.1 million of these Pell Grant recipients would be from middle-income families.

A recent Washington Post editorial characterized this bill as "That Other Tax Cut" since it liberalizes the formulas that determine a student's eligibility for financial aid. This bill is targeted on providing relief from spiralling college costs for working and middle-income families, on expanding opportunities for higher education and on providing an investment in the future productivity and prosperity of our nation.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

VERA LAMKA CELEBRATES 70TH BIRTHDAY WITH HER KINDERGARTEN STUDENTS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, Vera Lamka, a preschool and kindergarten teacher at Kings Meadow Day School, celebrated her 70th birthday with her students. Ms. Lamka has been teaching for nearly 30 years. Her specialty is teaching young students how to read, which she still does with great enthusiasm. This passion for teaching was highlighted in an article written by staff writer, Jon O'Neill. That article follows:

Vera Lamka celebrated her 70th birthday just the way she wanted to—surrounded by little kids.

For her, it's a comfortable place. She has been teaching preschool and kindergarten kids in Dade for 31 years. Tuesday, she relaxed among a group of her present students at Kings Meadow Day School.

"This was such a surprise, I thought we were having a Christmas party," said Lamka. "When they started singing *Happy Birthday*, it took me a minute before I realized they were singing to me."

Lamka's birthday actually falls on Christmas, but school director Laura Wright wanted the kids to have a chance to party with their favorite teacher. Besides, Wright said, it's the least the school could do for Lamka.

"I couldn't do without her, she's like my mother," Wright said. "I think she is the world's greatest kindergarten teacher and the kids adore her."

Lamka's specialty is teaching kids how to read, and she's not shy about it. She often says she could "teach a tree to read," but she backs up the assertion with action.

Sebastian Laureano is an example. The 7-year-old, who now attends Claude Pepper Elementary, was in Lamka's class. He didn't know how to read, but Lamka fixed that.

"After six months, he was reading The Miami Herald and understanding what he read," said his mother Mireille.

Sebastian was one of several former pupils who came to visit Lamka at the school, 9911 SW 142nd Ave.

Lamka's first teaching job was at a junior high school in Oklahoma City. She was a flight attendant for a while before she came to Miami in 1957. In 1960, she started teaching at church preschools and kindergartens. She helped start schools at Pinecrest Presbyterian and Kendall Christian churches.

Then, she retired. When Wright started Kings Meadow in 1986, she called Lamka.

"I said I'd teach for one year, and I've been here ever since," Lamka said. "To me, teaching is wonderful. Sometimes it seems as if I've turned on a light in the children. I'll keep teaching until one day I just can't get out of bed anymore. Then that will be it."

Mr. Speaker, Ms. Lamka's lifelong commitment to teaching is an inspiration. I am glad that she was able to come back from retirement to do what she does best. I want to commend Kings Meadow Day School Director, Laura Wright, for making that school a place where Ms. Lamka can touch the lives of many children.

TRIBUTE TO GINNY McCOY

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. WYLIE. Mr. Speaker, on Friday, February 28, 1992, my sister-in-law Virginia Louise McCoy, Ginny, will officially retire as the manager of airport customer service operations at the Ohio State University Airport, Don Scott Field. Ginny started work 22 years ago as an operational clerk and saw the airport expand in size and operation so that today there are 160,000 landings and take-offs each year. Her office is the nerve center of the airport where most of the coordination and communication relating to use of the airport by corporate jets and student training classes take place. The need for up to date and accurate information is important to the overall function of the airport. Ginny is especially good on public relations. She oversees a staff of seven people who are responsible for the pilot shop which purchases, receives, and stocks aviation supplies for pilots and customers using the airport facility. Billing services for transient and tenant customers, along with coordination of OSU student activities, as well as an accounting of 1.3 million gallons of fuel sold per year are handled with accuracy and efficiency.

Many people, on numerous occasions, have expressed complimentary remarks to me about Ginny McCoy and the way in which she has conducted her job. I know she will be missed at the airfield, but her retirement is well deserved and small recompense for her hard work, dedication, and service to our community at this important public facility.

Marjorie, her sister, and I think she is pretty special and wish her happiness in her retirement.

U.S. ARMS TRANSFERS TO MIDDLE EAST TOTAL $19 BILLION

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. PENNY. Mr. Speaker, in 1976, Jimmy Carter stated, "The United States cannot be both the world's leading champion of peace and the world's leading supplier of the weapons of war." Never before in our Nation's history has this statement been more true. I submit the following press release from the Arms Control Association for the CONGRESSIONAL RECORD:

U.S. ARMS TRANSFERS TO MIDDLE EAST TOTAL $19 BILLION

(By Lee Feinstein)

According to figures released today by the Arms Control Association, U.S. arms transfers to the Middle East announced in the 17 months since Saddam Hussein's invasion of Kuwait total $19 billion.

The administration has proposed and Congress has agreed to the transfer of major conventional weapons to eight Middle Eastern countries: Bahrain, Egypt, Israel, Kuwait, Morocco, Oman, Saudi Arabia, and the United Arab Emirates, according to the figures compiled from Pentagon, congressional, and other publicly available government documentation.

Administration officials have described the transfers as consisting primarily of defensive weapons and designed to promote stability in the region. The announced transfers, however, include weapons from each of the five categories of arms identified in the 1990 Conventional Forces in Europe (CFE) agreement as the primary weapons used for "launching surprise attack and for initiating large-scale offensive action." These armaments include main battle tanks, armored vehicles, heavy artillery, combat aircraft, and attack helicopters.

Roughly $6 of the $19 billion in U.S. transfers to the region have been announced since President Bush proposed a "Middle East Arms Control Initiative" in May which called on the major arms suppliers to meet to establish "guidelines for restraints and destabilizing" weapons shipments. The third round of such talks—among the United States, Russia, Britain, France, and China—is scheduled to open in Washington on February 20.

Despite the creation of a Middle East suppliers group, the scope of U.S. arms transfers to the Middle East underlines a broader effort by the Bush administration to boost U.S. weapons exports. Since 1989, overall U.S. arms exports to the developing world have increased by 138 percent. In 1990, increased U.S. exports and the disintegration of the Soviet Union combined to make Washington the world's largest exporter of weapons to the developing world for the first time since 1984.

The list of U.S. arms transfers to the Middle East includes transfers of major conventional weapons notified to Congress from August 2, 1990 through December 31, 1991.

UNITED STATES ARMS TRANSFERS TO THE MIDDLE EAST SINCE THE INVASION OF KUWAIT

In the 17 months since Iraq's invasion of Kuwait, the Bush administration has announced $19 billion in new arms transfers to eight Middle Eastern countries—Bahrain, Egypt, Israel, Kuwait, Morocco, Oman, Saudi Arabia, and the United Arab Emirates. The announced deals, listed below, include the transfers of major conventional weapons notified to Congress from August 2, 1990 through December 31, 1991.

Country	Date	Cost	Weapon system/service
Bahrain	Sept. 27, 1990	$37 million	27 M–60A3 main battle tanks and 50 AN/PVS–5 night vision goggle sets.
Total		$37 million	
Egypt	Sept. 19, 1990	NA	212 M–151A2 trucks.
	Oct. 15, 1990	$281 million	136,000 rounds 120mm M–1A1 tank ammunition.
	do	$70 million	40 M–88A1 armored recovery vehicles, with equipment; 40 M2 .50-caliber machine guns; and 80 AN/PVS–5 night vision goggle sets.

Country	Date	Cost	Weapon system/service
	Mar. 1, 1991	$1.6 billion	46 F–16C and D aircraft; 8 spare engines; 100,000 rounds 20 mm ammunition; 240 Mk–84 and 1,000 Mk–82 gravity bombs; 20 GBU–10 and 28 GBU–12 glide bomb units; 80 AGM–65D and G Maverick air-to-surface missiles; and 160 CBU–87 and 80 Mk–20 antitank and the antipersonnel cluster bomb units.
	July 19, 1991	$146 million	Phase III modification package for 12 improved Hawk air-defense missiles.
	Sept. 16, 1991	$70 million	Logistics support for air defenses.
Total		$2.17 billion	
Israel	Sept. 29, 1990	$117 million	2 Patriot missile batteries; 10 Patriot missile launchers; and 64 Patriot missiles.
	Sept. 11, 1990	$67.3 million	15 used F–15A and B aircraft.
	Oct. 1990	$13.6 million	10 CH–53A cargo helicopters.
	March 22, 1991	$105 million	1 Patriot missile battery; 8 Patriot missile launchers; and 57 Patriot missiles.
	May 31, 1991	$65 million	10 used F–15A and B aircraft.
		$100 million	Prepositioned equipment for Israeli, U.S. emergency use.
Total		$467.9 million	
Kuwait	Sept. 17, 1991	$350 million	Upgrade of Ali al Salem and Ahmed al Jabar air bases.
Total		$350 million	
Morocco	July 19, 1991	$250 million	20 used F–16A/B Falcon fighter-attack aircraft, plus 24 engines.
	July 22, 1991	NA	AN/DSM–79 test set for Chaparral missiles with spares; Unspecified military trucks.
Total		$250 million	
Oman	July 19, 1991	$150 million	119 V–300 Commando armored personnel carriers.
Total		do	
Saudi Arabia	Aug. 31, 1990	$2.0 billion	24 F–15C and D aircraft with AIM–9L Sidewinder and AIM–7F Sparrow air-to-air missiles.
	do	$206 million	150 M–60A3 main battle tanks.
	do	$13 million	15,000 rounds of M–833 105mm depleted uranium antitank ammunition for M–60A3 tanks.
	do	$12 million	50 Stinger ground-to-air missile launch tubes and 200 Stinger missiles.
	Sept. 27, 1990	$33 million	150 TOW II anti-armor guided missile launchers and 150 TOW II night vision sights.
	do	$307 million	Engineering, technical, and logistical services for upgrade, refurbishment, operation, and maintenance program for Royal Saudi Naval Forces.
	do	$300 million	12 AH–64 Apache helicopters; 155 Hellfire missiles; and 24 Hellfire launchers.
	do	$1.8 billion	10,000 tactical wheeled vehicles.
	do	$984 million	6 Patriot missile batteries; 48 Patriot missile launchers; and 384 Patriot missiles.
	do	$121 million	8 UH–60 Medevac helicopters and spare engines.
	do	$64 million	9 Multiple Launch Rocket Systems (MLRS) and 2,880 MLRS rockets.
	do	$3.14 billion	150 M–1A2 main battle tanks; 200 M–2 Bradley Fighting Vehicles; 1,750 TOW IIA antitank missiles; 207 M–113 armored personnel carries; 50 M–548 cargo carriers; 9 M–557A2 armored command posts; 17 M–88A1 recovery vehicles; and 43 M–578 recovery vehicles.
	do	$750 million	7 KC–130H tanker aircraft; 10 C–130H transport aircraft.
	March 22, 1991	$158 million	U.S. Army Corps of Engineers services for Saudi Arabia's Army Ordnance Corps.
	do	$300 million	Spare parts and maintenance services for Saudi Air Force.
	do	$461 million	Spare and repair parts related to Operation Desert Storm.
	July 10, 1991	$123 million	2,300 High Mobility Multipurpose Wheeled Vehicles (HMMWVs).
	July 14, 1991	$350 million	"Contractor support" for E–3 AWACS surveillance and battle management aircraft and KE–3 tanker planes.
	July 24, 1991	$365 million	2,000 Mk–84 2,000-pound general purpose bombs; 2,100 CBU–87 antitank and antipersonnel cluster bombs; and 770 AIM–7M Sparrow medium-range air-to-air missiles, laser-guided bomb components and support.
	Dec. 19, 1991	$3.3 billion	12 Patriot fire units; one Patriot training unit; one maintenance float fire unit; 758 Patriot missiles; 14 AN/MPQ–53 radar sets; 14 engagement control stations; and 75 launching stations.
Total		$14.8 billion	
United Arab Emirates	June 11, 1991	$682 million	20 AH–64 Apache helicopters, with 620 Hellfire missiles and Hydra–70 air-to-ground rockets, engines, and support.
	Mar. 4, 1991	$54.9 million	2 C–130H transport aircraft.
		$737 million	
Total to the Middle East		$19.0 billion	

INTRODUCTION OF LEGISLATION REGARDING EMPLOYEE PRODUCTIVITY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. GOODLING. Mr. Speaker, as the debate continues over how best to encourage economic growth and bring relief to the many who have suffered from this prolonged recession, there are clearly no easy answers. But one thing I do know is that finding ways to increase business productivity and efficiency will certainly help stimulate the economy. One way to do this is to encourage businesses to seek ideas from employees about improving efficiency, productivity, and competitiveness. The ingenuity of the American worker is what has made this country great, and I want to do all that I can to encourage it. I fear that too many of our policies, in both business and government, discourage, rather than encourage, employee problem solving and creativity.

I have a plan which I think will do just that. Today, I am introducing legislation which will make awards for employee productivity up to $400 exempt from taxation. These awards would be offered for employee activity which results in increased productivity per worker, increased competitiveness in the marketability of any product of the employer, or an improvement in, or increased efficiency in, producing any product of the employer.

In addition, I want to strongly encourage businesses to offer monetary awards to employees who offer ideas to improve efficiency, productivity, and competitiveness. I also believe that Congress must do its part to encourage these awards by enacting changes in tax policy which would provide significant incentives for employees to contribute to business productivity and for businesses to reward such action.

Though this proposal likely will not turn the economy around overnight, I think it has merit in encouraging some basic behavior which could result in increased productivity and competitiveness for our Nation in the long term.

TRIBUTE TO POLICE CAPTAIN WALTER L. ROOKE

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. NEAL of Massachusetts. Mr. Speaker, on Wednesday, January 29, 1992, Capt. Walter L. Rooke retired as director of the Crime Prevention Bureau of the Springfield Police Department. After 41 years as a law enforcement officer, from patrolman to deputy chief, he turned in his badge and left 130 Pearl Street for the last time. He will be sorely missed.

It was over four decades ago when Walter Rooke, then a 23-year-old Navy veteran, fulfilled a childhood dream by becoming a police officer. Assigned to the uniform division, he began a distinguished career that included promotions and commendations, and would eventually lead to the highest position in the department.

In 1960, after 10 years on the beat, he was promoted to sergeant, where he served the patrol division, the traffic bureau and the detective bureau. Eight years later, he became a lieutenant where he headed the first fraud unit assigned to the welfare department. He was honored again in 1977, when he was promoted to rank of captain, and he reached the pinnacle of his career on January 1, 1989, when he became acting chief of police.

Throughout his career, Walter Rooke enjoyed a reputation as a no-nonsense professional, a real cop's cop. He was from the old school, and proud of it. Down to earth and always accessible, Rooke looked upon the men and women he served with as family. In return, they gave him their loyalty and friendship. A man of uncommon integrity, Rooke's legacy will be one of fairness. He treated everyone, from the rookie to the chief, with equal respect.

Mr. Speaker, while many are familiar with his professional accomplishments, aspects of his personal life are less well known. He and his wife, the former Marion Moran, have raised five successful children, Kathleen, Francis, Thomas, Eileen, and Timothy. They have seven grandchildren. He is a firm believer in education. After leaving Technical High School to fight in World War II, he returned to the classroom, earning a bachelor's degree from Western New England College, and his Masters from AIC. And he plans to spend his retirement enjoying two of his favorite pastimes: golf and tending to his garden.

Being a police officer can often be a thankless job. Many times, the good work done by the department is overlooked by both the public and the media. The truth is, every day, the men and women of the Springfield Police Department put their lives on the line protecting their community. For 41 years, Walter Rooke was a leader on the frontlines in the battle against crime. And because of his dedicated service, he made Springfield a safer place to live. On behalf of the U.S. House of Representatives, I want to thank Walter Rooke for a job well done.

MARGARET LYKE, ONE OF AMERICA'S "POINTS OF LIGHT," HELPS CHILDREN AT HARRISON ELEMENTARY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. SOLOMON. Mr. Speaker, I'd like all of you to join me in wishing a happy birthday to an extraordinary lady.

She certainly is one of President Bush's "points of light." I like to call them quiet American heroes, men or women who, without fanfare and glory, give generously of themselves to their communities and neighbors.

Her name is Margaret Lyke.

Everyone at Harrison Elementary School in South Glens Falls, NY thinks Mrs. Lyke is the greatest, and I can see why. For 14 years she has come to the school in the morning to help the children. This could take the form of drill work and oral reading, or just helping a youngster catch up after an absence. Or it could be tucking bananas and granola bars away in her purse for those who missed breakfast. She is adored as everyone's kindly extra grandmother. School officials care enough to advise her to stay at home during inclement weather which might make travel hazardous.

Probably several hundred parents owe Mrs. Lyke a debt of gratitude.

But that's not all, Mr. Speaker. Ever since she's been in this area, Mrs. Lyke also has been active in the South Glens Falls Methodist Church, serving as its advisory board secretary and having played a major role in the fund drive to pay off the mortgage on the new building. She also delivered meals on wheels for the Glens Falls Hospital and for the Moreau Community Center. She and her husband were also well-known for helping drive elderly people to shopping centers, church, or medical appointments.

As is almost always the case with such special people, she was fully involved with her own family. She and her husband, the late Smith Lyke, raised three sons. Mr. Lyke, I might add, was an active member in American Legion Post No. 553.

As her friends join in honoring her on her birthday March 31st, please join me in wishing this special person a happy birthday and many happy returns.

A TRIBUTE TO CAROLINA SAENZ

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Ms. Carolina Saenz, a heroic young lady who is training in swimming for the Paralympic Games scheduled for Barcelona next summer. After a bout with cancer, Carolina is amazing so many people with her desire to get beyond the loss of her amputated right leg above the knee and continues to live life like a champion. Caroline talks about how sports have been her secret of success in a Miami Herald article entitled "Still Splashing." Todd Hartman reports on the spirit of Ms. Carolina Saenz:

STILL SPLASHING

Four years ago, Carolina Saenz was atop the South American swimming world. She was one of the continent's best in the breast stroke and a mini-celebrity in her home country of Chile. Then two words clouded a rosy-looking future.

Bone cancer.

Saenz came to Miami for treatment and was given two choices: 1) a bone transplant or 2) amputation of the right leg above the knee. Choice No. 2 would better assure long-term health. She chose No. 2.

"The news of the cancer was more shocking to me than the possibility of amputation," Saenz recalled. "I cried for four or five days before the surgery, but afterward I said, 'That's it. I have to keep going.'"

And she did.

After three years of rehabilitation, training and an upbeat attitude that amazes doctors, Saenz is a star again. She's a star in the pool, where she's preparing for the 1992 Paralympics, and she's a star with her followers, who say her success is an inspiration to everyone.

"She feels she has been lucky," said Saenz's mother, Veronica, "because of all the opportunities this has brought to her."

One of those opportunities came last week when Saenz made another of many trips to Miami, this time to take part in a television documentary about her experiences. After spending the morning taking laps at the University of Miami pool, Saenz said the secret to her success in sports is sports themselves.

"Sports have helped me in all this,"she said. "All of my life I have been used to competing for a certain goal. That's made me a strong and determined person."

Her determination shone through last summer, when she returned to the world of competitive swimming after a layoff of more than three years. Competing in the Victory Games—an American championship for disabled athletes—Saenz won gold medals in seven events. Later that summer she won six more golds and a silver swimming in the Canadian Games.

She was, in the eyes of fellow swimmers, a bolt from the blue.

"The swimmers were saying. 'Who's this girl, where's she from?" recalled Saenz, now 21. "By the end of the day they were patting me on the back, saying 'Hey, you did a great job.'"

Now Saenz is training for the Paralympic Games, scheduled for Barcelona, Spain following the summer Olympics. She'll compete for the U.S. team because Chile doesn't have a Paralympic team. And she's a favorite for gold medals in four events.

Saenz is also a favorite also with doctors and nurses. While in town last week, she visited with several disabled patients, trying to spread an upbeat outlook among some downcast people. She has been doing that since her surgery when, according to her mom, Saenz was taken out of counseling and instead used as a counselor.

I had the support of family and friends," Saenz said. "My mom slept at my bedside every night at the hospital. I could see other people by themselves, without that support."

"She became the sweetheart of the nursing staff at Jackson," said Saenz's physical therapist, Bob Gailey. "She gives back to people what she received at a very tough time in her life."

Now Saenz is better known than she was as an able-bodied swimmer. She loves to give interviews, she's been in the papers and on TV in Chile. And recently she said she was stopped on the street for an autograph.

"This," she said, smiling and gesturing at the TV cameras and microphones, "is the fun part."

I am delighted to recognize Ms. Carolina Saenz. Her zest for life despite the encounter Carolina has faced, is truly inspirational. I want to wish her much success in her training for the Paralympic Games. Carolina, you are a winner in my book.

INDIANA AND THE NEW HIGHWAY ACT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 19, 1992, into the CONGRESSIONAL RECORD:

INDIANA AND THE NEW HIGHWAY ACT

In one of its more significant accomplishments last year, the Congress approved the Intermodal Surface Transportation Efficiency Act. This six-year, $151 billion surface transportation plan is the first comprehensive overhaul of federal transportation policy since the advent of the Interstate System in 1956. The Act substantially increases funding for transportation programs; gives more responsibility and flexibility to state and local governments; calls for coordination of various modes of transportation; and emphasizes efficiency and longrange planning. No law passed last year is more important to Indiana.

Funding: The new law provides $119 billion for highways and $32 billion for transit—an increase of 40% and 100% respectively. Most funding will come from future federal gasoline tax receipts and $17 billion in surplus gas tax receipts and interest earnings currently available from the Highway Trust Fund. The federal government's share of the cost of each project varies, but generally is 80%. Indiana will receive $2.5 billion for highways and $198 million for transit programs over six years, an improvement of over one billion dollars compared to the last five-year program. Because of favorable changes in funding formulas, Indiana's return on each dollar contributed to the Highway Trust Fund increases from 79 to 84 cents.

Structure: The new law consolidates many highway programs into four primary programs:

National Highway System (NHS): The centerpiece of the highway program, the NHS will be a 155,000 mile system consisting of current Interstates and other principal arterial highways. The NHS will focus federal resources on those roads that are most important to interstate travel, national defense, international commerce, and which connect with other modes of transportation. State governments, in cooperation with local officials, will submit proposals to the Federal Highway Administration (FHWA) recommending which roads should be included on the NHS. The FHWA will then send its proposal to the Congress, which must approve a nationwide NHS map by 1995. Indiana's share of the NHS is expected to be between 2500–3000 miles, 1100 of which will be the Interstate System. The federal government will provide $21 billion for the NHS, of which Indiana will receive $492 million.

Surface Transportation Program (STP): The largest program authorized by the new law, the STP consists of all federal-aid projects outside of the NHS. This program does not include county and local roads, which are supported strictly by state and local funds. The federal government will provide $23.9 billion for the STP, including $560 million to Indiana. Flexibility is the key to the STP. It allows states to divide funds between highway and transit projects as they wish and to set their own design standards, possibly lowering costs. No project-by-project approval from the federal government is needed, thereby reducing paperwork and delays. States are also allowed to use up to 50% of their NHS funds for STP projects. The law attempts to ensure an equitable distribution of STP funds by guaranteeing a certain share to urban and rural areas, and grants local governments more input into project selection.

Interstate Maintenance: Although the Interstate System is included in the NHS, the new law continues the federal responsibility for the system by providing a separate Interstate Maintenance Program. Most importantly this program expressly forbids the use of these funds for construction of new routes or capacity expansion. Some money is provided through a separate program for completion of previously planned Interstates in other parts of the country, but the law states that this will be the final allocation specifically for Interstate construction. Clearly, the new law's emphasis is on maintaining existing roads. Of the $17 billion provided for this program, Indiana will receive $375 million, a 10% increase over prior law. The federal government will provide 90% of project costs.

Bridges: The bridge program provides funds for the replacement and rehabilitation of major bridges. The $16 billion federal investment represents nearly a 100% increase over prior law. Indiana's funding increases accordingly, to $270 million.

Other programs: The law also creates a new $6 billion Congestion Mitigation and Air Quality Improvement Program to help mostly urban areas, such as Clark and Floyd Counties, Indianapolis, and Lake County meet the requirements of the Clean Air Act. In addition, the Donor State Bonus and Minimum Allocation Programs channel funds to states, like Indiana, which contribute more to the Highway Trust Fund than they get back. Indiana will receive $134 million and $328 million under these programs, respectively. Over $6 billion is earmarked for particular highway demonstration projects. Projects in Indiana will receive $95 million in demonstration funding, including $27.5 million for the proposed Indianapolis to Evansville highway and $3.3 million for State Road 46 in Columbus. The law also requires states to establish long-range plans for maintenance and congestion relief. A Reimbursements Program compensates states for roads they built without federal aid that were later put on the Interstate System. Under this program, Indiana receives $121 million for the Indiana Toll Road. For the first time, the new law allows federal funds to be used for the construction and maintenance of toll roads. However, states are not allowed to establish tolls on Interstates.

Assessment: The new law is a turning point in American transportation policy, and significantly improves Indiana's share of transportation funding. Historically, the federal government has focused on building highways. But the new law emphasizes intermodalism—that is, the idea that the nation must develop, coordinate, and use all methods of transportation to move people and goods most efficiently. It puts much more responsibility on state and local governments, and gives them the flexibility to efficiently develop innovative long range solutions.

In Indiana, state and local officials have begun discussions about how they will allocate federal transportation money and how to most effectively make use of the increased funding. As a result of this Act, Hoosiers will begin to notice more repair and reconstruction of Indiana roadways; increased availability of mass transit; and more local involvement in meeting transportation needs.

CHET TRAVIS

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. WOLPE. Mr. Speaker, I rise to pay tribute to a very special friend and constituent of mine, Mr. Chet Travis, on the occasion of his retirement. On February 21, 1992, Chet will be honored by his friends and colleagues as he retires from 14 years of service as city manager for the city of Marshall, MI.

Chet's distinguished career as a public servant for Marshall goes back 31 years. Prior to becoming city manager, he joined the fire department in 1960 as a full-time fireman and was later named fire chief in 1969. He left the fire department in 1973 to serve as Marshall's city assessor and building inspector until he took over as city manager in 1977.

Chet's service to his community extends far beyond his work life. Over many years, he has committed both time and energy to a variety of professional and community organizations, including the Marshall Rotary Club, the Marshall Exchange Club, the Citizen Advisory Council, the Power for Kids Program, and the City Managers' Association. He cares deeply about his community and about people, and all of Marshall is in his debt.

A retirement dinner that has been organized in Chet's honor expresses the love and respect his friends and colleagues hold for him. His integrity, his deep commitment to his community and its welfare, and his managerial skills have earned him the respect and admiration of all who have been privileged to know and to work with him. I know that my colleagues will want to join me in congratulating Chet Travis on his retirement from the city of Marshall and in wishing him and his family much happiness in the years ahead.

MERGING BUSINESS INTERESTS AND HUMAN RIGHTS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. PORTER. Mr. Speaker, as founder and co-chairman of the Congressional Human Rights Caucus, I rise today to commend the efforts of Mr. John Kamm in promoting respect for human rights in China. Mr. Kamm, the former chairman of the American Chamber of Commerce in Hong Kong, has worked to secure the release of political prisoners, fought to abolish unfair judicial practices, and championed free enterprise and equality in China.

Recently, Mr. Kamm left his position with Occidental Petroleum and has devoted himself to highlighting the need to merge business interests and human rights around the globe. His advocacy of "business activism" is designed to change attitudes and barriers to freedom worldwide.

Mr. Speaker, the following speech delivered by Mr. Kamm before the Hong Kong International School provides a glimpse into the innovative way Mr. Kamm works for human rights through voluntary efforts in the business community. His service in the cause of freedom and free enterprise is making a real difference and should become a model for businessmen around the globe.

The speech follows:

HUMAN RIGHTS AND AMERICAN BUSINESS ABROAD

(Remarks by John Kamm)

You honor me today by providing this opportunity to address young Americans and their foreign friends on the subject of human rights and the responsibilities of American businessmen abroad. Mr. Joshua Goldberg and the members of the Amnesty International Chapter of the Hong Kong International School are to be commended for their foresight in organizing this program. The support so clearly shown by the school administration and the teachers is especially significant, and I hope you have many more human rights days in the future. By taking a genuine concern in protecting the rights of the individual around the world you light candles of hope for people in desperate situations, placed there for the crime of exercising those basic freedoms we take as our birthright.

It is especially appropriate that you have chosen this day, Lincoln's birthday, to hold this program, for it was Abraham Lincoln who, in many respects, most powerfully evoked the American commitment to fundamental human rights at our country's most troubled hour. In issuing the Emancipation Proclamation he sounded the death knell for the slave trade, the great scourge of nineteenth-century European and American civilization. He put human rights in a political party platform when he wrote, "Republicans * * * are for both the man and the dollar; but in cases of conflict, the man before the dollar."

He explained the economic benefits of free labor, an explanation which still provides the best response to those who ask why businessmen should concern themselves with human rights:

"Free labor has the inspiration of hope; pure slavery has no hope. The power of hope upon human exertion, and happiness, is wonderful * * *. The slave whom you can not drive with the lash to break seventy-five pounds of hemp in a day, if you will task him to break a hundred, and promise him pay for all he does over, he will break you a hundred and fifty. You have substituted hope, for the rod."

I hold that Americans abroad, particularly American businessmen but also American teachers, students and professionals, should support more firmly the exercise of basic human rights in the countries where we live and do business. I recently left my job of nearly 11 years in order to devote my time to improving U.S.-China relations by working to resolve human rights differences between the two countries. I have become a participant in an exciting and challenging dialogue with the Chinese Government on human rights issues. This dialogue is beginning to yield results, though there is much work to be done. Let me tell you more.

I began working on human rights in China in the middle of 1990, the year I served as President of the American Chamber of Commerce in Hong Kong. In the capacity of AmCham President I testified three times before congressional committees in favor of President Bush's China policy, and gave scores of interviews to representatives of American media elaborating the "Hong Kong-South China" argument for retaining China's MFN status without additional conditions.

In May 1990 I decided to use the political capital I had gained in China to work for the release of prisoners of conscience. My first case was that of Yao Yongzhan, a student leader detained in Shanghai. Since then I have worked on 28 cases involving a total of 68 individuals (as of the end of January, 1992). Among the more significant cases I've been involved with are:

The Li brothers, labor leaders from Hunan Province, freed from jail in July, 1991. They were granted political asylum in the United States in September, 1991;

Wang Dan, Beijing's "most-wanted" student leader of the June 4 protests. I called for leniency in December 1990. He was sentenced to 4 years imprisonment in January 1991, backdated to his arrest in August 1989. His early release is a high priority of everyone working to assuage the tragedy of June 4.

Han Dongfang and the "Beijing 21". Han, known as China's Lech Walesa, and 20 other Beijing protesters had not been brought to trial as of April 1991. Charges against Han were dropped in November 1991. The release of nine others, including student leader Wang Zhixin, was announced in January 1992 (having taken place over the preceding 10 weeks or so).

Lo Haixing, a Hong Kong businessman sentenced to five years in a Guangdong prison for being a "black hand" behind the underground railway which spirited hundreds of dissidents out of China in the aftermath of June 4. Released "on medical parole" in September 1991 and allowed to return to Hong Kong.

The bishops of Baoding. I've taken a special interest in the situations of elderly Catholic bishops and priests who refuse to join the government-sponsored Catholic Patriotic Association. We are beginning to see some improvement in their conditions, e.g. releases on parole due to old age and transfers to old people's homes, but I fear that a complete resolution to the problem of imprisoned priests awaits normalization of relations between the Vatican and China.

In addition to working on individual cases, I've visited prisons and encouraged the Chinese government to allow families of exiled dissidents to go abroad. Most important, I've engaged government ministries in discussions of systemic changes in the human rights environment, including:

Abolition of the crimes of counterrevolution: More and more officials are coming to the conclusion that such "crimes" are out of step with international law, and that the term itself is odious to a great many people who suffered during the Cultural Revolution (I have learned that there were 277,000 convictions for counterrevolutionary crimes during the Cultural Revolution. Millions more were imprisoned without trial).

Repeal of the 1983 anti-crime law's provisions on capital punishment and the weakening of "due process" and

Reform or abolition of the "Education through Labor" system, also known as administrative detention without trial. During my last visit to Beijing I was told that China would consider allowing individuals appearing before "Education through Labor" committees to be represented by lawyers.

Through these experiences I have begun to develop a philosophy which can hopefully guide business activism in the area of human rights abroad.

Business activism should be voluntary (that is, not legislated) and non-confrontational in two senses: (a) it should endorse government-applied economic sanctions only as a last resort (in situations without hope of internal reform, e.g. that prevailing in Burma) and (b) it should take into account local legal and culturial norms in pressing the human rights dialogue.

It should work for changes in attitude through education, particularly in our own country, through the introduction of human rights courses in business schools. More programs like the one you are holding today should be sponsored by American business: Seminars on such documents as the Bill of Rights and the Universal Declaration of Human Rights, and debates on such issues as capital punishment and the deprivation of economic rights through homelessness in our own country.

If abuses come to light in the communities in which they operate, businessmen should seek appropriate redress through patient and persistent dialogue based on detailed knowledge of the cases involved. And, to the extent possible, businessmen should encourage and protect the exercise of fundamental freedoms in their workplace overseas.

Human rights committees should be established in American chambers of commerce overseas, and one of the things they can usefully do is work out voluntary codes of conduct for member companies operating in specific communities. With respect to China, Congressman John Miller of Washington has drafted an eloquent and exceptionally cogent set of principles to govern American investments and other forms of business in the country. My only departure from his effort is that he would seek to enforce the principles through legislation, while I prefer the voluntary, non-governmental approach.

What else can businessmen do? They can, like all Americans, speak out, clearly and forcefully, when violations of human rights assume intolerable proportions.

Theodore Roosevelt, in his State of the Union Message for 1904, wrote that "ordinarily it is very much wiser and more useful for us to concern ourselves with striving for our own moral and material betterment here at home than to concern ourselves with trying to better the condition of things in other nations. We have plenty of sins of our own to war against * * *. Nevertheless there are occasional crimes committed on so vast a scale and of such peculiar horror as to make us doubt whether it is not our manifest duty to endeavour at least to show our disapproval of the dead and our sympathy with those who have suffered by it."

In the immediate aftermath of the events of June 4, 1989, the American Chamber of Commerce in Hong Kong passed a resolution condemning the killing of unarmed civilians by units of the Chinese army in Beijing and other cities. It was published in both English and Chinese in several newspapers over two consecutive days. In AmCham's twenty-plus year history, there had never been, nor has there been since, a resolution condemning a human rights violation in a country where members do business. That resolution stands. Amcham was the only foreign chamber in Hong Kong to have taken such a step, a testament to the feelings of all Americans regarding those fateful, tragic days in June 1989. It is a moment of which Amcham can be justly proud, and, from a purely utilitarian perspective, nothing has given Amcham more credibility in Washington than this simple act of courage.

We should, in all our efforts, strive to cultivate and make brighter what Abraham Lincoln called "the moral lights around us * * * the light of reason and the love of liberty." To do this we need first and foremost acts of conscience, not acts of Congress. I hope I've shown what one person can do through my work in China.

Will others follow? They will if they see the benefit to their business from the active promotion of individual freedoms in the workplace and throughout the communities in which they operate. How can greater human rights activism benefit American business?

Firstly, in the way Abraham Lincoln suggests: greater freedom translates into greater productivity, and that means bigger profits. The freer the press, the greater the flow—and the higher the quality—of information on which business decisions are made. The more comforable an individual feels about criticising his government, the more likely he or she will feel free to criticize outmoded techniques in the factory or obsolete management concepts in the office. The surer the exercise of the right to a fair trial and due process, the greater the respect for law and morality, the best guarantee of stable and healthy economic growth.

American business can also improve its image in the United States among both shareholders and the public at large by better representing American values and by putting into action beliefs held by the majority of Americans on the fundamental importance of human rights.

I recall attending a seminar on corporate communication a couple of years ago at which I learned about the "integrity index". It seems there's a poll taken every year to ascertain which professions have integrity in the opinion of the American people. For years, preachers were at the top, but—for reasons I won't go into—they have been quite decisively dropped recently in favor of teachers. The integrity of "businessmen" is right near the bottom of the poll, and in 1990 they dropped below "undertakers" for the first time.

Greater human rights activism—and the positive image that would accompany such activism—would forestall, I believe, that growing tendency by legislators in Congress to attach human rights conditions to trade. There is a widespread perception in Congress that American businessmen are opposed to any governmental action which might remotely affect profits, irrespective of the size or scale of violations in the country concerned, and yet in Congress' eyes American business is unwilling to do anything themselves to protest much less correct injustices. This perception is responsible for an interesting phenomenon I noticed while testifying before Congress in support of China's MFN. At last years' Ways and Means Committee and Finance Committee hearings on MFN, the panels of American businessmen invited to testify were summoned last. By the time the businessmen could speak literally every Congressman at both hearings had left the room save the Chairman who had to keep the hearing open by his presence. Members of Congress had already "discounted" the opinions of American business on trade with China. Congressmen felt that they knew in advance what would be said. Again, not a very healthy situation.

There are doubtless many reasons for this unfortunate situation (which affects, among other things, American business' ability to attract top talent for management). I believe one of the reasons is the commonly held view—unfair in many respects—that American corporations leave their American values at home when they depart the shores of the USA. There are accusations that American firms "prop up" totalitarian regimes. The situation has become so bad that multinationals deliberately play down their involvement in countries where human rights violations are most publicized. This is not a healthy situation.

In fact, American business—principally by imparting free enterprise values to partners overseas—does much, over the long term, to promote the kind of systemic changes necessary to effect genuine change in human rights standards. The problem is both one of perception—that is, that individual businessmen and corporations don't do enough in the here and now—and of changing times: many Americans feel that, with the death of communism in the former Soviet Union, it's simply not necessary to tolerate any longer, horrors like those visited most recently on the people of East Timor.

Much as Hong Kong's proliferating lobbyists on MFN would like to avoid or fudge the issue, China's MFN status is related, by law, to its human rights record. China recognized this when it agreed, in 1980, to the reciprocal granting of MFN provided legislative approval is obtained. Legislative approval in the United States entails the granting of a Presidential waiver in accordance with the Jackson-Vanik Amendment to the Trade Reform Act of 1974, an amendment passed into law, and I quote, "to assure the continued dedication of the United States to fundamental human rights." In the case of this law, emigration became the specific example of this general concern, but, as has become clear, Congress has no intention of dropping its efforts to add more human rights conditions to the granting of MFN to China.

I will not go into all the reasons why I am opposed to these efforts. I have testified fully to what I believe would be the negative consequences of attaching further conditions when MFN is already conditional and needs to be renewed every year. I do want to make it clear, however, that both under the US-China Trade Treaty and under US law, Congress has every right to make human rights the central concern of the MFN debate, and unless business lobbyists can discuss the issue with credibility, their opinions will be dismissed as self-serving and, to the extent that they endorse "human rights" as something good (and what is the alternative?), insincere. In the words of the Good Book, faith without works is dead.

Better profitability in the workplace, a more compassionate and patriotic image at home, and greater credibility in the halls of government are all benefits which American business can obtain by promoting the better observance of human rights abroad. There is another benefit to the coming human rights revolution in American business, and that is the strength that comes with knowledge of ourselves and our heritage. By showing more commitment to the values on which our country was founded, American business can reaffirm what it means to be American; what it means to work for an American firm; what it means to be a member of an American Chamber of Commerce. By knowing ourselves better and standing up for what we believe in, Americans can demonstrate their country's true competitive advantage in an often cynical and corrupt world.

What is it that makes America strong? More than 130 years ago, Abraham Lincoln gave his answer, on a quiet autumn day, to the citizens of Edwardsville, Illinois, and I close my remarks by repeating his words:

> What constitutes the bulwark of our liberty and independence? It is not our frowning battlements, our bristling sea coasts, the guns of our war steamers, or the strength of our gallant and disciplined army. These are not our reliance against a resumption of tyranny in our fair land. * * * Our reliance is in the love of liberty which God has planted in our bosoms.
>
> Our defense is in the preservation of the spirit which prizes liberty as the heritage of all men, in all lands, everywhere.

Thank you again for inviting me to speak to you on this important occasion. May God bless the United States of America, and the values on which she is founded.

INTRODUCTION OF BUY-AMERICAN-WEEK LEGISLATION

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. GOODLING. Mr. Speaker, I have introduced legislation designating the week beginning Saturday, July 4, 1992, as "Buy American Week." I do this not to bash any one country, for we have taught the world too well what it means to compete. Instead, I introduce this resolution to celebrate high-quality American-made products. We certainly have much to celebrate. Our products, contrary to the beliefs of some, are sought throughout the world. Our production methods are still the basis for world industrial growth. Our ingenuity and entrepreneurship will continue to provide us with the ideas needed to sustain the drive of this Nation ever forward as a world power.

Mr. Speaker, the battle for independence from England was one of the greatest endeavors by ordinary average citizen-colonists. July 4, 1776, marks the day when 13 individual States came together to form one United States of America. The signers of the Declaration risked everything, including the liberties that the document outlined as essential to life. In other words, by signing the Declaration, our patriots jeopardized their unalienable rights of life, liberty, and the pursuit of happiness.

The courage of Americans then, statesmen, legislators, lawyers, farmers, traders, entrepreneurs, skilled craftsmen, and laborers, enabled such a diverse society and culture to meld together and to mold the greatest Nation on Earth. The trials of new ideas and a new nation allowed America to wage war, a battle for independence exemplified by the signing of the Declaration of Independence, July 4, 1776. The American experiment in representative government had to flee Philadelphia in 1777, to avoid total destruction by the British forces. Their new meeting place was York, PA, where they solidified their experiment in the form of the Articles of Confederation. Perserverence and rational planning made their ideas reality. Their long-term dream was a nation built on freedom and a new form of commercialism better known as capitalism.

Today, that dream and our Nation are in jeopardy. Our ability and capacity to dream, create, and produce has been thwarted by shortsightedness, adherence to short-term portfolios and projections, and extremely high leveraged business activity. Our own internal factors generated many of the problems we are facing today. However, the typical, or easy, response to our own problems is to blame someone else. My legislation intends not to lay blame on any one nation; rather it is to celebrate the innovator who provides quality American-made products to foreign markets as well as our own. We should reward their talents, energies, and entrepreneurship accordingly.

Saturday, July 4, 1992, should mark the beginning of a week to reflect on our past history. A week to mark the rebirth of the American spirit. Finally, it should be the week when we celebrate the rediscovery of American-made products. Our celebration this week should include purchasing American-made items to reward all those involved in production, the employers as well as the employees. Businesses should move toward long-term investment and focus upon American-made products. Consumers should celebrate this week by remembering the sacrifices of our Founding Fathers as well as the sacrifices of our inventors, entrepreneurs, farmers, and workers.

Mr. Speaker, a week to celebrate the spirit of America and her ability to compete is truly needed. We should promote our products here at home and not protect the foreign challengers. A week celebrating our products and highlighting our ingenuity as producers will help this country to reassess the value of American products.

We need to stop blaming others for problems which can be solved at home. In other words, we need to clean our own house before we can suggest that someone else's house is dirtier than ours. We must take pride in our own house; we have to be ready to make repairs, replace what we have used, and remember to keep our foundation strong.

If we do not understand our history or our foundation we have lost the whole meaning of what it is to live in this country. Maybe it is time we rediscover pride, as one of our good American qualities. This sense of pride enabled America to build herself to be the greatest Nation on Earth. Designating the week of July 4, as Buy-American Week will help to restore a great asset that has been lost: American pride.

TRIBUTE TO THE HONORABLE CORWIN M. NIXON

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. McEWEN. Mr. Speaker, it is with great pride and pleasure that I ask you to join me in recognizing the Honorable Corwin M. Nixon upon his retirement from the Ohio House of Representatives where he served as the distinguished house minority leader for the past 14 years. Clearly I am not alone in saying it is an honor to have had Corwin's friendship for these many years. I am confident that our colleagues will be anxious to join State legislators, family, and friends in saluting Corwin's outstanding leadership, his dedication to public service and his singular contribution to the State of Ohio. With that in mind, I commend the following article to my colleagues.

[From the Cincinnati Enquirer, Jan. 20, 1992]

LEGISLATOR SPURNS THE SPOTLIGHT

(By Randy McNutt and Jim Rohrer)

Even after 42 years in public life and with his retirement confirmed, Corwin Nixon is everybody's most unlikely candidate for politician.

In the 1940s, when he was the young manager of Lebanon's Kroger store and not yet thinking of running for elective office, no one would have tabbed him the political type.

After all, he's shy. Reticent, even. Not the back-slapping country politico who can talk forever and say nothing. In fact, Nixon speaks poorly in public, and infrequently.

But now, after serving 30 years as state representative—the last 14 as minority leader—and 12 years as Warren County commissioner, he is revered locally as a political demigod.

Even longtime opponents can't think of many negative things to say about the Republican legislator.

"He was a political foe, yes, but a good friend too," said Franklin lawyer Rupert Ruppert, former chairman of the county Democratic Party. "He was a very good legislator."

House Speaker Vernal Riffe, a Democrat, said, "Corwin is a wonderful friend; I am going to miss working with him."

Other opponents have, from time to time, questioned the propriety of his ownership of the Lebanon Raceway, a harness track, but no one ever came close to turning up even the hint of a scandal—or a lack of competitiveness.

"I worked in his Kroger store as a teenager," recalled Leslie J. Spaeth, former Warren County auditor and now chairman of the local Republican Party. "I was 16. One of our competitors, the old A&P, had bushel baskets of peaches out front. Kroger didn't have any. Corwin borrowed me. I had an old car. * * * He wanted me to buy some peaches.

"I got about 10 bushels of peaches from A&P, packed them in my car, drove around the block and unpacked them at Kroger. He put the same price on them. He was a competitor even then."

Years later, Mason officials wanted to secure park grants for the city, but they weren't optimistic. Nixon arranged a meeting with leaders of the Ohio House. Democrats, particularly Riffe, agreed to approve the grants if the city would name the park after Nixon. So the city established Corwin Nixon Park.

"I normally stay clear of politicians," said William Dallman, warden of the Lebanon Correctional Institution, "but not him. He's a great man and a legend in Warren County. I think an awful lot of people are reluctant to see him leave office."

They feel that way for two reasons: Residents like him; and he has the clout to obtain jobs, bridges, parks, money and perks for the county.

For instance, when the county built its new courthouse in the last 1970s, Nixon was able to obtain an extra $290,000 for the project. And when the city of Franklin desperately needed to unclog downtown traffic with a bridge over the Great Miami River, he got it done.

Among reporters, Nixon was also well-liked, though he always refused to disclose his age. For the record, he is 78.

For all his visibility, however, Nixon remains a curious politician in that he seems uncomfortable in public. Former Gov. James Rhodes, his friend and ally, used to insist that Nixon accompany him around Lebanon during the Ohio Honey Festival some years ago. Nixon usually drifted shyly to one side. But Rhodes, always the hand-shaking man of the people, never allowed Nixon to hide for long.

Nixon's reluctance to promote himself, his peers say, is offset by his unusual ability to negotiate. Over the years, he has proposed few bills—preferring to act as a facilitator, helping people get things done. His effectiveness was not measured by the number of bills he introduced, but by personal service.

Dallman said his late administrative assistant, Imon Mobley, used to teach government in the Franklin schools. When the state was ready to publish a book on local government, Mobley wrote to Nixon, whom he didn't know, and requested a copy.

"One day, Imon glanced out his classroom window and saw a man trudging in the rain, carrying a big box," Dallman recalled. "It was Corwin Nixon. He decided to stop by personally to give a book to each student. That sure made an impression on my friend."

"He has really *worked*," said county Treasurer Harry "Doc" Cornett, a former Nixon campaign leader. "You could call up there to his office in Columbus, and he'd do anything for you."

Nixon's work habits are well-known among other elected officials. "I see him driving around Lebanon at 6:30 a.m.," said C. Michael Kilburn, president of the Warren County Commission. "That early, he's already out on the road, taking care of business. He's always working."

In the 1970s, Mason officials again approached Nixon with a problem, Orville Parkhill, an elderly Mason bachelor, bequeathed the city $100,000 for a library. But the city couldn't build one.

A state law enacted in 1940 decreed that because the main source of funding for libraries is the state's intangibles tax, which was limited, there could be no new libraries—only branches of old ones.

So Nixon got a bill passed to circumvent the restriction. It specified that if a city is bequeathed at least $100,000, it may build a library and participate in the intangibles tax fund.

"Corwin was relentless in his drive for things that would benefit our county," Spaeth said. "He was an excellent negotiator. Certain people like Corwin can give and take."

VETERAN POLITICIAN SAYS HE NEVER FORGOT HIS ROOTS

(By Irene Wright)

Corwin Nixon thinks his philosophy of getting more with "honey than vinegar" served him well.

"I don't think I have an enemy in the State House, and I can't remember losing a bill that I supported or introduced. You have to have friends to do that," said the Lebanon Republican who is minority leader in the state House of Representatives.

Nixon recently announced that he will not seek re-election in November to the 84th House District seat.

When he steps down in December 1992, Nixon will have completed 30 years in the state legislature. He has been minority leader 14 years, elected seven times without opposition.

"I don't know if anybody thought it would happen to me," he said "I'm just down to earth. I never changed any. I never forgot I came from Red Lion (a Warren County crossroads), and I live 2½ miles from it now."

Reflecting on his achievement, he listed at the top Franklin's new bridge over the Great Miami River and preserving Franklin's historic Second Street bridge, as well as funds for Mason's library and Mason park funds.

ARTHUR STEVENS, HONORED PRINCIPAL

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Arthur Stevens, who has been honored by the Dade County Public School System as being one of its best administrators. He was one of seven candidates chosen to compete for an award.

As principal of the American Adult Education program at American Senior High School, Mr. Stevens developed a number of programs to help teenagers finish their high school careers, including setting up a free babysitting service for students. He was recently featured in the Miami Herald for his extraordinary dedication and commitment to education. The article Adult Ed Program Fills Special Need by Ana Acle reveals why he is so admired and loved by students and colleagues. The article follows:

Sitting on top of Arthur Stevens' desk at American High is a graduation picture of a 16-year-old girl. On the back she writes:

"Dear Mr. Stevens, Let me get straight to the point. You're such a sweet person and I wish all students that will ever come to American Adult Ed could have experienced such a great principal. You're terrific. You've helped me succeed the most important goal in my life! Love, Patty."

For 13 years, Stevens has been principal of the American Adult Education program at American Senior High school in Northwest Dade. He is the only principal the adult program has had. He started adult program when the high school first opened.

Today, Stevens has more than 18,000 students, including those who attend satellite programs at other schools. His students range in age, from teenagers to senior citizens, but at American High, most are teens trying to get their high school career back on track.

Stevens has implemented many programs to help residents in the communities. Besides the common English-speaking classes, he is heralded for starting a baby sitting service, free of charge. Student moms don't have to worry about finding a baby sitter while they're in class. "It's paid for out of the principal's discretionary fund," he said.

TRIBUTE TO THE CITIZENS OF LEOMINSTER, MA

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. NEAL of Massachusetts. Mr. Speaker, I take this opportunity today to pay tribute to the efforts of the citizens of Leominster, MA, who have seen the plague of drug addiction in their young people and who have taken up arms against this disease. Across the Nation we have acknowledged drug abuse as a major roadblock to the emotional and intellectual development of our Nation's children. Massachusetts has had to face up to the same realization, but it has not ended there. Following the lead of hundreds of communities in the United States, Canada, American Samoa, Australia and New Zealand, Puerto Rico, Leominster initiated a Drug Abuse Resistance Education [DARE] program.

The road to heightened drug awareness has not been an easy one, but now statistics are showing that all the hard work and dedication of people, like those involved in the DARE program, may now, finally, be showing results. The US Department of Health and Human Services has completed a study which shows that the use of illicit drugs is down to 6.1 percent in the 12 and older population; a 25-percent drop over the last 3 years.

DARE had humble beginnings in 1983, when the Los Angeles Police Department and the unified school district saw the problem of drug abuse and created DARE. It is now thriving in over 3,500 communities across the globe. This is, not in a small measure, due to its innovative programming which equips children, not simply with the word "no", but with the skills to resist drug use and invests in them an understanding of how addiction can distort the promise of a child.

Drug addiction and abuse is a metaphor for greater social evils. The city of Leominster has taken a momentous step toward empowering itself for the complexities of our age. These efforts on the behalf of DARE stand as a symbol of caring for children, and with this breadth of heart and compassion, the people of Leominster have made tremendous inroads on the path to victory.

RURAL COMMUNITIES HAZARDOUS WASTE INFORMATION ACT

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. CLINGER. Mr. Speaker, last week I introduced H.R. 4212, Rural Communities Hazardous Waste Information Act, for myself, Mr. SYNAR, Mr. HORTON, and Mr. HOBSON. This bill provides for the preparation of a rural community impact statement prior to the issuance of a permit to construct a hazardous waste facility. Due to a number of requests, I ask that the bill be inserted into the RECORD.

H.R. 4212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Communities Hazardous Waste Information Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that—

(1) rural communities throughout the United States are frequently targeted for the location of treatment, storage and disposal facilities which are designed to receive hazardous waste;

(2) the location of new hazardous waste management facilities in a rural community often has multiple effects on that rural community;

(3) few rural communities have the resources and expertise to independently identify and evaluate the social, economic, public safety and other effects on the community of locating new hazardous waste management facilities in those communities;

(4) availability of sound and objective information is critical where the effects of a new hazardous waste management facility are not fully understood by the affected community prior to the making of a decision to locate the facility in that community; and

(5) in addition to examining human health and environmental impacts, it is in the public interest to assure that the economic and social effects of locating hazardous waste treatment, storage, or disposal facilities, as well as the effects of such facilities on local recreational amenities, and emergency preparedness and local transportation systems, are fully examined and disclosed to the affected community prior to the issuance of permits for those facilities.

SEC. 3. RURAL COMMUNITY IMPACT STATEMENT.

Section 3005 of the Solid Waste Disposal Act is amended by adding the following new subsection at the end thereof:

"(k) RURAL COMMUNITY IMPACT STATEMENT.—

"(1) PRECONDITION FOR PERMIT ISSUANCE.—No permit may be issued under this section for a new off site facility for the treatment, storage, or disposal of hazardous waste to be located in a rural community unless a rural community impact statement which meets the requirements of this subsection has been prepared with respect to such facility. The statement shall be completed no later than 12 months after the date on which an application is filed for the permit and shall be made available for public review for a period of at least 45 days before the Administrator (or the State in the case of a State with an authorized State program in effect under this subtitle) conducts a public hearing regarding the proposed issuance of such permit. The Administrator (or State in the case of an authorized State program) shall take the rural community impact statement into account in making any final decision regarding the issuance of such permit and in establishing any conditions to be imposed in such permit. Such statement shall be a part of the record on which the decision is based.

"(2) SELECTION OF INDEPENDENT CONTRACTOR TO PREPARE STATEMENT.—The rural community impact statement required under this subsection shall be prepared by an independent contractor selected jointly, after consultation with concerned citizens, by the permit applicant and the chief elected officials of each rural community any portion of which is within a 20-mile radius of the site at which the facility is proposed to be located. The independent contractor shall be selected from a list of independent contractors qualified to prepare rural community impact statements under this subsection on in the State concerned. The list of such contractors shall provided by the Administrator (or the State in the case of an authorized State program) to the applicant and to the chief elected officials referred to in this paragraph. If the permit applicant and chief elected officials do not agree on the selection of any independent contractor from such list within 30 days after the date on which the application for a permit under this section is filed, the Administrator (or the State in the case of an authorized State program) shall select from such list the independent contractor to prepare the statement required under state subsection.

"(3) COSTS.—The Administrator (or State in the case of an authorized State program) shall impose and collect a fee on the submission of each application for a permit under this section for which a statement under this subsection is required. The fee shall be in such amount as the Administrator (or the State in the case of an authorized State program) deems necessary to cover the reasonable costs of preparing the rural community impact statement. No such application may be considered by the Administrator (or State) until the applicant has paid, or made a binding commitment to pay, the full amount of such fee.

"(4) REQUIREMENTS.—A rural community impact statement meets the requirements of this subsection if such statement identifies and describes—

"(A) the economic and social impacts of the proposed facility on each rural community any portion of which is within a 20-mile radius of the facility site, including, but not limited to the effects of such facility on employment, recreational amenities and tourism in the area, public safety and emergency preparedness, and transportation systems serving such communities, and

"(B) the costs of mitigating any such impacts on such rural communities.

The Administrator (or State in the case of an authorized State program) shall have sole authority to determine the adequacy of any statement required under this subsection. Such determination shall not be subject to judicial review.

"(5) DEFINITIONS.—As used in this subsection—

"(A) The term 'new facility' means a facility for which a permit under this section is issued after the enactment of the Rural Community Hazardous Waste Information Act of 1992. Such term includes any facility for which a permit under this section is issued on or before the enactment of the Rural Communities Hazardous Waste Information

Act of 1992 if such facility substantially increases its capacity after such date and the permit is modified accordingly.

"(B) The term 'rural community' means a municipality, town, or township with a population of 10,000 or less or any other political subdivision of a State (including county or parish) with a population of 100,000 or less and not within a metropolitan area.

"(C) The term 'independent contractor' means a person who has no financial or other potential conflict of interest in the outcome of a proceeding to determine whether or not a permit should be issued under this section for a new off site facility for the treatment, storage, or disposal of hazardous waste. The Administrator may promulgate such rules as may be necessary under this subparagraph.".

NORTH CHRISTIAN SCHOOL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. WOLPE. Mr. Speaker, I rise to pay tribute to the North Christian School located in Kalamazoo, MI, on the occasion of its 100th year anniversary.

The North Christian School has a long and rich history, beginning in 1892 when it was founded by the Christian Reformed Church. The school was deeded to parents in 1911 and to this day remains under parental control and ownership as a nonprofit educational institution. It has grown from a one-room building heated by a pot-bellied stove serving 15 students with 1 teacher, to a modern, well equipped school with 430 students and 22 teachers as well as numerous teacher aides and volunteers.

North Christian's board of trustees, parents, staff, and alumni remain committed to excellence in education. Its remarkable accomplishments were most recently recognized in 1988 when the it received an Excellent in Education Award from the U.S. Department of Education—one of 350 schools nationwide to receive such a distinction.

Mr. Speaker, I know my colleagues will want to join with me in saluting the North Christian School on the eve of its centennial celebration. I feel privileged to represent a dedicated educational community that recognizes that our youth are our future, and whose members are giving so much of themselves in pursuit of educational excellence.

COMMODORE JOHN BARRY DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to draw the attention of my colleagues to a resolution I have introduced today, House Joint Resolution 413, which designates September 13, 1992 as Commodore John Barry Day.

Commodore John Barry, one of the great heroes of the American Revolutionary War, was a native of the County Wexford in Ireland. My resolution recognizes Commodore Barry's contributions to our Nation, both in fighting for our independence and assuring our fledgling Nation's survival.

John Barry first shipped out as a cabin boy. However, by adulthood, John Barry was the captain of his own ship in the American merchant marine. After the commencement of hostilities between the British and the American forces, then Capt. John Barry offered his services to General Washington and the Congress for the cause of liberty.

John Barry gave the revolutionary forces their first victory in the war at sea with the capture of the Royal Navy sloop *Edward*. On one occasion, John Barry sailed into Philadelphia with a prize ship loaded with overcoats, a desperate commodity needed in General Washington's army in order to survive the cold winter. Another mission safely delivered the gold from France which paid the French and American Armies in the Yorktown campaign.

Furthermore, John Barry was principally responsible for organizing the Marblehead sailors and boats to effect Washington's famous crossing of the Delaware, which led to General Washington's victory at Trenton during the Christmas of 1776.

After the conclusion of the War for Independence, the Congress recognized Capt. John Barry as the premier naval hero of that conflict. Further, when George Washington, as President of the Constitutional Convention, could not achieve a quorum for the essential adoption vote, it was John Barry who organized the compellers, so-called because they sought out and compelled the attendance of enough delegates to assure passage of the Constitution of the United States.

Under the new Constitution, Congress authorized President Washington to create and maintain the U.S. Navy. President Washington turned to John Barry and conferred "Commission No. 1," dated June 14, 1794 upon him. Commodore John Barry then built and commanded the U.S. Navy including his flagship, the U.S.S. *United States* and the U.S.S. *Constitution*, popularly known as "*Old Ironsides*".

A resolution proclaiming September 13, 1992 as Commodore John Barry Day would be a fitting tribute to the sacrifices and contributions of this great American hero and would honor our Navy veterans and Irish-Americans who have sacrificed so much for our country.

Additionally, both the Ancient Order of Hibernians and the Naval Reserve Association have expressed their support for this measure. During last year's celebration of Commodore John Barry Day, I was particularly pleased to note that President Bush issued a Presidential proclamation recognizing Commodore John Barry and his many accomplishments.

Mr. Speaker, I request that the full text of House Joint Resolution 413 be inserted at this point in the CONGRESSIONAL RECORD, and I invite my colleagues to cosponsor this resolution.

H.J. RES. 413

Whereas John Barry, an immigrant from County Wexford, Ireland, volunteered his services to the Continental Navy and was commissioned as captain on October 10, 1775;

Whereas during the War for Independence Captain John Barry achieved the first victory for the Continental Navy while in command of the ship "Lexington" by capturing the British ship "Edward", organized General George Washington's crossing of the Delaware River which led to the victory at Trenton in 1776, transported gold from France to America while in command of the ship "Alliance", and achieved the last victory of the war for the Continental Navy while in command of "Alliance" by defeating the British ship HMS Sybille;

Whereas during the War for Independence Captain John Barry rejected British General Lord Howe's offer to desert the Continental Navy and join the British Navy, stating: "Not the value and command of the whole British fleet can lure me from the cause of my country.";

Whereas after the War for Independence the United States Congress recognized John Barry as the premier American naval hero of that war;

Whereas in 1787 Captain John Barry organized the compulsory attendance of members of the Constitutional Convention in Philadelphia, thus ensuring the quorum necessary to adopt the Constitution and recommend it to the State for ratification;

Whereas on June 14, 1794, pursuant to "Commission No. 1", President Washington commissioned John Barry as commodore in the new United States Navy;

Whereas Commodore John Barry helped to build and lead the new United States Navy which included his command of the U.S.S. United States and U.S.S. Constitution ("Old Ironsides");

Whereas Commodore John Barry is recognized along with General Stephen Moylan in the Statute of Liberty Museum as 1 of 6 foreign-born great leaders of the War for Independence;

Whereas in 1991 President George Bush proclaimed September 13th, the date of John Barry's birth, as "Commodore John Barry Day";

Whereas designating a day to commemorate Commodore John Barry would be important to United States Navy veterans, Irish-Americans, and to all the people of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 13, 1992, is designated as "Commodore John Barry Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

FILING SUIT TO VINDICATE THE RIGHT OF CONGRESSIONAL REVIEW UNDER THE HOME RULE ACT

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. BLILEY. Mr. Speaker, today I am filing suit against D.C. Mayor Kelly, Council Chairman Wilson, and the District of Columbia to establish the right of Congress to review the Assault Weapons Manufacturing Strict Liability Act as approved by the voters in a referendum last November.

In the past, I have made no secret of the fact that I believe the District's liability measure is both bad policy and bad law. This suit, however, is not about the merits of that piece of District legislation. The issue here is more fundamental: Whether this House, in the exercise of its constitutional duty to "exercise exclusive Legislation in all Cases whatever" over the District of Columbia, and under the clear and specific provisions of the Home Rule Act, can be denied the right to review the results of a local referendum when those results effectively enact new law.

I believe that the right of review of this House cannot be abridged or denied, and together with my Republican colleagues on the Committee on the District of Columbia, I am going to court to prove it. Indeed, in our view, the Strict Liability Act cannot have the force and effect of law until the chairman of the council transmits it to Congress and the act undergoes the full 30-day review period. That review period is an essential component in the delegation of congressional power to the District government under the Home Rule Act.

The District's liability measure was initially enacted in the closing days of Mayor Barry's administration. The liability act was transmitted to Congress following the change in administrations in city hall. In one of her first acts, Mayor Kelly and the new council repealed the Strict Liability Act on an emergency basis the first step in a three-step process that culminated in the enactment of permanent repealing legislation last spring.

Upon that permanent repealer being transmitted to Congress for its 30-day review period, a referendum was filed to reject the repealer and revive the Strict Liability Act. On November 5, 1991, the voters chose to reject the repealer and revive the Strict Liability Act. The temporary repealer expired on December 25, 1991.

Last October, in a letter to me, the corporation counsel for the District of Columbia took the position that the District's liability act, if approved by referendum—as it ultimately was—did not need to be transmitted to the Congress. Since the vote in November and the expiration of the temporary repealing legislation last Christmas, the chairman of the council, who under the Home Rule Act is charged with the duty to transmit council acts to the Congress, has failed to send the strict liability legislation to this House.

The strict liability act cannot be allowed to stand as law without prior congressional review. I am aware that there are bills pending in both the House and the Senate to outright repeal the D.C. liability measure. While I favor those measures as a response to the liability act on the merits, outright repeal does not redress the injury caused to the House by having its right of review denied.

Congress deliberated on the Home Rule Act for years before its final enactment. The provisions concerning legislative review were carefully hammered out. It was viewed as fundamental to preserving our ability to fulfill our constitutionally mandated responsibility for the Nation's Capital, that there should be review of council acts before they go into effect and, as in this case, create potential legal liability for private parties or interfere with governmental functions. In this respect, this House should be well aware that firearms distributors covered under the D.C. liability act have already made known their intent to cease doing business with government entities such as the District police, the Secret Service, and the FBI located within the District.

Unless we make it clear now that the liability ordinance does not have the force and effect of law, there will stand an unwarranted loophole in the Home Rule Act that will allow future councils to circumvent congressional review through the referendum process. Indeed, if the precedent so far set in this instance is allowed to stand, can we expect anything less than that artful attorneys would use it in ways both unforeseen and unwelcomed?

So too, so long as the strict liability measure is allowed to stand as if it were a law, parties may be subject to civil suits and the specter of potential civil liability may inhibit private individuals from conducting otherwise lawful activities. That result is of special concern to the Congress because the District's liability act is directed toward economic activity occurring in the 50 States and abroad, rather than activity occurring within the District itself.

Mr. Speaker, the District's liability measure would have the effect of giving guntoting thugs in the District who are wounded by their rivals a right to sue law abiding individuals and businesses in other jurisdictions. It is simply untenable that the law-abiding taxpayers of Virginia or Maryland or any of the other States should become the insurer-of-last-resort for the District's gunmen and drug kingpins. Is it any wonder that the proponents of such a measure would seek to circumvent congressional review?

When Congress first enacted the Home Rule Act, there was an apprehension that the municipality would use its delegated powers irresponsibly in ways that violated traditional legal and constitutional principles and were otherwise detrimental to the public interest. With the District's strict liability measure, those fears have been stitched together to form a legislative equivalent to Frankenstein's monster. Congressional review exists to prevent such monsters from ever coming to life.

It is for that reason that the other Republican members of the Committee on the District of Columbia have joined me in filing suit to enforce the congressional review provisions of the Home Rule Act in this instance.

MIAMI-DADE COMMUNITY COLLEGE PROFESSOR MARJORIE C. BUHR WILL BE MISSED

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, Dr. Marjorie C. Buhr, an esteemed professor of English and philosophy at the Miami-Dade Community College, recently died. Dr. Buhr was highly regarded by both students and colleagues, and brought by a commitment to academic excellence to all of her courses at the school. The passing of Dr. Buhr is particularly sad for me as she was one of my MDCC teachers. The Miami Herald ran an article recounting her contribution to Miami-Dade Community College and the south Florida community. That article follows:

Marjorie C. Buhr, an English and philosophy professor at Miami-Dade Community College's South Campus, died Wednesday in her Kendall home, friends and family members said. She was 64.

Raised in Miami, Buhr was "the kind of person who was born to teach," her husband, Edwin, said.

After attending the University of Colorado, Buhr moved to South Florida where she attended the University of Miami. She received her bachelor's, master's and doctoral degrees in English at the university.

After a brief teaching stint at the University of Miami, Buhr began teaching English at MDCC's campus in Kendall.

Buhr was asked to switch from English to philosophy after a shortage in the college's humanities department. According to several of her colleagues, it was no big change for Buhr.

She was more than qualified to teach philosophy, South Campus Professor Norbert Artzt said.

Artzt said that while doing research for an article he is writing on New Age philosophy, he became very confused. He went to Buhr for help.

"She was completely informed and knew everything about the subject," Artzt said.

So aware of the subject that she was selected, along with six other MDCC professors, to collaborate on the college's humanities textbook, *Art of Being Human*, said the book's author, Richard Janaro, an associate dean at Miami-Dade.

"She was a brilliant and a great motivator," said former student Jacky Robinson.

"She brought more than academic excellence to their students. To them and to all who knew and loved her, she was a light who shared wisdom, faith and courage, but most of all, love."

Along with her husband, Buhr is survived by son and daughter-in-law Gerald and Sara Buhr, brother Jerry Crockett and sisters Bettina Erdman and Joan Hahn.

Mr. Speaker, I am deeply saddened at the loss of Dr. Buhr. I mourn with her family and many at Miami-Dade Community College. We will miss Dr. Buhr's uncompromising commitment to teaching and her desire to see her students reach for the stars.

INTRODUCTION OF CONDOM AWARENESS WEEK

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. WEISS. Mr. Speaker, our Nation is experiencing an alarming increase in the rate of unintended pregnancies and the spread of sexually transmitted diseases. Particularly troubling is the fact that these increases are largely concentrated in our adolescent population. These trends have long-term ill effects for the health of our citizens and the productivity of our economy. Luckily, one simple, painless, inexpensive device can protect our youth and our future—the latex condom. Today, I have the privilege of introducing a resolution to designate the 8-day period beginning on February 14, 1992, as National Condom Awareness Week. This resolution will promote the needed educational activities and programs designed to increase public awareness of the effectiveness of condom use in preventing unwanted pregnancies and the spread of communicable diseases.

Recent data suggest that more teenagers are becoming sexually active at younger ages and are not taking the most fundamental precautions to protect themselves. Studies have indicated that by age 20, 75 percent of females and 86 percent of males are sexually active. More disturbing is the fact that 21 percent of sexually active 15- to 19-year-old females use no method of contraception. An additional 8.4 percent use withdrawal as their contraceptive method. These teenagers are at great risk of becoming pregnant, making someone else pregnant, and contracting or spreading sexually transmitted diseases, including HIV which causes AIDS.

Indeed, 2.5 million adolescents are infected annually with a sexually transmitted diseases. In addition, over one-fifth of people with AIDS are in their 20's. Because the latency period between HIV infection and the onset of symptoms is about 10 years, most of these individuals probably became infected as adolescents.

Condoms are particularly well-suited as a contraceptive method for adolescents and, aside from abstinence, properly used latex condoms are the most effective method for preventing infection with HIV and other sexually transmitted diseases. So why isn't condom use more prevalent among adolescents? One obvious reason is that many teenagers are not receiving important and even life saving information. A 1989 survey found that only 54 percent of teenagers reported receiving HIV/AIDS education is school.

We must do a better job of educating our youth about behavior that endangers their health and promoting practices that can preserve their well-being. Most adults support increased sex education in school. In fact, two out of every three adults believe that schools should provide condoms to those students who are sexually active.

We must support all these efforts at the local and State levels but the Federal Government cannot sit still. This resolution will increase awareness and education of vital information. The measure has the strong support of the Center for Population Options, the AIDS Action Council, and the Sex Information Council of the United States. I urge my colleagues to support educating our citizens, adolescents and adults alike, about a simple device that can prevent death, defend against many ills, and avert unintended pregnancies.

H.J. Res. 417

Whereas more than 200,000 individuals in the United States have been diagnosed as suffering from acquired immune deficiency syndrome;

Whereas the Centers for Disease Control estimate that 1,000,000 individuals in the United States currently are infected with the human immunodeficiency virus, the virus that causes acquired immune deficiency syndrome;

Whereas acquired immune deficiency syndrome has claimed the lives of more than 130,000 individuals in the United States since 1980;

Whereas latex condoms, when they are used properly, are the most effective method after abstinence of preventing the spread of sexually transmitted diseases, including infection with the human immunodeficiency virus;

Whereas the population of the United States is growing faster than the population of any older industrialized nation;

Whereas such population growth is due in part to barriers that prevent or impede access to contraceptives;

Whereas condoms are available without a prescription, are inexpensive, and have no side effects;

Whereas 3,400,000 unplanned pregnancies occur each year in the United States;

Whereas condoms, when they are properly used, are effective in preventing unplanned pregnancies, and thus reduce the need for abortions;

Whereas recent data suggest that 72 percent of high school seniors in the United States engage in sexual intercourse;

Whereas teenagers who are sexually active have a high risk of contracting or transmitting sexually transmitted diseases, including infection with the human immunodeficiency virus;

Whereas the birthrate among 15- to 17-year-old teenagers increased 20 percent between 1986 and 1989;

Whereas, each year, 1,000,000 teenagers in the United States become pregnant;

Whereas 84 percent of such pregnancies are unplanned;

Whereas teenagers who are sexually active have a high risk of experiencing or causing unplanned pregnancies; and

Whereas the awareness and proper use of condoms can contribute significantly to the prevention of unplanned pregnancies and the transmission of diseases, including infection with the human immunodeficiency virus, among adults and teenagers: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the 8-day period beginning on February 14, 1992, is designated as "National Condom Awareness Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the period with appropriate ceremonies, educational activities, and programs designed to increase public awareness regarding the availability and proper use of condoms, and to increase public recognition that proper use of condoms can prevent pregnancy and the transmission of diseases, including infection with the human immunodeficiency virus.

THE DANGERS OF DENYING THE HOLOCAUST

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. PORTER. Mr. Speaker, I would like to take this opportunity to focus attention on a problem that has developed on college campuses across the United States. Over the past few months, Bradley Smith, co-founder of a white supremacist group called the Committee for Open Debate on The Holocaust has offered college newspapers a one-page paid advertisement or an unpaid editorial column. The subject: refuting the existence of the Holocaust. The advertisement denies the Nazis had a policy to exterminate the Jewish people and other minorities. The advertisements also claim that "no mass gassing ever took place * * * in the Auschwitz, Birkenau, or Maidanck gas chambers."

I rise with my colleagues of the Human Rights Caucus of the House of Representatives to condemn this mockery of the atrocities of The Holocaust. Every time the economy plummets, the racists, bigots and anti-Semites refer back to their favorite scapegoats; any minority will do. This time, Jews are the target. This type of revisionist history is unsubstantiated, and, in the words of one State judge presiding over a revisionist case, The Holocaust, "is not reasonably subject to dispute. It is a simply a fact."

Although at face value, the academic worth of the arguments are nonexistent, the problem with these lies are the audience these hate groups target. They attempt to persuade college students, using their lack of knowledge about the facts of The Holocaust as a weapon. Since Holocaust survivors are dwindling in numbers and the memories of World War II atrocities are fading, many youth do not know the horrors of the Nazi plan. This makes them particularly vulnerable to hate group propaganda.

We know our history. We must not insult the memory of the millions of innocent victims who died at Nazi hands; we must remember the atrocities we pledged to never forget. Others may try to cover it up or pretend it did not occur through racist revisions of history, but as leaders of a great democracy dedicated as a refuge to the oppressed, we must stand firm. The truth of The Holocaust must replace racist revisionist thought.

FARMERS HOME ADMINISTRATION IMPROVEMENT ACT OF 1992

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. GLICKMAN. Mr. Speaker, today Mr. HUCKABY and I introduced the "Farmers Home Administration Improvement Act of 1992," to make changes in the Farmers Home Administration. This measure will help FmHA be more responsible to the needs of today's farmers.

The "credit crunch" plaguing the economy may be a new phenomenon to many private citizens, companies, and corporations, but not to farmers. The crunch is persistent in agriculture making it difficult for many to survive and practically impossible for young people to get into the business. Credit availability for an extremely capital intensive business, such as agriculture; it is the life-blood to all farming operations.

The Farmers Home Administration plays an important role to agricultural production. Created to be the lender of last resort, FmHA lends money to farmers who are turned away by commercial banks. By lending to beginning and struggling farmers to buy and operate their farms, FmHA has virtually kept thousands of producers on their feet and on their farms during the last very difficult decade.

Hard times continue, however; many still rely heavily on FmHA. Unfortunately, the Administration, through restrictive FmHA regulations and policy changes, is pulling the rug out from under farmers' feet.

To begin with, the Office of Management and Budget continues to force FmHA from being a direct lender to a guarantor of farmer loans. This policy shift has increased farmers' reliance on commercial bankers. If rules allowed bankers to take an active role, they could make the guarantee program a success. Unfortunately, the Department of Agriculture's decision to make other policy changes threatens the success and usefulness of the guarantee program.

The Department now requires farmers to have a 10-percent debt service margin. This requirement means that after the payment of all expenses, including all farm operating expenses, all family living expenses, all Federal and State income tax, and all scheduled principal and interest installments, farmers must have an additional cash margin of at least 10 percent on hand before FmHA will back the loan.

A farming operation borrowing $200,000 needs $20,000 in cash, on hand, after paying all its bills under this rule. The irony is that farmers with this amount of cash flow, according to a banker from Cloud County, Kansas, do not need FmHA's help. It is like the old adage that borrowers who are well-off enough not to need credit never have to worry about getting new loans. On the other hand those who are money-strapped always have to worry about getting help.

I understand FmHA's desire to have some sort of debt service margin to guard against loan failures. This is reasonable policy. But to institute one, such as the 10 percent margin requirement, which disqualifies the borrowers Congress wants FmHA to help, is contrary to the intent of the guarantee program and FmHA's mission.

Making it impossible for farmers to obtain a loan guarantee from FmHA places more pressure on limited funds for direct loans, which should be reserved for the riskiest of borrowers.

The Farmers Home Administration Improvement Act of 1992 lowers the debt service margin requirement for loan guarantees to 5 percent. This will relieve those farmers having trouble meeting the 10 percent margin, but it will also protect the government and taxpayers, giving both assurance that borrowers will be able to meet their obligations.

In addition, the bill changes other FmHA procedures. It will accelerate FmHA's loan approval process. Present law requires FmHA to rule on a complete application within 60 days of receipt. However, on the 59th day, if FmHA determines for whatever reason the application is not totally complete, it can allow itself an additional 60 days. For a producer delays in loan approval may mean he cannot plant on time, which also may result in yield losses.

The bill corrects this problem by giving FmHA 60 days upon the receipt of an application to complete its review. If FmHA finds that the application is not totally complete, it must acquire the needed information and still rule on the application within the initial 60 days of receipt.

Since FmHA uses a farm's 5-year production history to determine the amount he can borrow and repay, delays in loan approvals, which can lead to decreases in yields, may damage his ability to borrow the next year. This bill will hold producers harmless for low yields if they result from past delays in approving the loans.

FmHA requires regular borrowers to complete voluminous loan applications each and every year. This requirement means farmers have to spend hours and hours filling out government forms, even though the government in many instances already has the information. To cut down on unnecessary paper work, the bill will require FmHA to formulate an abbreviated, fast-track application process to allow regular borrowers to certify that no change in their farm plans and financial conditions have occurred in the previous year.

Finally, the bill limits to 1 year FmHA-owned land earmarked for purchase by socially disadvantaged buyers. Currently, FmHA keeps its land, acquired through foreclosures, earmarked for socially disadvantaged buyers for an indefinite period, precluding other buyers from purchasing. Rotating land in and out of this category will ensure that socially disadvantaged buyers will have ample opportunity to purchase inventoried land and will give others a fair opportunity to buy as well.

Mr. Speaker, the Farmers Home Administration Improvement Act of 1992, is a zero cost bill. The bill improves programs and procedures FmHA has implemented through regulations.

The Subcommittee on Conservation, Credit and Rural Development of the Agriculture Committee will be looking into other FmHA issues this year. As I am a member of this subcommittee, I look forward to working with the chairman, Mr. ENGLISH of Oklahoma.

The issues raised in the Farmers Home Administration Improvement Act of 1992 will, I hope, be included in any package the subcommittee formulates in the coming months to address the credit needs of rural America and our farmers and ranchers. I urge my colleagues to support this important legislation.

SECTION-BY-SECTION OF THE FARMERS HOME ADMINISTRATION IMPROVEMENT ACT OF 1992

SECTION 1. SHORT TITLE.

Section 1 provides that the bill shall be cited as the "Farmers Home Administration Improvement Act of 1992."

SECTION 2. GUARANTEED LOAN CASH FLOW REQUIREMENT.

Section 2 provides that the Secretary shall not, as a condition of providing a guarantee for operating and farm ownership loans, require applicants to have a positive cash flow of more than 105%.

SECTION 3. PROMPT APPROVAL OF OPERATING LOANS.

Section 3 requires FmHA to rule on loan applications within sixty days of receipt.

SECTION 4. NO PENALTY FOR FARMERS WHOSE PRODUCTION IS NEGATIVELY AFFECTED BY ADMINISTRATIVE DELAY.

Section 4 provides that the Secretary shall not penalize a farmer for low yields that are attributable, in whole or in part, to delays, caused by the Secretary, in processing a loan application.

SECTION 5. ABBREVIATED OPERATING LOAN APPLICATION PROCESS

Section 5 requires the Secretary to establish an abbreviated application process for recurrent borrowers whose farm plans and financial conditions do not substantially change from year to year.

SECTION 6. LIMITATION ON PERIOD FOR WHICH SUITABLE INVENTORY FARMLAND IS HELD FOR SOCIALLY DISADVANTAGED FARMERS OR RANCHERS.

Section 6 limits to one year the time FmHA may earmark for purchase by socially disadvantaged buyers land held in its inventory.

COLD WARRIOR GIVES LIFE IN DEFENSE OF FREEDOM

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. DORNAN of California. Mr. Speaker, I rise today to pay tribute to a brave cold warrior who made the ultimate sacrifice in defense of freedom and democracy. Although the so-called cold war, which lasted nearly half a century, produced no major conflict, it did produce some casualties. One of these casualties occurred this past January when Air Force Capt. James M. McGregor was killed when his U–2 spy plane crashed into the Sea of Japan while on a real world intelligence mission off the coast of Korea.

Captain McGregor, like thousands of other brave servicemen, was performing a vital yet relatively unpublicized role of collecting intelligence information about our potential adversaries. These type of missions, shrouded in secrecy and full of danger, were and continue to remain critical to maintaining our Nation's security.

Captain McGregor had more than 2,858 flight hours including 118 hours of combat time as a KC–135 aircraft commander during Operation Desert Storm. Because of his sustained superior performance at both an officer and pilot, he was chosen for the highly competitive U–2 Program.

I ask all of my colleagues here today to join me in saluting the heroic sacrifice of Captain McGregor, and offer our deepest sympathy to his wife Betty, and his daughters Katie and Jamie. All those who enjoy freedom today are indebted to brave cold warriors like Capt. James M. McGregor.

ISACO INTERNATIONAL A SUCCESS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Isaac Zelcer, whose vision and business expertise created one of the largest neckwear firms in the Nation. The Miami-based Isaco International, which manufactures and sells quality silk ties to major retail stores, was recently featured in the Miami Herald for its incredible success. The article "Ties, Ties, Ties" by Derek Reveron tells of the prosperous family-run business:

To some men, it is a decorative noose that is a concession to conformity.

To others, it is a violin solo in a wardrobe symphony.

To Havana-born Isaac Zelcer, it is a living: ties.

Zelcer is president and owner of Miami-based Isaco International, a burgeoning national neckwear power.

Since it was founded, Isaco has grown from an indebted firm with four workers to one with 160 employees and sales of about $20 million a year. Isaco has a factory in Italy and a showroom in New York. Almost all of Isaco's customers are major retail outlets such as Bloomingdale's, May's, Marshall Field & Co., and Jordan Marsh.

"Our philosophy was to go city by city and sell to the best department store in a city first, then go from there," said Zelcer.

TEAL AND PINK

Zelcer, 55, has a courtly, genteel air. His suit that day was laid-back blue, his necktie perfect in counterpoint, its basic design conservative—diagonal stripes; the colors, teal and a subdued pink.

In Cuba, Zelcer owned a furniture-making firm, along with his brother-in-law and father-in-law. In 1960, Zelcer, his wife, Loly; son Alan; and daughter, Ellen, came to New York City. He quickly found a job taking orders in a neckwear factory. His next job was as an assistant manager of Randa Neckwear. Fifteen years later, he was named president.

"It was time to be an entrepreneur," he said.

Zelcer decided to move to Miami because he liked the weather and felt more at home here. With $500,000 in savings and $300,000 in lines of credit, he opened a warehouse and headquarters on Northeast Second Street. Since then, business has soared.

Its growth is overseen by family members. Zelcer's son, Alan, is senior vice president of sales. Alan's wife, Ruth, is vice president of merchandising for Europe. Zelcer's daughter Robin, born after the family moved to New York, is vice president of merchandising for the Far East. Robin's husband, Richard Alman, is the company's administrator.

The family sells silk ties. The company's labels—Isaco, Isaac Zelcer, Pitti Uomo Moda and Brass & Leather—have developed a following. But the ties aren't cheap. The silk, which comes from China, accounts for two-thirds of the cost of a tie. Manufacturing expenses account for the remaining cost. The ties are shipped from Italy to Miami, repackaged and then distributed.

You won't be able to buy one for $8. The average Isaco tie retails for $22 to $25. The most expensive is $48. Retail stores buy the ties for $84 to $288 a dozen.

Isaco is larger than most of the nation's 150 tie makers. The company is prospering in a shrinking industry. Over the last 15 years, a trend to informality in men's wear, consolidations and tough times have shrunk the number of tie makers from more than 300.

"Isaco has been succeeding by virtue of the fact that they've been in business for a long time," said Jerry Anderson, executive director of the Neckwear Association of America, in New York City.

For companies that stake a claim in the industry, such as Isaco, neckties are practically worth their space in gold. Ties are the highest per-square-foot moneymaker in retail stores. They take up little space relative to the sales they produce, and are among the most popular "impulse" items.

MAKING A STATEMENT

Many purchases are made by men to whom neckties are more than a knitted or woven strip placed around the neck and tied to complete the modern costume. To some, ties are an extension of personality.

Not so for businessmen, according to Zelcer.

"Those in law, banking, securities and insurance want to blend in with the rest of the people. The conservative customer is a replenishment buyer. He replaces ties that are stained, a gift, worn out, or if there is a change in the popular power color," said Zelcer.

"People in advertising and the arts tend to be more flamboyant" and fashion conscious, he said.

It is the fashion conscious who, when tough economic times squeeze clothing budgets, are more likely to buy neckties as an inexpensive way to freshen their wardrobe looks.

"Neckwear is the only feature of the male wardrobe that can be changed at a low cost," said Zelcer.

Mr. Speaker, I commend Isaac Zelcer for his outstanding achievements in the business world. His successful neckwear firm is an inspiration to all new and future entrepreneurs.

LAW ENFORCEMENT RESPONSIBILITIES ACT OF 1992

HON. JAMES P. MORAN, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. MORAN. Mr. Speaker, last summer, I introduced legislation designed to improve police departments across the country by encouraging community-oriented policing. This bill encouraged the accreditation of police departments, established a national citizen grievance procedure, and protected the rights of police officers being disciplined.

Since introducing this legislation, I have met with police officers and police chiefs to discuss this issue and listen to their concerns. Out of these meetings came a more comprehensive and more effective bill that achieves its goals of promoting community policing standards and protecting the rights of individual police officers without infringing on the supervisory duties of police chiefs. Unlike similar legislation which only protects the rights of police officers, the comprehensive bill I am introducing today has the support of both working police officers and local police chiefs in my district.

As we continue to debate crime and crime prevention, we must remember to focus our attention not only on the enemies of society, but also on the needs of our soldiers on the frontlines. We cannot continue to fight this war against crime with outdated approaches.

The Law Enforcement Responsibilities Act I am introducing today gives our police officers the tools they need to win the war. I urge my colleagues to join me as cosponsors of this legislation.

HONORING THOSE KILLED IN ACTION IN THE WAR AGAINST DRUGS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. COUGHLIN. Mr. Speaker, today I am introducing, with Congressmen RANGEL and GILMAN, a resolution honoring the hundreds of South Americans and North Americans who have lost their lives while defending their nations and the world community from the threat of drug trafficking and drug-related crime and violence.

Our intention is to have the Congress enact this legislation prior to the second drug summit on February 26 and 27, when the Presidents of Colombia, Bolivia, Peru, Ecuador, Venezuela, Mexico, and the United States will meet to discuss increased cooperation in the hemispheric campaign to combat drug trafficking and abuse.

Just as our communities have seen dedicated law enforcement officers shot down in the line of duty because of drug-related crime and violence, our Latin American allies in the war against drugs have had hundreds of their law enforcement personnel, judicial officials, and even journalists murdered by powerful trafficking organizations. The point of the resolution is to acknowledge these sacrifices and to call for a renewed commitment to the war against drugs through honoring those who have given their lives in this struggle.

I hope my colleagues, on both sides of the aisle, will work with me to enact this resolution prior to the second drug summit next week.

JAPAN, AMERICAN WORKERS, AND PRODUCTIVITY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. GOODLING. Mr. Speaker, many of us reacted angrily to comments by certain Japanese officials criticizing the skill level and work ethic of American workers. Whatever the economic woes this Nation is suffering, few of us here believe that those woes are due to some inadequacy on the part of the part of the hard-working men and women that toil every day in the factories, offices, schools, hospitals, stores, and myriad other job sites across our country. Such criticism does present us with an opportunity, however, to examine the productivity of our economy, both historically and comparatively, and to consider strategies that will enable our workers to maximize their productivity output.

As we have been for at least the past half century, the United States remains the most productive nation in the world. In terms of gross domestic product [GDP] per employed person, in 1990, this country was at least 7 percent more productive than every other industrialized nation, and still outstrips the productive capacity of Japan by 23 percent—based on Bureau of Labor Statistics unpublished data, Division of Productivity and Technology. Although these numbers are comforting, there are reasons to be concerned. First, the rest of the world is catching up to us. In Japan particularly, great strides are being made as the Japanese have increased their gross product per employed person by fivefold since 1950, lifting themselves from the devastation of the Second World War. Other nations, including France, Germany, Italy, and Austria, have made similar, though not as dramatic, strides.

A second factor we must keep in mind when comparing productivity levels is that the comparisons of real GDP are based on 1985 benchmark figures extrapolated to the years through 1990. Because the value of the U.S. dollar has declined somewhat since then, and the value of American goods is somewhat diminished, the most recent figures for U.S. productivity may be artificially inflated. Thus, the nations that are nipping at our heels in terms of productive output may be closer than we think.

Examining statistics such as these can be useful if they serve to point us toward a course of action. Obviously, the productivity gap is closing, and, as it is through no lack of effort on the part of American workers, there must be steps that business leaders can take to devise a workplace that takes better advantage of that effort and that turns it into higher productive output. I believes that several of those steps are obvious ones. First, the workplace of today cannot be the rigid hierarchy that it was 40 years ago and management techniques must evolve to reflect this fact. Techniques such as quality circles, total quality control, employee participation and cooperative management have been successful in other nations and should be experimented with here. This Nation's labor and employment laws should not be obstacles to such experimentation.

Our system of job training and education, which can have a tremendous impact on productivity, needs to be more fully developed, both at the worksite and in our schools. This Nation is far behind others, like Japan and Germany, in terms of both the formal and informal training we provide. We must have a corps of skilled, independent-minded workers who can fully participate in a work environment that will increasingly emphasize teamwork and decision-making. It is not that American workers are unwilling to work hard, it is that American businesses and schools have not done enough to teach them how to work hard and how to be productive in their hard work. The development of job training programs is even more crucial as the new entrants into our work force, including women, minorities and the disabled, have traditionally not been the recipients of what limited training was available.

The critical words of Japanese officials about the American work ethic should prompt us not only to anger, but to action. Our work ethic is as strong as it always has been. My hope is, as legislators, we will pursue and support policies that will more effectively translate that effort into productive output.

IN MEMORY OF FRANCISCO J. ANGONES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am saddened to announce the passing of Mr. Francisco J. Angones. He was a good friend and a wonderful human being who unselfishly gave of himself by participating in a program called Operation Peter Pan. The citizens who joined this program took care of 14,000 refugee children from Cuba who had nowhere to go when they arrived in Miami during the early 1960's. I commend to my colleagues the following Miami Herald article entitled "Francisco Angones, Instrumental in Operation Peter Pan:"

Francisco J. Angones, father of prominent Cuban-American lawyer Francisco Angones, died Thursday at South Miami Hospital after complications from Parkinson's disease. He was 71.

"He would go out of his way for anyone," said his son, who was president of the Cuban American Bar Association in 1982 and is currently secretary of the Dade County Bar Association. His kindness and love towards other people and his integrity, that's what I remember the most."

The elder Angones was born in Havana and came to Miami in 1961. He and his wife, Maria Lydia, were among several couples who took care of children from Operation Peter Pan. The scheme brought 14,000 refugee children from Cuba to Miami in the early 1960s.

He drove a school bus for 12 years, taking children to private and public schools, before his illness forced him to retire, his son said.

In addition to his son and wife, Angones is survivied by daughter Lydia Terecita Rasco, sister Maria Antonieta Angones, daughter-in-law Georgina Alfonsin Angones, son-in-law Eduardo Rasco and two grandchildren, Frankie R. Angones Jr. and Elizabeth Cristina Rasco.

There will be a funeral Mass at 11 a.m. today at St. Raymond Catholic Church, 3475 SW 17th St. Burial will follow at Our Lady of Mercy Cemetery, 11411 NW 25th St.

In lieu of flowers, donations can be made to the National Parkinson Foundation, 1501 NW Ninth Ave., Miami, Fla., 33125.

I wish to send my regards to the family members of Francisco Angones. I especially want to let his son Frank, who is a good friend, as well as the rest of the family know that my thoughts are with them and that I am truly sorry for the loss of such an extraordinary man, as Francisco Angones.

THE PRESIDENT'S 1993 BUDGET

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 12, 1992 into the CONGRESSIONAL RECORD:

THE PRESIDENT'S 1993 BUDGET

In his 1993 budget, President Bush proposes to spend $1.517 trillion, up from $1.475 trillion this year. The biggest spending increases are for Social Security (up $15 billion), Medicare (up $10 billion), Medicaid (up $12 billion), and interest on the national debt (up $15 billion). He proposes revenues of $1.16 trillion, compared to $1.08 trillion this year. He estimates the 1993 deficit will be $352 billion.

Major Provisions: The driving force behind Mr. Bush's spending plan is the entitlement programs like Social Security, Medicare, and Medicaid. Such benefit programs now account for more than half of all federal spending and continue to grow. The President does not suggest a major change in the nation's system of private health care. He solidly rejects national health insurance and a federal mandate that all employers provide health insurance to their workers. He favors instead an incremental approach to health care reform, expanding coverage through tax credits and reform of the private insurance market. In this pro-family year, the President calls for increases in highly visible programs for children.

The President proposes cutting defense spending $50 billion over the next five years. He would reduce weapons purchases and shrink the nuclear arsenal while protecting military personnel from comparable reductions. He puts heavy emphasis on research, prolonged testing of prototypes, and reduced purchases of advanced weaponry. These proposals would require significant changes in the future size and shape of the Department of Defense and the defense industry.

Once again the heart of the President's tax proposal is a cut in the capital gain rate. His budget also includes many tax incentives for business, particularly the real estate industry, as well as a $500 increase in the personal exemption for children.

General Assessment: I think the President's priorities are right when he recommends shifting money toward spending on children, education, preventative health care, prisons, science and research. Yet there is very little in the budget for the poor and working poor who have been hard hit by the recession, and it lacks details on state and local aid, job training initiatives, and how he would pay for this health care plan. Several of his proposals will be difficult to implement—such as a $13.6 billion cut in projected Medicare spending over five years. Congress will almost certainly seek deeper cuts in the defense budget to fund increased spending on public works, education, and health care. Personally, I would like to see a large part of the money saved from whatever source used for deficit reduction.

His tax proposals disproportionately benefit the most well-off Americans, with, for example, more than 60% of the billions of dollars in tax savings from the capital gains cut going to the richest 1% of all families. Yet there is some common ground between the President's tax proposals and proposals coming from Congress. A middle-class tax cut, investment incentives, and incentives for first-time home buyers and for individual savings have merit and are broadly supported. Even so there will be strong battles over the specific shape of these proposals and over how to pay for the whole tax package, whether by tax increases, cuts in defense, or simply increasing the deficit. The individual impact of any of the proposed tax law changes will be small and could even be beneficial, but they represent a retreat from the tax reforms of 1986 and cumulatively could balloon the deficit.

The Deficit: The President proposes large deficits for the next five years. His projected 1993 budget deficit of $352 billion is lower than this year's $399 billion deficit, but still far above the previous record of $269 billion recorded last year. His budget fails to meet the pay-as-you-go test, uses creative accounting to keep the deficit down, and relies on unspecified savings. He proposes no comprehensive plan to reduce future deficits. I just think there's an imperative for a fundamental change in fiscal policy and for self-discipline in government.

The President is clearly sending a strong message in his budget not to worry about the deficit. The budget contains some language about the importance of bringing the deficit under control, but it is quite clear in the budget numbers that the politically painful benefit cuts will not be made and that the cuts in military spending will be used for tax reduction. That almost certainly means a bigger deficit than projected. My view is that cutting the deficit simply is not likely to happen this year given this budget proposal, the state of the economy, and the political pressures of the election year. The deficit is very hard to cut because the harm that comes from increasing it in any one year is so gradual that nobody notices it, but over a decade or more it makes a substantial difference in the standard of living of Americans.

The Economy: There is a good chance that any stimulus to the economy from the budget's tax cuts or spending increases will come too late. I expect the economy to be growing again later this because of the interest rate cuts engineered by the Federal Reserve last year. I recognize that some things have to be done in the short-term, but hope that it will be a fairly restrained package. We certainly have to avoid a bidding war that could lead to a substantial long-term budget deficit increase.

My chief concern with the President's budget is that he has not put forward a long-term battle plan for restoring our damaged economy and getting strong growth. His budget does not invest sufficiently to increase the skills, health, and productivity of Americans, which are critical to economic growth and competitiveness. Presidents typically take an upbeat stance about the state of the nation, and there are certainly good reasons for not being overly pessimistic, but the more upbeat he is the harder it is for him to tell the American people the budgetary truth. What is missing from the President's budget is a feeling that we have to fundamentally overhaul our economy which simply is not competitive in many respects today and certainly is not providing the kind of growth in our standards of living that we would like to have.

SIGNIFICANT DATES IN DEVELOPMENT OF INDIAN POLICY

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing today for the consideration of my colleagues a partial history of Indian policy. This list was taken from a U.S. Department of the Interior publication "A History of Indian Policy." Submitted today are dates of significant development in Indian policy covering the years from 1900 through 1949.

SIGNIFICANT DATES IN DEVELOPMENT OF INDIAN POLICY

1901: The Congress conferred citizenship on all Indians in the Indian Territory.

1902: The Secretary of the Interior made the first oil and gas leases on Indian lands within present boundaries of Oklahoma.

1902 to 1910: Beginnings of Federal Indian reclamation, forestry, and conservation programs.

1906: The Burke Act amends certain features of the Dawes Act on allotment, and defines Indian "competency."

1907: The Supreme Court defines the right of the United States to reserve waters for the use of Indian tribes in Winters vs. United States (so-called "Winters Doctrine").

1907: Oklahoma, including Indian Territory, is admitted as a State of the Union, and citizens begin agitation to have Indian land made available on the market and to increase the State's taxpaying lands.

1909 to 1912: Beginnings of a formal Indian health program, with a Special Message from President Taft to the Congress on that subject August 10, 1912.

1917: As a result of the "new declaration of policy" liberalizing the granting of titles to Indians for land, 10,956 patents were issued from 1917 to 1920 compared with 9,894 from 1906 to 1916.

1922: All-Pueblo council gathered at Santo Domingo to raise a united voice in protest against the Bursum Bill: "An act to quiet the title to lands within Pueblo Indian land grants . . ." With strong national support the bill was defeated.

1923: The Committee of One Hundred surveys and presents a report on "The Indian Problem" in the United States.

1924: The Pueblo Lands Board Act establishes an impartial body to investigate non-Indian land claims within the boundaries of the Pueblos.

1924: The Congress grants citizenship to all Indians. A majority were already citizens as a result of treaties or earlier blanket grants to particular groups. (Indians did not gain the right to vote in all States, however, until 1948.)

1924: A Division of Indian Health is established within the Bureau of Indian Affairs.

1928: The Meriam Report on the Problem of Indian Administration is published, after a two year study, recommending various reforms and changes of policy in Indian affairs.

1928 to 1943: The Senate Committee on Indian Affairs conducts a survey of Indian programs and policies that has far reaching repercussions.

1931: $50,000 was appropriated to secure remunerative employment through the Bureau of Indian Affairs' new Guidance and Placement Division.

1931: A new Division of Agricultural Extension and Industries is established with the Bureau of Indian Affairs.

1932: The Leavitt Act frees the Indians of liens on allotted lands totaling millions of dollars. The Preston-Engle Report had recommended such action along with a complete reorganization of Indian irrigation services and the abandonment of useless projects.

1933: Steps are taken to emphasize the right of Indians to practice their own customs and religion and to stress the fact that interference with such practices would no longer be tolerated.

1934: New Indian legislation such as the Wheeler-Howard or Indian Reorganization Act officially reverses the trend to break up tribal governments and landholdings typical of the allotment period (1887 to 1933), provides for tribal self-government, and launches an Indian credit program; and the John O'Malley Act allows the Secretary of the Interior to contract with States, territories, and other agencies to provide services to Indians.

1935: An Act to establish an Indian Arts and Crafts Board (accomplished in 1936).

1936: Alaska and Oklahoma supplements provided to the Indian Reorganization Act of 1934.

1937: The Bureau of Indian Affairs reports that total Indian landholdings have increased 2,100,000 acres since 1935.

1943 to 1944: The "Partial Report" and "Supplemental Report" of the Senate Indian Affairs Committee Calls for changes in Indian policy and "Liquidation of the Indian Bureau."

1943 to 1944: The Bureau of Indian Affairs calls for the preparation of basic development programs by each tribe, band or group to "facilitate the Federal Government in dispatching its obligations to the Indian . . ."

1944: The National Congress of American Indians is organized at Denver, Colorado.

1944 to 1947: The House Indian Affairs Committee conducts its own investigations of Government Indian policies.

1945: By the close of World War II it is apparent that experience gained by thousands of Indians on the work relief programs of the 1930's, and by some 65,000 who left reservations to join the armed services or for war work in cities, has wrought considerable change that will strongly affect future Indian actions throughout the United States.

1946: Act to create an Indian Claims Commission to hear claims of Indian tribes against the United States.

1947: The Senate Committee on the Post Office and Civil Service calls for testimony from the Bureau of Indian Affairs on the readiness of particular tribes to have the services of the Indian Bureau withdrawn.

1948: The Hoover Commission recommends the transfer of the Bureau of Indian Affairs to the Federal Security Agency and states that "assimilation must be the dominant goal of public policy" for Indians.

1948 to 1953: The Bureau of Indian Affairs job placement program evolves into the "Relocation" program for Indians.

1948 to 1959: By legislation and administrative action policy on sale and leasing of individually held Indian land, and of using such land as security for loans is liberalized from the 1933 to 1945 position.

1949: Representatives of the Bureau of Indian Affairs ask Indian tribes to assist with the development of programs that will help the Indian Bureau "to work itself out of a job."

1949 to 1964: Rehabilitation payments of over $60 million made to seven tribes displaced in various ways by Federal irrigation projects constructed on Indian reservations that were largely beneficial to non-Indians.

AMERICAN INSTITUTE OF POLISH CULTURE CELEBRATES ITS 20TH ANNIVERSARY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the American Institute of Polish Culture which recently celebrated its 20th anniversary at the International Polonaise Ball which was held in Miami last January 25.

The Miami-based institute was chartered in September 1972 to promote Poland's cultural, educational, and artistic heritage not only in Florida, but throughout America. The institute has developed a wide variety of cultural and educational activities including concerts, poetry readings, radio and television programs, film festivals, historical seminars, book publishing, and cultural trips to Poland.

The International Polonaise Ball is the institute's main event of the year. The ball is named after "La Polonaise" which was made famous throughout the world as a composition by Polish composer Frederic Chopin. But it is actually based on a dance which started at the coronation ceremony of King Henryk Valois in 1574. It was a slow, stately procession, during which aristocratic couples would bow to the King and to each other during the playing of dignified music.

This year the International Polonaise Ball was a double celebration, not only of the institute's anniversary but also of the bicentennial of the Polish Order of the Virtuti Militari, one of the oldest and most prestigious awards for courage on the battlefield. The order's cross has long been associated with Poland's valiant struggle for independence and freedom which once again has been victorious with the recent collapse of communism in Eastern Europe. It appeared on the uniforms of Polish patriots who fought for Poland's independence in the insurrections of 1830 and 1863, World War I, the Polish-Soviet war of 1920, and the heroic Warsaw rising during World War II.

Since its founding by King Stansislaw August Poniatowski in 1792, over 26,000 persons have received this honor. It has been awarded not only to the Polish military, but also the military men of other countries who served Poland in wartime. Among the distinguished Americans who have received this honor were the American Revolutionary War Generals Kosciuszko and Pulaski, World War I Gen. John J. Pershing, Gen. Douglas MacArthur, and President Eisenhower.

I would like to take this opportunity to recognize the institute's founder and president Blanka A. Rosenstiel and the many others who have kept alive the independent spirit of Poland through the work of the Institute of Polish Culture. They include Vice President Dr. Zdzislaw Wesolowski, Treasurer Rose Kruszewski, Secretary Ande Lippen, Recording Secretary Barbara Cromarty, Dr. Horacio Aguirre, James Cromarty, Eric De Lewenhaupt, Eugenia De Lewenhaupt, John Gluski, Alexander Jordan, Pauline Kostuik, Edward Kruszewski, George Sambor, and Jacek Schindler.

REV. DAISY ALLEN, A NORTH COUNTY INSTITUTION

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. SOLOMON. Mr. Speaker, as you all know, I like to boast of having the most extraordinary people in the country in my district. I'd like to tell you about one of them today.

Or better yet, I'll let my hometown newspaper tell all about her. On February 10 the Glens Falls Post-Star published a lengthy feature on the Reverend Daisy Allen, pastor of Sodom Community Church.

Mr. Speaker, Daisy Allen has been a selfless, giving person all her life, which is uniquely all-American. And now, I will, let the newspaper speak:

REV. ALLEN A LOCAL HERO FOR KINDNESS

(By Paul Ertelt)

BAKERS MILLS.—The Rev. Daisy Allen is something of an institution in these parts, a local hero, part of the glue that holds this tiny Adirondack community together.

Just ask anyone around here. Anyone, perhaps, except Daisy herself.

"Daisy won't talk about herself. She doesn't give herself credit for anything," said her neighbor Agnes Straight.

But Straight and other neighbors speak glowingly of the 67-year-old pastor of the Sodom Community Church, noting her kindness, compassion and willingness to come to the aid of anyone in need.

She is renowned for collecting clothing and toys and distributing them to the poor, for visiting the sick and invalid, for bringing words of comfort and homemade baked goods to the grieving.

Straight remembers Allen making several long distance calls, at her own expense, to her husband, Robert, as he lay in a hospital in Burlington, VT. When her husband died about a year and a half ago, Allen was there to console her, she said.

Allen is often called on to give the eulogy at funerals. Vernon Dunkley, a member of Allen's church, notes that she is particularly good with a "hard funeral," one in which the deceased had not lived an exemplary life.

"No matter who it is, she's got something good to say about them," he said.

Neighbor Isabelle Ross, who has known Allen since they were in school, said Allen is always ready to listen when someone had a problem.

"She has a listening heart . . . You can talk to her and she listens to what you say," she said.

But Allen considers herself just an ordinary person, and in many ways she is. An simple women, she eschews makeup, jewelry and other adornments in keeping with her Pentecostal faith.

She blushes when talking about her growing fame. Allen and her husband, Earl, are featured in "Adirondack Faces," a 1991 book of photographs by Mathias Oppersdorf.

"I'm getting too much publicity," she said, "I don't know what to do with it all."

Allen and her husband live in a house on Edwards Hill Road near the family farm where she was born on June 27, 1924.

Allen was the fourth of nine children of the late John and Hester (Rist) Dalaba. Like her six sisters—Violet, Blossom, Pansy, Rose, Fern and Carnata—she was named for a flower.

"We were mama's flower garden," according to her sister, Pansy Allen. (Pansy married Earl's cousin.)

There were also two boys, Lynden and Oliver. All except Violet and Lynden are still living.

Allen looks back fondly on her life on the farm. It was simple life, centered on family, school and church.

"We didn't run around at nights," she said.

The family attended church services every Tuesday and Thursday night and twice on Sunday and held family prayers three times a day.

Farm life meant a lot of hard work, even for the children. But Pansy, who is two years older, remembers that her sister was always willing to do more than her share of the chores, which was all right with her.

"When we were kids together I would hate to do this or do that, but Daisy was willing to bear her share of work in this big family," she said. "She never complained and was always willing."

Even as a child, Pansy remembers her sister always putting other people's needs before her own.

Pansy remembers riding home from church in their father's sleigh on a bitterly cold winter night with her sister and some neighborhood children. Two sisters on the sleigh had forgotten their mittens, and Daisy took off her mittens and gave each of the girls one to wear.

As children, Pansy was the mischievous one, while Daisy rarely got in trouble, which did create a little friction between the sisters, Pansy said.

"She never stuck her tongue out at people like I did," she said. "She just was a different type of person."

Though the sisters are close, Daisy is a little taken aback by Pansy's adapting such worldly ways as wearing lipstick and jewelry, Pansy said.

Daisy Allen graduated from North Creek High School (now Johnsburg Central) and attended one year at Emmanuel Bible School in Union City, Pa., which was run by the Pentecostal Holiness Association.

But the cost of traveling to Pennsylvania was too much, so she completed her studies through correspondence courses.

In 1944, she became pastor of the church of Sodom, a hamlet about two miles away from Bakers Mills. The small country church was dedicated in 1895 as the Union Free Church. Despite her Pentecostal background, Allen conducts a non-denominational service.

Although many denominations are still debating the ordination of women, it has long been a practice among Pentecostals, Allen said.

Her maternal grandfather was minister and her grandmother was a lay preacher. Her own mother, who died in 1989 at age 91, was ordained in her 80s. Allen recalls her conducting Sunday school classes from her bed.

On Sept. 3, 1947, Daisy married Earl Allen of Sodom. They have two children, a daughter, Kjerstia Millington, who lives nearby, and a son, Frederick, who lives in Union Beach, N.J. They have six grandchildren.

Earl earns his living pursuing several arcane trades: making Adirondack hay rakes and maple syrup and keeping a team of horses to haul hunting parties into the backcountry. He also does electrical work.

"He's sort of a self-made, quiet little man," Daisy said.

In an area where jobs and opportunities are scarce, Allen's concern for the poor is not that surprising.

"There are a lot of poor people. A lot of my relatives are very poor and struggling," said Allen, who is far from wealthy herself.

Collecting clothing and toys for the needy was a natural extension of the tradition in her large family of handing down items someone could no longer use. The items she collects often pile up on her enclosed porch.

Recently, her generosity had become international. In 1983, Allen traveled to Tanzania to visit Pentecostal missions. Now, when she can afford the postage, she sends off packages of needed items to Africa.

Besides her church work, Allen belongs to the women's auxiliary of the Baker Mills-Sodom Volunteer Fire Co. and had been a 4-H Club leader since 1964.

For many years, she has been a columnist for two weekly newspapers, the North Creek News-Enterprise and the Warrensburg-Lake George News/Adirondack Journal. She has also written a book, still in manuscript form, about her father and life on his farm that she hopes to get published

Allen also took up her pen to fight Warren County's landfill plan. One of the five areas that were considered for a county wide landfill includes part of her property and most of a church camp run by her denomination.

Allen has written letters to church leaders, county officials, the Adirondack Park Agency and summer residents who own property near the site.

"I don't like it. I don't like it in the Adirondacks. I don't like it on the church property," she said.

The county has since reconsidered its plan and is no longer actively considering the five sites.

In her free time, Allen is a voracious reader, absorbing religious works, magazines and non-fiction books.

Two years ago, diabetes caused her to lose her eyesight, but it slowly came back. Since then she has returned to her reading with a vengeance.

"I don't know how to stop reading when I have the chance," she said.

She also spends a lot of time writing letters and talking on the telephone. Her phone rings often, sometimes too often, but she is always willing to talk to a friend.

"When they call they must have a reason and must need someone to talk to," she said.

The telephone conversations have replaced the numerous visits to homes and nursing homes that she has had to cut back recently because of her health.

Allen's health problems have put her in the hospital several times in the last two years, forcing her to slow down. But she is doing better physically, and her faith and optimism are undiminished.

"I've learned a little bit from the Lord—teach me Lord, to live one day at a time," she said.

LIFE AND DEATH: U.S. POPULATION POLICY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. FEIGHAN. Mr. Speaker, I would like to share with my colleagues an article that appeared in Sunday's Washington Post, written by Jessica Matthews, vice president of the World Resources Institute. In this essay, Ms. Matthews offers shocking evidence of the threat the whole world will face in the next century if we do not take decisive action today to educate people in developing countries about modern family planning methods.

I insert Ms. Matthews' essay in full in the RECORD:

[From the Washington Post, Feb. 16, 1992]

LIFE AND DEATH: U.S. POPULATION POLICY

(By Jessica Matthews)

George Bush's hypocritical and cowardly intransigence on world population growth is keeping the United States from offering a choice of life over death to millions of women in developing countries. Recently released population projections shed a new light on the future costs of this harsh policy.

There is no blinking at one devastating fact: Children born less than two years after their next older sibling are almost twice as likely to die as those born more than two years apart. Spacing is the single most important contributor to infant death. Providing the means of spacing births can therefore prevent huge numbers—perhaps one-fifth—of these deaths, and a considerable portion of maternal mortality as well.

This is not a matter of imposing someone else's culturally alien notion of the right number of children on a Kenyan, Indonesian or Saudi couple. It is about providing the means for couples who want to space or limit the number of their children to do so. Demographers call this "unmet demand" for family planning services. They peg it today at 120 million women or couples. They know that to be a gross underestimate, because experience has shown that well-designed family planning programs create demand as word spreads from satisfied users to family, friends and neighbors. The real number lies somewhere between 120 million and the 300 million couples who do not now have access to contraceptives.

The new United Nations projections reveal that it will matter enormously to our grandchildren whether contraceptive use spreads quickly or slowly. They show that the future is far more uncertain, and either much more threatening or a lot more hopeful, than we have been led to think.

Until now, official population projections have been built on the assumption that fertility will eventually reach replacement levels (in which each couple reproductively replaces itself by having, on average, 2.1 children) and stay there. After some decades at replacement fertility, populations stabilize. Depending on how fast replacement level fertility is reached, global population has been projected to stabilize at 9 billion to 14 billion people, approximately double to triple today's 5.3 billion.

The new U.N. figures expose what has been demographers' dirty little secret: Constant replacement fertility is an assumption adopted for reasons of statistical convenience. There are no grounds for believing that human behavior will actually follow that pattern. Most developed countries are 10 percent to 20 percent below replacement fertility today and may not increase. Other countries may never reach replacement.

Here's how much it matters. Sticking with the old assumption and using the most up-to-date data on birth rates, socioeconomic trends and the like, the United Nations now projects global stabilization in 2150 at 11.5 billion (up, incidentally, from its previous estimate of 10.1 billion). If, however, fertility is assumed to be 5 percent higher than replacement, global population in that year would be 20.8 billion and climbing. If fertility is just 5 percent lower, population would be 5.6 billion. (This is not a typo. Those who want to know more about these astonishing numbers can consult a clear, short explanation by the Population Reference Bureau.)

Since 1984, the United States has withheld funds from the principal providers of international family planning services, the U.N. Population Fund and private agencies—the former with the concocted excuse that the money might otherwise support forced programs in China, the latter on the grounds that no U.S. money should go to any agency that directly or indirectly provides abortion services, even counseling or referral. The fact that fewer contraceptives means more abortions and more deaths does not seem to trouble those who support these policies.

For three years, the president has vetoed or threatened to veto every congressional attempt to overturn these policies and repulsed every effort at compromise. Yet before Bush became Ronald Reagan's vice-president, he was a leading advocate of international family planning, criticizing the "timidity" of agencies that could not understand how "desperately" these services are needed.

Politicians have the right to change their minds, but when they do they have to explain why. Bush has never done so. I don't believe that he can. All of the reasons he once cited for making population control a top international priority are far more-urgent-today than they were 20 years ago.

In a recent speech to the United Nations, former World Bank president Robert S. McNamara outlined an aggressive program to slow global population growth, one pillar of which would be the provision of comprehensive family planning. He estimated the cost in 2000 at $8 billion (in 1990 dollars) most of which would be borne by developing countries. International assistance would need to grow fourfold to $3.5 billion, about 5 percent of all development assistance. That is a pittance.

Whether the motivation is altruistic or selfish, principally to relieve needless human suffering or to ensure the future habitability of the planet, the U.N. numbers make clear that there are urgent reasons—of both fear and hope—for the United States to do its part in providing the means for family planning. Congress is ready to act. This is the president's choice—between reason and conscience or politics as usual.

UNITED NATIONS STILL FOLLOWS A DOUBLE STANDARD FOR ISRAEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. LANTOS. Mr. Speaker, the United Nations follows a double standard in dealing with Israel. Frequently, actions by the Government of Israel are quickly and roundly condemned, while egregious terrorist activities by the PLO and some of its radical splinter groups are passed over in official silence.

Balance and fairness in addressing the problems between Israel and its Arab neighbors are prerequisites for peace in the Middle East. The United Nations, such a highly respected international body, is in an excellent position to lead by example. When it does so, the cause of peace in this region will greatly advance.

Mr. Speaker, Cal Thomas, the syndicated columnist, has written an excellent article on how the United Nations has once again applied a double standard when it voted to "strongly" condemn Israel's recent decision to expel 12 known Palestinian terrorists from the occupied territories.

Mr. Thomas' examination of the United Nations condemnation highlights the lack of objectivity and balance within that organization when it comes to the subject of the Middle East. Unfortunately, the kind of vote prejudice reflected in the U.N.'s recent vote threatens to perpetuate the sad state of affairs in this troubled region.

Mr. Speaker, I ask that Mr. Thomas' article be printed in today's RECORD and I urge my colleagues to give it the thoughtful and serious attention that it deserves.

HISTORICAL MIDDLE EAST DOUBLE STANDARD FOR ISRAEL STILL EXISTS

(By Cal Thomas)

The United Nations has repealed its "Zionism is racism" resolution, but last week's Security Council vote "strongly" condemning Israel for its decision to expel 12 Palestinians from the occupied territories shows that when it comes to judging actions in the Middle East, the old double standard for Israel remains.

The Security Council, aided and abetted by the United States, created the impression that these 12 Palestinians are innocents swept up by Israeli soldiers while either minding their own business or peacefully demonstrating in favor of their cause. Most press reports omitted details of the activities in which these 12 were involved or the radical terrorist organizations with which they are associated.

All 12 are active members of the most violent terrorist groups and opposed to peace talks among Israel, her Arab neighbors and the Palestinians. All have records of participating in and/or encouraging subversive behavior, incitement to riot and murder.

The Popular Front for the Liberation of Palestine (PFLP), to which some of the candidates for expulsion belong, is the most extreme among the leading factions in the PLO. As an opponent of a political settlement in the Middle East, the PFLP has cooperated with other extremist organizations, including Hamas and the Democratic Front/Hawatmeh, to which others among the 12 belong.

Following the opening round of the peace conference in Madrid, the PFLP began producing leaflets that incited its members to violence against Israel and against those Palestinians suspected of cooperating with Israel. In the past year, the PFLP has stepped up its activities and urged an increase in terrorist acts, including the use of firearms.

The PFLP has taken responsibility for several serious armed attacks, including firing at the car of a resident of Dolev last March, at an Israeli bus carrying civilians on the Alon Highway south of Tapuach on Oct. 28 and at the car of a resident of Ofra in El-Bireh on Dec. 1. In these attacks, four Israelis were killed and eight wounded. But the Security Council could not get worked up enough about dead Israelis to formally condemn the killings—formal condemnations seem to be strictly reserved for Israel.

The Hamas terrorist organization believes that "holy war," not negotiation, is the only way to achieve its objective of relinquishing "not one grain of territory" and the creation of an Islamic Palestine from the Mediterranean to the Jordan River.

Not only is Hamas active in what the Israelis refer to as Judea and Samaria, it has also penetrated into territory that was pre-1967 Israel. Hamas is known for openly battling Palestinian rivals who have to their mind an insufficiently radical agenda. The organization's leaflets promise life in the hereafter for those giving their lives. They call Jews "descendants of monkeys and pigs."

Hamas members have been linked to the kidnap and murder of two Israeli soldiers in 1989 and the murder of three Jews in Jaffa in 1990.

During 1991, 55 Hamas cells were uncovered, which admitted, according to the Israelis, to 67 attacks. Israeli authorities say Hamas has used stabbing and hit-and-run vehicle attacks to cause several deaths and injuries.

The Fatah organization last year stepped up its armed encounters with the objective of scuttling peace negotiations. In the past year, 250 Fatah groups were uncovered in Judea and Samaria, Gaza and the Jerusalem area. Israel says Fatah members have so far admitted to committing 720 terrorist activities, 320 of them last year. In attacks by Fatah groups which were solved last year, two Jews were killed and 10 others were injured.

Each of these terrorist groups has received training and safe haven in Syria, which is a participant in the negotiating process.

The Security Council, backed by the United States, claims Israel's attempt to expel the 12 Palestinians linked with these terrorist groups violates the Fourth Geneva Convention. Israel's position is that the convention outlawed mass deportations of the kind used against Jews during World War II and not individual expulsions for security reasons. But why is Israel condemned for expelling a few known terrorists, while Syria manages to escape censure for training and harboring them?

The real violation is not of the Fourth Geneva Convention but of a common standard and common sense. The Palestinians have the opportunity to appeal. That's an opportunity denied to those who were killed by these terrorist groups.

LETTER FROM PRESIDENT FRANJO TUDJMAN OF CROATIA

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. MILLER of Washington. Mr. Speaker, allegations of anti-Semitism have been leveled at the President of Croatia, Franjo Tudjman. Last month, I had the opportunity to travel to Croatia and meet with President Tudjman. We had a frank discussion about these charges. Since then, President Tudjman has sent a letter to Members of Congress addressing these charges of anti-Semitism. Without objection, I would like to insert that letter into the RECORD.

REPUBLIC OF CROATIA,
January 21, 1992.

DEAR MEMBER OF CONGRESS: On behalf of the citizens of independent, democratic Croatia, I extend my greetings to the distinguished and esteemed Members of the U.S. Congress.

I am compelled to communicate with you in response to recent articles that have appeared in the general press in the U.S. that have accused me of the serious charge of anti-Semitism. The baseless charges stem mainly from inaccurate translations from Croatian into English of my writings as well as quotations that are either erroneous or taken out of context.

I am deeply troubled by these false allegations and consider them to be a stain on my personal character and honor, and by extension that of the Croatian people. This letter is meant to seek your understanding as representatives of the American people of my past and present position on the subject.

1. In 1941, the Nazi puppet regime in occupied Croatia put a price on my head. The same year, a leading Jewish physician fled Croatia and entrusted me with the safekeeping of his son.

2. I fought the Nazis during World War II as a member of the resistance forces, attaining the rank of General. Many Croatians fought against the Ustasha regime of terror and evil and against the Nazi-Fascist occupation.

3. My brother was killed by the Nazis in 1943.

4. My Mother and Father were killed by the Communists in 1946.

5. I was jailed by the post-war Communist regime because of my antitotalitarian political views.

6. I am unalterably opposed to oppression from the right and the left, and I condemn in the strongest terms possible the evil genocide which the Nazis and their puppet collaborators in Croatia and other countries perpetrated against the Jews, Gypsies, Croatians, Serbs and other groups.

The systematic process the Nazis developed and implemented to exterminate the Jews of Europe made it, undeniably, one of the greatest crimes in history against mankind.

In this regard, the Ustasha regime of the Independent State of Croatia committed countless war crimes and crimes against humanity. I deeply regret the fact that the Jewish Community of Croatia was victimized as part of the Holocaust of World War II.

As President of the Republic of Croatia, I will oppose the specter of anti-Semitism in Croatia whenever it rears its ugly head, as it does from time to time in many countries. I will not tolerate anti-Semitism in any form whatsoever. All Croatians including Croatian Jews know this. I fought for and strongly support the new Constitution of Croatia which protects individual human rights and guarantees the rights of all minorities in Croatia.

Since my election on April 1, 1990, I have taken the following steps in support of this policy:

1. I have issued an appeal seeking funds to restore the destroyed Jewish synagogue in Zagreb, and I am working with Croatian Jews to achieve that objective. In addition, I have returned the property previously confiscated by the state to its rightful owners, the Jewish Community of Croatia.

2. I publicly endorsed the repeal of the "Zionism is racism" resolution in the United Nations, which passed the UN.

3. I offered to provide transit to Jews wishing to emigrate from the former Soviet Union to Israel. Until the outbreak of the recent Serbian war of aggression against Croatia, El Al had regular direct flights from Zagreb to Tel Aviv.

4. Following the recent bombing of the Jewish Community Center by unknown individuals, I attended a rally of 40,000 Croatian citizens to express my solidarity and support for the 1200-member Jewish Community of Zagreb.

5. As soon as the situation in Croatia permits, I have every intention of traveling to Israel to meet with Israeli government officials and citizens, and to visit the Yad Vashem Memorial Museum on that occasion. I wish to reiterate my deepest sorrow and regret about the losses sustained by the Jewish communities in Europe and to vow in their memory that such events will never happen again.

6. Twelve Jews serve in high-ranking positions within the Croatian government today, including the President of the Constitutional Court, two Judges of the Supreme Court, the Minister of Health, the Deputy Attorney General and the Deputy Foreign Minister.

7. A major street in the center of Zagreb will be dedicated in memory of the Croatian Jews who were persecuted during World War II.

The people of Croatia are struggling to build lasting democratic institutions and to assure a free and democratic future for generations to come. I urge you not to be misled and misinformed by propaganda from Communist sources and their agents seeking to falsely defame me and, thus, to manipulate for their own sinister purposes the serious subject of the Holocaust, thereby damaging the image and accurate identity of Croatia and its people.

I look forward to establishing diplomatic relations with the U.S. in the near future and enhancing the friendship that already exists between the people of our two democratic nations.

In closing, I reiterate my complete and total dedication to the fulfillment of the most essential tenets of democracy: respect for human rights and the guarantee of freedom and protection of minority rights.

Sincerely,

FRANJO TUDJMAN,
President.

EMERGENCY MEDICAL SERVICES AMENDMENTS OF 1992

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. GUNDERSON. Mr. Speaker, the average U.S. citizen will need emergency care at least twice in a lifetime. However, will that care be available?

Comprehensive emergency medical services systems are essential to our health care delivery system. However, not all States have well-developed EMS programs. Rural populations face an additional challenge because emergency medical care is often more difficult to deliver in rural areas.

In 1990, the Congress passed the Trauma Care Systems Planning and Development Act. This legislation created a Federal Advisory Council on Trauma Care, authorized grants to States for the purpose of incorporating a State trauma care plan into State emergency medical programs, and called for the development of rural demonstration projects that would improve emergency medical care in rural America. The purpose of this initiative is to assist States and communities in the development and implementation of effective trauma care systems.

Trauma is only one element of emergency medical care. Trauma is defined as a body injury usually caused by a violent, chemical or other extrinsic force. In addition to improving our trauma care system, it is imperative that we enhance our emergency medical services programs.

Today, I am introducing the Emergency Medical Services Amendments of 1992. This bill will begin to address the coordination of emergency medical services—EMS—at both the Federal and State levels. In addition, my proposal will also enhance emergency medical care in rural communities. The key components of my legislation are:

First, establishment of a Federal EMS office: This office will be located within the Department of Health and Human Services. The duties of this office will include: (a) conduct activities that will maintain an adequate number of health professionals involved in both prehospital and hospital based activities; (b) provide technical assistance to State and local agencies; (c) coordinate EMS activities within the Department of Health and Human Services and as appropriate, with activities of other Federal agencies; (d) develop and review EMS guidelines pertaining to health professionals, equipment, and training; (e) investigate communications technologies for the purpose of carrying out EMS activities; and (f) examine the unique needs of underserved inner city and underserved rural areas in regard to EMS.

Second, establishment enhancement of State EMS offices: The purpose of this office is to improve the availability and quality of EMS in the States. Many States do not currently have formally established EMS offices. Others have a definitive office, but suffer from a lack of funds and staff. My proposal will enable States, that choose to do so, to create an office or enhance already existing EMS offices through a Federal/State matching grant program over 3 years. Required activities of the State offices include the coordination of all State EMS activities, providing technical assistance to public and nonprofit private entities regarding EMS programs including training of health professionals.

Third, demonstration telecommunications program: This program will enable patients and health professionals in rural communities to link-up with medical specialists in larger health facilities for consultations regarding lifesaving treatment. This activity will be accomplished by rural facilities using telecommunications such as static video imaging transmitted through telephones and facsimiles. The development of this project will enable rural hospitals to stabilize and treat patients in critical condition who are unable to travel long distances to comprehensive medical centers.

My proposal will allow for a strong EMS presence at both the Federal and State levels. I encourage my colleagues to join me in cosponsoring the Emergency Medical Amendments of 1992.

INTRODUCTION OF LEGISLATION REGARDING DOMESTIC BASE CLOSURES

HON. PETE GEREN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. GEREN of Texas. Mr. Speaker, today I am introducing legislation to correct an unintended inequity due to domestic base closures. At stake here is an issue of fairness for retirees who dedicated their careers in service to our country.

Many military retirees settled near a military base to have access to the base hospital. They receive coverage under Champus until the age of 65, and are then automatically covered under Medicare Part A.

At age 65 they have 7 months to decide whether to accept or decline coverage for hospitalization under Medicare Part B—for an extra premium of $31.80 a month. Once this enrollment window passes, retirees are penalized 10 percent a year for each year they delay in enrolling in Part B—for example, if someone enrolls in Part B at age 75, they would pay 10 years times 10 percent, or double the normal premium.

Over 110,000 retirees in the Fort Worth region rely upon the Carswell AFB Hospital for care—which is slated to close in September, 1993. Like millions of retirees nationwide, many Tarrant County retirees elected to forego Part B coverage because they had access to our local base hospital.

Now many of these hospitals are closing, and thousands of retirees over the age of 65 must enroll in Medicare Part B to get hospitalization coverage. And, they should be able to do so without incurring a 10 percent penalty per year.

My legislation would waive this enrollment penalty for a special 90-day period both before and after the base and hospital are closed. This is a worthy and necessary endeavor, and I ask my colleagues to join me in passing this legislation.

KATHRYN BROWNELL, DADE SUPER TEACHER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, every school district has those teachers who stand out. Kathryn Brownell is clearly one of these exceptional educators. She presently devotes herself to the Palmer-Trinity School in Miami where she teaches art, sculpture, design, and film history to students which range from seventh graders to seniors. The Miami Herald recently recognized her as one of Dade County's super teachers in an article by staff writer, Jon O'Neill. That article follows:

Kathryn Brownell believes art can make magic. And she gets her kids to believe it, too.

Brownell teaches art, sculpture, design and film history at Palmer-Trinity School, and her students range from beginners in seventh grade to seniors in advanced placement classes.

It doesn't matter to Brownell. To her, art works wonders for everyone.

"I try to teach them about the passion of art," she said. "It's about what comes from inside them, like giving form to their emotions. It helps them to know themselves and build their self-esteem, because they see that their expression is valuable."

Brownell demands the best from her students, and usually gets it.

"She's tough and she pushes you really hard," said Forrest Mulcahy, 18, who wants to go on to art school. "But she's great. She helped me refine my talent and find my own message."

Brownell, 41, figures that what kids learn in her art classes will carry over into other subjects, too. Last year, teaching at Trinity before the school merged with Palmer, she started a film history class with an unusual goal—getting kids to write.

"I make it difficult," she said. "Every seven to 10 days they have to write a 1,000-

word paper. And you see kids who say they couldn't write start to blossom. That makes me very happy.

Around the school, 7900 SW 176th St. Brownell is known as a dynamo, a teacher who is constantly coming up with new ideas and new ways to help kids share her love of art.

"She's very innovative and totally dedicated," said Mike Ferguson, the headmaster. "Anytime I go into her room, good things are happening. We've always had a good art program here, but she just makes it that much better."

Among her ideas: having her seventh-grade students build kites, and learn about the dynamics of flight at the same time and writing a curriculum for all private schools in Florida that stresses the architectural history of the state.

Not bad for someone who never expected to be a teacher. Born in Vermont, Brownell spent three years at Castelton College studying biology and chemistry.

"My heart really wasn't in it," she said.

She quit school as a junior, got married and spent some time sailing around the Virgin Islands with her husband. She settled in Puerto Rico for a while, then headed for Texas A&M University, where she got a bachelor's in fine art.

Brownell came to Miami in 1980. She got her master's in fine art from University of Miami and went on to open a studio and show her works around the city. Her teaching career started in the fall of 1988, when she was looking for a school for her child. She stopped to see Trinity Episcopal and ended up as the art teacher there.

"I don't know what happened," she said. "I guess I wanted to give something back. But what I learned was that the kids gave things to me."

In her third year in the classroom, Brownell is clearly enjoying herself—and making a difference in the lives of her students.

"She's wonderful, I've learned so much from her," said senior Elizabeth Keedy, 17, who took the film history course. "She loves what she does and it shows. I'm not an artist at all, but she really reached me and inspired me."

Mr. Speaker, I commend Ms. Brownell for her passionate commitment to teaching art. It is apparent that the challenges she puts before her students make them reach for the stars. I commend the leadership of Headmaster Michael Ferguson and Assistant Headmaster Jeff Davin who help make Palmer-Trinity School a place where teachers like Ms. Brownell and their students can thrive.

TRIBUTE TO W.D. "DUB" POYNER

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. HUBBARD. Mr. Speaker, I take this opportunity to pay tribute to my longtime friend, W.D. "Dub" Poyner of Mayfield, KY, who died on February 2 at his home.

"Dub" Poyner, 77, was an outstanding and effective member of the Mayfield City Council for 10 years. He submitted his resignation as a city councilman just 3 weeks ago to spend more time with his lovely and talented wife, Josephine Poyner, whose illness was of much concern to him.

"Dub" Poyner was a retired employee of the Merit Clothing Co., where he worked in Mayfield for 41 years.

Mr. Poyner was a member of Christ Methodist Church in Mayfield, the American Legion, and a World War II Army veteran.

I moved to Mayfield in 1962 after service in the U.S. Air Force at Lackland and Brooks Air Force Bases in San Antonio, TX. One of the first couples I met 30 years ago was Josephine and "Dub" Poyner. They were and have been a highly respected and well-liked couple in my hometown. I've always been an admirer and very fond of "Dub" and Josephine Poyner.

I'll miss "Dub" and I wish for Josephine good health and a recovery from the cancer which has hospitalized her.

Others who survive are a beautiful and outstanding daughter, Deidra "Dee" St. Lawrence of Glenview, KY, a prestigious suburb of Louisville; a son-in-law, Glenview Mayor John E. St. Lawrence; a brother, Jack Poyner of Paducah; three sisters, Dorothy Fox and Mary Lee Heath of Mayfield, and Ernestine Robinson of Paducah; a great-aunt, Beatrice DeMarco of Mayfield; and three grandchildren—Jeffrey English of Birmingham, AL; and Trevor English and Julie English, both of Louisville.

The funeral of W.D. "Dub" Poyner, who contributed so much through the years to my hometown of Mayfield, was at 1 p.m. on February 5 at Bryn Funeral Home in Mayfield.

My wife Carol and I extend to the Poyner family our sympathy.

TRIBUTE TO THE FORT RUCKER FOSTER GRANDPARENT PROGRAM

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. DICKINSON. Mr. Speaker, today I would like to pay tribute to the members of the Fort Rucker Army Aviation Center Foster Grandparent Program as they celebrate the program's 10th anniversary. Fort Rucker, located in the Second Congressional District of Alabama, is one of only five military bases in the United States that participates in the Foster Grandparent Program. This nationwide program matches volunteers aged 60 and older with children who are in need of guidance and care.

The Foster Grandparents Program receives Federal funds under the Older American Volunteer Program, State of Alabama funds through the Alabama Association of Retired Senior Volunteer Programs, and private funds from local governments, clubs, churches, organizations, and individuals. More than 100 senior adults participate in the Fort Rucker Foster Grandparent Program, which is a successful example of cooperative funding for social programs.

The foster grandparents spend time with children of special needs who may have few close relationships with adults. As such, they often achieve loving, stable relationships that have a positive influence on the lives of their grandchildren.

I ask Members of Congress to join me in recognizing the contributions of the Fort Rucker Foster Grandparents, whose efforts at establishing meaningful human relationships between young and old are helping to make the Fort Rucker community a happier one for many people.

THE DINNER PARTY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. RICHARDSON. Mr. Speaker, New Mexico's Judy Chicago is an internationally acclaimed artist, whose work has been seen by millions of people around the world. The Dinner Party, one of Ms. Chicago's major art works, has had a profound impact on its audiences, spurring museums and other institutions, as well as individual women and men by the thousands both nationally and internationally to organize and fundraise to bring the exhibition to their cities in New York, Chicago, Cleveland, Atlanta, Boston, Houston, Toronto, London, Frankfurt and Melbourne, among others.

The Dinner Party is one of the most important works of art of the late 20th century, learned about and discussed in grade schools and universities, written about and discussed by philosophers, sociologists, and historians since its opening in San Francisco in 1979.

Ms. Chicago is a constituent of mine who has resided in Santa Fe for many years. In 1990, when she and the nonprofit organization, Through the Flower, gifted The Dinner Party to the University of the District of Columbia, there was a great deal of misinformation generated by the press and a slew of ignorant, angry public comments about this master work.

The work of a serious American artist and the history of American art were done a great disservice, and I am here to set the record straight. I urge my colleagues to review an article titled, "Uninvited Guests: How Washington Lost 'The Dinner Party'" which appeared in the December 1991 issue of the respected publication "Art in America." This well-documented and researched article by a respected art historian and critic is the truth about Washington, DC's loss of this monumental work of American art. It is important that the truth of what happened be made a part of the written record of this body and our country. It cannot counteract the damage already done by such untruths, but it will at least correct the record for posterity. Copies of this article are available in my office. Unfortunately, due to the length of Lucy Lippard's outstanding article, we are unable to print the article in its entirety here—the cost would be too great to taxpayers. However, I am pleased to provide a summary of the article as portions of the article are extracted below. I urge my colleagues to make themselves aware of the real story behind The Dinner Party.

THE DINNER PARTY

In the summer of 1990, yet another battle in the war for freedom of symbolic speech was fought in Congress. The fire was ignited by the encounter of three incendiary elements: the national conservative attack on contemporary culture, racial politics in the capital and The Dinner Party itself.

In February 1990, negotiations on permanent housing for The Dinner Party opened between the boards of the University of the District of Columbia and Through the Flower. The idea originated with UDC trustee Patricia Mathis. The Dinner Party, a consistent crowd-puller and money-maker in the course of its nine-year international tour, was an attractive prospect for the struggling university.

On June 19, the UDC trustees formally accepted the gift of The Dinner Party by a unanimous vote; no one in the university, the community or the press made any comment. In early July, the city council approved a $1.2 million bond bill from the university's capital budget to restore the deteriorating Carnegie Library and prepare it for the housing of The Dinner Party. Yet by Oct. 2, 1990, after an extraordinary train of political events culminating in a student strike, Chicago had been forced to withdraw her gift.

On July 18, the Washington times ran a front-page headline: "UDC's $1.6 million 'Dinner'; Feminist artwork causes UDC indigestion." In this story reporter Jonetta Rose Barras pulled in the embattled NEA and claimed, inaccurately, that The Dinner Party had been "banned in several art galleries around the country because it depicts women's genitalia on plates." She said, accurately, that the UDC was facing "mounting fiscal problems." Then she announced that the "Board of Trustees will spend nearly $1.6 million to acquire and exhibit a piece of controversial art." The implication that so much public money was being spent to buy (and house) a work of art was guaranteed to raise hackles in the economically strapped city, since Mathis's private funding strategies were not mentioned. In addition, Barras's account made it appear that the renovation money was being taken from the school's badly stretched operating budget rather than from the capital budget, which is entirely separate and cannot be used for operating expenses.

Money, along with misinformation about money, was the most visible issue in The Dinner Party controversy, although racism and sexism festered beneath the surface. UDC was not buying The Dinner Party. UDC was accepting a gift valued at $2 million. The widespread belief, even among those sympathetic to The Dinner Party, that money desperately needed for basic educational expenses was being used instead to buy The Dinner Party was never challenged in the media and was the largest nail in the project's coffin.

This was a highly advantageous deal for UDC. Unlike most works of contemporary art, The Dinner Party is a proven revenue producer.

The fat hit the fire on July 26, when Rep. Parris introduced an amendment to the DC council's appropriation bill that deleted $1.6 million from UDC's 1991 operating budget as a punitive measure for accepting The Dinner Party. It all happened so fast that The Dinner Party had no time to mobilize their allies. The Parris amendment was solidly rejected by voice vote; then the Republicans called in their forces for a recorded vote, and it passed 297-123.

The Senate Appropriations Committee eventually voted to restore the money convinced that Parris's attempt at punishing UDC was unjust. Every indication was that a conference committee would confirm the Senate committee's decision, but it was not on the calendar until mid-autumn. In the interim, another series of unexpected events unfolded.

On August 24, at a hastily called faculty senate meeting attended by only 29 of the 48 members, a resolution opposing The Dinner Party was pushed through be a vote of 18 to 11. The board of trustees, however, continued to stand behind The Dinner Party.

When the fall semester began, the student body, hitherto apathetic, returned to school without a president to find The Dinner Party still very much an issue, along with other unsolved campus problems. Encouraged by the same faculty members who had called the August meeting, a small but media-sophisticated group of Afrocentric students occupied two campus buildings and presented a lit of 44 demands, accompanied by allegations about "irresponsible" trustees. The demands included the resignation of all trustees appointed by embattled Mayor Marion Barry and, way down the list, rejection of The Dinner Party. The students were quoted as saying they "did not object to the artwork but to the use of so much money to house it."

On October 2, Chicago rescinded her gift, in support of student autonomy, stating in a press release that the disinformation campaign had "managed to create a division of values where there was none—i.e., between the concept of The Dinner Party and the issues that are important to the students * * *. As my life's work has been dedicated to the self-determination of all peoples, we withdraw the gift in support of the students' rights to determine their own destiny."

With hindsight, it was untimely, perhaps even foolhardy to have introduced The Dinner Party, of all things, into the boiling pot of Washington politics at that particular moment in the city's history, although no one could have predicted the events that ensured. Nevertheless, the vision of a multicultural/feminist art center that set them into motion remains an important one. "Foolhardy or not," says Chicago, "it's important to dream."

CALIFORNIA'S WATER PROBLEMS FAR FROM OVER

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. MILLER of California. Mr. Speaker, the torrential rains that have hit southern California, with often tragic results, have failed to improve the water supply situation for the State.

It will take more than a few heavy downpours to undo 6 years of drought and mismanagement by Federal and State water officials.

Senator BILL BRADLEY and I have introduced comprehensive legislation to reform the operation of the Federal central valley project. Our legislation would correct past impacts on fish and wildlife resources, and initiate important water contract and allocation reforms. Congress will have an opportunity to vote on this legislation soon.

Two recent editorials pointed out the need for speedy congressional action to correct the situation.

The Los Angeles Times has urged the Congress to promptly move legislation to reform the allocation of water from the Federal central valley project. Reform legislation is "a ship about to sail, one that Californians from Gov. Pete Wilson and Senator JOHN SEYMOUR on down would do well to climb aboard."

The time for endless discussions is over and the need for action is now.

The Sacramento Bee has published a comprehensive examination of the impact of polluted agricultural wastewater on water supplies. What the Bee uncovered was very disturbing: polluted farm drainage and tainted ground water is being pumped directly into California's two main water delivery systems.

As a Bee editorial notes, the "basic problem is that agribusiness is choking on its own wastewater." After millions of dollars spent on planning and research, the Bureau of Reclamation has failed to come up with a solution to the problem of drainage.

Rather than make difficult choices, the Bureau continues to "make a few ineffectual gestures" toward change. Unfortunately, the solutions involve more of a commitment to reform than the Bureau and its political clientele can muster.

Mr. Speaker, I insert the two editorials at this point in the RECORD.

[From the Los Angeles Times, Feb. 11, 1992]

DON'T LET ALL THIS RAIN FOOL YOU

California agriculture accounts directly and indirectly for 10% of the state economy. But it dictates how about 80% of the state's water is used.

Late this month a U.S. Senate committee will move to shift the power over such vast amounts of water from irrigation districts to the dictates of the free market.

Sen. J. Bennett Johnston (D-La.), chairman of the Energy and Natural Resources Committee, is getting ready to send to the Senate floor a bill to transfer from federal to California law the policy that controls allocation of 8 million acre-feet of water.

Under California law as amended in recent years, water can be bought and sold like any other commodity. That allows water to move to enterprises that can use it most efficiently.

Water Backup: Under longstanding and archaic federal law, nearly all of the Central Valley Project's millions of acre-feet must be used not only to irrigate crops but to irrigate them in the San Joaquin Valley. On average, an acre-foot of irrigation water produces $400 worth of crops. On average, the same amount of water in an urban area adds $500,000 to the economy.

In these times of high unemployment it is crucial to note that an acre-foot provides jobs for eight people on farms: the same acre-foot supports 17,000 people in high-technology industries—statistics that would make a free market weep.

Last year, in the first wobbly steps toward establishing a free market in water, Sacramento bought 830,000 acre-feet of water from farmers who had more than they needed for irrigation. It would take a $3-billion dam to scrape together that much water for parched urban areas. In these hard times, the state just doesn't have the price of a new dam.

Thus in terms of California's future, the bill is a ship about to sail, one that Californians from Gov. Pete Wilson and Sen. John Seymour (R-Calif.) on down would do well to climb aboard.

Water solution: Co-sponsored by Sens. Bill Bradley (D-N.J.) and Alan Cranston (D-

Calif.), the bill that Johnston is preparing to move can go a long way toward easing the impact of the California drought.

Winter storms that have soaked Southern California this year have barely dented the drought. Flooding made rescue operations necessary in the Sepulveda Basin Monday, but major reservoirs—most of them in the drier north—are only slightly more than half as full as normal. Flows in the Sacramento River basin, which supplies both federal and state water projects, are less than half of normal.

Rep. George Miller (D-Martinez), House Interior Committee chairman, warns that "1992 could be the driest year on record." The warning is in a letter to Wilson asking him to withdraw his request that Johnston do nothing on the Bradley-Cranston bill for three years.

Wilson said he thinks that months of discussions among environmentalists, farming interests and water district managers are making headway. He said he does not want a federal bill barging in and disrupting the talks.

But the talks have yet to produce anything approaching consensus on environmental protection. Farmers and water district managers resist leaving as much water in northern rivers as environmental groups say is needed to protect fish, waterfowl and the natural environment generally.

Bradley's bill calls for reasonable limits on pumping water. He and Johnston are said to be prepared to incorporate some of what Seymour thinks is important in his competing water bill. With state reservoirs in their sorry state, drought damage to habitat already grave and growing and the odds favoring a sixth year of drought, it is time to bargain. It is also time for Wilson, Seymour, water managers—including Southern California's Metropolitan Water District—and business to get behind the compromise Johnston bill. The stakes are far too high to do otherwise.

[From the Sacramento Bee, Jan. 26, 1992]

SON OF KESTERSON

There's a certain dreadful familiarity about the federal Bureau of Reclamation's new plan for dealing with the polluted agricultural drainage water from the San Joaquin Valley. It revisits many of the mistakes the bureau made in poisoning the Kesterson National Wildlife Refuge, and repeats them.

The basic problem is that agribusiness is choking on its own wastewater. Originally, the government planned to divert that poisonous drainage into the Delta and San Francisco Bay. Millions of taxpayer dollars were spent building a pipe for that purpose, the San Luis Drain. But public concerns about what that dumping might do to fish and wildlife resources—not to mention most of California's drinking water supplies—put a stop to the drain.

Instead, the wastewater was dumped into the ponds at the Kesterson refuge north of Los Banos, where it soon caused massive deformities and deaths among the birds there. The bureau so far has spent $27 million cleaning up and burying that mess, and expects to continue spending $3 million a year for the indefinite future, monitoring an area that still may not be safe.

But the drainage problem remains, and the bureau has been facing a court order to come up with some kind of proposal or risk losing the use of some $15 million that San Joaquin landowners have already deposited in a fund to pay for new drainage facilities. What the feds have produced is little more than a rehash of old and mostly failed ideas. It calls for creating several hundred acres of new ponds that would present the same problems as Kesterson. Some would be permanent poison sumps; others would be used to hold the toxic runoff until there was enough water flowing in the San Joaquin to use that beleaguered stream as a kind of sewage pipe to the north. Ultimately the wastes would wind up in the Delta.

"We're not going to be at all surprised if people raise questions about it," says the plan's study manager, Henry Hansen. The bureau acknowledges that there'll be more bird deformities, more deaths for wildlife, some damage to the Bay and Delta—and of course, lost most costs for farmers and taxpayers alike. Overall, the government estimates that implementing its recommendations will cost $179 million for construction and another $13 million a year in operating expenses.

These issues have been studied so often over the last half-century that there's little question among experts about what's needed to fashion a more effective strategy. But that would involve idling some farmlands, installing better treatment facilities, eliminating inefficient irrigation practices and, inevitably, dumping some wastewater into the Delta or directly into the ocean. The bureau's new plan makes a few ineffectual gestures toward some of these changes. But to do it right will almost necessarily mean more disruption for agribusiness, more costs and more of a commitment to reform than the bureau and its political masters have managed to muster. Maybe it just seems a whole lot easier to kill some birds.

TRIBUTE TO CHRISTOPHER DINERO

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. PALLONE. Mr. Speaker, last month, on the eve of the President's State of the Union Message, a group of 17 young people from around the Nation came to Capitol Hill to present a special "Kids State of the Earth." One of those distinguished young visitors to Washington was Christopher DiNero, a fifth grade student at the West End School in Long Branch, NJ.

This group of committed environmentalists, aged 7 to 17, came to Washington with a sobering message that we cannot afford to ignore: The need for America and the other nations of the world to greatly cut back on the emissions of carbon dioxide [CO_2] into the atmosphere. The schedule followed by Chris and the other young environmentalists during their visit to Washington was as ambitious as that of any other national or international dignitary seeking to make an effective and influential case in our national seat of government. The group addressed the National Press Club, paid a visit to the White House, and testified before a special Senate hearing in one very busy day.

Chris was selected to participate in the visit to Washington on the strength of an essay he wrote about the dangers of global warming from the excessive burning of fossil fuels. His teacher in the gifted program at West End School, Ms. Susan LeBeau, based an assignment for her class on information compiled by the Children's Environmental Fund. In addition to asking the kids to write essays, Ms. LeBeau also had her students apply the lesson to their families' daily lives through the CO_2 pledge, the goal of which is for American households to save 1 ton of carbon dioxide per year through such relatively simple steps as lowering thermostats, installing better insulation, and using less hot water. As Chris, who dreams of one day becoming an inventor of environmental-friendly new technologies, wrote in his essay: "My generation may be the last if you don't do anything about the use of carbon dioxides and other dangerous wastes. We fought for our rights. We fought against prejudice. We fought for our independence. Now we have to fight just to be here on this planet. The lives of 5 billion people are in your hands. Make the right decision * * *. We're counting on you."

Chris and his young colleagues did an exceedingly impressive job during their visit to Washington, making a strong case and getting attention at the highest levels. Their goal of a 20-percent reduction of CO_2 emissions by the year 2000 should be taken seriously. I salute all of these students for taking such an active interest in the future of our planet. I also wish to pay tribute to their parents and teachers for the encouragement and guidance they have provided. In particular, it is a pleasure and a privilege for me to cite the work of Chris DiNero, one of my constituents and a resident of my hometown of Long Branch.

But, Mr. Speaker, I think that Chris and the other sponsorees of the Children's Environmental Fund are interested in something far more than just a pat on the back for their efforts. They are challenging us, the elected officials of this country, as well as the media and the influential sectors of society, to get serious about the environmental issues that affect all of our lives and the very future of our civilization. Stopping the trend toward environmental decline, as well as fixing the environmental messes that have already been made, requires more than speeches. A lot of hard work is ahead of us. It will take serious, substantive work on the part of Congress and the Federal Government, strengthened efforts by the private sector to develop environmental safe products and phase out the unsafe ones, and the commitment of all of our citizens to make the necessary changes in their daily lives. With the future of our country in the hands of citizens like Chris DiNero, perhaps all of those things won't be so hard after all.

WISE ECONOMIC GROWTH PACKAGE

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. WISE. Mr. Speaker, our Nation is in dire economic shape. Currently, 8.9 million Americans are unemployed and more than 1.3 million payroll jobs have been lost since July 1990. Our Nation's trade deficit now surpasses several billion dollars each month.

Meanwhile, businesses have been forced to decrease their investments in productive equipment, jeopardizing our competitive position in the global market. Almost a quarter of a million of our country's bridges are in desperate need of repair and thousands of miles of road lay crumbling. Layoffs and reductions in pay have made it even harder for working Americans to continue to provide the basic necessities of daily living.

These tough times call for a comprehensive plan for economic growth. That is why I am introducing today a package of bills to strengthen our economy and rebuild our country's infrastructure. This package focuses on four key areas that I believe are essential to restoring our Nation's economic health and international competitiveness: education and jobs; tax relief and investment incentives; infrastructure investment; and trade promotion and coordination.

Education must be a centerpiece of any long-term strategy for economic growth. To address this need, I am introducing the Education Opportunity Enhancement Act. Today, too few students can afford to go to college and too few college graduates can afford to stay in State after graduation. My bill will expand educational opportunities by increasing the availability and amount of grants and loans for higher education and allowing working students to devote more of their earnings to family needs rather than earmarking them for tuition.

Investment incentives are also needed if American businesses are to remain profitable. As part of my economic growth package I am introducing the Research, Experimentation and Investment Incentive Act. This bill will offer tax credits to encourage businesses to increase the resources they devote to developing and testing the next generation of products and the money they spend on new productive equipment. I have also introduced the Oil and Gas Exploration Incentive Act to provide tax relief for independent oil and gas producers who undertake exploration activities; the Rural Telecommunications Opportunity Act, which will require Federal agencies planning to relocate a telecommunications-intensive operation to consider locating in rural areas; and a bill to mandate a study of the value added tax.

Long-term growth will largely depend on improving and rehabilitating our Nation's crumbling infrastructure. That is why I am introducing the Deficit Reduction Trust Fund Act, a bill that would give taxpayers a double bang for their buck. This bill would use contributions to the fund for deficit reduction—not new spending—and, after 5 years, use the interest from the account for infrastructure projects across the Nation. I am also introducing legislation to reauthorize the State Revolving Fund Program to help finance water quality infrastructure projects nationwide and give economically distressed communities better opportunities to put their own sewage and water treatment systems in place.

Increasing our exports and decreasing our trade deficit is also essential to sustaining economic growth. To this end, I am introducing the National Trade Council Act, a measure designed to improve trade policy coordination at the executive level by establishing a National Trade Council and Adviser in the White House. I am also introducing the Trade Promotion and Expansion Act to expand the Commerce Department's ability to market products abroad and to develop new markets for American goods.

Mr. Speaker, the plan I am proposing, a 5-year $50 billion package, is designed to be deficit neutral and would not require across-the-board tax increases or cuts in other domestic programs. The entire package could be paid for out of reductions in the defense budget similar to those proposed by President Bush. Taken together, I believe that this package represents a comprehensive blueprint for sustained long-term economic growth. I encourage my colleagues in the House to look closely at this economic growth package.

THE MINORITY ENTERPRISE DEVELOPMENT ACT OF 1992

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. IRELAND. Mr. Speaker, last week it was my pleasure to join my distinguished colleague from New York, the Small Business Committee Chairman JOHN LAFALCE, in introducing the Minority Enterprise Development Act of 1992. This important piece of legislation will help minority-owned small businesses to grow and create jobs by providing targeted tax incentives to individuals and corporations who make equity investments in minority-owned small businesses and minority venture-capital firms.

Small business is the engine that drives our economy; capital is the fuel of that powerful engine. Yet, while small businesses play such a vital and important role in our Nation's economy, they often find it difficult—or even impossible—to raise equity capital. As early as 1958, the Federal Reserve Chairman testified about the need for Government intervention to encourage the flow of private capital to small businesses. We in Congress responded to that need with passage of the Small Business Investment Act of 1958, which lead to the creation of Small Business Investment Companies.

In 1972, Congress recognized that minority businesses are confronted with even greater barriers in raising capital by amending the Small Business Act of 1958, in order to establish Minority Enterprise Small Business Investment Companies. The intent was to address the broader capital gap faced by minority small businesses. Since that time, although minority small businesses have made great strides, the capital gap has actually widened. In 1981, a Federal Reserve Board study emphasized the difficulties facing minority entrepreneurs in raising capital. The study found that, without targeted Government incentives, private capital is virtually nonexistent for minority-owned firms.

The bill that we are introducing today will provide those targeted incentives. It will provide income tax deductions for equity investments of at least 3 years in eligible minority small businesses. It grants preferred capital gains tax treatment for equity investments in minority-owned small businesses and defers long term capital-gains if the funds are reinvested.

Mr. Speaker, in its interim report, the U.S. Commission on Minority Business Development cited the capital gap as one of the greatest barriers to economic independence of minority small businesses and recommended Government incentives for private-sector investment. By passing the Minority Enterprise Development Act of 1992, we can move a giant step toward closing the capital gap confronting minority businesses. In doing so, we will be helping to bring into the mainstream of American business a vitally important segment of our Nation's economy.

TUCSON METROPOLITAN CHAMBER OF COMMERCE HONORS JOHN F. MUNGER, ELIZABETH T. ALEXANDER, AND ABBEY GRUNEWALD

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. PASTOR. Mr. Speaker, last week, the Tucson Metropolitan Chamber of Commerce selected three deserving individuals to receive its community service awards for 1991. The chamber chose Mr. John F. Munger, former chairman of the Tucson Chamber, and Ms. Elizabeth T. Alexander as Tucson's Man and Woman of the Year. Ms. Abbey Grunewald was distinguished as the recipient of the chamber's Founder's Award.

Long known for his contributions to improving the Tucson community, John Munger is a partner in the firm of Munger and Munger. He served as chairman of the Tucson Metropolitan Chamber of Commerce during the 1990–91 term. Interested in improving Tucson's economic climate, John was instrumental in founding the Tucson Economic Prosperity Alliance, a group of over two dozen business and community organizations. A former chairman of Goodwill Industries of Tucson, Inc., John has also been a member of the boards of the Arizona Opera Company, Junior Achievement of Tucson, and the Tucson Southern Counties Mental Health Services, Inc. Recently, Arizona Gov. Fife Symington III appointed John to the Arizona Board of Regents. John has been untiring in his efforts to make Tucson an attractive place for business investment and to improve the quality of life in "Old Pueblo."

The 1991 Woman of the Year, Ms. Elizabeth T. Alexander, is an outstanding businesswoman. Ms. Alexander is president and cofounder of L&C Gourmet Products, Inc./Country Estate Pecans. Her business had a sales volume of over $6 million in 1989, and she has been featured in several business publications including Nation's Business, Business Tokyo, and Lears & Entrepreneur magazine. Active in export trade, Elizabeth was instrumental in reducing trade barriers limiting United States pecan exports to Korea. Currently, she is serving as chairperson of DM–50, a group of business leaders supporting Davis-Monthan Air Base. In an era of shrinking military budgets and military base closures, her efforts to educate Tucsonans of the importance of Davis-Monthan to the community and to its position within the national defense infrastructure have proven successful. In last year's realignment, the Air Force chose Davis-Monthan as the headquarters of the 12th Air Force. This is a tribute to Elizabeth's efforts on behalf of Davis-Monthan. Her other community activities include service on the boards of several local agencies and organizations, including the Pima Council on Aging and the Arizona Children's Home. She is a former president of the Junior League of Tucson, a trustee of the Wilmot Psychiatric Institute, and a trustee and former vice president of the Tucson Community Foundation.

In recognition of her significant contributions to the city of Tucson for more than 40 years, Abbey Grunewald was honored with the Founder's Award. Ms. Grunewald founded the Blitz Speech Clinic for Children at the University of Arizona and was also a founder and board member of the Achievement Rewards for College Scientists organization. She has a long record of service to the United Way of Tucson, American Red Cross, Girl Scouts, YWCA, Tucson Festival Society and the Assistance League. Abbey Grunewald is a past president of the Arizona Jewelers Association and is member in good standing with Downtown Rotary Club and the Nature Conservancy. A patron of the arts, she has served on the University of Arizona Humanities Endowment Committee, the Art Advisory Board, and Art in Public Places board of directors.

I urge my colleagues to join me in saluting these unique individuals who have made many sacrifices to improve their community, State and country. Their efforts—collective and individual—have helped make Tucson a special city and register high on the quality of life index. Please accept my congratulations for a job well done.

FARM AND RANCH AWARD HONOREES FROM SOUTH TEXAS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. DE LA GARZA. Mr. Speaker, I had the pleasure of participating in the presentation of the third annual Fort Worth Star-Telegram Farm and Ranch Awards on January 24, 1992. These awards recognize some of Texas' most skilled producers and marketers of food, fiber, and timber.

More than 1,100 people were nominated by fellow farmers and ranchers, the Texas Agricultural Extension Service, Texas Tech University, Texas A&M University, the Texas Agricultural Experiment Station, the Texas Parks and Wildlife Department, the Texas Department of Agriculture, agribusiness leaders, and others. The Star-Telegram selected the honorees on the basis of production, management, and marketing criteria and relies on the advice of hundreds of agricultural experts.

One of this year's 26 honorees was the Steidinger family of Donna, TX, who live in the 15th District which I represent. As chairman of the House Committee on Agriculture, I know that their success in agriculture has not come easily.

I am pleased to bring to my colleagues' attention the business success story of the Steidinger family that was published in the January 26, 1992, edition of the Fort Worth Star-Telegram:

[From the Fort Worth Star-Telegram, Jan. 26, 1992]

PREPARE FOR THE WORST, THEN PRODUCE THE BEST

DONNA.—It would be logical to think that Jimmie and Barbara Steidinger would give up farming grapefruit and oranges, even on the deep soils of the subtropical Lower Rio Grande Valley around here.

The lingering cold wave of December 1983 destroyed 70 percent of their citrus crop, mostly grapefruit. It wrought heavy tree damage and death, resulting in zero production for the following two fall-winter harvest seasons and high grove rehabilitation costs.

Jimmie Steidinger, 53, estimated total long-term losses exceeding $500,000 including an immediate $140,000 loss in fruit frozen on the trees. None of the loss was covered by insurance.

By December 1989, the Steidinger's grove reinvestment had resulted in "the best-looking crop we ever had," with a potential of 25 to 30 tons of grapefruit an acre, he said.

That's when the stinging Christmas Eve norther blew in with an even longer and deeper freeze, destroying almost all the trees and about $180,000 in unharvested fruit. Total long-term losses exceeded $600,000, with the Steidingers collecting more than $300,000 in insurance coverage, he said.

Then there are the more routine threats to fruit quality, yields and the trees—such as birds, almost microscopic insects, nature's lack of adequate underground water drainage and the high salt content of the irrigation water from the Rio Grande.

And the Steidingers, having married in 1978, were relatively new to the citrus business. He had planted his first infant citrus trees on 20 acres in 1975.

Yet, the Steidingers are replanting groves, determined to once again produce high yields of high quality red-fleshed grapefruit, and even some more oranges, one 193 acres. They planted their own outdoor tree nursery to cut replanting costs by more than $100,000.

"The potential is so great, if you can just hang in there," said Jimmie, who has earned a more-than-comfortable living and built a new home, thanks in large measure to past citrus profits.

Barbara gets the credit for making Jimmie's extensive business records easily accessible and attractively printed from the computer. She organizes and enters data on fertilizer, pesticide and water applications, harvest yields and production costs on every field, tax and Social Security records, payroll accounting and workers' comp insurance requirements.

But even without the computer and the citrus, Jimmie had built an award-winning 1,000-acre cotton, grain, sorghum and vegetable farming venture virtually from scratch, starting in 1960.

As a youth, he had farmed 60 family-owned acres and 30 dairy cows for his mother. His father was crushed to death by a longhorn bull when Jimmie was age 12.

Jimmie, who routinely saves for disasters and maintains his equipment in peak running condition, gradually acquired his own 500 acres and leased the other 500. The family farm went to his sisters.

In the early 1060s, he won an outstanding young farmer award from the Sears, Roebuck Foundation, and in 1970, a regional outstanding conservation farmer award.

Willing to change but always cautious, Jimmie watched other farmers go into citrus. He began by managing one 20-acre grove for another grower in the late '60s.

Then, gradually establishing his own groves, Jimmie reaped a bumper $76,000 citrus profit from the 1981–82 harvest. He averaged almost 25 tons an acre off 33 acres of 6-year-old grapefruit trees and some orange trees. So, he leased his non-citrus acreage to another farmer in 1979 and turned full-time to citrus.

In 1988–89, five years on the freeze comeback trail, he scored his highest harvest gross, averaging 22 tons an acre off 193 acres.

"You don't want to put that tree into any stress," said Jimmie.

He credited much of his citrus success to leveling his land for his pre-citrus crops. Some of that land went into groves. He adopted laser-guided leveling technology for more grove jobs when it arrived later.

Jimmie then installed underground irrigation lines to carry water into the groves from concrete ditches delivering water to each farm.

Valves open to spread water across the level surface, or pan, to each row of trees. His landscaped soil borders along the rows retain rain or irrigation water and fertilizer closer to younger trees. He widens the borders as the trees age and require more water and fertilizer.

Once, with all open ditches, it took two hours to put 3.5 inches of water across one acre. With the changes, Jimmie said, it takes 45 minutes, giving more uniform irrigation and application to fertilizer and herbicides per tree.

Plagued by a high water table on these low coastal plains, he began more than 20 years ago to lay underground drainage pipe to siphon excess water away from roots that otherwise could rot. That lowers the water table to about 4.5 feet, a must for growing healthy trees.

The nylon sock-covered, corrugated and perforated plastic pipe—laid at an angle at 5- to 6-foot depths—also siphons irrigation-deposited salt away from tree or crop roots. The salt would rob nutrients from any crop.

Since 1978, Jimmie has planted grain sorghum varieties or corn annually between his newly planted citrus trees. The strips of grain protect small trees from whipping by common 40-mile-per-hour spring winds.

"That little tree is just like a baby. You've got to protect it and try to help it along," said Jimmie. Windstrips boost early growth and increase chances for earlier fruit production.

The Steidingers still own or partner on 153 acres and manage the other 40 acres.

TRIBUTE TO HELPING WHEELS AND THE BOYERTOWN AREA DARE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to a truly remarkable group of citizens, educators, students, and concerned law enforcement officers from Berks County, PA, who are working hard to end the scourge of drug abuse in our area schools. On Saturday, February 29, 1992, the Berks County Chapter of Helping Wheels, and many other concerned individuals and organizations, will gather for a benefit wheelchair game to raise funds for the Boyertown Area Drug Abuse Resistance Education Resource Council.

Drug Abuse Resistance Education has grown into one of the Nation's most effective tools in the long-term war against drug and substance abuse. DARE is designed to help elementary school children resist peer pressure to experiment with tobacco, drugs, and alcohol. Local law enforcement officers teach DARE students about tobacco, drugs, and alcohol, how to make sound decisions, how to be self-reliant, and how to resist peer pressure to use drugs.

I am proud to report that all seven elementary schools in the Boyertown, PA School District are expanding their commitment to DARE. Four of the seven have active DARE programs and curriculum, and have already graduated many students. The other programs will begin shortly. Helping Wheels of Berks County will use its annual fundraiser basketball game to raise the funds needed to ensure the continued success of DARE programs in Boyertown.

Many of my colleagues know that Helping Wheels is a nonprofit organization which promotes awareness and education about the abilities and potential of persons with disabilities. Helping Wheels also provides peer counseling services and exercise opportunities, and is a great source of community for those with disabilities. Each year, Helping Wheels of Berks County holds a wheelchair basketball game to benefit those in need in the community, and in 1992 they have chosen the Boyertown Area DARE Resource Council as their beneficiary.

On Saturday, February 29, the Helping Wheels basketball team will play the DARE all stars team, which is comprised of police serving the Boyertown area.

Mr. Speaker, I know my colleagues in the House of Representatives join me in recognizing the important contribution that the members of Helping Wheels and the many local police departments are making to the future of Boyertown's children. To all of those involved with DARE and Helping Wheels, I commend you and thank you. The example you set is truly inspiring.

PUT ELECTION YEAR POLITICS ASIDE AND DO RIGHT BY OUR NATION

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. PACKARD. Mr. Speaker, I'd like to begin by expressing my distaste for the political gamesmanship that the debate about tax cuts to jump start our economy has been steeped in from the beginning. I think it is dangerous to get into a bidding war; Americans are tired of seeing Congress debate our economic policy from a purely partisan viewpoint, without regard for what is best for America and the American people.

Unfortunately, it appears that we are heading in that direction. The Democratic leadership will force a vote on the so-called "Gephardt-Bush" measure, which really has nothing to do with the President's proposal at all. By placing partisanship above our Nation's economy, the Democratic leadership threatens to escalate the issue of tax fairness into class warfare.

In my opinion, we should concentrate on creating growth, and thus jobs for people who in turn will create value and wealth for the country. The Democratic leadership's decision to play "election year" politics with our Nation's economy will make Congress look foolish, and only add to the American people's discontent with Congress.

So I'll express my support for the small package of incentives which will be offered by my colleagues, Mr. MICHEL, the Republican leader, and Mr. ARCHER. Their proposal embodies the President's short-term priorities for creating economic expansion in this country.

Congress must pass the short-term proposal now to help jump start economic recovery. Then, we must concentrate on the second tier of the President's proposal, which focuses on long-term economic expansion.

Concentrating on the redistribution of wealth in this country is a futile exercise when our citizens are unemployed. Congress must pass a budget that reinvigorates our economy and creates jobs. Its difficult to justify redistributing pieces of a faltering economy when this sacrifices America's economic expansion. If we can create and maintain incentives to make the economy grow, everyone benefits.

In addition, Congress must address the issue of economic conversion. As we scale back our defense budget in the post-cold war era, we must take into account the effect this will have on our economy. Due to cutbacks in the defense industry in my district alone, we will be losing upward of 100,000 jobs. I believe that we must convert savings from the defense cutbacks into increases in research and development in technology and aerospace industries.

I also call upon Congress to fully fund the SLIAG Program. Congress cannot continue to issue mandates to our States, counties and cities without providing the necessary resources so they are able to comply.

I implore the Democratic leadership and Congress as a whole: Put "election year" politics aside and do right by our Nation. Our citizens deserve it.

HISTORIC SITES ACT AMENDMENTS OF 1992

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. VENTO. Mr. Speaker, today I am introducing bipartisan legislation to amend a 1935 law commonly know as the Historic Sites Act. This legislation would prevent the earmarking of Federal funds for special interest projects which have not been authorized or even considered through the normal historic preservation funding process. In the past several years, funds have been appropriated for questionable non-Federal projects, using the open-ended language of the 1935 act as the authority. With current budgetary limitations requiring significant cuts in many worthy programs, I believe we can no longer justify the earmarking of funds for these special interests, while many worthy historic preservation programs are underfunded or receive no funds at all.

The last few years have seen the enactment of stricter Federal spending limits and budget agreements prohibiting special interest provisions. However, Interior Appropriations bills the past 2 years have presented Congress with a new funding aberration, with special interest non-Federal projects favored in the conference agreements which disregard common sense in these troubled economic times. The National Park Service is seriously underfunded in the cultural preservation accounts, and many important national sites such as Independence Hall, the Martin Luther King National Historic Site, and the Lincoln and Jefferson Memorials, cannot be maintained properly. Yet, the fiscal year 1992 National Park Service construction appropriation funds no less than 12 unauthorized non-Federal sites, earmarking $33.6 million out of a total of $275 million allocated for this purpose.

The Historic Preservation Fund [HPF] was established to provide a fair and equitable method of determining which non-Federal projects merited Federal assistance in partnership with State and local governments. However, projects, which have never competed for the scarce dollars allocated to the HPF, continue to be authorized through the appropriations process on the basis of language in the 1935 Historic Sites Act. Ironically, the HPF is authorized to receive $150 million annually, but this program has been disregarded while special interest projects absorb the bulk of scarce appropriations dollars. Consequently, many important historical sites have been neglected, while others, incidental at best to our understanding of American history and culture, receive continuous funding. The process designed to ensure that proposals are considered thoroughly and grounded in historical research has been perverted.

For some time I have been concerned not only about the cost of these projects but about the message we are sending with regard to our commitment to historic preservation. Periodically, the national media seize upon these examples of what they describe as parks pork to illustrate Congress' irresponsibility and greed, and their cost is significant, especially in view of our budget problems. However, using national Park Service funds for these non-Federal projects, initiated by some to funnel Federal dollars to depressed areas, also implies, rather cynically, that historic and cultural value is determined solely by potential economic development. These special interest projects corrupt the National Park Service budget, and the NPS's current funding popularity will be seriously eroded unless this special funding process is exorcised.

As chairman of the Subcommittee on National Parks and Public Lands, I have always been receptive to proposals from members who seek the establishment or expansion of nationally significant and qualified park sites, and I will continue to support these efforts to improve our National Park System. I believe, as do most of my colleagues, that the historic preservation process must remain faithful to its purpose—to preserve for public use historic sites, buildings and objects of national significance for the inspiration and benefit of the people of the United States. The authorization proposals from the Interior and Insular Affairs Committee are subject to full and open debate in committee and in both houses of Congress. They are enacted on their merits. The process works and members and advocates of various proposals should use it.

The mechanism for evaluating historic site proposals in a scholarly and equitable manner exists but is undermined by imprecise language in the 1935 Historic Sites Act. I urge my colleagues to join me in amending this act, thereby eliminating the abuse of this law and restoring basic credibility and integrity to the designation and funding of historic preservation in the U.S. Congress.

A TRIBUTE TO VICTOR FARKAS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Mr. Victor Farkas, a man who has so generously served the south Florida Jewish community. Mr. Farkas will be honored by the Simon Wiesenthal Center on March 4, 1992 for his outstanding efforts in advancing the interests of the Wiesenthal Center.

The Simon Wiesenthal Center is renowned for safeguarding the well-being of Jews throughout the world. It is quite clear why this organization would choose Victor Farkas as the honoree of the Simon Wiesenthal Center's 1992 south Florida tribute dinner.

Beyond being a charitable member of the south Florida community, Mr. Farkas has experienced first hand the persecution and oppression that Nazi Germany put upon the Jews of Europe. Much of Mr. Farkas' early adolescence was endured under Nazi Germany. As a high school student in Debrecan, Hungary, Victor Farkas was captured by the Nazis, and was first deported to a labor camp. Mr. Farkas was then sent to Mauthausen concentration camp in Austria. After being liberated by the American Army in 1945, Mr. Farkas was moved to a displaced persons camp until the Government of Norway allowed him to immigrate.

Mr. Farkas aspired to catch up with the many years that were taken away due to Nazi Germany. Since that time, Mr. Farkas has had much success in the real estate business in Montreal, Canada. He then moved to south Florida and now owns and operates three hotels in Florida, the Thunderbird and Chateau in Miami Beach, and the Catalina in Orlando, FL.

I am pleased to have the opportunity to acknowledge Mr. Victor Farkas and the honor bestowed upon him at the Simon Wiesenthal Center's 1992 south Florida tribute dinner. I would like to thank Rabbi Marvin Hier, Samuel Schwartz, Mike Segal, Diane Magnum, Samuel Belzberg, and Robert Novak for their dedication and hard work put forth to the Simon Wiesenthal Center and the 1992 south Florida tribute dinner.

TRIBUTE TO JOE PLATNICK: A TRUE LEADER

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. LEHMAN of Florida. Mr. Speaker, our northeast Dade County community is home to some of the most talented, hard-working, and dedicated people that can be found anywhere in this country. Among the best of this special group is my friend, Joe Platnick.

As the founder of one of Dade County's most influential and effective community groups, the Northeast Dade Coalition, which is composed of over 80 condominium and homeowner's groups, Joe has long been a catalyst in bringing neighbors closer together. He has a policymaker's interest in issues and a college professor's understanding of them. I am always interested in what Joe has to say because he does his homework and always has something constructive to contribute.

I am pleased to join with his many friends in honoring Joe Platnick and his wonderful wife, Margo, for their years of hard work and caring. Our community is grateful—and better—for your efforts.

ON THE OCCASION OF A TESTIMONIAL DINNER HONORING ZELLA RUSHING

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. LAGOMARSINO. Mr. Speaker, I rise today and ask my colleagues to join me in congratulating my good friend Zella Rushing on being the honoree at the recently held Ventura County branch—Arthritis Foundation's 1992 testimonial dinner. I can think of no one more deserving of this honor.

Zella is well known throughout the county for her many civic and philanthropic activities in addition to business and professional affiliations. She was raised in Ojai and graduated from Nordhoff High School in 1958. She attended Venture College and my alma mater, UC Santa Barbara. Zella is also a graduate of Harvard University's Executive Program. She has two adult children, John Gholson and Donna Nowland. In addition to her involvements with PTA, Little League, and Job's Daughters, Zella was Past Worthy Matron of Eastern Stars Chapter 528.

Mr. Speaker, Zella is currently the chairman of the boards for Ventura County National Bancorp and H&H Oil Tool Co., Inc. She is presently a director of the California Chamber of Commerce and serves as vice chairman of the chamber's subcommittees on energy and natural resources. She is also a member of the National Ocean Industries Association California Task Force.

In addition, Ms. Rushing has been appointed by Secretary Lujan to serve on the Minerals Management Service's OCS Policy Committee and is a past president of the California Coastal Operators Group.

Zella's other local affiliations include: past director of the Santa Paula Community Fund, United Way of Ventura County, Ventura College Foundation, Ventura County Museum of History and Art, and past president of the Ventura County Taxpayers Association.

Zella has received many honors and awards over the years. Among them are the 1970 Business Woman of the Year from the Ojai Valley Chamber of Commerce, the 1983 Business Woman of the Year from Soroptimist International of Santa Paula, and the 1984 Salute to Women Award from the Ventura County Commission on Women.

As you can see, Mr. Speaker, Zella is truly a one-of-a-kind individual, and I am proud to call her my friend. On behalf of the U.S. House of Representatives, I again congratulate her on receiving this honor and wish her the very best in all her future endeavors.

A BILL TO PROTECT BRAIN-INJURED AMERICANS FROM QUESTIONABLE OR ABUSIVE REHABILITATION CARE, INFLATED BILLINGS, UNETHICAL MARKETING

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. WYDEN. Mr. Speaker, today I introduce legislation which I believe will go a long way in insuring a better break for the healthcare consumer. The Brain Injury Rehabilitation Quality Act of 1992 calls for broader and more selective case management for persons who receive brain injury rehabilitation services under Medicaid. It also provides for a patient bill of rights to protect consumers against a rising tide of waste, fraud and abuse in this rapidly expanding field of health care.

The third and final leg of this bill directs States to begin recording data on incidents of head trauma, the treatment brain-injured patients receive, and the outcome of that treatment. This information is vital because each year as many as 500,000 of our fellow Americans become victims of traumatic brain injury, and up to 90,000 persons go into some form of rehabilitative treatment for those injuries. Treatment for the more severely injured averages over $4 million in lifetime costs. Yet the lack of data on outcome of that treatment leaves us with no way of making good decisions on spending of scarce healthcare dollars.

Gross receipts in this area of specialized rehabilitation may be as high as $10 billion per year. And as more persons survive brain injury as a result of medical advances, more will seek out rehabilitation to help them quite literally get back on their feet.

But unfortunately, a significant number of providers in this field seem more interested in easy money than in easing the problems of their patients.

A recently completed report by the Subcommittee on Regulation and Business Opportunities, which I chair, details some of the specific problems, including denial of purchased services, overbilling, physically abusive treatment of patients, and the widespread use of questionable, ineffective or inappropriate treatments.

The subcommittee report documents unethical or even illegal marketing practices. These include providers apparently paying bounties for patient referrals, using bait-and-switch tactics in the provision of promised services, and even going so far as to illicitly purchase hospital records in their ruthless pursuit of new patients.

We are conducting a 50-State survey of services to the brain injured, and the early responses to our questionnaire are alarming. Though they are spending the money for services, many States simply can't tell us how many of their Medicaid beneficiaries are diagnosed as brain injured. Other States tell us that they are spending tens of millions of dollars per year on brain-injury rehabilitation, but their beneficiaries for the most part have gone to out-of-State facilities that are hard to monitor.

Appropriate case management in this area of health care is thin, if not nonexistent.

More than anything else our study indicates that government needs to bring rationality to a system that is currently inflexible, expensive and driven by large, for-profit rehabilitation companies. That system over relies on expensive, residential care, and it undercuts more appropriate, and cheaper, in-home care.

Too often the patient is the loser.

When health fraud or waste exists, certainly all of us foot the bill in terms of higher Medicaid budgets and higher premiums on health care insurance—the twin sources of major payment for traumatic brain injury rehab. Therefore, all of us—the patient, the taxpayer, and the health insurance customer—have a stake in creating a more rational, humane, and effective rehabilitation industry.

I urge my colleagues to support this legislation, which should cut health care costs and improve services to brain-injured Americans.

A CONGRESSIONAL SALUTE TO LT. JAMES EDWARD MILLER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. ANDERSON. Mr. Speaker, on Friday, February 21, 1992, the Long Beach Police Department will be honoring the service retirement of Lt. James Edward Miller. It is with great pride and pleasure that I rise today to pay tribute to such a dedicated citizen who has served the Long Beach Police Department and community with distinction.

Born in Canton, OH on February 3, 1931, Jim made his way to California after an honorable discharge from the U.S. Army. He joined the Long Beach Police Department in April 1956, beginning his career in the uniform patrol division. By July 1964, he had risen to the rank of sergeant supervising the uniform patrol division. Jim achieved the rank of lieutenant in October 1968 serving as the commanding officer of the narcotics section. In his 35 years and 6 months of service of the force, Lieutenant Miller has participated in every facet of police work from uniform patrol and narcotics to internal affairs and personnel.

Jim's dedication to the safety of Long Beach and its surrounding areas is further enhanced by his involvement in many law enforcement and community activities. He is a member of the FBI National Academy Associates, the Law Enforcement Intelligence Unit, and the Organized Crime Bureau Advisory Committee under the California Department of Justice. In addition, Lieutenant Miller is a member of both the California and International Narcotics Officer Associations, the California Peace Officers Association, the Long Beach Police Officers Association and, the Long Beach Command Officers Association. He served as a member of the Curriculum Advisory Committee for the California State College in Los Angeles and is a member of the Knights of Columbus, Mother Seton Council. Jim has been the recipient of the Temple Sinai Outstanding Citizen of the Year Award in 1970 and in 1972 was issued a Citation for Outstanding Service from the Mayor of Los Angeles.

Mr. Speaker, my wife, Lee joins me in extending this congressional salute to Lt. James Edward Miller for his devotion to the Long Beach Police Department and community. We wish him, his wife, Jacquelyn, and their two sons, James and Joseph, all the best in the years to come.

XAVIER CORTADA OF REGIS HOUSE NOMINATED FOR ANNUAL POINTS OF LIGHT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, Mr. Xavier Cortada, the executive director of Regis House, an adolescent drug and alcohol abuse center in Miami, FL, has been nominated for the "President's Annual Points of Light Award." Mr. Cortada has been nominated by the Honorable Ursula Ungaro-Benages to recognize his efforts to mobilize community members to oppose drug abuse, crime and gang activity. Many others in the community stand behind this nomination and have written support letters to the White House including: Dr. Jose Szapocznik, director of the Center for Family Studies, University of Miami; Father Pedro Corces, associate pastor, Corpus Christi Catholic Church; Sgt. Joseph Rimondi, city of Miami Police Department—gang detail unit; and Lina Castellanos, project director, Hispanic Family Development Project, Metro-Dade County, FL.

As the chair of the city of Miami Youth Task Force, Mr. Cortada has focused much attention on the problems faced by the Wynwood community. That attention has resulted in a number of youth activities being organized, along with better relations between that community and the police.

Mr. Cortada also serves as a leader in several other community organizations. These include the Metropolitan Dade County Hispanic Family Development Project, the Dade County Prevention Network for Alcohol and Other Drugs, and the Miami Coalition for a Drug-Free Community.

Still more, under the leadership of Mr. Cortada, Regis House has done much to reduce and prevent substance abuse among south Florida youth. One such example is the Nicaraguan Volunteer Drug Prevention Program which Mr. Cortada initiated at Regis House. The program was designed to help many high-risk Nicaraguan youth stay away from drugs and improve their status in society by teaching self-esteem and helping parents and children communicate. Regis House itself is a conduit through which many concerned citizens can give back to their community by volunteer work.

Mr. Speaker, Mr. Cortada's resume is replete with examples of a lifelong commitment to community service and civic involvement. It gives me great pleasure to see that his contributions to the south Florida community do not go unnoticed. It is my hope that he will receive the "President's Annual Points of Light Award" for his good work.

THE 25TH ANNIVERSARY OF REUNIFICATION OF JERUSALEM

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. SCHUMER. Mr. Speaker, Sunday, May 31, 1992, marks the 25th anniversary of the reunification of Jerusalem. This day, known as Yom Yerushalim, commemorates the day that Jerusalem was reinstated as the capital of the State of Israel.

This occasion will be celebrated by synagogues, schools, and local organization in my district. Preparations are underway to celebrate this milestone honoring the city that is the heart and soul of the Jewish people.

In 1948, the Old City of Jerusalem was attached and conquered by Jordan, resulting in the division of the city for the next two decades. In 1967, when Jordanians unsuccessfully attempted to seize the western section of the city, unification of Jerusalem under Israeli control was achieved in accordance with international law and propriety.

With the division of East and West Jerusalem came religious persecution of Jews, Christians, and Moslems, military aggression, and apathy from the international community.

With reunification came freedom of access to all holy sites, the rebuilding and expansion of schools, universities and libraries, and the complete overhaul and improvement of the city's infrastructure.

As the capital of the Jewish people for over 3,000 years, Jerusalem's cultural and spiritual significance for the Jewish people is profound. It is with pride that I join my constituents in paying tribute to this important day in history.

INTRODUCTION OF THE MIDDLE-CLASS FLEXIBLE SAVINGS ACT OF 1992

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. BROWN. Mr. Speaker, today I am introducing the Middle-Class Flexible Savings Act of 1992.

My constituents, during the past 10 days, impressed upon me just how much middle-class Americans are in a growing financial pinch. They are working harder and longer, yet finding it more difficult to make ends meet, let alone put away any money into savings. This legislation will make it easier for middle-class taxpayers to save more, while giving those Americans who are most financially strapped greater penalty-free access to their individual retirement account [IRA] funds under dire circumstances when need arises.

My bill will help middle-class taxpayers in three fundamental ways.

First, it will substantially increase the level of contributions that they can put in an IRA. Since IRA's were first made possible in 1981, the contribution levels governing how much can be contributed annually and who can deduct their contributions, in sum or in part, have eroded due to inflation. My bill increases contribution levels to make up for inflation since 1981, and it indexes contribution levels annually to keep pace with inflation.

Second, my bill authorizes higher IRA contribution levels for nonworking spouses in households with one or more children under the age of 6. That contribution level will also be indexed to keep pace with inflation.

This provision could be called the IRA homemaker provision. Arguably, those Americans who most need to save for retirement are those—women primarily still—who stay at home to nurture their children in their most important formative years. That financial sacrifice should be recognized and redressed by allowing them to better save for later years.

Finally, my bill will also allow middle-class taxpayers greater flexibility to withdraw IRA funds without being subject to the 10-percent penalty in order to pay expenses for higher or vocational education, to pay catastrophic medical expenses, or to start a small business. Arguably, wealthier taxpayers don't have commensurate cashflow problems vis-a-vis their IRA's and should still be encouraged to keep their money in savings.

There is no question that more Americans are confronting daunting educational expenses. At the rate tuition costs are rising—at least twice the rate of inflation—4 years at a State university by the year 2000 may cost over $50,000. Also, growing numbers of American workers are returning to classrooms to prepare for mid-career changes or to upgrade existing job skills. This legislation will permit withdrawals for higher education and/or vocational education expenses for many of these Americans who are struggling to put themselves or their children through college.

With health care costs skyrocketing, we simply must find ways to help ease the burden of sudden medical expenses for American working families. A serious illness can be financially devastating to all but the very wealthy. My bill will allow individuals and families to withdraw IRA funds penalty-free for catastrophic medical expenses during the taxable year, to the degree that the amount of such expenses does not exceed 7½ percent of adjusted gross income, that is the existing threshold for deductibility of medical expenses for itemizers. Individuals could draw upon their IRA's for themselves, their children, spouses, and/or parents.

Also, most of the new jobs are to be found in America's small businesses. It should be made easier for entrepreneurial Americans to get together startup capital when they decide to start a new business in mid-career or otherwise.

Let me conclude by saying that if there is to be tax cut legislation enacted this year, the House Ways and Means Committee is right to focus that tax relief upon middle-class taxpayers. I applaud those provisions of the reported bill that allow first-time home buyers penalty-free IRA withdrawals as well as withdrawals for medical and educational expenses. I only wish they had gone a bit farther and targeted incentives for more flexible savings to middle-class Americans like this legislation does.

TRIBUTE TO TED BEEDY AND STEVE CHAINEY

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to Mr. Ted Beedy and Mr. Steve Chainey on the occasion of the dedication of the Yolo Bypass Wildlife Area. Mr. Beedy's and Mr. Chainey's 2-year dream to create a wildlife refuge in the Lower Sacramento Valley has become a reality through hard work and conviction, and I ask my colleagues to join me in honoring them today.

Mr. Beedy and Mr. Chainey are long-time residents of Yolo County. Both were educated at the University at California at Davis and presently work as consultants at a local environmental firm. They have a deep respect and understanding of the world around them, and have dedicated both their personal and professional lives to enhancing and preserving the environment.

This conviction led them to conceive of a wildlife refuge area in Yolo County, which sits in the middle of the Pacific flyway, a bird highway connecting wetlands in the West. Around 60 percent of the ducks, geese, and swans of the Pacific flyway spend the winter using wetlands of the Central Valley. In the past 100 years, 95 percent of California's Central Valley wetlands have been lost. Chainey and Beedy had the foresight to recognize that the Yolo County Bypass Wildlife Area is an essential step in protecting these wildlife populations.

Their many years of participation in local conservation and environmental organizations, have allowed Mr. Beedy and Mr. Chainey the knowledge of and access to a broad range of public agencies and elected officials. Both the public and private sector enthusiastically responded to the plans for a wildlife area, making the process a model of public and private cooperation. Important issues including flood control, mosquito abatement, wildlife habitat restoration, long-term management and public access were studied. The land was made available by the private sector and acquired with both State and Federal funds. The dedication ceremony today marks the final acquisition of land. The next step is on-site restoration which will begin in the fall of 1992.

The Yolo Bypass Wildlife Area lies on 3,100 acres of land, bisecting two major highways that connect Sacramento with the San Francisco Bay Area. It will be one of the most visible and accessible wildlife areas in the State. Millions of Californians and visitors will be able to enjoy and appreciate this beautiful and valuable resource, thanks to the vision of Mr. Chainey and Mr. Beedy. As a member of the Yolo Basin Wildlife Area working group, I have had the privilege of seeing their dream become a reality. I would now like to take this opportunity to commend their efforts that ensure wildlife enjoyment and protection for generations to come.

NATIONAL FFA WEEK

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. NATCHER. Mr. Speaker, it is a pleasure to once again join with the members of the National FFA Organization as they celebrate National FFA Week with the theme "FFA—Leadership for a Growing Planet."

The National FFA Organization is a vocational student organization for high school students enrolled in agricultural education classes in the public high schools and area vocational education centers.

In my home State of Kentucky 11,451 young people participated in FFA activities in 147 chapters. Each FFA chapter in Kentucky is encouraged to participate in at least one community service activity during the school year, and over 1,000 FFA members and teachers attended 1 week of FFA leadership development training last year at the Kentucky FFA leadership training center in Hardinsburg, KY.

The FFA members and chapters in the Second Congressional District of Kentucky, which I have the privilege of representing in the Congress, received many awards at the State and national levels during the past year.

At the National FFA Convention in November of 1991, Kentucky had four national FFA proficiency winners, and Kevin Jernigan of Simpson County, which is in the Second Congressional District, was a winner for turf and landscape management. Beth Henderson of Breckinridge County received the Extemporaneous Public Speaking Award at the national convention. She spoke before more than 20,000 people in the finals competition.

The Kentucky Association FFA honored 20 top agricultural education students and FFA members at the annual convention of the Kentucky Association FFA held in June of 1991.

Brent Sanford, Warren East Chapter, and Robert Cole Miller, Central Hardin, were honored as Regional Star State Agribusinessmen, and Danny Oliver, Allen County, and Kevin Thomas, Central Hardin, were honored as Regional Star State FFA Member in Production.

Sixty-four FFA chapters were honored at the Kentucky State FFA Convention, and the following chapters in the Second Congressional District were honored: Apollo, Central Hardin, Barren County, Franklin-Simpson, Warren East, LeRue County and Spencer County as "Gold Emblem" chapters; East Hardin Jr. and West Hardin Jr. as "Gold Emblem" junior chapters; Warren Central, Bullitt Central, Allen County, and Meade County as "Silver Emblem" chapters; and North Hardin and Marion County as "Bronze Emblem" chapters.

Winners at the 1991 State FFA Convention included: Tom Elder of Spencer County (Agricultural Mechanics); Benjamin Lee of Apollo (Floriculture), Daniel Fisher of Allen County (Forage Crop Production), Chad Konow of Franklin-Simpson (Oil Crop Production), Justin Marsh of Allen County (Sheep Production), Tracy Tindle of Spencer County (Specialty Animal Production), and Kevin Jernigan of Franklin-Simpson (Turf and Landscape Management).

The Spencer County FFA Chapter was the State winner in the Chapter Safety Program. The chapter selected "Safety Awareness Before It Is Too Late," and the project included a "Safe Child" Program in which 426 students were videotaped. Superior Chapters included: Apollo, Barren County, Franklin-Simpson, Breckinridge County, Central Hardin, Grayson County, and Spencer County.

Four chapters in the Second Congressional District were given State awards in the Building Our American Communities Program. Spencer County received gold; Breckinridge County and Central Hardin received silver; and Barren County received bronze.

I know of no group of young people who are accomplishing more in the area of agriculture than the members of the National FFA Organization, and at this time I would like to commend all of those associated with the National FFA Organization for their past achievements. I wish them continued success in all their future endeavors.

TRIBUTE TO REV. EDWARD C. GARTRELL

HON. BUD CRAMER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1992

Mr. CRAMER. Mr. Speaker, I rise today to pay a most fitting tribute to Rev. Edward C. Gartrell of Huntsville, AL, who is retiring after more than 40 years of service to the Presbyterian Church.

A graduate of Wheaton College and Princeton Theological Seminary, Reverend Gartrell was ordained by Lexington-Ebenzer Presbytery of the Presbyterian Church in Kentucky. This compassionate man has devoted his life to the church and to the many communities he served as pastor.

Reverend Gartrell began his course of God's eternal will in Kentucky and later in Pennsylvania. His journey then led to Huntsville, AL, where he quickly became a valuable member of our community.

Reverend Gartrell acted as moderator of the Synod of the South of the United Presbyterian Church, moderator of Huntsville Presbytery and of North Alabama Presbytery's Committee on Ministry, church vocations unit.

This humble servant not only participated in community events, he was a leading force behind the various organizations such as the Board of the United Way, the Mental Health Association and the Huntsville-Madison County Chamber of Commerce.

A father and a grandfather, this man has truly given to his family, church, and community. His dedication to his fellow man is an example for all to admire and follow. Knowing that God's preacher never totally retires, let's pray Reverend Gartrell will carry his zeal and energy with him to his next spiritual transition.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, February 20, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 21

9:30 a.m.

Governmental Affairs

To hold hearings to examine the situation involving the reduction of airlines and fare increases.

SD-342

10:00 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings to examine possible Soviet space assets which may benefit the American space program.

SH-216

Foreign Relations

To hold hearings on the crisis in East Timor and to examine U.S. policy toward Indonesia.

SD-419

FEBRUARY 25

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Disabled American Veterans.

345 Cannon Building

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture.

SD-138

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for foreign assistance programs.

SD-106

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Judiciary.

S-146, Capitol

Banking, Housing, and Urban Affairs

To hold hearings on the Federal Reserve's first monetary policy report for 1992.

SD-538

Finance

Business meeting, to mark up proposed legislation to encourage economic growth and recovery.

SD-215

Foreign Relations

To resume hearings to examine the strategic nuclear reduction in a post-cold war world.

SD-419

2:30 p.m.

Energy and Natural Resources

Mineral Resources Development and Production Subcommittee

Public Lands, National Parks and Forests Subcommittee

To hold joint hearings on H.R. 3359, to revise the Geothermal Steam Act of 1970 to direct the Secretary of the Interior to proscribe any geothermal production on lands within the Corwin Springs Known Geothermal Resource Act (including lands and waters not owned by the U.S.).

SD-366

FEBRUARY 26

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings to review NASA's earth observing system.

SR-253

Rules and Administration

To hold hearings on S.J. Res. 221, providing for the appointment of Hanna Holborn Gray as a citizen regent of the Smithsonian Institution, S. 1598, to authorize the Board of Regents of the Smithsonian Institution to acquire land for watershed protection at the Smithsonian Environmental Research Center, and S. 1682, to authorize the Board of Regents of the Smithsonian Institution to acquire an Administrative Service Center.

SR-301

10:30 a.m.

Rules and Administration

Business meeting, to consider pending calendar business.

SR-301

2:30 p.m.

Commerce, Science, and Transportation
Surface Transportation Subcommittee

To hold hearings on proposed legislation to authorize funds for AMTRAK.

SR-253

Select on Indian Affairs

Business meeting, to mark up S. 1602, to ratify a compact between the Assiniboine and Sioux Indian Tribes of the Fort Peck Reservation and the State of Montana; to be followed by an oversight hearing on the President's proposed budget request for fiscal year 1993 for Indian programs.

SR-485

FEBRUARY 27

9:30 a.m.

Governmental Affairs
Permanent Subcommittee on Investigations

To hold hearings to examine current trends in money laundering.

SD-342

Veterans' Affairs

To hold hearings on proposed budget requests for fiscal year 1993 for veterans programs.

SR-418

10:00 a.m.

Appropriations
Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Transportation and related agencies.

SD-138

Commerce, Science, and Transportation

To hold hearings on indicators of global warming and solar variability.

SR-253

Environment and Public Works

To hold hearings on the President's proposed budget request for fiscal year 1993 for the Environmental Protection Agency.

SD-406

10:30 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on the semi-annual review of the Resolution Trust Corporation.

SD-538

2:30 p.m.

Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the American Battle Monuments Commission, the Selective Service System, and Army Cemeterial Expenses.

SD-138

Select on Indian Affairs

To continue hearings on the President's proposed budget request for fiscal year 1993 for Indian programs.

SR-485

FEBRUARY 28

9:30 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To hold hearings on S. 1200, to establish a new national goal that by the year 2015 the U.S. has established an advanced, interactive, interoperable, broadband communications system nationwide.

SR-253

10:00 a.m.

Foreign Relations

To resume hearings to examine the strategic nuclear reduction in a post-cold war world.

SD-419

MARCH 3

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of Foreign Wars.

345 Cannon Building

10:00 a.m.

Appropriations
Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Agricultural Research Service, the Cooperative State Research Service, and the Extension Service.

SD-138

2:30 p.m.

Appropriations
Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for foreign assistance, focusing on multilateral development banks.

SD-138

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 1755, to reform the concessions policies of the National Park Service.

SD-366

MARCH 5

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Blinded Veterans of America, and WWI Veterans.

345 Cannon Building

10:00 a.m.

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of State.

S-146, Capitol

Appropriations
Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Interstate Commerce Commission, and the Office of Inspector General.

SD-138

2:00 p.m.

Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Consumer Product Safety Commission, the Office of Consumer Affairs, and the Consumer Information Center.

SD-116

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee

To resume hearings on S. 1755, to reform the concessions policies of the National Park Service.

SD-366

MARCH 6

9:30 a.m.

Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee

To hold hearings on the alternative uses of agricultural commodities, focusing on impediments to commercialization.

SR-332

MARCH 17

9:30 a.m.

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee

To hold hearings to examine an overview of NASA's budget for fiscal year 1993.

SR-253

10:00 a.m.

Appropriations
Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Food and Nutrition Service, and the Human Nutrition Information Service.

SD-138

MARCH 18

9:30 a.m.

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee

To hold hearings to examine NASA's space station and launch issues.

SR-253

Select on Indian Affairs

To resume oversight hearings on the implementation of the Indian Gaming Regulatory Act (IGRA).

SH-216

MARCH 19

9:30 a.m.

Appropriations
VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Science Foundation, and the Office of Science Technology Policy.

SD-124

10:00 a.m.

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Justice.

S-146, Capitol

Appropriations
Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Highway Administration, Department of Transportation.

SD-138

MARCH 20

10:00 a.m.

Appropriations
Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Farmers Home Administration, the Federal Crop Insurance Corporation, the Rural Electrification Administration, and the Rural Development Administration.

SD–138

MARCH 25

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Neighborhood Reinvestment Corporation, and the National Credit Union Administration.

SD–116

Select on Indian Affairs

To hold hearings on S. 1752, to provide for the development, enhancement, and recognition of Indian tribal courts.

SR–485

10:00 a.m.

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Communications Commission, and the Securities and Exchange Commission.

S–146, Capitol

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1992 for the National Highway Traffic Safety Administration, and the Research and Special Programs Administration, both of the Department of Transportation.

SD–138

MARCH 26

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Environmental Protection Agency, and the Council on Environmental Quality.

SD–G50

Commerce, Science, and Transportation

Consumer Subcommittee

To hold hearings on S. 664, to require that health warnings be included in alcoholic beverage advertisements.

SR–253

MARCH 27

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Animal and Plant Inspection Service, the Food Safety and Inspection Service, and the Agricultural Marketing Service.

SD–138

APRIL 1

9:30 a.m.

Select on Indian Affairs

To hold hearings on proposed legislation to authorize funds for programs of the Indian Health Care Improvement Act.

SR–485

10:00 a.m.

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Commerce.

S–146, Capitol

APRIL 2

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Deposit Insurance Corporation, and the Resolution Trust Corporation.

SD–116

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Transportation Safety Board.

SD–138

APRIL 3

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Agricultural Stabilization and Conservation Service, the Foreign Agricultural Service, the General Sales Manager, and the Soil Conservation Service.

SD–138

APRIL 7

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Commodity Futures Trading Commission, the Food and Drug Administration, the Farm Credit Administration, and the Farm Credit System Assistance Board.

SD–138

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Bureau of Investigation, and the Drug Enforcement Administration, Department of Justice.

S–146, Capitol

APRIL 8

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETs, American Ex-POWs, Jewish War Veterans, and Non-Commissioned Officers Association.

SD–106

APRIL 9

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Aeronautics and Space Administration.

SD–G50

10:00 a.m.

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Oceanic and Atmospheric Administration, and the Small Business Administration.

S–146, Capitol

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for Amtrak, and the Federal Railroad Administration, Department of Transportation.

SD–138

APRIL 29

10:00 a.m.

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Information Agency, and the Board for International Broadcasting.

S–146, Capitol

APRIL 30

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development.

SD–G50

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Transit Agency, and the Washington Metropolitan Area Transit Authority.

SD–138

MAY 7

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Veterans Affairs, and the Court of Veterans Affairs.

SD–124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Coast Guard, Department of Transportation.

SD–138

MAY 14

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Emergency Management Agency.

SD-124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Aviation Administration, Department of Transportation.

SD-138

MAY 21

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Community Service, and the Points of Light Foundation.

SD-116

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the General Accounting Office.

SD-138

MAY 22

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development and certain related agencies.

SD-138

HOUSE OF REPRESENTATIVES—*Thursday, February 20, 1992*

The House met at 11 a.m.

Rev. Tom Hargesheimer, St. Pius X, Rochester, MN, offered the following prayer:

Heavenly Father, we ask You bless our Nation and its people. May our ties of fellowship and citizenship be strengthened. Protect us from all catastrophes and disasters. Unite us in peaceful struggle toward true progress and prosperity; may it become reality through the productive work of all.

Send Your blessing upon all those responsible for the destiny of this Nation. Grant the representatives of the people the strength and courage to make decisions for the well-being of all. Help them to preserve the climate of freedom, justice, and opportunity for all in this great Nation.

Protect all citizens; encourage them in their efforts during these difficult times in the cities and rural areas, along the borders and on the world scene, and thus help build a happy and beneficial future for all our citizens. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair will recognize the gentleman from California [Mr. DOOLITTLE] to lead the House in the Pledge of Allegiance.

Mr. DOOLITTLE led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 353. An act to require the Director of the National Institute for Occupational Safety and Health to conduct a study of the prevalence and issues related to contamination of workers' homes with hazardous chemicals and substances transported from their workplace and to issue or report on regulations to prevent or mitigate the future contamination of workers' homes, and for other purposes.

WELCOMING REMARKS FOR FATHER TOM HARGESHEIMER

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, I am happy to welcome to the House today our guest chaplain, Father Tom Hargesheimer. Father Hargesheimer is pastor of St. Pius X Catholic Church in Rochester, MN, where he has served for the past 6 years. Prior to his assignment to St. Pius, Father Tom served in several other parishes of the Winona Diocese. I am especially grateful that he is able to be with us today since his own father died this past week. I know my colleagues join me in extending our condolences to the Hargesheimer family.

Father Tom is here today at the suggestion of one of my former employees, Michael Cronin, who served under Father Tom's tutelage this past summer.

Father Tom fulfills, in an exemplary way, the many roles we ask of our clergy. He is a pastor, a spiritual guide, a moral leader, a community leader, a mentor, and a friend. In addition, he is well known for his keen sense of humor and his good cooking. We are grateful for his inspirational leadership to his parish and his years of faithful service in southeastern Minnesota.

Father Tom is representative of the many other dedicated clergy who serve in our area, and I am pleased to welcome him to Washington today. So thank you, Father Tom.

Since this is also a special day for you in another sense, I want to wish you a happy 50th birthday.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. BARNARD. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ADJOURNMENT TO MONDAY, FEBRUARY 24, 1992

Mr. BARNARD. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

A FORMULA TO STIMULATE GROWTH, FIGHT RECESSION

(Mr. BUNNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, an increasing Federal deficit and record domestic spending has only proven to the American people that the Democrat-controlled Congress does not care that unemployment is up, investment is down, and families must bear the burden of financing the whims of Members and their precious special interest groups.

The liberals in this body have got to get it into their heads that in order to provide ample tax cuts for the people, they have to decrease congressional spending. And, on top of that, they cannot continue to levy taxes that end up hurting American workers like the botched-up 1990 budget deal. All that did was backfire and force struggling manufacturers to lay off thousands of middle-class workers.

There are 29 days until the March 20 Presidential deadline. As the Republicans have known all along, the only way to help our recession-stricken Nation is to stop wasteful spending, implement tax cuts to stimulate growth and increase savings and investment.

DELIVERING A MESSAGE

(Mr. DOOLITTLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOOLITTLE. Mr. Speaker, the area I represent in central California is about the same size as New Hampshire, and the recession is about the same, too.

In good times, central California agriculture spreads riches throughout the region's entire economy.

Unfortunately, the area is reeling from recession, drought, and a devastating crop freeze that hit more than a year ago. The unemployment rate is stuck at about 15 percent.

This past year, central Californians waited patiently for months and months while the White House delayed a decision on emergency assistance for freeze victims. They stood by as a much-needed extension of jobless benefits was delayed for months by the White House. They wondered what it would take for their President to pay

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□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

attention to serious problems here at home.

On Tuesday, the voters of New Hampshire may have provided the answer. Central Californians don't have much in common with New Hampshire, but their message is the same.

"ZERO BY 2000," A PLAN TO ELIMINATE THE DEFICIT

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Madam Speaker, Congress is fiddling around while the economy is being burned up by the tinkering that is going on in these very halls. The sure-fire answer to the problems facing us in the present for the short term and the long term is the deficit of the U.S. Government. Once we begin to reduce the deficit and eventually bring it down to zero, you will see an expansion of activity, productivity, enterprise, recapitalization, and a road to prosperity like we have never known before. But we must start now.

These measures that are coming before us in a political year will not do the job. That is why I am proposing today and will introduce legislation to implement "Zero by 2000," a plan something like Gramm-Rudman, which will reduce the deficit of the United States piece by piece until the year 2000 when we will have come down to zero.

What that will mean is we will be freeing up billions of dollars for all those necessities that everyone craves for on this floor, while at the same time making sure that our economy will be reignited for that prosperity for which we all yearn. Zero by 2000. That should be our calling card.

PRESIDENT'S POLICIES REGRESSIVE TOWARD WOMEN

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Madam Speaker, as we all know from looking at the polls in New Hampshire, it was Republican women who saved George Bush's career. There was a terrific gender gap, because the women figured out that the only thing worse for them than George Bush would have been Pat Buchanan.

Yet we now see the administration going pell-mell toward issuing regulations on the gag rule. That would be the most regressive thing you could do to women. In other words, in any clinic getting Federal funds, doctors cannot speak openly to women. They must only say what the Federal Government tells them to say.

Women do not want that kind of protectionism. I would hope that the President would at least talk to the Republican Congresswomen, if he does not want to talk to the Democratic Congresswomen. He should at least talk to them before this regulation comes out, because I think it is a very, very serious mistake. He might find the next time around the women are not going to vote for him if they are given another choice.

SUPPORT URGED FOR A CONTINUED STRONG IMPACT AID PROGRAM

(Mr. SAXTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAXTON. Madam Speaker, I rise today to alert my colleagues that one of our oldest Federal educational assistance programs may be drastically cut, if not eliminated entirely. At a time when we constantly are hearing calls for increased Federal involvement in education, it is hard to believe that this program should be under attack.

I am speaking of the Federal Impact Aid Program which supports the Education of children of our military families.

For decades we have recognized that we had the responsibility to assist school districts in areas highly impacted by Federal military and civilian employment. This was not done simply to assist local school districts with their budgets—it was done to assure quality education for the sons and daughters of people who were making a vital contribution to all of our national interests.

Now, apparently because we are making significant cutbacks in military bases and personnel, there are those who say that this program no longer is needed. I urge my colleagues to join me in expressing support for the continuation of a strong impact aid program.

□ 1110

CREATE JOBS WITH VALUE-ADDED FARM COMMODITIES

(Mr. COLEMAN of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Missouri. Madam Speaker, farmers and agricultural economists have realized for a long time that the key to prosperity in agriculture is to increase the U.S. share of the world market in value-added farm goods. It's time that America woke up to this reality. We have simply failed to utilize our existing export programs to aggressively promote the sale of value-added commodities, and U.S. farmers have lost markets as a result.

While our competitors, principally the European Community, have nearly doubled their value-added exports, our own trade in such products actually has declined during the last decade. And, this has come during a time when value-added exports, worldwide, have increased by more than 50 percent.

That is why I am today introducing legislation to require that 35 percent of our export credit programs and 25 percent of the Export Enhancement Program [EEP] be used to expand and open markets for U.S. processed agricultural commodities.

Madam Speaker, as much as this is a farm issue, it is a job issue as well. The fact is that if we use our credit guarantee programs aggressively, we can create jobs for American workers now and increase markets for American farmers into the future.

USDA's Economic Research Service studies back up my argument: ERS says increasing our share of the world market for high-value products to 15 percent could create 1½ million new jobs and increase our gross national product by $52 to $104 billion. And, this could be done without harming our traditional markets for raw, bulk commodities, where we lead the world.

Madam Speaker, I believe it is time that U.S. policies promote what we can do better than anyone else in the world: Provide food and fiber that are processed, packaged, shipped, and marketed at reasonable prices throughout the globe.

I would hope that we can move forward quickly with this legislation. It is good for farmers, for workers, for basic manufacturers, for processors, for wholesalers, for shippers. It is good for the economy, Madam Speaker.

TAX CUTS SPELL RELIEF

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Madam Speaker, all the evidence is in. As conservatives predicted, the 1990 budget agreement with its $137 billion tax increase has forced American families and businesses to tighten their belts to the point of strangulation.

Despite the fact that the Democrats finally are beginning to realize that tax cuts spell economic relief, many are still holding fast to the ill-fated budget deal. The big government types refuse to see that the tax increases have resulted in less growth and a bigger deficit.

Congress can ease the financial burden of working families by repealing some of the flawed economic models in last year's agreement and enacting comprehensive tax cut legislation that would put money back into pockets of Americans; where it belongs.

I challenge Members of the House to do just that. We now have 29 days to enact the President's budget proposal. In doing so, let's give the American people their money back in the form of tax cuts, and let's pay for it by trimming the fat around the enormous belly of the Federal Government. Let the people decide when, where, and how to spend their hard-earned money.

CRISIS IN ALGERIA

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Madam Speaker, I would like to welcome Fedrick Chiluba from Zambia to Washington, DC. He is President of Africa's newest democracy and part of a movement toward democracy which for the first time includes African and Islamic countries.

The movement toward democracy was alive and well, for example, in Algeria a few short weeks ago, when the Algeria people decided that they would elect a fundamentalist Islamic group of people to power to replace the pro-Marxist dictatorship that had ruled them for two decades.

Unfortunately, democracy has been thwarted in Algeria in the name of thwarting the Islamic fundamentalism.

This is wrongheaded, Madam Speaker. The United States should be on the side of democracy, and we have nothing to fear from Islamic fundamentalism any more than we have to fear from Christian fundamentalism.

What we are opposed to is dictatorship, is fanaticism, is repression. The Islamic fundamentalists of the world who devoutly believe in their Islamic religion are not a threat to the Western democracies. We should be on the side of democracy in Algeria and elsewhere, whether the religious people are devoutly Moslem or Christian or any other religion.

It is sad that the people of Algeria now believe that the United States is not on the side of democracy and the other democratic powers are not on the side of democracy, if indeed it is contrary to the Christian religion.

I believe that in Iran, Islamic fundamentalism has certainly been a negative force, but that need not mean that we oppose Islamic fundamentalism all over the world and should seek to make it a force for democracy and freedom and tolerance.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 330

Mr. FISH. Madam Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill H.R. 330, the Refuge Wildlife Protection Act.

The SPEAKER pro tempore (Ms. SLAUGHTER). Is there objection to the request of the gentleman from New York?

There was no objection.

THE AMERICAN DREAM

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Madam Speaker, if we needed further evidence of the struggle of middle-class working Americans, the U.S. Census Bureau provided it today. According to a census bureau report, there are fewer middle-class Americans today than there were 20 years ago. Something is wrong.

The most telling part of this story is that the lower income levels are growing faster than the higher brackets. The American dream is fading.

The American dream is about opportunity. This report tells a story I've heard confirmed all too often at the supermarkets and lunchrooms in Connecticut. Working middle-class Americans are afraid. They are afraid that they will no longer have the ability to care for their families, send their children to college, or pay the high costs of things that shouldn't be considered extravagant—like health care.

We can fix what's wrong. We can provide assistance to our middle class by passing a significant middle-class tax relief proposal, one that provides real relief to a substantial portion of the American middle class. We can address the soaring costs of health care. We can help restore the confidence of the American middle class in the dream that guides each of us.

GOVERNMENT WASTE

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Madam Speaker, we are all trying to reduce waste, and we are always trying to figure out ways to conserve paper and use recycled paper and so forth.

I want to show my colleagues an example of what one of my constituents brought in to me last week in the way to reduce waste and how our U.S. Nuclear Regulatory Commission is handling it. I do not want to give his name, because we do not want to get him nuked, but at any rate, this person got this big envelope, 39 cents mailing. And lo and behold what was in there was this little notice. That was it, in a 39-cent envelope this big.

This is not a big deal, but if we are going to try to reduce Government spending, all these little things matter. If we want to conserve, if we want to reduce waste, the best way to do it is have a simple envelope, a small envelope, save 14 cents.

Who knows how many thousands of these little sheets of paper went out to each and every person who might be on the Nuclear Regulatory Commission's list?

I think that my colleagues, Madam Speaker, should be on the lookout for this. And whenever we see waste in Government, no matter how small or how large, be on the lookout for it. Point it out and get these Government agencies, whether it is the Department of State, whether it is the Nuclear Regulatory Commission or whichever one it is, point it out. Let them know that we think this is unacceptable.

Let us work together to end some of this frivolous expenditure of the taxpayers' money.

LINDY BOGGS ON THE BILL OF RIGHTS AND THE RIGHT TO VOTE

(Mr. JEFFERSON asked and was given permission to address the House for 1 minute and to include extraneous matter.)

Mr. JEFFERSON. Madam Speaker, on December 13, 1991, my friend and predecessor, Lindy Boggs of New Orleans, LA, spoke at Independence Hall in Philadelphia as part of the final events marking the 200th anniversary of the ratification of the Bill of Rights, the first 10 amendments to our Constitution. In her remarks, Mrs. Boggs spoke of the roles of the 15th, 19th, 23d, 24th, and 26th amendments in fulfilling the promise of the Bill of Rights and the Constitution by expanding the franchise to ever larger segments of our citizenry. "Taken together," Mrs. Boggs said, these five amendments—which were needed in order to eliminate impediments to franchise of African-Americans, women, young people over the age of 18, and residents of the District of Columbia in Presidential elections—"represent a century in the political and constitutional development of the United States."

Mrs. Boggs noted that "precious constitutional rights don't always come easily or quickly" and that "the struggle for liberty and justice for all is not over, nor will it ever be."

I would like to share her comments with my colleagues because her observations, based on her years in the political arena and her efforts on behalf of full participation for all our citizens, are most insightful.

EXPANDING THE FRANCHISE

(Remarks by Hon. Lindy Boggs)

IN COMMEMORATION OF THE 200TH ANNIVERSARY OF THE RATIFICATION OF THE BILL OF RIGHTS

I saw in the paper recently that a fellow in Washington, DC, who owns 44 Dominos Pizza stores, wants to buy the entire company and take over all 5,200 Dominos stores all over the country. I suppose you could say he wants to "expand the franchise." But that is not the kind of franchise I want to talk about today. The first definition of the word franchise is: "A privilege or right officially granted a person or a group by a government, especially: the constitutional or statutory right to vote." The other definitions of "franchise" deal with the establishment of corporations and finally a definition which covers the licensing of a product or service, such as the right to sell Dominos Pizza in a certain locale. I hope any prospective

Dominos dealers in the audience will not be disappointed or feel that they were lured into Congress Hall to hear a talk on how to get rich quick selling pizzas.

I am pleased to be a part of this series of lectures in commemoration of the 200th anniversary of the ratification of the Bill of Rights. In some ways I feel I have come full circle with my involvement with the Constitution, the Bill of Rights, and the subsequent amendments to the Constitution. When I first became involved with the Constitution and political life more than fifty years ago, it was by helping citizens of the State of Louisiana register to vote. When my husband Hale Boggs was elected to Congress in 1940, I accompanied him to Washington and played an active part in the running of his Congressional office. In 1972 when Hale, then Majority Leader of the House, was lost in an airplane crash in Alaska, I was elected to his seat in 1973 and held that position until I retired at the end of the 101st Congress in January of this year.

From any earliest days in office, I became an active participant in the celebrations and commemorations of the bicentennials of the founding of this nation, as Frank Roberts has mentioned. I always enjoy the opportunity to return to Independence National Historical Park because this is where the Declaration of Independence and the Constitution began. Two years ago on this very spot the Congress celebrated its own bicentennial with a ceremonial meeting here in Congress Hall that had all of us singing the Preamble of the Constitution from Frank Robert's musical "Four Little Pages." In each of these special anniversaries Philadelphia was the touchstone—the place where so many of the events had their origin and their inspiration.

Today I come before you as a private citizen, doing very much what I was doing a half century ago: talking about the importance of voting and the importance of the franchise. The particular Constitutional Amendments I will discuss today are not a part of the Bill of Rights. My topic, the "expansion of the franchise," involves subsequent amendments that appear to be scattered at random through the Constitution. They are the 15th, 19th, 23rd, 24th, and 26th Amendments.

The first was a product of Reconstruction the Civil War, adopted in 1870, the last was a product of the Vietnam War era, adopted in 1971. Taken together they represent a century in the political evolution and Constitutional development of the United States. Each of these amendments has its own story. And, I should say right off, that I am not going to try to cover the entire history of the right to vote in America. Much of that story can only be told from the state and local level throughout the 19th and 20th centuries. I will confine myself to the Constitutional aspects of expanding the franchise.

All of us are the beneficiaries of this constitutional legacy, and each of these struggles to amend the Constitution and expand the franchise should remind us that every generation of Americans has the responsibility to preserve these rights and find ways to continue to extend constitutional guarantees for those Americans not yet enfranchised. Sometimes this is a matter of making sure that people are registered to vote and know how to vote, other times it means extending the privilege and responsibility to those who do not have the right to vote or whose rights are abridged. Some of us, unfortunately, disenfranchise ourselves simply by not participating in the electoral process. To enfranchise this group is a matter of education and motivation, not Constitutional change.

The truly revolutionary thing about the founding of the United States was the fact that political thinking in Europe and in the American colonies evolved by the mid-eighteenth century to the point where the highest ideal of government was a republic not a monarchy. In a republic the people are the ultimate political authority, not a king.

When the United States adopted its Constitution here in Philadelphia a little more than 200 years ago, Britain and France had monarchs, Rome had an emperor, an autocrat ruled St. Petersburg, there was a caliph in Constantinople, a divine emperor in Pekin, and a shogun in Japan. We chose a republic and were the first to establish a nation based on the power of the people to determine their own fate through procedures established and guaranteed in a written Constitution and Bill of Rights.

To assume that this marvelous and revolutionary new political invention called the United States was Perfection itself is to miss the point. It was not perfect then. It is not perfect now. But the promise and the opportunity for improvement is what made it exciting then, and it is still the thing that challenges us today.

In the early days of the republic voting was for white males who were property holders. While voting requirements varied from place to place in the United States, it is safe to say that in almost all cases women didn't have the right to vote, free blacks didn't have the right to vote, poor people, whatever their color, could not vote, young adults, less than age 21 could not vote, certainly slaves could not vote, in fact they were not even considered citizens. Under the law they were property, not persons. Government was then, and was throughout much of American history the province of wealthy citizens who sought and maintained control of government and the political process.

But this situation too, began to change. Beginning with the election of Thomas Jefferson in 1800 and continuing through the Jackson presidency in the 1830s and right up to the Civil War, the idea of a mass democracy, where there was political power for ever widening segments of the population, continued to grow and take hold in American political culture.

When Andrew Jackson left office in 1837 the Constitution was fifty years old. Jackson was a frail old man who looked back on the political struggles of his age and said in his farewell to the American people that he was pleased to see that the Constitution had survived and was a solid, working basis for government.

But despite his optimism about the success of the Constitution he issued a warning: ". . . the Constitution cannot be maintained nor the Union preserved in opposition to public feeling by the mere exertion of the coercive powers confided to the General Government. The foundations must be laid in the affections of the people; in the security it gives to life, liberty, character, and property, in every quarter of the country. . . ." Jackson's views of the success of the Constitution rested on a belief what we needed to remember was the powerful ideas on which the Constitution was built, which were to be found in the Declaration of Independence.

About this same time the great historian of the Jacksonian era, George Bancroft, was praising the political wisdom of ordinary people when he wrote: ". . . the best government rests on the people and not on the few, on persons and not on property, on the free development of public opinion and not on authority."

Other ideas in the marketplace of American political values were challenged during the 19th century. Foremost among these was the stark juxtaposition of the noble ideal of the Declaration of Independence that "all men are created equal" and the harsh reality that slavery was legal in the United States. This was something that bothered many of the Founders themselves but they sidestepped the issue in 1787. By the mid-nineteenth century, however, the compelling and logical extension of the ideas of Declaration of Independence and its application to an ever widening body of citizens still stopped abruptly at slavery's door.

During the Lincoln-Douglas debates in 1858, Abraham Lincoln, then running for a seat in the U.S. Senate, which he lost, was compelled to explain how he really felt about slavery. He said he hated it as much as any abolitionist but he thought it would eventually die out because he assumed most reasonable people like him also hated it. But it wasn't going away. He said we needed to apply the principles of the Declaration of Independence to all men.

Lincoln reminded his listeners that citizens of this country came from all parts of Europe. They were not here when the Founders drafted the Declaration of Independence, they were not of English ancestry like the Founders, yet they felt as though they were connected to that document and those Founders. They felt as if they were "blood of the blood, and flesh of the flesh," with the Founders and their ideas. "That," Lincoln said, "is the electric cord in that Declaration that links the hearts of patriotic and liberty-loving men together, that will link those patriotic hearts as long as the love of freedom exists in the minds of men throughout the world."

The 19th century thinkers who contributed to the dialog on the American political system and who would be able to fully participate in it, excluded women. When Abigail Adams wrote to her husband John not to forget the ladies when the Massachusetts Constitution was being drafted in 1776, the very year of the Declaration of Independence, he apparently failed to take her seriously. Later when such eloquent champions for the concept of "all men are created equal" as George Bancroft or Abraham Lincoln spoke they talked about men and mankind. Their words included women, but only in the abstract. But there were other voices, equally eloquent, who were heard in those years leading up to the Civil War.

These voices turned also to the Declaration of Independence more so than the Constitution itself for their inspiration. While the abolitionist crusade sought the end of slavery, a growing parallel movement among women began in the decades before the Civil War. Ironically it was the abolitionists who insulted pioneer feminists Elizabeth Cady Stanton and Lucretia Mott by barring them from a world antislavery convention in 1840.

In 1848 at the famous meeting in Seneca Falls, New York, these women ushered in the woman's movement in America. Their "Declaration of Sentiments" was based on the Declaration of Independence. It called for equal treatment of women. It said women should have the right to pursue any career, any education, and any avenue of life open to men. The most controversial provision adopted at the convention at the insistence of Elizabeth Cady Stanton, called for women to receive "their sacred right to the elective franchise."

Even Stanton's friend, the Quaker Lucretia Mott worried about this demand for the franchise saying: "Why, Lizzie, thee will make us ridiculous." This was the same year the Philadelphia Ledger said: "A women is nobody. A wife is everything."

The first of the Constitutional Amendments that expanded the franchise was the 15th Amendment, which, as I said earlier, was adopted in 1870. It is part of a remarkable trio of post-Civil War amendments that transformed the Constitution. Most scholars see the Reconstruction amendments as a watershed in American Constitutional History. Others in this series of lectures have discussed the 13th Amendment which abolished slavery and was ratified in 1865. The 14th Amendment, ratified in 1868, guaranteed all persons born or naturalized in the United States were citizens whose rights as citizens should not be abridged. It promised "equal protection" under the laws of the country.

The 15th amendment, just two sentences long, stated: "The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude." The second sentence simply gave Congress the power to pass laws to enforce the article.

The defeated Confederate States had to agree to the provisions of the 13th, 14th, and 15th Amendments before they could be reconstructed into the Union.

Under the direction of Federal troops in the South, blacks, many of them newly freed slaves, exercised the franchise for the first time and cast ballots which sent members of their own race to state legislatures and to Congress for the first time in history. Twenty black men served in the House of Representatives in the 19th century and two served in the Senate.

But the victory for black voters and black office holders was short-lived. With the removal of federal troops from the South following the disputed presidential election of 1876, the Southern states lost little time drafting new state Constitutions which disenfranchised blacks once more. Other provisions of state law such as literacy tests, poll taxes, white primaries, and the infamous grandfather clause, kept the franchise from many black citizens for decades to come.

The Grandfather clause, first used in South Carolina in 1895, and three years later in my own state of Louisiana, was an insidious device that simply stated that if your grandfather or father was a voter as of January 1, 1867, then you could vote. Since most black fathers and grandfathers in 1867 were newly freed slaves who were not yet protected by the 15th Amendment, their descendents were disqualified from voting. At the same time this device gave the franchise to thousands of poor and illiterate whites who could claim the grandfather clause and avoid literacy tests and poll taxes. The Supreme Court eventually struck down the grandfather clause in 1915 in an Oklahoma case brought by a fledgling organization called the NAACP. The Court said the grandfather clause violated the intent of the 15th Amendment.

The women who worked so hard and long for the franchise, beginning in 1848, finally saw the passage of the 19th Amendment in 1920. The 72-year struggle from the Seneca Falls convention through the creation of two national suffrage organizations in 1869, which merged in 1890, and the subsequent protests, parades, petitions, and arrests, eventually led to the amendment which said: "The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex." Women had come a long way from the day in 1872 when Susan B. Anthony was arrested for trying to vote in a presidential election.

Several states actually adopted women's suffrage before 1920. In 1896 Wyoming, Colorado, Utah, Idaho granted women the right to vote. Subsequently, in 1914, Montana followed suit allowing Jeanette Rankin to run for a seat in the U.S. House of Representatives, becoming the first woman elected to that body in 1916.

The story of the 19th Amendment, like that of the 15th, is not one of steady progress and constant victory. While these vital Constitutional Amendments are clearly the results of the political ferment in the country and were designed to address new expectations in the electorate, they did not necessarily lead directly to the promised land. The modern women's movement, since the passage of the 19th Amendment, is ample testimony that enfranchisement was only the first step toward full participation in American political life.

When I was first elected to Congress in 1973, only 77 women had served in the House before me. I am pleased to report that the numbers are going up, and now 120 women have served in the House and 16 in the Senate, (two of which served first in the House) since Jeanette Rankin. But the percentage of women and blacks who have served in the national legislature is still only a tiny fraction of their percentage of the population as a whole, or when seen against the figures of more than 11,000 men who have served in the House and Senate in the past two centuries.

The 23rd Amendment, ratified just thirty years ago in 1961, gave the right to vote in Presidential elections to the citizens of the District of Columbia. This amendment redressed a long standing problem in the Federal District, but it did not solve all the problems related to the full enfranchisement of citizens of the District. Many residents of the District feel they will not be fully enfranchised until the District of Columbia achieves statehood.

In the meantime, the elected delegate from the District of Columbia in the House of Representatives is not fully enfranchised within the House. While she may speak for the District and on all issues before the House, she can only vote in the committees she serves on and not on the floor of the House. This is true also of the delegates or resident commissioners representing the American territories of Guam, Puerto Rico, the Virgin Islands, and American Samoa.

The 24th Amendment, ratified in 1964, expanded the franchise further, especially in the South, by eliminating one of the long standing obstructions to voting, the poll tax. This amendment was adopted during a decade of major gains in civil rights beginning with the school desegregation cases of the 1950s, and passage in the 1960s of the most important civil rights legislation since the days of Reconstruction. Every Congress, beginning in 1939, sought to eliminate the poll tax either by statute or constitutional amendment.

Still, as late as 1962, five states retained a poll tax as a qualification for voting. In the year after the passage of the 24th Amendment the State of Virginia tested the Amendment by trying to retain a poll tax for state elections only. The Supreme Court struck down the Virginia plan citing the Equal Protection Clause of the 14th Amendment, bringing to an end the practice of paying a tax for the privilege of voting.

Finally, the last major expansion of the franchise in this country came with the ratification of the 26th Amendment in 1971, which gave the vote to persons 18 years of age or older. The compelling argument for doing this was a simple one. Young people were fighting and dying in Vietnam. They could fight for their country but they were not considered old enough to vote. The Senate proposed this amendment in March 10, 1971 and the House approved it less than two weeks later. Ratification followed in record speed with five states ratifying on the same day the House passed the resolution. In less than five months 45 states had given their approval and the remaining five ratified before the year was out.

The 26th is the last Amendment which has been ratified. There have been no amendments to the Constitution in twenty years. Two amendments have been proposed and sent to the states for ratification since 1971, only to fail to achieve the necessary number of states for ratification. The first was the Equal Rights Amendment which said: "Equality of rights under the law shall not be denied or abridged by the United States or any State on account of sex."

The other proposed amendment would have provided the District of Columbia with the same voting rights for congressional and presidential elections as if it was a state. This would have given full voting rights to the House member or members from the District, and provided the District with Senate representation as if it was a State.

What do I conclude from this brief recitation of the Constitutional Amendments which have expanded the franchise? I think there are several lessons. The most obvious is that precious constitutional rights don't always come easily or quickly. Our Constitution and its amendments is a most remarkable document. Our Constitutional system is, after 200 years, a resilient and practical bluepoint for how a free people should govern themselves. Yet there is often a gulf between the words of the document and the realities of history.

The struggle for liberty and justice for all is not over, nor will it ever be. In an ever-changing world we will constantly face new challenges to the Constitution. We will always be testing it, drawing on its strengths while we seek to have it meet new demands.

When we think of Constitutional change and the preservation and expansion of liberty and the pursuit of happiness, we should remember the words of Abraham Lincoln that it is the ideas of the Declaration of Independence that is the "electric cord" that ties us all together. Sometimes in our commemoration of historical events we focus on one event to the exclusion of others that are related. I think Lincoln was right, the Declaration of Independence inspires us, while the Constitution sustains us. The two should be forever linked in our memory by Lincoln's apt metaphor of an electric cord.

To say that blacks and women have achieved full equality because of the expansion of the franchise in the Constitution is to miss the lessons of history. To suggest that major advances have not been made in these areas is also to misread history.

What can reach of us do to make our Constitution system work better? There are many answers to this question, but I will suggest only one that fits the theme of today's topic: Vote. Use the franchise that our forebears struggled so hard to achieve. Right now there is a great deal of unrest in the country. Some of it is bought on by the hard economic times, some of it by the perceived failure of government to act on important issues, or, to some, the failure of the political system itself.

In several states we have seen movements to reform Congress by suggesting terms limitations for members of the House and Senate. The term limitation advocates say that the best way to reform Congress is to bring in new faces on a regular basis. The way to do this is to require by law or Constitutional amendment that the electoral process put a limit on terms of service. Those who oppose term limitations counter with the argument that the citizens of this country already have the power to determine how many terms a member of the House or Senate serve. All one has to do is vote. Vote for the person you want in office. Vote against the person you want out of office or that you want to keep from office.

In my own State of Louisiana the recent election for governor received national and international attention because one of the candidates was a former member of the Ku Klux Klan who preached a thinly disguised message of racial bigotry. He was soundly defeated by a remarkably large voter turnout. The crucial votes in the defeat of this candidate came primarily from the newly enfranchised blacks, women, and young people of Louisiana, those who have benefited from the provisions of the 15th, 19th, and 26th Amendments. While much of the world still has to resort to bullets to determine political power, we have the golden opportunity and the rare privilege to use ballots.

Two-hundred and four years ago, on the walkway just outside this room, after the Framers of the Constitution had finished their work drafting the Constitution in the building next door, a woman asked Benjamin Franklin what kind of government they had given us. His answer is a familiar one, especially here in Philadelphia. He said: "A Republic, if you can keep it." You see, he wasn't too sure that the new government would work. it was all so new, so experimental.

I suspect he would be pleased to come back to this familiar setting, to see the old buildings he knew then, and to marvel at the city that has grown up around this small section of real estate that is frozen in time. He was worried that a nation of about 4 million persons might have difficulty keeping the republic in 1787. What would he think about 250 million Americans of diverse ethnic, racial, and religious backgrounds trying to do the same thing in 1991?

What Franklin said in 1787 is every bit as important to us today. We are still trying to keep the Republic. We are still trying to make this experiment in democracy work. The single best way to insure the survival of the Republic is to participate in the democratic process by voting. On we go.

□ 1120

JOE DOHERTY DEPORTATION

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Madam Speaker, Joe Doherty was returned today to the Crumlin Road jail, from which he escaped 11 years ago. This marks the end of a bitter legal fight in the United States which lasted over 8 years and involved the unprecedented decisions of three Attorneys General to overturn the actions of the courts and administrative agencies.

Following numerous decisions of the Federal court and administrative agency in Mr. Doherty's favor, Attorney General Thornburgh made an extraordinary decision to reverse the decision of the Board of Immigration Appeals that Joseph Doherty has the right to apply for asylum and withhold any impending deportation.

On January 15, 1992, the Supreme Court ruled that Attorney General Richard Thornburgh did not abuse his discretion in denying Joe Doherty a hearing on his claims for asylum and withholding of deportation.

In a last ditch effort, Representatives FISH, MANTON, ACKERMAN, HYDE, and I met with Attorney General Barr to request that he exercise his discretion and grant Joe Doherty a fair hearing. While we did meet with the Attorney General, our request was ignored and we never received any response whatsoever from his office.

One only has to turn to the current situation in the Crumlin Road jail to see that the prison is out of control, and our Nation has returned Joe Doherty to a life-threatening situation. On November 24, 1991, a bomb planted by the IRA killed two loyalist prisoners and wounded seven others. Furthermore, there have been numerous fights between prisoners from both sides of the conflict in the visiting areas.

We all continue to anguish over the allegations of human rights abuses by the British military presence in northern Ireland. However, it has become clear that we must make certain that our own system of justice is fair. I am concerned that the past decisions of Attorneys General Meese and Thornburgh have ignored the facts in this case. These actions in the Doherty case do not reflect the beliefs and values upon which our country was founded.

GOVERNMENT NEEDS TO BE ACCESSIBLE TO CITIZENS

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend is remarks.)

Mr. MINETA. Madam Speaker, this morning I would like to speak with you and with my colleagues about a responsibility charged to each of us as Members of Congress, one that does not get discussed very often in this Chamber.

This responsibility is casework for our constituents.

Members of Congress are often the last, and in some cases the only, opportunity for constituents to get help from a Federal Government department of agency.

For the past several years, I have watched agency staffs grow shorter and lines of constituents needing help grow longer.

Telephone calls and letters to my office are increasing in number, and in desperation.

Madam Speaker, we need to look at these agencies and make sure that our Government is accessible and accountable to its citizens.

In the next few weeks, I plan to stand here in the well of the House and take the time to remind this Chamber, in human terms, the cost of this Government's failure to provide adequate services to its citizens.

ALEX HALEY, A WRITER WHO MADE THE WORLD A BETTER PLACE

(Mr. DUNCAN asked and was given permission to address the House and to revise and extend his remarks.)

Mr. DUNCAN. Madam Speaker, as everyone knows, the great American writer Alex Haley passed away a few days ago. While Mr. Haley did not live in my district, his home in Norris, TN was close by. He was a good friend, both to my late father and to me.

Alex Haley was a man who, as Kipling said, walked with kings and princes but never lost the common touch. Mr. Haley met often with the wealthiest and most powerful, but he was probably most at home with some of the poorest and least powerful.

If anyone went to events at his home, as I did on several occasions, they would find leaders of corporate America eating and having fellowship with laborers and other working people.

Alex Haley was one of the kindest men I have ever met. He treated everyone the same, rich or poor, black or white, young or old. He received all of the material blessings one could receive in this life. He knew life had been good to him, and he tried to give back to others. He touched many lives, and because he did walk among us, this world is a better place today.

I am proud to rise at this point in brief tribute to not only a great man, but more importantly, a good man, my friend, Alex Haley.

TRIBUTE TO THE LATE HONORABLE JOE FISHER

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mr. MORAN. Madam Speaker, yesterday morning a good friend and former Member of the House of Representatives, Joe Fisher, passed away.

Joe was one of the elder statesman of northern Virginia politics and government. A former chairman of the Arlington County Board and member of the cabinet of Virginia Gov. CHUCK ROBB, he was a consistent source of leadership, humility, and understanding to all who had the opportunity to work with him.

Joe Fisher was truly one of the finest and most accomplished individuals produced by our region. A Ph.D. graduate of Harvard University, Joe served in the U.S. Army during World War II and got his start in government a long time ago—working in the administration of Franklin Delano Roosevelt as an economist with the State Department and later in the Truman administration as a staff member of the Council for Economic Advisers. He remained with the Council until 1953, serving as executive officer and chief economist.

When Joe left the Federal Government he began a long and very accomplished career working on behalf of the environment. From 1953 to 1974 he worked for Resources for the Future, a prestigious Washington research center dedicated to providing impartial and independent research and policy analysis about natural resources and the environment. He served as its president from 1959 to 1974.

Joe began his career in politics and public service in 1963, when he was elected to a seat on the Arlington County Board. In his 12 years on the county board Joe served as chairman for 3 years and served as a chairman of the Washington Metropolitan Area Transit Authority and Metropolitan Washington Council of Governments.

Encouraged on by his many supporters, Joe decided to run for a seat in the U.S. House of Representatives and was elected to Congress in 1974. Joe served for 6 years in this body and also served as a member of the Ways and Means Committee. After Joe left Congress in 1980, he served as Virginia Secretary of Human Resources in the cabinet of Gov. CHUCK ROBB.

Joe didn't depart public service after his work in Richmond, but he did return to northern Virginia where he served as a professor of public policy at George Mason University and later as assistant to the president of the university where he oversaw expansion of the Arlington metro campus.

If his life was not full enough, Joe was a civic activist and ardent athlete. He was a leader of the Arlingtonians for a Better County and for 12 years served as the worldwide head of the Unitarian Universalist Association, the international administrative body of the Unitarian Church. An athlete, he boxed as a young man and was known to have a polished tennis game. Always an outdoorsman, he enjoyed hiking.

Many, many people throughout this area—and throughout the State of Virginia—lost a friend in Joe Fisher. I extend my condolences to his wife, Peggy, and his seven children. Last week when I visited him at his Arlington home, he was a tremendous source of advice, wisdom, and support. His life was dedicated to public service and many of us are better for it.

NO GOOSE, NO GOLDEN EGG

(Mr. SHAW asked and was given permission to address the House for 1 minute.)

Mr. SHAW. Madam Speaker, Democrat frontrunner Paul Tsongas has seen the light. He, believe it or not, is in favor of a capital-gains tax cut. Now, that's a novel idea.

In his own words, Tsongas is a probusiness Democrat. He understands that you can't create jobs by stifling job creators.

As Tsongas put it, no goose, no golden egg.

Unfortunately for Tsongas and the country, the Democrat Party is committed to cooking the goose and then serving it to the people as a political favor.

The Democrat's prime directive has been to kill business through regulation, stifle business through high taxes, and destroy business with labor union legislation.

Tsongas understands the Democrat Party has done no favors for the American people with shortsighted political legislation that has hurt American competitiveness.

Of course, the Republican Party has said that all along.

Tsongas undoubtedly will get his goose cooked for exposing the Democrat Party for what it is becoming: a shortsighted, irresponsible anti-business political party. But I commend him for his efforts, anyway.

A DECLARATION OF CREDIBILITY FOR CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wyoming [Mr. THOMAS] is recognized for 5 minutes.

Mr. THOMAS of Wyoming. Madam Speaker, I would like to take this opportunity to talk a little bit about the direction this Congress goes as an institution. I want to talk a little bit about a declaration of credibility that I think ought to be applied to the operations of this Congress. I have not been here long. This will soon be 3 years.

□ 1130

But I did serve in the legislature prior to coming here, and it seems to me that we have legislative bodies that operate under different rules that are consistently more effective, more responsive to public need than is the Congress of the United States.

There is clearly an ugly mood in the country that holds the Congress accountable for perhaps more of the ills of the world than it deserves, but nevertheless holds the Congress accountable, and I think for good reason. Obviously when the economy in the country is not good, the mood is worse. When the economy falters, people are uncertain about their jobs, about the quality of life, about their ability to send their kids to college, about their ability to pay for their parents and health care, and they lack confidence in their leaders.

In terms of the operations of this place, the Democrats have controlled this House of Representatives for longer than Castro has controlled Cuba, and I think during this time, this institution has slipped into a state of disrepair and, frankly, of shame. There are some things that we ought to do to restore the confidence of the American people in government, and at a minimum, I believe every Member should subscribe to a declaration containing some basic points.

Let us give the folks at home some reason to have a look at their leaders as problem-solvers. This idea of talking constantly about issues is not the question. What we need to do is to come with some solutions and solve problems.

I have put together a number of ideas, and they come from other people as well, that I call a declaration of credibility for Congress, and that includes a number of things. One is we ought to move more quickly to solve the problems that are immediate such as the economic issue that we have before us now. The second is budget reform. The third is campaign reform. The fourth, I think we should do something about our work schedule as evidenced by today, as a matter of fact. Congressional reorganization ought to take place, and we ought to do something about requiring the Congress to operate under the same laws that it imposes on the rest of the country.

Let me walk through a couple of those. We need to move on a jobs and economic policy. We talked about this last fall. It was clear that we needed to do something. It is fairly clear what we need to do. This country has done well over the years, because we have had incentives to put money into the investment, into the industrial sector to create jobs, and you do that basically with tax policies.

There is no question but what things have changed since 1986.

We need to reduce excessive regulation. I was in Wyoming last week, and everyone I met with said, "We are being regulated out of business. There is too much government at all levels. We need to do something about regulation. We need to reduce individual tax burdens. The money that we make ought to stay for the large part in the pockets of Americans who decide how to spend it."

Budget reform: Clearly the evidence is that the Congress does not have the discipline to balance the budget and, indeed, we need some procedural changes. One is a line-item veto. Forty-three Governors have it. They have it in Wyoming. It works. You vote for bills like a highway bill, and you want it to pass, and it is a good bill, but in it is a bunch of pork barrel. There is nothing you can do about it as a Member. The only person in this country who has a broad enough political base to do something is the President, who can reach into the bundle package and pull out that stuff that really should not pass, and it happens all the time.

A balanced-budget amendment: I think we ought to have a chance as citizens to vote on the cost versus the benefit, and if it is worth it, we vote for it, and if it is not, we do not. That is what balanced budgets are all about.

Limit the growth of government. The President in his message said let us limit the number, and I have a bill in the Congress that limits the number of Federal employees. Why not? We can shift them around. We need less government, not more.

Campaign reform: Frankly, it was difficult for me intellectually, but I think we ought to favor term limitations, at least term limitations for chairmen in this place so that we get some different ideas and some changes.

Full disclosure of contributions: We should have that and insist on it. At least 50 percent of your contributions ought to come from the district from which you are elected, and we ought to continue to move against honoraria. That is wrong.

Work schedules: We ought to be doing what needs to be done, not predicating work schedules on holidays, on somebody going to Europe, the leader going somewhere. We ought to be here working. We ought to be here working today, as a matter of fact, but we are not.

Congressional reorganization: Clearly, when we have 30 committees dealing with the same issue, you cannot expect an efficient operation to be going on.

Finally, the Congress has exempted itself from many of the laws, Social Security, minimum wage, Equal Pay Act, Civil Rights Act, Privacy Act, Age Discrimination Act, Americans with disabilities. We eliminate ourselves from jurisdiction in those areas.

This is an institution that has served this country well, can continue to serve the country well, but I think we have to have some procedural change. I think a declaration of credibility is something that would move us forward, allow us to do some things, and, indeed, make us more responsible to the people of the United States.

AZERBAIJANI AGGRESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Madam Speaker, I rise today to speak out against yesterday's extensive Azerbaijani missile attacks against Stepanakert and other Armenian population centers throughout Nagorno Karabagh. The attacks, which began Wednesday morning and continued through nightfall, included heavy use of GRAD missiles. Over 240 of these missiles hit Stepanakert, the capital city of the Republic of Nagorno Karabagh, causing at least 20 deaths and destroying, among others, the Parliament and city hall buildings.

Azerbaijan has significantly escalated the level of violence in Karabagh with the introduction of GRAD multiple missile launch systems. The GRAD launchers are capable of firing up to 40 missiles up to 17 kilometers with great accuracy. The Azerbaijani National Army, which acquired these weapons from the retreating forces of the former Soviet Union, has positioned them in the highlands surrounding Stepanakert and outside of Armenian towns and villages throughout Karabagh.

With the formation of the Azerbaijani National Army, and with the introduction of this new weapon of mass destruction, it is clear that the Azerbaijani leadership is committed to emptying Karabagh of its ancient Armenian population. Recognizing this increasing militarism and absence of democracy in Azerbaijan, Secretary of State James Baker, in his speech at Princeton on December 12, 1991, specifically singled out that nation as not having satisfied United States standards for the establishment of diplomatic relations. President George Bush reaffirmed this sound principle when, on Christmas Day 1991, he did not include Azerbaijan among those republics with which the United States would establish relations.

Instead of requiring that Azerbaijan demonstrate a respect for human rights and the willingness to establish democratic institutions, the Secretary of State visited Azerbaijan last week and indicated that the United States would soon establish full diplomatic relations. This move was made prior to any efforts on the part of the Azerbaijani Government to meet these standards. Secretary Baker simply accepted the assurances of Azerbaijani President, and former Communist Party leader, Ayaz Mutalibov, that Azerbaijan would adhere to the principles of democracy, protection of human rights, and free market economy.

Since Secretary Baker's visit to Azerbaijan on February 12, the Azerbaijani Government has not only failed to take any steps toward reform, but in fact has launched a major military offensive against the civilian population of Karabagh. By abandoning any standards or expectations for United States recognition, the administration has given the green light to Azerbaijan to unleash this most recent, and most destructive, wave of aggression against the population of Karabagh.

I refer my colleagues to the editorial on this subject in the New York Times of February 14, 1992. As the New York Times so justly stated, "America disarms itself by not standing up for what is right." I urge the administration to reconsider and change its course. A lasting peace can never be built by ignoring the rule of law and by violating basic human rights, as the Azerbaijani leadership is now doing.

[From the New York Times, Feb. 14, 1992]

WINKING AT AGGRESSION IN BAKU

So much for principle. Last fall Secretary of State Baker articulated sound standards for establishing diplomatic ties to the former Soviet republics, based on their adherence to the rule of law and respect for human rights. Azerbaijan has flagrantly violated these standards by its brutal aggression against Armenians in Nagorno-Karabakh. Yet Mr. Baker looked the other way in Baku Wednesday; he suggested that mere lip service to these principles by the Communist-run republic warrants early recognition.

Mr. Baker seems excessively anxious to keep Azerbaijan and other Muslim republics in Central Asia out of Iran's orbit. He's right to establish diplomatic relations with Azerbaijan, but why rush before appropriate conditions are met?

Last September Mr. Baker called on the former Soviet republics to embrace democratic practices, respect existing borders, support the rule of law, and safeguard human rights. But Azerbaijan has shown utter contempt for the principles by tightening its blockade of Nagorno-Karabakh and escalating attacks on Armenian villagers.

Azerbaijan's President, Ayaz Mutalibov, is an unreconstructed Communist who faces internal opposition and is stirring ethnic passions to maintain power. With food and medicine scarce, serious wounds mean almost certain death. Armenians and Azerbaijanis, caught in the crossfire, are dying by the scores.

Refusal to recognize Azerbaijan would register America's opposition to aggression. Washington could also encourage the Red Cross, Red Crescent and other international voluntary agencies to provide humanitarian relief. Their presence could help stay Azerbaijan's hand. Instead, Washington is rushing to unprincipled recognition.

In the 19th century, major powers used military force in the struggle for influence over Central Asia. Now the contest is very different—a struggle over basic values. America disarms itself by not standing up for what is right.

AMERICAN VETERANS' HEALTH CARE REFORM ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Madam Speaker, on behalf of the Disabled American Veterans, today I am introducing H.R. 4278, a bill that would guarantee comprehensive health services to veterans and their families. There follows a section-by-section analysis of the bill prepared by the organization:

SECTION-BY-SECTION ANALYSIS OF PROPOSED AMERICAN VETERANS' HEALTH CARE REFORM ACT OF 1992

Purpose: This is a bill to guarantee comprehensive health care services to veterans and their families by ensuring entitlement and eligibility to a wide array of health care services, to make greater resources and funding available for the delivery of such services, and for other purposes.

SECTION 1. SHORT TITLE; REFERENCE TO ACT

Establishes that the legislation will be referred to as the "American Veterans' Health Care Reform Act of 1992." The bill would primarily amend Chapter 17 of Title 38 of the United States Code.

SECTION 2. FINDINGS

Recognizes eight basic findings relative to veterans' health care on which the Act is premised and/or which it is intended to remedy. These findings essentially focus on three areas of consideration:

1. Veterans should be afforded health care services by the VA because of their service to the Nation and the concomitant implicit guarantee that they will be able to access and receive that health care.

2. Not withstanding that promise, the veterans' health care system is inadequate to meet their needs. Services are restricted without appropriate consideration of medical need or currency and funding of the system is significantly deficient.

3. There is a need for reforms to the veterans' health care system that will fulfill the Nation's promise to them by providing comprehensive health care services that are attendant to the current and predicted demographic and geographic patterns of veterans. In establishing these reforms the valuable role of the veterans' health care system in national health care reform must be considered.

SECTION 3. ACCESS TO COMPREHENSIVE HEALTH CARE FOR VETERANS AND THEIR SURVIVORS AND DEPENDENTS

Categories of Veterans

Core-Entitled Veterans—including all service-connected veterans, certain low income veterans, former prisoners of war, and additional limited categories of veterans.

Other Eligible Veterans (Non-Core Entitled Veterans)—including all other veterans not part of the core-entitled category the care of whom is established as discretionary.

Access and Services

Core-entitled veterans shall be entitled to the full continuum of medically-necessary health care provided by/through the VA. This would include, without limitation: inpatient, outpatient, nursing home care (including adult day care), domiciliary care, home health services, respite care, collateral health care and dental care services, readjustment counseling, the provision of therapeutic and rehabilitative devices, seeing eye dogs, and the repair of prosthetic and other appliances, alcohol and drug treatment, and necessary medications.

Other non-core entitled veterans would be eligible for all services, at the discretion of the Secretary, without statutorily prescribed limitations, but with the ability to offset the cost of the care received.

Readjustment counseling services would be provided without regard to the period of active duty service.

SECTION 4. PREVENTIVE HEALTH CARE

Adds a new section formally establishing that preventive health care services would be among the services available to veterans. These services are essential to a comprehensive health care system and can be expected to substantially reduce the longer range costs of health care to veterans and improve their quality of life. Further, service-connected conditions (e.g., amputations), and life-style and genetic factors particularly prevalent among the veteran population (e.g., smoking rates, hypertension rates) suggest the need for these services to be readily available as an entitlement for the core-entitled veterans and contingent on ability to offset cost for non-core entitled veterans.

The full range of screening, treatment, and educational services would be available and most of these services are delineated in this section, including smoking cessation services, hypertension and colo-rectal and prostate screening, nutritional education, and immunizations.

SECTION 5. HEALTH SERVICES FOR NON-CORE ENTITLED VETERANS AND OTHER ELIGIBLE INDIVIDUALS

Adds a new section that would require the VA to put into continuing effect a managed care plan for the delivery of health care services to any non-core entitled veteran and to the survivors and dependents of any veteran. The plan would have to be in effect within 2 years of enactment of the legislation.

Provides that the VA offer various packages reflecting different combinations of services and ranges of premiums that are structured so as to be affordable to potential purchasers. In order to provide an opportunity to constituent groups to consider the degree of the "affordability" the Secretary would determine the premiums by regulation.

SECTION 6. PAYMENT FOR SERVICES

Adds a new section that prescribes the methods of payment that could be used to offset the costs of services to non-core entitled veterans and to survivors and dependents of any veteran.

Methods of payment would include:

Direct out-of-pocket payment;

Medicare reimbursement;

Medicaid reimbursement;

Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) reimbursement;

VA Managed Care Plan fund;

Private health insurance reimbursement;

Any combination of these.

SECTION 7. APPROPRIATIONS; COST RECOVERY; AND SEQUESTRATION

Establishes that funds for the provision of health care services to core-entitled veterans, inclusive of administrative costs associated with that care, would be appropriated as a non-discretionary entitlement exempt from sequestration, beginning in Fiscal Year 1993.

Further, provides that the mandatory, entitlement appropriation would take into account costs associated with quality management and assurance functions.

Administrative costs related to the non-mandatory services provided by VA to/for other than the core-entitled veterans would be separately appropriated and separately accounted for and stated in the President's budget requests.

Establishes the authority of VA to collect reimbursements from Medicare and Medicaid for the treatment of veterans, survivors, and dependents eligible under those programs.

Provides that the VA would have the authority to use any funds deposited in the Medical Care Cost Recovery Fund to provide health care benefits to eligible persons, to operate the VA health care system, and to enhance the quality of care and the delivery systems providing health care to veterans.

The President's budget requests for the VA would have to be developed without consideration of the collected/reimbursed amounts deposited into the Medical Care Cost Recovery Fund.

SECTION 8. ANNUAL REPORTS.

Requires the VA to report to the House and Senate Veterans' Affairs Committees by January 15 of each fiscal year on the impact of the effected reforms. Specifically, the report would include:

Cost information and cost changes between the reformed system and the system of health care delivery prior to reforms;

Current and former information on the demographics of veterans, and of their access and use of the health care system;

Findings and conclusions as to effectiveness of reforms in terms of access, medical advantages, and cost;

Plans for legislative or regulatory actions necessary to the continued effectuation of the reforms.

Congressionally-chartered veterans' organizations would be given the opportunity to provide comments which the VA would consider and include in the reports.

SECTION 9. EFFECTIVE DATE.

Provides for implementation of most reforms by the beginning of the first fiscal year occurring after enactment.

IN TRIBUTE OF GEORGE MASON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. MORAN] is recognized for 5 minutes.

Mr. MORAN. Madam Speaker, today I am introducing legislation, along with my colleague Representative TOM COLEMAN, to authorize the construction of a memorial in Washington, DC, to honor George Mason. I want to make it clear from the outset, this monument will be constructed using private funds, free of taxpayer expense.

Many of us may not be as familiar with George Mason's contributions to our Government as those of Thomas Jefferson, George Washington, or James Madison, but his contributions were essential to ensuring our democratic form of government through the Bill of Rights, whose 200th anniversary we are now commemorating.

Mason drafted Virginia's Declaration of Rights, which was the first document in any of the Colonies to set standards for the rights of citizens and the role of the colonial government. This document then served as a reference for the rights enunciated in our Constitution. Included in Virginia's Declaration of Rights were guarantees of free speech, due process of law, the right to a speedy trial, the right to a jury in civil cases, and prohibitions against unreasonable searches and seizures, and cruel and unusual punishment.

Thomas Jefferson thoroughly examined Virginia's Declaration of Rights shortly after its unanimous adoption. Jefferson took its tenets and wrote them in the Declaration of Independence, "we hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness." These self-evident truths were very clearly based on Mason's Declaration of Rights.

When the members of the second Constitutional Convention did not include a bill of rights or call for an end to the slave trade, Mason refused to sign the document. Mason's strong opposition to the original document came from his fierce belief that basic, fundamental rights must be included in the governing manual for our Nation.

Fortunately, other States agreed with Mason's thinking regarding the inclusion of a bill of rights. They too insisted on ratifying a document that would enunciate those rights.

Finally, in 1789, Congress adopted 10 amendments to the Constitution for ratification by the States. On December 15, 1791, Virginia ratified the amendments and Mason's Declaration of Rights became part of the U.S. Constitution.

Ultimately, had no bill of rights been added to our Constitution, individual liberties and freedoms would not be guaranteed. Americans, like so many people throughout the world, would be left at the whim of leaders to interpret our Constitution. We still have our basic liberties today and each of us can thank George Mason for that.

I urge each of my colleagues to cosign this important legislation in honor of George Mason. Chairman JOHNSTON of the Senate Energy and Natural Resources Committee has already introduced legislation in the Senate, and today we are introducing legislation in the House. Under the Commemorative Works Act, Congress must pass this legislation by March 15, 1992. Please help to support the person who helped ensure our liberty and freedom—George Mason. Please cosponsor this important legislation.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1245

Mr. BLILEY. Madam Speaker, I ask unanimous consent that I be allowed to withdraw my name as a cosponsor of the bill, H.R. 1245.

The SPEAKER pro tempore (Ms. SLAUGHTER). Is there objection to the request of the gentleman from Virginia?

There was no objection.

A QUIET REVOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DOOLITTLE] is recognized for 60 minutes.

Mr. DOOLITTLE. Madam Speaker, I rise today to express my feelings about the direction this country is heading and the types of reforms that are needed. We have heard an awful lot of talk lately about proposals for reform. I guess I would just like to go on record as saying I think we need to go beyond mere incremental reform. This country needs a quiet revolution of the type Thomas Jefferson discussed back when he was one of the Founding Fathers of this country. He indicated that we ought to have a quiet revolution every 19 years in this country, every generation.

I think Americans are fed up with the state of affairs in this country, Madam Speaker from crime in the streets, and indeed this very city is the murder capital not only of the country, but of the Western Hemisphere.

We have spent hundreds of billions of dollars of hard-earned taxpayer's money, but poverty is probably greater than ever today.

The condition of our central cities is disastrous. The problems facing our schools are monumental and the condition of the American family is in grave disrepair.

I think instead of the glib 30-second television spots and pictures of politicians smiling and kissing babies, we ought to have some talk about substance in this country. We ought to do something to make a difference.

When I served in the California State Senate, our rules committee commissioned a poll and did as well some focus groups to ascertain public sentiment. The results were very, very interesting. I suspect they are valid today as concerns this institution.

Contrary to a lot of the public banter that we hear, they did not think the politicians were all corrupt or even mostly corrupt. They were upset with their elected leaders because they were not earning their money. They did not believe those leaders were doing anything to make a difference for the people of the State of California or in this case I believe it would apply to us acting for the people of this country.

We have real problems. People are taxed a great deal. People are out of work and their elected officials who are supposed to be doing something meaningful are merely posturing. It is time that we get beyond that. That is why I say this country needs a quiet revolution.

Now, the liberal Democrats that dominate this House are very much interested in the posturing, the glib phrases, without really solving the problems. In fact, you can squarely lay the blame for this economy at their doorstep. Beginning in 1986, with the accommodations forced upon President Reagan in that 1986 Tax Reform Act that created a real estate depression, that brought low the savings and loans of this country, that are now bringing low the insurance industry and the pension funds, and unless and until we dramatically change that law we are going to continue to face severe economic problems.

President Bush has called for a number of reforms, and we as a Congress have failed to enact them. Once again, the liberal Democrats have blocked the way of reform. That is why I have made it my top national priority to focus my efforts as one Member of Congress on President Bush and to get him to do what many of us think he has the power to do already inherently as the Chief Executive, and that is to exercise his power of the line-item veto. This is a power presently possessed by 43 of the 50 State Governors. It allows the chief executive to exercise fiscal restraint over the spending of the States. We certainly need fiscal restraint here in the Government of the United States.

Let me cite three figures that stick in my mind that are illustrative of the problem that we face. For the decade of the 1980's, the annual average increase in the rate of inflation was 4 percent. The annual average increase in revenues into the Federal Treasury was 7 percent, and the annual average increase in Federal spending out of the Treasury was 11 percent. So year-in, year-out, on the average we were increasing our spending by nearly three times the rate of inflation.

Madam Speaker, that has not changed today. Indeed, if anything, the ratios are even worse. The increases in spending are even greater today than they were in the decade of the 1980's.

What can we do to control this? Can the Congress control it? Yes.

Will the Congress control it? I think the record is clear, they will not, because the Congress is controlled by liberal Democrats who really have no interest in or commitment to balancing this budget, except through higher taxes.

Oh, yes, they will give us higher taxes. They will do the responsible thing as we have done time and time again, hiking the taxes with the promise that spending restraints will occur down the road. Of course, it never does occur, does it, Madam Speaker? It never does occur.

Now, let me tell you about the line-item veto, what I spent my time doing as one Member of Congress. I had a conversation, I had a chance to visit with President Bush last summer, last July, in the White House. Of course, every now and then as Members of Congress, we occasionally get that opportunity of interacting one on one with the President, so when my time came, I took my best shot. I said:

> Mr. President, I think the most important thing that you could do for our country is to exercise the line-item veto, take one of these bills from Congress, crammed full of unrelated appropriations, and start vetoing and then sign the rest of the bill into law and dump it back in the lap of the Congress.

We will sustain those vetoes. We will prevent them from being overridden. That will leave the liberal Democrats who rule this House and the other House with only one shot, and that is to go over to Clarence Thomas and the other folks there in the Supreme Court and try to make their case that this is unconstitutional.

There are lots of strong advocates who argue that this is indeed an inherent power of the Chief Executive.

But I said to the President very frankly:

> Mr. President, 70 percent of the American people support the line-item veto. They believe we spend too much in this country and they know that it is depressing the economy and it is hurting all Americans, from the richest to the poorest, because of the economic impact, and so they are with you and they will be with you and you will frame the issues correctly for the debate in the 1992 elections.

Every congressional candidate across this country will have to take a position. Are you in favor of what President Bush did with the line-item veto or do you oppose it? For once we would have substance injected into our congressional debates.

And do you know what, we would go into the 1992 elections, we would come out with a result and we would have a mandate for change so that in the next Congress we could respond as a Congress and do something affirmative to improve this situation.

Now, that response could take one of three possible forms. We could legislatively authorize the President to make a line-item veto if indeed it were to turn out in the lawsuit that would be sure to be filed by the Democrats that indeed he did not have the inherent authority.

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Then we as a Congress could give it to him. We, of course, could also restore the recission and impoundment authority of the Chief Executive, enjoyed until 1974, when a wounded Richard Nixon had his veto overridden and when it was taken away by the Congress, something every President has utilized from Washington forward through Nixon.

I do not think it is any coincidence, parenthetically, that the last time this country had a balanced Federal budget was during the administration of Richard Nixon.

That year was 1969. Imagine that, the last time this country had a balanced Federal budget, 1969.

The third form of congressional relief that could occur following this November's election would be passage of the balanced budget constitutional amendment. A year ago last summer the amendment was before the House of Representatives. It needed a two-thirds' vote. It got seven votes less than the two-thirds needed and failed passage.

Well, Madam Speaker, I would submit to you that we would find the extra seven votes if we framed the issue on taxes and spending, if we had a national debate occur on this subject, if we had all the candidates participate, and the key to all of that is the line-item veto.

So, Madam Speaker, I would say to the Members of this Chamber and to the White House, to the President, if they are listening, "We need you to make that line-item veto."

Madam Speaker, I sponsored in the House Republican conference, just to kind of followup on my conversation one on one with the President—and I might add, the gentleman from California [Mr. ROHRABACHER] supported me in this—a resolution before the conference. Now, the conference I refer to, by the way, is the entire membership, the entire Republican membership of the House of Representatives.

Madam Speaker, we went officially on record imploring President Bush to execute a line-item veto for the purposes of provoking a court test on this vital issue, which will lead ultimately to restoring fiscal accountability to the Government of the United States.

This is absolutely killing us, this excessive spending.

How is it killing us? Let me tell you: Obviously, it is quite possible to get along without a balanced budget. We have done so since 1969, and this being 1992, some 23 years later, we remain without a balanced budget.

In fact, ironically we have the largest budget deficit in the history of the United States of America this year, and that was after the great budget accord that our liberal Democrats forced upon President Bush that was supposed to balance the budget.

We all knew that was a joke, ahead of time, at least most of us knew it. Now it turns out we have many, many more people unemployed, a depressed economy, tremendously enhanced suffering, a huge national deficit, much greater than anything that we had during the Reagan Presidency. In fact, those earlier deficits look rather good. We wish we could get back to them, as opposed to the high deficits that we are running right now.

So the fact of the matter is it is possible not to have a balanced budget, we have done so since 1969. But what is the effect of not having that balanced budget? Well, you may have noted in some of the financial magazines, for the past two decades, our economy has been growing at about half the rate as was previously the case.

I believe the case can be made that that is due, in large part, to the tremendous drain which the Federal deficit is placing on the economy. It is dragging us down. We spend over $200 billion a year merely for interest on the national debt, if you can imagine that. It now represents the second single largest expenditure in the Federal budget. It is causing us enormous problems.

I say to my liberal friends, "Why don't we balance the budget and then you and I will fight it out over what we do with what we save? You will fight for more Federal spending programs, and I will fight to return it to the taxpayer."

But the fact of the matter is we will be able to do something with it rather than simply pay it out, pay it out, which is what we do right now, an utter waste.

So I think all of us in this Congress, Democrat, Republican, liberal or conservative, ought to see the advantage of causing this budget to be balanced, reducing the burden on the taxpayers and then deciding what we do with the money that we save.

Madam Speaker, I yield to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Madam Speaker, I thank the gentleman for yielding.

Let me say first that I am a Democrat who believes we ought to have a line-item veto. Forty-some Governors have it. I see no reason why the President ought not have it.

It seems to me that it is a reasonable thing. I have supported it for some long while.

I also share the concern of the gentleman in the well about the deficit and share the goal of reducing the deficit. But I heard continual reference by the gentleman to the "liberals, it is the liberals this, it is the liberals that." I think this is counterproductive. Honestly, I do not think there is a plugged nickel's worth of difference between the appetite for spending on that side of the aisle as opposed to this side of the aisle, but I think there is a very radical difference in terms of what we want to spend money on. I would like to make this point to the gentleman. I think there is a joint responsibility for this deficit; a major part of it is here and a major part of it is at the White House.

I say that for this reason: If you take a look at the budget President Bush sent to Congress just several weeks ago, it is this President's blueprint of what he wants to spend and what he wants us to raise in revenue. I would ask the gentleman: What does the President propose as a budget for this fiscal year as a budget deficit? Does the gentleman know what kind of a deficit the President is proposing for the fiscal year that we are in?

Mr. DOOLITTLE. I am aware of the budget deficit, and I can only tell the gentleman that I voiced my objections to the administration. Obviously, the administration has a role in this process as well; that cannot be denied.

Mr. DORGAN of North Dakota. Madam Speaker, I appreciate the courtesy of the gentleman in yielding to me. Let me answer that by saying that this year in the President's budget document he says the deficit will be $399 billion, except that in order to get to that he took the surplus over in Social Security and reduced the real deficit by $74 billion. So, in fact, the document sent to us by the President has a deficit in it for this year of $473 billion.

Now, whose fault is that? Well, not just this year but then take the deficit out for 5 years; the document presented to us by this administration says to us, "We propose spending $2.2 trillion more than we take in," a billion dollars a day for every day for 6 years to add to the Federal deficit.

Now, is that an accident? No, it is not an accident. It is a big mistake, a big mistake in public policy.

My greatest fear is that that mistake will be compounded right here in this Chamber by the gentleman's side and my side. Instead of saying that we are not even going to play in that stadium, we will be confronted by the issues here of quibbling about little yardlines, "Let's play on this yardline or that yardline."

We ought not even be in that stadium. The gentleman is absolutely correct that what people fear most in this country is that we are spending money we do not have, mortgaging this country's future. This deficit is a crippling, crushing burden to the future of this country.

I could not agree with the gentleman more; I think it inhibits economic growth and it is going to retard future economic opportunities in this country.

Somehow, some say, we have to convince the President to lead and the Congress to get the guts to follow and move in a better direction.

The only reason I stood up is to say I certainly share the gentleman's sentiment about the effects of the deficit. But I think it is not productive to somehow suggest to the American people, "You know what causes deficits? It is those goofballs on the left side of the aisle, that party over there."

That is not the case.

This President sent us a budget document just a few weeks ago saying, "I want the biggest deficit in history."

So there is a joint responsibility here.

I will tell you, we had better start figuring out a way to join hands and march down this road together with a little courage—and that includes the White House and the Congress—to figure out how to fix this, if this country is going to have any sort of golden economic opportunities in the future.

Mr. DOOLITTLE. I will yield to the gentleman from California in just a moment after I make this comment to the gentleman from North Dakota, because I appreciate his coming down and having the courage, one of the few that I know of on his side of the aisle to actually acknowledge the magnitude of this problem and be willing to support the only thing I could think of that really could make a difference right now, which is the line-item veto.

And, you know, the gentleman is right, we have to get away from the posturing and the politics and do something that is good for the people of this country, because the man on the street out there, whether he is a liberal or a conservative, Republican or Democrat, knows we are spending too much money.

Madam speaker, I yield further to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I appreciate the gentleman yielding further.

I have one more thought, and I appreciate the courtesy of the gentleman.

The point I wanted to make about the line-item veto is I think the President ought to have it. I believe he ought to have it. But I do not believe it is going to do anything different to change the deficit in any measurable way. I demonstrate that by saying we do not have a line-item veto now, but the President sends us a budget, saying, "Here are the deficits I want."

My sense is, whether he does or does not have a line-item veto is not going to alter the fundamental problems we have in the structure of the deficit. So, yes, there are some things that will probably get knocked out and probably ought to be knocked out because they are bizarre priorities. That is why the line-item veto is appropriate.

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But I do not think that those who claim it somehow deals with this deficit will have any impact on it at all because when the President sent the budget down here he could have said, "Here's what I think we ought to do to eliminate these deficits." With or without the line-item veto, the priorities are to increase the deficits in the out years.

Mr. DOOLITTLE. Madam Speaker, I personally believe that the issues facing this country are critical enough that even if we did not have the line-item veto, we ought to veto some of these bills, and if the Government comes to a halt, so be it. We will fight out the issues and for once have a real debate here in the House of Representatives instead of an empty Chamber with three Members or four Members and a few people in the gallery. This is something we have got to get into.

Mr. ROHRABACHER. Madam Speaker, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from California.

Mr. ROHRABACHER. Madam Speaker, I appreciate our colleague, the gentleman from North Dakota, stepping forward with support for the line-item veto. I would just like to add my voice in disagreement, however, to this concept that we can join hands and the differences between us can be overcome by joining hands and in that way the deficit will be brought down.

The fact is, that to the degree that we suffer a deficit today, to the degree the President is not doing his job of leadership, which I agree he is not, is also to the degree that he has to join hands with those Members on the other side of the aisle. I stood at this podium, at this microphone, in this spot, when we were discussing the proposed deficit reduction package on the floor, which, I might add, was a compromise by the President. The President reached out, and what did he do when he reached out? He reached out and agreed to the second largest tax increase in American history, and when I stood at this microphone to talk about what the results of that might be, I said that this would not end up in a deficit reduction but we would have much higher deficits.

As the gentleman just explained, we have the largest deficit in history coming down on our shoulders, and this was because the President reached out and compromised, actually broke his word to the American people after enormous pressure was put on him by that side of the aisle. They said, "All you have to do is break your pledge, and then we can reach other agreements." So he broke his pledge, and we had the second largest tax increase.

That brought us more unemployment, it brought us higher deficits, and we had the worst of all worlds.

Let me add that with the spending caps the President supposedly was given, his side of the deal was that he was going to break his word on taxes, and that is what he was giving the Democrats. Then the Democrats were supposedly going to give the President some spending caps and assist him in order to control spending.

What have we seen? We have seen gimmicks, trying to get around the spending caps. We have seen Members on the other side of the aisle proposing spending on dire emergency bills, knowing that what is being proposed is not a dire emergency—it is just being used as a vehicle to break their word to the President on spending cuts.

I have one other thought, and then I will be happy to defer to the gentleman and make this a dialog. We also see gimmicks like forward funding, which is nothing more than a gimmick, in a way, to get around spending caps. We are not going to control spending in this House until we are willing to make some tough decisions, and to the degree the President has been able to make those tough decisions, yes, he is responsible. But he cannot make those decisions when the vast majority of the House, for example, do not cooperate, and I am going to point to one specific issue. For example, a number of us here wanted to eliminate farm subsidies for farmers who make over $100,000 a year. That was the proposal that we put forth, and certainly that is something that seems to me should be supported. If we are giving a subsidy to people making over $100,000 a year, that is something the average American would question. They would say that we should not give that money away. But that was defeated. Yes, there were Members on this side also, but I have got to say that the momentum for defeating that proposal came from right over there. The President knows that he cannot make those types of fundamental reforms while the liberal Democrats have that attitude over there.

Mr. DORGAN of North Dakota. Madam Speaker, if the gentleman will yield further and allow me to speak, it almost feels like my suit is too tight when I start agreeing with the gentleman. We have a very different outlook on many different issues here.

I voted against the summit agreement as well. I thought it was a sham.

I did not vote for that. They went out to that converted bar at Andrews Air Force Base and haggled and negotiated, and the gentleman is suggesting that, somehow, the President was some innocent victim. People talk as if he were duped and talked into things he was not able to intellectualize. That is not the case, and the gentleman knows that. What happened was that John Sununu, operating at the behest of the President, went out there and negotiated a bunch of things and they came back with an agreement. I personally did not think it was a good agreement. I said so, and I voted against it.

Forward funding? Let me say that forward funding started with President Bush proposing forward funding in some of his budgets. It was wrong then, and it was wrong when the Democrats did it. When they did it earlier last year, I voted against it in vote after vote, because forward funding is crazy. That is exactly the kind of gimmick the President had in his budget, and that some of the committees came out with, and in my judgment it is wrong.

The only other point I want to make is this. The gentleman said that we cannot join hands because it is too evident that when we join hands, the President gets snookered. I think that is sort of the way the gentleman said it. I think the President has a whole lot more talent than that. I think the only way we can ultimately solve this very vexing and dangerous deficit problem in the long term is to figure out a way where we can get the best of what both sides have to offer this country.

The fact is that we both have some pretty good ideas on both sides of the aisle. We are at a gridlock for a number of reasons around here. We no longer work together very well, and we need to start working together for the benefit of the country. There is no reason why people with good minds and with different political philosophies ought not to be able to sit down at the table and have a strong cup of coffee and understand that we cannot spend billions of dollars a day that we do not have. Conservatives cannot do it, and liberals cannot do it, and I guarantee that conservatives want to do it just as much as liberals do. They do it all the time. In fact, the budget that came to us was from one who calls himself a conservative, and he says, "Let's add $2.2 trillion to the debt." I say that that is a masquerade when one is a conservative and does that. It is the President's responsibility, and it is ours. We have failed, and so has he.

The question the gentleman in the well is raising now is the important question: What do we do in the future to fix this problem? This country cannot afford to allow this deficit to continue unabated and grow and grow and mortgage the future. Somehow all of us, moderates, liberals, progressives, conservatives, Democrats, and Republicans, have to face this problem. We all serve the same people out there, and they do not care much about labels. All they want is for us to put this country back on track, and I hope we can find ways to do that together.

Mr. ROHRABACHER. Madam Speaker, if the gentleman will yield further, I would just note that when we try to put something on the floor, obviously the leadership of the Democratic Party does not even permit us to bring our proposals to the floor. This happens over and over and over again, especially now in the case of an economic recovery package. We are not going to get a vote on what the majority of our Members on our side of the aisle would like to propose. It will never be permitted on the floor for a vote. If there is a joining of hands, I think the Republicans over here would be perfectly willing to join hands, if at the very least our proposals were permitted to get a direct up or down vote.

Mr. DORGAN of North Dakota. Madam Speaker, if the gentleman will yield, I will say this: I think your side ought to be able to offer whatever they choose on the floor as a substitute. I don't think the gentleman's side ought to be limited. There are probably some Members who do want to limit it, but I do not think you ought to be limited, at least speaking as one Member.

Mr. ROHRABACHER. But your leadership does not believe that.

Mr. DORGAN of North Dakota. Madam Speaker, I recognize that a lot of people around here get concerned when things are brought to the floor with lots of gimmicks in them and they suggest they will reduce the deficit when they are going to explode the deficit. We have those problems on all sides. But I am not one who believes that when we have a debate on an economic growth package, the gentleman's side ought to be limited in the package they finally decide they want to bring to this floor.

Mr. ROHRABACHER. Madam Speaker, if the gentleman will yield further, I am upset when the issues we are permitted to vote on the floor at a time of economic hardship are issues like striker replacement bills which encourage strikes or mandated benefits which add extra burdens to business or quota bills, which, for example, are a litigation nightmare to businessmen. All of these bills would actually hurt business' opportunity to compete and to actually grow and to produce jobs, while our bills and our pieces of legislation are issues that we are all talking about, for instance, permitting people to have IRA's and use them for first-time home purchases, and they are not even permitted to get to the floor. So we have the leadership on this side of the House telling us, "Well, I'm sorry, but the bills that are going to come forward are these bills," and they are antieconomic growth bills and our proposal will not even get an up or down vote.

Mr. DOOLITTLE: Madam Speaker, let me reclaim my time just to comment on that, if I may, and explain to those who may be observing this in the Chamber or hearing it over the airways, that we are now having a rather substantive discussion of issues in the Chamber of the House of Representatives today, and we are talking about something that probably most immediately and directly impacts the people of the United States.

Madam Speaker, prior to my service here, I came from our senate in the State of California, and we had real debates there in the senate, and interestingly enough, when the senate was in session, all of us were compelled to be in attendance. We could not be off in some committee meeting or back in our district. You were compelled to be in the chamber at your seat, listening to the debate, and the law gave the authority to the sergeant at arms in the house and the ability to actually compel members to be there. So they were there, and we had real debates.

The senate of California is made up of 40 members, so it is a lot smaller body. There are some differences we have to take into account, but we had real debates. That legislature, much criticized as it is, towers in many ways above what happens today in this body.

I wish that we could get our Members here on the floor, that we did not allow committee meetings to go on simultaneously with proceedings on the floor of the House, so we could all participate in a real debate and maybe come to some kind of common view, at least about some of the fundamentals that affect this country.

Madam Speaker, this House has something called the House Rules Committee. Our senate had something called the senate rules committee, and I used to serve on that committee. But the functions of those two committees are radically different. Every senator had a right to speak on any bill for 5 minutes, and everybody, having exhausted his or her right to speak, could come back for a second 5 minutes. Every senator had the right to offer an amendment and have it considered by the body.

But here in the the House of Representatives, we do not have that right, and this is what the gentleman from California was alluding to, because this House Rules Committee now serves the function of screening amendments and bottling up those that they do not wish to see debated.

I would say, Madam Speaker, to the people listening to us here that if we could just get the right to offer an amendment and debate it freely and openly here in the House of Representatives, we would probably see a dramatic transformation. If Members had to go on record as to whether or not they think we ought to reduce taxes or increase spending, I predict we would have a majority in this House doing something that is meaningful.

The gentleman from California referred to the economic recovery package which is going to be coming to the floor next Wednesday, I believe. It is strongly rumored that the Republicans will not be allowed to offer the amendments they seek to offer, that we will be constrained by the House Rules Committee dominated by the Democratic leadership as to what can be offered.

Now, are the Democrats going to live by that same rule? No way. They are going to be able to keep amending right up to the very minute that this bill is brought out here on the floor. That is not fair, and I will say that we are not going to sit by and let that happen. We will use every device at hand in order to prevent that from happening. It is an abuse of the fundamental notions of a representative body of government trying to act in the name of, and at the behest of, the people of this country.

Mr. ROHRABACHER. Madam Speaker, will the gentleman yield further?

Mr. DOOLITTLE. I yield to the gentleman from California.

Mr. ROHRABACHER. Madam Speaker, the point is not that it is just not fair to us, but it is not fair to the American people. The fact is that what we have in the House of Representatives is a cynical use of power by a very elite group within the Democratic Party. There are many members of the Democratic Party in this House who are fine, responsible people who would prefer to see a more open and free-flowing discussion and a consideration of the ideas from both sides of the aisle, as we have heard today. For example, we have a Member from the other side of the aisle who supports the line-item veto.

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But yet, the leadership of this House, the leadership of the Democratic Party does not believe in this type of democratic approach to lawmaking in the United States of America.

It was funny when I first came to the House. I remember the leadership of the Democratic Party here in the House got up and mentioned that Republicans always talk about believing in democracy, but how much they dislike politics, and they separate politics from democracy. The point was made that politics and democracy go hand in hand. If that be true, the fact is, on the other side of the aisle, there are some Members in the leadership who may like politics more than they like democracy within this body. And people back home when they are trying to analyze what the heck is going on in Congress want to know why is it that Congress is acting this way, and why is it that our country does not seem to be working anymore. I would suggest that it is because there are certain people in this body that if they cannot win in a straightforward democratic way are willing to basically suppress other ideas from coming to the floor of the House of Representatives that could cure some of these problems. And sometimes this cynical manipulation of procedure here in the House is done with very political motives in mind.

I happen to believe that there are many people in this country who have come to the conclusion that the economic hard times that we are in is an intentional creation of the Democratic leadership, not necessarily in this House, but Democrat leadership which they have decided that they cannot win control of the Presidency unless we are in economic hard times. In other words, there are people in the Democratic Party that many people believe are intentionally creating economic problems for our country in order to ensure that a Democrat is elected to the Presidency of the United States, because a Democrat cannot be elected in any other way.

What kind of proof do people have? Obviously the policies that have been coming out of this Congress. This is the body that makes the rules. This is the body that makes the laws.

There is nothing fundamentally wrong with the United States of America. There is nothing fundamentally wrong with our country and our people. What is wrong is the policies that are directing our country's economy and their economic behavior. That is why things have gone bad in our country, because of bad policies.

Will Rogers once said there is nothing wrong with Congress that cannot be cured by one good election. I can tell my colleague that if we had a different group of people in the majority in this House we would have different policies. For example, in the last 2 years when we saw this economic juggernaut, this recession heading right for us, we would have had bills on the floor of the House of Representatives which would have been bolstering our ability to compete internationally, bolstering our ability of our businessmen to create jobs and to operate with a profit. But instead what we have had, as I mentioned before, we had a mandated benefits bill which basically was tough on business. We had a striker replacement bill which actually encouraged strikes and management disputes with unions. We had a quota bill which adds tremendous costs onto the employers and makes them very hesitant, especially with mandated benefits and striker replacement, to hire new workers. This is the type of legislation that came to the floor. These were the proposals of the other side of the aisle, while our proposals, the Republican proposals were not even permitted to come to a vote.

We would have liked to have taken out, for example, or taken off the earnings limitation on senior citizens. We believe if you have an earnings limitation on senior citizens it actually is a damper to economic growth because you have some of our most talented people who are out of the job market because the earnings have mandated that they are taxed at such a high level that they cannot afford to work. This is antieconomic growth. We tried to eliminate that, but we could not get these things to a vote on the floor.

Mr. DOOLITTLE. Madam Speaker, I might just emphasize that the gentleman is correct. We cannot get that to a vote on the floor. And we would have liked to have offered an amendment on the floor, but the Rules Committee would not allow that to happen. So we never do get to vote on it. So if there are senior citizens who want to go to work and need to go to work because of the miserable economy their Government has given them, they cannot without being severely penalized through oppressive tax schedules.

Mr. ROHRABACHER. So the President does deserve some criticism. To me, he deserves the criticism of when the pressure was on he gave in to the big taxing impulses of the other side of the aisle, and that compromise led to a degeneration of the economy.

Think of when our problems really began to emerge in this country. It was after the deficit reduction package was passed. The deficit reduction package was the second largest tax increase in American history. The President gave in, accepted that, assuming spending limitations which the other side of the aisle has tried to go around every time they have had a chance. And that is when our economy started heading down. To the degree the President compromised with that side of the aisle, that is the degree to which he should be held responsible for our bad economic times.

There is nothing wrong with the fundamentals of the American economy. There is nothing wrong with the people of this country. We have a better chance for peace and prosperity today than at any other time in my lifetime. There should be reason for optimism and joy, but instead what we have is gloom and pessimism spread throughout this country. And it is because that gloom and pessimism helps politically elect someone who is in another party than the President of the United States. There is no reason for that.

Do you know what the capital gains tax is in Japan? It is zero or 5 percent. The capital gains tax in Germany is zero. When we try to get up and make a proposal that would help us be competitive internationally, what do we get from the other side of the aisle but allusions to class warfare. We get an us versus them, rich versus poor in an attempt to cloud the issue in a way that ends up with fewer jobs being created because our businessmen cannot compete when they are being taxed, and their investors are being taxed at such a higher level than their international competitors. That is what we get when we propose growth-type initiatives. That is when we are allowed to propose them. Actually, they never are able to come to a floor vote in the first place, although we did, I would admit, at one time we did get a capital gains reduction to a vote, and it won in this House. Then the Democrat leadership in the Senate filibustered it and killed it on the other side of this Congress.

Mr. DOOLITTLE. Malcolm Forbes, Jr., said this is the most unnecessary recession since World War II. This is brought about by the mismanagement of governmental policy and those driving that policy sit on the other side of the aisle. They are the liberal Democrats who offer the same old tried and false solutions for the problems of America: More Federal spending programs followed by weaker economic growth, followed by falling tax revenues, followed by, you guessed it, tax hikes in order to make up for the deficit, followed by recession again. It is just cyclical and it is sick. This is like a doctor treating a patient and prescribing a medicine that is making that patient sick. The sicker the patient gets, the more medicine the Democrats administer.

I am not going to let them kill the patient; namely, the Republic of the United States. We have got to turn this around. That is why I began this debate on the note that I do not think we are going to get much cooperation out of the Congress of the United States this year. I hope that President Bush can get their cooperation. I will do what I can do to see that that occurs. But I do not think it is going to happen.

So what do we need if it does not happen? Are we going to sit back and wait another few months and just kind of limp along? No. We need now for the President to exercise the line item veto, to seize control of the excessive spending of this country.

Second, we need him to index the capital gains rates by administrative action, which he has the power to do. It does not require the action of Congress. They can simply do it at the White House. We also need to index depreciation schedules. Those two reforms alone, fiscally, would do wonders to promote economic growth and job creation in this country.

Additionally, the President has called for a 90-day moratorium on new regulations. Regulation is killing this country. Politicians love to talk about redtape, but when it comes to actually cutting it it is a little tougher for them to accomplish. We need to cut the redtape, and let us begin with the administrative agencies that we can control. Let us make sure that the review teams in the departments are made up of people who are committed to reducing that redtape rather than bureaucrats who created the redtape in the first place and are committed to making sure that it remains in place. I have specific reference to the postcard appeal system in the Forest Service which is being cynically manipulated by those who are determined to stop the harvesting of timber. That is one concrete area where we could make reforms. Let us reform the disastrous wetlands policy which is in effect taking away people's use and enjoyment of their private property. Let us begin with that, as well as reviewing regulations that can be pared back.

I think in this hour we have discussed some very important issues. I think we need to join the debate. It is interesting when I came to the House of Representatives in 1991 I really did not realize it was this bad. I came here thinking we actually could cooperate with the other side of the aisle in the greater interest of this country. I was heartened by the comments of my colleague on the other side of the aisle today, but I must say I do not find those comments generally reflective of the prevailing sentiment on the other side of the aisle.

Col. Henry Robert wrote a little book called Robert's Rules of Order. Most of us became familiar with parliamentary procedure as a result of that work. I believe that is the prevailing work today for voluntary associations and bodies that have free debate. If Colonel Robert saw what goes on in this House of Representatives he would have to base his book on something else, because at the time it was written it was written based on the Rules of the House of Representatives. Today those rules thwart free and open debate. They thwart it. This has been replaced instead by very tight control, leveraged, managed by the Democrat leadership so that issues of controversy that the American people might like, but that the liberal Democrats hate, never have to come and be debated here on the floor. So we do not have to have any tough votes that your opponents can use against you in the election.

I see my colleague from California, Mr. DORNAN, has joined us on the floor and may want to make some comments.

Madam Speaker, I yield to the gentleman from California.

Mr. DORNAN of California. Madam Speaker, I thank my colleague from northern California. I was taking a tour of the Capitol with some friends from California and I heard my colleague from California, Mr. ROHRABACHER, and the gentleman in the well engaging in a dialog on some of the problems we have before us and how the rules of the House are getting in the way, the way they are interpreted by the majority in solving these problems. One of my guests is a medical doctor, and we were discussing the desire of this House, sometimes politically motivated, to solve some of the medical expenses that are rough for some families. But one thing I was agreeing with this fine American doctor is that American medicine is the best in the world, and there is a good chance that we are going to tear up rather than help in approaching this medical problem. And the rules of the House, the way they are interpreted, are probably not going to allow us a good debate.

One thing I told the doctor that I had discovered, doing a little arithmetic, was that our deficit is now approaching this year the highest in history, $400 billion, and if it falls short of that, the real deficit, as we know, is not reflected properly by our Government, no matter who seems to be in the White House. It is a tradition that we take our trust funds, our highway trust fund, our airport trust fund, our Social Security trust fund and subtract that from what the real deficit is, and then come up with this phony deficit. But if we take a conservative $400 billion, I would ask anybody who is a guest in this Chamber ever to work this arithmetic problem. Divide 365 days, and this is leap year so you can use 366, divide 366 days into that debt, that deficit, the $400 billion, and you get a debt, each day, of $1,093,000,000. Saturdays, Sundays, holidays, today, February 20, every day, this Congress puts this Nation and our grandchildren into debt $1,093,000,000 a day. If you work that down to a second, just a second, it is $12,650 every second. There is another $12,000, there is another $12,000. It is unbelievable.

Could we solve the problem in this House with a little fair comity, as we say, with bipartisan cooperation by cutting the cost of the Government? Certainly we could.

This is an anniversary in my life, and I do not think the gentleman knows this.

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But I would like to discuss just a couple of countries in the world where the problems seem intractable. One is South Africa. I think they seem to be making more progress with more of what were called insoluble problems than what we are.

I leave in 15 minutes from Andrews to fly to the Soviet Union, what is left of it, the Soviet disunion, the Commonwealth of Independent States, for 4 days on how they are going to take down all of these nuclear weapons that are pointed at us. They seem to be making more progress there.

And in Northern Ireland, they have got an 800-year problem there, and they are working on it, and if they solve that problem before we solve our debt problem, I am going to be one very shocked Irish-American.

Twenty years ago today, I was shot with a bullet in the back in Derry, and the British call it Londonderry because it was once given to the Port of London as though that makes sense, but the port city in Northern Ireland of Derry, I was filming with a Bolex camera, and my own Nikon, for my own television show, the charge of the British First Paratrooper Regiment 20 years ago last January 30 where 13 people were killed including 1 little boy named Tom, whose mother's maiden name was Dornan, and while I was filming this, a British officer ordered a soldier to shoot me. Here is the bullet. That is what hit me in the back, this gigantic so-called rubber bullet. I remembered the date, because I was talking to some Irish kids about JOHN GLENN, now a distinguished Member of the other body, the Senate, having orbited the Earth, which reminds me today is his 30th anniversary, tempus fugit, but this bullet hit me in the back from about here to that picture of George Washington over there, so it had lost its velocity, but it still felt like somebody socked me in the back, and it bounced. I turned around to put up my dukes. There was nobody around. I whipped around again, and here is this bullet bouncing down the street, a little kid named Kevin Hargen catches it on the fly and comes running up to me, and he said, "Hey, mister, would you give me a dollar for this bullet?" And I said, "I think I earned that. What is your name?" He said, "My name is Kevin," and I thanked the kid, and he gave it to me. I said, "Get me a cartridge, and I will give you a dollar, if you go behind those British troops and get a cartridge."

So they have gone from those vicious rubber bullets at close quarters that hit people over the heart and stopped their heart and killed them, have hit kids in the face and completely demolished their nose, they have now gone to white plastic bullets that are about a fourth this size that are even more lethal, my point being other than an excuse just to bring this up is that that problem goes back 800 years, the suppression of the Irish by the English, and the English are still in there with troops trying to stop them from killing one another.

We do not know what the end solution is going to be there, but these problems that we have inflicted on ourselves here are not 800 years old. They are about 20 years old with the just absolute runaway government and the cost of government.

We raise taxes better than any nation in the world or any nation that has ever existed; a trillion dollars of revenue we are bringing in this year, and we did it last year. But that is not enough. We want to run a bill of $1,400,000,000,000, the $400 billion being the deficit.

I thank the gentleman for taking this special order. He is going to see me a lot in that well with 1-minutes reminding people that this Congress, together with the other body, the Senate, running up every second $12,649 like clockwork, and every time we go to bed at night and we sleep for about 8 hours, if we are lucky enough to get 8 hours, that is another third of a billion dollars that we are in debt every night that we are sleeping.

We have got problems in this Congress, and the gentleman is hitting the core of it, the imperial attitude of the majority here on how they abuse the House rules.

I thank my colleague for yielding and letting me tell a little peacetime war story.

Mr. DOOLITTLE. I thank the gentleman. That is an impressive bullet the gentleman revealed.

Madam Speaker, I think this House is dramatically in need of its own quiet revolution.

Let me suggest a few areas where I think we need to move rapidly now to accomplish something. We have heard about the House bank scandal. We have had a committee investigating that for several months.

I think it is time to come clean and reveal the names of those who had the overdrafts. Let it just be revealed who wrote checks with insufficient funds. That would clear us, and it would allow the appropriate action to be taken.

We now hear that as much as $100,000 was involved in this, that Members may, indeed, according to newspaper reports, have been cynically calculating how to write these checks for insufficient funds and then back the difference and collect the higher interest rate.

This needs to be fully reviewed and brought out, and I think this is symptomatic, frankly, of what happens when one party controls an institution for too long, and in this case it happens to be the Democrats. Had the Republicans controlled this institution for as many years uninterrupted, you may well have seen the same thing.

It is time to have a change, Madam Speaker. We need to reinvigorate this system. We need new leadership. We need new policies. We need the enforcement of an appropriate ethical standard for all the world to see, Members included.

I think we need to overhaul the seniority system. We need to give greater voice to some of the newer Members. They have an equal vote here with their more senior brethren. I wholeheartedly endorse the proposal that, in effect, would set internal term limits by setting a fixed length of time that someone can be a committee chairman or a ranking member. It promotes healthy turnover, and we need that. We owe that to the people we represent to keep these institutions invigorated and addressing the problems that face the people of this great country.

We have far too many subcommittees. They need to be dramatically reduced.

The staffs of the committees need to be slashed in their number in order to reduce, I think, the profusion of laws and of staff people that has happened over the years and, of course, when you have more staff people, to justify their existence, we have to write some more bills and have some more laws.

This country is drowning in laws and rules and regulations. We need to simplify and clarify and reduce the burden.

We have lots of little powerful dukes and barons now who have the chairmanship or the ranking member slots in some subcommittee, and with that goes a pot of money and staff that can be hired with that money. We need to make the commitment, and our minority leader, the gentleman from Illinois [Mr. MICHEL], has made the commitment. He said that when the Republicans take over this House we will cut the committee staffs by 50 percent. We can do that and still have quality laws. Indeed, we will get back, I think, to quality legislation that we have been lacking for so many years.

I am utterly dismayed to hear what has gone on with the House Post Office and the allegations of drug dealings that have gone on there. That needs to be fully rooted out and the wrongdoers punished to the fullest extent of the law.

Once again, the House has its own procedures. It has its own ways of doing things, special arrangements with how the post office is operated. I think we need to come clean and be above board and deal expeditiously and fairly, but strongly, with this matter.

We hear other allegations concerning other operations of the House of Representatives. We simply need the House to rise up and demand that ethical standards be enforced.

Madam Speaker, I appreciate the chance today to speak on issues of pertinence to the people that we represent, and this will not be the last time that I address these issues. They need to be refocused upon time and time and time again, and we need to do everything in our power as Members here to get away from the inertia, from the drift that we see, which is just business as usual. We need a quiet revolution that benefits the families of this country, the working people of this country, the children, the retired people, one that benefits everyone and benefits them not by spending more money that we do not have but by reforming, revolutionizing, if you will, our methods of operation and by reducing the burden that is imposed upon families and individuals and businesses by the excessive tax burden that exists today.

COMMUNICATION FROM POSTMASTER, U.S. HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore (Ms. SLAUGHTER) laid before the House the following communication from the Postmaster of the House of Representatives:

OFFICE OF THE POSTMASTER,
Washington, DC, February 14, 1992.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you pursuant to Rule L (50) of the Rules of the House that employees of the House Post Office have been served with subpoenas issued by the United States District Court for the District of Columbia.

After consultation with the General Counsel to the Clerk, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

ROBERT V. ROTA,
Postmaster, House of Representatives.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOOLITTLE) to revise and extend their remarks and include extraneous material:)

Mr. DOOLITTLE, for 60 minutes, today.

Mr. THOMAS of Wyoming, for 5 minutes, today.

(The following Members (at the request of Mrs. SCHROEDER) to revise and extend their remarks and include extraneous material:)

Mr. MONTGOMERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Ms. KAPTUR, for 60 minutes each day, on February 24, 25, 26, 27, and 28.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MORAN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOOLITTLE) and to include extraneous matter:)

Mr. SAXTON.

Mr. BALLENGER.

Mr. GILLMOR.

(The following Member (at the request of Mrs. SCHROEDER) and to include extraneous matter:)

Mr. FORD of Michigan.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 353. An act to require the Director of the National Institute for Occupational Safety and Health to conduct a study of the prevalence and issues related to contamination of workers' homes with hazardous chemicals and substances transported from their workplace and to issue or report on regulations to prevent or mitigate the future contamination of workers' homes, and for other purposes; to the Committee on Education and Labor.

ADJOURNMENT

Mr. DOOLITTLE. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until Monday, February 24, 1992, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2842. A letter from the Comptroller General, transmitting the compliance report required by the Budget Enforcement Act of 1990 (GAO/AFMD-92-43), pursuant to Public Law 101-508 (1388 Stat. 588); to the Committee on Government Operations.

2843. A letter from the Chairman, U.S. International Trade Commission, transmitting a report on its activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2844. A letter from the Secretary of Energy, transmitting the Department's 13th annual report on the Automotive Technology Development Program, fiscal year 1991, pursuant to 42 U.S.C. 5914; to the Committee on Science, Space, and Technology.

2845. A letter from the U.S. Trade Representative, transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1993 and 1994 for the Office of the U.S. Trade Representative; to the Committee on Ways and Means.

2846. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the monetary policy report, pursuant to 12 U.S.C. 225a; jointly, to the Committees on Banking, Finance and Urban Affairs and Education and Labor.

2847. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to amend title 5, United States Code, to modify the retirement programs for Federal Civilian employees, and for other purposes; jointly, to the Committees on Post Office and Civil Service, House Administration, Foreign Affairs, and Intelligence (Permanent Select).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BENNETT: Committee on Armed Services. H.R. 4113. A bill to permit the transfer before the expiration of the otherwise applicable 60-day congressional review period of the obsolete training aircraft carrier U.S.S. *Lexington* to the city of Corpus Christi, TX, for use as a naval museum and memorial; with amendments (Rept. 102-433). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FORD of Michigan:

H.R. 4277. A bill to amend the Higher Education Act of 1965 to delete certain requirements relating to the guaranteed student loan program; to the Committee on Education and Labor.

By Mr. MONTGOMERY (by request):

H.R. 4278. A bill to guarantee comprehensive health care services to veterans and their families by ensuring entitlement and eligibility to a wide array of health care services, to make greater resources and funding available for the delivery of such services, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. COLEMAN of Missouri (for himself, Mr. PENNY, Mr. BOEHNER, Mr. EMERSON, Mr. GLICKMAN, Mr. GUNDERSON, Mr. JOHNSON of South Dakota, Mr. NAGLE, Mr. NUSSLE, Mr. ROBERTS, Mr. GRANDY, Mr. JEFFERSON, Ms. KAPTUR, and Mr. WEBER):

H.R. 4279. A bill to enhance the competitiveness of U.S. processed and high-value agricultural products in export markets and expand domestic employment opportunities; to the Committee on Agriculture.

By Mr. RHODES (for himself, Mr. HASTERT, Mr. GOSS, and Mrs. JOHNSON of Connecticut):

H.R. 4280. A bill to amend the Internal Revenue Code of 1986 to improve access to health care, and for other purposes; jointly, to the Committees on Ways and Means, Energy and Commerce, and the Judiciary.

By Mr. COX of California (for himself, Mr. PACKARD, Mr. DORNAN of California, Mr. DANNEMEYER, and Mr. ROHRABACHER):

H.R. 4281. A bill to designate the U.S. Federal building and U.S. courthouse to be located at Fifth and Ross Streets in Santa Ana, CA, as the "Ronald Reagan Building"; to the Committee on Public Works and Transportation.

By Mr. FROST:

H.R. 4282. A bill to amend the Internal Revenue Code of 1986 to allow a credit of $1,000 for the purchase of a domestically manufactured automobile for personal use; to the Committee on Ways and Means.

By Mr. GEKAS:

H.R. 4283. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 to provide for fixed deficit targets to reduce the deficit to zero by the end of fiscal year 2000; jointly, to the Committees on Government Operations and Rules.

By Mr. GILLMOR:

H.R. 4284. A bill to repeal exemptions from civil rights and labor laws for Members of Congress; jointly, to the Committees on House Administration and Education and Labor.

By Mr. LOWERY of California (for himself, Mr. LEHMAN of Florida, Mr. BERMAN, Mr. HUNTER, Mr. SCHIFF, Mr. PACKARD, and Mr. COLEMAN of Texas):

H.R. 4285. A bill to amend the Public Health Service Act to establish a program of formula grants for compensating certain trauma care centers for unreimbursed costs incurred with respect to undocumented aliens; to the Committee on Energy and Commerce.

By Mr. TORRICELLI:

H.R. 4286. A bill to amend the Communications Act of 1934 to require cable operators to make certain disclosures at the time of installation of cable service; to the Committee on Energy and Commerce.

By Mr. ROSTENKOWSKI (for himself and Mr. GEPHARDT):

H.R. 4287. A bill to amend the Internal Revenue Code of 1986 to provide middle class tax relief, incentives for job creation, growth, and investment, for other purposes; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 87: Mr. LIPINSKI and Mr. MACHTLEY.

H.R. 88: Mr. LIPINSKI.

H.R. 528: Ms. PELOSI.

H.R. 720: Mr. BREWSTER.

H.R. 784: Mr. ANDREWS of Texas and Mr. SKEEN.

H.R. 785: Mr. GUARINI, Mr. GALLO, Mr. BERMAN, and Mr. DWYER of New Jersey.

H.R. 840: Mr. BACCHUS, Mr. SWIFT, Mr. DE LUGO, and Mr. FOGLIETTA.

H.R. 875: Mr. PANETTA, Mrs. JOHNSON of Connecticut, Mr. SCHEUER, Ms. SLAUGHTER of New York, Mrs. SCHROEDER, Mr. MARKEY, Mr. ATKINS, Mr. BUSTAMANTE, and Mr. LANTOS.

H.R. 1126: Mr. DINGELL, Ms. PELOSI, and Mr. PASTOR.

H.R. 1472: Mr. LOWERY of California, Mr. DICKS, Mr. WALSH, Mr. MANTON, Mr. CARDIN, Mr. KOLTER, Mr. BLACKWELL, Mr. TRAXLER, and Mr. CARR.

H.R. 1546: Mr. DAVIS.

H.R. 1547: Mr. DAVIS and Mr. BUSTAMANTE.

H.R. 1556: Mr. RITTER.

H.R. 1573: Mr. COX of California, Mr. BERMAN, Ms. LONG, Mr. RAVENEL, and Mr. TAYLOR of Mississippi.

H.R. 1886: Mr. RAMSTAD, Mr. COSTELLO, Mrs. PATTERSON, and Mr. GAYDOS.

H.R. 2327: Mr. HERTEL, Mr. CAMP, Mr. HARRIS, Mr. CALLAHAN, Mr. CHAPMAN, and Mr. STUDDS.

H.R. 2726: Mr. JEFFERSON.

H.R. 2766: Mr. HUTTO, Mr. DAVIS, and Mr. RAY.

H.R. 2889: Mr. SANDERS and Mr. FORD of Michigan.

H.R. 3138: Mr. TRAXLER and Mr. FOGLIETTA.

H.R. 3405: Mr. AuCOIN.

H.R. 3544: Mr. McCLOSKEY, Mr. KOLTER, Mrs. UNSOELD, Mr. COLEMAN of Texas, and Mr. LEHMAN of Florida.

H.R. 3654: Mr. BUSTAMANTE and Mr. HALL of Ohio.

H.R. 3726: Mr. SMITH of Florida.

H.R. 3732: Mr. KOLTER, Mr. SAWYER, Mr. OLVER, Mr. HOCHBRUECKNER, Mr. FROST, Mr. JEFFERSON, and Mr. TORRES.

H.R. 3774: Mr. BILBRAY and Mr. JEFFERSON.

H.R. 3780: Mr. SANTORUM.

H.R. 3844: Mr. OLIN, Mr. LEWIS of Georgia, and Mr. PETERSON of Minnesota.

H.R. 3887: Mr. LEACH.

H.R. 3971: Mr. TOWNS, Mr. HAMMERSCHMIDT, Mr. STALLINGS, Mr. ESPY, Mr. MONTGOMERY, Mr. WHITTEN, Mr. PARKER, and Mr. LEHMAN of California.

H.R. 4016: Mr. JEFFERSON, Mr. ANNUNZIO, Mr. MATSUI, Mr. CONDIT, and Mr. LEVINE of California.

H.R. 4145: Mr. GOODLING, Mr. SMITH of Texas, Mr. RIGGS, and Mr. KYL.

H.R. 4158: Mrs. UNSOELD, Ms. PELOSI, Mr. BERMAN, Mr. TOWNS, Mr. CONYERS, Mrs. JOHNSON of Connecticut, Mr. WEISS, Mr. ACKERMAN, Mr. MORAN, Mr. RANGEL, Mr. COLEMAN of Texas, Mr. CAMPBELL of Colorado, Ms. NORTON, Mr. FASCELL, and Mr. JEFFERSON.

H.R. 4161: Mrs. UNSOELD, Mr. REED, Mr. LIPINSKI, Mr. ABERCROMBIE, Mrs. MEYERS of Kansas, Mr. LANTOS, Mr. KENNEDY, Mr. TRAFICANT, Mr. GILMAN, Mr. ENGEL, and Mr. ATKINS.

H.R. 4178: Mr. FOGLIETTA, Mr. BERMAN, and Mr. BOEHLERT.

H.R. 4204: Mr. KOLTER, Mr. COLEMAN of Missouri, and Mr. JEFFERSON.

H.R. 4220: Mr. HUCKABY and Mr. BURTON of Indiana.

H.R. 4229: Mr. AuCOIN.

H.J. Res. 107: Mr. SKELTON, Mr. SYNAR, and Mr. TAYLOR of North Carolina.

H.J. Res. 293: Mr. ROTH, Mr. BARNARD, Mr. MORAN, Mr. MILLER of Ohio, Mr. HUCKABY, Mr. FAZIO, Mr. PASTOR, Mr. MARTINEZ, Mr. ECKART, Mr. WEISS, Mrs. BOXER, Mrs. PATTERSON, Mr. HALL of Ohio, Mr. SUNDQUIST, and Mr. WASHINGTON.

H.J. Res. 401: Mr. JEFFERSON.

H.J. Res. 406: Mr. ROYBAL, Mr. SANGMEISTER, Mr. PURSELL, Mr. LENT, Mrs. ROUKEMA, Mr. SAWYER, Mr. FORD of Michigan, Mr. STUDDS, Mr. ROE, Mr. WEISS, Mr. TRAXLER, Mr. SYNAR, Mr. MAVROULES, Mr. McMILLAN of North Carolina, Mr. LEHMAN of Florida, Mr. NICHOLS, Mr. McGRATH, Mr. WEBER, Mr. KASICH, Mr. RHODES, Mr. GUARINI, Mr. TOWNS, Mr. LaFALCE, Mr. JEFFERSON, Mr. WOLF, Mr. SMITH of Oregon, and Mr. HORTON.

H.J. Res. 407: Mr. WOLF, Mr. SCHIFF, Mr. STAGGERS, Mr. COOPER, Mr. OXLEY, Mr. FIELDS, Mr. JONTZ, Mr. DORNAN of California, Mr. PURSELL, Mr. RAMSTAD, Mr. SCHEUER, Mr. LENT, Mr. SISISKY, Mr. FORD of Michigan, Mr. KOLTER, Mr. TOWNS, Mr. ROE, Mr. PICKETT, Mr. PICKLE, Mr. McNULTY, Mr. GUARINI, Mr. CLEMENT, Mrs. PATTERSON, Mr. RANGEL, Mr. LaFALCE, and Mr. FEIGHAN.

H. Con. Res. 156: Mr. BATEMAN, Mr. WAXMAN, Mr. FAZIO, Mr. KOSTMAYER, and Mr. KLUG.

H. Res. 107: Mr. GRANDY.

H. Res. 163: Mr. ENGEL.

H. Res. 233: Mr. CRANE and Mr. BEREUTER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 330: Mr. FISH.

H.R. 1245: Mr. BLILEY.

SENATE—*Thursday, February 20, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii.

The PRESIDING OFFICER. Today's prayer will be offered by guest chaplain, Rabbi Martin Jay Applebaum, of Fort Lewis, State of Washington.

PRAYER

Rabbi Martin Jay Applebaum offered the following prayer:

In challenging times we prayerfully turn to our Creator for divine guidance.

It is in these imposing environs of momentous deliberation wherein the conscience of mankind abides that we must seek heavenly inspiration as we humbly bow our heads in search of truth and justice, wisdom, insight, loving kindness, and mercy.

We are painfully aware, O Heavenly Father, of the treacherous paths upon which evil rides with wild abandon, where fanaticism is camouflaged, as righteous zealotry.

Teach us, O God, to discern righteousness and give us the wherewithal to combat evil with fortitude and determination so that Your divine teaching shall abide with us in order to establish Thy kingdom on Earth.

Having recently celebrated the 200th anniversary of the Bill of Rights, our beloved country's declaration of principle, we pray our resolve be strengthened so that the immortal words of the prophet will certainly hold true: "And it shall come to pass in the end of days, that the mountain of the Lord's house shall be established at the top of the mountains and shall be exalted above the hills; and all nations shall flow unto it.

"And many people shall come and say let us go to the mountain of the Lord, to the house of the God of Jacob and He will teach us of His ways, and we will walk in His paths.

"And He shall judge between the nations, and they shall beat their swords into plowshares and their spears into pruning hooks."

Nation shall not lift up sword against nation, neither shall they learn war anymore.

In Your holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 20, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. AKAKA thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning, following the time for the two leaders, there will be a period for morning business not to extend beyond 12:30 p.m., with Senators permitted to speak therein for up to 5 minutes each. Also, during the period for morning business, a number of Senators are to be recognized to speak for up to 10 minutes each.

When morning business closes, the Senate will recess until 2:30 p.m. today. When the Senate reconvenes at that time, it will proceed to the consideration of S. 1150, the higher education reauthorization bill.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I reserve all of the leader time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, the leader time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from South Dakota [Mr. PRESSLER] is recognized to speak for up to 10 minutes.

THE WEHRKUNDE CONFERENCE

Mr. PRESSLER. Mr. President, it was my pleasure recently to attend the Wehrkunde Conference in Munich, Germany, better known as the Mutual Conference on Security Policy. It was the 29th annual conference.

In my speech to the conference, I predicted that U.S. troop levels in Europe would likely fall below 100,000 troops, perhaps to 60,000. It is my feeling that it will remain in the best interest of this country to have forward deployed troops in Europe, the Middle East, or some other parts of the world.

The NATO General Secretary suggested that our troops should stay there to keep tensions between European nations down. Certainly, our taxpayers cannot be asked to do something that the Europeans can and should do for themselves. I am not so sure that the United States can lessen any tensions that might exist between European nations.

Mr. President, we were honored to have Vice President QUAYLE in attendance at this conference. He gave an excellent speech, in my view. I believe some press accounts misinterpreted his remarks by indicating that he tied the success of the GATT talks to troop levels in Europe or U.S. support for NATO in general. I did not understand the Vice President to say this, and I believe he later clarified his position in London.

However, my own feelings with regard to GATT are that if GATT fails because of Europe's unwillingness to lower its agricultural subsidies, and airbus subsidies, variable levies, rebalancing and market access, it would create extremely hard feelings in this country.

As a member of both the Senate Commerce and Small Business Committees, as well as the Foreign Relations Committee, I have come to understand well the numerous nontariff barriers which exist in Europe.

Yesterday, I had a conversation with Carla Hills about some of those nontariff barriers that keep our products and companies out. One example of such barriers involves the telecommunications industry. There is a great deal of analysis which demonstrates it is far more difficult for U.S. companies to break into European markets than it is for European companies to do business in this country. For these reasons, I felt it important to impress upon conference participants that trade could become the basis of strained relations between the United States and Europe in the not too distant future.

Before returning to Washington, I stopped in England, and there, among other officials, I met with our fine United States Ambassador Raymond Seitz. I was honored to attend a dinner hosted by the Ambassador, during which I had the opportunity to discuss a wide range of issues with leaders of government, journalism, and the religious and cultural community.

I also had the opportunity to meet with Colonel Dewar of the International Institute for Strategic Studies and discuss the issue of nuclear nonproliferation, which I feel must be brought to a halt.

As the author of the amendment which has cut off United States aid to Pakistan, I was pleased to read in yesterday's New York Times that Pakistan has decided it wants to be closer to the United States, and I hope it will dismantle its nuclear weapons industry.

In an effort to expand my understanding of the problems in our telecommunications industry abroad—I also met with Bob Woolard of U.S. Sprint—that company is in the process of trying to penetrate the British market. We shall watch closely how that application is treated and we are mindful that we treat British companies very well when they come into the United States market.

In conclusion, Mr. President, let me repeat that my experience at the Wehrkunde Conference further confirmed what I have believed for several years—most Europeans want American troops to return home and an ever-increasing number in this country agree. A new chapter is being written in the history of U.S. troop involvement in Europe. I have supported such a move since 1984, when I offered an amendment on the Senate floor which would have reduced the number of U.S. military personnel stationed in Europe. In 1984, that concept did not receive the support of Congress. Today, the spirit of that amendment is being put into place.

It is no longer a question of whether we should reduce our troop presence in Europe. Today the question has become: By how much? The President has indicated that he would like to see 150,000 troops remain. Some believe that number should be 100,000. I think the number could be reduced even further. As I said at the beginning of my remarks, forward deployed forces in Europe will remain an important element in providing for the security of this Nation and its allies. However, as we increase our capability to rapidly deploy our troops, that security can be ensured without an extensive infrastructure of U.S. military bases around the world.

(The remarks of Mr. PRESSLER pertaining to the introduction of Senate Joint Resolution 256 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

(The remarks of Mr. PRESSLER pertaining to the submission of Senate Concurrent Resolution 91 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

COMMENDING UNITED STATES POLICY TOWARD HAITI

Mr. PRESSLER. Mr. President, last December, as a result of my visit to the Dominican Republic, I determined that the international embargo against Haiti was not accomplishing its key purpose—to restore democratically elected government and replace the government backed by the military. I remain convinced that the embargo was doing little more than creating more impoverished Haitians and sending thousands of refugees to the Dominican Republic and the United States.

The Organization of American States [OAS] had a very difficult task, and I believe its focus is still the correct one. But the embargo's failure to accomplish its goals required a reassessment. Recently, the Bush administration undertook a careful review of its policy toward Haiti. I applaud President Bush's actions in this regard. This agonizing effort was undertaken in a real world. Mr. President, neither the United States nor any international force is prepared to invade Haiti. It is also impossible for the United States and other countries to open their doors to endless numbers of miserable people fleeing Haiti because of the bite of international sanctions.

As part of the President's policy review, serious consideration also had to be given to the kind of administration which might be established by Haiti's elected President, Jean Bertrand Aristide, were he to be restored to power. Consistent with American policy toward the former Soviet Union, I believe it is essential to review the kind of system that even a democratically elected government would impose on Haiti and whether any government President Aristide headed could or would promote domestic peace and prosperity while nurturing democratic institutions. President Aristide's assurances and rhetoric have not been sufficiently comforting to permit a number of OAS countries to feel comfortable on this important point.

Mr. President, the result of the administration's review has been a compromise policy which will keep appropriate, effective, realistic pressures on the military-backed Government. It will also permit levels of Haitian employment necessary to ensure that many of those who fled Haiti during the embargo can return to jobs without fear. At the same time, extensive interviews are being conducted so that individuals will not be returned to Haiti who are likely to be targets of Government retribution.

There is no easy answer for Haiti. Like other countries in the Western Hemisphere, democratically elected governments are threatened by military cliques which are accustomed to being in power. Nicaragua, Suriname, and Panama are just three examples. I doubt whether there is any single policy this Government or the OAS could pull off the rack to fit all possible situations if military units decide to assert control over civilian governments.

One possible option, Mr. President, is for the United States to seek a drastic cut in conventional arms and military spending throughout the hemisphere—along the lines President Bush already has proposed here at home. Certainly, no external threat justifies large or powerful armed forces in Haiti and other Latin American countries.

PAKISTAN'S NUCLEAR CAPABILITY

Mr. PRESSLER. Mr. President, on February 6, 1992, the Foreign Secretary of Pakistan, Shahryar Khan, while on a visit to Washington, admitted that his country has the components and technology necessary to assemble "at least one" nuclear weapon. I found the Foreign Secretary's admission very interesting for two reasons.

First, it marked the first time the Pakistani Government has publicly admitted that it possesses a nuclear device. Second, it came less than a month after I met with Foreign Secretary Khan and other government officials in Islamabad.

Mr. President, the admission demonstrates that United States policy toward Pakistan is beginning to produce results. In the early 1980's there was an increasing belief on the part of many in this Nation, myself included, that Pakistan was developing a nuclear weapon. As a result, in 1985, Congress adopted an amendment, which I sponsored, tying the continuation of foreign aid to Pakistan to the President's ability to certify that the country did not possess a nuclear device.

In 1990, the President was unable to continue making that certification and, under the provisions of the Pressler amendment, as it has come to be known, foreign assistance to Pakistan was cut off. Throughout it all, government officials in Pakistan continued to deny that their country had developed a nuclear weapon. That is no longer the case.

I applaud Pakistan's decision in this matter. This admission was necessary if any progress is to be made with regard to nuclear nonproliferation in that part of the world. As I have said previously, I also applaud Pakistan's support for the proposed five-power talks involving the United States, Russia, China, India, and Pakistan designed to open a dialogue on ways to reduce the nuclear threat in that part of the world. Indeed, I would take this opportunity to once again call upon India to offer its support for such a process.

Having said all this, Mr. President, let me also say that more must be done to stem the tide of nuclear proliferation in South Asia. Until that goal is achieved, the United States should not abandon its policy toward Pakistan. That policy is working. Progress is being made.

I will continue, at every reasonable opportunity, to encourage all developing nations to follow the lead of the world powers and begin to reduce stockpiles of both nuclear and conventional weapons. Recent events in the former Soviet Union and elsewhere have created a unique opportunity to make meaningful progress toward establishing a safer world. However, these efforts will prove futile unless all countries are brought into the process.

Mr. President, I ask unanimous consent that articles from the New York Times of February 19, 1992, and the Washington Post of February 7, 1992, concerning this issue, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 19, 1992]

THE CHASTENED PAKISTANIS: PEACE WITH UNITED STATES IS AIM

(By Edward A. Gargan)

ISLAMABAD, PAKISTAN, February 17.—Faced with an embargo on virtually all American aid and a cutoff of major military sales because of its nuclear weapons program, Pakistan has embarked on the precarious process of recovering its friendship with the United States.

In the last few weeks, Prime Minister Nawaz Sharif has moved with some decisiveness to persuade Washington that it should not abandon Pakistan, now that its role as a gateway to China and, more important, as a front-line adversary of the Soviet Union is no longer needed.

In rapid succession, Pakistan publicly admitted the extent of its nuclear weapons program, withdrew its military support for Afghan rebels while endorsing a United Nations peace plan and violently halted a march by Kashmiri secessionists toward the Indian-controlled part of Kashmir.

These steps, Western diplomats here say, reflect an emerging pragmatism in foreign affairs intended both to blunt India's efforts to dominate South Asia and to lay claim to being the rightful partner of the newly independent Central Asian republics of the former Soviet Union. None of this will be possible, Pakistani officials say, if relations with Washington deteriorate further.

'CHASTENED AND CHASTISED'

"Some sense has been shaken in with no aid coming in," said a senior military officer, who insisted on anonymity. "There is the feeling that we have to get our act together as a nation. I think we have been generally chastened and chastised."

Yet Mr. Sharif is finding that domestic political dangers and newly emerging regional interests are conditioning both the pace and nature of his overtures to Washington.

The reversal of the Government's Afghanistan policy and the suppression of the Kashmir march, in particular, have drawn the wrath of the fundamentalist Jamat-e-Islami party. The party's leader, Qazi Hussain, insists that the only legitimate government possible in Afghanistan is one led by the fundamentalist rebels, who deserve to rule because, in his view, they drove out the Soviet Army.

But many of the Central Asian republics, wary of the encroachment of fundamentalism in their domains, are encouraging a moderate government in Kabul and have told Pakistan that they will not tolerate a rebel triumph. Among the more moderate members of the National Assembly here, Pakistan's larger regional interests are now seen as vastly outweighing any emotional commitment to the spread of militant Islam in Afghanistan.

"Unless we have a good relationship with Afghanistan, we have no chance of establishing social, cultural, economic and geographical links with the newly independent Muslim Central Asian countries," Kunwar Khalid Yunus, a National Assembly member, wrote recently. "If we lose this chance again, as we did in the late 70's, and last year just because of zealots' pressure, God may not give us another opportunity."

MARCH IS BRUTALLY HALTED

Mr. Sharif also decided that he could afford no more confrontations with India over the disputed territory of Kashmir. In the face of criticism from the religious right and the emotions of Kashmiris in Pakistan, he had a potentially incendiary march by the Jammu and Kashmir Liberation Front, the separatist group with the widest support in the Indian-controlled Vale of Kashmir, brutally halted.

But it was in Washington that Pakistan took its most risky step when the Foreign Secretary, Shahrya M. Khan, disclosed that Islamabad had the ability to make nuclear weapons. That acknowledgment, while confirming what the Administration had known all along, accomplished two things, in the view of Western diplomats.

First, it told the Bush Administration, which has invoked a law, the so-called Pressler amendment, to ban aid to Pakistan because of its nuclear program, that the country wanted to put its cards on the table and begin the process of removing sanctions. Second, it renewed pressure on India to respond to Pakistan's call for talks on nuclear proliferation in South Asia.

Pakistan has suggested that the United States, Russia, China, India and itself discuss ways to reduce the threat of a nuclear exchange and hopefully lead to the banning of nuclear weapons in the region.

"The Pakistanis want to get out of Pressler," said a Western diplomat here. "They are serious about the five-power talks. In itself they are not a way out of Pressler, but they provide a way forward."

At the same time, the United States is clearly eager not to alienate the Pakistanis. Despite the ban on military sales, the Bush Administration has not only permitted, but, Western diplomats here say, assisted Pakistan in buying spare parts for its fleet of F-16 jets, purchases that State Department lawyers have determined to be permissible under the law. And last month Pakistan's Chief of Staff, Gen. Asif Nawaz, visited Washington, where he was treated much like a visiting head of state.

FOLLOWING THE MIDDLE PATH

Prime Minister Sharif, with the cooperation of President Ghulam Ishaq Khan, a major force in the power structure, has moved to eliminate opposition to the new policies in the army, which had become more sympathetic to fundamentalism in recent years.

Most visible was his decision to retire a hard-core fundamentalist general, Hammed Gul, and to install as army chief General Nawaz, who has repeatedly stressed the need for the army to stay out of politics.

"As far as fundamentalism is concerned," the senior military officer said, "we want to be practicing Muslims. We want to be moderates. This is what our religion teaches, moderation, tolerance, the middle path."

At the same time, Pakistani officials regard with some amusement Washington's seeming frenzied concern about the spread of fundamentalism in Central Asia, fears they hope to exploit by presenting themselves as sober pragmatists who just happen to be Muslims. Because they see Central Asia as their natural ally, the Pakistanis are encouraging Washington to regard Islamabad as a partner in cementing links with the Central Asian republics, and in the process limiting the influence of Iran.

Whether this strategy will be effective is difficult to say at this point, but Western diplomats here are not immune to its appeal. A senior diplomat said, "There is a competition to see what is going on there."

[From the Washington Post, Feb. 7, 1992]

PAKISTAN OFFICIAL AFFIRMS CAPACITY FOR NUCLEAR DEVICE: FOREIGN MINISTER VOWS TO CONTAIN TECHNOLOGY

(By Jeffrey Smith)

Pakistani Foreign Secretary Shahryar Khan said yesterday his nation now has the components and know-how to assemble at least one nuclear explosive "device," marking the first time a Pakistani official has confirmed publicly the extent of the country's nuclear program.

Khan's admission came after meetings with administration and congressional officials in which he reiterated Pakistan's pledge not to explode such a device or transfer nuclear technology to other Islamic states or Third World countries that have sought to obtain it.

"The capability is there," Kahn told reporters and editors during a 45-minute interview at The Washington Post about Pakistan's nuclear capability, adding that his country possesses "elements which, if put together, would become a device." He confirmed that these elements include potential weapons "cores" fashioned from highly enriched uranium, a fissile material commonly used to sustain a nuclear explosion.

Khan said he was speaking candidly to "avoid credibility gaps" that he suggested were created by senior officials of previous Pakistani governments. Those officials repeatedly denied that Pakistan had made any effort to produce the components of a nuclear device, but the United States has not believed them and cut off roughly $573 million in aid over the issue in 1990. The cutoff was mandated by congressional legislation—known as the Pressler amendment after a major sponsor, Sen. Larry Pressler (R-S.D.)—aimed at curbing the Pakistani bomb program.

Khan said the current leadership in Islamabad, which came to power in October 1990, had "inherited the problem" of what to say or do about nuclear weapons and decided to set the record straight so that his government could come to a clear understanding with Washington about the barriers to a resumption of U.S. financial aid.

Khan said he had not been told how many nuclear devices could be assembled in his country from existing components. But he said his government last year permanently froze production of highly enriched uranium and weapons "cores." Washington had demanded these measures as conditions for resuming aid, and Khan said the Bush administration, initially skeptical, has accepted Pakistani assurances on this score.

But Khan also stressed his government would only comply with a third U.S. condition for the resumption of aid—requiring destruction of the weapons cores in order to "reverse" the Pakistani capability—if a similar step is undertaken by neighboring India.

Pakistan has been reluctant to curtail its nuclear program because Pakistanis see it as a counterbalance to India's demonstrated nuclear ability. Khan said he had explained to U.S. officials that India also would have to limit its nuclear effort to avoid a "public perception problem" among Pakistanis that they had been unfairly singled out.

"I have a feeling that the U.S. government understands our [domestic] constraints" against unilateral action, Khan said and called for sustained U.S. pressure to force a change of heart by India.

Khan said this could be worked out as part of a regional arms control accord that the United States is urging at Islamabad's behest. Otherwise, the minister said, "I foresee no reversal" by Pakistan.

Khan said China, the region's other major nuclear power, had accepted a State Department proposal to begin negotiating a regional accord early this year. Russia has also agreed to help organize the talks, Khan said. But the minister added that "we've had a bit of a red light" because of India's "prevarication" on the issue.

In a description of events paralleling an account given by a knowledgeable U.S. official, Khan said India had initially opposed the idea of a regional nuclear nonproliferation accord but recently expressed its willingness to examine the possibility of such an arrangement.

India has not agreed to a starting date for negotiations, however, and Khan said U.S. officials had informed him that India still has substantial reservations about the idea, including what China's role in the talks would be and whether pursuit of a regional accord could detract from global anti-nuclear efforts.

"Both these reasons, from our point of view, are hollow," Khan said. He cited a recent Brazilian-Argentinian understanding to halt work on nuclear weapons as a potential model for Southeast Asia.

Khan said the proposed regional accord could provide for mutual inspections of nuclear-related facilities and include other measures to reduce anxieties among Pakistan, India and China.

An alternative to a regional accord, Khan said, would be modification of the Pressler amendment to cover "everyone" and thereby effectively bar U.S. aid to nations with nuclear arms. But the minister was advised by U.S. officials that this was unlikely to happen soon.

CIA Director Robert M. Gates, in the most detailed public U.S. description of the Pakistani nuclear program, told the Senate Governmental Affairs Committee on Jan. 15 that "we have no reason to believe that either India or Pakistan maintains assembled or deployed nuclear bombs. But such weapons could be assembled quickly, and both countries have combat aircraft that could be modified to deliver them in a crisis."

Mr. PRESSLER. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized for 5 minutes.

Mr. BURNS. Thank you, Mr. President.

(The remarks of Mr. BURNS pertaining to the introduction of S. 2238 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

NATIONAL ENERGY STRATEGY

Mr. BURNS. Mr. President, last night we passed an energy bill, and I have a statement with regard to that energy bill.

Mr. President, I rise in strong support of S. 2166, the national energy strategy. S. 2166 has its supporters and its detractors. It does because it is a national energy strategy. Many segments of society are affected by the many provisions in this bill.

We fought a war in the Middle East to stop aggression and, in part, to keep the oil flowing. We are importing nearly 50 percent of the oil we use. That is a dangerous dependence.

S. 2166 has important provisions on energy conservation; on the use of alternative fuels; on the use of electricity and hydropower. We need strong alternative fuels provisions. They can be produced domestically.

There are provisions on mass transit and the use of natural gas. Provisions on building efficiency standards energy labeling for windows and lamps and showerheads.

I do want to take a moment to discuss the alternative fuel provisions of the bill. In committee, I offered language to include alternative fuels in the bill. I did it because I feel strongly that we need to wean ourselves off foreign oil.

My amendment requires the Secretary of Energy to assess the economic situation regarding the supply and demand of oil and gasoline. If the supply of oil is disrupted or in short supply then the Secretary could turn to alternative fuels as a way of keeping the economy in balance.

I want alternative fuels to succeed. But I don't want the oil industry to destroy a small industry because it is being forced upon them. The amendment moves in the right direction and it works.

This is a comprehensive bill that addresses a wide variety of energy issues. This bill does not contain an ANWR provision or a cafe provision. Those provisions are important but they are not the sum and substance of this legislation.

Everyone faces tradeoffs in life. There are consequences to any decision. If the American people want an energy policy, and I believe that they do, then we must take the responsible course and address all forms of energy savings and domestic energy generation available to us. We cannot say that some answers are just out of bounds. The decisions that we make here affect all of us.

Jobs are on the line. We can deepen the recession we are struggling to get out of or we can help move this country forward. Increasingly we are handing over to foreign interests the keys to our own future. It is the responsible course to move toward increased energy independence and this bill takes the responsible course and moves us in that direction.

We need to get on with it.

We were pleased in this body that only 11 votes were taken in order to pass the energy bill.

Most of the problems of developing an energy policy for this country were worked out in committee where they should be and so, therefore, we passed the bill. It is a good bill—maybe not everything you would like to see in it, but nonetheless it covers energy, conservation, alternative fuels. I think it sets us in a direction that we have to go and when we take a look at a finite resource such as air, fossil fuels, our environment, and what that does.

THE ECONOMY

Mr. BURNS. Mr. President, there has been a lot of pontificating on the floor and in the newspapers and the speeches given since last Tuesday. It seems like everyone has their own message on what was said at the ballot box last Tuesday.

Through all the babble, I heard the message, and it is one that we have been talking about in the body for the last 3 years since I came in January 1989.

The American people want action. It is day 29 of our countdown to action and the air is still thick with partisan rhetoric, and while I am hesitant to rise on this floor to participate in it I feel it necessary that maybe we should inject a little bit of reality into this debate. I do not often rise on this floor to talk about any subject. But I feel very strongly about these facts.

The President has an economic plan. That is No. 1. He has pared it down to where, No. 1, it is passable, and No. 2, it will work. It is a passable seven-point initiative. No. 3 is a very stark fact that we all should take a look at, all my colleagues, and that is it is now our responsibility to act.

The plan is not so radical that it will not work. It focuses on what it is going to take to get business back in the business of expanding. One of the best proposals in the President's plan, of course, is the environment tax allowance, the ITA. It gives farmers and ranchers and small businessmen and large business alike an incentive to invest in new equipment, allows them to depreciate in the investment tax realm an additional 15 percent the first year.

The only change I would make in that proposal is that I would make it permanent because there is a lot of plans around here that makes some income tax increases permanent but some of the cuts temporary, and I do not like the balance.

All recessions are a little bit different. This is different than the one we had in the early eighties. It is going to be small business that will pull us out of this current stagnation that we are in.

So we have to have some long-term policy that allows companies to express incentive in expansion. The U.S. gross domestic investment as a percent of GNP is the lowest of the six major industrialized countries and we wonder why we are falling down. Our infrastructure is falling down, our inability to manufacture. We give no incentive to invest. There is none. In fact, we are the only country that really taxes incentive.

I have had a chance to visit with CEO's and presidents of companies both big and small and I said, "Why aren't you expanding? Your business is good. Your profit margins look good this year. Why aren't you expanding?" He says, "I do not know what is going to be the policy or what Congress is going to do next year. We just jump around like a flea on a griddle."

We have to plan for sudden changes in policy.

Another key component is let us cut the capital gains rate. That helps all Americans—small business, farmers, and home owners. Montana's fifth largest industry is agriculture, tourism, mining and lumber, oil and gas. All these industries contribute nearly $5 billion to my State's gross State product and they would all benefit from a cut in capital gains.

The USDA estimates that the President's proposal will save the producer in the 28-percent tax bracket who sells $5,000 of cull livestock to save $630 on his tax bill in capital gains. We are not a rich State. Our average income in Montana is only $24,000 per capita. That is $6,000 less than the national average. And we are made up of a State of small businesses. So we are not wealthy. But it would help everybody in my State of Montana.

In fact, the frontrunner on the Democratic side in New Hampshire said this one time, he once said that bill which lowered capital gains tax rates in 1978 did more for the economy of my State than anything I did as a Congressman.

So we all better start listening.

I think that most people out there also know that we do not need to pay for these good ideas with bad ones. In other words, we do not need to raise taxes to cut taxes.

Raising taxes costs jobs—a lesson we have learned from the 1990 budget deal. It makes no sense for the Congress to merely redistribute resources. We need to create new wealth and new jobs.

I firmly believe that any tax cuts or investment proposals should be paid for with spending cuts.

The Federal Government is already too big and its imposing presence is contributing to our economic woes.

Federal spending needs to be reigned in—and I have proposed a way to do that with my 4-percent solution. I encourage my colleagues to look at this option.

The President's 90-day moratorium on regulations and review of pending regulations also puts us on the right track.

The Federal Government is regulating this country into economic hardship.

Some may think I am exaggerating, but I assure you that I am not.

Over a 1-year period from April 1991 to March 1992 the Federal Government will take 514 significant regulatory actions.

Significant regulatory actions means "regulations that are likely to have an annual effect on the economy of $100 million or more. * * *"

Granted, some of these regulations serve a good purpose. In a free market economy, Government regulation is needed for important matters such as ensuring public health and safety, and protecting the environment. But I personally doubt that we need 500 new regulations a year to do the job.

Many of these regulations are unnecessary and they are costing us jobs. The President is addressing the problem and I commend him for doing so.

The Congress must also refrain from creating more obstacles to growth and prosperity in this country, obstacles like excessive regulation, high taxes, and wasteful Government spending.

I call on my colleagues on both sides of the aisle to pass the President's economic growth package without any of these obstacles.

Let us enact the policies that promote growth without imposing new taxes on growth. Let us do it by restraining Federal spending and restraining Federal regulation. And let us do it by March 20.

Thank you, Mr. President.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

THE UNITED NATIONS FACES CHALLENGES AND OPPORTUNITIES

Mr. PRESSLER. Mr. President, 1992 presents the U.N. system, and international diplomacy in general, with new challenges and opportunities. In this regard, the new Secretary General of the United Nations, Boutrous Boutrous-Ghali of Egypt, will have much to say about how multilateral activities are conducted and what decisions will be made.

In Boutrous Ghali, the United Nations has chosen a highly experienced diplomat and scholar from the continent of Africa. He is the first U.N. Secretary General from that continent. His long background in the service of Egypt, and in international studies and causes, combined with a distinguished academic career and extensive activities in international law, should prove invaluable. Mr. President, it is hard to imagine that a more complete diplomat and expert could have been chosen.

Undoubtedly he will receive a great deal of advice on the speed and direction his reorganization of the United Nations should take. There is every reason to believe that Secretary General Ghali will continue—and even accelerate—the substantive personnel and budgeting reforms which were begun largely in response to American concerns in the mid-1980's.

And I raised those budget concerns here on the Senate floor at the time.

Mr. President, the new Secretary General knows better than many that the U.S. Congress plays a unique role in U.S. policy toward U.N. management, funding and personnel issues. Thanks to the excellent work of the Senator from Kansas, NANCY LANDON KASSEBAUM, effective pressures were placed on that international organization at a time when America-bashing, wasteful spending, and padded employment rolls were the norm there.

The entire organization, as well as other elements of the U.N. system, need fundamental rationalization. In other words, Mr. President, the duplication and overlapping of responsibilities which have cost so much for four decades need to end. Assistant Secretary of State John Bolton uses the phrase, "the unitary U.N." to describe both the problem and the solution. Duplicative organizations may have to be shut down, or their missions may have to be redefined to avoid wasteful expenditures.

Incredibly, a number of U.N. member states oppose this concept and have decided that the modest reform efforts begun in part in response to the Kassebaum amendment should end.

Transferring employees, changing position descriptions, and reorganizing whole agencies seem to be fundamental concepts of sound management for the U.N. system.

The United States and other major contributors will continue to support the key elements of the Kassebaum amendment. First, Mr. President, a budget based on zero real growth makes a great deal of sense. That is an implicit provision of the Kassebaum amendment, which was altered slightly in the Foreign Relations Authorization Act (Public Law 102-138). Other goals of the Kassebaum amendment, such as a 15-percent reduction in U.N. system personnel and a complete end of secondment—the practice which permits individuals to be detailed to international civil service positions while retaining civil service rank and positions with their home government—also should be the targets of U.N. reform.

While international civil servants deserve to feel secure, subject to personnel reviews, continued tenure with their home governments weakens their ability to serve the U.N. system first and creates the appearance of dual loyalties. This is particularly true, Mr. President, in instances where a portion of hard currency salaries is rebated to the home government of an international civil servant.

As Boutrous Ghali knows, the United Nations and many other international organizations have many legislative functions which are not dissimilar to what the U.S. Congress does. Excellent relations between the U.N. system and the U.S. Congress are essential. Here, good progress has begun through the work of an independent group, Foundation Emmes, to build lasting ties between the United Nations, Members of Congress, and senior staff.

In recent years, measurable progress has been made in beginning the rationalization and reform of the United Nations and other international organizations. Dr. Ghali has a golden opportunity to assure continued and accelerated progress.

One fundamental question that deserves top consideration in this process is what the United Nations can and should realistically hope to accomplish within the constraints of cost-effective budgeting. During 1991, Mr. President, there was a tendency to heap enormous new responsibilities on the United Nations—from the gulf war and peacekeeping to terrorism—to name just a few issues. This tendency needs to be reevaluated.

I raise this issue as a long-time friend and supporter of the United Nations and of multilateral diplomacy. At the same time, domestic necessities demand that we scrutinize all Federal expenditures—including those of international organizations. Because of the scale of assessments on the United States, U.N. system costs to the U.S. taxpayer are increasing dramatically. No end is in sight to this cost spiral.

Secretary General Ghali is to be commended for selecting a fine new Under Secretary for management, Dick Thornburgh, our former Attorney General. Both of those men will have their hands full creating an efficient, unitary United Nations.

The United States is meeting its responsibilities toward the United Nations, and I am delighted to be able to say that as a member of the Minnehaha County United Nations Association.

I support President Bush's intention making good on our U.N. obligations, including the plan which promises to repay funds withheld by the United States because of U.N. noncompliance with the Kassebaum amendment. The Foreign Relations Committee, on which I serve, soon will be required to decide on an additional $750 million authorization for U.N. peacekeeping activities, for which the United States is assessed 30.7 percent of the budget. Every proposed increase must be justified completely and every U.N. program must be reviewed carefully to ensure that it is justified and cost effective. As much as I support the U.N. system, it is not a panacea to solve all the world's woes.

Mr. President, as most Senators know, the United States is assessed 25 percent of the U.N. general budget. In addition, our country has been extremely generous in its voluntary contributions to multilateral activities. Secretary General Ghali should not be surprised if Congress asks more questions about the way the U.N. system spends its funds. However, budget scrutiny should not be interpreted as an indication of diminishing support.

Mr. President, my point is that the United Nations cannot and should not try to do everything. As the many new nations have discovered, national sovereignty is an essential and potentially very positive element of diplomacy. I doubt whether most Americans would support activation of the U.N. Military Staff Committee if it would result in a standing U.N. military force and I question whether Americans are prepared to yield to non-Americans command of any forces the United States might contribute.

On July 29, 1991, during consideration of the Foreign Relations Authorization Act for fiscal years 1992 and 1993, the Senate adopted my amendment to increase employment of U.S. citizens in those U.N. system agencies which have geographically distributed hiring goals. That emphasis was preserved in the bill President Bush signed into law on October 28, 1991 (Public Law 102–138). As strong supporter of an effective, efficient United Nations, I believe that American citizens ought to be encouraged to work for U.N. system agencies.

Mr. President, having served as a public delegate to the U.N. General Assembly and as a longtime supporter of multilateral diplomacy, I welcome Dr. Boutrous Ghali to his new position—and to the new challenges he will find in the United Nations. His 28 years as a leading academic and 14 years as Egyptian Foreign Minister have prepared him perhaps better than any other Secretary General has been prepared to that position. Congress desires a better relationship with the U.N. system. Working together, we can revitalize the U.N. system and make it function better.

The ACTING PRESIDENT pro tempore. The Senator from Washington [Mr. GORTON] is recognized to speak for up to 15 minutes under the previous order.

SPOTTED OWL RECOVERY PLAN

Mr. GORTON. Mr. President, in his State of the Union Address, President Bush called for a $5,000 tax credit for first-time home buyers. I enthusiastically support this effort to stimulate the economy and bring this country back from its recession. The construction industry has traditionally lead the economy out of recessions and I am confident that this measure will increase the demand for wood products. That is good for the country generally and for the Pacific Northwest specifically.

Unfortunately, the increased demand in wood products will be met with a drastically decreasing domestic supply of those same products. In the Northwest alone, the supply of Federal timber has dropped from an average annual sales level of nearly 5 billion board feet to only 1 billion board feet last year with the probability of about the same this year. This drop in supply has dropped prices higher and higher. The price of framing lumber has risen 32 percent from an average price of $233 per thousand board feet over the last five Februarys to $307 per thousand board feet today. The composite price of plywood has risen 41 percent from an average price of $217 per thousand board feet over the last five Februarys to $304 per thousand board feet today. And then, on top of this it is estimated that the President's proposed measures will stimulate an additional 20 percent of lumber consumption this year in the building of new homes.

This increasing demand will chase a limited supply and prices will go through the roof. If the supply of timber is not increased, the President's $5,000-per-home tax credit could easily be eroded by these rising lumber and plywood prices. If the median-priced house sells for $100,000 today and 15 percent, or $15,000 is attributed to lumber and plywood costs, it is easy to see that an increase of approximately 35 percent in the price of these materials will offset the President's $5,000 tax credit.

At the same time, the increase in demand could further increase the ratio of lumber imports to domestic supply, thus devastating the domestic timber industry even more than it has already been devastated by spotted owl restrictions. This country already imports more than one-quarter of its softwood lumber and those imports could double within months if the demand suddenly accelerates. This is no time to exacerbate an already painful trade deficit.

To date, the limited supplies have curbed prices at already high levels. But I fear that a failure to solve the timber supply crisis in the Northwest could prevent the President's economic recovery package from doing the good work it is intended to do.

Mr. President, the most immediate and pressing method for resolving the

Northwest's timber supply crisis lies in a reasonable recovery plan for the northern spotted owl. The Department of the Interior has been preparing a recovery plan, but not the right one. This plan is required by the Endangered Species Act. The Endangered Species Act, however, does not require the implementation of a recovery plan and there is no deadline for the production of such a plan. The Secretary's recovery team has developed a plan that does nothing to ensure stability for families and communities who rely on Federal timber in the Pacific Northwest or significantly to increase timber supply. This plan, if implemented, may result in the recovery of the owl, but it is a Cadillac for the owls, not an economy car. The people of timber communities would pay for that Cadillac with this plan when it is dubious that they can afford even an economy car.

The recovery plan being floated by the recovery team is nothing more than the Thomas plan of 1990. That is right, even some members of the recovery team have said that it amounts to "Thomas plus." Rich Nafziger, the Washington State Governor's representative to the recovery team, was recently quoted in the Seattle-PI as saying: "The entire emphasis has been on maximizing protection of the owl. I'm not convinced that the plan does anything to reduce economic costs."

In fact, the recovery team's plan goes well beyond the protection afforded by the Thomas plan. The Thomas plan stated that it could protect 1,149 pairs of owls on Federal land in the Northwest and that this protection would reduce the timber harvest by 1.417 billion board feet. Two years later, the recovery team's plan would protect 1,281 pairs of owls, or 264 more owls than the Thomas plan, and reduce the timber harvest by 1.434 billion board feet—slightly more than the Thomas plan called for. So, the proposed plan would protect more owls at slightly greater cost than the Thomas plan. Mr. President, this is absurd. Any plan should present a balance between the status quo ante and the Thomas plan; it should not protect more owls at a greater cost.

Despite the enormous costs of the plan proposed by the recovery team, a few individuals, including those representing the Pacific Northwest in the Congress, are calling for its swift release, but they are not telling the whole story.

The President has called for a moratorium on all regulations and programs that would have a negative economic impact. The administration has interpreted the recovery plan to be such a program and included it in the moratorium. This is a correct decision. If this recovery plan is not a program that will have negative economic impacts, then I do not know one that will.

The administration has gone one step further. The Secretary of the Interior announced the day before yesterday that he is forming an interagency working group to develop options to the recovery team's draft plan that will result in significantly lowering human and community impacts. This working group will develop a plan that preserves the owl rather than increase its numbers from an already bountiful population of 3,000 nesting pairs. Any such plan will require congressional authority.

This is an important positive development. The Secretary is taking an active and leading role on this issue and he needs to know that timber communities support this effort. I encourage the timber communities of the Northwest to contact the Secretary personally to support his leadership.

I fully expect this interagency, working group to prepare legislation that will allow the Secretary to implement a more responsible recovery plan. I await the arrival of such legislation—impatiently. This is not an effort to prevent a resolution to this problem. This is a sincere effort on the part of the Bush administration to inject some sense into this process and to come up with a recovery plan that communities quite literally can live with.

Yet, in an attempt to embarrass the administration, some have claimed that these are stalling tactics, that communities in the Northwest need the recovery team's plan because they need some resolution to the spotted owl debacle and that the administration is playing politics. Those same people are trying to sell their constituents a bill of goods. They are trying to sell the unacceptable Thomas plan without revealing its identity and devastating impacts to their constituents. If anyone is playing politics, it is those who would have you believe that the recovery team's plan is good for the Northwest and that it should be implemented as soon as possible.

Yes, a resolution is important. But at what cost? The people of timber communities in the Northwest have been waiting for years to resolve this crisis. We should not rush toward a bad answer just for the sake of resolution. The leaked recovery plan is Thomas revisited and it would permanently devastate the economy of timber communities. Those who advocate such a quick resolution do so for political expediency and in doing so, advocate the devastation of communities, careers, families, and an economy vital to economic recovery. I am flatly opposed to the recovery team's plan and I am not afraid to say that I want to see it rejected.

There is another good reason to oppose the recovery team's plan: because a decent alternative exists. Biologists representing several companies in the Northwest and the industry's association have produced an alternative that is still under development. It was presented to the recovery team and is now subject to peer review. This alternative would only place between 3 and 5 million acres in owl reserves, compared to the nearly 7 million acres now designated as critical habitat. This alternative is far less onerous to the economy of the Northwest. Unfortunately, this plan has not been given a fair shake. The President's 90-day moratorium will give the authors of the plan and the Department of the Interior much-needed time to refine this alternative. It would be a tragedy to rush into a costly and destructive resolution when so much is at risk and when a viable alternative exists.

I am convinced that if the people of timber communities in the Northwest knew that the plan being forced upon them was almost a replica of the Thomas plan, they would be as exercised as they were at the god squad rallies in Portland last week. They are not and as a result, they may be vulnerable to a good sales pitch. Those who have an interest in the recovery plan should pay close attention. Do not allow your representatives to sell you a bill of goods. Be patient. Give the administration a chance to find a better alternative, a better alternative which does exist and can be implemented by this Congress.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia [Mr. ROCKEFELLER] is recognized for up to 10 minutes.

Mr. ROCKEFELLER. I thank the Chair.

(The remarks of Mr. ROCKEFELLER pertaining to the introduction of S. 2237 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized for up to 5 minutes.

THE ACCRUAL ACCOUNTING GIMMICK

Mr. SASSER. Mr. President, in the next month, there will be much sound and fury about competing tax cut plans, and there will be a considerable amount of theater about the dictates of the 1990 budget agreement.

We saw the first act last year when the President twice took the unprecedented step of refusing to sign expanded unemployment benefits at a time of very deep recession. Why did he refuse to sign those 2 attempts to extend unemployment insurance benefits for the millions of unemployed? His explanation was, well, it was not paid for.

I thought the President's interpretation of the Budget Act was overly rigorous at that time. To my mind, it was also dangerously inflexible. Millions of unemployed Americans paid the price of that inflexibility.

Now we approach the question of actually addressing the country's underlying economic weaknesses that occasioned that widespread unemployment.

The stakes are far higher, the temptation to do the expedient thing is far greater, and I submit the potential for damage could be far reaching, indeed.

In the heat of the political moment, in the heat of this political year, the administration's interpretation of the Budget Enforcement Act has turned from one of icy resolve last fall when this Congress was trying to extend unemployment benefits to now one of pure smoke and vapor when they wish to do something that they find to their liking.

The administration's recovery package is held up by a peculiar and wobbly support—a new accounting method for the Pension Benefit Guaranty Corporation. That method is known as accrual accounting. Under this ingenious new accounting treatment, certain future liabilities are recognized in the Federal budget for the first time. The liabilities that might occur or accrue in the outyears are recognized in the budget.

Now, that might be a step we may well want to take at some point, but using the same accounting change with which we are acknowledging potentially huge drains on the Treasury in the outyears, the administration is claiming savings of $20 billion—that is $20 billion in funny money that the administration would create and then spend. There is not a single dime of new revenue and not a single penny of real savings to create this money they are now spending.

Two things, though, would be very real if we adopted the President's proposal and used accrual accounting as the basis for it. There would be $20 billion in new borrowing requirements and a $20 billion reduction in our revenue base. So the principle behind the administration's accounting change seems to be this: If you can somehow contrive to forecast future savings off of a future liability, then you are allowed to spend them immediately.

That is, indeed, a strange doctrine to propound in the name of fiscal prudence. It is the ultimate budget fantasy, and I thought that I had seen it all. The possibilities for mischief are literally endless.

Suppose I, or the distinguished Senator from Illinois [Mr. DIXON] would just forecast savings in the strategic defense initiative—forecast savings in the outyears in the strategic defense initiative or savings in the space station, say, in the 4th or 5th year of construction—savings may be achievable 10 or 20 years from now—and then I propose taking those savings that we have forecast in SDI, or the space station, 10 or 20 years from now and spending them today on Head Start, or spending those savings we forecast in the future on the WIC Program today. That is what in essence we are being asked to do.

My colleagues may have grave questions about the theory behind such a move, as did I. Mr. President, I asked the Director of the Congressional Budget Office, Dr. Robert Reischauer, to analyze the issue for us. This morning I had his reply, and I ask unanimous consent that the entire text of Dr. Reischauer's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 18, 1992.
Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of February 11 requesting CBO's views on the Administration's proposals to modify federal pension termination insurance and banking policy and to convert the budgetary basis of accounting for the Pension Benefit Guaranty Corporation (PBGC) and deposit insurance from cash to accrual. In response, I wish to emphasize four points:

Federal budgetary accounting for these insurance programs needs to be improved;

CBO does not believe, however, that the accrual accounting measures proposed by the Administration are suitable for use in the budget at this time;

No PAYGO savings should be scored for the poliicy changes proposed by the Administration; and

The Administration's proposal to provide mandatory appropriations for insurance costs could increase taxpayer liability for these programs.

CURRENT ACCOUNTING

Cash-basis accounting for insurance programs fails to provide complete information about the cost of these activities. For deposit insurance, cash-basis includes in budget outlays and the deficit the distorting effects of outlays for the acquisition of assets and the proceeds of asset sales. These transactions distort trends in the deficit. Similarly, cash-basis accounting gives the false impression that the government is currently earning profits from pension insurance. The Budget Enforcement Act effectively removed the effects of most deposit insurance proposals from the provisions of PAYGO. Furthermore, CBO removes the deposit insurance cash flows from its budget projections to obtain a clearer picture of budgetary trends. Similar adjustments have not been made for pension insurance.

PROPOSED BUDGETARY TREATMENT

OMB's proposed accounting for deposit insurance is superior to present cash flow accounting for evaluating the financial condition of the insurance funds, and its market valuation techniques could be useful in setting insurance premiums. The accounting treatment proposed for PBGC is more problematic. Specifically, the effect of the Administration's proposals is to adopt inconsistent forms of accrual accounting for deposit insurance and the PBGC in the budget. For deposit insurance, the administration's approach largely recognizes costs when economic insolvency occurs. For the PBGC, costs are recognized in the budget year they are forecast rather than when they are incurred. For example, the cost of an insured bank insolvency in 2010 that was first forecast in 1993 would be scored in the budget of 2010. By contrast, the cost of a pension plan termination in 2010 that was first forecast in 1993 would be scored in the 1993 budget.

While the Administration's methods for estimating accrued costs could be useful for some purposes, they are complicated, would be difficult to replicate and implement, and are not necessarily the best way to estimate costs. We would have no confidence in any comparable re-estimates that we could generate in the current budget cycle. Indeed, because of the uncertainty of the estimating procedures, we believe it would be imprudent to incorporate them into the budget without substantial study. If the Administration's—or alternative—reform measures are viewed as urgent, they can be introduced, analyzed, and enacted without changing current budget accounting.

PAYGO SCOREKEEPING

The Administration proposes to raise the minimum contributions required of sponsors of insured pension plans; to limit federal liability for increased benefits in underfunded plans; and to improve the status of PBGC claims against sponsors in bankruptcy. According to OMB, these changes would reduce the cost of federal pension insurance over the next 30 years by billions of dollars. However, if costs and cost savings are recognized only in the years they are incurred or achieved—rather than moved up to the year they are forecast—no significant budgetary or PAYGO savings would be achieved by these policy changes before 1997.

Even if the Administration's version of accrual accounting were accepted, it would be inappropriate to record PAYGO savings for costs that had never been recognized before in the budget. Under the Administration's accrual accounting proposal, significant costs would be estimated for the first time but not scored, while savings from proposals to reduce these costs would be credited to PAYGO. Thus savings designed to meet PBGC costs could be used to pay for other budgetary initiatives. Any savings should first be applied to the newly estimated insurance costs. Accordingly, CBO would score budgetary savings only when these insurance programs have income in excess of anticipated costs. The same point applies to the Administration's proposals involving bank reform legislation and the estimated impacts for deposit insurance.

Legislated changes in budgetary accounting, moreover, can run afoul of the existing prohibitions on directed scorekeeping. If legislation contains language that directs the budgetary accounting or scorekeeping treatment for that legislation, CBO disregards the directive in scoring that legislation until such time as the scorekeeping provisions become law. While the proposal is pending, we do not change our scoring practice. If this were not the case, any bill could evade all controls of the Budget Act by directing that a cost was not a cost. Therefore, at the present time, we would use cash-basis accounting for legislation mandating substantive changes in the deposit insurance and pension insurance programs for purposes of enforcing points of order on the House and Senate floors.

The Administration's reform proposals for PBGC would do much to make up the current PBGC shortfall and enhance the financial stability of pension termination insurance. Ironically, under the current cash basis of accounting, these reforms would add to the federal deficit in the near term and constitute a charge against PAYGO. This perverse outcome suggests a fundamental incompatibility of current accounting for PBGC and the PAYGO rules. The simplest remedy for the short-term is not to change the accounting, but to remove PBGC from the PAYGO scorecard as has been done for deposit insurance. The Congress should be held harmless in the budget for adopting policies to control the cost of pension insurance.

TAXPAYER LIABILITY

Under current law, the explicit federal liability is $100 million in borrowing authority for PBGC. Strong recent experience suggests, however, that a legal limit on federal liability that is not consistent with de facto liability is not likely to be an effective limitation. The legal limitation will be especially weak where the public presumes the existence of open-ended federal liability. The existing $100 million legal limit, therefore, may be a gross under-estimate of the actual federal liability.

The question of who is liable for PBGC and deposit insurance financial shortfalls, however, does lead to an additional, important reason that these proposals should not earn PAYGO credit. The proposals do not reduce claims on the federal general fund. Specifically, the CBO baseline does not contain any general fund appropriations (except for borrowing authority) for BIF or PBGC in the projection period. Rather, by CBO projections, all losses are fully funded by present and future insurance premiums. Adopting the Administration's policy reforms would reduce losses accruing to the BIF and PBGC and permit offsetting reductions in insurance premiums. These reforms leave the general fund unaffected. They, therefore, would not free federal monies for use in funding new budgetary initiatives.

The Administration's package of proposals for deposit insurance and PBGC also makes a subtle, but major, policy change in the primary source of funding for financial shortfalls in these two insurance programs. In the past, the first resort source of money to cover financial deficiencies in these funds has been to raise the level of premiums. A general fund appropriation, by contrast, has been regarded as a last resort, discretionary action taken by the Congress only to avoid the possibility of default.

The Administration proposes to replace this process with an annual mandatory appropriation that would be triggered by any shortfall between annual premium income on the one hand and annual total costs on the other. This changes fundamentally the priority of liability for the cost of these programs. The taxpayer's share increases; the insured's share decreases. This shift increases the general fund deficit unless the Congress acts to reduce program costs. An alternative approach would be to create a closer link between insurance fund losses and insurance premiums and, thereby, to maintain the self-financing nature of these insurance programs.

CONCLUSION

The Administration's accrual accounting proposal, while a step in the right direction for analyzing deposit and pension insurance, is not ready for incorporation in the budget. Under current Congressional scorekeeping practices, the savings from the Administration's policy changes should not be available to pay for other budgetary initiatives.

Sincerely yours,

ROBERT D. REISCHAUER,
Director.

Mr. SASSER. Let me directly quote Dr. Reischauer's primary conclusions, if I might. No. 1, quoting Dr. Reischauer's letter now, the "Congressional Budget Office does not believe that the accrual accounting measures proposed by the administration are suitable for use in the budget at this time."

No. 2, quoting Dr. Reischauer further, "No pay-go savings should be scored for the policy changes proposed by the administration."

No. 3. Still quoting, "The administration's proposal for insurance costs could increase taxpayer liability for those programs."

So the Congressional Budget Office Director has concluded, No. 1, that the President's proposals are not paid for, and furthermore, that they could increase taxpayer liability in the outyears.

Dr. Reischauer goes on to say the administration's methods are "complicated, would be difficult to replicate and implement, and are not necessarily the best way to estimate costs." He says, "It would be imprudent to incorporate them into the budget without substantial study."

This is not some auxiliary issue we are talking about this morning. Accrual accounting is the primary payment mechanism for the President's tax proposals.

In the end accrual accounting amounts to voodoo accounting, a reckless way to try to pay for tax proposals, and it is not as though this administration does not know better.

Again twice last year the administration held relief for the unemployed to a rigidly high standard of budget purity.

At the very least, the dictates of consistency say that the administration should hold itself to the same standard with regard to the President's tax proposal. The administration should have to pay for its tax giveaways with legitimate savings.

And what would the President use this gimmick for? His tax package is not the tax relief for middle-income Americans that the State of the Union Address promised. It is not relief for students and working families. Rather, it is a passive loss real estate shelter, and investment tax allowance, a capital gains tax cut, a gravy train for the wealthiest of us—that leaves working families lashed to the tracks as that train roars down it.

Let me also be clear, Mr. President, that the accrual accounting changes is not benign. The proposed reforms will impose significant costs on certain firms and industries. There are going to be winners and there are going to be losers.

One clear loser identified in Dr. Reischauer's letter is the taxpayer. Under accrual accounting, liabilities now borne by insurance funds would clearly become liabilities of the taxpayer.

Quoting Dr. Reischauer: "This changes fundamentally the priority of liability for the cost of these programs. The taxpayers share increases; the insured's share decreases." In other words, under the President's plan the banks and fortune 500 companies can rest easier. The middle-class taxpayer stands ready to pick up the tab.

Thankfully, this CBO letter has brought the accrual accounting gimmick crashing to earth with a resounding thud.

The CBO letter states unequivocally that the accrual accounting gimmick will not work to offset other spending. Quoting the conclusion of Dr. Reischauer's analysis:

> The administration's accrual accounting proposal * * * is not ready for incorporation in the budget * * * the savings from the administration's policy changes should not be available to pay for other budgetary initiatives."

As Budget chairman, if and when this matter comes to the floor, I intend to raise a Budget Act point of order against any bill that purports to use accrual savings as a payment mechanism.

Mr. President, I yield the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER (Mr. WELLSTONE). The Senator from Illinois is recognized.

Mr. DIXON. Mr. President, I ask unanimous consent to proceed for about 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE RECESSION HAS GONE ON TOO LONG—ITS PAST TIME FOR ACTION

Mr. DIXON. Mr. President, this recession has now lasted over 600 days.

And 600 days is not just an insignificant number. It represents people that are hurting, people that are afraid, people that are being squeezed, people that see themselves slipping backward, and people that have lost that traditional American sense of optimism about the future.

Things are particularly tough in my State. Unemployment in Illinois is currently 8.3 percent, well above the national figure of 7.1 percent. Illinoisans see highly paid industrial jobs disappearing. They see health care costs rising to astronomical levels—that is, assuming they are lucky enough to have coverage.

People from my State know that, even when the economy does eventually pick up, economic growth will likely be weak by historical standards. They know that the recession has exposed serious, long-term economic problems that must be addressed. They know that, even before the recession, economic growth and productivity growth in the United States were at very low levels.

The U.S. Government must respond strongly and quickly with a short-term program to get the economy moving again. Immediate, targeted Government action is critical. Action on a short-term stimulus package, which would include a tax cut for the middle-income citizens and increased Government spending on infrastructure projects, is needed—and it is needed now.

Even more important for the long term, however, is the need for action on a package of initiatives to deal with our more basic economic problems. Such a package would include a realistic trade policy that recognizes the differences between the United States and some of our major trading partners—one that will produce fair trade. It should emphasize proposals that make us more internationally competitive.

It should also give us the kind of strong industrial policy here at home that will better ensure our future economic growth and competitiveness because opening markets abroad and eliminating foreign unfair trade practices is not enough; we need to change here at home to compete successfully.

I think we need tax policies that stimulate savings and investment in manufacturing, and that promote greater U.S. exports. I think we need Government research and development and procurement policies that will help the United States retain—and in an increasing number of cases, reestablish—the technological leadership that has been such an essential feature of the U.S. economy in this century. And I think we need greater Government attention to technological areas that are critical to our economic future and our national security, like semiconductors and computers, communications, and aerospace. We need to have more initiatives like sematech—the consortium designed to help improve American competitiveness in semiconductor manufacturing—and we need to take advantage of opportunities, like the establishment of the new high-definition television standards, to bring high-tech manufacturing back into the United States.

It is important to note that many of the kinds of changes we need are not costly. Rather, they mostly involve thinking about long-term competitiveness, not just the short-term, and organizing Government activities and decisionmaking in a way that gives these critical issues the attention they deserve. All too often at the moment, U.S. economic interests are subordinated to other U.S. defense, foreign policy or other geo-political concerns. Our international competition, however, gives competitiveness, trade, and economic issues their top priority, and the result is that the United States is at a disadvantage. That must be changed.

Other essential elements of this package would include education assistance, so that the American work force can meet the demands of an increasingly technical and rapidly changing world economy, and comprehensive national health care, to make this critical service more affordable and available.

Mr. President, many Members of Congress, including this Senator, have been pushing for these kinds of policy changes for a long, long, time now. Now the voters are beginning to speak and their voice is loud and clear. They want the recession ended. They want action on our long-term economic problems—now. They do not want to let ideology get in the way of the pragmatic steps that need to be taken.

It is time to stop blocking necessary change through vetoes and other obstructionist tactics. It is long past time to end this recession and to act on the underlying problems that unnecessarily darken what could otherwise be a very bright future for all Americans.

I yield the floor, Mr. President.

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. Mr. President, during the consideration of S. 2166, the National Energy Security Act, the Senate adopted an amendment which will allow the people of the Pacific to breathe a sigh of relief. This amendment relates to the authority of the nuclear waste negotiator under the Nuclear Waste Policy Act of 1982.

The Senate modified the definition of "State" in the act to exclude U.S. territories and freely associated states from the act. As a consequence of this amendment, the U.S. territories and freely associated states may no longer be considered as sites for nuclear waste facilities.

Mr. President, the amendment was necessary to protect the people and the fragile environment of our Pacific Islands. As a Senator representing a Pacific State, I can vouch for the fears and concerns that Hawaiians share with their Pacific neighbors.

When the possibility arises of siting nuclear contaminants in one of the most pristine regions of the world, it is time to draw the line. The risks are unacceptable. Indeed, the people of the South Pacific region announced their intention several years ago to create a nuclear-free zone. The citizens of the South Pacific elected to cast off their nuclear yoke of fear. The Pacific has spoken with one voice: No more nuclear testing, storage, disposal, or experimentation in our back yard. With this amendment, we will achieve a nuclear waste-free Pacific.

The central issue, Mr. President, is equity. Is it right and is it fair that a region's peoples must shoulder the burden of our society's nuclear waste? Is it just that our territories, their voices and influence limited, should risk becoming our Nation's nuclear dumping ground?

Mr. President, I do not mean to detract from the important work of the nuclear waste negotiator. I do not doubt that we have a serious challenge on our hands: Today the United States possesses 20,000 metric tons of spent fuel which is now stored throughout the country at commercial nuclear reactor sites in pools of water or in dry storage. By the year 2000, that amount will double. It is the job of the negotiator to find a State or Indian tribe willing to host a permanent repository.

But it should not be within the purview of the negotiator to consider territories and the freely associated states as repository sites. Indeed, they are ill-suited because of the greater shipping distances involved, geological obstacles in constructing underground repositories in the porous, shifting rock of island states, and highly vulnerable island ecosystems.

I am pleased, Mr. President, that the Senate has recognized the unique situation of our insular areas. We have removed the territories and the freely associated states from further consideration as nuclear waste repositories. When a community strongly expresses a wish, as have the people of the South Pacific, we must respect that wish. The Senate's thoughtful action reflects well on this institution. It is a first step on the road to a nuclear waste-free Pacific and, one might hope, to an environmentally sounder world.

I yield the floor.

Mr. WIRTH. Mr. President, yesterday our President was in Tennessee. The President said that we are now in a recession. He finally told the country what all of us have known. We are now in the 600th day of the Bush recession, 600 days. People in this country are hurting all over the United States and all over my State of Colorado.

When I first ran for the Senate in 1986, amazingly, our unemployment rate in the State of Colorado was higher than the national average, something that was brand new to us in the State of Colorado, a part of the country used to a certain amount of optimism, a sense of being immune from a lot of what is going on.

We went through in the late 1980's the worst of it. We went through this dramatic decline in our productive capacity. We went through a sharp decline in real estate values. We went through a major set of challenges to our financial institutions. And we know now, Mr. President, what the rest of the country is going through. We are very sensitive in understanding that. We are starting to come out of this, but we see how much pain the rest of the country feels.

And we are still hurting ourselves, Mr. President. Last week, I was in Pueblo, CO, and a woman said: You know, Tim, I am not afraid to die, but I am afraid to get sick, because if I do, that can break my family and take away everything that we have spent a lifetime putting together.

I was in eastern Colorado listening to people in those small farm communities, deeply worried about the future of their communities, and concerned that this administration and its agricultural policy simply does not care about the set of values that have been so important to our country, growing out of rural America, and watching with some despair as young people leave those areas of the country, never to return.

I was in Boulder, CO, talking with a large group of students feeling an enormous frustration that they are building up these vast pools of debt in order to go on to college and that promised land, and they do not see the opportunities coming out the other side they thought they were going to receive if they ran up all of this debt going on to college. It is not fair to them, and it is not fair to their futures, not only to load them down with this enormous amount of debt but not to have opportunity on the other side.

Members of organized labor, again in Pueblo, CO, disillusioned about the loss of their jobs, are saying over and over and over again: What is our Government doing to treat us fairly here in Pueblo? An environmental group, saying again and again: There are so many opportunities, if we would have an enlightened and thoughtful energy and environmental policy. We are missing those opportunities, both to lead the world and to look for major opportunities economically for us in the United States.

In Denver, 1 of 8 families are living off supplements from the Federal Government in terms of food; 1 in 13 in the State of Colorado. Food stamps are becoming a major part of their lives. All of this is something very new to people in my State.

What we are seeing now, Mr. President, is not only this despair and concern around the country, this despair and concern reflected very deeply in those comments by people in my State just in the last 10 days; we are seeing also a quest for change and something new. The request is being made from people: What are we going to do to change?

We must change. We cannot pay lip service any longer to education. We cannot any longer say we are going to focus on early childhood education, and then do nothing about it, as we have done for the last 3½ years. The education President has told us we are going to get kids into the Head Start Program, and still three out of four eligible kids are not enrolled. We cannot say we are going to do something about change in our schools, but not do anything to help change the teaching profession, which wants to change, wonderfully noble people who deserve to have the opportunity, say, of summer institutes, something we used to do to train and retrain them.

We need to focus on the issue of higher education, soon to be coming to the Senate floor. It is time for making changes, and also time to reflect on the wonderful innovation to come out of our university community, that innovation which was so stimulated by our investments in research and development, which has declined dramatically since 1981; these engines of change in small business growth in the country, coming out of that partnership between the private and public sector, the Federal Government and universities and private business, which we have turned our backs on. We want to recommit ourselves to that. That has not been done, Mr. President.

There is the health care issue, which all of us know is just sweeping my State and the country like a prairie fire; the concerns about controlling costs, not nibbling around the edges; making the kinds of fundamental changes in health care that we have to do. And the people of our country are asking for that leadership and not receiving it.

The people—knowing we were in the Persian Gulf not to restore the legitimate Government of Kuwait, as told by the administration, but because of oil—are asking us to have an energy policy that starts to back out of that dangerous dependence on imported oil.

We started in that direction here in the Senate with the passage of that bill last night, not the kind of leadership and not the kind of vision we should expect from the administration.

In housing, there are thousands of people in my State living on the desperate edge in the area of housing, Mr. President, with an RTC that still controls a great deal of housing. We have to figure out how to get that into the hands of people who need it.

And defense changes as well. We have all talked about that, but where are they? We have to seriously remember that we are still spending about $40 billion a year more than the peacetime average during the cold war, $40 billion a year more when the cold war is over. The country is asking for and needs this sort of change for the economic well-being of the country, for the economic well-being of my State.

I was so struck, coming back from all of these different kinds of meetings all over my State, Mr. President, all kinds of sessions and meetings, of people saying we are hurting and we are deeply worried and we want to change. They are right. They have reason to be deeply worried. They have reason to ask for change. We are now in the 600th day, starting tomorrow, of this recession, 600 days. It is time that we do get the sort of change people in this country expect and deserve.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

UNEMPLOYMENT

Mr. SARBANES. Mr. President, the Labor Department announced this morning that jobless claims in the first week of February rose by 18,000, to 452,000. These are Americans who are making their first visits to the unemployment offices. That is up from the previous week's revised mark of 434,000. This jump in claims was worse than most analysts had been expecting. Obviously, you do not look simply at 1 week because the figure moves up and down. You look at a 4-week average, but that 4-week average for the latest period is 450,000. In fact, Robert Brusca, of Nikko Securities, commenting on these figures says, "I hesitate to use the word "stabilized" because every week we are having 450,000 new claims being filed by people who do not have jobs. That is not a stable situation."

Last March, when the recession was considered by many to be at its nadir, the figure was 500,000 over a 4-week period. Last summer it rose to just over 400,000. It is now back up to 450,000 on a moving 4-week average.

Brusca went on to say, "You can clearly see the double dip. Now there is concern this could turn into a triple dip. If you use the ice cream parlor analogy, the economy remains in the deep freeze."

The unemployment claims, Mr. President, reflect only part of the difficult unemployment situation which exists. The official unemployment figure last month was 7.1 percent. That is people without a job looking for work. In addition, there were another 1.1 million people so discouraged they were not looking for work and 6.7 million people working part time who want to work full time. If you add that all together, you have 16.8 million people affected by unemployment. If you count the part-time people as half on the unemployment rate, you get a comprehensive unemployment rate of 10.8 percent.

The other thing that has happened during this economic period is that people's incomes have stagnated. This is very important to understand because I think it explains a part of the reason that there is so much concern in the country about the economic situation. Some have said, "The unemployment rate is at 7.1 percent, it has been worse in other recessions; therefore, the number of unemployed is not as severe as we experienced in previous recessions."

That does not take into account this comprehensive figure that I just talked about, and it also does not take into account the stagnation in incomes which has taken place. For instance, there has been a decline in after-tax income per capita over the last 3-year period.

This chart illustrates this fact. This is the real after-tax income per capita, and these are 3-year changes. You can see it has moved up and down, but for the first time there has actually been a decline over a 3-year period. Sometimes you get a decline over a 1-year period when you go into a recession but over a 3-year period, we have never before had an actual decline in real after-tax income per capita. Some people have not experienced that. The people at the very top of the income scale have not experienced a decline, but the vast majority of people in this country have actually seen their real after-tax income decline over this 3-year period.

We really have what my colleague, Senator BRADLEY, has referred to as a disposable-income recession. Senator BENTSEN pointed out a phrase used by Prof. Wallace Peterson, an economics professor at the University of Nebraska, "the silent depression," to describe everything from the decline in disposable income, which I have just illustrated, to the rising cost of major family expenses, such as health care and college tuition, to the increase in the number of two-income families and the decline in leisure time. In fact, Americans are working harder and longer to try to make ends meet, contrary to the accusations that have been made by some people.

So what we have had is that, even for those working who have a job, their real incomes have not improved. In fact, over the last 3 years they have worsened.

In an article in the National Journal of February 15, James Barnes, details this deterioration in the real-income situation. Added to this is the job insecurity triggered by the moves of many major corporations to permanently downsize personnel levels, which also erodes confidence about the future of the economy.

I think what the President has discovered in New Hampshire and elsewhere in the country is that there is a very serious economic situation. In fact, it is worse in a number of States than it is in New Hampshire, and it is both the unemployed, the partially employed, and the people who are employed who have found that their real after-tax income per capita has declined over the last 3-year period. This explains why voters are concerned about the economic situation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the hour for morning business be extended until 12:45 p.m. this day and that the Senator from Nevada be allowed to speak for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nevada is recognized.

Mr. REID. I thank the Chair.

(The remarks of Mr. REID pertaining to the introduction of S. 2239 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. KENNEDY). The Senator from Wyoming [Mr. SIMPSON] is recognized.

Mr. SIMPSON. Mr. President, I want to comment on a disturbing development in a very fine organization. I am speaking about the recent directive in which the Veterans of Foreign Wars national commander-in-chief called for the removal of Secretary Ed Derwinski, that he be fired, from his position as Secretary of Veterans Affairs.

I am a lifetime member of the Veterans of Foreign Wars. I have never had many moments in my life where I ever felt embarrassed about being a member of that fine organization. I am also a member of the American Legion and AmVets. But I must say that when I saw this almost hysterically contrived document by the executive director, Larry W. Rivers, who was reacting to a directive by the VFW commander-in-chief, I felt extremely disappointed and saddened.

I have it in its entirety. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC, February 3, 1992.

Name: All Department Commanders & Adj/Qm's.

Fax: As appropriate.

Comments:

Commander-in-Chief Wallace has instructed this office to request State Commanders to immediately contact all District Commanders within their Departments regarding our renewed efforts in opposition to Derwinski's Rural Health Care Initiative.

Please instruct each District Commander to ensure that all Post in his/her District immediately write a letter, send a fax or, if possible, send a telegraph to President Bush demanding an end to the Rural Health Care Initiative and also (if you agree) demanding that Secretary of Veteran Affairs Ed Derwinski be fired. The faster the better, so ask those that can to send a fax or a telegram.

Each District Commander should also write a similar letter/telegram/fax on behalf of the entire District. It would be helpful to the effort if a copy of the correspondence from The District Commander and the Posts could be sent to your entire Congressional delegation. Also, if you will ask that a copy of the correspondence be sent to the VFW Washington office it would allow me to keep the Commander-in-Chief up to date on the success of this important effort.

The Commander-in-Chief also asks that Department to set the example by sending a fax or a telegram to the President as well. Addresses are as follows:

The President, The White House, Washington, DC 20500 Telephone: 202–456–1414. Fax Number: 202–456–2481.

VFW Washington Office, 200 Maryland Avenue, NE, Washington, DC 20002 Fax Number: 202–543–6719.

The Cino ask that you give this request priority and act immediately. Thanks to you all.

Mr. SIMPSON. If that document has anything to do with civility or common sense, I have missed my guess. Reading that tripe, one would think it was the end of the veterans health care system. Then it has the unrestrained gall to say the Secretary of Veterans Affairs, Ed Derwinski, should be fired. If that is not the height of pomposity, arrogance, and childishness, I don't know what is. This is an unvarnished illustration of playing bully on the block. Ed Derwinski is good for veterans. He is a veteran. He is good for veterans and good for this country because he has the strength and courage to step up to some of the professional fundraising veterans groups—that is what I described them as—and lay it on the line, hard and fast.

So, let us get the wax out of our ears and look at what Derwinski is proposing. Hear me out fellow members of the VFW. The rural health care initiative is a joint effort along with the Department of Health and Human Services. It is not going to cost the VA a nickel. It is aimed at those who are eligible for Medicare and Medicaid or Indian Health Service assistance. The two sites are in areas where private health care services are either unavailable or inadequate. The test sites will not operate in competition with private providers. No eligible veteran will be displaced, and no services to veterans will be delayed or denied as a result.

The participating VA hospitals would be paid by Health and Human Services for services they provide to beneficiaries of HHS programs. The VA will not be out a nickel. This is simply a demonstration program.

The combined workload from veterans and other Federal beneficiaries will justify the new service and help stabilize existing services at two VA medical center sites with decreasing workloads. It allows underused rural VA facilities in areas where alternate medical care is unavailable to provide care to Health and Human Services beneficiaries and be reimbursed by HHS for that care.

I was initially wrong on one aspect of this program. The occupancy rate of the two pilot hospitals are higher than I had earlier believed.

But there are more than adequate beds to care for all veterans who receive care at these proposed sites, as well as a few poor nonveterans. The site in Tuskegee, AL, has a largely poor black population. The VA is the only hospital in the county. It is estimated this hospital receives 30 outpatients and 15 inpatients daily. The site in Salem, VA, serves a poor white population area. It will provide better access to care in remote areas of Appalachia. VA doctors will treat both veterans and nonveterans at these rural outposts and no nonvets will be seen at the Salem hospital. There is lots of merit to this program.

No VA funds will be diverted from veterans' care; Health and Human Services will cover all costs of nonveteran care.

Other advantages to the VA are: First, VA physicians' skills will be enhanced by expansion of patient population. Second, HHS dollars paid to VA remain at local facility, potentially allowing for enhancements to programs and quality of care.

The Department of Veterans Affairs is also working closely with the Department of Health and Human Services to ensure that veterans who are not eligible for VA medical care but who are eligible for Medicare benefits are included in the initiative.

This initiative is consistent with the Commission on the Future Structure of Veteran Health Care recommendations to increase the opportunities for sharing medical resources with the Department of Defense and Health and Human Services.

I understand that during the House Veterans' Affairs Committee budget hearing yesterday—February 19—that Representative CLIFF STEARNS of Florida and Representative DICK NICHOLS of Kansas came out in strong support for the rural health care initiative. I admire their courage. The professional fundraising veterans do not like that. And the arguments that Congressmen STEARNS and NICHOLS gave were that once their veteran constituents understood exactly what the limited rural health care initiative was all about, they supported it. In fact, they had no complaints.

So, I ask you, fellow veterans; please make sure you understand the rural health care initiative and its limited nature before you say it is or is not a good idea.

The fact of the matter is that the rural health care initiative is a smartly conceived, well thought out, well researched initiative aimed at helping the less fortunate in our country, and at the same time it will benefit some currently underused VA hospitals and, in fact, it may help solidify their places in the future of VA's health care system.

This is the most preposterous overreaction I have seen in anything from the VFW yet. The attention surrounding the issue should not be focused on Ed Derwinski. It should be focused on Larry Rivers, the executive director of the VFW, and Rob Wallace, the VFW commander-in-chief. If these two are able to focus their galvanized hysteria onto the true benefits and positive aspects of the rural health care initiative, they will also see that Ed Derwinski has done so much for veterans and deserves our thanks and not our flagrant abuse.

In my time as chairman of the Senate VA Committee, others like them have always tried this gimmick. Specifically, to attack the VA Administrator and now the VA Secretary. They cried: Get rid of Max Cleland. He was a Democrat and a good, good man. They wanted his head. Then they wanted Tom Turnage's head, then Nimmo's head, and Roudebush's head, all previous VA Administrators. And then they asked the VA to be elevated to Cabinet-level status. Now they are crying for the Secretary's removal simply because they do not want to understand or try to understand this initiative or because their exorbitant egos have been severely bruised. This is simple balderdash, pure unadulterated greed on the part of the "professional fundraising veterans" group. They do not tell the grassroots veteran they are trying to take care of an underserved black and white population in America. They do not tell them the truth about programs like the rural health care initiative.

The fact of the matter is that there are roughly 600 VA sharing programs that total $550 million already in existence. What difference is one program paid for by the Department of Health and Human Services going to make? And the answer is not one whit.

Somebody ought to call them to task. They will be in town in about 10 days and I will be there to do it. I hope others will join in watching this display of bullying that is not becoming to a fine organization I have been a member of for nearly 35 years. And to come in and pump it all out of proportion like this is a disservice to veterans in America.

I thank the Chair for the additional courtesies, and I thank my friend from Massachusetts for his courtesies.

EXTENSION OF MORNING BUSINESS

Mr. KENNEDY. Mr. President, I ask unanimous consent that morning business be extended.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

THE RECESSION

Mr. KENNEDY. Mr. President, we mark a grim and unnecessary milestone today—the 600th day of the Bush recession. The recession that the President told us would be short and shallow has now turned into one of the longest and deepest since World War II.

As they have for the past 600 days, the administration continues to look for good news with a microscope. The search goes on.

The index of leading indicators, which forecasts future economic growth, has fallen for 2 months in a row. Consumer confidence has plummeted more than 35 percent in the past 7 months, and is now close to an all-time low. The number of long-term unemployed has soared from 600,000 at the start of the recession to almost 1.5 millon.

Without an effective stimulus by the Federal Government, the future only holds more of the same distressing outlook—more unemployment, no growth in jobs or income, and families drifting farther away from the American dream. We need a real economic growth package to get this economy moving again and provide jobs.

But the President's proposals, even on the forecasts of his own economists, are inadequate to the task.

For 1992, the administration foresees real economic growth of 1.5 percent, which would be the most anemic recovery from recession since World War II.

They predict annual unemployment for 1992 to average 6.9 percent, with unemployment in the fourth quarter still stuck at the unacceptable level of 6.8 percent.

The administration does not believe that unemployment will get back to prerecesssion levels until 1997—5 years from now. Indeed, the President's advisers do not see real growth rising above 3 percent in the next 5 years.

This nonexistent national recovery will continue to inflict unnecessary and undeserved pain on Massachusetts and the rest of the Nation. Recent economic forecasts for the State predict that it may lose another 40,000 jobs during 1992, on top of the 275,000 lost in the past 2 years.

The American people are feeling the pain. In New England, consumer confidence about the current economic situation is at zero, an almost 200-point drop since 1988.

In the face of this crisis, the President proposes nothing that will help. If the administration's own national economic forecast is correct, then unemployment in Massachusetts could rise to over 9 percent in 1992. The emperor has no clothes, and President Bush has no economic recovery plan worth the name.

This continuing recession comes on top of longer term stagnation and decline in family income and American economic competitiveness. If the administration will not act to end this recession, and make long-term investments for future economic growth, then Congress must act.

Congress must put forward a sound economic program that jump-starts the economy, makes investments for the long-term, relieves the burden on State and local governments, and provides fair tax relief for the middle class.

I have proposed a specific plan to meet these goals, and so have many other Democrats. I continue to believe that a key element of any such plan must be an immediate public works program to create jobs and start the recovery.

There is substantial support among the American people for a vigorous economic recovery program, using savings on defense for domestic needs, not for tax reductions or reductions of the deficit at this critical time.

A recent New York Times poll found that 72 percent of the American people felt that we should use the peace dividend to deal with our domestic needs in the areas of education and the areas of health care. Only 8 percent believe we should use that for the reduction of taxes and only 14 percent to reduce the deficit. Clearly, the American people are ahead of the political leadership in this country.

Even among Republicans, an overwhelming majority, 64 percent, favored using defense cuts to meet domestic needs. Other polls have shown similar widespread sentiments for job creation, as did the voters in New Hampshire.

I support middle-class tax relief, paid for by higher taxes on the wealthy. But we should use the peace dividend to jump-start this economy, to create jobs, and to make the fundamental long-term investments that will lead to future prosperity.

It will be much more difficult to achieve these goals in the face of indifference and intransigence from the administration, but we must work to do so. The American people deserve our best efforts on their behalf.

EXTENSION OF MORNING BUSINESS

Mr. McCAIN. Mr. President, I ask unanimous consent to extend morning business for 5 minutes so I may address the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE FOR VETERANS

Mr. McCAIN. Mr. President, an issue has arisen in the last few months concerning the issue of health care for veterans. It has created a firestorm of controversy. It has aroused the veterans' community like no other issue that I have been familiar with in my 10 years as a Member of Congress. The rural health care initiative, in my view, is a proposal that probably has great merit. I think that our veterans, as well as all of our citizens, believe that we should do everything we can to provide medical care to all Americans, especially those who are least privileged.

Mr. President, the reason why veterans are concerned about this issue is because of the way that this program was implemented and, frankly, the lack of communication and consultation with the leadership of the veterans' community. It is my understanding that my colleague from Wyoming mentioned a couple of the leaders of the Veterans of Foreign Wars, Mr. Bob Wallace and Mr. Larry Rivers.

I know both of these gentlemen. I know them as dedicated, outstanding gentlemen who have not one ounce of selfishness associated with them. Both of them have dedicated their very lives to assisting veterans, and I reject categorically any allegation that they are anything but the finest that our veterans' community and our Nation can offer. I am proud to call them my friends.

Mr. President, let me try to focus a little bit on the problem as I see it. It all has to do with eligibility.

The policy of the rural health care initiative is that no eligible veteran will be turned away. Of course, the question is: What is eligible?

Due to the lack of medical care facilities and the lack of health care that is available for veterans, we all know that veterans who have non-service-connected disability, are often not eligible to receive care at VA facilities. There is a widespread perception throughout the veterans community, that veterans are not receiving care in veterans medical facilities, while nonveterans are receiving care ahead of them. Additionally, because of the lack of communication that exists, many veterans are alarmed, that this pilot program will be expanded throughout the country. Anyone who is familiar with the issue of health care for veterans knows perfectly well that we are lacking across the board—whether it be in surgical wards, nursing homes, geriatric wards, or pure medical care.

Mr. President, in Tucson or Phoenix, AZ, there is not enough room for veterans to stand, much less sit in waiting rooms, waiting for the care that was promised to them as part of their reward for their service to this great Nation and their willingness to serve and sacrifice.

Mr. President, I had hoped, and I still hope, that we can get the President of the United States and the leaders of the veterans' community to sit down together and get this issue resolved. The veterans of this country need to be told that we will do everything in our power to provide them with the health care they have dutifully earned. This is not an entitlement or a welfare program. It is a benefit which they have earned through service and sacrifice to the United States of America.

There have been statements to which I would like to respond, about greedy veterans, about narrowminded veterans, about veterans who are only concerned about themselves.

Mr. President, I am proud to be a veteran. But far more importantly than that, I have had the privilege of knowing thousands of veterans across this country. They are not selfish. They are not self-centered. They are not unwilling to serve their fellowman.

Go to any post—American Legion, Disabled American Veterans [DAV], Veterans of Foreign Wars [VFW]—and you will find that most of their efforts are, or on behalf of the community—whether they be in patriotic celebrations or helping others.

Go to a VA hospital. You will find that the volunteers there are generally from the auxiliary the American Legion, the VFW, or the DAV.

Mr. President, it has been my experience that the veterans of this country have proven through their continued service to this Nation that they neither are selfish nor narrowminded nor are they greedy. They are the group of citizens I most admire and revere. I hope we can get this issue behind us, and get it settled. We need to get it done in consultation, not confrontation. I will continue to rely on the advice and counsel of the veterans of this country.

I thank the Chair.

TRIBUTE TO CHIEF N. DOUGLAS STARBIRD

Mr. MITCHELL. Mr. President, on February 22, Chief N. Douglas Starbird, chief of the York, ME, Police Department, will be honored by colleagues, friends, and family upon his retirement after 35 years as a law enforcement official in service to the people of Maine. I would like to join in recognition of Chief Starbird's distinguished and lengthy career.

Chief Starbird was born and raised in Dexter, ME. After graduating from Foxcroft Academy, at the age of 19 he joined the U.S. Navy, serving from 1943 until 1945. While in the service, he attended Tufts College and the Massachusetts Institute of Technology, receiving training in navigation. After completion of this tour of duty with the Navy, he returned home, married Vicki Wright, and became the father of two children, Linda and Jeffrey.

In 1955, Chief Starbird became a Maine State trooper, responsible for patrolling the southern end of the Maine Turnpike. During his 20 years of service as a State trooper, Chief Starbird rose consistently up through the ranks, being promoted to sergeant, then lieutenant, then captain.

In 1975, Chief Starbird retired from the Maine State Police and was hired as the chief of police in York. Shortly thereafter, York Beach and York Village were consolidated, and the two police departments merged. As the resulting community expanded and the police department outgrew its old space at the Town Hall, Chief Starbird was instrumental in moving the police department to its present location at 37 Main Street, York Beach. During his 15 years as chief of the York Police Department, Chief Starbird saw the department grow from 6 to 20 full-time officers.

Mr. President, throughout his career, Chief Starbird has been committed to service to his community and to his country. In addition to his career in law enforcement, he has been active in a number of civic organizations, including the Rotary Club of York. He has also served as a member of the Maine Chiefs of Police, the New England Chiefs of Police, and the International Association of Chiefs of Police.

I am pleased to have this opportunity to join Chief Starbird's many friends, colleagues, and family members in honoring him upon his retirement. His many years of public service, and his lifelong commitment to his community, set an example for us all.

I extend my warmest best regards to Chief Starbird and his family, and my best wishes for good health and happiness in his retirement.

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I ask unanimous consent that the period for morning business be extended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I do not think I will take more than 10 minutes.

I ask unanimous consent that at the expiration of my remarks the Senate stand in recess until 2:30 p.m.

The PRESIDING OFFICER. That will be the order.

The Senator from Arkansas is recognized.

Mr. PRYOR. I thank the Chair.

(The remarks of Mr. PRYOR pertaining to the introduction of S. 2239 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

RECOGNIZING THE ACCOMPLISHMENT OF CHRISTINE BANNON-RODRIGUES

Mr. CHAFEE. Mr. President, I believe it is worthy to pay tribute to the outstanding achievements of Christine Bannon-Rodrigues who, at the Eighth World Association of Karate/Kickboxing Organization Championships last October in London, because the first person—man or woman—to capture three world titles and set a new world record at one world championship.

Christine is well-known as an extraordinary athlete of the martial arts, and is considered by many to be the best all-around woman competitor ever to compete in sport karate. Her previous credits include 15 first-place national titles which earned her the National Blackbelt League's coveted "Adult Competitor of the Year" award in 1991.

Under the guidance of her coach and husband, Don Rodrigues, the 25-year-old native of Warwick, RI, has continued her aggressive pursuit of excellence. In January alone Christine was named "Female Athlete of the Year" by Words Unlimited, the association of sportswriters and sportscasters of Rhode Island, in addition to being inducted into the National Blackbelt League 1991 and the Inside Kung-Fu 1992 Halls of Fame respectively.

It is with great pleasure that I recognize and honor Christine's exceptional skills and accomplishments. She is an example to all who have aspirations of success and the determination to make them real. Christine is a source of pride to all of us in Rhode Island and we wish her continued success.

DR. JAMES HUGHES' PROPHETIC WORDS

Mr. LEAHY. Mr. President, I want to share with you and the other Members of the Senate a talk given by Dr. James Hughes about the neglect of children in our society. Dr. Hughes addressed a congregation in Post Mills, VT, last August. He talks about the increasingly complex society that our children encounter. As a pediatrician in the District of Columbia, Dr. Hughes knows firsthand about the challenges of keeping families together and the perils of inner-city violence for our children.

In America, many children are growing up healthy, confident and skilled, but too many are not. Too many American newborns are dying. Our country ranks 22d in infant mortality rates among industrialized countries, whereas Japan ranks first as having the lowest infant mortality rate. Forty years ago the opposite was true. Too many children grow up in poverty. One in five live in poverty and go to bed hungry. And of the 37 million Americans without health insurance, a fifth are children. In addition, many children suffer the injustices of corrupt neighborhoods, poor school systems, and broken families. For many, opportunities are limited.

Mr. President, today's parents are raising children in a world vastly different from the one I remember when two of three American families consisted of a father who was the breadwinner, a mother, and the children they were raising. Today fewer than one in five families fits this description. "Quality time" is a new addition to the American vocabulary.

When I was young my parents instilled in me the belief that each generation has a duty to make life better for the next generation. Let us then not forget the responsibility we have to our children. That is the American dream and we need to recapture it.

Childhood is one of life's most important developmental periods. It is about turning mystery into understanding and providing a stable base from which our children can grow.

Mr. President, as we begin this year's debate on the Nation's budget, I urge every Member of the Senate to think about what Dr. Hughes has to say about the needs of our children.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHILDREN

Today we're talking about children.

I like them. I've found few Scrooges in my life who don't. Being a pediatrician gives me the kicks I need. There's always a happy story out of every day. It's hard to have a bad day when a 10-month-older pulls with fascination on my eyebrows, a three-year-older proudly counts her toes for me (the evident number may be five, but proud reports of 4, 5, or 6 seem equally common) or a preschooler recites the names of the four Teenage Mutant Ninja Turtles pictured on his underpants. (Incidentally, I'll autograph a copy of today's program for anyone who can finish that list of unlikely sewer-dwelling heroes which starts with Michaelangelo, Raphael, and Leonardo!) I have been truly blessed by my profession. Daily I'm brought into contact with neat kids. Daily I stand in awe of the enormous task young mothers take on. And daily, in my inner city practice, I think of the dying Absaloms and the mourning Davids.

Because of the nature of my District of Columbia practice on North Capitol Street most of the children seen by my group of 5 pediatricians have single mothers. I had cause to review the chart of one of these children recently. He had joined our practice two years earlier at the age of twelve. My colleague's notes then read, "Did well in seventh grade", and recorded an unremarkable physical examination. The next year's notes were similar unremarkable entries by my fellow physicans concerning common ailments. Then began a sequence of inner city events: a head injury; a laceration; an infected hand following a fist fight; a bullet wound in the foot; his first case of gonorrhea at 14; and an overdose on doxycycline when he took at one sitting 8 of the 14 pills prescribed for a seven day course of treatment of chlamydia. (For those of you who don't know, chlamydia is the commonest sexually transmitted disease among American adolescents). I first saw the boy on that occasion and made my chart entry on his Problem List: "Youth at Risk". I offered him HIV testing which he declined. His worried mother insisted, however, and he reluctantly consented. Her advice was sound. One out of every sixty women delivering babies in the District of Columbia is infected with this virus, the cause of AIDS. Happily, he was negative. I reviewed with him carefully the ways that HIV is transmitted and the importance of condoms for those with multiple sexual partners. I urged that he establish an ongoing, working relationship with me or with one of my collegues. I saw him a month later for a second bout of gonorrhea. Again I urged that he come to see me or another pediatrician on a regular basis starting with a health assessment.

The final chart entry was by one of our Advice Nurses recording his mother's call. No, he wouldn't be in for his health assessment with me. He had been shot dead on Mother's Day.

Absalom, too, had gone astray. He had usurped the palace of his father, David, and to prove his mastery had had intercourse with David's ten concubines. Absalom was even out to destroy his father, yet David wept at the news of his death.

We're not told in Samuel II how Absalom's mother felt about her son's death. In Washington, DC, we usually don't hear about the father's pain.

You may have read two months ago about the single mother driving her three kids home from a visit with Grandma. They were on my North Capitol Street when occupants of two other nearby cars began shooting at one another. In the crossfire, one stray bullet went through this young mother's head, killing her instantly. Her three children survived the crash. I can't recall the press reporting how the father(s) of her three children felt. I'm not sure the paper even identified him or them.

The district of Columbia has 600,000 residents, just slightly more than the State of Vermont. 450 of these Washingtonians die each year of homicide, a death rate of about 0.75/1000 per year. Most of these slayings are drug related; many involve teenage boys. By comparison, 30,000 Nicaraguans lost their lives during the decade of Contra war. For that nation, *at war*, with just over 3,000,000 people, that was a death rate of about one per 1000 per year. Thus, we in Washington are experiencing a death rate of our sons from homicide that is only a shade less than the rate which Nicaragua suffered in an all-out civil war!

"O my son Absalom, my son, my son Absalom. Would I had died instead of you, O Absalom, my son, my son!"

Today we're talking about children.

What about poverty and American's children? One index of poverty is the ability to pay one's medical bills. We've heard that 37 million Americans have no health insurance. That's some 70 times as many Americans as there are citizens of the State of Vermont; a lot a needy Americans.

Our children are disproportionately poor. The Children's Defense Fund mongraph, "The State of America's Children, 1991", reports that in 1989, the last year for which final statistics were available, 19.6% of America's children under 18 lived in poverty. (That's quite an increase over the 16.4% in 1979 or the 14% in 1969). For American children under the age of 6 the picture is even more bleak: 15.3% living in poverty in 1969, a jump to 17.8% in 1979, and then to a collosal 22.5% in 1989! We *spend* less per capita of our gross national product on elementary and secondary school than 13 other industrialized nations. Furthermore, we seem to care less. The measles encephalitis which in their childhood brain damaged Jack Kennedy's sister and put my sister-in-law into coma for a month became preventable in the early 1960's. As CDF reports, "In the late 1970's measles eradication seemed within reach. By 1983, the United States had brought the number of cases down to an all-time low of 1500. Five years later, following a significant decline in the number of children immunized, a measle epidemic struck communities across the nation, hitting hardest in some of the largest cities. In 1990 the number of cases swelled to 25,000."

For comparison, let's look at a really poor nation, Nicaragua, with a 1987 gross national product per capita of $830. That's less than 5% of the $18,530 each of us in the USA enjoys. The Washington Post in March of this year reported that among the nations of the Western Hemisphere, Nicaragua currently ranks #19 in its rate of measles immunization. Nicaragua was beset by a decade of Contra counter-revolution in the 1980's, a war in substantial part underwritten by the United States. We all know where we placed our political priorities in the 1980's. The same Congress which voted some $447 million to overt aid to the Contras cut financing for measles vaccine here at home. The result? On the scale that ranks Nicaragua #19 in measles immunization rate the USA ranks #26. It's tempting to speculate how much better off the children of both Nicaragua and the United States would be if instead of spending some $400,000,000 to arm the Contras Congress had spent it on measles eradication here at home.

Today we're talking about children.

We've recently been treated to pictures of the G7, the economic summit of the Heads of State of the leading industrialized nations: the "Board of Directors of the World" as the Boston Globe called them. As that Directorate looked down from its lofty summit onto all the nations of the world, I wonder if any of those seven Heads of State thought of the Jesus who charged his followers to "Let the little children come to me, and do not stop them; for it is to such as these that the kingdom of heaven belongs"?

To their credit, it's pretty clear that the other G7 States think more about their children than does the United States. The same decade of the 1980's which trained us in Grenada and Panama for our 1990 Desert Storm conquest saw our 1988 rate of death for American children under the age of 5 sink to 22nd place among the nations of the world. Our Desert Storm battlefield casualties were but a trifle compared to the number of American infants who die each year, 40,000, half of whom would not have died had they been born in Japan rather than in the Land of the Free.

The social cost of our neglect of our children is grotesque. In Washington, DC, there is one arrest per year per 14 residents. More than a million Americans are now in jail or in prison, a rate of imprisonment rivalled only by the Soviet Union and South Africa.

Today we're talking about children.

In this church on Independence Day weekend the American Flag was placed in front of the choir. Doctor John read ringing phrases from our Declaration of Independence. "When in the course of human events, it becomes necessary for one people to . . .", etc. Are we today at such a time when the course of human events calls us to look at what we have been doing to our children? Remember what the Preamble to our Constitution says: "We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty [not just "liberty" but "the blessings of liberty"] to ourselves and our posterity ["posterity": that's our children], do ordain and establish this Constitution for the United States of America."

President Bush, in welcoming the Soviet Union into the fellowship of nations with free market systems said (and I believe I quote him directly) "Competition brings with it the opportunity for success—and the risk of failure." He's very correct. But I would add that, for children in a purely competitive system, there is not just a risk of, but rather a guarantee of failure. Children do not thrive in a free market system without advocates. Remember the story from Matthew. "Then little children were being brought to him in order that he might lay his hands on them and pray. The disciples spoke sternly to those who brought them; but Jesus said, 'Let the little children come to me, and do not stop them; for it is to such as these that the kingdom of heaven belongs.' And he laid his hands on them and went on his way." The children were losing in their struggle to approach Jesus until He became their advocate: "Let the little children come to me, and do not stop them; for it is to such as these that the kingdom of heaven belongs"!

Jesus weighed in on the side of children. Are we prepared to do likewise?

The coin I'm holding up is embossed with the Latin phrase, "E pluribus unum": out of the many comes one. The "one" is us, the great American nation. We—you and I and every other American—are the great collective, the "unum e pluribus". And it is incumbent upon us to do what scripture and the Preamble to our American Constitution call upon us to do for our children. And it is our President's job—sworn to on the Bible as he or she takes the oath of that high office—to uphold that Constitution, doing all those things it lists not for momentary self-gratification, not for the worldly glory of summitry, not for the temptation of a Devil on a high mountain but "to secure the *blessings* of liberty for ourselves and *our posterity*".

Today we're talking about children.

I feel we have indeed come to one of those times in the course of human events when change is required: truly a miraculous conversion. Too many American newborns are dying, too many grow up in poverty, too many suffer the injustice of poor schools, decaying neighborhoods, broken families, limited opportunity, the covert marketing of drugs and the overt promotion of alcohol and tobacco and the idolatry of media's violence and its myth of irresponsible sex.

Of course it will cost money. Do we have it? Currently our infamously inefficient and inequitable health care system consumes approximately $2700 per capita per year. Are the kids in your family getting their $2700 worth of health care? Each new B-2 bomber we buy would cost every American man, woman, and child $4.40 according to Physicians for Social Responsibility. And then there's the "off-budget" S&L bailout and the "off-budget" Persian Gulf War.

Of course we have the money! But it is absolutely certain that, whether we are or are not recovering from our recession, our children will not benefit without a massive reordering of our priorities in their direct behalf.

Free market competition offers each of us the opportunity to be as rich as Donald Trump is (or was), the chance to crown our success with the building of palatial casinos. But is such the path we're called upon to follow? Is such the way to secure the blessings of liberty for ourselves and our posterity?

We have forgotten our children. But we, through collective action, can now advocate for them. In this land of the free we are *free* to act in our children's behalf—or not to do so. The choice is *ours*. *We* can make it.

Today we've been talking about children. Now lets *do* something.

COMMENDING BONNIE BLAIR, OLYMPIC GOLD

Mr. DIXON. Mr. President, it is with great pleasure that I rise to congratulate a determined and dedicated young woman from Champaign, IL.

Last week, during the 16th winter Olympics, Bonnie Blair became the first American woman to win consecutive winter Olympic gold medals with a victory in the 500-meter speed skating event. At the 1988 winter Olympics in Calgary, Canada, Bonnie skated to the gold medal. She repeated that remarkable feat in this year's Olympics in Albertville, France, crossing the finish line in 40.33 seconds to claim the first gold medal of the Olympic games for the United States.

But Bonnie was not finished garnering gold for her country. A few days later, in the 1,000-meter speed skating event, she toed the line against two longtime rivals, Ye Qiaobo of China and Christa Luding of Germany. When the long, exhausting race was over, Bonnie Blair, by .02 seconds, had become the first American woman speed skater to win two gold medals in one Olympics.

Her story is unique among many Olympic hopefuls. Although she comes from a skating family and claims to have had skates on her feet at age 2, Bonnie had to work, going door to door asking neighbors, friends, and relatives to help her share the enormous costs of equipment, training, and travel as she prepared for the Olympics.

I would like to commend the Champaign Police Benevolent Association which has been behind Bonnie since 1982. In her honor, they have established "the American policemen scholarship fund for Olympian Bonnie Blair." This scholarship will provide college grants to future law enforcement officers so her name and winning spirit will be remembered far beyond those Olympic games.

In the stands during the race, members of Bonnie's enthusiastic family, all wearing her own team uniform of purple jackets, swayed in unison and sang "My Bonnie Lies Over the Ocean."

We are all proud of what Bonnie has accomplished. Among the assembly of the greatest athletes in the world, Bonnie came out on top not once, but twice. To this, I salute her and wish the best of luck to our entire American team.

THE UNIVERSITY OF NEW ENGLAND COLLEGE OF OSTEOPATHIC MEDICINE: ITS PRIMARY MISSION IS PRIMARY CARE

Mr. COHEN. Mr. President, to date the national health care debate has focused primarily on the access problems of the millions of Americans who do not have adequate insurance and who have been priced out of the market by skyrocketing health care costs.

There is, however, another side to the access problem, and it has little or nothing to do with insurance. For millions of rural Americans, access to even basic health care services is a problem not because they lack insurance, but because they lack the physicians or other providers to deliver care.

Over one-third of my home State of Maine is currently experiencing severe shortages of physicians providing basic primary care. Further, a 1986 survey indicated that fully one-half of Maine's general practice physicians, most of whom practice in rural areas, will have retired by 1996. With the ever-increasing costs of medical education, a declining enrollment in primary care residency programs, and in many areas an aging population of rural doctors, this situation will only get worse before it gets better unless steps are taken to address the problem.

Primary care physicians are critical to the delivery of health care in rural areas where hospital services are limited and often great distances away. The primary care physician is typically the first physician the patient sees. The primary care physician makes the initial assessment, attempts to solve as many problems as possible, and coordinates the health care team. The primary care physician is also responsible for providing continued contact with the patient and the patient's family.

Recruiting and retaining a primary care physician can be one of the most difficult tasks facing a rural community or, for that matter, an inner-city neighborhood. According to the Department of Health and Human Services, 13 million Americans live in 2,082 rural and urban communities considered medically underserved. These include 21 areas in Maine, where an estimated 55,000 people live without a nearby doctor or medical clinic.

One program that has been invaluable in helping to address this shortage of basic health care providers in both rural and urban America is the National Health Service Corps. This year, the corps awarded 288 scholarships, and today I want to publicly recognize the medical school that, in spite of having one of the smallest enrollments, led the Nation in the number of students accepted into the National Health Service Corps.

This year, nearly 6 percent of the medical students accepted into the National Health Service Corps were from one institution—the University of New England College of Osteopathic Medicine in Biddeford, ME. That is a remarkable percentage when one considers that the college's enrollment represents less than one-half of 1 percent of the total national medical school enrollment.

The University of New England College of Osteopathic Medicine, Maine's only medical school, is a school with a vital and focused mission: the training of primary care physicians for Maine and New England. It accomplishes this with a program and a philosophy anchored in primary care practice, a clinical faculty of community-based practitioners for role-modeling, and a community-based clinical clerkship program. While it was founded barely 14 years ago, 70 percent of its graduates now enter primary care, more than any medical school in New England. It is also one of only a few schools nationwide to provide a rural clinical training rotation for its students.

The University of New England College of Osteopathic Medicine, through its mission, its curriculum, and ultimately, through its graduates, is responding to the rural, primary care challenge facing Maine and New England. The State of Maine, the New England region, and the National Health Service Corps will all benefit greatly from the services of the graduates of the University of New England College of Osteopathic Medicine, and I am pleased to have this opportunity to pay tribute to this unique institution.

Mr. LOTT. Mr. President, I ask unanimous consent that the period of time for morning business be extended for 10 minutes.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Nevada, objects.

Mr. LOTT. Mr. President, will you state that again? What is the parliamentary situation here?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:30 p.m.

Thereupon, at 1:09 p.m., the Senate recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DODD].

HIGHER EDUCATION AMENDMENTS OF 1991

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 1150, which the clerk will report.

The bill clerk read as follows:

A bill (S. 1150) to reauthorize the Higher Education Act of 1965, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Higher Education Amendments of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.

TITLE I—POSTSECONDARY IMPROVEMENT AND COMMUNITY SERVICE

Sec. 101. Fund for the improvement of postsecondary education.

TITLE II—ACADEMIC LIBRARIES AND INFORMATION SERVICES

Sec. 201. Amendment to title heading.
Sec. 202. Authorization of appropriations.
Sec. 203. Library experts.
Sec. 204. College library technology and cooperation grants.
Sec. 205. Library education, research, and development.
Sec. 206. Library education and human resource development.

Sec. 207. Research and demonstration.
Sec. 208. Improving access to research library resources.
Sec. 209. College library technology and cooperation grants.

TITLE III—INSTITUTIONAL AID

Sec. 301. Findings.
Sec. 302. Hispanic-serving institutions.
Sec. 303. Duration of grants.
Sec. 304. Grants to institutions.
Sec. 305. Minimum allotment.
Sec. 306. Professional or graduate institutions.
Sec. 307. Establishment of grants.
Sec. 308. Endowment challenge grants.
Sec. 309. Application for assistance.
Sec. 310. Waiver authority.
Sec. 311. Cooperative arrangements.
Sec. 312. Repealers.
Sec. 313. Assistance to institutions under other programs.
Sec. 314. Authorization of appropriations.

TITLE IV—STUDENT ASSISTANCE

Sec. 401. Program authority and method of distribution.
Sec. 402. Repealers.
Sec. 403. Authorization of appropriations.
Sec. 404. Amount and duration of grants.
Sec. 405. Agreements with institutions; selection of recipients.
Sec. 406. Allocation of funds.
Sec. 407. Grants to States for State student incentives.
Sec. 408. Applications for State student incentive grant program.
Sec. 409. Early intervention program.
Sec. 410. Special programs for students from disadvantaged backgrounds.
Sec. 411. Talent search.
Sec. 412. Upward bound.
Sec. 413. Student support services.
Sec. 414. Educational opportunity centers.
Sec. 415. Staff development activities.
Sec. 416. Evaluation for program improvement.
Sec. 417. Special programs for students whose families are engaged in migrant and seasonal farmwork.
Sec. 418. Allocation among States.
Sec. 419. Selection of scholarships.
Sec. 420. Awards ceremony.
Sec. 421. Authorization of appropriations.
Sec. 422. Payments to institutions of higher education.
Sec. 423. Veterans education outreach program.
Sec. 424. Access scholarships.
Sec. 425. Limitations on individual federally insured loans and on Federal loan insurance.
Sec. 426. Eligibility of student borrowers and terms of federally insured student loans.
Sec. 427. Applicable interest rates.
Sec. 428. Federal payments to reduce student interest costs.
Sec. 429. Supplemental loan for students.
Sec. 430. Plus loans.
Sec. 431. Consolidation loans.
Sec. 432. Default reduction programs.
Sec. 433. Requirements for disbursement of student loans.
Sec. 434. Default of student under Federal loan insurance program.
Sec. 435. Reports to credit bureaus and institutions of higher education.
Sec. 436. Legal powers and responsibilities.
Sec. 437. Student loan information by eligible lenders.
Sec. 438. Definitions for student loan insurance program.
Sec. 439. Repayment by the Secretary of loans of bankrupt, deceased or disabled borrowers.
Sec. 440. Special allowances.
Sec. 441. Student loan marketing association.
Sec. 442. Authorization of appropriations.
Sec. 443. Allocation of funds.
Sec. 444. Grants for work-study programs.
Sec. 445. Job location and development programs.
Sec. 446. Work-learning program and student mentor pilot program.
Sec. 447. Income contingent direct loan demonstration program.
Sec. 448. Authorization of appropriations.
Sec. 449. Agreements with institutions of higher education.
Sec. 450. Student loan information by eligible institutions.
Sec. 451. Terms of loans.
Sec. 452. Cancellation of loans for certain public service.
Sec. 453. Distribution of assets from student loan funds.
Sec. 454. Student aid methodology.
Sec. 455. Amount of need.
Sec. 456. Cost of attendance.
Sec. 457. Family contribution.
Sec. 458. Student aid methodology; data elements.
Sec. 459. Expected family contribution for dependent students.
Sec. 460. Expected family contribution for independent students with dependents other than a spouse.
Sec. 461. Expected family contribution for single independent students or for married independent students without other dependents.
Sec. 462. Regulations; updated tables.
Sec. 463. Simplified needs test.
Sec. 464. Discretion of student financial aid officer.
Sec. 465. Definitions; general calculation rules.
Sec. 466. Definitions.
Sec. 467. Master calendar.
Sec. 468. Forms and regulations.
Sec. 469. Student eligibility.
Sec. 470. Statute of limitations.
Sec. 471. Information dissemination activities.
Sec. 472. National student loan data system.
Sec. 473. Simplification of the lending process for borrowers.
Sec. 474. Institutional refunds.
Sec. 475. Early awareness information program.
Sec. 476. Program participation agreements.
Sec. 477. Assignment of identification numbers.
Sec. 478. Transfer of allotments.
Sec. 479. Criminal penalties.
Sec. 480. Advisory committee on student financial assistance.
Sec. 481. General provisions.
Sec. 482. Institutional integrity program required.

TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

Sec. 501. Educator recruitment, retention, and development.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

Sec. 601. Purpose.
Sec. 602. Graduate and undergraduate language and area studies.
Sec. 603. Language resource centers.
Sec. 604. Undergraduate international studies and foreign language programs.
Sec. 605. Research; studies; annual report.
Sec. 606. Periodicals and other research materials published outside the United States.
Sec. 607. Equitable distribution of funds.
Sec. 608. American overseas research centers.
Sec. 609. Authorization of appropriations for part A.
Sec. 610. Centers for international business education.
Sec. 611. Education and training programs.
Sec. 612. Authorization of appropriations for part B.
Sec. 613. Minority foreign service professional development program.
Sec. 614. Definitions.

TITLE VII—CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF ACADEMIC FACILITIES

Sec. 701. Repealers and redesignations.
Sec. 702. Prior rights and obligations.
Sec. 703. Improvement of academic and library facilities.
Sec. 704. Federal assistance in the form of loans.
Sec. 705. Apportionment priorities.
Sec. 706. Funding rules.
Sec. 707. Definitions.
Sec. 708. Forgiveness of certain loans.

TITLE VIII—COOPERATIVE EDUCATION

Sec. 801. Cooperative education.

TITLE IX—GRADUATE PROGRAMS

Sec. 901. Graduate programs.

TITLE X—POSTSECONDARY IMPROVEMENT PROGRAMS

Sec. 1001. Postsecondary improvement programs.

TITLE XI—PARTNERSHIPS FOR ECONOMIC DEVELOPMENT AND URBAN COMMUNITY SERVICE

Sec. 1101. Repeal of title.

TITLE XII—GENERAL PROVISIONS AND DEMONSTRATION PROGRAMS

Sec. 1201. Definitions.
Sec. 1202. Special criteria for high-risk institutions.
Sec. 1203. National Advisory Committee on Institutional Quality and Integrity.
Sec. 1204. Demonstration programs.

TITLE XIII—EDUCATION ADMINISTRATION

Sec. 1301. Studies.

TITLE XIV—AMENDMENTS TO OTHER LAWS

Sec. 1401. Higher education technical amendments.
Sec. 1402. General Education Provisions Act.
Sec. 1403. United States Institute of Peace.
Sec. 1404. Law enforcement unit records.

TITLE XV—NATIONAL CENTER FOR THE WORKPLACE

Sec. 1501. Purpose.
Sec. 1502. Establishment.
Sec. 1503. Use of funds.
Sec. 1504. Board of Advisors.
Sec. 1505. Gifts and donations.
Sec. 1506. Authorization of appropriations.

TITLE I—POSTSECONDARY IMPROVEMENT AND COMMUNITY SERVICE

SEC. 101. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

Title I of the Higher Education Act of 1965 (hereafter in this Act referred to as the "Act") (20 U.S.C. 1001 et seq.) is amended to read as follows:

"TITLE I—POSTSECONDARY IMPROVEMENT AND COMMUNITY SERVICE

"PART A—INSTITUTIONAL ASSISTANCE

"Subpart 1—Fund for the Improvement of Postsecondary Education

"SEC. 111. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

"The Secretary is authorized to make grants to, or enter into contracts with, institutions of postsecondary education or combinations of such institutions and other public and private nonprofit institutions and agencies, to enable such institutions and combinations of such institutions to improve postsecondary education opportunities by—

"(1) encouraging the reform, innovation, and improvement of postsecondary education, and providing equal educational opportunity for all;

"(2) the creation of institutions and programs involving new paths to career and professional training, and new combinations of academic and experiential learning;

"(3) the establishment of institutions and programs based on the technology of communications;

"(4) the carrying out in postsecondary educational institutions of changes in internal structure and operations designed to clarify institutional priorities and purposes;

"(5) the design and introduction of cost-effective methods of instruction and operation;

"(6) the introduction of institutional reforms designed to expand individual opportunities for entering and reentering institutions and pursuing programs of study tailored to individual needs;

"(7) the introduction of reforms in graduate education, in the structure of academic professions, and in the recruitment and retention of faculties; and

"(8) the creation of new institutions and programs for examining and awarding credentials to individuals, and the introduction of reforms in current institutional practices related thereto.

"SEC. 112. NATIONAL BOARD OF THE FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

"(a) ESTABLISHMENT.—There is established a National Board of the Fund for the Improvement of Postsecondary Education (hereafter in this subpart referred to as the 'Board'). The Board shall consist of 15 members appointed by the Secretary for overlapping 3-year terms. A majority of the Board shall constitute a quorum. Any member of the Board who has served for 6 consecutive years shall thereafter be ineligible for appointment to the Board during a 2-year period following the expiration of such sixth year.

"(b) MEMBERSHIP.—

"(1) IN GENERAL.—The Secretary shall designate one of the members of the Board as Chairman of the Board. A majority of the members of the Board shall be public interest representatives, including students, and a minority shall be educational representatives. All members selected shall be individuals able to contribute an important perspective on priorities for improvement in postsecondary education and strategies of educational and institutional change.

"(2) APPOINTMENT OF DIRECTOR.—The Secretary shall appoint the Director of the Fund for the Improvement of Postsecondary Education.

"(c) DUTIES.—The Board shall—

"(1) advise the Secretary and the Director of the Fund for the Improvement of Postsecondary Education on priorities for the improvement of postsecondary education and make such recommendations as the Board may deem appropriate for the improvement of postsecondary education and for the evaluation, dissemination, and adaptation of demonstrated improvements in postsecondary educational practice; and

"(2) advise the Secretary and the Director of the Fund on the operation of the Fund, including advice on planning documents, guidelines, and procedures for grant competitions prepared by the Fund.

"(d) INFORMATION AND ASSISTANCE.—The Director of the Fund shall make available to the Board such information and assistance as may be necessary to enable the Board to carry out its functions.

"SEC. 113. ADMINISTRATIVE TECHNICAL PROVISIONS.

"(a) TECHNICAL EMPLOYEES.—The Secretary may appoint, for terms not to exceed 3 years, without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service, not more than 5 technical employees to administer this subpart who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(b) PROCEDURES.—The Director of the Fund shall establish procedures for reviewing and evaluating grants and contracts made or entered into under this subpart. Procedures for reviewing grant applications or contracts for financial assistance under this section may not be subject to any review outside of officials responsible for the administration of the Fund for the Improvement of Postsecondary Education.

"SEC. 114. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $20,000,000 for fiscal year 1993 and such sums as may be necessary for the 6 succeeding fiscal years to carry out this subpart.

"Subpart 2—Innovative Programs at Institutions of Higher Education

"SEC. 115. PROGRAM AUTHORIZED.

"(a) GRANTS AUTHORIZED.—

"(1) GRANTS BY THE SECRETARY.—In any fiscal year in which the appropriations for this subpart are less than $10,000,000, the Secretary is authorized to award grants to State higher education agencies to pay the Federal share of the cost of the activities described in the application submitted pursuant to section 118.

"(2) STATE GRANT PROGRAM.—In any fiscal year in which the appropriations for this subpart equals or exceeds $10,000,000, the Secretary is authorized, in accordance with the provisions of this subpart, to make grants to State educational agencies from allocations under section 116 to enable such agencies to pay the Federal share of the cost of the activities described in the application submitted pursuant to section 118.

"(3) FEDERAL SHARE.—The Federal share shall be 50 percent.

"(4) COMPETITIVE BASIS.—The Secretary shall award grants pursuant to paragraph (1) on a competitive basis.

"(5) DEFINITIONS.—For the purposes of this subpart the term 'State higher education agency' means the officer or agency primarily responsible for the State supervision of higher education.

"(b) SPECIAL RULE.—In awarding grants under this subpart, the Secretary shall ensure the equitable participation of public and private institutions of higher education in the program assisted under this subpart.

"SEC. 116. ALLOCATION.

"Each State higher education agency shall be eligible to receive a grant pursuant to section 115(a)(2) in each fiscal year that bears the same ratio to—

"(1) 50 percent of the amount appropriated pursuant to section 119 as the population in the State served by such State higher education agency bears to the total population of all States served by all State higher education agencies; and

"(2) 50 percent of the amount appropriated pursuant to section 119 as the number of full-time equivalents of students in the State served by such State higher education agency bears to the total number of full-time equivalents of students in all States served by all State education agencies.

"SEC. 117. AUTHORIZED ACTIVITIES.

"Each State higher education agency receiving a grant under this subpart shall use such grant to fund innovative programs at institutions of higher education within the State.

"SEC. 118. APPLICATION.

"Each State higher education agency desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require. Such application shall describe the activities and services for which assistance is sought.

"SEC. 119. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

"(b) LIMITATION.—No funds are authorized to be appropriated to carry out this subpart in any fiscal year unless the amount appropriated to carry out subpart 1 in such fiscal year equals or exceeds $20,000,000.

"PART B—COMMUNITY SERVICE PROGRAMS

"Subpart 1—Innovative Projects for Community Service

"SEC. 121. STATEMENT OF PURPOSE.

"It is the purpose of this subpart to support innovative projects in order to encourage student participation in community service projects, including literacy projects.

"SEC. 122. INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to and enter into contracts with institutions of higher education (including combinations of such institutions) and with such other public agencies and nonprofit private organizations as the Secretary deems necessary for innovative projects designed to carry out the purpose of this subpart.

"(2) PROJECTS.—The projects described in paragraph (1)—

"(A) shall include supporting research regarding the effects of student community service organizations; and

"(B) may include—

"(i) providing assistance to student organizations that work with community service organizations;

"(ii) supporting linkages between youth service and conservation corps and higher education institutions; and

"(iii) supporting innovative international student service programs.

"(b) APPLICATIONS.—No grant may be made and no contract may be entered into under this section unless an application is made at such time, in such manner, and contained or accompanied by such information as the Secretary may require.

"(c) APPLICABLE PROCEDURES.—

"(1) PROCEDURES.—No application may be approved under subsection (b) unless the National Board of the Fund for Improvement of Postsecondary Education, under procedures established by the Director, approves the application.

"(2) SPECIAL RULE.—The provisions of section 113(b) shall apply to grants made under this subpart.

"(d) DEFINITION.—For the purpose of this subpart, the term 'community service' means planned, supervised services designed to improve the quality of life for community residents, particularly community residents with low income, or to assist in the solution of particular problems related to the needs of such residents. Such services may address problems related to illiteracy, education (including tutorial services), health and child care, vocational rehabilitation and training, social and legal services, transportation, housing, and neighborhood improvement, public safety, crime prevention and control, recreation, rural development, and any other problem specified by the Secretary.

"Subpart 2—Student Literacy Corps

"SEC. 125. PURPOSE.

"It is the purpose of this subpart to provide financial assistance to institutions of higher edu-

cation to promote the development of literacy corps programs to be operated by institutions of higher education in public community agencies in the communities in which such institutions are located.

"SEC. 126. STUDENT LITERACY CORPS PROGRAM.

"From the amount reserved pursuant to section 131(b) for any fiscal year, the Secretary is authorized, in accordance with the provisions of this subpart, to make grants to institutions of higher education for not more than 2 years to carry out student literacy corps programs.

"SEC. 127. USES OF FUNDS.

"(a) In General.—Funds made available under this subpart may be used for—

"(1) grants to institutions of higher education for—

"(A) the costs of participation of institutions of higher education in the student literacy corps program for which assistance is sought; and

"(B) stipends for student coordinators engaged in the student literacy corps program for which assistance is sought; and

"(2) technical assistance, collection and dissemination of information, and evaluation in accordance with section 129.

"(b) Limitations.—

"(1) Amount.—No grant under this subpart to an institution of higher education may exceed $50,000.

"(2) First year.—No institution of higher education may expend more than $25,000 of a grant made under this subpart in the first year in which the institution receives such a grant.

"SEC. 128. APPLICATIONS.

"(a) Application Required.—Each institution of higher education desiring to receive a grant under this subpart shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) Contents of Application.—Each such application shall—

"(1) contain assurances that the institution will use the grant in accordance with section 127;

"(2) contain adequate assurances that—

"(A) the institution has established 1 or more courses of instruction for academic credit which are designed to combine the training of undergraduate students in various academic departments such as social sciences, economics, and education with experience as tutors;

"(B) such individuals will be required, as a condition of receiving credit in such course, to perform not less than 60 hours of voluntary, uncompensated service during the academic term in a public community agency as a tutor in such agency's educational or literacy program;

"(C) such tutoring service will be supplementary to the existing instructional services, offered in a structured classroom setting, and furnished under the supervision of qualified personnel; and

"(D) the institution will locate such tutoring services in one or more public community agencies which serve educationally or economically disadvantaged individuals and will give priority in providing tutoring services to—

"(i) educationally disadvantaged students receiving services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(ii) illiterate parents of educationally or economically disadvantaged elementary school students, with special emphasis on single-parent households;

"(3) demonstrate that the institution of higher education has participated, prior to applying for a grant under this subpart, in community service activities, including the conduct of a cooperative education program; and

"(4) contain such other assurances as the Secretary may reasonably require.

"(c) Waiver.—

"(1) In general.—The Secretary may, upon request of an institution of higher education which does not meet the requirements of paragraph (3) of subsection (b), grant a waiver of the requirement under such paragraph if the institution of higher education provides assurances that—

"(A) the institution of higher education has conducted another significant program which involves community outreach and service; or

"(B) its failure to engage in community service-related programs or activities prior to making application under this subpart will not impede the ability of the institution to engage in the outreach efforts necessary to carry out the requirements of this subpart.

"(2) Special rule.—An institution of higher education may apply for a waiver as part of the application described in subsection (b).

"SEC. 129. TECHNICAL ASSISTANCE AND COORDINATION CONTRACT.

"To the extent that funds are available pursuant to section 131, the Secretary may, directly or by way of grant, contract, or other arrangement—

"(1) provide technical assistance to grant recipients under this subpart;

"(2) collect and disseminate information with respect to programs assisted under this subpart; and

"(3) evaluate such programs and issue reports on the results of such evaluations.

"SEC. 130. DEFINITIONS.

"For the purpose of this subpart the term 'public community agency' means an established community agency with an established program of instruction such as elementary and secondary schools, Head Start centers, prisons, agencies serving youth, and agencies serving individuals with disabilities, including disabled veterans.

"Subpart 3—Authorization of Appropriations

"SEC. 131. AUTHORIZATION OF APPROPRIATIONS.

"(a) In General.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for the 6 succeeding fiscal years to carry out this part.

"(b) Reservation.—The Secretary shall reserve at least 50 percent of the funds appropriated pursuant to the authority of subsection (a) to carry out subpart 2 of this part.".

TITLE II—ACADEMIC LIBRARIES AND INFORMATION SERVICES

SEC. 201. AMENDMENT TO TITLE HEADING.

The heading for title II of the Act (20 U.S.C. 1021 et seq.) is amended by striking "Library and Information Technology Enhancement" and inserting "Libraries and Information Services".

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

Section 201 of the Act (20 U.S.C. 1021) is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) college and university libraries in acquiring technological equipment and in conducting research in information technology in accordance with part A;";

(B) by amending paragraph (2) to read as follows:

"(2) in the education and training of persons in library and information science and to encourage research and development relating to improvement of libraries (including the promotion of economical and effective information delivery, cooperative efforts, and developmental projects) in accordance with part B;";

(C) in paragraph (3), by striking the semicolon and "and" and inserting a period; and

(D) by striking paragraph (4); and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "1987" and inserting "1993"; and

(ii) by striking "4 succeeding" and inserting "6 succeeding";

(B) in paragraph (2)—

(i) by striking "$5,000,000" and inserting "$7,500,000";

(ii) by striking "1987" and inserting "1993"; and

(iii) by striking "4 succeeding" and inserting "6 succeeding";

(C) in paragraph (3)—

(i) by striking "$10,000,000" and inserting "$15,000,000";

(ii) by striking "1987" and inserting "1993"; and

(iii) by striking "4 succeeding" and inserting "6 succeeding"; and

(D) by striking paragraphs (4) and (5).

SEC. 203. LIBRARY EXPERTS.

Title II of the Act is further amended by inserting after section 202 the following new section:

"SEC. 203. LIBRARY EXPERTS.

"The Secretary shall make every effort to ensure that programs under this title are administered by appropriate library experts.".

SEC. 204. COLLEGE LIBRARY TECHNOLOGY AND COOPERATION GRANTS.

Part A of title II of the Act (20 U.S.C. 1029 et seq.) is amended to read as follows:

"PART A—COLLEGE LIBRARY TECHNOLOGY AND COOPERATION GRANTS

"SEC. 211. COLLEGE LIBRARY TECHNOLOGY AND COOPERATION GRANTS.

"(a) Grants Authorized.—The Secretary is authorized to make grants for technological equipment, networking, and other special purposes to—

"(1) institutions of higher education which demonstrate a need for special assistance for the planning, development, acquisition, maintenance, or upgrading of technological equipment necessary to organize, access or utilize material in electronic formats and to participate in networks for the accessing and sharing of library and information resources;

"(2) combinations of institutions of higher education which demonstrate a need for special assistance in establishing and strengthening joint-use library facilities, resources, or equipment for the accessing and sharing of library and information resources;

"(3) other public and private nonprofit organizations (including public educational radio and television stations and program services, in cooperation with libraries) which provide library and information services to institutions of higher education on a formal, cooperative basis for the purpose of establishing, developing, or expanding programs or projects that improve the services provided by such organizations to institutions of higher education; and

"(4) institutions of higher education conducting research or demonstration projects that improve information services to meet special national or regional needs by utilizing technology to enhance library or information services such as through the National Research and Education Network.

"(b) Award Basis.—Grants under this section shall be awarded on a competitive basis.

"(c) Amount.—

"(1) In general.—The Secretary shall award grants under this section in an amount which is not less than $25,000.

"(2) Special rule.—The Secretary shall award grants pursuant to paragraph (1) of subsection (a) in an amount which is not more than $50,000 for each institution of higher education.

"(d) Priority.—In awarding grants pursuant to paragraph (1) of subsection (a), the Secretary shall give priority to institutions of higher edu-

cation seeking assistance for projects which assist developing institutions of higher education in linking one or more institutions of higher education to resource sharing networks.

"(e) DURATION.—The Secretary shall award grants under this section for a period not to exceed 3 years.

"(f) APPLICATION.—

"(1) IN GENERAL.—Each institution of higher education or consortium thereof desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(2) CONTENT.—Each application submitted pursuant to paragraph (1) shall—

"(A) describe the activities and services for which assistance is sought; and

"(B) contain assurances that such institution or consortium thereof in each fiscal year that a grant payment is received under this section shall provide matching funds equal to not less than one-third of the amount of such grant payment from sources other than funds received under this title.

"(3) CRITERIA.—The Secretary shall prescribe criteria for the approval of applications submitted under this section.".

SEC. 205. LIBRARY EDUCATION, RESEARCH, AND DEVELOPMENT.

(a) AMENDMENT TO HEADING.—The heading for part B of title II of the Act (20 U.S.C. 1031 et seq.) is amended by striking "TRAINING" and inserting "EDUCATION".

(b) GRANTS AUTHORIZED.—Section 221 of the Act (20 U.S.C. 1031) is amended—

(1) by inserting "(a) IN GENERAL.—" before "From"; and

(2) by inserting at the end thereof the following new subsection:

"(b) CONSULTATION.—In awarding grants pursuant to this part, the Secretary shall consult with appropriate library and information science professional organizations to determine critical needs under section 222 and priorities for awarding grants under section 223.".

SEC. 206. LIBRARY EDUCATION AND HUMAN RESOURCE DEVELOPMENT.

(a) AMENDMENT TO HEADING.—The heading for section 222 of the Act is amended by striking "CAREER TRAINING" and inserting "EDUCATION AND HUMAN RESOURCE DEVELOPMENT".

(b) AMENDMENT TO TEXT.—Subsection (a) of section 222 of the Act (20 U.S.C. 1032(a)) is amended—

(1) in the first sentence thereof, by striking "librarianship" and inserting "library and information science, particularly in areas of critical needs such as recruitment and retention of minorities"; and

(2) in the second sentence thereof—

(A) by striking "training or";

(B) by inserting "or staff development" after "study"; and

(C) by striking "and others undergoing training" and inserting "who demonstrate need and are working toward a graduate degree".

SEC. 207. RESEARCH AND DEMONSTRATION.

Section 223 of the Act (20 U.S.C. 1033) is amended—

(1) by inserting "enter into" before "contracts"; and

(2) by striking "training in librarianship" and inserting "education in library and information science, enhancement of library services through effective and efficient use of new technology".

SEC. 208. IMPROVING ACCESS TO RESEARCH LIBRARY RESOURCES.

(a) ELIGIBILITY FOR ASSISTANCE.—Section 231 of the Act (20 U.S.C. 1041) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

*(b) AMENDMENT TO PART HEADING.—The heading for part C of title II of the Act (20 U.S.C. 1041 et seq.) is amended by striking "**strengthening**" and inserting "**improving access to**".*

SEC. 209. COLLEGE LIBRARY TECHNOLOGY AND COOPERATION GRANTS.

Part D of title II of the Act (20 U.S.C. 1042) is repealed.

TITLE III—INSTITUTIONAL AID

SEC. 301. FINDINGS.

Subsection (a) of section 301 of the Act (20 U.S.C. 1051) is amended—

(1) in paragraph (1), by striking "in this era of declining enrollments and scarce resources" and inserting "serving high percentages of minority students and students from low-income backgrounds";

(2) in paragraph (2), by striking "recruitment activities,"; and

(3) by amending paragraph (5) to read as follows:

"(5) providing assistance to eligible institutions will enhance the role of such institutions in providing access and quality education to low-income and minority students;".

SEC. 302. HISPANIC-SERVING INSTITUTIONS.

(a) IN GENERAL.—Part A of title III of the Act (20 U.S.C. 1057 et seq.) is amended—

(1) by redesignating sections 313 and 314 as sections 314 and 315, respectively; and

(2) by inserting after section 313 the following new section:

"SEC. 313. HISPANIC-SERVING INSTITUTIONS.

"(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Hispanic-serving institutions to enable such institutions to improve and expand their capacity to serve Hispanic and other low-income students.

"(b) DEFINITIONS.—For the purpose of this section—

"(1) the term 'Hispanic-serving institution' means an institution of higher education which—

"(A) has a full-time student undergraduate enrollment that is at least 25 percent Hispanic;

"(B) is duly accredited by an agency recognized for that purpose by the Secretary;

"(C) has been so accredited for 3 of its previous 5 years;

"(D) provides a 4-year program leading to a baccalaureate degree or a 2-year program leading to an associate's degree; and

"(E) is a public or nonprofit private institution of higher education; and

"(F)(i) has an enrollment of needy students as described in subsection (c) of section 312; or

"(ii) provides assurances that—

"(I) not less than 50 percent of its Hispanic students be low-income individuals who are first generation college students; and

"(II) another 25 percent of its Hispanic students be either low-income individuals or be first generation college students;

"(2) the term 'first generation college student' means—

"(A) an individual both of whose parents did not complete a baccalaureate degree; or

"(B) in the case of any individual who regularly resided with and received support from only one parent, an individual whose only such parent did not complete a baccalaureate degree; and

"(3) the term 'low-income individual' means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census.

"(c) AUTHORIZED ACTIVITIES.—

"(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this section shall be used by Hispanic-serving institutions of higher education to assist such institutions to plan, develop, undertake, and carry out programs in any of the following areas:

"(A) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

"(B) Construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities.

"(C) Faculty salaries and support of faculty exchanges, and faculty development and faculty fellowships to assist in attaining advanced degrees in their field of instruction.

"(D) Curriculum development and academic instruction.

"(E) Purchase of library books, periodicals, microfilm, and other educational materials.

"(F) Funds and administrative management, and acquisition of equipment for use in strengthening funds management.

"(G) Joint use of facilities such as laboratories and libraries.

"(H) Academic tutoring and counseling programs.

"(I) Transfer centers to support the development or expansion of centers designed to increase the transfer rate of underrepresented students from 2-year to 4-year institutions, which may include joint admissions programs, shared advisement programs, and student transfer management information data systems.

"(J) Academic partnership coalitions, including partnerships among colleges, elementary and secondary schools, community-based organizations, parents, and low-income students.

"(K) Collaborative arrangements with nonprofit organizations or private sector business entities, in order to carry out the activities described in this subsection.

"(d) APPLICATION PROCESS.—

"(1) INSTITUTIONAL ELIGIBILITY.—Each Hispanic-serving institution desiring to receive assistance under this Act shall submit to the Secretary such enrollment data as may be necessary to demonstrate that it is a Hispanic-serving institution as defined in paragraph (1) of subsection (b), along with such other information and data as the Secretary may by regulation require.

"(2) APPLICATIONS.—Any institution which is determined by the Secretary to be a Hispanic-serving institution (on the basis of the information and data submitted under paragraph (1)) may submit an application for assistance under this section to the Secretary. Such application shall include—

"(A) a 5-year plan for improving the assistance provided by the Hispanic-serving institution to Hispanic and other low-income students at the collegiate and pre-collegiate levels;

"(B) satisfactory evidence that such institution will, if provided with assistance, enter into a collaborative arrangement with at least one local educational agency to provide such agency with assistance in reducing Hispanic dropout rates, improving Hispanic rates of academic achievement, and increasing the rates at which Hispanic high school graduates enroll in higher education; and

"(C) such other information and assurance as the Secretary may require.

"(3) APPROVAL.—The Secretary shall approve any application which meets the requirements of paragraph (1) and shall not disapprove any application submitted under this section, or any modification thereof, without first affording such institution reasonable notice and opportunity for hearing.

"(e) SPECIAL RULE.—For the purposes of this section, no Hispanic-serving college or university which is eligible for and receives funds under this section may concurrently receive other funds under this part or part B.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Title III of the Act is further amended—

(1) by adding at the end of subsection (b) of section 352 the following new paragraph:

"(4) The Secretary shall waive the requirements set forth in section 312(b)(1)(B) in the case of an institution which qualifies for assistance under section 313."; and

(2) by adding at the end of subsection (a) of section 360 the following new paragraph:

"(5) There are authorized to be appropriated to carry out section 313, $45,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.".

SEC. 303. DURATION OF GRANTS.

Section 314 of the Act (as redesignated in section 302(a)(2)) is amended—

(1) in subsection (a), by striking "for—" and all that follows through the period at the end thereof and inserting "for 3, 4, or 5 years."; and

(2) by amending subsection (b) to read as follows:

"(b) LIMITATIONS.—In awarding grants under this part the Secretary shall give priority to applicants who are not already receiving a grant under this part.".

SEC. 304. GRANTS TO INSTITUTIONS.

Section 323 of the Act (20 U.S.C. 1062(a)) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by inserting ", including purchase or rental of telecommunications technology equipment or services" after "facilities";

(B) in paragraph (5), by inserting ", including telecommunications program materials" after "materials"; and

(C) by inserting at the end thereof the following new paragraphs:

"(9) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

"(10) Establishing or enhancing a program of teacher education designed to qualify students to teach in a public elementary or secondary school in the State that shall include, as part of such program, preparation for teacher certification.

"(11) Other activities proposed in the application submitted pursuant to section 325 that—

"(A) contribute to carrying out the purposes of this part; and

"(B) are approved by the Secretary as part of the review and acceptance of such application."; and

(2) in subsection (b), by inserting at the end thereof the following new paragraph:

"(3) The Secretary shall not award a grant under this part for telecommunications technology equipment, facilities or services, if such equipment, facilities or services are available pursuant to section 396(k) of the Communications Act of 1934.".

SEC. 305. MINIMUM ALLOTMENT.

Paragraph (1) of section 324(d) of the Act (20 U.S.C. 1063(d)(1)) is amended by striking "$350,000" and inserting "$500,000".

SEC. 306. PROFESSIONAL OR GRADUATE INSTITUTIONS.

Section 326 of the Act (20 U.S.C. 1063b) is amended—

(1) by amending subsection (e) to read as follows:

"(e) ELIGIBILITY.—

"(1) IN GENERAL.—Independent professional or graduate institutions eligible for grants under subsection (a) include—

"(A) Morehouse School of Medicine;

"(B) Meharry Medical School;

"(C) Charles R. Drew Postgraduate Medical School;

"(D) Clark-Atlanta University;

"(E) Tuskegee University School of Veterinary Medicine;

"(F) Xavier University School of Pharmacy;

"(G) Southern University School of Law;

"(H) Texas Southern University School of Law or School of Pharmacy;

"(I) Florida A&M University School of Pharmaceutical Sciences;

"(J) North Carolina Central University School of Law; and

"(K) Any other part B institution offering a professional or doctoral degree program that the Secretary determines is deserving of a grant under this section.

"(2) SPECIAL RULE.—Graduate institutions that were awarded grants prior to October 1, 1992 shall continue to receive such grant payments, regardless of the eligibility of the graduate institutions described in subparagraphs (F) through (K), until such grant period has expired or September 30, 1993, whichever is later.

"(3) LIMITATION.—The Secretary shall not award more than 1 grant under this section in any fiscal year to any institution of higher education or university system."; and

(2) by adding at the end thereof the following new subsection:

"(f) FUNDING RULE.—If the amount of funds appropriated to carry out the provisions of this section does not exceed $12,000,000, then such amount as does not exceed $12,000,000 shall be available to make grants in accordance with the provisions of this section to the institutions described in subparagraphs (A) through (E) of subsection (e)(1).".

SEC. 307. ESTABLISHMENT OF GRANTS.

(a) REPEAL OF CHALLENGE GRANT PROGRAM.—

(1) REPEAL.—Section 331 of the Act (20 U.S.C. 1064) is repealed.

(2) REDESIGNATION.—Section 332 of the Act (20 U.S.C. 1065) is redesignated as section 331 of the Act.

(b) AMENDMENT TO HEADING.—The heading for part C of title III of the Act (20 U.S.C. 1064 et seq.) is amended by inserting "ENDOWMENT" before "CHALLENGE".

SEC. 308. ENDOWMENT CHALLENGE GRANTS.

Section 331 of the Act (20 U.S.C. 1065) (as redesignated in section 307(a)(2)) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "of higher education"; and

(B) in paragraph (2), by inserting at the end thereof the following new subparagraph:

"(D)(i) The term 'eligible institution' means an institution that is an—

"(I) eligible institution under part A or would be considered to be such an institution if section 312(b)(1)(C) referred to a postgraduate degree rather than a bachelor's degree;

"(II) institution eligible for assistance under part B or would be considered to be such an institution if section 324 referred to a postgraduate degree rather than a baccalaureate degree; or

"(III) institution of higher education that makes a substantial contribution to postgraduate medical educational opportunities for minorities and the economically disadvantaged.

"(ii) The Secretary may waive the requirements of subclauses (I) and (II) of clause (i) with respect to a postgraduate degree in the case of any institution otherwise eligible under clause (i) for an endowment challenge grant upon determining that the institution makes a substantial contribution to medical education opportunities for minorities and the economically disadvantaged.";

(2) in subsection (b)—

(A) in paragraph (1), by striking "of higher education";

(B) in paragraph (2)—

(i) by amending subparagraph (B) to read as follows:

"(B) The Secretary may make a grant under this part to an eligible institution under the following circumstances:

"(i) In any fiscal year in which the amount appropriated to carry out this part is less than $15,000,000, the institution—

"(I) may apply for a grant in an amount not exceeding $500,000; and

"(II) shall have deposited in its endowment fund established under this section an amount which is equal to one-half of the amount of such grant.

"(ii) In any fiscal year in which the amount appropriated to carry out this part is equal to or greater than $15,000,000 but less than $25,000,000, the institution—

"(I) may apply for a grant in an amount not exceeding $1,000,000; and

"(II) shall have deposited in its endowment fund established under this section an amount which is equal to one-half of the amount of such grant.

"(iii) In any fiscal year in which the amount appropriated to carry out this part is equal to or greater than $25,000,000, the institution may apply for a grant in an amount not to exceed $1,500,000 if such institution has deposited in its endowment fund established under this section an amount which is equal to one-half of the amount of such grant."; and

(ii) in subparagraph (C)—

(I) by striking "of higher education";

(II) by striking "10" and inserting "5";

(III) by inserting "(i)" after the subparagraph designation; and

(IV) by adding at the end the following new clause:

"(ii) The provisions of clause (i) shall not apply to an eligible institution which received a grant under this section in an amount which is less than $1,000,000.";

(C) in paragraph (4)—

(i) by striking subparagraph (A);

(ii) by redesignating subparagraph (B) as subparagraph (A); and

(iii) in subparagraph (A) (as redesignated by clause (ii)) by inserting "endowment" before "challenge"; and

(D) by amending paragraph (5) to read as follows:

"(5) Except as provided in paragraph (2)(B), an endowment challenge grant awarded under this section to an eligible institution shall be in an amount which is not less than $50,000 in any fiscal year."; and

(3) by amending paragraph (1) of subsection (f) to read as follows:

"(1) give priority to an applicant that has received a grant under part A or part B of this title within the 5 fiscal years preceding the fiscal year in which the applicant is applying for a grant under this section;".

SEC. 309. APPLICATION FOR ASSISTANCE.

Paragraph (7) of section 351(b) of the Act (20 U.S.C. 1066(b)(7)) is amended by—

(1) striking subparagraph (D); and

(2) redesignating subparagraphs (E) and (F), as subparagraphs (D) and (E), respectively.

SEC. 310. WAIVER AUTHORITY.

Subsection (a) of section 352 of the Act (20 U.S.C. 1067(a)) is amended in the matter preceding paragraph (1) by striking "shall" and inserting "may".

SEC. 311. COOPERATIVE ARRANGEMENTS.

Section 354 of the Act (20 U.S.C. 1069) is amended—

(1) in subsection (a), by inserting the following new sentence at the end thereof: "In carrying out the provisions of the previous sentence, institutions shall be permitted to participate in multiple cooperative arrangements as well as formal, established consortia."; and

(2) in subsection (b), by inserting "or consortium" after "arrangement".

SEC. 312. REPEALERS.

Sections 355 and 359 of the Act (20 U.S.C. 1069a and 1069e) are each repealed.

SEC. 313. ASSISTANCE TO INSTITUTIONS UNDER OTHER PROGRAMS.

Subsection (a) of section 356 of the Act (20 U.S.C. 1069b(a)) is amended by striking "shall" and inserting "may".

SEC. 314. AUTHORIZATION OF APPROPRIATIONS.

Section 360 of the Act (20 U.S.C. 1069f) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "$120,000,000" and inserting "$125,000,000";

(ii) by striking "1987" and inserting "1993"; and

(iii) by striking "4 succeeding" and inserting 6 succeeding";

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking "$100,000,000" and inserting "$125,000,000";

(II) by striking "1987" and inserting "1993"; and

(III) by striking "4 succeeding" and inserting "6 succeeding"; and

(ii) in subparagraph (B)—

(I) by striking "$5,000,000" and inserting "$20,000,000";

(II) by striking "1987" and inserting "1993"; and

(III) by striking "4 succeeding" and inserting 6 succeeding"; and

(C) in paragraph (3)—

(i) by striking "$20,000,000" and inserting "$40,000,000";

(ii) by striking "1987" and inserting "1993"; and

(iii) by striking "4 succeeding" and inserting 6 succeeding";

(2) by amending subsection (c) to read as follows:

"(c) Reservations.—If the amount appropriated under subsection (a)(1) for part A for any fiscal year beginning after September 30, 1986, equals or exceeds the amount appropriated for such part for fiscal year 1986, then the Secretary shall, for such fiscal year—

"(1) allocate 25 percent of the excess (above the amount appropriated for part A for fiscal year 1986) among eligible institutions with a very high percentage of students who are Black Americans, Hispanic Americans, Native Americans, Asian Americans, Native Hawaiians, or Pacific Islanders, or any combination thereof; and

"(2) allocate 75 percent of such excess among other eligible institutions."; and

(3) by adding at the end thereof the following new subsection:

"(e) Additional Reservation.—The Secretary shall award at least 25 percent of the amount appropriated pursuant to the authority of paragraph (3) of subsection (a) in each fiscal year to historically black colleges and universities that meet the requirements of part C.".

TITLE IV—STUDENT ASSISTANCE

SEC. 401. PROGRAM AUTHORITY AND METHOD OF DISTRIBUTION.

Section 411 of the Act (20 U.S.C. 1070a) is amended—

(1) in paragraph (1) of subsection (a), by inserting "in accordance with subsection (g)" after "pay to each eligible institution";

(2) in subsection (b)—

(A) by amending paragraph (1) to read as follows:

"(1) The purpose of this subpart is to provide a basic grant that as determined under paragraph (2) will meet the cost of attendance as set forth in section 472, but in no event shall such grant amount exceed the amount of the basic grant described in paragraph 2.";

(B) in subparagraph (A) of paragraph (2)—

(i) by striking "The amount" and inserting "Except as provided in paragraph (3), the amount";

(ii) by striking clauses (i) through (v) and inserting the following:

"(i) 3,600 for academic year 1993–1994,

"(ii) 3,800 for academic year 1994–1995,

"(iii) 4,000 for academic year 1995–1996,

"(iv) 4,200 for academic year 1996–1997,

"(v) 4,400 for academic year 1997–1998,

"(vi) 4,600 for academic year 1998–1999,

"(vii) 4,800 for academic year 1999–2000,"; and

(C) in the matter following clause (vii) (as added by clause (ii)), by inserting "(determined in accordance with part F)" after "expected family contribution"; and

(D) by amending paragraph (3) to read as follows:

"(3)(A) Except as provided in subparagraph (B), the amount of a basic grant to which a student is entitled under this subpart in any fiscal year—

"(i) in the case that the maximum basic grant amount allowable pursuant to the appropriate Appropriation Act is less than $3,600, equals a basic educational allowance of $2,300 plus a pro rata decrease in the amount the student would have received toward the cost of tuition if such maximum basic grant amount allowable pursuant to the appropriate Appropriation Act had been equal to $3,600;

"(ii) in the case that the maximum basic grant amount allowable pursuant to the appropriate Appropriation Act is $3,600, equals a basic allowance of $2,300, plus 25 percent of the cost of tuition (except that such cost shall not exceed $1,300);

"(iii) in the case that the maximum basic grant amount allowable pursuant to the appropriate Appropriation Act is greater than $3,600, equals the sum of—

"(I) a basic education allowance of $2,300, multiplied by the percentage by which such maximum basic grant amount for the fiscal year exceeds such maximum basic grant amount for the preceding fiscal year plus 100 percent, and

"(II) 25 percent of the cost of tuition; and

"(iv) in the case of an incarcerated student, shall be limited to the amount of tuition and fees assessed by the postsecondary institution for the course of study such student is pursuing and an allowance, as determined by the Secretary pursuant to regulations, for books and supplies associated with such course of study.

"(B) In no event shall the amount of a basic grant be—

"(i) less than $2,400 minus the expected family contribution; and

"(ii) exceed the amount of the basic grant described in paragraph (2).";

(E) in paragraph (4), by striking "section 411F" and inserting "section 472".

(F) in paragraph (5), by striking "$200" and inserting "$400, except that a student who is eligible for a basic grant that is equal to or greater than $200 but less than $400 shall be awarded a basic grant of $400";

(G) by amending paragraph (6) to read as follows—

"(6) No basic grant shall be awarded under this subpart in any fiscal year to any student who is attending on a less than half-time basis unless the expected family contribution for such student for such fiscal year is less than or equal to $200."; and

(H) by adding at the end the following new paragraphs:

"(8) Exception to the Maximum Pell Grant Award.—Notwithstanding any other provision of law, a student may receive 2 Pell grants during a single 12-month period, if the student—

"(A) is enrolled full-time in a program of study that is 3 years or longer at an eligible institution; and

"(B) completes course work toward completion of a bachelor's degree that exceeds the requirements for a full academic year as defined by the institution.

"(9) Study Abroad.—Notwithstanding any other provision of this subpart, the Secretary shall allow the amount of the basic grant to be exceeded for students participating in a program of study abroad approved for credit by the institution when the reasonable costs of such program are greater than the cost of attendance at the student's home institution, except that the amount of such basic grant in any fiscal year shall not exceed the grant level specified in the appropriate Appropriation Act for this subpart for such year. If the preceding sentence applies, the financial aid administrator at the home institution may use the budget of the study abroad program, rather than the home institution's budget, to determine the expected family contribution of the student.

"(10) Incarcerated Students.—(A) No basic grant shall be awarded to an incarcerated student under this subpart that exceeds the sum of the amount of tuition and fees normally assessed by the institution of higher education for the course of study such student is pursuing plus an allowance (determined in accordance with regulations issued by the Secretary) for books and supplies associated with such course of study, except that no basic grant shall be awarded to any incarcerated student serving under sentence of death or any life sentence without eligibility for parole or release.

"(B) Basic grants under this subpart shall only be awarded to incarcerated individuals in a State if such grants are used to supplement and not supplant the level of postsecondary education assistance provided by such State to incarcerated individuals in fiscal year 1988.";

(3) in subsection (c)—

(A) in subparagraph (A) of paragraph (1)—

(i) in clause (i)—

(I) by striking "5 academic years" and inserting "7 academic years"; and

(II) by striking "4 years or less;" and inserting "5 years;"

(ii) in clause (ii) by striking "more than"; and

(iii) by adding at the end the following new clauses:

"(iii) 4 academic years in the case of an undergraduate or certificate program normally requiring 2 years; or

"(iv) twice the length of time for a program in the case of an undergraduate or certificate program normally requiring less than 2 years to complete;"; and

(B) in paragraph (2), by adding at the end thereof the following new sentence: "Nothing in this section shall exclude from eligibility programs of study abroad that are approved for credit by the institution.";

(4) by adding at the end of subsection (d) the following new paragraph:

"(3) The Secretary shall make available a common reapplication form and process for students who have received a Pell Grant in the award year prior to the year for which such application is filed."; and

(5) by amending subsection (g) to read as follows:

"(g) Adjustments for Insufficient Appropriations.—

"(1) Fiscal Years 1993 and 1994.—(A) If, for fiscal years 1993 and 1994, the funds appropriated for payments under this subpart are insufficient to satisfy fully all entitlements, as calculated under subsection (b), the amount paid with respect to each entitlement shall be—

"(i) the full amount for any student whose expected family contribution is $400 or less; or

"(ii) a percentage of that entitlement, as determined in accordance with a schedule of reductions established by the Secretary for this purpose, for any student whose expected family contribution is more than $400.

"(B) Any schedule established by the Secretary for the purpose of subparagraph (A)(ii) of this subsection shall contain a single linear reduction formula in which the percentage reduction increases uniformly as the entitlement de-

creases, and shall provide that if an entitlement is reduced to less than $200, no payment shall be made.

"(2) FISCAL YEARS 1995 AND 1996.—If for fiscal years 1995 and 1996, the funds appropriated for payments under this subpart are insufficient to satisfy fully all entitlements, as calculated under subsection (b) (but at the maximum grant level specified in such appropriation), the Secretary shall, from the next succeeding fiscal year's appropriation for this subpart, expend such sums as may be necessary to meet any such insufficiencies for the preceding fiscal year.

"(3) FISCAL YEARS 1997, 1998 AND 1999.—(A) For fiscal years 1997, 1998 and 1999, each institution of higher education which has an agreement with the Secretary under subparagraph (C) of this paragraph—

"(i) shall make awards to its eligible students in the full amount to which such student is entitled under this subpart;

"(ii) shall, except as provided in subparagraph (E), credit the amounts of such awards toward the tuition, fees, room and board, and other expenses incurred by the eligible student; and

"(iii) shall submit vouchers for reimbursement of such awards at such time, in such form, and containing or accompanied by such information as the Secretary may require by regulation.

"(B) The Secretary shall reimburse each institution submitting a voucher under subparagraph (A)(iii) for the full amount of the awards credited by such institution to eligible students as required by subparagraph (A)(ii).

"(C) Each institution desiring to provide grants under this subpart to its eligible students shall enter into an agreement with the Secretary for purposes of this subsection. Such agreement shall—

"(i) specify the conditions with which the institution shall comply to obtain reimbursements under this subsection;

"(ii) specify the obligations of the Secretary with respect to such reimbursements; and

"(iii) contain such additional terms and conditions as the Secretary may require by regulation.

"(D) An institution which—

"(i) has entered into an agreement with the Secretary under subparagraph (C);

"(ii) has awarded grants to eligible students in accordance with this subpart; and

"(iii) credited such awards in accordance with subparagraph (A)(ii) of this subsection shall be deemed to have a contractual right against the United States to receive reimbursement according to the provisions of this subsection. Such reimbursements shall, for purposes of chapter 39 of title 31, United States Code, be considered to be payments made for the acquisition of services by contract with the Department.

"(E) In the case of a student who does not reside in institutionally owned or operated housing and whose basic grant exceeds the amount of the tuition and fees owed by that student, the institution shall pay such excess to such student in accordance with procedures as may be prescribed by the Secretary. For purposes of subparagraph (D)(iii), any amounts so paid shall be treated as amounts credited in accordance with subparagraph (A)(ii), and may be used by such student to cover room, board, transportation, child care, books, and other costs of attendance.".

SEC. 402. REPEALERS.

Sections 411A, 411B, 411C, 411D, 411E and 411F of the Act (20 U.S.C. 1070a–1 through 1070a–6) are each repealed.

SEC. 403. AUTHORIZATION OF APPROPRIATIONS.

Subsection (b) of section 413A of the Act (20 U.S.C. 1070b–1) is amended—

(1) by striking "$490,000,000" and inserting "$650,000,000";

(2) by striking "1987" and inserting "1993"; and

(3) by striking "4 succeeding" and inserting "6 succeeding".

SEC. 404. AMOUNT AND DURATION OF GRANTS.

Section 413B of the Act (20 U.S.C. 1070b–1 is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "From" and inserting "Except as provided in paragraph (3), from"; and

(ii) in subparagraph (A), by inserting "or in a program of study abroad that is approved for credit by the institution" after "course of study at the institution"; and

(B) by inserting after paragraph (2) the following new paragraph:

"(3) For students participating in study abroad programs, the institution shall consider all reasonable costs associated with such study abroad when determining student eligibility. The amount of grant to be awarded in such cases may exceed the maximum amount of $4,000 by as much as $400 if reasonable study abroad costs exceed the cost of attendance at the home institution by more than 20 percent."; and

(2) in paragraph (1) of subsection (b), by inserting ", and the first academic year of the first postbaccalaureate degree or the first year of graduate study (if the financial aid officer determines that the student has exceptional needs comparable to undergraduate students receiving such grants)," before "being pursued".

SEC. 405. AGREEMENTS WITH INSTITUTIONS; SELECTION OF RECIPIENTS.

Section 413C of the Act (20 U.S.C. 1070b–2) is amended—

(1) by amending paragraph (2) of subsection (a) to read as follows:

"(2) agrees that the Federal share of awards under this subpart will not exceed 75 percent of such awards, except that the Federal share may exceed such percentage if the Secretary determines that the non-Federal share would cause financial hardship at an eligible institution and that such institution serves a large number or percentage of low-income and minority students.";

(2) in subparagraph (A) of subsection (c)(2)—

(A) in clause (i), by striking the "and" after the comma;

(B) in clause (ii), by striking the period at the end thereof and inserting a comma; and

(C) by adding at the end the following new clauses:

"(iii) will, notwithstanding any other provision of this part, award supplemental grants to Pell grant recipients in an amount which is proportionate to the amount of the Pell grant received by such recipient in the academic year for which the determination is made, and

"(iv) will determine awards for supplemental grants without regard to the determination of a minimum student contribution, self-help amount or eligibility for assistance under other parts of this title except subpart 1 of part A."; and

(3) in subsection (d), by inserting "except that if the total financial need of all such students attending the institution exceeds 5 percent of such institution's allotment, then at least 5 percent of such allotment shall be made available to such students" before the period at the end thereof.

SEC. 406. ALLOCATION OF FUNDS.

Section 413D of the Act (20 U.S.C. 1070b–3) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

"(4)(A) Notwithstanding any other provision of this section, the Secretary may allocate an amount equal to not more than 10 percent of the amount by which the amount appropriated in any fiscal year to carry out this part exceeds $700,000,000 among eligible institutions described in subparagraph (B).

"(B) In order to receive an allocation pursuant to subparagraph (A) an institution shall be an eligible institution from which 50 percent or more of the Pell Grant recipients attending such eligible institution graduate or transfer to a 4-year institution of higher education."; and

(2) in subparagraph (A) of subsection (d)(2), by inserting "subdivided by full-time and part-time status" before the semicolon.

SEC. 407. GRANTS TO STATES FOR STATE STUDENT INCENTIVES.

Section 415A of the Act (20 U.S.C. 1070c) is amended—

(1) by amending subsection (a) to read as follows:

"(a) PURPOSE OF SUBPART.—It is the purpose of this subpart to—

"(1) make incentive grants available to States to assist States in providing grants to—

"(A) eligible students attending institutions of higher education or participating in programs of study abroad that are approved for credit by such institutions; and

"(B) eligible students for campus-based community service work learning study; and

"(2) make allotments to States to enable States to conduct early intervention programs described in section 415F."; and

(2) in subsection (b)—

(A) by striking "1987" and inserting "1993"; and

(B) by striking "4 succeeding" and inserting "6 succeeding".

SEC. 408. APPLICATIONS FOR STATE STUDENT INCENTIVE GRANT PROGRAM.

Subsection (b) of section 415C of the Act (20 U.S.C. 1070c–2(b)) is amended—

(1) in paragraph (2), by striking "$2,500" and inserting "$4,000"; and

(2) in paragraph (4), by inserting "except that for the purpose of collecting data to make such determination of financial need, no student or parent shall be charged a fee that is payable to an entity other than such State" before the semicolon.

SEC. 409. EARLY INTERVENTION PROGRAM.

Subpart 3 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c et seq.) is amended by adding at the end thereof the following new section:

"SEC. 415F. EARLY INTERVENTION PROGRAM.

"(a) STATEMENT OF PURPOSE.—It is the purpose of this section to make incentive grants to States to enable States to conduct early intervention programs that—

"(1) raise the awareness of eligible students about the advantages of obtaining a postsecondary education;

"(2) provide academic support and personal mentoring for prospective postsecondary students; and

"(3) provide eligible students with tuition assistance.

"(b) EARLY INTERVENTION PROGRAM ESTABLISHED.—

"(1) PROGRAM ESTABLISHED.—From amounts appropriated pursuant to the authority of subsection (f), the Secretary shall make allotments to States in accordance with paragraph (2) to pay the Federal share of the costs of the activities and services described in the plan submitted pursuant to subsection (d).

"(2) ALLOTMENT.—Except as provided in paragraph 3, for any fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to the amount appropriated pursuant to subsection (f) as the number of eligible students in such State bears to the total number of eligible students in all the States.

"(3) MINIMUM ALLOTMENT.—No State shall receive an allotment under paragraph (2) in any fiscal year which is less than $500,000.

"(4) REALLOTMENT.—The amount of any State's allotment under paragraph (2) or (3) for

any fiscal year which the Secretary determines will not be required for such fiscal year for the early intervention program of that State shall be available for reallotment from time to time, on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States under such paragraphs for such year, but with such proportionate amount for any of such States being reduced to the extent such amount exceeds the sum the Secretary estimates such State needs and will be able to use in such year for carrying out the activities and services described in the State plan. The total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this paragraph during a year from funds appropriated pursuant to subsection (g) shall be deemed part of its allotment under such paragraphs for such year.

"(5) ALLOTMENT SUBJECT TO CONTINUING COMPLIANCE.—The Secretary shall make payments for early intervention programs only to States which continue to meet the requirements of subsection (c).

"(6) DEFINITIONS.—For the purpose of this section—

"(A) the term 'eligible institution' has the same meaning provided such term in section 435(a);

"(B) the term 'eligible student' shall include students eligible—

"(i) to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965;

"(ii) for assistance pursuant to the National School Lunch Act; or

"(iii) for assistance pursuant to part A of title IV of the Social Security Act (Aid to Families with Dependent Children); and

"(C) term 'tuition assistance' includes the costs of tuition, room and board, books, and required fees, if any.

"(c) USE OF ALLOTMENTS.—

"(1) IN GENERAL.—A State shall use payments received under this section to conduct an early intervention program that—

"(A) provides eligible students in any of the grades pre-school through 12 with a continuing system of mentoring and advising that—

"(i) is coordinated with the Federal and State community service initiatives;

"(ii) may include such support services as after school and summer tutoring, assistance in obtaining summer jobs, career mentoring and academic counseling; and

"(iii) may be provided by service providers such as community-based organizations, schools, eligible institutions, and public and private agencies, particularly institutions and agencies sponsoring programs authorized under subpart 4 of this part;

"(B) requires each student to enter into an agreement with the State under which the student agrees to achieve certain academic milestones, such as completing a prescribed set of courses and maintaining satisfactory academic progress as described in section 484(c), in exchange for receiving tuition assistance for a period of time to be established by each State;

"(C) establishes a plan for tuition assistance described in subparagraph (B) which may include contributions from Federal, State and private sources;

"(D) contains an incentive system to encourage greater collaboration between elementary and secondary schools, institutions of higher education, and any programs assisted under sections 417B and 417C in the State, through the creation of new linkage structures and programs;

"(E) provides financial aid counseling, including information on the opportunities for financial assistance pursuant to this title; and

"(F) contains an evaluation component that allows service providers to track eligible student progress during the period such students are participating in the program assisted under this section and which is consistent with the standards developed by the Secretary pursuant to paragraph (4).

"(2) ADDITIONAL REQUIREMENTS.—In carrying out the provisions of subparagraph (B) of paragraph (1), a State may include in the agreement such other requirements as the State determines necessary to meet the purposes of this section.

"(3) TUITION ASSISTANCE.—(A) In order to receive an allotment under this section each State shall ensure that tuition assistance provided pursuant to the provisions of paragraph (1)(B) is available to an eligible student for use at any eligible institution.

"(B) A State may consider students who have successfully participated in programs funded under subpart 4 of this part to have met the requirements of subsection (c)(1) (A) and (B).

"(C) Notwithstanding any other provision of law, tuition assistance provided under this section shall not be considered for the purpose of awarding Federal student financial aid.

"(4) EVALUATION STANDARDS.—The Secretary shall prescribe standards for the evaluation described in paragraph (1)(E). Such standards shall—

"(A) provide for input from States and service providers; and

"(B) ensure that data protocols and procedures are consistent and uniform.

"(d) STATE PLAN.—

"(1) IN GENERAL.—Each State desiring an allotment under this section shall submit a State plan to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(2) CONTENTS.—Each State plan submitted pursuant to paragraph (1) shall—

"(A) describe the activities for which assistance under this section is sought; and

"(B) provide such additional assurances as the Secretary determines necessary to ensure compliance with the requirements of this section.

"(3) APPROVAL.—The Secretary shall approve a State plan submitted pursuant to paragraph (1) within 6 months of receipt of the plan unless the plan fails to comply with the provisions of this section.

"(e) EVALUATION AND REPORT.—

"(1) EVALUATION.—Each State receiving an allotment under this section shall annually evaluate the early intervention program assisted under this section in accordance with the standards described in subsection (c)(4) and shall submit to the Secretary a copy of such evaluation.

"(2) REPORT.—The Secretary shall annually report to the Congress on the activities assisted under this section and the evaluations conducted pursuant to paragraph (1).

"(f) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated $100,000,000 for fiscal year 1993 and such sums as may be necessary for the 6 succeeding fiscal years to carry out the provisions of this section.

"(2) SPECIAL RULE.—No funds are authorized to be appropriated pursuant to the authority of paragraph (1) in any fiscal year unless the amount appropriated pursuant to the authority of section 415A to carry out this subpart equals or exceeds $63,500,000 in such fiscal year.".

SEC. 410. SPECIAL PROGRAMS FOR STUDENTS FROM DISADVANTAGED BACKGROUNDS.

Section 417A of the Act (20 U.S.C. 1070d) is amended—

(1) in subsection (a), by inserting "to motivate and prepare such students for doctoral programs," after "pursuing programs of postsecondary education,";

(2) in subsection (b)—

(A) in paragraph (1), by inserting "combinations of such institutions, agencies or organizations," after "private agencies and organizations,";

(B) by adding at the end the following new paragraph:

"(3) Beginning in fiscal year 1993, if the amount appropriated to carry out this subpart in any fiscal year exceeds the amount appropriated to carry out this subpart in fiscal year 1992, then in awarding grants or contracts under this subpart with such excess, the Secretary shall give special consideration to applicants proposing programs that serve geographic areas or eligible populations which have been underserved by the programs assisted under this subpart.";

(3) in subsection (c)—

(A) by striking "$205,000,000" and inserting "$450,000,000";

(B) by striking "1987" and inserting "1993"; and

(C) by striking "4 succeeding" and inserting "6 succeeding";

(4) by inserting at the end the following new subsections:

"(e) OUTREACH.—

"(1) IN GENERAL.—The Secretary shall conduct outreach activities to ensure that entities eligible for assistance under this subpart submit applications proposing programs that serve geographic areas and eligible populations which have been underserved by the programs assisted under this subpart.

"(2) NOTICE AND ASSISTANCE.—In carrying out the provisions of paragraph (1), the Secretary shall—

"(A) notify the entities described in subsection (b) of the availability of assistance under this subsection not less than 120 days prior to the deadline for submission of applications under this subpart; and

"(B) provide assistance in the development of applications and programs assisted under this subpart.

"(3) SPECIAL RULE.—The Secretary may contract with eligible entities to conduct the outreach activities described in this subsection.

"(f) APPLICATION REVIEW PROCESS.—

"(1) IN GENERAL.—To the extent practicable, the Secretary shall ensure that readers of applications submitted under this subpart represent diverse backgrounds reflecting the populations served by programs assisted by this subpart.

"(2) SPECIAL RULE.—The Secretary shall ensure that each application submitted under this subpart is read by at least 3 reviewers not employed by the Department of Education.

"(g) DOCUMENTATION OF STATUS AS A LOW-INCOME INDIVIDUAL.—Documentation of an individual's status pursuant to subsection (d)(2) shall be made—

"(1) in the case of an individual who is eighteen years of age or younger or a dependent student by providing the Secretary with a signed statement from the parent or legal guardian, verification from another governmental source, a signed financial aid application, a signed United States or Puerto Rican income tax return, or any other documentation the Secretary deems appropriate that documents that the individual is a low-income individual for purposes of this subpart; and

"(2) in the case of an individual who is age 18 or older or who is an independent student, by providing the Secretary with a signed statement from the individual, verification from another governmental source, a signed financial aid form, a signed United States or Puerto Rican income tax return, or any other documentation the Secretary deems appropriate that documents that a student is a low-income individual for purposes of this subpart.

"(h) SPECIAL RULES.—

"(1) PEER REVIEW PROCESS.—The Secretary shall award grants and contracts under this subpart in the order of the scores received by the application for such grant or contract in the peer review process required under section 1210 and adjusted for prior experience in accordance with subsection (b)(2).

"(2) DURATION.—Grants or contracts made under this subpart shall be awarded for a period of 4 years, except that the Secretary may award such grants or contracts for not more than 5 years to support programs the Secretary considers exceptional.

"(3) APPLICATION STATUS.—The Secretary shall inform each entity operating programs under this subpart regarding the status of their application for continued funding at least 10 months prior to the expiration of the grant or contract. The Secretary, in the case of an entity that is continuing to operate a successful program under this subpart, shall ensure that the startup date for a new grant or contract for such program immediately follows the termination of preceding grant or contract so that no interruption of funding occurs for such successful reapplicants. The Secretary shall inform each entity requesting assistance under this subpart for a new program regarding the status of their application at least 10 months prior to the proposed startup date of such program.

"(4) NUMBER OF APPLICATIONS FOR GRANTS AND CONTRACTS.—The Secretary shall not limit the number of applications submitted by an entity under any program authorized under this subpart if the additional applications describe programs serving different populations or campuses.

"(5) COORDINATION WITH OTHER PROGRAMS FOR DISADVANTAGED STUDENTS.—The Secretary shall encourage coordination of programs assisted under this subpart with other programs for disadvantaged students operated by the sponsoring institution or agency, regardless of the funding source of such programs. The Secretary shall not limit an entity's eligibility to receive funds under this subpart because such entity sponsors a program similar to the program to be assisted under this subpart, regardless of the funding source of such program. The Secretary shall not require a separate Director to administer a program funded under this subpart if the imposition of such requirement will hinder coordination among programs funded under this subpart or between programs funded under this subpart and similar programs funded through other sources.".

SEC. 411. TALENT SEARCH.

Section 417B of the Act (20 U.S.C. 1070d–1) is amended—

(1) by amending subsection (b) to read as follows:

"(b) PERMISSIBLE SERVICES.—Any talent search project assisted under this subpart may provide services such as—

"(1) academic advice and assistance in secondary school and college course selection;

"(2) assistance in completing college admission and financial aid applications;

"(3) assistance in preparing for college entrance examinations;

"(4) guidance on high school reentry or entry into a general equivalency diploma program (GED) or other alternative education programs for high school dropouts;

"(5) personal counseling;

"(6) tutorial services;

"(7) career counseling;

"(8) exposure to college campuses as well as cultural events, academic programs and other sites or activities not usually available to disadvantaged youth;

"(9) mentoring programs involving either elementary or secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and

"(10) workshops and counseling for parents of students served."; and

(2) by amending paragraph (2) of subsection (c) to read as follows:

"(2) require that such participants be persons who have completed 5 years of elementary education or are at least 11 years of age but not more than 27 years of age, unless the imposition of any such limitation with respect to any person will defeat the purposes of this section or the purposes of section 417E;".

SEC. 412. UPWARD BOUND.

Section 417C of the Act (20 U.S.C. 1070d–1a) is amended—

(1) in subsection (b)—

(A) in paragraph (8), by striking "and" after the semicolon;

(B) by redesignating paragraph (9) as paragraph (10);

(C) by inserting after paragraph (8) the following new paragraph:

"(9) mentoring programs involving elementary or secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and"; and

(D) in paragraph (10) (as redesignated in subparagraph (B)), by striking "(8)" and inserting "(9)";

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(3) by inserting after subsection (b) the following, new subsection:

"(c) SPECIAL REQUIRED SERVICES.—Any upward bound project assisted which has received funding under this subpart for 2 or more years shall include as part of the core curriculum in the next and succeeding years—

"(1) instruction in mathematics through precalculus;

"(2) a minimum of 1 laboratory science;

"(3) a minimum of 1 foreign language; and

"(4) instruction in composition and literature.".

SEC. 413. STUDENT SUPPORT SERVICES.

Section 417D of the Act (20 U.S.C. 1070d–1b) is amended—

(1) in subsection (a), by striking the period at the end thereof and inserting the following: "that shall be designed to—

"(1) increase college retention and graduation rates for students;

"(2) increase the transfer rates of students from 2-year to 4-year institutions; and

"(3) foster an institutional climate supportive of the success of low-income, first-generation and physically handicapped students.";

(2) in subsection (b)—

(A) in paragraph (8), by striking "and" after the semicolon;

(B) by redesignating paragraph (9) as paragraph (10);

(C) by inserting after paragraph (8) the following new paragraph:

"(9) mentoring programs involving faculty or upper class students, or a combination thereof; and"; and

(D) in paragraph (10) (as redesignated in subparagraph (B)) by striking "(8)" and inserting "(9)";

(3) in paragraph (5) of subsection (c), by striking "receive" and inserting "be offered"; and

(4) by striking subsection (d).

SEC. 414. EDUCATIONAL OPPORTUNITY CENTERS.

Subsection (b) of section 417E is amended to read as follows:

"(b) PERMISSIBLE SERVICES.—An educational opportunity center assisted under this subpart may provide services such as—

"(1) public information campaigns designed to inform the community regarding opportunities for postsecondary education and training;

"(2) academic advice and assistance in course selection;

"(3) assistance in completing college admission and financial aid applications;

"(4) assistance in preparing for college entrance examinations;

"(5) guidance on high school reentry or entry into a general equivalency diploma (GED) program or other alternative education programs for high school dropouts;

"(6) personal counseling;

"(7) tutorial services; and

"(8) career workshops and counseling.".

SEC. 415. STAFF DEVELOPMENT ACTIVITIES.

Section 417F of the Act (20 U.S.C. 1070d–1d) is amended by inserting after the second sentence the following new sentence: "Such training shall be offered annually for new directors of projects assisted under this subpart as well as annually on the following topics and other topics chosen by the Secretary:

"(1) Legislative and regulatory requirements for the operation of programs assisted under this subpart.

"(2) Assisting students in receiving adequate financial aid from programs assisted under this title and other programs.

"(3) The design and operation of model programs for projects assisted under this subpart.".

SEC. 416. EVALUATION FOR PROGRAM IMPROVEMENT.

Subpart 4 of part A of title IV of the Act (20 U.S.C. 1070d et seq.) is amended by adding at the end the following new sections:

"SEC. 417G. POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.

"(a) PROGRAM AUTHORITY.—

"(1) IN GENERAL.—The Secretary shall carry out a program to be known as the 'Ronald E. McNair Postbaccalaureate Achievement Program' which shall be designed to motivate and prepare promising undergraduate students for doctoral study.

"(2) SPECIAL RULE.—The Secretary shall ensure that a significant number of projects assisted under this subsection provide students with summer research internships.

"(b) PERMISSIBLE SERVICES.—A postbaccalaureate achievement project assisted under this section may provide services such as—

"(1) opportunities for research or other scholarly activities at the institution or at graduate centers designed to provide students with effective preparation for doctoral study;

"(2) summer internships;

"(3) seminars and other educational activities designed to prepare students for doctoral study;

"(4) tutoring;

"(5) academic counseling; and

"(6) activities designed to assist students participating in the project in securing admission to and financial assistance for enrollment in graduate programs.

"(c) REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for postbaccalaureate achievement projects assisted under this section for any fiscal year, the Secretary shall require—

"(1) an assurance that not less than one-half of the individuals participating in the project proposed to be carried out under any application be low-income individuals who are first-generation college students;

"(2) an assurance that the remaining persons participating in the project proposed to be carried out be from a group that is underrepresented in graduate education;

"(3) an assurance that participants be enrolled in a degree program at an eligible institution in accordance with the provisions of section 487;

"(4) an assurance that participants in summer research internships have completed their sophomore year in postsecondary education; and

"(5) an assurance that summer internships, seminars and research activities assisted under

this subpart are jointly developed, implemented and administered with the dean or other designated official of a related or cooperating graduate school, college or institution.

"(d) SELECTION CRITERIA.—In addition to such other selection criteria as the Secretary may prescribe by regulations, the Secretary, in making awards to institutions under this subsection, shall consider—

"(1) the quality of research and other scholarly activities in which students will be involved;

"(2) the level of faculty involvement in the project and the description of the research in which students will be involved; and

"(3) the institution's plan for identifying and recruiting participants including students enrolled in projects authorized under this subsection.

"(e) MAXIMUM STIPENDS.—Students participating in research under a postbaccalaureate achievement project may receive stipends not to exceed $2,400 per annum.

"(f) FUNDING.—From amounts appropriated pursuant to the authority of section 417A(c), the Secretary shall allocate funds for projects authorized by this section in an amount which is not less than $11,000,000 for each of the fiscal years 1993 through 1999.

"SEC. 417H. EVALUATION FOR PROJECT IMPROVEMENT.

"(a) IN GENERAL.—For the purpose of improving the operation of the programs and projects assisted under this subpart, the Secretary is authorized to make grants to and enter into contracts with institutions of higher education and other public and private institutions and organizations to evaluate the effectiveness of the various programs assisted under this subpart in meeting the purposes described in this subpart.

"(b) CONTENT.—The evaluations described in subsection (a) shall identify institutional, community and program practices particularly effective in increasing the access of low-income individuals and first-generation college students to postsecondary education, the preparation of such individuals and students for postsecondary education, and such individuals' and students' success in postsecondary education.

"(c) RESULTS.—In order to improve program effectiveness, the results of the ongoing evaluations described in subsection (a) shall be disseminated by the Secretary to similar programs assisted under this subpart as well as other individuals concerned with the postsecondary access and retention of low-income individuals and first-generation college students.".

SEC. 417. SPECIAL PROGRAMS FOR STUDENTS WHOSE FAMILIES ARE ENGAGED IN MIGRANT AND SEASONAL FARMWORK.

Section 418A of the Act (20 U.S.C. 1070d–2) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking out "17 years of age and over," and inserting "16 years of age and older, or are beyond the age of compulsory school attendance in the State in which such persons reside and are not enrolled in school,"; and

(B) in paragraph (4)—

(i) by inserting a comma after "concerning"; and

(ii) by inserting a comma after "obtaining";

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting ", except as provided in paragraph (2), are limited to services that are necessary to assist migrant students in completing their first year of college, and" before "include";

(B) by amending paragraph (1) to read as follows:

"(1) outreach and recruitment services to reach persons who themselves or whose parents have spent a minimum of 75 days during the past 24 months in migrant and seasonal farmwork or who have participated in programs under section 1201 of the Elementary and Secondary Education Act of 1965 or section 402 of the Job Training Partnership Act, and who meet the minimum qualifications for attendance at a college or university;";

(C) in paragraph (2), by redesignating subparagraphs (A) through (E) as clauses (i) through (v), respectively;

(D) in paragraph (3), by redesignating subparagraphs (A) through (H) as clauses (i) through (viii), respectively;

(E) by redesignating paragraphs (1) through (6) (as amended in subparagraphs (B), (C) and (D)) as subparagraphs (A) through (F), respectively;

(F) by inserting the paragraph designation "(1)" after the subsection heading; and

(G) by adding at the end thereof the following new paragraph:

"(2) A recipient of a grant to operate a college assistance migrant program under this subpart shall provide followup services for migrant students after such students have completed their first year of college, and shall not use more than 10 percent of such grant for such followup services. Such followup services may include—

"(A) monitoring and reporting the academic progress of students who participated in the project during such student's first year of college and during such student's subsequent years in college; and

"(B) referring such students to on- or off-campus providers of counseling services, academic assistance, or financial aid.";

(3) in the heading for subsection (e), by striking "Three" and inserting "Five";

(4) in subsection (e), by striking "3-year" and inserting "5-year"; and

(5) in subsection (g)—

(A) in paragraph (1)—

(i) by striking "$7,000,000" and inserting "$15,000,000"; and

(ii) by striking "1987" and inserting "1993"; and

(B) in paragraph (2)—

(i) by striking "$2,000,000" and inserting "$5,000,000"; and

(ii) by striking "1987" and inserting "1993".

SEC. 418. ALLOCATION AMONG STATES.

Section 419D of the Act (20 U.S.C. 1070d–34) is amended to read as follows:

"SEC. 419D. ALLOCATION AMONG STATES.

"(a) ALLOCATION FORMULA.—From the sums appropriated pursuant to the authority of section 419K for any fiscal year, the Secretary shall allocate to each State that has an agreement under section 419E an amount equal to $1,500 multiplied by the number of scholarships determined by the Secretary to be available to such State in accordance with subsection (b).

"(b) NUMBER OF SCHOLARSHIPS AVAILABLE.—The number of scholarships to be made available in a State for any fiscal year shall bear the same ratio to the number of scholarships made available to all States as the State's population ages 5 through 17 bears to the population ages 5 through 17 in all the States, except that not less than 10 scholarships shall be made available to any State.

"(c) USE OF CENSUS DATA.—For the purpose of this section, the population ages 5 through 17 in a State and in all the States shall be determined by the most recently available data, satisfactory to the Secretary, from the United States Bureau of the Census.".

SEC. 419. SELECTION OF SCHOLARSHIPS.

Section 419G of the Act (20 U.S.C. 1070d–37) is amended—

(1) by amending subsection (b) to read as follows:

"(b) ADOPTION OF PROCEDURES.—The State educational agency shall adopt selection procedures designed to ensure an equitable geographic distribution of awards within the State."; and

(2) by adding at the end the following new subsection:

"(d) TIMING OF SELECTION.—The selection process shall be completed, and the awards made, prior to the end of each secondary school academic year.".

SEC. 420. AWARDS CEREMONY.

(a) REPEAL.—Section 419I of the Act (20 U.S.C. 1070d–39) is repealed.

(b) CONFORMING AMENDMENTS.—Section 419E of the Act (20 U.S.C. 1070d–35) is amended—

(1) in paragraph (3) by inserting "and" after the semicolon;

(2) in paragraph (4) by striking "at an awards ceremony in accordance with section 419I; and" and inserting a period; and

(3) by striking paragraph (5).

SEC. 421. AUTHORIZATION OF APPROPRIATIONS.

Section 419K of the Act (20 U.S.C. 1070d–41) is amended—

(1) by striking "$8,000,000" and inserting "$10,000,000";

(2) by striking "1987" and inserting "1993"; and

(3) by striking "4 succeeding" and inserting "6 succeeding".

SEC. 422. PAYMENTS TO INSTITUTIONS OF HIGHER EDUCATION.

Section 420 of the Act (20 U.S.C. 1070e) is repealed.

SEC. 423. VETERANS EDUCATION OUTREACH PROGRAM.

Subsection (a) of section 420A of the Act (20 U.S.C. 1070f(a)) is amended by striking "1987" and inserting "1993".

SEC. 424. ACCESS SCHOLARSHIPS.

Subpart 8 of part A of title IV of the Act (20 U.S.C. 1070f) is amended to read as follows:

"Subpart 8—Access Scholarships

"SEC. 420B. PURPOSE.

"It is the purpose of this subpart to award scholarships to encourage students to finish secondary school and obtain a college education, and to upgrade the course of study completed by our Nation's secondary school graduates.

"SEC. 420C. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $100,000,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out the provisions of this subpart, except that no amount is authorized to be appropriated to carry out the provisions of this subpart unless the amount appropriated in any fiscal year to carry out this part equals or exceeds the amount appropriated to carry out this part in the preceding fiscal year.

"SEC. 420D. SCHOLARSHIP PROGRAM.

"(a) IN GENERAL.—The Secretary is authorized to award scholarships to eligible students in accordance with the provisions of this subpart.

"(b) PERIOD OF AWARD.—Scholarships under this subpart shall be awarded for a period of 2 academic years.

"(c) USE AT ANY INSTITUTION PERMITTED.—An eligible student awarded a scholarship under this subpart may use such scholarship stipend to attend any institution of higher education (as such term is defined in section 481(a)).

"SEC. 420E. STUDENT ELIGIBILITY.

"(a) STUDENT ELIGIBILITY.—For the purpose of this subpart the term 'eligible student' means an individual who—

"(1) has participated in an early intervention program assisted under section 415F or subpart 4;

"(2) is a graduate of a public or private secondary school or has the equivalent certificate of graduation as recognized by the State in which the eligible student resides;

"(3) not later than 3 years after such individual graduates or obtains an equivalent certificate, has been admitted for enrollment or is enrolled at an institution of higher education;

"(4) is eligible to receive a Pell Grant for the year in which the scholarship is awarded; and

"(5) has demonstrated academic achievement and preparation for postsecondary education by taking college preparatory level coursework in the following areas while in secondary school or the equivalent:

"(A) 4 years of English;

"(B) 3 years of science;

"(C) 3 years of mathematics;

"(D) either—

"(i) 3 years of history; or

"(ii) 2 years of history and 1 year of social studies; and

"(E) either—

"(i) 2 years of a foreign language; or

"(ii) 1 year of computer science and 1 year of a foreign language.

"(b) LIMITATION.—For the purpose of this subpart the term 'eligible student' does not include an individual who has been awarded an associate or baccalaureate degree.

"(c) WAIVERS.—

"(1) EARLY INTERVENTION PROGRAM PARTICIPATION.—The Secretary may waive the requirement described in paragraph (1) of subsection (a) in the first 3 academic years that scholarships are awarded under this subpart for any student who was unable to participate in an early intervention program assisted under section 415F or subpart 4 because such program was not available in the area in which such student resides.

"(2) LIMITED-ENGLISH PROFICIENT STUDENTS.—The Secretary may waive the requirement described in subparagraph (E) of paragraph (5) for any limited-English proficient student who is fluent in a language other than English and is participating in a program to teach such student the English language.

"SEC. 420F. EARLY INTERVENTION SCHOLARSHIP AGREEMENT.

"(a) IN GENERAL.—In order for a student to receive a scholarship under this subpart, the State educational agency serving the State in which such child resides shall have entered into an agreement with the Secretary.

"(b) CONTENTS.—Each agreement described in subsection (a) shall include provisions designed to ensure that—

"(1) all secondary school students in the State have equal and easy access to the coursework described in section 420E(a)(5);

"(2) the State educational agency has procedures in place to verify to the Secretary that students receiving a scholarship under this subpart have taken such coursework and that such coursework has been of a college preparatory level, including a requirement that all secondary schools in the State issue a certificate to each eligible student certifying that such student has completed the necessary coursework to qualify for a scholarship under this subpart;

"(3) the State educational agency has procedures in place to notify institutions of higher education of the availability of scholarships under this subpart, so that such institutions may award additional scholarships in concert with the scholarships received under this subpart; and

"(4) the State educational agency has procedures in place to inform junior high school students and their families about the value of postsecondary education, the availability of student aid to meet college expenses, and the availability of scholarships under this subpart for students who take demanding courses, with particular emphasis on activities designed to ensure that students from low- and moderate-income families have access to such information.

"(c) SPECIAL RULE.—The Secretary may allow a State to receive assistance under this subpart for students whose secondary schools do not offer the necessary coursework if such students take the required courses at another local secondary school or community college.

"SEC. 420G. STIPENDS AND SCHOLARSHIP CONDITIONS.

"(a) AMOUNT OF STIPEND.—

"(1) IN GENERAL.—Each eligible student awarded a scholarship under this subpart shall receive a stipend for each academic year of study for which the scholarship is awarded in an amount equal to—

"(A)(i) the costs of tuition and uniform compulsory fees (or in the case of students residing in States that pay the costs of tuition, the costs of room and board) normally charged a full-time student at a public institution of higher education located in the State in which such eligible student resides; minus

"(ii) the amount of any Pell Grant awarded to such student for such academic year; or

"(B) $1,000,

whichever is greater.

"(2) PRO RATA REDUCTION.—If the amount appropriated pursuant to the authority of section 420C is insufficient to award stipends in accordance with paragraphs (1)(A) and (1)(B), then the Secretary shall make a pro rata reduction of the amount of stipends awarded pursuant to paragraphs (1)(A) and (1)(B).

"(b) PELL RECIPIENT STATUS AND SATISFACTORY ACADEMIC PROGRESS.—In order to continue eligibility for a scholarship under this subpart for the second year of postsecondary attendance, an eligible student shall maintain eligibility to receive a Pell Grant, including fulfilling the requirements for satisfactory academic progress as described in section 484(c).

"(c) ASSISTANCE NOT TO EXCEED COST OF ATTENDANCE.—Scholarships awarded under this subpart, in combination with the Pell Grant and other student financial assistance, may not exceed the student's cost of attendance, as defined in section 472.

"SEC. 420H. APPLICATION.

"Each eligible student desiring a scholarship under this subpart shall submit an application to the Secretary at such time, in such manner and containing such information as the Secretary may reasonably require.

"Subpart 9—Minority Science and Engineering Improvement Programs

"CHAPTER 1—MINORITY SCIENCE IMPROVEMENT PROGRAM

"SEC. 420I. PURPOSE; AUTHORITY.

"(a) PURPOSE.—It is the purpose of this chapter to continue the authority of the Department to operate the Minority Institutions Science Improvement Program created under section 3(a)(1) of the National Science Foundation Act of 1950 and transferred to the Department by section 304(a)(1) of the Department of Education Organization Act of 1979.

"(b) AUTHORITY.—The Secretary shall, in accordance with the provisions of this chapter, carry out a program of making grants to institutions of higher education that are designed to effect long-range improvement in science and engineering education at predominantly minority institutions and to increase the participation of underrepresented ethnic minorities in scientific and technological careers.

"SEC. 420J. GRANT RECIPIENT SELECTION.

"(a) ESTABLISHMENT OF CRITERIA.—Grants under this chapter shall be awarded on the basis of criteria established by the Secretary by regulations.

"(b) PRIORITIES TO BE GIVEN IN CRITERIA.—In establishing criteria under subsection (a), the Secretary shall give priority to applicants which have not previously received funding from the Minority Institutions Science Improvement Program and to previous grantees with a proven record of success, as well as to applications that contribute to achieving balance among projects with respect to geographic region, academic discipline, and project type.

"(c) REQUIRED CRITERIA.—In establishing criteria under subsection (a), the Secretary may consider the following selection criteria in making grants:

"(1) plan of operation;

"(2) quality of key personnel;

"(3) budget and cost-effectiveness;

"(4) evaluation plan;

"(5) adequacy of resources;

"(6) identification of need for the project;

"(7) potential institutional impact of the project;

"(8) institutional commitment to the project;

"(9) expected outcomes; and

"(10) scientific and educational value of the proposed project.

"SEC. 420K. USE OF FUNDS.

"(a) TYPES OF GRANTS.—Funds appropriated to carry out this chapter may be made available as—

"(1) institutional grants (as defined in section 420T(6));

"(2) cooperative grants (as defined in section 420T(7));

"(3) design projects (as defined in section 420T(8)); or

"(4) special projects (as defined in section 420T(9)).

"(b) AUTHORIZED USES FOR EACH TYPE OF GRANT.—

"(1) IN GENERAL.—The authorized uses of funds made available as institutional grants include (but are not limited to)—

"(A) faculty development programs; or

"(B) development of curriculum materials.

"(2) COOPERATIVE GRANTS.—The authorized uses of funds made available as cooperative grants include (but are not limited to)—

"(A) assisting institutions in sharing facilities and personnel;

"(B) disseminating information about established programs in science and engineering;

"(C) supporting cooperative efforts to strengthen the institutions' science and engineering programs; or

"(D) carrying out a combination of any of the activities described in subparagraphs (A) through (C).

"(3) DESIGN PROJECTS.—(A) The authorized uses of funds made available as design projects include (but are not limited to)—

"(i) developing planning, management, and evaluation systems; or

"(ii) developing plans for initiating scientific research and for improving institutions' capabilities for such activities.

"(B) Funds used for design project grants may not be used to pay more than 50 percent of the salaries during any academic year of faculty members involved in the project.

"(4) SPECIAL PROJECTS.—The authorized uses of funds made available as special projects include (but are not limited to)—

"(A) advanced science seminars;

"(B) science faculty workshops and conferences;

"(C) faculty training to develop specific science research or education skills;

"(D) research in science education;

"(E) programs for visiting scientists;

"(F) preparation of films or audio-visual materials in science;

"(G) development of learning experiences in science beyond those normally available to minority undergraduate students;

"(H) development of pre-college enrichment activities in science; or

"(I) any other activities designed to address specific barriers to the entry of minorities into science.

"SEC. 420L. MULTIAGENCY STUDY OF MINORITY SCIENCE PROGRAMS.

"The Secretary, in cooperation with the heads of other departments and agencies that operate programs similar in purposes to the Minority Science Improvement Program which seek to increase minority participation and representation in scientific fields, shall submit a report to the President and Congress summarizing and evaluating such programs by January 1, 1996.

"CHAPTER 2—SCIENCE AND ENGINEERING ACCESS PROGRAMS

"SEC. 420M. MINORITY SUPPORT IN SCIENCE AND ENGINEERING PROGRAMS.

"The Secretary shall, in accordance with the provisions of this chapter, carry out a program of making grants to institutions of higher education that are designed to provide or improve support programs for minority students enrolled in science and engineering programs at institutions with a significant minority enrollment (at least 10 percent).

"SEC. 420N. SPECIAL SERVICE PROJECTS PROGRAM.

"The Secretary shall, in accordance with the provisions of this chapter, carry out a program of making grants to institutions of higher education that are designed to provide or improve support to accredited colleges and universities and professional scientific societies for a broad range of activities designed to eliminate or reduce specific barriers to the entry of minorities into science and technology.

"SEC. 420O. SUPPORTABLE ACTIVITIES.

"Funds appropriated for the purpose of this chapter may be made available for—

"(1) providing needed services to groups of minority institutions or providing training for scientists and engineers from eligible minority institutions;

"(2) providing needed services to groups of institutions serving significant numbers of minority students or providing training for scientists and engineers from such institutions to improve their ability to train minority students in science or engineering;

"(3) assisting minority institutions to improve the quality of preparation of their students for graduate work or careers in science, mathematics, and technology;

"(4) improving access of undergraduate students at minority institutions to careers in the sciences, mathematics, and engineering;

"(5) improving access of minority students to careers in the science, mathematics, and engineering;

"(6) improving access for pre-college minority students to careers in science, mathematics, and engineering through community outreach programs conducted through colleges and universities eligible for support through the Minority Science and Engineering Improvement Programs;

"(7) disseminating activities, information, and educational materials designed to address specific barriers to the entry of minorities into science and technology, and conducting activities and studies concerning the flow of underrepresented ethnic minorities into scientific careers;

"(8) supporting curriculum models to encourage minority student participation in research careers in science, mathematics, and technology; and

"(9) improving the capability of minority institutions for self-assessment, management, and evaluation of their science, mathematics, and engineering programs and dissemination of their results.

"CHAPTER 3—ADMINISTRATIVE AND GENERAL PROVISIONS

"SEC. 420P. ELIGIBILITY FOR GRANTS.

"Eligibility to receive grants under this subpart is limited to—

"(1) public and private nonprofit institutions that are minority institutions (as defined in section 420T(3));

"(2) nonprofit science-oriented organizations, professional scientific societies, and all nonprofit, accredited colleges and universities which provide a needed service to a group of eligible minority institutions or which provide in-service training for project directors, scientists, and engineers from eligible minority institutions; and

"(3) for the purposes of section 420N, public and private nonprofit institutions that have at least 10 percent minority enrollment.

"SEC. 420Q. GRANT APPLICATION.

"(a) SUBMISSION AND CONTENTS OF APPLICATIONS.—An eligible applicant (as determined under section 420P) that desires to receive a grant under this subpart shall submit to the Secretary an application therefor at such time or times, in such manner, and containing such information as the Secretary may prescribe by regulation. Such application shall set forth—

"(1) a program of activities for carrying out one or more of the purposes described in section 420I(b) in such detail as will enable the Secretary to determine the degree to which such program will accomplish such purpose or purposes; and

"(2) such other policies, procedures, and assurances as the Secretary may require by regulation.

"(b) APPROVAL BASED ON LIKELIHOOD OF PROGRESS.—The Secretary shall approve an application only if the Secretary determines that the application sets forth a program of activities which are likely to make substantial progress toward achieving the purposes of this subpart.

"(c) CONTINUING ELIGIBILITY.—In order to remain eligible to receive financial assistance under this subpart in any fiscal year after the first fiscal year in which financial assistance under this subpart is received, a grant recipient shall demonstrate to the Secretary in the application submitted pursuant to this section that such recipient is making reasonable progress toward achieving the goals of the project for which assistance is sought.

"SEC. 420R. CROSS PROGRAM AND CROSS AGENCY COOPERATION.

"The Minority Science and Engineering Improvement Programs shall cooperate and consult with other programs within the Department and within Federal, State, and private agencies which carry out programs to improve the quality of science, mathematics, and engineering education.

"SEC. 420S. ADMINISTRATIVE PROVISIONS.

"(a) TECHNICAL STAFF.—The Secretary shall appoint without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service, not less than 2 technical employees with appropriate scientific and educational background to administer the programs under this subpart who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(b) PROCEDURES FOR GRANT REVIEW.—The Secretary shall establish procedures for reviewing and evaluating grants and contracts made or entered into under such programs. Procedures for reviewing grant applications, based on the peer review system, or contracts for financial assistance under this subpart may not be subject to any review outside of officials responsible for the administration of the Minority Science and Engineering Improvement Programs.

"SEC. 420T. DEFINITIONS.

"For the purpose of this subpart:

"(1) ACCREDITED.—The term 'accredited' means currently certified by a nationally recognized accrediting agency or making satisfactory progress toward achieving accreditation.

"(2) MINORITY.—The term 'minority' means American Indian, Alaskan Native, Black (not of Hispanic origin), Hispanic (including persons of Mexican, Puerto Rican, Cuban, and Central or South American origin), Pacific Islander or other ethnic group underrepresented in science and engineering.

"(3) MINORITY INSTITUTION.—The term 'minority institution' means an institution of higher education whose enrollment of a single minority or a combination of minorities (as defined in paragraph (2)) exceeds 50 percent of the total enrollment. The Secretary shall verify this information from the data on enrollments in the higher education general information surveys (HEGIS) furnished by the institution to the Office for Civil Rights, Department of Education.

"(4) SCIENCE.—The term 'science' means, for the purpose of this program, the biological, engineering, mathematical, physical, and social sciences, and history and philosophy of science; also included are interdisciplinary fields which are comprised of overlapping areas among two or more sciences.

"(5) UNDERREPRESENTED IN SCIENCE AND ENGINEERING.—The term 'underrepresented in science and engineering' means a minority group whose number of scientists and engineers per 10,000 population of that group is substantially below the comparable figure for scientists and engineers who are white and not of Hispanic origin.

"(6) INSTITUTIONAL GRANT.—The term 'institutional grant' means a grant that supports the implementation of a comprehensive science improvement plan, which may include any combination of activities for improving the preparation of minority students for careers in science.

"(7) COOPERATIVE GRANT.—The term 'cooperative grant' means a grant that assists groups of nonprofit accredited colleges and universities to work together to conduct a science improvement program.

"(8) DESIGN PROJECTS.—The term 'design projects' means projects that assist minority institutions that do not have their own appropriate resources or personnel to plan and develop long-range science improvement programs.

"(9) SPECIAL PROJECTS.—The term 'special projects' means—

"(A) a special project grant to a minority institution which supports activities that—

"(i) improve the quality of training in science and engineering at minority institutions; or

"(ii) enhance the minority institutions' general scientific research capabilities; or

"(B) a special project grant to any eligible applicant which supports activities that—

"(i) provide a needed service to a group of eligible minority institutions; or

"(ii) provide in-service training for project directors, scientists, and engineers from eligible minority institutions.

"SEC. 420U. AUTHORIZATION OF APPROPRIATIONS.

"(a) AUTHORIZATIONS.—There are authorized to be appropriated to carry out the purposes of this subpart, $7,500,000 for fiscal year 1993, and such sums as may be necessary for the 6 succeeding fiscal years.

"(b) APPROPRIATION LIMITATION.—For any fiscal year, 50 percent of the funds under this subpart shall be allocated for the purpose of section 420I, 33.33 percent for the purpose of section 420M, and 16.67 percent for the purpose of section 420N.

"Subpart 10—National Science Scholars Program

"SEC. 420W. PURPOSE; APPROPRIATIONS AUTHORIZED.

"(a) PURPOSE.—It is the purpose of this subpart to—

"(1) establish a National Science Scholars Program to recognize student excellence and achievement in the physical, life, and computer sciences, mathematics, and engineering;

"(2) provide financial assistance to students under paragraph (1) to continue their postsecondary education in such fields of study at sustained high levels of performance;

"(3) contribute to strengthening the leadership of the United States in such fields;

"(4) strengthen the United States mathematics, science, and engineering base by offering opportunities to pursue postsecondary education in life, physical, and computer sciences, mathematics, and engineering;

"(5) encourage role models in scientific, mathematics, and engineering fields for young people;

"(6) strengthen the United States mathematics, scientific, and engineering potential by encouraging equal participation of women with men in mathematics, scientific, and engineering fields; and

"(7) attract talented students to teaching careers in mathematics and science in elementary and secondary schools.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Education $4,500,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years for awards to National Science Scholars.

"SEC. 420X. SCHOLARSHIPS AUTHORIZED.

"(a) PROGRAM AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this subpart, to carry out a program of awarding scholarships to students for the study of the physical, life, or computer sciences, mathematics, or engineering, who—

"(1) are selected by the President;

"(2) have demonstrated outstanding academic achievement in the physical, life, or computer sciences, mathematics, or engineering; and

"(3) show promise of continued outstanding academic performance in such field of study.

"(b) PERIOD OF AWARDS.—

"(1) PERIOD OF INITIAL AWARD.—A student who satisfies the requirements of section 420Z(a) may receive a scholarship, for a period of 1 academic year, for the first year of undergraduate study at an institution of higher education.

"(2) CONTINUATION AWARDS.—A student who satisfies the requirements of section 420Z(b) may receive additional scholarships, each awarded for a period of 1 academic year, in order to complete his or her undergraduate course of study. A student may receive additional scholarships for not more than 3 academic years of undergraduate study, except that, in the case of a student who is enrolled in an undergraduate course of study that requires attendance for 5 academic years, the student may receive additional scholarships for not more than 4 academic years of undergraduate study.

"(c) USE AT ANY INSTITUTION PERMITTED.—A student awarded a scholarship under this subpart may attend any institution of higher education as defined in section 1201(a).

"(d) NATIONAL SCIENCE SCHOLARS.—Students awarded scholarships under this subpart shall be known as 'National Science Scholars'.

"SEC. 420Y. SELECTION OF SCHOLARS.

"(a) SELECTION CRITERIA FOR INITIAL AWARDS.—

"(1) SELECTION CRITERIA.—The Director of the National Science Foundation shall develop and submit to the Secretary proposed criteria to be used in the selection of National Science Scholars for initial year awards under section 420X(b)(1). Such criteria shall provide for the selection of such scholars on the basis of potential to successfully complete a postsecondary program in the physical, life, or computer sciences, mathematics, or engineering, and on the basis of motivation to pursue a career in such fields. In addition, consideration may be given to the financial need of the individual, and to promoting participation by minorities and individuals with disabilities. The Director shall determine the proposed criteria for measuring the potential and motivation of nominees.

"(2) PUBLICATION.—The Secretary and the Director shall agree to, and jointly publish in the Federal Register, appropriate selection criteria.

"(b) SELECTION PROCESS FOR INITIAL AWARDS.—

"(1) NOMINATING COMMITTEE.—Each State desiring to qualify its students for selection as a National Science Scholar shall establish a nominating committee. Such committee shall be appointed by the chief State school officer or by an existing grant agency or panel designated by such officer, and shall be approved by the Secretary. The nominating committee shall be a broad-based committee composed of educators, scientists, mathematicians, and engineers, who shall serve as volunteers without compensation.

"(2) NOMINATIONS.—The nominating committee in each State shall submit to the President the nominations of at least four individuals from each congressional district in the State, at least half of whom are female. Such selections shall be ranked in order of priority.

"(3) SELECTION.—The President, after consultation with the Secretary and the Director of the National Science Foundation, shall select two National Science Scholars for each academic year from each congressional district, at least one of whom shall be female.

"(4) ANNOUNCEMENT AND AWARD OF SCHOLARSHIPS.—The selection process shall be completed, and the announcement of the selection of National Science Scholars shall be made by the President prior to January 1 of each fiscal year. The Secretary shall notify each Member of Congress of selections made from such Member's district and State before the public announcement by the President. Presentation of scholarships may be made in a public ceremony.

"(5) CONGRESSIONAL DISTRICT.—For purposes of this subsection, the term 'congressional district' includes the part or all of a State (within the meaning of section 1201(b)) represented by a Member or Delegate of the House of Representatives, and includes the Commonwealth of the Northern Mariana Islands.

"(c) CONTINUATION AWARDS.—The Secretary shall award additional scholarships under section 420X(b)(2) to recipients of initial awards under section 420X(b)(1) whom the Secretary determines meet the requirements of section 420Z(b).

"(d) DISBURSAL OF SCHOLARSHIP PROCEEDS.—Scholarship proceeds shall be disbursed on behalf of students who receive scholarships under this subpart to the institutions of higher education at which the students are enrolled. No scholarship proceeds shall be disbursed on behalf of a student until the student is enrolled at an institution of higher education.

"(e) SPECIAL RULE.—The Director and the Secretary shall encourage the support and assistance of civic groups, the business community, professional associations, institutions of higher education, and others in providing scholarship assistance to National Science Scholarship finalists.

"SEC. 420Z. ELIGIBILITY OF SCHOLARS.

"(a) REQUIREMENTS FOR INITIAL AWARD.—To be eligible to receive a scholarship under section 420X(b)(1), a student shall—

"(1) be scheduled to graduate from a public or private secondary school, or to obtain the equivalent of a certificate of graduation (as recognized by the State in which the student resides), during the school year in which the award is made;

"(2) be a citizen or national of the United States or the entities set forth in section 420Y(b)(5), or be an alien lawfully admitted to the United States for permanent residence;

"(3) have demonstrated outstanding academic achievement in secondary school in physical, life, or computer sciences, mathematics, or engineering;

"(4) have been accepted for enrollment at an institution of higher education as a full-time undergraduate student (as determined by the institution); and

"(5) have declared a major in one of the physical, life, or computer sciences, mathematics, or engineering, or provided a written statement to the State of the student's intent to major in one of these fields of study, if it is the policy of the institution at which the student has been accepted for enrollment that students not declare a major until a later point in their course of study.

"(b) REQUIREMENTS FOR CONTINUATION AWARDS.—A student who has received a scholarship under section 420X(b)(1) may receive a scholarship for a subsequent academic year of undergraduate education under section 420X(b)(2) if the student—

"(1) maintains a high level of academic achievement, as determined in accordance with the regulations of the Secretary;

"(2) continues to major in, or provides a statement to the State as described in subsection (a)(5) of the student's continuing intent to major in, one of the physical, life, or computer sciences, mathematics, or engineering; and

"(3) continues to be enrolled at an institution of higher education as a full-time undergraduate student (as determined by the institution).

"(c) WAIVER OF FULL-TIME ATTENDANCE REQUIREMENT.—The Secretary may waive the full-time attendance requirements in this section in unusual circumstances.

"(d) FAILURE TO MEET ELIGIBILITY REQUIREMENTS.—In the event that the student fails to meet the requirements of this section, the student's eligibility to receive further scholarships (or scholarship proceeds) under this subpart shall be suspended in accordance with the regulations of the Secretary.

"(e) REINSTATEMENT OF ELIGIBILITY.—The Secretary shall determine circumstances under which eligibility of a scholarship recipient under this subpart may be reinstated if the recipient seeks to reenter school after an interruption of schooling for personal reasons, including, but not limited to, pregnancy, child-rearing, and other family responsibilities.

"(f) NOTIFICATION OF SECONDARY SCHOOLS.—The Secretary shall notify all public and private secondary schools and all institutions of higher education in each State annually of the availability of scholarships under this subpart.

"SEC. 420AA. SCHOLARSHIP AMOUNT.

"(a) AMOUNT OF AWARD.—Except as provided in subsections (b) and (c), the amount of a scholarship awarded under this subpart for any academic year shall be $5,000.

"(b) RELATION TO COST OF ATTENDANCE.—Notwithstanding subsection (a), the amount of a scholarship awarded under this subpart shall be reduced by the amount that the scholarship exceeds the student's cost of attendance, as defined in section 472. A scholarship awarded under this subpart shall not be reduced on the basis of the student's receipt of other forms of Federal student financial assistance, but shall be taken into account in determining the eligibility of the student for those other forms of Federal student financial assistance.

"(c) ADJUSTMENTS FOR INSUFFICIENT APPROPRIATIONS.—In the event that funds available in a fiscal year are insufficient to fully fund all awards under this subpart, the amount paid to each student shall be reduced proportionately.

"SEC. 420BB. SUMMER EMPLOYMENT OPPORTUNITIES FOR SCHOLARS.

"(a) PRIORITY FOR SUMMER EMPLOYMENT.—To the extent that they are otherwise qualified,

students receiving scholarships under this subpart shall be given priority consideration for federally financed summer employment in federally funded research and development centers, that, to the maximum extent practicable, complements and reinforces the educational program of these students.

"(b) FEDERAL AGENCY COOPERATION.—Federal agencies shall cooperate fully with the Secretary and participate actively in providing appropriate summer employment opportunities for such students.

"Subpart 11—Special Child Care Services for Disadvantaged College Students

"SEC. 420CC. SPECIAL CHILD CARE SERVICES FOR DISADVANTAGED COLLEGE STUDENTS.

"(a) PROGRAM AUTHORITY.—Funds appropriated pursuant to subsection (c) shall be used by the Secretary to make grants to institutions of higher education to provide special child care services to disadvantaged students.

"(b) APPLICATIONS.—Any institution wishing to receive a grant under this section shall submit an application to the Secretary. Such application shall include—

"(1) a description of the program to be established;

"(2) assurances by the applicant to the Secretary that—

"(A) not less than two-thirds of the participants in the program are low-income individuals;

"(B) the participants require the services to pursue successfully a program of education beyond high school;

"(C) the participants are enrolled at the institution which is the recipient of the grant;

"(D) all participants will receive sufficient assistance (under this subpart, other provisions of this title, or otherwise) to meet that student's full financial need for child care services related to such enrollment; and

"(E) the institution will meet such need of participants by providing child care through vouchers, contracted services, or direct provision of services; and

"(3) such information (and meet such conditions) as may be required by the Secretary.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the purpose of this section, $25,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.

"(d) DEFINITION.—For purposes of this subpart, the term 'low-income individual' means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using the criteria of poverty established by the Bureau of Census.".

SEC. 425. LIMITATIONS ON INDIVIDUAL FEDERALLY INSURED LOANS AND ON FEDERAL LOAN INSURANCE.

Subsection (a) of section 425 of the Act (20 U.S.C. 1075(a)) is amended—

(1) in subparagraph (A) of paragraph (1), by striking clauses (i), (ii) and (iii) and inserting the following:

"(i) in the case of a student at an eligible institution who has not successfully completed the first year of a program of undergraduate education—

"(I) $3,000, if such student is carrying at least the normal full-time academic work load (as determined by the institution);

"(II) $2,250, if such student is carrying three-quarters of the normal full-time academic work load (as determined by the institution); or

"(III) $1,500, if such student is carrying at least one-half of the normal full-time academic work load (as determined by the institution);

"(ii) in the case of a student at an eligible institution who has successfully completed such first year but has not successfully completed the second year of undergraduate study—

"(I) $3,500 if such student is carrying at least the normal full-time academic work load (as determined by the institution);

"(II) $2,250, if such student is carrying at least three-quarters of the full-time academic work load (as determined by the institution); or

"(III) $1,750, if such student is carrying at least one-half of the normal full-time work load (as determined by the institution);

"(iii) in the case of a student at an eligible institution who has successfully completed such second year but has not successfully completed the remainder of a program of undergraduate study—

"(I) $5,500, if such student is carrying at least the normal full-time academic work load (as determined by the institution);

"(II) $3,750, if such student is carrying at least three-quarters of the full-time academic work load (as determined by the institution); or

"(III) $2,500, if such student is carrying at least one-half of the full-time academic work load (as determined by the institution); or

"(iv) $9,000, in the case of a graduate or professional student (as defined in regulations issued by the Secretary), except—

"(I) in cases where the Secretary determines, pursuant to regulations, that a higher amount is warranted in order to carry out the purpose of this part with respect to students engaged in specialized training requiring exceptionally high costs of education or in programs of study abroad that are approved for credit by the institution; and

"(II) that the annual insurable limit per student shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any years in excess of the annual limit."; and

(2) in subparagraph (A) of paragraph (2), by striking clauses (i) and (ii) and inserting the following:

"(i) $23,000, in the case of any student who has not successfully completed a program of undergraduate education, excluding loans made under section 428A or 428B; and

"(ii) $68,000, in the case of any graduate or professional student (as defined by regulations of the Secretary and including any loans which are insured by the Secretary under this section, or by a guaranty agency, made to such student before the student became a graduate or professional student), excluding loans made under section 428A or 428B, except that the Secretary may increase the limit applicable to students who are pursuing programs which the Secretary determines are exceptionally expensive,

except that the aggregate insured unpaid principal amount for all loans insured under this part and part E made to any student minus any interest capitalized under section 428A(c) shall be any amount not to exceed a maximum of $52,000, in the case of any student who has not successfully completed a program of undergraduate education, and $115,000, in the case of any graduate or professional student (as defined by regulations issued by the Secretary and including any loans which are insured by the Secretary under this part and part E, or by a guaranty agency, made to such student before the student became a graduate or professional student), excluding loans made under section 428B.".

SEC. 426. ELIGIBILITY OF STUDENT BORROWERS AND TERMS OF FEDERALLY INSURED STUDENT LOANS.

Subsection (a) of section 427 of the Act (20 U.S.C. 1077) is amended—

(1) in paragraph (2)—

(A) by amending subparagraph (A) to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender may—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who is an independent student for the award year for which assistance is being sought, and for which the lender shall not charge the applicant a fee; and

"(ii) require an applicant described in clause (i) who, in the judgment of the lender and in accordance with the regulations issued by the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, except that, for purposes of this clause, an insufficient or nonexistent credit history shall not be considered to be an adverse credit history;";

(B) in clause (i) of subparagraph (C)—

(i) in subclause (I), by striking "at an eligible institution" and inserting "as determined by an institution eligible for assistance under this part"; and

(ii) in subclause (II), by striking "during an enrollment period for which the student has obtained a loan under this part";

(C) by striking "and" at the end of subparagraph (G);

(D) by redesignating subparagraph (H) as subparagraph (I); and

(E) by inserting after subparagraph (G) the following new subparagraph:

"(H) requires the lender (or the holder of the loan) to notify the borrower not later than 180 days after the lender is notified that the borrower has left the eligible institution of the month in which the repayment period begins; and"; and

(2) in paragraph (3), by inserting ", and except further, that checks to students who are studying outside the United States in a program of study abroad that is approved for credit by the home institution may be endorsed pursuant to an authorized power-of-attorney" before the semicolon.

SEC. 427. APPLICABLE INTEREST RATES.

Section 427A of the Act (20 U.S.C. 1077a) is amended—

(1) in paragraph (4) of subsection (c)—

(A) in subparagraph (A)—

(i) by inserting "through June 30, 1993" after "1987"; and

(ii) by striking "under subparagraph (B)" and inserting "under subparagraph (C)";

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) For any loan made pursuant to sections 428A or 428B to cover the cost of instruction for any period of enrollment beginning on or after July 1, 1993, or any loan made pursuant to such sections prior to such date that is refinanced pursuant to sections 428A(d) or 428B(d), the applicable rate of interest during any 12-month period beginning on July 1 and ending on June 30 shall be determined under subparagraph (C), except that such rate shall not exceed 11 percent."; and

(D) in subparagraph (D) (as amended in subparagraph (B)), by striking "under subparagraph (B)" and inserting "under subparagraph (C)";

(2) in the heading for subsection (d), by inserting "and before July 1, 1993" after "1988";

(3) in the matter preceding paragraph (1) of subsection (d), by inserting "and ending before July 1, 1993" after "1988";

(4) in paragraph (1) of subsection (e), by inserting "made to cover the cost of instruction for any period of enrollment beginning on or after July 1, 1988 and ending before July 1, 1993" after "loan";

(5) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(6) by inserting after subsection (d) the following new subsection:

"(f) INTEREST RATES FOR NEW BORROWERS AFTER JULY 1, 1993.—

"(1) IN GENERAL.—Notwithstanding subsections (a) and (b) of this section, with respect to any loan (other than a loan made pursuant to sections 428A, 428B and 428C) to cover the cost of instruction for any period of enrollment beginning on or after July 1, 1993, to any borrower who, on the date of entering into the note or other written evidence of the loan, has no outstanding balance of principal or interest on any loan made, insured, or guaranteed under this part, the applicable rate of interest shall be—

"(A) 9 percent per year on the unpaid principal balance of the loan during the period beginning on the date of the disbursement of the loan and ending 4 years after the commencement of repayment; and

"(B) during the remainder of the repayment period, the applicable rate of interest during any 12-month period beginning on July 1 and ending on June 30 shall be determined on the preceding June 1 and is equal to—

"(i) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1; plus

"(ii) 3.25 percent, except that such rate shall not exceed 11 percent.

"(2) CONSULTATION.—The Secretary shall determine the applicable rate of interest under paragraph (1) after consultation with the Secretary of the Treasury and shall publish such rate in the Federal Register as soon as practicable after the date of determination.".

SEC. 428. FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS.

Section 428 of the Act (20 U.S.C. 1078) is amended—

(1) in paragraph (2) of subsection (a)—

(A) in subparagraph (A)—

(i) in subclause (III) of clause (i), by striking "and" at the end thereof;

(ii) in clause (ii), by striking the period at the end thereof and inserting a semicolon and "and"; and

(iii) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's drivers license number, if any."; and

(B) in subparagraph (C)—

(i) by amending clause (i) to read as follows:

"(i) a student's estimated financial assistance means, for the period for which the loan is sought, the amount of assistance such student will receive under subpart 1 of part A (as determined in accordance with section 484(b)), subpart 2 of part A, and parts C and E of this title, and any veterans' education benefits paid because of enrollment in a postsecondary education institution, including benefits received under chapters 2, 106 and 107 of title 10, United States Code, and chapters 30, 31, 32, 34 and 35 of title 38, United States Code."; and

(ii) by amending clause (ii) to read as follows:

"(ii) the determination of need and of the amount of a loan by an eligible institution under subparagraph (B) with respect to a student shall be calculated in accordance with part F.".

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by amending subparagraph (A) to read as follows:

"(A) authorizes the insurance in any academic year or its equivalent of an amount not to exceed—

"(i) in the case of a student at an eligible institution (or in a program of study abroad approved for credit by the eligible institution) who has not successfully completed the first year of a program of undergraduate education—

"(I) $3,000, if such student is carrying at least the normal full-time academic work load (as determined by the institution);

"(II) $2,250, if such student is carrying three-quarters of the normal full-time academic work load (as determined by the institution); or

"(III) $1,500, if such student is carrying at least one-half of the normal full-time academic work load (as determined by the institution);

"(ii) in the case of a student at an eligible institution who has successfully completed such first year but has not successfully completed the second year of undergraduate study—

"(I) $3,500 if such student is carrying at least the normal full-time academic work load (as determined by the institution);

"(II) $2,250, if such student is carrying at least three-quarters of the full-time academic work load (as determined by the institution); or

"(III) $1,750, if such student is carrying at least one-half of the normal full-time work load (as determined by the institution);

"(iii) in the case of a student at an eligible institution (or in a program of study abroad approved for credit by the eligible institution) who has successfully completed such second year but has not successfully completed the remainder of a program of undergraduate study—

"(I) $5,500, if such student is carrying at least the normal full-time academic work load (as determined by the institution);

"(II) $3,750, if such student is carrying at least three-quarters of the full-time academic work load (as determined by the institution); or

"(III) $2,500, if such student is carrying at least one-half of the full-time academic work load (as determined by the institution); and

"(iv) $9,000, in the case of a graduate or professional student (as defined in regulations of the Secretary), except that—

"(I) in cases where the Secretary determines, pursuant to regulations, that a higher amount is warranted in order to carry out the purpose of this part with respect to students engaged in specialized training requiring exceptionally high costs of education; and

"(II) the annual insurable limit per student shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any years in excess of the annual limit."; and

(ii) by amending subparagraph (B) to read as follows:

"(B) provides that the aggregate insured unpaid principal amount for all such insured loans made to any student shall be any amount not to exceed—

"(i) $23,000, in the case of any student who has not successfully completed a program of undergraduate education, excluding loans made under section 428A or 428B; and

"(ii) $68,000, in the case of any graduate or professional student (as defined by regulations issued by the Secretary and including any loans which are insured by the Secretary under this section, or by a guaranty agency, made to such student before the student became a graduate or professional student), excluding loans made under section 428A or 428B, except that the Secretary may increase the limit applicable to students who are pursuing programs which the Secretary determines are exceptionally expensive;

except that the aggregate insured unpaid principal amount for all loans insured under this part and part E made to any student minus any interest capitalized under section 428A(c) shall be any amount not to exceed a maximum of $52,000, in the case of any student who has not successfully completed a program of undergraduate education, and $115,000, in the case of any graduate or professional student (as defined by regulations issued by the Secretary and including any loans which are insured by the Secretary under this part and part E, or by a guaranty agency, made to such student before the student became a graduate or professional student), excluding loans made under section 428B;";

(iii) in clause (ii) of subparagraph (D), by inserting "and subsection (c)(3) of this section" after "of this paragraph"; and

(iv) by amending subparagraph (M) to read as follows:

"(M)(i) for loans made on or before June 30, 1993, provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period—

"(I) during which the borrower (aa) is pursuing a full-time course of study as determined by an eligible institution, (bb) is pursuing at least a half-time course of study (as determined by such institution), or (cc) is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary, except that no borrower shall be eligible for a deferment under this clause, or loan made under this part (other than a loan made under 428B or 428C), while serving in a medical internship or residency program;

"(II) not in excess of 3 years during which the borrower is a member of the Armed Forces of the United States, is an active duty member of the National Oceanic and Atmospheric Administration Corps, or is an officer in the Commissioned Corps of the Public Health Service;

"(III) not in excess of 3 years during which the borrower is in service as a volunteer under the Peace Corps Act;

"(IV) not in excess of 3 years during which the borrower is in service as a full-time volunteer under the Domestic Volunteer Service Act of 1973;

"(V) not in excess of 3 years during which the borrower is in service, comparable to the service referred to in subclauses (III) and (IV), as a full-time volunteer for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;

"(VI) not in excess of 3 years during which the borrower is engaged as a full-time teacher in a public or nonprofit private elementary or secondary school in a teacher shortage area established by the Secretary pursuant to paragraph (4) of this subsection;

"(VII) not in excess of 2 years during which the borrower is serving an internship, the successful completion of which is required in order to receive professional recognition required to begin professional practice or service or serving in an internship or residency program leading to a degree or certificate awarded by an institution of higher education, a hospital, or a health care facility that offers postgraduate training;

"(VIII) not in excess of 3 years during which the borrower is temporarily totally disabled, as established by sworn affidavit of a qualified physician, or during which the borrower is unable to secure employment by reason of the care required by a dependent who is so disabled;

"(IX) not in excess of 24 months, at the request of the borrower, during which the borrower is seeking and unable to find full-time employment;

"(X) not in excess of 6 months of parental leave; and

"(XI) not in excess of 12 months for mothers with preschool age children who are just entering or reentering the work force and who are compensated at a rate not exceeding $1 in excess of the rate prescribed under section 6 of the Fair Labor Standards Act of 1938;

"(ii) for loans made on or after July 1, 1993, provides that periodic installments of principal *need not be paid, but interest shall accrue and be paid, during any period—*

"(I) during which the borrower—

"(aa) is pursuing a full-time course of study as determined by an eligible institution;

"(bb) is pursuing at least a half-time course of study (as determined by such institution); or

"(cc) is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary, except that no borrower shall be eligible for a deferment under this clause, or loan made under this part (other than a loan made under 428B or 428C), while serving in a medical internship or residency program;

"(II) not in excess of 3 years during which the borrower is seeking and unable to find full-time employment;

"(III) not in excess of 3 years during which the borrower is temporarily totally disabled, as established by sworn affidavit of a qualified physician, or during which the borrower is unable to secure employment by reason of the care required by a dependent who is so disabled; and

"(IV) not in excess of 3 years during which the borrower is working full-time and is earning at or below 100 percent of the poverty line for a family of 2 as determined in accordance with section 673(2) of the Community Service Block Grant Act;";

(v) in subparagraph (N), by inserting "or may be endorsed pursuant to an authorized power-of-attorney" before the semicolon;

(vi) in subparagraph (U), by striking "and" at the end thereof;

(vii) by amending subparagraph (V) to read as follows:

"(V) provides that, upon written request, a lender shall grant a borrower forbearance of principal and interest, renewable at 12-month intervals for a period not to exceed 3 years, on such terms as are otherwise consistent with the regulations of the Secretary and agreed upon in writing by the parties to the loan, with the approval of the insurer if the borrower's debt burden equals or exceeds 20 percent of gross income;"; and

(viii) by adding at the end the following new subparagraphs:

"(W) provides that prior to making a loan made, insured, or guaranteed under this part (other than a loan made in accordance with section 428C), a lender may—

"(i) obtain a credit report, from at least 1 national credit bureau organization, with respect to a loan applicant who is an independent student for the award year for which assistance is being sought, for which the lender shall not charge a fee; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, except that, for purposes of this clause, an insufficient or nonexistent credit history shall not be considered to be an adverse credit history; and

"(X) provides that the agency shall implement all requirements of the Secretary for uniform claims and procedures.";

(B) in paragraph (2)—

(i) in subparagraph (C), by striking ", as the Secretary may reasonably require to carry out the Secretary's functions under this part," and inserting ", including financial information, as the Secretary may reasonably require to carry out the Secretary's functions under this part and protect the financial interest of the United States,";

(ii) by striking "and" at the end of clause (ii) of subparagraph (D);

(iii) in subparagraph (E)—

(I) by inserting "(i)" after the subparagraph designation;

(II) by striking the period at the end thereof and inserting a semicolon and "and"; and

(III) by adding at the end the following new clause:

"(ii) provide that the lender (or the holder of the loan) shall notify the borrower not later than 180 days after the lender is notified that the borrower has left the eligible institution of the month in which the repayment period begins."; and

(iv) inserting at the end thereof the following new subparagraph:

"(F) provide that the lender shall be required to notify promptly the borrower, the guaranty agency, and, upon the request of an institution of higher education, the guaranty agency shall be required to notify the last such institution the student attended prior to the beginning of repayment of any loan made under this part, of—

"(i) any sale or other transfer of the loan to another holder; and

"(ii) the address and telephone number by which contact may be made with such other holder concerning repayment of the loan,

except that this subparagraph shall only apply if the borrower is in the grace period described in section 427(a)(2)(B) or in repayment status and if such sale or transfer results in the student being required to make payments, or to direct other matters concerned with the loan, to a person other than the person to whom such payments were made or such matters were directed before such sale or transfer."; and

(C) by adding at the end the following new paragraph:

"(7) RESTRICTIONS ON GUARANTY AGENCY OFFICERS AND EMPLOYEES.—No guaranty agency shall permit any of its officers or employees to have a direct financial interest in, or serve as an officer of, any lender, secondary market, contractor or servicer with which the guaranty agency does business.";

(3) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking the period at the end thereof and inserting "or 45 days after the guaranty agency discharges such agency's insurance obligation on the loan, whichever is later."; and

(ii) by amending subparagraph (B) to read as follows:

"(B) Notwithstanding subparagraph (A)—

"(i) if, for any fiscal year, the amount of such reimbursement payments by the Secretary under this subsection exceeds 5 percent of the amount of the loans which are insured by such guaranty agency under such program and which were in repayment at the end of the preceding fiscal year, the amount to be paid as reimbursement under this subsection for such excess shall be equal to 90 percent of the amount of such excess;

"(ii) if, for any fiscal year, the amount of such reimbursement payments exceeds 9 percent of such loans, the amount to be paid as reimbursement under this subsection for such excess shall be equal to 80 percent of such excess; and

"(iii) if, with respect to the end of any fiscal year, a guaranty agency is being reimbursed at the level described in clause (i) or (ii), the initial reimbursement payments by the Secretary with respect to the beginning of the next succeeding fiscal year shall be calculated at such level until the Secretary determines, based on data submitted by the guaranty agency, that such guaranty agency meets the requirements of this subsection for reimbursement at a different level. Upon the Secretary's determination, the reimbursement payments by the Secretary shall be adjusted accordingly, including any underpayment or overpayment of the initial reimbursement payments.";

(B) in paragraph (2)—

(i) in subparagraph (D)—

(I) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(II) by inserting "(i)" before "shall provide";

(III) by inserting "and" after the semicolon; and

(IV) by inserting at the end the following new clause:

"(ii) shall provide that a guaranty agency that receives reimbursement payment from the Secretary shall, at the Secretary's discretion and promptly and without administrative delay, assign to the Secretary the promissory note for the loan on which such payment has been made;";

(ii) by striking "and" at the end of subparagraph (F);

(iii) by redesignating subparagraph (G) as subparagraph (H); and

(iv) by inserting after subparagraph (F) the following new subparagraph:

"(G) shall prohibit the Secretary from making any reimbursement under this subsection to a guaranty agency when a default claim is based on an inability to locate the borrower, unless the guaranty agency, at the time of filing for reimbursement, demonstrates to the Secretary that diligent attempts have been made to locate the borrower through the use of all available skip-tracing techniques; and";

(C) in paragraph (3), by adding at the end the following new sentence: "The Secretary shall permit lenders to exercise administrative forbearances that do not require the agreement of the borrower under conditions authorized by the Secretary, that shall include forbearances for borrowers who are delinquent at the time of the granting of an authorized period of deferment under section 428(b)(1)(M) or 427(a)(2)(C).";

(D) in paragraph (7)—

(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking "(1)(B)" and inserting "(1)(C)"; and

(II) in clause (i), by inserting "and ends before October 1, 1991" before the semicolon;

(ii) in subparagraph (B), by inserting "or (B)" after "(A)";

(iii) by redesignating subparagraph (B) (as amended in clause (ii)) as subparagraph (C); and

(iv) by inserting after subparagraph (A) the following new subparagraph:

"(B) Notwithstanding the provisions of paragraph (1)(C), the Secretary may pay a guaranty agency 100 percent of the amount expended by such agency in discharge of such agency's insurance obligation for any fiscal year which—

"(i) begins on or after October 1, 1991; and

"(ii) is the fiscal year in which such guaranty agency begins to actively carry on a student loan insurance program which is subject to a guaranty agreement under subsection (b) or is one of the 4 succeeding fiscal years."; and

(E) by adding at the end the following new paragraph:

"(10) GUARANTY AGENCY RESERVE LEVEL.—(A) Each guaranty agency which has entered into an agreement with the Secretary pursuant to this subsection shall maintain a current minimum reserve level of at least .5 percent of the total amount of all outstanding loans guaranteed by such agency in every calendar quarter beginning with the calendar quarter that starts on January 1, 1993. The minimum reserve level shall increase to—

"(i) .7 percent of such total amount in every calendar quarter beginning with the calendar quarter that starts on January 1, 1994;

"(ii) .9 percent of such total amount in every calendar quarter beginning with the calendar quarter that starts on January 1, 1995; and

"(iii) 1.1 percent of such total amount in every calendar quarter beginning with the calendar quarter that starts on January 1, 1996.

"(B) The Secretary shall collect, on a quarterly basis, information from each guaranty agency having an agreement under this subsection to enable the Secretary to evaluate the financial solvency of each such agency. The information collected shall include the level of such agency's current reserves, cash disbursements and accounts receivable.

"(C) If any guaranty agency falls below the required minimum reserve level in any 2 consecutive calendar quarters, any guaranty agency's Federal reimbursement payments are reduced to 80 percent pursuant to section 428(c)(1)(B)(ii), or the Secretary determines that the administrative or financial condition of a guaranty agency jeopardizes such agency's continued ability to perform its responsibilities under its guaranty agreement, then the Secretary shall require the guaranty agency to submit and implement a management plan acceptable to the Secretary within 30 working days of any such event.

"(D) Each management plan described in subparagraph (C) shall include the means by which the guaranty agency shall improve its financial and administrative condition to the required level within 18 months.

"(E) The Secretary may terminate a guaranty agency's agreement in accordance with subparagraph (F) if—

"(i) a guaranty agency required to submit a management plan under this paragraph fails to submit a plan that is acceptable to the Secretary;

"(ii) the Secretary determines that a guaranty agency has failed to improve substantially its administrative and financial condition; or

"(iii) if the Secretary determines that the guaranty agency is in danger of financial collapse.

"(F) Except as provided in subparagraph (G), if a guaranty agency's agreement under this subsection is terminated in accordance with subparagraph (E), then the Secretary shall assume responsibility for all functions of the guaranty agency under the loan insurance program of such agency. In performing such functions the Secretary is authorized to:

"(i) Permit the transfer of guaranties to another guaranty agency.

"(ii) Revoke the reinsurance agreement of the guaranty agency at a specified date, so as to require the merger, consolidation or termination of the guaranty agency.

"(iii) Transfer guaranties to the Department for the purpose of payment of such claims and process such claims using the claims standards of the guaranty agency, if such standards are determined by the Secretary to be in compliance with this Act.

"(iv) Design and improve a plan to restore the guaranty agency's viability.

"(v) Take any other action the Secretary determines necessary to ensure the continued availability of loans made under this part to residents of the State or States in which the guaranty agency did business, the full honoring of all guarantees issued by the guaranty agency prior to the Secretary's assumption of the functions of such agency, and the proper servicing of loans guaranteed by the guaranty agency prior to the Secretary's assumption of the functions of such agency, and to avoid disruption of the student loan program.

"(G) The Secretary may not take any action under subparagraph (F) against any guaranty agency that is backed by the full faith and credit of the State where such guaranty agency is the primary guarantor.

"(H) The Secretary shall not take any action under subparagraph (F) without giving the guaranty agency notice and the opportunity for a hearing.";

(4) in subsection (f)—

(A) in paragraph (1)—

(i) in clause (i) of subparagraph (A), by striking "commercial" and inserting "eligible"; and

(ii) in subparagraph (B)—

(I) in the first sentence thereof, by striking "The total" and inserting "Except as provided in paragraph (3), the total"; and

(II) in the second sentence thereof, by striking "according to the provisions of this subparagraph" and inserting "according to the provisions of this subsection"; and

(B) by adding at the end the following new paragraph:

"(3) PROVISION OF FINANCIAL INFORMATION.—The Secretary is authorized to reduce or withhold payments under this subsection until the guaranty agency provides the information required under subsection (c)(2)(B).";

(5) in subsection (j), by adding at the end the following: "The guaranty agency shall develop rules and operating procedures for the lender of last resort program designed to assure that—

"(A) the program establishes operating hours and means for application designed to facilitate application by students;

"(B) information about the availability of loans under the program is available to institutions of higher education in the State; and

"(C) appropriate steps are taken to assure that borrowers receiving loans under the program are appropriately counseled on their loan obligation."; and

(6) in subsection (k)—

(A) by amending the heading for such subsection to read as follows:

"(k) EXCHANGE OF INFORMATION ON DEFAULTED BORROWERS.—";

(B) in paragraph (1), by striking ", upon the request of an eligible institution,"; and

(C) by adding at the end the following new paragraph:

"(3) BORROWER LOCATION INFORMATION.—Any information provided by the institution relating to borrower location shall be used by the guaranty agency in contacting the borrower for the purpose of encouraging loan repayment.".

SEC. 429. SUPPLEMENTAL LOAN FOR STUDENTS.

Section 428A of the Act (20 U.S.C. 1078–1) is amended—

(1) in the second sentence of paragraph (1) of subsection (a), by inserting "or if the financial aid administrator determines after such a review that the dependent student can demonstrate the ability to repay the loan (which may include obtaining a credit-worthy cosigner)" before the period at the end thereof;

(2) in subsection (b)—

(A) by amending paragraph (1) to read as follows:

"(1) ANNUAL LIMIT.—Subject to paragraphs (3) and (4), the maximum amount a student may borrow in any academic year or its equivalent (as defined by regulations issued by the Secretary), or in any period of 7 consecutive months, whichever is longer is:

"(A) In the case of a student at an eligible institution who has not successfully completed the second year of a program of undergraduate education—

"(i) $4,000, if such student is carrying at least the normal full-time academic work load (as determined by the institution);

"(ii) $3,000, if such student is carrying three-quarters of the normal full-time academic work load (as determined by the institution); or

"(iii) $2,000, if such student is carrying one-half of the normal full-time academic work load (as determined by the institution).

"(B) In the case of a student at an eligible institution who has successfully completed such second year but who has not successfully completed the remainder of a program of undergraduate education—

"(i) $5,000, if such student is carrying at least the full-time academic work load (as determined by the institution);

"(ii) $3,750, if such student is carrying three-quarters of the full-time academic work load (as determined by the institution); or

"(iii) $2,500, if such student is carrying one-half of the full-time academic work load (as determined by the institution).

"(C) In the case of a graduate or professional student (as defined in regulations issued by the Secretary) at an eligible institution $15,000.";

(B) by striking paragraph (2);

(C) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(D) by inserting after paragraph (1) the following new paragraphs:

"(2) SPECIAL RULE.—Notwithstanding paragraphs (1), (3) and (4), in the case of a student who has not successfully completed the first year of a program of undergraduate education and who is not enrolled in a program that is at least 1 academic year in length as determined in accordance with regulations issued by the Secretary, the maximum amount a student may borrow in any academic year or its equivalent (as defined by regulations issued by the Secretary), or in any period of 7 consecutive months, whichever is longer, is—

"(A) $2,500 for a student who is determined, in accordance with such regulations, to be enrolled in a program whose length is at least two-thirds of an academic year;

"(B) $1,500 for a student who is determined, in accordance with such regulations, to be enrolled in a program whose length is less than two-thirds, but at least one-half, of an academic year; and

"(C) zero for a student who is determined, in accordance with such regulations, to be enrolled in a program whose length is less than one-half of an academic year.

"(3) AGGREGATE LIMIT.—The aggregate insured principal amount for insured loans made to any student under this section (excluding any loans made under section 428B) minus any interest capitalized under subsection (c) shall be an amount not to exceed—

"(A) $23,000, in the case of any student who has not successfully completed a program of undergraduate education; and

"(B) $30,000, in the case of any graduate or professional student, as such terms are defined by regulations issued by the Secretary, including any loans which are insured by the Secretary under this section, or by a guaranty agency, made to such student before the student became a graduate or professional student;

except that the aggregate insured unpaid principal amount for all loans insured under this part and part E minus any interest capitalized under subsection (c) made to any student shall be any amount not to exceed a maximum of $52,000, in the case of any student who has not successfully completed a program of undergraduate education, and $115,000, in the case of any graduate or professional student, as such terms are defined in regulations issued by the Secretary, including any loans which are insured by the Secretary under this part or part E, or by a guaranty agency, made to such student before the student became a graduate or professional student."; and

(3) in subsection (c)—

(A) by amending paragraph (1) to read as follows:

"(1) COMMENCEMENT OF REPAYMENT.—(A) Except as provided in subparagraph (B), repayment of principal on loans made under this section shall commence not later than 60 days after the date such loan is disbursed by the lender, or, if the loan is disbursed in multiple installments, not later than 60 days after the disbursement of the last such installment.

"(B) Loans made under this section may be subject to deferral pursuant to sections 427(a)(2)(C) and 428(b)(1)(M), and any loans

which are deferred under section 427(a)(2)(C)(i) or 428(b)(1)(M)(i), may be subject, upon borrower request, to a single postdeferment grace period of 6 months.";

(B) in subparagraph (B) of paragraph (2), by striking "on a quarterly basis" and inserting "not more frequently than quarterly"; and

(C) by adding at the end the following new paragraph:

"(6) REPAYMENT PERIOD.—For purposes of calculating the 10-year repayment period under section 428(b)(1)(D), such period shall commence at the time the first payment is due from the borrower.".

SEC. 430. PLUS LOANS.

Section 428B of the Act (20 U.S.C. 1078–2) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "$4,000" and inserting "$6,000"; and

(B) in paragraph (2), by striking "$20,000" and inserting "$30,000"; and

(2) in subsection (c)—

(A) by amending paragraph (1) to read as follows:

"(1) COMMENCEMENT OF REPAYMENT.—Repayment of principal on loans made under this section shall commence not later than 60 days after the date such loan is disbursed by the lender, subject to deferral during any period during which the parent meets the conditions required for a deferral under section 427(a)(2)(C) or 428(b)(1)(M)."; and

(B) in subparagraph (B) of paragraph (2), by striking "on a quarterly basis" and inserting "not more frequently that quarterly".

SEC. 431. CONSOLIDATION LOANS.

Section 428C of the Act (20 U.S.C. 1078–3) is amended—

(1) in paragraph (3) of subsection (a)—

(A) by amending subparagraph (B) to read as follows:

"(B) An individual's status as an eligible borrower under this section terminates upon receipt of a consolidation loan under this section, except—

"(i) with respect to eligible student loans received after the date of receipt of the consolidation loan; and

"(ii) that loans received prior to the date of the consolidation loan may be added to the consolidation loan during the 180-day period following the making of the consolidation loan."; and

(B) by adding at the end the following new subparagraph:

"(C)(i) A married couple, each of whom has eligible student loans, may be treated as if such couple were an individual borrowing under subparagraphs (A) and (B) if such couple agrees to be held jointly and severally liable for the repayment of a consolidation loan, without regard to the amounts of the respective loan obligations that are to be consolidated, and without regard to any subsequent change that may occur in such couple's marital status.

"(ii) Only one spouse in a married couple applying for a consolidation loan under this subparagraph need meet any of the requirements of subsection (b) of this section, except that each spouse shall—

"(I) individually make the initial certification that no other application is pending in accordance with subsection (b)(1)(A); and

"(II) agree to notify the holder concerning any change of address in accordance with subsection (b)(4)."; and

(2) in subparagraph (A) of subsection (c)(2)—

(A) in clause (i), by striking "is equal to or greater than $5,000 but less than $7,500" and inserting "is less than $5,000"; and

(B) in clause (ii), by striking "$7,500" and inserting "$5,000".

SEC. 432. DEFAULT REDUCTION PROGRAMS.

Section 428F of the Act (20 U.S.C. 1078–6) is amended by adding at the end the following new subsection:

"(c) FULL-TIME LOAN SPECIALIST REQUIRED IN CERTAIN CASES.—Each eligible institution which—

"(1) has a default rate in excess of the national average default rate of all eligible institutions; or

"(2) has a principal amount of loans in default in excess of $1,000,000 for any fiscal year, shall employ a full-time equivalent loan specialist to assist students at such eligible institution to avoid defaulting on loans made, insured, or guaranteed under this part.".

SEC. 433. REQUIREMENTS FOR DISBURSEMENT OF STUDENT LOANS.

Section 428G of the Act (20 U.S.C. 1078–7) is amended—

(1) in paragraph (1) of subsection (b), by adding at the end thereof the following: "No institution shall impose a late fee, drop from enrollment or otherwise penalize any student solely because an installment of the proceeds of such student's loan under this part is being delayed pursuant to the provisions of this paragraph."; and

(2) by adding at the end thereof the following new subsection:

"(g) SALES PRIOR TO DISBURSEMENT PROHIBITED.—An eligible lender shall not sell a promissory note for any loan made, insured, or guaranteed under this part until all proceeds of such loan have been disbursed.".

SEC. 434. DEFAULT OF STUDENT UNDER FEDERAL LOAN INSURANCE PROGRAM.

Section 430 of the Act (20 U.S.C. 1080) is amended by adding at the end the following new subsection:

"(e) DEFAULT RATE BY LENDER AND GUARANTY AGENCY.—

"(1) IN GENERAL.—The Secretary shall annually publish a list indicating the annual default rate (determined in accordance with section 435(m)) for each lender and guaranty agency participating in the program assisted under this part and an average annual default rate for all institutions of higher education within each State.

"(2) REGULATIONS.—The Secretary shall prescribe regulations designed to prevent an institution from evading the application to that institution of an annual default rate through the use of such measures as branching, consolidation, change of ownership or control, or any similar device.

"(3) RATE ESTABLISHMENT AND CORRECTION.—

"(A) IN GENERAL.—The Secretary shall establish an annual default rate for lenders and guaranty agencies (determined in accordance with section 435(m)), except that the rate for lenders shall not reflect any loans issued in accordance with section 428(j). The Secretary shall allow institutions, lenders, and guaranty agencies the opportunity to correct such annual default rate information.

"(B) STUDY.—The Secretary shall study the feasibility of requiring the disclosure by institutions, lenders, and guaranty agencies of additional information that may affect the annual default rate, such as institutional type, State, students served by the organization, and accrediting body (where applicable).".

SEC. 435. REPORTS TO CREDIT BUREAUS AND INSTITUTIONS OF HIGHER EDUCATION.

Subsection (f) of section 430A of the Act (20 U.S.C. 1080a(f)) is amended—

(1) by striking "or" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting a comma and "or"; and

(3) by adding at the end the following new paragraph:

"(3) in the case of a borrower who reenters repayment after defaulting on a loan and subsequently goes into default on such loan a second time, 7 years from the date the loan entered default the second time.".

SEC. 436. LEGAL POWERS AND RESPONSIBILITIES.

Section 432 of the Act (20 U.S.C. 1082) is amended—

(1) in subsection (g)—

(A) by striking paragraphs (2), (3) and (4); and

(B) by redesignating paragraphs (5) and (6) as paragraphs (2) and (3), respectively;

(2) in subsection (h)—

(A) in paragraph (2)—

(i) in the second sentence of subparagraph (A), by striking all beginning with "The Secretary" through "disqualification—" and inserting the following: "The Secretary shall impose any or all sanctions imposed by the guaranty agency on the participation of the lender in the student loan insurance program of each of the guaranty agencies under this part, and shall notify such guaranty agencies of the imposition of such sanctions—";

(ii) in subparagraph (B), by striking "disqualification" each place such term appears and inserting "sanction";

(iii) by redesignating subparagraph (B) (as amended in clause (ii)) as subparagraph (C); and

(iv) by inserting after subparagraph (A) the following new subparagraph:

"(B) The Secretary's review under this paragraph of the limitation, suspension, or termination imposed by a guaranty agency pursuant to section 428(b)(1)(U) shall be limited to—

"(i) a review of the written record of the proceedings in which the guaranty agency imposed such sanctions; and

"(ii) a determination as to whether the guaranty agency complied with section 428(b)(1)(U) and any notice and hearing requirements specified in regulations prescribed under this part."; and

(B) in paragraph (3)—

(i) in the second sentence of subparagraph (A), by striking "The Secretary" through "disqualification—" and inserting the following: "The Secretary shall impose any or all sanctions imposed by the guaranty agency on the participation of the institution in the student loan insurance program of each of the guaranty agencies under this part, and shall notify such guaranty agencies of the imposition of such sanctions—";

(ii) in subparagraph (B), by striking "disqualification" each place such term appears and inserting "sanction";

(iii) by redesignating subparagraph (B) (as amended in clause (ii)) as subparagraph (C); and

(iv) by inserting after subparagraph (A) the following new subparagraph:

"(B) The Secretary's review under this paragraph of the limitation, suspension, or termination imposed by a guaranty agency pursuant to section 428(b)(1)(T) shall be limited to—

"(i) a review of the written record of the proceedings in which the guaranty agency imposed such sanctions; and

"(ii) a determination as to whether the guaranty agency complied with section 428(b)(1)(T) and any notice and hearing requirements specified in regulations prescribed under this part."; and

(3) by inserting at the end the following new subsections:

"(k) PROGRAM OF ASSISTANCE FOR BORROWERS.—

"(1) IN GENERAL.—The Secretary shall undertake a program to encourage corporations and other private and public employers, including the Federal Government, to assist borrowers in

repaying loans received under this title, including providing employers with options for payroll deduction of loan payments and offering loan repayment matching provisions as part of employee benefit packages.

"(2) PUBLICATION.—The Secretary shall publicize models for providing the repayment assistance described in paragraph (1) and each year select entities that deserve recognition, through means devised by the Secretary, for the development of innovative plans for providing such assistance to employees.

"(3) RECOMMENDATION.—Within 1 year after the date of enactment of the Higher Education Amendments of 1991, the Secretary shall recommend to the appropriate committees in the Senate and House of Representatives changes to the tax code or other statutes that could be made in order to further encourage such efforts.

"(l) UNIFORM ADMINISTRATIVE AND CLAIMS PROCEDURES.—

"(1) IN GENERAL.—The Secretary shall, in consultation with guaranty agencies and lenders, develop standardized forms and procedures regarding—

"(A) origination;
"(B) guaranty;
"(C) deferments;
"(D) forbearance;
"(E) servicing;
"(F) claims filing; and
"(G) cures.

"(2) SPECIAL RULE.—The forms and procedures described in paragraph (1) shall include all aspects of the loan process as such process involves eligible lenders and guaranty agencies and shall be directed to minimize administrative costs and burdens (other than the costs and burdens involved in the transition to new forms and procedures) involved in exchanges of data to and from borrowers, schools, lenders, secondary markets, and the Department.".

SEC. 437. STUDENT LOAN INFORMATION BY ELIGIBLE LENDERS.

Section 433 of the Act (20 U.S.C. 1083) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1) through (13) as paragraphs (2) through (14), respectively;

(B) by inserting before paragraph (2) (as redesignated in subparagraph (A)) the following new paragraph:

"(1) a statement prominently and clearly displayed and in bold print that the borrower is receiving a loan that must be repaid;";

(C) in paragraph (13) (as redesignated in subparagraph (A)) by striking "and" after the semicolon;

(D) in paragraph (14) (as redesignated in subparagraph (A)) by striking the period and inserting a semicolon and "and"; and

(E) by inserting at the end thereof the following new paragraph:

"(15) a statement that the borrower's loan repayment obligation is separate and distinct from the school's obligation to the borrower and that a failure by the school to comply with any Federal, State, or local law shall not excuse any portion of the borrower's obligation to repay the loan.";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting after the first sentence thereof the following new sentence: "Any disclosure required by this subsection shall be made during the grace period described in section 427(a)(2)(B)."; and

(B) in paragraph (8), by inserting "except as provided in subsection (e)," before "the projected"; and

(3) by inserting at the end thereof the following new subsection:

"(e) SPECIAL DISCLOSURE RULES ON SLS LOANS.—Loans made under section 428A shall not be subject to the disclosure of projected monthly payment amounts required under subsection (b)(8), if the lender, in lieu of such disclosure, provides the borrower with sample projections of monthly repayment amounts assuming different levels of borrowing and interest accruals resulting from capitalization of interest while the borrower is in school. Such sample projections shall disclose the cost to the student of capitalizing—

"(1) principal and interest; and

"(2) interest only.".

SEC. 438. DEFINITIONS FOR STUDENT LOAN INSURANCE PROGRAM.

(a) IN GENERAL.—Section 435 of the Act (20 U.S.C. 1085) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting "as defined in section 481(a)" before the semicolon;

(ii) in subparagraph (C), by striking "part," and inserting "part."; and

(iii) by striking the matter following subparagraph (C); and

(B) in subparagraph (B) of paragraph (3)—

(i) in clause (i), by striking "and" at the end thereof;

(ii) in clause (ii), by striking "any succeeding fiscal year." and inserting "fiscal year 1993; and"; and

(iii) by inserting at the end the following new clause:

"(iii) 25 percent for any succeeding fiscal year.";

(2) by striking subsection (b);

(3) in subsection (c)—

(A) in paragraph (3), by striking "and" and the end thereof;

(B) by striking the period at the end of paragraph (4) and inserting a semicolon and "and"; and

(C) inserting before the matter following subparagraph (C) of paragraph (4) the following new paragraph:

"(5) offers to individuals receiving assistance under this title only programs that are eligible programs as described in section 481(f).";

(4) in subsection (f), by inserting "servicing and" before "collection practices"; and

(5) by amending subsection (m) to read as follows:

"(m) ANNUAL DEFAULT RATE.—

"(1) IN GENERAL.—Except as provided in paragraph (5), the term 'annual default rate' means, for any fiscal year in which 30 or more current and former students at the institution enter repayment on loans under section 428 or 428A received for attendance at the institution, the percentage of students and former students who enter repayment on such loans received for attendance at that institution in that fiscal year who default before the end of the following fiscal year. In determining the number of students who default before the end of such fiscal year, the Secretary shall include only loans for which the Secretary or a guaranty agency has paid claims for insurance, and, in calculating the annual default rate, exclude any loans which, due to improper servicing or collection, would result in an inaccurate or incomplete calculation of the annual default rate. For any fiscal year in which less than 30 of the institution's current and former students enter repayment, the term 'annual default rate' means the average of the rate calculated under the preceding sentence for the 3 most recent fiscal years.

"(2) SPECIAL RULES.—(A) In the case of a student who has attended and borrowed at more than 1 school, the student (and such student's subsequent repayment or default) is attributed to each school for attendance at which the student received a loan that entered repayment in the fiscal year.

"(B) A loan on which a payment is made by the school, such school's owner, agent, contractor, employee, or any other entity or individual affiliated with such school, in order to avoid default by the borrower, is considered as in default for purposes of this subsection.

"(C) Any loan which has been rehabilitated is not considered as in default for the purposes of this subsection.

"(D) For the purposes of this subsection, a loan made in accordance with section 428A shall not be considered to enter repayment until after the borrower has ceased to be enrolled in a course of study leading to a degree or certificate at an eligible institution on at least a half-time basis (as determined by the institution) and ceased to be in a period of deferment based on such enrollment. Each eligible lender of a loan made under section 428A shall provide the guaranty agency with the information necessary to determine when the loan entered repayment for purposes of this subsection, and the guaranty agency shall provide such information to the Secretary.".

(b) CONFORMING AMENDMENTS.—

(1) REQUIREMENTS FOR DISBURSEMENT OF STUDENT LOANS.—Paragraph (2) of section 428A(a) of the Act (20 U.S.C. 1078–1(a)(2)) is amended by striking "cohort" each place such term appears and inserting "annual".

(2) DEFINITION.—Subparagraph (A) of section 435(a)(3) (20 U.S.C. 1085(a)(3)(A)) is amended—

(A) in the first sentence thereof, by striking "cohort" and inserting "annual"; and

(B) in clause (i) by striking "cohort" each place such term appears and inserting "annual".

SEC. 439. REPAYMENT BY THE SECRETARY OF LOANS OF BANKRUPT, DECEASED OR DISABLED BORROWERS.

Section 437 of the Act (20 U.S.C. 1087) is amended to read as follows:

"SEC. 437. REPAYMENT BY THE SECRETARY OF LOANS OF BANKRUPT, DECEASED, OR DISABLED BORROWERS; TREATMENT OF BORROWERS ATTENDING CLOSED SCHOOLS OR BORROWERS FALSELY CERTIFIED AS ELIGIBLE TO BORROW.

"(a) IN GENERAL.—If a student borrower who has received a loan described in subparagraph (A) or (B) of section 428(a)(1) dies, becomes permanently and totally disabled (as determined in accordance with regulations of the Secretary), or is temporarily or permanently relieved of his obligation to repay such loan according to the repayment schedule, through an action in bankruptcy, then the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan.

"(b) DISCHARGE.—

"(1) IN GENERAL.—If a student borrower who received a loan described in subparagraph (A) or (B) of section 428(a)(1) on or after January 1, 1986, is unable to complete the program in which the borrower is enrolled due to the closure of the institution or if such student's eligibility to borrow under this part was fraudulently certified by the eligible institution, then the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan and shall pursue any claim available to such borrower against the institution.

"(2) ASSIGNMENT.—A borrower whose loan has been discharged pursuant to this subsection shall be deemed to have assigned to the United States the right to a loan refund up to the amount discharged against the institution, its affiliates, and principals.

"(3) ELIGIBILITY FOR ADDITIONAL ASSISTANCE.—The period of a student's attendance at an institution at which the student was unable to complete a course of study due to the closing of the institution shall not be considered for purposes of calculating the student's period of eligibility for additional assistance under this title.

"(4) SPECIAL RULE.—A borrower whose loan has been discharged pursuant to this subsection shall not be precluded from receiving additional grants, loans, or work assistance under this title for which the borrower would be otherwise eligible.

"(5) REPORTING.—The Secretary shall report to credit bureaus with respect to loans which have been discharged pursuant to this subsection.".

SEC. 440. SPECIAL ALLOWANCES.

Section 438 of the Act (20 U.S.C. 1087–1) is amended—

(1) in paragraph (2) of subsection (b)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by striking "and (D)" and inserting "(D), (E), and (F)"; and

(ii) in clause (iii), by striking "3.25" and inserting "3.10";

(B) in clause (i) of subparagraph (B), by striking "3.25" and inserting "3.10";

(C) in subparagraph (C)—

(i) by inserting "before July 1, 1993" after "made";

(ii) by inserting "(i)" before "In"; and

(iii) by adding at the end the following new clause:

"(ii) In the case of loans made on or after July 1, 1993 pursuant to section 428, 428A or 428B for which the interest rate is determined under section 428(f)(1)(B) or 427A(c)(4), a special allowance shall not be paid unless the rate determined for any 12-month period under section 428(f)(1)(B)(ii) or 427A(c)(4)(B) exceeds 11 percent.";

(D) in clause (i) of subparagraph (D), by striking "3.25" and inserting "3.10"; and

(E) by adding at the end thereof the following new subparagraphs:

"(E) In the case of a holder of loans for which the annual default rate exceeds 25 percent, subparagraph (A)(iii) shall be applied by substituting '3 percent' for '3.10 percent'.

"(F) In the case of a lender who does not provide to the guaranty agency the information required under section 435(m)(2)(D), subparagraph (A)(iii) shall be applied by substituting '3 percent' for '3.10 percent'.";

(2) by adding at the end of subsection (c) the following new paragraphs:

"(6) SLS AND PLUS LOANS.—With respect to any loan made under section 428A or 428B on or after July 1, 1992, each eligible lender under this part shall charge the borrower an origination fee of 5 percent of the principal amount of the loan, to be deducted proportionately from each installment payment of the proceeds of the loan prior to payment to the borrower.

"(7) DISTRIBUTION OF ORIGINATION FEES.—All origination fees collected by this section on loans authorized under section 428A or 428B shall be deposited in the fund authorized under section 431 of this part."; and

(3) in subparagraph (C) of subsection (d)(2), by striking "premium or".

SEC. 441. STUDENT LOAN MARKETING ASSOCIATION.

Section 439 of the Act (20 U.S.C. 1087–2) is amended—

(1) by amending subsection (c) to read as follows:

"(c) BOARD OF DIRECTORS.—

"(1) COMPOSITION OF BOARD; CHAIRMAN.—(A) The Association shall have a Board of Directors which shall consist of 21 persons, 7 of whom shall be appointed by the President and shall be representative of the general public. The remaining 14 directors shall be elected by the common stockholders of the Association entitled to vote pursuant to subsection (f). Commencing with the annual shareholders meeting to be held in 1992—

"(i) 7 of the elected directors shall be affiliated with an eligible institution; and

"(ii) 7 of the elected directors shall be affiliated with an eligible lender.

"(B) The President shall designate 1 of the directors to serve as Chairman.

"(2) TERMS OF APPOINTED AND ELECTED MEMBERS.—The directors appointed by the President shall serve at the pleasure of the President and until their successors have been appointed and have qualified. The remaining directors shall each be elected for a term ending on the date of the next annual meeting of the common stockholders of the Association, and shall serve until their successors have been elected and have qualified. Any appointive seat on the Board of Directors which becomes vacant shall be filled by appointment of the President. Any elective seat on the Board of Directors which becomes vacant after the annual election of the directors shall be filled by the Board of Directors, but only for the expired portion of the term.

"(3) AFFILIATED MEMBERS.—For the purpose of this subsection, the references to a director 'affiliated with an eligible institution' or a director 'affiliated with an eligible lender' means an individual who is, or within 5 years of election to the Board of Directors has been, an employee, officer, director, or similar official of—

"(A) an eligible institution or an eligible lender;

"(B) an association whose members consist primarily of eligible institutions or eligible lenders; or

"(C) a State agency, authority instrumentality, commission, or similar institution, the primary purpose of which relates to educational matters or banking matters.

"(4) MEETINGS AND FUNCTIONS OF THE BOARD.—The Board of Directors shall meet at the call of its Chairman, but at least semiannually. The Board of Directors shall determine the general policies which shall govern the operations of the Association. The Chairman of the Board of Directors shall, with the approval of the Board of Directors, select, appoint, and compensate qualified persons to fill the offices as may be provided for in the bylaws, with such functions, powers, and duties as may be prescribed by the bylaws or by the Board of Directors, and such persons shall be the officers of the Association and shall discharge all such functions, powers, and duties.";

(2) in subparagraph (C) of subsection (d)(1), by striking all beginning with "refinancing the construction" through the semicolon at the end thereof and inserting "refinancing—

"(1) the construction or reconstruction of academic, research, and library facilities and equipment;

"(2) the improvement, renovation, and repair of academic, research, and library facilities, equipment and instrumentation;

"(3) the improvement (including acquisition) of academic, research, and library instrumentation and equipment;

"(4) the improvement (including acquisition) of library books and materials; and

"(5) the purchase of academic, research, and library facilities (including underlying real property);";

(3) by amending subsection (f) to read as follows:

"(f) STOCK OF THE ASSOCIATION.—

"(1) VOTING COMMON STOCK.—The Association shall have voting common stock having such par value as may be fixed by its Board of Directors from time to time. Each share of voting common stock shall be entitled to one vote with rights of cumulative voting at all elections of directors.

"(2) NUMBER OF SHARES; TRANSFERABILITY.—The maximum number of shares of voting common stock that the Association may issue and have outstanding at any one time shall be fixed by the Board of Directors from time to time. Any voting common stock issued shall be fully transferable, except that, as to the Association, it shall be transferred only on the books of the Association.

"(3) DIVIDENDS.—To the extent that net income is earned and realized, subject to subsection (g)(2), dividends may be declared on voting common stock by the Board of Directors. Such dividends as may be declared by the Board of Directors shall be paid to the holders of outstanding shares of voting common stock, except that no such dividends shall be payable with respect to any share which has been called for redemption past the effective date of such call.

"(4) SINGLE CLASS OF VOTING COMMON STOCK.—As of the effective date of the Higher Education Amendments of 1991, all of the previously authorized shares of voting common stock and nonvoting common stock of the Association shall be converted to shares of a single class of voting common stock on a share-for-share basis, without any further action on the part of the Association or any holder. Each outstanding certificate for voting or nonvoting common stock shall evidence ownership of the same number of shares of voting stock into which it is converted. All preexisting rights and obligations with respect to any class of common stock of the Association shall be deemed to be rights and obligations with respect to such converted shares."; and

(4) by adding at the end thereof the following new subsection:

"(r) SAFETY AND SOUNDNESS OF ASSOCIATION.—

"(1) REPORTS BY THE ASSOCIATION.—The Association shall promptly furnish to the Secretary copies of all—

"(A) periodic financial reports publicly distributed by the Association; and

"(B) reports concerning the Association that are received by the Association and prepared by nationally recognized statistical rating organizations.

"(2) AUDIT BY SECRETARY.—(A) The Secretary may—

"(i) appoint auditors to conduct audits of the Association from time to time to determine the condition of the Association for the purpose of assessing its financial safety and soundness;

"(ii) enter into contracts to obtain the services of such technical experts as the Secretary determines necessary and appropriate to provide technical assistance to any auditor appointed under subparagraph (A).

"(B) Each auditor appointed under paragraph (2)(A) shall conduct an audit of the Association to the extent requested by the Secretary and shall prepare and submit a report to the Secretary concerning the results of such audit. A copy of such report shall be furnished to the Association and the Secretary of Education on the date on which it is delivered to the Secretary.

"(3) MONITORING OF SAFETY AND SOUNDNESS.—The Secretary shall conduct such studies as may be necessary to monitor the financial safety and soundness of the Association. In the event that the Secretary determines that the financial safety and soundness of the Association is at risk, the Secretary shall inform the Chairman and ranking minority member of the Committee on Labor and Human Resources of the Senate, the Chairman and ranking minority member of the Committee on Education and Labor of the House of Representatives and the Secretary of Education of such determination and identify any corrective actions that should be taken to ensure the safety and soundness of the Association.

"(4) CAPITAL RESTORATION PLAN.—If after an audit it is determined that the capital ratio of the Association is less than 2 percent in any two consecutive calendar quarters, the Association shall, not later than 60 days after the date of *such determination, submit to the Secretary a capital restoration plan (including a timetable for the implementation of such capital restoration plan of not more than 36 months) that the Association has determined will be adequate to cause the capital ratio of the Association to equal or exceed 2 percent.*

"(5) ASSOCIATION CAPITAL RESTORATION PLAN.—(A) The Secretary shall consult with the Association with respect to any capital restoration plan submitted under paragraph (4) and shall approve or disapprove such capital restoration plan (or a modification thereof that is accepted by the Association) not later than 30 days after the date on which such capital restoration plan is first submitted to the Secretary, except that the Association and the Secretary may mutually agree to a longer period for the consideration of such capital restoration plan.

"(B) If the Secretary approves a capital restoration plan submitted under paragraph (4), the Association shall implement such capital restoration plan.

"(C) If the Secretary disapproves of a capital restoration plan submitted under paragraph (4), the Secretary shall, not later than the date on which the Secretary disapproves of such capital restoration plan through the provision of written notice to the Association or the date on which the 30 day consideration period referred to in subparagraph (A) (as such period may have been extended by mutual agreement) expires, whichever is earlier, submit the capital restoration plan of the Association, in the form most recently proposed by the Association, together with a report containing the reasons for the Secretary's disapproval of such capital restoration plan and an alternative capital restoration plan to the Chairman and ranking minority member of the Committee on Labor and Human Resources of the Senate and to the Chairman and ranking minority member of the Committee on Education and Labor of the House of Representatives. A copy of such capital restoration plan and report shall simultaneously be transmitted to the Association and the Secretary of Education by the Secretary.

"(D) Upon receipt from the Secretary of a capital restoration plan and report under subparagraph (C), the Association shall proceed with diligence to implement such capital restoration plan. Not later than 30 days after the receipt of such capital restoration plan and report, the Association shall submit to the Chairman and ranking minority members referred to in subparagraph (C), a written response to such capital restoration plan and report setting out to the maximum extent feasible the nature and extent of the agreement or the disagreement of the Association with the Secretary with respect to the capital restoration plan submitted to the Secretary and any findings of the Secretary.

"(E) If the Secretary determines that the Association has failed to make a good faith effort to implement a capital restoration plan under this paragraph, the Association shall be prohibited from making advances on the security of, purchasing or repurchasing, selling or reselling, offering participations or pooled interests or otherwise dealing in student loans which are insured by the Secretary of Education under this part or by a guaranty agency. The Association may, within 30 days after a determination by the Secretary under this subparagraph, file a petition with the United States Court of Appeals for the District of Columbia Circuit for review of such determination.

"(6) REVIEW BY CONGRESS.—Congress shall have 60 days after the date on which Congress receives material under this subsection from the Secretary of Education, the General Accounting Office or the Congressional Budget Office, to review such material. If Congress does not take statutory action with respect to any such material within such 60-day period, the capital restoration plan of the Secretary under paragraph (5)(C) shall take effect. If Congress is out of session when any such materials are received, such 60-day period shall begin on the first day of the next session of Congress.

"(7) CRITICAL CAPITAL STANDARD.—(A) If the capital ratio described in paragraph (4) is less than 1 percent at the end of the most recent calendar quarter of the Association and—

"(i) the Association has submitted a capital restoration plan to the Secretary pursuant to paragraph (4), the Association shall implement the most recently proposed capital restoration plan with such modifications (including a timetable for the implementation of such plan of not more than 60 months) as the Secretary determines are necessary to cause such capital ratio to equal or exceed 2 percent; or

"(ii) the Association has not submitted a capital restoration plan to the Secretary pursuant to paragraph (4), the Association shall, not later than 14 days after the determination of such capital ratio, submit a capital restoration plan (including a timetable for the implementation of such plan of not more than 60 months) to the Secretary that the Association determines is adequate to cause such capital ratio to equal or exceed 2 percent and proceed with diligence to implement such capital restoration plan with such modifications as the Secretary determines are necessary to cause such capital ratio to equal or exceed 2 percent.

"(B) Immediately upon a determination under clause (i) or (ii) of subparagraph (A) to implement a capital restoration plan, the Secretary shall submit the capital restoration plan to be implemented to the Chairman and ranking minority member of the Committee on Labor and Human Resources of the Senate, the Chairman and ranking minority member of the Committee on Education and Labor of the House of Representatives and the Secretary of Education.

"(8) ADDITIONAL REPORTS.—(A) The Secretary shall submit a copy of the Association's capital restoration plan in the form most recently submitted by the Association, including modifications of such capital restoration plan that are proposed by the Secretary, to the Congressional Budget Office and the General Accounting Office on the date on which such capital restoration plan or modifications are submitted to or received from the Secretary.

"(B) Notwithstanding any other provision of law, the Congressional Budget Office and the General Accounting Office shall maintain the confidentiality of information received under subparagraph (A). If the Secretary does not approve a capital restoration plan as provided for in paragraph (5), or if a capital restoration plan is modified by the Secretary pursuant to paragraph (6)—

"(i) the Congressional Budget Office and the General Accounting Office shall each, not later than 30 days after the date on which the Secretary makes the submission to the Chairmen and ranking minority members as required in paragraphs (5) and (6), prepare and submit a report to such Chairmen and ranking members that—

"(I) analyzes the financial condition of the Association;

"(II) analyzes the capital restoration plan and reasons for its disapproval, as contained in the Secretary's submission made pursuant to paragraph (5), or the capital restoration plan proposed by the Association and the modifications made by the Secretary pursuant to paragraph (6);

"(III) analyzes the impact of the capital restoration plan and reasons for its disapproval, as contained in the Secretary's submission made pursuant to paragraph (5), or the impact of the capital restoration plan proposed by the Association and the modifications made by the Secretary pursuant to paragraph (7), and the impact of the recommendations made pursuant to clause (IV), on—

"(aa) the ability of the Association to fulfill its purpose and authorized activities as provided for in this section; and

"(bb) the operation of the student loan programs; and

"(IV) recommends steps that the Association should take to increase its capital ratio without impairing the ability of the Association to perform its purpose and authorized activities as provided for in this section; and

"(ii) the Secretary of Education shall review the Secretary's submission required under paragraph (5) or (7) and shall, not later than 30 days after the date of such submission, submit a report to the Chairman and ranking minority member of the Committee on Labor and Human Resources of the Senate and to the Chairman and ranking minority member of the Committee on Education and Labor of the House of Representatives that—

"(I) describes any administrative or legislative provisions governing the student loan programs that contributed to the decline in the Association's capital ratio; and

"(II) recommend administrative and legislative changes in the student loan programs appropriate to maintain the orderly operation of such programs and to enable the Association to fulfill its purpose and authorized activities consistent with the capital ratio described in paragraph (4).

"(9) SAFE HARBOR.—The Association shall be considered to be in compliance with the capital ratios described in paragraphs (4) and (7) if the Association is rated in the highest or next highest full rating categories by two nationally recognized statistical rating organizations without regard to the Association's status as a federally chartered corporation.

"(10) CONFIDENTIALITY OF RELEVANT INFORMATION.—(A) For purposes of this subsection, the Secretary, the Secretary of Education, the Director of the Congressional Budget Office, and the Comptroller General shall determine and maintain the confidentiality of any book, record, or information made available by the Association under this subsection in a manner consistent with the level of confidentiality established for the material by the Association.

"(B) Section 552 of title 5, United States Code, shall not apply to the Department of the Treasury and the Department with respect to any book, record, or information made available and determined to be confidential under this subsection.

"(C) Any officer or employee of the Department of the Treasury shall be subject to the penalties set forth in section 1906 of title 18, United States Code, if—

"(i) by virtue of his or her employment or official position, he or she has possession of or access to any book, record, or information made available under and determined to be confidential under this section; and

"(ii) he or she discloses the material in any manner other than—

"(I) to any officer or employee of the Department of the Treasury; or

"(II) pursuant to the exception set forth in such section 1906 of such title.

"(D) Section 203 of the Congressional Budget Act of 1974, shall not apply to the Congressional Budget Office with respect to any book, record, or information made available under this subsection and determined by the Director of the Office to be confidential under subparagraph (A).

"(11) DEFINITIONS.—As used in this subsection:

"(A) The term 'capital ratio' means the ratio of total stockholders' equity, as determined

under the Association's most recent quarterly consolidated balance sheet prepared in the ordinary course of its business, to the sum of—

"(i) the total assets of the Association, as determined under a balance sheet prepared in the ordinary course of its business; and

"(ii) 50 percent of the credit equivalent amount of the following off-balance sheet items of the Association as of the date of the preparation of such balance sheet:

"(I) all financial standby letters of credit and other irrevocable guarantees of the repayment of financial obligations of others; and

"(II) all interest rate contracts and exchange rate contracts, including interest exchange agreements, floor, cap and collar agreements and similar arrangements.

For purposes of this subparagraph, the calculation of the credit equivalent amount of the items described in clause (ii), the netting of such items and eliminations for the purpose of avoidance of double-counting of such items shall be made in accordance with the measures for computing credit conversion factors for off-balance sheet items for capital maintenance purposes established for commercial banks from time to time by the Federal Reserve Board, but without regard to any risk-weighting provisions in such measures.

"(B) The term 'nationally recognized statistical rating organization' means any entity recognized as such by the Division of Market Regulation of the Securities and Exchange Commission for the purposes of net capital rules applicable to brokers.

"(C) The term 'Secretary' unless otherwise provided means the Secretary of the Treasury.".

SEC. 442. AUTHORIZATION OF APPROPRIATIONS.

Section 441 of the Act (20 U.S.C. 2751(b)) is amended—

(1) in subsection (a), by inserting "and to encourage students receiving Federal student financial assistance to participate in community service activities that will benefit the Nation and engender in the students a sense of social responsibility and commitment to the community" before the period at the end thereof; and

(2) in subsection (b)—

(A) by striking "$656,000,000" and inserting "$700,000,000";

(B) by striking "1987" and inserting "1993"; and

(C) by striking "4 succeeding" and inserting "6 succeeding"; and

(3) by adding at the end the following new subsection:

"(c) DEFINITION.—For the purpose of this subpart the term 'community service' means work in which students perform meaningful and constructive service in agencies, institutions, and situations where the application of human talent and dedication may help to meet human, educational, linguistic, and environmental community needs, especially such needs relating to poverty, including work in service opportunities or youth corps as defined in section 101 of the National and Community Service Act of 1990, and service in the agencies, institutions and activities designated in section 124(a) of the National and Community Service Act of 1990.".

SEC. 443. ALLOCATION OF FUNDS.

Section 442 of the Act (20 U.S.C. 2752) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

"(4)(A) Notwithstanding any other provision of this section, the Secretary shall allocate an amount equal to not more than 10 percent of the amount by which the amount appropriated in any fiscal year to carry out this part exceeds $700,000,000 among eligible institutions described in subparagraph (B).

"(B) In order to receive an allocation pursuant to subparagraph (A) an institution shall be an eligible institution from which 50 percent or more of the Pell Grant recipients attending such eligible institution graduate or transfer to a 4-year institution of higher education."; and

(2) in subparagraph (A) of subsection (d)(2), by inserting "subdivided by full-time and part-time status" after "students".

SEC. 444. GRANTS FOR WORK-STUDY PROGRAMS.

Subsection (b) of section 443 of the Act (20 U.S.C. 2753) is amended—

(1) in the matter preceding subparagraph (A) of paragraph (1), by inserting "and in work in community service" after "itself";

(2) in subparagraph (A) of paragraph (2)—

(A) by striking "may use not to exceed" and inserting "shall use at least"; and

(B) by striking "at the increased Federal share specified in paragraph (5)(B) of this subsection";

(3) in paragraph (3), by inserting ", and except further that if the financial need of such less than full-time students at any institution exceeds 5 percent of the total financial need of all students at such institution, then at least 5 percent of the grant shall be made available to such less than full-time students" before the semicolon at the end thereof;

(4) in paragraph (4)—

(A) by inserting "need-based" after "derived from any"; and

(B) by striking "$200" and inserting "$300";

(5) by amending paragraph (5) to read as follows:

"(5) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement shall not exceed 75 percent for academic year 1992–1993 and succeeding academic years, except that the Federal share may exceed such percentage if the Secretary determines that the non-Federal share would cause financial hardship at an eligible institution and that such institution serves a large number or percentage of low-income or minority students;";

(6) in paragraph (8)—

(A) in subparagraph (A), by inserting ", except as required in subparagraph (A) of paragraph (2)" before the semicolon at the end thereof; and

(B) in subparagraph (C)—

(i) by striking ", as determined by the Secretary pursuant to regulations" and inserting "that are directly related to the student's education"; and

(ii) by striking "and" at the end of subparagraph (C);

(7) by redesignating paragraph (9) as paragraph (10); and

(8) by inserting after paragraph (8) the following new paragraph:

"(9) provide assurances that the institution will inform all eligible students of the opportunity to perform community service work-study, and will consult with local nonprofit, governmental, and community-based organizations to identify such opportunities; and".

SEC. 445. JOB LOCATION AND DEVELOPMENT PROGRAMS.

Section 446 of the Act (20 U.S.C. 2756) is amended—

(1) in subparagraph (B) of subsection (a)(1)—

(A) by striking "10 percent or $20,000" and inserting "15 percent or $40,000"; and

(B) by striking "local"; and

(2) in subsection (c), by striking "local".

SEC. 446. WORK-LEARNING PROGRAM AND STUDENT MENTOR PILOT PROGRAM.

Part C of title IV of the Act (20 U.S.C. 2751 et seq.) is amended by adding at the end thereof the following new sections:

"SEC. 448. WORK-LEARNING PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to recognize, encourage and promote the use of comprehensive work-learning programs as a valuable educational approach when such approach is an integral part of an institution of higher education's educational program and a part of a student financial plan which decreases reliance on grants and loans.

"(b) PROGRAM AUTHORIZED.—Notwithstanding any other provision of law, a work-college may use funds provided under this part to carry out the activities described in subsection (d) in accordance with the provisions of this section.

"(c) MATCH REQUIRED.—Funds made available to work-colleges pursuant to this section shall be matched on a dollar-for-dollar basis from non-Federal sources.

"(d) ACTIVITIES AUTHORIZED.—Funds made available under this section may be used for—

"(1) providing assistance to pay the educational expenses of qualified students through self-help payments or credits provided under a comprehensive work-learning program;

"(2) promotion of a comprehensive work-learning program as a tool of postsecondary education, financial self-help and community service-learning opportunities;

"(3) activities described in section 446 or 447; and

"(4) the administration, development and assessment of comprehensive work-learning programs, including—

"(A) community-based work-learning alternatives that expand opportunities for community service and career-related work; and

"(B) alternatives that develop sound citizenship and personal values, encourage student persistence, and make optimum use of assistance under this part.

"(e) DEFINITIONS.—For the purpose of this section—

"(1) the term 'work-college' means an eligible institution that—

"(A) has been a public or private nonprofit institution with a commitment to community service;

"(B) has operated a comprehensive work-learning program for at least 2 years;

"(C) requires all resident students who reside on campus to participate in a comprehensive work-learning program; and

"(D) provides students participating in the comprehensive work-learning program with the opportunity to contribute to their education and to the welfare of the community as a whole; and

"(2) the term 'comprehensive work-learning program' means a program that—

"(A) requires participation of all students residing on campus in order to enroll in and graduate from a work-college;

"(B) includes learning objectives, evaluation and a record of work performance as part of the student's college record;

"(C) provides programmatic leadership by work-college personnel at levels comparable to traditional academic programs;

"(D) recognizes the educational role of work-learning supervisors; and

"(E) includes consequences for nonperformance or failure in the comprehensive work-learning program similar to the consequences for failure in a regular academic program.

"SEC. 449. STUDENT MENTOR PILOT PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to establish a pilot program to test the feasibility of using work-study funds to provide incentives to eligible youth attending institutions of higher education to encourage such students to engage in mentor activities for the benefit of such eligible youth who are at risk of dropping out of elementary or secondary school.

"(b) PROGRAM AUTHORIZED; AGREEMENTS.—

"(1) PROGRAM AUTHORIZED.—The Secretary is authorized to designate not less than 10 nor more than 100 institutions of higher education that may use a portion of their allocations under this part to establish a program in accordance with this section.

"(2) AGREEMENT.—In order to be eligible to participate in the program assisted under this part an institution of higher education shall enter into an agreement with the Secretary. Such agreement shall—

"(A) contain or be accompanied by such information and assurances as the Secretary may require by regulation;

"(B) specify the methods and rates of compensation of the mentors, which may include incentive bonuses based on the satisfactory academic progress of the eligible youth;

"(C) describe the methods to be used—

"(i) by the institution of higher education to identify and select suitable students to serve as mentors; and

"(ii) by elementary and secondary schools to identify and select eligible youth; and

"(D) provide that the eligible youth, such youth's teacher, and the mentor shall enter into an agreement that—

"(i) provides attainable goals for the eligible youth to pursue with the advice and assistance of the mentor; and

"(ii) identifies the stages at which progress toward such goals shall be evaluated.

"(c) USE OF FUNDS.—An institution of higher education with which the Secretary has an agreement under subsection (b)(2) may use funds provided under this part to pay students to engage in activities as mentors for an eligible youth to—

"(1) tutor the youth in subjects in which the youth is experiencing difficulty;

"(2) support the youth in educational and recreational activities;

"(3) counsel the youth on career and educational choices;

"(4) otherwise encourage the youth to stay in school, to develop the youth's aptitudes, and to follow the mentor student into a successful college and adult career; and

"(5) develop in the student a better self-awareness and a self-motivated desire to academically excel.

"(d) EVALUATION AND REPORTS.—Not later than 3 years after the enactment of this section, the Secretary shall submit to the Congress a report evaluating the program assisted under this section. Such report shall include such recommendations as the Secretary considers appropriate concerning such program, and may include proposals for legislative changes.

"(e) DEFINITIONS.—The term 'eligible youth' means an individual who is—

"(1) age 5 to 18, inclusive;

"(2) enrolled but failing to maintain satisfactory progress in an elementary or secondary school, as determined under the standards of such school; and

"(3) determined by a teacher or other qualified staff of such school to be likely to benefit from participation in the program assisted under this section.".

SEC. 447. INCOME CONTINGENT DIRECT LOAN DEMONSTRATION PROGRAM.

(a) REPEALER.—Part D of title IV of the Act (20 U.S.C. 1087a et seq.) is repealed.

(b) DISTRIBUTION OF ASSETS FROM FUND.—

(1) IN GENERAL.—After September 30, 1992, and not later than March 31, 1992, the capital balance of the student loan fund established under part D of title IV of the Higher Education Act of 1965 (as such Act was in effect on the date of enactment of this Act) shall be distributed by allowing institutions to transfer any remaining funds, including future collections and all other funds at the institution's discretion, to such institution's part E account, part C fund, or subpart 1 of part A fund under the terms and conditions of the appropriate program.

(2) CONVERSION OF EXISTING LOANS.—Institutions may, after July 1, 1992, convert all outstanding loans made under part D of title IV of the Higher Education Act of 1965 (as such Act was in effect on such date) to part E loans, provided that such institution—

(A) notify the borrower of such conversion;

(B) obtain a signed part E promissory note from the borrower for the remaining amount outstanding; and

(C) provide the borrower in writing with a description of all terms and conditions of the new loan.

SEC. 448. AUTHORIZATION OF APPROPRIATIONS.

Section 461 of the Act (20 U.S.C. 1087aa) is amended—

(1) in subsection (a), by inserting "or while engaged in programs of study abroad approved for credit by such institutions" after "in such institutions"; and

(2) in paragraph (1) of subsection (b)—

(A) by striking "$268,000,000" and inserting "$200,000,000";

(B) by striking "1987" and inserting "1993"; and

(C) by striking "4 succeeding" and inserting "6 succeeding".

SEC. 449. AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION.

Section 463 of the Act (20 U.S.C. 1087cc) is amended—

(1) in subparagraph (B) of subsection (a)(2)—

(A) by striking "one-ninth" and inserting "15 percent in fiscal year 1993 and 25 percent in each of the succeeding fiscal years"; and

(B) by inserting "except that the Federal share may exceed such percentage if the Secretary determines that the non-Federal share would cause financial hardship at an eligible institution and that such institution serves a large number or percentage of low-income or minority students" before the semicolon at the end thereof;

(2) in subsection (c)—

(A) in subparagraph (B) of paragraph (3), by striking ", if that account has not been previously reported by any other holder of the note"; and

(B) by adding at the end the following new paragraph:

"(4) DISCLOSURES TO CREDIT BUREAU ORGANIZATIONS.—Each institution of higher education, after consultation with the Secretary and pursuant to the agreements entered into under paragraph (1), shall disclose to any credit bureau organization with which the Secretary has such an agreement—

"(A) the amount of loans made to any borrower under this part at the time of the disbursement of the loan; and

"(B) the information set forth in section 430A(a)."; and

(3) by adding at the end the following new subsections:

"(d) LIMITATION ON USE OF INTEREST BEARING ACCOUNTS.—In carrying out the provisions of subsection (a)(10), the Secretary may not require that any collection agency, collection attorney or loan servicer collecting loans made under this part deposit amounts collected on such loans in interest bearing accounts.

"(e) SPECIAL DUE DILIGENCE RULE.—In carrying out the provisions of subsection (a)(5) relating to due diligence, the Secretary shall ensure that institutions of higher education may use Internal Revenue Service skip-tracing collection procedures on loans made under this part.".

SEC. 450. STUDENT LOAN INFORMATION BY ELIGIBLE INSTITUTIONS.

Paragraph (11) of section 463A(a) of the Act (20 U.S.C. 1087cc(a)(11)) is amended by striking "including a statement that the default may be" and inserting "together with a statement that the disbursement of, and the default on, a loan under this part, shall be".

SEC. 451. TERMS OF LOANS.

Section 464 of the Act (20 U.S.C. 1087dd) is amended—

(1) in subsection (a)—

(A) by amending paragraph (2) to read as follows:

"(2)(A) Except as provided in paragraph (4), the total of loans made to a student in any academic year or its equivalent by an institution of higher education from a loan fund established pursuant to an agreement under this part shall not exceed—

"(i) $3,000, in the case of a student who has not successfully completed a program of undergraduate education; or

"(ii) $5,000, in the case of a graduate or professional student (as defined in regulations issued by the Secretary).

"(B) The aggregate of loans for all years made by institutions of higher education from loan funds established pursuant to agreements made under this part shall not exceed—

"(i) $15,000, in the case of any student who has not successfully completed a program of undergraduate education; or

"(ii) $40,000, in the case of any graduate or professional student (as defined by regulations issued by the Secretary) and including any loans from such funds made to such student before the student became a graduate or professional student.";

(B) by inserting after paragraph (3) the following new paragraph:

"(4) In the case of a program of study abroad that is approved for credit by the home institution and that has reasonable costs in excess of the home institution's budget, the aggregate of loans for all years for the student may exceed the totals described in subparagraphs (A) through (C) by 20 percent.";

(2) in subsection (b)—

(A) in paragraph (1), by striking "this title and who meets the requirements of section 484" and inserting "this title, who meets the requirements of section 484, and who provides the institution with the student's drivers license number, if any, at the time of application for the loan"; and

(B) in paragraph (2), by inserting ", except that if the total financial need of all such less than full-time students at the institution exceeds 5 percent of the total financial need of all students at such institution, then at least 5 percent of such loans shall be made available to such less than full-time students" before the period at the end thereof;

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by amending subparagraph (C) to read as follows:

"(C)(i) for loans made before July 1, 1993, may provide, at the option of the institution and in accordance with regulations issued by the Secretary, that during the repayment period of the loan, payments of principal and interest by the borrower with respect to all outstanding loans made to the student from a student loan fund assisted under this part shall be at a rate equal to not less than $30 per month, except that the institution may, subject to such regulations, permit a borrower to pay less than $30 per month for a period of not more than 1 year when such lower payment is necessary to avoid hardship to the borrower, but in no event shall the 10-year maximum repayment period provided for in subparagraph (A) of this paragraph be extended;

"(ii) for loans made on or after July 1, 1993, may provide, at the option of the institution and in accordance with regulations issued by the Secretary, that during the repayment period of the loan, payments of principal and interest by the borrower with respect to all outstanding loans made to the student from a student loan fund assisted under this part shall be at a rate equal to not less than $40 per month, except that the institution may permit a borrower to pay

less than $40 per month when such lower payment is necessary to avoid hardship to the borrower, but in no event shall the 10-year maximum repayment period provided for in subparagraph (A) of this paragraph be extended; and

''(iii) may provide that the total payments by a borrower for a monthly or similar payment period with respect to the aggregate of all loans held by the institution may, when the amount of a monthly or other similar payment is not a multiple of $5, be rounded to the next highest whole dollar amount that is a multiple of $5;'';

(ii) by amending subparagraph (D) to read as follows:

''(D) shall provide that the loan shall bear interest on the unpaid balance of the loan, at the rate of (i) 3 percent per year in the case of any loan made before July 1, 1981, (ii) 4 percent per year in the case of any loan made on or after July 1, 1981, (iii) 5 percent per year in the case of any loan made on or after October 1, 1981, or (iv) 5 percent per year for the first 4 years of repayment and 8 percent during the remainder of the repayment period in the case of any loan made on or after July 1, 1993, except that no interest shall accrue—

''(I) prior to the beginning date of repayment determined under subparagraph (A)(i); or

''(II) during any period in which repayment is suspended pursuant to paragraph (2);''; and

(iii) by amending subparagraph (E) to read as follows:

''(E) shall provide that the loan is made without security and without endorsement, except that an institution participating in the loan program under this part may—

''(i) prior to making any loan under this part, obtain a credit report from at least one national credit bureau organization with respect to a loan applicant who is an independent student as of July 1 of the award year for which assistance is being sought; and

''(ii) require an applicant described in clause (i) who, in the judgment of the institution in accordance with the regulations issued by the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, except that for purposes of this paragraph, an insufficient or nonexistent credit history shall not be considered to be an adverse credit history;''; and

(B) by amending subparagraph (A) of paragraph (2) to read as follows:

''(A) No repayment of principal of, or interest on, any loan from a student loan fund assisted under this part shall be required during any period—

''(i) during which the borrower—

''(I) is pursuing a full-time course of study as determined by an eligible institution;

''(II) is pursuing at least a half-time course of study (as determined by such institution); or

''(III) is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary, except that no borrower shall be eligible for a deferment under this clause, or loan made under this part (other than a loan made under section 428B or 428C), while serving in a medical internship or residency program;

''(ii) not in excess of 3 years during which the borrower is seeking and unable to find full-time employment;

''(iii) not in excess of 3 years during which the borrower is temporarily totally disabled, as established by sworn affidavit of a qualified physician, or during which the borrower is unable to secure employment by reason of the care required by a dependent who is so disabled; or

''(iv) not in excess of 3 years during which the borrower is working full-time and earning at or below 100 percent of the poverty line for a family of 2 as defined in section 673(2) of the Community Service Block Grant Act.'';

(4) by inserting at the end thereof the following new subsections:

''(e) FORBEARANCE.—The Secretary shall ensure that, upon written request, a lender shall grant a borrower forbearance of principal and interest, renewable at 12-month intervals for a period not to exceed 3 years, on such terms as are otherwise consistent with the regulations issued by the Secretary and agreed upon in writing by the parties to the loan, with the approval of the insurer, if—

''(1) the borrower's debt burden equals or exceeds 20 percent of such borrower's gross income; or

''(2) the institution determines that the borrower should qualify for forbearance for other reasons.

''(f) SPECIAL REPAYMENT AUTHORITY.—

''(1) IN GENERAL.—Subject to such restrictions as the Secretary may prescribe to protect the interest of the United States and in order to encourage repayment on loans made under this part which are in default, the Secretary may, pursuant to the agreement entered into under this part, authorize an institution of higher education to compromise on the repayment of such defaulted loans in accordance with paragraph (2).

''(2) LIMITATION.—(A) No compromise repayment of a defaulted loan described in paragraph (1) may be made unless the student borrower pays—

''(i) 90 percent of the loan made under this part;

''(ii) the interest due on such loan; and

''(iii) any collection fees due on such loan.

''(B) The compromise repayment described in subparagraph (A) shall be paid in a lump sum payment.''.

SEC. 452. CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE.

Section 465 of the Act (20 U.S.C. 1087ff) is amended—

(1) by amending subparagraph (B) of subsection (a)(2) to read as follows:

''(B) as a full-time teacher of mathematics, science, foreign languages, special education, bilingual education, or any other field of expertise where the State educational agency determines there is a shortage of qualified teachers;''; and

(2) by adding at the end the following new subsection:

''(c) SPECIAL RULES.—

''(1) LIST.—If the list of schools in which a teacher may perform service pursuant to subparagraph (A) of paragraph (2) of subsection (a) is not available before May 1 of any year, the Secretary may use the list for the year preceding the year for which the determination is made to make such service determination.

''(2) CONTINUING ELIGIBILITY.—Any teacher who performs service in a school which—

''(A) meets the requirements of subparagraph (A) of paragraph (2) of subsection (a) in any year; and

''(B) in a subsequent year fails to meet the requirements of such subparagraph,

may continue to teach in such school and shall be eligible for loan cancellation pursuant to paragraph (1) of subsection (a) in such subsequent years.''.

SEC. 453. DISTRIBUTION OF ASSETS FROM STUDENT LOAN FUNDS.

Section 466 of the Act (20 U.S.C. 1087ff) is amended—

(1) in subsection (b), by striking ''1997'' and inserting ''2005''.

(2) in subsection (c)—

(A) by striking ''Upon'' and inserting ''(1) Upon'';

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(C) by adding at the end the following new paragraph:

''(2) No finding that the liquid assets of a student loan fund established under this part exceed the amount required under paragraph (1) may be made prior to a date which is 2 years after the date on which the institution of higher education received the funds from such institution's allocation under section 462.''.

SEC. 454. STUDENT AID METHODOLOGY.

(a) AMENDMENT TO HEADING.—The heading for part F of title IV of the Act (20 U.S.C. 1087kk et seq.) is amended to read as follows:

''PART F—STUDENT AID METHODOLOGY''.

(b) CONFORMING AMENDMENTS.—

(1) PELL GRANTS.—Section 411(f) of the Act is amended—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''eligibility index'' and inserting ''expected family contribution'';

(ii) in subparagraph (A) by striking ''eligibility index'' and inserting ''expected family contribution'';

(iii) in subparagraph (B), by striking ''eligibility index'' and inserting ''expected family contribution''; and

(iv) in subparagraph (D), by striking ''eligibility index'' and inserting ''expected family contribution''; and

(B) in paragraph (3), by striking ''eligibility index'' and inserting ''expected family contribution'';

(2) ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.—Section 491 of the Act (20 U.S.C. 1098) is amended—

(A) in subparagraph (B) of subsection (a)(2), by striking ''needs analysis,'' and inserting ''student aid methodology'';

(B) in paragraph (2) of subsection (c), by striking ''needs analysis'' and inserting ''student aid methodology''; and

(C) in paragraph (1) of subsection (d), by striking ''needs analysis under sections 411A through 411E and'' and inserting ''student aid methodology established under''.

SEC. 455. AMOUNT OF NEED.

The text of section 471 of the Act (20 U.S.C. 1087kk) is amended to read as follows:

''Except as otherwise provided in subpart 1 or 3 of part A, the determination of need for financial assistance under this title for any student is equal to the cost of attendance of such student minus—

''(1) the expected family contribution of such student for the academic year for which the determination is made determined in accordance with this part;

''(2) except as otherwise provided in subpart 2 of part A, a student contribution equal to the greater of—

''(A) $900 for first-year dependent undergraduates or $1,100 for all other students, except that this subparagraph shall not apply to independent students with dependents other than a spouse; or

''(B) the student contribution determined in accordance with this part; and

''(3) the sum of all resources available to such student at the time of the award, including the amount of—

''(A) funds the student is entitled to receive from a Pell Grant, regardless of whether the student applies for such funds;

''(B) a waiver of tuition and fees;

''(C) a scholarship or grant, including a Supplemental Educational Opportunity Grant under subpart 2 of part A or an athletic scholarship;

''(D) fellowship or assistantship assistance;

''(E) insurance benefits available to such student for such student's education, including any social security education benefits not in-

cluded in computing expected family contribution;

"(F) except as otherwise provided in subpart 2 of part A, loans under part B;

"(G) long-term loans made by the institution (excluding loans made under part B); and

"(H) veterans' benefits, including benefits received under chapters 2, 106 and 107 of title 10, and chapters 30, 31, 32, 34, and 35 of title 38, United States Code.".

SEC. 456. COST OF ATTENDANCE.

Section 472 of the Act (20 U.S.C. 1087ll) is amended—

(1) in the matter preceding paragraph (1), by striking "except for subpart 1 of part A and"; and

(2) in paragraph (6), by striking "in an academic program which normally includes a formal program of study abroad" and inserting "in a program of study abroad approved for credit by the student's home institution".

SEC. 457. FAMILY CONTRIBUTION.

Section 473 of the Act (20 U.S.C. 1087nn) is amended by striking "subparts 1 and 3" and inserting "subpart 3".

SEC. 458. STUDENT AID METHODOLOGY; DATA ELEMENTS.

Section 474 of the Act (20 U.S.C. 1087nn) is amended to read as follows:

"SEC. 474. STUDENT AID METHODOLOGY; DATA ELEMENTS.

"(a) GENERAL RULE FOR DETERMINATION OF EXPECTED FAMILY CONTRIBUTION.—

"(1) IN GENERAL.—The expected family contribution—

"(A) for a dependent student shall be determined in accordance with section 475;

"(B) for an independent student with dependents other than a spouse shall be determined in accordance with section 476; and

"(C) for a single independent student or a married independent student without dependents (other than a spouse) shall be determined in accordance with section 477.

"(2) The following data elements are considered in determining the expected family contribution:

"(A) The effective income of—

"(i) the student and the student's spouse; and

"(ii) in the case of a dependent student, the student's parents.

"(B) The number of family members in the household.

"(C) The number of family members in the household who meet the requirements of section 484(a)(1).

"(D) The assets of—

"(i) the student and the student's spouse; and

"(ii) in the case of a dependent student, the student's parents.

"(E) The marital status of the student.

"(F) The additional expenses incurred—

"(i) in the case of a dependent student, when both parents of the student are employed or when the family is headed by a single parent who is employed; or

"(ii) in the case of an independent student, when both the student and the student's spouse are employed or when the employed student qualifies as a surviving spouse or as a head of household under section 2 of the Internal Revenue Code of 1986.

"(b) EXCLUSION OF FORCED SALE PROCEEDS.—In the computation of expected family contribution for expected any academic year, there shall be excluded from such contribution any proceeds of a sale of farm or business assets of such family if such sale results from a voluntary or involuntary foreclosure, forfeiture, or bankruptcy or an involuntary liquidation.".

SEC. 459. EXPECTED FAMILY CONTRIBUTION FOR DEPENDENT STUDENTS.

Section 475 of the Act (20 U.S.C. 1087oo) is amended to read as follows:

"SEC. 475. EXPECTED FAMILY CONTRIBUTION FOR DEPENDENT STUDENTS.

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each dependent student, the expected family contribution is equal to the sum of—

"(1) the contribution from parents' income and assets, determined in accordance with subsection (b);

"(2) the contribution from student's income, determined in accordance with subsection (h); and

"(3) the contribution from student's assets, determined in accordance with subsection (l).

"(b) CONTRIBUTION FROM PARENTS' INCOME AND ASSETS.—The parents' contribution from income and assets is equal to—

"(1) the sum of—

"(A) the standard contribution from parents' income, determined in accordance with subsection (c); and

"(B) the contribution from parents' assets, determined in accordance with subsection (g); divided by:

"(2) the number of family members who meet the requirements of section 484(a)(1) during the award period for which assistance under this title is requested.

"(c) STANDARD CONTRIBUTION FROM PARENTS' INCOME.—The standard contribution from parents' income is determined by—

"(1) calculating the sum of—

"(A) the effective family income determined in accordance with subsection (d); minus

"(B) the total offsets against income determined in accordance with subsection (e); and

"(2) assessing the result in accordance with subsection (f).

"(d) DETERMINATION OF EFFECTIVE FAMILY INCOME.—The effective family income is equal to the annual adjusted family income minus the sum of—

"(1) the amount of United States income tax paid or payable by the parents in the tax year preceding the award year; and

"(2) an allowance for State and other taxes, as determined by multiplying the parents' total income by a percentage determined according to the following table:

"Percentages for Computation of State and Other Tax Allowance

If parents' State or territory of residence is—	And parents' total income is—	
	less than $15,000 the percentage is	$15,000 or more the percentage is
Alaska, Puerto Rico, Wyoming.	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico.	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(e) TOTAL OFFSETS AGAINST INCOME.—Total offsets against income are determined by deducting—

"(1) a family size offset as determined by the following table:

"Family Size Offsets

Family Members:	Amount:
1	$6,400
2	$8,000
3	$9,800
4	$12,500
5	$14,900
6 or more	$16,600, plus $2,000 for each member over 6.

"(2) an employment expense offset determined in accordance with section 480(b)(3).

"(f) ASSESSMENT OF DISCRETIONARY INCOME.—

"(1) IN GENERAL.—(A) The discretionary income that is assessed under this subsection is equal to—

"(i) the effective family income (as determined under subsection (d)); minus

"(ii) the total offsets to such income (as determined under subsection (e)).

"(B) If the discretionary income described in subparagraph (A) is a negative amount, the contribution from the parents' income is zero.

"(2) STANDARD CONTRIBUTION.—If such discretionary income is a positive amount, the standard contribution from discretionary income is determined in accordance with the following chart:

"Discretionary income:	Expected contribution:
$0 to $5,000	11% of discretionary income.
$5,001 to $10,000	$550, plus 13% of amount over $5,000.
$10,001 to $15,000	$1,200, plus 18% of amount over $10,000.
$15,001 and above	$2,100, plus 25% of amount over $15,000.

"(g) CONTRIBUTION FROM PARENTS' ASSETS.—The standard contribution from parents' assets is determined in accordance with paragraphs (1) through (6) as follows:

"(1) PRINCIPAL PLACE OF RESIDENCE.—If the parental assets include a principal place of residence, deduct $30,000 from the net value of the principal place of residence, except that the net value of a principal place of residence shall be considered to be zero when the adjusted gross income of the parents is $50,000 or less. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(2) OTHER ASSETS.—If the parental assets include assets other than a principal place of residence and other than farm and business assets, deduct $25,000 from the net value of such other assets. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(3) FARM OR BUSINESS ASSETS.—If the parental assets include farm or business assets, or both, deduct $80,000 in the case of business assets or $100,000 in the case of farm assets from the net value of the farm or business assets, or both, except that the net value of farm assets shall be considered to be zero when the adjusted gross income of the parents is $50,000 or less. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(4) SPECIAL RULE.—If the sum of the farm and business deduction and the deductions in paragraphs (1) and (2) exceeds $100,000 in the case of business deductions or $130,000 in the case of farm deductions, the farm and business deductions shall be reduced by the amount that the sum exceeds $110,000 or $130,000, as the case may be.

"(5) EXPECTED CONTRIBUTION FROM PARENTAL ASSETS.—(A) The expected contribution from parental assets equals 5 percent of the total of the amounts obtained under paragraphs (1), (2), and (3).

"(B) If the calculation of effective family income required by subsection (d) produces a negative number, the expected contribution from parental assets, calculated under this paragraph, shall be reduced by the amount of that negative effective family income. If the subtraction required by the preceding sentence of this subparagraph produces a negative number, the amount determined under this subparagraph shall be zero.

"(6) SEPARATION OR DIVORCE.—(A) If the student's parents are separated or divorced and not remarried, only the assets of the parent whose income is included in computing annual adjusted family income shall be considered.

"(B) If that parent has remarried, or if the parent was a widow or widower who has remarried, and the parent's spouse's income also is included in computing effective family income, the assets of that parent's spouse shall also be included.

"(h) CONTRIBUTION FROM STUDENT'S INCOME.—The contribution from student's income is determined by—

"(1) calculating the sum of—

"(A) the student's effective income, as determined in accordance with subsection (i); minus

"(B) the total offsets against income, as determined in accordance with subsection (j); and

"(2) assessing the results in accordance with subsection (k).

"(i) DETERMINATION OF STUDENT'S EFFECTIVE INCOME.—The effective income of the student is equal to—

"(1) the sum of—

"(A) the adjusted gross income of the student as reported to the Internal Revenue Service for the year immediately preceding the award year, or income earned from work, but not reported on a Federal income tax return, minus any excludable income (as defined in section 480(b)(4)); and

"(B) the total annual amount of untaxed income and benefits received by the student in the year immediately preceding the award year; minus

"(2) the amount of United States income tax paid or payable by the student in the tax year preceding the award year.

"(j) TOTAL OFFSETS AGAINST STUDENT'S INCOME.—Total offsets against student's income are—

"(1) a dependent student offset of $3,500; and

"(2) if the parental discretionary income (as determined under subsection (f)) is a negative amount, the amount, if any, by which the result of the subtraction performed under subsection (g)(5) is less than zero.

"(k) ASSESSMENT OF STUDENT'S INCOME.—

"(1) NEGATIVE AMOUNT.—If the student's effective income (as determined under subsection (i)) minus the total offsets (as determined under subsection (j)) is a negative amount, the contribution from student income is zero.

"(2) POSITIVE AMOUNT.—If the student's effective income is a positive amount, the contribution from such student's income is equal to 75 percent of such student's effective income, except that for a first-year undergraduate student who was not enrolled at least half-time in the previous academic year, the effective income shall be equal to 50 percent of such student's effective income.

"(l) DETERMINATION OF CONTRIBUTION FROM STUDENT'S ASSETS.—The contribution from the student's assets is equal to 33 percent of such student's net assets.".

SEC. 460. EXPECTED FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.

Section 476 of the Act (20 U.S.C. 1087pp) is amended to read as follows:

"SEC. 476. EXPECTED FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For independent students with dependents other than a spouse, the expected family contribution is equal to—

"(1) the sum of—

"(A) the standard contribution from student's (and spouse's) income determined in accordance with subsection (b); plus

"(B) the contribution from student's (and spouse's) assets determined in accordance with subsection (f); divided by

"(2) the number of family members who meet the requirements of section 484(a)(1) during the award period for which assistance under this title is requested.

"(b) COMPUTING THE STANDARD CONTRIBUTION FROM STUDENT'S (AND SPOUSE'S) INCOME.—The standard contribution from the student's (and spouse's) income is determined by—

"(1) calculating the sum of—

"(A) the effective family income determined in accordance with subsection (c); minus

"(B) the total offsets against income as determined in accordance with subsection (d); and

"(2) assessing the results in accordance with subsection (e).

"(c) DETERMINATION OF EFFECTIVE FAMILY INCOME.—The effective family income is equal to the annual adjusted family income minus the sum of—

"(1) the amount of United States income tax paid or payable by the student (and spouse) in the tax year preceding the award year; and

"(2) an allowance for State and other taxes as determined by multiplying the student's (and spouse's) total income by a percentage determined according to the following table:

"Percentages for Computation of State and Other Tax Allowance

If student's State or territory of residence is—	And student's (and spouse's) total income is—	
	less than $15,000 the percentage is	$15,000 or more the percentage is
Alaska, Puerto Rico, Wyoming.	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
Florida, South Dakota, Tennessee, New Mexico.	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13

"(d) TOTAL OFFSETS AGAINST INCOME.—Total offsets against income are—

"(1) a family size offset equal to the amount specified in the following table:

"Family Size Offsets

Family Members:	**Amount:**
2	$8,000
3	$9,800
4	$12,500
5	$14,900
6 or more	$16,600, plus $2,000 for each member over 6.

"(2) in the case of a married independent student when both the student and spouse were employed in the year for which income is reported, or in the case of a student who qualifies as a head of household as defined in section 2 of the Internal Revenue Code of 1986, an employment expense offset determined in accordance with section 480(b)(3)).

"(e) ASSESSMENT OF DISCRETIONARY INCOME.—

"(1) IN GENERAL.—

"(A) The discretionary income that is assessed under this subsection is equal to—

"(i) the effective family income (as determined under subsection (c)); minus

"(ii) the total offsets to such income (as determined under subsection (d)).

"(B) If the discretionary income described in subparagraph (A) is a negative amount, the contribution from the student's (and spouse's) income is zero.

"(2) STANDARD CONTRIBUTION.—If such discretionary income is a positive amount, the standard contribution from discretionary income is determined in accordance with the following chart:

"Discretionary income:	**Expected contribution:**
$0 to $5,000	11% of discretionary income.
$5,001 to $10,000	$550, plus 13% of amount over $5,000.
$10,001 to $15,000	$1,200, plus 18% of amount over $10,000.
$15,001 and above	$2,100, plus 25% of amount over $15,000.

"(f) CONTRIBUTION FROM STUDENT'S (AND SPOUSE'S) ASSETS.—The standard contribution from student's (and spouse's) assets is determined in accordance with paragraphs (1) through (6) as follows:

"(1) PRINCIPAL PLACE OF RESIDENCE.—If the student's (and spouse's) assets include a principal place of residence, deduct $30,000 from the net value of the principal place of residence, except that the net value of a principal place of residence shall be considered to be zero when the adjusted gross income of the student (and spouse) is $50,000 or less. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(2) OTHER ASSETS.—If the student's (and spouse's) assets include assets other than a principal place of residence and other than farm and business assets, deduct $25,000 from the net value of those other assets. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(3) FARM OR BUSINESS ASSETS.—If the student's (and spouse's) assets include farm or business assets, or both, deduct $80,000 in the case of business assets or $100,000 in the case of farm assets from the net value of the farm or business assets, or both, except that the net value of farm assets shall be considered to be zero when the adjusted gross income of the student (and spouse) is $50,000 or less. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(4) SPECIAL RULE.—If the sum of the farm and business deduction and the deductions in paragraphs (1) and (2) exceeds $110,000 in the case of business deductions or $130,000 in the case of farm deductions, the farm and business *deduction shall be reduced by the amount that the sum exceeds $110,000, or $130,000, as the case may be.*

"(5) EXPECTED CONTRIBUTION FROM STUDENT'S ASSETS.—(A) The expected contribution from student's (and spouse's) assets equals 5 percent of the total of the amounts obtained under paragraphs (1), (2), and (3).

"(B) If the assessment of discretionary income under subsection (c) produces a negative number, the expected contribution from student's (and spouse's) assets, calculated under this paragraph, shall be reduced by the amount of that negative effective family income. If the subtraction required by the preceding sentence of this subparagraph produces a negative number, the amount determined under this subparagraph shall be zero.

"(6) SEPARATED OR DIVORCED.—If the married independent student with dependents is separated or divorced, only assets of the independent student shall be considered.".

SEC. 461. EXPECTED FAMILY CONTRIBUTION FOR SINGLE INDEPENDENT STUDENTS OR FOR MARRIED INDEPENDENT STUDENTS WITHOUT OTHER DEPENDENTS.

Section 477 of the Act (20 U.S.C. 1087qq) is amended to read as follows:

"SEC. 477. EXPECTED FAMILY CONTRIBUTION FOR SINGLE INDEPENDENT STUDENTS OR FOR MARRIED INDEPENDENT STUDENTS WITHOUT OTHER DEPENDENTS.

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For single independent students or married independent students without other dependents, the expected family contribution is equal to—

"(1) the sum of—

"(A) the standard contribution from student's (and spouse's) income determined in accordance with subsection (b); plus

"(B) the contribution from student's (and spouse's) assets determined in accordance with subsection (f); divided by

"(C) the number of family members who meet the requirements of section 484(a)(1) during the award period for which aid under this subpart is requested.

"(b) COMPUTING THE STANDARD CONTRIBUTION FROM STUDENT'S (AND SPOUSE'S) INCOME.—The standard contribution from the student's (and spouse's) income is determined by—

"(1) computing the sum of—

"(A) the effective family income in accordance with subsection (c); minus

"(B) the total offsets against income, as determined in accordance with subsection (d); and

"(2) assessing the results in accordance with subsection (e).

"(c) DETERMINATION OF EFFECTIVE FAMILY INCOME.—The effective family income is equal to the annual adjusted family income minus the sum of—

"(1) the amount of United States income tax paid or payable by the student (and spouse) in the tax year preceding the award year; and

"(2) an allowance for State and other taxes as determined by multiplying the student's (and spouse's) total income by a percentage determined according to the following table:

"Percentages for Computation of State and Other Tax Allowance

If student's State or territory of residence is—	*And student's (and spouse's) total income is—*	
	less than $15,000 the percentage is	*$15,000 or more the percentage is*
Alaska, Puerto Rico, Wyoming.	*3*	*2*
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	*4*	*3*
Florida, South Dakota, Tennessee, New Mexico.	*5*	*4*
North Dakota, Washington	*6*	*5*
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	*7*	*6*
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	*8*	*7*
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	*9*	*8*
Maine, New Jersey	*10*	*9*
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	*11*	*10*
Michigan, Minnesota	*12*	*11*
Wisconsin	*13*	*12*
New York	*14*	*13*

"(d) TOTAL OFFSETS AGAINST INCOME.—Total offsets against income are determined by deducting—

"(1) a family size offset as determined by the following table:

"Family Size Offsets

Family Members:	***Amount:***
1	*$6,400*
2	*$8,000*

"(2) in the case of a married independent student when both the student and spouse were employed in the year for which income is reported, or in the case of a student who qualifies as a head of household as defined in section 2 of the Internal Revenue Code of 1986, an employment expense offset determined in accordance with section 480(b)(3).

"(e) ASSESSMENT OF DISCRETIONARY INCOME.—

"(1) IN GENERAL.—(A) The discretionary income that is assessed under this subsection is equal to—

"(i) the effective family income (as determined under subsection (c)); minus

"(ii) the total offsets to such income (as determined under subsection (d)).

"(B) If the discretionary income described in subparagraph (A) is a negative amount, the contribution from the student's (and spouse's) income is zero.

"(2) STANDARD CONTRIBUTION.—If such discretionary income is a positive amount, the standard contribution from student's (and spouse's) income is equal to 75 percent of such discretionary income, except that for a first-year undergraduate student or a first-year graduate student, who was not enrolled at least half-time in the previous academic year and who was not in attendance at a secondary school, the standard contribution from a student's and spouse's income is equal to 50 percent of such student's discretionary income.

"(f) CONTRIBUTION FROM STUDENT'S (AND SPOUSE'S) ASSETS.—

"(1) INDEPENDENT STUDENT ASSET CONTRIBUTION.—The asset contribution amount of an independent student and the student's spouse is equal to 5 percent of the sum of the amounts computed under paragraphs (3) and (4), reduced by the amount, if any, by which effective family income as computed under subsection (c) is less than zero. If the result of such subtraction is a negative amount, the family asset contribution amount is zero.

"(2) FAMILY ASSET CONTRIBUTION.—The family asset contribution amount of a single independent student is equal to 33 percent of such student's net asset value, reduced by the amount, if any, by which effective family income as computed under subsection (c) is less than zero. If such value minus such amount is a negative amount, the family asset contribution amount is zero.

"(3) PRINCIPAL PLACE OF RESIDENCE.—If the asset of an independent student with a spouse include a principal place of residence, deduct $30,000 from the net value of the principal place of residence, except that the net value of a principal place of residence shall be considered to be zero when the adjusted gross income of the student (and spouse) is $50,000 or less. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(4) OTHER ASSETS.—(A) If the assets of an independent student with a spouse include assets other than a principal place of residence and other than a farm and business assets, deduct $25,000 from the net value of those other assets. If the subtraction required by the preceding sentence of this subparagraph produces a negative number, the amount determined under this subparagraph shall be zero.

"(B)(i) If the assets of an independent student with a spouse include a farm or business assets, or both, deduct $80,000 in the case of business assets or $100,000 in the case of farm assets from the net value of the farm or business assets, or both, except that the net value of farm assets shall be considered to be zero when the adjusted gross income of the student (and spouse) is $50,000 or less. If the subtraction required by the preceding sentence of this subparagraph produces a negative number, the amount determined under this subparagraph shall be zero.

"(ii) If the sum of the farm and business deduction and the deductions in paragraphs (3) and (4)(A) exceeds $110,000 in the case of business deductions or $130,000 in the case of farm deductions, the farm and business deduction shall be reduced by the amount that such sum exceeds $110,000, or $130,000, as the case may be.".

SEC. 462. REGULATIONS; UPDATED TABLES.

The text of section 478 of the Act (20 U.S.C. 1087rr) is amended to read as follows:

"(a) AUTHORITY TO PRESCRIBE REGULATIONS RESTRICTED.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall not have the authority to prescribe regulations to carry out this subpart except—

"(A) to prescribe updated tables under sections 475, 476 and 477; or

"(B) to propose modifications in the student aid methodology required by this subpart.

"(2) SPECIAL RULE.—Any regulation proposed by the Secretary that (A) updates tables in a manner that does not comply with subsection (b), or (B) proposes modifications under paragraph (1)(B) of this subsection, shall not be effective unless approved by joint resolution of the Congress by May 1 following the date such regulations are published in the Federal Register in accordance with section 482. If the Congress fails to approve such regulations by such May 1, the Secretary shall publish in the Federal Register in accordance with section 482 updated tables for the applicable award year that are prescribed in accordance with subsection (b) of this section.

"(b) PROVISION FOR GOVERNING UPDATED TABLES.—

"(1) ADJUSTMENTS.—(A) Each of the amounts allowed as an offset for family size for dependent and independent students shall, for each academic year after academic year 1991-1992, be adjusted by the Secretary by increasing (or decreasing) the comparable amount for the preceding academic year by a percentage equal to the percentage increase (or decrease) in the Consumer Price Index for Wage Earners and Clerical Workers published by the Department of Labor, and rounded to the nearest $100.

"(B) The Secretary shall publish in the Federal Register a revised table for an offset for family size in accordance with section 482.

"(2) REVISIONS.—(A) The Secretary shall, for each academic year after academic year 1991-1992, publish in the Federal Register such revisions in offsets against income, asset determination, and assessment rates as are necessary to reflect the most recent and relevant data.

"(B) The Secretary shall publish in the Federal Register the revised determinations required by subparagraph (A) in accordance with section 482.".

SEC. 463. SIMPLIFIED NEEDS TEST.

Section 479 of the Act (20 U.S.C. 1087ss) is amended—

(1) in subsection (a)—

(A) by striking "The Secretary" and inserting "Except as provided in subsection (c), the Secretary";

(B) by striking "$15,000" and inserting "$50,000 (excluding a dependent student's income)";

(C) by striking "who file" and inserting "who file or are eligible to file"; and

(D) by inserting: "or who file or are eligible to file an income tax return pursuant to the tax code of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or Palau, or who are not required to file pursuant to such tax code" after "1986".

(2) in subsection (b)—

(A) by striking "475(c)(2)" and inserting "475(d)(2)";

(B) by striking "477(b)(2)" and inserting "477(c)(2)"; and

(C) by striking "476(b)(2)" and inserting "476(c)(2)";

(3) by redesignating subsection (c) as subsection (d) and inserting a new subsection (c) to read as follows:

"(c) SPECIAL TREATMENT OF AFDC/ADC RECIPIENTS.—The expected family contribution shall be zero for the purpose of awarding assistance under part A (other than under subpart 3 of part A), and parts B, C and E for any applicant receiving aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act, or aid to dependent children."; and

(4) by amending subsection (d) (as redesignated in paragraph (3)) to read as follows:

"(d) SIMPLIFIED APPLICATION FORM.—

"(1) IN GENERAL.—The Secretary shall develop and use an easily identifiable simplified application form as part of the common financial reporting form prescribed in section 483(a) for families described in this section to qualify for the use of a simplified student aid methodology and zero family contribution.

"(2) REDUCED DATA REQUIREMENTS.—The simplified application form shall reflect the reduced data requirements described in subsections (b) and (c).".

SEC. 464. DISCRETION OF STUDENT FINANCIAL AID OFFICER.

Section 479A of the Act (20 U.S.C. 1087tt) is amended—

(1) in subsection (a)—

(A) by inserting after the second sentence thereof the following new sentence: "Furthermore, a financial aid administrator shall make necessary adjustments in accordance with subsection (c)."; and

(B) by adding at the end thereof the following new sentence: "No student or parent shall be charged a fee for collecting, processing, or delivering such supplementary information.";

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting the following new subsection (c) after subsection (b):

"(c) SPECIAL ADJUSTMENTS.—A student financial aid administrator shall make a necessary adjustment described in subsection (a) under the following circumstances:

"(1) In the case of dislocated workers, as defined in section 480(a)(5))—

"(A) the administrator shall use the income for the year in which the determination is made (the award year) rather than the income reported in the preceding tax year; and

"(B) the administrator shall exclude the net value of investments and real estate, including the primary residence, in the calculation of the expected family contribution.

"(2) In the case of a displaced homemaker, as defined in section 480(a)(6)), the administrator shall exclude the net value of investments and real estate, including the primary residence, from the calculation of the expected family contribution.

"(3) In the case of unreimbursed medical or dental expenses, the administrator shall reduce available income by the amount of unreimbursed medical expenses in excess of 5 percent of total income in calculating the expected family contribution.

"(4) In the case of elementary and secondary tuition and fees, the administrator shall reduce available income by the unreimbursed tuition and fees paid by the parents for dependents which shall not exceed for each dependent the national average per pupil instructional cost published by the Center for Educational Statistics using the most recent data available.".

SEC. 465. DEFINITIONS; GENERAL CALCULATION RULES.

Section 480 of the Act (20 U.S.C. 1087vv) is amended to read as follows:

"SEC. 480. DEFINITIONS; GENERAL CALCULATION RULES.

"(a) DEFINITIONS.—As used in this part (except subpart 3 of part A):

"(1) ASSETS.—The term 'assets' means cash on hand, including amounts in checking and savings accounts, time deposits, money market funds, trusts, stocks, bonds, other securities, mutual funds, tax shelters, and the net value of real estate, income producing property, and business and farm assets.

"(2) AWARD YEAR.—The term 'award year' is the period of time between July 1 of the first year and June 30 of the following year.

"(3) BUSINESS ASSETS.—The term 'business assets' means property that is used in the operation of a trade or business, including real estate, inventories, buildings, machinery, and other equipment, patents, franchise rights and copyrights.

"(4) DEPENDENT.—The term 'dependent'—

"(A) when used with respect to a student and except as otherwise provided, means the student's spouse, the student's dependent children, and other persons who live with and receive more than one-half of their support from the student and will continue to receive more than one-half of their support from the student during the award year; and

"(B) when used with respect to a parent, means the parents of the student, the student, any of the student's dependent children, dependent children of the student's parents (including those children who are deemed to be dependent students when applying for aid under this title) and other persons who live with and receive more than one-half of their support from the parents and will continue to receive more than one-half of their support from the parents during the award year.

"(5) DISLOCATED WORKER.—The term 'dislocated worker' means a worker identified pursuant to section 301(a) of the Job Training Partnership Act.

"(6) DISPLACED HOMEMAKER.—The term 'displaced homemaker' means an individual who—

"(A) has not worked in the labor force for a substantial number of years but has, and during those years, worked in the home providing unpaid services for family members;

"(B)(i) has been a dependent on public assistance or on the income of another family member but is no longer supported by that income, or

"(ii) is receiving public assistance on account of dependent children in the home; and

"(C) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

"(7) FARM ASSETS.—The term 'farm assets' means any property owned and used in the operation of a farm for profit, including real estate, livestock, livestock products, crops, farm machinery, and other equipment inventories. A farm is not considered to be operated for profit if crops or livestock are raised mainly for the use of the family, even if some income is derived from incidental sales.

"(8) INDEPENDENT.—The term 'independent', when used with respect to a student, means any individual who—

"(A) is 24 years of age or older by December 31 of the first calendar year of the award year;

"(B) is an orphan or ward of the court;

"(C) is a veteran of the Armed Forces of the United States;

"(D) is a graduate or professional student;

"(E) is married or has legal dependents; and

"(F) is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

"(9) NET ASSETS.—The term 'net assets' means the current market value at the time of application of assets (as defined in paragraph (1)) minus the outstanding liabilities (indebtedness) against such assets.

"(10) SPECIAL TAXES AND REFERENCES.—(A) The tax on income paid to the Governments of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or Palau under the laws applicable to those jurisdictions, or the comparable tax paid to the central government of a foreign country, shall be treated as United States income taxes.

"(B) References in this subpart to the Internal Revenue Code of 1986, Federal income tax forms, and the Internal Revenue Service shall, for purposes of the tax described in subparagraph (A), be treated as references to the corresponding laws, tax forms, and tax collection agencies of those jurisdictions, respectively, subject to such adjustments as the Secretary may provide by regulation.

"(11) UNTAXED INCOME AND BENEFITS.—The term 'untaxed income and benefits' means—

"(A) child support received;

"(B) welfare benefits, excluding aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act and aid to dependent children;

"(C) workman's compensation;

"(D) veterans' benefits such as death pension, dependency and indemnity compensation, but excluding veterans' education benefits;

"(E) interest on tax-free bonds;

"(F) housing, food, and other allowances (excluding rent subsidies for low-income housing)

for military, clergy, and others (including cash payments and cash value of benefits);

"(G) cash support or any money paid on the student's behalf;

"(H) the amount of earned income credit claimed for Federal income tax purposes;

"(I) untaxed portion of pensions;

"(J) credit for Federal tax on special fuels;

"(K) the amount of foreign income excluded for purposes of Federal income taxes;

"(L) untaxed social security benefits;

"(M) payments to individual retirement accounts and Keogh accounts excluded from income for Federal income tax purposes; and

"(N) any other untaxed income and benefits, such as Black Lung Benefits, Refugee Assistance, railroad retirement benefits, or Job Training Partnership Act noneducational benefits.

"(b) GENERAL CALCULATION RULES.—

"(1) ANNUAL ADJUSTED FAMILY INCOME.—The term 'annual adjusted family income' means the sum received in the year immediately preceding the award year, by the student's parents (in the case of a dependent student), or by the student and, if applicable, the student's spouse (in the case of an independent student), except excludable income under paragraph (4) of this subsection, from the following sources and calculated as follows:

"(A) Adjusted gross income, as defined in section 62 of the Internal Revenue Code of 1986.

"(B) Untaxed income and benefits, as defined in paragraph (a)(11).

"(C) Income for a student whose parents are divorced or separated determined as follows:

"(i) Include only the income of the parent with whom the student resided for the greater portion of the 12-month period preceding the date of the application.

"(ii) If the criterion described in clause (i) does not apply, include only the income of the parent who provided the greater portion of the student's support for the 12-month period preceding the date of application.

"(iii) If neither of the criteria described in clauses (i) or (ii) apply, include only the income of the parent who provided the greater support during the most recent calendar year for which parental support was provided.

"(D) Income in the case of the death of any parent is determined as follows:

"(i) If either of the parents have died, the student shall include only the income of the surviving parent.

"(ii) If both parents have died, the student shall not report any parental income.

"(E) If income in the case of a parent whose income is taken into account under subparagraph (C) of this paragraph, or a parent who is a widow or widower and whose income is taken into account under clause (i) of this subparagraph, has remarried, then the income of that parent's spouse shall be included in determining the student's annual adjusted family income only if—

"(i) the student's parent and the stepparent are married as of the date of application for the award year concerned; and

"(ii) the student is not an independent student.

"(2) EFFECTIVE FAMILY INCOME.—The effective family income shall be determined on the basis of the annual adjusted family income minus the Federal taxes and imputed State and other taxes paid or payable for the year that adjusted gross income is used in the calculation of the student's expected family contribution.

"(3) EMPLOYMENT EXPENSE OFFSET.—(A) The employment expense offset is determined as follows:

"(i) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such offset is equal to the lesser of $2,100 or 35 percent of the earned income (income earned by work) of the parent with the lesser earned income.

"(ii) If a parent qualifies as a head of household as defined in section 2 of the Internal Revenue Code of 1986, such offset is equal to the lesser of $2,100 or 35 percent of the parent's earned income.

"(B) The employment expense offset in the case of an independent student with dependents or married independent student is determined as follows:

"(i) If both the student and the student's spouse were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such offset is equal to the lesser of $2,100 or 35 percent of the earned income (income earned by work) of the spouse with the lesser earned income.

"(ii) If a student qualifies as a head of household as defined in section 2 of the Internal Revenue Code of 1986, such offset is equal to the lesser of $2,100 or 35 percent of the student's earned income.

"(C) For any award year after award year 1987–1988, this paragraph shall be applied by increasing the dollar amount specified in subparagraphs (A) and (B) to reflect increases in the amount and percent of the Bureau of Labor Standards Budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-person worker versus a one-worker family.

"(4) EXCLUDABLE INCOME.—(A) The term 'excludable income' means the income described in subparagraph (B) which shall be excluded for the purpose of determining 'annual adjusted family income' under paragraph (1).

"(B) For the purpose of determining adjusted family income exclude the following:

"(i) For a Native American student, the annual adjusted family income does not include any income and assets of $2,000 or less per individual payment received by the student (and spouse) and student's parents under the Act commonly referred to as the Per Capita Act (25 U.S.C. 117b) or the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1401 et seq.) or any income received by the student (and spouse) and student's parents under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) or the Maine Indians Claims Settlement Act (25 U.S.C. 1721 et seq.).

"(ii) In the case of a student who is divorced or separated, or whose spouse has died, the spouse's income shall not be considered in determining the effective family income.

"(iii) The annual adjusted family income does not include any student financial assistance (including any income earned from work under part C of this title) except veterans' or social security benefits set forth in paragraph (6) of this subsection.

"(5) FAMILY SIZE DETERMINATION.—(A) In determining family size in the case of a dependent student—

"(i) if the parents are not divorced or separated, family members include the student's parents, and the dependents of the student's parents including the student;

"(ii) if the parents are divorced or separated, family members include the parent whose income is included in computing the effective family income and that parent's dependents, including the student; and

"(iii) if the parents are divorced and the parent whose income is so included is remarried, or if the parent was a widow or widower who has remarried, family members also include, in addition to those individuals referred to in subparagraph (B), the new spouse and any dependents of the new spouse if that spouse's income is included in determining effective family income.

"(B) In determining family size in the case of an independent student with dependents—

"(i) family members include the student, the student's spouse, and the student's dependents; and

"(ii) if the student is divorced or separated, family members do not include the spouse (or ex-spouse), but do include the student and the student's dependents.".

SEC. 466. DEFINITIONS.

Section 481 of the Act (20 U.S.C. 1088) is amended—

(1) in subsection (a)—

(A) by redesignating subparagraphs (A) through (D) as clauses (i) through (iv), respectively;

(B) by inserting "(A)" after "(1)";

(C) in the matter preceding clause (i) of paragraph (1)(A) (as redesignated in subparagraphs (A) and (B)), by inserting "and subparagraph (B)" after "subsection (e)"; and

(D) by inserting at the end thereof the following new subparagraph:

"(B) Any entity shall not be considered to be an institution of higher education pursuant to subparagraph (A), if such entity—

"(i) offers more than 50 percent of such entity's courses by correspondence;

"(ii) has a student enrollment in which more than 25 percent of the students are incarcerated;

"(iii) employs or uses commissioned salesmen in any phase of its operation; or

"(iv) has a student enrollment in which more than 50 percent of the students are admitted pursuant to section 484(d).";

(2) in paragraph (1) of subsection (b), by striking "not less than a 6-month program" and inserting "an eligible program";

(3) in paragraph (1) of subsection (c), by striking "not less than a 6-month program" and inserting "an eligible program"; and

(4) by amending subsection (d) to read as follows:

"(d) ACADEMIC YEAR.—For the purpose of this title, the term 'academic year' shall mean—

"(1) 900 clock hours;

"(2) 36 quarter credit hours; or

"(3) 24 semester credit hours."; and

(5) by adding at the end thereof the following new subsections:

"(f) ELIGIBLE PROGRAM.—For the purpose of this title the term 'eligible program' means a program of—

"(1) 600 clock hours of instruction, 16 semester hours, or 24 quarter hours, offered during a minimum of 20 weeks, in the case of a program that—

"(A) provides educational training; and

"(B) admits students who have not completed the equivalent of an associate's degree; or

"(2) 300 clock hours of instruction, 8 semester hours, or 12 quarter hours, offered during a minimum of 10 weeks, in the case of—

"(A) undergraduate programs that require the equivalent of an associate degree for admissions; and

"(B) all graduate and professional programs.

"(g) ORIGINATION RELATIONSHIP.—For purposes of this title, the term 'origination relationship' means a special relationship—

"(1) under which the lender delegates to the school substantial loan-making functions normally performed by lenders in making loans under this title; and

"(2) which is evidenced by—

"(A) a written agreement between the school and the lender providing for such delegation; or

"(B) the school, with the consent of the lender, completing the lender's section of the loan application on behalf of the lender and signing such application as agent for the lender.".

SEC. 467. MASTER CALENDAR.

Subsection (c) of section 482 of the Act (20 U.S.C. 489(c)) is amended by striking "the general administration of".

SEC. 468. FORMS AND REGULATIONS.

Section 483 of the Act (20 U.S.C. 1090) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting ", publish and distribute free of charge" after "shall prescribe";

(ii) by inserting ", to identify students for mandatory adjustments under section 479A(c)" before "and to determine the need";

(iii) by inserting after the first sentence thereof the following: "The Secretary shall print, distribute and process one such reporting form. The Secretary shall prescribe a common reapplication form and process for students who have completed the common financial reporting form in a prior year.";

(iv) by inserting "on at least a half-time basis" after "are enrolled or accepted for enrollment"; and

(v) by striking the period at the end of the paragraph and inserting a comma and the following: "except that such State data may not be combined with the required Federal data on the common form."; and

(B) in paragraph (2), by inserting after the first sentence thereof "The Secretary is authorized to use such contracts to assist States with collection of data required to award State grants.";

(C) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(D) by inserting the following new paragraph after paragraph (2):

"(3) As part of the procurement process for the 1993–1994 award year, and for all procurements thereafter pertaining to the contracts identified in paragraph (2) of this subsection, the Secretary shall require all entities competing for such contracts to—

"(A) use a common financial reporting form as prescribed in paragraph (1), which shall be clearly identified as the "Free Application for Federal Student Aid" and shall be clearly distinguished from the non-Federal portion of the form by means of a bold line, bold print, clear instructions, or other appropriate means;

"(B) use a common, simplified reapplication form as the Secretary shall prescribe in each award year; and

"(C) provide the estimated marginal cost of collecting and processing additional non-Federal data elements that may be used by States for the purpose of awarding State assistance.".

(2) in subsection (d)—

(A) in the matter preceding paragraph (1), by striking "the Secretary is authorized to enter into contracts with States, institutions of higher education and private organizations for the purpose of—" and inserting "the Secretary, as part of the contracts described in subsection (a)(2), shall—";

(B) in paragraph (1) by striking "developing" and inserting "develop and process";

(C) in paragraph (2)—

(i) by striking "distributing and processing" and inserting "distribute and process"; and

(ii) by inserting "and parents" after "students"; and

(D) in paragraph (3)—

(i) by striking "issuing" and inserting "issue"; and

(ii) by striking "index designed to estimate" and inserting "expected family contribution figure and an estimate of";

(3) by amending subsection (f) to read as follows:

"(f) Notice of Student Aid Receipt.—

"(1) Notice.—Each student receiving assistance under this title shall receive notice of receipt of such assistance.

"(2) Distribution.—The notice described in paragraph (1) shall be distributed by participating institutions without limit to format, except that the program name, including the 'Federal' designation, shall be specified on such notice.";

(4) by redesignating subsections (b), (c), (d), (e) and (f) (as amended in paragraphs (1), (2) and (3)) as subsections (c), (d), (e), (f) and (g), respectively;

(5) by inserting after subsection (a) the following new subsection:

"(b) Common Guaranteed Student Loan Application Form and Promissory Note.—

"(1) In general.—The Secretary, in cooperation with representatives of guaranty agencies, eligible lenders, and organizations involved in student financial assistance, shall prescribe a common application form and promissory note to be used for applying for loans under part B of this title.

"(2) Requirements.—The form prescribed by the Secretary shall, to the maximum extent practicable—

"(A) use plain English to facilitate understanding of loan terms and conditions by applicants;

"(B) be formatted to require the submission of the form directly by the applicant or the eligible institution in which the student is enrolled or has been accepted for enrollment and on which the applicant shall clearly indicate a choice of guarantor and lender; and

"(C) permit application for any loan under part B other than loans under section 428C.

"(3) Draft form.—The Secretary shall circulate a draft of the form developed pursuant to this subsection not later than 180 days after the date of enactment of the Higher Education Amendments of 1991 and shall approve a form for use not later than 360 days after the date of such Act."; and

(6) by adding at the end the following new subsections:

"(h) Common Deferment Form.—The Secretary, in cooperation with representatives of guaranty agencies, institutions of higher education, and lenders involved in loans made under part B of this title, shall prescribe a common deferment reporting form to be used for the processing of deferments of loans made under this title.

"(i) Special Rule.—Any financial aid application required to be made under subpart 1 of part A or part B of this title shall include the name, signature, address, social security number, and organizational affiliation of the preparer of such financial aid application.".

SEC. 469. STUDENT ELIGIBILITY.

Section 484 of the Act (20 U.S.C. 1091) is amended—

(1) in paragraph (1) of subsection (a), by inserting "(including a program of study abroad approved for credit by the eligible institution)" after "or other program";

(2) in subsection (b), by adding at the end the following new paragraph:

"(5) In order to be eligible to receive a loan made, insured or guaranteed under this title, a student may not be incarcerated.";

(3) in subsection (d), by striking "approved by the Secretary" and inserting "that meets such standards for development, administration, and scoring as the Secretary may prescribe in regulations";

(4) in subsection (g)—

(A) by inserting "fraudulently" before "borrowed" each place such term appears; and

(B) by adding at the end thereof the following: "If the institution determines that the student inadvertently borrowed amounts in excess of such annual or aggregate maximum loan limits, such institution shall allow the student to repay any amount borrowed in excess of such limits prior to certifying the student's eligibility for further assistance under this title.";

(5) by amending subsection (h) to read as follows:

"(h) Verification of Immigration Status.—

"(1) In general.—The Secretary shall implement a system under which the statements and supporting documentation, if required, of an individual declaring that such individual is in compliance with the requirements of subsection (a)(5) shall be verified prior to the individual's receipt of a grant, loan, or work assistance under this title.

"(2) Special rule.—The documents collected and maintained by an eligible institution in the admission of a student to the institution may be used by the student in lieu of the documents used to establish both employment authorization and identity under section 274A(b)(1)(B) of the Immigration and Nationality Act (8 U.S.C. 1324a) to verify eligibility to participate in work-study programs under part C of this title.

"(3) Verification mechanisms.—The Secretary is authorized to verify such statements and supporting documentation through a data match, using an automated or other system, with other Federal agencies that may be in possession of information relevant to such statements and supporting documentation.";

(6) by redesignating subsection (k) as subsection (l); and

(7) by inserting after subsection (j) the following new subsection (k):

"(k) Special Rule for Correspondence Courses.—A student shall not be eligible to receive a grant, loan or work assistance under this title for a correspondence course unless such course is part of a program leading to an associate's or bachelor's degree.".

SEC. 470. STATUTE OF LIMITATIONS.

Section 484A of the Act (20 U.S.C. 1091(a)) is amended by adding at the end the following new subsection:

"(c) Other Claims and Defenses.—With respect to any loan made under part B of this title, except such loans where the lender is an eligible institution or has an origination relationship with such institution, a lender, holder, guaranty agency, or the Secretary shall not be subject to any claim or defense asserted by a borrower which is attributable to an act or failure to act by an educational institution attended by the borrower.".

SEC. 471. INFORMATION DISSEMINATION ACTIVITIES.

Section 485 of the Act (20 U.S.C. 1092) is amended—

(1) in paragraph (1) of subsection (a)—

(A) by striking "and" at the end of subparagraph (K);

(B) by striking the period at the end of subparagraph (L) (as added by section 1 of Public Law 101–542) and inserting a semicolon;

(C) by redesignating subparagraph (L) (as added by section 201 of Public Law 101–610) as subparagraph (M);

(D) by striking the period at the end of subparagraph (M) (as redesignated in paragraph (3)) and inserting a semicolon and "and"; and

(E) by adding at the end thereof the following new subparagraph:

"(N) that enrollment in a program of study abroad approved for credit by the home institution may be considered enrollment in the home institution for purposes of applying for Federal student financial assistance."; and

(2) in subsection (b)—

(A) by amending the subsection heading for subsection (b) to read as follows: "Exit Counseling for Borrowers; Borrower Information.—";

(B) by striking "Each" and insert "(1) Each";

(C) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(D) by inserting at the end thereof the following new paragraph:

"(2) Student information.—(A) Each eligible institution shall require that the borrower of a

loan made under part B or E submit to the institution, during the exit interview required by this subsection—

"(i) the borrower's expected permanent address after leaving the institution (regardless of the reason for leaving);

"(ii) the name and address of the borrower's expected employer after leaving the institution;

"(iii) the address of the borrower's next of kin; and

"(iv) any corrections in the institution's records relating the borrower's name, address, social security number, references, and driver's license number.

"(B) The institution shall, within 60 days after the interview, forward any corrected or completed information received from the borrower to the lender and the guaranty agency indicated on the borrower's student aid records.".

SEC. 472. NATIONAL STUDENT LOAN DATA SYSTEM.

Section 485B of the Act (20 U.S.C. 1093) is amended—

(1) in subsection (a)—

(A) by striking "and loans made under part E" and inserting "and E and for allowing electronic exchange of data between program participants and the system"; and

(B) by inserting after the first sentence thereof the following new sentence: "Such data system shall provide for monitoring enrollment, student status, and internship and residency information."; and

(2) by adding at the end the following new subsection:

"(e) STANDARDIZATION OF DATA REPORTING.—

"(1) IN GENERAL.—The Secretary shall promulgate standard regulations and procedures (including necessary rules and relevant definitions) that require all lenders and guaranty agencies to report information on all aspects of loans made under this part in uniform formats in order to permit the direct comparison of data submitted by individual lenders, servicers or guaranty agencies.

"(2) ACTIVITIES.—For the purpose of establishing standards under this section, the Secretary shall—

"(A) consult with guaranty agencies, lenders, institutions of higher education, and organizations representing the groups described in paragraph (1);

"(B) develop standards designed to be implemented by all guaranty agencies and lenders with minimum modifications to existing data processing hardware and software; and

"(C) publish the specifications selected to be used to encourage the automation of exchanges of information between all parties involved in loans under this part.

"(3) MODERN DATA PROCESSING.—The Secretary is authorized to use modern data processing to reduce the administrative expenses of operating the data system assisted under this section.".

SEC. 473. SIMPLIFICATION OF THE LENDING PROCESS FOR BORROWERS.

Part G of title IV of the Act (20 U.S.C. 1088 et seq.) is amended by inserting after section 485B the following new section:

"SEC. 485C. SIMPLIFICATION OF THE LENDING PROCESS FOR BORROWERS.

"(a) ALL LIKE LOANS TREATED AS ONE.—To the extent practicable, and with the cooperation of the borrower, eligible lenders shall treat all loans made to a borrower under the same section of part B as one loan and shall submit one bill to the borrower for the repayment of all such loans for the monthly or other similar period of repayment. Any deferments on one such loan will be considered a deferment on the total amount of all such loans. In the case of a default, the entire amount of all such loans shall be considered to be in default.

"(b) ONE LENDER, ONE GUARANTY AGENCY.—To the extent practicable, and with the cooperation of the borrower, the guaranty agency shall ensure that a borrower only have one lender, one holder, one guaranty agency, and one servicer with which to maintain contact.".

SEC. 474. INSTITUTIONAL REFUNDS.

Section 486 of the Act (20 U.S.C. 1093) is repealed.

SEC. 475. EARLY AWARENESS INFORMATION PROGRAM.

Part G of title IV of the Act is further amended by inserting after section 486 the following new section:

"SEC. 486A. EARLY AWARENESS INFORMATION PROGRAM.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to enter into contracts with appropriate public agencies, nonprofit private organizations, and institutions of higher education to conduct an information program designed to broaden the early awareness of postsecondary educational opportunities by secondary school students and their parents, including publicizing—

"(1) the availability of Federal student assistance under this Act;

"(2) the importance of postsecondary education in long-term career planning; and

"(3) the need and necessity to complete a secondary education program successfully in order to meet the requirements for college.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $15,000,000 for fiscal year 1993, and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this section.".

SEC. 476. PROGRAM PARTICIPATION AGREEMENTS.

Subsection (a) of section 487 of the Act (20 U.S.C. 1094(a)) is amended—

(1) in subsection (a)—

(A) in paragraph (3), by inserting before the period a comma and the following: "together with assurances that the institution will provide upon request and in a timely fashion, information relating to the administrative capability and financial responsibility of the institution to—

"(A) the Secretary;

"(B) the appropriate State agency designated under section 495(c); and

"(C) the appropriate accrediting agency or association"; and

(B) by adding at the end the following new paragraphs:

"(13) The institution will not deny any form of Federal financial aid to any student who meets the eligibility requirements of this Act on the grounds that the student is participating in a program of study abroad approved for credit by the institution.

"(14) In the case of any institution (other than a public nonprofit institution) participating in loan programs under this title for the first time or with a guaranty agency for such first time, such institution shall be allowed a total loan volume of no more than—

"(A) $1,000,000 for such institution's first year of participation; and

"(B) 150 percent of the previous year's total loan volume for such institution's second, third, and fourth years of participation,

if such institution's performance complies with the minimum standards of the Secretary or the guaranty agency.

"(15) The institution shall use the same definition of 'academic year' for all purposes authorized by this title.

"(16) The institution shall develop a default management plan for approval by the Secretary as part of such institution's initial application for certification as an eligible institution and shall implement such plan for 2 years thereafter.

"(17) Any institution which changes ownership and any institution which changes its status as a parent or subordinate institution shall develop a default management plan for approval by the Secretary and implement such plan for 2 years after such institution's change of ownership or status.

"(18) The institution will provide assurances that the institution will cooperate whenever the Secretary, a guaranty agency, an accrediting agency or association and a State agency designated under section 495(c) need to share information relating to the eligibility of the institution to participate in the programs authorized by this title.

"(19) The institution will comply with such other provisions as the Secretary deems necessary to the sound administration of financial aid programs.";

(2) in paragraph (2) of subsection (b), by striking "on the record"; and

(3) in subsection (c)—

(A) in paragraph (1)—

(i) in clause (i) of subparagraph (A), by striking "2 years" and inserting "year";

(ii) in subparagraph (B), by inserting ", including any matter the Secretary deems necessary to the sound administration of the financial aid programs, such as the pertinent actions of any owner, shareholder, or person exercising control over an eligible institution" before the semicolon at the end thereof;

(iii) in subparagraph (D), by striking "on the record";

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "on the record"; and

(ii) in the matter preceding subclause (I) of subparagraph (B)(i), by striking "on the record";

(C) in paragraph (3) by inserting ", after consultation with each State agency designated under section 495(c)," after "shall publish"; and

(D) by adding at the end the following new paragraph:

"(4) The Secretary shall make readily available to appropriate guaranty agencies, eligible lenders, State agencies designated under section 495(c), and accrediting agencies or associations the results of the audits of eligible institutions conducted pursuant to paragraph (1)(A).".

SEC. 477. ASSIGNMENT OF IDENTIFICATION NUMBERS.

Part G of title IV of the Act is further amended by inserting after section 487 the following new section:

"SEC. 487A. ASSIGNMENT OF IDENTIFICATION NUMBERS.

"The Secretary shall assign to each institution of higher education, lender and guaranty agency participating in a program assisted under this title an identification number to be used to identify each such entity's participation in any such program.".

SEC. 478. TRANSFER OF ALLOTMENTS.

Section 488 of the Act (20 U.S.C. 1095) is amended by striking "10 percent" and inserting "25 percent".

SEC. 479. CRIMINAL PENALTIES.

Section 490 of the Act (20 U.S.C. 1097) is amended to read as follows:

"(a) IN GENERAL.—Any person who knowingly and willfully embezzles, misapplies, steals, obtains by fraud, false statement, or forgery, or fails to refund any funds, assets, or property provided or insured under this title or attempts to so embezzle, misapply, steal, obtain by fraud, false statement or forgery, or fail to refund any funds, assets, or property, shall be fined not more than $20,000 or imprisoned for not more than 5 years, or both, except if the amount so embezzled, misapplied, stolen, obtained by fraud, false statement, or forgery, or failed to be refunded does not exceed $200, then the fine

shall not be more than $5,000 and imprisonment shall not exceed one year, or both.

"(b) ASSIGNMENT OF LOANS.—Any person who knowingly and willfully makes any false statement, furnishes any false information, or conceals any material information in connection with the assignment of a loan which is made or insured under this title or attempts to so make any false statement, furnish any false information, or conceal any material information in connection with such assignment shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than one year, or both.

"(c) INDUCEMENTS TO LEND OR ASSIGN.—

"(1) IN GENERAL.—Any person who knowingly and willfully makes an unlawful payment to an eligible lender under part B or attempts to make such unlawful payment as an inducement to make, or to acquire by assignment, a loan insured under such part shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than one year, or both.

"(2) SPECIAL RULE.—Nothing in this section shall prohibit an institution of higher education or other party from participating in programs authorized under section 492 of this Act.

"(d) OBSTRUCTION OF JUSTICE.—Any person who knowingly and willfully destroys or conceals any record relating to the provision of assistance under this title or attempts to so destroy or conceal with intent to defraud the United States or to prevent the United States from enforcing any right obtained by subrogation under this part, shall upon conviction thereof, be fined not more than $20,000 or imprisoned not more than 5 years, or both.

"(e) USE OF FUNDS RECEIVED.—All funds received by the Department as a result of penalties assessed by this section shall be deposited into the account for subpart 1 of part A of title IV, and allocated to students through the Pell Grant Program.".

SEC. 480. ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.

Section 491 of the Act (20 U.S.C. 1098) is amended—

(1) in subsection (d)—

(A) by striking "and" at the end of paragraph (6);

(B) by striking the period at the end of paragraph (7) and inserting a semicolon and "and"; and

(C) by adding at the end the following new paragraph—

"(8) make special efforts to advise Members of Congress and such Members' staff of the findings and recommendations made pursuant to this paragraph.";

(2) in paragraph (4) of subsection (h)—

(A) by striking "in accordance with" and inserting "without regard to"; and

(B) by inserting "and to set pay in accordance with such section" before the period at the end;

(3) in subsection (i), by striking "$500,000" and inserting "$750,000"; and

(4) by amending subsection (j) to read as follows:

"(j) SPECIAL ANALYSES AND ACTIVITIES.—The committee shall—

"(1) monitor and evaluate the program modifications resulting from the enactment of the Higher Education Amendments of 1991, especially as such amendments relate to the student aid methodology;

"(2) monitor and evaluate the implementation of a free common form and process for determining eligibility and awards for programs under this title as well as a simplified reapplication process;

"(3) assess the adequacy of current methods for disseminating information about programs under this title and recommend improvements, as appropriate, regarding early needs assessment and information for first-year high school students; and

"(4) assess the adequacy of methods of monitoring student debt burden.".

SEC. 481. GENERAL PROVISIONS.

(a) IN GENERAL.—Part G of title IV of the Act is further amended by adding at the end the following new sections:

"SEC. 492. INSTITUTIONAL AND LENDER SUPPORT FOR DEFAULT REDUCTION.

"(a) IN GENERAL.—Notwithstanding any other provision of this Act, institutions of higher education, lenders (including secondary markets), and loan servicers are authorized to enter into contracts and make payments to any party to provide for—

"(1) collection on loans made under this title supplementing the collection efforts required under applicable program regulations;

"(2) additional borrower counseling;

"(3) support for programs authorized under section 432(k) regarding incentives for employer repayment of such loans; and

"(4) any other activity the Secretary determines to be in furtherance of the goal of reducing defaults on loans made, insured, or guaranteed under this title.

"(b) SPECIAL RULE.—Contracts and payments made under this part shall reflect the actual cost of services provided or received, as documented according to rules issued by the Secretary.

"SEC. 493. STUDY ABROAD.

"Nothing in this Act shall be construed to limit or otherwise prohibit access to approved study abroad programs. Students who are otherwise eligible who are engaged in a program of study abroad approved for academic credit by the student's home institution are eligible for assistance under this title. It is not necessary for such a study abroad program to be required as part of the student's degree program to qualify for such assistance.

"SEC. 494. ASSISTANCE FROM THE COMMISSIONER OF SOCIAL SECURITY ADMINISTRATION.

"The Commissioner of the Social Security Administration, or the Commissioner's designee, is authorized to assist the Secretary in determining if borrowers of loans under the Robert T. Stafford Student Loan Program are using true and correct social security numbers when applying for such loans.

"SEC. 494A. REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

"(a) MEETINGS.—

"(1) IN GENERAL.—The Secretary shall convene regional meetings to obtain public involvement in the development of proposed regulations implementing the amendments made to this title by the Higher Education Amendments of 1991. Such meetings shall include individuals and representatives of the groups involved in student loan programs, such as students, institutions of higher education, guaranty agencies, lenders, secondary markets, loan servicers, guaranty agency servicers, and collection agencies.

"(2) ISSUES.—During such meetings, the Secretary shall provide for a comprehensive discussion and exchange of information concerning the implementation of the amendments made to this title by the Higher Education Amendments of 1991. The Secretary shall take into account the information received at such meetings in the development of proposed regulations and shall publish a summary of such information in the Federal Register together with such proposed regulations.

"(b) DRAFT REGULATIONS.—After holding regional meetings and before publishing proposed regulations in the Federal Register, the Secretary shall prepare draft regulations implementing the amendments made to this title by the Higher Education Amendments of 1991 and shall submit such regulations to a negotiated rulemaking process. The Secretary shall follow the guidance provided in sections 305.82-4 and 305.82-5 of chapter 1, Code of Federal Regulations, and any successor recommendation, regulation, or law. Participants in the negotiations process shall be chosen by the Secretary from individuals nominated by groups participating in the regional meetings described in subsection (a)(1), and shall include both representatives of such groups from Washington, D.C., and industry participants. To the extent possible, the Secretary shall select individuals reflecting the diversity in the industry, representing both large and small participants, as well as individuals serving local areas and national markets. The negotiation process shall be conducted in a timely manner in order that the final regulations may be issued by the Secretary within the 240-day period described in section 431(g) of the General Education Provisions Act.

"(c) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Act shall not apply to activities carried out under this section.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated in any fiscal year or made available from funds appropriated to carry out this part in any fiscal year such sums as may be necessary to carry out the provisions of this section.".

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 432(a) of the Act (20 U.S.C. 1082(a)) is amended by inserting "pursuant to section 494A" after "regulations".

SEC. 482. INSTITUTIONAL INTEGRITY PROGRAM REQUIRED.

(a) GENERAL RULE.—Part G of title IV of the Act (as amended in section 483) is further amended—

(1) by inserting after the heading for part G the following:

"Subpart 1—Miscellaneous General Provisions"; and

(2) by adding after section 494 (as added by section 483) the following new subpart:

"Subpart 2—Institutional Integrity

"SEC. 495. STATE INSTITUTIONAL INTEGRITY STANDARDS.

"(a) STANDARDS REQUIRED.—

"(1) IN GENERAL.—Each State, through the State agency designated under subsection (c), shall establish and carry out standards for the authorization of institutions of higher education within the State to provide education and training beyond secondary education designed to assure the integrity and accountability of such institutions within the State, and to assure compliance with the provisions of this title. The standards required by this section shall be developed after consultation with the State agency for higher education, institutions of higher education within the State, and other appropriate public agencies and private organizations within the State.

"(2) APPROVAL.—The standards described in paragraph (1) must be approved by the Secretary with such approval including the Secretary's determination that the standards will contribute to assuring compliance with the provisions of this title.

"(b) CONTENT OF STANDARDS.—The standards required by this section shall be designed to address the issues of consumer protection, consumer information, fiscal and administrative capacities, compliance with applicable Federal and State laws, due process and review procedures, performance standards, and information sharing. Such standards shall include—

"(1) procedures and requirements which will protect students enrolled at institutions of higher education within the State in the case of the closure of any such institution of higher education, which may include—

"(A) the provision of instruction for students in the event of school closure;

"(B) the retention of the records of students in the event of such closure;

"(C) the provision of a performance bond; and

"(D) a State tuition refund program, including procedures for establishing liability for refund payments;

"(2) a fair and equitable student refund policy for institutions of higher education within the State which meets the requirements described in subsection (e), including procedures to assure the timely payment of refunds;

"(3) procedures and requirements for the maintenance of student records;

"(4) a consumer protection policy for students enrolled in institutions of higher education in the State;

"(5) a process for the investigation and resolution of complaints by students enrolled in the institutions of higher education within the State;

"(6) requirements and procedures for assuring the accuracy and integrity of advertising and promotion and student recruitment by institutions of higher education within the State;

"(7) review of the adequacy of facilities at institutions of higher education within the State, and compliance with relevant safety and health standards, such as fire, building and sanitation codes;

"(8) an adequate student disclosure policy, including—

"(A) disclosure of current information regarding the institution's performance standards described in section 499A; and

"(B) assurances that institutions meet the requirements under sections 463A and 485 of this title for the provision of institutional and financial assistance information to students;

"(9) the provision to students by institutions of higher education of relevant information and services, which may include—

"(A) information relating to market and job availability, where appropriate;

"(B) information regarding courses which exceed standards for State licensure in specific occupations, where appropriate; and

"(C) information regarding course cancellation procedures and rights;

"(10) procedures and requirements relating to the financial and administrative capacities of institutions of higher education, which may include—

"(A) determination of sufficiency of operating funds;

"(B) establishment of minimum assets to liabilities ratios;

"(C) consideration of past performance of institutions or persons in control of such institutions with respect to student aid programs;

"(D) provision of independently audited financial reports; and

"(E) maintenance of records;

"(11) procedures for determining compliance with Federal student aid requirements;

"(12) the professional qualifications of administrators and instructors at institutions of higher education within the State that are necessary to comply with State law;

"(13) procedures and requirements for establishing minimum and maximum course length requirements, where appropriate, including procedures for advising the Secretary of instances where programs are engaged in hour inflation or where 600-hour courses are not appropriate in length to the instruction involved;

"(14) procedures for assuring that occupationally related education programs are adequate to permit students to meet State licensing requirements in the occupation for which training is provided, where appropriate;

"(15) a periodic schedule for on-site visits to institutions of higher education within the State, including a process for establishing priorities for such reviews;

"(16) a due process procedure under State law or State regulation relating to the withdrawal of, or failure to renew, the license of any institution of higher education within the State, as appropriate, to operate or continue to operate within the State;

"(17) the maintenance and enforcement of student performance standards at institutions of higher education within the State, including satisfactory academic progress and attendance; and

"(18) procedures for timely notification to the Department of Education, guaranty agencies, and accreditation agencies of information about an institution of higher education or, where appropriate, the pertinent actions of any owner, shareholder, or person exercising control over the educational institution which may adversely affect eligibility for programs under this title.

"(c) DESIGNATION OF STATE AGENCY OR OFFICIAL.—

"(1) DESIGNATION.—Each State shall designate, for the purpose of this title, a single State agency or official to be responsible for the conduct or coordination of the enforcement of the standards prescribed in the State pursuant to subsections (a) and (b), including the certification that all relevant licensing authorities within the State are complying with the standards so prescribed.

"(2) REPORT.—The State shall report on the enforcement responsibilities carried out under this section to the appropriate accrediting agency or association and to the Department on—

"(A) any negative action taken by the State with respect to the licensing or authorizing of the institution of higher education to provide an educational program within the State, including any action denying, suspending, or terminating the authority of such institution to operate within the State; and

"(B) the final results of on-site reviews of such institutions.

"(3) FEE.—The State agency designated under this subsection is authorized to charge a fee to institutions of higher education within the State to carry out the responsibilities of the State under this section.

"(4) CONSORTIA.—The Secretary may permit the States to form consortia to meet the standards described in subsection (b).

"(d) FAILURE TO COMPLY.—

"(1) IN GENERAL.—Whenever the Secretary determines that a State has not established and carried out standards in accordance with subsections (a) and (b), the Secretary may not base the determination of eligibility under section 481 of an institution of higher education within that State on any action by the State of licensing or authorizing an institution of higher education to provide education and training beyond secondary education, but the Secretary may make independent determinations with respect to such institutions within the State.

"(2) DETERMINATION.—The Secretary is authorized to take the actions described in paragraph (3) whenever the Secretary determines that a State has not—

"(A) established standards in accordance with subsections (a) and (b);

"(B) carried out the standards so as to assure that the standards are met; or

"(C) designated a State agency in accordance with subsection (c).

"(3) ACTIONS.—The actions the Secretary is authorized to take as a result of the determination in paragraph (2) are as follows:

"(A) Act as the State agency described in subsection (c) to carry out standards prescribed by the Secretary under subsection (e), or to carry out the standards established by the State, as the case may be.

"(B) Designate the appropriate guaranty agency in that State to carry out the standards prescribed by the Secretary under subsection (e), or to carry out the standards established by the State, as the case may be.

"(C) Permit another State's agency described in subsection (c) to certify that the institutions of higher education within the State meet the standards set forth in subsection (b).

"(e) FAIR AND EQUITABLE REFUND POLICY.—

"(1) IN GENERAL.—The State's education refund policy shall be considered to be fair and equitable for purposes of this section if the policy provides for a refund in an amount of at least the largest of the amounts determined pursuant to—

"(A) the requirements of applicable State law;

"(B) the specific refund requirements established by an institution's nationally recognized accrediting agency and approved by the Secretary; or

"(C) the pro rata refund described in paragraph (2), except that this paragraph shall not apply to the institution's refund policy for any student whose date of withdrawal from the institution is after the halfway point (in time) in the period of enrollment for which the student has been charged.

"(2) PRO RATA REFUND.—As used in this section, the term 'pro rata refund' means a refund by the institution to a student attending such institution for the first time of not less than that portion of the tuition, fees, room and board, and other charges assessed the student by the institution equal to the portion of the period of enrollment for which the student has been charged that remains on the last day of attendance by the student.

"(3) REFUND CREDIT.—For purposes of this section, a refund first shall be credited against any loan assistance and second against any grant awarded a student under this title for the period of enrollment.

"(f) MODEL STANDARDS REQUIRED.—The Secretary shall, for the purpose of this section, prescribe model standards in accordance with subsections (a) and (b) of this section.

"(g) IMPLEMENTATION PROVISIONS.—

"(1) IN GENERAL.—The Secretary may not enforce the requirements of subsection (d) before 1 year after the date of enactment of this section.

"(2) WAIVER PERMITTED.—Whenever the Secretary determines that a State is making marked and definable progress toward carrying out this section or that the legislature of the State needs to act, the Secretary may waive the provisions of subsection (d) for such time as the Secretary may prescribe, but in no event shall the Secretary waive the provisions of subsection (d) for a period in excess of 1 year.

"(h) GRANTS.—

"(1) IN GENERAL.—The Secretary is authorized to award grants to States to assist States in defraying the additional costs related to the development and implementation of standards required by this section.

"(2) SUPPLEMENTATION.—Grant funds under this subsection shall be used to supplement and not supplant any other funds available to a State to carry out the activities described in this section.

"(3) APPLICATION.—Each State desiring a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subsection.

"SEC. 496. APPROVAL OF ACCREDITING AGENCY OR ASSOCIATION.

"(a) STANDARDS REQUIRED.—No accrediting agency or association may be approved by the

Secretary for the purposes of establishing institutional eligibility under this title, unless the agency or association meets the standards established by the Secretary pursuant to this section. The Secretary shall, after notice and opportunity for a hearing, establish the standards. The standards shall require that—

"(1) the accrediting agency or association, shall be a State, regional or national agency or association, and shall demonstrate the ability and the experience to operate as an accrediting agency or association within the State, region or nationally, as appropriate;

"(2) such agency or association—

"(A) has a voluntary membership of institutions of higher education and has as its principal purpose the accrediting of institutions of higher education, or

"(B) is a State agency approved by the Secretary for the purpose described in subparagraph (A);

"(3) if such agency or association is an agency or association described in subparagraph (A) of paragraph (2), such agency or association is separate and independent, both administratively and financially;

"(4) such agency or association will apply standards of accreditation that ensure that the services, curricula, faculty, facilities, and fiscal resources of the institutions of higher education are of sufficient quality to ensure that each such institution can provide the education and training to be offered;

"(5) such agency or association will apply procedures throughout the accrediting process, including evaluation and withdrawal proceedings, that comply with due process including—

"(A) adequate specification of requirements and deficiencies at the institution of higher education being examined;

"(B) notice of an opportunity for a hearing to any such institution;

"(C) the right to appeal from any adverse action against any such institution; and

"(D) the right to representation by counsel for any such institution; and

"(6) such agency or association will apply standards of accreditation that ensure the quality and content of each course of study or program of instruction, training, or study of the institution of higher education may reasonably and adequately be expected to achieve the stated objective for which the course or program is offered.

"(b) SEPARATE AND INDEPENDENT DEFINED.—For the purpose of paragraph (3) of subsection (a), the term 'separate and independent', as applied to agencies and associations described in subparagraph (A) of subsection (a)(2), means that—

"(1) the members of the accrediting agency or association are not elected or selected by the board or chief executive officer of any associated or affiliated trade association or membership organization;

"(2) at least 25 percent of the members of the accrediting agency or association are representative of the general public (not members of the related trade or membership organization), and guidelines are established for such members to avoid conflicts of interest;

"(3) dues to the accrediting agency or association are paid separately from any dues payment to the trade or membership organization; and

"(4) the budget of the accrediting agency or association is developed and determined by the accrediting agency or association without review or resort to consultation with any other entity or organization.

"(c) OPERATING PROCEDURES REQUIRED.—No accrediting agency or association may be approved by the Secretary for the purpose of this title, unless the agency or association—

"(1) performs at regularly established intervals on-site inspections and reviews of institutions of higher education (at least one such visit at each institution that provides vocational education and training should be unannounced), with particular focus on educational quality and program effectiveness, and assures that team members are well-trained and knowledgeable with respect to their responsibilities;

"(2) requires institutions of higher education subject to its jurisdiction which plan to establish a branch campus to submit a business plan, including projected revenues and expenditures, prior to opening the branch campus;

"(3) agrees to conduct within one year of the establishment of a new branch of an institution of higher education an on-site visit of that branch campus, and to conduct, within one year after a change of ownership of an institution of higher education, an on-site visit of that institution;

"(4) maintains and makes publicly available written materials regarding standards and procedures for accreditation, appeal procedures, and the accreditation status of each institution of higher education subject to its jurisdiction; and

"(5) discloses publicly whenever an institution of higher education subject to its jurisdiction is due for accreditation or reaccreditation.

"(d) REPORTING REQUIREMENTS.—No accrediting agency or association may be approved by the Secretary for the purpose of this title, unless the agency or association reports, within 30 days of—

"(1) any negative action with respect to the accreditation of an institution of higher education, including denial, suspension, or termination of such accreditation; and

"(2) the final results of any on-site review of an institution of higher education together with the comments of the affected institution;

to the Secretary and to the agency designated under section 495 of the State in which the institution of higher education is located.

"(e) INITIAL ARBITRATION RULE.—Whenever the Secretary determines eligibility under section 481, the Secretary may not recognize the accreditation of any institution of higher education under either section, unless the institution of higher education agrees to submit any dispute involving the denial, withdrawal, or termination of accreditation to initial arbitration prior to any other legal action.

"(f) JURISDICTION PROVISION.—Notwithstanding any other provision of law, any civil action brought by an institution of higher education seeking accreditation from, or accredited by, an accrediting agency or association approved by the Secretary for the purpose of this title, involving the denial, withdrawal or termination of accreditation of the institution of higher education shall be brought in the appropriate United States district court.

"SEC. 497. SPECIAL ACCREDITATION RULES.

"(a) NEW ACCREDITATION RULE.—Whenever the Secretary determines eligibility under section 481, the Secretary may not recognize the accreditation of any eligible institution of higher education under either section if the institution of higher education is in the process of receiving a new accreditation or changing its accrediting agency or association, unless the eligible institution submits to the Secretary all materials relating to the prior accreditation, including materials demonstrating reasonable cause for changing the accrediting agency or association.

"(b) DUAL ACCREDITATION RULE.—Whenever the Secretary determines eligibility under section 481 the Secretary shall not recognize the accreditation of any eligible institution of higher education if the institution of higher education is accredited by more than one accrediting agency or association, unless the institution of higher education submits to each such agency and association and to the Secretary the reasons for the accreditation by more than one such agency or association.

"(c) IMPACT OF LOSS OF ACCREDITATION.—An institution may not be certified or recertified as an institution of higher education under section 481(a) if such institution has—

"(1) had its institutional accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months; or

"(2) withdrawn from institutional accreditation voluntarily under a show cause or suspension order during the preceding 24 months unless—

"(A) such institution has been restored by the same accrediting agency which has accredited it prior to the withdrawal, revocation, or termination; or

"(B) the institution has demonstrated its academic integrity to the satisfaction of the Secretary in accordance with section 1201(a)(5) (A) or (B) of this Act.

"(d) ACCREDITATION ORDERLY PROCEDURE RULE.—

"(1) SUSPENSION OF APPROVAL.—The Secretary is authorized to suspend the approval of an accrediting agency or association if the Secretary determines, after notice and opportunity for a hearing, that the accrediting agency or association has accredited an institution of higher education in violation of paragraph (2).

"(2) VIOLATIONS.—Paragraph (1) applies if the institution of higher education seeks and receives accreditation from the accrediting agency or association during any period in which the institution is the subject of any interim action by another accrediting agency or association leading to the suspension, revocation, or termination of accreditation or the institution has been notified of the threatened loss of accreditation, and the due process procedures required by such suspension, revocation, termination, or threatened loss have not been completed.

"(e) SPECIAL RULE.—The standards and rules described in this section and section 496 only shall apply to an accrediting agency or association approved by the Secretary for the purpose of establishing institutional eligibility under this title. The Secretary may establish such standards as the Secretary deems appropriate for the recognition of an accrediting agency or association for other purposes.

"SEC. 498. ELIGIBILITY AND CERTIFICATION PROCEDURES.

"(a) GENERAL AUTHORITY.—In determining the legal authority to operate within a State, the accreditation status, and the administrative capability and financial responsibility of an institution of higher education, the Secretary shall—

"(1) prepare and prescribe a single application form which—

"(A) requires sufficient information and documentation to ensure the requirements of eligibility, accreditation, and capability of the institution of higher education are met;

"(B) requires a specific description of the relationship of a main campus of an institution of higher education and all of its branches including a description of the student aid processing that is performed by the main campus and that which is performed at its branches;

"(C) requires a description of third party financial aid service providers of an institution of higher education, together with a copy of any contract with the institution of higher education and a financial aid service provider or loan servicer; and

"(D) requires such other information as the Secretary determines will assure that the requirements of this title with respect to eligibility, accreditation, administrative capability and financial responsibility will be met;

"(2) assure prompt actions by the Department on the application required by this section and,

a prompt on-site review of the institution of higher education by the Department prior to certification of initial eligibility;

"(3) provide for one year of provisional eligibility and certification of an institution of higher education for newly eligible institutions or institutions that undergo a change in ownership;

"(4) provide for periodic renewal of eligibility and certification determination of institutions of higher education not less than every 5 years after the regulations implementing this section become effective including a review of the administrative capability and financial responsibility of the institution;

"(5) establish requirements for the maintenance by an institution of higher education of sufficient cash reserves to assure repayment of any required refunds; and

"(6) establish such other reasonable procedures as the Secretary determines will contribute to assuring that the institution of higher education will comply with administrative capability and financial responsibility standards required by this title.

"(b) SPECIAL RULE.—Notwithstanding the provisions of section 103(b) of the Department of Education Organization Act, the Secretary shall have the responsibility to examine and guard against hourly inflation and to ensure that all 600-hour courses are appropriate in length to the instructions involved.

"(c) CONTINUING ELIGIBILITY PROVISIONS.—Whenever the Secretary withdraws the approval of any accrediting agency of an institution of higher education which meets the requirements of accreditation, eligibility and certification on the day prior to such withdrawal the Secretary shall, notwithstanding the withdrawal, continue the eligibility of the institution of higher education to participate in the programs authorized by this title for a period not to exceed 18 months from the date of the withdrawal of approval.

"SEC. 499. PROGRAM REVIEW AND DATA.

"(a) GENERAL AUTHORITY.—In order to strengthen the administrative capability and financial responsibility provisions of this title, the Secretary—

"(1) shall provide for the conduct of program reviews on a systematic basis designed to include all institutions of higher education participating in programs authorized by this title;

"(2) is authorized to give priority for program review to institutions of higher education which are—

"(A) institutions with an annual default rate for loans under part B of this title in excess of 25 percent or which places such institutions in the highest 25 percent of such institutions;

"(B) institutions with a default rate in dollar volume for loans under part B of this title which places the institutions in the highest 25 percent of such institutions;

"(C) institutions with a significant fluctuation in Stafford Loan volume or Pell grant awards, or both, in the year for which the determination is made compared to the year prior to such year;

"(D) institutions reported to have deficiencies or financial aid problems as reported by the appropriate State agency designated under section 495(c) or by the appropriate accrediting agency or association; and

"(E) institutions with high annual default rates; and

"(3) shall establish and operate a central data base of information on institutional accreditation, eligibility, and certification including—

"(A) all information available to the Department;

"(B) all relevant information made available by the Secretary of Veterans Affairs;

"(C) all relevant information from accrediting agencies or associations; and

"(D) all relevant information available from the State agency designated under section 492(c).

"(b) SPECIAL ADMINISTRATIVE RULES.—

"(1) In carrying out paragraphs (1) and (2) of subsection (a), the Secretary shall establish guidelines designed to assure uniformity of practice in the conduct of program reviews of institutions of higher education.

"(2) The Secretary shall review the regulations of the Department and the application of such regulations to ensure the uniformity of interpretation and application of the regulations.

"(c) DATA COLLECTION RULES.—The Secretary shall develop and carry out a plan for the data collection responsibilities described in paragraph (3) of subsection (a). The Secretary shall make the information obtained under such paragraph (3) readily available to all institutions of higher education, guaranty agencies, State agencies designated under section 495(c), and other organizations participating in the programs authorized by this title.

"(d) DEFINITIONS.—As used in this section—

"(1) the term 'annual default rate' has the same meaning given that term by section 435(m);

"(2) the term 'withdrawal of accreditation' means denying accreditation to an institution, during the process of review and self-study of the institution, previously accredited by an accrediting agency or association recognized by the Secretary;

"(3) the term 'denial of accreditation' means the refusal of an accrediting agency or association recognized by the Secretary to extend its accreditation to an applicant institution; and

"(4) the term 'termination of accreditation' means terminating the accreditation of an institution, following a show-cause hearing, for one or more violations of the accrediting agency's rules and regulations.

"SEC. 499A. INSTITUTIONAL PERFORMANCE STANDARDS.

"(a) STANDARDS REQUIRED.—

"(1) IN GENERAL.—In order to strengthen the administrative capability and financial responsibility provisions of this title, the Secretary shall, after consultation with institutions of higher education, guaranty agencies, educational associations representing postsecondary education, and other appropriate public agencies and nonprofit private organizations, develop and carry out objective performance standards for the administration of programs authorized by this title.

"(2) SPECIAL RULE.—In carrying out this subsection, the Secretary may use the standards relating to administrative capability and financial responsibility in effect on October 1, 1991 as a basis for the institutional performance standards required by this subsection.

"(b) REVIEW AND CONSULTATION REQUIRED.—The Secretary shall conduct a thorough review of the administrative capability and financial responsibility standards in carrying out subsection (a). The Secretary shall, in developing the standards under subsection (a), consult with the Committee on Institutional Quality and Integrity established by section 1205 of this Act.

"(c) MINIMUM REQUIREMENTS OF STANDARDS.—The institutional performance standards required by subsection (a) shall, at a minimum, be designed to address—

"(1) the financial responsibility of the institution of higher education based upon the annual audits required by section 487(c); and

"(2) the success of the program at the institution of higher education including—

"(A) rates of program completion and of graduation, taking into account—

"(i) the length of the program at the institution;

"(ii) the selectivity of the admissions policy at the institution; and

"(iii) the variety of completion goals, including transfer to another institution of higher education, full-time employment, and military service;

"(B) rates of withdrawal at the institution;

"(C) rates of graduate student employment, after graduation, in the chosen field of study, and acceptance of graduates, where appropriate, into graduate or professional study;

"(D) rates of licensure of graduates, where appropriate;

"(E) rates of student loan default;

"(F) an evaluation of the adequacy of student services; and

"(G) the adequacy of personnel charged with informing prospective students of licensure requirements, if appropriate, and of projections for employment opportunities in the field for which the proposed training is designed.

"SEC. 499B. DEFINITIONS AND TRAINING.

"(a) DEFINITIONS.—As used in this subpart the term 'institution of higher education' has the same meaning given to such term by section 481(a).

"(b) TRAINING.—The Secretary shall provide training to personnel of the Department, including criminal investigative training, designed to improve the quality of financial and compliance audits and program reviews conducted under this title.".

(b) TECHNICAL AMENDMENTS.—

(1) PART B DEFINITION.—Subsection (n) of section 435 of the Act (20 U.S.C. 1085(n)) is repealed.

(2) PART G DEFINITION.—Subsection (e) of section 481 of the Act (20 U.S.C. 1088(e)) is repealed.

TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

SEC. 501. EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT.

(a) IN GENERAL.—Title V of the Act (20 U.S.C. 1101 et seq.) is amended to read as follows:

"TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

"SEC. 501. STATEMENT OF PURPOSE.

"It is the purpose of this title to—

"(1) address the Nation's teacher shortage, particularly in areas where there are heavy concentrations of low-income students, by encouraging talented persons to enter the teaching profession, including the individuals already employed as school paraprofessionals and individuals who have been employed in other areas of endeavor;

"(2) provide assistance for professional development activities enabling teachers, school administrators, and institutions of higher education to work collaboratively to improve educational performance through school reform and restructuring;

"(3) encourage academically qualified students to become teachers through scholarship assistance;

"(4) support the recruitment of underrepresented populations into teaching careers;

"(5) encourage the establishment and maintenance of programs that provide professional teacher preparation to individuals who are moving to careers in education from other occupations;

"(6) promote partnerships between institutions of higher education and local educational agencies for the purpose of promoting the simultaneous restructuring and renewal of elementary and secondary schools and college-based teacher education programs;

"(7) provide assistance to our Nation's teaching force for the continued improvement of their professional skills; and

"(8) improve the leadership and administrative skills of elementary and secondary school administrators.

"PART A—TEACHER TRAINING FOR NONTRADITIONAL STUDENTS

"Subpart 1—New Careers for Teachers

"SEC. 511. STATEMENT OF PURPOSE.

"It is the purpose of this subpart to establish and operate new career programs to attract minority candidates, who are in school support or paraprofessional positions or in occupations other than teaching, to careers teaching in elementary and secondary schools.

"SEC. 512. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—

"(1) IN GENERAL.—The Secretary is authorized to pay the Federal share of making grants to eligible recipients to enable such eligible recipients to pay the costs of establishing and operating programs to attract minority candidates to teaching careers.

"(2) PERCENTAGE.—The Federal share shall be 50 percent.

"(3) NON-FEDERAL SHARE.—The non-Federal share of each grant awarded under this subpart may be in cash or in kind fairly evaluated, including planned equipment or services.

"(b) DURATION OF GRANT.—Each grant awarded under this subpart shall be for a period of 2 years and may be renewed for periods not to exceed 3 years.

"(c) COMPETITIVE BASIS.—The Secretary shall award grants under this subpart on a competitive basis.

"(d) SPECIAL CONSIDERATION.—In awarding grants under this subpart, the Secretary shall give special consideration to programs designed to identify, recruit, and certify—

"(1) speakers of non-English languages who have been trained as teachers in their home country; or

"(2) individuals already employed in a local educational agency.

"SEC. 513. ELIGIBLE RECIPIENT.

"As used in this subpart the term 'eligible recipient' means a consortium of—

"(1) institutions of higher education, and

"(2) local educational agencies,

working in conjunction with the State educational agency, and the appropriate State or local teacher credentialing body.

"SEC. 514. APPLICATION.

"(a) IN GENERAL.—A grant under this subpart may be made only to an eligible recipient which submits an application to the Secretary containing or accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—Each such application shall—

"(1) describe the activities and services for which assistance is sought;

"(2) set forth the number of expected participants in each program assisted under this subpart;

"(3) demonstrate steps on a career ladder leading to the position of fully credentialed teacher, ranging from nonskilled entry positions, extending through intermediate subprofessional functions, and terminating in full professional status as a certified teacher duly recognized by the appropriate State agency;

"(4) contain assurances that advancement within such career ladders would be based on merit, but that the opportunity for attainment of higher station is available to all;

"(5) demonstrate a plan for employing permanently individuals who have participated in the program at their new level of training, including individuals who terminate the program at a level below that of fully credentialed teacher;

"(6) demonstrate a plan for bringing a sizable portion of the educational program and coursework to the place of the participant's employment;

"(7) demonstrate a plan for providing academic credit for in-service training and other relevant experience as well as formal academic coursework;

"(8) provide for participation of individuals who have attained various levels of education including individuals who have not completed high school, with special consideration for such participation given to individuals already serving within the school system;

"(9) provide assurances that the program assisted under this subpart will be available to the disabled; and

"(10) contain such other assurances as the Secretary may reasonably require.

"SEC. 515. USE OF FUNDS.

"(a) IN GENERAL.—Funds provided pursuant to this subpart may be used to—

"(1) pay tuition for participants in programs established under this subpart;

"(2) pay for the release time of participants in programs assisted under this subpart; and

"(3) provide stipends for child care to participants whose academic coursework takes place outside the normal workday.

"(b) ADMINISTRATIVE COSTS.—Not more than 10 percent of any grant provided pursuant to this subpart may be used for administrative expenses.

"SEC. 515A. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

"Subpart 2—Minority Teacher Recruitment

"SEC. 516. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary is authorized to pay the Federal share of making grants in accordance with the provisions of this subpart to carry out programs and activities designed to—

"(1) improve recruitment and training opportunities in education for minority individuals, including language minority individuals; and

"(2) increase the number of minority teachers, including language minority teachers, in elementary and secondary schools.

"(b) FEDERAL SHARE.—The Federal share shall be 50 percent.

"(c) NON-FEDERAL SHARE.—The non-Federal share of each grant awarded under this subpart may be in cash or in kind fairly evaluated, including planned equipment or services.

"SEC. 517. USE OF FUNDS.

"Funds provided pursuant to this subpart may be used—

"(1) by—

"(A) 1 or more local educational agencies,

"(B) a State educational agency or a State higher education agency,

"(C) 1 or more institutions of higher education, or

"(D) community-based organizations,

to identify students from minority backgrounds, including language minority backgrounds, in middle and secondary schools interested in teaching, and to provide such students with activities and services which support and encourage the pursuit of teaching as a career;

"(2) by 2- and 4-year institutions of higher education with large concentrations of minority students, including language minority students, to—

"(A) identify students who indicate an interest in entering the teaching profession, and provide such individuals with support programs such as—

"(i) scholarship funds to meet expenses;

"(ii) remedial and tutoring programs;

"(iii) counseling and support services;

"(iv) teaching related activities;

"(v) academic advice and guidance in course selection to prepare for teacher certification;

"(vi) test taking skills; and

"(vii) information and advice regarding eligibility for membership in the Teacher Corps, and other financial assistance programs;

"(B) establish or strengthen teacher training programs;

"(C) establish or enhance early identification/articulation partnership programs with high schools and community colleges; and

"(D) establish partnerships with graduate schools of education to foster and facilitate the movement of minority students into post-graduate studies; and

"(3) by 2- and 4-year institutions of higher education or consortia thereof, State educational agencies, or State higher education agencies, to—

"(A) establish programs and activities which foster and facilitate the movement of students interested in pursuing teaching careers from 2-year institutions to 4-year institutions, focusing particular attention on facilitating the transfer of academic credit; and

"(B) improve existing assessment practices that determine an individual's qualifications to become a teacher.

"SEC. 518. APPLICATION.

"(a) APPLICATION REQUIRED.—Each institution of higher education, State educational agency, State higher education agency, local educational agency, community based organization, or consortium thereof, desiring a grant pursuant to this subpart, shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall—

"(1) describe the activities and services for which assistance is sought;

"(2) set forth the individuals to be served; and

"(3) contain such assurances as the Secretary may reasonably require.

"(b) STATE EDUCATIONAL AGENCY REVIEW.—Each application from a local educational agency for a grant under this subpart shall be forwarded to the appropriate State educational agency for review and comment if the State educational agency requests the opportunity for such review. The State educational agency must complete the review of such application and comment to the Secretary within 30 calendar days of receipt. Failure of the State educational agency to submit comments to the Secretary shall not prejudice such application.

"SEC. 519. ADMINISTRATIVE COSTS.

"Not more than 10 percent of any grant provided pursuant to this subpart may be used for administrative expenses.

"SEC. 520. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

"PART B—SCHOOL, COLLEGE, AND UNIVERSITY PARTNERSHIPS

"SEC. 521. PURPOSE.

"It is the purpose of this part to encourage partnerships between institutions of higher education and secondary schools serving low-income and disadvantaged urban and rural students, to support programs that—

"(1) improve the retention and graduation rates at such secondary schools;

"(2) improve the academic skills of public and private nonprofit secondary school students;

"(3) increase such students' opportunities to continue a program of education after secondary school; and

"(4) improve such students' prospects for employment after secondary school.

"SEC. 522. PARTNERSHIP AGREEMENT.

"(a) PARTNERSHIP AGREEMENT.—To be eligible for a grant under this part, an institution of higher education or a State higher education

agency and a secondary school or a local educational agency shall enter into a written partnership agreement. A partnership may include businesses, labor organizations, professional associations, community-based organizations, public television stations or other educational telecommunications entities, or other private or public agencies or associations. All partners shall sign the agreement.

"(b) CONTENTS OF AGREEMENT.—The agreement shall include—

"(1) a listing of all participants in the partnerships, including a designation of the official representatives of each entity participating in the partnership;

"(2) a description of the responsibilities of each participant in the partnership; and

"(3) a listing of the resources to be contributed by each participant in the partnership.

"SEC. 523. GRANTS.

"(a) DIVISION BETWEEN SCHOOL-YEAR AND SUMMER PROGRAMS.—From the funds appropriated to carry out this part pursuant to section 525, the Secretary shall reserve 65 percent of such funds to carry out programs operating during the regular school year and 35 percent of such funds to carry out programs operating during the summer.

"(b) AMOUNT AND USE OF GRANTS.—

"(1) AMOUNT.—The Secretary shall make grants under this part in amounts which are not less than $250,000 and not more than $1,000,000.

"(2) USE OF GRANT.—Grants under this part may be used by the partnership for programs that—

"(A) use college students to tutor secondary school students and improve their basic academic skills;

"(B) are designed to improve the basic academic skills of secondary school students;

"(C) are designed to increase the understanding of specific subjects of secondary school students;

"(D) are designed to improve the opportunity to continue a program of education after graduation for secondary school students; and

"(E) are designed to increase the prospects for employment after graduation of secondary school students.

"(c) PREFERENCES.—In making grants under this part, the Secretary shall give a preference to—

"(1) programs which will serve predominantly low-income communities;

"(2) partnerships which will run programs during the regular school year and summer; and

"(3) programs which will serve educationally disadvantaged students; potential dropouts; pregnant, adolescent, and teenage parents; children of migratory agricultural workers or of migratory fishermen; or students whose native language is other than English.

"(d) DURATION.—Each grant awarded under this part may be awarded for a period not to exceed 3 years.

"(e) EQUITABLE GEOGRAPHIC DISTRIBUTION.—The Secretary shall award grants under this part in a manner that achieves equitable geographic distribution of such grants.

"SEC. 524. APPLICATION FOR GRANTS.

"(a) APPLICATION REQUIRED.—A partnership desiring to receive a grant under this part shall submit an application to the Secretary.

"(b) CONTENTS OF APPLICATION.—The application shall include—

"(1) the written and signed partnership agreement;

"(2) a listing of the public and private nonprofit secondary school or schools to be involved in the program;

"(3) a description of the activities and services for which assistance is sought;

"(4) a description of the programs to be developed and operated by the partnership; and

"(5) assurances to the Secretary that—

"(A) the partnership will establish a governing body including one representative of each participant in the partnership;

"(B) Federal funds will provide no more than 70 percent of the cost of the project in the first year, 60 percent of such costs in the second year, and 50 percent of such costs in the third year and any subsequent year;

"(C) a local educational agency receiving funds under this subpart shall not reduce its combined fiscal effort per student or its aggregate expenditure on education; and

"(D) a local educational agency receiving funds under this part shall use the Federal funds so as to supplement and, to the extent practical, increase the resources that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of students participating in the project, and in no case may funds be used to supplant such non-Federal funds; and

"(5) provide such information and meet such conditions as may be required by the Secretary.

"(c) SPECIAL RULE.—The non-Federal share of grants awarded under this part may be in cash or in kind fairly evaluated, including services, supplies or equipment.

"(d) WAIVER.—The Secretary may waive the matching requirement described in paragraph (5)(B) for any eligible partnership that demonstrates to the satisfaction of the Secretary a unique hardship that prevents compliance with such matching requirement.

"SEC. 525. PEER REVIEW.

"The Secretary shall designate a peer review panel to review applications submitted under this part and make recommendations for funding to the Secretary. In selecting the peer review panel, the Secretary shall consult with officials of the other Federal agencies and with non-Federal organizations to ensure that the panel membership shall be geographically balanced and be composed of representatives from public and private institutions of elementary, secondary, and higher education, labor, business, and State and local governments, who have expertise in community service or in education.

"SEC. 526. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this part.

"PART C—NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS

"SEC. 531. SHORT TITLE.

"This part may be cited as the 'National Board for Professional Teaching Standards Act of 1991'.

"SEC. 532. FINDINGS AND PURPOSES.

"(a) FINDINGS.—The Congress finds that—

"(1) the economic well-being and national security of the United States depends on efforts to strengthen the educational system to provide all children with an education which will ensure a well-educated work force;

"(2) improved teaching is central to the goal of ensuring a well-educated work force;

"(3) incentives to enhance the professionalism and status of teaching can be provided through the development and promulgation of voluntary standards of professional certification that are rigorous and unbiased, that complement and support State licensing practices and recognize the diversity of American society;

"(4) the National Board for Professional Teaching Standards, a private nonprofit organization, has been created to establish such voluntary standards, and a significant initial investment in research and development from non-Federal sources will be required to create such a system of professional certification; and

"(5) the Federal Government has played an active role in funding vital educational research and can continue to support this national effort by providing limited but essential support for critical research activities.

"(b) PURPOSE.—It is the purpose of this part to provide financial assistance to the National Board for Professional Teaching Standards to enable the Board to conduct independent research and development related to the establishment of national, voluntary professional standards and assessment methods for the teaching profession.

"SEC. 533. DEFINITIONS.

"(a) IN GENERAL.—For the purpose of this part—

"(1) the term 'Board' means the National Board for Professional Teaching Standards;

"(2) the term 'Committee' means the Fund for Improvement and Reform of Schools and Teaching Board established in section 3231 of the Fund for the Improvement and Reform of Schools and Teaching Act; and

"(3) the term 'Director' means the Director of the National Science Foundation.

"(b) SPECIAL RULE.—Nothing in this part shall be construed to infringe upon the practice or accreditation of home school or private school teaching.

"SEC. 534. PROGRAM AUTHORIZATION.

"(a) PROGRAM AUTHORIZED.—From sums appropriated pursuant to the authority of subsection (b) in any fiscal year, the Secretary is authorized and directed to provide financial assistance to the National Board for Professional Teaching Standards, in order to pay the Federal share of the costs of the activities described in section 546.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $20,000,000 for the period beginning October 1, 1991, and ending September 30, 1995, to carry out the provisions of this part.

"(c) TERMS AND CONDITIONS.—(1) No financial assistance may be made available under this part except upon an application as required by section 537.

"(2) No financial assistance may be made available under this part unless the Secretary determines that—

"(A) the Board will comply with the provisions of this part;

"(B) the Board will use the Federal funds only for research and development activities in accordance with section 536, and such teacher assessment and certification procedures will be free from racial, cultural, gender or regional bias;

"(C) the Board—

"(i) will widely disseminate for review and comment announcements of specific research projects to be conducted with Federal funds, including a description of the goals and focus of the specific project involved and the specific merit review procedures and evaluation criteria to be used in the competitive award process; and

"(ii) will send such announcements to the Secretary, the Director, the National Research Council, and the educational research community;

"(D) will make arrangements with the Secretary to have the announcement described in subparagraph (C) published in the Federal Register (or such other publication deemed appropriate by the Secretary) and in publications of general circulation designed to disseminate such announcements widely to the educational research community;

"(E) the Board will, after offering any interested party an opportunity to make comment upon, and take exception to, the projects contained in the announcements described in subparagraph (C) for a 30-day period following publication, and after reconsidering any project on which comment is made or to which exception is taken, through the Secretary issue a re-

quest for proposals in the Federal Register (or such other publication deemed appropriate by the Secretary) containing any revised project information;

"(F) the Board will make awards of Federal funds competitively on the basis of merit, and, in the award process, the Board will select for such awards, to the extent practicable consistent with standards of excellence—

"(i) a broad range of institutions associated with educational research and development; and

"(ii) individuals who are broadly representative of the educational research and teaching communities with expertise in the specific area of research and development in question;

"(G) the Board will adopt audit practices customarily applied to nonprofit private organizations and will comply with the provisions of section 539(c);

"(H) the Board will not use Federal funds to meet the administrative and operating expenses of the Board;

"(I) the Board will submit an annual report to Congress in accordance with the provisions of section 539(a); and

"(J) the Board will, upon request, disseminate to States, local educational agencies, or other public educational entities the results of any research or research project produced with funds authorized by this part, upon the payment of the cost of reproducing the appropriate material.

"(d) AVAILABILITY OF FUNDS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, funds appropriated to carry out the provisions of this part shall remain available for obligation and expenditure until the end of the second fiscal year succeeding the fiscal year for which the funds were appropriated.

"(2) LIMITATION.—No Federal funds shall be made available to the Board after September 30, 1995, except as authorized by paragraph (1) of this subsection.

"SEC. 535. CONSULTATION.

"The Board shall consult at least twice annually with the Committee on the design and execution of the overall research and development strategy of the Board, including procedures to assure compliance with the requirements of this part. The procedures shall include—

"(1) an outline of a specific research and development agenda and activities to be conducted with the Federal funds; and

"(2) provisions to ensure compliance with the open competition and merit review requirements of this part for proposals and projects assisted under this part.

"SEC. 536. AUTHORIZED ACTIVITIES.

"(a) IN GENERAL.—Federal funds received under this part may be used only for research and development activities directly related to the development of teacher assessment and certification procedures for elementary and secondary school teachers.

"(b) PRIORITIES.—

"(1) IN GENERAL.—The Board shall give priority to research and development activities in—

"(A) mathematics;

"(B) the sciences;

"(C) foreign languages; and

"(D) literacy, including the ability to read, write and analyze.

"(2) SPECIAL RULE.—The Board shall give priority to research and development activities for the certification of elementary and secondary school teachers and the need and ability of such teachers to teach special educational populations, including—

"(A) limited English proficient children;

"(B) gifted and talented children;

"(C) children with disabilities; and

"(D) economically and educationally disadvantaged children.

"SEC. 537. APPLICATION.

"(a) IN GENERAL.—The Board shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

"(1) describe the activities for which assistance is sought; and

"(2) provide assurances that the non-Federal share of the cost of activities of the Board shall be paid from non-Federal sources, together with a description of the manner in which the Board will comply with the requirements of this paragraph.

"(b) APPROVAL.—The Secretary shall approve an application submitted pursuant to subsection (a) unless such application fails to comply with the provisions of this part.

"SEC. 538. PAYMENTS; FEDERAL SHARE.

"(a) IN GENERAL.—The Secretary shall pay to the Board the Federal share of the costs of the activities described in the application approved pursuant to section 537 for the period for which the application is approved under such section.

"(b) AMOUNT OF FEDERAL SHARE.—The Federal share shall be 50 percent.

"SEC. 539. REPORTS AND AUDITING PROVISION.

"(a) NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS REPORT.—

"(1) IN GENERAL.—The Board shall submit an annual report to the appropriate committees of the Congress not later than June 30 of any fiscal year in which Federal funds are expended pursuant to this part. The Board shall disseminate the report for review and comment to the Secretary, the Director, the National Research Council, and the education research community. The report shall—

"(A) include a detailed financial statement and a report of the audit practices described in section 534(c)(2)(G);

"(B) include a description of the general procedure to assure compliance with the requirements of section 536; and

"(C) provide a comprehensive and detailed description of the Board's agenda, activities, and planned activities for the preceding and succeeding fiscal years, including—

"(i) the Board's overall research and development program and activities;

"(ii) the specific research and development projects and activities conducted with Federal funds during the preceding fiscal year, including—

"(I) a description of the goals and methodology of the project;

"(II) a description and assessment of the findings (or status and preliminary findings if the project is not yet complete);

"(III) a description of the competitive bidding process, the merit review procedures, and the evaluation criteria used to award project funds; and

"(IV) a description of the Board's plans for dissemination of the findings described in subclause (II);

"(iii) the specific research and development projects and activities planned to be conducted with Federal funds during the succeeding fiscal year, including the goals and methodologies to be used; and

"(iv) a listing of available publications of the Board, including publications related to policies, standards and general information, research reports, and commissioned papers of the Board.

"(2) FIRST REPORT.—The first annual report required by this subsection shall include a description of the Board's research and development agenda for the succeeding 5-year period. Such first report shall include, to the maximum extent practicable, a description of specific research and development projects and activities, and the goals and methodologies of such projects and activities.

"(b) ADDITIONAL REPORTS.—The Secretary, the Director, and the National Research Council shall report to the appropriate committees of the Congress on the compliance of the Board with the requirements of this part not later than 30 days after the Board submits each annual report described in subsection (a).

"(c) AUDITING PROVISION.—The Comptroller General of the United States, and any of his authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the Board, and to any recipient of funds from the Board, that are pertinent to the sums received and disbursed under this part.

"SEC. 540. CONSTRUCTION.

"Nothing in this part shall be construed to—

"(1) establish a preferred national curriculum or preferred teaching methodology for elementary and secondary school instruction;

"(2) infringe upon the rights and responsibilities of the States to license elementary and secondary school teachers;

"(3) provide an individual certified by the Board with a right of action against a State, local educational agency, or other public educational entity for any decisions related to hiring, promotion, retention or dismissal; or

"(4) authorize the Secretary to exercise supervision or control over the research program, standards, assessment practices, administration, or staffing policies of the Board.

"PART D—TEACHER SCHOLARSHIPS AND FELLOWSHIPS

"Subpart 1—Paul Douglas Teacher Scholarships

"SEC. 541. PURPOSE; DESIGNATION.

"(a) PURPOSE.—It is the purpose of this subpart to make available, through grants to the States, scholarships to individuals who are outstanding high school graduates and who demonstrate an interest in teaching, in order to enable and encourage those individuals to pursue teaching careers in education at the preschool, elementary or secondary level.

"(b) DESIGNATION.—Scholarships awarded under this subpart shall be referred to as the 'Paul Douglas Teacher Scholarships'.

"SEC. 542. ALLOCATION AMONG STATES.

"(a) PER CAPITA ALLOCATION.—From the sums appropriated for this subpart pursuant to section 550A for any fiscal year, the Secretary shall allocate to any State an amount which bears as nearly as possible the same ratio to such sums as the number of persons in that State bears to the number of persons in all States.

"(b) USE OF CENSUS DATA.—For the purpose of this section, the number of persons in a State and in all States shall be determined by the most recently available data from the United States Census Bureau.

"SEC. 543. GRANT APPLICATIONS.

"(a) SUBMISSION OF APPLICATIONS.—The Secretary is authorized to make grants to States in accordance with the provisions of this subpart. In order to receive a grant under this subpart, a State shall submit an application at such time or times, in such manner, and containing such information as the Secretary may prescribe by regulation. Such application shall set forth a program of activities for carrying out the purposes set forth in section 541 in such detail as will enable the Secretary to determine the degree to which such program will accomplish such purposes and such other policies, procedures, and assurances as the Secretary may require by regulation.

"(b) CONTENT OF APPLICATIONS.—The Secretary shall approve an application under this subpart only if the application—

"(1) describes the selection criteria and procedures to be used by the State in the selection of scholarships under this subpart which satisfy the provisions of this subpart;

"(2) designates as the State agency responsible for administering the grants received under this part the State agency which administers the program under subpart 3 of part A of title IV (relating to State student incentive grants), the State agency with which the Secretary has an agreement under section 428(b), or another appropriate State agency approved by the Secretary;

"(3) describes the outreach effort the State agency intends to use to publicize the availability of Paul Douglas Scholarships to high school students in the State;

"(4) provides assurances that each recipient eligible under section 545(b) of this subpart who receives a Paul Douglas Scholarship shall enter into an agreement with the State agency under which the recipient shall—

"(A) within the 10-year period after completing the postsecondary education for which the Paul Douglas Scholarship was awarded, teach, for a period of not less than 2 years for each year for which assistance was received, in a public or private nonprofit preschool, elementary school, or secondary school in any State, or in a public or private nonprofit education program in any State, except that, in the case of individuals who teach in a shortage area established by the Secretary pursuant to section 428(b)(4), the requirements of this subparagraph shall be reduced by one-half;

"(B) provide the State agency evidence of compliance with section 546 as required by the State agency; and

"(C) repay all or part of a Paul Douglas Scholarship received under section 544 plus interest and, if applicable, reasonable collection fees, in compliance with regulations issued by the Secretary under section 547, in the event that the conditions of subparagraph (A) are not complied with, except as provided for in section 548;

"(5) provides that the agreement entered into with recipients shall fully disclose the terms and conditions under which assistance under this subpart is provided and under which repayment may be required, including—

"(A) a description of the procedures required to be established under paragraph (6); and

"(B) a description of the appeals procedures required to be established under paragraph (7) under which a recipient may appeal a determination of noncompliance with any provision under this subpart;

"(6) provides for procedures under which a recipient of assistance received under this subpart who teaches for less than the period required under paragraph (4)(A) will have the repayment requirements reduced or eliminated consistent with the provisions of sections 547 and 548;

"(7) provides for appeals procedures under which a recipient may appeal any determination of noncompliance with any provision under this subpart; and

"(8) provides assurances that the State agency shall make particular efforts to attract students from low-income backgrounds, ethnic and racial minority students, individuals with disabilities or other individuals historically underrepresented in teaching, or individuals who express a willingness or desire to teach in schools having less than average academic results or serving large numbers of economically disadvantaged students.

"(c) Selection Criteria and Procedures.—The selection criteria and procedures to be used by the State shall reflect the present and projected teacher needs of the State, including the demand for and supply of early childhood and elementary teachers in the State, the demand for and supply of secondary teachers in the State, and the demand for teachers with training in specific academic disciplines in the State.

"(d) Priority Consideration.—The State shall give priority consideration in the selection of individuals to receive a scholarship under this subpart to individuals from disadvantaged backgrounds, including racial and ethnic minorities and individuals with disabilities who are underrepresented in the teaching profession or in the curricula areas in which they are preparing to teach.

"(e) Solicitation of Views on Selection Criteria and Procedures.—In developing the selection criteria and procedures to be used by the State, the State shall solicit the views of State and local educational agencies, private educational institutions, and other interested parties. Such views—

"(1) shall be solicited by means of—

"(A) written comments; and

"(B) publication of proposed selection criteria and procedures in final form for implementation; and

"(2) may be solicited by means of—

"(A) public hearings on the teaching needs of elementary and secondary schools in the State (including the number of new teachers needed, the expected supply of new teachers, and the shortages in the State of teachers with training in specific academic disciplines, including early childhood education and development); or

"(B) such other methods as the State may determine to be appropriate to gather information on such needs.

"SEC. 544. AMOUNT AND DURATION OF AND RELATION TO OTHER ASSISTANCE.

"(a) Limitations on Amount and Duration.—Subject to subsection (c), each Paul Douglas Scholar shall receive a $5,000 scholarship for each academic year of postsecondary education for study in preparation to become a preschool, elementary or secondary teacher. No individual shall receive scholarship assistance for more than 4 years of postsecondary education, as determined by the State agency.

"(b) Consideration of Award in Other Programs.—Notwithstanding the provisions of title IV of this Act, scholarship funds awarded pursuant to this part shall be considered in determining eligibility for students assisted under title IV of this Act.

"(c) Assistance Not To Exceed Need.—Paul Douglas Scholarship assistance awarded by the statewide panel established pursuant to section 545 to any individual in any given year, when added to assistance received under title IV of this Act, shall not exceed the cost of attendance, as defined in section 472 of this Act, at the institution the individual is attending. If the amount of the Paul Douglas Scholarship assistance and assistance received under title IV of this Act, exceeds the cost of attendance, the Paul Douglas Scholarship shall be reduced by an amount equal to the amount by which the combined awards exceed the cost of attendance.

"(d) Assistance Not To Exceed Cost of Attendance.—No individual shall receive an award under the Paul Douglas Scholarship established under this subpart, in any academic year, which exceeds the cost of attendance, as defined in section 472 of this Act, at the institution the individual is attending.

"SEC. 545. SELECTION OF PAUL DOUGLAS SCHOLARS.

"(a) Selection by Statewide Panels.—Paul Douglas Scholars shall be selected by a seven-member statewide panel appointed by the chief State elected official, acting in consultation with the State educational agency, or by an existing grant agency or panel designated by the chief State elected official and approved by the Secretary of Education. The statewide panel shall be representative of school administrators, teachers, including preschool teachers, and parents.

"(b) Eligibility for Selection; Selection Criteria and Procedures.—Selections of Paul Douglas Scholars shall be made from students who have graduated or who are graduating from high school and who rank in the top 10 percent of their graduating class. The State educational agency shall make applications available to public and private nonprofit high schools in the State and in other locations convenient to applicants, parents, and others. The statewide panel shall develop criteria and procedures for the selection of Paul Douglas Scholars. Such criteria may include the applicant's high school grade point average, involvement in extracurricular activities, financial need, and expression of interest in teaching as expressed in an essay written by the applicant. The panel may also require the applicant to furnish letters of recommendation from teachers and others.

"(c) Waiver.—The Secretary may waive the requirements of section 543(d) for not more than 25 percent of all individuals receiving a scholarship under this subpart.

"SEC. 546. SCHOLARSHIP CONDITIONS.

"Recipients of scholarship assistance under this subpart shall continue to receive such scholarship payments only during such periods that the State agency finds that the recipient is—

"(1) enrolled as a full-time student in an accredited postsecondary institution;

"(2) pursuing a course of study leading to teacher certification; and

"(3) maintaining satisfactory progress as determined by the postsecondary institution the recipient is attending.

"SEC. 547. SCHOLARSHIP REPAYMENT PROVISIONS.

"Recipients found by the State agency to be in noncompliance with the agreement entered into under section 543(b)(4) of this subpart shall be required to repay a pro rata amount of the scholarship awards received, plus interest (but in no event at an interest rate higher than the rate applicable to loans in the applicable period under part B of title IV of this Act) and, where applicable, reasonable collection fees, on a schedule and at a rate of interest to be prescribed by the Secretary by regulations issued pursuant to this subpart.

"SEC. 548. EXCEPTIONS TO REPAYMENT PROVISIONS.

"(a) Deferral During Certain Periods.—A recipient shall not be considered in violation of the agreement entered into pursuant to section 543(b)(4)(C) during any period in which the recipient—

"(1) is pursuing a full-time course of study related to the field of teaching at an eligible institution;

"(2) is serving, not in excess of 3 years, as a member of the armed services of the United States;

"(3) is temporarily totally disabled for a period of time not to exceed 3 years as established by sworn affidavit of a qualified physician;

"(4) is unable to secure employment for a period not to exceed 12 months by reason of the care required by a spouse who is disabled;

"(5) is seeking and unable to find full-time employment for a single period not to exceed 12 months;

"(6) is seeking and unable to find full-time employment as a teacher in a public or private nonprofit preschool, elementary or secondary school, or education program for a single period not to exceed 27 months; or

"(7) satisfies the provisions of additional repayment exceptions that may be prescribed by the Secretary in regulations issued pursuant to this subpart.

"(b) Forgiveness if Permanently Totally Disabled.—A recipient shall be excused from repayment of any scholarship assistance received under this subpart if the recipient becomes permanently totally disabled as established by sworn affidavit of a qualified physician.

"SEC. 549. FEDERAL ADMINISTRATION OF STATE PROGRAMS; JUDICIAL REVIEW.

"(a) DISAPPROVAL HEARING REQUIRED.—The Secretary shall not finally disapprove any application for a State program submitted under section 543, or any modification thereof, without first affording the State agency submitting the program reasonable notice and opportunity for a hearing.

"(b) SUSPENSION OF ELIGIBILITY.—Whenever the Secretary, after reasonable notice and opportunity for hearing to the State agency administering a State program approved under this subpart, finds—

"(1) that the State program has been so changed that it no longer complies with the provisions of this subpart, or

"(2) that in the administration of the program there is a failure to comply substantially with any such provisions,

the Secretary shall notify such State agency that the State will not be regarded as eligible to participate in the program under this subpart until the Secretary is satisfied that there is no longer any such failure to comply.

"(c) COURT REVIEW.—

"(1) IN GENERAL.—If any State is dissatisfied with the Secretary's final action under subsection (b) (1) or (2), such State may appeal to the United States court of appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Secretary shall forthwith certify and file in the court the transcript of the proceedings and the record on which the action was based.

"(2) FINDINGS.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify any previous action, and shall certify to the court the transcript and record of further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) JURISDICTION.—The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"SEC. 550. EVALUATION.

"(a) IN GENERAL.—The Secretary shall conduct, by grant or contract, an independent evaluation of recipients of scholarship assistance under this subpart, which shall summarize and evaluate the State activities assisted under this subpart and the performance of such recipients. The evaluation shall assess the impact of the scholarship program assisted under this subpart to determine whether such program has brought into teaching a significant number of highly able individuals who otherwise would not have entered teaching.

"(b) CONTENTS.—The evaluation described in subsection (a) shall include—

"(1) a description of the characteristics, including the educational preparation and achievement, of recipients of scholarship assistance under this subpart compared to similar students participating in teacher training who do not receive such scholarships;

"(2) the rate at which such recipients successfully complete academic training and go on to teaching careers in preschool, elementary, or secondary education, compared to such rate for similar individuals who do not receive scholarship assistance under this subpart;

"(3) the extent to which it is possible to determine objectively that the receipt of scholarship assistance under this subpart was the primary reason for an individual's choice of a teaching education and career;

"(4) the extent to which such recipients comply with the provisions of this subpart;

"(5) the length of time such recipients remain in teaching careers, compared to similar teachers who do not receive scholarships;

"(6) the barriers to the effectiveness of the program assisted under this subpart; and

"(7) the cost-effectiveness of such program in improving teacher quality and quantity.

"(c) INTERIM EVALUATION REPORTS.—The Secretary shall submit such interim evaluation reports to the President and the Congress as may be appropriate, and shall submit a final report on or before January 1, 1995.

"(d) FUNDING.—The Secretary shall reserve a total of not more than $1,000,000 from the amounts appropriated pursuant to the authority of section 550A in fiscal years 1993 through 1999 to carry out this section.

"SEC. 550A. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $27,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

"Subpart 2—Christa McAuliffe Career Teacher Corps

"SEC. 551. DECLARATION OF PURPOSE; DESIGNATION.

"(a) PURPOSE.—It is the purpose of this subpart to establish a national fellowship program for experienced teachers.

"(b) DESIGNATION.—

"(1) FELLOWSHIP.—A fellowship awarded under this subpart shall be known as a 'Christa McAuliffe Career Teacher Corps fellowship'.

"(2) MEMBERSHIP.—A recipient of a fellowship under this subpart shall be known as a 'Christa McAuliffe Career Teacher Corps member'.

"SEC. 552. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary is authorized to make grants, in accordance with the provisions of this subpart, to State educational agencies to enable such State educational agencies to—

"(1) conduct Christa McAuliffe Career Teacher Corps activities; and

"(2) to award fellowships to Christa McAuliffe Career Teacher Corps members in accordance with the provisions of this subpart.

"(b) AMOUNT OF GRANTS.—The amount awarded to each State educational agency pursuant to paragraph (1) of subsection (a) shall be an amount awarded on the basis of the school-age population in the State compared to the school-age population in all States, except that the Secretary may adjust the awards to ensure that such awards are of sufficient size to carry out the purposes of this subpart.

"(c) STATE ACTIVITIES.—Each State educational agency receiving a grant pursuant to subsection (a) shall use not more than 10 percent of such grant to carry out the State activities described in section 559.

"SEC. 553. CHRISTA MCAULIFFE CAREER TEACHER CORPS FELLOWSHIPS.

"(a) AWARD DISTRIBUTION AND AMOUNT.—

"(1) AWARD DISTRIBUTION.—Each State educational agency receiving a grant under this subpart shall use such funds to award Christa McAuliffe Career Teacher Corps fellowships to public and private school teachers who have been employed as teachers for 8 or more years to enable such teachers to engage in the activities described in subsection (b).

"(2) AMOUNT.—Fellowships shall be in an amount equal to the annual salary the individual would earn in such individual's current place of employment for the award period.

"(3) RATABLE REDUCTION.—If an individual receives a fellowship award for less than a school year, such fellowship shall be ratably reduced to equal the salary foregone.

"(4) DURATION.—Each Christa McAuliffe Career Teacher Corps member may not receive an award for 2 consecutive years.

"(5) REQUIREMENT.—Subject to the repayment provisions of section 556(b), each Christa McAuliffe Career Teacher Corps member shall be required to return to a teaching position in their current place of employment for at least 2 years following the fellowship award, except that such member may work in another State with a Christa McAuliffe Career Teacher Corps Program upon approval of both the sending and receiving State.

"(b) USE OF FELLOWSHIPS.—Each Christa McAuliffe Career Teacher Corps fellowship may be used for—

"(1) sabbaticals for study, research or academic improvement to—

"(A)(i) improve such teacher's knowledge base in an area of expertise; or

"(ii) learn a new area of expertise; and

"(B) increase skills and professional ability;

"(2)(A) consultation with or assistance to other school districts or private school systems; or

"(B) development of special innovative programs for the purpose of improving—

"(i) in-service training for teachers and other school personnel; or

"(ii) student achievement; or

"(3) expanding or replicating model programs of staff development.

"SEC. 554. SELECTION OF CHRISTA MCAULIFFE CAREER TEACHER CORPS MEMBERS.

"(a) IN GENERAL.—Christa McAuliffe Career Teacher Corps members in each State shall be selected (in accordance with section 555) by a 7-member statewide panel appointed by the chief State school officer, or by an existing panel designated by the chief State school officer. The statewide panel shall be representative of school administrators, teachers, parents, and institutions of higher education.

"(b) SPECIAL RULE.—Each State educational agency may choose to administer the program assisted under this subpart through a pre-existing panel which is experienced in administering similar programs.

"SEC. 555. EVALUATION OF APPLICATIONS.

"(a) SUBMISSION TO AND REVIEW BY STATEWIDE PANEL.—An applicant for a Christa McAuliffe Career Teacher Corps fellowship shall submit a proposal for a project under section 553(b), and shall indicate the extent to which the applicant wishes to continue current teaching duties. The applicant shall submit such a proposal to the local educational agency for comment prior to submission to the statewide panel (appointed under section 554) for the State in which the teacher is employed. Each such application shall contain such information as such State educational agency may reasonably require.

"(b) CONSULTATION AND CONSIDERATION.—

"(1) IN GENERAL.—In evaluating proposals, the statewide panel shall consult with the local education agency, and shall consider—

"(A) evaluations during employment as a teacher;

"(B) demonstrated commitment to teaching in the future; and

"(C) intended activities during the award period;

"(2) RECOMMENDATIONS.—The statewide panel may request recommendations from teaching peers, the principal and the superintendent on the quality of the proposal, the benefit of such proposal to education, and any other criteria for awarding fellowships as is considered appropriate by such statewide panel.

"(3) SELECTION.—Selection of members of the statewide panel shall be made in accordance with regulations prescribed by the Secretary.

"(c) SPECIAL CONSIDERATION.—The statewide panel shall give special consideration, in the selection of Christa McAuliffe Career Teacher Corps members, to individuals who intend to use an award period to improve or acquire skills—

"(1) in the subject areas of science or mathematics; or

"(2) in order to teach or provide related services to students with disabilities, limited English proficient students or preschool age students.

"(d) PUBLIC ANNOUNCEMENT.—Announcement of fellowship awards shall be made in a public ceremony.

"SEC. 556. FELLOWSHIP AGREEMENT AND REPAYMENT PROVISIONS.

"(a) AGREEMENT.—Each individual who receives a Christa McAuliffe Career Teacher Corps fellowship shall enter into a written agreement with the State educational agency. Each such agreement shall provide assurances that the Christa McAuliffe Career Teacher Corps member—

"(1) will spend up to a one-year award period during which the Christa McAuliffe Career Teacher Corps member is released from teaching responsibilities to participate in programs and activities allowed under section 553(b), approved pursuant to section 555 by the statewide panel;

"(2) shall be encouraged, subject to the approval of the local educational agency, during the 2 years following the award period through the professional development school, if one exists, to—

"(A)(i) participate in an induction program for new teachers by acting as a mentor to new Teacher Corps members under part E or other new teachers with the same substantive field of expertise as the Christa McAuliffe Career Teacher Corps member where practicable; or

"(ii) make some other contribution to the Teacher Corps programs conducted pursuant to part E; and

"(B) assist in the development of in-service training programs through the professional development school, if such school exists; and

"(3) shall be given the opportunity to participate in activities developed by the Secretary and the State educational agency through which the individual was selected as a Christa McAuliffe Career Teacher Corps member which are intended to foster communication among, and bring together, members of the Christa McAuliffe Career Teacher Corps.

"(b) FELLOWSHIP REPAYMENT.—

"(1) IN GENERAL.—Individuals found by the State educational agency to be in noncompliance with the agreement entered into under subsection (a) shall be required to repay to the State educational agency a pro rata amount of the Christa McAuliffe Career Teacher Corps fellowships received, plus interest at the highest rate applicable to loans under part B of title IV of this Act and, where applicable, reasonable collection fees.

"(2) EXCEPTION.—An individual shall not be considered to be in violation of the agreement entered into pursuant to subsection (a) during any period in which such individual meets the exception to repayment provisions set forth in section 548(a)(2), 548(a)(3) or 548(b) of this Act, or if the individual dies.

"(c) WAIVER.—The Secretary may provide for the partial or total waiver or suspension of any service obligation or repayment by an individual who received a Christa McAuliffe Career Teacher Corps fellowship whenever compliance by such individual is impossible or would involve extreme hardship to such individual, or if enforcement of such obligation with respect to such individual would be unconscionable.

"SEC. 557. SECRETARY'S RESPONSIBILITIES.

"The Secretary shall—

"(1) make awards to State educational agencies having applications approved under section 558; and

"(2) in cooperation with the State educational agency, conduct activities which foster communication among and bring together members of the Christa McAuliffe Career Teacher Corps including activities such as written communications, meetings, or training sessions.

"SEC. 558. STATE APPLICATION.

"(a) APPLICATION REQUIRED.—Each State educational agency desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

"(1) provide assurances that Christa McAuliffe Career Teacher Corps members will be released from teaching responsibilities for up to one school year without jeopardizing the rights such members would have had without participating in the program assisted under this subpart;

"(2) provide assurances that the State educational agency, or its designee, in cooperation with local educational agencies, shall maintain accurate records regarding the activities of Christa McAuliffe Career Teacher Corps members within the State to ensure that such members are meeting all conditions of the fellowships provided pursuant to this subpart, and shall notify the Secretary immediately upon a change in a Christa McAuliffe Career Teacher Corps member's status rendering such Christa McAuliffe Career Teacher Corps member in violation of the conditions of the fellowship; and

"(3) provide assurances that the State educational agency has consulted with local educational agencies in designing and developing the Christa McAuliffe Career Teacher Corps program.

"SEC. 559. STATE USE OF FUNDS.

"(a) IN GENERAL.—Each State educational agency awarded a grant under this subpart may use such funds to—

"(1) establish, operate, and expand in-service programs and activities for Christa McAuliffe Career Teacher Corps members at the State and local levels, through professional development schools if such entities exist, or other entity, to improve knowledge of subject matter, and to increase skills and professional ability, in coordination with local educational agencies;

"(2) award Christa McAuliffe Career Teacher Corps fellowships;

"(3) provide funds to statewide panels to administer programs in accordance with section 555;

"(4) award grants to local educational agencies to establish programs and activities described in paragraph (1) through professional development schools if such entities exist or other entities;

"(5) publicize the availability of fellowships pursuant to this subpart; and

"(6) ensure that each Christa McAuliffe Career Teacher Corps member understands the obligation to repay the fellowship in accordance with section 556(b).

"(b) PUBLICATION AND RECRUITMENT.—Each State educational agency receiving assistance under this subpart shall publicize the availability of Christa McAuliffe Career Teacher Corps fellowships in local educational agencies throughout the State, particularly in local educational agencies with minority enrollment in excess of the statewide average minority enrollment, and shall recruit minority teachers to participate in such program. Such publication shall contain a description of programs and activities available to Christa McAuliffe Career Teacher Corps members through professional development schools if such entities exist, institutions of higher education or other approved entities.

"SEC. 560. EVALUATION.

"(a) IN GENERAL.—

"(1) IN GENERAL.—The Secretary shall conduct, by grant or contract, an independent evaluation of—

"(A) Christa McAuliffe Career Teacher Corps members; and

"(B) the impact of the activities undertaken by the Christa McAuliffe Career Teacher Corps members on teachers, teacher research, curricula, staff development, improvement of programs and improvement of student achievement.

"(2) COMPETITIVE BASIS.—The grant or contract described in paragraph (1) shall be awarded on a competitive basis.

"(b) CONTENTS.—The evaluation shall—

"(1) include information on the nature of projects developed and implemented by Christa McAuliffe Career Teacher Corps members;

"(2) assess the measurable effects of such projects on the academic performance of the students served by such projects;

"(3) assess the effect of the fellowship program assisted under this subpart on the postfellowship experiences of Christa McAuliffe Career Teacher Corps members;

"(4) identify the barriers to such program's effectiveness;

"(5) assess the extent to which successful projects were disseminated and adopted by other teachers and schools without further Federal assistance; and

"(6) determine and explore ways to improve the cost-effectiveness of such program.

"(c) INTERIM EVALUATION REPORTS.—The Secretary shall submit such interim evaluation reports to the President and the Congress as may be appropriate, and shall submit a final report on or before January 1, 1995.

"(d) FUNDING.—The Secretary shall reserve a total of not more than $1,000,000 from the amounts appropriated pursuant to the authority of section 560A in fiscal years 1993 through 1999 to carry out this section.

"SEC. 560A. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $27,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

"PART E—TEACHER CORPS

"SEC. 561. TEACHER CORPS PROGRAM AUTHORIZED.

"(a) GRANTS BY THE SECRETARY.—In any fiscal year in which the appropriations for this part do not equal or exceed $50,000,000, the Secretary is authorized, in accordance with the provisions of this part, to make grants, on a competitive basis, to State educational agencies to carry out Teacher Corps activities.

"(b) STATE GRANT PROGRAM.—In any fiscal year in which the appropriations for this part equal or exceed $50,000,000, the Secretary is authorized, in accordance with the provisions of this part, to make grants to State educational agencies from allocations under subsection (c) to carry out Teacher Corps activities.

"(c) ALLOCATION.—Except as provided in subsection (a), each State educational agency shall be eligible to receive a grant under this part in each fiscal year that bears the same ratio to the amount appropriated under section 568 in that fiscal year as the school-age population of the State bears to the school-age population of all States.

"(d) TEACHER CORPS SCHOOL.—For the purpose of this part the term 'Teacher Corps school' means a public elementary or secondary school identified by the State educational agency as having the highest levels of poverty and the lowest levels of student achievement based on a ranking of such elementary schools and secondary schools in the State according to the number of children living in poverty and the levels of student achievement. In carrying out the preceding sentence, the State educational agency

shall identify and inform not more than 10 percent of such elementary schools and not more than 10 percent of such secondary schools in the State which have the highest levels of poverty and the lowest levels of student achievement.

"(e) DESIGNATION.—

"(1) SCHOLARSHIP.—A scholarship awarded under this part shall be referred to as a 'Teacher Corps scholarship'.

"(2) RECIPIENT.—A recipient of a scholarship under this part shall be referred to as a 'Teacher Corps member'.

"SEC. 562. USE OF FUNDS.

"(a) SECRETARY.—The Secretary shall use funds provided pursuant to this part to—

"(1) disseminate information nationally about the availability of scholarships under this part;

"(2) conduct activities, with the cooperation of the State and local educational agencies, which foster communication among, and bring together, members of the Teacher Corps, including activities such as written communications, meetings, or training sessions;

"(3) establish and conduct summer preservice orientation programs for Teacher Corps members about to begin teaching;

"(4) ensure that Teacher Corps members recognize the challenges of teaching in a Teacher Corps school;

"(5) inform Teacher Corps members of Teacher Corps schools and facilitate the hiring and placement of Teacher Corps members at Teacher Corps schools;

"(6) evaluate applications from and award grants to State educational agencies to enable such agencies to award Teacher Corps scholarships in accordance with the provisions of this part; and

"(7) collect scholarship repayments from individual Teacher Corps members, in accordance with the provisions of section 566.

"(b) STATE EDUCATIONAL AGENCY.—Each State educational agency receiving a grant under this part shall use such grant funds to—

"(1) evaluate applications for Teacher Corps membership and award scholarships to Teacher Corps members;

"(2) provide technical assistance to local educational agencies establishing and operating induction programs;

"(3) ensure that Teacher Corps members understand the obligation to repay the scholarships received under this part upon failure to comply with the conditions of the scholarship; and

"(4) ensure that Teacher Corps members are fulfilling the obligation to repay scholarships received under this part, and provide the Secretary with the names and addresses of Teacher Corps members who have not fulfilled such obligation.

"(c) SPECIAL RULE.—The Secretary may enter into contracts with or make grants to nonprofit educational organizations for—

"(1) recruiting members of the Teacher Corps;

"(2) establishing and conducting summer preservice training programs; and

"(3) conducting activities that foster communications among and bring together members of the Teacher Corps.

"(d) RESERVATIONS.—Each State receiving a grant under this part may reserve—

"(1) 5 percent of such grant funds to provide technical assistance to local educational agencies and to pay administrative costs; and

"(2) 5 percent of such grant funds to provide for induction and mentoring programs.

"(e) SPECIAL RULE.—Each State educational agency receiving a grant under this part may enter into contracts with or award grants to nonprofit educational agencies to conduct the activities described in subsection (b).

"SEC. 563. TEACHER CORPS.

"(a) SELECTION.—The State educational agency shall select Teacher Corps members.

"(b) CRITERIA.—

"(1) IN GENERAL.—The State educational agency shall establish criteria to select Teacher Corps members that are intended to—

"(A) attract highly qualified individuals to teaching; and

"(B) meet the needs of Teacher Corps schools in addressing teacher shortages.

"(2) CRITERIA.—The criteria described in paragraph (1) may include—

"(A) in the case of students or recent graduates, outstanding academic records, or in other cases, contributions which may be made by individuals working in other careers; and

"(B) a demonstrated commitment to teaching or professional experience in substantive fields of expertise in which the State is experiencing or expects to experience teacher shortages.

"(c) SPECIAL CONSIDERATION.—The State educational agency, in selecting Teacher Corps members, shall give special consideration to individuals who—

"(1) intend to teach or provide related services to students with disabilities;

"(2) intend to teach limited-English proficient students;

"(3) intend to teach preschool age children;

"(4) are from disadvantaged backgrounds, including racial and ethnic minorities and individuals with disabilities; or

"(5) are underrepresented in the teaching profession or in the curricular areas in which such individuals are preparing to teach.

"(d) APPLICATION.—Each individual desiring to participate in the program assisted under this part shall submit an application at such time, in such manner, and containing such information as the State educational agency may reasonably require.

"SEC. 564. STATE APPLICATION.

"In order to receive funds under this part, a State educational agency, in consultation with the Governor, shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall—

"(1) describe how the State educational agency shall select Teacher Corps members;

"(2) identify Teacher Corps schools within the State, where Teacher Corps members shall be assigned, provided that not more than 10 percent of all public schools in the State may be designated Teacher Corps schools;

"(3) provide assurances that the State educational agency, in cooperation with local educational agencies, shall assist in employment placement within such State for Teacher Corps members in Teacher Corps schools;

"(4) provide assurances that the State educational agency, in cooperation with local educational agencies, shall ensure that Teacher Corps members are paid at rates comparable to other entry level teachers in the school district where the Teacher Corps member is assigned;

"(5) provide assurances that the local educational agencies in which the Teacher Corps members shall be placed shall establish or expand induction programs that assist Teacher Corps members in adjusting to the new school and community where such members shall teach, including working with a mentor teacher in the school building where the Teacher Corps members are placed; and

"(6) describe how the State educational agency shall monitor and report to the Secretary not less than annually on the operation of programs assisted under this part and on the compliance of individuals who receive Teacher Corps scholarships with the provisions of this part.

"SEC. 565. SCHOLARSHIPS.

"(a) ELIGIBILITY.—

"(1) IN GENERAL.—An individual is eligible to receive Teacher Corps scholarships for a maximum of 3 years during enrollment in any of the following programs of study, or a combination thereof:

"(A) a program of study leading to a baccalaureate or associate's degree;

"(B) a 1- or 2-year postbaccalaureate program of study leading to a master's or specialist degree or a teaching certificate; or

"(C) a 2-year program of study leading to an associate's degree in early childhood education or early childhood development, or a 1-year program of study leading to a child development associate credential.

"(2) SPECIAL RULES.—(A) An individual pursuing a program of study described in subparagraph (B) of paragraph (1) is eligible to receive a Teacher Corps scholarship during any of the first 3 years that such individual is employed as a teacher to defray the costs of pursuing such postbaccalaureate instruction.

"(B) An individual in possession of a bachelor's degree, who wishes to enter teaching from another profession, is eligible to receive a Teacher Corps scholarship to enable such individual to receive the instruction necessary to enter the teaching profession, as determined by the State in which the individual wishes to teach. Such instruction may be provided while the individual is employed as a provisional teacher.

"(b) LIMITATIONS ON AMOUNT AND DURATION.—Subject to subsection (d), each Teacher Corps member shall receive a $5,000 scholarship for each academic year of postsecondary education, except that no individual shall receive scholarship assistance for more than 3 years of postsecondary education (including postbaccalaureate), as determined by the Secretary.

"(c) CONSIDERATION OF AWARD IN OTHER PROGRAMS.—Each Teacher Corps scholarship awarded pursuant to this part shall be considered as student financial assistance in determining eligibility for student assistance under title IV.

"(d) ASSISTANCE NOT TO EXCEED NEED.—Each Teacher Corps scholarship, when added to assistance received under title IV, if any, shall not exceed the cost of attendance, as defined in section 472, at the institution the individual is attending. If the amount of the Teacher Corps scholarship and assistance received under title IV exceeds the cost of attendance, loans received under parts B, D, or E of such title shall be reduced by an amount equal to the amount by which the combined awards exceed the cost of attendance.

"(e) CONTINUED ELIGIBILITY.—Each individual who receives a Teacher Corps scholarship shall continue to receive such scholarship payments only during such periods that the State educational agency finds that such individual is—

"(1) enrolled as a full-time student in an accredited postsecondary institution; and

"(2) maintaining satisfactory progress defined under section 484.

"SEC. 566. SCHOLARSHIP CONDITIONS.

"(a) SCHOLARSHIP AGREEMENT.—Each individual receiving a scholarship under this part shall enter into a written agreement with the State educational agency which shall provide assurances that each such individual—

"(1) shall pursue a course of study which meets State requirements for teacher preparation;

"(2) has completed at least 2 years of undergraduate education at an institution of higher education;

"(3) shall maintain satisfactory academic progress and participate in teaching-related activities while in undergraduate or post-baccalaureate programs;

"(4) shall work as a teacher upon completion of such individual's education for 3 years in a

Teacher Corps school, as identified by the State educational agency pursuant to section 561(d), except that Teacher Corps members may transfer to another such school within the State or in another State upon approval of the State educational agency;

"(5) in carrying out the obligation described in paragraph (4), shall meet the performance requirements of—

"(A) the school in which such individual teaches; and

"(B) local educational agency served by such school;

"(6) shall repay all or part of a Teacher Corps scholarship received under section 562(b) plus interest and, if applicable, reasonable collection fees, in compliance with regulations issued by the Secretary under subsection (b), in the event that the conditions of this subsection are not complied with, except as provided for in subsection (c);

"(7) at least during the first year of employment, shall participate in an induction program which includes working with a mentor teacher selected by the local educational agency in which the Teacher Corps member is employed and who, to the extent practicable, is teaching in the same subject as the Teacher Corps member; and

"(8) who is not enrolled in a program of study as set forth in section 565(a)(1)(C) shall obtain State teacher certification during the period of employment or as soon as possible as State law requires.

"(b) SCHOLARSHIP REPAYMENT.—

"(1) IN GENERAL.—Individuals found by the State educational agency to be in noncompliance with the agreement entered into under subsection (a) shall be required to repay to the Secretary a pro rata amount of the scholarship awards received, plus interest at the highest rate applicable to loans under part B of title IV and, where applicable, reasonable collection fees, in accordance with the provisions of paragraph (3).

"(2) EXCEPTIONS TO REPAYMENT.—An individual shall not be considered to be in violation of the agreement entered into pursuant to subsection (a) during any period in which such individual meets the exceptions to repayment provisions set forth in section 548(a)(2), 548(a)(3) or 548(b), or if the individual dies.

"(3) REPAYMENT PERCENTAGES.—Each individual found by the Secretary to be in noncompliance with the agreement entered into under subsection (a) shall be required to repay—

"(A) 100 percent of the total amount of scholarships awarded under this part if such individual does not teach pursuant to the agreement described in subsection (a) or teaches pursuant to such agreement for less than 1 year;

"(B) 67 percent of such amount if such individual teaches pursuant to such agreement for at least 1 year but less than 2 years; and

"(C) 34 percent of such amount if such individual teaches pursuant to such agreement for at least 2 years but less than 3 years.

"(4) INTEREST.—If a portion of scholarship is repaid under this subsection in any year, the entire amount of interest on such portion of such scholarship which accrues for such year shall be repaid.

"(5) USE OF REPAYMENTS.—Any repayments of scholarships made to the Secretary pursuant to the provisions of this section shall be used by the Secretary to make additional grants in accordance with the provisions of this part.

"(c) WAIVER.—The Secretary may provide for the partial or total waiver or suspension of any service obligation or repayment by an individual who received a Teacher Corps scholarship whenever compliance by such individual is impossible or would involve extreme hardship to such individual.

"SEC. 567. PUBLICATION AND RECRUITMENT.

"(a) IN GENERAL.—The Secretary shall—

"(1) publicize the availability of, and procedure to apply for, Teacher Corps scholarships, particularly among students participating in teaching-related activities through summer teaching institutes, future teacher clubs, and other teaching-related activities, at institutions of higher education nationwide, particularly in institutions of higher education with large minority enrollments, historically black colleges and universities, secondary schools nationwide, (especially such schools with minority enrollment in excess of the statewide average minority enrollment) and with—

"(A) individuals participating in programs assisted under subpart 4 of part A of title IV;

"(B) individuals leaving the armed services, the Peace Corps, and VISTA;

"(C) community-based organizations working in minority education; and

"(D) other agencies and entities likely to attract individuals interested in entering teaching from another career;

"(2) recruit minority students to participate in the program assisted under this part; and

"(3) recruit students with outstanding academic records to participate in such program.

"(b) SPECIAL RULE.—The publications required under subsection (a) shall describe substantive fields of expertise and geographic areas experiencing teacher shortages within the Nation.

"SEC. 568. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $50,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out the provisions of this part.

"PART F—STATE ACADEMIES FOR EDUCATORS

"SEC. 570. PURPOSES.

"It is the purpose of this part to establish State Academies for Educators that—

"(1) upgrade, enhance and renew teacher knowledge of subject matter in key academic subjects;

"(2) improve the training and performance of current and prospective school leaders in instructional leadership, school-based management, school reform strategies, and implementation of school-level accountability mechanisms; and

"(3) improve teacher training by providing prospective and novice teachers an opportunity to work in school-based settings under the guidance of experienced mentor teachers.

"Subpart 1—General Provisions

"SEC. 571. ALLOTMENT OF FUNDS; AUTHORIZATION OF APPROPRIATIONS.

"(a) ALLOTMENT OF FUNDS.—

"(1) RESERVATION.—From the total amount appropriated pursuant to the authority of subsection (b) in each fiscal year, the Secretary may reserve an amount not to exceed two percent of such amount for evaluation and dissemination of activities assisted under subparts 2, 3, and 4 of this part.

"(2) ALLOTMENT.—From the funds appropriated pursuant to the authority of subsection (b) for each of subparts 2, 3, 4, and 5 of this part and not reserved pursuant to subsection (a), the Secretary shall allot to each State educational agency—

"(A) 50 percent of the funds available for each such subpart on the basis of the number of full-time equivalents of public school teachers in the State compared to the total number of full-time equivalents of public school teachers in all States;

"(B) 25 percent of the funds available for each such subpart on the basis of the amount the State receives under sections 1005 and 1006 of chapter 1 of title 1 of the Elementary and Secondary Education Act of 1965 compared to the total amount that all States receive under such chapter; and

"(C) 25 percent of the funds available for each such subpart on the basis of the number of individuals in the State aged 5 through 17 compared to the number of all such individuals in all States.

"(b) AUTHORIZATION OF APPROPRIATIONS.—

"(1) SUBPARTS 2, 3, AND 4.—There are authorized to be appropriated $132,000,000 for fiscal year 1993 and such sums as may be necessary for the 6 succeeding fiscal years to carry out subparts 2, 3, and 4 of this part, of which—

"(A) 50 percent of the amount appropriated in any fiscal year shall be available to carry out subpart 2;

"(B) 15 percent of such amount shall be available to carry out subpart 3; and

"(C) 35 percent of such amount shall be available to carry out subpart 4.

"(2) SUBPART 5.—There are authorized to be appropriated $8,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out the provisions of subpart 5.

"SEC. 572. PLAN.

"(a) IN GENERAL.—Each State educational agency desiring assistance under this part shall prepare a plan, in consultation with the Governor, and submit such plan to the Secretary.

"(b) CONTENTS.—Each plan submitted pursuant to subsection (a) shall contain—

"(1) a description of the Academies to be established under this part and the goals and objectives for each such Academy;

"(2) a description of how the Academies assisted under this part shall relate to the overall plan for the attainment of the National Education Goals by the State;

"(3) a description of the competitive process that shall be used to select applicants to operate the Academies assisted under this part, including the role of the Governor in making such selections;

"(4) an assurance that the Academies for Teachers shall provide instruction in the key academic subjects;

"(5) a description of how the State shall monitor the activities of the Academies assisted under this part;

"(6) a description of plans to conduct an independent evaluation, at least once every 2 years, of the impact of the Academies assisted under this part on participants;

"(7) a description of how the State shall meet the cost-sharing requirements of this part and an assurance that the State educational agency, or other State agency, shall provide the non-Federal share of funds required under this part for all 5 years in which an allotment under this part is received;

"(8) an assurance that the State shall continue to operate the Academies assisted under this part when Federal funds provided pursuant to this title are no longer available;

"(9) a description of the steps to be taken by the Academies assisted under this part to recruit individuals from minority groups, bilingual individuals, individuals with disabilities, and individuals from areas with high numbers or concentrations of disadvantaged students to participate in the activities of the Academies assisted under this part;

"(10) an assurance that Federal funds provided under this part shall not be used for construction of new facilities or substantial remodeling;

"(11) a description of how the activities assisted under this part shall be coordinated with other teacher training activities in the State;

"(12) identification of the State agency that shall administer the programs assisted under

this part, if the State educational agency does not administer such programs;

"(13) an assurance that the State shall use an amount not to exceed 5 percent of all Federal funds received under this part for administrative purposes;

"(14) an assurance that programs offered by the Academies assisted under this part shall be of sufficient length and comprehensiveness to significantly improve participants' knowledge; and

"(15) other assurances and information as the Secretary may reasonably require.

"SEC. 573. MULTISTATE OR REGIONAL PROJECTS.

"Each State receiving assistance under this part may combine resources with any other State to operate Academies assisted under this part on a multistate or regional basis.

"SEC. 574. PAYMENT RULES.

"(a) Duration.—The Secretary shall not make allotments to any State under section 571 for a period that exceeds 5 years.

"(b) Secretary's Review.—The Secretary shall only make the allotment described in section 571 to a State if the Secretary determines that—

"(1) the State educational agency is carrying out the activities described in the application submitted pursuant to section 572 and making reasonable progress in achieving the goals contained in such application;

"(2) each such Academy shows promise of continuing to meet such goals; and

"(3) the State educational agency is providing its share of the cost-sharing requirements.

"SEC. 575. DEFINITIONS.

"(a) Academy.—

"(1) In general.—Except as provided in paragraphs (2) and (3) and unless otherwise specified, the term 'Academy'—

"(A) as used in subpart 2, means a course of instruction and related activities to increase a teacher's knowledge of a specific subject area, a teacher's ability to impart such knowledge to students, and a teacher's ability to address any other issue described in section 579;

"(B) as used in subpart 3, means a course of instruction and related activities to increase a school leader's knowledge of the tools and techniques of school management and leadership, and such leader's ability to exercise such tools and techniques in the school setting, and may include a course of instruction for district-level school system leaders separately or in combination with school leaders and teachers; and

"(C) as used in subpart 4, means school-based teacher training operated as a partnership between one or more elementary or secondary schools and one or more institutions of higher education that provide prospective and novice teachers an opportunity to work under the guidance of master teachers and college faculty members.

"(2) School restructuring and team management.—The term 'Academy' may include a course of joint instruction for teachers and school leaders on the methods of school restructuring and school-based management.

"(3) Special rules.—The term 'Academy'—

"(A) does not mean a physical facility; and

"(B) does not require a separate location from another Academy or other training program.

"(b) Eligible Entity.—The term 'eligible entity'—

"(1) as used in subpart 2, means a local educational agency, an institution of higher education, a museum, a private nonprofit educational organization of demonstrated effectiveness, or a consortium of any 2 or more such entities;

"(2) as used in subpart 3, means a technical assistance center assisted under subpart 2 of part C of title V of this Act as such Act was in effect on the day before the date of enactment of the Higher Education Amendments of 1991, a local educational agency, an institution of higher education, a museum, a private nonprofit educational organization of demonstrated effectiveness, or a consortium of any 2 or more such entities; and

"(3) as used in subpart 4, means a partnership that includes one or more local educational agencies and one or more institutions of higher education.

"(c) Key Academic Subjects.—For purposes of this part, the term 'key academic subjects' means English, mathematics, science, history, geography, foreign languages, and civics and government.

"(d) State.—For purposes of this part, the term 'State' means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

"SEC. 575A. EVALUATION AND REPORT.

"(a) Report to Secretary.—Each State educational agency receiving an allotment under this part shall evaluate the work of each Academy that is located in the State and assisted under this part every 2 years including the impact of each Academy's programs on participants, and report the findings of such evaluation to the Secretary. The initial report shall be submitted 3 years after funds are first allotted to such State educational agency under section 571 and subsequent reports shall be submitted every 2 years thereafter. Such report shall also describe the characteristics of the participants and activities provided at each Academy assisted under this part.

"(b) Report to Congress.—The Secretary shall submit to the Congress a summary of the reports required under subsection (a). The initial summary shall be submitted 60 days after the due date of the first report described in subsection (a) and subsequent summaries shall be submitted every 2 years thereafter.

"Subpart 2—State Academies for Teachers

"SEC. 576. PURPOSE.

"It is the purpose of this subpart to improve elementary and secondary school teacher subject matter knowledge and teaching skills in each of the key academic subjects by establishing one or more Academies in the key academic subjects in every State.

"SEC. 577. APPLICATION REQUIRED.

"(a) In General.—Each eligible entity desiring to operate an Academy under this subpart shall submit an application to the State educational agency at such time, in such manner, and accompanied by such information as the State may reasonably require.

"(b) Contents.—Each application submitted pursuant to subsection (a) shall describe—

"(1) the goals of the Academy and the steps that shall be taken to evaluate the extent to which the Academy reaches its goals;

"(2) the curriculum to be used or developed by the Academy;

"(3) steps to be taken to recruit teachers for the Academy's program, including outreach efforts to identify and attract—

"(A) minority group members;

"(B) individuals with disabilities;

"(C) individuals from areas with large numbers or concentrations of disadvantaged students; and

"(D) other teachers with the potential to serve as mentor teachers;

"(4) steps to be taken to ensure that faculty members teaching at the Academy shall be of exceptional ability and experience, including outreach efforts to identify and attract as faculty members—

"(A) minority group members;

"(B) individuals with disabilities; and

"(C) individuals from areas with large numbers or concentrations of disadvantaged students.

"(5) efforts to be undertaken to disseminate information about the Academy;

"(6) selection criteria to be used in identifying teachers to participate in the Academy;

"(7) steps to be taken to assure that the programs offered by the Academy shall be of sufficient length and comprehensiveness to significantly improve participants' knowledge; and

"(8) efforts to be undertaken to evaluate the impact of the Academy on participants.

"SEC. 578. USE OF ALLOTTED FUNDS.

"(a) Grants.—Each State educational agency receiving an allotment under this part shall use such allotment to award one or more competitive grants to eligible entities to enable such eligible entities to operate an Academy in accordance with the provisions of this subpart.

"(b) Costs.—Each eligible entity receiving a grant under this subpart shall use such funds to meet the operating costs of carrying out the activities described in section 579, which may include reasonable startup and initial operating costs, and stipends, travel, and living expenses for teachers who participate in the Academy's program if no other funds are available to pay such costs.

"SEC. 579. AUTHORIZED ACTIVITIES.

"Each eligible entity receiving a grant to operate an Academy under this subpart shall use such grant funds for—

"(1) enhancement of participants' knowledge in key academic subjects;

"(2) skills and strategies to improve academic achievement of students, especially students who are economically disadvantaged, are limited-English proficient, or have disabilities;

"(3) improved teaching and classroom management skills; and

"(4) any other purpose described in the plan submitted pursuant to section 572 and approved by the Secretary.

"SEC. 580. COST-SHARING.

"Funds received under this subpart may be used to pay not more than 75 percent of the cost of operating an Academy in the first year an eligible entity receives a grant under this subpart, 65 percent of such cost in such second year, 55 percent of such cost in such third year, 45 percent of such cost in such fourth year, and 35 percent of such cost in such fifth year. The remaining share shall be provided from non-Federal sources, and may be in cash or in-kind contributions, fairly valued.

"SEC. 580A. SPECIAL RULES.

"(a) Uses of Funds.—

"(1) Key academic subjects.—At least 70 percent of funds received under this subpart shall be used for enhancement of participant knowledge in key academic subjects.

"(2) Other subjects.—At least 20 percent of the funds received under this subpart shall be used for enhancement of participant knowledge in areas not related to academic subjects.

"(b) Special Rule.—In awarding grants under this part the State educational agency may provide for training in 2 or more key academic subjects at a single site.

"SEC. 580B. SELECTION PANEL.

"(a) Establishment.—Each Academy established under this subpart shall establish a 10-member selection panel to select teachers to attend the National Teacher Academies established pursuant to part G.

"(b) Composition and Representation.—

"(1) Composition.—At least 50 percent of the membership of each selection panel shall be classroom teachers, selected in consultation with teacher organizations, if any, in the State.

"(2) Representation.—The composition of each selection panel shall be broadly representative of the elementary and secondary schools and the local educational agencies served by the Academy.

"(c) FUNCTION.—Each selection panel shall—

"(1) annually select the State delegations in accordance with section 595; and

"(2) involve the individuals selected pursuant to paragraph (1) in the operation of the Academy, if any, or other in-service training activities in the local educational agency in which such individuals teach.

"Subpart 3—State Academies for School Leaders

"SEC. 581. PURPOSE.

"It is the purpose of this subpart to improve the training and performance of school principals and other school leaders and to increase the number of persons who are highly trained to be principals and school leaders by establishing an Academy for current and prospective school leaders in every State.

"SEC. 582. APPLICATION REQUIRED.

"(a) IN GENERAL.—Each eligible entity desiring to operate an Academy under this subpart shall submit an application to the State educational agency at such time, in such manner and accompanied by such information as the State may reasonably require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall describe—

"(1) the goals of the Academy and the steps that shall be taken to evaluate the extent to which the Academy reaches its goals;

"(2) the curriculum to be used or developed by the Academy;

"(3) the steps to be taken to recruit school leaders for the Academy's program, including outreach efforts to identify and attract—

"(A) minority group members;

"(B) individuals with disabilities;

"(C) individuals from areas with large numbers or concentrations of disadvantaged students; and

"(D) other individuals with potential to become school leaders;

"(4) efforts to be taken to disseminate information about the Academy;

"(5) selection criteria to be used in identifying school leaders to participate in the Academy;

"(6) steps to be taken to assure that the programs offered by the Academy shall be of sufficient length and comprehensiveness to significantly improve participants' knowledge;

"(7) steps to be taken to assure the involvement of private sector managers and executives from businesses in the conduct of the Academy's programs; and

"(8) efforts to be undertaken to evaluate the impact of the Academy on participants.

"SEC. 583. USE OF ALLOTTED FUNDS.

"(a) GRANTS.—Each State educational agency receiving an allotment under this subpart shall use such allotment to award competitive grants to an eligible entity to enable such eligible entity to operate an Academy in accordance with the provisions of this subpart.

"(b) COSTS.—Each eligible entity receiving funds under this subpart shall use such funds to meet the costs of carrying out the activities described in section 584, which may include reasonable startup and initial operating costs, and stipends, travel, and living expenses for participants in the Academy if no other funds are available to pay such costs.

"(c) LIMITATIONS.—

"(1) PARTICIPANTS.—At least 70 percent of the participants in an Academy shall be from the school building level.

"(2) SPECIAL RULE.—In awarding grants under this subpart, the State educational agency may provide for the location at the same site of Academies assisted under this subpart and Academies assisted under subpart 2.

"SEC. 584. AUTHORIZED ACTIVITIES.

"Each eligible entity receiving a grant to operate an Academy under this subpart shall use such grant funds for—

"(1) development and enhancement of participants' knowledge in instructional leadership, school-based management, shared decisionmaking, school improvement strategies and school-level accountability mechanisms;

"(2) identification and recruitment of candidates, including individuals who are minority, disabled, and bilingual, to be trained as school leaders;

"(3) conducting programs which provide for the involvement of private sector managers and executives from businesses; and

"(4) any other purpose described in the plan submitted pursuant to section 572 and approved by the Secretary.

"SEC. 585. COST-SHARING.

"Funds received under this subpart may be used to pay not more than 75 percent of the cost of operating an Academy in the first year an eligible entity receives a grant under this subpart, 65 percent of such cost in such second year, 55 percent of such cost in such third year, 45 percent of such cost in such fourth year, and 35 percent of such cost in such fifth year. The remaining share shall be provided from non-Federal sources, and be in cash or in kind, fairly valued.

"Subpart 4—Professional Development Academies

"SEC. 586. PURPOSE.

"It is the purpose of this subpart to improve teacher and school leader training by establishing at least one school-based teacher training program in every State that provides prospective and novice teachers and school leaders the opportunity to work under the guidance of experienced mentors or master teachers and faculty members from institutions of higher education.

"SEC. 587. APPLICATION REQUIRED.

"(a) IN GENERAL.—Each eligible entity desiring to operate an Academy under this subpart shall submit an application to the State educational agency at such time, in such manner and accompanied by such information as the State educational agency may reasonably require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall describe—

"(1) what schools within the local educational agency and what institutions of higher education shall participate in the partnership or otherwise participate in the program;

"(2) the goals of the Academy and the steps that shall be taken to evaluate the extent to which the Academy reaches such goals;

"(3) the activities, services and programs to be offered by the Academy;

"(4) ways in which the professional development programs shall cover course content in key academic subjects, methods of instruction, and classroom and school-based management skills;

"(5) plans to involve prospective and novice teachers in the programs offered by the Academy, including outreach efforts to identify and attract—

"(A) minority group members;

"(B) individuals with disabilities; and

"(C) individuals from areas with large numbers or concentrations of disadvantaged students; and

"(6) efforts to be taken to disseminate information about the Academy.

"(c) ASSURANCES.—Each application submitted pursuant to subsection (a) shall contain assurances that—

"(1) professional development programs at the Academy shall be designed and conducted by faculty members from institutions of higher education and teachers from local schools of demonstrated excellence;

"(2) the activities, services and programs offered by the Academy shall be developed in consultation within the faculty of institutions of higher education and elementary and secondary schools;

"(3) participating faculty from institutions of higher education shall include faculty members who are experts in the key academic subjects; and

"(4) the activities, services and programs offered by the Academy shall be of sufficient length and comprehensiveness to significantly improve participants' knowledge.

"SEC. 588. USE OF ALLOTTED FUNDS.

"(a) GRANTS.—

"(1) IN GENERAL.—Each State educational agency receiving an allotment under this subpart shall use such allotment to award competitive grants to eligible entities to enable such eligible entities to operate an Academy in accordance with the provisions of this subpart.

"(2) COSTS.—Each eligible entity receiving a grant under this subpart shall use such funds to meet the operating costs of carrying out the activities described in section 589, which may include reasonable startup and initial operating costs, and stipends, travel, and living expenses for teachers who participate in the Academy's program if no other funds are available to pay such costs.

"(3) SPECIAL RULE.—The State educational agency may limit the amount of funds under this subpart that may be used for minor remodeling and the purchase of equipment.

"SEC. 589. AUTHORIZED ACTIVITIES.

"Each eligible entity receiving a grant to operate an Academy under this subpart shall use such grant funds for—

"(1) training and internship activities for prospective or novice teachers in a school setting under the guidance of master or mentor teachers and faculty from institutions of higher education, especially faculty who are experts in key academic subjects;

"(2) mentoring and induction activities for prospective and novice teachers, including such teachers seeking to enter teaching through alternative routes;

"(3) teaching skills and strategies to increase the ability of prospective, novice and experienced teachers to teach disadvantaged students, students with disabilities (including students with severe and multiple disabilities and students with lesser known or newly emerging disabilities), students who are limited-English proficient, and students from diverse cultural backgrounds;

"(4) programs to enhance teaching and classroom management skills of novice, prospective and experienced teachers including school-based management skills;

"(5) experimentation and research to improve teaching and learning conducted in the Academy by teachers and university faculty; and

"(6) any other purpose described in the plan submitted pursuant to section 572 and approved by the Secretary.

"SEC. 590. COST-SHARING.

"Funds received under this subpart may be used to pay not more than 75 percent of the cost of operating an Academy in the first 3 years an eligible entity receives a grant under this subpart and not more than 50 percent of such cost in such fourth and fifth years. The remaining share shall be provided from non-Federal sources, and may be in-kind, fairly valued.

"Subpart 5—Teacher Awards

"SEC. 590A. PURPOSE.

"It is the purpose of this subpart to recognize and honor outstanding teachers.

"SEC. 590B. TEACHER AWARDS.

"(a) AWARDS.—

"(1) IN GENERAL.—From the amount allotted to each State to carry out the provisions of this subpart, each State educational agency shall award grants in accordance with paragraph (2) to Academies assisted under subpart 2 to enable such Academies to carry out a program of providing cash awards and recognition to outstanding teachers in the academic subjects in which training is received at such Academies.

"(2) ALLOCATION OF FUNDS.—The State educational agency shall award grants under this subpart to each Academy assisted under subpart 2 in the State on the basis of the number of full-time equivalents of public school teachers attending each Academy assisted under subpart 2 in the State compared to the number of full-time equivalents of all public school teachers in the State.

"(b) ELIGIBILITY.—Each of the Academies assisted under this part that receives a grant under subpart 2 shall only make teacher awards to full-time elementary or secondary school teachers in the State.

"(c) MAXIMUM AMOUNT.—Teacher awards under this subpart shall not exceed $5,000.

"SEC. 590C. NOMINATIONS AND AWARD CRITERIA.

"(a) NOMINATIONS.—Each of the Academies assisted under subpart 2 that receives a grant under this subpart shall select teacher award recipients from among individuals nominated by a local educational agency, public or private elementary or secondary school, teacher, association of teachers, parent, association of parents and teachers, business, business group, or student group.

"(b) AWARD CRITERIA.—

"(1) IN GENERAL.—Each of the Academies assisted under subpart 2 that receives a grant under this subpart shall select teacher award recipients on the basis of criteria developed by such Academies and approved by the State educational agency.

"(2) CRITERIA.—The criteria described in paragraph (1) may include—

"(A) educating disadvantaged children and children with disabilities;

"(B) educating gifted and talented children;

"(C) boosting student achievement in key academic subjects;

"(D) introducing a new curriculum in a core academic subject into a school or strengthening an established curriculum;

"(E) acting as a master teacher; and

"(F) other criteria as developed by the Academies and approved by the State educational agency.

"PART G—NATIONAL TEACHER ACADEMIES

"SEC. 591. PROGRAM ESTABLISHED.

"(a) IN GENERAL.—The Secretary is authorized, in accordance with the provisions of this part, to make grants to eligible recipients to establish and operate National Teacher Academies.

"(b) SUBJECT AREAS AND STAFF.—

"(1) SUBJECT AREAS.—At least 1 but not more than 3 National Teacher Academies shall be established in each of the following subject areas commonly taught in elementary and secondary schools:

"(A) English.

"(B) Mathematics.

"(C) Science.

"(D) History.

"(E) Geography.

"(F) Civics and government.

"(G) Foreign languages.

"(2) STAFF.—Academy staff shall be selected from the most accomplished and prominent scholars in the relevant fields of study and in the methodologies which improve the skills of persons who teach in such fields of study.

"(c) DURATION OF GRANT.—Each grant to establish and operate a National Teacher Academy shall be for a period of 3 years, and is renewable.

"(d) COMPETITIVE GRANT AWARDS.—The Secretary shall award grants under this part on a competitive basis.

"SEC. 592. ELIGIBLE RECIPIENTS.

"(a) IN GENERAL.—For the purposes of this part, the term 'eligible recipient' means—

"(1) an institution of higher education;

"(2) a private nonprofit educational organization of demonstrated effectiveness; or

"(3) a combination of the institutions or organizations set forth in paragraphs (1) and (2) of this paragraph.

"(b) EXPERTISE REQUIREMENTS.—The Secretary shall only award grants to eligible recipients that have demonstrated expertise in the—

"(1) subject area of the National Teacher Academy to be established and operated; and

"(2) in-service training of teachers at the national, State, and local levels.

"SEC. 593. USE OF FUNDS.

"(a) IN GENERAL.—Funds provided pursuant to this part shall be used to—

"(1) provide in-service training programs for teachers and administrators including—

"(A) programs which emphasize improving the teachers' knowledge in the particular subject area of the National Teacher Academy;

"(B) programs which integrate knowledge of subject matter with techniques for communicating that knowledge to students, including students who are disadvantaged, limited-English proficient, or who have disabilities;

"(C) the use of the most recent applied research findings concerning education and the classroom; and

"(D) integrating materials from different disciplines into classroom instruction, especially for elementary school teachers;

"(2) conduct at least one summer institute of at least 3 weeks duration each year for the State delegations described in section 595; and

"(3) provide support services to the State Academies for Teachers including—

"(A) the establishment of a national network of individuals to assist in teacher education programs in State Academies for Teachers;

"(B) consulting assistance in the design and implementation of in-service teacher training programs; and

"(C) monthly newsletters or other methods of communicating useful information.

"(b) ADMINISTRATIVE COSTS.—Not more than 10 percent of the amount of funds received under this part may be used by eligible recipients for administrative costs.

"SEC. 594. APPLICATION.

"(a) APPLICATION.—Each eligible recipient desiring a grant under this part shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

"(1) describe the activities, services, and programs for which assistance is sought;

"(2) describe how at least 70 percent of the institute's time shall be devoted to basic course content relevant to the particular subject field and necessary for improving the quality of teaching in public and private elementary and secondary schools;

"(3) describe how not more than 30 percent of the National Teacher Academy's time shall be devoted to methods of instruction relevant to the particular subject field;

"(4) describe how the National Teacher Academy's activities will be coordinated with or administered cooperatively with institutes established by other Federal entities, such as the National Science Foundation and the National Endowment for the Humanities; and

"(5) provide such additional assurances or information as the Secretary may reasonably require.

"SEC. 595. STATE DELEGATIONS.

"(a) IN GENERAL.—Each selection panel established pursuant to section 580B shall select a State delegation to participate in each National Teacher Academy assisted under this part.

"(b) COMPOSITION.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), each State delegation described in subsection (a) shall, at a minimum, be composed of—

"(A) 1 school administrator with authority to design and conduct in-service teacher training and academic programs; and

"(B) at least 5 teachers, of whom at least 2 shall be elementary school teachers.

"(2) SPECIAL RULE.—The State delegations for the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa and the Republic of Palau (until the Compact of Free Association is ratified) shall, at a minimum, be composed of—

"(A) 1 school administrator with authority to design and conduct in-service teacher training and academic programs; and

"(B) at least 3 teachers, of whom at least 1 shall be an elementary school teacher.

"(3) ADDITIONAL TEACHERS.—

"(A) Each State that has obtained the approval of the appropriate National Teacher Academy may send to such National Teacher Academy the number of additional teachers determined in accordance with subparagraph (B).

"(B) The appropriate National Teacher Academy shall determine the number of additional teachers to attend such National Teacher Academy on the basis of the number of full-time equivalent teachers in the State compared to such number in all States.

"(c) DUTIES.—Each State delegation shall—

"(1) attend the appropriate subject area summer institute at the appropriate National Teacher Academy; and

"(2) after participation in the National Teacher Academy assist in the development and operation of the appropriate Academy.

"SEC. 595A. SELECTION.

"Individuals participating in a National Teacher Academy shall be selected by the selection panel described in section 580B in accordance with the provisions of section 595.

"SEC. 595B. NATIONAL TEACHER EVALUATION.

"The Secretary shall evaluate the system of National Teacher Academies and the effects of such Academies on teachers every 2 years. The Secretary shall make available to the Congress and the public the results of such evaluation.

"SEC. 595C. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated $35,000,000 for fiscal year 1993 and such sums as may be necessary for the 6 succeeding fiscal years to carry out the provisions of part G, of which no more than $5,000,000 is authorized to be appropriated for each of the National Teacher Academy subject areas listed in section 591(b)(1).

"(b) SPECIAL RULE.—(1) If the amount appropriated pursuant to the authority of subsection (a) is less than $14,000,000, then not more than $2,000,000 shall be available for each National Teacher Academy subject area in the order in which such subject areas are listed in section 591(b)(1), until such funds are exhausted.

"(2) If the amount appropriated pursuant to the authority of subsection (a) is equal to or exceeds $14,000,000, then such funds shall be allocated equitably among each of the National Teacher Academy subject areas listed in section 591(b)(1).

"PART H—ALTERNATIVE ROUTES TO TEACHER AND PRINCIPAL CERTIFICATION AND LICENSURE

"SEC. 596. SHORT TITLE.

"This part may be cited as the 'Alternative Routes to Teacher and Principal Certification and Licensure Act of 1991'.

"SEC. 597. FINDINGS.

"The Congress finds that—

"(1) effective elementary and secondary schools require competent teachers and strong leadership;

"(2) school systems would benefit greatly by increasing the pool of qualified individuals from which to recruit teachers and principals;

"(3) many talented professionals who have demonstrated a high level of subject area competence outside the education profession may wish to pursue careers in education, but have not fulfilled the requirements to be certified or licensed as teachers or principals;

"(4) alternative routes can enable qualified individuals to fulfill State certification or licensure requirements and would allow school systems to utilize the expertise of such professionals and improve the pool of qualified individuals available to local educational agencies as teachers and principals; and

"(5) alternative routes to certification or licensure requirements that do not exclude qualified individuals from teaching solely because such individuals do not meet traditional certification or licensure requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers and principals.

"SEC. 598. PURPOSE.

"It is the purpose of this part to improve the supply of well-qualified elementary and secondary school teachers and principals by encouraging and assisting States to develop and implement programs for alternative routes to teacher and principal certification or licensure requirements. Such programs shall place special emphasis on the participation of individuals who are members of minority groups.

"SEC. 599. DEFINITION.

"For purposes of this part, the term 'State' means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau (until the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 99-658).

"SEC. 599A. ALLOTMENTS.

"(a) ALLOTMENTS.—

"(1) IN GENERAL.—From the amount appropriated to carry out this part, the Secretary shall allot to each State the lesser of either the amount the State applies for under section 599B or an amount that is proportional to the State's share of the total population of children ages five through seventeen in all the States (based on the most recent data available that is satisfactory to the Secretary).

"(2) REALLOTMENT.—If a State does not apply for its allotment, or the full amount of its allotment, under the preceding paragraph, the Secretary may reallot the excess funds to one or more other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds.

"(b) SPECIAL RULE.—Notwithstanding section 412(b) of the General Education Provisions Act, funds awarded under this part shall remain available for obligation by a recipient for a period of two calendar years from the date of the grant.

"SEC. 599B. STATE APPLICATIONS.

"(a) IN GENERAL.—Any State desiring to receive an allotment under this part shall, through the State educational agency, submit an application at such time, in such manner, and containing such information, as the Secretary may reasonably require.

"(b) REQUIREMENTS.—Each application shall—

"(1) describe the programs, projects, and activities to be undertaken; and

"(2) contain such assurances as the Secretary considers necessary, including assurances that—

"(A) assistance provided to the State educational agency under this part will be used to supplement, and not to supplant, any State or local funds available for the development and implementation of programs to provide alternative routes to fulfilling teacher and principal certification or licensure requirements;

"(B) the State educational agency has, in developing and designing the application, consulted with—

"(i) representatives of local educational agencies, including superintendents and school board members (including representatives of such superintendents' and members' professional organizations where applicable);

"(ii) elementary and secondary school teachers and principals, including representatives of their professional organizations;

"(iii) parents; and

"(iv) other interested organizations and individuals; and

"(C) the State educational agency will submit to the Secretary, at such time as the Secretary may specify, a final report describing the activities carried out with assistance provided under this part and the results achieved.

"(c) GEPA PROVISIONS INAPPLICABLE.—Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

"SEC. 599C. USE OF FUNDS.

"(a) MANDATORY.—

"(1) IN GENERAL.—A State educational agency shall use assistance provided under this part to support programs, projects, or activities that develop and implement new, or expand and improve existing, programs that provide teacher and principal training to individuals who are moving to a career in education from another occupation through an alternative route to teacher certification or licensure.

"(2) METHODS OF ASSISTANCE.—A State educational agency may carry out such programs, projects, or activities directly, through contracts, or through grants to local educational agencies, intermediate educational agencies, institutions of higher education, or consortia of such agencies.

"(b) PERMISSIVE.—Funds received under this part may be used for—

"(1) the design, development, implementation, and evaluation of programs that enable qualified professionals who have demonstrated a high level of subject area competence outside the education profession and are interested in entering the education profession to fulfill State certification or licensure requirements;

"(2) the establishment of administrative structures necessary for the development and implementation of programs to provide alternative routes to fulfilling State requirements for certification or licensure;

"(3) training of staff, including the development of appropriate support programs, such as mentor programs, for teachers and principals entering the school system through alternative routes to teacher and principal certification or licensure;

"(4) the development of recruitment strategies;

"(5) the development of reciprocity agreements between or among States for the certification or licensure of teachers and principals; and

"(6) other appropriate programs, projects, and activities designed to meet the objectives of this part.

"SEC. 599D. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $15,000,000 for fiscal year 1993 to carry out this part.

"PART I—MIDDLE SCHOOL TEACHING DEMONSTRATION PROGRAMS

"SEC. 599E. STATEMENT OF PURPOSE.

"It is the purpose of this part to provide financial assistance to institutions of higher education which offer teacher training or retraining programs to develop model programs with a specialized focus on teaching grades 6 through 9.

"SEC. 599F. DEFINITIONS.

"As used in this part—

"(1) The term 'developmentally appropriate' means a program that is appropriate for a child's age and all areas of an individual child's development, including educational, physical, emotional, social, cognitive, and communication.

"(2) The term 'middle school' means a school which enrolls students in at least two of the grades 6, 7, 8, and 9.

"SEC. 599G. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary is authorized to make grants, on a competitive basis, to institutions of higher education to develop model programs with a specialized focus on teaching grades 6 through 9.

"(b) SPECIAL RULE.—(1) The Secretary shall ensure an equitable geographic distribution of grants awarded under this part.

"(2) The Secretary shall take into consideration equitable levels of funding for urban and rural areas in awarding grants under this part.

"(c) GRANT PERIOD.—Grants under this part may be awarded for a period not to exceed 3 years.

"(d) FUNDING LIMITATION.—Grants awarded under this part may not exceed $250,000 in the first year of funding.

"SEC. 599H. APPLICATION.

"(a) IN GENERAL.—Each institution of higher education desiring a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall demonstrate that—

"(1) the applicant will establish and maintain a program of teacher training or retraining designed to offer specialized preparation for individuals teaching grades 6 through 9;

"(2) the applicant has designed a program of teacher training or retraining which includes—

"(A) a study of adolescent development (including cognitive, social, and emotional) with particular emphasis on early adolescent development;

"(B) a study of the influence of institutions such as schools, families, and peer groups in the socialization of adolescents;

"(C) information concerning the organization of schools for students in grades 6 through 9, with particular emphasis on developmentally appropriate school and classroom organization and practices;

"(D) training in at least 2 subject areas and related instructional strategies;

"(E) direct experience through internships in middle grade schools under the guidance of teachers who demonstrate exemplary classroom practices;

"(F) strategies for the prevention and detection of high risk behavior, particularly drug and alcohol abuse, and for the enhancement of self esteem among adolescents;

"(G) a study of effective methods and models of presenting substance abuse information and education to adolescent students; and

"(H) methods of encouraging parental and community involvement with middle schools; and

"(3) the program will be designed and operated with the active participation of classroom

teachers and will include an in-service training component.

"SEC. 599I. REPORTS AND INFORMATION DISSEMINATION.

"Each institution of higher education receiving a grant under this part shall submit to the Secretary such reports and other information regarding programs conducted under this part as the Secretary deems necessary. The Secretary shall disseminate such information to other institutions of higher education, State educational agencies, and local educational agencies.

"SEC. 599J. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out the provisions of this part.

"PART J—NATIONAL MIGRANT EDUCATION MINI-CORPS PROGRAM

"SEC. 599K. DEMONSTRATION PROGRAM ESTABLISHED.

"The Secretary is authorized to conduct a program to—

"(1) provide migrant students who are enrolled, or plan to enroll, in an institution of higher education, with advisement, training, and instructional services, to enable such students to be role models for migrant children, and to provide a link with the migrant community;

"(2) provide outreach and recruitment services to encourage migrant students who are enrolled in a teacher training program to be role models for migrant children;

"(3) provide support and instructional services to migrant students who are enrolled in an institution of higher education, to enable such students to provide direct instructional services to migrant children participating in programs under section 1201 of the Elementary and Secondary Education Act of 1965 during the regular or summer terms, including such services as—

"(A) lessons and provision of materials that are designated to meet the academic needs of migrant children in the classroom;

"(B) supplemental instruction to reinforce the basic skills and concepts provided by the teacher; and

"(C) instruction in other areas, including environmental or health education;

"(4) designate college coordinators at participating institutions to train, supervise and assign migrant students in cooperation with the operating State agency in which migrant children with special needs have been identified;

"(5) provide academic assistance, home visits, parental involvement, parent-student advisement services, and family advocacy;

"(6) provide that the instructional services for migrant children are to be coordinated with the overall education goals of the operating State educational agency; and

"(7) provide that migrant students who participate in the program assisted under this subpart for at least 10 but not more than 15 hours per week receive a stipend for such participation.

"SEC. 599L. EVALUATION.

"The Secretary shall, by January 1, 1996, evaluate the demonstration program assisted under this part and report the results of such evaluation to the appropriate committees of the Congress.

"SEC. 599M. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this part.

"PART K—FOREIGN LANGUAGE INSTRUCTION

"Subpart 1—Demonstration Grants for Critical Language and Area Studies

"SEC. 599N. DEMONSTRATION GRANTS FOR CRITICAL LANGUAGE AND AREA STUDIES.

"(a) PROGRAM AUTHORITY.—The Secretary is authorized to make demonstration grants to eligible consortia to enable such eligible consortia to—

"(1) operate critical language and area studies programs;

"(2) develop and acquire educational equipment and materials; and

"(3) develop teacher training programs, texts, curriculum, and other activities designed to improve and expand the instruction of foreign languages at elementary and secondary schools across the Nation.

"(b) GRANT LIMITATION.—The Secretary shall not award a grant which exceeds $2,000,000 to an eligible consortium under this section in any fiscal year, but shall award grants of sufficient size, scope and quality for a program of comprehensive instruction of foreign languages.

"(c) SPECIAL RULES.—

"(1) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to eligible consortia with demonstrated, proven effectiveness in the field of critical language and area studies and which have been in existence for 1 year prior to applying for a grant under this section.

"(2) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall take into consideration providing an equitable geographic distribution of such grants among the regions of the United States.

"(3) PROGRAM REQUIREMENT.—Each eligible consortium receiving a grant under this section shall include in the activities assisted pursuant to such grant, a study abroad or cultural exchange program.

"(d) ELIGIBLE CONSORTIUM.—

"(1) IN GENERAL.—For the purposes of this section, the term 'eligible consortium' means a cooperative effort between entities in one or more States that must include at least 4 schools, of which—

"(A) one shall be an institution of higher education;

"(B) one shall be a secondary school with experience in teaching critical languages;

"(C) one shall be a secondary school with experience in teaching critical languages and in which at least 25 percent of the students are eligible to be counted under chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(D) one shall be a secondary school in which at least 25 percent of the students are eligible to be counted under chapter 1 of title I of the Elementary and Secondary Education Act of 1965.

"(2) NONPROFIT ORGANIZATIONS.—Each eligible consortium described in paragraph (1) may include a nonprofit organization to provide services not otherwise available from the entities described in paragraph (1).

"(e) ADMINISTRATION.—Each eligible consortium receiving a grant under this section may use not more than 10 percent of such grant for administrative expenses.

"(f) APPLICATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), each eligible consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(2) SPECIAL RULE.—The State educational agency or State higher education agency responsible for the supervision of any one school participating in an eligible consortium may submit the application described in paragraph (1) on behalf of such eligible consortium.

"(g) DEFINITIONS.—For purposes of this section the term 'critical language' means each of the languages contained in the list of critical foreign languages designated by the Secretary pursuant to section 212(d) of the Education for Economic Security Act (50 Federal Register 149, 31413).

"Subpart 2—Development of Foreign Language and Culture Instructional Materials

"SEC. 599P. DEVELOPMENT OF FOREIGN LANGUAGE AND CULTURE INSTRUCTIONAL MATERIALS.

"(a) GRANTS AUTHORIZED.—The Secretary of Education is authorized to provide grants on a competitive basis to qualified State and local educational agencies, institutions of higher education, private nonprofit foreign language organizations, nonprofit education associations, or a consortium thereof, to enable such entity or entities to act as a resource center for—

"(1) coordinating the development of and disseminating foreign language and culture instructional material, including children's literature in foreign languages, videotapes, and computer software, and teacher's instructional kits relating to international study; and

"(2) encouraging the expanded use of technology in teaching foreign languages and culture at the elementary school level and, when the needs of elementary schools have been met, at the secondary school level, with a particular emphasis on expanding the use of technology in teaching foreign languages and culture at elementary and secondary schools that have proportionally fewer resources available for teaching foreign languages and cultures, including urban and rural areas.

"(b) COORDINATION.—In developing materials and technologies under this section, the Secretary shall, where appropriate, make use of materials and technologies developed under the Star Schools Assistance Program Act.

"Subpart 3—Authorization of Appropriations

"SEC. 599Q. AUTHORIZATION OF APPROPRIATIONS.

"(a) CRITICAL LANGUAGE AND AREA STUDIES.—There are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out the provisions of subpart 1.

"(b) FOREIGN LANGUAGE AND CULTURE INSTRUCTIONAL MATERIALS.—There are authorized to be appropriated $4,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out the provisions of subpart 2.

"PART L—EARLY CHILDHOOD TEACHER STAFF AND PROFESSIONAL ENHANCEMENT

"SEC. 599R. SHORT TITLE.

"This part may be cited as the 'Early Childhood Staff Training and Professional Enhancement Grants Act'.

"SEC. 599S. FINDINGS.

"The Congress finds that—

"(1) 10,000,000 preschool children spend all or part of the day in out-of-home care;

"(2) specialized preparation of individuals who care for young children is a predictor of the ability to provide high quality experiences for such children;

"(3) due to projected increases of children in out-of-home care in the future, it is necessary to expand and improve the training and career growth of individuals who care for and educate young children;

"(4) the present delivery system of child care education and training is disjointed;

"(5) funding for such training is fragmented, sporadic, and distinguishes in-service training from degree or certificate programs; and

"(6) in order to expand and enhance the career development of individuals who care and

educate young children, such individuals must have training options that promote career growth.

"SEC. 599T. PURPOSE.

"It is the purpose of this part to—

"(1) promote the national education goal that all children in America start school ready to learn, by ensuring the existence of sufficient numbers of well-trained early childhood development and care staff;

"(2) provide professional preparation and continued career training for early childhood development and care staff who work with children from birth through preschool, with an emphasis on infants and toddlers and children with special needs; and

"(3) create and implement effective, coordinated models of early childhood professional preparation and in-service training so that such preparation and training corresponds with a career ladder, based on a progression of staff roles, in the field of early childhood development and care.

"SEC. 599U. GRANTS AUTHORIZED.

"(a) IN GENERAL.—The Secretary is authorized to award grants to States in accordance with the provisions of this part to enable such States to pay the costs of the activities described in the plan submitted pursuant to section 599X.

"(b) COMPETITIVE BASIS.—Grants under this part shall be awarded on a competitive basis.

"(c) DURATION.—Grants under this part shall be awarded for a period of 5 years.

"SEC. 599V. LEAD AGENCY.

"(a) DESIGNATION.—The chief executive officer of a State, in consultation with the State educational agency, desiring to receive a grant under this part shall designate an appropriate State agency, to act as the lead agency.

"(b) DUTIES.—The lead agency shall—

"(1) administer, directly or through other State agencies, the financial assistance received under this part by the State;

"(2) choose the members of the Advisory Committee that will develop the State plan to be submitted to the Secretary under section 599X;

"(3) in conjunction with the development of the State plan as required under paragraph (2), hold at least one hearing in the State to provide to the public an opportunity to comment on the provision of training and professional development described in the State plan; and

"(4) coordinate the provision of services under this part with other appropriate Federal, State and local programs.

"SEC. 599W. ADVISORY COMMITTEE.

"(a) ADVISORY COMMITTEE.—

"(1) IN GENERAL.—In order to receive a grant under this part a State shall establish, through the lead agency described in section 599V, an Advisory Committee to develop the State plan described in section 599X.

"(2) APPOINTMENT.—In order to receive a grant under this part the lead agency shall appoint the members of the Advisory Committee in accordance with subsection (b).

"(b) COMPOSITION.—To the extent such entities exist within a State, each Advisory Committee established pursuant to subsection (a) shall consist of a representative of the following agencies, institutions, organizations, divisions, programs or departments of the State:

"(1) The lead State agency responsible for administering funds received under the Child Care Development and Block Grant Act.

"(2) Institutions of higher education, including community colleges and 2-year colleges.

"(3) An organization representing child care providers, including center-based care and family day care.

"(4) An early childhood division of a State educational agency, and the State early childhood teacher certification agency, if such entities are different.

"(5) A child care licensing or regulating agency.

"(6) A local child care resource and referral agency.

"(7) A State Head Start association.

"(8) An organization with significant experience in training in the fields of early childhood development, early care and early education.

"(9) An organization representing parents of young children.

"(10) A State-funded preschool program.

"(11) A State employment and job training agency.

"(12) A State department of community development.

"SEC. 599X. STATE PLAN.

"(a) IN GENERAL.—Each State desiring a grant under this part shall submit, through the lead agency, a plan to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require. The Secretary shall consult with the Secretary of Health and Human Services regarding the contents of such plan.

"(b) CONTENTS.—Each plan submitted pursuant to subsection (a) shall—

"(1) identify the lead agency as described in section 599V;

"(2) assess the training offerings and content of such offerings, amount of training required for an early childhood development staff license or certificate, compensation, recruitment and turnover of staff, and any coordination of training offerings and professional growth of early childhood development staff in the State;

"(3) describe the goals of the activities assisted under this part; and

"(4) describe how the State shall—

"(A) identify and maintain a career development path, based on a progression of roles for early childhood development staff, with each role articulated with training and different levels of responsibility and compensation, in such manner as will permit an individual to qualify for a more responsible role;

"(B) identify the core content for each staff role and assure that workshops, courses, seminars, and appropriate certificate and degree programs are available for each such staff role and career advancement;

"(C) ensure that trainers of early childhood development staff in the State are qualified;

"(D) describe the ways in which the State will coordinate training programs among institutions of higher education, including transfer of credits, and assure that in-service training offered in the State carries course credit accepted by an institution of higher education, community college or 2-year college in the State toward a certificate or degree program;

"(E) set forth the ways in which the State will pay the costs of any assessment, credentialing, certification, licensing, training offering, training inventory, increase in staff participation in training, or other services assisted by a grant under this part;

"(F) describe the ways in which the State plans to coordinate the various State and local agencies and organizations to maximize coordination of standards and requirements for certifications, licenses, and accreditations, including Head Start agencies, the State agency responsible for administering funds under the Child Development Associate Scholarship Act of 1985, the State agency responsible for administering funds received under the Child Care Development and Block Grant Act, and the State agency responsible for early childhood education and preschool programs;

"(G) describe the ways in which the State will compile and disseminate information on—

"(i) training offerings;

"(ii) requirements for admission into courses and programs;

"(iii) requirements for a license, certificate, credential, or degree to which such offerings may be applied;

"(iv) funding sources available for such activities; and

"(v) the cost of training offerings; and

"(H) describe the ways in which the State will use the funds received under this part and any other funds available to the State to carry out the activities described in the State plan.

"SEC. 599Y. EVALUATION AND REPORT.

"(a) EVALUATION.—The Secretary, through grants, contracts or cooperative agreements, shall provide for continuing evaluation of activities assisted under this part to determine the effectiveness of such activities in achieving stated goals, and the impact of such activities on developing and coordinating training options and in developing and implementing a career ladder articulated with training.

"(b) LOCAL EVALUATION.—Each State receiving a grant under this part shall evaluate the activities assisted under this part to determine the effectiveness of such activities in achieving State goals, the impact of such activities on the establishment of a career ladder for early childhood development, the impact of such activities on families served if feasible, and the impact of such activities on licensing or regulating requirements for individuals in the field of early childhood development. An interim evaluation shall be submitted to the Secretary not later than January 1, 1995, and a final report shall not be submitted later than January 1, 1997.

"(c) INFORMATION.—Each State receiving a grant under this part shall prepare and submit to the Secretary such information as the Secretary shall request in order to carry out the evaluation described in subsection (a).

"(d) REPORT.—No later than September 1997, the Secretary, in consultation with the Secretary of Health and Human Services, shall prepare and submit to the appropriate committees of Congress, each State agency responsible for administering funds received under the Child Care Development Block Grant Act, and each State educational agency, a report assessing the evaluations conducted pursuant to subsections (a) and (b), including an examination of the strengths and weaknesses of the design and operation of the activities assisted under this part and the effectiveness of such activities in achieving stated goals.

"SEC. 599Z. AUTHORIZATION.

"There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.".

(b) EXPIRATION DATE.—Effective July 1, 1995, the Alternative Routes to Teacher and Principal Certification and Licensure Act of 1991 (as contained in part H of title V of the Higher Education Act of 1965) is repealed.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

SEC. 601. PURPOSE.

Subsection (b) of section 601 of the Act (20 U.S.C. 1121(b)) is amended by inserting "to develop a pool of international experts to meet national needs" after "fluency".

SEC. 602. GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA STUDIES.

Section 602 of the Act (20 U.S.C. 1122) is amended—

(1) in subsection (a)—

(A) in subparagraph (B) of paragraph (1), by inserting "a diverse network of" after "operating";

(B) in paragraph (2), by inserting ", the cost of establishing and maintaining linkages with overseas institutions of higher education and other organizations that may contribute to the educational objectives of this section for the

purpose of contributing to the teaching and research of the center or program" after "conduct research,"; and

(C) by inserting at the end thereof the following new paragraph:

"(4) The Secretary may make additional grants to centers described in paragraph (1)(A) for—

"(A) programs of linkage or outreach between foreign language, area studies, and other international fields and professional schools and colleges;

"(B) programs of linkage or outreach with two- and four-year colleges and universities;

"(C) programs of linkage or outreach with departments or agencies of State and Federal governments;

"(D) programs of linkage or outreach with the news media, business, professional, or trade associations; and

"(E) summer institutes in foreign area and other international fields designed to carry out the programs of linkage and outreach described in subparagraphs (A), (B), (C) and (D) of this paragraph."; and

(2) in subsection (b)—

(A) in paragraph (1), by amending subparagraph (B) to read as follows:

"(B) Students receiving stipends described in subparagraph (A) shall be individuals who are engaged in an instructional program with stated performance goals for functional foreign language use or in a program developing such performance goals, in combination with area studies, international studies, or the international aspects of a professional studies program."; and

(B) by amending paragraph (2) to read as follows:

"(2)(A) The Secretary is authorized to make grants to institutions of higher education or combinations of such institutions to enable such institutions or combinations of such institutions to pay stipends to students beginning with such students' third year of graduate training in any center or program approved by the Secretary under this part.

"(B) Students receiving stipends described in subparagraph (A) shall be individuals engaged in completing advanced degree requirements in foreign language, foreign area studies, or other international fields.

"(C) Stipends described in subparagraph (A) shall be used to complete degree requirements, such as predissertation level studies, preparation for dissertation research (including the study of less commonly taught languages), dissertation research abroad, and dissertation writing.

"(D) Students may receive stipends described in subparagraph (A) for a maximum of 4 years if such students make satisfactory progress towards completion of a degree program.".

SEC. 603. LANGUAGE RESOURCE CENTERS.

Subsection (a) of section 603 of the Act (20 U.S.C. 1123(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "operating language training centers" and inserting "operating a small number of national language resource and training centers";

(2) in paragraph (3), by striking "proficiency testing" and inserting "performance testing"; and

(3) in paragraph (4), by striking "proficiency tests" and inserting "performance tests.".

SEC. 604. UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.

Section 604 of the Act (20 U.S.C. 1124) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "strengthen and";

(ii) by inserting immediately after the first sentence the following new sentence: "Such grants shall be awarded to institutions of higher education or combinations of such institutions seeking to create programs or curricula in area studies, foreign languages, and other international fields."; and

(iii) by striking "may be for projects" and inserting "may be used to pay not more than 50 percent of the costs of projects"; and

(B) by amending paragraph (6) to read as follows:

"(6) international education programs designed to develop or enhance linkages between two- and four-year institutions of higher education, or baccalaureate and postbaccalaureate programs or institutions; and";

(2) by amending subsection (b) to read as follows:

"(b) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized to make grants to institutions of higher education or combinations of such institutions to enable such institutions or combinations of such institutions to—

"(A) strengthen programs of demonstrated excellence in area studies, foreign languages, and other international fields in order to ensure the self-sustaining maintenance and growth of such programs; and

"(B) enhance the capacity-building and dissemination functions of such programs.

"(2) USE OF GRANT FUNDS.—Grants awarded under this subsection may be used to pay not more than 50 percent of the cost of projects and activities which are an integral part of the programs described in paragraph (1), such as—

"(A) teaching, research, curriculum development, and other related activities;

"(B) strengthening undergraduate majors and minors directly related to the generation of international expertise;

"(C) developing new foreign language courses, especially in languages previously not taught at such institution or combination of such institutions, and improving the quality of existing foreign language programs;

"(D) expanding library and teaching resources;

"(E) establishing linkages overseas with institutions of higher education and organizations that contribute to the educational objectives of this subsection;

"(F) developing programs designed to integrate professional and technical education with area studies, foreign languages, and other international fields;

"(G) disseminating curricula materials and program designs to other educational institutions;

"(H) integrating on-campus undergraduate curriculum with study abroad and exchange programs;

"(I) training faculty and staff in area studies, foreign languages, and other international fields; and

"(J) conducting summer institutes in foreign area and other international fields to provide faculty and curriculum development, including the integration of professional and technical education with foreign area and other international studies, and to provide foreign area and other international knowledge or skills to government personnel or private sector professionals in international activities.

"(3) ADDITIONAL GRANTS.—

"(A) IN GENERAL.—The Secretary is authorized to make grants to institutions of higher education, combinations of such institutions, or nonprofit educational organizations in partnership with such institutions to expand and strengthen overseas educational opportunities for United States students.

"(B) USES.—The grants made under subparagraph (A) may be used to pay not more than 50 percent of the cost of—

"(i) developing study or internship abroad programs in locations in which such opportunities are not otherwise available or study or internship programs which serve students for which such opportunities are not otherwise available; and

"(ii) developing model programs to enrich or enhance the effectiveness of study abroad programs, including predeparture and post return orientation programs, integration of study abroad into the curriculum of the home institution, credit transfer, improved faculty involvement, cross-disciplinary programs, student selection and advising services, and academic advising.

"(4) CRITERIA.—The Secretary may establish criteria for evaluating programs assisted under this subsection and may require an annual report which evaluates the progress and performance of students in such program as a condition for the award of any grant under this subsection."; and

(3) by adding at the end thereof the following new subsection:

"(d) NON-FEDERAL SHARE.—The non-Federal share of the costs of programs assisted under this section may be provided in cash or with in-kind assistance. Such assistance may be composed of institutional and noninstitutional funds, including State and private contributions.".

SEC. 605. RESEARCH; STUDIES; ANNUAL REPORT.

Section 606 of the Act (20 U.S.C. 1125) is amended—

(1) in subsection (a), by striking paragraphs (1), (2), (3) and (4) and inserting the following:

"(1) studies and surveys to determine needs for increased or improved instruction in foreign language, area studies, or other international fields, including the demand for foreign language, area and other international specialists in government, education, and the private sector;

"(2) studies and surveys to assess the utilization of graduates of programs supported under this title by governmental, educational, and private sector organizations and other studies assessing the outcomes and effectiveness of programs so supported;

"(3) comparative studies of the effectiveness of strategies to provide international capabilities at institutions of higher education;

"(4) research on more effective methods of providing instruction and achieving competency in foreign languages;

"(5) the development and publication of specialized materials for use in foreign language, area studies, and other international fields, or for training foreign language, area, and other international specialists; and

"(6) the application of performance tests and standards across all areas of foreign language instruction and classroom use."; and

(2) in subsection (b), by striking "and publish" and inserting ", publish and announce".

SEC. 606. PERIODICALS AND OTHER RESEARCH MATERIALS PUBLISHED OUTSIDE THE UNITED STATES.

(a) AMENDMENT TO HEADING.—The heading for section 607 of the Act is amended by inserting "AND OTHER RESEARCH MATERIALS" after "PERIODICALS".

(b) AMENDMENT TO TEXT.—The text of section 607 of the Act (20 U.S.C. 1125a) is amended—

(1) in subsection (a), by striking "In addition" and all that follows through "provide assistance" and inserting "The Secretary is authorized to make grants";

(2) in subsection (b)—

(A) by striking "subsection (a)" and inserting "section 610A";

(B) by amending paragraph (2) to read as follows:

"(2) to maintain in machine-readable form current bibliographic information on periodicals *and other research materials thus acquired, and to enter such information into one or more of the widely available bibliographic data bases;''; and*

(C) by amending paragraph (4) to read as follows:

''(4) to make such periodicals and other research materials widely available to researchers and scholars;''; and

(3) by inserting ''and other research materials'' after ''periodicals'' each place such term appears.

SEC. 607. EQUITABLE DISTRIBUTION OF FUNDS.

Subsection (a) of section 609 of the Act (20 U.S.C. 1126) is amended—

(1) by inserting ''(1)'' before ''The''; and

(2) by adding at the end thereof the following new paragraph:

''(2) The Secretary shall award grants under this part in such manner as to ensure that an appropriate portion of funds under this part as determined by the Secretary are used to support undergraduate education.''.

SEC. 608. AMERICAN OVERSEAS RESEARCH CENTERS.

Part A of title VI of the Act (20 U.S.C. 1121 et seq.) is amended—

(1) by redesignating section 610 as section 610A; and

(2) by inserting after section 609 the following new section:

''SEC. 610. AMERICAN OVERSEAS RESEARCH CENTERS.

''(a) CENTERS AUTHORIZED.—The Secretary is authorized to make grants to and enter into contracts with any American Overseas Research Center (which is a consortium of institutions of higher education) (hereafter in this section referred to as a 'Center') to enable a Center to promote postgraduate research, exchanges and area studies.

''(b) USE OF GRANTS.—Grants and contracts made pursuant to this section may be used to pay all or a portion of the cost of establishing or operating a Center or program, including the cost of faculty and staff stipends and salaries, faculty, staff and student travel, the operation and maintenance of overseas facilities, the cost of teaching and research materials, the cost of acquisition, maintenance and preservation of library collections, the cost of bringing visiting scholars and faculty to a Center to teach or to conduct research, the cost of organizing and managing conferences and the cost of publication and dissemination of material for the scholarly and general public.

''(c) LIMITATION.—Grants and contracts awarded pursuant to this section shall be awarded only to Centers which are fully accredited members of the Council of American Overseas Research Centers, Smithsonian Institution.''.

SEC. 609. AUTHORIZATION OF APPROPRIATIONS FOR PART A.

Section 610A of the Act (as redesignated in section 608(1)) is amended—

(1) by striking ''$49,000,000'' and inserting ''$60,000,000'';

(2) by striking ''1987'' and inserting ''1993''; and

(3) by striking ''4 succeeding'' and inserting ''6 succeeding''.

SEC. 610. CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.

Subsection (c) of section 612 of the Act (20 U.S.C. 1130–1(c)) is amended—

(1) in subparagraph (C) of paragraph (1), by striking ''including but not limited to,'' and inserting ''such as''; and

(2) in paragraph (2)—

(A) by striking ''and'' at the end of subparagraph (A);

(B) by striking the period at the end of subparagraph (B) and inserting a semicolon; and

(C) by adding at the end thereof the following new subparagraphs:

''(C) the establishment of linkages overseas with institutions of higher education and other organizations that contribute to the educational objectives of this section; and

''(D) summer institutes in international business, foreign area and other international studies designed to carry out the purposes of paragraph (1) of this subsection.''.

SEC. 611. EDUCATION AND TRAINING PROGRAMS.

Subsection (b) of section 613 of the Act (20 U.S.C. 1130a(b)) is amended—

(1) by striking ''and'' at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

''(11) the establishment of linkages overseas with institutions of higher education and organizations that contribute to the educational objectives of this section; and

''(12) summer institutes in international business, foreign area and other international studies designed to carry out the purposes of this section.''.

SEC. 612. AUTHORIZATION OF APPROPRIATIONS FOR PART B.

Section 614 of the Act (20 U.S.C. 1130b) is amended—

(1) in subsection (a)—

(A) by striking ''$7,500,000'' and inserting ''$10,000,000'';

(B) by striking ''1988'' and inserting ''1993''; and

(C) by striking ''4 succeeding'' and inserting ''6 succeeding''; and

(2) in subsection (b)—

(A) by striking ''$5,000,000'' and inserting ''$6,000,000'';

(B) by striking ''1987'' and inserting ''1993''; and

(C) by striking ''4 succeeding'' and inserting ''6 succeeding''.

SEC. 613. MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM.

Title VI of the Act (20 U.S.C. 1121 et seq.) is amended—

(1) by redesignating part C as part E;

(2) by redesignating section 622 as section 641; and

(3) by inserting after section 614 the following new parts:

''PART C—MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM

''SEC. 621. MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM.

''(a) PROGRAM AUTHORIZED.—

''(1) GRANTS.—The Secretary is authorized to award grants to institutions of higher education, or consortia thereof, with a significant minority student enrollment and a demonstrated commitment to preparing students from underrepresented populations in the foreign service of the United States for entrance into such foreign service, to enable such institutions or consortia to carry out the activities described in section 622.

''(2) COMPETITIVE BASIS.—Grants made pursuant to paragraph (1) shall be awarded on a competitive basis.

''(3) DURATION.—Grants made pursuant to paragraph (1) shall be awarded for a period not to exceed 5 years.

''SEC. 622. AUTHORIZED ACTIVITIES.

''(a) IN GENERAL.—An institution of higher education or consortium thereof shall use grant funds received under this part for activities that prepare students from underrepresented populations in the foreign service of the United States for entrance into such service. Such activities shall include—

''(1) junior year abroad study;

''(2) fellowships for graduate study;

''(3) internships;

''(4) intensive academic programs such as summer institutes; or

''(5) intensive language training.

''SEC. 623. APPLICATION.

''Each institution of higher education or consortium thereof desiring a grant under this part shall submit an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

''SEC. 624. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this part.

''PART D—FULBRIGHT-HAYS EDUCATIONAL AND CULTURAL EXCHANGES

''SEC. 631. FULBRIGHT-HAYS EDUCATIONAL AND CULTURAL EXCHANGES.

''(a) PROGRAM AUTHORIZED.—The President is authorized to provide for promoting modern foreign language training and area studies in United States schools, colleges, and universities by supporting visits and study in foreign countries by teachers and prospective teachers or other persons who have demonstrable need for an international dimension in their education in such schools, colleges, and universities for the purpose of improving their skill in languages and their knowledge of the culture of the people of those countries, and by financing visits by teachers from those countries to the United States for the purpose of participating in foreign language training and area studies in United States schools, colleges, and universities, and promoting advanced research, exchanges, and area studies overseas by consortia of institutions of higher education.

''(b) COORDINATION.—The activities carried out under this part shall be coordinated with the jurisdiction and activities of the J. William Fulbright Foreign Scholarship Board, the Fulbright Commissions, the United States embassies, and any other foreign educational or cultural exchange activities carried out under the Mutual Educational and Cultural Exchange Act.

''(c) TRANSFER.—Any personnel, liabilities, contracts, real property, personal property, assets, and records, employed, held, or used primarily in connection with a function carried out pursuant to section 102(b)(6) of the Mutual Educational and Cultural Exchange Act not located at the Department of Education on the date of enactment of the Higher Education Act Amendments of 1991, shall be transferred to the Secretary. Any personnel so transferred shall be transferred without reduction in classification or compensation for one year after the transfer.

''(d) SPECIAL RULE.—All laws and regulations relating to section 102(b)(6) of the Mutual Educational and Cultural Exchange Act, insofar as such laws and regulations are appropriate and not inconsistent with the provisions of this part, remain in full force and effect and apply with respect to this part. All references in any other Federal law to section 102(b)(6) of the Mutual Educational and Cultural Exchange Act shall be deemed to refer to this part.

''(e) FUNDING.—Any funds appropriated to carry out section 102(b)(6) of the Mutual Educational and Cultural Exchange Act for fiscal year 1991 that are not expended or obligated on the date of enactment of the Higher Education Act Amendments of 1991 shall be paid to the Secretary within 10 days of such date. The Secretary shall be responsible for all obligations incurred under such section after such date.''.

SEC. 614. DEFINITIONS.

Section 641 of the Act (as redesignated in section 613(2)) is amended by adding at the end the following new subsection:

"(c) All references to institutions of higher education, unless the context otherwise requires, mean institutions of higher education which are licensed and accredited in the United States, and shall include United States institutions of higher education operating abroad that are licensed and accredited in the United States and which directly contribute to the international education of United States students and faculty in the areas of foreign language or area studies.".

TITLE VII—CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF ACADEMIC FACILITIES

SEC. 701. REPEALERS AND REDESIGNATIONS.

(a) IN GENERAL.—Title VII of the Act (20 U.S.C. 1132a et seq.) is amended—

(1) by repealing parts A, B, C, D, G, and J;

(2) by repealing section 781;

(3) by redesignating parts E, F, and H, as parts B, C, and D, respectively;

(4) by redesignating sections 751, 752, 753, 754, 755, 756, 757, 758, 759, and 760, as sections 721, 722, 723, 724, 725, 726, 727, 728, 729, and 730, respectively;

(5) by redesignating sections 761, 762, 763, and 764, as sections 731, 732, 733, and 735, respectively;

(6) by redesignating sections 782 and 783 as sections 741, and 742, respectively.

(b) CONFORMING AMENDMENTS.—

(1) STOCK.—Section 728 of the Act (as redesignated in subsection (a)(4)) is amended—

(A) in subsection (c), by striking "754" and inserting "724"; and

(B) in subsection (e)—

(i) by striking "755" and inserting "725"; and

(ii) by striking "756" and inserting "726";

(2) DEFINITIONS.—(A) Subsection (b) of section 730 of the Act (as redesignated in subsection (a)(4)) is amended by striking "752" and inserting "722".

(B) Section 735 of the Act (as redesignated in subsection (a)(5)) is amended—

(i) in subparagraph (B) of subsection (b)(3), by striking "761" and inserting "731"; and

(ii) in the matter following paragraph (5) of subsection (b), by striking "761" and inserting "731".

(C) Clause (ii) of section 741(6)(B) of the Act (as redesignated in subsection (a)(6)) is amended by inserting "(as such part C was in effect prior to the date of enactment of the Higher Education Amendments of 1991)" after "part C".

(3) SALE OF OBLIGATIONS.—Section 742 of the Act (as redesignated in subsection (a)(6)) is amended by striking "parts C and F" and inserting "part C".

(4) AMENDMENT TO HEADING.—The heading for part C (as redesignated in subsection (a)(3)) is amended to read as follows:

"PART C—LOANS FOR CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF ACADEMIC, HOUSING, AND OTHER EDUCATIONAL FACILITIES".

SEC. 702. PRIOR RIGHTS AND OBLIGATIONS.

Section 702 of the Act (20 U.S.C. 1132a-1) is amended to read as follows:

"SEC. 702. PRIOR RIGHTS AND OBLIGATIONS.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and for each of the 6 succeeding fiscal years to pay obligations incurred prior to 1987 under parts C and D of this title, as such parts were in effect before the effective date of the Higher Education Act Amendments of 1991.

"(b) LEGAL RESPONSIBILITIES.—All entities with continuing obligations incurred under parts A, B, C, and D of this title, as such parts were in effect before the effective date of the Higher Education Act Amendments of 1991, shall be subject to the requirements of such part as in effect before the effective date of the Higher Education Act Amendments of 1991.".

SEC. 703. IMPROVEMENT OF ACADEMIC AND LIBRARY FACILITIES.

Title VII of the Act is amended by inserting after section 702 the following new part:

"PART A—IMPROVEMENT OF ACADEMIC AND LIBRARY FACILITIES

"SEC. 711. SHORT TITLE.

"This part may be cited as the 'Higher Education Facilities Act of 1991'.

"SEC. 712. FINDINGS.

"The Congress finds that—

"(1) over the past 50 years institutions of higher education have expanded dramatically, while at the same time traditional sources of funding facilities maintenance and repair have declined and even disappeared in some instances;

"(2) in order to meet the rising cost of educating students, resulting mainly from inflation and the higher costs of research, many colleges and universities made the choice to defer renovations and improvements;

"(3) overall, the need for capital investment by institutions of higher education has been estimated to exceed $60,000,000,000;

"(4) the deterioration of facilities has caused valuable research experiments and programs to be postponed, delayed or canceled; and

"(5) the United States' competitive position within the world economy is vulnerable if the necessary research facilities are not available to provide advanced training in the fields of science and technology.

"SEC. 713. ALLOTMENT.

"(a) IN GENERAL.—From the amount appropriated pursuant to the authority of section 717 the Secretary shall allot to each State higher education agency with an approved application—

"(1) 50 percent of such funds on the basis of the population of the State compared to the population of all States; and

"(2) 50 percent of such funds on the basis of the number of students attending institutions of higher education within the State compared to the number of students attending institutions of higher education in all States.

"(b) STATE MATCHING REQUIREMENT.—

"(1) IN GENERAL.—In order to receive an allotment under subsection (a) each State higher education agency shall match, on a dollar for dollar basis, the amount of any allotment received pursuant to such subsection. Such matching funds may be provided by the State higher education agency or an eligible institution.

"(2) CASH REQUIREMENT.—Each State higher education agency receiving funds under this part shall only provide matching funds pursuant to paragraph (1) in cash.

"(c) REALLOTMENT.—Except as provided in subsection (d), any amount that the Secretary determines will not be available to a State higher education agency because such agency fails to comply with the provisions of this part or elects not to participate in the program assisted under this part shall be reallotted to other States in the same manner as the original allotments were made.

"(d) SPECIAL RULE.—

"(1) IN GENERAL.—If the Secretary determines that any eligible institution within a State receives a direct, noncompetitive award of Federal funds for facilities construction, renovation, improvement or repair, then such State shall have the amount of such funds subtracted from the amount of such State's allotment under this section. If the amount of such funds exceeds the State's allotment for any year, the amount by which such funds exceed the State's allotment for such year shall be subtracted from the State's allotment under this section in the subsequent year, or years if necessary.

"(2) SPECIAL REALLOTMENT.—The amount that a State is ineligible to receive by application of paragraph (1) shall be reallotted in the same manner as the original allotments were made among all States.

"SEC. 714. USE OF ALLOTMENT.

"(a) IN GENERAL.—From amounts received pursuant to section 713 each State higher education agency shall award grants, on a competitive basis, to eligible institutions within the State for—

"(1) the improvement, renovation, and repair of academic facilities;

"(2) the improvement and renovation of library facilities, the improvement (including acquisition) of library books and materials, and for interlibrary cooperation and communication;

"(3) broadcast, cable, and satellite interconnection equipment for use in postsecondary educational television and radio programming, including interactive technology and communications; and

"(4) the construction of academic and library facilities if the State determines such construction necessary.

"(b) LOCAL MATCHING REQUIREMENT.—In order to receive a grant under subsection (a) each eligible institution shall match, on a dollar for dollar basis, the amount of any grant received pursuant to such subsection. Such matching funds may be provided by the State higher education agency or the eligible institution.

"(c) PRIORITY.—In awarding grants pursuant to subsection (a) each State higher education agency shall give priority to eligible institutions within the State that serve large numbers or percentages of minority or disadvantaged students.

"(d) EQUITABLE PARTICIPATION.—In awarding grants pursuant to subsection (a) each State higher education agency shall ensure the equitable participation of both public and private eligible institutions within the State.

"(e) DURATION AND LIMITATION.—

"(1) DURATION.—Grants awarded pursuant to subsection (a)—

"(A) shall be awarded for a period which is at least 1 year but not more than 3-years in duration; and

"(B) are renewable.

"(2) LIMITATION.—No eligible institution shall receive more than 1 grant under this part in any 3-year period.

"(f) SUPPLEMENTATION.—Grants awarded pursuant to subsection (a) shall be used to supplement and not supplant other Federal, State, and local funds available for improvement of academic and library facilities.

"SEC. 715. APPLICATION.

"(a) STATE HIGHER EDUCATION AGENCY.—

"(1) APPLICATION.—Each State higher education agency desiring an allotment pursuant to section 713 shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(2) CONTENTS.—Each application described in paragraph (1) shall—

"(A) describe the activities and services for which assistance is sought;

"(B) contain assurances that the State higher education agency will comply with the matching requirement described in section 713(b);

"(C) contain a description and the amount of any direct, noncompetitive appropriation of funds for facilities construction, renovation, improvement or repair which the State provides to any eligible institution within the State; and

"(D) contain such other assurances as the Secretary determines necessary to ensure compliance with the provisions of this part.

"(b) ELIGIBLE INSTITUTION.—

"(1) APPLICATION.—Each eligible institution desiring a grant pursuant to section 714 shall submit an application to the State higher education agency at such time, in such manner and accompanied by such information as such agency may reasonably require.

"(2) CONTENTS.—Each application described in paragraph (1) shall—

"(A) describe the activities and services for which assistance is sought;

"(B) contain assurances that the eligible institution will comply with the matching requirement described in section 714(b); and

"(C) contain such other assurances as the State higher education agency determines necessary to ensure compliance with the provisions of this part.

"SEC. 716. DEFINITIONS.

"For the purpose of this part the term 'eligible institution' means an institution of higher education, a museum, a nonprofit research and scientific institution, or a public telecommunications entity.

"SEC. 717. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $400,000,000 for fiscal year 1993 and each of the 6 succeeding fiscal years to carry out the provisions of this part.".

SEC. 704. FEDERAL ASSISTANCE IN THE FORM OF LOANS.

Section 731 of the Act (as redesignated in section 701(a)(5)) is amended—

(1) in subsection (a)—

(A) by striking "undergraduate postsecondary educational institutions" and inserting "institutions of higher education or higher education building agencies"; and

(B) by inserting "graduate and" before "undergraduate academic";

(2) in subsection (b), by striking "undergraduate postsecondary educational institution" and inserting "institution of higher education or higher education building agency";

(3) in the matter preceding paragraph (1) of subsection (c), by striking "undergraduate postsecondary educational institution" and inserting "institution of higher education or higher education building agency";

(4) by striking subsections (d), (e), and (f); and

(5) by adding the following new subsection after subsection (c):

"(d) MATCHING REQUIREMENT.—The Secretary shall not make a loan under this part unless the institution of higher education or higher education building agency receiving such loan provides from non-Federal sources at least 20 percent of the development cost of the project for which the loan is made.".

SEC. 705. APPORTIONMENT PRIORITIES.

Subsection (b) of section 733 of the Act (as redesignated in section 701(a)(5)) is amended—

(1) in paragraph (1), by inserting "graduate and" before "undergraduate"; and

(2) in paragraph (2), by inserting "graduate and" before "undergraduate" each place such term appears.

SEC. 706. FUNDING RULES.

Part C of title VII of the Act (as redesignated in section 701(a)(3)) is amended by adding after section 733 (as redesignated in section 701(a)(5)) the following new section:

"SEC. 734. FUNDING RULES.

"(a) USE OF FUNDS FROM TITLE IV OF THE HOUSING ACT OF 1950.—Funds obtained pursuant to section 401(d) of the Housing Act of 1950 shall be available for the purposes of carrying out this part. For such purposes, the total amount of notes and obligations which the Secretary may continue to issue and have outstanding for purchase by the Secretary of the Treasury shall not exceed the amount issued and outstanding under such section 401(d) as of September 30, 1985. Such notes and other obligations shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury. Such notes or other obligations issued to obtain funds for loan contracts entered into after the effective date of the Higher Education Act Amendments of 1986 shall bear interest at a rate determined by the Secretary of the Treasury which shall not be more than the average current yield on outstanding obligations of the United States of comparable maturities in the month preceding the month in which the contract for such loan is made. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Secretary issued under this part and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such chapter are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired under this part. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

"(b) USE OF FUNDS.—Not less than 10 percent of the funds held by the Secretary under subsection (a) shall be made available for loans under this part for each fiscal year.

"(c) APPROPRIATION TO COVER NOTES AND OBLIGATIONS NOT COVERED BY LOAN REPAYMENT.—There are authorized to be appropriated to the Secretary $30,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years, together with principal and interest payments made by institutions of higher education or higher education building agencies assisted with loans made under this part (or under title IV of the Housing Act of 1950), for payment on notes and obligations issued by the Secretary under this part or such title.".

SEC. 707. DEFINITIONS.

Section 735 of the Act (as redesignated in section 701(a)(5)) is amended—

(1) in subsection (b), by amending the matter preceding paragraph (1) to read as follows:

"(b) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means—"; and

(2) by inserting at the end thereof the following new subsection:

"(g) GRADUATE ACADEMIC FACILITY.—The term 'graduate academic facility' means an institution of higher education that offers a program of study that—

"(1) has been in existence for at least 4 years prior to the date for which assistance under this part is sought; and

"(2) leads to a graduate degree.".

SEC. 708. FORGIVENESS OF CERTAIN LOANS.

Part D of title VII of the Act (as redesignated in section 701(a)(3)) is amended by adding at the end the following new section:

"SEC. 743. FORGIVENESS OF CERTAIN LOANS.

"(a) FORGIVENESS AUTHORIZED.—The Secretary may forgive the entire balance due, or any portion thereof, on any loan made under part C (as such part was in effect prior to the date of enactment of the Higher Education Amendments of 1991), part F (as such part was in effect prior to the date of enactment of the Higher Education Amendments of 1991), or the College Housing and Academic Facilities Loan program whenever the Secretary determines that—

"(1) the institution is current in its payments to the Department of Education or has entered into a moratorium agreement with the Secretary with respect to such payments; and

"(2) the outstanding indebtedness equals at least one-half the annual operating budget of the institution seeking forgiveness of its housing loan indebtedness and in the judgment of the Secretary the survival of the institution is threatened.

"(b) DEFINITION.—For the purpose of this section, the term 'institution' includes an institution of higher education and an undergraduate postsecondary educational institution.

"(c) APPLICATION.—Each institution requesting forgiveness of any loan under this section shall submit an application to the Secretary at such time, in such manner and containing or accompanied by such information as the Secretary may reasonably require.".

TITLE VIII—COOPERATIVE EDUCATION

SEC. 801. COOPERATIVE EDUCATION.

Title VIII of the Act (20 U.S.C. 1133 et seq.) is amended to read as follows:

"TITLE VIII—COOPERATIVE EDUCATION

"SEC. 801. STATEMENT OF PURPOSE; DEFINITION.

"(a) PURPOSE.—It is the purpose of this title to award grants to institutions of higher education or combinations of such institutions to encourage such institutions to develop and make available to as many of their students as possible work experience that will aid such students in future careers and will enable such students to support themselves financially while in school.

"(b) DEFINITION.—For the purpose of this title the term 'cooperative education' means the provision of alternating or parallel periods of academic study and public or private employment in order to give students work experiences related to their academic or occupational objectives and an opportunity to earn the funds necessary for continuing and completing their education.

"SEC. 802. AUTHORIZATION OF APPROPRIATIONS; RESERVATIONS.

"(a) APPROPRIATIONS AUTHORIZED.—There are authorized to be appropriated to carry out this title $20,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.

"(b) RESERVATIONS.—Of the amounts appropriated in each fiscal year—

"(1) not less than 50 percent shall be available for carrying out grants to institutions of higher education and combinations of such institutions described in section 803(a)(1)(A) for cooperative education under section 803;

"(2) not less than 25 percent shall be available for carrying out grants to institutions of higher education and combinations of such institutions described in section 803(a)(1)(B) for cooperative education under section 803;

"(3) not to exceed 11 percent shall be available for demonstration projects under paragraph (1) of section 804(a);

"(4) not to exceed 11 percent shall be available for training and resource centers under paragraph (2) of section 804(a); and

"(5) not to exceed 3 percent shall be available for research under paragraph (3) of section 804(a).

"(c) AVAILABILITY OF APPROPRIATIONS.—Appropriations under this title shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this title.

"SEC. 803. GRANTS FOR COOPERATIVE EDUCATION.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized—

"(A) from the amount available under section 802(b)(1) in each fiscal year and in accordance with the provisions of this title, to make grants to institutions of higher education or to com-

binations of such institutions that have not received a grant under this paragraph in the 10-year period preceding the date for which a grant under this section is requested to pay the Federal share of the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions or combinations of institutions; and

"(B) from the amount available under section 802(b)(2) in each fiscal year and in accordance with the provisions of this title, to make grants to institutions of higher education or to combinations of such institutions that—

"(i) are operating an existing cooperative education program as determined by the Secretary; or

"(ii) have received a grant under this title in the 5 preceding fiscal years,

to pay the Federal share of the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions or combinations of institutions.

"(2) PROGRAM REQUIREMENT.—Cooperative education programs assisted under this section shall provide alternating or parallel periods of academic study and of public or private employment, giving students work experience related to their academic or occupational objectives and the opportunity to earn the funds necessary for continuing and completing their education.

"(3) AMOUNT OF GRANTS.—(A) The amount of each grant awarded pursuant to paragraph (1)(A) to any institution of higher education or combination of such institutions in any fiscal year shall not exceed $500,000.

"(B) The Secretary shall award grants in each fiscal year to each institution of higher education or combination of such institutions described in paragraph (1)(B) that has an application approved under subsection (b) in an amount which bears the same relation to the amount reserved pursuant to section 802(b)(2) in such fiscal year as the number of unduplicated students placed in cooperative education programs by such institution of higher education or combination of such institutions in the preceding fiscal year bears to the total number of all unduplicated students placed in such programs by all such institutions or combinations in such preceding year.

"(4) SPECIAL RULES.—(A) Notwithstanding any other provision of law, no institution of higher education or combination of such institutions shall receive a grant pursuant to paragraph (1)(B) in any fiscal year in an amount which exceeds 25 percent of such institution's or combination's cooperative education program's personnel and operating budget for the preceding fiscal year.

"(B) The Secretary shall not award grants pursuant to paragraphs (1)(A) and (1)(B) to the same institution of higher education or combination of such institutions in any one fiscal year.

"(b) APPLICATIONS.—(1) Except as provided in paragraph (2), each institution of higher education or combination of institutions desiring to receive a grant under this title shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe. Each such application shall—

"(A) set forth the program or activities for which a grant is authorized under this section;

"(B) specify each portion of such program or activities which will be performed by a nonprofit organization or institution other than the applicant and the compensation to be paid for such performance;

"(C) provide that the applicant will expend during such fiscal year for the purpose of such program or activities not less than the amount expended for such purpose during the previous fiscal year;

"(D) describe the plans which the applicant will carry out to assure, and contain a formal statement of the institution's commitment which assures, that the applicant will continue the cooperative education program beyond the 5-year period of Federal assistance described in subsection (c)(1) at a level which is not less than the total amount expended for such program during the first year such program was assisted under this section;

"(E) provide that, in the case of an institution of higher education that provides a 2-year program which is acceptable for full credit toward a bachelor's degree, the cooperative education program will be available to students who are certificate or associate degree candidates and who carry at least one-half the normal full-time academic workload;

"(F) provide that the applicant will—

"(i) make such reports as may be essential to ensure that the applicant is complying with the provisions of this section, including the reports for the second and each succeeding fiscal year for which the applicant receives a grant data with respect to the impact of the cooperative education program in the previous fiscal year, including—

"(I) the number of unduplicated students enrolled in the cooperative education program;

"(II) the number of unduplicated students placed in cooperative education program jobs;

"(III) the number of employers who have hired cooperative education program students;

"(IV) the income for students derived from working in cooperative education program jobs; and

"(V) the increase or decrease in the number of students placed in cooperative education program jobs in each fiscal year compared to the previous fiscal year; and

"(ii) keep such records as are essential to ensure that the applicant is complying with the provisions of this title, including the notation of cooperative education program employment on the student's transcript;

"(G) describe the extent to which programs in the academic discipline for which the application is made have had a favorable reception by public and private sector employers;

"(H) describe the extent to which the institution is committed to extending cooperative education on an institution-wide basis for all students who can benefit;

"(I) describe the plans that the applicant will carry out to evaluate the applicant's cooperative education program at the end of the grant period and to disseminate the results of such evaluation;

"(J) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this title; and

"(K) include such other information as is essential to carry out the provisions of this title.

"(2) SPECIAL RULE.—The Secretary shall not require applicants for grants pursuant to subsection (a)(1)(B) to submit the information described in paragraph (1)(D).

"(3) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications from institutions of higher education or combinations thereof which demonstrate a commitment to serving special populations such as women, individuals with disabilities, and black, Mexican-American, Puerto Rican, Cuban, other Hispanic, American Indian, Alaska Native, Aleut, Native Hawaiian, American Samoan, Micronesian, Guamian (Chamorro), and Northern Marianian students.

"(c) DURATION OF GRANTS; FEDERAL SHARE.—

"(1) DURATION OF GRANTS.—No individual institution of higher education may receive, individually or as a participant in a combination of such institutions—

"(A) a grant pursuant to subsection (a)(1)(A) for more than 5 fiscal years; or

"(B) a grant pursuant to subsection (a)(1)(B) for more than 5 fiscal years.

"(2) FEDERAL SHARE.—The Federal share of a grant under this section may not exceed—

"(A) 85 percent of the cost of carrying out the application in the first year the applicant receives a grant under this section;

"(B) 70 percent of such cost in the second such year;

"(C) 55 percent of such cost in the third such year;

"(D) 40 percent of such cost in the fourth such year; and

"(E) 25 percent of such cost in the fifth such year.

"(3) SPECIAL RULE.—Any provision of law to the contrary notwithstanding, the Secretary shall not waive the provisions of this subsection.

"(d) MAINTENANCE OF EFFORT.—If the Secretary determines that a recipient of funds under this section has failed to maintain the fiscal effort described in subsection (b)(1)(C), then the Secretary may elect not to make grant payments under this section to such recipient. Pursuant to subsection (b)(1)(D), each recipient of funds under this section shall provide to the Secretary information documenting such recipient's maintenance of fiscal effort beyond the 5-year period of the grant as required by the Secretary through notification in the Federal Register.

"SEC. 804. DEMONSTRATION AND INNOVATION PROJECTS; TRAINING AND RESOURCE CENTERS; AND RESEARCH.

"(a) AUTHORIZATION.—The Secretary is authorized, in accordance with the provisions of this section, to make grants and enter into contracts for—

"(1) the conduct of demonstration projects designed to demonstrate or determine the feasibility or value of innovative methods of cooperative education from the amounts available in each fiscal year under section 802(b)(3);

"(2) the conduct of training and resource centers designed to—

"(A) train personnel in the field of cooperative education;

"(B) improve materials used in cooperative education programs if such improvement is conducted in conjunction with other activities described in this paragraph;

"(C) furnish technical assistance to institutions of higher education to increase the potential of the institution to continue to conduct a cooperative education program without Federal assistance;

"(D) encourage model cooperative education programs which furnish education and training in occupations in which there is a national need; and

"(E) support partnerships under which an institution carrying out a comprehensive cooperative education program joins with another institution of higher education in order to (i) assist the institution other than the comprehensive cooperative education institution to develop and expand an existing program of cooperative education, or (ii) establish and improve or expand comprehensive cooperative education programs,

from the amounts available in each fiscal year under section 802(b)(4); and

"(3) the conduct of research relating to cooperative education, from the amounts available in each fiscal year under section 802(b)(5).

"(b) ADMINISTRATIVE PROVISION.—

"(1) IN GENERAL.—To carry out this section, the Secretary may—

"(A) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

"(B) make grants to or contracts with other public or private nonprofit agencies or organizations, whenever such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

"(2) LIMITATION.—(A) The Secretary may not use more than 3 percent of the amount appropriated to carry out this section in each fiscal year to enter into contracts described in paragraph (1)(A).

"(B) The Secretary may use not more than 3 percent of the amount appropriated to carry out this section in each fiscal year to enter into contracts described in paragraph (1)(B).

"(c) SUPPLEMENT NOT SUPPLANT.—A recipient of a grant or contract under this section may use the funds provided only so as to supplement and, to the extent possible, increase the level of funds that would, in the absence of such funds, be made available from non-Federal sources to carry out the activities supported by such grant or contract, and in no case to supplant such funds from non-Federal sources.".

TITLE IX—GRADUATE PROGRAMS

SEC. 901. GRADUATE PROGRAMS.

Title IX of the Act (20 U.S.C. 1134 et seq.) is amended to read as follows:

"TITLE IX—GRADUATE PROGRAMS

"SEC. 901. PURPOSE AND ADMINISTRATIVE PROVISIONS.

"(a) PURPOSE.—It is the purpose of this title to—

"(1) foster and support graduate and professional education for two distinct national needs;

"(2) provide incentives and support for United States citizens to complete doctoral degree programs leading to academic careers, especially women and students from underrepresented groups; and

"(3) provide support for students from underrepresented groups to complete masters and professional degree programs.

"(b) ADMINISTRATIVE PROVISIONS.—

"(1) COORDINATED ADMINISTRATION.—In carrying out the purposes of this title, the Secretary shall provide for coordinated administration and regulation of graduate programs under this title to ensure that the programs are carried out in a manner most compatible with academic practices.

"(2) ADMINISTRATIVE AND TECHNICAL EMPLOYEES.—For purposes of carrying out this title, the Secretary shall appoint, without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service, such administrative and technical employees, with the appropriate educational background, as shall be needed to assist in the administration of such part. Such employees shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"PART A—GRANTS TO ENCOURAGE PARTICIPATION IN GRADUATE EDUCATION

"Subpart 1—Patricia Roberts Harris Fellowships

"SEC. 911. STATEMENT OF PURPOSE; DESIGNATION OF AWARDS.

"(a) PURPOSE.—It is the purpose of this subpart to provide, through institutions of higher education, a program of grants to assist in making available the benefits of a postbaccalaureate education to graduate and professional students who demonstrate financial need.

"(b) DESIGNATION.—Each recipient of such an award under this subpart shall be known as a 'Patricia Roberts Harris Fellow'.

"SEC. 912. PROGRAM AUTHORIZED.

"(a) GRANTS BY SECRETARY.—

"(1) IN GENERAL.—The Secretary shall make grants to institutions of higher education to enable such institutions to make grants in accordance with the provisions of this subpart.

"(2) RESERVATIONS.—The Secretary shall reserve—

"(A) 50 percent of the amount appropriated pursuant to section 914 to award grants to institutions of higher education to enable such institutions to make awards for masters and professional study; and

"(B) 50 percent of such amount to award grants to such institutions to enable such institutions to make awards for doctoral study.

"(b) DISTRIBUTION AND AMOUNTS OF GRANTS.—

"(1) EQUITABLE DISTRIBUTION.—In making such grants the Secretary shall, to the maximum extent feasible, ensure an equitable geographic distribution of awards and an equitable distribution among eligible public and independent institutions of higher education.

"(2) SPECIAL RULE.—To the maximum extent practicable, the Secretary shall award at least 15 percent of the amount appropriated pursuant to the authority of section 914 to institutions of higher education operating programs for postbaccalaureate education leading to careers that serve the public interest.

"(3) REALLOTMENT.—Whenever the Secretary determines that an institution of higher education is unable to use all of the amounts available to it under this subpart, the Secretary shall, on such dates during each fiscal year as the Secretary may fix, reallot such amounts not needed to institutions which can use the grants authorized by this subpart.

"(c) APPLICATIONS.—Any eligible institution of higher education offering a program of postbaccalaureate study leading to a graduate or professional degree may apply for grants under this subpart. Each such institution may make an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Such application may be made on behalf of professional schools, academic departments, or similar organizational units within such institution meeting the requirements of this subsection, including interdisciplinary or interdepartmental programs.

"(d) SELECTION OF APPLICATIONS.—In making grants to institutions of higher education, the Secretary shall—

"(1) take into account present and projected needs for highly trained individuals in all areas of education beyond secondary school;

"(2) take into account present and projected needs for highly trained individuals in other than academic career fields of high national priority; and

"(3) consider the need to prepare a larger number of individuals from minority groups, especially from among such groups which have been traditionally underrepresented in colleges and universities, but nothing contained in this paragraph shall be interpreted to require any institution to grant preference or disparate treatment to the members of one minority group on account of an imbalance which may exist with respect to the total number or percentage of individuals of such group participating in or receiving the benefits of the program authorized in this section, in comparison with the total number or percentage of individuals of such group in any community, State, section, or other area.

"(e) PRIORITIES FOR FELLOWSHIPS.—The Secretary shall assure that, in making grants under this subpart, awards are made to—

"(1) individuals who plan to pursue a career in public service; and

"(2) individuals from traditionally underrepresented groups, as determined by the Secretary, undertaking graduate or professional study.

"(f) INSTITUTIONAL PAYMENTS.—

"(1) IN GENERAL.—Beginning in fiscal year 1993, the Secretary shall (in addition to the award paid to each individual pursuant to a grant under this subpart) pay $8,000 to the institution of higher education at which such individual is pursuing a course of education.

"(2) ADJUSTMENT.—The Secretary shall adjust the payment made pursuant to paragraph (1) annually in accordance with inflation as determined by the Department of Labor's Consumer Price Index.

"(g) USE FOR RELIGIOUS PURPOSES PROHIBITED.—No fellowship shall be awarded under this subpart for study at a school or department of divinity.

"SEC. 913. AWARD OF FELLOWSHIPS.

"(a) AWARDS BASED ON NEED.—An institution of higher education receiving funds under this subpart shall make available to financially needy graduate and professional students an award determined by such institution of higher education, except that no award under this subpart may exceed $14,000 or the fellowship recipient's demonstrated level of need according to measurements of need as approved by the Secretary, whichever is less.

"(b) REQUIREMENTS FOR AWARDS.—

"(1) MASTER'S OR PROFESSIONAL DEGREE.—No student enrolled in graduate study leading to a master's or professional degree shall receive an award except during periods in which such student is maintaining satisfactory progress in, and devoting essentially full time to, study or research (including acting as a teaching assistant or research assistant as may be required as a condition to award a degree), in the field in which such fellowship was awarded and is not engaging in gainful employment, other than part-time employment by the institution of higher education involved in teaching, research, or similar activities, approved by the Secretary. Such period shall not exceed a total of 2 years, except that the Secretary may provide by regulation for the granting of such fellowships for a period of study not to exceed one 12-month period, in addition to the 2-year period for study or research set forth in this section, under special circumstances which the Secretary determines would most effectively serve the purposes of this subpart. The Secretary shall make a determination to provide such 12-month extension of an award to an individual fellowship recipient for study or research upon review of an application for such extension by the recipient.

"(2) DOCTORAL DEGREE.—No student enrolled in graduate study leading to a doctoral degree shall receive an award except during periods in which such student is maintaining satisfactory progress in, and devoting essentially full time to study, research (including acting as a teaching assistant or research assistant as may be required as a condition to award a degree), or dissertation work in the field in which such fellowship was awarded and is not engaging in gainful employment, other than part-time employment by the institution of higher education involved in teaching, research, or similar activities, approved by the Secretary. Such period shall not exceed a total of 3 years, consisting of not more than 2 years of support for study or research, and not more than 1 year of support for dissertation work provided that the student has attained satisfactory progress to the dissertation stage. The institution shall provide 2 years of support for each student, including at least 1 year of supervised teaching, following the 2 years of predissertation support under this subpart. The Secretary may provide by regulation for the granting of such fellowships for a period of study not to exceed one 12-month period, in addition to the 2-year period for study or research set forth in this section, under special circumstances which the Secretary determines would most effectively serve the purposes of this subpart. The Secretary shall make a determination to provide such 12-month extension of an award to an individual fellowship recipient for study or research upon review of an application for such extension by the recipient.

"SEC. 914. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated $25,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

''Subpart 2—Assistance for Training in the Legal Profession

"SEC. 921. PROGRAM AUTHORIZED.

''(a) GRANTS AND CONTRACTS.—The Secretary is authorized to make grants to, or enter into contracts with, public and private agencies and organizations other than institutions of higher education for the purpose of assisting individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary, to undertake training for the legal profession.

''(b) USE OF FUNDS.—Grants made, and contracts entered into, under subsection (a) may cover, in accordance with regulations of the Secretary, all or part of the cost of—

''(1) selecting individuals from disadvantaged backgrounds for training for the legal profession;

''(2) facilitating the entry of such individuals into institutions of higher education for the purpose of pursuing such training;

''(3) providing counseling or other services designed to assist such individuals to complete successfully such training;

''(4) providing, for not more than 6 months prior to the entry of such individuals upon their courses of training for the legal profession, preliminary training for such individuals designed to assist such individuals to complete successfully such training for the legal profession;

''(5) paying such stipends (including allowances for travel and for dependents) as the Secretary may determine for such individuals for any such period of preliminary training or for any period of training for the legal profession during which such individuals maintain satisfactory academic proficiency, as determined by the Secretary; and

''(6) paying for administrative activities of the agencies and organizations which receive such grants, or with which such contracts are entered into, to the extent such activities are for the purpose of furthering activities described in paragraphs (1) through (5).

"SEC. 922. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

''Subpart 3—Law School Clinical Experience Programs

"SEC. 925. PROGRAM AUTHORIZATION.

''(a) GRANT AND CONTRACT PURPOSES.—The Secretary is authorized to enter into grants or contracts with accredited law schools in the States for the purpose of paying not to exceed 90 percent of the costs of establishing or expanding programs in such schools to provide clinical experience to students in the practice of law, which includes any form of law student work involving performance in the role of a lawyer exercising legal skills and roles such as those of an advocate, counselor, negotiator, investigator, and ethical practitioner, whether by way of the provision of representation of or services to an identifiable client in actual cases or situations (subject to existing State or local limitations upon such provision) or by way of simulation of such provision through appropriate exercises. Preference shall be given to those programs providing legal experience in the preparation and trial of actual cases, including administrative cases and the settlement of controversies outside the courtroom. The cases and situations handled in actuality or by simulation may encompass any one or more of the following:

''(1) judicial, administrative, executive, or legislative proceedings, including the full range of preparation therefor;

''(2) office or house counsel problems; or

''(3) factual investigation, empirical research, or policy or legal analysis.

''(b) USE OF FUNDS.—Such costs may include necessary expenditures incurred for—

''(1) planning;

''(2) training of faculty members and salary for additional faculty members;

''(3) travel and per diem for faculty and students;

''(4) reasonable stipends for students for work in the public service performed as part of any such program at a time other than during the regular academic year;

''(5) equipment and library resources;

''(6) involving practicing lawyers in the process of training law students to perform as lawyers; and

''(7) such other items as are allowed pursuant to regulations issued by the Secretary.

''(c) LIMITATIONS ON AMOUNTS.—No law school may receive more than $100,000 in any fiscal year pursuant to this subpart, no part of which may be used to pay for indirect costs or charges.

''(d) DEFINITION.—For the purpose of this subpart, the term 'accredited law school' means any law school which is accredited by a nationally recognized accrediting agency or association approved by the Secretary for this purpose, including any combination or consortium of such schools.

"SEC. 926. APPLICATIONS.

''(a) REQUIREMENTS.—A grant or contract authorized by this subpart may be made by the Secretary upon application which—

''(1) is made at such time or times and contains such information as the Secretary may prescribe;

''(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this subpart; and

''(3) provides for making such reports, in such form and containing such information as the Secretary may require to carry out functions under this subpart, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

''(b) DISTRIBUTION OF GRANTS AND CONTRACTS.—The Secretary shall allocate grants or contracts under this subpart in such manner as will provide an equitable distribution of such grants or contracts throughout the United States among law schools which show promise of being able to use funds effectively for the purpose of this subpart.

"SEC. 927. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

''PART B—GRANTS TO ENHANCE THE QUALITY AND DIVERSITY OF ACADEMIC FACULTY

''Subpart 1—Jacob K. Javits Fellows Program

"SEC. 931. AWARD OF JACOB K. JAVITS FELLOWSHIPS.

''(a) NUMBER AND TIMING OF AWARDS.—The Secretary is authorized to award fellowships in accordance with the provisions of this subpart for graduate study in the arts, humanities, and social sciences by students of superior ability selected on the basis of demonstrated achievement and exceptional promise. All funds appropriated in a fiscal year shall be obligated and expended to the students for fellowships for use in the academic year beginning after July 1 of the fiscal year for which the funds were appropriated. The fellowships shall be awarded for only 1 academic year of study and shall be renewable for a period not to exceed 4 years of study.

''(b) DESIGNATION OF FELLOWS.—Students receiving awards under this subpart shall be known as 'Jacob K. Javits Fellows'.

''(c) INTERRUPTIONS OF STUDY.—The institution of higher education may allow a fellowship recipient to interrupt periods of study for a period not to exceed 12 months for the purpose of work, travel, or independent study away from the campus, if such independent study is supportive of the fellowship recipient's academic program and shall continue payments for those 12-month periods during which the student is pursuing travel or independent study supportive of the recipient's academic program.

"SEC. 932. ALLOCATION OF FELLOWSHIPS.

''(a) FELLOWSHIP BOARD.—

''(1) APPOINTMENT.—The Secretary shall appoint a Jacob K. Javits Fellows Program Fellowship Board consisting of 9 individuals representative of both public and private institutions of higher education especially qualified to serve on the Board. In making appointments, the Secretary shall give due consideration to the appointment of individuals who are highly respected in the academic community. The Secretary shall assure that individuals appointed to the Board are broadly knowledgeable about and have experience in doctoral education in arts, humanities, and social sciences.

''(2) DUTIES.—The Board shall—

''(A) establish general policies for the program established by this subpart and oversee its operation;

''(B) establish general criteria for the distribution of fellowships among eligible academic fields identified by the Board;

''(C) appoint panels of academic scholars with distinguished backgrounds in the arts, humanities, and social sciences for the purpose of selecting fellows; and

''(D) prepare and submit to the Congress at least once in every 3-year period a report on any modifications in the program that the Board determines are appropriate.

''(3) CONSULTATIONS.—In carrying out its responsibilities, the Board shall consult on a regular basis with representatives of the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, and representatives of institutions of higher education and associations of such institution, learned societies, and professional organizations.

''(4) TERM.—The term of office of each member of the Board shall be 4 years; except that any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed. No member may serve for a period in excess of 6 years.

''(5) INITIAL MEETING; VACANCY.—The Secretary shall call the first meeting of the Board, at which the first order of business shall be the election of a Chairman and a Vice Chairman, who shall serve until 1 year after the date of their appointment. Thereafter each officer shall be elected for a term of 2 years. In case a vacancy occurs in either office, the Board shall elect an individual from among the members of the Board to fill such vacancy.

''(6) QUORUM; ADDITIONAL MEETINGS.—(A) A majority of the members of the Board shall constitute a quorum.

''(B) The Board shall meet at least once a year or more frequently, as may be necessary, to carry out its responsibilities.

''(7) COMPENSATION.—Members of the Board, while serving on the business of the Board, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the rate of basic pay payable for level IV of the Executive Schedule, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel ex-

penses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"(b) Use of Selection Panels.—The recipients of fellowships shall be selected in each designated field from among all applicants nationwide in each field by distinguished panels appointed by the Fellowship Board to make such selections under criteria established by the Board. The number of recipients in each field in each year shall not exceed the number of fellows allocated to that field for that year by the Fellowship Board.

"(c) Fellowship Portability.—Each recipient shall be entitled to use the fellowship in a doctoral program at any accredited institution of higher education in which the recipient may decide to enroll.

"SEC. 933. STIPENDS.

"(a) Award by Secretary.—The Secretary shall pay to individuals awarded fellowships under this subpart such stipends (including such allowances for subsistence and other expenses for such individuals and their dependents) as the Secretary may determine to be appropriate, adjusting such stipends as necessary so as not to exceed $14,000 or the fellow's demonstrated level of need according to measurements of need as approved by the Secretary.

"(b) Institutional Payments.—

"(1) In general.—The Secretary shall (in addition to the stipends paid to individuals under subsection (a)) pay to the institution of higher education, for each individual awarded a fellowship for pursuing a course at such institution, $8,000 with respect to such awards made for the fiscal year ending September 30, 1993, to be adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index, except that such amount charged to a fellowship recipient and collected from such recipient for tuition and other expenses required by the institution as part of the recipient's instructional program shall be deducted from the payment to the institution under this subsection.

"(2) Special rule.—Subject to the availability of appropriations, amounts payable to an institution by the Secretary pursuant to this subsection shall not be reduced for any purpose other than the purposes specified under paragraph (1).

"SEC. 934. FELLOWSHIP CONDITIONS.

"(a) Requirements for Receipt.—An individual awarded a fellowship under the provisions of this subpart shall continue to receive payments provided in section 933 only during such periods as the Secretary finds that such individual is maintaining satisfactory proficiency in, and devoting essentially full time to, study or research in the field in which such fellowship was awarded, in an institution of higher education, and is not engaging in gainful employment other than part-time employment by such institution in teaching, research, or similar activities, approved by the Secretary.

"(b) Reports From Recipients.—The Secretary is authorized to require reports containing such information in such form and to file at such times as the Secretary determines necessary from any person awarded a fellowship under the provisions of this subpart. The reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, library, archive, or other research center approved by the Secretary, stating that such individual is making satisfactory progress in, and is devoting essentially full time to the program for which the fellowship was awarded.

"SEC. 935. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $15,000,000 for fiscal year 1993, and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

"Subpart 2—Graduate Assistance in Areas of National Need

"SEC. 941. PURPOSE.

"In order to sustain and enhance the capacity for teaching and research in areas of national need, it is the purpose of the subpart to provide, through academic departments and programs of institutions of higher education, a fellowship program to assist graduate students of superior ability who demonstrate financial need.

"SEC. 942. GRANTS TO ACADEMIC DEPARTMENTS AND PROGRAMS OF INSTITUTIONS.

"(a) Grant Authority.—

"(1) In general.—The Secretary shall make grants to academic departments and programs and other academic units of institutions of higher education that provide courses of study leading to a graduate degree in order to enable such institutions to provide assistance to graduate students in accordance with this subpart.

"(2) Additional grants.—The Secretary may also make grants to such departments and programs and to other units of institutions of higher education granting graduate degrees which submit joint proposals involving nondegree granting institutions which have formal arrangements for the support of doctoral dissertation research with degree-granting institutions. Nondegree granting institutions eligible for awards as part of such joint proposals include any organization which—

"(A) is described in section 501(c)(3) of the Internal Revenue Code of 1986, and is exempt from tax under section 501(a) of such Code;

"(B) is organized and operated substantially to conduct scientific and cultural research and graduate training programs;

"(C) is not a private foundation;

"(D) has academic personnel for instruction and counseling who meet the standards of the institution of higher education in which the students are enrolled; and

"(E) has necessary research resources not otherwise readily available in such institutions to such students.

"(b) Award and Duration of Grants.—

"(1) Awards.—The principal criterion for the allocation of awards shall be the relative quality of the graduate programs presented in competing applications. Consistent with an allocation of awards based on quality of competing applications, the Secretary shall, in making such grants, promote an equitable geographic distribution among eligible public and private institutions of higher education.

"(2) Duration.—The Secretary shall approve a grant recipient under this subpart for a 3-year period. From the sums appropriated under this subpart for any fiscal year, the Secretary shall not make a grant to any academic department or program of an institution of higher education of less than $100,000 or greater than $500,000 per fiscal year.

"(3) Reallotment.—Whenever the Secretary determines that an academic department or program of an institution of higher education is unable to use all of the amounts available to it under this subpart, the Secretary shall, on such dates during each fiscal year as the Secretary may fix, reallot the amounts not needed to academic departments and programs of institutions which can use the grants authorized by this subpart.

"(c) Preference to Continuing Grant Recipients.—

"(1) In general.—The Secretary shall make new grant awards under this subpart only to the extent that each previous grant recipient has received continued funding in accordance with subsection (b)(2).

"(2) Ratable reduction.—To the extent that appropriations under this subpart are insufficient to comply with paragraph (1), available funds shall be distributed by ratably reducing the amounts required to be awarded by subsection (b)(2).

"SEC. 943. INSTITUTIONAL ELIGIBILITY.

"(a) Eligibility Criteria.—Any academic department or program of an institution of higher education that offers a program of postbaccalaureate study leading to a graduate degree in an area of national need (as designated under subsection (b)) may apply for a grant under this subpart. No department or program shall be eligible for a grant unless the program of postbaccalaureate study has been in existence for at least 4 years at the time of application for assistance under this subpart.

"(b) Designation of Areas of National Need.—After consultation with the National Science Foundation, the National Academy of Sciences, the National Endowments for the Arts and the Humanities, and other appropriate Federal and nonprofit agencies and organizations, the Secretary shall designate areas of national need. The Secretary shall designate such areas of national need on the basis of the projected need for faculty and scientists due to replacement demands and emerging fields. In making such designations, the Secretary shall take into account the extent to which the interest is compelling and the extent to which other Federal programs support postbaccalaureate study in the area concerned.

"SEC. 944. CRITERIA FOR APPLICATIONS.

"(a) Selection of Applications.—The Secretary shall make grants to academic departments and programs of institutions of higher education on the basis of applications submitted in accordance with subsection (b). Applications shall be ranked on program quality by geographically balanced review panels of nationally recognized scholars. To the extent possible (consistent with other provisions of this section), the Secretary shall make awards that are consistent with recommendations of the review panels.

"(b) Contents of Applications.—An academic department or program of an institution of higher education, in its application for a grant, shall—

"(1) describe the current academic program of the applicant for which the grant is sought;

"(2) provide assurances that the applicant will provide, from other non-Federal funds, for the purposes of the fellowship program under this subpart an amount equal to at least 25 percent of the amount of the grant received under this subpart;

"(3) set forth policies and procedures to assure that, in making fellowship awards under this subpart the institution will seek talented students from traditionally underrepresented backgrounds, as determined by the Secretary;

"(4) set forth policies and procedures to assure that, in making fellowship awards under this subpart, the institution will make awards to individuals who—

"(A) have financial need, as determined under criteria developed by the institution;

"(B) have excellent academic records in their previous programs of study;

"(C) plan teaching or research careers; and

"(D) plan to pursue the highest possible degree available in their course of study;

"(5) set forth policies and procedures to ensure that Federal funds made available under this subpart for any fiscal year will be used to supplement and, to the extent practical, increase the funds that would otherwise be made available for the purpose of this subpart and in no case to supplant those funds;

"(6) provide assurances that, in the event that funds made available to the academic department or program under this subpart are insufficient to provide the assistance due a student under the commitment entered into between the academic department or program and the stu-

dent, the academic department or program will endeavor, from any funds available to it, to fulfill the commitment to the student;

"(7) provide that the applicant will comply with the limitations set forth in section 945;

"(8) provide assurances that the academic department will provide at least 1 year of supervised training in instruction for students, to be provided from non-Federal funds available to such department; and

"(9) include such other information as the Secretary may prescribe.

"SEC. 945. AWARDS TO GRADUATE STUDENTS.

"(a) COMMITMENTS TO GRADUATE STUDENTS.—

"(1) IN GENERAL.—From at least 60 percent of the funds received under this subpart, an academic department or program of an institution of higher education shall make commitments to graduate students at any point of their graduate study, including students pursuing a doctoral degree after having completed a master's degree program at an institution of higher education, to provide stipends for the length of time necessary for a student to complete the course of graduate study, but in no case longer than 5 years.

"(2) SPECIAL RULE.—No such commitments shall be made to students under this subpart unless the academic department or program has determined adequate funds are available to fulfill the commitment either from funds received or anticipated under this subpart, or from institutional funds.

"(b) AMOUNT OF STIPENDS.—The size of the stipend awarded to students for an individual academic year shall be determined by the institution, except that no annual stipend award under this subpart may exceed $14,000 or the student's level of need according to measurements of need as approved by the Secretary, whichever is less.

"(c) ACADEMIC PROGRESS REQUIRED.—Notwithstanding the provisions of subsection (a), no student shall receive an award—

"(1) except during periods in which such student is maintaining satisfactory progress in, and devoting essentially full time to, study or research in the field in which such fellowship was awarded, or

"(2) if the student is engaging in gainful employment other than part-time employment involved in teaching, research, or similar activities determined by the institution to be in support of the student's progress towards a degree.

"SEC. 946. ADDITIONAL ASSISTANCE FOR COST OF EDUCATION.

"(a) IN GENERAL.—The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship at such institution, $8,000 with respect to such awards made for the fiscal year ending September 30, 1993, to be adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index.

"(b) USE FOR OVERHEAD PROHIBITED.—Funds made available pursuant to this subpart may not be used for the general operational overhead of the academic department or program.

"SEC. 947. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $35,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.

"Subpart 3—Dennis Chavez Fellowship Program

"SEC. 951. FELLOWSHIPS AUTHORIZED.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The Secretary shall make multiyear grants to institutions of higher education or consortia of such institutions and nonprofit entities organized to carry out the purposes of this subpart, with a demonstrated record of enhancing the access of individuals from underrepresented groups to graduate education to enable such institutions to—

"(A) identify talented faculty from underrepresented groups who wish to continue in the higher education professorate and obtain a doctoral degree;

"(B) identify talented baccalaureate degree recipients from underrepresented groups who have financial need and who wish to obtain a doctoral degree and enter the higher education professorate; and

"(C) provide the individuals described in paragraphs (1) and (2) with a fellowship to assist such students in obtaining a doctoral degree.

"(2) FELLOWSHIPS.—Each institution of higher education or consortium receiving a grant under this subpart shall award the fellowships described in paragraph (1)(C) in an amount equal to $10,000 or an amount based on the financial need of the recipient (determined by the institution in accordance with measurements of need approved by the Secretary), whichever is less.

"(b) PRIORITY.—In making grants pursuant to subsection (a), the Secretary shall give priority to applications describing programs that—

"(1) provide a tuition waiver and an assistantship to each fellowship recipient;

"(2) provide a stipend to each fellowship recipient from resources other than the resources of the Federal Government;

"(3) emphasize courses of study leading to a doctoral degree in disciplines in which faculty from underrepresented groups are underrepresented; and

"(4) describe steps to ensure that a fellowship recipient will teach at an institution of higher education where minority undergraduate students are likely to benefit from the educational experience and academic achievements of the fellowship recipient.

"(c) GEOGRAPHIC DISTRIBUTION.—In awarding grants pursuant to subsection (a), the Secretary shall ensure—

"(1) an equitable geographic distribution of such grants; and

"(2) that both public and private institutions of higher education are fairly represented among the grant recipients.

"(d) SPECIAL RULE.—

"(1) EQUITABLE DISTRIBUTION.—Each institution of higher education or consortium receiving a grant under this subpart shall ensure that during the period of the grant there is an equitable distribution of fellowships under this subpart among underrepresented groups.

"(2) CONSTRUCTION.—Nothing in this section shall be interpreted to require any institution of higher education or consortium to grant preference or disparate treatment to the members of one group on account of an imbalance which may exist with respect to the total number or percentage of individuals of such group participating in or receiving the benefits of the program authorized in this subpart, in comparison with the total number or percentage of individuals of such group in any community, State, section, or other area.

"(e) DEFINITION.—For the purposes of this subpart, the term 'underrepresented group' means any group of individuals underrepresented in graduate education or the higher education professorate.

"SEC. 952. APPLICATION.

"(a) APPLICATION REQUIRED.—Each institution of higher education or consortium desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner and containing such information as the Secretary may by regulation reasonably require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall contain—

"(1) the institution of higher education's or consortium's plan for identifying and recruiting faculty and baccalaureate degree recipients who may participate in the program assisted under this subpart;

"(2) a description of the program or programs of doctoral study that the institution of higher education or consortium plans to offer in the institution's doctoral program;

"(3) the institution of higher education's or consortium's plan for using minority faculty and other faculty as advisors and academic resources in support of the program assisted under this subpart;

"(4) a description of other resources of the institution of higher education or consortium, including tuition waivers, assistantships or financial aid other than loans, that such institution or consortium shall make available to fellowship recipients; and

"(5) a description of the method such institution or consortium shall use to determine a student's financial need.

"SEC. 953. FELLOWSHIP AGREEMENT.

"Each recipient of a fellowship under this subpart shall enter into an agreement with the institution of higher education or consortium awarding such fellowship under which the fellowship recipient shall—

"(1) in the case of a fellowship recipient described in section 951(a)(1)(A), within a 5-year period after completing the doctoral degree for which the fellowship under this subpart was awarded, teach, for a period of not less than 2 years for each year for which financial assistance under this subpart was received, in a public or private nonprofit institution of higher education that has a significant minority enrollment;

"(2) in the case of a fellowship recipient described in section 951(a)(1)(B), within a 5-year period after completing the doctoral degree for which the fellowship under this subpart was awarded, teach, for a period of not less than 2 years for each year for which financial assistance under this subpart was received, in a public or private nonprofit institution of higher education;

"(3) agree to provide the Secretary with evidence of compliance with the provisions of paragraph (1) or (2); and

"(4) repay all or part of the fellowship received, plus interest, and if applicable reasonable collection fees, under regulations issued by the Secretary, in the event the conditions of paragraph (1) or (2) are not complied with, except as provided in section 955.

"SEC. 954. FELLOWSHIP REPAYMENT PROVISIONS.

"A recipient of a fellowship under this subpart found by the Secretary to be in noncompliance with the agreement entered into under section 953(1) or 953(2) shall be required to repay a pro rata amount of such fellowship assistance received, plus interest (but in no event at an interest rate higher than the rate applicable to loans in the applicable period under part B of title IV) and, where applicable, reasonable collection fees, on a schedule and at a rate of interest to be prescribed by the Secretary by regulations issued pursuant to this subpart.

"SEC. 955. EXCEPTIONS TO REPAYMENT PROVISIONS.

"(a) DEFERRAL DURING CERTAIN PERIODS.—A recipient of a fellowship under this subpart shall not be considered in violation of the agreement entered into pursuant to section 953 during any period in which the recipient—

"(1) is pursuing a full-time course of study related to the field of teaching at an institution of higher education;

"(2) is serving, not in excess of 3 years, as a member of the armed services of the United States;

"(3) is temporarily totally disabled for a period of time not to exceed 3 years as established by sworn affidavit of a qualified physician;

"(4) is unable to secure employment for a period not to exceed 12 months by reason of the care required by a spouse who is disabled;

"(5) is seeking and unable to find full-time employment for a single period not to exceed 12 months with an institution of higher education that has a significant minority enrollment;

"(6) is engaged in full-time employment as a teacher in a public or private nonprofit preschool, elementary or secondary school, or a public or private nonprofit preschool education program; or

"(7) satisfies the provisions of additional repayment exceptions that may be prescribed by the Secretary in regulations issued pursuant to this subpart.

"(b) Forgiveness if Permanently Totally Disabled.—A recipient shall be excused from repayment of any fellowship assistance received under this subpart if the recipient becomes permanently totally disabled as established by the sworn affidavit of a qualified physician.

"SEC. 956. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $20,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this subpart.".

TITLE X—POSTSECONDARY IMPROVEMENT PROGRAMS

SEC. 1001. POSTSECONDARY IMPROVEMENT PROGRAMS.

Title X of the Act (20 U.S.C. 1135 et seq.) is repealed.

TITLE XI—PARTNERSHIPS FOR ECONOMIC DEVELOPMENT AND URBAN COMMUNITY SERVICE

SEC. 1101. REPEAL OF TITLE.

Title XI of the Act (20 U.S.C. 1136 et seq.) is amended to read as follows:

"TITLE XI—URBAN COMMUNITY SERVICE

"SEC. 1101. FINDINGS.

"The Congress finds that—

"(1) the Nation's urban centers are facing increasingly pressing problems and needs in the areas of economic development, community infrastructure and service, social policy, public health, housing, education, environmental concerns, planning and work force preparation;

"(2) there are, in the Nation's eligible institutions, people with underutilized skills, knowledge, and experience who are capable of providing a vast range of services toward the amelioration of the problems described in paragraph (1);

"(3) the skills, knowledge and experience in these eligible institutions, if applied in a systematic and sustained manner, can make a significant contribution to the solution of such problems; and

"(4) the application of such skills, knowledge and experience is hindered by the limited funds available to redirect attention to solutions to such urban problems.

"SEC. 1102. PURPOSE.

"It is the purpose of this title to provide incentives to eligible institutions to enable such institutions to devise and implement solutions to pressing and severe problems in their communities.

"SEC. 1103. APPLICATION FOR URBAN COMMUNITY SERVICE GRANTS.

"(a) Application.—

"(1) In general.—An eligible institution seeking assistance under this title shall submit to the Secretary an application at such time, in such form, and containing or accompanied by such information and assurances as the Secretary may require by regulation.

"(2) Contents.—The application submitted pursuant to paragraph (1) shall—

"(A) describe the activities and services for which assistance is sought; and

"(B) include documentation of the formation of a consortium that includes, in addition to the eligible institution, one or more of the following entities:

"(i) An urban school system.

"(ii) A local government.

"(iii) A business or other employer.

"(iv) A nonprofit institution.

"(3) Waiver.—The Secretary may waive the consortium requirements described in paragraph (2) for any applicant who can demonstrate to the satisfaction of the Secretary that the applicant has devised an integrated and coordinated plan which meets the purpose of this title.

"(b) Priority in Selection of Applications.—The Secretary shall give priority to applications that propose to conduct joint projects supported by other local, State, and Federal programs.

"(c) Selection Procedures.—The Secretary shall, by regulation, develop a formal procedure for the submission of applications under this title and shall publish in the Federal Register an announcement of that procedure and the availability of funds under this title.

"SEC. 1104. ALLOWABLE ACTIVITIES.

"(a) In General.—Funds made available under this title shall be used to design and implement programs to assist urban communities to address pressing and severe problems.

"(b) Authorized Activities.—Activities conducted with funds made available under this title may include research on, or planning and implementation of, resource exchanges, technology transfers, technical training, the delivery of services, or technical assistance in the following areas:

"(1) Work force preparation.

"(2) Urban poverty and the alleviation of such poverty.

"(3) Health care, including delivery and access.

"(4) Underperforming school systems and students.

"(5) Problems faced by the elderly in urban settings.

"(6) Problems faced by families and children.

"(7) Crime prevention and alternative interventions.

"(8) Urban housing.

"(9) Urban infrastructure.

"(10) Economic development.

"(11) Urban environmental concerns.

"(12) Other problem areas which participants in the consortium described in section 1103(a)(2)(B) concur are of high priority in the urban area.

"SEC. 1105. PEER REVIEW.

"The Secretary shall designate a peer review panel to review applications submitted under this title and make recommendations for funding to the Secretary. In selecting the peer review panel, the Secretary shall consult with officials of other Federal agencies and with non-Federal organizations to ensure that the panel membership shall be geographically balanced and be composed of representatives from public and private institutions of elementary, secondary, and higher education, labor, business, and State and local governments, who have expertise in urban community service or in education.

"SEC. 1106. DISBURSEMENT OF FUNDS.

"(a) Limitation on Amounts.—

"(1) Duration.—Each grant awarded under this title may be awarded for a period not to exceed 3 years.

"(2) Annual amount.—The Secretary shall not make a grant payment under this title which exceeds $500,000 in any 1 year.

"(b) Equitable Geographic Distribution.—The Secretary shall award grants under this title in a manner that achieves equitable geographic distribution of such grants.

"SEC. 1107. DESIGNATION OF URBAN GRANT INSTITUTIONS.

"The Secretary shall publish a list of the eligible institutions which are awarded grants under this title and shall designate these institutions of higher education as 'Urban Grant Institutions' for the duration of their grant award. The Secretary shall establish a national network of Urban Grant Institutions so that the results of individual projects achieved in one metropolitan area can then be generalized, disseminated, replicated and applied throughout the Nation.

"SEC. 1108. DEFINITIONS.

"As used in this title:

"(1) Urban area.—The term 'eligible area' means a metropolitan statistical area having a population of not less than 150,000; or, in any State which does not have metropolitan statistical area which has such a population, the entity of the State having an agreement or submitting an application under section 1203 may, or, if no such entity has an agreement, the Secretary shall designate one urban area for the purpose of this title.

"(2) Eligible institution.—The term 'eligible institution' means a nonprofit institution of higher education, or a consortium of such institutions, any one of which meets all the requirements of this paragraph, which—

"(A) is located in an urban area;

"(B) draws a substantial portion of its undergraduate students from the urban area in which such institution is located, or from contiguous areas;

"(C) carries out programs to make postsecondary educational opportunities more accessible to residents of such urban area, or contiguous areas;

"(D) has the present capacity to provide resources responsive to the needs and priorities of such urban area and contiguous areas;

"(E) offers a range of professional, technical, or graduate programs sufficient to sustain the capacity of such institution to provide such resources; and

"(F) has demonstrated and sustained a sense of responsibility to such urban area and contiguous areas and the people of such areas.

"SEC. 1109. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out the provisions of this title.".

TITLE XII—GENERAL PROVISIONS AND DEMONSTRATION PROGRAMS

SEC. 1201. DEFINITIONS.

Section 1201 of the Act (20 U.S.C. 1141) is amended by adding at the end the following new subsection:

"(i) State Higher Education Agency.—The term "State higher education agency" means the officer or agency primarily responsible for the State supervision of higher education.".

SEC. 1202. SPECIAL CRITERIA FOR HIGH-RISK INSTITUTIONS.

Section 1203 of the Higher Education Act of 1965 (20 U.S.C. 1143) is amended by adding at the end the following new subsection:

"(g) Review of Institutions.—

"(1) In general.—(A) The relevant State licensing authority shall establish standards for the review of and review the institutions of higher education under its jurisdiction in accordance with the criteria set forth in subparagraph (B). Only institutions of higher education which meet the criteria described in subparagraph (B) shall be subject to the requirements set forth in this subsection.

"(B) The criteria for the review of institutions of higher education are as follows:

"(i) An annual default rate as defined in section 435(m) equal to or greater than 25 percent for the most recent year in which data are available.

"(ii) A limitation, suspension, or termination act by the Secretary against an institution pursuant to this Act during the preceding 5 years.

"(iii) A change of ownership of the institution that results in a change of control of such institution.

"(iv) Participation in the Federal student aid programs for less than 5 years.

"(v) A substantial number of student complaints related to the management or conduct of programs assisted under this Act.

"(2) GENERAL LICENSING REQUIREMENTS.—An institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) shall—

"(A) be prohibited from using the terms 'approval', 'approved', 'approval to operate', 'approved to operate', 'licensed', or 'licensed to operate' or similar words without stating clearly that such term only means compliance with minimum licensing standards and not an endorsement or recommendation by the State or licensing authority;

"(B) be required to maintain records for all enrolled and graduated students and conduct a reasonable inquiry to determine whether students who complete a vocational education and training course of instruction offered at such institution obtain employment within 6 months of graduation from such course in the occupation for which such course prepared the students; and

"(C) be prohibited from opening branch or satellite campuses unless such branch or satellite campus first has been approved by the relevant State licensing authority as complying with the provisions of this section.

"(3) FINANCIAL AND FIDUCIARY RESPONSIBILITIES.—An institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) shall be required to meet such financial and fiduciary responsibilities as required by the relevant State licensing authority in the following areas:

"(A) Sufficiency of operating funds.

"(B) A specified percentage or ratio of current assets to current liabilities of at least 1:1, which shall not include as an asset unearned tuition, intangible assets, or Federal or State student financial assistance for future disbursements.

"(C) A record of fiscal strength.

"(D) Independently audited financial reports.

"(E) Requirements that owners, directors, officers or persons in control of such an institution have never been found guilty in any criminal, civil, or administrative proceeding of violating any law regarding the obtaining, maintenance, or disbursement of Federal or State student financial aid funds.

"(F) The absence of unpaid financial liabilities involving the improper acquisition, expenditure, or refund of State or Federal student financial aid funds.

"(G) Maintenance of adequate records.

"(4) REQUIRED DISCLOSURE OF ENROLLMENT, RETENTION AND PLACEMENT DATA.—(A) The standards described in paragraph (1) shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to provide to the student before executing any enrollment contract the following:

"(i) A copy of the enrollment contract.

"(ii) If such institution makes any claim, express or implied about future salary, including a claim that the student may be able to repay a student loan from the salary obtained, such institution shall provide to the student the percentage of students who graduate from such institution and who earn salaries at or above the claimed level within 6 months of completing the course.

"(iii) Passage rates on required State licensing examinations if such institution represents that the course may lead to employment in a related occupation.

"(iv) If such institution has offered the course for less than 1 year, such institution shall stipulate that it is unable to state how many students graduate, how many students find jobs, or how much money one can earn after finishing the course in question.

"(B) Such standards shall require the information described in subparagraph (A) to be based on a reasonable inquiry and documented through specific student records.

"(C) Such standards shall prohibit such an institution of higher education that has been in operation for less than 1 year from making claims regarding the future salary of graduates of such institutions.

"(D) Such standards shall require that enrollment, course completion and placement data be submitted to the relevant State licensing authority, and that such data may continue to be submitted to such authority according to whatever requirements such authority sets forth.

"(E) Such standards shall require such an institution of higher education, upon executing an enrollment contract, to provide the student with a notice of rights relating to course cancellation, tuition and fee refunds, and information regarding how the student can obtain information from the licensing authority regarding complaints and problems concerning such institution.

"(F) Such standards shall require such an institution of higher education to file annually with the licensing authority the completion, placement, and examination passage rates for students attending such institution and financial information demonstrating compliance with financial requirements required in paragraph (3).

"(G) Such standards shall require such an institution of higher education to—

"(i) file annually with the relevant State licensing authority an audit and a report, including financial statements conducted by a licensed certified public accountant;

"(ii) retain and make available the work papers used for the audit described in clause (i) for a period of 5 years; and

"(iii) within 6 months of the submission of each audit described in clause (i), submit a copy of the audit report to the Secretary.

"(5) STATE LICENSING REQUIREMENTS.—Such standards shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) and offers courses of instruction differing from the standards for State licensure in specific occupations to disclose the relevant State licensing authority's minimum licensure requirements and how the course differs from such requirements.

"(6) COURSE CANCELLATION POLICY.—(A) Such standards shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to provide students with a description of the right to cancel a course or series of courses within specific time periods and under specific conditions set forth by the relevant State licensing authority.

"(B) Such standards shall require that—

"(i) such an institution of higher education provide all students, during the first class, a cancellation form indicating the date of the agreement and the number of days in which the course can be canceled without penalty or obligations; and

"(ii) the form described in clause (i) specify the student's responsibilities regarding cancellation.

"(7) REFUND POLICY.—Such standards shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to provide students with a description of the right to withdraw from such institution at any time and receive a refund minus a reasonable registration fee not to exceed an amount set by the relevant State licensing authority.

"(8) CONTRACTS; REQUIRED DISCLOSURE.—Such standards shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to include in each of its enrollment contracts—

"(A) a general description of the course and equipment required of the student;

"(B) the total number of classes, hours, or lessons required for completion of the course;

"(C) the total payment obligation for such course, including all fees, charges, and expenses;

"(D) a statement regarding the specific amounts for which the student is responsible, which shall appear immediately above the student's signature; and

"(E) the total charge for each item of equipment, separately stated and not to exceed such item's fair market value.

"(9) PROHIBITION AGAINST ENROLLING STUDENTS IN THE MIDDLE OF A COURSE.—Such standards shall prohibit an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) from enrolling students in the middle of a course, suspending courses, or changing times or locations of such courses.

"(10) RECORDS ACCESS.—Such standards shall require—

"(A) an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to maintain accurate records for at least 5 years showing the names and local addresses of students, the courses of instruction offered, and the names, addresses, and qualifications of faculty to the extent practicable; and

"(B) such an institution to make all such records available for immediate inspection by the relevant State licensing authority, the designated State guaranty agency, or the Secretary.

"(11) INSTRUCTION; INSTRUCTIONAL MATERIALS.—Such standards shall prohibit an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) from withholding instruction or materials from a student pending receipt of Federal or State student financial aid used to pay tuition.

"(12) PENALTIES; RECOVERY OF DAMAGES.—Such standards shall provide for penalties and recovery of damages as follows:

"(A) If an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) violates any provision of this section in connection with any enrollment contract, the contract shall be considered unenforceable and a total refund of all charges incurred by the student pursuant to the enrollment period is required.

"(B) If such institution violates any provision of this section, a student may bring an action for recovery of damages, equitable relief, and attorney's fees against such institution.

"(C) A civil penalty of not more than twice the damages sustained by the student described in subparagraph (B) may be assessed if a court of competent jurisdiction in an action brought by such student finds that the violation is substantial or was willfully committed.

"(D) All penalties and recovery of damages described in this paragraph must be commenced within 3 years of the discovery of the facts regarding such institution's violation.

"(13) APPLICABILITY OF STATE LAW.—Notwithstanding any other provision of law, the relevant State licensing authority shall have the authority to develop and implement standards to comply with Federal law pertaining to institutions of higher education within the State which meet the criteria described in subparagraph (B) of paragraph (1).

"(14) APPROVAL BY THE SECRETARY.—In order for institutions of higher education in a State to

be eligible to participate in Federal student aid programs, the Secretary shall determine if standards adopted by the relevant State licensing authority are in compliance with the provisions of this section.

"(15) DEFINITIONS.—For the purposes of this section—

"(A) the term 'enrollment contract' means any contract, agreement, or other arrangement under which an individual agrees to attend, participate, or enroll in a course or program of study at an institution of higher education; and

"(B) the term 'relevant State licensing authority' means the State board, commission or agency designated by the appropriate State authority for the purpose of enforcing the licensing requirements described in this section.".

SEC. 1203. NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.

Section 1205 of the Act is amended to read as follows:

"SEC. 1205. COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.

"(a) ESTABLISHMENT.—There is established in the Department a Committee on Institutional Quality and Integrity (hereafter in this section referred to as the 'Committee') which shall be composed of 15 members appointed by the Secretary from among individuals who are representatives of, or knowledgeable concerning, education and training beyond secondary education, including accreditation of institutions of higher education, the process of eligibility and certification of such institutions under title IV of this Act, and the provision of financial aid under title IV of this Act. The Secretary may also appoint to the Committee representatives of the general public serving on the National Advisory Committee on Accreditation and Institutional Eligibility (as such Committee was in existence on the date of enactment of the Higher Education Amendments of 1991).

"(b) TERMS OF MEMBERS.—Terms of office of each member of the Committee shall be 3 years, except that—

"(1) of the members first appointed to the Committee the Secretary shall designate—

"(A) 5 such members to serve for a term of 1 year;

"(B) 5 such members to serve for a term of 2 years; and

"(C) 5 such members to serve for a term of 3 years; and

"(2) any member appointed to fill in a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term.

"(c) FUNCTIONS.—The Committee shall—

"(1) advise the Secretary with respect to establishment and enforcement of the standards of accrediting agencies or associations under section 493;

"(2) advise the Secretary with respect to the recognition of a specific accrediting agency or association;

"(3) advise the Secretary with respect to the preparation and publication of the list of nationally recognized accrediting agencies and associations;

"(4) advise the Secretary with respect to the eligibility and certification process for institutions of higher education under title IV of this Act, together with recommendations for improvements in such process;

"(5) advise the Secretary with respect to the functions of the Secretary under sections 492 (d), (e) and (f), relating to State institutional integrity standards;

"(6) advise the Secretary with respect to the relationship between—

"(A) accreditation of institutions of higher education and the certification and eligibility of such institutions; and

"(B) State licensing responsibilities with respect to such institutions; and

"(7) carry out such other advisory functions relating to accreditation and institutional eligibility as the Secretary may prescribe.

"(d) MEETING PROCEDURES.—The Committee shall meet not less than twice each year at the call of the Chairman. The date of, and agenda for, each meeting of the Committee shall be submitted in advance to the Secretary for approval. A representative of the Secretary shall be present at all meetings of the Committee.

"(e) REPORT.—The Committee shall, not later than November 30 of each year, make an annual report through the Secretary to the Congress. The annual report shall contain—

"(1) a list of the members of the Committee and their addresses;

"(2) a list of the functions of the Committee;

"(3) a list of dates and places of each meeting during the preceding fiscal year; and

"(4) a summary of the activities, findings and recommendations made by the Committee during the preceding fiscal year.

"(f) DEFINITION.—As used in this section, the term 'institution of higher education' has the same meaning given that term by section 481(a).

"(g) TERMINATION.—Subject to section 448(b) of the General Education Provision Act, the National Advisory Committee on Accreditation and Institutional Eligibility shall continue to exist until September 30, 1998.".

SEC. 1204. DEMONSTRATION PROGRAMS.

Title XII of the Act (20 U.S.C. 1141 et seq.) is amended—

(1) by amending the heading for title XII to read as follows:

"TITLE XII—GENERAL PROVISIONS AND DEMONSTRATION PROGRAMS";

(2) by inserting before the heading for section 1201 the following:

"Subpart 1—General Provisions"; and

(3) by adding at the end the following new subpart:

"Subpart 2—Demonstration Programs

"SEC. 1221. LOAN FORGIVENESS FOR TEACHERS, INDIVIDUALS PERFORMING NATIONAL COMMUNITY SERVICE AND NURSES.

"(a) STATEMENT OF PURPOSE.—It is the purpose of this section to encourage individuals to—

"(1) enter the teaching and nursing profession; and

"(2) perform national and community service.

"(b) DEMONSTRATION PROGRAM.—

"(1) IN GENERAL.—Notwithstanding any other provision of this Act, from amounts appropriated to carry out the provisions of part B of title IV, the Secretary, in consultation with the Secretary of Health and Human Services, shall carry out a demonstration program of assuming the obligation to repay a Stafford loan (a loan made, insured or guaranteed under part B of title IV of the Higher Education Act of 1965) (excluding loans made under sections 428A, 428B, or 428C) for any new borrower after October 1, 1993, who—

"(A) is employed as a full-time teacher—

"(i) in a school which qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such schools; and

"(ii) of mathematics, science, foreign languages, special education, bilingual education, or any other field of expertise where the State educational agency determines there is a shortage of qualified teachers;

"(B) agrees in writing to volunteer for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or to perform comparable service as a full-time employee of an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, if the borrower does not receive compensation which exceeds the greater of—

"(i) the minimum wage rate described in section 6 of the Fair Labor Standards Act of 1938; or

"(ii) an amount equal to 100 percent of the poverty line for a family of two (as defined in section 673(2) of the Community Services Block Grant Act); or

"(C) is employed full-time as a nurse in a public hospital, a rural health clinic, a migrant health center, an Indian Health Service, an Indian health center, a Native Hawaiian health center or in an acute care or long-term care facility.

"(2) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

"(c) LOAN REPAYMENT.—

"(1) IN GENERAL.—The Secretary shall assume the obligation to repay—

"(A) 15 percent of the total amount of Stafford loans incurred by the student borrower during such borrower's last 2 years of undergraduate education for the first or second academic year in which such borrower meets the requirements described in subsection (a);

"(B) 20 percent of such total amount for such third or fourth academic year; and

"(C) 30 percent of such total amount for such fifth academic year.

"(2) CONSTRUCTION.—Nothing in this subsection shall be construed to authorize the refunding of any repayment of a Stafford loan.

"(3) INTEREST.—If a portion of a loan is repaid by the Secretary under this section for any year, the proportionate amount of interest on such loan which accrues for such year shall be repaid by the Secretary.

"(4) SPECIAL RULE.—In the case where a student borrower who is not participating in loan repayment pursuant to this section returns to an institution of higher education after graduation from an institution of higher education for the purpose of obtaining a teaching certificate, the Secretary is authorized to assume the obligation to repay the total amount of Stafford loans incurred for a maximum of 2 academic years in returning to an institution of higher education for the purpose of obtaining a teaching certificate or additional certification. Such Stafford loans shall only be repaid for borrowers who qualify for loan repayment pursuant to the provisions of this section, and shall be repaid in accordance with the provisions of paragraph (1).

"(d) REPAYMENT OF ELIGIBILITY LENDERS.—The Secretary shall pay to each eligible lender or holder for each fiscal year an amount equal to the aggregate amount of Stafford loans which are subject to repayment pursuant to this section for such year.

"(e) APPLICATION FOR REPAYMENT.—Each eligible individual desiring loan repayment under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(f) DEFINITIONS.—For the purpose of this section the term 'eligible lender' has the same meaning given such term in section 435(d).

"(g) EVALUATION.—

"(1) IN GENERAL.—The Secretary shall conduct, by grant or contract, an independent national evaluation of the impact of the program assisted under this part on the fields of teaching, nursing, and community service.

"(2) COMPETITIVE BASIS.—The grant or contract described in paragraph (1) shall be awarded on a competitive basis.

"(3) CONTENTS.—The evaluation described in this section shall—

"(A) assess whether the program assisted under this section has brought into teaching, nursing, and community service a significant

number of highly capable individuals who otherwise would not have entered such fields;

"(B) assess whether a significant number of students perform the service described in subsection (b) or opt to repay the loans instead of remaining in the career for which such student received loan repayment under this section;

"(C) identify the barriers to the effectiveness of the program assisted under this section; and

"(D) assess the cost-effectiveness of such program in improving teacher, nursing, and community service worker quality and quantity and the ways to improve the cost-effectiveness of such program.

"(4) INTERIM EVALUATION REPORTS.—The Secretary shall prepare and submit to the President and the Congress such interim reports on the evaluation described in this section as the Secretary deems appropriate, and shall submit such a final report by January 1, 1999.

"(5) FUNDING.—The Secretary shall reserve a total of not more than $1,000,000 from the amount appropriated to carry out part B of title IV in fiscal years 1993 through 1999 to carry out this subsection.

"SEC. 1222. EXCEPTIONAL PERFORMANCE IN LOAN COLLECTION BY ELIGIBLE LENDERS AND LOAN SERVICERS DEMONSTRATION PROGRAM.

"(a) DEMONSTRATION PROGRAM AUTHORIZED.—The Secretary shall conduct a demonstration program, in accordance with the provisions of this section, designed to—

"(1) make a determination that certain eligible lenders and eligible servicers are eligible for designation of exceptional performance; and

"(2) reward such eligible lenders and eligible servicers by providing for guaranty agency payment of 100 percent of the unpaid principal and interest of all loans submitted for payment by such lender or servicer for the one-year period following receipt by such guaranty agency of the notification of designation under this section.

"(b) PROGRAM REQUIREMENT.—The program described in subsection (a) shall require—

"(1) the Secretary to—

"(A) determine that an eligible lender or a loan servicer has a compliance performance rating with respect to due diligence in the collection of student loans insured under part B of title IV for each year for which the determination is made which equals, or exceeds, 95 percent of all due diligence requirements with respect to such loans serviced during the period by the eligible lender, or loan servicer, and to designate the eligible lender or loan servicer, as the case may be, for exceptional performance; and

"(B) notify each appropriate guaranty agency of the eligible lenders and loan servicers designated under subparagraph (A);

"(2) a guaranty agency to pay each eligible lender or loan servicer designated under paragraph (1)(A) 100 percent of the unpaid principal and interest of all loans for which claims are submitted for payment by that eligible lender or loan servicer for the one-year period following the receipt by the guaranty agency of the notification of designation under such paragraph;

"(3) each eligible lender and loan servicer desiring a designation under paragraph (1)(A) to have a financial and compliance audit of the loan portfolio of such eligible lender or loan servicer, conducted annually, by a qualified independent organization or person in accordance with standards established by the Comptroller General and the Secretary which shall include a defined statistical sampling technique designed to measure the performance rating of the eligible lender or the loan servicer for the purpose of this paragraph;

"(4) each such eligible lender and loan servicer to submit the audit required by paragraph (3) to the Secretary and to each appropriate guaranty agency;

"(5) the Secretary to make the determination under paragraph (1)(A) based upon the audits submitted under paragraph (4) and submit the results of the determination to each appropriate guaranty agency;

"(6) a guaranty agency to review the Secretary's determination on the basis of the audit and other information in the possession of the guaranty agency and if the results of the audit are not persuasively rebutted by such other information, require the guaranty agency to inform the eligible lender or loan servicer that their application for designation as an exceptional eligible lender or loan servicer has been approved;

"(7) each such eligible lender and loan servicer to pay for all of the costs of the audits required by this subsection; and

"(8) designation as an exceptional eligible lender or loan servicer to be revoked by the guaranty agency upon 60 days' notice and an opportunity for a hearing before the guaranty agency upon a finding by the guaranty agency that the eligible lender or loan servicer has failed to maintain an overall level of regulatory compliance consistent with the audit submitted by the eligible lender or loan servicer under this subsection.

"(c) DEFINITIONS.—For the purpose of this section—

"(1) the term 'due diligence requirements' means the activities required to be performed by lenders on delinquent loans pursuant to section 682.411 of title 34, Code of Federal Regulations, (Due Diligence by Lenders in the Collection of Guaranty Agency Loans) and any related or successor regulations;

"(2) the term 'eligible loan' means a loan made, insured or guaranteed under part B of title IV;

"(3) the term 'loan servicer' means an entity servicing and collecting student loans which—

"(A) has substantial experience in servicing and collecting consumer loans or student loans;

"(B) has an independent financial audit conducted annually which is furnished to its clients;

"(C) has business systems which are capable of meeting the requirements of part B of title IV;

"(D) has adequate personnel who are knowledgeable about the student loan programs authorized by part B of title IV; and

"(E) does not have any owner, majority stockholder, director, or officer of the entity who has been convicted of a felony.

"(d) SPECIAL RULE.—Reimbursements of losses made by the Secretary on loans submitted for claim by an eligible lender or loan servicer designated for exceptional performance under this section shall not be subject to additional review by the Secretary or repurchase by the guaranty agency for any reason other than a determination by the Secretary that the eligible lender, loan servicer, or guaranty agency engaged in fraud or other purposeful misconduct in obtaining designation for exceptional performance.

"SEC. 1223. NATIONAL STUDENT SAVINGS DEMONSTRATION PROGRAM.

"(a) STATEMENT OF PURPOSE.—It is the purpose of this section to—

"(1) create a demonstration program to test the feasibility of establishing a national student savings program to encourage families to save for their children's college education and thereby reduce the loan indebtedness of college students; and

"(2) help determine the most effective means of achieving the activities described in paragraph (1).

"(b) DEMONSTRATION PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized to award a demonstration grant to not more than 5 States to enable each such State to conduct a student savings program in accordance with this section.

"(2) AMOUNT OF GRANT.—The amount of each grant awarded pursuant to paragraph (1) shall be computed on the basis of—

"(A) a Federal match in an amount equal to the initial State deposit into each account established pursuant to subsection (c)(2)(B), except that such Federal match shall not exceed $50 per child; multiplied by

"(B) the number of children participating in the program assisted under this part.

"(3) PRIORITY.—In awarding grants under this section the Secretary shall give priority to States proposing programs that establish accounts for a child prior to the age of compulsory school attendance in the State in which such child resides.

"(4) SPECIAL CONSIDERATION.—In awarding grants under this section the Secretary shall give special consideration to States—

"(A) that permit employers to use pretax income in making contributions to a child's account; and

"(B) that provide assurances that interest earned in accounts shall be exempt from State taxes.

"(c) APPLICATION.—

"(1) IN GENERAL.—Each State desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

"(A) describe the student savings program to be established and the number of children to be served;

"(B) contain assurances that an account shall be established for each child participating in the program assisted under this section and set forth the initial amount to be deposited into each such account by the State;

"(C) contain assurances that deposits into such account shall be invested in a responsible manner that provides a reasonable rate of return;

"(D) contain assurances that funds in the account shall only be used to pay the cost of attendance (as such term is defined in section 472) at any eligible institution (as such term is defined in section 435(a));

"(E) describe the amount of the Federal contribution requested for starting each child's account, which shall not exceed $50 per child participating in the program;

"(F) describe the age at which children in the State may establish such accounts;

"(G) indicate whether the program will be open to all children, regardless of family income, or only to disadvantaged children;

"(H) describe how additional deposits into each account from the State or other resources will be earned by a child for performance of community service, academic performance, or other activities or achievements;

"(I) contain assurances that contributions in an account shall be refundable to the contributor without interest if the child dies or is otherwise unable to attend college;

"(J) contain assurances that the State shall encourage individuals and organizations to make contributions to a child's account;

"(K) contain assurances that the State shall provide incentives to employers to make contributions to a child's account and participate in the program assisted under this section; and

"(L) contain assurances that if a child leaves the State in which such child has an account, then such child shall retain the right to make contributions to the account, except that the State shall not be required to make any additional deposits for the child's exemplary activities.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this section.".

TITLE XIII—EDUCATION ADMINISTRATION

SEC. 1301. STUDIES.

Part A of title XIII of the Act (20 U.S.C. 1091) is amended—

(1) by redesignating section 1307 as section 1308; and

(2) by inserting after section 1306 the following new section:

"SEC. 1307. STUDIES.

"(a) ROLE OF GUARANTY AGENCIES.—

"(1) STUDY.—The Secretary shall review the role of guaranty agencies within the Robert T. Stafford Student Loan Program by examining the administrative and financial operations of such agencies and the relationships between guaranty agencies and State governments.

"(2) REPORT.—The Secretary shall report to the Congress within 1 year of the date of enactment of this Act on the study described in subsection (a). Such report shall consider and make recommendations concerning the feasibility of—

"(A) increasing the role of guaranty agencies in oversight and licensing of proprietary trade schools under the Robert T. Stafford Student Loan Program;

"(B) strengthening Federal disincentives for high default rate portfolios;

"(C) consolidating guaranty agencies regionally or otherwise; and

"(D) eliminating the role of guaranty agencies within the Robert T. Stafford Student Loan Program.

"(b) STATUTORY PROTECTIONS.—The Secretary of Education shall report to the Congress within 180 days of the date of enactment of the Higher Education Amendments of 1991 on the advisability of statutorily protecting officials of accrediting agencies involved in the performance of legitimate Robert T. Stafford Student Loan Program activities.".

TITLE XIV—AMENDMENTS TO OTHER LAWS

SEC. 1401. HIGHER EDUCATION TECHNICAL AMENDMENTS.

Subsection (c) of section 3 of the Higher Education Technical Amendments of 1991 (Public Law 102–26) is amended by striking "that are brought before November 15, 1992".

SEC. 1402. GENERAL EDUCATION PROVISIONS ACT.

The General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended—

(1) in subsection (b) of section 453—

(A) in paragraph (1), by striking "State or local educational agency" each place such term appears and inserting "recipient";

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "State or local educational agency" and inserting "recipient"; and

(ii) in clause (i) of subparagraph (B), by striking "State or local educational agency" and inserting "recipient";

(C) in paragraph (4), by striking "State or local educational agency" and inserting "recipient";

(D) in paragraph (5)—

(i) in the matter preceding subparagraph (A), by striking "State or local educational agency" and inserting "recipient";

(ii) in subparagraph (B), by striking "State educational agency" and inserting "recipient"; and

(iii) in subparagraph (C), by striking "State or local educational agency" and inserting "recipient"; and

(E) in paragraph (6), by striking "State educational agencies" and inserting "recipients"; and

(2) in paragraph (2) of section 460, by inserting "(except programs authorized under subpart 4 of part A of title IV of the Higher Education Act of 1965)" after "1965".

SEC. 1403. UNITED STATES INSTITUTE OF PEACE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Subsection (a) of section 1710 of the United States Institute of Peace Act (22 U.S.C. 4609(a)) is amended to read as follows:

"(a) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—For the purpose of carrying out this title, there are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.

"(2) AVAILABILITY.—Funds appropriated pursuant to the authority of paragraph (1) shall remain available until expended.".

(b) SPARK M. MATSUNAGA SCHOLARS PROGRAM.—Subsection (b) of section 1705 of the United States Institute of Peace Act (22 U.S.C. 4604(b)) is amended—

(1) by striking "and" at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting a semicolon and "and"; and

(3) by adding at the end the following new paragraph:

"(10) establish the Spark M. Matsunaga Scholars Program, which shall include the provision of scholarships and educational programs in international peace and conflict management and related fields for outstanding secondary school students and the provision of scholarships to outstanding undergraduate students, with program participants and recipients of such scholarships to be known as 'Spark M. Matsunaga Scholars'.".

(c) CONTRACTS AND PRIVATE GIFTS AND CONTRIBUTIONS.—Subsection (h) of section 1705 of the United States Institute of Peace Act (22 U.S.C. 4604(h)) is amended—

(1) by amending paragraph (2) to read as follows:

"(2) The Institute and the legal entity described in section 1704(c) may not accept any gift, contribution or grant from a foreign government, any agency or instrumentality of such government, any international organization, or any corporation or other legal entity in which natural persons who are nationals of a foreign country own, directly or indirectly, more than 50 percent of the outstanding capital stock or other beneficial interest in such legal entity."; and

(2) in paragraph (3) by striking "individual." and inserting "individual, except such Institute or legal entity may accept such a gift or contribution to—

"(A) purchase, lease for purchase, or otherwise acquire, construct, improve, furnish, or maintain a suitable permanent headquarters, any related facility, or any site or sites for such facilities for the Institute and the legal entity described in section 1704(c); or

"(B) provide program-related hospitality, including such hospitality connected with the presentation of the Spark M. Matsunaga Medal of Peace.".

SEC. 1404. LAW ENFORCEMENT UNIT RECORDS.

(a) IN GENERAL.—Clause (ii) of section 438(a)(4)(B) of the General Education Provisions Act (20 U.S.C. 1232g(a)(4)(B)(ii)) is amended to read as follows:

"(ii) records maintained by a law enforcement unit of the educational agency or institution that were created by that law enforcement unit for the purpose of law enforcement.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.

TITLE XV—NATIONAL CENTER FOR THE WORKPLACE

SEC. 1501. PURPOSE.

It is the purpose of this title to address the problems created by the simultaneous convergence of broad economic, social, cultural, political, and technological changes in the workplace through a national center administered by the Department of Labor that will join together workplace experts from America's best institutions of higher education with experts from the public and private sectors to conduct research, share information, and propose remedies.

SEC. 1502. ESTABLISHMENT.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Labor is authorized to award a grant, on a competitive basis, to an eligible consortium to enable such consortium to establish the National Center for the Workplace (hereafter in this title referred to as the "Center").

(2) MATCHING FUNDS.—In order to receive the grant described in paragraph (1) the eligible consortium shall provide matching funds from non-Federal sources equal to 25 percent of the funds received pursuant to such grant.

(3) GRANT COMPETITION AND APPLICATION.—Each eligible consortium desiring to compete for the grant described in paragraph (1) shall submit an application to the Secretary of Labor at such time, in such manner and accompanied by such information as the Secretary of Labor may reasonably require.

(b) DEFINITIONS.—For the purpose of this title:

(1) The term "eligible consortium" means a consortium of institutions of higher education in the United States. The eligible consortium shall be represented and coordinated by a host institution of higher education that meets all of the following criteria:

(A) Broad collective knowledge of and demonstrable experience in the wide range of interconnected employment and workplace issues.

(B) A nationally recognized faculty that, collectively, demonstrates a nonpartisan research and policy perspective joining the several relevant workplace disciplines (labor economics, industrial relations, collective bargaining, human resource management, sociology, psychology, and law) in a multidisciplinary approach to workplace issues.

(C) Established credibility and working relationships with employers, unions, and government agencies on a national scale, and established means of providing education and technical assistance to each of the above groups that include publications, state-of-the-art electronic and video technology, and distinguished extension/outreach programs operating on a national and international level.

(2) The term "institution of higher education" has the same meaning given to such term by section 1201(a) of the Higher Education Act of 1965.

SEC. 1503. USE OF FUNDS.

(a) CENTER ACTIVITIES.—Grants awarded under this title may be used to establish and operate the Center, to bring together major independent researchers, from the institutions of higher education participating in the eligible consortium, focused on the most significant workplace problems with the aim of analysis and synthesis of policy implications and dissemination of findings, and to support the following activities:

(1) The coordination and funding of research activities of the institutions of higher education participating in the eligible consortium for collaborative collection and evaluation of data on changes and trends in the workplace and in the labor force, on established and emerging public policy issues, on the economic and occupational structures, and on work organizations and employment conditions.

(2) The analysis of the public policy implications of social and demographic changes in the United States as they relate to the workplace.

(3) The conduct of seminars for Federal and State policymakers on policy implications of the Center's findings. Such seminars shall be held at least once each year. In addition, the Center shall utilize electronic technology, such as computer networks and video conferencing, to convey the cumulative value of the Center's activities from year to year and to foster continuous exchange of ideas and information.

(4) The conduct of a National Conference once each year for the leaders of business and organized labor in the United States designed to convey the cumulative value of the Center's activities and to foster an exchange of ideas and information.

(5) The evaluation of the economic and social implications of national and international workplace and employment issues such as the impact of new technologies on job structure and the work organization, new employment concepts in American industry, alternative workplace policies and practices, and existing and proposed government policies.

(6) The provision of ready access to the Center's collective expertise for policy officials in the Federal and State governments and representatives of private and public sector organizations through meetings, publications, special reports, video conferences, electronic mail and computer networks, and other means to share up-to-date information on workplace and employment issues, practices, and innovations, the most promising options, and guidance in management of the change process.

(7) The development of programs, curricula, and instructional materials for colleges, universities, and other educational institutions designed to impart the knowledge and skills required to promote innovations in the design of work and employment conditions that enhance organizational performance and meet worker needs.

(8) The development and administration of a national repository of information on key workplace issues that can be readily accessed by the public and private sector.

(b) FELLOWSHIPS.—Grants awarded under this title may also be used to provide graduate assistantships and fellowships at the Center to encourage graduate study of the field of industrial and labor relations and to encourage graduate research in areas that are seen as critical to national competitiveness.

SEC. 1504. BOARD OF ADVISORS.

(a) BOARD.—There shall be appointed a Board of Advisors to the Center that shall consist of representatives of the private and public sectors and of the institutions of higher education participating in the eligible consortium. Two members shall be appointed by the Chair of the House of Representatives Committee on Education and Labor, and two members shall be appointed by the Chair of the Senate Committee on Labor and Human Resources. Two members shall be appointed by the Secretary of Education. Four members shall be appointed by the Secretary of Labor, of which two shall be from organizations that represent employers and two shall be from organizations that represent trade unions. In addition, the President of each institution of higher education participating in the consortium shall appoint one member to the Board. Other members may be added to the Board by majority vote of the Board's appointed members.

(b) MEETINGS AND RESPONSIBILITIES.—The Board of Advisors shall meet from time to time, but no less than twice each year, to review and advise the Center with respect to all aspects of its program. The Board shall submit an annual report to the Secretary of Education and the Secretary of Labor on the Center's activities and accomplishments.

SEC. 1505. GIFTS AND DONATIONS.

The Center is authorized to receive money and other property donated, bequeathed, or devised to the Center with or without a condition of restriction, for the purpose of furthering the activities of the Center. All funds or property given, devised, or bequeathed shall be retained in a separate account, and an accounting of those funds and property shall be included in the annual report of the Board of Advisors to the Secretary of Education and Secretary of Labor.

SEC. 1506. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated $2,500,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) AVAILABILITY.—Funds appropriated pursuant to the authority of subsection (a) shall remain available until expended.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Might I say to the distinguished chairman, I have to be away from the Senate for a while, and I wonder if I might speak for a few moments as in morning business.

Mr. PELL. Please.

Mr. DOMENICI. I ask unanimous consent that I be permitted to speak as in morning business for no more than 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CBO STUDY

Mr. DOMENICI. Mr. President, I rise to talk about an event that occurred yesterday.

Yesterday, the Congressional Budget Office released a study requested by Senator DOLE, the Republican leader, in July 1990. The bottom line, from my reading of the CBO study, says, "When pounding swords into plowshares, sometimes the double edge of the sword will cut."

I ask unanimous consent that a copy of the letter requesting the study to Senator DOLE from the Congressional Budget Office be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, July 10, 1990.

Mr. ROBERT D. REISCHAUER,
Director, Congressional Budget Office, House Office Building Annex, Washington, DC.

DEAR BOB: I am concerned that a too rapid decline in our defense spending may precipitate severe economic dislocations on local, regional, and potentially, the national economy. While our defense spending should be predicated upon our national security needs, it is the responsibility of Congress to fully assess the economic ramifications of the defense budget proposals now under consideration and select a course for our defense spending with all of the facts at hand. Therefore, I am writing to ask the Congressional Budget Office to conduct an analysis of the effect that these defense budget proposals would have on the economy as a whole while paying special attention to the effects on selected regional and local economies.

This analysis would assume funding allocations, program cuts/terminations, base closures and manpower reductions as provided by the Department of Defense Comptroller for each of the budget proposals analyzed. The baseline economic assumptions of interest rates, GNP, employment and other required elements of economic modeling should be consistent with current CBO assumptions.

This study would seek to quantify the impact on employment, financial markets, state and federal revenue, and other economic indicators both direct and indirect that would result from the adoption of the specified budget proposals.

Because the Congress is currently deliberating budget resolutions in both the House and Senate, the results of this study are needed as quickly as possible. Dan Stanley, from my staff, will assist you and answer any questions that you may have on this matter. Please feel free to contact him at 224-6521.

Sincerely,

BOB DOLE,
U.S. Senate.

Mr. DOMENICI. Let me read a portion of that letter for the RECORD as part of my verbal remarks here to the U.S. Senate.

> While our defense spending should be predicated upon our national security needs, it is the responsibility of Congress to fully assess the economic ramifications of the * * * defense spending with all the facts at hand.

That is a portion of Senator DOLE's letter to the CBO.

He says:

> Therefore, I am writing to ask the Congressional Budget Office to conduct an analysis of the effect that these defense budget proposals would have on the economy as a whole, while paying special attention to the effects on selected regional and local economies.

Mr. President, I do not believe Senator DOLE, the distinguished Republican leader, told the Congressional Budget Office what to select, where to select it, but rather, he said, give us an overview and then give us some selected regional and local economies and the effect thereon.

The Congressional Budget Office did what it was asked to do. I do not always agree with the Congressional Budget Office's analyses. As an example, I understand that the chairman of the Budget Committee, Senator SASSER, reviewed the CBO analysis this morning relating to the President's proposal to change the accounting system for the Pension Benefit Guaranty Corporation. That analysis by the Congressional Budget Office is not going to make Republicans happy, is not going to make the President happy, and I do not think we are going to come down here and say that the Congressional Budget Office has turned partisan because they make that report. Republicans have always had problems with the Congressional Budget Office and the Joint Tax Committee on their analysis of the distributional effect of the capital gains tax proposals. I do not believe, as they make those, that we contend they do so because they are told to do that by someone on the other side of the aisle.

So I am somewhat taken aback by the majority leader's statement this morning that somehow this CBO report on the impact of defense cuts was somehow a political effort against three Democratic leaders in the Congress.

What has the majority leader upset is one small part of this report, and not really the major part of it, where CBO selected three communities and three economies, local in nature, to determine what the different defense cuts would do to those areas. I think we have all been interested in that kind of analysis. I see the distinguished Presiding Officer, and I believe we would like very much to have the CBO, or somebody neutral and competent, do the economic impact with reference to his State in one of his communities as it pertains to one of the very controversial cuts in the President's budget.

These three different areas of the country—the west coast, east coast, and in between—are different and unique economies; we have an urban economy, a retirement and high growth area, and a relatively rural area of this country. The results were different. The study will speak for itself. Depending on the level of defense cuts selected, different communities will be affected differently. Some will be able to absorb the cuts easier than others.

The Republican leader did not select the areas. In fact, the study, if you look at it beyond the three cities and their surrounding areas, finds that the State of Kansas, his State—and I might add, New Mexico, the State that I represent—suffers significantly under proposals to cut defense. In fact, they are highly ranked among the States, on the high side, in terms of detrimental effect.

I might say, so everybody will understand, and I am sure they know it, but let us call it to everybody's attention, Maine is also represented by a Republican Senator, Senator COHEN. I assume he is just as adversely affected by the economic analysis of his community and the ironworks and its possible shutdown as is the distinguished majority leader.

I might also say that St. Louis is said to be an area, that is the area of the Democratic leader from the House. For the record, it is also part of the area of Senator BOND, who is running for reelection as a Republican Senator, and Senator DANFORTH, who is a Republican Senator. I think it is in their States, and they are concerned, also.

I might also suggest that in California, while the specific study is in fact the district occupied by the chairman of the Budget Committee in the House, it is also a State represented by a Republican Senator, Senator SEYMOUR. I really do not believe they were selected for anything other than the kind of economy and the potential impact of defense cuts.

So, simply, I ask that before the majority leader takes out after the Congressional Budget Office and suggests that Republicans somehow put CBO up to the study with such suggestions as we might have a good deal on the Brooklyn Bridge for those who think otherwise, as the majority leader said, I think we should examine the record. Do not kill the messenger because you do not like the message.

Under many of the proposals, chiefly led by Democratic Senators and the Democratic leader, proposals to cut defense in very large proportions over the President's plan, will cause serious economic woes to the country and to many regions.

I regret to say that many areas may "take a bath." "When pounding these swords into plowshares, the double edge of the sword sometimes cuts."

Mr. President, I want to take a couple minutes to talk about the Democratic economic recovery plan promulgated by the U.S. House, which is supposed to create jobs for Americans. The Washington Post, on Wednesday, had an editorial that is rather astounding. The headline says, "The Wrong Way on Taxes." It then proceeds to say precisely what we have been saying on this side, and what the Senator from New Mexico and the Senator from Kansas have been saying: Put an across-the-board middle-income tax cut for 2 years, with a new tax permanent in nature going on indefinitely, sort of a rent a tax cut, but putting a permanent tax increase of $90-plus billion on some Americans is not an economic plan to create jobs. It is a political stimulus directed at producing votes favorable to those who propose the tax cut. I ask unanimous consent that that article and also a well-written editorial from the Albuquerque Journal on February 16, 1992, be printed in the RECORD: "End Economic Politics."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 19, 1992]

THE WRONG WAY ON TAXES

The House Democratic caucus is scheduled to give its opinion today of the tax bill pasted together last week by the Ways and Means Committee Democrats. If the party stands for anything but buying votes in an election year at the expense of future deficits, the decision ought to be easy. This is a shapeless bill, itself the product of vote-buying within the committee. It violates some of the Democrats' own supposed precepts and in the long run will likely hurt more than help the economy while reducing either party's ability to govern. If there's got to be a tax bill at all, as apparently there does, the caucus should tell the committee members to start over.

The committee members claim the bill is paid for. That's true only on paper, and even the paper is thin. First you have to suspend disbelief and accept that next election year Congress will cancel the middle-class tax credit—expressed as an offset to Social Security taxes—that this year it feels compelled to grant. Then you must suspend the budget rules as well. The Democrats themselves acknowledge that the bill wouldn't pay for itself in the first two years, when the theoretically temporary middle-class benefit would be greater than the permanent tax increase on the rich that they propose to finance it. That short-term increase in the deficit and stimulus of the weak economy is part of their plan. Only after the successor Congress let the credit lapse would fiscal responsibility be achieved, over five or six years. But that's always when fiscal responsibility is to be achieved—later.

Meanwhile, the Democrats would also give up whatever high ground they possess on the issue of capital gains as well. An indexing provision that they have put in this bill would over time be about as generous a capital gains tax cut as the president has proposed. What's left to argue about except the terms of delivery? The gains cut was put in the bill to win votes, but it would weaken the bill on grounds of fairness as well as on grounds of responsibility while doing little for the economy. The Democrats say that the social objective of the bill is to move money from the rich who don't need it to a middle class that does. Then they cancel the middle-class tax credit after two years and leave in place the gains cut that would go mainly to the rich? The long-term effect would be to increase taxes on the rich to pay for a tax cut mainly for the rich and for a permanent cut in the corporate tax rate, which was also put in the bill. Is that bowl of gray oatmeal what the Democrats are for?

This bill is part of a bidding contest that can only go in the wrong direction. Already the House Democrats have adopted a version of the president's capital gains tax proposal, while he has adopted a version of their proposed middle-income tax cut. The Senate waits in the wings with proposals of its own. The caucus needs to cut everyone's losses, including the Democrats'. Just say no.

[From the Albuquerque Journal, Feb. 16, 1992]

END ECONOMIC POLITICS

The nation's economic signals continue to be mixed as an election-spooked Congress grasps for an election-year tax cut panacea.

On the bright side, retail and auto sales are up; housing starts and sales are strong; new unemployment claims are down; wholesale prices are declining and economic indexes are headed slowly upward. Retail sales picked up 0.6 percent in January, which some analysts say signals a trend which could begin to reduce inventories and spur production.

On the cloudy side, industrial production is down 0.9 percent; business inventories are up; and business sales fell 1.7 percent in December for the sharpest decline since a 2.2 percent fall in December 1990. If inventories increase in relation to sales, production could be cut back even more and workers laid off as businesses try to reduce their backlogs.

Analysts point out that the 1.53 inventories-to-sales ratio nearly matches the average ratio for the past 40 years and therefore is not cause for alarm. During the severe recessions of 1974–75 and 1981–82, the average inventories-to-sales ratio topped 1.70.

Still, the mixed economic figures seem to suggest some hope that an economic upturn is under way. The economic situation does not support a largely token tax cut for the middle class—which would either further build the menacing federal deficit or require a corresponding tax hike on the wealthy. The Democratic tax plan—to grant a tax credit of $200 per wage earner and to impose a new 35 percent tax rate on high income people and a 10 percent surtax on millionaires—might buy votes for candidates, but it won't add a thing to getting the economy moving again. In fact, uncertainty about pending tax hikes could postpone or retard spending and investment decisions by that segment of the economy central to getting things moving.

Congress should act upon parts of President Bush's tax plan, especially those pertaining to investment tax credits and credits for some home buyers—things that would trigger economic activity to justify their cost to the federal treasury.

Tinkering with the economy during an election-year recession is probably inevitable as both parties in Congress and President Bush jockey for political advantage. It doesn't make economic sense, however, to needlessly widen the deficit when signs point toward a gradual recovery.

Broad-based tax relief for the middle class, while richly justified on the grounds of fairness, is not possible in the current economic conditions, if Congress and the White House are to keep faith with the economic imperative of controlling the deficit.

ECONOMIC PLAN

Mr. DOMENICI. Mr. President, I would like now to make one new observation about the Democratic plan coming out of the House leadership for economic recovery and jobs for America. One other observation that has not yet been made.

It now becomes a reality that when you see the final proposal, Mr. President, it had been kind of pieced together and then it finally got into one bill and it finally got analyzed in depth. In 1992 and 1993 the proposal for new jobs for Americans, an economic sustained economic growth, will reduce taxes, taken into the United States, is a total tax cut in the first 2 years of $35 billion, about $34.5 million, or some such sum, and I round it to 35, and I like everyone want to know what it means.

It means that if that were to become law, let us say over a President's veto, there would then be a sequester under the existing law of the land, a sequester to pick up the difference in the increased deficit of $35 billion. That is what that bill would do, increase the deficit by $35 billion, and I have a list of the mandatory across-the-board cuts that would follow forth with under the current budget policies of the Nation.

I will just randomly tick off the mandatory entitlement programs that will be cut across the board under the proposals that the U.S. House, Democratic-led House, says will be the economic recovery plan.

Sequester amount in billions of dollars: Commodity Credit Corporation, 10.5; family support payments to States, 1.8; social services block grants for poor, elderly, and disabled. 2.7. These are billions of dollars taken off those programs to make up for the increased deficit of that master plan for economic recovery and jobs.

Mr. President, I ask unanimous consent that a detailed list of potential impact of the $34.4 billion sequester preliminary estimates be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Potential impact of a $34,400,000,000 sequester—Preliminary estimates

Program and sequester impact	*Billions*[1]
Mandatory programs subject to special sequester rules:	
Medicare (Maximum sequester=4 percent of payments to hospitals and M.D.'s): Would cut payments to physicians and hospitals by 4 percent, but beneficiaries would be liable for unpaid balances unless providers accept reduced amounts as payment in full	3.8
Guaranteed student loans: Would effectively raise the interest rate on student loans—by reducing the special allowance for lenders by one-quarter percentage point to 7.95 percent and increasing the origination fee on Stafford loans paid by recipients by one-half percentage point	([2])
Vocation rehabilitation: Eliminates increases to keep up with inflation	.1
Foster care/adoption assistance: Reduce matching payments for those States that have increases in payment rates planned for fiscal year 1993	([2])
Mandatory programs subject to across-the-board sequester rules:	
Because many programs are exempt from sequester, those that are not would have to be cut by 100 percent. This across-the-board sequester would eliminate all new support in 1993 (mandatory only) for the following programs:	
Commodity Credit Corporation: Crop payments to farmers for the 1993 crop year would be eliminated	[3]10.5
Social Services Block Grants: Poor, elderly, and disabled could lose support services such as meals on wheels and home health aids. Child care assistance could also be cut	2.7
Family support payments to States: Benefits eliminated	1.8
Interim assistance to States for legalization: No SLIAG payments to help States cope with immigrants	.8
AFDC work programs: Would throw many jobless AFDC recipients out of work training programs	.7
VA Housing Loan Program: No VA Home Loan Program	.6
Veterans' education, readjustment benefits—Veterans' education would be interrupted. Disabled veterans would lose special support assistance	.6
FHA General and Special Risk Insurance Fund liquidating account (insurance claims)	.5
Payments to States for Mineral Leasing Act: Massive cut in funds States use for schools and roads	.5
Justice activities financed by immigration and border fees	.5
Forest Service permanent appropriations	.4
Customs Forfeiture Fund, salaries and expenses, unclaimed/abandoned goods fund	.3
Assets Forfeiture fund: Would reduce resources available to fight the war on drugs and crime	.3
Forest Service, Cooperative Work Trust Fund	.3
Payments to Japanese Internees	.2
Agricultural Marketing Service, funds for strengthening markets, income and supply (sec. 32)	.2
Rehabilitation services and handicapped research	.2
Other	2.1
Programs funded by use of offsetting collections subject to sequester	3.9
Discretionary across-the-board sequester percentages:	
Nondefense programs: 1.5 percent; Defense programs: 1.3 percent (Assumes military personnel exempt)	3.3
Total, outlay reductions	34.4

[1] Sequester amount (fiscal year 1993 outlays).

[2] $50,000,000 or less.

[3] CCC outlays include $6,000,000,000 of 1994 outlays associated with the 1993 crop year sequester.

NOTE.—If a sequester of more than $31,100,000,000 is required, then a deficit sequester to reduce discretionary programs would be necessary.

PRIVILEGE OF THE FLOOR—

S. 1150

Mr. DOMENICI. Mr. President, I ask unanimous consent that Gemma Weiblinger, a fellow assigned to the staff of the Senate Budget Committee, be granted privileges during the consideration of S. 1150, the Higher Education Authorization Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I yield the floor.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

A TIME FOR BOLDNESS

Mr. SANFORD. Mr. President, I can say that without any question the people of my State are deeply worried about the recession and fear it will get worse.

It seems to me that the President is attempting to direct attention to the process instead of the substance, so we see the date of passage become more important than what is to be passed.

Mr. President, I come to the Senate Chamber today to take a stand for boldness, for leadership, for swift action, and for the kind of vision that sees America in its people and their hopes. What our duty demands of us is that we shape policies that create jobs. Jobs are the bedrock of every family, not little charts in the Commerce Department, but life itself. Mr. President, I think the White House economic recovery proposals sent to Congress are too little and too timid.

Before the recess, I laid out an economic recovery plan which pins down the real concerns and issues that must be addressed and attacked in order to lift off our economy and get it flying smoothly again. Of course, there are no simple or easy answers to the present job loss, but it is certain that there will be no economic revival without political courage and boldness. There are no quick fixes, but there are quick actions we can take. My suggestions call for a comprehensive, 3-year program that would begin quickly, and steadily stabilize our Nation's prosperity.

My plan is not based on the superficial, gratification of the administration's. We need a recovery program that is a real, long-term plan, not a fly-by-night plan with only the promise and illusion of satisfactory results—to get us through the next election. President Bush's proposed solution to the economic crisis is like giving someone with a toothache a pain pill to get better; you feel good until the medicine wears off, and then you're stuck with the same old bad tooth. My proposal is that we go ahead and drill to the root of the problem, remove the decayed, outdated, and ineffective practices, and build back up a new, healthy, and prosperous economy.

Many of my proposals are ideas that are not new to either the Congress or the administration. I propose what we ought to be doing anyhow. Parts of this economic recovery package have fallen on the administration's deaf ears for many months, causing the American people to endure unemployment lines and other unnecessary hardships in exchange for President Bush's Hoover-like sentiments of "Prosperity is just around the corner." My plan of actions is one that should have been in place all along, without having to wait for the Nation to be sucked down in the whirlpool of a recession in order to be implemented. We do not have time to wait around for one more round of economists' projections—Americans are tired of waiting. It is time for action.

History will tell us that it was this sort of wait-and-see attitude that caused the plunge from recession to depression in the Hoover administration. President Hoover was being pulled in many directions after the stock market crash of October 1929, and so he made a fatal mistake. He became reluctant to do anything. He put off dealing effectively with the problems of the banking system, just as the current Republican administration is putting it off today. This indecision by the Hoover administration allowed bank after bank to fold, causing widespread panic and untold damage to an already weak economy.

We are witnessing similar failures today. When the Bank of New England was forced to fail, its waves hit a thousand other businesses, inundating New Hampshire, as we have been reminded so vividly over the past weeks, but reaching certainly as far as North Carolina where credit lines were eliminated for perfectly sound businesses.

President Hoover was unusually intelligent, and he brought to life an excellent idea in the Reconstruction Finance Corporation [RFC]. His World War I experiences taught him that shoring up sound businesses was good business. The trouble was the Hoover administration lacked courage and decisiveness. They did not put the RFC into motion until 1932, 3 years after the first indications of a recession. They were "too little, too late." They lacked the boldness to empower the RFC with the authority and money it needed to be effective. Jesse Jones, who led the RFC to its great success, wrote in his book:

> It soon became apparent that the Act which created the RFC was much too restrictive, that the task of the economic reconstruction and restoration of confidence required a broader approach than our financial and political leaders had foreseen. The original Act did not provide for putting capital into banks and insurance companies. Nor was it effective in immediately reviving business, or even to any great extent in halting the downward trend, which did not reach bottom until March 1933.

Democratic leader of the House at the time, Representative Rainey of Illinois, introduced legislation broadening the RFC's powers, which passed in both the House and the Senate, but was vetoed by President Hoover. The tragedy of history, the tragedy for America, is that President Hoover lacked political courage. He did not proceed on his course. The RFC Program was one of the first revitalized under the Roosevelt administration, saving thousands of banks and the businesses that relied upon them. We must adopt strategies such as these that have worked in the past.

We are behind in our building of public works and infrastructure, in home construction, and in science education and research. To start catching up will bring jobs to the economy and build a stronger nation.

We need stronger, more secure, and more confident banks. To enact long overdue reforms will create jobs and build a stronger nation.

We need, as always, to invest in people, and if we pay attention to their opportunities, we will create jobs and build a stronger nation.

The Republican administration for about 12 years has neglected public construction, has weakened the savings and banking system, and has short-changed education and training and housing. They have failed in courage and candor as Herbert Hoover failed.

It is time to get going again. Doing what we ought to have been doing all along is the best way to get out of this recession and to get people back on the job. President Bush's economic message to our country brings up some disturbingly haunting ghosts from the past. His plan is a small grab bag of old ideas. It fails to reflect either the changed world we live in or share any vision for the future.

This is no time for inaction; let us not let President Bush make the same mistakes President Hoover made. Let's put together a comprehensive economic plan and act on it. Congress can put the Nation on the right track. Otherwise it will not be done.

HIGHER EDUCATION AMENDMENTS OF 1991

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1150.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATION TO COMMITTEE SUBSTITUTE

Mr. PELL. Mr. President, on behalf of the Labor and Human Resources Committee, I send to the desk a modification to the committee substitute and ask for its immediate consideration and ask that it be treated as original text for the purposes of further amendment.

The PRESIDING OFFICER. The Senator has a right to modify the substitute.

The substitute is so modified.

The amendment, as modified, is as follows:

On pages 11 and 12, strike all beginning with "Sec. 401." through the item relating to section 475, and insert the following:

Sec. 401. Program authority and method of distribution.
Sec. 402. Repealers.
Sec. 403. Authorization of appropriations.
Sec. 404. Amount and duration of grants.
Sec. 405. Agreements with institutions; selection of recipients.
Sec. 406. Allocation of funds.
Sec. 407. Grants to States for State student incentives.
Sec. 408. Applications for State student incentive grant program.
Sec. 409. Early intervention program.
Sec. 410. Special programs for students from disadvantaged backgrounds.
Sec. 411. Talent search.
Sec. 412. Upward bound.
Sec. 413. Student support services.

Sec. 414. Educational opportunity centers.
Sec. 415. Staff development activities.
Sec. 416. Evaluation for program improvement.
Sec. 417. Special programs for students whose families are engaged in migrant and seasonal farmwork.
Sec. 418. Scholarships authorized.
Sec. 419. Allocation among States.
Sec. 420. Selection of scholars.
Sec. 421. Stipends and scholarship conditions.
Sec. 422. Construction of needs provisions.
Sec. 423. Awards ceremony.
Sec. 424. Authorization of appropriations.
Sec. 425. Payments to institutions of higher education.
Sec. 426. Veterans education outreach program.
Sec. 427. Grants to students in attendance at institutions of higher education.
Sec. 428. Advances for reserve funds of State and nonprofit private loan insurance programs.
Sec. 429. Limitations on individual federally insured loans and on Federal loan insurance.
Sec. 430. Eligibility of student borrowers and terms of federally insured student loans.
Sec. 431. Applicable interest rates.
Sec. 432. Federal payments to reduce student interest costs.
Sec. 433. Supplemental loan for students.
Sec. 434. Plus loans.
Sec. 435. Consolidation loans.
Sec. 436. Default reduction programs.
Sec. 437. Requirements for disbursement of student loans.
Sec. 438. Default rates.
Sec. 439. Reports to credit bureaus and institutions of higher education.
Sec. 440. Legal powers and responsibilities.
Sec. 441. Student loan information by eligible lenders.
Sec. 442. Definitions for student loan insurance program.
Sec. 443. Repayment by the Secretary of loans of bankrupt, deceased or disabled borrowers.
Sec. 444. Special allowances.
Sec. 445. Student loan marketing association.
Sec. 446. Authorization of appropriations.
Sec. 447. Allocation of funds.
Sec. 448. Grants for work-study programs.
Sec. 449. Job location and development programs.
Sec. 450. Work study for community service-learning on behalf of low income individuals and families.
Sec. 451. Work-learning program and student mentor pilot program.
Sec. 452. Income contingent direct loan demonstration program.
Sec. 453. Authorization of appropriations.
Sec. 454. Allocation of funds.
Sec. 455. Agreements with institutions of higher education.
Sec. 456. Student loan information by eligible institutions.
Sec. 457. Terms of loans.
Sec. 458. Cancellation of loans for certain public service.
Sec. 459. Distribution of assets from student loan funds.
Sec. 460. Student aid methodology.
Sec. 461. Amount of need.
Sec. 462. Cost of attendance.
Sec. 463. Family contribution.
Sec. 464. Student aid methodology; data elements.
Sec. 465. Expected family contribution for dependent students.
Sec. 466. Expected family contribution for independent students with dependents other than a spouse.
Sec. 467. Expected family contribution for single independent students or for married independent students without other dependents.
Sec. 468. Regulations; updated tables.
Sec. 469. Simplified needs test.
Sec. 470. Discretion of student financial aid officer.
Sec. 471. Disregard of student aid in other Federal programs.
Sec. 472. Definitions; general calculation rules.
Sec. 473. Definitions.
Sec. 474. Master calendar.
Sec. 475. Forms and regulations.
Sec. 476. Student eligibility.
Sec. 477. Information dissemination activities.
Sec. 478. National student loan data system.
Sec. 479. Simplification of the lending process for borrowers.
Sec. 480. Training in financial aid and student support services.
Sec. 481. Program participation agreements.
Sec. 482. Assignment of identification numbers.
Sec. 483. Transfer of allotments.
Sec. 484. Criminal penalties.
Sec. 485. Advisory committee on student financial assistance.
Sec. 486. General provisions.
Sec. 487. Institutional integrity program required.

On page 13, redesignate the item relating to section 708 as the item relating to section 709.

On page 13, after the item relating to section 707, insert the following:

Sec. 708. Historically Black college and university capital financing.

On page 13, redesignate the item relating to section 708 as the item relating to section 709.

On page 14, after the item relating to section 1404, insert the following:

Sec. 1405. Repeal of national science scholars program.

On page 14, strike all beginning with "Sec. 1501." through the item relating to section 1506, and insert the following:

TITLE XV—NATIONAL CENTER FOR THE WORKPLACE

Sec. 1501. Purpose; designation.
Sec. 1502. Establishment.
Sec. 1503. Use of funds.
Sec. 1504. Board of Advisors.
Sec. 1505. Gifts and donations.
Sec. 1506. Authorization.

TITLE XVI—INDIAN HIGHER EDUCATION PROGRAMS

PART A—TRIBALLY CONTROLLED COMMUNITY COLLEGES

Sec. 1601. Reauthorization of the Tribally Controlled Community Colleges Act.

PART B—HIGHER EDUCATION TRIBAL GRANT AUTHORIZATION ACT

Sec. 1611. Short title.
Sec. 1612. Findings.
Sec. 1613. Program authority.
Sec. 1614. Qualification for grants to tribes.
Sec. 1615. Allocation of grant funds.
Sec. 1616. Limitations on use of funds.
Sec. 1617. Administrative provisions.

PART C—CRITICAL NEEDS FOR TRIBAL DEVELOPMENT ACT

Sec. 1621. Short title.
Sec. 1622. Definitions.
Sec. 1623. Service conditions permitted.
Sec. 1624. Critical area service agreements.
Sec. 1625. General provisions.

PART D—INSTITUTE OF AMERICAN INDIAN NATIVE CULTURE AND ARTS DEVELOPMENT

Sec. 1631. Institute of American Indian Native Culture and Arts Development.

PART E—AMERICAN INDIAN POSTSECONDARY ECONOMIC DEVELOPMENT SCHOLARSHIP

Sec. 1641. American Indian Postsecondary Economic Development Scholarship.
Sec. 1642. Indian scholarships.
Sec. 1643. Scholarship conditions.
Sec. 1644. Report.
Sec. 1645. Authorization of appropriations.

On page 17, line 15, insert "(hereafter in this subpart referred to as the 'Director of the Fund')" before the period.

On page 17, lines 18 and 19, strike "for the Improvement of Postsecondary Education".

On page 22, line 20, strike "(1)—" and insert "(1) may include—".

On page 22, line 21, strike "shall include".

On page 22, line 23, strike "and".

On page 22, strike line 24.

On page 23, line 1, strike "(i)" and insert "(B)".

On page 23, line 4, strike "(ii)" and insert "(C)".

On page 23, line 7, strike "(iii)" and insert "(D)".

On page 23, lines 11 and 12, strike "contained" and insert "containing".

On page 24, line 21, strike "for not more than 2 years".

On page 25, strike lines 13 through 20, and insert the following:

(b) LIMITATION.—No grant under this subpart to an institution of higher education shall exceed $25,000 in any one fiscal year.

On page 29, line 17, strike the end quotation marks and the second period.

On page 29, between lines 17 and 18, insert the following:

"PART C—ACCESS AND EQUITY TO EDUCATION FOR ALL AMERICANS THROUGH TELECOMMUNICATIONS

"SEC. 141. PROGRAM ESTABLISHED; AUTHORIZATION OF APPROPRIATIONS; ELIGIBILITY.

"(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants to eligible partnerships to enable such partnerships to pay the Federal share of the cost of the activities described in the application submitted pursuant to section 142.

"(b) AUTHORIZATIONS OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.

"(2) AVAILABILITY.—Funds appropriated pursuant to the authority of paragraph (1) shall remain available until expended.

"(c) ELIGIBLE PARTNERSHIP.—For the purpose of this part the term 'eligible partnership' means a partnership which—

"(1) shall consist of—

"(A) a public broadcasting entity or a consortium thereof; and

"(B) an institution of higher education or a consortium thereof; and

"(2) may also include a State, a unit of local government, or a public or private nonprofit organization.

"(d) FEDERAL SHARE.—The Federal share shall be 50 percent.

"SEC. 142. APPLICATION.

"(a) In General.—Each eligible partnership desiring to receive a grant under this part shall submit an application to the Secretary at such time, in such manner and containing or accompanied by such information as the Secretary may reasonably require.

"(b) Contents.—Each application submitted pursuant to paragraph (1) shall—

"(1) describe the education telecommunications activities or services to be assisted;

"(2) describe the administrative and management structure supporting such activities or services;

"(3) provide assurances that the financial interests of the United States in the telecommunications equipment, software and other facilities shall be protected for the useful life of such equipment, software or facilities;

"(4) describe the manner in which nontraditional postsecondary education students will benefit from the activities and services supported;

"(5) describe the manner in which special services, including captioned films, television, descriptive video and education media for individuals with disabilities, shall be supported; and

"(6) provide assurances that the eligible partnership will provide the non-Federal share of assistance under this part.

"(c) Approval of Applications.—

"(1) In general.—The Secretary shall, in approving applications under this part, give priority to applications which describe programs that—

"(A) include support for services to make captioned films, descriptive video and educational media available to individuals with disabilities who otherwise lack access to such educational materials;

"(B) will provide, directly or indirectly, activities or services to a significant number of postsecondary institutions;

"(C) improve access to accredited telecommunications coursework for individuals with disabilities otherwise denied such access;

"(D) will be available in a multistate area;

"(E) include evidence of significant support for the program from the business community; or

"(F) provides matching funds, in an amount which exceeds the required non-Federal share.

"(2) Equitable geographic distribution of assistance.—In approving applications under this part the Secretary shall ensure the equitable geographic distribution of grants awarded under this part.

"SEC. 143. AUTHORIZED ACTIVITIES.

"Grant funds awarded under this part shall be used for—

"(1) the acquisition of site equipment to provide the technical ability to receive diverse education services at schools, campuses, and work site locations;

"(2) satellite, fiberoptic and other distribution systems, and for local broadcast or other local distribution capability;

"(3) pre-service or in-service education and training for kindergarten through 4th grade teachers through interactive television conferencing;

"(4) preparation of telecommunications programs and software that support national, regional or statewide efforts to provide teaching and learning materials not otherwise available for local use; and

"(5) a loan service of captioned films, descriptive video and educational media in order to make such materials available, in accordance with regulations issued by the Secretary, in the United States for nonprofit purposes to individuals with disabilities, parents of individuals with disabilities, and other individuals directly involved in activities for the advancement of individuals with disabilities, including addressing problems of illiteracy among individuals with disabilities.

"SEC. 144. DEFINITIONS.

"For the purpose of this part—

"(1) the term 'institution of higher education' has the same meaning given to such term by section 481(a);

"(2) the term 'public broadcasting entity' has the same meaning given to such term by section 397(11) of the Communications Act of 1934; and

"(3) the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, the Republic of Palau, and the Commonwealth of the Northern Mariana Islands.

"SEC. 145. REPORT.

"(a) In General.—Each recipient of a grant under this part shall submit a report to the Secretary not later than 30 days after the conclusion of the grant period.

"(b) Contents.—Each report described in subsection (a) shall include—

"(1) a description of activities and services assisted under this part;

"(2) a description of the population served by the program; and

"(3) an assessment of the ability of private sector entities participating in the eligible partnership to continue the support of the activities and services in the absence of Federal funding.

"(c) Dissemination.—The Secretary shall select reports received under this subsection that are appropriate for dissemination to the education community and shall make such reports available through the National Diffusion Network.".

On page 32, line 22, strike all beginning with "(including" through "libraries)" on line 24.

On page 34, line 5, strike "consortium" and insert "combination".

On page 34, strike lines 14 through 20, and insert the following:

"(B) contain assurances that the applicant will expend during the period for which the grant is sought (from funds other than funds received under this title), for the same purpose as such grant, an amount from such other sources equal to not less than one-third of such grant.

On page 39, line 2, strike "and".

On page 39, strike lines 3 and 4, and insert the following:

(F) is described in section 312(a), meets the requirements of paragraphs (1), (2) and (3) of section 312(b) and has an enrollment of needy students; and

On page 39, line 5, strike "(ii)" and insert "(G)".

On page 39, line 6, strike "(I)" and insert "(i)".

On page 39, line 10, strike "(II)" and insert "(ii)".

On page 40, lines 13 and 14, strike "Construction, maintenance, renovation," and insert "Renovation".

On page 47, strike lines 3-6, and insert the following:

"(K) Morgan State University Graduate School.

On page 52, line 8, strike "Except as provided in paragraph (2)(B), an" and insert "An".

On page 52, line 15, insert "is receiving assistance under this part or" before "has".

On page 57, line 1, insert "$" before "3,600".

On page 57, line 3, insert "$" before "3,800".

On page 57, line 5, insert "$" before "4,000".

On page 57, line 7, insert "$" before "4,200".

On page 57, line 9, insert "$" before "4,400".

On page 57, line 11, insert "$" before "4,600".

On page 57, line 13, insert "$" before "4,800".

On page 58, line 25, strike "and".

On page 58, after line 25, insert the following:

"(iv) in the case of a student who has dependent care expenses (as defined in section 472(7)) or disability related expenses (as defined in section 472(8)), shall include an allowance of $3,000 in addition to the cost of tuition; and

On page 59, line 1, strike "(iv)" and insert "(v)".

On page 60, line 20, insert "at which the student is enrolled" after "institution".

On page 62, line 24, insert "at which the student is enrolled" after "institution".

On page 62, line 24, insert "and" after the semicolon.

On page 63, line 6, strike the semicolon and "and" and insert a period.

On page 63, beginning with line 7, strike all through page 66, line 24.

On page 67, line 24, insert "at which the student is enrolled" after "institution".

On page 69, line 5, strike "and" and insert "or".

On page 71, line 17, strike "such institutions" and insert "institutions of higher education at which such students are enrolled".

On page 78, line 6, insert ", except that in no case shall the total amount of student financial assistance awarded to a student under this title exceed such student's total cost of attendance" before the period.

On page 80, strike lines 13 and 14, and insert the following:

(2) in paragraph (1) of subsection (b), by inserting "com-

On page 80, beginning with line 18, strike all through page 81, line 4.

On page 81, line 7, strike "$450,000,000" and insert "$500,000,000".

On page 89, strike lines 11 and 12, and insert the following:

(3) in subsection (c)—

(A) in subparagraph (A) of paragraph (1), by striking "be physically handicapped" and insert "be individuals with disabilities"; and

(B) in paragraph (5), by striking "receive" and inserting "be offered"; and

On page 93, line 21, strike "stipends not to exceed $2,400 per annum" and insert "an award that—

"(1) shall include a stipend not to exceed $2,400 per annum; and

"(2) may include the costs of summer tuition, summer room and board, and transportation to summer programs".

On page 98, between lines 4 and 5, insert the following:

SEC. 418. SCHOLARSHIPS AUTHORIZED.

Subsection (b) of section 419C of the Act (20 U.S.C. 1070d-33(b)) is amended to read as follows:

"(b) Period of Award.—Scholarships under this section shall be awarded for a period of not more than 4 years for the first 4 years of study at any institution of higher education eligible to participate in any programs assisted under this title.".

On page 98, line 5, strike "418" and insert "419".

On page 99, line 3, strike "sec. 419. selection of scholarships" and insert "sec. 420. selection of scholars".

On page 99, line 11, insert "(and in the case of the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, or Palau (until such time as the Compact of Free Association is ratified), not to exceed 10 individuals will be selected from such entities)" before the period.

On page 99, between lines 16 and 17, insert the following:

SEC. 421. STIPENDS AND SCHOLARSHIP CONDITIONS.

Subsection (a) of section 419H of the Act (20 U.S.C. 1070d–38(a)) is amended by inserting ", except that in no case shall the total amount of financial aid awarded to such student exceed such student's total cost-of-attendance" before the period.

SEC. 422. CONSTRUCTION OF NEEDS PROVISIONS.

Section 419J of the Act (20 U.S.C. 1070d–40) is amended by striking "Nothing" and inserting "Except as provided in section 471, nothing".

On page 99, line 17, strike "420" and insert "423".

On page 100, line 5, strike "421" and insert "424".

On page 100, line 14, strike "422" and insert "425".

On page 100, line 17, strike "423" and insert "426".

On page 100, line 21, strike "sec. 424. access scholarships." and insert "sec. 427. grants to students in attendance at institutions of higher education.".

On page 100, line 22, insert "(a) Access Scholarships.—" before "Subpart".

On page 105, line 24, strike "to—" and insert "to $1,000.".

On page 106, strike lines 1 through 11.

On page 107, line 10, insert end quotation marks and a period after the period.

On page 107, between lines 10 and 11, insert the following:

(b) Grants to Students in Attendance at Institutions of Higher Education.—Part A of title IV of the Act (20 U.S.C. 1070 et seq.) is amended by adding at the end the following new subparts:

On page 121, line 19, strike "$4,500,000" and insert "$10,000,000".

On page 123, line 18, strike "successfully complete" and insert "complete successfully".

On page 130, between lines 9 and 10, insert the following:

"(c) Notification.—The Secretary shall notify other Federal agencies of the requirements of this section.

On page 132, between lines 4 and 5, insert the following:

SEC. 428. ADVANCES FOR RESERVE FUNDS OF STATE AND NONPROFIT PRIVATE LOAN INSURANCE PROGRAMS.

Section 422 of the Act (20 U.S.C. 1072) is amended—

(1) in paragraph (2) of subsection (a), by adding at the end the following new sentence: "Except as provided in section 428(c)(10)(C), such unencumbered non-Federal portion shall not be subject to recall, repayment or recovery by the Secretary."; and

(2) by adding at the end thereof the following new subsections:

"(e) Correction for Errors Under Reduction of Excess Cash Reserves.—

"(1) In general.—The Secretary shall pay any guaranty agency the amount of reimbursement of claims under section 428(c)(1), filed between September 1, 1988 and December 31, 1989, which were previously withheld or canceled in order to be applied to satisfy such agency's obligation to eliminate excess cash reserves held by such agency, based on the maximum cash reserve (as described in section 422(e) as in effect on September 1, 1988) permitted at the end of 1986, if such maximum cash reserve was miscalculated because of erroneous financial information provided by such agency to the Secretary and if (A) such erroneous information is verified by an audited financial statement of the reserve fund, signed by a certified public accountant, and (B) such audited financial statement is provided to the Secretary prior to January 1, 1993.

"(2) Amount.—The amount of reimbursement for claims shall be equal to the amount of reimbursement for claims withheld or canceled in order to be applied to such agency's obligation to eliminate excess cash reserves which exceeds the amount of that which would have been withheld or canceled if the maximum excess cash reserves had been accurately calculated.

"(f) Refund of Cash Reserve Payments.—The Secretary shall, within 30 days after the date of enactment of this Act, pay the full amount of payments withheld or canceled under paragraph (3) of this subsection to any guaranty agency which—

"(1) was required to eliminate excess cash reserves, based on the maximum cash reserve (as described in section 422(e) as in effect on September 1, 1988) permitted at the end of 1986;

"(2) appealed the Secretary's demand that such agency should eliminate such excess cash reserves and received a waiver of a portion of the amount of such excess cash reserves to be eliminated;

"(3) had payments under section 428(c)(1) or section 428(f) previously withheld or canceled in order to be applied to satisfy such agency's obligation to eliminate excess cash reserves held by such agency, based on the maximum cash reserve (as described in section 422(e) as in effect on September 1, 1988) permitted at the end of 1986; and

"(4) according to a Department of Education review that was completed and forwarded to such guaranty agency prior to January 1, 1992, is expected to become insolvent during or before 1996 and the payments withheld or canceled under paragraph (3) of this subsection are a factor in such agency's impending insolvency.".

On page 132, line 5, strike "425" and insert "429".

On page 132, strike lines 10 through 12, and insert the following:

(1) in paragraph (1)—

(A) in subparagraph (A), by striking clauses (i), (ii) and (iii) and inserting the following:

On page 134, strike lines 10 through 25, and insert the following:

professional student (as defined in regulations issued by the Secretary), except in cases where the Secretary determines, pursuant to regulations, that a higher amount is warranted in order to carry out the purpose of this part with respect to students engaged in specialized training requiring exceptionally high costs of education or in programs of study abroad that are approved for credit by the institution at which such students are enrolled."; and

(B) by inserting at the end the following new subparagraph:

"(B)(i) The annual insurable limit per student described in subparagraph (A) shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any years in excess of the annual limit.

"(ii) The determination of the workload being carried by the student shall be made at the time the student's eligibility for the loan is certified, and shall not be affected by subsequent changes in the student's workload during the loan period."; and

On page 136, line 12, strike "426" and insert "430".

On page 137, line 10, insert "or endorser" after "cosigner".

On page 137, strike lines 15 through 22, and insert the following:

(B) by amending subparagraph (C) to read as follows:

"(C)(i) for loans made on or before June 30, 1993, provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period—

"(I) during which the borrower—

"(aa) is pursuing a full-time course of study as determined by an eligible institution;

"(bb) is pursuing at least a half-time course of study (as determined by such institution); or

"(cc) is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary,

except that no borrower shall be eligible for a deferment under this clause, or loan made under this part (other than a loan made under 428B or 428C), while serving in a medical internship or residency program;

"(II) not in excess of 3 years during which the borrower is a member of the Armed Forces of the United States, is an active duty member of the National Oceanic and Atmospheric Administration Corps, or is an officer in the Commissioned Corps of the Public Health Service;

"(III) not in excess of 3 years during which the borrower is in service as a volunteer under the Peace Corps Act;

"(IV) not in excess of 3 years during which the borrower is in service as a full-time volunteer under the Domestic Volunteer Service Act of 1973;

"(V) not in excess of 3 years during which the borrower is in service, comparable to the service referred to in subclauses (III) and (IV), as a full-time volunteer for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;

"(VI) not in excess of 3 years during which the borrower is engaged as a full-time teacher in a public or nonprofit private elementary or secondary school in a teacher shortage area established by the Secretary pursuant to paragraph (4) of this subsection;

"(VII) not in excess of 2 years during which the borrower is serving an internship, the successful completion of which is required in order to receive professional recognition required to begin professional practice or service or serving in an internship or residency program leading to a degree or certificate awarded by an institution of higher education, a hospital, or a health care facility that offers postgraduate training;

"(VIII) not in excess of 3 years during which the borrower is temporarily totally disabled, as established by sworn affidavit of a qualified physician, or during which the borrower is unable to secure employment by reason of the care required by a dependent who is so disabled;

"(IX) not in excess of 24 months, at the request of the borrower, during which the borrower is seeking and unable to find full-time employment;

"(X) not in excess of 6 months of parental leave; and

"(XI) not in excess of 12 months for mothers with preschool age children who are just entering or reentering the work force and who are compensated at a rate not exceeding $1 in excess of the rate prescribed under section 6 of the Fair Labor Standards Act of 1938;

“(ii) for loans made to new borrowers on or after July 1, 1993, provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period—

“(I) during which the borrower—

“(aa) is pursuing at least a half-time course of study as determined by an eligible institution; or

“(bb) is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary, except that no borrower shall be eligible for a deferment under this subclause, or loan made under this part (other than a loan made under 428B or 428C), while serving in a medical internship or residency program;

“(II) not in excess of 3 years during which the borrower is seeking and unable to find full-time employment;

“(III) not in excess of 3 years during which the borrower is temporarily totally disabled, as established by sworn affidavit of a qualified physician, or during which the borrower is unable to secure employment by reason of the care required by a dependent who is so disabled; and

“(IV) not in excess of 3 years during which the borrower is working full-time and is earning an amount which does not exceed the greater of—

“(aa) the minimum wage rate described in section 6 of the Fair Labor Standard Act of 1938; or

“(bb) an amount equal to 100 percent of the poverty line for a family of 2 as determined in accordance with section 673(2) of the Community Service Block Grant Act,

and any such period shall not be included in determining the 10-year period described in subparagraph (B);”;

On page 138, line 7, strike “180 days after the lender is notified that” and insert “120 days after”.

On page 138, line 14, insert “at which such students are enrolled” after “institution”.

On page 138, line 17, strike “427” and insert “431”.

On page 138, strike lines 22 and 23, and insert the following:

(i) by inserting “and before July 1, 1993” after “1987”;

(ii) by striking “prior to such date”; and

On page 139, line 1, strike “(ii)” and insert “(iii)”.

On page 140, line 8, insert “(e),” after “subsections”.

On page 140, line 9, insert “(f),” after “subsections”.

On page 140, line 12, strike “(f)” and insert “(e)”.

On page 140, beginning with line 24, strike all through page 141, line 3, and insert the following:

“(A) during the period beginning on the date of disbursement of the loan and ending 4 years after the commencement of repayment, the applicable rate of interest during any 12-month period beginning on July 1 and ending on June 30 shall be determined on the preceding June 1 and is equal to—

“(i) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1; plus

“(ii) 3.10 percent,

except that such rate shall not exceed 9 percent.

On page 141, strike lines 12 and 13, and insert the following:

“(ii) 3.10 percent,

except that such rate shall not exceed 11 percent.”.

On page 141, line 20, strike “428” and insert “432”.

On page 143, line 20, insert “at which such student is enrolled” after “institution”.

On page 145, line 6, insert “at which such student is enrolled” after “institution”.

On page 145, beginning with line 23, strike all through page 146, line 14, and insert the following:

or professional student (as defined in regulations of the Secretary), except that in cases where the Secretary determines, pursuant to regulations, that a higher amount is warranted in order to carry out the purpose of this part with respect to students engaged in specialized training requiring exceptionally high costs of education,

except that the annual insurable limit per student shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any years in excess of the annual limit.”; and

On page 148, strike line 9 and insert the following:

“(M)(i) for borrowers who have received loans made on or before June”.

On page 151, line 12, insert “to new borrowers” after “made”.

On page 151, line 17, strike “full-time”.

On page 151, line 18, insert “on at least a half-time basis” after “study”.

On page 151, line 19, insert “or” after the semicolon.

On page 151, strike lines 20 through 22.

On page 151, line 23, strike “(cc)” and insert “(bb)”.

On page 152, strike lines 20 through 25, and insert the following:

“(IV) not in excess of 3 years during which the borrower is working full-time and is earning an amount which does not exceed the greater of—

“(aa) the minimum wage rate described in section 6 of the Fair Labor Standards Act of 1938; or

“(bb) an amount equal to 100 percent of the poverty line for a family of 2 as determined in accordance with section 673(2) of the Community Service Block Grant Act;”;

On page 153, line 7, insert “clause (i) of” after “amending”.

On page 153, strike lines 9 through 18 and insert the following:

“(V)(i) provide that, upon written request, a lender shall grant a borrower forbearance of principal and interest (or principal only at the option of the borrower) and renewable at 12-month intervals—

“(I) for a period not to exceed 3 years, on such terms as are otherwise consistent with the regulations of the Secretary set forth in writing by the parties to the loan, if the borrower's debt burden under this title equals or exceeds 20 percent of gross income; or

“(II) for a period equal to the length of time remaining in the borrower's medical or dental internship or residency program, on such terms as are otherwise consistent with the regulations of the Secretary and set forth in writing by the parties to the loan, if the borrower—

“(aa) is serving in a medical or dental internship or residency program, the successful completion of which is required to begin professional practice or service, or is serving in a medical or dental internship or residency program leading to a degree or certificate awarded by an institution of higher education, a hospital, or a health care facility that offers postgraduate training; and

“(bb) provides that no administrative or other fee may be charged in connection with the granting of a forbearance under subclause (I), and that no adverse information regarding a borrower may be reported to a credit bureau organization solely because of the granting of a forbearance under such subclause.”; and

On page 154, lines 7 and 8, strike “of the age specified” and insert “described”.

On page 154, line 11, insert “or endorser” after “cosigner”.

On page 155, lines 16 and 17, strike “180 days after the lender is notified that” and insert “120 days after”.

On page 156, line 13, insert “or 428(b)(1)(E)” after “428(a)(2)(B)”.

On page 156, beginning with line 22, strike all through page 157, line 2, and insert the following:

“(7) REPORTING REQUIREMENT.—All officers and directors, and those employees and consultants of eligible institutions, eligible lenders, guaranty agencies, loan servicing agencies, accrediting agencies or associations, State higher education agencies, and entities acting as secondary market, who are engaged in making decisions or providing advice as to the administration of any program or funds under this title or as to the eligibility of any entity or individual to participate under this title, shall report to the Secretary, in such manner and at such time as the Secretary shall require, on any financial interest which such individual may hold in any other entity participating in any program assisted under this title.”;

On page 157, line 25, insert “of the amount” after “percent”.

On page 159, strike lines 1 and 2, and insert the following:

(II) by inserting “(i)” after the subparagraph designation.

On page 159, strike lines 3 and 4.

On page 159, line 5, strike “(IV)” and insert “(III)”.

On page 159, line 6, strike “clause” and insert “clauses”.

On page 159, line 10, strike “and promptly” and insert “, promptly”.

On page 159, line 11, insert “and in accordance with clause (iii)” before the comma.

On page 159, line 13, strike the end quotation marks and the second semicolon and insert “and”.

On page 159, between lines 13 and 14, insert the following:

“(iii) shall require that the Secretary use the discretion described in clause (ii) only after the Secretary has developed criteria to determine adequate collections efforts by guaranty agencies, and in no event shall the assignment of loans be required unless the Secretary explains in writing the reasons why a guaranty agency's collection efforts have not been adequate and how the Secretary's collection efforts will be superior; and”;

On page 160, strike line 4, and insert the following:

(C) in paragraph (3)—

(i) in subparagraph (A), by striking “(b)(1)(V)” and inserting “(b)(1)(V)(ii)”; and

(ii) by adding at the end of the matter following subparagraph (B)

On page 164, line 20, strike “improve” and insert “implement”.

On page 166, line 18, strike “assure” and insert “ensure”.

On page 167, line 1, strike “assure” and insert “ensure”.

On page 167, line 19, strike “429” and insert “433”.

On page 168, lines 9 and 10, strike "(as defined by regulations issued by the Secretary)".

On page 169, line 21, strike the end quotation marks and the semicolon.

On page 169, between lines 21 and 22, insert the following:

"(D) In the case of a student who has not successfully completed the first year of a program of undergraduate education and who is not enrolled in a program that is at least one academic year in length, but who is determined to be enrolled in a program whose length is at least ⅔ of an academic year, $2,500.

On page 170, line 3, insert "(A)" before "Notwithstanding".

On page 170, line 14, strike "(A)" and insert "(i)".

On page 170, line 18, strike "(B)" and insert "(ii)".

On page 170, line 23, strike "(C)" and insert "(iii)".

On page 171, between lines 2 and 3, insert the following:

"(B) The determination of the workload being carried by the student described in subparagraph (A) shall be made at the time the student's eligibility for the loan is certified, and shall not be affected by subsequent changes in the student's workload during the loan period.

On page 171, lines 5 and 6, strike "(excluding any loans made under section 428(B))".

On page 173, line 7, strike "430" and insert "434".

On page 174, strike "that" and insert "than".

On page 174, line 4, strike "431" and insert "435".

On page 174, between lines 7 and 8, insert the following:

(A) in subparagraph (A), by striking all beginning with "loan—" through "(ii) is" and inserting "loan is".

On page 174, line 8, strike "(A)" and insert "(B)".

On page 174, line 10, insert "(i)" after "(B)".

On page 174, line 14, strike "(i)" and insert "(I)".

On page 174, line 17, strike "(ii)" and insert "(II)".

On page 174, line 21, strike the end quotation marks, the semicolon, and "and".

On page 174, between lines 21 and 22, insert the following:

"(ii) Loans made under this section shall, to the extent used to discharge loans made under this title, be counted against applicable limitations on aggregate indebtedness contained in sections 425(a)(2), 428(b)(1)(B), 428A(b)(2), and 464(a)(2). Nothing in this subparagraph shall be interpreted to authorize the Secretary to require lenders, holders, or guarantors of consolidated loans to receive, to maintain, or to make reports with respect to preexisting records relating to any eligible student loan (as defined under section 428C(a)(4)) discharged by a borrower in receiving a consolidation loan."; and

On page 174, line 22, strike "(C)" and insert "(B)".

On page 176, line 3, strike "432" and insert "436".

On page 176, strike lines 4 and 5 and insert the following:

Section 428F of the Act (20 U.S.C. 1078–6) is amended—

(1) by striking subsection (a);

(2) in subsection (b)—

(A) in subparagraph (A) of paragraph (1)—

(i) by striking "Upon" and inserting "Each guaranty agency shall enter into an agreement with the Secretary which shall provide that upon"; and

(ii) by adding at the end the following new sentence: "Neither the guaranty agency nor the Secretary shall demand from a borrower as monthly payment amounts referred to in this paragraph more than is reasonable and affordable based upon the borrower's total financial circumstances.";

(B) in paragraph (3), by inserting "or grants" after "loans";

(3) by redesignating subsection (b) (as amended in paragraph (2)) as subsection (a); and

(4) by adding at the end the following new subsections:

On page 176, line 6, strike "(c)" and insert "(b)".

On page 176, line 14, strike the end quotation marks and the second period.

On page 176, between lines 14 and 15, insert the following:

"(c) SPECIAL RULE.—Each guaranty agency shall establish a program which allows a borrower with a defaulted loan or loans to renew their eligibility for all title IV student financial assistance (regardless of whether their defaulted loan has been sold to an eligible lender) upon the borrower's payment of 6 consecutive monthly payments. The guaranty agency shall not demand from a borrower as a monthly payment amount under this subsection more than is reasonable and affordable based upon the borrower's total financial circumstances.".

On page 176, line 15, strike "433" and insert "437".

On page 177, strike lines 7 and 8 and insert "sec. 438. default rates.".

On page 178, line 18, strike "435" and insert "439".

On page 179, line 5, strike "a second time".

On page 179, lines 6 and 7, strike "the second time" and insert "such subsequent time".

On page 179, line 8, strike "436" and insert "440".

On page 179, strike line 10 and insert the following:

(1) in paragraph (3) of subsection (a), by striking "on the record";

(2) in subsection (g)—

(A) in the matter preceding subparagraph (A) of paragraph (1), by striking "on the record";

On page 179, line 11, strike "(A)" and insert "(B)".

On page 179, line 13, strike "(B)" and insert "(C)".

On page 179, line 15, strike "(2)" and insert "(3)".

On page 182, line 6, strike "(3)" and insert "(4)".

On page 183, line 17, strike "RULE.—" and insert "RULES.—(A)".

On page 183, line 25, strike the end quotation marks and the second period.

On page 183, after line 25, insert the following:

"(B) Nothing in this paragraph shall be construed to limit the development of electronic forms and procedures.".

On page 184, line 1, strike "437" and insert "441".

On page 185, line 8, insert "or 428(b)(1)(E), if applicable" before the period.

On page 185, line 14, insert "AND PLUS LOANS" after "LOANS".

On page 185, line 15, insert "and 428B, if applicable" after "428A".

On page 186, line 1, strike "438" and insert "442".

On page 187, line 18, strike "(5)" and insert "(2)".

On page 190, line 5, strike "439" and insert "443".

On page 192, line 6, strike the end quotation marks and the second period.

On page 192, between lines 6 and 7, insert the following:

"(c) REPAYMENT OF LOANS TO PARENTS.—If a student on whose behalf a parent has received a loan described in section 428B dies, then the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan.".

On page 192, line 7, strike "440" and insert "444".

On page 193, line 2, strike "428,".

On page 193, line 4, strike "428(f)(1)(B) or".

On page 193, lines 7 and 8, strike "428(f)(1)(B)(ii) or".

On page 193, line 13, strike "In" and insert "Notwithstanding any other provision of law, in".

On page 194, line 14, strike "441" and insert "445".

On page 204, line 4, insert "The Secretary shall notify the Secretary of Education within a reasonable period of time prior to imposing any such prohibition." after the period.

On page 212, line 23, strike "442" and insert "446".

On page 213, line 1, insert a comma before "and".

On page 214, line 4, strike "443" and insert "447".

On page 214, line 23, strike "444" and insert "448".

On page 215, line 2, strike "and in work" and insert ", work".

On page 217, line 7, strike "445" and insert "449".

On page 217, between lines 13 and 14, insert the following:

SEC. 450. WORK STUDY FOR COMMUNITY SERVICE-LEARNING ON BEHALF OF LOW INCOME INDIVIDUALS AND FAMILIES.

Paragraph (2) of section 447(b) of the Act (20 U.S.C. 2756a(b)(2)) is amended by inserting "to provide support services to students with disabilities," after "individuals,".

On page 217, line 14, strike "446" and insert "451".

On page 219, line 5, strike "and personal values".

On page 223, line 19, strike "447" and insert "452".

On page 224, line 23, strike "448" and insert "453".

On page 225, between lines 11 and 12, insert the following:

SEC. 454 ALLOCATION OF FUNDS.

Subsection (e) of section 462 (20 U.S.C. 1087bb(e)) is amended—

(1) by striking "An" and inserting "(1) An"; and

(2) by adding at the end the following new paragraph:

"(2) The Secretary shall establish an appeals process by which the anticipated collections required in paragraph (1) may be waived for institutions with low default rates in the program assisted under this part.".

On page 225, line 12, strike "449" and insert "455".

On page 227, line 6, insert "make every effort to" after "shall".

On page 227, line 9, strike "450" and insert "456".

On page 227, line 16, strike "451" and insert "457".

On page 228, line 25, insert "at which a student is enrolled" after "institution".

On page 234, strike lines 18 through 23, and insert the following:

"(iv) not in excess of 3 years during which the borrower is working full-time and earning an amount which does not exceed the greater of—

"(I) the minimum wage rate described in section 6 of the Fair Labor Standards Act of 1938; or

"(II) an amount equal to 100 percent of the poverty line for a family of 2 as defined in section 673(2) of the Community Service Block Grant Act.";

On page 235, line 3, insert "or principal only" after "interest".

On page 235, line 7, strike "with the approval of the insurer".

On page 236, line 8, strike "452" and insert "458".

On page 237, line 14, strike "453" and insert "459".

On page 238, line 10, strike "454" and insert "460".

On page 239, line 23, strike "455" and insert "461".

On page 241, strike lines 1 through 4, and insert the following:

"(C) a scholarship or grant, including a scholarship or grant received under subparts 2, 3, 6, 8, and 10 of this part or an athletic scholarship;

On page 241, line 19, strike "456" and insert "462".

On page 241, line 23, strike "and" after the semicolon.

On page 242, lines 2 and 3, strike "student's home institution" and insert "home institution at which such student is enrolled".

On page 242, line 3, strike the period and insert a semicolon and "and".

On page 242, between lines 3 and 4, insert the following:

(3) in paragraph (8)—

(A) by striking "handicapped student" and inserting "student with a disability"; and

(B) by inserting "personal assistance," after "services,".

On page 242, line 4, strike "457" and insert "463".

On page 242, line 7, strike "458" and insert "464".

On page 244, line 10, strike "459" and insert "465".

On page 252, line 15, strike "460" and insert "466".

On page 258, line 14, strike "461" and insert "467".

On page 264, line 13, strike "462" and insert "468".

On page 266, line 13, strike "463" and insert "469".

On page 268, line 15, strike "464" and insert "470".

On page 269, between lines 4 and 5, insert the following:

(2) in subsection (b)—

(A) by striking "and" at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting a semicolon; and

(C) by inserting at the end the following new paragraphs:

"(4) the administrator makes adjustments in the award level of a student with a disability so as to take into consideration the additional costs such student incurs as a result of such student's disability;

"(5) the administrator restores grant or work-study eligibility to a borrower whose liability on a loan received under this title has been discharged by the Secretary or canceled on account of permanent and total disability; or

"(6) In calculating the expected family contribution for any student in accordance with sections 474, 475, 476 and 477, the financial aid administrator excludes from such contribution or from the calculation as an asset of such student, such student's spouse, or either parent of such student with whom such student maintains a residence, any value for a residence which is itself, or is located upon land restricted against alienation without the consent of the Federal Government or is held in trust by the United States or a federally recognized tribe for the benefit of an individual member or members of an Indian tribe or is held in trust by the United States for the benefit of an Indian tribe."

On page 270, line 13, insert "National" before "Center".

On page 270, between lines 15 and 16, insert the following:

SEC. 471. DISREGARD OF STUDENT AID IN OTHER FEDERAL PROGRAMS.

Section 479B of the Act (20 U.S.C. 1087uu–1) is amended to read as follows:

"SEC. 497B. DISREGARD OF STUDENT AID IN OTHER FEDERAL PROGRAMS.

"Notwithstanding any other provision of law, student financial assistance received under this title, or under Bureau of Indian Affairs student assistance programs, shall not be taken into account in determining the need or eligibility of any person for benefits or assistance, or the amount of such benefits or assistance, under any Federal, State, or local program financed in whole or in part with Federal funds.".

On page 270, line 16, strike "465" and insert "472".

On page 282, line 13, strike "466" and insert "473".

On page 282, line 15, insert "paragraph (1) of" after "in".

On page 282, between lines 15 and 16, insert the following:

(A) in the matter preceding subparagraph (A), by striking "subsection (e), for the purposes of this title, except subpart 6 of part A and part B," and inserting "subsection (e) and subparagraph (B), for the purposes of this title";

On page 282, line 16, strike "(A)" and insert "(B)".

On page 282, line 19, strike "(B)" and insert "(C)".

On page 282, strike lines 20 through 23.

On page 283, line 23, insert "at least" after "mean".

On page 284, line 1, insert "or trimester" after "semester".

On page 284, line 5, insert "at least" after "of".

On page 284, line 8, strike "20" and insert "15".

On page 284, beginning with line 20, strike all through page 285, line 9 and insert the following:

"(g) Personal Assistance.—The term 'personal assistance' means one person assisting another individual with tasks which such individual would typically do if such individual did not have a disability and which are necessary to enable the individual with a disability to participate fully in postsecondary opportunities, including assisting such individuals with major life activities.".

On page 285, line 10, strike "467" and insert "474".

On page 285, line 14, strike "468" and insert "475".

On page 286, line 4, insert ", including an electronic reapplication process," after "process".

On page 286, line 21, strike "(6)" and insert "(7)".

On page 286, line 22, strike "and".

On page 287, line 19, strike the end quotation marks and the second period and insert a semicolon and "and".

On page 287, between line 19 and 20, insert the following:

(E) by inserting after paragraph (5) (as redesignated in subparagraph (C)) the following new paragraph:

"(6) No approved contractor shall enter into exclusive arrangements with guarantors, lenders, secondary markets, or institutions for the purpose of reselling or sharing of data collected for the multiple data entry process. All data collected under a contract issued by the Secretary pursuant to paragraph (2) for the multiple data entry process is the exclusive property of the Secretary and may not be transferred to a third party by an approved contractor without the Secretary's expressed written approval.";

On page 290, line 2, strike "guarantor and".

On page 290, line 10, strike the end quotation marks and "; and".

On page 290, between lines 10 and 11, insert the following:

"(4) Special rule.—Nothing in this subsection shall be construed to limit the development of electronic forms and procedures."; and

On page 290, lines 20 and 21, strike "subpart 1 of part A or part B of".

On page 290, line 24, strike "469" and insert "476".

On page 291, line 3, insert "at which such student is enrolled" after "institution".

On page 293, line 4, strike "(l)" and insert "(m)".

On page 293, line 6, strike "subsection (k)" and insert "subsections".

On page 293, line 11, strike "associate's or bachelor's" and insert "associate, bachelor or graduate".

On page 293, line 11, strike the end quotation marks and the second period.

On page 293, between lines 11 and 12, insert the following:

"(l) Courses Offered Through Telecommunications.—

"(1) Relation to correspondence courses.—A student enrolled in a course of instruction at an eligible institution of higher education that is offered in whole or in part through telecommunications and leads to a recognized associate, bachelor, or graduate degree conferred by such institution shall not be considered to be enrolled in correspondence courses unless the total amount of telecommunications and correspondence courses at such institution equals or exceeds 50 percent of such courses.

"(2) Restriction or reductions of financial aid.—A student may have such student's eligibility to participate in a program under this title restricted or reduced if a financial aid officer determines under the discretionary authority provided in section 479A that telecommunications instruction results in a substantially reduced cost of attendance to such student.

"(3) Special rule.—For award years prior to the date of enactment of this subsection, the Secretary shall not take any compliance, disallowance, penalty, or other action against a student or an eligible institution when such action arises out of such institution's prior award of student assistance under this title if the institution demonstrates to the satisfaction of the Secretary that its course of instruction would have been in conformance with the requirements of this subsection.

"(m) Students With a First Baccalaureate or Professional Degree.—Notwithstanding any other provision of this Act, a student otherwise eligible for assistance under parts B, C, and E of this title shall be eligible for such assistance even though such student has previously received a baccalaureate or professional degree.".

On page 293, strike lines 12 through 22.

On page 293, line 23, strike "471" and insert "477".

On page 294, line 18, strike "and".

On page 295, line 24, strike "lender".

On page 296, line 1, strike "and the".

On page 296, line 3, strike "472" and insert "478".

On page 296, line 8, strike "and E" and insert "and loans made under part E,".

On page 298, line 1, strike "473" and insert "479".

On page 298, line 23, strike "sec. 474. institutional refunds." and insert "sec. 480. training in financial aid and student support services.".

On page 298, line 24, strike "repealed." and insert "amended to read as follows:".

On page 299, strike lines 1 through 3.

On page 299, line 4, strike "486A" and insert "486".

On page 299, line 23, strike "476" and insert "481".

On page 300, line 9, strike "and".

On page 300, between lines 10 and 11, insert the following:

"(C) the appropriate guaranty agency; and

On page 300, line 11, strike "(C)" and insert "(D)".

On page 300, lines 22 and 23, strike "or with a guaranty agency for such first time".

On page 303, line 17, strike "477" and insert "482".

On page 304, line 1, strike "478" and insert "483".

On page 304, line 4, strike "479" and insert "484".

On page 306, line 4, strike "480" and insert "485".

On page 307, line 19, strike "481" and insert "486".

On page 308, line 25, strike "approved study abroad programs" and insert "study abroad programs approved by the institution at which a student is enrolled".

On page 309, line 2, strike "student's home institution" and insert "home institution at which such students are enrolled".

On page 309, line 20, insert "subparts 1 and 4 of part A, part B and part G of" after "to".

On page 311, line 21, strike "482" and insert "487".

On page 312, lines 8 and 9, strike ", through the State agency designated under subsection (c),".

On page 314, line 1, strike "assure" and insert "ensure".

On page 314, beginning with line 5, strike all through page 315, line 2, and insert the following:

"(4) a consumer protection policy for students enrolled in institutions of higher education in the State, including a process for the investigation and resolution of complaints by students;

"(5) requirements and procedures for ensuring the accuracy and integrity of advertising and promotion and student recruitment by institutions of higher education within the State;

"(6) review of the adequacy of facilities at institutions of higher education within the State to ensure compliance with relevant safety and health standards, such as fire, building and sanitation codes;

"(7) an adequate student disclosure policy;

On page 315, line 3, strike "(9)" and insert "(8)".

On page 315, strike lines 6 and 7, and insert the following:

"(A) for students in professional or vocational programs, information relating to market and job availability;

On page 315, line 13, strike "(10)" and insert "(9)".

On page 316, strike lines 1 through 9.

On page 316, line 10, insert "'(10) procedures for" before "advising".

On page 316, line 14, strike "(14)" and insert "(11)".

On page 316, strike lines 19 through 22 and insert the following:

"(12) provisions for on-site visits, where appropriate, to institutions of higher education within the State to assure compliance with standards set forth under this subsection;".

On page 316, line 23, strike "(16)" and insert "(13)".

On page 317, line 2, insert "and" after the semicolon.

On page 317, strike lines 3 through 6.

On page 317, line 7, strike "(18)" and insert "(14)".

On page 317, line 10, strike "the" and insert "the financial and administrative capacities of institutions of higher education and the".

On page 317, line 15, strike "AGENCY" and insert "ENTITY".

On page 317, line 17, strike "agency" and insert "entity".

On page 317, lines 18 and 19, strike "the conduct or coordination of" and insert "coordinating information on".

On page 318, strike lines 12 through 15.

On page 318, line 16, strike "(4)" and insert "(3)".

On page 319, line 14, strike "agency" and insert "entity".

On page 319, line 19, strike "agency" and insert "entity".

On page 320, line 4, strike "agency" and insert "entity".

On page 320, lines 12 and 13, strike "in an amount of at least the largest of the amounts determined pursuant to" and insert "that meets".

On page 320, line 20, insert "requirement" after "refund".

On page 321, line 13, strike "loan" and insert "part B loan".

On page 323, line 22, strike the comma and "or" and insert a semicolon.

On page 323, line 25, insert "or" after the semicolon.

On page 323, after line 25, insert the following:

"(C) is an agency or association that, for the purpose of determining eligibility for student assistance under this title, conducts accreditation of specialized educational programs within hospitals or clinics;".

On page 324, strike lines 1 through 4, and insert the following:

"(3) if such agency or association is an agency or association described in—

"(A) subparagraph (A) of paragraph (2), then such agency or association is separate and independent, both administratively and financially;

"(B) subparagraph (B) of paragraph (2), then such agency or association has been recognized by the Secretary on or before October 1, 1991; or

"(C) subparagraph (C) of paragraph (2) and such agency or association has been recognized by the Secretary on or before October 1, 1991, then the Secretary may waive the requirements for separate and independent, both administratively and financially, upon demonstration, that the existing relationship has not served to compromise the independence of its accreditation process;".

On page 324, beginning with line 24, strike all through page 325, line 5, and insert the following:

"(6) such agency or association consistently applies and enforces standards of accreditation that ensure that the quality and content of studies offered by the institution of higher education may reasonably be expected to achieve the stated educational and operational objectives of the institution for the duration of the accreditation period.".

On page 325, strike lines 15 through 20, and insert the following:

"(2) among the membership of the board of the accrediting agency or association there shall be one public member (not a member of the related trade or membership organization) for each six members of the board, with a minimum of one such public member, and guidelines are established for such members to avoid conflict of interest;".

On page 326, line 13, strike "assures" and insert "ensures".

On page 327, line 17, strike "on-site".

On page 328, line 19, insert "institutional" before "accreditation".

On page 328, line 19, insert "institutional" before "accrediting".

On page 328, line 21, insert "institutional" before "accreditation".

On page 328, line 23, insert "institutional" before "accrediting".

On page 329, line 4, insert "which accredits institutions" before the comma.

On page 329, line 7, insert "institutional accrediting" before "agency".

On page 332, line 8, strike "assure" and insert "ensure".

On page 332, line 16, strike the semicolon and insert ", except changes of ownership due to—

"(A) sale or transfer of less than 51 percent of the institution's corporate stock to existing stockholders, corporate employees, corporate officers or family members;

"(B) the death of an owner of an institution, when the owner's interest is sold or transferred to either a family member or a current stockholder of a corporation;

"(C) public offering of stock approved by the Securities and Exchange Commission; or

"(D) another cause determined by the Secretary to be a routine business practice;".

On page 333, line 1, strike "assure" and insert "ensure".

On page 333, line 2, strike "and".

On page 333, between lines 2 and 3, insert the following:

"(6) establish procedures and requirements relating to the financial and administrative capacities of institutions of higher education, including—

"(A) determination of sufficiency of operating funds;

"(B) establishment of minimum assets to liabilities ratios;

"(C) consideration of past performance of institutions or persons in control of such institutions with respect to student aid programs;

"(D) providing for independently audited financial reports; and

"(E) maintenance of records; and

On page 333, line 3, strike "(6)" and insert "(7)".

On page 335, line 3, strike "default" and insert "dropout".

On page 335, line 13, strike "and".

On page 335, between lines 13 and 14, insert the following:

"(D) all relevant information available from a guaranty agency; and

On page 335, line 14, strike "(D)" and insert "(E)".

On page 337, beginning with line 3, strike all through page 339, line 10, and insert the following:

"SEC. 499A. RECOMMENDATIONS OF INSTITUTIONAL PERFORMANCE STANDARDS.

"(a) IN GENERAL.—The Secretary shall, after consultation with institutions of higher education, guaranty agencies, educational associations representing postsecondary education, and other appropriate public agencies and nonprofit private organizations, develop and recommend to Congress the appropriate legislative language necessary to provide objective performance standards for the administration of programs authorized by this title.

“(b) CONTENTS OF STANDARDS.—The institutional performance standards described in subsection (a) shall be designed to address—

“(1) the success of the program at the institution of higher education including—

“(A) rates of program completion and of graduation, taking into account—

“(i) the average length of time it takes to complete a course of study at the institution;

“(ii) the selectivity of the admissions policy at the institution; and

“(iii) the variety of completion goals, including transfer to another institution of higher education, full-time employment, and military service;

“(B) rates of withdrawal at the institution;

“(C) rates of student employment, after graduation, in the chosen field of study or in a related field, and acceptance of graduates, where appropriate, into graduate or professional study;

“(D) rates of licensure of graduates, where appropriate;

“(E) an evaluation of the adequacy of student services; and

“(F) the adequacy of resources and procedures for informing prospective students of licensure requirements, if appropriate, and of projections for employment opportunities in the field for which the proposed training is designed.”.

On page 339, after line 25, insert the following new section:

SEC. ____. REPEAL OF CERTAIN PROVISIONS.

Sections 601, 602, 603, 604 and 606 of the Emergency Unemployment Compensation Act of 1991 are repealed.

On page 340, strike lines 16 through 19, and insert the following:

talented persons, including the individuals already employed as school paraprofessionals and individuals who have been employed in other areas of endeavor, to enter the teaching profession;

On page 343, line 8, strike “institutions” and insert “an institution”.

On page 343, line 9, insert “one or more” before “local”.

On page 344, line 22, insert a comma after “education”.

On page 345, lines 2 and 3, strike “the disabled” and insert “individuals with disabilities”.

On page 347, line 5, insert “interested in teaching” before “in”.

On page 347, line 6, strike “interested in teaching”.

On page 348, line 3, insert “established under part E” before the comma.

On page 351, lines 14 and 15, strike “partnerships” and insert “partnership”.

On page 353, line 4, insert “students with disabilities;” before “potential”.

On page 353, lines 4 and 5, strike “pregnant, adolescent,” and insert “pregnant adolescents”.

On page 356, line 14, strike “depends” and insert “depend”.

On page 357, line 18, insert “public school” before “teaching”.

On page 358, line 14, strike “546” and insert “536”.

On page 362, line 18, insert “public” before “elementary”.

On page 363, line 5, insert “public” before “elementary”.

On page 367, line 22, strike “or”.

On page 368, line 2, strike the period and insert a semicolon and “and”.

On page 368, between lines 2 and 3, insert the following:

“(5) authorize the Board to—

“(A) study, create, or promulgate separate standards applicable to home school or private school teachers;

“(B) take any action to require home school, private school, or public school teachers to participate in any program offered by the Board; or

“(C) take any action that infringes in any manner on the right of parents to direct the education of their children.

“SEC. 540A. VOLUNTARY PARTICIPATION.

“Notwithstanding any other provision of this part, voluntary participation in certification assessments by the Board shall be open to home school, private school, and public school teachers.”.

On page 375, strike “, exceeds the cost of attendance, the” and insert “exceeds the cost of attendance, then the”.

On page 379, line 10, insert “a” before “hearing”.

On page 382, line 13, strike “INTERIM”.

On page 383, line 20, strike “to”.

On page 385, line 2, strike “foregone” and insert “forgone”.

On page 385, line 21, strike “and”.

On page 385, line 22, insert “and” after the semicolon.

On page 385, between lines 22 and 23, insert the following:

“(C) enhance the ability of teachers to work with special education populations, including—

“(i) gifted and talented children;

“(ii) limited-English proficient children;

“(iii) children with disabilities; and.

“(iv) economically and educationally disadvantaged children;

On page 387, line 10, strike “education” and insert “educational”.

On page 387, lines 19 and 20, strike “peers, the principal and the” and insert “peers and the applicant's principal and”.

On page 387, line 23, strike “is” and insert “are”.

On page 389, lines 6 and 7, strike “professional development school” and insert “Professional Development Academy”.

On page 389, lines 18 and 19, strike “professional development school” and insert “Professional Development Academy”.

On page 393, line 1, strike “professional development schools” and insert “Professional Development Academies”.

On page 393, line 2, strike “entity” and insert “entities”.

On page 394, line 5, strike “professional development schools” and insert “Professional Development Academies”.

On page 395, line 15, strike “INTERIM”.

On page 401, line 18, insert “members of populations that are” before “underrepresented”.

On page 403, line 22, strike “or associate's”.

On page 407, line 6, strike “local educational agency served by” and insert “the local educational agency exercising administrative control or direction of, or performing a service function for”.

On page 410, line 9, strike the comma after “nationwide”.

On page 410, line 11, insert a comma before “and”.

On page 411, line 20, strike “and”.

On page 411, line 24, strike the period and insert a semicolon and “and”.

On page 411, after line 24, insert the following:

“(4) enhance the ability of teachers and administrators to work with parents or social service agencies, especially in localities with high concentrations of special education populations.

On page 413, line 2, strike “chapter” and insert “sections”.

On page 416, line 11, strike “and”.

On page 416, between lines 11 and 12, insert the following:

“(15) an assurance that the Academies for Teachers shall provide activities designed to enhance the ability of teachers to work with special educational populations, including—

“(A) limited-English proficient children;

“(B) children with disabilities;

“(C) economically and educationally disadvantaged children; and

“(D) gifted and talented children; and

On page 416, line 12, strike “(15)” and insert “(16)”.

On page 418, line 9, strike “provide” and insert “provides”.

On page 419, line 22, strike “and”.

On page 419, line 23, strike the period and insert “, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, and the Republic of Palau (until the Compact of Free Association is ratified).”.

On page 423, line 15, insert “are drug- or alcohol-exposed,” after “proficient,”.

On page 423, line 17, strike “and”.

On page 423, between lines 17 and 18, insert the following:

“(4) techniques for the integration of academic and vocational subject matter, including the application of such techniques in tech/prep education programs;

“(5) specialized training for teachers so that such teachers may counsel students about college opportunities, precollege requirements, the college admissions process, and financial aid opportunities; and

On page 423, line 18, strike “(4)” and insert “(6)”.

On page 428, line 23, strike “and”.

On page 428, after line 23, insert the following:

“(4) specialized training for guidance counselors and principals so that such individuals may counsel students about college opportunities, precollege requirements, the college admissions process, and financial aid opportunities; and

On page 429, line 1, strike “(4)” and insert “(5)”.

On page 435, line 4, insert “attending Academies” after “teachers”.

On page 438, line 15, insert a comma after “administrators”.

On page 438, line 23, insert “are drug- or alcohol-exposed,” after “proficient,”.

On page 439, line 11, insert a comma after “Teachers”.

On page 443, insert “academy” after “teacher”.

On page 448, line 22, insert “or principal” after “teacher”.

On page 457, line 11, insert “at least” after “for”.

On page 460, line 9, strike “videotapes, and” and insert “videotapes and”.

On page 460, line 20, insert “schools in” before “urban”.

On page 461, line 13, strike “teacher staff” and insert “staff training”.

On page 464, line 25, strike “of the” and insert “in the”.

On page 465, line 7, strike “care and” and insert “care providers, and”.

On page 465, line 8, insert “providers” after “care”.

On page 465, after line 25, insert the following:

"(13) An early childhood development teacher and an early childhood development director.

"(14) An organization representing early childhood development and staff.

On page 469, line 19, insert "the number of individuals receiving a degree, license, or credential in early childhood development," before "and".

On page 469, line 24, strike "January 1" and insert "June 30".

On page 470, line 5, strike "September 1997" and insert "January 1988".

On page 470, line 19, strike the end quotation marks and the second period.

On page 470, between lines 19 and 20, insert the following:

"PART M—CLASS SIZE DEMONSTRATION GRANT

"SEC. 599AA. PURPOSE.

"It is the purpose of this part to provide grants to local educational agencies to enable such agencies to determine the benefits in various school settings of reducing class size on the educational performance of students and on classroom management and organization.

"SEC. 599BB. PROGRAM AUTHORIZED.

"(a) Program Authorized.—

"(1) In general.—The Secretary shall carry out a program of awarding grants, in accordance with the provisions of this part, to local educational agencies to pay the Federal share of the costs of conducting demonstration projects that demonstrate methods of reducing class size which may provide information meaningful to other State and local educational agencies.

"(2) Federal share.—The Federal share shall be 50 percent.

"(b) Reservation.—The Secretary may reserve not more than 5 percent of the amount appropriated pursuant to the authority of section 599FF in each fiscal year to carry out the evaluation activities described in section 599EE.

"(c) Selection Criteria.—The Secretary shall make grants to local educational agencies on the basis of—

"(1) the need and the ability of a local educational agency to reduce the class size of an elementary or secondary school served by such agency;

"(2) the ability of a local educational agency to furnish the non-Federal share of the costs of the demonstration project for which assistance is sought;

"(3) the ability of a local educational agency to continue the project for which assistance is sought after the termination of Federal financial assistance under this part; and

"(4) the degree to which a local educational agency demonstrates in the application submitted pursuant to section 599DD consultation in program implementation and design with parents, teachers, school administrators, and local teacher organizations, where applicable.

"(d) Priority.—In awarding grants under this part, the Secretary shall give priority to demonstration projects that involve at-risk students, including educationally or economically disadvantaged students, students with disabilities, limited-English proficient students, and young students.

"(e) Grants Must Supplement Other Funds.—A local educational agency shall use the Federal funds received under this part to supplement and not supplant other Federal, State and local funds available to the local educational agency.

"SEC. 599CC. PROGRAM REQUIREMENTS.

"(a) Annual Competition.—In each fiscal year, the Secretary shall announce the factors to be examined in a demonstration project assisted under this part. Such factors may include—

"(1) the magnitude of the reduction in class size to be achieved;

"(2) the level of education and the subject areas in which the demonstration projects shall occur;

"(3) the form of the instructional strategy to be demonstrated; and

"(4) the duration of the project.

"(b) Random Techniques and Appropriate Comparison Groups.—Demonstration projects assisted under this part shall be designed to utilize randomized techniques or appropriate comparison groups, where feasible.

"SEC. 599DD. APPLICATION.

"(a) In General.—In order to receive a grant under this part a local educational agency shall submit an application to the Secretary that is responsive to the announcement described in section 599CC(a), at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) Duration.—The Secretary shall encourage local educational agencies to submit applications under this part for a period of 3 years.

"(c) Contents.—Each application submitted pursuant to subsection (a) shall include—

"(1) a description of the objectives to be attained with the financial assistance made available under this part and the manner in which such financial assistance shall be used to reduce class size;

"(2) a description of the steps to be taken to achieve target class sizes, including, where applicable, the acquisition of additional teaching personnel and classroom space;

"(3) a statement of the methods for the collection of data necessary for the evaluation of the impact of class size reduction programs on student achievement;

"(4) an assurance that the local educational agency shall pay from non-Federal sources the non-Federal share of the costs of the demonstration project for which assistance is sought; and

"(5) such additional assurances as the Secretary may reasonably require.

"(d) Sufficient Size and Scope Required.—The Secretary shall only award grants under this part to applicants having applications which describe projects of sufficient size and scope to contribute to carrying out the purposes of this part.

"SEC. 599EE. EVALUATION AND DISSEMINATION.

"(a) National Evaluation.—The Secretary shall conduct a national evaluation of the demonstration projects assisted under this part to determine the costs incurred in achieving the reduction in class size and the effects of the reductions on outcomes, such as student performance in the affected subjects or grades, attendance, discipline, classroom organization, management, and teacher satisfaction and retention.

"(b) Cooperation.—Each local educational agency receiving a grant under this part shall cooperate in the national evaluation described in subsection (a) and shall provide such information to the Secretary as the Secretary may reasonably require.

"(c) Reports.—The Secretary shall report to the Congress on the results of the evaluation conducted pursuant to subsection (a).

"(d) Dissemination.—The Secretary shall widely disseminate information about the results of the class size demonstration projects assisted under this part.

"SEC. 599FF. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $5,000,000 for fiscal year 1993, and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this part.

"PART N—NATIONAL FOUNDATION FOR EXCELLENCE

"SEC. 599GG. SHORT TITLE.

"This part may be cited as the "National Foundation for Excellence Act".

"SEC. 599HH. FOUNDATION AUTHORIZED.

"There is established a National Foundation for Excellence (hereafter in this part referred to as the "Foundation").

"SEC. 599II. NATIONAL FOUNDATION FOR EXCELLENCE TRUST FUND.

"(a) Establishment.—There is hereby established within the Treasury of the United States a trust fund to be known as the National Foundation for Excellence Trust Fund (hereafter in this section referred to as the "Trust Fund"), consisting of such amounts as may be appropriated to the Trust Fund pursuant to the authority of section 599PP.

"(b) Trustee and Report.—

"(1) In general.—The Secretary of the Treasury shall be the trustee of the Trust Fund, and shall submit an annual report to the Committees on Finance and Labor and Human Resources of the Senate and the Committees on Ways and Means and Education and Labor of the House of Representatives regarding—

"(A) the financial condition and the results of the operations of the Trust Fund during the fiscal year preceding the fiscal year in which such report is submitted; and

"(B) the expected condition and operations of the Trust Fund during the fiscal year in which such report is submitted.

"(2) Printing.—The report described in paragraph (1) shall be printed as a House document of the session of the Congress to which the report is made.

"(c) Investment.—

"(1) In general.—The Secretary of the Treasury shall invest such portion of the Trust Fund as, in the Secretary's judgment, is not required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

"(A) on original issue at the issue price, or

"(B) by purchase of outstanding obligations at the market price.

"(2) Sale of obligation.—Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

"(3) Interest and proceeds.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

"(d) Use of Trust Funds.—

"(1) In general.—(A) Amounts in the Trust Fund shall be available to the Foundation to enable the Foundation to award scholarships in accordance with the provisions of this part.

"(B) Amounts in the Trust Fund shall only be available to the Foundation after the Foundation has obtained the non-Federal share of the scholarships to be awarded.

"(2) Special rule.—In fiscal year 1993 and succeeding fiscal years, amounts in the Trust Fund shall be available to the Secretary, in equal amounts, to carry out the provisions of subpart 1 of part D of title V, and part E of such title, respectively.

"SEC. 599JJ. NATIONAL FOUNDATION FOR EXCELLENCE BOARD.

"(a) In General.—There is established a National Foundation for Excellence Board (hereafter in this part referred to as the "Board").

"(b) Composition.—The Board shall be composed of 20 members as follows:

"(1) 11 members appointed by the President, of which—

"(A) at least 4 such members shall have 10 years of experience in education; and

"(B) at least 2 of the members described in subparagraph (A) shall be classroom teachers;

"(2) 1 Member of the Senate appointed by the Majority Leader of the Senate;

"(3) 1 Member of the Senate appointed by the Minority Leader of the Senate;

"(4) 1 Member of the House of Representatives appointed by the Speaker of the House of Representatives;

"(5) 1 Member of the House of Representatives appointed by the Minority Leader of the House of Representatives;

"(6) 1 individual appointed by the Majority Leader of the Senate;

"(7) 1 individual appointed by the Minority Leader of the Senate;

"(8) 1 individual appointed by the Speaker of the House of Representatives;

"(9) 1 individual appointed by the Minority Leader of the House of Representatives; and

"(10) the Executive Director of the Foundation, who shall serve as an ex officio, nonvoting member of the Board.

"(c) Functions.—The Board shall establish general policies with respect to the functions of the Foundation under this part, including—

"(1) guidelines for awarding scholarships to eligible individuals; and

"(2) procedures for the approval of applications submitted pursuant to section 599KK(h).

"(d) Executive Director.—

"(1) In general.—The Executive Director of the Foundation shall be selected by the Board and shall be the chief executive officer of the Foundation and shall carry out the functions of the Foundation subject to the supervision and direction of the Board.

"(2) Compensation.—The Executive Director of the Foundation shall be compensated at the rate specified for employees in level IV of the Executive Schedule set forth in section 5332 of title 5 of the United States Code.

"(e) Expenses and Travel.—

"(1) Expenses.—Members of the Board shall be reimbursed for expenses incurred while engaged in the business of the Board.

"(2) Travel.—Members of the Board may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed in Government service.

"(f) Authority To Appoint Committees.—The Foundation may appoint committees to carry out the provisions of this part.

"SEC. 599KK. SCHOLARSHIPS.

"(a) In General.—From amounts available pursuant to section 599II(d), the Foundation shall pay the Federal share of awarding scholarships to eligible individuals to enable such eligible individuals to pursue careers in teaching.

"(b) Federal Share.—The Federal share shall be 50 percent.

"(c) Eligible Individuals.—For the purposes of this part the term 'eligible individual' means an individual who—

"(1) has received, or is a finalist for, a Paul Douglas Scholarship or Teacher Corps Scholarship; or

"(2) shows exceptional talent in a particular field or as an overall student and who meets the eligibility requirements for either a Paul Douglas Scholarship or Teacher Corps Scholarship, as determined by the Foundation.

"(d) Eligibility.—

"(1) In general.—Except as provided in paragraph (2), the Foundation shall award scholarships under this part only to eligible individuals who are eligible to receive a Stafford loan.

"(2) Special rule.—If in any fiscal year the Foundation has awarded scholarships to all applicants who are described in paragraph (1), then the Foundation may award scholarships to eligible individuals in such fiscal year on the basis of criteria established by the Foundation.

"(e) Priority.—In awarding scholarships under this part among equally qualified eligible individuals, as determined by the Board, the Foundation shall give priority to eligible individuals from disadvantaged backgrounds, including racial and ethnic minorities and individuals with disabilities, who are underrepresented in the teaching professions or in the curricula areas in which such eligible individuals are preparing to teach.

"(f) Geographic Distribution.—In awarding scholarships under this part the Foundation shall ensure an equitable geographic distribution of such scholarships.

"(g) Donations; Special Rule.—

"(1) Donations.—The Foundation is authorized to accept donations. Any donation received by the Foundation shall be used by the Foundation to award scholarships in accordance with the provisions of this part.

"(2) Special rule.—The Foundation may use not more than one-third of any donation received by the Foundation pursuant to paragraph (1) to award scholarships to students in a State or locality specified by the donor.

"(h) Applications.—Each eligible individual desiring a scholarship under this part shall submit an application to the Foundation at such time, in such manner and containing or accompanied by such information as the Foundation may reasonably require.

"SEC. 599LL. DURATION AND RELATION TO OTHER ASSISTANCE.

"(a) Duration.—Scholarships awarded under this part shall be awarded for a maximum of 4 years of undergraduate study and 2 years of graduate study.

"(b) Consideration of Award in Other Programs.—Notwithstanding the provisions of title IV, scholarship funds awarded pursuant to this part shall be considered in determining eligibility for student assistance under such title.

"(c) Assistance Not To Exceed Cost of Attendance.—Scholarship assistance awarded under this part to any eligible individual in any fiscal year, when added to scholarship assistance received under subpart 1 of part D of title V and part E of such title shall not exceed the cost of attendance, as defined in section 472, at the institution of higher education such individual is attending. If the amount of the scholarship assistance received under this part and subpart 1 of part D of title V, part E of such title and title IV exceeds such cost of attendance, the assistance received under subpart 1 of part D of title V, part E of such title and title IV shall be reduced by an amount equal to the amount by which the combined awards exceed such cost of attendance.

"SEC. 599MM. SCHOLARSHIP CONDITIONS.

"Each eligible individual receiving scholarship assistance under this part shall continue to receive such scholarship payments only during such period that the eligible individual is—

"(1) enrolled as a full-time student in an institution of higher education;

"(2) pursuing a course of study leading to teacher certification; and

"(3) maintaining satisfactory progress as determined by the institution of higher education the recipient is attending.

"SEC. 599NN. TEACHING COMMITMENT.

"(a) In General.—Each eligible individual receiving a scholarship under this part who has entered into an agreement to teach pursuant to the provisions of section 543(b)(4) or 566(a)(4) shall incur no additional teaching commitment pursuant to a scholarship award received under this part.

"(b) Special Rule.—Each eligible individual who receives a scholarship under this part and who has not entered into an agreement to teach pursuant to the provisions of section 543(b)(4) or 566(a)(4) shall enter into an agreement with the Foundation. Each such agreement shall require that the eligible individual teach in an elementary or secondary school described in section 561(d) in accordance with the provisions of section 566(a)(4) which are not inconsistent with the provisions of this subsection for a period of at least 2 years and not more than 6 years, as determined by the Foundation.

"SEC. 599OO. SCHOLARSHIP REPAYMENT PROVISIONS.

"(a) Repayment Required.—An eligible individual found by the Foundation to be in noncompliance with the agreement entered into under section 599NN(b) shall be required to repay to the Foundation a pro rata amount of the scholarship awards received, plus interest (but in no event at an interest rate higher than the rate applicable to loans in the applicable period under title IV) and, where applicable, reasonable collection fees, on a schedule and at a rate of interest to be prescribed by the Foundation.

"(b) Exceptions to Repayment Provisions.—An eligible individual shall not be considered to be in violation of the agreement entered into pursuant to section 599NN(b) during any period in which such individual meets the exception to repayment provisions set forth in section 548(a)(1), 548(a)(2), 548(a)(3), or 548(b), or if the individual dies.

"(c) Use of Repayments.—Any repayments made to the Foundation pursuant to the provisions of this section shall be used by the Foundation to award additional scholarships in accordance with the provisions of this part.

"(d) Waiver.—The Secretary may provide for the partial or total waiver or suspension of any service obligation or repayment by an individual who received a scholarship under this part whenever compliance by such individual is impossible or would involve extreme hardship to such individual, or if enforcement of such obligation with respect to such individual would be unconscionable.

"SEC. 599PP. AUTHORIZATION OF APPROPRIATION.

"(a) In General.—There are authorized to be appropriated $500,000 for fiscal year 1993 to carry out the provisions of this part.

"(b) Special Rule.—Section 414 of the General Education Provisions Act shall not apply to the provisions of this part.

"PART O—TRAINING IN EARLY CHILDHOOD EDUCATION AND VIOLENCE COUNSELING

"SEC. 599QQ. SHORT TITLE.

"This part may be cited as the 'Early Childhood Teacher Training and Violence Counseling Act'.

"SEC. 599RR. PROGRAM AUTHORIZED.

"The Secretary shall award grants to institutions of higher education to enable such institutions to establish innovative programs to recruit and train students for careers in—

"(1) early childhood development and care, or preschool programs; or

"(2) providing counseling to young children from birth to 6 years of age who have been affected by violence and to adults who work with such young children.

"SEC. 599SS. APPLICATION AND PLAN.

"(a) APPLICATION.—An institution of higher education desiring a grant under this part shall submit an application to the Secretary at such time, in such form and containing or accompanied by such information or assurances as the Secretary may require. Each such application shall—

"(1) describe the activities and services for which assistance is sought;

"(2) contain a plan in accordance with subsection (b);

"(3) demonstrate that such institution has the capacity to implement such plan; and

"(4) provide assurances that such plan was developed in consultation with agencies and organizations that will assist the institution in carrying out such plan.

"(b) PLAN.—Each application described in subsection (a) shall contain a comprehensive plan for the recruitment, retention and training of students seeking careers in early childhood development or violence counseling. Such plan shall include a description of—

"(1) specific strategies for reaching students at secondary schools, community colleges, undergraduate institutions, or other agencies and institutions from which such students are to be drawn for participation in the program, including any partnerships with such institutions;

"(2) specific strategies for retaining such students in the program, such as summer sessions, internships, mentoring, and other activities;

"(3) methods that will be used to ensure that students trained pursuant to the plan will find employment in early childhood education, development and care, or violence counseling;

"(4) the goals, objectives, and timelines to be used in assessing the success of the plan and of the activities assisted under this part;

"(5) the curriculum and training leading to the degree or credential that prepares students for the careers described in the plan;

"(6) the special plans, if any, to assure that students trained pursuant to the plan will be prepared for serving in economically disadvantaged areas; and

"(7) sources of financial aid, to ensure that the training program offered pursuant to this part is available to all qualified students.

"SEC. 599TT. USE OF FUNDS.

"An institution of higher education may use funds provided under this part to engage in activities described in the application and plan submitted pursuant to section 599SS.

SEC. 599UU. SELECTION AND PRIORITIES.

"In evaluating the applications submitted under this part, the Secretary shall prescribe competitive criteria regarding such evaluation and shall give priority in granting funds to institutions that—

"(1) prepare students for work in economically disadvantaged areas;

"(2) plan to focus their recruitment, retention, and training efforts on disadvantaged students; and

"(3) have demonstrated effectiveness in providing the type of training for which the institution seeks assistance under this part.

"SEC. 599VV. DURATION AND AMOUNT.

"(a) DURATION.—A grant under this part shall be awarded for a period of not less than 3 years nor more than 5 years.

"(b) AMOUNT.—The total amount of the grant awarded under this part to any institution of higher education for any 1 year shall not be less than $500,000 nor more than $1,000,000.

"SEC. 599WW. REPORT.

"An institution of higher education receiving a grant under this part shall submit to the Secretary program reports and evaluations at such times and containing such information as the Secretary may require.

"SEC. 599XX. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this part.".

On page 481, strike lines 8 through 11, and insert the following:

(1) in subsection (a)—

(A) by striking "609" and inserting "610A";

(B) by striking "1987" and inserting "1992"; and

(C) by striking "4 succeeding" and inserting "6 succeeding";

On page 483, line 24, strike "$60,000,000" and insert "$62,000,000".

On page 487, lines 2 and 3, strike "education, or consortia thereof, with" and insert "education or consortia thereof that have linkages with institutions operating international studies programs or with a national resource center and have".

On page 490, line 21, insert "in this title" before the comma.

On page 491, strike line 13.

On page 491, line 14, strike "(3)" and insert "(2)".

On page 491, line 15, strike "and D" and insert "and E".

On page 491, line 16, strike "(4)" and insert "(3)".

On page 491, line 20, strike "(5)" and insert "(4)".

On page 491, strike lines 22 and 23, and insert the following:

(5) by redesignating sections 781, 782 and 783 as sections 751, 752 and 753, respectively.

On page 492, line 2, strike "(4)" and insert "(3)".

On page 492, line 11, strike "(4)" and insert "(3)".

On page 492, line 21, strike "741" and insert "752".

On page 492, line 22, strike "(6)" and insert "(5)".

On page 493, line 1, strike "742" and insert "753".

On page 493, line 2, strike "(6)" and insert "(5)".

On page 493, line 5, strike "(3)" and insert "(2)".

On page 501, line 12, strike "(5)" and insert "(4)".

On page 502, line 14, strike "(5)" and insert "(4)".

On page 502, line 22, strike "(3)" and insert "(2)".

On page 504, line 25, strike "(5)" and insert "(4)".

On page 505, between lines 13 and 14, insert the following:

SEC. 708. HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING.

Title VII of the Act is further amended by adding before part E (as redesignated by section 701(a)(2)) the following new part:

"PART D—HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

"SEC. 741. FINDINGS.

"The Congress finds that—

"(1) a significant part of the Federal mission in education has been to attain equal opportunity in higher education for low-income, educationally disadvantaged Americans and African Americans;

"(2) the Nation's historically Black colleges and universities have played a prominent role in American history and have an unparalleled record of fostering the development of African American youth by recognizing their potential, enhancing their academic and technical skills, and honing their social and political skills through higher education;

"(3) the academic and residential facilities on the campuses of all historically Black colleges and universities have suffered from neglect, deferred maintenance and are in need of capital improvements in order to provide appropriate settings for learning and social development through higher education;

"(4) due to their small enrollments, limited endowments and other financial factors normally considered by lenders in construction financing, historically Black colleges and universities often lack access to the sources of funding necessary to undertake the necessary capital improvements through borrowing and bond financing;

"(5) despite their track record of longstanding and remarkable institutional longevity and viability, historically Black colleges and universities often lack the financial resources necessary to gain access to traditional sources of capital financing such as bank loans and bond financing; and

"(6) Federal assistance to facilitate low-cost capital basis for historically Black colleges and universities will enable such colleges and universities to continue and expand their educational mission and enhance their significant role in American higher education.

"SEC. 742. DEFINITIONS.

"For the purposes of this part—

"(1) The term 'eligible institution' means a 'part B institution' as that term is defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)).

"(2) The term 'loan' means a loan made to an eligible institution under the provisions of this part and pursuant to an agreement with the Secretary.

"(3) The term 'qualified bond' means any obligation issued by the designated bonding authority at the direction of the Secretary, the net proceeds of which are loaned to an eligible institution for the purposes described in section 743(b).

"(4) The term 'funding' means any payment under this part from the Secretary to the eligible institution or its assignee in fulfillment of the insurance obligations of the Secretary pursuant to an agreement under section 743.

"(5) The term 'capital project' means, subject to section 744(b) the repair, renovation, or, in exceptional circumstances replacement, of—

"(A) any classroom facility, library, laboratory facility, dormitory (including dining facilities) or other facility customarily used by colleges and universities for instructional or research purposes or for housing students, faculty, and staff;

"(B) instructional equipment, research instrumentation, and any capital equipment or fixture related to facilities described in subparagraph (A);

"(C) any other facility, equipment or fixture which is essential to the maintaining of accreditation of the member institution by a nationally recognized accrediting agency or association; and

"(D) any real property or interest therein underlying facilities described in subparagraph (A) or (C).

"(6) The term 'interest' includes accredited value or any other payment constituting interest on an obligation.

"(7) The term 'outstanding', when used with respect to bonds, shall not include bonds the payment of which shall have been provided for by the irrevocable deposit in trust of obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make payments on such bonds.

"(8) The term 'designated bonding authority' means the private, for-profit corporation selected by the Secretary pursuant to section 745(1) for the purpose of issuing taxable construction bonds in furtherance of the purposes of this part.

"SEC. 743. FEDERAL INSURANCE FOR BONDS.

"(a) GENERAL RULE.—Subject to the limitations in section 744, the Secretary is authorized to enter into insurance agreements to provide financial insurance to guarantee the full payment of principal and interest on qualified bonds upon the conditions set forth in subsections (b), (c) and (d).

"(b) RESPONSIBILITIES OF THE DESIGNATED BONDING AUTHORITY.—The Secretary may not enter into an insurance agreement described in subsection (a) unless the Secretary designates a qualified bonding authority in accordance with sections 745(1) and 746 and the designated bonding authority agrees in such agreement to—

"(1) use the proceeds of the qualified bonds, less costs of issuance not to exceed 2 percent of the principal amount thereof, to make loans to eligible institutions or for deposit into an escrow account for repayment of the bonds;

"(2) provide in each loan agreement with respect to a loan that not less than 95 percent of the proceeds of the loan will be used—

"(A) to finance the repair, renovation, and, in exceptional cases, replacement of a capital project; or

"(B) to refinance an obligation the proceeds of which were used to finance the repair, renovation, and, in exceptional cases, replacement of a capital project;

"(3)(A) charge such interest on loans, and provide for such a schedule of repayments of loans, as will, upon the timely repayment of the loans, provide adequate and timely funds for the payment of principal and interest on the bonds; and

"(B) require that any payment on a loan expected to be necessary to make a payment of principal and interest on the bonds be due not less than 60 days prior to the date of the payment on the bonds for which such loan payment is expected to be needed;

"(4) prior to the making of any loan, provide for a credit review of the institution receiving the loan and assure the Secretary that, on the basis of such credit review, it is reasonable to anticipate that the institution receiving the loan will be able to repay the loan in a timely manner pursuant to the terms thereof;

"(5) provide in each loan agreement with respect to a loan that, if a delinquency on such loan results in a funding under the insurance agreement, the institution obligated on such loan shall repay the Secretary, upon terms to be determined by the Secretary, for such funding;

"(6) assign any loans to the Secretary, upon the demand of the Secretary, if a delinquency on such loan has required a funding under the insurance agreement;

"(7) in the event of a delinquency on a loan, engage in such collection efforts as the Secretary shall require for a period of not less than 45 days prior to requesting a funding under the insurance agreement;

"(8) establish an escrow account—

"(A) into which each eligible institution shall deposit 20 percent of the proceeds of any loan made under this part; and

"(B) the balance of which—

"(i) shall be available to the Secretary to pay principal and interest on the bonds in the event of delinquency in loan repayment; and

"(ii) when all bonds under this part are retired or canceled, shall be divided among the eligible institutions making deposits into such account on the basis of the amount of each such institution's deposit;

"(9) provide in each loan agreement with respect to a loan that, if a delinquency on such loan results in amounts being withdrawn from the escrow account to pay principal and interest on bonds, subsequent payments on such loan shall be available to replenish such escrow account;

"(10) comply with the limitations set forth in section 744 of this part; and

"(11) make loans only to eligible institutions under this part in accordance with regulations prescribed by the Secretary to ensure that loans are fairly allocated among as many eligible institutions as possible, consistent with making loans of amounts that will permit capital projects of sufficient size and scope to significantly contribute to the educational program of the eligible institutions.

"(c) ADDITIONAL AGREEMENT PROVISIONS.—Any insurance agreement described in subsection (a) of this section shall provide as follows:

"(1) The payment of principal and interest on bonds shall be insured by the Secretary until such time as such bonds have been retired or canceled.

"(2) The Federal liability for delinquencies and default for bonds guaranteed under this part shall only become effective upon the exhaustion of all the funds held in the escrow account described in subsection (b)(8).

"(3) The Secretary shall create a letter of credit authorizing the Treasury Department to disburse funds to the designated bonding authority or its assignee.

"(4) The letter of credit shall be drawn upon in the amount determined by paragraph (5) of this subsection upon the certification of the designated bonding authority to the Secretary or the Secretary's designee that there is a delinquency on 1 or more loans and there are insufficient funds available from loan repayments and the escrow account to make a scheduled payment of principal and interest on the bonds.

"(5) Upon receipt by the Secretary or the Secretary's designee of the certification described in paragraph (4) of this subsection, the designated bonding authority may draw a funding under the letter of credit in an amount equal to—

"(A) the amount required to make the next scheduled payment of principal and interest on the bonds, less

"(B) the amount available to the designated bonding authority from loan repayments and the escrow account.

"(6) All fundings under the letter of credit shall be paid to the designated bonding authority within 2 business days following receipt of the certification described in paragraph (4).

"(d) FULL FAITH AND CREDIT PROVISIONS.—Subject to section 743(c)(1) the full faith and credit of the United States is pledged to the payment of all fundings which may be required to be paid under the provisions of this section.

"SEC. 744. LIMITATIONS ON FEDERAL INSURANCE FOR BONDS ISSUED BY THE DESIGNATED BONDING AUTHORITY.

"(a) LIMIT ON AMOUNT.—At no time shall the aggregate principal amount of outstanding bonds insured under this part together with any accrued unpaid interest thereon exceed **$250,000,000**, of which—

"(1) not more than **$175,000,000** shall be used for loans to eligible institutions that are private historically Black colleges and universities; and

"(2) not more than **$75,000,000** shall be used for loans to eligible institutions which are historically Black public colleges and universities.

"(b) LIMITATION ON CREDIT AUTHORITY.—The authority of the Secretary to issue letters of credit and insurance under this part is effective only to the extent provided in advance by appropriations Acts.

"(c) RELIGIOUS ACTIVITY PROHIBITION.—No loan may be made under this part for any educational program, activity or service related to sectarian instruction or religious worship or provided by a school or department of divinity or to an institution in which a substantial portion of its functions is subsumed in a religious mission.

"(d) DISCRIMINATION PROHIBITION.—No loan may be made to an institution under this part if the institution discriminates on account of race, color, religion, national origin, sex (to the extent provided in title IX of the Education Amendments of 1972), or handicapping condition; except that the prohibition with respect to religion shall not apply to an institution which is controlled by or which is closely identified with the tenets of a particular religious organization if the application of this section would not be consistent with the religious tenets of such organization.

"SEC. 745. AUTHORITY OF THE SECRETARY.

"In the performance of, and with respect to, the functions vested in the Secretary by this part, the Secretary—

"(1) shall, within 120 days of enactment of the Higher Education Amendments of 1991, publish in the Federal Register a notice and request for proposals for any private for-profit organization or entity wishing to serve as the designated bonding authority under this part, which notice shall—

"(A) specify the time and manner for submission of proposals; and

"(B) specify any information, qualifications, criteria, or standards the Secretary determines to be necessary to evaluate the financial capacity and administrative capability of any applicant to carry out the responsibilities of the designated bonding authority under this part;

"(2) may sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and any action instituted under this part without regard to the amount in controversy, and any action instituted under this section by or against the Secretary shall survive notwithstanding any change in the person occupying the office of the Secretary or any vacancy in such office;

"(3)(A) may foreclose on any property and bid for and purchase at any foreclosure, or any other sale, any property in connection with which the Secretary has been assigned a loan pursuant to this part; and

"(B) in the event of such an acquisition, notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property, except that—

"(i) such action shall not preclude any other action by the Secretary to recover any deficiency in the amount of a loan assigned to the Secretary; and

"(ii) any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

"(4) may sell, exchange, or lease real or personal property and securities or obligations; and

"(5) may include in any contract such other covenants, conditions, or provisions necessary to ensure that the purposes of this part will be achieved.

"SEC. 746. PROHIBITION.

"No institution that receives a loan under this part shall also receive a grant under part A of this title.".

On page 505, line 14, strike "708" and insert "709".

On page 505, line 15, strike "Part D" and insert "Part E".

On page 505, strike lines 15 through 17, and insert the following:

Part D of title VII of the Act (as redesignated in section 701(a)(2)) is amended—

(1) in section 741 (as redesignated in section 701(a)(5))—

(A) in subsection (a), by striking "part A or B" and inserting "part A"; and

(B) in subsection (b), by striking "part A or B" and inserting "part A"; and

(2) by adding at the end the following new section:

On page 505, line 18, strike "743" and insert "744".

On page 505, line 8, insert "a facility at" after "means".

On page 506, line 8, strike "one-half" and insert "one-third".

On page 514, beginning with line 24, strike all through page 515, line 2.

On page 515, line 3, strike "(3)" and insert "(2)".

On page 524, line 2, strike "other than".

On page 542, line 19, strike "$500,000" and insert "$750,000".

On page 547, strike lines 3 through 12, and insert the following:

"(1) IN GENERAL.—An academic department or program of an institution of higher education shall make commitments to graduate students (including students pursuing a doctoral degree after having completed a master's degree program at an institution of higher education) at any point in their graduate study to provide stipends for the length of time necessary for a student to complete the course of graduate study, but in no case longer than 5 years.

On page 557, line 5, strike "repeal of title" and insert "urban community service".

On page 557, line 15, insert "crime," after "housing,".

On page 557, line 18, strike "eligible" and insert "urban".

On page 558, line 9, strike "eligible" and insert "urban".

On page 560, line 18, insert "and individuals with disabilities" after "elderly".

On page 560, strike lines 21 and 22, and insert the following:

"(7) Campus and community crime prevention, including enhanced security and safety awareness measures as well as coordinated programs addressing the root causes of crime.

On page 562, line 15, strike "eligible" and insert "urban".

On page 563, line 24, strike "$15,000,000" and insert "$20,000,000".

On page 567, strike lines 5 through 10, and insert the following:

"(B) A specified percentage or ratio of current assets to current liabilities of at least 1:1, which—

"(i) shall not include as an asset unearned tuition, intangible assets, or Federal or State student financial assistance for future disbursements; and

"(ii) in the case of institutions of higher education which own and occupy their facilities (land and buildings) may include equity (the difference between book cost and mortgage owed) as a current asset.

On page 589, strike lines 10 through 13 and insert: "delinquent loans pursuant to regulations issued by the Secretary;".

On page 594, line 22, strike "Act" and insert "Higher Education Amendments of 1986".

On page 600, after line 24, insert the following:

SEC. 1405. REPEAL OF NATIONAL SCIENCE SCHOLARS PROGRAM.

Part A of title VI of the Excellence in Mathematics, Science and Engineering Education Act of 1990 (20 U.S.C. 5381 et seq.) is repealed.

On page 601, beginning with line 3, strike all through page 607, line 18, and insert the following:

TITLE XV—NATIONAL CENTER FOR THE WORKPLACE

SEC. 1501. PURPOSE; DESIGNATION.

It is the purpose of this title to address the problems created by the simultaneous convergence of broad economic, social, cultural, political, and technological changes in the workplace through a national center administered by the Department of Labor that will join together workplace experts from America's best institutions of higher education with experts from the public and private sectors to conduct research, share information, and propose remedies.

SEC. 1502. ESTABLISHMENT.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Labor is authorized to award a grant, on a competitive basis, to an eligible entity to enable such entity to establish the National Center for the Workplace (hereafter in this title referred to as the "Center").

(2) MATCHING FUNDS.—In order to receive the grant described in paragraph (1) an eligible entity shall provide matching funds from non-Federal sources equal to 25 percent of the funds received pursuant to such grant.

(b) DEFINITIONS.—For the purpose of this title the term "eligible entity" means a consortium of institutions of higher education that—

(1) represents a diversity of views on and an expertise in the field of employment policy; or

(2) is represented and coordinated by a host institution of higher education that meets the following criteria:

(A) Broad collective knowledge of and demonstrable experience in the wide range of employment and workplace issues.

(B) A faculty that represents a variety of viewpoints, demonstrates a nonpartisan approach to research and policy analysis in relevant workplace disciplines (labor economics, industrial relations, human resource management, sociology, psychology, and law) in a multidisciplinary approach to workplace issues.

(C) Established credibility and working relationships with employers, employees and government agencies.

SEC. 1503. USE OF FUNDS.

(a) CENTER ACTIVITIES.—Grant funds awarded under this title may be used to—

(1) establish and operate the Center;

(2) bring together major independent researchers, who represent a diversity of views in employment policy from the Center's member-institutions and are focused on the most significant workplace problems, with the aim of analysis and synthesis of employment policy implications and dissemination of findings; and

(3) support—

(A) the coordination and funding of research activities of the Center's member-institutions for collaborative collection and evaluation of data on changes and trends in the workplace and in the labor force;

(B) the analysis of the public policy implications of social and demographic changes in the United States as such changes relate to the workplace;

(C) the conduct of seminars for Federal and State policymakers on the Center's findings and foster continuous exchange of ideas and information;

(D) the conduct of a National Conference on employment policy not more frequently than once each year;

(E) the nonpartisan evaluation of the economic and social implications of national and international workplace and employment issues;

(F) the provision of ready access to the Center's collective expertise for policy officials in Federal and State governments and representatives of private and public sector organizations; and

(G) the development and administration of a national repository of information on key workplace issues that can be readily accessed by the public and private sector.

(b) FELLOWSHIPS.—Grant funds awarded under this title may also be used to provide graduate assistantships and fellowships at the Center to encourage graduate study of the field of employment policy and to encourage graduate research in areas that are seen as critical to national competitiveness.

SEC. 1504. BOARD OF ADVISORS.

(a) BOARD.—There shall be appointed a Board of Advisors to the Center that shall consist of representatives of the private and public sectors and of the member-institutions of the consortium. Two members of the Board shall be appointed by the Speaker of the House of Representatives, two members of the Board shall be appointed by the Minority Leader of the House of Representatives, two members of the Board shall be appointed by the President pro tempore of the Senate and two members of the Board shall be appointed by the Minority Leader of the Senate. In addition, the eligible entity awarded the grant under this title shall appoint two members to the Board.

(b) MEETINGS AND RESPONSIBILITIES.—The Board of Advisors shall meet from time to time, but no less than twice each year, to review and advise the Center with respect to all aspects of its program. The Board shall submit an annual report to the Secretary of Education and the Secretary of Labor on the Center's activities and accomplishments.

SEC. 1505. GIFTS AND DONATIONS.

The Center is authorized to receive money and other property donated, bequeathed, or devised to the Center with or without a condition of restriction, for the purpose of furthering the activities of the Center. All funds or property given, devised, or bequeathed shall be retained in a separate account, and an accounting of those funds and property shall be included in the annual report of the Board of Advisors to the Secretary of Education and Secretary of Labor.

SEC. 1506. AUTHORIZATION.

(a) IN GENERAL.—There are authorized to be appropriated $2,500,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.

(b) AVAILABILITY.—Funds appropriated pursuant to the authority of subsection (a) shall remain available until expended.

TITLE XVI—INDIAN HIGHER EDUCATION PROGRAMS

PART A—TRIBALLY CONTROLLED COMMUNITY COLLEGES

SEC. 1601. REAUTHORIZATION OF THE TRIBALLY CONTROLLED COMMUNITY COLLEGES ACT.

(a) GENERAL AUTHORIZATION.—Section 110(a) of the Tribally Controlled Community College Assistance Act of 1978 is amended to read as follows:

"APPROPRIATION AUTHORIZATION

"SEC. 110. (a)(1) There is authorized to be appropriated, for the purpose of carrying out section 105 $3,200,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.

"(2) There is authorized to be appropriated for the purpose of carrying out section 107, $30,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.

"(3) There is authorized to be appropriated for the purpose of carrying out sections 112(b) and 113, $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.".

(b) ENDOWMENT GRANTS.—Section 306(a) of such Act is amended to read as follows:

"SEC. 306. (a) There are authorized to be appropriated to carry out the provisions of this title, $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.".

(c) ECONOMIC DEVELOPMENT.—Section 403 of such Act is amended to read as follows:

"SEC. 403. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for grants under this title, $2,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.".

(d) NAVAJO COMMUNITY COLLEGES.—Section 5(a)(1) of the Navajo Community College Act is amended to read as follows:

"SEC. 5. (a)(1) For the purpose of making construction grants under this Act, there are authorized to be appropriated $2,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years.".

PART B—HIGHER EDUCATION TRIBAL GRANT AUTHORIZATION ACT

SEC. 1611. SHORT TITLE.

This part may be cited as the "Higher Education Tribal Grant Authorization Act".

SEC. 1612. FINDINGS.

The Congress finds that—

(1) there are increasing numbers of Indian students qualifying for postsecondary education, and there are increasing numbers desiring to go to postsecondary institutions;

(2) the needs of these students far outpace the resources available currently;

(3) Indian tribes have shown an increasing interest in administering programs serving these individuals and making decisions on these programs reflecting their determinations of the tribal and human needs;

(4) the contracting process under the Indian Self-Determination and Education Assistance Act has provided a mechanism for the majority of the tribes to assume control over this program from the Bureau of Indian Affairs;

(5) however, inherent limitations in the contracting philosophy and mechanism, coupled with cumbersome administrative procedures developed by the Bureau of Indian Affairs have effectively limited the efficiency and effectiveness of these programs;

(6) the provision of these services in the most effective and efficient form possible is necessary for tribes, the country, and the individuals to be served; and

(7) these services are part of the Federal Government's continuing trust responsibility to provide education services to American Indians and Alaska Natives.

SEC. 1613. PROGRAM AUTHORITY.

(a) IN GENERAL.—The Secretary shall, from the amounts appropriated for the purpose of supporting higher education grants for Indian students under the authority of the Act of November 2, 1921, popularly known as the Snyder Act (25 U.S.C. 13), make grants to Indian tribes in accordance with the requirements of this part to permit those tribes to provide financial assistance to individual Indian students for the cost of attendance at institutions of higher education.

(b) LIMITATION ON SECRETARY'S AUTHORITY.—The Secretary shall not place any restrictions on the use of funds provided to an Indian tribe under this part that is not expressly authorized by this part.

(c) EFFECT ON FEDERAL RESPONSIBILITIES.—The provisions of this part shall not affect any trust responsibilities of the Federal Government.

(d) NO TERMINATION FOR ADMINISTRATIVE CONVENIENCE.—Grants provided under this part may not be terminated, modified, suspended, or reduced only for the convenience of the administering agency.

SEC. 1614. QUALIFICATION FOR GRANTS TO TRIBES.

(a) CONTRACTING TRIBES.—Any Indian tribe that obtains funds for educational purposes similar to those authorized in this part pursuant to contract under the Indian Self-Determination and Education Assistance Act may qualify for a grant under this part by submitting to the Secretary a notice of intent to administer a student assistance program under section 1313. Such notice shall be effective for the fiscal year following the fiscal year in which it is submitted, except that if such notice is submitted during the last 90 days of a fiscal year such notice shall be effective the second fiscal year following the fiscal year in which it is submitted, unless the Secretary waives this limitation.

(b) NONCONTRACTING TRIBES.—Any Indian tribe that is not eligible to qualify for a grant under this part by filing a notice under subsection (a) may qualify for such a grant by filing an application for such a grant. Such application shall be submitted under guidelines for programs under the Indian Self-Determination and Education Assistance Act, as in effect on January 1, 1991, and shall be reviewed under the standards, practices, and procedures applicable to applications to contract under such Act as in effect on the date the application is received, except that—

(1) if the tribe is not notified that its application has been disapproved within 180 days after it is filed with the Secretary, the application shall be deemed to be approved;

(2) if the application is disapproved, the Secretary shall provide technical assistance to the tribe for purposes of correcting deficiencies in the application;

(3) the Secretary shall designate an office or official to receive such applications, and shall toll the 180-day period described in paragraph (1) from the date of receipt by such office or official; and

(4) applications shall be approved for the fiscal year following the fiscal year in which submitted, unless the Secretary waives the limitation of this paragraph.

(c) TERMINATION OF GRANTS.—

(1) CONTINUING ELIGIBILITY PRESUMED.—An Indian tribe which has qualified under subsection (a) or (b) for a grant under this part for any fiscal year shall continue to be eligible for such a grant for each succeeding fiscal year unless the Secretary revokes such eligibility for a cause described in paragraph (2).

(2) CAUSES FOR LOSS OF ELIGIBILITY.—The Secretary may revoke the eligibility of an Indian tribe for a grant under this part if such tribe—

(A) fails to submit to the Bureau an annual financial statement that reports revenues and expenditures determined by use of an accounting system, established by the tribe, that complies with generally accepted accounting principles;

(B) fails to submit to the Bureau an annual program description, stating the number of students served, and containing such information concerning such students, their educational programs and progress, and the financial assistance distributed to such students as the Secretary may require by regulation;

(C) fails to submit to the Secretary a biennial financial audit conducted in accordance with chapter 75 of title 31, United States Code; or

(D) fails, in an evaluation of its financial assistance program conducted by an impartial third party entity, to comply with standards under this part relating to (i) eligible students, programs, or institutions of higher education, (ii) satisfactory progress, or (iii) allowable administrative costs; as determined under contracts applicable to programs to provide financial assistance to individual Indian students for the cost of attendance at institutions of higher education administered by Indian tribes under the Indian Self-Determination and Education Assistance Act and in effect on January 20, 1991.

(3) PROCEDURES FOR REVOCATION OF ELIGIBILITY.—The Secretary shall not revoke the eligibility of an Indian tribe for a grant under this part except—

(A) after notice in writing to the tribe of the cause and opportunity to the tribe to correct;

(B) providing technical assistance to the tribe in making such corrections; and

(C) after hearings and appeals conducted under the same rules and regulations that apply to similar termination actions under the Indian Self-Determination and Education Assistance Act.

SEC. 1615. ALLOCATION OF GRANT FUNDS.

(a) ALLOCATION OF FUNDS.—

(1) IN GENERAL.—The Secretary shall continue to determine the amount of program

funds to be received by each grantee under this part by the same method used for determining such distribution in fiscal year 1991 for tribally administered and Bureau-administered programs of grants to individual Indians to defray postsecondary expenses.

(2) ADMINISTRATIVE COSTS.—In addition to the amount determined under paragraph (1), a grantee which has exercised the option given in section 1314(a) to administer the program under a grant shall receive an amount for administrative costs determined pursuant to the method used by the grantee during the preceding contract period. All other grantees shall receive an amount for administrative costs determined pursuant to the regulations governing such determinations under the Indian Self-Determination and Education Assistance Act, as in effect at the time of application to grants being made.

(3) SINGLE GRANT; SEPARATE ACCOUNTS.—Each grantee shall receive only one grant during any fiscal year, which shall include both of the amounts under paragraphs (1) and (2). Each grantee shall maintain this grant in a separate account.

(b) USE OF FUNDS.—Funds provided by grants under this part shall be used—

(1) to make grants to individual Indian students to meet, on the basis of need, any educational expense of attendance in a postsecondary education program (as determined under the contracts applying to the postsecondary education program administered by tribes under the Indian Self-Determination and Education Assistance Act (Public Law 93-638)), to the extent that such expense is not met from other sources or cannot be defrayed through the action of any State, Federal, or municipal Act, except that nothing in this subsection shall be interpreted as requiring any priority in consideration of resources; and

(2) costs of administering the program under this part, except that no more may be spent on administration of such program than is generated by the method for administrative cost computation specified in section 1315(a)(2).

SEC. 1616. LIMITATIONS ON USE OF FUNDS.

(a) USE FOR RELIGIOUS PURPOSES.—None of the funds made available under this part may be used for study at any school or department of divinity or for any religious worship or sectarian activity.

(b) INTEREST ON FUNDS.—No interest or other income on any funds made available under this part shall be used for any purpose other than those for which such funds may be used.

(c) PAYMENTS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this part in two payments—

(A) one payment to be made no later than October 1 of each fiscal year in an amount equal to one-half the amount paid during the preceding fiscal year to the grantee or a contractor that has elected to have the provisions of this part apply, and

(B) the second payment consisting of the remainder to which the grantee or contractor is entitled for the fiscal year to be made by no later than January 1 of the fiscal year.

(2) NEW GRANTEES.—For any tribe for which no payment was made under this part in the preceding fiscal year, full payment of the amount computed for each fiscal year shall be made by January 1 of the fiscal year.

(d) INVESTMENT OF FUNDS.—

(1) TREATMENT AS TRIBAL PROPERTY.—Notwithstanding any other provision of law, any interest or investment income that accrues on any funds provided under this part after such funds are paid to the Indian tribe or tribal organization and before such funds are expended for the purpose for which such funds were provided under this part shall be the property of the Indian tribe or tribal organization and shall not be taken into account by any officer or employee of the Federal Government in determining whether to provide assistance, or the amount of assistance, under any provision of Federal law.

(2) INVESTMENT REQUIREMENTS.—Funds provided under this part may be—

(A) invested by the Indian tribe or tribal organization only in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States, or

(B) deposited only into accounts that are insured by an agency or instrumentality of the United States.

(e) RECOVERIES.—For the purposes of underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived, funds received under this part shall not be taken into consideration.

SEC. 1617. ADMINISTRATIVE PROVISIONS.

(a) BIENNIAL REPORT.—The Secretary shall submit a biennial report to the Congress on the programs established under this part. Such report shall include—

(1) a description of significant administrative actions taken by the Secretary under this part;

(2) the number of grants made under the authority of this part;

(3) the number of applications denied for such grants and the reasons therefor;

(4) the remedial actions taken to enable applicants to be approved;

(5) the number of students served, by tribe;

(6) statistics on the academic pursuits of the students provided assistance under this part the average amount of assistance provided; and

(7) such additional information as the Secretary considered significant.

(b) ROLE OF THE DIRECTOR.—Applications for grants under this part, and all application modifications, shall be reviewed and approved by personnel under the direction and control of the Director of the Office of Indian Education Programs. Required reports shall be submitted to education personnel under the direction and control of the Director of such Office.

(c) APPLICATION OF INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT.—All provisions of sections 5, 6, 7, 105, 109, and 110 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450c et seq.), except those provisions pertaining to indirect costs and length of contract, shall apply to grants provided under this part.

(d) REGULATIONS.—The Secretary is authorized to issue regulations relating to the discharge of duties specifically assigned to the Secretary by this part. In all other matters relating to the details of planning, development, implementing, and evaluating grants under this part, the Secretary shall not issue regulations. Regulations issued pursuant to this part shall not have the standing of a Federal statute for the purposes of judicial review.

(e) RETROCESSION.—Whenever an Indian tribe requests retrocession of any program for which assistance is provided under this part, such retrocession shall become effective upon a date specified by the Secretary not more than 120 days after the date on which the tribe requests the retrocession, or such later date as may be mutually agreed upon by the Secretary and the tribe. If such a program is retroceded, the Secretary shall provide to any Indian tribe served by such program at least the same quantity and quality of services that would have been provided under such program at the level of funding provided under this part prior to the retrocession. The tribal governing body requesting the retrocession shall specify whether the retrocession shall be to a contract administered by the tribe, or a tribal entity, under the authority of the Indian Self-Determination Act or to a Bureau-administered program.

PART C—CRITICAL NEEDS FOR TRIBAL DEVELOPMENT ACT

SEC. 1621. SHORT TITLE.

This part may be cited as the "Critical Needs for Tribal Development Act".

SEC. 1622. DEFINITIONS.

As used in this part:

(1) The term "federally funded higher education assistance" means any grant assistance provided to an Indian student from funds made available for such purpose by contract or grant to an Indian tribe from amounts appropriated under the authority of the Act of November 2, 1921, popularly known as the Snyder Act (25 U.S.C. 13).

(2) The term "eligible Indian tribe or tribal organization" means any Indian tribe or tribal organization that qualifies to administer federally funded higher education assistance under a contract pursuant to the Indian Self-Determination and Education Assistance Act of 1975 or under a grant pursuant to the Higher Education Tribal Grant Authorization Act of 1991.

SEC. 1623. SERVICE CONDITIONS PERMITTED.

(a) IN GENERAL.—An eligible Indian tribe or tribal organization may, in accordance with the requirements of this part, require any applicant for federally funded higher education assistance, as a condition of receipt of such assistance, to enter into a critical area service agreement in accordance with section 1324.

(b) CRITICAL AREA DESIGNATION.—Any eligible Indian tribe or tribal organization that intends to require critical area service agreements shall, by a formal action of the tribal council or its delegate, designate particular occupational areas as critical areas for the economic or human development needs of the tribe or its members. The tribe or organization shall notify the Secretary of the Interior in writing of such designated critical areas. Such designations shall be applicable to federally funded higher education assistance for any fiscal year following the fiscal year in which the designation is made until such designation is withdrawn by the tribe or organization by formal action. The tribe or organization shall notify the Secretary of the Interior in writing of any designations that are withdrawn.

SEC. 1624. CRITICAL AREA SERVICE AGREEMENTS.

(a) TERMS OF AGREEMENTS.—A critical area service agreement shall be an agreement between an Indian student who receives or who shall receive federally funded higher education assistance and an Indian tribe or tribal organization providing such assistance in which the student agrees—

(1) to undertake a course of study at an eligible institution (as that term is defined in section 435(a) of the Higher Education Act of 1965) in an area of critical need, as determined under section 1323, and to pursue that course of study to its completion; and

(2)(A) to perform, for each academic year for which the student receives federally funded higher education assistance under a critical area service agreement, one calendar year of service to the tribe or organization in an occupation that is in a critical area designated by the tribe pursuant to section 1322(b), commencing not later than 6 months after the student ceases to carry at an institution of higher education at least one-half the normal full-time academic work load as determined by the institution; or

(B) to repay such assistance to the Secretary, together with interest thereon at a rate prescribed by the Secretary by regulation, in monthly or quarterly installments over not more than 5 years.

(b) SERVICE LIMITATIONS AND CONDITIONS.—The tribe or tribal organization shall agree that a student performing services under a critical area service agreement—

(1) shall be provided compensation, benefits, and working conditions at the same level and to the same extent as any other employee working a similar length of time and doing the same type of work;

(2) may be treated as providing services to the tribe or organization if the student provides services for members of the tribe or organization that are approved by the tribe or organization and agreed to by the student even though such services are performed while the student is employed by a Federal, State, or local agency or instrumentality or by a nonprofit or for-profit private institution or organization; and

(3) may obtain the benefits of a waiver or suspension in accordance with the requirements of subsection (c).

(c) WAIVER AND SUSPENSION OF SERVICE AGREEMENT.—

(1) WAIVER.—An Indian tribe or tribal organization may, by formal action, waive the service agreement of an Indian student for just cause, as determined in accordance with regulations prescribed by the Secretary. The tribe or organization shall notify the Secretary in writing of any waiver granted under this subsection.

(2) SUSPENSION.—The obligation of a student to perform services under a critical area service agreement—

(A) shall be suspended for not more than 18 months if, at the request of the student, the tribe or organization determines that there are no employment opportunities available in any critical service area; and

(B) shall be suspended if the student ceases to attend an institution of higher education as a consequence of an institutional determination of unsatisfactory performance.

If, at the end of a period of suspension under subparagraph (A), there are still no employment opportunities available in any critical service area, the student's obligations under the agreement shall terminate. A suspension under subparagraph (B) shall be reviewed by the tribe or organization annually, but may be continued indefinitely.

(d) PRO RATA REDUCTION FOR PARTIAL SERVICES.—The Secretary shall, by regulation, provide for the pro rata reduction of repayment obligations under subsection (a)(2) in the case of any student who partially completes the service obligation of that student under subsection (a)(1).

(e) CERTIFICATION OF SERVICE.—An Indian tribe or tribal organization receiving services under a critical area service agreement—

(1) shall establish procedures for monitoring and evaluating the provisions of this part, and provide a copy of such procedures to the Secretary and to each individual providing services under a critical area service agreement;

(2) shall annually certify to the Secretary the identities of the individuals performing service under such agreements; and

(3) shall annually certify to the Secretary the amount of service performed, and the amount remaining to be performed, by each such individual under such agreements.

SEC. 1625. GENERAL PROVISIONS.

(a) APPLICATION OF EXISTING PROCEDURES.—Except as provided in subsection (b), the requirements relating to student eligibility, needs analysis, and determination of eligibility for the program to be attended regularly incorporated by reference into contracts under the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638) for tribal operation of higher education grant programs prior to January 1, 1991, shall apply.

(b) ADDITIONAL, EXCESS, AND INCREMENTAL COSTS.—The tribe or tribal organization may establish in writing, subject to the review of the Secretary, procedures for determining additional, excess, or inducement costs to be associated with grants for critical area service agreements.

PART D—INSTITUTE OF AMERICAN INDIAN NATIVE CULTURE AND ARTS DEVELOPMENT

SECTION. 1631. INSTITUTE OF AMERICAN INDIAN NATIVE CULTURE AND ARTS DEVELOPMENT.

(a) BOARD OF DIRECTORS.—Section 1505 of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4412) is amended—

(1) in subsection (a)(1)(A)—

(A) by striking "The voting" and inserting "Subject to the provisions of subsection (i), the voting"; and

(B) by inserting before the period at the end thereof a comma and the following: "and diverse fields of expertise, including finance, law, fine arts, and higher education administration";

(2) by redesignating paragraph (3) of subsection (a) as paragraph (4);

(3) by inserting after paragraph (2) of such subsection the following new paragraph:

"(3) The President shall carry out the activities described in subparagraphs (B) and (C) of paragraph (2) through the Board. The Board may make recommendations based upon the nominations received, may make recommendations of its own, and may review and make comments to the President or the President's appointed staff on individuals being considered by the President for whom no nominations have been received."; and

(4) by striking subsection (i) and inserting the following:

"(i) APPOINTMENT EXCEPTION FOR CONTINUITY.—

"(1) In order to maintain the stability and continuity of the Board, the Board has the power to recommend the continuation of members on the Board pursuant to the provisions of this subsection. When the Board makes such a recommendation, the Chairman of the Board shall transmit the recommendation to the President no later than 75 days prior to the expiration of the term of the member.

"(2) If the President has not transmitted to the Senate a nomination to fill the position of a member covered by such a recommendation within 60 days from the date that the member's term expires, the member shall be deemed to have been reappointed for another full term to the Board, with all the appropriate rights and responsibilities.

"(3) This subsection shall not be construed to permit less than 7 members of the Board to be Indians. If an extension of a term under paragraph (2) would result in less than 7 members being Indians, the term of the member covered by paragraph (2) shall be deemed to expire 60 days after the date upon which it would have been deemed to expire without the operation of this subsection, except that the provisions of subsection (b)(4), relating to continuation of service pending replacement, shall continue to apply.".

(b) GENERAL POWERS OF BOARD.—Section 1507 of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4414) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (3) through (13) as paragraphs (4) through (14), respectively;

(B) by striking paragraph (2) and inserting the following:

"(2) to make agreements and contracts with persons, Indian tribes, and private or governmental entities and to make payments or advance payments under such agreements or contract without regard to section 3324 of title 31, United States Code;

"(3) any other provision of law to the contrary notwithstanding, to enter into joint development ventures with public or private commercial or noncommercial entities for development of facilities to meet the plan required under section 1519, if the ventures are related to and further the mission of the Institute;"; and

(C) by striking paragraph (13), as redesignated, and inserting the following:

"(13) to use any funds or property received by the Institute to carry out the purpose of this chapter, including the authority to designate on an annual basis a portion, not to exceed 10 percent, of the funds appropriated pursuant to section 1531 for investment, without regard to any other provision of law regarding investment or disposition of federally appropriated funds, on a short-term basis for the purpose of maximizing yield and liquidity of such funds; and"; and

(2) in subsection (c), by striking "may be expended" and inserting "shall be expended".

(c) STAFF OF INSTITUTE.—Section 1509(b)(2) of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4416(b)(2)) is amended to read as follows:

"(2) The President of the Institute shall fix the basic compensation for officers and employees of the Institute at rates comparable to the rates in effect under the General Schedule for individuals with comparable qualifications and positions, to whom chapter 51 of title 5, United States Code applies.".

(d) FUNCTIONS OF INSTITUTE.—Section 1510(b) of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4417(b)) is amended to read as follows:

"(b) ADMINISTRATIVE ENTITIES.—

"(1) The Board shall be responsible for establishing the policies and internal organization that relate to the control and monitoring of all subdivisions, administrative entities, and departments of the Institute.

"(2) The specific responsibilities of each subdivision, entity, and department of the Institute are solely within the discretion of the Board, or its designee.

"(3) The Board shall establish within the Institute—

"(A) a department for the study of culture and arts;

"(B) a department for research and exchange; and

"(C) a museum.

"(4) The Board shall establish the areas of competency for the departments created under paragraph (3), which may include arts and sciences, visual arts, performing arts, language, literature, museology, a learning resources center, programs of institutional support and development, research programs, fellowship programs, seminars, publications, scholar-in-residence programs and inter-institutional programs of cooperation at national and international levels.".

(e) Indian Preference.—Section 1511(a) of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4418(a)) is amended by inserting immediately after the words "is authorized to" the words "develop a policy or policies for the Institute to".

(f) Transfer of Functions.—Section 1514 of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4421) is amended—

(1) in subsection (b)(1), by striking "All personnel" and inserting "Subject to subsection (d), all personnel"; and

(2) in subsection (d)(2), by striking "monetary damage" and inserting "monetary damages".

(g) Reports.—Section 1515(b) of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4422(b)) is amended—

(1) by striking paragraph (1); and

(2) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3).

(h) Headquarters.—Section 1516 of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4423) is amended—

(1) by striking "The site of the Institute of American Indian Arts, at"; and

(2) by striking "the Secretary" and inserting "the Board".

(i) Compliance With Other Acts.—Section 1517 of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4424) is amended—

(1) by redesignating the text of subsection (c) as paragraph (1) of such subsection; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Institute shall not be subject to any provision of law requiring that non-Federal funds or other moneys be used in part to fund any grant, contract, cooperative agreement, or project as a condition to the application for, or receipt of, Federal assistance. This subsection shall not be construed to effect in a negative fashion the review, prioritization, or acceptance of any application or proposal for such a program, solicited or unsolicited.".

(j) Endowment Program.—Section 1518 of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4425) is amended—

(1) in subsection (a)(3), by striking "the date of enactment of this Act" and inserting "November 29, 1990";

(2) in subsection (b)(4) after "any private", by inserting ", non-Federal governmental,"; and

(3) in subsection (c)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph:

"(3) Notwithstanding any other provision of law, any amounts deposited in a trust fund authorized under subsection (a) may be used to secure loans procured for the purposes of constructing or improving Institute facilities.".

(k) Provision of Facilities.—Part A of title XV of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4401 et seq.) is amended by adding at the end the following new section:

"SEC. 1519. PROVISION OF FACILITIES.

"(a) Plan.—

"(1) In general.—Within 18 months after the date of enactment of this section, the Board shall prepare and transmit to the Congress a master plan on the short- and long-term facilities needs of the Institute.

"(2) Contents of plan.—The master plan shall include a prioritization of the Institute's needs and shall evaluate—

"(A) all facets of existing Institute programs, including support activities and programs and facilities;

"(B) the possible impact of the Institute's move to a new site;

"(C) the development and construction requirements, based on a growth plan approved by the Board, including items such as infrastructure and site analysis; and

"(D) development of a phased plan with architectural and engineering studies, cost projections, landscaping, and related studies which cover all facets of the Institute's programs and planned functions.

"(b) Funds To Assist Construction.—

"(1) In general.—From the general funds for the provision of facilities to Federal entities, the Administrator of General Services shall provide to the Institute funds to defray the expenses associated with constructing facilities included within the plan required under subsection (a), and shall enter into a long-term contract of not less than 20 years with the Institute to provide such funds.

"(2) Amount of assistance.—Funds under this subsection shall be provided directly to the Institute by the Administrator of General Services in an amount equal to the total square footage encompassed within the plans required under subsection (a), divided by 3 and multiplied by the average cost of square footage for facilities of institutions of higher education in the region in which the Institute is located, or in the Santa Fe, New Mexico, area, whichever is greater.

"(3) Offset.—The amount of the payment under paragraph (2) shall be decreased by any sums specifically appropriated under authority of this Act to offset these funds.

"(4) Commencement of payments.—Payments under this subsection shall begin in the fiscal year following the fiscal year in which the report required by subsection (a) is submitted.

"(5) Administrative provisions.—

"(A) Separate account.—The Institute shall keep such funds in a separate account, under such terms as may be agreed upon by the Institute and the Administrator of General Services, and shall use the principal and interest on such funds to defray expenses associated with providing facilities under the plan required pursuant to subsection (a).

"(B) Expenditures.—Subject to subparagraph (A), any expenditures of the funds provided by this section shall be at the discretion of the Institute.

"(C) Oversight.—The Institute shall allow, to the extent practicable, the Administrator of General Services to audit and monitor the use of the funds provided by this section.".

PART E—AMERICAN INDIAN POST-SECONDARY ECONOMIC DEVELOPMENT SCHOLARSHIP

SEC. 1641. AMERICAN INDIAN POSTSECONDARY ECONOMIC DEVELOPMENT SCHOLARSHIP.

(a) Program Authorized.—The Secretary of Education through the Office of Indian Education is authorized to make grants, in accordance with the provisions of this part, to federally recognized Indian tribes which lack sufficient numbers of professionally trained tribal members to support established or ongoing economic development initiatives. Priority shall be given to tribes which are not served by federally funded postsecondary institutions. The purpose of such grants is to enable such tribes to make scholarships available to tribal members to assist such members to pursue courses of study leading to an undergraduate or postbaccalaureate degree in order to provide professionally trained tribal members to support such economic development initiatives on Indian reservations.

(b) Designation.—A scholarship awarded under this part shall be referred to as an "American Indian Post-Secondary Economic Development Scholarship" (hereafter referred to in this part as "scholarship").

SEC. 1642. INDIAN SCHOLARSHIPS.

(a) Selection.—Each Indian tribe receiving a grant pursuant to this part for the purpose of providing scholarships shall select tribal members eligible to receive such scholarships. In determining grant recipients the Office of Indian Education shall consider—

(1) geographic distribution of grants; and

(2) a tribal economic plan which demonstrates how individual recipients shall benefit the economic conditions of the tribe.

(b) Criteria.—Each Indian tribe, in consultation with the Secretary of Education, shall give preference to select, as those tribal members eligible to receive such scholarships, tribal members who have successfully completed at least 30 hours of postsecondary education and who are eligible for readmission to a postsecondary institution.

SEC. 1643. SCHOLARSHIP CONDITIONS.

(a) Scholarship Agreement.—Each tribal member receiving a scholarship under this part shall enter into an agreement, satisfactory to the Secretary of Education and the tribal government awarding such scholarship, under which such member agrees—

(1) to utilize the proceeds of such scholarship to pursue a course of study which meets the requirements of the State in which the educational institution is located for an undergraduate or postbaccalaureate degree;

(2) upon the acquisition of such degree, to work, one year for each year of financial assistance under this part, on the Indian reservation in employment related to the course of study pursued which will support economic development initiatives on such reservation; and

(3) to maintain satisfactory academic progress while in an undergraduate or postbaccalaureate program.

(b) Repayments.—Each tribal member found by the Secretary of Education to be in noncompliance with the agreement pursuant to subsection (a)(2) shall be required to repay—

(1) 100 percent of the total amount of scholarships awarded under this part if such tribal member does not work pursuant to such agreement; or

(2) a pro rata portion of the total amount of scholarships awarded under this part, as determined by the Secretary of Education, if such tribal member worked pursuant to such agreement but less than the time period required thereunder.

(c) Waiver and Suspension of Service Agreement.—(1) An Indian tribe may, by formal action, waive the service agreement of a tribal member for just cause, as determined in accordance with regulations prescribed by the Secretary. The tribe shall notify the Secretary in writing of any waiver granted under this subsection.

(2) The obligation of a tribal member to perform services under this part—

(A) shall be suspended for not more than 18 months if, at the request of the tribal member, the tribe determines that there are no employment opportunities available in any applicable area; and

(B) shall be suspended if the tribal member ceases to attend an institution of higher education as a consequence of an institutional determination of unsatisfactory performance.

If, at the end of a period of suspension under subparagraph (A), there are still no employment opportunities available which fulfill the requirements of this part, the tribal member's obligations under the agreement shall terminate. A suspension under subparagraph (B) shall be reviewed by the tribe annually, but may be continued indefinitely.

(d) DISCLAIMER.—No scholarship awarded pursuant to this part shall be considered in determining eligibility for student assistance under title IV of the Higher Education Act of 1965.

(e) LIMITATION.—Any tribal member selected by an Indian tribe to receive a scholarship under this part shall be eligible to receive a $10,000 scholarship for each academic year of postsecondary education, except that no such member shall receive scholarship assistance under this part for more than 4 years of postsecondary education (including postbaccalaureate).

(f) COST OF ATTENDANCE.—Calculation of the cost of attendance for the tribal member shall include all costs as determined by the tribe for the purposes of fulfilling the policy of this part.

(g) ADDITIONAL REQUIREMENTS.—Any tribal member seeking a loan under this part shall apply for and accept the maximum financial aid available from other sources. However, for purposes of determining eligibility, loans provided under this program may not be considered in needs analysis under any other Federal law, and may not penalize tribal members in determining eligibility for other funds.

(h) APPLICATIONS FOR ASSISTANCE.—Any Indian tribe desiring a grant under this part shall submit an application to the Secretary of Education at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall—

(1) describe the shortages on the reservation of such Indian tribe of professionally trained tribal members necessary to support economic development initiatives on such reservation;

(2) provide assurances that the Indian tribe will assist in employment placement on the reservation of tribal members receiving scholarship assistance under this part; and

(3) provide assurances that any tribal member performing work pursuant to this part will be provided compensation, benefits, and working conditions at the same level and to the same extent as any other employee working a similar length of time and doing the same type of work.

SEC. 1644. REPORT.

Each Indian tribe receiving a grant pursuant to this part shall annually report to the Secretary concerning the administration of such grant, including the identities of any individual receiving a scholarship pursuant to this part, and of any individual performing service pursuant to his or her commitment under this part.

SEC. 1645. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out the provisions of this part, there are authorized to be appropriated—

(1) $2,000,000 for fiscal year 1993;
(2) $4,100,000 for fiscal year 1994;
(3) $6,200,000 for fiscal year 1995;
(4) $8,300,000 for fiscal year 1996;
(5) $10,400,000 for fiscal year 1997;
(6) $12,500,000 for fiscal year 1998; and
(7) $14,600,000 for fiscal year 1999.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I rise in support of S. 1150, the bill to reauthorize the Higher Education Act of 1965. This is very important legislation, for it is through the Higher Education Act that the dream of access and opportunity for a college education becomes a reality. It is in this act that we say that a lack of financial wealth shall not and will not stand in the way of a person who has the talent, desire, and drive to reach out for a college education. The Higher Education Act is, without question, one of the most important pieces of Federal legislation in existence, and our reauthorization of it is vital.

Floor consideration of S. 1150 marks the culmination of over a year of very hard work on reauthorization. When we began our hearings in February of last year, I outlined a series of concerns I believed we should address in this reauthorization. As the full Senate begins to consider this legislation, I believe it important to understand how we have addressed those concerns in this bill.

First, in higher education, the needs of deserving students have always come first. We stand by that commitment. Well over 90 percent of the funds authorized in this bill will go to student aid. This will insure that the Federal dollar in higher education will remain a student aid dollar.

Second, with the bill before us, the Federal Government will continue to be the dominant player in student aid. Today, about 75 percent of all student aid comes from the Federal Government. Without Federal aid, educational opportunity in American higher education simply would not exist. We strengthen the Federal role in this legislation and in so doing, we hope to end, once and for all, any question, any reservation, any doubt about our commitment to insuring access and opportunity to deserving students.

Third, we seek in this legislation to make grants, and not loans, the major form of student aid. We authorize a $3,600 maximum Pell grant for fiscal 1993, with $200 annual increases thereafter.

Over the past decade, the costs of a college education have risen 135 percent. Family income, however, has increased only half that, and the value of a Pell grant has actually declined. Where it covered 41 percent of the costs of a college education in 1980, today it covers only 26 percent. It is imperative that we reverse this situation, and that is precisely what our legislation seeks to do.

For the poor, we increase the amount of Federal student aid that is available not only in the Pell grant but also in supplemental grants, loans and college work study. This is important to keeping the doors of access and opportunity open for students who simply do not have the financial wherewithal to pay for a college education, and for whom Federal preograms are a first and last resort.

For hard-pressed middle-income families, we bring Federal aid once again within their reach. By removing the consideration of farm and home equity for families with incomes of less than $50,000, middle-income families will once again have access to Pell grants, guaranteed loans, and campus-based aid. In the supplemental loan program, we allow all dependent students to borrow if they have a cosigner.

Fourth, for low-income students and for those who are the first in their family to attend college, S. 1150 offers important incentives for States to establish early intervention programs. In fashioning S. 1150 we were particularly impressed with such programs as the Liberty Scholarships in New York, the Children's Crusade in Rhode Island, and the programs put into place through the efforts of Patrick Taylor from Louisiana.

Fifth, while minorities are an increasing percentage of our population, fewer attend and graduate from college and even fewer pursue graduate education or a career in teaching. In this reauthorization bill, we pay special attention to the needs of minorities with new programs to encourage the pursuit of teaching and graduate education, as well as a renewed commitment to well-proven programs such as those in title III and TRIO.

Sixth, we simplify the complex application system that bewilders families and lawmakers alike. For families with incomes less than $50,000 we will have a simplified application process. We will require only one system for determining need for all Federal student aid programs. And, we mandate the development of a simplified process to be used in reapplying for Federal student aid.

Seventh, we provide a series of new, stiff measures to restore public confidence to the loan program. Schools with default rates above 25 percent will be dropped from Federal loan program participation. Schools that engage in questionable practices will find themselves ineligible to take part in all Federal student aid programs. And, those who seek to cheat students and the Federal Government will be prosecuted to the fullest extent of the law with harsher fines and stiffer sentences.

Eighth, to insure that quality is the byword of American higher education, we provide new, tough Federal standards for all areas of the TRIAD: namely accreditation, State licensing, and Federal eligibility and certification.

We will put all schools through the paces in order to make sure that only good schools are left in the system.

Ninth, we all know our Nation faces a severe problem with respect to the sad state of our academic and library facilities. Learning is stymied when facilities are not up-to-date, laboratories are not state of the art, and libraries are inadequate. Accordingly, we provide a new program of Federal assistance to improve academic and library facilities on a State-by-State basis.

Tenth, we recognize when and where programs are working and working well. Thus, we not only continue but also enhance a series of very important programs already in existence, programs such as Cooperative Education, International Education, the Peace Institute, and the Fund for Improvement of Postsecondary Education.

Eleventh, we recognize that the teacher is the linchpin to a quality education. The programs in this reauthorization bill seek to bring new, talented people into teaching, and to provide the professional enhancement that will keep them in the classroom. From a new Teacher Corps to National and State Teacher Academies, from the National Board for Professional Teaching Standards to Alternative Routes for Teacher and Principal Certification, from the Paul Douglas Teacher Scholarship Program to New Careers for Teachers, we offer a host of new and improved programs to improve the quality of the American teacher.

Finally, as I said at the outset, in this legislation we recommit ourselves to the goal inherent in this bill: making sure that every American who has the talent, drive and desire can pursue the higher education of their choice. Lack of personal wealth should not stand in their way. And doubt about the quality of their education should be nonexistent. As I said in our opening hearing, for far too many Americans those are objectives that today are only dreams. This legislation seeks to make those dreams a reality.

In closing, I would pay credit, as has been the history of this subcommittee for many, many years, to the bipartisan nature and cooperative work that the minority and majority have engaged in.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I, too, would like to express my appreciation to Senator PELL as chairman of the Education Subcommittee who has always lent such extraordinary leadership on education issues, with a great deal of thoughtfulness and dedication, to education, and works to pull bipartisan support together, which I think has always given us strong education bills on the floor.

The Higher Education Act represents a substantial Federal investment in postsecondary education. In fact, I think it is important to note at this point that President Bush, in sending forward his budget, increased education funding in total discretionary funding more than he did any other part of the budget. It was an increase of about 10 percent and that does not include the Head Start moneys which were increased as well.

But this higher education reauthorization supports a variety of programs for institutions of higher education, including libraries, institutional support, teacher training—much of what Senator PELL mentioned.

By far, however, the most significant Federal investment is student financial aid. Last year, the Federal Government spent approximately $11 billion for student aid programs and generated another $7 billion in private capital through loan guarantees.

This bill takes a number of positive and important steps in directions that we should be heading. I would like to highlight a few of the themes this addresses.

The chairman of the subcommittee has done so in many of the areas, but one I think is particularly important which may not get really focused on because it does not capture one's attention and does not have dollars in it. This bill, contains a number of strong provisions designed to ensure program integrity in nearly every area of the Federal Government.

We have heard repeated calls for greater accountability. Increasingly, Americans are wondering if Congress can really be trusted with their tax dollars.

Certainly, the record $3.6 billion that we spent in student loan default costs last year does little to instill public confidence. Through recent reconciliation bills, we have attempted to clean up problems and program abuses—including the elimination of institutions with excessively high default rates, from the program. The Department of Education has also initiated a number of new efforts to strengthen its enforcement efforts.

This reauthorization bill continues and builds upon these efforts by taking steps such as:

Reducing to 25 percent—and it is now phased down from 35 to 30 percent over 3 years and this would immediately reduce to 25 percent over a 3-year period, cumulative—the default trigger for eliminating institutions from the program;

Improving means for tracking students in repayment;

Eliminating the use of commission sales representatives for student recruitment;

Eliminating short-term and correspondence programs from eligibility for loan programs;

Improving the exchange of information among licensing agencies, accreditation bodies, and the Department of Education regarding questionable practices in institutions; and

Strengthening criminal penalties for program fraud.

Perhaps more important, the bill goes beyond trying to correct problems which have already occurred and emphasizes preventing problems before they occur.

Specifically, the bill strengthens requirements related to accreditation, State licensing, and Federal eligibility and certification—the TRIAD Program of which Senator PELL spoke—of institutions which participate in student aid programs.

For the first time, the higher education bill will spell out minimum standards for accreditation and State licensure. The Department of Education has often placed undue reliance on accreditation and licensure in its review of institutions—yet clear expectations of what accreditation and licensure should entail have never been stated. These are easy to really lay out.

In the bill it strengthens, I think, the hand of the Department of Education in its review of institutions seeking eligibility and program participation.

I would take note of the fact that the bill also authorizes financial assistance to the States in undertaking additional licensing requirements—in view of the fact that many States will be in a position of having to beef up their current efforts in this area.

The bill also calls for development of institutional performance standards so that we can get a better look at how institutions are doing in areas such as graduation and job placement rates.

Another important effort, and one which I strongly support, and much time and effort was put into, is the simplification of the student aid process. Until one tries to fill out a student aid form, I think he or she has no idea of the labyrinth of unnecessary questions that frequently seem to be on a student aid application form.

Students and their families have faced a dazzling array of application forms and questions. These students have a diverse range of needs and a diverse range of questions have been designed to determine what those needs might be. But at the same time, we must recognize that there comes a point where the sheer complexity of the process does more harm than good.

Among the provisions designed to simplify the process are:

A single-need analysis for all Federal student aid programs;

Eliminaton of several elements from need analysis so that the number of questions that will have to be answered will be reduced;

Clear delineation of questions required for Federal aid;

Notification to students when loans are sold; and

A reduction of the loan deferment categories. That is reduced from 11 to 4, for example.

The bill also reduces assistance to students by:

Increasing the loan limits that will go in total undergraduate loan limits from $17,000 to $21,000;

Eliminating consideration of home and farm equity for families with incomes below $50,000; and

Increasing the authorized Pell maximum grant from $3,100 to $3,600.

I might just state, Mr. President, frequently our authorization on the Pell grant amount is far greater than the appropriation that is made.

Perhaps one of the most troublesome efforts with regard to this bill is trying to offer more generous assistance to students at a time when budget constraints leave little room for significant growth. In terms of the loan provisions, the bill balances cost increases with offsetting savings.

This, however, is not the case with grants. The one area of disagreement that I have had with the provisions of the bill call for a Pell grant entitlement beginning in fiscal year 1997, and its requirement for forced borrowing from subsequent years in fiscal years 1995 and 1996.

As much as anyone might like to see more generous grants supported, establishing a new entitlement program has consequences far beyond the immediate gains. Spending money we do not have and making that spending virtually uncontrollable by giving it entitlement status simply contributes to a debt burden which will come due to our children. Later during this debate, this will be discussed further.

Finally, this bill makes a start toward promoting higher standards in preparation for postsecondary work by establishing an early intervention program. In addition, it authorizes additional Pell grant assistance to students who complete a specified set of academic courses in high school. This proposal should have a positive impact on encouraging schools to offer a demanding curriculum and encouraging students to pursue it if they wish to go on to college.

The potential for this type of approach was illustrated by an experience at Suitland High School in Prince Georges County, where SAT scores of students increased by over 100 points in 1 year. A major explanation for this improvement was the fact that all students at the school have been offered more challenging academic programs and encouraged to take higher-level courses.

I was struck by an editorial by Robert Samuelson, which appeared last year in the Washington Post, in which he argued that Federal student aid programs could and should be used to motivate students to work harder in high school. Admittedly, it is difficult to use the higher education to drive reform in the lower level of schooling, or give greater value to a high school diploma, even though I think we all believe that this course is very important. Those decisions must be made at the local school district and with the strong support of patrons of that district.

Mr. Samuelson's solution to require students to pass a test in order to receive Federal aid is not one that strikes me as being particularly effective. Nevertheless, I believe he strikes a nerve in observing "that the idea that postsecondary education should be earned by academic achievement has vanished."

And I think that is very true, Mr. President.

Far too often, the institutions of higher education are finding it necessary to offer remedial courses for too many of their students.

And that both trivializes higher education, as well as diminishes the value a student will get in return.

I believe there would be a much more effective climate for an expansion of student aid if there were a feeling that all students entering our institutions of higher education were prepared to benefit from that experience. Certainly, the issue of high academic standards is one which must be addressed on a number of fronts, and there is no single answer.

We do have an opportunity with this bill to move toward that goal, and while this may seem tedious an explanation on some of the aspects of the higher education reauthorization, I think they are small and significant but important steps.

It certainly has been the dedication of this committee and certainly this Subcommittee on Education to try to do what we can in this reauthorization bill, to aim toward these goals, to improve the process so we can accomplish what we all will agree is very important.

Again, I will say this bill, I believe, taken as a whole, moves us in a very positive direction. I very much appreciate the support of all on the committee and other Senators who have had an interest in this, in working on this to conclusion.

The PRESIDING OFFICER (Mr. ROBB). The Senator from Massachusetts [Mr. KENNEDY] is recognized.

Mr. KENNEDY. Mr. President, first of all, I want to express my appreciation, speaking for our committee, for the majority leader for scheduling this extraordinarily important education legislation early in this part of the session. I think all of us understand the enormous importance that the American people place upon education policy.

I think the fact that we have the opportunity to address this particular legislation at this time is very, very reasurring to all of them; hopefully, it is. We welcome the fact that we are having this debate at this period of the session.

We thank the minority leader, Senator DOLE, as well, for his cooperation.

As chairman of the Human Resources Committee, I want to once again pay tribute to the chairman of the Education Committee and the ranking minority member. This legislation follows a very strong bipartisan tradition in our committee, starting with Senator PELL and former Senator Stafford of Vermont. For a while, it was Senator Stafford and then Senator PELL, when this body was controlled by the Republican Party; and now again, Senator PELL and Senator KASSEBAUM.

I think they have done really yeomen's service in the preparation of this legislation, and particularly in accommodating a number of different recommendations that were made over the period of very, very extensive hearings.

I am mindful now, as we consider this legislation, 5-year authorization, of the earlier work some 20 years ago, when this body and the committee was considering what the appropriate role was going to be in the area of the Federal Government and its relationship with institutions of higher learning and individual families and students.

At that time, there was a very extensive debate about what form the help and the assistance should be in the areas of higher education. There really was one Senator, the Senator from Rhode Island, who really stuck by his very firm beliefs on how that should be structured. From that kind of early works some 20 years ago, the framework for the whole higher education legislation since that time has followed.

I think it a very wise decision, a decision to make sure that whatever was going to be the role of the Federal Government was going to be in partnership with the student. And to have the institutions of higher learning responding to the needs of students, rather than providing the direct help and assistance to the universities, and then having the students just respond to the universities.

I think this judgment, which was very extensively debated and very, very controversial, has been vindicated over the period of the last 20 years, as we have seen, as a result of this partnership of the Federal Government working with the universities, and in the more recent times, working more effectively with the private sector, working with States and in expanded cooperation with the local communities has really made us the envy of the world.

In the last several months, of the valuation of the great universities all over the world, I believe it was close to 115 of them were all here in the United States. It is one of the extraordinary achievements of recent times.

It is not that there are not other kinds of issues and other matters of importance that we have to address, and other needs in terms of the universities.

But, nonetheless, in considering this legislation, I think it is important to review the history briefly from where we have come in order to really evaluate this regulation and to understand where we are trying to go.

That great tradition that was developed by Senator PELL and Senator STAFFORD has been replicated with the very strong and vigorous leadership of Senator KASSEBAUM, who has spent an extraordinary amount of time on the issues of education generally and, in particular, higher education. Hopefully, we can address this legislation today, or in the not too distant future, and resolve some of the matters that may be raised.

I know I can speak for the floor manager when we ask our colleagues who do have amendments if they will come to the floor at the earliest possible time so we can address these amendments. Some have been already filed with the committee, and we want to move along with the amendments through the course of the afternoon and certainly through the evening and tomorrow as well.

Mr. President, today we take up the higher education bill, the second in a series of major bills in this Congress to reform and improve all aspects of American education.

Higher education is a principal key to American domestic growth and to our competitiveness in world markets. The demand for highly skilled and educated workers is greater than ever before. The Nation cannot afford to have members of the work force handicapped by incomplete preparation. Yet over the last 15 years, the cost of college education has increased much faster than the cost of living. Higher education is increasingly out of reach for low- and middle-income Americans.

Unlike other industrialized democracies, this country expects students and their families to bear the primary burden of paying for higher education.

The reauthorization of the Higher Education Act is an opportunity to improve the current system in order to give more students the opportunity to pursue a college education and achieve their full potential.

Nearly two out of every three 1980 high school seniors attempted to go on to some form of postsecondary education with 6 years of their high school graduation. But after 6 years, only 40 percent had completed a bachelors degree, and 44 percent had dropped out. Clearly, we must dedicate our efforts to making higher education more accessible to more students, and to helping students who enroll in college to finish their degrees.

If we are to improve the academic performance and retention of our students, we must attack the problem at all levels of the educational system.

First, we must take steps to see that all children start school ready to learn. The best way to achieve this goal is by ensuring that all eligible children are served by the Head Start Program. The education and social services provided by Head Start are proven cost effective—every dollar spent in Head Start saves almost $5 in later costs for welfare, unemployment, and crime.

S. 911, legislation which I introduced and which was reported by the Senate Labor Committee in the last session, is now on the Senate Calendar. By making Head Start accessible to all, it will assure that all students are at least given the chance to succeed.

Second, we must find ways to improve the quality of America's public schools. The leadership and commitment necessary to carry out reform is available and waiting to be tapped at the local level. The teachers who work with students are the ones who know what it will take to succeed. S. 2, which the Senate passed nearly unanimously just a few weeks ago, provides substantial resources to help local schools design and implement school restricting plans.

Third, we must take steps to improve the school-to-work transition. Many high school students do not go to college or do not consider college. These students become the front-line workers upon whom the Nation's future productivity and competitiveness depend. Yet we do very little to assist them, or to train them for work.

Ultimately, we all lose if students do not have the means to meet basic standards in today's job market. Late last year, I introduced S. 1790, legislation to make the investment in human capital necessary to train our future workers while they are still in high school. I intend to make this bill one of the Labor Committee's top priorities in 1992.

Finally, we must take steps to expand access to postsecondary education, and that is the purpose of the legislation before us today, S. 1150. The Higher Education Reauthorization Act is designed to increase access to postsecondary education for all students.

This legislation mandates reform in several key areas of our higher education system. One of the central goals of this reauthorization is to expand student aid for middle income families. The legislation accomplishes this goal by authorizing a long-overdue increase in the size of Pell grants, and by raising limits on college loans, in order to help students keep up with the rising cost of tuition.

In addition, we have expanded eligibility for guaranteed student loans, and we have eliminated consideration of home and farm equity for families with incomes below $50,000 in determining eligibility for the student aid program.

In the past, the inclusion of the value of a family home or farm in the calculation of need has meant that many hardworking middle income families have not been able to qualify for student aid. Rather than ask these families to mortgage their homes in order to be able to pay the rising cost of a college education, this bill makes it possible for them to borrow money at a low interest rate in order to send their children to college.

Another key goal in this legislation is to simplify access to student aid. Currently, the application process is extremely complex, and discourages many students from applying for aid. We have established a single need analysis formula to calculate eligibility, and we have mandated the implementation of a simplified, single application form. In addition, we have established automatic eligibility for the neediest students, and have excluded the valuation of all assets from need analysis for families filing a 1040EZ tax return. We have also created a new streamlined reapplication process.

One of the issues of most serious concern is to end the fraud and abuse in the Student Loan Program. In the past 5 years, we have seen an unacceptable increase in loan defaults. Most of these defaults can be attributed to schools that fail to deliver on their promise to prepare students for the job market. The default rate at proprietary schools increased from 26 percent in 1988 to 35 percent in 1989. During the same time period, the default rate at 4-year private and public colleges has remained steady at 6 percent.

Unfortunately, we have seen a continuing proliferation in the number of fly-by-night proprietary schools which are more interested in making a profit than training students. Too often, their graduates are unable to find employment and are saddled with a student loan debt which they cannot repay.

In order to exert greater control over schools that participate in the program, we have strengthened the three parts of the approval process and implemented several of the recommendations in Senator NUNN's excellent report on curbing fraud and abuse.

Schools with default rates over 25 percent will no longer be eligible to participate in the program. Short-term proprietary schools and correspondence schools have been eliminated from the program entirely. These changes will help insure that the loans we are subsidizing are providing students with a reasonable education.

We have also significantly expanded our early intervention efforts. The current rate of school dropouts is a national disgrace and a major educational and economic problem. The severity of this challenge is compounded by the fact that the proportion of students at risk of school failure—those from non-English language backgrounds, from single-parent households, or from poor families—is on the rise in schools across the Nation. To prevent students from dropping out and encourage them to pursue a college education, we must help them earlier in the educational pipeline. Included in this legislation is the ACCESS initiative, a Federal program modeled after Eugene Lang's successful "I Have a Dream" program.

The ACCESS Program has three goals: To create and expand early intervention programs to help at-risk youth finish high school; to provide college scholarships; and to upgrade the courses taken by high school students. The initiative identifies at-risk students in the sixth through eighth grades, and provides funding for early intervention programs to keep them in school.

These intervention programs, operated by community-based organizations or local schools, continue throughout high school. One of the most critical aspects is a requirement for mentors, since experience and research have shown that students need guidance and advice in order to achieve their potential.

Students who participate in early intervention programs and complete rigorous academic courses will receive a 2-year scholarship sufficient to pay for the first 2 years of tuition at a State college or university. As the "I Have a Dream" initiative has proved so dramatically, students who know that a college education is within their reach financially are more likely to be motivated to finish high school and perform well.

We have also added provisions to strengthen teacher recruitment, retention, and development. We have established a new Teacher Corps Program to provide college aid to prospective teachers, in return for a commitment to teach in underserved areas. We have expanded programs to recruit nontraditional teachers and other outstanding individuals into teaching. We have also established national and State teacher academies for in-service teacher and school leadership training.

A further significant improvement in this legislation is to expand Pell grant funding, with the goal of reaching all eligible students by 1997.

We have worked as closely as possible with the Bush administration in preparing this legislation, but we have not been able to resolve all of our differences. In my view, the legislation deals with several issues which the administration does not adequately address.

The administration clearly is not committed to making higher education accessible to all of our students. In fact, the administration is continuing its attempt to reduce and phase out various student aid programs. In eight budget requests within the past decade, the Reagan and Bush administrations have sought to reduce and in some instances completely phase out the Supplemental Educational Opportunity Grant Program, which provides financial assistance to undergraduate students who demonstrate need. We need more of these types of programs and not less.

Similarly, in five past budget requests, the administration has sought to cut or phase out college work-study, which provides part time jobs to financially needy undergraduate, graduate and professional students attending postsecondary education institutions. Also, the administration has attempted to phase out the Perkins Loan Program, which provides low-interest educational loans to needy students.

Clearly, the administration is not committed to helping more students get through college. Instead, their actions are making it even more difficult for needy students to complete a college degree.

Educational excellence is the key to American competitiveness in tomorrow's world. The reauthorization of the Higher Education Act is an opportunity to revise and improve the current system to give more students the opportunity to achieve their full potential. I look forward to this debate, and I urge the Senate to approve this important legislation.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I am pleased that we are finally discussing the bill to reauthorize our Nation's higher education programs and to make key reforms in student loan programs. I believe that most of the bill has been developed with an eye toward providing quality programs within available funds.

I believe in the importance of making an education available to all Americans. Education opens the door to understanding. It helps us develop an increased appreciation of different cultures and values and enables us to dream new dreams and reach new heights. Education also prepares our work force for the future.

My home State of Utah has a proud heritage of supporting education. Our high school completion rate exceeds the national average. We have one of the highest participation rates in the Nation in advanced placement. Our colleges and universities, in both the public and private sector, do an excellent job of educating our students. Our students are sought after by employers all over the country. I salute all who work together in our State to help our students learn and to encourage them to seek additional training so they can be more productive members of our society.

I support the change to increase the maximum available Pell grant and other changes we have made that enable students to have greater access to higher education. The programs we added to provide early awareness of financial programs will help our students from disadvantaged backgrounds realize the opportunities open to them after high school and should increase their later participation in postsecondary training.

I believe that changes made to reduce defaults in the Student Loan Program will also serve to increase the quality of programs available to Students and to ensure accountability on the part of all players in the Student Loan Program. We simply must protect the integrity of this program. Changes to strengthen the role of States in the Student Loan Program will benefit both students and taxpayers by increasing the quality of schools participating in the program.

Simplification, by using a single needs analysis for the Grant and Loan Programs, should also increase the ability of disadvantaged individuals to apply for student aid. The current complexity and diversity of financial aid forms have created a disincentive for many students to apply for financial assistance.

I favor efforts included in the bill that assist our Nation's minorities to receive the benefits of Federal programs and educational opportunities. However, I believe that our efforts should move further in the direction of helping all low-income and disadvantaged persons without regard to race or ethnic backgrounds. This kind of race and ethnic neutral criteria will disproportionately benefit persons in those minority groups that have suffered the effects of prior discrimination, but without excluding worthy and needy persons of other racial or ethnic backgrounds.

I must admit, however, that there are also a few things in this bill that trouble me. Foremost among these is the Pell grant entitlement. I support the increased levels for Pell grants outlined in the bill. I support the idea that we should make Pell grants available for all eligible students within current budgetary constraints. I understand what the majority is trying to do in making the Pell grant an entitlement. And, if I were emperor in an ideal world with no financial constraints and no budget deficits, I would clearly provide such a program for every citizen in my kingdom. Unfortunately, this is a mere fantasy for me and every other member of this body. The sad fact is that we are forced to make choices in how to best use the funds that we do have.

Therefore, I must object to providing any entitlement, and I understand that the managers of the bill have agreed to drop the entitlement but with the expressed proviso that they may file an amendment to put it back in. So I have to object to providing any entitlement that limits our ability in future years to make decisions about how to spend funds on discretionary programs. Every year, we continue to decrease the amount of money available to members of the Appropriations Committee for discretionary programs. So I think that should stop. We should stop adding entitlement programs to the budget.

Other programs in the higher education bill have been modified to help meet the needs in those programs and am grateful that most of these changes have been well received by the community. I believe that many of the concerns that have been raised by the community since the bill was made public in October have been addressed in the committee amendment. No bill, however, can satisfy the desires of all concerned parties because their needs and desires are sometimes in conflict. However, I think this bill has come about as close as any bill we have developed in the Education Subcommittee to meet those needs and desires.

I want to again express my appreciation to Senators KENNEDY and PELL for moving this bill forward. I would especially like to thank Senator KASSEBAUM for her tireless efforts on behalf of the Nation's students and taxpayers, many of whom happen to be parents. Most of the items have been worked out in a very open and healthy exchange of ideas. And both Senators PELL and KASSEBAUM as the chairman and ranking member on the Education Subcommittee have done a very good job.

This enabled proposals to be tested, discussed, analyzed, and revised in a spirit of cooperation. I hope that we can vote in the next few days to resolve the remaining issues some of which are very important, and I think need to be resolved before we can support this bill in its entirety.

Again, I want to thank all concerned on the Senate Labor and Human Resources Committee for the work they have done on this bill. I hope before it passes this House that we will be able to amend it, and allow it to be even better.

Mr. President, I yield the floor.

I notice my colleague from Illinois is here.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois [Mr. SIMON].

Mr. SIMON. Mr. President, I first of all want to commend those who played the leading role in pulling this together, and specifically to commend Senators PELL, and KASSEBAUM, the Chair and ranking member of the committee, Senator KENNEDY, and HATCH, both of whom have worked in this field of higher education.

Clearly as a nation we are going to have to do more long-term things. One of the criticisms—the Senator from Virginia is presiding right now, and has heard it from trips abroad—is that people are saying you are not paying enough attention to long-term things, whether it is corporate America or government America.

And one of the areas where we have to do a better job is in this field of education. One of the areas where we, frankly, are ahead of those nations is in the field of higher education; but we have been slipping in some respects in that field.

This bill gives us a chance to move ahead. There are a number of things that are good, some of which have been referred to.

Let me very briefly summarize some of the things that I think are important. One is the simplified application and making it easier for people who own farms and homes to be eligible for grants and for loans under the program. The forms are complicated. I heard Senator KASSEBAUM refer to the complicated forms. They are just unbelievably complicated. We can simplify that, and I think in this legislation we will be doing that.

The fact has already been referred to that the entitlement provision on the Pell grant has been dropped. I wish it were not politically necessary to do so. And I understand the problems on entitlements.

Two of us here were in the caucus where I heard Senator BYRD, the distinguished President pro tempore, talk very eloquently about the problems that entitlements are causing us, and I think we ought to review entitlements. I think there are things that can be done to save substantial amounts of money.

If I may be immodest, Mr. President—modesty is not one of the virtues most of us in this body have, I regret to say—back when I was in the House, I was able to get a tiny amendment adopted that when we consider the Consumer Price Index, instead of calculating that market basket each month and calculating, assuming that every American bought a new home each month, that we would go to a rental equivalency basis, a very minor amendment that hardly anybody paid attention to anywhere. That amendment, believe it or not, has saved billions of dollars for this country. I think there are things that we can do to bring down the costs of entitlements without hurting anyone. I think we should review the whole question of entitlements.

On the other hand, there are areas where an entitlement can be an investment in the future. I think that is what the Pell grant is, and I think it is a mistake if we do not recognize that here is an area that really strongly needs the strength that an entitlement can provide.

So I understand the reason for it being dropped by the distinguished chief sponsor of this legislation. But I hope that one of these days we can revisit that, because this is an area where I think we ought to have an entitlement.

Let me add, Mr. President, if I may digress, I think one of these days maybe we should have a bipartisan group in this body just look at all entitlements and say, "Where should we really have priorities and where should we not?" If all of us looked at that, I think we could use our money more wisely.

In the area of loans, maximums are increased, and let me say that we will be, today or tomorrow, offering an amendment on a self-reliance loan that I think is very close to getting agreed to. I pay tribute to my colleagues, Senator DURENBERGER, Senator BRADLEY, and I understand Senator BENTSEN has been involved in this to some extent, also, and others. My hope is that we can make some significant strides in that area.

We have had some problems with abuse. Senator SAM NUNN and a subcommittee that he heads have made some recommendations which were included here, and some recommendations that I have suggested are included. We want to make opportunities there for everyone who needs those opportunities, but we also want to stop the abuses that take place.

We expand the Paul Douglas Teachers' Scholarship Program for bright young people who want to get into the field of teaching.

I hope that with these bright pages we have here—I cannot see them on the Republican side because of the barrier, but I am sure they are just as bright on the Republican side as they are on this side—but we need bright young people going into the field of teaching.

I might add, by way of digression, this year happens to be the centennial of the birth of Senator Paul Douglas, who himself was a teacher. This program expands the program to encourage the very brightest of our young people to get into teaching, as well as the expansion of the Christa McAuliffe Program, who was a teacher who tragically lost her life in the Space Program. It also has special incentives for teachers. There is a provision offering $10 million for programs who would recruit and train people for careers in early childhood development and special problems in that field.

I give credit to the Arrowson Institute affiliated with Loyola University in Chicago for what they have done there. We have a provision that will encourage schools and minorities to move into the foreign service.

One of the problems that we face is that we have a disproportionately small percentage of African-Americans and Hispanic-Americans and Asian-Americans going into the foreign service. This can help here. Schools that have what we sometimes call cooperative programs, work learning programs—like Northeastern University, like Blackburn College in Illinois, like Berea College in Kentucky—are given a little more flexibility here.

We have a provision to encourage the development of materials for foreign languages and understanding other cultures. This is an area where we are, frankly, massively deficient in this country. In every other country I know of, every elementary school student studies a foreign language.

In the United States, according to the last figures I saw, fewer than 1 percent of our elementary school students study a foreign language. We have the only foreign service in the world where you can get into the foreign service without the knowledge of a foreign language. It is an incredible weakness that we have. This does not solve all of those problems, but it inches us forward in the right direction.

Regarding the National Center for the Workplace, Senator JEFFORDS deserves credit here for taking a look at what we are doing in terms of retraining people as technology changes in the workplace. We have some special provisions in here that I have been pleased to author that encourage Hispanic participation in higher education. We face a disproportionately low number of Hispanics who graduate from high school who go on to college. That should change, both from the viewpoint of the benefits to the Hispanic community and from the viewpoint of using the Nation's resources as fully as we can. We have provisions to encourage Native Americans in here also, in a little different connection.

We also include a stipulation that high rates of school withdrawal should trigger a review by the Department of Education in terms of whether a school should be eligible for loans and grants. We have had some abuses, real candidly, primarily from the proprietary schools; though let me just say, in fairness, that the proprietary schools also do a special job of reaching people who otherwise would not be helped.

In terms of the default rate, the default rate is about 7 percent for 4-year colleges and universities, about 18 percent for 2-year colleges, and about 33 percent for the proprietary schools. Roughly the same percentages, however, are reaching the very poorest, economically, of our population. But there have been abuses, and where there are abuses, we ought to see that they are stopped.

Finally, Mr. President, while we are increasing Pell grants, we ought to be aware that we have slipped fairly substantially.

When the Pell grants started—they were not called Pell grants at that point—the average cost of going to college was $2,275 and the average Pell grant maximum was $1,400. So there was roughly an $800 differential between the two. Now, going to college—and my guess is the average costs are higher than listed here—but it is $6,269 and a Pell grant is at $2,300. That means that you have a $3,900 differential between the two.

This bill will modify that some.

Finally, Mr. President, I think this bill is moving us—particularly with the amendment that I hope will be adopted either later today or tomorrow sometime—I think we are moving in a constructive direction. It is not going as far as I would like to see us go; I would like to see us make some more dramatic changes. But I think it is moving us ahead more than we did, frankly, the last time we reauthorized the Higher Education Act. It says to the Nation we are going to make education a greater priority.

Again, I am grateful to Senators PELL, KASSEBAUM, KENNEDY, and HATCH for their leadership in this whole field.

I see my colleague from Kansas is on floor, and I yield the floor, Mr. President.

Mrs. KASSEBAUM. Mr. President, first I would like to say that I think the Senator from Illinois makes some very thoughtful remarks on education. I know his dedication to education, and it has been a great help in helping us put this bill together.

I appreciate that.

Mr. SIMON. Mr. President, if I could just add the Senator from Kansas is very generous in saying I am thoughtful in the field of education. She is thoughtful in every field that comes up here, Mr. President, and particularly—this is not the subject up for consideration today—but she is the ranking member of the Subcommittee on Africa, and has done some yeoman's service in that field.

Frankly, she did not get the votes back in Kansas, paying any attention to the needs of Zaire and places like that.

I might add, the Presiding Officer took the trouble to spend a great deal of time looking into this problem of Africa, and I appreciate that, too.

Mr. ADAMS. Mr. President, by now, most of us are familiar with the six national education goals. I would have proposed a seventh goal: that every American will have access to higher education. That is the purpose of this bill.

America is first in the world in higher education. That is unquestioned. In order to maintain this position, we must make sure that all Americans have the financial ability to go to college or graduate school.

The Federal Government provides 75 percent of the grants and loans to help defray the cost of a college education. Many Americans cannot meet the skyrocketing costs of tuition, room and board, books and other educational needs without some assistance.

This bill addresses those problems. It expands the access to Federal financial aid programs for working middle-income families as well as lower-income families. Eligibility for these programs has a significant impact on students' decisions. Students will be able to chose schools based on the academic offerings, not the cost of attendance. Students who might not have been able to afford college will now have the means to go to college if that is what they want.

This bill incorporates portions of legislation I introduced in S. 1119 to expand access to grants and loans for middle-income families. Any family with an income under $50,000 will not have the equity in their home or farm counted against them when they apply for a Pell grant or a Stafford loan.

Also, the amount of individual grant and loan awards have will increase under this bill. The individual Pell grant award will be raised to $3,600, with a $200 increase each year thereafter. If we are serious about universal access to higher education, then we must provide the grants that make that goal a reality.

This bill also simplifies complicated financial aid forms. As many parents can tell you, the financial aid forms are a nightmare. In many instances, the EZ 1040 tax form would be sufficient. There will be one system of determining need for all of the Federal programs.

The bill seeks to end fraud and abuse of Federal aid programs by institutions of higher education. Defaults on student loans cost the Federal Government over $3 billion a year. That is a significant problem. It is money that could be spent by giving more students higher education assistance. Schools that accept these Federal grants and loans have a duty to the Federal Government. They must not misuse or abuse the purpose of the funds. Schools must show that they are honest to their students and to the Federal Government. Under this bill, abusers will be dealt with harshly.

The Higher Education Act also contains important provisions to strengthen the teaching profession. We need to encourage more individuals to enter and to remain in teaching. This is an undervalued profession. Ask any teacher. It should be just the opposite.

Higher education builds on the education of children from early childhood through high school. School readiness is the No. 1 education goal. I introduced the early childhood staff training and professionalization bill, S. 1730, to ensure the quality of education and care of young children. These programs—be it child care, preschool or Head Start—are critical to our children's future. My own State of Washington currently is working on a comprehensive and coordinated training and professionalization system. I am pleased that my bill was included in the Higher Education Act reauthorization along with a separate section to provide aid to institutions who prepare individuals for careers in early childhood development.

The other new provisions under title V will also attract more talented individuals into the teaching profession and will provide more opportunities for continuing education to teachers. There are many good teachers in our schools. But we need to continue to encourage and support them. We need to provide teachers with the latest educational technologies and innovations. If we do not provide the tools and education teachers need and want, we cannot expect to meet the high expectations we have for our children.

Last, we need to reach out to every American to take advantage of our wonderful higher education system. This bill includes funding for States to implement early intervention programs for disadvantaged students and students who have not been encouraged to aspire to go to college. The bill would also bring more minorities and women into graduate school programs and college-level teaching. No one should feel barred from higher education or a particular course of study because of income, gender, race or ethnicity.

Higher education should not be a privilege for the wealthy. It should be available for every American who wants it. For many jobs, a high school diploma is simply not enough. Higher education is one area in which foreign nations look to the United States. We need to make sure that every American gets the education and training to be productive workers and productive thinkers. This bill does that and I urge my colleagues to give this bill their support.

Mrs. KASSEBAUM. Mr. President, there is nobody here wishing to speak at the moment on the higher education reauthorization bill, and I would urge those who have amendments to come to the floor.

I would like to ask unanimous consent to speak as if in morning business for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized as if in morning business for up to 2 minutes.

SOUTH AFRICA

Mrs. KASSEBAUM. Mr. President, the Senator from Illinois mentioned our committee, the Subcommittee on Foreign Relations on Africa. He is the chairman of that subcommittee, and as ranking member, I would just like to make a comment about an event that has occurred in the news today.

Earlier today, it was reported that South African President De Klerk announced that he would hold a referendum on white support for the negotiations process in South Africa. Mr. President, I would like to say that by calling for this referendum, President De Klerk has taken a very bold step. I commend him for his leadership and his support, and his call for a referendum.

This, it seems to me, gives white South Africans an opportunity to vote on their future. It is time to stand up and be counted. Either they will choose to continue on the path toward a nonracial democracy, with all the uncertainty that entails, or they will turn back the clock to the days of rigid apartheid, which I believe would lead to certain economic, social, and political chaos.

It seems to me, Mr. President, that President De Klerk, by taking this step, has initiated an important and historic opportunity for South Africa, and I just wish to take this brief moment to commend him for this and to note what a very important referendum this is.

I yield the floor.

HIGHER EDUCATION AMENDMENTS OF 1991

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island [Mr. PELL].

Mr. PELL. Mr. President, the modification to the committee substitute amendment accepted earlier has been agreed to by both sides of the Labor and Human Resources Committee and is mostly technical in nature. However, there are several important changes that address concerns with the reported bill, and I would like to highlight the most important ones at this time.

First and foremost, the amendment makes major modifications to the State licensing section that is part of the new TRIAD requirements. I am certain that nearly every Senator has heard from concerned colleges in their States on this matter. We have amended this section to address the issues raised.

Second, we strike the special consideration language from the TRIO programs and raise the authorization level to $500 million.

Third, we incorporate the reauthorization of the Tribally Controlled Community Colleges Act as well as several other higher education programs that benefit Native Americans. This language was submitted to us by the Select Committee on Indian Affairs.

Finally, we add several other programs to our legislation that we were not able to include when the bill was voted out of committee. The Historically Black College and University Capital Financing Act, for example, will provide loans to institutions to finance the repair and renovation of campus facilities. Also, a new grant program will provide institutions of higher education with access to advanced telecommunications technology. And further innovative programs will promote the education and recruitment of teachers.

Mr. President, I ask unanimous consent that the Senator from Illinois [Mr. DIXON] be added as a cosponsor to S. 1150.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECTION 1202 OF THE HIGHER EDUCATION ACT

Mr. BINGAMAN. Mr. President, after reading the cordon print on the HEA committee report, I noticed that section 1202 of S. 1150 as reported, "Special Criteria for High-Risk Institutions," was missing. Am I correct in assuming that this was an inadvertent omission?

Mr. PELL. I thank the Senator for bringing this to my attention. He is correct in that the omission of the section dealing with "Special Criteria for High-Risk Institutions" was an inadvertent omission.

Mr. BINGAMAN. I would like to submit a copy of said provision to be printed in the RECORD so that the public will have the missing language.

Am I also correct in assuming that the report language was inadvertently omitted? If so, I would like to submit a copy of the report language for said provision, with the understanding that this should have the same weight for purposes of establishing legislative history as it would have had if it appeared in the report.

Mrs. KASSEBAUM. I thank the Senator very much for bringing this omission to our attention.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEC. 1202. SPECIAL CRITERIA FOR HIGH-RISK INSTITUTIONS.

Section 1203 of the Higher Education Act of 1965 (20 U.S.C. 1143) is amended by adding at the end the following new subsection:

"(g) REVIEW OF INSTITUTIONS.—

"(1) IN GENERAL.—(A) The relevant State licensing authority shall establish standards for the review of and review the institutions of higher education under its jurisdiction in accordance with the criteria set forth in subparagraph (B). Only institutions of higher education which met the criteria described in subparagraph (B) shall be subject to the requirements set forth in this subsection.

"(B) The criteria for the review of institutions of higher education are as follows:

"(i) An annual default rate as defined in section 435(m) equal to or greater than 25 percent for the most recent year in which data are available.

"(ii) A limitation, suspension, or termination act by the Secretary against an institution pursuant to this Act during the preceding 5 years.

"(iii) A change of ownership of the institution that results in a change of control of such institution.

"(iv) Participation in the Federal student aid programs for less than 5 years.

"(v) A substantial number of student complaints related to the management or conduct of programs assisted under this Act.

"(2) GENERAL LICENSING REQUIREMENTS.—An institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) shall—

"(A) be prohibited from using the terms 'approval', 'approved', 'approval to operate', 'approved to operate', 'licensed', or 'licensed to operate' or similar words without stating clearly that such term only means compliance with minimum licensing standards and not an endorsement or recommendation by the State or licensing authority;

"(B) be required to maintain records for all enrolled and graduated students and conduct a reasonable inquiry to determine whether students who complete a vocational education and training course of instruction offered at such institution obtain employment within 6 months of graduation from such course in the occupation for which such course prepared the students; and

"(C) be prohibited from opening branch or satellite campuses unless such branch or satellite campus first has been approved by the relevant State licensing authority as complying with the provisions of this section.

"(3) FINANCIAL AND FIDUCIARY RESPONSIBILITIES.—An institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) shall be required to meet such financial and fiduciary responsibilities as required by the relevant State licensing authority in the following areas:

"(A) Sufficiency of operating funds.

"(B) A specified percentage or ratio of current assets to current liabilities of at least 1:1, which shall not include as an asset unearned tuition, intangible assets, or Federal or State student financial assistance for future disbursements.

"(C) A record of fiscal strength.

"(D) Independently audited financial reports.

"(E) Requirements that owners, directors, officers or persons in control of such an institution have never been found guilty in any criminal, civil, or administrative proceeding of violating any law regarding the obtaining, maintenance, or disbursement of Federal or State student financial aid funds.

"(F) The absence of unpaid financial liabilities involving the improver acquisition, expenditure, or refund of State of Federal student financial aid funds.

"(G) Maintenance of adequate records.

"(4) REQUIRED DISCLOSURE OF ENROLLMENT, RETENTION AND PLACEMENT DATA.—(A) The standards described in paragraph (1) shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to provide to the student before executing any enrollment contract the following:

"(i) A copy of the enrollment contract.

"(ii) If such institution makes any claim, express or implied about future salary, including a claim that the student may be able to repay a student loan from the salary obtained, such institution shall provide to the student the percentage of students who graduate from such institution and who earn salaries at or above the claimed level within 6 months of completing the course.

"(iii) Passage rates on required State licensing examinations if such institution represents that the course may lead to employment in a related occupation.

"(iv) If such institution has offered the course for less than 1 year, such institution shall stipulate that it is unable to state how many students graduate, how many students finds jobs, or how much money one can earn after finishing the course in question.

"(B) Such standards shall require the information described in subparagraph (A) to be based on a reasonable inquiry and documented through specific student records.

"(C) Such standards shall prohibit such an institution of higher education that has been in operation for less than 1 year from making claims regarding the future salary of graduates of such institutions.

"(D) Such standards shall require that enrollment, course completion and placement date be submitted to the relevant State licensing authority, and that such data may continue to be submitted to such authority according to whatever requirements such authority sets forth.

"(E) Such standards shall require such an institution of higher education, upon executing an enrollment contract, to provide the student with a notice of rights relating to course cancellation, tuition and fee refunds, and information regarding how the student can obtain information from the licensing authority regarding complaints and problems concerning such institution.

"(F) Such standards shall require such an institution of higher education to file annually with the licensing authority the completion, placement, and examination passage rates for students attending such institution and financial information demonstrating compliance with financial requirements required in paragraph (3).

"(G) Such standards shall require such an institution of higher education to—

"(i) file annually with the relevant State licensing authority an audit and a report, including financial statements conducted by a licensed certified public accountant;

"(ii) retain and make available the work papers used for the audit described in clause (i) for a period of 5 years; and

"(iii) within 6 months of the submission of each audit described in clause (i), submit a copy of the audit report to the Secretary.

"(5) STATE LICENSING REQUIREMENTS.—Such standards shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) and offers courses of instruction differing from the standards for State licensure in specific occupations to disclose the relevant State licensing authority's minimum licensure requirements and how the course differs from such requirements.

"(6) COURSE CANCELLATION POLICY.—(A) Such standards shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to provide students with a description of the right to cancel a course or series of courses within specific time periods and under specific conditions set forth by the relevant State licensing authority.

"(B) Such standards shall require that—

"(i) such an institution of higher education provide all students, during the first class, a cancellation form indicating the date of the agreement and the number of days in which the course can be canceled without penalty or obligations; and

"(ii) the form described in clause (i) specify the student's responsibilities regarding cancellation.

"(7) REFUND POLICY.—Such standards shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to provide students with a description of the right to withdraw from such institution at any time and receive a refund minus a reasonable registration fee not to exceed an amount set by the relevant State licensing authority.

"(8) CONTRACTS; REQUIRED DISCLOSURE.—Such standards shall require an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to include in each of its enrollment contracts—

"(A) a general description of the course and equipment required of the student;

"(B) the total number of classes, hours, or lessons required for completion of the course;

"(C) the total payment obligation for such course, including all fees, charges, and expenses;

"(D) a statement regarding the specific amounts for which the student is responsible, which shall appear immediately above the student's signature; and

"(E) the total charge for each item of equipment, separately stated and not to exceed such item's fair market value.

"(9) PROHIBITION AGAINST ENROLLING STUDENTS IN THE MIDDLE OF A COURSE.—Such standards shall prohibit an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) from enrolling students in the middle of a course, suspending courses, or changing times or locations of such courses.

"(10) RECORDS ACCESS.—Such standards shall require—

"(A) an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) to maintain accurate records for at least 5 years showing the names and local addresses of students, the courses of instruction offered, and the names, addresses, and qualifications of faculty to the extent practicable; and

"(B) such an institution to make all such records available for immediate inspection by the relevant State licensing authority, the designated State guaranty agency, or the Secretary.

"(11) INSTRUCTION; INSTRUCTIONAL MATERIALS.—Such standards shall prohibit an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) from withholding instruction or materials from a student pending receipt of Federal or State student financial aid used to pay tuition.

"(12) PENALTIES; RECOVERY OF DAMAGES.—Such standards shall provide for penalties and recovery of damages as follows:

"(A) If an institution of higher education which meets any of the criteria described in subparagraph (B) of paragraph (1) violates any provision of this section in connection with any enrollment contract, the contract shall be considered unenforceable and a total refund of all charges incurred by the student pursuant to the enrollment period is required.

"(B) If such institution violates any provision of this section, a student may bring an action for recovery of damages, equitable relief, and attorney's fees against such institution.

"(C) A civil penalty of not more than twice the damages sustained by the student described in subparagraph (B) may be assessed if a court of competent jurisdiction in an action brought by such student finds that the violation is substantial or was willfully committed.

"(D) All penalties and recovery of damages described in this paragraph must be commenced within 3 years of the discovery of the facts regarding such institution's violation.

"(13) APPLICABILITY OF STATE LAW.—Notwithstanding any other provision of law, the relevant State licensing authority shall have the authority to develop and implement standards to comply with Federal law pertaining to institutions of higher education within the State which meet the criteria described in subparagraph (B) of paragraph (1).

"(14) APPROVAL BY THE SECRETARY.—In order for institutions of higher education in a State to be eligible to participate in Federal student aid

programs, the Secretary shall determine if standards adopted by the relevant State licensing authority are in compliance with the provisions of this section.

"(15) DEFINITIONS.—For the purposes of this section—

"(A) the term 'enrollment contract' means any contract, agreement, or other arrangement under which an individual agrees to attend, participate, or enroll in a course or program of study at an institution of higher education; and

"(B) the term 'relevant State licensing authority' mans the State board, commission or agency designated by the appropriate State authority for the purpose of enforcing the licensing requirements described in this section.".

REPORT LANGUAGE FOR STATE LICENSING STANDARDS

The Committee adopted provisions to amend title XII of the Higher Education Act requiring States to implement licensing standards for the schools within their boundaries. Over the past several years, the Guaranteed Student Loan (GSL) programs have been spotlighted in Federal investigations and reports, lawsuits, and newspaper and television exposes because of fraud and abuse. Most of the horror stories have risen from unscrupulous schools that exploit students to gain access to Federal student loan dollars.

The Committee has for the past two Congresses passed legislation addressing default prevention and integrity provisions. However, the Committee's legislation never became law. Unfortunately, too many ill-administered institutions are still providing low quality education and overburdening disadvantaged students with large education debts.

Institutions must go through three separate processes (called the TRIAD) to become eligible to participate in Federal student financial aid programs. The TRIAD consists of State licensing, accreditation, and Department of Education eligibility and certification. Each of these processes plays a distinct and essential role. For the programs to function effectively, all parts of the TRIAD must be sound and must have stringent integrity requirements.

State licensing standards and requirements are the first step in the process. They are supposed to ensure consumer protection. They guarantee that the citizens of the State who become students of its institutions will not be exploited and that the institutions meet all State laws. During the many hearings held over the past four years by this Committee and investigative committees, witnesses have come forth to ask for stringent guidelines for State licensing. Even organizations representing State education officials have asked for Federal government leadership in this area.

Currently, State licensing standards are uneven. In some States, there are stringent requirements; in others, they are nearly nonexistent. Where strong standards are lacking, the students of the State are at risk, as are Federal taxpayers. The Committee's provisions address the deficiencies in State licensing by setting the standards necessary to protect scarce Federal dollars.

The Committee's provisions provide States with strong Federal standards by which to implement sound licensing requirements, and put the teeth back into integrity and accountability.

In the past few years, several higher education institutions have closed their doors, leaving students with an incomplete education or training and with no relief for their student loans. Because their financial capacities were weak at the time that the Department of Education certified them as eligible participants in Federal aid programs, these institutions were sure to fail. The Committee's amendment therefore requires that new schools be placed under very close scrutiny for the first five years.

The Committee's provisions set up a two-tier structure. The first tier determines which schools need close supervision, such as new schools, schools against which numerous complaints or findings have been made, and schools with default rates greater than 25 percent.

Schools which fall into the first category are subjected to rigorous review. The Committee's second-tier provisions prevent school closures by requiring that institutions meet and maintain a current asset to current liability ratio of at least 1:1. The Committee also requires that students are told their rights and responsibilities and what they can expect from their education program up front so that they are not deceived and can decide if the program is right for them.

LOAN DEFERMENT AND CANCELLATION PROVISIONS

Mr. BUMPERS. I would like to ask the chairman of the subcommittee, Senator PELL, a few questions about the loan deferment and loan cancellation provisions of S. 1150.

The current deferments for Peace Corps and VISTA Volunteers and for those who perform comparable full-time service with tax exempt community service organizations are found in section 428(b)(i)(M)(iii), (iv), and (v) and section 464(c)(2)(A)(iii), (iv), and (v) of the Higher Education Act. Sections 428 and 451 of S. 1150 provide for a deferment for student borrowers who are "working full-time and * * * earning or below 100 percent of the poverty line for a family of 2. * * *"

Could the chairman tell me whether the new loan deferment language in S. 1150 provides for a deferment for all those student borrowers who currently qualify for the deferment because they serve as Peace Corps or VISTA Volunteers or as full-time volunteers with tax-exempt community service organizations? Based on the language of the new deferment I would certainly think that they are covered.

Mr. PELL. Yes. I am happy to say to my friend from Arkansas that the deferment provided in S. 1150 does provide a deferment for all those borrowers who qualify for the existing deferments to which he has referred. The committee specifically chose this standard to make certain that Peace Corps and VISTA volunteers would be covered as well as those community and national service volunteers who perform comparable full-time, low-paid service, who qualify for a deferment under the current law. This deferment also applies to those who receive stipends under the National and Community Service Act of 1990.

Mr. BUMPERS. I thank my friend. The reason I ask is because we have finally been able to determine precisely what "comparable" service is under the current deferment and I do not want there to be any confusion about who qualifies under this new, less explicit deferment.

Mr. PELL. The Department must continue to grant deferments under this bill to those who already qualify under the provisions of the Higher Education Act to which the Senator has referred.

Mr. BUMPERS. What are the obligations of the Department of Education in providing detailed notice to student borrowers about how they might qualify for the new deferment?

Mr. PELL. The Department of Education must provide detailed information on the terms of the current deferment. For example, it must translate the compensation standard into a specific, numerical earnings limit so that students will know how much they can earn.

It also must make clear what kind of service qualifies for the deferment. The bill as drafted does not refer to Peace Corps or VISTA service, so the Department must state in all of its publications that Peace Corps and VISTA service does qualify.

The bill as drafted does not refer to comparable full-time service with a tax-exempt community service organization. So, the Department must make it clear that the student borrower qualifies if he or she is performing community service with a tax exempt community service organization that meets the lower-wage standard.

Mr. BUMPERS. I again thank the Chairman.

Let me ask one last question. Do these same standards apply to the new Stafford loan cancellation provision in section 1221 of the bill?

Mr. PELL. Yes; what I have said applies to the proposed Stafford loan cancellation provision. Peace Corps and VISTA Volunteers and those who perform comparable service qualify for both the current deferment and for the Stafford loan cancellation under section 1221.

Mr. BUMPERS. I very much appreciate the chairman's time in answering all of these questions and my concerns on this issue.

In order to make all of what we have said as clear as possible, I ask unanimous consent to print the text of three letters I have received from the Department of Education that cover a number of more detailed issues about who qualifies for the current deferment. From the chairman's statements, I gather that these letters define what service is considered to be "comparable" to Peace Corps and VISTA service and what service qualifies for both the current and new deferment and the new Stafford Loan Cancellation Program.

Mr. PELL. Yes. The new deferments should continue current policy on these deferments as clarified in this exchange of letters. I thank the Senator for clarifying this issue.

DEPARTMENT OF EDUCATION,
Washington, DC, September 1, 1988.

Hon. DALE BUMPERS,
U.S. Senate, Washington, DC.

DEAR SENATOR BUMPERS: This is in response to your June 6 letter regarding the Department of Education's loan deferment and cancellation provisions for student borrowers under the Stafford Loan program (formerly referred to as the Guaranteed Student Loan program), the Supplemental Loans for Students (SLS) program, and in the Perkins Loan program.

Specifically, you requested clarification of the terms and conditions under which a borrower would qualify for a deferment of loan repayments as a full-time volunteer in service the Department has determined to be comparable to service in the Peace Corps or under the Domestic Volunteer Act of 1973.

I shall respond to your concerns in a question and answer format in the same order as your questions were presented in your letter.

A. PROCESS FOR CLAIMING THE DEFERMENT

Questions:

1. How does the student borrower claim the deferment? What form or forms must he or she file with the Department?

2. From whom is this form available?

3. To whom is the form submitted?

Answer:

The borrower does not file any deferment forms with the Department. In order to receive a deferment under the Perkins Loan program, a borrower must apply by obtaining a "Request for Deferment of Repayment" form from his or her institution. This form must be completed and submitted to the institution.

A borrower in the Stafford or SLS Loan program must request from his or her lender a deferment of repayment and provide all required documentation to establish eligibility for the deferment. Generally, lenders use a "deferment form" provided by the guarantee agency which is similar to that used in the Perkins Loan program. The completed form and accompanying documentation must be submitted to the lender.

Question 4: Must an official of the tax-exempt organization employing the student borrower certify that the student borrower qualifies for the deferment?

Answer: In the Perkins Loan program, the institution determines that the borrower qualifies for deferment based on regulatory requirements; however, an authorized official of the tax-exempt organization must sign the form certifying the period of service. The Stafford or SLS Loan program regulations require that the borrower provide the lender with a statement from an official of the borrower's employing tax-exempt organization certifying that the borrower qualifies for the deferment, based on the requirements in 34 CFR 682.210(d).

Question 5: Must this deferment claim form be submitted each year? How often must the student borrower renew or resubstantiate his or her claim for the deferment?

Answer: In the Perkins Loan program, the form must be filed at least once a year (up to three years). If the borrower's deferment status changes, he or she must immediately report the change to the institution. A Stafford Loan program borrower is not required to obtain an annual certification of eligibility for the deferment. The deferment is granted for the period of time (up to three years) specified on the deferment form which is certified by the tax exempt organization. A Stafford or SLS Loan borrower must notify the lender if his or her deferment status changes.

Question 6: Can a student borrower claim the deferment at any time during his or her loan repayment period, not just when he or she otherwise would first commence repayment of the loan?

Answer: Yes, a borrower may file for deferment under the Perkins Loan, Stafford and SLS Loan programs at any time during his or her repayment period, except if the borrower is in default.

Question 7: How does the student borrower inform the Department when his or her term of service with the tax-exempt organization is complete? To whom is the form submitted?

Answer: The borrower does not inform the Department. However, the Department of Education recommends that the institution or lender confirm a borrower's service at the end of each year. The borrower is required to notify the lender if he or she ceases to qualify for the deferment prior to the ending date specified on the deferment form.

Question 8: Who can the student borrower contact at the Department of Education with any questions about the process for claiming the deferment?

Answer: Under the Perkins Loan program, a borrower should contact his or her institution regarding the process for claiming deferments. A borrower under the Stafford or SLS Loan program should contact his or her lender. The guarantee agency insuring the loans may also be contacted for further information.

Should borrowers need further information from the Department of Education on deferment-related matters, they may address their questions to:

Federal Student Aid Programs, P.O. Box 84, Washington, D.C. 20044, toll free (800) 333-INFO.

B. TERMS OF DEFERMENT

Question 1: For what types of government student loans is the deferment available?

Answer: This deferment is available for students who borrowed under the Perkins Loan program on or after October 1, 1980, and for all borrowers under the Stafford and SLS Loan programs. These programs are authorized under Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §1079 et seq.

Question 2: Is there any limit on the amount of government student loans which can be deferred?

Answer: There is no limit on the dollar amount of loans or number of loans which can be deferred; however, a borrower may not receive deferments of repayment on his or her loans due to full-time volunteer service for more than a three-year period.

Question 3: Can a student defer repayment of different types of government student loans at the same time?

Answer: Yes.

Question 4: Does the deferment apply to both payments of principal and payments of interest on the loan by the student borrower?

Answer: For loans made under the Perkins Loan program, interest does not accrue and installments on principal need not be paid during the deferment period. For a Stafford or SLS loan, principal need not be paid during the deferment period. Under the SLS program, interest continues to accrue and is paid by the borrower during the deferment period unless the lender agrees to capitalize it. Interest on Stafford loans is paid by the Secretary during authorized deferment periods.

Question 5: Does the fact that a student borrower has deferred repayment of his or her loan affect the terms or amount of repayment of these loans when the student borrower commences repayment of the loans?

Answer: Generally, this deferment does not affect the terms or amount of repayment of these loans. However, if a lender agrees to capitalize the interest for a deferred SLS loan, the borrower's debt will increase during the deferment period.

Question 6: Does interest accrue during the term of the deferment?

Answer: See Number 4 above.

C. REPAYMENT OF LOANS

Question 1: After the student borrower no longer qualifies for the deferment, when must the student borrower commence repayment of the loans? What grace periods is the student borrower entitled to when the deferment is no longer available? Can the student borrower waive these grace periods?

Answer: For loans made under the Perkins Loan program on or after October 1, 1980, a borrower is required to begin repayment six months after the deferment ends. However, a borrower may begin making payments earlier if he or she so desires. There was no post-deferment grace period for loans made prior to October 1, 1980.

Under the Stafford Loan program, post-deferment grace periods are provided only for loans made prior to October 1, 1981. The post-deferment grace period was authorized by the Education Amendments of 1980 (Pub. L. 96-374), and became effective for all loans on January 1, 1981. It was repealed by the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35), effective for all loans disbursed on or after October 1, 1981. For these loans, a grace period of six consecutive months is provided beginning on the day following the last day of an authorized deferment period. No grace period is provided for SLS loans; repayment begins 60 days after the loan is disbursed. A Stafford Loan borrower who qualifies for a post-deferment grace period may commence the repayment period earlier than required.

Question 2: Does interest accrue during the term of any grace period following the deferment period?

Answer: For loans made under the Perkins Loan program, interest does not accrue during the six month post-deferment grace period.

For Stafford loans made prior to October 1, 1981, interest continues to accrue and is paid by the Secretary during a post-deferment grace period. No post-deferment grace period is available for Stafford loans made after October 1, 1981, or for SLS loans.

D. "TAX-EXEMPT" ORGANIZATION

Question 1: Is the deferment available for service with all tax-exempt organizations which provide services similar to those that are provided by VISTA and Peace Corps Volunteers?

Answer: The deferment is available to full-time volunteers with an organization that is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code of 1954, provided the individual is performing services comparable to those provided by volunteers in VISTA and the Peace Corps.

Question 2: Who can the student contact at the Department of Education with any questions about whether service with a particular tax-exempt organization qualifies for the deferment?

Answer: Under the Perkins Loan program, a borrower should contact the institution to determine if service with a particular tax-exempt organization qualifies for the deferment. A borrower under the Stafford Loan program should contact his or her lender. The guarantee agency insuring the Stafford Loan or SLS loan may also be contacted for further information. Should a borrower need further information from the Department on deferment-related matters, he or she may address questions to:

Federal Student Aid Programs, P.O. Box 84, Washington, D.C., 20044, toll free (800) 333-INFO.

E. "FULL-TIME" SERVICE

Question 1: Is there any specific number of hours a week a student borrower must serve for the service to be considered "full-time?"

Answer: The number of hours of service required for a borrower to be considered to be serving on a full-time basis is determined according to the standard requirements established by the employing organization for full-time service.

Question 2: Assuming that a student borrower does serve "full-time" with a tax-exempt organization and fully qualifies for the deferment, may the student borrower hold a second, part-time position, for example, as a part-time waiter or waitress? Would the compensation received by the student from this second, part-time position be counted towards the maximum compensation limitation which applies to the "full-time" position with the tax-exempt organization?

Answer: If the borrower's service with the tax-exempt employer meets all the requirements for the deferment, then he or she would be entitled to the deferment regardless of other employment. The compensation received by the student from a second, part-time position would not count towards the compensation limitation which applies to service in the tax-exempt organization.

F. AT LEAST "ONE YEAR"

Question 1: If a student borrower claims the deferment with the intention of serving for one year, but does not, in fact, complete one year of full-time service, does this fact affect the terms or amount of repayment of these loans? Are any penalties imposed on the student borrower for failing to complete one year of service?

Answer: If a borrower's service ends before he or she completes a year of service, the borrower must notify the institution or lender and begin repayment immediately, unless the borrower qualifies for a grace period as discussed in C 1. No penalties would be imposed on the borrower, and neither the terms nor amount of repayment would be affected.

G. PARTIAL LOAN CANCELLATION FOR PEACE CORPS OR VISTA VOLUNTEERS UNDER THE PERKINS LOAN PROGRAM

Question 1: With respect to this partial cancellation provision, is 15 percent of the student borrower's loans canceled for each of the first two years of service and 20 percent canceled for each of the second two years of service? In short, is the maximum amount of the student's loans which may be canceled 35 percent or 70 percent?

Answer: The maximum amount of the student's Perkins loan that may be canceled is 70 percent. This cancellation applies to Perkins loans made for periods of enrollment beginning on or after July 1, 1987 to individuals who on that date had no outstanding balance of principal or interest owing on any loans previously made under the National Defense, National Direct and Perkins Loan programs.

Question 2: Is there any limit on the dollar amount of loans that may be canceled?

Answer: There is no limit on the dollar amount of loans that may be cancelled.

Question:

3. What types of government loans are covered by this partial cancellation provision?

4. If the student has Stafford loans that were taken out before July 1, 1987, but no Perkins loans before that date, does the provision apply to Perkins loans taken out after that date?

Answer: This cancellation provision is effective only for Perkins loans made on or after July 1, 1987. It does not apply to Stafford loans; there are no provisions for cancellation under the Stafford Loan or SLS programs for volunteer service. The availability of cancellation under the Perkins Loan program would not be affected by the existence of Stafford or SLS loan obligations regardless of the date those obligations were incurred.

Question 5: In years after the first year of service, is the amount of loans to be cancelled based on the student borrower's initial loan balance or the adjusted balance after partial cancellation?

Answer: After the first year of service, the amount of loans to be cancelled is still based on the original principal loan amount.

Question 6: Can a student borrower qualify for the partial cancellation at any time during his or her loan repayment period, not just when he or she otherwise would first commence repayment of the loans?

Answer: A borrower may qualify for the partial cancellation at any time during his or her loan repayment period.

Question 7: How does the student borrower notify the Department that he or she qualifies for partial cancellation? What form must he or she file with the Department? To whom is the form submitted?

Answer: The student does not notify the Department. He or she should notify the institution, and request postponement of repayments in anticipation of cancellation. An institution may postpone loan repayments for a 12-month period if the borrower will be providing services eligible for loan cancellation. To request postponement, the borrower must complete a postponement/cancellation request form (obtained from the institution) and have the form signed by an official of the tax-exempt organization. If it appears that the borrower will be eligible for cancellation, the approved postponement request will provide that no payments will be due until the end of the year of volunteer service. If it appears that the borrower will not be eligible, he or she will be notified that payments will be required.

To receive the cancellation, the borrower must obtain a cancellation request form from the institution and apply for the cancellation by submitting the form at the end of each year of eligibility. The form should be submitted once a year for as long as cancellation can be claimed.

As requested, I am enclosing samples of forms used to request deferment of repayment, postponement of repayment, and cancellation of loan repayment under the Perkins Loan program. Similar forms for use in the Stafford Loan and SLS programs have been developed by guarantee agencies. The Department has no set standards concerning the format of this form as long as the form contains the appropriate information to allow lending officials to make a determination of a borrower's eligibility for deferment.

I am also enclosing a Chapter 5 of the Federal Student Financial Aid Handbook. The Handbook provides guidance to the financial aid community on the deferment of loan repayments for volunteer service in a tax-exempt organization, and the partial cancellation for Peace Corps/VISTA service.

I hope this information will be helpful to you. If you need any further assistance, please let me know.

Sincerely,

KENNETH D. WHITEHEAD,
Acting Assistant Secretary.

DEPARTMENT OF EDUCATION,
Washington, DC, May 26, 1989.

Hon. DALE BUMPERS,
Chairman, Committee on Small Business, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of March 9, 1989, regarding deferment of repayment, partial cancellation, and maximum compensation for Stafford and Perkins Loan Program borrowers who are full-time volunteers for tax-exempt organizations. In considering your questions and concerns, we have undertaken an in-depth review of the proposals in S. 539, S. 540, and S. 541, and previous responses to you on the issues addressed in your letter. It was for this reason that our response to you was delayed.

In your letter, you recommend that the maximum compensation for borrowers serving as full-time volunteers in tax-exempt organizations should be set at no less than the Federal minimum wage. After examining this issue, the Department agrees with your recommendation and is working to revise the regulations accordingly.

Detailed information on all available deferments is provided to every Stafford and Perkins loan applicant in the loan application materials. Under 34 CFR 682.205 of the Stafford Loan Program regulations, lenders are also required to notify each borrower in writing of the opportunity to defer his or her loans and the eligibility criteria for each deferment, prior to the commencement of repayment. In addition, schools provide this information to borrowers during the exit counseling required under section 485(b) of the Higher Education Act of 1965, as amended. Finally, the Department of Education's annual consumer publication, "The Student Guide," provides all prospective loan applicants with a summary of all deferments provided under the Perkins Loan and Stafford Loan Programs. Through these means, information on the availability of the deferment for full-time volunteer service is being disseminated widely today.

The Department actively supports the concept of volunteer service and believes that the current deferment provisions are sufficient to ensure that borrowers' student loan obligations do not inhibit them from choosing to perform such service. I believe that our decision to allow borrowers in volunteer service at tax-exempt organizations to earn compensation at a level up to the Federal minimum wage demonstrates that support. However, I regret that the already rising costs of these programs preclude us from supporting legislation, such as S. 540 and S. 541, that would further increase program expenditures by providing for partial forgiveness of student loans in exchange for volunteer service.

Thank you again for your letter and for your interest in the volunteer service deferment.

Sincerely,

LAURO F. CAVAZOS,
Secretary.

DEPARTMENT OF EDUCATION,
Washington, DC, March 8, 1990.

Hon. DALE BUMPERS,
U.S. Senate, Washington, DC.

DEAR SENATOR BUMPERS: This is in response to your letters regarding deferment of repayment for borrowers in the Guaranteed Student Loan (GSL) and Perkins Loan programs who are full-time volunteers for tax-exempt organizations.

We have developed a Notice of Proposed Rulemaking (NPRM) to revise the regulations governing the GSL programs. We anticipate publishing the NPRM in the late spring. In response to your recommendation, the NPRM will clarify that the wage limit on compensation of volunteers refers to basic compensation and does not preclude a tax-exempt organization from providing the same fringe benefits to a volunteer, such as health insurance, that are offered to other employees.

If this treatment of fringe benefits is included in the final regulation, we will revise our publications to make it clear that a volunteer may be compensated by a tax-exempt organization at a rate not exceeding minimum wage. We will also notify the major higher education associations, such as the National Council of Higher Education Loan Programs, the American Council on Education, the National Association of Trade and Technical Schools, and the National Association of Student Financial Aid Administrators, that a volunteer may be compensated at the minimum wage level and receive fringe benefits, in a manner similar to a regular employee of the organization, and still qualify for a deferment. We believe that publicizing the policy in this manner will be effective, since these associations are established conduits of similar information and will bring attention to the availability of this deferment. However, we do not believe it would be appropriate to use the term "paid employee" in publicizing this deferment as you suggest since the statute uses the term "volunteer."

In our September 1, 1988, letter to you, we clarified the terms and conditions under which a borrower would qualify for a deferment of loan repayment as a full-time volunteer in service to be comparable to service in the Peace Corps or under the Domestic Volunteer Act of 1973. The conditions will be addressed in the upcoming NPRM. In addition, the Department will explain the deferment in general information materials that are provided directly to the borrower.

I trust this response satisfactorily addressed your concerns regarding this issue. Please contact me if I can be of further assistance.

Sincerely,

LAURO F. CAVAZOS,
Secretary.

CLARIFYING REPORT LANGUAGE ON AUTHORIZATIONS FOR THE NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS

Mr. DODD. I would like to clarify one point with the distinguished manager of the bill. Am I correct in understanding that the provisions in the legislation concerning the research and development work of the National Board for Professional Teaching Standards will authorize a total of $20 million in matching funds for the board in addition to the $5 million which was appropriated for that purpose in the fiscal year 1991 appropriations bill?

Mr. PELL. The Senator is correct. It is our intention that the National Board receive a total of $25 million in Federal matching funds for its important work in developing national voluntary certifications for exemplary elementary and secondary school teachers. The provisions in the bill reflect the fact that the Board had already received an appropriation of close to $5 million for fiscal year 1991. And now, in fact, the Board has received close to $10 million in direct appropriations. The $5 million appropriated for the Board's research activities in fiscal year 1992 will be subject to this authorization according to the terms of our legislation so that the Board receives the full $25 million which we intended.

TITLE III, PART A, WAIT-OUT PERIOD

Mr. GRAHAM. Many Florida colleges and universities have utilized title III, part A funds to improve services to students. In the last 5 years, six Florida institutions have received new title III funding. These include Brevard Community College, Daytona Beach Community College, Gulf Coast Community College, Nova University, Valencia Community College, and St. Thomas University.

Title III grants at these institutions have helped to improve the planning of services for students, improved instruction by providing the latest instructional technologies and faculty training, and helped to develop new curricula to meet the needs of business and industry. These activities have benefited tens of thousands of Florida students, leading directly to measurable improvements in student success in college.

I would like to ask a few questions of the chairman of the Education Subcommittee, Senator PELL, to clarify the intent of this provision of the Higher Education Act.

Mr. PELL. I thank the Senator from Florida [Mr. GRAHAM] for directing his questions to me, and I would be pleased to respond to them.

Mr. GRAHAM. Mr. President, could the chairman explain to me the meaning of the so-called wait-out period, as it exists in part A of title III of the Higher Education Act?

Mr. PELL. Certainly. Under part A of title III of current law, institutions receiving 4- or 5-year grants may not apply for additional grants immediately after their current assistance ends. Recipients of 4-year grants must wait an additional 4 years before applying for additional funding under part A, while institutions receiving 5-year grants must wait an additional 5 years before reapplying. It is this length of time during which institutions are not receiving funding and may not reapply that we call the wait-out period.

I might add that the wait-out period has proven rather onerous for institutions receiving grants under part A. After funding ends, these schools not only have difficulty building upon the success of their programs, but they are often unable to address additional needs in areas that have not been assisted.

Mr. GRAHAM. I thank the chairman. Following up on his response to my last question, can he tell me how the reauthorization bill, S. 1150, will amend the wait-out provision to alleviate the current situation?

Mr. PELL. By all means. The reauthorization bill simply eliminates the wait-out period for institutions receiving grants under part A. At the same time, however, we have included a provision requiring the Secretary of Education to give preference to those institutions which are not receiving part A funding. It is our hope that part A funding will remain widely available to all needy institutions, including those institutions that are not currently receiving grants.

Mr. GRAHAM. I again thank the chairman. It appears that in giving priority to unfunded institutions, the legislation may be interpreted as requiring a de facto continuation of the wait-out? Is this in fact the committee's intent?

Mr. PELL. No. We do expect that institutions which are not receiving grants at the time of application will be given preference over those which are currently being funded. However, as soon as an institution's funding ends, that institution will be put in the priority category. The result may be a wait-out of 1 year, but it should be no longer than that.

Mr. GRAHAM. I would like to commend the chairman and the committee for making these improvements. I am pleased that the wait-out period has been eliminated and priority is still given to those not currently receiving title III, part A funding. I again thank the chairman for taking the time to respond to my questions.

Mr. PELL. And I thank the Senator from Florida for raising this important issue.

ALTERNATIVE ROUTES TO TEACHER AND PRINCIPAL CERTIFICATION AND LICENSURE

Mrs. KASSEBAUM. I would like to clarify with the chairman of the Education Subcommittee, Senator PELL, a few issues relating to provisions in S. 1150 dealing with alternative routes to teacher and principal certification and licensure.

Mr. PELL. By all means. I would be pleased to discuss any issues that the ranking member of the subcommittee, Senator KASSEBAUM, might wish to raise.

Mrs. KASSEBAUM. The new program on alternative routes to certification and licensure included in the bill is intended to bring into the classroom individuals who have something to contribute as teachers but who have a college degree in a field other than teaching. Is that not correct?

Mr. PELL. This new program responds in particular to the two kinds of teacher shortages which our Nation is currently facing. First, new persons entering the teaching profession are less likely to come from minority groups than in the past, though the number of minorities in schools of education is increasing. Second, teaching vacancies are reported in certain subject matter and geographic areas. It is therefore in the Nation's interest to support programs that will attract qualified persons into teaching careers, particularly those from underrepresented groups. To that end, the new program in title V will assist States that wish to establish alternative routes to certification and licensure.

Mrs. KASSEBAUM. The chairman's reference to assisting States is an important point. This initiative is a grant program to the States, which have the responsibility for designing alternative certification activities and requirements which are appropriate to their circumstances. The Federal Government would not be assuming any licensure or certification functions.

Mr. PELL. No; it would not. As the Senator knows, it is not our intent to insert the Federal Government into matters of State licensure. States should be responsible for licensing the teachers and administrators to whom the public entrusts its children. In addition, States must not abrogate their responsibility to assure that all educators meet appropriate criteria.

Mrs. KASSEBAUM. I thank the chairman, and I would like to make one final point. In talking about alternative routes to certification and licensure, we are talking really about a different process by which teachers and administrators can obtain State credentials. For example, it is reasonable to expect that a State might want, say, an engineer to learn something about teaching techniques before going into the classroom, but that does not mean that the engineer must in effect obtain another college degree in teaching.

Mr. PELL. That is right. On the one hand, alternative routes permit recognition of the unique strengths of prospective educators from nontraditional backgrounds. At the same time, it is important that these individuals meet the same standards for teaching ability expected of those who enter the teaching profession through the traditional process.

Mr. President, I see no colleagues on the floor. I urge those who may be listening in their offices to come over with their amendments, because it is the intention of the majority leader to press ahead as fast as he can to move this bill along.

In the meantime, I have no alternative but to suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I ask that I be recognized to speak in support of S. 1150, the reauthorization of the Higher Education Act of 1965.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I am one of those who has been a beneficiary of student financial aid programs. When I finished my undergraduate degree, I entered the University of Mississippi Law School. I could not have completed my education without the benefit of what was then known as the NDEA Loan Program, the forerunner of the NDSL loan program we have now. It was the avenue that made it possible for me to finish law school. So I have a personal appreciation of the loan program. And, when I graduated I felt an obligation to repay that loan quickly.

After I graduated, I worked for 2 years for the university placement and financial aid office. I helped students, ascertain whether they were qualified for a grant or a loan and I assisted them with their applications. I found it a very rewarding job.

I remember also traveling around my own State, speaking at high school career day programs, college day programs, community colleges. I told the students then that any student in Mississippi—and, in fact, any student in America—who wanted to go to college and to improve himself or herself by getting an education, should be able to do that. And, as a matter of fact, they had access to a number of forms of financial aid. Many students might be eligible for scholarships, loan programs, such as direct Government loan program, or the guaranteed student loan program through a bank. Some were also eligible for grants or work-study. I was convinced then that they could get the financial aid that they needed. And a lot of young men and women were able to go on to college because of these programs.

I, myself, worked in the work study program for a year while going to law school. In my opinion Mr. President, this is a good program. Some students do not qualify for the grants or the loans, but they can still help themselves with the expense of a higher education by working part-time for the university in some of the offices or various and sundry other jobs. I am convinced that these are good programs.

There are disagreements about where the priorities should be. Some people would give grants on a mandatory basis, an entitlement basis, to almost everybody. I think that would be a mistake. I think we need to make sure that there are programs for low-income people, but we should also make sure that the middle income and the upper middle income students are not squeezed out so that there are no programs available for them.

We need the NDSL Loan Program. We need the guaranteed student loan or the Stafford loan program. I think it is important they are funded adequately so qualified students that have a need, and that have also shown the ability to make passing grades in college, be able to benefit from these programs.

I have been a long-time advocate of all of these programs. I think they are very important for the future of our country. They are certainly very important in a State like mine, Mississippi, which has a number of low income students who could not go to a college or a university without the aid of grants, loans, and even scholarships.

I want to commend the committee for the work they have done and for moving this legislation early in the session.

I do want to express a couple of reservations. I hope my colleagues will not move in the direction of doing away with loan programs that are available to middle income or upper middle income students. They are the ones who really have the difficult time. The upper income students do not need the aid. For the lower income students some on the Budget Committee and other Senators in the past have suggested that we go strictly to grants without the loans. I believe that once you get a college education and get a job, you should pay back the financial assistance you received while in college. If you have that ability, you should do it. So let us not go to an all-grant program. That is one admonition for the future I hope members of the committee will keep in mind.

Second, let us not move toward making these entitlement programs. That would be costly, and it would take away discretion. I do think that income should be a consideration. I do think ability to make your grades should be a consideration. I think there are a variety of factors that should be considered. I just do not know if the American people can tolerate any more entitlement programs. So I hope we will not move toward that.

I understand that there is some thought of just doing away with the guaranteed student loans, or loans that go through the private sector banks, and go strictly to a direct loan from the Federal Government that would be collected by IRS. I support any approach that we can take to collect the loans that have been made. I think students should pay back what they owe so that it can be used again without contributing to the Federal deficit.

But to move to a system that cuts the private sector out I believe would be a big mistake. A lot of banks, and a lot of institutions are trying to do their part. They are working with

State governments, they are working with the Federal Government, they are working with the parents and the students. They want to be helpful, and that is a source of revenue that is out there from which the students can benefit. We ought to be sure they have the ability to tap into it.

I would like to address a question, if I could, to the distinguished ranking Member who is handling this legislation, the Senator from Kansas. I would like to ask, in the bill as we now have it before us, S. 1150, does it continue the guaranteed student loans and have a system for collection or have you changed it to where you would move only to the direct loans with an IRS recovery; is that presently in the bill?

Mrs. KASSEBAUM. No, it is not, I will say to the Senator from Mississippi. That is not in the bill. Senator PELL, the chairman of the Education Subcommittee and myself have been very reluctant to move in that direction. It has been under consideration and proposed by some Senators.

I think that there are those who really wonder if we can improve the process of lending in the guaranteed student loans. But it is a significant move and I think it should not be undertaken toward direct lending, for instance, without giving it very, very careful consideration, and a number of hearings, so we can better analyze what might work and might not work. So it is not in the bill. It may be an amendment to the bill but that is uncertain at this point.

Mr. LOTT. Let me inquire, would this go in the direction of the NDSL loan, the so-called direct loan now through the various financial institutions, or would this be a whole new system that would be set up?

Mrs. KASSEBAUM. I am not sure what the amendment is going to look like.

Mr. LOTT. There is no question we can probably improve the system. We always can do that. And I think there are some improvements that can be made in the GSL, and certainly in the way those loans are collected. But does the Senator not feel as a very experienced member of the education and labor Committee that there is a pool of private capital out there that can be used and is available to students that might not be eligible under a direct loan?

Mrs. KASSEBAUM. It is being used, and of course those who like to go to direct lending will argue that there are savings to be made by eliminating the middle source. I personally think again, as I say, it needs very careful evaluation because it is a significant change. I think all of us would be willing to take a look at it within the right venue. Whether it is going to be proposed as some demonstration projects I am just not sure, but it is not addressed at all in the bill.

I also would like to answer the Senator from Mississippi on raising the question of the grant entitlements. That was in the bill, but Senator PELL, as chairman of the Education Subcommittee, withdrew that section in amending the bill when it was sent to the desk.

Mr. LOTT. So there is no provision in the bill that will do that in the immediate future or in 7 years, as I understand was originally included in the bill?

Mrs. KASSEBAUM. That is true in the bill, but it could come as separate pieces of legislation.

Mr. LOTT. I understand the other body has language in their legislation which would break the budget agreement, as a matter of fact, by making it applicable to the next year or two.

Mrs. KASSEBAUM. The Senator from Mississippi is correct. It is in the House bill, but they have not considered their bill yet on the floor.

Mr. LOTT. Mr. President, I thank the Senator very much for the response.

I would like to conclude, Mr. President, by saying this legislation is clearly one of an investment in the future of this country. The investment we make in higher education in America through financial aid programs is essential. I urge that we not make any major changes in the legislation we have before us. I think the committee has done a pretty good job and they have left out the entitlement program provision. I hope it will go forward as it is.

I yield the floor.

The PRESIDING OFFICER (Mr. LIEBERMAN). The distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I am pleased to rise today to speak on S. 1150, the Higher Education Amendments of 1991. While there is no question about the increase in Federal participation in higher education, we must always keep in mind that under the Constitution, the primary responsibility for educating the citizens of this country rests with State and local governments. With our current Federal debt a $3.8 trillion, and with yearly deficits that continue to rise, it is important to keep these responsibilities in perspective.

Turning to the legislation before us, I wish to commend the chairman and ranking member of the Labor and Human Resources Committee—Senator KENNEDY and Senator HATCH, and the chairman and ranking member of the Subcommittee on Education—Senator PELL and Senator KASSEBAUM, for their fine work and leadership on this bill. This bill is of great importance to parents, students, community colleges, technical schools, 4-year colleges and universities, and graduate schools all across the land. The 17 to 0 vote of the Labor and Human Resources Committee to report this bill is testimony of their able leadership. Earlier this year, I had the privilege of chairing a field hearing in South Carolina and was able to hear firsthand about the key role of Pell grants, Stafford loans, and other student assistance programs. In addition, several college presidents testified about the special role Title III programs had played in strengthening their institutions.

On the whole, the changes to the Higher Education Act presented in this bill are good ones. I am pleased that included in the bill is a simplified financial aid needs test, numerous accountability and integrity provisions, and other sections aimed at lowering the default rates on student loans. I do, however, have concerns with a few provisions.

The first issue is the provision of a Pell grant entitlement. If we make the Pell grant an entitlement then it is automatically funded. Congress would not be able to make yearly determinations. Let me be clear, I support Pell grants. It is the entitlement I oppose. I understand, however, that the entitlement provision on Pell grants has been dropped, and I am pleased with that change. With a $3.8 trillion Federal debt, and a projected fiscal year 1992 deficit of $348 billion, additional entitlements are neither appropriate nor wise.

Second, sticking to a standard 4-year authorization period is preferable to the proposed 7-year one.

Third, I have long expressed my opposition to authorizing funding for the National Board for Professional Teaching Standards. The board is a private nonprofit organization that seeks to create and administer a system for setting high teaching standards. Professional standards are commendable. However, I am unaware of Federal funds being used to establish standards in other professions. I am concerned that Federal funding of the board could set a precedent for Federal funding of other private organizations with similar motives. Moreover, I am troubled by the prospect that such a move could lead this country to Federal control of teaching standards.

In closing, I look forward to the debate and consideration of amendments to this legislation.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Who seeks recognition?

The Chair recognizes the Senator from Rhode Island.

Mr. PELL. Mr. President, once again I see no Senator seeking recognition. If it goes on this way, I would recommend to the majority leader that we have third reading.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES SHOULD RECOGNIZE CROATIA AND SLOVENIA—NOW

Mr. HELMS. Mr. President, Yugoslavia no longer exists except in name only. In fact, as of this day, the United States of America is the only leading Western nation which has failed to recognize the independence of Croatia and Slovenia.

Earlier this week, the Russian Federation recognized Croatia and Slovenia. And as I stand here on the Senate floor, the independent nations of Croatia and Slovenia are participating in the Olympic games under their own flags. They are joined by the athletes of the now recognized and independent states of Lithuania, Latvia, and Estonia.

Yet, the road taken by these five nations to Albertville has not been an easy one. The Baltic nations have paid the price for their freedom with the blood and tears of martyrs. Over the past few years, they have had to fight every inch of the way for recognition and respect at a time when most Western nations hedged their bets and supported President Mikhail Gorbachev and his policy to preserve the repressive Soviet state. Unfortunately, the United States was the 37th nation—coming after Mongolia, if you can believe that—to recognize the democratic governments of Lithuania, Latvia, and Estonia.

Mr. President, I think it is safe to surmise that the Communist government in Serbia watched very closely the delayed reaction by the United States to the pleas of the Baltic governments. In the case of Lithuania, recognition came a full 18 months after the Lithuanian people elected a democratic government which asked us for recognition. No doubt the Communists in Serbia learned very clearly that the United States would not respond if similar attacks were made by a strong central government—in this case Serbia—against weaker and smaller, democratically elected governments, such as Croatia and Slovenia.

So, Mr. President, the Serbian authorities came pretty close to the truth, unfortunately. The United States naively thought that any rivalries between democracy and communism—and I emphasize that this is not as it is labeled by the media as "merely an ethnic fight" of Croatians against Serbians—would work themselves out without U.S. intervention.

Well, I beg to differ, and I am, thankfully, not alone in my differing on that point. Forty-five other nations believe that disengagement is the wrong policy. Each of these 45 nations determined that Croatia and Slovenia respect the principles of self-determination, respect of borders, support of democracy, protection of human rights, and respect for international law.

Mr. President, I ask unanimous consent that a list of the 45 nations which have recognized Croatia and Slovenia be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. I thank the Chair.

Mr. President, the policy of the United States must never, never again allow itself to be trapped in a cycle of working with central powers, as we did in the case of the former Soviet Union. We must never let that happen again.

The United States continued to work with the never democratically elected head of the Communist Party, Mr. Gorbachev, long after he was a political dead horse. We did not work with the democratically elected alternative—President Boris Yeltsin—until the hardliners' August coup attempt almost toppled any chance for representative government and freedom anywhere in the Soviet empire. Only then was President Yeltsin able to overcome his having been rejected by the West, to become, as we all know, the leader of an independent Russia. The result of the U.S. policy was almost catastrophic.

Mr. President, I do not think there is any question about my personal friendship for and with Secretary Baker and Deputy Secretary Larry Eagleburger. But I differ with them on the course of action on the part of the United States regarding the former Yugoslavia, just as I differed with them on their decision, first, not to recognize the Baltic States; and second, not to work with President Yeltsin.

Now is the time to stand up to the aggressor and to work with the victims. We can help advance the cause of peace and freedom in the center of Europe. Enough damage has been done to Croatians and Slovenians, Serbians, Macedonians, and Albanians alike. All have suffered under Slobodan Milosevic of Serbia's reign of terror and hate.

Mr. President, I ask unanimous consent that the text of Patrick Glynn's articles, "Voices From a War Zone" in the Washington Post on December 29, 1991, and "Yugoblunder" in The New Republic on February 24, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HELMS. Mr. President, all is not lost; there is hope. The participation of Croatian and Slovenian athletes in the Olympics, for example, is a sign that peace and prosperity can and will come to their homelands. The participation of the Baltic States is proof that democracies can triumph over dictatorships.

The United States still has time to reverse our policy regarding what I call the former Yugoslavia. I urge the President of the United States to join with leaders of the rest of the world and recognize now the independence of Croatia and Slovenia and their democratic governments.

Mr. President, I thank you. I yield the floor.

EXHIBIT 1

FORTY-FIVE COUNTRIES RECOGNIZE REPUBLIC OF CROATIA

Albania, Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Bulgaria, Canada, Chile, Czech-Slovak Federation, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Paraguay, Poland, Portugal, Romania, Russia, San Marino, Slovenia, Spain, Sweden, Turkey, Ukraine, Uruguay, United Kingdom, The Vatican, Venezuela.

As of February 18, 1992.

EXHIBIT 2

[From the Washington Post, Dec. 29, 1991]

VOICES FROM A WAR ZONE

(By Patrick Glynn)

ZAGREB, YUGOSLAVIA.—I've never been to a war before, and, to tell the truth, I am somewhat impatient to get there. I am speeding down the highway in a rented Volkswagen Golf—the Eastern European version—toward Osijek, a town in eastern Croatia under siege by the Yugoslav federal army. Thirty-six kilometers east of Osijek, the town of Vukovar has already fallen. Osijek is next on the list. Last night, the army stepped up shelling. Hundreds of civilians have been killed or injured over the past several weeks, and, as I discover later, of the 120,000 people in the town, all but 20,000 to 25,000 have left.

As we near Osijek, Ivanka, a 23-year-old volunteer from the University of Zagreb, my interpreter and guide, goes over the instructions. We are to drive into Osijek at top speed, to avoid shells. No seatbelts, in case we have to leave the car suddenly. Bags are to be close at hand. We will find a parking space along a wall near the square, grab our things and then dart the short distance to the underground shelter, which includes a press office manned by student volunteers.

The main street into Osijek is littered with demolished cars. We speed in at 100 kilometers an hour, past pockmarked walls, weaving in and out of the slower-moving Croatian army vehicles. As we arrive at the square and pull up on a sidewalk, Ivanka says to relax, the shelling is not so bad today. As I open the car door, I hear the not too distant rumble of a howitzer.

My experience in Osijek mirrors what the outside world knows about a war that pits the Yugoslav army, the Serbian Republic and allied Serbian insurgents against the breakaway republic of Croatia. I visit the hospital, apparently one of the main strategic targets. Repeatedly the hospital has been hit by artillery and rocket fire; it rumbles with a near-miss while I am there. Patients are housed in the cellar. Most are townspeople wounded by shells on their way to market or work.

The sense of abandonment is strong. The monitors from the European Community "come and take their pictures," Dr. Kresimir Janosi, chief surgeon, says with bitterness. The monitors travel in groups of five and wear special white uniforms. The locals call them "the ice cream men."

There is a story to be found in Osijek, but I am gradually convinced that the story may not be the war, which is dramatic and awful enough and which, God knows, should be stopped, but perhaps a more hopeful story about what this country could be like in peace, if this brutal war could somehow be ended.

The misleading image Americans have of the conflict is of Serbs and Croats engaged in an ancient blood feud, of primitive human beings in a dark corner of Europe still poised to slit each other's throats. Yet to a degree that most Americans do not imagine, Croatia is already a tolerant society, a sophisticated society, a European society. The people I meet in nearly a week of travel here—interviewing senior government officials, opposition members, Catholic and Jewish leaders, moderate opposition Serbs, soldiers, students and ordinary people—are well educated and self-assured, given to easy laughter. Zagreb actually seems to me more civilized than the ethnically divided city in which I grew up: Chicago.

Indeed, what strikes one most about Croatia today is the absence of personal rancor amid war. In Zagreb one does not find a tenth of the passion, for example, that gripped America during the Persian Gulf episode. The prevailing mood rather is one of sadness. Near Sisak, talking to a young Croatian army commander (in peacetime a primary school teacher), I discover that his wife, a Serb, has actually left him because of the war. Does he feel angry?

"I've got the feeling," he says, "that those people let me down. We didn't ask them what their nationality was. I am disappointed. But we'll give them the chance to live together once more, except for those who have done war crimes."

Yet world attitudes to this conflict are still shaped by outdated memories. Fifty years ago, repressive regimes in both Serbia and Croatia tortured and killed tens of thousands of Jews and other minorities. In Croatia, it was the Ustashe regime—a notorious fascist government. The memory of Ustashe hangs over Croatia, even though all traces of the evil of Ustashe—like the bygone evil of Nazi Germany, or Imperial Japan—appeared to have long ago faded from the scene.

One of the first people I seek out here is Nenad Porges, a Sephardic Jew and president of the Zagreb Jewish community. I know his name from an appeal he has issued to other Jewish communities around the world, calling for an end to the war. I find him in a modest office on a Zagreb side street, from which he runs a marketing research firm. A short man in his fifties, he chain smokes and speaks in rapid, but oddly precise, English. His grandparents were killed by the Ustashe regime, but he strongly supports the new independent Croatian state.

I tell him that in America the conflict here is understood in terms of 50 years ago. "That's bad," he says. "It's trite to stick to stereotypes that happened once upon a time, [to focus on] bloody happenings in Croatia and Serbia and to link them to today. Because today's Croatia is trying badly, based on very democratically held elections, to find its own path to democracy."

Porges is not uncritical of the current president, Franjo Tudjman, whose tactless remarks during an intensely nationalistic 1990 election campaign sometimes offended both Jews and Serbs. (Fighting for the majority Croatian vote and accused by minority right-wing forces of being insufficiently Croatian and having a Jewish or Serbian wife, Tudjman at one point burst out, "Thank God, my wife is neither a Serb nor a Jew." He has never quite lived down this remark.)

But Porges and others—including educated Serbs—recognize a difference between Tudjman's lapse into crudeness in the heat of the moment and any actual tendency toward fascism. Curiously, Tudjman, who fought against the Ustashe with Tito's antifascist forces and was later jailed as a dissident under the Communist regime, is routinely portrayed in the outside world as a fascist and a hard-line Communist.

Mihailo Montilio, deputy foreign minister and another Sephardic Jew, expresses frustration at Croatia's poor reputation abroad. Conditions in Serbia for Jews during World War II, he stresses, were no different than in Croatia, and perhaps in some ways worse. His parents were killed by the Ustashe regime, but he was later saved by Croatian partisan forces. "There are good Serbs and bad Serbs," he says. "There are good Croats and bad Croats. The truth is there are even good Jews and bad Jews."

What of the Serbs? Only a third of the Serbs—who constitute in total 12 percent of Croatia's population—are in contested regions. In the big cities and even in many of the rural towns there is already a model for effective coexistence. I found an example of this in Sisak, a town on the front lines, where the vice president of the town council is a Serb, as he explains proudly, freely elected from a dominantly Croat district.

In Zagreb, I interviewed Natasa Desnica-Zerjavic, a professor at Zagreb University and a leader of Serbian Democratic Forum, the moderate opposition. By coincidence, my guide to Osijek was Desnica's pupil. I ask Ivanka to help interpret during an intense session, with Desnica passionately defending the feelings of the Serbs, while condemning the war's violence. Yet while I am briefly out of the room, she confides to Ivanka, a Croatian, that while she hopes she is being fair, there were several points at which her husband, a Croat, would have vociferously disagreed.

Serbs say they are haunted by memories of the Ustashe. But also they stood to lose the most—materially, occupationally—when communism yielded to democracy. In Croatia, the minority Serbs were the ruling class, holding 65 percent of police and 95 percent of Communist Party positions. The process of de-communization was destined to fall disproportionately on Serbs.

That was why Belgrade found it easy to incite many rural Serbs to rebellion after the Croatian elections. For Belgrade, the war has the role of preserving the privileges of the Yugoslav army (e.g., villas on the Croatian Adriatic coast) and keeping the present hardline Serbian leader, Slobodan Milosevic, in power.

American policy toward Yugoslavia, meanwhile has been marked by many of the same conceptual errors that hindered our performance during the Cold War—including a tendency to posit "moral equivalence" between the two sides, equating the democratic Zagreb government with the communist-nationalist Belgrade one.

Even as Croatia and its sister republic Slovenia edged toward democracy and independence in 1990, the State Department unwisely insisted on the primacy of the "territorial integrity" of Yugoslavia, inadvertently emboldening Belgrade to war in the name of Yugoslav unity. Last week, Germany finally broke with the United States, recognizing Croatia and Slovenia. U.S. officials argue that such recognition will escalate the conflict, but with war already raging and a third of Croatian territory under occupation, the missing component in Western policy has clearly been effective pressure on the Belgrade government.

Remarkably, a solution does not seem out of reach, at least in Croatia. Indeed, those Croatian officials I met bent over backwards to indicate their flexibility and willingness to talk.

"Croatia is ready to be a quiet, middle-European country," says Croatian Vice President Mate Granic. Croatian officials want U.N. peacekeeping troops and say they will accept virtually any form of international monitoring to help assure the rights of Serbs in contested areas.

Two things still need to happen. First, the United States must recognize that the struggle in Yugoslavia today is a war between budding democracies and an authoritarian state. Second, something must be done to counteract Belgrade's military power, or the conflict is likely to drag on. The ineffectuality of EC "ice cream men" can be explained largely by their lack of military punch.

Croatian government officials float the idea of NATO or the U.N. acting simply to close Yugoslavia air space to aircraft—an almost trivial task for combined Western air forces, one would suspect. Europeans could conduct the brunt of such operations, with the United States supplying chiefly AWACs reconnaissance aircraft. Interestingly, moderate Serbs like Serbian Democratic Forum President Milorad Pupovac would welcome Western military intervention, even to the point of introducing troops. "I think we need not just a peacekeeping force, but a peacemaking force," he told me.

Does America have a sufficient stake to justify participation in such an operation? One should not take lightly the prospect of sending fellow citizens into battle. However, risks to Americans from such air operations, especially with Europeans carrying the brunt, would be minimal. The price for not acting, meanwhile, is likely to be years of instability near the heart of Europe.

At the hospital in Osijek I was shown a long cellar room lined with empty hospital beds, stretching as far as the eye could see—preparations for the evacuation of Vukovar, which actually proceeded by an alternative route. When I returned to the press center, one of the student volunteers was smiling. "You have been to hospital?" he said. "Then you have seen the beds waiting to take us away."

[From the New Republic, February 24, 1992]

YUGOBLUNDER

(By Patrick Glynn)

For months after Secretary of State James Baker's fateful visit to Belgrade in June 1991, observers debated whether the American secretary had inadvertently contributed to civil war in Yugoslavia by throwing his weight behind Yugoslavian "unity" at the very moment when the republics of Slovenia and Croatia were preparing to secede. Since then the mischievous consequences of U.S. policy toward Yugoslavia have so multiplied that the fuss over Baker's trip seems dwarfed by other disasters. In December Germany publicly broke with the United States, announcing recognition of Slovenia and Croatia. In January the EC followed. What began as a gruesome civil war has expanded into a crisis in U.S.-European relations, with major implications for the post-cold war balance of power. At last count thirty-nine nations—including Canada—have recognized the republics. The United States, still resisting recognition, remains isolated, its relations with

Germany damaged, its influence and prestige in Europe clearly diminished.

U.S. policy-makers were quick to blame the Germans. In early January The New York Times described State officials "below the level of James A. Baker 3rd"—widely assumed to be Deputy Secretary of State Lawrence Eagleburger, the State Department's lead man on U.S. policy toward Yugoslavia—as beginning to "wince" at German assertiveness. But the effect of such self-exculpating statements was only to aggravate an already bad situation, increasing rancor with Bonn, hastening the loss of American influence in Europe.

What went wrong? U.S. handling of the Yugoslav crisis is in fact a case study in how not to conduct foreign policy in the post-cold war world, combining lack of intellectual rigor and carelessness with what Senator Al Gore has termed "moral obtuseness" about the conflicts and issues at stake. It epitomizes the essential superficiality of the administration's approach to foreign affairs.

Even now administration officials remain unrepentant. When I requested interviews for this story at the office of Eagleburger aide Kenneth Juster, public affairs director Joseph Snyder, to whom I was referred, told me after two days that State officials at the "highest levels," including Eagleburger's office, had determined that "nobody in the building" would talk on the subject. The reason given was the "murky" situation, in which officials' comments would be "overtaken by events." (The likelier explanation was an article critical of U.S. policy on Yugoslavia that I had written the previous week for The Washington Post.)

The main factor in the Bush administration's mishandling of Yugoslavia was its devotion to geopolitical "stability" at the expense of democratic values and human rights. U.S. policy toward Yugoslavia paralleled and was subordinated to U.S. policy toward the Soviet Union. In both cases the administration sought to prop up a declining Communist central government at the expense of democratically minded republics. In the USSR it was Gorbachev; in Yugoslavia it was the reform minded Prime Minister Ante Markovic. In both cases the effort failed. But while in the Soviet instance it failed peacefully, in Yugoslavia U.S. policy may have contributed to a violent civil war. The errors were reinforced by clientism on the part of State's Belgrade-orientated Yugoslav hand—and possibly, in Eagleburger's case, by a history of personal financial dealings with firms owned by Yugoslavia's Communist government. (See "Lawrence of Serbia," page 16.)

What was occurring during 1989 and 1990 in Yugoslavia was an uneven shift to democracy. In the spring of 1990 both Slovenia and Croatia elected non-Communist governments in internationally monitored free elections. Both adopted democratic constitutions. Slovenia, the most prosperous and ethnically homogeneous of the six Yugoslav republics, was also the most eager for independence. The Croatian situation was more complex, given the presence of a 12 percent Serb population and memories of brutal mass murders of Serbs and other minorities under a fascist puppet regime during World War II.

But if Croatia's human rights situation was problematic, human rights problems in Serbia were clear-cut and acute. Since 1987 Serbia had been ruled by a hard-line Communist, Slobodan Milosevic, who increasingly based his appeal on fiercely nationalist themes. Under Milosevic, Serbia had perpetrated extreme abuses in the dominantly Albanian province of Kosovo—shooting and jailing protesters, torturing prisoners, firing ethnic Albanians from jobs and invading their homes. Moreover, in sharp contrast to elections in Slovenia and Croatia, Serbia's December 1990 elections were neither free nor fair. Restrictions on freedom of expression, unmonitored army voting, and a scheme whereby Serbian banks were ordered to print almost $2 billion in Yugoslav currency to be distributed to employees of state-owned enterprises prior to the election helped ensure victory for Milosevic and his nationalist neo-Communists.

By 1990 communism in Yugoslavia was ceding to nationalism, but in uneven fashion. In Slovenia and Croatia, nationalism had assumed an imperfect democratic tinge, while in Serbia it remained married to hard-line Leninism. The State Department's crucial failure was to miss the importance of this distinction. Even as Slovenia and Croatia edged toward democracy and the Serbian human rights record worsened, the United States strove to maintain an artificially evenhanded policy. "We have never been admirers of Communist ideology," U.S. ambassador to Yugoslavia Warren Zimmermann told the Serbian newspaper Borba in March 1991. "However, we think that every people, the Yugoslav people included, have a right to the system they choose themselves and to the people they elect. We respect that right, and if they choose communism and the Communists, we are prepared to deal with their leadership."

Back home in Washington, State officials resisted efforts by legislators to change policy. Human rights problems in Yugoslavia, a senior congressional aide was told by high level State Department officials, "are the results of ethnic tensions * * *. Don't make a big deal about them. The Serbs are trying to hold the country together * * *. Don't break up [Yugoslavia] because the Soviet Union will use it as a model. If the Soviet Union breaks up, [the consequences] could be nuclear."

In part, however, policy was also dictated by a flawed conception of how violence in Yugoslavia might originate. Eagleburger warned legislators of deep historical ethnic hatreds in Yugoslavia, arguing that unity was the key to ethnic peace. What he and others failed to see was the difference between democratic and undemocratic nationalism. When violence arose in Yugoslavia, it would come not from the newly democratic republics but rather from the republic—Serbia—where Communist authoritarian forces held sway. The key issue was not ethnic tension but the willingness to employ violent methods.

Eagleburger's approach is best seen as part of the Bush administration's broad return to Kissingerian ideas of stability, where stability—in contrast to Reagan's approach—would be given clear priority over human rights. (Eagleburger was a former Kissinger aide.) Throughout 1990 and 1991 Eagleburger consistently opposed measures that might undercut Yugoslavian unity—or penalize the Serbian republic. Following a high-level congressional trip to Yugoslavia in August 1990, in which visiting senators, headed by Republican leader Bob Dole, were shocked to witness firsthand a crackdown by Serbian police on ethnic Albanians, Senator Don Nickles introduced legislation designed to redirect U.S. aid away from the Yugoslav central government, which had no power to curb Serbian abuses, and toward individual republics, based on criteria of free elections and human rights. State resisted, pleading for Yugoslav unity, and found an ally in Representative Helen Bentley, of Serbian parentage and a tireless defender of Serbian interests. Bentley joined in the House-Senate negotiations on the Nickles amendment, even though she did not belong to the relevant committee. "She camped out in the committee room reading a book called The Rape of Serbia," a congressional aide recalls. Nickles and Bentley were able to strike a compromise—a provision for six-month delay—that permitted the amendment to pass. Bentley was the only individual I interviewed who expressed complete satisfaction with U.S. policy. Even Representative Jim Moody, who also has strong Serbian sympathies, regretted that the United States hadn't played a more active role as a broker between the parties.

In theory, the Nickles amendment provided a new policy framework, anchored more closely to democracy and human rights. Human rights groups such as Helsinki Watch had urged just such an approach. The point was not just to penalize Serbia, which was committing the grossest abuses, but to increase leverage with Croatia, where the human rights picture was still unclear. Croatia's 1990 elections had been highly nationalistic in tone. Traveling in dominantly Serb regions of Croatia in 1990, Helsinki Watch executive director Jeri Laber says she found "genuine fear" among Serbs of a possible resurgence of World War II persecution and genocide. Labor and others point out that Milosevic deliberately stirred and manipulated such fears—some argue in preparation for a coming war. Moreover, Croatia's President Franjo Tudjman attempted (somewhat unsuccessfully) to respond to Serb complaints in what the U.S. Consul in Zagreb described in an August 1990 cable as "sound and judicious" fashion. Tudjman offered the head of the minority Serbian Democratic Party the vice presidency but was turned down. Eager for an international presence and receptive to human rights monitoring, Croatia has shown a willingness to meet EC demands. Many now agree a more visible U.S. presence in Croatia and Serbia, backed by the threat of sanctions, might have done much both to reassure Serbs in Croatia and to deter the Serbian republic from violent intervention.

In May 1991 the Nickles sanctions were imposed, and aid was cut to the Yugoslav central government and Serbia. However, a mere twenty days later President Bush waived the sanctions after a phone call with Markovic, the Yugoslav "Gorbachev." But by now Markovic's authority had been completely undercut by Milosevic, whose December money-printing scandal had destroyed the convertibility of the dinar and with it the Markovic economic reforms. Moreover, nine days earlier Serbia had blocked the scheduled assumption of Yugoslav's collective presidency by Stipe Mesic, a Croat, destroying any pretense of a neutral federation.

During the winter of 1990-91, State continued to resist measures to treat the republics differently or to link U.S. aid to human rights. In January 1991 Dole introduced legislation calling for aid to republics in both Yugoslavia and the Soviet Union, based on democratic and human rights criteria. State opposed the measure. Throughout 1991—as militant Serbs in Croatia, stirred by Milosevic, mounted armed rebellion, eventually declaring a small independent state—Serbia resisted efforts by Slovenia and Croatia to negotiate a looser Yugoslavia confederation. State advocated standing aside. In May Croatians voted overwhelmingly for independence in a referendum, following a similar vote by the Slovenes. In June Baker traveled to Belgrade and gave his speech emphasizing U.S. interest in the "territorial integrity" of Yugoslavia. "I believe [Barker's speech] suggested to the Serbs—to Milosevic—that we were going to support extreme things to keep the country together," says Yugoslav expert Steven Burg of Brandeis University. Even after the declaration of independence by Slovenia and Croatia, White House spokesman Marlin Fitzwater condemned "unilateral actions that pre-exempt dialogue," arguing that "separation will lead to violence," implicitly blaming Slovenia and Croatia for the war that Serbia and the Yugoslav army were about to start.

As late as October 1991, with war raging and thousands of Croatian civilians fleeing their homes, State testified against legislation introduced by Senator Alfonse D'Amato (another veteran of the Dole trip to Kosovo) calling for a cutoff of aid to and sanctions against Serbia.

From the beginning of the war, Germany and Austria leaned toward recognition of Croatia and Slovenia as the best solution. The United States, following U.N. special envoy Cyrus Vance, argued rather that recognition would only escalate the war. As late as mid-December Earleburger told the mayors of the besieged Croatian towns of Dubrovnik and Osijek that recogniton would only lead to expansion of the to expansion of the war into Bosnia and Herzegovina and Macedonia.

Instead, the German decision to recognize the two republics, coming in December and January, brought the first enduring cease-fire. With Yugoslav army desertions growing, the Serbian economy flagging, and the war increasing unpopular at home, Serbia's Milosevic now appeared ready to talk. As is not uncommon in dealing with a dictator, pressure had worked. The situation was far from resolved, but for the first time in fifteen cease-fires, the Croation countryside was mostly quiet. One only wonders now what a different policy pursued earlier in the game might have done. "If we had summoned the moral courage to act," says Gore, "we could have saved thousands of lives."

In the end the Yugoslav crisis did more than create two new states: it marked the re-emergence of Germany as a great power. It was an ironic reversal of roles. Throughout the 1980s, when the United States pursued tough tactics against Communist leaders, based on a commitment to democratic principles, West Germany steered a more neutral middle path between East and West based on realpolitik. Now the Germans were acting from principle against a dictator while the United States cultivated realpolitik. It was a measure of the fundamental difference between the Bush and the Reagan foreign policies. It was also a measure of the declining power of the United States. One of the great lessons of the 1980s was that those countries fared best in the global power struggle that stood firmly for their principles. In the 1990s, returning to Kissingerian ideas of stability, the United States eschewed such a course. The result was not merely a botched opportunity and an unnecessary loss of lives, but an absolute loss of international power for the United States.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HIGHER EDUCATION AMENDMENTS OF 1991

The Senate continued with the consideration of the bill.

Mr. DURENBERGER. Mr. President, I rise as we begin this debate on the higher education amendments of 1992 principally to commend my distinguished colleagues who have put this bill together over the last 2 years: The chairman and ranking members of the Senate Labor Committee and its Subcommittee on Education.

We have our differences on several important issues raised by the legislation. But drafting this bill and bringing it to the floor has been a uniquely bipartisan endeavor. We are all indebted to our colleagues for the hours and hours of hard work that has brought us to this point today.

I also rise to reflect briefly on the significance of what we are doing in this legislation, and to State my own priorities for several additional improvements I would like to see made in this bill before it leaves the Chamber.

As I stated many times before, I entered this debate with some deep-seated biases—as one who grew up in the higher education community, as the son of two teachers, as the parent of four sons who are either now in or recently graduated from a college, as a private college trustee, as a member of the committee that drafted the bill, and as a Senator from the State that cares more about education than it does about any other public service.

That interest is reflected in the very thoughtful input on this legislation that I have received from thousands of Minnesotans over the past 15 months.

In hearings, forums, letters, and meetings all over the State, I have heard from both the consumers and providers of higher education in my State. All of the additional contributions I would like to make in this legislation come from the Minnesotans that I represent.

This is a highly complex subject as our chairmen and ranking members know so well. They have produced a 600-page bill that does everything from expanding library technology grants to improving the quality of teacher training.

Of course, the complex subject of student financial aid is at the very core of this legislation. And, I do not think any one of us would claim to be an expert in all the nuances of the cost of attendance or expected family contribution or congressional needs analysis or many of the details and fine print crammed into the 600-page bill we have before us.

What I do know is that this legislation represents two important realities.

First, it has never before been more important to get a high quality college education in America. Our incomes as individuals are measurably higher if we do. And, our productivity and output as a nation are absolutely dependent on the quality of education we all receive.

And, second, Mr. President, it has never before been more evident that Americans—especially middle-income Americans—are deeply worried that their children will not be able to afford the same level and quality of education that many of us received, just one generation ago.

There has been a lot of talk this week, in this Chamber and in this town, about messages being sent and received all across America.

One of those messages, Mr. President, is a deep-seated fear that college is again in danger of becoming the sole province of the totally subsidized poor and those few wealthy Americans who need no subsidies at all.

Just 2 months ago, a new national survey found the rising cost of higher education to be the third greatest fear of American families, behind only crime and drugs, and ahead of health care.

We are doing a number of things in this legislation to help address that fear.

We need to, and are, increasing the maximum size and income eligibility limits for Pell grants.

We need to—and are—increasing the maximum loan limits for the Stafford Program, and for other federally guaranteed student programs authorized by this legislation. We need to—and we are—strengthening specially targeted programs aimed at low-income, at-risk, and minority students.

I support all of these improvements in the legislation, and I wish fiscal realities would allow us to do more.

At the same time, I realize there are strong differences of opinion on whether access to the Pell Program should be guaranteed through an entitlement. I have mixed feelings on that subject myself.

But no one in this Chamber can deny the need to place a higher priority on financing access to higher education for those who have suffered most from its rising cost.

I also appreciate the efforts of the managers of this legislation to improve the Stafford and other guaranteed student loan programs that are at the core of our Nation's commitment to access to higher education. I especially appreciate the efforts to make the current loan programs simpler, easier to administer, and less likely to result in default.

Having pointed out all of those positive features of this legislation, Mr. President—many of the improvements in it came from suggestions from Minnesotans and, particularly, financial aid officers at our colleges and universities—I still must admit that I am disappointed that we are facing a 21st century set of problems with a 1960's and 1970's set of student loan programs.

That is why, during the course of this debate, I hope to join with the chairman of the committee, with my distinguished colleagues from Illinois and New Jersey, and, I hope, with others on both sides of the aisle to propose an amendment offering a new and a better idea for paying for college.

I also hope to use this debate to argue for greater incentives and rewards for academic excellence—especially on the part of lower income students—through a merit-based bonus for Pell grant recipients.

I want to use this debate to ensure that the rising cost of medical school—and the loss of interest deferment for medical residents—does not discourage medical students from a career in family practice or rural medicine.

I want to use this debate to make sure Federal policy continues to support the use of new telecommunications and computer learning technologies in higher education.

I want to use this debate to make sure Federal policy encourages growing private-sector support for scholarships, especially through community-based initiatives like the Dollars for Scholars Program based in my own State of Minnesota.

And, finally, Mr. President, I want to use this debate to argue for much greater attention to quality, outcomes, and accountability in higher education.

We can—and we must—be placing a higher priority as a Nation on assuring broad and equal access to colleges and to other forms of higher education.

But, we must also pay much more attention to what we get from a college education—as customers and consumers of a product that must be of ever-increasing quality and ever higher value.

Thank you, Mr. President. I yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I rise in strong support of the bill that we have before us today. As we all know, we are taking up the reauthorization bill for higher education.

We are doing so at a unique time in our history. I do not need to elaborate on the dramatic changes that have occurred in the world. Nor will I take my colleagues' time in delineating our economic woes. The recession and our budget mess remind us each day of our need for restructuring our finances.

On the other hand, this is probably the first time in half a century that we are looking toward a future free from the threat of global war. Today we are considering a bill which could move us on a path to take fuller advantages of the opportunities before us. Yes, we must consider the budget straitjacket we have placed ourselves in, but we will only cinch that straitjacket tighter if we ignore the fundamental needs of our country.

Postsecondary education is critical to our future. If we do not want to compete with the rest of the world on wages, then we will have to do so on the basis of ingenuity. We must take measures to maximize the opportunities a better educated work force will bring.

At the same time, we must be careful that we do not move so fast that we lock ourselves into directions which aggravate our current problems, which would overburden our students and restrict access to our schools.

I use the term postsecondary in lieu of higher education because the latter term has connotations which do not reflect the present and future needs for broader education of the skilled work force needed to meet the challenges of the future. We have to modify our secondary education to provide the necessary skills as well. In addition, we have to adequately fund programs of postsecondary education to make the necessary training available. This is vital to provide the skills necessary to meet the challenges of modern technologies, and to meet the challenges being provided by our international competitors.

I want to commend subcommittee Chairman PELL and Senator KASSEBAUM for their diligent efforts to reauthorize one of education's most significant pieces of legislation.

The bill before us provides the loans and grants which enable thousands of students to attend institutions of postsecondary education. It is an important foundation of this country's education system.

As we continue to look toward the future, the need for trained, efficient employees who can learn, grow and perform on the job is vital to our economic prosperity. Providing quality education to those who have traditionally been disadvantaged will continue to be a priority.

But, we all know that acquiring an education costs money. Many of our disadvantaged students cannot afford the price of postsecondary education. To get the money to go to school means getting the jobs that pay more. To get the jobs that pay more, means acquiring an advanced degree.

I had hoped that this bill would have included a Pell grant entitlement, unfortunately it does not. However, I would like to say that I do recommend that at the nearest time possible we do make it an entitlement. I understand the concerns raised about the fraud, and I understand the reasons against creating a new entitlement program.

But, I also understand that if we look 10 years down the road we will see that we cannot afford not to make Pell grants an entitlement. This country cannot afford to have a shortage of people adequately trained to master the kind of jobs that will be available and are necessary to remain competitive in the world markets. However, if we do not provide enough grant assistance we will doom ourselves to failure. This country cannot afford to turn its back on the indigent—again. The Pell grant entitlement is a necessary and important step to students and to this Nation.

The bill does increase assistance to the middle-income students. Increases in Pell grants frees up critically needed loans to our middle-income families. Home and farm assets up to certain income levels are removed from consideration and loan limits are increased.

I am pleased that the committee accepted my amendment to increase loan limits even further. I offered this amendment to close the gap between available Federal funds and the cost of tuition and college expenses. No one in this body wishes to increase loan indebtedness, but better to have needy students borrow a federally subsidized loan than a loan on the outside market.

I am further pleased by the inclusion of my early intervention proposal. It has become clear from experience and research that at-risk students who do not receive some form of counseling or support in their developmental years are likely to drop out of school and not pursue further educational opportunities. The proposal in this bill will increase awareness and provide emotional and financial support to help students stay in the educational pipeline. An important element if this country hopes to produce a well-educated, well-trained future work force.

Title VII of the bill provides a new formula for facilities funding. Studies indicate that there exists a $60 billion need in infrastructure, future construction, and renovation. The tragic state of our university science facilities attests to the growing need for funds to rebuild our Nation's basic science infrastructure. A survey of private colleges and universities shows that only 10 percent of these institutions rated their science facilities as state of the art while more than 40 percent of the institutions rated their facilities as inadequate to meet their current teaching and research needs.

The problem is particularly acute in small colleges that do not have large outside funding resources. I hope that we will see a renewed investment in facilities financing and funding so that our academic facilities be as up to date as possible to educate and train tomorrow's scientists and engineers. This program is crucial, not only to our universities and colleges, but to the competitive nature of our Nation as a whole.

I am further pleased to note the increased State oversight in the program integrity section of the bill. Recent reports of fraud and abuse have focused attention on how to improve the regulatory structure in order to assure the integrity of the student aid program. The provisions placed in the bill increase assurances of integrity without undue State oversight or intrusion.

While this bill does a good job of addressing the present higher education system particularly student financial assistant programs. I also continue to believe that we must take a long-term, strategic look at the future of our higher education system. What, if any, structural changes need to be made in the current division of responsibilities for financing postsecondary education? Evaluation of the economic, demographic, educational, and institutional information of the current and projected responsibilities for financing higher education is a must.

It is this long-term view of higher education financing that the Commission on Financing Postsecondary Education which was included in the 1986 reauthorization of the Higher Education Act is charged to examine.

Why is a long-term view of restructuring postsecondary financial education needed? In large part, to assess the possibility of different financial aid models. Take, for example, proposals to move Federal financial assistance from the public/private sector to the public sector alone. It essentially creating a direct lending program. Such proposals claim to save $1 to $2 billion a year.

Tempting as this sounds, there remain unanswered questions. How would the Department of Education administer such a program? Where would the Federal Government come up with the money to fund a $50 billion program? How do we transit into the program and what effects will it have on students, families and institutions? These are just a few of the questions that, in my mind, have not been answered yet.

In light of the ongoing studies and dearth of information, let us move cautiously on new initiatives at this particular time and yet at the same time be sure we recognize we must do more in order to improve the availability of funding for our students in order to make all education, postsecondary education, available to those who need financial assistance as well that are qualified and appropriate to take such education.

Mr. President, I am very pleased to be in support of this bill. We have much more to do. And as time unfolds, I am hopeful that we will have opportunities, when the budgetary straitjacket we placed on ourselves is released, to revisit such issues as the Pell grant entitlement.

Mr. President, I ask unanimous consent to print in the RECORD a factsheet on financing postsecondary education provided by the National Commission on Responsibilities for Financing Postsecondary Education.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACT SHEET: FINANCING POSTSECONDARY EDUCATION

Has higher education become unaffordable in this country?

Increasingly, the answer is yes. Fewer Americans are able to afford a postsecondary education because the burden of paying these costs has shifted, in the last decade, from governments and institutions to individuals are families. These conditions are the results of many factors, including Federal and state deficits and a shift towards greater reliance on borrowing. In addition, tuition and living costs continue to soar at far faster rates than incomes.

Does this affect middle-income Americans as well as the poor, disadvantaged and minorities?

All these groups are critically affected. Middle-income students are particularly hurt by the increased dependence on borrowing. Low-income and minority students and their families have been especially hard-hit by higher tuition costs with less aid available.

Are we facing a crisis as fewer Americans are able to gain a postsecondary education?

Current trends suggest that we are. Economists forecast that our labor force in the 21st Century will need to be far better educated. With fewer Americans earning postsecondary degrees in the future, the consequences will be bleak, affecting:

The quality of our workforce (with increasingly technical, skill-oriented needs); economic stability; international competitiveness; the education of our electorate; national security; medical and scientific advances; and quality of life.

What is our national response to this crisis?

Congress has created a commission to examine the nation's long-term financing needs for higher education: The National Commission on Responsibilities for Financing Postsecondary Education.

What is the goal of the National Commission on Responsibilities for Financing Postsecondary Education?

Its two-year mission is to study and produce recommendations to Congress and the President on the long-term restructuring of the current system and operations of financing higher education. Who is paying for higher education? Who benefits? Who should be responsible for financing postsecondary education? At what level? These are some of the questions to be answered.

An examination of long-term, comprehensive restructuring is needed because national and statewide systems for financial aid have failed to adapt to changes like increases in the number of low income students and single-parent families, and to our increasingly service-oriented, technological society. Also, many funding formulas that define student aid needs are obsolete, and state investments have begun to decline.

What is the Commission doing to meet these goals?

Five regional open hearings nationwide, Washington-based seminars, Educational research teams active at three universities, Issue papers by staff and Commission members, National conference in Washington, D.C. in June, 1992. Report and recommendations to Congress, 1993.

Because the Commission is concerned with higher educational opportunities for all Americans, it is holding five public, regional hearings nationwide, inviting testimony from experts, students and the public. Issue papers are being written by staff and Commission members, whole educational research teams from three universities study the proposals and issues developed at each hearing. Washington-based seminars also will be conducted beginning in early 1992.

The national hearing in June 1992 will help Commission members develop final recommendations to Congress, which are due in early 1993.

What Solutions Are Being Proposed?

A variety of suggestions have been made to the Commission. These include new approaches to student loans, national postsecondary trust funds, redesigned financing formulas for public institutions, national service, and incentives for private sector and philanthropic participation in postsecondary financing. These and other solutions are being explored and evaluated by the Commission in order to construct a comprehensive, inclusive strategy for meeting national needs.

COMMISSIONERS

Senator Paula Harkins, Chairman, Winter Park, FL.

Thomas A. Butts, Associate Vice President for Government Relations, University of Michigan, Washington, DC.

Charles J. Cooper, Esq., Attorney, Washington, DC.

Dr. William Cotter, President, Colby College, Waterville, ME.

Curtis M. Dunbar, Director, Secondary Curriculum, Union Country Schools, Union, SC.

Lawrence M. Jones, Chairman/CEO, The Coleman Company, Wichita, KS.

Dr. Leslie Koltai, Graduate School of Education, University of California, LA, Los Angeles, CA.

Peter M. Leslie, Businessman, Cape Elizabeth, ME.

R. Marshall Witten, Esq., Attorney, Bennington, VT.

Jamie P. Morisotis, Executive Director, Washington, DC.

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I rise today to give my heartfelt support for S. 1150, the Higher Education Amendments of 1991.

Mr. President, first, I want to acknowledge the leadership that has brought this bill to the floor and, hopefully, through the legislative process to the White House for signature. Senator PELL'S name has been associated for so many years with not only assistance to students, now the Pell Grant Program, but certainly as well through many other aspects and commitments of education related to the Federal Government. Senator NANCY KASSEBAUM of Kansas, who represents the minority side of the committee, working in tandem with Senator PELL, is also known for her long-time support and her commitment to education, not just higher education, but elementary, secondary education, and special education. I, as a former educator, can assure you that there are few endeavors in this world that I consider more fundamental to the making of a human being than challenging and strengthening the intellect.

The mind, the United Negro College Fund reminds us, is a terrible thing to waste, a waste which no individual should be forced to accept and a waste no one in the Nation can afford as well.

Mr. President, an enthusiastic student is truly a national treasure, and each teacher, or parent for that matter, understands the gratification one feels when answering the questions of an interested and curious young person. To deny eager students the opportunity to pursue their academic careers to the level that their determination and their drive will carry them would be a grave injustice.

The value of higher education both to an individual and to a nation is too great to quantify.

This afternoon Senator BYRD, the chairman of the Appropriations Committee, and I, as the ranking Republican member, held one of our series of hearings on the general economic situation facing the Nation today. And we had two very extraordinary witnesses, Dr. Herbert Stein, who was a former Chairman of the Council of Economic Advisers to a Republican President, and Dr. Charles Schultze, who was a former Chairman of the Council of Economic Advisers to a Democratic President.

Very frankly, there was little distinction between their prognostications and this analysis, because I think the economic circumstance of the day really is becoming more and more clear to all people regardless of their identification of party label or their political-economic philosophy.

An interesting point made by both of these economists today was the need for long-term investment in this country, long-term investments that would increase productivity, that would increase and enhance the ability of the students coming out of our schools to find a niche in the workplace. And here these economists that you would expect perhaps to concentrate perhaps on the matter of economic philosophy, or economic programs, or economic steps to be taken, were in a sense saying education is a key to the economic future of this country; two very distinguished economists.

So I would suggest that S. 1150 is perhaps the best investment opportunity this body will have in this session; long-term investment.

Our national defense depends on a well-educated population. The very foundation of democratic government depends upon a well-educated electorate. While this bill may not equal the Department of Defense budget in dollars, it provides even greater national security by maintaining access to higher education. To me this is our national defense initiative of the year.

I commend my colleagues again on the Labor Committee—and there are many besides the two leaders that I have acknowledged, and I see my colleagues on the floor today: Senator JIM JEFFORDS of Vermont, Senator TED KENNEDY of Massachusetts, two other members of the committee—and all the other members who together collectively brought us this bill today.

Mr. President, the political climate in our country today is much different than it was when this act was first passed in 1965. Our belts are pulled much tighter than they were during the Great Society days. At a time when dollars are few, people may ask how on Earth can we afford to spend even more money on education. Mr. President, the answer is, of course, we cannot afford to do less.

People across the Nation are suggesting what they believe to be the most important steps our Government can take to help keep our country afloat during this recession—cut the capital gains, push to open trade barriers, bring economic relief to the middle class. All of these may be very valuable measures and could be helpful perhaps in the short term. But today again I emphasize we must think in the long term.

I indicated today in our hearing that it was the most important hearing in my view that we have had this session by the Appropriations Committee because the chairman, Senator BYRD, posed the question to these economists. What do you suggest we do today? Then he said, now wait a minute. Let us assume that perhaps we are in 1997, and with the economic conditions of today having their full playout by 1997 . . . what—if in 1997 you were sitting here—is there that you wished you had told us in 1992 that you did not tell us?

I considered it important for the simple reason that Senator BYRD was asking these economists to advise the Appropriations Committee on what we should do today for the long term, not just what should we do today to get over to the next fiscal year.

I must say to you during the tenure of my chairmanship, as well as the chairmanship before and since, our appropriations process has most always been geared to how do we get over to the next fiscal year. How do we get beyond the problems of this year and postpone, or delay, or project it, or whatever, into the next year?

But today, the chairman of the committee and the colloquy that we all engaged in by this triggering, we began to think 1997, 1998, 1999, the year 2000. And for the people who think 2000 is 100 years away, let me remind you, it is only 8 years away—a little more than a single term of a Senator. So put it in any framework of time, and it is upon us.

So I urge that we look at this as long-term investment. The dollars should not deter us from the support of this bill. Long-term thinking does not come easily in an election year either. It is not only a problem with the Appropriations Committee to try to find a way to get through to the next fiscal year. We also now have this compounded as a sort of a constriction on long-term thinking because it is a Presidential election year.

Let me add, too, that the private sector is not any better off in looking at the long-term problems. I read articles, as all of my colleagues have read articles, that a CEO today that would walk into his board of directors meeting and propose a 5-year investment program would have a hard time because they are asking him for the quarterly report. And many CEO's are being today tenured on a quarterly basis, not on a 5-year plan that is not going to pay off in 5 years for the investment he is suggesting today.

I recognize there are all kinds of economic forces that help create these circumstances but what I am saying is many in the private sector are looking from quarter to quarter in their economic investments, as we are looking from year to year. This bill is giving us a perspective of distance, of time, of long-term vision. That is another reason why I enthusiastically support this legislation.

This is not just for economics. Let me say it is for the defense of the Nation, and it is for the political stability of the Nation, as well as for the economic health of the Nation.

The provisions in this bill vastly expand the amount students may borrow to help them finance their education. In addition, this legislation increases the amount the Federal Government can simply give them through grants to help them fund the college bills.

During the time when many States are cutting their educational expenses drastically—and my State is one of them—it is not just educational budgets that are being cut by one of these simple, quick fixes that was initiated by petition in my State, one of the first States to have that in the referendum. The people were misled, in my view, to think that a simple 5-percent limitation on any taxes was going to solve their property tax problem and all of the other tax problems, and all it has done is undermine the stability of my State.

I point out also that it is an interesting commentary. Our State is divided with the Cascade Mountain range, and everything east of the mountains is called as the rural area, sometimes referred to as cowboy and wheat country. The west of the mountain is where the urban population is. Think of this: with one exception, every county east of the mountains in rural Oregon voted down this initiative—the biggest property owners in the counties. Everyone west of the mountains, urban areas, voted for it.

Of course, the educational impact is heavier on the populated areas. And yet the very people that thought they were finding a quick fix for some disillusionment and concern about the growing cost of State government are now beginning to understand that they are going to pay the highest bill. I think it is incumbent upon the Federal Government to do what it can to provide increased resources to sustain our national educational institutions.

I failed to say that often these cost-cutting measures recommended by this example in my State, instead of easing the burden, has increased the burden.

Mr. President, I am pleased to have played a small role in crafting a portion of this legislation. I will do a commercial at this point. It was successful only because of the support we have from the leadership in the committee from Senators PELL, KASSEBAUM, JEFFORDS, and others, and that is, this is the title XI which reauthorizes the urban grant initiative.

As you know, I introduced legislation on this matter last June, which has been incorporated by the committee. And for the first time, Mr. President, Congress has appropriated funds, approximately $8 million for fiscal year 1992, to make it the first appropriation of the urban grant program since its original enactment. This is a focus upon urban higher education so they may form partnerships with school systems and local governments and businesses and nonprofit institutions to develop a consortia approach to solve severe urban problems, social problems, economic problems, housing problems; and all of the other problems that are unique to urban America.

We have the land grant colleges that have their focus upon the support for the rural areas of our State and of our Nation. Now this has become the equivalent of the focus upon the unique urban problems. I think that to deal with urban poverty, health care, crime prevention, housing and infrastructure, environmental concerns and economic developments, concerns of the elderly and of the disabled, is a very important reason and base for this particular section.

Our Nation's urban centers are facing increasingly pressing problems and needs certainly in these critical areas. Yet, we have the resources ready to deploy to improve these conditions, and they are in the Nation's institutions of higher education, people with underutilized schools, knowledge and experience who are capable of providing a vast range of services toward the elimination of these problems.

I believe that these urban institutions should better use their resources by joining hands with key players in their communities to make a significant contribution to improving the urban condition.

Portland State University, in my State, an institution in the largest metropolitan city, is poised to undertake this kind of partnership. The authorization for this program, Mr. President, is merely $20 million. I say "merely" only on the basis that when you contrast it to other accounts in not only this educational budget but other budgets as well, it is really, relatively speaking, a small amount. Even though it is modest, the prospects are bright that this approach may generate and leverage additional resources within these communities. And so I urge you to look at this $20 million as merely seed money, seed money, leverage. Who knows whether it is going to be a 20-to-1 or 10-to-1 leverage? But certainly in collaboration with these other agencies and groups in the urban centers, it can be very important seed money.

I am grateful again to Senator KASTEN and Senator DOLE for their interest in the urban grant concept. As I have already paid tribute to Senator KASSEBAUM, Senator PELL, Senator KENNEDY, and Senator JEFFORDS, I just want to specifically add to that list Senator KASTEN and Senator DOLE. In addition, Senator DOLE has expressed an interest in applying this concept to problems of the disabled, and I welcome that addition to the urban grant focus.

I also intend to work with my colleagues on the Labor Committee, as this bill goes to conference, to retain some of the details of the urban grant title.

I look forward to the debate on this important legislation, and I think we are launching today with a very clear character to this bill, and that is the bipartisan support this bill represents. That is important at the congressional level, and it is also important from the executive branch level.

I want to take a moment, too, to focus on Education Secretary Lamar Alexander and his dynamic leadership in the field of education and for President Bush for wanting to become the educational President.

Let me say that there is enough work to do in education that everybody can become the educational President, Senator, or Congressman. I do not think we have to get into a feeling of competition with the White House or the President of the United States. I think we have the need for all of us together to focus and to advance the cause of education.

So I am very, very delighted that we have brought education to a level of concern by all branches of Government today, and that is our responsibility in the legislative branch to bring the vehicle forward.

During the next few days, I intend to offer my amendment to designate a liaison for the community colleges within the Department of Education. Mr. President, we all know that community colleges now serve vastly increased numbers of students, and it is high time that our national education system recognize the role they play by providing an advocate in the Department of Education.

I hope my colleagues will join me in this endeavor. Having been privileged to be Governor of my State at a time when we launched the community college system, I can remember a lot of feeling that this is another dilution of the educational resources and, therefore, why go into a community college system?

Once it was established, there was sort of a feeling it is not higher education, per se, under the unified system of education we have in the State board of education, and therefore we put it over in the Department of Education, which is fairly focused on secondary education, special, and handicapped. It was thought of as neither fish nor fowl.

It has now matured in many States of the country to be such an integral part of the total education picture, and ought to have recognition and an adequate role in the Department of Education so it does not get lost between the cracks, between the public elementary, secondary, and postsecondary or higher education.

The human mind, we all agree, is a terrible thing to waste. Today's efforts by this body demonstrate a commitment to elevate education above the political fray. I believe this is a dawning bright day for education, and I for one could not be more pleased.

Mr. JEFFORDS. Mr. President, will the Senator from Oregon yield for a question?

Mr. HATFIELD. I am happy to yield.

Mr. JEFFORDS. I, first of all, commend the Senator for a profound and insightful statement on the need to invest in education. On the future of the Nation, I think we all recognize that we are facing some very difficult times ahead of us in international competition, and the need for us to understand that unless we improve our educational system we will not be in a position to compete.

I shared the Senator's story of the economist today. But I think one of the most memorable moments in my coming to the Senate is the first group meeting I had with CEO's in my office. I anticipated them saying to me: About capital gains, do this for us. What they all said is: What you have to do is increase the funding for Head Start. And I almost fell off my chair.

They are so concerned about having the kind of skills available, the kind of education available for this Nation to be able to compete in the future. So if we do not start the investment—and that is the long-term investment. When you are talking about Head Start, you are talking about investment that will not pay off for a dozen years, anyway.

I thank the Senator for his incredible contribution to the debate. And when you realize the kind of competition that we face in the international sector, where the Japanese, for instance, spend 12 percent of their GNP on education and we spend 6 percent, and where I have examined the German education systems and have seen the kind of skilled training they give their young people that puts them in a position to improve productivity immediately upon leaving school, I get concerned.

But I am so really rewarded for having listened to the Senator's very excellent statement on the needs for this Nation, and I appreciate his remarks.

Mr. HATFIELD. I thank the Senator from Vermont.

Let me just add to his point. It is very interesting that the first point Dr. Herb Stein, the economist, gave to our committee today as what he would suggest as a prescription the Congress can do now is to increase Head Start. That is where Dr. Herb Stein started.

So it validates not only what the Senator got out of the business community leadership that recognized this, but it was also interesting because I must confess to you as I listened to these economists, one having been the Chairman for a Republican President and one for a Democratic President, I turned to my staff person, and I said, "If you had not heard and identified these statements, where would you have put the D and the R?"

And it was a slight blend, that we would put the D with Mr. Stein and the R with Mr. Schultze.

I do not think this is peculiar. I think this is illustrative that there are certain fundamentals that blend today as we face the economic problems, that the D's and R's are far less important than they may have been in the days when Republican high tariff and Democratic free trade and some of those philosophies were so identified with one party or the other.

This today is a far different economic circumstance. I still think it is rather odd in one way that a conservative Republican President was the man who fought protectionism with the Congress, Mr. Ronald Reagan, and how this has switched so much so that in the Congress, it became the Democratic Party that was a protectionist party and the Republican White House and Republican majority in the Senate said: No, we cannot have protectionism and advance the cause of the economists.

I only use these as illustrations, as the labels and positions of philosophical history have all become mixed today because we have one common, complex problem. Whatever philosophy you have, you have to address certain fundamentals, and education is the key, from my perspective.

Mr. JEFFORDS. And my perspective, Mr. President.

I thank the Senator.

Mr. KASTEN. Mr. President, I wish to enter into a colloquy with my distinguished friend and colleague from Oregon.

Mr. HATFIELD. I would be honored to enter into a colloquy with my good friend from Wisconsin.

Mr. KASTEN. I wish to commend the Senator for his persistent leadership in providing legislation and funding for encouraging partnerships and collaboration to solve severe urban problems.

Mr. HATFIELD. I appreciate the kind words of the Senator from Wisconsin. We are all too familiar with the litany of problems that afflict urban areas: Issues of the elderly, of families and children, of the poor; urban housing and infrastructure; economic development and work force preparation; health care; school systems and their disadvantaged students. For too long these problems have been shouldered by the school boards, superintendents, city halls, and county governments. It is time for the entire community to come together to solve these problems.

Mr. KASTEN. I agree with my distinguished friend. Today I offered an amendment to the Higher Education Act, which I believe will further advance the efforts by the Senator from Oregon. My amendment establishes campus and community crime prevention, including enhanced security and safety awareness measures as well as coordinated programs addressing the root causes of crime. This expansion of title XI will establish a program of Federal support for urban institutions of higher education as they grapple with crime on their campuses and in the surrounding communities. Unfortunately, violent crime in America's cities has touched the lives of too many Americans.

In my home State of Wisconsin, the homicide rate in the city of Milwaukee increased 42 percent between 1989 and 1990. Marquette University in Milwaukee has experienced five tragic reminders of the increasing economic deterioration and criminal activity in America's urban communities. In the past 6 years, five Marquette students were killed in criminal incidents.

While none of those killings occurred on the Marquette campus, they all occurred in the community surrounding the campus, where many Marquette students live in rental housing.

Marquette and most other American universities have recognized that information alone will not solve this growing problem. Marquette has realized that in order for the Nation's urban universities to survive to perform their educational functions, they must enter into partnership with their neighborhoods and communities, to halt the economic deterioration of those communities and reduce the incidence of criminal activity on and near their campuses. They must address the root causes of crime, not simply report on its occurrence. Marquette has stepped forward with a partnership plan to do just this.

Students, faculty, staff, area businesses, residents, community organizations, and the entire neighborhood must work together to provide a safe environment for the entire community.

Mr. HATFIELD. I wish to commend the Senator for recognizing the need to enhance the crime component in title XI, urban community service section of the Higher Education Act. The upsurge in violent crime in America's cities has had a serious impact on the Nations' universities, particularly those in the inner cities. Again, I applaud your efforts to recognize the need for universities to design and implement programs to assist urban communities to address crime and other severe problems facing their community.

Mr. KASTEN. I thank the Senator for working closely with me on these important provisions and I salute him for his continued support of urban community service in the higher education legislation.

Mr. PELL. Mr. President, I would just like to thank my colleagues for the words and wisdom they have expressed; first the Senator from Oregon, the Senator from Kansas, and the Senator from Vermont. Without this bipartisan approach, we would not be where we are today.

In the absence of any other Senators on the floor, beseeching them to come over to offer the amendments they may have, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. Was the leader time reserved?

The PRESIDING OFFICER. The Chair will advise the Republican leader that the leaders' time has been reserved.

Mr. DOLE. I ask unanimous consent that my statement be separated from the discussion on the Higher Education Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALEX HALEY

Mr. DOLE. Mr. President, America lost one of its literary giants last week with the untimely death of Alex Haley. Not only was Mr. Haley a great writer, but he as also a man with a vision who was determined to fill in some of the holes in our Nation's history—a history that would not be complete without the contributions of African-Americans.

Through his Pulitzer Prize-Winning book, "Roots, the Saga of an American Family," and the television miniseries of the same name, Alex Haley brought a new dimension to our own history. While this new dimension may have been painful, it was a long overdue and welcome addition. Few authors can be credited with changing the attitudes of a nation, but Alex Haley was one of them.

Furthermore, not only did Alex Haley celebrate his own roots, but he also spurred all of us—whatever race or creed—to reexamine and appreciate again the strengths, joys, and indispensability of the family.

Just as the family will survive forever as the most important social force in America, "roots" will stand forever as a landmark in American literature.

I know that all Members of the Senate join with me in extending our sympathies to Mr. Haley's family and friends, which include his widow, Myra; his son, William; his two daughters, Cynthia and Lydia; and also his brother, George, who has provided outstanding service to the public as Chairman of the Postal Rates Commission. I have had the honor of knowing the Haley family for many years now, and I can tell you they are a special group of Americans.

Mr. President, early last year, my friend, George Haley sent me a copy of a Reader's Digest article that Alex had written about their father. It is a very inspiring story offering the lesson that each person blessed with success has an obligation to return part of that blessing.

Through his life's work which affected countless citizens across the world, Alex Haley more than returned the blessings which had come his way. I ask unanimous consent that the article, entitled "The Man On the Train," be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. DOLE. Mr. President, America will miss the voice of one of its greatest writers, but his words will echo forever in our unique and inspirational history.

EXHIBIT 1

THE MAN ON THE TRAIN

(By Alex Haley)

Whenever my brothers, sister and I get together we inevitably talk about Dad. We all owe our success in life to him—and to a mysterious man he met one night on a train.

Our father, Simon Alexander Haley, was born in 1892 and reared in the small farming town of Savannah, Tenn. He was the eighth child of Alec Haley—a tough-willed former slave and part-time sharecropper—and of a woman named Queen.

Although sensitive and emotional, my grandmother could be tough-willed herself, especially when it came to her children. One of her ambitions was that my father be educated.

Back then in Savannah a boy was considered "wasted" if he remained in school after he was big enough to do farm work. So when my father reached the sixth grade, Queen began massaging Grandfather's ego.

"Since we have eight children," she would argue, "wouldn't it be prestigious if we deliberately wasted one and got him educated?" After many arguments, Grandfather let Dad finish the eighth grade. Still, he had to work in the fields after school.

But Queen was not satisfied. As eighth grade ended, she began planting seeds, saying Grandfather's image would reach new heights if their son went to high school.

Her barrage worked. Stern old Alec Haley handed my father five hard-earned ten-dollar bills, told him never to ask for more and sent him off to high school. Traveling first by mule cart and then by train—the first train he had ever seen—Dad finally alighted in Jackson, Tenn., where he enrolled in the preparatory department of Lane College. The black Methodist school offered courses up through junior college.

Dad's $50 was soon used up, and to continue in school, he worked as a waiter, a handyman and a helper at a school for wayward boys. And when winter came, he'd arise at 4 a.m., go into prosperous white families' homes and make fires so the residents would awaken in comfort.

Poor Simon became something of a campus joke with his one pair of pants and shoes, and his droopy eyes. Often he was found asleep with a textbook fallen into his lap.

The constant struggle to earn money took its toll. Dad's grades began to founder. But he pushed onward and completed senior high. Next he enrolled in A & T College in Greensboro, N.C., a land-grant school where he struggled through freshman and sophomore years.

One bleak afternoon at the close of his second year, Dad was called into a teacher's office and told that he'd failed a course—one that required a textbook he'd been too poor to buy.

A ponderous sense of defeat descended upon him. For years he'd given his utmost, and now he felt he had accomplished nothing. Maybe he should return home to his original destiny of sharecropping.

But days later, a letter came from the Pullman Company saying he was one of 24 black college men selected from hundreds of applicants to be summertime sleeping-car porters. Dad was ecstatic. Here was a chance! He eagerly reported for duty and was assigned a Buffalo-to-Pittsburgh train.

The train was racketing along one morning about 2 a.m. when the porter's buzzer sounded. Dad sprang up, jerked on his white jacket and made his way to the passenger berths. There a distinguished-looking man said he and his wife were having trouble sleeping, and they both wanted glasses of warm milk. Dad brought milk and napkins on a silver tray. The man handed one glass through the lower-berth curtains to his wife and, sipping from his own glass, began to engage Dad in conversation.

Pullman Company rules strictly prohibited any conversation beyond "Yes, sir" or "No, ma'am," but this passenger kept asking questions. He even followed Dad back into the porter's cubicle.

"Where are you from?"

"Savannah, Tennessee, sir."

"You speak quite well."

"Thank you, sir."

"What work did you do before this?"

"I'm a student at A & T College in Greensboro, sir." Dad felt no need to add that he was considering returning home to sharecrop.

The man looked at him keenly, finally wished him well and returned to his bunk.

The next morning, the train reached Pittsburgh. At a time when 50 cents was a good tip, the man gave five dollars to Simon Haley, who was profusely grateful. All summer, he had been saving every tip he received, and when the job finally ended, he had accumulated enough to buy his own mule and plow. But he realized his savings could also pay for one full semester at A & T without his having to work a single odd job.

Dad decided he deserved at least one semester free of outside work. Only that way would he know what grades he could truly achieve.

He returned to Greensboro, but no sooner did he arrive on campus than he was summoned by the college president. Dad was full of apprehension as he seated himself before the great man.

"I have a letter here, Simon," the president said.

"Yes, sir."

"You were a porter for Pullman this summer?"

"Yes, sir."

"Did you meet a certain man one night and bring him warm milk?"

"Yes, sir."

"Well, his name is Mr. R. S. M. Boyce, and he's a retired executive of the Curtis Publishing Company, which publishes The Saturday Evening Post. He has donated $500 for your board, tuition and books for the entire school year."

My father was astonished.

The surprise grant not only enabled Dad to finish A & T, but to graduate first in his class. And that achievement earned him a full scholarship to Cornell University in Ithaca, N.Y.

In 1920, Dad, then a newlywed, moved to Ithaca with his bride, Bertha. He entered Cornell to pursue his Master's degree, and my mother enrolled at the Ithaca Conservatory of Music to study piano. I was born the following year.

One day decades later, editors of The Saturday Evening Post invited me to their editorial offices in New York to discuss the condensation of my first book, "The Autobiography of Malcolm X." I was so proud, so happy, to be sitting in those wood-paneled offices on Lexington Avenue. Suddenly I remembered Mr. Boyce, and how it was his generosity that enabled me to be there amid those editors, as a writer. And then I began to cry. I just couldn't help it.

We children of Simon Haley often reflect on Mr. Boyce and his investment in a less fortunate human being. By the ripple effect of his generosity, we also benefited. Instead of being raised on a sharecrop farm, we grew up in a home with educated parents, shelves full of books, and with pride in ourselves. My brother George is chairman of the U.S. Postal Rate Commission; Julius is an architect, Lois a music teacher and I'm a writer.

Mr. R. S. M. Boyce dropped like a blessing into my father's life. What some may see as a chance encounter, I see as the working of a mysterious power for good.

And I believe that each person blessed with success has an obligation to return part of that blessing. We must all live and act like the man on the train.

CBO STUDY ON DEFENSE CUTS

Mr. DOLE. Mr. President, yesterday, Senator WARNER, Senator DOMENICI, Senator STEVENS, and I released a study on the effects that massive defense cuts could have on our economy. Some people did not like me asking that question. And no one likes the answer. I have been accused of seeking partisan advantage by wanting to know—in advance—who might be hurt if such such drastic cuts were enacted. I have been accused of wasting the taxpayers' money for wanting to know—in advance—how best to use any savings we might achieve from defense reductions.

Some people believe that you should not ask the question if you cannot stand the answer. But in my view, that would be irresponsible. So, before we go blindly gutting the defense budget and start spending the so-called peace dividend, I think we ought to take a look at it—study it, and face up to any damage that might be caused—ahead of time.

Let me give you a little background. In June of 1990, both the House and Senate were deliberating budget proposals, most of which included radical cuts in our national defense. As I recall, the term "peace dividend" had just surfaced, Saddam Hussein was unknown to most of the world, the economy was still strong, Gorbachev was still in power, and the rush was on to grab defense dollars to fund an endless list of new social experiments. It occurred to me that we should take a careful look at the potential economic impact of some of these proposals.

In my tasking letter to the Congressional Budget Office dated July 10, 1990, I stated:

> I am concerned that a too-rapid decline in our defense spending may precipitate severe economic dislocations on local, regional, and potentially, the national economy. While our defense spending should be predicated upon our national security needs, it is the responsibility of Congress to fully assess the economic ramifications of the defense budget proposals now under consideration, and select a course for our defense spending with all of the facts in hand.

I ask unanimous consent that a copy of my entire letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, July 10, 1990.

Mr. ROBERT D. REISCHAUER,
Director, Congressional Budget Office, Washington, DC.

DEAR BOB: I am concerned that a too rapid decline in our defense spending may precipitate severe economic dislocations on local, regional, and potentially, the national economy. While our defense spending should be predicated upon our national security needs, it is the responsibility of Congress to fully assess the economic ramifications of the defense budget proposals now under consideration and select a course for our defense spending with all of the facts at hand. Therefore, I am writing to ask the Congressional Budget Office to conduct an analysis of the effect that these defense budget proposals would have on the economy as a whole while paying special attention to the effects on selected regional and local economies.

This analysis would assume funding allocations, program cuts/terminations, base closures and manpower reductions as provided by the Department of Defense Comptroller for each of the budget proposals analyzed. The baseline economic assumptions of interest rates, GNP, employment and other required elements of economic modeling should be consistent with current CBO assumptions.

This study would seek to quantify the impact on employment, financial markets, state and federal revenue, and other economic indicators both direct and indirect that would result from the adoption of the specified budget proposals.

Because the Congress is currently deliberating budget resolutions in both the House and Senate, the results of this study are needed as quickly as possible. Dan Stanley, from my staff, will assist you and answer any questions that you may have on this matter. Please feel free to contact him at 224-6521.

Sincerely,

BOB DOLE,
U.S. Senate.

Mr. DOLE. I want to talk about the results of this study, but first let me take a moment to review what has happened since I made that request to CBO: Saddam Hussein invaded Kuwait, a historic bipartisan budget agreement was reached, and Desert Shield and Desert Storm demonstrated that America's military investment was both prudent and effective.

But, in less than 2 years, we have come full circle. The Democrats have already dismissed our dramatic victory in the Persian Gulf, once again declared that no threats exist to our security, are poised to trash the budget agreement, stand ready to gut our military, and begin another wild social spending spree that will not only wreck our economy in the near term, but fritter away our future economic growth as well. Some things never change.

The difference in 1992, however, is that the American people are waking up. According to the CBO, defense cuts already enacted by the Congress are going to cause at least 600,000 defense-related jobs to disappear. Already, tens of thousands of American aerospace workers—the backbone of America's technological crown jewel—have found themselves in the unemployment line. They find themselves laid off not because of the fall of communism, but because year after year, since 1985, the Democrats have demanded cuts in the defense budget. These are many of the same people that the Democrats tell us are hurting. Yes, they are hurting. Why?

Under the Democrats plan to double the cuts in defense, the CBO clearly demonstrates that these losses would grow dramatically—perhaps as many as 1.4 million jobs would disappear by 1997. Some want to go even farther, proposing to slash over $200 billion out of defense.

The President, Secretary Cheney and General Powell propose a prudent build down of our national defense—consistent with the great uncertainty that exists in this dangerous world. But the Democrats want to burn down defense and squander the money. According to the CBO, this will take a serious human toll. When you cut defense, somebody looses.

But the Democrats want it both ways. When congressional demands to cut the defense budget force Secretary Cheney to terminate hundreds of defense programs and close scores of bases, the Democrats cry foul.

So let us face the facts. Slashing away at defense slashes away at people, at communities, at our industrial base, and at our security. Those are the facts. You cannot have it both ways.

The response to this CBO study has been particularly revealing. I have been accused of timing the release of this study. I have been accused of carefully selecting case studies to embarrass Democrats. And, I have been accused of wasting the taxpayers' money for wanting to know what would happen to our economy should the Congress adopt the Democrats' budget proposals.

I want the record clear on this matter. I asked the Congressional Budget Office for this study in July 1990. A copy of my request has been placed in the RECORD. The final results of this analysis were not available to me until yesterday. Further, I authorized the CBO to prebrief all Members whose districts were discussed in the study.

Originally, I asked the CBO to do this analysis State-by-State, but I was told that they could not accommodate that request. Instead, CBO proposed to do case studies of the economic effects of defense cuts on the local economies of their choice. It was the Congressional Budget Office—an organization sometimes criticized by Republicans as being biased toward the Democrats—an organization staunchly defended by Democrats as being completely nonpartisan and unbiased—it was the CBO who selected the specific case studies—without any suggestion or direction from me or my staff.

The CBO chose to look at Maine. Now, the last time I checked, Senator Cohen also represents Maine, and he is a Republican. Perhaps he is a bit more sensitive to the effect of rapid defense cuts.

The CBO also looked at what will happen in the communities surrounding Fort Ord, CA, when it closes. I must note that California has a Republican Senator—who happens to be up for reelection this year. And I must remind my colleagues that Fort Ord had already been selected for closure long before I requested this study. But, again, the CBO selected Fort Ord for analysis.

The third case study focused on the local economic effects of defense cutbacks at McDonnell Douglas, the largest defense contractor in the Nation and the largest employer in St. Louis, MO—a State with two Republican Senators. And, as in the first two cases, this was CBO's choice.

I find it interesting that the Democrats want to talk about how people are hurting, but refuse to talk about the pain inflicted by their defense cuts—billions-of-dollars in GNP, and hundreds of thousands of jobs. You cannot have it both ways.

In my view, the responsible approach is to take a careful look before we act. That is why I directed this study. I encourage my colleagues to read it.

And I would place it in the Record, but it is rather voluminous and it would cost a great deal of taxpayers' money. But copies are available at the Congressional Budget Office, and I would be happy to make copies available to any of my colleagues.

I say again that I think it is an indication of when you make massive cuts, when you say, take it out of defense, take it out of defense, $50, $100, $150, $200 billion. And defense was never meant to be a jobs program. But before we act, before we put hundreds of thousands of people out of work—as I said an estimated, in one case, 1.4 million—we better find out for certain what the ramifications will be.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent to proceed as in morning business for a few minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. I thank the Chair.

(The remarks of Mr. Thurmond pertaining to the introduction of S. 2244 are located in today's Record under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. Simon). The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I ask unanimous consent I be permitted to address the Senate as in morning business.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, reserving the right to object, I have an amendment.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I just wonder if the Senator would be willing to let the amendment at least be stated?

Mr. METZENBAUM. I am sorry?

Mr. HELMS. I say, I have an amendment to the bill.

Mr. METZENBAUM. If my colleague would not mind, our distinguished colleague, Senator Glenn, orbited the Earth 30 years ago today. I would just like to make——

Mr. HELMS. You have persuaded me, Senator.

Mr. METZENBAUM. I thank my colleague.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

THIRTIETH ANNIVERSARY OF JOHN GLENN'S SPACE FLIGHT

Mr. METZENBAUM. Mr. President, I rise to call my colleagues attention to the fact that today marks an important anniversary for our country and for one of our distinguished colleagues. Thirty years ago today, on February 20, 1962, Col. John Glenn of New Concord, OH, blasted off atop a Mercury Redstone rocket and took his Friendship 7 space capsule into space, becoming the first American to orbit the Earth.

In a sense all of America went with John Glenn on his three orbits. Most of us followed his journey by TV or radio. We cheered his blastoff. We listened intently as he described his view of our planet from space. We held our breath as the capsule re-entered the atmosphere, and we cheered again when it safely splashed down in the Atlantic Ocean.

The entire Nation had a shared sense of pride in the space-age accomplishments of that day. We saluted the brave astronaut as America's hero. He made us all proud. We stood a little taller.

But John Glenn was not through serving his country. He went on to serve Ohio and America well and ably in the U.S. Senate since 1975.

I congratulate my friend, John Glenn. He is my colleague. On the anniversary of his historic flight, it is a day for all of us in this body to be proud of.

I particularly want to give recognition to that lady who was waiting for him patiently, concerned, tense, supportive when he went up and when he returned, his beloved, his devoted, his dedicated, his supportive wife Annie.

All of us can say that America is fortunate to have men like Col. John Glenn, who did us all proud 30 years ago today. We are all fortunate to have Senator Glenn serving with us here in the Senate.

HIGHER EDUCATION AMENDMENTS OF 1991

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 1653

(Purpose: To prohibit the use of Drug-Free Schools and Communities Act funds to provide homosexual support services to school students)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. Helms] proposes an amendment numbered 1653.

At the appropriate place, insert the following:

SEC. PROHIBITION ON CERTAIN USES OF FUNDING.

Part G of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3231 et seq.) is amended by inserting at the end the following new section:

"SEC. 5194. PROHIBITION ON CERTAIN USES OF FUNDING.

"(a) Prohibition.—

None of the funds authorized to be appropriated by this title may be used by any recipient of funds under this title to pay for homosexual support or education services, or to promote or encourage, either directly or indirectly, intravenous drug abuse or homosexual, bisexual, or heterosexual sexual activity, whether premarital or extramarital.

No youth shall be deemed at risk of substance abuse solely on the basis of the youth's homosexuality.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, this amendment poses a clear-cut question: Should the taxpayers' dollars authorized for use under the Drug-Free Schools and Communities Act for substance-abuse educational programs in the schools be misused to fund homosexual outreach programs in the public schools?

Senators may wonder, as I did, why this question even needs to be asked? But the fact is that, right now, funds intended for substance-abuse prevention programs are being used to promote homosexuality in the schools. And I shall document that in just a moment.

Specifically, Mr. President, hundreds of thousands of dollars are now being diverted in San Francisco, New York, Ohio, and perhaps in other States. I trust that all Senators will agree that funds authorized for fighting drug abuse should be used to fight drugs, not to promote homosexuality among schoolchildren. But that is precisely what is going on.

With this in mind, the amendment at the desk proposes to forbid the use of funds authorized and appropriated solely for substance-abuse prevention—as authorized by the Drug-Free Schools and Communities Act of 1986 and administered by the Department of Education—to provide educational support services for gay and lesbian youth in the Nation's schools.

The pending amendment is similar to one adopted by the Senate on August 2, 1991, as part of S. 1306, the Alcohol, Drug Abuse and Mental Health Administration Reauthorization Act. That amendment was intended to prevent a similar misuse—no, the word is abuse—of funds in ADAMHA administered substance-abuse programs.

Mr. President, 3 weeks ago, I offered an amendment calling on the Supreme Court to return to the schools of America the right of voluntary prayer. I shared with the Senate the numerous assaults on any hint of Christianity in the schools, including examples of teachers and students all across this country who have been denied the right to read or even to carry their Bibles onto school property.

I did not point out at that time, but I probably should have, that during the past decade or so the rights, privileges, and respect denied traditional Judeo-Christian religions in the school are now bestowed upon the homosexual and sexual liberation movements under the guise of promoting diversity and multiculturalism in the schools.

For example, the New York Daily News reported on February 12 of this year that the mandatory multicultural curriculum for first graders in Brooklyn schools included three books titled, "Gloria Goes to Gay Pride"; "Daddy's Roommate"; and, third, "Heather Has Two Mommies."

The books were removed from the schools when the books' presence in the schools became public because the books' descriptions of artificial insemination and other sexually related topics were deemed just a little too graphic for first graders.

Mr. President, in an interview last year in the September 24 issue of the Advocate, which is a homosexual publication, the leaders of the militant homosexual group, "Queer Nation," stated that the ultimate goal of their organized protests—and efforts to hand out condoms and homosexual tracts—on public school grounds was to force school boards to "integrate lesbian and gay literature and history into the curriculum" and "to establish in-school support programs for lesbian and gay youth."

Parenthetically, I despise the abuse of the once beautiful word "gay." They are not gay; they are repulsive.

What Queer Nation's leaders did not say is that homosexual school support programs invariably advocate homosexuality as a viable lifestyle and enable homosexuals to recruit students into homosexuality.

Last summer records from the San Francisco school system clearly showed that one of their drug education projects overwhelmingly focused on the needs of "youths confused about their sexuality" rather than on students' problems related to drug abuse.

I then asked the U.S. Department of Education to explain just how the project qualified for Drug-Free Schools and Communities Act funding that Congress had targeted for substance-abuse education. That act said nothing about teaching youngsters about homosexuality. The act's purpose was to fund drug abuse prevention programs.

The Department of Education agreed that under the act—and this is what they wrote—"local drug prevention programs must be directly related to alcohol and drug abuse education and prevention." But the Department failed to explain how the San Francisco gay and lesbian program had met that requirement. I noted that and became even more interested in the subject.

When I pressed the Department of Education they replied in another letter that:

> The statutes for many programs like the Drug-Free Schools and Communities Act provide considerable latitude to the State educational agencies and the Governors to exercise discretion as they feel appropriate to address their particular situations. The Department must administer what Congress has set forth.

If the statutes are really that confused, Mr. President, it is time to slam the door and say, No more of this. Mr. Government Bureaucrat or Governor, or whoever, of whatever State.

Mr. President, this money should not—and shall not, if I have anything to do with it—be used to encourage homosexuality. If this amendment is not approved, and I hope it will be approved on a voice vote—if not, we will go to a rollcall vote on it.

If this amendment is not approved, then that will be interpreted as a green light by those who are presently abusing the taxpayers' funds to support and encourage homosexuality. We should slam the door on that misconception.

While I am on this subject, Mr. President, I should point out that the homosexual groups are going beyond the public schools in their efforts to get at the Nation's schoolchildren. In San Francisco, again, they are trying to force the United Way—which is a private agency—to stop funding the local Boy Scout Council—another private organization—because the Scouts refuse to allow homosexuals to become Scoutmasters. And hooray for the Boy Scouts. I am even prouder of them than I have ever been before.

The Senate, Mr. President, obviously is limited in its ability to prevent homosexuals from recruiting children in private organizations. But as U.S. Senators, we can prevent private groups and public schools from using Federal funds to: First, subsidize homosexual recruiting efforts under the guise of multiculturism or; second, to provide homosexual support services in the schools.

As I said, it came to my attention late last year that the San Francisco Unified School District had used $12,000 in Federal Drug-Free Schools Act funding—plus $8,000 from other Federal programs—to subsidize the salary of a so-called director of Support Services for Gay and Lesbian Youth.

In a memo to the entire district, the superintendent of San Francisco's schools stated that the purpose of the district's federally subsidized Gay and Lesbian Youth Program was, among other things—now get this, Mr. President—to:

> (1) Demystify sexuality and homosexuality, and recognize the contribution of gay and lesbian persons to our culture and our history;
>
> (2) Educate all school personnel and students on the intent and content of the district's antislur policy and assist in the enforcement of it; and
>
> (3) Link gay and lesbian students and their families with culturally appropriate community resources.

Mr. President, as the little girl in the comic pages used to say: "I may frow up." I think a lot of American taxpayers will feel the same way about it.

The project director's duties as spelled out in the memo are these:

> (1) "Support designated Gay and Lesbian Sensitive Adults at each high school."
>
> (2) Set up a telephone switchboard for information "on support services for Gay and Lesbian Youth."
>
> (3) Respond to the needs of middle and high school students "related to gender identity."

Mr. President, that's the first time I ever knew there were students who could not identify his or her own gender. I continue:

> (4) Prepare an approved reading list "about sexuality, homosexuality, and bisexuality."
>
> (5) Distribute a "list of homosexual community groups to every middle and high school library and counseling office."

And I might add parenthetically and disgustedly, they are using Federal funds to do it—Federal funds intended to fight drugs. This superintendent's memorandum also requires the program to work with the bay area network of gay and lesbian educators.

Let me say again for emphasis, all of this is being subsidized by money furnished by the American taxpayers.

Let us look back just a moment, Mr. President. When Congress passed the Drug-Free Schools and Communities Act of 1986, it certainly was my understanding from reading the legislation that Congress' intent was to inform students about the dangers of using illegal drugs. Special attention was focused on students at greater risk of becoming drug users themselves, and in section 5122, as slightly modified in the Anti-Drug-Abuse Act of 1988, the 1986 act used—and defined—the term "high-risk youth" applied to such students, to include only young people who are—and that is what it says—who are: school dropouts, pregnant, economically disadvantaged, repeated school failures, children of drug abusers, victims of physical or psychological abuse, suicidal, or who have experienced mental-health problems or long-term physical pain, or are violence-prone delinquents.

That specific definition did not stop the San Francisco school system; no, sir. The San Francisco school system—and this is a matter of record—circumvented Congress' definition of "high-risk youth" by unilaterally expanding it to include students "at risk of HIV infection" and "disproportionately at risk for verbal and physical assaults."

I think I understand the King's English, or simple English at least. But, the Department of Education says Congress has given it no control over how school districts spend the tax dollars they receive under the Drug-Free Schools and Communities Act. I do not know who is running the show, but if they cannot understand the act's English language, maybe some of the folks over at the Education Department better go back to grade school themselves.

San Francisco's abuse of the specific direct intent of Congress is not unique, Mr. President. The Governors' offices in New York and Ohio also have used Federal funds to support similar homosexual school outreach programs, and the Department of Education is continuing to investigate whether other States or school districts have misused the funds as well.

To justify using drug-free schools funds provided by the American taxpayers to support a gay and lesbian high-risk youth prevention project at the Alpatha Healing Center in Columbus, the office of the Governor of Ohio claimed that all the students served "are victims of psychological abuse—as a result—of living in a 'straight' society and having to deal with one's own sexuality."

Again, like the little girl on the newspaper's comic page, "I may frow up."

However, the most egregious example of Federal funds being used for a Homosexual Outreach Program is the one in the New York City schools. The Washington Times, reported last July that the New York Governor's office gave the Gay and Lesbian Community Center in New York City more than $500,000 since 1988 to run a program called—now get this—"Youth Enrichment Services," which uses the acronym YES.

The Governor's office acknowledges that most of that money came from the Federal—guess what—Drug-Free Schools Program, and that the project's purpose is to reach homosexual youth as young as age 13.

I should point out that the motto on the YES project's promotional brochure states that the project "Lets you say yes to being young and gay." But it gets worse.

With the help of funds taken from the taxpayers in North Carolina and every other State in the Union, YES sponsored after-school activities at the Gay and Lesbian Center in Manhattan, included events such as "Bridge the Gap Intergenerational Play Day" and "Coming Out, Then and Now," and another one, "Intergenerational Pride Bunch," and finally, "Lesbian and Gay Pride Celebration."

I wonder what John Q Taxpayer would say if he could stand right here on this Senate floor and tell us what he thinks of this. He does not know it is going on. I did not know it was going on until I looked into it.

Mr. President, YES staff members quoted in the New York Guardian, a monthly statewide newspaper, stated that the Intergenerational Play Day event was meant to enable "older gay activists [to meet] teenagers recruited from the New York City public schools." Other YES staff members asserted that the intergenerational events were meant to provide positive role models from the homosexual community for homosexual youth.

However, the Washington Times noted in its story that one such positive role model was "a drag queen named 'Razor Sharp,' who serves as the 'empress' of a group of female impersonators known as the Imperial Court of New York."

Mr. President, when the Guardian's reporters rightfully queried YES staff members about possible sexual improprieties involving the teenage students at these federally subsidized seminars, they were told that YES has no written ground rules about sexual conduct. However, one staff member volunteered that YES does not "condone sex without consent." Yet another YES staffer alluded to the true nature of what probably goes on at these events when she commented that "It can be the kids that are the pursuers and often times, is."

Mr. President, experts will tell you that in our criminal courts such a statement is the precise defense raised by almost every child molestor caught in America today.

But the New York Guardian dug even deeper, Mr. President, and interviewed the YES project's homosexual role model Razor Sharp. He stated that:

> The straight community doesn't want to accept that someone can be sexual at ten or eleven years old, they don't accept the fact that a boy or girl ten or eleven years old knows that he or she is homosexual, they just don't want it to be, they just can't accept it. From what I hear it (meaning child-adult relationships) happens a lot. * * * It's usually about fifteen or sixteen year-olds knowing what he or she wants to do and going for it.

Mr. President, I could go on and describe the numerous other seminars the Gay and Lesbian Center offers its adult clientele at the same facility used by the teenage students—such as the seminar titled "101 Ways to Tie a Man to a Bed." Or I could point out that many activities like the center's on-site cash bar are inconsistent with the running of a taxpayer-funded substance-abuse prevention program. However, Senators probably have a good sense already of what really goes on at the Gay and Lesbian Center—at the American taxpayers' expense.

Mr. President, there are numerous other examples, but it should be clear by now that the homosexual lobby in this country is no longer content with forcing the schools and other institutions to teach children that homosexuality is a normal and an acceptable lifestyle. They are now demanding the right to go into schools and private institutions—preferrably at Federal expense—to proselytize for homosexuality and to recruit sexual partners.

What is shamefully ironic, Mr. President, is that homosexuals are allowed to peddle their beliefs and practices in the schools under the guise of providing support services for homosexual students while Christians and other religious groups are prohibited from providing any support services at all for religious students.

Mr. President, at a minimum we need to stop homosexual advocates from pushing their agenda in the public schools with the help of Drug-Free Schools and Communities Act grants.

And that, Mr. President, is what brings this Senator to the floor now. It must be made perfectly clear to the Department of Education, the State education agencies, and the Governors' offices, that in authorizing substance-abuse education funding under the Drug-Free Schools Act, Congress never meant for them to hijack the funds and use them to support homosexual school outreach programs instead.

If Senators want to pay for homosexual support programs in the schools, then let them propose a specific authorization and let us have a vote on it—and those Senators can answer for such a vote to the citizens back home. But unless Congress is willing to specifically authorize spending for such programs in the schools, then the homosexual lobby should not be allowed to do it instead by diverting funds intended to help fight drug abuse.

Mr. President, Congress never intended or envisioned that the Drug-Free Schools and Communities Act would be used to support homosexual school outreach programs. The pending amendment would ensure that those funds would once again be limited to drug abuse prevention and education programs as Congress originally intended them to be.

I yield the floor.

Mr. LEAHY. Mr. President, I know we sometimes operate under the Dracula rule of legislation; that is, we do not vote in daylight hours, but only at night when some of us want to be home with our wives and children and families and so on.

Is there any way we can find out if we are going to vote tonight? I do not want to stop any Senator from any time he wishes to speak, but will we be voting on something around here?

Mr. HELMS. Mr. President, I cannot answer the Senator.

Mr. LEAHY. The Senator and I have both been here all day, and the distinguished managers and all Senators have. I wonder if we might vote on something.

Mr. PELL. We have an intention to vote this evening. The Dracula vote, I think, has always been identified as a late night vote. So I cannot give any consolation. I would like to.

Mr. LEAHY. I do not mind late nights.

Mrs. KASSEBAUM. Mr. President, if the Senator will yield——

Mr. LEAHY. The Senator from North Carolina has the floor.

Mrs. KASSEBAUM. Will the Senator from North Carolina yield for a moment so I may respond to the Senator from Vermont?

Mr. HELMS. Let me yield the floor with the understanding that I will retain the floor when the Senators are finished talking.

Mrs. KASSEBAUM. I would like to say to the Senator from Vermont that we did not start on this piece of legislation, the major higher education reauthorization, until 2:30. Senator PELL and myself were ready to go to third reading about 2 hours ago. We have had a time getting everybody to come to the floor with amendments, not that Senator HELMS has been dilatory at all. There have been others, as we well know. It sometimes is very difficult to get people to the floor.

My assumption is that we can finish this legislation this evening.

Mr. LEAHY. Mr. President, is there any chance, I might ask the distinguished Republican floor leader, if people get their amendments down, that we vote them en bloc and get on to third reading? I only say that semifacetiously. I do know the distinguished floor managers have been here since 2:30. We have had a number of quorum calls. It is not their fault. They were prepared to go to third reading. We spent 5 hours here. I realize it is supposed to be a late night. Sometimes we create late nights ourselves by not having any votes. All of us have been here. I know I have been here since around 7:30, 8 o'clock this morning. Most of us have been here throughout the day, prepared to vote at any time during the day.

We do end up, I say to my colleagues, with what is a Dracula rule of legislation. Last year, I guess more than half, probably three-quarters, of all votes were after dark and three-quarters of all quorum calls were during daylight hours. I wonder if there is some way we could get around to doing it the other way around. We have to be here for votes and quorum calls. Let the quorum calls be at night so everybody can be with their spouses, children, and families and have the votes during the day. It would be a novel idea. It would sure make a lot of family lives a lot better.

Mr. PELL. I appreciate very much—will the Senator yield—what the Senator has said, and I know the majority leader has made every effort he can to keep that rule he had of not after 7 on Tuesdays and Wednesdays, and Thursday a late night, Friday hopefully out by 3.

Mr. LEAHY. If the Senator will yield on that, in my 18 years here I have not seen anybody—and we have had some distinguished, superb majority leaders—I have never seen a majority leader who has worked harder at giving us a good schedule, one that we could count on, than the present majority leader. But I also say and I know that, having managed a number of bills here myself, I share the exasperation of the managers. Maybe at some point, if we go more than 5 minutes in a quorum call and nobody is willing to show up, we will have it so that it is automatic that we go to third reading after unanimous consent.

Mrs. KASSEBAUM. Mr. President, if I may suggest, I think that we are very close. There has been a lot of work done and, if we can get some agreement, perhaps, for either a time certain for a vote tonight, or tomorrow. But I think that we are very close. There is not a lot outstanding.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized, though the Senator from North Carolina retains the right to the floor on the completion of this dialog.

Mr. KENNEDY. Mr. President, could I reaffirm what the Senator from Rhode Island and Senator KASSEBAUM have said. This is one of the major pieces of legislation that this body is going to consider.

If we had thought this morning when we took it up that we would have made the kind of progress that we have made, I would have been enormously surprised. But we have made very, very significant progress during the course of the day. This is important legislation. It is the lifeline for every young American student in this country.

We are trying to work with a number of our colleagues, who are very, very interested in this legislation and know its importance, to try to work through various, different amendments. I must say that during the course of the day there has been a very constructive attitude on all sides to try to find common ground.

So I very much appreciate the sentiment of those who would like to move along, but we have made very substantial progress. We have had a good opportunity to work with the Secretary of Education, who has spent the better part of the afternoon up here, Lamar Alexander, and he has been working with those on both sides of the aisle. We have been making very important progress.

So I hear what our good friend is saying, but I certainly hope, as we are continuing to make the good progress, that we would continue to do so.

There has been resolution of at least 12 different amendments of different Members over the period of the last several hours.

The hotline was put out on both sides of the aisle that threw out a number of different amendments that Members were considering. I say the great percent of those have been resolved, but there are still a couple of important items that are left for resolution.

But we are making very good and continuing progress. I think all of us have been around here long enough to know, if we leave this legislation out over any considerable period of time, what resourceful and enterprising Senators and their staffs can do with it.

So I hope we will continue to try to make the kind of progress that we have.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, let me point out a couple of things, and this, too, will appear in conjunction with the remarks just made.

The Senate was in recess Monday. We did very little Tuesday. This morning we came in at 11 o'clock. The Senate was in a mandatory period of inactivity while there was a caucus going on for about an hour and a half. I do not know when we are expected to offer amendments. Of course, I would like to go home to Dot Helms, but you do what you can when you can.

I apologize for having been put in the position of waiting for people to talk about JOHN GLENN, and I admire JOHN GLENN as much as anybody in this Senate. I remember well when he made that flight around the world. But when are we supposed to do our work? Right now I am told that there are two dozen Senators attending fund raisers all over town, and to hold the vote. Well, I will do whatever I can, but I think this abuse of the taxpayers' money ought to be considered.

I will make this bargain with the managers of the bill. I will not even require a rollcall vote, if they will accept this amendment. I will put the rest of my statement in the RECORD. And we would go home, or whatever.

The PRESIDING OFFICER. The question has been addressed to the manager.

Mr. PELL. I did not hear the question.

Mr. HELMS. How much does the Senator want me to repeat?

Mr. PELL. I understand that the question was if we would accept a voice vote.

Mr. HELMS. I have just finished a little discourse in which I pointed out that the Senate was not even in session Monday, that the Senate was out all last week on recess. We did very little on Tuesday, as I recall. We did not even start until 11 o'clock this morning, an hour and a half was taken out this afternoon so one of the parties could have a caucus, or whatever you call it. And then I hear the complaint, "I want to go home and be with family."

So do I. I just offer the proposition that if the managers of the bill will accept this amendment, I will stop my dissertation, put the rest of it in the RECORD and we could be through with it.

Mrs. KASSEBAUM. Mr. President, yes, I had understood the Senator from North Carolina had mentioned earlier he would accept a voice vote, and if not that, a rollcall vote. I think there is general agreement to have a voice vote.

Mr. HELMS. There is a difference in what the Senator said and what I say; I say to my good friend from Kansas, if the managers will accept the amendment, agree to it with voice vote, and not have a rollcall vote, I would be willing to do that.

Mrs. KASSEBAUM. I think that there was a request made for a change in some language so that it would be the same language as had been voted on previously; is that correct? So I am going to have to ask that somebody check that out. It was not my request.

Mr. HELMS. If the Senator will forgive me, I will check.

Mr. President, so that we may be able to work this out, I ask unanimous consent that I be recognized after a brief quorum call is called off.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, a miracle occurred. We reached an accommodation. I believe that the managers of the bill, and others, are prepared to accept this amendment.

Mr. PELL. Mr. President, the Senator from North Carolina is correct. On behalf of this side of the aisle, we accept the amendment.

Mrs. KASSEBAUM. Mr. President, we also accept the amendment.

Mr. HELMS. I thank the distinguished managers of the bill.

I yield the floor.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1653) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, while the distinguished Senator from North Carolina is on the floor, he made the remark a few moments ago that nobody wanted to do anything, and we were off Monday, last week, and that sort of thing.

We went through that the week before last, I thought, with the procedure of the Senate. We canceled the March district work or State work period. We passed in this session of the 102d Congress, so far, probably the largest package of major bills that we have passed in a short period of time.

The Senator from North Carolina has been receiving requests not to have a vote, hold off, do not do anything because they are downtown trying to have fundraisers. That indicates we ought to have campaign finance reform, so they would be here working.

The Senator from North Carolina is being asked the same questions and having the pressure put on him that the minority leader and the majority leader has. If you look at the RECORD, we have had more votes with a higher percentage of attendance, and the Senator excluded the comprehensive energy bill that we passed last night, probably the largest. The Senator skipped over that right quick. Only 11 votes, about 70 amendments, got them worked out, took us some time, but that is the procedure here.

I just did not want to leave the impression that the people were not working, that we were not trying to accomplish things. We did pass the elementary and secondary education bill, the energy bill, and other bills that have been important. So I did not want the impression to be left that the two leaders, majority leader and the minority leader, somehow were not causing the Senate to function. There is work going on right now. Amendments are being worked on and a package of amendments are to be accepted tonight. I think we are doing well. I wanted to defend both sides, the Senator from Kansas and from Rhode Island, for the work they are doing.

Mr. HELMS. Mr. President, there is no Member of the Senate whom I enjoy more or like better than the Senator from Kentucky, and I am sorry I pulled the chain. I apologize.

Mr. FORD. Mr. President, as long as that is in the RECORD, I accept it.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FORD). Without objection, it is so ordered.

Mr. SIMON. Mr. President, I ask unanimous consent that I may proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ZAIRE

Mr. SIMON. Mr. President, at the conclusion of my remarks I will ask that a letter addressed to Senator NANCY KASSEBAUM and to me be printed in the RECORD. It is a letter written by Dr. William Close from Wyoming who was the personal physician to President Mobutu of Zaire.

Zaire is undergoing great stress right now. Sunday people left church after Sunday services, marched peacefully in the capital city to request that President Mobutu call a national assembly so they can move to democratic government. The troops opened fire on them. The exact number of people who were killed no one seems to know. But it is somewhere between 40 and 70 people that were killed and hundreds injured.

Senator KASSEBAUM and I have both requested of the administration that they make clear that they do not support President Mobutu and his dictatorship in Zaire. Unfortunately, the White House, for reasons I partially understand, is reluctant to move away from the ties that they have had with President Mobutu.

And the reason I think they are doing it, candidly, is something that the Presiding Officer and all of us in politics understand. Here is someone who has been helpful to us in the past. But I would use this analogy for the White House: If someone worked in the Bush campaign and you got that person in the White House, and then you discovered that person had embezzled funds, you do not say we do not want to turn our backs on a friend. You get rid of that person.

In this case, what Mobutu has done is No. 1, he has massively embezzled funds and No. 2, he is turning his back on democracy for the people of Zaire. I think we have to make clear under those circumstances we have to turn our back on President Mobutu.

Mr. President, let me just mention one sentence here. Dr. Close says:

> How much more blood will have to flow before Washington dares to tell Mobutu that he no longer has our support?

I think we ought to make that clear.

Mr. President, I ask unanimous consent to print that letter from Dr. Close in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARBLETON, WY,
February 20, 1992.

Senator PAUL SIMON,
Senator NANCY KASSEBAUM,
U.S. Senate, Washington, DC.

DEAR SENATORS: Five days ago somewhere between 40 and 69 people were shot dead by President Mobutu's troops in Kinshasa as they left church services and marched in a peaceful demonstration. They were demanding the resumption of the Sovereign National Conference. Those brutalized by Mr. Mobutu's army will not be encouraged by the pap offered by the Republican Administration in response to the killings. After pointing out that it considered the "military reaction entirely without justification," the State Department, through its spokesman, wagged a finger at "the authorities" in Zaire, urging them, yet again, "to reconvene a national conference and conduct itself in a manner consistent with their protestation of democratic values."

Washington's messages "deploring" his actions, or the actions of his troops are as ineffective as ever. Mobutu, "floating somewhere on his boat," continues to thumb his nose at the American administration and the world. White House proclamations in defense of human rights and support of democracy must ring hollow to the families of those killed and beaten by soldiers of Mr. Bush's friend Mobutu.

The Zairian people's active opposition to Mobutu will not stop. Three days from now, on Sunday the 23rd of February, there will be funeral services for those killed. Processions to the cemeteries are bound to follow.

How much blood will have to flow before Washington dares to tell Mobutu that he no longer has our support? The Republican Administration seems oblivious or indifferent to the mounting bitterness toward the United States expressed more and more openly by the people of Zaire and many in Europe. Questions about the relationship between Bush and Mobutu are being raised more frequently in the foreign press. Why is the Administration apparently more frightened of Mobutu than are the thousands of Zairians who have the courage to face his guns? Cynicism dampens hope that, with Mr. Bush's electoral problems, American leadership in disavowing the West's old cold war ally will be forthcoming.

Respectfully,
WILLIAM T. CLOSE, M.D.

SOUTH AFRICA

Mr. SIMON. Mr. President, one other item on Africa. Today, President de Klerk of South Africa announced that he would have a referendum for whites only whether they should go ahead and continue negotiations. It is a bold move and he has done some very bold things.

I have serious concerns about that. If, for example, in that referendum, the majority of whites say "We do not want to continue negotiations," I do not know what is going to happen in South Africa. I think South Africa would be headed for a major, major explosion. I hope he is successful. I heard my colleague, Senator KASSEBAUM, praise President de Klerk earlier for the courageous moves that he has made—and he has been very courageous, no question about it. I want to see those negotiations continue. Extremists in both the black community and the white community are opposed to the negotiations. I think it is extremely important that those negotiations continue.

And let me add, I think, prior to that announcement today, President Bush announced that South Africa could once again get loans through the Eximbank here. In view of the announcement that has just been made and the fact that the referendum is going to be held next month, I hope that the administration would suspend that action until after that referendum, at least. We ought to do everything we can to facilitate a smooth transition to a genuine democracy in South Africa where everyone—whites, blacks, coloreds, everyone—can participate.

I hope that election turns out as President de Klerk wants. I have great concerns in the action taken.

Mr. President, if no one seeks the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BRYAN). The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HIGHER EDUCATION AMENDMENTS OF 1991

The Senate continued with the consideration of the bill.

Mr. KENNEDY. Mr. President, just to give a progress report, I think that, quite frankly, we are remarkably close to final passage. There are probably three amendments that are outstanding. I believe that they can be worked out in a timely fashion. I know there is an urgency and people want to be able to make their plans. I hope, at least, we would be able to inform the Members within the next 15 minutes about what the prospects would be, but I think there is a very good chance that we would have final passage in the very near future.

I want to thank again all of the Members for their cooperation in pursuing the final list that has been made up on both sides of the aisle. I believe that we are very, very close to the conclusion. I will have some brief remarks about one particular part of the legislation in just a few moments, but I do think we are remarkably close to a final conclusion.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, let me just make a comment on one aspect of this that I thought we were getting an amendment worked out. We have run into some complications, and we may have to amend a bill that comes from the Finance Committee very soon. I want to commend Senator KENNEDY, Senator PELL, and our Republican counterparts on this, and particularly let me also commend Senator BRADLEY and Senator DURENBERGER for their work on this.

What we want to do is to have an opportunity for more people to go to college and, at the same time, cut down on the student loan defaults which this next fiscal year will be between $3.2 and $3.4 billion. We think we have something that can both save money and increase opportunity through a direct loan program and through a phase-in on that.

I think it is extremely important that we get this worked out, and I understand that there are some concerns on this, in terms of the mechanism and how we get this worked out, by the distinguished President pro tempore, who chairs the Appropriations Committee. My instinct is we can get that worked out in the next couple of weeks before we get the Finance Committee bill.

Again, we have an opportunity to make a very substantial step forward if we can get this worked out. It will not be part of this bill apparently unless something happens in the next few minutes.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I join the Senator from Illinois in expressing my appreciation to Senator DURENBERGER and to Senator BRADLEY and to others in raising the whole issue of scarce resources, trying to find additional ways of helping and assisting students of middle-income families to attend colleges and universities. As he pointed out, the explosion in the cost of tuition in higher education has increasingly squeezed out the dream of young people being able to go on to college in this country.

We reviewed in the committee itself a direct loan proposal that was advanced by Senator SIMON and Senator DURENBERGER. We have considered in the full committee a variety of different ways of addressing direct loans.

We would have a pilot program or project in addition to the guaranteed student loan program. There have been a number of different proposals that have been brought forward.

I had the opportunity of introducing legislation along that line in 1978 that had been developed at Boston University by Dr. Silber, which had a percent of income into the future. Those who were more fortunate to make additional resources would pay into the fund, and this would be a fund that would be self-perpetuating and offer new opportunities for children down the line.

We have looked at that and we have looked at a very interesting proposal by Senator BRADLEY of New Jersey, who has a different approach in terms of the direct loan, using the full faith and credit of the United States, getting the money through the university out to the students and having collection through the IRS. I know he feels very strongly. We have been working with him over the past few days.

I want to give assurance to the Members that we will be addressing this concept, hopefully, in the very near future. But I wanted to express our appreciation for all the cooperation of Senator SIMON and Senator PELL who, as I mentioned earlier in the day, is our leader in these higher education matters, along with Senator KASSEBAUM and others.

I yield the floor.

Mr. PELL. Mr. President, I wish to thank very much the Senator from Illinois and the Senator from New Jersey for not putting this excellent concept on this particular bill. I look forward to working with them on other bills in the future.

I know that we all join together in recognizing, as we talk about defense, the real strength of our Nation is the sum total of education, the health and the character of our people, and that is what we are working on tonight.

Mr. SIMON. Mr. President, it is with reluctance we are not putting it on this bill. I know Senator PELL understands that.

Let me just add we are building on a foundation that was started by Senator KENNEDY in 1978 with his bill. This is modified, but it does precisely what Senator KENNEDY said. It makes assistance eligible to middle-income families who are not eligible now at all and it makes it income contingent. So unlike the guaranteed student loan, you pay back—there is an area that is exempt, basically poverty level, and above that you payback. If you make a lot more money, you pay back more rapidly; if you do not, you pay back a little later.

But we will be revisiting this in a few weeks, I hope, on the Senate floor and I hope we can move ahead. I am grateful to all of my colleagues.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the bill be printed as passed, when it is passed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1654

(Purpose: To restrict the authority of the Student Loan Marketing Association with respect to certain housing and medical facilities transactions)

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD] proposes an amendment numbered 1654.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 197, strike lines 6 through 22, and insert in lieu thereof the following:

(2) by striking out subparagraph (C) of subsection (d)(1) and inserting in lieu thereof the following new subparagraph:

"(C)(i) to buy, sell, hold, insure, underwrite, and otherwise deal in obligations issued for the purpose of financing or refinancing the construction, reconstruction, renovation, improvement or purchase (including the underlying property) of—

"(I) educational and training facilities;

"(II)(aa) housing for students and faculties;

"(III) academic, research, and library facilities, including the acquisition of library materials; and

"(IV) related equipment, instrumentation, and furnishings;

except that not more than 30 percent of the value of transactions entered into under this clause shall involve transactions solely of the type described in subclause (II);";

Mr. FORD. Mr. President, I thank my distinguished colleague and friend, Senator PELL, for agreeing to accept my amendment regarding Sallie Mae construction loans.

Under current law, Sallie Mae, or the Student Loan Marketing Association, is federally chartered to fund construction and renovation of higher education facilities, including student and faculty housing, academic and training facilities, and infrastructure needs. The committee reported bill limited that authority with respect to housing facilities, and potentially with respect to infrastructure projects.

With an estimated $60 billion of unmet capital renewal and replacement needs at our Nation's colleges and universities, I fully understand the legitimate concerns of the committee that available resources should be first targeted at those academic and educational needs. However, I was concerned that the committee language did not recognize the significant infrastructure and housing needs reflected in that $60 billion total.

Over the last several months, I have been contacted by most, if not all, of Kentucky's institutions of higher education concerning this provision and the potential impact it may have on the ability of our schools to finance much needed construction and renovation. This provision would hit Kentucky's independent colleges and universities particularly hard.

For example, Georgetown College, Midway College, and Bellarmine College have all recently been able to fund construction and renovation projects with the help of Sallie Mae financing. Several years ago, the University of Kentucky, the University of Louisville, and several other State universities combined to refinance $41.4 million in housing construction costs. This project would not have been allowed under the committee language.

My amendment balances the concerns of the committee for targeted funding with the legitimate financing needs of Kentucky's colleges and universities. Under my amendment, Sallie Mae will continue to be able to fund infrastructure and housing needs. Total funding for projects involving financing of solely housing needs will be capped, however, at 30 percent of the total transactions.

I thank my colleague, the distinguished and able chairman of the Education, Arts, and Humanities Subcommittee, Senator PELL, for his most gracious accommodation of my concerns and the needs of Kentucky institutions. I commend him for his leadership in higher education, and thank him and his staff for their assistance.

Mr. President, I understand that this amendment has been agreed to on both sides. I thank my distinguished colleague and friend, Senator PELL, and Senator, KASSEBAUM, for accepting my amendment.

Mr. PELL. Mr. President, it is an excellent amendment and we are very glad indeed to support it.

Mr. MCCONNELL. Mr. President, I rise today as a cosponsor of the amendment offered by the senior Senator from Kentucky. I want to take a few moments to comment on its importance to educational institutions and to our Nation's students.

S. 1150 currently restricts the authority of the Student Loan Marketing Association [Sallie Mae] to provide financing for facility improvements on college and university campuses. While Sallie Mae is authorized to finance academic, research and library facilities, under this bill it is prohibited from financing student housing, student centers, and maintenance and support functions.

What this means, Mr. President, is that eligible institutions will be forced to seek financing elsewhere—perhaps at greater costs. If financing is unavailable, affected colleges and universities will surely experience a deterioration in their campus infrastructures.

My colleagues should understand that funds for Sallie Mae's debt financing are private capital and do not impact the Federal budget. Further, Sallie Mae is in the process of expanding its financing capabilities to additional colleges and universities, and in restricting its authority, Congress does not increase available funds for academic, research and library facilities.

A letter I recently received from the president of Midway College in Midway, KY, aptly describes the view many institutions have of the restrictive provisions in S. 1150. Dr. Robert Botkin wrote:

> It is generally much easier for Midway College to raise private donations to support academic research, and library facilities than it is to meet housing and other infrastructure needs. Donors are not particularly interested in having a power plant named in their honor. Therefore, we rely much more heavily on debt financing for these latter types of facilities.

The amendment before us simply restores the authority to Sallie Mae to finance student housing, student centers, and maintance and support functions. The bottom line is our students stand to lose if these restricting provisions are left in S. 1150.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. Is there further debate on amendment No. 1654 offered by the Senator from Kentucky [Mr. FORD]?

The amendment (No. 1654) was agreed to.

Mr. FORD. I move to reconsider the vote.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, I ask unanimous consent that my colleague from Kentucky, Senator MCCONNELL, be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. I thank the Chair.

Mr. BUMPERS. Mr. President, I would like to engage the Senator from Massachusetts in just a short colloquy and later on will introduce a statement, depending on the responses.

The other day in the caucus when I looked at the summary of this bill, there was a provision in it dealing with teacher academies. The purpose of teacher academies is to provide teaches the opportunity to take crash courses in various subjects during the summer months, patterned to some extent after the seminars that are conducted every summer by the National Endowment for the Humanities.

It is a program for which I have been able to get increased funding each of the last 2 years, but it is also a program that ought to be funded, if the budget constraints were not so dire, so that every schoolteacher in the country who wanted, had a chance to attend a seminar each summer.

I saw this summary in the caucus the other day which said that this bill provides for summer academies and a host of courses: math, English, history, various other things, not just the humanities, but also math and science.

I wonder if the Senator from Massachusetts could give a brief description of how those academies are going to work, how the money is going to be dispersed and who is going to disperse it.

Mr. KENNEDY. The Senator is correct. We have seen over the course of the hearings that it is extremely useful to offer opportunities for teachers to upgrade their own skills, particularly in teaching new curriculum and utilizing new methods and new technologies.

There have been successful programs in the summer but also during the course of the year.

Dade County, FL, for example, has a continuing education of high school teachers. It is one of the few school districts in the country that as a matter of policy has a continuing education program, which has been very successful, and has been one of the leading factors in the general superintendent of Dade County saying that prior to that time they were choosing teachers, 1 out of 2, to work in Dade County, and moving to 1 out of 7. Many of the teachers want to be upgraded, and they saw this challenge.

Those that are going to be in the State, the funding will go through the State; State funding and support for the various State academies and down from the State into the local school districts. National districts will be funded directly out of the Secretary's office.

Mr. BUMPERS. Could the Senator tell me if there is any prohibition against another teacher attending a seminar in English or history? This is very important to me. I forget; I think there are seven different subjects that these summer academies will cover. Normally you would expect a math teacher to go to a summer academy dealing only with math to improve her skills in the subject she teaches.

As the Senator and the distinguished chairman of the committee knows, I have been working on this now for about 5 years. As I say, my bill just dealt with the humanities: literature, philosophy, history. This bill, of course, provides these various subjects. But my point is, one of the reasons for my bill in the first place was to provide training for teachers of math and science to also get schooled in the Constitution of the United States and citizenship and history.

So my question is this: is there any prohibition in the bill, or does the Senator intend there to be a prohibition, against math teachers going to a summer academy that deals with English, or literature, or philosophy, or any of the other courses?

Mr. KENNEDY. The answer is they can, and will, and there is nothing in the legislation that will prohibit it.

Let me just say along the lines of the Senator's earlier remarks, as the author of the Madison Fellowship Program with ORRIN HATCH, it is a different program not associated with this, to take outstanding schoolteachers, two in each State, and have them teach constitutional studies to high school teachers in the States. This came out of the Bicentennial Commission, which both Senator HATCH and I were on.

It is tragic that in high schools in this country we do not have the kind of attention given to constitutional studies until very late in some high schools, and of course in some colleges. But there is nothing in the legislation that prohibits the opportunities for the training in those particular subjects.

We have given the emphasis to the areas which the Senator has identified in terms of math and science. What we have tried to do in the areas of math and science is to tie these teaching academies together with the math and science legislation which we just passed last year, with the National Science Foundation which created additional graduate fellows, and to give that an emphasis on the math and science programs.

We have tried to make these work together, but there is no prohibition at all in terms of the broader subjects that the Senator has mentioned. We would certainly encourage them to do so.

I see the chairman of the Education Committee wanted to make additional comments on that.

Mr. PELL. Mr. President, one further point, when the NEH [the National Endowment for Humanities] was set up originally, in all of these education philosophies, the idea has always been to have as much cross-fertilization as possible, without having the math major off in one corner and the English major off in another corner. I think this legislation moves further in the direction of cross-fertilization.

Mr. BUMPERS. I certainly endorse the idea of a math teacher improving his or her mathematics skills and his ability to communicate in his subject. But I also feel, and my feelings are justified by the voting patterns in this country, that we are seriously deficient at the secondary level in this country in teaching ordinary citizenship, the Constitution, and teaching youngsters not just about the rights that are given them under the Constitution but also their duties. And I also think history, political science, literature courses are critical to the well-rounded student.

So I am going to monitor the Teacher Academy Program as carefully to make sure that the question I asked a moment ago is answered. I am not sure quite yet what the answer is. I think Senator KENNEDY has given me sufficient assurance, but I am going to be monitoring this to make sure that even at the State level, where the applications are going to be made, that nobody is barred from attending a summer academy because they are into a different discipline from the one they are teaching.

It is like sort of in the family. We are a product of what we hear in the home. Even though a math teacher is essentially teaching math, I think it is important that she or he have the ability just in the course of classroom time to pass off general information about other subjects just as our parents do in the household.

So as I say, I want to make sure that all teachers get a chance to upgrade their skills, not just in the particular discipline they are teaching but also others. I feel strongly that we have been terribly remiss in the teaching of the humanities in this country, and it is one of the reasons citizenship has declined to one of the lowest levels in the history of the country. It is dangerous, and it is proceeding apace.

The Senator knows we worked for a long time trying to work out a proposal 2 years ago, and never did get it done. I am very pleased that S. 1150 includes the comprehensive teacher academy proposal.

I am not going to offer an amendment to the bill because my staff said the bill comes close enough to what I have been trying to do for 5 years that it would be unjustified to try to tinker with it at this time.

But I am going to be monitoring as closely as I can to make sure that it fairly comes into compliance with the humanities bill that I have introduced here now for about 5 years running.

Mr. PELL. I thank the Senator.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NOS. 1655–1658

Mr. DOLE. Mr. President, I have four amendments. They have all been cleared, and I ask that they be considered en bloc. I send them to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes amendments en bloc numbered 1655 through 1658.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 1655

(Purpose: To establish a definition of disability)

On page 564, strike lines 8 and 9 and insert the following: by adding at the end the following new subsections:

"(i) DISABILITY.—The term 'disability' has the meaning given the term in section 3(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102(2)).

"(j) STATE HIGHER EDUCATION AGENCY.—The term

AMENDMENT NO. 1656

(Purpose: To add services related to problems faced by individuals with disabilities to authorized activities)

On page 561, between lines 3 and 4, insert the following:

"(13)(A) Problems faced by individuals with disabilities regarding accessibility to institutions of higher education and other public and private community facilities.

"(B) Amelioration of existing attitudinal barriers that prevent full inclusion by individuals with disabilities with their community.

AMENDMENT NO. 1657

(Purpose: To establish a definition of personal assistance)

Beginning on page 241, strike line 20 and all that follows through page 242, line 3, and insert the following:

(a) IN GENERAL.—Section 472 of the Act (20 U.S.C. 108711) is amended—

(1) in the matter preceding paragraph (1) by inserting "(a) DEFINITION OF COST OF ATTENDANCE.—" before "For the purpose";

(2) in subsection (a) (as so designated by paragraph (1))—

(A) in the matter preceding paragraph (1) by striking "except for subpart 1 of part A and";

(B) in paragraph (6), by striking "in an academic program which normally includes a formal program of study abroad" and inserting "in a program of study abroad approved for credit by the student's home institution"; and

(C) in paragraph (8)—

(i) by striking "handicapped student" and inserting "student with a disability"; and

(ii) by inserting "personal assistance," after "services,"; and

(3) by adding at the end the following new subsection:

"(b) DEFINITION OF PERSONAL ASSISTANCE.—As used in subsection (a), the term 'personal assistance' means assistance by a person to an individual with tasks that the individual would typically do if the individual did not have a disability and that are necessary to enable the individual with a disability to participate fully in postsecondary opportunities, including assisting the individual with major life activities.".

AMENDMENT NO. 1658

(Purpose: To establish faculty development grants)

On page 396, between lines 2 and 3, insert the following:

"Subpart 3—Faculty Development Grants

"SEC. 567. TRAINING GRANTS.

"(a) GRANTS AUTHORIZED.—The Secretary is authorized to award grants to institutions of higher education to enable such institutions to—

"(1) develop model programs that provide training to secondary school faculty to prepare students with disabilities for postsecondary educational opportunities; and

"(2) establish programs of faculty development for faculty who teach in an institution of higher education to prepare such faculty for the enrollment of students with disabilities at such institution.

"(b) USE OF GRANTS.—The grants described in subsection (a) may be used to—

"(1) provide scholarships, including stipends and allowances, to faculty described in paragraph (1) or (2) of subsection (a);

"(2) develop materials and inservice programs to assist such faculty in making the curriculum at an institution of higher education accessible to students with disabilities; and

"(3) provide funds to support the release of such faculty from teaching assignments for the purpose of educating such faculty regarding the needs of students with disabilities.

"(c) SPECIAL RULES.—The Secretary shall ensure that grants awarded under subsection (a)(1) are used for programs that are in compliance with State and professionally recognized standards for the training of special education personnel.

"(d) APPLICATION.—Each institution of higher education desiring a grant under this section shall an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

Mr. DOLE. Mr. President, having a stable and rewarding job is a basic component of the American dream and access to postsecondary education makes that dream a reality. For too many years the dream has been out of reach for millions of Americans with disabilities. In fact, a growing awareness of the problems faced by Americans with disabilities led this body to pass the Americans With Disabilities Act [ADA]. By signing the ADA on July 26, 1990, President Bush established a new national policy of equal opportunity for every American. The amendments I offer today apply the principle of equal opportunity guaranteed by the ADA to higher education.

I am pleased to have worked with Representative STEVE GUNDERSON and members of the Senate Subcommittee on Education in ensuring that postsecondary opportunities for students with disabilities are available. The amendments included in today's bill address the needs of students with disabilities wishing to pursue postsecondary opportunities. This is part of a larger effort to review all our Federal policies in making sure that programs are accessible to people with disabilities. Despite the efforts to encourage postsecondary institutions to expand and improve access for students with disabilities, there remains room for improvement.

The percentage of students with disabilities receiving high school diplomas is below the national average. Students with disabilities are less likely to participate in postsecondary education than any other group of Americans. The reasons for this are complex, but undoubtedly, lack of physical access, lack of needed support services, lack of properly trained faculty, and lack of adequate financial support to cover extraordinary costs associated with having a disability contributes to this low participation rate. We must provide incentives to make postsecondary programs accessible to students with disabilities.

The amendments I offer today are in addition to the disability amendments included in the committee package. My amendments provide for: First, grants to assist faculty in institutions of higher education learn to make the accommodations necessary to ensure that students with disabilities have equal educational opportunities; second, inclusion of a definition of "personal assistance services" for students with disabilities; third, an allowance for support services, as well as access to work-study programs for students with disabilities; fourth, an added provision to title XI to rectify problems faced by students with disabilities regarding accessibility, and in eliminating attitudinal barriers that have impeded access.

The technical ingenuity and generous spirit of American education and business tell me that the promise of the ADA, and the dreams of Americans with disabilities can be realized. For many students with disabilities, as with students in general, a college education becomes the first step toward independence, a career, financial security, and self-sustenance. Moreover, the extrinsic gains to be made through higher education for individuals with disabilities, include higher salaries, lower unemployment rates, and better job prospects. College is an important time of growth and development, a time of transition from dependence to independence. By creating opportunities for students with disabilities to continue a program of education after secondary school we improve the prospects for gainful employment and independent living. The amendments I propose today take another step in this direction.

I thank my colleague from Kansas, Senator KASSEBAUM, and my colleagues on the other side of the aisle, Senator PELL and Senator KENNEDY, for clearing these amendments at this time.

The PRESIDING OFFICER (Mr. WOFFORD). Is there further debate on the amendments to be considered en bloc offered by the Republican leader, being amendments numbered 1655 through 1658?

There being no further debate, without objection, the amendments offered by the Republican leader en bloc are agreed to.

So, the amendments (No. 1655 through No. 1658) were agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Jersey [Mr. LAUTENBERG] is recognized.

AMENDMENT NO. 1659

(Purpose: To establish a National Commission on Containing College Costs, to increase the amount of information available to students regarding the tuition and administrative costs of institutions of higher education, and to award resource sharing grants)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] for himself and Mr. LEAHY, proposes an amendment numbered 1659.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new titles:

TITLE XVI—NATIONAL COMMISSION ON THE COST OF HIGHER EDUCATION

SEC. 1601. ESTABLISHMENT OF COMMISSION.

There is established a Commission to be known as the "National Commission on the Cost of Higher Education" (hereafter in this title referred to as the "Commission").

SEC. 1602. MEMBERSHIP OF COMMISSION.

(a) APPOINTMENT.—The Commission shall be composed of 12 members as follows:

(1) Four citizens of the United States appointed by the President.

(2) Two Senators appointed by the Majority Leader of the Senate of which—

(A) one shall be a member of the Committee on Labor and Human Resources of the Senate; and

(B) one shall be a member of the Committee on Appropriations of the Senate.

(3) Two Senators appointed by the Minority Leader of the Senate, of which—

(A) one shall be a member of the Committee on Labor and Human Resources of the Senate; and

(B) one shall be a member of the Committee on Appropriations of the Senate.

(4) Two Members of the House of Representatives appointed by the Speaker of the House of Representatives, of which—

(A) one shall be a member of the Committee on Education and Labor of the House of Representatives; and

(B) one shall be a member of the Committee on Appropriations of the House of Representatives.

(5) Two Members of the House of Representatives appointed by the Minority Leader of the House of Representatives, of which—

(A) one shall be a member of the Committee on Education and Labor of the House of Representatives; and

(B) one shall be a member of the Committee on Appropriations of the House of Representatives.

(b) ADDITIONAL QUALIFICATIONS.—

(1) PRESIDENTIAL APPOINTEES.—An individual appointed under subsection (a)(2) may not be an officer or an employee of the Executive Branch.

(2) CITIZENS.—Individuals who are not Members of the Congress and are appointed under paragraphs (3) through (6) of subsection (a) shall be individuals who—

(A) have extensive knowledge of higher education and its financing and who are leaders of the education community, distinguished academics, State or local government officials, students, parents of college students, members of the business community, or other individuals with distinctive qualifications or experience; and

(B) are not officers or employees of the United States.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The members of the Commission shall elect a Chairman and a Vice Chairperson. In the absence of the Chairperson, the Vice Chairperson will assume the duties of the Chairperson.

(d) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(e) APPOINTMENTS.—All appointments under subsection (a) shall be made within 3 months after the date of enactment of this Act.

(f) VOTING.—Each member of the Commission shall be entitled to one vote, which shall be equal to the vote of every other member of the Commission.

(g) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(h) PROHIBITION OF ADDITIONAL PAY.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission. Members appointed from among private citizens of the United States may be allowed travel expenses, including per diem, in lieu of subsistence, as authorized by law for persons serving intermittently in the government service to the extent funds are available for such expenses.

SEC. 1603. FUNCTIONS OF COMMISSION.

(A) SPECIFIC FINDINGS AND RECOMMENDATIONS.—The Commission shall study and make findings and specific recommendations regarding the following:

(1) The increase in tuition costs compared with other commodities and services as well as methods of reducing increased tuition costs.

(2) Trends in college and university administrative costs as well as other costs and means of reducing such increased costs.

(3) The development of a standardized annual report that colleges and universities shall distribute which details the administrative costs, instructional costs and capital costs of such colleges and universities in order to carry out section 1701.

(4) The extent to which Federal, State and local regulations contribute to increased tuition costs and the increase in the cost of higher education.

(5) The establishment of a mechanism for a more timely and widespread distribution of data on tuition trends and other costs of operating colleges and universities.

(6) The extent to which the lack of student financial assistance programs has contributed to increased tuition costs.

(7) Other related topics determined to be appropriate by the Commission.

(b) FINAL REPORT.—

(1) IN GENERAL.—Subject to paragraph (2), the Commission shall submit to the President and to the Congress not later than September 1, 1994, a report which shall contain a detailed statement of the findings and conclusions of the Commission, including the

Commission's recommendations for administrative and legislative action that the Commission considers advisable.

(2) MAJORITY VOTE REQUIRED FOR RECOMMENDATIONS.—Any recommendation described in paragraph (1) shall be made by the Commission to the President and to the Congress only if such recommendation is adopted by a majority vote of the members of the Commission who are present and voting.

SEC. 1604. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act as such times and places, as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish the Commission's procedures and to govern the manner of the Commission's operations, organization, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Commission may request from the head of any Federal agency or instrumentality such information as the Commission may require for the purpose of this title. Each such agency or instrumentality shall, to the extent permitted by law and subject to the exceptions set forth in section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), furnish such information to the Commission, upon request made by the Chairperson of the Commission.

(2) FACILITIES AND SERVICES, PERSONNEL DETAIL AUTHORIZED.—Upon request of the Chairperson of the Commission, the head of any Federal agency or instrumentality shall, to the extent possible and subject to the discretion of such head—

(A) make any of the facilities and services of such agency or instrumentality available to the Commission; and

(B) detail any of the personnel of such agency or instrumentality to the Commission, on a nonreimbursable basis, to assist the Commission in carrying out the Commission's duties under this title, except that any expenses of the Commission incurred under this subparagraph shall be subject to the limitation on total expenses set forth in section 1605(b).

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Commission, to such extent and in such amounts as are provided in appropriation Acts, may enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge the Commission's duties under this title, subject to the limitation on total expenses set forth in section 1605(b).

(f) STAFF.—Subject to such rules and regulations as may be adopted by the Commission, the Chairperson of the Commission (subject to the limitation on total expenses set forth in section 1605(b)) shall have the power to appoint, terminate, and fix the compensation (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director, and of such additional staff as the Chairperson deems advisable to assist the Commission, at rates not to exceed a rate equal to the maximum rate for level IV of the Executive Schedule under section 5332 of such title.

(g) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.) and shall be independent from the Executive Branch.

SEC. 1605. EXPENSES OF COMMISSION.

(a) IN GENERAL.—Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of the Treasury.

(b) LIMITATION.—The total expenses of the Commission shall not exceed $2,000,000.

(c) GAO AUDIT.—Prior to the termination of the Commission pursuant to section 1606, the Comptroller General of the United States shall conduct an audit of the financial books and records of the Commission to determine that the limitation on expenses has been met, and shall include the Comptroller General's determination in an opinion to be included in the report of the Commission.

SEC. 1606. TERMINATION OF COMMISSION.

The Commission shall cease to exist on the date that is 90 days after the date on which the Commission submits its report.

TITLE XVII—AMENDMENTS TO THE HIGHER EDUCATION ACT OF 1965

SEC. 1701. DISCLOSURE OF TUITION, ADMINISTRATIVE COSTS, INSTRUCTIONAL COSTS AND CAPITAL COSTS.

(a) DISCLOSURE REQUIREMENTS.—Section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092) is amended by adding at the end thereof the following new subsection:

"(g) DISCLOSURE OF PARENT/STUDENT RIGHT TO KNOW STATISTICS.—(1) Each eligible institution participating in any program under this Act shall collect information with respect to administrative costs, instructional costs and capital costs, and annually prepare, publish, and distribute, through appropriate publications or mailings, to all current students, and to any applicant for enrollment or upon request, members of the public, an annual report on such costs.

"(2) Upon the request of the Secretary, each institution participating in any program under this Act shall submit to the Secretary a copy of the report required to be made available under paragraph (1). The Secretary shall review such reports and shall report to the Committee on Education and Labor and the Committee on Appropriations of the House of Representatives, and the Committee on Labor and Human Resources and Committee on Appropriations of the Senate on the content of such reports.

"(3) The Secretary, after receiving recommendations from the Commission, shall solicit public comment and promulgate rules to implement this subsection.

"(4) Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices by institutions of higher education with respect to tuition costs, administrative costs, instructional costs, and capital costs.".

SEC. 1702. PROGRAM PARTICIPATION AGREEMENT REQUIREMENTS.

(a) IN GENERAL.—Subsection (a) of section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended by adding at the end thereof the following new paragraph:

"(13) The institution has complied with the disclosure requirements of section 485(g).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective 90 days after the issuance of the regulations described in section 485(g)(3) of the Higher Educations Act of 1965.

TITLE XVIII—RESOURCE SHARING GRANTS

SEC. 1801. RESOURCE SHARING GRANTS.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to States, local governments, or consortia of universities and colleges to enable such States, local governments or consortia thereof to establish resource sharing plans that are designed to—

(A) prevent unnecessary duplication of existing resources;

(B) reduce long-term cost of tuition at colleges and universities; and

(C) establish cost containment mechanisms for the costs described in subparagraph (A).

(2) GRANT DISTRIBUTION.—The Secretary shall award at least 5 grants pursuant to paragraph (1) to at least 5 different States or consortia thereof.

(b) USE OF FUNDS.—Funds shall be used to carry out the plans described in this section.

(c) APPLICATION.—Each State or consortium thereof desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

(d) DEFINITIONS.—For the purpose of this section—

(1) the term "Secretary" means the Secretary of Education; and

(2) the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, and the Republic of Palau (until the Compact of Free Association is ratified).

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years thereafter to carry out this section.

Mr. LAUTENBERG. Mr. President, this amendment deals with one part of the cost of higher education. It frankly focuses on holding down tuition costs by reducing unnecessary administrative costs.

The American family is experiencing sticker shock when they look into the cost of higher education today. Families in my State of New Jersey face college tuition bills that are as much as $25,000 per year for each child. That is $100,000 for an undergraduate education for one child.

The parents and the students of my State are struggling to afford a college education. Many parents who attended college themselves in the 1960's now are seeing their children facing college tuition bills that are up to 100 percent higher than those in the mid-sixties in inflation-adjusted dollars.

I am offering an amendment tonight to try to find ways to hold down the tremendous growth in college tuition costs in recent years, and to allow students and parents and the public generally the right to know how institutions of higher education are spending their tuition dollars.

S. 1150, the bill currently pending, makes great strides in making tuition assistance more available to lower- and middle-income families, and I compliment the managers and the authors of this legislation.

We are looking at an excellent bill, and I hope that it will pass expeditiously.

I have always believed that the Federal Government, needs to play a strong role in ensuring access to higher education for all who are qualified.

However, as the Senate considers these Student Aid Program expansions, we are also witnessing dramatic increases in the price of tuition. From 1970 to 1980, tuition rose at a lower rate than the following other commodities: Food, health care, energy, new housing, and all services. In the 1980's, however, there was almost a complete reversal of this trend. During these years, tuition rose faster than many commodities, including health care. For the past 11 years, both public and private tuition rose faster than the CPI. In some of those years, the tuition was two to three times the CPI.

Mr. President, I would also like to point out another disturbing trend. Today colleges and universities are spending a significant portion of their tuition dollars on administrative costs. In 1930, 19 cents of every education dollar was spent on administration. That now has grown to 45 percent as of the 1987–88 academic year.

The question is: What are administrative costs? They are costs associated with personnel who collaborate, supervise, set policies, and perform services such as producing a course catalog, registering students, and performing financial activities.

I must point out that administrative costs do not include expenditures on libraries, counseling, admissions, placement, physical plant, research, and faculty salaries.

Mr. President, at the same time we witnessed these startling developments, we also read about outrageous expenditures by universities brought out in recent congressional hearings on indirect costs. The amendment that I am offering does not deal with the indirect costs, but we are all outraged that universities are spending precious resources in such ridiculous ways.

We have heard, for example, stories of universities and colleges spending millions of dollars on parades, parties, athletic tickets, lavish household items for administrators, club memberships, even yachts, lobbying, and "golden parachutes."

In the past, some of these expenditures have been billed to the American taxpayer. It is my understanding that OMB is now dealing with this problem.

But I say to my colleagues, in these tough times, should universities and colleges be spending any money on these frivolous items? How can a college or a university justify spending families' hard-earned tuition dollars on these items? How would alumni contributors feel if they knew that their donations are being spent in such areas?

Spending decisions must continue to rest with the academic institutions themselves. But parents and students and the public taxpayers deserve to know how tuition dollars are spent. My amendment is designed to begin to address these problems of increasing tuition and administrative costs.

The amendment has three parts. First, it sets up a national commission on the cost of higher education to study the problems of increasing tuition and administrative costs, and to make policy recommendation on how to hold these costs in check. This will be a bipartisan commission including members appointed by the President and the Congress. It will be made up of academics, as well as other experts. The commission will report its recommendations to the Congress and the President for them to take appropriate action.

Second, the amendment establishes a parent-student right-to-know law. This would require universities and colleges to send to prospective students information on tuition and administrative, instructional, and capital costs, so that each student will know where his or her prospective university is allocating its scarce resources. This could influence a decision that the applicant is making about which college to attend. The data items and format of this right to know document would be established by the Department of Education after receiving recommendations from the national commission on the cost of higher education. Finally, the amendment establishes a resource sharing grant program to award funds to universities, colleges consortia, States and cities who develop proposals designed to share existing resources that will hold down the long-term cost of tuition.

Mr. President, these are the essentials of my amendment. I hope my colleagues will understand the mission that I am on here, to reduce the administrative and overhead costs as much as possible in order to ensure that college tuition is affordable for the American family.

I ask that my colleagues support this amendment so that the cost of higher education does not become totally unreachable for American families.

Mr. President, I note that the amendment has been cleared by both sides of the aisle, and I ask for its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1659) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. I yield the floor.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 1660–1686 EN BLOC

Mr. PELL. Mr. President, I send a series of amendments to the desk and ask for their immediate consideration en bloc.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. PELL] proposes en bloc amendments numbered 1660–1686.

Mr. PELL. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 1660

(Purpose: To exempt certain institutions of higher education from a cash reserve requirement)

Beginning on page 332 of the Committee amendment, strike line 23 and all that follows through page 333, line 2, and insert the following:

"(5)(A) establish requirements for the maintenance by an institution of higher education of sufficient cash reserves to ensure repayment of any required refunds; and

"(B) provide for as process under which the Secretary shall exempt an institution of higher education from the requirements described in subparagraph (A) if the Secretary determines that the institution—

"(i) is located in a State that has tuition recovery fund such that the institution meets the requirements of subparagraph (A);

"(ii) contributes to the fund; and

"(iii) otherwise has legal authority to operate within the State; and

AMENDMENT NO. 1661

(Purpose: To allow institutions of higher education to record certain proceedings)

On page 299, line 24, insert "(a) IN GENERAL.—" before "Subsection".

On page 303, between lines 16 and 17, insert the following:

(b) CONSTRUCTION.—Section 487 of the Act, as amended by subsection (a), is further amended by adding at the end the following:

"(e) CONSTRUCTION.—Nothing in the amendments made by the Higher Education Amendments of 1991 shall be construed to prohibit an institution from recording, at the cost of the institution, a hearing referred to in subsection (b)(2), subsection (c)(1)(D), or subparagraph (A) or (B)(i) of subsection (c)(2), of section 487 to create a record of the hearing. The Secretary shall allow the institution to use any reasonable means, including stenographers, of recording the hearing.".

AMENDMENT NO. 1662

(Purpose: To make certain amendments regarding TRIO programs, and for other purposes)

On page 11, strike the item relating to section 311.

On page 11, redesignate the items relating to sections 312 through 314 as the items relating to sections 311 through 313.

On page 53, strike lines 5 through 14.

On page 53, line 15, strike "312" and insert "311".

On page 53 line 18, strike "313" and "312".

On page 53 line 23, strike "314" and "313".

On page 83, line 17, strike "The" and insert "(A) Except as provided in subparagraph (B), the".

On page 83, between lines 22 and 23, insert the following:

"(B) SPECIAL RULE.—The Secretary is not required to provide assistance to a program otherwise eligible for assistance under this subpart pursuant to subparagraph (A), if the Secretary is in receipt of evidence indicating that such program has involved the fraudulent use of funds under this subpart.

On page 84, line 6, strike "10" and insert "8".

On page 84, line 16, strike "strike "10" and insert "8".

On page 192, between line 3 insert ", except that in no case shall this paragraph apply to any borrower whose loan has been discharged through an action in bankruptcy" before the period.

AMENDMENT NO. 1663

(Purpose: To expand options for community service)

On page 585, line 7, strike "and".

On page 585, line 12, strike the period and insert a semicolon and "and".

On page 585, between lines 12 and 13, insert the following:

"(E) identify the reasons for which participants in the program have chosen to take part in such program; and

"(F) identify other areas of community service or employment which may serve as appropriate methods of loan repayment.

AMENDMENT NO. 1664

(Purpose: To establish a National Commission on Independent Education)

On page 596, between lines 10 and 11, insert the following:

SEC. 1302. NATIONAL COMMISSION ON INDEPENDENT EDUCATION.

Title XIII of the Higher Education Amendments of 1986 is amended by adding at the end the following new part:

"PART J—NATIONAL COMMISSION ON INDEPENDENT EDUCATION

SEC. 1391. SHORT TITLE.

"This part may be cited as the 'National Independent Colleges and Universities Discovery Act'.

"SEC. 1392. FINDINGS.

"The Congress finds that—

"(1) the quality and scope of higher education in our Nation is without argument the finest in the world, and a distinguishing feature of our Nation's system of higher education is its strong and diverse nonprofit independent sector;

"(2) independent colleges and universities are as diverse as the Nation itself and include traditional liberal arts institutions, major research universities, church- and faith-related colleges, colleges and universities primarily attended by minorities, women's colleges, junior colleges, and schools of law, medicine, engineering, business and other professions;

"(3) the diversity of independent colleges and universities offers students a choice in the type of educational experience that will best serve such students' interests, needs and aspirations;

"(4) independent colleges and universities enroll 21 percent of all students in the United States, award 33 percent of all bachelor's degrees in the United States, 42 percent of all such master's degrees, 36 percent of all such doctoral degrees, and 59 percent of all such professional degrees;

"(5) a majority of all undergraduate students attending independent colleges and universities receive some form of financial assistance, and such independent colleges and universities provide such financial assistance from their own resources;

"(6) independent colleges and universities are deeply involved in hundreds of partnerships with elementary and secondary schools, and such partnerships are largely funded by such colleges and universities;

"(7) independent colleges and universities have been an extraordinary example of private-public partnerships, with such colleges and universities operating in the public interest to provide a public good;

"(8) less than 20 percent of the revenue of independent colleges and universities comes from governmental funds, most of which is in the form of Federal and State financial aid;

"(9) decreases in Federal and State support for student financial aid programs has placed at risk the option of choosing an independent college or university for an increasing number of students;

"(10) whereas at the turn of the twentieth century 80 percent of the students enrolled in higher education in the United States were enrolled in independent colleges and universities, such percentage has now declined to 21 percent, and further erosions place at risk the option of choosing an independent college or university for students and parents; and

"(11) the entire sector of independent colleges and universities and the important contributions such sector makes to our Nation is at risk and deserves national policy attention.

"SEC. 1393. PURPOSE.

"It is the purpose of this part to establish a National Commission on Independent Higher Education.

"SEC. 1394. NATIONAL COMMISSION ON INDEPENDENT HIGHER EDUCATION.

"(a) ESTABLISHMENT.—There is established as an independent agency in the executive branch a commission to be known as the National Commission on Independent Higher Education (hereafter in this Act referred to as the 'Commission').

"(b) MEMBERSHIP.—

"(1) COMPOSITION.—The Commission shall be composed of 9 members, 3 of whom shall be appointed by the President, 3 of whom shall be appointed by the Speaker of the House of Representatives, and 3 of whom shall be appointed by the Majority Leader of the Senate.

"(2) EXPERTISE REQUIREMENT.—The members of the Commission shall consist of individuals with expertise and experience in independent higher education, including expertise in national tax policy, individuals with expertise in State higher education finance, individuals with expertise in Federal financial aid programs, individuals with expertise in issues of student and faculty diversity, and individuals with expertise in graduate education and research.

"(3) DATE.—The members of the Commission shall be appointed not later than 6 months after the date of enactment of this Act.

"(c) PERIOD OF APPOINTMENT; VACANCIES.—Members of the Commission shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

"(d) MEETINGS.—The Commission shall meet at the call of the Chairman.

"(e) QUORUM.—Six of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

"(f) CHAIRMAN.—The Commission shall select a Chairman from among its members.

"SEC. 1395. DUTIES OF THE COMMISSION.

"The Commission shall—

"(1) develop a factual base for understanding the status of independent colleges and universities, their contributions to public priorities, and the effects of national higher education policies on the independent nonprofit sector;

"(2) review the issuance of Federal regulations regarding independent colleges and universities, and suggest means by which independent colleges and universities can be held accountable for use of public resources without inappropriate intrusion into institutional autonomy; and

"(3) address the relation between Federal and State policies on independent colleges and universities, particularly with respect to student access and choice, finance, institutional subsidies, and institutional accountability.

"SEC. 1396. REPORT AND RECOMMENDATIONS.

"(a) INTERIM REPORT.—The Commission shall submit an interim report to the President and the Congress on the Commission's activities and findings within 18 months of the date of enactment of this Act.

"(b) FINAL REPORT.—

"(1) IN GENERAL.—The Commission shall submit a final report to the President and the Congress on the Commission's activities and findings within 3 years of the date of enactment of this Act.

"(2) RECOMMENDATION.—The report described in paragraph (1) shall contain a recommendation regarding the establishment of a national policy on independent colleges and universities appropriate to meeting the Nation's higher educational goals in the twenty-first century.

"SEC. 1397. POWERS OF THE COMMISSION.

"(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this part.

"(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

"(c) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

"SEC. 1398. COMMISSION PERSONNEL MATTERS

"(a) TRAVEL EXPENSES.—From amounts available to the Secretary of Education, the members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

"(b) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

"(c) STAFF.—

"(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and not more than 2 staff members to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

"(2) COMPENSATION.—The Chairman of the Commission may fix the compensation of the executive director and not more than 2 staff members without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and such staff may not exceed the rate payable for level 15 of the General Schedule classified under section 5107 of such title.

"SEC. 1399. TERMINATION OF THE COMMISSION.

"The Commission shall terminate 3 years after the date of enactment of this Act.".

On page 14, after the item relating to section 1301, insert the following:

Sec. 1302. National Commission on Independent Education.

AMENDMENT NO. 1665

(Purpose: To require institutions of higher education to develop and distribute a statement of policy regarding such institution's policy on campus sexual assault programs)

On page 294, line 18, strike "and".

On page 296, line 2, strike the end quotation marks and the second period and insert a semicolon and "and".

On page 296, between lines 2 and 3, insert the following:

(3) in subsection (f), by adding at the end the following new paragraph:

"(7)(A) Each institution of higher education participating in any program under this title shall develop and distribute as part of the report described in paragraph (1) a statement of policy regarding—

"(i) such institution's campus sexual assault programs which shall be aimed at prevention of sex offenses; and

"(ii) the procedures followed once a sex offense has occurred.

"(B) The policy described in subparagraph (A) shall address the following areas:

"(i) Education programs to promote the awareness of rape, acquaintance rape, and other sex offenses.

"(ii) Procedures students should follow if a sex offense occurs, including who should be contacted and to whom the alleged offense should be reported.

"(iii) Procedures for on-campus disciplinary action in cases of alleged sexual assault which shall include—

"(I) a clear statement that the institution will impose sanctions on students and employees, and a description of those sanctions;

"(II) a clear statement that the accuser and the accused are entitled to the same opportunities to have others present during a campus disciplinary proceeding; and

"(III) a clear statement that both the accuser and the accused shall be informed of the outcome of any campus disciplinary proceeding brought alleging a sexual assault.

"(iv) Notification of victims of sexual assault of the applicable legal sanctions under Federal, State or local law for sexual assault.

"(v) Informing students of their options to notify proper law enforcement authorities, both on campus and local police, and the option to be assisted by campus authorities in notifying such authorities, if the student so chooses.

"(vi) Notification of students of existing counseling, mental health or student services for victims of sexual assault, both on campus and in the community.

"(vii) Notification of students of options for and available assistance in, if so requested by the victim, changing academic and living situations subsequent to an alleged sexual assault incident.

"(C) Nothing in this paragraph shall be construed to confer a private right of action upon any person to enforce the provisions of this paragraph.".

AMENDMENT NO. 1666

(Purpose: To award grants to community college and small business consortia to enable such consortia to develop and provide training and retraining programs for workers)

On page 132, line 4, strike the end quotation marks and the second period.

On page 132, between lines 4 and 5, insert the following:

"Subpart 12—Training Grants for Community College and Small Business Consortia

"SEC. 420DD. FINDINGS.

"The Congress finds that—

"(1) small businesses provide most entry-level jobs in the United States but often lack the resources to provide needed worker education and training;

"(2) there is a growing mismatch between worker skills and workplace demands that has a greater impact on small businesses than on large businesses;

"(3) many employees of small businesses need both literacy and English-as-a-second language training, and skills training, in order to meet the needs of business;

"(4) joint education and training programs help share the risks of training, increase the number of the skills workers available to small businesses, and allow more cost-effective development of training materials; and

"(5) many small businesses subcontract with large businesses that can provide valuable training advice to the small businesses.

"SEC.420EE. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary, in consultation with the Administrator of the Small Business Administration and the Secretaries of Labor and Commerce, is authorized to make not more than 40 grants to community colleges participating in an eligible consortium to pay part or all of the costs of developing and providing training and retraining programs which meet the existing and changing needs of the eligible consortium's workers, especially nonsupervisory workers.

"(b) AMOUNT.—The Secretary shall not award a grant under this subpart in an amount which exceeds $500,000.

"(c) PROCEDURES AND CRITERIA.—The Secretary shall establish procedures and criteria for awarding grants under this subpart on a competitive merit basis.

"SEC. 420FF. ELIGIBLE CONSORTIUM.

"For the purpose of this subpart the term 'eligible consortium' means an accredited community college in consortium with two or more small businesses. The small businesses described in the preceding sentence shall—

"(1) be in the same industry;

"(2) use the same technology; and

"(3) have common educational needs.

"SEC. 420GG. APPLICATION.

"(a) IN GENERAL.—Each community college desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall describe—

"(1) the activities and services for which assistance is sought, which shall include technology training, basic skills training, or English-as-a-second language training;

"(2) the membership of the eligible consortium including, where applicable, a description of the large businesses that contract with the small businesses participating in the consortium and have training expertise to share with the small businesses;

"(3) the deduction and training needs of the eligible consortium; and

"(4) the source of the non-Federal share of costs of the training and retraining programs, including a description of any system of fees which may be used by the eligible consortium to support or partially support the training or retraining program.

"(c) APPROVAL.—The Secretary shall appoint a technical review panel to—

"(1) establish competitive selection criteria based on the contents of the application described in subsection (b);

"(2) select and approve applications under this subpart based on the selection criteria established pursuant to paragraph (1); and

"(3) make recommendations to the Secretary regarding the awarding of grants under this subpart.

"(d) PREFERENCE.—The panel described in subsection (c) shall give preference to applications that demonstrate a commitment to continue the training and retraining program after the termination of assistance provided under this subpart.

"(e) SPECIAL RULE.—The panel described in subsection (c) shall only approve applications under this subpart from eligible consortia which demonstrate the ability to provide effective training and retraining programs.

"SEC. 420HH. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $5,000,000 for fiscal year 1993 and each of the 6 succeeding fiscal years to carry out the provisions of this subpart.".

AMENDMENT NO. 1667

(Purpose: To require institutions of higher education to develop and distribute a statement of policy regarding such institution's policy on campus sexual assault programs)

On page 294, line 18, strike "and".

On page 296, line 2, strike the end quotation marks and the second period and insert a semicolon and "and".

On page 296, between lines 2 and 3, insert the following:

(3) in subsection (f), by adding at the end the following new paragraph:

"(7)(A) Each institution of higher education participating in any program under this title shall develop and distribute as part of the report described in paragraph (1) a statement of policy regarding—

"(i) such institution's campus sexual assault programs which shall be aimed at prevention of sex offenses; and

"(ii) the procedures followed once a sex offense has occurred.

"(B) The policy described in subparagraph (A) shall address the following areas:

"(i) Education programs to promote the awareness of rape, acquaintance rape, and other sex offenses.

"(ii) Procedures students should follow if a sex offense occurs, including who should be contacted and to whom the alleged offense should be reported.

"(iii) Procedures for on-campus disciplinary action in cases of alleged sexual assault which shall include—

"(I) a clear statement that the institution will impose sanctions on students and employees, and a description of those sanctions;

"(II) a clear statement that the accuser and the accused are entitled to the same opportunities to have others present during a campus disciplinary proceeding; and

"(III) a clear statement that both the accuser and the accused shall be informed of the outcome of any campus disciplinary proceeding brought alleging a sexual assault.

"(iv) Notification of victims of sexual assault of the applicable legal sanctions under Federal, State or local law for sexual assault.

"(v) Informing students of their options to notify proper law enforcement authorities, both on campus and local police, and the option to be assisted by campus authorities in notifying such authorities, if the student so chooses.

"(vi) Notification of students of existing counseling, mental health or student services for victims of sexual assault, both on campus and in the community.

"(vii) Notification of students of options for and available assistance in, if so requested by the victim, changing academic and living situations subsequent to an alleged sexual assault incident.

"(C) Nothing in this paragraph shall be construed to confer a private right of action upon any person to enforce the provisions of this paragraph.".

Mr. BIDEN. Mr. President, the Senate adopted an amendment to the Higher Education Reauthorization Act that is of great importance to the women of our Nation's colleges and universities—an amendment based on a bill that I introduced last June with Senator SPECTER called the Campus Sexual Assault Victims Bill of Rights Act.

I would like to take this opportunity to thank the distinguished chairman of the Labor Committee, Senator KENNEDY, and his staff for their work on this amendment, as well as the chairman and ranking member of the Education Subcommittee, Senators PELL and KASSEBAUM, for their assistance with the amendment.

Mr. President, it is sad but true, that young women on college campuses are at great risk. Experts estimate that one out of every four women on campus will be the victim of an attempted sexual assault by the time she graduates; one out of seven will be sexually assaulted.

More shocking than the number of crimes is the horrifying fact that most victims of sexual assault suffer in silence.

For many reasons—embarrassment, fear that they won't be believed, or simply because they do not know what their options are—less than 50% of student victims report a sexual assault to police or campus authorities.

In a society that says it values education so highly, it is shameful that women are dropping out of college because of physical violence.

This amendment takes aim at this problem by requiring that federally funded colleges and universities accord sexual assault victims the rights, the respect, and the services they are due.

Specifically, the amendment requires colleges and universities to implement and issue, on a yearly basis, a campus sexual assault policy.

At a minimum, the policy must include:

Procedures to be followed if a sexual assault occurs;

A clear statement that the institution will impose sanctions on students or employees who commit sexual assaults;

Notice to students of their right to report any sexual assault to all proper law enforcement authorities—including on-campus and local police;

Education programs designed to encourage victims to report, and to prevent college personnel or other students from discouraging victims from reporting; and

Notice to students about counselling, mental health or student services for victims of sexual assault, both on campus and in the community.

I will take no further time to explain these provisions in detail. I ask unanimous consent that a full section-by-section analysis of the amendment be included in the RECORD at the close of these remarks.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF THE BIDEN CAMPUS SEXUAL ASSAULT AMENDMENT

This amendment is based on S. 1289, the Campus Sexual Assault Victims Bill of Rights, introduced by Senator Biden and Senator Specter on June 13, 1991.

To better address the needs of victims of campus sexual assault, this amendment requires colleges and universities to adopt campus sexual assault policies meeting several basic requirements.

First, the campus policy must include educational programs to promote awareness of rape, acquaintance rape, and other sex offenses. As a part of these programs, institutions should aim to encourage students to report sexual assaults, should instruct students and campus personnel about the adverse effects of victim-blaming attitudes, and should notify campus personnel that victims should not be discouraged from reporting sexual assaults.

Second, the campus policy must specify the procedures students should follow in the event of a sexual assault, including the relevant persons to be contacted on campus and the persons on or off campus to whom the assault should be reported.

Third, the policy must include a clear statement that the institution will impose sanctions where a determination has been made that a sexual assault has occurred and that victims will be informed about the outcome of disciplinary proceedings to impose such sanctions. In addition, institutions should provide equal opportunities for assistance to victims during a campus disciplinary proceeding. For example, if the institution permits the accused to bring a parent to a proceeding, the accuser should also be permitted to have a parent present. Similarly, if the institution permits the accused to bring a lawyer to a proceeding, the accuser should also be permitted to have a lawyer present. (Nothing in this section, however, should be construed to require colleges or universities to allow lawyers or any other person to attend disciplinary proceedings; nor should it be construed to require colleges or universities to provide legal advice to any student).

Fourth, the policy must notify students of the applicable legal sanctions for sexual assault under local, state, or federal law.

Fifth, the policy must inform students about their options to notify law enforcement authorities, both on-campus police and local police. Universities should provide reasonable assistance to students who request assistance in notifying local law enforcement authorities.

Sixth, the policy must notify students of existing counseling, mental health or student services for victims of sexual assault, both on campus and in the community.

Seventh, the policy must inform students that, whenever possible, the institution will assist students who request assistance in changing their classes or living situations because of an alleged sexual assault.

Finally, there is no intent to create a private right of action or to permit individuals to sue colleges or universities for damages or injunctive relief because of a failure to meet the standards set forth in this section of the bill. However, institutions that fail to adopt policies meeting the standards of this section risk the loss of all Federal education funding.

Mr. SPECTER. Mr. President, I am pleased to support the amendment offered by Senator BIDEN to the Higher Education Reauthorization Act based on the Campus Sexual Assault Victims' Bill of Rights Act. As an original cosponsor of this act, and sponsor of the Student Right to Know Act, which is now law, I believe that this legislation makes further progress in the effort to improve campus security standards and treatment for campus crime victims.

It is estimated that one out of every four university women will be the victim of some type of sexual assault by the time she graduates. While some institutions are genuinely working toward reducing campus sexual assault, there is still a great temptation to sweep these crimes under the rug for fear of bad publicity.

The amendment requires colleges and universities to provide programs aimed at prevention of sex offenses and to establish procedures followed once these crimes have occurred.

The amendment, which incorporates provisions outlined in the Campus Sexual Assault Victims' Bill of Rights Act, requires colleges and universities to: formulate policies and procedures for students to follow should a sex offense occur; provide the same rights to the accuser that is afforded the accused during campus disciplinary proceedings; notify sexual assault victims of the applicable local, State, or Federal legal sanctions; notify sexual assault victims of existing counseling or other services available to victims both on campus and in the community; and inform victims of their options to change academic and living situations subsequent to an alleged assault.

Campus sexual assault is a traumatic experience. Unfortunately, this experience is made even more traumatic when victims are poorly treated by campus officials and uncertain of their legal rights and options. This amendment seeks to inform and assist victims of sexual assault on our college campuses as well as educate students on preventing such incidents.

The Campus Sexual Assault Victims' Bill of Rights and the Student Right to Know Act are due, in large part, to the efforts of Connie and Howard Clery whose daughter Jeanne was brutally raped and murdered at Lehigh University in 1986. Their crusade on behalf of their beloved daughter was to ensure that tragic deaths like Jeanne's be prevented.

This legislation is another important step toward safer college campuses. I applaud the efforts by the Senator from Delaware and urge its prompt adoption by the Senate.

AMENDMENT NO. 1668

(Purpose: To make technical and clarifying amendments regarding service learning)

On page 12, after the item relating to section 445, insert the following:

Sec. 445A. Additional funding to conduct community service work-study programs.

On page 23, line 5, strike "service and conservation corps" and insert "corps as defined in section 101(30) of the National and Community Service Act of 1990".

On page 71, line 19, strike "work learning study" and insert "work-study".

On page 212, line 24, strike "20 U.S.C." and insert "40 U.S.C.".

On page 213, line 17, strike "subpart" and insert "part".

On page 213, line 19, insert "public" before "agencies".

On page 213, line 20, strike "institutions" and insert "private nonprofit organizations".

On page 214, line 3, insert "Such term includes support services provided to students with disabilities." before the end quotation marks.

On page 214, line 5, strike "20 U.S.C." and insert "42 U.S.C.".

On page 214, line 19, strike "and".

On page 214, line 22, strike the period and insert a semicolon and "and".

On page 214, between lines 22 and 23, insert the following:

(3) in subsection (e), by amendment paragraph (2) to read as follows:

"(2) The Secretary shall reallot the amount available pursuant to paragraph (1) to eligible institutions for use in initiating, improving and expanding community service work-study programs.".

On page 214, line 24, strike "20 U.S.C." and insert "42 U.S.C.".

On page 215, strike lines 5 through 9, and insert the following:

(2) by amending subparagraph (A) of paragraph (2) to read as follows:

"(A) in fiscal year 1994 and succeeding fiscal years, an institution shall use at least 10 percent of the total amount of funds granted to such institution under this section in any fiscal year to carry out a community service work-study program, and the calculation of either such 10 percent or such total amount of funds granted to such institution shall not take into consideration funds made available pursuant to section 443(e) or the fourth sentence of section 489(a);";

On page 216, strike lines 3 through 8, and insert the following:

succeeding academic years, except that—

"(A) the Federal share may exceed such percentage if the Secretary determines that the non-Federal share would cause financial hardship at an eligible institution and that such institution serves a large number or percentage of low-income or minority students; and

"(B) when a student engaged in work in community service performs such work for a public agency or private nonprofit organization other than the eligible institution, the contribution of such agency or organization shall not exceed 10 percent of the compensation of the student, and the eligible institution in its discretion may count such contribution toward satisfaction of the non-Federal share of the compensation of the student;";

On page 217, line 8, strike "20 U.S.C." and insert "42 U.S.C.".

On page 217, strike line 13, and insert the following:

"(2) by striking subsection (c)."

On page 217, between lines 13 and 14, insert the following:

SEC. 445A. ADDITIONAL FUNDS TO CONDUCT COMMUNITY SERVICE WORK-STUDY PROGRAMS.

(a) In General.—Section 447 of the Act (42 U.S.C. 2756a) is amended—

(1) by striking subsections (a) and (b); and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking "last sentence of section 489(a) to conduct that institution's program of community service learning" and inserting "fourth sentence of section 489(a) to conduct that institution's program of community service workstudy";

(B) in paragraph (3), by inserting ", and programs assisted under the National and Community Service Act of 1990" after "nonprofit agencies"; and

(C) by striking "(c) Use of Other Funds To Conduct Program.—".

(b) Amendment to Heading.—The heading for section 447 of the Act is amended to read as follows:

"ADDITIONAL FUNDS TO CONDUCT COMMUNITY SERVICE WORK-STUDY PROGRAMS"

(c) Conforming Amendments.—Subsection (a) of section 489 of the Act (20 U.S.C. 1096(a)) is amended—

(1) in the second sentence, by striking "(other than section 447)"; and

(2) in the third sentence, by striking "The payment" and inserting "Except as provided in the succeeding sentence, the payment";

(3) in the fourth sentence—

(A) by striking "447" and inserting "community service work-study described in section 443"; and

(B) by striking "expenditures during such fiscal year under such section" and inserting "payments during such fiscal year to compensate students participating in a community service work-study program conducted pursuant to such section".

On page 217, line 16, strike "20 U.S.C." and insert "42 U.S.C.".

On page 352, line 11, insert "or to involve secondary school students in community service-learning projects" after "skills".

On page 410, line 15, strike "and VISTA" and insert "VISTA, and programs funded under the National and Community Service Act of 1990".

On page 564, line 8, strike "subsection" and insert "subsections".

On page 564, line 12, strike the end quotation marks and the second period.

On page 564, between lines 12 and 13, insert the following:

"(j) Service-Learning.—The term 'service-learning' has the same meaning given such term in section 101(22) of the National and Community Service Act of 1990.".

Mr. WOFFORD. Mr. President, our country is at its best when we ask our citizens—especially our youth—to work for the benefit of the community. Two of the most successful programs initiated by the Federal Government in this century have been the Civilian Conservation Corps and the Peace Corps. Each program enabled and asked young people to serve, earn, and learn. Each proved a powerful tool in developing and utilizing the vast resource that is this Nation's youth.

When Congress created the work-study program almost 30 years ago, it envisioned that—like the youth of the Peace Corps and the CCC—many of the college students who received this new form of financial aid would give back to their communities through service. Congress called upon colleges and universities to develop opportunities for work-study students to work in the public interest, providing education, health, recreation and other services that would not otherwise be available to the community. Unfortunately, to date many campuses across the Nation have followed a path different from the one set out by Congress.

The bill before us today takes a promising first step toward reviving the commitment to community service in Federal work-study. It places community service squarely among the purposes and core provisions of the program. It calls for all colleges to actively seek out community service opportunities for students, both on-campus and off. And it fosters coordination with the goals and purposes of the National and Community Service Act of 1990. All this I applaud and endorse.

My amendment today streamlines these worthwhile provisions and makes it more practical for colleges that lack community service work-study programs to create them. As a former college president who has confronted the maze of student financial aid, I know well that minor technical changes such as these are often of significant practical benefit out in the field. I urge the adoption of my amendment and look forward to our next effort to harness the power of service and the capabilities of our youth.

AMENDMENT NO. 1669

(Purpose: To reauthorize section 788 of the Public Health Service Act relating to special projects for two-year schools)

At the appropriate place, insert the following:

SEC. 1406. SPECIAL PROJECTS FOR TWO-YEAR SCHOOLS.

Subsection (f) of section 788 of the Public Health Service Act (20 U.S.C. 295g–8(f)) is amended to read as follows:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $316,203 for each of the fiscal years 1993, 1994, 1995, and 1996 to carry out subsection (a).".

At the appropriate place, after the item relating to section 1405, insert the following:

Sec. 1406. Special projects for two-year schools.

Mr. WELLSTONE. Mr. President, I rise to offer an amendment to S. 1150 that will reauthorize appropriations for $316,203 each year through 1996, via subsection 788(f) of the Public Health Services Act.

Presently the Public Health Services Act provides financial support for the first and last 2 years of medical education, targeted to schools that train primary care physicians in rural and other underserved areas.

There is an excellent 2-year medical education program at the Duluth campus of the University of Minnesota [UMD]. Through its admission process, UMD screens for candidates with an interest and background in family practice. Faculty are more oriented to primary care than in general programs. UMD prepares students to complete their medical education at the University of Minnesota in Minneapolis [U of M], which offers one of the most extensive rural clinical programs in the country. It is a critical source of rural physicians for the State.

There is not a school in the Nation that comes close to UMD's record in training family practice doctors. Over 52 percent of UMD graduates go into family medicine, compared with about 12 percent nationally; 24.6 percent of U of M graduates overall go into family practice, including both those students who began at UMD—the 52 percent—and completed their education at U of M, as well as those who went straight through the U of M from the beginning.

In addition, 41 percent of UMD graduates practice medicine in communities of fewer than 20,000 people. The national average for medical schools is 7 to 8 percent.

This is a unique program that works.

For $316,203 last year, subsection 788(a) of the Public Health Services Act has supported this program, and some similar efforts. The latest reauthorization of the act eliminates this support.

Other 2-year programs once covered by this section have since converted to longer programs, at places like Brown, Dartmouth, Drew in Los Angeles. Understandably, and facing a different environment from Minnesota's, they have changed to meet local needs.

The Duluth Program, however, is viable, strong, and important to the health care of rural Minnesotans. It plans to use funds from this act in the coming year to strengthen its family practice preceptor program by sending faculty into rural areas to become more familiar with rural medical practices. It will also develop systems to train students, who may in the future be isolated in a rural practice, how to solve clinical problems by accessing electronic data. One part of the program will provide computerized video disk instruction in anatomy and pathology that will be available to students currently and in their later practice.

Without this funding, none of these programs would be possible.

I am pleased to speak in support of this fine program, which has done so much to serve greater Minnesota.

AMENDMENT NO. 1670

(Purpose: To provide for the transfer of certain funds by the Secretary of the Treasury through the most expeditious method available, with each of the Tribally Controlled Community Colleges being designated as its own certifying agency)

On page 134, between lines 22 and 23, insert the following:

"(4) Funds appropriated pursuant to the authorizations under this section for the fiscal year 1993 and for each of the succeeding 6 fiscal years shall be transferred by the Secretary of the Treasury through the most expeditious method available, with each of the Tribally Controlled Community Colleges being designated as its own certifying agency.

AMENDMENT NO. 1671

(Purpose: To provide for American Indian teacher training)

At the end of the amendment, insert the following:

PART F—AMERICAN INDIAN TEACHER TRAINING

SEC. 1651. AMERICAN INDIAN TEACHER TRAINING.

(a) INSTITUTIONAL SUPPORT.—

(1) IN GENERAL.—The Secretary of Education, through the Office of Indian Education, is authorized to award grants to tribally controlled postsecondary, vocational and technical institutions for the purpose of developing teacher training programs.

(2) USE OF GRANTS.—Grants awarded under this subsection shall be for the purpose of providing upper division course work, transfer programs, articulation agreements with other accredited institutions, telecommunications programs or other mechanisms which directly support the training of American Indian teachers.

(b) STUDENT SUPPORT GRANTS.—

(1) IN GENERAL.—The Secretary of Education, through the Office of Indian Education, is authorized to award grants to institutions that have developed teacher training programs under subsection (a) for the purpose of providing financial and programmatic support to American Indian students seeking to participate in such institutions' teacher training programs.

(2) USE OF GRANTS.—Colleges receiving grants under this section shall require recipients of grants under this subsection to serve as teachers in an Indian community for 1 year for each year of scholarship support received.

(3) ELIGIBILITY.—Students eligible to receive support grants shall include those who have completed at least 30 hours of postsecondary education.

(4) WORK REQUIREMENT.—Students who fail to satisfy the requirements of paragraph (2) shall be required to repay a pro rata portion of the total amount of scholarships awarded under this part if the student worked for less than the required time period described in such paragraph.

(c) SCHOLARSHIPS.—

(1) AUTHORITY.—The Secretary of Education, through the Office of Indian Education, is authorized to provide scholarship assistance to American Indian students who seek to become teachers and who—

(A) agree to serve as teachers in an Indian community for 1 year for each year of scholarship support received, and

(B) have completed at least 30 hours of postsecondary education.

(2) WORK REQUIREMENT.—Students who fail to satisfy the requirements of paragraph (1) shall be required to repay a pro rata portion of the total amount of scholarships awarded under this part if the student worked for less than the required time period described in paragraph (1)(B).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for each fiscal year thereafter to carry out this part.

AMENDMENT NO. 1672

(Purpose: To establish within the Department of Education a Liaison for Community and Junior Colleges)

At the end of the Committee amendment, add the following new title:

TITLE XVI—COMMUNITY AND JUNIOR COLLEGES

SEC. 1601. DEFINITION OF COMMUNITY AND JUNIOR COLLEGE.

Section 104 of the Department of Education Organization Act (20 U.S.C. 3404) is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting "; and"; and

(3) by adding at the end the following new definition:

"(8) the term 'community and junior college' means an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)), that—

"(A) admits as regular students persons—

"(i) a majority of whom are beyond the age of compulsory school attendance in the State in which the institution is located; and

"(ii) who have the ability to benefit from the training offered by the institution; and

"(B)(i) provides an educational program of not less than 2 years that is acceptable for full credit toward such a degree; or

"(ii) offers a 2-year program—

"(I) in engineering, mathematics, or the physical or biological sciences; and

"(II) designed to prepare a student to work—

"(aa) as a technician; or

"(bb) as an entry-level professional in engineering, scientific, or other technological fields requiring the understanding and application of basic engineering, scientific, or mathematical principles of knowledge.".

SEC. 1602. LIAISON FOR COMMUNITY COLLEGES.

(a) LIAISON.—Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended by adding at the end the following new subsection:

"(i)(1) There shall be in the Department a Liaison for Community and Junior Colleges, who shall be an officer of the Department appointed by the Secretary.

"(2) The Secretary shall appoint, no later than 6 months after the enactment of this Act, as the Liaison for Community and Junior Colleges a person who—

"(A) has attained an associate degree from a community or junior college; or

"(B) has been employed in a community or junior college setting for not less than 5 years.

"(3) The Liaison for Community and Junior Colleges shall—

"(A) serve as principal advisor to the Secretary on matters affecting community and junior colleges;

"(B) provide guidance to programs within the Department dealing with functions affecting community and junior colleges; and

"(C) work with the Federal Interagency Committee on Education to improve coordination of—

"(i) the outreach programs in the numerous Federal departments and agencies that administer education and job training programs;

"(ii) collaborative business education partnerships; and

"(iii) education programs located in, and regarding, rural areas.".

(b) EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by adding at the end the following new item:

"Liaison for Community and Junior Colleges, Department of Education".

Mr. HATFIELD. Mr. President, I am pleased to offer this amendment which will establish within the Department of Education a high-level liaison for community and junior colleges. I am grateful for the support and advice of my colleagues on the Senate Labor Committee: Senators KASSEBAUM, PELL, HATCH, and KENNEDY.

In the past several decades, this Nation's community colleges have risen from virtual obscurity to become a large and critically important component of our higher education system. In fact, community colleges across this country have a larger combined enrollment than any other segment of higher education. In my State alone, Mr. President, community colleges are practically bursting at the seams with students—over 300,000 men and women are attending at least one community college class in Oregon this year. The four community colleges in the Greater Portland area alone have almost 150,000 students coming through their door annually. From what my colleagues tell me about community colleges in their States, the trends in Oregon are reflected throughout the Nation.

Many in this body share my commitment to community and junior colleges and the role they play in educating the many who take advantage of the unique educational opportunities they offer. I have long advocated the establishment of an Assistant Secretary for Community and Junior Colleges within the Department. While I would still prefer this level of authority within the Department, I am convinced that the liaison alternative will accomplish a similar goal.

My amendment ensures that the liaison position is filled by someone who either possesses an associate degree from a community or junior college, or who has worked within a community or junior college setting for at least 5 years. The liaison will be selected by the Secretary of Education and will report directly to the Secretary of Education. This person, who will have demonstrated expertise in community college issues, will serve as principal advisor to the Secretary on matters affecting community and junior colleges, and will work within the Federal Interagency Committee on Education to improve coordination of the outreach programs in the numerous Federal departments and agencies that administer education and job training programs. In addition, the liaison will strive to improve the coordination of collaborative business education partnerships and education programs located in rural areas.

In believe this is a strong step forward. I urge the support of my colleagues.

AMENDMENT NO. 1673

(Purpose: To amend certain provisions relating to the Student Literacy Corps)

On page 24, line 18, insert "(a) IN GENERAL.—" before "From".

On page 24, line 21, strike "2 years to carry out" and insert "3 years to pay for the Federal share of carrying out".

On page 24, between lines 22 and 23, insert the following:

"(b) SPECIAL RULE.—An institution of higher education shall only receive 1 grant under this section in each fiscal year.

"(c) CONTINUATION OF LITERACY PROGRAM.—Grants under this section are renewable upon application by the institution of higher education in accordance with section 128.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of carrying out student literacy corps programs under this subpart shall be—

"(A) up to 100 percent for an initial grant to an institution of higher education; and

"(B) up to 75 percent for a grant renewed under subsection (c).

"(2) NONFEDERAL SHARE.—The non-Federal share of carrying out student literacy corps programs under this subpart may be paid from any non-Federal sources.

On page 25, strike lines 13 through 16, and insert the following:

"(b) LIMITATION.—No grant award to an institution of higher education under this subpart shall exceed $100,000.

On page 25, line 18, strike "$25,000" and insert, "$50,000".

On page 26, line 16, strike "not less than 60 hours" and insert ", for each credit, not less than 2 hours a week".

On page 28, between lines 14 and 15, insert the following:

"(d) REOPENING OF APPLICATION PROCESS.—The Secretary shall accept applications for assistance under this subpart for 90 days following the date of the enactment of this Act."

On page 29, line 2, strike "subpart the term" and insert the following: "subpart:

"'(1) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education", in the case of an institution of higher education with a branch campus, means, at the election of the institution—

"'(A) a branch campus of the institution; or

"'(B) the institution.

"'PUBLIC COMMUNITY AGENCY.—The term"

Mr. GORTON. Mr. President, I offer this amendment to S. 1150, the Higher Education Reauthorization Act. My amendment concerns one of the most successful and important programs within this legislation: the Student Literacy Corps. Since 1981, this program has combined the energy of college students with the great needs of illiterate Americans. Modeled after a program started in 1969 at the University of Miami, this program provides discretionary grants to institutions of higher education to establish tutoring courses. Undergraduate student tutors then receive academic credit in exchange for offering services to individuals who are economically or educationally disadvantaged. In my State of Washington, Tacoma Community College and Pacific Lutheran University have exemplified the spirit and intentions of the Student Literacy Corps by helping to flight illiteracy.

While this program has enjoyed great success over the years, illiteracy remains an enormous problem across then Nation. When 75 percent of unemployed adults have reading or writing difficulties and 23 million American adults are functionally illiterate, we must continue to support and improve programs that combat illiteracy. Therefore I offer an amendment to improve certain aspects of the Student Literacy Corps.

Specifically, my amendment expands the grant duration period from 2 to 3 years. Branch campuses of universities and colleges will be permitted to receive separate grants as well. The Federal share of initial grants for carrying out the program would be 100 percent and 75 percent for a renewed grant. In addition, this amendment would require the Secretary of Education to reopen the grant application period for 90 days after enactment. The improvements will increase the availability and utility of the Student Literacy Corps programs which ultimately will mean more students, helping more people to read.

Mr. President, illiteracy remains a major impediment to jobs and well-being of many Washingtonians. My amendment improves on a good idea by making it easier for students and universities to enlist in the Student Literacy Corps. I urge my colleagues to support this amendment to better the Student Literacy Corps and fight illiteracy.

AMENDMENT NO. 1674

(Purpose: To establish a database and toll-free telephone information line to provide student financial assistance information to parents, students and other individuals)

On page 311, line 17, strike the quotation marks and the second period.

On page 311, between lines 17 and 18, insert the following:

"SEC. 494B. DATA BASE AND INFORMATION LINE.

"(a) IN GENERAL.—From the amounts appropriated pursuant to the authority of subsection (b), the Secretary shall award a contract to establish and maintain—

"(1) a computerized database of all public and private student financial assistance programs, to be accessible to schools and libraries through either modems or toll-free telephone information lines; and

"(2) a toll-free telephone information line to provide individualized student financial assistance information to parents, students, and other individuals.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this section.".

AMENDMENT NO. 1675

On page 108 of the Committee modification, on line three, strike "$10,000,000" and insert in lieu thereof "$20,000,000".

AMENDMENT NO. 1676

Insert on the bottom of page 339 the following new section:

"SEC. 449C. AUTHORITY TO AWARD NEED BASED AID"

(a) IN GENERAL.—Institutions of Higher Education may:

(1) voluntarily agree with any other Institution of Higher Education to award financial aid funds not covered by this Act to students attending those institutions only on the basis of demonstrated financial need for such assistance, *provided*, That each Institution of Higher Education shall apply its own standard of need which was adopted unilaterally and not in concert with any other Institution of Higher Education;

(2) voluntarily agree with any other Institution of Higher Education to collect from students, from whom such data may be considered reasonable and relevant, in addition to the data elements for financial aid prescribed by the Secretary, other supplemental financial data elements for financial aid funds not covered by this Act; provided that the student's right to free processing under Section 483 is not withheld and that such data will not affect eligibility or awards under this Act; and

(3) unilaterally engage and consult with in good faith the same processors used by other Institutions of Higher Education to collect and forward financial aid data on behalf of individual institutions: *Provided*, That the data forwarded to an institution relates only to applicants to that institution and the common process of does not disclose the identity of other institutions to which the applicant also applied, the standard of need adopted by those other institutions, or the financial aid or family contribution computed based on the standard of need adopted by those other institutions.

(b) Other than subsection (a)(1), nothing in subsection (a) shall affect the application of the antitrust laws to Institutions of Higher Education or shall affect the prohibitions of the consent decree in United States v. Brown University et al., Civ. Action No. 91-3274 (E.D. Pa.. 1991). No inference of unlawful contract, combination or conspiracy shall be drawn from the fact that Institutions of Higher Education engage in the conduct authorized in subsection (a)(1).

AMENDMENT NO. 1677

On page 297, after line 21, insert the following: "Nothing in section 499(C) shall relieve processors of an all obligations under this section."

AMENDMENT NO. 1678

On page 401, line 17, strike "or".

On page 401, between lines 20 and 21, insert the following:

"(6) intends to teach in the areas of science or math; or

"(7) intends to teach on Indian reservations or in Alaska Native villages named or certified pursuant to section 3(c) of the Alaska Native Claims Settlement Act, Public Law 92-203, or in areas with high concentrations of Native Hawaiians.

AMENDMENT NO. 1679

(Purpose: To amend the determination of a student's cost of attendance regarding dependent care)

On page 241, line 23, strike "and".

On page 242, line 3, strike the period and insert a semicolon and "and".

On page 242, between lines 3 and 4 insert the following:

(3) by amending paragraph (7) to read as follows:

"(7) for a student with one or more dependents, an allowance for the expenses actually incurred by the student for dependent care for each child, except that such allowance shall not exceed the reasonable cost in the community in which such student resides for the kind of care provided (as determined by the institution);".

AMENDMENT NO. 1680

Since, substantial layoffs in the military and private sector have led to high unemployment rates:

Since, community colleges and vocational education centers are reporting significant increases in the requests for postsecondary vocational education and training;

Since, the Economic Dislocation and Worker Adjustment Assistance Act established by Public Law 100-418 authorizes grants to states for job training activities in the event of mass layoffs, plant closing and high unemployment; and

Since, the Secretary of Labor has the authority to make such grants;

Since, funds appropriated by Congress for this purpose have not been depleted;

Therefore, it is the sense of the Senate that the Secretary of Labor should move expeditiously to process applications for funds authorized by Public Law 100-418 for vocational education and training purposes.

AMENDMENT NO. 1681

(Purpose: To increase the amount of funds that may be used for programs under subtitles C and D of title I of the National and Community Service Act of 1990)

On page 600, after line 24, insert the following:

SEC. 1405. NATIONAL AND COMMUNITY SERVICE ACT OF 1990.

(a) SUBTITLE C POST-SERVICE BENEFITS.—Section 132 of the National and Community Service Act of 1990 (42 U.S.C. 12452) is amended by striking "$100 per week, or in excess of $5,000 per year, whichever is less" and inserting $5,000 in fiscal year 1992, $5,500 in fiscal year 1993 and $5,700 in fiscal year 1994".

(b) SUBTITLE D POST-SERVICE BENEFITS.—Paragraph (1) of section 146(b) of the National and Community Service Act of 1990 is amended by striking "that is equal in value to $2,500 for each year of service that such participant provides to the program" and inserting "for each year of service that such participant provides to the program, which benefit shall be equal to $2,500 in fiscal year 1992, $3,000 in fiscal year 1993, and $3,200 in fiscal year 1994".

On page 14, after the item relating to section 1404, insert the following:

Sec. 1405. National and Community Service Act of 1990.

Mr. NUNN. Mr. President, because S. 1150 raises the maximum amount of Pell grants over the next several years, I am offering an amendment to ensure that the National and Community Service Demonstration Program we authorized in 1990 will remain a valid test of the impact of postservice educational benefits.

The National and Community Service Act of 1990 authorized a demonstration program offering postservice higher education vouchers to participants. The amount of the voucher for full-time volunteers was calculated to offer a somewhat higher level of assistance than was available through the Pell Grant Program, to determine if the opportunity to earn higher benefits would attract a good cross-section of college bound young people to community service work.

My amendment would simply preserve the original intent of the 1990 legislation by raising the postservice benefits for full-time service by the same amount that we raise the maximum Pell grants in fiscal years 1993 and 1994—the second and third years of the 3-year demonstration program. I do not believe we need to change the authorization levels for this program to account for this small adjustment though due notice of the change should be taken when an appropriation is made for the demonstration program in fiscal year 1993.

I am pleased that Senator KENNEDY has indicated that the sponsors of S. 1150 have no objection to this amendment. I appreciate his cooperation in ensuring that today's action in improving access to higher education does not undermine yesterday's effort toward a complementary approach.

AMENDMENT NO. 1682

(Purpose: To include Economics as a key academic subject for purposes of State Academies for teachers)

On page 419, lines 16-17 delete the words "This part" and insert in its place "Subparts 1, 3, 4, and 5".

On page 419, line 19 after the words "Civics and Government" add the following new sentence "For purposes of subpart 2, the term 'Key Academic Subjects' means English, Mathematics, Science, History, Geography, Foreign Languages, Civics and Government, and Economics."

AMENDMENT NO. 1683

(Purpose: To provide scholarships for certain Olympic athletes)

On page 132, line, 4, strike the end quotation marks and the second period.

On page 132, between lines 4 and 5, insert the following:

"Subpart 12—Olympic Scholarships

"SEC. 420DD. OLYMPIC SCHOLARSHIPS.

"(a) SCHOLARSHIPS AUTHORIZED.—The Secretary shall award scholarships to each athlete who is training at the United States Olympic Education Center or a United States Olympic Training Center.

"(b) ELIGIBILITY.—The Secretary shall award scholarships under this part to both full-time and part-time students who are athletes described in subsection (a).

"(c) AMOUNT.—Except as provided in subsection (d), the Secretary shall award scholarships under this section in an amount sufficient to pay the cost to the athletes described in subsection (a) of tuition, room and board at an accredited institution of higher education.

"(d) PRO RATA REDUCTION.—If in any fiscal year in which the amount appropriated pursuant to the authority of subsection (f) is insufficient to award each athlete described in subsection (a) a scholarship under this section in the full amount described in subsection (c), then the Secretary shall make a pro rata reduction in the amount of each such scholarship awarded for such year.

"(e) APPLICATION.—Each athlete desiring a scholarship under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $6,000,000 for fiscal year 1993 and each of the 6 succeeding fiscal years.".

Mr. RIEGLE. Mr. President, the amendment I am offering with my colleague from Michigan, Senator LEVIN, to the Higher Education Reauthorization bill provides grants to Olympic student athletes training at a U.S. Olympic Training Center or U.S. Olympic Education Center and studying at an accredited college or university.

The amendment authorizes $6 million in grants for these student athletes. The grants would go directly to students for tuition, room and board.

The U.S. Olympic Committee is chartered by the U.S. Congress but has never received any congressionally appropriated funds. Athletes from across the Nation go through rigorous training, often at great personal sacrifice, to represent our Nation at the Olympics. Many of them have difficulty obtaining funding for school. They deserve Federal assistance to help them finance their education.

There are currently three active centers that train Olympic athletes, located in Marquette, MI, Lake Placid, NY and Colorado Springs, CO. A future site is planned for San Diego, CA.

The Marquette, MI, training facility is also an education center that is affiliated with Northern Michigan University. NMU enrolls 52 Olympic student athletes. They had received support from the State of Michigan for the program, but as part of the State's budget cutting efforts, this funding was rescinded. While the facility is in Michigan, the student athletes are from all across the country. Our Olympic athletes serve the entire Nation through their participation in the Olympic games. They truly represent the best our Nation has to offer. They deserve Federal support to make sure they can have an opportunity to obtain an education, while dedicating themselves to serving their country.

I thank the distinguished committee chairman and subcommittee chairman for their assistance.

Mr. President, I ask unanimous consent that an Associated Press story on the U.S. Olympic Education Center be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OLY—TROUBLED PROGRAM

(By Stephen Wilson)

Albertville, France.—The same three words pop up in the biographies of the U.S. short track speedskating athletes at the Winter Olympics: Northern Michigan University.

All the skaters are products of the university's Olympic Education Center in Marquette, Mich., the only facility in the country where athletes can train and study at the same time.

"If we win some medals here, and I think we will, you can trace the trail right back to NMU," said Jack Mortell, coach of the U.S. short track team.

But the trail may soon hit a dead end.

The highly successful program is on the verge of folding, the victim of budget cuts and the depressed economic situation in Michigan. Unless the school comes up with $600,000 in private contributions, the center is expected to close in August.

"It would be a real loss," and Jim Page, director of grants and athlete assistance for the U.S. Olympic Committee. "It's a very unique program. We had hoped it would be a model for lots of other programs. I don't know what will happen if it closes. It's not like you can close down and move the athletes somewhere else."

Cathy Turner, America's best hope for a medal in the short track events beginning next week, can't conceive of a future without the NMU center.

"If it shuts down I don't even know where I'll be training," she said. "It's a big concern of mine."

The university was designated as a U.S. Education Center by the USOC in 1989. The center offers athletes a chance to combine training with high school, college and vocational studies. Some athletes live and study on campus full-time, while others train or compete at the center for short periods.

In addition to speedskaters, the school is currently a resident training base for cross-country skiers, biathletes, boxers and the U.S. badminton team.

Last fall, Michigan Gov. John Engler said he would not support the $600,000 a year the State has given the program. The center also gets $570,983 from the USOC, national governing bodies and the athletes.

While the main source of funding ran out at the end of the year, university president William Vandament has allocated $250,000 of university reserves to keep the center open until the Summer Games begin in Barcelona on July 25.

Whether the center remains open beyond that will depend on the success of the university's fund-raising campaign. Corporations, businesses and the state legislature have been asked to help.

Of the 189 U.S. athletes in Albertville, officials say 53 have passed through the NMU center at one time or another—including the entire short track speedskating team of two men and six women.

"They gave us a home base," said Mortell. "They gave us continuity. They've done everything we've asked them to. If we wanted them to build a 10-foot pyramid of sand in the middle of the ice, they'd do it without asking."

The success of the program is best illustrated by Turner, who quit skating in 1980 but began a comeback at Northern Michigan in 1989. In addition to becoming a world-class athlete, she graduated last May with a degree in computer systems.

"If it weren't for the USOEC, then I never would have finished my education," said Turner, a native of Rochester, N.Y. "I was so surprised we even had a place like that. We could train and live there, as well as go to school. It doesn't get any better than that."

Turner doubts whether she could have made it to the Olympics without the regimented training offered at the university.

"I had constant supervision, a coach who lived, trained and worked with us," she said. "I couldn't have done it on my own, no way. I need somebody there. I need other people to train with me, to push me."

Even when she was away competing, the center made sure she received all the materials she needed to keep up with her classes. "They bent over backwards for me," Turner said. "They had an obligation to me. Maybe another university might not understand."

Although she graduated, she spent the fall semester on campus working on her other career—as a pop recording artist.

"In terms of training, the program can be duplicated," said Page, the USOC official. "But meeting the athletes' human and educational needs is not going to be easy to duplicate."

He singled out the boxing program, which has developed several potential members of the U.S. team for the Summer Games in Barcelona.

"It did some unique things, bringing kids out of central city environments and put them in school," Page said, "There have been some tremendous success stories. There's nothing else like it."

AMENDMENT NO. 1684

(Purpose: To direct the Secretary of Education to conduct a study of the impact of fraud-based defenses on the Stafford Loan Program)

On page 594, line 25, strike "1308" and insert "1309".

On page 595, line 2, strike "section" and insert "sections".

On page 596, line 10, strike the end quotation marks and the second period.

On page 596, between lines 10 and 11, insert the following:

"SEC. 1308. SATISFACTORY PROGRESS STUDY.

"(a) STUDY.—The Secretary shall conduct a study of the impact of fraud-based defenses on the Stafford Loan Program. Such study shall include—

"(1) an analysis of statutory, regulatory, and case law regarding the use of fraud-based defenses against repayment of Stafford loans;

"(2) an estimate of the total number of borrowers filing for relief from repayment of Stafford loans using a fraud-based defense and amount of such loan principal involved;

"(3) an estimate of Stafford loan principal relieved annually through fraud-based defenses;

"(4) an evaluation of the importance of a fraud-based defense to the protection of borrowers of Stafford loans; and

"(5) an evaluation of the effects of the availability of a fraud-based defense on the accessibility of Stafford loans by geographical area and by type of postsecondary institution.

"(b) DATE.—The study described in subsection (a) shall be completed not later than 18 months after the date of enactment of this Act.

"(c) REPORT.—

"(1) IN GENERAL.—The Secretary shall submit a report to the Congress on the study described in subsection (a) that makes specific recommendations for legislative options that may be needed to address the rights of borrowers with respect to the availability of fraud-based defenses under the Stafford Loan Program without jeopardizing the participation of lenders or the solvency of guaranty agencies required to maintain the integrity of such program.

"(2) DATE.—The report described in paragraph (1) shall be completed not later than 19 months after the date of enactment of this Act.".

AMENDMENT NO. 1685

(Purpose: To prohibit activities relating to hazing)

At the appropriate place, insert the following new section:

SEC. —. HAZING.

Subsection (a) of section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended by adding at the end the following new paragraph:

"(13)(A) The institution should adopt a policy that prohibits a member of a student organization operating on or near such institution for the purpose of participating in student activities of such institution, to intentionally commit an act of hazing or conspire to commit an act of hazing against a member, potential member, or person pledged to be a member of the organization as a condition of attaining membership in the organization or of attaining an office or other status within the organization.

"(C) For the purposes of this paragraph, the term 'act of hazing' means the subjection of a person to bodily danger or physical harm or a substantial likelihood of bodily danger or physical harm, or to require, encourage, authorize, or permit that a person be subject to—

"(i) total or substantial nudity of the person;

"(ii) compelled ingestion of any substance which, because of the nature, amount, or concentration of such substance, subjects the person to a substantial likelihood of physical harm;

"(iii) wearing or carrying of any obscene article by the person;

"(iv) a physical assault upon or offensive physical contact with the person;

"(v) participation by the person in a boxing match, an excessive number of calisthenics, or any other physical activity which involves a substantial likelihood of bodily danger or physical harm;

"(vi) transportation and intentional abandonment of the person;

"(vii) confinement of the person to unreasonably small, unventilated, unsanitary, or unlighted areas;

"(viii) intentional sleep deprivation; or

"(ix) assignment of pranks to be performed by the person which involve the violation of any Federal, State, or local law, or which would subject the person or any other person to a substantial likelihood of bodily danger or physical harm.

"(D) This section shall not be construed to apply to legitimate curricular activities or activities of athletic teams of an institution of higher education.".

AMENDMENT NO. 1686

(Purpose: To establish the Dwight D. Eisenhower Leadership Development Program)

On page 132, line 4, strike the end quotation marks and the second period.

On page 132, between lines 4 and 5, insert the following:

"Subpart 12—Dwight D. Eisenhower Leadership Program

"SEC. 420DD. SHORT TITLE.

"This subpart may be cited as the 'Dwight D. Eisenhower Leadership Development Act of 1992'.

SEC. 420EE. ESTABLISHMENT OF THE PROGRAM.

"(a) IN GENERAL.—The Secretary shall establish a program to be known as the 'Dwight D. Eisenhower Leadership Development Program'.

"(b) SPECIAL RULE.—The program assisted under this subpart shall be established in conjunction with institutions of higher education which are specially prepared to undertake the development of new generations of leaders in the areas of national and international affairs.

"SEC. 420FF. FUNCTIONS OF THE PROGRAM.

"The functions of the program assisted under this subpart shall include—

"(1) stimulating and supporting the development of leadership skills among new generations of American college students;

"(2) directing a national program that identifies, recruits, inspires, and educates outstanding young men and women regarding leadership roles in a wide variety of fields in both the public and private sectors;

"(3) offering opportunities for young American leaders to benefit from internships in national and international organizations, with special attention being given to establishing such opportunities in developing countries;

"(4) identifying potential leaders from the developing democracies and supporting their study of leadership and democracy in the United States;

"(5) developing a prototype for understanding and teaching critical leadership skills to young Americans and encouraging institutions of higher education to establish similar leadership programs throughout the United States and abroad; and

"(6) stimulating the theoretical and practical study of leadership and leadership development to develop both a better understanding of leadership and improved methods to teach critical skills to young adults.

"SEC. 420GG. OPERATION OF THE PROGRAM BY A PRIVATE NONPROFIT ORGANIZATION.

"The Secretary is authorized to make grants to or enter into cooperative agreements, contracts, or leases with private nonprofit organizations to operate the program assisted under this subpart.

"SEC. 420HH. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 and 1995 to carry out this subpart.".

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, what is the pending business?

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendments en bloc.

The amendments (Nos. 1660–1686) were agreed to en bloc.

Mr. PELL. Mr. President, I move to reconsider the vote.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1687

(Purpose: To establish the Dwight D. Eisenhower Leadership Development Program)

Mr. SPECTER. Mr. President, I am about to offer an amendment which I shall describe very briefly which is the Dwight D. Eisenhower Leadership Program, which directs the establishment of a national program to identify, recruit and recognize outstanding young men and women regarding leadership roles in a wide variety of fields in both the public and private sector.

Mr. President, at this time I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 1687.

Mr. SPECTER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 132, line 4, strike the end quotation marks and the second period.

On page 132, between lines 4 and 5, insert the following:

"Subpart 12—Dwight D. Eisenhower Leadership Program

"SEC. 420DD. SHORT TITLE.

"This subpart may be cited as the 'Dwight D. Eisenhower Leadership Development Act of 1992'.

"SEC. 420EE. ESTABLISHMENT OF THE PROGRAM.

"(a) IN GENERAL.—The Secretary shall establish a program to be known as the 'Dwight D. Eisenhower Leadership Development Program'.

"(b) SPECIAL RULE.—The program assisted under this subpart shall be established in conjunction with institutions of higher education which are specially prepared to undertake the development of new generations of leaders in the areas of national and international affairs.

"SEC. 420FF. FUNCTIONS OF THE PROGRAM.

"The functions of the program assisted under this subpart shall include—

"(1) stimulating and supporting the development of leadership skills among new generations of American college students;

"(2) directing a national program that identifies, recruits, inspires, and educates outstanding young men and women regarding leadership roles in a wide variety of fields in both the public and private sectors;

"(3) offering opportunities for young American leaders to benefit from internships in national and international organizations, with special attention being given to establishing such opportunities in developing countries;

"(4) identifying potential leaders from the developing democracies and supporting their study of leadership and democracy in the United States;

"(5) developing a prototype for understanding and teaching critical leadership skills to young Americans and encouraging institutions of higher education to establish similar leadership programs throughout the United States and abroad; and

"(6) stimulating the theoretical and practical study of leadership and leadership development to develop both a better understanding of leadership and improved methods to teach critical skills to young adults.

"SEC. 420GG. OPERATION OF THE PROGRAM BY A PRIVATE NONPROFIT ORGANIZATION.

"The Secretary is authorized to make grants to or enter into cooperative agreements, contracts, or leases with private nonprofit organizations to operate the program assisted under this subpart.

"SEC. 420HH. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 and 1995 to carry out this subpart.".

Mr. SPECTER. Mr. President, at a Gettysburg College convocation on April 4, 1959, President Dwight D. Eisenhower issued a dramatic challenge to the Nation:

> The future of our country depends upon enlightened leadership, upon the truly understanding citizen. We look to the citizen who has the ability and determination to seek out and to face facts; who can place them in logical relationships one to another; who can attain an understanding of their meaning; and then act courageously in promoting the cause of an America that can live, under God, in a world of peace and justice. These are the individuals needed in uncounted numbers in your college, your country, and your world.

More than 30 years after President Eisenhower issued this challenge, the Nation's need for skilled leadership at all levels is increasingly critical. To compete effectively in crowded world markets and to find solutions to domestic economic issues, the healthcare crisis, and today's social problems, the Nation needs a new generation of leaders. Women and men who can influence and lead others are also needed to help solve problems prevalent in the emerging democracies of Eastern Europe and those of other parts of the globe.

Unfortunately, many of America's colleges and universities have done little to develop programs to educate young people to assume leadership positions. This sad situation is made more regrettable by the fact that recent studies of the subject have demonstrated that the critical leadership skills of analysis, communications, and coordination lie dormant within a wide diversity of people, and that with proper education and training many men and women can learn to exercise a positive influence in every facet of their daily lives.

What is needed is a program to use the current research to formulate and test a leadership development program that can be replicated in institutions of higher education and secondary schools throughout the Nation. Such a program should not be limited to a small elite, but it should be available to a wide spectrum of our Nation's students so that leadership skills will be widely distributed throughout the population. Likewise, the leadership program should be made available as an adjunct to students majoring in all disciplines, because leadership skills are needed in all fields, not just in politics or military life.

Such a program can have a multiplier effect on the Nation's other investments in education, because skilled leaders in all fields can devise solutions to make the expertise and effort of others much more effective. One could hardly think of a better method to enhance the Nation's competitiveness abroad or to strengthen our prosperity at home.

The amendment which I am offering today authorizes $10 million in fiscal year 1993 to enable appropriate educational entities to digest the current research on leadership, design a curriculum to develop critical skills, test the curriculum in secondary schools and institutions of higher education, fine tune the model, and replicate the program in schools, colleges, and universities throughout the Nation.

One of the institutions that is currently developing such a program is Gettysburg College of Pennsylvania, and I would like to commend that institution for undertaking such activities. As an institution closely associated with Dwight D. Eisenhower, Gettysburg is helping ensure that Eisenhower's legacy of leadership will continue to exercise a beneficial influence on the Nation he loved. In adding our support for this leadership program, we will help meet the challenge that President Eisenhower clearly saw more than a quarter of a century ago as we honor one of the Nation's greatest leaders.

Mr. President, I have discussed this amendment with the distinguished managers, the distinguished Senator from Rhode Island and the distinguished Senator form Kansas. I have been advised that it is acceptable.

Mrs. KASSEBAUM. Mr. President, yes, it is acceptable to this side of the aisle.

Mr. PELL. It is acceptable on this side, too.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1687) was agreed to.

Mr. SPECTER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1688

(Purpose: To establish a dislocated workers educational training demonstration program)

Mr. SPECTER. Mr. President, I am about to send another amendment to the desk and ask for its immediate consideration. This is legislation which will establish a program to help retrain dislocated workers. It is modeled after a program currently operating at the Community College of Allegheny County in Pittsburgh. It was highly recommended by Chairman Forester, chairman of the Allegheny County Board of Commissioners. I visited the community college program and I think it is a good one.

I now send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 1688.

Mr. SPECTER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SECTION . ELIGIBLE DISLOCATED WORKERS EDUCATIONAL TRAINING DEMONSTRATION PROGRAM.

Part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 9—Eligible Dislocated Workers Educational Training Demonstration Program

"SEC. 420C. PROGRAM ESTABLISHED.

"(a) PROGRAM ESTABLISHED.—

"(1) IN GENERAL.—The Secretary shall award grants to States to enable such States to pay the Federal share of establishing and operating eligible dislocated workers educational training demonstration programs in accordance with this section.

"(2) FEDERAL SHARE.—The Federal share shall be 50 percent.

"(3) AWARD BASIS.—The Secretary shall award grants under this section on the basis of the number of eligible dislocated workers in each State.

"(b) PROGRAM REQUIREMENTS.—Each State receiving a grant under this section shall use such grant funds to carry out an eligible dislocated workers educational training demonstration program that—

"(1) is designed to provide eligible dislocated workers with new skills through a variety of educational opportunities offered by institutions of higher education which are suited to such workers' goals, educational background, aptitude and skills;

"(2) leads to entry level job skills that assist an eligible dislocated worker to return to the work force;

"(3) only pays the cost of participating in such program which is not paid for by other Federal, State, or local grant programs; and

"(4) provides educational opportunities in programs that—

"(A) do not provide academic credit and which include academic skills improvement, job skills, and career and personal development; or

"(B) provide academic credit in one-year certificate granting programs or 2-year associate degree granting programs.

"(c) ELIGIBILITY.—

"(1) IN GENERAL.—An eligible dislocated worker is eligible to participate in a program assisted under this section if such eligible dislocated worker—

"(A) has applied for all Federal, State, and local grant assistance available to such eligible dislocated worker; and

"(B) is eligible for payments of unemployment compensation under Federal or State law.

"(2) SPECIAL RULE.—Notwithstanding any other provision of law, no individual shall be eligible to participate in a program assisted under this section if such individual—

"(A) completes such individual's education goal; or

"(B) returns to employment of at least 20 hours per week.

"(d) SPECIAL RULE.—The amount of an eligible dislocated worker's payments of unemployment insurance under Federal or State law shall not be increased or decreased as a result of assistance received under this section.

"(e) APPLICATION.—Each State desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(f) EVALUATION.—The Secretary shall evaluate the program assisted under this section every year.

"(g) DEFINITIONS.—For the purpose of this section—

"(1) the term 'eligible dislocated worker' has the same meaning given to such term by section 301(a) of the Job Training Partnership Act; and

"(2) the term 'public assistance' has the same meaning given to such term by section 4(20) of the Job Training Partnership Act.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for fiscal year 1993, and such sums as may be appropriate for each of the fiscal year thereafter.

Mr. SPECTER. Mr. President, the future of any country that depends on the will of its people is damaged whenever large numbers of its citizens are unemployed. Unemployment wastes lives and deprives men and women of their full share in the American dream. On the other hand, how well we develop and employ valuable human resources determines how much we can accomplish as a nation.

Sadly, more than 86,000 workers in my home State of Pennsylvania lost their jobs last year as a result of either plant closures or general reductions in the work force.

We cannot accept this situation.

Our first imperative as a nation should be to help those individuals, in Pennsylvania and the rest of the country, reenter the work force.

Unfortunately, the Federal Dislocated Workers Assistance Program operated through the Job Training Partnership Act was able to assist less than one-tenth of the 86,000 workers in need of retraining.

I am now introducing legislation that will establish a new program to help retrain dislocated workers. This legislation, which is modeled after a program currently operating at the Community College of Allegheny County in Pittsburgh, would encourage institutions of higher education to address this problem. Under the program, $5 million would be authorized to demonstrate effective and innovative approaches to preparing dislocated workers for reentry into the work force.

Instructional programs would be fashioned to suit the individual goals, background, aptitude, and skills of the participants. Programs would incorporate both credit and noncredit courses. Participants could enroll in credit courses that lead to 1-year certificate or 2-year associate degree programs, noncredit offerings would include academic skills improvement, job skills training, and career and personal development.

To the extent possible, each participant's tuition, fees, and books would be paid for by Federal and State student aid. The remaining costs would be covered by a Federal/State matching grant.

Participants who qualify for unemployment compensation benefits or public assistance would be eligible to continue to receive these forms of assistance while enrolled in the program.

I look to this legislation to support new training ventures—ones that will demonstrate the potential of retraining as a way to keep the labor force adaptable and, above all, to get our people back to work.

I urge my colleagues to join me in sponsoring this important measure.

Mr. President, I am advised by the distinguished managers that this amendment also is acceptable.

Mrs. KASSEBAUM. Mr. President, that is true. It is acceptable on this side of the aisle.

Mr. PELL. It is acceptable on this side of the aisle as well.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1688) was agreed to.

Mr. SPECTER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPECTER. I thank the Chair and I thank my distinguished colleagues for their cooperation.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1689

(Purpose: To provide support for programs that are designed to create teaching and educational experiences that provide for the mutual consideration of the multicultural needs of United States citizens and the citizens of the Republic of Mexico in an effort to foster a better understanding of each group's language, culture, traditions, and values.)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] for himself and Mr. DOMENICI, proposes an amendment numbered 1689.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 470, line 19, strike the end quotation marks and the second period.

On page 470, between lines 19 and 20, insert the following:

"PART M—BORDER TEACHER TRAINING

"SEC. 599AA COOPERATIVE BORDER TEACHER TRAINING.

"(a) INSTITUTIONAL SUPPORT.—

"(1) IN GENERAL.—The Secretary of Education is authorized to award grants to Higher Education Institutions for the purpose of expanding cooperative educational programs between state education agencies and offices, schools and school systems, postsecondary institutions, appropriate educational entities, and private sector establishments involved in education between the United States and the Republic of Mexico.

"(2) USE OF GRANTS.—Grants awarded under this subsection shall be for the purpose of providing bilateral teaching initiatives and programs that provide teacher training experiences between the educational communities of the United States and those of the Republic of Mexico and to enhance mutually beneficial educational activities involving researchers, scholars, faculty members, teachers, educational administrators, and other specialists to lecture, teach, conduct research, and develop cooperative programs.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for fiscal years 1993, 1994, 1995 and such sums as may be necessary for each fiscal year thereafter to carry out this part."

Mr. BINGAMAN. Mr. President, one of the important activities we are engaged in, in addition to improving education, is trying to find new ways to work with our neighboring country of Mexico. There is a university in my home State of New Mexico that has a very innovative program called Hands Across the Border, which is a teacher-training program that involves sending of student teachers from the university down into northern Mexico to work with school districts and schoolchildren there.

This program is one which I think has a great deal of merit. It is one which I hope can be replicated by other universities in border States and other States as well. So I am hopeful that the Secretary of Education will see fit to use some funds to support these kinds of programs.

The amendment that I have sent to the desk simply authorizes the Secretary of Education to go ahead and make grants to higher education institutions for the purposes of expanding cooperative education programs between State educational agencies, offices, schools, and school systems, postsecondary institutions, appropriate education entities, and private sector establishments involved in education between the United States and the Republic of Mexico.

Mr. President, on behalf of myself and my colleague, Senator DOMENICI, I urge my colleagues to support the amendment.

The PRESIDING OFFICER. Is there further debate?

Mrs. KASSEBAUM. Mr. President, it has been agreed to on this side.

Mr. PELL. Mr. President, it has been agreed to.

Mr. KENNEDY. Mr. President, I hope the Senate will accept it. One of the principal features of the legislation deals with teacher training, and I think the Senator from New Mexico has identified a very important area of need. We are grateful for his involvement in this issue as well as many other educational issues.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment.

The amendment (No. 1689) was agreed to.

Mr. BINGAMAN. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1690

(Purpose: To amend subpart 4 of part A of title IV of the Higher Education Act of 1965 to require the Secretary of Education to carry out an advanced placement test fee payment program, and for other purposes)

Mrs. KASSEBAUM. Mr. President, I send an amendment to the desk on behalf of Senator SEYMOUR and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM], for Mr. SEYMOUR (for himself and Mr. STEVENS), proposes an amendment numbered 1690.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 95 of the Committee amendment, between lines 2 and 3, insert the following:

SEC. 416A. ADVANCED PLACEMENT TEST FEE PAYMENT PROGRAM.

Subpart 4 of part A of title IV of the Act (20 U.S.C. 1070d et seq.) is amended by adding at the end thereof the following new section.

"SEC. 4171. ADVANCED PLACEMENT FEE PAYMENT PROGRAM.

"(a) PROGRAM ESTABLISHED.—The Secretary is authorized to make grants to States to enable the States to reimburse individuals to cover part or all of the cost of advance placement test fees, to low-income individuals who—

"(1) are enrolled in an advanced placement class; and

"(2) plan to take an advanced placement test.

"(b) INFORMATION DISSEMINATION.—the state education agency shall disseminate information on the availability of test fee payments under this section to eligible individuals through secondary school teachers and guidance counselors.

"(c) REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for grants the Secretary shall—

"(1) require that each such application contain a description of the advance placement test fees the State will pay on behalf of individual students;

"(2) require an assurance that any funds recovered under this section shall only be used to pay advanced placement test fees; and

"(3) contain such information as the secretary may require to demonstrate that the State will ensure that student is eligible for payments under this section, including the documentation required by section 417A(g).

"(d) SUPPLEMENTATION OF FUNDING.—Funds provided under this section shall be used to supplement and not supplant other Federal, State, and local funds available to assist low-income individuals in paying for advanced placement testing.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to carry out this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $3,600,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out the provisions of this section.

"(g) DEFINITION.—As used in this section:

"(1) ADVANCED PLACEMENT TEST.—The term 'advanced placement test' includes only an advanced placement test approved by the Secretary for the purposes of this section.

"(2) LOW-INCOME INDIVIDUAL.—The term "low-income individual" has the meaning given the term in section 417A(d)(2).".

Mr. SEYMOUR. Mr. President, I rise today with my distinguished colleague from Alaska, Senator STEVENS, to introduce the Higher Education Access Act, an amendment to the Higher Education Act of 1991. In this time of educational crisis and catastrophic unemployment, we should not be throwing our arms up in frustration, but reaching out to the young who are striving to grasp hold of opportunity that lies just beyond their reach. It is for those individuals I stand before this body today.

Each spring, thousands of our Nation's brightest high school students prepare to take the advanced placement tests in anticipation of attending a college or university in the fall. After a year of preparatory courses and practice exams, these students are given the opportunity to take the final advance placement exam which would determine the amount of college credit they will receive upon enrollment.

Unfortunately, as it is often said, everything has a price. These advance placement examinations require a $65 test fee. Although this may not seem like an exorbitant amount for some students, for children of low-income families, it is money that could be used to feed the family, or a payment for a medical expenditure. consequently, these students are often faced with a dilemma.

At this time, 8,958 or approximately 42 percent of all schools in the United States give the AP exam. The number of students taking this exam has increased by over 210,000 in the last 10 years alone, with a majority of students in 1990 receiving college credit. Since 1985, the number of minority students taking the AP exam was equal to the average number of minority students attending secondary schools nationwide. These are impressive statistics Mr. President, and the numbers will keep growing in the years to come if students are able to have financial access to the AP examinations.

These exams cover a wide range of academic areas including biology, chemistry, computer science, economics, English, French, physics and government which allow the students who successfully pass the exam, college credit equivalent to sophomore standing. In fact, approximately 1,200 institutions award a full year's credit to students passing three or more advanced placement examinations, upon review of the student's complete academic record.

The benefits are threefold: By completing advanced placement courses, students are more likely to achieve their goals in college. In addition, they save both time and money through a quicker entry into advanced courses of their choice. The year they save through these AP credits would allow these students to study abroad, achieve honors, and accept internships.

Therefore, I present this legislation that would erase this problem from the boards of our Nation's classrooms, by exempting eligible, low-income students from these AP test fees. Students planning to take the advanced placement exam and those enrolled in the AP test courses who cannot afford the $65 test fee, may now have the fee waived through an application submitted to the State education agency. This brief exemption form will be distributed with the AP test application to eliminate any unnecessary paperwork and possible time constraints for the students and for the instructors.

Mr. President, distinguished colleagues, we pride this Nation as a Nation of equal opportunity, as a Nation where everyone should have the chance to fulfill his or her own dream. Let us not ignore the educational needs of our children and of our students today, but provide them with the means to achieve their goals. Thank you Mr. President.

Mrs. KASSEBAUM. Mr. President, this amendment has been agreed to on both sides.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1690) was agreed to.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the following be the only amendments, other than the pending committee substitute, in order to S. 1150; that they be first-degree amendments only and subject to relevant second-degree amendments; that no motions to recommit be in order; and that if there are time limitations on any of these amendments, the same time limitations apply to any possible relevant second-degree amendments.

The amendments are: An amendment by Senator WELLSTONE relating to forgiveness, 20 minutes equally divided; an amendment by Senator SANFORD relating to State licensing requirements, 2 hours equally divided; an amendment by Senator PRYOR relating to the Perkins loan program, 30 minutes equally divided; an amendment by Senator DURENBERGER relating to access scholarships, 20 minutes equally divided; an amendment by Senator SPECTER relating to veterans hospitals, 20 minutes—10 minutes under the control of Senator SPECTER, and 10 under the control of Senator SHELBY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANFORD. Mr. President, reserving the right to object, I did not hear the first part of what the leader said.

Mr. MITCHELL. There is included in the list an amendment by Senator SANFORD relating to State licensing requirements with 2 hours of debate equally divided.

Mr. SANFORD. When will this debate take place?

Mr. MITCHELL. I anticipate that with respect to the Specter amendment, the last mentioned, if this request is agreed to, I will then seek consent to have that debate occur this evening with a vote on the Specter amendment to be at 9:30 a.m., and then the offering of and the debate on all of the other amendments listed to follow that tomorrow morning.

Mr. SANFORD. Mr. President, if I may simply state what bothers me.

Mr. MITCHELL. Certainly.

Mr. SANFORD. This is, I think, an effort to correct what I believe is a totally misguided conception by the staff of this committee, feeling that they ought to regulate all universities in the country under the power of the student loan program. It is a ridiculous duplication of effort. It puts on the State the necessity to create a new bureaucracy, as I see it.

All of the major institutional representatives here from the National Association of Independent Colleges and Universities, the American Association of Community and Junior Colleges, the Association of American Universities, the American Council on Education, the National Association of State Universities and Land Grant Colleges, and the American Association of State Colleges and Universities vigorously object to this legislation.

I see no way to correct it, certainly, without a proper ability to discuss it, and I am not sure on Friday when we have people peeling away from here that we would do justice to what I consider a very significant and thoughtful group that feels this is just one more interference from the Federal Government.

Why in the world should we use this title to force the States to declare that every college and university within that State has inadequate means of keeping student records. There must be a dozen other organizations and accrediting agencies that regard this as a duplication, with the staff feeling that somehow if they are going to lend the student money they have to control the fire hazards, they want reports on fire safety. I do not think it has anything to do with student loans and all the while we are missing the point that we are trying to stop fraud and abuse in the Student Loan Program.

We are not stopping fraud and abuse. We are adding a great layer, an unnecessary layer, of bureaucracy, and I am not satisfied to have this settled in a way that I think is not properly expressed on the floor, I am afraid, in the morning. We have bipartisan sponsorship for it. Senator COATS is a principal cosponsor.

Mr. MITCHELL. Mr. President, will the Senator yield?

Might I inquire if it is the Senator's request that there be additional time for debate on the amendment because of its significance? Would the Senator be agreeable to having 4 hours of debate equally divided, with 2 of those hours to occur right now, and then 2 additional hours tomorrow morning?

Mr. SANFORD. I have said what I want to say about it, that I think it is an outrageous example of Federal interference in an unnecessary way where there has already been so much interference. It would not serve any purpose for me to debate this 2 more hours tonight. We do not have the other sponsors available, and we will not have them in the morning.

I am inclined to leave this part of the Senate agreement dangling.

Mr. MITCHELL. Mr. President, if I might respond to the Senator, this is Thursday evening. Tomorrow is Friday. Where are other sponsors? The Senate is in session. The Senate is doing business. The managers are here. The Senate is here.

Mr. SANFORD. I will be here when it opens to start debate and will be available. But I am not inclined to agree to a time limitation.

Mr. MITCHELL. I appreciate that the Senator has the right to object, and if he so chooses he may do so.

Mr. President, I renew the request.

The PRESIDING OFFICER. Is there objection to the majority leader's request?

Mr. SANFORD. I object.

Mr. MITCHELL. Mr. President, would the Senator agree to a request which——

Mr. SANFORD. That is the only part I object to.

Mr. MITCHELL. I am about to ask that.

Mr. President, would the Senator object if I put the request again, limiting the amendments to those stated, and deleted the time limitation on the Senators amendment?

Mr. SANFORD. I would have no objection.

Mr. MITCHELL. Mr. President, then I renew the request just made, except that there be no time limitation on the one amendment by Senator SANFORD.

The PRESIDING OFFICER. Is there objection?

Mrs. KASSEBAUM. Reserving the right to object, Mr. President, and I would hope not to, but I had a request now on my side to add a Gramm amendment. Senator GRAMM has an amendment, and we are trying to find out how much time he would like, and Senator BROWN.

Senator GRAMM had said he would not offer his if there were not a number of controversial amendments that were going to come. But I think he feels now that he really does want to be able to offer his amendment.

Mr. MITCHELL. Is the Senator able to provide us with at least a general description of the amendment?

Mrs. KASSEBAUM. I am told it deals with crime, Mr. President.

Mr. MITCHELL. Senator GRAMM's amendment is a crime amendment?

Mr. DOLE. It is a crime bill.

Mr. MITCHELL. A crime bill. We will not have a time limitation on that. Senator BROWN's amendment?

Mrs. KASSEBAUM. I am trying to find out what it is about. The Senator just called.

Mr. MITCHELL. Mr. President, I have attempted to reach an agreement on the manner that would permit us to leave for the evening and complete action sometime tomorrow. It is evident that is not going to be possible. We now have the indication that Senator GRAMM intends to offer the entire crime bill as an amendment to this bill.

Therefore, I suggest to the managers that we simply proceed; that those Senators who are here to offer amendments are free to do so. And we will just stay in session this evening as long as we can.

If the Senator does not come to offer an amendment, then we will proceed to a third reading, and we will proceed and have votes and go as long as we can tonight.

And then tomorrow—I have attempted to do this in a manner that would be accommodating to the interests of the largest number of Senators. Obviously, each Senator has a right to object. Several Senators have now expressed in one form or another dissatisfaction with proceeding as suggested. Therefore, I suggest we now proceed. It is my understanding that Senator SPECTER is ready to offer his amendment.

Mr. President, I will ask unanimous consent that Senator SPECTER be recognized to offer his amendment; that there be 20 minutes for debate on the amendment, 10 minutes under the control of Senator SPECTER and 10 minutes under the control of Senator SHELBY, and that at the conclusion or yielding back of that time, there be a vote on the Specter amendment.

Mr. DOLE. Mr. President, reserving the right to object; why could we not follow that with a Sanford amendment, and then have votes back to back?

Mr. MITCHELL. Mr. President, what I am suggesting is that any Senator who wants to offer an amendment lay it down tonight. We will proceed and debate and vote, and we will just keep going until we finish either tonight or tomorrow. Those Senators who will want to offer their amendments can do so.

Senator SANFORD is unwilling to agree to a time limitation. I do not know how we would do it back to back, since we have no indication as to when that will occur. I know Senator DURENBERGER is here. I hope perhaps he would be willing to offer his amendment, and we could complete action on that this evening, as well.

If Senator GRAMM is present, he can offer the crime bill and we can have a debate on that, as well.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. Mr. President, I yield the floor. The Senator may proceed.

Mr. SARBANES. Mr. President, will the leader yield for a question? Maybe the Republican leader wants to stack votes. We could do the Specter amendment and then the Durenberger amendment, and then have votes on the two of them.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the following be the only amendments, other than the pending committee substitute, in order to S. 1150; that they be first-degree amendments only and subject to relevant second-degree amendments; that no motions to recommit be in order; and that, if there are time limitations on any of these amendments, the same time limitations apply to any possible relevant second-degree amendments.

The amendments are: An amendment by Senator WELLSTONE regarding forgiveness, 20 minutes equally divided; an amendment by Senator SANFORD relating to State licensing requirements with no time limitation; an amendment by Senator PRYOR relating to the Perkins loan program, 30 minutes equally divided; an amendment by Senator DURENBERGER regarding access to scholarships, 20 minutes equally divided; an amendment by Senator SPECTER relating to veterans' hospitals, with 20 minutes, 10 of which will be under the control of Senator SPECTER, 10 of which will be under the control of Senator SHELBY; an amendment by Senator BROWN regarding student loans, 10 minutes equally divided; an amendment by Senator SIMPSON regarding teacher training, 10 minutes equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MITCHELL. I thank my colleagues. I thank the managers and the distinguished Republican leader.

Mr. KENNEDY. Mr. President, Senator PELL, Senator KASSEBAUM, and the rest of us are prepared to stay here and try to work through these various amendments even now that we have the time limitations. I hope that those Members who have listed their amendments will come to the floor, and we will try to deal with those this evening. We have made good progress today, and there is no reason we cannot continue to make that progress and shorten that list for tomorrow. I hope that our colleagues will come over here and permit us to move ahead so that we can, in the morning, at least give an indication to the membership how we can proceed for the rest of the day until final passage.

Mr. MITCHELL. Mr. President, I believe Senators SPECTER and SHELBY are prepared to proceed with respect to their amendment. I respectfully suggest that we proceed with that and, during that debate, which will be 20 minutes in length, that we consider when to have the vote on that amendment and how to proceed with respect to the others.

AMENDMENT NO. 1691

(Purpose: To prohibit the Secretary of Veterans Affairs from furnishing, or from obligating funds available to the Department of Veterans Affairs to furnish, health care in Department of Veterans Affairs facilities under a rural health care sharing program to persons not eligible for such care under chapter 17 of title 38, United States Code)

Mr. SPECTER. Mr. President, I send an amendment to the desk on behalf of Senators SHELBY, MCCAIN, DECONCINI, and myself and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for himself, Mr. SHELBY, Mr. MCCAIN, and Mr. DECONCINI, proposes an amendment numbered 1691.

Mr. SPECTER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 607, below line 18, add the following new title:

TITLE XVI—MISCELLANEOUS

SEC. 1601. PROHIBITION RELATING TO THE PROVISION OF CERTAIN HEALTH CARE UNDER SHARING PROGRAM.

(a) PROHIBITION.—Notwithstanding section 8153 of title 38, United States Code, or any other provision of law, the Secretary of Veterans Affairs may not furnish, and funds appropriated or otherwise made available to the Department of Veterans Affairs (including funds to the Department by the Department of Health and Human Services) may not be used by the Secretary to furnish, hospital care or medical services under the program referred to in subsection (b) to any person who is not eligible to be furnished such care or services under chapter 17 of title 38, United States Code.

(b) COVERED PROGRAM.—The prohibition referred to in subsection (a) applies to the demonstration project for the furnishing of health care in certain rural facilities of the Department entered into between the Secretary and the Secretary of Health and Human Services that is commonly known as the Rural Health Care Initiative.

In addition 1(b), amended the table of contents by adding after the item relating to section 1506 the following new matter:

TITLE XVI—MISCELLANEOUS

Sec. 1601. Prohibitions relating to the provision of certain health care under sharing program.

Mr. SPECTER. Mr. President, this amendment would terminate the so-called rural health care initiative by withholding any additional funding for the carrying out of an agreement between the Department of Veterans Affairs and the Department of Health and Human Services, which has been described in a memorandum of understanding between VA and HHS, dated December 6 and December 24, 1991, where facilities of the Department of Veterans Affairs were to be used for treatment of nonveterans with reimbursement by the Department of Health and Human Services.

Mr. President, the reason for this amendment is that this is a major change in the administration of the Department of Veterans Affairs for nonveterans, without having any hearings or any determination as to how the program is to be administered.

My distinguished colleague from Alabama, Senator SHELBY, has offered a bill (S. 2183) to eliminate authorization. I had offered a bill (S. 2188) to withhold the funding, and we have combined them for the purpose of this amendment this evening.

There is no doubt, Mr. President, that the Department of Veterans Affairs does not have sufficient funds to carry out its mandate for the veterans of America. Now there has been an agreement between the Secretary of Veterans Affairs and the Secretary of Health and Human Services—and I have no quarrel with their good-faith effort to accomplish a purpose which they believe in—but the result has been a diversion of resources from the veterans. There has not been a hearing by the relevant committees. I serve as the ranking Republican on the Senate Veterans' Affairs Committee, and there has not been any systematic analysis of this proposal.

Mr. President, I doubt very much that it is possible, realistically, to convert veterans' facilities for the use of nonveterans and still carry out the mandate to provide health care for veterans. I think that is highly unlikely. But before any such program is put into effect, at a minimum their ought to be consideration by the relevant committees, the Veterans' Affairs Committee, on which I serve in the Senate, and the companion committee in the House; and the veterans should have an opportunity to come in and speak to the issue. There should be an analysis of what facilities anyone thinks are excessive in any locale.

In pursuing this amendment, we do not wish to deprive any nonveterans of any care. The issue of health care is one of overwhelming importance, categorized with public attention being caught by the distinguished Senator from Pennsylvania, who is presiding at the moment, Senator HARRIS WOFFORD. That issue is going to have to be addressed by the Congress, and I am confident, with the action already taken, that there will be action by the Senate this year, in this term, on the health care issue. It simply is inappropriate on this state of the record to take away facilities from the veterans and convert it to nonveteran uses, thus causing a tremendous amount of anxiety and concern. This is one of many steps where there is insufficient care being given to the veterans of America.

How much time do I have remaining?

The PRESIDING OFFICER. Nine minutes are remaining.

Mr. SPECTER. I will reserve some time for Senator SIMPSON, who wished to come to the floor and speak. Now I yield to my distinguished colleague from Alabama.

Mr. SHELBY. Mr. President, I stand here tonight along with my distinguished colleague from Pennsylvania, to ask my fellow Senators to support this amendment that will put an end to a grave injustice. An injustice to our Nation's veterans. The rural health care initiative is an ineffective solution to a desperate problem. The program plays disadvantaged groups against one another. Such a policy is both cynical and unjust.

While this program has been praised in some quarters as an innovative policy that addresses the deficiencies of rural health care, I contend that the program, if fully implemented, would only worsen the wretched conditions in the veterans medical system, and would remedy none of the deficiencies in rural health care.

No one is more painfully aware than I of the current crisis in rural health care. In the past decade, my home State of Alabama has seen numerous closings of rural hospitals, and a steady decline in the delivery of rural health care. I am a staunch proponent of quality, affordable health care for all Americans, rural or urban. Yet, such health care should not be provided at the expense of our Nation's veterans. Despite the DVA's claim to the contrary, the rural health care initiative will cost our veterans a further share of their ever decreasing and declining benefits.

For this policy to be successful it must avoid one primary pitfall. The initiative must not interfere with the DVA's ability to deliver health care to all qualified veterans and qualified dependents.

Veterans must not be turned away from facilities as a result of the added pressure of treating HHS cases, nor should the quality of their care decline.

Mr. President, there can be no doubt that should this program move from the pilot stage to large scale implementation, in the coming decade such a program will over burden an already understaffed, and under funded veterans hospital system. Numerous studies show that during the next two decades the number of veterans over the age of 75 will increase by nearly 200 percent. In addition, the DVA's own commissioned study stated that at present funding levels, the veterans health care system cannot possibly meet its future obligations to veterans.

A clear picture emerges of an overburdened and under funded system. Everyday my constituents write me with account after account of the poor health care and the long delays in acquiring treatment within these veterans' facilities. What leads the Secretary to believe that any additional pressure on these hospitals, at present funding levels will do anything other than worsen an already deplorable situation for our nation's veterans? Presumably this program would affect only those hospitals that are under capacity. The director of the veterans hospital in Tuskegee, AL, one of two pilot hospitals in this program, notes that in terms of unused capacity his hospital has very few vacant beds.

To worsen matters still, the treatment of nonveterans in these facilities may provide treatment to nonveterans that is not available to veterans themselves. We all know of the often complicating and confusing nature of veterans health care programs. Often a veteran may qualify for the treatment of one condition while being denied treatment for another. How does it look for a facility constructed and chartered to serve the needs of veterans, to provide services to individuals on a third-party payment plan, while denying the same procedure to a veteran in the same facility? The Secretary promises that veterans will see no reduction in services. Demographic trends and funding levels suggest that reduction will take place, regardless of whether or not the rural health care initiative becomes a full scale program in the future.

The initiative will only serve to further reduce the quality of programs already in dire need of help. VA facilities have been asked to do more with less for many years. Generally, they have done less with less, and such reductions, or added responsibilities have only been to the detriment of our Nation's veterans.

The most compelling objection to this program, however, is a moral one. The Secretary stated last week that no promise was made to our Nation's veterans for an exclusive health care system. I strongly disagree with this assertion. Only a year ago, right here in this body, we praised the bravery of our Nation's veterans, and appreciated in the most direct manner their sacrifices for our Nation's security and welfare. Yet simultaneously we continued to pass veterans budgets that did not measure up to our stated appreciation.

Everyday our veterans suffer great indignities in these under supported facilities. Now we ask them to suffer one more indignity, and to believe one more promise, that they will not suffer in the name of innovation and administration. Veterans hospitals are the exclusive domain of veterans and their qualified dependents. I cannot support any program that in any way reduces further the dignity of our Nation's veterans, or further erodes the commitments to certain exclusive services to them for their sacrifice to our Nation. This policy is neither reasonable nor is it right.

I ask my colleagues to join me in support of this Specter-Shelby amendment.

I yield back my time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I ask unanimous consent that Senator NICKLES and Senator BURDICK be added as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I rise in support of the pending amendment by Senators SPECTER and SHELBY to prohibit further implementation of the Department of Veterans Affairs rural health care initiative demonstration project. I believe that the authors of the amendment have proposed a practical, temporary solution to the current controversy. In light of the rhetoric on both sides of the issue, it only seems prudent to set aside the rural health care initiative until the administration and congressional proposals on health care eligibility reform have been considered by the House and Senate Committees on Veterans' Affairs.

For all concerned, I would have preferred that this matter be handled differently and at another time—it certainly seems to this Senator that the most important issue here is access and availability of medical care for veterans at VA facilities, not nonveteran access to VA facilities. The VA has a very long history of cost-effective treatment of nonveterans via sharing arrangements with other agencies, including the Indian Health Services and the Department of Defense.

Without such arrangements, some VA medical centers could not provide a full range of medical treatment to veterans in their community given medical certification requirements that mandate that a minimum number of procedures be performed each year by the facility. The reasons for that are obvious. Physicians must keep up their practice or health care quality suffers. In many areas of the country, there simply aren't many veterans suffering from certain afflictions. Consequently, if the VA does not allow treatment of nonveterans in these situations, veterans would be the first to suffer. Southern Arizona veterans requiring kidney dialysis are very familiar with this issue. Without access of nonveterans to VA facilities requiring kidney dialysis, southern Arizona veterans would be required to travel hundreds of miles several times a week for treatment.

Mr. President, I have been working on the real issue here—veteran health care eligibility reform—for many months. In fact, I intend to introduce the first attempt at comprehensive legislation on this issue tomorrow. I do not intend to get into the details of this legislation now, but would like to acknowledge that this legislation was drafted by the Disabled American Veterans. Although I have not committed myself to support each and every provision in this legislation, I intend to do all that I can to expedite consideration of the American Veterans' Health Care Reform Act of 1992. I would also note that Chairman CRANSTON has shown great leadership on this issue, and has expressed his intent to pursue health care eligibility reform legislation in the near future.

In conclusion, I would like to thank my friend and distinguished colleague on the Senate Committee on Veterans' Affairs for taking swift action here tonight. As the committee's ranking member, Senator SPECTER has demonstrated great leadership on many important issues to the veteran community. The amendment's coauthor, my esteemed Democratic colleague from Alabama, Senator SHELBY, deserves great credit as well for bringing this issue to the attention of the Senate. I am pleased to be an original cosponsor of the amendment.

Mr. SPECTER. To recapitulate, Mr. President, as I said on February 5, when I introduced S. 2188, the merits of this issue involve the utilization of veterans' hospital facilities or personnel in certain areas of the United States for medical services for nonveterans. That is a proposition that I strongly oppose for a simple reason: The veteran's health care program in the United States today is inadequate.

I believe spaces in VA hospitals should, except in extremely limited situations, be reserved for veterans who have earned those spaces. This is particularly true now, when fiscal constraints are forcing veterans hospitals to turn away eligible veterans. We are turning away those eligible veterans from the very facilities designed by law and national commitment to serve them while, at the same time, opening the doors of these same facilities to nonveterans.

The country is in the midst of national debate about the quality and adequacy of health care for all citizens. I think that it is fair to state that the veterans' health care program is probably as close as we come to having a national health program. Today, there are 172 veteran hospitals and 341 outpatient clinics in this country trying to serve up to 27 million veterans. And yet we have not adequately funded the VA program. In my view, the lesson to be learned is that until such time as we demonstrate the commitment and funds to provide health care services to this segment of our population, we cannot promise the larger segment of our population that whatever national care program we provide will be adequate.

I believe that Secretary Derwinski's and Secretary Sullivan's motives are of the highest order. I think that they are sincere in their view that this initiative would expand availability of medical care in rural areas without diminishing services to veterans. Secretary Derwinski, in particular, has fought hard and well within the administration to secure more funds for veterans' health care during his tenure as Secretary of Veterans Affairs. However, until we are able to replace veterans' health care resources lost over the past decade through inflation and other pressing priorities, we should not be indulging in new initiatives at the expense of veterans.

Therefore, in all good conscience, I cannot support Secretary Derwinski on this critical issue. I have heard from thousands of veterans, from Pennsylvania and from around the country. I believe—as they do—that opening the veterans' health care system in this way is simply the wrong idea at the wrong time.

For these reasons, Mr. President, I urge my colleagues to support this amendment to end the rural health care initiative.

Mr. President, just one additional word before yielding back the remainder of the time here. It may well be that, following hearings and analysis, some space in VA hospitals could conceivably be available for nonveterans. Based on my own experience I have grave doubts about that, but it is not wise at all to permit this program to go forward without having the legislative authorization, without having hearings to make a determination as to just what is available without jeopardizing the care of the veterans. That is why this amendment is being pursued at this time.

I thank the Chair.

I yield back the remainder of the time and acquiesce with what the majority leader seeks with respect to the timing of the vote.

But I do ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on the amendment by Senators SPECTER and SHELBY occur at 9:15 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the previous agreement be modified to delete the amendment by Senator WELLSTONE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the previous agreement be modified in the following respects: That the amendment to be offered by Senator BROWN be deleted; that there be 2 hours equally divided in the usual form for debate on the Sanford amendment; and that Senator SANFORD be recognized to offer his amendment immediately upon the disposition of the Specter amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I thank my colleagues.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening. Under the previous agreement, there will be a vote beginning at 9:15 a.m. tomorrow on the Specter-Shelby amendment. Immediately following that vote, Senator SANFORD will be recognized to offer his amendment under a 2-hour time limitation.

There remain on the list possible amendments by Senators PRYOR, DURENBERGER, and SIMPSON. I am advised by the managers that there is a high level of possibility that all or most of those amendments will be worked out so as not to require rollcall votes and that they will be worked out this evening. If that occurs, then for tomorrow Senators can expect a vote on the Specter amendment, debate and vote on the Sanford amendment, and then final passage on the bill. If any of the other three amendments—those to be offered by Senators PRYOR, DURENBERGER, or SIMPSON—are for some reason not worked out, then those will be added in the morning under the time limitations set forth in the agreement.

I want to thank all concerned, especially the distinguished managers, Senator PELL, Senator KENNEDY, and Senator KASSEBAUM. This is a very important bill which deals with a subject of interest to each Senator and to most Americans. When we originally scheduled this bill, I, following discussion with staff and Senators interested in the subject, anticipated that it would take at least 2, and possibly 3 or 4 days to complete action on the bill. It now appears certain that we will complete action on the bill tomorrow, hopefully at a reasonably early hour, and that is a significant achievement for which the Senators involved, and especially the three that I mentioned—Senators KENNEDY, PELL, and KASSEBAUM—deserve great credit and the congratulations and thanks of all Senators.

Mr. KENNEDY. Will the Senator yield?

Mr. MITCHELL. Yes.

Mr. KENNEDY. We have probably adopted about 15 amendments in the last 1½ hours. I am wondering if there can be a consent agreement, if technical agreements are agreeable to Senator PELL and Senator KASSEBAUM, that it be in order, if it is agreeable to those two floor managers, because they have been basically the ones who have been sharing the burden and responsibility here.

As I have just been looking back through one amendment, there does have to be a technical change on it. We have tried to accommodate in good faith the Members. We moved very rapidly.

Would the majority leader ask consent that, if there is an amendment that has to be offered to any of the amendments that have just been agreed to that would be of a technical or confirming nature agreeable to the floor managers, it be in order that they be able to so amend them.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the agreement be so modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I thank the leader.

Mr. MITCHELL. Mr. President, I thank my colleagues and I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 1692

(Purpose: To provide for model programs and educational excellence)

Mr. PELL. Mr. President, on behalf of the Senator from Wyoming [Mr. SIMPSON], I send an amendment to the desk and ask for its immediate consideration. This amendment has been agreed to on both sides and I would ask that it be accepted.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. PELL], for Mr. SIMPSON, proposes an amendment numbered 1692.

Mr. PELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

S. 1150 is amended as follows: In title V, after Part O, insert the following: Part P—Small State Teaching Initiative.

(1) PURPOSE.—It is the purpose of this section to provide sufficient funds to small states to develop model programs for educational excellence, teacher training and educational reform.

(2) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants to land grant institutions for the purpose of enhancing and improving the quality of teacher education, training, and recruitment in the Nation's smallest states.

(3) INSTITUTIONAL USE OF FUNDS.—Eligible land grant institutions receiving funds under this section may use such funds for the development of innovative teaching techniques and materials, preservice and inservice training programs, renovation of training facilities and construction of model classrooms. Special consideration should be given to proposals that include the rehabilitation of historic education facilities.

(B) ALLOTMENT OF FUNDS.—The Secretary shall allot funds in equal portions among the eligible applicants.

(C) DEFINITIONS.—

(1) SMALL STATE.—For the purposes of this section the term "Small State" includes the several states whose population is in each case less than 1,108,500 as reported in the 1990 Census of Population and Housing.

(2) LAND GRANT INSTITUTIONS.—For the purposes of this section the term "land grant institution" refers those institutions in each state now receiving benefits under the Act of August 30, 1890 (26 Stat. 417–419, as amended).

(D) APPLICATION—IN GENERAL.—Any eligible institution which desires to receive an allotment under this section shall submit to the Secretary an application which—

(1) certifies that the state educational agency has approved the plan and entered into a partnership for its implementation;

(2) provides for a process of active discussion and consultation with an advisory com-

mittee convened by the state educational agency and the eligible institution;

(3) describes how the institution will use the funding;

(4) describes how the plan will be evaluated for dissemination.

(B) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this part there are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary in each of the six succeeding fiscal years.

Mr. PELL. Mr. President, I would suggest that we vote favorably on this amendment.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment (No. 1692) was agreed to.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1681, AS MODIFIED

Mr. KENNEDY. Mr. President, I ask unanimous consent that Nunn amendment 1681, previously agreed to, be modified, and I send a modification to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, I urge the acceptance of the modification.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 1681), as modified, is as follows:

On page 600, after line 24, insert the following:

SEC. 1405. NATIONAL AND COMMUNITY SERVICE ACT OF 1990.

(a) SUBTITLE D POST-SERVICE BENEFITS.—Paragrpah (1) of section 146(b) of the National and Community Service Act of 1990 is amended by striking "that is equal in value to $2,500 for each year of service that such participant provides to the program" and inserting "for each year of service that such participant provides to the program, which benefit shall be equal in value to $2,500 for each such year, and which benefit shall be adjusted to match any increases in the maximum Pell grant as provided by the annual appropriation.

On page 14, after the item relating to section 1404, insert the following:

Sec. 1405. National and Community Service Act of 1990.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1693

Mr. PELL. Mr. President, I send to the desk a technical amendment which has been cleared by the minority and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. PELL] proposes an amendment numbered 1693.

Mr. PELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 309, line 20, insert "subparts 1 and 4 of part A, part B and part G of" after "to".

Mr. PELL. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate?

If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1693) was agreed to.

Mr. PELL. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1694

Mrs. KASSEBAUM. Mr. President, I send an amendment to the desk on behalf of Senator DURENBERGER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM], for Mr. DURENBERGER, proposes an amendment numbered 1694.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 101, line 8, strike "$100,000,000" and insert "200,000,000."

On page 101, line 21, strike "for a period of 2 academic years" and insert "for a period of 4 academic years, or in the case of a student who is enrolled in an undergraduate course of study that requires attendance for the full-time equivalent of 5 academic years."

On page 101, line 9 strike "fiscal year 1995" and insert "fiscal year 1993".

Mrs. KASSEBAUM. Mr. President, this amendment, changes the ACCESS scholarships by increasing the authorization to $200 million, making scholarships available to students for 4 rather than 2 academic years, and establishes an effective date of fiscal year 1993 rather than in fiscal year 1995. The ACCESS program provides a special grant for students who pursue rigorous academic subjects in high school.

It is agreed to by both sides. I think it is a very worthwhile amendment.

Mr. PELL. Mr. President, I add, this has been agreed to on this side. It is an excellent amendment.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am very enthusiastic about this amendment. This was a proposal that, really, took the content of the "I have a dream" proposal which demonstrated very clearly that young people even from some of the most disadvantaged communities across the country had a realization that after they completed their high school they would be able to go on to college; that this really provided an enormous sense of new hope and dedication and perseverance by the young people.

So we had moved in and offered $100 million, which we thought was a pretty good beginning for this program. It is not often that we are one-upped on expenditures or spending—the Senator from Rhode Island and ourselves.

If my good friend, Senator DURENBERGER, wants to double that amount, I just want him to know we certainly, as far as I am concerned, more than enthusiastically support the proposal. I think it is well worth the additional kinds of authorization and I think it is one of the parts of this bill that, although maybe small in terms of overall authorization, offers an enormous amount of hope in terms of keeping children in school and ensuring that children that do graduate will continue their educational experience.

So I commend Senator DURENBERGER and commend Senator KASSEBAUM.

Mr. DURENBERGER. Mr. President, I rise to offer an amendment authorizing a new merit-based bonus scholarship program for Pell grant recipients called the Excellence Scholarship Program.

This amendment is intended to expand and improve upon the Access Scholarship Program authorized by the legislation we now have before us.

My amendment includes what I believe is an outstanding feature in the Access Scholarship Program now included in S. 1150—encouragement to States to upgrade college preparatory offerings in high schools and communication to students as early as while they are in junior high school about the value of preparing for college.

And my amendment provides an extra incentive and bonus to lower income students who work hard and who demonstrate outstanding academic achievement and ability throughout their undergraduate career.

The excellence scholarship amendment, Mr. President, promotes the belief that the national Government should reward quality and excellence by providing additional assistance to students based on merit to Pell grant recipients—with merit defined in ways that promote both college readiness and academic excellence.

This amendment doubles the amount of money available under S. 1150 from $100 to $200 million per year to finance a $1,000 Pell bonus grant to individuals who have demonstrated excellence and achievement, either in high school or in college.

One criticism of past proposals aimed at rewarding merit, Mr. President, has been that they are too inflexible in defining merit, and that they have unfairly hindered participation of disadvantaged or low-income students.

For many lower income, minority, and at-risk students, those traditional measures of academic excellence just won't work.

This amendment, addresses that concern, Mr. President, by including a qualifying category of students participating in TRIO programs—or TRIO-like programs designated by the Secretary of Education.

And, this amendment makes it possible for students to continue receiving excellence scholarships for up to 5 years so long as they agree to achieve certain academic milestones and make significant progress toward achieving those academic milestones.

Mr. President, the legislation we have before us will gradually increase the maximum Pell grant for all eligible students to help meet the rising cost of higher education.

But, for many deserving students, those increases still will not go far enough. I think all of us would like to be able to do more.

The Excellence Scholarship Program—authorized by this amendment allows us to do that for students who show the most potential for benefiting from a college education.

The Excellence Scholarship Program will help thousands of high achieving—and high potential low-income students close that gap.

Finally, Mr. President, the excellence scholarship amendment promotes the value of encouraging sound preparation for college.

Just like we need more attention to school readiness for very young children, Mr. President, we need more attention to college readiness during high school and in advance of college.

That is a goal highly consistent with the President's America 2000 initiative.

Properly implemented, this amendment offers an important incentive to States and their secondary schools to improve the quality of college prep courses.

And, properly communicated, it offers a good incentive to lower income students to take college prep courses while they're still in high school.

This amendment signals a new commitment on the part of the national Government to recognizing excellence, encouraging sound preparation for college, and rewarding those who work hard and who meet their goals.

Mr. President, I want to thank my colleagues on the Labor Committee for their input and acceptance of this amendment, in particular Senators KENNEDY, PELL, KASSEBAUM, SIMON, and HATCH. I greatly appreciate the bipartisan spirit that propelled this excellent idea to an accepted amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1694) was agreed to.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the majority leader's unanimous-consent request be further modified therefore to exclude the consideration of the Durenberger access scholarship amendment with a designated 20 minutes tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I thank the Senators. We reduce those numbers, and I think we have good opportunity to have further progress during the evening. It is certainly our intention to continue to work forward on that.

I think the leader expressed it well. As I see it, the Pryor-Perkins Loan Program modification, which has 30 minutes, is at the point of being drafted. As soon as it is drafted, we will share it with Senator KASSEBAUM. Quite interestingly, it has some possibilities, and hopefully we did find common ground.

The Specter amendment, as the majority leader said, will be the order of business, and the teacher training amendment, which has 10 minutes, and the very important Sanford amendment, which has been referred to earlier.

So we have made very good progress. We are hopeful that we can continue to work with the interested parties, with the Senator from North Carolina, and possibly have that issue resolved. It is a very important one and I think all of us who heard the Senator from North Carolina speak this evening know of his very strong and deep feelings on this.

It is an important measure, and I think now that we have been able to work out a number of these proposals, we can give full focus and attention to that.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STUDENT LOAN ELIGIBILITY

Mr. LEVIN. Mr. President, I would like a moment to address the manager of the bill and chairman of the Labor Committee, Senator KENNEDY, about a matter which has been the subject of ongoing discussions with the Labor Committee, and with officials of the U.S. Department of Education.

When Congress enacted the Student Loan Default Prevention Initiative Act within the Omnibus Budget Reconciliation Act of 1990, we statutorily exempted historically black and tribally controlled colleges and universities from the student default penalties until 1994. Our intent was to recognize the unique and vital contribution made to American higher education by these important institutions and the special challenges they face in serving students from historically disadvantaged backgrounds.

As the chairman is well aware, there are certain nonprofit colleges which, though neither technically nor historically qualifying as historically black or tribally controlled institutions, currently serve similarly very high proportions of socially and economically disadvantaged students and fulfill similar missions. The vitally important role and special challenges of these nonprofit colleges in serving disproporationate numbers of disadvantaged students must also be recognized with protections.

As the chairman is also aware, Congress directed that the Secretary, in the application of the Student Loan Default Prevention Initiative Act, should recognize "exceptional mitigating circumstances" by which other colleges or universities might appeal exclusion from the guaranteed student loan programs. However, current regulations fail to give them a realistic opportunity to be fairly recognized with the "exceptional mitigating circumstances" category of appeal.

One such institution, Mr. President, is Jordan College in my home State of Michigan. Jordan is a 4-year, nonprofit, independent college with a mission to serve high-risk, underserved communities. It's student population consists of 60-percent single parent; 60-percent minority; and 80-percent below the poverty level as set by the Office of Management and Budget.

For a while, it was thought that Jordan College would lose its student loan eligibility status because of a reported 1989 high default rate. Subsequent review of Jordan's default rate data revealed substantial flaws in the guarantee agency's calculations.

As a result, I have received assurance from the U.S. Department of Education that Jordan College will not lose its eligibility to participate in the Guaranteed Student Loan Program for the 1991–92 academic year. This assurance has been given based on the findings of the Secretary, that Jordan's reported 1989 default rate is based on inaccurate data submitted by the guarantee agency. The Secretary has also found that when the inaccuracies were corrected, the adjusted data reduced Jordan's default rate substantially.

I have also received assurance from the U.S. Department of Education that Jordan's student loan eligibility will continue through the 1992–93 academic year, assuming the Secretary finds that similar inaccuracies are likely to occur in calculating Jordan's 1990 default rate, scheduled to be issued by June 30, 1992. I have been presented with some evidence that this will, in fact, be the case, Mr. President.

Mr. KENNEDY. Mr. President, it is my understanding that these assurances have been given. I have been working with the Senator from Michigan and with the Department of Education to receive these assurances. I believe this will enable Jordan College to continue to make its contribution to education in Michigan.

Mr. LEVIN. Because of these assurances, Mr. President, I will not offer my amendment. I thank the chairman for his assistance and cooperation in this matter.

Mr. DIXON. Mr. President, I rise today as a cosponsor of S. 1150, the Higher Education Reauthorization Act, as modified. This legislation authorizes $17.5 billion for the first year of a 7-year extension of the act. S. 1150 is one of the most significant higher education bills that this body will consider during this decade.

First, I want to extend my congratulations to the committee and subcommittee chairman, Senators KENNEDY and PELL, respectively, and the ranking minority members of the committee and subcommittee, Senators HATCH and KASSEBAUM, respectively, for their untiring efforts in developing this bipartisan compromise. I also want to acknowledge the efforts of my distinguished colleague, Senator SIMON, who has worked so diligently, along with some others, to expand and revise the Student Loan Program so that it becomes available to everyone, regardless of income.

Mr. President, S. 1150 is the third in a series of major democratic education initiatives to recently come before this body. Last year Congress approved the National Literacy Act, legislation which I cosponsored, to help some 30 million Americans learn to read and write.

Last month, this body approved S. 2, the Neighborhood Schools Improvement Act, which I also cosponsored. It provides a real opportunity for education reform at our hard-pressed elementary and secondary schools by proposing higher national education goals, tougher education standards, increased student, teacher, and school system accountability, and more Federal financial aid.

The legislation before us today expands the overall national goal set out in the Literacy Act and in S. 2—to help make a real difference in the future of our education system.

During the Reagan and Bush administrations, middle-income families have been continually squeezed out of our Federal financial aid programs. I am pleased to join in the effort to reverse that unfair trend. S. 1150 expands eligibility for the Pell Grant Program to include middle-income families with incomes up to $40,000. It also eliminates consideration of the family home and farm equity in determining aid eligibility for those families with incomes of $50,000 or less.

So that low- and middle-income students are better served by Federal student aid programs, S. 1150 increases the size of Pell grants from $2,400 to $3,600 in fiscal year 1993. It redresses the growing imbalance—which developed during the 1980's—between student grants and loans by providing greater grant assistance to students.

Among other important provisions, S. 1150 will streamline and simplify the student aid application process; strengthen teacher recruitment, retention, and development; improve integrity in the Student Loan Program; and strengthen graduate and professional education.

I am pleased that the committee agreed to eliminate the mandatory credit check on students as an eligibility requirement for the Stafford Loan Program, and to delete the provision to change the way in which "trio" grants are awarded. I am also pleased that the committee agreed to extend forbearance on medical student loans until after the students complete residency, and to eliminate the medical student loan deferment provision.

Mr. President, I am disappointed to learn that there is insufficient support in the Senate for the Pell grant entitlement provision in S. 1150. Therefore, the bill, as modified, does not make Pell grant an entitlement program.

Pell grants provide aid to low-income students. This program is the cornerstone of Federal participation in higher education programs. The amount of each grant varies depending on the students' family financial status, and, the amount appropriated by Congress each year.

In my own State of Illinois, Pell grants are a vital financial source. During the 1990–91 academic year, some 142,600 Illinois students received Pell grants at a cost of $188.1 million.

Making Pell grant an entitlement program would have offered some stability for planning for students, their families, and education institutions. From 1 year to another, students would know whether they are eligible for and would receive a grant award and the level of funding they would receive.

I believe that entitlement programs express congressional priorities. As a fiscally cautious Senator, I do not readily embrace expanding entitlement programs. However, if this Nation intends to compete successfully in an evertougher global environment, we must make the necessary education investments. Not to invest robs our young people, and robs our economy.

It appears to me, therefore, that two education programs—Head Start and Pell grant—merit entitlement status. Fully funding these two essential programs, I believe, must be at the top of this Nation's priority list.

I understand that the administration is opposed to making Pell grant an entitlement program. This comes from President Bush who early on during his Presidency, pledged to be the education President. Once again, the administration's action does not match its rhetoric.

It is my understanding that Senator SIMON and others were unable to reach an agreement on the "Direct loan to students" initiative. I congratulate my colleague from Illinois for his leadership in this area. I am pleased to learn that he will continue to work to reach a compromise on this important student issue, and address it on some other legislative proposal.

Mr. President, my support for S. 1150 is an accord with my voting record on education issues over the years. My record supports an attempt to build a stronger, more educated America. I continue to support the Head Start and National School Dropout Programs, and legislation to permit employees to receive education benefits—such as tuition reimbursement or outside training—from their employers on a tax-free basis. I have supported legislation to make interest on U.S. savings bonds tax-exempt if the funds are used for tuition costs. In addition, I have supported and will continue to support adequate funding levels for our various education programs.

Mr. President, I urge my colleagues to support S. 1150, as modified.

Mr. McCONNELL. Mr. President, I rise today to express my support of S. 1150, the reauthorization of the Higher Education Act of 1965. This is an important bill that addresses the financial assistance needs of our Nation's college and university students.

S. 1150 authorizes the Higher Education Act through fiscal year 1999. By increasing the limits on Pell grants and guaranteed student loans [GSL], this bill ensures those students who are economically disadvantaged will be able to realize their dreams of higher education.

Under this legislation, the maximum income level for receiving Pell grants is increased from $30,000 to $40,000. Mr. President, this will expand grant eligibility to more middle-class families. Further, there are a number of provisions to curb the high default rate of loans, including strengthening penalties for institutional fraud and abuse.

No one in this Chamber disputes that an educated America is a strong America. By giving our consent to S. 1150, the Senate will demonstrate its commitment not only to our postsecondary students, but also to the well-being of our country.

RECOVERY OF STUDENT LOAN RESERVES

Mr. ROBB. Mr. President, I would like to engage in a colloquy with the distinguished manager of the bill to clarify the Senate's understanding of a section of the committee amendment critical to Virginia.

It is my understanding, and that of my Virginia colleague Senator WARNER, that section 428 of the committee amendment requires the Department of Education to return reserve funding to guaranty agencies whose financial solvency has been threatened due to recovery of those reserves pursuant to the 1987 Budget Reconciliation Act.

Mr. PELL. That is correct.

Mr. ROBB. It is our further understanding that Virginia is one of the States that would be eligible to receive repayment of its reserves under this section.

Mr. PELL. The Senator is correct.

Mr. ROBB. On behalf of my Virginia colleague Senator WARNER and myself, we thank the chairman for his kind consideration and most welcome clarification.

COMMUNITY COLLEGE/SMALL BUSINESS AMENDMENT

Mr. LIEBERMAN. Mr. President, the most important purpose of the Higher Education Act is to ensure that American students have the opportunity to receive an education, an education that provides them with the skills they need to get a job and that builds a work force with the skills businesses need to innovate and compete in our global economy. Many of our students do not go directly to college. They enter the work force and then later, if they have the time, and the money, or if their employer has the money they are able to return to school. We must provide assistance to small businesses and their employees. I am very pleased that the managers of the bill have agreed to include in the committee amendment my amendment to establish a community college/small business consortia program which will provide education and training for small businesses and their employees.

Unfortunately only a small percentage of American companies have the resources to provide their employees with additional educational opportunities. American businesses are already spending $30 billion a year in worker training and education. However, this money is spent primarily by fewer than 1 percent of all American companies. Most smaller businesses, cannot afford to provide education and training for their employees. They and their employees must suffer the consequences of inadequate reading and writing skills and insufficient technical knowledge.

Small businesses recognize that they and their employees would benefit from training in basic skills and advanced technology, but do not have the resources to establish their own programs and do not have access to programs they or their employees can afford. Some businesses have begun working with community colleges that are interested in designing training programs for businesses and have found that community colleges have the expertise necessary to design training programs particularly targeted at their needs.

The amendment that I am offering to the Higher Education Act would provide grants to community colleges to design education and skills training programs for a consortium of small businesses in the same industry, using the same technology, or with similar education needs. Such consortia would help spread the costs of training, increase the resources available to small firms, and allow more cost-effective development of training materials. They will provide much needed educational assistance to small businesses and their employees. Small businesses will find that their productivity will improve and workers will find that their jobs are more secure.

Again I thank the managers for including my amendment in the bill and I congratulate them on putting together a strong bill which will help many Americans obtain a high-quality education.

SELF-RELIANCE STUDENT LOAN PROPOSAL

Mr. LIEBERMAN. Mr. President, I support S. 1150 because it takes significant steps toward rectifying deficiencies in the Higher Education Act. I am particularly supportive of the increase in the maximum Pell grant. Pell grants have steadily lost ground to rapidly rising tuitions and it is time for the Pell grant to catch up with the needs of students. I am also very pleased with the step S. 1150 takes toward expanding student aid for middle class families. It wisely eliminates home and farm equity from the formula for determining the amount of aid that families with incomes below $50,000 are eligible for. I commend the committee for its hard work which greatly improves the current programs.

Mr. President, I strongly supported the inclusion of the new student loan program, self-reliance loans in S. 1150, and I congratulate my colleagues Senators SIMON, BRADLEY, and DURENBERGER for all their hard work on this proposal. I believe the program is necessary to ensure that middle class families have access to much needed financial aid. We have decided, however, that it would make more sense to include this provision as part of a Finance Committee bill and, therefore, will not be proposing it today. I would like, however, to take a few minutes to stress the importance of enacting the self-reliance loan program in this Congress.

Mr. President, there are two glaring problems with the current student loan program which are better addressed by the self-reliance plan. The first problem is that the loan program excludes the middle class. And, the second is that it costs the taxpayers billions of dollars a year in defaulted loans.

Middle class families now find themselves between a rock and a hard place; too poor to afford a college education and too well off to get help. In the past decade, they watched college tuitions skyrocket only to turn around and find they had been squeezed out of the Federal student loan program; their primary source of assistance. Underfunding of grant programs forced the less well off to look to the loan programs. But the loan programs were unable to serve everyone, and the most needy were understandably given priority. Middle class families were left to watch tuition climb and their primary source of assistance dry up.

I hear from families in Connecticut every day who are struggling to send their children to college and cannot find any assistance. The average tuition cost at a private university is over $10,000 a year for tuition alone, and $16,000 a year before you get through paying for housing, books, and the like. Even at a public university it will cost $6,000 a year. Middle class families cannot afford these tuitions on their own. Yet 70 percent of all student loans go to students from families earning less than $30,000 a year. The vast majority of the middle class is left to their own resources. I heard from one middle class couple paying $19,000 a year in tuition that said they were forced to drive old cars, shop at second hand stores and wake up at 3, o'clock in the morning because they each have a paper route. Stories like this show that middle class families need assistance. Self-reliance, with its universal eligibility, provides that assistance by bringing the middle class back into the student loan program.

Along with the many Americans who have been unable to get assistance, the entire American educational system has suffered. Universities, both State and private, have been forced to fill the gap in assistance themselves. They have been forced to use their own funds to help those who would otherwise not be able to get an education. This dramatic increase in university funds needed for student aid has taken money away from other programs. And in these hard times, universities cannot afford to pay their student's tuition and also provide a quality education. The failure to provide assistance to all students is jeopardizing the quality of the American education.

Self-reliance shifts responsibility for student aid back to the Government and the graduate where it belongs. It will free university resources so that universities may once again concentrate on providing America with the quality education it needs.

And let me assure you, America needs quality education. If we are to compete in a global market place, we need to educate all of our youth. We must properly prepare them to meet the increasing technical demands of the modern job market. If we do not give each person a chance then we have not given America a chance. We simply cannot afford to deny a college education to anyone.

Mr. President, I am cosponsoring self-reliance because its universal eligibility wisely provides the middle class with the same educational options that are available to everyone else. And makes a college education available to everyone so that we can be competitive in an international market.

Some might agree but rightly ask, at what cost? The answer is that while self-reliance expands benefits it actually saves money. After initial start up expenses self-reliance will become self supporting. Since the Government borrows at a low interest rate and then loans directly to students at a slightly higher interest rate, the Government makes a small profit which covers administrative costs. Furthermore, because income contingent repayment makes nonpayment less likely and IRS collection makes it impossible, the multibillion dollar default problem is virtually eliminated. The bottom line is that the program will pay for itself.

And self-reliance achieves these results without sacrificing fairness and flexibility. In lean years the graduate will pay less and in good years more. And although the time it takes to make full repayment will vary, everyone will pay their fair share in the end. To prevent extreme hardship, however, if a graduate has yet to make full repayment after 25 years he or she is excused from further obligation. Self-reliance ensures full repayment in the vast majority of cases while making the repayment burden manageable.

Mr. President, American families need assistance to send their children to college. We can provide that assistance in a fair program, as a savings to the Treasury, and to the benefit of our economy. I urge my colleagues to vote in favor of the self-reliance program when it does come before the full Senate.

SELF-RELIANCE SCHOLARSHIPS

Mr. BRADLEY. Mr. President, I am pleased to support this bill, but I think there is a broad consensus in this body that one piece is still missing. Families of all incomes and students of all ages need one better option to pay for college. It should be universal—that is, everyone should be eligible—and it should be income-contingent—that is, your payment after graduation should be a reasonable percentage of your income paid on your tax form.

Last year I developed self-reliance scholarships, a new program to help people use the 60 percent higher income they will gain from a college education in order to pay for that education. I found tremendous enthusiasm for the idea among families in New Jersey and elsewhere, and among my colleagues in the Senate. Senators SIMON and DURENBERGER, who introduced their own bill, have called attention to the fact that income-contingent loans could cut defaults, and could save the Government money.

I want to thank and commend Senators SIMON and DURENBERGER for their help in crafting the proposal we were prepared to introduce today. And I want to thank Senator KENNEDY for his long-standing enthusiasm for finding a better way to pay for college. Let me also thank Senator PELL for his assistance and for his dedication to making education a right, not a privilege, for Americans of all incomes.

Self-reliance loans is an idea whose time has come. I regret that we cannot pass the whole program today, on this bill, but since some of it would fall under the jurisdiction of the Finance Committee in any event, we will move forward to include the entire program in the economic recovery package that the Finance Committee will act on shortly. To achieve a lasting economic recovery, to help families expect a better future for their kids, we need self-reliance. I am gratified that Senator BENTSEN, as well as Senator DURENBERGER who sits with us on the Finance Committee, both see the merits of this new approach. We will continue to work together to make it a reality.

Mr. NUNN. Mr. President, as we consider the reauthorization of the Higher Education Act, I rise today to discuss some of the much needed reforms of the Federal Guaranteed Student Loan Program [GSLP] which are contained in title IV of the reauthorization bill.

The Guaranteed Student Loan Program is a vitally important program; without it, millions of our Nation's young people never would have had the opportunity to obtain a higher education. Yet somehow, this very well-intentioned program has gone awry, and in so doing it has had a devastating impact not only on the American taxpayer, but on many of those same students whom the program was designed to help in the first place.

How has this program gone awry, Mr. President? Mainly as a result of an explosion in defaulted loans. While guaranteed student loan volume nearly doubled from 1983 through 1989—from $6.8 to $12.4 billion—the volume of loan defaults for that same period rose by more than 300 percent, from $444.8 million to almost $2 billion. Defaults last year were estimated at over $3 billion. As a direct result of this rise in defaults, more than half of the total costs of today's Guaranteed Student Loan Program must go to paying off bad debts rather than to providing educational opportunities for deserving students.

I know that when many Americans hear of defaulted student loans their first thoughts are of doctors, lawyers, and other highly paid individuals who obtained a first-class education with the benefit of the Student Loan Program and then failed to repay their obligations despite their obvious ability to do so. While instances such as these no doubt exist, a year-long investigation by the Senate Permanent Subcommittee on Investigations revealed that the true reasons behind the default problem are far different from common perceptions.

The majority of those in default are in fact students who neither have the ability to repay nor the benefit of the type of education that would truly make them productive members of society. These are students who have been victimized, victimized by schools that are all too eager to recruit them for worthless programs so long as they can get them signed up for Federal student aid funds; victimized by lending institutions that are all too eager to provide them with those funds without undertaking even the most cursory due diligence efforts and who then turn around and sell their loans before the ink is dry on the paperwork; victimized by guarantee agencies and loan servicing companies that are all too eager to place a loan in default without making any serious attempts to facilitate collection, and ultimately victimized by a system which has lacked the oversight and enforcement mechanisms needed to protect them from all of the above.

In 1990, the permanent subcommittee held a series of eight hearings examining the major problems of the Student Loan Program, particularly those involving proprietary or career training schools. During the course of those hearings the subcommittee received testimony from scores of witnesses representing practically every institutional interest involved in the program including schools, lending institutions, accrediting and licensing bodies, guarantee agencies, secondary market organizations, loan servicing companies, and the Department of Education. Most importantly, perhaps, the subcommittee also heard from numerous students.

The subcommittee hearings painted a highly disturbing portrait of a program in which none of the major components is working efficiently or effectively. These hearings subsequently formed the basis for a sharply critical report entitled "Abuses in Federal Student Aid Programs," which was released by the subcommittee in May 1991. As that report concluded, the Student Loan Program is riddled with fraud and abuse and suffers from severe management and oversight deficiencies. The primary mechanism upon which program oversight of participating schools depends—namely, the triad of licensure, accredition and certification/eligibility—provides little assurance that schools are in fact providing students with the educational opportunities they promise, and the Department of Education, through gross mismanagement, ineptitude, and neglect, has all but abdicated its responsibilities to the students it is supposed to serve and the taxpayers whose interest it is charged with protecting.

In short, the lure of fast and easy program profits, coupled with ineffective government oversight, turned the 1980's into what one proprietary school owner called "an opportune time to be crooked." Unfortunately, there were far too many who were more than willing to take advantage of this opportunity. Many school owners, accrediting bodies, lenders, and other financial players profited handsomely, and in some cases, unconscionably, in the past decade while the program's intended beneficiaries—young people, many of whom come from backgrounds with already limited opportunities—have suffered. They have suffered primarily at the hands of unscrupulous and dishonest proprietary schools, receiving neither the training nor the skills they hoped to acquire and instead, being left with debts they cannot repay. Their suffering has in turn created a burden for the American taxpayer who will ultimately be billed for billions of dollars of losses on defaulted student loans.

Against this backdrop of program failure, the subcommittee's report made 27 recommendations for reform of the Guaranteed Student Loan Program. These recommendations, which touched on nearly every aspect of Student Loan Program oversight and addressed nearly every participant in the system, had one overriding goal—to restore the program's integrity and credibility. To do so, the subcommittee recognized that nothing less than a comprehensive, intensive, and sustained reform effort was needed.

The subcommittee's recommendations called for major reforms within the Department of Education, State licensing agencies, and private accrediting bodies. They also called for substantial new restrictions on the activities of lenders, guarantee agencies, loan servicing companies, and secondary market organizations. And perhaps most importantly, they called for a rethinking of the role of proprietary and career training schools within the Federal Student Loan Program.

Following up on the subcommittee's recommendations, I introduced S. 1503 in July of last year along with Senator ROTH, ranking minority member of the permanent subcommittee, and Senators LEVIN and SASSER, for the purpose of attacking the root causes of the massive default problem which the program has experienced in recent years. Subsequently joining me as cosponsors in this effort were Senators MIKULSKI, KOHL, AKAKA, HATFIELD, and THURMOND.

I am pleased to note that many of the provisions of S. 1503 have been incorporated into title IV of the reauthorization bill currently before us. Indeed, with its new emphasis on program integrity, this bill represents a major advance in long-needed efforts to curb fraud and abuse in the Student Loan Program. I commend the committee, and Senators KENNEDY and PELL in particular, both for their continuous cooperation and firm support of the subcommittee's investigation of Student Loan Program abuses, and for their affirmative role in seeing that the investigation's major conclusions and recommendations were reflected in this bill.

The reauthorization bill before us recognizes for the first time that the triad of accreditation, licensure, and certification/eligibility has failed to perform its gatekeeping function in weeding out substandard and worthless schools from the Student Loan Program. As called for by the permanent subcommittee's recommendations, this bill establishes minimum uniform standards for both private accrediting agencies and State licensing bodies and strengthens Federal eligibility and certification procedures by establishing statutory requirements for these activities. At the other end of the process, the bill, also in accordance with the subcommittee's recommendations, has likewise made it easier for the Secretary to rid the program of bad schools.

In the area of financial intermediaries, the bill contains numerous new restrictions on the activities of lenders, guarantee agencies, and secondary market organizations. Again, these steps were among the major recommendations in the subcommittee's report and many of them were contained in my own legislation.

Mr. President, these measures represent a genuine effort at reform which I hope will ultimately prove successful in stopping the hemorrhaging of this program which is being caused by an ever-increasing default rate. But make no mistake about it—no less than the very survivability of the Student Loan Program as we know it—is at stake in what we do. If these reforms cannot turn this program around, then it may indeed be time to begin thinking about a restructuring of the student loan system.

The Guaranteed Student Loan Program is a worthy and worthwhile program which should be continued. It can only continue, however, if it returns to the purposes and goals which led to its creation. I urge my colleagues to support these reforms so that the program again becomes the vehicle for educating and training America's young people that it was intended to, and should always be.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 3:45 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 606. An act to amend the Wild and Scenic Rivers Act by designating certain segments of the Allegheny River in the Commonwealth of Pennsylvania as a component of the National Wild and Scenic Rivers System.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 355) to provide emergency drought relief to the reclamation States, and for other purposes.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 543) to establish the Manzanar National Historic Site in the State of California, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the concurrent resolution (H. Con. Res. 268) to correct technical errors in the enrollment of the bill H.R. 3866.

The message further announced that pursuant to the provisions of 2 United States Code 473(a), the Speaker appoints Ms. HORN to the Technology Assessment Board on the part of the House, to fill the existing vacancy thereon.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2619. A communication from the Assistant Secretary of Energy (Environmental Restoration and Waste Management), transmitting, pursuant to law, a report detailing the expenditure of fiscal year 1991 Environmental Restoration and Waste Management funds for defense and nondefense activities and the accomplishments to-date compared to the milestone for each task; to the Committee on Armed Services.

EC-2620. A communication from the Secretary of the Navy, transmitting, pursuant to law, notice of the Navy's proposal to transfer the obsolete aircraft carrier *Lexington* (AVT 16) to the Corpus Christi Area Convention and Visitors Bureau, Corpus Christi, TX; to the Committee on Armed Services.

EC-2621. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on United States Costs in the Persian Gulf Conflict and Foreign Contributions to Offset Such Costs; to the Committee on Armed Services.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROCKEFELLER:

S. 2237. A bill to amend the Internal Revenue Code of 1986 to provide for a refundable child credit and to increase the earned income tax credit for larger families, to provide for a demonstration program for payments in lieu of child support payments owed by absent spouses, to encourage creation of jobs for low-income unemployed, and for other purposes; to the Committee on Finance.

By Mr. BURNS:

S. 2238. A bill for the relief of J&V Restaurant Supply and Refrigeration, and for other purposes; to the Committee on the Judiciary.

By Mr. PRYOR (for himself, Mr. GRASSLEY, Mr. REID, Mr. FOWLER, Mr. MOYNIHAN, Mr. SYMMS, Mr. BOREN, Mr. HATCH, Mr. BREAUX, Mr. AKAKA, Mr. BOND, Mr. BRYAN, Mr. BUMPERS, Mr. BURDICK, Mr. EXON, Mr. GORE, Mr. HATFIELD, Mr. HOLLINGS, Mr. JOHNSTON, Mr. KASTEN, Mr. KERRY, Mr. DASCHLE, Mr. MACK, Mr. NICKLES, Mr. PRESSLER, Mr. SANFORD, Mr. SHELBY, Mr. WIRTH, Mr. CRANSTON, Mr. ADAMS, Mr. LOTT, Mr. ROCKEFELLER, Mr. RIEGLE, Mr. STEVENS, Mr. SIMON, and Mr. BAUCUS):

S. 2239. A bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights; to the Committee on Finance.

By Mr. BENTSEN:

S. 2240. A bill for the relief of Maria Adriana Lopez; to the Committee on the Judiciary.

By Mr. HOLLINGS:

S. 2241. A bill to add to the list of import-sensitive articles that may not be designed as articles eligible for duty-free treatment under title V of the Trade Act of 1974; to the Committee on Finance.

By Mr. MITCHELL:

S. 2242. A bill to establish a National Commission on Independent Higher Education; to the Committee on Labor and Human Resources.

By Mr. MACK:

S. 2243. A bill to extend the temporary suspension of duty for metal oxide varistors; to the Committee on Finance.

By Mr. THURMOND:

S. 2244. A bill to require the construction of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate United States participation in that conflict; to the Committee on Energy and Natural Resources.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 2245. A bill to authorize funds for the implementation of the settlement agreement reached between the Pueblo de Cochiti and the United States Army Corps of Engineers under the authority of Public Law 100-202; to the Select Committee on Indian Affairs.

By Mr. KENNEDY (for himself, Mr. SIMON, and Mr. DECONCINI):

S. 2246. A bill to suspend the forcible repatriation of Haitian nationals fleeing after the coup d'etat in Haiti until certain conditions are met; read the first time.

By Mr. PRESSLER:

S.J. Res. 256. Joint resolution to recognize June 5, 1992, as "World Environment Day" and to urge that the United Nations Conference on Environment and Development be given highest priority by the United States; to the Committee on Foreign Relations.

By Mr. LAUTENBERG (for himself and Mr. SEYMOUR):

S.J. Res. 257. Joint resolution to designate the month of June 1992, as "National Scleroderma Awareness"; to the Committee on the Judiciary.

By Mr. RIEGLE:

S.J. Res. 258. Joint resolution designating the week commencing May 3, 1992, as "National Correctional Officers Week"; to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself, Mr. GARN, and Mr. SASSER):

S.J. Res. 259. Joint resolution providing for the appointment of Barber B. Conable, Jr., as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. MCCONNELL:

S. Res. 259. A resolution promoting goodwill and cooperation between the Commonwealth of Independent States and the United States; to the Committee on Foreign Relations.

Mr. PRESSLER:

S. Con. Res. 91. Concurrent resolution expressing the Sense of Congress that the Commission on Broadcasting to the People's Republic of China should be appointed expeditiously, and make its recommendations and propose a plan to the Administration and Congress no later than 365 days after enactment of the Foreign Relations Authorization Act for Fiscal Years 1992 and 1993 (P.L. 102-138); to the Committee on Foreign Relations.

Mr. GRAMM (for himself and Mr. BENTSEN):

S. Con. Res. 92. Concurrent resolution expressing the sense of the Congress that the President should work with the participants at the San Antonio Summit toward stopping the trade in illicit drugs; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROCKEFELLER:

S. 2237. A bill to amend the Internal Revenue Code of 1986 to provide for a refundable child credit and to increase the earned income tax credit for larger families, to provide for a demonstration program for payments in lieu of child support payments owed by absent spouses, to encourage creation of jobs for low-income unemployed, and for other purposes; to the Committee on Finance.

FAMILY INCOME SECURITY ACT OF 1992

Mr. ROCKEFELLER. Mr. President, for 3 years I have had the honor and somewhat a struggle of chairing the National Commission on Children. This is a bipartisan board which was created by Congress and it was charged with examining every fact that has to do with family and children in our country, and then recommending a means for improving their lot.

The Family Income Security Act of 1992, which I rise today to introduce, is the principal product of the unanimous bipartisan recommendations of that commission, a 32 to nothing vote, members of the Bush administration, liberals, conservatives, everybody in between, a unanimous report.

It is our first and best hope to translate a vision of our Nation where every child is healthy, every child is educated, every child has the opportunity to contribute to our society into legislation. I refer to my income security legislation.

Mr. President, during my tenure as chair, we discovered that no single action by the Federal Government would benefit children more than by providing their families with true income security. That means helping families keep more of what they earn and helping them to reach up and grab the next rung on the ladders to success. That includes reforming our welfare system and rewarding hard work and demanding responsibility in ways that promote strong and stable families.

We were not alone in making these discoveries, obviously. In recent months, many of our colleagues have introduced legislation which parallels parts of the Family Income Security Act of 1992. I hope that I will be able to work with those colleagues to combine the best of their ideas into the systemic reform that we desperately need.

The time has come, in my view, to stop pretending that piecemeal approaches to family income security work, to stop pigeonholing families by income or education, to stop disassociating programs that are, in fact, intimately intertwined with one another. The time has come to shift emphasis from punishing those families of whom we appear not to approve, to rewarding those, whatever their income, who embrace the values that we hold dear, to wit; hard work, personal responsibility, family stability.

The Family Income Security Act is important because it puts every family in America on exactly the same footing. It recognizes the continuum between poverty and the middle class and between the middle class and wealth. It understands that individuals over time and families over generations can climb to higher levels of success if we do not place insurmountable barriers in front of them and that the vast majority of Americans can and want to contribute to our society.

It would take a lot more time than I am allowed to spend now to detail the damage done to our families in the past 10 years; the decline in living standards, the need for two incomes, where one once sufficed, the rising costs and the narrowing opportunities. You do not have to be an expert to see that something has gone terribly wrong. You just have to be, Mr. President, a parent.

But the experts and the economists among us have pointed out that in ignoring our families, we have undercut our ability, in fact, to compete economically. Attempts to revitalize American industry by encouraging capital formation, by focusing on money and credit, by changing laws and regulations can, at best, partially be effective. Ignoring those who can grow to direct those investments, to design and operate that capital equipment, to export and to sell our products abroad condemns us to fight our trade battles and economic battles with one hand tied behind our backs.

Investment in our families, particularly in our children, must be the cornerstone of any policy that embodies economic growth. Right now, we risk placing them in the nexus of a vicious downward spiral: Poor families, unprepared children, an inferior work force, a contracting economy, poor families, unprepared children and on and on. Without action, I believe this generation of children will have the sad distinction of being the first in that downward spiral. That is why, Mr. President, this legislation is so important.

The bill has four parts. All are wholly interdependent. A $1,000 refundable tax credit to replace the current personal exemption. This would benefit every family, without exception, and bring proportionality, greater relief to the middle-class and lower income families that most need help. The tax credit concept contrasts clearly with the President's proposal which increases only the personal exemption, thus saving top bracket taxpayers twice as much as middle-income families.

Second, simplification of the earned income tax credit and further adjustments for family size. I believe that simplifying paperwork and adjusting for family size would encourage millions of low-income working families who are not taking advantage of what is their due under the earned income tax credit to take advantage of this step toward self-reliance.

Third, child support insurance demonstration projects. Combining tough enforcement of child support laws, incentive and support for mothers who help track down missing fathers and a Government-insured minimum benefit when absent parents do not meet their obligations. Ultimately, this system would recapture, when fully implemented, between $25 and $29 billion out there in the private economy in unpaid child support. The effect of that on families with children who are owed that support is obviously enormous and you do not have to raise a single tax dollar to get it.

Fourth, waivers to economically depressed communities allowing them to use Federal funds to create jobs for low-income parents who are willing to work as an alternative to welfare.

Passage, Mr. President, of this legislation will leave all families with children better off. Middle-class families will keep more of what they earn, lower income working families will find themselves lifted out of poverty by tax credits and child support enforcement which is a compelling incentive to get a job and to get off welfare. Responsibility for one's employment and one's children is rewarding while child support cheats are hunted down and made to pay.

Mr. President, it makes sense, and all I can say to you is that the combination of the four parts of this package together will, in fact, mathematically and literally lift out of poverty the overwhelming majority of families in America who now do live in poverty, and help everybody else on the income scale with respect to bringing up children.

Welfare will once again become what it was intended to be: A transitional program helping families get through hard times. People who work hard and play by the rules will be able to get ahead and the system will work for them, too.

The opportunities that our Nation gives our families and our children now will determine the level to which we raise as a country in the next century. It is time we realize that doing a good job raising a family is both socially desirable and very expensive.

Most people do not understand that it costs the average parent to bring up the average child in this country between $6,000 and $8,000 a year. If you have 2 or 3 children, that is $12,000 or $18,000 a year more than families that do not have children.

That ever American has an economic stake in every American child is a sacred principle and that to help those children prosper, we must give parents the freedom they need to make basic decisions like what neighborhood they will grow up in and what school they will attend. Adequate family income by itself is, of course, no guarantee that a child will grow into a healthy, well educated and responsible adult. But ensuring parents' abilities to afford health insurance and decent day care, to put breakfast on the table every morning before the kids go to school and to put a little money in the bank for the future is a tremendous stride in the right direction.

The vast majority of families, rich or poor, are guided by the needs of their children. Our economic future demands that we as a Nation begin acting on that very same principle, whatever is best for our children.

As we look to expand our opportunities, as we prepare the way for those upon whom we will one day depend for our support, as we struggle to lead the world into the 21st century, we must, Mr. President, invest in our children. No Senate committee, no stockbroker, no mutual fund has the ability to invest as wisely as does a parent in the most neglected and potentially the most productive resource we possess, our children, but they can only do that if they have the resources.

I urge all of my colleagues to work with me to bring about the comprehensive changes that our citizens want and that, frankly, our economy demands.

I urge my colleagues to take the time to give this package the attention it is due, and I hope that they will join me in bringing it to fruition.

Mr. President, I ask unanimous consent to print a more detailed statement, a factsheet and a copy of the bill itself in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2237

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family Income Security Act of 1992".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.

TITLE I—REFUNDABLE CREDIT FOR CHILDREN

Sec. 101. Refundable credit for children.

TITLE II—EARNED INCOME TAX CREDIT INCREASED FOR LARGER FAMILIES

Sec. 201. Earned income tax credit increased for larger families.

TITLE III—CHILD SUPPORT INSURANCE DEMONSTRATION PROJECTS

Sec. 301. Establishment of child support insurance demonstration projects.

TITLE IV—COMMUNITY EMPLOYMENT OPPORTUNITY DEMONSTRATION PROJECTS

Sec. 401. Establishment.

Sec. 402. Eligible economically depressed communities.
Sec. 403. Waivers.
Sec. 404. Use of amounts.
Sec. 405. Regulations.
Sec. 406. Plan of implementation and effect of title.
Sec. 407. Evaluation and report.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) it is in the best interest of all Americans to ensure that children in the United States grow up in families that are financially able to meet the basic material needs of such children;

(2) poverty, hunger, and ill-health jeopardize the national productivity and security of the United States;

(3) the United States is the only advanced industrial democracy that lacks a universal system of income support for families raising children;

(4) children are the poorest Americans and are, therefore, among the most vulnerable citizens;

(5) families raising children have been disproportionately harmed by economic instability over the past decade;

(6) families raising children pay more than their fair share of the Federal tax burden;

(7) parents, regardless if such parents live together, have a responsibility to support their children financially, although many absent parents fail to meet this obligation;

(8) single-parent families are most vulnerable to poverty and financial hardship, especially if the absent parent does not contribute child support;

(9) the majority of poor families have at least one employed adult, and many families are unable to support their children adequately unless such families have more than one earner; and

(10) an adequate income can help foster family stability.

(b) PURPOSE.—To strengthen American families, encourage parental responsibility, meet the basic material needs of all children, and secure the Nation's future, it is the purpose of this Act to provide tax relief for families raising children, initiate demonstration programs to strengthen child support enforcement and guarantee a minimum level of support to all children of absent parents, and initiate demonstration programs to enable communities to create employment opportunities for low-income parents who are willing and able to work but experience difficulty entering the job market without aid.

TITLE I—REFUNDABLE CREDIT FOR CHILDREN

SEC. 101. REFUNDABLE CREDIT FOR CHILDREN.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. CHILDREN UNDER AGE 19.

"(a) GENERAL RULE.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to $1,000 multiplied by the number of qualifying children of the taxpayer for such taxable year.

"(b) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 1993, the dollar amount contained in subsection (a) shall be increased by an amount equal to—

"(1) such dollar amount, multiplied by

"(2) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 1992' for 'calendar year 1989' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5, such increase shall be rounded to the next highest multiple of $10).

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' has the meaning given to such term by section 32(c)(1) (determined without regard to subparagraphs (B) and (D) thereof).

"(2) QUALIFYING CHILD.—The term 'qualifying child' has the meaning given to such term by section 32(c)(3) (determined without regard to subparagraphs (C)(ii), (C)(iii), and (E) thereof).

"(3) CERTAIN OTHER RULES APPLY.—Subsections (d) and (e) of section 32 shall apply.

"(d) COORDINATION WITH MEANS-TESTED PROGRAMS.—Any refund made by reason of this section, and any payment made under section 3507A or 7524, shall be treated in the same manner as refunds made by reason of section 32 and payments made under 3507 for purposes of—

"(1) sections 402, 1612, and 1613 of the Social Security Act and title XIX of such Act, and

"(2) the laws referred to in paragraphs (1) through (5) of section 32(j).

"(e) COORDINATION WITH ADVANCE PAYMENTS OF CREDIT.—

"(1) RECAPTURE OF EXCESS ADVANCE PAYMENTS.—If any payment in excess of the amount of the credit allowable under this section is made to the individual by an employer under section 3507A or to the individual under 7524 during any calendar year, then the tax imposed by this chapter for the individual's last taxable year beginning in such calendar year shall be increased by the aggregate amount of such payments.

"(2) RECONCILIATION OF PAYMENTS ADVANCED AND CREDIT ALLOWED.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit (other than the credit allowed by subsection (a)) allowable under this subpart.

"(f) REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit allowed under this section for the taxable year shall be reduced by the amount of tax imposed by section 55 (relating to alternative minimum tax) with respect to such taxpayer for such taxable year."

(b) ADVANCE PAYMENT OF CREDIT.—

(1) IN GENERAL.—Chapter 77 of such Code is amended by inserting after section 7523 the following new section:

"SEC. 7524. ADVANCE PAYMENT OF CREDIT FOR CHILDREN UNDER AGE 19.

"(a) GENERAL RULE.—The Secretary of the Treasury shall make advance payments of refunds to which eligible taxpayers are entitled by reason of section 35.

"(b) ELIGIBLE TAXPAYER.—For purposes of this section, the term 'eligible taxpayer' means, with respect to any taxable year, any taxpayer if the taxpayer furnishes, at such time and in such manner as the Secretary may prescribe, to the Secretary such information as the Secretary may require in order to—

"(1) determine whether the taxpayer will be entitled to a refund by reason of section 35 for the taxable year,

"(2) verify the taxpayer's intention not to receive payments under section 3507A for the taxable year, and

"(3) estimate the amount of such refund.

"(c) QUARTERLY PAYMENTS.—The Secretary shall make the payments under this section on a quarterly basis in approximately equal amounts."

(2) REDUCTIONS IN WAGE WITHHOLDINGS.—

(A) IN GENERAL.—Chapter 25 of such Code is amended by inserting after section 3507 the following new section:

"SEC. 3507A. ADVANCE PAYMENT OF CREDIT FOR CHILDREN UNDER AGE 19.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages to an employee with respect to whom a child tax credit eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment to such employee equal to such employee's child tax credit advance amount.

"(b) CHILD TAX CREDIT ELIGIBILITY CERTIFICATE.—For purposes of this title, a child tax credit eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 35 for the taxable year and declares the employee's intention not to receive payments under section 7524 for the taxable year,

"(2) certifies that the employee does not have a child tax credit eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer, and

"(3) states whether or not the employee's spouse has a child tax credit eligibility certificate in effect.

For purposes of this section, a certificate shall be treated as being in effect with respect to a spouse if such a certificate will be in effect on the first status determination date following the date on which the employee furnished the statement in question.

"(c) CHILD TAX CREDIT ADVANCE AMOUNT.—For purposes of this title, the term 'child tax credit advance amount' means, with respect to any payroll period, the amount determined—

"(1) on the basis of the number of the employee's qualifying children (as defined in section 35(c)(2), and

"(2) if a child tax credit eligibility certificate is in effect with respect to the spouse of the employee, as if the credit provided by section 35 were a credit of not more than ½ of the amount otherwise determined under such section.

"(d) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (d) and (e) of section 3507 shall apply for purposes of this section. Proper adjustments shall be made in the application of such rules under this section to take into account payments under section 3507."

(B) INFORMATION SHOWN ON W-2.—Subsection (a) of section 6051 of such Code (relating to receipts to employees) is amended by striking "and" at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting ", and" and by inserting after paragraph (9) the following new paragraph:

"(10) the total amount paid to the employee under section 3507A (relating to advance payment of child tax credit)."

(C) REQUIREMENT OF RETURN.—Subsection (a) of section 6012 of such Code (relating to persons required to make returns of income) is amended by inserting after paragraph (9) the following new paragraph:

"(10) Every individual who receives payments during the calendar year in which the taxable year begins under section 3507A (relating to advance payment of child tax credit)."

(D) Cross Reference.—Subsection (e) of section 6302 of such Code (relating to mode or time of collection) is amended by adding at the end thereof the following new paragraph:

"(3) For treatment of child tax credit advance amount as payment of withholding and FICA taxes, see section 3507A(d)."

(c) Denial of Deduction for Personal Exemptions For Which Credit Allowed.—Section 151(d) of such Code is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) Denial of deduction for personal exemptions for which credit allowed.—The exemption amount for any qualifying child (as defined in section 35(c)(2)) shall be zero."

(d) Technical Amendment.—Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period "or from section 35 of such Code".

(e) Clerical Amendments.—

(1) The table sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Children under age 19.

"Sec. 36. Overpayments of tax."

(2) The table sections for chapter 77 of such Code is amended by inserting after the item relating to section 7523 the following new item:

"Sec. 7524. Advance payment of credit for children under age 19."

(3) The table sections for chapter 25 of such Code is amended by inserting after the item relating to section 3507 the following new item:

"Sec. 3507A. Advance payment of credit for children under age 19."

(f) Program To Increase Public Awareness.—Not later than the first calendar year following the date of the enactment of this Act, the Secretary of the Treasury and the Commissioner of the Internal Revenue Service, in consultation with the Secretary of Health and Human Services, the Commissioner of Social Security, and the heads of other appropriate Federal agencies, shall establish a taxpayer awareness program to inform the public of the availability of the credit for children allowed under section 35 of the Internal Revenue Code of 1986, as added by this section. Such program shall be designed to assure that individuals who may be eligible are informed of the availability of such credit and filing procedures. Such program shall also be coordinated with the program to increase public awareness of the availability of the earned income credit allowed under section 32 of such Code. The Secretary shall use appropriate means of communication to aggressively disseminate the necessary information to carry out the provisions of this subsection.

(g) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

TITLE II—EARNED INCOME TAX CREDIT INCREASED FOR LARGER FAMILIES.

SEC. 201. EARNED INCOME TAX CREDIT INCREASED FOR LARGER FAMILIES.

(a) In General.—Subparagraph (C) of section 32(b)(1) of the Internal Revenue Code of 1986 (relating to basic earned income credit) is amended to read as follows:

"(C) Percentages.—For purposes of this paragraph—

"(i) In general.—Except as provided in clause (ii), the percentages shall be determined as follows:

"In the case of an eligible individual with:	The credit percentage is:	The phaseout percentage is:
1 qualifying child	23	16.43
2 qualifying children	25	17.86
3 or more qualifying children	29	20.71

"(ii) Transition percentages.—

"(I) For taxable years beginning in 1993, the percentages are:

"In the case of an eligible individual with:	The credit percentage is:	The phaseout percentage is:
1 qualifying child	17.6	12.57
2 qualifying children	18.4	13.14
3 or more qualifying children	21.0	15.00

"(II) For taxable years beginning in 1994:

"In the case of an eligible individual with:	The credit percentage is:	The phaseout percentage is:
1 qualifying child	18.5	13.21
2 qualifying children	19.5	13.93
3 or more qualifying children	23.0	16.43."

(b) Repeal of Interaction With Medical Expense Deduction.—Section 213 of the Internal Revenue Code of 1986 (relating to medical, dental, etc., expenses) is amended by striking subsection (f).

(c) Repeal of Interaction With Deduction for Health Insurance Costs of Self-Employed.—Paragraph (3) of section 162(l) of such Code is amended to read as follows:

"(3) Coordination with medical deduction.—Any amount paid by a taxpayer for insurance to which paragraph (1) applies shall not be taken into account in computing the amount allowable to the taxpayer as a deduction under section 213(a)."

(d) Repeal of Interaction With Dependent Care Credit.—Subparagraph (D) of section 32(b)(1) of such Code is amended by striking the last sentence.

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

TITLE III—CHILD SUPPORT INSURANCE DEMONSTRATION PROJECTS

SEC. 301. ESTABLISHMENT OF CHILD SUPPORT INSURANCE DEMONSTRATION PROJECTS.

(a) In General.—In order to encourage States to guarantee a minimum level of child support for every eligible child not receiving such support from a noncustodial parent, the Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") shall make grants to not less than 4 States but not more than 6 States to conduct demonstration projects for purposes of establishing or improving a system of insured minimum child support payments in accordance with this section.

(b) Contents of Application.—An application submitted by the Governor of a State shall—

(1) contain a description of the proposed child support insurance project to be established, implemented, or improved using amounts provided under this section, including the specific activities to be undertaken and the agencies to be involved;

(2) specify whether the project will be carried out throughout the State or in limited areas of the State;

(3) estimate the number of children who will be eligible for insured minimum child support payments under the project, and the amounts to which they will be entitled, on average as individuals and in the aggregate;

(4) describe the child support guidelines and review procedures which are in use in the State and any expected modifications;

(5) contain a commitment by the State to carry out the project during a period of 3 consecutive years beginning with fiscal year 1993;

(6) contain assurances that the State is currently at or above the national median in—

(A) the number of cases in which paternity is established when required;

(B) the number of cases in which child support orders are obtained; and

(C) the number of cases with child support orders in which collections are made;

(7) contain assurances that, to the maximum extent possible under current law, the State will use Federal, State, and local job training assistance to assist individuals who have been determined to be unable to meet such individuals' child support obligations;

(8) describe the extent to which multiple agencies, including those responsible for administering the Aid to Families With Dependent Children Program under part A of title IV of the Social Security Act and child support collection, enforcement, and payment under part D of such title, will be involved in the design and operation of the child support insurance project; and

(9) contain such other information as the Secretary may require by regulation.

(c) Use of Funds.—A State shall use amounts provided under a grant awarded under this section to carry out a child support insurance project designed to provide a minimum monthly child support benefit for each eligible child in the State to the extent that such minimum child support is not paid in a month by the noncustodial parent.

(d) Requirements.—

(1) In general.—A child support insurance demonstration project funded under this section shall provide that—

(A) any child (as defined in paragraph (2)) with a living noncustodial parent for whom a child support order has been obtained or any child (as so defined) whose custodial parent meets "good cause" criteria (as determined by the Secretary under section 402(a)(26)(B) of the Social Security Act) for not seeking or enforcing a support order is eligible for the insured child support benefit;

(B) the insured child support benefit shall be paid promptly to the custodial parent at least once a month and shall be—

(i) $1,500 per year minimum for the first child, $1,000 per year minimum for the second child, and $500 per year minimum for each subsequent child;

(ii) offset and reduced to the extent that the custodial parent receives child support in a month from the noncustodial parent;

(iii) indexed and adjusted for inflation; and

(iv) in the case of a family of children with multiple noncustodial parents, calculated in the same manner as if all such children were full siblings, but any child support payment from a particular noncustodial parent shall only be applied against the child support insured benefit for the child or children of that particular noncustodial parent;

(C) except in a State described in section 402(a)(28) of the Social Security Act, the monthly amount of Aid to Families With Dependent Children benefit received under part A of title IV of the Social Security Act otherwise determined under such part shall be reduced by the applicable percentage (as determined in paragraph (3)) of the amount received as a child support insurance benefit for such month;

(D) for purposes of determining the need of a child or relative and the level of assistance under title IV of the Social Security Act or for purposes of determining the eligibility of such a child or relative under title XIX of such Act any amount received as a child support insurance benefit shall be disregarded from income of such child or relative;

(E) in the event that the family as a whole becomes ineligible for Aid to Families With Dependent Children under part A of the Social Security Act due wholly or partly to consideration of child support insurance benefits, the continuing eligibility of the caretaker for Aid to Families With Dependent Children under such title shall be calculated without consideration of the child support insured benefit; and

(F) in order to participate in the child support insurance project, the child's caretaker shall apply for services of the State's child support enforcement program under part D of title IV of the Social Security Act.

(2) CHILD DEFINED.—For purposes of this section, the term "child" means an individual who is of such an age, disability, or educational status as to be eligible for child support as provided for by the law of the State in which such individual resides.

(3) DETERMINATION OF APPLICABLE PERCENTAGE.—For purposes of this section, the applicable percentage shall be determined by the Secretary, except that in demonstration projects in at least 3 States, the applicable percentage shall be 0, 50, and 100, respectively.

(e) CONSIDERATION AND PRIORITY OF APPLICATIONS.—

(1) IN GENERAL.—The Secretary shall consider all applications received from States desiring to conduct demonstration projects under this section and shall approve not more than 6 applications which appear likely to contribute significantly to the achievement of the purpose of this section. In selecting States to conduct demonstration projects under this section, the Secretary shall—

(A) consider the geographic dispersion and variation in population of the applicants;

(B) give priority to States the applications of which demonstrate that efforts will be made to link child support systems with other service delivery systems; and

(C) ensure that, if feasible, the States selected use a variety of administrative arrangements for implementing child support guidelines and a system of insured child support payments.

(2) SPECIFIC CONSIDERATIONS.—Of the States selected to participate in the demonstration projects conducted under this section, the Secretary shall endeavor to ensure that—

(A) at least 2 States provide intensive integrated social services for low-income participants in the child support insurance project, for the purpose of assisting such participants in improving their employment, housing, health, and educational status;

(B) at least 2 States plan to cooperate and to integrate interstate establishment and enforcement of child support awards;

(C) at least 2 States containing large urban areas conduct such projects, in whole or in part, in such areas; and

(D) at least 1 State containing large rural areas conduct such a project, in whole or in part, in such areas.

(f) EVALUATION AND REPORTS.—

(1) IN GENERAL.—Each State that conducts a demonstration project under this section shall, as a part of such demonstration project, conduct an interim and a final evaluation of the effectiveness of the demonstration project and shall submit an interim and final report to the Secretary concerning the results of the evaluation and any improvements in child support enforcement. The interim report shall be submitted within 15 months of the commencement of the project.

(2) CONTENTS.—The evaluation and report submitted by a State to the Secretary shall analyze and describe (in such a manner as prescribed by the Secretary)—

(A) the impact of the child support insurance project on the economic and noneconomic well-being of children and adults in both custodial and noncustodial households;

(B) the work force participation rates of both custodial and noncustodial parents as a result of participation in the child support insurance project;

(C) the impact of the child support insurance project on Aid to Families With Dependent Children participation rates, grants, and funding levels;

(D) a comparison of enforcement effectiveness in intrastate and interstate cases;

(E) the impact on custodial and noncustodial families of access to intensive integrated services for custodial families and to job training services for noncustodial parents;

(F) the impact of child support guidelines on the effectiveness of the child support insurance project and the economic well-being of children and adults in both custodial and noncustodial families;

(G) administrative policies and laws of the Federal Government and the State or a political subdivision of the State, identified by the State as impediments to the collection of adequate child support payments from noncustodial parents;

(H) the measures that the State has taken or intends to take to eliminate or reduce impediments described in subparagraph (G) that are attributable to administrative policies and laws of the State or a political subdivision of the State;

(I) the impact of the child support insurance projects on the number of child support awards and custody arrangements;

(J) the net costs and benefits of providing child support insurance benefits to the Federal and State governments and to recipient families; and

(K) any other relevant items as the Secretary may require.

(g) DURATION.—A demonstration project conducted under this section shall be commenced not later than fiscal year 1993 and shall be conducted for a period of 3 consecutive years, except that the Secretary may terminate a project before the end of such period if the Secretary determines that the State conducting the project is not in substantial compliance with the terms of the application approved by the Secretary under this section.

(h) COST SAVINGS RECOVERY.—The Secretary shall develop a methodology to identify any State cost savings realized in connection with the implementation of a child support insurance demonstration project conducted under this Act. Any such savings realized as a result of the implementation of a child support insurance demonstration project shall be utilized for child support enforcement improvements or expansions and improvements in the Aid to Families With Dependent Children Program conducted under part A of title IV of the Social Security Act within the participating State, and Federal expenditures for such project within the State shall be reduced in proportion to any such savings.

(i) EVALUATION AND REPORT TO CONGRESS.—The Secretary shall conduct an interim and a final evaluation of each State child support incurance demonstration project and submit an interim and final report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives concerning the effectiveness of the child support insurance demonstration projects funded under this section. The interim report shall be submitted within 18 months of the commencement of the first State child support insurance demonstration project. The interim and final reports shall analyze the reports received by the Secretary under subsection (f) from each participating State and shall compare the effects of different types of child support guidelines.

(j) RESTRICTIONS ON MATCHING AND USE OF FUNDS.—

(1) IN GENERAL.—A State conducting a demonstration project under this section shall be required—

(A) except as provided in paragraph (2), to provide not less than 20 percent of the total amounts expended in each calendar year of the project to pay the costs associated with the project funded under this section; and

(B) to maintain its level of expenditures for child support collection, enforcement, and payment at the same level, or at a higher level, than such expenditures were prior to such State's participation in a demonstration project provided by this section.

(2) EXCEPTION.—A State participating in a demonstration project under this section may provide not less than 10 percent of the total amounts expended to pay the costs associated with the project funded under this section in years after the first year such project is conducted in such State if the State continues to meet the standard specified in subsection (b)(6).

(k) COORDINATION WITH CERTAIN MEANS-TESTED PROGRAMS.—For purposes of—

(1) the United States Housing Act of 1937;

(2) title V of the Housing Act of 1949;

(3) section 101 of the Housing and Urban Development Act of 1965;

(4) sections 221(d)(3), 235, and 236 of the National Housing Act;

(5) the Food Stamp Act of 1977;

(6) titles XVI and XIX of the Social Security Act; and

(7) child care assistance provided through part D of title IV of the Social Security Act, the Child Care and Development Block Grant, or title XX of the Social Security Act,

any payment made to an individual for child support up to the amount which a child support insurance benefit would provide shall not be treated as income and shall not be taken into account in determining resources for the month of its receipt and the following month.

(l) TREATMENT AS CHILD SUPPORT BENEFIT.—Any insured child support benefit received by an individual under this title shall be considered child support for purposes of the Internal Revenue Code of 1986.

(m) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary in each of the fiscal years 1993, 1994, and 1995 to carry out the purposes of this section.

TITLE IV—COMMUNITY EMPLOYMENT OPPORTUNITY DEMONSTRATION PROJECTS

SEC. 401. ESTABLISHMENT.

The Secretary of Health and Human Services and the Secretary of Labor (hereafter referred to in this title as the "Secretaries"), in consultation with the Secretary of Agriculture, shall establish a program to implement community employment demonstration projects under which waivers may be granted under section 403 to eligible economically depressed communities to enable such communities to use amounts received under certain Federal programs to carry out certain community employment activities to provide opportunities for parents receiving welfare assistance to obtain employment.

SEC. 402. ELIGIBLE ECONOMICALLY DEPRESSED COMMUNITIES.

(a) In General.—The Secretaries shall determine whether a community is an eligible economically depressed community solely on the basis of the eligibility criteria described in this section.

(b) Eligibility Criteria.—To be classified as an economically depressed community and be eligible for a waiver under this title, a community shall meet the following criteria:

(1) Application.—The community shall prepare and submit to the Secretaries an application at such time, in such manner and containing such information as such Secretaries may require, including a plan for use of the amounts to which a waiver applies under this title.

(2) Distress.—The community must be one of pervasive poverty, unemployment, and general distress.

(3) Location.—The community must be located entirely within one State.

(4) Unemployment rate.—The unemployment rate (as determined by the appropriate available data) of the community must not be less than 1.5 times the national unemployment rate.

(5) Poverty rate.—The poverty rate (as determined by the most recent census data available) for not less than 90 percent of the population census tracts (or where not tracted, the equivalent county divisions as defined by the Bureau of the Census for the purposes of defining poverty areas) within the community must not be less than 20 percent.

SEC. 403. WAIVERS.

(a) Authority.—The Secretaries may grant a waiver to an eligible economically depressed community under this title that shall provide that, instead of any payments made under the programs specified in subsection (b) with respect to such community for the uses required under such program, such payments shall be made to such community to be used as provided under section 404. Such payments shall be made on such a periodic basis as approximates the periodic payments made under such programs.

(b) Programs Incorporated.—The programs described in subsection (a) are as follows:

(1) Programs designed solely for adult participation under the Job Training Partnership Act.

(2) Employment and training programs under section 6(d) of the Food Stamp Act of 1977.

(3) Programs under part F of title IV of the Social Security Act.

(c) Determination.—

(1) In general.—The Secretaries, in consultation with the Secretary of Agriculture, shall promulgate regulations for determining the amount of payments to which a waiver granted under this section applies.

(2) Deduction from payments made to States.—Regulations promulgated under paragraph (1) shall prescribe procedures under which, with respect to the programs described in subsection (b), the respective Secretaries that administer such programs shall—

(A) determine the amount of payments under such programs that are generally made available by a State to an eligible economically depressed community; and

(B) ensure that such amounts are provided by the State to such community for use as provided for in section 404.

(d) Number.—The Secretaries shall grant not less than 15 nor more than 25 waivers under this section.

SEC. 404. USE OF AMOUNTS.

(a) In General.—Subject to subsection (b), an economically depressed community that receives a waiver under this title shall use the amounts to which such waiver applies to carry out activities to provide public employment and community work opportunities to assist parents residing in such community to make the transition from receiving assistance under part A of title IV of the Social Security Act or the Food Stamp Act of 1977 to being a member of the workforce.

(b) Limitations.—

(1) Useful public purpose.—Employment and work opportunities provided under subsection (a) shall be limited to those that serve a useful public purpose, as determined by the Secretaries, with respect to the areas of health, social services, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and child care.

(2) Displacement of workers.—No amounts to which a waiver under this title applies shall be used in a manner that results in—

(A) the displacement of any currently employed worker or position (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits) or result in the impairment of existing contracts for services or collective bargaining agreements;

(B) the employment or assignment of any individual or the filling of a position when—

(i) any other individual is on layoff from the same or any equivalent position; or

(ii) the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the effect of filling the vacancy so created with an individual subsidized with amounts to which the waiver applies;

(C) any infringement of the promotional opportunities of any currently employed individual; or

(D) the promotion or deterrence of labor union organization.

(3) Local wage rates.—Wages shall be provided to individuals engaged in activities funded with amounts to which a waiver provided under this title applies in amounts that are comparable to wages provided to other individuals in the community who are engaged in similar employment activities. No individual shall be required to engage in activities funded with amounts to which a waiver provided under this title applies if wages for such activities are less than the level of assistance under part A of title IV of the Social Security Act to which such individual is eligible.

(4) Family support services.—Each community that is granted a waiver under this title shall guarantee that appropriate child or other care is provided for each family with a dependent child or adult requiring such care, to the extent such care is necessary for an adult in the family to accept employment or remain employed with respect to the activities funded with amounts to which such waiver applies. Such child care shall be provided in a manner that is consistent with the provisions of the Child Care and Development Block Grant Act of 1990, and shall include coverage for transportation and other work-related expenses relating to such care in a manner consistent with section 402(g) of the Social Security Act.

SEC. 405. REGULATIONS.

The Secretaries, in consultation with the Secretary of Agriculture, shall promulgate regulations that such Secretaries determine necessary to carry out this title. Such regulations shall ensure that individuals in an economically depressed community that receives a waiver under this title will continue to receive a level of benefits that, at a minimum, is comparable to the level of benefits that otherwise would be received under the programs described under section 403(b) if such waiver were not granted. Such regulations shall also permit waivers of certain requirements under the programs referred to in section 403(b) with respect to States and communities participating in projects under this title, including requirements concerning the provision of matching funds and concerning mandatory participation rates.

SEC. 406. PLAN OF IMPLEMENTATION AND EFFECT OF TITLE.

(a) Plan.—Not later than 6 months after the date of enactment of this title, the Secretaries shall prepare and submit to the appropriate committees of Congress a plan for the implementation of the demonstration projects established by the Secretaries under this title. Such plan shall contain—

(1) a description of the manner in which such Secretaries intend to implement such project;

(2) a copy of the regulations that such Secretaries intend to promulgate to carry out such project; and

(3) an estimation of the number of applications that such Secretaries expect to receive from communities for waivers under this title and a description of the activities that will be carried out with amounts to which any such waivers will apply.

(b) Effectiveness.—If, within 3 months after the date on which the plan of the Secretaries is submitted under subsection (a), the Congress has failed to consider and adopt a joint resolution for refusal of implementation or to modify such plan, such plan shall take effect.

SEC. 407. EVALUATION AND REPORT.

(a) Evaluation.—The Secretaries, in consultation with the Secretary of Agriculture shall maintain an ongoing evaluation of the projects funded under this title.

(b) Report.—Not later than 3 years after the date of enactment of this title, the Secretaries, in consultation with the Secretary of Agriculture shall prepare and submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report concerning the effects of the waivers granted to communities under this title, that shall include the results of the evaluation conducted under subsection (a).

Factsheet—Senator Jay Rockefeller, the Family Income Security Act of 1992

The Family Income Security Act of 1992 addresses the economic needs of families raising children by rewarding hard work, encouraging individual responsibility, and promoting strong, stable families. For middle class families, it provides a tax credit to offset the rising costs of raising children. For most poor families, it provides positive incentives for parents to choose work over welfare. Under the provisions of the Family Income Security Act, the combination of a minimum wage job, a refundable tax credit for children, the Earned Income Credit, and guaranteed child support will lift most low-income families out of poverty and into the economic and social mainstream. For all families, it says that society recognizes and values the job of raising children well.

The Family Income Security Act of 1992 is based on the income security recommendations of the National Commission on Children.

TITLE I—REFUNDABLE TAX CREDIT FOR CHILDREN

This title establishes a $1,000 tax credit for each child up to age 19.

The tax credit is indexed for inflation.

The tax credit is refundable, i.e., families who do not earn enough to pay taxes or whose tax liability does not exceed the amount of the credit would receive cash equal to the amount of the credit.

The credit replaces the existing dependent exemption. At all income levels, the result is a net gain for families claiming the credit:

For families in the 31 percent tax bracket, the credit is worth one and one-half times the current personal exemption for dependents.

For families in the 15 percent tax bracket, the credit is worth three times the current present exemption for dependents.

For families that earn too little to have tax liability, the credit is worth $1,000 cash.

A taxpayer awareness program will be established to inform the public of the availability of the new credit and how to file for it.

The program will coordinate with programs to increase public awareness of the earned income credit.

TITLE II—INCREASE OF THE EARNED INCOME CREDIT

Current law provides that the earned income credit for low-income working parents increases slightly for families with two or more children. The bill further adjusts the earned income credit to increase its value for families with three or more children.

The bill repeals the interactions of benefits under the earned income credit with other medical health insurance and dependent care tax benefits, so that recipients do not have to choose between the EIC and other tax credit. This removes a complication in computation and filing that often deters eligible tax filers from claiming the credit.

TITLE III—A CHILD SUPPORT INSURANCE DEMONSTRATION PROJECT

This title establishes a demonstration project in four to six states to ensure that every child with a noncustodial parent receives a minimum level of child support from that parent. When a noncustodial parent is unable to pay his or her full obligated amount of support, the federal government will provide a minimum benefit, provided the custodial parent has a child support order in place and cooperates with child support enforcement authorities.

The National Commission on Children recommended a pilot program as the first step toward establishment of a national child support insurance program, contingent on a positive report from the demonstration project.

Provisions of the child support insurance demonstration:

An insured child support benefit to be paid monthly to the custodial parent: $1,500 per year minimum for the first child, $1,000 per year minimum for the second child, and $500 per year minimum for each subsequent child.

Reduction of the government benefit by the amount of child support received from the noncustodial parent.

Coordination with federal means-tested programs:

AFDC payments to families receiving an insured benefit would be reduced on a sliding scale, from 0 percent to 100 percent. The amount of the offset would vary to test the impact of the program on participant behavior. Eligibility For AFDC would not be affected by receipt of the insured benefit.

The child support benefit would be disregarded as income when determining eligibility for food stamps, Medicaid, housing assistance, or child care programs.

Requirement that parents receiving the government-insured benefit must have a child support order in force or have "good cause" not to seek such an order and that they cooperate with child support enforcement authorities.

Evaluation of the demonstration over a three year period, with a report to Congress and the Administration regarding the success of the demonstration, including the estimated cost savings from a strong child support enforcement program.

TITLE IV—COMMUNITY EMPLOYMENT OPPORTUNITY DEMONSTRATION

This title establishes a small demonstration program to give economically depressed communities the flexibility to use federal training funds from existing programs to create community employment opportunities for parents receiving welfare who cannot find employment. The pilot is limited to 15 to 25 communities. This demonstration is designed to help move parents from welfare to work by providing community employment in areas where it may be difficult for parents to find jobs in the private market.

The Secretaries of Health and Human Services, Labor, and Agriculture are directed to design a waiver program to enable eligible communities to target funding from the JOBS program, JTPA funding for adult employment, and the Food Stamp Employment and Training program into community employment.

Community employment waivers cannot be used to displace any workers or existing positions. Wages provided for community employment shall be comparable to wages provided to individuals in the community engaged in similar activities. Eligible job recipients would not be required to participate if wages do not equal or exceed the level of their AFDC benefit.

INTRODUCTION OF FAMILY INCOME SECURITY ACT OF 1992, SENATOR JOHN D. ROCKEFELLER IV

Mr. President, I am proud to introduce the Family Income Security Act of 1992. It addresses the economic needs of families raising children by rewarding hard work, encouraging individual responsibility, and promoting strong, stable families.

The major components of this legislation are: a $1,000 refundable child tax credit for all children up to age 19, to replace the personal exemption for dependent children; simplification of the Earned Income Credit and further adjustments for family size; child support insurance demonstration projects that would combine tough child support enforcement with a government-insured minimum benefit when absent parents do not meet their support obligations; and waivers to economically depressed communities so they can use certain federal funds to create jobs for low-income parents who are willing and able to work but cannot find jobs on their own.

This legislation is a direct result of the work of the National Commission on Children, which I have the privilege of chairing. The Commission's 34 members—appointed by the Congress and the President—are a diverse group of individuals from all walks of life, all parts of the country, both political parties, and all points on the ideological spectrum. We each see the world very differently. By all accounts, we should be able to agree on absolutely nothing—least of all a vision of what America can and should be: a nation that puts its children and their families first.

Yet the National Commission made history this past summer when, in a unanimous, bipartisan vote, we agreed on a bold and comprehensive blueprint for public and private sector action on behalf of the nation's children.

Our consensus did not come easily. It is the result of two and a half years of work—of careful study and honest debate—of traveling the country together to see and hear firsthand the needs and concerns of parents and children.

At the center of the Commission's work is a comprehensive income security plan to ensure that all families raising children have the economic security they need to meet their children's physical, social, and emotional needs.

Children are the big economic losers of the past decade. They are the poorest Americans and have been since the mid-1970s. Today, one in five American children lives in a family whose income is below the federal poverty level. Many of these children are poor despite the fact that at least one of their parents is working.

Middle-class families are hurting as well. For most of our history, American parents have taken pride in the fact that each generation has been better educated, better housed, more skilled, and more economically secure than the previous one. But for many middle-income families, those days are over. Since the mid-1970s, wages have stagnated, while the costs of housing, feeding, and clothing children, purchasing health care and paying college tuition have all skyrocketed. At the same time, the tax burden on working families with children has nearly doubled—from 14 percent of family income in 1960, to almost 25 percent today.

It's no wonder so many middle-class families can no longer make ends meet on just one pay check—or that the majority of parents in a Commission survey said that money and and time pressures were tearing at the seams of family life. And it's no wonder so many middle-class parents think their government has forgotten about them.

The National Commission on Children responded to the increasing economic vulnerability of families raising children with a comprehensive income security plan, which I am proud to introduce as legislation.

We called first for a $1,000 refundable child tax credit to replace the current personal exemption for dependent children. This is a universal credit, available for all children up to age 19 regardless of their family's income, composition, or patterns of employment. For middle-income families, it is a tax cut to offset the rising costs of raising children. For those in the 15 percent bracket, the $1,000 credit is worth three times the amount of the present exemption. For those in the 31 percent bracket, it is worth almost 1.5 times what they now get. For poor families, it provides badly-needed help without the stigma of welfare. For low-income working families, it may be the essential boost they need to continue to choose work over welfare. And for all families, it says that as a society, we think the job of raising children is important and valuable.

Mr. President, there are many proposals before Congress to relieve the tax burden on average Americans and jumpstart our stalled economy. In meeting these important goals, however, we must avoid policies that further divide the middle class from the poor. Families raising children, regardless of income, have the same needs and the same aspirations. Most poor families have at least one adult who works or wants to work. They identify strongly with middle-class aspirations for security and material reward. Yet we relegate them to a welfare system that is fundamentally anti-work and anti-family, that stigmatizes parents and children, discourages hope, and fosters dependence.

If our goal is make all families strong, stable, and self-reliant, we must build a system that encourages all families, including poor families, to be part of the economic and social mainstream. Society has an equal stake in children who grow up economically secure and those who grow up in poverty—and our public policies must acknowledge that by providing the same incentives, expectations, and rewards to all families.

For that reason, we insist on a refundable child tax credit. A nonrefundable credit would deny basic income security to a substantial proportion of the nation's children—especially those wh are most vulnerable. Rough estimates suggest that at least a quarter of all children would be excluded if the credit was not refundable—and about half of all black and Hispanic children. Twenty percent of children whose parents are employed and struggling to make ends meet would not benefit. In 1992, for example, a two-parent family with two children would have to have an income of $15,250 to receive any benefit at all from a nonrefundable credit. Families with a parent who works full-time, full-year at minimum wage would be left out. So would families with one full-time and one half-time worker, both earning low wages.

Nor are proposals to increase the personal exemption acceptable. This approach provides the greatest benefit to families earning more than $50,000 a year, and the least benefit to those earning below that amount—even though about 70 percent of children live in families with adjusted gross incomes below $50,000. As with nonrefundable credit, working poor families earning less than $15,250 would not benefit at all, and 20 percent of children in families with at least one worker would not benefit.

If we adopt a nonrefundable child tax credit or increase the personal exemption, we will be sending a clear message to working poor families that they are not as important, not as deserving—that our measure of worth is not how hard you work, but how much money you make.

The second component of this legislation is simplification of the Earned Income Credit and further adjustments to the credit for family size. The National Commission on Children strongly endorsed the Earned Income Credit. It is a highly effective means for targeting income assistance to employed households with children. Last year Congress more than doubled the value of the EIC, adjusted it for families with two or more children, and provided special supplements for families who pay for health insurance or have an infant. These changes will be fully phased in by 1994.

Unfortunately, an unintended consequence of last year's expansion was to increase the complexity of the form that must be filed by more than 12 million low-income working families who are eligible for the credit. This added complexity may result in as many as 3 million eligible taxpayers who will not file at all or who will file incorrectly. As a result they will not receive the full credit to which they are entitled or their refunds could be seriously delayed.

If we are serious about encouraging work over welfare, then let's stop placing roadblocks in front of the millions of working poor parents who are trying to do what's right and best for their children. To reduce these barriers, my legislation will eliminate the interaction rules between the EIC's young child supplement and the Dependent Care Tax Credit, and between the EIC's health insurance credit and other medical deductions.

The Commission also urged further adjustments to the EIC for family size. This legislation therefore also adjusts the credit to provide additional support to families with three or more children.

Third, the National Commission on Children believes strongly that one parent should not be expected to bear the burden of two. All parents are responsible for supporting their children whether they live with them or not. Yet a third of all absent parents—mostly fathers—pay no child support at all. And many others pay only a fraction of the amount they owe. Only one custodial parent in four receives the full amount of court-ordered child support from an absent parent. All too often, when absent parents shirk their responsibility, the rest of us support their children—through AFDC, Medicaid, food stamps, and other welfare programs. The nation is slowly awakening to the realization that failure to pay child support has reached epidemic proportions—and the victims of this epidemic are millions of American children.

The National Commission on Children recommended much tougher child support enforcement—because absent fathers have had a free ride long enough, because the taxpayers have borne their burden long enough, and, most importantly, because their children need their support.

We also proposed a new social contract between custodial parents and the government. The government will provide a custodial parent and her children with a minimum insured child support benefit—up to $1,500 per year for the first child, $1,000 for the second, and $500 for all subsequent children—when an absent parent cannot meet his obligations. To be eligible for this benefit, however, a custodial parent must have established paternity, and must have in place either a court-ordered child support award or a voluntary agreement to pay child support. This cooperation will give the government the tools it needs to pursue absent parents and make them pay. When absent parents are truly unable to support their children, and only then, the government will provide a minimum benefit.

Our best estimates indicate that an efficient and effective child support system could yield $24 to $29 billion a year—up to four times the amount now collected—and reduce or eliminate some families' dependence on welfare. Such a system would also underscore the importance society attaches to parenthood. It sends a very clear message: if you bring children into the world, you are responsible for their material support—and we will hold you to that obligation.

Because this is a radical departure from present practice, the Commission called first for a national demonstration in 4 to 6 states to test the concept and work out the administrative bugs. If it is successful—and I believe it will be—this child support insurance system should be implemented nationwide.

Finally, parents who are willing and able to work sometimes need a helping hand. For those moving from welfare to work, the Family Support Act provides job training, child care, continued health insurance benefits, and other benefits, and we strongly endorse these efforts. For those who have difficulty entering the job market on their own, the Commission encouraged states and communities to provide employment opportunities. This legislation calls on the secretaries of Labor, Health and Human Services, and Agriculture to work together to grant waivers that will allow economically depressed communities to use some of their existing federal funds coming to create jobs that meet local community needs and pay comparable wages.

Mr. President, passage of this legislation will make all families with children economically better off. Middle-class families will keep more of what they earn. And the combination of a minimum wage job, the Earned Income Tax Credit, the refundable child tax credit, and guaranteed child support will lift most low-income families out of poverty—in a way that rewards hard work and encourages personal responsibility. Welfare could once again become the transitional program it was intended to be—helping families through periods of severe economic hardship rather than supporting them indefinitely and inadequately. Families who work hard and play by the rules will no longer lose out—and their children will be the biggest winners of all. Fewer will grow up in poverty, and over time, fewer families will depend on welfare.

The provisions of this legislation will cost approximately $40.4 billion in the first year of their enactment—$40.3 billion for the refundable child tax credit, and $100 million for the child support demonstrations. To pay for these and its other recommendations, the National Commission on Children offered seven alternative financing packages. In varying combinations, they include new revenue sources and possible reallocations of current federal spending.

In the last year, public concern and attention have focused sharply on the nation's continuing economic slump and the problems facing an increasing number of American children. We have a rare opportunity to address both these concerns through adoption of this legislation. It provides badly needed tax relief to families raising children, makes a critical national investment in children's well-being, and enables parents, through work and individual responsibility, to meet their children's material needs. I hope Congress and the President, like the Commission they appointed, will give this proposal their enthusiastic, bipartisan support.

By Mr. BURNS:

S. 2238. A bill for the relief of J&V Restaurant Supply and Refrigeration, and for other purposes; to the Committee on the Judiciary.

RELIEF OF J&V RESTAURANT SUPPLY AND REFRIGERATION

Mr. BURNS. Mr. President, I will ask unanimous consent that I introduce a private relief bill at this time and ask that it be referred to the proper committee.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. PRYOR (for himself, Mr. GRASSLEY, Mr. REID, Mr. FOWLER, Mr. MOYNIHAN, Mr. SYMMS, Mr. BOREN, Mr. HATCH, Mr. BREAUX, Mr. AKAKA, Mr. BOND, Mr. BRYAN, Mr. BUMPERS, Mr. BURDICK, Mr. EXON, Mr. GORE, Mr. HATFIELD, Mr. HOLLINGS, Mr. JOHNSTON, Mr. KASTEN, Mr. KERRY, Mr. DASCHLE, Mr. MACK, Mr. NICKLES, Mr. PRESSLER, Mr. SANFORD, Mr. SHELBY, Mr. WIRTH, Mr. CRANSTON, Mr. ADAMS, Mr. LOTT, Mr. ROCKEFELLER, Mr. RIEGLE, Mr. SIMON, Mr. STEVENS, and Mr. BAUCUS):

S. 2239. A bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights; to the Committee on Finance.

TAXPAYERS BILL OF RIGHTS 2

Mr. PRYOR. Mr. President, on November 6, 1991, I announced to the Senate at that time I planned to introduce the taxpayers bill of rights 2. We are introducing, as we call it, T2. I am very honored that we now have some 29 Senators as cosponsors and advocates for T2 which we think is a very necessary piece of legislation for fair implementation to our existing Tax Code.

Mr. President, I wish to make a personal observation at this time. The distinguished occupant of the chair in January 1987, when the Senator from Arkansas happened to be presiding over the Senate for the maiden address of the distinguished occupant of the chair from Nevada, Senator HARRY REID, stood on the floor of the Senate and talked about the need for a taxpayers bill of rights. I will never forget at the conclusion of those remarks I sent the distinguished Senator a note saying I want to be your partner, I want to join with you because we need to give to the average taxpayer in our country additional rights in dealing with the Internal Revenue Service.

Once again, I am proud to be a partner with the distinguished occupant of the chair, the Senator from Nevada, HARRY REID.

In my announcement last November, Mr. President, I outlined 24 proposals for T2. I stated that I looked forward to meeting with the tax experts, and those representing taxpayers in developing legislation, with those 24 proposals as the starting point to build on the original taxpayers' bill of rights passed in 1988.

On December 10, 1991, I held a hearing in the Senate Finance Committee on private retirement plans and oversight of the IRS.

Mr. President, at that hearing we listened to a taxpayer. His name was Raymon Portillo. He is a housepainter from El Paso, TX. His age, 72. Mr. Portillo had suffered, and continues to suffer, through a 5-year ordeal with the Internal Revenue Service over a false information return from his employer.

The Internal Revenue Service, Mr. President, spent tens of thousands of dollars—perhaps hundreds of thousands of dollars—pursuing this 72-year-old housepainter all the way to the Fifth Circuit Court of Appeals over an alleged $8,000 tax liability. Despite the IRS's goliath efforts against this housepainter, the Fifth Circuit held the IRS position to be "clearly arbitrary and erroneous." The IRS lost in the Fifth Circuit Court of Appeals.

Mr. Portillo has asked that his attorney's fees and court costs be paid. The result: the Internal Revenue Service has refused, deciding once again to battle this 72-year-old housepainter from El Paso, TX, in court.

During that December 10 hearing, and over the past several months, we have listened to small business people, we have listened to big business people; we have listened to tax experts from all walks of life; we have listened to groups representing taxpayers; and we have heard from the General Accounting Office which prepared a study on the implementation of the original taxpayer bill of rights.

Mr. President, I stand firm in my commitment to improve our tax system, its fairness, and its equity. Therefore, I am proud today, as I have stated before, to introduce the taxpayer bill of rights 2 with 29 of my colleagues in the Senate, including Senator GRASSLEY, Senator REID, Senator FOWLER, and others, who have long championed the cause of taxpayers' rights.

I believe T2 is the logical next step to build upon the foundation laid by the original taxpayer bill of rights.

T2 is about fairness. It is about equity for the taxpayer. It is about due process for the taxpayer. It is about respect that the taxpayers must have for the tax collector, the Internal Revenue Service.

We look on a daily basis to our citizens to respect this tax system and to respect the agency of Government that has been assigned the very difficult task of administering it. At the same time, we have a right to expect that the men and women of the IRS, 117,000 men and women, also respect that individual taxpayer and demonstrate that respect through courtesy, competence, and cooperation.

Mr. President, the purpose of T2 is not to diminish the right nor the responsibilities of the Internal Revenue Service to collect the taxes.

The purpose of T2 is simply to make the IRS more accountable for its actions. It is that simple. The taxpayer bill of rights 2 will among other items:

First, replace the current taxpayer ombudsman, who reports directly to the IRS Commissioner, with a new taxpayer advocate who will be appointed by the President of the United States and will be subject to confirmation by the U.S. Senate.

Second, the taxpayer advocate will report directly to Congress on taxpayer problems and the taxpayer advocate's recommendations and initiatives in resolving these problems.

Third, we think that the local Problem Resolution Office [PRO's] should report directly to the taxpayer advocate instead of to the local district directors of the Internal Revenue Service. We have decided, Mr. President, that provision should be included and be made a top priority in the taxpayer bill of rights 2.

Mr. President, these three proposals will allow there to be a much more independent and effective advocate working for taxpayers within the Internal Revenue Service.

There is a fourth concern we have, and we have expressed it by including it in the taxpayer bill of rights 2. We expand the PRO's authority to issue taxpayer assistant orders [TAO's] which may only be rescinded by the taxpayer advocate or the IRS Commissioner.

Fifth, the taxpayer bill of rights 2 gives individual taxpayers the automatic right to an installment agreement if that taxpayer has not been delinquent in the previous 3 years of his or her liability and if that liability is under $10,000.

Sixth, it requires the Internal Revenue Service to abate the interest for unreasonable IRS errors or delays.

Seventh, it provides numerous safeguards for divorced or separated spouses.

Eighth, Mr. President, T2 eliminates the differential between interest the taxpayer pays to the IRS and the interest the IRS pays to the taxpayer. Mr. President, we make those interest rates the same.

Ninth, T2 strengthens the IRS Code so that a taxpayer may recover out-of-pocket costs incurred in a case in which the taxpayer has substantially prevailed and the IRS' position was not substantially justified.

Tenth, T2 provides safeguards to taxpayers where the IRS determines a tax deficiency based on an information return, as in the case of Mr. Portillo, the 72-year-old housepainter from El Paso.

Eleventh, we require that all regulations issued by the Treasury Department be prospective unless expressly provided otherwise by Congress.

Mr. President, this, in my opinion is one of the critical elements of the taxpayer bill of rights 2. It is almost unimaginable today that we have an agency of the U.S. Government, the Internal Revenue Service, that has the authority and the power to issue regulations that apply retroactively. But the Internal Revenue Service does it all the time. We are going to eliminate that authority.

But if any semblance of that authority-need exists, Congress is going to have to expressly provide that authority, in certain unique situations. I do not know what they would be, but I think that retroactivity should not be the policy of our Government.

Finally, Mr. President, there are a number of other provisions designed to safeguard taxpayers' rights which are explained in the summary description I will provide for the RECORD.

I am going to include T2 as a part of any tax bill consideration this year. I think it is necessary.

Mr. President, I think if we are going to have any sort of an economic recovery program, whether it is the President's or someone else's, or all of us get together and have one, I think that we need to safeguard the rights of the taxpayer.

I think also, Mr. President, that if we have a tax bill per se, that the tax collector must have the respect of the taxpayer, and that the tax collector also must realize that the taxpayer has certain basic rights that must not be violated.

Mr. President, I ask unanimous consent that the statements of Senators FOWLER and BOREN be printed in the RECORD, along with the bill and a summary description of the legislation.

I also ask unanimous consent to include as original cosponsors the names of Senator GORE, Senator HATCH, and Senator ADAMS.

Mr. LOTT. Mr. President, will the Senator yield?

Mr. PRYOR. Yes.

Mr. LOTT. I would like to have my name included in that, also.

Mr. PRYOR. Mr. President, I ask unanimous consent that Senator LOTT, my friend from Mississippi, be placed on the bill as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I want to correct the RECORD for a moment: Senator HATCH also has a statement. I ask unanimous consent that his statement be made a part of the RECORD.

Mr. PRYOR. I would like to read into the RECORD the names of those individual cosponsors who have come forward to cosponsor the taxpayer bill of rights 2:

Senators GRASSLEY, REID, FOWLER, MOYNIHAN, SYMMS, BOREN, HATCH, BREAUX, AKAKA, BOND, BRYAN, BUMPERS, BURDICK, EXON, GORE, HATFIELD, HOLLINGS, JOHNSTON, KASTEN, JOHN KERRY of Massachusetts, Senators MACK, NICKLES, PRESSLER, SANFORD, SHELBY, WIRTH, CRANSTON, ADAMS, and now my good friend, Senator LOTT from Mississippi.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2239

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Taxpayer Bill of Rights 2".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; amendment of 1986 code; table of contents.

TITLE I—TAXPAYER ADVOCATE

Sec. 101. Establishment of position of Taxpayer Advocate within Internal Revenue Service.
Sec. 102. Expansion of authority to issue taxpayer assistance orders.

TITLE II—MODIFICATIONS TO INSTALLMENT AGREEMENT PROVISIONS

Sec. 201. Taxpayer's right to installment agreement.
Sec. 202. Notification of reasons for termination of installment agreements.
Sec. 203. Administrative review of denial of request for, or termination of, installment agreement.
Sec. 204. Running of failure to pay penalty suspended during period installment agreement in effect.

TITLE III—INTEREST

Sec. 301. Expansion of authority to abate interest.
Sec. 302. Extension of interest-free period for payment of tax after notice and demand.
Sec. 303. Equalization of interest rates.

TITLE IV—JOINT RETURNS

Sec. 401. Requirement of separate deficiency notices in certain cases.
Sec. 402. Disclosure of collection activities.
Sec. 403. Joint return may be made after separate returns without full payment of tax.
Sec. 404. Representation of absent divorced or separated spouse by other spouse.

TITLE V—COLLECTION ACTIVITIES

Sec. 501. Notice of proposed deficiency.
Sec. 502. Modifications to lien and levy provisions.
Sec. 503. Offers-in-compromise.
Sec. 504. Notification of examination.
Sec. 505. Removal of certain limits on recovery of civil damages for unauthorized collection actions.
Sec. 506. Safeguards relating to designated summons.

TITLE VI—INFORMATION RETURNS

Sec. 601. Phone number of person providing payee statements required to be shown on such statement.
Sec. 602. Civil damages for fraudulent filing of information returns.
Sec. 603. Requirement to conduct reasonable investigations of information returns.

TITLE VII—MODIFICATIONS TO PENALTY FOR FAILURE TO COLLECT AND PAY OVER TAX

Sec. 701. Trust fund taxes.
Sec. 702. Disclosure of certain information where more than 1 person subject to penalty.
Sec. 703. No penalty if prompt notification of the Secretary.
Sec. 704. Penalties under section 6672.

TITLE VIII—AWARDING OF COSTS AND CERTAIN FEES

Sec. 801. Definition of prevailing party.
Sec. 802. Commencement date of reasonable administrative costs.
Sec. 803. Increased limit on attorney fees.
Sec. 804. Failure to agree to extension not taken into account.
Sec. 805. Effective date.

TITLE IX—OTHER PROVISIONS

Sec. 901. Required content of certain notices.
Sec. 902. Protection for taxpayers who rely on certain guidance of the Internal Revenue Service.
Sec. 903. Relief from retroactive application of Treasury Department regulations.
Sec. 904. Required notice of certain payments.
Sec. 905. Certain costs of preparing tax returns fully deductible.

TITLE I—TAXPAYER ADVOCATE

SEC. 101. ESTABLISHMENT OF POSITION OF TAXPAYER ADVOCATE WITHIN INTERNAL REVENUE SERVICE.

(a) GENERAL RULE.—Section 7802 (relating to Commissioner of Internal Revenue; Assistant Commissioner (Employee Plans and Exempt Organizations)) is amended by adding at the end thereof the following new subsection:

"(d) OFFICE OF TAXPAYER ADVOCATE.—

"(1) IN GENERAL.—There is established in the Internal Revenue Service an office to be known as the 'Office of the Taxpayer Advocate'. Such office, including all problem resolution officers, shall be under the supervision and direction of an official to be known as the 'Taxpayer Advocate' who shall be appointed by the President, by and with the advice and consent of the Senate. The Taxpayer Advocate shall report directly to the Commissioner of Internal Revenue and shall be entitled to compensation at the same rate as the Chief Counsel for the Internal Revenue Service. The Commissioner of Internal Revenue may appoint, without regard to the provisions of the civil service laws, and fix the duties of a deputy Taxpayer Advocate, who shall be entitled to compensation at the same rate as the Deputy Chief Counsel for the Internal Revenue Service.

"(2) FUNCTIONS OF OFFICE.—

"(A) IN GENERAL.—It shall be the function of the Office of Taxpayer Advocate to—

"(i) assist taxpayers in resolving problems with the Internal Revenue Service,

"(ii) identify areas in which taxpayers have problems in dealings with the Internal Revenue Service,

"(iii) to the extent possible, propose changes in the administrative practices of the Internal Revenue Service to mitigate problems identified under clause (ii), and

"(iv) identify potential legislative changes which may be appropriate to mitigate such problems.

"(B) ANNUAL REPORTS.—

"(i) OBJECTIVES.—Not later than October 31 of each calendar year after 1991, the Taxpayer Advocate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the objectives of the Taxpayer Advocate for the following calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information.

"(ii) ACTIVITIES.—Not later than December 31 of each calendar year after 1991, the Taxpayer Advocate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the activities of the Taxpayer Advocate during the fiscal year ending during such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information, and shall—

"(I) identify the initiatives the Taxpayer Advocate has taken on improving taxpayer services and Internal Revenue Service responsiveness,

"(II) contain recommendations received from individuals with the authority to issue taxpayer assistance orders (within the meaning of section 7811(f)),

"(III) contain a summary of at least 20 of the most serious problems encountered by taxpayers, including a description of the nature of such problems,

"(IV) contain an inventory of the items described in subclauses (I), (II), and (III) for which action has been taken and the result of such action,

"(V) contain an inventory of the items described in subclauses (I), (II), and (III) for which action remains to be completed and the period during which each item has remained on such inventory,

"(VI) contain an inventory of the items described in subclauses (II) and (III) for which no action has been taken, the period during which each item has remained on such inventory, the reasons for the inaction, and identify any Internal Revenue Service official who is responsible for such inaction,

"(VII) identify any Taxpayer Assistance Order which was not honored by the Internal Revenue Service in a timely manner, as specified under section 7811(b),

"(VIII) contain recommendations for such administrative and legislative action as may be appropriate to resolve problems encountered by taxpayers, and

"(IX) include such other information as the Taxpayer Advocate may deem advisable.

"(3) RESPONSIBILITIES OF COMMISSIONER OF INTERNAL REVENUE SERVICE.—The Commissioner of Internal Revenue shall establish procedures requiring a formal response to all recommendations submitted to the Commissioner by the Taxpayer Advocate."

(b) CONFORMING AMENDMENTS.—

(1) Section 7811 (relating to taxpayer assistance orders) is amended—

(A) by striking "the Office of Ombudsman" in subsection (a) and inserting "the Office of the Taxpayer Advocate", and

(B) by striking "Ombudsman" each place it appears (including in the headings of subsections (e) and (f)) and inserting "Taxpayer Advocate".

(2) The heading for section 7802 is amended to read as follows:

"SEC. 7802. COMMISSIONER OF INTERNAL REVENUE; ASSISTANT COMMISSIONERS; TAXPAYER ADVOCATE."

(3) The table of sections for subchapter A of chapter 80 of subtitle F is amended by striking the item relating to section 7802 and inserting the following new item:

"Sec. 7802. Commissioner of Internal Revenue; Assistant Commissioners; Taxpayer Advocate."

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) TRANSITIONAL RULE.—If the Commissioner of Internal Revenue appoints the Deputy Taxpayer Advocate before the first Taxpayer Advocate takes office, the Deputy Taxpayer Advocate shall not be considered the Acting Taxpayer Advocate unless the individual appointed is the head of the Office of the Taxpayer Ombudsman on the date of the enactment of this Act.

SEC. 102. EXPANSION OF AUTHORITY TO ISSUE TAXPAYER ASSISTANCE ORDERS.

(a) TAXPAYER'S HARDSHIP.—Section 7811(a) (relating to authority to issue) is amended by striking "significant".

(b) TERMS OF ORDERS.—Subsection (b) of section 7811 (relating to terms of taxpayer assistance orders) is amended—

(1) by inserting "within a specified time period" after "the Secretary", and

(2) by striking "cease any action" and inserting "cease any action, take any action".

(c) LIMITATION ON AUTHORITY TO MODIFY OR RESCIND.—Section 7811(c) (relating to authority to modify or rescind) is amended to read as follows:

"(c) AUTHORITY TO MODIFY OR RESCIND.—Any Taxpayer Assistance Order issued by the Taxpayer Advocate under this section may be modified or rescinded only by the Taxpayer Advocate or any superior of the Taxpayer Advocate."

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE II—MODIFICATIONS TO INSTALLMENT AGREEMENT PROVISIONS

SEC. 201. TAXPAYER'S RIGHT TO INSTALLMENT AGREEMENT.

(a) IN GENERAL.—Subsection (a) of section 6159 (relating to agreements for payment of tax liability in installments) is amended to read as follows:

"(a) IN GENERAL.—

"(1) AUTHORIZATION OF AGREEMENTS.—The Secretary is authorized to enter into written agreements with any taxpayer under which such taxpayer is allowed to satisfy liability for payment of any tax in installment payments if the Secretary determines that such agreement will facilitate collection of such liability.

"(2) AGREEMENT AS A MATTER OF RIGHT.—In the case of any taxpayer other than a corporation, the Secretary shall enter into such an agreement if—

"(A) the taxpayer requests such an agreement,

"(B) the tax liability is attributable to the tax imposed under chapter 1 and is less than $10,000, and

"(C) the taxpayer has paid any tax liability for the 3 preceding taxable years at the time such liability was due."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 202. NOTIFICATION OF REASONS FOR TERMINATION OF INSTALLMENT AGREEMENTS.

(a) GENERAL RULE.—Subsection (b) of section 6159 (relating to extent to which agreements remain in effect) is amended by adding at the end thereof the following new paragraph:

"(5) NOTICE REQUIREMENTS.—The Secretary may not take any action under paragraph (2), (3), or (4) unless—

"(A) a notice of such action is provided to the taxpayer not later than the day 30 days before the date of such action, and

"(B) such notice includes an explanation why the Secretary intends to take such action.

The preceding sentence shall not apply in any case in which the Secretary believes that collection of any tax to which an agreement under this section relates is in jeopardy."

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 6159(b) is amended to read as follows:

"(3) SUBSEQUENT CHANGE IN FINANCIAL CONDITIONS.—If the Secretary makes a determination that the financial condition of a taxpayer with whom the Secretary has entered into an agreement under subsection (a) has significantly changed, the Secretary may alter, modify, or terminate such agreement."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date 6 months after the date of the enactment of this Act.

SEC. 203. ADMINISTRATIVE REVIEW OF DENIAL OF REQUEST FOR, OR TERMINATION OF, INSTALLMENT AGREEMENT.

(a) GENERAL RULE.—Section 6159 (relating to agreements for payment of tax liability in installments) is amended by adding at the end thereof the following new subsection:

"(c) ADMINISTRATIVE REVIEW.—The Secretary shall establish procedures for an independent administrative review of denials of requests for, or terminations of, installment agreements under this section."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 204. RUNNING OF FAILURE TO PAY PENALTY SUSPENDED DURING PERIOD INSTALLMENT AGREEMENT IN EFFECT.

(a) GENERAL RULE.—Section 6651 (relating to penalty for failure to file tax return or to pay tax) is amended by adding at the end thereof the following new subsection:

"(g) TREATMENT OF INSTALLMENT AGREEMENTS UNDER SECTION 6159.—If an agreement is entered into under section 6159 for the payment of any tax in installments, the period during which such agreement is in effect shall be disregarded in determining the amount of any addition under paragraph (2) or (3) of subsection (a) with respect to such tax."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to installment agreements entered into after the date of the enactment of this Act.

TITLE III—INTEREST

SEC. 301. EXPANSION OF AUTHORITY TO ABATE INTEREST.

(a) GENERAL RULE.—Paragraph (1) of section 6404(e) (relating to abatement of interest in certain cases) is amended—

(1) by striking "any error or delay" each place it appears and inserting "any unreasonable error or delay",

(2) by striking "in performing a ministerial act" each place it appears, and

(3) by striking "may abate" and inserting "shall abate (or refund)".

(b) CLERICAL AMENDMENT.—The subsection heading for subsection (e) of section 6404 is amended by striking "ASSESSMENTS" and inserting "ABATEMENT".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to interest accruing with respect to deficiencies or payments for taxable years beginning after the date of the enactment of this Act.

SEC. 302. EXTENSION OF INTEREST-FREE PERIOD FOR PAYMENT OF TAX AFTER NOTICE AND DEMAND.

(a) GENERAL RULE.—Paragraph (3) of section 6601(e) (relating to payments made within 10 days after notice and demand) is amended to read as follows:

"(3) PAYMENTS MADE WITHIN SPECIFIED PERIOD AFTER NOTICE AND DEMAND.—If notice and demand is made for payment of any amount and if such amount is paid within 21 days (10 days if the amount for which such notice and demand is made equals or exceeds $100,000) after the date of such notice and demand, interest under this section on the amount so paid shall not be imposed for the period after the date of such notice and demand."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply in the case of any notice and demand given after the date 6 months after the date of the enactment of this Act.

SEC. 303. EQUALIZATION OF INTEREST RATES.

(a) GENERAL RULE.—Paragraph (1) of section 6621(a) (defining overpayment rate) is amended by striking "2 percentage points" and inserting "3 percentage points".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply for purposes of determining interest for periods after December 31, 1992.

TITLE IV—JOINT RETURNS

SEC. 401. REQUIREMENT OF SEPARATE DEFICIENCY NOTICES IN CERTAIN CASES.

(a) GENERAL RULE.—Paragraph (2) of section 6212(b) (relating to address for notice of deficiency) is amended to read as follows:

"(2) JOINT INCOME TAX RETURN.—In the case of a joint income tax return filed by a husband and wife, any notice of deficiency (described in paragraph (1)) may be a single joint notice, except that if—

"(A) such spouses did not file a joint return within each other for the most recent taxable year for which data are available on the master files of the Internal Revenue Service, or

"(B) the Secretary has been notified by either spouse that separate residences have been established,

then, in lieu of the single joint notice, a duplicate original of the joint notice shall be sent by certified mail or registered mail to each spouse at such spouse's last known address."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date 6 months after the date of the enactment of this Act.

SEC. 402. DISCLOSURE OF COLLECTION ACTIVITIES.

(a) GENERAL RULE.—Subsection (e) of section 6103 (relating to disclosure to persons having material interest) is amended by adding at the end thereof the following new paragraph:

"(8) DISCLOSURE OF COLLECTION ACTIVITIES WITH RESPECT TO JOINT RETURN.—If any deficiency of tax with respect to a joint return is assessed and the individuals filing such return are no longer married or no longer reside in the same household, upon request in writing of either of such individuals, the Secretary may disclose in writing to the individual making the request whether the Secretary has attempted to collect such deficiency from such other individual, the general nature of such collection activities, and the amount collected."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 403. JOINT RETURN MAY BE MADE AFTER SEPARATE RETURNS WITHOUT FULL PAYMENT OF TAX.

(a) GENERAL RULE.—Paragraph (2) of section 6013(b) (relating to limitations on filing of joint return after filing separate returns) is amended by striking subparagraph (A) and redesignating the following subparagraphs accordingly.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 404. REPRESENTATION OF ABSENT DIVORCED OR SEPARATED SPOUSE BY OTHER SPOUSE.

(a) IN GENERAL.—Section 7605 (relating to time and place of examination) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) REPRESENTATION OF ABSENT DIVORCED OR SEPARATED SPOUSE BY OTHER SPOUSE.—In the case of an examination of an individual with respect to a joint income tax return filed by such individual and the individual's spouse who is no longer married to such individual or no longer resides in the same household and is absent from such examination, the individual may not represent the absent spouse at the examination unless the absent spouse acknowledges such representation in writing."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

TITLE V—COLLECTION ACTIVITIES

SEC. 501. NOTICE OF PROPOSED DEFICIENCY.

(a) IN GENERAL.—Subchapter B of chapter 63 (relating to assessment) is amended by inserting after section 6211 the following new section:

"SEC. 6211A. NOTICE OF PROPOSED DEFICIENCY.

"(a) IN GENERAL.—If, after the examination of a return, the Secretary determines that there may be a deficiency in respect of any tax imposed by subtitle A or B or chapter 41, 42, 43, 44, or 45, the Secretary shall send a notice of proposed deficiency to the taxpayer by certified mail or registered mail to an address as determined under section 6212(b).

"(b) TIMING OF NOTICE.—

"(1) IN GENERAL.—The mailing of the notice of proposed deficiency shall precede any mailing of a deficiency notice under section 6212 by at least 60 days.

"(2) AGREEMENT TO SUSPEND PERIOD OF LIMITATIONS.—If less than a 6-month period remains in the period of limitations provided in section 6501, 6502, or 6229, the taxpayer may agree, in writing, to a period of suspension of such period of limitations in order to allow the Secretary to send a notice of proposed deficiency.

"(c) NO NOTICE IN JEOPARDY ASSESSMENT.—Paragraph (1) shall not apply if the Secretary makes a jeopardy assessment."

(b) CONFORMING AMENDMENT.—Section 6503 (relating to suspension of running of period of limitation) is amended by inserting after subsection (i) the following new subsection:

"(j) SUSPENSION PENDING NOTICE.—The running of the period of limitations provided in section 6501, 6502, or 6229 on the making of assessments or the collection by levy or a proceeding in court, in respect of any deficiency defined in section 6211A(a) shall be suspended for any period described in section 6211A(b)(2)."

(c) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 63 is amended by inserting after the item relating to section 6211 the following new item:

"Sec. 6211A. Notice of proposed deficiency."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect with respect to deficiencies determined after the date of the enactment of this Act.

SEC. 502. MODIFICATIONS TO LIEN AND LEVY PROVISIONS.

(a) WITHDRAWAL OF CERTAIN NOTICES.—Section 6323 (relating to validity and priority against certain persons) is amended by adding at the end thereof the following new subsection:

"(j) WITHDRAWAL OF NOTICE IN CERTAIN CIRCUMSTANCES.—

"(1) IN GENERAL.—The Secretary may withdraw a notice of a lien filed under this section and this chapter shall be applied as if the withdrawn notice had not been filed, if the Secretary determines that—

"(A) the filing of such notice was premature or otherwise not in accordance with administrative procedures of the Secretary,

"(B) the taxpayer has entered into an agreement under section 6159 to satisfy the tax liability for which the lien was imposed by means of installment payments, unless such agreement provides otherwise,

"(C) the withdrawal of such notice will facilitate the collection of the tax liability, or

"(D) with the consent of the taxpayer or the Taxpayer Advocate, the withdrawal of such notice would be in the best interests of the taxpayer and the United States.

Any such withdrawal shall be made by filing notice thereof at the same office as the withdrawn notice.

"(2) NOTICE TO CREDIT AGENCIES, ETC.—Upon written request by the taxpayer with respect to whom a notice of a lien was withdrawn under paragraph (1), the Secretary shall promptly make reasonable efforts to notify credit reporting agencies, and financial institutions specified in such request, of the withdrawal of such notice. Any such request shall be in such form as the Secretary may prescribe."

(b) RETURN OF LEVIED PROPERTY IN CERTAIN CASES.—Section 6343 (relating to authority to release levy and return property) is amended by adding at the end thereof the following new subsection:

"(d) RETURN OF PROPERTY IN CERTAIN CASES.—If—

"(1) any property has been levied upon, and

"(2) the Secretary determines that—

"(A) the levy on such property was premature or otherwise not in accordance with administrative procedures of the Secretary,

"(B) the taxpayer has entered into an agreement under section 6159 to satisfy the tax liability for which the levy was imposed by means of installment payments, unless such agreement provides otherwise,

"(C) the return of such property will facilitate the collection of the tax liability, or

"(D) with the consent of the taxpayer or the Taxpayer Advocate, the return of such property would be in the best interests of the taxpayer and the United States,

the provisions of subsection (b) shall apply in the same manner as if such property had been wrongly levied upon, except that no interest shall be allowed under subsection (c)."

(c) MODIFICATIONS IN CERTAIN LEVY EXEMPTION AMOUNTS.—

(1) FUEL, ETC.—Paragraph (2) of section 6334(a) (relating to fuel, provisions, furniture, and personal effects exempt from levy) is amended—

(A) by striking "If the taxpayer is the head of a family, so" and inserting "So", and

(B) by striking "$1,650 ($1,500 in the case of levies issued during 1989)" and inserting "$1,700".

(2) BOOKS, ETC.—Paragraph (3) of section 6334(a) (relating to books and tools of a trade, business, or profession exempt from levy) is amended by striking "$1,100 ($1,050 in the case of levies issued during 1989)" and inserting "$1,200".

(3) Indexed for Inflation.—Section 6334 (relating to property exempt from levy) is amended by adding at the end thereof the following new subsection:

"(f) Inflation Adjustments.—

"(1) In general.—In the case of any calendar year beginning after 1993, each dollar amount referred to in paragraphs (2) and (3) of subsection (a) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3), for such calendar year, by substituting 'calendar year 1992' for 'calendar year 1989' in subparagraph (B) thereof.

"(2) Rounding.—If any dollar amount after being increased under paragraph (1) is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10 (or, if such dollar amount is a multiple of $5, such dollar amount shall be increased to the next higher multiple of $10)."

(d) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) Exempt amounts.—The amendments made by subsection (c) shall take effect with respect to levies issued after December 31, 1992.

SEC. 503. OFFERS-IN-COMPROMISE.

(a) General Rule.—Subsection (a) of section 7122 (relating to compromises) is amended by adding at the end thereof the following new sentence: "The Secretary may make such a compromise in any case where the Secretary determines that such compromise would be in the best interests of the United States.".

(b) Review Requirements.—Subsection (b) of section 7122 (relating to records) is amended by striking "$500." and inserting "$50,000. However, such compromise shall be subject to continuing quality review by the Secretary.".

(c) Nondisclosure of Offers-in-Compromise on Unpaid Tax Liabilities Under $50,000.—Paragraph (1) of section 6103(k) (relating to disclosure of certain returns and return information for tax administration purposes) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any accepted offer-in-compromise if the unpaid amount of such liability is less than $50,000."

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 504. NOTIFICATION OF EXAMINATION.

(a) In General.—Subsection (b) of section 7605 (relating to restrictions on examination of taxpayer) is amended by inserting "No examination described in subsection (a) shall be made unless the Secretary notifies the taxpayer in writing by mail to an address determined under section 6212(b) that the taxpayer is under examination and provides the taxpayer with an explanation of the process as described in section 7521(b)(1)." before "No taxpayer".

(b) Conforming Amendment.—Paragraph (1) of section 7521(b) (relating to safeguards) is amended by striking "or at".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 505. REMOVAL OF CERTAIN LIMITS ON RECOVERY OF CIVIL DAMAGES FOR UNAUTHORIZED COLLECTION ACTIONS.

(a) Standard of Conduct.—Subsection (a) of section 7433 (relating to civil damages for certain unauthorized collection actions) is amended by striking "recklessly or intentionally" and inserting "negligently".

(b) Dollar Limit Removed.—Section 7433(b) (relating to damages) is amended by striking "the lesser of $100,000 or".

(c) Effective Date.—The amendments made by this section shall apply to actions by officers or employees of the Internal Revenue Service after the date of the enactment of this Act.

SEC. 506. SAFEGUARDS RELATING TO DESIGNATED SUMMONS.

(a) Standard of Review.—Subparagraph (A) of section 6503(k)(2) (defining designated summons) is amended by striking "and" at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

"(ii) the determination of such tax before the expiration of such period cannot be made accurately as a result of the delay or other action by the taxpayer, and".

(b) Specific Requirements for Issuance.—

(1) In General.—Paragraph (1) of section 6503(k) (relating to extension in case of certain summonses) is amended by inserting "and the requirements of paragraphs (4) and (5) are met" after "corporation".

(2) Specific requirements.—Section 6503(k) is amended by adding at the end thereof the following new paragraphs:

"(4) General requirements for issuance of summons.—The requirements of this paragraph are met if—

"(A) the Secretary has not had at least 3 years to complete the assessment of the tax,

"(B) the taxpayer has refused to extend the period prescribed in section 6501 for such assessment for at least 2 years, or

"(C) with respect to information for which the Secretary has previously made a written request—

"(i) the person to be summoned had sufficient time to respond to such request before the issuance of the summons, and

"(ii) such person failed substantially to comply with such request.

"(5) Notice requirements.—The requirements of this paragraph are met if the Secretary notifies the person to be summoned of—

"(A) the Secretary's intent to issue a designated summons,

"(B) the reasons why such person failed substantially to comply with a previous written request for information, and

"(C) the person's right to an interview with the Secretary within 15 days of such notice."

(c) Proceeding to Quash, etc.—Section 6503(k), as amended by subsection (b), is further amended by adding at the end thereof the following new paragraph:

"(6) Proceeding to Quash, etc.—

"(A) In general.—Notwithstanding any other law or rule of law, any person to whom a designated summons is issued shall have the right to begin a proceeding to quash or modify the summons or to terminate the suspension under paragraph (1) not later than the 10th day after the day such summons was issued. In any such proceeding, the Secretary may seek to compel compliance with such summons.

"(B) Jurisdiction.—The United States district court for the district in which the person (to whom the designated summons is issued) resides or is found shall have jurisdiction to hear any proceeding brought under subparagraph (A). An order denying the petition shall be deemed a final order which may be appealed."

(d) Effective Date.—The amendments made by this section shall apply to summons issued after the date of the enactment of this Act.

TITLE VI—INFORMATION RETURNS

SEC. 601. PHONE NUMBER OF PERSON PROVIDING PAYEE STATEMENTS REQUIRED TO BE SHOWN ON SUCH STATEMENT.

(a) General Rule.—The following provisions are each amended by striking "name and address" and inserting "name, address, and phone number of the information contact":

(1) Section 6041(d)(1).
(2) Section 6041A(e)(1).
(3) Section 6042(c)(1).
(4) Section 6044(e)(1).
(5) Section 6045(b)(1).
(6) Section 6049(c)(1)(A).
(7) Section 6050B(b)(1).
(8) Section 6050H(d)(1).
(9) Section 6050I(e)(1).
(10) Section 6050J(e).
(11) Section 6050K(b)(1).
(12) Section 6050N(b)(1).

(b) Effective Date.—The amendments made by subsection (a) shall apply to statements required to be furnished after December 31, 1992 (determined without regard to any extension).

SEC. 602. CIVIL DAMAGES FOR FRAUDULENT FILING OF INFORMATION RETURNS.

(a) General Rule.—Subchapter B of chapter 76 (relating to proceedings by taxpayers and third parties) is amended by redesignating section 7434 as section 7435 and by inserting after section 7433 the following new section:

"SEC. 7434. CIVIL DAMAGES FOR FRAUDULENT FILING OF INFORMATION RETURNS.

"(a) In General.—If any person willfully files a false or fraudulent information return with respect to payments purported to be made to any other person, such other person may bring a civil action for damages against the person so filing such return.

"(b) Damages.—In any action brought under subsection (a), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the greater of $5,000 or the sum of—

"(1) any actual damages sustained by the plaintiff as a proximate result of the filing of the false or fraudulent information return (including any costs attributable to resolving deficiencies asserted as a result of such filing), and

"(2) the costs of the action.

"(c) Period for Bringing Action.—Notwithstanding any other provision of law, an action to enforce the liability created under this section may be brought without regard to the amount in controversy and may be brought only within 6 years after the filing of the false or fraudulent information return.

"(d) Information Return.—For purposes of this section, the term 'information return' means any statement described in section 6724(d)(1)(A)."

(b) Clerical Amendment.—The table of sections for subchapter B of chapter 76 is amended by striking the item relating to section 7434 and inserting the following:

"Sec. 7434. Civil damages for fraudulent filing of information returns.
"Sec. 7435. Cross references."

(c) Effective Date.—The amendments made by this section shall apply to false or fraudulent information returns filed after the date of the enactment of this Act.

SEC. 603. REQUIREMENT TO CONDUCT REASONABLE INVESTIGATIONS OF INFORMATION RETURNS.

(a) General Rule.—Section 6201 (relating to assessment authority) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"(d) Required Reasonable Investigation of Information Returns.—If a taxpayer asserts a reasonable dispute with respect to any item of income reported on an information return filed with the Secretary under chapter 61 by a third party, the Secretary, when making a determination of a deficiency based on such information return, shall have the burden of proof with respect to such determination unless the Secretary has conducted a reasonable investigation to corroborate the accuracy of such information return."

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

TITLE VII—MODIFICATIONS TO PENALTY FOR FAILURE TO COLLECT AND PAY OVER TAX

SEC. 701. TRUST FUND TAXES.

(a) In General.—Section 6672 (relating to failure to collect and pay over tax, or attempt to evade or defeat tax) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) Preliminary Notice and Declaratory Judgment Proceeding.—

"(1) Preliminary notice.—No penalty shall be imposed under subsection (a) unless the Secretary notifies the taxpayer in writing by mail to an address as determined under section 6212(b) that the taxpayer shall be subject to an assessment of such penalty and provides the taxpayer with an explanation of the declaratory judgment process under paragraph (3).

"(2) Timing of notice.—The mailing of the notice described in paragraph (1) shall precede any notice and demand of any penalty under subsection (a) by at least 60 days.

"(3) Declaratory judgment.—

"(A) In general.—In a case of an actual controversy involving a determination by the Secretary with respect to the taxpayer's liability for the penalty imposed under subsection (a), upon the filing of an appropriate pleading, the Tax Court may make a declaration with respect to such liability. Any such declaration shall have the force and effect of a decision of the Tax Court and shall be reviewable as such.

"(B) Exhaustion of administrative remedies.—The Tax Court shall not issue a declaratory judgment or decree under this paragraph in any proceeding unless it determines that the petitioner has exhausted administrative remedies available to the petitioner within the Internal Revenue Service.

"(C) Time for bringing action.—No proceeding may be initiated under this paragraph by any person unless the pleading is filed before the 31st day after the day the notice under paragraph (1) is mailed to such person."

(b) Conforming Amendments.—Section 6672 is amended—

(1) by striking paragraphs (4) and (5) of subsection (c) (as redesignated by this section), and

(2) by adding at the end thereof the following new subsections:

"(e) Suspension of Running of Period of Limitations on Collection.—The running of the period of limitations provided in section 6502 on the collection by levy or by a proceeding in court in respect to any penalty under subsection (a) shall be suspended for the period during which the Secretary is prohibited from collecting the penalty by levy or a proceeding in court.

"(f) Jeopardy Collection.—If the Secretary makes a finding that the collection of the penalty is in jeopardy, nothing in this section shall prevent the immediate collection of such penalty."

(c) Effective Date.—The amendments made by this section shall apply in the case of failures after the date of the enactment of this Act.

SEC. 702. DISCLOSURE OF CERTAIN INFORMATION WHERE MORE THAN 1 PERSON SUBJECT TO PENALTY.

(a) In General.—Subsection (e) of section 6103 (relating to disclosure to persons having material interest), as amended by section 402, is amended by adding at the end thereof the following new paragraph:

"(9) Disclosure of certain information where more than 1 person subject to penalty under section 6672.—If the Secretary determines that a person is liable for a penalty under section 6672(a) with respect to any failure, upon request in writing of such person, the Secretary may disclose in writing to such person—

"(A) the name of any other person whom the Secretary has determined to be liable for such penalty with respect to such failure, and

"(B) whether the Secretary has attempted to collect such penalty from such other person, the general nature of such collection activities, and the amount collected."

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 703. NO PENALTY IF PROMPT NOTIFICATION OF THE SECRETARY.

(a) In General.—Section 6672 (relating to failure to collect and pay over tax, or attempt to evade or defeat tax), as amended by section 701, is amended by adding at the end thereof the following new subsection:

"(d) Penalty Not Applicable Where Prompt Notification of Failure.—

"(1) In general.—A person shall not be liable for any penalty under subsection (a) by reason of any failure referred to in subsection (a) if—

"(A) such person is not a significant owner of the trade or business with respect to which such failure occurred,

"(B) such person notifies the Secretary (in such manner as the Secretary may prescribe) that such failure has occurred within 10 days after the date of such failure, and

"(C) such notification was before any notice by the Secretary to any person with respect to such failure.

"(2) Significant owner defined.—For purposes of paragraph (1), the term 'significant owner' means—

"(A) any person holding an interest as a proprietor in a trade or business carried on as a proprietorship, and

"(B) in the case of a trade or business conducted by a corporation or partnership, any person who is a 5-percent owner (as defined in section 416(i)(1)) in such corporation or partnership, as the case may be."

(b) Effective Date.—The amendment made by subsection (a) shall apply in the case of failures after the date of the enactment of this Act.

SEC. 704. PENALTIES UNDER SECTION 6672.

(a) Public Information Requirements.—The Secretary of the Treasury or the Secretary's delegate (hereafter in this section referred to as the "Secretary") shall take such actions as may be appropriate to ensure that employees are aware of their responsibilities under the Federal tax depository system, the circumstances under which employees may be liable for the penalty imposed by section 6672 of the Internal Revenue Code of 1986, and the responsibility to promptly report to the Internal Revenue Service any failure referred to in subsection (a) of such section 6672. Such actions shall include—

(1) printing of a warning on deposit coupon booklets and the appropriate tax returns that certain employees may be liable for the penalty imposed by such section 6672, and

(2) the development of a special information packet.

(b) Board Members of Tax-Exempt Organizations.—

(1) Voluntary board members.—The penalty under section 6672 of the Internal Revenue Code of 1986 shall not be imposed on unpaid, volunteer members of any board of trustees or directors of an organization referred to in section 501 of such Code to the extent such members do not participate in the day-to-day or financial operations of the organization.

(2) Development of explanatory materials.—The Secretary shall develop materials explaining the circumstances under which board members of tax-exempt organizations (including voluntary members) may be subject to penalty under section 6672 of such Code. Such materials shall be made available to tax-exempt organizations.

(3) IRS instructions.—The Secretary shall clarify the instructions to Internal Revenue Service employees on the application of the penalty under section 6672 of such Code with regard to voluntary members of boards of trustees or directors of tax-exempt organizations.

(c) Prompt Notification.—To the maximum extent practicable, the Secretary shall notify all persons who have failed to make timely and complete deposit of any taxes of such failure within 30 days after the date on which the Secretary is first aware of such failure.

TITLE VIII—AWARDING OF COSTS AND CERTAIN FEES

SEC. 801. DEFINITION OF PREVAILING PARTY.

(a) In General.—Subparagraph (A) of section 7430(c)(4) (defining prevailing party) is amended to read as follows:

"(A) In general.—The term 'prevailing party' means any party in any proceeding to which subsection (a) applies (other than the United States or any creditor of the taxpayer involved)—

"(i) which—

"(I) has substantially prevailed with respect to the amount in controversy, or

"(II) has substantially prevailed with respect to the most significant issue or set of issues presented, and

"(ii) which meets the requirements of the first sentence of section 2412(d)(1)(B) of title 28, United States Code (as in effect on October 22, 1986), except to the extent differing procedures are established by rule of any court and, and which meets the requirements of section 2412(d)(2)(B) of such title 28 (as so in effect)."

(b) Costs Denied Where Position of United States is Substantially Justified.—Subsection (b) of section 7430 (relating to limitations) is amended by adding at the end thereof the following new paragraph:

"(5) Costs Denied Where Position of United States is Substantially Justified.—No award for reasonable litigation and administrative costs may be made under subsection (a) if the position of United States is substantially justified."

SEC. 802. COMMENCEMENT DATE OF REASONABLE ADMINISTRATIVE COSTS.

(a) In General.—The second sentence of section 7430(c)(2) (defining reasonable administrative costs) is amended to read as follows:

"Such term shall only include costs incurred on or after the earlier of (i) the date of the notice of proposed deficiency under section 6211A or similar notice of assessment or proposed assessment, or (ii) the date of the notice of deficiency."

(b) CONFORMING AMENDMENT.—Clause (i) of section 7430(c)(7)(B) (defining position of United States) is amended to read as follows:

"(i) the date of the notice of proposed deficiency under section 6211A or similar notice of assessment or proposed assessment, or".

SEC. 803. INCREASED LIMIT ON ATTORNEY FEES.

Paragraph (1) of section 7430(c) (defining reasonable litigation costs) is amended by striking clause (iii) and inserting the following:

"(iii) reasonable fees paid or incurred for the services of attorneys in connection with the court proceeding, except that such fees shall not be in excess of $150 per hour unless the court determines that a special factor, such as the limited availability of qualified attorneys for such proceeding, justifies a higher rate.

In the case of any calendar year beginning after 1993, the dollar amount referred to in clause (iii) shall be increased by an amount equal to such dollar amount, multiplied by the cost-of-living adjustment determined under section 1(f)(3), for such calendar year, by substituting 'calendar year 1992' for 'calendar year 1989' in subparagraph (B) thereof. If any dollar amount after being increased under the preceding sentence is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10 (or, if such dollar amount is a multiple of $5, such dollar amount shall be increased to the next higher multiple of $10)."

SEC. 804. FAILURE TO AGREE TO EXTENSION NOT TAKEN INTO ACCOUNT.

Paragraph (1) of section 7430(b) (relating to requirement that administrative remedies be exhausted) is amended by adding at the end thereof the following new sentence: "Any failure to agree to an extension of the time for the assessment of any tax shall not be taken into account for purposes of determining whether the prevailing party meets the requirements of the preceding sentence."

SEC. 805. EFFECTIVE DATE.

The amendments made by this title shall apply in the case of notices made and proceedings commenced after the date of the enactment of this Act.

TITLE IX—OTHER PROVISIONS

SEC. 901. REQUIRED CONTENT OF CERTAIN NOTICES.

(a) GENERAL RULE.—Subsection (a) of section 7522 (relating to content of tax due, deficiency, and other notices) is amended by striking "shall describe the basis for, and identify" and inserting "shall set forth the adjustments which are the basis for, and shall identify".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to notices sent after the date 6 months after the date of the enactment of this Act.

SEC. 902. PROTECTION FOR TAXPAYERS WHO RELY ON CERTAIN GUIDANCE OF THE INTERNAL REVENUE SERVICE.

(a) IN GENERAL.—Section 7805 (relating to rules and regulations) is amended by adding at the end thereof the following new subsection:

"(g) PROTECTION FOR TAXPAYERS WHO RELY ON CERTAIN GUIDANCE.—If a taxpayer other than a corporation takes any position or other action in reasonable reliance on guidance published by the Secretary in a press release, information release, or Revenue Ruling, such position or other action taken by such taxpayer shall be treated as consistent with the provision to which such guidance relates. Any subsequent guidance published by the Secretary in any form shall not have the effect of treating such position or other action as being inconsistent with such provision for the period before the date the subsequent guidance is published."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply in cases where the initial guidance is published after the date of the enactment of this Act.

SEC. 903. RELIEF FROM RETROACTIVE APPLICATION OF TREASURY DEPARTMENT REGULATIONS.

(a) IN GENERAL.—Subsection (b) of section 7805 (relating to rules and regulations) is amended to read as follows:

"(b) RETROACTIVITY OF REGULATIONS.—

"(1) IN GENERAL.—Any final, temporary, or proposed regulation issued by the Secretary shall apply prospectively from the date of publication of such regulation in the Federal Register.

"(2) CONGRESSIONAL AUTHORIZATION.—The prospective only treatment of paragraph (1) may be superseded by a specific legislative grant from Congress authorizing the Secretary to prescribe the effective date with respect to a statutory provision."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to any temporary or proposed regulation published as a final regulation after February 20, 1992.

SEC. 904. REQUIRED NOTICE OF CERTAIN PAYMENTS.

If any payment is received by the Secretary of the Treasury or the Secretary's delegate (hereafter in the section referred to as the "Secretary") from any taxpayer and the Secretary cannot associate such payment with any outstanding tax liability of such taxpayer, the Secretary shall make reasonable efforts to notify the taxpayer of such inability within 60 days after the receipt of such payment.

SEC. 905. CERTAIN COSTS OF PREPARING TAX RETURNS FULLY DEDUCTIBLE.

(a) IN GENERAL.—Subsection (b) of section 67 (relating to 2-percent floor on miscellaneous itemized items) is amended—

(1) by striking "and" at the end of paragraph (12),

(2) by striking the period at the end of paragraph (13) and inserting ", and", and

(3) by adding at the end thereof the following new paragraph:

"(14) any deduction allowable for tax return preparation expenses."

(b) TAX RETURN PREPARATION EXPENSES.—Section 67 is amended by adding at the end thereof the following new subsection:

"(f) TAX RETURN PREPARATION EXPENSES.—For purposes of this section, the term 'tax return preparation expenses' means expenses—

"(1) paid or incurred and allocated to the preparation of the taxpayer's return with respect to the income and expenses of an unincorporated trade or business or farm, and

"(2) with respect to which a deduction is allowable under section 162 (determined without regard to this section)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

TAXPAYER BILL OF RIGHTS 2 (T2)

TITLE I—TAXPAYER ADVOCATE

Sec. 101. *Establishment of Position of Taxpayer Advocate within Internal Revenue Service*.—The Office of the Taxpayer Ombudsman was statutorily created in 1987 in the Omnibus Taxpayer Bill of Rights. The Ombudsman is presently hired by and reports directly to the IRS Commissioner.

T2 will replace the Ombudsman with the new Office of Taxpayer Advocate. The Taxpayer Advocate will be appointed by the President and confirmed by the Senate. This will allow the Taxpayer Advocate to play a more independent role in actively protecting taxpayer rights. The Taxpayer Advocate will also have expanded authority as provided in section 102 and 103 below.

T2 will require the Taxpayer Advocate to provide the Committee on Ways and Means of the U.S. House of Representatives and the Committee on Finance of the U.S. Senate the following annual reports:

1. Initiatives the Taxpayer Advocate has taken on improving taxpayer services and IRS responsiveness.
2. Problem Resolution Officers (PROs) recommendations flowing from the field.
3. A summary of at least 20 problems encountered by taxpayers, including a description of the nature of their problems.
4. Inventory of items in 1, 2, and 3 for which action has been taken and completed and the result of the action.
5. Inventory of items in 1, 2, and 3 for which action remains to be completed and the date each item was first identified.
6. Inventory of items in 1, 2, and 3 for which no action has been taken along with the period each item has remained on the inventory, the reasons for no action, and the IRS official responsible for implementing action.
7. Identification of any Taxpayer Assistance Order which was not honored by the IRS within 3 days and the reason(s) for delay.
8. Any recommendations for administrative and legislative action as may be appropriate to resolve problems encountered by taxpayers.
9. Any information the Taxpayer Advocate deems advisable.

In addition, the Taxpayer Advocate must furnish to the tax writing committees its annual objectives, not later than October 31 of each calendar year after 1991.

All reports should contain full and substantive analysis, in addition to statistical information.

Presently, the Office of the Taxpayer Ombudsman carries out its duties and responsibilities in the local field offices through the PRO. However, PROs are hired, supervised, reviewed, and promoted by the local IRS District Director, not the ombudsman.

T2 will provide that the PRO will report directly to the Office of Taxpayer Advocate.

Sec. 102. *Expansion of Authority of the Taxpayer Advocate to Issue Taxpayer Assistance Orders*.—Under current law, section 7811(a) authorizes the Taxpayer Ombudsman to issue a Taxpayer Assistance Order (TAO) if, in the determination of the Ombudsman, the taxpayer is suffering or about to suffer a "significant hardship" as a result of the manner in which the tax laws are being administered by the Secretary.

T2 eliminates the qualifier of "significant" from section 7811 to allow PROs to assist taxpayers in avoiding hardship before it occurs because the standard of "significant hardship" presupposes that a taxpayer must bear some degree of hardship before any relief can be afforded.

Currently under section 7811(b), a TAO allows a PRO to "cease any [IRS] action" with respect to a taxpayer. However, section

7811(b) does not allow the terms of a TAO to authorize affirmative steps to help a taxpayer.

T2 will authorize the terms of a TAO to "cease any action, take any action" with respect to a taxpayer, and therefore, allow a TAO to both stop IRS action and to take affirmative steps with respect to a taxpayer. For example, the Taxpayer Advocate's new scope of power will specifically include, but not be limited to, the authority to (1) abate assessments, (2) grant refund requests, and (3) stay collection activity. The Taxpayer Advocate will have the power to grant authority to his or her designees (i.e., the Problems Resolution Officers).

Current law provides that a TAO may be modified or rescinded by the Ombudsman, a district director, a service center director, a compliance center director, a regional director of appeals, or any superior of such person.

T2 provides that a TAO may be modified or rescinded only by the Taxpayer Advocate and/or the IRS Commissioner.

TITLE II—MODIFICATIONS TO INSTALLMENT AGREEMENT PROVISIONS

Sec. 201. *Taxpayer's Right to Installment Agreement.*—T2 will provide that an individual taxpayer has an automatic right to an installment agreement if the taxpayer has not been delinquent in the previous 3 years and the liability is under $10,000. This provision is limited to individual taxpayers.

Sec. 202. *Notification of Reasons for Termination of Installment Agreements.*—Section 6159(b)(3) presently requires the IRS to give the taxpayer a 30-day notice before terminating an installment agreement, if it is determined that the financial condition of the taxpayer has significantly changed. However, no notice is required if the taxpayer defaults for any other reason. In these cases, the IRS may unilaterally terminate the installment agreement with no notice to the taxpayer.

T2 will require the IRS to provide a taxpayer with a 30-day notice before terminating an installment agreement for any reasons except when the collection of the tax is determined to be in jeopardy. In addition, T2 will require the notice to include the reason(s) why the IRS considers the installment agreement to be in default.

Sec. 203. *Administrative Review of Termination or Denial of Request for Installment Agreement.*—Under present law, a taxpayer has no right to an independent review of a termination or denial of his request for an installment agreement.

T2 will require the IRS to establish procedures for an independent administrative review of a termination of or denial of a request, for an installment agreement. T2 will also require the IRS to provide a written response to a taxpayer who requested an installment agreement. The written response must state the decision of the IRS and the basis for such decision. Finally, T2 will require the IRS to include in the instructions for filing Federal income tax returns the rules and procedures for requesting installment agreements.

Sec. 204. *Running of Failure to Pay Penalty Suspended During Period Installment Agreement in Effect.*—Under present law, a taxpayer is subject to "failure to pay" penalties even though he or she has agreed to pay his or her tax liability with interest by entering into an installment agreement.

T2 will amend section 6651 to prevent the IRS from imposing the "failure to pay" penalty on taxpayers during the period in which the installment agreement is in effect.

TITLE III—INTEREST

Sec. 301. *Expansion of Authority to Abate Interest.*—Section 6404(e)(1) (Assessment of interest attributable to errors and delays by the IRS) provides "the Secretary may abate" interest on "any deficiency in whole or in part to [due to] any error or delay by an officer or employee of the IRS (acting in his official capacity) in performing a ministerial act".

The ministerial act requirement too narrowly limits the possibility of relief to the taxpayer with the result that the IRS will not abate interest even if it is the IRS' fault. Further, IRS rejection of a taxpayer request to abate interest cannot be reviewed because section 6404(e)(1) provides no guidance for courts as to the appropriate judicial review standard.

T2 will provide that the Secretary *must* abate or refund interest attributable to *unreasonable* IRS errors and delays. The ministerial act limitation will be deleted from the statute, and courts will use "unreasonable error or delay" as the appropriate standard of review.

Sec. 302. *Extension of Interest-Free Period for Payment of Tax After Notice and Demand.*—When the IRS sends a first notice requesting payment to a taxpayer, section 6601(e) provides a 10-day interest-free period from the date of the notice. The 10-day requirement is virtually impossible to meet given delivery time to and from the taxpayer who is attempting to timely remit payment.

T2 will extend taxpayers' interest-free period for payment of the tax liability reflected in the first notice from 10 days to 21 days, when the total tax liability on the notice of deficiency is less than $100,000.

Sec. 303. *Equalization of Interest Rates.*—Section 6621 provides that the government pays to the taxpayer interest on overpayments at the rate of 2 percentage points over the Federal short-term rate. However, the taxpayer pays to the government interest on underpayments at the rate of 3 percentage points over the Federal short-term rate.

T2 will eliminate the interest differential between the interest rate the taxpayer pays the government on underpayments and the interest rate the IRS pays the taxpayer on overpayments. This is done by increasing the interest rate the government pays on overpayments.

TITLE IV—JOINT RETURNS

Sec. 401. *Requirement of Separate Deficiency Notices in Certain Cases.*—Section 6212 requires that, in the case of a joint tax return, a notice of deficiency may be a single joint notice except if the IRS has been notified that separate residences have been established. Many taxpayers are not aware of the need to notify the IRS of a change in residence. As a result, many taxpayers receive no notice of a possible tax deficiency until the case has been sent to the Collection Division for enforcement action and the opportunity for administration appeal has expired.

T2 will require the IRS to send a duplicate original of the joint notice by certified mail or registered mail to the address of the most recent taxable year for which the IRS has data on such spouses who do not file a joint return.

Sec. 402. *Disclosure of Collection Activities.*—Present law does not allow the IRS to inform either spouse as to the efforts of the IRS to collect the tax liability from the other spouse.

T2 will require that, if either spouse or former spouse makes a written request, the IRS must disclose in writing whether the IRS has attempted to collect the deficiency from his or her spouse or former spouse, the general nature of such collection activities, and the amount collected.

Sec. 403. *Joint Return May Be Made After Separate Returns Without Full Payment of Tax.*—Under section 6013(b)(2), taxpayers, who file separate returns and subsequently determine that their tax liability would have been less if they had filed a joint return, may not reduce their tax liability by filing jointly unless they are able to pay the entire amount of the joint return liability before the expiration of the 3-year period for making the election.

T2 will repeal the provision requiring full payment of the tax liability as a precondition to taxpayers switching from married filing separately status to married filing jointly status.

Sec. 404. *Acknowledgment of Absent Divorced or Separated Spouse to be Represented by Other Spouse.*—In the case of divorced or separated spouses, T2 will require the absent spouse's signature to acknowledge whether the other spouse, may or may not, represent the absent spouse in an audit situation. No such acknowledgment is required under current law.

TITLE V—COLLECTION ACTIVITIES

Sec. 501. *Notice of Proposed Deficiency.*—Current law does not provide for any notice of proposed deficiency, however, the IRS does issue these type notices on its own initiative (e.g., a 30-day letter).

T2 will require that the IRS issue a notice of proposed deficiency at least 60 days before any final notice of deficiency under section 6212, thereby permitting administrative appeal rights. If there are less than six months left on the statute of limitations, then the taxpayer shall have the option to extend the statute of limitations so that the IRS can issue a notice of proposed deficiency. The notice requirement will not apply in jeopardy assessment situations.

Sec. 502. *Modifications to Lien and Levy Provisions.*—A Notice of tax lien provides public notice that a taxpayer owes the government money. Section 6326(b) requires the IRS to issue a Certificate of Release for such notices for erroneous liens only. This extremely narrow language prevents the IRS from issuing the Release on premature or incorrectly filed liens.

T2 will give discretion to the IRS to remove such liens without prejudice when (1) the filing of the notice was premature or not in accordance with administrative procedures of the IRS; (2) the taxpayer has entered into an installment agreement for the payment of the tax liability with respect to the tax on which the lien is imposed; (3) the withdrawal of the lien will facilitate the collection of the tax liability; or (4) the withdrawal of the lien would be in the best interest of the taxpayer and the United States (with the best interests of the taxpayer to be determined by the Taxpayer Advocate).

T2 will require that, upon written request by the taxpayer in the 4 cases cited above, the IRS shall make prompt efforts to notify the credit reporting agencies specified that the notice has been withdrawn. T2 will also require the IRS to return levied-upon-property to the taxpayer in the 4 above cited cases.

T2 will raise the levy exemption amounts of $1500 for personal property and of $1100 for equipment and property for a trade, business, or profession, which were set in 1990, to the present indexed amounts.

Sec. 503. *Offers-in-Compromise.*—Section 7122 provides that the IRS may settle a tax debt pursuant to an offer-in-compromise.

Amounts over $500 can be accepted only if the reasons for the acceptance are documented in detail and supported by an opinion of the IRS Chief Counsel. Further, section 6103(k) requires public disclosure of the names of taxpayers whose tax debts are compromised, as well as the amount owed and the amount accepted by the Government. These burdensome requirements result in the IRS not pursuing the offer-in-compromise route in settling even small tax disputes.

T2 will provide that, in cases where the unpaid tax assessment is less than $50,000, the opinion of the IRS Chief Counsel is not required. However, the IRS shall subject these offers-in-compromise to an IRS quality review. Further, T2 will amend 6103(k) to provide that in cases where the unpaid tax assessment is less than $50,000, the offer-in-compromise will not be subject to public disclosure.

Sec. 504. *Notification of Examination.*—Presently, in many cases, the IRS is approaching taxpayers, requesting books and records, but not notifying taxpayers of examination. If the taxpayer is contacted and the agent requests to review the taxpayer's books and records, a written notice, followed by an examination report, should be required.

T2 will amend section 7605 to require that the IRS give the taxpayer written notice that the taxpayer is under examination. The notice will be required for examinations under all sub-titles of the Code. Such notice will include an explanation of the process as described in section 7521 (explanation of examination process, right to be represented by an attorney, certified public accountant, etc.).

Sec. 505. *Removal of Limits on Recovery of Civil Damage.*—Section 7433 caps civil damage awards for unauthorized collections actions against the IRS at $100,000. Section 7433 also limits recovery to "reckless and intentional" actions of the IRS.

T2 will remove the $100,000 cap and include recovery for "negligent" action by the IRS.

Sec. 506. *Designated Summons.*—Section 6503(k) permits the IRS to issue a "designated summons" directing the production of documents or other information in connection with the audit of a corporate taxpayer. There is no requirement that the IRS notify the taxpayer that a designated summons is about to be issued. Under present law, the IRS may issue a designated summons with just 60 days remaining on the statute of limitations, and if the taxpayer does not comply fully with the summons in a relatively short period of time, then the IRS can suspend the statute of limitations by seeking judicial enforcement of that summons.

While there may be situations where the use of a designated summons late in the audit process may be appropriate, nonetheless the IRS should not be allowed to surprise taxpayers who reasonably and in good faith believed that the statute of limitations was soon going to expire. Section 6503(k) provides the IRS with an extraordinary compliance tool, and fairness requires that taxpayers be warned when IRS intends to utilize it.

T2 will provide a standard of review for issuance of a designated summons such that the designated summons may only be used where the deficiency cannot be assessed accurately before the expiration of the otherwise applicable statute of limitations period, because of delay or other actions by the taxpayer.

Specifically, T2 will provide that the statute of limitations will be extended by a designated summons only (a) if the IRS has not had at least three years to complete the audit; (b) if the taxpayer has refused to extend the statute for at least 2 years; or with respect to information for which (i) the IRS had previously made a written request; (ii) the person to be summoned had sufficient time to respond to the previous written information request before the date on which the designated summons was issued; and (iii) the person to be summoned failed substantially to comply with the information request.

T2 will require the IRS to give written notice of intent to issue a designated summons. Such notice must include the reasons why prior responses were inadequate and allow the taxpayer the right to conference with the Secretary's designee within 15 days of such notice.

T2 will provide that, within 10 days of receiving the designated summons, the taxpayer may file a petition in the District Court seeking to quash or modify the summons, or seeking a court determination that the statute of limitations shall not be suspended.

TITLE VI—INFORMATION RETURNS

Sec. 601. *Phone Number of Person Providing Payee Statements Required to be Shown on Such Statement.*—Taxpayers frequently need to contact payors issuing information returns in order to resolve disputes. Presently, information returns (e.g., W-2s, 1099s, etc.) require only the name and address of the payor.

T2 will require the payor to also provide the phone number of the payor's information contact.

Sec. 602. *Civil Damages for Fraudulent Filing of Information Returns.*—Some taxpayers have suffered significant personal loss and inconvenience as the result of the IRS receiving fraudulent information returns. These false returns have been filed by payors whose intent is to defraud the IRS or to harass taxpayers.

T2 will provide that, if any person files a false or fraudulent information return with respect to payments made to another person, such person may bring a civil action for damages against the person filing such return. Further, T2 will provide that damage awards in such cases be at least $5000, and that the plaintiff must bring action within 6 years from the time the fraudulent return was filed with the IRS.

Sec. 603. *Requirement to Conduct a Reasonable Investigation of Information Returns.*—Section 6212(a) authorizes the IRS to determine tax deficiencies. The term "determine" is not defined in the Code, and until recently, courts have declined to inquire whether or not, and how, the IRS made its determination. Further, courts have begun to chip away at the long-standing presumption of correctness afforded deficiency notices.

T2 will amend section 6212(a) to provide that a "determination" must be "a thoughtful and considered determination that the United States is entitled to an amount not yet paid." *Portillo v. Commissioner,* 832 F. 2d 1128 (5th Circuit 1991). If the IRS fails to make a thoughtful and considered determination, then the notice of deficiency will be invalid.

T2 will provide that where the taxpayer asserts a reasonable dispute with respect to any item of income reported to the IRS on an information return, the IRS, not the taxpayer, will bear the burden of proof in any deficiency or refund proceeding absent a showing that the IRS conducted a reasonable investigation of the facts surrounding the taxpayer's return.

TITLE VII—MODIFICATIONS TO PENALTY FOR FAILURE TO COLLECT AND PAY OVER TAX

Sec. 701. *Trust Fund Taxes.*—Section 6672 imposes personal liability on those persons who are required to collect employment taxes ("responsible officers") and who willfully fail to pay over these taxes to the IRS. The Code additionally provides for a 100% penalty on responsible officers failing to pay over such taxes. Taxpayers who may be responsible persons are assessed the taxes owed and the penalty without the right to an administrative review.

T2 will require the IRS to issue a preliminary notice which will give the taxpayer the right to an administrative appeals hearing. In addition, T2 would provide taxpayers the right to go to Tax Court prior to assessment (via a declaratory judgment procedure similar to section 7476).

Sec. 702. *Disclosure of Certain Information Where More Than One Person Subject to Penalty.*—The IRS may recover more than the amount owed under section 6672 (since each responsible person is jointly and severally liable). There is no procedure to ensure that the IRS does not collect more than 100% of what is owed.

T2 will require that a person liable for a section 6672 penalty may request, in writing, that the IRS disclose any other person who is liable for such penalty along with general nature of the IRS' collection activities.

Sec. 703. *No Penalty if Prompt Notification of the Secretary.*—T2 will excuse from the 100% penalty any person who notifies the IRS of a failure of a business to pay over taxes within thirty days of the date on which the taxes were due. This relief will not be available to individuals who are significant owners of the business or persons directly responsible for the decision not to pay over the taxes due.

Sec. 704. *Penalties Under Section 6672.*—Under current law, unpaid, volunteers, who serve on boards of tax-exempt organizations, may be held liable for the 100% penalty depending on the duties and roles of the individual involved.

T2 provides that the 100% penalty will not be imposed on unpaid, volunteer members of any board of trustees or directors of a tax exempt organization.

T2 will also require the IRS to develop materials to better inform employees and volunteers of their responsibilities under the law.

TITLE VIII—AWARDING OF COSTS AND CERTAIN FEES

Sec. 801 through 803. *Recovery of Administrative Costs.*—IRC section 7430 presently provides for the recovery of administrative costs incurred on or after the *earlier of* the receipt of the final decision of Appeals or the statutory notice of deficiency. Because, generally, no administrative costs are incurred after this period (except where the taxpayer pays the full amount of tax and files a claim for refund), the statutory provision is ineffective. In addition, the burden is on the taxpayer to show that the position of the IRS was not "substantially justified".

T2 will amend section 7430 to provide that any person who substantially prevails in an administrative proceeding can recover reasonable administrative costs, but only if such costs were incurred after the *earlier of:* (1) the date of the first notice of proposed deficiency that allows the taxpayer an opportunity for administrative review in the IRS Office of Appeals, or (2) the date of the statutory notice of deficiency. In addition, if the notices above are not applicable (i.e., a nondeficiency proceeding, trust fund taxes, etc.), then costs run from the first notice that notified the taxpayer of the assessment or the proposed assessment. No such costs will be recoverable if the government can show that its position was substantially justified.

T2 will also amend section 7430 to provide that reasonable fees incurred for the services of qualified taxpayer representatives shall not be in excess of $150 per hour (currently $75 per hour), and the amount shall be indexed to inflation.

TITLE IX—OTHER PROVISIONS

Sec. 901. *Required Content of Notices.*—Section 7522 (Content of tax due, deficiency, and other notices.) requires the IRS to clarify certain notices by January 1, 1990, by identifying and describing the basis for any tax due, as well as any interest and penalties assessed. However, the IRS is not required to separately set forth, in the notice, the components and explanation for each adjustment.

T2 will amend section 7522 to require that the IRS set forth the components and explanation for each specific adjustment which is the basis for the total tax deficiency.

Sec. 902. *Protection for Taxpayers Who Rely on Certain Guidance of the Internal Revenue Service.*—T2 will amend section 7805 to provide that if a taxpayer takes any position or other action in reasonable reliance on initial guidance published by the IRS (in the form of press releases, information releases, or revenue rulings), any later position by the IRS which is inconsistent with the earlier guidance would not apply to the detriment of the taxpayer.

Sec. 903. *Relief From Retroactive Application of Treasury Department Regulations and Rulings.*—T2 will generally require that all regulations issued by the Treasury Department to implement broad legislative guidelines be effective prospectively from the date of issuance in final, temporary, or proposed form. To keep such a presumption from providing shelter for abusive transactions, and to provide for administration of tax laws in the interim between the effective date of a statute and the effective date of the associated regulations, taxpayers would be deemed to have satisfied the necessary requirements if they made a good-faith effort to utilize a reasonable interpretation of the statute that resulted in substantial compliance. This general rule requiring that regulations be prospective could be superseded by a specific legislative grant authorizing the Treasury Department to prescribe the effective date of regulations with respect to statutory provision.

Sec. 904. *Required Notice of Certain Payments.*—T2 will provide that, if the IRS receives a payment from a taxpayer and cannot associate that payment with any outstanding tax liability, then the IRS must make reasonable efforts to notify the taxpayer of such inability within 60 days after receipt of such payment.

Sec. 905. *Certain Costs of Preparing Tax Returns Fully Deductible.*—T2 will provide that fees incurred with respect to the preparation of "Schedule C" (Unincorporated Trade or Business), or "Schedule F" (Farm Income and Expenses) will be allowed as an ordinary and necessary business expense. Thus, such fees will not be subject to the two-percent floor applicable to miscellaneous itemized deductions. As a result, unincorporated taxpayers or farmers will not be at a disadvantage compared to incorporated businesses that incur tax preparation fees. The IRS has taken the position that such expenses are subject to the two-percent floor.

Mr. REID. Mr. President, I rise today for the purpose of bringing to the attention of my colleagues an issue that is important to me, important to people in the State of Nevada, and important to the taxpayers across this country.

That issue is the taxpayer bill of rights 2, or, as we will come to know it, "T2." Mr. President, today my colleague, the junior Senator from the State of Arkansas, a member of the Finance Committee, Mr. PRYOR, will introduce the taxpayer bill of rights 2.

My experience with the sometimes abusive practices of the Internal Revenue Service goes back before the days when I was elected to Congress. During the time that I practiced law in the State of Nevada I had a number of people that came to me who were concerned about how they were treated by the Internal Revenue Service. In fact, their concern related to the fact that they, being card dealers, roulette dealers, people who worked in the gaming industry, were people who had acknowledged the fact that they owed the Internal Revenue Service money. The reason they owed them money was based on the fact that Federal courts determined that gratuities or tips had to be included in their gross income. As a result, there were arrangements made with these dealers and the Internal Revenue Service as to how moneys were to be paid back.

After these arrangements were made, the Internal Revenue Service reneged on their arrangement. They would say, "Well, it is true we agreed you could pay it back at the rate of $500 a month, but what has happened in the meantime is that there is a new revenue agent and, as a result, you are going to have to pay the money back at $570 a month," or some other figure.

These installment agreements made with the IRS were simply negated. The complaints that these dealers had with the Internal Revenue Service were many. And I have only given one example.

Mr. President, these complaints did not stop when I was elected to the House of Representatives. As a result I introduced the taxpayer bill of rights in that body during the 99th Congress. Unfortunately, the House was not interested in moving my bill. The member who led the Subcommittee on Ways and Means did not see the merits of the legislation.

The day I introduced that legislation in the House, I appeared on the Charlie Rose show, a program called "Nightwatch," that aired between 2 and 5 o'clock in the morning. I, frankly, did not know how many people would watch that program. But the fact is, there were people who watched the program, a lot of them. The next day when I came to work, the phone would not stop ringing. Telegrams came in by the bagful and the mail came in later. What I discovered in their letters, telegrams, and other communications, was that the problems in Nevada with Nevada citizens was not a Nevada problem but, in fact, Mr. President, was a problem we had all over this country. There were problems all over these United States, dealing with how the Internal Revenue Service had treated taxpayers. And they were not pleasant stories.

Nevertheless, I could not move this bill in the House of Representatives, but I didn't give up.

The first speech I gave on the House floor, my so-called maiden speech, related to the taxpayer bill of rights. Coincidentally, the Presiding Officer that day was DAVID PRYOR, the junior Senator from the State of Arkansas. Senator PRYOR sent a note to me after I finished my speech, saying I am interested in this, you have a good idea, let us work on it together.

Later that day I heard from Senator GRASSLEY, of the State of Iowa, who indicated to me that he, too, was interested in the measure.

Senator PRYOR was the subcommittee chairman in the Finance Committee having oversight over the Internal Revenue Service. As a result of his position, he was able to move the taxpayer bill of rights, and move it he did. In his own words, Senator PRYOR described that he had developed a passion for the taxpayer bill of rights. His hearings developed so many abusive stories that it became something extremely important to him.

As a result of the very, very good work of Senator PRYOR and Senator GRASSLEY, this legislation was moved through the Senate, the House, and became law. I will be forever indebted to Senator PRYOR for his ability, and his passion for this legislation. Because, but for Senator PRYOR, this legislation could not have moved. I wrote it but he was the moving force behind this legislation on the Senate floor. As I indicated I am grateful to him for that.

The provisions in the original taxpayer bill of rights are important. It instructs the Internal Revenue Service to prepare a statement of taxpayers' rights. So now when a taxpayer has a problem he or she knows what his or her rights might be.

The taxpayer bill of rights grants statutory authority to the ombudsman to issue taxpayer assistance orders if the taxpayer will suffer significant hardship as a result of the way the tax laws are being administered.

It sets out rules for conducting taxpayer audit interviews.

It authorizes the IRS to enter into a written installment payment agreement with the taxpayer and sets criteria for terminating that agreement.

This is one of the big problems that the taxpayers had with the tax collecting agencies of this country, and this is now no longer the case.

The taxpayer bill of rights also prohibit the use of tax enforcement results to evaluate collection employees or to impose production quotas or goals.

The hearings on the taxpayer bill of rights indicated that certain IRS employees were promoted as a result of how much money they could collect. In fact, one taxpayer in the State of California indicated that on their window in the Los Angeles IRS office, they had different things written as to how much money they could collect; little slogans to collect more money. This is no longer permissible.

The taxpayer bill of rights requires financial institutions to hold accounts garnished by the IRS for 21 days after receiving the notice of levy rather than sending the money right out.

The taxpayer bill of rights has made great strides on behalf of taxpayers' rights, understanding, and underscoring, Mr. President, that there is no one who has been involved in this legislation who does not want the Federal Government to collect moneys that are due and owing. What we do not want is the Internal Revenue Service to be abusive and mean spirited in collecting money they are not entitled to. That is what the taxpayer bill of rights is set up to protect.

Mr. President, the taxpayer bill of rights No. 2 will take the next step in providing safeguards to the taxpayer. Among other things it will replace the office of taxpayer ombudsman with the new office of taxpayer advocate and allows this person a more independent role in protecting taxpayers' rights. Most importantly, taxpayer bill of rights No. 2 will make the problems resolution officer—the Internal Revenue Service person out in the field that handles taxpayers' complaints—accountable to the taxpayer advocate rather than local IRS district director.

As the situation exists now, the PRO is hired, supervised, reviewed and promoted by the local director. This bill provides that the PRO is accountable to the taxpayer advocate, an individual appointed by the President and confirmed by the Senate. There is little doubt that the taxpayer would have a more sympathetic ear at the IRS if this were the situation.

An additional provision relating to the taxpayer advocate gives more strength to the Taxpayer Assistance Order Program. Taxpayer assistance orders [TAO] were established in the first taxpayer bill of rights to assist taxpayers who would suffer hardship as a result of IRS actions. However, taxpayer assistance orders may be modified or rescinded by the ombudsman, a district director, a compliance center director, or virtually anyone at that level of authority or above. T2 provides that only a taxpayer advocate and/or the IRS Commissioner may modify or rescind a taxpayer assistance order.

T2 will also protect the taxpayers with respect to the interest rate differential between the rate the taxpayer must pay the Government on underpayments and the interest rate the IRS pays the taxpayer on overpayments. The Government will now pay the same amount to taxpayers that taxpayers must pay to them.

Mr. President, I have touched on only a very few of the provisions in the bill. There are many more and I urge my colleagues to take a close look at them. This legislation will protect our constituents against the sometimes abusive practices of the IRS. If you want to support a bill that will really have an effect in your States—then this is the legislation you should cosponsor.

Mr. BOREN. Mr. President, I am delighted to join with my colleague from Arkansas, Mr. PRYOR, in introducing the taxpayer bill of rights 2. This legislation is the next step, after the first bill of rights that we passed in 1988, in ensuring that the IRS meets higher standards of accuracy, promptness and respect for due process in providing taxpayer service.

The time is right for this legislation. First, as we near the April 15 filing deadline for Federal tax returns, we necessarily focus on the protections in the system for the taxpayers against mistakes by the Service. And mistakes are inevitable. Over 120,000 IRS employees process more than 100 million tax returns and collect more than $1 trillion every year. We cannot expect such a gigantic undertaking to be carried out perfectly. Our obligation is to guarantee that the taxpayer who is the victim of an IRS mistake can correct that error through a fair and speedy process.

Second, we are in the midst of considering tax legislation designed in part to enhance the fairness of the system. It has become increasingly apparent that the middle-income taxpayer has not received the same tax benefits over the last few years as the wealthier taxpayer. This same middle-income taxpayer is likely to feel overwhelmed when confronted by the massive and impersonal IRS bureaucracy. Often he or she will lack the resources to hire expensive attorneys to correct an IRS mistake or an arbitrary decision. Even if this taxpayer prevails, he or she is likely to feel badly treated by the Service, and by the Federal Government as a whole.

The taxpayer bill of rights 2 contains many provisions to level the playing field for the taxpayer. One of these safeguards is also contained in legislation I introduced earlier this session, the Taxpayer Regulatory Relief Act of 1991, S. 532. This provision ensures that any new IRS ruling or regulation must apply prospectively only, unless Congress clearly decides otherwise. Under current practice, the IRS can delay proposing new rules or offer preliminary regulations, wait several years later to clarify the regulations, and then require taxpayers to comply with the regulations after the fact.

Retroactive regulation is unfair to taxpayers because it changes the rules in the middle of the game. We must stop penalizing worker Americans when the IRS is at fault. In addition, the current IRS method is bad for the economy because it has a chilling effect on legitimate business transactions. Taxpayers and businesses should not have to meet the unrealistic, arbitrary and unforeseen demands set forth by bureaucrats.

This legislation strengthens the role of the ombudsman, a position created in the first bill of rights. Rather then being hired by the IRS Commissioner, this advocate for the taxpayer now will be chosen by the President. Moreover, the ombudsman will make quarterly reports to Congress, and he will directly oversee the problems resolution offices located in the local districts and responsible for much of the Service's direct contact with taxpayers.

Another provision of the bill of rights is similar to legislation I introduced in 1990 to give taxpayers more rights when they are forced to do battle in court with the Internal Revenue Service. Under current law, Mr. President, a taxpayer who actually beats the nearly invincible IRS can recover legal fees only if he or she wins the case and can prove that the IRS was not substantially justified in pressing its case.

This standard is completely ridiculous. If a taxpayer suffers a loss at the hands of the Government, the taxpayer should be able to recover the costs of this fruitless exercise. The taxpayer bill of rights 2 shifts the burden of proof from the victorious taxpayer to the IRS. It requires that the Service must prove that its position in the proceedings was substantially justified to avoid an award of costs to the taxpayer. Again, this provision does not make the Service's job impossible or overly difficult; it merely strikes the proper balance between a huge Federal bureaucracy and the taxpayer.

I would highlight one final provision of this comprehensive legislation. Currently, there is a difference in the interest that the taxpayer pays the IRS on underpayments and the interest the IRS pays the taxpayer on overpayments. Not surprisingly, that differential favors the Government, not the individual American. The legislation we introduce today would equalize the interest rates, achieving even more fairness in the tax system.

Mr. President, in our eagerness to enact sweeping legislation to stimulate the economy through changes in the tax system, we cannot forget our obligation to ensure that the system operates justly. We cannot forget that the average taxpayer is ill-suited to battle the awesome Internal Revenue Service when the giant makes mistakes or acts improperly. It is our responsibility to safeguard the citizen's rights and equip him or her with adequate weapons. I urge my colleagues to support this important legislation.

Mr. GRASSLEY. Mr. President, in the midst of the tax filing season, the issue of taxpayers' rights takes on a special importance. Although most IRS employees provide valuable and responsible service, taxpayer abuse still exists. With this in mind, I am very happy to be joining Senator PRYOR and others in introducing the taxpayer bill of rights 2. This is very necessary legislation that builds upon the original taxpayer bill of rights that we passed into law in 1988. Senator PRYOR should be commended for, once again, taking the lead in promoting further taxpayer protections against Internal Revenue Service abuse.

For me, the long process of trying to ensure taxpayer protections began in the early 1980's, when I was a member and then chairman of the Finance Subcommittee on IRS Oversight. We made progress, but it was only the beginning.

Senator PRYOR continued the cause when he succeeded me as chairman in 1987. At that time, he took the initiative and asked me to work with him in pushing for a taxpayer bill of rights by expanding legislation I and others had introduced. It took nearly 2 years, but we ultimately succeeded in achieving this goal.

We now have a 3-year record of implementation regarding the taxpayer bill of rights. Great strides toward taxpayer protection were achieved through this legislation. However, the taxpayer bill of rights of 1988 was never expected to be the final chapter of the book on taxpayer protection. It was a major step in the continuing process of stamping out taxpayer abuse. And that process continues today, as we look into ways to improve the current law.

In reviewing the record, it's clear that much more needs to be done. There's no question that breakdowns in implementing the law have occurred, and there are gaps in the law that need to be filled. As the ranking member of Senator PRYOR'S Finance Subcommittee that oversees the IRS, I have worked with Senator PRYOR in developing this legislation that will address these concerns.

Senator PRYOR will convene the second hearing on our proposal tomorrow. With the House side pursuing a similar package, I'm very encouraged that we will see results before the end of this session. I urge my colleagues to join us in this effort to help make the IRS more responsible and more accountable to the taxpayers of this country.

Mr. FOWLER. Mr. President, I am pleased to join my distinguished colleague from Arkansas, Senator PRYOR, once again as he renews his fight on behalf of the American taxpayer.

As we near the end of winter, I know that all of us are looking eagerly ahead to the cherry blossoms that in several weeks will mark the dawn of spring here in our Nation's Capital.

In my home State of Georgia, folks will also be watching for the cherry blossoms down in Macon, for the roses in Thomasville, for the azaleas at Callaway Gardens, the peach blossoms in Perry, and for the dogwood blossoms that blanket the State like a spring snowstorm.

But as the warmth of spring and thoughts of Easter fill their hearts, the people of Georgia and the Nation will remember another rite of spring that is likely to send the chill of winter down their spines. They will remember that, like the ice man, the tax man cometh.

As Mr. Franklin wrote over 200 years ago to his friend Jean-Baptiste Leroy of France: "In this world nothing can be said to be certain, except death and taxes."

Mr. President, that our Nation must levy and collect taxes for the public good is indeed inevitable. But that any citizen should see their legal rights denied or their human dignity abused by the tax collectors is intolerable.

As a cosponsor of the original taxpayer bill of rights that Senator PRYOR authored in 1988, I want to voice my strong and unequivocal support for this next step in the process of providing rock solid protection for the American taxpayer against abuse and ill treatment at the hands of the IRS.

We have all heard the horror stories that pour into our offices daily about the difficulty average Americans experience in getting a fair hearing and efficient service from the Internal Revenue Service. Often, these stories border on the humorous, but I assure you, they are no laughing matter.

I have piles of letters that document the trials of those who have braved the redtape of the tax collecting bureaucracy. My constituents say they can't get through on the phone, that their letters go unanswered, that they receive computer notices in error, and that they suffer the arrogance and personal threats of IRS employees. Small business owners complain about the maze of tax laws and say they're badgered about tax accounts they've already paid.

One family, Betty and Wesley Campbell of College Park, GA, recently wrote me about a lien that has been placed on their home by the IRS.

Ms. Campbell writes:

> My husband and I have always paid our taxes in a timely manner and do not have outstanding IRS debts. We attempted to reach the IRS about this matter but to no avail.

Mr. President, I think we all agree that taxpaying American homeowners have enough financial worries these days without having to look over their shoulder for an overreaching Uncle Sam.

Michael Griffis, of Fort Valley, GA, wrote me last September to see if I could help him locate a $1,000 refund he had never received from his 1990 Federal income tax return.

He says the IRS keeps telling him to call back in 30 days. In desperation, he scratched out a handwritten postscript on the letter that simply reads: "Senator FOWLER, the IRS has really given me the run around. Help."

Another Georgian, Kenneth Piper of Newnan, wrote me in December that the IRS, "threatened to levy against me for everything except for the underwear I had on for my refusal to send a check for payroll withholding that had been paid in 1984."

Mr. President, economic hard times are plaguing the taxpayers of this Nation. In the coming weeks, the Congress will be searching for ways to relieve the tax burden on working families and to help them back on their feet. But all of this work will amount to nothing if working Americans can't get their refund, or if they get punched back into financial danger by the bully tax man.

The legislation is an essential building block in the effort to construct a system of tax fairness in this Nation.

It is an article of faith between the government and the people, not unlike the original Bill of Rights.

By creating an independent administrative appeal process to resolve disputes, by strengthening the ombudsman's role to prevent hardships to taxpayers, and by eliminating the difference between the interest Americans pay to the IRS and the interest the IRS pays the taxpayer, this legislation makes fundamental progress toward the goal of true tax fairness in America.

By enhancing the system through which taxpayers can recover out-of-pocket expenses in cases where the IRS has overstepped its bounds and by preventing the Treasury Department from issuing prospective regulations without the approval of Congress, the bill restores a level of accountability to a system that has often run roughshod over the finances of individuals and businesses.

I applaud my colleague, Senator PRYOR for his leadership and continued efforts in this area and I urge this body to act quickly on this bill.

By Mr. BENTSEN:

S. 2240. A bill for the relief of Maria Adriana Lopez; to the Committee on the Judiciary.

RELIEF OF MARIA ADRIANA LOPEZ

• Mr. BENTSEN. Mr. President, I rise today to introduce a private naturalization bill on behalf of Maria Adriana Lopez, of Irving, TX. Adriana is an 18-year-old permanent resident of the United States. She is currently a senior at MacArthur High School, in Irving, where she is ranked second in her class of 379 students. This bill will help shorten the waiting period for becoming a U.S. citizen. Adriana must be a citizen to be eligible for a number of private scholarships for which she could be a top candidate. She will not be able to attend the college or university of her choice without the benefit of these scholarships.

Despite extraordinary hardships, Mr. President, Adriana has excelled as a student. Even though she did not begin to speak, read, or write English until well after the third grade, she has assembled an outstanding scholastic record.

Adriana lives with her brother, sister, and mother, who is employed as a domestic worker. Her father passed away in 1984. Adriana has worked part-time jobs to supplement the family's income.

Mr. President, Adriana has managed to find time to participate in various extracurricular high school clubs and activities, holding numerous positions of leadership. These organizations include student council, National Honor Society, Spirit Club, and the Young Life Christian Organization. Her goals are to attend college and obtain a degree in international business management.

Adriana is described by one of her teachers as "an effervescent, beautiful young lady whose personal charm and love for others is equalled only by her unusually outstanding scholarship, emotional stability, and compassion for others."

The letters I have received from the people of Irving make it clear that this is a young woman of outstanding moral character, committed to the principles of the Constitution of the United States. I hope the Subcommittee on Immigration and Refugee Affairs will move this private relief bill to help Adriana continue to pursue the dreams and hopes for which she has worked so hard.

Mr. President, I ask unanimous consent that the full text of my statement be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WAIVER OF PERIOD OF RESIDENCY REQUIREMENT.

Maria Adriana Lopez shall be considered to have satisfied the requirements of section 316 of the Immigration and Nationality Act relating to required periods of residence and physical presence within the United States, and, notwithstanding section 310(d) of that Act, may be naturalized if she is otherwise eligible for naturalization under that Act.

SEC. 2. LIMITATION OF WAIVER.

Section 1 shall apply only if Maria Adriana Lopez files an application for naturalization within two years after the date of the enactment of this Act.●

By Mr. HOLLINGS:

S. 2241. A bill to add to the list of import-sensitive articles that may not be designated as articles eligible for duty-free treatment under title V of the Trade Act of 1974; to the Committee on Finance.

ADDITION TO LIST OF IMPORT-SENSITIVE ITEMS UNDER THE TRADE ACT OF 1974

Mr. HOLLINGS. Mr. President, today, I am introducing a bill that would remove sulfanilic acid from the Generalized System of Preference [GSP] Program. I am introducing this bill because extension of GSP benefits to importers of this product will seriously injure the domestic manufacturer of sulfanilic acid. This domestic manufacturer is located in Fort Mill, SC, and employs 80 Americans.

Due to a recent change in tariff classification, sulfanilic acid became GSP-eligible, which allows this product to enter the United States duty-free. Hungary and India produce a significant amount of sulfanilic acid, and this recent change in status will allow this product from these countries to enter duty-free. It opens the door for Hungary and India to flood the United States market, as China has done, by giving them a favorable economic advantage. Import statistics show that this is already occurring from Hungary. Meanwhile, the Government of India is making price quotations to all potential customers, 30 percent below the domestic price.

The sulfanilic acid industry is vital to the United States. There is no replacement in the manufacture of important downstream chemicals. If the domestic sulfanilic industry were to be forced out of business due to imports, domestic companies would be entirely dependent upon overseas sources such as China, Hungary, and India. This could harm consumers due to possible shortages of sulfanilic products, or from higher prices. Continuing to include sulfanilic acid under GSP could serve as the knockout punch to domestic production. The effect of duty-free importation of sulfanilic acid will force the only domestic producer out of business, causing a loss of American jobs. A payroll of $2 million per year would be lost as well as $7 million per year in gross national product. The ability to domestically produce a chemical with a plethora of uses will also be lost. The bill I am introducing today is intended to prevent such detrimental results.

Mr. President, I ask unanimous consent that the full text of the bill I am introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 503(c)(1) of the Trade Act of 1974 (19 U.S.C. 2463(c)(1)) is amended—

(1) by striking "and" at the end of subparagraph (F);

(2) by redesignating subparagraph (G) as subparagraph (H); and

(3) by inserting immediately after subparagraph (F) the following new subparagraph:

"(G) sulfanilic acid, and".

By Mr. MITCHELL:

S. 2242. A bill to establish a National Commission of Independent Higher Education; to the Committee on Labor and Human Resources.

NATIONAL INDEPENDENT COLLEGES AND UNIVERSITIES DISCOVERY ACT

Mr. MITCHELL. Mr. President, soon we will begin consideration of legislation to reauthorize our Nation's higher education programs. No issue is more critical to America families than access to higher education.

It is no secret that the cost of obtaining a college education has risen during this decade at over twice the rate of inflation. While the cost of education is about the same whether an individual wants to attend a public or private institution, the price of tuition is different because States subsidize public universities.

Over one-half of all higher education institutions are independent colleges and universities. These independent institutions enroll 21 percent of all higher education students in the United States; award 33 percent of all bachelor's degrees in the United States; 42 percent of all master's degrees, 36 percent of all doctoral degrees, and 59 percent of all professional degrees.

Independent colleges and universities offer students an alternative to public education. Often class size is smaller, professors teach regularly in the class room, and essay tests replace standardized multiple choice tests. Private colleges can offer students this type of environment because on average their overall enrollment is lower. Their student-professor ratio is smaller.

At the turn of the 20th century, 80 percent of students enrolled in higher education in the United States were enrolled in independent colleges and universities. Today, only 21 percent of all higher education students are enrolled in independent institutions.

I am concerned that with the escalating costs of higher education and the ability of public institutions to keep college costs down with State subsidies, the ability of independent colleges to continue attracting and retaining qualified applicants may decline.

Today I am introducing legislation to create a National Commission on Independent Higher Education. The members of the Commission will have expertise and experience in independent higher education, including expertise in national tax policy, State higher education finance, Federal financial aid programs, student and faculty diversity, and graduate education and research.

The purpose of the Commission is threefold. The Commission will develop a factual base for understanding the status of independent colleges and universities, their contributions to public priorities, and the effects of national higher education policies on the independent nonprofit sector.

The Commission will review Federal regulations affecting independent colleges and suggest means by which accountability for public resources can be improved while retaining institutional autonomy; and third, the Commission will address the impact Federal and State policies have on independent colleges, particularly with respect to student access and choice, finance, institutional subsidies, and institutional accountability.

Independent colleges and universities make an important contribution to this Nation. Yet, the reduction in Federal and State support for student financial assistance has placed the option of choosing an independent college or university at risk for an increasing number of students.

Diversity among options for higher education is important. There is no model that is right for all students. I hope this legislation is enacted and I look forward to reviewing the Commission's report.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2242

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Independent Colleges and Universities Discovery Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the quality and scope of higher education in our Nation is without argument the finest in the world, and a distinguishing feature of our Nation's system of higher education is its strong and diverse nonprofit independent sector;

(2) independent colleges and universities are as diverse as the Nation itself and include traditional liberal arts institutions, major research universities, church- and faith-related colleges, colleges and universities primarily attended by minorities, women's colleges, junior colleges, and schools of law, medicine, engineering, business and other professions;

(3) the diversity of independent colleges and universities offers students a choice in the type of educational experience that will best serve such students' interests, needs and aspirations;

(4) independent colleges and universities enroll 21 percent of all students in the United States, award 33 percent of all bachelor's degrees in the United States, 42 percent of all such master's degrees, 36 percent of all such doctoral degrees, and 59 percent of all such professional degrees;

(5) a majority of all undergraduate students attending independent colleges and universities receive some form of financial assistance, and such independent colleges and universities provide such financial assistance from their own resources;

(6) the proportion of minority students enrolled in independent colleges and universities is slightly higher than the proportion of such students enrolled in State colleges and universities;

(7) independent colleges and universities are deeply involved in hundreds of partnerships with elementary and secondary schools, and such partnerships are largely funded by such colleges and universities;

(8) independent colleges and universities have been an extraordinary example of private-public partnerships, with such colleges and universities operating in the public interest to provide a public good;

(9) less than 20 percent of the revenue of independent colleges and universities comes from governmental funds, most of which is in the form of Federal and State financial aid;

(10) decreases in Federal and State support for student financial aid programs has placed at risk the option of choosing an independent college or university for an increasing number of students;

(11) whereas at the turn of the twentieth century 80 percent of the students enrolled in higher education in the United States were enrolled in independent colleges and universities, such percentage has now declined to 21 percent, and further erosions place at risk the option of choosing an independent college or university for students and parents; and

(12) the entire sector of independent colleges and universities and the important contributions such sector makes to our Nation is at risk and deserves national policy attention.

SEC. 3. PURPOSE.

It is the purpose of this Act to establish a National Commission on Independent Higher Education.

SEC. 4. NATIONAL COMMISSION ON INDEPENDENT HIGHER EDUCATION.

(a) ESTABLISHMENT.—There is established as an independent agency in the executive branch a commission to be known as the National Commission on Independent Higher Education (hereafter in this Act referred to as the "Commission").

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 9 members, 3 of whom shall be appointed by the President, 3 of whom shall be appointed by the Speaker of the House of Representatives, and 3 of whom shall be appointed by the Majority Leader of the Senate.

(2) EXPERTISE REQUIREMENT.—The members of the Commission shall consist of individuals with expertise and experience in independent higher education, including expertise in national tax policy, individuals with expertise in State higher education finance, individuals with expertise in Federal financial aid programs, individuals with expertise in issues of student and faculty diversity, and individuals with expertise in graduate education and research.

(3) DATE.—The members of the Commission shall be appointed not later than 6 months after the date of enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members of the Commission shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) MEETINGS.—The Commission shall meet at the call of the Chairman.

(e) QUORUM.—Six of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(f) CHAIRMAN.—The Commission shall select a Chairman from among its members.

SEC. 5. DUTIES OF THE COMMISSION.

The Commission shall—

(1) develop a factual base for understanding the status of independent colleges and universities, their contributions to public priorities, and the effects of national higher education policies on the independent nonprofit sector;

(2) review the issuance of Federal regulations regarding independent colleges and universities, and suggest means by which independent colleges and universities can be held accountable for use of public resources without inappropriate intrusion into institutional autonomy; and

(3) address the relation between Federal and State policies on independent colleges and universities, particularly with respect to student access and choice, finance, institutional subsidies, and institutional accountability.

SEC. 6. REPORT AND RECOMMENDATIONS.

(a) INTERIM REPORT.—The Commission shall submit an interim report to the President and the Congress on the Commission's activities and findings within 18 months of the date of enactment of this Act.

(b) FINAL REPORT.—

(1) IN GENERAL.—The Commission shall submit a final report to the President and the Congress on the Commission's activities and findings within 3 years of the date of enactment of such Act.

(2) RECOMMENDATION.—The report described in paragraph (1) shall contain a recommendation regarding the establishment of a national policy on independent colleges and universities appropriate to meeting the Nation's higher educational goals in the twenty-first century.

SEC. 7. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this Act.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

SEC. 8. COMMISSION PERSONNEL MATTERS.

(a) TRAVEL EXPENSES.—From amounts available to the Secretary of Education, the members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(b) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(c) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and not

more than 2 staff members to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairman of the Commission may fix the compensation of the executive director and not more than 2 staff members without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and such staff may not exceed the rate payable for level 15 of the General Schedule classified under section 5107 of such title.

SEC. 9. TERMINATION OF THE COMMISSION.

The Commission shall terminate 3 years after the date of enactment of this Act.

By Mr. THURMOND:

S. 2244. A bill to require the construction of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate United States participation in that conflict; to the Committee on Energy and Natural Resources.

AUTHORITY TO CONSTRUCT MEMORIAL TO MEMBERS OF THE ARMED FORCES WHO SERVED IN WORLD WAR II

Mr. THURMOND. Mr. President, as a veteran of World War II, it is a pleasure to rise today to introduce legislation to establish a memorial to honor members of the Armed Forces who served in World War II and to commemorate the United States participation in that conflict. On December 7, 1991, we observed the 50th anniversary of the bombing of Pearl Harbor. It is now time to honor those who faithfully served our country in the aftermath of that historic day.

World War II was one of the most significant wars in our history as a Nation. Involving more than 16 million Americans, it was the war which preserved freedom for the Western World. Yet, it was not without a heavy toll. The damage and the human suffering were extreme. More than 670,000 Americans were wounded and over 400,000 made the ultimate sacrifice by giving their lives. A tribute to these Americans is richly deserved.

World War II memorials are located all over the world. However, there is no single monument that honors the American veterans of World War II as a group. Our Nation's Capital would be an especially fitting location for such a monument, and the legislation I am proposing would provide for such a location in the District of Columbia or its environs.

In addition, Mr. President, this monument would be constructed solely with private contributions. I want to emphasize this point—No Federal tax dollars would be used for construction of the memorial. The only cost to the taxpayer would be for the maintenance and care of the memorial, once it is constructed.

Mr. President, I would now like to briefly explain the provisions of this bill.

Section 1 of this legislation authorizes the National World War II Memorial Fund, Inc. [Fund] to build a World War II Memorial on Federal land in the District of Columbia or its environs.

Section 2 provides for the establishment of a World War II Memorial Advisory Board. This board will consist of 12 members including World War II veterans, historians, representatives of veterans organizations and other historical associations knowledgeable on the subject. Their responsibilities will include encouraging the donation of private funds for construction, recommending a site for the memorial, and assisting the Fund in selecting a design for the memorial.

Section 3 of the bill specifies the responsibilities of the Fund. As distinguished from the board, the Fund will be the actual entity which solicits and accepts the private contributions for construction of the memorial.

Section 4 authorizes other Federal entities to offer their administrative services and support to the Fund in carrying out its functions.

Section 5 specifies that the maintenance and care of the memorial be the responsibility of the Secretary of the Interior.

Section 6 makes the bill subject to Public Law 99-652, which specifies the procedures for approving commemorative works such as this monument.

Finally, section 7 provides that construction of the Memorial must be commenced within 5 years after the date of enactment of this Act.

Mr. President, this monument pays tribute to the men and women who have given of themselves to make our lives, and the lives of all Americans, better today. It is fitting that there be a memorial in Washington to which they can bring their children and their grandchildren and say "This is why we fought and how we honor those who served." This memorial is long overdue.

Mr. President, we have constructed a Vietnam Veterans Memorial, and have enacted legislation approving the construction of the Korean Veterans Memorial and the Women's Vietnam Memorial. The veterans of World War II deserve no less. I urge my colleagues to join me in support of this bill.

I ask unanimous consent that a copy of this legislation appear in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. IN GENERAL.

(a) AUTHORITY TO CONSTRUCT MEMORIAL.—The National World War II Memorial Fund, Inc. (hereafter referred to as the "Fund") shall construct a memorial (hereafter referred to as the "Memorial") on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate United States participation in that conflict.

(b) OVERSIGHT BY FUND.—The Fund shall plan, design, and oversee the construction of the Memorial.

SEC. 2. WORLD WAR II MEMORIAL ADVISORY BOARD.

(a) ESTABLISHMENT.—There is established the World War II Memorial Advisory Board (hereafter referred to as the "Board").

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Board shall consist of 12 members to be appointed by the President.

(2) BACKGROUND.—The members of the Board shall include representatives of veterans organizations, World War II veterans, World War II historians, and representatives of American historical associations and other organizations knowledgeable about World War II.

(3) DATE OF APPOINTMENTS.—Appointments to the Board shall be made within 120 days after the date of the enactment of this Act.

(c) TERM.—Members of the Board shall serve for a term of 5 years.

(d) VACANCIES.—A vacancy in the Board shall be filled in the same manner as the original appointment. A member appointed to fill a vacancy resulting from the departure of a member before the expiration of his term shall serve for the remainder of the unexpired term of such departing member.

(e) CHAIRPERSON AND VICE CHAIRPERSON.—The President shall designate the Chairperson and Vice Chairperson of the Board from among the members of the Board.

(f) DUTIES OF THE BOARD.—The Board shall—

(1) on behalf of the Fund, promote and encourage the donation of private funds for the construction of the Memorial; and

(2) recommend the site for and assist the Fund in selecting the design of the Memorial.

(g) COMPENSATION.—Members of the Board shall serve without compensation, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for persons serving intermittently in the Government service under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of the responsibilities of the Board. Such travel expenses shall be paid exclusively from private funds donated to the Board or the Fund.

(h) TERMINATION.—The Board shall terminate 30 days after the completion of the Memorial or, if applicable, on the date on which the authority provided in this Act lapses under section 7, whichever is earlier.

SEC. 3. PRIVATE CONTRIBUTIONS.

The Fund may solicit and accept private contributions for the construction of the Memorial. The Fund shall maintain documentation of any such contributions.

SEC. 4. ASSISTANCE.

(a) IN GENERAL.—The Secretary of the Smithsonian Institution, the Librarian of Congress, and the head of each department, agency, or other establishment of the executive branch may assist the Fund in the performance of its functions.

(b) ADMINISTRATIVE SUPPORT.—The Secretary of Veterans Affairs may provide administrative services and support to the Fund. The Fund shall reimburse the Secretary for the cost of services and support provided under this subsection.

(c) TRANSFER OF PROPERTY.—For the purpose of establishing the Memorial—

(1) the head of any department, agency, or establishment of the United States may transfer to the administrative jurisdiction of the Fund any real property in the District of Columbia or its environs which is under the administrative jurisdiction of such department, agency, or establishment; and

(2) the Fund may purchase any real property within the District of Columbia or its environs, subject to the consent of the owner of such property.

(d) COST OF CONSTRUCTION.—The United States shall not be liable for any expense incurred for the construction of the Memorial.

SEC. 5. MAINTENANCE.

The maintenance and care of the Memorial and the grounds associated with the Memorial shall be the responsibility of the Secretary of the Interior.

SEC. 6. OTHER LAW.

The authority provided in this Act is subject to the requirements of the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia", approved November 14, 1986 (100 Stat. 3650; 40 U.S.C. 1001 et seq.).

SEC. 7. LAPSE OF AUTHORITY.

The requirements and authority provided in this Act shall lapse if—

(1) construction of the Memorial is not commenced within 5 years after the date of enactment of this Act; or

(2) prior to construction of the Memorial, the Secretary of the Interior certifies that funds are not available in an amount sufficient to insure completion of the Memorial.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 2245. A bill to authorize funds for the implementation of the settlement agreement reached between the Pueblo de Cochiti and the U.S. Army Corps of Engineers under the authority of Public Law 100-202; to the Select Committee on Indian Affairs.

AUTHORIZATION OF SETTLEMENT AGREEMENT

• Mr. DOMENICI. Mr. President, I am pleased to rise today, along with the other Senator from New Mexico, Mr. BINGAMAN, to introduce legislation that authorizes the Secretary of the Interior and the Secretary of the Army to meet the terms of a settlement agreement negotiated between the Army Corps of Engineers and Pueblo de Cochiti, NM.

The settlement agreement stems from seepage problems that have occurred at Cochiti Dam. A brief history is in order.

Cochiti Dam was completed in the early 1970's by the Army Corps of Engineers just upriver from the Pueblo. Soon after the reservoir was built, it became evident that water from the reservoir was seeping under the dam and raising the water table. The lands the Pueblo have farmed for traditional agricultural purposes for centuries became waterlogged and unusable.

Not only did this situation impose a tremendous economic burden on the Pueblo, but these lands hold a great religious importance in the life and culture of the Pueblo.

In an effort to reverse the damage, the corps in 1979 constructed a modest structural solution covering 17 acres. Unfortunately, that effort was overwhelmed by the scope of the problem.

The Pueblo filed a lawsuit in 1985 against the Federal Government in a effort to recover $10 million in damages and to force the corps to build and operate a project to restore the lands. That suit is pending, after denial of the Government's motion to dismiss.

In fiscal year 1988, Congress appropriated $750,000 in a new effort to solve the problem. The Congress directed the corps and the Pueblo to develop a structural solution for the entire area, one that would enable the Pueblo and the corps to settle the lawsuit and solve a problem that was clearly created by a Federal action.

In this fiscal year, Congress provided $300,000 for completion of final designs and specifications for construction of the drain system and to coordinate the final design and specifications with the Tribal Council of the Pueblo.

The settlement agreement that has now been reached, provides a structural solution to the problem, provides funds for field restoration and damages, and establishes a fund to pay for operation and maintenance of the drainage system.

During this entire period, I have worked closely with the leaders of the Pueblo. I have visited the site. I have walked through those damaged fields.

Mr. President, I urge the Senate to move rapidly on this important legislation, so the Federal Government can meet its recognized commitment to the people of Cochiti Pueblo to correct this seepage problem and give the Pueblo back the use of its lands.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2245

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GENERAL AUTHORIZATION.

The Secretary of the Interior and the Secretary of the Army are authorized and directed to implement the settlement agreement negotiated under the authority of Public Law 100-202 by the Pueblo de Cochiti of New Mexico, a federally recognized Indian Tribe, and the United States Army Corps of Engineers, as set forth in the report of the Corps of Engineers entitled "Report on Investigations, Wet Field Solution", dated July 24, 1990, addressing seepage problems at the Cochiti Dam on tribal lands.

SEC. 2. DUTIES OF THE SECRETARY OF THE INTERIOR.

In accordance with the settlement agreement and pursuant to the trust relationship between the United States Government and the Pueblo de Cochiti of New Mexico, upon completion of construction of the drainage system, the Secretary of the Interior, acting through the Bureau of Indian Affairs, shall be responsible for its maintenance, repair, and replacement, as provided in the settlement agreement.

SEC. 3. DUTIES OF THE SECRETARY OF THE ARMY.

In accordance with the settlement agreement, the Secretary of the Army is authorized and directed to construct the underground drainage system necessary to correct the high ground water problem at the Pueblo de Cochiti and to carry out all other provisions of the settlement agreement, except those specifically assigned to the Secretary of the Interior under the provisions of this Act.

SEC. 4. APPROPRIATIONS AUTHORIZED.

There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act, and the settlement agreement.•

• Mr. BINGAMAN. Mr. President, I am pleased to rise today, to join my colleague from New Mexico, Mr. DOMENICI, in introducing a bill which will authorize the Secretary of the Interior and the Secretary of the Army to meet the terms of the settlement agreement negotiated between the Pueblo de Cochiti and the Army Corps of Engineers.

The Army Corps of Engineers completed construction of a dam on the Rio Grande just north of the Cochiti Pueblo in 1976. Soon after the reservoir was built, a destruction of land which previously had been farmed by the people of Cochiti since pre-Spanish times began. The Pueblo's only agricultural land, nearly 800 acres, was directly below the dam, and was rendered virtually useless because of water storage and extensive seepage from under the dam. The resulting high water table left standing ponds and marshes where previously there had been arable land. The livelihood of many of the people of the Pueblo who depended historically on farming was seriously damaged or destroyed.

Initial efforts by the Corps of Engineers to stem this problem were unsuccessful, and finally the Pueblo filed a lawsuit against the Federal Government to recover both damages and to assure that the corps would build and operate a project to restore to the Pueblo it's ruined agricultural fields. The suit is still pending.

During this time, funds have been appropriated to help solve the problem—final designs and specifications for a drainage system were completed by the corps in coordination with the Pueblo Tribal Council. And now a settlement agreement between the two parties has been reached. It is essential for us to move quickly to see that the terms of this agreement are met and the people of Cochiti have the use of their traditional agricultural lands restored. This legislation ensures that outcome.

I urge my colleagues to support this important legislation.•

By Mr. PRESSLER:

S.J. Res. 256. Joint resolution to recognize June 5, 1992, as "World Environment Day," and to urge that the U.N.

Conference on Environment and Development be given the highest priority by the United States; to the Committee on Foreign Relations.

WORLD ENVIRONMENT DAY

Mr. PRESSLER. Mr. President, I rise today to introduce a joint resolution to recognize June 5, 1992, as World Environment Day and to urge that the U.N. Conference on Environment and Development [UNCED] be given highest priority by the Congress and the administration.

UNCED, established by the U.N. General Assembly in 1989, will be the culmination of more than 2 years of work performed through the preparatory committee meetings that began in August 1990, with the fourth and final one scheduled for March 2–April 4, at the U.N. headquarters in New York City.

Three preparatory committees have divided the major issues as follows:

Working group I is dealing with protection of the atmosphere, land resources, including forest protection and soil loss, biological diversity, and biotechnology.

Working group II covers oceans, seas and coastal seas, freshwater resources, wastes, and toxics.

Working group III was constituted at the second meeting of the preparatory committee to organize its agenda on legal and institutional issues.

To date, 38 heads of state have made the commitment to attend the UNCED June 1–12, where, hopefully, some consensus on how to address the linkages between environment and development priorities can be reached.

Mr. President, World Environment Day has not received a great deal of attention in this country. Rather, we have focused our attentions on the celebration of Earth Day each April for several years now. I have cosponsored the Senate legislation designating Earth Day.

Earth Day is an important celebration, but more needs to be done to focus the attention of this Nation and the world on environmental issues. My resolution is designed to do just that. In addition, Mr. President, this year World Environment Day has special significance for several reasons.

First, it marks the 20th anniversary of the U.N. Conference on the Human Environment, held in Stockholm, Sweden, in June 1972.

In addition, World Environment Day will receive special attention during the UNCED or Earth summit, as some are referring to the meeting scheduled in Rio de Janeiro, Brazil, June 1–12, 1992.

Finally, I believe recognition of World Environment Day should be expanded. Last year, there was a very special celebration of World Environment Day held at the United Nations in New York City.

A posthumous award was given to a young boy for his vision and work on saving the Earth. As a fifth grade student at Sunny Hollow Elementary School in New Hope, MN, Clinton Hill cared deeply about environmental issues. He believed that children—working together—could help protect the health and beauty of the Earth. He drew a poster and started a club with some classmates, a club he hoped would make a real difference.

Unfortunately, Clinton was unable to realize his dream. In November 1989, at the age of 11, he died of a brain tumor. Yet his dream lives on through Kids for Saving Earth, established shortly after his death as a nonprofit organization by his parents, Tessa and William Hill.

Kids for Saving Earth has now spread throughout the world. Today, there are 15,000 clubs and a membership of 500,000 youngsters.

I knew Clinton. I knew of his dream. I was pleased to learn that last year, Clinton's parents accepted a special Green Nobel Award on World Environment Day for their son's contribution to the creation of Kids for Saving Earth. I wish each of you could have attended this ceremony to visit with the 150 young people who took part in it. If you had, you would feel as strongly as I do about the importance of this Nation recognizing World Environment Day.

My resolution also emphasizes the importance of the UNCED meeting which will be held in Rio de Janeiro, Brazil, June 1–12, 1992. Aside from the obvious environmental concerns which will be addressed at the Conference, many items on the agenda could have a profound affect on the U.S.' economic growth, productivity, and international competitiveness. It is critical for the United States to take a leadership role in UNCED.

I urge my colleagues to join as cosponsors of this resolution and support its timely adoption.

Mr. President, I ask unanimous consent that the full text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 256

Whereas environmental concerns now transcend governmental boundaries and affect the security and well-being of both present and future generations throughout the world;

Wheres the United Nations Conference on Environment and Development, established by the United Nations General Assembly in 1989, will be held June 1 through 12 in Rio de Janeiro, Brazil;

Whereas the conference may be the largest gathering of world leaders in history, thus setting the stage for increased international cooperation;

Whereas June 1992 is also the 20th anniversary of the United Nations conference on the Human Environment, held in Stockholm, Sweden, in June 1972; and

Whereas World Environment day will be observed during the United Nations Conference on Environment and Development: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 5, 1992, is recognized as "World Environment Day", a global environmental event of major significance, and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

SEC. 2. The United States should—

(1) place the highest priority on the United Nations Conference on Environment and Development because the future security of the environment of the world, including the United States, may be shaped by the outcome of the negotiations; and

(2) immediately take a strong leadership role in the United Nations Conference on Environment and Development and underline the urgency of the critical environmental problems facing the world today in order that the Conference may achieve success in developing a global environmental action plan.

By Mr. LAUTENBERG (for himself and Mr. SEYMOUR):

S.J. Res. 257. Joint resolution to designate the month of June 1992, as "National Scleroderma Awareness Month"; to the Committee on the Judiciary.

NATIONAL SCLERODERMA AWARENESS MONTH

• Mr. LAUTENBERG. Mr. President, I rise to introduce a joint resolution to designate the month of June 1992 as "National Scleroderma Awareness Month."

Scleroderma is a chronic autoimmune disease characterized by the excess production of collagen, the main fibrous component of connective tissue. The prominent symptoms usually include hardening of the skin and poor circulation which may be progressive, painful, disfiguring, and crippling. Joint pains similar to arthritis limit mobility and digestive difficulties lead to inadequate nutrition causing fatigue and disability.

Scleroderma strikes suddenly and unpredictably, affecting previously healthy people of any age, race, socioeconomic level, and lifestyle. Women are affected four times more often than men, often in the prime of life. One form of the disease affects children. Because the symptoms of scleroderma vary widely, diagnosis can be complicated and confusing. Scleroderma affects hundreds of thousands of Americans, but because it is difficult to diagnose the exact number is still undetermined. Early diagnosis and treatment might slow the progression of the disease.

Unfortunately, even with treatment, scleroderma is an incurable disease. In its most severe form, the hardening process affects the lungs, kidneys, and heart, so the disease can be fatal. Even though some people have mild symptoms which do not interfere with a normal lifestyle, it is impossible to predict who will be stricken or what the prognosis will be for any particular individual. Recent research has identified certain blood antibodies which help to classify the disease variants. Medications developed for other ailments can be prescribed to relieve some symptoms. Proper treatment and cure will probably not evolve until the cause of scleroderma is determined.

A national month of awareness would contribute to public understanding of scleroderma, publicize both to the patients and scientific community the advances made and promote activities and events to facilitate financial support for patient support groups and research.

Mr. President, I urge my colleagues to cosponsor this joint resolution and I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 257

Whereas Scleroderma is a disease caused by the excess production of collagen, the main fibrous component of connective tissue, causing hardening of the skin and/or internal organs such as the esophagus, lungs, kidney and heart;

Whereas approximately 300,000 people in the United States suffer from scleroderma with women of childbearing age outnumbering men four to one;

Whereas scleroderma a painful, crippling and disfiguring disease is most often progressive and can result in premature death;

Whereas the symptoms of scleroderma are variable which can complicate and confuse diagnosis;

Whereas the cause and cure of scleroderma are unknown; and

Whereas scleroderma is an orphan disease which requires intensive research to improve treatment a well as find the cause and cure: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Month of June, 1992, is designated as "National Scleroderma Awareness Month," and the President of the United States is authorized and requested to issue a proclamation calling on the people of the United States to observe the month with appropriate activities that will enhance awareness of the disease and its need for a cure.•

By Mr. RIEGLE.

S.J. Res. 258. Joint resolution designating the week commencing May 3, 1992, as "National Correctional Officers Week"; to the Committee on the Judiciary.

NATIONAL CORRECTIONAL OFFICERS WEEK

• Mr. RIEGLE. Mr. President, I rise today to introduce a joint resolution designating the week of May 3 through May 9, 1992, as "National Correctional Officers Week."

Our local, State, and Federal prison systems are charged with the enormous task of both containing and rehabilitating an overwhelming number of prisoners—over 750,000 according to recent estimates. The men and women staffing U.S. correctional facilities are often unseen and unsung heros. In these days of overcrowded prisons, correctional officers receive little recognition for their primary work of maintaining a safe and secure atmosphere inside our correctional facilities.

Our Nation's correctional officers work under highly stressful conditions on a daily basis—exposure to risky or dangerous situations is an inherent part of the job. These officers are responsible for ensuring the safety and welfare of a wide variety of inmates within facilities across the country. They also foster the development of skills and attitudes that assist inmates in becoming productive members of society when they are released. Additionally, the communities surrounding correctional facilities depend on the protection furnished by correctional officers.

The dedicated men and women who work in our jails and prisons deserve our support, appreciation, and recognition. I have introduced this resolution for that purpose for a number of years. I would urge my colleagues to support our Nation's correctional officers by cosponsoring this resolution.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD directly following my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 258

Whereas the correctional officers who work in America's jails and prisons are currently responsible for the containment and control of over seven hundred and fifty thousand prisoners;

Whereas correctional officers must protect inmates from violence while encouraging them to develop skills and attitudes that can help them become productive members of society following their release;

Whereas the morale of correctional officers is affected by many factors, and the public perception of the role of correctional officers is more often based upon dramatization rather than factual review;

Whereas good job performance requires correctional officers to absorb the adverse attitudes present in confinement while maintaining themselves as professionals in order to have their actions appreciated and accepted by the public at large;

Whereas correctional officers have been honored by many States and localities;

Whereas correctional officers have been honored by joint resolutions of the Senate and House of Representatives of the United States in 1984, 1985, 1987, and 1989; and

Whereas the attitude and morale of corectional officers is a matter worthy of serious congressional attention: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that the week commencing May 3, 1992, is hereby designated as "National Correctional Officers Week". The President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.•

By Mr. MOYNIHAN (for himself, Mr. GARN, and Mr. SASSER):

S.J. Res. 259. Joint resolution providing for the appointment of Barber B. Conable, Jr. as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

APPOINTMENT OF BARBER B. CONABLE AS A CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

• Mr. MOYNIHAN. Mr. President, I rise to introduce a joint resolution to appoint Barber B. Conable, Jr., a citizen regent of the Smithsonian Institution. Senators GARN and SASSER, who sit with me on the Smithsonian Board of Regents, are cosponsors of the resolution. Upon enactment, Mr. Conable would assume a seat now vacant on the Board.

Barber Conable, a fellow New Yorker whose reputation is well known to the Members of this body, has a long and distinguished record of public service. As I said of him on another occasion, some men meet standards; others set them. Barber Conable has been one of the latter. President Bush concurred, calling him "one of the most sane and able men in the U.S. Congress." For 20 years he represented upstate New York in Congress, the last 8 of which as the ranking Republican member of the Committee on Ways and Means. I served with him on many a conference committee in those years, and also on the National Commission on Social Security Reform which was established in 1981. I am sure that our esteemed Republican leader Bob Dole would join me in attesting to his remarkable contribution to the success of that enterprise.

After serving nearly 20 shining years in the Congress, he and his wife, Charlotte, went to their lovely village of Alexander in upstate New York, only to be asked by President Reagan to return to Washington to serve as head of the International Bank for Reconstruction and Development, the World Bank. which he did with equal brilliance of a full 5-year term. During his tenure, the Bank nearly doubled its capital. But more importantly, he redirected the Bank's priorities—double the lending for education, greater consideration of the environmental impact of projects, and renewed emphasis on population control.

It is of special import to the Board of Regents that Barber Conable serves as trustee of the National Museum of the American Indian and on the International Founders Council to raise funds for construction of the Indian Museum on the mall. He has chaired its development committee since October 1990. The Indian Museum constitutes the largest single acquisition in the Smithsonian Institution's history and the largest collection in existence of artifacts from the native peoples of the Western Hemisphere. His knowledge of the museum and its collections, and his study of native American culture will be of inestimable value to the Board of Regents and the Smithsonian as a whole.

I urge my colleagues to support this resolution, and ask unanimous consent that its full text be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 259

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, be filled by the appointment of Barber B. Conable, Jr. of New York. The appointment is for a term of six years and shall take effect upon the date of enactment.•

ADDITIONAL COSPONSORS

S. 873

At the request of Mr. BOREN, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 873, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment of interest income and rental expense in connection with safe harbor leases involving rural electric cooperatives.

S. 914

At the request of Mr. GLENN, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 914, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

S. 1150

At the request of Mr. PELL, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 1150, a bill to reauthorize the Higher Education Act of 1965, and for other purposes.

S. 1423

At the request of Mr. DODD, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1557

At the request of Mr. LAUTENBERG, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1557, a bill to improve the implementation and enforcement of the Federal cleanup program.

S. 1623

At the request of Mr. DECONCINI, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1623, a bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes.

S. 1731

At the request of Mr. MCCONNELL, the names of the Senator from Maine [Mr. COHEN], the Senator from Washington [Mr. GORTON], the Senator from Missouri [Mr. BOND], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 1731, a bill to establish the policy of the United States with respect to Hong Kong after July 1, 1997, and for other purposes.

S. 1966

At the request of Mr. BIDEN, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1966, a bill to establish a national background check procedure to ensure that persons working as child care providers do not have a criminal history of child abuse, to initiate the reporting of all State and Federal child abuse crimes, to establish minimum guidelines for States to follow in conducting background checks and provide protection from inaccurate information for persons subjected to background checks, and for other purposes.

S. 2028

At the request of Mr. SPECTER, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Hawaii [Mr. AKAKA], the Senator from Alaska [Mr. STEVENS], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 2028, a bill to amend title 38, United States Code, to improve and expand health care and health-care related services furnished to women veterans by the Department of Veterans Affairs.

S. 2188

At the request of Mr. SPECTER, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from Alabama [Mr. SHELBY], and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of S. 2188, a bill to prohibit the Secretary of Veterans Affairs from obligating funds available to the Department of Veterans Affairs to furnish health care in Department of Veterans Affairs facilities under a rural health care sharing program to persons not eligible for such care under chapter 17 of title 38, United States Code.

S. 2189

At the request of Mr. DECONCINI, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 2189, a bill to amend the Internal Revenue Code of 1986 to provide a simplified tax on all income, and for other purposes.

S. 2204

At the request of Mr. DURENBERGER, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 2204, a bill to amend title 23, United States Code, to repeal the provisions relating to penalties with respect to grants to States for safety belt and motorcycle helmet traffic safety programs.

S. 2207

At the request of Mr. DODD, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 2207, a bill to provide for interstate banking and branching.

S. 2227

At the request of Mr. HELMS, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 2227, a bill to suspend temporarily the duties on sumatriptan succinate (bulk and dosage forms).

S. 2228

At the request of Mr. HELMS, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 2228, a bill to suspend temporarily the duties on ondansetron hydrochloride (bulk and dosage forms).

S. 2229

At the request of Mr. HELMS, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 2229, a bill to suspend temporarily the duties on cefuroxime axetil (bulk and dosage forms).

SENATE JOINT RESOLUTION 236

At the request of Mr. D'AMATO, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Joint Resolution 236, a joint resolution designating the third week in September 1992 as "National Fragrance Week".

SENATE JOINT RESOLUTION 243

At the request of Mr. KASTEN, the names of the Senator from Montana [Mr. BURNS], the Senator from Utah [Mr. HATCH], the Senator from Virginia [Mr. WARNER], the Senator from Kansas [Mr. DOLE], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Joint Resolution 243, a joint resolution to designate the period commencing March 8, 1992 and ending on March 14, 1992, as "Deaf Awareness Week".

SENATE JOINT RESOLUTION 248

At the request of Mr. CONRAD, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Arizona [Mr. DECONCINI], the Senator from Arkansas [Mr. BUMPERS], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 248, a joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day".

SENATE JOINT RESOLUTION 254

At the request of Mr. D'AMATO, the names of the Senator from New Mexico [Mr. DOMENICI], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of Senate Joint Resolution 254, a joint resolution commending the New York Stock Exchange on the occasion of its bicentennial.

SENATE RESOLUTION 256

At the request of Mr. KASTEN, the name of the Senator from Nebraska

[Mr. KERREY] was added as a cosponsor of Senate Resolution 256, a resolution urging the United States Government to provide, expeditiously and prudently, dairy products and other humanitarian assistance to the republics of the former Soviet Union.

AMENDMENT NO. 1649

At the request of Mr. BIDEN the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of amendment No. 1649 proposed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

SENATE CONCURRENT RESOLUTION 91—RELATIVE TO SURROGATE BROADCASTING TO ASIA

Mr. PRESSLER submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 91

Whereas the Foreign Relations Authorization Act for Fiscal Years 1992 and 1993 authorized a commission to examine the feasibility of, and propose a plan to implement surrogate radio broadcasting to the People's Republic of China and other Asian countries which do not enjoy representative government: including the Socialist Republic of Vietnam, the Democratic People's Republic of Korea, and the Lao Democratic Republic;

Whereas the Report of the President's Task Force on United States Government International Broadcasting, submitted in December, 1991, took note of Congressional interest in surrogate broadcasting to Asian nations suffering under totalitarian regimes and found that a great need exists for such service;

Whereas almost one-third of the world's population resides in Asian nations suffering under totalitarian regimes;

Whereas surrogate broadcasts provide an invaluable service by providing news, information, and opinion about countries which a censored, suppressed indigenous press does not provide, and these broadcasts hasten the collapse of totalitarian regimes by providing relevant, truthful information;

Whereas surrogate broadcasting could have the same positive impact on Asian nations suffering under totalitarian regimes;

Whereas inexcusable delays have occurred in the formation of the Commission created by provisions of P.L. 102-138 because those appointees to be named by the President have yet to be named;

Whereas Congress strongly supports international broadcasting by the Voice of America (VOA) and other organizations properly authorized broadcasting responsibilities by the Congress: Now, therefore, be it

Resolved, That it is the Sense of the Congress that the Commission created in Section 243 of the Foreign Relations Authorization Act for Fiscal Years 1992 and 1993 should be appointed expeditiously; and be it further

Resolved, That Commission report its recommendations and propose a plan for implementation to the Congress and the President no later than 365 days after enactment of P.L. 102-138 (signed by the President on October 28, 1991).

Mr. PRESSLER. Mr. President, the day Vaclav Havel was sworn in as the President of a newly free Czechoslovakia, he stopped into the offices of Radio Free Europe in Prague to say "thank you." This simple gesture spoke volumes about the impact of Radio Free Europe, a service established by the United States at the dawn of the cold war to provide fair and unbiased news to the peoples of European totalitarianism.

Radio Free Europe and its sister service, Radio Liberty, are known as surrogate services. They were created to provide audiences behind the Iron Curtain with news, information, and opinion about their own countries which a censored and restricted indigenous press would not provide. They have done wonders. Few other U.S. Government endeavors can be said to have done as much to speed the collapse of totalitarian, Communist regimes in Europe.

Today the world is a vastly changed place. This generation of children will not grow up in fear of nuclear war with the Soviet Union and its European satellites. Yet almost one-third of the world's population still live under repressive, totalitarian regimes like those the people of Eastern Europe experienced until recently.

I am speaking of the Governments of China, Laos, Vietnam, and North Korea. The people of these nations do not have access to factual and unbiased information about their own countries and the rest of the world because the Governments of these nations manipulate and control the indigenous press to serve their own ends. The United States filled this information void for Eastern Europe and the Soviet Union. Yet no effort has been made to provide the people of China, Laos, Vietnam, and North Korea—people still without the personal liberty the Eastern Europeans are now discovering—the same factual radio broadcasts to which their European counterparts had access.

Is it not logical that we make every effort to help them realize the dreams symbolized by the makeshift Lady Liberty which was assembled and then smashed in Tiananmen Square in 1989? The dream is about freedom and liberty. Surrogate broadcasting could do so much to encourage democratic forces within these countries.

We are currently broadcasting to China, and several countries of Southeast Asia. However, this service does not provide the kind of information which made such a difference in Europe. I am speaking of the Voice of America, a fine and important service in its own right. VOA provides international news and features aimed at spreading an understanding of the United States and the American way of life. However, it does not provide the alternative to the state-run, highly censored press of China, Vietnam, North Korea, and Laos that could be provided by surrogate broadcasting.

The Senate Foreign Relations Committee addressed this critical need for surrogate broadcasting to Asia in the 1992-93 Foreign Relations Authorization Act. The committee proposed, and the Congress approved, a commission to study the feasibility of broadcasting to China and to make recommendations for the implementation of such a system.

Delays have occurred, and the commission has not been fully assembled or begun its work. These delays are inexcusable. The people of these nations suffer every day under totalitarian regimes. The United States should move swiftly to bring them the same radio broadcasts which gave so much important information to the people of Eastern Europe.

The resolution I am introducing today could help to speed the process. It encourages the appointment of all the commission members, and asks the commission to report its findings within 1 year. It is time to stand up and be counted as a supporter of freedom.

The radio broadcasts to Europe and the Soviet Union did so much to expedite the cause of freedom. We have the chance to do the same for the oppressed peoples of Asia.

We have a proven formula in surrogate broadcasting. In fact, the Foreign Minister of Estonia has nominated Radio Free Europe/Radio Liberty for the Nobel Peace Prize. Let us today resolve to bring the message of freedom to the peoples of China, Vietnam, Laos, and North Korea through surrogate broadcasts.

SENATE CONCURRENT RESOLUTION 92—RELATIVE TO THE SAN ANTONIO SUMMIT ON TRADE IN ILLICIT DRUGS

Mr. GRAMM (for himself and Mr. BENTSEN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 92

Whereas drug abuse and drug-related crime remain among the gravest social ills confronting the United States;

Whereas significant progress has been made in reducing over all drug use, especially drug use among young people, as shown by such diverse statistical sources as the National Household Survey, the Drug Abuse Warning Network, and the High School Senior Survey;

Whereas much work remains to be done to reduce the number of addicted drug users, especially drug users addicted to cocaine;

Whereas, under the President's National Drug Control Strategy, interrupting the flow of cocaine into the United States is essential to reducing cocaine use;

Whereas cooperation among the United States, the Andean Strategy nations, and Mexico on such diverse issues as control of precursor chemicals, port control, aerial interdiction, and investigation and prosecution of money laundering is necessary for an effective strategy on reducing the drug supply;

Whereas the Cartagena Summit, in which the leaders of the United States, Colombia, Bolivia, and Peru participated 2 years ago, resulted in progress toward the participants' common goal of stopping the cocaine trade; and

Whereas another summit of the leaders of the United States, Colombia, Bolivia, and Peru, joined by the leaders of Ecuador, Venezuela, and Mexico, will be held in San Antonio, Texas, on February 26 and 27, 1992: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should build upon the success of the Cartagena Summit and use the upcoming San Antonio Summit—

(1) to reaffirm the mutual commitment of the participating countries to halting the international cocaine trade;

(2) to continue assisting the Andean Strategy nations in their efforts to curtail cocaine production;

(3) to encourage cooperation among the participating countries in dismantling drug trafficking cartels and arresting and incarcerating major traffickers;

(4) to strengthen the legitimate economies of the Andean Strategy nations through trade incentives and other assistance; and

(5) to motivate the participating countries, all of which are victims of drug use, to reduce consumption of illicit drugs within their borders, and thus remove the incentives for the existence of the drug trade.

SENATE RESOLUTION 259—RELATIVE TO PROMOTING GOODWILL BETWEEN THE UNITED STATES AND THE COMMONWEALTH OF INDEPENDENT STATES

Mr. McCONNELL submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 259

Whereas the United States provided humanitarian assistance to the Soviet Union and its peoples during the 1920s that fed more than 80 million men, women, and children, and prevented more than 10 million Soviet deaths from starvation;

Whereas the Commonwealth of Independent States, comprised of the former Soviet republics (other than the Baltic states and Georgia), was formed following the collapse of the Soviet Union; and

Whereas the United States is currently providing humanitarian assistance to the Commonwealth of Independent States in order to (1) protect human life; (2) promote democracy and free market economies; and (3) secure Soviet nuclear arsenals and technology from proliferation: Now, therefore, be it

Resolved, That it is the sense of the Senate that, in exchange for United States foreign assistance, the appropriate agencies, organizations, and officials of the constituent republics of the Commonwealth of Independent States should fully cooperate with appropriate United States governmental agencies to provide any and all information on Edward Lee Howard and Felix S. Bloch and other United States citizens suspected or convicted of espionage against the United States.

• Mr. McCONNELL. Mr. President, Secretary Baker recently testified before the Senate Foreign Relations Committee on United States assistance to the former Soviet Union. His comments on the importance of this aid are shared by many in Congress, including myself.

Last month, I read in the Washington Post an article which detailed American assistance to the Soviet Union in the early 1920's. Tons of food and medical supplies were delivered to that country in response to a poor wheat crop and ineffective distribution systems. It is estimated our aid saved millions of Soviet lives.

Some things haven't changed in seven decades, Mr. President. Once again, American food and medical supplies are being sent to that region. Once again, the generosity and compassion of our country is being demonstrated.

The resolution I offer today expresses the sense of the Senate that in return for United States assistance, the Commonwealth of Independent States [CIS] should fully cooperate with United States intelligence agencies to provide information on any and all Americans suspected or convicted of committing treason against the United States.

It is interesting to note that in extending aid to the Soviets in the 1920's, President Harding requested—and received—the release of American soldiers taken prisoner shortly after World War I. Russia revealed that dire economic conditions could dictate cooperation with America.

The resolution specifically mentions two ongoing investigations the Federal Bureau of Investigation [FBI] is conducting. Edward Lee Howard, a former Central Intelligence Agency employee, and Felix S. Bloch, a former State Department official, are suspected of providing Soviet intelligence authorities with United States national secrets during the 1980's. With the CIS's cooperation, we can close these cases and resolve doubts about treason against the United States.

Mr. President, the former head of the FBI's intelligence division expressed this very idea shortly before his death in September 1991. Thomas E. DuHadway remarked to the Los Angeles Times:

> If [the Soviets] want this massive aid—and I'm not saying we shouldn't give it to them—there are reasonable guid pro quos that people would ask for, and I don't think [information on Howard and Bloch] are unreasonable at all.

I should point out that this legislation will not delay or condition United States assistance to the former Soviet Union. However, a unique opportunity exists for the Senate to express its support of continued cooperation with the CIS while making clear our concerns with the outstanding cases against Edward Lee Howard and Felix S. Bloch. I ask my colleagues what better a test of cooperation and goodwill for the CIS than to gauge their willingness to provide information on individuals convicted or suspected of spying against our country.

I urge my colleagues to support this bill.•

AMENDMENTS SUBMITTED

HIGHER EDUCATION ACT AMENDMENTS

SPECTER (AND OTHERS) AMENDMENT NO. 1652

Mr. SPECTER (for himself, Mr. SHELBY, Mr. McCAIN, and Mr. DECONCINI) submitted an amendment intended to be proposed by them to the bill (S. 1150) to reauthorize the Higher Education Act of 1965, and for other purposes, as follows:

On page 607, below line 18, add the following new title:

TITLE XVI—MISCELLANEOUS

SEC. 1601. PROHIBITIONS RELATING TO THE PROVISION OF CERTAIN HEALTH CARE UNDER SHARING PROGRAM.

(a) PROHIBITION.—Notwithstanding section 8153 of title 38, United States Code, or any other provision of law, the Secretary of Veterans Affairs may not furnish, and funds appropriated or otherwise made available to the Department of Veterans Affairs (including funds paid to the Department by the Department of Health and Human Services) may not be used by the Secretary to furnish, hospital care or medical services under the program referred to in subsection (b) to any person who is not eligible to be furnished such care or services under chapter 17 of title 38, United States Code.

(b) COVERED PROGRAM.—The prohibition referred to in subsection (a) applies to the demonstration project for the furnishing of health care in certain rural facilities of the Department entered into between the Secretary and the Secretary of Health and Human Services that is commonly known as the Rural Health Care Initiative.

In section 1(b), amend the table of contents by adding after the item relating to section 1506 the following new matter:

TITLE XVI—MISCELLANEOUS

Sec. 1601. Prohibitions relating to the provision of certain health care under sharing program.

HELMS AMENDMENT NO. 1653

Mr. HELMS proposed an amendment to the bill S. 1150, supra, as follows:

At the appropriate place, insert the following:

Sec. . PROHIBITION ON CERTAIN USES OF FUNDING.

Part G of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3231 et seq.) is amended by inserting at the end the following new section:

"SEC. 5194. PROHIBITION ON CERTAIN USES OF FUNDING.

"(a) PROHIBITION.—None of the funds authorized to be appropriated by this title may be used by any recipient of funds under this title to pay for homosexual support or education services, or to promote or encourage, either directly or indirectly, intravenous drug abuse or homosexual, bisexual, or heterosexual sexual activity, whether premarital or extramarital. No youth shall be deemed at risk of substance abuse solely on the basis of the youth's homosexuality.

FORD (AND McCONNELL) AMENDMENT NO. 1654

Mr. FORD (for himself and Mr. McCONNELL) proposed an amendment to the bill S. 1150, supra, as follows:

On page 197, strike lines 6 through 22, and insert in lieu thereof the following:

(2) by striking out subparagraph (C) of subsection (d)(1) and inserting in lieu thereof the following new subparagraph:

"(C)(i) to buy, sell, hold, insure, underwrite, and otherwise deal in obligations issued for the purpose of financing or refinancing the construction, reconstruction, renovation, improvement or purchase (including the underlying property) of—

"(I) educational and training facilities;

"(II)(aa) housing for students and faculties;

"(III) academic, research, and library facilities including the acquisition of library materials; and

"(IV) related equipment, instrumentation, and furnishings; except that not more than 30 percent of the value of transactions entered into under this clause shall involve transactions solely of the type described in subclause (II);";

DOLE AMENDMENT NOS. 1655 THROUGH 1658

Mr. DOLE proposed four amendments to the bill S. 1150, supra, as follows:

Amendment No. 1655

On page 564, strike lines 8 and 9 and insert the following: by adding at the end the following new subsections:

"(i) Disability.—The term 'disability' has the meaning given the term in section 3(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102(2)).

"(j) State Higher Education Agency.—The term

Amendment No. 1656

On page 561, between lines 3 and 4, insert the following:

"(13)(A) Problems faced by individuals with disabilities regarding accessibility to institutions of higher education and other public and private community facilities.

"(B) Amelioration of existing attitudinal barriers that prevent full inclusion by individuals with disabilities with their community.

Amendment No. 1657

Beginning on page 241, strike line 20 and all that follows through page 242, line 3, and insert the following:

(a) In General.—Section 472 of the Act (20 U.S.C. 108711) is amended—

(1) in the matter preceding paragraph (1) by inserting "(a) Definition of Cost of Attendance.—" before "For the purpose";

(2) in subsection (a) (as so designated by paragraph (1))—

(A) in the matter preceding paragraph (1) by striking "except for subpart 1 of part A and";

(B) in paragraph (6), by striking "in an academic program which normally includes a formal program of study abroad" and inserting "in a program of study abroad approved for credit by the student's home institution"; and

(C) in paragraph (8)—

(i) by striking "handicapped student" and inserting "student with a disability"; and

(ii) by inserting "personal assistance," after "service,"; and

(3) by adding at the end the following new subsection:

"(b) Definition of Personal Assistance.—As used in subsection (a), the term 'personal assistance' means assistance by a person to an individual with tasks that the individual would typically do if the individual did not have a disability and that are necessary to enable the individual with a disability to participate fully in postsecondary opportunities, including assisting the individual with major life activities.".

Amendment No. 1658

On page 396, between lines 2 and 3, insert the following:

"Subpart 3—Faculty Development Grants

"SEC. 567. TRAINING GRANTS.

"(a) Grants Authorized.—The Secretary is authorized to award grants to institutions of higher education to enable such institutions to—

"(1) develop model program that provide training to secondary school faculty to prepare students with disabilities for postsecondary educational opportunities; and

"(2) establish program of faculty development for faculty who teach in an institution of higher education to prepare such faculty for the enrollment of students with disabilities at such institution.

"(b) Use of Grants.—The grants described in subsection (a) may be used to—

"(1) provide scholarships, including stipends and allowances, to faculty described in paragraph (1) or (2) of subsection (a);

"(2) develop materials and inservice programs to assist such faculty in making the curriculum at an institution of higher education accessible to students with disabilities; and

"(3) provide funds to support the release of such faculty from teaching assignments for the purpose of educating such faculty regarding the needs of students with disabilities.

"(c) Special Rules.—The Secretary shall ensure that grants awarded under subsection (a)(1) are used for programs that are in compliance with State and professionally recognized standards for the training of special education personnel.

"(d) Application.—Each institution of higher education desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(e) Authorization of Appropriations.—There are authorized to be appropriated to carry out this subpart $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

LAUTENBERG (AND LEAHY) AMENDMENT NO. 1659

Mr. LAUTENBERG (for himself and Mr. Leahy) proposed an amendment to the bill S. 1150, supra, as follows:

At the end of the bill, add the following new titles:

TITLE XVI—NATIONAL COMMISSION ON THE COST OF HIGHER EDUCATION

SEC. 1601. ESTABLISHMENT OF COMMISSION.

There is established a Commission to be known as the "National Commission on the Cost of Higher Education" (hereafter in this title referred to as the "Commission").

SEC. 1602. MEMBERSHIP OF COMMISSION.

(a) Appointment.—The Commission shall be composed of 12 members as follows:

(1) Four citizens of the United States appointed by the President.

(2) Two Senators appointed by the Majority Leader of the Senate, of which—

(A) one shall be a member of the Committee on Labor and Human Resources of the Senate; and

(B) one shall be a member of the Committee on Appropriations of the Senate.

(3) Two Senators appointed by the Majority Leader of the Senate, of which—

(A) one shall be a member of the Committee on Labor and Human Resources of the Senate; and

(B) one shall be a member of the Committee on Appropriations of the Senate.

(4) Two Members of the House of Representatives appointed by the Speaker of the House of Representatives, of which—

(A) one shall be a member of the Committee on Education and Labor of the House of Representatives; and

(B) one shall be a member of the Committee on Appropriations of the House of Representatives.

(5) Two Members of the House of Representatives appointed by the Majority Leader of the House of Representatives, of which—

(A) one shall be a member of the Committee on Education and Labor of the House of Representatives; and

(B) one shall be a member of the Committee on Appropriations of the House of Representatives.

(b) Additional Qualifications.—

(1) Presidential appointees.—An individual appointed under subsection (a)(2) may not be an officer of an employee of the Executive Branch.

(2) Citizens.—Individuals who are not Members of the Congress and are appointed under paragraphs (3) through (6) of subsection (a) shall be individuals who—

(A) have extensive knowledge of higher education and its financing and who are leaders of the education community, distinguished academics, State or local government officials, students, parents of college students, members of the business community, or other individuals with distinctive qualifications or experience; and

(B) are not officers or employees of the United States.

(c) Chairperson and Vice Chairperson.—The members of the Commission shall elect a Chairman and a Vice Chairperson. In the absence of the Chairperson, the Vice Chairperson will assume the duties of the Chairperson.

(d) Quorum.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(e) Appointments.—All appointments under subsection (a) shall be made within 3 months after the date of enactment of this Act.

(f) Voting.—Each member of the Commission shall be entitled to one vote, which shall be equal to the vote of every other member of the Commission.

(g) Vacancies.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(h) Prohibition of Additional Pay.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission. Members appointed from among private citizens of the United States may be allowed travel expenses, including per diem, in lieu of subsistence, as authorized by law for persons serving intermittently in the government service to the extent funds are available for such expenses.

SEC. 1603. FUNCTIONS OF COMMISSION.

(A) SPECIFIC FINDINGS AND RECOMMENDATIONS.—The Commission shall study and make findings and specific recommendations regarding the following:

(1) The increase in tuition costs compared with other commodities and services as well as methods of reducing increased tuition costs.

(2) Trends in college and university administrative costs as well as other costs and means of reducing such increased costs.

(3) The development of a standardized annual report that colleges and universities shall distribute which details the administrative costs, instructional costs and capital costs of such colleges and universities in order to carry out section 1701.

(4) The extent to which Federal, State and local regulations contribute to increased tuition costs and the increase in the cost of higher education.

(5) The establishment of a mechanism for a more timely and widespread distribution of data on tuition trends and other costs of operating colleges and universities.

(6) The extent to which the lack of student financial assistance programs has contributed to increased tuition costs.

(7) Other related topics determined to be appropriate by the Commission.

(b) FINAL REPORT.—

(1) IN GENERAL.—Subject to paragraph (2), the Commission shall submit to the President and to the Congress not later than September 1, 1994, a report which shall contain a detailed statement of the findings and conclusions of the Commission, including the Commission's recommendations for administrative and legislative action that the Commission considers advisable.

(2) MAJORITY VOTE REQUIRED FOR RECOMMENDATIONS.—Any recommendation described in paragraph (1) shall be made by the Commission to the President and to the Congress only if such recommendation is adopted by a majority vote of the members of the Commission who are present and voting.

SEC. 1604. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places, as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish the Commission's procedures and to govern the manner of the Commission's operations, organization, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Commission may request from the head of any Federal agency or instrumentality such information as the Commissioin may require for the purpose of this title. Each such agency or instrumentality shall, to the extent permitted by law and subject to the exceptions set forth in section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), furnish such information to the Commission, upon request made by the Chairperson of the Commission.

(2) FACILITIES AND SERVICES, PERSONNEL DETAIL AUTHORIZED.—Upon request of the Chairperson of the Commission, the head of any Federal agency or instrumentality shall, to the extent possible and subject to the discretion of such head—

(A) make any of the facilities and services of such agency or instrumentality available to the Commission; and

(B) detail any of the personnel of such agency or instrumentality to the Commission, on a nonreimbursable basis, to assist the Commission in carrying out the Commission's duties under this title, except that any expenses of the Commission incurred under this subparagraph shall be subject to the limitation on total expenses set forth in section 1605(b).

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Commission, to such extent and in such amounts as are provided in appropriation Acts, may enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge the Commission's duties under this title, subject to the limitation on total expenses set forth in section 1605(b).

(f) STAFF.—Subject to such rules and regulations as may be adopted by the Commission, the Chairperson of the Commission (subject to the limitation on total expenses set forth in section 1605(b)) shall have the power to appoint, terminate, and fix the compensation (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director, and of such additional staff as the Chairperson deems advisable to assist the Commission, at rates not to exceed a rate equal to the maximum rate for level IV of the Executive Schedule under section 5332 of such title.

(g) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.) and shall be independent from the Executive Branch.

SEC. 1605. EXPENSES OF COMMISSION.

(a) IN GENERAL.—Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of the Treasury.

(b) LIMITATION.—The total expenses of the Commission shall not exceed $2,000,000.

(c) GAO AUDIT.—Prior to the termination of the Commission pursuant to section 1606, the Comptroller General of the United States shall conduct an audit of the financial books and records of the Commission to determine that the limitation on expenses has been met, and shall include the Comptroller General's determination in an opinion to be included in the report of the Commission.

SEC. 1606. TERMINATION OF COMMISSION.

The Commission shall cease to exist on the date that is 90 days after the date on which the Commission submits its report.

TITLE XVII—AMENDMENTS TO THE HIGHER EDUCATION ACT OF 1965

SEC. 1701. DISCLOSURE OF TUITION, ADMINISTRATIVE COSTS, INSTRUCTIONAL COSTS AND CAPITAL COSTS.

(a) DISCLOSURE REQUIREMENTS.—Section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092) is amended by adding at the end thereof the following new subsection:

"(g) DISCLOSURE OF PARENT/STUDENT RIGHT TO KNOW STATISTICS.—(1) Each eligible institution participating in any program under this Act shall collect information with respect to administrative costs, instructional costs and capital costs, and annually prepare, publish, and distribute, through appropriate publications or mailings, to all current students, and to any applicant for enrollment or upon request, members of the public, an annual report on such costs.

"(2) Upon the request of the Secretary, each institution participating in any program under this Act shall submit to the Secretary a copy of the report required to be made available under paragraph (1). The Secretary shall review such reports and shall report to the Committee on Education and Labor and the Committee on Appropriations of the House of Representatives, and the Committee on Labor and Human Resources and Committee on Appropriations of the Senate on the content of such reports.

"(3) The Secretary, after receiving recommendations from the Commission, shall solicit public comment and promulgate rules to implement this subsection.

"(4) Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices by institutions of higher education with respect to tuition costs, administrative costs, instructional costs, and capital costs.".

SEC. 1702. PROGRAM PARTICIPATION AGREEMENT REQUIREMENTS.

(a) IN GENERAL.—Subsection (a) of section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended by adding at the end thereof the following new paragraph:

"(13) The institution has complied with the disclosure requirements of section 485(g).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective 90 days after the issuance of the regulations described in section 485(g)(3) of the Higher Education Act of 1965.

TITLE XVIII—RESOURCE SHARING GRANTS

SEC. 1801. RESOURCE SHARING GRANTS.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to States, local governments, or consortia of universities and colleges to enable such States, local governments or consortia thereof to establish resource sharing plans that are designed to—

(A) prevent unnecessary duplication of existing resources.

(B) reduce the long-term cost of tuition at colleges and universities; and

(C) establish cost containment mechanisms for the costs described in subparagraph (A).

(2) GRANT DISTRIBUTION.—The Secretary shall award at least 5 grants pursuant to paragraph (1) to at least 5 different States or consortia thereof.

(b) USE OF FUNDS.—Funds shall be used to carry out the plans described in this section.

(c) APPLICATION.—Each State or consortium thereof desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

(d) DEFINITIONS.—For the purpose of this section—

(1) the term "Secretary" means the Secretary of Education; and

(2) the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, and the Republic of Palau (until the Compact of Free Association is ratified).

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years thereafter to carry out this section.

DECONCINI AMENDMENTS NOS. 1660 AND 1661

Mr. PELL (for Mr. DECONCINI) proposed two amendments to the bill S. 1150, supra, as follows:

AMENDMENT NO. 1660

Beginning on page 332 of the Committee amendment, strike line 23 and all that follows through page 333, line 2, and insert the following:

"(5)(A) establish requirements for the maintenance by an institution of higher education of sufficient cash reserves to ensure repayment of any required refunds; and

"(B) provide for a process under which the Secretary shall exempt an institution of higher education from the requirements described in subparagraph (A) if the Secretary determines that the institution—

"(i) is located in a State that has a tuition recovery fund such that the institution meets the requirements of subparagraph (A);

"(ii) contributes to the fund; and

"(iii) otherwise has legal authority to operate within the State; and

AMENDMENT NO. 1661

On page 299, line 24, insert "(a) IN GENERAL.—" before "Subsection".

On page 303, between lines 16 and 17, insert the following:

(b) CONSTRUCTION.—Section 487 of the Act, as amended by subsection (a), is further amended by adding at the end the following:

"(e) CONSTRUCTION.—Nothing in the amendments made by the Higher Education Amendments of 1991 shall be construed to prohibit an institution from recording, at the cost of the institution, a hearing referred to in subsection (b)(2), subsection (c)(1)(D), or subparagraph (A) or (B)(i) of subsection (c)(2), of section 487 to create a record of the hearing. The Secretary shall allow the institution to use any reasonable means, including stenographers, of recording the hearing.".

KASSEBAUM (AND HATCH) AMENDMENT NO. 1662

Mr. PELL (for Mrs. KASSEBAUM, for herself and Mr. HATCH) proposed an amendment to the bill S. 1150, supra, as follows:

On page 11, strike the item relating to section 311.

On page 11, redesignate the items relating to sections 312 through 314 as the items relating to sections 311 through 313.

On page 53, strike lines 5 through 14.

On page 53, line 15, strike "312" and insert "311".

On page 53, line 18, strike "313" and insert "312".

On page 53, line 23, strike "314" and insert "313".

On page 83, line 17, strike "The" and insert "(A) Except as provided in subparagraph (B), the".

On page 83, between lines 22 and 23, insert the following:

"(B) SPECIAL RULE.—The Secretary is not required to provide assistance to a program otherwise eligible for assistance under this subpart pursuant to subparagraph (A), if the Secretary is in receipt of evidence indicating that such program has involved the fraudulent use of funds under this subpart.

On page 84, line 6, strike "10" and insert "8".

On page 84, line 16, strike "10" and insert "8".

On page 192, line 3, insert ", except that in no case shall this paragraph apply to any borrower whose loan has been discharged through an action in bankruptcy" before the period.

GRAHAM AMENDMENT NO. 1663

Mr. PELL (for Mr. GRAHAM) proposed an amendment to the bill S. 1150, supra, as follows:

On page 585, line 7, strike "and".

On page 585, line 12, strike the period and insert a semicolon and "and".

On page 585, between lines 12 and 13, insert the following:

"(E) identify the reasons for which participants in the program have chosen to take part in such program; and

"(F) identify other areas of community service or employment which may serve as appropriate methods of loan repayment.

MITCHELL AMENDMENT NO. 1664

Mr. PELL (for Mr. MITCHELL) proposed an amendment to the bill S. 1150, supra, as follows:

On page 596, between lines 10 and 11, insert the following:

SEC. 1302. NATIONAL COMMISSION ON INDEPENDENT EDUCATION.

Title XIII of the Higher Education Amendments of 1986 is amended by adding at the end the following new part:

"PART J—NATIONAL COMMISSION ON INDEPENDENT EDUCATION

"SEC. 1391. SHORT TITLE.

"This part may be cited as the 'National Independent Colleges and Universities Discovery Act'.

"SEC. 1392. FINDINGS.

"The Congress finds that—

"(1) the quality and scope of higher education in our Nation is without argument the finest in the world, and a distinguishing feature of our Nation's system of higher education is its strong and diverse nonprofit independent sector;

"(2) independent colleges and universities are as diverse as the Nation itself and include traditional liberal arts institutions, major research universities, church- and faith-related colleges, colleges and universities primarily attended by minorities, women's colleges, junior colleges, and schools of law, medicine, engineering, business and other professions;

"(3) the diversity of independent colleges and universities offers students a choice in the type of educational experience that will best serve such students' interests, needs and aspirations;

"(4) independent colleges and universities enroll 21 percent of all students in the United States, award 33 percent of all bachelor's degrees in the United States, 42 percent of all such master's degrees, 36 percent of all such doctoral degrees, and 59 percent of all such professional degrees;

"(5) a majority of all undergraduate students attending independent colleges and universities receive some form of financial assistance, and such independent colleges and universities provide such financial assistance from their own resources;

"(6) independent colleges and universities are deeply involved in hundreds of partnerships with elementary and secondary schools, and such partnerships are largely funded by such colleges and universities;

"(7) independent colleges and universities have been an extraordinary example of private-public partnerships, with such colleges and universities operating in the public interest to provide a public good;

"(8) less than 20 percent of the revenue of independent colleges and universities comes from governmental funds, most of which is in the form of Federal and State financial aid;

"(9) decreases in Federal and State support for student financial aid programs has placed at risk the option of choosing an independent college or university for an increasing number of students;

"(10) whereas at the turn of the twentieth century 80 percent of the students enrolled in higher education in the United States were enrolled in independent colleges and universities, such percentage has now declined to 21 percent, and further erosions place at risk the option of choosing an independent college or university for students and parents; and

"(11) the entire sector of independent colleges and universities and the important contributions such sector makes to our Nation is at risk and deserves national policy attention.

"SEC. 1393. PURPOSE.

"It is the purpose of this part to establish a National Commission on Independent Higher Education.

"SEC. 1394. NATIONAL COMMISSION ON INDEPENDENT HIGHER EDUCATION.

"(a) ESTABLISHMENT.—There is established as an independent agency in the executive branch a commission to be known as the National Commission on Independent Higher Education (hereafter in this Act referred to as the 'Commission').

"(b) MEMBERSHIP.—

"(1) COMPOSITION.—The Commission shall be composed of 9 members, 3 of whom shall be appointed by the President, 3 of whom shall be appointed by the Speaker of the House of Representatives, and 3 of whom shall be appointed by the Majority Leader of the Senate.

"(2) EXPERTISE REQUIREMENT.—The members of the Commission shall consist of individuals with expertise and experience in independent higher education, including expertise in national tax policy, individuals with expertise in State higher education finance, individuals with expertise in Federal financial aid programs, individuals with expertise in issues of student and faculty diversity, and individuals with expertise in graduate education and research.

"(3) DATE.—The members of the Commission shall be appointed not later than 6 months after the date of enactment of this Act.

"(c) PERIOD OF APPOINTMENT; VACANCIES.—Members of the Commission shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

"(d) MEETINGS.—The Commission shall meet at the call of the Chairman.

"(e) QUORUM.—Six of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

"(f) CHAIRMAN.—The Commission shall select a Chairman from among its members.

"SEC. 1395. DUTIES OF THE COMMISSION.

"The Commission shall—

"(1) develop a factual base for understanding the status of independent colleges and universities, their contributions to public priorities, and the effects of national higher education policies on the independent nonprofit sector;

"(2) review the issuance of Federal regulations regarding independent colleges and universities, and suggest means by which independent colleges and universities can be held accountable for use of public resources without inappropriate intrusion into institutional autonomy; and

"(3) address the relation between Federal and State policies on independent colleges and universities, particularly with respect to student access and choice, finance, institutional subsidies, and institutional accountability.

"SEC. 1396. REPORT AND RECOMMENDATIONS.

"(a) Interim Report.—The Commission shall submit an interim report to the president and the Congress on the Commission's activities and findings within 18 months of the date of enactment of this Act.

"(b) Final Report.—

"(1) In general.—The Commission shall submit a final report to the President and the Congress on the Commission's activities and findings within 3 years of the date of enactment of this Act.

"(2) Recommendation.—The report described in paragraph (1) shall contain a recommendation regarding the establishment of a national policy on independent colleges and universities appropriate to meeting the Nation's higher educational goals in the twenty-first century.

"SEC. 1397. POWERS OF THE COMMISSION.

"(a) Hearings.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this part.

"(b) Information From Federal Agencies.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

"(c) Gifts.—The Commission may accept, use, and dispose of gifts or donations of services or property.

"SEC. 1398. COMMISSION PERSONNEL MATTERS.

"(a) Travel Expenses.—From amounts available to the Secretary of Education, the members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

"(b) Detail of Government Employees.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

"(c) Staff.—

"(1) In general.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and not more than 2 staff members to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

"(2) Compensation.—The Chairman of the Commission may fix the compensation of the executive director and not more than 2 staff members without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and such staff may not exceed the rate payable for level 15 of the General Schedule classified under section 5107 of such title.

"SEC. 1399. TERMINATION OF THE COMMISSION.

"The Commission shall terminate 3 years after the date of enactment of this Act.".

On page 14, after the item relating to section 1301, insert the following:

Sec. 1302. National Commission on Independent Education.

BIDEN AMENDMENT NO. 1665

Mr. PELL (for Mr. Biden) proposed an amendment to the bill S. 1150, supra, as follows:

On page 294, line 18, strike "and".

On page 296, line 2, strike the end quotation marks and the second period and insert a semicolon and "and".

On page 296, between lines 2 and 3, insert the following:

(3) in subsection (f), by adding at the end the following new paragraph:

"(7)(A) Each institution of higher education participating in any program under this title shall develop and distribute as part of the report described in paragraph (1) a statement of policy regarding—

"(i) such institution's campus sexual assault programs which shall be aimed at prevention of sex offenses; and

"(ii) the procedures followed once a sex offense has occurred.

"(B) The policy described in subparagraph (A) shall address the following areas:

"(i) Education programs to promote the awareness of rape, acquaintance rape, and other sex offenses.

"(ii) Procedures students should follow if a sex offense occurs, including who should be contacted and to whom the alleged offense should be reported.

"(iii) Procedures for on-campus disciplinary action in cases of alleged sexual assault which shall include—

"(I) a clear statement that the institution will impose sanctions on students and employees, and a description of those sanctions;

"(II) a clear statement that the accuser and the accused are entitled to the same opportunities to have others present during a campus disciplinary proceeding; and

"(III) a clear statement that both the accuser and the accused shall be informed of the outcome of any campus disciplinary proceeding brought alleging a sexual assault.

"(iv) Notification of victims of sexual assault of the applicable legal sanctions under Federal, State or local law for sexual assault.

"(v) Informing students of their options to notify proper law enforcement authorities, both on campus and local police, and the option to be assisted by campus authorities in notifying such authorities, if the student so chooses.

"(vi) Notification of students of existing counseling, mental health or student services for victims of sexual assault, both on campus and in the community.

"(viii) Notification of students of options for and available assistance in, if so requested by the victim, changing academic and living situations subsequent to an alleged sexual assault incident.

"(C) Nothing in this paragraph shall be constructed to confer a private right of action upon any person to enforce the provisions of this paragraph.".

LIEBERMAN AMENDMENT NO. 1666

Mr. PELL (for Mr. Lieberman) proposed an amendment to the bill S. 1150, supra, as follows:

On page 132, line 4, strike the end quotation marks and the second period.

On page 132, between lines 4 and 5, insert the following:

"Subpart 12—Training Grants for Community College and Small Business Consortia

"SEC. 420DD. FINDINGS.

"The Congress finds that—

"(1) small businesses provide most entry-level jobs in the United States but often lack the resources to provide needed worker education and training;

"(2) there is a growing mismatch between worker skills and workplace demands that has a greater impact on small businesses than on large businesses;

"(3) many employees of small businesses need both literacy and English-as-a-second language training, and skills training, in order to meet the needs of business;

"(4) joint education and training programs help share the risks of training, increase the number of the skilled workers available to small businesses, and allow more cost-effective development of training materials; and

"(5) many small businesses subcontract with large businesses that can provide valuable training advice to the small business.

"SEC. 420EE. PROGRAM AUTHORIZED.

"(a) In General.—The Secretary, in consultation with the Administrator of the Small Business Administration and the Secretaries of Labor and Commerce, is authorized to make not more than 40 grants to community colleges participating in an eligible consortium to pay part or all of the costs of developing and providing training and retraining programs which meet the existing and changing needs of the eligible consortium's workers, especially nonsupervisory workers.

"(b) Amount.—The Secretary shall not award a grant under this subpart in an amount which exceeds $500,000.

"(c) Procedures and Criteria.—The Secretary shall establish procedures and criteria for awarding grants under this subpart on a competitive merit basis.

"SEC. 420FF. ELIGIBLE CONSORTIUM.

"For the purpose of this subpart of term 'eligible consortium' means an accredited community college in consortium with two or more small businesses. The small businesses described in the preceding sentence shall—

"(1) be in the same industry;

"(2) use the same technology; and

"(3) have common educational needs.

"SEC. 420GG. APPLICATION.

"(a) In General.—Each community college desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(b) Contents.—Each application submitted pursuant to subsection (a) shall describe—

"(1) the activities and services for which assistance is sought, which shall include technology training, basic skills training, or English-as-a-second language training;

"(2) the membership of the eligible consortium including, where applicable, a description of the large businesses that contract with the small businesses participating in the consortium and have training expertise to share with the same businesses;

"(3) the education and training needs of the eligible consortium; and

"(4) the source of the non-Federal share of costs of the training and retraining programs, including a description of any system of fees which may be used by the eligible consortium to support or partially support the training or retraining program.

"(c) APPROVAL.—The Secretary shall appoint a technical review panel to—

"(1) establish competitive selection criteria based on the contents of the application described in subsection (b);

"(2) select and approve applications under this subpart based on the selection criteria established pursuant to paragraph (1); and

"(3) make recommendations to the Secretary regarding the awarding of grants under this subpart.

"(d) PREFERENCE.—The panel described in subsection (c) shall give preference to applications that demonstrate a commitment to continue the training and retraining program after the termination of assistance provided under this subpart.

"(e) SPECIAL RULE.—The panel described in subsection (c) shall only approve applications under this subpart from eligible consortia which demonstrate the ability to provide effective training and retraining programs.

"SEC. 420HH. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $5,000,000 for fiscal year 1993 and each of the 6 succeeding fiscal years to carry out the provisions of this subpart.".

BIDEN AMENDMENT NO. 1667

Mr. PELL (for Mr. BIDEN) proposed an amendment to the bill S. 1150, supra, as follows:

On page 294, line 18, strike "and".

On page 296, line 2, strike the end quotation marks and the second period and insert a semicolon and "and".

On page 296, between lines 2 and 3, insert the following:

(3) in subsection (f), by adding at the end the following new paragraph:

"(7)(A) Each institution of higher education participating in any program under this title shall develop and distribute as part of the report described in paragraph (1) a statement of policy regarding—

"(i) such institution's campus sexual assault programs which shall be aimed at prevention of sex offenses; and

"(ii) the procedures followed once a sex offense has occurred.

"(B) The policy described in subparagraph (A) shall address the following areas:

"(i) Education programs to promote the awareness of rape, acquaintance rape, and other sex offenses.

"(ii) Procedures students should follow if a sex offense occurs, including who should be contacted and to whom the alleged offense should be reported.

"(iii) Procedures for on-campus disciplinary action in cases of alleged sexual assault which shall include—

"(I) a clear statement that the institution will impose sanctions on students and employees, and a description of those sanctions;

"(II) a clear statement that the accuser and the accused are entitled to the same opportunities to have others present during a campus disciplinary proceeding; and

"(III) a clear statement that both the accuser and the accused shall be informed of the outcome of any campus disciplinary proceeding brought alleging a sexual assault.

"(iv) Notification of victims of sexual assault of the applicable legal sanctions under Federal, State or local law for sexual assault.

"(v) Informing students of their options to notify proper law enforcement authorities, both on campus and local police, and the option to be assisted by campus authorities in notifying such authorities, if the student so chooses.

"(vi) Notification of students to existing counseling, mental health or student services for victims of sexual assault, both on campus and in the community.

"(vii) Notification of students of options for and available assistance, in, if so requested by the victim, changing academic and living situations subsequent to an alleged sexual assault incident.

"(C) Nothing in this paragraph shall be construed to confer a private right of action upon any person to enforce the provisions of this paragraph.".

WOFFORD AMENDMENT NO. 1668

Mr. PELL (for Mr. WOFFORD) proposed an amendment to the bill S. 1150, supra, as follows:

On page 12, after the item relating to section 445, insert the following:

Sec. 445A. Additional funding to conduct community service work-study programs.

On page 23, line 5, strike "service and conservation corps" and insert "corps as defined in section 101(30) of the National and Community Service Act of 1990".

On page 71, line 19, strike "work learning study" and insert "work-study".

On page 212, line 24, strike "20 U.S.C." and insert "40 U.S.C.".

On page 213, line 17, strike "subpart" and insert "part".

On page 213, line 19, strike "public" before "agencies".

On page 213, line 20, strike "institutions" and insert "private nonprofit organizations".

On page 214, line 3," insert "Such term includes support services provided to students with disabilities." before the end quotation marks.

On page 214, line 5, strike "20 U.S.C." and insert "42 U.S.C.".

On page 214, line 19, strike "and".

On page 214, line 22, strike the period and insert a semicolon and "and".

On page 214, between lines 22 and 23, insert the following:

(3) in subsection (e), by amending paragraph (2) to read as follows:

"(2) The Secretary shall reallot the amount available pursuant to paragraph (1) to eligible institutions for use in initiating, improving and expanding community service work-study programs.".

On page 214, line 24, strike "20 U.S.C." and insert "42 U.S.C.".

On page 215, strike lines 5 through 9, and insert the following:

(2) by amending subparagraph (A) of paragraph (2) to read as follows:

"(A) in fiscal year 1994 and succeeding fiscal years, an institution shall use at least 10 percent of the total amount of funds granted to such institution under this section in any fiscal year to carry out a community service work-study program, and the calculation of either such 10 percent or such total amount of funds granted to such institution shall not take into consideration funds made available pursuant to section 443(e) or the fourth sentence of section 489(a);";

On page 216, strike lines 3 through 8, and insert the following:

succeeding academic years, except that—

"(A) the Federal share may exceed such percentage if the Secretary determines that the non-Federal share would cause financial hardship at an eligible institution and that such institution serves a large number or percentage of low-income or minority students;and

"(B) when a student engaged in work in community service performs such work for a public agency or private nonprofit organization other than the eligible institution, the contribution of such agency or organization shall not exceed 10 percent of the compensation of the student, and the eligible institution in its discretion may count such contribution toward satisfaction of the non-Federal share of the compensation of the student;";

On page 217, line 8, strike "20 U.S.C." and insert "42 U.S.C.".

On page 217, strike line 13, and insert the following:

"(2) by striking subsection (c)."

On page 217, between lines 13 and 14, insert the following:

SEC. 445A. ADDITIONAL FUNDS TO CONDUCT COMMUNITY SERVICE WORK-STUDY PROGRAMS.

(a) IN GENERAL.—Section 447 of the Act (42 U.S.C. 2756a) is amended—

(1) by striking subsections (a) and (b); and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking "sentence of section 489(a) to conduct that institution's program of community service learning" and inserting "fourth sentence of section 489(a) to conduct that institution's program of community service work-study";

(B) in paragraph (3), by inserting ", and programs assisted under the National and Community Service Act of 1990" after "nonprofit agencies"; and

(C) by striking "(c) USE OF OTHER FUNDS TO CONDUCT PROGRAM.—

(b) AMENDMENT TO HEADING.—The heading for section 447 of the Act is amended to read as follows:

"ADDITIONAL FUNDS TO CONDUCT COMMUNITY SERVICE WORK-STUDY PROGRAMS"

(c) CONFORMING AMENDMENTS.—Subsection (a) of section 489 of the Act (20 U.S.C. 1096(a)) is amended—

(1) in the second sentence, by striking "(other than section 447)"; and

(2) in the third sentence, by striking "The payment" and inserting "Except as provided in the succeeding sentence, the payment";

(3) in the fourth sentence—

(A) by striking "447" and inserting "community service work-study described in section 443"; and

(B) by striking "expenditures during such fiscal year under such section" and inserting "payments during such fiscal year to compensate students participating in a community service work-study program conducted pursuant to such section".

On page 217, line 16, strike "20 U.S.C." and insert "42 U.S.C.".

On page 352, line 11, insert "or to involve secondary school students in community service-learning projects" after "skills".

On page 410, line 15, strike "and VISTA" and insert "VISTA, and programs funded under the National and Community Service Act of 1990".

On page 564, line 8, strike "subsection" and insert "subsections".

On page 564, line 8, strike the end quotation marks and the second period.

On page 564, between lines 12 and 13, insert the following:

"(j) SERVICE-LEARNING.—The term 'service-learning' has the same meaning given such term in section 101(22) of the National and Community Service Act of 1990.".

WELLSTONE (AND DURENBERGER) AMENDMENT NO. 1669

Mr. PELL (for Mr. WELLSTONE, for himself and Mr. DURENBERGER) proposed an amendment to the bill S. 1150, supra, as follows:

At the appropriate place, insert the following:

SEC. 1406. SPECIAL PROJECTS FOR TWO-YEAR SCHOOLS.

Subsection (f) of section 788 of the Public Health Service Act (20 U.S.C. 295g-8(f)) is amended to read as follows:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $316,203 for each of the fiscal years 1993, 1994, 1995, and 1996 to carry out subsection (a).".

At the appropriate place, after the item relating to section 1405, insert the following:

Sec. 1406. Special projects for two-year schools.

SIMON AMENDMENT NO. 1670

Mr. PELL (for Mr. SIMON) proposed an amendment to the bill S. 1150, supra, as follows:

On page 134, between lines 22 and 23, insert the following:

"(4) Funds appropriated pursuant to the authorizations under this section for the fiscal year 1993 and for each of the succeeding 6 fiscal years shall be transferred by the Secretary of the Treasury through the most expeditious method available, with each of the Tribally Controlled Community Colleges being designated as its own certifying agency.

CONRAD (AND OTHERS) AMENDMENT NO. 1671

Mr. PELL (for Mr. CONRAD, for himself, Mr. MCCAIN, and Mr. DASCHLE) proposed an amendment to the bill S. 1150, supra, as follows:

At the end of the amendment, insert the following:

PART F—AMERICAN INDIAN TEACHER TRAINING

SEC. 1651. AMERICAN INDIAN TEACHER TRAINING.

(a) INSTITUTIONAL SUPPORT.—

(1) IN GENERAL.—The Secretary of Education, through the Office of Indian Education, is authorized to award grants to tribally controlled post-secondary, vocational and technical institutions for the purpose of developing teacher training programs.

(2) USE OF GRANTS.—Grants awarded under this subsection shall be for the purpose of providing upper division course work, transfer programs, articulation agreements with other accredited institutions, telecommunications programs or other mechanisms which directly support the training of American Indian teachers.

(b) STUDENT SUPPORT GRANTS.—

(1) IN GENERAL.—The Secretary of Education, through the Office of Indian Education, is authorized to award grants to institutions that have developed teacher training programs under subsection (a) for the purpose of providing financial and programmatic support to American Indian students seeking to participate in such institutions' teacher training programs.

(2) USE OF GRANTS.—Colleges receiving grants under this section shall require recipients of grants under this subsection to serve as teachers in an Indian community for 1 year for each year of scholarship support received.

(3) ELIGIBILITY.—Students eligible to receive support grants shall include those who have completed at least 30 hours of postsecondary education.

(4) WORK REQUIREMENT.—Students who fail to satisfy the requirements of paragraph (2) shall be required to repay a pro rata portion of the total amount of scholarships awarded under this part if the student worked for less than the required time period described in such paragraph.

(c) SCHOLARSHIPS.—

(1) AUTHORITY.—The Secretary of Education, through the Office of Indian Education, is authorized to provide scholarship assistance to American Indian students who seek to become teachers and who—

(A) agree to serve as teachers in an Indian community for 1 year for each year of scholarship support received, and

(B) have completed at least 30 hours of postsecondary education.

(2) WORK REQUIREMENT.—Students who fail to satisfy the requirements of paragraph (1) shall be required to repay a pro rata portion of the total amount of scholarships awarded under this part if the student worked for less than the required time period described in paragraph (1)(B).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for each fiscal year thereafter to carry out this part.

HATFIELD AMENDMENT NO. 1672

Mr. PELL (for Mr. HATFIELD) proposed an amendment to the bill S. 1150, supra, as follows:

At the end of the Committee amendment, add the following new title:

TITLE XVI—COMMUNITY AND JUNIOR COLLEGES

SEC. 1601. DEFINITION OF COMMUNITY AND JUNIOR COLLEGE.

Section 104 of the Department of Education Organization Act (20 U.S.C. 3404) is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting "; and"; and

(3) by adding at the end the following new definition:

"(8) the term 'community and junior college' means an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)), that—

"(A) admits as regular students persons—

"(i) a majority of whom are beyond the age of compulsory school attendance in the State in which the institution is located; and

"(ii) who have the ability to benefit from the training offered by the institution; and

"(B)(i) provides an educational program of not less than 2 years that is acceptable for full credit toward such a degree; a

"(ii) offers a 2-year program—

"(I) in engineering, mathematics, or the physical or biological sciences; and

"(II) designed to prepare a student to work—

"(aa) as a technician; or

"(bb) as an entry-level professional in engineering, scientific, or other technological fields requiring the understanding and application of basic engineering, scientific, or mathematical principles of knowledge.".

SEC. 1602. LIAISON FOR COMMUNITY COLLEGES.

(a) LIAISON.—Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended by adding at the end the following new subsection:

"(i)(1) There shall be in the Department a Liaison for Community and Junior Colleges, who shall be an officer of the Department appointed by the Secretary.

"(2) The Secretary shall appoint, no later than 6 months after the enactment of this Act, as the Liaison for Community and Junior Colleges a person who—

"(A) has attained an associate degree from a community or junior college; or

"(B) has been employed in a community or junior college setting for not less than 5 years.

"(3) The Liaison for Community and Junior Colleges shall—

"(A) serve as principal advisor to the Secretary on matters affecting community and junior colleges;

"(B) provide guidance to programs within the Department dealing with functions affecting community and junior colleges; and

"(C) work with the Federal Interagency Committee on Education to improve coordination of—

"(i) the outreach programs in the numerous Federal departments and agencies that administer education and job training programs;

"(ii) collaborative business education partnerships; and

"(iii) education programs located in, and regarding, rural areas."

(b) EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by adding at the end the following new item:

"Liaison for Community and Junior Colleges, Department of Education."

GORTON AMENDMENT NO. 1673

Mr. PELL (for Mr. GORTON) proposed an amendment to the bill S. 1150, supra, as follows:

On page 24, line 18, insert "(a) IN GENERAL.—" before "From".

On page 24, line 21, strike "2 years to carry out" and insert "3 years to pay for the Federal share of carrying out".

On page 24, between lines 22 and 23, insert the following:

"(b) SPECIAL RULE.—An institution of higher education shall only receive 1 grant under this section in each fiscal year.

"(c) CONTINUATION OF LITERACY PROGRAM.—Grants under this section are renewable upon application by the institution of higher education in accordance with section 128.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of carrying out student literacy corps programs under this subpart shall be—

"(A) up to 100 percent for an initial grant to an institution of higher education; and

"(B) up to 75 percent for a grant renewed under subsection (c).

"(2) NONFEDERAL SHARE.—the non-Federal share of carrying out student literacy corps programs under this subpart may be paid from any non-Federal sources.

On page 25, strike lines 13 through 16, and insert the following:

"(b) LIMITATION.—No grant award to an institution of higher education under this subpart shall exceed $100,000.

On page 25, line 18, strike "$25,000" and insert, "$50,000".

On page 26, line 16, strike "not less than 60 hours" and insert ", for each credit, not less than 2 hours a week".

On page 28, between lines 14 and 15, insert the following:

"(d) REOPENING OF APPLICATION PROCESS.—The Secretary shall accept applications for assistance under this subpart for 90 days following the date of the enactment of this Act.

On page 29, line 2, strike "subpart the term" and insert the following: "subpart:

"'(1) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education", in the case of an institution of higher education with a branch campus, means, at the election of the institution—

"'(A) a branch campus of the institution; or

"'(B) the institution.

"'(2) PUBLIC COMMUNITY AGENCY.—The term"

KOHL AMENDMENT NO. 1674

Mr. PELL (for Mr. KOHL) proposed an amendment to the bill S. 1150, supra, as follows:

On page 311, line 17, strike the quotation marks and the second period.

On page 311, between lines 17 and 18, insert the following:

"SEC. 494B. DATA BASE AND INFORMATION LINE.

"(a) IN GENERAL.—From the amounts appropriated pursuant to the authority of subsection (b), the Secretary shall award a contract to establish and maintain—

"(1) a computerized database of all public and private student financial assistance programs, to be accessible to schools and libraries through either modems or toll-free telephone information lines; and

"(2) a toll-free telephone information line to provide individualized student financial assistance information to parents, students, and other individuals.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out this section.".

KENNEDY AMENDMENT NO. 1675

Mr. PELL (for Mr. KENNEDY) proposed an amendment to the bill S. 1150, supra, as follows:

On page 108 of the Committee modification, on line three, strike "$10,000,000" and insert in lieu thereof "$20,000,000".

KENNEDY (AND HATCH) AMENDMENT NO. 1676

Mr. PELL (for Mr. KENNEDY, for himself and Mr. HATCH) proposed an amendment to the bill S. 1150, supra, as follows:

Insert on the bottom of page 339 the following new section:

SEC. 499C. AUTHORITY TO AWARD NEED BASED AID.

(a) IN GENERAL.—Institutions of Higher Education may:

(1) voluntarily agree with any other Institution of Higher Education to award financial aid funds not covered by this Act to students attending those institutions only on the basis of demonstrated financial need for such assistance: *Provided*, That each Institution of Higher Education shall apply its own standard of need which was adopted unilaterally and not in concert with any other Institution of Higher Education;

(2) voluntarily agree with any other Institution of Higher Education to collect from students, from whom such data may be considered reasonable and relevant, in addition to the data elements for financial aid prescribed by the Secretary, other supplemental financial data elements for financial aid funds not covered by this Act: *Provided*, That the student's right to free processing under Section 483 is not withheld and that such data will not affect eligibility or awards under this Act; and

(3) unilaterally engage and consult with in good faith the same processors used by other Institutions of Higher Education to collect and forward financial aid data on behalf of individual institutions: *Provided*, That the data forwarded to an institution relates only to applicants to that institution and the common processor does not disclose the identity of other institutions to which the applicant also applied, the standard of need adopted by those other institutions, or the financial aid or family contribution computed based on the standard of need adopted by those other institution.

(b) Other than subsection (a)(1), nothing in subsection (a) shall affect the application of the antitrust laws to Institutions of Higher Education or shall affect the prohibitions of the consent decree in United States v. Brown University et al., Civ. Action No. 91–3274 (E.D. Pa. 1991). No inference of unlawful contract, combination or conspiracy shall be drawn from the fact that Institutions of Higher Education engage in the conduct authorized in subsection (a)(1).

PELL AMENDMENT NO. 1677

Mr. PELL proposed an amendment to the bill S. 1150, supra, as follows:

On page 297, after line 21, insert the following: "Nothing in section 499(c) shall relieve processors of any or all obligations under this section.".

DOMENICI AMENDMENT NO. 1678

Mr. PELL (for Mr. DOMENICI) proposed an amendment to the bill S. 1150, supra, as follows:

On page 401, line 17, strike "or".

On page 401, between lines 20 and 21, insert the following:

"(6) intends to teach in the areas of science or math; or

"(7) intends to teach on Indian reservations or in Alaska native villages named or certified pursuant to section 39(c) of the Alaska Native Claims Settlement Act, Public Law 92–203, or in areas with high concentrations of Native Hawaiians.

WELLSTONE AMENDMENT NO. 1679

Mr. PELL (for Mr. WELLSTONE) proposed an amendment to the bill S. 1150, supra, as follows:

On page 241, line 23, strike "and".

On page 242, line 3, strike the period and insert a semicolon and "and".

On page 242, between lines 3 and 4 insert the following:

(3) by amending paragraph (7) to read as follows:

"(7) for a student with one or more dependents, an allowance for the expenses actually incurred by the student for dependent care for each child, except that such allowance shall not exceed the reasonable cost in the community in which such student resides for the kind of care provided (as determined by the institution);".

GRAHAM AMENDMENT NO. 1680

Mr. PELL (for Mr. GRAHAM) proposed an amendment to the bill S. 1150, supra, as follows:

Since, substantial layoffs in the military and private sector have led to high unemployment rates;

Since, community colleges and vocational education centers are reporting significant increases in the requests for post secondary vocational education and training;

Since, the Economic Dislocation and Worker Adjustment Assistance Act established by P.L. 100–418 authorizes grants to states for job training activities in the event of mass layoffs, plant closing and high unemployment; and

Since, the Secretary of Labor has the authority to make such grants;

Since, funds appropriated by Congress for this purpose have not been depleted;

Therefore, it is the sense of the Senate that the Secretary of Labor should move expeditiously to process applications for funds authorized by Public Law 100–418 for vocational education and training purposes.

NUNN AMENDMENT NO. 1681

Mr. PELL (for Mr. NUNN) proposed an amendment to the bill S. 1150, supra, as follows:

On page 600, after line 24, insert the following:

SEC. 1405. NATIONAL AND COMMUNITY SERVICE ACT OF 1990.

(a) SUBTITLE C POST-SERVICE BENEFITS.—Section 132 of the National and Community Service Act of 1990 (42 U.S.C. 12452 is amended by striking "$100 per week, or in excess of $5,000 per year, whichever is less" and inserting "$5,000 in fiscal year 1992, $5,500 in fiscal year 1993 and $5,700 in fiscal year 1994".

(b) SUBTITLE D POST-SERVICE BENEFITS.—Paragraph (1) of section 146(b) of the National and Community Service Act of 1990 is amended by striking "that is equal in value to $2,500 for each year of service that such participant provides to the program" and inserting "for each year of service that such participant provides to the program, which benefit shall be equal to $2,500 in fiscal year 1992, $3,000 in fiscal year 1993, and $3,200 in fiscal year 1994".

On page 14, after the item relating to section 1404, insert the following:

Sec. 1405 National and Community Service Act of 1990.

THURMOND AMENDMENT NO. 1682

Mr. PELL (for Mr. THURMOND) proposed an amendment to the bill S. 1150, supra, as follows:

On page 419, lines 16–17 delete the words "This part" and insert in its place "Subparts 1, 3, 4, and 5".

On page 419, line 19 after the words "Civics and Government" add the following new sentence "For purposes of subpart 2, the term

'Key Academic Subjects' means English, Mathematics, Science, History, Geography, Foreign Languages, Civics and Government, and Economics.''.

RIEGLE (AND LEVIN) AMENDMENT NO. 1683

Mr. PELL (for Mr. RIEGLE, for himself and Mr. LEVIN) proposed an amendment to the bill S. 1150, supra, as follows:

On page 132, line 4, strike the end quotation marks and the second period.

On page 132, between lines 4 and 5, insert the following:

"Subpart 12—Olympic Scholarships

"SEC. 420DD. OLYMPIC SCHOLARSHIPS.

"(a) Scholarships Authorized.—The Secretary shall award scholarships to each athlete who is training at the United States Olympic Education Center or a United States Olympic Training Center.

"(b) Eligibility.—The Secretary shall award scholarships under this part to both full-time and part-time students who are athletes described in subsection (a).

"(c) Amount.—Except as provided in subsection (d), the Secretary shall award scholarships under this section in an amount sufficient to pay the cost to the athletes described in subsection (a) of tuition, room and board at an accredited institution of higher education.

"(d) Pro Rata Reduction.—If in any fiscal year in which the amount appropriated pursuant to the authority of subsection (f) is insufficient to award each athlete described in subsection (a) a scholarship under this section in the full amount described in subsection (c), then the Secretary shall make a pro rata reduction in the amount of each such scholarship awarded for such year.

"(e) Application.—Each athlete desiring a scholarship under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(f) Authorization of Appropriations.—There are authorized to be appropriated $6,000,000 for fiscal year 1993 and each of the 6 succeeding fiscal years.''.

ROCKEFELLER AMENDMENT NO. 1684

Mr. PELL (for Mr. ROCKEFELLER) proposed an amendment to the bill S. 1150, supra, as follows:

On page 594, line 25, strike "1308" and insert "1309".

On page 595, line 2, strike "section" and insert "sections".

On page 596, line 10, strike the end quotation marks and the second period.

On page 596, between lines 10 and 11, insert the following:

"SEC. 1308. SATISFACTORY PROGRESS STUDY.

"(a) Study.—The Secretary shall conduct a study of the impact of fraud-based defenses on the Stafford Loan Program. Such study shall include—

"(1) an analysis of statutory, regulatory, and case law regarding the use of fraud-based defenses against repayment of Stafford loans;

"(2) an estimate of the total number of borrowers filing for relief from repayment of Stafford loans using a fraud-based defense and amount of such loan principal involved;

"(3) an estimate of Stafford loan principal relieved annually through fraud-based defenses;

"(4) an evaluation of the importance of a fraud-based defense to the protection of borrowers of Stafford loans; and

"(5) an evaluation of the effects of the availability of a fraud-based defense on the accessibility of Stafford loans by geographical area and by type of postsecondary institution.

"(b) Date.—The study described in subsection (a) shall be completed not later than 18 months after the date of enactment of this Act.

"(c) Report.—

"(1) In general.—The Secretary shall submit a report to the Congress on the study described in subsection (a) that makes specific recommendations for legislative options that may be needed to address the rights of borrowers with respect to the availability of fraud-based defenses under the Stafford Loan Program without jeopardizing the participation of lenders or the solvency of guaranty agencies required to maintain the integrity of such program.

"(2) Date.—The report described in paragraph (1) shall be completed not later than 19 months after the date of enactment of this Act.''.

McCONNELL AMENDMENT NO. 1685

Mr. PELL (for Mr. McCONNELL) proposed an amendment to the bill S. 1150, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . HAZING.

Subsection (a) of section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended by adding at the end the following new paragraph:

"(13)(A) The institution should adopt a policy that prohibits a member of a student organization operating on or near such institution for the purpose of participating in student activities of such institution, to intentionally commit an act of hazing or conspire to commit an act of hazing against a member, potential member, or person pledged to be a member of the organization as a condition of attaining membership in the organization or of attaining an office or other status within the organization.

"(C) For the purposes of this paragraph, the term 'act of hazing' means the subjection of a person to bodily danger or physical harm or a substantial likelihood of bodily danger or physical harm, or to require, encourage, authorize, or permit that a person be subject to—

"(i) total or substantial nudity of the person;

"(ii) compelled ingestion of any substance which, because of the nature, amount, or concentration of such substance, subjects the person to a substantial likelihood of physical harm;

"(iii) wearing or carrying of any obscene article by the person;

"(iv) a physical assault upon or offensive physical contact with the person;

"(v) participation by the person in a boxing match, an excessive number of calisthenics, or any other physical activity which involves a substantial likelihood of bodily danger or physical harm;

"(vi) transportation and intentional abandonment of the person;

(vii) confinement of the person to unreasonably small, unventilated, unsanitary, or unlighted areas;

"(viii) intentional sleep deprivation; or

"(ix) assignment of pranks to be performed by the person which involve the violation of any Federal, State or local law, or which would subject the person or any other person to a substantial likelihood of bodily danger or physical harm.

"(D) This section shall not be construed to apply to legitimate curricular activities or activities of athletic teams of an institution of higher education.''.

SPECTER AMENDMENT NO. 1686

Mr. PELL (for Mr. SPECTER) proposed an amendment to the bill S. 1150, supra, as follows:

On page 132, line 4, strike the end quotation marks and the second period.

On page 132, between lines 4 and 5, insert the following:

"Subpart 12—Dwight D. Eisenhower
Leadership Program

"SEC. 420DD. SHORT TITLE.

"This subpart may be cited as the 'Dwight D. Eisenhower Leadership Development Act of 1992'.

"SEC. 420EE. ESTABLISHMENT OF THE PROGRAM.

"(a) In General.—The Secretary shall establish a program to be known as the 'Dwight D. Eisenhower Leadership Development Program'.

"(b) Special Rule.—The program assisted under this subpart shall be established in conjunction with institutions of higher education which are specially prepared to undertake the development of new generations of leaders in the areas of national and international affairs.

"SEC. 420FF. FUNCTIONS OF THE PROGRAM.

"The functions of the program assisted under this subpart shall include—

"(1) stimulating and supporting the development of leadership skills among new generations of American college students;

"(2) directing a national program that identifies, recruits, inspires, and educates outstanding young men and women regarding leadership roles in a wide variety of fields in both the public and private sectors;

"(3) offering opportunities for young American leaders to benefit from internships in national and international organizations, with special attention being given to establishing such opportunities in developing countries;

"(4) identifying potential leaders from the developing democracies and supporting their study of leadership and democracy in the United States;

"(5) developing a prototype for understanding and teaching critical leadership skills to young Americans and encouraging institutions of higher education to establish similar leadership programs throughout the United States and abroad; and

"(6) stimulating the theoretical and practical study of leadership and leadership development to develop both a better understanding of leadership and improved methods to teach critical skills to young adults.

"SEC. 420GG. OPERATION OF THE PROGRAM BY A PRIVATE NONPROFIT ORGANIZATION.

"The Secretary is authorized to make grants to or enter into cooperative agreements, contracts, or leases with private nonprofit organizations to operate the program assisted under this subpart.

"SEC. 420HH. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 and 1995 to carry out this subpart.''.

SPECTER AMENDMENTS NOS. 1687 AND 1688

Mr. SPECTER (for himself) proposed two amendments to the bill S. 1150, supra, as follows:

AMENDMENT NO. 1687

On page 132, line 4, strike the end quotation marks and the second period.

On page 132, between lines 4 and 5, insert the following:

"Subpart 12—Dwight D. Eisenhower Leadership Program

"SEC. 420DD. SHORT TITLE.

"This subpart may be cited as the 'Dwight D. Eisenhower Leadership Development Act of 1992'.

"SEC. 420EE. ESTABLISHMENT OF THE PROGRAM.

"(a) IN GENERAL.—The Secretary shall establish a program to be known as the 'Dwight D. Eisenhower Leadership Development Program'.

"(b) SPECIAL RULE.—The program assisted under this subpart shall be established in conjunction with institutions of higher education which are specially prepared to undertake the development of new generations of leaders in the areas of national and international affairs.

"SEC. 420FF. FUNCTIONS OF THE PROGRAM.

"The functions of the program assisted under this subpart shall include—

"(1) stimulating and supporting the development of leadership skills among new generations of American college students;

"(2) directing a national program that identifies, recruits, inspires, and educates outstanding young men and women regarding leadership roles in a wide variety of fields in both the public and private sectors;

"(3) offering opportunities for young American leaders to benefit from internships in national and international organizations, with special attention being given to establishing such opportunities in developing countries;

"(4) identifying potential leaders from the developing democracies and supporting their study of leadership and democracy in the United States;

"(5) developing a prototype for understanding and teaching critical leadership skills to young Americans and encouraging institutions of higher education to establish similar leadership programs throughout the United State and abroad; and

"(6) stimulating the theoretical and practical study of leadership and leadership development to develop both a better understanding of leadership and improved methods to teach critical skills to young adults.

"SEC. 420GG. OPERATION OF THE PROGRAM BY A PRIVATE NONPROFIT ORGANIZATION.

"The Secretary is authorized to make grants to or enter into cooperative agreements, contracts, or leases with private nonprofit organizations to operate the program assisted under this subpart.

"SEC. 420HH. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 and 1995 to carry out this subpart.".

AMENDMENT NO. 1688

SECTION . ELIGIBLE DISLOCATED WORKERS EDUCATIONAL TRAINING DEMONSTRATION PROGRAM.

Part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 9—Eligible Dislocated Workers Educational Training Demonstration Program

"SEC. 420C. PROGRAM ESTABLISHED.

"(a) Program Established.—

"(1) IN GENERAL.—The Secretary shall award grants to States to enable such States to pay the Federal share of establishing and operating eligible dislocated workers educational training demonstration programs in accordance with this section.

"(2) FEDERAL SHARE.—The Federal share shall be 50 percent.

"(3) AWARD BASIS.—The Secretary shall award grants under this section on the basis of the number of eligible dislocated workers in each State.

(b) PROGRAM REQUIREMENTS.—Each State receiving a grant under this section shall use such grant funds to carry out an eligible dislocated workers educational training demonstration program that—

"(1) is designed to provide eligible dislocated workers with new skills through a variety of educational opportunities offered by institutions of higher education which are suited to such workers' goals, educational background, aptitude and skills;

"(2) leads to entry level job skills that assist an eligible dislocated worker to return to the work force;

"(3) only pays the cost of participating in such program which is not paid for by other Federal, State, or local grant programs; and

"(4) provides educational opportunities in programs that—

"(A) do not provide academic credit and which include academic skills improvement, job skills, and career and personal development; or

"(B) provide academic credit in one-year certificate granting programs or 2-year associate degree granting programs.

"(c) ELIGIBILITY.—

"(1) IN GENERAL.—An eligible dislocated worker is eligible to participate in a program assisted under this section if such eligible dislocated worker—

"(A) has applied for all Federal, State, and local grant assistance available to such eligible dislocated worker; and

"(B) is eligible for payments of unemployment compensation under Federal or State law.

"(2) SPECIAL RULE.—Notwithstanding any other provision of law, no individual shall be eligible to participate in a program assisted under this section if such individual—

"(A) completes such individual's education goal; or

"(B) returns to employment of at least 20 hours per week.

"(d) SPECIAL RULE.—The amount of an eligible dislocated worker's payments of unemployment insurance under Federal or State law shall not be increased or decreased as a result of assistance received under this section.

"(e) APPLICATION.—Each State desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(f) EVALUATION.—The Secretary shall evaluate the program assisted under this section every year.

"(g) DEFINITIONS.—For the purpose of this section—

"(1) the term 'eligible dislocated worker' has the same meaning given to such term by section 301(a) of the Job Training Partnership Act; and

"(2) the term 'public assistance' has the same meaning given to such term by section 4(20) of the Job Training Partnership Act.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for the fiscal year 1993, and such sums for each of the fiscal years thereafter.

BINGAMAN (AND DOMENICI) AMENDMENT NO. 1689

Mr. BINGAMAN (for himself and Mr. DOMENICI) proposed an amendment to the bill S. 1150, supra, as follows:

On page 470, line 19, strike the end quotation marks and the second period.

On page 470, between lines 19 and 20, insert the following:

"PART M—BORDER TEACHER TRAINING

SEC. 599AA. COOPERATIVE BOARDER TEACHER TRAINING.

"(A) INSTITUTIONAL SUPPORT.—

"(1) IN GENERAL.—The Secretary of Education is authorized to award grants to Higher Education Institutions for the purpose of expanding cooperative educational programs between state education agencies and offices, schools and school systems, postsecondary institutions, appropriate educational entities, and private sector establishments involved in education between the United States and the Republic of Mexico.

"(2) USE OF GRANTS.—Grants awarded under this subsection shall be for the purpose of providing bilateral teaching initiatives and programs that provide teacher training experiences between the educational communities of the United States and those of the Republic of Mexico and to enhance mutually beneficial educational activities involving researchers, scholars, faculty members, teachers, educational administrators, and other specialists to lecture, teach, conduct research, and develop cooperative programs.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for fiscal years 1993, 1994, 1995 and such sums as may be necessary for each fiscal year thereafter to carry out this part."

SEYMOUR (AND STEVENS) AMENDMENT NO. 1690

Mrs. KASSEBAUM (for Mr. SEYMOUR, for himself and Mr. STEVENS) proposed an amendment to the bill S. 1150, supra, as follows:

On page 95 of the Committee amendment, between lines 2 and 3, insert the following:

SEC. 416A. ADVANCED PLACEMENT TEST FEE PAYMENT PROGRAM.

Subpart 4 of part A of title IV of the Act (20 U.S.C. 1070d et seq.) is amended by adding at the end thereof the following new section:

"SEC. 417I. ADVANCED PLACEMENT FEE PAYMENT PROGRAM.

"(a) PROGRAM ESTABLISHED.—The Secretary is authorized to make grants to States to enable the States to reimburse individuals to cover part or all of the cost of advance placement test fees, to low-income individuals who—

"(1) are enrolled in an advanced placement class; and

"(2) plan to take an advanced placement test.

"(b) INFORMATION DISSEMINATION.—The State education agency shall disseminate information on the availability of test fee payments under this section to eligible individuals through secondary school teachers and guidance counselors.

"(c) Requirements for Approval of Applications.—In approving applications for grants the Secretary shall—

"(1) require that each such application contain a description of the advance placement test fees the State will pay on behalf of individual students;

"(2) require an assurance that any funds received under this section shall only be used to pay advanced placement test fees; and

"(3) contain such information as the Secretary may require to demonstrate that the State will ensure that the student is eligible for payments under this section, including the documentation required by section 417A(g).

"(d) Supplementation of Funding.—Funds provided under this section shall be used to supplement and not supplant other Federal, State, and local funds available to assist low-income individuals in paying for advanced placement testing.

"(e) Regulations.—The Secretary shall prescribe such regulations as are necessary to carry out this section.

"(f) Authorization of Appropriations.—There are authorized to be appropriated $3,600,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out the provisions of this section.

"(g) Definition.—As used in this section:

"(1) Advanced placement test.—The term 'advanced placement test' includes only an advanced placement test approved by the Secretary for the purposes of this section.

"(2) Low-income individual.—The term 'low-income individual' has the meaning given the term in section 417A(d)(2).".

SPECTER (AND OTHERS) AMENDMENT NO. 1691

Mr. SPECTER (for himself, Mr. Shelby, Mr. McCain, Mr. DeConcini, Mr. Nickles, and Mr. Burdick) proposed an amendment to the bill S. 1150, supra, as follows:

On page 607, below line 18, add the following new title:

TITLE XVI—MISCELLANEOUS

SEC. 1601. PROHIBITIONS RELATING TO THE PROVISION OF CERTAIN HEALTH CARE UNDER SHARING PROGRAM.

(a) Prohibition.—Notwithstanding section 8153 of title 38, United States Code, or any other provision of law, the Secretary of Veterans Affairs may not furnish, and funds appropriated or otherwise made available to the Department of Veterans Affairs (including funds paid to the Department by the Department of Health and Human Services) may not be used by the Secretary to furnish, hospital care or medical services under the program referred to in subsection (b) to any person who is not eligible to be furnished such care or services under chapter 17 of title 38, United States Code.

(b) Covered Program.—The prohibition referred to in subsection (a) applies to the demonstration project for the furnishing of health care in certain rural facilities of the Department entered into between the Secretary and the Secretary of Health and Human Services that is commonly known as the Rural Health Care Initiative.

In section 1(b), amend the table of contents by adding after the item relating to section 1506 the following new matter:

TITLE XVI—MISCELLANEOUS

Sec. 1601. Prohibitions relating to the provision of certain health care under sharing program.

SIMPSON AMENDMENT NO. 1692

Mr. PELL (for Mr. Simpson) proposed an amendment to the bill S. 1150, supra, as follows:

S. 1150 is amended as follows: In title V, after part 0, insert the following: P—small state teaching initative.

(1) Purpose.—It is the purpose of this section to provide sufficient funds to small States to develop model programs for educational excellence, teacher training, and educational reform.

(2) Program authorized.—The Secretary is authorized to make grants to land grant institutions for the purpose of enhancing and improving the quality of teacher education, training, and recruitment in the Nation's smallest States.

(3) Institutional use of funds.—Eligible land grant institutions receiving funds under this section may use such funds for the development of innovative teaching techniques and materials, preservice and inservice training programs, renovation of training facilities, and construction of model classrooms. Special consideration should be given to proposals that include the rehabilitation of historic education facilities.

(b) Allotment of Funds.—The Secretary shall allot funds in equal portions among the eligible applicants.

(c) Definitions.—

(1) Small state.—For the purposes of this section the term "Small State" includes the several States whose population is in each case less than 1,108,500 as reported in the 1990 Census of Population and Housing.

(2) Land grant institutions.—For the purposes of this section the term "land grant institution" refers to those institutions in each State now receiving benefits under the Act of August 30, 1890 (26 Stat. 417–419, as amended).

(d) Application.—In General.—Any eligible institution which desires to receive an allotment under this section shall submit to the Secretary an application which—

(1) certifies that the State educational agency has approved the plan and entered into a partnership for its implementation;

(2) provides for a process of active discussion and consultation with an advisory committee convened by the State educational agency and the eligible institution;

(3) describes how the institution will use the funding;

(4) describes how the plan will be evaluated for dissemination.

(e) Authorization of Appropriations.—For the purposes of this part there are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary in each of the six succeeding fiscal years.

PELL AMENDMENT NO. 1693

Mr. PELL proposed an amendment to the bill S. 1150, supra, as follows:

On page 309, line 20, insert "subparts 1 and 4 of part A, part B and part G of" after "to".

DURENBERGER AMENDMENT NO. 1694

Mrs. KASSEBAUM (for Mr. Durenberger) proposed an amendment to the bill S. 1150, supra, as follows:

On page 101, line 8, strike "$100,000,000" and insert "$200,000,000".

On page 101, line 21, strike "for a period of 2 academic years" and insert "for a period of 4 academic years, or in the case of a student who is enrolled in an undergraduate course of study that requires attendance for the full-time equivalent of 5 academic years, 5 academic years.".

On page 101, line 9, strike "fiscal year 1995" and insert "fiscal year 1993".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on February 20, 1992 at 10 a.m. to hold a hearing on S. 1872, the Better Access to Affordable Health Care Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL OPERATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Foreign Relations Committee be authorized to meet during the session of the Senate on Thursday, February 20, at 10 a.m. to hold a hearing on the Andean drug initiative.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, February 20, 1992 at 2 p.m. to hold an open hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, February 20, 1992, at 9:30 a.m. to conduct a hearing on SEC proposed legislation relating to investment advisers.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Federal Services, Post Office, and Civil Service, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, February 20, 1992. The focus of the hearing will be to examine the adequacies of the Department of Defense's programs to assist Federal employees affected by the proposed base closing and realignment policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGING

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Aging of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Thursday, February 20, 1992, at 10 a.m., for a hearing on finding and fighting malnutrition in the elderly.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, February 20, 1992, at 2 p.m., in open/executive session, to consider the nomination of Adm. David E. Jeremiah, USN, for a second 2-year term as Vice Chairman of the Joint Chiefs of Staff; consideration of pending military nominations; and markup of legislation relating to the Vice Chairman and other matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 20, at 10 a.m. to receive a closed briefing on Chinese proliferation activities.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COMMENDING HUGO HARMATZ AND VOLUNTEERS OF THE MISSING CHILDREN'S BUREAU

• Mr. GRAHAM. Mr. President, I rise today to congratulate Hugo Harmatz and the Volunteers of the Missing Childrens Bureau [MCB] on the opening of their field office in Orlando, FL.

It is with the utmost appreciation and respect that we honor the dedicated and exemplary volunteers of the MCB. Founded in 1989 by Hugo R. Harmatz, this wonderful organization, which continues to struggle with one of society's most difficult jobs, that of finding children who have been abducted or who are missing. We offer our most heartfelt support to the magnanimous efforts of the members of this organization.

Hugo R. Harmatz is a professor of criminal law at two colleges and an authority in the field of criminal investigations. After he founded MCB in 1989, Mr. Harmatz created a staff of volunteers with backgrounds in intelligence and investigative work. The MCB staff donates its time and skills in order to collect and review information and investigate child abduction and missing children cases. No fee is ever charged for the services of this organization.

The MCB acts as a central communications center among several law enforcement agencies, including local, State and Federal, serving as a liaison in order to increase the percentage of children who are recovered. One primary goal of the MCB is to build a better intergovernmental communications network among these many agencies so that more children will be retrieved. The MCB maintains constant contact with parents or guardians of the missing children, while compiling a file, contacting appropriate law enforcement authorities, and assigning an agent to the case. In view of the extraordinary assistance that this organization provides to families, we are proud to offer this expression of our commendation and gratitude to the many volunteers of the Missing Childrens Bureau.

I ask my colleagues to join me in this special tribute to Hugo Harmatz and the volunteers of the Missing Childrens Bureau who are performing a great service to society. We look forward to working with them to further assist the people of Florida and continue to assist those impacted by the event of a missing or abducted child in the United States and abroad. I appreciate the opportunity to recognize the work of this special organization.•

TRIBUTE TO BARBARA PINE

• Mr. LAUTENBERG. Mr. President, I rise today to congratulate Barbara Pine, a lifelong resident of Camden County who is retiring after 22 years of service to Camden County in both the sheriff's department and the office of the department of personnel. She will be honored for her accomplishments at a dinner on the 21st of this month.

Barbara Pine has dedicated her life to Camden County. She was born in Camden City and graduated from Woodrow Wilson High School in 1959. Mrs. Pine and her husband, Albert, have two children that they raised in Collingswood.

As an active citizen, Mrs. Pine has volunteered her time to many organizations including Women Against Rape, the Child Watch Program, the Heart Fund, the March of Dimes, Big Brothers and Sisters and as a member of Transfiguration Roman Catholic Church. It is a privilege to find such a giving person in any community. By donating her time to these organizations, Mrs. Pine helped to find ways of meeting the needs of her neighbors. I commend her contributions to these worthy causes.

Politics also play an important role in Mrs. Pine's life. In 1970, she became a member of the Democratic Women of Camden County serving as both the treasurer and secretary. Since 1972, Mrs. Pine has been the committeewoman for the Borough of Collingswood. During her tenure as a public servant, she has worked with the Citizen's Advisory Planning Board for Transportation and Planning and served as secretary to the Camden County Democratic Committee. From 1981 to 1984, Mrs. Pine was a delegate to the New Jersey Democratic State Convention. Since 1988, she has served as a State committeewoman for the Democratic State Committee.

Mrs. Pine's accomplishments were recognized when she was selected to be the recipient of the 1989 Peg Roberts Democratic Woman of the Year Award. I join with her friends and colleagues in praising her achievements and extending my best wishes to Barbara for success in all of her future endeavors.•

PRESIDENT BUSH'S HEALTH PLAN

• Mr. KERREY. Mr. President, I wish to continue the debate on President Bush's message to the American public regarding health care. There is no issue that entails more personal involvement or governmental expenditure than our health care system. The increasing fear and anxiety of all Americans regarding coverage, preexisting illness, and rising costs gave hope that the President would give us direction and a meaningful plan to initiate debate. Instead we were given old thoughts with old solutions and no real hope for the future.

President Bush's health plan is, of course, no plan. It is only a politically expedient idea to tantalize families with the possibility of insurance reform, to place the financial burden back on the States, and to offer insufficient tax credits to obtain a comprehensive health plan. It promises to continue the paperwork and bureaucracy for both the consumer and providers without relief. Our long wait for the President's message was unjustly rewarded by his presenting a stale, incremental approach to reform of an industry that consumes 14 percent of our gross national product. And even for these partial solutions, the President says we must wait until 1997 for complete phase-in. This inability of the President to lead the health care community—hospitals, doctors, nurses, consumers—to a comprehensive solution is a reflection of his desire for reelection but not real solutions.

American medical costs have progressed to a critical point. These costs are rising at twice the annual inflation rate. Yet the administration has failed to recognize the necessity of developing a comprehensive strategy for excellence in health care while preserving fiscal responsibility. Our failing economy and consequent unemployment has revealed the inability of the insurance industry and providers to offer health care for all Americans at affordable prices. This sole reliance upon market-based approaches in health care to protect all Americans in times of duress has proven unsatisfactory and led to fragmented and discontinued service.

Tax credits are the major component of the President's proposal. However, because they do not approximate the present costs of a comprehensive health insurance program, these credits will either not access most of the working poor or they will simply assure health insurance involving little option or choice. If spiraling health care costs are not more actively controlled, the tax credits will be of little value, go largely unused, and do little to establish real uniform access.

The President's plan suggests that small businesses would offer but not pay for health insurance. He assures us that health care can be made available to this group by using health insurance networks. These have been available in the past without widespread success. The real fact remains: Small business health insurance reform without effective cost controls will either serve to raise the premiums of all of the insured or ensure that insurance coverage remains unavailable to those who need it the most and can afford it the least.

The President believes his ideas will be effectively implemented by the insurance industry. Even though this industry is in the midst of change, reform of our system needs to allow consumers, health care professionals and hospitals to participate in this debate. American consumers deserve to have a voice both in the choice of systems as well as the services to be provided. To entrust the country's health care system to only one part of the health care industry is simply to ensure the status quo, an unacceptable proposal.

George Bush's message will allow states to receive the tax credit moneys and add them to the already depleted Medicaid funds to establish inadequate state health plans; plans that will take choice away for the consumer; plans that will assure that users of the State program will be low-cost-plan recipients, reaffirming their nonimportance to the administration.

The President talks about prevention. No one could argue with incentives for better personal health responsibility. However, the administration's plan does nothing to ensure preventive care such as mammograms, cervical cancer screening and immunization. Furthermore, this administration has abdicated its other roles in prevention with its appalling record on pollution control and occupational safety standards.

While President Bush demagogs the new taxes required for each of the comprehensive Democratic proposals, he fails to mention the revenue source of the 5-year $100 billion estimate his plan will cost. The President realizes health care costs money; what he doesn't mention is that under his new plan we will be paying a huge amount for a system that neither controls cost nor gives adequate service or access.

The Democratic Congress is unified in its support for equal and complete access for all Americans in a comprehensive program. The President's plan for access, choice, and cost containment is neither plausible nor possible. This is not a plan; this is an afterthought. The American public deserves better. They should know their children with heart disease will get affordable, quality care; they should know their parents' long-term care will not bring them into poverty, and they should know that insurance costs will not rise such that each year they must choose between food and clothing or health care. Not only does the President fail to answer these issues; he even fails to address them.

Americans are concerned about their health care. They want to continue to receive high quality medical care. At the same time they consistently recognize the need for significant improvements to access, delivery, and cost in the present system.

After many months of delay and the onset of an election year, the President has finally recognized that a problem exists. But he continues to side-step a real comprehensive, long term solution to this domestic issue. Americans are paying for this oversight; today we are paying with the health of our Nation.•

LOCAL ELECTIONS IN ROMANIA

• Mr. DECONCINI. Mr. President, on February 9, 1992, the people of Romania went to the polls to elect mayors and local councils in the country's first free local elections in over 40 years. These local elections were also the first electoral excise in Romania since the general elections of May 1990. While final counts are slow to arrive, and while runoff contests are being held in 1,344 out of the 2,951 electoral constituencies, preliminary results show that the ruling National Salvation Front obtained roughly 55 percent of the vote on the first round overall, but lost significant ground in Bucharest and some 20 other big cities across the country.

As you know, the administration has listed free and fair local and parliamentary elections among the considerations for the restoration of most-favored-nation [MFN] trade status for Romania. The local elections, while not without problems, were a positive step in Romania's journey toward democracy. Preparation and administration of the general elections currently planned for May, however, will be the test of lessons learned from this experience. I believe the May elections will be an important barometer in considering restoration of MFN.

The January 24 preelections survey prepared by the staff of the Helsinki Commission identified areas of improvement relative to May 1990—in particular, a more tolerant campaign atmosphere, more equal access to mass media, and the decision to allow domestic election observers—but also a number of areas of concern. These included the lack of standard, detailed guidelines and procedures for election officials, the substantial technical role played by incumbent—appointed—officials, procedures for military and student voting, and the decentralized complaint process.

I am pleased to note that the Romanian authorities acted on some of these issues prior to February 9. Military barracks were opened to political parties for campaign purposes; the Government issued a decision providing students free round-trip travel to their homes in order to vote as well as a delay of exams; and, with regard to training for election officials, two additional teleconferences were sponsored by the Department of Local Public Administration and the Central Election Commission, during which time the presidents of the county courts were able to ask questions regarding implementation of the local election law and other aspects of elections administration. These were all helpful measures. Nonetheless, I hope that for the upcoming elections, such issues will be resolved in advance.

From February 5-12, 1992, a member of the Helsinki Commission staff traveled to Romania with an international elections observer delegation sponsored by the National Democratic Institute for International Affairs [NDI] and the International Republican Institute [IRI]. The delegation met with Prime Minister Theodor Stolojan, Government and election officials, political party leaders, media representatives, and representatives of nongovernmental organizations in Bucharest, before dispatching teams to 16 regions throughout Romania to observe the election day proceedings. I would like to share some of the following impressions and observations with my colleagues.

The elections process as a whole showed significant improvement from that of May 1990, and was an important indicator of Romania's progress toward democracy. Romanian authorities, political parties, and nongovernmental organizations all took part in the effort to ensure a smoothly run and democratic local election on February 9. The overall result was an elections process that was both freer and fairer than any previous electoral exercise in post-1989 Romania, and one that symbolized an important step forward.

There were a number of specific improvements. The participation of and cooperation among the political parties was notably improved since May 1990. The campaign period allowed for a wider expression of opinion, and opposition parties were well represented on the polling site electoral bureaus and constituency electoral commissions.

The local elections were monitored by at least 5,000 domestic observers representing a variety of nongovernmental organizations. Some of these observers had engaged in voter education programs prior to election day. Their role helped enhance voter understanding and confidence in the electoral process.

The violence and intimidation that marred the campaign period in May 1990, was greatly diminished. There remained, nonetheless, a number of credible reports of telephone threats, beatings, and other forms of harassment. The Romanian League for the Defense of Human Rights was able to document 15 cases of violence or intimidation in the campaign period.

Television access in the campaign period was also improved as compared to May 1990. The procedure for distributing television time was established late in the campaign, however, and rapidly grew unwieldy. While freedom of the press is essentially guaranteed, continued state control of paper production, printing presses, and distribution creates barriers to the flow of information. Independent and opposition newspapers still have difficulties permeating the countryside, which inhibited the exchange of information during the campaign.

While election day ran essentially without incident, there were widespread procedural inconsistencies and occasional irregularities. Those tasked with administering the elections were never provided with standard, uniform guidelines, permitting vague or ambiguous ares of the law to be variously interpreted. Irregularities included proxy voting, inaccurate voter lists, insufficient verification of voter identity, police or military personnel inside the polling stations, and improper conduct of technical auxiliaries.

Mr. President, as cochairman of the Helsinki Commission I have a longstanding interest in Romania and have monitored events there with compassion and concern. I believe the local elections of February 9, mark a positive step in Romania's transition toward democracy. To demonstrate their commitment to further reform, the Romanian authorities, together with other political forces in Romania, should endeavor to strengthen the electoral process prior to the upcoming general elections. I believe the February 9 elections provide a solid base from which to build.•

COMMENDING LESLIE ELIZABETH MILJAT, AUTHOR-HISTORIAN

• Mr. KOHL. Mr. President, 125 years ago, on May 1, 1867, the northwestern branch of the National Home for Disabled Volunteer Soldiers officially opened in Milwaukee, WI. In recognition of this historical institution and the war veterans that applied for admission, a dedicated constituent of mine, Ms. Leslie Elizabeth Miljat, recently completed a book entitled "Admission Applications—National Home for Disabled Volunteer Soldiers—Northwestern Branch—Milwaukee, Wis. 1867–1872."

The home was among several around the country authorized by legislation signed by President Lincoln, and it was located on the site and is the direct predecessor to the Zablocki Veterans' Administration Medical Center. In fact, Ms. Miljat informed me that some of the land for the home was actually purchased from a certain Mr. Mitchell, later to become a U.S. Senator. Of course, this Senator was not our distinguished majority leader from Maine, although I am sure he would have loved to be identified with this cause if he were alive back then, but rather my predecessor from Wisconsin, Senator John Lendrum Mitchell who served in this body from 1893 to 1899.

Shortly after this soldiers' home opened, many disabled veterans began arriving in Milwaukee seeking admission. Interestingly, not only Civil War veterans applied, but also some from the War of 1812, the Mexican-American War, and one veteran who is even recorded as having served in something called the Mormon war. The records of the applicant's interviews that began in September 1867 were entered daily in a simple ledger, and Ms. Miljat, after diligently researching this information, has compiled the names of the veterans and all of the details of their interviews in a clear, organized manner. These brief yet immensely interesting admission interviews contain a wealth of information on 19th-century battles, prisons, military units from all Northern and some Western States, sea duty, and Great Plains duty.

The book includes veterans' full names, military units, ranks, service enlistment and discharge dates, the disabilities and their surrounding details, physical descriptions, places of birth, religious preferences, pensions, and death records. It also incorporates information on a downtown storefront veterans shelter in Milwaukee from 1864 to 1867 and the names, dates of death, and where available the places of burial, of 28 terminally ill veterans who died there. Other interesting bits of information about the soldiers' home and the veterans who lived there is also included.

Ms. Miljat has put a great amount of time and effort into her studies of Milwaukee's National Home for Disabled Veterans. The historical information that she collected is invaluable not only to Wisconsin but to the entire Nation as well. I would personally like to thank her for all of the hard work that she has done. The State of Wisconsin is truly lucky to have such a dedicated author as Leslie Elizabeth Miljat.•

LITHUANIAN INDEPENDENCE DAY

• Mr. RIEGLE. Mr. President, February 16 commemorated the 74th anniversary of Lithuania's declaration of independence. This anniversary was especially meaningful because it also commemorated the restoration of Lithuanian independence.

Today, more than 700 years after the original declaration of the Lithuanian state, the United States congratulates the people of Lithuania as they celebrate their newly found and well-deserved independence. Lithuania, the first among the occupied Baltic States to assert its independence against their foreign occupiers, has served not only as a beacon of inspiration to its fellow Baltic States but to the entire world.

The struggle for independence has spanned this valiant nation's history. Countless invasions by aggressor states have plagued the Lithuanian people. Finally, after years of struggle, on February 16, 1918, at the end of World War I, the people of Lithuania declared the independence of their democratic nation. Unfortunately, Lithuania's cherished freedom was short-lived. In June 1940, less than 1 year after the Soviet Union and Nazi Germany signed the Molotov-Ribbentrop pact, Red Army troops rolled across the Lithuanian borders and illegally annexed the three Baltic countries. A 51-year Communist dictatorship ensued, repressing all Lithuanian political and cultural expression.

Despite the presence of an oppressive regime in their homeland, the brave and courageous Lithuanian people stood resolute in their determination to reestablish sovereignty. The people's movement, known as Sajudis, advocated nonviolent measures for social and political reform. On March 11, 1990, following the first democratic election in Lithuania in more than half a century, the newly elected Lithuanian Parliament declared the restoration of Lithuanian sovereignty and the establishment of a democratic state.

Tragically, however, the fight to regain independence cost the Lithuanian people dearly. In January 1991, 10 months after the newly elected Lithuanian Parliament declared sovereignty, the Lithuanian nation withstood a bloody assault by armed Soviet troops against their democratic institutions.

Despite Lithuania's triumph over Soviet oppression, troops of the former Soviet Union continue to violate the territorial integrity of Lithuania and the other Baltic States. Indeed, as many as 200,000 troops of the former Soviet Union remain stationed in these countries without the consent of the Baltic governments. The presence of these forces poses a serious threat not only to the territorial integrity of these nations but to their political sovereignty as well. On January 30, 1992, I, along with 36 of my colleagues in the Senate, wrote to President Bush urging him to press Russian President Boris Yeltsin to withdraw the remaining troops without delay. It is my hope that the 75th anniversary of the Lithuanian nation will be celebrated free from all lingering military remnants of its former oppressor.

Finally, it is due to the Lithuanian people's unyielding commitment to reestablishing a democratic state that the Baltic country is once again free and independent. But, without the support from people of Lithuanian descent in Michigan and around the world, this remarkable event may never have happened. On this 74th commemoration of Lithuanian Independence Day, I offer my heartfelt congratulations to all Lithuanians on the restoration of a free and democratic Lithuania. •

GLOBAL POPULATION GROWTH

• Mr. ADAMS. Mr. President, the problem of overpopulation threatens the lives of millions of people in the developing world. Rapid population growth taxes the environment, the social system, and the urban infrastructure. It exacerbates unemployment, disease, poverty, and crime. It makes education and health care all but impossible. It fuels deforestation and misuse of resources.

Yet, global population growth affects those of us in the developed world as well. The effects of environmental degradation cannot be contained in any one country. Similarly, the dislocation caused by chronic unemployment will not be stopped at any one border, especially where developed and developing countries meet. U.S. jobs depend on our ability to export, and that, in turn, depends on the ability of other nations to absorb our goods and services. Developing economies mired in budget deficits and structural unemployment do not make good customers. Neither do they make good international partners.

Current population pressures are not insurmountable and treating them as if they are runs the dangerous risk that we will not act in time. The time is now and the cost is not prohibitive. What is required is simply will. And a political cease-fire. Population assistance should not divide Democrats and Republicans. And it should not divide the developed world from the developing world.

Last spring, I cosponsored legislation, S. 1028, with Senator MIKULSKI to increase U.S. funding of international population assistance programs. With the failure of the foreign aid authorization during the last session and the hope of passing a bill this session increasingly unlikely, I urge my colleagues to review this important legislation and to put themselves on record in support of U.S. population assistance.

I would also like to bring to your attention an article that recently appeared in the Seattle Post-Intelligencer on this subject. The author, David Horsey, is the P-I's editorial cartoonist and, in my opinion, one of the most astute practitioners of his trade. He traveled to Turkey late last year to receive an award from the Population Institute for excellence in population reporting—in his case, cartooning.

I commend his piece to you and urge that we all work together to find some common ground in the area of international family planning, before it really is too late.

The article follows:

GLOBAL POPULATION GROWTH

(By David Horsey)

(P-I editorial cartoonist David Horsey recently returned from a two-week study tour of Turkey where he received a Global Media Award for Excellence in Population Reporting from the Population Institute. The following is his report:)

ANKARA, December 4—Turgut Ozal, president of the Republic of Turkey, sits a dozen feet away from me. He is reading a speech for the television cameras while I rub my sweaty palms on my trousers.

Nervously, I scan the brief acceptance speech I scribbled on notebook paper this morning and wish I had given it extra thought. This event appears more prestigious than I expected.

Journalists from seven nations who will shortly be presented with Global Media Awards, are seated at the front of this reception room inside the presidential palace high on a hill above the Turkish capital. Along the back wall, a troop of print and broadcast reporters and photographers elbow each other for space.

Filling the gap between the winning journalists and the working journalists are ambassadors, consular officers, government officials and distinguished guests who sit at small, linen-covered tables where they pick from silver trays holding dainty pastries.

The German ambassador is here. The Indian ambassador is here. The Mexican ambassador and various other ambassadors are here. But the U.S. ambassador is skipping the event. Later, I learn that his absence has offended President Ozal.

But offending the Turkish leader is less important to a diplomat who wants to keep his job than is avoiding offense to the President of the United States or powerful members of Congress.

American ambassadors here and elsewhere in the developing world shrink from contact with the population issue, not only because it often puts them at odds with traditionalists in their hosts countries, but also because it gets them too close to the hot button debates of home: abortion, condoms, birth control.

The U.S. leads all nations in providing population program assistance. But delivery of that assistance has been made harder by prohibitions on aid to any organization even loosely tied to abortions.

For instance, until 1985, the United States contributed more than any other country to the United Nations Population Fund (UNFPA). Then allegations of forced abortions in China gave the Reagan administration and their allies in Congress the excuse needed to cut not only family planning funds for China, but all U.S. assistance for U.N. population programs. George Bush, who, as a congressman, championed population control measures now, as president, continues to block new funding for the UNFPA.

The result is the U.S. abortion battle is claiming casualties among the millions of impoverished women in the developing countries who are desperate for modern contraceptive methods but cannot obtain them because of U.S. policy. Ironically, if it were easier for these women to obtain contraceptives, the less likely they would be to seek abortions.

Since the world population conference in Mexico City in 1984, official U.S. policy has been to treat the population explosion as nothing worse than a mixed blessing. But, in many parts of the developing world, governments have come to the realization that a mushrooming population is antithetical to economic development.

As President Ozal said in his awards ceremony speech, "Rapid population increases is a matter of growing concern, particularly for the governments of developing countries * * * These (population) pressures multiply the immensity of their already difficult economic and social problems."

Growing alarm has led the people of developing countries to try a variety of novel methods to slow birthrates.

Fourteen nations, including Turkey, Mexico and Brazil, have written family planning rights into their constitutions.

In Jakarta, Indonesia, family planning jingles play at stoplights.

At 5 p.m. in Bali, church bells ring to remind women to take their birth control pills.

In Mexico, when television goes off the air, an injunction to "love carefully" is shown instead of the flag.

In Pakistan, a six-part television drama featured family planning as its central theme.

In Turkey, clever ads for "O.K." condoms are broadcast (without actually using the word condom) and many Islamic preachers, who are trained by the government, are said to promote contraceptive use.

The simple, stark fact confronting the people of these and other Third World countries is that national disaster awaits if population growth is not curtailed. If nothing changes, just 20 nations will account for 70 percent of the world population growth in the coming few decades (among those nations are China, India, Pakistan, Nigeria, Indonesia, Brazil, Mexico, Iran, Ethiopia and Turkey).

Turkey provides a compelling example of how critical the problem can be. Since 1976, family planning programs in Turkey have reduced the number of children born to the average woman from 6.8 to 3.7. Sounds like a success story. Yet, even at this lowered birthrate, Turkey's population will double in 32 years.

Even though Turkey is much better off economically than most of the developing world, it would be a virtual miracle if the resources could be mustered to double the number of schools, health programs and jobs. Can anyone imagine accomplishing that even in a rich country such as the United States?

Maybe all the new hungry mouths could be fed by irrigating the eastern part of Turkey. But that would require new dams on the Tigris and Euphrates rivers which would mean significantly less water downstream for Iraq and Syria. That would surely set off big new sparks in a region which is already the world's biggest powder keg.

Even if a country like Turkey could bring off such a miracle, in other countries, such as Ethiopia, Bangladesh, Burma and Vietnam, there's no chance in the world that a doubling of their populations could be supported.

As the world climbs quickly toward a global population of 10 billion by 2028 (double the population of 1986), famine will spread, economies will crash, violence will erupt between nations and within nations, resources will become scarce and the global environment will be ravaged by the futile attempts to accommodate all these billions of people.

Throughout our tour of Turkey, Werner Fornos, president of the Population Institute, repeatedly spoke of an "environmental armageddon" in the coming century if nothing is done to stem population growth. Fernos points out that three billion young people will enter their reproductive years in this decade, a number which is equal to the entire world population in 1960. If they are not taught about family planning methods and given access to contraceptives, there will be little chance to stem the population tide.

Fornos, however, says we have a chance to avoid disaster. If, in the next 10 years, population growth can be curtailed in those 20 key countries, the problem will have been contained.

What will it take to do that? The U.N.'s current goal to meet existing family planning needs is $2.5 billion, of which $500 million of that would be needed from the United States. Big bucks? Compare that figure to the $2.5 billion the countries of this planet spent on arms each and every day of 1990 or the $5 billion Americans spent on pet food that same year.

By the year 2000, the U.N. says the need will rise to $9 billion. For Americans, strapped for cash as we are by the savings and loan bailout, the federal debt and a faltering economy, the temptation is to say the whole thing is somebody else's problem, so let somebody else pay for it.

But, even though birthrates are low and contraceptive use is high in the industrialized world, the problem is very certainly ours as well. Europe is already experiencing significant social problems due to the influx of job-seekers from African and Asian countries that cannot provide jobs for even their present populations.

And imagine the consequences for the U.S. if Mexico fails to stop its population explosion. How many troops are we willing to place on our border, how deep a ditch can we dig, how high and long a wall can we erect to keep those poor masses of people from flooding into Texas and California and Arizona and, eventually, Washington?

If the social and political consequences of unchecked populations are horrible, the environmental consequences are worse. Water scarcity, deforestation, overworked agricultural lands, global warming, an expanding hole in the ozone layer—virtually every environmental crisis now facing us is rooted in the fact the planet cannot sustain a human population which has tripled in just 60 years.

Of course, if we cannot find a civilized way to bring population and resources into rational balance, nature will do the job for us. And nature's methods are cataclysmic.

The psychology of facing this challenge may be a greater hurdle than the mustering of resources. The citizens of the Earth are capable of producing and paying for all the contraceptives we need. Up to this point, however, we have proven much less capable of rethinking our religious, cultural and personal attitudes toward families, women, children and sex.

In the Turkish city of Izmir, I visited a family planning clinic where the staff told of one woman client who had had 17 pregnancies, half ended in abortion, two in miscarriages. Hearing of this, Werner Fornos said, "That does not translate into a very loving husband."

Most men in Turkey, like those in many other countries, refuse to stop producing offspring until they have a male child. Too many men throughout the world see family planning as an affront to their manhood.

Regressive thinking is not confined to personal attitudes, but is exhibited by leaders and organizations which should be providing new vision.

On a visit to Brazil, Pope John Paul II condemned official birth control programs for undermining the family, yet, on the streets of Brazil's cities, live seven million children who cannot be supported by their parents and so become the victims of violence and exploitation. According to the British Broadcasting Corporation, death squads kill 2,000 of these children each year.

Many American environmental organizations run from involvement in the population issue for fear of endangering their fundraising among donors who oppose abortion and birth control. Even at world environmental conferences, the impact of overpopulation is generally ignored, according to Hans Waggener, UNFPA external relations officer for Europe.

"In the international strategy of conservation of nature, man is not talked about," he said.

The need to talk, act and think differently about humanity's place on the planet is on my minds as my turn comes to receive the award from the hands of President Ozal. Like the other award winners, I am expected to say a few words to the gathering in the presidential palace.

I describe the cartoon for which I won the award; a cartoon which suggests it is an affront to God to believe it is His will that we despoil His creation by overpopulating the earth.

I note how the tour has taught me about Kemal Ataturk, the father of modern Turkey, who transformed his nation with radical new thinking. And I hearken back to Abraham Lincoln who, before the American Civil War, said the nation would only be saved if the people of his time could think and act anew.

Concluding, I suggest we all should adopt the spirit of Ataturk and Lincoln.

"Today," I say, with the future of my own children very much on my mind, "if we can think anew and act anew, perhaps we can save our planet."●

NATIONAL ENERGY SECURITY ACT

● Mr. McCAIN. Mr. President, the Senate has adopted several amendments I offered to the National Energy Security Act. I want to thank the managers for clearing the changes. They are relatively modest, but I believe they are important. I would like to describe them briefly.

The first two amendments deal with the bill's provisions on alternative fuels. A significant goal of the National Energy Security Act is to reduce our dependence on foreign oil by bolstering the manufacture and use of alternatively fueled vehicles.

Toward that end, title IV of the bill requires those who operate car fleets to phase in alternatively fueled vehicles beginning in 1995. The bill lists the various alternative fuels which qualify for the program.

The McCain-Domenici amendment specifies that solar-derived electric-powered vehicles are included among the acceptable alternatives.

Solar power offers our Nation an abundant, economical, and environmentally sustainable source of power. We should do everything we can to encourage its development. The amendment recognizes the importance of this technology. I hope that many fleet operators will choose solar-electric to fulfill the purposes of the act. On this same topic, I was pleased to join Senator DOMENICI in another amendment which would ensure that solar-electric vehicles will be included in the electric and electric-hybrid vehicle demonstration program authorized by the bill. I want to thank Senator DOMENICI for working with me on these initiatives.

The second amendment seeks to ensure that the U.S. Congress will be subject to all of the vehicle fleet provisions. In case anyone has a question, the House, the Senate, and the Architect of the Capitol do maintain a large fleet of cars and trucks. I want to be clear, the bill does ensure that the legislative branch of Government must purchase alternatively fueled vehicles just like other fleet operators. I applaud the committee for including Congress in the mandate.

However, I have some question whether the bill effectively subjects Congress to a very key provision of the program. That provision requires Government fleet managers to utilize publicly available alternative fuel facilities when possible. The purpose of the provision, of course, is to stimulate publicly available markets for alternative fuels. Without this refueling provision, Government vehicles would be fueled at central locations which are not available to the general public.

The bill calls on the General Services Administration to implement the program. The amendment I've offered clarifies that congressional officials are responsible for ensuring that the legislative branch participates in the refueling program. By making GSA and legislative branch authorities equally responsible for implementation, I have much greater confidence the job will get done.

Located within just a few blocks of the Capitol, Mr. President, is a station which sells compressed natural gas. If we can require a courier at the Department of Labor to go fill up at a commercial alternative fuel station, we must leave no doubt that congressional employees and those few among us who are provided limousine service make that effort as well. The amendment ensures that we, too, will comply.

Mr. President, the next amendment which has been accepted by the managers deals with the title VI provisions relating to energy efficiency. The underlying bill calls on the Secretary of Energy to develop an energy efficiency code for Federal buildings. The amendment I've offered will ensure that Congress will abide by the new code. I see no reason why the inhabitants of the hallowed Halls of Congress shouldn't be required to save our share of energy. We have a duty to comply and the amendment will ensure that we do.

Mr. President, another important goal of the National Energy Security Act is to reduce the amount of industrial waste created in our country. Industrial waste requires energy and money to treat and dispose of, and can pose significant threats to human health and the environment. Title V of the legislation calls on the Secretary of Energy to recommend ways that U.S. industries can minimize waste. I've included an amendment to ensure that the waste minimization efforts deals with the activities of the Federal Government. Federal activities, in particular those of the Department of Energy and the Department of Defense, generate about 20 million tons of waste per year. Surely, if we can develop ideas on how private industry can reduce its waste stream, Government can clean up its own house as well.

I hope that we in Congress will finally get the message that we must scrupulously ensure that Congress and Federal agencies participate in the programs and mandates we impose on the private sector and on State and local jurisdictions. The American people rightfully demanded that lawmakers live by the laws they impose upon others. Whether we're talking about worker safety laws, fair employment practices, environmental protection standards, or energy security programs, if a mandate is good enough for the rest of the country, it's good enough for the Federal Government and it's good enough for Congress. If we're so uncomfortable with subjecting ourselves to the terms of the laws we pass, we shouldn't be subjecting the rest of the Nation to them either.

Mr. President, in an election year, great stock is put in polls. You can just feel the joy of the President's opponents when he slips a point or two, and the virtual despair when his ratings improve.

For all the poll watchers around here, we should consider the findings of a recent New York Times-CBS poll regarding the standing of Congress. Seventeen percent of the American people feel Congress is doing a good job. Seventy-seven percent feel we are doing a bad job. Mr. President, Stalin was held in higher regard.

So, I hope we will pay attention to the message that the American people are sending. And, that as part of the congressional reform we so desperately need, we will shed the trappings of the last plantation of Congress and refrain from passing legislation that does not fully, completely, and unquestionably apply to this institution. Senators and Representatives just may learn something in the process.

The final amendment I've offered, together with Senator CHAFEE, seeks to resolve a potentially troublesome conflict in Federal policy. As I mentioned previously, the National Energy Security Act requires the Secretary of Energy to establish energy conservation building codes. In many instances energy efficiency in buildings means the need for increased insulation.

However, the EPA reports that indoor air pollution, including radon, is the second leading cause of lung cancer in our country. An estimated 10,000 to 20,000 cancer deaths a year are related to radon exposure. In many instances the only way to mitigate indoor air pollution is to increase ventilation.

Are we to have one policy which encourages insulation, and another which demands ventilation? Shall we place energy efficiency over indoor air quality and human health? I don't think so. Clearly, we must rectify these conflicting issues. My amendment will ensure that the Secretary of Energy works with the Administrator of the Environmental Protection Agency to develop a coordinated policy that will ensure we protect human health in our effort to meet aggressive energy efficiency goals.

Again, I thank the managers for accepting these amendments.•

OUTSTANDING COMMUNITY SERVICE AWARD

• Mr. D'AMATO. Mr. President, it is with great pride that I speak on behalf of one of my constituents who will be honored on Thursday, March 19, 1992 with the prestigious Kleenex Says Bless You Award, Wendy Kopp. She is an everyday citizen who has been doing quite extraordinary things, and for her fine work and her great achievements I salute her.

Wendy Kopp was chosen from hundreds of nominees, submitted by newspaper editors, television news directors, and U.S. Congressmen/women, to receive Kimberly-Clark Corp.'s award to honor individuals whose initiative has made a difference in their respective communities. Ms. Kopp, age 24, was selected for the Kleenex Says Bless You Award for founding Teach for America, a nationwide corps of recent college graduates who teach in the Nation's neediest school districts. She is one of ten individuals who have been selected to receive top honors for contributions to the community in 1991.

While she was a college senior, Wendy Kopp attended a national conference on education. It was at this conference that Ms. Kopp developed a proposal that resulted in free office space and a cash grant to start her program. It took 2 years, but the result was an organization that has recruited more than 500 recent graduates from top colleges who go out to some 25 needy school districts across the country.

The Kleenex Says Bless You Awards were established in 1988 to honor individuals who have saved lives, initiated programs to benefit a needy segment of the community, or overcome personal problems to make a significant difference in the lives of others. Wendy Kopp has been selected for her valiant efforts in the area of education. I salute Wendy Kopp for her past contributions and wish her much success with the future of Teach for America.•

A CRITICAL MOMENT IN SOUTH AFRICA

• Mr. BOREN. Mr. President, I rise today to speak briefly on today's developments in South Africa, as my friend and colleague from Kansas has done. Just hours ago, President De Klerk announced that a referendum will be held in South Africa by the end of March on whether his government should continue to dismantle apartheid. The referendum comes a day after De Klerk's National Party was defeated in a special election by a proapartheid, antireform Conservative candidate. And it comes at a time when the white minority in that country is more uneasy than ever before about what the end of apartheid will mean to them. For better or for worse, Mr. President, this referendum could determine the course of reform in South Africa for years to come.

While I believe that only a nonracial one-man-one-vote process can ultimately make decisions for the future of South Africa, we can only hope and pray that those people who will vote in the March referendum will vote to dismantle apartheid. If the De Klerk reforms are not supported, it should be clear that sanctions and international isolation of South Africa would almost certainly be resumed. If De Klerk is defeated in the referendum—and he says he will resign in that event—then South Africa could be on the road to a human tragedy of great proportions. The likely alternative to the current process of reform, and to the talks held by the Conference on a Democratic South Africa, is a potentially violent political backlash by all sides.

Mr. President, we should send a clear signal that at this critical moment in South Africa's modern history, the United States remains committed to a peaceful transition, one which can ultimately only be based on the nonracial principle of one man one vote and the complete dismantling of apartheid.•

BLACK HISTORY MONTH

• Mr. DOMENICI. Mr. President, as the month of February draws to a close, so too does Black History Month. I think it is therefore appropriate that we take the time to acknowledge the unique role African-Americans have played in our culture and society. Their fight for equality has been, and continues to be, a triumph of the human spirit. It is also a reminder of the ability to rise above past oppressions and strive for a brighter future.

With that in mind, I am proud to stand before you today to bring to your attention the achievements and accomplishments of seven very special black New Mexicans. The great black writer W.E.B. DuBois, in his "Last Message to the World," said, "Believe in life! Always human beings will live and progress to greater, broader, and fuller life." These seven New Mexicans have embraced DuBois' message and, in their own unique ways, have endeavored to lift us to a greater, broader, and fuller life.

You know, my home State of New Mexico is a unique place. It is one of the few States in the Union where several languages and cultures make up a diverse population mosaic. It is a place where people of every race, creed, and ethnicity have come together in a multicultural society where nobody is a majority, everybody is a minority. While many associate New Mexico's history as being shaped by native Americans, Hispanics, and European settlers, what a lot of people don't know is that a black American, a Morroccan slave named Estevanico, was one of the first explorers in the area.

Still, almost 500 years after Estevanico, African-Americans make up only 3 percent of our population. But judging by their accomplishments, you'd think the numbers were much higher. Albuquerque, for example, has one of the oldest branches of the National Association for the Advancement of Colored People in the United States. The National NAACP was formed in 1909; Albuquerque's branch was established in 1914 and chartered by 1915. That is an accomplishment noteworthy in itself, and I share Albuquerque's pride in its branch.

Over the years, the Albuquerque branch of the NAACP and the Delta Sigma Theta, Inc. have taken the time to honor outstanding black New Mexicans with a Footprints Award for Black History Month. These are individuals who serve as role models to the black community in the fields of arts, sciences, politics, religion, education, community action, and business. Their accomplishments vary, but each one personifies the best in not only the black community but in our larger community as well. I'd like to take the time to tell you a little bit about each of them.

Let me begin with Mary Alice Collier, a creative, talented Christian singer who personifies what so many of us like to think of as the consummate artist. Her dedication to her craft has paid off in a distinguished career that has spanned the globe. Mary has graced listeners in Jerusalem, Israel, Holyland, and more than 10 States across our country with her beautiful voice. She has also sung with the Portland Symphonic Choir, the Stockton Symphonic Chorale in California, and the Charles Woodal Chorale in Albuquerque. Such joy is truly worthy of being shared, and we are fortunate that Mary has chosen to share her talent with the students she teaches at Sunset Mesa School in Albuquerque, and with all of us.

Euola Wilson Cox has also chosen to share her gifts for inspiring others by dedicating herself to teaching in the Albuquerque public school system for 25 years. During her lengthy career, she has served as an assistant principal at Wilson Middle School, and was an associate professor emeritus at Eastern New Mexico University in Portales. Euola has worked with our youth in other ways as well, and has been involved in a great deal of community work. She was an organizer for the Black Miss America Pageant. She also served on the board to raise funds for the United Negro College Fund, as well as serving as youth adviser for the NAACP Youth Council. And as if that wasn't enough, she was also an organizer of the first Black History Program for Central Cities, and an adviser and organizer for the Black Student Union at Eastern New Mexico University. An impressive list of accomplishments indeed.

Minner L. Crockett is totally involved in all aspects of her community. She is involved culturally and artistically as a poet, singer, and songwriter. She has been an inspiration spiritually and academically as both a counselor and tutor. Her part as a role model is obvious. She has been a delegate to the C.O.P.E. convention, and is the chairperson of the trustees and member of the political action committee for the local No. 187 steelworkers of Carlsbad. Minner is one of the poets chosen worldwide to receive an honorable mention as Poet of the Year for 1992. Her poem "Old Folks" has been published in the "World Book of Poetry for 1991," and she is featured in "Who's Who in the World of Poetry for 1992." Minner attended the Carlsbad branch of New Mexico State University, the Regina School of Nursing, St. Joseph's College, and the University of New Mexico. As a proud native of Carlsbad, she was the first black to run for the Carlsbad School Board.

Vera Cushman has a number of firsts to her name as well. She organized the first Women in Management Conference, which focused on minority women breaking new grounds, and is the first black women in the New Mexico Hall of Fame. Vera has served the Albuquerque community in a number of other ways as well. She is a past president of the National Council of Negro Women and a past president of Business and Professional Women. She also served as a member of the task force on the Santa Fe Prison riots and has received the distinguished Public Service Award. Vera continues to serve our community as vice chairwoman on the Commission for the Status of Women. I applaud her activism, and it's easy to see why she has been singled out to receive this award.

I also applaud James D. Foy, who has retired from the United Methodist Church after 58 years of service. In a time when our youth—indeed, all of us—can use a little spiritual guidance and inspiration, I am always pleased to recognize individuals like Reverend Foy who have chosen to share their wisdom and experience with their community. As a community volunteer, Reverend Foy is a past president of the Albuquerque Branch of NAACP and served 10 years as police chaplain. He has received numerous awards from the Governor of New Mexico, as well as from the mayor of Albuquerque, in honor of his community involvement and his commitment to helping minorities find employment in city and State government.

I am also honored to recognize the scientific achievements of Julia Hardin, who was in biological application and research at Los Alamos National Laboratories. Not many people outside of Los Alamos knew Julia Hardin. She was devoted to her historical black colleges and university students, and was instrument in helping a countless number of students achieve internships, residencies, and fellowships. The students and universities owe a great deal to Julia. She not only helped numerous students get into graduate schools or get jobs in their areas of expertise, but she also played a key role in securing millions of dollars in computer equipment for historical black colleges and universities in need of such equipment. Apart from her scientific prowess, Julia was also a show dog trainer and handler, as well as an award winning photographer. She also enjoyed traveling the back roads of America and visiting places of historical significance to Afro-American history. Through her travels, Julia lived the very history she and others cherished so highly.

The final Footprints recipient is Joe Powdrell, one of New Mexico's hardworking businessmen. Joe was a founding member of the African-American Business Council, which advocates African-American businesses in the community, and was instrumental in the development of a guide and directory to New Mexico's African-American businesses. He cochaired the African-American festival at the 1991 New Mexico State Fair, and is the founder of Junteeth, Inc. He also serves on the Governor's Business Advisory Council and on the newly revised Dr. Martin Luther King Holiday Commission. With his activism and good business sense, Joe has truly helped to make our State a better and more prosperous place to live.

Mr. President, Black History Month is dedicated to placing proper historical perspective on the significance of black history—a part of our history we have, sadly, often overlooked. While we are making strides, we still have a way to go. But I think we are beginning to make real progress in respecting the important roles African-Americans have played in America's development culturally, spiritually, and historically. Individuals such as Frederick Douglass and Harriet Tubman and even their more modern contemporaries such as Jackie Robinson, Duke Ellington, and Jane Pittman have all made significant contributions to the growth of our Nation, and their place deserves to be documented in the history books.

When Dr. Carter G. Woodson established Black History Month in 1926—and back then it was simply Negro History Week—how times have charged—his goal was to recognize achievements and contributions of African-Americans. These seven individuals personify Dr. Woodson's ideal, as they represent the very best at their chosen careers. Frankly, I think they're a group of people any community would be proud of. I know that I am very proud of Mary, Euola, Minner, Vera, James, Julia, and Joe and all that they have achieved. They are living symbols of what can be accomplished when we spend a little of our time reaching out to help each other, reaching out to help our community, which in turn makes all of our lives a little bit brighter.•

THE CUBAN DEMOCRACY ACT OF 1992

• Mr. D'AMATO. Mr. President, I rise today in support of S. 2197, the Cuban Democracy Act of 1992. This act will send the message to Fidel Castro that his time has come. The time for democracy in Cuba is now.

The people of Cuba have had enough of deprivation and Fidel's long pointless speeches. His tyranny has driven thousands of people from their homeland and thrown the Cuban people into abject poverty and despair. He wantonly executes Cubans in an effort to salvage what is left of this dying dictatorship. To end the Cuban nightmare, we must not loosen the grip on this brutal dictator. We must tighten it. We must not let Castro limp on.

Fidel Castro has long terrorized not only his own people, but those of Latin America, South America, and Africa, also. He has sent troops to Angola, Namibia, and Ethiopia, Nicaragua, Bolivia, and numerous other nations. His forces have trained revolutionaries both at home and abroad. In short, the export of his so-called Cuban revolution has brought only death and destruction to the lands he has invaded.

Following the collapse of communism, Castro is now isolated. This bill will hopefully be the nail in Castro's coffin. His time is up. Let us bring to a close the bloody rule of Fidel Castro.•

ORDER FOR PRINT—STAR PRINT 102–54

Mr. FORD. I ask unanimous consent that 300 copies of star print 102–54 entitled "The Conduct of Proceedings for the Selection of Officers for Promotion in the U.S. Air Force" be printed and delivered for the use of the Committee on Armed Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISED EDITION OF THE STANDING RULES OF THE SENATE

Mr. FORD. I ask unanimous consent that the Committee on Rules and Administration be directed to prepare a revised edition of the Standing Rules of the Senate, and that such standing rules be printed as a Senate document.

I further ask unanimous consent that 2,500 additional copies of this document be printed for the use of the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL READ FOR FIRST TIME—S. 2246

Mr. FORD. Mr. President, I understand that Senator KENNEDY introduced S. 2246 earlier today.

The PRESIDING OFFICER. The Senator is correct.

Mr. FORD. I now ask that the bill be read for the first time.

The PRESIDING OFFICER. The clerk will read the bill for a first time.

The legislative clerk read as follows:

A bill (S. 2246) to suspend the forcible repatriation of Haitian nationals fleeing after the coup d'etat in Haiti until certain conditions are met.

Mr. FORD. Mr. President, I ask unanimous consent for a second reading of the bill.

The PRESIDING OFFICER. Is there objection?

Mrs. KASSEBAUM. Yes, Mr. President; I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FORD. My understanding is the bill will be read the second time on the next legislative day.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. Mr. President, I am pleased to join with my colleagues Senator SIMON, of the Immigration Subcommittee, and Senator DECONCINI of the full Judiciary Committee in introducing legislation to protect Haitian refugees from forced return to Haiti.

The bill which we introduce today is identical to legislation sponsored by the distinguished chairman of the House subcommittee, Congressman ROMANO MAZZOLI, and which was adopted by the House Judiciary Committee just this morning.

In introducing this legislation, we demonstrate our resolve to protect the Haitian boat people from being forcibly returned to Haiti until it is safe.

Mr. President, a bipartisan staff mission from our Immigration Subcommittee returned earlier this week from Haiti and Guantanamo where they looked into the issue of the boat people. They found extensive repression in Haiti, and that the instruments of military control are firmly in place.

I am hopeful that the administration will give urgent attention to finding ways to protect Haitians rather than forcibly deport them to an uncertain fate. But if additional steps are not taken to assist and protect the boat people, then I believe that the Senate should give expedited consideration to the legislation which we introduce today.

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. Friday, February 21; that following the prayer, the Journal of proceedings be approved to date; that the time for the two leaders be reserved for their use later in the day; and that there be a period for morning business not to extend beyond 9:15 a.m., with Senators permitted to speak therein, with Senator CHAFEE recognized for up to 10 minutes and Senator SIMPSON or his designee for up to 5 minutes; that at 9:15 a.m., the Senate resume consideration of S. 1150, the higher education reauthorization bill, and without intervening action or debate, proceed to the vote on the Specter amendment No. 1691.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. FORD. Mr. President, I see no other Senator wishing to ask for the floor. I now ask unanimous consent that the Senate stand in recess until tomorrow morning at 9 a.m.

There being no objection, the Senate, at 9:50 p.m. recessed until Friday, February 21, 1992, at 9 a.m.

EXTENSION OF REMARKS

LET'S NOT FORGET ABOUT THE SUFFERING PEOPLE OF ALBANIA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. BROOMFIELD. Mr. Speaker, the political and economic landscape of the former Soviet Union and Eastern Europe has undergone massive change in recent years. At this very moment, many nations in that region are trying to adopt free-market economies and build democratic systems. Many are quickly learning that transition from one system to another is painful, socially disruptive, and lengthy. Albania is a tragic example.

The world's attention has been fixed on the troubles in the Commonwealth of Independent States, economic difficulties in Poland, and the terrible conflict in Yugoslavia. Unfortunately, few of us are aware of the terrible conditions in Albania, a small country that is experiencing major economic problems as it attempts to join the modern world.

I want to share with my colleagues a revealing article about the tragedy in Albania and urge the administration to do more to help its freedom loving people. We must always remember that instability can bring about the collapse of a young democracy, followed by the inevitable rise to power of an authoritarian figure who rejects the values and system of government that we hold so dear.

I commend the following article, which appeared in the New York Times on February 16, to my colleagues in the Congress:

ALBANIA SEARCHES FOR STABLE FUTURE

(By Brenda Fowler)

TIRANA, ALBANIA, FEB. 15.—Though the reservoirs are full, the water system in this capital city is turned on for only a few hours a day to avoid overtaxing the decrepit water mains. Waves of power cuts leave many neighborhoods dark. Shootings, robberies and thefts have become rampant in recent months, and residents now rush to get home before dusk.

Walls around some public buildings have disappeared because the bricks have been stolen. Some people have taken to chopping down trees in the city's parks to get firewood. Italian soldiers must escort trucks of food aid that supply nearly all of the country's basic needs. On Friday, 700 armed looters made off with 30 tons of Western food and medical aid stockpiled in a warehouse in the city of Rogzhine, witnesses said.

"The people are desperate and depressed, and they feel that there is no public order," said Eduard Selami, the secretary general of the Democratic Party, which abandoned its governing coalition with the Socialist Party in December, complaining that the Socialists were blocking democratic reforms.

MORE INSTABILITY AHEAD?

Since then, this tiny country between Yugoslavia and Greece has been led by an interim leadership that has hardly been able to maintain basic government services. After months of debate over the country's new election law, President Ramiz Alia this week set March 22 as the date for the country's second-ever multi-party parliamentary elections.

But politicians and Western diplomats here warn that even greater instability is to be expected if the new government is not able to quickly lead the country out of what they say is a political crisis and economic catastrophe.

"Even the police are afraid now," one Western diplomat said.

Estimates of unemployment range from 20 percent to 50 percent, and though there are no official statistics on inflation, prices have increased from three to five times in the last year while wages have remained the same. According to Gramoz Pashko, an economist and former Deputy Prime Minister, agricultural and industrial production have dropped by half since 1989 and strikes are frequent.

A FLIGHT OF THOUSANDS

Politicians estimate that at least 200,000 Albanians have left the country—most illegally—for Greece and other European countries in the last year, hoping to find work and some basic comforts that are lacking here. Many still want to leave, and the port of Durres, from which tens of thousands of Albanians last year commandeered ships to Italy, remains sealed off by soldiers.

"People are leaving because there is a crisis in faith," said Isa Hoxha, a 60-year-old electrician.

Both the Democrats and the Socialists, the former Communists, claim that they can restore the forces of order, yet the only obvious difference in their election platforms is that the Democrats say they are anti-Communist.

"Our Socialist Party offers a contemporary alternative, the well-known European alternative of a social market economy, which is the alternative of democratic socialism," the deputy chairman of the Socialist Party, Servet Pellumbi, wrote this week in his party's newspaper, Zeri i Popullit. Yet the Democrats claim that the Socialist-dominated Parliament has stymied legislation aimed at creating a freer market, which they say is essential for attracting foreign investment.

WHO'S IN CHARGE

"All foreign investors who want to come into Albania are putting value in the elections and hoping that someone takes charge, because right now no one is in charge," another diplomat said.

Few neutral observers are bold enough to predict the outcome of the elections here, but as in the country's first free multiparty elections in March 1991, the cities are expected to go for the Democrats and the rural areas, where 70 percent of the population lives, for the Socialists.

In the meantime, the process of disassembling the country's enigmatic Communist history, which is well under way in the other post-Communist countries of Eastern Europe, has yet to begin in Albania. In an interview today, Mr. Alia said that no one had to be afraid of the past.

"But to discuss the past now doesn't help us through our difficulties," said Mr. Alia, who was named President upon the death in 1985 of Albania's hardline Stalinist leader, Enver Hoxha.

HEALTH CARE CHOICE AND ACCESS IMPROVEMENT ACT OF 1992

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. RHODES. Mr. Speaker, today I am introducing the Health Care Choice and Access Improvement Act of 1992, for myself, Mr. HASTERT, and Mr. GOSS.

While we endorse the intention of President Bush's plan for comprehensive health care reform, we have identified several critical elements that can be implemented now. Although America has the finest health care in the world, in a nutshell, two critical areas must be addressed. First, not all Americans have access to medical insurance to pay for health care. Second, the cost of health care continues to spiral out of control.

Our bill focuses on these areas and institutes reforms that make health care coverage more affordable and accessible. Furthermore, our proposals will not impose new financial burdens on States or impose new Federal taxes. Most importantly, every provision in our bill could begin to be implemented tomorrow, with immediate and positive results.

Our bill, the Health Care Choice and Access Improvement Act of 1992, is designed to reform those areas of our health care system that need immediate attention. It has four sections—medisave accounts tax incentives; long-term care insurance incentives; medical malpractice tort reform; small group insurance market reform.

A section-by-section analysis of our bill follows:

THE HEALTH CARE CHOICE AND ACCESS IMPROVEMENT ACT

Section 1: Short Title and Table of Contents.

TITLE I: FAMILY HEALTH AND WELLNESS SAVINGS PLAN

Section 101: Changes the Internal Revenue Code of 1986 to allow establishment of Medical Savings Accounts (MSAs).

Tax Deductibility. Any amount deposited into the MSA account is tax deductible up to the applicable limit. This limit is equal to $4,800 per year plus $600 per year for each dependent. Funds withdrawn from the account are non-taxable if used for qualified medical services currently approved under the IRS rules.

Eligibility. An individual may establish a MSA account if they are not currently covered by any employer-provided group health plan or if he/she is covered by an employer-provided group health plan which is a qualified catastrophic coverage health plan.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Qualified Catastrophic Coverage Health Plan. Any plan that is certified by the Secretary of Health and Human Services to have a deductible limit equal to or greater than $3000, a 15 percent co-payment for the next $6,000, and full reimbursement for medical expenses exceeding $9,000.

Use of funds for Non-Medical Purposes. Any withdrawals from the account for non-medical purposes is considered taxable income and subject to a 10 percent penalty.

Inflation Adjustment. All applicable amounts mentioned above shall be increased by an amount equal to the cost-of-living adjustment based on average total wages.

Other Limitations. MSAs are subject to other applicable rules and limitations similar to those imposed on Individual Retirement Accounts.

Section 102: Unused amounts in Flexible Spending Accounts would be transferable to Medical Savings Accounts.

TITLE II: TAX TREATMENT OF LONG-TERM CARE INSURANCE PLANS

Subtitle A: Treatment of Long-Term Care Insurance

Section 201: Changes the Internal Revenue Code of 1986 to allow qualified long-term care insurance to be treated as accident or health insurance.

Qualified Long-Term Insurance. A qualified policy will meet the following requirements: Issued by a qualified issuer that meets standards set forth in the January 1990 Long-Term Care Insurance Model Regulation of the National Association of Insurance Commissioners; certified by the Secretary of Health and Human Services; covers not less than 12 consecutive months for each covered person 50 years old for one or more medically necessary, diagnostic, preventive, therapeutic, rehabilitation, maintenance, or personal care services provided in a setting other than an acute care unit of a hospital.

Section 202: Changes the Internal Revenue Code of 1986 to allow employees to receive long-term care insurance as a tax-free fringe benefit.

Section 203: Changes the Internal Revenue Code of 1986 to allow penalty-free withdrawals from Individual Retirement Plans or 401(k) plans for purchasing qualified long-term care insurance.

Section 204: Changes the Internal Revenue Code of 1986 to allow life insurance policies to be exchanged for qualified long-term care insurance and the exchange would not be taxable.

Subtitle B: Employer Funding of Medical Benefits

Section 211: Medical Benefits for Retired Employees and their Spouses and Dependents. Encourages companies to establish health benefit accounts for retirees and their spouses/dependents. Provides a tax deduction for the employer's contribution to the accounts.

Section 212: Defines funded reserve accounts and vesting requirements to qualify for tax deduction of premiums paid, including special rules (excise tax) on allocated assets not used to provide retiree health benefits.

Subtitle C: Reverse Mortgage Insurance for Older Americans

Under the National Housing Act, older Americans who seek reverse mortgage annuities would be allowed to use that income to purchase long-term care insurance up to 95 percent of the value of the median housing prices.

Subtitle D: Income Tax Credits

Section 231: Changes the Internal Revenue Code of 1986 to provide a $2,000 refundable tax credit for taxpayers providing custodial care in their homes. A "qualified person" is any individual who is a parent, grandparent, dependent, or spouse of the taxpayer who has been certified by a physician as being unable to perform at least two activities of daily living (bathing, dressing, toileting, transfer, eating).

Section 232: Changes the Internal Revenue Code of 1986 to provide a refundable tax credit for independent persons requiring long-term care. The credit will be 25 percent of the qualified long-term care expenses paid during the taxable year, not exceeding $2,000. The credit will be phased-out for taxpayers with incomes exceeding 150 percent of the poverty level.

Subtitle E: Treatment of Accelerated Death Benefits

Section 241: Changes the Internal Revenue Code of 1986 to allow the payment of accelerated death benefits from a life insurance policy to an individual who is terminally ill or permanently confined to a nursing home.

Section 242: Changes the Internal Revenue Code of 1986 to allow insurance companies to treat qualified accelerated death benefits as life insurance.

Subtitle F: Federal National Long-Term Care Reinsurance Corporation

Section 251: The Secretary of Health and Human Services is authorized to provide for the incorporation of the Federal National Long-Term Care Reinsurance Corporation. It will not be an agency or establishment of the United States Government. The Corporation will provide for the reinsurance of insurance companies for extraordinary loss in the issuance or payment of benefits for qualified long-term care insurance. The Corporation will impose premiums that are related to actuarial estimates of the type and amount of financial risk assumed.

TITLE III: MALPRACTICE LIABILITY REFORM

Section 301: Definitions.

Section 302: Malpractice liability reform requirements described. A State meets the requirements of this section if it has enacted the following reforms:

Establishes alternative dispute resolution mechanisms; the elimination of joint liability for non-economic damages;

A cap of $250,000 on non-economic damages; the elimination of the collateral source rule to prohibit double recovery by the plaintiff when compensation has been received from other sources; allowing judgments for future costs, such as future medical bills, to be paid in periodic payments rather than as a lump sum;

Limits attorney's fees to 33 percent of the first $50,000, 20 percent of the next $100,000, 15 percent of the next $100,000, and 10 percent of any amount in excess of $250,000; and

A special provision for certain obstetric services.

State must also institute quality assurance reforms, such as improving the performance of state medical boards.

Section 303: The Secretary may waive any of the above requirements for good cause or to enable a State to carry out demonstration projects.

Section 304: States must submit notification of compliance to the Secretary.

Section 305: Incentives through Medicare and Medicaid. A "bonus pool" of funds is created to distribute to states that comply with the above regulations. This mechanism would be instituted over a three-year period, giving states time to respond. The incentive pool is created by withholding two percent from the amount payable to states for Medicaid administrative costs, and one percent from the annual increase payable to hospitals for operating costs through Medicare's prospective payment system.

Section 306: Community Health Centers are covered by the Federal Tort Claims Act.

Section 307: Liability protections are extended to certain health care professionals.

TITLE IV: WORKING AMERICANS ACCESS TO HEALTH CARE

Subtitle A: Increase in Small Employer Access to Affordable Insurance

Section 401: The Secretary of Health and Human Services will request the National Association of Insurance Commissioners to develop standards for: the requirement that small employer carriers offer MedEquity plans; the basic benefits to be included in the MedEquity plans; and the requirements of guaranteed issue of MedEquity plans. If NAIC fails to develop standards, the Secretary will do so. States must adopt the NAIC model or they will be regulated by the federal government.

Section 402: State benefit mandates are preempted for states that meet consumer protection standards.

Section 403: Small employer insurance carriers offering a MedEquity plan in a state must offer the same plan to each small employer in the state and must accept every individual for enrollment.

MedEquity Plan Defined. A MedEquity plan will include basic hospital, medical, and surgical benefits.

Cost Containment Standards. The Secretary shall request the NAIC to develop models for cost-containment features in MedEquity plans.

Section 404: Requirements for Initial Writing of Policies. An insurance carrier may not impose a limitation or exclusion of benefits under a small employer health benefit plan based on pre-existing conditions.

The variation of index rates and premium rates between blocks of businesses is limited.

Insurance carriers are required to fully disclose to the employer the rating practices used. Each insurance carrier is required to file annually with the State commissioner of insurance a written statement by a member of the American Academy of Actuaries that the carrier is in compliance with this act.

Section 405: Requirements relating to renewal. An insurance carrier may not cancel a small employer health benefit plan or deny renewal of coverage under such plan other than for: nonpayment of premiums, fraud or other misrepresentation by the insured, noncompliance with plan provisions, failure to maintain the required number of enrolles under the plan, misuse of a provider network provision, or because the carrier is ceasing to provide any plans in a state.

An insurance carrier may not provide for premium increases in a percentage greater than what is allowed by this act.

If an insurance carrier terminates the offering of health benefit plans, the carrier may not offer such a plan for five years.

Section 406: Establishment of reinsurance mechanisms for high risk individuals. The Secretary shall require the NAIC to develop models for reinsurance mechanisms for individuals and small employers who are enrolled under a small employer health benefit plan that meets the Act's standards and for whom a carrier is at risk of incurring high costs under the plan. If a state fails to adopt a reinsurance mechanism, the Secretary shall establish one or more mechanisms in that state.

Section 407: Registration of all health benefit plans required. Each state commissioner or superintendent of insurance may require each employer health benefit plan to be registered with such officials.

Section 408: Definitions.

Section 408: Qualified small employer purchasing groups shall be exempt from state health benefit mandates, state taxes on health insurance premiums, and state laws prohibiting certain types of managed care activities.

A qualified small employer purchasing group must meet these requirements: submits an application to the Secretary of Health and Human Services; the association is administered solely under the authority and control of its member employers; the association's membership consists solely of employers with not more than 100 employees; with respect to each State in which its members are located, the association consists of not fewer than 100 employers.

Subtitle B: Equalization of Tax Benefits for Self-Employed Persons Under Certain Plans

Section 411: Increases the tax exemption from 25 percent to 100 percent for self-employed individuals.

Subtitle C: Managed Care Rights

Section 421: The following provisions of state law are preempted: restrictions on reimbursement rates or selective contracting; restrictions on differential financial incentives; restrictions on utilization review methods.

Subtitle D: Study and Report

Section 431: The Secretary shall provide a study on the impact of the changes made by this title on: increasing access to health care; the number of employees of small employers who do not have health insurance coverage; the cost of small employer health benefit plans; and the effectiveness of MedEquity plans.

CONGRATULATIONS TO JUDY VOGEL

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Judy Vogel as she is honored by the Business and Professional Women of the United Jewish Community.

Judy has served on the board of business and professional division since its inception. She is also a member of the advisory board of women's division, a past vice president of the United Jewish Fund of Englewood and surrounding communities, and a past president and campaign chairman of the women's division of the United Jewish Fund of Englewood. Judy also is a member of Hadassah, NJCJW, and ORT. In addition, she has been chairman of many events for the Business and Professional Women.

Judy is a graduate of New York University and professionally is employed as a diabetes educator. She is involved in the following professional organizations: American Association of Diabetes Educators, National Foundation for Diabetes, and the American Diabetes Association. She has been a member of Temple Emanuel of Englewood for 40 years.

She is a devoted mother and mother-in-law to Phillip, David, Ethan, Amy, Luara, and Kate and is the proud grandmother of Diana Rose.

Mr. Speaker, I am proud to join in paying tribute to this exceptional woman. She is among those outstanding few who truly make a difference in society.

HOSPITALS MUST LOOK BEYOND THEIR FOUR WALLS

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ANDREWS of New Jersey. Mr. Speaker, recently I had the good fortune of meeting with Mr. Gaffer Moll, the president of Beth Israel Hospital in Pastiche, New Jersey. Mr. Moll has great insight as to our Nation's health care problems, and the role of hospitals in an efficient health care system. For the RECORD, I would like to submit an editorial by Mr. Moll which recently appeared in the Bargain County Record.

THE CHANGING HEALTH-CARE MARKET—HOSPITALS MUST LOOK BEYOND THEIR FOUR WALLS

(By Jeffrey Moll)

Traditionally, the strength of New Jersey hospitals has been measured in terms of the number of inpatients compared with the number of beds.

This view has been a standard for many hospital administrators, managers, and board members, as well as market analysts. It is on this perception that the usual course of market growth has been based—typically, the expansion of the hospital campus itself.

Interestingly enough, many analysts and state officials continue to define a hospital's primary assets in terms of its physical plant and bed capacity. However, most managers have begun to realize that this standard no longer applies—that "the bed is dead" within the health-care market.

Lately, the primary growth in hospital activity nationwide has been in outpatient services.

Although 90 percent of a hospital's business may have been inpatients 15 years ago, that figure is declining. According to statistics released by the New Jersey Hospital Association, the length of inpatient stays has decreased 16.5 percent since 1980, while outpatient visits have increased 63 percent.

In fact, gross outpatient revenue at New Jersey hospitals has increased approximately 232 percent in 10 years, compared with a 99 percent increase in inpatient revenues.

This change within the market has forced administrators to revise their health-care concepts and explore the potential for expanding beyond their traditional four walls.

Although health care is a necessary community service, it is also a business, and basic business practice dictates that services be tailored to meet market demand.

The market is now requiring medical facilities to reach out to the community. No longer does strategic planning simply translate into physical expansion, with the intent of accommodating larger inpatient populations. Those who wish to survive in the struggling New Jersey economy must reevaluate their strategies and adopt new policies that meet the growing realities of the health-care market.

Many hospitals have already begun to respond to these demands. In fact, the surge in programs conducted off hospital grounds illustrates industry efforts to adjust to the market. For instance, although house calls are a thing of the past for lots of doctors, many New Jersey hospitals have resuscitated similar services to accommodate changing needs.

Home health care in this state has undergone overwhelming growth, with nurses, dieticians, and other practitioners visiting patients.

Beth Israel alone had a 30 percent increase in such visits in 1990 compared with 1989, which was already up 20 percent from the year before. In the first eight months of this year, the hospital has been responsible for 80,000 visits to patients' homes—a 35 percent increase over last year.

Many hospitals are also starting to develop other forms of community programs. For example, some send medical vans directly to high-density neighborhoods that are often low-income as well. Immunization, screenings, physical exams, and health education will soon be conducted on location, often at a work site.

In addition to conducting extensive education programs at the workplace, many hospitals conduct screenings for cancer, substance abuse, high cholesterol, and other disorders.

Many hospitals have begun to establish satellite offices. Off-site medical centers are becoming the norm rather than the exception, gaining significant popularity and credibility with patients.

The rise in "urgent care" facilities showed the industry that such programs were not only possible but necessary. Convenience is an important priority in today's society so alternative medical care is welcome.

The perception of quality care no longer centers on a hospital bed. Patients who once used emergency rooms (sometimes inappropriately) are now using off-site facilities. People have even grown accustomed to seeking treatment at facilities within shopping centers.

Experiences within our own cancer unit are an example of the trend for off-site care.

Although cancer treatment may have once been considered an inpatient procedure, Beth Israel has witnessed a major move to outpatient services. Outpatient chemotherapy has skyrocketed about 300 percent over the last decade, and about 90 percent of radiation therapy is done on an outpatient basis.

Indeed, Beth Israel's recent plans for physical expansion have emphasized outpatient cancer treatment and same-day surgery.

To remain competitive, administrators must reconfigure their four walls to allow for new technology; they must redesign them to accommodate growing outpatient services.

In the future, patients may not even realize they are going to the hospital.

TRIBUTE TO PORTSMOUTH HIGH SCHOOL GIRL'S SOCCER TEAM

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate the Portsmouth High School girl's soccer team for its recent success in winning the division I girl's Rhode Island soccer championship. Portsmouth captured their first State soccer championship by defeating South Kingstown 4–3.

Although the team was down 2–0 at half time, Portsmouth set a Rhode Island playoff record by scoring four goals in the second half to win this exciting contest. A goal scored by Jessica Cardoza with an assist by Christy Almy proved to be the winning tally that won the State title for Portsmouth.

Portsmouth finished the season with a record of eight wins, five losses and four ties. Portsmouth defeated Warwick and Barrington by identical 1–0 scores to make the State final.

I send my sincerest congratulations to Coach Bob Rutkiewicz and Portsmouth's girl's soccer team for winning the Rhode Island girl's soccer championships. I wish you all the best in your future endeavors.

A TRIBUTE TO DR. AUGUSTINE RAMIREZ

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. LEWIS of California. Mr. Speaker, I rise today to pay tribute to a most remarkable man, Dr. Augustine Ramirez, who is retiring after an outstanding career dedicated to education. Augustine, after 39 years teaching the youth of our community, has been serving as assistant superintendent at the San Bernardino County Superintendent of Schools. He was recognized for his many accomplishments at a retirement dinner on January 10.

Augustine started his profession as a 10th grade Spanish and English teacher at Fontana High School. He took a 2-year break from the high school to instruct the Sixth Army, Camp Tortuguero, PR, in languages. In 1961, Augustine chose a more administrative direction and moved to Corona Senior High School where he acted as assistant principal; 5 years later, he relocated to Norco Junior High as their new principal. Since then, he has been director of administrative services; assistant superintendent, administrative services; and, finally, superintendent of schools all for the Corona-Norco Unified School District. In 1984, Augustine moved to his present job in San Bernardino where he has been a pillar of leadership and responsibility.

On top of his professional activities, Augustine Ramirez has devoted significant time and effort toward civil and community-oriented projects. He has counseled for the Boy Scouts, been community director of the Corona Community Hospital, been team chair of the United Fund Building Campaign, and has been both a member and on the honorary board of directors for the Corona Chamber of Commerce. Augustine is also an active participant in St. Edward's Catholic Church.

Augustine belongs to many professional groups such as Phi Delta Kappa and the Corona Lion's Club. Other professional organizations include both the California and American Association of School Administrators and both the Southern California and California City Superintendents. He has been active with the Western Association of Schools and Colleges [WASC] since 1978, and held the chairman position for 10 of those years. To complete this already lengthy list, Augustine is an EDUCARE member of the University of Southern California, the alma mater for his doctoral degree in education.

For his involvement and commitment to his many ventures, Augustine has received a number of awards. These honors include the distinction of grand marshal in the 1983 Cinco de Mayo celebration and in the Fourth of July parade. Additionally, he is a life member of the Active 20–30 Club and the district member for the League of United Latin American Citizens.

Mr. Speaker, I ask that you join me, our colleagues, friends, and family in recognizing the many contributions of a very fine man, Augustine Ramirez. Augustine's dedication and many years of generous service to the community are certainly worthy of recognition by the House today.

KEEP UP THE GOOD FIGHT FOR INCOMPETENT VETERANS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. DORNAN of California. Mr. Speaker, on February 3 of this year, the U.S. District Court for the Southern District of New York granted a preliminary injunction against the Department of Veterans' Affairs implementation of a law suspending disability compensation to certain incompetent veterans.

The law is a provision in the Omnibus Budget Reconciliation Act of 1990 which discontinued service-connected compensation payments to veterans who have no dependents, who are rated incompetent, and whose estates, excluding the value of their home, exceeds $25,000. Under current law, an "incompetent" person is one "who because of injury or disease lacks the mental capacity to contract or to manage his or her own affairs, including the disbursement of funds without limitation. Payments to these incompetent veterans would only resume when a veteran's estate is reduced below $10,000.

In her decision, Judge Shirley Wohl Kram wrote that the law "is not only underinclusive but also irrational, and thereby constitutionally impermissible." According to the Disabled American Veterans organization, the district court injunction will force the Department of Veterans' Affairs to resume disability compensation to more than 13,500 veterans.

I have introduced legislation, along with MARTIN LANCASTER of North Carolina, which would also reverse this unjust law and restore these important benefits. We are currently circulating a letter to the more than 150 cosponsors of this legislation which will be sent to President Bush next week. The letter urges the President and the Department of Veterans' Affairs to accept the decision of the Federal court and to refrain from any additional challenges or appeals.

If you are a cosponsor of H.R. 1473, I urge you to sign this letter as soon as possible. If you are not a cosponsor, I encourage you to contact my office to add your name to the growing list of Members who have expressed the desire to keep up the good fight for incompetent veterans.

Mr. Speaker, I will include with these remarks an article from the Cleveland Plain Dealer which conveys the national interest and combined efforts involving H.R. 1473 and incompetent veterans.

[From the Cleveland Plain Dealer]

VETS TRY TO REGAIN BENEFITS FOR INCOMPETENTS

WASHINGTON.—Disabled veterans have lined up with a mental health group and a California congressman to try to regain benefits Congress withheld in 1990 from a small group of veterans: those judged incompetent who are single and without dependents.

The point was to prevent millions of federal dollars from ending up in the hands of distant relatives of those veterans who need full-time caretakers.

The Department of Veterans Affairs rates a vet "incompetent" who lacks the capacity to make financial judgments and therefore needs a family member or other caretaker to make those decisions.

Studies by the VA's inspector general found examples of veterans' estates accumulating more than $100,000 in benefits—all of it inherited by relatives when the veterans died.

So, in the 1990 budget agreement, Congress agreed to shave $291 million from the federal deficit by denying benefits to those veterans judged incompetent—if they had no immediate family and an estate of over $25,000, excluding their homes. Once the estate was whittled down to $10,000, the benefits kicked in again.

The exclusion was slated to last only two years, expiring on Sept. 30, 1992.

But Disabled American Veterans, the National Alliance for the Mentally Ill and Rep. Robert Dornan, R-Calif., believe the entire provision was a massive injustice against disabled veterans. They claim the law violates the Americans With Disabilities Act, which goes into effect this year. The act prevents discrimination against the disabled.

Disabled American Veterans last year filed a class-action suit challenging the provision in U.S. District Court. The case was argued on Nov. 8 and a decision is expected shortly, said James Cromwell, a spokesman for the National Alliance for the Mentally Ill.

"The health community is on the warpath," he said. "What they (Congress) did was an outrage."

Cromwell said the groups had heard from hundreds of families around the country upset about losing monthly checks on which they had come to depend. He said about 10,000 veterans and their caretakers had lost benefits.

Dornan has introduced legislation that would repeal the provision and refund the $291 million to those veteans who lost benefits over the two-year period. But his bill faces an uncertain future, in part because there's no ready source of revenue to make up for the $291 million loss.

FULL PUBLIC DISCLOSURE OF HOUSE BANK

HON. WAYNE ALLARD
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 20, 1992

Mr. ALLARD. Mr. Speaker and Members of the House, I bring to you today some good news and bad news.

The good news is that the media in my State of Colorado are increasingly beginning to focus on Congress. The bad news is that their coverage is increasingly critical.

The media covers many of the things we do here in Washington, but do you know what congressional activity has received the most attention in the Colorado media these past several months?

It isn't the size of our national debt. It isn't the Presidential election or the Persian Gulf. The media, and in turn the public, keep hammering Congress for the truth about the activities at the House bank.

To be honest, when news of this story first broke I was astounded, even though I figured there were just a few Members involved. But since the initial reports it has grown to become an anchor around all our necks, regardless of blame.

Interestingly, there are still some of my colleagues who can't understand what is fueling the public's outrage. Well, the reason is simple. It's the rumors and the speculations—it's the seemingly endless GAO auditing and congressional wrangling about the type of disclosure. All of it combined has allowed it to fester.

One editorial writer at the Denver Post, tired of waiting for Congress to act, tried to at least get to the bottom of the Colorado delegation's records. He publicly demanded that Members of Congress from Colorado produce copies of their bank statements as proof of their innocence. Several of us dutifully trooped in to his office and offered up our proof and supplied copies of our bank statements.

Well, guess what? He discovers about the same time as Congress does that even our bank statements don't accurately reflect whether 1, 5 or 100 checks were bounced on that account. A negative balance never shows up.

So what do our personal bank records prove to this editorial writer? Nothing. And unfortunately he knows it. We know it. And now the voters know it.

The point of my statements here today is to call upon Members of the House to support full, complete, and honest disclosure of House banking records. I hope members of the Ethics Committee will bring before us a resolution to disclose all records of the House bank. Further, I hope that we will all be given a chance on the record to vote for full disclosure. If we end up voting on some watered-down resolution that gives the public only a congressional summary of transgressions we're all going to be tarnished—and deservedly so. Less than full disclosure will be worse than no disclosure at all because the American public will wonder why all transgressors were not disclosed.

The solution to this problem is simple. Full and complete disclosure. Let's stop the bleeding. Let's finally put this issue to rest.

In closing, Mr. Speaker, I would like to enter into the RECORD a recent editorial from a hometown newspaper, the Fort Collins Coloradoan, which I hope Members will take a moment to read and digest. It calls for disclosure of the House banking records and eloquently sums up the simmering public distaste on this issue.

DISCLOSE NAMES, RECORDS OF ALL WHO USED BANK

The U.S. House Committee on Standards of Official Conduct—the ethics committee—begins its investigation this week into the bouncing of checks by House members at the now-closed House bank.

In the meantime, an unknown number of House members, no doubt with guilt on their consciences and re-election on their minds, have sent the House sergeant-at-arms more than $4,000 in self-imposed penalties for the rubber checks.

Like the General Accounting Report that called attention to this scandal, names of the members who have paid these penalties have not been made public. According to The Associated Press, the GAO report found 8,381 bad checks were written on accounts at the bank between July 1989 and June 1990. On checks written for $1,000 or more, the GAO found 134 account holders writing 581 checks on insufficient funds. Twenty-four account holders averaged at least one returned check a month.

The ethics committee is going to wrestle too long with this problem. There is no House rule that applies, other than a call for "conduct * * * at all times in a manner which shall reflect creditably" on the House. A new rule now shouldn't be used to punish past conduct.

The solution is simple. The best disinfectant in government has always been disclosure. Just make public the names of those who used the bank and those who misused the bank. Then voters can decide what to do.

TESTIMONY BEFORE HOUSE BUDGET COMMITTEE ON FISCAL YEAR 1993 BUDGET PROPOSAL

HON. ROMANO L. MAZZOLI
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 20, 1992

Mr. MAZZOLI. Mr. Speaker, on February 19, 1992, I testified before the Budget Committee to offer my views on how the fiscal year 1993 budget proposal will affect my community of Louisville and Jefferson County, KY.

I ask that my comments be made part of the RECORD.

STATEMENT BY CONGRESSMAN ROMANO L. MAZZOLI ON THE FISCAL YEAR 1993 BUDGET PROPOSAL

Mr. Chairman and Distinguished Members of the Committee, I appreciate this opportunity to testify before you today on the Administration's Fiscal Year 1993 budget proposal.

It is to this Committee's credit that the completion of the 1993 budget has been put on the "fast track". Early action on the budget resolution will provide the budgetary framework and financial guidance for the economic growth and tax fairness package, which will be the main order of business for the first half of this Session.

Mr. Speaker, I am privileged to represent Kentucky's Third Congressional District, which is comprised of Louisville and Jefferson County. As one whose District is urban and suburban in makeup, my views on budget issues will reflect my belief in the urgent need to address the pressing problems facing America's cities and towns.

These views, I believe, will be echoed by many of my colleagues who will appear before this distinguished panel. Restoring our country's competitiveness can only be achieved by revitalizing our cities.

First, with regards to the Housing and Community Development Budget, I am concerned about the Administration's proposal to reduce or totally eliminate funding for:

The Community Development Block Grant Program;

The HOME Investment Partnership Program;

Public Housing Operating Subsidies;
Public Housing Modernization;
Public Housing New Construction;
And, Section 8 Certificates.

Providing for the affordable housing needs in my community is a priority for me and for Jefferson County Judge/Executive David Armstrong and City of Louisville Mayor Jerry Abramson. Restoring this funding, as well as extending the matching provision waiver for HOME, will help meet the goal of making available decent housing for all.

Second, and in a related vein, I am both pleased and disappointed in the Administration's budget proposal for the Stewart B. McKinney Homeless Assistance Program. While I am encouraged that funding for housing assistance and for homeless persons would be increased, I am very concerned about the plan to significantly reduce funds for the FEMA Emergency Shelter Grant Program and the HUD Emergency Shelter Grant Program. Such a plan seems inconsistent when requests for these services are increasing.

I am an original cosponsor of the legislation to reauthorize the Stewart B. McKinney Homeless Assistance Act, and I am grateful for the Committee's continued support for preserving these valuable programs.

Third, the Administration has proposed a reduction in spending for Anti-Drug Enforcement Grants. Over the years, I have worked to assure that communities are given the resources and flexibility to deal with the scourge of drugs. In fact, the Crime Bill we will be taking up this session includes an amendment of mine that permanently retains the 75% federal—25% local match for anti-drug law enforcement assistance funds. Reducing spending would make it very difficult for urban areas to continue the momentum they have achieved thus far.

Fourth, I lend my full support for the Administration's proposed budget increases for three important Human Services Programs: The Child Nutrition Program; The Women, Infants and Children Program; and, Head Start.

If we fulfill the needs of our children, we can greatly enhance their potential to become productive citizens. As Representative William Natcher, a distinguished Member of the House and Dean of the Kentucky Delegation says, if America provides for the education and health and welfare of its people, we will continue to live in the greatest country in the world.

To further support Representative Natcher's conviction, I would like to encourage more funding for public libraries. The Administration has proposed a budget of $35 million in Fiscal Year 1993 for libraries, down from $142 million this year. I respectfully disagree with the Department of Education's contention that the money to build, expand and assist local libraries is no longer needed. The Louisville Free Public Library in my District is struggling to meet the demand for services, and a further reduction in funds could be devastating. I maintain that a strong library system is critical to communities' efforts to remain viable competitors in the world marketplace.

Fifth, among the Administration's tax proposals of particular importance to cities are the extension of: Low-Income Housing Tax Credits; Targeted Jobs Tax Credits; and, Mortgage Revenue Bonds.

In January, I had the opportunity to testify before the House Ways and Means Committee to lend my support for a permanent extension of these tax provisions. These tax provisions have assisted with Louisville and Jefferson county officials' work to furnish affordable housing, and they have allowed employers to provide employment for many economically disadvantaged individuals. I hope the budget Committee will look favorably upon this recommendation.

Another of the Administration's tax proposals of consequence to urban areas is the plan to establish 50 enterprise zones in economically distressed communities. I am an original cosponsor of legislation to create enterprise communities to support local housing, community development and law enforcement initiatives. In my view, this represents a comprehensive strategy for dealing with some of the most difficult problems facing our cities.

Sixth, like many Members who represent urban and suburban areas, it is very disconcerting to learn that the Administration has proposed a substantial decrease for federal mass transit programs.

I was proud to support the 1991 Surface Transportation Act we passed in the first session, which included the promise of increased funding for mass transit. Backing away from this pledge would reduce the availability of affordable and reliable public transportation on which many citizens depend. Furthermore, out of concern for energy conservation and the possibility of gridlock, I urge the Committee to reject this proposal and honor the commitment Congress and the President made to support mass transit.

Finally, in keeping with my strong belief in the urgency for revitalizing our cities, I respectfully request that the Committee give favorable consideration to the public works projects proposal recently submitted by the United States Conference of Mayors. Included in that proposal is a list of housing, aviation, highway, transit, and drainage and wastewater projects that are needed in my district in Louisville and Jefferson County.

It is estimated that these projects, which are ready for construction but have been delayed for lack of funding, would create approximately 5,000 jobs in my hometown region. Stimulating the national economy is a goal of both the Administration and Congress, and I encourage the Committee to view this proposal as one means of accomplishing that very important objective.

Mr. Chairman and Committee Members, thank you for your time and for this opportunity to appear before you.

TRIBUTE TO RICHARD "FOXY" MARSHALL AND PORTSMOUTH HIGH SCHOOL FOOTBALL TEAM

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate Richard "Foxy" Marshall and the Portsmouth High School football team for winning the Rhode Island Championship Division State finals. Portsmouth won the State title in only its first year of competition in Rhode Islands' top conference.

Head Coach "Foxy" Marshall now has won State titles in three different divisions: B, C, and now the championship division. Portsmouth finished the season with an overall record of 10 to 1 and a league record of 8 to 1.

With Portsmouth High School and Lasalle Academy tied 14 to 14 at the end of regulation, Portsmouth defeated Lasalle on the first play of overtime on a pass play from quarterback Jason Wessels to tight end Ryan Perras. The end result was a 21 to 14 overtime victory for Portsmouth.

I send my sincerest congratulations to Richard "Foxy" Marshall and the Portsmouth High Football State Championship Team. I wish all the best in your future endeavors.

A TRIBUTE TO CHIEF JIM ANTHONY

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. LEWIS of California. Mr. Speaker, I rise today to pay tribute to an outstanding individual in my community who deserves to be recognized for his dedication and public service. This man is Jim Anthony, police chief of the city of Chino for the past 11 years. I wish to acknowledge today his remarkable achievements as he leaves the Chino force to become chief of police for the city of Glendale.

Jim is a graduate of the University of Southern California, the FBI National Academy, and the California Law Enforcement Command College. He served in the U.S. Army as a Sergeant, E–5, radio team chief in the Armor Division. Jim began his career as a law enforcement officer in 1964 when he became a commander in West Covina. Since then he has been active on the California Police Chief's Board of Directors and was president of the San Bernardino County Police Chiefs' Association. In addition, he has been a member of the California Police Officer's Association, the FBI National Academy Associates, and the president of the San Bernardino County Law Enforcement Administrative Officer's Association.

Jim Anthony has made a serious impact on the community by organizing and implementing numerous programs including Neighborhood Watch, Business Watch, Retired Senior Citizens Patrol, Drug Awareness [DARE], Domestic Violence, Emergency and Disaster Services, and Bilingual Cultural Awareness programs. He established a community business outreach information program including a fax network as well as a crime analysis unit, which has been recognized as a leader in California. He initiated the civilian position of community services officer to serve in Records, Crime Prevention, Patrol and Traffic Services. Also, he developed an emergency operations center and instituted a citywide disaster preparedness program.

Jim belongs to many civic organizations. Just a few of these include the Chino Family YMCA and West End YMCA Board of Directors, Chino Community Hospital Advisory Board, Rancho Del Chino Rotary Club, Citizen War on Crime Commission Board, and the Law Enforcement Advisory Committee.

Jim has also published many articles and consulted for law enforcement publications and journals including California State Office of Criminal Justice Planning, California Peace Officer, Journal of California Law Enforcement, and the Police Chief.

Mr. Speaker, I ask that you join me, our colleagues, friends, and family in recognizing the many contributions of a very fine man, Jim Anthony. Jim's dedication and many years of selfless service to the community are certainly worthy of recognition by the House today.

TRIBUTE TO MICHAEL DOYLE

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ANDREWS of New Jersey. Mr. Speaker, on January 11 of this year, one of my constituents displayed the kind of heroism that deserves recognition. It was 6 p.m. when Michael Doyle of 657 Dettmar Terrace in Runnemede, NJ, spotted smoke as he drove down Black Horse Pike in his hometown. Thick smoke was pouring from the windows of an apartment behind a doctor's office. Doyle stopped his car, jumped out and ran around the corner to tell firefighters at the Runnemede Fire Co. about the fire.

Then Doyle ran back to the burning apartment and, without thinking about himself, entered the building and searched for tenants. Luckily, no one was home, so Doyle left, but not before suffering smoke inhalation. Doyle, a member of the United Brotherhood of South Jersey, a men's charitable organization of which I am an honorary member, spent 3 days in the Stratford division of John F. Kennedy Memorial Hospital.

Such selfless acts must not go unnoticed, or unheralded. Doyle, who works for Pierson Construction Co., Inc., risked his own life to save other people's lives. Acts of kindness are nothing new for Doyle. He donates his time and materials to make handicapped ramps and has donated shingles for the roof of the local Boy Scouts.

It is a privilege to have people of Michael Doyle's caliber living in my district. He is a credit to the United Brotherhood and to the community. God bless him.

CONGRATULATIONS TO CHARLES J. ROTHSCHILD, JR.

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Charles J. Rothschild, Jr. who was recently elected to a 1-year term as secretary of the board of trustees of the University Health System [UHS] of New Jersey.

Since its founding in 1986, the UHS has established itself as the premiere health care delivery network in the State. A not-for-profit consortium, UHS consists of the University of Medicine and Dentistry of New Jersey/New Jersey Medical School and eight of New Jersey's major teaching hospitals, including Hackensack Medical Center.

Mr. Rothschild is a resident of Teaneck, where he lives with his wife, Margie, Mr. Rothschild is a former member of the Teaneck Advisory Board of Ethics.

He has served on the medical center's board of governors since 1980, and as chairman since 1989. Mr. Rothschild is the former chairman of the board and chief executive officer of the Megastar Apparel Group of Paramus, NJ.

His awards included recognition as B'nai B'rith Teaneck Chapter "Man of the Year" in 1978, a New Jersey Council of the Union of the American Jewish Committee "Humanitarian Award" in 1986.

Mr. Rothschild received his degree in economics from the University of Michigan and an honorary doctorate of letters in May 1989 from Hebrew Union College in Cincinnati.

I am honored to call Charles Rothschild a close friend. He is truly one of the special few who make a difference in society. Chuck is a man of the utmost integrity who sincerely cares about his neighbors, his community and his country.

Mr. Speaker, I am proud to join in paying tribute to this exceptional man and extend my best wishes to him.

UCLA GRADUATE MATH DEPARTMENT INVESTIGATION

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ROHRABACHER. Mr. Speaker, the Office for Civil Rights [OCR] at the U.S. Department of Education has had pending for years administrative complaints of racial quotas or other discriminatory practices in admissions at four units of the University of California. The investigation of the UCLA undergraduate admissions program is now over 4 years old. No letter of findings has been issued. On October 1, 1990 OCR found that this university's graduate math department had discriminated against Asian-American applicants.

OCR also has investigations of racial discrimination against Asian-Americans pending against the admissions policies of the undergraduate and law school programs of the University of California at Berkeley—both of which are over 2 years old. Another investigation program of the admission policy is continuing at the undergraduate program of the University of California at San Diego.

I realize that these cases are sensitive but these long delays are unacceptable. The constitutional rights of applicants to these instituions are at stake.

I hope that the January 31, 1992 unanimous decision of the U.S. Circuit Court of Appeals for the Fourth Circuit in Podberesky versus Kirwan will embolden the Department of Education to issue letters of findings in all four UC system admissions cases they have pending—they are long overdue.

For the enlightenment of my colleagues I will insert at this point in the RECORD the letter of finding from OCR in the UCLA graduate math department investigation.

Congress should add its voice to urge the department to issue letters of findings in these four pending cases by adding the text of my bill House Concurrent Resolution 102 to the Higher Education Act reauthorization bill that the House is expected to debate this spring.

The letter follows:

U.S. DEPARTMENT OF EDUCATION,
OFFICE FOR CIVIL RIGHTS,
San Francisco, CA, October 1, 1990.

Dr. CHARLES E. YOUNG
Chancellor, University of California, Los Angeles (UCLA), Los Angeles, CA.
Attn: Winston C. Doby, Vice Chancellor of Student Affairs

(In reply, please refer to Docket #09-89-6004)

DEAR CHANCELLOR YOUNG: This letter and the enclosed "Statement of Findings" result from a compliance review by the Office for Civil Rights (OCR) to determine whether UCLA discriminates against Asian Americans,[1] on the basis of race in admission to the graduate educational programs of the University. This investigation was conducted under the authority of Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d *et seq.*, and its implementing regulation, 34 C.F.R. Part 100. As a recipient of federal financial assistance administered by the Department of Education, UCLA is required to comply with the provisions of this statute, which prohibits discrimination on the basis of race, color, and national origin.

SUMMARY OF FINDINGS

Using data pertaining to the admissions decisions for students entering in the Fall of 1986, 1987, and 1988, OCR reviewed 84 graduate programs. OCR found compliance with Title VI in all but nine programs. In some instances the compliance finding was based on a statistical overview of the program. In other instances, the statistical overview and direct examination of file and interviews of faculty and staff revealed that the race-neutral criteria for admission to the program were applied equally, without regard to race.

For eight programs there was insufficient data available to OCR to determine compliance with Title VI. As to these programs, OCR is making no finding and is requiring additional record-keeping concerning future admissions decisions. OCR will seek to determine whether in the next three years these programs are making their admissions decisions in compliance with Title VI.

With regard to one program, the Mathematics Department, OCR found noncompliance with Title VI. As to this program, OCR is requiring both record-keeping and corrective action as to some individual applicants denied admission.

A more complete overview of the results of this investigation is stated in the remainder of this letter. A detailed discussion of the OCR findings is set forth in the enclosed Statement of Findings.[2] This letter of findings only concerns the results of OCR's investigation of the practices of the UCLA Graduate Division. It does not address the investigation of the admissions practices of the UCLA Undergraduate program, which remain under investigation at this time.

PROCEDURAL HISTORY

In 1987, reports of a growing concern about the treatment of Asian American applicants to colleges and universities came to the attention of the Department of Education. This concern was manifested in journalistic reports and letters from students, parents, and Federal and State legislative representatives. Consequently, the Office for Civil Rights asked for and received from the University of California (U.C.) Systems Office statistical reports comparing by race the rate at which applicants were admitted to the graduate and undergraduate programs of the nine universities in the UC system.

Based on differences in admission rates for white applicants and Asian American applicants. OCR decided to conduct a review of admissions practices of the graduate programs at UCLA.

This review has required a large commitment of resources by the University and OCR. UCLA's Graduate Division enrolls 15,000 students. On several occasions, representatives of OCR met with UCLA management, on the campus and at the OCR Regional Office. On three separate visits to the UCLA campus, OCR interviewed staff, Regional Office. On three separate visits to the UCLA campus, OCR interviewed staff, faculty and students and reviewed student admission files. Over 200 persons were interviewed and over 2,000 files were reviewed and analyzed.

Because of variations in how departments are organized operationally, the number of graduate "programs" in operation at UCLA may vary. Under OCR's count, in the Fall of 1988, UCLA operated 87 programs. Three of these programs were operated separately from the Graduate Division, and were not included in the system-wide statistics provided to OCR: Law, Medicine, and Dentistry. These programs were not investigated.

All applications for the other 84 programs are sent to the Graduate Division for screening. However, each graduate program has its own admissions procedures and criteria. In effect, OCR conducted 84 distinct reviews.

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[1] For purposes of this investigation Asian American includes Chinese, Japanese, Korean, Phillipino, Polynesian, Thai and Other Asians. The statistics do not include East Indians and Pakistani as Asian Americans. American citizens and permanent residents are included as domestic students. Foreign students, i.e. those students in the U.S. on a student visa, are not included in this review; their entry into the University is often governed by significantly different criteria.

[2] The applicable time period covered by this investigation includes the time during which Graduate admission decisions were made for classes entering in Fall 1986, 1987 and 1988. However, as noted in each departmental discussion contained in the attached Statement of Findings, conclusions may not have been reached for each of these years. Conclusions were dependent upon whether applicant files were physically available for review.

Moreover, the admissions decision is not always made at the school or department level. For example, in the Department of Psychology, admissions decisions regarding applicants specializing in Clinical Psychology are made by a different group of faculty, using different criteria than are used for applicants specializing in Social Psychology.

OCR developed a methodology to identify those departments most likely to reveal concerns about the equal treatment of Asian applicants. Approximately half of the 84 programs (43) were eliminated because a review of the Graduate Division statistics for a three year period revealed: either very few or no Asian persons applied to the department for admission, and the data did not reveal any indicators of discrimination; or Asians were consistently admitted at a higher rate than whites, and the data did not reveal any indicators of discrimination.

All remaining departments were subject to further review.

OCR eliminated from further review another nine departments, whose data indicated no Title VI compliance problems because the following three conditions pertained simultaneously:

Data provided by the Graduate Division revealed no disparity in the rates at which Asian and white applicants were admitted.

The calculated mean undergraduate grad point average (GPA) for Asian and white applicants suggested that the rates of admissions for these two groups were appropriate.

There was no departmental statistical report available to contradict the Executive Order statistics of the Graduate Division.

Seven more departments were eliminated because two statistical patterns indicating no Title VI compliance problems existed simultaneously:

Departmental data revealed that Asian applicants were admitted at a higher rate than or the same rate as white applicants in two of the three years examined.

The calculated mean GPA for Asian and white applicants suggested that the rates of admission for these two groups were appropriate.

One department was eliminated because almost everyone who applied for admission was accepted into the program. Further, those few persons rejected appeared to be excluded on educationally justifiable grounds.

While engaged in the process described above, OCR became acquainted with additional specialty areas or programs with separate admissions criteria and procedures. The following is a list of the 35 separate admissions specialty areas investigated in the next phase of OCR's compliance review.

Architecture and Urban Planning (two specialties).
Biological Chemistry.
Chemistry and Biochemistry (two specialties).
Engineering (fourteen specialties).
Experimental Pathology.
Linguistics.
Management.
Mathematics.
Molecular Biology.
Pharmacology.
Philosophy.
Physiology.
Political Science.
Public Health (seven specialties).

OCR investigated the admissions practices of each of these programs. Although, the Graduate Division had provided some statistics for each Department, most Schools or Departments had summary reports or computerized data of their own regarding applicants for admission. Typically, these were separated by the specialty area for which admissions decisions were made. During the file review, OCR verified and/or collected additional statistical information. UCLA, in response to a written request from OCR, submitted a written description of the admissions process and criteria used for each School and Department reviewed during the on-site. In addition, OCR conducted interviews with staff and faculty who developed and applied the criteria and process used in making admissions decisions. This was done to better understand the written description, to supplement the written description, and to identify any criteria that weighed more heavily than others.

OCR then examined files of successful and unsuccessful Asian and white applicants for admission. OCR considered whether there was information in the files that corroborated the descriptions of the admissions criteria and procedures provided by the UCLA written submissions to OCR and in the interviews. Most important, OCR also considered whether the procedures and the criteria for admission were applied in a nondiscriminatory manner for Asian and white applicants.

These actions concluded OCR's data collection process. The next step in the compliance review was to examine the accumulated information under the requirements of Title VI.

LEGAL STANDARD

The Title VI regulation at 34 C.F.R. §100.3(b) prohibits certain discriminatory acts including treating individuals differently on the basis of race or national origin in determining whether he/she satisfies the admissions requirements of a recipient. This section also prohibits denying an individual a "service or benefit" under a program of the recipient on the basis of race or national origin. The regulation further states that a recipient may not utilize criteria or "methods of administration" that have the effect of subjecting individuals to discrimination on any of these bases.

To apply these regulations in the review of admissions decisions, OCR relies on two legal standards. First, OCR will examine whether the recipient discriminates against members of a particular racial or national origin group, such as Asians, by treating them differently. Second, OCR will investigate whether facially neutral admissions criteria used by the recipient have a disparate impact on applicants who are members of a particular racial or national origin group. If a disparate impact is identified, OCR will investigate whether the criterion is educationally justifiable. Both investigative approaches provide deference to the academic expertise of the faculty to establish criteria for admission.

In this case, OCR relied on the first standard and investigated whether Asian applicants were treated the same as similarly situated white applicants. OCR determined whether each graduate program imposed its own standards in a way that was consistent, without regard to race. Where a decision was not explained by admissions criteria, justifications were sought from UCLA faculty and staff. In turn, these justifications were tested by seeing if they were related to the established admissions criteria and used equally for the admissions decisions made for both white and Asian applicants.

ANALYSIS AND CONCLUSIONS

No violation

As to all but nine programs OCR found that the preponderance of the evidence did not support a violation of Title VI. OCR found that equally qualified Asian and white applicants were treated the same. This conclusion in some instances was based primarily on statistical analysis. However, in many cases it was based on a review of applicant files and a determination that the program either adhered to its articulated nondiscriminatory criteria or deviated from these criteria, on an equal basis, without regard to race.

Insufficient data

For eight programs there was insufficient data available to OCR to explain, based on the program's stated criteria, the admissions decisions of the program. As to these programs, OCR is making no finding and is requiring additional record-keeping concerning future admissions decisions. OCR will monitor these programs annually for the next three years and will determine whether these programs have made their admissions decisions in compliance with Title VI. The programs included under these requirements are:

The M.B.A. program of the Anderson School of Management;

The Artificial Intelligence program of the Computer Science Department;

The Programming Languages and Systems (Software Systems) program of the Computer Science Department;

The Circuits and Signal Processing program of the Electrical Engineering Department;

The Philosophy Department;

The Biological Chemistry Department;

The Health Services Administration program of the School of Public Health; and

The Masters of Architecture I program of the Architecture and Urban Design Department.

The details about each of these departments vary widely. In general, the differences in admission rates of Asian and white applicants in each of these programs were not explained by the information provided by UCLA. On the other hand, information available on the admission decisions of these departments was insufficient to indicate that Asian applicants were treated differently than white applicants. Therefore OCR was unable to reach a conclusion as to compliance with Title VI. Because of these circumstances, under 34 C.F.R. §100.6(b), in general, the eight programs will be required to maintain data concerning applicants for admissions for the Fall of 1991 through 1993, as follows:

Prior to the beginning of each admissions season, the program will state in writing its admission criteria.

As to each U.S. citizen or permanent resident alien submitting a complete application, the program will list the name (or other identifier), race, national origin, sex, undergraduate GPA, Graduate Record Exam scores (if used), the undergraduate institution, and whether the person was offered admission.

As to each person denied admission, the program will state the reason the applicant was rejected.

As to each person admitted on a basis independent of or inconsistent with the written criteria, the program will state the reason for admitting the applicant.

The program will maintain the complete applicant file for each applicant for admission until the OCR review process is completed.

Violation

Based upon the statistics provided by the Mathematics Department, OCR found that a disparity existed between the rates at which Asian applicants were admitted into the Mathematics program when compared to the rates for white applicants in 1987 and 1988. White applicants were admitted at higher rates and the differences in rates were statistically significant for both years. Because of these significant disparities, a file review was conducted to determine whether the reasons for these differences in admission rates were due to discrimination on the basis of race.

Using the Math Department's five-point rating system (5 = best qualified; 0 = unqualified), OCR selected for review several files of Asian and white applicants for the two years in question. OCR could not discern a consistent basis for the admissions decisions nor could it conclude that the Department adhered to its stated admissions policies, practices and criteria in making its admissions decisions.

The file review revealed that the Mathematics Department deviated from its initial evaluation rating system when deciding whether an applicant was to be admitted. This deviation occurred most often to the disadvantage of Asian applicants. As explained by representatives of the Mathematics Department, an evaluation rating of 3.0 or above meant that an applicant should be admitted into the program. In 1987, three white applicants were accepted with an evaluation less than 3.0; no Asian applicant was admitted. Yet, three of the Asian applicants rejected were rated between 2.9 and 3.0, and a total of six Asian applicants were rated the same as or better than the lowest rated of the admitted white applicants. For Fall 1988, six white applicants were accepted with less than a 3.0, while one Asian applicant was accepted with less than a 3.0. OCR found that out of 112 white applicants, 5 were denied admission with a 3.0 or above and 6 out of 27 Asian applicants similarly were denied admission. Thus the deviation from the stated rating system appeared to disadvantaged Asian applicants more frequently than white applicants.

At this stage in the investigation of the Mathematics Department, the evidence showed a statistically significant disparity in the rates of admission on the basis of race, an apparent inconsistency as to how Asian and white applicants who received the same evaluation ratings were treated and insufficient information to suggest a nondiscriminatory basis for this apparent pattern. Therefore we sought to obtain more information from the Department that might dispel the discriminatory implications of the information collected by OCR. We submitted the names of 24 white applicants and 15 Asians for further explanation by the Department. Most of the white applicants had been accepted for admission to the Department. Most of the Asian applicants had been denied admission. These 39 persons had received ratings within the same general range.

In response to a request for an explanation concerning 39 of its admissions decisions for Fall 1988 and 1987, the written statement prepared by the Department provided reasons for 34 of the decisions.[3] The reasons provided by the Department explained these decisions based on the application of the Department's stated criteria. However, for several cases, the Department provided explanations for its decisions that took into account factors that did not appear in the admissions criteria as explained by the Department to OCR up to that point in the investigation. Two of the main reasons provided by the Department to explain the admission decisions were related to financial support. One reason specifically concerned the ability of an applicant to support her/himself through graduate school and the other concerned the state residency status of an applicant.

After reviewing the rationale provided by the Mathematics Department for its treatment of the 34 applicants, OCR was convinced that the justification for some persons was nondiscriminatory. But, as to Asians as a class, the rationale was not sufficient to dispel the discriminatory implication of the previously identified statistical pattern and examples of inconsistent treatment. The Department's rationale was not sufficient because some of the criteria used appeared to be developed after the admissions decisions were made, were not internally consistent or logical, and were not applied evenly to Asian and white applicants. Most significantly, the two factors cited by the Department (support and state of residence) appeared to be used only as a boost for white applicants and not for Asians. Thus, several Asians, who were California residents, were denied admission even though they were as qualified as admitted white applicants.

In a meeting of September 11, 1990, the Department repudiated its own written rationale for the 34 admissions decisions and provided what was, to a significant degree, a new rationale which expanded the admissions criteria initially submitted by the Department. At the meeting, UCLA asserted that the Vice-Chair of the Department made the decision to admit or reject an applicant independent of the evaluations of his colleagues and that the Department preferred individuals who stated an interest in applied mathematics as it was easier to obtain financial support for such persons. Several of the additional factors explained to OCR were that applicants to the statistics program were admitted under entirely separate criteria, that females received a limited "boost," that the standards for admitting Masters applicants were lower than the standards for Ph.D. candidates, and that persons employed by certain local defense contractors were admitted almost automatically.

OCR found that within the admissions process there was a critical area where the greatest degree of discretion existed. This area was defined by students who received evaluation scores somewhat above or below 3.0. It was in this area that certain special factors such as field of interest and gender had their greatest effect. However, our examination of the files revealed that these factors were not evenly applied on the basis of race. For example, there were multiple instances of white females within this critical area receiving a gender-based boost. However, similarly-situated Asian females did not receive the same degree of enhancement. Another example concerns the degree to which a stated interest in applied mathematics enhanced an applicant's competitive position. White applicants interested in applied mathematics with evaluation scores as low as 2.43 were admitted, in effect jumping over many more qualified whites and Asians. However, an Asian interested in applied mathematics with a comparable evaluation score was not similar advanced.

OCR determined that the Mathematics Department deviated from its originally articulated process. Thus, not all the admissions decisions made by the Department were explained by the Department's initial description. OCR further determined that the deviation appeared to be race-related. The Department provided second and third sets of rationales to explain an apparent inequity in the treatment of Asian and white applicants. The second rationale was abandoned. The third rationale was not adequate to fully explain all the apparent inequities. Accepting this rationale as the basis for the Mathematics Department's decision, OCR has identified five rejected Asian applicants who, if provided equal treatment, should have been accepted. Therefore, OCR finds that UCLA has discriminated against Asian applicants in violation of Title VI of the Civil Rights Act of 1964.

VOLUNTARY COMPLIANCE

During the week of September 10, 1990, I communicated with the Vice Chancellor for Student Affairs, Winston C. Doby, concerning voluntary resolution of this matter. He was advised of OCR's anticipated findings as well as proposed terms of settlement. During the week of September 17, Vice Chancellor Doby explained to me that UCLA would not enter into a voluntary compliance agreement of the nature proposed by OCR. Therefore, this matter remains unresolved.

OCR ENFORCEMENT AUTHORITY

OCR is required by Title VI to resolve this matter promptly. OCR remains prepared to discuss with UCLA any proposals for remedial action in this matter. However, if a voluntary settlement agreement cannot be reached in the very near future, it is my obligation to recommend to the Assistant Secretary for Civil Rights that an enforcement proceeding be commenced.

OCR wishes to advise you that when violations of Title VI are established, the implementing regulation authorizes this agency to seek an order terminating the Federal financial assistance received by UCLA or to obtain compliance through "other means authorized by law," which include possible referral of the matter to the U.S. Department of Justice.

The procedures employed for a termination of Federal financial assistance are described in 34 C.F.R. §§100.8-.11 and 34 C.F.R. Part 101. In general, the procedures call for notice and an administrative hearing with certain appeal rights, including judicial review, as provided for in Section 603 of the Civil Rights Act of 1964.

This Letter of Findings is not intended nor should it be construed to cover any issues of compliance with Title VI that may exist but are not specifically discussed herein. Under the Freedom of Information Act, it may be necessary to release this document and related correspondence and records upon request. In the event OCR receives such a request, it will protect, to the extent provided by law, other personal information which, if released, would constitute an unwarranted invasion of privacy.

If you have any questions regarding these findings, please contact me at (415) 556-7000.

Sincerely,

JOHN E. PALOMINO,
Regional Civil Rights Director.

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[3] At the time of the reply, the files of three Asian applicants were missing. These files were subsequently located. One Asian and one white applicant proved inappropriate for consideration. The Asian was a foreign student. The white candidate was, in fact, Hispanic.

HONORING PETER CHIMERA'S 15TH YEAR AT A WAY OUT, INC.

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ACKERMAN. Mr. Speaker, I rise to bring to the attention of my colleagues in the House of Representatives, a very special occasion. On February 19, 1992, A Way Out, Inc., a drug-abuse prevention and treatment program in Queens County, will honor its president, Peter Chimera. Founded 15 years ago by Mr. Chimera, this important and effective program has grown from 6 persons to a staff of over 50 people. These dedicated professionals, under the guidance and direction of Mr. Chimera, serve to help people who were addicted to drugs live drug free and production lives.

Peter Chimera's leadership and vision have led him to help in forming national and statewide associations in the field. He is an active member in the New York State Association of Substance Abuse Programs, helped found and is currently acting as treasurer of the Coalition for Community Services, is a member of the Coalition for Drug Abuse and is a member of Therapeutic Communities of America.

He has long shown his untiring devotion to helping people address the issues in their lives that have brought them to drug addiction. His commitment, dedication, and inspiration deserve our respect and thanks. He is one of those rare people who affects all of us by enriching society at large by returning our lost children to us as drug-free citizens—ready to contribute to the American way of life.

I ask that my colleagues recognize the important work of this remarkable individual and congratulate him on this important occasion.

AMERICA WEST AND FAIR COMPETITION

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. RHODES. Mr. Speaker and colleagues, two pieces of legislation currently before the Congress would go a long way in removing anticompetitive barriers within the deregulated airline industry, and assist the financial viability of the smaller airlines struggling to compete. It is in the country's interest, and in the consumer's economic interest, that competition in the airline industry be as strong as possible. It will be if the playing field is fair. Right now, it is not.

One of the bills is H.R. 2037, the Airline Competition and Passenger Protection Act. This legislation addresses several anticompetitive constraints in the airline industry, including problems with certain computer reservation systems, and the availability of and access to airport slots. The other bill, H.R. 585, would repeal the so-called Wright amendment to allow full and direct carrier access to Love Field in Texas. These and other barriers to open competition must be removed to allow struggling carriers to compete fairly in the deregulated airline marketplace.

Earlier this month, Ed Beauvais, chairman and CEO of America West Airlines, based in Phoenix, AZ, wrote in the Wall Street Journal a more detailed and eloquent exposition of these issues. His writing, which follows, is further testament to the need to pass legislation that will at last allow fair and open competition in the airline industry for the benefit of the traveling public, local economies, and the thousands of jobs the industry provides.

[From the Wall Street Journal, Feb. 4, 1992]

FOR COMPETITION IN THE AIR BRING BACK ANTITRUST

(By Edward R. Beauvais)

Last week's bankruptcy of TranWorld Airlines demonstrates the equal bankruptcy of the Reagan and Bush administration's relaxation of antitrust laws, particularly for commercial aviation. The policy was supposed to promote productivity and employment growth. Instead it has provided fertile ground for the formation of oligopolies and even monopolies.

When Congress deregulated the airline industry in 1978, it permitted the 23 U.S. carriers that had been subject to the previously existing regulatory regime to fly wherever they chose and to price however they liked. Within six years, the 23 were joined by three intrastate airlines and 14 startups of significant size. The industry had doubled in size to 40 carriers and had created 250,000 jobs.

Airline deregulation had been premised on the theory that significant barriers to entry did not exist in the industry and thus, little or no government involvement was required to assure a competitive environment. Unfortunately, since the advent of deregulation, three daunting competitive barriers have emerged: dominance of computer reservation systems by the very largest carriers, frequent flyer programs and unfair allocation of landing rights at capacity-controlled airports.

The adverse competitive effects of these barriers were exacerbated in the mid-1980s when the airline merger and acquisition binge began. (It is interesting to note that every merger or acquisition presented to the U.S. Department of Transportation for consideration during this period was approved.) These, not surprisingly, produced an oligopoly of mega-carriers in the U.S.

The result: More than 150,000 airline industry employees have lost their jobs since 1988. The number of airlines in operation today has dwindled to 10 and three of those are operating in bankruptcy—including ours. Of the 14 airlines that have started up since 1978, only America West is still flying.

The comment most frequently heard from so-called experts is that it would be OK if the industry shrunk to just three airlines. It would still be competitive, we are told. Solid evidence exists, however, that the three "chosen" carriers do not compete vigorously with each other even today. If they alone survive, it is unreasonable to believe that they would suddenly become more competitive.

No airline has ceased operation believing that it had a great or promising future. They sold out or threw in the towel because they saw the light at the end of the tunnel, and it was red; they would never be able to compete in a marketplace dominated by such significant barriers.

If competitiveness is to be restored to the airline industry, federal antitrust laws and certain regulations must be enforced and several immediate actions must be taken:

American Airlines and United Airlines, the two larger carriers, must be forced to divest their computer reservation systems. These systems are truly the 800-pound gorillas of the industry. Between 70% and 80% of all airline reservations are made by these systems. Several objective studies have proven conclusively that the carriers enjoy a huge market share and economic advantage due to their ownership of the reservation systems.

Airport market access, which was the promise of the Airline Deregulation Act, must become a reality. The act and its promise wee negated because economic policy suddenly allowed the existing carriers to own, at no cost, arrival and departure slots at capacity-constrained airports where no new operations are feasible and that trade at such high prices that only the mega-carriers can afford to buy them.

Changes must be made in the frequent flyer programs. These are on the verge of becoming serious competitive barriers if they have not already achieved such status.

The Wright Amendment, which established and preserves Southwest Airlines monopoly at Dallas's Love Field, must be rescinded by Congress. It's a flagrant violation of all free enterprise fundamentals.

The success of the U.S. economy is in large measure the result of the willingness of the federal government to assure a fully functioning marketplace. This was the primary reason that the antitrust laws were established when the country was faced with abuse of monopoly power in the 1890s, and that regulation followed the manipulation of the financial markets in the 1920s.

It has been the abandonment of that role by the federal government over the past 15 years that has led to a serious deterioration in the quality of goods and services produced in the U.S.

If this situation is not reversed, key industries will again be dominated by a few monopolies. The antitrust laws are designed to protect the competitive integrity of every U.S. industry. They remove restraints of trade and barriers to entry. This in turn, encourages new entries, entrepreneurial innovation and the creation of new jobs.

If we want the economy to recover, we must return to the basics. We must remove the barriers preventing the creation of new jobs.

AZERBAIJANI VIOLENCE AGAINST ARMENIANS HAS ESCALATED

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. OWENS of Utah. Mr. Speaker, Azerbaijani violence against Armenians has escalated. Yesterday, Azeri forces launched a prolonged missile attack against Stepanakert, the capital city of Nagorno-Karabakh. Firing GRAD multiple launch rockets, over 240 missiles rained down on the capital, killing more than 20 civilians, wounding many more, and damaging government buildings and civilian homes.

Tragically, the escalation of the violence is hardly a surprise. But what must come as a surprise to the innocent targets of Azeri aggression—the men, women, and children of Nagorno-Karabakh—the United States has decided to establish diplomatic relations with Azerbaijan.

The State Department argues that by establishing diplomatic relations with Azerbaijan, the United States will be in a better position to influence Azeri behavior.

Some influence. The day after Azeri forces intensify their indiscriminate shelling of civilian targets, Azerbaijan is rewarded with diplomatic ties and the hope of even closer relations with Washington.

Last December, Secretary Baker announced tough conditions for recognition and diplomatic relations, and he has since accepted Azeri assurances. Azerbaijan may have said the right words, but their deeds are killing people and causing hardship.

SUPPORT FOR LEGISLATION TO NAME COURTHOUSE IN HONOR OF PRESIDENT RONALD REAGAN

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. PACKARD. Mr. Speaker, I rise in support of the bill introduced by my colleague from California, CHRISTOPHER COX, which seeks to name the new Orange County courthouse in honor of President Ronald Reagan.

As a Representative of Orange County, and a proud American, I believe that it would be a tribute to both Mr. Reagan as well as the residents of Orange County to do so.

It was our 40th President who proclaimed that;

> America is back, a giant, powerful in its renewed spirit, its growing economy, powerful in its ability to defend itself and secure the peace, and powerful in its ability to build a new future. [This] is not debatable.

And by ushering this renewed spirit, President Reagan led this country through the longest period of peacetime economic expansion. This is a fitting salute to a man whose vision and convictions changed America's course for the better, and made Americans believe in themselves again.

Reagan reoriented our defense policy to reflect his belief that peace could be achieved through strength. The fall of the Berlin Wall and the collapse of communism in the former Soviet Union are a part of the Reagan legacy.

Also a part of this great President's legacy was his conviction that a government big enough to give everything to you, was a government big enough to take everything away. His principles were economic and social self-determination. That is why he cut personal tax rates by 25 percent; to restore economic freedom to the families of America, instead of feeding their hard-earned tax dollars to that insatiable beast, the Federal Government.

I urge my colleagues to support this measure to name the new Orange County courthouse after one of our greatest Presidents: Ronald Reagan.

PODBERESKY VERSUS KIRWAN

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ROHRABACHER. Mr. Speaker, on January 31, 1992, the U.S. Court of Appeals for the Fourth Circuit issued a most important decision in Podberesky versus Kirwan, a case concerning the administration by the University of Maryland at College Park of a program of race specific scholarships. The circuit court reversed and remanded a Federal district court decision allowing the race specific scholarship program to stand.

The circuit court, in a unanimous decision, found that the necessary finding of current effects of past discrimination had not been made by the trial court nor was there any such evidence in the appeals record, and that absent such evidence, a race specific scholarship program violated the rights of the plaintiff who was not a member of the advantaged race.

The court said: "Accordingly, we hereby reverse the grant of summary judgment and remand this action to the district court for a determination as to the present effects of past discrimination at UMCP. Should no further evidence be available upon remand, summary judgment for appellant would be appropriate."

This decision is, according to press reports, the first time a circuit court has decided a case concerning the constitutionality of race specific scholarships. It is a signal that race restricted programs are not to be allowed unless they are narrowly tailored to remedy specific present effects of past discrimination.

Although this case involved a scholarship program, it has significant implications for race specific admissions programs. Clearly it is impossible to apply this standard to scholarships and not apply it to college and university admissions policies and practices.

I insert at this point in the RECORD the decision of the U.S. Circuit Court of Appeals for the Fourth Circuit.

[U.S. Court of Appeals for the Fourth Circuit, No. 91-2577]

DECISION

(DANIEL J. PODBERESKY, *Plaintiff-Appellant*, v. WILLIAM E. KIRWAN, President of the University of Maryland at College Park; UNIVERSITY OF MARYLAND, at College Park, *Defendants-Appellees*, STATE OF OHIO; STATE OF IDAHO; STATE OF ILLINOIS; STATE OF SOUTH DAKOTA; STATE OF VERMONT, STATE OF VIRGINIA; STATE OF WEST VIRGINIA; NAACP LEGAL DEFENSE AND EDUCATION FUND, INC., *Amici Curiae*.)

Appeal from the United States District Court for the District of Maryland at Baltimore. J. Frederick Motz, District Judge. (CA-90-1685-JFM)

Argued: October 31, 1991.

Decided: January 31, 1992.

Before Widener and Hamilton, Circuit Judges, and Restani, Judge, United States Court of International Trade, sitting by designation.

Reversed and remanded by published opinion, Judge Restani wrote the opinion, in which Judge Widener and Judge Hamilton joined.

OPINION

Restanti, Judge:

Appellant, Daniel J. Podberesky, appeals from a grant of summary judgment entered on May 15, 1991. Appellees are the president of the University of Maryland at College Park ("UMCP") and UMCP itself, which maintains a race-based scholarship program from which appellant was excluded. Appellant sued for injunctive, declaratory and compensatory relief alleging violations of his rights under the Fourteenth Amendment and 42 U.S.C. §§1981, 1983 and 2000d *et seq.*

Background

Appellant is a nineteen year old Hispanic male who was admitted to UMCP in the fall of 1989. As an applicant to UMCP, appellant had an excellent academic record: his Scholastic Aptitude Test score was 1340, out of a possible 1600; his grade point average as calculated by his high school was over 4.0 (as calculated by UMCP, his grade point average was 3.56), and he actively participated in several extracurricular activities.

Along with this application to UMCP, the appellant requested that he be considered for an academic scholarship.[1] UMCP maintains several scholarship programs, one of which is the Benjamin Banneker Scholarship Program ("Banneker Program" or "Banneker Scholarship"), a scholarship program not based on need, under which a minimum of twenty scholarships are awarded each year. UMCP established the Banneker Program in 1978; however, for the first decade of its existence it was limited in scope. Originally, the program provided two-year scholarships with stipends of $1,000 per year. In approximately 1985, the program was expanded to four-year scholarships. In 1988, the amount of the scholarship was increased to full in-state tuition or cost-of-state tuition, plus room, board and mandatory fees, worth in excess of $33,500 over the four years.

At the time appellant applied for the Banneker Scholarship, the minimum requirements for further consideration under the Banneker Program were a 900 Scholastic Achievement Test score and a 3.0 grade point average. Only students of African-American heritage are considered for the Banneker Scholarship.[2] Appellant's credentials exceed those required for further consideration under the Banneker Program; nevertheless, appellant was not considered for this scholarship because he was not of African-American heritage.

The Banekker Program was intended as a partial remedy for past discriminatory action by the State of Maryland. For many years the State of Maryland maintained a system of higher education consisting of separate racially-segregated institutions.[3] After *Brown v. Board of Education*, 347 U.S. 483 (1954), Congress enacted Title VI of the Civil Rights Act of 1964 which forbids federal fund recipients from discriminating in any manner on the basis of race, color, or national origin. 42 U.S.C. §2000d *et seq.* (1964). In 1969, the Office for Civil Rights ("OCR") of the Department of Health, Education, and Welfare (now the Department of Education) notified Maryland that its higher education system was still segregated in violation of Title VI. If OCR is unable to obtain compliance with Title VI, it is authorized to initiate formal administrative proceedings against the offending institution. OCR has never initiated formal proceedings against UMCP.

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[1] It should be noted that the race-based classification at issue relates to the non-need-based scholarship program voluntarily established by appellee. Thus, this situation is distinguishable from *Ayers v. Allain*, 914 F.2d 678 (5th Cir. 1990) (*en banc*), *cert. granted sub nom. United States v. Mabus*, 111 S.Ct. 1579 (1991), in which black citizens sought mandatory remedies for alleged vestiges of prior discrimination in various components of higher education in Mississippi including "student admissions standards and enrollment, university staff composition, institutional mission, provision and maintenance facilities, allocation of financial resources, curricular offerings and placement of programs, operations of branch programs, allocation of land grant functions, and the composition of the Board of Trustees and its staff." *Id.* at 678.

[2] Applicants not meeting this last criterion are still eligible to compete for the other merit-based, academic scholarship, the Francis Scott Key Scholar Program ("Key Program"). The Key Program provides benefits identical to those given under the Banneker Program to approximately 53 students. In order to be considered further under the Key Program, an applicant must have a "predictive index" of 60. This index is calculated by reference to the Scholastic Aptitude Test score and grade point average. Appellant's predictive index was 59; therefore, he was not entitled to further consideration for a Key scholarship.

Between 1969 and 1974, Maryland submitted three desegregation plans to OCR. After rejecting the first two, OCR accepted the third plan in 1974. In 1975, the Acting Director of OCR informed the state that it was still in violation of Title VI. In 1978, OCR published new guidelines which set forth criteria required for preparation of acceptable plans for post secondary public education.

In 1980, Maryland adopted the Equal Educational Opportunity Plan for 1980–1985 ("1980–85 Plan"), in which it attempted to meet the requirements of the 1978 guidelines. The 1980–85 Plan contained many goals, one of which was a freshmen class at UMCP that included between ten to twelve percent black students by the year 1985. The Banneker Program was not mentioned in this plan. In May 1985. UMCP specifically mentioned the Banneker Program to OCR when it submitted a "Black Undergraduate Recruitment Program." In June 1985, the State adopted the Plan to Assure Equal Post Secondary Educational Opportunity 1985–89 ("1985–89 Plan"). In this plan, Maryland established a goal of fourteen percent black freshmen at UMCP by the year 1989. No mention was made of the Banneker Program.

In its comments to the 1985–89 Plan, OCR noted that UMCP presented "a detailed discussion of recruitment measures which include listings of recruitment tools, outreach strategies, on-campus programs, summer programs, activities to attract prospective black applicants, recruitment visitors and follow-up procedures." Appendix ("App.") at 310. OCR, however, did not directly acknowledge the Banneker Program. In 1987, UMCP submitted a revised "Black Undergraduate Recruitment Program" in which it listed the Banneker Program as an example of the expanded merit-based financial aid for minority students.

OCR is currently visiting public institutions of post secondary education to determine the progress made under the 1985–89 Plan. Maryland states that it will continue to follow the goals set forth in the 1985–89 Plan until a new one is developed. Accordingly, UMCP plans to continue offering the Banneker scholarships to black freshmen.

Discussion

We review a decision granting summary judgment de novo. See e.g. Miller v. Federal Deposit Ins. Corp., 906 F.2d 972, 974 (4th Cir. 1990).

The trial court correctly found that the Banneker Program should be examined in light of the equal protection clause of the Fourteenth Amendment and subjected to a strict scrutiny test. To survive strict scrutiny, as the trial judge noted, an affirmative action plan must serve "a compelling governmental interest" and be "narrowly tailored to the achievement of that goal." App. at 158 (citing Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 274 (Powell, J.) (1986)).

In Wygant, the Supreme Court held that "societal discrimination" was a concept too amorphous in nature to supply the justification for a race-conscious classification. Id. at 276 (plurality opinion). Because of the danger of stigmatic harm, classifications based on race, understandably, must be reserved for remedial settings. City of Richmond v. J.A. Croson Co., 488 U.A. 469, 493–94 (1989).

At issue in *Croson* was a plan adopted by the City of Richmond requiring general contractors who were awarded city construction contracts to subcontract at least thirty percent of the total dollar amount of each subcontract to a "Minority Business Enterprise," a business at least fifty-one percent owned and controlled by individuals of certain specified racial and ethnic minorities. The Court found that the city had failed to demonstrate a compelling governmental interest which justified the plan. Id. at 505. Finding it significant that the city was unable to point to any identified discrimination in the Richmond construction industry, the Court rejected Richmond's claim that past discrimination could justify racial setasides. Id. at 505–06. The Court emphasized that Richmond must have a "strong basis in evidence for its conclusion that remedial action . . . [is] necessary." Id. at 500 (quoting *Wygant*, 476 U.S. at 277).

Classification based upon race must be justified by specific judicial, legislative, or administrative findings of past discrimination, Id. at 497 (quoting *University of California Regents* v. *Bakke*, 438 U.S. 265, 307 (1978)). It is the state that must show the existence of prior discrimination, and a strong evidentiary basis for concluding that remedial action is necessary. Id. at 500.

The district court stated that "[t]he question . . . [is] whether UMCP has demonstrated with sufficient particularity that it has a history of racial discrimination which can justify the Banneker Program's existence." App. at 160. In answering this question, the court found OCR's administrative "findings" concerning the noncompliance of Maryland with Title VI demonstrated past discrimination.[4] The court rejected appellant's view that a formal court or administrative agency finding of noncomplinace was necessary in order to satisfy the evidentiary standard in *Croson*, 488 U.S. 469, finding that *Croson*'s "strong basis in evidence" was satisfied in this case.[5]

Once a court has determined that a state has proceeded upon strong evidence of discrimination in other than the immediate past, the inquiry into the legitimacy of a race-based classification turns to the state's basis for finding continuing effects of such past discrimination. In BAKKE, a case involving explicit racial classifications in the admissions process of a graduate school, the Supreme Court stated that "[t]he State certainly has a legitimate and substantial interest in ameliorating, or eliminating where feasible, the *disabling effects* of identified discrimination." *Bakke*, 438 U.S. at 307 (emphasis added). By focusing the inquiry on the present-day effects, the Court limited the race-based action to redressing the present continuing manifestations of past discrimination. In *Wygant*, the Court continued to emphasize that the legitimate objective behind such affirmative action policies is to remedy "the *present effects* of past discrimination." *Wygant*, 476 U.S. at 280 (emphasis added)(quoting *Fullilove v. Klutznick*, 448 U.S. 448, 480 (1980) (opinion of Burger, C.J.)).

In *Croson*, the Court stated that "if the city could show that it had essentially become a "passive participant" in a system of racial exclusion practiced by elements of the local construction industry, we think it clear that the city could take affirmative steps to dismantle such a system." *Croson*, 488 U.S. at 492. Thus, *Croson* indicates that race-based action may be legitimate governmental action if it is designed to "dismantle" or remedy discriminatory aspects of a system. The Court obviously intended that for a program to withstand scrutiny, there must be some discriminatory effect which could be the subject of present remediation.

Although it recognized that the program could not withstand scrutiny unless the state could cite present effects of past discrimination, the district court wavered at this point. The court began its analysis of present effects by observing that there was "some evidence" that there were *no present effects* of past Title VI violations at UMCP. Specifically, the court noted that in 1989, UMCP exceeded its goal for recruiting black freshmen, and nearly met its goal for retention of black undergraduates. The record before this court indicates that during the academic years 1989 and 1990, more than fifteen percent of the incoming freshmen class was black.

Moreover, the court observed that the President of UMCP testified that, with regard to admission and financial aid, UMCP had not discriminated against blacks for many years. Although the President of UMCP referred to the "lingering effects of historic discrimination" in his deposition, app. at 453, he did not explain what he meant. As indicated in *Croson*, general societal harm is insufficient.

The district court concluded that the effects of longstanding discrimination were so pervasive that it was "premature to find that there are no present effects of past discrimination at the institution." *Id.* at 167A. Later, the district court referred to the "now-dormant specter of past discrimination," *Id.* Based upon this language, it appears that the district court, although recognizing the need to identify some present effect of past discrimination, failed to make a specific finding of such present effect. Rather, it merely found that it would be prudent to keep the race-exclusionary scholarship in place at least until OCR concluded its investigation of UMCP.[6] While this might be perceived as fair to UMCP, it does not satisfy constitutional standards. As indicated earlier, in order to justify a race-based remedy in a case where identifiable discrimination occurred a number of years in the past, a finding of such past discrimination is not sufficient. There must be some present effect of this past discrimination that the program is designed to redress.

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[3] Specifically, black residents of Maryland were limited to attending one of the four "black colleges" in the state: Bowie State, Coppin State, Morgan State, and University of Maryland Eastern Shore.

[4] In the amicus brief of the State of Ohio, et al., it is argued that a state has a compelling interest in the promotion of racial diversity that would support the Benneker Program. The district court did not cite the need for diversity as a basis for this program, and it does not appear that UMCP established the Banneker Program with this goal in mind. Moreover, in *University of California Regents* v. *Bakke*, 438 U.S. 265 (1978), the Court stated that

"The diversity that furthers a compelling state interest encompasses a far broader array of qualifications and characteristics of which racial or ethnic origin is but a single though important element. Pettioner's special admissions program [a set-aside number of places for certain minorities], focused *solely* on ethnic diversity, would hinder rather than further attainment of genuine diversity."

Id. at 315 (emphasis in original). In this case, the scholarship funds are set aside for black students only and ethnic diversity does not appear to be the real interest behind the program.

[5] Stating that "[i]f ever there was an administrative record demonstrating past discrimination, this is it," app. at 161A, the court found that OCR's findings, together with continuing OCR review of UMCP's desegregation efforts, were sufficient to demonstrate a past history of discrimination. The court stated that even if no federal officer knew about or approved of the Banneker Program, it was "largely irrelevant." The court went on to find however, that the fact that OCR reviewed and revised the recruitment plan submitted by UMCP indicated that OCR knew about the Banneker Program.

Conclusion

In determining whether a voluntary race-based affirmative action program withstands scrutiny, one cannot simply look at the numbers reflecting enrollment of black students and conclude that the higher educational facilities are desegregated and race-neutral or vice versa. It may very well be, given the complexities of institutions of higher education and the limited record on appeal, that information exists which provides evidence of present effects of past discrimination at UMCP, but no such evidence was brought to our attention nor is it part of the record. The Supreme Court has declared that in some situations the State may enact a race-exclusionary remedy in an attempt to eliminate the effects of past discrimination. The proper focus at this stage is whether present effects of past discrimination exist and whether the remedy is a narrowly tailored response to such effects.[7]

Judgment for appellees must be based on facts which show that vestiges of past discrimination existed, which made the 1988–90 form of the Banneker Program a legitimate, constitutional remedy on or about the time appellant was denied the opportunity to compete for the scholarship. Accordingly, we hereby reverse the grant of summary judgment and remand this action to the district court for a determination as to the present effects of past discrimination at UMCP. Should no further evidence be available upon remand, summary judgment for appellant would be appropriate.

Reversed and remanded.

HONORING RICHARD PRUSS' 50TH BIRTHDAY AND 25TH YEAR AT SAMARITAN VILLAGE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ACKERMAN. Mr. Speaker, I rise to call the attention of my colleagues to the accomplishments of a truly remarkable person.

Richard Pruss not only believes in the ability of people to overcome the obstacles that face them, but believes he has found ways to help people accomplish their goals. I too believe he has.

Richard Pruss is the vision and the guiding force behind Samaritan Village. Headquartered in my district, Samaritan Village is the oldest and the largest residential substance abuse treatment program in Queens County and the third largest program in the United States. Yet many people have not heard much about Samaritan Village, or about Richard Pruss. Perhaps that is because Samaritan Village is so much a part of Richard Pruss that they both concentrate more on service to the community and the Nation at large than on self-aggrandizement or public acknowledgement.

Samaritan Village has helped tens of thousands of people to live drug-free lives. The therapeutic community concepts that Richard Pruss brought to and helped implement at Samaritan Village allow people to address all of the issues in their life that have brought them to drug addiction—ranging from childhood abuse to illiteracy and from learning disabilities to poverty. Most of the people who have entered Samaritan Village are hard-core drug abusers who lack basic educational and vocation skills and can't function within society. Falling between the cracks, they fail to get the support and direction they need from family, friends or the school system, and so they end up trying to escape from a world they feel they have no place in. They end up drug addicts—then they end up at Samaritan Village.

The family of Samaritan Village becomes a second family that stresses honesty and confrontation as means of identifying and dealing with the issues that have brought people to addiction. After months, stretching into years, they leave Samaritan Village with new values: They're willing to work hard and earn money they used to steal; they're ready to live up to responsibilities they used to disregard; they're prepared to hold a job and contribute to society instead of tearing away at the fabric of our neighborhoods; and most important of all—they're ready to start giving back to the community that has given them so much.

Samaritan Village works. Their war on drugs is waged with time-tested principles that have been proven again and again to be the effective way to change the course of addiction.

It works, because Richard Pruss believes that people have the capacity to change their behavior/and because Richard Pruss empowers them to do just that. He is a tireless advocate for drug abusers, the homeless, people with HIV infections, pregnant women, and children. He has appeared numerous times in Washington to testify as an expert witness before our congressional committees and subcommittees. He is someone we call upon when we need help in knowing how to address the needs of the people of this Nation. He is someone my constituents call upon when they need help in knowing how to address the needs of themselves, or people in their lives. He is a friend to us all.

This is not a role he is unfamiliar with. Richard Pruss has always been someone to turn to. In 1962, just 2 years out of high school, while studying at the Jewish Theological Seminary, he was asked by the local rabbi in his home town of Mastic Beach to co-officiate at high holy day services with him. Shortly thereafter, when the town's rabbi left, they asked Richard Pruss to become their rabbi. He helped to see that the temple expanded its ability to serve the needs of not only Jews, but everyone in the community as well.

Three years later, in 1965, something happened that changed not only Richard Pruss' life, but thankfully, served to change the lives of countless people as well. Richard Pruss heard a radio report about a drug program in Queens that was trying to open a counseling program but was being picketed by angry neighbors. Although he knew nothing about the program, nothing about drug addiction, and certainly had nothing in the way of spare time to offer, he decided to visit the program and see if he could help by volunteering some of his time.

He made his way through the angry crowd and walked inside the door where he was introduced to the two directors of the program. One was Father Damian Pitcaithly, an Episcopalian priest who had been one of two fellow clergymen to attend the ground breaking ceremony for the addition at Pruss' temple, the other was Rabbi Richard Schachet, whom Pruss had known when they were both student rabbis and had participated in several joint projects together. It was an unusual reacquainting because although they both knew Richard Pruss, neither man at the program ever knew that the other one did.

Whatever it was that brought Richard Pruss to that program that day and whatever it was that arranged for that unexpected reunion also never let him leave. He once told me he felt:

> There's a certain almost mystical quality to it—suddenly meeting two men I hadn't seen for so long and then finding them working together to help young people. I don't know how or why it happened. I do know that my career choice was made right then and there.

In addition to his duties for his congregation, Richard Pruss also volunteered at the program for about 1½ years. He saw that when the shouting was over and when the program finally opened, many of the same people he'd seen outside carrying protest signs in their hands and shouting hate from their lips, he now saw inside carrying their children in their arms and crying tears from their eyes.

During his first few years with the program, he offered kids caught in the judicial system an option, a way to break the cycle of drugs, crime and despair. He offered them help. Richard Pruss worked closely with judges, prosecutors and defense attorneys to identify young people who might be better served by drug treatment than by prison. Almost 30 years later, Richard Pruss still believes in this concept and Samaritan Village, under his direction, participates in the Brooklyn District Attorney's Drug Treatment Alternative to Prison Program that offers second felony offenders a drug-treatment alternative.

With no funding, only volunteers and donated supplies, the evening program limped along—doing what it could to help. When Rabbi Schachet was asked by Governor Rockefeller to work for New York State as it began addressing issues of drug abuse in the late 1960s, Richard Pruss agreed to become the deputy administrator and, on May 23, 1967, began his paid career at the Samaritan Halfway Society, as it was called then.

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[6] The district court found that although "an indefinite program would violate the equal protection clause . . . at least until OCR has determined that UMCP is in compliance with Title VI, the Banneker program's continuing existence does not offend the Constitution." App. at 169–70A.

[7] On appeal, appellant has also contended that the Banneker Program is now narrowly tailored and that he is entitled to an order requiring UMCP to consider him for a Banneker Scholarship. The program may be valuable as a recruitment tool, but the value of the much-expanded program as opposed to the program in its more limited form or other non-race-based remedies is not clear. Because we are remanding the case for further determination we do not resolve these issues at this time.

His introduction to the field came the next day when a young doctor named Mitchell Rosenthal came to Samaritan along with several ex-addicts from Synanon, a drug abuse treatment program from the west coast. For the next few weeks, he virtually lived at Phoenix House, a residential therapeutic community headed by Dr. Rosenthal. He saw people who had never cried before, cry openly as they reflected on their lives and discussed their futures. He saw group therapy sessions where feelings of hostility and self-doubt were turned into goals of accomplishment and fierce determination.

He learned about methods to change people's values and he took them home to Samaritan. He met with some resistance, but stuck to his belief that what he saw was the right way to go. He also knew that it had to be made more widely available if lives were going to be saved. He hired two ex-drug addicts who had graduated from Daytop Village's treatment program and began to model treatment methods after those in use at Daytop. He hired two people who had been working at New York City's Addiction Services Agency. They were to serve as counselors, advisors, and role models for addicts wishing to recover. The evening program and day treatment model were being asked to do the impossible—they were trying to change years of doubt and frustration in a few hours a week. Samaritan, if it were to make a difference, would have to change. Richard Pruss knew it and set out to see that it happened. With modest grants from New York State and New York City to support the existing day and evening programs, he enlisted private and community sources to help him accomplish his next step.

A little over a year after Pruss started working there Samaritan opened its first residential therapeutic community with 12 residents. Since that time, it has expanded its capacity many times over. Today Samaritan operates 6 residential treatment facilities with a capacity of almost 800 beds. In 1974, Father Pitcaithly retired and Richard Pruss became the president of Samaritan.

In the 1970s, the growth of Samaritan, and of the entire field, led to the creation of Therapeutic Communities of America. Developed by Mr. William O'Brien, the president of Daytop Village, this organization, still in existence today, strove to enable people working in therapeutic communities all across the United States to have ways to exchange treatment concepts and better serve their neighbors. Richard Pruss, who served as president of this organization from 1980 through 1984, helped to found, direct and shape the future of this important information resource.

In addition, in 1977, Pruss helped to form the New York State Association of Substance Abuse Programs, a coalition of more than 400 prevention and treatment providers in New York State, serving the needs of tens of thousands of drug addicts and their family members as well. Currently serving his second term as president of this organization, Pruss stresses that treatment today, in 1992, must also include education and counseling for the family members of those in treatment. He wants to see his vision of therapeutic community concepts applied to the community at large.

Richard Pruss helped organize and led the "City of the Forgotten" demonstration in the State capital of Albany, NY. Thousands of people in treatment, their family members, and drug addiction and prevention treatment staff lived in the State Capitol continuously for several weeks, sleeping outside and keeping a constant vigil—reminding those in the executive and legislative branches where addicts came from and would return to if funding was eliminated. It was during this time that programs across New York decided to organize the New York regional chapter of Therapeutic Communities of America. Pruss served as its president from 1985 through 1989, helping to see that the solutions to the unique issues that arose when treating addiction in New York State were shared with colleagues quickly.

Richard Pruss, and the staff at Samaritan Village, are leaders and educators in the field of addiction services, sending major contingents of published speakers to the World Conference of Therapeutic Communities' annual conferences.

His belief in the free flow of ideas is not limited to addicts in therapy groups, he has translated this important treatment tenet to the professionals who serve the addicted population. He has ensured that the latest and most effective treatment and prevention methods are discussed and shared, and has consistently supported any and all organizations that seek to promote a better understanding of addiction. He has served on the New York City Board of Education Narcotics Advisory board, the Narcotics Steering Committee of the Borough of Queens, the Advisory Committee of Comprehensive Care Systems of Greenwich House, Inc., the Governor's Narcotics Advisory Board, and the National Association for Public Continuing and Adult Education.

He is currently a member of the New York State Substance Abuse and Addiction Counselor Credentialing Advisory Board and the New York State Alcohol, Drug Abuse, and Mental Health Block Grant Advisory Council.

Richard Pruss is an active board member of the Legal Action Center, an invaluable resource used by myself and many of my colleagues when we need information on drug abuse issues. He is also serving as the treasurer of the World Federation of Therapeutic Communities. In addition, he is president of Project Samaritan, Inc., partners in H.E.L.P./Project Samaritan, Inc. [HELP/PSI], the world's first residential health care facility for substance abusers living with AIDS, a unique and bold experiment where nursing-home level medical care is provided within a therapeutic community treatment model. On-site medical care, available at the HELP/PSI facility out of necessity is also available at all of the Samaritan Village residential facilities. Richard Pruss sees to that. He believes that access to primary health care, vocational training, education, group and individual counseling and a wide range of other services are what helps the dedicated staff of Samaritan Village help their neighbors. He must be right, because it's working. And it's been working for the 25 years he's been in the field doing it.

Richard Pruss has been honored and recognized for his tireless service many times. The New York Urban Coalition/New York State Substance Abuse Conference presented him with the "Drug Fighter of the Year Award" in 1984. In 1985, he received the "Outstanding Service to the Field of Drug Abuse" award from the Alcohol and Drug Problems Association of North America. In 1987, the Knights of Pythias recognized his dedication to helping others with their "Distinguished Service Award."

It is, however, the honor he will be receiving this year that seem most special to this humble man who does not strive for honor at all. The Friends of Samaritan—parents, children, grandchildren, spouses and friends of people in and graduated from treatment at Samaritan Village—will honor Richard Pruss for his leadership and his patient nurturing of their family members and of the rest of us as well. He will be saluted on not only the occasion of his 25th anniversary at Samaritan Village, but his 50th birthday as well. These two milestones could not go unnoticed by his peers, by Samaritan Village's fine staff, or by those people he believed in even when they had lost their belief in themselves. And while there will be many commemorations and occasions recalling his achievement, no honor will be as special or as meaningful to him as the knowledge that everyday there are thousands of people alive who wouldn't be if it weren't for him and every day there are thousands of people not doing drugs who never thought they could live without them.

I ask my colleagues in the House of Representatives to rise and applaud this man who wants to help and is willing to roll up his sleeves and get to it.

MAINTAINING U.S. AIR SUPERIORITY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. DORNAN of California. Mr. Speaker, I would like to bring to the attention of my colleagues two articles that appeared side by side in this week's Aviation Week & Space Technology concerning the growing threat to this Nation's superiority in the skies.

First, I would like to highlight am article entitled "Iran Rebuilds Air Force With Russian Aircraft." According to the article, Iran has recently purchased 20 Mig-29 Fulcrum jet fighters, as well as Mig-31 Foxhound interceptors and Su-24 Fencer attack aircraft. These top-of-the-line aircraft, along with the approximately 120 Soviet-made aircraft that were flown to Iran from Iraq during Desert Storm, will give Iran a large and modern Air Force capable to threatening the entire Middle East, as well as any current American force that may deploy to the region. With potential adversaries such as Iraq obtaining highly advanced jet aircraft in large quantities, I can think of no better reason to proceed with America's next generation air superiority fighter, the F–22 Super Star.

The F–22 will be the F–15 Eagle of tomorrow, capable of fighting and defeating the best aircraft the enemy may fly, even in superior numbers. The F-22 will improve upon the speed and agility of the F-15 while incorporating the latest in stealth technology to evade enemy radar and surface-to-air missiles. Without the F-22, our brave pilots will be forced to fly aircraft that at best, are no better than the most advanced enemy fighter and at worst, may be greatly outnumbered.

The second article I would like to highlight concerns a European requirement for an advanced airlift aircraft. An artist's conception of this new aircraft bears a striking resemblance to our own new airlifter, the C-17. I make this point because as we wait and debate the need for a new airlifter, others are proceeding ahead with this technology, threatening to leave our country, always a leader in aerospace design, well behind.

We should aggressively proceed forward with the C-17. The airlift requirement is clear, and the solution is even clearer, and that solution is the C-17. If we miss this opportunity, others are more than adequately prepared to step in and offer alternative designs.

If we want to maintain this country's superiority both in the skies and in the aerospace industry, superiority that has been vital to our success over nearly the last century, we must proceed with revolutionary aerospace programs such as the F-22 and C-17.

CONGRATULATIONS TO PORTSMOUTH HIGH SCHOOL BOY'S SOCCER TEAM

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate the Portsmouth High School boy's soccer team on winning the Rhode Island State Division 1-B Soccer Championships. Portsmouth last won the Rhode Island State soccer title in 1978.

Portsmouth clinched the title by defeating Mount Pleasant High School in a suspenseful, shootout overtime. With the score tied at the end of regulation play, the teams played 20 minutes of scoreless overtime. During the final shootout, Portsmouth outscored Mount Pleasant 4-3 to secure the title.

Portsmouth finished the successful season with a 13-1-2 record and reached the State championships by defeating North Smithfield 2-0 and Central Falls 1-0.

Portsmouth also placed five players on the State all tournament team, Mike Lynch, Ryan Angel, Shane Richard, Nick Lauteri, and the tournament's most valuable player Derek Lauteri.

I send my sincerest congratulations to the entire Portsmouth soccer team and Coach Steve Stinton, for winning the Rhode Island State Division 1-B Boy's Soccer Championships. I wish you all the best in your future endeavors.

A TRIBUTE TO LT. WALTER J. COLFER

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the fine work and outstanding service of Lt. Walter J. Colfer. Lieutenant Colfer is the commander of the court services division of the sheriff's department in San Bernardino County. He will be recognized for his many years of public service and dedication to the community at a retirement dinner in March.

Walter has had a very distinguished career as a law enforcement officer. He began this career with the Illinois State Police, 5 years later transferring to the Chicago Police Department. In 1965, Walter moved to the San Bernardino County Sheriff's Department where he has held various positions. These positions include patrolman, detective, sergeant, sergeant/second-in-command of the Sheriff's Academy, lieutenant, executive officer/second-in-command, and finally, lieutenant-in-command/court services division. All told, he has served more than 34 years on the force.

While on the force, Walter headed the team that founded the Officer's Survival Program and he also founded the sheriff's SWAT team. For his devotion and exceptional service Walter has been duly rewarded. He was given the Medal of Valor in 1963, from the Illinois State Police in Springfield. The Chicago Police Department awarded him a Commendation of Valor in 1964 and, from the San Bernardino Sheriff's Department, he received awards of Meritorious Service and Operations Manual Development and Implementation.

Besides his outstanding career achievements, Walter has also dedicated himself to helping the community in social ways. He has played an active role in American Youth Soccer Organization [AYSO] as regional commissioner, chief referee, and staff national referee instructor. Additionally, he has functioned for the National Collegiate Athletic Association/California Inter-Scholastic Federation as both a college and high school level official and soccer referee assessor, and his involvement in the U.S. Soccer Federation dates back many years. His membership in the Red Cross is not only as a CPR and first aid instructor and member of the chapter board of directors but also as the chairman of the San Bernardino County Chapter. For the United Way, Walter is a member of the allocation and evaluation committee. He also is on the board of directors and chairman of the board of trustees for the Bethlehem House, a house that runs a residential domestic violence intervention program. Finally, Walter is on the board of directors for the Volunteer Center of the Inland Empire.

Mr. President, I ask that you join me, our colleagues, friends, and family in recognizing the many contributions of an extraordinary man, Walter J. Colfer. Walter's dedication and many years of service to the community are certainly worthy of recognition by the House today.

TRIBUTE TO CAPT. ARTHUR D. CLARK

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ANDREWS of New Jersey. Mr. Speaker, later this month Capt. Arthur D. Clark of the U.S. Navy will be retiring. Since June 1988, Captain Clark has served our Nation by running the Philadelphia Naval Shipyard, and by making it the most efficient public shipyard in the country. As a tribute to this fine American, I am submitting for the RECORD his biography.

CAPT. ARTHUR D. CLARK, U.S. NAVY

Born in Yonkers, New York on April 20, 1941, Captain Arthur D. Clark was raised in Catonsville, Maryland and is a 1963 graduate of the U.S. Naval Academy in Annapolis.

Captain Clark took over the helm of the Philadelphia Naval Shipyard on June 18, 1988 with a background truly suited for his new command.

His first tour as a Naval Officer took him to the USS J. R. PIERCE (DD 753) where he worked in main propulsion and damage control. In April 1965, he was a student at the U.S. Naval Destroyer School which was followed by a two-year assignment as Weapons Officer aboard the USS NICHOLAS (DD 449). From the NICHOLAS, he went to San Diego, California to serve as Operations and Plans Officer on the staff of Destroyer Division 212.

In April 1971, Captain Clark earned his Masters Degree in Operations Research from the U.S. Navy Post Graduate School in Monterey, California. He followed that with a tour as a student at the Navy's Development and Training Center in San Diego before returning to sea as Engineering Officer aboard the USS WHITE PLAINS (AFS 4).

Beginning in November 1973, Captain Clark spent two years as Staff Assistant to the Commanding Officer for Resource Planning at Navy Command System Support Activity in Washington, DC. While there he earned his Engineering Duty Officer designator. In October 1975, he went to Pearl Harbor as Supervisor Shipbuilding (SUPSHIP) Assistant. That position was followed by a February 1977 assignment to Pearl Harbor Naval Shipyard as Type Desk Officer for surface ship overhauls and then as Planning and Estimating Superintendent. He returned to sea in January 1980 as the Engineering Officer aboard the USS JOHN F. KENNEDY (CV 67).

Before reporting to the Chief of Naval Operations in January 1983 as CV-SLEP Project Officer, Captain Clark spend six months as Assistant CV-SLEP Project Officer at Naval Sea Systems Command in Washington, DC. From the Pentagon he went to Mare Island, California to become Commanding Officer of the Engineering Duty Officer School. Immediately before coming to Philadelphia, he was Production Officer for the Charleston Naval Shipyard.

Among his numerous decorations, Captain Clark wears the Meritorious Service Medal with two stars, the Navy Achievement Medal with "V," the Navy Commendation Medal, the Vietnam Service Medal and the Vietnam Campaign Medal with six bronze stars.

He is married to the former Merle Arnold of Philadelphia. They have two sons, Gregory and Jeffrey.

TRIBUTE TO MARY ANN NEELEY, HISTORIAN AND PRESERVATIONIST

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. DICKINSON. Mr. Speaker, today I would like to pay tribute to Mrs. Mary Ann Neeley, director of the Montgomery, AL, Landmarks Foundation, Landmarks Foundation was organized in 1967 by Montgomery area businessmen and residents interested in preserving Montgomery's rich historical tradition and architectural heritage. Mrs. Neeley served as a volunteer for Landmarks before being hired by the city of Montgomery as its director in 1978.

As Landmarks' director, Mrs. Neeley has been an important mover and organizer of preservation projects in Montgomery, and she has been instrumental in developing the centerpiece of Alabama's preservation achievements, Old Alabama Town. Old Alabama Town, formerly known as the Old North Hull District, is a collection of over 30 historic buildings, many of which have been brought from locations throughout central Alabama, restored to original condition, and opened for viewing by tourists. An afternoon spent exploring the many sights treats one to the experience of strolling through a 19th century Alabama town as well as to an interesting survey of the diversity and development of architecture in the South. The structures at Old Alabama Town include an Italianate townhouse, on its original site with original dependencies and gardens, two antebellum plantation homes, a former's Grange hall, a shotgun house, two dog trot houses, a log cabin, barn, country store, school, church, doctors's office, and several other typical town and country homes. Lusas Tavern, which was visited by Lafayette on his tour through Alabama, serves as the welcome center. The newest addition to the collection is a cotton gin which will be housed in a replica 19th century gin house.

Though the historic district is the diamond of Mrs. Neeley's efforts, it by no means is her only project. She was active in a historical survey of Montgomery homes and businesses and is known throughout the area for the depth and breadth of her knowledge of Montgomery and its history. Beginning her career in history as a teacher at Goodwyn Junior High School, Mrs. Neeley completed a master's degree at Auburn University and now serves as an adjunct professor at Auburn University at Montgomery. She is the coauthor, with Beth Muskat, of "The Way It Was, 1850–1930: Photographs of Montgomery and her Central Alabama Neighbors," and wrote the touring section for M.P. Wilkerson's "The Best of Montgomery: A Touring and Dining Guide." She has published articles in historical journals and recently served as the president of the Alabama Historical Association. Mrs. Neeley was honored as one of Montgomery's Women of Achievement in 1986. She has also served for 16 years as a member of the Montgomery Historic Development Commission.

Recently, a former student of Mrs. Neeley's suggested that Mrs. Neeley should hold the classification of the mother of Alabama history. Mrs. Neeley laughs at this idea, however, recognizing that her own love of history grew out of the rich experiences provided for her by her own parents and grandparents. Her efforts on behalf of Montgomery and Alabama history are for her an attempt to provide these experiences to younger generations. Writing recently about becoming a grandmother for the third time, she expressed her commitment to the Southern tradition of families and friends sharing the past sitting on the front porch in summer and around the fire in winter. It is a tradition she tries to keep alive with her own: Faced with the truly awesome responsibilities of grandparenthood, I've decided the best I can do is love and enjoy the children, spend as much time with them as possible relish my own grandparents as models, try to achieve as much as possible while hoping that a portion of the multitude of things I want to pass on will stick.

I ask Members of Congress to join with me in paying tribute to Mary Ann Neeley. Through all of her contributions she has truly become a grandmother of Alabama history to us all, teaching us to know, to preserve, and to love our Alabama heritage.

WHOSE WEST BANK IS IT?

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. GREEN of New York. Mr. Speaker, it is my hope that in the coming days Congress may finally be able to consider the question of whether to support Israel's request for loan guarantees to assist that nation with the absorption of refugees from Eastern Europe, the former Soviet Union, and Ethiopia. The rescue of an oppressed and endangered people from the former Soviet Union and elsewhere, which the United States has demanded and orchestrated for two decades, cannot be delayed, and I sincerely hope that my colleagues here in Congress will approve the loan guarantee assistance expeditiously.

Over the past 2 years, Israel has absorbed more than 400,000 immigrants. Clearly, that nation alone cannot shoulder the costs of such a massive population influx. The loan guarantees would impose no cost to the United States taxpayer since our Government is not actually lending money, but merely acting as a guarantor of commercial loans that the Government of Israel would contract on the commercial market. The Government of Israel intends to cover the nominal bookkeeping costs involved. Through the loan guarantee program, Israel is not seeking direct United States aid, but rather, a cost-effective way to meet the immense challenge of providing for the refugees.

Some have sought, unwisely and maliciously, to link the Israeli request for this humanitarian aid with the issue of settlements and the Middle East peace talks. This is an extremely dangerous position to take, because those who subscribe to this view risk subjecting tens of thousands of Jewish refugees to further persecution and hardship.

We in Congress and the administration must honor the promise of freedom we have held out to Jews across the world who, for decades, have lived behind a religious and cultural Iron Curtain. In 1991, the entire Albanian Jewish community was airlifted to Israel. The Bulgarian Jewish community is now leaving for Israel, joining thousands of Jews from throughout Eastern Europe. Last May, in a dramatic 36-hour airlift, 14,000 Ethiopian Jews were brought to Israel. During the entire 1980's, when less than 30,000 Jews were allowed to flee the Soviet Union, Congress and successive administrations steadfastly petitioned for their freedom. During 1990 and 1991, immigration from the Soviet Union topped 325,000. Our hard work had finally borne fruit. We cannot walk away now.

More broadly, linking United States support for Israel—humanitarian or otherwise—to the question of settlements punishes our longstanding ally Israel without taking any action against the real causes of instability in the region—most notably, the military, economic, and political state of war that Arab nations have maintained against Israel since its inception.

Further, such linkage is based on a false premise and a misinformed view of the region's history. No nation today claims sovereignty over either the West Bank or Gaza, and Israel, therefore, is not an occupying power as defined under the Fourth Geneva Convention. Before Israel came into existence, the territory was Britain's, under a League of Nations mandate. Britain relinquished sovereignty when the United Nations passed its partition resolution. Egypt then occupied Gaza, and Jordan the West Bank. Egypt never claimed sovereignty over Gaza. While Jordan claimed sovereignty over the West Bank, only Britain and Pakistan acknowledged it and Jordan ultimately withdrew its claim.

Under President Reagan, U.S. policy recognized the right of Jews to live wherever they choose. Specifically on the issue of settlements, soon after he took office, President Reagan said, "As to the West Bank, I believe the settlements there—I disagree when the previous administration referred to them as illegal, they're not illegal. Not under the U.N. resolution that leaves the West Bank open to all people—Arab and Israeli alike, Christian alike."

Moreover, the United States provides aid to Israel because of the long-term friendship our two nations have enjoyed, and because aid to Israel is in our own Nation's best interests. Secretary of Defense Cheney has said, "We do not consider our relationship with Israel to flow in only one direction. The United States provides aid and assistance to Israel, but we also get national security benefits in return."

History has proven that the presence or absence of settlements does not affect Israel's commitment to making peace with her Arab neighbors. Under the Camp David accords, Israel gave up not only settlements, but also vast oil reserves and strategic air bases. Conversely, the absence of settlements before 1967 did not bring Israel's Arab neighbors to end their state of war with Israel.

Because I believe that this issue is of such immense consequence, I commend to my colleagues the following piece by Cynthia Ozick which was published in the New York Times on February 19:

WHOSE WEST BANK IS IT?

(By Cynthia Ozick)

It was once an axiom that Palestinian meant Jews. The Palestine Post was a Jewish newspaper. The soldiers who fought with the Allies in Egypt and Italy in the Jewish Brigade were referred to as Palestinians. The Palestine Pavilion at the 1939 New York World's Fair was Zionist.

Arabs in Palestine at that time never used the term Palestinian for themselves; they saw no shame in being known as Arab. Arab suggests a proud—and wide—unity of culture. Palestinian, nowadays applied to some Arabs, declares a narrow contemporary political program, a point no one emphasizes more than the Palestinians themselves.

Yet from a historical view, the terms Palestine and Palestinian have always been misnomers. Palestina—Latin for Philistine—was the label spitefully affixed to the land by the Roman conquerors who in the year 70 drove out and scattered the Jews. The name intended as an offense became entrenched as axiomatic—though it was inherently illegitimate. Jerusalem was restyled Aelia Capitolina, in a corrupt desire to bury history. Still, where there were once Israelites, today there are Israelis: the links of Jewish national independence have been reconnected in a proper noun, and the old Roman malice is undone.

But if Roman malice seems too stale to bother thinking about, consider that an identical process is going on before our eyes. In less than 50 years, through revisionist polemics, verbal usurpations and powerful transmogrifications of language, creeping redefinitions are once again turning into primordial international axioms.

Like Salvador Dali's melting watches, certain terms have grown surreal: shapeless, unstable, even unpredictable. In the Middle East imbroglio, the names and meanings of things can no longer be counted on. Language, of course, inexorably changes, even from one generation to the next. But when terms become jelly overnight, it is no natural evolution we are witnessing. It is, rather, the adroit hand of the politically reformulating artist: a lexical prestidigitator with an axiom to grind.

That hand is at work in the reformulation of the meaning of "occupied territories," now almost universally applied to the land west of the Jordan River.

The term has become central to discussions of the peace process. It is heard every day from the White House, in the United Nations, and out of the mouths of newscasters. It has long been the staple of journals worldwide. It is the nucleus, the indispensible premise of the Palestinian delegation. It is a locution so publicly accepted, so triumphant everywhere, so wholly organic in political terminology, that to dare to challenge it seems quixotic.

But like the old Roman malice, it is also cynically programmatic—an international mendacity justified neither by history nor by any normal understanding of language and law.

We used to know exactly what an occupied territory was. When Nazi Germany took over the Netherlands, an internationally legitimate and historically recognized independent nation, the Netherlands unquestionably became occupied territory. What made it so was precisely its prior sovereign status.

Since the demise of the Ottoman Empire after World War I, however, the unallocated territories known as the West Bank (a colorless, if not necessarily neutral, geographical designation) have never had any internationally recognized sovereign status.

They have never been recognized by any international body as belonging to any Arab state or to any claimant group. The British Mandate's authority over them, intended as purely administrative and temporary, was dissolved by the U.N. in 1947. Their partition designating an Arab share was violently nullified by the Arabs themselves.

Their seizure by Jordan between 1948 and 1967 was never internationally conceded; not a single Arab state acknowledged Jordan's claim to the West Bank, which, in any case, Jordan itself finally renounced. Under U.N. Resolutions 242 and 338, Israel continues to have an internationally mandated obligation, until there are peace treaties, to keep civil order in the lands that fell to it as a consequence of the 1967 and 1973 Arab assaults—wars instigated to wipe out the Jewish state. Except for the Golan patch, currently subject to negotiations, these areas have never been formally or informally annexed by Israel.

The fact is, then, that for more than 70 years there has never been a legally acknowledged claimant to the territories west of the Jordan River. And since, in logic and law, there can be no occupation without prior sovereignty, how does one account for the axiomatic use of the term occupied territories?

What is at issue is disputed acreage. Its national ownership is at this moment unresolved. Its disposition remains undecided in international law. Fairness in usage, accordingly, would be to avoid words reflecting the political agenda of one party only, and to choose instead language that is neither polemical nor tendentious, free of hidden advocacy and favoring neither Israelis nor Arabs.

To continue to accept as axiomatic "Israel-occupied West Bank," or "occupied Palestinian lands" is anything but neutral. It is, willy-nilly, to pander to the P.L.O. narrative and to work to legitimize it.

Equally axiomatic—equally unexamined—is the notion of settlements in the unallocated lands as applying exclusively to Jewish activists. Beginning 8 or 10 years ago, travelers through the uninhabited West Bank hills would be startled by the sight of vast, ghostly stone villas rising out of the barren earth, grand pink or white Gatsbyan edifices, balconied, filigreed, vacant—financed, it was said, by P.L.O. millions (via Saudi Arabia), and designed to fill unpopulated land.

Since then, Arab counter-settlement in the territories, almost wholly unreported, has grown to exceed Jewish building by 600 percent. It is the fever and the dread of the race to build on empty tracts that finally brought West Bank Arabs to Madrid; on their own testimony, Jewish settlement activity has been the facilitator of, not the obstacle to, their belated willingness to talk.

The stirring yet deceptive human rights vocabulary of P.L.O. proponents like Hanan Ashrawi falls to ashes when one confronts the odds against equal civil status, or any status at all, for Jews in her putative Palestinian state.

One need not be a cheerleader for Israeli settlement policy to understand that the Palestinian demand for an immediate and permanent freeze or dismantling can mean one thing only: Jews now living in these areas would presumably be shipped out. It is a likelihood prefigured not only by the Palestinian outcry against their continued presence but also by the politically influential precedent of other Arab states whose thresholds no Jew may cross.

Approximately 800,000 Arabs, Christian and Muslim, live in democratic Israel. If still another Arab state axiomatically hostile to diversity came into being under a Palestinian aegis, would Dr. Ashrawi, for instance, wish to apply to the Arab citizens of Israel the Palestinians' own formula for Jews in the territories? Should a distaste of pluralism—ideally for peoples living amicably intermixed—become the standard? As axioms go, this one is unacceptable.

In closing, let us remember the facts, not the fiction, when considering whether to approve the Israeli loan guarantee request. Let us not turn our backs on world Jewry, nor on our Nation's most reliable and longstanding ally in the Middle East.

AMERICAN HEART MONTH

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. PURSELL. Mr. Speaker, I rise to remind my colleagues that not all proclamations go unrecognized. Appropriately this Valentine's Day in a signing ceremony in the Oval Office, President Bush, a former American Heart Association volunteer, declared the month of February as American Heart Month. This tradition started in February 1964 as a result of a 1963 congressional resolution requesting the President to designate each February as American Heart Month, showing the seriousness of cardiovascular diseases, including heart attack and stroke—still the leading cause of death in the United States.

The American Heart Association, a nonprofit, voluntary health organization, reports that in 1992 cardiovascular diseases will claim a life every 34 seconds in the United States for a total of nearly 1 million deaths. According to the AHA, these diseases kill nearly as many Americans in this country as cancer, AIDS, accidents and all other causes of death combined. Preventing cardiovascular diseases is critical to the American Heart Association's mission, the reduction of disability and death from cardiovascular diseases and stroke.

The AHA, along with the National Heart, Lung, and Blood Institute [NHLBI] and the National Institute of Neurological Disorders and Stroke [NINDS], has made significant inroads in curtailing the age-adjusted mortality rates from these diseases through research, prevention, and education programs. According to the AHA, from 1979 to 1989 the age-adjusted death rate from coronary heart disease fell 30 percent and that from stroke fell 31.5 percent. Despite these gains the AHA emphasizes that in the corresponding period, the actual number of deaths from cardiovascular diseases fell only 2.6 percent. Much of this decline is attributed to preventive measures, such as controlling risk factors of cardiovascular diseases, including smoking, elevated blood cholesterol, high blood pressure, and diets high in saturated fats and cholesterol. Examples of successful cardiovascular disease prevention programs include both the NHLBI's National High Blood Pressure Education Program and the

National Cholesterol Education Program, which correspond to the AHA's Physicians' Cholesterol Education Program, the Cholesterol Education Program for Nurses, and the Heart Rx Program.

The slogan of the 1992 American Heart Month, "this emergency demands urgency," emphasizing that many heart attack and stroke deaths could be prevented if victims receive immediate medical attention, fits well with the NHLBI's newest educational program: the National Heart Attack Alert Program. It focuses on teaching health care professionals and their patients about warning signals of heart attack and the importance of prompt education and treatment. According to the American Heart Association, more than 300,000 Americans a year die from heart attack before they reach a hospital. Studies show that half of all heart attack victims wait more than two hours before getting assistance.

I salute the accomplishments of the American Heart Association and the National Heart, Lung, and Blood Institute; however, I stress that much more needs to be done because cardiovascular diseases remain the No. 1 killer in the United States. According to AHA estimates more than one in four Americans suffer from one or more cardiovascular diseases at a projected cost in 1992 of $108.9 billion in health care costs and lost productivity.

During the celebration of American Heart Month, I urge my colleagues to provide the resources to take advantage of the scientific opportunities that advance the battle against cardiovascular diseases, including heart attack and stroke. Many proclamations go unrecognized, but because of the seriousness of cardiovascular diseases, this year's Presidential proclamation, declaring February 1992 American Heart Month follows:

AMERICAN HEART MONTH, 1992

A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Since our first annual observance of American Heart Month just over 25 years ago, our Nation has made substantial progress in the fight against cardiovascular disease. According to the American Heart Association, a not-for-profit volunteer health agency, age-adjusted death rates from heart attack declined by almost 51 percent between 1963 and 1988. During the same period, the death rate from stroke dropped even further, by close to 61 percent. Advances in both the prevention and the treatment of cardiovascular disease have saved lives.

Despite the success of related research and nationwide public awareness campaigns, diseases of the heart and blood vessels continue to claim the lives of nearly 1 million Americans each year. In fact, heart attack, stroke, and other forms of cardiovascular disease remain our Nation's number one killer.

The American Heart Association reports that more than 69 million Americans currently suffer from one or more forms of cardiovascular disease, including high blood pressure, coronary heart disease, rheumatic heart disease, and stroke. While many people mistakenly assume that heart disease occurs primarily in old age, studies show that 5 percent of all heart attacks occur in people younger than age 40, and more than 45 percent occur in people younger than age 65.

Cardiovascular disease can affect people of any age, race, or walk of life, and women as well as men. Its toll in terms of individual pain and suffering is incalculable. Its cost to our Nation, in terms of health care expenses and lost productivity, totals in the billions of dollars.

Today concerned organizations in both the public and private sectors are working to save lives and to help alleviate the wider impact of cardiovascular disease. Through the National Heart, Lung, and Blood Institute, the Federal Government has spent millions of dollars on educational programs and on research into cardiovascular disease. The American Heart Association estimates that it has invested nearly 1 billion dollars in research since it became a national voluntary health organization in the late 1940s. That investment has been made possible by the generosity of the American public and by the dedicated efforts of the Association's 3.5 million volunteers.

Thanks, in large part, to ongoing support from the Federal Government and from the American Heart Association, physicians and scientists have been able to make many important advances in cardiovascular health care. Public and private funding has also led to the development of effective educational programs, which have enabled more and more Americans to learn what they can do to avoid heart attack and stroke.

Today, for example, we know how important it is to avoid the use of tobacco products, in particular, smoking. We are especially aware of the dangers of smoking among young people. We also know that controlling one's blood pressure, maintaining a diet low in fat and cholesterol, and exercising regularly are all prudent ways of reducing the risk of cardiovascular disease.

Encouraged by the progress that we have made thus far, and recognizing the need for continued education and research, let us pause this month to strengthen and renew our commitment to the fight against cardiovascular disease. After all, the many programs and activities that are conducted during American Hearth Month offer lessons for life.

The Congress, by Joint Resolution approved December 30, 1963 (77 State. 843; 36 U.S.C. 169b), has requested that the President issue an annual proclamation designating February as "American Hearth Month."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the month of February 1992 as American Hearth Month. I urge all Americans to join in observing this month with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this fourteenth day of February, in the year of our Lord nineteen hundred and ninety-two, and of the independence of the United Sates of America the two hundred and sixteenth.

GEORGE BUSH.

CONGRESSMAN KENNETH J. GRAY: CITIZEN OF THE YEAR

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. POSHARD. Mr. Speaker, I rise to pay special tribute to a man who needs no introduction in this House, former Congressman Kenneth J. Gray. Those of you who remember him will not be surprised to learn that Ken is still extremely active on behalf of southern Illinois and particularly his hometown of West Frankfort. In fact, just days ago, the community paid its debt of gratitude for all he has done by naming him Citizen of the Year. I am pleased to provide this newspaper article which goes into much further detail, but let me just simply say that I am proud to stand where Ken Gray once stood and to carry on his tradition of service.

CITIZEN OF THE YEAR

(By Sue Ellen Cox)

WEST FRANKFORT.—It's not easy to put retired congressman, Kenneth J. Gray, in the position of being speechless but they almost accomplished it in West Frankfort Thursday evening.

When the publisher of The Daily American Newspaper in West Frankfort, G. David Green, announced that Gray had been selected as "The Citizen of The Year," the former lawmaker asked: "Are you sure you haven't made a mistake? Are you sure you don't mean my brother Paul? The congressman's brother is also a long-time member of West Frankfort Chamber.

There was no mistake, however, Gray was indeed the choice of the Chamber of Commerce members to be named as the 23rd "Citizen of the year." The prestigious award is given to the person receiving the most votes, cast by individual secret ballot, of West Frankfort Chamber of Commerce members. Nominations are made by private citizens who fill out a questionnaires published in The Daily American.

Gray joined the West Frankfort Chamber in 1947 after returning to his hometown from active duty in the Army Air Corp during World War II. He and his father, Tom Gray, opened an automobile dealership in West Frankfort Heights at that time. Gray's "Ride Through History Museum" now occupies the same building on East Main Street.

"By working together, there isn't anything we can't accomplish," Gray told the audience attending last night's 50th annual Chamber dinner.

The West Frankfort native also said that during his time in congress they had been able to keep a "lid" on the Clean Air Act, passed by the last congress.

He asked for a round of applause for the Chamber speaker, Director of the Illinois Department of Mines and Minerals, Ronald E. Morse and remarked favorably on the efforts of the Mines and Minerals Department in their campaign to convince Southern Illinois Coal users to install scrubbers rather than revert to buying western coal.

Gray is a popular speaker in Southern Illinois and keeps his audiences laughing by frequent use of funny incidents and jokes.

One funny story, however, was told by Green on Congressman Gray when he told of how Gray had expertly landed a helicopter he was piloting in a grove of trees.

"That was great job of landing right in the middle of these trees," Green said. "But why," he wondered, "didn't you land the helicopter in that big empty parking lot next to the trees"?

"The parking lot was what I was aiming at," Gray explained.

EMERGENCY DROUGHT RELIEF ACT CONCURRENCE URGED

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. MINETA. Mr. Speaker, I rise in support of the Reclamation States Emergency Drought Relief Act, H.R. 355, and I urge my colleagues to concur with the Senate amendments to the bill.

Despite the recent rains in California, the drought continues and the Western United States needs this bill more than ever. The Reclamation States Emergency Drought Relief Act will give States the power and flexibility to cope with this persistent drought.

Of special importance, I believe, are the bill's provisions reforming the Warren Act of 1911, which bars the transport over Federal aqueducts of water purchased by State and local agencies for municipal and industrial use.

Mr. Speaker, current law makes no sense. Local agencies are scouring the West for water sources to supply their thirsty customers, many already under severe water use restrictions. Speedy deliveries are of crucial importance. Yet current law allows only irrigation water to travel through Federal canals and reservoirs. Municipal water agencies are forced to transport their water over a roundabout system of State or local aqueducts, delaying delivery and raising rates for their customers.

Our water laws were written 80 years ago, when California's cities were not the economic dynamos they are today. It only makes sense that water for cities and industries should receive the same treatment as agricultural water.

This bill's provisions allowing the transport of non-Federal water over Federal aqueducts are similar to those in a bill I wrote with Representative ROBERT LAGOMARSINO (H.R. 1008). I would like to thank my California colleague for all his hard work and I congratulate him for serving his constituents so effectively.

I would also like especially to thank Interior and Insular Affairs Committee chairman GEORGE MILLER and Representative RICK LEHMAN for their diligent work in passing this legislation.

Again, Mr. Speaker, I urge my colleagues to concur with the Senate amendments and send the Reclamation States Emergency Drought Relief Act to the President.

ECONOMIC GROWTH: THE CHARGE OF THE COMMITTEE ON EDUCATIONAL AND LABOR

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. GOODLING. The economic situation that is facing this country has caused each of us to reassess both our individual role and this Nation's role in the world economy. We are learning, and fast, that business as usual is no longer going to get the job done and that the United States will not be the global economic leader that we expect it to be unless we, as citizens, make a commitment to improving both the manner in which we educate our youth and the manner in which we utilize our work force. Sustained economic growth will not be achieved without a labor force that enters the job market with the necessary education and skills and a labor force that endures in the job market with the appropriate training and managerial support to foster productivity.

As a policymaker on the Federal level, the commitment that I want to make is to focus the work of the Committee on Education and Labor on developing education and work force policies that support this Nation's ability to achieve economic growth. I do not pretend to be either an economist or a demographer, but the statistical trends with respect to work force and employment growth have policy implications that I believe should be the blueprint for the legislative agenda of this committee.

As we enter the 21st century, the work force will grow at a slower rate and will become increasingly older, more female, and more diverse. The baby boom generation is still a large cohort of our labor force, although they are approaching their retirement years, and the baby bust generation is now providing us with a smaller pool of entry level workers. For the foreseeable future, the growth rates of the Asian, Hispanic, black, and female labor forces will outstrip overall labor force growth. On the employment side, total employment is expected to grow over the next 15 years at a rate that is only slightly more than half that of the previous 15 years. Accompanying this slower growth will be changes in the composition of employment as we continue the shift from a manufacturing-based economy to a service-oriented economy.

If we view economic growth as a factor of employment growth and productivity growth, these statistical trends point to several policy areas where the Committee on Education and Labor can develop pro-growth legislation. On the productivity side, we must be cognizant of work force policies that hinder efficiency by increasing the regulatory costs of doing business. We can develop policies that are true to legitimate work force legislative goals, such as occupational safety and health, improved labor-management relations or equal employment opportunity, but that minimize regulatory costs. Also on the productivity side, we can encourage management techniques that will enable our existing work force to be utilized more efficiently. The rigid hierarchy of the workplace of the past no longer serves our economic needs and we must be open to new ideas such as total quality control, employee participation, and cooperative management. We must advocate legal developments that allow such ideas to flourish. Finally, we must implement policies that improve our education and job training systems, both school-based and employer-provided, to enable our entrants in the labor force to be productive participants in the workplace of the future.

With respect to the employment growth variable in the economic growth equation, given the projected sluggish growth in employment, we must support and expand efforts to hire and train workers previously not a fully utilized cohort of our labor force. The Americans With Disabilities Act, which will go into effect this summer, is a first step in increasing employment opportunities for the disabled. Similar outreach must be initiated to draw other underutilized groups into the labor market. As females, minorities, the disabled, and the disadvantaged enter the work force at a greater rate, the need for improved job training and education will be reinforced since these groups have traditionally not received a fair share of such benefits. The increased diversity of the work force will also demand employers and employees to pay more attention to equal employment opportunity responsibilities and requirements and may present an occasion for us to consider policies to make the EEO process a more user friendly system. Finally on the employment growth side of the ledger, we must develop policies that take better advantage of the tremendous skills of the very large population of older workers. Elements of both Social Security policy and pension policy that limit the ability of this group of citizens to fully participate in our economy must be reviewed.

The changing demographics of the work force combined with the changing nature of work and the workplace present a challenge to this Nation if we are to maintain our preeminence in the global economy. The legislative agenda of the Committee on Education and Labor should focus on developing sound education and employment policies that support this Nation's ability to be, not only a competitor in, but the leader of the international marketplace. If I can speak for the Republican members of the committee, we will consider this to be our charge as we address the myriad education, labor and human resource issues that must be dealt with in this Congress and beyond.

DISCRIMINATION IN COLLEGE ADMISSIONS MUST STOP

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ROHRABACHER. Mr. Speaker, earlier today I discussed the significant implications of the U.S. Circuit Court of Appeals for the Fourth Circuit in Podberesky versus Kirwan on racial quota admission policies of colleges and universities. I also spoke about the finding by the Office for Civil Rights [OCR] at the U.S. Department of Education that Asian-American applicants to the graduate math program at UCLA had been discriminated against. I also discussed the delays that have occurred in four other OCR investigations of complaints of this type of discrimination at other units of the University of California system.

This is very dry, but important, legalism. It is important because it has a very human face. I mean the heartbreaking stories of those students who work hard for many years, who achieve high marks, high test scores, and accomplish many successes in extra curricular activities but who are denied admission to schools for which they are highly qualified, and see students from the same high schools who have lesser records admitted instead.

The San Diego Union of February 10, 1992, tells the story of one of these students, Jennifer Riel, a Filipino American, who was valedictorian at Sweetwater Union High School in Chula Vista, CA. Jennifer Riel had a better than perfect grade point average due to honors courses and was captain of the cheerleading squad and still didn't get accepted to UC-Berkeley.

Mr. Speaker, what more does one have to do. What does such a rejection say to other students who work hard. How can any parent say to their children with a straight face, "Work hard, get good marks and you will get ahead." I ask unanimous consent to inset at this point in the RECORD the San Diego Union article that tells the heart breaking story of Jennifer Riel.

Mr. Speaker, discrimination in college admissions must stop.

A good start would be for the House of Representatives to pass my legislation House Concurrent Resolution 102. It should be added as an amendment to the Higher Education Act reauthorization bill which the House will consider later this year.

[From the San Diego Union-Tribune, Feb. 10, 1992]

UC GETTING FEW POINTS FOR CRITICIZED ADMISSIONS POLICY

(By Steve Schmidt)

Captain of the cheerleader squad, class valedictorian, bigwig in student government—all were achievements in the halcyon days of Jennifer Riel's senior year.

It was the spring of 1991 and, by nearly everyone's account, the Chula Vista girl was enjoying a stellar season at Sweetwater Union High School.

Then she opened her mail.

Neatly folded in a thin envelope was a terse letter from UC Berkeley, telling the Filipino-American that the prestigious university had rejected her application to enroll.

"They said I had to be a well-rounded student," Riel recalled. "Well, what else could I do? I had done just about everything there was to do in high school"

Berkeley accepted at least five other Sweetwater students—all with excellent academic credentials, but none better than Riel's.

The other students happened to be members of underrepresented minorities that Berkeley wanted to woo to campus. Riel was not.

Riel's unexpected rejection—coming as her peers were welcomed—put her in a cross-fire of a growing national debate over the college admissions process.

As families await word in coming weeks on whether their sons and daughters will be accepted into college next fall, educators and others agree that hostility is growing over who gets in and who doesn't.

Affirmative action programs—long a flash point in the nation's struggle over race relations—are again drawing much of the fire.

Simmering resentment among some whites and Asians over such programs, along with the slew of headaches facing higher education administrators, are putting the pinch on efforts to bring more minorities to big-name universities.

The debate over admissions is particularly sharp on the nine highly regarded University of California campuses, including Berkeley, UCLA and UCSD.

"It's been most dramatically seen in the UC," said Robert Atwell, president of the American Council on Education.

Next fall, UC San Diego expects to hit a milestone. The entering freshman class will likely be the first in which whites are not a majority.

But first the campus has some questions to answer. Prompted by allegations of racial bias, the U.S. Department of Education is conducting an investigation into admissions practices on the La Jolla campus. A report is expected in a few weeks.

UCSD administrators defend their admissions policies, calling them fair to all applicants.

"After the civil-rights movement of the 1960s, there was a sense that for the sake of society we have to try to integrate," said Patrick Hayashi, an associate vice chancellor at Berkeley.

"Now, I think the American public is reexamining the shape that commitment is taking," he said.

In several dog-eared boxes, scattered next to an office water cooler and a Toshiba microwave, sit the makings of controversy.

Box by box, file by file, page by page, a handful of UCSD campus evaluators carefully scrutinize freshman applications for next fall—all 19,050 of them.

More than half the applicants will be offered the chance to enroll when acceptance and rejection letters are sent starting March 2.

In the cases of many applicants, it's not a tough choice.

Most applicants' combined grade-point averages and test scores are so high—or so low—that their acceptance or rejection usually is not in question. Sixty percent of the students who enroll at UCSD are selected solely on academic credentials.

Then there's everyone else.

For students in the middle, test scores and grades are calculated as well, but additional points are assigned that could determine whether UCSD has a spot for them. Are they disabled? That's worth one point. A veteran? One point. Poor? Three points. An underrepresented minority? Three points.

This, university officials say, is one way to right some of the nation's wrongs by allowing minority advancement in largely wellheeled and white institutions.

U.S. Rep. Dana Rohrabacher, R–Los Angeles, bristles at such talk, saying the point system and admissions practices at the UC campuses amount to racial quotas.

"I think it's totally absurd," he said. "What we're seeing here is a bastardization of the whole concept of affirmative action."

In October, Rohrabacher got federal education officials to investigate allegations that UCSD discriminated against a handful of Filipino-Americans who were not admitted last fall.

Because Filipino-Americans and other Asians no longer are considered underrepresented on campus, they are not assisted by affirmative action programs.

John Bunzel, former president of San Jose State University and a former member of the U.S. Civil Rights Commission, believes affirmative action is too entrenched in admissions.

"I have long felt that women and minorities were not in the loop," he said. But, he added, "it's not right to diversify by simply playing the numbers game."

Point systems and other strategies to woo minorities often results in cockeyed tradeoffs, critics like Bunzel and others argue.

Should a top-flight Hispanic student from a rich-family be admitted but not a poor white student with similar grades? If American Indians continue to get special consideration in admissions, why shouldn't impoverished immigrants form Southeast Asia?

"It's not a science," said UCSD admissions director Ronald Bowker.

Even some longtime supporters of affirmative action agree that it has been unevenly applied at times.

"To be sure, it has lumbered and creaked. It has worked slowly and incompletely," New Jersey professor Catharine Stimpson wrote in a recent issue of The Chronicle of Higher Education, an influential academic journal.

But, she wrote, "the important reality is this: affirmative action has worked."

Minority attendance at colleges nationwide rose during the last half of the 1980s largely due to aggressive recruitment, according to the American Council on Education.

From 1988 to 1990, the percentage of black students grew 8.2 percent, while Hispanics posted an 11.5 percent increase.

The figures are less encouraging within the UC system, where the number of black and Hispanic undergraduates has seen little gain in recent years.

The Latino population at UCSD has grown from 5.1 percent of the undergraduates in 1986 to 7.5 percent today. The percentage of blacks has actually slipped—from 2.9 percent to 2.8 percent.

UC administrators, frustrated by the numbers, have stepped up recruitment drives in recent years at high schools and community colleges.

High school dropout rates remain high among Hispanics and blacks. In addition, only a small percentage of those who do graduate meet UC eligibility standards.

Under state mandate, only the top 12.5 percent of California's high school graduates are eligible for UC admission.

Rather than fiddling with points and other ways to beef up minority representation, critics of affirmative action say educators should instead try to improve high school graduation rates.

With many Asians, it's another story. The percentage of Asians has grown so high that UCSD and other campuses no longer consider them underrepresented.

Largely because of the rise in Asians, the freshman class at UCSD entering next fall is expected to be the first in which whites are not a majority.

In recent years, both UCLA and UC Berkeley have modified their policies to ease concerns over admission limits that some viewed as having an anti-Asian bias.

Now with the federal investigation, UCSD is in the hot seat.

Joseph Watson, UCSD vice chancellor for undergraduate affairs, said the campus has done nothing wrong, despite assertions by Congressman Rohrbacher that the university's affirmative action policies have hurt both Asians and whites.

The conservative congressman demanded the federal investigation after reading a newspaper account regarding several Filipino applicants.

Watson said Rohrbacher made no attempt to contact the campus before calling for the probe, giving the impression that his demand was politically driven.

In recent months, the Bush administration has called into question the use of minority scholarships and whether private accrediting agencies should continue to look at campus affirmative action policies.

"That all sends a very discouraging message that has a chilling affect on affirmative action," said American Council on Education President Atwell.

Those moves—timed with the recession, budget cuts in education and skyrocketing student fees—have fed the backlash against affirmative action, educators say.

Said Watson: "As families feel more under the financial gun, more anxious about their futures . . . , there's going to be more tension with this."

Jennifer Riel said that when she was a young girl, her immigrant parents encouraged her "to work very hard and to attain what they couldn't."

Last year, she graduated valedictorian at Sweetwater Union High School. Her grade-point average was a better than perfect at 4.5 because of several honors courses.

Then came word from Berkeley.

Administrators told her she had applied for the most competitive major on campus—bioengineering.

"Our denial of Riel's application for admission is not a negative reflection on her achievement," a campus official wrote at the time. "It is entirely a reflection of our inability to accommodate the extraordinary demand for places at Berkeley."

Riel wanted to change her major on her application but was not allowed to under Berkeley policy.

Today, she attends Loyola Marymount University in Los Angeles. She said she is not happy there and is considering applying to USC.

Meanwhile, in thousands of San Diego households—from the city's hilltop spreads to its poorest neighborhoods—the wait is on.

Families are starting to get letters from campuses nationwide telling them whether their children made it into their college of choice.

Serra High School senior Tracy Ward has her sights on Duke University in North Carolina. Ward, who has a 4.6 grade-point average, has also applied to three UC campuses.

But, she explained, "being white and middle-class, it doesn't make me stand out at all."

Still, she has no qualms about affirmative action. "I've had all the opportunities I could want," she said. "So many people don't get those."

Aaron Glynn of Bonita Vista High School in Chula Vista is hoping to get accepted into a college in Colorado.

The 17-year-old senior believes affirmative action has "gone a little too far."

But Glynn himself may benefit from a type of affirmative action as well. Glynn said he has applied to a campus that gives special consideration to those with his sort of handicap: dyslexia.

"I should get a little break to get in," he said.

ETHNIC DISTRIBUTION OF FIRST-TIME FRESHMEN AT UCSD—1986 AND 1991

Over the last few years, UCSD has become increasingly diverse. In 1986, whites represented 61% of the freshmen class; today they represent 51%. The largest proportional enrollment gain is among Asian-Americans who represented 15% of the freshman class in 1986 and 23% in 1991.

	Percent
1986:	
Native American	0.3
Latino	2.6
African-American	3.4
Chicano	5.4
Filipino	5.7
Other	6.7
Asian	15.1
White	60.8
1991:	
Native American	1.3
Latino	1.5
African-American	2.4
Filipino	3.3
Chicano	9.0
Other	9.1
Asian	22.7
White	50.6

Source: UCSD.

TEXTILE WORKER, LEONARD HELTON, TESTIFIES BEFORE THE HOUSE WAYS AND MEANS COMMITTEE

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. BALLENGER. Mr. Speaker, recently one of my constituents, Leonard Helton, testified before the House Ways and Means Committee. Mr. Helton described how the beleaguered textile industry and workers have suffered under current economic conditions. Speaking as an average worker, Mr. Helton clearly and accurately argued his case, pointing out what was wrong and what Congress could do to improve matters.

I am placing his testimony before the committee into the CONGRESSIONAL RECORD because the Ways and Means hearing was not well attended and I wanted to help Mr. Helton get his message to Congress.

[From the Gaston Gazette, Feb. 6, 1992]

MR. HELTON GOES TO D.C.—STANLEY MAN TELLS CONGRESS WHAT LIFE'S LIKE AT HOME

(By Leonard Lee Helton, Sr.)

First, I want to thank each of you for allowing me to come before you and tell how I feel about the economic impact on myself, my family and coworkers.

As a textile and apparel worker for 25 years, I have seen how the textile and apparel industry has continued at a slow pace, whereby some weak textile plants have stood inactive because of a slow movement of goods sold into the textile related markets. You, as congressional leaders and elected officials of the people, must do something now to alleviate this great economic problem affecting the average American worker.

We, the American work force, cannot maintain ourselves on a fixed financial budget. This is due to increased taxes and higher financial obligations that occur every year. We do not receive enough raises in our salaries to overcome the obstacles presently at hand. We are not assured from one week to the next how many hours we will work or how well our product will be sold into the American market.

You probably feel it's up to the individual employees to stand their ground and do the best they can. In this regard, both employers and employees of the textile industry have been trying since 1985 to get a textile and apparel bill passed by the president. This bill has been vetoed three times by our president.

In 1985 we attempted to get the Textile and Apparel Trade Act (H.R. 1154) passed by the president. On Oct. 4, 1988, we were 11 votes short of overriding the president's veto.

Again, in 1990, roughly 200 members of Congress introduced the Textile, Apparel and Footwear Trade Act of 1990 (H.R. 4496). Also, Sen. Ernest Hollings, D-S.C., introduced identical legislation in the Senate. The Senate began considering the bill on Friday, July 13, and passed the bill on Tuesday, July 15, by a vote of 68 to 32. During the past six years, the Senate has passed similar legislation three times.

The goal of the House and Senate bills is to put foreign textile and apparel imports on par with the current growth rate of the U.S. domestic textile industry. The bill would have established global import quotas for each category of textile and textile products using the 1989 level of imports as a starting position. The bill would have allowed a 1 percent increase in foreign imports per year, consistent with the current growth rate of the domestic textile market.

Also, in January 1991, there was a bill (H.R. 713). This was a bill introduced to amend the Tariff Act of 1930 to require that certain revenues attributable to tariffs levied on imports of textile machinery and parts thereof be applied to support research for the modernization of the American textile machinery industry.

Represenatives, an economics professor from Belmont Abbey College, Mr. William Van Lear and I have drawn up a petition to enact job retraining and education programs in every major industry in the United States.

The petition reads as follows:

We believe that it can be financially and emotionally difficult for people who are unemployed or who work in declining industries to retain relocate and assume new jobs. Industries such as textiles, lumber, defense, steel and coal are suffering and will continue to suffer economic hardships. Therefore, we advocate a federal initiative, led by the Department of Labor in conjunction with labor departments in the states, to provide:

1. Grants and loans to families for retraining and education, and;
2. Easily accessed information for families on job availability and location.

We propose that this program be financed by making the federal income tax more flexible and from state income taxes.

May I inquire of you? How can an average worker purchase any "Big Ticket Item" when he isn't assured of a steady income? This financial burden affects every American and foreign industry in America. Fewer goods sold, fewer hours worked equals less basic income for the average worker. We are having a rough time of meeting our financial obligations.

This troublesome economic situation not only creates financial worries for the American worker, but it also translates into a stressful home environment. Please, be aware that economic stress affects every member of the family.

Pardon the expression, but we, the average worker, are "up to our ears" with increased taxes. If some action is not taken soon, we will see multitudes of American families go under.

Consider these figures on textile and apparel plant closings and jobs lost during the years 1989 through 1991: There were 67 plants closed and 72,000 jobs lost over those three years. Of the 1.8 million textile workers nationwide, more than 300,000 are employed in North Carolina and 40,000 are employed in the 10th District of North Carolina alone.

I have been assured that in other related industries there are many plant closings and thousands of jobs lost during the past year alone. You may stipulate that these situations are due to modernization of plants and the technology in these plants. This may be true in a small way, but it comes full circle to the weak economic American market which continues to diminish.

An idea that would benefit the average American worker is to reduce taxation. To accomplish this, President Bush and elected officials, as yourselves, need to enact permanent reductions in federal tax rates. Instead of a one-time, year-end bonus, which is what the $300 rebate plus would be, we need a permanent tax cut through reductions in income and Social Security tax rates. If taxes were lowered on income, work would become rewarding and attractive, compared to welfare and leisure time.

Secondly, we need to lower taxes on investments. A cut in the capital gains would do a great deal to lay the foundation for future economic growth. Slashing the capital gains tax would encourage the kind of small business foundation that drives long-term economic growth. The large majority of new jobs in America are created by new and small businesses. The reward for the entrepreneur who initiates these companies is more often a capital gain rather than direct income. So reducing the capital gains tax will directly encourage entrepreneurs to begin new companies, thereby creating new jobs and new products.

This would also help American industry to compete with overseas trade. Among the major industrial powers, the United States maximum rate of 33 percent on capital gains is one of the highest in the world. In Germany, South Korea, Taiwan and Hong Kong, the capital gains tax on investments held more than one year is zero. In Japan, the maximum rate is 1 percent of the sales price of 20 percent of the net gain.

Each time the capital gains tax has been reduced revenues for the federal government have actually increased.

Representative, I certainly hope that you, the committee and our great president will do everything possible to alleviate this great economic challenge facing the average American worker.

May God's grace and blessings go with you in whatever decision you make.

HOLY TRINITY RUSSIAN ORTHODOX CHURCH CELEBRATES 73D ANNIVERSARY

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mrs. BENTLEY. Mr. Speaker, I rise today to recognize the Holy Trinity Russian Orthodox Church of Baltimore, MD, upon its 73d anniversary. On February 9, 1992, the Holy Trinity Russian Orthodox Church celebrated over seven decades of ministering to the needs of its congregation with the warmth and caring that only the church can provide. It was indeed an honor to participate in the fellowship and celebration of this very special occasion.

Rich in history and charm, the church originally ministered to the Russian ethnic community of Baltimore. Until recent years, church services were given in the native language. Today, however, the church ministers to a broader diversity of nationalities and services are now given in English. Since 1919, Holy Trininty Church has sought to serve the community and its members through serving God.

While at the anniversary celebration, I had the distinct pleasure of meeting the last surviving founder of the church, Mr. Constantine Uchuck. Born in the Ukraine, Mr. Uchuck came to the United States in 1910. In May of this year, he will be 100 years old. Like many other ethnic groups during that time, Mr. Uchuck, along with other founders, sought to establish a place of worship. Mr. Uchuck helped to establish the church, and, like the church, he also is full of character and spirit. Constantine Uchuck personifies the struggles, trials, and triumphs that many immigrants to our country experienced.

During the Great Depression, Constantine suffered a great deal, and during World War II he worked as a crew leader building Liberty ships here in Baltimore. In addition, he worked as a tailor and worked for 42 years for the Hirshey Clothing Co., retiring in his eighties. The experiences of the Great Depression had a lasting impact on Mr. Uchuck and left him with a great concern for those less fortunate. A very generous man, he continued well into his late 90's to grow hundreds of tomato plants and harvest bushels of tomatoes which he never sold but rather donated to homeless shelters, senior centers, and charities throughout Baltimore.

One cannot help but be impressed with Constantine Uchuck. I feel that as a founder of the Holy Trinity Russian Orthodox Church, he represents the type of character that made our Nation and Holy Trinity Church so special. We are indeed blessed in this country with more than monetary or material wealth. Our national treasures are people like Constantine Uchuck and the members of Holy Trinity Russian Orthodox Church.

The 73d anniversary of Holy Trinity Russian Orthodox Church is a proud and joyous occasion for the congregation and surrounding community. An important and established part of the community, the church is a place of worship and a source of faith and guidance to many. The health and vitality of the church is a great concern of mine as the church has a profound impact on the well-being of our country. Without the church, we would indeed be a lesser nation.

As the proud author of House Joint Resolution 325, Religious Freedom Week, I take a special pride in the religious freedoms we enjoy in this country. Through their faith, charity, and reverence for God, Holy Trinity Russian Orthodox Church not only has made Baltimore a better community in which to live but a better nation as well.

Mr. Speaker, fellow colleagues, it is with great respect and admiration that I congratulate the Very Reverend Father Mark Odell, Constantine Uchuck the last surviving founder, and the members of Holy Trinity Russian Orthodox Church upon this momentous occasion. May God bless them in the years to come.

TRIBUTE TO NORMA CRADEN, LONGTIME LABOR ACTIVIST IN NORTHWEST OHIO

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Ms. KAPTUR. Mr. Speaker, northwest Ohioans were saddened on February 18 by the death of a truly remarkable women—Norma Craden. A labor leader in our area for over five decades, Norma Craden left her mark on all working people in northwest Ohio. But her contribution to women in the workplace will surely be her most enduring legacy. Hundreds of women in our area, including myself, have and will benefit from her half-century of hard work on our behalf.

Norma Craden was born and raised in Toledo. Her first job was as a waitress at the Algeo Hotel. It was there that she began her distinguished career in the labor movement by becoming active in Local 335 of the Bartenders and Waitresses Union. During World War II Norma Craden—as did as so many other women during that time—left to work on an assembly line. During that time she became the first woman in northwestern Ohio to serve as president of Local 27 of the United Auto Workers. From that point on Norma Craden took her influence within the labor movement and used it to help women achieve true equality in the workplace.

In 1948 Norma Craden became a long-distance telephone operator for the Ohio Bell Co. where she worked for 30 years. During her time there she served as a union steward, chief steward, and was eventually elected president of the Communications Workers of America local. She worked tirelessly in this capacity as the liaison for the Toledo Area AFL–CIO to the United Way, a delegate to 17 CWA conventions and as one of five CWA local officers on the union's contract-negotiating team with Ohio Bell.

Despite her official retirement from the phone company in 1978, Norma Craden did not stop working for the rights of workers. She continued to serve as president of the Communications Workers of America—until her declining health prevented her from seeking another term.

Norma Craden's years of work earned her the respect and admiration of those who knew her and those who benefited from her efforts. She received commendation from the Toledo City Council, the Ohio Senate, the Ohio House, and the American Red Cross for her work in coordinating labor and management participation in blood bank donations.

On behalf of all the citizens of northwest Ohio I would like to extend our sympathies to Norma Craden's son, Dr. Michael Craden; sister, Elizabeth Nixon; brother, Albert Boyles; and two grandchildren. A truly remarkable women, Norma Craden's imprint on the lives of working men and women everywhere will be felt for some time to come.

NEEDS OF THE ELDERLY UNMET IN MISSOURI

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. CLAY. Mr. Speaker, I would like to insert for the RECORD a letter by William Stodghill, president of St. Louis Service Employees Local 50, that appeared in the St. Louis Post Dispatch on February 5, 1992. I believe Mr. Stodghill makes a convincing argument that lawmakers in Missouri have ignored the needs of the elderly confined to State nursing homes.

CARE FOR CAREGIVERS

No occupation is as interesting or important as that of working in nursing homes.

As the late Sen. Hubert H. Humphrey once said: "The moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life—the sick, the needy and the handicapped." The dedicated professionals who work in Missouri's nursing homes—who care for those "in the twilight of life"—cannot earn a living wage.

Nurse's aides must be certified to perform their vital service to our society. Yet today in Missouri, the wages of a nurse's aide are equal with those of a fast-food restaurant employee. It is the same situation for all the different types of workers who make up a nursing home's staff.

Missouri has one of the lowest Medicaid reimbursement rates for nursing homes in the entire United States. Each time the issue is raised, lawmakers bring up tough economic times. What government budget item should be given a higher priority than human life? What service shall we perform with government dollars, if we will not care for the vulnerable elderly who toiled all their lives in the hope of being secure when they grew too old, too weak, to continue to toil alone?

I hope that our legislators and the residents of Missouri take action soon to answer the needs of our nursing homes.

CELEBRATE THE BILL OF RIGHTS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. EDWARDS of California. Mr. Speaker, December 15, 1991, marked the 200th anniversary of the Bill of Rights, the first 10 amendments to the U.S. Constitution. As we celebrate this significant event, I would like to share with my colleagues an exceptionally well-done eight-part editorial series that appeared in the Atlanta Constitution. The first editorial, which I insert in today's RECORD, gives a brief history of the Bill of Rights. The remaining editorials, which I will insert in the RECORD over the next week, focus on the individual amendments and conclude with an assessment of where the Bill of Rights stands today. I encourage my colleagues to read all of these editorials.

[From the Atlanta Constitution, Dec. 8, 1991]

CELEBRATE THE BILL OF RIGHTS

Dec. 15 will mark the 200th anniversary of the Bill of Rights, the 10 initial constitutional amendments that limit the ability of government to intrude on the liberty of "We the people of the United States."

The bill was drafted by the First Congress in order to satisfy anti-Federalist concerns that the new Constitution would give the federal government far too much control over individual citizens and the several states. A number of states ratified the Constitution with the proviso that it be amended to include specific protections against government overstepping its delegated powers.

But only relatively recently has the Bill of Rights lived up to its potential as a bulwark of liberty.

Prior to the Civil War, the Supreme Court held that the bill's protections applied only to federal cases. Since most violations of rights occur at the state level, the bill became all but a dead letter.

During Reconstruction, Congress wanted to ensure that the rights of the newly freed slaves not be trampled in the Southern states. To extend Bill of Rights protections to all jurisdictions, the 14th Amendment (1868) declared that no state could abridge citizens' "privileges or immunities," deprive any person of "life, liberty, or property, without due process of law," or deny any person "the equal protection of the laws."

Yet for decades, a conservative Supreme Court limited its intervention under the 14th Amendment to preventing economic regulation. This era was typified by the notorious Lochner decision, in which the court threw out a New York law limiting the hours bakers could work, on the grounds that this violated bakers' liberty to sell their labor. (State courts interpreted similarly the bills of rights written into their own constitutions.)

Only after World War I did the Supreme Court begin to use the Bill of Rights to protect individuals in their exercise of conscience and within the criminal justice system. And it took the Warren court of the 1950s and 1960s to bring about a full-scale rights revolution.

From religion to libel, from national security to obscenity, the Supreme Court insisted that officials had to pass tough tests if they were going to prevent individuals or institutions from expressing themselves as they saw fit. Likewise, police and prosecutors could no longer run roughshod over individuals who were under investigation or charged with crimes.

The Warren court did not lack for critics of its judicial activism, and under the successor regime of Chief Justice Warren Burger, the rights revolution ground to a halt. Now, under Chief Justice William Rehnquist, the Supreme Court is engaged in a counter-revolution.

Virtually across the board, the Rehnquist court has set about reversing Warren era precedents. It has lost interest in protecting individuals and minority groups from majoritarian control and has instead become deferential to government power, whether expressed by executive fiat or legislative act.

On its 200th birthday, the Bill of Rights as we have come to know it is under attack.

TRIBUTE TO LONG BEACH NAVAL SHIPYARD

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ROHRABACHER. Mr. Speaker, for the third year in a row the Long Beach Naval Shipyard has saved the taxpayers of America millions of dollars. During fiscal year 1991 which ended on September 30, 1991, the shipyard operations resulted in a savings of $25.3 million over estimated costs for the year.

This again for the third year shows the Long Beach Naval Shipyard is the most efficient and cost effective shipyard in the U.S. Navy. Over the past 3 consecutive years this shipyard has saved the taxpayers $99 million.

No other shipyard has anywhere near the record of the Long Beach facility. The savings accomplished by the men and women at Long Beach have allowed the U.S. Navy to repair and overhaul many more ships than otherwise would have been possible. I do not have exact figures but I suspect that the savings from the operations at Long Beach in fiscal year 1991 were greater than all seven other naval shipyards combined.

The men and women of the Long Beach Shipyard are the sole reason for this performance record. They deserve the congratulations and gratitude of all Americans.

In 1991 Long Beach Naval Shipyard received a meritorious unit commendation.

To Navy Secretary Garrett I say: Get out your pen: Another award to Long Beach should be issued.

CONGRATULATING OLYMPIC CHAMPION DIANN ROFFE

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. HORTON. Mr. Speaker, I am very pleased to share with my colleagues the fantastic news out of Meribel, France: Diann Roffe of Williamson, NY, has staged a dramatic comeback and captured the silver medal in the women's Olympic games giant slalom.

Diann led a trio of U.S. skiers to what many have already called their best overall performance since the 1984 Olympics in Sarajevo. After her first run of 1:07.21 placed her ninth, over one full second behind the leader—a nearly insurmountable time to make up—Diann raced to the silver medal in high dramatic fashion.

In the giant slalom, the starting order for the second run is in reverse order of the fastest 15 skiers from the first run, so Diann went off in the No. 7 position, and she made the most of it, remarkably shaving nearly a whole second off her morning run, good enough to catapult her into first place. With both runs complete, Diann could only sit and wait while the final eight skiers each took their best shot at her combined time of 2:13.71. But only Pernilla Wiberg of Switzerland could top Diann's time. And, in the end Diann Roffe staged a stunning come-from-behind effort to capture the Olympic games women's giant slalom silver medal.

I know all my colleagues in the House of Representatives join me in sending warm, heartfelt congratulations to Williamson, New York's hometown hero, Diann Roffe.

COAST GUARD USER FEES SHOULD BE REPEALED

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. GILLMOR. Mr. Speaker, details of the House majority's tax plan have been hard to come by, but I am told the plan does not do anything to repeal the Coast Guard user fees. Mr. Speaker, over 220 Members of this House asked you last month to include repeal of the Coast Guard user fees in any tax relief package. I ask you again now: please give the House a chance to get rid of these fees when the House considers tax relief.

Among the hundreds of Lake Erie boaters who contacted me opposing these fees were some who said Congress was unresponsive and failed to represent what people were asking for. Providing the House an opportunity to get rid of the Coast Guard user fees would help prove Congress is an institution where the opinions of our citizenry are accorded due respect. Failing to provide that opportunity would fly in the face of a clear majority will: over 400 Members went on record in opposition to the fees last summer.

As a Lake Erie boater myself, I know that the boat user fees are a drain on the economy in northwest Ohio. The fees are not fulfilling their stated purpose of reducing the deficit. They are just taking money out of the pockets of Ohioans who need it.

Boaters might be willing to pay a fee if they thought they might benefit from it through, for example, enhanced Coast Guard services. But nobody is benefiting from this tax on boaters.

These fees reflect a philosophy held by too many in Congress that if it walks, if it talks, if it breathes, or even if it floats, tax it. That wrongheaded view has fed outrageous government waste and has heaped on us a load of economic problems.

Mr. Speaker, I urge you to permit an amendment when the tax debate reaches the full House to repeal the Coast Guard user fees.

A TRIBUTE TO HIS EXCELLENCY GUSTAVO PETRICIOLI—AMBASSADOR OF MEXICO TO THE UNITED STATES: MR. AMIGO 1991

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. ORTIZ. Mr. Speaker, I rise today to commend and pay tribute to Ambassador Gustavo Petricioli, the newly selected Mr. Amigo.

Every year, members of the Mr. Amigo Association, who represent the city of Brownsville, TX, select a new Mr. Amigo to serve as honored guest of Charro Days festivities in Brownsville, TX. Charro days is a 4-day international event in which the United States and Mexico are joined in celebration of the cultures of these neighboring countries. During Charro Days, which originated as a pre-Lenten festival, Brownsville citizens participate in a series of parades, dances and parties to demonstrate the goodwill of both countries. It is a well planned, major function which is enjoyed and eagerly anticipated by many south Texans as well as our winter visitors.

Ambassador Gustavo Petricioli is the 28th Mexican citizen to be honored by the Mr. Amigo Association. He was born on August 19, 1928, in Mexico City, to Ada Iturbide de Petricioli and Carlos Petricioli. At the age of 24 he received an economics degree from the Instituto Technologico Autonomo de Mexico, 1952, and a masters degree in economics from Yale University in 1957.

In 1948 Mr. Petricioli began his professional career in Mexico's central bank. He served in various positions, including deputy director general. By 1967 he was appointed director general for Treasury studies at the Secretariat of the Treasury. He served in that position until 1970, when he was appointed Under Secretary of the Treasury.

From 1976 to 1982 Mr. Petricioli headed Mexico's National Securities Commission. In 1982 he was appointed director general of Multibanco Comermex, as well as general coordinator for the Mexican banking system. Gustavo Petricioli became general director of Nacional Financiera, Mexico's most important development bank, in 1983. During that time, he also served as president of the National Banks Association and as chair of several industrial committees such as, Minera Cananea, Mexicana de Cobre, Altos Hornos de Mexico, Conasupo, and Ferrocarriles Nacionales. Mr. Petricioli was appointed Secretary of the Treasury in 1986. On February 7, 1989, Gustavo Petricioli presented his letters of credence to President George Bush to serve as Ambassador of Mexico to the United States of America.

Ambassador Petricioli has also been involved in academic activities. He has taught at well-known universities and research centers of Mexico, such as ITAM, Escuela Libre de Derecho, Universidad Iberoamericana and Centro de Estudios Monetarios Latinoamericanos. He has published many articles and essays on economic and political issues.

The prestigious Mr. Amigo designate, is selected on the basis of his or her contribution to international friendship and development of mutual understanding and cooperation between Mexico and the United States.

As Mr. Amigo, Ambassador Gustavo Petricioli will receive the red carpet treatment when he visits Brownsville as the city's honored guest during the upcoming Charro Days celebration. During his 3-day stay on the border, he will make personal appearances in the Charro Days parades and at other fiesta events. Official welcome receptions will be staged by organizations in Cameron County, TX, and the cities of Brownsville, TX, and Matamoros, Tamaulipas, Mexico. Ambassador Petricioli will also be the special guest at the Mr. Amigo Association luncheon and the president's party.

The title of Mr. Amigo is especially appropriate to my good friend Ambassador Gustavo Petricioli. His efforts have contributed to better relations between the United States and Mexico.

I ask my colleagues to join me in extending congratulations to Ambassador Gustavo Petricioli for being honored with this special award.

SIGNIFICANT DATES IN DEVELOPMENT OF INDIAN POLICY

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188—Senate Joint Resolution 217, House Joint Resolution 342—Congress and the President designated 1992 as the "Year of the American Indian." This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the "Year of the American Indian," and as part of my ongoing series this year, I am providing for the consideration of my colleagues a partial history of Indian policy. This list was taken from a U.S. Department of the Interior publication "A History of Indian Policy." Submitted today are dates of significant development in Indian policy covering the years from 1950 through 1970.

SIGNIFICANT DATES IN DEVELOPMENT OF INDIAN POLICY

1950: The Navajo-Hopi Rehabilitation Act, which eventually called for appropriations of over $108 million to benefit these two tribes. Similar legislation was prepared for the Papago Reservation but failed enactment.

1951: The Bureau of Indian Affairs states as program objectives "a standard of living for Indians comparable with that enjoyed by other elements of our society," and the "step-by-step transfer of Bureau functions to the Indians themselves or to appropriate agencies of local, State or Federal Government."

1952: A Division of Program is established by the Bureau of Indian Affairs to work with individual tribes to achieve the goals stated in 1951 (above).

1953: Congressional action changes discriminatory liquor laws as they pertain to Indians.

1953: Act to allow extension of State legal jurisdiction over Indian reservations in certain specified states includes a controversial clause allowing other states to take similar action without Indian consent.

1953: House Concurrent Resolution 108 calls for termination of special services of the Bureau of Indian Affairs to specified tribes and in particular States "at the earliest possible time."

1953: to 1964: The Navajo emergency education program more than doubled Navajo school enrollment.

1954: Congressional legislation to carry out the policy expressed in HCR 108, 1953.

1954: Act to transfer the Division of Indian Health from the Bureau of Indian Affairs to the U.S. Public Health Service (PHS) (accomplished in 1955). Appropriations for Indian Health rose from over $12 million in 1950 to over $61 million in 1965.

1954: Legislation to secure transfer of Bureau of Indian Affairs agricultural extension to the Department of Agriculture failed enactment, but was later acccomplished by administrative action.

1956: The Bureau of Indian Affairs initiated a program to provide basic education to adult Indians; the Congress enacted a vocational training program for Indians from 18 to 35; and the Bureau of Indian Affairs commenced an industrial development program to encourage industry to locate on or near Indian reservations and to employ Indian labor.

1957: Legislation authorized PHS to assist communities with the construction of health facilities that would benefit both Indians and non-Indians.

1958: Legislation allowed Indian tribes to benefit from federally impacted area bills (PL 81-815 and PL 81-874) by securing financial assistance for the construction and operation of schools that would benefit Indians.

1958: A Statement of Secretary of the Interior modified the position of the Department on termination.

1959: Legislation authorized PHS to construct sanitary facilities for Indians.

1961: Interior Department and Bureau of Indian Affairs changed their land sales policy to allow Indian tribes or other Indians the first opportunity to acquire individually owned lands offered for sale by Indians—this was a great assistance in tribal land consolidation programs.

1961: Authorizations for the Indian revolving loan fund increased from $10 million to $20 million; and benefits from the Area Redevelopment Act and Housing Act are extended to Indian reservations.

1961: Interior Secretary names a Task Force to study Indian Affairs and make long-range recommendations; the Commission on the Rights, Liberties, and Responsibilities of the American Indian publish their *Program for Indian Citizens*; and the Indians gather at Chicago to make their *Declaration of Indian Purpose*.

1962: Benefits of Manpower Development and Training Act made available to Indians; and the Congress authorized nearly $135 million for the Navajo Irrigation Project.

1962: Interior Secretary names a Task Force to study and make recommendations concerning Alaskan Native Affairs; and Bureau of Indian Affairs Relocation Services becomes Employment Assistance.

1964: The Economic Opportunity Act through the Office of Economic Opportunity (OEO) Indian Desk extends its benefits to Indian reservations.

1965: Birth control advice and services are offered to Native Americans and natives of the Pacific Trust Territories through the Interior Department.

1966: The appointment of a new Commissioner brings a flurry of Congressional interest in termination that eventually results in further stress on Indian economic development.

1966: Special programs for Indian children are provided under the Elementary and Secondary Education Act.

1968: Civil Rights Act extends the guarantee of certain constitutional rights to Indians under tribal governments. Repeals 1953 action allowing States to extend legal jurisdiction over Indian reservations without tribal consent.

1968: Special Message to the Congress on "The Forgotten American" March 6, 1968, by President Lyndon B. Johnson, in which he calls for the establishment of a National Council on Indian Opportunity to be chaired by the Vice President and to include "a cross section of Indian leaders" and the Secretaries or Directors of those departments or agencies that are significantly involved with Indian programs (NCIO is to encourage all Government agencies to make their services available to Indians, and is to coordinate their efforts to achieve particular purposes). President Johnson also suggests that the idea of "termination" should be replaced by Indian "self-determination."

1968: As a Presidential candidate Richard M. Nixon also speaks out against the termination philosophy and suggests that "American society can allow many different culture to flourish in harmony."

1969: Ninth Circuit Court upholds land "freeze" order of the Interior Secretary on behalf of Native Alaskans and affirms the validity of the Native's position in regard to aboriginal use and occupancy.

1969: Environmental Policy Act protects resources of Native Americans and other citizens.

1969: Publication of report of Senate Committee on Labor and Public Welfare, *Indian Education: A National Tragedy—A National Challenge*, with recommendations.

1969 to 1970: Studies of and hearings on urban Indian programs tends to liberalize Government services to this group.

1969 to 1970: It has become Bureau of Indian Affairs policy to encourage the formation of Indian school boards and to invite Indian leaders to take over the management of their own schools and other programs formerly administered by Bureau of Indian Affairs employees.

1970: New census records approximately a 50% increase in the population of Native Americans from 1960 to 1970 (1960 count 551,669, compared to a 1970 count of 827,091).

1970: In a Special Message to Congress on Indian Affairs July 8, 1970, President Nixon stated: "The time has come to break decisively with the past and to create conditions for a new era in which the Indian future is determined by Indian acts and Indian decisions." The President also asked for a new Concurrent Resolution that would "renounce, repudiate, and repeal" the termination policy outlined in HCR 108 of the 83rd Congress.

1970: The President's request for the return of the Blue Lakes area to the Indians of Taos Pueblo was enacted by the Congress and signed by the President December 15, 1970.

1970 to 1971: There is a considerable increase in the number of Indians in leadership positions in Federal Indian programs.

1970 to 1971: Zuni Pueblo Indians of New Mexico began their "home rule" experiment in 1970, and the Miccosukee Indians of Florida assumed control over their own affairs in 1971.

AMERICANS FOR AMERICA DAY

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. GALLO. Mr. Speaker, I rise today to bring to the attention to all of the Members of this body the activities of the Americans for America Day Committee. This group of young people, most of whom are from my district in New Jersey, have envisioned a nationwide event, on September 26, 1992, that will bring all Americans together toward a brighter and more prosperous future.

On Americans for America Day, the committee expects Americans from across the Nation to set aside their cultural, theological, and political differences, and to join together and take personal action to improve their community, and the Nation as a whole.

Some individuals will clean up their neighborhoods, others will volunteer at community centers. Individuals will be urged to be constructive and to improve their surroundings. In so doing, the citizens who participate in the Americans for America Day will be helping to make America better for all of us.

Mr. Speaker, I urge my fellow Members to reach out to the Americans for America Day Committee, and consider participating in the Americans for America Day.

A NEW PHASE OF THE CREDIT CRUNCH

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. KENNEDY. Mr. Speaker, the credit crunch continues to grip New England and other regions of the country. Solid, creditworthy businesses have been unable to obtain the bank financing they need to maintain and expand their operations. Consequently, many of these businesses have been forced to scale back or shut down, resulting in layoffs of tens of thousands of workers.

The causes of the credit crunch are complex. Certainly, the current real estate is a major factor. As real estate loans have soured, banks and thrifts have been forced to place vast amounts of funds into loan loss reserves—funds that otherwise could have been used to make new loans.

In recent days concerns have been raised that we are entering a new phase of the credit crunch. New bank and thrift capital requirements may force the closure of weak but viable institutions, and further restrict the flow of credit from lenders to borrowers.

This view was recently set forth by Richard Syron, President of the Federal Reserve Bank of Boston. In testimony before Senators KERRY, COHEN, and myself in Boston on February 3, 1992, Mr. Syron warned of the economic harm caused by raising capital standards in the middle of a recession. His observations are compelling. Let me just include a few here for the benefit of my colleagues:

"The primary role of capital should be to act as a shock absorber, something to be drawn down in bad times and built up in good times. However, as a result of a variety of factors, the fundamental role of capital has been altered in the last few years. Banks whose capital has become depleted are expected to receive higher capital ratios than banks that have not had losses * * *. While this might seem prudent for each institution in isolation, when it is required for a large number of banks in a region at the same time, the economic impact is perverse * * *."

"Raising expected capital ratios for banks that are most vulnerable defies common sense. Substantially increasing the required capital ratio for viable banks that have just experienced large losses is equivalent to requiring the trailing team to go 115 rather than 100 yards for a touchdown * * *."

"We have adopted a panoply of capital targets for banks, targets that are not always conceptually consistent and in application may be causing unwanted constriction of credit flows * * *."

"Banks, which experienced large but not fatal losses, must be given time to recover. They cannot be allowed to take additional large bets and banks supervisors must be satisfied with their management, but weak but stabilized banks should no longer be forced to shrink their institutions uneconomically."

"We must find ways during the contraction to reconcile our treatment of individual institutions with our overall economic goals. It is clear that what may be an appropriate regulatory approach for individual institutions may not be appropriate when considering the needs of the economy as a whole. I realize that some might mistake this for the dreaded word "forbearance," the uttering of which is equivalent to professional suicide for a regulator. However, it is not. It is good economic policy."

Mr. Speaker, all of us want to ensure that lenders have adequate capital on hand to cushion against loss. None of us supports a policy of "forbearance" that is not more than government-sanctioned recklessness. We must take care to avoid actions that achieve the opposite of what we seek: a healthy banking system operating in a healthy economy. I hope that, in the days ahead, we will give serious thought to Mr. Syron's comments, and how we might achieve our national economic objectives.

REMOVE BARRIERS TO EDUCATION

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. FORD of Michigan. Mr. Speaker, I am today introducing legislation, H.R. 4277, to undo back-door changes to the Federal Student Loan Program, which were enacted as part of the unemployment compensation extension of last November.

In November, before the President had spent time with unemployed workers in New Hampshire, his administration bargained with our leadership to work out an unemployment compensation bill which the President would sign. The President's aides said yesterday that the fact that New Hampshire has been hit so hard by the recession accounted for his disappointing showing in their Presidential primary election. He will probably be as surprised to learn that one-third of the other States have unemployment rates greater than or equal to New Hampshire's.

Part of the bargain to get the President to sign an unemployment extension included a provision which would require any Federal student loan borrower over 21 to have a credit check, for which they can be charged up to $25. If the borrower, in the judgment of the lender, has an adverse credit history, he or she will be required to get a credit-worthy cosigner in order to get a loan.

As I said in November, this provision undermines the purpose of the Federal Student Loan Program, reversing a 25-year commitment to the people of this country to expand access to education. The Federal student loan programs were created to provide financing for postsecondary education to students who banks would not lend to because of lack of collateral or adverse credit history. This provision specifically affects the nontraditional student—students who are older, over the age of 21. These older, nontraditional students are now in the majority in postsecondary education. Under this provision, the unemployed autoworker who has missed some payments on his or her bills will have to find a credit-worthy cosigner in order to get a student loan—not a likely prospect. Thus, this jobless worker will not be able to get a Federal student loan to return to school to get the further training and education needed to qualify for employment in our rapidly changing and increasingly high-technology job market.

These student loan provisions do not belong in a bill to extend unemployment compensation. Their inclusion is clear case of legislative extortion, or even the classic bait and switch technique. With the Congress looking on, the President signed a bill giving our workers additional weeks of unemployment compensation, but with the other hand, he and we took away the very student aid program that would have helped these workers help themselves to rise to a better, more secure job. We totally undermined the purpose of the Guaranteed Student Loan Program to provide just 1 percent of the funds necessary to extend unemployment compensation.

The unemployment bill was not the place to lean on the student loan program for its perceived faults. The right place is the Higher Educational Reauthorization Act, which has over 100 provisions aimed at controlling the student loan default problem.

It is bad enough being unemployed—let us not compound the problem by cutting off our workers' best route to a better job and a better way of life for their families.

QUALITY EDUCATION NEEDS IMPACT AID FUNDING

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. SAXTON. Mr. Speaker, I rise today to alert my colleagues to the fact that one of our oldest Federal educational assistance programs may be drastically cut, if not eliminated entirely. At a time when we constantly are hearing calls for increased Federal involvement in the education of our youth, it is hard to believe that this program should be under attack.

I am speaking of the Federal impact aid program for the elementary and secondary education of children of our military men and women.

For decades we have recognized that we had to assist school districts in areas highly impacted by Federal military and civilian employment. This was not done simply to assist local school districts with their budgets—it was done to assure quality education for the sons and daughters of people who were making a vital contribution to all of our national interests.

Now, because we are making significant cutbacks in military bases and personnel, there are those who say that this program no longer is needed. Mr. Speaker, let me assure you that I have two school districts in my congressional district, which would see their ability to provide quality education severely curtailed if impact aid is cut or killed. Fort Dix, McGuire Air Force Base, and Lakehurst Naval Engineering Center—all in my district—still are generating dependent students who are entitled to the same quality education in these post cold war days as they were during any of our hot wars of the last five decades.

I urge my colleagues to join me in expressing support for continuation of a strong impact aid program.

TRIBUTE TO MAYOR AND MRS. MICHAEL A. TRAFICANTE

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. REED. Mr. Speaker, I rise today to pay tribute to Mayor and Mrs. Michael A. Traficante of the city of Cranston, my hometown, to honor them for their years of compassionate service for the programs at Eastman House Inc. Established in 1984, Eastman House provides unique treatment to meet the needs of women with alcohol addictions.

Mayor Traficante's support for the agency has been demonstrated in so many ways. As mayor, he awarded Eastman House a grant of $5,000 per year—money that has both enhanced the operational budget and allowed the agency to provide services that might otherwise not be possible.

On a personal level, the mayor and his wife have been actively involved in all of the fundraising efforts and dedication ceremonies that have taken place over the years. Mrs. Traficante has played a special role by taking on the position of honorary chairperson for the Eastman House Walk-a-thon for the past 2 years.

Mr. Speaker, I ask you and my colleagues to join me in saluting two outstanding Rhode Islanders, Mayor and Mrs. Traficante. A small agency such as Eastman House must rely heavily on the support of people in the community to survive. The Traficante's leadership and their own hard work have set a great example for the community and also given a significant boost to the Eastman House Program.

In a time of program cutbacks at all levels of Government, the personal and professional commitment of Mike and Ann Marie Traficante to the Eastman House Program is well worth our recognition today.

A TRIBUTE TO RANDOLPH W. BROMERY

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. OLVER. Mr. Speaker, together with the citizens of Massachusetts, I want to honor a great scientist, educator, and administrator, Randolph Wilson Bromery, on the occasion of his retirement from public service. Mr. Bomery deserves recognition for his many contributions to the communities where he has lived and worked, to geophysical science, to international relations, and to public higher education in Massachusetts. His life has been filled with extraordinary accomplishment and dedicated public service to his State and his country.

As a geologist, he expanded our store of knowledge while with the U.S. Geological Survey for 20 years, in the United States and abroad. He has served with distinction on numerous boards and commissions devoted to science, including advisory panels to the Secretary of the Interior, the Department of Commerce, the National Academy of Sciences, Harvard, Stanford, and John Hopkins Universities, the Massachusetts Institute of Technology, and many others. Many professional societies have benefited from his active participation, including the Geological Society of America, which he served as president. Professor Bromery also devoted his talents to increasing opportunities for minorities in science and science education, opening doors to academic programs and promoting scholarship resources for minority youth.

Randolph Bromery's scientific work led him to provide valuable assistance to the developing nations of Africa, most notably Zaire and Liberia. He became a respected ambassador both to the scientific community in Africa and to the forces working for peaceful social and political change in South Africa.

With all the honors and accomplishments he has from these endeavors, Randolph Bromery may nevertheless be valued most in Massachusetts for his contributions to the public higher education system in the Commonwealth. A man of immense administrative talents, he was called upon to set aside his scientific work and lead the University of Massachusetts in Amherst, as acting chancellor in 1971–72, and as chancellor from 1972 to 1979. As a former faculty member at University of Massachusetts myself, I know what a difficult task he undertook, and how well he performed it. One of his most outstanding characteristics as an academic leader, and one that all who have know him would cite, is that he is a conciliator and a healer, one who can step in and set things right. This was confirmed twice: from 1988 to 1990, he took over the troubled office of the president of Westfield State College and brought calm and order back to that institution; and, shortly thereafter, he was brought in to serve as interim chancellor of the board of regents of higher education.

As if this were not enough, he was just recently asked to do it all again, and has accepted the position of acting president of Springfield College. This school has also experienced turmoil in its leadership, and we can expect that Professor Bromery will have the same success in guiding a private college that he had in the public universities.

Although Randolph Bromery is formally retiring from his scientific and administrative work with the Commonwealth of Massachusetts, his contributions to education and to the wider community continue. I ask the Members of the House of Representatives to join with me honoring him today.

COLORADO SPRINGS LOSES TOP COP TO RETIREMENT

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1992

Mr. HEFLEY. Mr. Speaker, I am both pleased and saddened to call to the attention of my colleagues the retirement of Detective Earl D. Alrich from the Colorado Springs Police Department—pleased that he will be enjoying retirement after so many years of hard work for the safety of the community, but saddened that the police force is losing such a dedicated individual.

Mr. Alrich began his law enforcement career in 1967. Just 5 years later, he was selected for the detective bureau because of his outstanding performance as a patrolman. In this capacity he apprehended fugitives wanted on kidnaping and murder warrants, cooperated with the U.S. marshal, FBI, and other government agencies, and worked with the international police organization known as Interpol.

Throughout his 25 years of service, he has received numerous verbal and written commendations for his work. His motivation and determination earned him an enviable reputation among his peers.

The motto that he devised for the Police Department, "Protect with honor and serve with pride" is still used today.

Although he's retiring from the Police Force, Mr. Alrich will remain an active member of the community and will continue to speak publically on behalf of the Shrine-supported Crippled Children/Burn Hospital, which provides free services to individuals of any race and creed, up to the age of 18.